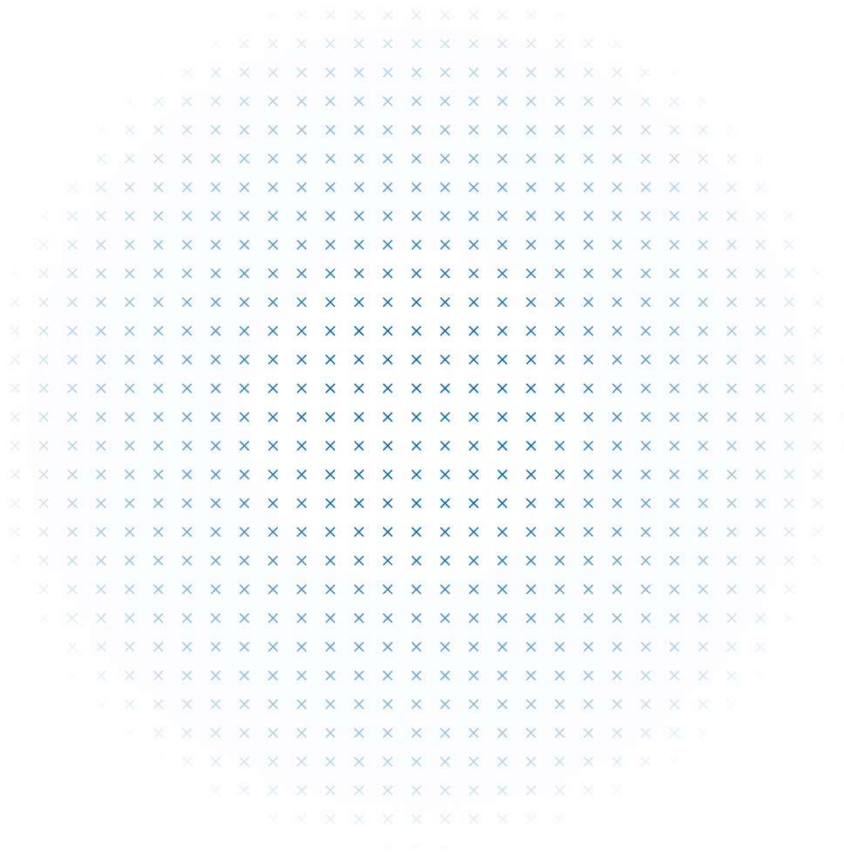




Transaction Capital



TRANSACTION CAPITAL

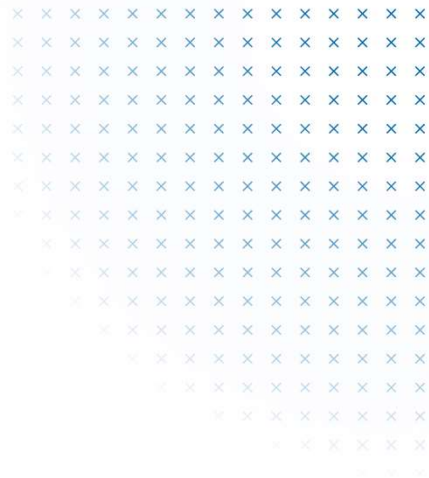
RESULTS
PRESENTATION

2019

FOR THE YEAR
ENDED 30 SEPTEMBER



Transaction Capital



GROUP HIGHLIGHTS

2 0 1 9 RESULTS FOR THE YEAR
ENDED 30 SEPTEMBER

FINANCIAL HIGHLIGHTS

FY19 COMPARED TO FY18



R446 million

HEADLINE EARNINGS ATTRIBUTABLE TO GROUP

↑ 21%

R519 million

HEADLINE EARNINGS

↑ 38%

R10.8 billion

GROSS LOANS & ADVANCES

↑ 16%

17.9%

NON-PERFORMING LOAN RATIO

FY18 | 17.5%

3.2%

CREDIT LOSS RATIO

FY18 | 3.5%

R584 million

NON-INTEREST REVENUE

↑ 17%

24.6%

RETURN ON EQUITY

FY18 | 35.0%



R803 million

HEADLINE EARNINGS

↑ 18%

131.3 cps

HEADLINE EARNINGS PER SHARE

↑ 18%

61 cps

TOTAL DIVIDEND PER SHARE

↑ 22%

R13.6 billion

MARKET CAPITALISATION

FY18 | R10.8 billion

R950 million

UNDEPLOYED CAPITAL

FY18 | R650 million

18.7%

RETURN ON EQUITY

FY18 | 19.6%

21.9%

RETURN ON EQUITY EXCL. UNDEPLOYED CAPITAL

FY18 | 22.8%



R313 million

HEADLINE EARNINGS ATTRIBUTABLE TO GROUP

↑ 15%

R1.2 billion

COST PRICE PURCHASED BOOK DEBTS ACQUIRED

↑ 79%

R2.4 billion

CARRYING VALUE OF PURCHASED BOOK DEBTS

↑ 73%

R4.5 billion

ESTIMATED REMAINING COLLECTIONS

↑ 50%

R2.1 billion

NON-INTEREST REVENUE

↑ 15%

78.9%

COST-TO-INCOME RATIO

FY18 | 80.0%

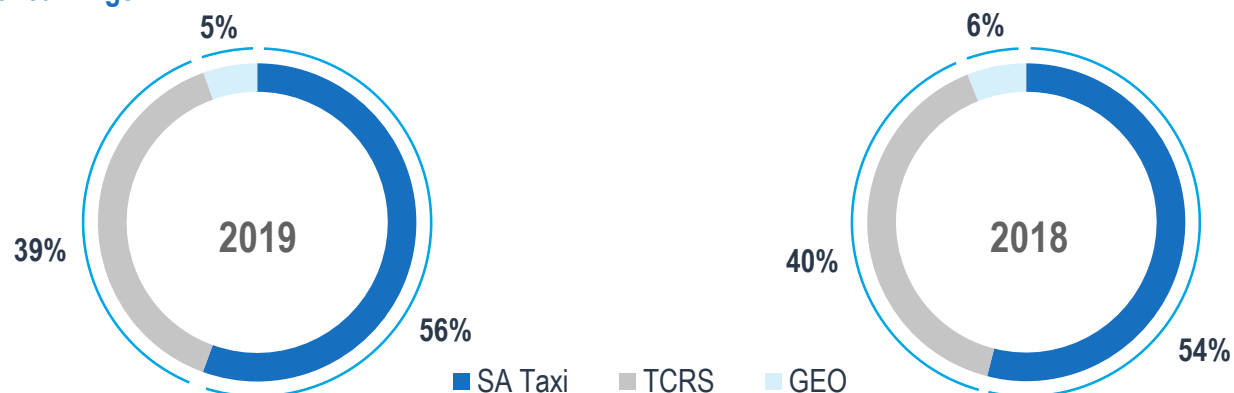
20.9%

RETURN ON EQUITY

FY18 | 20.0%

Financial ratios exclude once-off costs of R84 million attributable to the group relating to SA Taxi's ownership transaction with SANTACO which arose in the first half of 2019. R81 million of these costs are non-cash & in accordance with IFRS 2. R3 million relates to early debt settlement costs. 2018 balances have been restated for the early adoption of IFRS 17 – Insurance Contracts which has no material impact on headline earnings.

Composition of earnings



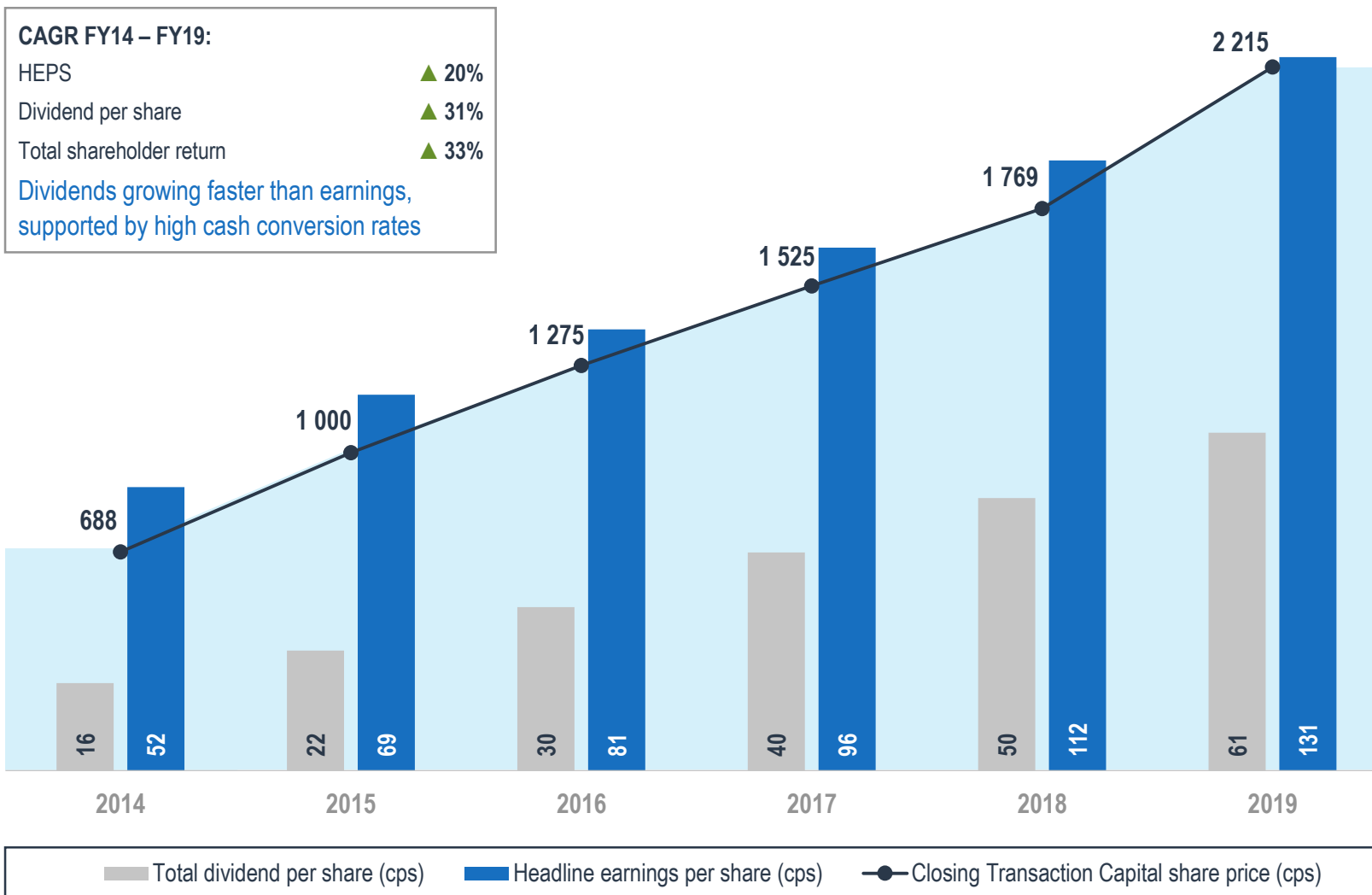
CONSERVATIVE CAPITAL STRATEGY

- Group balance sheet well capitalised, ungeared & liquid
- Undeployed capital of ~R950 million
- Majority allocated towards strategic organic growth initiatives
- Excess capital available to fund acquisitive growth
- Making earnings upside possible in the medium term

	Rm 2019	Rm 2018	Growth 2019
Headline earnings			
SA Taxi ¹	446	368	▲ 21%
TCRS ¹	313	273	▲ 15%
GEO	44	41	▲ 7%
TOTAL	803	682	▲ 18%
Cents per share	131.3	111.7	▲ 18%

1. Attributable to the group

TRANSACTION CAPITAL 5-YEAR PERFORMANCE



ROBUST PERFORMANCE FROM RECOVERIES CORPORATION IN AUSTRALIA

- Revenue **▲ low double-digit %**, all organic growth (new mandates & clients)
- Operating costs stable
- Significant operational leverage achieved
- Deployment of technologies proven in SA into Australian business
- Invested **R122m** in NPL Portfolios (FY18: **R23m**)
- Acquired **25%** of leading debt administration business in May 2019

COLLECTIONS REVENUE IN SOUTH AFRICA **▲ > 20% DESPITE CHALLENGING ENVIRONMENT**

Excellent revenue growth in the collection of SA NPL Portfolios performed ahead of expectations & has positively offset the expected slow down in contingency collection revenues

Acquisition of NPL Portfolios in SA

- Invested **R1.1bn** (FY18: **R639m**)

Contingency & FFS collection services performed in line with expectations in SA

- Difficult consumer credit environment | Constrained credit extension & lower volumes handed over
- Structural market shift | Clients selling NPL Portfolios earlier to focus on core business & optimise their balance sheets

GROWTH OPPORTUNITIES IDENTIFIED POSITIONING TCRS FOR ORGANIC GROWTH

SA | Continued NPL Portfolio acquisition opportunities

- Underdeveloped & growing sector | TCRS leading expansion of market
 - › New sellers | TCRS educating clients re best practice for sale of NPL Portfolios
 - › Expanding asset classes | pre write-off, collected via legal process, sold on bilateral or recurring contractual basis
- Current SA economic context favours acquisition of NPL Portfolios
- **▲** in unsecured credit extension¹ despite an over-indebted consumer

Australia | Purchase of NPL Portfolios

- Underpinned by growing Australian database & TCRS's analytics & pricing expertise
- Establish meaningful position in sizeable market
 - › Invested **R122m** (FY18: **R23m**)

TC Global Finance established

- Fragmented segment of European market presents growth opportunity
- **€2.7m** deployed to date (**€1.4m** after 30 Sep 2019)
- Initial returns in line with expectations

Portion of undeployed capital allocated towards these strategic organic growth initiatives

1. The NCR reported a year-on-year increase of 11.1% in the unsecured credit gross debtors book (which includes unsecured credit and credit facilities) in June 2019
The BA900 regulatory returns reported a year-on-year increase of 10.2% in banks' unsecured retail credit gross loans & advances in July 2019

OWNERSHIP TRANSACTION

- SANTACO acquired **25%** stake in SA Taxi for **R1.7bn**
- Finalised on **6 Feb 2019**
- Settled **~R1bn** of debt, yielding interest savings
 - › **~R76m** pre tax interest expense saving for FY19 (**~R55m** after tax)
- First trickle dividend paid in June 2019
 - › Majority invested into road safety projects led by SANTACO

SA TAXI FINANCE

- Book growth accelerated to **16%** vs. **~12%** per year since listing
 - › No. of loans originated **▲ 11%** (FY18: **▲ 3%**)
 - › **▲ Toyota** production, **▲ Nissan** supply
 - › Launch of lower interest rate product
 - › **▲ finance** of pre-owned vehicles

SA TAXI PROTECT

- Gross written premiums **▲ 20%**
 - › **▲ customer** acquisition in open market via broker network (**>100**)
- Reduced cost of claim via efficiencies (SA Taxi Auto Repairs & SA Taxi Auto Parts)
- Technology investment | Enhance claims administration, prevent insurable events & reduce cost of claims
- Early adopted IFRS 17 (aligning with IFRS 9)

SA TAXI AUTO REPAIRS & SA TAXI AUTO PARTS

- Launched March 2018, with salvage operations established shortly thereafter
- Finance | Cost of refurbishment **▼ ~4% to 10%¹**; **▼ loss** given default; **▲ recovery** on repossession
- Insurance | **▼ cost** of claim
- Retail | New & pre-owned auto parts targeting open market taxi operators

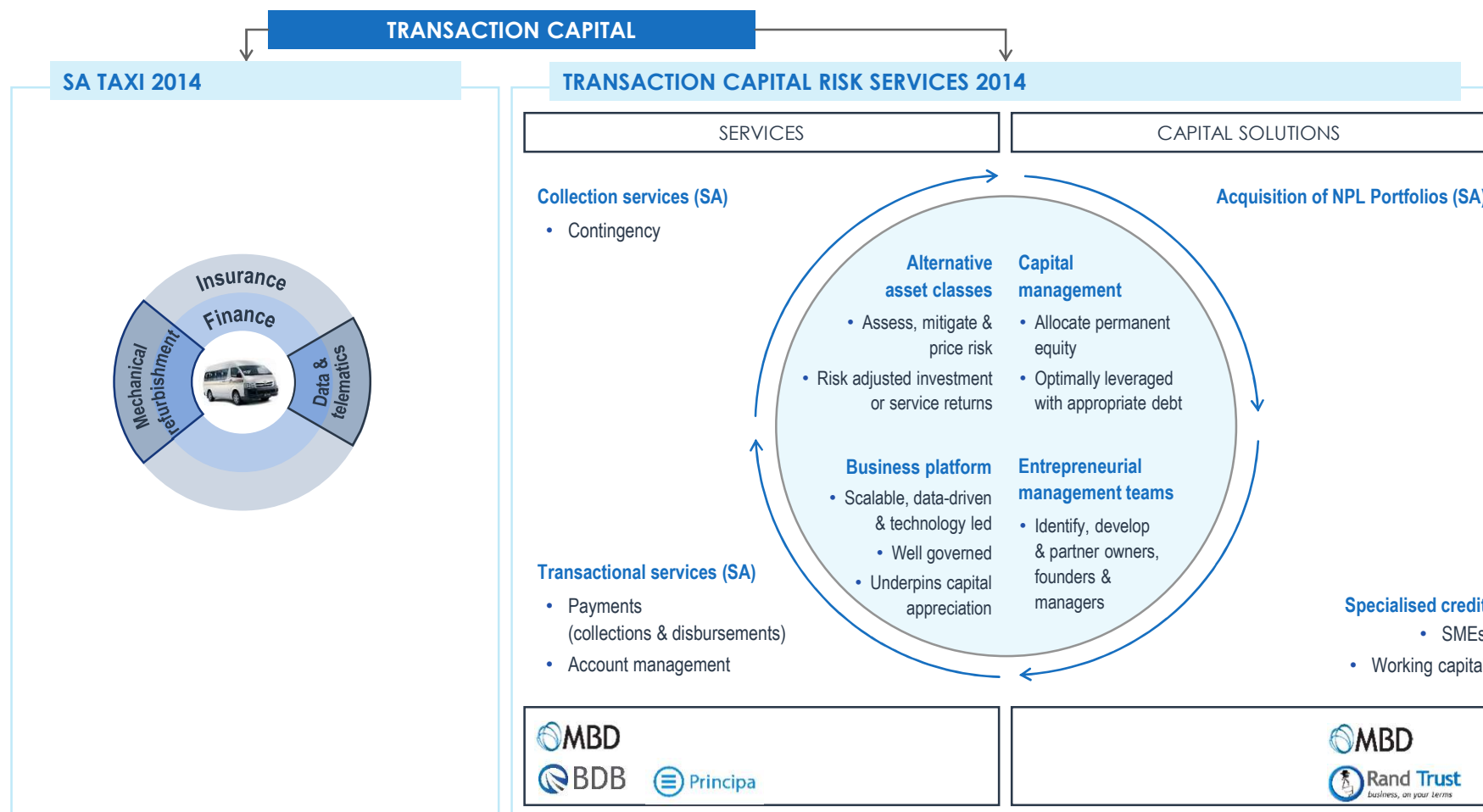
SA TAXI REWARDS

- Ownership transaction enabled SA Taxi & SANTACO to jointly negotiate better pricing
 - › Ultimate beneficiaries are minibus taxi operators & the industry
- Fuel programmes | Shell
- Tyre programme | Bridgestone
- Negotiations with additional partners underway
- Enhances safe & sustainable public transport

DEBT CAPITAL MARKETS

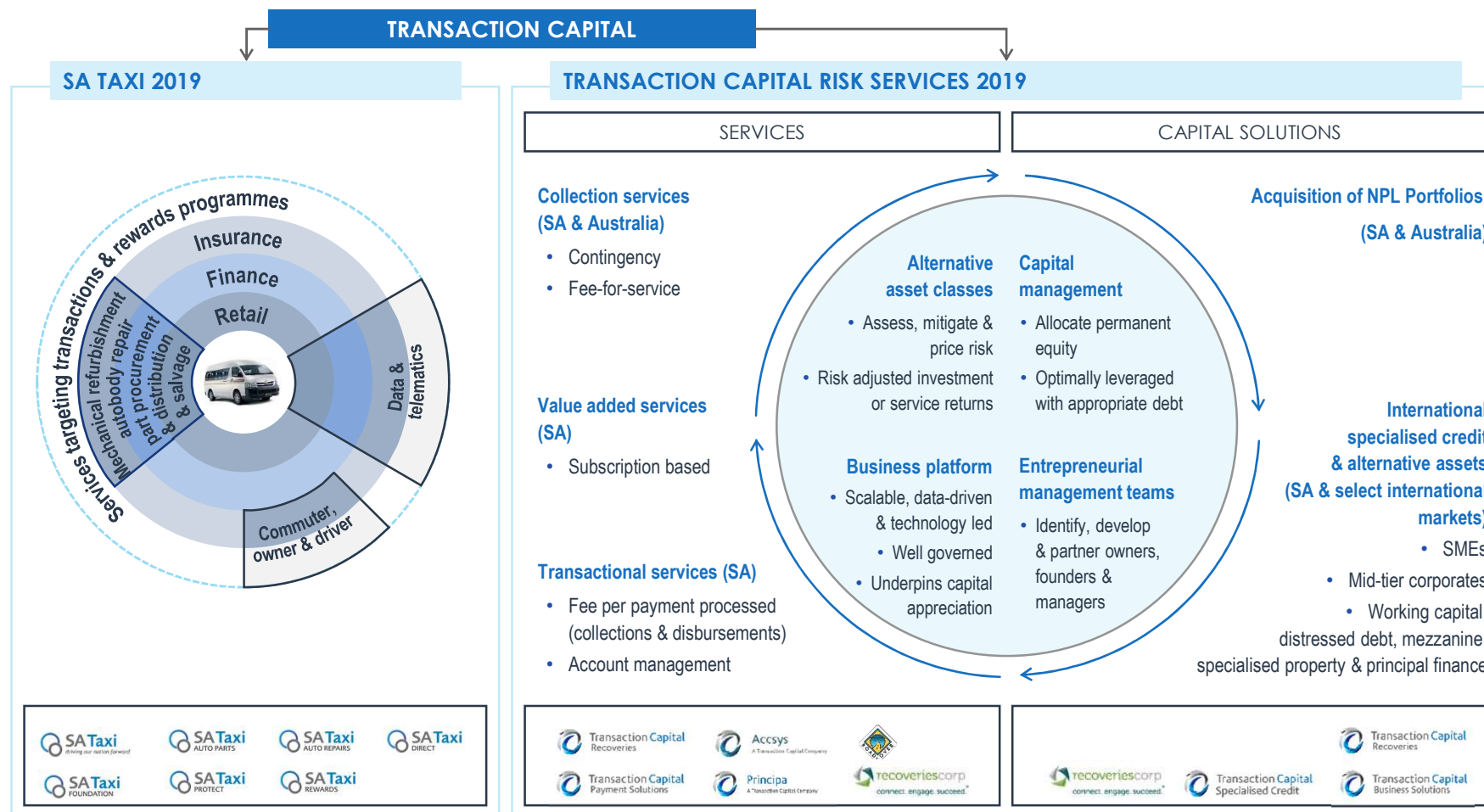
- SA Taxi's 2020 funding requirements already met
- Exploring opportunities with local DFIs

1. Reduction in the cost of refurbishment is dependent on the nature of the refurbishment or repair



TRANSACTION CAPITAL GROUP STRUCTURE 2019

GROWING EARNINGS BASE BY EXPANDING EXISTING TOTAL ADDRESSABLE MARKET
& ENTERING ADJACENT MARKET SEGMENTS VIA VERTICAL INTEGRATION





Transaction Capital

TRANSACTION CAPITAL RISK SERVICES

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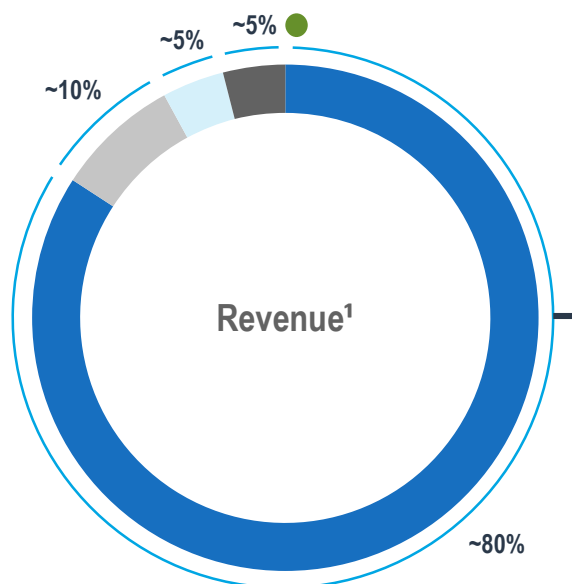
RESULTS FOR THE YEAR
ENDED 30 SEPTEMBER

TCRS MARKET POSITIONING | DIVERSIFIED BUSINESS MODEL

BY BUSINESS ACTIVITY, REVENUE MODEL, GEOGRAPHY, SECTOR, CLIENT & MANDATE

DIVERSIFICATION SUPPORTS PERFORMANCE IN VARYING MARKET CONDITIONS & REDUCES CONCENTRATION RISK

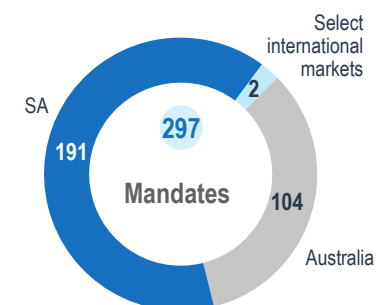
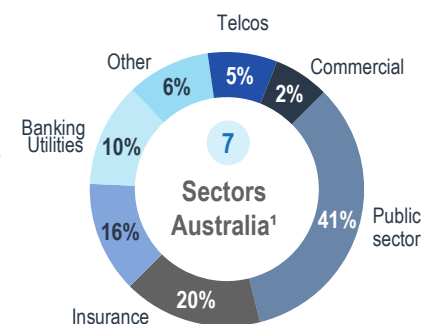
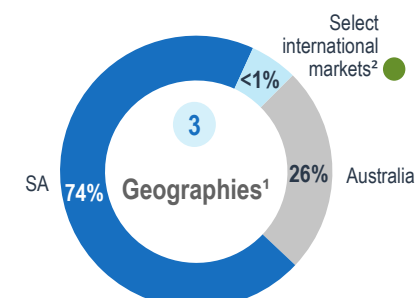
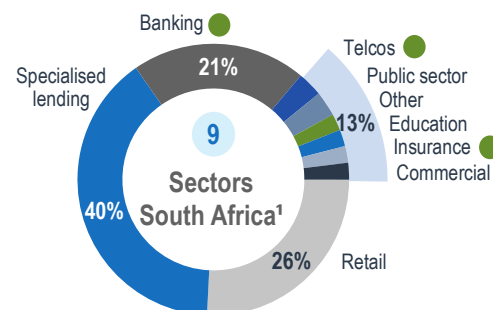
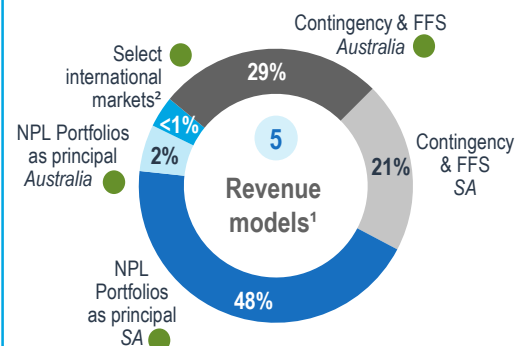
Business activities



Collection services Transactional services
Value added services Specialised credit

● Significant & strategic growth opportunity

Collection services diversification



1. Approximate revenue composition 30 September 2019
2. Profit share included in revenue as at 30 September 2019

MACRO- & SOCIO-ECONOMIC ENVIRONMENT IN SA PLACING PRESSURE ON CONSUMERS OVER THE MEDIUM TERM

37 million

Adults¹

25 million

Credit active consumers
in SA²



→ **10.2 million**

(~40%) NON-PERFORMING CREDIT CONSUMERS²

→ HOUSEHOLD DEBT TO INCOME³ AT **72.7%**

(▲ from 71.6% Q2 2018)

→ ELEVATED LEVELS OF UNEMPLOYMENT⁴

- Total at **29.1%** in Q3 2019 (▲ from 27.5% Q3 2018)
- Youth at **58.2%** in Q3 2019 (▲ from 52.8% Q3 2018)

→ INFLATION⁵ AT **4.1%** > WAGE GROWTH⁴ AT **<4.0%**

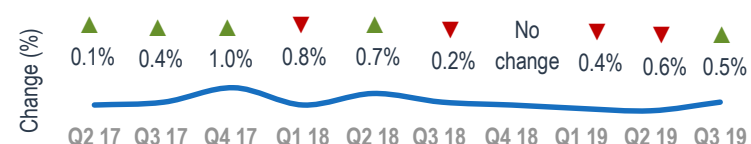
→ INTEREST RATES ▲ MARGINALLY
AVERAGE REPO RATE⁶ **6.7%** (FY18: 6.6%)

→ CREDIT EXTENSION ▲

NCR | UNSECURED CREDIT⁷ ▲ **11.1%** year-on-year June 2019
BANKS' UNSECURED RETAIL CREDIT⁸ ▲ **10.2%** year-on-year July 2019

Transaction Capital's consumer credit rehabilitation index

NATIONAL REHABILITATION PROSPECT TRENDS | QUARTER-ON-QUARTER



Effect on TCRS

- ▲ in credit extension
 - › ▲ in collection opportunities
- Challenging consumer credit environment
 - › Contingency & FFS
 - ▼ yield in contingency collection mandates
 - › Acquisition of NPL Portfolios as a principal
 - ▲ value & number of NPL Portfolios offered for sale
 - Negotiate pricing of acquired NPL Portfolios to earn constant yields

NATIONAL CREDIT AMENDMENT BILL – “DEBT RELIEF”

- Enacted August 2019 (No effective date)
 - › Complex implementation
 - › Costly administration (estimated cost to fiscus >R400 million per year⁹)
- Persistently over-indebted consumers¹⁰ | ~1.5 million
 - › Earning <R7 500 per month with unsecured debt <R50 000 & >9 months in arrears
- Consumers that could benefit from debt relief bill¹¹ | ~177 000

TCRS's response

- Immaterial impact on TCRS
 - › NPL Portfolios acquired | Immaterial value placed on persistently over-indebted consumers in TCRS database due to low propensity to repay
 - › Contingency & FFS | Matters of this nature would not be selected for collection
- Behavioural impact | Training call centres to deal with Debt Relief Bill queries & avoidance

AUSTRALIAN CONSUMER CREDIT ENVIRONMENT

AUSTRALIAN CONSUMER EMPLOYED BUT HIGHLY LEVERAGED

- 5.3% unemployment (October 2019)
- Persistently high levels of household debt to disposable income at ~190%, exacerbated by decreasing housing values
- Monthly debt servicing costs at ~51% (excluding home loans)
- Tightened credit extension policies moderated by lower interest rates & leniency in debt affordability assessments

AUSTRALIAN DEBT COLLECTION ENVIRONMENT

- Consumers:
 - › Predominantly employed
 - › Respond well to non-voice & digital channels & high levels of right party contact
- Market participants:
 - › Paying higher prices with lower access to funding
 - › Increased regulatory compliance

FRAGMENTED MARKET COMPRISING ~550 MARKET PARTICIPANTS | EARLY STAGE MARKET CONSOLIDATION

AUSTRALIAN COLLECTIONS MARKET | MARKET SHARE CONCENTRATION

ACQUISITION OF NPL PORTFOLIOS AS PRINCIPAL		CONTINGENCY & FFS COLLECTIONS	
	61.4%		34.3%
• Credit Corp	14.0%	• illion (formerly Dun & BradStreet)	3.5%
• Collection House	12.3%	• Recoveries Corp (TCRS)	3.4%
• Pioneer Credit Limited	7.9%		
• Panthera	4.1%		
• Recoveries Corp (TCRS)	1.2%		
		OTHER COLLECTIONS	4.3%

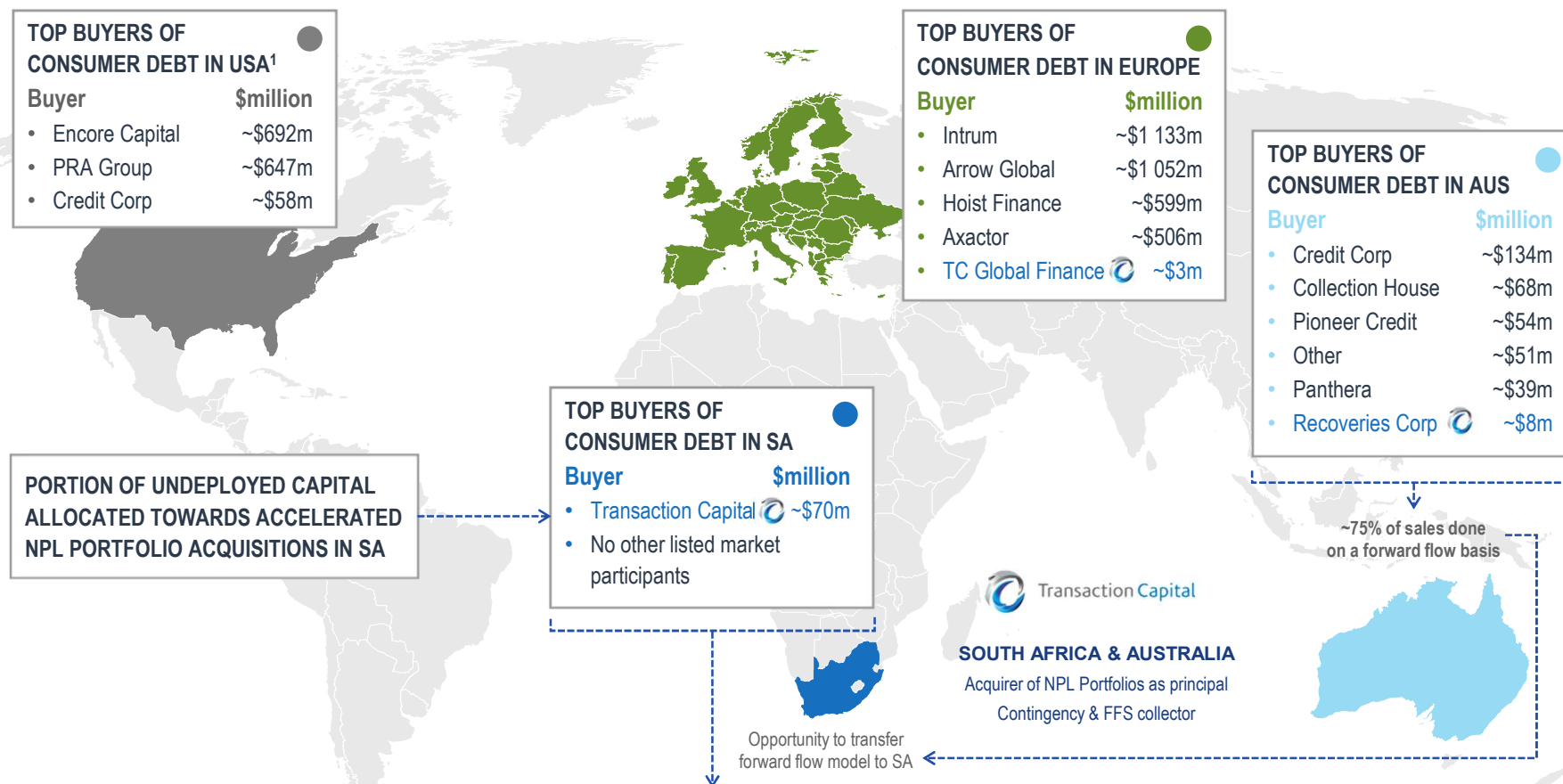
PRICE OF NPL PORTFOLIOS ACQUIRED PER YEAR

BUYERS OF CONSUMER DEBT IN AUSTRALIA



TCRS STRATEGIC GROWTH INITIATIVES TO CREATE VALUE

GROWTH OPPORTUNITIES IN AN UNDERDEVELOPED & GROWING SA MARKET



- Underdeveloped & growing sector | TCRS leading the expansion of this market
 - › New sellers | TCRS educating clients re best practice for sale of NPL Portfolios
 - › Expanding asset classes | NPL Portfolios sold pre write-off, collected via legal process, sold on bilateral or recurring contractual basis
- Current SA economic context favours acquisition of NPL Portfolios
- ▲ in unsecured credit extension despite an over-indebted consumer

Source: Debt Sale Market Update - the changing buying landscape report by Bravure Group 21 August 2019

All amounts reflected in \$ millions unless stated otherwise | 1.47 AUD to 1 USD conversion rate as at 18 August 2019 | 15.17 ZAR to 1 USD conversion rate as at 30 September 2019 | 0.91 EUR to 1 USD conversion rate as at 30 September 2019

1. Transaction Capital's approach to enter into the select international markets **excludes** the USA

FRAGMENTED SEGMENT OF EUROPEAN DISTRESSED DEBT & SPECIALISED CREDIT MARKET

- Portion of undeployed capital allocated towards European distressed debt & specialised credit market
- Selective & cautious entry
- €2.7m invested to date (€1.4m after 30 September 2019)
- Portfolio to be diversified by: asset class, asset originator, collection platform, geographic region
- Invest directly on a bilateral basis
- Co-investment in partnership with specialist credit managers

ACQUISITION OF AUSTRALIAN NPL PORTFOLIOS

- Portion of undeployed capital allocated towards accelerated acquisition of Australian NPL Portfolios
- Cautious investment approach
- R122m invested in Australian NPL Portfolios in 2019 (FY18 | R23m)
- Further investment underpinned by:
 - › Growing Australian database
 - › Deployment of technologies proven in SA into Australian business
 - › TCRS's analytics & pricing expertise

 Transaction Capital
SOUTH AFRICA & AUSTRALIA
Acquirer of NPL Portfolios as principal
Contingency & FFS collector

- Opportunity to leverage TCRS's SA high-IP & low-cost infrastructure
- Intention to replicate TC's business model building scalable servicing platforms leveraging TC's IP
- Small position in these sizeable markets provides meaningful growth opportunity
- Additional revenue model by entering adjacent market sectors
- Within TCRS's skill set & competencies
- Revenue in hard currency | € & A\$ in addition to ZAR

TCRS STRATEGIC GROWTH INITIATIVES TO CREATE VALUE

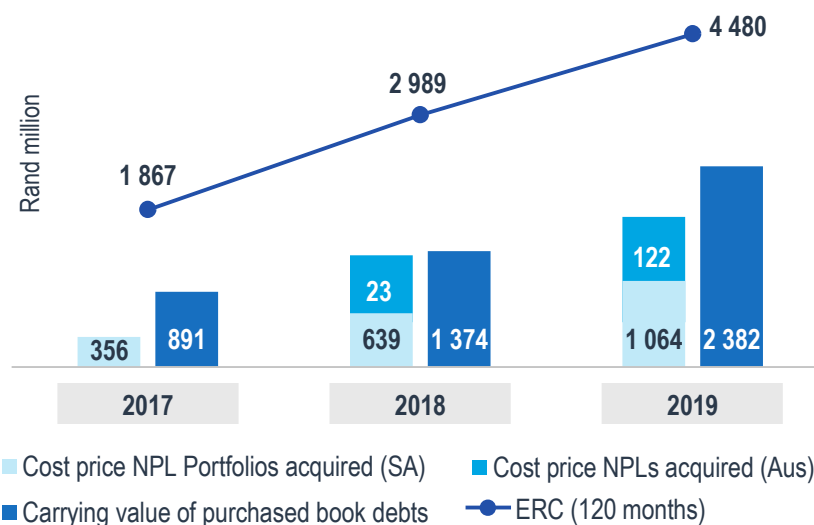
ACQUISITION OF NPL PORTFOLIOS AS A PRINCIPAL IN SA & AUSTRALIA



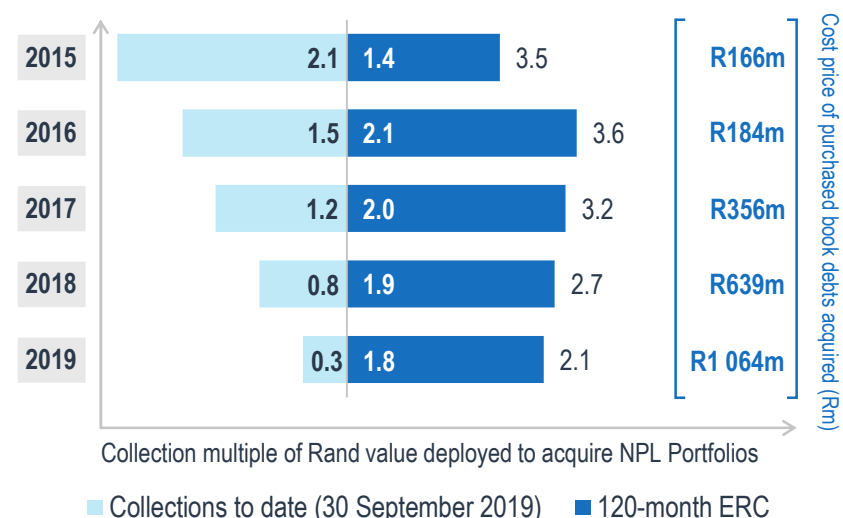
Transaction Capital

16

Growth trajectory to support future positive performance



Collection multiple vintage performance¹ as at 30 September 2019



- Current South African economic context favours acquisition of NPL Portfolios
- Invested **R1 064m** into SA NPL Portfolios (FY18: **R639m**)
- Invested **R122m** into Australian NPL Portfolios (FY18: **R23m**)
- **273** NPL Portfolios owned in total with face value of **R23.8bn**
- Carrying value of purchased book debts **▲ 73%** to **R2 382m** (FY18: **R1 374m**)
- Revenue from principal collections **▲ >30%**
- Collection multiple targets when pricing NPL Portfolios for acquisition
 - › SA | Pre write-off & legal debt **~1.8 times** | faster activation, lower cost, earlier recovery
 - › SA | Written off debt **>2.2 times** | extended activation time, higher cost, longer recovery
 - › Australia | **<2.0 times** | shorter collection period, lower activation risk (high level of employment & 'right party contact'), lower cost of capital
- Estimated remaining collections (ERC) **▲ 50%** to **R4.5bn** supporting strong annuity cash flows & predictable growth in future collections & revenue
 - › Average life of ERC **~3.8 years**

1. Includes only South African portfolios & excludes contracts where TCRS does not have title of the underlying claim

INVESTMENT INTO DATA, TECHNOLOGY & ANALYTICS

- Process optimisation: Work force management, dialer, propensity to pay scorecards & right time to call
- Implementation of new technologies including artificial intelligence & digital communications
- Expansion of MDU
 - › >12 million ID numbers

COLLECTION SERVICES

Acquisition of NPL Portfolios as principal



SOUTH AFRICA:

- Continued NPL Portfolio acquisitions in an expanding underdeveloped sector
- ▲ in unsecured credit extension despite an over-indebted consumer
- Structural market shift with clients opting to sell NPL Portfolios earlier to focus on core business & optimise their balance sheets

AUSTRALIA:

- Purchase of NPL Portfolios as a principal
 - › Establish a more meaningful position in the sizeable Australian collections market
- Bolt on acquisitions | Specialist NPL Portfolios acquirers

Contingency & FFS collection services



SOUTH AFRICA:

- Grow adjacent sectors | consumer accounts receivables & insurance shortfalls
- Bespoke solutions | e.g. early stage collections & debt review
- Bolt-on acquisitions | Specialist collectors

AUSTRALIA:

- Technology to create operational efficiencies
- Expanding TCRS's proven SA technology, BI & analytics to Recoveries Corp in Australia
- Outsource to SA | low-cost, high IP
- Bolt-on acquisitions | Specialist collectors

VALUE ADDED SERVICES



- Apply data & analytics skills to grow direct sales
- Bolt-on acquisitions

SPECIALISED CREDIT



TC Global Finance

- Establish meaningful position in sizeable but fragmented segment of the European specialised credit market

TRANSACTIONAL SERVICES

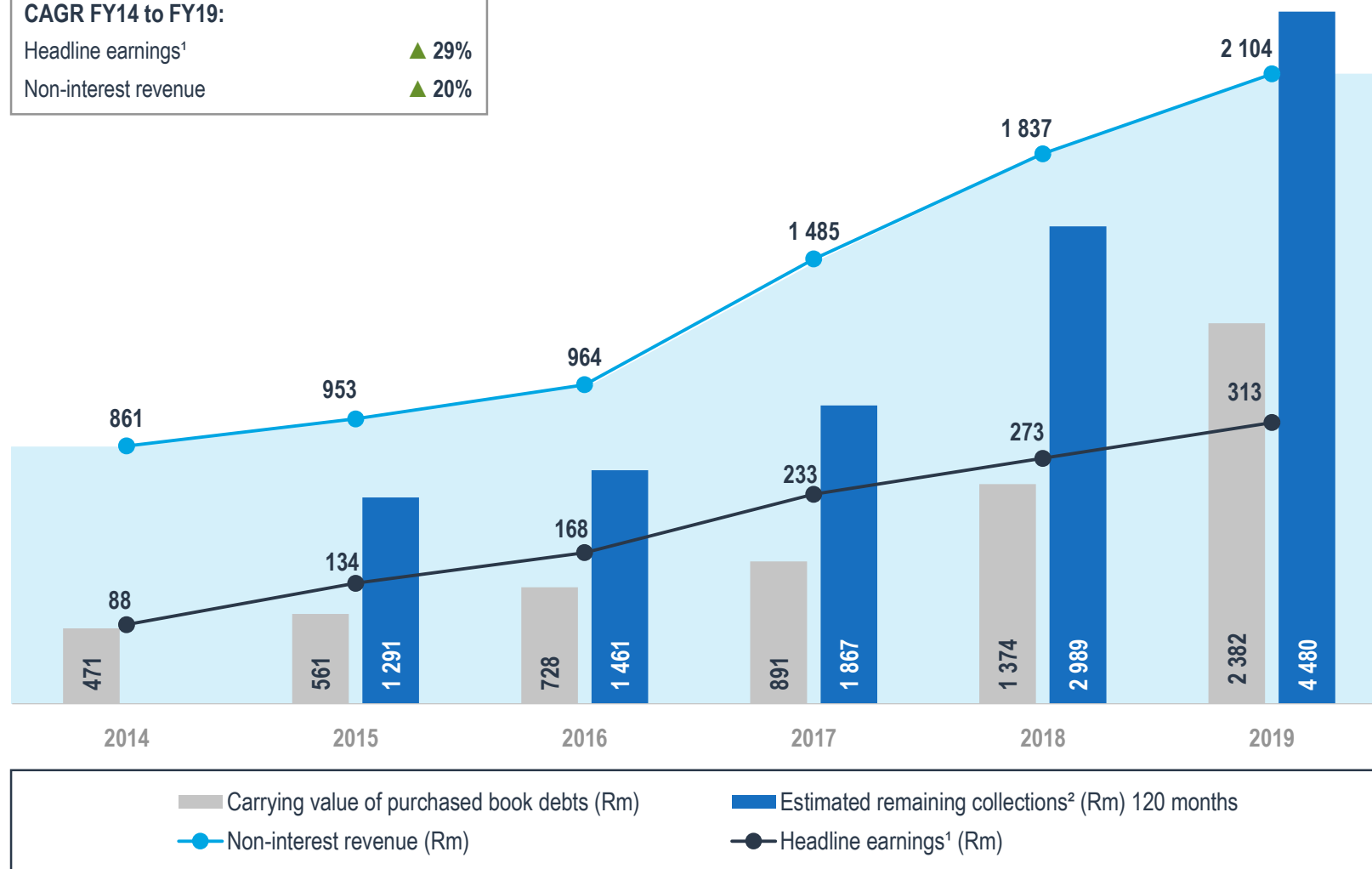


- Creation of a single integrated transactional services platform
- Bolt-on acquisitions

TCRS 5-YEAR PERFORMANCE

CAGR FY14 to FY19:

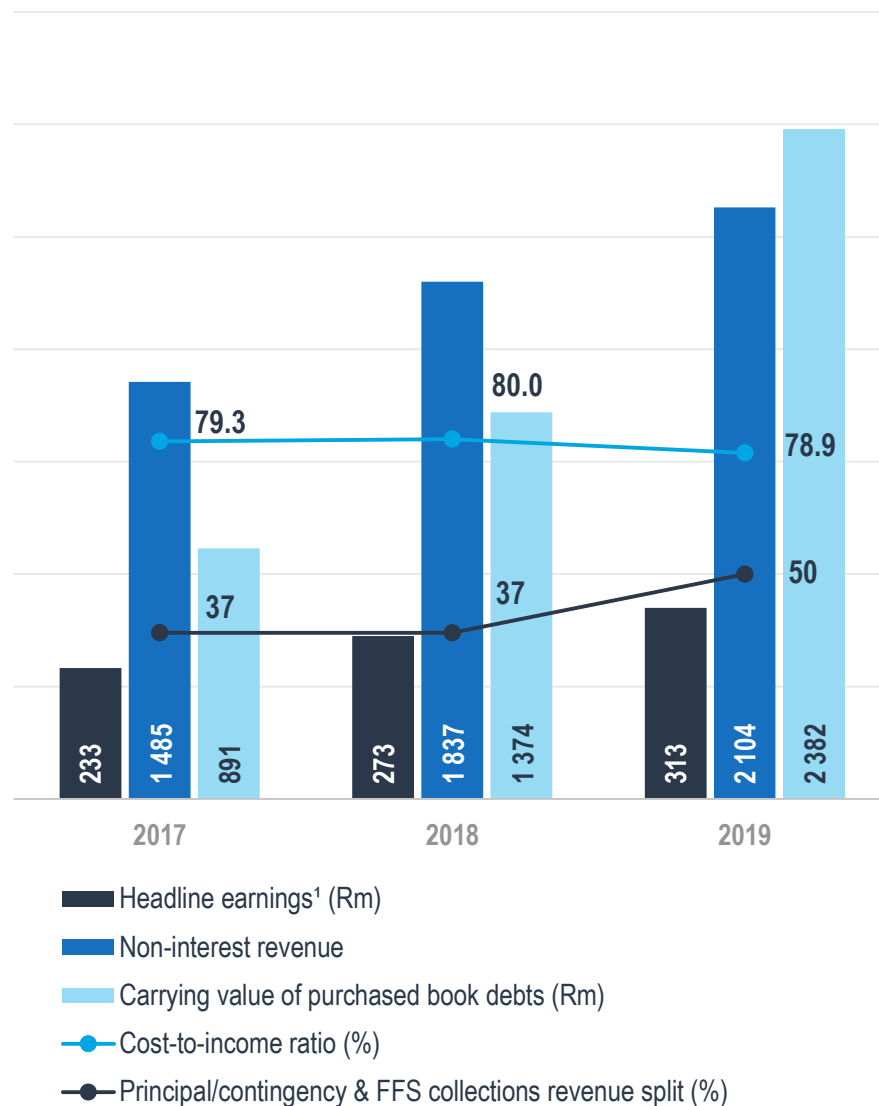
Headline earnings¹ ▲ 29%
Non-interest revenue ▲ 20%



Financial years 1 October to 30 September | Adopted IFRS 9 in 2015 | 2014 numbers on a pro forma IFRS 9 basis

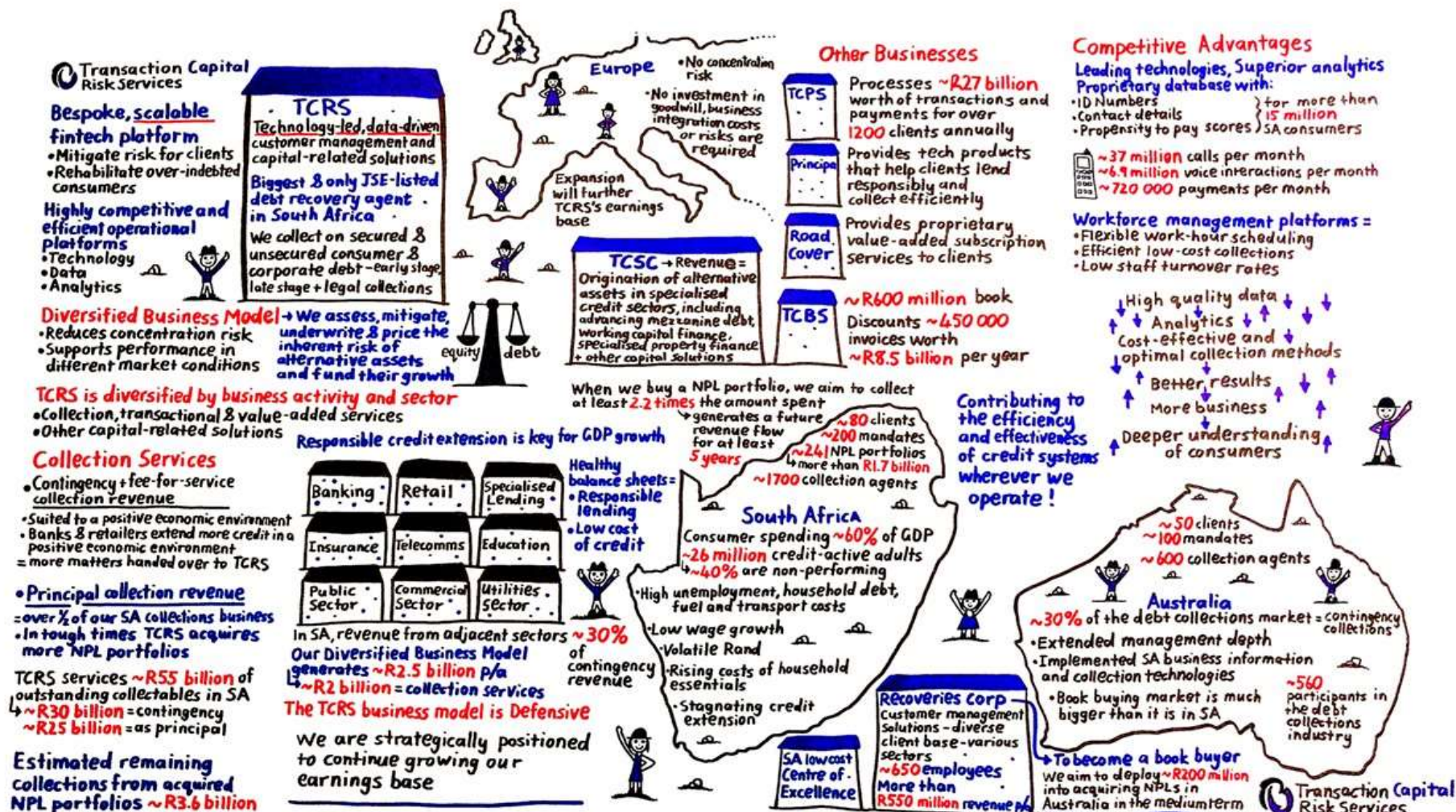
1. Headline earnings attributable to the group

2. ERC for 2014 not reported



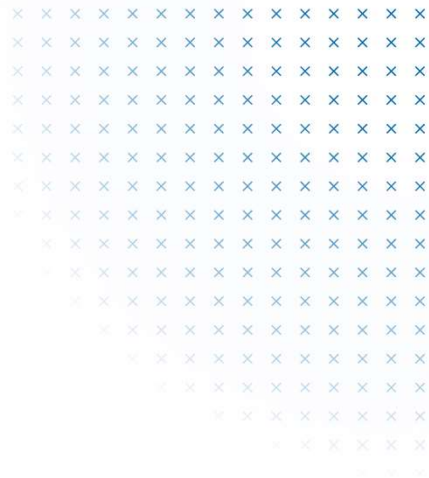
- Headline earnings ▲ **15% to R313m**
- Non-interest revenue ▲ **15% to R2.1 bn**
- Organic revenue from collection services ▲ **21%**
 - › **SA** | Excellent revenue growth in collection of NPL Portfolios positively offset expected slow down in contingency collection revenues
 - SA collections revenue ▲ **>20%**
 - Challenging environment to grow contingency & FFS revenue
 - › **Australia** | Robust performance
 - Revenue ▲ **low double-digit %**
 - » Organic growth from contingency collections (new clients & mandates)
 - Operating costs stable
 - Resulting in significant operational leverage
 - Continued acquisition of NPL Portfolios
- Cost-to-income ratio improved to **78.9%** from **80.0%**
 - › Frugal cost management
 - › Continued investment in data (MDU), technologies & analytics yielding efficiencies
- Transactional & value-added services contributed to earnings growth, but at a rate of **<10%**
 - › Impacted by challenging SA economic & operating environment
- TCBS book growth curbed to not compromise credit risk

1. Attributable to the group





Transaction Capital



SA TAXI

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RESULTS FOR THE YEAR
ENDED 30 SEPTEMBER

ENVIRONMENT FOR MINIBUS TAXI OPERATORS

INDUSTRY IS DEFENSIVE & GROWING WITH RESILIENT OPERATORS DESPITE CHALLENGING ECONOMIC ENVIRONMENT



Transaction Capital

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STRUCTURAL ELEMENTS SUPPORT MINIBUS TAXI INDUSTRY RESILIENCE

DOMINANT & GROWING MODE OF INTEGRATED PUBLIC TRANSPORT NETWORK

- 69%** OF HOUSEHOLDS USE MINIBUS TAXIS (**59%** in 2003)
- >15 million** COMMUTER TRIPS DAILY
- Competitively priced
 - Convenient
 - Accessible
 - Currently no government subsidy
- Bus & Rail | subsidised | together account for **<2 million** trips daily
- New passenger vehicle sales ▼ **43%** (FY13 to FY19)
- Increasing commuter density due to urbanisation
- Continued high levels of unemployment **~29%**
- Spend by commuters on public transport is non-discretionary

DEMAND FOR MINIBUS TAXIS > SUPPLY IN SOUTH AFRICA

DEMAND	>250 000 MINIBUS TAXIS >9 YEARS OLD	~80 000 FINANCED & OR INSURED	~170 000 UNENCUMBERED & HENCE AGED
	AGEING FLEET REQUIRING REPLACEMENT & RECAPITALISATION MAJOR PREMIUM BRAND MINIBUS TAXIS SUPPLIED PER MONTH		
SUPPLY	~1 800 NEW ¹	~220 PRE-OWNED ¹	

EFFECT ON SA TAXI

- Driving higher demand for minibus taxis, finance & other services
- Liquid market for SA Taxi's high quality & affordable pre-owned & refurbished vehicles
- Resulting in higher recoveries as asset retains value due to demand > supply

CHALLENGING ENVIRONMENT FOR MINIBUS TAXI OPERATORS

VEHICLE PRICES

R451 600 TOYOTA HIACE (DIESEL) → PRICE ² Since FY15 ▲ 24%	~R2 350 ▲ IMPACT ON MONTHLY INSTALMENT SINCE 2015	4.2% ▲ TOYOTA VEHICLE PRICES IN FY19
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FUEL PRICES INCLUDING FUEL LEVIES

R15.53 per litre PETROL PRICE ³ ▲ 6%	R14.34 per litre DIESEL PRICE ³ ▲ 10%
FUEL PRICES ONLY 6% LOWER THAN ALL TIME HIGH IN OCTOBER 2018	

INTEREST RATES

6.7% AVERAGE REPO RATE ⁴ FY15 5.8%	15.25% to 26.75% SA TAXI RISK BASED PRICING INTEREST RATE RANGE
--	--

TAXI RECAPITALISATION PROGRAMME (TRP)

R124 000 ▲ 36% IN APRIL 2019 MINIBUS TAXI SCRAPPING ALLOWANCE	TRP INITIATED BY GOVERNMENT IN 2016
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Source: Stats SA Land Transport Survey 2018 | NAAMSA Sales Results | National Treasury Public Transport & Infrastructure system report | Department of Transport -Transport Infrastructure report | Passenger Rail Agency of SA |

SA Bus Operators Association | Websites: Rea Vaya, MyCiTi, Rustenberg Rapid Transport

1. Includes Toyota, Nissan & Mercedes | SA Taxi's best estimate based on monthly NAAMSA reports, internal data & Lightstone data | 2. Toyota recommended retail price, including VAT, as at 30 September 2019

3. www.energy.gov.za | 12-month rolling average petrol price (September 2018 to September 2019) | 4. Average Repo rate for year ending 30 September 2019 & 2015

ENVIRONMENT FOR MINIBUS TAXI OPERATORS

MINIBUS TAXIS ARE THE PREFERRED MODE OF PUBLIC TRANSPORT DUE TO COMPETITIVE PRICING, ACCESSIBILITY & RELIABILITY



Transaction Capital

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LOWER LSM CONSUMERS SPEND ~ 40% OF MONTHLY HOUSEHOLD INCOME ON PUBLIC TRANSPORT FARES
COMMUTER TRIPS VIA BUS & RAIL MOSTLY REQUIRE FIRST & LAST KM UTILISING MINIBUS TAXIS

SHORT DISTANCE ROUTE | SOWETO TO JOHANNESBURG: 23KM

	Minibus taxi	Train	Bus	BRT	Uber
Accessibility	On route	Station & scheduled	Scheduled stops	Scheduled stops	E-hail
Affordability 2017	R14.00	R9.50	R14.80	R13.50	~R260.00
Increase	14%	0%	20%	11%	8%
Affordability 2018	R16.00	R9.50	R17.80	R15.00	~R280.00
Reliability	1 association with ~1 400 members	Every 10 to 20 minutes Stops at 7pm	A few buses operating on the route	Volume of buses < peak capacity required	On demand
Efficiency					

AVERAGE MINIBUS TAXI OPERATOR PROFITABILITY¹
~R25 000 PER MONTH

LONG DISTANCE ROUTE | JOHANNESBURG TO DURBAN: 595KM

	Minibus taxi	Train	Bus - Eldo	Bus - Greyhound
Accessibility	On route	Station & scheduled	Scheduled stops	Scheduled stops
Affordability 2017	R290.00	R360.00	R240.00	R390.00
Increase	3%	8%	0%	1%
Affordability 2018	R300.00	R390.00	R240.00	R395.00
Reliability	3 associations with ~900 members	3x per week	7 departures each per day (fewer on a Saturday & Sunday)	
Efficiency				

AVERAGE MINIBUS TAXI OPERATOR PROFITABILITY¹
~R37 000 PER MONTH

1. Based on SA Taxi's affordability calculator at origination | Average operator profitability varies based on profile of financial deal
Factors include: new vs. pre-owned vehicle, loan term, deposit paid, region, association, route dynamics & demand, insurance products taken-up | SA Taxi's model measuring operator profitability remains conservative
Source: Industry information | Websites: Metrorail; Bus Rapid Transport; Rea Vaya; Various bus companies | Uber SA app
Latest available information for train, bus and BRT is for 2018. Minibus taxi fares for 2019 are as follows: Soweto to Johannesburg R17.00 | Johannesburg to Durban R320.00

ENVIRONMENT FOR MINIBUS TAXI OPERATORS

FARE INCREASES MUTED IN 2019



Transaction Capital

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FARES DETERMINED BY EACH ASSOCIATION PER ROUTE

- The industry ensures operators remain profitable
- Demand for minibus taxi services is relatively inelastic

FARE INCREASE CONSIDERATIONS INCLUDE

- Timing & extent of prior increases
- Commuter affordability
- Operator profitability
- Other modes of transport for a particular route

DESPITE INELASTIC DEMAND FOR MINIBUS TAXI SERVICES THE INDUSTRY KEPT FARE INCREASES MUTED IN 2019 BEING MINDFUL OF THE ECONOMIC HARDSHIP OF COMMUTERS

NORTH WEST

~ **65** routes selected

FY19 | NO FARE INCREASE

▲ **0%**

FY18 | ▲ 23%

EASTERN CAPE

~ **130** routes selected

FY19 | AVERAGE FARE INCREASE ▲ **6%**

FY18 | ▲ 14%

MPUMALANGA

~ **80** routes selected

FY19 | NO FARE INCREASE

▲ **0%**

FY18 | ▲ 9%

GAUTENG INCLUDING SOWETO

~ **240** routes selected

FY19 | NO FARE INCREASE

▲ **0%**

FY18 | ▲ 15%

KWA-ZULU NATAL

~ **260** routes selected

FY19 | AVERAGE FARE INCREASE ▲ **7%**

FY18 | ▲ 10%

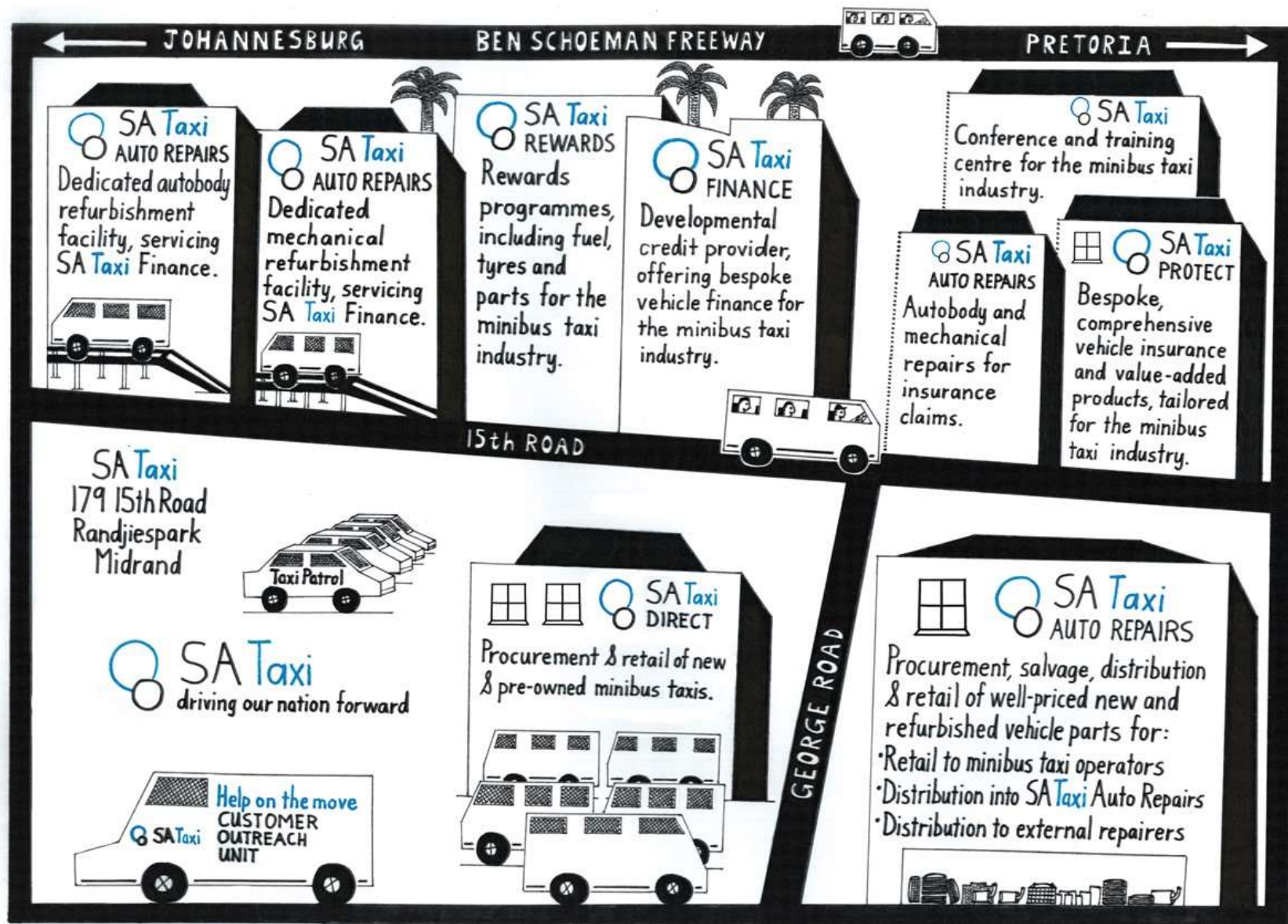
SA TAXI MARKET POSITIONING

VERTICALLY INTEGRATED BUSINESS MODEL



Transaction Capital

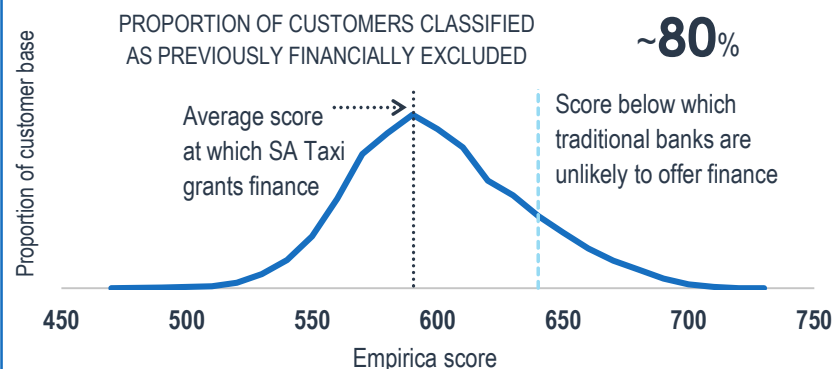
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SA TAXI MARKET POSITIONING

VERTICALLY INTEGRATED BUSINESS MODEL

DEVELOPMENTAL CREDIT DRIVING POSITIVE SOCIAL IMPACT INCLUSIVE GROWTH | ECONOMIC TRANSFORMATION



PROPRIETARY DATA & ANALYTICS ENHANCES SA TAXI'S COMPETITIVE ADVANTAGE



SA TAXI FINANCE

10.8 billion GROSS LOANS & ADVANCES ↑ 16%	32 441 LOANS ON BOOK ↑ 6%	~1.2 VEHICLES PER CLIENT FY18 ~1.2
15.25% to 26.75% RISK BASED PRICING INTEREST RATE RANGE	11.1% AVERAGE COST OF BORROWING FY18 11.4%	12.2% NET INTEREST MARGIN FY18 11.2%
17.9% NON-PERFORMING LOAN (NPL) RATIO FY18 17.5%	3.2% CREDIT LOSS RATIO FY18 3.5%	9.0% RISK-ADJUSTED NET INTEREST MARGIN FY18 7.7%

- Book growth accelerated to **16%** vs. **~12%** per year since listing
 - New | **~500** vehicles per month (FY18 | **~475**)
 - ▲ Toyota production, ▲ Nissan volume, new finance products (lower risk customer offering)
 - Pre-owned | **~220** vehicles per month (FY18 | **~150**), reliable & affordable alternative to purchasing a new minibus taxi in a challenging environment
- Toyota vehicle price ▲ **4.2%** in FY19 (Since FY15 | ▲ **24%**)

VERTICALLY INTEGRATED BUSINESS MODEL

MINIMISING THE COST OF RISK, BY MAXIMISING RECOVERIES

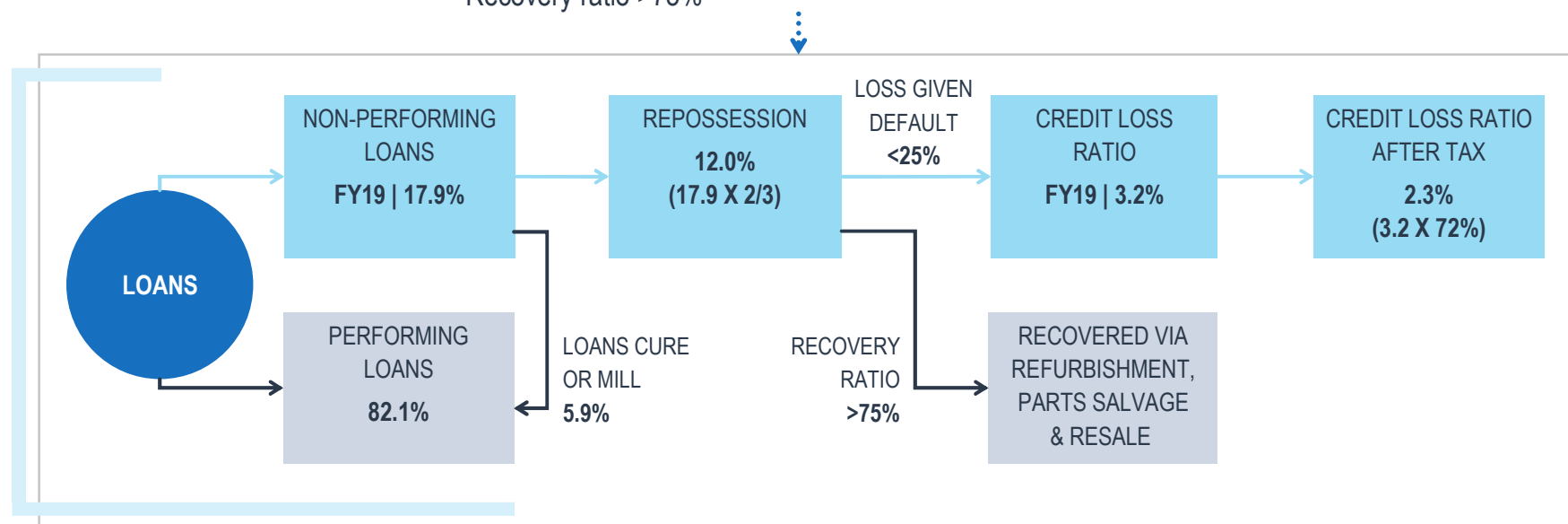


Transaction Capital

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SA Taxi's vertically integrated business model

- Repossess, refurbish, salvage parts, resell & refinance
- Loss given default <25%
- Recovery ratio >75%



VS

Traditional vehicle financing model

- Repossess & auction
- Loss given default¹ ~70%
- Recovery ratio¹ ~30%

1. SA Taxi estimates

SA TAXI AUTO REPAIRS | AUTOBODY



SA TAXI AUTO REPAIRS | MECHANICAL



SA TAXI AUTO REPAIRS

~20 000m²

WORKSHOP
FACILITIES

~220 per month

INTERNAL VEHICLE
REFURBISHMENT CAPACITY

~400

EMPLOYEES

>75%

RECOVERY RATES ON REPOSSESSION,
REFURBISHMENT & RESALE

↓ ~4% to ~10%

AVERAGE REFURBISHMENT COST¹

- One of the largest autobody repair & mechanical refurbishment facilities in Southern Africa
- Focusing exclusively on minibus taxis
- Rebuilding high quality pre-owned minibus taxis, mitigates credit risk & insurance losses
 - › ▼ loss given default
 - › ▼ cost of refurbishment
 - Efficiencies in SA Taxi Auto Repairs
 - Efficient parts procurement via SA Taxi Auto Parts
 - › ▲ quality of repair
 - › ▲ value of repossessed vehicles
 - › ▲ recovery on repossession



¹ Cost of refurbishment ▼ ~ 4% to 10% depending on nature of the refurbishment or repair

NEW MINIBUS TAXI



PRE-OWNED MINIBUS TAXIS



SA TAXI DIRECT

- SA Taxi Direct sells new & pre-owned minibus taxis
- SA Taxi's pre-owned minibus taxis:
 - › Rebuilt to a high-quality
 - › Trusted product in the industry
 - › Provides a reliable & affordable alternative in this challenging environment (vs. purchasing a new minibus taxi)

~**R900** million **↑13%**

VEHICLE TURNOVER IN FY19

~**7%**

AVERAGE RETAIL MARGIN PER VEHICLE

- Vehicles sold through SA Taxi Direct results in:
 - › Product margin earned
 - › High take up of SA Taxi insurance & allied products
 - › Improved credit performance via a better-informed customer

EXPANDING DEALERSHIP NETWORK



→ **POLOKWANE** opened in October 2018

→ Established in **MIDRAND** in 2015

→ **KZN, WESTERN CAPE & MPUMALANGA** under consideration in the medium term

TELEMATICS & TECHNOLOGY



Telematics utilised for insurance underwriting, premium pricing & prevention & detection of loss events

SA TAXI AUTO REPAIRS



SA TAXI PROTECT

>30 000
INSURANCE CLIENTS

MAJORITY OF FINANCED CLIENTS
CHOOSE TO BE INSURED BY SA TAXI¹

>2.0
PRODUCTS PER CLIENT

>100
BROKER NETWORK
to expand total addressable market

R823 million
GROSS WRITTEN
PREMIUM **↑ 20%**

- › Premiums remained stable
- › ▲ customer acquisition in open market via **>100** broker network
- › Stable penetration of SA Taxi's growing financed portfolio
- › Broadened product offering (credit life & other)

COST OF CLAIM **↓**
VIA SA TAXI AUTO
REPAIRS

- › Efficiencies in operations
- › Lower cost of part procurement
- › Savings via salvage of parts
- › Opportunity to ▼ cost of claim further. Currently only a small proportion of claims are repaired by SA Taxi Auto Repairs

NEW CLAIMS MANAGEMENT SYSTEM | ENHANCED VALUE PROPOSITION
ADOPTED IFRS 17 | ALIGNING ACCOUNTING & FINANCE BUSINESS



1. 100% of taxis financed by SA Taxi are fully insured, the majority of SA Taxi's financed clients independently elect to be insured by SA Taxi

SA TAXI AUTO PARTS | SALVAGE



SA TAXI AUTO PARTS | RETAIL



SA TAXI AUTO PARTS

LAUNCHED MARCH 2018 | SALVAGE OPERATIONS ESTABLISHED THEREAFTER

↓ COST OF
REFURBISHMENT

- › Import & locally procure new parts from source at lower cost
- › Salvage used parts from vehicles not economically viable to repair
- › ▼ credit losses & cost of insurance claims

SUPPLY TO SA TAXI
AUTO REPAIRS

→ ~R6 million per month
SUPPLIED TO SA TAXI AUTO REPAIRS IN FY19

SUPPLY TO EXTERNAL
AUTOBODY REPAIRERS

→ OPPORTUNITY TO ▼ COST OF INSURANCE CLAIM
BY SUPPLYING PREFERRED AUTOBODY
REPAIRERS SERVICING SA TAXI PROTECT

RETAIL TO MINIBUS
TAXI OPERATORS

→ >R3 million per month
RETAIL SALES REVENUE IN FY19

- Targeting existing clients and open market minibus taxi operators
 - › Exposes SA Taxi's brand & services to wider open market operators
 - › Cross sell organic growth opportunities

~7 500m²

WORKSHOP | STORAGE | RETAIL

>2 000

UNIQUE PARTS SOLD

SANTACO & SA TAXI DELIVERING SUSTAINABLE BENEFITS TO SA TAXI CLIENTS & THE INDUSTRY

- Direct benefits for the industry resulting from ownership transaction between SA Taxi & SANTACO
- Leverage industry's purchasing power to negotiate better pricing to benefit taxi operators & associations, whether client of SA Taxi or not
- Telematics & data accumulated from rewards programmes to be used to drive behavioural change in the industry
 - › Positive social impact enhancing commuter safety

SA TAXI REWARDS

- Established in 2018
- Provides tailored rewards programmes within minibus taxi ecosystem
- Further programmes aimed at parts procurement under consideration
- Leverage telematics & rewards programmes data to connect to SA's >250 000 minibus taxi operators offering new & existing products suited to their needs

SA TAXI REWARDS

FUEL PROGRAMME



LAUNCHED APRIL 2018

~18 000

CARDS IN ISSUE

~16 million

LITRES OF FUEL PURCHASED IN FY19

TYRE PROGRAMME



LAUNCHED OCTOBER 2019

~R1 800

ORIGINAL RETAIL PRICE

~R1 350

REDUCED PRICE FOR TAXI OPERATORS¹

- Sold through Supa Quick
- Safety specification designed specifically for minibus taxi industry

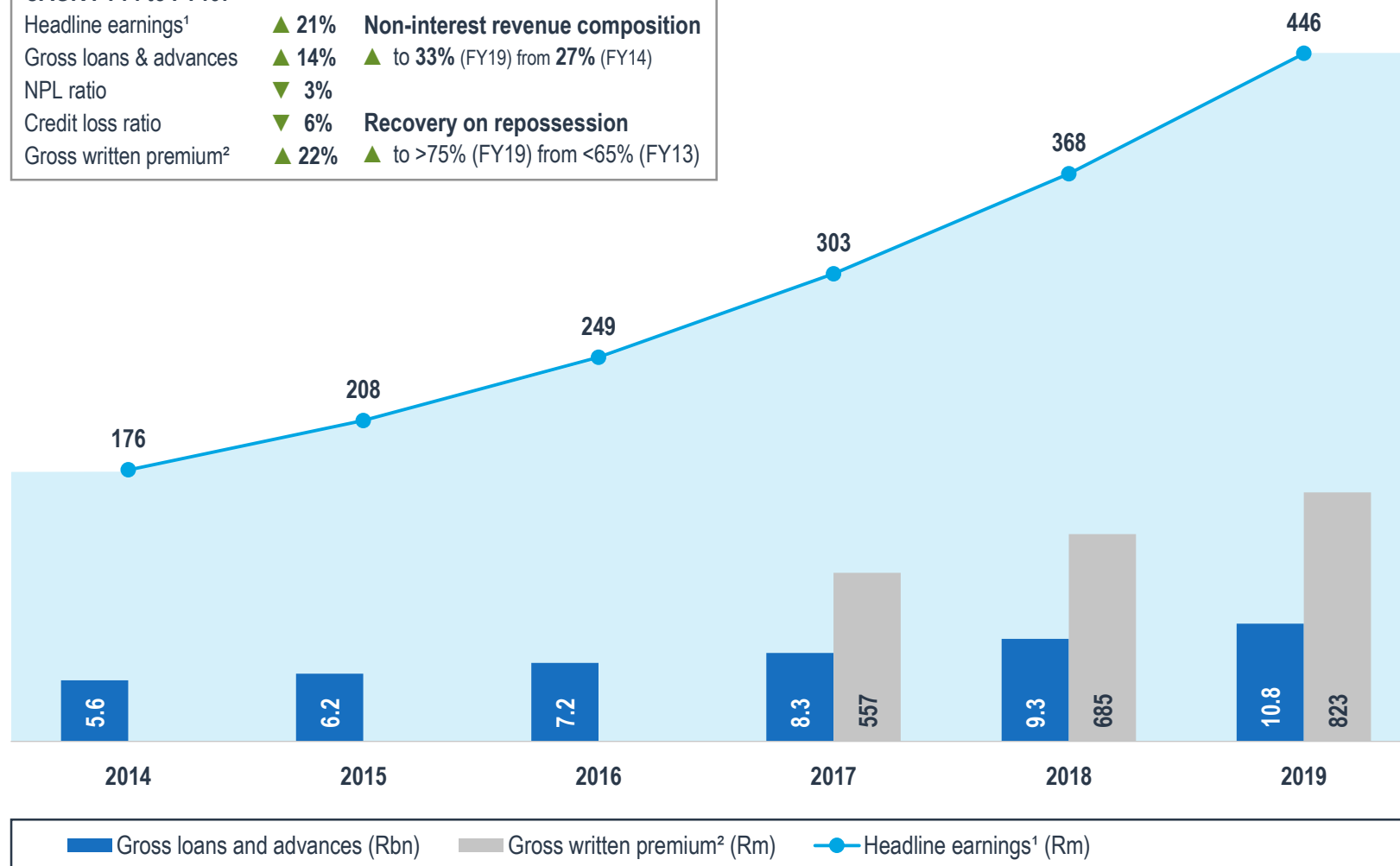


1. Price agreed per contract

SA TAXI 5-YEAR PERFORMANCE

CAGR FY14 to FY19:

Headline earnings ¹	▲ 21%	Non-interest revenue composition
Gross loans & advances	▲ 14%	▲ to 33% (FY19) from 27% (FY14)
NPL ratio	▼ 3%	
Credit loss ratio	▼ 6%	Recovery on repossession
Gross written premium ²	▲ 22%	▲ to >75% (FY19) from <65% (FY13)

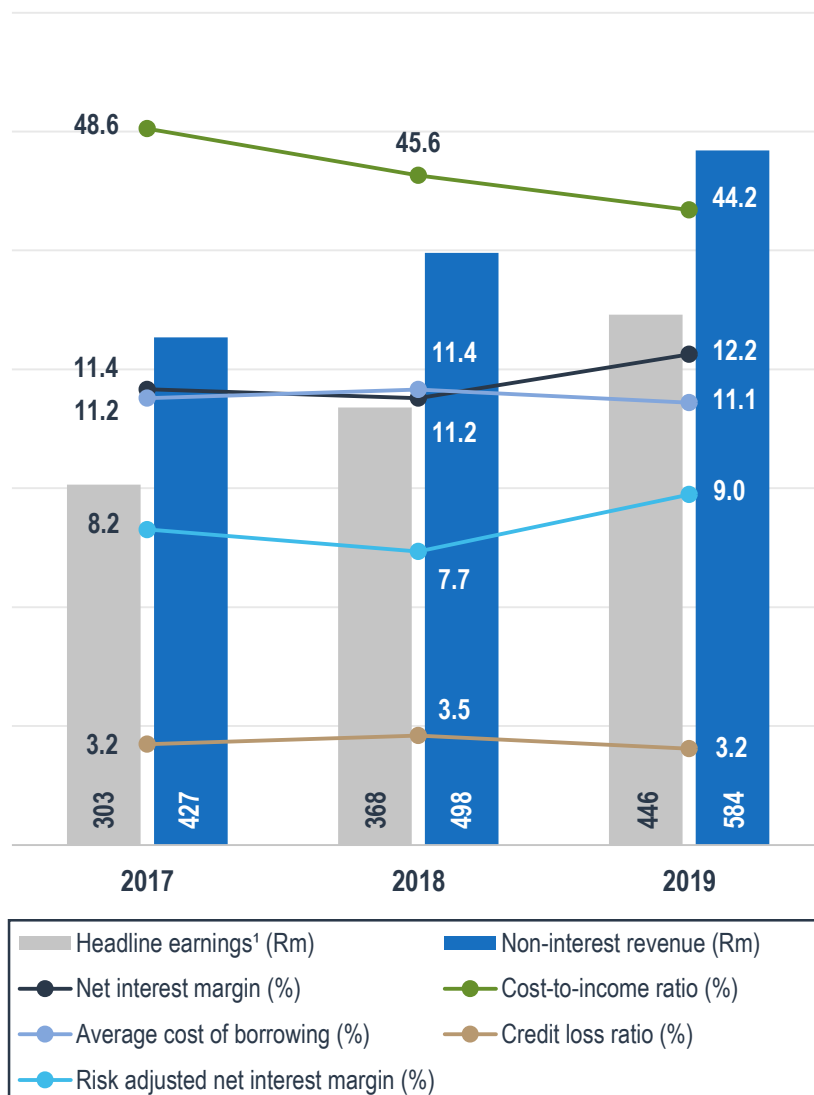


Financial half years 1 October to 30 September | Adopted IFRS 9 in 2015. 2014 numbers on a pro forma IFRS 9 basis

1. Headline earnings attributable to the group

2. Gross written premium FY17 to FY19 | Prior to FY17 insurance operations not consolidated

SA TAXI FINANCIAL PERFORMANCE

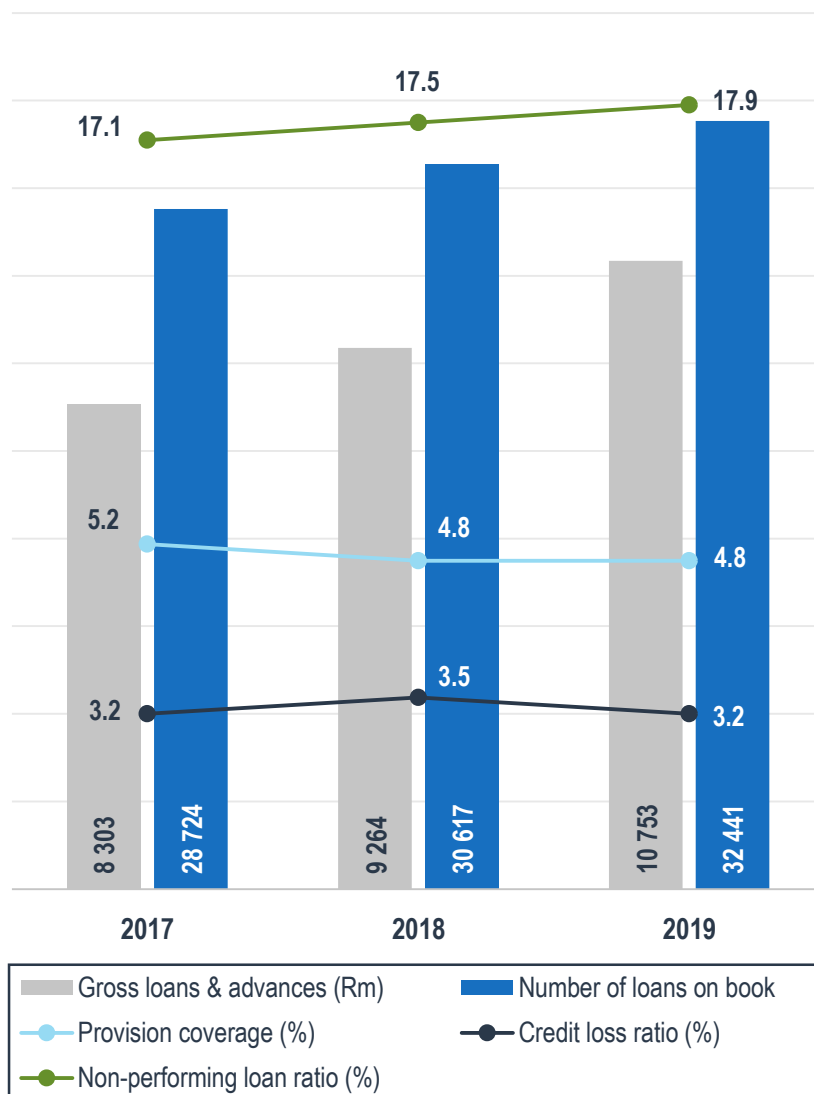


- SA Taxi headline earnings **▲ 38% to R519m**
- TC's attributable portion **▲ 21% to R446m**
 - › Despite consolidating only **81.4%** (previously **98.5%**)
 - › All organic growth
 - › Settled approximately **~R1bn** of interest-bearing debt on 6 Feb 2019 yielding
 - **~R55m** after tax interest expense saving for FY19
 - Leverage **▼ to 4.9 times** from **9.2 times**
- NIM at **12.2%**
 - › Weighted average interest rate on origination **23.7%** (FY18: **23.6%**)
 - NCA maximum rate² at **34.3%**
 - › Funding costs **▼ by 30bps** to **11.1%** (FY18: **11.4%**)
- Credit loss ratio **▼ to 3.2%** (FY18: **3.5%**)
 - › Risk-adjusted NIM **▲ to 9.0%** (FY18: **7.7%**)
- Non-interest revenue **▲ 17% to R584m**, driven by:
 - › Gross written premium **▲ 20%**
- Cost-to-income ratio improved to **44.2%** (FY18: **45.6%**)
 - › Investment into technology to drive operational efficiencies
 - › New insurance claims management system implemented within expected timeframes & costs
- Effective tax rate stable at **24.0%** (FY18: **24.3%**)
- Early adoption of IFRS 17

1. Headline earnings attributable to the group

2. National Credit Act maximum rate for developmental credit small & medium business loans | REPO rate x 2.2 plus 20%

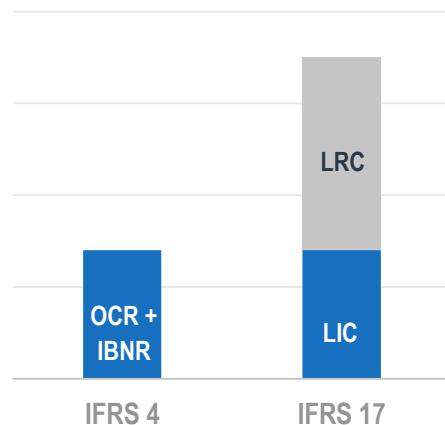
SA TAXI CREDIT PERFORMANCE



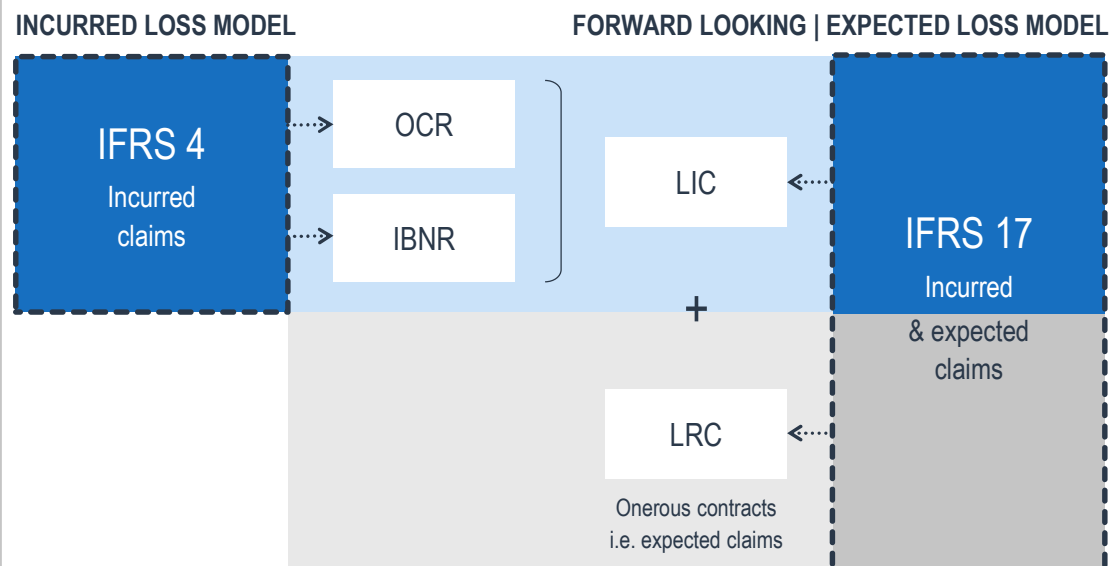
- Gross loans & advances **▲ 16% to R10.8bn**
 - Number of loans originated **▲ 11%** (FY18: **▲ 3%**)
 - Rand value of loans originated **▲ 16%** (FY18: **▲ 9%**)
 - Toyota vehicle prices **▲ 4.2%** since FY18
- NPL ratio at **17.9%** (FY18: **17.5%**)
 - In line with expectations
 - Conservative credit granting criteria & strong collections performance offset by difficult economic conditions
- Credit loss ratio **▼ to 3.2%** (FY18: **3.5%**)
 - Recovery on repossession **>75%** of settlement value
 - Cost of refurbishment¹ **▼ ~4% to 10%**
 - Improved quality & efficiencies in refurbishment centre
 - Cost efficient parts procurement
 - Target credit loss ratio remains **3% to 4%**
- Provision coverage stable at **4.8%** (FY18: **4.8%**)

1. Reduction in the cost of refurbishment is dependent on the nature of the refurbishment or repair

INCURRED VS. EXPECTED LOSS



OCR | Outstanding claims reserve
 IBNR | Incurred but not reported
 LIC | Liability for incurred claims
 LRC | Liability for remaining coverage



ELECTED TO EARLY ADOPT IFRS 17

- Accounting for insurance (IFRS 17) now aligned to finance (IFRS 9)
- Forward looking approach providing for expected loss rather than only incurred loss
 - Financed & credit life portfolios - 12 months
 - Open market portfolio - 1 month
- Insurance provisions now include both a liability for incurred claims & liability for remaining coverage
- Increased provisions result in more robust balance sheet
- Adoption charge of **R370 million (after tax)** debited to opening equity
- No material impact on earnings
- More extensive disclosures required per IFRS 17

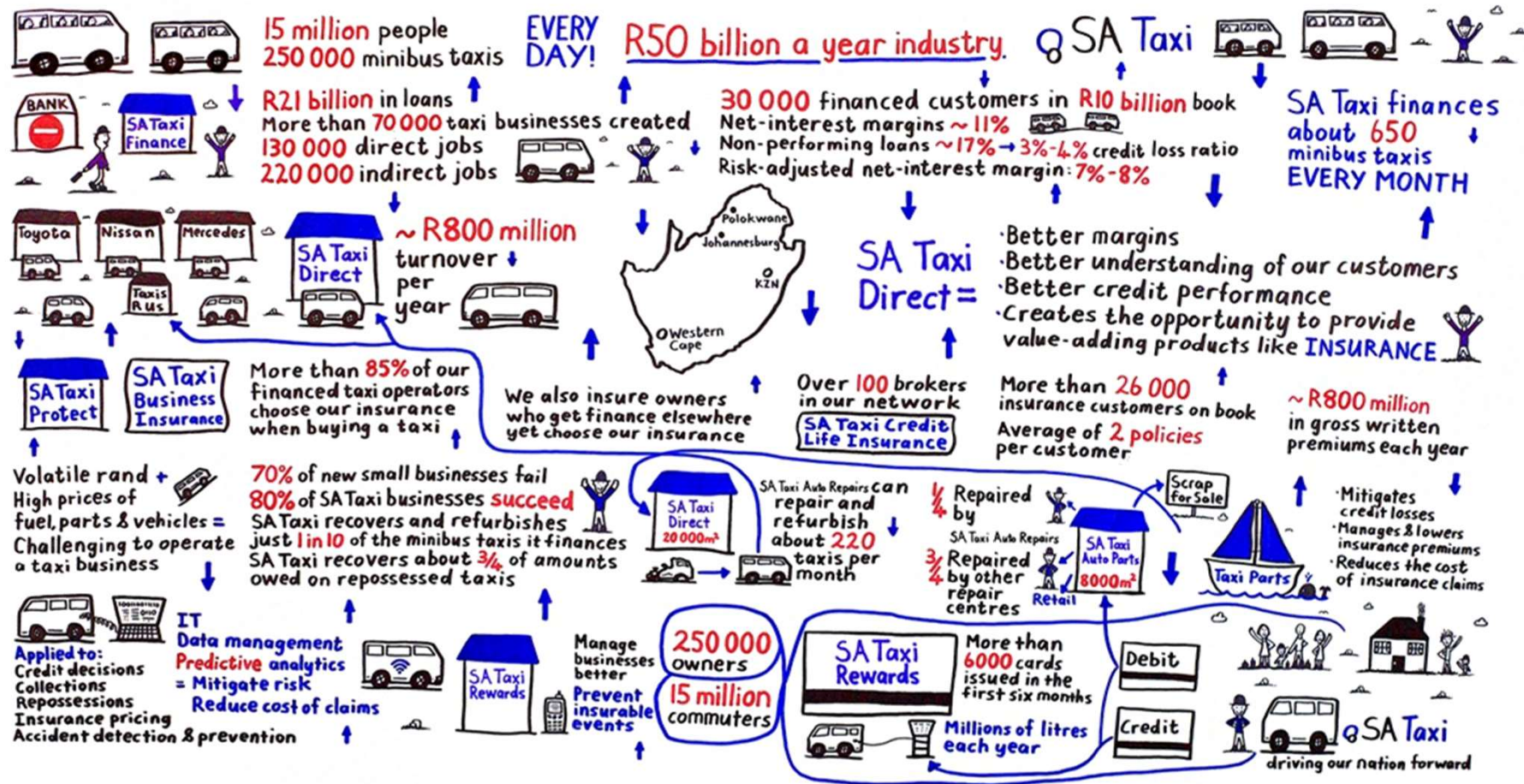
SA TAXI VERTICALLY INTEGRATED BUSINESS MODEL

BUSINESS PLATFORM SERVICING MINIBUS TAXI OPERATORS ACROSS THE VALUE CHAIN



Transaction Capital

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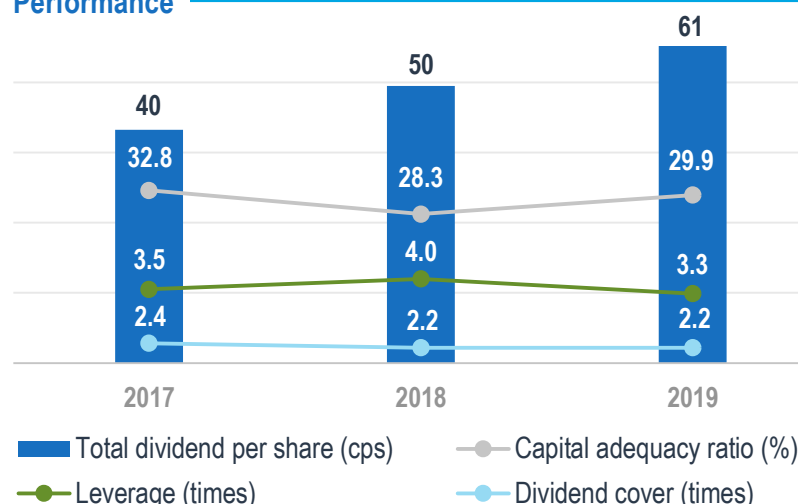
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CAPITAL MANAGEMENT & SHAREHOLDING

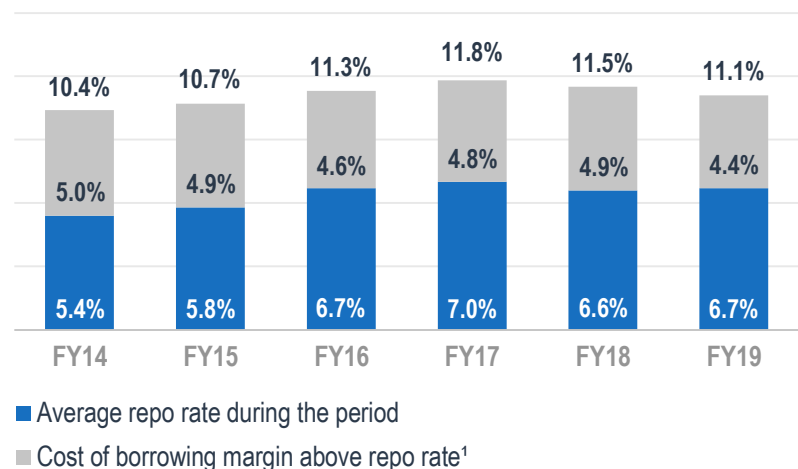
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RESULTS FOR THE YEAR
ENDED 30 SEPTEMBER

Performance



Cost of borrowing

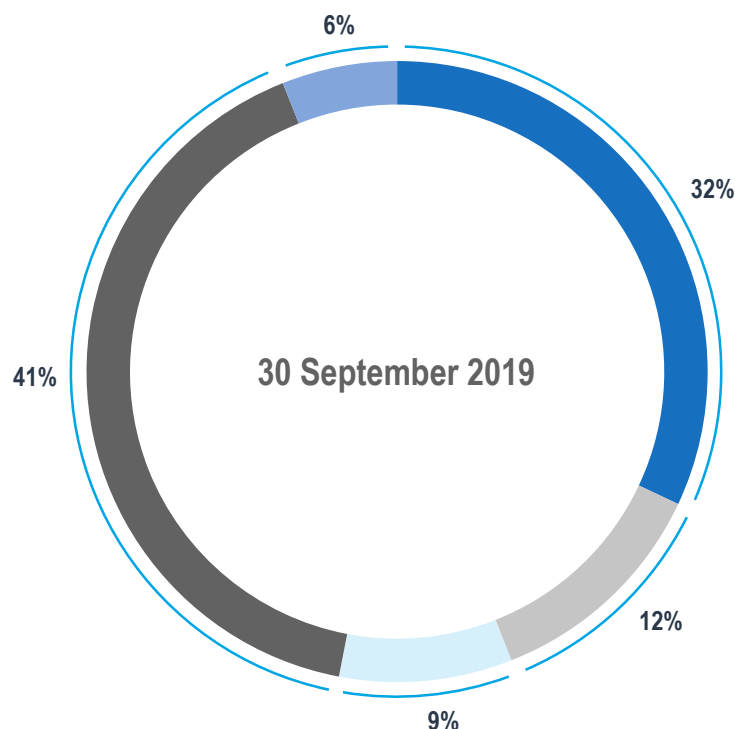


- Capital strategy conservative & appropriate in current economic conditions
- Holding company balance sheet ungeared & liquid
 - › Undeployed capital of **~R950 million**
 - › Majority allocated towards strategic organic growth initiatives
 - › Excess capital available to fund acquisitive growth
 - › Making earnings upside possible in the medium term
- Capital adequacy **▲ to 29.9%** (FY18: **28.3%**)
 - › **26.7%** equity; **3.2%** subordinated debt
 - › Growth to be funded with efficiently priced senior debt
- Group average cost of borrowing **▼ to 11.1%** (FY18: **11.5%**)
 - › Margin above average repo rate **4.4%**
 - › Exploring opportunities with local DFIs
- Robust access to the debt capital markets
 - › Raised **~R8.2bn** in debt facilities from **38** funding transactions
 - › SA Taxi funding requirements for 2020 already met

SA TAXI

- Settled **~R1bn** of interest-bearing debt on **6 Feb 2019**
 - › Improved NIMs from lower leverage & interest expense savings
- Transsec 4 | Moody's credit rated & JSE listed programme
 - › Issued **R1.7 billion** in FY19
 - › **173 bps** above 3 month JIBAR, lowest priced Transsec issuance ever

1. Calculated using Transaction Capital's average cost of borrowing (including bank overdrafts) for the period & the South African Reserve Bank's average repo rate for the period

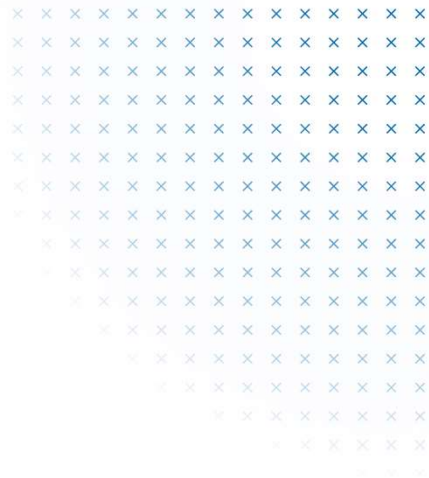


- Directors of Transaction Capital & its subsidiaries
- Old Mutual Investment Group
- Public Investment Corporation
- Remaining institutional shareholders
- Retail investors

- **Dividends growing faster than earnings**
 - › CAGR of **31%** since FY14
 - › Total dividend FY19 **▲ 22% to 61cps**
 - Interim dividend per share declared May 2019 **▲ 29% to 27cps**
 - Final dividend per share declared November 2019 **▲ 17% to 34cps**
 - › Total dividend cover of **2.2 times** (FY18: **2.2 times**)
- Foreign institutional ownership **▲ to 18.4%** (FY17: **5.8%**)
- Focus on improving liquidity
 - › Free float stable at 68%
- Appointment of independent non-executive directors
 - › Buhle Hanise appointed 1 January 2019
 - › Additional appointments under consideration
- Appointment of Kuben Pillay as the Lead Independent Director effective 15 July 2019



Transaction Capital



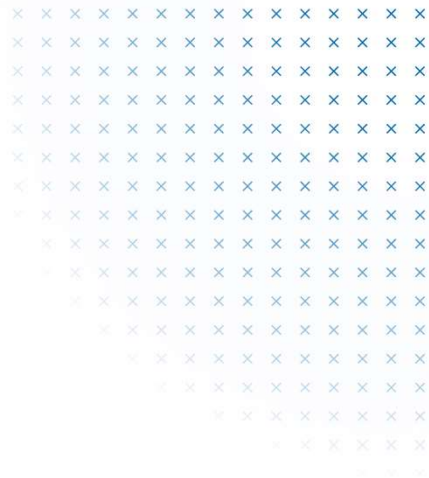
QUESTIONS

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RESULTS FOR THE YEAR
ENDED 30 SEPTEMBER



Transaction Capital



APPENDIX

2 0 1 9 RESULTS FOR THE YEAR
ENDED 30 SEPTEMBER

As a listed entity, to extend our track record of high-quality earnings growth, we identify opportunities to leverage our high IP, leading technologies & low-cost operational infrastructure to expand into attractive adjacent market segments, related alternative asset classes & geographic markets

We apply our highly specialised expertise in distressed debt, specialty credit & other alternative assets to assess, mitigate, underwrite & price credit risk, in originating new assets or acquiring existing assets

We seek an investment outcome that combines attractive risk-adjusted interest returns from our asset portfolios, enhanced by capital appreciation in the value of the operating platforms

TRANSACTION CAPITAL

IS AN ACTIVE INVESTOR IN
& OPERATOR OF

CREDIT-ORIENTATED ALTERNATIVE ASSETS

MANAGED BY EXPERIENCED
ENTREPRENEURIAL MANAGEMENT TEAMS

EMPLOYING A RIGOROUS
VALUE-LED INVESTMENT APPROACH

TO GENERATE RISK-ADJUSTED
INTEREST RETURNS & CAPITAL APPRECIATION

WHILST DELIVERING SOCIAL VALUE

Our capital management approach supports the sustainable delivery of growth through an optimal balance of equity & debt

We identify, assess, develop & partner with entrepreneurial, innovative & experienced founders, owners & managers of businesses, in building & scaling highly competitive, efficient, technology-driven operating platforms, which manage our assets

Our investment approach emphasizes exhaustive due diligence investigation, data analysis & risk quantification, enabling us to add value to the design & implementation of operational strategy & to ensure that risk is kept within tolerance levels, thereby creating value for shareholders in a unique manner

Our businesses are deliberately positioned to deliver shared value, through commercial returns & meaningful positive social impact

INVESTMENT CASE

COMPELLING & UNIQUE AS WE EXECUTE ON OUR STRATEGY



Transaction Capital

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TRANSACTION CAPITAL
COMPRISES A DIVERSIFIED
PORTFOLIO OF
FINANCIAL SERVICES ASSETS

WITH A BESPOKE & ROBUST
CAPITAL STRUCTURE
INCORPORATING R950 MILLION
OF EXCESS CAPITAL

ESTABLISHED AS
A SCALABLE FINANCIAL
SERVICES PLATFORM

- Two **well established, autonomous & unique** financial services businesses: **SA Taxi & TCRS**
- Positioned in **attractive market segments** occupying **leading market positions**
- Highly **defensive businesses** able to withstand difficult economic conditions
- Deep **vertical integration** enabling application of **specialised expertise** to **mitigate risk, participate in margin & provide a broader service to clients**
- **Superior data & leading-edge technology & analytics** capabilities differentiate our offerings, inform business decisions & mitigate risk
- **Via a diversified business model**
 - › Unique blend of highly **cash generative & capital related** businesses
 - › **Diversified revenue model** across adjacent **market segments & geographies**
- **Conservative equity capital structure** to fund organic growth & acquisition activity
- Capital management approach supporting sustainable growth through an **optimal balance of debt & equity**
- **Proven ability to raise debt & equity capital** efficiently from diversified range of local & international investors
- **Ungeared & debt free** at holding company level
- **Decentralised businesses** that are self-sustaining & sizable in their own right
- **Highly competitive, efficient, technology-driven** operating platforms, which manage our assets
- For SA Taxi & TCRS to develop **new products** & expand into **new markets**
- For Transaction Capital to **innovate in introducing new organic & acquisitive growth opportunities**

LED BY AN EXPERIENCED
ENTREPRENEURIAL
OWNER-MANAGER TEAM

- Identify, assess, develop & **partner with entrepreneurial, innovative & experienced founders**, owners & managers of businesses
- **Ownership culture**
- **Empowered, entrepreneurial, innovative, proven & long-serving** leadership
- Specialised **intellectual capital** applied over a much smaller asset base than in larger organisations

BUT UNDERPINNED BY A ROBUST
GOVERNANCE FRAMEWORK &
SOUND GOVERNANCE PRACTICES

- Experienced, diverse & **independent directors** at group & subsidiary level
- **Institutionalised governance**, regulatory & risk management practices
- **Conservative accounting policies** (including the early adoption of **IFRS 9 & IFRS 17**)

WHICH TOGETHER POSITION IT
FOR SUSTAINABLE HIGH-QUALITY
EARNINGS GROWTH

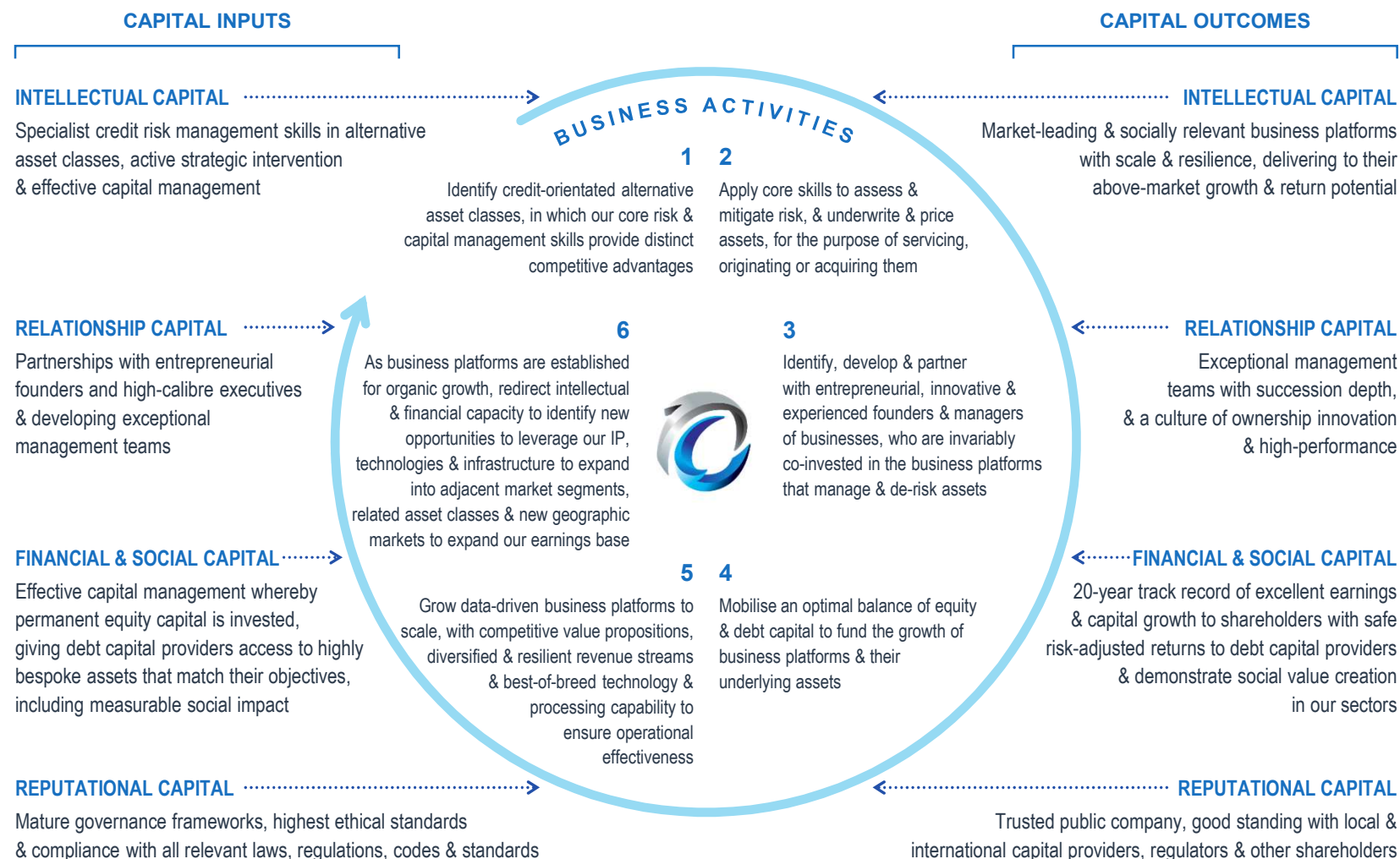
- Active **investor** in & **operator** of **credit-orientated alternative assets**
 - › By identifying opportunities to leverage our high-IP & leading technologies & low-cost operational infrastructure
 - › To expand into attractive adjacent market segments, related alternative asset classes & geographic markets
 - › Applying expertise to assess, mitigate, underwrite & price credit risk in originating new assets or acquiring existing assets
- Unrelenting **investment into & precise implementation of innovative strategic initiatives**
- Track record of **high-quality earnings with high cash conversion rates & strong organic growth prospects**
- **Dividends growing faster than earnings**

TO GENERATE RISK-ADJUSTED
INTEREST RETURNS & CAPITAL
APPRECIATION

& THE DELIVERY OF
A MEANINGFUL SOCIAL IMPACT

- **Value-led** investment approach
- Seeking investment outcome that combines:
 - › Attractive risk-adjusted interest returns from our asset portfolios
 - › Enhanced by capital appreciation in the value of the operating platforms
- Businesses deliberately positioned in relation to demographic & socio-economic trends, to deliver shared value, through **commercial returns & meaningful positive social impact**
- SA Taxi facilitates
 - › **Asset ownership by black owned SMEs, financial inclusion, SME empowerment, & sustainable job creation**
 - › **Improved public transport infrastructure**
 - › **Environmental sustainability**
- TCRS facilitates
 - › **Credit rehabilitation** of over-indebted consumers
 - › Lenders to maintain cleaner balance sheets to **continue extending credit affordably**

TRANSACTION CAPITAL BUSINESS MODEL





Transaction Capital

APPENDIX

TRANSACTION CAPITAL RISK SERVICES

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RESULTS FOR THE YEAR
ENDED 30 SEPTEMBER

TRANSACTION CAPITAL RISK SERVICES

Generating in-depth insights from the continuous collection of accurate & valuable data to develop a consolidated view of a position, which enables precise & informed internal & external decisioning

Lending & capital investment solutions which balances permanent equity optimally leveraged with appropriate debt

Actively investing in platforms that enable us to continue building our dynamic & flexible servicing capability & fintech solutions allowing deeper vertical integration

IS A TECHNOLOGY-LED,

DATA-DRIVEN

PROVIDER OF SERVICES

& CAPITAL SOLUTIONS

RELATING TO CREDIT-ORIENTATED

ALTERNATIVE ASSETS

ORIGINATED & MANAGED THROUGH

SCALABLE & BESPOKE PLATFORMS

OPERATING IN SOUTH AFRICA, AUSTRALIA

& SELECT INTERNATIONAL MARKETS

Innovative & bespoke technology systems that drive superior performance & efficiency

Its services include customer management, collection & payment service solutions & subscription based value added services

Applying its highly specialised expertise to originate new or acquire &/or service existing distressed debt, specialty credit & other alternative assets

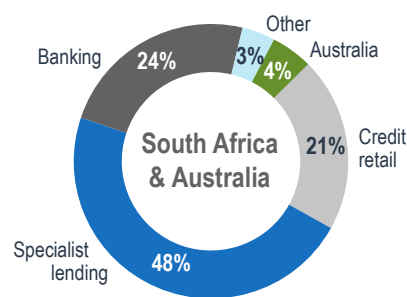
Proud of our South African roots from which we leverage our high SA IP & know-how together with SA's low-cost collection infrastructure & technology environment, to deploy into new markets

DIVERSIFICATION SUPPORTS PERFORMANCE IN VARYING MARKET CONDITIONS & REDUCES CONCENTRATION RISK

Collection services ~80% revenue contribution

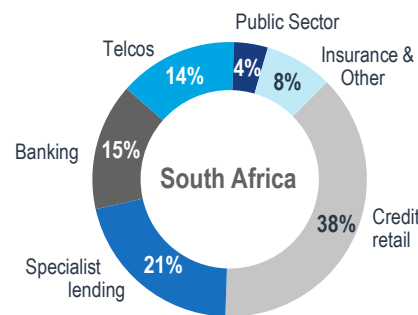
ACQUISITION OF NPL PORTFOLIOS

~40% revenue contribution

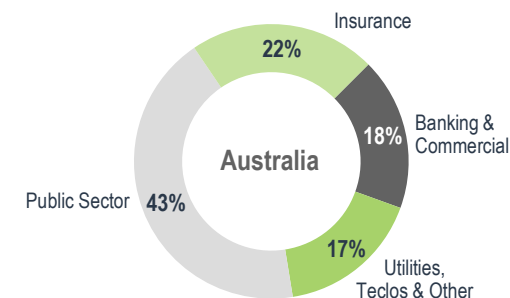


CONTINGENCY & FFS COLLECTION SERVICES

SA ~15% revenue contribution

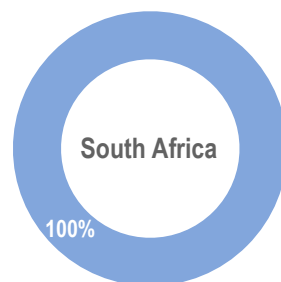


Australia ~25% revenue contribution



Value added services

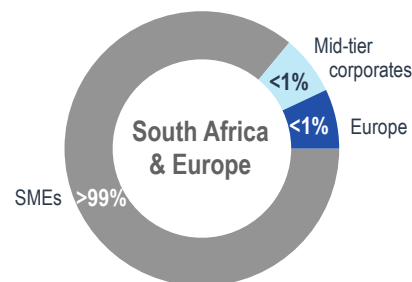
~5% revenue contribution



Value added services

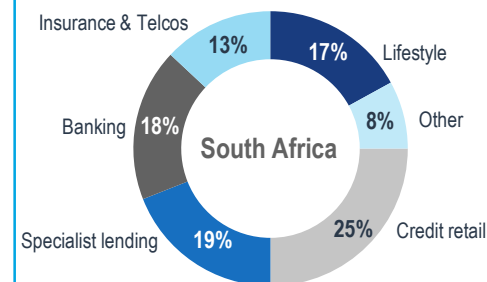
Specialised credit

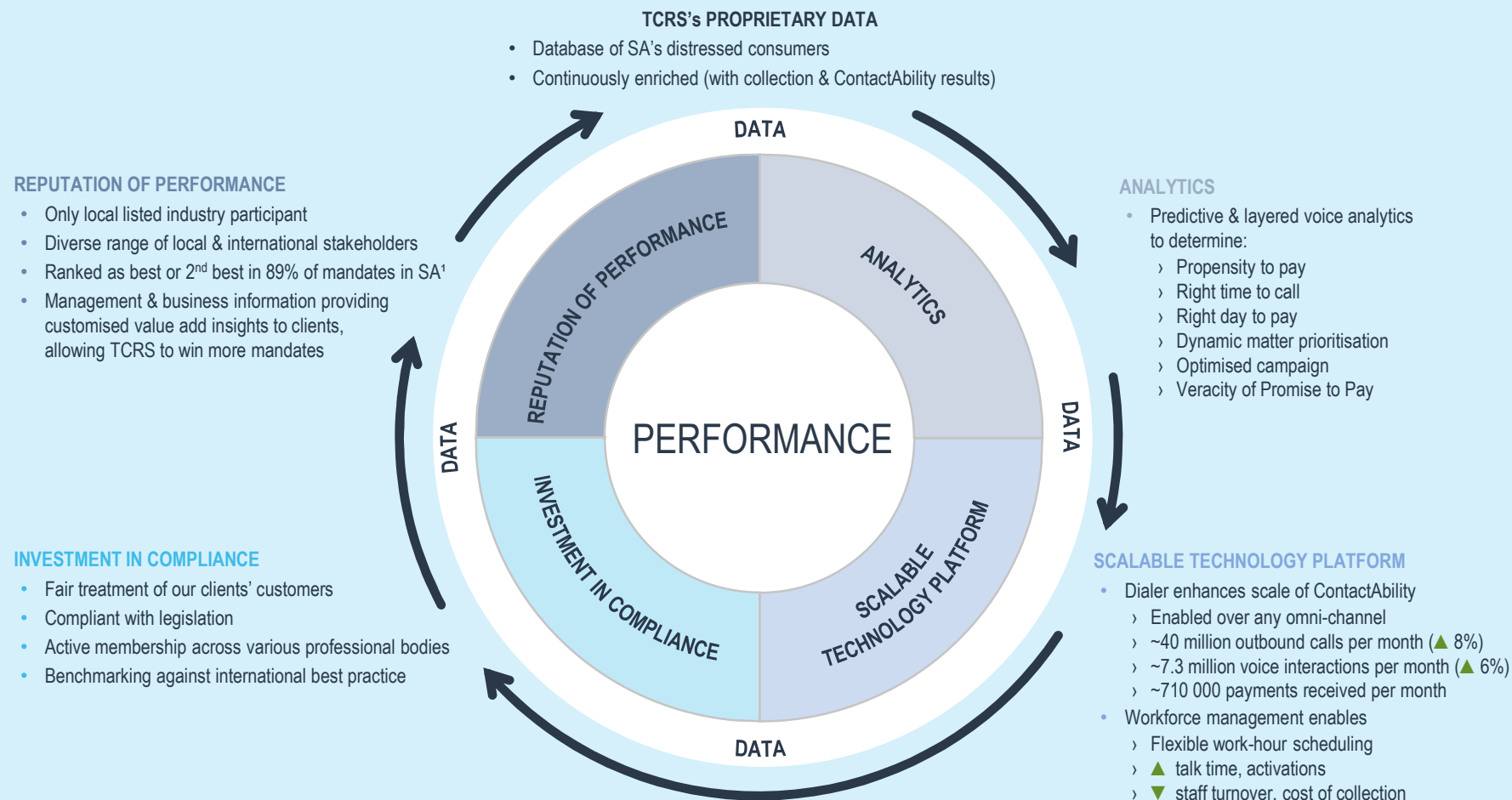
~5% revenue contribution



Transactional services

~10% revenue contribution





1. In South Africa TCRS ranks 1st or 2nd in 89% of our ranked mandates. In Australia Recoveries Corp is ranked 1st or 2nd by clients in 91% of banking, government & commercial mandates

CREDIT REHABILITATION IS A CRUCIAL ELEMENT IN GROWING AN INCLUSIVE ECONOMY

TRANSACTION CAPITAL'S CONSUMER CREDIT REHABILITATION INDEX

% CHANGE IN REHABILITATION PROSPECT FOR Q3 2019

QUARTER ON QUARTER

Q3 2019 with Q2 2019

▲ by 0.5%

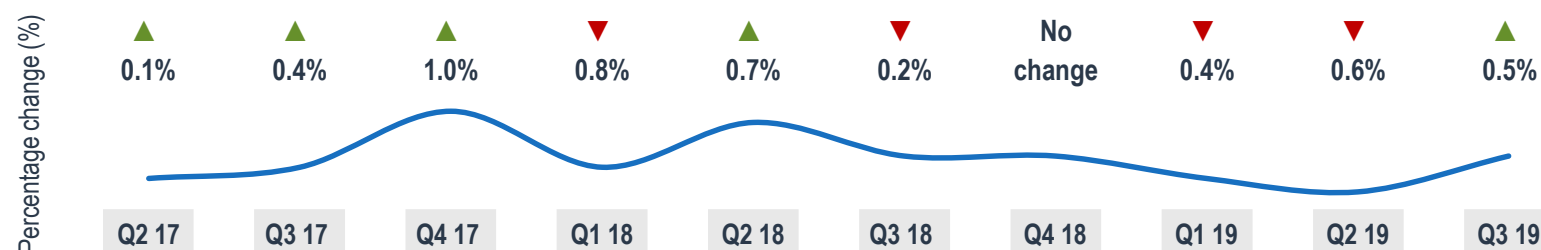
YEAR ON YEAR

Q3 2019 with Q3 2018

No change

- National rehabilitation prospects remain subdued, with limited improvement or deterioration
- TCRS algorithm to score propensity to repay debt
- Empirically based sample of **>5 million** SA consumers in credit default
- Rehabilitation allows:
 - › Consumers to access credit & re-enter consumer market
 - › Lenders to maintain cleaner balance sheet to continue extending credit at affordable costs

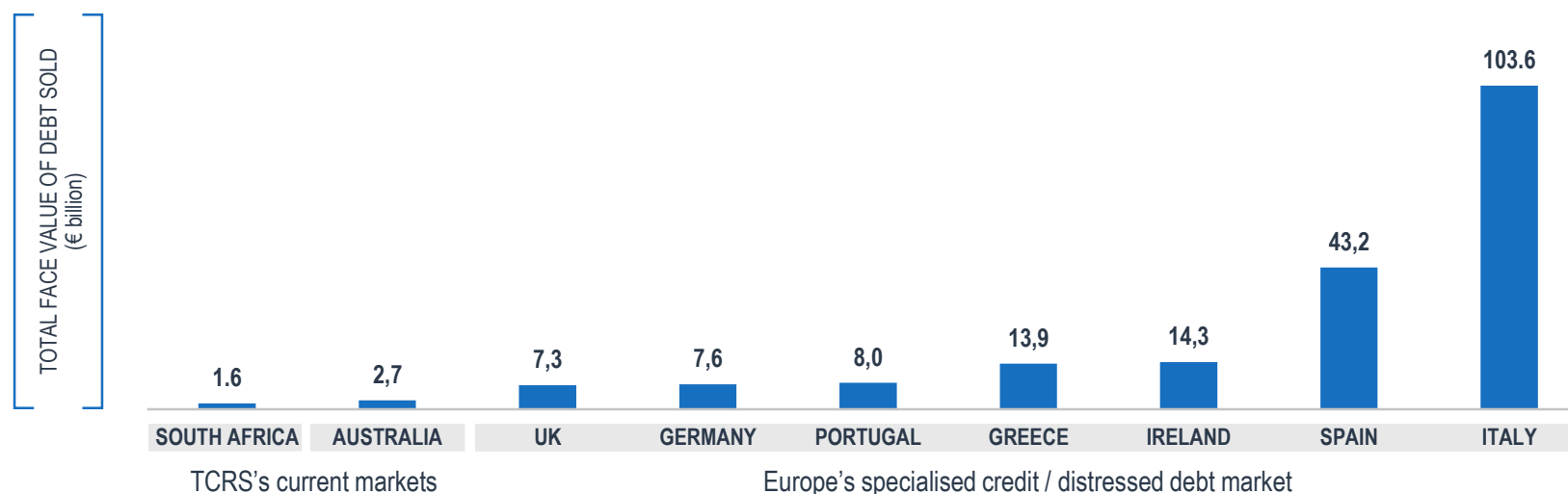
National rehabilitation prospect trends



TCRS STRATEGIC GROWTH INITIATIVES TO CREATE VALUE

CONCENTRATED SEGMENT OF EUROPEAN DISTRESSED DEBT MARKET UNATTRACTIVE

- High levels of competition
- Many participants of scale (credit management platforms, private equity funds & asset managers)
- Access to cheap capital & leverage deployed for moderate returns
- Priced to yield ~ 8% to 12% IRRs
- Participants outsource to or own collection platforms
- Multiple times larger than SA & Australian markets
- 2018 record year for non-performing loan portfolio sales in Europe
 - › Face value of non-performing debt sold **€205 billion**



TCRS's SELECTIVE & CAUTIOUS INVESTMENT APPROACH

- Target select off-market investment opportunities
- Target corporate & consumer non-performing loan portfolios, distressed debt, special situations & specialised credit asset classes
- Invest directly on a bilateral basis
- Co-investment in partnership with specialist credit managers

INTEND REPLICATING TC's BUSINESS MODEL BY
BUILDING SCALABLE SERVICING PLATFORMS
LEVERAGING TC's HIGH IP & LOW-COST
INFRASTRUCTURE

DIVERSIFICATION SUPPORTS PERFORMANCE IN VARYING MARKET CONDITIONS

- Portfolio to be diversified by: asset class, asset originator, collection platform, geographic region
- Diversified across new geographies
- Additional revenue model: European specialised credit
- Revenue in hard currency: **€** in addition to **ZAR & A\$**
- Attractive risk-adjusted returns
- Meaningful growth opportunity for TC

SOUTH AFRICA

Price paid by TCRS
for NPL Portfolios
in FY19
R1 064 million
€61.7 million¹

AUSTRALIA

Price paid by TCRS
for NPL Portfolios
in FY19
R122 million
€7.4 million¹

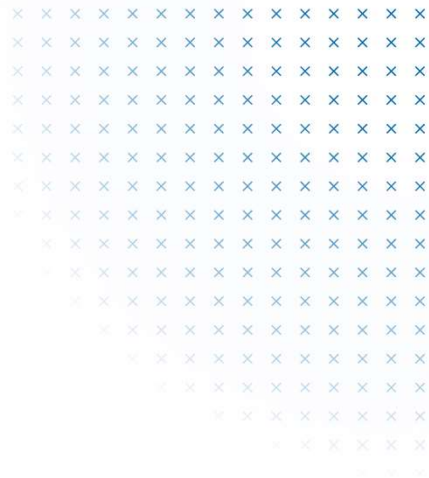
EUROPE

TCRS completed
three small
transactions to date
for **€2.7 million²**

1. EUR/ZAR conversion rate for 30 September 2019 was 16.53 | Bloomberg
2. €1.3m deployed during the year ended 30 September 2019 and an additional investment of €1.4m deployed after year end



Transaction Capital



APPENDIX

SA TAXI

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RESULTS FOR THE YEAR
ENDED 30 SEPTEMBER

SA TAXI



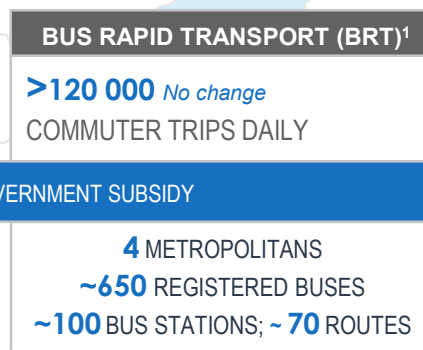
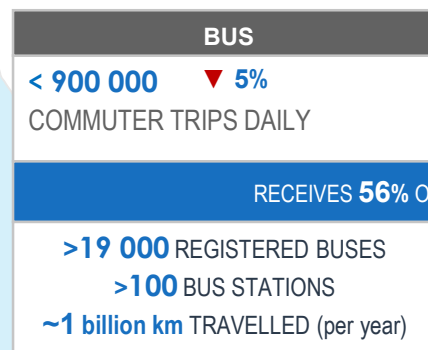
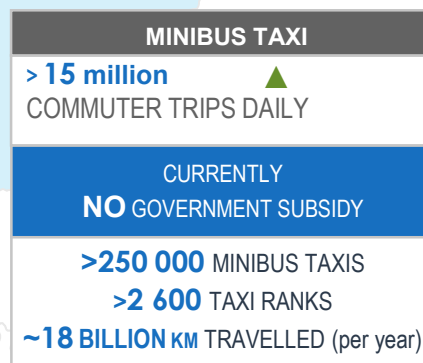
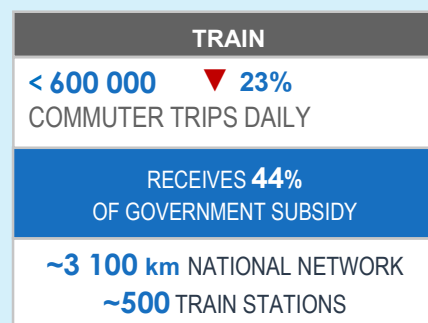
ENVIRONMENT & MARKET CONTEXT

MINIBUS TAXI INDUSTRY IS RESILIENT, DEFENSIVE & GROWING DESPITE SA'S ECONOMIC CLIMATE



Transaction Capital

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PUBLIC TRANSPORT COMMUTERS RELY ON MINIBUS TAXI GIVEN THEIR ACCESSIBILITY, AFFORDABILITY, RELIABILITY & FLEXIBILITY

- 40% of South Africans use public transport
- Minibus taxis are the dominant form of public transport
- Minibus taxis provide an essential service & spend is non-discretionary

GROWING MINIBUS TAXI USAGE

- Since 2013, minibus taxi usage (▲ >20%)
- 69% of all households use minibus taxis (59% in 2003)
- 75% of all work & educational public transport trips
- Population growth since 2013 (▲ 11%)
- Increasing commuter density due to urbanisation
- Transformation of minibus taxi industry due to ▲ regulation & capitalisation, attracting a more sophisticated taxi operator
- New passenger vehicle sales ▼ 43% (FY13 to FY19)

Source: Stats SA Land Transport Survey 2018 | NAAMSA Sales Results | National Treasury Public Transport & Infrastructure system report | Department of Transport -Transport Infrastructure report | Passenger Rail Agency of SA | SA Bus Operators Association | FIN 24 – "New public transport system" 14/10/2017 | Websites: Rea Vaya, MyCiTi, Rustenberg Rapid Transport

1. Government invested R15 billion in 3 metropolitans | Timeslive 10 July 2017

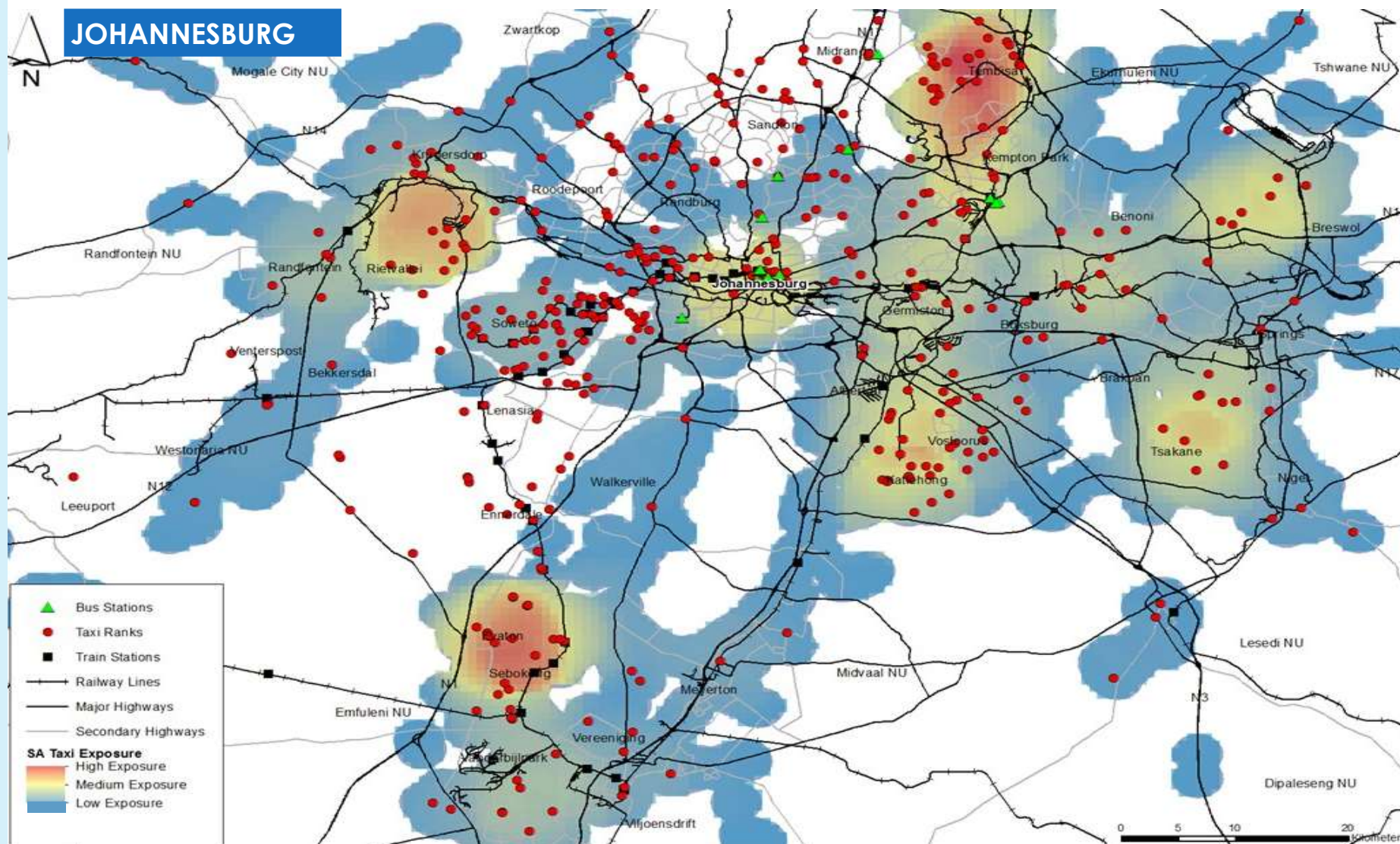
ENVIRONMENT & MARKET CONTEXT

INTEGRATED PUBLIC TRANSPORT NETWORK, WITH BUS & RAIL COMMUTERS RELYING ON MINIBUS TAXI INFRASTRUCTURE



Transaction Capital

58



SA TAXI IMPACT

DELIVERING SHARED VALUE FOR THE INDUSTRY



Transaction Capital

59

SME EMPOWERMENT

100%

BLACK OWNED SMEs

25%

WOMEN OWNED SMEs¹

22%

UNDER THE AGE OF 35 YEARS¹

SUSTAINABLE JOB CREATION

~1.8%

DIRECT JOBS
PER TAXI VEHICLE

>145 000

DIRECT JOBS CREATED BY
SA TAXI'S FLEET SINCE 2008

~600 000

INDIRECT JOBS ENABLED BY
THE MINIBUS TAXI INDUSTRY²

>15 000

DIRECT JOBS CREATED BY
SA TAXI'S FLEET IN FY19

ECONOMIC TRANSFORMATION & INCLUSIVE GROWTH

DEVELOPMENTAL CREDIT ACHIEVING INCLUSIVE GROWTH

R3.8 billion

LOANS ORIGINATED CREATING

8 591

SMEs IN FY19

R25.7 billion

LOANS ORIGINATED CREATING

81 014

SMEs SINCE 2008

FACILITATES ASSET OWNERSHIP BY BLACK SMEs

~80%

SA TAXI CUSTOMERS
CLASSIFIED AS PREVIOUSLY
FINANCIALLY EXCLUDED
& UNDER-BANKED

~640

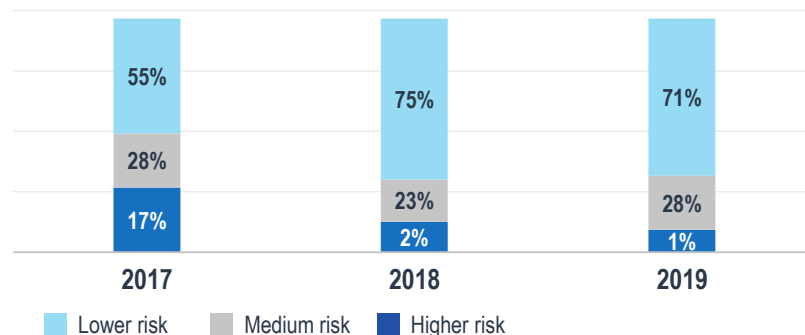
SCORE BELOW WHICH
BANKS ARE UNLIKELY
TO OFFER FINANCE

~590

AVERAGE SCORE
AT WHICH SA TAXI
GRANTS FINANCE

Serving higher quality taxi operators to create a more sustainable minibus taxi industry

NEW ORIGATION VOLUMES BY RISK GRADE



ROAD SAFETY PROJECTS LED BY SANTACO

MAJORITY OF FIRST TRICKLE DIVIDEND
INVESTED INTO ROAD SAFETY
PROJECTS

TYRE REWARDS | HIGHER SAFETY
SPECIFICATIONS AT LOWER COST

ENVIRONMENTAL SUSTAINABILITY

9.8%

ABATEMENT ON CARBON EMISSIONS³

DEVELOPING PUBLIC TRANSPORT INFRASTRUCTURE

8 591

RELIABLE NEW & PRE-OWNED
MINIBUS TAXIS ON THE ROAD IN FY19

COMMUTER EXPERIENCE

REPLACEMENT OF AGED MINIBUS TAXI
FLEET

1. On FY19 originations
2. Department of Transport Minister Dipuo Peters address at National Council of Provinces Budget vote NCOP 2014/15
3. Percentage of tCO2e abatement saved in 2017 through SA Taxi's financing activities

SA TAXI OPERATIONAL PERFORMANCE



Transaction Capital

60

SA TAXI OPERATOR PROFILE

1.2

VEHICLES PER CUSTOMER

3.6 years

AVERAGE AGE OF VEHICLE

47 years

AVERAGE AGE OF CUSTOMER

88%

TOYOTA VEHICLES

~30%

LOANS ORIGINATED TO REPEAT CUSTOMERS (DURING FY19)

CREDIT PROFILE OF LOANS ON BOOK

71 months

AVERAGE LOAN TERM¹

38%

AVERAGE APPROVAL RATE

>R6 000

MINIMUM MONTHLY OPERATOR PROFIT

48 months

AVERAGE REMAINING LOAN TERM

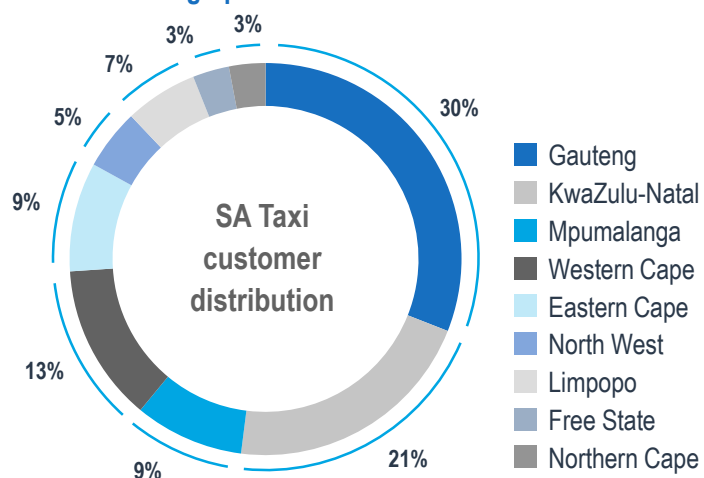
3.2%

CREDIT LOSS RATIO

>75%

RECOVERY RATE ON REPOSSESSION

SA TAXI Geographic distribution



TYPICAL NEW CREDIT AGREEMENT²

- Recommended retail price²
(Toyota diesel | incl. VAT) R451 600
- Interest charged 23.7%
- Term in months 72
- Origination fee (incl VAT) R2 990

- Finance instalment R11 800
- Insurance instalment R2 100
(Comprehensive, credit life & other)
- Administration fee (incl. VAT) R69
- Telematics fee R300
- Total monthly instalment R14 269

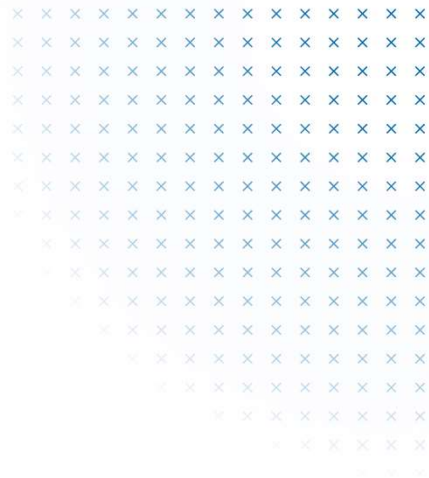
Percentages calculated based on Rand value

1. Average loan term at origination

2. New Toyota HiAce diesel



Transaction Capital



APPENDIX CAPITAL MANAGEMENT

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RESULTS FOR THE YEAR
ENDED 30 SEPTEMBER

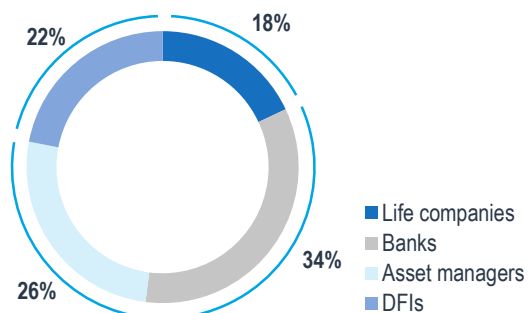
OVERVIEW OF DEBT FUNDING CHANNELS BY EXPOSURE



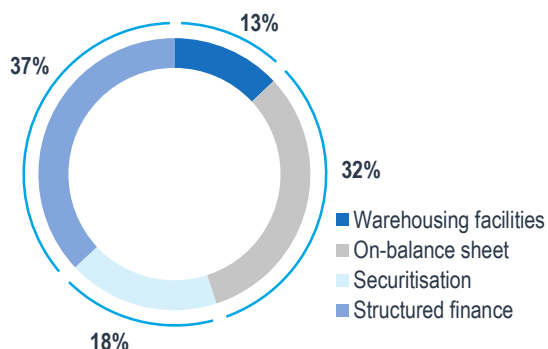
Transaction Capital

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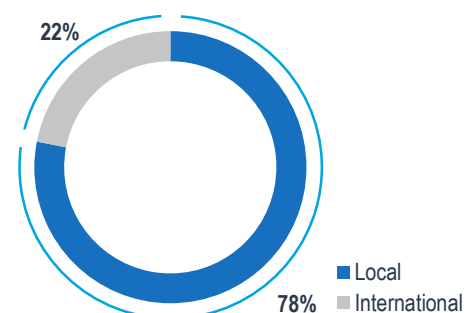
Diversification by debt investor category



Diversification by funding structure



Diversification by geography



ON BALANCE SHEET

R3.5 billion
FY19 BALANCE OUTSTANDING



SECURITISATION

R1.9 billion
FY19 BALANCE OUTSTANDING



STRUCTURED FINANCE

R4.0 billion
FY19 BALANCE OUTSTANDING

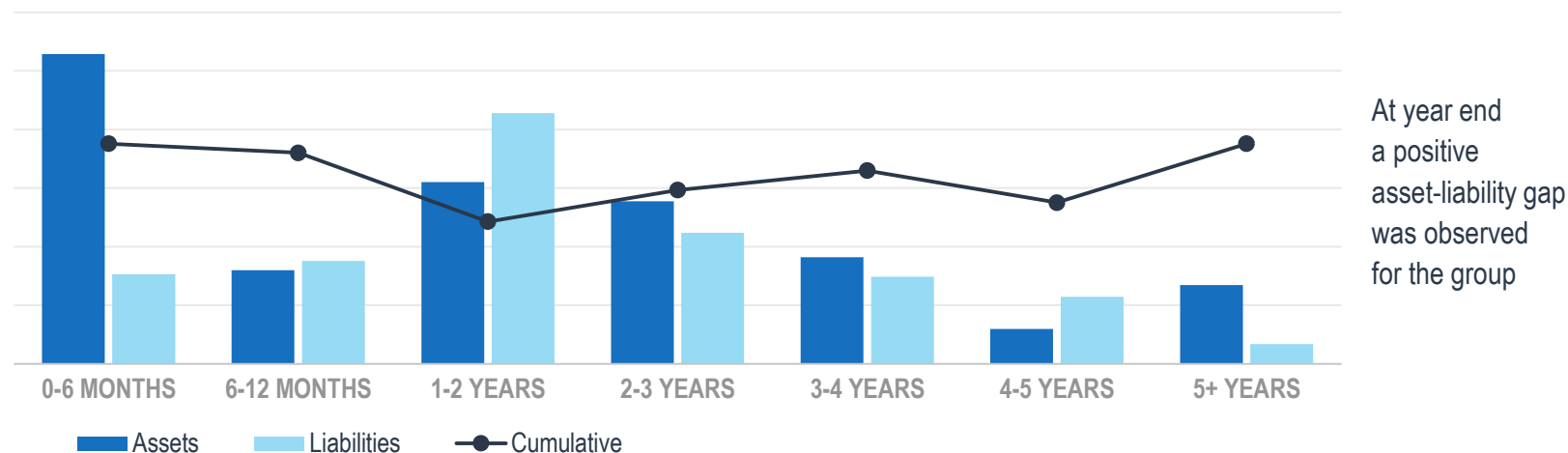


WAREHOUSING FACILITIES

R1.4 billion
FY19 BALANCE OUTSTANDING



Positive liquidity mismatch



FUNDING PHILOSOPHY

INNOVATIVE THINKING

Innovative thinking is encouraged & cultivated to develop pioneering funding solutions

ENGAGED DEBT INVESTORS

- Recurring investment by debt investors motivated by performance, the ease of transaction & appropriate risk adjusted returns
- Transparent & direct relationships with debt investors where necessary facilitated by valued intermediaries

JUDICIOUS RISK MITIGATION

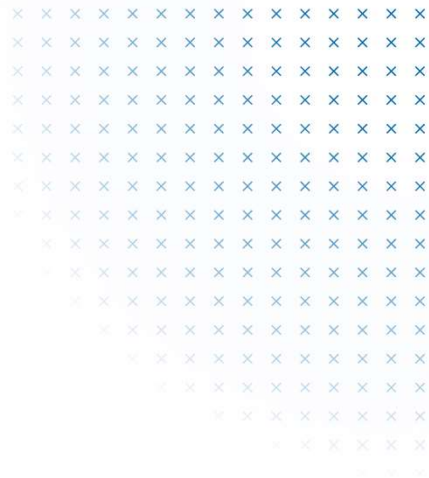
- Optimal liquidity management between asset & liability cash flows
- Effective management of interest rate, currency & roll over risk
- Controlled exposure to short term instruments
- Diversification by geography, capital pool, debt investor & funding mandate

OPTIMAL CAPITAL STRUCTURES

- Proactively managing valuable capital & funds raised across the group
- Bespoke & innovative funding structures to meet investment requirements & risk appetite of a range of debt investors while also targeting an optimal WACC
- No cross-collateralisation between structures



Transaction Capital



GLOSSARY

2 0 1 9

RESULTS FOR THE YEAR
ENDED 30 SEPTEMBER

BPS	Basis points
CAGR	Compound annual growth rate
CPS	Cents per share
DFI	Developmental finance institution
DPS	Dividend per share
ERC	Estimated undiscounted remaining gross cash collections from NPL Portfolios over the next 120 months
FFS	Fee-for-service
GEO	Group executive office
HEPS	Headline earnings per share
JIBAR	The Johannesburg Interbank Average Rate
NPL	Non-performing loans within SA Taxi's loans & advances portfolio
NPL Portfolio	Non-performing consumer loan portfolio acquired by TCRS to be collected as principal
Open market taxi operator	Minibus taxi operators not previously being a SA Taxi client
Recoveries Corp	Recoveries Corporation in Australia, a 100% owned subsidiary of TCRS
REPO	Rate at which the South African Reserve Bank lends money to banks
SA	South Africa
SANTACO	South African National Taxi Council
TC	Transaction Capital
TCRS	Transaction Capital Risk Services
TRP	Taxi Recapitalisation programme

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