

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")

Company Code: BICAP  
Stock Code: CBL26  
ISIN Code: ZAG000136128  
Stock Code: CBL28  
ISIN Code: ZAG000151333  
Stock Code: CBL29  
ISIN Code: ZAG000158874  
("Capitec Bank" or "the bank")

**CONCLUSION OF THE TRANSFER OF THE ASSETS AND LIABILITIES OF MERCANTILE BANK LIMITED ("MERCANTILE") TO CAPITEC BANK**

Shareholders and investors are referred to announcements on SENS in 2019, the last of which was dated 7 November 2019, informing the market of the acquisition of Mercantile, a business bank that focusses on established small- to medium-sized enterprises and entrepreneurs.

The Boards of Capitec and Capitec Bank are pleased to advise that the assets and liabilities of Mercantile have been transferred to Capitec Bank in terms of section 54 of the Banks Act no 94 of 1990 ("the Integration"), effective today. The effect of the Integration is that the business of Mercantile is incorporated into Capitec Bank to form the bank's new business banking division. It will therefore no longer operate as a separate company. Mercantile's banking license will be cancelled by the Prudential Authority today and in due course an application will be made to the Companies and Intellectual Properties Commission to deregister Mercantile.

The Integration does not affect Capitec as Capitec Bank, now comprising a retail bank division and a business bank division, is consolidated at group level. Previously, the Capitec Bank group, including Mercantile as a subsidiary, was consolidated at Capitec group level.

The business bank division will continue to operate under Mercantile's branding as a division of Capitec Bank for the interim. The bank is developing an improved technology-driven offer to business clients based on its founding corner stones of simplicity, affordability, accessibility and personal service. The business bank division will be rebranded to Capitec Business once the improved offer is launched.

1 December 2020  
Stellenbosch

JSE Equity and Debt Sponsor PSG Capital