



TRANSACTION CAPITAL

SBG SECURITIES GENERAL FINANCIALS  
CONFERENCE  
"ASSESSING A NEW NORMAL"

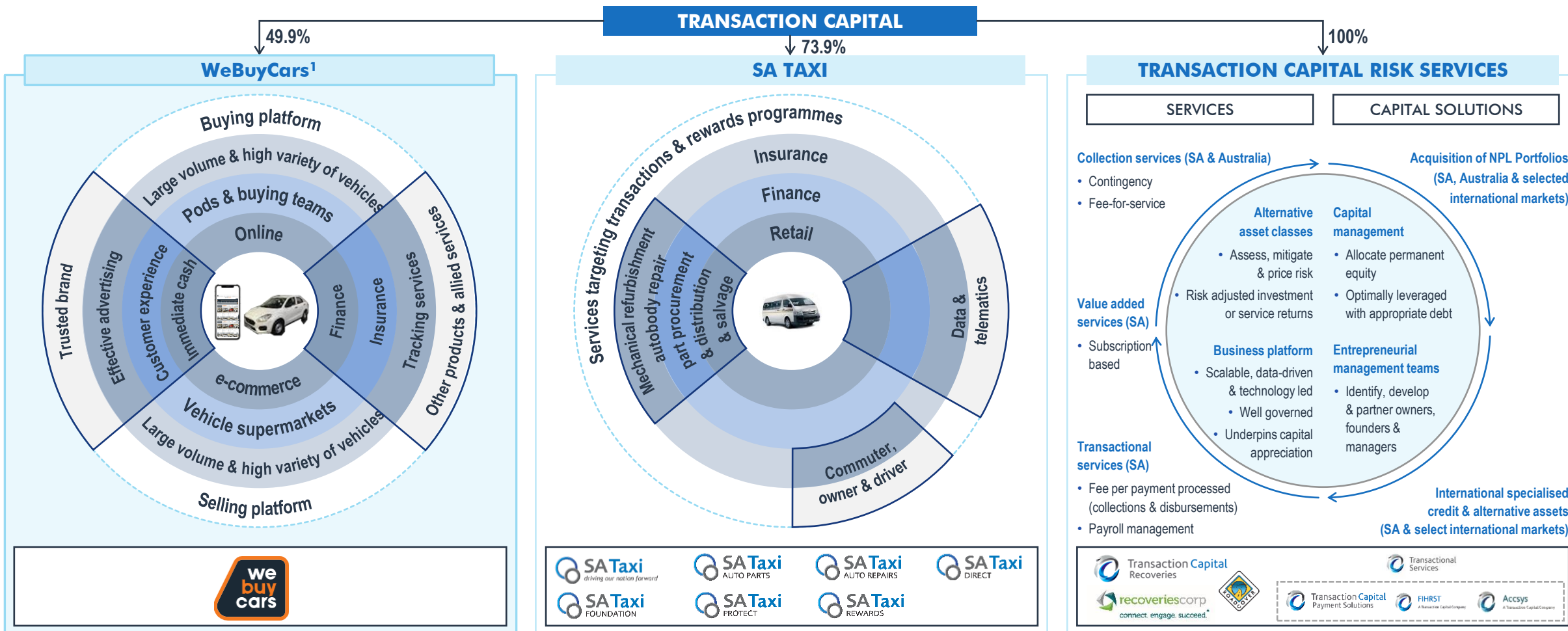
**2020**

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NOVEMBER

**TRANSACTION CAPITAL IS AN INVESTOR IN & OPERATOR OF ALTERNATIVE ASSETS IN CREDIT RELATED & SPECIALISED MARKET VERTICALS WITH A NEAR 20-YEAR TRACK RECORD FOR HIGH-QUALITY EARNINGS GROWTH & ATTRACTIVE RISK-ADJUSTED RETURNS**

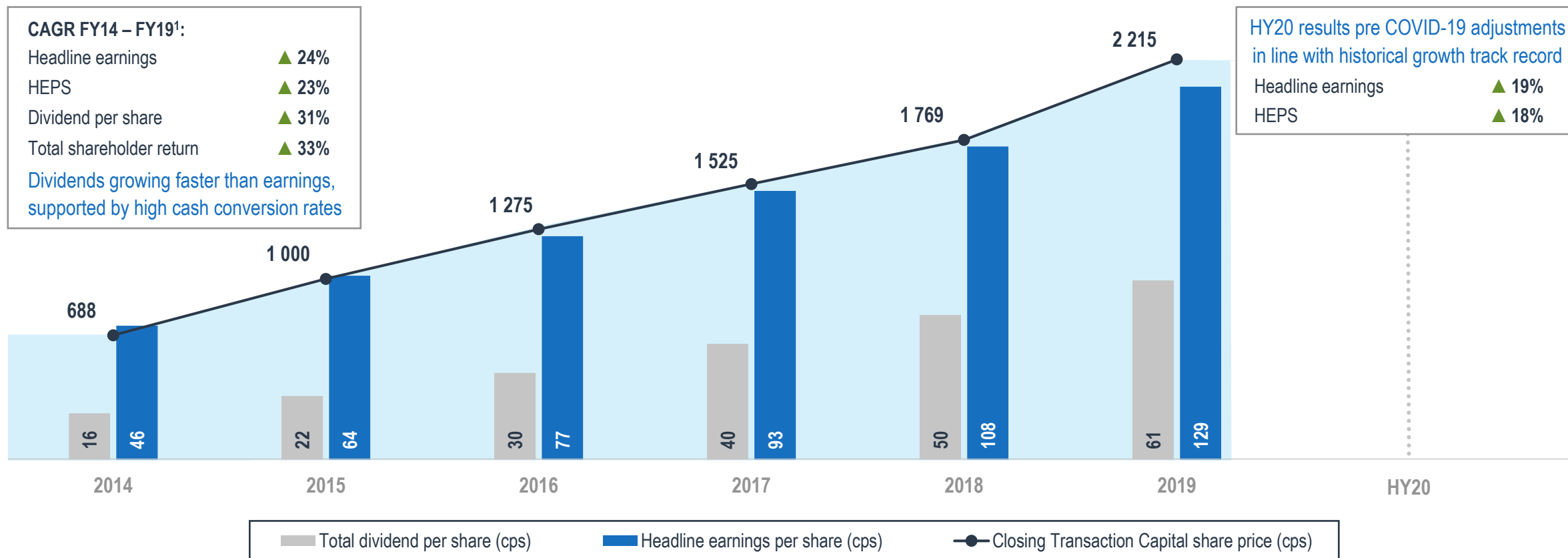
**GROWING EARNINGS BASE BY EXPANDING EXISTING TOTAL ADDRESSABLE MARKET & ENTERING ADJACENT MARKET SEGMENTS**



1. Acquisition of 49.9% of WeBuyCars effective 11 September 2020

## EXCELLENT TRACK RECORD OF GROWTH & FINANCIAL PERFORMANCE

5 YEAR HEADLINE EARNINGS CAGR PRIOR TO COVID-19 OF 24%



**PRE & POST COVID-19 BALANCE SHEET ROBUST UNDERPINNED BY A CONSERVATIVE CAPITAL STRATEGY  
WITH AMPLE CAPACITY TO FUND ORGANIC GROWTH EVEN AS RECESSIONARY CONDITIONS INTENSIFY**

## PRE & POST COVID-19 BALANCE SHEET IS ROBUST UNDERPINNED BY A CONSERVATIVE CAPITAL STRATEGY WITH AMPLE CAPACITY TO FUND ORGANIC GROWTH EVEN AS RECESSIONARY CONDITIONS INTENSIFY

- >R1.5bn new facilities concluded by SA Taxi since April 2020 for new loan originations
- Additional capital of R680m, in the form of undrawn facilities, raised at group level
- Supported by long-term nature of SA Taxi's & TCRS's assets

### 5 YEAR CAGR TO FY19

Excellent pre COVID-19 track record of growth & financial performance

FY20

### TC impacted by COVID-19 but demonstrated resilience with its agile response

- Prior to effects of COVID-19 earnings growth in line with past performance
- Conservative approach resulting in once-off non-cash COVID-19 related adjustments:
  - › SA Taxi's credit provisioning model
  - › Carrying value of TCRS's NPL Portfolios
- Subdued profitability, with pre-provision profit growth for FY20
- Action taken to enhance financial flexibility
  - › **R560 million** new capital raised via accelerated bookbuild in June 2020

### LOOKING FORWARD

Activity in most instances nearing or exceeding pre-lockdown levels.

Business models more relevant in post COVID-19 environment

TC well placed to build on long-term track record of mid-to-high teen growth for FY21 & beyond



Operational, financial & strategic flexibility allowed quick alignment of operating models, financial structures & growth plans



Personal vehicles remain necessity & aspiration for South Africans

- More consumers opting to trade ▼ from new to used vehicles
- New vehicle sales per year ▼ 3.4% (2014-2019) amplified by Covid-19
  - › consumers' disposable income under strain
  - › weakening rand thus new vehicle prices ▲

Covid-19 has heightened consumers' preference for on-line channels

- e-commerce adoption in SA leap-frogged 5 years



Minibus taxi industry is indispensable to SA's economic productivity

- Most South African's place heavy reliance on minibus taxi
- Recovered quickly as lockdown restrictions eased
- Track record & vertically integrated business model positions it well to serve clients



Supports clients' ability to extend credit

- Frees up operational infrastructure
  - Optimises balance sheet capacity
- Rehabilitating indebted consumers
- Facilitates effective functioning of consumer credit market
  - Critical to SA's economic recovery
- TCRS well positioned to win new mandates & acquire NPL Portfolios
- Capital flexibility
  - Extensive collections infrastructure
  - WFH capabilities



WEBUYCARS

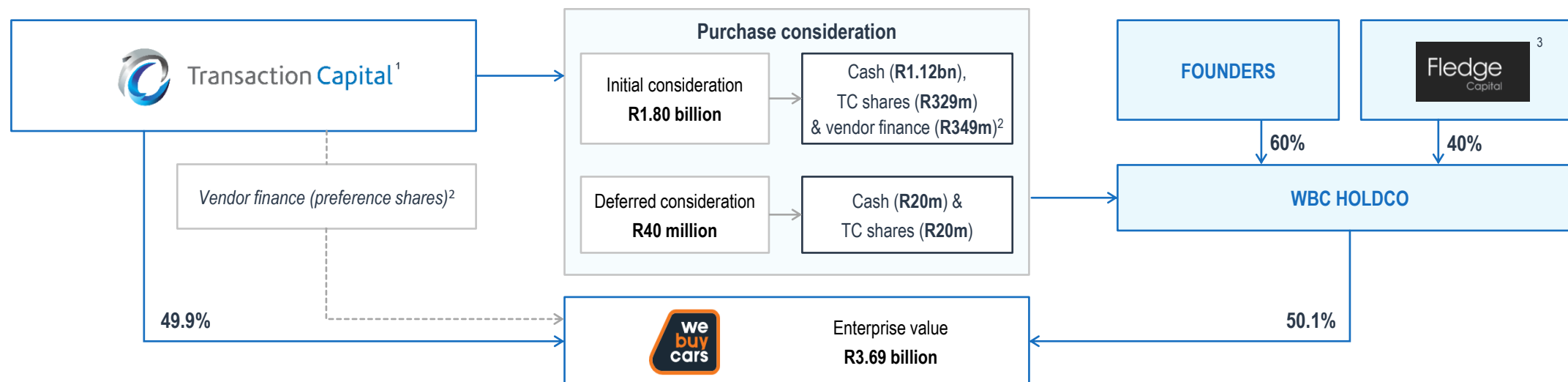
# TRANSACTION CAPITAL SUBSCRIBES FOR A NON-CONTROLLING 49.9% IN WeBuyCars

A QUALITY BUSINESS WITH HIGH CASH CONVERSION RATES & STRONG ORGANIC GROWTH PROSPECTS



5

## EARNINGS ACCRETIVE CASH DEPLOYMENT INTO A RELEVANT & SCALABLE BUSINESS WITH POTENTIAL TO GROW IN VALUE



## INVESTMENT TERMS

- Transaction Capital subscribes for a non-controlling **49.9%** in WeBuyCars
- Enterprise value of **R3.69 billion**
- Initial purchase consideration of **R1.80 billion**
  - R1.12bn** of cash (~R900m of undeployed capital & ~R220m from existing debt facilities)
  - R349m** of vendor finance via issue of preference shares
  - R329m** of new Transaction Capital equity (16.47m shares at R20 per share)
- Deferred consideration of **R40 million**
  - R20m** cash
  - R20m** TC shares
- PE multiple **~10x**
- Put option<sup>4</sup> to sell additional **10.0%** to TC at end of year 1
- Call option<sup>5</sup> to acquire up to **74.9%** by TC at end of year 3

## ACCESS TO LIQUIDITY FOR ORGANIC GROWTH

- Additional capital of **~R680m**, in the form of undrawn debt facilities, to be raised post the acquisition
- Given protracted impact of COVID-19, it is prudent to enhance the group's financial flexibility & strategic agility
- Organic growth initiatives for SA Taxi & TCRS continue as planned
  - Accelerated acquisition of NPL Portfolios to be collected as principal in South Africa & Europe in the near term
  - Capital deployment via TC Global Finance
  - R1.5bn** new facilities concluded by SA Taxi since 1 April 2020 for new loan originations

1. Simplified transaction structure. TC via Transaction Capital Motor Holdings, a 100% owned subsidiary of TC

2. TC issues R349m of preference shares

3. Fledge Capital is an independent investment company that provides capital solutions to private companies across a wide range of industries.

Fledge Capital was founded in 2010 by Louis van der Watt & Konrad Fleischhauer

4. Put option subject to regulatory approvals

5. Call option subject to regulatory approvals (if required) & pre-determined criteria being met

## THE INVESTMENT IN WeBuyCars WILL ACCELERATE TRANSACTION CAPITAL'S GROWTH RATE

### CAGR 2017 to 2020

Revenue	▲ 62%
EBITDA	▲ 65%
Profit	▲ 58%

Stable margins despite strong growth

## OPPORTUNITY FOR WeBuyCars TO ▲ UNIT ECONOMICS PER VEHICLE SOLD FROM GREATER TAKE-UP RATE OF F&I PRODUCTS<sup>1</sup>

- Vehicle margin earned on ALL vehicles sold
- Currently F&I product margin earned on **15%** of vehicles sold
- 1% ▲ in penetration = ▲ ~R9.3m in profit

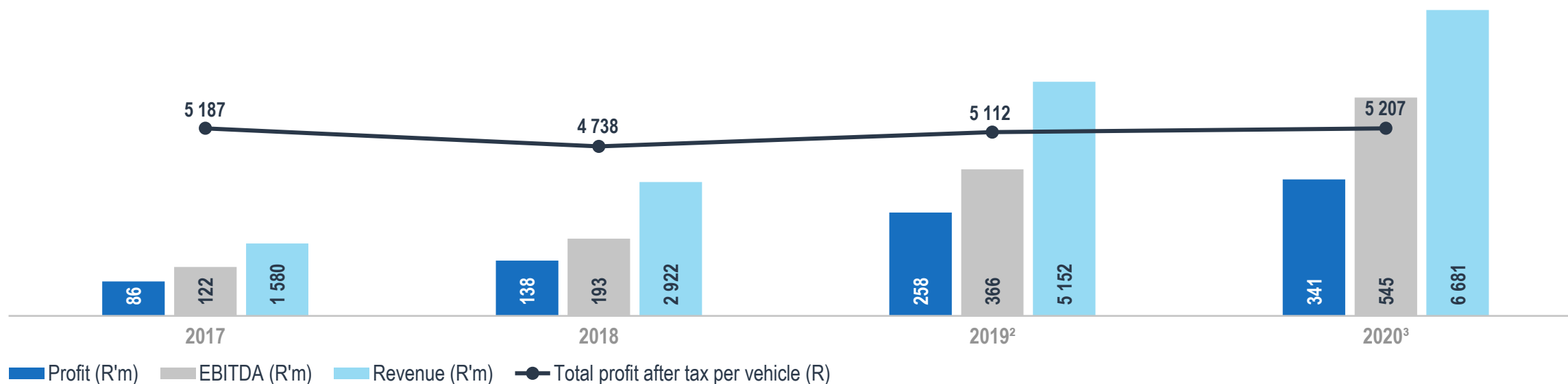
## ESTABLISHED INFRASTRUCTURE FACILITATING OPERATIONAL LEVERAGE

### Fixed vs. variable cost

~40% fixed  
~60% variable (~20% semi-variable)

## ROBUST BALANCE SHEET

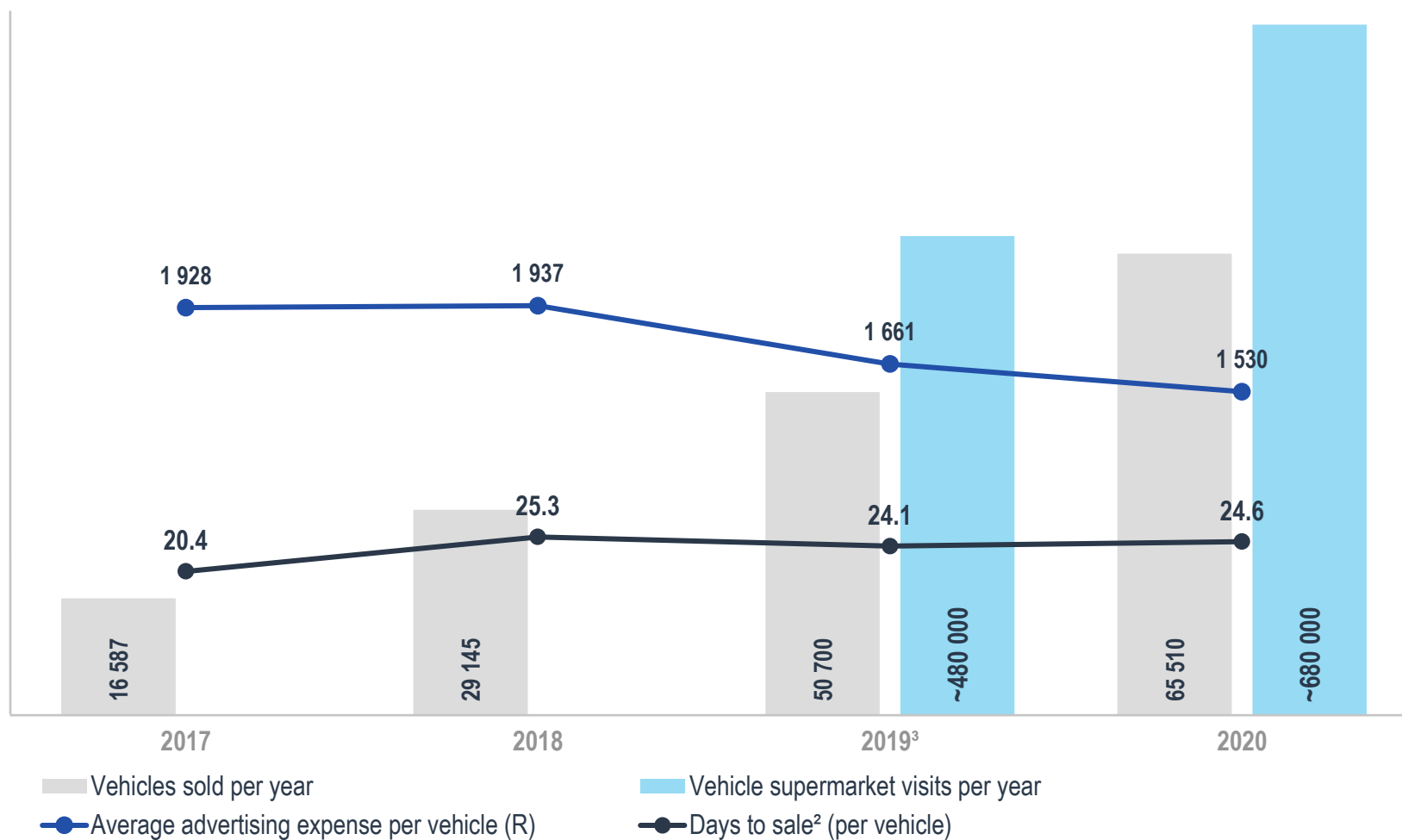
- Minimal leverage
- High cash conversion rates



1. WeBuyCars earns margin on trading vehicles (vehicle margin), with additional gross margin earned on finance, insurance based, tracking & other allied products (product margin)

2. 2019 reflects a 13 month financial period to 31 March 2019. This is due to a change in financial year end from 28 February to 31 March

3. Includes adoption of IFRS 16 Leases



### CAGR 2017 to 2020

- Vehicles sold per year ▲ 58%
- Vehicle supermarket visits per year¹ ▲ 42%
- Advertising expense per vehicle ▼ 11%

**Robust stock turn at <30 days resulting in high cash conversion rates**

### STRONG COVID-19 RECOVERY

- **5 622** vehicles sold in Feb 2020
- **6 164** vehicles sold in July 2020
- Business highly relevant in a post COVID-19 environment
- Used vehicles are a more affordable alternative to new vehicles

1. CAGR calculated for the period 2019 to 2020

2. Average days to sale for the year calculated: average inventory/cost of sales \*365

3. 2019 reflects a 13 month financial period to 31 March 2019

This is due to a change in financial year end from 28 February to 31 March



## 2. ARTIFICIAL INTELLIGENCE (AI), ANALYTICS & LEAD GENERATION

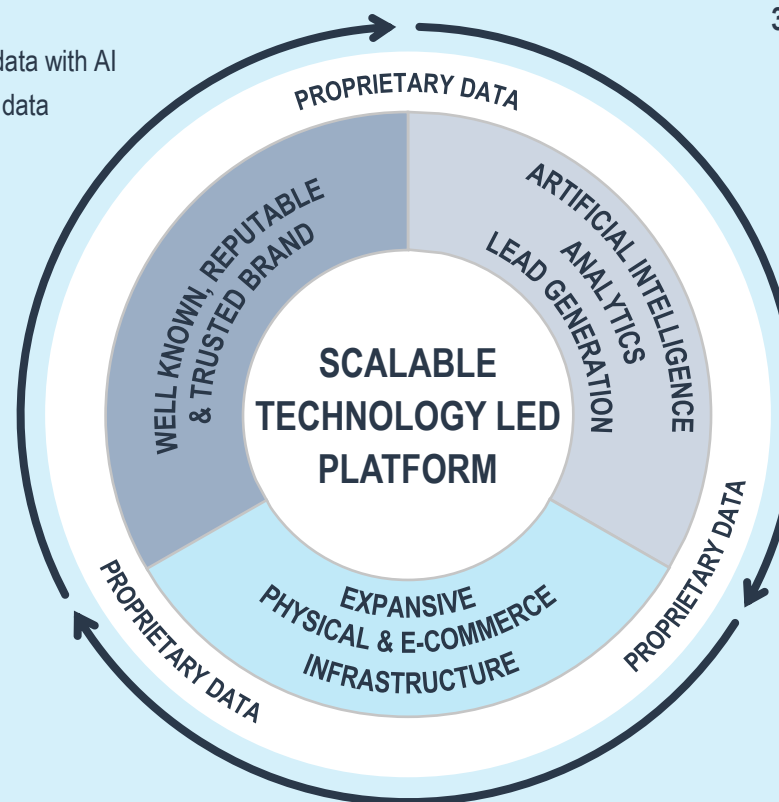
- AI applied to
  - › Ensure vehicles bought & sold at a fair price
  - › Adjust pricing according to value & demand, preserving margins & high stock turn
- Lead generation to target high-quality online prospects

## 1. PROPRIETARY DATA

- Leveraging 20 years of vehicle, price, consumer & other data with AI
- Continuously enriched with buying & selling transactional data

## 5. WELL-KNOWN, REPUTABLE & TRUSTED BRAND

- In an industry where trust & customer satisfaction has been low
- Effective advertising campaigns (spend R100m per year)
- Consistently high satisfaction levels
- Peace of mind transacting
  - Buyers have access to full disclosure
    - › Vehicle condition report (e.g. DEKRA)
    - › High resolution photos
  - Sellers receive a fair price
    - › on-line channel
    - › instant offer driven by AI, & not buyer sentiment
    - › immediate cash settlement
- Reputation, brand & trust enhances lead generation

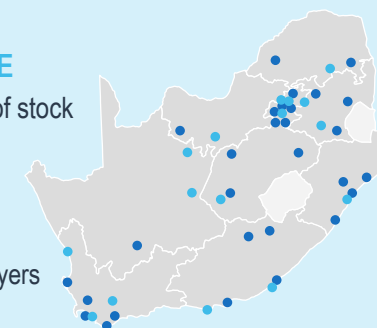


## 3. TECHNOLOGY

- Online channel & e-commerce infrastructure enhances customer experience
- Improves efficiency & reliability of service
- Scalable technology led platform reducing costs per unit

## 4. EXPANSIVE INFRASTRUCTURE

- Holding a large variety & quantum of stock
- **PHYSICAL INFRASTRUCTURE**
  - › Nationwide presence
  - › 7 vehicle supermarkets, 19 buying pods, 148 national buyers
- **E-COMMERCE PLATFORM**
  - › Peace of mind transacting via online auctions
  - › Established B2B platform with vehicle dealerships
  - › Early stage B2C activities commenced



## RATIONALE

- Favorable structural market conditions
- WeBuyCars
  - › Significant position in resilient SA used vehicle market
  - › High quality business
  - › Well established
  - › Entrepreneurial
  - › Owner managed
  - › Robust organic growth prospects
  - › Delivering predictable earnings
  - › High cash conversion rates
  - › Scale & competitiveness can be enhanced

## VALUE CREATION | WeBuyCars's GROWTH OPPORTUNITES



### INCREASE VOLUMES

- Expansion of nationwide infrastructure to meet demand requirements
  - › Additional vehicle supermarkets & buying pods in development
  - › Continued enhancement of brand awareness & trust
  - › Medium-term target to trade **10 000** vehicles per month (currently **6 000**)

### E-COMMERCE

- Harness data, technology & e-commerce potential
- Extend WeBuyCars e-commerce infrastructure
  - › Establish B2B e-commerce activities including vehicle dealerships
  - › Develop B2C e-commerce activities

### ENHANCE UNIT ECONOMICS & MARGIN POTENTIAL

- Optimising vehicle acquisition & stock turn
- Offering finance to underserved segments as principal
- Enhance existing arrangements with providers of F&I products
- Add relevant new allied products
- Increase unit economics per vehicle sold via greater take-up rate of F&I products (currently **15%** of vehicles sold)
- Offering insurance & allied products as principal



# MIDSTREAM VEHICLE SUPERMARKET





# MIDSTREAM VEHICLE SUPERMARKET



# USED VEHICLE MARKET CONTEXT & ENVIRONMENT

USED VEHICLE INDUSTRY IS RESILIENT, DEFENSIVE & GROWING DESPITE SOUTH AFRICA'S ECONOMIC CLIMATE

## SOUTH AFRICA'S VEHICLE PARC<sup>1</sup>

### IN SOUTH AFRICA THERE ARE 10.8 MILLION VEHICLES<sup>1</sup>

- **Personal vehicles remain a necessity for many South Africans**
  - › Long travel distances
  - › 38% use personal vehicles; 21% walk; 40% use public transport; 1% other modes
  - › Vehicle ownership is an aspiration rooted in South African culture
- **New vehicle sales are driven by**
  - › Economic environment
  - › Prices sensitive to exchange rates
  - › Banks appetite to financing
- **New vehicle sales trends**
  - › Shift from new to used vehicles
  - › Average length of ownership ▲
  - › Lower value vehicles purchased in challenging economic environment

### VEHICLE PARC GROWING DESPITE NEW VEHICLE SALES ▼ OVER LAST 10 YEARS

#### CAGR

- 9 year ▲ 5.6%
- 5 year ▲ 2.4%

#### AVERAGE AGE<sup>2</sup> ▲

- ~10 years
- Dec 2017 | 9.73 years
- Mar 2020 | 10.08 years

#### REPLENISHMENT RATE

**INTO PARC**  
372 000 vehicles

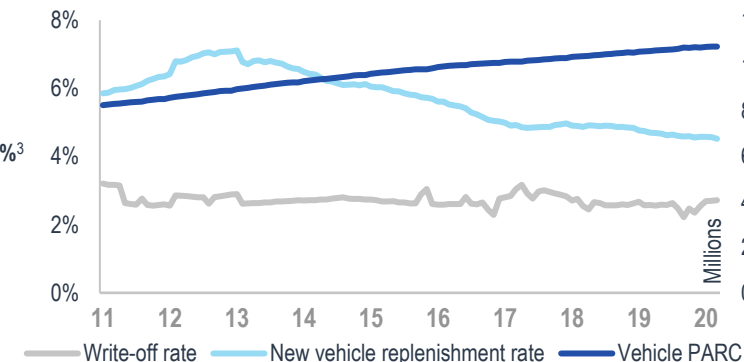
2020e new vehicles sales ▼ 31%<sup>3</sup>

**EXCEEDS**

#### WRITE-OFF RATE

**OUT OF PARC**  
350 000 vehicles

Consistently at ~3% per year



Vehicle PARC vs. replenishment rate & write off %

## USED VEHICLE MARKET IS RESILIENT & GROWING DESPITE DIFFICULT ECONOMIC ENVIRONMENT

VEHICLE SALES PER YEAR<sup>4</sup>

~500 000

NEW VEHICLES | 46% FINANCED<sup>4</sup>

2.4 times

USED-TO-NEW SALES RATIO

~1.2 million<sup>5</sup>

USED VEHICLES | 32% FINANCED

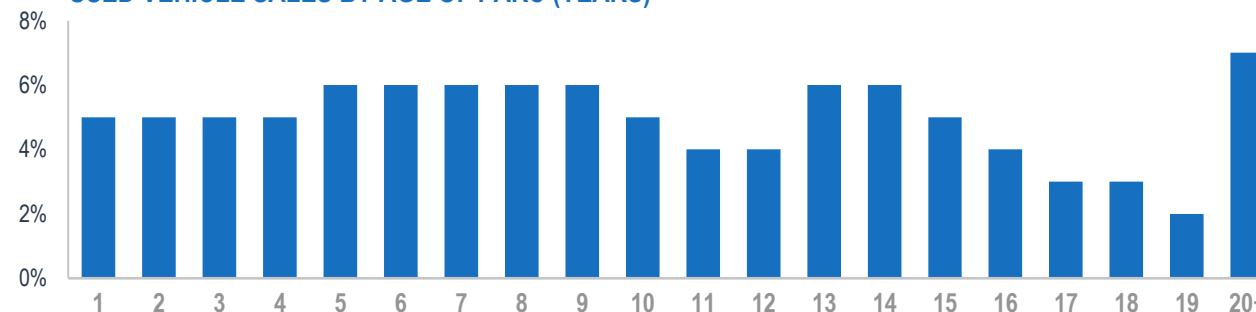
### NEW VEHICLE SALES ▼

- › Economic environment
- › Price increases

### USED VEHICLE SALES ▲

- › New vehicle sales ▼
- › Banks adding liquidity into used vehicle market as they grow their books

### USED VEHICLE SALES BY AGE OF PARC (YEARS)



1. Lightstone - vehicle parc consists of passenger & light commercial vehicles;

2. Lightstone Parc data

3. 2020 estimated new vehicle sales <https://www.moneyweb.co.za/news-fast-news/new-car-sales-to-drop-to-17-year-low-on-pandemic/>

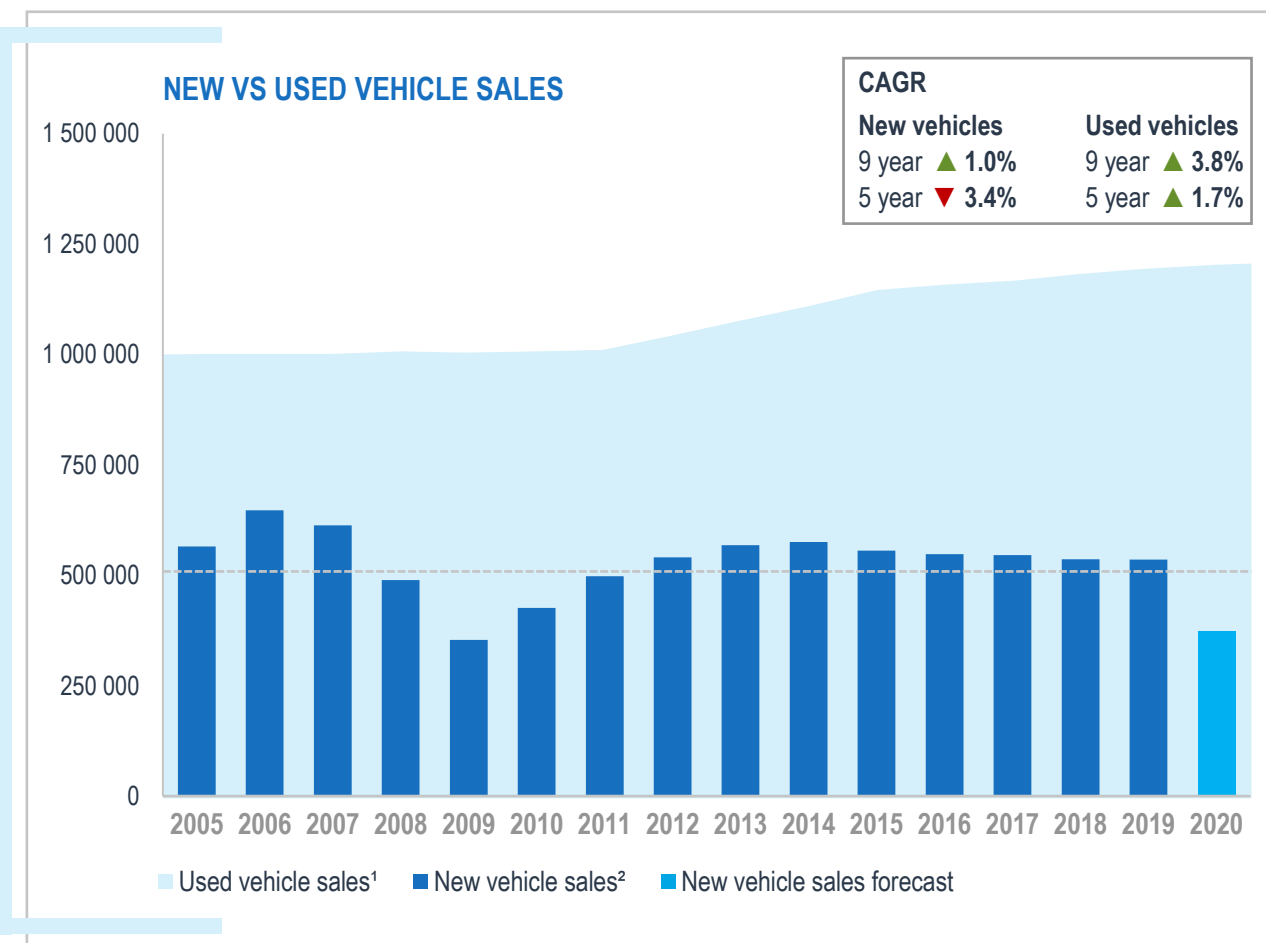
4. Consumers financed per the NCR in 2019, excluding business-to-business | WeBuyCars ~20% to ~30% of sales to customers (excluding dealerships) are financed

5. Estimate applying Transunion, E-natis (double counting eliminated) & Lightstone data



## USED VEHICLE MARKET IS RESILIENT & GROWING DESPITE DIFFICULT ECONOMIC ENVIRONMENT

USED VEHICLE SALES PER YEAR ~1.2 MILLION (9 year CAGR ▲ 3.8% | 5 year CAGR ▲ 1.7%)



### • USED VEHICLE SALES ARE DRIVEN BY:

- › Economic environment
- › COVID-19 risks
- › New vehicle prices ▲ | driven by exchange rates

▼ New vehicle sales  
▲ Used vehicle sales

### What is happening to used car prices right now?

“While new car sales remain sluggish, **used cars** are bolstering dealer profits with some of the big groups reporting a record month in June... **Consumer demand for second or third cars for commuting purposes so they can avoid using public transport & the increased risk of catching COVID-19**”

*CarDealer, July, 2020*

### New vehicle prices rise sharply above inflation despite sales slump

“The financial impact of the pandemic, which has seen the unemployment rate rising above 30% in South Africa, has resulted in **consumers** either forgoing vehicle purchases or **looking to buy down from new to used vehicles**”

*Moneyweb, July 30, 2020*

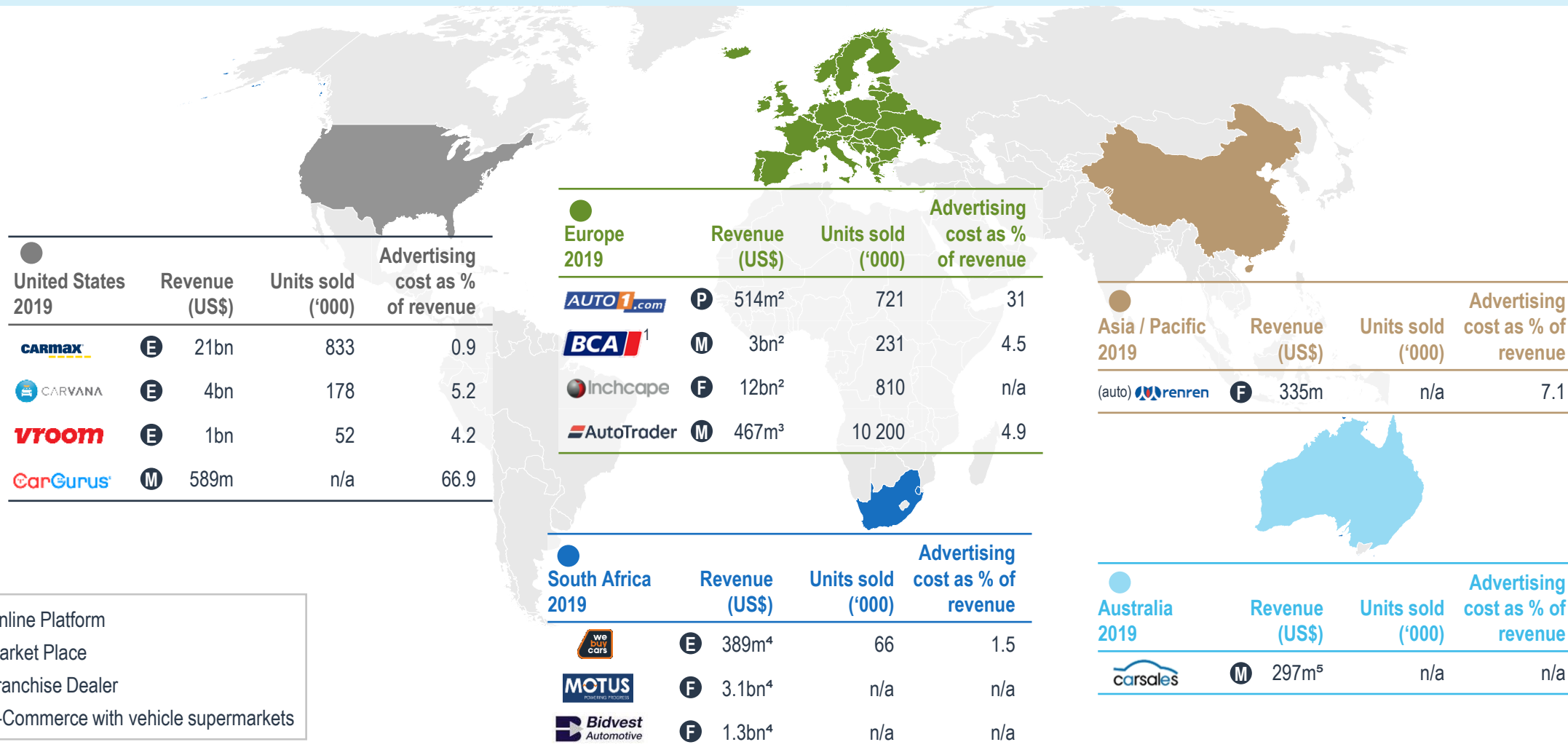
1.Source: eNATIS 2019

2. Source: <https://www.moneyweb.co.za/news-fast-news/new-car-sales-to-drop-to-17-year-low-on-pandemic/>

# GLOBAL LISTED PEERS

A MIX OF MARKET PARTICIPANTS INCLUDING ONLINE PLATFORMS; MARKET PLACES; FRANCHISE DEALERS; E-COMMERCE WITH VEHICLE SUPERMARKETS

## WeBuyCars BUSINESS MODEL UNIQUE IN SA WITH COMPARABLE INTERNATIONAL PEERS



Source: Euromonitor e-commerce sales excluding sales taxes for FY 2019, Company data is sourced from company financials

1. BCA Group was delisted in 2019, figures as of FY2018





2. EUR amounts translated at a EUR/US FX rate of 0.84961 as of 4 August 2020

3. GBP amounts translated at a GBP/USD FX rate of 0.76569 as of 4 August 2020

4. Rand amounts converted at a ZAR/US FX rate of 17.403 as of 4 August 2020. Motus revenue reported above excludes non-SA operations & aftermarket parts operations

5. AUS amounts converted at a AUS/US FX rate of 1.404 as of 4 August 2020

## PROFITABILITY SURPASSES COMPARABLE PEERS, SUPPORTED BY EFFICIENT INVENTORY MANAGEMENT & EFFECTIVE ADVERTISING SPEND

BUSINESS MODEL				
	<ul style="list-style-type: none"> <li>Hybrid model including e-commerce &amp; physical infrastructure</li> <li>F&amp;I products offered as an agent</li> <li>Stockholder</li> </ul>	<ul style="list-style-type: none"> <li>Fully online</li> <li>Finance &amp; other products offered as an agent</li> <li>Stockholder</li> </ul>	<ul style="list-style-type: none"> <li>Hybrid model including e-commerce &amp; physical infrastructure</li> <li>Vertically integrated</li> <li>On-balance sheet financing</li> <li>Stockholder</li> </ul>	<ul style="list-style-type: none"> <li>Hybrid model including e-commerce &amp; physical infrastructure</li> <li>Vertically integrated</li> <li>On-balance sheet financing</li> <li>Stockholder</li> </ul>
UNITS SOLD ON THE PLATFORM	65 510	52 160	177 549	832 640
PHYSICAL PRESENCE <sup>1</sup>	<ul style="list-style-type: none"> <li>South Africa</li> <li>7 vehicle supermarkets; 19 buying pods</li> <li>No refurbishment activities</li> </ul>	<ul style="list-style-type: none"> <li>United States</li> <li>1 vehicle supermarket</li> <li>1 refurbishment center (in-progress)<sup>2</sup></li> </ul>	<ul style="list-style-type: none"> <li>United States</li> <li>19 branches</li> <li>7 refurbishment centers</li> </ul>	<ul style="list-style-type: none"> <li>United States</li> <li>216 branches</li> <li>96 refurbishment centers</li> </ul>
VEHICLE GP MARGIN <sup>3</sup>	12.3%	4.9%	6.9%	11.6%
REVENUE 3-YEAR CAGR <sup>4</sup>	61.7%	39.3%	114.2%	8.6%
EBITDA MARGIN	8.2%	(10.7%)	(5.6%)	4.2%
ADVERTISING COST AS % OF REVENUE	1.5%	4.2%	5.2%	0.9%
AVERAGE INVENTORY DAYS TO SALE	29	68	62	52
MEASUREMENT PERIOD	12 months ended 31 March 2020	12 months ended 31 December 2019	12 months ended 31 December 2019	12 month ended 29 February 2020

1. Company website & latest investor presentations

2. Vroom's business model currently relies on outsourcing refurbishment centers through partnerships throughout the United States

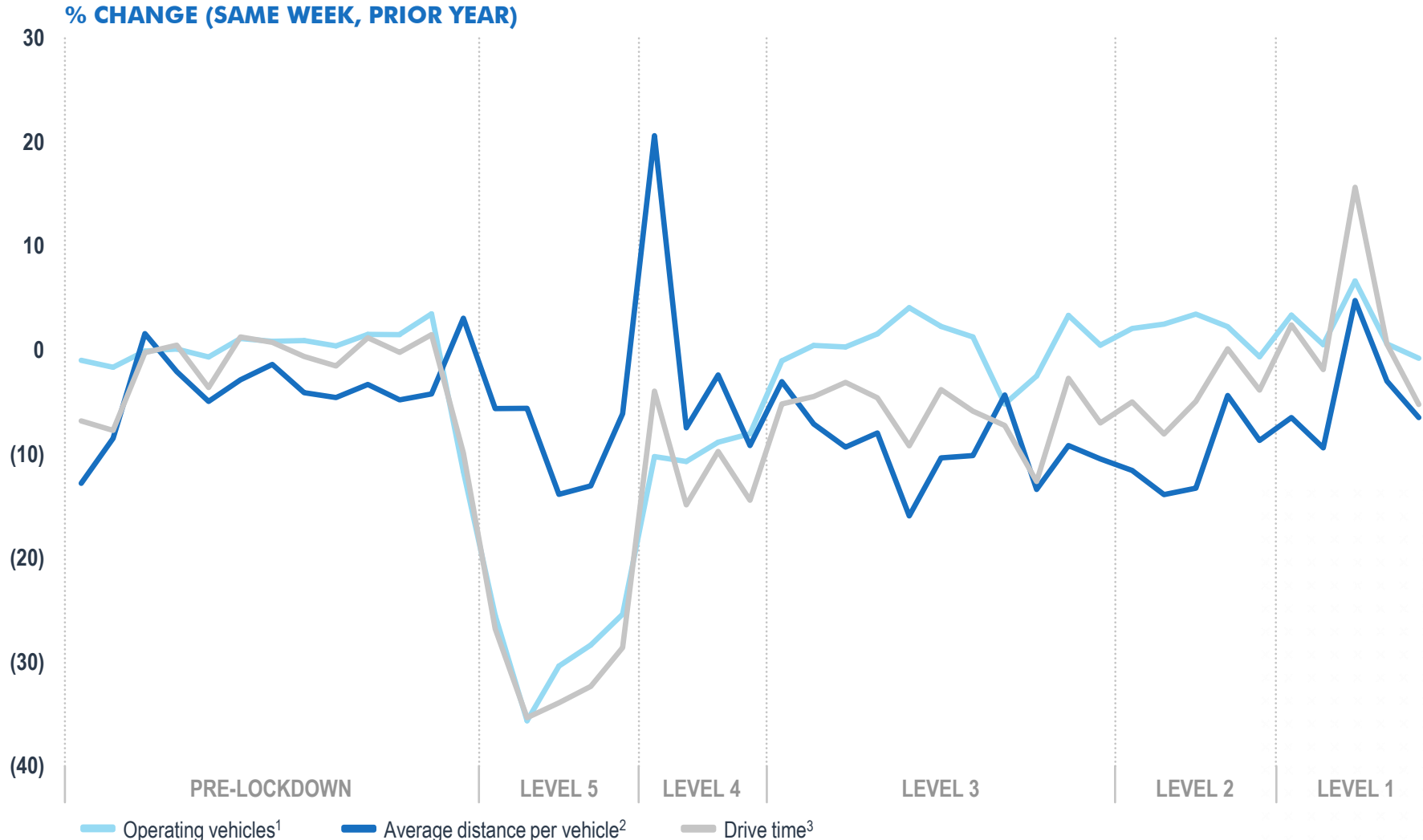
3. Margin on trading vehicles (vehicle margin), not additional gross margin earned on selling other products

4. WeBuyCars revenue CAGR for the year ended 31 March 2017 to 31 March 2020, Carvana revenue CAGR for the year ended 31 December 2017 to 31 December 2019, Vroom revenue CAGR for 2018 to 2019





SA TAXI



1. Vehicles in the fleet that have travelled more than 10 kilometres during a day  
 2. Total kilometres travelled by the fleet / number of operating vehicles  
 3. Time elapsed whilst the vehicle is moving

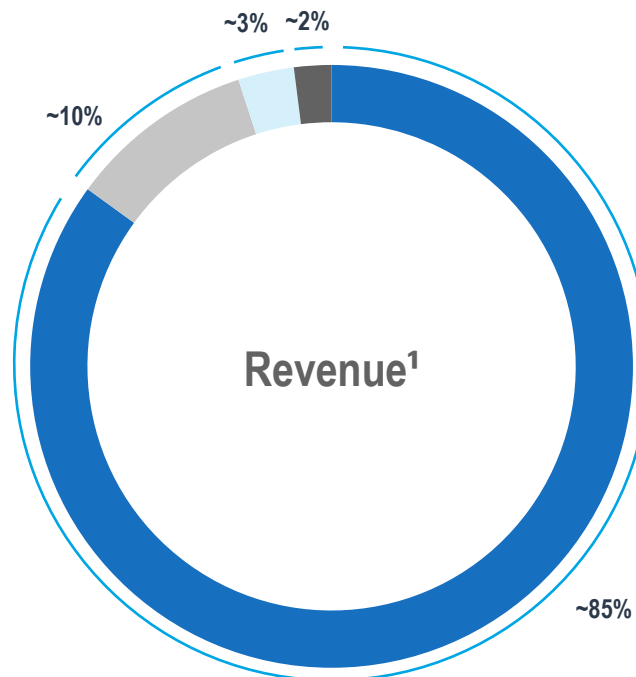
## COVID-19 has proven that the minibus taxi industry is indispensable to SA's economic productivity

- 40% of South African's use public transport
- Minibus taxi is the dominant mode of public transport
- >250 000 minibus taxis in SA
- Daily commuter trips
  - › >15m minibus taxi
  - › ~1m bus, BRT & train combined
- Restrictions caused ▼ activity & ▼ passenger load
- Spending on minibus taxi is non-discretionary, making industry defensive in challenging conditions
- Minibus taxi industry has recovered quickly & transitioned smoothly with ▲ to near normalised operational activity with easing of restrictions



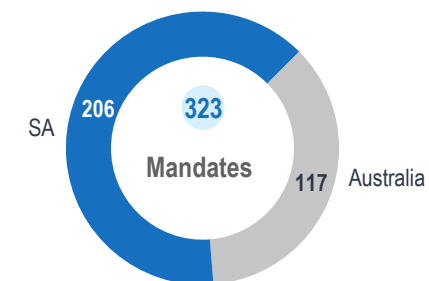
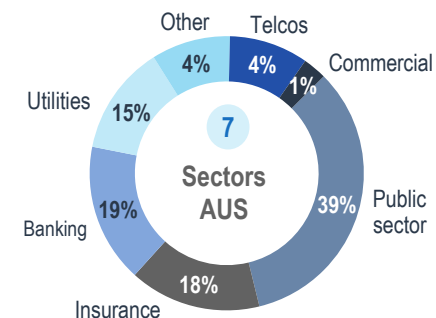
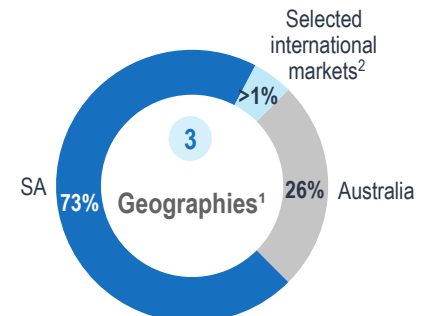
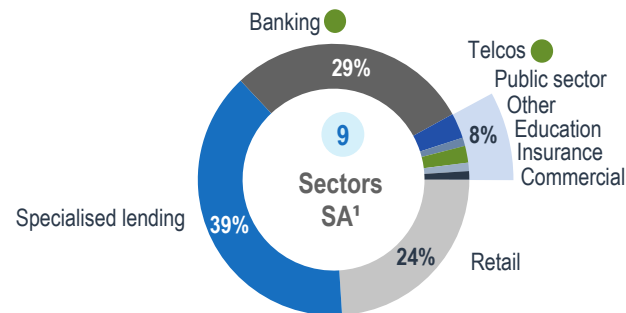
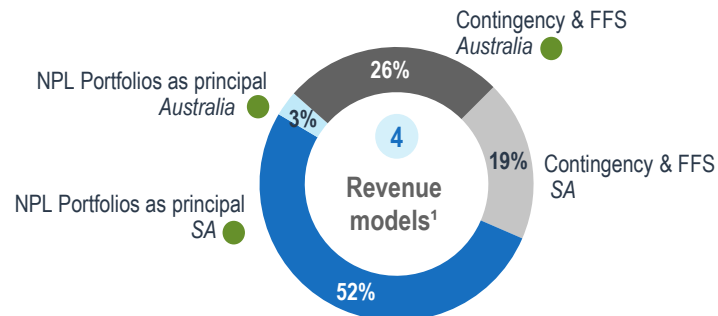
# TRANSACTION CAPITAL RISK SERVICES (TCRS)

## BUSINESS ACTIVITIES



● Strategic growth initiatives remain valid, with certain deferred to FY21

## COLLECTION SERVICES DIVERSIFICATION



1. Approximate revenue composition as at 31 March 2020

2. Profit share included in revenue as at 31 March 2020

## CONSUMER'S PROPENSITY TO REPAY DEBT DETERIORATING WITH WEAK ECONOMIC CONDITIONS EXACERBATED BY COVID-19

### % CHANGE IN REHABILITATION PROSPECT FOR Q3 2020

#### QUARTER ON QUARTER

Q3 2020 with Q2 2020

▼ by 3.7%

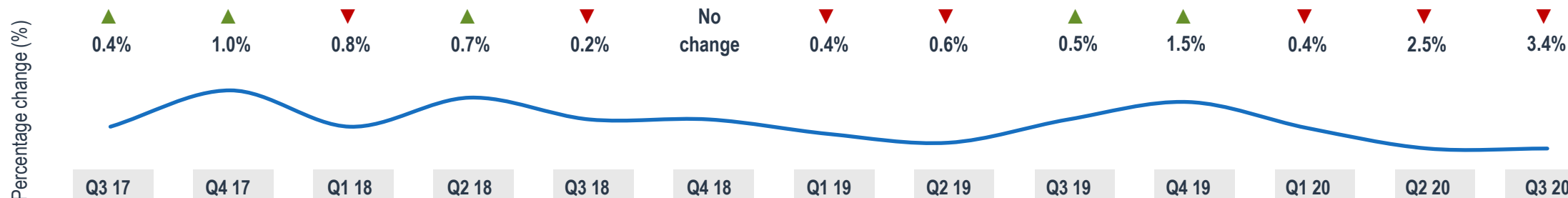
#### YEAR ON YEAR

Q3 2020 with Q3 2019

▼ by 3.4%

- National rehabilitation prospects deteriorating
- TCRS algorithm to score propensity to repay debt
- Empirically based sample of **~4 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

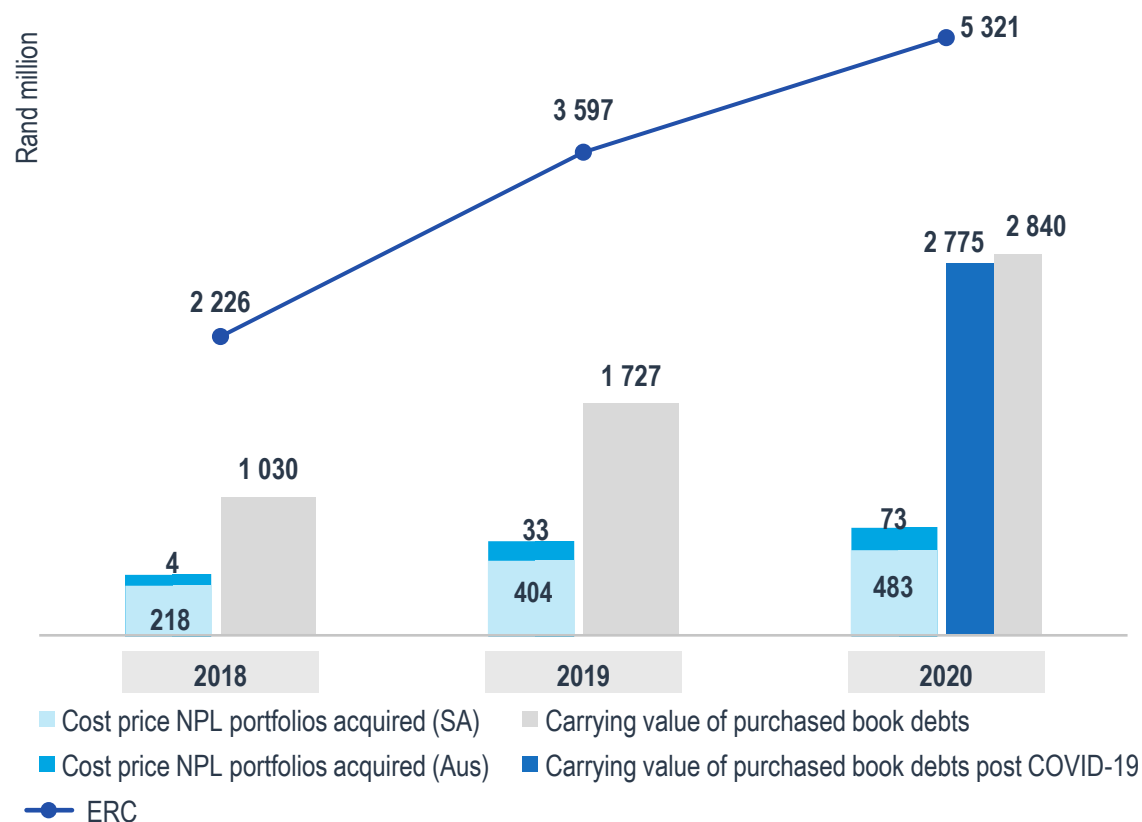


# TCRS MARKET POSITIONING | DIVERSIFIED BUSINESS MODEL

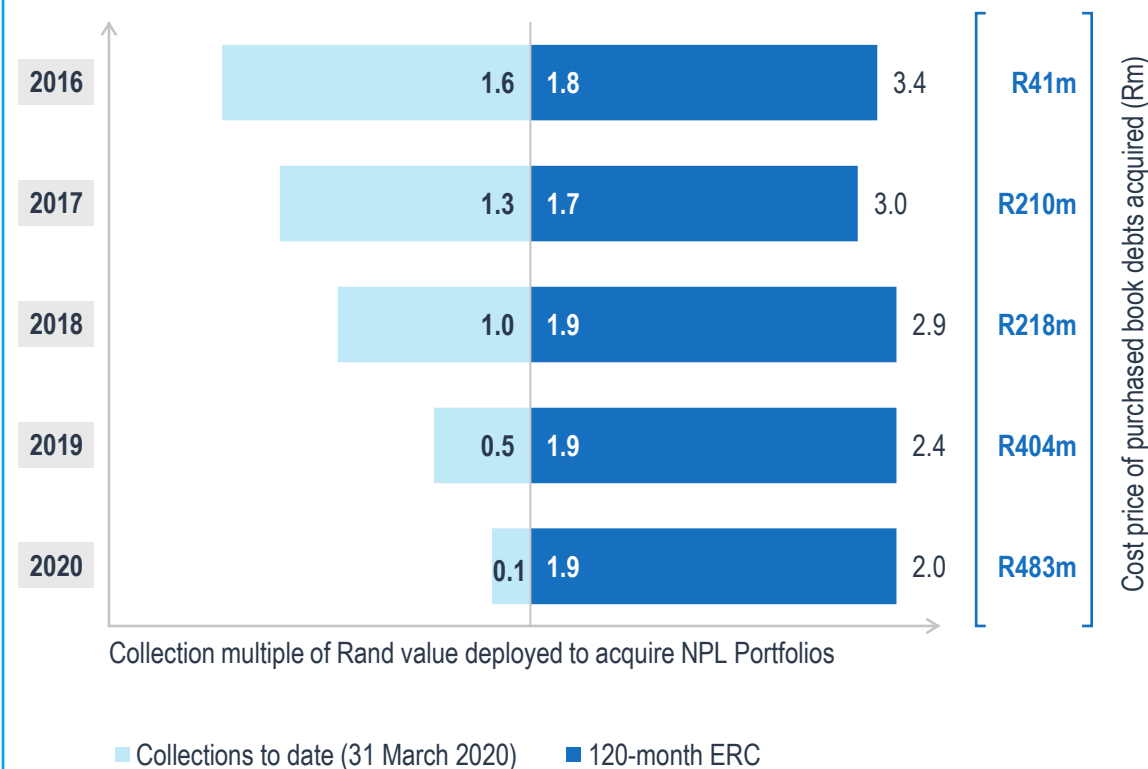
## BY SECTOR, CLIENT & MANDATE



### GROWTH TRAJECTORY TO SUPPORT FUTURE POSITIVE PERFORMANCE



### COLLECTION MULTIPLE VINTAGE PERFORMANCE<sup>1</sup> AS AT 31 MARCH 2020



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



# CONCLUSION & QUESTIONS

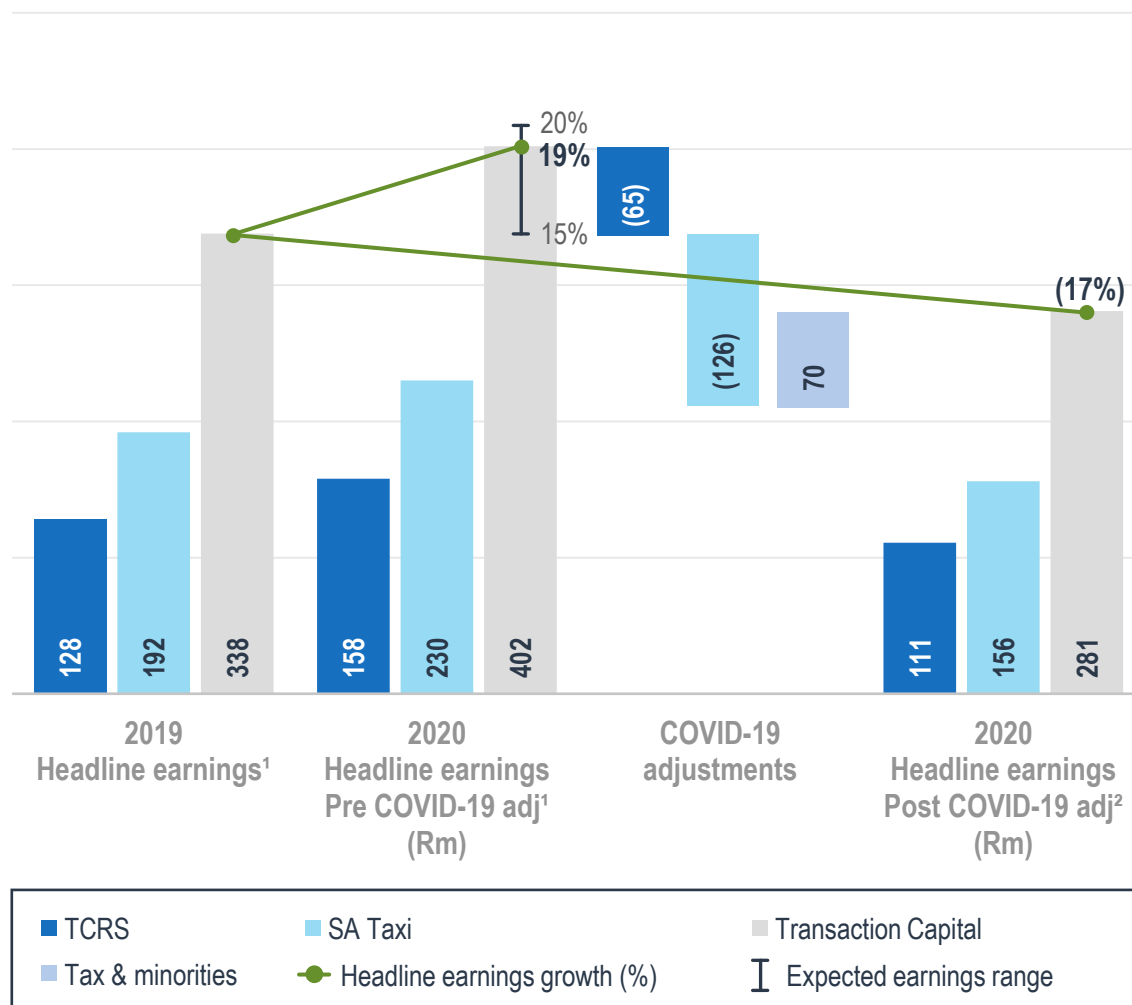




# APPENDIX HY20 RESULTS

# GROUP FINANCIAL HIGHLIGHTS

## HY20 COMPARED TO HY19



### ROBUST OPERATIONAL, FINANCIAL & CREDIT PERFORMANCE IN LINE WITH EXPECTATION OF HIGH-TEEN % GROWTH

#### Pre COVID-19 adjustments

- Headline earnings **▲ 19%** to **R402m** (HY19: **R338m**)
- Headline earnings per share **▲ 18%** to **65.4 cents** (HY19: **55.3 cents**)

#### COVID-19 adjustments

- Expected short-term disruption on future cashflows from assets in existence at 31 March 2020
- Based on limited information available at present
- Conservative approach at TC's election
- Non-cash & before tax

#### SA Taxi

- **R126m ▲** in impairment provisions
- Short-term disruption in clients' ability to afford loan instalment repayments, due to
  - › COVID-19 related restrictions impinging clients' ability to operate
  - › Impact of April 2020 loan repayment & insurance premium relief programme
- Should payment patterns normalise | **provision to unwind to profit**
- Should COVID-19 disruption manifest as credit risk | **provision to be utilised to write-off loans**

#### TCRS

- **R65m ▼** to carrying value of purchased NPL Portfolios
- Short-term disruption in collections on NPL Portfolios

#### Post COVID-19 adjustments

- Headline earnings **▼ 17%** to **R281m** (HY19: **R338m**)
- Headline earnings per share: **▼ 17%** to **45.8 cents** (HY19: **55.3 cents**)

Comparative information has been restated for the change in the composition of reportable segments as per IFRS 8 – Operating Segments, the recognition of discontinued operations as per IFRS 5 – Non-current Assets Held for Sale & Discontinued Operations & for the adoption of IFRS 17 – Insurance Contracts & IFRS 15 – Revenue from Contracts with Customers | 1. Financial ratios *pre COVID-19 adjustments* exclude, Discontinued operations: TCBS, Principa & Company Unique Finance, which collectively made a loss of R16m (HY19: R6m profit), Once-off acquisition costs of R4m incurred in HY20, relating to the acquisition of Fihrst on 1 December 2019, Once-off costs of R84m, which arose in HY19 relating to SA Taxi's ownership transaction with SANTACO, of which R81m was non-cash & in accordance with IFRS 2 & a further R3m related to early debt settlement costs, Non-cash adjustments to SA Taxi's credit provisioning model of R126m & TCRS's carrying value of purchased book debt of R65m relating to the anticipated COVID-19 effects on cashflow from assets held at 31 March 2020, given information available at present | 2. Financial ratios post COVID-19 adjustments exclude discontinued operations & once-off costs but include the COVID-19 adjustments to SA Taxi's credit provisioning model & TCRS's carrying value of purchased book debt relating to COVID-19 per note 1

## WELL CAPITALISED BALANCE SHEETS

## UNDERPINNED BY A CONSERVATIVE APPROACH TO STRUCTURING DEBT

## WITH STRONG ACCESS TO LIQUIDITY FACILITIES



**R2.7 billion**

TOTAL EQUITY

**21.4%**

CAPITAL ADEQUACY RATIO

Equity **16.5%** | Subordinated debt **4.9%**

**R14.8 billion**

TOTAL ASSETS

**R11.0 billion**

SENIOR & SUBORDINATED DEBT

DFIs **supportive & positioned** to provide financial stability & liquidity in dislocated financial markets

**12 months funding**

for loan originations secured

**Capital repayment relief** available within relevant SA Taxi debt arrangements



**R5.5 billion**

TOTAL EQUITY

**26.7%**

CAPITAL ADEQUACY RATIO

Equity **23.1%** | Subordinated debt **3.6%**

**R20.7 billion**

TOTAL ASSETS

**R13.0 billion**

SENIOR & SUBORDINATED DEBT

~**R800 million**  
UNDEPLOYED CAPITAL



~**R300 million**  
IMMEDIATELY AVAILABLE

~**R400 million**  
APPROVED UNDRAWN LIQUIDITY FACILITY FOR DIVISIONAL SUPPORT



**R1.8 billion**

TOTAL EQUITY

**3.1 times**

LEVERAGE

**R5.5 billion**

TOTAL ASSETS

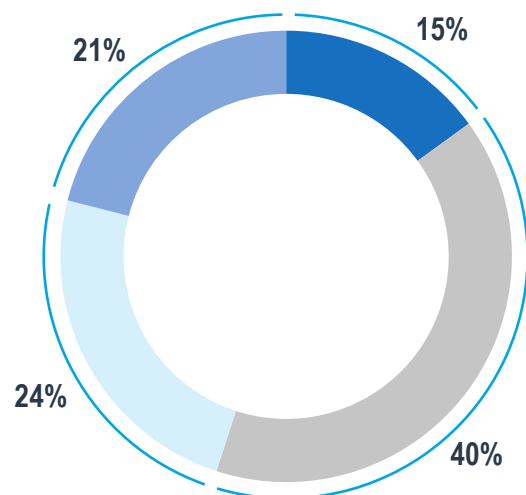
**R2.1 billion**

SENIOR DEBT

~**R500 million**  
CAPITAL FROM GROUP INVESTED IN TCRS

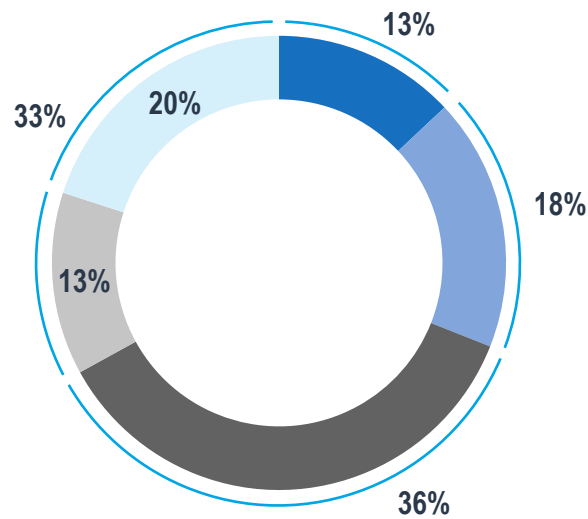
**CONSERVATIVE LEVEL OF LEVERAGE**

## DIVERSIFICATION BY DEBT INVESTOR CATEGORY & CAPITAL POOL



- Institutional investors
- Banks
- Fixed income funds & asset managers
- DFIs & impact investors

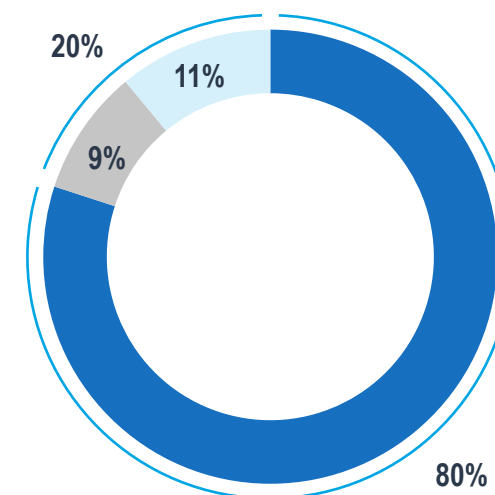
## DIVERSIFICATION BY FUNDING STRUCTURE & INSTRUMENT



- Warehousing facilities
- On-balance sheet & syndicated loans
- Securitisation & pass-through structures
- Local commercial finance
- DFIs (majority international)

### PRIVATE STRUCTURED FINANCE

## DIVERSIFICATION BY GEOGRAPHY



- Local
- INTERNATIONAL
- Europe
- US

## DEBT STRUCTURE

HY20 BALANCE  
OUTSTANDING

COMPOSITION

DEBT INVESTORS

INSTRUMENTS

COVENANTS

### PASS THROUGH STRUCTURES

**R4.6 billion**

~**36%**

22 debt investors

- Banks
- Institutional investors
- Fixed income funds & asset managers
- DFIs & impact funders

- Rated & listed securitisation notes
- Private or bilateral loans

- No accelerated repayment covenant
- Interest rate step-up after year 5
- Debt is serviced from collections on underlying asset pool. No fixed repayment profile



### WAREHOUSING FACILITIES

**R1.7 billion**

~**13%**

2 debt investors

- Banks

- Asset-backed loans

- No accelerated repayment covenant
- Interest rate step-up after year 5
- Revolving structure
- No fixed repayment profile
- Debt serviced from collection or sale of assets



### PRIVATE STRUCTURED FINANCE (MAJORITY INTERNATIONAL DFIs)

**R4.2 billion**

~**33%**

18 debt investors

- DFIs & impact funders
- Banks
- Fixed income funds & asset managers

- Private bilateral

Capital repayment relief  
available

- DFIs are supportive & positioned to provide financial stability & liquidity in dislocated financial markets



### ON BALANCE SHEET & SYNDICATED LOANS

**R2.4 billion**

~**18%**

6 debt investors

- Banks
- Institutional investors
- Fixed income funds & asset managers

- Syndicated loans



# SA TAXI ENVIRONMENT & MARKET CONTEXT

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

## TRAIN

< 500 000 ▼ 33%  
COMMUTER TRIPS DAILY

RECEIVES 44%  
OF GOVERNMENT SUBSIDY

~3 100 km NATIONAL NETWORK  
~500 TRAIN STATIONS

## MINIBUS TAXI

> 15 million ▲  
COMMUTER TRIPS DAILY

CURRENTLY  
NO GOVERNMENT SUBSIDY

>250 000 MINIBUS TAXIS  
>2 600 TAXI RANKS  
~18 billion km TRAVELLED (per year)

## BUS

< 800 000 ▼ 2%  
COMMUTER TRIPS DAILY

RECEIVES 56% OF GOVERNMENT SUBSIDY

>19 000 REGISTERED BUSES  
>100 BUS STATIONS  
~1 billion km TRAVELLED (per year)

## BUS RAPID TRANSPORT (BRT)<sup>1</sup>

> 120 000 *no change*  
COMMUTER TRIPS DAILY

4 METROPOLITANS  
~650 REGISTERED BUSES  
~130 BUS STATIONS; ~70 ROUTES

## PUBLIC TRANSPORT COMMUTERS RELY ON MINIBUS TAXIS 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

## COVID-19

- Minibus taxi industry proven as dominant & essential service during COVID-19
  - › Restrictions caused ▼ activity & passenger load
  - › Minibus taxi industry quick to recover as economic activity ▲ post COVID-19
  - › Minibus taxi activity is a precursor to economic activity

## 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 ▼ 22% (HY13 to HY20)

# ENVIRONMENT FOR MINIBUS TAXI OPERATORS

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

## 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 2018	R16.00	R9.50	R17.80	R15.00	~R280.00
Increase	6%	0%	0%	0%	7%
Affordability 2019	R17.00	R9.50	R17.80	R15.00	~R300.00
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 PROFITABILITY<sup>1</sup>  
~**R28 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 2018	R300.00	R390.00	R240.00	R395.00
Increase	7%	0%	0%	0%
Affordability 2019	R320.00	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				

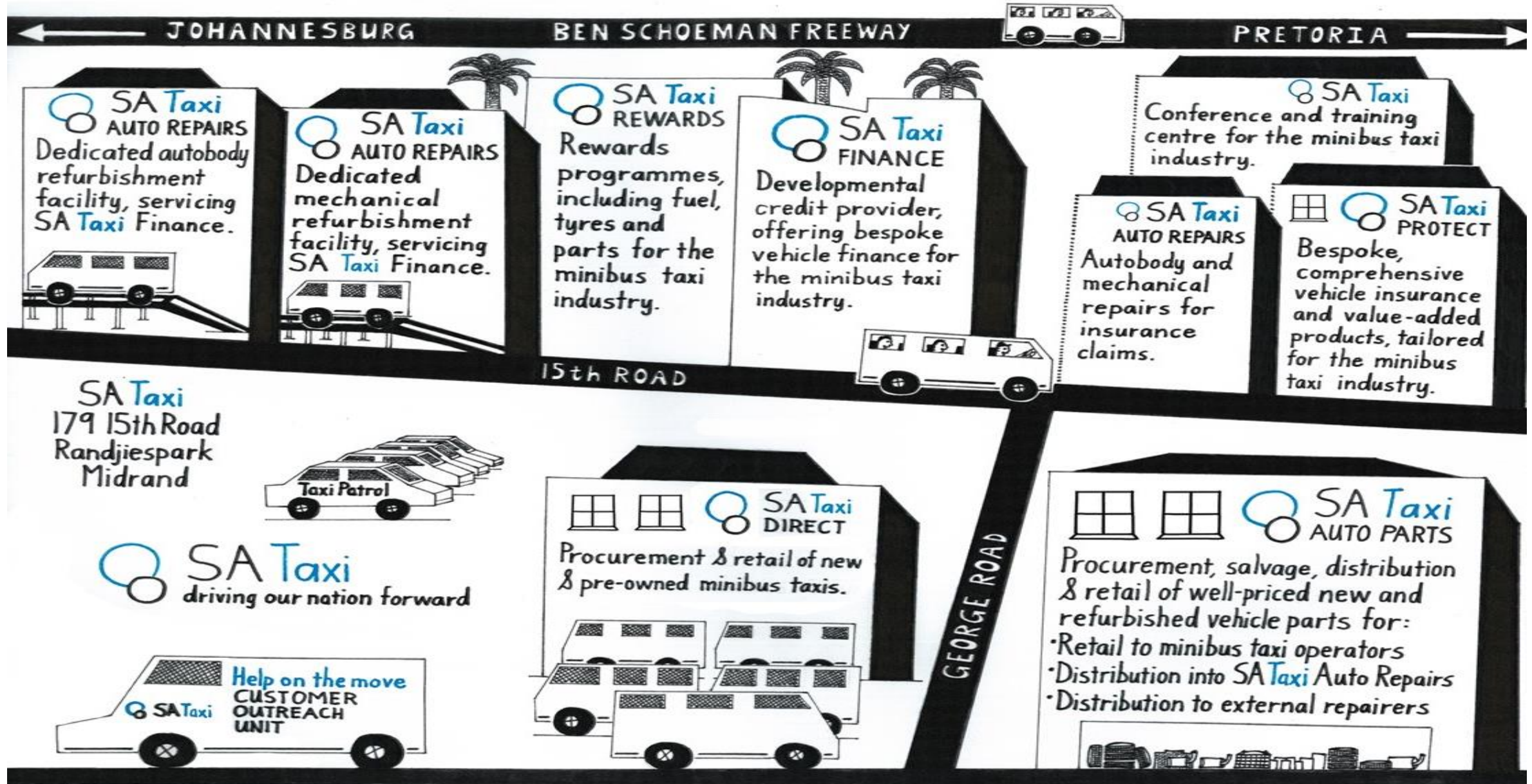
AVERAGE MINIBUS TAXI OPERATOR PROFITABILITY<sup>1</sup>  
~**R38 000** PER MONTH

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

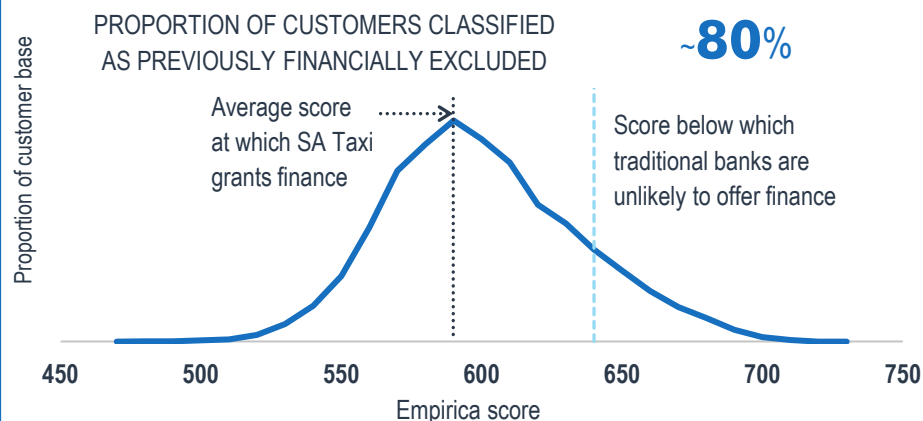
Source: Industry information | Websites: Metrorail; Bus Rapid Transport; Rea Vaya; Various bus companies | Uber SA app







### DEVELOPMENTAL CREDIT DRIVING POSITIVE SOCIAL IMPACT INCLUSIVE GROWTH | ECONOMIC TRANSFORMATION



### PROPRIETARY DATA & ANALYTICS ENHANCES SA TAXI'S COMPETITIVE ADVANTAGE



### SA TAXI FINANCE

**11.3 billion**  
GROSS LOANS & ADVANCES

▲ 14%

**16.0% to 26.75%**  
RISK BASED PRICING  
INTEREST RATE RANGE

**19.1%**  
NON-PERFORMING LOAN RATIO  
HY19 | 18.2%

**33 079**  
LOANS ON BOOK

▲ 5%

**10.9%**  
AVERAGE COST OF BORROWING  
HY19 | 11.3%

**3.8%** Pre COVID-19  
**6.1%** Post COVID-19  
CREDIT LOSS RATIO  
HY19 | 4.3%

**~1.3**  
VEHICLES PER CLIENT  
HY19 ~1.2

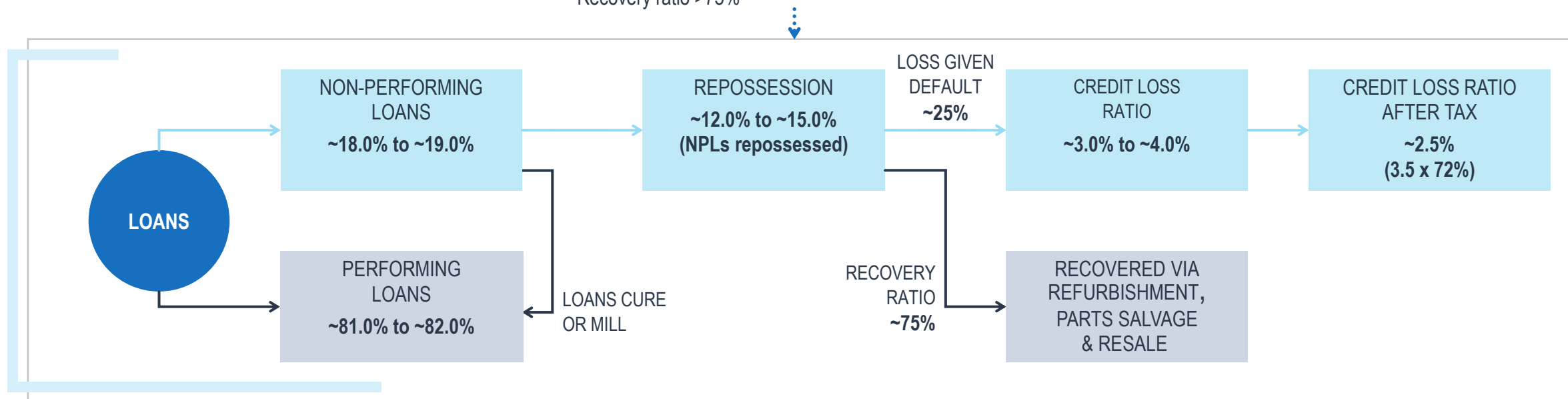
**12.2%**  
NET INTEREST MARGIN  
HY19 | 11.5%

**8.4%** Pre COVID-19  
**6.1%** Post COVID-19  
RISK-ADJUSTED  
NET INTEREST MARGIN  
HY19 | 7.2%

- Book growth ▲ 14% to R11.3bn | number of loans originated ▼ 9% (HY19: ▲ 9%)
  - › Toyota production ▼ due to industrial action in January 2020
  - › Toyota vehicle prices ▲ 2.5% in HY20 | further ▲ 3% in April 2020
  - › COVID-19 disruption end of March 2020
    - No loan originations | dealerships & licensing department closed
    - Collections lower | R126m ▲ in provisions
- Demand for pre-owned vehicles continue | increasing refurbishment capacity
- Conservatively capitalised | R3.4bn of capital | 16.5% tier I capital adequacy

## 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 default<sup>1</sup> ~70%
- Recovery ratio<sup>1</sup> ~30%

### SA TAXI AUTO REPAIRS | AUTOBODY



### SA TAXI AUTO REPAIRS

~**20 000**m<sup>2</sup>

WORKSHOP  
FACILITIES

~**220** per month

INTERNAL VEHICLE  
REFURBISHMENT CAPACITY

~**400**

EMPLOYEES

>**75%**

RECOVERY RATES ON REPOSSESSION,  
REFURBISHMENT & RESALE

↓ ~**4%** to ~**6%**

AVERAGE REFURBISHMENT COST<sup>1</sup>

- 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

### SA TAXI AUTO REPAIRS | MECHANICAL



<sup>1</sup> Cost of refurbishment 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)

~**R320** million ↓ **36%**

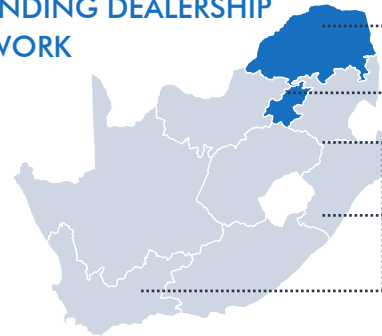
VEHICLE TURNOVER IN HY20

**>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

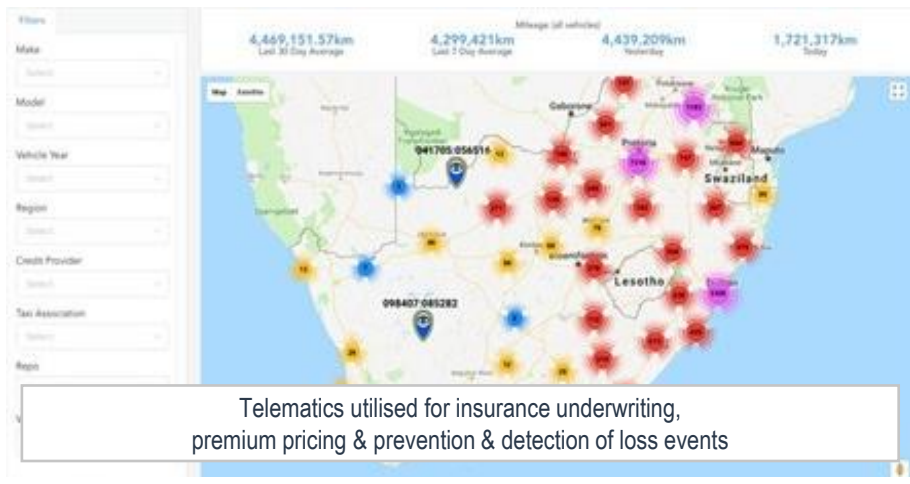
→ Established in **MIDRAND** in 2015

→ **NEWLY LOCATED PREMISES**  
in **MIDRAND** in Q4 FY20

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



### TELEMATICS & TECHNOLOGY



### SA TAXI AUTO REPAIRS



### SA TAXI PROTECT

>**31 000**  
INSURANCE CLIENTS

MAJORITY OF FINANCED CLIENTS  
CHOOSE TO BE INSURED BY SA TAXI<sup>1</sup>

>**2.0**  
PRODUCTS PER CLIENT

>**100**  
BROKER NETWORK  
to expand total addressable market

**R462 million**  
GROSS WRITTEN PREMIUM  
IN HY20 **↑ 16%**

- 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 INSURANCE POLICY & CLAIMS ADMINISTRATION SYSTEM** | ENHANCED VALUE PROPOSITION

**ADOPTED IFRS 17** | ACCOUNTING FOR INSURANCE (IFRS 17) NOW ALIGNED TO FINANCE (IFRS 9)



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

~**R12** million per month  
SUPPLIED TO SA TAXI AUTO REPAIRS IN HY20

SUPPLY TO EXTERNAL  
AUTOBODY REPAIRERS

~**R2.5** million per month  
RETAIL SALES REVENUE IN HY20

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 HY20

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

~**7 500m<sup>2</sup>**  
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
- Ultimate intention | Combine telematics, rewards & credit into transaction-based account for operators

## SA TAXI REWARDS

### FUEL PROGRAMME



LAUNCHED APRIL 2018

>8 000

CARDS ISSUED IN HY20

~14 million

LITRES OF FUEL PURCHASED IN HY20

### TYRE PROGRAMME

**BRIDGESTONE**

LAUNCHED OCTOBER 2019

- Sold through Supa Quick & SA Taxi Auto Parts
- Safety specification designed specifically for minibus taxi industry

~R1 800

ORIGINAL RETAIL PRICE

~R1 350

REDUCED PRICE FOR TAXI OPERATORS<sup>1</sup>

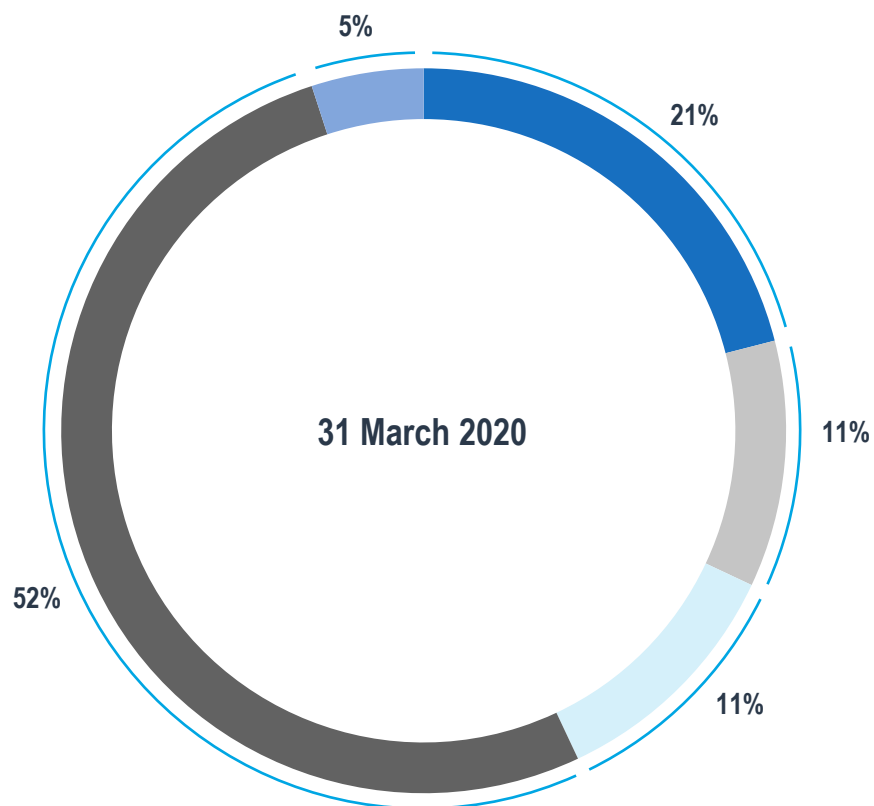
~25 500

NUMBER OF TYRES SOLD IN HY20



# SHAREHOLDING DIVIDEND & BOARD OF DIRECTORS





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

## Dividend

- No interim dividend declared | Preserving financial flexibility & liquidity

## Accelerated bookbuild enhancing liquidity & daily trade

- Free float ▲ to **79%** (HY19: **68%**)
- Average daily number of shares traded ▲ **>100%** to **1.5m** (HY19: **0.4m**)
- Average daily value traded ▲ **>100%** to **R 27.8m | USD 1.8m** (HY19: **R7.6m | USD 0.5m**)
- Founders remain active & financially vested in TC
  - › **5.9%** owned by each founder
  - › **17.7%** in total (previously **29%**)

## Foreign institutional ownership ▲ to **24%** (HY19: **17%**)

- **80%** of bookbuild taken up by international investors

## Enhanced board of directors

- Sharon Wapnick appointed 12 March 2020 as independent non-executive director
- 5 executive directors
- 7 non-executive directors (6 independent)
- Active process to identify additional NEDs to augment existing board



# COVID-19 INITIATIVES, IMPACT & RESPONSES



## COVID-19 IMPACT ON SA TAXI'S FLEET ACTIVITY<sup>1</sup>

**~68%**

OPERATING VEHICLES

**~58%**

OPERATING HOURS

**~70%**

PASSENGER LOADS

**~44%**

KILOMETRES TRAVELLED

**~47%**

DRIVE TIME

**~47%**

AVERAGE DISTANCE  
PER VEHICLE

**~25%**

FUEL SPEND

**LOWER COMMUTER MOBILITY & COVID-19 RESTRICTIONS  
CONSTRAIN MINIBUS TAXI ACTIVITY IN THE SHORT-TERM,  
RESULTING IN REDUCED TRIPS & REDUCED PROFITABILITY  
PER TRIP**

OPERATIONS DISRUPTED SINCE MID-MARCH 2020



## COVID-19 IMPACT ON COLLECTION ACTIVITY<sup>1</sup>

**~1 700**

CALL CENTRE  
AGENTS ON SITE

**~650**

CALL CENTRE  
AGENTS ON **WFH**

**>1 000**

CALL CENTRE  
AGENTS ON **WFH**



**WORK FROM HOME (WFH) IMPLEMENTED WITH NO  
COMPROMISE TO DATA SECURITY & TECHNOLOGY CAPABILITY**

**~15%**

CONNECTIONS  
(BENCHMARK: 17%)

**~12%**

RIGHT-PARTY-CONTACT  
(BENCHMARK: 10%)

**~40%**

PROMISE-TO-PAY  
(BENCHMARK: 49%)

**A FLEXIBLE OPERATING INFRASTRUCTURE ADAPTING WELL  
TO CONTINUOUSLY CHANGING COVID-19 RESTRICTIONS**

1. Compared to the benchmark & measured during the 35 day national lockdown from 27 March 2020 to 30 April 2020



### SA TAXI SUPPORT

- Minibus taxi industry, drivers & commuters
  - › **>R3m** donation towards health & safety
  - › Hand sanitisers & facial masks at ranks
  - › Sanitisation of drivers, commuters & minibus taxis
- SA Taxi clients
  - › Loan repayment relief for April 2020
  - › Insurance premium relief for April 2020 | Retaining cover
  - › Minimise economic impact of COVID-19 on taxi owners



### TCRS SUPPORT

- TCRS clients & employees
  - › Continued employment to **>1 000** call centre staff on WFH
  - › No compromise to data security or tech capability
  - › Successfully implemented WFH to support our clients
- Our operations
  - › **3-month** pay cut of up to **30%** for executive & senior management

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## BUSINESS MODEL

- Business model remains highly relevant in post COVID-19 environment
- SA Taxi
  - › Industry to recover quickly, as demand for minibus taxi services will be 1<sup>st</sup> to benefit from reopening of economy
- TCRS
  - › Effective functioning of credit critical to economic recovery
  - › Clients will have larger levels of NPL Portfolios to manage

## OPERATIONS

- Flexible operating infrastructure
  - › Phased easing of restrictions
  - › Continued WFH for staff
  - › Expanded health & safety for those on site (social distancing & sanitation)
- Changing COVID-19 regulations
  - › Management & staff flexibility in relation to changing regulations

## ASSETS & CASHFLOW

- Short-term disruption to collections
- SA Taxi
  - › Loan repayment & insurance premium relief
  - › COVID-19 adjustment to credit provisioning model
  - › Absolute value of cash still collected over extended loan term
  - › Supported by long-term income producing ability of minibus taxi (**>9 years**)
- TCRS
  - › ▲ Pressure on consumers | Extend time to collect / rehabilitate
  - › COVID-19 adjustment to carrying value of purchased book debts
  - › Absolute value of cash collected over extended term
  - › Supported by long-term cashflow producing ability of NPL Portfolios (**>10 years**)

## LIQUIDITY

- Short-term disruption to cashflows requiring
  - › Flexible capital structure
  - › Access to liquidity
- Unfettered access to liquidity | Refer to slide 18

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# GLOSSARY

AUS Australia

ACCSYS Accsys, a 100% owned subsidiary of TCRS

B2B Business-to-business (vehicle dealerships)

B2C Business-to-consumer

CAGR Compound annual growth rate

COVID-19 The COVID-19 pandemic

COVID-19 Adjustment A non-cash adjustment to the value of SA Taxi's loans & advances (via its credit provisioning model) & the valuation of TCRS's NPL Portfolios, in anticipation of the expected COVID-19 impact on future cashflows from assets in existence at 31 March 2020, given the information available to us at present, resulting in a R126 million increase in SA Taxi's impairment provisions, & a R65 million reduction to the carrying value of TCRS's purchased book debts NPL Portfolios

DEKRA Report A vehicle inspection certification providing information on the mechanical & technical status of the vehicle

DFI Developmental finance institution

ERC Estimated undiscounted remaining gross cash collections from NPL Portfolios over the next 120 months

F&I products Finance, insurance based, tracking & other allied products

FFS Fee-for-service

Fihrst Net1 Fihrst Holdings (Pty) Ltd, a 100% owned subsidiary of TCRS

GEO Group executive office

HEPS Headline earnings per share

NPL Portfolios Non-performing consumer loan portfolios acquired by TCRS to be collected as principal

PRINCIPA Principa Decisions, previously a 100% owned subsidiary of TCRS

Product margin Additional gross margin earned on value-added products & allied services including finance, insurance, tracking & other revenue

Recoveries Corp Recoveries Corporation, an Australian 100% owned subsidiary of TCRS

SA South Africa

SANTACO South African National Taxi Council

TC Transaction Capital

TCRS Transaction Capital Risk Services

Vehicle margin Margin earned on trading (buying & selling) vehicles

Vehicle supermarket Vehicle warehouse/showroom

This presentation may contain certain "forward-looking statements" regarding beliefs or expectations of the TC Group & any investments made by the TC Group, its directors & other members of its senior management about the TC Group's &/or its investments' financial condition, results of operations, cash flow, strategy & business & the transactions described in this presentation.

Forward-looking statements include statements concerning plans, objectives, goals, strategies, future events or performance, & underlying assumptions & other statements, which are other than statements of historical facts. The words "believe", "expect", "anticipate", "intend", "estimate", "forecast", "project", "will", "may", "should" & similar expressions identify forward-looking statements but are not the exclusive means of identifying such statements. Such forward-looking statements are not guarantees of future performance. Rather, they are based on current views & assumptions & involve known & unknown risks, uncertainties & other factors, many of which are outside the control of the TC Group & the entities in which the TC Group is invested & are difficult to predict, that may cause the actual results, performance, achievements or developments of the TC Group & its investments or the industries in which it operates to differ materially from any future results, performance, achievements or developments expressed by or implied from the forward-looking statements. Each member of the TC Group & every entity in which the TC Group may be invested expressly disclaims any obligation or undertaking to provide or disseminate any updates or revisions to any forward-looking statements contained in this announcement.

