

Capitec Bank Holdings Limited
Registration number 1999/025903/06
Registered bank controlling company
Incorporated in the Republic of South Africa
JSE ordinary share code: CPI ISIN code: ZAE000035861
JSE preference share code: CPIP ISIN code: ZAE000083838
("Capitec" or "the company")

Capitec Bank Limited
Incorporated in the Republic of South Africa
Registration No. 1980/003695/06
Company code: BICAP
Stock Code: CBL12
ISIN Code: ZAG000089038
Stock Code: CBL13
ISIN Code: ZAG000092560
Stock Code: CBL14
ISIN Code: ZAG000092552
Stock Code: CBL17
ISIN Code: ZAG000099359
Stock Code: CBL18
ISIN Code: ZAG000099367
Stock Code: CBL20
ISIN Code: ZAG000102245
Stock Code: CBL22
ISIN Code: ZAG000105305
Stock Code: CBL24
ISIN Code: ZAG000130881
Stock Code: CBL25
ISIN Code: ZAG000136110
Stock Code: CBL26
ISIN Code: ZAG000136128
Stock Code: CBL27
ISIN Code: ZAG000143884
Stock Code: CBL28
ISIN Code: ZAG000151333
("Capitec Bank")

**NON-BINDING OFFER TO ACQUIRE MERCANTILE BANK HOLDINGS LIMITED
AND ITS SUBSIDIARIES ("MERCANTILE")**

Shareholders are advised that Capitec Bank, the wholly-owned subsidiary of Capitec has made a non-binding offer to purchase Mercantile. Mercantile's core business offer is business banking to small- to medium-sized enterprises and entrepreneurs. The shareholder of Mercantile, Caixa Geral de Depositos, S.A., a Portuguese bank, wishes to divestment from non-core operations outside of Portugal, of which Mercantile is one such investment.

Capitec Bank is one of a number of interested parties whose non-binding offer to purchase Mercantile has been accepted. Capitec Bank will now commence with a formal, in-depth due diligence exercise to determine whether the opportunity

presented by Mercantile fulfils Capitec Bank's expectation to build the Capitec Bank business bank strategy.

Capitec will keep the market informed of developments as and when appropriate. Any proposed transaction will be subject to regulatory authority approvals.

Capitec continues to investigate strategic opportunities to enhance shareholder value and deliver to its commitment to the market in offering affordable, simple and transparent banking services.

18 June 2018
Stellenbosch
Sponsor PSG Capital