

## MISSION AND INVESTMENT CASE

**MISSION: PROVIDING SPECIALISED FINANCIAL AND ALLIED SERVICES** IN HIGHLY SPECIALISED AND UNDER-SERVED SEGMENTS OF THE FINANCIAL SERVICES SECTOR.

**INVESTMENT CASE: EXECUTING ON TRANSACTION CAPITAL'S MISSION CREATES A COMPELLING AND UNIQUE INVESTMENT CASE:**

TRANSACTION CAPITAL  
COMPRISES A **DIVERSIFIED  
PORTFOLIO OF  
FINANCIAL SERVICES  
ASSETS**

- Two well established, autonomous and unique financial services businesses:
  - SA Taxi
  - Transaction Capital Risk Services (TCRS)
- Positioned in attractive market segments occupying leading market positions
- Highly defensive businesses able to withstand difficult economic conditions
- Deep vertical integration enabling the application of specialised expertise to mitigate risk, participate in margin and provide a broader service to clients
- Superior data, leading-edge technology and analytics capabilities differentiate our offerings, inform business decisions and mitigate risk
- Via a diversified business model:
  - Unique blend of highly cash generative and capital-related businesses
  - Diversified revenue model across adjacent market segments and geographies

WITH A **BESPOKE AND  
ROBUST CAPITAL  
STRUCTURE**  
INCORPORATING  
**R650 MILLION OF  
EXCESS CAPITAL**

- Conservative equity capital structure to fund organic growth and acquisition activity:
  - Ungeared at holding company level
  - Proven ability to raise debt and equity capital efficiently from a diversified range of local and international investors

ESTABLISHED AS A  
**SCALABLE FINANCIAL  
SERVICES PLATFORM**

- For SA Taxi and TCRS to develop new products and expand into new markets
- For Transaction Capital to collaborate in introducing new organic and/or acquisitive growth opportunities
- For Transaction Capital to realise synergies and cross-selling opportunities within existing products

WHICH IS LED BY AN  
**ENTREPRENEURIAL  
OWNER-MANAGER TEAM**

- Empowered ownership culture
- Decentralised, entrepreneurial, proven and long-serving leadership
- Specialised intellectual capital applied over a much smaller asset base than in larger organisations

UNDERPINNED BY A  
ROBUST **CORPORATE  
GOVERNANCE  
FRAMEWORK AND  
SOUND GOVERNANCE  
PRACTICES**

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

WHICH TOGETHER  
POSITION IT FOR  
**SUSTAINABLE GROWTH**

- Decentralised businesses that are self-sustaining and sizable in their own right
- Track record of delivering predictable high-quality earnings with high cash conversion rates and strong organic growth prospects
- Dividends growing at an accelerated rate when compared to earnings
- A focused acquisition strategy:
  - Earnings accretive acquisitions of relevant and scalable business platforms, whose value can be developed by Transaction Capital
  - Acquisition strategy supported by R650 million of excess cash, highly cash generative businesses, supportive capital markets and a strong unleveraged balance sheet

AND THE DELIVERY OF  
**A MEANINGFUL  
SOCIAL IMPACT**

- Businesses favourably positioned in relation to demographic and socio-economic trends, delivering both a social and commercial benefit
- SA Taxi facilitates:
  - Asset ownership by black-owned SMEs, financial inclusion, SME empowerment and 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