

VUN 201303220013A

Disposal of investment in IMI

VUNANI LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 1997/020641/06)

JSE code: VUN

ISIN: ZAE000163382

("Vunani" or "the company" or "the group")

## DISPOSAL OF INVESTMENT IN IMI

### 1. INTRODUCTION

Vunani has a 48% interest in Integrated Managed Investments Proprietary Limited ("IMI"), a boutique asset management company focusing on private client discretionary portfolios, trusts, charities and pension funds.

The balance of the shares in IMI are held by IMI's executive management.

### 2. DETAILS OF TRANSACTION

Vunani has agreed to the sale of its 48% holding in IMI to Steve Stapleton-Smith and John Slauck, who acquired the 48% shareholding in IMI from Vunani in equal proportions, for a total cash consideration of R10.2 million ("the transaction"). The effective date of the transaction was 28 February 2013. The proceeds shall be retained within the group and enhance the group's available cash resources. The transaction is not subject to any unfulfilled conditions precedent.

### 3. RATIONALE

Vunani has taken a decision to hold controlling interests in its operating businesses. The offer by the executive management of IMI to acquire Vunani's shareholding in IMI provided Vunani with the ideal opportunity to exit this investment and redeploy its resources to businesses in the group where it believes it can achieve a higher rate of return.

### 4. FINANCIAL EFFECTS

The unaudited pro forma financial effects of the transaction, for which the directors are responsible, on earnings per share ("EPS") and headline earnings per share ("HEPS") are provided for illustrative purposes only to show the effect of the transaction as if the transaction had taken effect on 1 January 2012.

Because of their nature, the unaudited pro forma financial effects may not give a fair presentation of the group's performance. The unaudited pro forma financial effects have been compiled from the unaudited condensed consolidated results of the Company for the six months ended 30 June 2012 and are presented in a manner consistent with the format and accounting policies adopted by the Company and have been adjusted as described in the notes set out below.

In terms of the JSE Listings Requirements, financial effects on the statement of financial position are not presented as they are not significant, being below 3%.

	Notes	Unaudited Before the transaction	Unaudited After the transaction	% Change
EPS (cents)	1&2	14.2	13.5	(4.9)
HEPS (cents)	1&2	19.2	18.4	(4.2)

Notes:

1. The "unaudited before the transaction" column information has been extracted from the company's unaudited condensed consolidated results for the six months ended 30 June 2012.
2. The effects relating to the EPS and HEPS are based on the following assumptions and information:
  - 2.1 the transaction was effective 1 January 2012;
  - 2.2 the proceeds of the transaction exceeded the carrying value of the investment in IMI resulting in a disposal profit of R558 000 which will be subject to capital gains tax;
  - 2.3 the attributable earnings in respect of IMI for the six months ended 30 June 2012 amounted to R1 252 000;

The adjustment in 2.2 will not have a continuing effect.

5. CLASSIFICATION OF THE TRANSACTION

Based on the value of the transaction, the transaction is classified as a Category 2 transaction in terms of the JSE Limited Listings Requirements.

22 March 2013  
Sandton

Designated Adviser  
Grindrod Bank Limited

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