



Media Release

TymeBank finalises acquisition of leading fintech SME funder, Retail Capital

Retail Capital to become new division housing TymeBank's business banking offering.

[Johannesburg, 5 December 2022] TymeBank, South Africa's fastest growing digital bank with nearly 6 million customers, is pleased to announce that its acquisition of Retail Capital is now complete after it was granted all the necessary regulatory approvals. The bank has acquired 100% of Retail Capital, an award-winning fintech company that provides funding to small and medium-sized businesses, in a deal worth R1.5 billion. Work is now underway to integrate the organisations.

In terms of the acquisition, Retail Capital will become a division of TymeBank before the end of December 2022. Retail Capital's CEO Karl Westvig will join Tyme Group's executive committee and will be responsible for TymeBank's business banking and lending offerings.

Commenting on the transaction approval, TymeBank CEO Coen Jonker said: *"This is our first acquisition and the beginning of a new era for TymeBank as we branch out into working capital funding for small businesses. We are excited to welcome Karl and the Retail Capital team into the TymeBank family. TymeBank Business Banking is strengthened by a quality acquisition and a high calibre team and we look forward to making business banking and access to capital more affordable for South Africa's small business owners and entrepreneurs."*

There are no immediate plans to rebrand Retail Capital, which will continue to operate as usual.

"We want to maintain commercial momentum so we will focus on making the integration as seamless as possible, while meeting all the regulatory and reporting requirements of a single business," said Jonker.

Westvig will head up TymeBank's Business Banking division, which already has over 120 000 customers with a transactional business account that can be opened in under five minutes. TymeBank business customers benefit from zero monthly bank fees, free debit card and online purchase transactions, as well as free bulk payments, among other benefits. Business customers also have access to TymePOS, a mobile point-of-sale app that turns an NFC-enabled cellphone into a tap-and-go payment device.

Retail Capital lowers the barriers to accessing working capital for SMEs through an easy, three-step online application process. In the last 10 years Retail Capital has already provided more than 50 000 business owners in South Africa with over R7 billion in working capital, making it the largest SME funder of its kind in the sector.

"There is an incredible synergy between Retail Capital and TymeBank, starting with the ethos to provide affordable banking to consumers and businesses. The cultural fit is seamless and the power of Tyme's technology, distribution and deposits and Retail Capital's funding capabilities makes this a very natural partnership. Small businesses in particular require support to grow and employ more people, leading to a more prosperous future for us all," said Retail Capital CEO, Karl Westvig.

Notes to editors

As a softpos solution, **TymePOS** offers **market-leading next-day settlements** for merchants (industry standard is seven days). The app is available for download on the Google Play Store, and it takes a TymeBank Business Banking customer just two minutes for app on-boarding. Customers will then receive a merchant ID to start processing card payments within 24 hours.

TymeTrybe, a world-class financial community platform, equips business owners with a comprehensive range of business tools, accredited courses and other educational services as well as access to networking opportunities. This platform is still in pilot phase

Also in the pipeline is an innovative **web-based e-commerce app**, aptly named '**SellOnSocial**', that enables small merchants to **sell their wares on Facebook and Instagram**. A delivery service will be included as part of the offering.

About Retail Capital

Since its inception in 2011, Retail Capital has developed a robust risk decisioning process for small business funding products, launched a successful set of fintech partnerships, and developed the underlying technology for embedded funding solutions. They have also built an experienced executive and operational team, and are currently profitable and capital generative. Retail Capital has a high-touch relationship model as well as a low-touch POS-based embedded funding solution. Over the past decade, Retail Capital has funded more than 50 000 business owners with over R7bn to date.

About TymeBank

TymeBank is currently one of the world's fastest-growing digital banks, with more than 5.9 million customers since launching in February 2019. The bank is founded on simplicity, transparency and affordability and is designed to make digital banking accessible and affordable to all South Africans across the economic spectrum. Through a distribution partnership with Pick n Pay and Boxer, and more recently TFG, TymeBank has kiosks at retail stores which customers can use open a FICA compliant bank account in under five minutes. 600 TymeBank kiosks have been installed at TFG stores across the country.

TymeBank is majority owned by Dr Patrice Motsepe's African Rainbow Capital ('ARC'). Recent investors include Tencent, an internet and technology company based in China and CDC Group, the UK's development finance institution and impact investor. Others include UK based Apis Growth Fund II ('Apis'), a fintech private equity fund based in the UK, JG Summit Holdings (JG Summit) a Philippines based conglomerate owned by the Gokongwei family, African Fig Tree (AFT), a ring-fenced vehicle established by the founders along with key individuals, and the Ethos AI Fund. For more information, please visit www.tyembank.co.za.

About Tyme Group

Tyme is a multi-country digital banking group, focused on bridging the digital divide in emerging markets, by integrating into physical retail ecosystems. Headquartered in Singapore with offices in Hong Kong and Ho Chi Min City, Tyme designs, builds, and commercializes digital banks for the mass market, with a particular expertise in serving under-served and under-banked populations. Tyme's flagship operation is TymeBank, and has just launched its second bank, GOTyme, in the Philippines in October 2022. Tyme's hybrid model of digital banking and physical service makes banking accessible across the economic spectrum.

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