THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to the action you should take in relation to this circular, please consult your Central Securities Depository Participant ("CSDP"), stockbroker, banker, accountant, attorney or other professional advisor immediately.

Action required

1. If you have disposed of all your ordinary shares in Santova Limited ("Santova"), this circular and all annexures hereto, together with the attached form of proxy should be handed to the purchaser of such ordinary shares or to the stockbroker, CSDP, banker or other agent through whom the disposal was effected.
2. Ordinary shareholders holding certificated shares and shareholders holding dematerialised shares, registered in their own name, who are unable to attend the general meeting of shareholders to be held at 10:00 on Monday, 28 January 2013 at Santova House, 88 Mahatma Gandhi Road, Durban, should complete the attached form of proxy in accordance with the instructions contained therein and lodge it with the transfer secretaries, Computershare Investor Services (Pty) Ltd, 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107) so as to be received by not later than 10:00 on Friday, 25 January 2013.
3. Shareholders holding dematerialised shares, other than shareholders with dematerialised shares registered in their own name, who wish to attend the general meeting of shareholders or to vote by way of proxy, must contact their CSDP or stockbroker who will furnish them with the requisite authority to attend the general meeting or to be represented thereat by proxy. This must be done in terms of the custody agreement between the member and his CSDP or stockbroker.

Santova
Limited

Incorporated in the Republic of South Africa
(Registration number 1998/018118/06)
Share code on JSE: SNV ISIN: ZAE000159711
("Santova" or "the Company")

CIRCULAR TO SHAREHOLDERS OF SANTOVA

regarding

the acquisition of W.M. Shipping Limited, registered in the United Kingdom

and incorporating

- **a notice convening a general meeting of Santova shareholders; and**
- **a form of proxy – for use by certificated shareholders and dematerialised shareholders with own name registration only.**

Sponsor & Corporate Adviser

RIVER GROUP

Reporting Accountants

NEXIA SAB&T

Date: 21 December 2012

This circular is available in English only. Copies may be obtained from the registered office of Santova, and from the transfer secretaries, whose addresses are set out in the "Corporate Information" section of this document.

CORPORATE INFORMATION

REGISTERED ADDRESS

Santova House
88 Mahatma Gandhi Road
Durban
4001
(PO Box 6148, Durban, 4000)

CORPORATE ADVISOR AND SPONSOR

River Group
Block B, First Floor
225 Veale Street
Brooklyn
0181
(PO Box 2579, Brooklyn Square, 0075)

TRANSFER SECRETARIES

Computershare Investor Services (Pty) Ltd
70 Marshall Street
Johannesburg
2001
(PO Box 61051, Marshalltown, 2107)

COMPANY SECRETARY

JA Lupton, FCIS
Highway Corporate Services (Pty) Ltd
14 Hillcrest Office Park
2 Old Main Road
Hillcrest
3610
(PO Box 1319, Hillcrest, 3650)

REPORTING ACCOUNTANTS

Nexia SAB&T
119 Witch-Hazel Avenue
Highveld Technopark
Centurion
0014
(PO Box 10512, Centurion, 0046)

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INTERPRETATION AND DEFINITIONS

In this circular and the annexures hereto, unless inconsistent with the context:

- the singular includes the plural and *vice versa*;
- the masculine gender includes the other gender;
- a reference to a person includes a body corporate or unincorporated and *vice versa*; and
- the words in the first column shall have the meanings assigned to them in the second column.

"the acquisition"	the acquisition, by Santova, of 100% of the sale shares and sale claims of W.M. Shipping Limited from the Sellers for an amount of GBP4 500 000 (four million five hundred thousand Pounds) with effect 1 September 2012;
"the agreement"	the agreement, and annexures thereto, dated 23 November 2012 setting out the terms and conditions of the acquisition;
"the Act"	the Companies Act, No. 71 of 2008, as amended;
"Board of Directors" or "directors" or "Board"	the Board of Directors of Santova;
"business day"	any day other than Saturday, Sunday or an official public holiday in South Africa;
"cash differential"	the difference between the actual cash at the date of satisfaction or waiver of the conditions as agreed between the parties prior to completion and the amount of GBP1 397 882 (one million three hundred and ninety seven thousand eight hundred and eighty two Pounds);
"CIPC"	Companies and Intellectual Property Commission;
"circular"	this circular dated 21 December 2012, including the annexures and attachments thereto, as well as the notice of general meeting;
"completion"	the third business day after the date on which the last of the conditions precedent is fulfilled or waived;
"Computershare"	Computershare Investor Services (Pty) Limited (Registration number 2004/003647/07), a private company incorporated in South Africa;
"CSDP"	Central Securities Depository Participant registered in terms of the Securities Services Act, 2004 (Act 36 of 2004), as amended;
"dematerialised"	the process whereby paper share certificates are replaced with electronic records of ownership of shares or securities held with a CSDP or stockbroker as contemplated in section 49 of the Act under the Strate system;
"dematerialised shares"	shares which have been dematerialised and incorporated into the Strate system and which are no longer evidenced by share certificates or other physical documents of title;
"general meeting"	the general meeting of shareholders of Santova to be held in the boardroom, Santova House, 88 Mahatma Gandhi Road, Durban on 28 January 2013 at 10:00, or any adjournment thereof;
"the Group" or "the Santova Group"	the Company and its subsidiaries;
"the JSE"	JSE Limited (registration number 2005/022939/06), a public company incorporated in South Africa being registered as an exchange;
"Listings Requirements"	the listings requirements of the JSE as amended from time to time;
"last practicable date"	21 December 2012, being the last practicable date prior to the finalisation of this circular;
"Maitland Management Limited"	a major shareholder of Santova registered in Cyprus;

"own name dematerialised"	shareholders that have dematerialised their shares through their CSDP and have instructed their CSDP to register their shares in their own name on the sub-register (the list of shareholders maintained by the CSDP and forming part of Santova's share register);
"the price"	the purchase price for the sale shares and the sale claims in the amount of GBP4 500 000 (four million five hundred thousand Pounds), as adjusted in accordance with the agreement;
"registered shareholder"	a shareholder of shares registered as such in the share register of Santova;
"the sale claims"	all claims of whatsoever nature and from whatsoever cause arising, if any, which the Sellers may have against W.M. Shipping Limited on completion;
"sale shares"	1 170 ordinary shares being the entire issued share capital of W.M. Shipping Limited held by the Sellers;
"Santova" or "the Company" or "the Purchaser"	Santova Limited (Registration number 1998/018118/06), a public company incorporated in accordance with the laws of South Africa and listed on the JSE;
"the Sellers"	Andrew Fletcher and Pamela Fletcher of 51A Borrowcop Lane, Lichfield Staffordshire, WS14 9DG, United Kingdom;
"SENS"	the Stock Exchange News Service of the JSE;
"shares"	the ordinary shares of no par value in the stated capital of Santova;
"shareholders"	the registered holders of ordinary shares in Santova;
"South Africa"	the Republic of South Africa;
"Strate"	Strate Limited (Registration number 1998/022242/06), a registered central securities depository in terms of the Custody and Administration of Securities Act, 1992 (Act 85 of 1992), as amended;
"SIX SIS"	a major shareholder of Santova registered in Switzerland;
"Strate system"	Strate, a clearing and settlement system generated by the JSE for share transactions to be settled and transfer of ownership to be recorded electronically;
"a subsidiary"	a subsidiary company as defined by the Act;
"transfer secretaries"	the transfer secretaries of Santova, namely Computershare; and
"WMS"	W.M. Shipping Limited (Registration number 02337432), a company incorporated and registered on 23 January 1989, in accordance with the laws of England and Wales with registered address at Unit 46, Kepler, Lichfield Road, Industrial Estate, Tamworth, Staffordshire, B79 7XE, of which the Sellers hold 100% of the issued share capital.

IMPORTANT DATES AND TIMES

The dates and times below relate to the acquisition;

	2013
Last day to trade in order to be eligible to participate and vote at the general meeting	**Friday, 11 January**
Record date to determine which shareholders may participate and vote at the general meeting	**Friday, 18 January**
Last day for receipt of forms of proxy for the general meeting by the transfer secretaries, by 10:00	**Friday, 25 January**
General meeting to be held in the Harbour View boardroom, Santova House, 88 Mahatma Gandhi Road, Durban at 10:00	**Monday, 28 January**
Results of general meeting released on SENS	**Monday, 28 January**

Notes:

1. The above dates and South African times are subject to change. Any changes will be released on SENS.
2. The general meeting will be held to consider and, if deemed fit, to pass, with or without modification, the resolutions necessary to approve the acquisition.
3. Shareholders registered as such, who hold their shares in certificated form (in other words who have not dematerialised their shares) or hold dematerialised shares in their own name, who are unable to attend the general meeting but wish to be represented thereat must complete and return the attached proxy form in accordance with the instructions contained therein to the transfer secretaries, to be received by no later than 10:00 on Friday, 25 January 2013.
4. Beneficial owners who have dematerialised their shares through a CSDP or stockbroker, other than those in own name, must provide the CSDP or stockbroker with their voting instruction in the manner and time stipulated in the custody agreement governing the relationship between the beneficial owner and their CSDP or stockbroker. Alternatively, they must request the CSDP or stockbroker to provide them with a letter of representation should they wish to attend the meeting in person in terms of the custody agreement entered into between the beneficial owner and the CSDP or stockbroker.

Santova
Limited

Incorporated in the Republic of South Africa
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Share code on JSE: SNV ISIN: ZAE000159711
("Santova" or "the Company")

Directors

ESC Garner* *(Chairman)*
GH Gerber *(Chief Executive Officer)*
DC Edley *(Group Financial Director)*
AD Dixon*
S Donner *(Non-executive)*
GM Knight
WA Lombard*
AL van Zyl

* Independent non-executive

CIRCULAR TO SHAREHOLDERS

1. INTRODUCTION

Santova is a company listed on the JSE Limited with offices throughout South Africa and in Hong Kong, Australia, the United Kingdom and the Netherlands, as well as strategic partners throughout the world. With more than eighty years' extensive experience in the logistics domain, Santova provides supply chain optimisation solutions to their international and domestic clients, through industry-leading strategic logistics management practices and resources.

The purpose of this circular and the accompanying notice of general meeting and form of proxy is to inform shareholders and enable them to decide on the course of action they wish to take regarding:

- the proposed acquisition of WMS; and
- a general meeting of shareholders to be convened in order to obtain shareholder approval for the relevant resolution required for the above.

2. THE ACQUISITION

2.1 Introduction

Santova's strategy is to develop further its international presence by acquiring well-established logistics businesses in the United Kingdom and Europe. The acquisition of WMS will enhance further the Group's capability in the United Kingdom, which currently constitutes two offices, at Heathrow Airport and in Essex, servicing primarily air and sea freight shipments from South Africa to the United Kingdom. With this acquisition Santova gains a strategic presence in the Midlands and surrounding areas, from which the majority of British based industrial businesses manufacture and export to the rest of the world.

Subject to, *inter alia,* obtaining the requisite approval from shareholders at the general meeting to be held on 28 January 2013, the Board of Santova has resolved to acquire 100% of WMS from the Sellers for an amount of GBP4 500 000 with effect 1 September 2012 on the terms set out below.

2.2 Terms and rationale

WMS was established in 1989 and arranges the shipping of cargo for a wide variety of United Kingdom based clients. The company primarily offers deep-sea routes between the United Kingdom and the Middle East, Caribbean, Far East and Africa and has an enviable relationship with clients and shipping lines alike.

WMS offers Santova the opportunity to:

- participate in the supply chain logistics of these Midlands based businesses on routes not currently serviced by existing Santova offices;
- access a quality client base generating long-term repeat business;
- invest in a company with significant growth opportunities, whilst generating good cash flows;
- utilise its valuable experience and expertise, particularly in ship chartering, throughout all the other Santova Group operations;
- gain a well-respected, reputable brand capable of generating new leads and new business without reliance on agents; and
- obtain access to favourable facilities and terms with the various shipping lines, which are not normally available to the market in general.

All of the above will result in the immediate growth in the earnings and capability of the Santova Group as a whole.

On fulfilment of the conditions precedent, Santova will settle the purchase price out of internally generated cash flows, which will be primarily generated from the proceeds of a dividend to be declared and paid to Santova by Santova Logistics South Africa (Pty) Ltd, following the Group reorganisation of its two South African logistics trading entities, as announced with the published Group interim results for the six months ended 31 August 2012. The purchase price will be payable in cash as follows:

- GBP3 700 000, to be increased or decreased by the cash differential on the third business day after all the conditions precedent have been met;
- GBP400 000 in cash within 60 days of 31 August 2013 subject to the net profit before tax for the period 1 September 2012 to 31 August 2013 exceeding GBP750 000; and
- GBP400 000 in cash within 60 days of 31 August 2014 subject to the net profit before tax for the period 1 September 2013 to 31 August 2014 exceeding GBP750 000.

The cash differential is the difference between actual cash on hand at the date of satisfaction or waiver of the conditions precedent and the amount of GBP1 397 882, as defined in clause 1.1.6 of the agreement.

In the event that the net profit before tax is less than the warranted amount of GBP750 000 during either of the two specified periods, then the second and third payments detailed above will be reduced by GBP1 for every GBP1 that the net profit before tax is below the warranted amount.

In addition:

- should the combined profit before tax for the two warranty periods exceed GBP1 500 000 then the payment to the Sellers will be increased with a fourth payment of 15.8% of so much of the net profit before tax as exceeds GBP1 500 000; and
- if the combined profit before tax for the two warranty periods exceeds GBP1 700 000, the net profit before tax in both warranty periods is at least GBP750 000 and the profit before tax is generated through normal continuing trading operations and not through any once off exceptional items, then the Sellers will receive an additional once-off purchase price payment of GBP406 989. This event will also result in the threshold for the additional 15.8% fourth payment as detailed above, increasing to GBP1 700 000 from GBP1 500 000.

Both these additional amounts are payable within 60 days after 31 August 2014.

2.3 Salient terms of the Sale Agreement

The Sellers have agreed to sell the sale shares and the sale claims in WMS to Santova for the purchase price upon the key terms and conditions which are set out below:

Conditions precedent

The entire agreement is subject to the fulfilment of the following key conditions precedent:

- the board of directors and the shareholders of the Purchaser approving the purchase of the sale shares and the sale claim;
- the Company and Andrew Fletcher entering into an executive service agreement for a period of not less than two years after completion which contains confidentiality and two-year restraint of trade provisions, which are acceptable to both parties;
- the requisite documentation for the acquisition in terms of this agreement being approved, by the JSE;
- the Takeover Regulation Panel granting all approvals and consents necessary to implement the acquisition;
- the Purchaser obtaining the necessary approvals of the South African Reserve Bank required for the payment of the price;
- the English and South African banks approving the facilities necessary to give effect to the sale; and
- the United Kingdom Competition Commission approval, if applicable.

If the conditions referred to above are not fulfilled within 90 days of the signature date, the provisions of this agreement shall be of no force or effect and no party shall have any claim against the other pursuant to such non-fulfilment save in circumstances where that party has frustrated the fulfilment thereof.

The Purchaser shall be entitled by notice in writing to the Sellers, to waive any of the conditions above or to extend the date by which any or all of the conditions referred to above are to be fulfilled provided, however, that the aggregate of such extensions of time does not extend beyond 120 days from the date of this agreement.

As at the date of this Circular, the following two conditions are the only conditions that remain unfulfilled:

- the shareholders of the Purchaser approving the purchase of the sale shares and the sale claim; and
- the Company and Andrew Fletcher entering into an executive service agreement for a period of not less than two years after completion which contains confidentiality and two-year restraint of trade provisions, which are acceptable to both parties.

Payment of the price

- the price must be paid by Santova to the Sellers by paying GBP3 700 000 (three million seven hundred thousand Pounds), increased or decreased by the cash differential, in cash on the third business day following the satisfaction or waiver of the conditions precedent;
- subject to certain warranty conditions a first deferred payment of GBP400 000 (four hundred thousand Pounds) in cash within 60 days of the 31 August 2013;
- subject to certain warranty conditions a second deferred payment of GBP400 000 (four hundred thousand Pounds) in cash within 60 days of the 31 August 2014; and
- all payments to be made in terms of the agreement shall be payable free of exchange to the Sellers solicitors.

Adjustment of purchase price

For the purpose of determining whether the Seller has achieved the warranted profits so as to qualify for the two deferred payments as detailed above, the net profit before tax means the profit before tax of the Company calculated for the relevant payment year using the procedure and the same accounting principles and policies used and set out in the audited 31 March 2012 accounts of WMS:

First Payment Year (1 September 2012 – 31 August 2013):

If the net profit before tax is GBP750 000 or more in the First Payment Year, the Deferred Payment for that year shall be GBP400 000.

If the net profit before tax is less than GBP750 000 in the First Payment Year, the Deferred Payment for that year shall be reduced by GBP1 for each GBP1 that the net profit before tax is below GBP750 000.

By way of example, if the net profit before tax in the First Payment Year was GBP700 000 then the Deferred Payment for the First Payment Year would be GBP350 000 (GBP400 000 – GBP50 000).

Second Payment Year (1 September 2013 – 31 August 2014):

If the net profit before tax is GBP750 000 or more in the Second Payment Year, the Deferred Payment for that year shall be GBP400 000.

If the net profit before tax is less than GBP750 000 in the Second Payment Year the Deferred Payment for that year shall be reduced by GBP1 for each GBP1 that the net profit before tax is below GBP750 000.

By way of example, if the net profit before tax in the Second Payment Year was GBP700 000 then the Deferred Payment for the Second Payment Year would be GBP350 000 (GBP400 000 – GBP50 000).

Cumulative net profit before tax:

If the net profit before tax is greater than GBP1 500 000 over the period 1 September 2012 – 31 August 2014 then the Seller shall be paid 15.8% of any excess in addition to the payments set out above, payable within 60 days of 31 August 2014.

By way of example, if the actual net profit before tax in the two-year period was GBP1 600 000 then the Sellers would receive additional consideration of GBP15 800 (i.e. 100 000 x 15.8%).

Additional purchase price payable:

- if the net profit before tax is greater than GBP1 700 000 over the period 1 September 2012 – 31 August 2014; and net profit before tax is greater than GBP750 000 in both the First Payment Year and Second Payment Year; and Net Profit before Tax for the period 1 September 2012 – 31 August 2014 is generated through normal continuing trading operations and not through any once off exceptional items then the Seller shall receive an additional once off purchase price payment of GBP406 989 in addition to the deferred payments detailed above, payable within 60 days of 31 August 2014; and
- in the event of this once-off additional purchase price becoming payable, the threshold for the payment in terms of the additional 15.8% of net profit before tax as detailed above, will be increased from GBP1 500 000 to GBP1 700 000.

Completion of arrangements

Completion shall take place on the third business day following the satisfaction or waiver of the conditions precedent at the offices of the Santova's solicitors in London or such other place as the parties may agree.

In the period between satisfaction or waiver of the conditions and completion, the parties shall agree the cash differential.

On completion, representatives of the parties shall meet at the Company's premises and the Sellers shall deliver to the Purchaser the following:

- the original share certificates in respect of the sale shares;
- share transfer forms in respect of the sale shares duly completed by the registered holders thereof, the names of the transferees being left blank;
- duly executed disclosure letter;
- duly executed cessions in respect of the sale claims in favour of the Purchaser;
- duly executed service agreement between the Company and Andrew Fletcher;
- the memorandum and articles of association, the certificate of incorporation and the minute books of the Company;
- the books of account and records of the Company, including but not limited to all contracts, insurance documentation and accounts documentation for clients, debtors and creditors;
- the current trading licences of the Company;
- any other relevant company documentation identified by the Purchaser during the due diligence investigation;

- certified copies of resolutions of the director/s of the Company approving the purchase of the sale shares and the sale claims pursuant to this agreement;
- a certified copy of the resolution of the shareholders of the Company appointing the Purchaser's nominees as directors of the Company; and
- GBP3 700 000 increased or decreased by the cash differential is paid by telegraphic transfer to the Seller's solicitors account.

2.4 Financial effects of the acquisition

The table below sets out the *pro forma* financial effects of the above transaction, based on Santova`s reconstructed twelve months results as set out in annexure 3a. The financial effects are presented for illustrative purposes only and because of their nature may not give a fair reflection of the Group`s results, financial position and changes in equity after the transaction. It has been assumed for the purposes of the *pro forma* financial effects that the above transaction took place as at 31 August 2012 for the statement of financial position and for a full-reconstructed year to 31 August 2012 for the statement of comprehensive income. The directors of Santova are responsible for the preparation of the financial effects:

	1	2	3	4	5
	Before Acquisition reconstructed 12 months	**Acquisition of W.M. Shipping 31 March 2012**	**Acquisition *pro forma* adjustment**	***Pro forma* after Acquisition**	**Percentage change**
Weighted average number of shares ('000 shares)	136 987	136 987	136 987	136 987	–
Shares for net asset value calculation ('000 shares)	136 459	136 459	136 459	136 459	–
Basic earnings per share (cents)	15.16	5.90	(0.31)	20.75	36.87
Basic headline earnings per share (cents)	14.69	5.90	(0.31)	20.28	38.05
Net asset value per share (cents)	100.16	13.83	(14.14)	99.85	(0.31)
Tangible net asset value per share (cents)	55.44	13.53	(43.09)	25.88	(53.32)

Column notes:

1. The Santova financial information has been extracted without adjustment from Santova's published Group interim results as at 31 August 2012 for balance sheet purposes and from the Santova reconstructed income statement for the 12 months ended 31 August 2012.
2. The W.M. Shipping financial information has been extracted without adjustment from the historical financial information as presented in Annexures 2 and 2a of WMS for the year ended 31 March 2012.
3. This column reflects the effect of adjustment on consolidation of WMS
4. This column reflects the "after" financial information, including the effects of the acquisition of WMS by Santova.
5. This column reflects the percentage change that the above transaction has on the performance per ordinary share of Santova.

   The assumptions used above are:

   – historical earnings remain constant;

   – all income statement amounts have been converted at the average exchange rate for the 12-month period and all balance sheet amounts at the closing exchange rate;

   – the initial purchase price payment due upon completion in terms of the sale agreement has been included as having been paid in cash, converted at the closing exchange rate applicable to the published Santova Group interim results as at 31 August; and

   – the two warranty payments have been present valued and reflected as financial liabilities.

2.5 Opinion and recommendation

The directors of Santova are of the opinion that the terms of the acquisition as set out in the agreement are fair to the shareholders. They accordingly recommend that shareholders vote in favour of the ordinary resolution proposed and have indicated that they intend voting in favour thereof.

To this end, shareholders are requested to consider, and if deemed appropriate, pass ordinary resolution number 1 in the accompanying notice of general meeting, which is included in and forms an integral part of this circular.

3. GENERAL

3.1 General meeting of shareholders

A general meeting of shareholders of Santova will be held in the Harbour View Boardroom, Santova House, 88 Mahatma Gandhi Road, Durban at 10:00 on Monday, 28 January 2013, to consider the ordinary resolution required to give effect to the proposed acquisition set out in this circular.

Shareholders who hold their shares in certificated form, or who hold dematerialised shares in their own name and who are unable to attend the general meeting, are requested to complete the attached form of proxy and return it in accordance with the instructions and notes contained therein to the transfer secretaries, to be received by no later than 10:00 on Friday, 25 January 2013.

Shareholders holding dematerialised shares other than in own name who wish to attend the general meeting or to vote by way of proxy, must contact their CSDP or stockbroker who will furnish them with the requisite Letter of Representation authority to attend the general meeting or to be represented thereat by proxy. Such authorisation must be obtained in terms of the custody agreement between the member and his CSDP of stockbroker.

3.2 Exchange Control Regulations

The ownership of shares in Santova may be affected by the laws of the relevant jurisdiction of a foreign ordinary shareholder. A foreign ordinary shareholder should acquaint itself about and observe any applicable legal requirements of such jurisdiction in relation to all aspects of this Circular that may affect it. It is the responsibility of each foreign ordinary shareholder to satisfy itself as to the full observance of the laws and regulatory requirements of the relevant jurisdiction in connection with the ownership of Santova shares, including the obtaining of any governmental, exchange control or other consents, the making of any filings which may be required, the compliance with other necessary formalities and the payment of any taxes or other requisite payments due in such jurisdiction.

Santova is governed by the laws of South Africa and is subject to any applicable laws and regulations, including the Exchange Control Regulations.

Any foreign ordinary shareholder which is in doubt as to its position, including, without limitation, its tax status, should consult an appropriate independent professional advisor in the relevant jurisdiction without delay.

The following is a summary of the Exchange Control Regulations. It is intended as a guide only and is not a comprehensive statement of the Exchange Control Regulations which apply to Santova Shareholders. Santova shareholders who have any queries regarding the Exchange Control Regulations should contact their own professional advisors without delay.

3.2.1 Former residents of the Common Monetary Area ("emigrants")

In terms of Exchange Control Regulations, an emigrant shareholder is still entitled to full voting rights in terms of any blocked shares which are controlled by a South African authorised dealer on their behalf, as part of their blocked assets.

Therefore emigrant shareholders are entitled to attend the general meeting and to vote in full, in person or by proxy.

3.2.2 All other non-residents of the Common Monetary Area

In terms of Exchange Control Regulations, non-residents of the Common Monetary Area have no restrictions placed on them for exercising their voting rights, in terms of the Company's Memorandum of Incorporation.

Therefore shareholders non-resident in the Common Monetary area are entitled to attend the general meeting and to vote in full, in person or by proxy.

All CSDPs and stockbrokers with whom shares have been dematerialised should note that they are required to comply with South African Exchange Control Regulations, a summary of which is set out above.

3.3 Stated capital

3.3.1 The authorised and issued share capital of Santova before and after the acquisition is as follows:

– Authorised share capital 300 000 000 ordinary shares of no par value

– Total number of shares in issue before and after the acquisition: 136 459 408 ordinary shares of no par value

Stated capital at 31 August 2012	ZAR145 192 472

3.3.2 Alterations to share capital

Details as to issues and repurchases of securities in the preceding three years, and alterations to the Company's stated capital are set out below:

Date	Reason	Shares
20 July 2009	Shares repurchased from the Santova Logistics Share Purchase and Option Scheme Trust	91 335 509
31 August 2009	Shares repurchased from the Camilla Coleman Trust	11 717 520
31 August 2009	Shares issued for the purchase of Santova Logistics Pty Limited (formerly McGregor Sea and Air Services Pty Ltd) – achievement of profit warranty	61 200 014
9 June 2010	Shares issued for the purchase of Santova Logistics South Africa (Pty) Ltd (formerly Aviocean (Pty) Ltd) – achievement of first profit warranty	131 250 000
31 August 2010	Shares repurchased from the Camilla Coleman Trust	11 171 520
5 July 2011	Shares issued for the purchase of Santova Logistics South Africa (Pty) Ltd (formerly Aviocean (Pty) Ltd) – achievement of second profit warranty	25 000 000
31 August 2011	Shares repurchased from the Camilla Coleman Trust	28 549 440
24 October 2011	Shares repurchased in terms of an odd-lot offer and specific offer	2 805 721
21 November 2011	Shares repurchased in terms of a put option agreement with MF Impson	27 000 000
23 December 2011	Consolidation of the share capital on a 10 to 1 basis	–
29 February 2012	The conversion of par value shares to shares of no par value	–
29 February 2012	Increase in the authorised share capital to 300 000 000	–
11 June 2012	Shares repurchased in terms of a put option agreement with MF Impson	942 778
11 June 2012	Shares issued for the purchase of Santova Logistics South Africa (Pty) Ltd (formerly Aviocean (Pty) Ltd) – achievement of final profit warranty	3 125 000

3.3.3 Major shareholders

As at 30 November 2012 the major shareholders of the Company are as follows:

Shareholder	Direct/Indirect	Number of shares held	Percentage
Maitland Management Limited	Indirect	32 009 147	23.46
AL van Zyl	Direct	18 751 015	13.74
SIX SIS	Indirect	10 700 000	7.84
Other shareholders		74 999 246	54.96
Total		**136 459 408**	100.00

There are no controlling shareholders.

3.3.4 Material loans

3.3.4.1 *Santova*

The Santova Group has neither made nor received any material loans other than disclosed in Annexure 1 of this document. Santova and its subsidiaries have not made any loan or furnished security to or for the benefit of any director or manager other than as disclosed in Annexure 1. The borrowing powers of the Santova Group have not been exceeded during the three years preceding the date of this circular.

3.3.4.2 *WMS*

WMS has neither made nor received any material loans other than as disclosed in Annexure 2 of this document and has not made any loan or furnished security to or for the benefit of any director or manager other than as disclosed in Annexure 2.

3.4 *Pro forma* financial effects

The *pro forma* financial effects of the acquisition are set out in annexure 3 of this circular.

3.5 Excerpts from the Memorandum of Incorporation

Set out below are summaries of the provisions of the Memorandum of Incorporation of Santova with regard to:

3.5.1 Borrowing powers exercisable by the directors and how such borrowing powers can be varied:

"Paragraph 17: Directors' power to affect borrowing

The Board may raise or borrow from time to time for the purposes of the Company, or secure the payment, of such sums as they think fit and may secure the repayment or payment of any such sums by guarantee, bond or mortgage upon all or any of the property or assets of the Company or by the issue of debt instruments or otherwise as they may think fit, subject to the terms of sections 44 and 45."

3.5.2 Retirement or non-retirement of directors under an age limit:

"Paragraph 14.2 – Rotation of directors

14.2.1 At least one third of the non-executive directors must retire at the Company's annual general meeting (or other shareholders meeting on an annual basis), provided the meeting is not conducted in terms of section 60 of the Act. The non-executive directors so to retire at every annual general meeting (or other general meeting held on an annual basis) shall be those who have been longest in office since their last election, but as between persons who become or were last elected non-executive directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by lot; provided further that if at the date of any annual general meeting (or other general meeting held on an annual basis) any director shall have held office for a period of three years since his last election or appointment, he shall retire at such meeting as one of the directors to retire either in pursuance of the foregoing or in addition. The length of time a director has been in office shall be computed from his last election, appointment or date upon which he was deemed re-elected. A director retiring at a meeting shall retain office until the close or adjournment of the meeting.

14.2.2 The retiring members of the board of directors may be re-elected, provided they are eligible. The board of directors through the Nominations Committee (or whatever other name by which it is called) should recommend eligibility, taking into account past performance and contribution. The Nominations Committee must also review the independence and performance of any independent non-executive director serving more than nine years.

14.2.3 No person, other than a director retiring at the meeting shall, unless recommended by the Nominations Committee, be eligible for election as a director unless not more than fourteen (14) but at least seven (7) business days before the day appointed for the meeting, there shall have been left at the office of the Company, a notice in writing by a shareholder duly qualified to be present and vote at the meeting for which such notice is given of his or her intention to propose such person for election and also notice in writing signed by the person to be proposed of his or her willingness to be elected.

14.2.4 If at any shareholders' meeting at which an election of directors ought to take place, the place of any retiring director is not filled, the retiring director, if willing to continue to act, shall be deemed to have been re-elected, unless at such meeting it is expressly resolved not to fill such vacated office, or unless a resolution for the re-election of such director shall have been put to the meeting without obtaining the required majority support."

3.6 Information relating to directors

The full names, addresses and functions of the directors, including a brief *curriculum vitae* of each director as at the last practicable date are set out below:

3.6.1 Non-executive directors

Edward (Ted) Garner 72, Chairman (Independent)
MBL (UNISA), MSIA (Carnegie Mellon, USA), CA(SA)
Business address: Santova House, 88 Mahatma Gandhi Road, Durban, 4001

Ted is a Chartered Accountant (South Africa) with a Masters Degree in Business Administration. Most of his career has been in the Tongaat Sugar company/Tongaat-Hulett group, which he joined in 1967. He was appointed Financial Director of the Tongaat-Hulett group in 1978 and in addition was Executive Chairman of various operating divisions of the group and Vice-Chairman of Triangle Sugar Corporation in Zimbabwe. During his tenure and under the auspices of the group, Ted was a director of overseas operations in Luxemburg, Switzerland and London. Locally Ted served as a director on the Small Business Development Corporation, the Consultative Business Movement and the National Housing Trust. In his personal capacity he served as a Governor on the board of Kearsney College in KwaZulu-Natal and as Chairman of the Kearsney College Trust, of which he is a Life Member. Since his retirement from the Tongaat-Hulett group 2000, Ted has focused on business consultancy. Ted is also Chairman of the Remuneration and Nomination Committee, a member of the Audit and Risk Committee, and a member of the Social and Ethics Committee.

Warwick Lombard 56, Chairman of Audit and Risk Committee (Independent)
CA(SA)
Business address: Santova House, 88 Mahatma Gandhi Road, Durban, 4001

Warwick qualified as a Chartered Accountant (South Africa) in 1988. He completed his articles with Kessel Feinstein and moved into the commercial environment in 1987. Over the last 20 years he has served on various boards of both listed and unlisted companies as Financial Director in the construction, mining and technology sectors. He is currently the Group Financial Director of an industrial holding group. Warwick is Chairman of the Santova Audit and Risk Committee, and a member of the Remuneration and Nominations Committee and of the Social and Ethics Committee.

Anthony David Dixon 65, Chairman of Social and Ethics Committees (Independent)
CA(SA), F Inst. D
Business address: Santova House, 88 Mahatma Gandhi Road, Durban, 4001

Tony spent 30 years of his business career with Coopers & Lybrand (PricewaterhouseCoopers), becoming Regional Chairman – KwaZulu-Natal, and was a long-serving member of the firm's National Executive and Governing Board. Since 1995 Tony has held executive and non-executive directorships on a number of major listed and unlisted boards, including one of South Africa's largest short-term insurance companies – Guardian National Insurance Company, before its merger with Santam. These directorships included the positions of Managing Director, Financial Director and Chairman. Tony has considerable Audit Committee experience. Tony was the Executive Director of the Institute of Directors for the four years from 2004 to 2007. He is acknowledged as an expert in corporate governance and has been instrumental in establishing the Institute of Directors in South Africa as the recognized custodians of corporate governance in the country. For a number of years Tony provided the secretariat role to the King Committee of which he is currently a member. Tony is Chairman of the Social and Ethics Committee, and a member of the Audit and Risk Committee and of the Remuneration and Nominations Committee.

Stanley Donner 59
BCom, LLB
Business address: Santova House, 88 Mahatma Gandhi Road, Durban, 4001

Stanley graduated from the University of the Witwatersrand with a law degree, sub-majoring in accounting and finance. He then completed a shipping diploma part-time whilst in the employ of Freight Services, an Anglo American Group company. His service with Freight Services covered a number of departmental job situations from import clearing to ship chartering. Thereafter, Stanley and his brother started an international trading company, with a small shipping company to look after terminal cargo requirements. Stanley is the longest serving director of Santova, having been one of the members of the board when the Company listed in 2002.

3.6.2 Executive directors

Glen Gerber 50, Chief Executive Officer
BA (Hons), MBA
Business address: Santova House, 88 Mahatma Gandhi Road, Durban, 4001

Glen attained a BA Honours degree at Rhodes University in 1984 and thereafter completed his compulsory two-year national service as an organisational development and research consultant to the SADF. He then joined integrated Business Information System (Pty) Ltd as a research and design manager (statistics and research methodology). On completing his MBA at the University of Pretoria, Glen made a strategic career decision to pursue the field of merchant banking services where companies on the JSE were serviced in respect of trade and working capital finance as well as foreign exchange, assets and structured finance. Shortly thereafter, Glen joined Investec Group Ltd where he headed both the Northern Transvaal and later the KwaZulu-Natal operations for a continuous period of 12 years, focusing on specialised and structured finance, trust, global fiduciary and tax advisory services as well as private equity and direct investment activities. Glen was appointed as a divisional director of Investec Private Bank in 1995. In 2003, Glen joined Santova as Chief Executive Officer.

David Charles Edley 44, Group Financial Director
CA(SA)
Business address: Santova House, 88 Mahatma Gandhi Road, Durban, 4001

David completed his articles with Deloitte & Touche in Durban in 1992. Since then he has held a number of senior financial positions, both in South Africa and in the United Kingdom. David's most recent appointment was as Chief Executive Officer of Gane Capital, a privately held company involved in specialised lending and asset management. Prior to this he was Chief Operating Officer of Investec Private Bank, Durban.

Gary Knight 45, Managing Director of Santova Logistics (Pty) Ltd (formerly Impson Logistics (Pty) Ltd)
MSc (*cum laude*)
Business address: Santova House, 88 Mahatma Gandhi Road, Durban, 4001

Gary graduated with an MSc (*cum laude*) degree (Ecology) from the University of Natal in 1990. He then worked as lecturer and research scientist in Ecology and Microbiology for a further 18 months before making a career change into the logistics industry where he started with Impson in 1993. He has worked in all departments within the business and has at various stages managed the import, export and international forwarding departments before becoming branch manager of the Durban office in 1997. In 1998, he was appointed a director of Impson with a core focus on systems and new business development. Gary has been responsible for many new innovative systems and operational processes that have facilitated Impson's growth into "blue chip" accounts and has been the main driver and designer of the IT system OSCAR, which is one of Impson's key differentiators. In 2006, Gary was appointed regional director for the coastal offices of Impson, and in 2008 Managing Director of Impson. In August 2008, Gary was appointed a director of Santova.

Anthony Lance van Zyl 38, Managing Director of Santova Logistics South Africa (Pty) Ltd
Business address: Santova House, 88 Mahatma Gandhi Road, Durban, 4001

Lance started his freight career in 1993 as a consolidator within a medium-sized company specialising in import and export consolidations. He received "in-house" training and worked all the divisions, ending up in a managerial position. In 2001 he left the organisation to join Aviocean (Pty) Ltd ("Aviocean") as general Manager and six months later bought out his partner to acquire 100% of the business. During the next eight years Lance built the business into a dynamic supply chain solutions business with "blue chip" clients. Lance sold his interest in Aviocean to Santova in March 2010 and continues to act as its Managing Director. In January 2011 the name of the company was changed to Santova Logistics South Africa (Pty) Ltd and in February 2011, Lance was appointed a director of Santova.

3.6.3 Remuneration of directors

The directors' remuneration in respect of the financial year ended 29 February 2012 was as follows:

Executive directors' fees

Director	Basic remuneration R'000	Other material benefits R'000	Total excluding performance bonus R'000	Performance bonus R'000	Total R'000
GH Gerber	**1 800**	–	**1 800**	**346**	**2 146**
DC Edley (note 1)	–	–	–	–	–
GM Knight	**1 440**	–	**1 440**	**240**	**1 680**
AL van Zyl	**1 512**	–	**1 512**	**1 229**	**2 741**
Total	**4 752**	**–**	**4 752**	**1 815**	**6 567**

Note 1: Appointed 1 March 2012.

Non-executive directors' fees

Non-executive directors receive fixed fees for service on the Board and Board committees on the basis of meetings attended. Non-executive directors do not receive short-term incentives nor do they participate in any long-term incentive schemes. The current fees paid and payable to non-executive directors were approved by the Remuneration and Nominations committee, the Board of Directors and shareholders at the annual general meeting held on 24 July 2012. At this annual general meeting shareholders also approved the Chairman's annual remuneration, which includes full meeting attendance remuneration.

	Chairman fees[1] R'000	Meeting attendance fees R'000	Consulting fees R'000
ESC Garner	**194**	**24**	**–**
AD Dixon	**–**	**38**	**–**
S Donner	**–**	**24**	**1 026**
WA Lombard	**54**	**48**	**–**
Total	**248**	**134**	**1 026**

The remuneration received by the individual directors will not vary as a consequence of any of the actions contemplated in this circular.

3.6.4 Directors' interest

The table below sets out the direct and indirect beneficial interest of directors in the share capital of the Company as at 29 February 2012:

Beneficial interest

Shares held	Note	Direct	%	Indirect	%
AD Dixon		280 000	0.21	–	–
ESC Garner		–	–	300 000	0.22
GH Gerber		87 500	0.07	4 116 162	3.07
GM Knight		1 680 000	1.25	–	–
AL van Zyl	1	15 625 000	11.64	–	–

1. An additional 3 125 000 shares were issued to AL van Zyl on 12 June 2012.

3.6.5 Directors' of subsidiary companies

The table below sets out the direct and indirect beneficial and non-beneficial interest of directors of subsidiary companies in the share capital of the Company as at 29 February 2012:

Shares held	Direct beneficial	%	Indirect beneficial	%
TK Blond	1 272 495	0.95	–	–
GH Crews	237 300	0.18	–	–
L Notelovitz	52 333	0.04	–	–
R Singh	787 008	0.59	5 016 520	3.74
GW Stay	1 419 067	1.06	–	–

3.6.6 Directors' interest in transactions

The directors have certified that they held no material beneficial interest in any transaction, which significantly affected the business of the Group, with the Company or any of its subsidiaries. Accordingly, no conflict of interest with regards to directors' interests in contracts exists. There have been no changes to the above since 29 February 2012 and up to the date of the circular.

3.6.7 Directors' responsibility

The directors whose names are given in paragraphs 3.6.1 and 3.6.2 of this circular, collectively and individually accept full responsibility for the accuracy of the information given and certify that to the best of their knowledge and belief there are no facts that have been omitted which would make any statement herein false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that the circular contains all information required by law and the JSE Listings Requirements.

3.7 *Costs of the acquisition*

The cash expenses of the acquisition as detailed below, are estimated to be R422 271 and relate, *inter alia*, to:

	R
Printing, publication and distribution cost of this circular and cautionary announcements	139 271
Fees payable to professional advisers:	
River Group	100 000
Nexia SAB&T	98 000
Corporate action fees to STRATE and Computershare	25 000
JSE documentation fee	50 000
Other incidentals	10 000
Total	**422 271**

Other than the costs incurred in conducting the due diligence investigation, Santova has not incurred any of the above acquisition expenses within the three years preceding the date of the circular.

WMS has not incurred preliminary expenses within the three years preceding the date of this circular regarding any of the actions contemplated in this circular.

3.8 King Code

The Board of Directors comply, to the extent possible and as set out in the King Code Table of Compliance contained in Annexure 6 of this circular, with and apply the Code of Good Corporate Practices and Conduct as detailed in the King III Report and use the corporate governance requirements as a basis for the governance structure through which the Group is directed, controlled and managed. Notwithstanding the governance structure set in place, the Board of Directors believes in and, in fact, places great emphasis on, ensuring compliance with the substance of corporate governance.

The Board of Directors accepts that it is ultimately responsible for ensuring the effectiveness of corporate governance in Santova.

3.8.1 *Board of Directors*

The Company has a unitary Board of Directors with the roles of the Chairman and Chief Executive Officer separated and their responsibilities clearly defined. The Chairman is an independent non-executive director. The Board is comprised of three independent non-executive directors, all of whom have strong financial backgrounds, one non-executive director and four executive directors. The recommendation in King III that the Board comprise of a majority of non-executive directors has not been applied at this stage of the Company's development.

The Board has adopted a policy detailing procedures for the appointments to the Board. All appointments are formal and transparent, and a matter for the Board as a whole. There exists a clear division of responsibilities at Board level that ensures a balance of power and authority, such that no one individual has unfettered powers of decision-making.

3.8.2 *Board Committees*

The Board has appointed a number of committees to assist it in the performance of its duties. These committees include:

3.8.2.1 *Audit and Risk Committee*

The purpose of the Audit and Risk Committee is to strengthen internal governance and thereby assist the Board in its responsibilities, ensuring the operation of adequate systems, internal control processes and the preparation of accurate external financial reports and statements in compliance with all applicable legal requirements and accounting standards. This Committee also identifies risks in the Santova Group business and operational environment and decides how these risks should be addressed. The Committee assists the Board in reviewing the risk management systems and processes and identifying the significant risks facing the Company and Group.

The Committee comprises the following members:

Name	Financial Qualifications	Period served
WA Lombard (Committee Chairman and independent non-executive director)	CA(SA)	1 March 2010 – present
ESC Garner (Independent non-executive director)	CA(SA)	1 March 2010 – present
AD Dixon (Independent non-executive director)	CA(SA)	1 December 2010 – present

The Audit and Risk Committee meets at least quarterly.

3.8.2.2 *Remuneration and Nominations Committee*

The primary purpose of this Committee is to ensure that remuneration policies and practices are established and observed which will attract and retain individuals able to create enduring value for shareholders.

The Committee comprises the following members:

Name	Financial Qualifications	Period served
ESC Garner (Committee Chairman and independent non-executive director)	CA(SA)	1 March 2010 – present
AD Dixon (Independent non-executive director)	CA(SA)	1 December 2010 – present
WA Lombard (Independent non-executive director)	CA(SA)	1 March 2010 – present

The Committee normally meets three times a year.

3.8.2.3 *Social and Ethics Committee*

The Board constituted a Social and Ethics Committee during the year. The Committee comprises the following members:

Name	Financial qualifications	Period served
AD Dixon (Committee Chairman and independent non-executive director)	CA(SA)	1 March 2012 – present
ESC Garner (Independent non-executive director)	CA(SA)	1 March 2012 – present
WA Lombard (Independent non-executive director)	CA(SA)	1 March 2012 – present

3.9 Share Option Scheme

Refer to Annexure 5 for a summary of the Share Option Scheme, to be established in the 2013 financial year, as approved by shareholders at the Annual General Meeting held on 24 July 2012.

3.10 Advisors' and experts' consents

The Sponsor, Corporate Advisor, Reporting Accountants, Company Secretary and Transfer Secretaries have all provided their written consents to act in the capacity stated and to their names being used in this circular and have not withdrawn their consents prior to the publication of this circular.

3.11 Litigation statement

The directors of the Company are satisfied that Santova and its subsidiaries are not involved in any legal or arbitration proceedings or legal actions, nor any proceedings that are pending or threatened, that may have or had in the recent past, being at least the previous 12 months, a material effect on the Company's financial position.

Santova are satisfied that WMS is not involved in any legal or arbitration proceedings or legal actions, nor any proceedings that are pending or threatened, that may have or had in the recent past, being at least the previous 12 months, a material effect on WMS's financial position.

3.12 Material changes

There have been no material changes in the financial or trading position of Santova and its subsidiaries since the publication of Santovas' audited annual results for the period ended 28 February 2012 and the unaudited interim results dated 31 August 2012.

There have been no material changes in the financial position of WMS since the end of the last financial period.

3.13 Working capital statement

It is the opinion of the directors that the working capital available to Santova and its subsidiaries is sufficient for the group's present requirements, that is for at least the next 12 months from the date of issue of this circular

3.14 Documents available for inspection

Copies of the following documents will be available for inspection at the registered office of Santova as well as at the offices of River Group, Block C, 2nd Floor, 225 Veale Street, Brooklyn, Pretoria, 0181 and Computershare Investor Services (Pty) Ltd, 70 Marshall Street Johannesburg 2001 during normal business hours on any business day up to the close of business on 28 January 2013:

- Memorandum of Incorporation of Santova;
- Articles of Association of WMS;
- audited financial statements of Santova for the three preceding years;
- the acquisition agreement;
- audited financial statements of WMS for the three preceding years;
- reporting accountants' reports; and
- written consents of the appointed professional advisors.

3.15 Vendors

- The vendors and directors of WMS are Andrew Fletcher and Pamela Fletcher of 51A Borrowcop Lane, Lichfield Staffordshire, WS14 9DG, United Kingdom.
- The vendors will each receive their *pro rata* portion of the total of four million five hundred thousand pounds as set out in paragraph 2.2 of this circular for the sale of all their shares in WMS. The vendors have given normal warranties as can be expected in a transaction of this nature and have not guaranteed the book debt and/or assets of the company.
- The vendors will enter into service agreements with the Company.
- No director of Santova or any of its subsidiaries had any beneficial direct or indirect interest in the transaction with WMS.

- Santova is not liable for any payment to any promoters in relation to the acquisition of WMS. The Sellers have engaged the services of corporate advisors and promoters, but they are fully liable for all costs related to those services.
- Santova has acquired all the sale shares and claims in WMS, which will be duly transferred to the Purchaser on completion.

By order of the Board

DC Edley

Durban
21 December 2012

Registered office

Santova House
88 Mahatma Gandhi Road
Durban
4001
(PO Box 6148, Durban, 4000)

Transfer secretaries

Computershare Investor Services (Pty) Ltd
70 Marshall Street
Johanneburg
2001
(PO Box 61051, Marshalltown, 2107)

INTERIM UNAUDITED RESULTS OF SANTOVA LIMITED

PUBLISHED GROUP INTERIM RESULTS

for the six months ended 31 August 2012

- 18.2% increase in basic earnings per share
- 43.6% increase in tangible net asset value per share
- 486.5% increase in net operating cash inflows to R50,9 million

CONDENSED STATEMENT OF COMPREHENSIVE INCOME

		Unaudited six months to 31 August 2012 R'000	Unaudited six months to 31 August 2011 R'000	Audited 12 months to 29 February 2012 R'000
Gross billings		**1 199 379**	1 144 366	2 605 858
Turnover		**80 322**	81 330	167 107
Other income		**3 751**	1 399	3 910
Depreciation and amortisation		**(1 551)**	(1 953)	(3 776)
Administrative expenses		**(63 802)**	(62 987)	(127 816)
Operating profit		**18 720**	17 789	39 425
Interest received		**683**	595	1 328
Finance costs		**(4 191)**	(4 918)	(10 690)
Profit before taxation		**15 212**	13 466	30 063
Income tax expense		**(3 914)**	(3 746)	(7 564)
Profit for the period/year		**11 298**	9 720	22 499
Attributable to:				
Equity holders of the parent		**11 124**	9 639	22 079
Minority interest		**174**	81	420
Other comprehensive income				
Exchange differences arising from translation of foreign operations		**1 684**	887	2 179
Total comprehensive income		**12 982**	10 607	24 678
Attributable to:				
Equity holders of the parent		**12 635**	10 427	24 011
Minority interest		**347**	180	667
Basic earnings per share	(cents)	**8.12**	6.87	15.82
Diluted basic earnings per share	(cents)	**8.12**	6.87	15.82

SUPPLEMENTARY INFORMATION

		Unaudited six months to 31 August 2012 R'000	Unaudited six months to 31 August 2011 R'000	Audited 12 months to 29 February 2012 R'000
Reconciliation between earnings and headline earnings				
Profit attributable to equity holders of the parent		**11 124**	9 639	22 079
Net loss on disposals of plant and equipment		**20**	85	314
Impairment of loan		**–**	–	41
Derecognition of financial liability		**(713)**	–	–
Taxation effects		**(6)**	(24)	(91)
Minority interest		**–**	–	(25)
Headline earnings		**10 425**	9 700	22 318
Shares in issue	('000)	**136 459**	137 258	134 277
Weighted average number of shares	('000)	**136 987**	140 383	139 547
Diluted number of shares	('000)	**136 987**	140 383	139 547
Shares for net asset value calculation	('000)	**136 459**	140 383	134 277
Performance per ordinary share				
Headline earnings per share	(cents)	**7.61**	6.91	15.99
Diluted headline earnings per share	(cents)	**7.61**	6.91	15.99
Net asset value per share	(cents)	**100.16**	81.22	92.12
Tangible net asset per share	(cents)	**55.44**	38.61	47.17

CONDENSED STATEMENT OF CASH FLOWS

	Unaudited six months to 31 August 2012 R'000	Unaudited six months to 31 August 2011 R'000	Audited 12 months to 29 February 2012 R'000
Profit before taxation	**15 212**	13 466	30 063
Adjustments for non-cash flow items	**4 191**	6 178	13 420
Changes in working capital	**36 799**	(4 419)	(45 456)
Interest received	**683**	595	1 328
Finance costs	**(4 156)**	(4 093)	(10 319)
Taxation paid	**(1 783)**	(3 041)	(7 918)
Net cash flows from operating activities	**50 946**	8 686	(18 882)
Cash outflows from the acquisition of subsidiaries	**(2 502)**	(2 620)	(2 426)
Cash utilised in other investing activities	**(1 114)**	(1 725)	(3 224)
Net cash flows from investing activities	**(3 616)**	(4 345)	(5 650)
Net cash flows from financing activities	**(35 226)**	(11 697)	19 735
Net increase/(decrease) in cash and cash equivalents	**12 104**	(7 356)	(4 797)
Effects of exchange rate changes on cash and cash equivalents	**799**	403	935
Cash and cash equivalents at beginning of period/year	**9 626**	13 488	13 488
Cash and cash equivalents at end of period/year	**22 529**	6 535	9 626

CONDENSED STATEMENT OF CHANGES IN EQUITY

	Unaudited six months to 31 August 2012 R'000	Unaudited six months to 31 August 2011 R'000	Audited 12 months to 29 February 2012 R'000
Capital and reserves:			
Balance at beginning of period/year	**123 699**	103 415	103 415
Total comprehensive income	**12 982**	10 607	24 678
Issue of shares in terms of share commitments	**(3)**	–	–
Repurchase of shares in terms of odd-lot and specific offer	**–**	–	(281)
Share commitments arising on grant of put options	**–**	–	(3 642)
Recognition of costs directly related to share buybacks in equity	**–**	–	(471)
Balance at end of period/year	**136 678**	114 022	123 699
Comprising:			
Stated capital	**145 192**	148 652	145 200
Share commitments	**–**	2 552	(5)
Contingency reserve	**–**	189	210
Foreign currency translation reserve	**4 511**	1 856	3 000
Accumulated loss	**(15 719)**	(41 087)	(27 053)
Attributable to equity holders of the parent	**133 984**	112 162	121 352
Minority interest	**2 694**	1 860	2 347
Capital and reserves	**136 678**	114 022	123 699

CONDENSED STATEMENT OF FINANCIAL POSITION

	Unaudited six months to 31 August 2012 R'000	Unaudited six months to 31 August 2011 R'000	Audited 12 months to 29 February 2012 R'000
ASSETS			
Non-current assets	**72 508**	71 676	73 171
Plant and equipment	**8 080**	8 641	8 365
Intangible assets	**61 028**	59 817	60 356
Financial asset	**625**	552	522
Deferred taxation	**2 775**	2 666	3 928
Current assets	**361 016**	334 835	345 208
Trade receivables	**332 050**	311 004	320 311
Other receivables	**4 804**	16 043	11 046
Current tax receivable	**510**	676	304
Amounts owing from related parties	**797**	577	761
Cash and cash equivalents	**22 855**	6 535	12 786
Total assets	**433 524**	406 511	418 379
EQUITY AND LIABILITIES			
Capital and reserves	**136 678**	114 022	123 699
Non-current liabilities	**4 922**	3 081	5 023
Interest-bearing borrowings	**1 648**	217	164
Long-term provision	**1 976**	2 013	1 976
Financial liabilities	**1 280**	850	2 882
Deferred taxation	**18**	1	1
Current liabilities	**291 924**	289 408	289 657
Trade and other payables	**184 429**	177 666	139 002
Current tax payable	**1 421**	421	253
Current portion of interest-bearing borrowings	**354**	175	157
Amounts owing to related parties	**240**	142	246
Financial liabilities	**–**	3 548	2 596
Short-term borrowings and overdraft	**99 460**	100 241	138 252
Short-term provisions	**6 020**	7 215	9 151
Total equity and liabilities	**433 524**	406 511	418 379

CONDENSED SEGMENTAL ANALYSIS

	South Africa R'000	Foreign operations R'000	Group R'000
GEOGRAPHICAL SEGMENT			
31 August 2012			
Turnover	**63 917**	**16 405**	**80 322**
Operating income	**15 776**	**2 944**	**18 720**
Profit for the period	**9 157**	**2 141**	**11 298**
Total assets	**399 070**	**34 454**	**433 524**
Total liabilities	**274 980**	**21 866**	**296 846**
Depreciation and amortisation	**1 345**	**206**	**1 551**
Finance costs	**4 055**	**136**	**4 191**
31 August 2011			
Turnover	68 864	12 466	81 330
Operating income	16 195	1 594	17 789
Profit for the period	8 732	988	9 720
Total assets	374 581	31 930	406 511
Total liabilities	268 281	24 208	292 489
Depreciation and amortisation	1 496	457	1 953
Finance costs	4 727	191	4 918

	Logistics services R'000	Insurance R'000	Group R'000
BUSINESS SEGMENT			
31 August 2012			
Profit for the period	**9 880**	**1 418**	**11 298**
Total assets	**430 368**	**3 156**	**433 524**
Total liabilities	**295 561**	**1 285**	**296 846**
31 August 2011			
Profit for the period	9 608	112	9 720
Total assets	403 270	3 241	406 511
Total liabilities	290 935	1 554	292 489

COMMENTARY

GROUP PROFILE

The Santova Group provides sophisticated integrated logistics solutions for clients worldwide, operating from offices throughout South Africa and internationally in Australia, Netherlands, United Kingdom and Hong Kong.

The Group's business strategy is to assume responsibility for the entire supply chain function from supplier to point of consumption and it does so through a highly client centric approach; by providing clients with detailed supply chain analysis and offering virtual supply chain management through the use of OSCAR, a unique logistics software solution developed by the Group. OSCAR interfaces directly with client systems providing real-time information, electronic documentation, process automation and business intelligence tools.

OPERATIONAL REVIEW

In the context of South Africa, and the world in general, exhibiting signs of either negligible or negative levels of growth, the Group has made good progress.

The fragile economic conditions in Europe and the slowdown in Asia have reverberated elsewhere in the world. Following the relatively timid pace set in the second half of 2011, trade flows in the first six months of 2012 have remained sluggish. This is further supported by the World Bank's Global Economic Prospects (GEP) 2012 report which has revised the GDP for developed nations downwards to 1.4% in 2012 from a previous estimate of 2.7%, with the Eurozone in particular contracting to minus 0.3%.

In spite of this, Santova's offshore operations have achieved impressive earnings growth of 117% year-on-year. This growth has been predominantly driven by sound organic growth through new business development in both the United Kingdom and the Eurozone. We believe that these operations are well set to continue on their path to becoming more significant contributors to Group profits going forward.

The Group's South African operations have also performed well, this is in spite of lower commodity (mining) volumes shipped and the substantially reduced trade volumes of certain clients that were previously meaningful contributors to Group revenue. Furthermore, considering the fact that approximately one third of South Africa's trade is with the Eurozone, a lacklustre growth/demand both internationally and domestically has not made matters easy for the Group over the first six months of this financial year.

GROUP FINANCIAL REVIEW

For the six months to 31 August 2012, Santova achieved basic earnings per share of 8.12 cents and headline earnings per share of 7.61 cents, an increase of 18.2% and 10.1% respectively over the same period last year.

This result is a positive performance, particularly in light of the following:

- trade volumes in South Africa, from where the Group traditionally generates the majority of its profits, were heavily impacted by the weakening of the Rand;
- weak trading conditions in local and international markets; and
- lower operating margins as a result of continued pressure from under-pricing by competitors.

The impact of these factors resulted in growth of Group gross billings of only 4.8% for the period and a decrease in Group turnover for the period of 1.2%.

The primary contributors to this solid Group earnings growth despite the constrained South African revenue growth were:

- stronger revenue growth and improved profitability in the Group's foreign subsidiaries, primarily in the United Kingdom, as they continue to grow and mature;
- a strong control of overhead costs resulting in an increase of only 1.2% in administrative expenses, which had the effect of improving the Group's operating margin from 21.9% to 23.3% period on period;
- a 164% growth in other income from the derecognition of the financial liability in Santova Financial Services;
- improved foreign exchange margins and increases in various cost recoveries;
- reduced finance costs as a result of the Group having been cash flow positive during the period, combined with a lowering of the prime interest rate in South Africa; and
- a slight improvement in the effective tax rate from 27.8% to 25.7%.

The effect of this consistent earnings growth continues to strengthen the Group's balance sheet and to increase the value of ordinary shareholders' interest. This is primarily evidenced by the 23.3% increase in net asset value per share to 100.16 cents, and the 43.6% increase in tangible net asset value per share to 55.44 cents.

The overall structure of the Group's balance sheet and the level of debt remain consistent with the current trading levels and comparable to that of prior periods. This is demonstrated by the Group's major asset, being its trade debtors, having grown 6.8% in value period on period, which is consistent with the 4.8% increase in Group billings and the current ratio which remains consistent at 1.76 versus 1.74 in the prior period.

On a positive note the Group generated net cash of R12.1 million in the period versus net outflows reported in the prior period and prior financial year end. This is reflective of the improved profitability in the foreign subsidiaries increasing cash on hand and the softer billings growth, which translated into a lower funding requirement for trade debtors.

SUBSEQUENT EVENTS

The following corporate events have occurred or been announced between the financial period end and the date of this report:

- On 31 August 2012, the Company issued a cautionary announcement to shareholders in respect of negotiations, which if successful could have a material effect on the share price. These negotiations are on-going and the Company issued a renewal of the cautionary announcement to shareholders on 12 October 2012.
- The Company announced an internal reorganisation on 11 October 2012, whereby its two South African logistics trading entities, namely Santova Logistics SA (Pty) Limited and Impson Logistics (Pty) Limited, would be merged into one operational entity. The rationale for this reorganisation is to improve operational efficiencies and service delivery to clients. The reorganisation will be effected by means of Impson Logistics (Pty) Limited acquiring the assets, liabilities and staff of Santova Logistics SA (Pty) Limited on a going concern basis, at net book value.
- In line with this restructure, the name of Impson Logistics (Pty) Limited has been formally changed to Santova Logistics (Pty) Limited, so as to strengthen the Santova brand and create one consistent name in the Group throughout its local and foreign offices.

OUTLOOK FOR THE NEXT SIX MONTHS

Whilst the six-month outlook for the key components of trade activity both globally and in South Africa point towards a fragile economy, we believe that we are well placed as a business to engage and work through any challenges that may confront us.

Significant progress is expected to be achieved on expanding and integrating the South African logistics operations into one operating unit so that efficiencies and resultant effectiveness can be capitalised upon. This strategic integration, including the name change of "Impson Logistics" to "Santova Logistics", is an acknowledgement of the size, strength, and diversity of the entire Santova Group, making "Santova" the cornerstone of our branding worldwide.

BASIS OF PREPARATION

The unaudited condensed Group interim results for the six months ended 31 August 2012 have been prepared in accordance with International Financial Reporting Standards ("IFRS"), AC 500 standards as issued by the Accounting Practices Board and the information required by International Accounting Standard 34: Interim Financial Reporting. The Group's accounting policies comply fully with IFRS; the Companies Act, No. 71 of 2008, as amended, and the Listings Requirements of the JSE Limited, and are consistent with those applied in the annual financial statements for the year ended 29 February 2012.

DIVIDENDS

Following the annual general meeting on 24 July 2012, the Board announced a change to the Company's dividend policy, whereby it will commence paying dividends.

The new dividend policy will come into effect in respect of the 2013 financial year. The Board will continue to review the appropriateness of the dividend policy and it may be amended from time to time.

APPRECIATION

The Board would like to express its sincere appreciation to all management and staff for their efforts during the period.

For and on behalf of the Board

GH Gerber	**DC Edley**
Chief Executive Officer	*Group Financial Director*

30 October 2012

ADDITIONAL INFORMATION

In accordance with the additional disclosure requirements of the JSE Listings Requirements, the following additional information has been presented:

- There has been no major change in the nature of tangible or intangible assets or any change in policy regarding the use thereof by the Company or its subsidiaries during the periods presented above.
- The Company has no material loans receivable.
- The particulars of directors' remuneration and benefits are set out under note 3.6.3 of the Circular.
- Details of the material borrowings of the Group are as follows:
  - The Group has an overdraft facility of R5 000 000, with a maximum limit of R21 000 000 when fully covered by ceded debit balances of up to R16 000 000 within the same financial institution on a Rand for Rand basis; an overdraft facility of R5 000; and an off-shore overdraft facility of EUR200 000 (R2 023 520), secured by a letter of credit from Santova; invoice discounting facilities of R262 973 780 secured by unlimited suretyship from Santova and its south African subsidiaries and unlimited suretyships by Santova Logistics (United Kingdom) and Santova Logistics (Australia); an off-shore term loan of GBP150 000 granted to Santova UK with repayment terms over five years, secured by a GBP200 000 bank guarantee from Santova's South African transactional bankers; unutilised overdraft facilities of GBP50 000 granted to Santova UK secured by the same guarantee as above.
- The net asset value and tangible net asset value per share for the Company has been set out under the "Supplementary Information" heading above.
- Earnings, diluted earnings, headline earnings and dividends per share are disclosed in cents as set out under the "Supplementary Information" heading above.
- There have been no changes to the investment holdings of Santova during any of the financial periods disclosed in this annexure. With the exception of Santova Logistics Pty Ltd which is 75% owned and proportionately consolidated as such, all subsidiaries are wholly owned and fully consolidated in the above financial information.
- The amount of ordinary shares in issue has been disclosed under the "Supplementary Information" heading above. No other shares or convertible securities are in issue.
- There has been no material change in the nature of the business for the 2012, 2011 and 2010 financial year.

There have been no material undisclosed events that have occurred subsequent to the latest financial year and the date of this circular.

AUDITED HISTORICAL ANNUAL FINANCIAL STATEMENTS OF W.M. SHIPPING LIMITED

The historical financial information of W.M. Shipping Limited ("Company" as defined for this Annexure) for the last three years has been presented below. The summarised results, which is the responsibility of the directors of Santova, have been extracted from the 2012, 2011 and 2010 audited annual financial statements.

The financial information for the historical periods includes:

- audited profit and loss account;
- audited balance sheet;
- audited statements of cash flows;
- audited statements of changes in equity;
- the accounting policies; and
- notes thereto.

ADDITIONAL INFORMATION

In accordance with the additional disclosure requirements of the JSE Listings Requirements, the following additional information has been presented:

- There has been no major change in the nature of tangible or intangible assets or any change in policy regarding the use thereof by the Company or its subsidiaries during the 2012, 2011, 2010.
- The Company has no material loans receivable.
- The particulars of directors' remuneration and benefits are set out under note 3 of the historical information.
- The effect on Santova's net asset value and tangible net asset value per share as a result of the acquisition of the Company has been set out under heading 2.4 to the circular.
- The effect on Santova's basic earnings and headline earnings per share, as a result of the acquisition of the Company, are disclosed in cents are set out under heading 2.4 to the circular.
- There has been no material change in the nature of the business for the 2012, 2011 and 2010 financial year.
- There have been no events that have occurred subsequent to the latest financial year and the date of this circular.

COMMENTARY

WMS was established in 1989 and arranges the shipping of cargo for a wide variety of United Kingdom based clients. The company primarily offers deep-sea routes between the United Kingdom and the Middle East, Caribbean, Far East and Africa and has an enviable relationship with clients and shipping lines alike. WMS allows Santova the opportunity to:

- participate in the supply chain logistics of these Midlands based businesses on routes not currently serviced by existing Santova offices;
- access a quality client base generating long-term repeat business;
- invest in a company with significant growth opportunities, whilst generating good cash flows;
- utilise its valuable experience and expertise, particularly in ship chartering, throughout all the other Santova Group operations;
- gain a well-respected, reputable brand capable of generating new leads and new business without reliance on agents; and
- to obtain access to favourable facilities and terms with the various shipping lines, which are not normally available to the market in general.

CONTENTS

COMPANY INFORMATION

Director	A Fletcher
Company secretary	P Fletcher
Registered office	Unit 46 Kepler Lichfield Road Industrial Estate Tamworth Staffordshire B79 7XE
Bankers	HSBC Bank plc Castle Bromwich 354 Bradford Road Castle Bromwich Birmingham B36 9AE
Auditors	Vivian Thomas FCCA AIMS Accountants for Business Unit 5 Gamma Orchard Industrial Estate Toddington Cheltenham GL54 5EB

DIRECTORS' REPORT

for the year ended 31 March 2012

The director presents his report and the financial statements for the year ended 31 March 2012.

Director of the company

The director who held office during the year was as follows:

- A Fletcher

Principal activity

The principal activity of the company is shipping and forwarding agents.

Disclosure of information to the auditors

The director has taken steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information. The director confirms that there is no relevant information that he knows of and which he knows the auditors are unaware of.

Small company provisions

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

Approved by the Board on 18 October 2012 and signed on its behalf by:

A Fletcher
Director

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The director is responsible for preparing the Director's Report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the director is required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable him to ensure that the financial statements comply with the Companies Act 2006. He is also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

PROFIT AND LOSS ACCOUNT
for the year ended 31 March 2012

	Notes	2012 £	2011 £	2010 £
Turnover		9 241 372	10 879 970	9 999 380
Cost of sales		(7 630 466)	(9 329 695)	(8 713 272)
Gross profit		1 610 906	1 550 275	1 286 108
Administrative expenses		(751 976)	(860 944)	(824 060)
Other operating income		–	–	75
Operating profit	2	858 930	689 331	462 123
Other interest receivable and similar income		1 213	594	254
Profit on ordinary activities before taxation		860 143	689 925	462 377
Tax on profit on ordinary activities	4	(217 960)	(179 786)	(112 042)
Profit for the financial year	10	642 183	510 139	350 335

BALANCE SHEET
at 31 March 2012

	Notes	2012 £	2011 £	2010 £
Fixed assets				
Intangible fixed assets	5	31 086	51 000	76 000
Tangible fixed assets	6	44 829	48 614	14 342
		75 915	99 614	90 342
Current assets				
Debtors	7	1 228 429	1 246 501	1 488 290
Cash at bank and in hand		1 397 883	1 256 972	898 853
		2 626 312	2 503 473	2 387 143
Creditors: Amounts falling due within one year	8	(1 287 806)	(1 830 849)	(2 176 764)
Net current assets		1 338 506	672 624	210 379
Net assets		1 414 421	772 238	262 099
Capital and reserves				
Called up share capital	9	1 170	1 170	1 170
Other reserves	10	4 830	4 830	4 830
Profit and loss account	10	1 408 421	766 238	256 099
Shareholders' funds		1 414 421	772 238	262 099

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the Financial Reporting Standard for Smaller Entities (effective 2008).

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2012

1. **ACCOUNTING POLICIES**

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Turnover

Turnover represents amounts chargeable, net of value added tax, in respect of the sale of goods and services to customers.

Goodwill

Positive goodwill is capitalised, classified as an asset on the balance sheet and amortised on a straight-line basis over its useful economic life. It is reviewed for impairment at the end of the first full financial year following the acquisition and in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable.

Amortisation

Amortisation is provided on intangible fixed assets so as to write off the cost, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Amortisation method and rate
Goodwill	20% straight-line basis

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Office equipment	10% and 33% straight-line basis
Motor vehicles	25% straight-line basis

Work in progress

Work in progress is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

Foreign currency

Transactions in foreign currencies are recorded at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the closing rates at the balance sheet date. All exchange differences are included in the profit and loss account.

Hire purchase and leasing

Rentals payable under operating leases are charged in the profit and loss account on a straight-line basis over the lease term.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability in the balance sheet. The corresponding dividends relating to the liability component are charged as interest expense in the profit and loss account.

Pensions

The company makes contributions into the director's personal pension plan.

2. OPERATING PROFIT

Operating profit is stated after charging:

	2012 £	2011 £	2010 £
Auditors' remuneration – The audit of the company's annual accounts	1 350	1 150	1 300
Foreign currency (gains)/losses	(3 477)	17 548	26 557
Profit on sale of tangible fixed assets	–	(5 700)	(1 525)
Depreciation of tangible fixed assets	22 314	17 829	8 076
Amortisation	30 086	25 000	25 000

3. DIRECTORS' REMUNERATION

The directors' remuneration for the year was as follows:

	2012 £	2011 £	2010 £
Remuneration (including benefits in kind and money purchase pension scheme contributions)	53 237	51 200	49 365

4. TAXATION

Tax on profit on ordinary activities

	2012 £	2011 £	2010 £
Current tax			
Corporation tax charge	217 960	179 786	112 042

5. INTANGIBLE FIXED ASSETS

	Goodwill £	Total £
Cost		
At 1 April 2010	125 000	125 000
Additions	–	–
At 1 April 2011	125 000	125 000
Additions	10 172	10 172
At 31 March 2012	135 172	135 172
Amortisation		
At 1 April 2010	49 000	49 000
Charge for the year	25 000	25 000
At 1 April 2011	74 000	74 000
Charge for the year	30 086	30 086
At 31 March 2012	104 086	104 086
Net book value		
At 31 March 2012	31 086	31 086
At 31 March 2011	51 000	51 000
At 31 March 2010	76 000	76 000

6. TANGIBLE FIXED ASSETS

	Motor vehicles £	Office equipment £	Total £
Cost or valuation			
At 1 April 2010	65 644	18 492	84 136
Additions	52 100	–	52 100
Disposals	(37 087)	–	(37 087)
At 1 April 2011	80 657	18 492	99 149
Additions	17 494	1 035	18 529
At 31 March 2012	98 151	19 527	117 678
Depreciation			
At 1 April 2010	52 895	16 899	69 794
Charge for the year	17 275	554	17 829
Eliminated on disposals	(37 088)	–	(37 088)
At 1 April 2011	33 082	17 453	50 535
Charge for the year	21 648	666	22 314
At 31 March 2012	54 730	18 119	72 849
Net book value			
At 31 March 2012	43 421	1 408	44 829
At 31 March 2011	47 575	1 039	48 614
At 31 March 2010	12 479	1 593	14 342

7. DEBTORS

	2012 £	2011 £	2010 £
Trade debtors	1 148 967	1 059 022	1 339 229
Amounts owed by group undertakings and undertakings in which the company has a participating interest	36 609	130 020	73 910
Other debtors	42 853	57 459	75 151
	1 228 429	1 246 501	1 488 290

Debtors includes £0 (2011 – £0) (2010 – £0) receivable after more than one year.

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2012 £	2011 £	2010 £
Trade creditors	599 271	882 879	1 219 096
Corporation tax	217 960	179 786	112 042
Other taxes and social security	80 932	92 348	62 474
Other creditors	389 643	675 836	783 152
	1 287 806	1 830 849	2 176 764

9. **SHARE CAPITAL**

Allotted, called up and fully paid shares

	Number	£
2012 – Ordinary of £1 each	1 170	1 170
2011 – Ordinary of £1 each	1 170	1 170
2010 – Ordinary of £1 each	1 170	1 170

10. **RESERVES**

	Other reserves £	Profit and loss account £	Total £
At 1 April 2010	4 830	256 099	260 929
Profit for the year	–	510 139	510 139
At 1 April 2011	4 830	766 238	771 068
Profit for the year	–	642 183	642 183
At 31 March 2012	4 830	1 408 421	1 413 251

11. **RELATED PARTY TRANSACTIONS**

Other related party transactions

During the year the Company made the following related party transactions:

- A Fletcher (Director)

Loan. At the balance sheet date the amount due to A Fletcher was £0 (2011: £111 455) (2010: £249 280).

Land and buildings owned by the director's pension fund are leased to the company for £14 000 per year. The initial lease expired in 2010 and negotiations for its renewal are being persued

Associated company

The company is associated with WM Liner Agencies (TCL) Ltd of which A Fletcher is the sole director and holds 65% of the share capital. At 31 March 2012 the associated company was a debtor for £36 610 (2011: £130 020) (2010: £73 910). During the year this company made sales to the associated company of £19 520 (2011: £243 043) (2010: £86 877) and purchased £2 376 (2011: £155 336) (2010: £28 714).

12. **CONTROL**

The Company is controlled by the director who owns 100% of the called up share capital.

DETAILED PROFIT AND LOSS ACCOUNT
for the year ended 31 March 2012

	2012 £	**2011** £	**2010** £
Turnover (analysed below)	9 241 372	10 879 970	9 999 380
Cost of sales (analysed below)	(7 630 466)	(9 329 695)	(8 713 272)
Gross profit	1 610 906	1 550 275	1 286 108
Gross profit (%)	17.43	14.25	12.86
Administrative expenses			
Employment costs (analysed below)	611 476	728 331	660 890
Establishment costs (analysed below)	28 780	34 145	35 630
General administrative expenses (analysed below)	55 127	35 649	63 746
Finance charges (analysed below)	4 193	25 690	32 243
Depreciation costs (analysed below)	52 400	37 129	31 551
	(751 976)	(860 944)	(824 060)
Other operating income (analysed below)	–	–	75
Other interest receivable and similar income (analysed below)	1 213	594	594
Profit on ordinary activities before taxation	860 143	689 925	689 925

	2012 £	**2011** £	**2010** £
Turnover			
Sales – freight forwarding	9 221 852	10 723 804	9 912 503
Associated company recharges	19 520	156 166	86 877
	9 241 372	10 879 970	9 999 380
Cost of sales			
Discounts receivable	(42)	(142)	(3)
Freight forwarding costs	7 624 162	9 322 581	8 704 180
Packaging material	–	–	2 052
Courier services	–	–	33
Discounts allowable	–	34	6
Certification	–	19	60
Insurance	6 346	7 203	6 944
	7 630 466	9 329 695	8 713 272
Employment costs			
Wages and salaries	500 763	609 700	553 629
Staff NIC (Employers)	61 098	69 539	61 821
Directors' remuneration	38 761	37 631	36 714
Directors' NIC (Employers)	5 874	5 361	5 126
Directors' pensions	3 600	3 600	3 600
Staff recruitment and training	1 380	2 500	–
	611 476	728 331	660 890

	2012 £	2011 £	2010 £
Establishment costs			
Rent	14 000	16 595	18 282
Rates	5 431	6 635	8 601
Water rates	523	369	478
Light, heat and power	3 986	3 575	3 525
Insurance	2 435	2 130	2 147
Repairs and maintenance	–	2 670	55
Repairs and renewals	2 405	2 171	2 542
	28 780	34 145	35 630
General administrative expenses			
Telephone and fax	8 638	13 128	13 355
Computer software and maintenance costs	7 380	10 575	4 116
Printing, postage and stationery	18 459	20 680	21 802
Training and subscriptions	1 134	1 837	1 451
Charitable donations	50	25	100
Sundry expenses	775	920	1 004
Accountancy fees	1 250	1 250	1 250
Auditor's remuneration – the audit of the Company's annual accounts	1 350	1 150	1 300
Consultancy fees	49 356	5 156	5 306
Legal and professional fees	(108)	24	2
Motor expenses	21 886	20 669	15 547
Advertising	3 481	684	2 330
Travel and subsistence	3 466	4 264	13 400
Food and catering	–	985	195
Staff entertaining (allowable for tax)	1 945	–	–
Customer entertaining (disallowable for tax)	2 914	5 015	3 958
Bad debts written off	(66 849)	(50 713)	(21 370)
	55 127	35 649	63 746
Finance charges			
Bank charges	7 574	8 046	5 587
Credit card charges	96	96	99
Foreign currency (gains)/losses	(3 477)	17 548	26 557
	4 193	25 690	32 243
Depreciation costs			
Depreciation of motor vehicles	21 648	17 275	7 138
Depreciation of office equipment	666	554	938
(Profit)/Loss on disposal of tangible fixed assets	–	(5 700)	(1 525)
Amortisation of goodwill	30 086	25 000	25 000
	52 400	37 129	31 551
Other interest receivable and similar income			
Bank interest receivable	780	582	253
Other interest receivable	227	12	1
Income from five-year bond	206	–	–
	1 213	594	254

IFRS RECONCILIATION OF THE AUDITED HISTORICAL ANNUAL FINANCIAL STATEMENTS OF W.M. SHIPPING LIMITED

In terms of the JSE Listing Requirements, Section 8, in the case of a company domiciled outside South Africa, where the historical information has not been prepared in compliance with IFRS and the South African Companies Act, there is to be disclosure of the following:

1. the reasons for such non-compliance;
2. the accounting standards and legislation under which the historical financial information has been prepared; and
3. a comprehensive reconciliation to IFRS of the effect of such non-compliance on the information required to be presented in accordance with paragraph 8.3.

WMS is a company domiciled in the United Kingdom which, due to the size and nature of the business, falls under the jurisdiction of the small companies' regime under the (UK) Companies Act 2006. As such, there is no requirement in terms of the small companies' regime under the (UK) Companies Act 2006 to prepare financial information in accordance with IFRS.

The financial reporting framework that has been applied in the preparation of the financial statements of WMS Ltd for the year ended 31 March 2012 is the Financial Reporting Standard for Smaller Entities (Effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities) ("UK GAAP").

Upon analysis of the underlying amounts in the historical financial information of WMS Ltd it was determined that first time adoption of IFRS 1 would have no material impact on the profit and loss account or the balance sheet, and that the recognition and measurement criteria of the two frameworks were fundamentally the same.

IFRS 1 requires an entity to reconcile equity, comprehensive income and cash flows for prior periods. In order to comply with this requirement the statement of changes in equity and statement of cash flows of WMS Ltd for the year ended 31 March 2012 have been included below:

W.M. SHIPPING LTD

STATEMENT OF CHANGES IN EQUITY
for the year ended 31 March 2012

	31 March 2012 Audited £	31 March 2011 Audited £
Capital and reserves		
Balance at beginning of period/year	772 238	262 099
Total comprehensive income	642 183	510 139
Balance at end of period/year	**1 414 421**	772 238
Comprising:		
Share capital	1 170	1 170
Other reserves	4 830	4 830
Profit and loss account	1 408 421	766 238
Attributable to equity holders of the parent	**1 414 421**	**772 238**

STATEMENT OF CASH FLOWS
for the year ended 31 March 2012

	31 March 2012 Audited £	31 March 2011 Audited £
Profit before taxation	860 143	689 925
Adjustments for non-cash flow items	52 400	37 129
Changes in working capital	(563 145)	(210 492)
Interest received	(1 213)	(594)
Finance costs	–	–
Taxation paid	(179 786)	(112 042)
Net cash flows from operating activities	**168 399**	403 926
Cash utilised in other investing activities	(28 701)	(46 401)
Net cash flows from investing activities	**(28 701)**	**(46 401)**
Net cash flows from financing activities	1 213	594
Net increase/(decrease) in cash and cash equivalents	140 911	358 119
Cash and cash equivalents at beginning of period/year	1 256 972	898 853
Cash and cash equivalents at end of period/year	**1 397 883**	**1 256 972**

Intangible assets

WMS Ltd acquired customer lists over various years, which were capitalised to the balance sheet and disclosed as goodwill, and amortised over five years on a straight-line basis. In terms of IAS 38 for Intangible Assets, the customer lists meet the recognition and measurement requirements of an intangible asset, and thus a reclassification from goodwill to an intangible asset is required. There is no effect on the accounting treatment of the asset as the treatment of goodwill in terms of UK GAAP is the same as the treatment of intangible assets in terms of IFRS. The disclosure in the note would be as follows:

		2012	2011
		£	£
3.	**INTANGIBLE ASSETS**		
3.1	**Customer lists**		
	Cost	**125 000**	125 000
	Accumulated amortisation	**(74 000)**	(49 000)
	Carrying value at beginning of year	**51 000**	76 000
	Additions	**10 172**	–
	Amortisation	**(30 086)**	(25 000)
	Carrying value at end of year	**31 086**	51 000
	Comprising:		
	Cost	**135 172**	125 000
	Accumulated amortisation	**(104 086)**	(74 000)
	Total intangible assets	**31 086**	51 000

IFRS exemption options

No exemptions and exceptions as allowed by IFRS 1 in the conversion were applicable to the Company.

ANNEXURE 2b

REPORTING ACCOUNTANTS REPORT ON THE AUDITED HISTORICAL ANNUAL FINANCIAL STATEMENTS OF WM SHIPPING LIMITED

The Directors
Santova Limited
Santova House
88 Mhatma Gandhi Road
Durban
4001

14 December 2012

INDEPENDENT REPORTING ACCOUNTANTS' REPORT ON THE HISTORICAL FINANCIAL INFORMATION OF WM SHIPPING LIMITED ("WMS) FOR THE YEARS ENDED 31 MARCH 2012, 2011 AND 2010

INTRODUCTION

At your request and for the purposes of the Circular to be dated on or about 21 December 2012 ("the Circular"), we present our report on the historical financial information of WMS for the years ended 31 March 2012, 2011 and 2010 in compliance with the JSE Limited Listings Requirements.

RESPONSIBILITIES

Management's responsibility for the financial statements

The directors are responsible for the preparation, contents and presentation of the Circular and the fair presentation of the historical financial information in accordance International Financial Reporting Standards based on the audited WMS financial statements. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Reporting accountants' responsibility

Our responsibility is to express an opinion on the historical financial information of WMS for the years ended 31 March 2012, 2011 and 2010, included in the Circular, based on our audit of the financial information for the year ended 31 March 2012 and our review of the financial information for the years ended 31 March 2011 and 2010.

SCOPE OF THE AUDIT

We conducted our audit of the historical financial information for the year ended 31 March 2012 in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial information. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial information, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial information in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of

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Offices: Bloemfontein, Cape Town, **Centurion**, Durban, Kimberley, Nelspruit, Polokwane, Port Elizabeth, Rustenburg, London (UK)
Directors: *B Adam (CEO) *CA(SA)*, *A Darmalingam *CA(SA)*, T J de Kock *CA(SA)*, S B Gambu *CA(SA)*, Y M Hassen *CA(SA)*, N Hassim *CA(SA)*
S Ismail *CA(SA)*, M B Jhetam *CA(SA)*,*H Kajie *CA(SA)*, S Kleovoulou *CA(SA)*, S Makamure *CA(SA)*, T M Mayet *CA(SA)*, *R Ncube CA(SA)*, *K Rama *CA(SA)*
Z Sonpra *CA(SA)*, *S Stemela CA(SA)*, M F Sulaman *CA(SA)*, I Theron *CA(SA)*, *H van der Merwe *CA(SA)*, J M Wessels *CA(SA)*
Associate Director: L A D Hoosen • ****Executive Committee***
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accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial information.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

AUDIT OPINION

In our opinion, the historical financial information of WMS for the year ended 31 March 2012 fairly presents, in all material respects, for the purposes of the Circular, the financial position of WMS at that date and the results of its operations and cash flows for the period then ended in accordance with International Financial Reporting Standards and in the manner required by the UK Companies Act of 2006 and the JSE Limited Listings Requirements.

SCOPE OF THE REVIEW

We conducted our review of the historical financial information for the years ended 31 March 2011 and 2010, in accordance with the International Standards on Review Engagements 2410, "Engagements to review financial statements". This standard requires that we plan and perform the review to obtain moderate assurance as to whether the historical financial information is free of material misstatement. A review is limited primarily to enquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit in respect of the years ended 31 March 2011 and 2010, and, accordingly, we do not express an audit opinion in respect of these periods.

REVIEW CONCLUSION

Based on our review nothing has come to our attention that causes us to believe that the historical financial information of WMS for the years ended 31 March 2011 and 2010 is not fairly presented, in all material respects, for the purposes of the Circular, in accordance with International Financial Reporting Standards and in the manner required by the UK Companies Act 2006 and the JSE Limited Listings Requirements.

CONSENT

We consent to the inclusion of this report and the reference to our opinion in the Circular in the form and context in which it appears.

Yours faithfully

Nexia SAB&T
Registered Accountants and Auditors
Per T.J. de Kock
Registered Auditor

Registered address:
119 Witch-Hazel Avenue
Highveld Technopark
Centurion
0046
South Africa

PRO FORMA BALANCE SHEET AND INCOME STATEMENT

The unaudited *pro forma* consolidated balance sheet and income statement of the Group prior to and after the implementation of the acquisition is set out below. The unaudited *pro forma* consolidated balance sheet and income statement of the Group have been presented for illustrative purposes only and may, because of their nature, not give a fair reflection of the Group's results, financial position and changes in equity following the implementation of the acquisition. It has been assumed for purposes of the unaudited *pro forma* financial effects that the acquisition was implemented with effect from 1 September 2011 and 31 August 2012 for income statement and balance sheet purposes respectively. The directors are responsible for the preparation of the unaudited *pro forma* consolidated balance sheet and income statement. The *pro forma* financial information has been presented in a manner consistent with both the format and accounting policies adopted by the issuer in its report of historical financial information. The independent reporting accountants' report relating to the *pro forma* financial information is set out in Annexure 4 to this Circular.

PRO FORMA GROUP CONSOLIDATED BALANCE SHEET

	Santova Published 31 August 2012[(1)] R'000	W.M. Shipping Audited 31 March 2012[(2)] R'000	Acquisition *Pro Forma* Adjustments[(3)] R'000	Notes	Group *Pro Forma* R'000
ASSETS					
Non-current assets	72 508	1 013	39 502		113 023
Plant and equipment	8 080	598	–		8 678
Intangible assets	61 028	415	39 502	(3.1)	100 945
Financial asset	625	–	–		625
Deferred taxation	2 775	–	–		2 775
Current assets	**361 016**	**35 043**	**(22 000)**		**374 059**
Trade receivables	332 050	15 331	–		347 381
Other receivables	4 804	572	–		5 376
Current tax receivable	510	–	–		510
Amounts owing from related parties	797	488	–		1 285
Cash and cash equivalents	22 855	18 652	(22 000)	(3.2)	19 507
Total assets	**433 524**	**36 056**	**17 502**		**487 082**
EQUITY AND LIABILITIES					
Capital and reserves	**136 678**	**18 873**	**(19 295)**		**136 256**
Stated capital	145 192	80	(80)	(3.3)	145 192
Contingency reserve	–	–	–		–
Foreign currency translation reserve	4 511	–	–		4 511
Accumulated loss	(15 719)	18 793	(19 215)	(3.3, 3.5)	(16 141)
Attributable to equity holders of the parent	133 984	18 873	(19 295)		133 562
Minority interest	2 694	–	–		2 694
Non-current liabilities	4 922	–	4 245		9 167
Interest-bearing borrowings	1 648	–	–		1 648
Long-term provision	1 976	–	–		1 976
Financial liabilities	1 280	–	4 245	(3.4)	5 525
Deferred taxation	18	–	–		18
Current liabilities	291 924	17 183	32 552		341 659
Trade and other payables	184 429	14 275	422	(3.5)	199 126
Current tax payable	1 421	2 908	–	(3.6)	4 329
Current portion of interest-bearing borrowings	354	–	–		354
Amounts owing to related parties	240	–	–		240
Financial liabilities	–	–	4 760	(3.4)	4 760
Short-term borrowings and overdraft	99 460	–	27 370	(3.2)	126 830
Short-term provisions	6 020	–	–		6 020
Total equity and liabilities	**433 524**	**36 056**	**17 502**		**487 082**
Net asset value per share (cents)[f]	100.16	13.83	(14.14)		99.85
Tangible net asset value per share (cents)[f]	55.44	13.53	(43.09)		25.88
Weighted average number of shares in issue ('000s)[f]	136 987	136 987	136 987		136 987
Actual number of shares in issue ('000s)[f]	136 459	136 459	136 459		136 459

Assumptions

(a) All foreign currency amounts have been translated at the closing rate of exchange applicable at 31 August 2012 assumed as GBP1:ZAR13.3431.

(b) The *Pro Forma* Group Statement of Financial Position is based on the assumption that the acquisition was effective on 31 August 2012.

(c) The initial purchase price payment due in terms of the sale agreement, of GBP3 700 000, has been paid in cash on 31 August 2012.

(d) The Seller shall achieve the warranted profits for the 24 months post effective date and therefore the two warranty payments of GBP400 000 each will become due and payable in terms of the sale agreement. These two payments have therefore been included in the overall calculation of the purchase price and have been present valued at a discount rate of 11.5% and reflected as financial liabilities in the Statement of Financial Position.

(e) The two additional contingent purchase price payments, one of 15.8% of profit before tax above a certain threshold and the other of a fixed amount of GBP409 989, have not been included in determining the purchase price. This is due to the fact that the likelihood of the attached suspensive conditions being met, cannot be forecasted with any great certainty. Should the Seller achieve the warranty for payment of the fixed amount mentioned above, goodwill arising from the acquisition will increase by ZAR4 351 278, and the non-current financial liability will increase by ZAR4 351 278, being the present value of the additional payment required at the end of the 24month period. The effect of the 15.8% payment of profits exceeding the warranty amount is not considered significant.

(f) The number of shares used to determine the net asset and tangible net asset value per share figures are the same as those per the published reviewed Group interim results for the six months ended 31 August 2012, as these are the most current share numbers for the Santova Group and therefore best reflect the level of shareholding post the acquisition.

Notes

1. The Santova financial information has been extracted without adjustment from Santova's published Group Interim results as at 31 August 2012 as set out in Annexure 1.

2. The W.M. Shipping financial information has been extracted without adjustment from the audited report of historical information of W.M.Shipping for the year ended 31 March 2012 as set out in Annexure 2.

3. The *Pro Forma* Group Consolidated Statement of Financial Position includes the following adjustments, which are consistent with Santova's accounting policies, for:

   3.1 The recognition upon consolidation of the goodwill related to the acquisition. A provisional purchase price allocation has been performed resulting in an estimated goodwill value of R39.5million. This calculation will be revised in terms of IFRS 3: Business Combinations when finalising the Group Consolidated results for the 2013 financial year and may result in the amount allocated to goodwill being adjusted. Goodwill arises due to the fact that the nature of the business carried on by W.M. Shipping is not asset intensive, therefore W.M. Shipping's NAV comprises a low proportion of the total purchase consideration.

   3.2 The payment in cash of the initial portion of the purchase consideration which equates to of R49.37 million in total. The payment will be funded primarily from the proceeds of a dividend to be declared and paid to Santova Limited by Santova Logistics South Africa (Pty) Ltd, following the Group reorganisation of its two South African logistics trading entities, as announced with the published Group interim results for the six months ended 31 August 2012.

   3.3 The elimination on consolidation of the at acquisition capital and reserves of W.M. Shipping and the increase in the accumulated loss due to the effect of the acquisition costs.

   3.4 The increase in financial liabilities in order to recognise the two profit warranty payments to be made at the end of 12 and 24 months respectively, in terms of assumption d above.

   3.5 The increase in trade and other payables for the acquisition costs associated with the transaction that have been incurred but not yet paid as at effective date.

4. The *pro forma* financial information has been prepared in accordance with IFRS and in terms of The Guide on *Pro Forma* Financial Information issued by The South African Institute of Chartered Accountants, in line with the Listings Requirements.

5. **The total purchase price payable for W.M. Shipping is made up as follows:**

	GBP	**ZAR**
Book value of assets acquired	2 626 312	36 056 087
Book value of liabilities assumed	(1 287 806)	(17 183 324)
Net book value acquired	1 414 421	18 872 763
Effect of fair value revaluation	–	–
Total net asset value acquired	1 414 421	18 872 763
Fair value of purchase consideration	4 374 903	58 374 768
Goodwill	**2 960 482**	**39 502 007**

PRO FORMA GROUP CONSOLIDATED INCOME STATEMENT

	Santova Reconstructed Twelve Months[(1)] R'000	W.M. Shipping Twelve months ended 31 March 2012[(2)] R'000	Acquisition *Pro Forma* Adjustments[(3)] R'000	Notes	Group *Pro Forma* Twelve months[b] R'000
Gross billings	**2 343 745**	**116 293**	**–**		**2 460 038**
Turnover	**161 652**	**20 271**	**–**		**181 923**
Other income	5 150	–	–		5 150
Depreciation and amortisation	(3 504)	(659)	–		(4 163)
Administrative expenses	(126 789)	(8 751)	(422)	(3.1)	(135 962)
Operating profit	**36 509**	**10 861**	**(422)**		**46 948**
Interest received	1 278	15	–		1 293
Finance costs	(9 109)	(53)	–		(9 162)
Profit before taxation	**28 678**	**10 823**	**(422)**		**39 079**
Income tax expense	(7 660)	(2 743)	–		(10 403)
Profit for the year	21 018	8 080	(422)		28 676
Attributable to:					
Equity holders of the parent	20 763	8 080	(422)		28 421
Minority interest	255	–	–		255
Other comprehensive income					
Exchange differences arising from translation of foreign operations	2 571	–	–		2 571
Total comprehensive income	**23 589**	**8 080**	**(422)**		**31 247**
Attributable to:					
Equity holders of the parent	23 062	8 080	(422)		30 720
Minority interest	527	–	–		527
Basic earnings per share (cents)[c]	15.16	5.90	(0.31)		20.75
Headline earnings per share (cents)[c]	14.69	5.90	(0.31)		20.28
Weighted Average Number of Shares ('000s)[c]	136 987	136 987	136 987		136 987
Actual number of shares in issue ('000s)[c]	136 459	136 459	136 459		136 459

Assumptions

(a) All foreign currency amounts have been translated at the average exchange rate applicable to the 12-month period ended to 31 August 2012 at an assumed rate of GBP1: ZAR12.7028

(b) The *Pro Forma* Group Consolidated Statement of Comprehensive Income is based on the assumption that the acquisition was effective on the first day of the reconstructed 12-month period.

(c) The number of shares used to determine the basic and headline earnings per share figures are the same as those per the published reviewed Group Interim Results for the six months ended 31 August 2012, as these are the most current share numbers for the Santova Group and therefore best reflect the level of shareholding post the acquisition.

Notes

1. The Santova Reconstructed financial information has been extracted from the derived Consolidated Statement of Comprehensive Income.
2. The W.M. Shipping financial information has been extracted without adjustment, from the audited annual financial statements of W.M. Shipping Limited for the year ended 31 March 2012 as set out in Annexure 2.
3. The acquisition *pro forma* adjustments detail the effect of the estimated costs directly applicable to the transaction:
4. Total estimated transaction costs directly applicable to the acquisition are R422 271.

RECONSTRUCTED STATEMENT OF COMPREHENSIVE INCOME FOR TWELVE MONTHS

	1 Group Six Months to August 2012 Published R'000	2 Group Twelve Months to February 2012 Audited R'000	3 Group Six Months to February 2012 Audited R'000	4(2-3)[b] Group Six Months Period Derived R'000	5(1+4) Group Reconstructed Twelve Months Derived R'000
Gross billings	1 199 379	2 605 858	1 461492	1 144366	2 343 745
Turnover	80 322	167 107	85 777	81 330	161 652
Other income	3 751	3 910	2 511	1 399	5 150
Depreciation and amortisation	(1 551)	(3 776)	(1 823)	(1 953)	(3 504)
Administrative expenses	(63 802)	(127 816)	(64 829)	(62 987)	(126 789)
Operating profit	18 720	39 425	21 636	17 789	36 509
Interest received	683	1 328	733	595	1 278
Finance costs	(4 191)	(10 690)	(5 772)	(4 918)	(9 109)
Profit before taxation	15 212	30 063	16 597	13 466	28 678
Income tax expense	(3 914)	(7 564)	(3 818)	(3 746)	(7 660)
Profit for the period/year	11 298	22 499	12 779	9 720	21 018
Attributable to:					
Equity holders of the parent	11 124	22 079	12 440	9 639	20 763
Minority interest	174	420	339	81	255
Other comprehensive income					
Exchange differences arising from translation of foreign operations	1 684	2 179	1 292	887	2 571
Total comprehensive income	12 982	24 678	14 071	10 607	23 589
Attributable to:					
Equity holders of the parent	12 635	24 011	13 584	10 427	23 062
Minority interest	347	667	487	180	527
Basic earnings per share (cents)[a]	8.12	16.12	9.08	7.04	15.16
Headline earnings per share (cents)[a]	7.61	16.29	9.21	7.08	14.69
Weighted Average Number of Shares ('000s)[a]	136 987	136 987	136 987	136 987	136 987
Actual number of shares in issue ('000s)[a]	136 459	136 459	136 459	136 459	136 459
Reconciliation between basic earnings and headline earnings					
Profit attributable to Equity holders of the parent	11 124	22 079	12 440	9 639	20 763
Impairment of loan	–	41	41	–	–
(Profit)\loss on disposal of Fixed Assets net of taxation effects	14	198	137	61	75
Derecognition of Financial Liability	(713)	–	–	–	(713)
Headline Earnings	10 425	22 318	12 618	9 700	20 125

Assumptions

a To maintain comparability, the number of shares used to determine the basic and headline earnings per share figures are the same as those per the published reviewed Group Interim Results for the six months ended 31 August 2012, as these are the most current share numbers for the Santova Group and therefore best reflect the level of shareholding post the acquisition.

b In deriving the Group results for the six month period as per Column 4, it is assumed that Group profits are earned evenly throughout the year, and the resulting combination of two six month financial periods to reconstruct a twelve month derived period does not take into account the cyclical nature of the Group's revenue.

Notes

1 Column 1 represents the reviewed Santova Group Interim Results for the six months ended 31 August 2012, as published.
2 Column 2 represents the audited Santova Group Results for the year ended 29 February 2012, as published.
3 Column 3 represents the audited Santova Group Results for the six month period ended 29 February 2012.
4 Column 4 represents the Santova Group Results for a six month period, derived by subtracting column 3 from column 2.
5 Column 5 represents the results for a 12 month period, derived by adding column 1 to column 4, in terms of JSE requirements.

ANNEXURE 4

REPORTING ACCOUNTANTS REPORT ON THE PRO FORMA CONSOLIDATED BALANCE SHEET AND INCOME STATEMENT

The Directors
Santova Limited
Santova House
88 Mhatma Gandhi Road
Durban
4001

14 December 2012

Dear Sirs

INDEPENDENT REPORTING ACCOUNTANT'S LIMITED ASSURANCE REPORT ON THE UNAUDITED PRO FORMA FINANCIAL EFFECTS

Introduction

We have performed our limited assurance engagement with regard to the unaudited pro forma financial effects on the income statement and balance sheet (collectively "the Pro Forma Financial Information") of Santova Limited ("Santova") set out in paragraph 2.4 on page 9 and Annexure 3 of the Circular to be dated on or about 21 December 2012 issued in connection with the acquisition of W.M. Shipping Limited ("Acquisition").

The Pro Forma Financial Information has been prepared for purposes of complying with the requirements of the JSE Limited ("JSE"), for illustrative purposes only, to provide information about how the acquisition might have affected the reported financial information had the transaction been undertaken on 31 August 2012 for balance sheet purposes, and on 1 September 2011 for income statement purposes.

Because of its nature, the Pro Forma Financial Information may not present a fair reflection of the financial position, changes in equity, results of operations or cash flows of Santova, after the acquisition.

Directors' responsibility

The Directors of Santova ("Directors") are solely responsible for the compilation, contents and presentation of the Pro Forma Financial Information contained in the Circular and for the financial information from which it has been prepared.

Their responsibility includes determining that the Pro Forma Financial Information contained in the Circular has been properly compiled on the basis stated, the basis is consistent with the accounting policies of Santova and the pro forma adjustments are appropriate for the purposes of the Pro Forma Financial Information as disclosed in terms of the listings requirements of the JSE (the "Listings Requirements").

Reporting accountant's responsibility

Our responsibility is to express a limited assurance conclusion on the Pro Forma Financial Information included in the Circular. We conducted our limited assurance engagement in accordance with the International Standard on Assurance Engagements applicable to Assurance Engagements Other Than Audits or Reviews of Historical Financial information and the Guide on Pro Forma Financial Information issued by the South African Institute of Chartered Accountants.

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Directors: *B Adam (CEO) *CA(SA)*, *A Darmalingam *CA(SA)*, T J de Kock *CA(SA)*, S B Gambu *CA(SA)*, Y M Hassen *CA(SA)*, N Hassim *CA(SA)*
S Ismail *CA(SA)*, M B Jhetam *CA(SA)*,*H Kajie *CA(SA)*, S Kleovoulou *CA(SA)*, S Makamure *CA(SA)*, T M Mayet *CA(SA)*, *R Ncube CA(SA)*, *K Rama *CA(SA)*
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Associate Director: L A D Hoosen • ***Executive Committee***
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This standard requires us to comply with ethical requirements and to plan and perform the assurance engagement to obtain sufficient appropriate audit evidence to support our limited assurance conclusion, expressed below.

We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the Pro Forma Financial Information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

Sources of information and work performed

Our procedures consisted primarily of comparing the unadjusted audited historical financial information of Santova with the source documents, considering the pro forma adjustments in light of the accounting policies of Santova, considering the evidence supporting the pro forma adjustments, recalculating the amounts based on the information obtained and discussing the Pro Forma Financial Information with the directors of Santova.

In arriving at our conclusion, we have relied upon financial information prepared by the Directors and other information from various public, financial and industry sources.

Whilst our work performed involved an analysis of the historical audited financial information and other information provided to us, our limited assurance engagement does not constitute either an audit or review of any of the underlying financial information undertaken in accordance with the International Standards on Auditing or the International Standards on Review Engagements and accordingly, we do not express an audit or review opinion.

In a limited assurance engagement the evidence-gathering procedures are more limited than for a reasonable assurance engagement and therefore less assurance are obtained than in a reasonable assurance engagement. We believe that our evidence obtained is sufficient and appropriate to provide a basis for our conclusion.

Opinion

Based on our examination of the evidence obtained, nothing has come to our attention that causes us to believe that in terms of Section 8.17 and 8.30 of the Listings Requirements:

- the pro forma financial information has not been properly compiled on the basis stated;
- such basis is inconsistent with the accounting policies of Santova; and
- the adjustments are not appropriate for the purposes of the Pro Forma Financial Information as disclosed pursuant to section 8.30 of the Listings Requirements.

Consent

We consent to the inclusion of this letter and the reference to our opinion in the Circular to be issued by Santova in the form and context in which it appears.

Yours faithfully

Nexia SAB&T
Registered Accountants and Auditors
Per T.J. de Kock
Registered Auditor

Registered address:
119 Witch-Hazel Avenue
Highveld Technopark
Centurion
0046
South Africa

SUMMARY OF THE SANTOVA SHARE OPTION SCHEME

At the annual general meeting shareholders held on 24 July 2012 the Santova Share Option Scheme ("the Share Option Scheme") was approved by shareholders, as a means for incentivising and retaining senior management and executive directors. The salient features of the Share Option Scheme are as follows:

1. The Group will grant share options to qualifying employees to acquire shares in Santova Limited ("Santova") in terms of the Group's Share Option Scheme.
2. The option price will be determined with reference to the 30-day volume weighted average price on the grant date.
3. Each share option will have a vesting period of three years and will be granted on an annual basis or as and when appropriate. Employees will have to remain in the employment of the Group for the duration of the vesting period, in order for the options to vest. Additional conditions will apply in the event of death or retirement of a participating employee prior to reaching the vesting date.
4. On vesting, the share options must be exercised on specific nominated dates within a period of 12 months from the vesting date. Employees must exercise 100% of the options granted.
5. On exercising the share options, the employees will be paid a cash contribution equal to 50% of the cost of shares to be acquired at the option price. The contribution is paid specifically for the purpose of exercising the share options and will not be paid to the employee, but will be set off against the cost of the shares being acquired. The cash contribution will be fully taxable in terms of the Income Tax Act.
6. In terms of paying for the cost of the shares and related taxes on exercising the share options, the employee must choose between two alternatives:
   (a) The employee can pay the cost and related taxes themselves and the shares will be immediately released to the employee upon receipt of payment or:
   (b) The shares shall be issued and a corresponding loan to the employee raised pending the sale of a sufficient portion of the shares to fund the purchase price and related taxes. In this event the shares will be held as security pending full payment and the Company will facilitate the sale through a restricted brokers' account under its control. Once full payment has been received by the Company from the sale, the balance of the shares will then be released to the employee.
7. Santova will issue new shares to employees exercising their share options.
8. The Share Option Scheme shall be governed on an on-going basis by the Remuneration and Nominations Committee ("Remco"). These Committee members will not be entitled to participate in the Share Option Scheme.
9. The Remco will be responsible for nominating a Compliance Officer to act and report on the Share Option Scheme in terms of the Companies Act, 2008.
10. The Share Option Scheme conforms to Schedule 14 of the JSE Listings Requirements and has been approved by JSE Limited. The Share Option Scheme Rules, Employee Guide to the Share Option Scheme and supporting documentation will be available for inspection at the registered office of the Company, Santova House, 88 Mahatma Gandhi Road, Durban, 4000 from 31 May 2012 to 26 July 2012.

TABLE OF COMPLIANCE – KING CODE

KING III PRINCIPLES

	Santova compliance
Chapter 1 – Ethical Leadership and Corporate Citizenship	
Ethical leadership and responsible citizen ship	Yes
Effective ethics management	Yes
Assurance statement on ethics in integrated report	No
Chapter 2 – Boards and Directors	
A majority of non-executive directors on the Board	No
Majority of non-executive directors to be independent	Yes
Are the positions of Chairman and CEO held by different persons?	Yes
Is the Chairman of the Board an independent non-executive director?	Yes
Was the CEO appointed by the Board?	Yes
Are directors appointed through a formal process?	Yes
Is a succession plan in place for both the CEO and senior executives?	In process
Director induction and training?	Yes
Is the Board assisted by a competent Company Secretary?	Yes
Has the Company established the necessary committees	Yes
Do the Board and committees have formal charters	Yes
Formal delegation of authority setting out powers and authority?	Yes
Does the Board take responsibility for risk and IT governance?	Yes
Compliance with relevant laws, rules, codes and standards?	Yes
Is there an effective risk-based internal audit function?	In process
Is a formal evaluation of the Board and directors done annually?	No
Remuneration policy for remuneration of directors and executives?	Yes
Is the remuneration policy approved by the shareholders?	Yes
Disclose of individual director remuneration?	Yes
Board responsible for effective stakeholder management?	Yes
Chapter 3 – Audit Committees	
Audit Committee members skilled and independent	Yes
Audit Committee chair independent non-executive director?	Yes
Committee consist of three independent non-executive directors	Yes
Chairman a committee member	Yes
Does the committee oversee the internal audit function?	Yes

	Santova compliance
Committee an integral component of the risk management process?	Yes
Committee ensure experience, resources of finance function?	Yes
Committee recommends appointment of the external auditor and oversees the external audit process	Yes
Committee report to the Board and shareholders on discharge of its duties	Yes
Committee oversight of integrated reporting?	Yes
Chapter 4 – The Governance of Risk	
Does the Board take overall responsibility for the governance of risk?	Yes
Does the Board determine the levels of risk tolerance?	Yes
Board assisted by committees in carrying out its risk responsibilities	Yes
The Board delegates to management the responsibility for risk management plan?	Yes
Does the Board ensure that risk assessments are performed on a regular basis?	Yes
Boards ensure implementation of an appropriate framework and methodologies to increase the probability of anticipating unpredictable risks	Yes
Board ensures implementation of appropriate risk responses	Yes
Board receives assurance regarding effectiveness of risk management process?	Yes
Board ensures risk disclosure to stakeholders?	Yes
Chapter 5 – The Governance of Information Technology	
Board ensure proper IT governance?	Yes
IT aligned with the performance and sustainability objectives of the Company?	Yes
Board delegates to management the responsibility for the implementation of an IT governance framework?	Yes
Board monitors and evaluates significant IT investments and expenditure?	Yes
IR forms an integral part of the Company's risk management?	Yes
Board ensures the effective management of the Company's information assets	Yes
Does the Audit and Risk Committee assist the Board in carrying out its IT responsibilities?	Yes
Chapter 6 – Compliance with Laws, Codes, Rules and Standards	
Board ensures compliance with applicable laws and considers adherence to non-binding rules, codes and standards	Yes
Board and directors have working understanding of the effect of applicable laws, rules, codes and standards on the Company and its business?	Yes
Compliance risk forms an integral part of the Company's risk management process	Yes
Board delegates to management the responsibility for the implementation of an effective compliance framework and processes	Yes

	Santova compliance
Chapter 7 – Internal Audit	
Boards ensure an effective risk-based internal audit	In process
Internal audit to provide written assessment of the effectiveness of the Company's system of internal controls and risk management	In process
Audit Committee is responsible for overseeing the internal audit function	Yes
Internal audit positioned to understands the strategy of the Company, and that it can achieve its objectives?	In process
Chapter 8 – Governing Stakeholder Relationships	
Board appreciates that stakeholder perceptions affect the Company's reputation	Yes
Board delegates to management the responsibility to proactively deal with stakeholder relationships?	Yes
Board strives to achieve an appropriate balance between its various stakeholder groupings	No
Board ensures equitable treatment of stakeholders	Yes
Board ensures transparent and effective communication with stakeholders	Yes
Board ensures effective, efficient and expeditious resolution of disputes with stakeholders	Yes
Chapter 9 – Integrated Reporting and Disclosure	
Board sets the tone/culture with respect to sustainability	Yes
Company to have a mission statement or codified policy on sustainability	No
Board ensures the integration of strategy and sustainability	Yes
Board to have a formal mandate/stated objective to ensure sustainability	No
Company to have mechanisms in place to measure sustainability	No
Company to prepare an integrated report	Yes
Sustainability reporting and disclosure integrated with the Company's financial reporting	Yes
Are sustainability reporting and disclosure independently assure	No
Does the Board have a formal climate change strategy	No

Santova Limited

Incorporated in the Republic of South Africa
(Registration number: 1998/018118/06)
Share code on JSE: SNV ISIN: ZAE000159711
("Santova" or "the Company")

NOTICE OF GENERAL MEETING

Shareholders are reminded to take note of the following dates:

Last day to trade in order to be eligible to vote at the general meeting will be	Friday, 11 January 2013
Record date in order to be eligible to vote at the general meeting will be	Friday, 18 January 2013

NOTICE IS HEREBY GIVEN that a general meeting of shareholders of Santova will be held in the Harbour View Boardroom, Santova House, 88 Mahatma Gandhi Road, Durban 4001 on Monday, 28 January 2013 at 10:00, for the purpose of considering, and if deemed fit, passing the following resolutions:

ORDINARY RESOLUTION NUMBER 1: Approval of the acquisition

"That the acquisition, by Santova, of 100% of the sale shares and sale claims of W.M. Shipping Limited from the Sellers for an amount of GBP4 500 000 with effect 1 September 2012 be approved."

A summary of the terms of the acquisition agreement can be found in paragraph 2.3 on page 6 of this circular.

The reason for and effect of the passing of ordinary resolution number 1 is to authorise the acquisition of W.M. Shipping Limited so that it becomes a 100% subsidiary of Santova.

ORDINARY RESOLUTION NUMBER 2: Authority to execute requisite documentation

"That any director of the Company, or the Company Secretary where appropriate, be and hereby is authorised to do all such things and to sign all such documents issued by the Company required to give effect to ordinary resolution number 1."

GENERAL MEETING

Action required: Voting and proxies

- Ordinary resolutions numbers 1 and 2 are subject to a simple majority vote of shareholders present or represented.

A shareholder entitled to attend, speak and vote at the general meeting is entitled to appoint a proxy (who need not be a shareholder of Santova Limited), to attend, speak, and vote in his stead.

Shareholders who are companies or other corporate bodies may by resolution of its directors or other governing body, authorise any person to act as its representative at the general meeting.

Shareholders who have not dematerialised their shares and own name dematerialised shareholders who are unable to attend the general meeting and wish to be represented thereat, must complete and return the attached form of proxy in accordance with the instructions contained therein and return it to the transfer secretaries to be received by no later than 10:00 on Friday, 25 January 2013.

Shareholders who have dematerialised their shares, other than own name registrations, with a Central Securities Depository Participant ("CSDP") or stockbroker, should advise their CSDP or stockbroker as to the action they wish to take. This must be done in terms of the agreement entered into between them and their CSDP or stockbroker. Such shareholders must not return the attached form of proxy to the transfer secretaries. Their instructions must be sent to their CSDP or stockbroker for action. Should such shareholders wish to attend the general meeting, they must first obtain the requisite letter of representation from their CSDP or stockbroker and return it to the transfer secretaries to be received by no later than 10:00 on Friday, 25 January 2013.

By order of the Board

JA Lupton
Company Secretary

Durban
21 December 2012

Registered office

Santova House
88 Mahatma Gandhi Road
Durban
4001
(PO Box 6148, Durban, 4000)

Transfer secretaries

Computershare Investor Services (Pty) Ltd
70 Marshall Street
Johannesburg
2001
(PO Box 61051, Marshalltown, 2107)

Santova
Limited

Incorporated in the Republic of South Africa
(Registration number: 1998/018118/06)
Share code on JSE: SNV ISIN: ZAE000159711
("Santova" or "the Company")

FORM OF PROXY

For use of shareholders who

- are registered as such on the Record date, Friday, 18 January 2013, and who have not dematerialised their shares; or
- hold dematerialised shares in their own name,

at the general meeting of shareholders of the Company to be held in the Habour View Boardroom, Santova House, 88 Mahatma Gandhi Road, Durban at 10:00 on Monday, 28 January 2013.

Beneficial owners who have dematerialised their shares through a CSDP or stockbroker, other than those in own name must provide the CSDP or stockbroker with their voting instructions. Alternatively, they must request the CSDP or stockbroker to provide them with a letter of representation should they wish to attend the meeting in person in terms of the custody agreement entered into between the beneficial owner and the CSDP or stockbroker.

I/We (FULL NAME IN BLOCK LETTERS please) ____________________

of ____________________

(address) ____________________

Telephone: work ________ Telephone: home ________ Cellphone number: ________

being the holder/custodian of [ ] ordinary shares in the Company, hereby appoint

1. __________ of __________ or, failing him/her,

2. __________ of __________ or, failing him/her,

3. the Chairman of the meeting,

as my/our proxy to attend and vote on my/our behalf at the general meeting of shareholders of the Company held for purposes of considering and, if deemed fit, passing with or without modification, the resolutions to be proposed thereat and at each adjournment or postponement thereof, and to vote for and/or against the resolutions and/or abstain from voting in respect of the ordinary shares registered in my/our name/s in accordance with the following instructions (see notes on the reverse of this page):

	Number of shares		
	In favour of	**Against**	**Abstain**
Ordinary resolution number 1 Approval of the acquisition of W.M. Shipping Limited			
Ordinary resolution number 2 Authority to execute requisite documentation			

Signed at __________ on this ____ day of __________ 20____

Signature(s) ____________________

Assisted by (where applicable) (state capacity and full name) ____________________

Full name and capacity ____________________

Please read the notes on the reverse side hereof.

SUMMARY OF RIGHTS CONTAINED IN SECTION 58 OF THE COMPANIES ACT, 2008

1. A shareholder of a company may, at any time and in accordance with the provisions of section 58 of the Companies Act, appoint any individual (including an individual who is not a shareholder) as a proxy to participate in, and speak and vote at, a shareholders' meeting on behalf of such shareholder;
2. a proxy may delegate her or his authority to act on behalf of a shareholder to another person, subject to any restriction set out in the instrument appointing such proxy (see note 9 of the notes to the form of proxy);
3. irrespective of the form of instrument used to appoint a proxy, the appointment of a proxy is suspended at any time and to the extent that the relevant shareholder chooses to act directly and in person in the exercise of any of such shareholder's rights as a shareholder (see note 8 of the notes to the form of proxy);
4. any appointment by a shareholder of a proxy is revocable, unless the form of instrument used to appoint such proxy states otherwise;
5. if an appointment of a proxy is revocable, a shareholder may revoke the proxy appointment by: (i) cancelling it in writing, or making a later inconsistent appointment of a proxy and (ii) delivering a copy of the revocation instrument to the proxy and to the relevant company; and
6. a proxy appointed by a shareholder is entitled to exercise, or abstain from exercising, any voting right of such shareholder without direction, except to the extent that the relevant company's Memorandum of Incorporation, or the instrument appointing the proxy, provides otherwise (see note 2).

NOTES TO THE FORM OF PROXY

1. A shareholder may insert the name of a proxy or the names of two alternative proxies of the shareholder's choice in the space(s) provided, with or without deleting "the Chairman of the meeting", but any such deletion must be signed in full by the shareholder. The person whose name appears first on the 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.
2. A shareholder's instructions to the proxy must be indicated by the insertion of the relevant number of ordinary shares to be voted on behalf of that member in the appropriate box provided. Failure to comply with the above will be deemed to authorise the Chairman of the general meeting, if he is the authorised proxy, to vote in favour of the resolutions at the general meeting, or any other proxy to vote or to abstain from voting at the general meeting as he deems fit, in respect of all the ordinary shares concerned. A shareholder or his proxy is not obliged to use all the votes exercisable by the shareholder or his proxy, but the total of the votes cast and in respect whereof abstentions are recorded may not exceed the total of the votes exercisable by the shareholder or his proxy.
3. When there are joint registered holders of any shares, any one of such persons may vote at the meeting in respect of such shares as if he is solely entitled thereto, but, if more than one of such joint holders be present or represented at any meeting, that one of the said persons whose stands first in the register in respect of such shares or his proxy, as the case may be, shall alone be entitled to vote in respect thereof. Several executors or administrators of a deceased member, in whose name any shares stand, shall be deemed joint shareholders thereof.
4. Every shareholder present in person or by proxy shall, on a poll, have one vote for every ordinary share held, whereas on a show of hands, shareholders present in person, by proxy or by authorised representative shall have one vote each.
5. Forms of proxy must be completed and returned to be received by the transfer secretaries of the Company, Computershare Investor Services (Pty) Ltd, 7th Floor, 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107), by no later than 10:00 on Friday, 25 January 2013.
6. Any alteration or correction made to this form of proxy must be signed in full by the signatory/ies and not initialled.
7. Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity must be attached to this form of proxy unless previously recorded by the Company's transfer secretaries or waived by the Chairman of the general meeting.
8. The completion and lodging of this form of proxy will not preclude the relevant 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 shareholder wish to do so.
9. Any proxy appointed pursuant to this form of proxy may delegate his/her authority to act on behalf of the relevant Shareholder

Beneficial owners who have dematerialised their shares through a Central Securities Depository Participant ("CSDP") or stockbroker, other than those in own name must provide the CSDP or stockbroker with their voting instruction. Alternatively, they must request the CSDP or stockbroker to provide them with a letter of representation should they wish to attend the meeting in person in terms of the custody agreement entered into between the beneficial owner and the CSDP or stockbroker.

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