PRESCIENT LIMITED

(Incorporated in the Republic of South Africa)
(Registration number 1936/008278/06)
Share code: PCT ISIN: ZAE000163531
("Prescient" or "the Company" or "the Group")

CIRCULAR TO PRESCIENT SHAREHOLDERS

Incorporating:

- **The proposed Prescient Forfeitable Share Plan;**
- **The proposed specific issue of shares for cash, including financial assistance to the CEO, Herman Steyn through his nominee Fisc Investment Management (Pty) Limited, as a result of the Management Buy-in structure;**
- **The proposed specific issue of shares for cash to the Chairman, being a related party, Murray Louw; and**
- **Form of proxy to be used by certificated ordinary shareholders and "own name" ordinary dematerialised shareholders.**

Sponsor and Independent Expert	Reporting Accountant	Transfer secretaries
BRIDGE CAPITAL	KPMG cutting through complexity	LINK MARKET SERVICES

CORPORATE INFORMATION

Registered office of Prescient

Prescient House
Westlake Business Park, Otto Close
Westlake, 7945
South Africa
(PO Box 31142, Tokai, 7966)
Telephone: +27 21 700 3600

Sponsor and Independent Expert

Bridge Capital Advisors (Pty) Limited
2nd Floor, 27 Fricker Road
Illovo Boulevard
Illovo, 2196
South Africa
(PO Box 651010, Benmore, 2010)
Telephone: +27 11 268 6231

Reporting Accountant and Auditor

KPMG Inc
8th Floor, MSC House
1 Mediterranean Street
Cape Town, 8001
Telephone: +27 21 408 7000

Transfer secretaries

Link Market Services (Pty) Limited
13th Floor, Rennie House, 19 Ameshoff Street
Braamfontein, 2001
(PO Box 4844, Johannesburg, 2000)
Telephone: +27 11 713 0800
e-mail: info@linkmarketservices.co.za

Company secretary

Bianca Pieters
Unit 3, Knowledge Park 3
Corner Century Boulevard and Heron Crescent
Century City, 7441
South Africa
(PO Box 2206, Century City, 7446)
Telephone: +27 21 551 0937

ACTION REQUIRED BY ORDINARY SHAREHOLDERS

IF YOU ARE IN ANY DOUBT AS TO WHAT ACTION TO TAKE, PLEASE CONTACT YOUR BANKER, BROKER, CSDP, ATTORNEY, ACCOUNTANT OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.

IF YOU HAVE DISPOSED OF ALL OF YOUR PRESCIENT SHARES, THIS CIRCULAR SHOULD BE HANDED TO THE PURCHASER OF SUCH SHARES OR TO THE BANKER, BROKER, CSDP OR OTHER AGENT THROUGH WHOM THE DISPOSAL WAS EFFECTED.

The General Meeting will be held at 12:00, on Wednesday, 9 July 2014 at Prescient House, Westlake Business Park, Otto Close, Westlake, 7945 to consider and, if deemed fit, pass, with or without modification, the resolutions required (i) the approval of the Prescient Forfeitable Share Plan; (ii) the approval of the issue of shares for the Prescient Forfeitable Share Plan (iii) the specific authority to provide financial assistance to a director; (iv) the approval of the Specific Issue to Herman Steyn; (v) the approval of the specific repurchase; (vi) the approval of the Specific Issue to Murray Louw; (vii) approval for signing of relevant documentation. A notice convening the General Meeting and a form of proxy in respect of the General Meeting are attached to and form part of this Circular.

If you are a Dematerialised Shareholder other than with "own-name" registration:

Voting at the General Meeting

Your CSDP or Broker should contact you in the manner stipulated in the agreement concluded between you and your CSDP or Broker to ascertain how you wish to cast your votes at the General Meeting and thereafter to cast your votes in accordance with your instructions.

If you have not been contacted by your CSDP or Broker, you should contact your CSDP or Broker and furnish them with your voting instructions.

If your CSDP or Broker does not obtain voting instructions from you, it will be obliged to vote in accordance with the provisions contained in the agreement concluded between you and your CSDP or Broker.

You must NOT complete the attached form of proxy *(green)*.

Attendance and representation at the General Meeting

If you wish to attend the General Meeting, you must advise your CSDP or Broker in accordance with the agreement concluded between you and your CSDP or Broker, and your CSDP or Broker will issue the necessary letter of representation to you to attend the General Meeting.

Unless you advise your CSDP or Broker, in accordance with the terms of the agreement concluded between you and your CSDP or Broker, that you wish to attend the General Meeting and have been provided with a letter of representation from them or instructed them to send their proxy to represent you at the General Meeting, your CSDP or Broker may assume that you do not wish to attend the General Meeting and act in accordance with the agreement between you and your CSDP or Broker.

If you are a Certificated Shareholder:

Voting, attendance and representation at the General Meeting

You may attend the General Meeting in person and may speak at and vote at the General Meeting.

Alternatively, if you are unable to attend the General Meeting, you may appoint a proxy to represent you at the General Meeting by completing the attached form of proxy *(green)* in accordance with the instructions contained therein and returning it to the Transfer Secretaries. It is requested that forms of proxy be received by the Transfer Secretaries by no later than 12:00 on Tuesday, 8 July 2014.

You are encouraged to complete the form of proxy *(green)* attached to this document if you do not intend to attend the General Meeting in person.

Where there are joint holders of Prescient Shares, any one of such persons may vote at the General Meeting in respect of such Prescient Shares as if they are solely entitled thereto, but if more than one of such joint holders are present or represented at the General Meeting, the person whose name stands first in Prescient's Register in respect of such Prescient Shares or their proxy, as the case may be, shall alone be entitled to vote in respect of such Prescient Shares.

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IMPORTANT DATES AND TIMES

	2014
Circular posted to Prescient shareholders on or about	Friday, 13 June
Last day to trade Prescient Shares on the JSE in order to be eligible to vote at the General Meeting	Friday, 27 June
Record date to be entitled to participate in and vote at the General Meeting	Friday, 4 July
Last date for receipt of the forms of proxy for the General Meeting by 12:00 on	Tuesday, 8 July
General Meeting to be held at 12:00 on	Wednesday, 9 July
Results of the General Meeting released on SENS on	Wednesday, 9 July

The definitions provisions set out on pages 6 to 8 of this Circular shall apply, *mutatis mutandis*, to this section.

SALIENT FEATURES OF THE TRANSACTIONS

These salient features are intended to be an overview of the Transactions. They are not intended to be a complete description of the Transactions. Prescient Shareholders should read the entire Circular for a more detailed explanation of the Transactions.

SALIENT FEATURES OF THE FORFEITABLE SHARE PLAN

Introduction

All capitalised terms are terms and concepts as defined in the Prescient Forfeitable Share Plan Rules.

In line with local and global best practice, the Employer Company intends to adopt a new share plan, namely the FSP, for executive directors, senior management and selected Employees of the Company.

The rationale behind the introduction of the FSP is to introduce a long-term incentive structure which aligns Participants closely with shareholders through an Award of Performance Shares which are subject to performance conditions such as share price growth, individual performance metrics and a continued Employment Condition for Vesting. The FSP also provides for an Award of Bonus Shares. The quantum of Bonus Shares which may be Awarded will be calculated with reference to Participants' short-term incentive earned for the immediately preceding Financial Year. As the performance of the Employee and the Company is taken into account in making the Award of Bonus Shares, no further Performance Conditions will apply, but the Vesting of Bonus Shares is subject to an Employment Condition. Performance Shares and Bonus Shares are collectively referred to as Forfeitable Shares.

For the first Award of Forfeitable Shares only Performance Shares will be awarded and no Bonus Shares will be awarded. The awarding of Bonus Shares will not form part of the annual award of long-term incentive instruments and will only be used in *ad hoc* circumstances where retention is necessary.

Further, through the delivery of real shares, Participants will be shareholders in the Company. The proposed FSP aligns with King III recommendations as it is less leveraged than option type plans, therefore mitigating the risk of unjustified windfalls.

The salient features of the FSP are detailed below.

Purpose

Best practice indicates a move away from the use of option-type plans in isolation to the use of full share plans. Full share plans, like the FSP, are less leveraged and have less upside than option-type plans, but provide more certain outcomes.

FSP instruments aid retention and provide more certainty as these instruments are less volatile than option-type instruments.

The FSP will provide selected Employees of Employer Companies within the Group with the opportunity of receiving Shares in the Company through an Award of forfeitable Shares.

The FSP will be used primarily as an incentive to Participants to deliver the Group's business strategy over the long term. It can also be used as a retention mechanism and as a tool to attract prospective Employees. The FSP will provide Participants with the opportunity to share in the success of the Company and provide direct alignment between Participants and shareholders.

SALIENT FEATURES OF THE SPECIFIC ISSUES

Specific Issue to Herman Steyn

Introduction

Prior to 1 April 2013, Herman Steyn, as CEO received a monthly cash salary as remuneration for his services to the Group. The Remuneration Committee and Board proposes, subject to shareholder approval, that for a period of five years from 1 April 2013 to 31 March 2018 Herman Steyn will not receive a monthly cash salary as remuneration for his services as CEO, but Herman Steyn or through his nominee Fisc Investment Management (Pty) Limited, a private company wholly owned by the Sting Trust established by Herman Steyn, will subscribe for Prescient ordinary shares, through a management buy-in structure, in the form of a specific issue of shares for cash, funded by an interest-bearing loan from the Company.

The specific issue shares will not have any restrictions attached to them, except that the loan funding must be repaid upon termination of employment at the Company and that they may serve as security and replacement security may be required should they be sold.

Purpose

The intent of the Management Buy-in is to afford Herman Steyn an opportunity to invest in the Company, providing direct alignment of the CEO and shareholders. Herman Steyn's further investment in Prescient from the proposed specific issue will enable him to benefit from possible share price appreciation and dividend income, along with other Prescient shareholders.

Price

The price relating to the Specific Issue to Herman Steyn will be 90 cents per Prescient ordinary share. The issue price is at a 21.2% premium to the 30-day VWAP as at 12 May 2014, being the date the Prescient board of directors approved the Specific Issue to Herman Steyn.

Number of shares issued

The number of Prescient ordinary shares to be issued to Herman Steyn is 27 114 119 ordinary shares, representing 1.7% of Prescient's ordinary shares being a value of R24 402 707.

Structure

Herman Steyn or his nominee and the Company will conclude a share purchase agreement, in terms of which shares are purchased by Herman Steyn or his nominee. The structure of the Management Buy-in will be as follows:

- the Company will grant a loan to Herman Steyn or his nominee to acquire Prescient shares;
- Prescient shares purchased in terms of the Management Buy-in will have no restrictions attached to them and these shares can be traded freely by Herman Steyn or his nominee;
- the loan will be a commercial loan, on which interest will be charged at SARS official rate;
- the interest rate on the loan from the Company will escalate at the SARS official rate applicable to fringe benefits, which is currently 6.5%. However, as the official rate is 1% plus the Repurchase Rate, the interest rate may change from time;
- the Company will comply with all the requirements in terms of the National Credit Act ("NCA") prior to granting the loan to the Herman Steyn or his nominee;
- the NCA also requires that certain "means tests" are conducted prior to granting the loan;
- Herman Steyn will be required to provide security from his personal shareholding of Prescient ordinary shares, described in paragraph 11.7 of this circular, on a 2 for 1 value basis for the shares acquired in terms of the Specific Issue to Herman Steyn; and
- the loan will be immediately repayable on disposal of the shares, on termination of employment, or on a change of control of the Company.

Specific Issue to Murray Louw

In March 2013 Prescient Investment Management (Pty) Limited (a wholly owned subsidiary of the Prescient Group) launched the Prescient China Balanced Fund. The Prescient China Balanced Fund is a sub-fund of Prescient Global Funds plc, an open-ended umbrella fund with segregated liability between its funds and authorised by the Central Bank of Ireland as a UCITS fund pursuant to the UCITS Regulations. The Prescient China Balanced Fund invests principally in equities and other instruments listed on the Shanghai and Shenzhen Stock Exchanges.

In March 2013, Reinet committed to invest $30 million in Prescient China and $2 million in its management company. Reinet invested its full capital commitment of $30 million in the fund in March 2013.

Prescient's Chairman, Murray Louw, was responsible for the introduction between Prescient and Reinet and as a result was awarded an introductory fee of R750 000. The after tax portion of this fee will be payable in Prescient ordinary shares.

The Prescient shares payable to Murray Louw is considered a specific issue to a related party. The number of shares payable amounts to 569 620 at a price of 79 cents per ordinary share, being the 30-day VWAP of Prescient on 10 March 2014, being the date of the agreement between Prescient and Murray Louw.

DEFINITIONS

"Award"	(a) an award of a specified number of Performance Shares to an Employee in terms of the FSP; and/or (b) an award of a specified number of Bonus Shares to an Employee in terms of the FSP;
"Award Letter"	a letter containing the information outlined in the Rules sent by the Company, or its nominee, on the recommendation of the Employer Company, to an Employee informing the Employee of the Award to him;
"Balance of Notional Loan"	the Notional Loan together with Notional Interest charged at the Official rate of interest, as capitalised from time to time;
"Bonus Shares"	the Shares comprised in the Award registered in the name of the Participant and held for his benefit in dematerialised form, the Vesting of which is subject to the fulfilment of the Employment Condition as specified in the Award Letter;
"Capitalisation Issue"	a capitalisation issue as contemplated in section 47 of the Companies Act;
"CEO"	Chief Executive Officer of Prescient Limited, Herman Steyn, identity number 6010065072087;
"Change of Control"	where a person (or persons acting together in concert), who did not have Control of the Company through a transaction, or series of transactions, acquires Control of the Company;
"Control"	(a) the holding of shares or the aggregate of holdings of shares or other securities in the Company entitling the holder thereof to exercise, or cause to be exercised, more than 50% (fifty percent) of the voting rights at shareholders' meetings of the Company; or (b) the holding or control by a shareholder or member alone or pursuant to an agreement with other shareholders or members of more than 50% of the voting rights in the Company; or (c) the entitlement, direct or indirect, to appoint a majority of Directors of the board of Directors of the Company, or to appoint or remove Directors having a majority of the votes exercisable at meetings of the board of Directors of the Company;
"Date of Termination of Employment"	the date upon which a Participant is no longer permanently employed by any Employer Company; being the date upon which the termination of permanent employment of a Participant with any Employer Company takes effect;
"Employee"	any person holding permanent salaried employment or office with any Employer Company, excluding any non-executive director of the Group;
"Employer Company"	a company in the Group which employs a Participant;
"Employment Condition"	the condition of continued employment with the Group for the duration of the Employment Period, as specified in the Award Letter;
"Employment Period(s)"	the period(s) commencing on the Award Date and ending on the date as specified in the Award Letter (both dates included) during which the Participant is required to fulfil the Employment Condition;
"Escrow Agent"	the person or entity appointed by the Company from time to time to hold Performance Shares and/or Bonus Shares on behalf of the Participants, subject to the terms and conditions of these Rules;
"Financial Year"	the financial year of the Company running from 1 April to 31 March of each year, as amended from time to time;
"Fisc Investment Management" or "nominee"	Fisc Investment Management (Pty) Limited, (registration no: 1987/01885/07), a company duly registered in accordance with the laws of the Republic of South Africa. A private company wholly owned by the Sting Trust of which Herman Steyn is a trustee;

"FSP"	the Prescient Forfeitable Share Plan constituted by these Rules, as amended from time to time;
"Global Re-Insurance Services AG"	an investment holding company incorporated under the laws of Switzerland, registration number CH-170.3.021.623-0. Registered in Zug, Switzerland;
"JSE"	the exchange operated by the JSE Limited (Registration number 2005/022939/06);
"JSE Listings Requirements"	the Listings Requirements as amended from time to time by the JSE;
"Notional Interest"	a notional amount calculated by applying the Official rate of Interest to the Notional Loan and capitalising it from time to time;
"Last practicable date"	the last practicable date prior to the finalisation and publication of this circular, being Friday, 16 May 2014;
"Notional Loan"	a notional amount which will be determined on the Award date and will equate to a percentage of the value of the Shares Awarded to Participants in terms of the FSP, which percentage will be determined by the RemCo at Award Date;
"Official rate of interest"	the rate of interest prescribed by the South African Revenue Service applicable to all loans made by employers to their employees, as applicable from time to time;
"Participant"	an Employee to whom an Award has been made under this FSP and who has accepted such Award including the executor of Employee's deceased estate;
"PAYE"	Pay as you earn taxation;
"PBT IT"	PBT Insurance Technologies, a division of Prescient Limited, a provider of specialist healthcare management solutions and services;
"Performance Condition(s)"	a condition(s) of Vesting of an Award of Performance Shares, as set out in the Award Letter;
"Performance Period(s)"	the period(s) in respect of which the Performance Conditions are to be satisfied, as stated in the Award Letter;
"Performance Shares"	the Shares registered in the name of the Participant, the Vesting of which is subject to the fulfilment of the Performance Condition(s) and Employment Condition as specified in the Award Letter;
"Prescient Administration Services"	Prescient Administration Services (Pty) Limited, a wholly-owned subsidiary of Prescient Limited (Company registration number 1998/023727/07);
"Prescient Investment Management"	Prescient Investment Management (Pty) Limited, a wholly-owned subsidiary of Prescient Limited (Company registration number 1998/023640/07);
"Prescient Life Limited"	Prescient Life Limited, a wholly-owned subsidiary of Prescient Limited (Company registration number 2004/014436/06);
"Prescient Securities"	Prescient Securities (Pty) Limited, a wholly-owned subsidiary of Prescient Limited (Company registration number 1999/008636/07);
"Prescient Wealth"	Prescient Wealth (Pty) Limited, a subsidiary of Prescient Limited (Company registration number 2003/003494/07);
"Recharge Policy"	a policy or agreement in force from time to time between the Company and an Employer Company regulating the funding of the Settlement;
"Reinet"	Reinet Investments S.C.A. (formerly known as Richemont S.A.), a Reinet Investments' société en commandite par actions (partnership limited by shares) incorporated under the laws of Luxembourg, having the objects and tax status of a securitisation company established under the Luxembourg Law of 22 March 2004 on the Richemont Reconstruction Date;

"RemCo"	the remuneration committee of the board of Directors, the members of which do not hold any executive office within the Group;
"Reporting Accountant"	KPMG Inc, Registered Auditor (Company Registration number 1999/021543/21);
"Repurchase Rate"	The South African Reserve Bank Repurchase Rate;
"Rights Issue"	the offer of any securities of the Company to all ordinary shareholders of the Company *pro rata* to their holdings at the record date;
"Rules"	Rules of the FSP, as amended from time to time;
"SARS official rate"	SARS official rate means the official rate of interest applicable to fringe benefits as published in paragraph 1 of the Seventh Schedule to the Income Tax Act, 1962;
"Settlement"	registration in the name of a Participant of the required number of Performance Shares and/or Bonus Shares in accordance with the Settlement method stipulated in the Rules, the words "Settle" and "Settled" shall bear a corresponding meaning;
"Settlement Date"	the date on which Settlement shall occur;
"Share"	an ordinary share in the capital of the Company;
"Specific Issue to Herman Steyn" or "Management Buy-in"	the specific issue of shares for cash to Herman Steyn, the CEO of Prescient, or his nominee Fisc Investment Management (Pty) Limited, which is classified as a related party in terms of the Listings Requirements;
"Specific Issue to Murray Louw"	the specific issue of shares for cash to Murray Louw, the Chairman of Prescient, and classified as a related party, in terms of the Listings Requirements;
"Seena Marena Financial Services"	Seena Marena Financial Services (Pty) Limited (Registration number 2002/006355/07), a private company incorporated in Pretoria in accordance with the Act, the shares of which are held 50% by Lance Manala and 50% by Dines Gihwala Family Trust;
"Specific Issues"	collectively the Specific Issue to Herman Steyn and the Specific Issue to Murray Louw;
"Sponsor" or "Independent Expert"	Bridge Capital Advisors (Pty) Limited (Registration number 1998/016302/07), a company incorporated in accordance with the Act and a Sponsor as contemplated in the Listings Requirements, being the Company's sponsor and independent expert;
"St Helena Family Trust"	St Helena Family Trust, Master's Reference number IT62/95, a trust duly registered in accordance with the laws of South Africa;
"Sting Trust"	Sting Trust, registration number T1076/92, a trust duly registered in accordance with the laws of South Africa (formerly Herman Steyn Family Trust) whose assets include a 100% shareholding in Fisc Investment Management (Pty) Limited;
"Transactions"	the Specific Issues and the FSP;
"Transfer Secretaries"	Link Market Services South Africa (Pty) Limited (Registration number 2000/007239/07, a company incorporated in accordance with the Act, being Prescient's transfer secretaries;
"UCITS"	the Undertakings for Collective Investment in Transferable Securities;
"Vest"	the Performance Shares and/or Bonus Shares of a Participant no longer being subject to any restrictions or potential forfeiture as determined according to Rule 8.1, and "Vesting" and "Vested" shall be construed accordingly;
"Vesting Date"	the date on which Vesting occurs; and
"Vesting Formula"	the formula as described in the Rules which determines the number of Shares Vesting by deducting the value of the Notional Loan from the value of number of Performance Shares and/or Bonus Shares Awarded.

1. **DETAILS OF THE PRESCIENT FORFEITABLE SHARE PLAN**

1.1 **Introduction**

In line with local and global best practice, the Company intends to adopt a new share plan, namely the FSP, for executive directors, senior management and selected Employees of the Employer Company.

The rationale behind the introduction of the FSP is to introduce a long-term incentive structure which aligns Participants closely with shareholders through an Award of Performance Shares which are subject to Company financial Performance Conditions and a continued Employment Condition for Vesting. The FSP also provides for an Award of Bonus Shares. The quantum of Bonus Shares which may be Awarded will be calculated with reference to Participants' short-term incentive earned for the immediately preceding Financial Year. As the performance of the Employee and the Company is taken into account in making the Award of Bonus Shares, no further Performance Conditions will apply, but the Vesting of Bonus Shares is subject to an Employment Condition.

It is envisaged that the Award of Bonus Shares will not form part of the annual Award of long term incentive instruments and will only be used in specific *ad hoc* circumstances for Awards to Employees who do not have any direct influence on the Company's financial performance. Bonus Shares could also be Awarded for specific *ad hoc* retention purposes. Performance Shares and Bonus Shares are collectively referred to as forfeitable Shares.

Further, through the delivery of real shares, Participants will be shareholders in the Company. The proposed FSP aligns with King III recommendations as it is less leveraged than option type plans, therefore mitigating the risk of unjustified windfalls.

The salient features of the FSP are detailed below.

1.2 **Purpose**

Best practice indicates a move away from the use of option-type plans in isolation to the use of full share plans. Full share plans, like the FSP, are less leveraged and have less upside than option-type plans, but provide more certain outcomes.

FSP instruments, aid retention and provide more certainty as these instruments are less volatile than option-type instruments.

The FSP will provide selected Employees of Employer Companies within the Group with the opportunity of receiving Shares in the Company through an Award of forfeitable Shares.

The FSP will be used primarily as an incentive to Participants to deliver the Group's business strategy over the long term. It can also be used as a retention mechanism and as a tool to attract prospective Employees. The FSP will provide Participants with the opportunity to share in the success of the Company and provide direct alignment between Participants and shareholders.

1.3 **Participants**

Eligible Employees will include executive directors, senior management and other selected Employees of the Company. The RemCo may, in its discretion, call upon the Employer Companies to make recommendations as to which of their respective Employees they wish to incentivise, retain the services of or attract the services of, by the making of an Award of forfeitable Shares. Non-executive directors are not eligible for participation.

1.4 **Rights of Participants**

In terms of the FSP, Participants will become owners of the forfeitable Shares from the Settlement Date, shortly after the Award date and will immediately benefit from dividends and have shareholder voting rights in respect of the forfeitable Shares over the Vesting period. The Shares cannot be disposed of by the Participant prior to the Vesting Date and will be subject to forfeiture restrictions until the Vesting Date.

Forfeitable Shares could be Awarded in the form of either Performance Shares or Bonus Shares. Performance Shares are subject to Performance Conditions measured over a Performance Period, which period is not less than three years and an Employment Condition, also stretching over three years. As performance is taken into account when making an Award of Bonus Shares, these Shares are subject to the Employment Condition only.

1.5 **Basis of Awards and Award levels**

In line with the requirements of King III and best practice regular, annual Awards are made on a consistent basis to ensure long-term shareholder value creation. Therefore, annual Awards of forfeitable Shares will be made in terms of the FSP.

The number of Performance Shares Awarded to a Participant will primarily be based on the Participant's annual salary, grade, performance, retention and attraction requirements and market benchmarks.

It is not envisaged that Bonus Shares will be Awarded on an annual basis, but only in specific circumstances to Employees who do not have any direct influence on the company performance or *ad hoc* circumstances where the retention of specific Employees is essential for the delivery of the Company's business strategy. Where Bonus Shares are Awarded the number of Bonus Shares will be based on the short-term incentive earned by the Participant for the immediately preceding Financial Year and best practice market benchmarks. In order to earn a short-term incentive certain performance hurdles have to be met and therefore the Vesting of Bonus Shares will not be subject to Performance Conditions, but will be subject to an Employment Condition.

The Award levels for Performance Shares will be decided by the RemCo each time that Awards are granted, by taking into account the particular circumstances at that time. Annual Awards will be benchmarked and set to a market-related level of remuneration, whilst considering the overall affordability thereof to the Company.

1.6 **Vesting Formula**

Prior to determining the extent to which the Employment Condition and/or the Performance Conditions have been met for the Vesting of the Award of forfeitable Shares, a Vesting Formula will be applied to the Award.

The Vesting Formula will calculate the number of Shares Awarded on the Award Date multiplied by market value of the Shares on Vesting Date less the Balance of the Notional Loan divided by the market value per Share on Vesting Date. This is depicted in the formula below:

= Number of Shares Awarded x (market value per Share on Vesting Date – Balance of Notional Loan)/Market Value per Share on Vesting Date

Working example of how the Vesting Formula will operate:

Assume an Employee is Awarded 100 forfeitable Shares and the market value per share on the Award Date is R1 per Share. The market value per share on the Vesting Date is R4. Assume the Notional Loan is 50% of the value of the Share on Award Date (i.e. R0.50 per share), but the Balance of Notional Loan per Share is R0.60 on Vesting Date.

When the Vesting Formula is applied three years later the outcome would be as follows:

= 100 x (R4 – R0.60)/4

= 85 Shares

It is envisaged that for the first Award of forfeitable Shares the Notional Loan will be set at 100% of the market value of the Share at Award Date.

After application of the Vesting Formula the RemCo has to satisfy itself as to the extent to which the Performance Conditions and the Employment Condition were met for Vesting.

1.7 **Performance Conditions**

Performance Shares will be subject to a pre-determined Performance Condition and the Employment Condition for Vesting.

For the first Award of Performance Shares as the Notional Loan will be set at 100%, the share price growth constitutes a Performance Condition for Vesting. In addition the Participant will have to achieve certain individual performance metrics for Vesting. The Vesting period is envisaged to be three years.

The RemCo will set appropriate Performance Conditions, Performance Periods, Employment Conditions, Employment Periods and Vesting periods, as relevant, for each Award, taking into account the business environment at the time of making the Awards, and, where considered necessary, in consultation with shareholders. These will be agreed with the Participant in the Award Letter.

In line with King III, Vesting will occur on a sliding scale. In line with corporate governance principles, Performance Conditions will not be retested if they are not met at the end of the Performance Period, and to the extent that they are not satisfied, Awards will lapse at this time.

1.8 **Manner of Settlement**

The Rules of the FSP will be flexible in order to allow for Settlement in any of the following manners:

- By way of a market purchase of Shares;
- Use of treasury Shares; and
- Issue of Shares.

The exact method of Settlement will be determined by the RemCo, although the preference will be a market purchase of Shares which will cause no dilution to shareholders. This will be dependent on the cash availability within the Group. It is envisaged that for the first Award of forfeitable Shares, Shares will be issued.

In order to give effect to the forfeiture of Awards (where necessary), the forfeitable Shares will be held by an Escrow Agent on behalf of the Participant until Vesting.

1.9 **Limits and adjustments**

Company limit

The maximum number of Shares which may be Awarded in terms of the FSP shall not exceed 157 000 000 (One hundred and fifty seven million) Shares, which represents approximately 10% of the number of issued Shares as at the date of approval of the FSP by shareholders.

Shares issued by the Company or Shares held as treasury shares which are used to Settle the FSP, will be included in the Company limit. Shares Awarded in terms of the FSP, which are not subsequently Settled to a Participant as a result of the forfeiture thereof, must revert back to the FSP and those shares will either be cancelled or held as treasury shares at the discretion of the Company.

Individual limit

The maximum number of Shares which may be allocated to an individual in respect of all Vested and unvested Awards may not exceed 15 700 000 (fifteen million seven hundred thousand) Shares, which represents approximately 1% of the number of issued Shares as at date of approval of the FSP by shareholders. The RemCo may, where required, adjust the individual limit to take account of a Capitalisation Issue, a special dividend, a Rights Issue or reduction in capital of the Company.

The auditors, or an independent advisor acceptable to the JSE, shall confirm to the JSE in writing that any adjustment made in terms of this paragraph has been made in accordance with the Rules of the FSP and must be reported on in the Company's financial statements in the year during which the adjustment is made.

The issue of Shares as consideration for an acquisition, and the issue of shares for cash or a vendor consideration placing will not be regarded as a circumstance that requires any adjustment to the Company limit and the individual limit.

1.10 **Consideration**

The Participant will give no consideration for the Award or Settlement of forfeitable Shares.

1.11 **Termination of employment**

Participants terminating employment prior to Vesting due to resignation or dismissal on grounds of misconduct, poor performance, dishonest behaviour or fraudulent conduct or on the basis of abscondment will be classified as "bad leavers" and will forfeit all unvested FSP Awards.

Participants terminating employment prior to vesting due to death, ill-health, disability, injury, retirement (except to the extent that it constitutes bad leaver termination as set out above), retrenchment, or the sale of a subsidiary company will be classified as "good leavers" and a portion of the FSP Award will Vest on Date of Termination of Employment. This portion will reflect the Shares as calculated in terms of the Vesting Formula, taking into account the number of months served since the Award Date to the Date of Termination of Employment over the total number of months in the Employment Period and the extent to which the Performance Condition (if applicable) has been met. The remainder of the Award will lapse.

1.12 **Change of control**

In the event of a Change of Control of the Company occurring before the Vesting Date of any Award, a portion of the Award will Vest. This portion will reflect the Shares as calculated in terms of the Vesting Formula, taking into account the number of months served since the Award Date to the Change of Control date over the total number of months in the Employment Period and the extent to which the Performance Condition (if applicable) has been met.

The portion of the Award which does not Vest as a result of the Change of Control will continue to be subject to the terms of the Award Letter, unless the RemCo determines otherwise. In such circumstances the RemCo may take such action as it considers appropriate to protect the interests of the Participants, including converting forfeitable Shares in respect of shares of one or more other companies, provided the Participant is no worse off.

Awards will not Vest as a consequence of an internal reconstruction or similar event which is not a Change of Control as defined in the Rules of the FSP. In this case the RemCo shall make such adjustment to the number of Awards or convert Awards into Awards in respect of shares in one or more other companies, provided the Participants are no worse off.

1.13 **Variation in share capital**

In the event of a variation in share capital such as a Capitalisation Issue, subdivision of Shares, consolidation of Shares etc, Participants shall continue to participate in the FSP. The RemCo may make such adjustment to the Award or take such other action to place Participants in no worse a position than they were prior to the happening of the relevant event. Such adjustment should give the Participant an entitlement to an equivalent proportion of the equity capital of the Company as that to which he was entitled to prior to the occurrence of the relevant event.

The issue of Shares as consideration for an acquisition, and the issue of shares for cash or a vendor consideration placing will not be regarded as a circumstance that requires any adjustment to Awards.

1.14 **Liquidation**

If the Company is placed into liquidation, other than for purposes of reorganisation, an Award of forfeitable Shares shall *ipso facto* lapse as from the liquidation date.

1.15 **Amendment**

The RemCo may alter or vary the Rules of the FSP as it sees fit to ease the administration thereof, however, in the following instances the FSP may not be amended without the prior approval of the JSE and a resolution by the shareholders of 75% of the voting rights:

- the category of persons who are eligible for participation in the FSP;
- the number of Shares which may be utilised for the purpose of the FSP;
- the individual limitations on benefits or maximum entitlements;
- the basis upon which Awards are made;
- the amount payable upon the Award, Settlement or Vesting of an Award;
- the voting, dividend, transfer and other rights attached to the Awards, including those arising on a liquidation of the Company;
- the adjustment of Awards in the event of a variation of capital of the Company or a Change of Control of the Company; and
- the procedure to be adopted in respect of the Vesting of Awards in the event of Termination of Employment.

1.16 **General**

The Rules of the FSP are available for inspection from 13 June 2014 to 8 July 2014 at the Company's registered office, being Westlake Business Park, Otto Close, Westlake, Western Cape, South Africa and at the office of the Company's Sponsor being 27 Fricker Road, Illovo Boulevard, Johannesburg, South Africa.

In terms of the JSE Listings Requirements, the passing of ordinary resolution number 1 requires the approval of a 75% majority of the voting rights exercised on the resolution.

2. DETAILS OF THE SPECIFIC ISSUE TO HERMAN STEYN

2.1 **Introduction**

Prior to 1 April 2013, Herman Steyn, as CEO received a monthly cash salary as remuneration for his services to the Group. The Remuneration Committee and Board proposes, subject to shareholder approval, that for a period of five years from 1 April 2013 to 31 March 2018 Herman Steyn will not receive a monthly cash salary as remuneration for his services as CEO, but through Fisc Investment Management, a private company wholly owned by the Sting Trust established by Herman Steyn, will subscribe for Prescient ordinary shares, through a management buy-in structure, in the form of a specific issue of shares for cash, funded by an interest-bearing loan from the Company.

The specific issue shares will not have any restrictions attached to them, except that the loan funding must be repaid upon termination of employment at the Company and that they may serve as security and replacement security may be required should they be sold.

2.2 **Purpose**

The intent of the Management Buy-in is to afford Herman Steyn an opportunity to invest in the Company, providing direct alignment of the CEO and shareholders. Herman Steyn's further investment in Prescient from the proposed specific issue will enable him to benefit from possible share price appreciation and dividend income, along with other Prescient shareholders.

2.3 **Structure**

Herman Steyn or his nominee and the Company will conclude a share purchase agreement, in terms of which shares are purchased by Herman Steyn or his nominee. The structure of the Management Buy-in will be as follows:

- the Company will grant a loan to Herman Steyn or his nominee to acquire Prescient shares;
- Prescient shares purchased in terms of the Management Buy-in will have no restrictions attached to them and these shares can be traded freely by Herman Steyn or his nominee;
- the loan will be a commercial loan, on which interest will be charged at the prescribed SARS official rate;
- the Company will comply with all the requirements in terms of the National Credit Act ("NCA") prior to granting the loan to Herman Steyn or his nominee;
- the NCA also requires that certain "means tests" are conducted prior to granting the loan;
- prior to the outstanding loan balance being repaid, Herman Steyn will be required to provide security from his personal shareholding of Prescient ordinary shares, described in paragraph 11.7 of this circular, on a 2 for 1 value basis for the shares acquired in terms of the Specific Issue to Herman Steyn; and
- the loan will be immediately repayable on disposal of the shares, on termination of employment, or on a change of control of the Company.

2.4 **Price**

The price relating to the Specific Issue to Herman Steyn will be 90 cents per Prescient ordinary share. The issue price is at a 21.2% premium to the 30 day VWAP at 12 May 2014, being the Prescient board meeting being the date the Prescient board of directors approved the Specific Issue to Herman Steyn.

2.5 **Number of shares issued**

The number of Prescient ordinary shares to be issued to Herman Steyn is 27 114 119 ordinary shares, representing 1.7% of Prescient's ordinary shares being a value of R24 402 707.

2.6 **Nature of the loan**

Herman Steyn or his nominee will conclude a loan agreement with the Company for the purchase of Prescient shares with the following terms:

2.6.1 ***Loan amount***

The loan amount to Herman Steyn or his nominee will be R24 402 707.

2.6.2 ***Interest rate***

The interest rate on the loan from the Company will escalate at the SARS official interest rate applicable to fringe benefits, which is currently 6.5%. However, as the official rate is 1% plus the Repurchase Rate, the interest rate may change from time.

2.6.3 ***Repayment of loan***

Herman Steyn or his nominee is free to repay the loan and accrued interest at any time.

The loan becomes immediately repayable under the following circumstances:

- disposal of the shares by Herman Steyn or his nominee;
- change of Control; and
- termination of employment by Herman Steyn or his nominee.

2.6.4 ***Use of dividends***

Dividends declared on the purchased shares may be used to repay the loan to the Company.

2.6.5 ***Beneficial interest***

Herman Steyn or his nominee will hold the beneficial interest in the shares as owner (subject to the pledge as security for the loan) and will be entitled to all real rights which attach to beneficial ownership, which includes rights to dividends, voting rights, rights to dispose of ownership etc.

2.6.6 ***Security***

Herman Steyn will be required to provide security from his personal shareholding from his Prescient ordinary shares, described in paragraph 11.7 of this circular, on a 2 for 1 value of the outstanding loan, for the shares subscribed for in terms of the Specific Issue to Herman Steyn.

Replacement surety must be provided if the shares used for collateral are sold by Herman Steyn or his nominee, otherwise the portion of the loan corresponding to the shares that are sold must immediately be repaid.

2.6.7 ***Recourse***

The loan agreement will provide that the loan will not be forgiven in the event of the value of the Prescient shares purchased in terms of the Management Buy-in decreasing to the extent that the value is less than the loan (and accumulated interest). Such forgiveness will be viewed as a "stop loss" provision in terms of the Act, resulting in the shares purchased in terms of the Management Buy-in being viewed as "restricted equity instruments" and their gain being subject to income tax at the marginal tax rate as opposed to capital gains tax ("CGT").

Therefore, where the value of the loan (and accumulated interest) exceeds the value of the shares purchased in terms of the Management Buy-in Prescient will have recourse to Herman Steyn or his nominee's personal assets.

2.6.8 ***Life insurance***

Herman Steyn or his nominee will be required to procure life insurance sufficient to cover the loan owing to the Company in the event of his death or disablement.

2.6.9 ***Termination of employment***

Upon termination of employment the loan granted to Herman Steyn or his nominee will become immediately repayable. However, no employment related restrictions apply to the shares purchased in terms of the Management Buy-in as Herman Steyn or his nominee is beneficial owner of the shares from the purchase date.

2.6.10 ***Change of control***

In the event of a change of control of the Company, the loan will become immediately repayable. However, no employment related restrictions apply to the shares purchased in terms of the Management Buy-in as Herman Steyn or his nominee is beneficial owner of the shares from the purchase date.

2.6.11 ***Variation in share capital***

In the event of a:

- capitalisation issue; or
- a subdivision of shares; or
- a consolidation of shares; or
- the Company entering into a scheme of arrangement as contemplated in section 114 of the Companies Act; or
- the Company making distributions, including a reduction of capital and distribution in specie, other than a dividend paid in the ordinary course of business out of the current year's retained earnings;
- Herman Steyn or his nominee will have all the rights as any other shareholder with regard to the shares purchased in terms of the Management Buy-in; and
- In the event of a rights issue, Herman Steyn or his nominee shall be entitled to participate in any rights issue in respect of his shares purchased in terms of the Management Buy-in.

2.6.12 ***Source of funds***

The loan will be provided by Prescient from available cash resources within Prescient.

2.6.13 ***Default***

In the event that Herman Steyn or his nominee defaults on the loan from Prescient, the Prescient shares held as security as per paragraph 2.6.6, will be acquired by Prescient through a specific repurchase at the 30-day VWAP, to effect the repayment of the outstanding loan balance at the default date.

2.6.14 ***Tax***

As the Management Buy-in is financed at market value, any gains on the shares purchased in terms of the Management Buy-in should be treated as CGT gains upon disposal thereof.

Dividends withholding tax at 15% will be charged on any dividends declared by the Company.

2.7 Financial effects

The financial effects of the Specific Issues have been set out in Annexure 2.

2.8 Companies Act

The Company needs to obtain shareholder approval in terms of the following sections of the Companies Act:

- Section 41 – the requirement of shareholder approval for the issue of shares, grant of options or the grant of other rights exercisable for securities to directors or other officers of the Company;
- Section 44 – the grant of financial assistance for the subscription of any option, any securities issued or to be issued or for the purchase of any securities of the Company; and
- Section 45 – the granting of direct or indirect financial assistance to directors or other officers of the Company as the CEO Management Buy-in will not fall within the definition of "employee share scheme" in section 95 of the Companies Act.

2.9 **Voting**

Herman Steyn and his associates are excluded from voting on ordinary resolution number 2: Specific Authority to Issue Shares to Herman Steyn or his nominee; special resolution number 2: Specific authority to provide financial assistance to a director and special resolution number 3:Specific repurchase.

3. DETAILS OF THE SPECIFIC ISSUE TO MURRAY LOUW

In March 2013 Prescient Investment Management (Pty) Limited (a wholly owned subsidiary of the Prescient Group) launched the Prescient China Balanced Fund. The Prescient China Balanced Fund is a sub-fund of Prescient Global Funds plc, an open-ended umbrella fund with segregated liability between its funds and authorised by the Central Bank of Ireland as a UCITS fund pursuant to the UCITS Regulations. The Prescient China Balanced Fund invests principally in equities and other instruments listed on the Shanghai and Shenzhen Stock Exchanges.

In March 2013, Reinet committed to invest $30 million in Prescient China and $2 million in its management company. Reinet invested its full capital commitment of $30 million in the fund in March 2013.

Prescient's Chairman, Murray Louw, was responsible for the introduction between Prescient and Reinet and as a result was awarded an introductory fee of R750 000. The after tax portion of this fee will be payable in Prescient ordinary shares.

The Prescient shares payable to Murray Louw is considered a specific issue to a related party. The number of shares payable amounts to 569 620 at a price of 79 cents per ordinary share, being the 30-day VWAP of Prescient on 10 March 2014, being the date of the agreement between Prescient and Murray Louw.

The Chairman and his associates are excluded from voting for Ordinary Resolution 3: Specific Authority To Issue Shares To Murray Louw

4. *PRO FORMA* FINANCIAL EFFECTS

The combined *pro forma* financial effects of Prescient relating to the Specific Issues presented below are the responsibility of the Directors and are based on the most recently published unaudited interim results of Prescient for the six-month period ended 30 September 2013. The accounting policies of Prescient for the six-month period ended 30 September 2013 have been used in preparing the *pro forma* financial effects.

The *pro forma* financial effects were prepared for illustrative purposes only and may, due to the nature thereof, not fairly present Prescient's financial position, changes in equity, and results of its operations or cash flows as at the relevant reporting date. It does not purport to be indicative of what the financial results would have been, or will be, had the Specific Issues been implemented on a different date.

4.1 ***Pro Forma* Financial Effects of the Specific Issues**

For the six-month period ended 30 September 2013	Before the Specific Issues[1]	Net impact	After the Specific Issues[2]	% change
EPS	0.96	(0.01)	0.95	(1.04)
DEPS	0.96	(0.01)	0.95	(1.04)
HEPS	2.96	(0.02)	2.94	(0.68)
DHEPS	2.96	(0.02)	2.94	(0.68)
NAV per share	46.13	0.73	46.86	1.57
TNAV per share	19.15	1.19	20.34	6.22
Shares in issue (million)	1 598 022 450	27 683 739	1 625 706 189	1.73
Number of shares in issue (after treasury shares)	1 573 011 133	27 683 739	1 600 694 872	1.76
Weighted average number of shares in issue	1 557 993 785	13 841 870	1 571 835 655	0.89

Refer to the detailed notes and assumptions set out in the *pro forma* statement of comprehensive income and *pro forma* statement of financial position in Annexure 2.

Notes and assumptions:

1. The EPS, diluted EPS and HEPS per Prescient Ordinary Share "Before the Specific Issues" are based on the unaudited interim results for the six-month period ended 30 September 2013.
2. The EPS, diluted EPS, HEPS, NAV and TNAV per Prescient Ordinary Share "After the Specific Issues" are based on the assumption that the Specific Issues were implemented on 1 April 2013.
3. The weighted average diluted number of Prescient Ordinary Shares in issue (excluding treasury shares) as reflected in the published interim results announcement of Prescient was 1 557 993 785 for the six months ended September 2013. This number has increased to 1 571 835 655 as a result of the Specific Issues.

4.2 *Pro Forma* Financial Effects of the Specific Issue to Herman Steyn

For the six-month period ended 30 September 2013	Before the Specific Issue[1]	Net impact	After the Specific Issue[2]	% change
EPS	0.96	0.02	0.98	2.08
DEPS	0.96	0.02	0.98	2.08
HEPS	2.96	–	2.96	–
DHEPS	2.96	–	2.96	–
NAV per share	46.13	0.73	46.87	1.59
TNAV per share	19.15	1.19	20.34	6.22
Shares in issue (million)	1 598 022 450	27 114 119	1 625 136 569	1.70
Number of shares in issue (after treasury shares)	1 573 011 133	27 114 119	1 600 125 252	1.72
Weighted average number of shares in issue	1 557 993 785	13 557 060	1 571 550 845	0.87

Refer to the detailed notes and assumptions set out in the *pro forma* statement of comprehensive income and *pro forma* statement of financial position in Annexure 2.

Notes and assumptions

1. The EPS, diluted EPS and HEPS per Prescient Ordinary Share "Before the Specific Issues" are based on the unaudited interim results for the six-month period ended 30 September 2013.
2. The EPS, diluted EPS, HEPS, NAV and TNAV per Prescient Ordinary Share "After the Specific Issues" are based on the assumption that the Specific Issues were implemented on 1 April 2013.
3. The weighted average diluted number of Prescient Ordinary Shares in issue (excluding treasury shares) as reflected in the published interim results announcement of Prescient was 1 557 993 785 for the six months ended September 2013. This number has increased to 1 571 550 845 as a result of the Specific Issue to Herman Steyn.

4.3 *Pro Forma* Financial Effects of the Specific Issue to Murray Louw

For the six-month period ended 30 September 2013	Before the Specific Issue[1]	Net impact	After the Specific Issue[2]	% change
EPS	0.96	(0.02)	0.94	(2.08)
DEPS	0.96	(0.02)	0.94	(2.08)
HEPS	2.96	(0.03)	2.93	(1.01)
DHEPS	2.96	(0.03)	2.93	(1.01)
NAV per share	46.13	(0.01)	46.12	(0.02)
TNAV per share	19.15	0.00	19.15	0.00
Shares in issue (million)	1 598 022 450	569 620	1 598 592 070	0.04
Number of shares in issue (after treasury shares)	1 573 011 133	569 620	1 573 580 753	0.04
Weighted average number of shares in issue	1 557 993 785	284 810	1 558 278 595	0.02

Refer to the detailed notes and assumptions set out in the *pro forma* statement of comprehensive income and *pro forma* statement of financial position in Annexure 2.

Notes and assumptions

1. The EPS, diluted EPS and HEPS per Prescient Ordinary Share "Before the Specific Issues" are based on the unaudited interim results for the six-month period ended 30 September 2013.
2. The EPS, diluted EPS, HEPS, NAV and TNAV per Prescient Ordinary Share "After the Specific Issues" are based on the assumption that the Specific Issues were implemented on 1 April 2013.

3. The weighted average diluted number of Prescient Ordinary Shares in issue (excluding treasury shares) as reflected in the published interim results announcement of Prescient was 1 557 993 785 for the six months ended September 2013. This number has increased to 1 558 278 595 as a result of the Specific Issue to Murray Louw.

5. WORKING CAPITAL ADEQUACY

The Directors have considered the effect of the Transactions and are of the opinion that the provisions of sections 4 and 48 of the Companies Act and the requirements of the Listings Requirements have been complied with and that:

- the Group will be able, in the ordinary course of business, to pay its debts for a period of 12 months after the date of approval of the Circular (for this purpose the assets and liabilities were recognised and measured in accordance with the accounting policies used in the latest unaudited interim results for the six-month period ended 30 September 2013);
- the assets of the Group will be in excess of the liabilities of Prescient for a period of 12 months after the date of the Circular;
- the ordinary share capital and reserves of the Group will be adequate for ordinary business purposes for a period of 12 months after the date of the Circular; and
- the working capital of the Group will be adequate for ordinary business purposes for a period of 12 months after the date of the Circular.

6. FAIRNESS OPINION

The Specific Issue to Herman Steyn is being directly funded by Prescient in accordance with section 38 of the Companies Act (No. 61 of 1973) ("Financial Assistance"). Prescient is required to appoint an independent expert as contemplated in the guidance letter relating to an issuer providing financing assistance for a specific issue of shares for cash to a related party,

An independent fairness opinion is required to be obtained by the board of Directors of Prescient in terms of section 5 of the Listings Requirements of the JSE. Bridge Capital Advisors (Pty) Limited has been appointed by the Prescient Board as the independent professional expert to advise on whether the terms and conditions of the Specific Issue to Herman Steyn and the terms of the Financial Assistance are fair to the shareholders of Prescient.

In light of the above, Bridge Capital, the independent expert, has considered terms and conditions of the Specific Issue to Herman Steyn including the terms and conditions of the Financial Assistance, as described in paragraph 2 of this circular, and is of the opinion that the Financial Assistance and Specific Issue to Herman Steyn is fair to Prescient Shareholders. The Board has been advised accordingly and a copy of the Bridge Capital opinion in this regard is attached as Annexure 4 to this Circular.

7. ESTIMATED TRANSACTION COSTS

Service	**Service provider**	**Amount (Rands)**
Transactions Advisor	PWC	200 000
Sponsor (circular)	Bridge Capital Advisors	100 000
Fairness opinion	Bridge Capital Advisors	75 000
JSE documentation inspection fee	JSE Issuer Services	20 000
Reporting accountants	KPMG	35 000
Transfer secretaries	Link Market Services	8 000
Printing and postage (circular)	Ince	80 000
Total		518 000

8. GENERAL MEETING

The General Meeting of Prescient Shareholders to consider and, if deemed fit, pass with or without modifications the resolutions set out in the Notice of General Meeting, will be held at 12:00, at Prescient House, Westlake Business Park, Otto Close, Westlake, 7945 on Wednesday, 9 July 2014.

The Notice of General Meeting and a form of proxy *(green)* for use by Certificated Shareholders and Dematerialised Shareholders with "own-name" registration who are unable to attend the General Meeting are attached to this Circular. A duly completed form of proxy *(green)* must be received by the Transfer Secretaries by no later than 12:00 on Tuesday, 8 July 2014.

9. **RESOLUTIONS IN RESPECT OF THE FORFEITABLE SHARE PLAN**

Prescient Shareholders are requested to consider and approve special resolution number 1 approving the Prescient Forfeitable Share Plan and ordinary resolution number 1 approving the issue of shares for the Forfeitable Share Plan contained in the Notice of General Meeting, and if deemed fit, to pass them, with or without modifications. For the resolutions to be passed, votes in favour of the resolutions must represent at least 75% of the voting rights exercised by Prescient Shareholders entitled to vote on the resolutions at the General Meeting.

10. **RESOLUTIONS IN RESPECT OF THE SPECIFIC ISSUES**

The issues of the Prescient ordinary shares to Herman Steyn and Murray Louw as envisaged in paragraphs 2 and 3 respectively constitute specific issues of Prescient Ordinary Shares for cash in terms of the Listings Requirements. Each such issue requires the passing by Prescient Shareholders of an ordinary resolution by a 75% majority vote to be cast in favour of such resolution by all Prescient Shareholders entitled to vote on that resolution present in person or represented by proxy at the General Meeting.

The Notice of General Meeting contains ordinary resolution numbers 2 and 3 and special resolution number 3 required to be approved by Prescient Shareholders in order to give effect to the Specific Issues.

Herman Steyn and his associates are excluded from voting for ordinary resolution number 2: Specific authority to issue shares to Herman Steyn or his nominee and special resolution number 2: Specific authority to provide financial assistance to a director and special resolution number 3: Specific repurchase. The Chairman and his associates are excluded from voting for ordinary resolution 3: Specific authority to issue shares to Murray Louw.

11. **SALIENT INFORMATION ON PRESCIENT**

11.1 **Background information on Prescient**

Prescient was launched in 1998 as an investment management firm with the stockbroking business following in 1999. Over the years, Prescient has evolved into a partnership of people and companies servicing a broad range of clients. Our business has been structured to efficiently and seamlessly meet the needs of our clients and the investing community. We have recently spread our wings into sub-Saharan Africa, Europe and Asia.

Prescient, started as a quantitative investment management business, has evolved to include an administration services division, a stockbroking arm that has developed into a niche player, a wealth manager, retail product offerings, a linked life company and retirement products.

As we expand into new markets and grow the business, we strive to maintain the culture, work ethic and commitment to clients that have contributed to our success thus far. To manage the growth of the business, we ensure that we are ahead of the curve in terms of infrastructure, systems and people.

Prescient's founding philosophy was and remains the creation of an organisation that embraces the positive spirit, growth and development that a partnership with full equity participation in the new South Africa produces.

11.2 **Prospects**

Prescient Limited is a market leader in South African financial services providing a globally competitive offering to clients across a range of disciplines.

Prescient Investment Management has the core philosophy to preserve capital in real terms and to manage downside risk. This philosophy has helped us to deliver the returns our clients expect within the risk framework defined by our clients.

We have adhered to our philosophy since inception, but we have adapted process where changes in the market have created new opportunities or closed past opportunities. We appreciate the role of innovation when it comes to staying ahead of the market. Indicative of this are our Africa and China funds, as well as our constantly evolving volatility management skills. Our team is well equipped to continue delivering the investment performance our clients have come to expect.

Prescient Administration Services (PAS), our administration company, has grown rapidly with third party assets under administration growing to R18.1 billion at the end of September 2013. Since then, we have contracted with RE:CM for the administration of all their portfolios and, in the process, will add in excess of R25 billion to assets under administration.

This is indicative of our capabilities and expertise in competing with traditional administration houses in the South African market.

In the international arena our administrative capabilities are also reaping rewards. Stadia Fund Management, our Dublin-based administration company, has continued to increase its client base and expand its offering to third party clients outside of the Group. Stadia's services are enjoying solid support in a market where administration can be expensive and poorly provided. We expect Stadia Fund Management, with third party assets under administration of R14 billion, to continue delivering a good contribution to Group profits.

Prescient Securities has contributed well to the Group profits in a competitive stockbroking market. Prescient Securities has seen good performance from its derivatives and fixed income desks, as well as good growth in third party trade execution. Last year, Prescient Securities launched an integrated international institutional trading platform, allowing the Group to trade, clear and settle internationally. As always, technological enhancements are backed up by meticulous research, which saw the business deliver a strong performance in industry awards, including being voted the best agency broker in South Africa (2012 Spire Awards).

The sale of Prescient Ireland, our stand-alone asset manager with an Irish client base, was finalised during January 2014 and the proceeds have been applied to reducing debt. This will enhance the earnings base.

Prescient Life has grown its assets to R6.7 billion and has an exciting range of products on offer. Prescient Life is well capitalised and ideally placed to grow in the changing structural environment in the savings market in South Africa. Our products reduce costs and improve efficiencies between the pre- and post-retirement phases and bring together the most suitable investment products from Prescient Investment Management and the solid administrative base from Prescient Administration Services.

The Prescient Group has recently restructured Prescient Wealth to deliver a far more comprehensive and well-structured offering through a strong advisor base to high net worth individuals. We look forward to an exciting era for this part of our business.

PBT's IT services continue to operate well, benefiting from strong demand across the products. Our consultants are operating at capacity, while the revenue we earn from a largely international client base has been enhanced by the depreciation of the rand. We are managing this aspect of the business carefully to ensure a stable earnings stream. We expect cash flows from IT services to remain strong.

11.3 Share price history

The price history of the Prescient Ordinary Shares on the JSE is summarised in Annexure 6.

11.4 Share capital

The table below shows, at the Last Practicable Date, the authorised and issued ordinary shares of Prescient, before and after the implementation of the Transactions.

Before the Transactions

Authorised share capital	**Rand**
2 000 000 000 ordinary shares of no par value	
Issued share capital	
1 598 022 450 ordinary shares of no par value	
Stated Capital	33 353 715

1. Prescient has 25 400 000 treasury shares.

After the Transactions

Authorised share capital	**Rand**
2 000 000 000 ordinary shares of no par value	
Issued share capital	
1 625 706 189 ordinary shares of no par value	
Stated Capital	33 353 715

1. Prescient has 25 400 000 treasury shares.

11.5 **Major shareholders**

At the Last Practicable Date, Prescient Ordinary Shareholders who, in so far as is known to Prescient, beneficially interested in 5% or more of a class of securities issued by Prescient, are as follows:

	Ordinary shares	% of total issued shares
The St Helena Family Trust*	274 773 746	17.20
Sting Trust**	272 394 774	17.05
Global Re-Insurance Services AG	161 000 000	10.08
Seena Marina Financial Services (Pty) Limited	99 201 824	6.21
Prescient Empowerment Trust (Pty) Limited	96 696 819	6.05

As at the Last Practicable Date, insofar as is known to Prescient, there were no other Prescient Shareholders interested in 5% or more of any other class of shares in the issued ordinary shares of Prescient. There have been no changes to controlling shareholders in the five years prior to the Last Practical Date.

*Guy Toms, a director of Prescient Investment Management is a trustee of the St Helena Family Trust with the beneficiaries being family members of Guy Toms.

**Herman Steyn is a trustee of the Sting Trust with the beneficiaries being family members of Herman Steyn.

The breakdown of the direct and indirect holdings of the mentioned directors are shown below:

Name	Direct	Indirect	Total
Guy Toms	1 883 014	276 365 175	278 248 189
Herman Steyn	1 625 745	292 888 074	294 513 819
Total	**3 508 759**	**569 253 249**	**572 762 008**

Global Re-Insurance Services AG, Seena Marina Financial Services (Pty) Limited and Prescient Empowerment Trust (Pty) Limited are all registered companies with no directors having indirect Prescient share ownership. No directors of Prescient have any shareholding therein nor any influence of Global Re-Insurance Services AG or Seena Marina Financial Services (Pty) Limited, Herman Steyn is a director of Prescient Empowerment Trust (Pty) Limited.

11.6 **Details relating to Directors**

The full names, nationalities, ages, business addresses and functions of the Prescient directors are set out below:

Full name and age	Business address	Function
Adriaan Murray Louw (68)	Prescient House Westlake Business Park Otto Close, Westlake, 7945	Non-executive Chairman
Herman Steyn (53)	Prescient House Westlake Business Park Otto Close, Westlake, 7945	Chief Executive Officer
Michael Buckham (41)	Prescient House Westlake Business Park Otto Close, Westlake, 7945	Financial Director
Monty Kaplan (85)	2nd Floor, The Hudson 30 Hudson Street Cape Town, 8001	Lead Independent Non-executive
Ronell van Rooyen (44)	Prescient House Westlake Business Park Otto Close, Westlake, 7945	Non-Executive
Zane Meyer (53)	Prescient House Westlake Business Park Otto Close, Westlake, 7945	Independent Non-executive

Full name and age	Business address	Function
Keneilwe Moloko (45)	Prescient House Westlake Business Park Otto Close, Westlake, 7945	Independent Non-executive
Heather Sonn (42)	Prescient House Westlake Business Park Otto Close, Westlake, 7945	Independent Non-executive

11.7 Directors' interests in Prescient Ordinary Shares

At the Last Practicable Date, the Directors (and their associates) held the following interests in the ordinary shares of Prescient:

Ordinary shares	Direct	Indirect	%
Herman Steyn*	1 615 745	301 913 111	18.99
Michael Buckham	8 518 520	–	0.54
Murray Louw	–	2 264 392	0.14
Monty Kaplan	1 000 000	–	0.06
Ronell van Rooyen	–	19 229 108	1.19

At the year-end 31 March 2013, the directors (and their associates) held the following interests in the ordinary shares of Prescient:

Ordinary shares	Direct	Indirect	%
Herman Steyn*	1 574 945	294 959 249	18.81
Michael Buckham	8 518 520	–	0.54
Murray Louw	–	2 264 392	0.14
Monty Kaplan	1 000 000	–	0.06
Ronell van Rooyen	–	18 729 108	1.19

* Through the Sting Trust.

11.8 Directors' fees

There will be no variation in the fees receivable by any of the Directors as a consequence of the implementation of the Transactions.

11.9 Directors' interests in transactions

No Director has any beneficial interest, directly or indirectly in any transactions effected by Prescient during the current or immediately preceding financial year; or during an earlier financial year and remain in any respect outstanding or unperformed. No Director of Prescient has resigned during the last 18 months.

12. OTHER INFORMATION

12.1 Material changes

There has been no material change in the financial or trading position of Prescient and its subsidiaries since the issue of the unaudited interim results for the six months ended 30 September 2013 and the date of this Circular.

12.2 Exchange control

No exchange control approval is required in relation to the Transactions.

12.3 Litigation

The Directors are not aware of any legal or arbitration proceedings that are pending or threatened which may have, or have had a material effect on the Group's financial position during the 12 months preceding the date of this Circular.

12.4 **Corporate governance**

Prescient maintains sound corporate governance as a core business principle. The Board considers that the Company and its subsidiaries fully comply with principles of the Code of Corporate Practices and Conduct contained in the King III report. The Company has a unitary Board comprising two executive and six non-executive Directors as defined by King III and the roles of Chief Executive Officer and Chairman are separate. The Chairman is a non-executive Director. Four non-executive Directors are independent including the lead independent non-executive director Monty Kaplan. Further details relating to Corporate Governance can be found in Annexure 7.

12.5 **Directors' responsibility statement**

The Directors, whose names appear in paragraph 11.6 on page 21 of this Circular, collectively and individually, accept full responsibility for the accuracy of the information given in this Circular and certify that, to the best of their knowledge and belief, there are no other facts, the omission of which would make any statement in this Circular false or misleading, and all reasonable enquiries to ascertain such facts have been made and that this Circular contains all information required by the Listings Requirements.

12.6 **Consents**

The Sponsor, Reporting Accountant and Transfer Secretaries have all provided their written consent to their names being published in this Circular and have not withdrawn their consent prior to the publication of this Circular.

12.7 **Documents available for inspection**

Copies of the following documents will be available for inspection during normal business hours (Saturdays, Sundays and public holidays excluded) at the registered office of Prescient and the Company Sponsor from 13 June 2014 to 9 July 2014:

- the Current MOI of Prescient and its subsidiaries;
- a signed copy of this Circular;
- the FSP Deed rules;
- the audited annual financial statements of Prescient for each of the three financial years ended 31 March 2011, 31 March 2012 and 31 March 2013;
- the unaudited interim financial statements of Prescient for each of the three interim reporting periods ended 30 September 2011, 30 September 2012 and 30 September 2013;
- summaries of any service agreements entered into with Directors;
- the loan agreement between Prescient and Herman Steyn;
- the cession and pledge of shares in security agreement between Prescient and Herman Steyn;
- the report of the Reporting Accountants on the *pro forma* financial effects; and
- the consent letters from the Transactions Advisor, Sponsor and Transfer Secretaries.

By order of the Board

Michael Buckham
Financial Director

Registered office
Prescient House
Westlake Business Park
Otto Close, Westlake, 7945

TERMS OF THE FORFEITABLE SHARE PLAN

1. **INTRODUCTION**

1.1 The purpose of the FSP is to provide selected Employees of the Employer Companies, including executive directors, with the opportunity of receiving Shares in the Company through the Award of Performance Shares and/or Bonus Shares. The FSP will provide Participants with the opportunity to share in the success of the Company and to be incentivised to deliver the business strategy of the Company in the long term. This will provide alignment between the Participants and shareholders.

1.2 The FSP could be used as:

1.2.1 an incentive to Participants to deliver the Group's business strategy over the long term in the form of Performance Shares to incentivise current employees or attract prospective employees; or

1.2.2 a mechanism to match a portion of the Participants' cash short-term incentive in the form of Bonus Shares.

2. **OPERATION OF THIS FSP**

2.1 **Basis of Awards**

2.2 The RemCo may from time to time, in its discretion, call upon the Employer Companies to nominate Employees for participation in the FSP.

2.3 The RemCo will have the final authority to decide:

2.3.1 which Employees will participate in the FSP in respect of each Award;

2.3.2 subject to Rule 3.1, the aggregate annual quantum of Performance Shares and/or Bonus Shares to comprise Awards to all Employees;

2.3.3 subject to Rule 3.2, the number of Performance Shares that may comprise an Award to an Employee by taking into consideration the Employee's Salary, grade, performance, retention requirements and market benchmarks;

2.3.4 subject to Rule 3.2, the number of Bonus Shares that may comprise an Award to an Employee, by taking into consideration the quantum of cash short-term incentive earned by an Employee for the immediately preceding Financial Year and market benchmarks;

2.3.5 the Employment Period(s) and Vesting Date in respect of each Award;

2.3.6 the terms of the Performance Condition(s) (if applicable);

2.3.7 the Performance Period(s) (if applicable);

2.3.8 the amount and details of the Notional Loan applicable to the Award; and

2.3.9 all other issues relating to the governance and administration of the FSP.

2.4 If, and when, the RemCo approves an Award of Performance Shares and/or Bonus Shares, the RemCo shall notify the Company and the Employer Company of each Employee who has been approved for participation in the FSP.

2.5 Each Employer Company of an Employee whose participation in the FSP has been approved shall in writing acknowledge to the RemCo participation of its respective Employees in the FSP.

2.6 The Company or its nominee shall issue an Award Letter to every Employee who has been approved for participation in the FSP as soon as is practically possible after receiving the RemCo's notification in terms of Rule 2.4.

2.7 The Company or Employer Companies will, as regulated by the Recharge Policy, remain responsible to procure the Settlement of Shares under the FSP to the Participants employed by them on the Settlement Date, or as may otherwise be regulated under the Recharge Policy.

2.7.1 Subsequent to the Award Date, the Performance Shares and/or Bonus Shares will be Settled to the Participant in line with Rule 5 and the Participant will have shareholder rights from the Settlement Date, subject to the forfeiture and disposal restrictions until the Vesting Date and the remaining provisions of these Rules.

2.7.2 Subject to Rule 9, Vesting of the Performance Shares and/or Bonus Shares which form an Award in terms of Rules 2.3.3 and 2.3.4 will in all instances be subject to the Vesting Formula and the fulfilment of the Employment Condition, whilst the Vesting of Performance Shares will further be subject to the satisfaction of Performance Condition(s), measured over the Performance Period(s).

3. **FSP LIMITS**

3.1 **Overall Company Limit**

3.1.1 Subject to Rule 3.3, the maximum aggregate number of Shares which may at any time be Allocated in respect of this FSP to all Participants shall not exceed 157 000 000 (One hundred and fifty seven million) Shares.

3.1.2 The limit referred to in Rule 3.1.1 shall include the following:

3.1.2.1 Shares held by a Subsidiary in treasury account or a trust established by the Company which holds Shares in treasury account and which have been utilised by the Company in Settlement of this FSP as contemplated in Rules 5.2.2 and 5.2.3; and

3.1.2.2 the actual number of new Shares allotted and issued by the Company in Settlement of this FSP as contemplated in Rules 5.2.4 and 5.2.5.

3.1.3 The limit referred to in Rule 3.1.1 shall exclude the following:

3.1.3.1 Shares purchased in the market as contemplated in Rule 5.2.1 in Settlement of this FSP; and

3.1.3.2 Performance Shares and/or Bonus Shares comprising Awards under the FSP which do not subsequently Vest in a Participant as a result of the forfeiture thereof must revert back to the FSP and those shares will either be cancelled or held as treasury shares at the discretion of the Company.

3.2 **Individual limit**

Subject to the provisions of Rule 11, the maximum number of Shares Allocated to any Participant in respect of all Vested and unvested Awards under the FSP shall not exceed 15 700 000 (fifteen million seven hundred thousand) Shares.

3.3 **Adjustments**

3.3.1 The RemCo must, where required, adjust the number of Shares available for the FSP stated in Rule 3.1 (without the prior approval of shareholders in a general meeting), to take account of a sub-division or consolidation of the Shares of the Company. Such adjustment should give a Participant entitlement to the same proportion of equity capital as that to which he was previously entitled.

3.3.2 The RemCo may, where required, adjust the number of Shares available for the individual limit stated in Rule 3.2 (without the prior approval of the Company in a general meeting) to take account of a capitalisation issue, a special dividend, a Rights Issue or reduction in capital of the Company. Such adjustment should give a Participant entitlement to the same proportion of equity capital as that to which he was previously entitled.

3.3.3 The Auditors, or other independent advisor acceptable to the JSE, shall confirm to the JSE in writing that any such adjustment made in terms of Rule 3.3.1 and 3.3.2 has been made in accordance with the Rules.

3.3.4 The issue of Shares as consideration for an acquisition, and the issue of Shares for cash or a vendor consideration placing will not be regarded as a circumstance that requires any adjustment to limits stated in Rules 3.1 and 3.2.

3.3.5 Any adjustments made in terms of Rules 3.3.1 and 3.3.2 must be reported on in the Company's financial statements in the year during which the adjustment is made.

4. **AWARD OF SHARES**

4.1 **Time when Awards may be made**

4.1.1 The RemCo may make an Award to an Employee in accordance with Rule 2 at any time:

4.1.1.1 after the FSP has been approved by shareholders;

4.1.1.2 after the publication of the Company's annual results for any period. However, the RemCo may, on behalf of an Employer Company, allow an Employee to join the FSP part way through a Financial Year of the Company by making an Award as soon as is practically possible after the interim results are published; and

4.1.1.3 on any day on which there are no restrictions on the making of Awards being restrictions imposed by a Prohibited Period, statute, order, regulation or directive, or by any code adopted by the Company based on the provisions contained in the King Report on Corporate Governance relating to dealings in securities by directors or the Listings Requirements, as the case may be.

4.2 **Award Letter**

4.2.1 The Award Letter shall be in writing and shall specify the terms of the Award including:

4.2.1.1 the name of the Employee;

4.2.1.2 the Award Date;

4.2.1.3 the number of Performance Shares and/or Bonus Shares which comprise the Award;

4.2.1.4 the Employment Condition;

4.2.1.5 the Employment Period(s) for the Performance Shares and/or Bonus Shares;

4.2.1.6 the Performance Condition(s) for the Performance Shares;

4.2.1.7 the Performance Period(s) for the Performance Shares;

4.2.1.8 the Vesting Date; and

4.2.1.9 any other relevant terms and conditions such as details pertaining to the Vesting Formula and the Notional Loan.

4.3 An Award shall:

4.3.1 be personal to the Employee to whom it is addressed and may only be acted on by such Employee;

4.3.2 indicate that the Employee must Accept the Award in writing within the period specified in the Award (being a period of not more than 30 (thirty) days after the Award Date); and

4.3.3 state that it is made on the terms and subject to the conditions of the Rules of the FSP.

4.4 Save for Securities Transfer Tax which the Employer Company may recover from the Participant, the Participant will give no consideration for the Award. The method of recovering the Securities Transfer Tax amount will be agreed between the Employer Company and the Participant prior to the Settlement Date and, failing such agreement being reached, the Employer Company may withhold such amount required from the Participant's salary or other payments due to him from the Employer Company.

5. **SETTLEMENT**

5.1 Following the making of an Award of Performance Shares and/or Bonus Shares, the Company or relevant Employer Company shall within 30 (thirty) days of the Award Date procure the Settlement of that number of Performance Shares and/or Bonus Shares to the Participant in accordance with the Settlement methods described in Rule 5.2.

5.2 Any one of the following Settlement methods may be used, as directed by the RemCo:

5.2.1 The Company or relevant Employer Company will incur an expense by making a cash contribution to any third party equal in value to the required number of Shares in Settlement of the Award on the basis that the third party will acquire the required number of Shares on the market and effect Settlement to the Participants; or

5.2.2 The relevant Employer Company by which that Participant is employed will use Shares held in treasury account and effect Settlement to that Participant; or

5.2.3 The Company or relevant Employer Company by which that Participant is employed will incur an expense by making a cash contribution to any Subsidiary, other than an Employer Company, which holds Shares in treasury account, on the basis that the Subsidiary will deliver to a Participant, for and on behalf of the Company or relevant Employer Company, the number of Shares required for the purpose of discharging the Company or relevant Employer Company's obligation to effect Settlement to that Participant. The cash contribution which the Company or relevant Employer Company shall make to the Subsidiary shall be either:

5.2.3.1 the market value per Share on the Settlement Date; or

5.2.3.2 any other minimum value per Share as prescribed in the Act; or

5.2.3.3 an amount equal to the cost incurred by the Subsidiary in acquiring the Shares held in treasury; or

5.2.4 The Company or relevant Employer Company will incur an expense by making a cash contribution to a third party equal in value to the subscription price of the Shares concerned, on the basis that the third party will acquire the number of Shares required for the purpose of discharging such Employer Company's obligation to deliver Shares to Participants and effect Settlement to the Participant, by way of subscription for new Shares to be allotted and issued by the Company, for a subscription price per Share of either:

5.2.4.1 the market value per Share on the Settlement Date; or

5.2.4.2 any other minimum value per Share as prescribed in the Act; or

5.2.5 The Company will issue Shares to the Participants.

5.3 Where the Company issues the Shares or incurs costs in the Settlement of an Award, whether in the form of the cash contribution or otherwise, the Company will recharge such costs to the relevant Employer Company in terms of the Recharge Policy.

6. OWNERSHIP IN RESPECT OF PERFORMANCE SHARES AND/OR BONUS SHARES AND PARTICIPANT'S RIGHTS BEFORE THE VESTING DATE

6.1 Following the Settlement of an Award, the RemCo will procure that the Shares are held by the Escrow Agent for the absolute benefit of the Participants as owners of the Performance Shares and/or Bonus Shares, but subject to the provisions of Rule 9. The Performance Shares and/or Bonus Shares may not be disposed of or otherwise encumbered at any time from the date of their Settlement, up to and including the Vesting Date, except on that Participant's death (as envisaged in Rule 9.2) his Performance Shares and/or Bonus Shares may be transferred to the executor of his estate.

6.2 The Performance Shares and/or Bonus Shares shall be subject to the control of the Escrow Agent acting on instructions from the Company from the Settlement Date up to and including the Vesting Date, where after the Company shall, subject to Rule 9, procure unrestricted delivery of the Performance Shares and/or Bonus Shares to the Participant and shall procure the release of the Performance Shares and/or Bonus Shares from the Escrow Agent.

6.3 Except for the restrictions envisaged in Rule 6.1, the Participant has all other shareholder rights, including voting and dividend rights, in respect of Performance Shares and/or Bonus Shares from the Settlement Date the Shares shall rank *pari passu* with existing shares. To the extent that the Participant does not exercise his rights as shareholder, they may not be exercised by the Escrow Agent.

6.4 The Participant shall provide his Employer Company with, and the Participant shall consent to his Employer Company furnishing the Escrow Agent with, any information relating the Participant's identification that the Escrow Agent may require in order to ensure compliance with the Financial Intelligence Centre Act, 2001 or any other applicable legislation.

6.5 The Participant shall, where required, enter into a written agreement with the Escrow Agent, in a form approved by the Employer Company, relating to the holding of the Performance Shares and/or Bonus Shares by the Escrow Agent until the Vesting Date.

6.6 The Employer Company shall not be liable for any loss or damage arising from any act or omission of the Escrow Agent, any central securities depository participant ("CSDP") engaged by the Escrow Agent, any employee, director, or representative of the Escrow Agent or such CSDP in connection with or arising out of the holding of, or transacting in, the Performance Shares and/or Bonus Shares.

7. **SETTING OF PERFORMANCE CONDITION(S)**

7.1 The Vesting of an Award of Performance Shares, will be subject to the satisfaction of the Performance Condition(s) and any other conditions set by the RemCo.

7.2 Any such Performance Conditions and further conditions imposed under Rule 7.1 shall be:

7.2.1 objective; and

7.2.2 set out in, or attached in the form of a schedule to, the Award Letter.

7.3 Should an event occur at any point during the Performance Period(s) which causes the RemCo to consider that the Performance Condition(s) are no longer appropriate, the RemCo may substitute or vary the Performance Condition(s) in such a manner as:

7.3.1 is reasonable in the circumstances; and

7.3.2 produces a fairer measure of performance and is not materially less or materially more difficult to satisfy.

The Award will then take effect subject to the Performance Condition as so substituted or varied and communicated to the Participant.

8. **VESTING FORMULA, REVIEW OF PERFORMANCE CONDITION(S) AND VESTING OF AWARDS**

8.1 Prior to determining the extent to which the Employment Condition(s) and/or the Performance Conditions have been met for the Vesting of the Performance Shares and/or Bonus Shares, the Vesting Formula will be applied to the Award as follows:

Number of Shares subject to review of Performance Condition(s) and Employment Condition(s) for Vesting:

= Number of Shares Awarded x (Market Value per Share on Vesting Date – Balance of Notional Loan)/Market Value per Share on Vesting Date

8.2 The number of Shares as calculated in terms of the Vesting Formula will, subject to Rules 9 and 10, Vest on the later of:

8.2.1 the date or dates on which the Participant has satisfied the Employment Condition(s) as specified in the Award Letter;

8.2.2 to the extent applicable, the date on which the RemCo determines that the Performance Conditions have been satisfied to the extent set out in the Award Letter; and

8.2.3 to the extent applicable, any other conditions been imposed have been satisfied.

8.3 In the case of the Award of Performance Shares:

8.3.1 As soon as reasonably practicable after the end of the Performance Period in relation to an Award, the RemCo shall review whether, and the extent to which, the Performance Condition(s) have been met;

8.3.2 The Awards will Vest to the extent that the RemCo determines that the Performance Condition(s) and any other conditions imposed under Rule 7 have been satisfied;

8.3.3 If the RemCo is satisfied that the Performance Condition(s) have been fulfilled, the RemCo shall calculate the number of Performance Shares that will Vest for each Participant and notify each Participant of this fact as soon as is reasonably practicable.

8.3.4 If the RemCo is satisfied that the Performance Condition(s) have not been fulfilled, no Performance Shares will Vest, and the Award will lapse immediately. The Participant will be notified of such fact accordingly.

8.3.5 In the event that the Performance Condition(s) have to be reviewed prior to the end of the Performance Period, as envisaged by Rules 9.2, 9.2.1 and 10, the RemCo will have regard to the following when determining whether, and the extent to which, the Performance Condition(s) have been satisfied:

8.3.5.1 where the event which triggers the early review occurs within six months of the end of the Company's preceding Financial Year-end, the Performance Condition(s) will be reviewed with reference to the results reported by the Company at its previous Financial Year-end; and

8.3.5.2 where the event which triggers the early review occurs more than six months after the end of the Company's preceding Financial Year-end, the Performance Condition(s) will be reviewed with reference to the results to be reported by the Company in respect of the forthcoming Financial Year-end.

8.4 The effect of an Award Vesting will be that the restrictions imposed on the Performance Shares and/or Bonus Shares shall cease to apply and the risk of forfeiture will lift.

9. TERMINATION OF EMPLOYMENT AND DEATH

9.1 Bad Leavers

9.1.1 If a Participant's employment with any Employer Company terminates before the Vesting Date by reason of:

9.1.1.1 his resignation;

9.1.1.2 dismissal on grounds of misconduct, poor performance, dishonest or fraudulent conduct or conduct against the interest of the Group or its shareholders (whether such cessation occurs as a result of notice given by him or otherwise or where he resigns to avoid dismissal on ground of misconduct, poor performance, dishonest or fraudulent conduct, or conduct against the interest of the Group or its shareholders); or

9.1.1.3 his abscondment,

9.1.1.4 any reason other than stated in Rule 9.2,

all Awards of Performance Shares and/or Bonus Shares made to him shall be forfeited in its entirety and will lapse immediately on the Date of Termination of Employment. For the avoidance of doubt, any Awards of Performance Shares and/or Bonus Shares which have already Vested will be unaffected by this provision.

9.1.2 A Participant who is an executive Director of the Company or an Employer Company who retires and/or resigns from a position as Director on the basis that the Participant is immediately re-elected in accordance with the articles of association, memorandum of incorporation or other constitutional documents of that Employer Company or any other member of the Group shall be deemed not to have terminated employment with that Employer Company.

9.1.3 In the event of Rule 9.1.2 above,

all Performance Shares and/or Bonus Shares Awarded to such Participant by the first Employer Company shall remain in force on the same terms and conditions as set out in these Rules; and

the second Employer Company shall assume a pro-rata portion of the first Employer Company's obligations in respect of the relevant Performance Shares and/or Bonus Shares in consideration for obtaining the Participant's services from the first Employer Company.

9.1.4 For the purposes of this Rule 9, a Participant will not be treated as ceasing to be an Employee of an Employer Company if, on the same date on which he ceases to be an Employee of an Employer Company, he is employed by another Employer Company.

9.2 **Good Leavers**

9.2.1 If a Participant's employment with any Employer Company terminates prior to the Vesting Date by reason of:

9.2.1.1 death; or

9.2.1.2 injury, disability or ill-health, in each case as certified by a qualified medical practitioner nominated by the relevant Employer Company and determined to the satisfaction of the board of Directors; or

9.2.1.3 retrenchment based on operational requirements as contemplated in the LRA; or

9.2.1.4 the Participant's Employer Company ceasing to be a member of the Group or the undertaking in which he is employed being transferred to a transferee which is not a member of the Group; or

9.2.1.5 a portion of his unvested Awards will Vest on the Date of Termination of Employment (in the case of an Award of Bonus Shares) or the date as soon as reasonably possible thereafter when the RemCo has determined the extent to which the Performance Condition(s) have been met in accordance with Rule 9.2.3 (in the case of an Award of Performance Shares). The portion of the Award which shall Vest will be calculated in accordance with Rules 9.2.2 and 9.2.3.

9.2.2 In respect of Bonus Shares, the portion of the Award which shall Vest will reflect the number of Shares as calculated in terms of the Vesting Formula in Rule 8.1, taking into account the number of complete months served since the Award Date to the Date of Termination of Employment, over the total number of months in the Employment Period.

9.2.3 In respect of the Performance Shares, where the Participant's employment is terminated due to:

9.2.3.1 death, the Vesting Formula in Rule 8.1 will be applied, together with a calculation by RemCo whether, and the extent to which the Performance Condition(s) has been satisfied on the Date of Termination of Employment by reference to immediately preceding Financial Year. The portion of the Award which shall Vest will be determined based on the results of the Vesting Formula, as well as the extent to which the Performance Condition(s) have been satisfied and the number of complete months served since the Award Date to the Date of Termination of Employment over the total number of months in the Employment Period(s); or

9.2.3.2 injury, disability or ill-health, dismissal based on operational requirements, or sale of an Employer Company,

the Vesting Formula in Rule 8.1 will be applied, and the RemCo will, in accordance with Rule 8.3.5, calculate whether, and the extent to which, the Performance Condition(s) have been satisfied on the Date of Termination of Employment. The portion of the Award which shall Vest will be determined based on the results of the Vesting Formula, as well as the extent to which the Performance Condition(s) have been satisfied and the number of complete months served since the Award Date to the Date of Termination of Employment over the total number of months in the Employment Period(s).

9.2.4 If a Participant's employment with any Employer Company terminates prior to the Vesting Date by reason of:

9.2.4.1 Retirement, except where Retirement is elected as the cause of termination of employment in instances which would have warranted cessation of employment in terms of Rule 9.1, a portion of his Award shall Vest on the Date of Termination of Employment or as soon as reasonably practicable thereafter. The portion of the Award which shall Vest shall be calculated in accordance with Rules 9.2.2 and 9.2.3, unless the RemCo in its absolute discretion determines otherwise.

9.3 To the extent that there is more than one Vesting Date and more than one Employment Period in respect of a particular Award, the calculation set out in Rules 9.2.3.1 and 9.2.3.2 should be carried out in respect of each Employment Period.

9.4 The portion of the Award that does not Vest will lapse on the Date of Termination of Employment.

9.5 For the avoidance of doubt, any Awards which have already Vested will be unaffected by this provision.

9.6 **Other terminations and exceptional circumstances**

9.6.1 Subject to the RemCo determining otherwise in its absolute discretion, if the Participant ceases to be in the employment of any Employer Company before the Vesting Date for any other reason, a portion of his Award shall vest on the Date of Termination of Employment or as soon as reasonably practicable thereafter. The portion of the Award which shall Vest shall be calculated in accordance with Rules 9.2.2 and 9.2.3.

9.6.2 The portion of the Award that does not Vest shall lapse on the Date of Termination of Employment.

For the avoidance of doubt, any Awards which have already Vested will be unaffected by this provision.

10. **CHANGE OF CONTROL**

10.1 Subject to Rule 10.6, and further subject to the RemCo, in its absolute discretion, determining otherwise, in the event of a Change of Control of the Company occurring before the Vesting Date which directly results in:

10.1.1 the Shares ceasing to be listed on the JSE; or

10.1.2 the Majority of Operations of the Company being merged with those of another company or companies; or

10.1.3 the FSP being terminated;

a portion of the Award held by a Participant will Vest on the Change of Control Date (in the case of an Award of Bonus Shares), or as soon as reasonably practicable when the RemCo has determined the extent to which the Performance Condition(s) have been met in accordance with Rule 9.2.3 (in the case of an Award of Performance Shares). The portion of the Performance Shares and/or Bonus Shares which shall Vest will be calculated in accordance with 10.2 and 10.3 below.

10.2 In respect of Awards of Bonus Shares, the portion of the Awards which shall Vest will reflect the number of Shares as calculated in terms of the Vesting Formula in Rule 8.1, taking into account the number of complete months served since the Award Date to the Change of Control Date, over the total number of months in the Employment Period(s).

10.3 In respect of Awards of Performance Shares, in determining the portion of the Awards which shall Vest, the Vesting Formula in Rule 8.1 will be applied, together with a calculation by RemCo whether and the extent to which the Performance Conditions have been satisfied on the Change of Control Date in accordance with Rule 8.3. The portion of the Performance Shares which shall Vest will be based on the results of the Vesting Formula, as well as the extent to which the Performance Condition(s) have been satisfied and the number of complete months served since the Award Date to the Date of Termination of Employment over the total number of months in the Employment Period(s).

10.4 To the extent that there is more than one Vesting Date and more than one Employment Period in respect of a particular Award, the calculations set out in Rules 10.2 and 10.3 shall be carried out in respect of each Employment Period.

10.5 The portion of the Award that does not Vest as a result of the Change of Control will, except on the termination of the FSP as envisaged in Rule 10.1.3, in which case it shall lapse, continue to be subject to the terms of the Award Letter relating thereto unless the RemCo determines that the terms of the Award Letter relating thereto are no longer appropriate. In this case the RemCo shall make such adjustment to the number of Performance Shares and/or Bonus Shares or convert

Performance Shares and/or Bonus Shares into awards in respect of shares in one or more other companies provided the Participants are no worse off. The RemCo may also vary the Performance Conditions relating to the Performance Shares in accordance with Rule 7.

10.6 Subject to Rule 11, if any other event happens which may affect the Awards, including the Shares ceasing to be listed on the JSE (unless pursuant to a Change of Control as referred to in Rule 10.1.1) or if there is an internal reconstruction or other event which does not involve:

10.6.1 any Change of Control; or

10.6.2 any change in the ultimate Control of the Company; or

10.6.3 a Change of Control which does not result directly in an event specified in Rules 10.1.1, 10.1.2, or 10.1.3,

the Performance Shares and/or Bonus Shares held by a Participant shall not Vest as a consequence of that event and shall continue to be governed by the Rules of the FSP. However, the RemCo may take such action as it considers appropriate to protect the interests of Participants following the occurrence of such event, including converting Performance Shares and/or Bonus Shares into Performance Shares and/or Bonus Shares in respect of shares in one or more other companies, provided the Participant is no worse off. The RemCo may also vary the Performance Conditions relating to Performance Shares in accordance with Rule 7.3.

11. **VARIATION IN SHARE CAPITAL**

11.1 **Capitalisation Issue, subdivision or consolidation of Shares, liquidation, etc.**

11.1.1 In the event of a:

11.1.1.1 Capitalisation Issue; or

11.1.1.2 subdivision of Shares; or

11.1.1.3 consolidation of Shares; or

11.1.1.4 the Company entering into a scheme of arrangement as contemplated in section 114 of the Act; or

11.1.1.5 the Company making distributions, including a reduction of capital and a distribution *in specie*, other than a dividend paid in the ordinary course of business out of the current year's retained earnings,

Participants shall continue to participate in the FSP. The RemCo may make such adjustment to the number of Performance Shares and/or Bonus Shares comprised in the relevant Award to place Participants in no worse a position than they were prior to the occurrence of the relevant event. Such adjustment should give the Participant an entitlement to an equivalent proportion of the equity capital of the Company as that to which he was entitled prior to the occurrence of the relevant event.

11.2 The issue of Shares as consideration for an acquisition, and the issue of Shares for cash or a vendor consideration placing will not be regarded as a circumstance that requires any adjustment to Performance Shares and/or Bonus Shares.

11.3 The Company shall notify the Participants of any adjustments which are made under Rule 11.1 and shall further comply with Rule 4.2.

11.4 **Rights Issue**

11.4.1 In the event of a Rights Issue, a Participant shall be entitled to participate in any Rights Issue in respect of his Performance Shares and/or Bonus Shares and any additional Shares subject to the Awards thereof as a result of any event listed in Rule 11.1 above.

11.4.2 If a Rights Issue to the shareholders of the Company is proposed, the RemCo shall notify the Participants holding Awards of Performance Shares and/or Bonus Shares of that Rights Issue in writing. The written notice shall specify:

11.4.2.1 the terms and conditions of the Rights Issue as contained in the letter of allocation accompanying the Rights Issue;

11.4.2.2 the number of Rights Issue Shares offered;

11.4.2.3 the price payable in respect of the Rights Issue Shares and any costs incidental to the purchase of the Rights Issue Shares, including Securities Transfer Tax; and

11.4.2.4 the date by which the Participant should notify the RemCo if he intends to purchase the Rights Issue Shares.

11.4.3 If any Participant holding Awards of Performance Shares and/or Bonus Shares intends to purchase the Rights Issue Shares he shall:

11.4.3.1 notify the RemCo of his intention by the date specified in the notice sent to him in terms of Rule 11.4.2;

11.4.3.2 simultaneously pay the full price in respect of the Rights Issue Shares and costs incidental to the purchase of the Rights Issue Shares, including Securities Transfer Tax; and

11.4.3.3 be deemed to have authorised the Escrow Agent to take all necessary steps and sign all documents to purchase the Rights Issue Shares for his benefit.

11.4.4 If the Participant fails to notify the RemCo of his intention to purchase the Rights Issue Shares by the date specified in the notice in terms of Rule 11.4.2 he shall be deemed to have waived his right to take up any Rights Issue Shares in terms of the Rights Issue. In this instance the Escrow Agent shall sell the rights pertaining to the Rights Issue on behalf of the Participant and remit such proceeds to such Participant.

11.4.5 The Rights Issue Shares will not be subject to any restrictions in terms of the FSP and shall Vest immediately upon acquisition in terms of the Rights Issue.

11.4.6 To the extent that the Participant is not permitted to participate in a Rights Issue, Rules 11.1 to 11.3 shall apply *mutatis mutandis* to Performance Shares and/or Bonus Shares that have not Vested.

11.5 If the Company is placed into liquidation, other than for purposes of reorganisation, an Award of Performance Shares and/or Bonus Shares shall *ipso facto* lapse as from the Liquidation Date.

12. FORFEITURE AND LAPSE OF AWARDS

12.1 Notwithstanding any other provision of the Rules, an Award shall lapse on the earliest of:

12.1.1 The RemCo determining that the Performance Condition(s) (in relation to the Performance Shares), or any further condition imposed under Rule 7, in relation to Performance Shares and/or Bonus Shares, has not been satisfied either in whole or in part in respect of the Award and can no longer be satisfied;

12.1.2 The Awards being forfeited in terms of Rule 12;

12.1.3 Subject to Rules 9 and 10, the Date of Termination of Employment;

12.1.4 The Liquidation Date, in accordance with Rule 11.5; and

12.1.5 Any other date provided for under these Rules.

12.2 If Performance Shares and/or Bonus Shares are forfeited under the FSP, the Company will:

12.2.1 Allocate the Performance Shares and/or Bonus Shares so forfeited for new Awards to Employees identified in terms of Rule 2; or

12.2.2 instruct the Escrow Agent to sell or to procure the sale of any forfeited Performance Shares and/or Bonus Shares on such terms as the Company may consider appropriate.

12.3 From the date that Performance Shares and/or Bonus Shares are forfeited in terms of Rule 12.1 until such time as the Performance Shares and/or Bonus Shares are Settled to a new Participant in terms of Rule 12.2.1 or sold in terms of Rule 12.2.2, these Shares will not have their votes at general meetings or General Meetings taken into account for the purposes of resolutions proposed in terms of the JSE Listings Requirements and shall not be taken into account for the purposes of determining categorisations as detailed in section 9 of the JSE Listings Requirements.

12.4 Upon the sale referred to in Rule 12.2.2, the Company or Employer Company will retain the proceeds of any sale net of any deductions that may be owing to the Escrow Agent.

12.5 Subject to Rule 12.2, the Company may take such further steps as in its sole and absolute discretion it may consider appropriate to deal with the Performance Shares and/or Bonus Shares which have been forfeited.

13. FURTHER CONDITIONS

13.1 In circumstances where the tax and/or regulatory requirements of a particular jurisdiction where a Participant works makes the delivery of Shares impossible or impractical, the RemCo can direct alternative arrangements including (but not limited to) that the Participants be paid a cash amount on the Vesting Date *in lieu* of Shares that would have become liable to be delivered to the Participant, which is equivalent to the aggregate market value of such Shares as at the Vesting Date, on such date. The terms and conditions of such award will be set out in a separate Country Schedule.

13.2 An Employer Company may withhold any amount required:

13.2.1 to meet any costs in respect of the Vesting of the Performance Shares and/or Bonus Shares for which the Participant is liable; or

13.2.2 for employees' tax,

from the Participant's remuneration or any other amount due by the Employer Company to the Participant.

13.3 The rights of Participants under this FSP are determined exclusively by these Rules.

13.4 Except as otherwise provided in the Rules, the Participant has no right to any compensation, damages or any other sum or benefit by reason of the fact that:

13.4.1 the ceased to be a Participant in the FSP; or

13.4.2 any of his rights or expectations under this FSP were reduced or lost.

13.5 Shares will only be issued or purchased once a Participant has been formally identified.

13.6 The Company will ensure compliance with paragraphs 3.63 – 3.74 (director dealings) of the Listings Requirements in terms of share dealings by the Company relating to the FSP.

13.7 The issue of Shares to Employees which do not fall under the Rules of this FSP will be treated as a specific issue for cash as contemplated in paragraph 5.51 of the Listings Requirements.

14. DISCLOSURE IN ANNUAL FINANCIAL STATEMENTS

The Company shall disclose in its annual financial statements, to the extent required by the Act or the JSE Listings Requirements, the number of Shares that may be utilised for purposes of the FSP at the beginning of the accounting period and changes in such number during the accounting period and the balance of securities available for utilisation for purposes of the FSP at the end of the accounting period.

15. AMENDMENTS AND TERMINATION

15.1 Subject as provided in this Rule 15, the RemCo may at any time, alter, vary or add to these terms and conditions as it thinks fit. Amendments to these terms and conditions may only affect Awards to Participants that have already been made subject to the JSE Listings Requirements and JSE approval.

15.2 Except as provided in Rule 15.3 the provisions relating to:

15.2.1 the category of persons who are eligible for participation in the FSP defined above as "Employee";

15.2.2 the number of Shares that may be utilised for the FSP as envisaged in Rule 3.1;

15.2.3 the individual limitations on benefits or maximum entitlements envisaged in Rule 3.2;

15.2.4 the voting, dividend and other rights attached to shares which are subject to Performance Shares and/or Bonus Shares including those arising on a liquidation of the Company;

15.2.5 the basis for determining Awards as stipulated in Rule 2.1;

15.2.6 the adjustment of Awards and price in the event of a variation of capital of the Company as stipulated in Rule 11;

15.2.7 the procedure to be adopted in respect of the Vesting of Performance Shares and/or Bonus Shares in the event of a Change of Control as stipulated in Rule 10;

15.2.8 the procedure to be adopted in respect of the Vesting of Performance Shares and/or Bonus Shares in the event of termination of employment as envisaged in Rule 9;

15.2.9 the terms of this Rule 15.2, may not be amended without the prior approval of the JSE and by ordinary resolution of 75% (seventy five percent) of shareholders of the Company in general meeting, excluding all of the votes attached to all Shares owned and controlled by persons who are existing Participants in the FSP and which have been acquired under the FSP.

15.3 Subject to JSE notification and approval, the RemCo may make minor amendments for ease of the administration of the FSP, to comply with or take account of the provisions of any proposed or existing legislation or to obtain or maintain favourable, taxation or regulatory treatment of any Company or any Employer Company or any present or future Participant.

15.4 The RemCo may terminate the FSP at any time, but Awards before such termination will continue to be valid and as described in the provisions of the FSP.

16. ***DOMICILIUM* AND NOTICES**

16.1 The parties choose *domicilium citandi et executandi* for all purposes arising from this FSP, including, without limitation, the giving of any notice, the payment of any sum, the delivery of Shares, the serving of any process, as follows:

16.1.1 the Company, the Company Secretary and the RemCo: The address and telefax number of the registered office of the Company from time to time;

16.1.2 **any Employer Company** – The address and telefax number of the registered office of the Employer Company from time to time;

16.1.3 **each Participant** – The physical address, telefax number and electronic address from time to time reflected as being his home address, telefax number and/or electronic address in the Employer Company's payroll system from time to time.

16.2 Any of the above parties shall be entitled from time to time, by written notice to the other, to vary its *domicilium* to any other physical address within the Republic of South Africa and/or its facsimile number and/or (in the case of a Participant) his electronic address; provided in the case of a Participant such variation is also made to his details on the Employer Company's payroll system.

16.3 Any notice given and any delivery or payment made by any of the above persons to any other which:

16.3.1 is delivered by hand during the normal business hours of the addressee at the addressee's *domicilium* for the time being shall be rebuttably presumed to have been received by the addressee at the time of delivery;

16.3.2 is delivered by courier during the normal business hours of the addressee at the addressee's *domicilium* for the time being shall be rebuttably presumed to have been received by the addressee on the third day after the date of the instruction to the courier to deliver to the addressee;

16.3.3 is posted by prepaid registered post from an address within the Republic of South Africa to the addressee at the addressee's domicilium for the time being shall be rebuttably presumed to have been received by the addressee on the seventh day after the date of posting;

16.3.4 in the case of the addressee being a Participant, is transmitted by electronic mail and/or facsimile to the addressee at the addressee's electronic address and/or facsimile address (as the case may be) for the time being shall be rebuttably presumed to have been received by the addressee on the date of successful transmission thereof.

16.4 In the case of any notice or document given to the Employer Company pursuant to the FSP, delivered or sent by post to its registered office or such other address as may be specified by the Employer Company, such notice or document:

16.4.1 must be marked for the attention of the Company Secretary of the Employer Company; and

16.4.2 will not be deemed to have been received before actual receipt by the Company Secretary of the Employer Company.

16.5 Notwithstanding anything to the contrary herein contained, a written notice or document which is actually received by a person shall be adequate for purposes of this FSP, notwithstanding that such notice or document was not received at that party's *domicilium citandi et executandi.*

17. DISPUTES

17.1 Any dispute arising under the FSP shall be decided by arbitration in the manner set out in Rule 17.

17.2 The arbitration shall be held subject to the provisions of this FSP:

17.2.1 at Cape Town;

17.2.2 informally;

17.2.3 otherwise in accordance with the provisions of the Arbitration Act, No. 42 of 1965, as amended,

it being the intention that if possible the arbitration shall be held and concluded within 21 (twenty-one) Business Days, after it has been demanded.

17.3 The arbitrator shall be, if the question in issue is:

17.3.1 primarily an accounting matter, an independent accountant with not less than 15 (fifteen) years' experience agreed upon between the parties. In the event that the parties cannot agree within 7 (seven) Business Days, a chartered accountant to be nominated by the Executive President for the time being of the South African Institute of Chartered Accountants;

17.3.2 primarily a legal matter, a practising senior counsel or attorney with no less than 15 (fifteen) years standing agreed upon between the parties. In the event that the parties cannot agree within 7 (seven) Business Days, a practising attorney nominated by the President for time being of the Law Society of the Western Cape;

17.3.3 any other matter, an independent person agreed upon between the parties.

17.4 An aggrieved party may appeal against the arbitration award within 10 (ten) Business Days after receipt of the arbitration award by lodging a notice of appeal with the other party.

17.5 Where an appeal is made, 2 (two) practising senior counsel of at least 15 (fifteen) years standing shall be appointed as chairpersons of the appeal. If the parties are unable to agree on the chairpersons for the appeal the provisions of Rule 17.3 shall *mutatis mutandis* apply with the changes required by the context. The chairpersons shall meet the parties within 7 (seven) Business Days after their appointment to determine the procedure for the appeal.

18. GOVERNING LAW

South African law governs the FSP. All Employer Companies and Participants submit to the jurisdiction of the South African courts as regards any matter arising under the FSP.

PRO FORMA FINANCIAL INFORMATION RELATING TO THE SPECIFIC ISSUES

1. *PRO FORMA* FINANCIAL INFORMATION RELATING TO THE SPECIFIC ISSUES

The *pro forma* financial information set out below has been prepared to assist Prescient Shareholders to assess the impact of the Specific Issues on the financial position and results of Prescient, based on the unaudited interim results of the Group for the six-month period ended 30 September 2013 and the statement of financial position at that date. No adjustments have been made to the *pro forma* financial information other than in respect of the Specific Issues contemplated in this Circular.

The accounting policies of Prescient for the six-month period ended 30 September 2013 have been used in preparing the *pro forma* financial effects.

The *pro forma* financial effects have been prepared for illustrative purposes only and are the responsibility of the Directors. Due to the nature of the unaudited *pro forma* financial effects, it may not give a fair reflection of Prescient's financial position, changes in equity, results of operations or cash flows after completion of the Specific Issues.

Unaudited *pro forma* statement of comprehensive income

R'000	Reported	Specific issues[1,2]	*Pro forma* adjusted
Revenue	**332 841**		**332 841**
Expenses	(254 553)	(652)[3]	(255 205)
Profit from operations	78 288	(652)	77 636
Other income	2 780		2 780
Share of loss of equity accounted investees (net of tax)	(364)		(364)
Finance costs	(3 002)	787[4]	(2 215)
Profit/Loss before tax	**77 702**	135	**77 837**
Tax expense	(22 792)	(38)[5]	(22 830)
Profit from continuing operations	**54 910**	**98**	**55 008**
Discontinued operation			
Profit/(Loss) from discontinued operation, net of tax	(6 649)		(6 649)
Goodwill impairment on discontinued operations	(31 143)		(31 143)
Profit/Loss for the year	**17 118**	**98**	**17 216**
Other comprehensive income			
Exchange differences on translating foreign operations	970		970
Tax on other comprehensive income	–		–
Other comprehensive income (net of tax)	970		970
Total comprehensive income for the year	**18 088**	**98**	**18 186**
Profit attributable to:			
Owners of the Company	14 911	98	15 009
Non-controlling interest – IS	2 207		2 207
Profit for the year	**17 118**	**98**	**17 216**
Total comprehensive income attributable to:			
Owners of the Company	15 881	98	15 979
Non-controlling interests	2 207		2 207
Total comprehensive income for the year	**18 088**	**98**	**18 186**

R'000	Reported	Specific issues[1,2]	*Pro forma* adjusted
EPS			
Continuing	3.38		3.36
Discontinued	(2.43)		(2.40)
Total	**0.96**		**0.95**
Headline earnings to ordinary shareholders			
Continuing	3.38		3.36
Discontinued	(0.43)		(0.42)
Total	**2.96**		**2.94**
Profit attributable to ordinary shareholders	**52 703**		**52 801**

Notes and assumptions:

1. Adjustments to reflect the financial impact of 27 114 119 Ordinary Shares issued by Prescient to Herman Steyn at 90 cents per ordinary share.
2. Adjustments to reflect the financial impact of 569 620 Ordinary Shares issued by Prescient to Murray Louw at 79 cents per ordinary share.
3. Expenses
   - 3.1 Expenses relating to the Specific Issue to Murray Louw amounted to R750 000.
   - 3.2 Transaction expenses for the Specific Issues amounted to R257 000.
   - 3.3 The consultancy fee previously paid to Murray Louw will no longer be paid which amounts to R355 000 for the six months ended 30 September 2013.
4. Finance costs
   - 4.1 Interest income gained resulting from the Specific Issue to Herman Steyn amounted to an increase of R793 090 at interest rates averaging 6.50% per annum during the six months ended 30 September 2013. This will have a continuing effect.
   - 4.2 Interest income gained resulting from the Specific Issue to Murray Louw amounted to R1 529 at interest rates averaging 5.56% per annum during the six months ended 30 September 2013.
   - 4.3 Interest income foregone resulting from the transaction costs of the Specific Issues amounted to R7 145 at interest rates averaging 5.56% per annum during the six months ended 30 September 2013.
5. Current income tax is calculated at a rate of 28% on profit before tax and amounts to a total increase of R37 933 in the current income tax expense associated with the Specific Issues for the six months ended 30 September 2013.

Unaudited *pro forma* statement of financial position

R'000	Reported	Specific issues	*Pro forma* adjusted
Assets			
Non-current assets	**7 237 398**	**24 403**	**7 261 801**
Equipment	7 534		7 534
Investment property	20 460		20 460
Goodwill	424 428		424 428
Deferred tax asset	5 145		5 145
Long-term loans receivable	72 138		72 138
Investment in associate	1 184		1 184
Loans to shareholders		24 403[1]	24 403
Investment in subsidiaries	–		–
Investment in Prescient holdings	–		–
Loans to group companies	–		–
Financial assets at fair value through profit or loss	112 013		112 013
Linked investments backing policyholder funds	6 594 496		6 594 496
Current assets	**740 344**	**(202)**	**740 142**
Inventories	22 294		22 294
Trade and other receivables	126 375		126 375
Amount owing by clearing houses	88 159		88 159
Amounts owing from clients	326 594		326 594
Cash and cash equivalents	71 244	(202)[3,4]	71 042
Assets held for sale	100 959		100 959
Taxation receivable	4 719		4 719
Total assets	**7 977 742**	**24 201**	**8 001 943**
Equity			
Stated capital	637 062	24 403[1]	661 915
Reserves	1 181		1 181
Retained income	87 434	(469)[3,4,5]	86 965
Total equity attributable to equity holders of the Company	725 677	24 383	750 060
Non-controlling interest	10 788		10 788
Total equity	736 465	24 383	760 848

R'000	Reported	Specific issues	*Pro forma* adjusted
Liabilities			
Non-current liabilities	**6 709 194**		**6 709 194**
Deferred tax liability	7 197		7 197
Deferred income – long term	–		–
Policyholder investment contract liabilities	6 594 496		6 594 496
Loans from group companies	–		–
Long-term loans payable	107 501		107 501
Current liabilities	**532 083**	**(183)**	**531 900**
Trade and other payables	78 234		78 234
Provisions	–		–
Amounts owing to clearing houses	–		–
Amounts owing to clients	412 087		412 087
Deferred income	–		–
Current tax payable	8 088	(183)[5]	7 905
Contingent purchase price	–		–
Bank overdraft	5 389		5 389
Liabilities held for sale	28 285		28 285
Total liabilities	**7 241 277**	**(183)**	**7 241 094**
Total equity and liabilities	**7 977 742**	**24 201**	**8 001 943**
NAV	46.13		46.86
TNAV	19.15		20.34

Notes and assumptions:

1. Net proceeds from the issue of 27 114 119 Ordinary Shares at an issue price of 90 cents per share to Herman Steyn amounted to R24 402 707.
2. Net proceeds from the issue of 569 620 Ordinary Shares to Murray Louw at an issue price of 79 cents per share amounted to R450 000.
3. Expenses
   3.1 Expenses relating to the Specific Issue to Murray Louw amounted to R750 000.
   3.2 R300 000 of the R750 000 will be payable in cash to SARS on behalf of Murray Louw which represents a PAYE tax rate of 40.0%.
   3.3 Transaction costs relating to the Specific Issues amounted to R257 000.
4. Consultancy fees foregone from the Specific Issue relating to Murray Louw resulted in a decrease in expenses of R355 000 for the six months ended 30 September 2013. This will have a continuing effect.
5. Current tax payable as a result of the Specific Issues will decrease by R182 560 for the six months ended 30 September 2013.

2. *PRO FORMA* FINANCIAL INFORMATION RELATING TO THE SPECIFIC ISSUE TO HERMAN STEYN

The *pro forma* financial information set out below has been prepared to assist Prescient Shareholders to assess the impact of the Specific Issue to Herman Steyn on the financial position and results of Prescient, based on the unaudited interim results of the Group for the six-month period ended 30 September 2013 and the statement of financial position at that date. No adjustments have been made to the *pro forma* financial information other than in respect of the Specific Issue to Herman Steyn contemplated in this Circular.

The accounting policies of Prescient for the six-month period ended 30 September 2013 have been used in preparing the unaudited *pro forma* financial effects.

The unaudited *pro forma* financial effects have been prepared for illustrative purposes only and are the responsibility of the Directors. Due to the nature of the unaudited *pro forma* financial effects, it may not give a fair reflection of Prescient's financial position, changes in equity, results of operations or cash flows after completion of the Specific Issue to Herman Steyn.

Unaudited *pro forma* statement of comprehensive income

R'000	Reported	Specific issue[1]	*Pro forma* adjusted
Revenue	**332 841**		**332 841**
Expenses	(254 553)	(191)[2]	(254 744)
Profit from operations	78 288	(191)	78 097
Other income	2 780		2 780
Share of loss of equity accounted investees (net of tax)	(364)		(364)
Finance costs	(3 002)	788[3]	(2 214)
Profit/Loss before tax	**77 702**	597	**78 299**
Tax expense	(22 792)	(167)[4]	(22 959)
Profit from continuing operations	**54 910**	430	**55 340**
Discontinued operation			
Profit/(Loss) from discontinued operation, net of tax	(6 649)		(6 649)
Goodwill impairment on discontinued operations	(31 143)		(31 143)
Profit/Loss for the year	**17 118**	**430**	**17 548**
Other comprehensive income			
Exchange differences on translating foreign operations	970		970
Tax on other comprehensive income	–		–
Other comprehensive income (net of tax)	970		970
Total comprehensive income for the year	**18 088**	**430**	**18 518**
Profit attributable to:	–		
Owners of the Company	14 911	430	15 341
Non-controlling interest – IS	2 207		2 207
Profit for the year	**17 118**	**430**	**17 548**
Total comprehensive income attributable to:			
Owners of the Company	15 881	430	16 311
Non-controlling interests	2 207		2 207
Total comprehensive income for the year	**18 088**	**430**	**18 518**
EPS			
Continuing	3.38		3.38
Discontinued	(2.43)		(2.40)
Total	**0.96**		**0.98**
Headline earnings to ordinary shareholders			
Continuing	3.38		3.38
Discontinued	(0.43)		(0.42)
Total	**2.96**		**2.96**
Profit attributable to ordinary shareholders	**52 703**		**53 133**

Notes and assumptions:

1. Adjustments to reflect the financial impact of 27 114 119 Ordinary Shares issued by Prescient to Herman Steyn at 90 cents per ordinary share.
2. Transaction cost for the Specific Issue relating to Herman Steyn amounted to R191 000.
3. Finance costs
   3.1 Interest income gained resulting from the Specific Issue to Herman Steyn amounted to an increase of R793 090 at interest rates averaging 6.50% per annum during the six months ended 30 September 2013. This will have a continuing effect.
   3.2 Interest income foregone resulting from the transaction costs of the Specific Issue to Herman Steyn amounted to R5 310 at interest rates averaging 5.56% per annum during the six months ended 30 September 2013.
4. Current income tax is calculated at a rate of 28% on net interest received and amounts to total increase of R167 098 in the current income tax expense after the Specific Issue to Herman Steyn for the six months ended 30 September 2013.

Unaudited *pro forma* statement of financial position

R'000	Reported	Specific issue	*Pro forma* adjusted
Assets			
Non-current assets	**7 237 398**	**24 403**	**7 261 801**
Equipment	7 534		7 534
Investment property	20 460		20 460
Goodwill	424 428		424 428
Deferred tax asset	5 145		5 145
Long-term loans receivable	72 138		72 138
Investment in associate	1 184		1 184
Loans to shareholders		24 403[1]	24 403
Investment in subsidiaries	–		–
Investment in Prescient holdings	–		–
Loans to group companies	–		–
Financial assets at fair value through profit or loss	112 013		112 013
Linked investments backing policyholder funds	6 594 496		6 594 496
Current assets	**740 344**	**(191)**	**740 153**
Inventories	22 294		22 294
Trade and other receivables	126 375		126 375
Amount owing by clearing houses	88 159		88 159
Amounts owing from clients	326 594		326 594
Cash and cash equivalents	71 244	(191)	71 053
Assets held for sale	100 959		100 959
Taxation receivable	4 719		4 719
Total assets	**7 977 742**	**24 212**	**8 001 954**
Equity			
Stated capital	637 062	24 403[1]	661 465
Reserves	1 181		1 181
Retained income	87 434	(138)[1,2,3]	87 296
Total equity attributable to equity holders of the Company	**725 677**	**24 265**	**749 942**
Non-controlling interest	10 788		10 788
Total equity	**736 465**	**24 265**	**760 730**

R'000	Reported	Specific issue	*Pro forma* adjusted
Liabilities			
Non-current liabilities	**6 709 194**	**–**	**6 709 194**
Deferred tax liability	7 197		7 197
Deferred income – long term	–		–
Policyholder investment contract liabilities	6 594 496		6 594 496
Loans from group companies	–		–
Long-term loans payable	107 501		107 501
Current liabilities	**532 083**	**(53)**	**532 030**
Trade and other payables	78 234		78 234
Provisions	–		–
Amounts owing to clearing houses	–		–
Amounts owing to clients	412 087		412 087
Deferred income	–		–
Current tax payable	8 088	(53)[3]	8 035
Contingent purchase price	–		–
Bank overdraft	5 389		5 389
Liabilities held for sale	28 285		28 285
Total liabilities	**7 241 277**	**(53)**	**7 241 224**
Total equity and liabilities	**7 977 742**	**24 212**	**8 001 954**
NAV	46.13		46.87
TNAV	19.15		20.34

Notes and assumptions:

1. Net proceeds from the issue of 27 114 119 Ordinary Shares at an issue price of 90 cents per ordinary share to Herman Steyn amounted to R24 402 707.
2. Transaction costs for the Specific Issue relating to Herman Steyn amounted to R191 000 for the six months ending 30 September 2013.
3. Current taxation payable as a result of the Specific Issue to Herman Steyn will decrease by R53 480 for the six months ending 30 September 2013.

3. *PRO FORMA* FINANCIAL INFORMATION RELATING TO THE SPECIFIC ISSUE TO MURRAY LOUW

The *pro forma* financial information set out below has been prepared to assist Prescient Shareholders to assess the impact of the Specific Issue to Murray Louw on the financial position and results of Prescient, based on the unaudited interim results of the Group for the six-month period ended 30 September 2013 and the statement of financial position at that date. No adjustments have been made to the *pro forma* financial information other than in respect of the Specific Issue to Murray Louw contemplated in this Circular.

The accounting policies of Prescient for the six-month period ended 30 September 2013 have been used in preparing the unaudited *pro forma* financial effects.

The unaudited *pro forma* financial effects have been prepared for illustrative purposes only and are the responsibility of the Directors. Due to the nature of the unaudited *pro forma* financial effects, it may not give a fair reflection of Prescient's financial position, changes in equity, results of operations or cash flows after completion of the Specific Issue to Murray Louw.

Unaudited *pro forma* statement of comprehensive income

R'000	Reported	Specific issue[1]	*Pro forma* adjusted
Revenue	**332 841**		**332 841**
Expenses	(254 553)	(461)[2]	(255 014)
Profit from operations	78 288	(461)	77 827
Other income	2 780		2 780
Share of loss of equity accounted investees (net of tax)	(364)		(364)
Finance costs	(3 002)	(0)[3]	(3 002)
Profit/Loss before tax	77 702	(461)	77 241
Tax expense	(22 792)	129[4]	(22 663)
Profit from continuing operations	**54 910**	**(332)**	**54 578**
Discontinued operation			
Profit/(Loss) from discontinued operation, net of tax	(6 649)		(6 649)
Goodwill impairment on discontinued operations	(31 143)		(31 143)
Profit/Loss for the year	**17 118**	**(332)**	**16 786**
Other comprehensive income			
Exchange differences on translating foreign operations	970		970
Tax on other comprehensive income	–		–
Other comprehensive income (net of tax)	970		970
Total comprehensive income for the year	**18 088**	**(332)**	**17 756**
Profit attributable to:			
Owners of the Company	14 911	(332)	14 579
Non-controlling interest – IS	2 207		2 207
Profit for the year	**17 118**	**(332)**	**16 786**
Total comprehensive income attributable to:			
Owners of the Company	15 881	(332)	15 549
Non-controlling interests	2 207		2 207
Total comprehensive income for the year	**18 088**	**(332)**	**17 756**
EPS			
Continuing	3.38		3.36
Discontinued	(2.43)		(2.43)
Total	**0.96**		**0.94**
Headline earnings to ordinary shareholders			
Continuing	3.38		3.36
Discontinued	(0.43)		(0.43)
Total	**2.96**		**2.93**
Profit attributable to ordinary shareholders	**52 703**		**52 371**

Notes and assumptions:

1. Adjustments to reflect the financial impact of 569 620 Ordinary Shares issued by Prescient to Murray Louw at 79 cents per ordinary share.
2. Expenses
   - 2.1 Expenses relating to the Specific Issue to Murray Louw amounted to R750 000.
   - 2.2 R300 000 of the R750 000 will be payable in cash to SARS on behalf of Murray Louw which represents a PAYE tax rate of 40.0%.
   - 2.3 Consultancy fees foregone from the Specific Issue relating to Murray Louw resulted in a decrease in expenses of R355 000 for the six months ended 30 September 2013. This will have a continuing effect.
   - 2.4 Transaction costs for the Specific Issue relating to Murray Louw amounted to R66 000.

3. Finance costs
   3.1 Interest income gained resulting from the Specific Issue to Murray Louw amounted to R1 529 at interest rates averaging 5.56% per annum during the six months ended 30 September 2013 after transaction costs are settled
   3.2 Interest income foregone resulting from the transaction costs of the Specific Issue to Murray Louw amounted to R1 835 at interest rates averaging 5.56% per annum during the six months ended 30 September 2013
4. Income Tax
   4.1 Current income tax is calculated at a rate of 28% on profit before tax and amounts to a total decrease of R129 166 in the current income tax expense after the Specific Issue to Murray Louw for the six months ended 30 September 2013

Unaudited *pro forma* statement of financial position

R'000	Reported	Specific issue	*Pro forma* adjusted
Assets			
Non-current assets	**7 237 398**		**7 237 398**
Equipment	7 534		7 534
Investment property	20 460		20 460
Goodwill	424 428		424 428
Deferred tax asset	5 145		5 145
Long-term loans receivable	72 138		72 138
Investment in associate	1 184		1 184
Loans to shareholders	–		–
Investment in subsidiaries	–		–
Investment in Prescient holdings	–		–
Loans to group companies	–		–
Financial assets at fair value through profit or loss	112 013		112 013
Linked investments backing policyholder funds	6 594 496		6 594 496
Current assets	**740 344**	**(11)**	**740 333**
Inventories	22 294		22 294
Trade and other receivables	126 375		126 375
Amount owing by clearing houses	88 159		88 159
Amounts owing from clients	326 594		326 594
Cash and cash equivalents	71 244	(11)[2,3,4]	71 233
Assets held for sale	100 959		100 959
Taxation receivable	4 719		4 719
Total assets	**7 977 742**	**(11)**	**7 977 731**
Equity			
Stated capital	637 062	450[1]	637 512
Reserves	1 181		1 181
Retained income	87 434	(332)[2,3,4]	87 102
Total equity attributable to equity holders of the Company	**725 677**	**118**	**725 795**
Non-controlling interest	10 788		10 788
Total equity	**736 465**	**118**	**736 583**

R'000	Reported	Specific issue	*Pro forma* adjusted
Liabilities			
Non-current liabilities	**6 709 194**		**6 709 194**
Deferred tax liability	7 197		7 197
Deferred income – long term	–		–
Policyholder investment contract liabilities	6 594 496		6 594 496
Loans from group companies	–		–
Long-term loans payable	107 501		107 501
Current liabilities	**532 083**	**(129)**	**531 954**
Trade and other payables	78 234		78 234
Provisions	–		–
Amounts owing to clearing houses	–		–
Amounts owing to clients	412 087		412 087
Deferred income	–		–
Current tax payable	8 088	(129)[4]	7 959
Contingent purchase price	–		–
Bank overdraft	5 389		5 389
Liabilities held for sale	28 285		28 285
Total liabilities	**7 241 277**	**(129)**	**7 241 148**
Total equity and liabilities	**7 977 742**	**(11)**	**7 977 731**
NAV	46.13		46.12
TNAV	19.15		19.15

Notes and assumptions:

1. Net proceeds from the issue of 569 620 Ordinary Shares to Murray Louw at an issue price of 79 cents per ordinary share amounted to R450 000 after deducting transaction costs.
2. Expenses
   - 2.1 Expenses relating to the Specific Issue to Murray Louw amounted to R750 000.
   - 2.2 R300 000 of the R750 000 will be payable in cash to SARS on behalf of Murray Louw which represents a PAYE tax rate of 40.0%.
   - 2.3 Transaction expenses for the Specific Issue relating to Murray Louw amounted to R66 000.
3. Consultancy fees foregone from the Specific Issue relating to Murray Louw resulted in a decrease in expenses of R355 000 for the six months ended 30 September 2013.
4. Current taxation payable as a result of the Specific Issue to Murray Louw will decrease by R129 166 for the six months ended 30 September 2013.

INDEPENDENT REPORTING ACCOUNTANTS' REPORT ON THE UNAUDITED *PRO FORMA* FINANCIAL EFFECTS

The Directors
Prescient House
Westlake Business Park
Otto Close, Westlake, 7945

12 May 2014

Report on the Compilation of *Pro Forma* Financial Information

We have completed our assurance engagement to report ("Report") on the compilation of the *pro forma* earnings and diluted earnings, headline and diluted headline earnings, net asset value and net tangible asset value per share of Prescient Limited, the *pro forma* statement of financial position, the *pro forma* statement of comprehensive income and the related notes, including a reconciliation showing all of the *pro forma* adjustments to the share capital, reserves and other equity items relating to Prescient Limited for the period ended 30 September 2013 (collectively "*Pro forma* Financial Information"). The *Pro forma* Financial Information is set out in the Salient Features, paragraph 4 and Annexure 2 of the Circular to be issued by the Company on or about 12 May 2014.

The *Pro forma* Financial Information has been compiled by the Directors of Prescient Limited to illustrate the impact of the Specific Issues as detailed in the Circular on the Group's financial position and changes in equity as at 30 September 2013 and the Group's financial performance for the period ended 30 September 2013.

As part of this process, the Group's earnings, diluted earnings, headline earnings and diluted headline earnings per share, statement of comprehensive income and statement of financial position have been extracted by the Directors from the Group's unaudited interim financial statements for the period ended 30 September 2013 ("Interim Financial Information"), on which no audit or review report has been published. In addition, the Directors have calculated the net asset value and net tangible asset value per share as at 30 September 2013 based on financial information extracted from the Interim Financial Information.

Directors' responsibility for the *Pro forma* Financial Information

The Directors of Prescient Limited are responsible for compiling the *Pro forma* Financial Information on the basis of the applicable criteria as detailed in paragraphs 8.15 to 8.33 of the Listings Requirements of the JSE Limited and the SAICA Guide on *Pro forma* Financial Information, revised and issued in September 2012 ("Applicable Criteria").

Reporting accountants' responsibility

Our responsibility is to express an opinion about whether the *Pro forma* Financial Information has been compiled, in all material respects, by the Directors on the basis of the Applicable Criteria, based on our procedures performed.

We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3420, *Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus*, issued by the International Auditing and Assurance Standards Board. This standard requires that the reporting accountants comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the Directors have compiled, in all material respects, the *Pro forma* Financial Information on the basis of the Applicable Criteria.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any Interim Financial Information used in compiling the *Pro forma* Financial Information, nor have we, in the course of this engagement, performed an audit or review of the Interim Financial Information used in compiling the *Pro forma* Financial Information.

The purpose of *Pro forma* Financial Information included in the Circular is solely to illustrate the impact of the Transaction on the unadjusted Interim Financial Information as if the Transaction had been undertaken on 30 September 2013 for purposes of the *pro forma* earnings, diluted earnings, headline and diluted headline earnings per share and the *pro forma* statement of comprehensive income and on 30 September 2013 for purposes of the net asset value and net tangible asset value per share and statement of financial position. Accordingly, we do not provide any assurance that the actual outcome of the Transaction, subsequent to its implementation, will be as presented in the *Pro forma* Financial Information.

A reasonable assurance engagement to report on whether the *Pro forma* Financial Information has been properly compiled, in all material respects, on the basis of the Applicable Criteria involves performing procedures to assess whether the Applicable Criteria used by the directors in the compilation of the *Pro forma* Financial Information provide a reasonable basis for presenting the significant effects directly attributable to the Transaction and to obtain sufficient appropriate evidence about whether:

- The related *pro forma* adjustments give appropriate effect to the Applicable Criteria; and
- The *Pro forma* Financial Information reflects the proper application of those *pro forma* adjustments to the unadjusted Interim Financial Information.

The procedures selected depend on the reporting accountant's judgement, having regard to the reporting accountant's understanding of the nature of the Group, the Transaction in respect of which the *Pro forma* Financial Information has been compiled and other relevant engagement circumstances. The engagement also involves evaluating the overall presentation of the *Pro forma* Financial Information. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the *pro forma* financial information has been compiled, in all material respects, on the basis of the applicable criteria specified by the JSE Listings Requirements and described in paragraph 4 and Annexure 2.

Yours faithfully

KPMG Inc.

Per **Gary Pickering**
Chartered Accountants (SA)
Registered Auditor
Director

INDEPENDENT FAIRNESS OPINION ON THE SPECIFIC ISSUE TO HERMAN STEYN

19 May 2014

The Board of Directors
Prescient House
Westlake Business Park
Otto Close
Westlake
7945

INDEPENDENT EXPERT OPINION IN RESPECT OF THE SPECIFIC ISSUE OF SHARES FOR CASH TO A RELATED PARTY, BEING THE CEO OF PRESCIENT, HERMAN STEYN

INTRODUCTION

Prescient Limited (the "Company" or Prescient") has proposed a management buy-in structure for Herman Steyn, which requires an investment by Herman Steyn or his nominee in Prescient, through the subscription of 27 114 119 Prescient ordinary shares at an issue price of 90 cents per ordinary share funded by an interest bearing loan from the Company. The loan amount will be R24 402 707 and the interest rate charged will escalate at the SARS official rate applicable to fringe benefits, which is currently 6.5%. However, as the official rate is 1% plus the Repurchase Rate, the interest rate may change from time. (the "Specific Issue to Herman Steyn").

The issue price of 90 cents per ordinary share is a 21.2% premium to the 30-day VWAP at the date of the Prescient board meeting held on 12 May 2014, whereby the Prescient board of directors approved the Specific Issue to Herman Steyn. The intent of the Management Buy-in is to afford Herman Steyn an opportunity to invest in the Company, providing direct alignment of the CEO and shareholders. Herman Steyn's further investment in Prescient from the proposed specific issue will enable him to benefit from possible share price appreciation and dividend income, along with other Prescient shareholders. Furthermore, Herman Steyn will not receive a salary for his services as CEO from 1 April 2013 to 31 March 2018.

The Specific Issue to Herman Steyn is being directly funded by Prescient in accordance with section 45 of the Companies Act (No. 71 of 2008) ("Financial Assistance"). Prescient is required to appoint an independent expert as contemplated in the guidance letter relating to an issuer providing financing assistance for a specific issue of shares for cash to a related party,

SCOPE

An independent fairness opinion is required to be obtained by the board of Directors of Prescient ("the Prescient Board") in terms of section 5 of the Listings Requirements of the JSE Limited ("the JSE Listings Requirements"). Bridge Capital Advisors (Pty) Limited ("Bridge Capital" or the "Independent Expert") has been appointed by the Prescient Board as the independent professional expert to advise on whether the terms and conditions of the Specific Issue to Herman Steyn and the terms of the Financial Assistance are fair to the shareholders of Prescient.

RESPONSIBILITY

The compliance with the JSE Listings Requirements is the responsibility of the Prescient Board. Our responsibility is to report on the terms and conditions of the Specific Issue to Herman Steyn and the Financial Assistance being provided by the issuer.

DEFINITION OF THE TERM "FAIR"

A transaction will generally be considered fair to a company's shareholders if the benefits received by the shareholders, as a result of the transaction, are equal to or greater than the value surrendered by the shareholders.

The assessment of fairness is based on quantitative measures and the terms of the Financial Assistance. In this case, the the Specific Issue to Herman Steyn may be considered fair if the intrinsic value of the Company after the Specific Issue to Herman Steyn and the provision of the Financial Assistance on the terms proposed in paragraph 2 of this circualr is greater than the intrinsic value of Prescient should Herman Steyn have received his monthly cash salary as remuneration for his services as CEO from 1 April 2013 to 31 March 2018.

In the assessment on the terms of the Specific Issue to Herman Steyn including:

- the issue price of 90 cents per ordinary share is a 21.2% premium to the 30-day VWAP at the date of the Prescient board meeting held on 21 May 2014;
- the interest income in terms of the Financial Assistance;
- the interest receivable on the cash resources available due to no remuneration paid to Herman Steyn for his services as CEO to the Group for a five-year period;
- the *pro forma* financial effects described in paragraph 4.2 of this circular;
- the terms and conditions of the Specific Issue to Herman Steyn as described in this circular; and
- the terms and conditions of the Financial Assistance as described in paragraph 2.6 of this circular.

The Specific Issue to Herman Steyn and Financial Assistance being provided may be considered fair if benefits to shareholders are considered to be equal to, or greater than, the Specific Issue to Herman Steyn not being implemented.

SOURCES OF INFORMATION

In the course of our analysis, we relied upon financial and other information obtained from Prescient's management and from various public, financial and industry sources. Our conclusion is dependent on such information being accurate in all material respects.

The principal sources of information used in formulating our opinion regarding the Specific Issue include:

- information and assumptions made available by and from discussions held with the directors of and management of Prescient;
- audited Annual Reports of Prescient for the financial years ended 31 March 2011, 31 March 2012 and 31 March 2013;
- unaudited Interim financial statements of Prescient for the periods ended 30 September 2011, 30 September 2012 and 30 September 2013;
- management accounts of Prescient for the years ended 31 March 2011, 31 March 2012, 31 March 2013 and 31 March 2014;
- management accounts of Prescient for the six months ended 30 September 2011, 30 September 2012 and 30 September 2013;
- management accounts of the PBT group of companies namely: Wooltru Finance (Pty) Limited, PBT Insurance Technologies (Pty) Limited, PBT Infosight (Pty) Limited, Cyber Pro Consulting (Pty) Limited PBT Technology Services (Pty) Limited and PBT Group (Australia) Pty Limited (collectively "PBT") for the financial years ended 31 March 2011, 31 March 2012 and 31 March 2013;
- information and forecast assumptions made available by and discussions held with management of Prescient and PBT;
- held discussions with Prescient and PBT directors and management and considered such other matters as the Independent Expert considered necessary, including the prevailing economic and market conditions;
- publicly available information relating to Prescient and other companies in their respective sectors that we deemed to be relevant, including company announcements, analysts' reports and media articles;
- the terms and conditions of the Management Buy-in in the circular relating to the Specific Issue to Herman Steyn and Financial Assistance, to which our opinion forms part thereof; and
- where practical, we have corroborated the reasonability of the information provided to us for the purpose of our opinion, including publicly available information, whether in writing or obtained in discussions with management.

PROCEDURES

In arriving at our opinion, we have, *inter alia*:

- reviewed the Specific Issue, including its terms and conditions of the Financial Assistance;
- Considered information made available by Prescient and from discussions held with the Board and management of Prescient;
- discussed the terms of the Specific Issue with management and the Group's legal Advisors;
- discussed the future prospects of Prescient with management and considered the qualitative benefits of the Specific Issue identified by management of each company;
- assessed the long-term potential of Prescient and PBT;
- evaluated the relative risks associated with Prescient and PBT and the industry in which it operates;
- reviewed the methodologies available for performing valuations of businesses operating in this industry sector;
- reviewed capital structure and current financial position relative to the market value and Specific Issue to Herman Steyn;
- reviewed general economic, market, regional and related conditions in which Prescient operates;
- reviewed certain publicly available information relating to Prescient that the Independent Expert deemed to be relevant;
- where relevant, representations made by management and/or directors were corroborated to source documents or independent analytical procedures were performed by the Independent Expert, to examine and understand the industry in which Prescient operates, and to analyse external factors that could influence the business of Prescient; and
- compiled a detailed financial model valuing the Prescient ordinary shares using the forecast financial information prepared by the management of Prescient and applied the Independent Expert's assumptions of cost of equity capital and assumptions relating to yields on assets and liabilities, other revenues, cost increase and growth in assets.

Our procedures and enquiries did not constitute an audit in terms of International Standards on Auditing. Accordingly, we cannot express an opinion on the financial data or other information used in arriving at our opinion. Furthermore, we do not express an opinion on the legality nor the enforceability of any agreements reviewed in arriving at our opinion.

KEY VALUE DRIVERS

The following key value drivers were considered in determining the intrinsic value of Prescient and the assessment of the fairness of the Specific Issue to Herman Steyn. The key value drivers used in our valuation of Prescient are detailed below:

- **Asset Management Division:** Growth in assets under management ("AUM") per asset class – impact on revenue (investment management fees and performance fees), forecasted for the next five years. Factors for growth in AUM include attaining new clients, forecasted global demand per asset class, forecasted price movement per asset class and sustainability of investment fees charged by the Company. More aggressive client growth forecasts and AUM growth would result in a higher valuation of the Company.

Asset Administration Division

- Growth in Assets under administration ("AUA") – impact on revenue (investment administration fees and performance fees), forecasted for the next five years. Factors for growth in AUA include attaining new clients, forecasted demand for funds administrated by third parties and sustainability of administration fees charged by the Company. More aggressive client growth forecasts and AUA growth would result in a higher valuation of the Company.

Securities Division

- Growth in brokerage fees – impact on revenue within Prescient Securities, forecasted for the next five years. Factors for growth in brokerage fees include attaining new clients, forecasted global demand for equity investments, forecasted price movement for equity investments, the forecasted volume traded growth on the South African securities and the sustainability of brokerage fees charged by the Company. More aggressive client growth forecasts and volume traded growth forecasts would result in a higher valuation of the Company.

- **IT services Division**
  - Revenue growth per operating segment including data warehousing, application development and analytics. Factors included proposed increases in fees charged and attaining new clients locally and internationally per industry including: banking, insurance, medical healthcare, telecommunications, and retail. More aggressive client and fees growth forecasts would result in a higher valuation of the Company.
  - Group cash conversion cycle, based on working capital requirements, forecasted for the next five years. Factors included historical figures, year-to-date figures and management expectations;
  - Capital expenditure forecasted over the next five years. Factors included historical figures, year-to-date figures and management expectations. The amount of capital expenditure decreases the value of the Company, however this is required in order to achieve the growth in the revenue forecasts.

Group Expenses

- Staff costs per division, impacting on operating expenses, forecasted for the next five years. Factors included historical figures, year-to-date figures, management expectations and South African inflation forecasts.
- Overhead costs per division, impacting on operating expenses forecasted for the next 5 years. Factors included historical figures, year-to-date figures, management expectations and South African inflation forecasts. More aggressive inflation rate forecasts would result in higher expenses for the Company and therefore a lower valuation.

External Drivers

- The discount rate whereby country and company specific risks have been included, an increase of which would have a negative effect on the valuation of the Company.
- The terminal growth rates per division. The terminal growth rate which is based at the point in time whereby we forecast a stable perpetual growth rate. The terminal growth rates were based on South African macro-economic forecasts. A higher terminal growth rate. will result in a higher valuation range of the Company.

VALUATION

We have performed a valuation of Prescient to determine whether the Specific Issue to Herman Steyn and the impact of the Financial Assistance represents fair value to Prescient shareholders relative to Herman Steyn receiving a monthly remuneration over a five-year period for his services as CEO.

The Discounted Cash Flow ("DCF") using Capital Asset Pricing Methodology ("CAPM") was employed as the primary method and a valuation of Prescient using a market comparable method using local and international peers of Prescient was employed as an additional method. The above valuation involved a stress test and sensitivity analysis on the key internal and external value drivers discussed above.

OPINION

The Independent Expert's opinion is necessarily based upon the information available to it up to 16 May 2014, including the financial information as well as other conditions and circumstances existing and disclosed to it. The Independent Expert has assumed that all conditions precedent, including any material regulatory and other approvals or consents required in connection with the Specific Issue have been fulfilled or obtained. There is no relationship between Prescient and Bridge Capital other than being the Company's sponsor.

Accordingly, it should be understood that subsequent developments may impact the Independent Expert's opinion, but it is under no obligation to update, revise or re-affirm its opinion as a result thereof.

We have considered the terms and conditions of the Specific Issue to Herman Steyn and the Financial Assistance detailed in paragraph 2.6 of this circular, and based upon, and subject to the aforegoing, we are of the opinion that the Specific Issue to Herman Steyn and the Financial Assistance is fair to the Prescient shareholders.

LIMITING CONDITIONS AND RELATED PARTY RELATIONSHIPS

We have relied upon the accuracy of information provided to us or otherwise reviewed by us, for the purposes of this opinion, whether in writing or obtained in discussion with the management of Prescient. We express no opinion on this information.

There were no limiting conditions, or any restrictions of scope imposed by Prescient whilst this opinion was being prepared.

This letter and opinion is provided solely for the benefit of the Board of Prescient for the sole purpose of assisting the Board in forming and expressing an opinion for the benefit of the Prescient shareholders.

INDEPENDENCE

There is no relationship between Bridge Capital and any other parties involved in the Specific Issue. Bridge Capital has no shares in Prescient or any other party involved in the Specific Issue. Bridge Capital's fees in respect of this fairness opinion is R75 000 plus VAT is not payable in shares and is not contingent or related to the outcome of the Issue Price.

Bridge Capital has no conflict of interest in relation to the Issue Price and is able to make impartial decisions in relation to that Issue Price without fear or favour. Bridge Capital has all the necessary competencies for this appointment. An internal review and quality control process exists at Bridge Capital that ensured that someone other than the senior person responsible for the assignment reviewed the final opinion.

Each shareholder's individual decision may be influenced by such shareholder's particular circumstances. Our opinion does not purport to cater for each shareholder's circumstances, but rather the general body of shareholders taken as a whole. Should a shareholder be in any doubt as to what action to take, he or she should consult an independent advisor.

Bridge Capital is satisfied that all other information as required under section 114(3) of the Act not contained in this report is contained in the Circular.

CONSENT

We hereby consent to the inclusion of this letter and references thereto, in the form and context in which they appear in the Circular to Prescient shareholders.

Yours faithfully

Jonathan Fisher
Director
Bridge Capital Advisors (Pty) Limited

27 Fricker Road
Illovo
PO Box 651010
Benmore
2010

INFORMATION ON THE DIRECTORS OF PRESCIENT

Herman Steyn (53)

Chief Executive Officer

Herman has been involved in the investment management industry since 1985, having held senior management positions in several established asset management companies. He began his investment management career when awarded a bursary from Old Mutual, studying a BBusSc majoring in Actuarial Science, Statistics (Hons) and Economics at the University of Cape Town, completing his BBusSc (Hons) in 1984. In 1998 Herman founded Prescient Investment Management which specialises in quantitative investment management. Herman has been involved at Prescient ever since. Herman was appointed to the Board of Prescient Limited as the Chief Executive Officer on 13 December 2012.

Michael Buckham (41)

Financial Director

Michael attended the University of Cape Town (UCT), completing a BBusSc with Finance and Accounting Honours in 1994. He furthered his studies with a Post– Graduate Diploma in Accounting at UCT in 1995, then qualifying as a Chartered Accountant in 1996. Michael completed his accounting articled period at Arthur Andersen & Co. in 1998. Following his articled period Michael has spent 15 years working in finance in the financial services industry. Michael obtained his CFA in 2002. He joined Prescient in 2007 and initially took full responsibility for Prescient Life but soon expanded his scope of involvement to all financial areas within the Prescient group of companies. Michael was appointed as Financial Director of Prescient Limited to coincide with the Company's reverse listing on the JSE in August 2012.

Murray Louw (68)

Non-executive Chairman

Murray is a merchant banker with extensive corporate finance experience both locally and abroad. Murray was appointed as the Non-executive Chairman of Prescient Limited on 13 December 2012. Murray has served on the Board of PBT since March 2004. Murray is also a Non-executive Director of Trematon Capital Investments Limited, the Non-executive Chairman of MCubed Limited and a Non-executive Director of Club Mykonos Langebaan Limited.

Monty Kaplan (85)

Lead Independent Non-executive Director

Monty is a previous deputy Chairman and Chief Executive Officer of Cape of Good Hope Bank Limited and previously a director of Spearhead Property Group Limited and Ingenuity Property Investments Limited respectively. He is the former Chairman of Prescient Limited and is currently the lead Independent Non-executive Director. He is also the Chairman of the Mazor Group Limited, a Non-executive Director of Club Mykonos Langebaan Limited and the Chairman of Trematon Capital Investments Limited.

Zane Meyer (53)

Independent Non-executive Director

Zane matriculated in 1978 from Paarl Boys' High School, and after graduating from Stellenbosch University with a law degree in 1986, he joined the Department of Justice as a public prosecutor. In 1988, Zane joined C&A Friedlander Attorneys in Cape Town as a candidate attorney before moving to SG Hoffman & van Tonder in Paarl where he was admitted as an attorney in 1990.The following year he was appointed as a partner at SG Hoffman, Swart & Meyer, specialising in litigation, conveyancing, commercial, labour and criminal law. In 1996 the firm merged with Faure & Faure Inc. and Zane was appointed a director. Zane is a Small Claims Court Commissioner, a member of the Paarl Rotary Club until 2013, was the Chairman of the governing body of Paarl Boys' High School from 2010 to 2012, and is currently the Chairman of the governing body of Paarl Girls High School. An Independent Director of Prescient Life since 2006, he is also a member of the Audit Committee of the Prescient Group. Amongst other directorships, he is a director of the law firm Faure & Faure Inc., and Managing Director of Louisvale Wines Stellenbosch, which operates three farms in the Western Cape producing wine, wine grapes, deciduous fruits and citrus.

Keneilwe Moloko (45)

Independent Non-executive Director

Keneilwe Moloko is a Chartered Accountant and a Quantity Surveyor. She has expertise in the building and construction industry and investment management field. Keneilwe started her career as a quantity surveyor with Grinaker Building, Dawson & Frazer and CP De Leeuw Quantity Surveyors. After a period of six years in the construction industry, she went back to study in order to become a Chartered Accountant. She completed her articles at KPMG Inc., working in the financial services and tax divisions. She later took up the position of development executive at Spearhead Properties. Thereafter, she joined Coronation Fund Managers as a fixed-interest credit analyst and a member of the Coronation Credit Committee. She currently serves on the Board and Audit Committees of several organisations. Keneilwe has extensive knowledge in the built environment, investments and auditing. Keneilwe was appointed to the Board of Prescient Limited on 10 July 2012.

Heather Sonn (42)

Independent Non-executive Director

Heather has a Masters of Science in International Affairs from Georgetown University and a BA from Smith College, Massachusetts. She served as the Chief Executive Officer of Legae Securities. She also served as the Deputy Chief Executive Officer of Wipcapital. She was a business development executive at Sanlam and an investment banking analyst at Merrill Lynch. She worked for Merrill Lynch in New York as an investment banker in global branded consumer goods and leveraged buy-outs from 1997 to 1999. On her return to South Africa, she joined Sanlam Investment Management. She serves as an alternate director of Macsteel Service Centres South Africa. She served as director of Strate Limited and was an Independent Non-executive Director of Celcom Group Limited until 18 February 2008. She served as a director of Spescom Limited from 21 November 2007 to 28 February 2008. She served on the Board of the Nelson Mandela Foundation Investment and Endowment Committee and on the collective investment schemes' sub-committee of the Financial Services Board. She was also the President of the South African Association of Investors. In December 2003, she was voted by the Mail & Guardian as one of the top South Africans to watch in the next decade.

Ronell van Rooyen (44)

Non-executive Director

Ronell completed her MComm, in 1994, majoring in Econometrics at the Rand Afrikaanse Universiteit. During this time she worked at Credit Guarantee Insurance Company in the investment department. Her duties were economic research (SA and other countries) and investment administration. In 1995 she joined Ginsburg, Malan & Carsons (Consultants and Actuaries) where she was responsible for economic and investment research. The investment research included risk/return and investment evaluation. In 1997 she started at SCMB Securities as a private client advisor. During the next two years she completed the Registered Persons and JSE Membership exams. She transferred to the institutional dealing desk in 1999.Ronell joined Prescient Investment Management in August 2001 as a portfolio manager. In April 2004, with the advent of staff acquiring 14.8% of Prescient Investment Management, Ronell was appointed a director at Prescient Holdings, representing the interests of the Prescient staff. Ronell was the Head of Fund Management from 2009 to November 2011. Ronell left the executive employ of Prescient during 2011 and at present she runs the Prescient Foundation.

PRICE HISTORY OF PRESCIENT ORDINARY SHARES ON THE JSE

Date	Low (cents)	High (cents)	Close (cents)	Volume (Prescient shares)	Value (Rands)
Quarterly					
2014/03/31	75	90	75	11 674 994	14 943 885
2013/12/31	85	101	85	15 637 837	17 605 082
2013/09/30	96	107	96	21 485 459	22 433 226
2013/06/30	105	120	105	4 485 066	3 957 110
2013/03/31	115	120	115	15 131 162	13 162 374
2012/12/31	120	139	120	39 763 446	33 596 879
2012/09/30	136	150	136	15 561 648	11 481 379
Monthly					
2014/04/30	75	77	75	2 896 131	3 893 861
2014/03/31	75	82	75	5 014 414	6 580 398
2014/02/28	76	84	76	4 452 842	5 657 373
2014/01/31	80	90	80	2 207 738	2 706 114
2013/12/31	85	88	85	2 719 151	3 317 114
2013/11/30	78	98	78	4 423 660	5 099 296
2013/10/31	89	101	89	8 495 026	9 188 672
2013/09/30	96	102	96	3 471 791	3 533 718
2013/08/31	95	107	95	14 265 680	14 953 792
2013/07/31	89	103	89	3 747 988	3 945 716
2013/06/30	105	116	105	712 735	653 161
2013/05/31	113	118	113	2 173 822	1 907 214
2013/04/30	118	120	118	1 598 509	1 396 735
Daily					
2014/05/16	76	79	79	210 500	164 875
2014/05/15	75	75	75	–	–
2014/05/14	75	75	75	47 572	35 679
2014/05/13	72	75	72	1 721 972	1 284 819
2014/05/12	71	71	71	13 589	9 648
2014/05/09	70	73	72	460 259	327 350
2014/05/08	72	75	75	64 269	48 178
2014/05/06	74	75	74	680 500	504 330
2014/05/05	74	76	74	378 200	282 752
2014/05/02	75	76	76	317 000	238 500
2014/04/30	75	75	75	8 000	6 000
2014/04/29	72	74	74	202 647	146 305
2014/04/25	72	74	74	327 353	236 714
2014/04/24	73	75	73	133 137	98 190
2014/04/23	73	75	73	27 231	20 278
2014/04/22	73	77	73	85 879	65 091
2014/04/17	74	77	77	25 846	19 178
2014/04/16	74	74	74	54 900	40 626
2014/04/15	74	74	74	16 000	11 840
2014/04/14	73	73	73	–	–
2014/04/11	73	74	73	77 665	56 835
2014/04/10	74	75	74	110 800	82 000

Date	Low (cents)	High (cents)	Close (cents)	Volume (Prescient shares)	Value (Rands)
2014/04/09	73	73	73	6 226	4 544
2014/04/08	73	74	74	37 037	27 227
2014/04/07	75	75	75	629	471
2014/04/04	74	75	75	331 824	248 618
2014/04/03	73	75	75	45 529	33 986
2014/04/02	73	73	73	25 000	18 250
2014/04/01	73	77	77	11 647	8 902
2014/03/31	74	75	75	2 468 007	1 844 075
2014/03/28	74	79	74	737 462	554 271
2014/03/27	75	75	75	96 938	72 703
2014/03/26	75	75	75	16 681	12 510
2014/03/25	75	77	77	73 964	55 624
2014/03/24	75	77	76	60 937	46 394
2014/03/20	75	77	77	722 996	550 976
2014/03/19	80	80	80	415 162	332 129
2014/03/18	80	81	80	109 632	88 045
2014/03/17	80	80	80	156 191	124 952
2014/03/14	78	80	78	30 020	24 015
2014/03/13	82	82	82	100 000	82 000
2014/03/12	78	82	82	84 218	68 074
2014/03/11	77	80	77	485 971	380 630
2014/03/10	77	77	77	41 441	31 909
2014/03/07	78	78	78	–	–
2014/03/06	76	78	78	71 147	54 527
2014/03/05	76	76	76	483 293	367 302
2014/03/04	76	79	79	7 694	5 909
2014/03/03	76	77	77	418 644	318 369
2014/02/28	76	79	76	107 462	83 384
2014/02/27	77	78	78	356 486	278 049
2014/02/26	76	79	79	816 420	633 009
2014/02/25	78	78	78	14 363	11 203
2014/02/24	78	79	78	562 562	438 972
2014/02/21	77	79	79	10 040	7 931
2014/02/20	79	80	80	150 000	118 720
2014/02/19	76	79	76	700 000	538 073
2014/02/18	79	79	79	30 000	23 700
2014/02/17	77	80	80	25 259	20 049
2014/02/14	77	80	80	380 011	302 082

Source: McGregorBFA

CORPORATE GOVERNANCE

Introduction

The Group is committed to sound corporate governance principles and therefore embraces the principles of integrity, transparency and accountability. The Group adheres to the Code of Corporate Practices and Conduct (the Code) as set out in King III. The directors will continue to seek to identify and mitigate significant risks, promoting sound and swift decision-making and ensure that there is continuous improvement on operational and corporate business practices underpinned by transparent communication with all stakeholders. The directors will intensify the focus on improving and codifying operational and corporate practices. This process will be continually monitored to ensure ongoing improvement in this regard. Disclosure of the 75 principles contained in the King Code of Governance Principles for South Africa 2009 is available on the Company website: http://www.prescient.co.za, with the direct link being: http://www.prescient.co.za/index_page.php?PageID=Investor_Relations_Shareholder_Information_Principles_of_Corporate_Governance&SubMenuID=15&SubMenuItemID=259&mainMenuID=5.

Board composition and structure

The Board comprises eight directors: Herman Steyn, Michael Buckham, Murray Louw, Monty Kaplan, Zane Meyer, Keneilwe Moloko, Heather Sonn and Ronell van Rooyen.

The Board annually considers and reconfirms the classification of directors as being independent. The guidelines of King III were used for the 2013 classification. The Board is of the view that Monty Kaplan, Heather Sonn, Keneilwe Moloko and Zane Meyer meet the requirements of independence in terms of King III.

The roles of the executive and non-executive directors are separate to ensure that no director can exercise unrestricted powers of decision-making. The Chairman provides leadership and guidance to the Board and encourages proper deliberation on all matters requiring the Board’s attention while obtaining input from other directors. The executive directors are primarily responsible for implementing strategy and operational decisions in respect of the day-to-day operations while non-executive directors contribute their independent and objective knowledge and experience to Board deliberations. All non-executive directors are sufficiently qualified to contribute industry skills and their expertise. Murray Louw is the Chairman with Monty Kaplan being the Lead Independent Non-executive Director and Herman Steyn the Group’s Chief Executive Officer. The responsibilities of the Chairman and CEO are separate. Murray is considered by the Board to be non-executive as he does not perform any day-to-day activities for the Group, however he is not independent due to the fact that he provides consulting services to some of the operating entities within the Group as well as the fact that he was the Financial Director of PBT within the last three financial years.

Michael Buckham is the Financial Director and this appointment has been recommended by the Audit Committee. In compliance with the JSE Listings Requirements, the Audit Committee shall consider, on an annual basis, the expertise and experience of the Financial Director and confirm satisfaction of his performance to the shareholders. The directors hold office until the next General Meeting at which date they will retire and, being eligible, make themselves available to be re-elected by the shareholders at the General Meeting. The non-executive directors have no fixed term of appointment and no service contracts with Prescient. Letters of appointment confirm the terms of their service.

Board functioning

The Board meets at least four times per year. All meetings were convened timeously by formal notice incorporating a detailed agenda supported by relevant written proposals and detailed reports. In addition, the Memorandum of Incorporation of the Company provide for material decisions taken between meetings to be ratified by way of directors’ resolutions.

The Board members have ready and direct access to the Company Secretary in relation to the affairs of the Group and are entitled to obtain independent professional advice regarding Group matters at the Group’s expense. All members of the Board are expected to contribute to ensuring that the Group maintains high standards of corporate governance. On request, Board members have access to Group information, records, documents and property.

Board committees

In addition, the Audit Committee, Remuneration Committee, Nomination Committee and Social and Ethics Committee are appointed by the Board.

Audit Committee

The Audit Committee comprises of Zane Meyer (Chairman), Keneilwe Moloko and Heather Sonn. The Audit Committee complies with King III and the Companies Act requirement with regards to the composition which should consist of at least three independent non-executive directors. King III furthermore recommends that the Chairman of the Board should not be a member of the Audit Committee. The committee complies with this requirement as well. In addition to the members of the Audit Committee, the meetings are attended by relevant members of the executive who are able to provide insight into the various items under review by the committee. Furthermore, the committee invites Goolam Modack to all meetings. He performs the role of an external consultant to provide guidance on various aspects under review by the committee. Goolam is a Senior Lecturer in the College of Accounting at the University of Cape Town.

The committee shall meet at least twice a year. The Audit Committee will specifically have oversight of the following functions:

- nomination for appointment by the shareholders of the external auditors;
- liaison with external auditors;
- determining the external audit fee;
- assessment of the independence of the auditor;
- regulation of non-audit work done by external auditors;
- assessment of the effectiveness of the auditing processes;
- preparation of financial statements;
- monitoring of adequacy and effectiveness of systems of internal controls;
- safeguarding the Group's and clients' assets;
- assessment of the risk management process; and
- assessment of the governance processes within the companies

Based on the requirements of the Companies Act, the individual members of the Audit Committee will be elected by the shareholders at the next General Meeting. The role of the Audit Committee is to assist the Board in fulfilling its responsibility with regard to financial and auditing oversight responsibilities, as well as the overall quality and integrity of financial and internal control matters. It also performs the prescribed statutory requirements including those applicable to the external auditor. The last mentioned includes the annual recommendation of the external auditor to the shareholders at the General Meeting. Annually the committee reviews the extent of non-audit services provided by the external auditors. In terms of the JSE Listings Requirements, the Audit Committee must perform an annual evaluation of the financial function of the Company. The committee is satisfied that the financial function possesses the appropriate expertise and experience to meet the responsibilities required for that position.

The committee is satisfied that Prescient's external auditor is independent of the Company and has nominated the re-appointment of KPMG Inc. for the 2014 financial year. KPMG has been accredited on the JSE Limited's list of auditors in terms of the criteria of the JSE Listings Requirements.

The Audit Committee has recommended the Integrated Report to the Board for approval. In the 2014 financial year the Audit Committee will review the internal financial controls and the internal audit charter and provide a report to the Board of Directors.

Remuneration and Nomination Committees

The Remuneration and Nomination Committees comprise of Zane Meyer, Keneilwe Moloko and Heather Sonn respectively; and will meet at least twice per year. The Chairman of the meeting takes responsibility for the duties of Chairman as prescribed in King III and the Companies Act. Zane Meyer acted as Chairman at the meetings of the Remuneration and Nominations Committee held on 12 May 2014 and 4 April 2014.

The primary responsibilities of these committees will include the following:

- to ensure that the Company's Chairman, directors and senior executives are rewarded for their contributions in accordance with individual performance;
- to ensure the retention of key personnel through benchmarking executive remuneration against industry norms and taking individual and Company performance targets into account in determining executive remuneration;
- to align annual bonuses with Company performance while shareholdings align executives' interests with those of other shareholders;
- to ensure appropriate human resources strategies, policies and practices;
- to review the composition and performance evaluation of the Board and its committees;
- to oversee the Board appointment process; and to approve the remuneration of directors and senior executives. The committees in their current format did not meet during the financial year however they met on 14 June 2013.

- **Remuneration philosophy**

Underpinned by the belief that employees' remuneration packages remain an effective tool to incentivise and retain key personnel, the Group benchmarks executive remuneration against industry norms while individual and Group performance targets are taken into account. In doing so, the Group does not rely solely on market surveys but also takes applicants' remuneration expectations into consideration. Annual bonuses are aligned with Group performance and shareholding to align executives' interests with those of other shareholders. The Group has a remuneration policy which includes basic pay and incentive bonuses.

- The Group continually aligns the remuneration philosophy with the business strategy within the following parameters:
  - motivation of staff;
  - contribution to the attraction and retention of high calibre and talented staff;
  - a correlation between performance and reward; transparency, easily understandable, equitable, market-related and fair; and
  - recognition and promotion of the development of all employees in the best interests of the Company's stakeholders. Non-executive directors are remunerated with an annual base fee, which is presented for approval by shareholders at the General Meeting.

The non-executive directors are paid a fixed fee for their participation as Board members as well as for their role in the other committees.

Herman Steyn, as CEO of the Group, is no longer earning a monthly cash salary as remuneration for his services to the Group. This change was effective from 1 April 2013. The Remuneration Committee is currently reviewing a share-based payment mechanism for Herman Steyn's remuneration which is still to be finalised. The terms and conditions of the share-based payment mechanism will be submitted to the JSE for approval once it is finalised and this, in turn, will be submitted to shareholders for approval at a General Meeting of shareholders. Notice of the General Meeting for this approval will be sent out in terms of the JSE Listings Requirements.

Michael Buckham, the Financial Director, will be remunerated an amount of R1.8 million for the year ended 31 March 2014. This amount excludes any discretionary bonus that may be determined at the end of the financial year.

Company Secretary

Bianca Pieters is the Company Secretary of the Prescient Group. The Company Secretary performs the Company secretarial function. The Board is satisfied that Bianca's expertise, experience and qualifications are appropriate to meet the responsibilities of the position. Where necessary, external experts are consulted to ensure compliance with relevant legislation and rules pertaining to the Group's operations.

Stakeholder communication

The Group strives in its communications with stakeholders, particularly the investment community, to present a balanced and understandable assessment of the Group's position. Consequently, in its financial reporting, formal announcements, media releases, annual meetings, presentations and dialogue with analysts and institutional shareholders, the Group's objectives are to be clear, open, prompt and balanced, and to communicate in substance rather than in form.

Internal control

The Board and management are responsible for maintaining effective systems of internal control. These systems are designed to provide reasonable, but not absolute, assurance as to the integrity and reliability of the annual financial statements to safeguard, verify and maintain accountability of the Group's assets and to detect and minimise significant fraud, potential liability, loss and material misstatement while complying with applicable statutory laws and regulations.

The Group strives to maintain internal controls of a standard aimed at ensuring that the systems of financial reporting contain complete, accurate and reliable information and safeguard the Group's assets. The external auditors report to the shareholders and have ready access to the Chairman and the directors. Due to the nature of the Group's transactions, the levels of internal controls and reconciliation procedures and the operation of the Company's Risk Committee, the Group does not consider an internal audit function to be beneficial. The Group will continue to assess the applicability of an internal audit function to ensure the Company manages its risk appropriately and complies with the Regulatory Framework. Nothing has come to the attention of the directors to suggest that the accounting records and systems of internal control were not appropriate or satisfactory, neither has any material loss, exposure or misstatement arising from a material breakdown in the functioning of the systems of internal control or accounting been reported to the directors in respect of the period under review.

Code of ethics

Prescient has a human resources policy in place that sets out the parameters within which all staff and directors are expected to conduct themselves. The policy also includes a code of ethics which forms the foundation for the values and ethics of the Company. The policies are available on the Company's intranet and all staff are required to familiarise themselves with these principles. Staff and directors are expected to:

- conduct themselves in a professional manner; abide by the strictest code of ethical behaviour;
- maintain an absolute degree of client and corporate confidentiality;
- ensure that their personal positions are never placed before those of a client;
- encourage an environment that is productive, efficient and entrepreneurial; and
- facilitate teamwork amongst peers and ensure that all staff are treated with the highest levels of dignity and respect.

NOTICE OF GENERAL MEETING OF PRESCIENT SHAREHOLDERS

The definitions and interpretations commencing on page 6 of the Circular to which this Notice of General Meeting of Prescient Shareholders is attached apply, *mutatis mutandis*, to this Notice of General Meeting.

Notice is hereby given to the Prescient Shareholders that a general meeting of Prescient Shareholders will be held at Prescient House, Westlake Business Park, Otto Close, Westlake, 7945 at 12:00 on 9 July 2014, for the purpose of considering and, if deemed fit, passing, with or without modification, the special and ordinary resolutions set out below in a manner required by the Companies Act, as read with the Listings Requirements, which meeting is to be participated in and voted at by Prescient Shareholders as at the record date of Friday, 4 July 2014 subject to certain excluded votes as set out in the resolution below.

The special resolutions will be required to be passed by the Prescient Shareholders holding Prescient Ordinary Shares representing at least 75% of the voting rights exercisable by the Prescient Shareholders entitled to vote, present in person or represented by proxy and voting at the General Meeting.

Pursuant to the requirements of the JSE, ordinary resolutions 2 and 3 will be required to be passed by the Prescient Shareholders holding Prescient Ordinary Shares representing at least 75% of the voting rights cast in favour of such resolution by Prescient Shareholders entitled to vote, present in person or represented by proxy and voting at the General Meeting.

SPECIAL RESOLUTION NUMBER 1 – APPROVAL OF THE PRESCIENT FORFEITABLE SHARE PLAN

"Resolved that the Prescient Limited Forfeitable Share Plan (FSP), a copy of which has been initialled by the Chairman of the General Meeting for purposes of identification and tabled at this General Meeting, the salient features of which are set out in this Circular to which this notice is attached, be and is hereby approved and that the Directors of the Company be and are hereby authorised to take all such steps as may be necessary for the establishment and carrying into effect the FSP, including the allotment and issue of shares in the capital of the Company on the terms and conditions set out in the FSP, to Participants of the FSP, including executive Directors of the Company, be and is hereby approved."

Reason for and effect of special resolution number 1

The reason for special resolution number 1 is that the Directors of the Company consider it to be in the best interests of the Company that an FSP be adopted so as to ensure that appropriate incentives are granted to employees of the Company and its subsidiaries to encourage and motivate continued growth and profitability within the Company and to promote the retention of the Company's employees.

ORDINARY RESOLUTION NUMBER 1 – APPROVAL OF THE ISSUE OF SHARES FOR THE PRESCIENT FORFEITABLE SHARE PLAN

"Resolved that, subject to the passing of special resolution number 1 and 2, and in accordance with the Memorandum of Incorporation, 157 000 000 Prescient Ordinary Shares in the authorised but unissued ordinary share capital of the Company, be placed under the control of the Directors in order to issue these shares in accordance with and for the purposes of the FSP."

Reason for and effect of ordinary resolution number 1

Ordinary resolution number 1, if passed, will have the effect of enabling the Directors to allot and issue Prescient Ordinary Shares for purposes of the FSP.

SPECIAL RESOLUTION NUMBER 2 – SPECIFIC AUTHORITY TO PROVIDE FINANCIAL ASSISTANCE TO A DIRECTOR

"Subject to the passing of Ordinary Resolution number 2 resolved that, to the extent required by section 44 of the Companies Act, the Board of Directors may, subject to compliance with the requirements of the Company's Memorandum of Incorporation, the Companies Act and the Listings Requirements, authorise the Company to provide financial assistance to Herman Steyn or his nominee for the purpose of enabling the Herman Steyn to subscribe for the Specific Issue to Herman Steyn, as contemplated in the Circular dated 13 June 2014."

For this resolution to be passed, votes in favour of the resolution must represent at least 75% of the voting rights exercised at the meeting in respect of Special Resolution number 2.

ORDINARY RESOLUTION NUMBER 2 – SPECIFIC AUTHORITY TO ISSUE SHARES TO HERMAN STEYN OR HIS NOMINEE

"Subject to the passing of Special Resolution number 2, resolved that, in terms of the Specific Issue to Herman Steyn, on the terms and conditions set out in the Circular, be and is hereby approved." Pursuant to the requirements of the JSE, the Company will only be entitled to issue 27 114 119 shares which are the subject of Ordinary Resolution number 2 if that resolution is passed by votes, in favour of the resolution, representing at least 75% of the voting rights exercised at the meeting in respect of Ordinary Resolution number 2. Herman Steyn and his associates are excluded from voting for Ordinary Resolution number 2."

Reason for and effect of ordinary resolution number 2

Ordinary resolution number 2, if passed, will have the effect of enabling the Directors to allot and issue Prescient Ordinary Shares for purposes of Specific Issue to Herman Steyn.

SPECIAL RESOLUTION NUMBER 3 – SPECIFIC REPURCHASE

"Resolved that, subject to the passing of ordinary resolution number 2, the Company and its subsidiaries be and are hereby authorised, as a specific authority in terms of the Listings Requirements and the Company's Memorandum of Incorporation, to implement, if required, the Specific Repurchase at an offer price of the 30 day VWAP at the time of the Prescient share in respect of the security provided by Herman Steyn in terms of the Financial Assistance as detailed in the circular."

Information and explanatory material with respect to special resolution number 3

Should it may be required, in terms of the Financial Assistance being provided in relation to the Specific Issue of shares to Herman Steyn, that the Prescient Shares held as security for the loan will be acquired by Prescient in the way of a specific repurchase.

Special resolution number 3 requires support of at least 75% of all voting rights exercisable by Prescient shareholders present or represented by proxy and entitled to vote at the general meeting in respect of this resolution to be cast in favour of the resolution. Herman Steyn and his associates (as such term is defined in the Listings Requirements) will, in terms of the Listings Requirements, be excluded from voting in respect of this special resolution.

ORDINARY RESOLUTION NUMBER 3 – SPECIFIC AUTHORITY TO ISSUE SHARES TO MURRAY LOUW

"Resolved that, in terms of the Specific Issue to Murray Louw, on the terms and conditions set out in the Circular, be and is hereby approved." Pursuant to the requirements of the JSE, the Company will only be entitled to issue 569 620 shares which are the subject of Ordinary Resolution number 2 if that resolution is passed by votes, in favour of the resolution, representing at least 75% of the voting rights exercised at the meeting in respect of Ordinary Resolution number 3. Murray Louw and his associates are excluded from voting for Ordinary Resolution number 3."

Reason for and effect of ordinary resolution number 3

Ordinary resolution number 3, if passed, will have the effect of enabling the Directors to allot and issue Prescient Ordinary Shares for purposes of Specific Issue to Murray Louw.

ORDINARY RESOLUTION NUMBER 4 – APPROVAL FOR THE SIGNING OF RELEVANT DOCUMENTATION

"Resolved that, subject to the passing of special resolutions number 1, 2, 3 and ordinary resolutions number 1, 2 and 3 any one Director or the Company Secretary be and are hereby authorised to do all such things and sign all documents and take all such action as they consider necessary to implement the resolutions set out in the notice convening this General Meeting at which this ordinary resolution will be considered."

Reason for and effect of ordinary resolution number 4

Ordinary resolution number 4, if passed, will enable the Directors or the Company Secretary to action what is required in terms of the FSP and the Specific Issues.

PRESCIENT

LIMITED

(Incorporated in the Republic of South Africa)
(Registration number 1936/008278/06)
Share code: PCT ISIN: ZAE000163531
("Prescient" or "the Company" or "the Group")

FORM OF PROXY

Unless specifically defined herein, the definitions commencing on page 6 of the Notice to 2014 General Meeting to which this Form of Proxy forms part apply, *mutatis mutandis*, to this Form of Proxy. To the extent that a term used herein is defined as aforesaid but is also defined in the Companies Act, then it will have the meaning set out in the Companies Act.

FOR USE BY CERTIFICATED ORDINARY SHAREHOLDERS AND "OWN NAME" DEMATERIALISED ORDINARY SHAREHOLDERS AT THE 2014 GENERAL MEETING OF PRESCIENT LIMITED TO BE HELD AT PRESCIENT HOUSE, WESTLAKE BUSINESS PARK, OTTO CLOSE, WESTLAKE, 7945, ("THE GENERAL MEETING") AT 12:00 ON WEDNESDAY, 9 JULY 2014.

I/We (PLEASE PRINT FULL NAMES IN BLOCK CAPITALS)

of (PLEASE PRINT ADDRESS)

being the registered holder(s) of: ordinary shares in the capital of the Company hereby appoint:

1. or failing him/her,

2. or failing him/her

3. the Chairman of the General Meeting,

As my/our proxy to attend, speak and vote on my/our behalf at the General Meeting to be held at Prescient House, Westlake Business Park, Otto Close, Westlake, Cape Town on Wednesday, 9 July 2014 at 12:00 and at any adjournment thereof, and to vote or to abstain from voting on the ordinary and special resolutions to be proposed at the 2014 General Meeting, as follows:

Resolutions to be proposed at the General Meeting:

	For	Against	Abstain
Special resolution number 1 – Approval of the Prescient Forfeitable Share Plan			
Ordinary resolution number 1 – Approval of the issue of shares for the Prescient Forfeitable Share Plan			
Special resolution number 2 – Specific authority to provide financial assistance to a director			
Ordinary resolution number 2 – Specific authority to issue shares to Herman Steyn or his nominee			
Special resolution number 3 – Specific repurchase			
Ordinary resolution number 3 – Specific authority to issue shares to Murray Louw			
Ordinary resolution number 4 – Approval for the signing of relevant documentation			

Signed at (place) on this day of 2014

Signature of shareholder(s)

Assisted by (where applicable)

Please read the notes and instructions on the reverse hereof.

Notes:

1. Each ordinary shareholder entitled to attend and vote at the General Meeting is entitled to appoint 1 (one) (or more) proxies (none of whom need be a member of Prescient) to attend, speak and vote in place of that ordinary shareholder at the General Meeting.
2. An ordinary shareholder may insert the name of a proxy or the names of two alternative proxies of the ordinary shareholder's choice in the space/s provided with or without deleting "the Chairman of the General Meeting" but the ordinary shareholder must initial any such deletion. The person whose name stands first on form of proxy and who is present at the General Meeting will be entitled to act as proxy to the exclusion of those whose names follow.
3. An ordinary shareholder's instructions to the proxy must be indicated by the insertion of the relevant number of votes exercisable by the ordinary shareholder in the appropriate box provided. Failure to comply with the above will be deemed to authorise and direct the Chairman of the General Meeting, if the Chairman is the authorised proxy, to vote in favour of the resolutions proposed, or any other proxy to vote or abstain from voting at the General Meeting as he/she deems fit, in respect of all the ordinary shareholder's votes exercisable at the meeting. Completed forms of proxy and the authority (if any) under which they are signed must be lodged with or posted to the transfer secretaries to be received by no later than 12:00 on Tuesday, 8 July 2014.
4. At any time before the commencement of the General Meeting (or any adjournment of the General Meeting) or handed to the Chairman of the General Meeting before the appointed proxy exercises any of the relevant ordinary shareholder's rights at the General Meeting (or any adjournment of the General Meeting), provided that should an ordinary shareholder lodge a form of proxy with the Transfer Secretaries at either of the below addresses less than 48 hours before the General Meeting, such ordinary shareholder will also be required to furnish a copy of such form of proxy to the Chairman of the General Meeting before the appointed proxy exercises any of such ordinary shareholder's rights at the General Meeting (or any adjournment of the General Meeting).
5. The completion and lodging of this form of proxy will not preclude the relevant ordinary shareholder from attending the General Meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof, should such ordinary shareholder wish to do so.
6. The Chairman of the General Meeting may accept or reject any form of proxy not completed and/or received in accordance with these notes or with the Memorandum of Incorporation of Prescient.
7. Any alteration or correction made to this form of proxy must be initialed by the signatories.
8. Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity (e.g. for a company, close corporation, trust, pension fund deceased estate, etc.) must be attached to this form of proxy, unless previously recorded by Prescient or the Transfer Secretaries.
9. Where this form of proxy is signed under power of attorney, such power of attorney must accompany this form of proxy, unless it has been registered by Prescient or the Transfer Secretaries or waived by the Chairman of the General Meeting.
10. Where shares are held jointly, all joint holders are required to sign this form of proxy.
11. A minor ordinary shareholder must be assisted by his/her parent/guardian, unless the relevant documents establishing his/her legal capacity are produced or have been registered by Prescient or the Transfer Secretaries.
12. Dematerialised shareholders who do not own Prescient ordinary shares in "own-name" dematerialised form and who wish to attend the General Meeting, or to vote by way of proxy, must contact their CSDP or Broker who will furnish them with the necessary letter of representation to attend the General Meeting or to be represented thereat by proxy. This must be done in terms of the agreement between the ordinary shareholder and his/her CSDP or Broker.
13. This form of proxy shall be valid at any resumption of an adjourned General Meeting to which it relates although this form of proxy shall not be used at the resumption of an adjourned General Meeting if it could not have been used at the General Meeting from which it was adjourned for any reason other than it was not lodged timeously for the meeting from which the adjournment took place. This form of proxy shall in addition to the authority conferred by the Companies Act except insofar as it provides otherwise, be deemed to confer the power generally to act at the General Meeting in question, subject to any specific direction contained in this form of proxy as to the manner of voting.
14. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the death or mental disorder of the principal or revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the share in respect of which the proxy is given, provided that no notification in writing of such death, insanity, revocation or transfer as aforesaid shall have been received by the Transfer Secretaries before the commencement of the meeting or adjourned meeting at which the proxy is used.
15. Any proxy appointed pursuant to this form of proxy may not delegate her or his authority to act on behalf of the relevant ordinary shareholder.
16. In terms of the Companies Act, unless revoked, an appointment of a proxy pursuant to this form of proxy remains valid only until the end of the General Meeting or any adjournment of the General Meeting.

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