PSG GROUP LIMITED

31 August 2016
Interim Results Presentation

PSG GROUP CEO: PIET MOUTON
ZEDER CEO: NORMAN CELLIERS
PRIVATE EQUITY CEO: NICO DE WAAL

October 2016

DNA of PSG Group

PSG Group is an investment holding company

Financial

- **Capitec**
- **PSG Konsult**

Education

- **Curro**
  - **Impak**
  - **ITSI**
  - *Various CSI projects*

Food & Agri

- **Zeder portfolio**
  - **Pioneer Foods**
  - *Capespan*
  - *Zaad*
  - *Kaap Agri*
  - *Agrivision*
  - *Quantum Foods*

PSG has been good with **early-stage investments** – building businesses

Use **PSG Private Equity** to find new growth investments

PSG Group structure

Market Cap*: R46bn

PSG GROUP LIMITED

- 30.7% — CAPITEC BANK
- 56.4% — CURRO
- 61.7% — PSG KONSULT
- 42.4% — ZEDER INVESTMENTS LIMITED
- 100% — PSG PRIVATE EQUITY
- 49% — Dipeo Capital

** Market capitalisation as at 7 October 2016*

PSG Group is committed to South Africa

ADCOCK INGRAM: ANDREW HALL | ANGLO AMERICAN PLATINUM: CHRIS GRIFFITH | ARROWHEAD PROPERTIES: GERALD LEISSNER

BARCLAYS AFRICA: MARIA RAMOS | BIDCORP: BRIAN JOFFE | BIDVEST: LINDSAY RALPHS | CAPITEC BANK: GERRIE FOURIE

CIG: RAOUL GAMSU | CITY LODGE HOTELS: CLIFFORD ROSS | CORONATION FUND MANAGERS: ANTON PILLAY

CURRO HOLDINGS: CHRIS VAN DER MERWE | DISCOVERY: ADRIAN GORE | FIRSTRAND: JOHAN BURGER | GROWTHPOINT: NORBERT SASSE | HOLLARD: NIC KOHLER | IMPERIAL HOLDINGS: MARK LAMBERTI | INVESTEC PROPERTY FUND: NICK RILEY

INVESTEC LTD: STEPHEN KOSEFF | JSE: NICKY NEWTON-KING | KUMBA IRON ORE: THEMBA MKHWANAZI | LIBERTY: THABO DLOTI

MEDICLINIC INTERNATIONAL: DANIE MEINTJES | MMI HOLDINGS: NICOLAAS KRUGER | MR PRICE GROUP: STUART BIRD

MTN GROUP: PHUTHUMA NHLEKO | MURRAY & ROBERTS: HENRY LAAS | NANDOS: GEOFF WHYTE | NASPERS / MULTICHOICE: IMTIAZ PATEL | NEDBANK: MIKE BROWN | NETCARE: RICHARD FRIEDLAND | OLD MUTUAL: RALPH MUPITA | PIC: DANIEL MATJILA

PIONEER FOODS: PHIL ROUX | PSG GROUP: PIET MOUTON | PSG KONSULT: FRANCOIS GOUWS | RCL FOODS: MILES DALLY

REBOSIS PROPERTY FUND: SISA NGEBULANA | REMGRO: JANNIE DURAND | RICHEMONT: JOHANN RUPERT | RMI: HERMAN BOSMAN

SANLAM LIMITED: IAN KIRK | SANTAM: LIZÉ LAMBRECHTS | SASOL: BONGANI NQWABABA, STEPHEN CORNELL

STANDARD BANK GROUP: SIM TSHABALALA, BEN KRUGER | STEINHOFF / WIESE GROUP COMPANIES: CHRISTO WIESE

SUN INTERNATIONAL: GRAEME STEPHENS | TELKOM: SIPHO MASEKO | THE SPAR GROUP: GRAHAM O'CONNOR

VODACOM GROUP: SHAMEEL JOOSUB | ZEDER INVESTMENTS LIMITED: NORMAN CELLIERS

Growth potential – low market share, low gearing

	CAPITEC BANK	PSG KONSULT	CURRO	PIONEER FOODS
Best management team *	✓✓✓	✓✓✓	✓✓✓	✓✓✓
Low market share	~2.5% of consumer credit book	• <5% wealth mgmt • ~2% asset mgmt • ~1% short-term ins	0.3% of school learners	Product basket contains varying market shares
Ability to grow market share	✓✓✓	✓✓✓	✓✓✓	✓
Low gearing	• 34% CAR • R27bn cash on B/S	Debt to Equity: 0.2%	Debt to Equity: 26%	Debt to Equity: 12%

** Relative to competitors in the specific industry – subjective opinion*

PSG has ~R1.7bn cash available for further investments

Sum-of-the-parts (SOTP)

Asset/Liability	Feb 2015 Rm	Feb 2016 Rm	**Aug 2016 Rm**	**7 Oct 2016 Rm**	% *of total*
Capitec *	14,549	16,820	20,673	24,183	*47%*
Curro *	6,236	9,773	9,519	10,749	*21%*
PSG Konsult *	5,710	5,441	5,687	5,516	*11%*
Zeder *	3,712	2,815	3,591	5,244	*10%*
PSG Private Equity +	1,246	1,367	1,729	1,766	*3%*
Dipeo +	603	557	689	741	*1%*
PSG Corporate *(incl. PSG Capital)* ++	1,398	1,510	1,418		
Other assets *(incl. cash and pref investments)* ^	2,031	4,358	3,580	3,497	*7%*
Total assets	35,485	42,641	46,886	51,696	*100%*
Perpetual pref funding *	(1,411)	(1,309)	(1,367)	(1,341)	
Other debt ^	(679)	(949)	(950)	(958)	
Total SOTP value	33,395	40,383	44,569	49,397	
Shares in issue *(net of treasury shares)* (m)	204.5	216.3	216.3	216.3	
SOTP value per share (R)	163.28	186.67	206.01	228.32	

** Listed on the JSE Ltd* *+ SOTP value* *++ Valuation* *^ Book value*

Note: PSG's live SOTP is available at www.psggroup.co.za

SOTP: Other assets

	7 Oct 2016 Rm
Cash	1,651
Preference share investment in Dipeo	947
Loans receivable	896
Other *(fixed assets & receivables, net of payables & provisions)*	3
Total other assets	**3,497**

PSG Group’s gearing and interest cover

	31 Aug 16
Gearing* as % of PSG Group’s consolidated BS Net Asset Value (NAV)	**16.2%**
Gearing* as % of PSG Group’s SOTP value	**5.2%**
Interest cover**	**4.4x**

** Incl. perpetual pref funding at MV*
*** Calculated using free cash flow*

Conclusion:

- PSG Group is conservatively geared (prudent given market uncertainty)
- Has significant capacity for further debt if needed

Recurring headline earnings

	6 months ended			Year ended
	Aug 15		**Aug 16**	Feb 16
	Rm	*Growth*	**Rm**	Rm
Capitec	451	*19%*	**538**	989
Curro*	29	*62%*	**47**	58
PSG Konsult	116	*14%*	**132**	254
Zeder	75	*5%*	**79**	212
PSG Private Equity	47	*4%*	**49**	113
Dipeo			**(3)**	(28)
PSG Corporate *(incl. PSG Capital)*	41	*(7%)*	**38**	69
Other *(mainly pref div income)*	46	*11%*	**51**	101
Recurring headline earnings before funding	805	*16%*	**931**	1,768
Funding *(net of interest income)*	(84)	*(42%)*	**(49)**	(148)
Recurring headline earnings	721	*22%*	**882**	1,620

** 6 months ended 30 June; Dec Y/E*

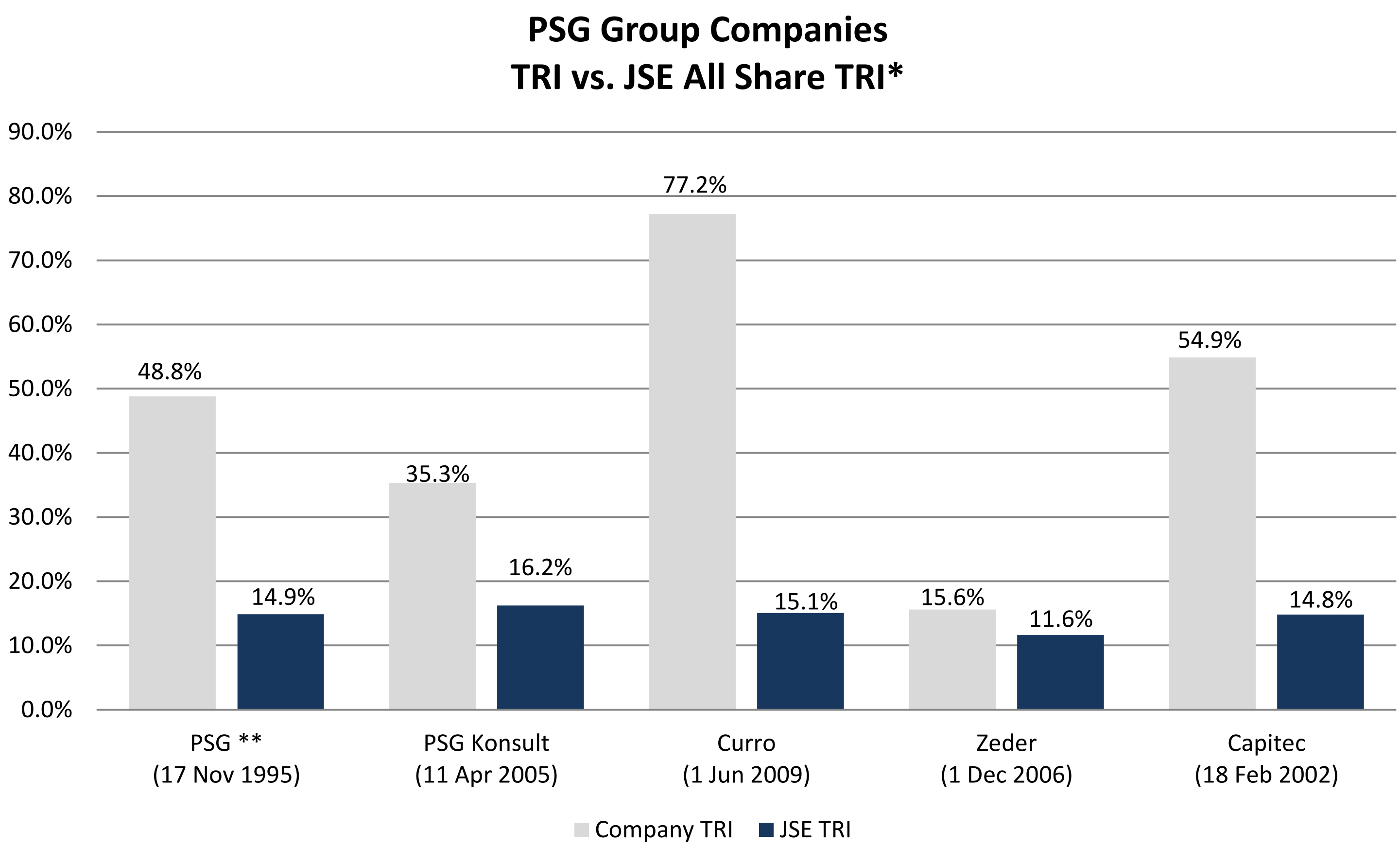
Headline earnings

	6 months ended			Year ended
	Aug 15		**Aug 16**	Feb 16
	Rm	*Growth*	**Rm**	Rm
Recurring headline earnings	721	*22%*	**882**	1,620
Non-recurring items	139	*(9%)*	**126**	(250)
Headline earnings	860	*17%*	**1,008**	1,370
***Non-recurring* items consist of:**				
Unrealised MTM on Dipeo's share portfolio	112		**132**	(170)
Zeder performance fee	81			
PSG Konsult legacy tax settlement				(72)
Other	(54)		**(6)**	(8)
	139		**126**	(250)

Per share stats

	6 months ended			Year ended
	Aug 15		**Aug 16**	Feb 16
	Rm	*Growth*	**Rm**	Rm
Recurring headline earnings	721	*22%*	**882**	1,620
Non-recurring items	139	*(9%)*	**126**	(250)
Headline earnings	860	*17%*	**1,008**	1,370
Non-headline items	2	*700%*	**16**	113
Attributable earnings	862	*19%*	**1,024**	1,483
Weighted average number of shares in issue *(net of treasury shares)* (m)	203.4	*5%*	**214.2**	205.7
Earnings per share (cents)				
- Recurring headline (RHEPS)	355	*16%*	**412**	788
- Headline	423	*11%*	**471**	666
- Attributable	424	*13%*	**478**	721
Dividend per share (cents)	100	*25%*	**125**	300

Long-term performance: Total Return Index (TRI)



* *Measured since the respective dates noted until 31 August 2016*

** *Capitec unbundling in November 2003 treated as a dividend*

Benchmarking: H1FY17 RHEPS to H1 prior years

Company	1 year*	3 years*	5 years*
PSG Group	16%	28%	25%
Capitec	19%	29%	24%
Curro	51%	61%	n/a
PSG Konsult	13%	23%	23%
Zeder	(3%)	17%	3%
Pioneer	6%	30%	15%

** Compound annual growth rate in H1 RHEPS*

Company	1 year*	3 years*	5 years*
PSG Group	3	4	1
Capitec	2	3	2
Curro	1	1	n/a
PSG Konsult	4	5	3
Zeder	6	6	5
Pioneer	5	2	4

Strong growth in RHEPS from the majority of our core investments

- Zeder's H1FY17 RHEPS affected negatively largely by the drought in Southern Africa

Benchmarking: TRI measured in Rand

Company	1 year*	3 years*	5 years*
PSG Group	(4%)	41%	35%
Capitec	22%	49%	29%
Curro	20%	34%	67%
PSG Konsult	(16%)	28%	41%
Zeder	(11%)	20%	24%
Pioneer	(13%)	33%	26%
JSE ALSI Index	9%	11%	15%

** Compound annual growth rate*

Company	1 year*	3 years*	5 years*
PSG Group	4	2	3
Capitec	1	1	4
Curro	2	3	1
PSG Konsult	7	5	2
Zeder	5	6	6
Pioneer	6	4	5
JSE ALSI Index	3	7	7

- All our major group companies outperformed the JSE over 3 and 5 years
- In the short term (1 year) – PSG Konsult has underperformed due to tough equity markets; Pioneer and Zeder have underperformed largely due to the impact of the drought in Southern Africa

Benchmarking: TRI measured in US Dollar

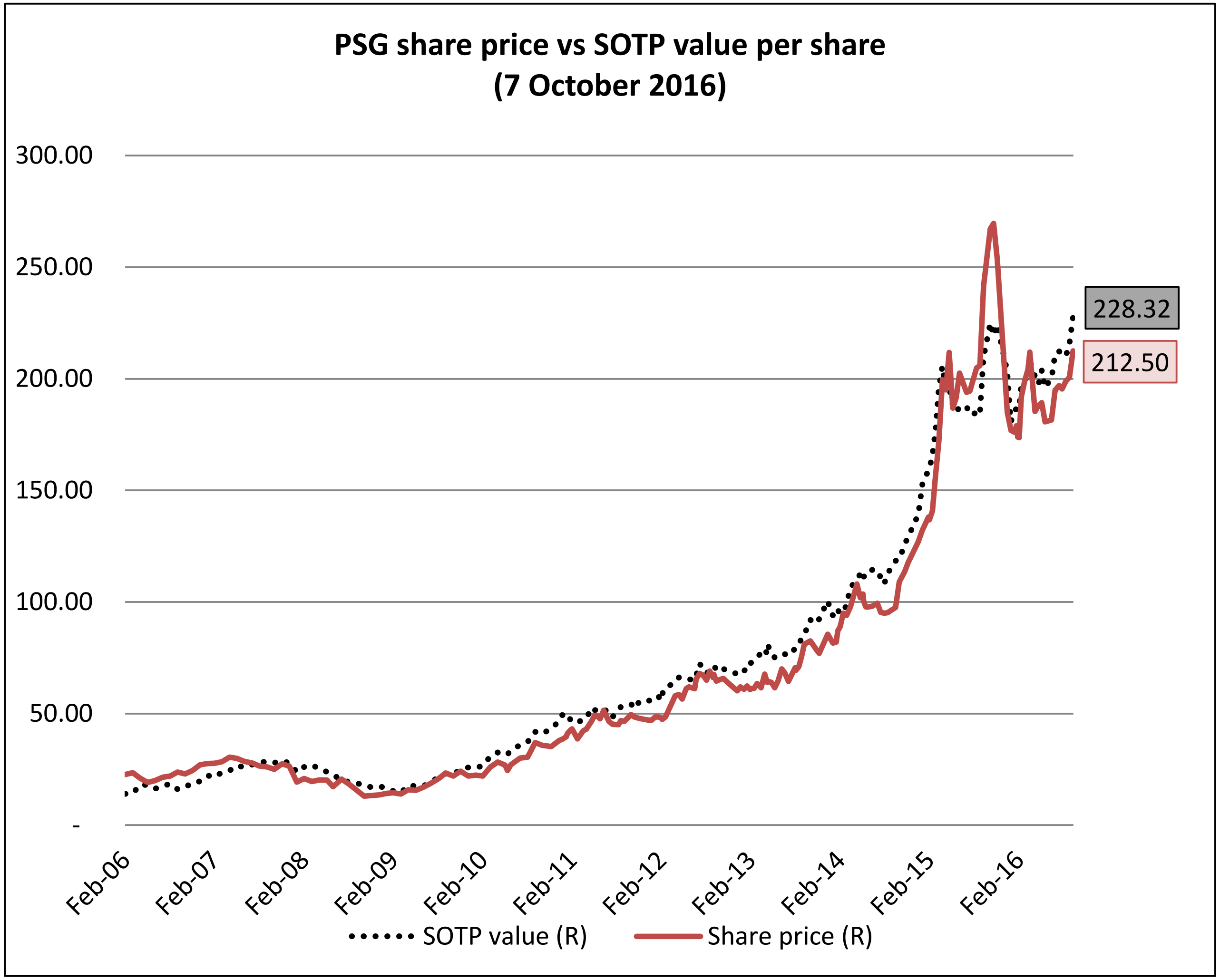
Company	1 year*	3 years*	5 years*
PSG Group	(13%)	25%	16%
Capitec	10%	33%	12%
Curro	8%	19%	44%
PSG Konsult	(24%)	13%	22%
Zeder	(20%)	6%	7%
Pioneer	(21%)	18%	9%
MSCI EM	12%	1%	0%

** Compound annual growth rate*

Company	1 year*	3 years*	5 years*
PSG Group	4	2	3
Capitec	2	1	4
Curro	3	3	1
PSG Konsult	7	5	2
Zeder	5	6	6
Pioneer	6	4	5
MSCI EM	1	7	7

- All of the major group companies have outperformed the MSCI EM Index in USD terms over 3 and 5 years
- In the short term (1 year), following the depreciation of the Rand (~11%) against the USD and strong performance of the MSCI EM Index, none of our major group companies managed to outperform the MSCI EM Index

PSG Group SOTP vs share price



Discount

Latest discount ~7%
12-month average discount ~2%

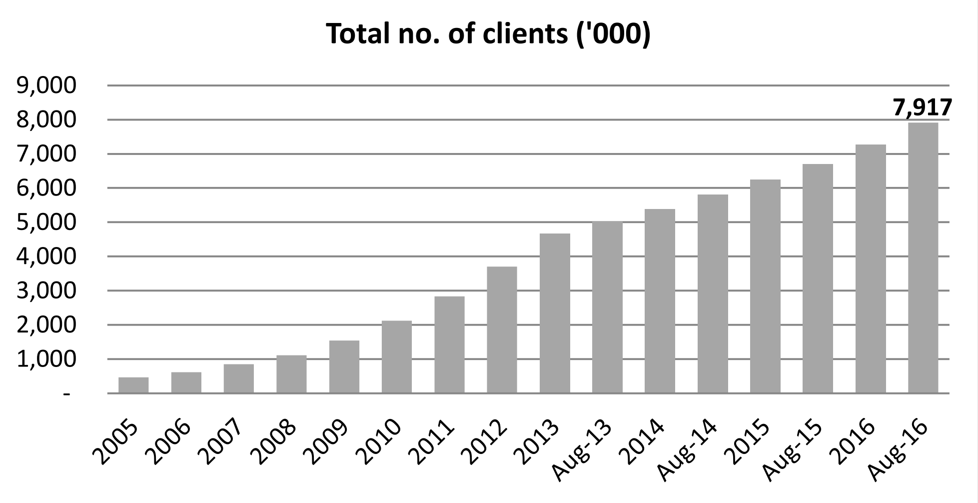
Liquidity (per annum)	
Aug 2016	42%
Feb 2016	47%
Feb 2015	17%
Feb 2014	10%
Feb 2013	13%
Feb 2012	8%

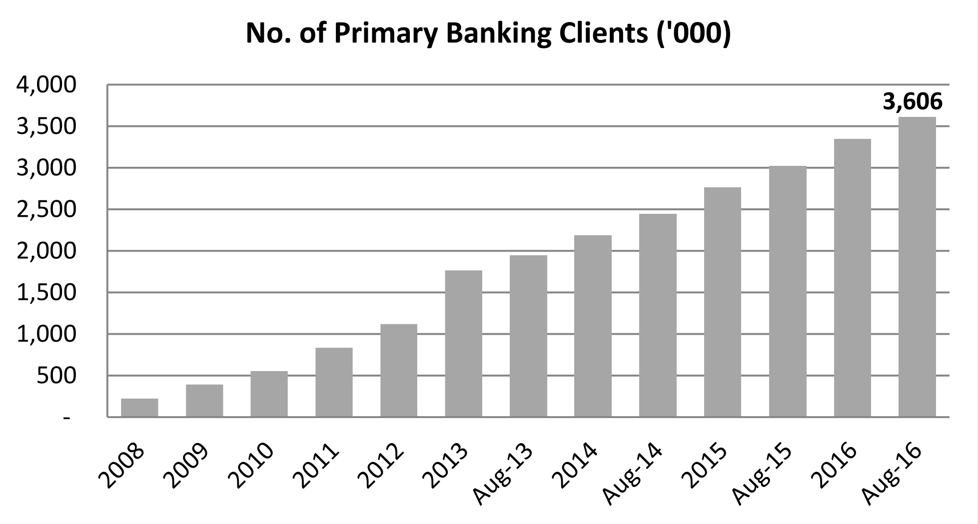
CAPITEC
BANK

Simplicity is the ultimate sophistication

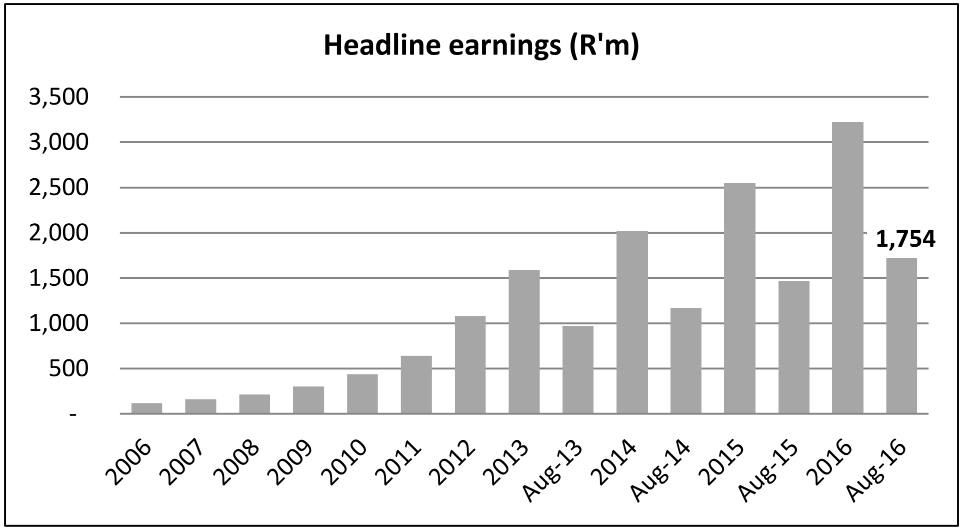
Key metrics

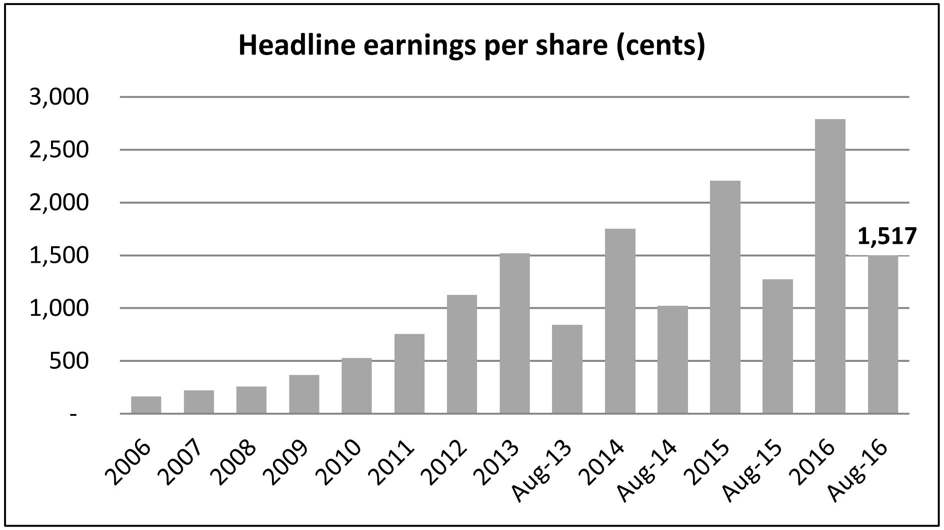
- Past year:
  - Total clients ↑**1.2m** to **7.9m**
  - Primary banking clients ↑**0.6m** to **3.6m**
    - AMPS (Dec 15) estimates our share at **22.4%**
    - Lower market share in Gauteng: **19%**
    - Significant growth potential in higher income groups
- Increased distribution since Feb:
  - Branches ↑**31** to **751**
  - ATMs & DNRs ↑**222** to **3,927**
- Remote banking:
  - Active USSD clients: **2.9m**
  - Activated app clients: **1.1m**
  - Free data while using app plus added functionality
  - Wi-Fi in branches & self help terminals

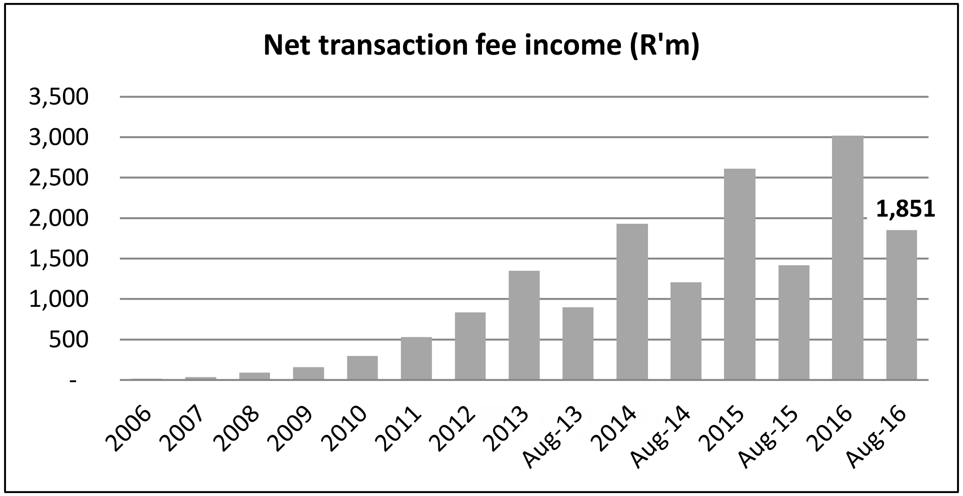


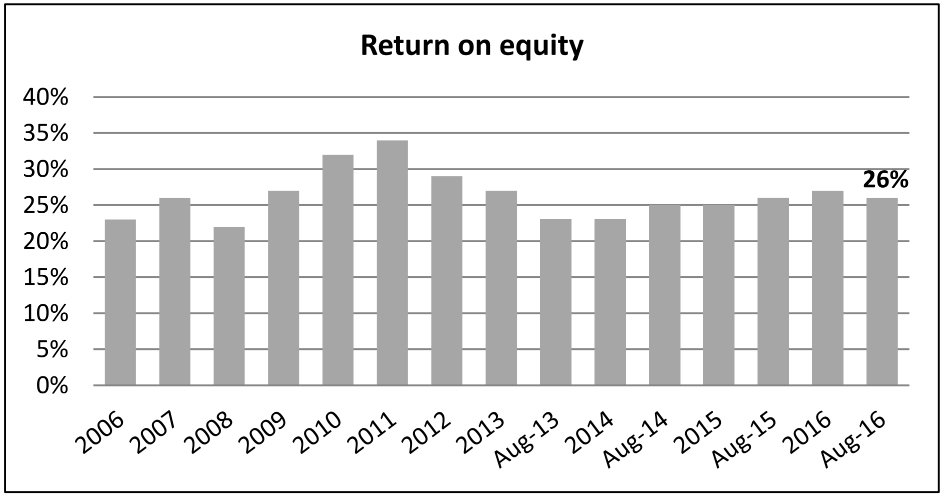


Key financials



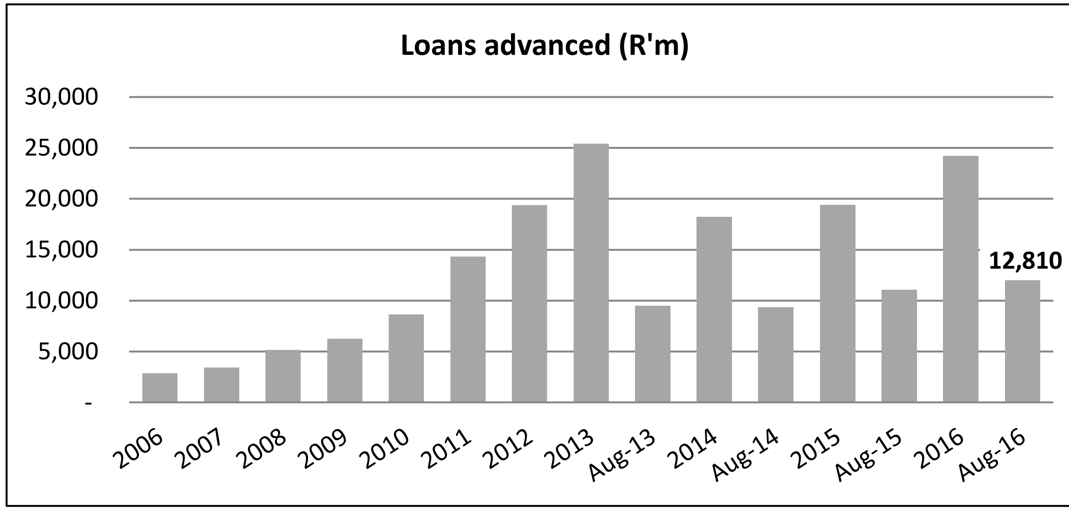


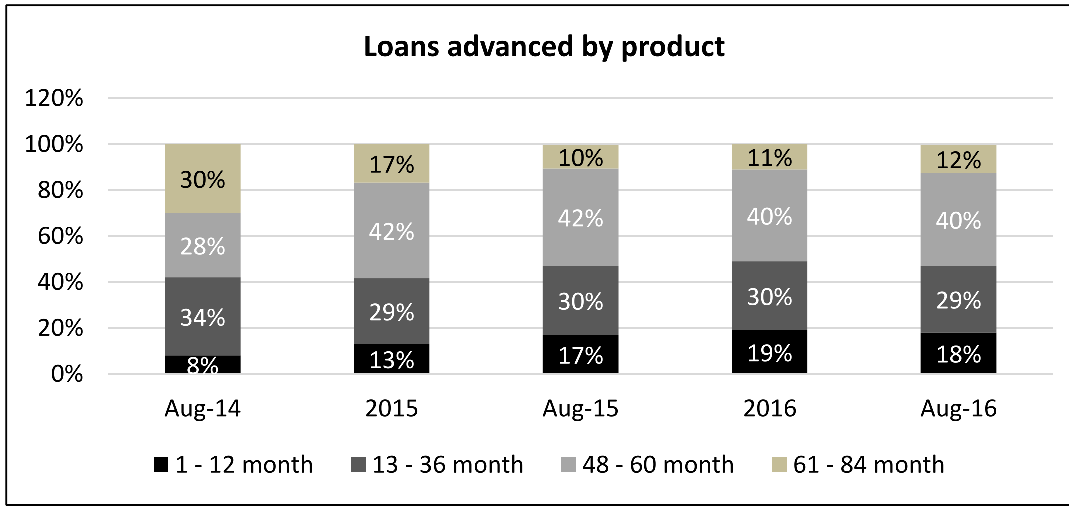




Credit

- Challenging economic conditions resulted in continued tightening of credit granting criteria:
  - Lending to better quality clients
  - Fewer high-risk, low value, shorter-term loans were granted
- Resulting in:
  - 5% year-on-year decrease in the number of loans granted
  - An increase in the average size of new loans to **R7,487** (Aug 2015: **R6,157**; Feb 2016: **R6,577**)
- The overall term of the outstanding book shortened slightly to **39** months at Aug 2016 (Aug 2015: **41** months; Feb 2016: **40** months)





Arrears and provisions

		Aug 15	Feb 16	**Aug 16**
Gross loans and advances ("GLA")	Rm	37,898	40,891	**42,812**
Loans past due (arrears)	Rm	1,781	2,297	**2,561**
Arrears to gross loans and advances		4.7%	5.6%	**6.0%**
Arrears rescheduled < 6 months	Rm	1,167	1,542	**1,645**
Arrears and arrears rescheduled < 6 months to GLA		7.8%	9.4%	**9.8%**
Rescheduled from current < 6 months	Rm	1,542	1,818	**1,535**
Arrears and all rescheduled < 6 months to GLA	Rm	11.7%	13.8%	**13.4%**
Provisions for doubtful debts	Rm	4,249	5,131	**5,874**
Provisions for doubtful debts to GLA		11.2%	12.5%	**13.7%**
Arrears coverage ratio		239%	223%	**229%**
Arrears and arrears rescheduled < 6 months coverage ratio		144%	134%	**140%**
Arrears and all rescheduled < 6 months coverage ratio		95%	91%	**102%**

Rescheduling

CAPITEC BANK

Why does Capitec reschedule?

- Mitigate credit risk
- Arrears clients contacted show a willingness to pay
- Non-arrears clients contact us with intent
- Effective collection strategy
- More profitable
- Client retention

Why do clients reschedule?

- Overcome temporary cash flow shortage
- Reduce monthly payment obligation – temporary or for the remainder of the loan
- Catch up
- Administrative purposes

Monitored

Managed actively

Disclosed and reported

Provision for doubtful debts:

- Contractually current
- Higher provisions maintained for arrears and non-arrears rescheduled clients
- All the client's loans treated as rescheduled
- Arrears provision maintained over rehabilitation period

Example of provision:

- Current, not rescheduled 8%
- Current, rehabilitated 14%
- Arrears (two instalments) 79%
- Difference 65%
- Release 11% per month

Capital / Liquidity

CAPITEC BANK

Well capitalised

- Diversified funding base:
  - Strong retail deposit growth of **R8.4bn** to **R43.0bn**
- Early compliance with Basel III liquidity ratios
- Capital adequacy ratio at **34%**
- Healthy liquidity:
  - **R27bn** in cash *(**41%** of assets)*

The way forward

Key areas

Economy and Credit

- Price sensitivity
- Need for responsible credit
- Granting credit correctly
- Managing credit effectively

Banking Clients

- Maintain value for money and brand acceptance
- Gain market share in higher income segments
- Optimise our existing client base better
- Move clients to remote and self-help platforms

Operational Focus

- Service
- Business development to handle change
- Increase product range
- Innovation

Credit Card

- One card for all your banking
- Available in minutes, active immediately
- Complete control using the banking app
- **5.35 – 5.9%** interest on positive balance
- Competitively priced

PSG Konsult

PSG Konsult Structure

PSG Group
61.7%

Other
38.3%

PSG Konsult

PSG Wealth*
100%

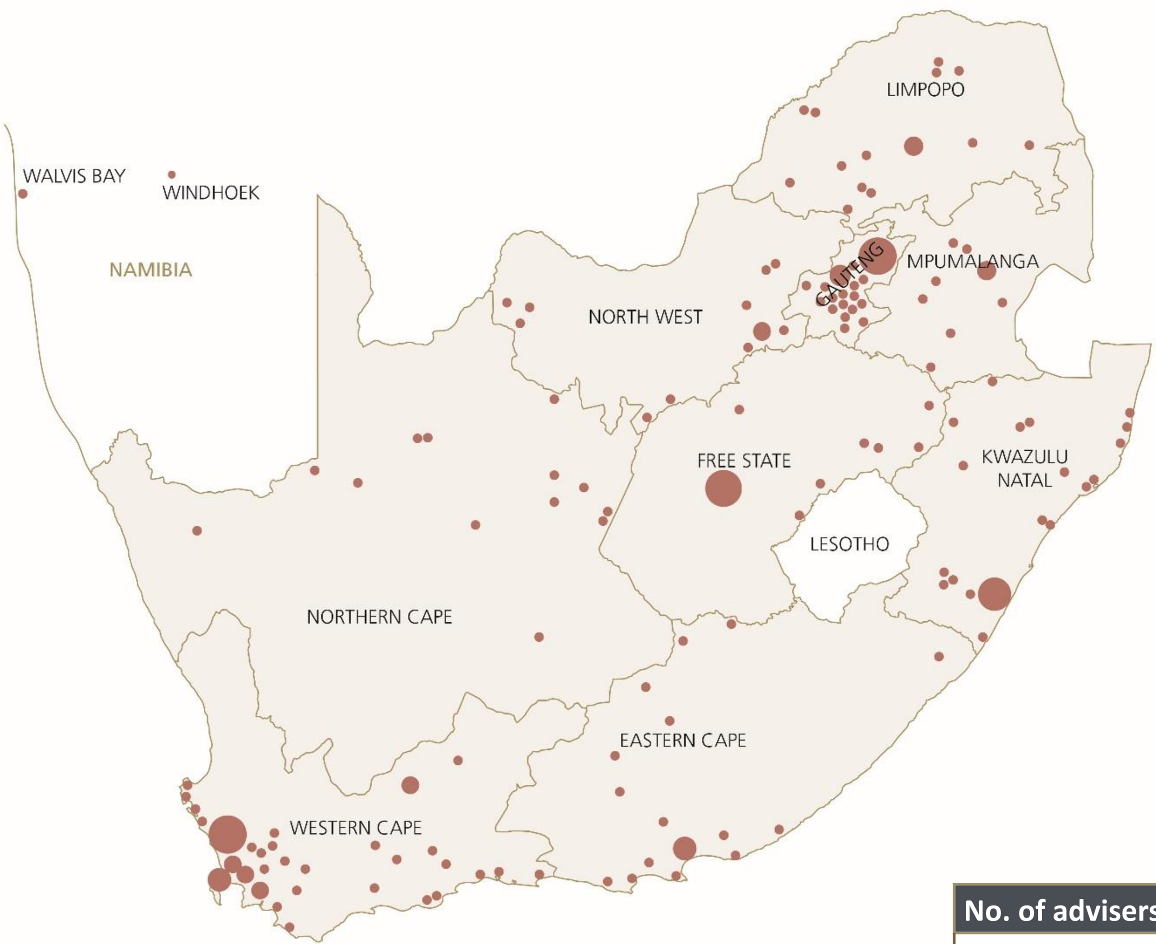
PSG Asset Management
100%

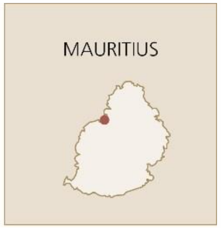
PSG Insure**
100%

* Includes PSG Employee Benefits
** Includes Western National Insurance

A great company

Wealthy clients serviced where they reside





207
Adviser offices

738
Advisers

No. of advisers	H1 2014	H1 2015	H1 2016	H1 2017
PSG Wealth	391	419	443	505
PSG Insure	219	210	224	233
Total	**610**	**629**	**667**	**738**

Source: PSG Distribution

H1 2017 financial results overview

Consolidated results	H1 2014 Rm	%Δ	H1 2015 Rm	%Δ	H1 2016 Rm	%Δ	H1 2017 Rm
Headline earnings	**109**	**34%**	**145**	**28%**	**187**	**15%**	**214**
Recurring headline earnings	**109**	**36%**	**147**	**27%**	**187**	**15%**	**214**
Weighted average no. of shares (millions)	1,221	3%	1,260	1%	1,267	2%	1,290
HEPS (Cents)	**8.9**	**30%**	**11.5**	**28%**	**14.7**	**13%**	**16.6**
Recurring HEPS (Cents)	**8.9**	**32%**	**11.7**	**26%**	**14.7**	**13%**	**16.6**

Assets under management (Rand billion)	**85**	**44%**	**122**	**16%**	**142**	**18%**	**167**
Assets under administration (Rand billion)	**202**	**32%**	**266**	**21%**	**321**	**10%**	**354**
Premiums (Rand billion) *	**0.9**	**11%**	**1.0**	**20%**	**1.2**	**8%**	**1.3**

* Excludes Short-term administration platform gross written premium to avoid duplication

 Source : PSG Finance

Headline earnings by division

Headline earnings*	H1 2014 Rm	%Δ	H1 2015 Rm	%Δ	H1 2016 Rm	%Δ	H1 2017 Rm
Wealth	71	*32%*	94	*28%*	120	*17%*	141
Asset Management	21	*63%*	34	*37%*	46	*2%*	47
Insure	17	*4%*	17	*16%*	21	*29%*	26
Total	**109**	***34%***	**145**	***28%***	**187**	***15%***	**214**

* Includes amortisation of intangibles of H1 2017: R21m (H1 2016: R16m; H1 2015: R15m, H1 2014: R11m)
Note: Recurring & headline earnings the same for H1 2017. (All figures rounded to nearest R million)

 Source: PSG Finance

Wealth plans

Growing and protecting client wealth

Excellence in products & services

Top advisers

Superb platform

Wealth assets split (Rm)	FY 2016	Market movement	Net flows	H1 2017	%Δ
Third party funds *	43 120	1 410	3 580	48 110	*12%*
PSG Multi Managed **	47 569	1 831	2 752	52 152	*10%*
Discretionary	35 709	1 316	1 844	38 869	*9%*
Total managed assets	**126 398**	**4 557**	**8 176**	**139 131**	***10%***
Non discretionary	160 782	12 427	893	174 102	*8%*
Third party administration	12 067	668	-373	12 362	*2%*
Total wealth assets	**299 247**	**17 652**	**8 696**	**325 595**	***9%***

* Includes PSG advisers single managed funds of R5.4bn for Feb 2016 and R5.4bn for Aug 2016
** Includes PSG single managed funds of R5.6bn for Feb 2016 and R6.2bn for Aug 2016

 Source: PSG Wealth

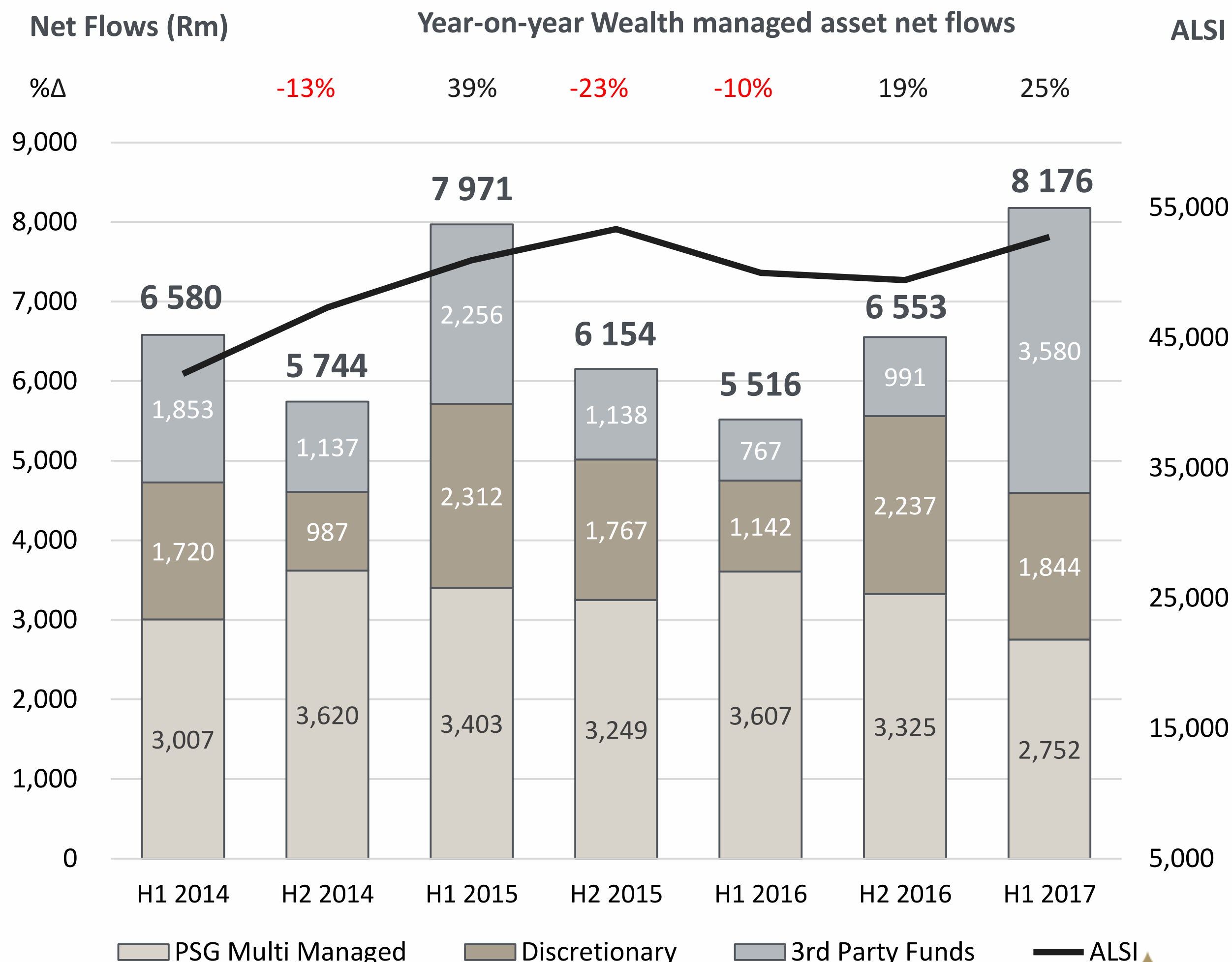
Wealth

Excellence in products and services

Independent process with advisers' oversight

Rapid growth in advisers

Negotiation with product providers



 Source: PSG Wealth, Bloomberg

Top advisers

We continue to add top advisers to our PSG Wealth distribution business

Wealth advisers (incl. EB)	H1 2014*	H2 2014*	H1 2015*	H2 2015*	H1 2016	H2 2016	H1 2017
Balance – opening	384	391	406	419	434	443	480
Net movement	7	15	13	15	9	37	25
Balance – closing	**391**	**406**	**419**	**434**	**443**	**480**	**505**
Growth	***2%***	***4%***	***3%***	***4%***	***2%***	***8%***	***5%***

* *Restated to exclude advisers moved from Wealth to Insure during FY2016*

- Up scale existing offices via new hires
- Greater penetration selected area
- Growth in number of advisers & average book size
  - Financial advisers new home at PSG – unlocking and creating value for clients and themselves
  - Well positioned to support advisers: Open architecture, stable systems, risk & regulatory compliance allowing advisers to focus on client interaction

 Source: PSG Wealth

Asset Management plans

Net new money at acceptable margin

Focused marketing

Investment performance

Superb platform

AM assets split (Rbn)	FY 2016	Market movement	Net flows	H1 2017	%Δ
PSG Single manager **	20 584	1 317	-219	21 682	*5%*
PSG Money market and related assets ***	5 187	-	-597	4 590	*-12%*
PSG Segregated Portfolios ****	1 976	161	-200	1 937	*-2%*
Total assets under management	**27 747**	**1 478**	**-1 016**	**28 209**	***2%***
Administered assets *	47 644	1 825	2 749	52 218	*10%*
Total AM assets	**75 391**	**3 303**	**1 733**	**80 427**	***7%***

* Excluded from total PSG assets under administration to eliminate duplication and white-labels (R66m at 31-Aug-16)
** Includes PSG Advisers single managed funds of R4.2bn for Feb 2016 and R4.4bn for Aug 2016
*** Includes PSG Advisers single managed funds of R1.1bn for Feb 2016 and R1.1bn for Aug 2016
**** Majority of this outflow relates to an execution only institutional client

 Source: PSG Asset Management

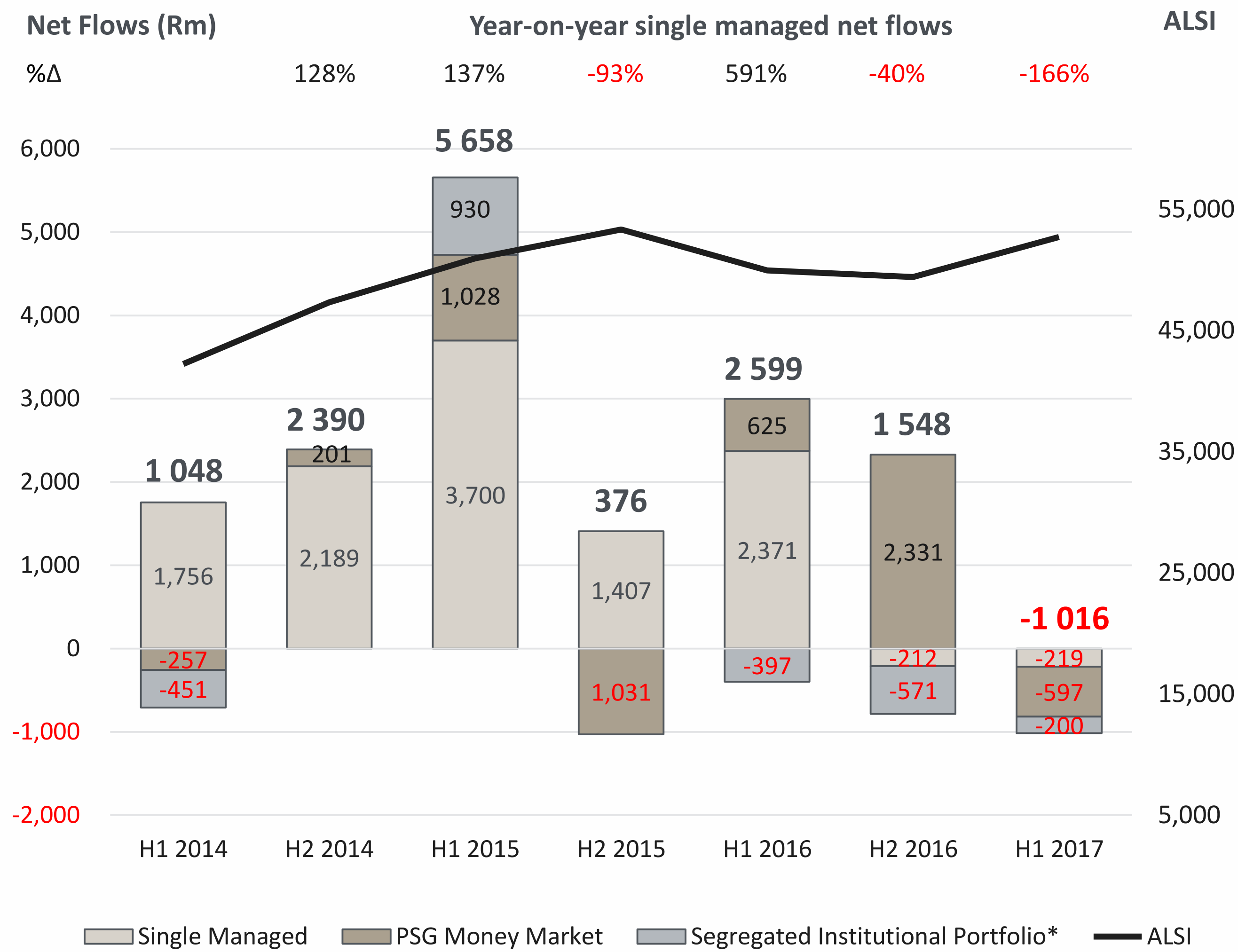
Asset Management

'Brick by Brick' strategy

Long-term assets (retail emphasis)

Getting adequate margins

Protect our capacity



* Includes private clients and segregated money market portfolios

 Source: PSG Asset Management, Bloomberg

Asset Management

Improving short- and long-term performance

Single manager funds	Performance	1-month rank	3-months rank	6-months rank	1-year rank	3-year rank	5-year rank	10-year rank
PSG Flexible	Rank	11	13	10	6	8	13	5
	Return	2.0%	1.1%	9.2%	11.0%	13.4%	16.2%	14.7%
PSG Equity A	Rank	21	8	11	67	29	10	21
	Return	1.5%	2.7%	12.8%	6.3%	11.8%	16.8%	12.1%
PSG Balanced A	Rank	28	16	45	61	27	23	14
	Return	1.6%	0.9%	7.2%	8.4%	11.3%	14.1%	11.1%
PSG Stable	Rank	66	19	28	43	58	N1	N1
	Return	1.1%	1.1%	5.5%	8.3%	8.5%		

N1 – The PSG Stable fund does not have a 5/10-year history

1st Quartile
3rd Quartile
2nd Quartile
4th Quartile

 Source : MorningStar August 2016 report

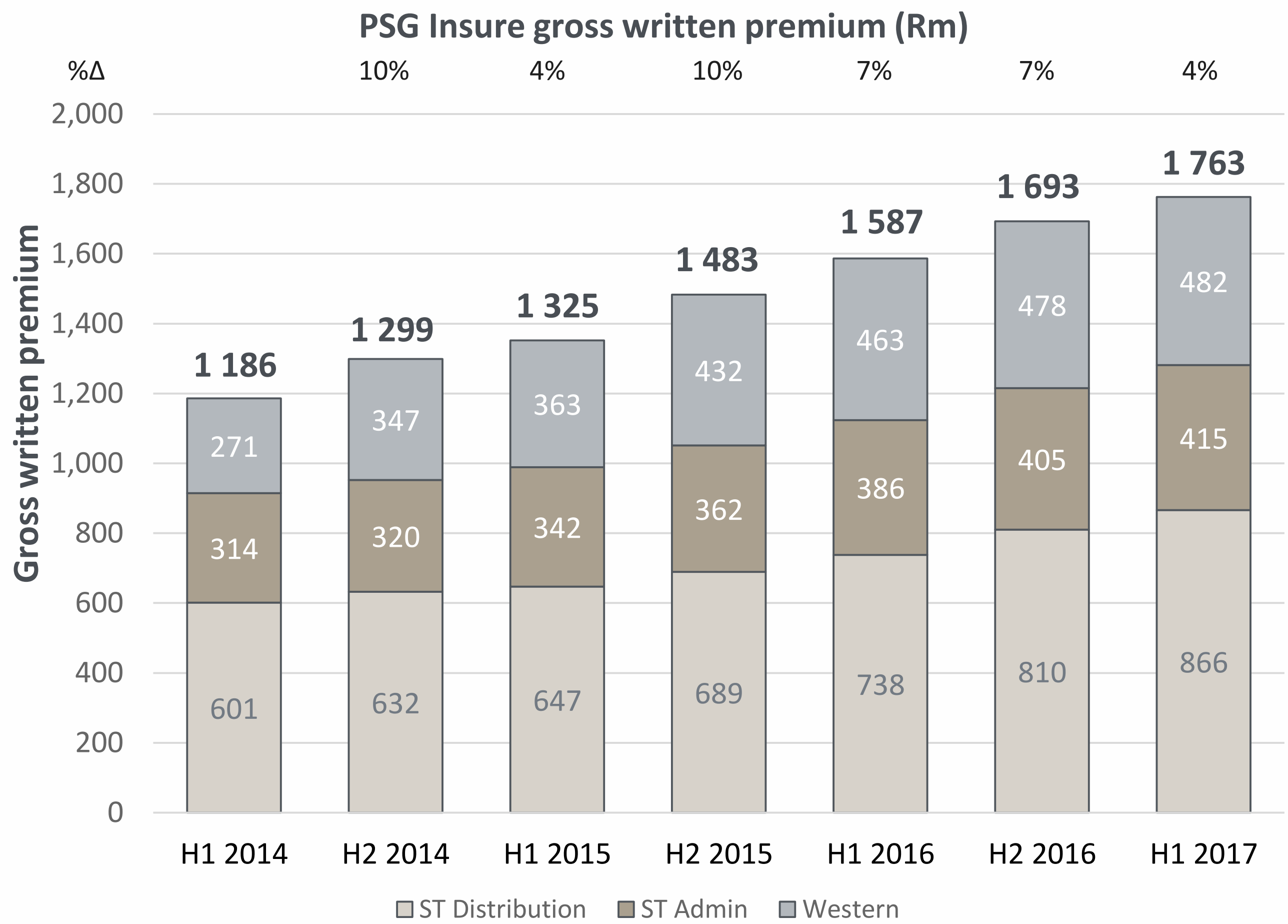
Insure

Grow gross written premium income

Top advisers

Excellence in underwriting

Superb platform



Western acquisition – Nov'12

* Includes Short-term administration platform gross written premium

 Source: PSG Insure

Top advisers

We continue to add top advisers to our PSG Insure distribution business

Insure advisers	H1 2014*	H2 2014*	H1 2015*	H2 2015*	H1 2016	H2 2016	H1 2017
Balance – opening	229	219	212	210	225	224	231
Net movement	-10	-7	-2	15	-1	7	2
Balance – closing	**219**	**212**	**210**	**225**	**224**	**231**	**233**
Growth	***-4%***	***-3%***	***-1%***	***7%***	***0%***	***3%***	***1%***

* *Restated to exclude advisers moved from Wealth to Insure during FY2016*

- Greater penetration selected area
- Growth in number of advisers & average book size
  - Financial advisers new home at PSG – unlocking and creating value for clients and themselves
  - Well positioned to support advisers: Open architecture, stable systems, risk & regulatory compliance allowing advisers to focus on client interaction

 Source: PSG Insure

Western National Insurance

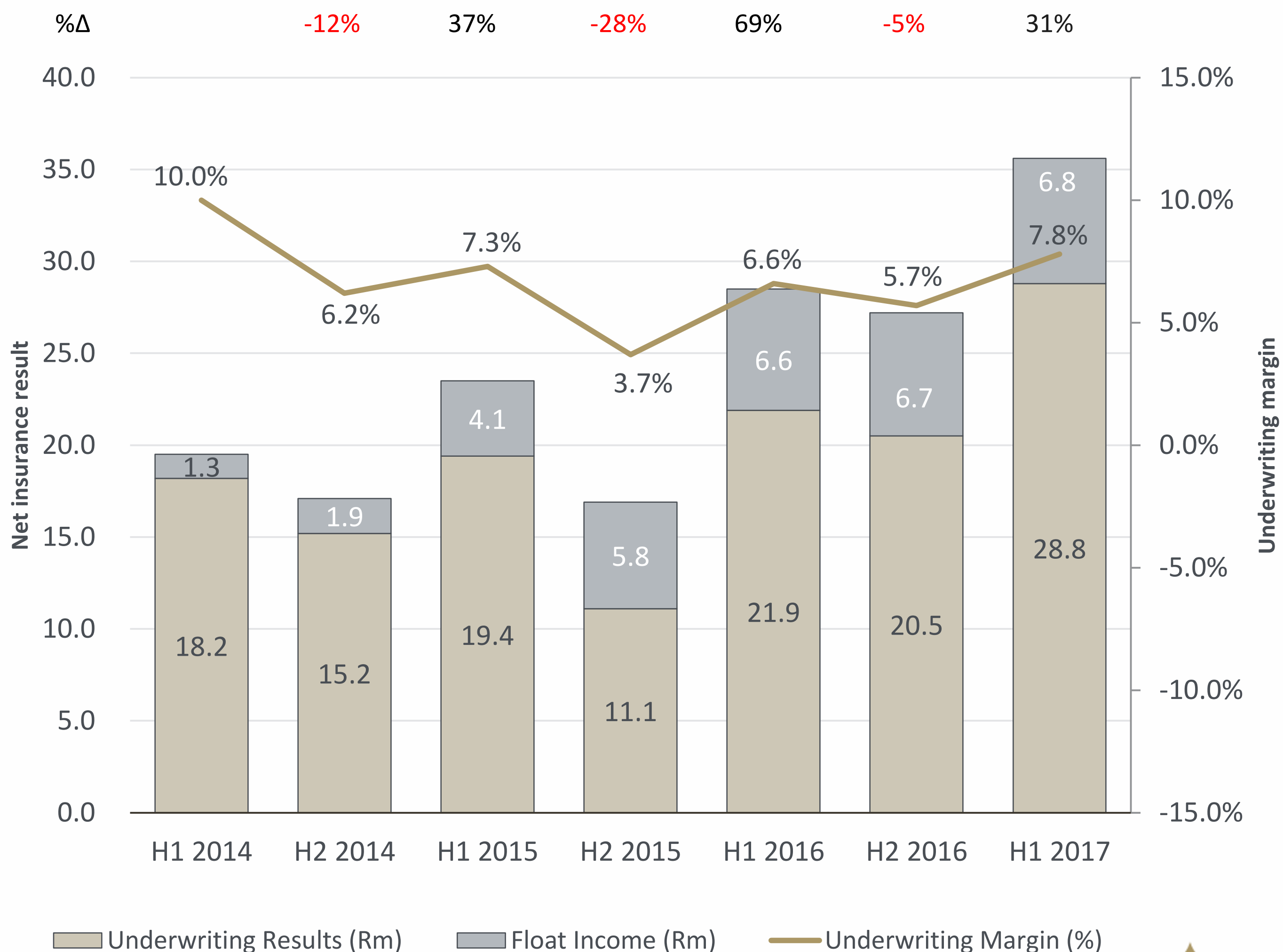
Insurance results

Key differentiators

- Personalised service to brokers
- Focus on commercial business

Excellence in underwriting

- Healthy insurance float level of R474m*
- Limited insurance and investment risk retention levels



* Conventional float R129m & ART float R345m

 Source: PSG Insure

Reducing risk

Recurring revenues → Margin enhancing → Risk vs return

	H1 14	H1 15	H1 16	H1 17
Perf fees/HE	10.2%	7.0%	7.5%	6.6%
Recurring HEPS	8.9c	11.7c	14.7c	16.6c

	H1 14	H1 15	H1 16	H1 17
Op margin	13.0%	14.1%	14.2%	14.3%
Op margin (excl perf fees)	11.8%	13.5%	13.4%	13.5%
C:I %	66.2%	63.0%	63.0%	63.6%

	H1 14	H1 15	H1 16	H1 17
ROE	23.8%	24.0%	23.9%	22.9%
ROE (excl. perf fees)	20.8%	22.3%	22.1%	21.4%
Debt:Equity	13.0%	4.6%	0.7%	0.2%

 Source: PSG Finance

CURRO

Interim results highlights *(June 2016)*

Revenue	24%	**R872m**
EBITDA - Schools	27%	**R259m**
EBITDA	29%	**R211m**
HEPS	51%	**22c**
Learners 2016	15%	**41,393**
Schools 2016	9%	**110**

Strategic expansion

Action	Planned for 2016	Comment
New schools	R950m	• Embury College new site - Durban • Embury College – Waterfall • Embury College - Montana • Waterfall Estate (primary school) • Curro Rivonia (primary school & castle) • Curro Krugersdorp (high school) • Curro Century City (high school) • Curro Academy Bergtuin • Curro Academy Clayville • Curro Academy Wilgespruit
CAPEX on existing campuses	R500m	Additional classrooms, sport and cultural facilities
Acquisitions	R181m Windhoek Gymnasium ~R130m on other known acquisitions	
Land banking	R360m	

Curro – J-Curve

	Number of campuses	Number of schools	Learner numbers (30 June)			*Growth*			Schools' EBITDA (30 June) R million			*Growth*			EBITDA margin			Eventual Capacity		
			2014	2015	2016	*13/14*	*14/15*	*15/16*	2014	2015	2016	*13/14*	*14/15*	*15/16*	2014	2015	2016	2014	2015	2016
Developed schools	**33**	**80**	**14 633**	**20 734**	**24 344**	***36%***	***42%***	***17%***	**62**	**88**	**132**	***175%***	***43%***	***49%***	**25%**	**23%**	**28%**	**40%**	**40%**	**42%**
2009 and before	3	8	3 121	3 313	3 422	*5%*	*6%*	*3%*	17	19	23	*45%*	*7%*	*23%*	31%	29%	30%	79%	84%	86%
2010	2	6	1 999	2 131	2 216	*22%*	*7%*	*4%*	9	12	15	*155%*	*34%*	*26%*	26%	29%	32%	62%	66%	69%
2011	6	16	3 720	4 382	4 530	*26%*	*18%*	*3%*	14	20	28	*419%*	*46%*	*37%*	22%	23%	27%	39%	45%	47%
2012	2	6	1 351	1 599	1 764	*34%*	*18%*	*10%*	4	8	9	*428%*	*68%*	*17%*	19%	23%	23%	40%	48%	53%
2013	4	11	3 643	4 918	5 651	*71%*	*35%*	*15%*	20	34	48	*467%*	*71%*	*41%*	35%	37%	42%	37%	50%	58%
2014	4	8	799	1 267	1 506		*59%*	*19%*	(3)	1	2		*Na*	*120%*	(27%)	5%	9%	12%	19%	22%
2015	8	19		3 124	4 730			*51%*	-	(5)	9			*Na*	-	(14%)	14%		20%	30%
2016	4	6			525						(1)						(14%)			9%
Acquired schools	**14**	**30**	**14 266**	**15 351**	**17 049**	***28%***	***8%***	***11%***	**78**	**117**	**131**	***48%***	***49%***	***12%***	**32%**	**35%**	**34%**	**72%**	**75%**	**77%**
																				-
2012 and before	8	17	6 511	6 890	6 847	*11%*	*6%*	*(1%)*	49	64	69	*28%*	*29%*	*7%*	36%	39%	38%	68%	72%	71%
2013	2	3	5 728	5 795	5 541	*8%*	*1%*	*(4%)*	26	31	33	*77%*	*22%*	*5%*	31%	33%	36%	74%	75%	71%
2014	2	5	2 027	2 066	2 425		*2%*	*17%*	4	19	23		*435%*	*23%*	14%	30%	31%	82%	84%	99%
2015 and 2016	2	5		600	2 236			*273%*		3	7			*138%*		23%	19%		81%	92%
Property rental and royalties									-	(1)	(4)									
Total	**47**	**110**	**28 899**	**36 085**	**41 393**	***32%***	***25%***	***15%***	**140**	**204**	**259**	***86%***	***45%***	***27%***	**29%**	**29%**	**30%**	**51%**	**50%**	**51%**

Competitive advantages

- Quality executive team
  - Knowledge base
- Significant quality investment opportunities remain
- Development team
  - Finding new opportunities
  - Rezoning (where required)
  - Site development plans and design
- Cost reduction due to scale efficiencies
- Closely aligned with contractors – reducing building time and cost
- Demand for product
- Value-for-money offering
- Brand/reputation
- More schools performing on or ahead of target
- Significant spend on curriculum development
- Capital base (strong balance sheet)
- Highly cash generative
- Has a significant supportive shareholder in PSG

Curro rights issue

- 1 for 11
- R33 per share
- 32.4m new shares issued – raised R1.071bn
- PSG fully underwrote for a 1.5% fee
- PSG invested R669m (R45m acquired through the underwriting)

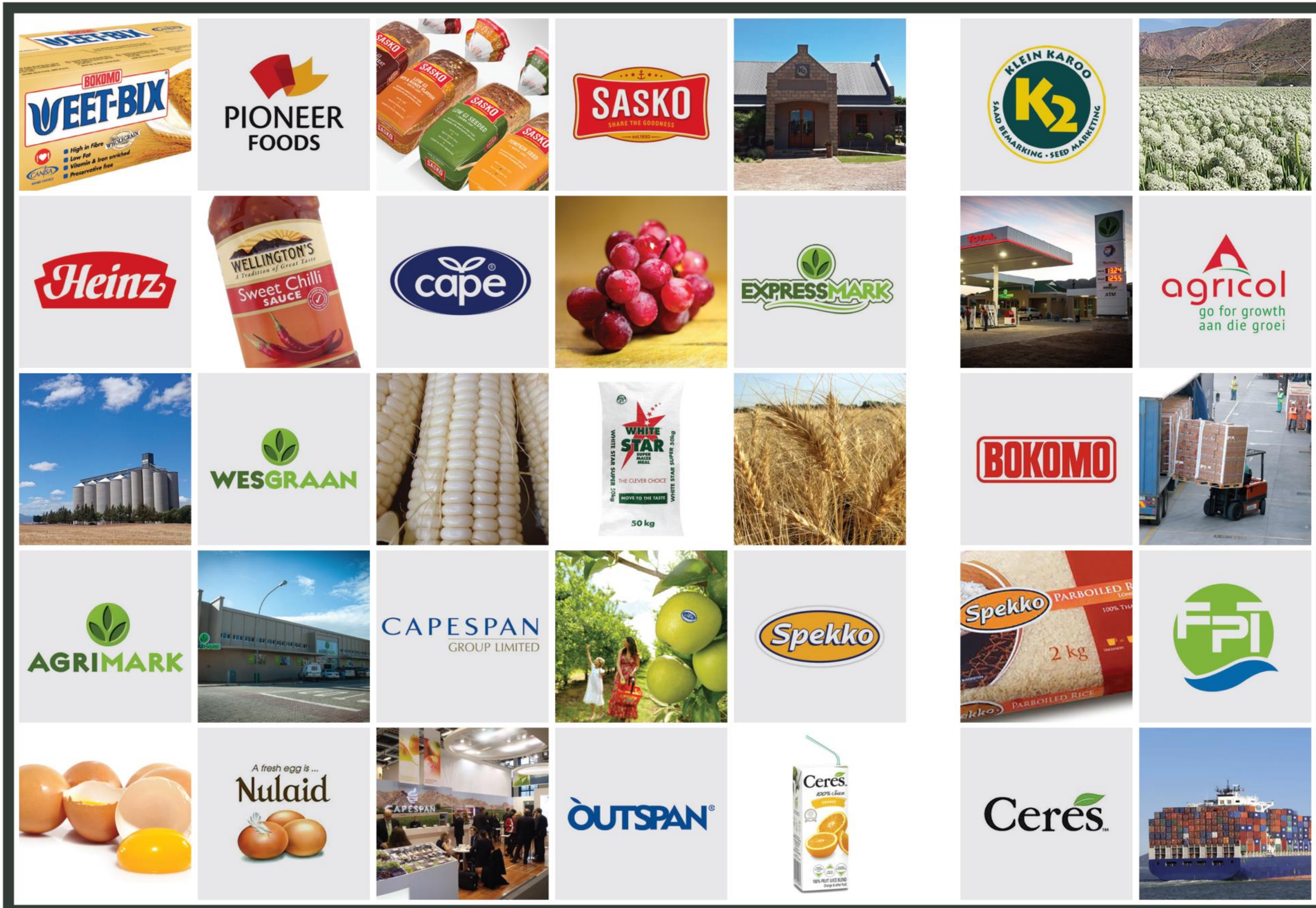
Interim Results

6-month period ended 31 August 2016

Presented by:

Norman Celliers

Chief executive officer


BOKOMO
WEET-BIX
PIONEER FOODS
SASKO
SHARE THE GOODNESS
KLEIN KAROO
K2
SAAD BEMARKING · SEED MARKETING
Heinz
WELLINGTON'S
A Tradition of Great Taste
Sweet Chilli SAUCE
cape
EXPRESSMARK
agricol
go for growth
aan die groei
WESGRAAN
WHITE STAR
SUPER MAIZE MEAL
THE CLEVER CHOICE
MOVE TO THE TASTE
50 kg
BOKOMO
AGRIMARK
CAPESPAN
GROUP LIMITED
Spekko
Spekko
PARBOILED RICE
2 kg
FPI
A fresh egg is ...
Nulaid
CAPESPAN
OUTSPAN
Ceres
Ceres

Business overview

Our corporate strategy and objectives remain unchanged while structural improvements have been implemented.

- An actively managed investment holding company listed on the Johannesburg Securities Exchange
- Internalisation of Management Agreement completed, effective September 2016
- Long-term value investor with a primary focus on Agribusiness and related industries
- Key characteristics of investment considerations:
  - Sustainable growth sectors or sub-sectors
  - Management with proven track record
  - High barriers to entry
  - Unique and defendable products (brands)
  - Simple (easy to understand) and scalable business models
  - Focused execution

Strategic focus

We invest in and grow businesses – the past 36 months' priority has been "Project Internal Focus".

	Before 2012	Since 2012
Industry:	• Agribusiness	• Agribusiness
Sub-sector:	• Food and Beverages	• Food and Beverages • *Non-food (i.e. rubber, timber)** • *Related sustainability industries**
Geography:	• South Africa (direct) • Rest of World (via portfolio)	• South Africa (direct) • Sub-Sahara Africa (direct) • Rest of World (via portfolio)
Criteria:	• Arbitrage • Undervalued	• Arbitrage • Undervalued • Growth sectors • Consolidation
Influence:	• Passive	• Passive • Active

Invest in **and build** the businesses of tomorrow

** No current investments in these sub-sectors, but broad evaluations considered*

Sum-of-the-Parts (SOTP)

Zeder's SOTP increased to R14.5bn since year-end and was R8.40 per share as at 26 September 2016, following the issue of 207.7m Zeder shares pursuant to the internalisation of the management agreement.

	29 Feb 16		31 Aug 16		26 Sep 16	
Company	**Interest (%)**	**Rm**	**Interest (%)**	**Rm**	**Interest (%)**	**Rm**
Pioneer Foods	27.2	7,574	27.2	9,903	27.2	10,108
Capespan	96.6	2,027	98.1	2,064	98.1	2,064
Zaad	92.3	1,246	92.9	1,310	92.9	1,310
Kaap Agri	39.4	758	39.6	880	39.6	880
Agrivision	55.9	614	55.9	614	55.9	614
Quantum Foods	26.4	168	26.4	173	26.4	173
Other		44		42		42
Total investments		**12,431**		**14,986**		**15,191**
Cash		118		2		2
Other net liabilities		(324)		(607)		(648)
SOTP value – *pre mgmt fee liability*		**12,225**		**14,381**		**14,545**
Mgmt fee liability*		(1,667)		(1,961)		
SOTP value – *post mgmt fee liability*		**10,558**		**12,420**		**14,545**
Number of shares in issue (million)		1,523		1,523		1,731
SOTP value per share – *pre mgmt fee liability (rand)*		8.03		9.44		
SOTP value per share – *post mgmt fee liability (rand)*		6.93		8.15		8.4
Zeder share price (rand)		5.35		6.83		7.03
Zeder market cap		8,148		10,402		12,169

*Calculated as 12% newly issued Zeder shares multiplied by the Zeder SOTP value per share

Recurring headline earnings

Subdued earnings reported across the portfolio as challenging macro conditions constrained profitability during H1FY17.

	Unaudited		Audited
	31 Aug 2015 6 months Rm	31 Aug 2016 6 months Rm	29 Feb 2016 12 months Rm
Recurring headline earnings from investments	**314**	**314**	**805**
Management (base) fee	(81)	(75)	(155)
Net interest, taxation and other income and expenses	(8)	(11)	(18)
Recurring headline earnings	**225**	**228**	**632**
***Non-recurring* headline earnings**			
Management (performance) fee	(81)		
Other	(55)	(10)	(87)
Headline earnings	**89**	**217**	**545**
Non-headline items	(24)	(4)	237
Attributable earnings	**65**	**214**	**782**
Weighted average number of shares in issue (million)	**1,458**	**1,523**	**1,490**
Recurring headline earnings from investments per share (cents)	**21.5**	**20.6**	**54.0**
Recurring headline earnings per share (cents)	**15.4**	**14.9**	**42.4**
Headline earnings per share (cents)	**6.1**	**14.3**	**36.5**
Attributable earnings per share (cents)	**4.4**	**14.0**	**52.5**

Portfolio review

Pioneer reported commendable interim results with a 6% increase in adj. HEPS as revenues, volumes and margins were defended.

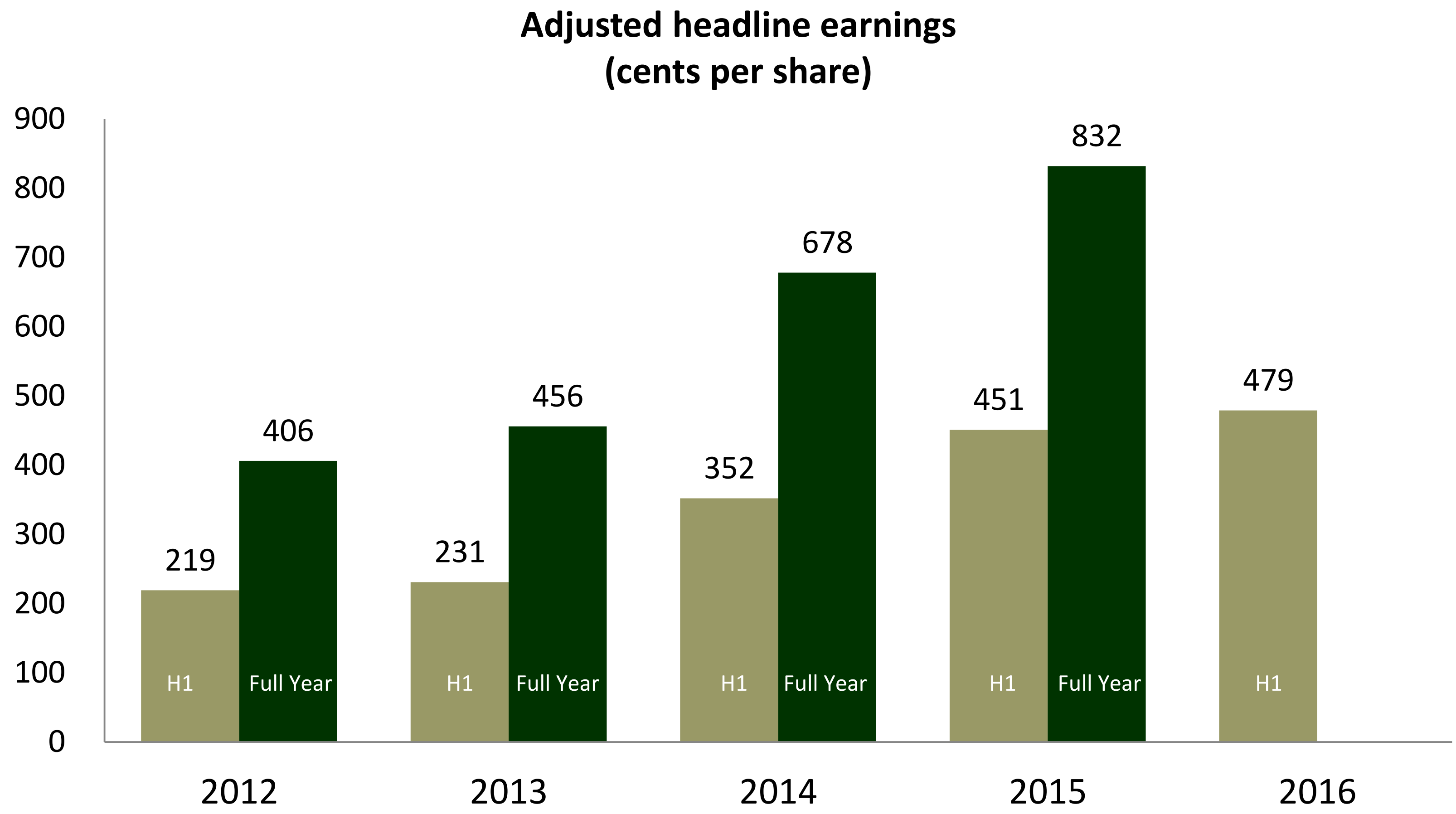
For the 6 months ended 31 March 2016	*for continuing operations*
Revenue**	↑ 9% to R10.01 bn
Operating profit*	↑ 6% to R1 236 m
Operating margin*	↔ 12.3%
HEPS*	↑ 6% to 479 cents
Interim dividend declared	↑ 11% to 105 cents

** Adjusted for the Phase I B-BBEE income/charge and items of a capital nature*

*** Excluding biscuits, Pepsi & Maitland Vinegar*

Portfolio review

The continued growth in profitability has to be commended, particularly given the constrained environment.



Portfolio review

… and operating margin improvement has also translated in market recognition.

PIONEER FOODS

	1H 2013 *	1H 2016	
Operating profit *(R'm)*	581	1 236	3 yr CAGR 29%
Gross Margin	*29.3%*	*31.0%*	
Operating Margin	*7.2%*	*12.3%*	
Headline earnings per share *(cents)*	230	479	
Share price *(cents)*	7 157	13 904	3 yr CAGR 25%

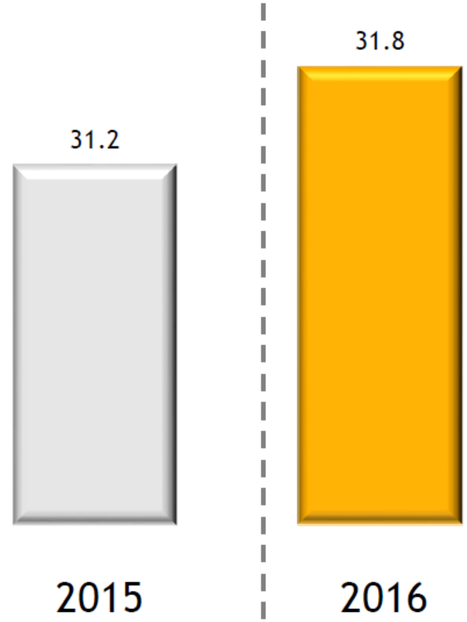
** Excludes Quantum Foods*

Excluding Phase I B-BBEE income/charge and items of a capital nature

Portfolio review

Investment in core brands and products have been maintained and share indicators remain positive.

Corporate share[1]
%, 6 mm to March 2016



6 mm October 2015 to March 2016

	Pioneer Foods		
	Value share	Share Pts change	Category Growth (%)
Sasko	31.6	-2.1	7.2
Weet-Bix	17.1	0.5	8.4
Safari	40.2	1.2	6.6
Spekko	22.5	7.3	7.4
White Star	32.2	0.0	21.9
Liqui-Fruit	28.8	-1.4	18.9

Brand investment maintained

1 Measured as weighted average of Pioneer's share in 18 categories in which it operates. TEG only. Including DOB's. Source: Aztec

Portfolio review

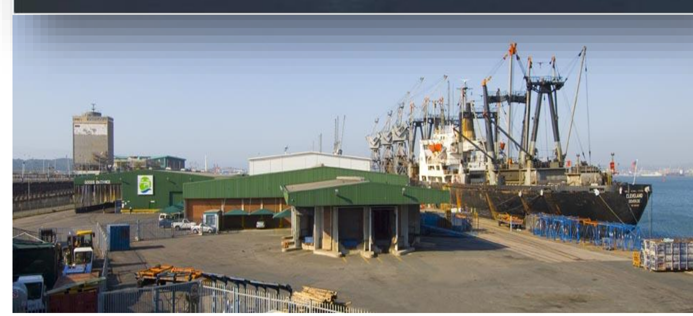
Capespan reported a decline in recurring HEPS for its 6-month period ended 30 June 2016.

Summarised Income Statement	Full year					6 months		
	Dec 13		Dec 14		Dec 15	Jun 15		Jun 16
	R'm	*% growth*	R'm	*% growth*	R'm	R'm	*% growth*	R'm
Revenue	7,149	*3.4%*	7,392	*4.0%*	7,688	3,986	*4.4%*	4,161
EBITDA	228	*(0.4%)*	227	*31.7%*	**299**	65	*7.7%*	**70**
EBITDA margin	*3.2%*		*3.1%*		***3.9%***	*1.6%*		***1.7%***
EBIT	191	*(11.5%)*	169	*30.2%*	**220**	30	*(26.7%)*	**22**
Recurring headline earnings	139	*14.4%*	159	*7.5%*	**171**	41	*n/a*	**(2)**
Headline earnings	127	*(23.6%)*	97	*40.2%*	**136**	39	*n/a*	**(10)**
Weighted average number of shares (m)	319	*0.7%*	321	*0.7%*	**324**	323	*0.3%*	**324**
Recurring HEPS (R)	0.44	*11.4%*	0.49	*8.2%*	**0.53**	0.13	*n/a*	**(0.01)**

- First half of year corresponds, in part, to annual input-cost cycle of Southern hemisphere agri
- Revenue growth of 4.4% to R4.16bn
- Decline in profits largely driven by specific UK trading conditions (potentially once-off)
- Positive contribution from South Africa, Japan and new associate investments
- Restructuring, re-alignment and investment for growth remains under way

Portfolio review

Capespan operates along three divisions namely Farms, Fruit and Logistics.



Portfolio review

Significant investments have been made to expand and strengthen the group.

China

India

South Africa

Germany

Hong Kong

Mozambique

While Capespan will continue to seek new investments, its primary focus in the short term will be to ensure that existing investments are embedded and deliver results.

Portfolio review

ZEDER INVESTMENTS LIMITED

Zaad reported a decline in recurring HEPS, but the cycle needs to be considered.

Summarised Income Statement	Full year					6 months		
	Feb 14		Feb 15		Feb 16	Aug 15		Jul 16*
	R'm	*% growth*	R'm	*% growth*	R'm	R'm	*% growth*	R'm
Revenue	465	*103.7%*	947	*29.5%*	**1,226**	466	*9.9%*	**512**
EBITDA	96	*53.1%*	147	*61.2%*	**237**	50	*(66.0%)*	**17**
EBITDA margin	*20.6%*		*15.5%*		***19.3%***	*10.7%*		***3.3%***
EBIT	84	*48.8%*	125	*125.6%*	**282**	36	*(97.2%)*	**1**
Recurring headline earnings	54	*42.6%*	77	*36.4%*	**105**	21	*n/a*	**(6)**
Headline earnings	51	*45.1%*	74	*41.9%*	**105**	22	*n/a*	**(7)**
Weighted average number of shares (m)	13	*30.1%*	17	*13.9%*	**20**	19	*10.5%*	**21**
Recurring HEPS (R)	4.06	*9.4%*	4.44	*20.0%*	**5.33**	1.10	*n/a*	**(0.27)**

*Comparative 6-month interim results due to Zaad changing year-end to January

- H1 corresponds, in part, to annual input-cost cycle while related revenues are recorded in H2
- Like-for-like comparison not representative – delivered ahead of budget
- Increase of 9.9% in revenue during H1 encouraging, particularly in light of El Niño conditions
- Positive contributions from Africa and international new markets (Bakker)
- Substantial growth opportunities, but political and climatic risks to be considered throughout

Portfolio review

ZEDER
INVESTMENTS LIMITED

With a strong product portfolio, proprietary IP and established South African and international market presence, growth is underway.

ZAAD Holdings

AFRIGRO
Seed from the Klein Karoo

agricol
go for growth
aan die groei

Bakker Brothers
ZADEN - SAMEN - SEEDS - GRAINES - SEMENTI

Portfolio review

Kaap Agri produced good interim results with an 18% increase in recurring HEPS for 6-months ended 31 March 2016.

Summarised Income Statement	Sep 13 R'm	% growth	Sep 14 R'm	% growth	Sep 15 R'm	Mar 15 R'm	% growth	Mar 16 R'm
	Full year					6 months		
Revenue	4,008	*21.6%*	4,875	*9.6%*	**5,341**	2,965	*2.6%*	3,041
EBITDA	219	*20.1%*	263	*18.3%*	**311**	183	*19.7%*	**219**
EBITDA margin	*5.5%*		*5.4%*		***5.8%***	*6.2%*		***7.2%***
EBIT	202	*20.3%*	243	*19.8%*	**291**	171	*19.3%*	**204**
Recurring headline earnings	129	*22.5%*	158	*15.8%*	**183**	114	*14.9%*	**131**
Headline earnings	129	*22.5%*	158	*15.8%*	**183**	111	*18.0%*	**131**
Weighted average number of shares (m)	70		70		**70**	70	*0.0%*	**70**
Recurring HEPS (R)	1.83	*22.4%*	2.24	*15.6%*	**2.59**	1.57	*18.0%*	**1.85**

- Diversification of revenue streams bodes well for agricultural volatility
- Strategic exposure to irrigated versus dry-land agriculture ensured sustainable profits
- Rainfall and dam levels for upcoming season will be monitored
- Strategic initiatives and improvement of operational efficiencies being driven

Portfolio review

ZEDER
INVESTMENTS LIMITED

With a strong footprint and historical base, opportunities exist to continue growing.

KAAP AGRI

KAAP AGRI

is a retail services group that supplies a variety of products and services mainly to the agricultural sector, but also to the general public.

Kaap Agri has 183 operating points that stretch over 97 cities, towns and places, and include areas such as the Swartland, Boland, Winelands, Overberg, Langkloof, Namaqualand, Orange River, Sundays River Valley, Namibia and adjacent areas, as well as Limpopo, Mpumalanga and Gauteng.

AGRIMARK
LIQUOR MARK
EXPRESSMARK
agriplas
AGRILOG
PAKMARK
KAAP AGRI MECHANISATION
KAAP AGRI COMMODITIES


Portfolio review

Agrivision Africa continues to operate in a tough macro environment, but delivered a half year profit.

Agrivision Africa

Summarised Income Statement	Full year					6 months		
	Dec 13 US$'000	*% growth*	Dec 14 US$'000	*% growth*	Dec 15 US$'000	Jun 15 US$'000	*% growth*	Jun 16 US$'000
Revenue	14,304	*127.4%*	32,532	*(2.6%)*	**31,677**	29,179	*(38.9%)*	**17,828**
EBITDA	3,713	*5.0%*	3,869	*(47.3%)*	**2,039**	(305)	*n/a*	**4,114**
EBITDA margin	*26.0%*		*11.9%*		***6.4%***	*(1.0%)*		***23.1%***
EBIT	138	*326.1%*	588	*n/a*	**(996)**	(2,060)	*n/a*	**2,617**
Adjusted recurring headline (losses)/earnings*	(1,060)		(654)		**1,923**	(2,907)	*n/a*	**2,093**
Forex (losses)/gains	*(511)*		*(1,688)*		***(8,956)***	(1,281)	*n/a*	**234**
Recurring headline (loss)/earnings	(1,571)		(2,342)		**(7,033)**	(4,188)	*n/a*	**2,327**

* Excluding forex (losses)/gains

- Political environment and climatic conditions posed challenges during the period
- Farming performance good with strong summer-cropping yields and pricing
- Winter cropping yields promising, but soft commodity pricing for wheat a concern
- Milling operations performing well, but managing of pricing and margins challenging

Portfolio review

ZEDER
INVESTMENTS LIMITED

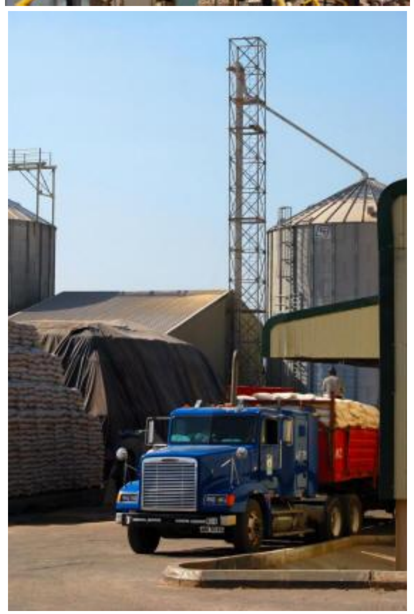
No further expansion undertaken during the year with a focus on embedding existing investments and operations.

Agrivision Africa

Farming & Development

- 4,500 ha (irrigated)
- 1,800 ha (dry-land)

Milling & Processing



- 50,000 tons (Maize)
- 24,000 tons (Wheat)

Brands & Distribution

MPONGWE MILLING

- Formal retail
- Distribution depots

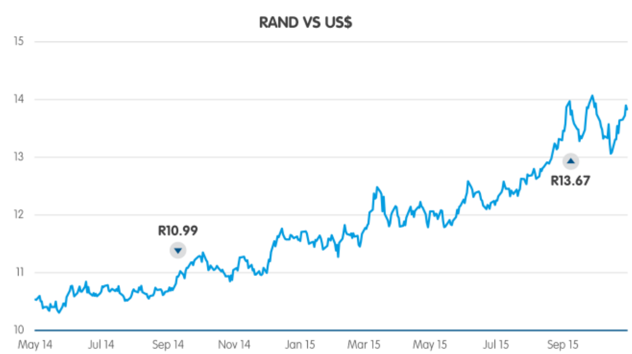
Portfolio review

As expected, Quantum was not able to repeat its strong profits of H1 2015, but remains better positioned through the cycles.

Six months ended 31 March	2016 Rm	2015 Rm	% change
Revenue	**1 807.6**	1 674.7	▲ 7.9
Operating profit*	**76.5**	82.3	
(Loss) / income from associates	**(0.3)**	0.1	
Net finance income	**5.2**	2.5	
Profit before tax	**81.4**	84.9	
Tax	**(20.7)**	(22.7)	
Profit for the period	**60.7**	62.2	
* Operating profit includes capital items	**36.1**	1.5	
Adjusted operating profit	**40.4**	80.8	▼ 50
Adjusted operating margin	**2.2%**	4.8%	
EPS - cents	**26**	27	
HEPS - cents	**15**	26	▼ 44

Portfolio review

Quantum Foods will aim to navigate cyclical volatility while pushing forward in pursuing its strategic objectives.



- Raw material prices at higher levels
- Weak exchange rate environment
- Consumer under pressure
- New business model better aligned
- Management to focus:
  - Efficiencies
  - Growth to scale
  - Acquisitions (RSA/Africa)

Quantum Foods has invested or approved R250m over the past 12 months to maintain and mostly expand its operations in South Africa (Animal Feeds), Zambia, Uganda and Mozambique

Conclusion

We remain optimistic about the prospects of the Zeder group.

- Drought and tough economic conditions likely to remain a challenge in the short term – however the sector should be resilient in the medium term
- Appropriately diversified portfolio likely to mitigate volatility
- Strong existing portfolio companies with focused and able management teams
- Management fee internalisation should allow for improved cash flows and a reduction in the share price discount, facilitating further growth opportunities
- "Internal focus" within current portfolio companies offers additional opportunities with platform growth a priority
- New investments and further diversification to be explored

Thank you

PSG PRIVATE EQUITY

Interim Results

6-month period ended 31 August 2016

Presented by:

Nico de Waal

Chief Executive Officer

October 2016

Current portfolio

Services

Financial

SPIRITCAPITAL

AFRICAN UNITY

Energy

ENERGY PARTNERS
Powered by results

Mining

PRECRETE
creating a legacy through strength

FMCG

CA

Outsourcing

CSG
CONTRACT SERVICES GROUP

Education

impak
INNOVATIVE EDUCATION | BAANBREKER-ONDERWYS

itsi
DIGITAL TEACHING TECHNOLOGIES

Technology

ALARIS HOLDINGS

SNC
STELLENBOSCH NANOFIBER COMPANY

Financial performance

		H1FY15	H1FY16	H1FY17	% change
Recurring headline earnings	Rm	16.3	46.7	49.5	*6%*
Recurring HEPS	cps	1.6	3.9	4.4	*13%*
SOTP	Rm	1,078	1,394	1,729	*24%*
SOTP per share	cps	95.8	117.6	155.4	*32%*

Energy Partners

ENERGY PARTNERS

Powered by results

56.5%

Overview

Business model

- Provider of **sustainable energy** at prices **below conventional** energy, targeting:
  - **Energy** to customer at **>20% below market**

Offering

- **End-to-end partner** in various energy solutions (Electricity, Steam, Cooling, Hot Water, Oil, etc.)
- Capabilities include the design / construction / finance / operation / maintenance of different energy assets
- Ownership models include **on & off-balance sheet solutions (from client's perspective)**

Value proposition

- Reduction in energy bill of clients
- Take over full operational responsibility

Multiple energy applications

Electricity

Cooling

Hot Water

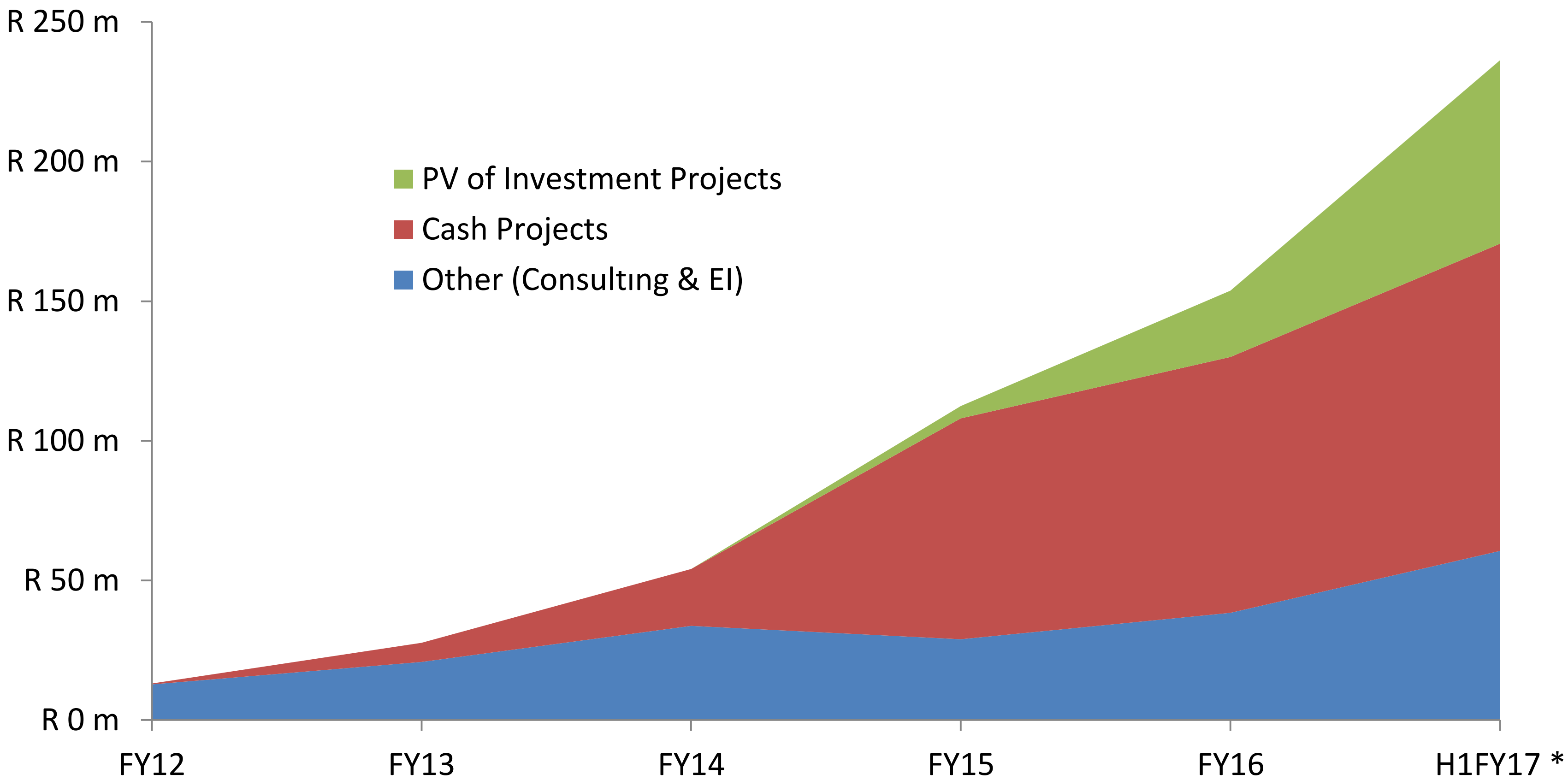
Home Solutions

Steam

Oil (waste-to-energy)

Strong revenue growth

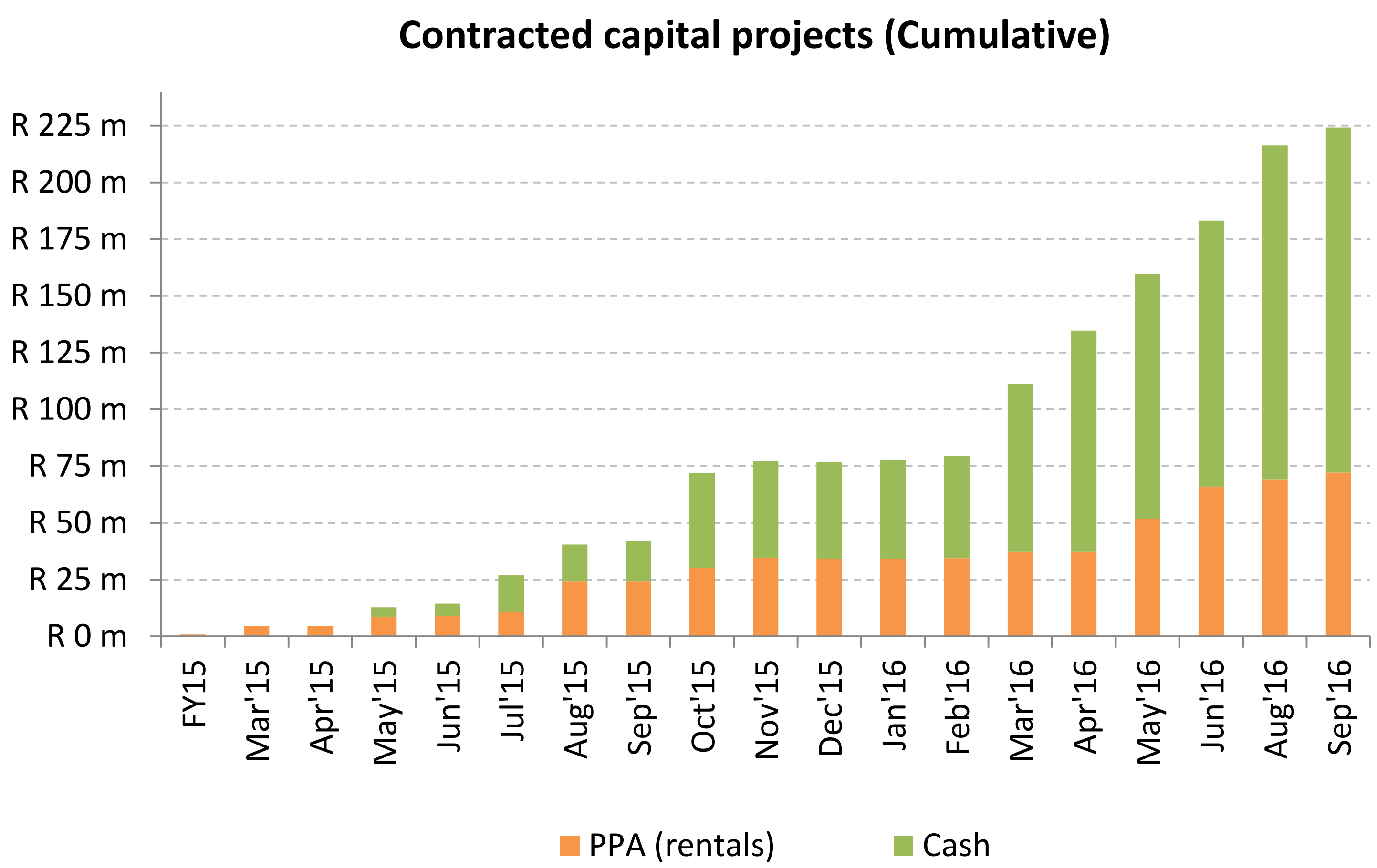
(and growing annuity revenue via investment projects)



* Annualised results for H1FY17

ENERGY PARTNERS
Powered by results

Strong capital projects growth



Outlook

- Current operations are profitable and funding organic growth
  - Energy investments are 80% funded by ring-fenced commercial debt

- Accelerating growth by investing in:
  - Energy assets on own balance sheet
  - Building construction & operational capacity (to reduce costs and control capacity and quality)
  - Expanding into new market segments

- Further equity capitalisation of R100m (October 2016) to fund:
  - Energy assets
  - Multiple (potential) acquisitions
  - Substantial R&D investment in residential business

impak

INNOVATIVE EDUCATION | BAANBREKER-ONDERWYS

83.3%

Overview

Business model

- Provider of **education products and services**
- **Highly scaleable model** (not bricks & mortar)

Current and target market

- Currently **13,000 learners** in >500 schools and centres
- Target **schools** (independent and public), **tutor centres** and **home education parents**
- Total SA school market size of **~12.4m learners**

Offering

- **Individualised self-directed** learning model
- **Learner materials, facilitator materials** and **support, formal assessments,** and **learning administration**
- Strong **centralised** services and support
- Gr R to Gr 12 **CAPS-aligned** curriculum in English and Afrikaans

Value proposition

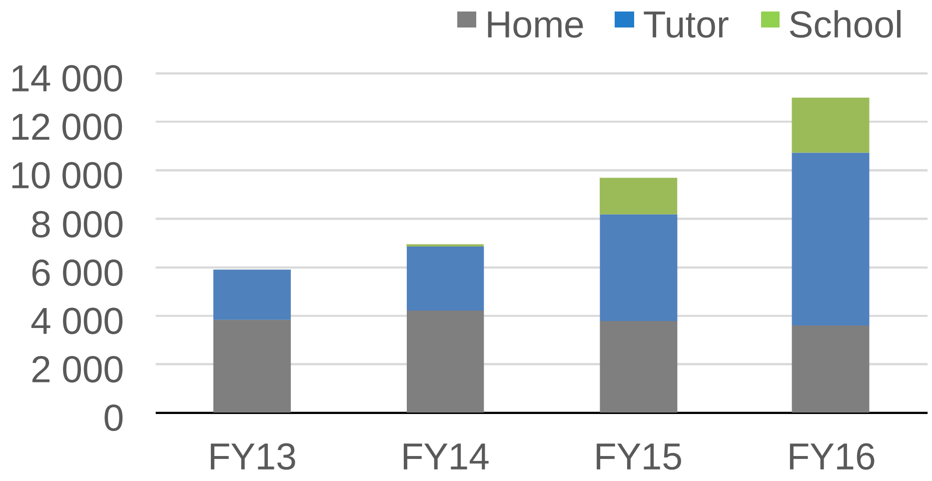
- **Improved academic outcomes**

  and/or
- **Improved efficiency** (lower total cost to serve)

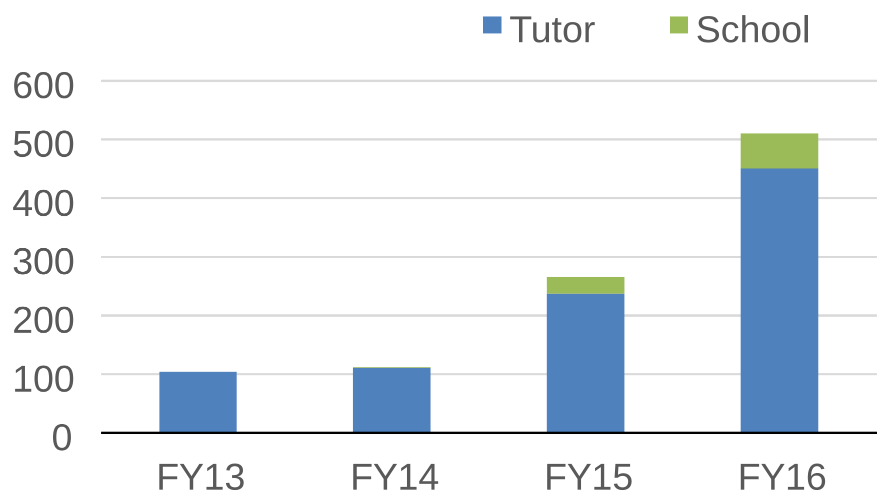
Strong growth continues

impak

Learners by channel



# of tutors and schools



- 2016 growth of 35% to ~13,000 learners.
- Continued success in schools and tutor market (450 tutors and 60 schools).
- Impak turned profitable in 2016.
- High operational leverage expected to drive strong future profitability.
- Target of 100,000 learners in 2020.

Outlook

- **Strategic acquisitions** to increase learner growth, gain access to new clients, strengthen products and services
- **Opening own school in Centurion** in 2017 to facilitate innovation through development and testing of learning ideas
- Continued strong focus on **product improvement, capability building, systems development** and the use of **technology**
- Promising early interest from **public sector schools**
- Imminent **brand relaunch** (18 October)

* Post conversion of debt on 1 September 2016 (previously 47%)

*61.8%

Overview

Business model

- E-learning platform
- R40 per learner per month

Current and target market

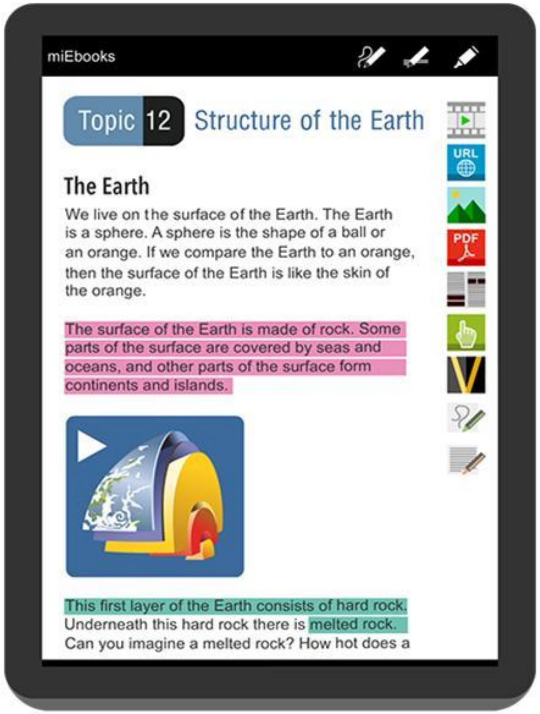
- Currently **43,000 learners** in 150 schools
- Core target market: **2m learners** in 3,000 schools
- Public sector (10m other) with state support
- **International potential**

Offering

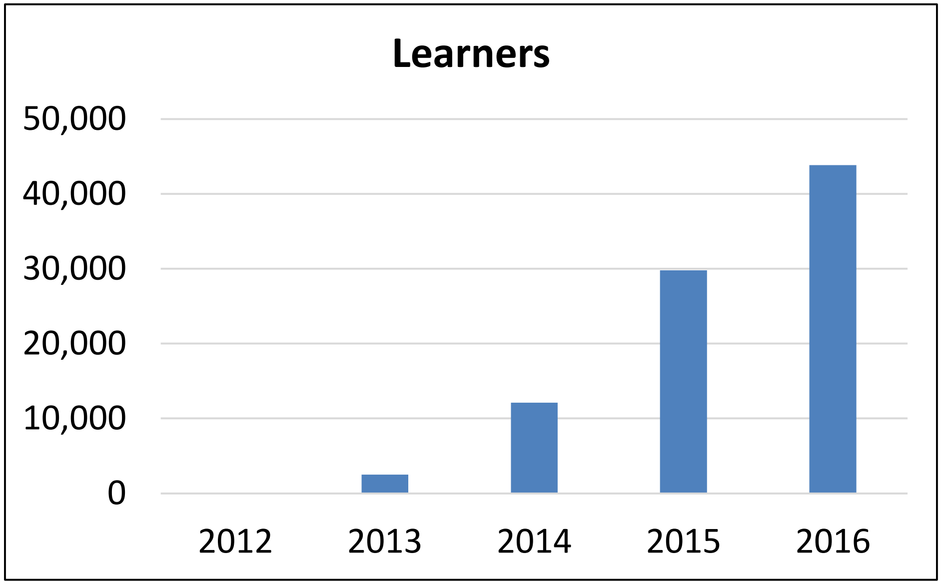
- **E-book reader (app)** for learners
- Works **offline**
- **Any device**, **any publisher** content
- **Push content (unique globally)**
- Learner **analytics**
- Weekly **on-site support** (unique)

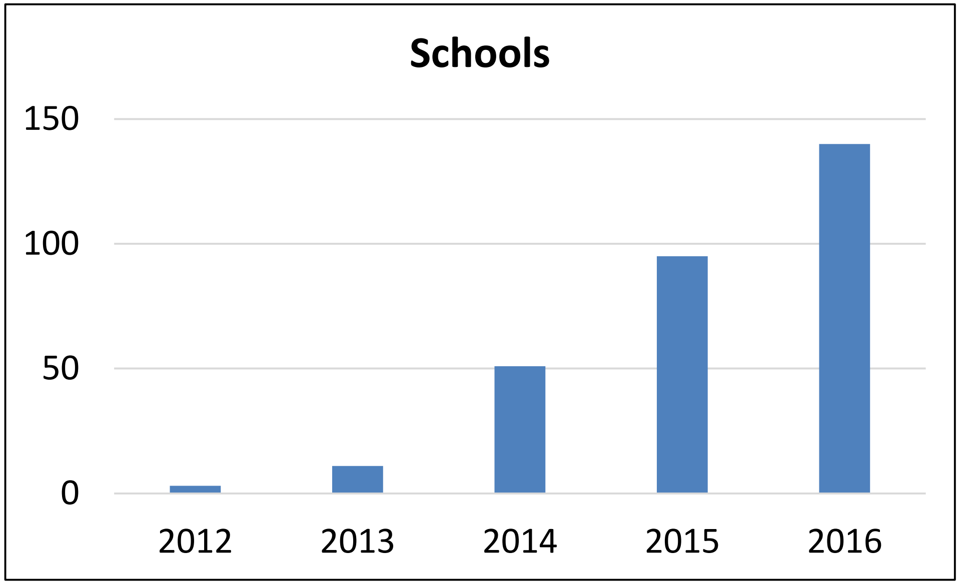
Value proposition

- **Optimise education via technology**



Vibrant growth





- Current pilot projects in public schools:
  - 28 schools for Gauteng Department of Education (2016)
  - 5 schools for Free State Department of Education (2016/2017)
  - 16 schools for Western Cape Department of Education (2017)
- Currently conducting a trial at the University of Pretoria
- International expansion
  - UK country manager appointed, will be conducting pilot projects in UK schools (2017)

Brief update on other investments

Investment	%	Focus	Review
CA	51.8	FMCG agent/distributor	• Continued revenue growth despite challenging economic climate • Exploring further acquisitions
PRECRETE	55.8	Mining support services	• Strong recovery post 2014 strikes • Exploring acquisitions
ALARIS HOLDINGS	19.1	Specialist antenna & communications	• Strong export sales in hard currency and excellent FY16 results • Successful Finnish acquisition
CSG	13.5	Outsourcing	• Acquisitive strategy gaining momentum and contributing to bottom line
SPIRIT CAPITAL	48.3	LBO specialist	• Strong earnings growth from core investment, Multiknit • Further acquisitions in progress
SNC	37.1	Nanofiber material science	• Value proposition and business model compelling • Promising business development amongst international clients
AFRICAN UNITY	47.5	Insurance	• Increased cost burden owing to compliance & regulatory

Thank you

Questions?