

PSG GROUP LIMITED

28 February 2015
Results Presentation

April 2015

CEO: PIET MOUTON

Core focus and expertise

PSG is an investment holding company

Financial

- **Capitec**
- **PSG Konsult**
- **Entrepo**
- **African Unity**

Education

- **Curro**
- **Impak**
- **IT Schools Innovation**
- *Social projects*

Food & Agri

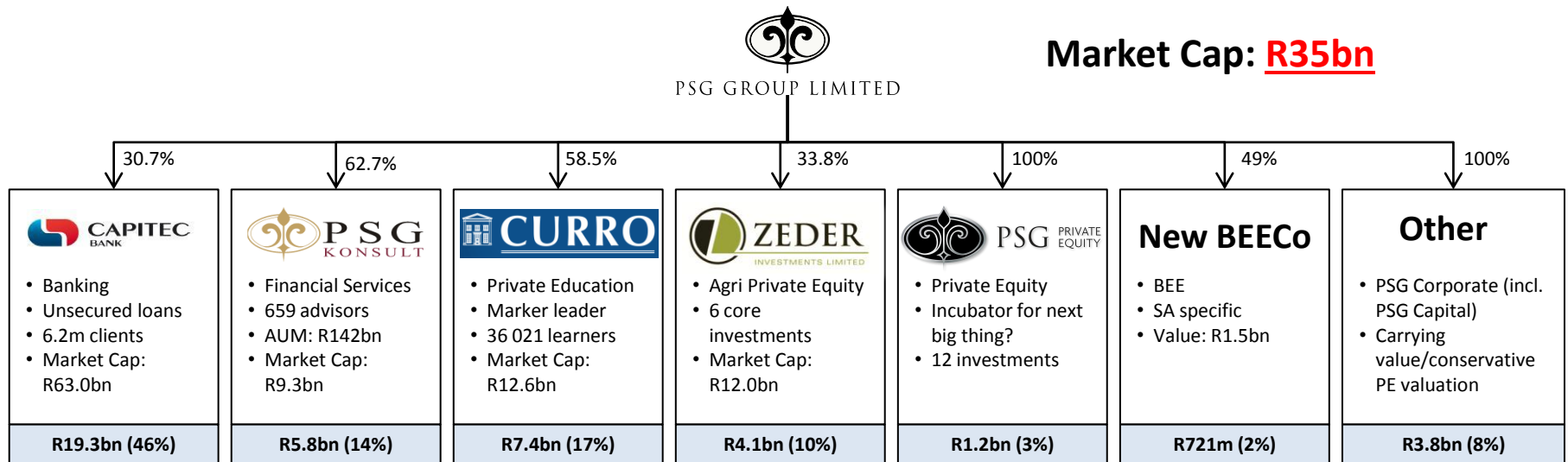
- **Zeder portfolio**
 - *Pioneer*
 - *Capespan*
 - *Zaad*
 - *Agrivision (Chayton)*
 - *Quantum*
 - *Kaap Agri*

PSG has been good with early stage investments – building businesses

Use PSG Private Equity to find new large investments



Year-end: 28 February 2015



Market capitalisation figures as at 7 April 2015



Sum-of-the-parts

	Feb-13		Feb-14		Feb-15		7 Apr-15	
	Rm	% of assets	Rm	% of assets	Rm	% of assets	Rm	% of assets
Capitec	6,128	39%	5,989	30%	14,549	41%	19,339	46%
Curro	2,607	16%	4,660	23%	6,236	17%	7,378	17%
PSG Konsult	2,237	14%	4,004	20%	5,710	16%	5,812	14%
Zeder	1,412	9%	1,698	8%	3,712	10%	4,059	10%
PSG Private Equity	681	4%	949	5%	1,246	4%	1,169	3%
BEE investment holding company (previously Thembeka)	899	6%	1,243	6%	603	2%	721	2%
PSG Corporate	383	2%	383	3%	1,398	4%	1,398	3%
Other	1,505	10%	1,122	5%	2,031	6%	2,360	5%
TOTAL ASSETS	15,852		20,048		35,485		42,236	100%
Perpetual prefs	(1,163)		(1,393)		(1,411)		(1,318)	
Other	(845)		(615)		(679)		(1,030)	
SOTP	13,844		18,040		33,395		39,888	
Number of shares in issue (m)	191		190		205		205	
SOTP per share (rand)	72.67		95.01		163.28		195.02	



SOTP: Other investments

Rm	07-Apr-15
Preference share investment in New BEE investment holding company	833
Intergroup loans receivable	646
Cash and cash equivalents	834
Other (property, receivables, payables, provisions, etc.)	47
TOTAL Other	2 360



Recurring headline earnings

Rm	Feb-13	Growth	Feb-14	Growth	Feb-15
PSG Konsult	119	37%	163	31%	214
Zeder	107	19%	127	20%	152
PSG Private Equity	75	(32%)	51	16%	59
BEE investment holding company (previously Thembeke)	28	(18%)	23	96%	45
Curro	8	163%	21	48%	31
Other	46	-	46	93%	89
Recurring headline earnings excl. Capitec	383	13%	431	37%	590
Capitec	500	14%	571	28%	729
Recurring headline earnings before funding	883	13%	1 002	32%	1 319
Funding	(168)	8%	(181)	(2%)	(177)
Recurring headline earnings	715	15%	821	39%	1 142



Headline earnings

Rm	Feb-13	Feb-14	Feb-15
Recurring headline earnings	715	821	1 142
Non-recurring headline earnings	160	191	432
BEE investment holding company (previously Thembeke)	140	100	432
Zeder	(23)	(17)	(52)
Other	43	108	52
Total headline earnings	875	1 012	1 574



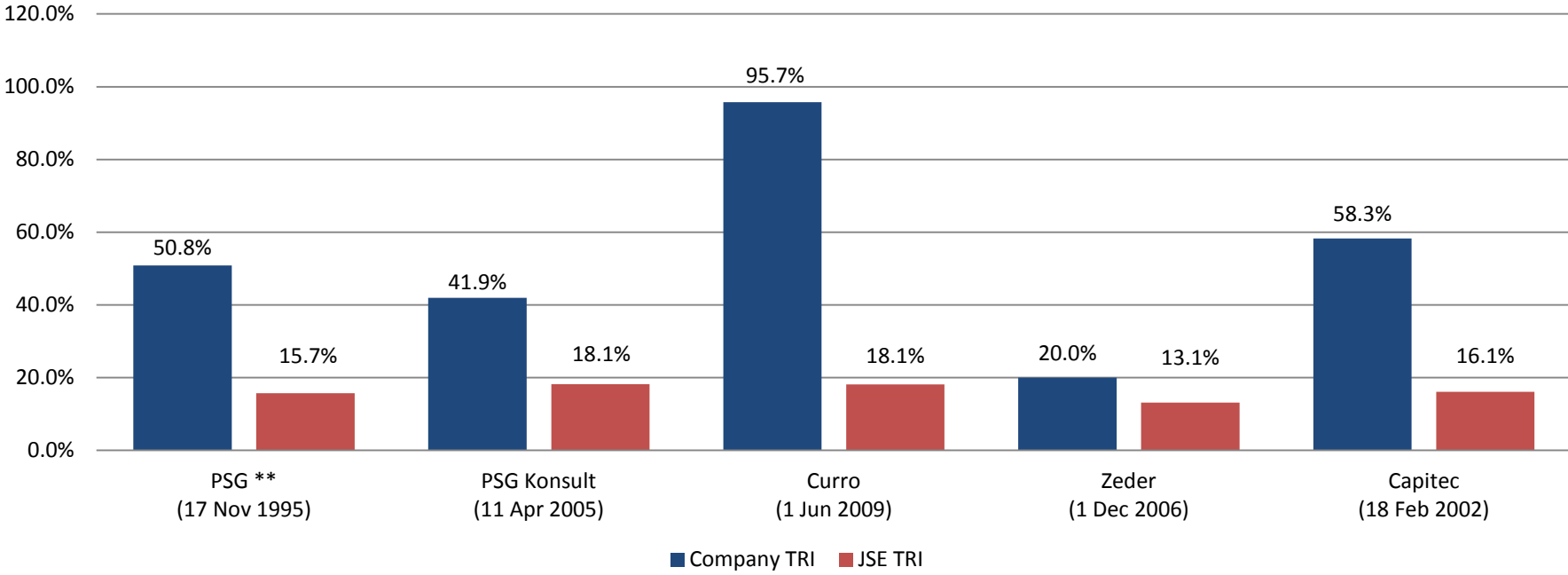
Per share stats

	Feb-13	<i>Growth</i>	Feb-14	<i>Growth</i>	Feb-15
Recurring headline earnings (Rm)	715	15%	821	39%	1 142
Headline earnings (Rm)	875	16%	1 012	56%	1 574
Attributable earnings (Rm)	1 140	(7%)	1 059	47%	1 560
Weighted average number of shares in issue (net of treasury shares) (m)	182	0%	183	5%	192
Earnings per share (cents)					
- Recurring headline	392	15%	449	32%	594
- Headline	480	15%	553	48%	819
- Attributable	626	(8%)	579	40%	811



Long term performance: Total Return Index (TRI)

**PSG Group Companies
Total Return Index vs. JSE All Share ***

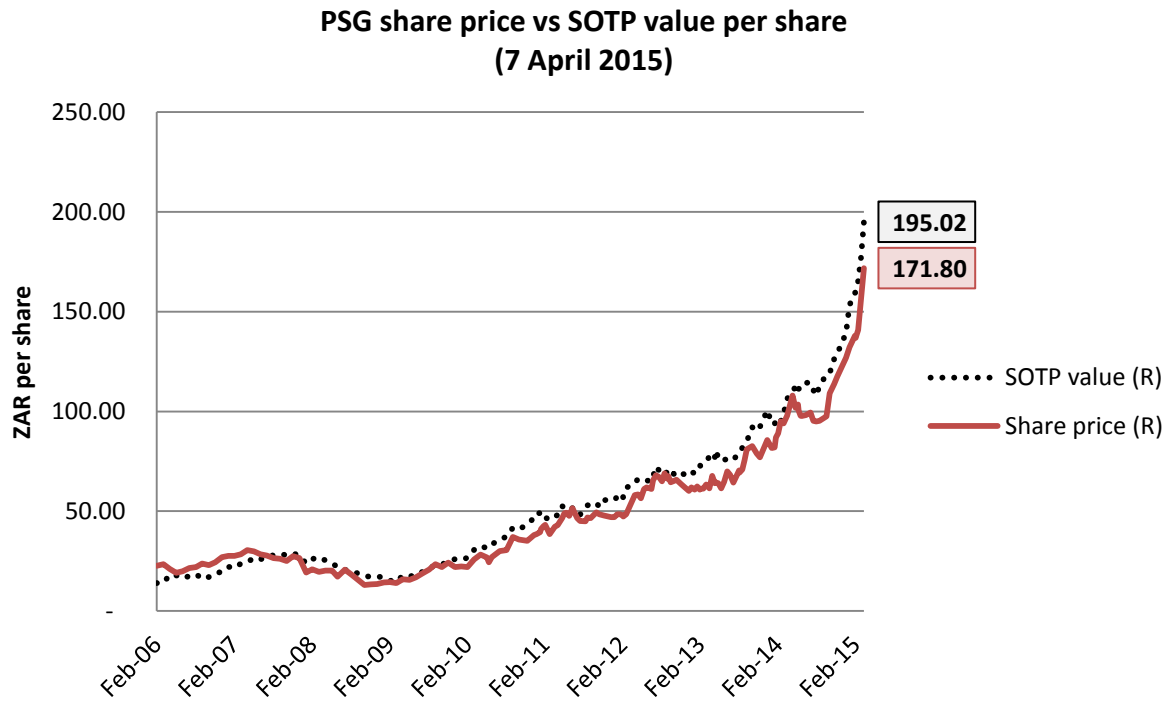


* Measured since the respective dates set out above until 28 February 2015.

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



SOTP vs. Share price



Discount

Latest discount ~12%
Average discount ~7%

- On a pro forma basis, PSG's head office makes an after tax profit of ~R200m (*incl. R120m of performance fees*) - we valued the head office at ~R1.4bn
- Almost all of the asset value can be distributed to shareholders through an unbundling without attracting Capital Gains Tax (*PSG has shareholdings > 25% and most investments are listed*)



Investment highlights



- *Strong share price performance*
- *Increasing market share of primary banking market*



- *Listing on the JSE and Namibian stock exchange*
- *Significant increase in Assets Under Management*



- *Acquisitions of Grantleigh and Waterstone College*
- *PSG is underwriting the current rights issue (1 for 11 @ R25 raising R740m)*



- *AVL merger – the biggest transaction in PSG's history*
- *Pioneer Foods continues to outperform the sector*
- *Offer to Capespan minorities*



- *Continue to exit non-core investments*
- *Focus on building out core investments*



- *Merged Thembeka with PSG early in 2015*
- *Liquidity event for BEE shareholders*





CAPITEC
BANK

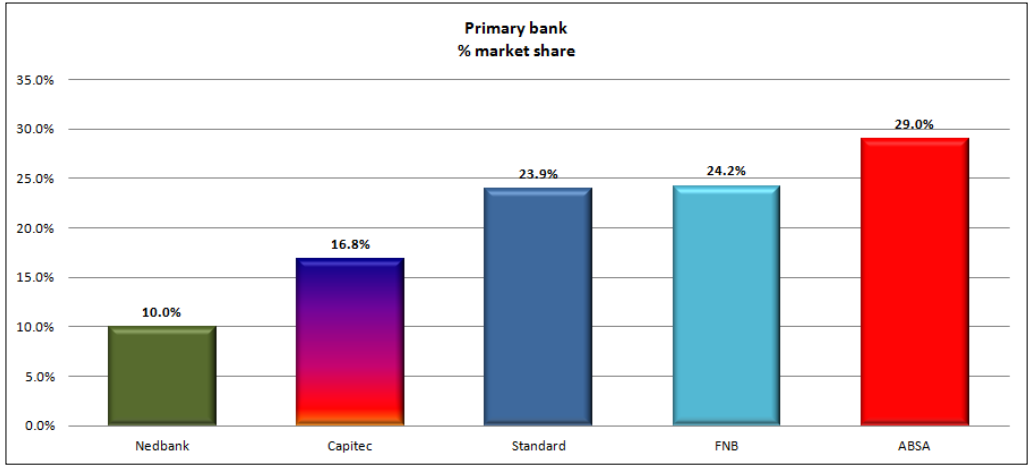
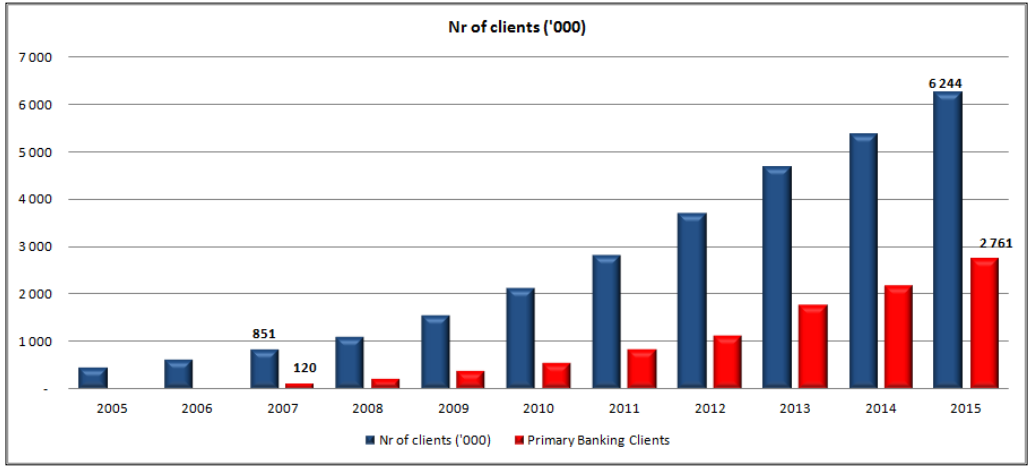
Simplicity is the ultimate
sophistication



Key metrics



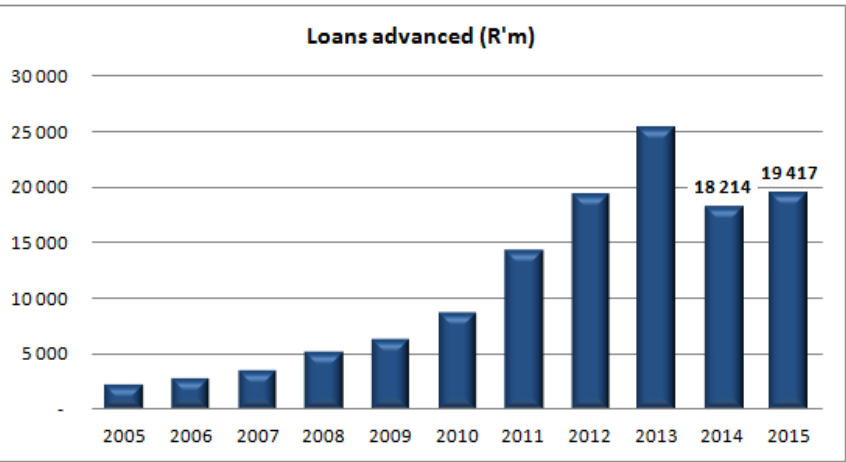
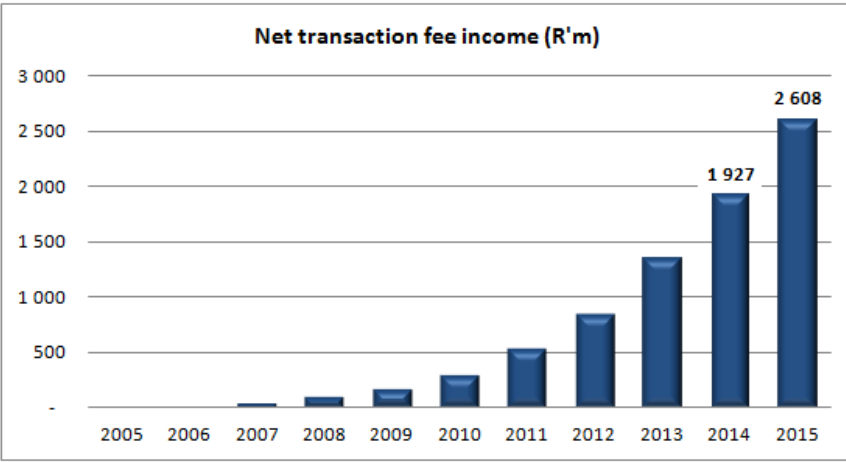
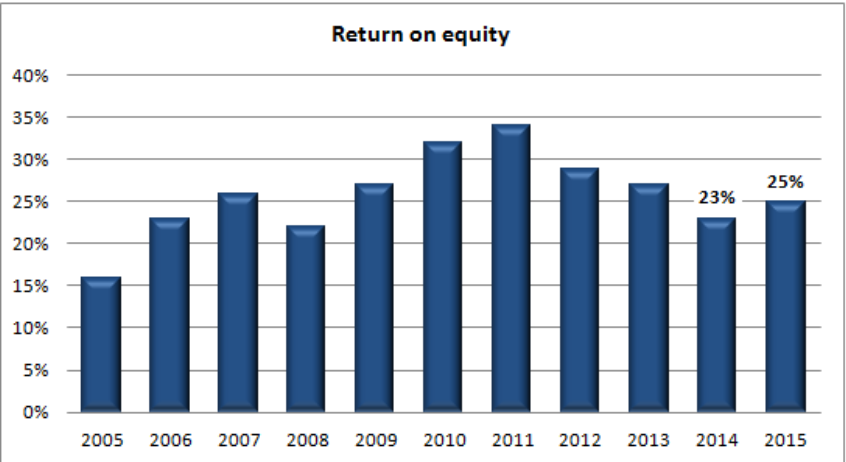
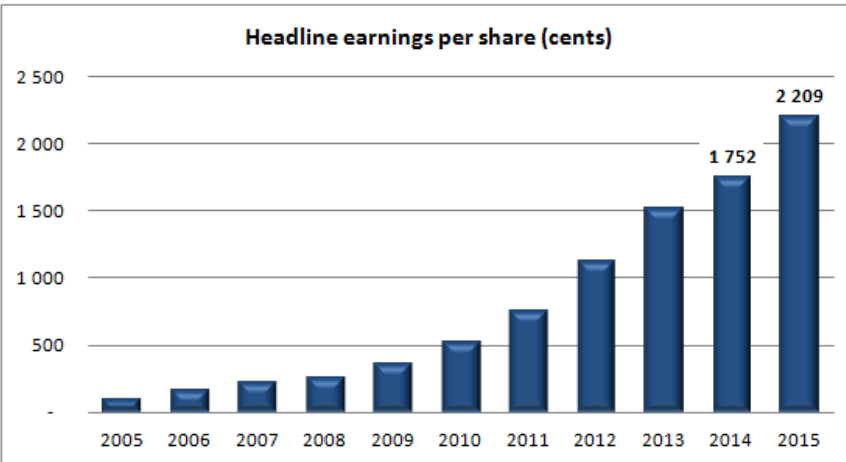
- Clients increased by **856 000** to **6.2m**
- of which **578 000** was increase in primary banking clients
- Primary banking clients are now **44%** of the client base
- Independent surveys regarding market share of primary bank accounts:
 - AMPS estimates our share: **16.8%**
 - Nielsen estimates our share: **21.0%**
- Highest score for banking in the SA Customer Satisfaction Index
- Voted SA's favourite financial services institution – Ask Africa Orange Index



Source: AMPS



Key financials



Arrears and provisions

		2010	2011	2012	2013	2014	2015
Gross Loans & Advances	R' m	5 607	10 916	18 408	30 658	33 690	36 341
Loans past due (arrears)	R' m	350	626	932	1 777	2 174	1 964
Arrears to gross loans & advances	%	6.2	5.7	5.1	5.8	6.5	5.4
Provision for doubtful debts	R' m	382	845	1 545	2 723	3 637	3 857
Provision for doubtful debts to gross loans & advances	%	6.8	7.7	8.4	8.9	10.8	10.6
Provision/arrears coverage ratio	%	109	135	166	153	167	196



Provisioning and write-offs

Credit status	Feb 2014		Feb 2015	
	of Book	Provided	of Book	Provided
Up to date	91.4%	6.7%	92.2%	7.0%
Rescheduled <6months	2.2%	33.0%	2.4%	41.6%
1 payment in arrears	3.7%	46.4%	3.1%	45%
2 payments in arrears	1.6%	74.3%	1.4%	73.3%
3 payments in arrears	1.1%	87.9%	0.9%	86.9%

Capitec writes off the entire loan after the client has missed more than 3 instalments



Strong and efficient retail bank

- Active clients per branch:
 - **9 347** in 2015 (2 035 in 2005)
- Net transaction income per client
 - **R418** (R41 in 2007)
- Lowest cost to income ratio at **35%**
(simplicity of product offering)

Recoverable loan book

- Good credit granting model:
 - Best of class
 - Term of new loans decreased ave. **43 months**
- Improvement in NPL
 - **5.4%** of gross advances (6.5% in 2014)Stricter provisioning and write-offs

FOCUS

Well capitalised

- Diversified funding base:
 - strong retail deposit growth of **27%**
- Capital adequacy ratio at **36%**
- Healthy liquidity :
 - **R19.8bn** in cash (**37%** of assets)

Well positioned for industry changes

- Interchange fees: levers to counter
 - Growth in customers and conversion to primary customers
 - Credit card
- Regulatory changes
 - Insurance charges
 - Advanced affordability assessments





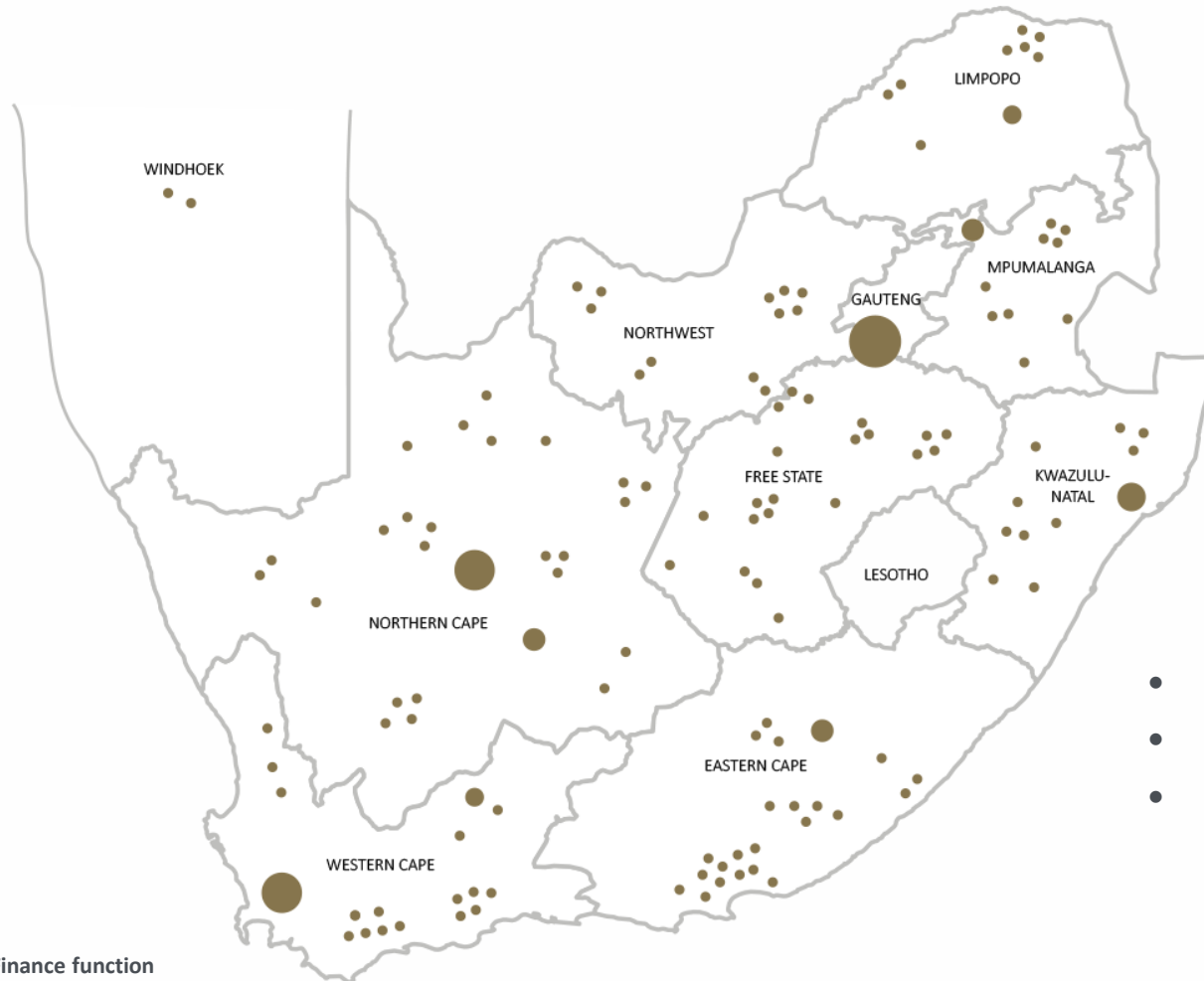
PSG Konsult

Results for the year ended 28 February 2015



A great company

Wealthy clients serviced where they reside



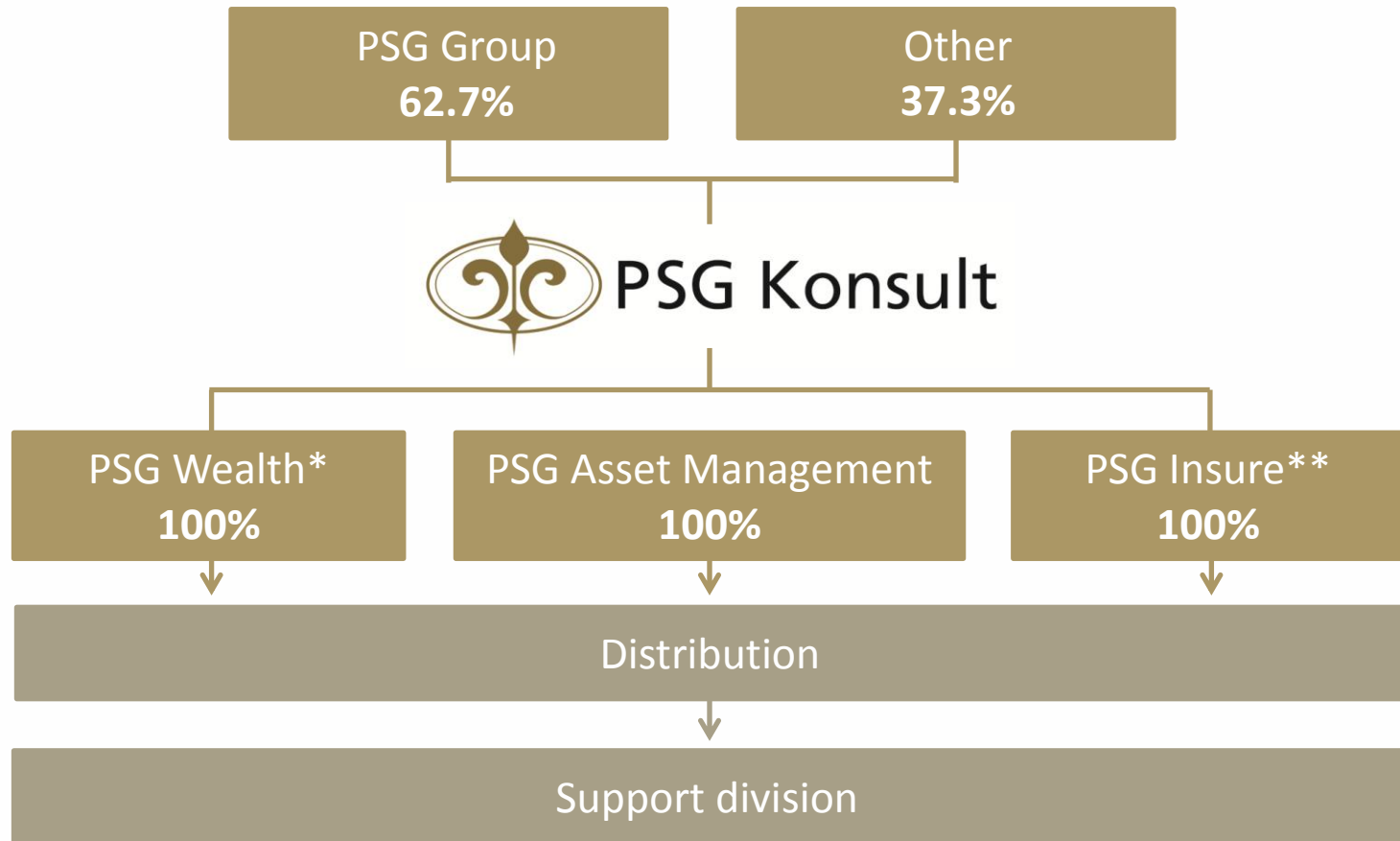
- 193 offices
- 659 advisers
- 150 000+ clients

Source : PSG Finance function

Strong adviser network – Bedrock of firm



PSG Structure



* Includes PSG Employee Benefits

** Includes Western National Insurance



Year in Review

Execution of strategy aligned to 3 core business principles

**Recurring
revenue**

Revenue vs Risk

**Optimise profit
margins**

Sustainable earnings

- Top line growth & profit margins (Net new money)
- Disposed: Academy & Gap cover business (Focus on core)
- Optimise cash (repaid debt / credit rating upgrade)

Undue risk acceptable profit margins

- Exiting white labels & third party admin (Profit margin & Risk)
- Counter party exposure (Evaluate & monitor risk)
- Insure investment risk (Short duration assets)
- ABIL – Navigating turbulent markets (Keeping client investment safe)



FY 2015 financial results overview

Recurring headline earnings per share grew by 31% year-on-year

Consolidated results	FY 2013 Rm	%Δ	FY 2014 Rm	%Δ	FY 2015 R m
Revenue *	1,846	39%	2,557	18%	3,015
PBT	136	182%	384	37%	525
Headline earnings	174	40%	244	39%	339
- Recurring headline earnings	174	44%	251	36%	341
- Non recurring headline earnings	(1)	-	(7)	(71%)	(2)
Weighted average number of shares (million)	1,132	8%	1,221	3%	1,261
HEPS (Rand Cents)	15.4	30%	20.0	35%	26.9
Recurring HEPS (Rand Cents)	15.4	34%	20.6	31%	27.0

Assets under management (Rand billion)	81	38%	112	27%	142
Assets under administration (Rand billion)	180	31%	235	31%	308

* Total income per IFRS includes consolidated fund and policyholder related income



Headline earnings by division

Total recurring headline earnings growth of 36% year on year...

Headline earnings *	FY 2013 Rm	%Δ	FY 2014 Rm	%Δ	FY 2015 Rm
Wealth	127	28%	162	40%	227
Asset Management	31	74%	54	51%	82
Insure	16	75%	28	7%	^30
Total	174	40%	244	39%	339

Recurring Headline earnings*	FY 2013 Rm	%Δ	FY 2014 Rm	%Δ	FY 2015 Rm
Wealth	124	31%	162	41%	228
Asset Management	31	74%	54	52%	82
Insure	19	84%	35	(11%)	^31
Total	174	44%	251	36%	341

* All overhead costs are fully allocated

Source : PSG Finance function

^ Adverse impact of dilution in shareholding in Western from 90% to 60% = R5.2 m



Our Focus

<p>High quality Advice</p> <p>✓</p>	<p>Product & Service Excellence</p> <p>✓</p>	<p>Superb Platforms</p> <p>✓</p>
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Wealth plans

Growing and protecting Clients Wealth

Wealth management assets overview

Excellence in
products & services

Top advisers

Superb platform

Wealth assets split (Rm)	FY 2014	Market movement	Net flows	FY 2015	%
Third party funds *	32 699	3 297	3 440	39 436	21%
PSG Multi Managed	27 367	3 449	6 652	37 468	37%
Discretionary **	24 627	4 329	4 368	33 324	35%
Total managed assets	84 693	11 075	14 460	110 228	30%
Non discretionary	117 031	47 066	-1 392	162 705	39%
Third party administration	10 150	958	-2 438	8 670	-15%
Total wealth assets	211 874	59 099	10 630	281 603	33%

Source: PSG Wealth

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* Includes PSG single managed funds of R3.1bn for FY2014 and R4.8bn for FY2015

** Includes R1.7bn of non-fee generating assets



Asset management plans

Net new money at acceptable margin

Asset management assets overview

Focused marketing

Investment performance

Superb platform

AM assets split (Rm)	FY 2014	Market movement	Net flows	FY 2015	%
PSG Single manager	11 515	1 932	4 985	18 432	60%
PSG Money market and related assets	2 260	15	-43	2 232	-1%
PSG Segregated Portfolios	2 012	181	955	3 148	56%
Total assets under management	15 787	2 128	5 897	23 812	51%
PSG Wealth administered assets *	27 500	3 316	6 652	37 468	36%
PSG White Label **	5 731	754	-3 040	3 445	-40%
Total AM assets	49 018	6 198	9 509	64 725	32%

Source: PSG Asset Management

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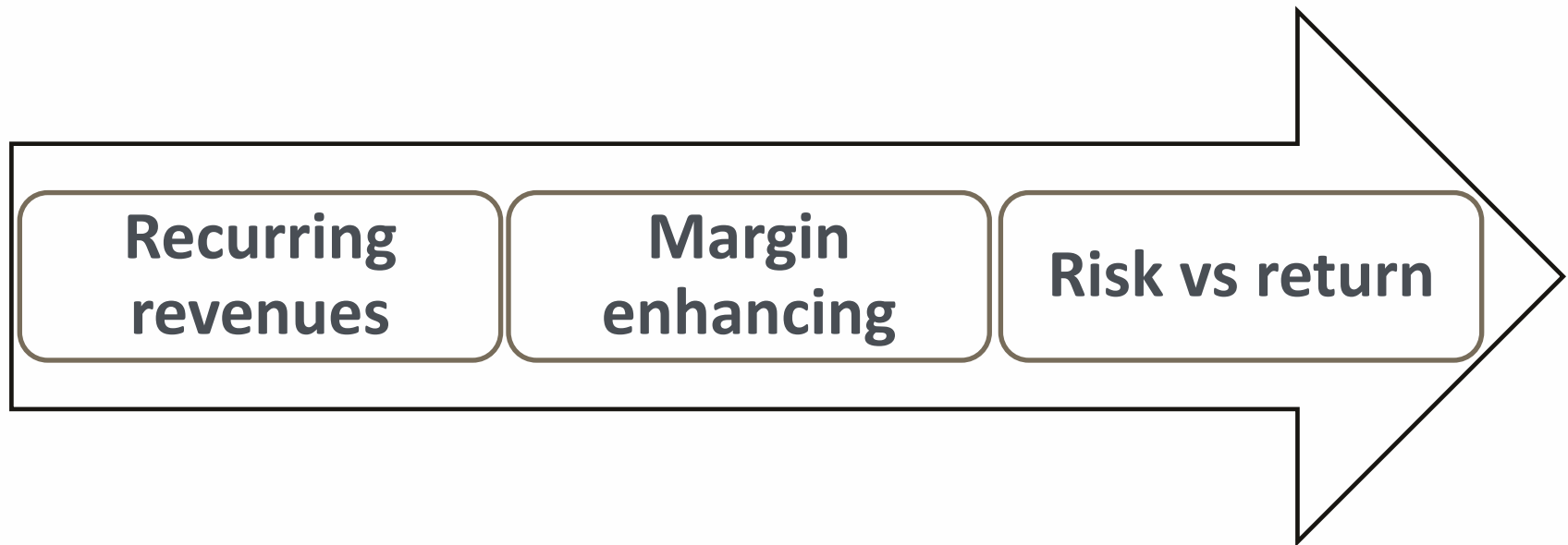
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* Excluded from total PSG assets under administration to eliminate duplication

** During the year PSG decided to cancel all White Label contracts



Reducing Risk



	<u>FY 14</u>	<u>FY 15</u>
Perf fees/HE	10.7%	7.2%
Recurring HEPS	20.6c	27.0c

	<u>FY 14</u>	<u>FY 15</u>
Op margin	13.2%	14.9%
C:I %	63.8%	60.6%

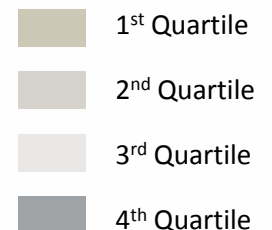
	<u>FY 14</u>	<u>FY 15</u>
ROE	24.4%	26.4%
Debt : Equity	9.1%	0.9%



Asset management - investment performance

Consistent process across funds and over time...

Single manager funds		Feb 2015 Performance	1-year rank	3-year rank	5-year rank	10-year rank
PSG Flexible	Rank		32	13	9	3
	Return		14.55%	19.20%	18.93%	18.04%
PSG Equity A	Rank		65	1	3	10
	Return		16.06%	24.46%	21.62%	18.15%
PSG Balanced A	Rank		46	23	14	11
	Return		13.95%	17.28%	15.47%	13.86%
PSG Stable	Rank		72	41		
	Return		9.09%	11.51%		

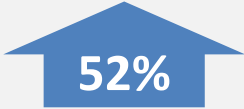
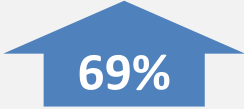
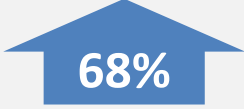
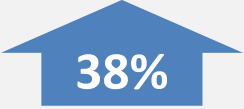
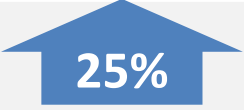
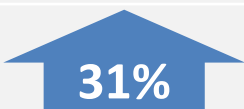


Tower Watson survey for December 2014: PSG Balance Fund lowest in terms of absolute risk!





Results highlights *(December 2014)*

Revenue	 52%	R1bn
EBITDA - Schools	 69%	R262m
EBITDA	 68%	R192m
HEPS	 38%	17.7c
Learners*	 25%	36 021
Schools*	 31%	42

** School and learner numbers are as at 31 January 2015*



Corporate action

Action	2014 (actual)	2015 (planned)
New builds	8 new schools	6 new schools
Land bank spend	R100m	R250m
Acquisitions	2 schools (R160m)	Investigating
CAPEX on existing	R650m	R600m





Curro – J-Curve

	2012		
	Schools	Learners	EBITDA
2015	-	-	-
2014	-	-	-
2013	-	-	-
2012	2	582	(699)
2011	6	2,164	(2,788)
2010	2	1,290	5,366
2009	11	8,437	76,404
	21	12,473	78,282

	2013				
	Schools	Learners	▲	EBITDA	▲
2015	-	-	0%	-	0%
2014	-	-	0%	-	0%
2013	4	2,016	n/a	10,944	n/a
2012	2	1,002	72%	2,034	n/a
2011	6	2,962	37%	6,846	n/a
2010	2	1,636	27%	8,151	52%
2009	11	13,411	59%	127,011	66%
	25	21,027	69%	154,986	98%

	2014				
	Schools	Learners	▲	EBITDA	▲
2015	-	-	0%	-	0%
2014	4	823	n/a	(6,565)	n/a
2013	4	3,645	81%	36,975	238%
2012	2	1,362	36%	8,329	309%
2011	6	3,721	26%	24,561	259%
2010	2	1,994	22%	16,852	107%
2009	11	14,458	8%	165,744	30%
2009*	3	2,734	n/a	16,400	n/a
	32	28,737	37%	262,296	69%

Year indicates the year in which a school was opened

**In 2014 Curro acquired 3 schools that were in existence in 2009*



Competitive advantages

- Quality executive team
- Close alignment with contractors – reducing building time and cost
- Significant spend on curriculum development
- Cost reduction due to efficiencies as a result of scale
- More schools performing at or ahead of target
- Significant quality investment opportunities remain





Full year results

FY2015

Presented by:

Norman Celliers

Chief executive officer

April 2015



- Business overview
- Full year results
- Portfolio review



Our corporate strategy and business definition remains unchanged...

- **Long term** value investor with a primary focus on Agribusiness, specifically the food and beverage sectors
- Listed on the JSE – ZED - **hybrid private equity** vehicle
- Key characteristics of investment considerations:
 - **Growth sectors or subsectors**
 - Management with proven track record
 - High barriers to entry
 - Unique and defensible products (brands)
 - Simple (easy to understand)
 - Scalable business models
 - Focused execution

... with an expanded active strategy aimed at investing and growing large businesses.

	Historically	Today
Industry:	<ul style="list-style-type: none">• Agribusiness	<ul style="list-style-type: none">• Agribusiness
Sub-sector:	<ul style="list-style-type: none">• Food and Beverages	<ul style="list-style-type: none">• Food and Beverages• Bio Fuels• Non-food (i.e. Rubber, timber)
Geography:	<ul style="list-style-type: none">• South Africa (Direct)• Rest of World (via portfolio)	<ul style="list-style-type: none">• South Africa (Direct)• Sub-Sahara Africa (Direct)• Rest of World (via portfolio)
Criteria:	<ul style="list-style-type: none">• Arbitrage• Undervalued	<ul style="list-style-type: none">• Arbitrage• Undervalued• Growth sectors• Consolidation
Influence:	<ul style="list-style-type: none">• Passive	<ul style="list-style-type: none">• Passive• Active

Invest in and build the businesses of tomorrow

- Business overview
- Full year results
- Portfolio review



Executive Summary

	28 Feb 2014	28 Feb 2015	Y-o-Y Change	31 Mar 2015
Sum of the parts value	R5,2b	R13,3b	+157,5%	R14,1b
Recurring headline earnings	R300m	R414m	+38,5%	
Shares in issue	980m	1 444m	+47,3%	1 444m
Sum of the parts value <u>per share</u>	R5.26	R9.18	+74,5%	R9.75

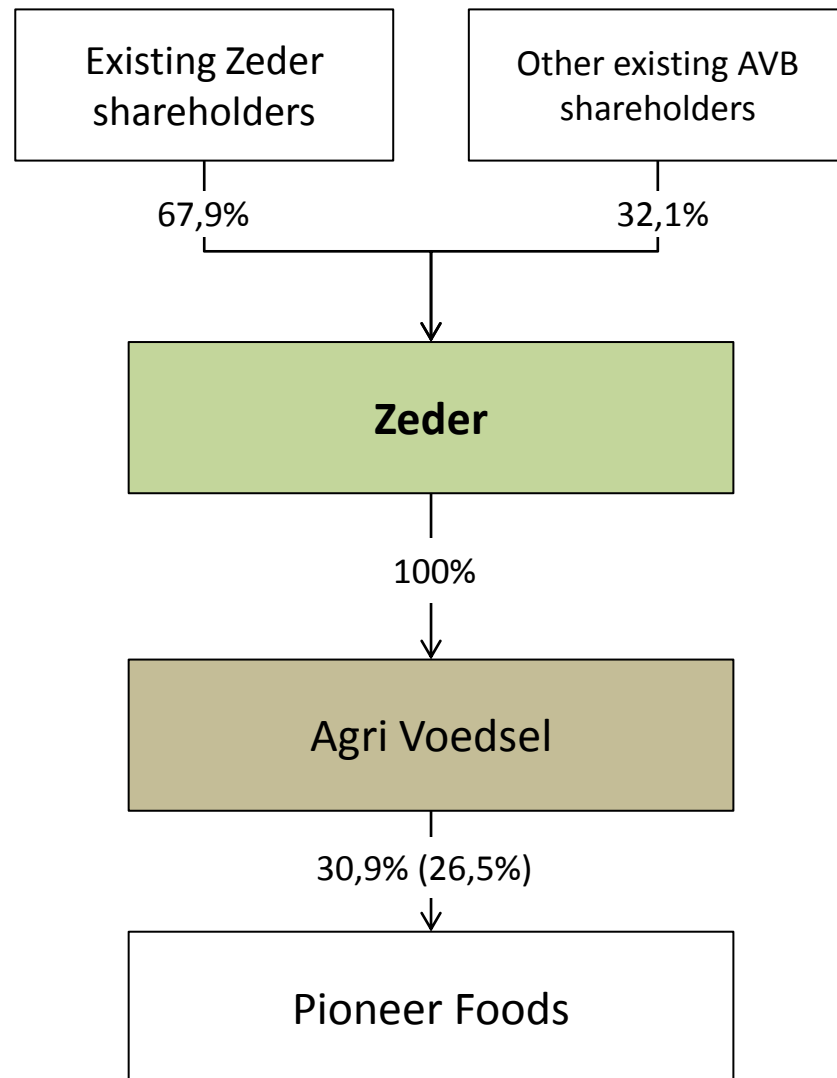
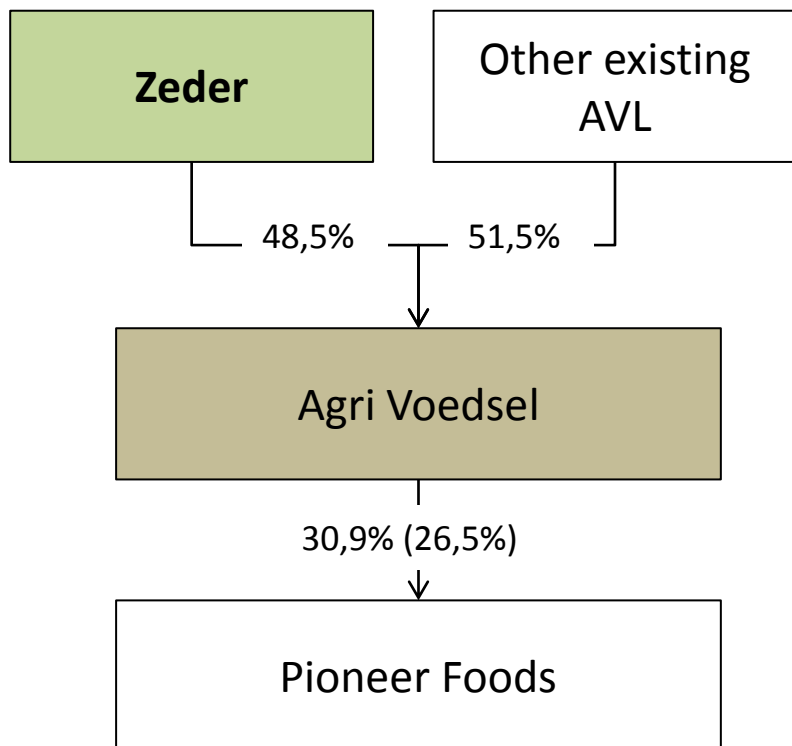
Full Year Results

The value of the underlying portfolio reached R14,1b on 31 March 2015.

Company	28-Feb-14		31-Mar-15	
	% interest	Rm	% interest	Rm
Pioneer	1.1%	164	27.3%	10 360
Capespan	72.1%	777	71.1%	1 463
Zaad	92.0%	679	92.0%	885
Kaap Agri	37.9%	528	37.9%	629
Agrivision	76.7%	560	76.5%	563
Quantum Foods			33.5%	240
Other		76		50
Agri Voedsel	47.4%	2 187		
Capevin Holdings	2.7%	177		
Subtotal		5 148		14 190
Cash		376		160
Other net liabilities		(365)		(266)
Total		5 159		14 084
Shares in issue (million)		980		1 444
SOTP value per share (R)		5.26		9.75

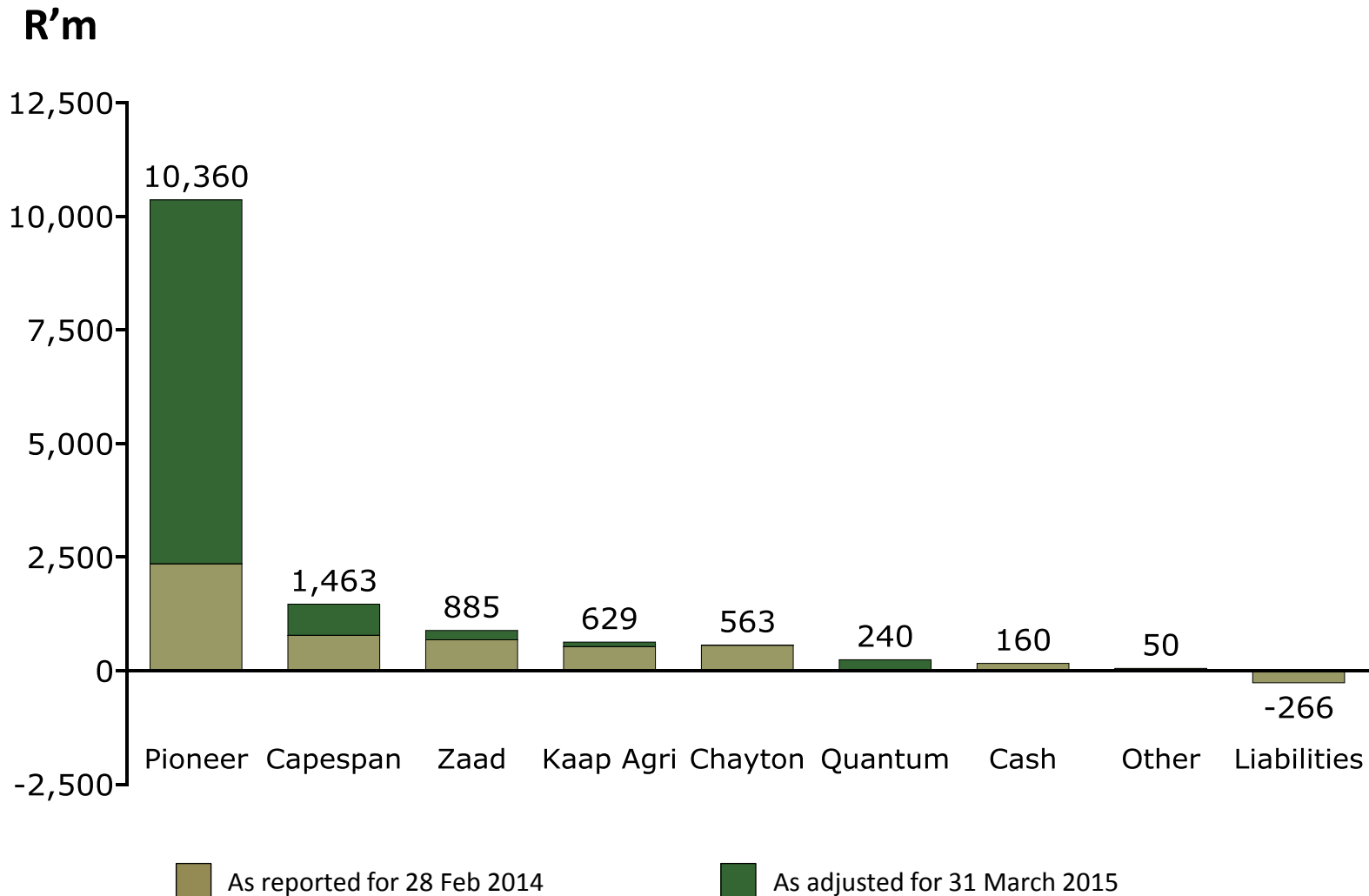
Full Year Results

Zeder successfully acquired an additional 13% in Pioneer through a transaction valued at R3,35b...



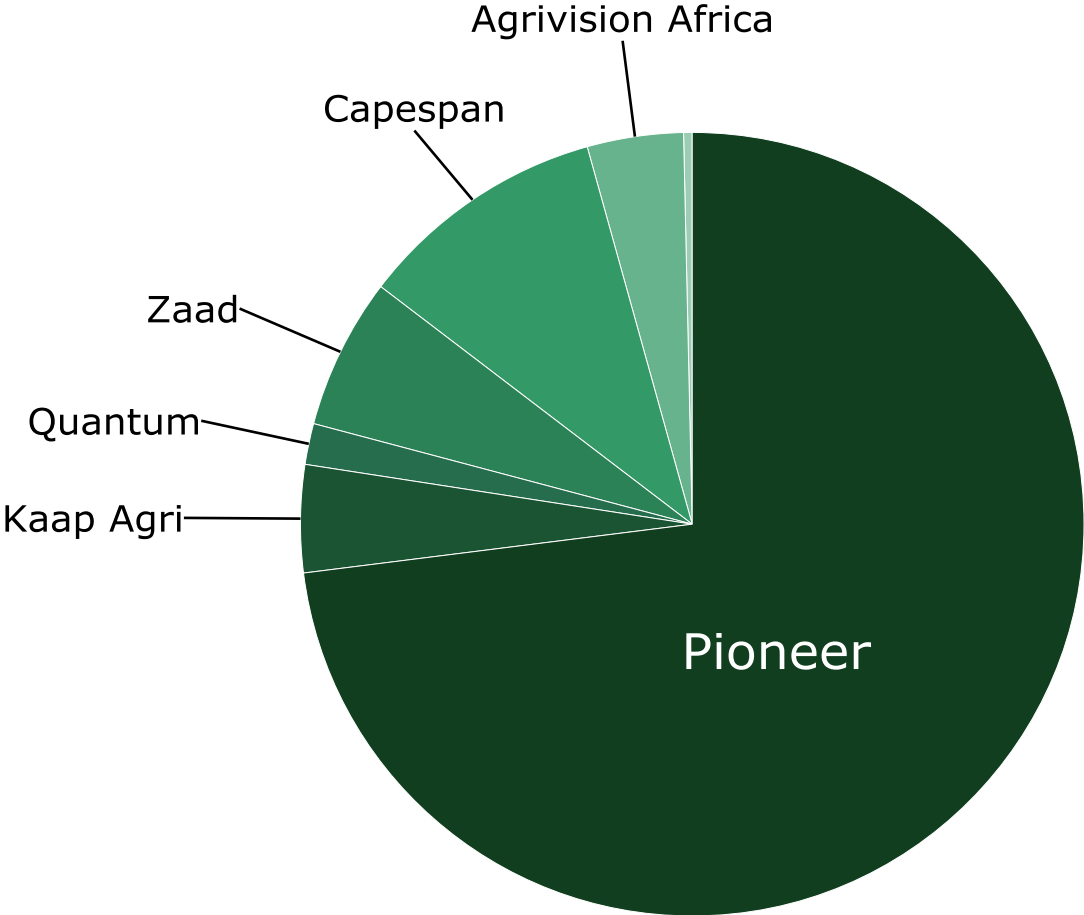
Full Year Results

... this, combined with the strong performance of Pioneer, was the main contributor of the R8,9b increase in SOTP value...



Full Year Results

... resulting in Pioneer now representing 71.1% of the portfolio value.



- Business overview
- Full year results
- Portfolio review



Pioneer delivered strong results for the year ended 30 September 2014 and remains a strategic investment.





	Continuing operations	Group (Quantum Foods included)
Revenue	↑ 9% to R17.7 bn	↑ 7.5% to R21.3 bn
Adjusted operating profit *	↑ 46% to R1 680 m	↑ 53% to R1 771 m
Adjusted operating margin *	↑ from 7.1% to 9.5%	↑ 5.8% to 8.3%
Adjusted total HEPS *	↑ 37% to 637 cents	↑ 44% to 678 cents
<i>* Adjusted for the Phase I B-BBEE charge</i>		
Final dividend declared	↑ 81% to 156 cents	
Total dividend declared for the year	↑ 67% to 221 cents	

For detailed information visit www.pioneerfoods.co.za

Execution is focused around a clear vision and strategy that should deliver sustainable results.



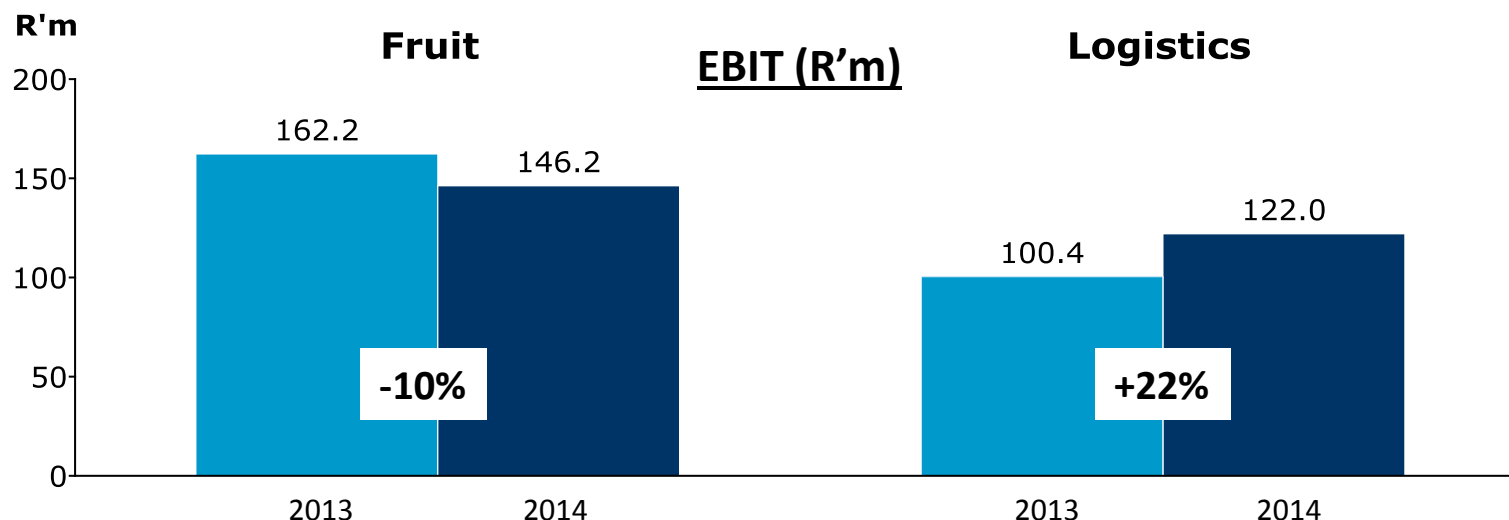
Our Vision and Goal	Our Strategy				
<p data-bbox="266 451 452 486">Our Vision</p>  					
	Drive above market growth			Enhance competitiveness	
	1 Shape a winning corporate portfolio	2 Focus on power brands	3 Embed strategic customer management	4 Reset the cost base and step up productivity	5 Build a high performing team
	Sustainability - Adopt sustainability best practices in all we do				

Portfolio review

After an upward restatement of its 2013 figures, Capespan reported an increase in RHE of 14.3%.

	2013	2014	Δ (%)
Revenue (R'm)	7 149	7 392	3.4
Operating profit (R'm)	191	169	(11.4)
Recurring headline earnings (R'm)	139	159	14.3

Despite tough challenges for fruit division, the group remains on track to deliver on growth targets.



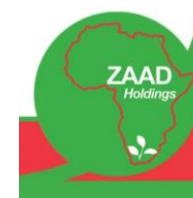
- Rationalising exporting operations
- Positive farming performance
- Negative pricing on grape exports
- Significant disruption in EU markets
- Encouraging growth from China
- Adjacency investments in distribution

- Cape Town remains constrained but options emerging
- Successfully expanded into general cargo
- Positive contributions from Durban, Mozambique
- Refurbishing and expanding Durban
- Completed the KM4 terminal
- Exploring expansion opportunities in Africa

Zeder announced an offer to minority shareholders of Capespan:

85 Zeder Shares for every 100 Capespan shares offered

Zaad doubled revenues while also investing significantly in new opportunities, both locally and internationally.



	2014	2015	Δ (%)
Revenue (R'm)	465	947	104
Operating profit (R'm)	74	121	63
Recurring headline earnings (R'm)	54	77	42

Note: on a per share basis RHEPS increased by 9%

Portfolio review

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



Invest, expand and grow in South Africa, Africa, Europe and Middle East

Kaap Agri continued to deliver strong results supported by non-agri growth.



	2013	2014	Δ (%)
Revenue (R'm)	4 009	4 875	21.6
Operating profit (R'm)	202	243	20.2
Recurring headline earnings (R'm)	129	158	22.6

Portfolio review

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



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.



Continue to invest and expand in Core-Agri offering while simultaneously investing in higher growth adjacencies

Agrivision Africa has increased revenues but remains in the loss-making J-curve phase.



Agrivision Africa

	2013	2014	Δ (%)
Revenue (R'm)	138	353	156
Operating (loss)/profit (R'm)	(2.4)	5.1	n/a
Recurring headline loss (R'm)	(10.9)	(11.7)	(7.3)

Farm expansions has continued while major investments were made down stream in Zambia.



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



- Formal retail
- Distribution depots

Portfolio review

Following a period of extreme challenges in the industry, Quantum delivered improved results.







	2013	2014	Δ (%)
Revenue (R'bn)	3.5	3.6	3.1
Operating loss (R'm)	(252)	(21)	n/a
Recurring headline (loss)/earnings (R'm)	(80)	26	n/a

Note: Recent trading update estimates 1st half profit at ~R58m

Quantum Foods aims to be the leading feed and animal protein business in Africa.



Strategic intent per business area

Business area		Strategic intent
Animal feeds		Organic growth of the feeds business Acquisitive growth as opportunities arise
Eggs		Remain the leading fully integrated national egg business Ensure lowest cost of production Grow sales of layer livestock
Broilers		Extract value from Gauteng broiler business Exit the broiler meat market in the Western Cape
Related businesses in Africa		Further expansion on the African continent Zambia Grow the table egg and layer breeder business Uganda Invest in the table egg business Further African opportunities Explore other geographies



Presented by:
Nico de Waal
Chief executive officer

April 2015



PSG Private Equity: Current portfolio

Services

 Today's discussion

Financial



Labour



Energy



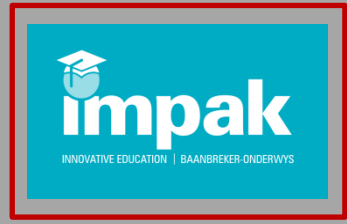
Mining



Retail



Education



Technology



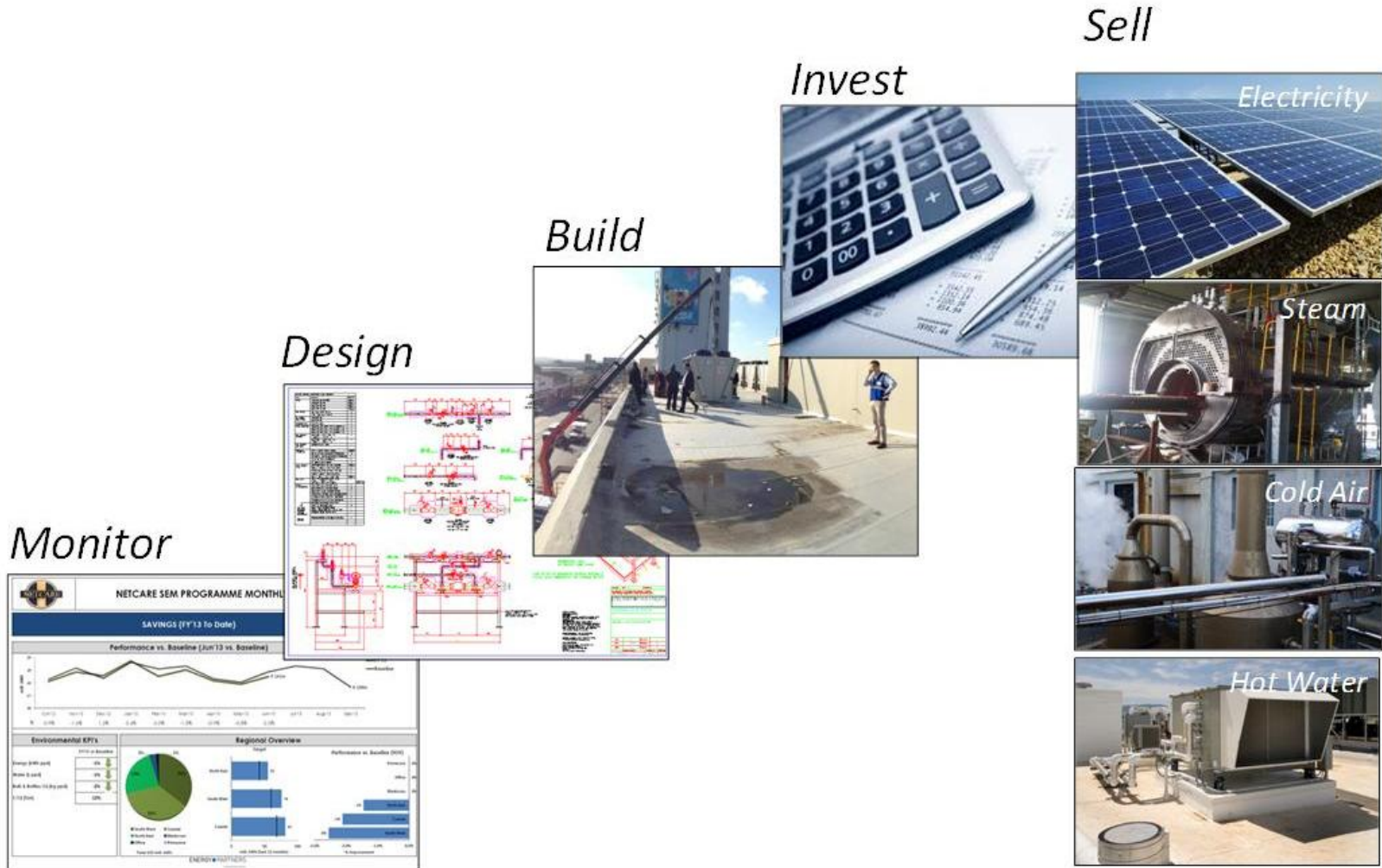
ENERGY ● PARTNERS

Powered by results

57%



Across value chain, multiple disciplines



Well positioned and recognised

Client portfolio to be very proud of:



Industry Recognition:



ETA: 2011 WINNER – ENERGY EFFICIENCY AWARENESS



ETA: 2014 WINNER – BEST INDUSTRIAL PROJECT

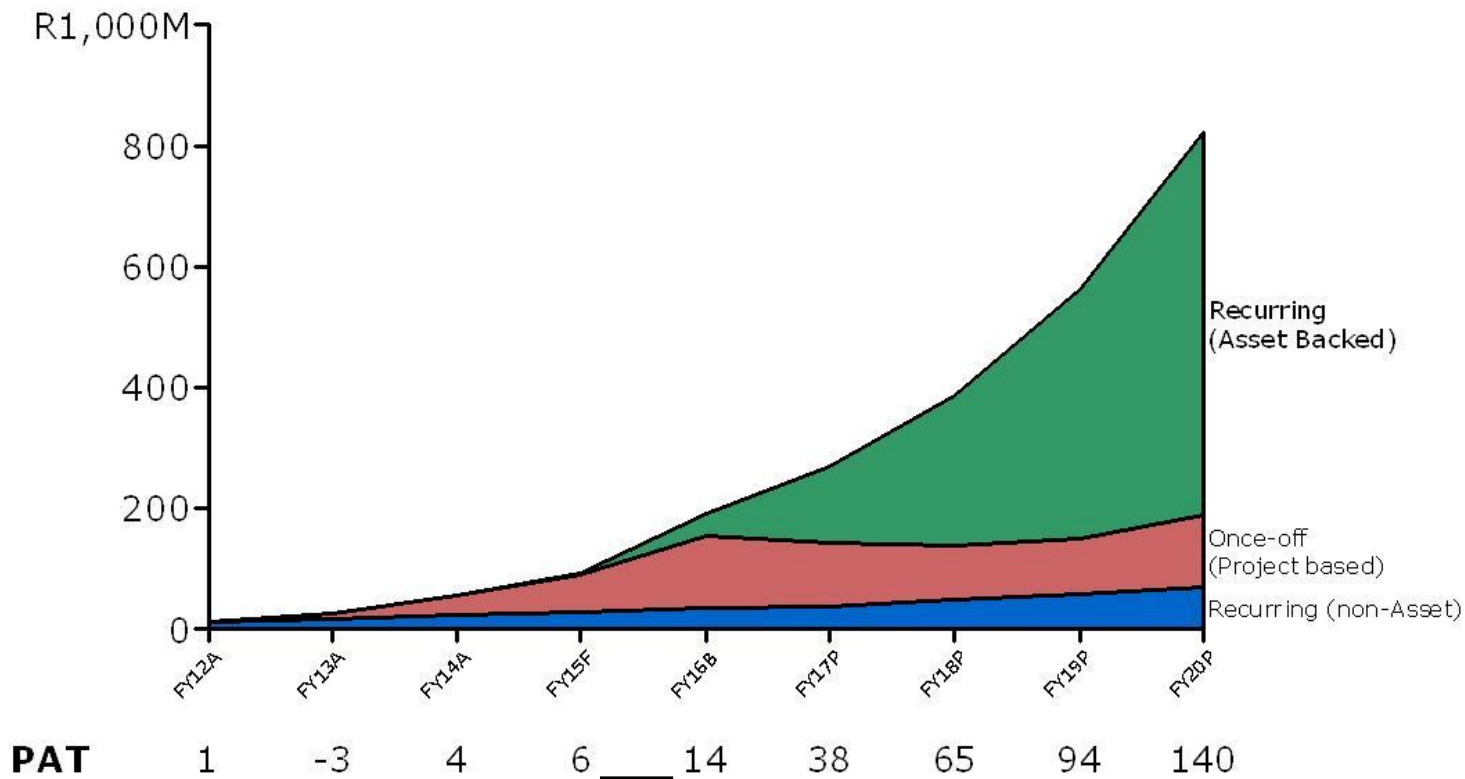


AFRICA ENERGY AWARDS: 2012 WINNER – ENERGY EFFICIENCY PROJECT OF THE YEAR



Recurring asset-backed revenues

EP Revenue



Possible listing in the next 2 - 3 years?



Well capitalised to capture the market

- Completed R90m rights issue
- Obtained first R30m commercial debt (pre rights issue)
- Current capacity for further R200-300m funding, will tap in 2016
- PSG increased stake to 57%





51%





Sub-Saharan FMCG distributor





Operations, in-store execution





- Invested in 2011
- Delivered R52m RHE in FY2015 (Dec 2014)
- Potential for ~R200m RHE by 2019 (incl. further acquisitions)
- Exploring East African opportunities





INNOVATIVE EDUCATION | BAANBREKER-ONDERWYS

83%



Contribute significantly
to the development of our youth
in South Africa
by providing innovative and accessible
basic education solutions



Four channels



impak
HOME

Parents who
homeschool their
children



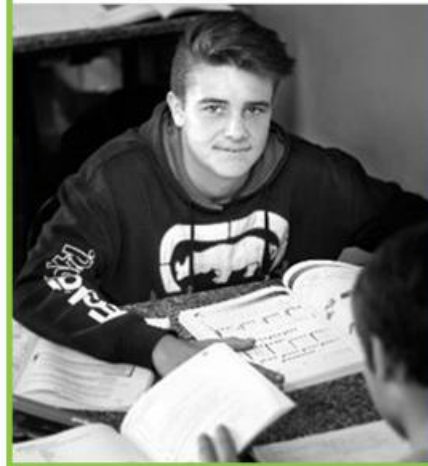
impak
TUTOR

Tutors who assist
homeschoolers or
provide extra
classes to after-
school learners



impak
ACADEMY

Centre providing
tutoring and other
services to home-
school and after-
school learners



impak
SCHOOL

Registered
independent
schools



Scalable turnkey academic offering

7 APRIL '15

Impak corporate clients

Total number of centres/schools

Registrations

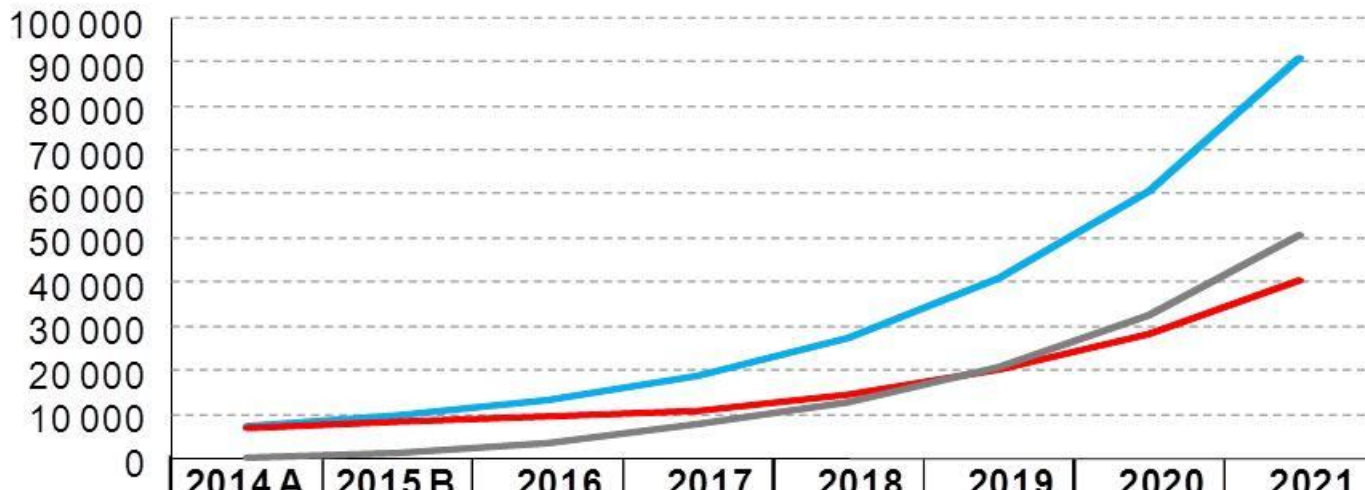
	<u>2012 actual</u>	<u>2013 actual</u>	<u>2014 actual</u>	<u>2015 YTD</u>
Centres	72	104	110	217
Private Schools	0	0	1	23
Total	72	104	111	240

- Changes in offering resulted >100% growth in 2015
- Impak now supports ~240 centres and schools



Strong organic growth

Impak targets 2015 to 2021 Number of learners



	2014 A	2015 B	2016	2017	2018	2019	2020	2021	CAGR
Total	6 951	9 475	12 893	18 458	27 106	40 765	60 634	90 986	44%
Home education ¹	6 869	8 375	9 521	10 759	14 443	20 136	28 185	40 292	29%
Private schools	82	1 100	3 372	7 699	12 663	20 629	32 449	50 694	150%

- Impak aims to register 90 000 learners in 2021 from private schools and home education



IT SCHOOL
INNOVATION



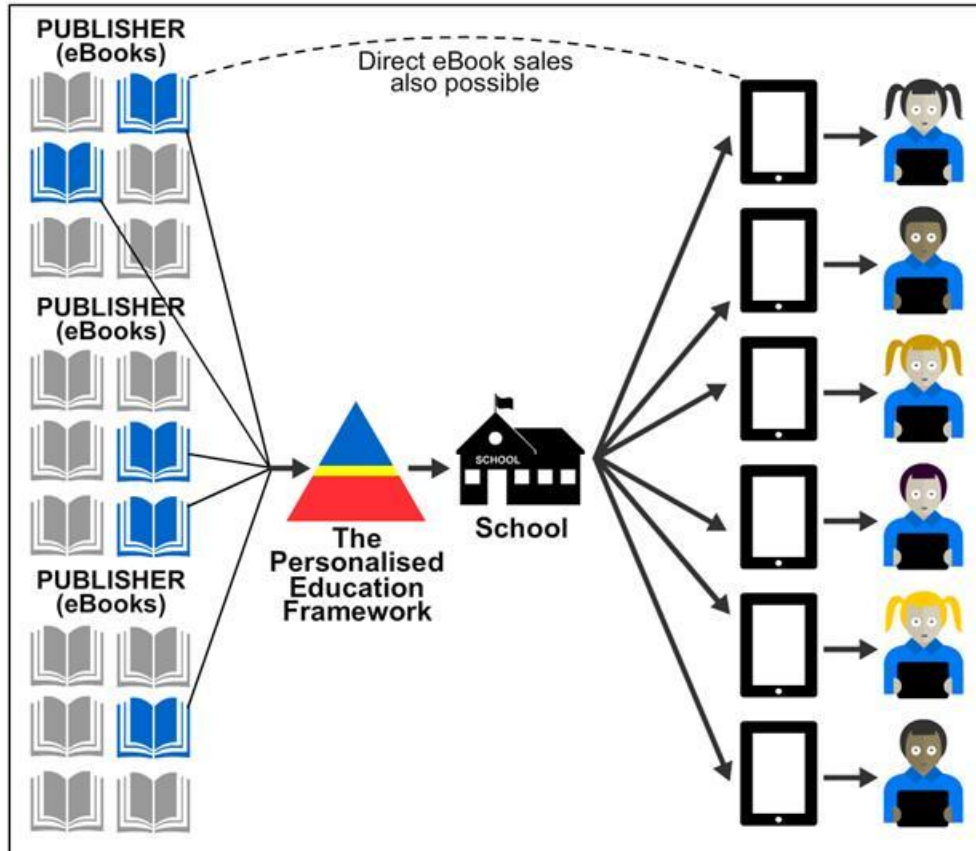
TEACH LEARN INTEGRATE

47%



Patented e-learning platform

eBooks as a service



Key Differentiators

- eBook as platform (Patent Pending)
- DRM/Content Security for publishers
- Offline availability (not just Online)
- Allows schools to use eBooks from multiple publishers in one solution
- Teachers and learners can personalise their eBooks.
- Parents and principals can track teaching and learning.
- Learners auto-generate summaries



Features appeal to teachers

miEbooks

Topic 12 Structure of the Earth

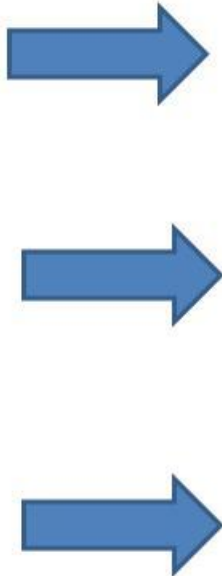
The Earth

We live on the surface of the Earth. The Earth is a sphere. A sphere is the shape of a ball or an orange. If we compare the Earth to an orange, then the surface of the Earth is like the skin of the orange.

The surface of the Earth is made of rock. Some parts of the surface are covered by seas and oceans, and other parts of the surface form continents and islands.

This first layer of the Earth consists of hard rock. Underneath this hard rock there is melted rock. Can you imagine a melted rock? How hot does a

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- Pencil icon



miEbooks

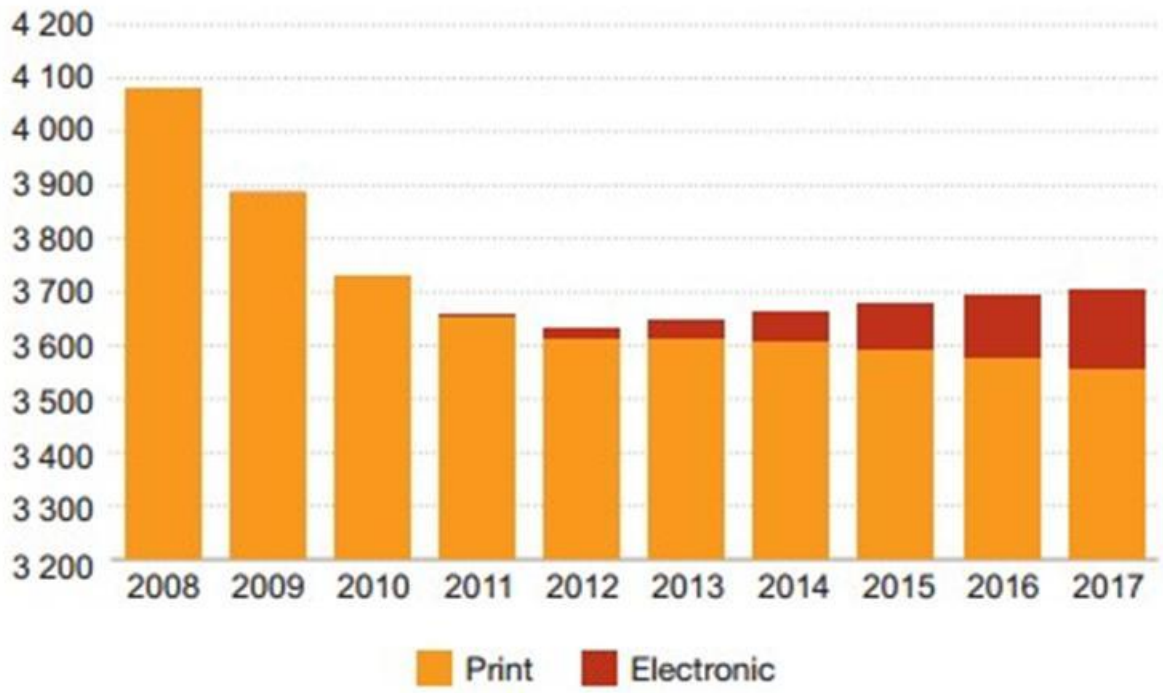
eBook Summary

- Dancers spend many hours repeating exercises that will strengthen and develop their muscles and dance skills. These exercises form part of the floor work routine of your dance class. Your muscles need to become supple and strong. You need to be well co-ordinated so that you look graceful when you dance. You need to develop the core stability of your body. The muscles surrounding the back and abdomen are called the core muscles.
- When dancers move their bodies through space, the body has to be adjusted towards the next move so that it looks graceful and comfortable all the time. The movements that the dancer uses most often are the locomotor movements such as runs, skips, leaps and jumps. When we walk normally, one leg is always in the air while the other is on the ground. In dance, both feet are often off the ground or directed in the same or different directions. When a dancer jumps into the air, the suspension into the air is followed by a fall onto both legs or onto a single leg. Normally they remain on the ground after a jump. In dance, the movement has to be repeated. The dancer has to follow one jump or leap with another to stay suspended in space. The upper torso of the dancer has to follow the direction of the locomotor movement. Sometimes the dancer uses contrast to emphasise the amazing leaps and jumps and the elevated movement is followed by a low level motion such as kneeling, sitting or lying on the floor. When you skip you hop from one foot to the other so that you leap around in a light manner. A dancer can use this movement to skip on the spot or from one point to another.
- When you hop you move around lightly. You can hop around on one foot. The dancer can use hopping movements to create a mood or light-hearted atmosphere. Hip-hop is a well-known dance form where the dancers use hopping movements combined with slides to create a spectacular effect. When you jump you leap off the ground using your leg and feet muscles. Dancers jump off the ground to create a spectacular leap from one place to another.
- When you dance, you switch your weight from one foot to another or from your heels to your toes. You need to be able to transfer the weight from one foot to the other without falling over. Practise balancing and transferring your weight from one body part to the other. It is easier if you tighten your muscles when you balance, but the transfer of weight must look as natural as possible. You must adjust your posture and alignment when you transfer your weight from one leg to another so that you avoid injuring your muscles. Twisting means to bend something in a different direction. A dancer can bend forward or backward, for example. When you twist your torso in a different direction to your lower body you isolate the torso to create a particular line or angle with your body. A popular dance during the 1960s was called the twist. The dancers twist their bodies and feet while they dance.



E-book sales growing

Consumer and educational books revenue split by format, 2008-2017 (R millions)



Source: PwC, Informa Telecoms & Media



Clear market leader in SA

		2012	2013	2014	2015	2016 F	2017 F
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ITSI growth							
ITSI learners	<i># learners</i>	50	2 500	12 118	28 500	50 400	72 500
ITSI schools	<i># schools</i>	3	11	51	94	140	195

ITSI market share							
Total RSA e-book sales*	<i>Rm</i>	1	3	8	13	20	25
ITSI e-book sales	<i>Rm</i>	-	-	7	15	29	46

* Educational Book Revenues: 2013 PWC, Informa Telecoms report



Questions?



Thank you

