

HRV BEE (Pty) Ltd  
B-BBEE Approved  
Registration Auditor  
Registration No.: 879975B



7 Collins Road  
Arboretum  
Bloemfontein  
9301  
Tel: 051 448 8188  
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**Broad-Based Black Economic Empowerment  
Qualifying Small Enterprise Verification Certificate**

Certificate No.: 02/B-BBEE: QSE12/02/2014/F464

**NEWTONS**

Registration number : N/A  
Vat number : 4470104102  
Physical location : 27 PARK ROAD, WILLOWS, BLOEMFONTEIN  
Postal Address : P O BOX 20292, WILLOWS, BLOEMFONTEIN, 9320

This entity is confirmed to be a Qualifying Small Enterprise. The verification thereof was based on the principles contained in Codes of Good Practice as promulgated on 9 February 2007 (Gazette no. 29617), issued in terms of Section 9 of the B-BBEE Act 53 of 2003 & the Chartered Accountancy Sector Code, gazetted on 10 May 2011. The financial information for the year ended 28 February 2013 were scrutinized. Our independent opinion of the BEE status of the entity based on the information provided to us is as follows:

BEE status level:	Level One
Procurement Recognition Level:	135%
Black ownership:	0.00%
Black ownership (modified flow-through):	0.00%
Black woman ownership:	Not measured
Value Adding Supplier:	YES

	<u>Weighting</u>	<u>Score</u>
Ownership:	25	Not chosen
Management Control:	25	Not chosen
Employment Equity:	25	Not chosen
Skills Development:	25	25.00
Preferential Procurement:	25	25.00
Enterprise Development:	25	25.00
Socio-Economic Development:	25	25.00
Overall Score:	100	100.00


Although the abovementioned is the current level of turnover / income and is closely related to the economic indicators, it may be more or less in future. Consequently, this Certificate does not serve as a guarantee that the income reflected will continue at the same levels.

Based on our work performed, we have no reason to believe that the B-BBEE status reflected in this Certificate has not been calculated in all material respects, in accordance with the Codes of Good Practice on Black Economic Empowerment, gazetted on 9 February 2007 in terms of the Broad-Based Black Economic Empowerment Act of South Africa & the Chartered Accountancy Sector Code, gazetted on 10 May 2011.

Our limited assurance report dated 12-Feb-14 is available for inspection at the registered office of NEWTONS together with the accompanying detailed B-BBEE Scorecard and should be referred to for an understanding of our limited assurance engagement and the extent of work performed.

This Certificate has been determined, on the basis of information provided by management. We do not accept or assume responsibility to anyone other than those who engaged us, for our work, for this report, or for the conclusion we have reached.



  
Suné Kotzé  
Registered Auditor Registration No.: 879975B  
B-BBEE Approved Registered Auditor



Date of issue : 12-Feb-14  
Expiry date : 11-Feb-15  
Period of validity : 12 months



HRV BEE (Pty) Ltd  
B-BBEE Approved Registered Auditor:  
Suné Kotzé  
Registration No.: 879975B

NEWTONS

Certificate No.: 02/B-BBEE: QSE12/02/2014/F464

Expiry date: 11/02/2015

## LIMITED ASSURANCE REPORT OF THE INDEPENDENT B-BBEE APPROVED REGISTERED AUDITOR

To the management of NEWTONS

We have completed our limited assurance engagement on the B-BBEE Status as at 12-Feb-14, as set out on page 1 of the Broad-Based Black Economic Empowerment ("B-BBEE") Verification Certificate, Certificate No.: 02/B-BBEE: QSE12/02/2014/F464 of NEWTONS (the "Certificate"), and the Scorecard as set out on page 3 of the Certificate. We clarify that our engagement is on the basis of information provided by management.

### Responsibility of management

The management are responsible for the preparation of the Scorecard and determining the B-BBEE status in accordance with the Codes of Good Practice on Black Economic Empowerment ("the Codes of Good Practice"), gazetted on 9 February 2007 in terms of the Broad-Based Black Economic Empowerment Act of South Africa ("the B-BBEE Act") & the Chartered Accountancy Sector Code, gazetted on 10 May 2011. The management are also responsible for such internal control as management determines is necessary to enable the preparation of information and the B-BBEE Scorecard that is free from material misstatement, whether due to fraud or error.

### Responsibility of B-BBEE Approved registered auditor

Our responsibility is to express a limited assurance conclusion on the B-BBEE Status reflected in the Certificate based on the procedures we have performed. We conducted our limited assurance engagement in accordance with the South African Standard on Assurance Engagements (SASAE) 3502: Assurance Engagements on Broad Based Black Economic Empowerment (B-BBEE) Verification Certificates. This standard requires us to comply with ethical requirements and to plan and perform this engagement to obtain limited assurance about whether the Certificate is free from material misstatement.

A limited assurance engagement with respect to a B-BBEE Verification Certificate involves performing procedures regarding the Scorecard and B-BBEE Status of the measured entity based on the criteria and requirements contained in the Codes of Good Practice. The procedures performed depend on the assurance provider's judgement. The nature of those procedures is different from and the extent is substantially less than in a reasonable assurance engagement, and consequently they do not enable us to obtain the assurance necessary to become aware of all significant matters that might be identified in a reasonable assurance engagement.

We believe that the evidence we have obtained in our limited assurance engagement is sufficient and appropriate to provide a basis for our conclusion.

### Summary of work performed

Our work performed included:

- 1) Obtaining an understanding of the entity and its environment and the underlying records sufficient to identify areas in the Scorecard where material misstatements are likely to arise, and to be able to design procedures to address those areas;
- 2) Inquiring of management and employees responsible for the preparation of the B-BBEE compliance information;
- 3) Performing such additional procedures as we considered necessary;
- 4) Re-performing calculations to determine whether the scores reflected in the Scorecard have been classified and determined in all material respects in accordance with the Codes of Good Practice.

### Limited assurance conclusion

Based on our procedures performed, nothing has come to our attention that causes us to believe that the B-BBEE Status reflected in the Certificate has not been determined, in all material respects, in accordance with the Codes of Good Practice gazetted on 9 February 2007 in terms of the B-BBEE Act & the Chartered Accountancy Sector Code, gazetted on 10 May 2011.

### Restriction on liability

Our engagement has been undertaken so that we are able to report to NEWTONS in accordance with the terms of our engagement. We do not accept or assume responsibility to anyone other than NEWTONS, for our work, for this report, or for the conclusion we have reached.

Suné Kotzé

Registered Auditor Registration No.: 879975B

B-BBEE Approved Registered Auditor

Date signed: 12-Feb-14



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B-BBEE Approved Registered  
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Expiry date: 11/02/2015

**BROAD-BASED BLACK ECONOMIC EMPOWERMENT – QSE SCORECARD (CA SECTOR CODE)**

CATEGORY	CRITERIA		WEIGHTING POINTS	COMPLIANCE TARGET	TARGET ACHIEVED	SCORE ACHIEVED
CODE SERIES 801 – OWNERSHIP						
801.1 VOTING RIGHTS	801.1	EXERCISABLE VOTING RIGHTS IN THE ENTERPRISE IN THE HANDS OF BLACK PEOPLE	10	32.5%	0.00%	.00
801.2 ECONOMIC INTEREST	801.2	ECONOMIC INTEREST IN THE ENTERPRISE TO WHICH BLACK PEOPLE ARE ENTITLED	15	32.5%	0.00%	.00
801.3 BONUS POINTS	801.3	EXERCISABLE VOTING RIGHTS IN THE ENTERPRISE IN THE HANDS OF BLACK PEOPLE, FOR HAVING ACHIEVED THE FOLLOWING TARGETS:				
		BETWEEN 32.5% AND 39%	1	32.5% - 39%		
		BETWEEN 40% AND 49%	2	40% - 49%	0.00%	.00
		50% OR MORE	3	50% OR MORE		
TARGET			28	SCORE ACHIEVED		0.00
CODE SERIES 802 – MANAGEMENT CONTROL						
802.1 TOP MANAGEMENT PARTICIPATION	802.1	BLACK REPRESENTATION AT TOP MANAGEMENT LEVEL	25	50.1%	0.00%	.00
802.2 BONUS POINTS	802.2	BLACK WOMAN REPRESENTATION AT TOP MANAGEMENT LEVEL	2	25%	0.00%	.00
TARGET			27	SCORE ACHIEVED		0.00
CODE SERIES 803 – EMPLOYMENT EQUITY						
803.1 EMPLOYMENT EQUITY	803.1.1	BLACK EMPLOYEES WHO ARE MANAGEMENT AS A % OF ALL MANAGEMENT (USING ADJUSTED RECOGNITION FOR GENDER)	15	60%	0.00%	.00
	803.1.2	BLACK EMPLOYEES AS A % OF ALL EMPLOYEES (USING ADJUSTED RECOGNITION FOR GENDER)	10	70%	0.00%	.00
803.2 BONUS POINTS	803.2.1	MEETING OR EXCEEDING THE EAP TARGETS	2			.00
TARGET			27	SCORE ACHIEVED		0.00
CODE SERIES 804 – SKILLS DEVELOPMENT						
804.10 LEARNING PROGRAMMES	804.1	ADJUSTED SKILLS DEVELOPMENT SPEND ON LEARNING PROGRAMMES FOR BLACK EMPLOYEES AS A % OF LEVIABLE AMOUNT (INCLUDING AMOUNTS SPENT ON LEARNERSHIPS)	25	2%	4.18%	25.00
TARGET			25	SCORE ACHIEVED		25.00
CODE SERIES 805 – PREFERENTIAL PROCUREMENT						
805.1 PREFERENTIAL PROCUREMENT	805.1	BEE PROCUREMENT SPEND FROM ALL SUPPLIERS BASED ON PROCUREMENT RECOGNITION LEVELS AS A % OF TOTAL MEASURED PROCUREMENT SPEND	25	50%	52.63%	25.00
TARGET			25	SCORE ACHIEVED		25.00
CODE SERIES 806 – ENTERPRISE DEVELOPMENT						
806.1 ENTERPRISE DEVELOPMENT	806.1	AVERAGE ANNUAL VALUE OF ALL QUALIFYING ENTERPRISE DEVELOPMENT CONTRIBUTIONS AS A % OF NPAT	25	2.0%	5.17%	25.00
TARGET			25	SCORE ACHIEVED		25.00
CODE SERIES 807 – SOCIO-ECONOMIC DEVELOPMENT						
807.1 SOCIO-ECONOMIC DEVELOPMENT	807.1	AVERAGE ANNUAL VALUE OF ALL QUALIFYING SOCIO-ECONOMIC DEVELOPMENT CONTRIBUTIONS AS A % OF NPAT	25	1.0%	1.67%	25.00
TARGET			25	SCORE ACHIEVED		25.00
TOTAL SCORE ACHIEVED:						100.00

**RESULT OF SCORE ACHIEVED:**

BEE STATUS LEVEL: Level One

BEE PROCUREMENT RECOGNITION LEVEL: 135 %

B-BBEE Contributor Status	Scorecard - Overall Score	Procurement Recognition Level
Level 1 contributor	= 100 points	135.00%
Level 2 contributor	= 85 -< 100 points	125.00%
Level 3 contributor	= 75 -< 85 points	110.00%
Level 4 contributor	= 65 -< 75 points	100.00%
Level 5 contributor	= 55 -< 65 points	80.00%
Level 6 contributor	= 45 -< 55 points	60.00%
Level 7 contributor	= 40 -< 45 points	50.00%
Level 8 contributor	= 30 -< 40 points	10.00%
Non-compliant contributor	= < 30 points	0.00%