



**Transaction
Capital**

INTEGRATED

Annual Report

For the year ended 30 September 2024



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Introduction

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Positioning and salient features

In a year marked by significant change and challenges, Transaction Capital (the company) continued its efforts to unlock shareholder value from its operations. This year demonstrates clear progress through the actions taken.

WeBuyCars was successfully unbundled from Transaction Capital in April 2024, after raising R1 billion capital prior to the unbundling, which strengthened Transaction Capital's balance sheet. This allowed the company to pay down the majority of its debt and move to a net cash position at the holding company level. The shares received by Transaction Capital shareholders are worth over R11 billion at 31 December 2024, compared to R5.2 billion on the date of listing.

The restructuring of Mobalyz was a priority. The aggressive changes that began in FY2023 continued into FY2024 and culminated in a series of transactions agreed upon by the relevant stakeholders. These developments pave the way for a sustainable future for Mobalyz. Transaction Capital has reduced its effective stake in Mobalyz to 26.63% with effect from September 2024, and will remain a minority shareholder for the foreseeable future. Mobalyz now operates as an independent, private company with a strong, experienced management team motivated by their own significant equity stake. Mobalyz is no longer consolidated into Transaction Capital's financial statements and its results have been disclosed as discontinued operations in accordance with IFRS 5. The investment in associate is held at Rnil value.

Nutun was also restructured during the year. Non-core businesses were sold, strengthening its balance sheet and improving liquidity. Now that Nutun is the sole operating business in the group and Transaction Capital no longer functions as an investment holding company, the company intends to table a special resolution for approval by shareholders at the annual general meeting (AGM) to be held in early March 2025, in accordance with the Companies Act and JSE Listings Requirements, to rename Transaction Capital, as Nutun Limited.

This has been a watershed year for Transaction Capital, marked by significant progress in Mobalyz, WeBuyCars and Nutun. We have successfully recovered and unlocked considerable value, positioning ourselves as the first listed global specialist Business Process Outsourcing (BPO) business on the JSE.

Following the unbundling of WeBuyCars, and the reduction of our shareholding in Mobalyz, this integrated report focuses on Nutun and the head office functions of Transaction Capital. Where relevant, references and information are provided regarding the impact WeBuyCars and Mobalyz had on Transaction Capital and its stakeholders during FY2024.

SALIENT FEATURES IN FY2024



(R92) million
Group core continuing loss
FY2023: R179 million earnings

(11.8) cents
Group core continuing loss per share
FY2023: 23.6 cents earnings



R54 million
Core continuing earnings attributable to group
FY2023: R359 million

R1.34 billion
Nutun group adjusted EBITDA
↑ 6%
FY2023: R1.43 billion

Nutun South Africa B-BBEE Level 1 status
Nutun was awarded the Top Employer for 2024 certification.

R3.05 billion
Revenue
↓ 3%
FY2023: R3.14 billion

R1.08 billion
International
↑ 1%
FY2023: R1.07 billion

R1.97 billion
South Africa
↓ 5%
FY2023: R2.07 billion

Materiality and our reporting suite

Transaction Capital identifies its material matters, detailed on page 11, as factors that are most important to key stakeholders. A matter is considered material if it can significantly affect our ability to create or preserve value, or if it could lead to a decline in enterprise value over the short¹, medium² or long³ term. These material matters align with our strategic goals and were validated through a process led by executive management. They were determined based on input from key executives, board and committee reports, management presentations and relevant market disclosures.

The material matters serve as the drivers of value. They guide strategic decisions and influence perceptions of Transaction Capital's ability to create long-term enterprise value.

The material matters outlined in this report serve as the foundation for our analysis. We employ dynamic materiality to determine which matters are significant for reporting and meeting the informational needs of stakeholders. Transaction Capital can impact the economy, environment and communities in various ways. However, only certain impacts directly affect our business model, either positively or negatively, contributing to the creation or erosion of enterprise value and influencing returns for our financial capital providers. Detailed disclosures on environmental, socio-economic and governance (ESEG) impact are included in the sustainability report, which is part of our integrated annual report for 2024. We recognise that sustainability matters can evolve over time, so we continuously monitor our approach to dynamic materiality.

Our reporting suite

		Frameworks applied						
		The International Integrated Reporting <IR> Framework	Companies Act, 71 of 2008, as amended (Companies Act)	JSE Limited Listings Requirements	King IV Report on Corporate Governance™ for South Africa, 2016 (King IV) ⁴	International Financial Reporting Standards (IFRS®)	United Nations Sustainable Development Goals (SDGs)	IFRS® Sustainability Disclosure Standards ⁵
Dynamic materiality	<p>Our reporting on the material matters, strategy, governance, performance, and prospects, that play a role in creating, sustaining, or eroding enterprise value. Our reporting includes matters on sustainability that are material for creating enterprise value.</p> 	<p>This report Our primary report to stakeholders communicating the group's ability to create shared value over the short, medium and long term. This report includes disclosure on the group's governance structures, processes and policies in the context of recommended King IV principles, including for remuneration. For 2024 our sustainability report forms part of our Integrated Report and sets out detailed ESEG disclosure to provide stakeholders with an objective view of the group's socio-economic and environmental impact.</p>	✓	✓	✓	✓	✓	✓
	<p>Our reporting on the monetary impacts on enterprise value that have taken place or are included in future cash flow projections.</p> 	<p>Annual financial statements Presents the group's audited consolidated and company annual financial statements, including the audit committee and social, ethics and sustainability committee reports.</p>		✓	✓	✓	✓	
		<p>Notice of AGM and audited consolidated and company AFS Sets out the detailed notice of the annual general meeting (AGM) and supporting documentation to shareholders, and the summarised consolidated annual financial statements.</p>		✓	✓	✓	✓	

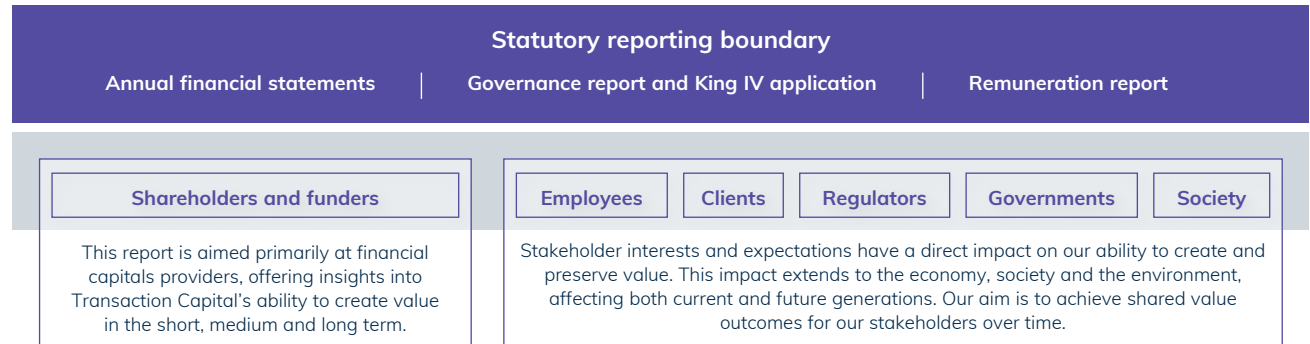
1. Up to one year. 2. One to three years. 3. More than three years.
 4. Copyright and trademarks are owned by the Institute of Directors in South Africa NPC and all of its rights are reserved.
 5. These were considered in preparing this report but the report was not prepared in accordance with the standards.

About our 2024 integrated annual report

Reporting scope and boundary

This report covers the financial year from 1 October 2023 to 30 September 2024 and includes significant developments up until the board's approval date. It addresses the group holding company, its divisions, and other businesses in which the group has substantial interests that affected operations during the year. However, the primary focus, especially relating to the future of Transaction Capital, is on Nutun, the remaining operating business under its control. References to WeBuyCars, Mobalyz and SA Taxi in this report relate to their impact on the 2024 financial year, but are not included in discussions on strategy or material matters related to value creation.

Integrated reporting boundary



Our reporting approach*

It is underpinned by integrated thinking

Our integrated annual report offers an overview of Transaction Capital's business model, strategy and governance. It also highlights the material economic and environmental, socio-economic and governance impacts which influence our long-term value creation.

Value creation, preservation and erosion are fundamental outcomes of how we apply and leverage our capitals over time. They reflect the trade-offs we make, our financial and non-financial performance, and the resulting impact on all stakeholders. Shared value creation is integrated into our decision-making process and permeates our overall approach.

More details about our value creation and preservation objectives can be found on pages 18 and 19.

It aligns to sound reporting frameworks

This report complies with:

- The JSE Listings Requirements
- The Companies Act
- The International <IR> Framework

Our sustainability disclosures are guided by:

- IFRS® Sustainability Disclosure Standards
- The United Nations Sustainable Development Goals (SDGs)
- The Global Reporting Initiative (GRI) standards
- The JSE's Sustainability and Climate Disclosure Guidance

Furthermore, Transaction Capital adheres to the principles outlined in King IV.

* The IFRS framework was applied in the compilation of the annual financial statements, however the financial information presented in this report is primarily non-IFRS measures, which management use to assess performance.

It follows a rigorous process

Group executive management plays a significant role in the preparation of this report. The head office, led by the group CEO, is responsible for its planning and compilation.

The group CFO oversees the approach and content of the report, including confirmation of the accuracy of forward-looking statements.

We receive support from independent service providers with expertise in integrated reporting advisory and editorial services.

All financial indicators are reviewed internally, with external auditors providing assurance on the annual financial statements as outlined in the independent auditor's report. Refer to the annual financial statements for the independent external auditor's report.



Group executive management is confident that this report comprehensively addresses all material factors crucial to our ability to sustainably deliver shared value outcomes to stakeholders in the short, medium, and long term.

About our 2024 integrated report continued

Combined assurance

The audit and risk committee collaborates to monitor the effectiveness of our combined assurance model. Annually, the committee provides assurance to the board regarding the efficacy of combined assurance activities within the group. The internal audit function, which is outsourced to Deloitte, evaluates financial, operational, compliance and risk management controls as mandated by the audit and risk committee. This approach includes oversight across executive and senior management, as well as internal and external audit, along with the board and its committees.

- The annual financial statements have been audited by the group's auditors PwC, who issued a qualified audit opinion as a result of the inability to obtain sufficient appropriate audit evidence on the appropriateness of the going concern basis of accounting applied by management in the preparation of the Mobalyz Group Holdings financial information (equity accounted investment as at 30 September 2024). The audit was conducted in accordance with International Standards on Auditing.
- This report is reviewed and approved by group executive management and the board, but not externally assured.
- Certain non-financial elements are assured by external accredited service providers, such as B-BBEE ratings.

Forward-looking statements

This report contains forward-looking statements based on the opinions and expectations of Transaction Capital's directors and senior management. These statements pertain to plans, objectives, goals, strategies or future events and involve known and unknown risks and uncertainties. Therefore, readers are cautioned not to place undue reliance on them.

Board responsibility

The board acknowledges its responsibility to ensure the integrity of this report, and believes it effectively addresses all material matters and fairly presents the group's integrated performance and long-term strategy within the stated scope.

The board is satisfied that this report complies with the <IR> Framework in all material respects.

Board approval

The board approved this report on 27 January, 2025

Ian Kirk
Chairman

Suresh Kana
Lead independent non-executive director

Albertinah Kekana
Independent non-executive director

Diane Radley
Independent non-executive director

Sharon Wapnick
Independent non-executive director

Roberto Rossi
Founding director and non-executive director

Jonathan Jawno
Chief Executive Officer
Founding director

Michael Mendelowitz
Founding director and executive director


Mark Herskovits
Chief Financial Officer


Digital reporting


We aim to provide our stakeholders with comprehensive, transparent and balanced reports. Our goal is to continually improve the accessibility and usefulness of our publications. To achieve this, we are increasing our use of digital formats for accountability and communication with stakeholders, including periodic updates on strategic developments that are separate from the group's interim and year-end reporting cycles.


Our annual integrated report is interactive and is best viewed in a digital format.

Navigation tools are provided at the top of every page:





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Links to additional content are provided:

-  This icon refers to additional information available at www.transactioncapital.co.za.
-  This icon refers the reader to pages or other reports in our reporting suite with more information.
-  **King IV:** This icon highlights the application of King IV principles in this report.

Transaction Capital's primary SDGs

By targeting a select set of Sustainable Development Goals (SDGs), which are aligned to our core operational strategies, we are able to focus our efforts on making a significant positive impact.



Our material matters

-  Unlock shareholder value
-  Regain shareholder trust
-  Retain, support and develop our people, and attract the right skills
-  Maintain strategic flexibility through effective risk and capital management strategies
-  Manage for long-term sustainability
-  Strategic utilisation of technology, data and AI

Our capitals

-  Intellectual capital
-  Social and relationship capital
-  Human capital
-  Manufacturing capital
-  Financial capital
-  Natural capital

Our risks

-  Operating environment risk
-  Funding and liquidity risk
-  Competition risk
-  People risk
-  Technological disruption risk

Your feedback is important to us and we welcome your input.
Please contact us: www.transactioncapital.co.za/contacts.php



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Company profile

As Transaction Capital has realised value and restructured each of its portfolio businesses over the past 18 months, the corporate structure has fundamentally changed.

In 2023 Transaction Capital described itself as an investment holding company with majority holdings in three operating businesses. Transaction Capital held 100% of Nutun, 75% of WeBuyCars, 100% of Gomo and an effective shareholding of 75% in Mobalyz.

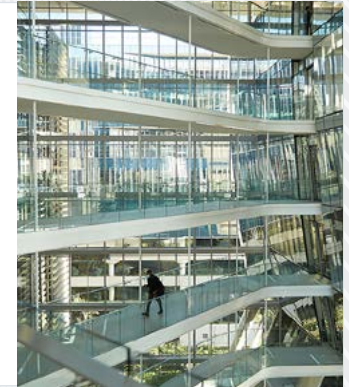
Subsequent to the WeBuyCars unbundling and separate listing, and the reduction in shareholding and deconsolidation of Mobalyz, Transaction Capital now comprises only its 100% holding in Nutun and the remaining head office functions. As already announced to the market, the proposed renaming of Transaction Capital after the AGM in March 2025 to Nutun Limited is to reflect this new structure.

Transaction Capital retains an effective 26.63% shareholding in Mobalyz, which is accounted for as an associate and held at Rnil value on the balance sheet.



Nutun has established a clear strategy and focus. The business operates in two divisions: South Africa and International. Nutun provides BPO services throughout the customer lifecycle, and also collects non-performing loans (NPLs), both on a principal and agency basis on behalf of our clients. The new operating model allows both our local and international operations to take advantage of the technology, assets and competencies built over many years.

For our Strategy, refer to page 20.



Our context and positioning

The South African economy continues to struggle, with little improvement in growth forecasts. Recent data indicates a persistent decline in household finances. However, there is renewed optimism regarding South Africa's outlook following the May 2024 elections and the establishment of a Government of National Unity (GNU). It will take time for any benefits to materialise and significantly impact the overall economy and consumers. Nutun's South African operations are influenced by the local environment, especially the NPL sector. Nutun's BPO operations are based in South Africa and serve clients in the UK, US and Australia, making them less sensitive to the South African environment and more subject to international market forces.

Business and consumer pressure in South Africa

- Inflation in South Africa has returned to within target range, however, the high inflation experienced over the past three years has negatively impacted consumers, significantly eroding their disposable income.
- Recent data indicates that consumer stress is continuing to rise, which could hinder economic growth.
- Unemployment remains a major issue in South Africa contributing to socio-economic challenges.
- The recent interest rate cuts are expected to mark the beginning of a downward trend. However, the benefits to consumers may take time to manifest and will depend on the extent and duration of the rate cutting cycle.

International economic environment

- The economic environments in the UK, US and Australia offer more favourable conditions for conducting business.
- As a small niche player on the international stage, we are less affected by economic conditions in the markets we serve compared to our experience in South Africa.
- However, we are exposed to certain industries where the dynamics can impact our operations. For example, the utility sector in Europe and fluctuations in energy markets, primarily due to the conflict in Ukraine, have had and may continue to have a substantial impact on our business.
- The ZAR exchange rate does impact our cost arbitrage opportunity for our international markets.

Nutun's exposure to both international and local markets provides diversification benefits for Transaction Capital. For the year ended 30 September 2024, 35% of revenue was earned in non-ZAR currency.

With a simplified and focused operating structure, Nutun is well placed to remain agile and responsive to our clients' needs and implement operational changes where necessary.



Q&A with Jonathan Jawno, CEO



It has been an intense period where we have stabilised and simplified the business and laid a solid foundation for future growth.

Q You assumed the CEO role at Transaction Capital during a very challenging period for the group. How did you approach the role and what were your key focus areas?

A: In the months leading up to September 2023, Transaction Capital faced intense negative media and investor attention, necessitating intervention. With the support of the board and Transaction Capital co-founders Michael Mendelowitz and Roberto Rossi, I took up the CEO position and was tasked to stabilise the business, protect all stakeholders and restore shareholder trust.

It was certainly not business as usual. We needed to move quickly and decisively to prevent the fallout in Mobalyz from further negatively impacting WeBuyCars and Nutun. I am pleased with what has been achieved in a relatively short time frame, but the job of delivering targeted shareholder returns is not yet done.

It has been an intense period during which we have stabilised and simplified the business and laid a solid foundation for future growth. With the unbundling of WeBuyCars and deconsolidation of Mobalyz we are no longer an investment holding company. These changes have led to significant streamlining of our head office which will continue through FY2025.

Q Do you feel that you have accomplished the tasks you were assigned?

A: Significant progress has been made. We faced extremely complex negotiations involving many stakeholders looking to achieve their best possible outcomes. The capital raise, unbundling and listing of WeBuyCars, the restructure and asset sales in Nutun, as well as the sell down and stabilisation of Mobalyz, have all required extensive collaboration with multiple parties.

Transaction Capital has successfully settled the majority of its debt. The unbundling and listing of WeBuyCars has led to the release of significant shareholder value. Nutun's business has been streamlined with a clear strategy and a stronger balance sheet. Mobalyz has been repositioned for success with an augmented and committed management team. These are all solid outcomes.

Q Transaction Capital today is the Nutun business and head office. Can you outline the medium-term plans and investment case for Transaction Capital?

A: After our AGM, Transaction Capital will be renamed Nutun and will be the first listed global specialist BPO on the JSE. Our goal for Nutun is to achieve a return on equity of between 20% and 25% over the medium-term. At the beginning of the 2024 financial year, Nutun underwent a strategic review of its operations. Under the revised strategy certain operations were deemed non-core and active sales processes commenced. This led to the sale of Nutun Australia and Nutun Transact. These sales raised R1 billion, significantly strengthening the balance sheet and improving liquidity. We have secured an additional R700 million in new funding lines, and our current lenders agreeing to extend our existing facilities for 3 years. This secures R2.45 billion of funding and puts Nutun in a strong position to grow its NPL book buying activities, which were constrained over the past 18 months. The next stage of the process is to embed the new strategy into the operations and align our leadership teams, which is well underway. We now have two divisions in Nutun: International and South Africa. The international business will focus exclusively on our BPO operations for clients in targeted industries in the UK, US and Australia. The South Africa business will focus exclusively on the acquisition and collection of NPL portfolios, as well as our debt collection and recovery services on an agency basis. Nutun is focused on the businesses where we have deep experience and expertise. We strive to be solutions-orientated and partnership-driven.

For detail on Nutun divisional analysis, refer to page 66.

We recently appointed CEOs of each division. Ruben Moggee is now responsible for executing the strategy of the International division, while Robert Amoils will oversee the South Africa division. Their primary goal is to deliver superior service to clients, which will ultimately drive our ability to achieve our ROE target over the medium term.

Q&A with Jonathan Jawno, CEO continued

Q What are the plans for the head office now that WeBuyCars and SA Taxi are no longer part of the group?

A: The head office will continue to be rationalised to reflect the new group structure and will be collapsed into Nutun and not be reported on separately going forward. We announced that Roberto Rossi became a non-executive director on 1 October 2024, and Michael Mendelowitz will also become non-executive on 31 March 2025. Mark Herskovits, group CFO, will be stepping down on 31 March 2025 with Rob Huddy, current Nutun CFO, taking on the group CFO role on 1 April 2025. I would like to take this opportunity to thank Mark for the outstanding job he has done over the past decade as CFO and CIO of Transaction Capital, especially over the past two years, successfully steering the company through extremely challenging times.

Q Lastly, how are you feeling about the future for Transaction Capital?

A: I am very optimistic about the future for Transaction Capital, or Nutun as it will be known. It is now a business with clear focus, deep experience and expertise and a strong balance sheet to support its development. I am confident we will be able to meet our performance targets over the medium-term. I would like to thank shareholders for their patience as we tried to deliver acceptable outcomes given the situation we were in. I would especially like to thank all the employees of the group, who endured significant uncertainty around their future but remained committed to their roles throughout the process.

Transaction Capital's investment case



I am very optimistic about the future for Transaction Capital, or Nutun as it will be known. It is now a business with clear focus, deep experience and expertise and a strong balance sheet to support its development.

Jonathan Jawno



Nutun has 20 years of experience in acquisition, management and collection of NPL portfolios in South Africa. Over this time we have built unparalleled IP and data sets, providing a competitive advantage in the local industry.



Clear and focused strategies for the restructured business:

- The South Africa business focuses on collections and recoveries of NPL portfolios as principal and agent on behalf of clients.
- The International business focuses on BPO services across customer lifecycles to UK, US and Australian clients in specific industries where we can offer personalised solutions using South Africa's skilled labour force and cost arbitrage.



Deep experience and expertise in capital management and balance sheet optimisation.



We prioritise good governance practices to enhance our reputation as a trusted business and social partner and support market formalisation.



We are committed to delivering shared value outcomes for our stakeholders by consistently generating strong commercial returns for clients while creating net positive socio-economic returns with sustainable benefits.



First listed global specialist BPO business on the JSE.

Material matters

Transaction Capital identifies material matters as factors critical to our ability to deliver shared value outcomes.

Double materiality

We assess the factors for delivering shared value outcomes through the lens of “double materiality”, encompassing:

- Aspects material to investors or other financial capital providers (financial materiality).
- Matters affecting the environment, society and the economy (impact materiality).



Process

When identifying material matters, we consider factors that can enhance or diminish value for our stakeholders. These factors include immediate and long-term aspects, some under our control and others external. We also consider trade-off decisions required to manage specific outcomes effectively. Our process involves:

- Analysing our business context, operating environment, resource dependencies and stakeholder feedback.
- Evaluating matters with potential financial, reputational, operational, environmental, social, strategic or legislative significance.
- Assessing the impact of these matters in the short, medium and long term, including actual events.
- Using the outcomes to prioritise material matters for sustained value creation.



Purpose

Our material matters:

- Serve as key drivers of value that shape our strategic decision-making.
- Impact how our financial capital providers evaluate our capacity to generate enduring enterprise value.
- Underline our commitment to generating sustainable shared value for all stakeholders.

In 2024 Transaction Capital continued on the path set in 2023, which involved a focus on maximising shareholder value from the operational businesses. To this end, the aggressive restructuring of Mobalyz continued and resulted in a series of transactions giving rise to the sale of our controlling stake and subsequent deconsolidation. WeBuyCars was unbundled and separately listed on the JSE and Nutun underwent an intensive review and a resetting of strategy. In light of the significant change in the business and outlook, the material matters were again reviewed by executive management. The approach we took last year is still relevant today as we seek to maximise shareholder value, and our material matters remain similar with the addition of technology, data and AI as a material matter.



Unlock shareholder value



Regain shareholder trust



Retain, support and develop our people, and attract the right skills



Maintain strategic flexibility through effective risk and capital management strategies



Manage for long-term sustainability



Strategic utilisation of technology, data and AI

Material matters continued



Unlock shareholder value

- Transaction Capital's corporate strategy shifted from investing in and operating companies to a model focused on maximising shareholder value from its existing portfolio.
- Significant progress was made in 2024 with unlocking value in WeBuyCars and sale of our controlling stake and subsequent deconsolidation of Mobalyz.
- Transaction Capital will continue on this journey in respect of the remaining asset, Nutun.
- Nutun was subject to an intensive strategic review resulting in a simpler more focused business allowing further restoring of shareholder value.

Linked risks


Retain, support and develop our people and attract the right skills

- After an extremely challenging period which created significant uncertainty for employees of the group, we now have a clear business strategy and focus.
- Incentive schemes have been reset with our leadership aligned to shareholder value creation and stakeholder interests.
- To ensure resilience and meet transformation goals, we prioritise improving retention and attraction, especially for leaders and scarce skills.
- Transaction Capital actively tracks and reports on our progress in achieving the group's transformation targets. We emphasise improving employment equity profiles and advancing diversity within the group. With the down-sizing of the group, we are focused on developing talent from within as we move into a growth period.

Linked risks


Regain shareholder trust

- Continued clear and transparent communication on strategy.
- Delivering on what we say.
- Simplification of the business model allowing an improved understanding of our strategy and easier monitoring of progress.

Linked risks


Manage for long-term sustainability

- Transaction Capital is committed to advancing the operationalisation of our ESE frameworks, ensuring they are integrated into our operations.
- We embed climate-related risk identification, analysis, monitoring and reporting practices, enhancing our ability to effectively manage and mitigate climate-related risks.
- Upholding progressive governance standards remains a cornerstone of our sustainable business approach, providing the foundation for delivering shared value outcomes.

Linked risks


Maintain strategic flexibility through effective risk and capital management strategies

- Nutun's ability to grow is dependent on access to capital for NPL portfolios acquisitions.
- Risk assessment and management is a cornerstone of Nutun's restructured South African business and a source of competitive advantage.
- Our capital management approach focuses on prudence and credibility to ensure ongoing funding access at market-related costs.

Linked risks


Strategic utilisation of technology, data and AI

- Recent technology advances are having a large impact on the way contact centres manage customer experience engagements.
- Technology poses an opportunity for Nutun as well as a threat requiring continual monitoring and positioning.
- Nutun has a multi-disciplinary AI platform which it continues to develop and invest in to drive efficiencies and assist in agent excellence.
- Higher complexity customer interactions require more advanced technology and AI use, which we continue to acquire, develop and implement.
- Advanced data analysis and modelling technologies and capabilities are required to maintain leadership in non-performing loan valuation and collection.

Linked risks

OUR RISKS


Operating environment risk



Technological disruption risk



Funding and liquidity risk



People risk



Competition risk

Stakeholder engagement



King IV: Principle 2

Transaction Capital's value creation approach centres on achieving shared value outcomes. This requires that we remain constantly mindful of our role and responsibilities towards all stakeholders, along with a commitment to maintaining strong moral and ethical standards in all our interactions. King IV reaffirms this ethical commitment by advocating a stakeholder-inclusive business approach that considers the legitimate and reasonable needs, interests and expectations of material stakeholders.

Transaction Capital acknowledges that our long-term sustainability is linked to our strategic activities, as well as the outcomes arising from the relationships we have with the society and the environments in which we operate. Our recent history has heightened the importance of effective stakeholder engagement and reputation management. Since March 2023, market updates regarding the restructuring of Mobalyz, coupled with a decline in Transaction Capital's financial performance, generated significant public interest and predominantly negative media coverage. This had a detrimental impact on our reputation and the confidence of providers of financial capital. We committed to restructuring Mobalyz and creating a pathway for its sustainable recovery and unlocking shareholder value to ultimately restore stakeholder trust.

We have delivered on our commitments in respect of Mobalyz and WeBuyCars, and we are on the journey of unlocking value in our Nutun operations.

Our stakeholder engagement approach

The board, through the social, ethics and sustainability committee, oversees stakeholder engagement strategy. Stakeholder engagement processes take place at all levels and enable executive management to understand and effectively respond to stakeholder concerns. Appropriate initiatives are implemented to ensure that we proactively identify and address the significant legitimate concerns of key stakeholders. Executives are required to report regularly on stakeholder engagements. Transaction Capital's ethics charter commits the group to providing stakeholders with relevant information on its approach and attitude to conducting business ethically, and the economic, social and environmental (ESE) framework serves as a mechanism to ensure consistent communication to stakeholders on ESEG progress and performance. Stakeholder concerns are also prioritised as part of Transaction Capital's risk management framework.

Our stakeholder universe

Stakeholders are defined as entities or individuals that can reasonably be expected to be significantly affected by Transaction Capital's activities, products, or services; or whose actions can reasonably be expected to affect the ability of Transaction Capital to implement its strategies or achieve its objectives. Our key stakeholder groups have been identified according to their levels of influence on Transaction Capital, our impact on them and the level to which we collaborate, involve or consult with them. These stakeholders include shareholders, funders, employees, clients, regulators and society. Matters material to our social and relationship capital were identified through the materiality determination process.

- No existing relationship, or fractured relationship that requires significant effort to develop or restore.
- Established relationship that requires some effort to develop or meet expectations.
- Good quality relationship with room for further improvement.
- Strong relationship, based on mutual trust and benefit.

OUR STAKEHOLDERS



Shareholders and funders



Employees



Clients



Regulators



Society

Stakeholder engagement continued

Shareholders and funders



Value

For us

Accessible and affordable capital supporting the right balance of equity and debt funding to fund long-term growth.

For them

Based on sustainable and ethical business practices:

- Shareholders expect quality earnings growth and capital appreciation
- Funders expect reliable risk-adjusted interest returns

Quality of relationship



A significant effort is needed to restore our relationship with shareholders. Although we have a long journey ahead, we believe we have made progress through transparent communication about our strategy and our commitment to delivering on it. The repositioning of Mobalyz within the group and the value unlock in WeBuyCars mark the beginning of Transaction Capital's recovery of shareholder trust. We are approaching the value unlock in Nutun with the same transparency and purpose, understanding that rebuilding these relationships will take multiple years. Additionally, our relationships with debt funders have been affected. However, we have reached an acceptable outcome for the operating entities within Mobalyz and the refinancing of Nutun's facilities. Although a small amount of debt remains at the head office, the balance sheet is in a net cash position at that level.

How we engage

- Equity and debt roadshows.
- Annual and interim financial results.
- Integrated and sustainability reports.
- SENS announcements and market updates.
- Corporate website.
- In-person and virtual one-on-one meetings with executive management.
- Meetings with non-executive directors as required by stakeholders.
- Media interviews.
- Responding to ad hoc information requests.

Employees



Value

For us

A workforce that is aligned to strategies and embraces our entrepreneurial, high performance, ethical and inclusive culture to effectively deliver market-leading value propositions to clients.

For them

Fair remuneration and benefits, including access to wellness and support services, career progression, a positive and inspiring work environment, safe working conditions, and being part of an organisation that delivers net positive socio-economic returns

Quality of relationship



The knock-on effects of the negativity surrounding Mobalyz have severely impacted Nutun and the head office, leading to considerable uncertainty for our employees since 2023. However, Nutun has maintained a strong reputation as an employer and was awarded Top Employer status for 2024. Although Nutun's restructuring required Section 189 proceedings which contributed to the uncertainties, the company has now established a newly defined strategy, restructured operations and secured access to funding. As a result, employees have greater certainty regarding their future and the roles they can play in the business.

How we engage

- Leadership engagement sessions with employees, including roadshows and presentations, to promote alignment with our new strategy.
- Digital tools for providing ongoing business information.
- Employee, culture and engagement surveys.
- Performance reviews and exit interviews.
- Reward and recognition programmes.
- Formal grievance mechanisms.

Stakeholder engagement continued

Clients



Value

For us

- Income generated from providing products and services.
- Opportunity to broaden our addressable markets by leveraging good relationships with clients.
- Utilising our rich data, leading-edge technology and efficient operational infrastructure to improve and develop new products and services.

For them

- Access to products and services that are innovative, cost-effective and differentiated, that help to secure clients' profitability and the sustainability of their industries.
- A trusted and respected partner with an ethical and responsible approach to doing business.

Quality of relationship



Nutun is ranked as:

- The top choice (1st or 2nd) in 79% of collections mandates in South Africa.

How we engage

- Ongoing engagement in the normal course of business.
- Interactions through call centres.
- Client surveys.
- Complaint and dispute mechanisms.

Regulators



Value

For us

Maintaining good standing with regulatory authorities and a reputation as an accessible and invested social partner.

For them

A compliant and supportive sector participant, and a committed partner in achieving transformational and developmental objectives.

Quality of relationship



Transaction Capital cooperates with and seeks to maintain good relationships with regulators and industry bodies. As Nutun solidifies its position as a leading South African BPO provider, we are building strong relationships with the industry body BPESA.

How we engage

- Ongoing engagement via statutory reporting and returns, as well as responding to and assisting with ad hoc regulatory queries and inspections.
- Ensuring necessary regulatory registrations, applications and approvals are made and obtained timeously.
- Consulting on draft regulations.
- Participating in industry meetings with regulators and in industry forums.
- Appropriate representation on industry bodies.

Society



Value

For us

- Ensure long-term sustainability by maintaining positive relationships with the communities where Nutun operates.
- Enable opportunities to deliver products and services underpinned by shared value, uninterrupted supply chains and value for money when procuring from suppliers.

For them

- Nutun helps to formalise the BPO industry through strong governance practices and is active in initiatives that contribute to their sustainability.
- Nutun supports credit market stability and provides significant youth employment opportunities.

Quality of relationship



Nutun plays a significant role in youth employment opportunities in South Africa. For first time employees and school leavers without tertiary education, Nutun provides employment through its cradle-to-career strategy. Nutun currently employs over 5 000 people. Nutun responsibly and ethically manages debt collection operations and provides rehabilitation services to its clients. In FY2024 Nutun rehabilitated 214 000 debtors with a value of R429 million.

How we engage

- Various sustainability initiatives aimed at community upliftment and crisis support.
- Partnerships with non-profit organisations.
- Education programmes specific to our business areas of expertise.



Value Creation and Strategy

How we create value **17**

Understanding our business model **18**

Strategy **20**

Material risks and opportunities **30**

How we create value

We aim to deliver shared value outcomes for our stakeholders while continuing to create net positive socio-economic returns.

Over the past year, Transaction Capital has undergone significant changes in line with our commitment to restore and unlock value for our stakeholders. This process necessitated difficult decisions and strategic trade-offs, resulting in a smaller, simpler and more streamlined organisation. Transaction Capital is no longer an investment holding company following the unbundling of WeBuyCars and the sale of our controlling stake in Mobalyz. Nevertheless, we will continue to apply the same rigour and discipline to value creation as we implement our Nutun Vision '27 strategy outlined in the following pages.

Strategic trade-offs

Over the past two years Transaction Capital has faced considerable headwinds. During this time, we have had to make difficult decisions that significantly impact all our stakeholders. In making these decisions, we had to consider various trade-offs and establish priorities. The choices made were aligned with the group's strategic goal of restoring and unlocking value from our operations. Below, we discuss the most significant strategic trade-offs over the past year.

Unbundling and listing of WeBuyCars

WeBuyCars became a part of Transaction Capital in 2020 when the company initially acquired a 49.9% stake. This stake increased to 74.9% during 2021, with the intention, over time, of gaining full control of WeBuyCars. In 2023, following the decline in Mobalyz's performance and financial stability, Transaction Capital faced the challenge of leveraging its other assets to restore value.

WeBuyCars was considered a key asset for the future growth of Transaction Capital, however certain priorities had been set, including significantly reducing holding company debt, eliminating cross-default triggers, removing the WeBuyCars put option liability and settling the SANTACO equity cure of R285 million. The capital raise and related unbundling of Transaction Capital's shareholding in WeBuyCars, and separate listing of the company on the JSE, allowed Transaction Capital to achieve these objectives.

Financial support to Mobalyz

Subsequent to the deterioration in Mobalyz's performance and financial position, Transaction Capital has made significant financial commitments to support Mobalyz's continued operations and ensure its sustainability. These include the capitalisation and waiver of a R2.2 billion loan to Mobalyz and the payment of the R285 million SANTACO equity cure, as well as the contribution of the Gomo business to Mobalyz at no cost.

The decline in Mobalyz's performance and financial stability negatively affected Nutun's operations, leading to a decrease in acquisition of NPL portfolios due to the need to conserve liquidity. This impacted Nutun's growth and financial performance during the 2024 financial year.

As part of the negotiations with Mobalyz, SA Taxi and Nutun funders, we considered additional support to Mobalyz to ensure the stability of Nutun's funding, which is critical for its future performance. Although we had not initially planned to commit further financial resources to Mobalyz, the provision of up to R250 million additional cash support, still to be provided, and the sale of the Road Cover business for R160 million on a subordinated loan to Mobalyz, enabled us to extend R2.45 billion of existing credit facilities at Nutun for an additional three years on the same or improved terms.

Understanding our business model



King IV: Principle 4

Nutun's business model utilises six capital inputs to generate shared value outcomes for its stakeholders. Our focus on customer experience services and NPL collections means we rely heavily on our intellectual capital and human capital inputs to give us a competitive advantage. Access to deep and reliable sources of financial capital is key to the growth and success of Nutun's NPL acquisition activity, as demonstrated in the 2023 and 2024 financial results which were impacted by less certain access to capital markets.

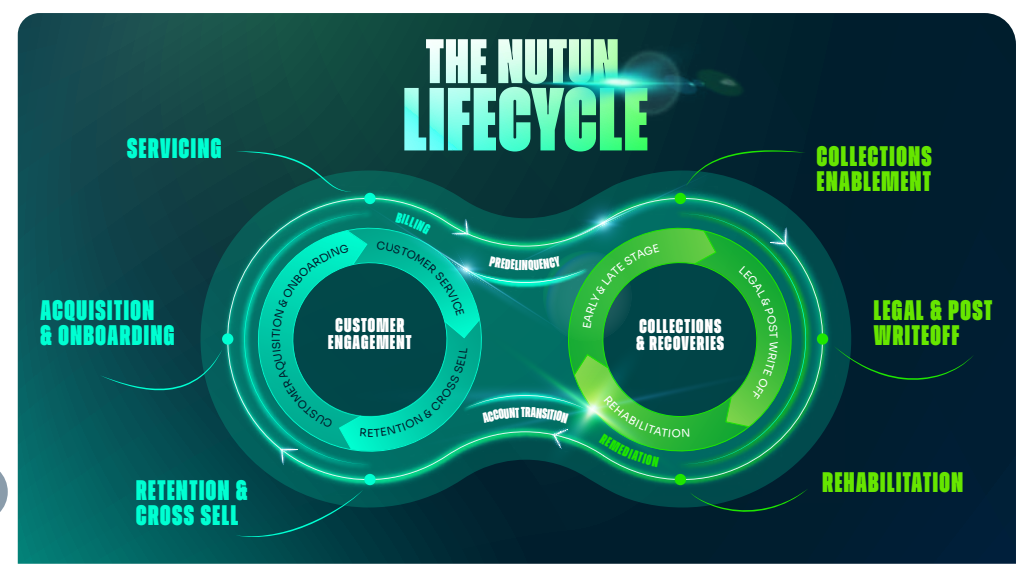
The success of our business model in FY2024, in terms of value creation, is captured by outputs generated, and outcomes secured for stakeholders, in terms of the six capital inputs described in detail below:

Our capital inputs

Constraints

<p>IC</p>	<p>Intellectual capital</p> <ul style="list-style-type: none"> A unique founder-led culture of innovation and business development, complemented by professional management skills. Master Data Universe (MDU) including credit and collection information on 27 million debtors. State-of-the-art technology and advanced analytics capabilities supporting valuations and collections. 20 years' experience and institutional knowledge. 	
<p>HC</p>	<p>Human capital</p> <ul style="list-style-type: none"> Owner-managed culture. Experienced, entrepreneurial and aligned management teams. 5 615 total employees. 1 097 116 hours of training during FY2024. R8.2 million spent on training initiatives during FY2024. 182 average training hours per employee during FY2024. 	<ul style="list-style-type: none"> Damage to the Transaction Capital brand during FY2024 created challenges associated with client and staff retention. Scarce skills. Competition for, and cost associated with, employment equity candidates/employment.
<p>NC</p>	<p>Natural capital</p> <ul style="list-style-type: none"> Nutun relies on energy and water resources for the delivery of its services. 	
<p>FC</p>	<p>Financial capital</p> <ul style="list-style-type: none"> R4.5 billion is the current book value of amounts invested into NPL and RTC portfolios. R700 million of fresh funding was raised during FY2024. R1 billion of capital was raised through the sale of Nutun Australia and Nutun Transact respectively. 	<ul style="list-style-type: none"> After constraints during FY2023 and FY2024, Nutun is now well funded to accommodate its medium-term aspirations and financial targets.
<p>SC</p>	<p>Social and relationship capital</p> <ul style="list-style-type: none"> Diverse and expanding client base spanning various geographies and market segments. Embedded ESE framework facilitating access to DTI incentives. Well-established customer relationships. Long-term funding structures with embedded funder relationships and transactional history. 	<ul style="list-style-type: none"> Relationships with funders and banking clients are under stress due to the deterioration in Mobalyz's financial stability coupled with the associated public attention.
<p>MC</p>	<p>Manufactured capital</p> <ul style="list-style-type: none"> Technology and communication hardware supporting the execution of all Nutun services, both locally and internationally. 5,000+ seat infrastructures, located in Durban and Johannesburg, accommodating call centre and support staff seating. 	

Business activities



See outcomes on the next page

Outputs

<p>Customer engagement</p> <ul style="list-style-type: none"> 52 campaigns. 	<p>Collection and recovery</p> <ul style="list-style-type: none"> R5.1 billion collected on behalf of third party clients. R480 million invested into NPL and RTC portfolios during FY2024. R1.5 billion collected from portfolios held as principal. R459 million of receivable balances rehabilitated. 	<p>Financial</p> <ul style="list-style-type: none"> R54 million of core continuing earnings.
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Understanding our business model continued

Stakeholders Outcomes by Capital

Outcomes

IC

Intellectual capital

- Expanded and enhanced MDU improving portfolio pricing and collection outputs.
- Improved technology and AI assets.
- New products and services aligned with client balance sheet optimisation and provision management.
- Nutun's technology platform and call centre IP enables the delivery of an expanded range of digital business services across various targeted geographies, sectors and clients.
- Proprietary datasets enable the development of new products and services backed by improved analytics.

Stakeholders:



FC

Financial capital

- R54 million core continuing headline earnings generated during FY2024.
- R5.6 billion returned to funders.
- R2.5 billion interest paid to funders.
- R5.1 billion collected on behalf of 3rd parties as an agent.

Stakeholders:



NC

Natural capital

- Scope 1 emissions: 174 tCO₂e (FY2023: 283).
- Scope 2 emissions: 8 403 tCO₂e (FY2023: 5 666).

Stakeholders:



SC

Social and relationship capital

- New distribution and agency partnerships in UK and US.
- 52 campaigns.
- R203 million taxes paid.
- R475 million NPL acquired.
- R459 million debt rehabilitation.

Stakeholders:



MC

Manufactured capital

- R76 million invested in property and technology, and equipment assets.

Stakeholders:



HC

Human capital

- Deterioration of employee trust and concerns regarding job stability arising from poor results and associated media coverage.
- Nutun was awarded top employer certification in 2023 and 2024.
- New remuneration and incentive policies.
- Nutun paid R978 million in salaries during FY2024.
- 96 employees were promoted during FY2024.
- Nutun enabled 1,945 staff appointments during FY2024.
- Transformation targets are included within the short-term and long-term incentive structures for key executives.
 - Nutun provided 182 hours of training per employee during FY2024 (versus 107 hours during FY2023).
- Motivated, aligned and skilled employees delivering services to local and global client base.

Stakeholders:



OUR STAKEHOLDERS



Shareholders and funders



Employees



Clients



Regulators



Society

Strategy



King IV: Principle 4

Over the past 18 months Transaction Capital has undertaken intensive efforts across its business to unlock value from its portfolio. As part of this process, Nutun conducted a strategic review of its operations during FY2024, resulting in a material restructuring and strategy reset.

The key outcomes include:

The sale of Nutun's equity interest in its Australian business, while still retaining an outsource servicing relationship.

The sale of Nutun Transact, which was non-core to Nutun's go-forward strategy.

A restructure of the remaining operations into two focused and distinct customer-centric divisions, Nutun International and Nutun South Africa.

The launch of **Nutun Vision '27** which sets a clear target and pathway for the next three years.

NUTUN VISION '27

Nutun is uniquely positioned as a single, end-to-end value proposition, providing BPO services across the entire customer experience and credit lifecycle. Its new operating model allows both its South Africa and International divisions to utilise the assets and competencies developed over many years. These differentiated capabilities apply to the full range of BPO services that are offered locally and internationally.



The separation of the business into two divisions will allow each management team to focus exclusively on their target markets, leveraging off their respective core competencies and competitive advantages to deliver risk-adjusted earnings, generating attractive returns on equity for shareholders. Nutun is targeting a return on equity of between 20% and 25% over the medium term.

Nutun South Africa will focus exclusively on collections and recoveries services to South African clients. This is as a principal in respect of acquired NPL portfolios and as an agent on behalf of its South African clients. Robert Amoils has been appointed as CEO of Nutun South Africa.

Nutun International will focus on customer engagement services, including collection and recovery services, for clients in the UK, US and Australia. Ruben Moggee, an experienced leader in international BPO markets, has been appointed as CEO. Nutun International will target industries where it can build on its experience and expertise to offer innovative and more valued services to its clients, rather than simply offering the benefits of cost arbitrage. Its targeted sectors are utilities, banking, retail, telco and e-commerce.

Nutun's new operating and leadership structures are intentionally designed to align with the evolving opportunities and needs of local and international markets, leveraging off Nutun's existing expertise and IP. The new architecture allows Nutun to leverage off its in-house experience and capabilities across both divisions, whilst allowing for tailored go-to-market approaches in each. This creates a foundation that ensures that everything Nutun does is industrialised, repeatable, and predictable across its delivery infrastructures in South Africa, which employ over 5,600 people.

The leadership teams comprise experienced individuals with local and international knowledge and associated collections and consumer engagement expertise. There is also a mix of newly appointed leaders working alongside those who have developed many of the existing capabilities. The executive committee is now smaller, more agile, and actively engaged in all facets of the operations and client interaction frameworks.

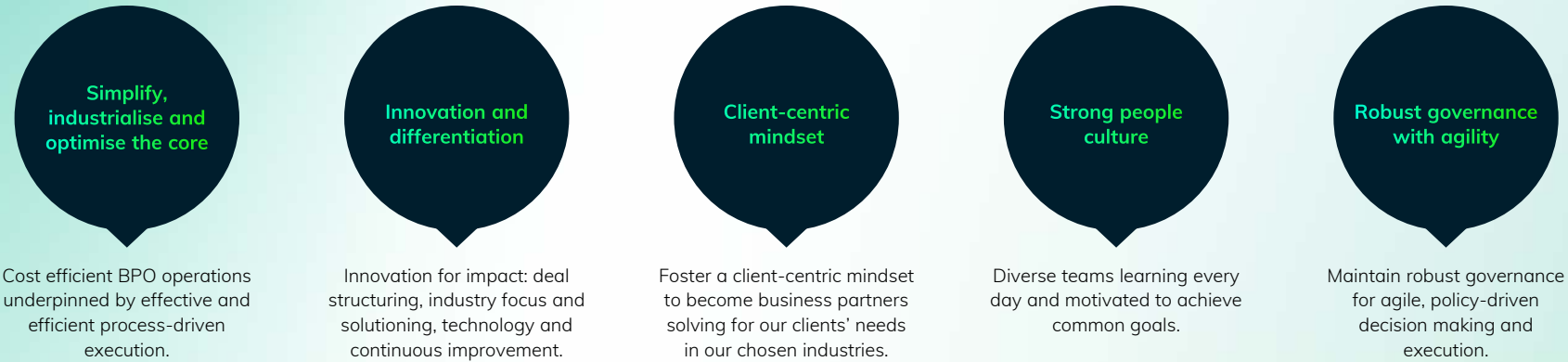


Nutun's new operating and leadership structures are intentionally designed to align with the evolving opportunities and needs of local and international markets, leveraging off Nutun's existing expertise and IP.

Strategy/ Nutun Vision '27 continued

Nutun is reinventing its DNA, and its Vision '27 is underpinned by five strategic imperatives to enable this transformation. These imperatives form the basis of a more robust performance management system, particularly for our most senior leaders. Nutun's leaders understand the ambition, and everything they do is focused on achieving it.

Nutun's strategic imperatives include:



Market priorities and focus areas



Strategy continued

NUTUN SOUTH AFRICA

Nutun South Africa will focus exclusively on recovery and collection services for South African clients, either as a debt acquirer or as an outcome-based collections agent.

Nutun's core competencies and competitive advantages, which it leverages off for its principal and agency portfolios, include:

- Nutun has been operating for more than 20 years in the NPL collections industry, with deep experience, institutional knowledge and IP developed over this period.
- Nutun's MDU covers over 27 million individual and corporate debtors, with detailed history and collection behaviours associated with each. This provides deep and unique insights, enabling detailed analysis and modelling when determining valuation and collection strategies.
- World-class technology and leading proprietary valuation and modelling techniques developed over 20 years.
- Expert understanding of the regulatory and compliance environments governing debt recovery and associated collections.

Nutun will become the first South African home-grown BPO to be publicly traded on the Johannesburg Stock Exchange. Nutun's deep experience as an owner-operator in the South African market for over 25 years sets it apart from various multinational market entrants that operate franchise or branch locations in South Africa.

The Nutun South Africa Opportunity

Specialised debt acquisition or debt collection agencies provide a strategic tool for banks and financial services companies to manage their balance sheets, mitigate risks, enhance liquidity, and optimise profitability. They play a crucial role in the broader ecosystem of debt management and financial services by enabling flexibility and providing optimisation potential to liquidity management, risk management, and regulatory compliance frameworks.

Debt collection services are a challenging task, particularly in South Africa, as they are accompanied by unique socio-economic challenges, which are complex and well regulated. The collections environment requires service providers to have extensive technology stacks, information security, logical security and sound financial stability. With its market-suited capabilities, Nutun is a market leader in debt collection services in South Africa.

Nutun has an ongoing ability and capability to provide end-to-end credit management and balance sheet optimisation services to its client base at scale. With financial institutions currently suffering from increasing impairments, the benefits associated with partnering with a strong industry leader offering superior and creative balance sheet solutions, operational scale and associated technology stacks is very attractive. Nutun has positioned itself with its clients to become the entrusted partner of choice.

Nutun is focused on helping clients optimise their balance sheets and associated provisioning frameworks, rather than simply selling them a product. This approach underpins our refreshed go-to-market approach. Nutun's traditional book-buying and contingency services are now supported and augmented by bespoke solutions created to suit client-specific circumstances. These include:

- Right to Collect Clean-up mandates:** Aimed at enhancing the value and recoverability of potentially under-provided portfolios without crystallising an immediate impairment due to short-term market strain.
- Right to Collect Forward Flow mandates:** Enables clients to prolong, defer and potentially eliminate monthly portfolio provisioning, optimise internal resources towards paying portfolios and incorporate the benefits of legal process into earlier stage collection mandates.
- Debt Review 'Positive Placement' portfolios:** Larger portfolio acquisitions of selected Debt Review buckets/matters from within the NPL and current portfolio categories focused on client liquidity and readvancement efficiency, balance sheet optimisation and Risk-Weighted Asset (RWA) unlock.
- Manage to Buy mandates:** A hybrid solution that activates and secures the payment of Debt Review matters within client environments followed by a predefined forward-flow acquisition once payer status and recency are achieved. This solution enables Nutun's clients to achieve an enhanced price on sale by leveraging off the cost-efficiency within Nutun, both during activation and on determination of the purchase price.
- Activate to Buy mandates:** Another hybrid solution targeted at specialist lenders that enables earlier-stage agency flows and recency activations followed by a predefined forward acquisition once payer status and recency are achieved. This solution also enables Nutun's clients to achieve an enhanced price on sale by leveraging off the cost-efficiency within Nutun, both during activation and on determination of the purchase price.



Specialised debt acquisition or debt collection agencies provide a strategic tool for banks and financial services companies to manage their balance sheets, mitigate risks, enhance liquidity, and optimise profitability.

Strategy continued

NUTUN INTERNATIONAL

Nutun International will focus exclusively on the UK, US and Australian BPO markets, offering both customer experience and collection and recoveries services.

Nutun's core competencies and competitive advantages within the international BPO markets include:

- Industrialised operations and call centres using leading engagement practices and associated technologies.
- Access to quality, well-trained and cost effective South African skills with high levels of empathy and a client-centric culture. Nutun's deep experience in engaging with consumers on highly emotive issues, including hardship and vulnerability, sets it apart from most competitors.
- Geographic and industry specialisation supporting development of bespoke and value-adding solutions and campaigns.
- Outcomes-based and partner-style solutioning and contracting.

The Nutun International Opportunity

WHY SOUTH AFRICA?

SA ranked the **most preferred offshore delivery destination** for 2021 and 2022. **Number one in North America** for 2023 & 2024.

Voted World's BPO destination of choice

Voted most favoured offshore CX delivery location

1. Research and Markets, Oct 2021
2. Ryan Strategic Research, April 2021

English-speaking & educated workforce	<ul style="list-style-type: none"> • 20 million English speakers • Neutral English accent • High levels of empathy
Proven performance & delivery	<ul style="list-style-type: none"> • Strong foundation in contact centres • Preferred BPO destination • 5% higher customer retention • 18% better customer experience quality than other markets
Strong technology & connectivity	<ul style="list-style-type: none"> • State-of-the-art ICT infrastructure with fibre optic connectivity • Multiple internet service providers with diverse routes
Value for money	<ul style="list-style-type: none"> • 40-60% lower costs compared to source markets • Lower agent attrition compared to source markets and other offshore destinations
World-class infrastructure	<ul style="list-style-type: none"> • Business continuity through work from home strategy • Full government support of contact centre industry guided by DTI • Compliant with global standards

NUTUN

South Africa is experiencing rapid growth as a favoured outsourcing destination for customer engagement services. While maintaining a highly competitive cost proposition, traditional BPO destinations choices are falling out of favour as digitisation and automation shift outsourcing to higher-complexity mandates/constructs requiring increased empathy, agent competence and agent training. South Africa's young, culturally sensitive, English-speaking workforce has become a compelling proposition for organisations seeking to enhance customer satisfaction while retaining the cost advantages that international outsourcing offers.

“ Nutun will become the first South African home-grown BPO to be traded on the JSE. Nutun's deep experience as owner-operator for over 25 years sets it apart from multinational entrants operating franchise or branch operations in South Africa.

Strategy/ Nutun International continued

South Africa's BPO industry offers a 40-60% cost reduction for Nutun's chosen markets while boasting an 18% higher customer experience satisfaction rating than its peers, which contributes to greater customer lifetime value, according to the 2024 South Africa ITO Value Proposition.

Leading BPO providers are increasingly investing in technology and consulting services to enhance their offerings and provide more value to their clients, including:

1 Automation and AI

Adopting automation tools, robotic process automation, artificial intelligence (AI), and machine learning to streamline processes, improve efficiency, and deliver more accurate results to clients.

4 Industry-specific solutions

Developing specialised solutions and consulting services tailored to specific industries. These industry-specific offerings address unique challenges and requirements within each sector.

2 Data analytics

Investing in data analytics capabilities to help clients gain actionable insights from their business data allowing for better decision-making and more informed strategies.

5 Strategic consulting services

Expanding consulting services to provide strategic guidance to clients on business transformation, digital innovation, process optimisation, and cost savings.

3 Customer experience technologies

Leveraging technologies such as customer relationship management (CRM) systems, omnichannel communication platforms, and chatbots to enhance the customer experience for their clients.

The Nutun '27 strategy embraces these developments and positions us to play a leadership role in the mid-market of the global BPO industry.

The international competitive environment in the South African BPO industry is complex, with significant advancements in how outsource providers position themselves in the market. There are currently two main categories of competitors:

- Large international BPO service providers who use South Africa as a node in their global service network. Their strategies are supported by consistent investment in technology and innovation across all delivery centres. Generally, they are globally listed, tightly governed, and less agile, and focus on larger, more generic mandates and often avoid working with smaller organisations. These providers differentiate themselves with strong solutioning and industry skills but have higher overheads and less competitive and bespoke pricing than local providers.

- Smaller local service providers whose offerings are usually commoditised with aggressive pricing. Many are expanding into other African countries, such as Kenya, Egypt and Morocco, to access cheaper resources which underscores how these providers are focused on labour arbitrage.

Nutun occupies a space between these two categories, incorporating the benefits that both offer:

- Nutun offers more differentiated and value-added solutions than its local competitors, using its deep capabilities and systems, processes, analytics and technology built over many years.
- Nutun is more flexible and responsive to clients' needs relative to the large global BPOs who use South Africa as a node/branch, as it is not constrained by predefined corporate templates and restrictive processes.

At a high level, Nutun International offers:

- Traditional commodity BPO services: Primarily an input-based revenue model priced on a per seat/hour basis.
- Differentiated BPO solutions: Utilising Nutun's IP and skilled workforce to deliver solutions on a revenue model where its value can be measured by reference to specific outcomes e.g. an improvement in a customer satisfaction index or a query resolution target.
- Next generation services: Nutun monetises its in-house expertise and technology e.g. Contact Centre-as-a-Service, where its clients can utilise its dialler, workforce management, chatbot/AI and reporting tools to manage their entire BPO operation, including Nutun and other service providers, to reduce the total cost of operation. This can involve hybrid revenue models based on inputs and outcomes.

Nutun collaborates with leading technology partners to ensure its solutions incorporate the latest developments. This is especially relevant in the fast-moving AI and machine learning space and the building of effective chat and AI bots. Nutun incorporates and integrates many technologies when developing and tailoring its own technology solutions to meet specific client needs. Its access to a deep reservoir of collected data over the many years in collection and recovery environments enables it to quickly evolve its tools to have more effective conversations with clients with better outcomes.

Strategy continued

GO-TO-MARKET

To drive its expansion and maintain a competitive edge, Nutun has developed a robust growth model that integrates strategic partnerships, sales, account management, and sales enablement. This comprehensive approach ensures that it meets its clients' needs while continuously seeking new opportunities for growth. This sales model consists of the following 5 key components:



1

Third-party distribution partners, who Nutun leverages off for market access and regulatory compliance. These include white label partners who sell on Nutun's behalf, contract directly with clients, and establish a back-to-back commercial structure with Nutun to deliver services. Additionally, brokers represent Nutun in specific markets, secure contracts directly signed with Nutun, and earn market-related commissions for their success. Nutun intends to increase the number of partners in the UK and the US.

2

Sales teams, whose activities are driven by the international sales team operating out of South Africa, supporting third-party distributors in the US and the UK, but not in Australia. In South Africa, Account managers manage sales activities with a focus on cross-sell and up-sell opportunities within existing clients.

3

Account managers play a crucial role in shaping and executing account plans, enhancing client knowledge at the C-suite level, and identifying cross-sell and up-sell opportunities. They conduct monthly operational and quarterly strategic client business reviews, ensuring IT and solutions teams are aware of market trends and regulatory changes impacting our services. Their role is essential in maintaining close client relationships to detect and manage attrition risks early.

4

Marketing is responsible for driving brand awareness in the geographies and priority industries that Nutun has chosen. This is achieved through a robust messaging framework that ensures a consistent positioning of the Nutun value proposition via its chosen channels. Strong brand awareness assists Nutun's salespeople in reaching and converting prospective new clients.

5

Sales enablement directly supports revenue growth by enhancing the sales team's ability to close deals. Its key responsibilities include optimising sales performance by managing and governing processes that facilitate sales and bid effectiveness, ensuring optimal sales performance, and providing comprehensive support to sales teams in areas such as bids, market research, and sales collateral. Sales enablement also drives efficiency and productivity by standardising ways of working and creating best practice tools and templates, thereby increasing sales agility.

Nutun continues to offer traditional, commoditised BPO services while increasingly positioning itself as a consultative solutionist with a thorough understanding of the industries that its clients operate in. Nutun's goal is to align its services with its clients' strategic objectives, highlighting the value it creates to differentiate itself. Nutun's growth strategy is built on three primary components which work together to enhance its market presence, attract new clients, and offer innovative solutions that set it apart from its competitors.

1

Expanding its services across its existing base. Through its account management team, Nutun aims to grow seats within existing tier 1 clients by incentivising market-share shifts from competitors through superior performance and favourable commercial structures. Nutun also target previously neglected areas within these clients across the entire customer interaction lifecycle, from acquisition to collection.

2

New Business Acquisition: Nutun's focused strategy in acquiring new business includes prioritising English-speaking mandates. It targets opportunities within the utilities, telco, banking, and retail industries, focusing on larger mandates with +100 seat potential within a 12-month period. A detailed qualification framework ensures that Nutun focuses on the right clients to achieve its growth strategy.

3

Expansion into differentiated services, which includes helping customers reduce their overall cost to service, whilst maintaining and enhancing service levels and performance. e.g. Contact centre-as-a-Service, which provides a holistic solution that enables an outsource of the entire customer engagement architecture and journey, including technology, reporting and business intelligence, workforce management, campaign management and optimisation, gamification and multichannel optionality.

Strategy continued

CASE STUDY SOUTH AFRICAN TELECOMS PROVIDER

Boosting collections and enhancing customer retention

OVERVIEW

Faced with a growing challenge of increasing churn rates and declining collections, our client, a major South African telecoms provider, needed a strategic overhaul to stabilise their business. Over the past year, mounting competition from Mobile Virtual Network Operators (MVNOs) and a tough economic climate had taken a toll.

We implemented a targeted solution that not only improved collections but also significantly enhanced customer retention. Through a blend of predictive analytics and personalised customer engagement, we achieved measurable success and strengthened the client's market position.

PROBLEM STATEMENT	CHALLENGES	NUTUN SOLUTIONS	OUTCOMES
<p>Our client faced escalating churn rates and softened collections run-rates, driven by intensifying competition and a challenging economic environment. For over a year, the client struggled with rising customer attrition and declining recoveries, which impacted their financial health and market share.</p>	<p>Customer retention issues The client was unable to retain customers once their accounts went into arrears. As accounts moved to later delinquency cycles, the number of accounts classified as “bad debts” steadily increased, indicating a failure to effectively manage and recover at-risk accounts.</p> <p>Declining collections performance Collections had dropped significantly year-on-year, with results falling short of internal targets. This decline contributed to deteriorating book health and reduced overall financial performance.</p>	<p>To address these challenges, we implemented a tailored, client-centric strategy that integrated advanced predictive analytics and enhanced customer engagement techniques.</p> <p>Early predictive intervention We utilised Nutun's suite of propensity scores to segment the customer base effectively. By targeting and tailoring our treatment framework to individual customer affordability, we customised repayment options to better align with customer needs and financial situations.</p> <p>Enhanced customer engagement We improved customer contact rates and engagement through sentiment analysis and refined communication scripts. By identifying “at risk” customers early, we implemented proactive quality assurance interventions to address potential issues before they escalated.</p>	<p>Our strategic interventions led to significant improvements in both collections and customer retention, achieving impressive results.</p> <p>Reduced churn rates We successfully reduced churn rates by 22% year-on-year. This achievement not only stabilised customer retention but also earned Nutun recognition for handling predelinquency accounts.</p> <p>Exceeding collections targets Collections targets were surpassed in 18 out of the 24 months following the implementation of our strategies. This consistent overachievement highlighted the effectiveness of our approach and contributed to a healthier financial position for the client.</p>



Strategy continued

CASE STUDY FINANCIAL SERVICES

Enhancing peer competitiveness and boosting collections

OVERVIEW

In a changing financial environment, our client, a leading financial services firm, faced significant challenges with performance and accreditation. We implemented a major strategy overhaul that improved their collections process and set new industry standards. By using a tailored treatment approach and creative oversight, we were able to achieve immediate improvements and long-term success.

PROBLEM STATEMENT	CHALLENGES	NUTUN SOLUTIONS	OUTCOMES
<p>The client was struggling with stagnating localised performance outcomes, which were threatening their client returns and panel accreditation. The main goal was to revamp their approach to ensure significant performance improvements and protect their accreditation.</p>	<p>In the face of an increasingly challenging macroeconomic environment, the client needed to address several key issues to achieve their objectives.</p> <p>Macroeconomic pressures</p> <p>The deteriorating economic conditions required a substantial lift in post charge-off recoveries. This was essential to counterbalance growing impairments on the client's balance sheet and ensure financial stability.</p> <p>Need for improved accreditation</p> <p>To preserve and enhance their panel accreditation, the client needed to innovate their strategies for increasing client yields. This involved finding new ways to boost productivity and financial outcomes.</p>	<p>Our approach centred around a comprehensive overhaul of the client's call centre operations, treatment protocols, and reward mechanisms. The solutions were designed to enhance productivity and drive measurable improvements in collections.</p> <p>Revamped engagement channels</p> <p>We conducted a thorough review of existing consumer engagement strategies, introducing a tilted treatment framework. This approach was tailored to optimise commitment to pay conversion rates and increase average payments, ensuring a more effective recovery process.</p> <p>Enhanced contact strategies and incentives</p> <p>We implemented advanced contact and trace capabilities alongside a new incentive structure for call centre agents. This innovative framework was designed to drive higher productivity and foster a more motivated workforce, resulting in better overall performance.</p>	<p>The strategic enhancements led to a remarkable turnaround in performance, delivering tangible results for the client.</p> <p>Significant collections boost</p> <p>Within just four months, the client experienced a 21% increase in collections. This boost not only met but exceeded expectations, leading to consistently strong performance metrics that outpaced industry peers.</p> <p>Enhanced financial standing and accreditation</p> <p>The improved outcomes translated into stronger cash flows and a higher ranking among peers, securing the client's position as a leader in their field.</p>



Strategy continued

CASE STUDY

LEADING US FINANCIAL SERVICES ORGANISATION

Improving first-line inbound voice customer service

OVERVIEW

Our client, a prominent player in the US financial services sector, faced the challenge of geographical concentration risk in their customer service operations. With a strategic goal to diversify their geographical footprint, they turned to South Africa as a new hub.

Partnering with Nutun, one of their two preferred vendors in South Africa, we embarked on a transformative journey to enhance their first-line inbound voice customer service. Our efforts not only met but exceeded the client's expectations, setting new benchmarks for service excellence.

PROBLEM STATEMENT	CHALLENGES	NUTUN SOLUTIONS	OUTCOMES
<p>In 2022, after a comprehensive vendor review, our client recognised the need to diversify their geographical risk. They sought to balance their operational footprint and mitigate risks associated with over-reliance on their existing locations. The challenge was to seamlessly integrate South Africa into their global service portfolio and maintain high service standards.</p>	<p>Geographical risk diversification</p> <p>The client's existing operations spanned 9,000 full time equivalent employees across the USA, Philippines, and Colombia. The need to mitigate geographical risk was pressing, as the concentration in these regions posed potential vulnerabilities.</p> <p>Establishing a new operational hub</p> <p>Integrating South Africa into their service strategy required establishing a new centre of excellence. This involved not only setting up operations but also ensuring that the new team could deliver high-quality service from the outset.</p>	<p>To address these challenges, Nutun implemented a strategic plan that involved several key steps.</p> <p>Initial training and onboarding</p> <p>The partnership began in November 2023 with a foundational phase involving 15 Team Leaders, Quality Analysts (QAs), and Trainers. This team travelled to the client's US headquarters for two weeks to undergo intensive training and immerse themselves in the operational environment of the in-house team.</p> <p>Scaling operations</p> <p>By March 2024, we had successfully scaled up to a full team of 230 agents. These agents were fully trained and operational, providing first-line inbound voice customer services to the client's US-based customers.</p>	<p>The partnership yielded exceptional results, surpassing all predefined targets and setting new performance benchmarks.</p> <p>Exceeding Net Promoter Score (NPS) targets</p> <p>Our team achieved an impressive 38% above target for NPS, reflecting a high level of customer satisfaction and service quality.</p> <p>High call volume and quality</p> <p>Our agents handled over 10,000 calls per day, demonstrating both efficiency and capacity.</p> <p>Operational excellence</p> <p>In the final month of ramp-up, we achieved a 100% Green Scorecard, indicating full compliance with quality standards. Additionally, 70% of our agents had been with us for less than 60 dialling days, showcasing our effective training and quick integration processes.</p>



Strategy continued

CASE STUDY

UK BIG SIX ENERGY PROVIDER

Succession migration and enhanced collections support

OVERVIEW

Since early 2019, one of the UK's largest energy suppliers, with over 5 million customers, has partnered with Nutun to manage its collections and customer service operations. With our client's need for expansion, Nutun's role expanded significantly. The Nutun team has grown from a small group of outbound collections agents to a robust team of over 800 full-time equivalent employees, providing comprehensive support across various customer service functions.

PROBLEM STATEMENT	CHALLENGES	NUTUN SOLUTIONS	OUTCOMES
<p>The client required an efficient and scalable solution to manage the increased operational demands, including migrating 6 million customers to their billing platform. The merger resulted in increased call volumes and the need for enhanced support in managing early collections, payment disputes, and complaint management with a strong focus on FCA and energy regulator compliance.</p>	<p>Initially, it started with a small team to support the client's inbound and outbound collections, but a merger led to the migration of collections work to Nutun.</p> <p>The client needed to manage new customer journeys and handle significantly increased call volumes triggered by the migration.</p> <p>Nutun was selected as the centre of excellence for the migration of customers to the client's billing platform, requiring high levels of accuracy and efficiency.</p>	<p>Nutun implemented control pilots to measure the effectiveness of training and assess KPI impacts across a balanced scorecard.</p> <p>Signature practice models were deployed, and a migration fault management and feedback solution was embedded into the operation. These strategies allowed Nutun to optimise the migration process and make necessary adjustments to the migration strategy.</p>	<p>90% complete</p> <p>The migration is now 90% complete, with new start productivity increased by 40% due to enhancements in the learning experience.</p> <p>Targets exceeded</p> <p>All targets across quality, compliance, cash collected, and complaint management have been exceeded.</p> <p>Nutun's service offering now fully integrates inbound, outbound, WhatsApp, and email channels, providing comprehensive support to the client's customer base.</p>



Material risks and opportunities



King IV: Principle 4 and 11

Transaction Capital has undergone significant change in 2024 as it aims to unlock value for its stakeholders. In our 2023 Integrated Report we examined our risk universe within the context of Transaction Capital as an investment holding company with operating subsidiaries across three distinct industries. As of 30 September 2024, we consist of Nutun and the head office, resulting in adjustments to our risk landscape.

Transaction Capital continues to uphold a strong culture of risk management, which is applied to our current business operations. We have several processes, resources and structures embedded to address our risk management needs. These include internal audits, control systems, IT security measures, compliance processes, ISO standard verifications, and various interventions from line management.

Our risk management process aids first-line management in identifying risks by assessing both their likelihood and potential impact. This assessment results in a risk score that indicates the probability of each risk occurring. Transaction Capital and Nutun face several inherent risks due to the nature of their business and the environment in which they operate. As a result, some residual exposure persists from year to year. Management's focus is not necessarily on eliminating these risks but rather on mitigating their impact on the business and its overall strategy.

Approach

1 Risks

Our risk management approach focuses on protecting value by strategically planning, organising, and overseeing activities and resources. This proactive strategy aims to minimise the negative impacts of risks to acceptable levels while also capitalising on potential opportunities that can contribute to our strategic goals and enhance overall value creation.

2 Opportunities

The traditional view of risk focuses primarily on negatives, identifying risks as threats that can lead to harmful consequences. However, our perspective has evolved to recognise both threats and opportunities as equally important. This shift has transformed our risk response planning process, allowing us to proactively manage both types of risks to maximise their benefits.

3 Value creation

Ultimately, we enhance value creation by leveraging these opportunities.

Governance and framework

The board is ultimately responsible for the governance of risk and monitors risk and opportunity identification and management on a quarterly basis.

The group has a board-approved risk management framework. It establishes the group's policy, risk appetite, and tolerance levels, identifies material risks and opportunities, and ensures ongoing risk oversight and monitoring to enable rational and informed decision-making.



King IV: Principle 4



The board is ultimately responsible for the governance of risk and monitors risk and opportunity identification and management on a quarterly basis.



Material risks and opportunities continued

Risk universe

The risk framework specifically identifies the risk categories that comprise the group's risk universe. The board retains responsibility for monitoring reputational, sustainability (including ESEG activities), strategy, new business and acquisition risk. The board delegates the responsibility for overseeing and managing the remaining risks and opportunities to respective board sub-committees, divisional boards and management.



Risk methodology

The board reviews and approves the risk management evaluation criteria annually to ensure that the group effectively identifies, manages and reports on risk across all operations and geographies.

Audit and risk committee:

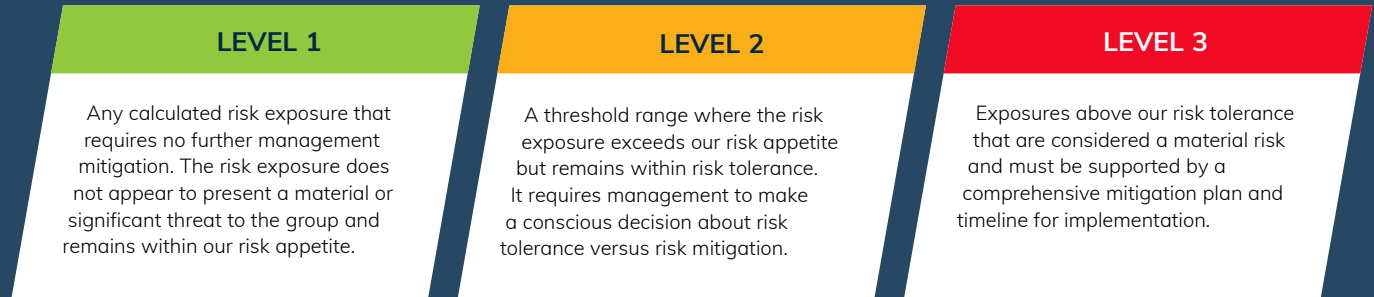
Assesses the evaluation criteria annually and recommends any changes, including risk appetite, tolerance and threshold, to the board for adoption.

Reviews the group risk profile quarterly, potentially revising it based on factors such as the local, regional, and global macroeconomic environment, current political and legislative developments, socioeconomic challenges, technological advancements and changes in operations.

Evaluates and approves the level of assurance provided for all group risks through the combined assurance model.

Each risk is evaluated in terms of its **likelihood** and **impact**, both on an inherent (unmitigated risk) and residual (after mitigating action) basis.

Our risk appetite reflects the level of risk deemed acceptable by the board before implementing mitigating actions, while risk tolerance refers to the group's strategic capacity to accept or withstand risk. Risk appetite has been determined by setting exposure limits at three levels based on the residual risk exposure:



Material risks and opportunities continued

Business environment

The South African economy and high unemployment affect the ability of customers to service debts which continue to be impacted by sustained high interest rates and inflation, resulting in high debt servicing costs. This situation exposes us to additional risks, but it also presents opportunities that require a thorough and dynamic approach to managing residual risks in our collections and recoveries business.

Transaction Capital through investment in Nutun is uniquely positioned as a single, end-to-end value proposition, offering services across the entire customer and credit lifecycle. The new operating model enables the South Africa and International

businesses to combine and leverage a set of assets and competencies built over many years. Our understanding and experience in South African collections is unique within the broader BPO industry. Our proprietary data, analytics, technology, workforce management expertise, AI, and machine learning assets enable accurate book valuation and efficient collections through call centre and legal processes. Unique capabilities, along with the increasing popularity of South Africa as a BPO delivery destination, provides the opportunity to access a significant addressable international market, particularly in the UK and US.

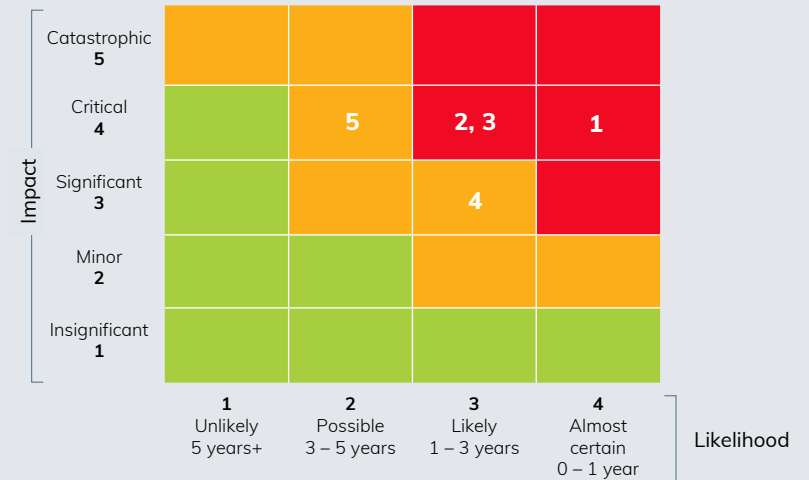
Risk	Change	Impact x likelihood	
		2024	2023
1 Operating environment	↑	16	12
2 Competition	↑	12	8
3 Technological disruption	↑	12	6
4 People	○	9	9
5 Funding and liquidity	↓	8	12

Risk level:

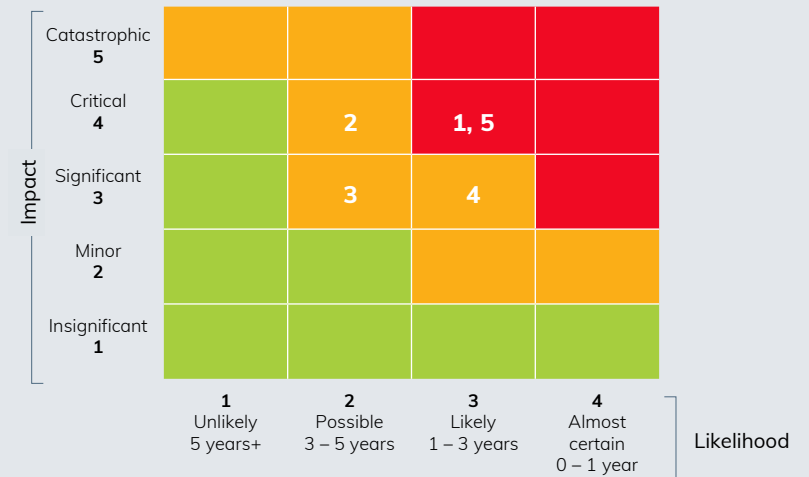
- Elevated
- Reduced
- Static

The residual risk heat maps below reflect risks that are considered material to the group:

Residual risk FY2024



Residual risk FY2023



* Prior residual risk types and scores have been restated to align to Nutun Group at year end FY2023. As of 30 September 2024, Transaction Capital consists of Nutun and the head office which has resulted in adjustments to the comparative risk landscape.

Material risks and opportunities continued

RISK 1



Operating environment

Sustained higher interest rates impacts bid pricing and availability of books for purchase in the market.



Risk level: Elevated



Residual risk: High

Stakeholder concerns

- Increased required rate of return results in bids for purchasing books being lower and fewer books on the market available for purchase.
- Foreign currency volatility, due to revenue and debtors in Nutun International being foreign denominated, with a ZAR cost base.

Our response: mitigation

- Business restructure resulting in Nutun separating into two operating businesses, an International and South Africa business, each focused on creating client value.
- Continued focus on differentiating offerings through investing in technology and a solutionist approach to deliver client satisfaction and value in South Africa and internationally.
- Enhancing the effectiveness of operations by further reducing costs, focusing on rationalising out marginal clients and simplifying support structures (a more streamlined legal process and more advanced AI).
- Focus on geographical and industry diversification, with growth of capital light services into larger addressable markets which increase foreign currency revenue in the USA, UK and Australian markets.
- Ongoing negotiations with funders, coupled with strategic corporate actions such as the divestment of assets in Australia and Nutun Transact, have extended the Nutun funding runway.

Opportunities

- The global BPO market is enormous and provides Nutun with extensive opportunity to leverage its ZAR cost base for offshore growth.
- Focus on expanding offshore BPO initiatives which are capital light.
- Client demands are evolving rapidly due to the accelerated adoption of AI and other technologies. This presents Nutun with an opportunity to position ourselves, and our IP, as enablers and execution partners in clients' transformation journeys.
- New streamlined business model allows for more agile risk response strategies.



Business restructure resulting in Nutun separating into two operating businesses, an International and South Africa business, each focused on creating client value.

Material risks and opportunities continued

RISK 2



Competition

Highly competitive market impacts pricing and profitability across book buying and BPO product lines both locally and internationally, remaining sensitive to market forces and competition.



Risk level: **Elevated**



← Residual risk: **High**



Stakeholder concerns

Purchased books debts (PBD):

- Deterioration of the consumers ability to service their debt, impacted ability to provide competitive pricing in bids.
- Even though the portfolios are valued using the most recent surrogates, Nutun cannot fully model the future, and a larger margin of safety is thus required, resulting in uncompetitive bid pricing and lost bids in certain cases.

Business process outsourcing (BPO):

- Emerging market risks including attracting foreign investment in the current political and economic environment has become more difficult, with many multinationals withdrawing from South Africa.
- Concentration risk: UK contracts are mainly for UK utilities clients, and US business is not through a broad distribution partner base.
- South Africa is popular as a BPO destination, creating a highly competitive environment with competitors focusing on growth in African markets, where Nutun does not have exposure (including Kenya, Egypt and Rwanda), impacting our ability to price competitively on commoditised contracts.
- Contracts largely have a short-term notice period, impacting stickiness of customers, who can easily opt out of service offerings, impacting profitability in the short term.

Our response: mitigation

Purchased books debts (PBD):

- Liquidity constraints and capital funding runway have greatly improved. Bid pricing is now more competitive and gaps between Nutun, its competitors, sellers and buyers have closed.
- Transaction Capital has disposed of its controlling interest in Mobalyz thereby managing the contagion risk and improving access to funding and book buying opportunities.
- Review of book buying to maximise returns in a restricted capital environment whilst redefining the performance criteria used to determine success.
- Robust book purchasing process followed, including competitor analysis and all deals requiring capital investment being interrogated and approved by Nutun's investment committee.

Business process outsourcing (BPO):

- Initiatives to structure longer term value-based deals, not purely focused on number of seats, but on value-add services, enabling a longer lock in period incorporating revenue sharing strategies.
- Diversifying our client base in the UK and US and exploring retail and banking markets. Nutun on its own currently does not have the appropriate level of regulatory licensing to enable growth in US and UK markets and is utilising partners that enable regulatory compliance for offshoring work to South Africa. Nutun will continue expanding this network, especially in collections, where partnerships with companies holding state, or industry, regulatory certifications are crucial.
- Concentration risk is being mitigated through focusing on growing its banking and retail portfolios.
- Nutun is currently working on obtaining its Financial Conduct Authority accreditation which will accelerate its growth.

Opportunities

- Nutun has opportunities to grow both the International and South African markets, building on the complementary nature of our distinctive intellectual property to deliver tailored business solutions.
- Our unique capabilities, along with the increasing popularity of South Africa as a BPO delivery destination, provides the opportunity to access a significant addressable international market, particularly in the UK and US.

Material risks and opportunities continued

RISK 3



Technological disruption

Artificial Intelligence (AI) and other technologies are a major disruptor to the industry and present both an opportunity and a threat.



Risk level:
Elevated



← Residual risk:
High

Stakeholder concerns

- The pace of technological disruption at Nutun needs to increase to achieve revenue growth within a competitive market, where competitors are also deploying disruptive strategies.
- While commoditised, seat-based services remain critical to Nutun's growth, Nutun needs to build solutions for clients, helping them solve business problems by providing real technology assets, not just cheaper labour. It is critical that Nutun maintains the right balance in promoting both the South African value proposition and our unique technology capabilities.

Our response: mitigation

- Nutun's differentiation in both the local and international market is focused on specialist service lines and industries where the complementary nature of people and technology leads to increased value add, client stickiness and higher margins.
- Nutun's technology capabilities are being deployed across both the International and South Africa businesses, with the local collections business serving as an ideal test environment for new technology innovations.
- Nutun is currently prototyping an AI voice agent platform which integrates numerous technologies in parallel, demonstrating how AI can be used to augment and improve services within international clients' environments and leading to the commercialisation of complementary BPO offerings.
- The newly established innovation lab showcases Nutun's capabilities, providing a commercial proof of concept environment and focusing on Contact Centre as a Service (CCaaS), collections, and AI adoption use cases.
- Nutun has a clear IT roadmap and investment plan which will enable it to migrate to higher complexity, NextGen BPO services which take advantage of technology-driven disruption.

Opportunities

- Innovation and technology are critical to success in both the South African and International businesses to position Nutun as a reliable, high quality service provider as well as a trusted partner within our client's own transformation journeys.
- Our integrated innovation process will allow Nutun to consistently outperform competitors in the local collections market and to differentiate and augment our international offerings.



Material risks and opportunities continued

RISK 4


People

Enhanced performance relies on the highest calibre of leadership and specialist technical expertise. Stakeholders' interests are best served by aligning strategy, business model, structure, staffing and compensation. This is crucial, especially in our current environment.

Risk level: **Static**


RISK 5


Funding and liquidity

Access to funding remains critical for ongoing ability to acquire NPL books and to enable the growth and performance of its BPO and International business.

Risk level: **Reduced**


Stakeholder concerns

- The retrenchment process during FY2024 to right-size business, in addition to structural changes made, has resulted in uncertainty and low morale for remaining employees.
- Competitive remuneration structures.
- The ability to achieve transformation targets, especially race and gender targets, at senior management levels.
- Physical and mental wellbeing of employees.

Our response: mitigation

- Our ethics charter and values set the required behaviours for all employees to inform a values-led approach to our business.
- Nutun has restructured and reset its strategy, providing clarity and renewed energy to its teams.
- A complete cultural reset is underway to redefine Nutun with a focus on five strategic pillars: Simplify and Optimise, Innovate and Differentiate, Client-at-the-centre, People and Culture, and Agile governance.
- Each of Nutun's International and South Africa business lines are supported by an HR lead who collaborates closely to ensure alignment in every aspect of Nutun's people agenda. This includes a drive to standardise performance management, benefits, learning and development, cultural initiatives, remuneration, and overall ways of working.
- The employee conditional share scheme (CSP) has been redesigned.
- We have an employee value proposition dedicated to offering talented individuals personal growth opportunities, and meaningful work in an intellectually stimulating and challenging setting.
- Nutun secured Top Employer certification for 2024 in South Africa for the second year in a row.
- Transformation targets are included as non-financial key performance indicators in executive remuneration, and a transformation framework and deviation policy are in place to support transformation at various management levels.
- Our dedication to employee health, safety and wellbeing is realised through employee assistance programmes, rigorous safety measures and support for remote working in certain roles.

Opportunities

- The resolution of uncertainties regarding Transaction Capital allows Nutun specific opportunities to be focused on recruiting talent.
- The restructured and focused Nutun can provide clear career opportunities for prospective talent.

Stakeholder concerns

- Trading challenges and negotiations with Mobalyz and Transaction Capital funders previously resulted in contagion risk, where Nutun was not viewed as a standalone entity, impacting negatively on funding generating ability.
- Nutun had reduced access to new funding during the first half of the 2024 financial year.

Our response: mitigation

- Transaction Capital disposed of its controlling interest in Mobalyz, reducing the contagion risk.
- Facilities from major finance institutions have been reprofiled.
- Ongoing negotiations with funders, coupled with strategic corporate actions such as the divestment of assets in Australia and Nutun Transact, have extended the Nutun funding runway and significantly increased covenant headroom.
- Recent engagements with funders have indicated a normalisation of comfort levels with the business position from both a balance sheet and operational perspective.
- Reduced high gearing levels to facilitate ongoing support from funders.

Opportunities

- Optimising the group's mix of funding structures to reduce the cost of funding.
- The structural decoupling/independence of Nutun from its shareholder enabling the build-up of Nutun's equity base which can be deployed to growth initiatives i.e. investments in PBDs and expansion of the International business.



Corporate Governance

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Chairman's report



This year has again presented exceptional challenges for Transaction Capital as a result of the 2023 Mobalyz difficulties. 2024 was marked by significant corporate activity and structural changes alongside adverse market conditions. Despite these difficulties, we experienced notable progress and have fulfilled our commitment of unlocking shareholder value and stabilising the company, including the WeBuyCars unbundling and listing, the sale of our controlling stake in Mobalyz as well as the restructuring and securing of robust funding lines for Nutun. I commend the leadership team for their resilience and unwavering dedication to achieving these positive outcomes.

Progress was made during a period of considerable uncertainty leading up to the South African general elections in May 2024. I am pleased with the establishment of a government of national unity (GNU) which I hope will provide the country with a more stable political environment in the coming years. Recent improvements in load-shedding, Transnet's logistics, the exchange rate and the start of an interest rate down cycle have generated a sense of national optimism that South Africa can benefit from, but much remains to be done to address economic growth and poverty alleviation.

Our financial results for the year were disappointing as fully addressed in our CFO's performance report. Nutun faced significant challenges due to funding restrictions and our exposure to the utility sector in the UK, which was adversely affected by changes in European energy markets. In response to these challenges and our commitment to unlocking value in our businesses, we undertook a critical restructuring exercise in the business. We have streamlined



Progress was made during a period of considerable uncertainty leading up to the South African general elections in May 2024.

Nutun's operations by divesting non-core businesses, which improved our balance sheet and facilitated new funding arrangements. Additionally, there have been numerous changes to executive and senior management. The leadership team at Transaction Capital now feels more confident that they have the right team, structure and support in place to unlock Nutun's potential and generate attractive returns in the medium term.

Restoring credibility

Restoring our credibility with stakeholders, particularly banks and shareholders, remains a priority. While relationships remain strained due to the Mobalyz difficulties, we are actively working to rebuild trust. Recent agreements with our funders are steps in the right direction, and we are committed to ongoing improvements in our communication and operations. Please refer to our stakeholder engagement commentary in this report for details of our interactions.

Leadership and governance

With the WeBuyCars unbundling and listing and the sale of our controlling stake in Mobalyz over the past year, it has been necessary for our board to align more closely with our current business needs. We made several changes to the structure of our sub-committees. The audit committee and the risk and technology committee have been combined into a new audit and risk committee. The asset and liability committee has been dissolved, and the remuneration committee and nominations committee have been combined into the remuneration and nominations committee. During the year Kuben Pillay and Buhle Hanise

stepped down and Christopher Seabrooke stepped down on 31 December 2024. As we transition from an investment company to an operating business focused on NPL book buying and BPO services, we recognise the changing need for fresh perspectives and expertise to support value creation going forward.

There are several changes at the executive leadership level. Co-founder Roberto Rossi stepped down as executive director on 1 October 2024 and became a non-executive director. Co-founder Michael Mendelowitz will transition to a non-executive director on 1 April 2025. The role of Chief Investment Officer was dissolved during the year, with Mark Herskovits moving into the role of CFO. On 31 March 2025, Mark will step down, and Rob Huddy, the current CFO of Nutun, will assume the role of CFO for the listed entity and become an executive director.


These are important changes to our leadership team, which we believe are essential given the restructuring of Transaction Capital over the past year. Jonathan Jawno has done an excellent job as CEO of Transaction Capital since he took on the role. He will continue to drive our commitment to unlocking value as group CEO and Executive Chairman of Nutun.

From a governance perspective, Transaction Capital has always upheld strong principles, despite facing severe operational challenges in Mobalyz. The board has remained focused on navigating through these difficulties and supporting the efforts of our executive leadership team to achieve a positive outcome on shareholder value.

Chairman's report continued


Sustainability and ESEG initiatives

Our commitment to environmental, socio-economic and governance principles has never been stronger. A consequence of focusing our operations on the Nutun business has been to dramatically reduce our carbon footprint. In line with the simpler corporate structure, our sustainability report has been incorporated into our integrated annual report.

 Details of our environmental and community commitment and initiatives can be read here.

Financial discipline and remuneration

In light of our current circumstances, we have adopted a stricter approach to remuneration. Our focus has been on maintaining financial discipline, which has led to limited discretionary bonuses being awarded this year. This reflects the tough period we have endured and reinforces our commitment to prudent financial management. The remuneration and nominations committee approved a new incentive structure on 26 September 2024 and takes effect from the beginning of the 2025 financial year.

 Details of the remuneration policy and implementation report can be found here.

Outlook and strategy

Looking ahead, we are now a single operation business and our primary objective is to unlock value in Nutun, and in so doing restore credibility in the market. While the path has presented challenges, we are confident in our strategy and commitment to achieving this goal over the medium term and will continue to prioritise profitable growth. We will also give consideration to the recruitment of new board members who can contribute to our success in specific operational areas. Our leadership team has demonstrated resilience and commitment in steering the company towards recovery and value creation.

Acknowledgements

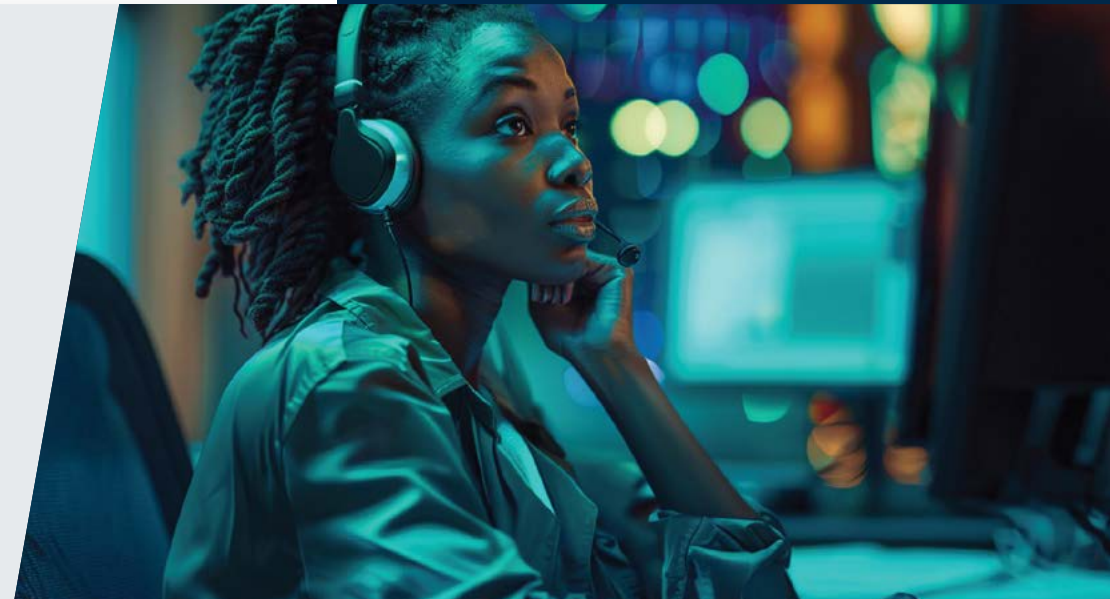
I would like to express my heartfelt gratitude to Christopher Seabrooke for the crucial role he played in the Mobalyz restructure as chairman of both the internal Debt Sustainability Committee and external Informal Lender Forum, as well as a board member over a long period of time. I also want to acknowledge the roles of Jonathan Jawno, who has achieved everything we asked of him and more, and Mark Herskovits, whose perseverance in structuring and negotiating the complex funding relationships has resulted in the positive outcome. Their efforts have laid a foundation for recovery, although we recognise that it will take time to return to our previous levels of performance.

In conclusion, while this year has again been difficult, I am now more optimistic about our future. We are committed to building a strong, credible Nutun that will thrive in the times ahead.

Ian Kirk
Chairman



Looking ahead, we are now a single operation business and our primary objective is to unlock value in Nutun, and in so doing restore credibility in the market. While the path has presented challenges, we are confident in our strategy and commitment to achieving this goal over the medium term and will continue to prioritise profitable growth.





This icon highlights the application of King IV principles in this report

Governance report

Our governance philosophy

The board of directors of Transaction Capital is the focal point and custodian of the group's corporate governance framework, with the board being ultimately responsible and accountable to stakeholders for the performance, activities and control of the group.

Upholding robust governance is pivotal to achieving these outcomes. Transaction Capital adopts a progressive approach to governance and we view the assessment and monitoring of adherence to governance standards as an evolving process. As such, we constantly enhance governance structures to align with the group's context and evolution. Our commitment to shareholders and stakeholders remains unwavering and the board is dedicated to advancing corporate governance beyond compliance with laws, regulations and best practices.

Transaction Capital's governance structures are aligned to King IV, which advocates an outcomes-based approach to governance. The board considers value creation against the King IV definition of corporate governance as the exercise of ethical and effective leadership to achieve the governance outcomes of King IV.



King IV: Principle 6

The King IV principles are intended to provide guidance to organisations in continually working towards these governance outcomes. As such, this governance report references each principle where relevant, to demonstrate our progress in achieving the outcomes as envisaged in King IV. The board assessed Transaction Capital's application of King IV and is satisfied that the group complied with these principles, in all material aspects, for the year under review.

Good performance and ethical culture

An ethical culture and good performance are closely linked in achieving shared value outcomes. Our governance framework seeks to harmonise our entrepreneurial culture, which drives performance through growth and innovation, and our values-based approach, which enables the group's businesses to respond effectively and ethically to complex dynamics in their markets.

In undertaking its duties of directing the group's strategy, assessing its business model and enhancing sustainability to create value for all stakeholders, the board takes into consideration the risks and opportunities related to the context in which the group operates.

Effective control

The board proactively oversees the review of the group's systems of control and governance. This is supported by the combined assurance framework and continued oversight exercised by the board and its committees. Internal audit, risk and compliance functions collaborate on combined assurance to support the board, and to effectively cover the group's material risks and material matters. Value creation, preservation and erosion are thereby included in the group's control environment.

Legitimacy

Best governance practices are entrenched to deepen our reputation as a trusted business and social partner and support the formalisation of our market sectors. This is realised through our stakeholder engagement strategies and processes, which enable executive management to understand and effectively respond to legitimate stakeholder concerns. Along with risk identification and control, stakeholder concerns are central to the identification of our material matters.

Board of directors

Independent non-executive directors

The board members' CVs can be viewed at www.transactioncapital.co.za.



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Ian Kirk (66)

Chairman
 HDip BDP, FCA, CA(SA)
 Appointed: November 2020
 Board meeting attendance: 100%
 Other listed directorships: 3



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Diane Radley (58)

BCom, BCompt (Hons), CA(SA), MBA, AMP (Harvard Business School)
 Appointed: July 2018
 Board meeting attendance: 100%
 Other listed directorships: 2



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Sharon Wapnick (61)

BA, LLB
 Appointed: March 2020
 Board meeting attendance: 100%
 Other listed directorships: 1



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Suresh Kana (70)

Lead independent non-executive director
 BCom, BCompt (Hons), MCom, PhD (Honorary), CA(SA)
 Appointed: November 2020
 Board meeting attendance: 100%
 Other listed directorships: 3



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Albertinah Kekana (51)

BCom, PGDA, AMP (Harvard Business School), CA(SA)
 Appointed: April 2021
 Board meeting attendance: 100%
 Other listed directorships: 2

Executive directors



- 1
- 2
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Jonathan Jawno (58)

Chief executive officer
 BCom (Hons), PGDA, CA(SA)
 Appointed: March 2003
 Board meeting attendance: 100%



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Michael Mendelowitz (59)

BCom (Hons), PGDA, CA(SA)
 Appointed: March 2003
 Board meeting attendance: 100%



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Mark Herskovits (50)

Chief investment officer
 BBusSci (Finance), PGDA, CA(SA), CFA
 Appointed: January 2014
 Board meeting attendance: 100%

Non-executive non-independent director



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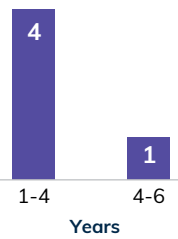
Roberto Rossi (63)

BSc (MechEng), Graduate Diploma (IndEng), BProc
 Appointed: September 2003
 Board meeting attendance: 100%

Board of directors continued

Tenure

Number of independent non-executive directors



Average tenure of independent non-executive directors:

3.75 years

POLICY

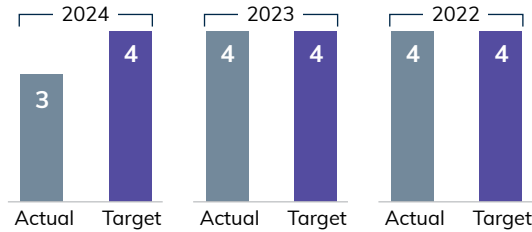
Periodic, staggered rotation of non-executive directors to balance new expertise and perspectives with valuable industry knowledge, skills and experience, while maintaining continuity.



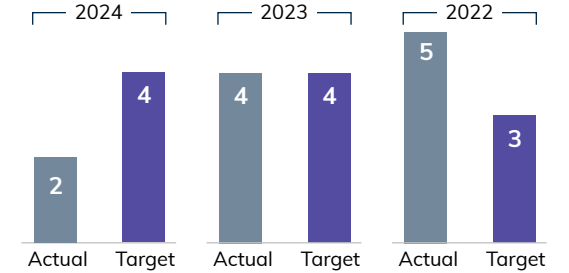
For further details regarding the non-executive director policy, see page 53.

Diversity

Number of female directors



Number of black directors


POLICY

Transaction Capital values diversity at board level, seeing it as essential for good governance. Diversity encompasses background, race, gender, skills and expertise, which enhance the board's effectiveness. The remuneration and nominations committee annually sets voluntary targets for gender and race diversity and evaluates progress, aligning with the JSE Listings Requirements.

Skills

FC	Financial capital	Number of directors
7	Accounting and auditing	9
1	Financial services	10
4	Risk and opportunity management	10
IC	Intellectual capital	Number of directors
9	International experience	9
11	Leadership	9
5	Legal and regulatory	8
3	Governance and compliance	10
4	Risk and opportunity management	10
8	Information and technology	5

MC	Manufacturing capital	Number of directors
2	Strategy	10
8	Information and technology	5
HC	Human capital	Number of directors
6	People management and remuneration	9
SC	Social capital	Number of directors
10	Sustainability / ESEG	8
NC	Natural capital	Number of directors
10	Sustainability / ESEG	8

POLICY

Non-executive directors are selected on the basis that their business skills and expertise are appropriate to the group's strategic direction. The board and nominations committee consider the academic qualifications, technical expertise, industry knowledge, experience, business acumen and diversity of board appointments.



For additional information about our approach to board skills assessment, please refer to pages 51 and 52.

1

Non-independent non-executive director

Board composition

5

Independent non-executive directors

POLICY

The board should comprise a majority of non-executive directors, of whom the majority should be independent.

3

Executive directors

4

60-71

Age profile

5

50-59

Board of directors continued

Changes to the board

With effect from 31 December 2023:

- In line with the change in Transaction Capital's corporate strategy, and the increased involvement of Transaction Capital's founders since the onset of Covid-19, the board deemed it appropriate that one of the founders assume the position of group CEO. Accordingly, David Hurwitz stepped down from his position as CEO of Transaction Capital and was succeeded by Jonathan Jawno (co-founder and executive director), with the primary focus being on unlocking shareholder value.

With effect from 7 March 2024:

- Kuben Pillay, who was eligible to retire by rotation at Transaction Capital's last AGM, did not stand for re-election, and accordingly retired as an independent non-executive director on 7 March 2024.
- Buhle Hanise resigned as an independent non-executive director of Transaction Capital on 7 March 2024, at the conclusion of the AGM to pursue other interests. Consequently, Ms Hanise resigned as a member of the audit committee with effect from 7 March 2024.

With effect from 1 June 2024:

- To optimise executive leadership structures and streamline operations, the roles of Chief Investment Officer and CFO were consolidated into a unified executive position ultimately reporting to the audit and risk committee. Mr Sahil Samjowan stepped down as CFO and Executive Director of Transaction Capital and Nutun Investments with effect from 1 June 2024.
- Mr Mark Herskovits, who is an executive director of Transaction Capital and Nutun Investments and was the group's Chief Investment Officer, was appointed into the consolidated position as CFO with effect from 1 June 2024.

With effect from 1 October 2024:

- Mr Roberto Rossi resigned as an executive director and became a non-executive director. As a founding member of Transaction Capital, Mr Rossi will continue to play an important role in guiding management and the board in driving the group's strategy.

With effect from 31 December 2024:

- Christopher Seabrooke formally retired as an independent non-executive director of the Transaction Capital board with effect from 31 December 2024. Christopher Seabrooke retired as a member of the audit and risk committee and the remuneration and nominations committee, in line with his retirement as an independent non-executive director of the board.

With effect from 1 January 2025:

- Mrs Albertinah Kekana has been appointed to the audit and risk committee effective from 1 January 2025.

With effect from 31 March 2025:

- Mr Mark Herskovits will resign as executive director of the Transaction Capital board and TransCap, and as Chief Financial Officer of the company and TransCap and as Debt Officer of TransCap.
- Mr Rob Huddy will be appointed as executive director of the Transaction Capital board and Nutun Investments, and as CFO of the company and Nutun Investments and as Debt Officer of Nutun Investments, effective 1 April 2025.
- Mr Michael Mendelowitz will resign as an executive director and become a non-executive director. As a founding member of Transaction Capital, Mr Mendelowitz will continue to play an important role in guiding management and the board in driving the group's strategy.

Key governance objectives, progress and board considerations



King IV: Principle 4

Board focus areas for 2024

Unlocking shareholder value

Transaction Capital has undergone significant changes aligned with the board's commitment to restore and unlock value for the group's stakeholders. This process required difficult decisions and strategic trade-offs, resulting in a smaller, simpler and more streamlined organisation. The major decisions in 2024 all required extensive consideration and debate at board level to determine the optimal outcome for stakeholders.

The unbundling and listing of WeBuyCars has generated substantial shareholder value and allowed Transaction Capital to successfully settle most of its debt. Nutun's business has been restructured with a clear strategy, resulting in the disposal of non-core assets, the proceeds of which have strengthened the balance sheet and improved liquidity. Mobalyz has been repositioned for success, supported by a dedicated and experienced management team. Transaction Capital retains an effective 26.63% shareholding in Mobalyz, which is accounted for as an associate and held at nil value on the balance sheet.

Transaction Capital now comprises a 100% shareholding in Nutun, which is uniquely positioned as a single, end-to-end value proposition, providing BPO services across the entire customer experience and credit lifecycle.

Nutun's new operating model allows both the South Africa and International divisions to utilise the assets and competencies developed over many years. These differentiated capabilities apply to the full range of BPO services that we offer locally and internationally.



For value creation, see page 16.

Reputational matters

The board recognises the importance of effective stakeholder engagement and reputation management. The journey to rebuilding stakeholder trust has required proactive and efficient stakeholder engagement. In addition to shareholder and media engagement, the board and executive management have engaged extensively with debt funders and employees to ensure their support for Transaction Capital's long-term investment case.

Transaction Capital remains committed to transparency and responsible governance. The group's board members are highly engaged and provide valuable insights and consistent support to management. Over the past year, the board has increased its involvement overseeing additional committees set up to drive the group restructure.

Capital management and strategic resource allocation

The Board maintains a flexible yet conservative approach to capital management and resource allocation. Post the settlement of the majority of its debt, the head office is in a net cash position. The group has consistently navigated strategic trade-offs and established priorities to address a challenging environment, both internally and externally. At every turn, the choices made have aligned with the group's strategic goal of restoring and unlocking value from its operations.

From a resource allocation perspective, the head office continues to be rationalised to reflect the new group structure. Roberto Rossi became a non-executive director on 1 October 2024, and Michael Mendelowitz will also become non-executive on 31 March 2025. Mark Herskovits, group CFO, will be stepping down on 31 March 2025 with Rob Huddy, current Nutun CFO, taking on the group CFO role on 1 April 2025. Certain functions necessary to continue as a listed company will remain with the head office, with all other functions being ceased or absorbed by Nutun.

In the context of the headline and basic losses for the period, the board resolved not to declare dividends in 2024.

Sustainability and ESEG initiatives

Our commitment to ESEG principles has never been stronger. A consequence of focusing our operations on the Nutun business has been to dramatically reduce our carbon footprint. In line with the simpler corporate structure our sustainability report has been incorporated into our integrated annual report. Details of our environmental and community commitment and initiatives can be read here.



For the sustainability report, see page 80.



Key governance objectives, progress and board considerations continued

Board focus areas for 2024 continued

Transformation

Transformation is a priority for the board and executive management, and we have incorporated transformation targets into short-term incentives for key executives across the group.

The group is committed to advancing South Africa's transformation goals to address historical disparities. Our dedicated transformation and Broad-Based Black Economic Empowerment (B-BBEE) policy reflects this commitment. Transaction Capital has achieved a Level 4 rating, while Nutun Business Services SA and Nutun CX have attained Level 1 and Level 7 respectively in our most recent assessments.

Transaction Capital promotes a diverse and inclusive work environment. This aligns with the group's employment equity (EE) plan and transformation framework, which supports the employment and advancement of previously disadvantaged groups. Details of our transformation framework can be found [here](#).



For sustainability report, see page 80.

Remuneration

As indicated in the Chairman's report the board has adopted a stricter approach to remuneration. The focus has been on maintaining financial discipline, which has led to limited discretionary bonuses being awarded this year. This reflects the tough period Transaction Capital has endured and reinforces the group's commitment to prudent financial management. The remuneration and nominations committee approved a new incentive structure on 26 September 2024 which takes effect from the beginning of the 2025 financial year. Details of the remuneration policy and implementation report can be found [here](#).



For the remuneration report, see page 69.

Board focus areas for 2025

Unlocking shareholder value

Our 2024 financial year marked a year of significant change, reset and recalibration, and signified the conclusion of the Transaction Capital chapter and the start of the transition to Nutun. The board's primary focus in 2025 will be on unlocking shareholder value from the Nutun business, driving results from its new operating model and management structure.



Key governance objectives, progress and board considerations continued

Board meetings and key deliberations

Directors are required to attend all board meetings. The board follows a formal workplan that includes strategy, operational and financial performance, risk and governance.

Progress against the group's strategic objectives is reported on at each meeting. The company secretary is responsible for preparing standing agenda items, which are discussed with the chairman and updated for emerging issues prior to each board meeting.

The company secretary circulates the agenda, formal board packs and other reading material to the board in good time via a secure online software system. The online system also includes a reading room where comprehensive reference materials are made available. At least four board meetings are held annually.

Board meeting attendance in 2024:

94%



Sub-committee board meeting attendance is presented on pages 54 to 56.

In addition to the key issues outlined on page 46, the board deliberates on standing agenda items such as feedback from the chairpersons of board committees, comprehensive presentations by the CEO on strategic and material matters, and presentations by the CFO on the group's financial results and forecasts at quarterly intervals.

During the 2024 financial year, the board approved and resolved the following key matters:

October – December 2023

- **Noted** the stepping down of David Hurwitz as CEO of Transaction Capital, as a director of all boards and a member of all committees within the group, and the appointment of Jonathan Jawno as CEO of Transaction Capital, effective 31 December 2023.
- **Noted/considered** the resignation of Buhle Hanise from the board and as a member of the audit committee, effective 7 March 2024.
- **Noted/considered** the retirement of Kuben Pillay from the board and as chairman of the remuneration committee and as a member of the nominations committee and the social, ethics and sustainability committee, effective 7 March 2024.

January – March 2024

- **Resolved** that all 12 ordinary resolutions and eight special resolutions presented for shareholder approval at the AGM were approved by the required majority.
- **Approved** the disposal of Nutun Australia Holdings Pty Ltd to Allegro Funds Pty Ltd.
- **Confirmed** GCR Ratings (GCR) has downgraded the long and short-term South African national scale issuer credit ratings on Transaction Capital to A-(ZA) and A2(ZA) respectively, from A(ZA) and A1(ZA) respectively, with a rating watch negative. At the same time, the long-term international scale rating has been affirmed at B+ with a rating watch negative.

April – May 2024

- **Approved** the group's 2024 interim results and interim dividend, with due consideration of the group's solvency and liquidity position.
- **Approved** the unbundling and the separate listing of WBC.

June – September 2024

- **Approved** the restructuring of six existing board committees into three streamlined committees with effect from 1 June 2024, effectively optimising governance processes and resource allocation as follows:
 - The audit committee and risk and technology committee will be combined into the audit and risk committee, with the following members: Diane Radley (chairperson), Christopher Seabrooke and Suresh Kana.
 - The asset and liability committee was dissolved.
 - The remuneration committee and nominations committee will be combined into the remuneration and nominations committee, with the following members: Sharon Wapnick (chairperson), Christopher Seabrooke, Ian Kirk, Albertinah Kekana and Suresh Kana.
 - The social, ethics and sustainability committee will comprise the following members: Suresh Kana (Chair), Albertinah Kekana and Ian Kirk.
- **Noted/considered** Sahil Samjowan stepping down as CFO and executive director of Transaction Capital and Nutun Investments with effect from 1 June 2024.
- **Approved** the appointment of Mark Herskovits into the consolidated position as CFO with effect from 1 June 2024.
- **Noted/considered** the retirement of Christopher Seabrooke as an independent non-executive director of the Transaction Capital board and a member of the audit and risk committee and the remuneration and nominations committee with effect from 31 December 2024.
- **Approved** the appointment of Albertinah Kekana as a member of the audit and risk committee with effect from 1 January 2025 subject to shareholder approval.
- **Approved** the disposal of a controlling stake in Mobalyz.
- **Noted** the resignation of Mark Herskovits as executive director of Transaction Capital and Nutun Investments and as CFO of the company and Nutun Investments and as Debt Officer of Nutun Investments, effective 31 March 2025.
- **Approved** the appointment of Rob Huddy as executive director of Transaction Capital and Nutun Investments, and as Chief Financial Officer of the company and Nutun Investments and as Debt Officer of Nutun Investments, effective 1 April 2025.
- **Approved** the resignation of Roberto Rossi as an executive director effective 1 October 2024 and appointment as non-executive director. Michael Mendelowitz will resign as executive director effective 1 April 2025 and will be appointed as non-executive director.
- **Confirmed** GCR revised the long and short-term issuer credit ratings on Transaction Capital to stable from rating watch negative. At the same time, the long-term international scale rating has been affirmed at B+.



Detail on the committee focus areas can be found from page 54.



This icon highlights the application of King IV principles in this report

Ethical leadership and responsible corporate citizenship

Ethical leadership

Our values guide responsible and ethical leadership at all levels of the organisation. The board upholds accountability, fairness, and transparency, fostering a culture of ethical leadership that creates value for our stakeholders.

The board guides the group's strategic direction by referencing our values and our ethics charter, with the aim to consistently create shared value for all stakeholders.



King IV: Principle 1

Ethics and culture

The Transaction Capital ethics charter formalises and guides our ethical culture, defining our vision, mission, values, and our approach to achieving shared-value outcomes.

The group's strong ethics are a key competitive advantage in our sectors. We go beyond compliance, embedding ethics and respect in our daily activities and interactions. Our reputation as an ethical business is vital, earning the trust of clients, customers, suppliers, communities, and stakeholders.

Our values set expectations for our behaviour, including acting with integrity, pursuing excellence, respecting all, innovating, and taking responsibility. This ethical and values-based culture underpins responsible value creation.



The group's ethics charter is reviewed and approved by the social, ethics and sustainability committee annually and is available at www.transactioncapital.co.za.

Our human rights commitments

Respect for human rights is fundamental for Transaction Capital. We work to safeguard and champion human rights in our interactions with all stakeholders. The board, including the CEO and divisional CEOs, are dedicated to upholding internationally recognised human rights. They provide leadership in this regard by acting as role models of correct behaviour and ensuring that key decisions are aligned to the principles set out in our human rights policy.



The group's human rights policy is available at www.transactioncapital.co.za.



King IV: Principle 2

Ethics governance framework

Effective governance of ethics enhances our businesses' growth, risk and sustainability profiles and secures our ability to sustainably deliver shared-value outcomes. The pillars of the group's approach to ethics are formalised in the group's ethics charter.



Ethical leadership and responsible corporate citizenship continued

1 Leadership commitment

Our approach to ethics governance is to set the correct tone at the top. The chairman of the board and the group and divisional CEOs endorse Transaction Capital's ethics charter, which commits us to:

- Upholding the highest standards of ethical behaviour and integrity.
- Aligning our behaviour in the workplace with Transaction Capital's values.
- Abiding by the principles and recommended practices of King IV.
- Complying with all prevailing laws that are applicable to our business.
- Providing relevant information on our approach and attitude to conducting business ethically to our stakeholders.
- Supporting group initiatives to manage ethics effectively.

These commitments support our efforts to:



Ensure **ethical leadership**.



Act as a **responsible corporate citizen**.



Include our stakeholders in our efforts to operate ethically.



Nurture an ethical culture through a work environment where everyone is treated with respect and dignity, and where discrimination of any kind is not tolerated.

2 Governance structures

The social, ethics and sustainability committee is responsible for ensuring adherence to our values, ethics charter and human rights policy. This oversight role is supported by subsidiary boards that review the ethical conduct and culture within their operations.

3 Ethics management and reporting

The executive and senior management within the group subsidiaries are responsible for implementing policies and procedures that support and enhance the ethical culture. The following policies remain in place to guide and strengthen our ethical culture, supported by formal training programmes and annual awareness campaigns to promote compliance:

- Anti-bribery and corruption policy
- Sponsorship and donations policy
- Human rights policy
- Sexual harassment policy
- Diversity policy
- Transformation deviation policy
- Remuneration policy
- Environmental policy

Transaction Capital follows a comprehensive approach to ethics management, which includes prevention, detection, investigation, and resolution. Any incidents of non-compliance are independently investigated and reported to management, the respective subsidiary boards, the social, ethics and sustainability committee, and, where appropriate, the audit committee and the board.

Ethics management progress, initiatives and actions are presented to the social, ethics and sustainability committee and, where relevant, to the audit and risk committee and the board.

Transaction Capital has a zero-tolerance approach to bribery and corruption by business partners, employees, vendors and all third parties we engage with. The board fully endorses the anti-corruption principles outlined in the United Nations Global Compact. The group's anti-bribery and corruption policies include guidelines for gift-giving and receiving, ethical principles, mandatory annual declarations of interest by all employees, whistleblowing procedures, and due diligence for vendors and third parties. We also have specific policies for sponsorships, donations, and price-sensitive information.

An external whistleblowing hotline allows for anonymous reporting of ethics incidents, all of which are investigated. Executive management receives investigation reports, and appropriate actions are taken. Unethical or fraudulent behaviour can also be reported to line management and the respective human resources departments in our businesses.

The Group received seven new ethics related allegations and 102 human resource grievances in the 2024 financial year through its whistleblowing hotline. The significant number of issues received relates to the Nutun International environment where the hotline is currently being used as a platform for employees (mostly call centre agents) to raise all concerns they may have with the business. All reports were investigated and appropriately addressed. Once the investigation concludes that allegations were substantiated, disciplinary action is taken.

Ethical leadership and responsible corporate citizenship continued

Responsible corporate citizen

Transaction Capital strives to act as a responsible corporate entity, and our business model reflects our dedication to fostering sustainable and inclusive growth. We continually produce favourable financial results for our clients within our industry value chains, all the while generating enduring positive socio-economic outcomes.

Responsible corporate citizenship principles underpin every facet of our business, with the board assuming ultimate responsibility. The board mandates certain sub-committees to oversee and monitor how the group's operations and activities affect its corporate citizenship status.

Various board committees and executives are tasked with overseeing specific sustainability matters. The social, ethics and sustainability committee supervises numerous aspects outlined in King IV, including employment equity, remuneration, safety and economic transformation. This committee also tracks our ESEG impact, including our response to climate change. The audit and risk committee manages audit, tax,



King IV: Principle 3

Tax transparency

The board, in conjunction with the audit and risk committee, is ultimately responsible for the group's tax strategy, policy, philosophy and approach. Transaction Capital is committed to being a responsible taxpayer and ensures professionally executed tax compliance and legitimate tax planning are in place to meet its compliance and disclosure obligations in accordance with all relevant laws.

transparency, fraud, corruption, climate-related risks, and other matters beyond sustainability. The remuneration and nominations committee ensures effective implementation of fair and transparent remuneration practices.

An ESE framework is in place which clearly defines each division's societal purpose. These ESE frameworks cascade into specific impact areas with supporting measurable metrics applicable to each division's goals. We developed these frameworks through collaboration with internal and external stakeholders, by identifying key concerns and expectations and connecting them to suitable metrics. This enables us to express our goals and measure our progress and impact effectively over time.

Our ESEG strategy is guided by these frameworks, allowing us to effectively manage impacts and create value for the group and its stakeholders while avoiding value-eroding activities.

Political donations

Transaction Capital is committed to conducting business ethically, fairly and honestly while complying with applicable laws to protect the interests of our clients and industries. We do not make political donations to any political party, candidate, or politically exposed person. The group's sponsorships and donations policy explicitly prohibits donations that may violate anti-corruption laws in South Africa.

The impact areas were defined with reference to specific United Nations SDGs. The following global goals remain the company's targets as they are aligned to our core operations and strategy and enable us to focus our efforts on making a measurable impact:



The board continues to support the principles of the United Nations Global Compact in the areas of human rights, labour standards, the environment and anti-corruption, and follows the recommendations of the Organisation for Economic Co-operation and Development regarding corruption.



The role of the board of directors

The board acts as the custodian of governance. It has adopted the board charter and approves group policies and terms of reference for the board sub-committees. The board charter and group policies regulate how the board conducts itself in the best interest of the company and its stakeholders, considering relevant legislation and the principles of good corporate governance.

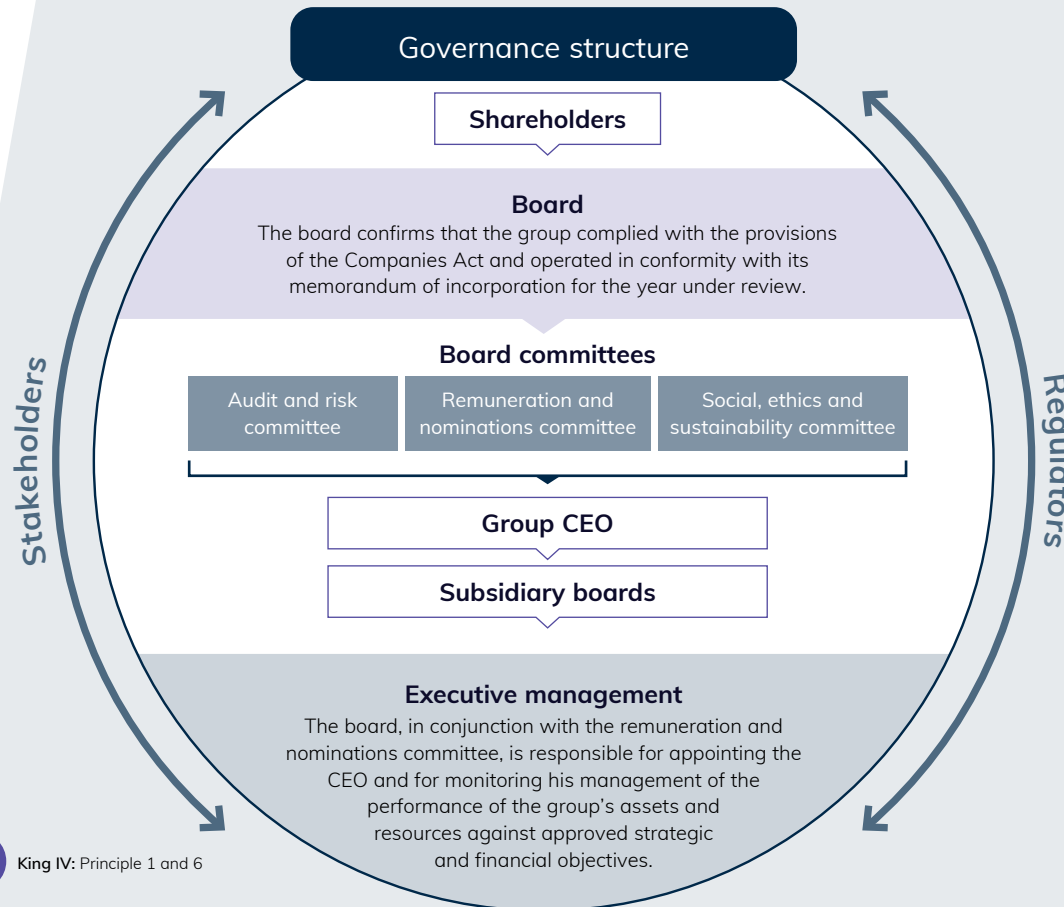
Transaction Capital's governance and compliance framework empowers the board to provide direction and oversight. It establishes the group's risk appetite and ensures strong accountability for regulatory compliance. This framework also supports an entrepreneurial and innovative mindset to drive performance.

The audit and risk committee and the social, ethics and sustainability committee fulfil the statutory governance functions on behalf of Transaction Capital, its divisions and group subsidiaries in terms of the Companies Act and King IV.

Governance structure and delegation

The group's governance structure and delegation of responsibilities uphold independent judgement. Board committees aid the board in fulfilling its duties and responsibilities.

An authority framework is in place for the group, which governs the authority delegated to group management and matters reserved for approval by the board.



King IV: Principle 1 and 6

Subsidiary boards

Each of Transaction Capital's subsidiaries has its own board of directors. The composition of each subsidiary's board includes non-executive directors, some of whom may be executive or non-executive directors of Transaction Capital. Directors of these boards are of sufficient calibre, experience, diversity and number for their views to carry significant weight in board decisions.

The activities of each division's board include reviewing and providing input on corporate strategy, business plans, risk propensity, budgets and sustainability.

Strategies, business plans and performance criteria are clearly defined, with appropriate key performance indicators in place to measure and monitor performance against their strategies.

King IV: Principle 6

The role of the board of directors continued

Board composition

The board, through the remuneration and nominations committee, assesses the composition and membership of the board and board committees annually. Non-executive directors bring independent judgement and experience to the board's deliberations and decisions, with the structure of the board ensuring that no one individual or group of individuals has unfettered powers of decision-making.

The board charter and the remuneration and nominations committee terms of reference state that non-executive directors are chosen based on their business skills and expertise that align with the group's strategic direction. The board and the remuneration and nominations committee consider the academic qualifications, technical expertise, industry knowledge, experience, business acumen and diversity of board appointments.

In addition, the board considers the integrity and leadership skills, as well as other directorships and commitments, of all directors to ensure that they have sufficient time available to fulfil their responsibilities.

Based on the annual board review performed in September 2024, the board and the remuneration and nominations committee are satisfied that the board's overall composition (as well as that of its committees) reflects an appropriate combination of knowledge, skills, experience, diversity and independence, as well as knowledge of the group and divisions' specialist expertise and business models.



King IV: Principle 7

Diversity

Transaction Capital supports the principles and aims of diversity at board level, and has a diversity policy in place to address gender and racial diversity.

The remuneration and nominations committee sets voluntary targets for race and gender diversity and assesses progress annually. Targets for the promotion of diversity are aligned to the JSE Listings Requirements and are currently set at four female and four black directors represented on the board at any given time. Three female and two black directors currently serve on the board.

Race and gender diversity were impacted this year by the resignation of two black directors, including one female director, who were not replaced in line with the rationalisation of governance structures. Diversity is a key consideration for the remuneration and nominations committee as the board evolves in line with and to reflect our new operating structure.

Consultation process

Directors are encouraged to take independent advice, where necessary, for the proper execution of their duties and responsibilities. This is done at Transaction Capital's expense, after consultation with the chairman. In addition, directors have unrestricted access to the group's auditors and professional advisers, and to the advice and services of the company secretary.

After advising the chairman of their intention to do so, directors may attend any committee or subsidiary board meeting, and have unrestricted access to any executive, manager or employee in the group, as well as to any information generated by the group. In addition, the company provides training to directors, as required.

Succession planning

The remuneration and nominations committee is responsible for formulating the formal succession plans of the board, the CEO and the CEO's direct reports. The committee reviews these succession plans annually. On approval of the succession plans, the CEO conducts alignment discussions with potential successors, where necessary, which may result in direct development interventions.

Conflicts of interest and related-party transactions

We have policies to manage share trading and conflicts of interest, following best practices and regulatory provisions. Directors are prohibited from

trading shares during closed periods and must disclose interests in board matters, which are recorded by the company secretary. Directors are also required to declare any conflicts of interest and recuse themselves from any such board or committee meeting discussions.

On an annual basis, the board approves a share pledging policy to regulate the use of the company's securities as collateral, covering directors, company secretaries, and major subsidiary company directors and their associates.

The board and the audit and risk committee are accountable for both the implementation and disclosure aspects of all IFRS Accounting Standards and guidelines. This oversight extends to the disclosure of related-party transactions, which is closely monitored and transparently reported in the annual financial statements.



The group's annual financial statements are available at www.transactioncapital.co.za



Transaction Capital supports the principles and aims of diversity at board level, and has a diversity policy in place to address gender and racial diversity.

The role of the board of directors continued

Skills and experience

Transaction Capital is led by a strong and technically competent board. To ensure the board retains the skills required to fulfil its foundational role in value creation and preservation, the board's skills, knowledge and experience are evaluated annually against a board skills matrix. The skills of the board are also considered together with the overall tenure, diversity and independence of directors.

Context	Group requirement	Skills required against the board skills matrix
The board is ultimately responsible and accountable to stakeholders for the performance, activities and control of the group.	Oversight and guidance.	<ul style="list-style-type: none"> • Leadership • Strategy • Accounting and auditing • Risk and opportunity management • People management and remuneration
The group's businesses operate in markets with historically low levels of client service and stakeholder trust. This requires that we operate ethically and according to the highest standards of corporate governance.	Exemplary corporate governance and ethics.	<ul style="list-style-type: none"> • Governance and compliance • Sustainability/ESEG
The group seeks to provide competitive and innovative solutions that deliver outstanding commercial benefits to clients.	Core skills include capital raising, capital allocation, data management and technology risk and opportunity (including cybersecurity).	<ul style="list-style-type: none"> • Financial services • Information and technology (including data) • International experience

Skills assessment

The 2024 skills assessment identified the following areas for skills development:

- Corporate activity including mergers and acquisitions and balance sheet management.

Consequently, these areas are considered by the remuneration and nominations committee as skills that require further training and upskilling to ensure sufficient oversight.

Based on the 2024 assessment, the remuneration and nominations committee is satisfied that the skills and experience of the board are adequate for fulfilling its role.



The role of the board of directors continued

Independence

Directors hold fiduciary responsibilities that require independent judgement, prioritising the group's best interests. Directors must act honestly and abstain from conflicts of interest.

Our annual assessment process involves self-assessments of independence by non-executive directors and a board evaluation.

Non-executive director policy

The non-executive director policy was approved by the board in November 2021 and was recently updated in November 2024. This policy ensures effective management of board tenure and upholds the board's independence and commitment to Transaction Capital's stakeholders. Key policy guidelines encompass:

- Newly appointed non-executive directors are proposed for re-election by shareholders at the first AGM following their appointment.
- Non-executive directors are subject to rotation every three years, with the option for re-election at the AGM. One-third of non-executive directors will retire from office at each AGM, determined by those with the longest tenure since their last election.
- The remuneration and nominations committee conducts an annual review of each non-executive director's independence self-assessment. Directors with tenures exceeding nine years undergo a comprehensive assessment to ensure their continued independence.
- The board's chairperson is required to retire after a 12-year tenure, with the possibility of continuing as a non-executive director at the board's discretion.
- Chairpersons of board committees must retire after a 10-year tenure but can continue as committee members. Former committee chairpersons may be reappointed after a three-year hiatus at the board's discretion.

Appointment of directors

The remuneration and nominations committee assists in identifying suitable board members, with the board skills matrix presented on page 42 serving to identify additional skills and experience required to augment the collective capability of the board.

Board appointment process


The remuneration and nominations committee follows the following process illustrated below when appointing new directors to the board, and when considering the reappointment of existing directors:

- 1 Assess board skills, knowledge, experience and diversity.
- 2 Identify suitable candidates for board membership.
- 3 Make recommendations to the board on appointment and re-election of directors.
- 4 Subject new candidates to background and reference checks prior to appointment.
- 5 Approve director as candidate.
- 6 Ensure formal induction of new directors.

The formal induction programme is the responsibility of the company secretary and/or the CFO. The programme includes detailed discussions on the environment and operations of each of the major businesses, as well as site visits and an induction and information pack about the group.

Rotation of directors

Following the principles of King IV, the periodic and staggered rotation of non-executive directors is aimed at bringing in individuals with fresh expertise and perspectives. This practice helps retain valuable knowledge, skills, and experience while ensuring continuity.

 For changes to the board in FY2024, refer to page 43.



Annual performance evaluations, conducted through structured questionnaires, assess director skills, contributions, and committee effectiveness.

Board and company secretary evaluation

Annual performance evaluations, conducted through structured questionnaires, assess director skills, contributions, and committee effectiveness. Evaluation outcomes inform improvements for the upcoming year.

The remuneration and nominations committee's workplan also includes board, chairman, member and committee performance discussions.

Following the 2024 evaluations, the board assessed the competence, performance and experience of the chairman, lead independent director, CEO, CFO and the company secretary. The board is satisfied with their performance and that, consistent with King IV, the roles of chairman, lead independent director and CEO are distinct.

The board is confident in the qualifications, experience and competence of the company secretary, Lisa Lill, and ensures an arm's length relationship is upheld between the board and the company secretary.



King IV: Principle 9 and 10

Board committees

All committees operate with robust structures, and their specific objectives are detailed in their respective terms of reference. These terms of reference are endorsed by the board and subjected to annual review. Each committee's terms of reference emphasise the enhancement of governance standards within the group, along with well-defined authority delegation and reporting procedures.

The board receives formal updates from each committee's chairperson during board meetings. Committee meeting minutes are included in the board's documentation. Committees report to stakeholders annually, through the integrated report and, if necessary, at the AGM.



King IV: Principle 8

Audit and risk committee



Diane Radley
Chairperson



Albertinah Kekana



Suresh Kana

Overall meeting attendance
92%

Functions managed	<ul style="list-style-type: none"> Financial accounting and external reporting Financial controls Tax Internal audit External audit (including non-audit services) Combined assurance Risk Compliance Data and information
Composition	Chaired by an independent non-executive director. Comprises three independent non-executive directors, including the lead independent director and the chairperson of the social, ethics and sustainability committee.
Permanent invitees	Chairman of the board, group CEO, group CFO and chief investment officer, group finance executive, founding directors, group tax executive, Deloitte internal audit executive, divisional CFOs and finance executives, external auditors, group head of legal and the company secretary.
Independence	3/3
Minimum number of meetings per year	Four
Actual number of meetings per year	Six

Focus areas for 2024

- Reviewed fraud mitigation strategies and internal controls in the group.
- Maintained a satisfactory outcome in the controls environment, including continued oversight of the lines of defence and the combined assurance providers.
- Ensured appropriate accounting and reporting of major corporate actions including the unbundling of WeBuyCars, the sales of Nutun Australia and Nutun Transact as well as the sale of a controlling stake in Mobalyz.
- Took the decision to outsource the internal audit function with oversight to ensure minimal disruptions and continued reliance on its control assessment work.
- Ensured the identification, assessment, control, management, reporting and remediation of risks across a wide range of the organisation's enterprise risk management framework.
- Ongoing review of the operating environment which includes the local and global macroeconomic environment, political developments pre and post the national elections in 2024, the regulatory landscape and industry trends that may impact the strategic priorities of the group.
- Refreshed the group's technology platforms with a focus on the remediation of the control environment (cybersecurity, ransomware and cloud security).
- Ensured a smooth transition for PwC as the new external auditor of the group.
- Identified an additional audit and risk committee member to replace Christopher Seabrooke.

Focus areas for 2025

- Ensuring the effective functioning of the group's financial systems and processes, and financial control environment, are monitored by an effective combined assurance model.
- Management's response in respect of future changes to IFRS, legislation and other regulations impacting disclosure requirements.
- Ensure effective frameworks, systems and processes are built in anticipation of the potential adoption of the IFRS S1 General Requirements for Disclosure of Sustainability-related financial information Standard and the IFRS S2 Climate-related disclosure Standard in FY2026.
- Ensure that operational and strategic technology risks remain well-managed.

Board committees continued

Remuneration and nominations committee



Sharon Wapnick
Chairperson



Ian Kirk



Suresh Kana



Albertinah Kekana

Overall meeting attendance
97%

Functions managed	<ul style="list-style-type: none"> • Directors • People • Succession • Remuneration • People and retention
Composition	Chaired by an independent non-executive director. Comprises four independent non-executive directors, including the lead independent director; the chairpersons of the remuneration and nominations committee; social, ethics and sustainability committee; and one executive director.
Permanent invitees	Group CEO, group CFO, founding directors and the company secretary.
Independence	4/4
Minimum number of meetings per year	Two
Actual number of meetings per year	Five

Focus areas for 2024

- Upheld our dedication to equality through ongoing assessment of our employment equity strategy, goals, and diversity and inclusion initiatives.
- Examined the strategy for fostering growth opportunities within the organisation, encompassing aspects such as employment conditions, managerial practices, leadership development initiatives, and the sustained development of employees through succession planning.
- Assessed the efficiency of talent management and development strategies to proactively address retention risks within critical skill areas.
- Aligned the behaviours of executives with the strategic objectives of the group. This was focused on the significant restructuring of the LTI share scheme for Nutun executives to align with the new operating model and strategy of the business.

Focus areas for 2025

- Maintaining continued dialogue with shareholders to ensure the relevance and appropriateness of the remuneration policy.
- Ensuring remuneration outcomes that are fair and responsible.
- Ensuring that the remuneration policy and outcomes support our strategic objectives and that these are appropriate to the changing environment.
- Staying abreast of remuneration best practices.
- Updating disclosures in line with the amended Companies Act requirements on remuneration, once it has been enacted.
- Oversee the succession plan for the board and senior management.

Board committees continued

Social, ethics and sustainability committee



Suresh Kana
Chairperson



Ian Kirk



Albertinah Kekana

Overall meeting attendance
100%

Functions managed	<ul style="list-style-type: none"> Stakeholder engagement Transformation Sustainability/ESEG Ethics
Composition	Chaired by an independent non-executive director. Comprises three independent non-executive directors, including the lead independent director, the group CEO and one executive director.
Permanent invitees	Chairman of the board, group CFO, divisional CEOs, divisional human resource executives and the company secretary.
Independence	3/3
Minimum number of meetings per year	Two
Actual number of meetings per year	Two

Focus areas for 2024

- Prioritised transformation efforts, with specific attention to employment equity composition and diversity.
- Led efforts to cultivate an ethical culture and promote ethical leadership.
- Talent transformation and succession planning to enable improved diversity at senior and top management levels.
- Continued to drive awareness and education of ESEG matters (including climate change) throughout the organisation.

Focus areas for 2025

- Guide the enhancement of the culture of ethics and ethical leadership and provide strategic guidance on emerging ethical issues.
- Monitor talent practices, including the retention of underrepresented (specifically African) talent at middle and senior management levels. In this regard, the Nutun mentorship program which is being launched in 2025 will be of particular interest to the social, ethics and sustainability committee.
- Oversee our progress in respect of transformation (employment equity and skills development).
- Monitor the well-being of employees including specific focus on mental and financial health.
- Monitor the evolution of Transaction Capital's culture.
- Monitor ongoing implementation plans on diversity, equity and inclusion.
- Implement the IFRS Sustainability Disclosure Standards and ensure alignment with the JSE Sustainability and Climate Disclosure Guidance.

Governance of functional areas

Risk and opportunities

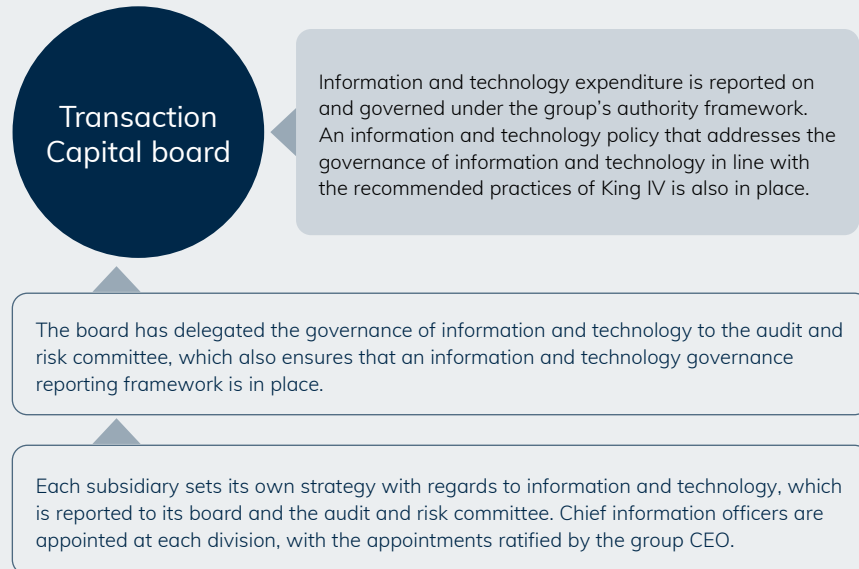
Transaction Capital has a board-approved risk framework, which sets the policy, risk appetite and tolerance levels of the group, identifies the material risks and opportunities, and ensures ongoing risk oversight and monitoring for the group. The board is assisted by the audit and risk committee in governing risk in a way that supports the group's strategic objectives and the creation of value.



King IV: Principle 11

Governance of data, information and technology

Data, information and technology are vital to the group and its divisions, enabling them to create value and achieve sustainable growth.



Business continuity and cybersecurity

Disaster recovery and business continuity plans are in place for the group and are tested regularly. Cybersecurity measures are in place in all businesses including the head office.

Compliance, information security, cybersecurity, risk and the control environment are all managed within each information and technology team. Additionally, the information and technology functions report to the audit and risk committee that adequate arrangements are in place for ongoing business continuity, with proactive monitoring of intelligence in place to identify and respond to potential cyberattacks.



King IV: Principle 12

Compliance

Regulatory compliance is non-negotiable. Compliance with the letter and spirit of all laws, regulations and codes is required.

Compliance framework and structure

Transaction Capital board oversight

The board proactively oversees the review of the group's systems of control and governance. Board processes are in place to keep up to date with changes in the legislative landscape. It also continually recommends enhancements to ensure that each division is managed ethically, in compliance with legislative requirements and in line with best practice governance guidelines.

The audit and risk committee and the social, ethics and sustainability committee are responsible for compliance oversight.

Dedicated internal compliance functions within the divisions

Suitably qualified compliance officers are employed in the divisions to provide the following functions:

- Identify the applicable legislative and regulatory requirements.
- Prepare relevant monitoring programmes relating to these requirements.
- Recommend improvements to the functional heads within the businesses and assist with implementation.

The divisions actively engage with external legal counsel, where necessary, for advice on the application and implementation of any proposed new legislation, as well as on the potential effects of such legislation on their respective businesses.

Divisional compliance reports are submitted to the audit and risk committee and the board for consideration.



King IV: Principle 13

Governance of functional areas continued

Strategy and reporting functions of the board

The board oversees the link between our vision, strategy, and integrated reporting. It guides strategy, assesses the business model, and promotes sustainability for stakeholder value, considering contextual risks and opportunities. While our activities can impact various aspects of society and the environment, our integrated annual report prioritises those directly influencing our business model. The board ensures the integrity of our external reports, which collectively provide a comprehensive view of our operations through different perspectives, and all reports are reviewed and approved by the board.



King IV: Principle 4 and 5



For detail on how materiality impacts our reporting suite, refer to page 4.

Regulatory environment

Due to the nature of its businesses, the group is subject to a range of regulations and legislation including, without limitation:

- National Credit Act
- Consumer Protection Act
- Debt Collectors Act
- Second-Hand Goods Act
- Financial Sector Regulation Act
- Insurance-related legislation, including the Financial Advisory and Intermediary Services Act, the Insurance Act, the Short-term Insurance Act and Long-term Insurance Act
- National Payment System Act and Payment Card Industry (PCI) Accreditation
- Anti-corruption and anti-money laundering legislation, including the Financial Intelligence Centre Act and the Protection of Constitutional Democracy Against Terrorist and Related Activities Act
- Competition Act
- Legislation relating to the corporate affairs of the group, including the Companies Act, the Financial Markets Act, the JSE Listings Requirements and the JSE Debt Listings Requirements
- Tax-related legislation, including the Income Tax Act and the Value-Added Tax Act
- Labour-related legislation, including the Labour Relations Act, the Basic Conditions of Employment Act and the Employment Equity Act
- Legislation relating to information processing and electronic records, including the Electronic Communications and Transactions Act, Protection of Personal Information Act, General Data Protection Regulations, California Consumer Privacy Act, Promotion of Access to Information Act and the Cybercrimes Act

Key regulatory and legislative developments

Companies Amendment Acts, 2023

Two Companies Amendment Acts were introduced to amend the Companies Act, 2008. The first received notable attention as it seeks to align the provisions of the Companies Act with the recommendations of King IV in relation to remuneration governance and propose significant changes in respect of the appointment, composition and reporting of the social and ethics committee. The new provisions on remuneration governance aim to facilitate transparency and provide shareholders with the necessary mechanisms to express their concerns and exercise oversight over the remuneration process.

The President signed the Amendment Acts into law on 26 July 2024 and proclaimed that certain sections of the Companies Amendment Act, 16 of 2024 and the entirety of the Companies Second Amendment Act, 17 of 2024, are now in force with effect from 27 December 2024. He has not yet proclaimed a date for the coming into operation of the balance of the Companies Amendment Act, 16 of 2024.

To a large extent Transaction Capital welcomes the amendments, some of which will have a significant bearing on all public companies, including Transaction Capital.

Employment Equity Act, 1988

To recap, (i) in April 2023, the Employment Equity Amendment Act, 2022 was signed into law, amending the Act and requiring companies with over 50 employees to submit equity plans to meet sectoral targets for designated groups, although an effective date for this has not yet been promulgated;

(ii) subsequently, in May 2023, the Minister published sectoral numerical targets for public comment.

In February 2024, the Minister published a second draft regulation on the sectoral numerical targets for public comment. The republished regulation furnishes more detailed guiding notes on how to interpret and apply the sectoral numerical targets, and removes the distinction between provincial and national targets and the different designated racial group. It continues to focus on top and senior management as well as professionally qualified and skilled levels and people with disabilities.

Amendments to the JSE Debt Listings Requirements and the JSE Listings Requirements

The JSE confirmed that the amendment to remove the Auditor Accreditation Model, which includes the accreditation of audit firms, reporting accountants, reporting accountant specialists and IFRS advisors, has been approved by the FSCA and became effective from 4 December 2023. As such, audit firms, reporting accountants, reporting accountant specialists and IFRS advisors are no longer required to be accredited by the JSE and hence an issuer may appoint any of these parties that it deems fit and not only those on the JSE list.

The FSCA is expected to approve a new set of JSE Listings Requirements in the first quarter of 2025 which aims to bring the JSE Simplification Project to completion as far as the Main Board of the JSE is concerned.

With reference to the JSE Rejuvenation Project, the FSCA approved amendments to the JSE Debt Listings Requirements and the introduction of the new Debt and Specialist Securities Listings Requirements, effective from 11 November 2024.

Governance of functional areas continued

Prevention and Combatting of Corrupt Activities Act, 2004

The Act was recently amended with the insertion of a new section whereby a business can now be held strictly liable for corrupt activities, even where the business had no intention to commit a corrupt act or had no knowledge that a corrupt act had taken place. This new offense extends to dealings with associates of a business, which includes service providers and contractors who perform services on behalf of the business.

Financial Intelligence Centre Act, 2001

On 8 August 2024, the Financial Intelligence Centre published Public Compliance Communication (PCC) 59, which deals with Beneficial Ownership (BO) and the application of section 21B of the Financial Intelligence Centre Act, 2001. In terms of section 21B(1) of the Act, accountable institutions are required to establish the ownership and control structure of clients that are legal persons, trusts or partnerships. PCC 59 provides some clarity and assistance for accountable institutions to ascertain BO for legal persons.

Financial Sector Conduct Authority – Criminal Record Verification of Certain Designated Persons and Significant Owners

The FSCA released communication to inform stakeholders that it will be initiating a process to verify certain information about financial institutions, including criminal records. The verification process will be undertaken in respect of significant owners, key individuals, directors, shareholders, members and trustees of authorised financial services providers as defined in the Financial Advisory and Intermediary Services Act, 2002. The verification process relates to the FATF recommendations to reduce the risk of financial institutions engaging in conduct that is, or may contribute to, financial crime.

Update on FATF Grey List

National Treasury released a positive statement providing feedback on South Africa's participation in the October 2024 Financial Action Task Force (FATF) Plenary, where FATF recognised the improvements made in South Africa's structures to monitor and prevent anti-money laundering/combating the financing of terrorism.

Looking ahead, should South Africa successfully resolve all outstanding action points in the upcoming reporting cycle, South Africa may be removed from the FATF grey list in June 2025.

Prevention and Combatting of Hate Crimes and Hate Speech Bill, 2024

On 9 May 2024, the President assented to the Prevention and Combatting of Hate Crimes and Hate Speech Bill, although the commencement date of the Act has yet to be proclaimed. The purpose of the Act is to give effect to constitutionally enshrined rights. The Act codifies conduct, that can potentially constitute harassment, as a "hate crime" or "hate speech". One of the consequences of the criminalisation of hate crimes and hate speech is that it may assist an employer to take disciplinary action against an employee whose conduct is covered by the Act.

There were no financial losses from legal proceedings associated with violations, including fraud, insider trading, antitrust, market manipulation, or other industry-related law violations.

The board is satisfied that Transaction Capital fully complies (and will continue to so comply) with applicable laws, as amended from time to time, surpassing the regulatory standards and aligning with the principles of King IV.

Combined assurance framework

The audit and risk committee is responsible for overseeing the effectiveness of combined assurance arrangements within the group. The combined assurance plan is based on the recommendations of King IV. The following lines of assurance have been defined for the group:

First line

Management within the group including the CEO, executive management and business managers in all divisions.

Second line

Assurance activities performed on behalf of management, by functions such as compliance, operational and enterprise risk, quality assurance, ethics, group legal, health and safety and oversight forums.

Third line

The third line of assurance has a high level of organisational independence and objectivity. This includes internal audit and safety and process assessors which provide assurance to senior management and the board that first and second line efforts are consistent with expectations.

Fourth line

Independent external assurance service providers such as external audit, other external assurance providers such as B-BBEE verification agencies and actuaries.

Fifth line

Regulatory inspectors and/or industry bodies such as the Financial Sector Conduct Authority (FSCA), Financial Intelligence Centre (FIC), Payment Association of South Africa (PASA), Legal Practice Council, Department of Labour, etc.

Sixth line

Transaction Capital board and committees, subsidiary boards, internal management forums and/or other internal non-board committees.

Governance of functional areas continued

Audit

The audit and risk committee oversees the external and internal audit functions, as well as the combined assurance model and its objectives, which include:

- Enabling an effective internal control environment.
- Supporting the integrity of information used for internal decision-making by management, the board and its sub-committees.
- Ensuring the integrity of external reports.

Internal audit, risk management and compliance collaborate on combined assurance to support the board, and to effectively cover the group's key risks and material matters.



External audit

The group has a policy in place to address the provision of non-audit services by the external auditor.

The audit and risk committee:

- Confirmed the independence and appropriateness of the expertise, experience and resources of the external auditor, the external audit partners and the quality of the external audit. The audit and risk committee is satisfied that the external auditor remains independent of the group.
- Reviewed and approved the external auditor's 2024 annual plan, scope of work and audit fees and considered the key audit matters in the external audit report.
- Monitored the effectiveness of the external auditor in terms of their audit quality, expertise, independence and the execution of the audit plan.
- Confirmed that no reportable irregularities were identified and reported by the external auditor.

Tenure and appointment of new external auditor

In 2023, the audit and risk committee tracked the transition plan for the rotation of PwC to replace Deloitte as the external auditor.

Deloitte had been Transaction Capital's auditor for 15 years. During this time, the group has rotated audit partners ahead of the five-year mandatory audit partner rotation requirement.

PwC was approved and appointed as the new external auditor by the audit committee in March 2023 and was appointed as independent registered auditor of Transaction Capital and its subsidiaries with effect from the date of the Transaction Capital Limited AGM held on 7 March 2024, for the financial year ending 30 September 2024.



King IV: Principle 15

Internal audit

The purpose, authority and responsibility of the internal audit function are defined in the internal audit charter, which is aligned to the requirements of the International Standards for the Professional Practice of Internal Auditing (ISPPA).

In accordance with Transaction Capital's combined assurance model, internal audit continues to liaise with external audit and other identified assurance providers to effectively assure against key risks.

The audit and risk committee approved a plan to outsource the Transaction Capital internal audit function, and Deloitte was appointed as the internal auditor effective 1 June 2024. As part of the outsourcing arrangement, the previous in-house internal audit team transitioned to Deloitte and forms part of the team that is being deployed back to service Transaction Capital and its divisions on an outsourced basis. This was done to ensure continuity, preservation of institutional knowledge and a smooth transition. The audit and risk committee considered the following key factors in arriving at the outsourcing decision:

- Strengthening internal audit's independence and objectivity;
- Access to specialist skills and subject matter experts within Deloitte;
- Flexibility to adjust resource requirements up and down as needed; and
- Reducing the impact of staff turnover, as outsourcing ensures continuity of service.

The annual internal audit plan is based on an assessment of risk areas identified by internal audit and management and is updated as appropriate to ensure it is responsive to changes in the group and its businesses.

The role of internal audit:

- Supporting the achievement of strategic objectives, which in turn supports operational, financial and compliance objectives.
- Applying a systematic, disciplined approach to evaluating and recommending improvements to increase the effectiveness of internal controls, risk management and governance processes.

Despite the outsourcing arrangement, the function maintains a reporting line to the chairperson of the audit and risk committee. Internal audit has remained independent of all operational functions.

Governance of functional areas continued

Stakeholder relationships

Transaction Capital's key stakeholder groups are identified according to their levels of influence on the group, the group's impact on them and the level to which the group collaborates or consults with them. Stakeholder concerns are also prioritised as part of the group's risk management framework.

How we govern and manage stakeholder relationships

The board is responsible for:

- Setting and approving group stakeholder engagement strategies and processes.
- The oversight and monitoring of stakeholder relationships across the group.



The social, ethics and sustainability committee oversees the implementation of the group's stakeholder engagement strategies and processes. Any material issues are reported to the board.



Executive management uses the approved stakeholder engagement strategies and processes to understand and effectively respond to legitimate stakeholder concerns. Any material issues are reported to the social, ethics and sustainability committee.



The divisions each have their own tailored stakeholder engagement plans, which are reported, considered and discussed at their respective board meetings. Any material issues are escalated to the group board.



King IV: Principle 16



For more information regarding the group's key stakeholder groups and engagement in 2024, please refer to page 13.



King IV application

Governance outcome one – ETHICAL CULTURE



King IV: Principle 1

The governing body should lead ethically and effectively.



Ethical leadership page 47.



The role of the board page 50.



King IV: Principle 2

The governing body should govern the ethics of Transaction Capital in a way that supports the establishment of an ethical culture.



Ethics and culture on page 47.



Stakeholder engagement page 13.



King IV: Principle 3

The governing body should ensure that Transaction Capital is and is seen to be a responsible corporate citizen.



Responsible corporate citizenship page 49.



Governance outcome two – PERFORMANCE AND VALUE OPERATIONS



King IV: Principle 4

The governing body should appreciate that Transaction Capital's core purpose, its risks and opportunities, strategy, business model, performance and sustainable development are all inseparable elements of the value creation process.



Strategy and reporting functions of the board page 58.



Understanding our business model page 18.



Board focus areas for 2024 page 44.



Material risks and opportunities page 30.



Strategy page 20.

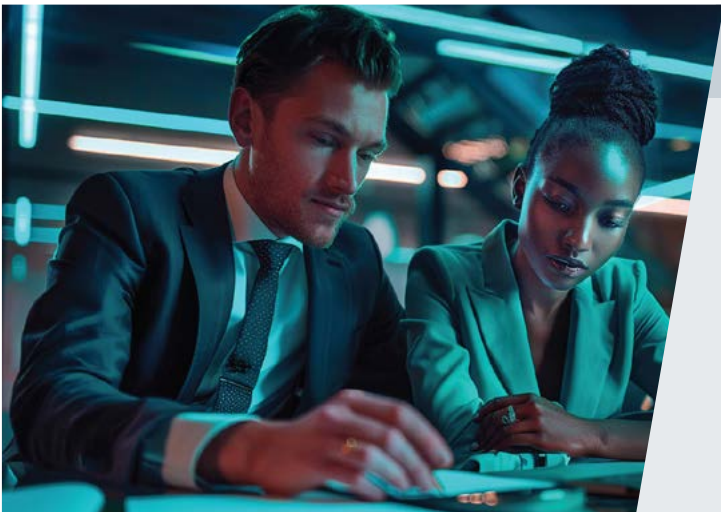


King IV: Principle 5

The governing body should ensure that reports issued by Transaction Capital enable stakeholders to make informed assessments of Transaction Capital's performance and its short-, medium- and long-term prospects.



Strategy and reporting functions of the board page 58.



King IV application continued

Governance outcome three – ADEQUATE AND EFFECTIVE CONTROL



King IV: Principle 6

The governing body should serve as the focal point and custodian of corporate governance in Transaction Capital.



Governance philosophy page 40.



The role of the board page 50.



King IV: Principle 7

The governing body should comprise the appropriate balance of knowledge, skills, experience, diversity and independence for it to discharge its governance role and responsibilities objectively and effectively.



Board composition pages 41, 42 and 51.



King IV: Principle 8

The governing body should ensure that its arrangements for delegation within its own structures promote independent judgement, and assist with balance of power and the effective discharge of its duties.



Board committees page 54.



King IV: Principle 9

The governing body should ensure that the evaluation of its own performance and that of its committees, its chair and its individual members, support continued improvement in its performance and effectiveness.



Evaluation and performance of the board and company secretary page 53.



King IV: Principle 10

The governing body should ensure that the appointment of, and delegation to, management contributes to role clarity and effective exercise of authority and responsibilities.



Evaluation and performance of the board and company secretary page 53.



King IV: Principle 11

The governing body should govern risk in a way that supports Transaction Capital in setting and achieving its strategic objectives.



Risks and opportunities page 57.



King IV: Principle 12

The governing body should govern technology and information in a way that supports Transaction Capital setting and achieving its strategic objectives.



Data, information and technology page 57.



King IV: Principle 13

The governing body should govern compliance with applicable laws and adopted standards in a way that supports Transaction Capital being ethical and a good corporate citizen.



Compliance structures page 57.



King IV: Principle 14

The governing body should ensure that Transaction Capital remunerates fairly, responsibly and transparently to promote the achievement of strategic objectives and positive outcomes in the short, medium and long term.



Remuneration page 71.



King IV: Principle 15

The governing body should ensure that assurance services and functions enable an effective control environment, and that these support the integrity of information for internal decision making and of Transaction Capital's external reports.



Combined assurance framework page 59.



King IV: Principle 16

In the execution of its governance role and responsibilities, the governing body should adopt a stakeholder-inclusive approach that balances the needs, interests and expectations of material stakeholders in the best interests of the organisation over time.



Stakeholder relationships page 61.



King IV: Principle 17

Transaction Capital is not an institutional investor and therefore principle 17 is not applicable.



Performance

CFO's report

65

CFO's report



Key messages

- Significant strategic progress made, but financial results reflect Nutun's repositioning is not yet complete
- Closed a chapter with discontinued operations all disposed of by December 2024
- A new chapter started as a global listed BPO service provider
- Restructured Nutun into customer-centric businesses with streamlined cost bases and augmented management structures
- Secured funding and liquidity for investment in NPL acquisitions and international BPO growth opportunities

Rm ¹	FY2024	FY2023 (restated) ²	Change %
Core continuing earnings/(loss)			
Nutun Holdings	54	359	(85%)
Head office	(146)	(180)	19%
Core (loss)/earnings from continuing operations	(92)	179	>(100%)
Core continuing (loss)/earnings per share (cents)	(11.8)	23.6	>(100%)
Core earnings/(loss) – discontinued operations			
Transaction Capital Business Solutions	(7)	(9)	18%
Nutun Transact	33	29	23%
Nutun Australia	13	48	(73%)
Mobalyz: SA Taxi	(2 204)	(1 418)	(55%)
Gomo	(38)	(43)	12%
Roadcover	(10)	(1)	>(100%)
WeBuyCars (2024: 6 months)	325	488	(33%)
Core loss from discontinued operations	(1 888)	(907)	>(100%)
Core loss – total operations	(1 980)	(728)	>(100%)
Core loss per share (cents) – total operations	(253.7)	(95.8)	>(100%)
Weighted average number of shares (millions)	780.5	759.8	3%

1. Refer to page 68 for reconciliations of headline losses to core headline continuing and discontinued losses. All references to core losses/earnings, refer to core headline earnings.

2. Refer to note 28 of the annual financial statements for details of restatements.

The 2024 financial year was a challenging year. At the beginning of the year we set ourselves ambitious targets to unlock shareholder value and restructure the business to recover from the impacts on the group of the deterioration of the Mobalyz business in 2023.

While much has been achieved in the first year of this two-year process, the FY2024 results are reflective of the fact that the transition is not yet complete. The sale of Nutun Australia for a consideration of R624 million and the sale of Nutun Transact after the year-end for a consideration of R405 million, combined with the accelerated buy-out of the 25% minorities of Synergy CX, all served to simplify the Nutun business and strengthen its balance sheet and liquidity.

We are halfway through a journey of which FY2024 was a year of reset and restructure. The conclusion of our strategy will result in the transformation of Transaction Capital from an investment holding company into a global specialist Business Process Outsourcing (BPO) operator. Nutun's deep experience as an owner-operator in the South African market for over 25 years sets it apart from various multinational market entrants that operate franchise or branch locations in South Africa. Nutun will also continue to be a large scale and innovative provider of credit and collection services and an acquirer of non-performing loan (NPL) books in South Africa.

Core earnings from continuing operations dropped to a loss of R92 million, compared to a profit of R179 million in FY2023. Core loss per share from continuing operations was 11.8 cents compared to core earnings per share of 23.6 in FY2023.

In our discontinued operations, Mobalyz, incorporating Gomo, Roadcover and SA Taxi, registered a R2.3 billion core loss, primarily as a result of further impairments to the value of loans and advances. Core loss from all discontinued operations was R1.9 billion for FY2024.

Total core loss for FY2024 was R2.0 billion, compared to a core loss of R728 million in FY2023. Core loss per share for the group increased to 253.7 cents for the period compared to 95.8 cents in FY2023.

Headline loss from continuing operations attributable to the group for the year was R170 million, compared to earnings of R1.5 billion in FY2023. Headline loss from discontinued operations for the year was R2.2 billion, compared to R3.3 billion in FY2023. Basic loss from continuing operations for the year was R154 million, compared to basic earnings from continuing operations of R1.5 billion in FY2023. Basic loss from discontinued operations for the year was R1.3 billion, compared to R4 billion in FY2023.

Continuing operations

Rm	2024	2023	Change	%
Revenue	3 051	3 139	(88)	(3%)
Adjusted EBITDA	1 342	1 425	(83)	(6%)
Depreciation & amortisation	(160)	(134)	(26)	(19%)
Amortisation of PBD & RTC	(635)	(324)	(311)	(96%)
Net interest	(501)	(427)	(74)	(17%)
Taxation	–	(136)	136	100%
Non-controlling interests	8	(41)	49	>100%
Nutun continuing core headline earnings	54	359	(305)	(85%)
Head office	(146)	(180)	34	19%
Continuing core headline earnings	(92)	179	(271)	>(100%)

CFO's report continued

Nutun underwent a strategic review during the year. This review led to a restructure of its business into two focused and distinct customer-centric divisions: Nutun International and Nutun South Africa.

Nutun South Africa will focus exclusively on collections and recoveries services for clients in South Africa. This will be conducted both as a principal in relation to acquiring unsecured NPL books and as an agent on behalf of its South African clients. The targeted sectors include financial services, specialist lenders and retail.

Nutun International will focus on BPO customer engagement services, including acquisition and retentions, customer experience, and collection and recovery services for clients in the UK, the US and Australia. The targeted sectors include utilities, financial services, retail, telecommunications and e-commerce.

Nutun has been further enhanced by the recent appointment of Ruben Moggee, an experienced leader in the BPO industry, to run the Nutun International business. Robert Amoils is now responsible for Nutun South Africa. This new operating structure enables each management team to focus solely on their respective target markets, utilising their core competencies and competitive advantages under the single Nutun brand to deliver superior service to clients.

These leadership, structural and operational changes will need time to become embedded in the business and these benefits are therefore not reflected in the FY2024 results.

Notwithstanding the difficult year experienced, with the strategic shifts described above, management continues to have confidence in the prospects of Nutun as it evolves into a listed global BPO player, while continuing to purchase NPL books in South Africa.

Nutun South Africa generated revenue of R2.0 billion, down 5% on FY2023. Revenue from the principal and right-to-collect portfolio decreased by 13%. This was, however, partially offset by a 38% increase in the agency business. The slight reduction in clients was the result of a deliberate focus on more strategic, scalable and sizeable mandates.

Key Performance Indicators – Nutun Rm

	FY2024	FY2023 (restated)	% Change
Core earnings from continuing operations attributable to the group Revenue*	54	359	(85%)
	3 051	3 139	(3%)
Nutun South Africa	1 968	2 070	(5%)
Nutun International	1 083	1 069	1%
Nutun group core cost-to-income ratio excluding amortisation	61.3%	59.0%	
Nutun group adjusted EBITDA	1 342	1 425	(6%)
Amortisation	635	324	96%
Purchased book debts			
Cost of purchased book debts acquired	475	1 141	(58%)
Carrying value of purchased book debts	4 503	4 664	(3%)
Estimated remaining collections	8 197	8 659	(5%)
Clients			
Nutun South Africa	31	34	(9%)
Nutun International	32	27	19%

* Revenue includes other income of R73m (2023: R30m).

The primary factor impacting the performance of Nutun South Africa was a material increase in the amortisation charge, rising by R311 million to R635 million for FY2024. This increase was driven by:

- Reduced collections on existing books due to the challenging economic environment and its resultant impact on consumer payment behaviour.
- Decreased book-buying activity caused by funding uncertainty in the first half of the financial year, along with a pricing disconnect in the market as clients recalibrated their expectations.

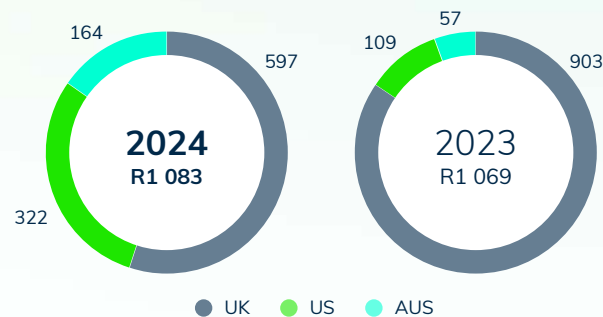
As part of the Nutun restructuring, we conducted a robust review of the amortisation model which led to refinements to the model

resulting in a prior period adjustment to the carrying value of existing books of R360 million (R263 million after tax), which impacted annual results in years prior to FY2023, as well as the increased amortisation charge referred to above.

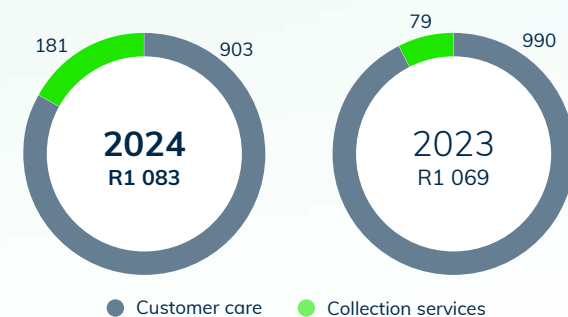
Interest costs increased 18% from R445 million in FY2023 to R526 million in FY2024.

Nutun International experienced a timing mismatch between the onboarding of new growth and the incurring of infrastructure and operating costs in FY2024. Revenue increased by 1% to R1.1 billion, primarily due to a normalisation and moderation of customer-care related activity from several major clients, most noticeably those located in the United Kingdom energy sector, wherein the revenue base was over-concentrated. Nutun International has now successfully penetrated the US market and continues to diversify by both geographically and by industry.

Nutun International revenue – geographic split (Rm)



Nutun International revenue – services split (Rm)



CFO's report continued

Profitability in Nutun International was impacted by an increase in operating costs. Nutun has created additional infrastructure capacity in anticipation of upcoming growth. Nutun is focused on growth in market segments in which the business has entrenched expertise and experience and where it is also well-differentiated. This will secure more client stickiness, diversification and growth potential. This is evidenced by the growth in the client base to 32, from 27 in the prior year, including a planned offboarding of non-core, marginal mandates.

Notwithstanding the material drop in book buying activity (down by 58%) in Nutun South Africa and the muted performance from Nutun International, adjusted earnings before interest, tax, depreciation and amortisation (adjusted EBITDA) dropped by only 6% from FY2023 (R1.3 billion versus R1.4 billion), evidencing the resilience and versatility of the group's cash-flow generation capacity.



Head Office

The table below reflects select income statement information which has been adjusted for certain non-core items.

Rm	30 September 2024	30 September 2023	Change
Management fee income	105	142	(25%)
Operating costs	(93)	(243)	(62%)
Net interest expense	(86)	(101)	(15%)
Taxation	(72)	22	(100%)
Core loss	(146)	(180)	19%

The group head office was loss making for the following reasons:

- A reduction in management fee income as a result of the unbundling of WeBuyCars and a reduction in the fee recovered from Mobalyz;
- Despite a clear reduction in operating costs, certain legacy overheads remained in FY2024 which have now been further rationalised and will be eliminated by H1 2025;
- Net interest incurred prior to the early repayment of debt as part of the WeBuyCars unbundling; and
- A non-cash taxation charge relating to the write-off of deferred tax assets.

None of the above factors will be repeated going forward and head office is expected to break even.

The head office will be collapsed into Nutun and will not be reported on separately going forward.

Balance sheet and liquidity

During the financial year and following the year-end, significant progress was made in strengthening the balance sheet and improving liquidity. This includes:

- A capital raise of R1 billion as part of the unbundling and listing of WeBuyCars, which allowed for the elimination of net debt at the holding company level;
- The sale of Nutun Australia and Nutun Transact, which raised a combined R1 billion for Nutun;
- The securing of R700 million in new funding for Nutun; and
- Subject to the fulfilment of certain conditions precedent, we have secured commitments from Nutun's existing bank funders to renew all funding lines that mature over the next 36 months. The total facilities covered by this commitment amount to R2.45 billion.

The balance sheet is strong with reduced levels of debt and a R100 million net cash position at financial year end. In addition, there are no contingent liabilities or guarantees outstanding and the remaining investment in Mobalyz is carried at zero value.

Nutun is now well capitalised, with access to the necessary funding and liquidity to increase its activity in acquiring unsecured NPL books and to invest into BPO growth opportunities.

Outlook

The outlook on Nutun's medium- and long-term potential is positive. The strengthening of the balance sheet and the securing of funder support enabled Nutun South Africa to resume book buying activities in the fourth quarter. This growth is anticipated to continue into FY2025 as market dynamics improve and the benefits of liquidity filter through. Nutun International's diversified client base also provides a stable platform for future growth of Nutun's international BPO services. This will be further augmented by the tailwinds supporting the BPO offshoring trend in general, and the rise of South Africa as a leading BPO geography, specifically.

Both businesses remain customer focused with clear target markets and client bases, streamlined cost architectures, and experienced and recently augmented management teams. These factors will enable them to capitalise on their leading positions in the South African collections and recovery market and the South African BPO offshoring market.

Nutun enters FY2025 with a clear vision to fulfil its potential with a targeted medium-to long term ROE of between 20% and 25%.

Mark Herskovits

CFO

CFO's report continued

Reconciliation of headline losses to core continuing losses

Transaction Capital assesses its performance using core continuing earnings, an alternative non-IFRS profit measure, alongside IFRS profit. This, in terms of the JSE Listings Requirements, constitutes pro forma financial information. The reported amounts and adjustments are extracted without adjustment from Transaction Capital's audited consolidated and company financial statements for the year ended 30 September 2024 or underlying accounting records of the Group

The pro forma financial information, which is the responsibility of the group's directors, is presented in accordance with the JSE Listings Requirements and the SAICA Guide on Pro Forma Financial Information. The pro forma financial information is presented for illustrative purposes only. Because of its nature, the pro forma financial information may not fairly present the group's financial position, changes in equity, results of operations or cash flows.

Non-IFRS measures are not uniformly defined nor used by all entities and may not be comparable with similarly labelled measures and disclosures provided by other entities.

Management considers that core continuing earnings is an appropriate alternative performance measure to enhance the comparability and understanding of the financial performance of Transaction Capital.

Transaction Capital has set out its policy to calculate core continuing earnings below.

Transaction Capital calculates headline earnings in accordance with the latest SAICA Circular 'Headline Earnings'. Core continuing earnings is calculated by adjusting headline earnings for non-recurring items (refer to definitions on page 96).

	FY2024 Rm	FY2023 Restated Rm
Continuing operations		
Headline (loss)/earnings from continuing operations attributable to group	(170)	1 506
Adjusted for:		
Once-off costs (Refer to note 1)	61	23
Adjustments relating to put and call options over WBC Holdings non-controlling interests:		
Imputed interest charge (Refer to Note 2)	54	234
Remeasurement of put option liability (Refer to Note 2)	–	(1 754)
Adjustments relating to written put and call options over Nutun CX non-controlling interests:		
Imputed interest charge (Refer to Note 3)	19	30
Remeasurement of put option liability (Refer to Note 3)	(286)	(39)
Costs adjustments relating to discontinued operations (Refer to Note 4)	128	123
Impairments of investments (Refer to Note 5)	102	56
Core continuing (loss)/earnings attributable to group	(92)	179
Weighted average number of shares	780.5	759.8
Core continuing (loss)/earnings per share (cents)	(11.8)	23.5

Note 1: The once-off costs in the current year were incurred in relation to the restructuring (including retrenchment costs) of the group including the head office.

Note 2: These adjustments are made in terms of the WBC Holdings option agreements. The option agreements were cancelled in March when WBC was unbundled by the group. Please refer to note 25 of Transaction Capital's audited consolidated and company financial statements for the year ended 30 September 2024 for detail relating to WBC unbundling and the impact of the option agreements.

Note 3: These adjustments are made in terms of the Nutun CX option agreements. The option was exercised in July 2024 when the group acquired the remaining 25% shareholding in Nutun CX. Please refer to note 25 of Transaction Capital's audited consolidated and company financial statements for the year ended 30 September 2024 for details relating to the Nutun CX option.

Note 4: These relate to intercompany cost eliminations between continuing and discontinued operations.

Note 5: Impairment of certain financial assets which were held by TC Global Finance based on the price achieved when they were disposed of in FY2023. In FY2024 an asset held for sale in Nutun was impaired.

Reconciliation of headline losses to core discontinued losses

	FY2024 Rm	FY2023 Restated Rm
Discontinued operations		
Headline loss	(2 201)	(3 269)
Adjusted for:		
Once off costs (Refer to Note 1)	93	40
Adjustments relating to put and call options over WBC Holdings over non-controlling interests: (Refer to Note 2)		
Remeasurement of call option – derivative asset	348	(117)
Adjustments relating to the re-basing of SA Taxi's business:		
Once-off remeasurement of IFRS 9 and IFRS 17 provisions (Refer to Note 3)	–	1 266
Once-off remeasurement of stock to net realisable value (Refer to Note 4)	–	996
Deferred tax asset write-off (Refer to Note 5)	–	213
Once off transaction costs and restructure costs (Refer to Note 6)	–	88
Costs adjustments relating to discontinued operations	(128)	(124)
Core continuing (loss)/earnings attributable to group	(1 888)	(907)
Weighted average number of shares (millions)	780.5	759.8
Core continuing (loss)/earnings per share (cents)	(241.9)	(119.4)

Note 1: The once-off costs in the current year were incurred in relation to the restructuring (including retrenchment costs) and transaction costs.

Note 2: These adjustments are made in terms of the WBC Holdings call option agreements which was cancelled.

Note 3: Relates to the rebasing of forward-looking IFRS 9 provisioning on the existing debtors' book which has aged past 90 days, which is indicative of higher lifetime expected credit losses (ECL). The group has also rebased its IFRS 9 and IFRS 17 forward-looking provisioning due to the recalibrated business model across the portfolio. SA Taxi's strategy is to reduce originations of QRTs and utilise alternative disposal channels, which will result in lower future recovery rates.

Note 4: Relates to the write-off on certain repossessed vehicle stock that will no longer be repaired given the change in the QRT strategy.

Note 5: Relates to the re-assessment of the recoverability of deferred tax assets in accordance with IAS 12, given the change in strategy on origination which impact on future book build, overall expected performance of credit providers as well as the SA Taxi dealership. These factors impact on the recoverability of tax losses, where the timing of earning future taxable income to support the quantum of deferred tax assets is uncertain at this stage and will continue to be closely monitored.

Note 6: Relates to retrenchment costs as a result of the restructure of SA Taxi's business and once of transaction costs linked to the debt restructure.



Remuneration Report

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Background statement



Material matter

Retain, support and develop our people, and attract the right skills

Significant retention value destruction given the fall in Transaction Capital's performance and share price, resulting in the need for a careful balance of employee reward, risk, and effort.

Enhance the attraction mechanisms, particularly for leaders and key skills, to support the value restoration in the medium term and growth in the long term.

The 2024 year, while challenging for Transaction Capital from a financial performance perspective, has seen significant value unlocked for shareholders although we continued to see the following human capital related challenges in 2024:

- Increased retrenchments and organic staff turnover have led to heightened levels of risk to the strategic delivery of goals.
- Deterioration of the Transaction Capital brand as an employer of choice.
- Difficulties in attracting top transformation talent.
- Previously awarded CSP awards used to lock in critical employees are no longer of value or will not vest due to performance criteria not being met. This has led to a significant destruction of retention value for critical skills and loss of intellectual property.



The above enhancements demonstrate that Transaction Capital and Nutun have appropriately identified the compensation and retention of employees as critical determinants of the organisation's future success and strategy.

Considering this, the remuneration and nominations committee had to respond appropriately and urgently. Through careful consideration to ensure the balance of reward, retention risk and effort expended by executives as well as their prospects the following were applied/introduced:

- There were no STI's awarded to Nutun executive management in light of the poor 2024 commercial performance.
- A re-calibration of the LTI scheme for 2025 awards, given new operating model and strategy. This has been implemented in the 2025 financial year.
- Deferred cash bonus awards to Nutun executives due to the diminished share price.
- A select few individuals were awarded outcomes-based STI's based on the work needed to facilitate the deconsolidation of Mobalyz, the merging of head offices (Nutun and Transaction Capital); management of the disposals of all other non-core assets and other key strategic projects.

These enhancements demonstrate that Transaction Capital and Nutun have appropriately identified the compensation and retention of employees as critical determinants of the organisation's future success and strategy. This view is based on the belief that all factors underpinning enhanced performance and value restoration require the highest calibre of leadership and specialist technical expertise.

Stakeholders' interests are best served by aligning strategy, business model, structure, resourcing, and compensation. Moreover, motivating and retaining the best available talent will increase the probability of unlocking shareholder value. This emphasises the group's commitment to investing in human and intellectual capital.

While retaining key individuals is a high priority, attracting new talent is also important. Both monetary and non-monetary rewards influence the attraction and retention of high-calibre talent. While this remuneration report deals with the former, non-monetary rewards are reflected in Transaction Capital's employee value proposition, which strives to provide talented individuals with good leadership, personal development and support, and meaningful work in an intellectually stimulating and demanding environment. In the current context, the policies aim to protect and retain the group's entrepreneurial culture amidst the challenges it faces.

Background statement continued

Remuneration and nominations committee composition and mandate

The board is responsible for the appropriateness of remuneration policies and executive remuneration. The board delegates oversight of this responsibility to the group's remuneration and nominations committee, which, at the date of this report, comprises the following independent non-executive directors:

- Sharon Wapnick (Chairperson)
- Ian Kirk
- Albertinah Kekana
- Suresh Khana

Sharon Wapnick has been appointed chairperson of the remuneration and nominations committee with effect from 7 March 2024. Sharon has been an independent non-executive director since March 2020 and has the depth of experience required to lead the committee effectively.

The committee's mandate is to ensure that the group's remuneration policies:

- Attract, motivate, reward and retain human capital.
- Are fair, responsible and transparent.
- Promote the achievement of strategic objectives within the organisation's risk appetite.
- Promote positive outcomes.
- Promote an ethical culture and responsible corporate citizenship.

Within this mandate, the committee believes that a well-designed remuneration policy maintains appropriate alignment between the interests of shareholders, executives and staff, and the principles of good governance. The remuneration and nominations committee assesses the mix of fixed remuneration, variable remuneration and long-term incentives (LTIs) to ensure that the group's needs and strategic objectives are met, in addition to reviewing the robustness of LTI schemes to ensure continued contribution to shareholder value. The committee is responsible for ensuring proper implementation and execution of the remuneration policy.



King IV: Principle 14

Governance of compensation

To provide stakeholders with insight into how Transaction Capital's remuneration policies and structures support its ability to restore and create value, in consultation with shareholders, the group continues to refine the remuneration report in alignment with King IV, the Companies Act, the International Integrated Reporting Framework and the JSE Listings Requirements. The board approved this remuneration report and was satisfied that the criteria used to determine and measure short-term and long-term incentive awards are fair and align appropriately with Transaction Capital's goals, strategies and shared-value outcomes, taking the requirements of all stakeholders into account.

The group's remuneration policy and implementation report are presented to shareholders annually for consideration and approval under the terms of separate non-binding advisory votes at the AGM, as recommended by King IV and prescribed by the JSE Listings Requirements.

If 25% or more of the votes cast are recorded against either the remuneration policy, the remuneration implementation report, or both, then under paragraph 3.84(j) of the JSE Listings Requirements, the company will extend an invitation to dissenting shareholders to engage with the company to discuss the reason for their dissenting votes.

Principles of remuneration

The following overarching principles are applied to remuneration:

- The committee and the board approve Transaction Capital's remuneration policies.
- Remuneration policies are designed to eliminate differential compensation related to gender, race and location, and apply the principle of equal pay for equal work.
- Total remuneration is defined on a cost-to-company (CTC) basis, with all benefits included and fully taxed.
- Formal and informal research and benchmarking are performed from time to time to determine market norms for similar positions.
- Remuneration is aligned to individual financial and non-financial outputs that focus on goals achieved and exceeded.
- Remuneration policies are designed to achieve the group's requirements to retain identified employees while aligning the interests of employees with those of shareholders and other stakeholders.
- Performance incentives drive specific behaviours that support group performance and ensure alignment with the group's sustainability and transformation objectives.
- Performance incentives are designed to promote an entrepreneurial culture in which individual and collective performance, beyond a defined goal, is rewarded and encouraged within the group.
- Incentives at executive level are aligned to profit growth and relevant return metrics, as well as key non-financial measures, operational outputs, and individual performance.
- A portion of an executive's incentives may be deferred or delivered in the form of a share plan award to support both the retention of identified executives and decision making based on long-term value creation.
- In instances where an executive's decisions have a direct impact on shareholder value, an element of their compensation is aligned to the medium- to longer-term value of Transaction Capital specifically through the defined LTI schemes.
- The committee continually assesses whether those executives charged with setting and implementing group strategy are meaningfully invested in Transaction Capital by way of direct investment and/or through an LTI scheme.
- A malus and clawback policy, adopted in 2020, allows the business to adjust variable remuneration awarded to participants before the vesting of an award (malus) and, in the case of participants who are members of executive committees, to recover variable pay after vesting or even payment (clawback), under appropriate circumstances.
- Any change to the compensation of any individual at every level of the group must be approved by their second-level manager, with the committee approving the compensation of all executive directors, including the CEO and his direct reports, and certain functional specialists.

Shareholder engagement

At the 2024 AGM on 07 March 2024, 75.85% of shareholders voted in favour of the group's remuneration policy, with 75.84% voting in favour of the remuneration implementation report.

Remuneration policy

The strengthening of Transaction Capital relies on a wide range of leadership, managerial, functional and technical skills. The focus of the remuneration policy in the medium term is to retain and incentivise key individuals into the future. The group's entrepreneurial culture requires that the policy remains competitive and flexible while encouraging positive outcomes and promoting an ethical culture and good corporate citizenship.



Fixed and variable compensation policies and practices are structured to attract, motivate, and retain the specific talent and skills required at each level to ensure the progress of the group.

Employees

Fixed and variable compensation policies and practices are structured to attract, motivate, and retain the specific talent and skills required at each level to ensure the progress of the group. The remuneration and nominations committee commits to ensuring that the wages of the most junior employees are sufficient to accommodate a decent standard of living.

The committee abides by the principle that pay should not be differentiated by gender, age, disability, gender identity and expression, sexual orientation, race, ethnicity, cultural heritage, or belief. Regular comparisons are drawn against market benchmarks, grade, and function to identify and understand any trends and act if necessary.

Leadership

In response to the recent developments and restructuring of the group, the following changes and movements of executives have been announced:

Mark Herskovits will resign as executive director of the Transaction Capital board and Nutun Investments Limited and as Chief Financial Officer ("CFO") of Transaction Capital and Nutun Investments and as Debt Officer of Nutun Investments, effective 31 March 2025.

Rob Huddy will transition to the role of Transaction Capital group CFO from his role as Nutun group CFO. Rob will be appointed as executive director of the Transaction Capital board and Nutun Investments, and as CFO of Transaction Capital and Nutun Investments and as Debt Officer of Nutun Investments, effective 1 April 2025. Rob's appointment will be made in accordance with Transaction Capital and Nutun Investments nomination policies.

Basic salary and benefits

In the current financial year, the executive CTC was determined by considering the current position of the group, change to roles and responsibilities, retention risk and future involvement in value unlock. Internal benchmarking was also taken into consideration.

A market-related CTC provides executives with a competitive and stable income. This represents a sufficiently high portion of the total remuneration to avoid over-dependence on the variable components of remuneration.

Executives receive additional benefits that provide financial structures for death, retirement, health, wellness and life cover.

Remuneration policy continued

Short-term incentives

STIs promote the achievement of strategic objectives determined annually, based on the requirements of the group within the organisation's risk appetite as well as positive outcomes.

Quantitative and qualitative targets are pre-approved by the remuneration and nominations committee prior to the commencement of the forthcoming financial year for group executives.

The remuneration and nominations committee must satisfy itself that such payments are fair and reasonable and are disclosed to shareholders as required by remuneration governance principles.

Due to poor financial performance in the current year, limited STI awards were made. Those that were awarded were done under the discretionary component described in the table that follows.

Maximum STI award (expressed as months of annual CTC)

- Executive STI maximum: 12 months

	Quantitative component	Qualitative component	Individual performance component
Maximum quantitative award	8 Months	2 Months	2 Months
Performance hurdles	<p>A combination of factors is considered in setting quantitative STI targets, depending on the role of the executive and the area in which they are employed (as pre-approved by the remuneration and nominations committee):</p> <ul style="list-style-type: none"> Growth in divisional headline earnings or the group's HEPS above consumer price inflation (CPI). ROE hurdles. New business origination or revenue growth. Access to debt capital or the reduction in the cost of capital. Quality of earnings. 	<p>The remuneration and nominations committee considers strategic imperatives, which include:</p> <ul style="list-style-type: none"> Strategy implementation, including but not limited to: <ul style="list-style-type: none"> Enhanced risk and compliance management processes. Technology and system optimisation. New client acquisition. Embedding the combined assurance framework into day-to-day business operations. Meeting employment equity targets, focusing on top/senior management representation. Improvement in B-BBEE scorecards. Sustainability performance targets. 	<p>By introducing an individual performance component, the remuneration and nominations committee aims to reward those executives who have performed exceptionally each year. Performance will be measured through personal KPIs set for each executive. The KPIs set will be specific to the role each of the executives plays. Individual performance will be measured annually and approved by the remuneration and nominations committee.</p>
Discretionary component	<p>In instances where, in the opinion of the remuneration and nominations committee, an individual executive has outperformed set KPIs, a discretionary STI may be awarded. In the event extraneous factors cause hurdles not to be achieved, discretionary bonuses may also be awarded based on individual performance. A portion of this award may be deferred or delivered as share plan awards at the sole discretion of the remuneration and nominations committee.</p>		

Remuneration policy continued

Long-term incentives

Executives participate in LTI schemes where their decisions impact shareholder value. Outside of the established conditional share plan, bespoke LTIs can be issued to executives on an ad-hoc basis if approved by the remuneration and nominations committee. These are done in exceptional circumstances to more closely link long-term strategic outcomes directly to the executives' incentive.

Conditional share plan (CSP)

The CSP allows executives to share in the equity growth and success of Transaction Capital and equally so, the antithesis of this. This provides direct alignment between the executives and shareholders, as any vesting amount of the CSP is based on the group's share price. To support this strategic objective, the primary objective of the LTI scheme is to link the scheme's performance to the equity value of Transaction Capital. The purpose of the CSP is to function as a retention mechanism; to be used to attract prospective employees and to incentivise participants to deliver on business strategy over the long-term. All awards are subject to remuneration and nominations committee approval.

There has been significant restructuring in 2024 both at the Transaction Capital and Nutun levels. A new business model, growth trajectory and strategy has been clearly laid out for FY25-27 and beyond. The current CSP schemes are no longer aligned with the revised strategy. In addition, due to performance hurdles not being met, the unvested awards in Nutun no longer hold any long-term incentive value. Consequently, the remuneration and nominations committee approved certain changes for future awards to be issued from FY 2025 going forward.

Executives' CTC and job grades are considered in the quantum of awards granted. Future CSP participants will be limited to a small group of executives and senior managers vesting at the end of three years (65%) and four years (35%). The annual allocations will be granted as follows:

- 50% of CTC – Executive committee members.
- 30% of CTC – Other senior managers.

30% of the award will be retention based and 70% performance based. The performance element will vest if performance conditions are met 50% in year 3 and 50% in year 4.

The remuneration and nominations committee may apply discretion for CSP awards granted in addition to the formulaic job grade awards (as detailed above) depending on the following:

- Executive performance delivered.
- Potential and tenure.
- Retention strategies.
- LTIs relative to market benchmarks.
- Commercial or desired strategic outcomes.

The CSP mechanism is overseen and approved by the remuneration and nominations committee. It operates as follows:

Detail	Nutun executives																		
Grant price	10-day VWAP of Listed entity share on the date of grant.																		
Number of CSPs granted	Equal to the monetary value of the LTI award, as approved by the remuneration and nominations committee, divided by the grant price.																		
Exercise price	10-day VWAP of Transaction Capital share on the date of exercise.																		
Cost	Executives receive CSP awards for zero cost.																		
Vesting period	The CSP's vests at the end of three years (65%) and four years (35%).																		
Performance	30% retention based and 70% being performance. The retention element vests 100% in year 3. The performance element will vest (if performance conditions are met) 50% in year 3 and 50% in year 4.																		
Criteria	<p>The most recent performance criteria have been set as follows:</p> <table border="1"> <thead> <tr> <th>Thresholds</th> <th>Continuing core HEPS growth over the vesting period (Weighting: 60%)</th> <th>ROE target (Weighting: 30%)</th> <th>% of CSP to be awarded</th> </tr> </thead> <tbody> <tr> <td>Minimum vesting</td> <td>CAGR @vesting ≥ 15%</td> <td>≥ 10% ROE</td> <td>25% *</td> </tr> <tr> <td>On-target performance</td> <td>CAGR @vesting ≥ 25%</td> <td>≥ 20% ROE</td> <td>100% *</td> </tr> <tr> <td>Out performance</td> <td>CAGR @vesting ≥ 32.3%</td> <td></td> <td>120%</td> </tr> </tbody> </table> <p>* For calculating vesting conditions normalised Nutun Earnings set at R250m for FY24. * Growth levels between bands will vest on a proportionate basis between 25-100% only.</p>			Thresholds	Continuing core HEPS growth over the vesting period (Weighting: 60%)	ROE target (Weighting: 30%)	% of CSP to be awarded	Minimum vesting	CAGR @vesting ≥ 15%	≥ 10% ROE	25% *	On-target performance	CAGR @vesting ≥ 25%	≥ 20% ROE	100% *	Out performance	CAGR @vesting ≥ 32.3%		120%
Thresholds	Continuing core HEPS growth over the vesting period (Weighting: 60%)	ROE target (Weighting: 30%)	% of CSP to be awarded																
Minimum vesting	CAGR @vesting ≥ 15%	≥ 10% ROE	25% *																
On-target performance	CAGR @vesting ≥ 25%	≥ 20% ROE	100% *																
Out performance	CAGR @vesting ≥ 32.3%		120%																
Delivery	Once the vesting period has passed and performance criteria assessed, the participant receives shares the listed shares to the value of the notional CSP awards on the vesting date.																		
Continued employment	Employees must remain in the group's employ to be eligible for vesting of the CSP (subject to standard 'good leaver' rules).																		

The CSP scheme is meant to achieve the following objectives:

- It motivates and rewards participants for creating long-term value through the opportunity to earn significant rewards for superior performance.
- It creates a direct line of sight between the value created in each division and the incentive earned.
- Participants receive a right to a full share.
- It directly aligns the interests of the participants with those of shareholders.

The remuneration and nominations committee approved a policy stipulating that the number of Transaction Capital shares issued in terms of the CSP awards will not exceed 5% of the issued ordinary shares of Transaction Capital at the time of approval of the CSP by shareholders. Shareholders approved the CSP at a general meeting on 20 October 2016.

Remuneration policy continued

Founders

Historically, the founding directors of Transaction Capital, Jonathan Jawno, Michael Mendelowitz and Roberto Rossi fulfilled non-traditional roles. However, with the focus directed at unlocking shareholder value through the extensive group restructure which has taken place over the past 18 months, Jonathan Jawno stepped into the Group CEO role in 2024.

Roberto Rossi resigned as an executive director and was appointed a non-executive director on 1 October 2024. Michael Mendelowitz will resign as an executive director and be appointed a non-executive director on 1 April 2025. As founding members of Transaction Capital, Roberto and Michael will continue to play an important role in guiding management and the Transaction Capital board in driving the group's strategy. As the Nutun group becomes the sole operating business within Transaction Capital these changes are aligned with the Nutun Limited strategy.

In their new roles Roberto and Michael will be remunerated in line with all other non-executive directors while Jonathan is rewarded in terms of the existing STI policy which applies to all other executives. None of the founders participate in the LTI scheme in line with past practice.

Service contracts and payments on termination of employment

Executives have indefinite service contracts with six-month notice periods. While the normal retirement age is 65, company policy makes provision for extending the working relationship between the executive and the company beyond this age.

In the event of redundancy, executive are entitled to severance as guided by local legislation. Good leavers will receive a pro rata benefit due to them in terms of any unvested LTIs. In special situations, or if prescribed by a signed contract, an executive may receive full settlement for any unvested LTI awards due to them. Any benefits due are subject to remuneration and nominations committee oversight and approval.

Service contracts do not contain any other provisions relating to severance payments due on termination of employment, for whatsoever reason, or following a change of control of the company. In the event of a change of control, share allocations will be dealt with in line with the rules of the relevant share scheme.

Minimum shareholding requirement

The remuneration and nominations committee instituted a policy in 2019 that key executives should hold a meaningful interest in the equity value of Transaction Capital, with a minimum target exposure to Transaction Capital's equity value maintained at three times annual CTC (held directly or indirectly). Where the equity value of a key executive of the group is determined to be low, accelerated annual LTI awards or a one-off LTI award may be awarded.

The remuneration and nominations committee continually reviews the equity value held by key executives in the group. The policy aims to apply appropriate retention mechanisms (through equity value) while ensuring alignment with the interests of Transaction Capital's shareholders.

The assessment of the executives' equity value comprises:

The value of LTI allocations, subject to the fulfilment of vesting conditions, awarded in terms of the CSP.

The value of direct shareholding in Transaction Capital. These positions may be historic or due to the vesting of LTIs.

The value of direct shareholding in a subsidiary of Transaction Capital.

Malus and clawback

A malus and clawback policy applies to variable remuneration (STIs and LTIs). It allows the business to adjust variable remuneration awarded to participants before the vesting of an award (malus) and, in the case of participants who are members of executive committees, to recover variable pay after vesting or even payment (clawback) under appropriate circumstances. This way, the business can recover value from key executives and align risk and individual rewards.

Non-executive directors

The annual fees paid to non-executive directors of the company for their services as directors and as members of the various board sub-committees are determined on a market-related basis and are benchmarked against industry norms. No additional meeting attendance fees are paid.

The remuneration and nominations committee and the board approve the fees before they are presented to shareholders for approval at the group's AGM.

Non-executive directors must retire on the third anniversary of their appointment and may offer themselves for re-election. As appropriate, the board, through the remuneration and nominations committee, proposes their re-election to shareholders.

The rotation of the board's chairperson and the chairperson's of board committees is outlined in the Governance Report on page 40.

Non-executive directors do not participate in any of the group's LTI plans.

Implementation report

This implementation report details the remuneration and nominations committee's application of the group's remuneration policy and principles during the year under review.

Executive compensation

Cost to company

The remuneration and nominations committee believes that considering relative market norms and the challenges facing the Transaction Capital group, the CTC across the group is fair.

Short-term incentives

Transaction Capital delivered low earnings in the 2024 financial year amidst significant restructures. Core headline earnings from continuing operations fell to a loss of R92 million, from a profit of R179 million in FY2023. Due to the poor performance across the group, the STI awards issued by the remuneration and nominations committee were limited and where awards were made it was done under the discretionary component of the scheme.

Long-term incentives

Long-term incentives were issued to ensure the continued alignment and balance of shareholder value with the long-term sustainability of the business and the critical need to retain and incentivise key talent. The performance hurdles for the FY2024 awards were assessed to ensure re-alignment to the CSP remuneration principles.

Executive directors

Executive compensation summary

The following table provides a breakdown of the annual remuneration of directors and prescribed officers for the year ended 30 September:

	2024							2023							
	Salary R	Short-term employee benefits R	Restraint of trade R	Severance packages R	Value of deferred retention awards ² R	Annual incentive bonus R	Manage- ment fees ⁶ R	Total R	Salary R	Short-term employee benefits R	Present value of share- based awards R	Value of deferred retention awards ² R	Annual incentive bonus R	Manage- ment fees R	Total R
Executive director															
Sean Doherty	-	-	-	-	-	-	-	-	2 441 233	441 270	-	-	-	-	2 882 503
Mark Herskovits	4 605 845	-	-	-	-	4 800 000	-	9 405 845	3 179 038	677 735	9 550 127	-	2 533 333	-	15 940 233
David Hurwitz ³	1 791 522	57 066	7 170 000	-	-	-	-	9 018 588	6 492 999	868 898	-	-	-	-	7 361 897
Sahil Samjowan ³	2 833 333	109 428	-	12 725 000	-	-	-	15 667 761	1 226 413	207 745	3 612 500	-	1 770 833	-	6 817 491
Jonathan Jawno ¹	5 602 475	105 583	-	-	-	-	-	5 708 058	4 467 095	119 867	-	-	-	-	4 586 962
Michael Mendelowitz ¹	4 409 898	62 033	-	-	-	-	-	4 471 931	4 467 095	188 483	-	-	-	-	4 655 578
Roberto Rossi ¹	4 409 898	120 390	-	-	-	-	-	4 530 288	4 390 742	119 867	-	-	-	-	4 510 609
Prescribed officer															
Sean Doherty	5 259 167	2 187 500	-	-	7 875 000	-	-	15 321 667	1 425 895	240 772	-	7 875 000	3 333 333	-	12 875 000
Terry Kier ^{1,4}	438 900	-	-	-	-	-	-	438 900	3 686 212	2 519 583	-	-	2 500 000	-	8 705 795
David McAlpin ⁵	1 055 435	-	3 165 944	-	-	1 600 000	-	5 821 379	2 779 076	368 882	-	-	-	-	3 147 958
Faan van der Walt ^{1,6}	2 455 549	-	-	-	-	-	2 732 910	5 188 459	3 968 297	674 494	-	-	-	4 774 766	9 417 557
John Watling ⁷	5 491 105	-	-	-	-	-	-	5 491 105	4 686 798	563 675	3 583 125	-	7 625 000	-	16 458 598
Total	38 353 127	2 642 000	10 335 944	12 725 000	7 875 000	6 400 000	2 732 910	81 063 981	43 210 893	6 991 271	16 745 752	7 875 000	17 762 499	4 774 766	97 360 181

1. Jonathan Jawno, Michael Mendelowitz, Roberto Rossi, Terry Kier and Faan van der Walt do not participate in the CSP.

2. Deferred retention awards (DRA) were issued to key Mobalyz executives paid out in the current financial year. The awards were cash settled in November 2024.

3. Sahil Samjowan was appointed as an executive director with effect from 1 June 2023 to 31 May 2024. The STI was prorated as part of this severance package in 2024.

4. Terry Kier resigned as CEO of Mobalyz with effect from June 2023; however the final details and payments were only concluded in the 2024 reporting period. The FY24 payment was a prorated salary.

5. David McAlpin resigned as CEO of Nutun effective 1 July 2023, David remained a director of Nutun Holdings, and Nutun International until his exit in December 2023.

6. The annual bonus amounts represents the management fees earned by Faan van der Walt.

7. John Watling was appointed as joint CEO of Nutun on 1 October 2022 and sole CEO on 1 July 2023. As part of John Watling's appointment, John received a bespoke long term incentive award (LTI). Additionally, John received a sign on bonus of R5 million which is included under annual incentive bonus (2023).

8. Whilst David Hurwitz stood down as CEO and director from all Transaction Capital companies effective from 31 December 2023, he was still an employee until 31 December 2024.

From 1 January 2024 to 31 December 2024 David was required to provide handover services for which he received remuneration of R10.26 million in the 2024 financial year.

Implementation report continued

Executive directors

No short-term incentives were awarded to Robert Rossi, Michael Mendelowitz nor John Watling. The following discretionary bonuses were however awarded due to individual exceptional achievements:

Jonathan Jawno:

Jonathan led Transaction Capital through a tumultuous time in the life of the business where stakeholder value had been impaired. Restoration of value was achieved through his oversight and drive to implement:

- The unbundling and separate listing of WeBuyCars;
- The sale of Nutun Australia and Nutun Transact; and
- The Mobalyz balance sheet restructure and subsequent deconsolidation from Transaction Capital

In addition, he was the architect of the restructure of Nutun's operations including the drive to cut costs and reorganise into two business units. He also drove the rationalisation of the head office incorporating both cost cutting and integration of functions into Nutun, leaving a small and lean head office structure.

Despite these successes, the group is only halfway through a two-year restructure plan. A decision on a short-term incentive for Jonathan will be taken at the end of the 2025 financial year, once the effects of the full plan can be properly evaluated. Accordingly, no short-term incentive was awarded to Jonathan in 2024.

Mark Herskovits:

While supporting the implementation of Jonathan's initiatives listed above, Mark's core value creation for financial year 2024 lay in the group balance sheet restructure. He led the negotiations with the funders of Mobalyz to obtain waivers for events of default and to restructure the debt. Together with Jonathan and Christopher Seabrooke, Mark designed various debt restructure plans to stabilise the Mobalyz balance sheet which ultimately led to the successful sale of a controlling stake in, and deconsolidation of, Mobalyz. Accordingly, Mark was awarded a short-term incentive equivalent to 12 months salary for 2024.

Long-term incentives

Conditional share plan

It is the view of the remuneration and nominations committee that LTI awards promote long-term equity value creation for employees and shareholders alike, while STI awards serve to reward superior financial and operational performance for the past financial year. As the value of the CSP on vesting is based on the equity valuation of the Transaction Capital group, employees are rewarded for the quality and sustainability of earnings over the long term, thus aligning their interests with the group's shareholders. As a result, the growth hurdle of the CSP is viewed to be appropriate.

The following table shows the CSP position of executive directors and prescribed officers on 30 September 2024:

	Component	Grant Date Fair Value of CSP R	Opening Number of CSPs	Vesting periods (years)	Number of CSPs exercised during the year	Closing number of CSPs	Gain on CSPs exercised R
Executive director							
David Hurwitz¹							
Granted on 20 November 2018	Group	–	38 549	2 to 5	38 549	–	298 369
Granted on 26 November 2019	Group	–	127 338	2 to 5	127 338	–	985 596
Granted on 24 November 2020	Group	–	255 192	3 to 5	255 192	–	1 975 186
Granted on 16 November 2021	Group	–	133 780	3 to 5	133 780	–	1 035 457
Granted on 15 November 2022	Group	–	152 975	3 to 5	152 975	–	1 184 027
Mark Herskovits							
Granted on 20 November 2018	Group	313 624	19 253	2 to 5	19 253	–	137 162
Granted on 26 November 2019	Group	1 076 762	56 622	3 to 5	28 311	28 311	201 693
Granted on 24 November 2020	Group	3 013 986	165 938	3 to 5	55 312	110 626	394 054
Granted on 16 November 2021	Group	3 483 940	91 442	3 to 5	–	91 442	–
Granted on 15 November 2022	Group	4 108 088	115 884	3 to 5	–	115 884	–
Granted on December 2023	Group	9 550 127	1 341 310	3	–	1 341 310	–
Prescribed officer							
John Watling							
Granted on 15 November 2022	Nutun	4 012 695	488 757	3 to 5	–	488 757	–
Granted December 2023	Nutun	3 181 978	389 470	3	–	389 470	–

1. David Hurwitz stepped down as Group CEO in December 2023.

Minimum shareholding requirement (MSR)

The investment policy mandates that key executives should hold, directly or indirectly, at least three times annual CTC. Where the equity value of a key executive of the group is determined to be low, accelerated annual LTI awards or one-off LTI awards may be awarded.

The executive directors and prescribed officers of the group hold the following direct or indirect equity value in Transaction Capital Limited at 30 September 2024:

	Shares held (Direct and indirect) Number	Valuation of shares at closing share price on 30 September 2024	CSP position at 30 September 2024 ¹	Total equity value to the group	Cover of annual CTC
Equity held directly					
Jonathan Jawno ²	36 833 334	107 921 669		107 921 669	18.1
Michael Mendelowitz ²	36 833 334	107 921 669		107 921 669	23.1
Roberto Rossi ²	36 833 334	107 921 669		107 921 669	23.8
Mark Herskovits	1 635 475	4 791 942	15 829 802	20 621 744	4.5
John Watling ³	–	–	8 079 698	8 079 698	1.5

1. CSP valuations are determined on current share prices (R2.93 at 30 September 2024) and are prior to any tax payable.
2. The Founders are also joint associates of Upperway Investments Limited which holds 1 500 000 shares excluded from the calculation above.
3. John Watling was appointed as Chief Executive Officer of Nutun in July 2023 and as he is newly appointed his shareholding lags.

Implementation report continued

Non-executive directors' fees

Fees paid to non-executive directors are for directorship and membership of board sub-committees, with no additional meeting attendance fees paid. This is due to board members providing input to the company on an ongoing basis, which is not limited to the attendance of meetings.

The fees paid to non-executive directors have been determined on a market-related basis, as recommended by the remuneration and nominations committee and the board and approved by shareholders at the AGM.

Fees paid to non-executive directors for the year ended 30 September 2024:

Board members	C Seabrooke ¹ R	K Pillay R	D Radley ² R	B Hanise R	S Wapnick R	I Kirk ³ R	S Kana R	A Kekana R	Total
Board chairman (including committee attendance)	–	–	–	–	–	2 697 040	–	–	2 697 040
Lead independent director	–	–	–	–	–	–	145 704	–	145 704
Director	534 489	226 372	534 489	196 845	534 489	–	534 489	464 773	3 025 946
Alternate director	–	–	–	–	–	–	–	–	–
Audit and risk committee (chairperson)	–	–	567 080	–	–	–	–	–	567 080
Audit and risk committee (member)	228 136	–	–	84 019	–	–	228 136	–	540 291
Asset and liability committee (chairperson)	–	–	–	–	–	–	254 685	–	254 685
Asset and liability committee (member)	–	–	115 225	–	–	–	–	–	115 225
Remuneration committee (chairperson)	–	160 117	–	–	262 433	–	–	–	422 550
Remuneration committee (member)	174 687	–	–	–	42 472	–	174 687	48 787	440 633
Nominations committee (chairperson)	–	–	–	–	–	–	–	–	–
Nominations committee (member)	115 225	73 985	–	–	115 225	–	–	38 780	343 215
Social and ethics committee (chairperson)	–	–	–	–	–	–	391 038	–	391 038
Social and ethics committee (member)	–	73 985	–	–	–	–	–	151 902	225 887
Risk and technology committee (chairperson)	–	–	–	–	–	–	–	–	–
Risk and technology committee (member)	–	–	115 225	–	–	–	115 225	–	230 450
Tax sub-committee (chairperson)	45 960	–	–	–	–	–	–	–	45 960
Tax sub-committee (member)	–	–	21 237	–	–	–	–	–	21 237
Independent committee	161 000	–	161 000	–	–	–	–	200 000	522 000
Total annual fees	1 259 497	534 459	1 514 256	280 864	954 619	2 697 040	1 843 964	904 242	9 988 941

1. In addition to the fees received above, C Seabrooke received directors fees of R2 116 000 including VAT for acting as (i) an independent chairperson of the Mobalyz Debt Sustainability Committee from 1 June 2023 to 30 April 2024, and (ii) an independent chairperson of the Mobalyz Informal Lenders Forum from 1 June 2023 to 31 May 2024. Fees for the period 1 June 2023 to 30 September 2024 were paid in the 2024 financial year post approval from shareholders at the AGM in March 2024.

2. In addition to the fees received above, D Radley received directors fees of R145 465 including VAT for acting as an independent director of SA Taxi Holdings Proprietary Limited and Nutun Holdings Proprietary Limited from 1 October 2023 to 31 January 2024.

3. In addition to the fees received above, I Kirk received directors fees of R190 177 including VAT for acting as an independent director of the Mobalyz Insurance Advisory Committee for the period 1 October 2023 to 30 September 2024.

Implementation report continued

Fees paid to non-executive directors for the year ended 30 September 2023:

	2023								Total R
	C Seabrooke R	K Pillay R	D Radley ¹ R	B Hanise R	S Wapnick R	I Kirk R	S Kana R	A Kekana R	
Board members									
Board chairman (including committee attendance)	457 188	–	–	–	–	1 427 801	–	–	1 884 989
Lead independent director	–	–	–	–	–	–	134 642	–	134 642
Director	334 514	441 626	812 376	441 626	441 626	107 113	441 626	441 626	3 462 133
Alternate director	–	–	–	–	–	–	–	–	–
Audit committee (chairperson)	–	–	468 555	–	–	–	–	–	468 555
Audit committee (member)	142 780	–	–	188 499	–	45 719	188 499	–	565 497
Asset and liability committee (chairperson)	–	–	–	–	–	–	312 370	–	312 370
Asset and liability committee (member)	–	–	144 329	–	–	35 000	–	–	179 329
Remuneration committee (chairperson)	–	312 370	–	–	–	–	–	–	312 370
Remuneration committee (member)	109 329	–	–	–	144 336	35 008	–	–	288 673
Nominations committee (member)	109 329	144 336	–	–	144 336	–	144 336	–	542 337
Social and ethics committee (chairperson)	–	–	–	–	–	236 607	–	–	236 607
Social and ethics committee (chairperson)	–	–	–	–	–	–	312 370	–	312 370
Social and ethics committee (member)	–	144 336	–	–	–	–	–	144 336	288 672
Risk and technology committee (chairperson)	–	–	–	–	–	75 763	–	–	75 763
Risk and technology committee (member)	–	–	144 336	–	–	–	144 336	–	288 672
Tax sub-committee	119 894	–	55 400	–	–	–	–	–	175 294
Total annual fees	1 273 034	1 042 668	1 624 996	630 125	730 298	1 963 011	1 678 179	585 962	9 528 273

1. In addition to the fees received above, D Radley received directors' fees of R426 363 including VAT for acting as an independent non-executive director of SA Taxi Holdings Proprietary Limited and Nutun Holdings Proprietary Limited.



Sustainability Report

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Environmental impact	92

Our ESEG strategy

Transaction Capital strives to create shared value by balancing environmental, social and economic impacts. Financial sustainability is key to fulfilling our societal objectives, and we are committed to quantifying trade-offs and achieving long-term sustainability.



The United Nations Sustainable Development Goals (SDGs) provide a comprehensive framework for our ESEG strategy, guiding us toward a sustainable future. While all 17 SDGs are important, we focus on six that align closely with our operations, where we can have the most significant impact through innovative solutions.



We are working to adopt the IFRS Sustainability Disclosures and the Johannesburg Stock Exchange (JSE) Sustainability Disclosure Guidance where possible.

The ESG World profile is mapped across 30 ESG frameworks from asset managers, rating agencies, global institutions, and stock exchanges, summarised in a real-time, searchable format for easy access.

Governance



Our commitment to good corporate governance is anchored in the principles of the King IV Report on Corporate Governance™ for South Africa, 2016 (King IV)¹, which promotes ethical leadership, transparency and sustainable value creation. This framework ensures we remain accountable to both current and future stakeholders.



Refer to governance report on page 40.

The governance report provides an overview of Transaction Capital's governance principles, including our philosophy, structures, assurance processes, compliance standards and key regulatory updates. It also outlines important board discussions from the year.

1. Copyright and trademarks are owned by the Institute of Directors in South Africa NPC and all of its rights are reserved.

Board oversight of sustainability

The board acts as the custodian of governance, steering the group's strategy based on our values and ethics. It ensures the delivery of shared-value outcomes to all stakeholders while upholding responsible corporate citizenship principles. The board is responsible for integrating sustainable development into Transaction Capital's governance, strategy and performance.

Committee oversight

The board oversees sustainability through its committees:

- The social, ethics and sustainability committee manages areas aligned with King IV, including employment equity, remuneration, economic transformation and climate change.
- The audit and risk committee focuses on fraud prevention, tax policies and climate-related risks, among other areas beyond sustainability.

Social, ethics and sustainability committee and executive leadership

Executive management, supported by the social, ethics and sustainability committee, manages our ESEG impact and drives sustainability initiatives and reports progress quarterly.

Key focus areas include:

- Monitoring performance against the ESEG strategy.
- Reducing greenhouse gas (GHG) emissions.
- Implementing sustainability standards.
- Improving data collection processes.
- Addressing stakeholder feedback.
- Staying informed on global ESEG trends.

Executive remuneration and sustainability incentives

The remuneration committee ensures that our policy aligns with our strategic objectives, incorporating ESEG performance hurdles for short-term incentives (STIs), focusing on:

- Improving or maintaining B-BBEE levels.
- Reducing emissions according to business-specific targets.
- Increasing diversity at senior management levels.
- Supporting social impact initiatives.

Our ESG strategy continued

Nutun's environmental, social and economic framework

Transaction Capital's ESE strategy is anchored in Nutun's ESE framework, which defines societal purpose to guide strategic and operational activities.

This framework enables effective impact management, creating value for Transaction Capital and its stakeholders. It also facilitates identifying business opportunities, managing risk and reducing costs.

Following the unbundling of WeBuyCars in April 2024 and the deconsolidation of Mobalyz in September 2024, the ESEG strategy now focuses on Nutun's ESE framework and societal purpose.



Societal purpose

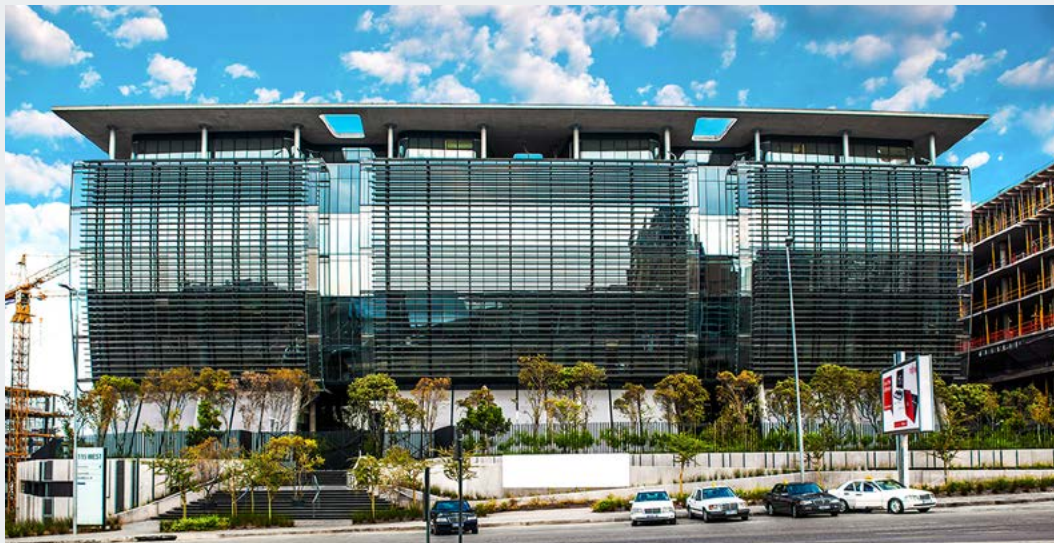
Nutun's services enable clients to make a measurable impact and further their social and development goals, aligning business success with positive societal outcomes.

This section includes comparatives which have been restated to include Nutun only (excluding Nutun Australia).

Nutun is positioned as a single, end-to-end value proposition, offering BPO services across the entire customer experience and credit lifecycles. Our new operating model enables the South Africa and International divisions to leverage the set of assets and competencies built over many years.

Nutun drives economic growth by promoting credit market stability through a range of business services offered to a global client base.

South Africa's cost competitiveness, skilled English-speaking workforce, time zone alignment with key markets, favourable exchange rate and focus on customer service make it an attractive destination BPO amid growing global demand for outsourcing non-core activities. Investments in technology and government support, such as the Business Process Services Incentive Scheme, support the industry's long-term growth potential. Nutun has established itself as a leader in the BPO market, committed to creating jobs and delivering value while positively impacting local communities.



Customer Engagement

As clients increasingly outsource non-core services, Nutun has an opportunity to provide a broader range of digitally driven, cost-effective, high-quality customer engagement services. Offered on a contingency or fee-for-service basis, these services have expanded across key markets, including the UK, Australia and the USA.

36%
of revenue

Collections and Recoveries

Nutun plays an important societal role in acquiring and managing NPL portfolios. By acquiring NPLs, Nutun helps clients improve their balance sheets, accelerate cash flow and enhance their capacity to offer debt finance to consumers. On an agency basis Nutun assists local and international clients manage their loan portfolios and optimise collections strategies and outcomes.

64%
of revenue

Our ESEG strategy continued

Impact areas

The ESE framework defines specific impact areas with measurable metrics. Developed through stakeholder engagement, it identifies key concerns and connects them to metrics for tracking progress over time.

Nutun has enhanced data processes in the past two years, improving data-driven decision-making. Our commitment to monthly data capture enables continuous monitoring and efficiency improvements, while increased engagement reflects our dedication to achieving positive ESEG outcomes.



E

ECONOMIC IMPACT

Facilitating economic development and growth



Refer to page 84.

Nutun plays a key role in enabling economic growth by promoting credit market stability.

Supporting social inclusion



Refer to page 85.

Nutun rehabilitates debtors ethically and responsibly, contributing to financial stability and inclusivity.

S

SOCIAL IMPACT

Inclusive hiring practices



Refer to page 87.

Nutun's employment practices promote socio-economic transformation and support diversity throughout the group. We also contribute to youth employment.

Empowering our people



Refer to page 90.

Nutun invests in its employees' potential, fostering growth and valuing their contributions.

Corporate citizenship



Refer to page 91.

We are committed to making meaningful contributions to humanitarian needs, reinforcing our role as a responsible corporate citizen.

E

ENVIRONMENTAL IMPACT

Promoting climate resilience



Refer to page 92.

Nutun recognises its responsibility to promote climate resilience across its operations and continues pursuing sustainable energy consumption and resource management practices.



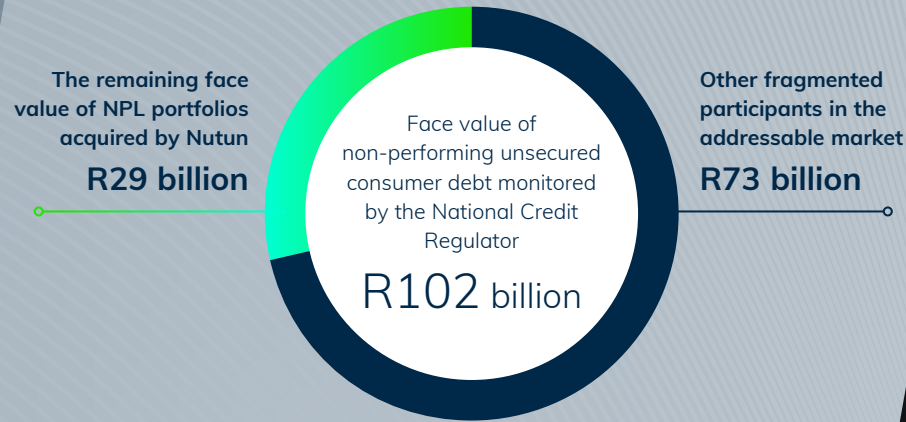
The following pages provide a detailed overview of our impact areas and performance for 2024.

ECONOMIC IMPACT

Context

Over the past eight years, South African consumers' spending power has sharply declined due to high interest rates, rising electricity and fuel costs and inflation, with many facing unsustainable debt levels. Despite a 2% rise in nominal income, debt counselling applicants now have 44% less purchasing power than in 2016¹.

The collections market in South Africa



Facilitating economic development and growth Enabling economic growth by promoting credit market stability

Nutun enhances economic growth by improving the stability of credit markets and deriving value from NPLs.

Approach

In this challenging context, Nutun plays a key role in acquiring and managing NPL portfolios on a principal and agency basis. Our recovery and collection services are essential for helping businesses effectively manage these growing NPL portfolios. Nutun's commitment to improving the functioning of credit markets supports a sustainable supply of credit, ultimately benefiting the broader economy.

Nutun has provided significant support to South African banking customers since 2013.

Original face value of NPL portfolios acquired
R76 billion

Remaining face value of NPL portfolios
R29 billion

Capital outlay
R7 billion

Impact

In 2024, Nutun acquired NPL portfolios impacting 176 235 consumers, with an average outstanding balance of R46 784. This resulted in:

Value of debt serviced by Nutun (South Africa) (R billion)

Service type	2024	2023	2022	2021
CX services ¹	2.6	2.5	2.8	2.9
CE services ²	1.6	1.8	1.7	1.4
Total	4.2	4.3	4.5	4.3

1. CX Services relates to collections on a agency basis for third party clients.
2. CE services relates to collections of portfolios owned by Nutun.

We do not service customers who participate in reckless lending

The societal advantage of supporting credit extension becomes irrelevant when lenders provide inappropriate credit levels. Accordingly, Nutun refrains from serving customers engaged in irresponsible lending practices and has a policy to evaluate the ethical lending practices of customer portfolios.

1. DebtBusters Money-Stress Tracker, 17 September 2024.

Economic impact continued



Supporting social inclusion

Ethical and responsible rehabilitation of debtors

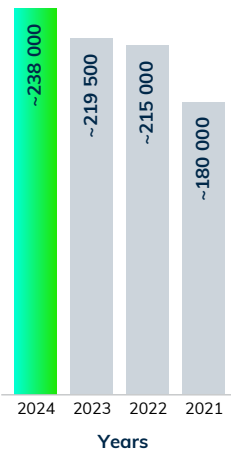
We prioritise debtors' ethical rehabilitation and education to facilitate their re-entry into the economy, positioning ourselves as a trusted and respected partner in responsible debt collection.

Approach and impact

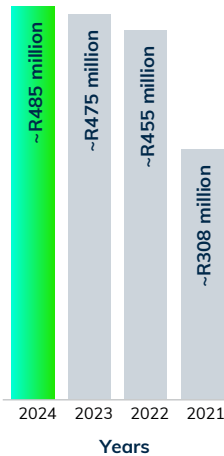
We provide responsible debt collection practices and personalised debt management plans for consumers and small to medium enterprises (SMEs). Our focus is facilitating their swift reintegration into credit markets by adhering to best practices, ensuring regulatory compliance and maintaining high standards of corporate governance. This approach empowers individuals to regain control over their finances and fulfil their obligations.

We prioritise integrity, governance, and compliance with legislation, including the Debt Collectors Act and the Protection of Personal Information Act.

The average number of rehabilitated debtors



Value rehabilitated



1. Average payment plan prior to default as sourced from the various credit bureaus.
2. The Debt Collectors Act allows for the recovery of fees and expenses from a debtor for items listed in the Fee and Expense Annexure. These fees and expenses are limited to either the capital amount of the debt or an amount specified by the Debt Collectors Act, which is R1,176 including VAT, whichever is lower. This does not cover any associated taxes and fees related to the instalment.

Ethical debt collection practices

Debtors can access their credit scores through our digital consumer portal and obtain comprehensive credit health reports for a detailed overview of their credit status. Nutun's average fees per account are calculated over a rolling three-year period, tracking until the account is settled or rehabilitated.

Monthly payment plans	2024	2023	2022	2021
Average payment amount before default ¹	R1 583	R1 384	R1 018	R1 070
Promise to pay	R707	R717	R779	R779
Agreed amount	R415	R406	R347	R334

Fees	2024	2023	2022	2021
Average fees per account	R157	R210	R156	R126
Maximum fees permitted per Debt Collectors Act ²	R1 176	R1 176	R1 176	R1 176
Fee ratio to maximum	13.4%	17.9%	13.3%	9.27%

Note: The fee increase reflects rising legal requirements due to challenging macroeconomic conditions in South Africa.

Our contact centre agents are trained to negotiate repayment plans ethically, supported by real-time coaching and scripted messaging.

Customer satisfaction

We consistently outperform competitors in customer satisfaction, ranking as the top choice in 90% of customer experience mandates for collections in South Africa.

Complaint resolution (%)	2024	2023	2022	2021
Within two months	76	79	76	82
Within six months	90	91	85	97

SOCIAL IMPACT

Context

South Africa's official unemployment rate rose to nearly 34% by the end of June 2024, with the expanded definition – including discouraged job seekers – reaching nearly 43%. This indicates that approximately four out of ten individuals seeking work cannot find employment¹.

In an ever-evolving business landscape, future-proof skills are vital. Rapid technological advancements, changing consumer expectations, and global competition demand that organisations remain agile and innovative.



As responsible South African companies, Transaction Capital and Nutun are committed to addressing societal imbalances through job creation.

We focus on investing in the education and upliftment of underprivileged communities, harnessing the talent and customer base of those previously disadvantaged.

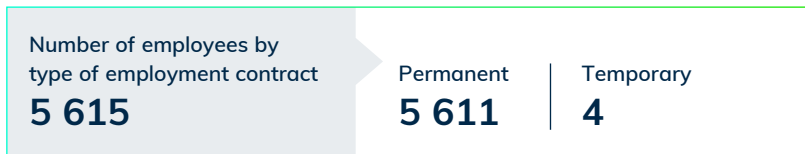


1. <https://www.statssa.gov.za/>

Nutun's workforce is largely located in South Africa (with a small number of staff located outside of South Africa) and employees are mostly contracted permanently.



2024



Group

2023



Nutun was recognised as a Top Employer for 2023 and 2024 by the Top Employers Institute.

Social impact continued



Inclusive hiring practices Promoting socio-economic transformation and diversity in our workforce

Our employment practices drive socio-economic transformation by creating job opportunities for a diverse workforce. We support youth employment and enhance their employability, contributing to the growth and development of the communities we serve.



Approach and impact

Diversity and inclusion

We promote a diverse and inclusive work environment.

Our recruitment policy prioritises equal opportunities based on race, gender, sexual orientation, and disability. This aligns with our Employment Equity plan and transformation framework, which supports the employment and advancement of previously disadvantaged groups.

	Nutun 2024	Nutun 2023 ⁴
Number of employees by gender		
Female employees	4 062	4 330
Male employees	1 551	2 120
Number of employees by age		
<35 years of age	4 051	4 966
>35 years of age	1 562	1 483
Transformation of governing bodies		
As a % of governing bodies:		
Black employees	37%	21%
Female employees	17%	21%
Disabled employees	0%	0%

1. Black employees include African, Coloured and Indian employees.
2. The breakdown of occupational levels does not include temporary employees – only permanent employees.
3. Given that the unemployment rate is highest among those with the lowest skills, employing semi-skilled and unskilled workers is highly impactful in driving socio-economic transformation.
4. Figures are as at 30 September for each period for Nutun only (excluding Nutun Australia).

	Nutun 2024	Nutun 2023 ⁴
South Africa²		
Number of employees by occupational level (permanent)²		
Executive management	14	20
Of which are female employees	2	3
Of which are black ¹ employees	4	4
Senior management	39	40
Of which are female employees	14	19
Of which are black employees	16	18
Mid management	207	223
Of which are female employees	104	106
Of which are black employees	162	164
Junior management	662	628
Of which are female employees	359	343
Of which are black employees	603	457
Semi-skilled	4 677	5 167
Of which are female employees	3 575	3 851
Of which are black employees	4 660	5 147
Unskilled	10	11
Of which are female employees	7	8
Of which are black employees	10	11
Number of employees	5 613	6 444
Black employees	5 455	5 922
Female employees	4 062	4 330
Disabled employees	66	57
Number of employees appointed	2 228	4 887
Of which are female employees	1 652	3 469
Of which are black employees	2 211	4 740
Number of employees promoted	96	105
Of which are female employees	53	58
Of which are black employees	96	99
Number of low-skilled employees³	4 687	5 178

Social impact continued

Transformation

Transaction Capital and Nutun are committed to advancing South Africa's transformation goals to address historical disparities. Our dedicated transformation and Broad-Based Black Economic Empowerment (B-BBEE) policy reflects this commitment.



Transaction Capital has achieved a Level 5 rating, while Nutun Business Services SA and Nutun CX have attained Level 1 for Nutun Business services and level 7 for Nutun CX in our most recent assessments.



	Weighting	Transaction Capital		Nutun Business Services South Africa		Nutun CX	
		2024 score	2023 score	2024 score	2023 score	2024 score	2023 score
Performance against the Department of Trade and Industry generic scorecard							
Ownership	25.00	20.62	23.31	24.06	25.00	8.86	19.63
Management control	19.00	8.05	8.53	14.29	13.48	10.90	8.61
Skills development	20.00	16.14	14.86	20.44	19.44	14.54	16.00
Enterprise and supplier development	42.00	31.80	32.53	35.60	35.47	33.96	27.14
Socio-economic development	5.00	5.00	2.92	5.00	5.00	5.00	5.00
Total points	111.00	81.61	82.15	99.39	98.39	73.26	76.38
B-BBEE contributor status level		Level 4	Level 5	Level 1	Level 1	Level 7	Level 5
B-BBEE procurement recognition level		100%	80%	125%	125%	60%	80%



For more details, please visit our website to access our B-BBEE certificate and compliance reports.

Social impact continued

Youth employment initiatives

Nutun partners and invests in initiatives that help South African youth access their first job opportunities, enhancing their future employability. Our programmes focus on attracting talent and empowering young individuals with meaningful, sustainable employment opportunities.



Shadow careers

This programme prepares youth for careers in the growing global business services sector. We equip students to excel in complex, digitally enabled customer contact environments, leading to job offers upon completing our three-month training designed for unemployed school leavers.

155 participants in 2024

Disabled learnership

Tailored specifically for disabled youth, this initiative emphasises inclusion and diversity. By providing dedicated support and training, we ensure disabled individuals can access opportunities and contribute meaningfully to the workforce.

41 learnerships awarded in 2024

Certificate programmes

We offer structured training leading to certificates in contact centre support and management, equipping young individuals with essential skills.

47 graduates in 2024

Youth Employment Service (YES) programme

Since 2018, this programme has created over 119,000 work experience opportunities for young individuals. Nutun joined in 2019. Our commitment extends beyond call centres, providing valuable workplace exposure.

175 interns recruited since 2019

3 interns have transitioned into permanent roles

Debt recovery programme (DRP)

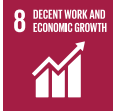
A key driver of our employment growth, the DRP recruits and trains new call centre agents through a 26-day, FASSET-accredited programme. This initiative equips participants with essential debt recovery and financial services skills, primarily targeting recent high school graduates. For FY2024, our focus was on refresher training based on our systems and other relevant products.

Attrition

A significant portion of Nutun's workforce is employed in contact centres, where many individuals are entering the job market for the first time. This influx of younger employees and those seeking initial professional experiences contribute to higher turnover rates as they navigate their career paths and explore new opportunities, a common trend in the contact centre sector.

	Nutun 2024	Nutun 2023
Voluntary employee turnover rate (%)	70	38
Total employee turnover rate (%)	72	57

Social impact continued



Empowering our people Investing in our employees

Nutun supports career and personal development by recognising employees' contributions, promoting professional growth, and prioritising their well-being.

Approach and impact

Skills development

Investing in continuous training and development is a strategic priority that equips our workforce to adapt, master new technologies and stay competitive. Well-trained employees are more engaged and efficient and deliver higher-quality results, driving our success and exceeding customer expectations. Our comprehensive skills development strategy supports growth, empowers employees and enhances operational efficiency.

	Nutun 2024	Nutun 2023
Training		
Average training hours per employee per year	182	184
Total training spend per year (R million)	8	10
Training spend per employee	1 467	1 551
Junior employee development		
Average number of years on the job		
Average number of years on the job for non-management employees	2.6 yrs	N/A
Average number of years on the job for management employees	5.5 yrs	N/A

Note: 70% of learning is through experience, 20% through social interaction, and 10% through formal training.

NUTUN EMPOWERED WOMEN (NEW) PROGRAMME

In March 2024, Nutun launched the first working session of the NEW Programme at our Sandton headquarters, led by Julia Makhubela from Duke Corporate Education.

The initiative empowers female leaders, equipping them with the tools and skills to excel. The programme includes 50 women from entry-level to middle management, with a curriculum designed in partnership with Duke Corporate Education. It offers skill development, coaching and networking opportunities to advance women in the BPO industry.

NEW reaffirms Nutun's commitment to gender equality, with women making up 75% of the workforce and 59% of management.



Nutun – training initiatives in 2024

Strive Academy

Comprehensive training programmes for contact centre agents, equipping them with skills for excellence.

Harvard Mentor Programme

10 participants from middle management completed 28 modules focused on leadership and management skills.

Fundza Bursary Programme

R1.5 million in bursaries supported 47 employees, promoting career growth and diversity.

First Line Leadership Development

9 team managers completed this programme, focusing on leadership fundamentals.

Employee safety

As far as reasonably practicable, we are committed to providing a safe workplace free from unacceptable risks to health and safety.

We implement strict workplace safety protocols, ensuring compliance with the Occupational Health and Safety Act (OHS ACT 85 of 1993) for employees and external contractors.

In 2024, 2 170 employees were trained in Occupational Health and Safety.

At Nutun, safety incidents must be reported and managed within 48 hours. 88 safety incidents were reported, and no fatalities occurred.

Employee health and well-being

Nutun requires all permanent employees to belong to a medical aid scheme.

We host Wellness Days, offering health screenings for BMI, blood pressure, HIV status, cholesterol and glucose. Results are explained by qualified medical professionals who guide improving any results outside healthy ranges.

We also offer on-site health services, including a full-time clinic, a doctor available once a week, and counselling services. An on-site dispensing pharmacy with health screening capabilities is also available to ensure employees can access the medical support they need.



Nutun received
Top Employer status
for 2023 and 2024
from the Top Employer's Institute.

Social impact continued



Corporate citizenship

Investing in community and socio-economic development

We are committed to being responsible corporate citizens, contributing to humanitarian needs and advancing socio-economic progress.

Approach and impact

Customers

We prioritise sustainability and ethical business practices, viewing our customers as essential partners in achieving our shared goals. We are committed to responsible corporate citizenship, building transparent, collaborative, and accountable relationships with our customers to ensure we uphold sustainability and social responsibility in every interaction.

Nutun follows the Treating Customers Fairly (TCF) framework set by the Financial Sector Conduct Authority, ensuring fair customer outcomes. We manage debt repayment challenges responsibly through proactive measures and are members of the Council for Debt Collectors, promoting responsible lending and consumer education.

Our pre-delinquent campaigns use predictive scoring to identify potential arrears, reflecting our commitment to responsible debt management. Additionally, as part of the Association for Debt Recovery Agencies (ADRA), we participate in community training programmes to improve financial literacy and support ADRA-endorsed initiatives.



Nutun was named Top BPO Operator in South Africa for 2023

by the BPESA Alchemy Awards and received the Best Customer Service into Europe accolade.

We were recognised as Technology Company of the Year 2024

at the Africa Tech Week Awards.

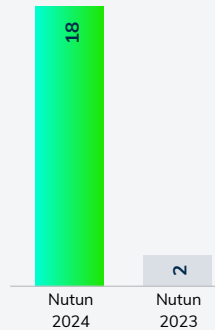
Suppliers

Nutun is committed to inclusive procurement practices and developing local supply chains that enhance the resilience of South African communities. We aim to support small businesses within host communities, create jobs, improve manufacturing capabilities, and provide economic opportunities for historically marginalised groups.

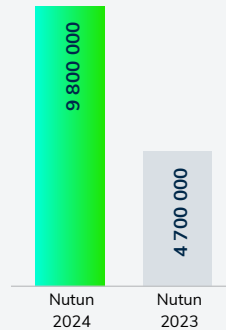
Corporate social investment (CSI)

Beyond the societal impacts of our business model, Nutun is dedicated to CSI initiatives that address humanitarian needs and uplift communities. Our CSI programmes create positive societal impacts and reflect our values as a responsible corporate citizen.

Proportion of net profit after tax dedicated to CSI (%)



Total CSI spend (R)



Nutun's CSI focus is on supporting the education of historically disadvantaged individuals and fostering the growth of black-owned enterprises. Through our social impact committee, we identify meaningful socio-economic development (SED) opportunities, ensuring that our contributions are impactful and traceable.

For 2024, our CSI initiatives prioritised charitable donations, educational support and assistance to small enterprises through grants.

Support provided		Number of beneficiaries	Rand amount		
Beneficiary sector	Education	<ul style="list-style-type: none"> Bursary programme for employees' dependents for primary and tertiary education. Funding for early childhood and junior primary teachers serving underprivileged communities. Donations to an underprivileged school in Tembisa providing transport, food, and social support. Financial assistance to Shadow Careers, a B-BBEE entity focused on youth training. Support to SAICA-associated SMMEs, entrepreneurial incubators, and unemployed black citizens through accredited skills programmes and mentorship. Partnership with Mellon Educate for the One Agent One Child initiative. 	6 071	R8 540 437	
		Infrastructure	<ul style="list-style-type: none"> Management fee contribution to our canteen and café operator (Green Dot) in Sandton. Scholar transportation and tours for a 100% black female-owned organisation. 	N/A	R1 227 000
			Total	6 071	R9 767 437

ENVIRONMENTAL IMPACT

Context

Climate change is driven by the release of greenhouse gases into the atmosphere. While emissions have decreased significantly in recent decades, achieving climate neutrality requires governments and businesses to transform production and consumption systems. The transition to a low-carbon economy brings both risks and opportunities for businesses.



Promoting climate resilience

Commitment to sustainable energy and resource management

We measure our environmental impacts and use this data to guide strategic decision-making while considering the socio-economic effects of our operations, where we have the most significant impact.

Approach

Over the past three years, our divisions have focused on monitoring water, energy, and carbon consumption and emissions, using meters to track usage, and implementing initiatives to reduce carbon-intensive practices. These efforts have lessened our environmental footprint and resulted in cost savings.

During 2024 Nutun undertook a significant restructure of its operations and infrastructure which included a consolidation of call centre and office space. New water and electricity consumption targets will be set during 2025 taking into account the rationalised infrastructure.

Impact

Water

Transaction Capital prioritises responsible water usage. We have established an environmental policy that recognises the human right to water and sanitation and underscores our commitment to responsible water management. Our company's operations do not rely heavily on water resources.

At Nutun, we have installed air-powered low-flush toilets, which use 80% less water than standard toilets. Nutun has also installed one-touch faucet taps to control water flow with an auto shut-off feature, saving up to 60% of water use in the bathroom basins.

During FY2024 the Nutun Sandton offices transitioned to 24-hour operations as a result of an increase in nightshift staff servicing US and Australia geographies. This resulted in additional charges being allocated to Nutun for use of the building common areas. Finalisation of the air conditioners project also resulted in increased water usage when compared to FY2023.

Nutun – municipal water usage (kl)

2024	2023	2022	2021
76 148	47 028*	12 573	11 343

* Year-on-year increase between 2023 and 2022 because of the inclusion of Nutun CX into the group and thus increased water consumption.

Energy management

Our energy consumption includes electricity – sourced from both the municipal grid and on-site solar generation – and fuels such as petrol and diesel for vehicles and backup generators during loadshedding.

Most sites rely on grid electricity, primarily coal-fired in South Africa. To combat the unreliability of the grid and reduce emissions, we have installed solar energy systems at select locations.

We are committed to implementing sustainable solutions. In response to ongoing loadshedding, we aim to lessen our dependence on the national grid by expanding solar PV installations. Additionally, we have adopted energy-efficient practices, such as installing LED lighting and window blinds to minimise heat gain and decrease air conditioning needs. Our Sandton office added a night shift to our call centre during 2024 which increased energy consumption.

Nutun – non-renewable energy consumption (kWh)

2024	2023	2022	FY2021
9 092 000	6 016 000*	2 420 078	2 492 874

* Year-on-year increase between 2023 and 2022 because of the inclusion of Nutun CX into the group and thus increased electricity consumption.

Environmental impact continued

Diesel and petrol consumption

On-site fuel consumption primarily supports vehicles and stationary diesel generators. To optimise fuel efficiency, Nutun synchronises its generators, minimising the number of units in operation. Additionally, we have downscaled generator sizes in areas where operations have reduced, further reducing unnecessary diesel consumption.

Due to reduced loadshedding earlier this year, our diesel usage for backup generators decreased compared to last year.

Nutun – Fuel consumption (kWh)

2024	2023	2022	FY2021
967 890	1 039 958*	494 591	107 795

* Year-on-year increase in 2023 is due to the inclusion of Nutun CX.



Carbon footprint

Transaction Capital’s carbon footprint was calculated using the International Greenhouse Gas (GHG) Protocol’s Corporate Accounting and Reporting Standard methodology. The base year is 2022, the earliest period with reliable data.

Nutun’s carbon footprint data below includes all direct scope 1 and indirect scope 2 emissions, as required by the GHG Protocol, along with the significant scope 3 emission sources relevant to the business.

Emission factor data sources

- Defra (2023)
- International Energy Agency
- Eskom (electricity in South Africa)

Methodology

- GHG Protocol
- Consolidation approach:
- Operational control

Intensity ratios

- GHG emissions per employee
- GHG emissions per m² of buildings
- GHG emissions per total income

GHG emissions inventory

Coverage (%)	2024	2023	2022
Employees covered by carbon footprint	99	99	97
Buildings covered by carbon footprint in m ²	99	97	99

Emissions

Metric tonnes CO ₂ e	Nutun	
	2024	2023*
Scope 1: Direct emissions		
Stationary combustion	152	238
Mobile combustion	23	28
Product use: refrigerant gases (Kyoto Protocol)	0	17
Total scope 1 emissions	174	283
Scope 2: Indirect emissions		
Purchased electricity	8 403	5 666
Total scope 2 emissions	8 403	5 666
Total scope 1 and 2 emissions	8 577	5 949
Intensity metrics		
Scope 1 and 2 emissions per employee	1.52	0.82

Value chain emissions

Metric tonnes CO ₂ e	Nutun	
	2024	2023*
Scope 3		
Category 1. Purchased goods and services	139	111
Category 3. Fuel and energy-related activities	2 511	1 731
Category 5. Waste generated in operations	83	101
Category 6. Business travel	421	852
Total scope 3 emissions	3 155	2 795

* Emissions disclosure for Nutun for FY2023 has not been restated for changes in the group and represents emissions as disclosed in the FY2023 IAR.



Supplementary Information

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Shareholder analysis

Shareholder analysis at 30 September 2024	Number of shareholders	Number of shares (million)	Number of shares (%)
Non-public			
Directors of Transaction Capital, its subsidiaries and associates	10	122	16
Subtotal	10	122	16
Public			
Coronation Fund Managers	1	227	29
Public Investment Corporation	1	70	9
Royal Bafokeng Holdings	1	38	5
Abax Investments	1	61	8
Remaining Institutional shareholders	95	192	25
Retail investors	1 278	73	9
Sub-total	1 377	661	84
Total	1 387	783	100

Performance on the JSE

1 October 2023 – 30 September 2024

Traded share price	
Opening	R4,20
Closing	R2,93
High*	R10,51
Low	R2,34
Daily average volume (units)	2.5 million
Market capitalisation on 30 September 2024	R2.3 billion
Value of WebuyCars shares distributed to shareholders on 11 April 2024	R5.2 billion
Value of WBC shares distributed to shareholders at 30 September 2024	R7.6 billion

* 4 March 2024. On 11 April 2024 WeBuyCars was separately listed on the JSE. Transaction Capital shareholders received 0.32678 WBC shares for each Transaction Capital share held.

	2024		2023	
	Number of shares '000	Shareholding %	Number of shares '000	Shareholding %
Indirect beneficial holdings of directors				
Dovie Trust ¹	–	–	2 350	<1
Pilatucom Holdings Limited ²	–	–	110 500	14,59
Rigicom Holdings Limited ³	36 833	4,70	–	–
Neuheim Holdings Limited ⁴	36 833	4,70	–	–
Neranga Holdings Limited ⁵	36 833	4,70	–	–
Sabvest Limited ⁶	6 000	<1	6 000	<1
Kubandiran Pillay Family Trust	–	–	105	<1
Upperway Investments Private Limited ⁷	1 500	<1	1 500	<1
Direct beneficial holdings of directors				
Sean Doherty ⁹	–	–	41	<1
Mark Herskovits	1 635	<1	1 635	<1
Albertinah Kekana	128	<1	128	<1
Diane Radley	120	<1	120	<1
Sharon Wapnick ⁸	199	<1	199	<1
Total	120 081		122 578	
Percentage of issued shares	15,32%		16,06%	

- David Hurwitz is a discretionary beneficiary of the Dovie Trust. David Hurwitz resigned as a director of Transaction Capital Limited with effect from 31 December 2023.
- Jonathan Jawno, Michael Mendelowitz and Roberto Rossi are discretionary contingent beneficiaries of Pilatucom Holdings Limited. The shares have been pledged as security for a finance facility."
- Jonathan Jawno is a discretionary contingent beneficiary of Rigicom Holdings Limited. The shares have been and continue to be pledged with an institutional lender against a general finance facility.
- Michael Mendelowitz is a discretionary contingent beneficiary of Neuheim Holdings Limited. The shares have been and continue to be pledged with an institutional lender against a general finance facility.
- Roberto Rossi is a discretionary contingent beneficiary of Neranga Holdings Limited. The shares have been and continue to be pledged with an institutional lender against a general finance facility.
- Christopher Seabrooke is the chief executive of Sabvest Limited.
- Jonathan Jawno, Michael Mendelowitz and Roberto Rossi are discretionary contingent beneficiaries of Upperway Investments Private Limited. The shares have been pledged as security for a finance facility.
- Of these, 139 000 shares are held by associates of Sharon Wapnick.
- Sean Doherty resigned as a director of Transaction Capital Limited with effect from 1 June 2023.

There are no circumstances under which a reduction of the Transaction Capital share price will trigger a forced sale of shares based on unrelated security pledged in respect of the facility. Other than as indicated above, none of the direct or indirect shareholdings of any of the directors has been encumbered pursuant to security, guarantee, collateral or otherwise.

Glossary

AGM	Annual general meeting
AI	Artificial intelligence
B-BBEE	Broad-based black economic empowerment
Board	The Transaction Capital board of directors
BPO	Business process outsourcing
CA	Chartered Accountant
CAGR	Compound annual growth rate
CCaas	Contact Centre as a Service
CEO	Chief executive officer
CFO	Chief financial officer
Companies Act	Companies Act, 71 of 2008, as amended
Core continuing earnings/ core continuing headline earnings	<p>All references to core earnings or losses, refer to core headline earnings/ losses and visa versa. Headline earnings adjusted for material items that are not considered to be part of normal operations such as:</p> <ul style="list-style-type: none"> Once-off transaction costs directly attributable to corporate activity Adjustments on put and call options over non-controlling interests Once-off or accelerated items, where these are reasonably expected not to re-occur in the ordinary course of business in future reporting periods Adding back specified headline earnings exclusions, if the gain/loss is considered part of Transaction Capital's normal operations

Covid-19	The novel Coronavirus
CPI	Consumer price inflation
cps	Cents per share
CRM	Customer relationship management
CSP	Conditional share plan
CTC	Cost to company
CX	Customer experience
DTI	Department of Trade and Industry
Deloitte	Deloitte & Touche
EBITDA	Earnings before interest, taxes, depreciation and amortisation
EPS	Earnings per share
ESE	Economic, social and environmental
ESEG	Environmental, socio-economic and governance
FCA	Financial Conduct Authority
FY	Financial year
GHG	Greenhouse gasses
Gomo	Gomo Vehicle Solutions Holdings Proprietary Limited
Group	Transaction Capital
HEPS	Headline earnings per share
HR	Human resources
IFRS	International Financial Reporting Standards

IP	Intellectual property
<IR> Framework	The International Integrated Reporting <IR> Framework
IT	Information and technology
JIBAR	Johannesburg Interbank Average Rate
JSE	JSE Limited (Johannesburg Stock Exchange)
King IV	King IV Report on Corporate Governance™ for South Africa, 2016
KPIs	Key performance indicators
LTI	Long-term incentive
MDU	Master Data Universe
Mobalyz	Comprises SA Taxi, Gomo and Road Cover
NPL	Non-performing loan
NPL portfolio	Non-performing consumer loan portfolios acquired by Nutun to be collected as principal
Nutun	Nutun Holdings Proprietary Limited (previously Transaction Capital Risk Services)
Nutun Investments	Nutun Investments Limited (formerly TransCapital Investments Limited)
PBD	Purchased Book Debts
PDL	Purchased debt ledger
ROE	Return on average equity
Road Cover	RC Value Added Services Holdings Proprietary Limited

RTC	Right to Collect
SA	South Africa
SANTACO	South African National Taxi Council
SA Taxi	SA Taxi Holdings Proprietary Limited
SDGs	United Nations Sustainable Development Goals
SENS	Stock Exchange News Service
SMEs	Small and medium-sized enterprises
STI	Short-term incentive
tCO₂e	Tonnes of carbon dioxide equivalent
TCRS	Transaction Capital Risk Services (now Nutun)
UK	United Kingdom
US	United States
VWAP	Volume-weighted average price
WeBuyCars	WBC Holdings Proprietary Limited
ZAR	South African Rand

Corporate information

Share code: TCP	ISIN: ZAE000167391	JSE Limited sector: Financial Services	Listing date: 7 June 2012
Year end: 30 September	Company registration number: 2002/031730/06	Country of incorporation: South Africa	



Directors

Executive

Jonathan Jawno (CEO)
Mark Herskovits (CFO)
Michael Mendelowitz

Non-independent non-executive

Roberto Rossi

Independent non-executive

Suresh Kana (lead independent director)
Albertinah Kekana
Ian Kirk (chairman)
Diane Radley
Sharon Wapnick

Company secretary and registered office

Lisa Lill
115 West Street
Sandton, 2196

JSE sponsor

Investec Bank Limited
(Registration number 1925/002833/06)
100 Grayston Drive
Sandton, 2196
(PO Box 785700, Sandton, 2146)

Debt sponsor

Merchantec Capital
(Registration number 2008/027362/07)
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Sandton, 2196

Legal adviser

Edward Nathan Sonnenbergs Inc.
(Registration number 2006/018200/21)
150 West Street
Sandton, 2196
(PO Box 783347, Sandton, 2146)

Transfer secretary

Computershare Investor Services Proprietary Limited
(Registration number 2004/003647/07)
Rosebank Towers
15 Biermann Avenue
Rosebank, 2196
(Private Bag X9000, Saxonwold, 2132)

Independent auditor

PwC
(Practice number 901121)
4 Lisbon Lane, Waterfall City,
Jukskei View, 2090
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Transaction
Capital