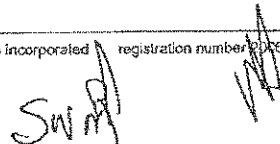


## ORDINARY SCHEME DRAFT TERMS

1. Words and expressions defined in this Annexure E shall bear the following meanings -
- 1.1. "Appraisal Rights" means the rights afforded to BCX Shareholders in terms of section 164 of the Companies Act as set out in the Ordinary Scheme;
  - 1.2. "BCX" or the "Company" means Business Connexion Group Limited (registration number 1988/005282/06), a company duly incorporated and registered under the company laws of South Africa;
  - 1.3. "BCX A Shares" means ordinary class A shares having a par value of R0.0059 each in the Share Capital;
  - 1.4. "BCX Board" means the board of directors of BCX from time to time;
  - 1.5. "BCX Ordinary Shareholders" means the registered holders of Ordinary Shares;
  - 1.6. "Certificated Share" means a BCX Share that has not been Dematerialised, title to which is evidenced by a Document of Title;
  - 1.7. "CSDP" means a person that holds in custody and administers securities or an interest in securities and that has been authorised in terms of section 31 of the Financial Markets Act No 19 of 2012 by a central securities depository as a participant in that central securities depository;
  - 1.8. "Dematerialise" or "Dematerialisation" means the process by which Certificated Shares are deposited with a CSDP and the Documents of Title evidencing such Certificated Shares are replaced by an electronic record of such shares in a sub-register of BCX Shareholders maintained by such CSDP;
  - 1.9. "Dematerialised Share" means a BCX Share that has been Dematerialised or has been issued in dematerialised form, and is held on a sub-register of BCX Shareholders administered by a CSDP;
  - 1.10. "Dissenting Shareholders" means BCX Shareholders who validly exercise their Appraisal Rights by validly demanding, in terms of sections 164(5) to 164(8) of the Companies Act, that the Company pay them the fair value of all of their BCX Ordinary Shares;
  - 1.11. "Document of Title" means a share certificate, certified transfer deed, balance receipt or any other physical document of title acceptable to BCX in respect of BCX Shares;
  - 1.12. "Excluded Shareholders" means the holders of the Treasury Shares;

- 1.13. "Implementation Agreement" means the agreement to which this Annexure E is attached;
- 1.14. "JSE" means a limited liability public company duly incorporated in South Africa and licensed to operate as an exchange under the Financial Markets Act and operated by JSE Limited (registration number 2005/022939/06), a public company duly incorporated in South Africa;
- 1.15. "Last Practicable Date" means the last practicable date prior to the finalisation of this Scheme, being [\*] 2014;
- 1.16. "Ordinary Scheme" means the scheme of arrangement in terms of section 114(c) of the Companies Act, proposed by the Board between BCX and the BCX Ordinary Shareholders (other than the Excluded Shareholders) registered as such on the Ordinary Scheme Record Date, in terms of which Telkom will, if the Ordinary Scheme becomes operative, acquire the Ordinary Shares held by Ordinary Scheme Participants for the Ordinary Scheme Consideration;
- 1.17. "Ordinary Scheme Conditions" means the conditions precedent to which the Ordinary Scheme is subject, as set out in the remaining terms of the Ordinary Scheme;
- 1.18. "Ordinary Scheme Consideration" means the cash consideration payable to the Ordinary Scheme Participants in terms of the Ordinary Scheme, being the amount of R6.60 per Ordinary Scheme Share, subject the remaining terms of the Ordinary Scheme;
- 1.19. "Ordinary Scheme Finalisation Date" means the date on which all the Ordinary Scheme Conditions shall have been fulfilled or waived, as the case may be;
- 1.20. "Ordinary Scheme LDT" means the last day to trade BCX Ordinary Shares on the JSE in order to participate in the Ordinary Scheme, being the Friday following the week in which the Ordinary Scheme Finalisation Date occurs or such other date as the JSE may direct, which date is expected to be [Friday, 20 June 2014];
- 1.21. "Ordinary Scheme Operative Date" means the date on which the Ordinary Scheme becomes operative, being the first Monday immediately following the Ordinary Scheme Record Date, or such other date as the JSE may direct, which operative date is expected to be [Monday, 6 October 2014];
- 1.22. "Ordinary Scheme Participants" means all shareholders of the Company who hold Ordinary Shares recorded in the Register at the close of business on the Ordinary Scheme Record Date, being shareholders of the Company who are entitled to receive the Ordinary Scheme Consideration therefor, but excluding the Excluded Shareholders and the Dissenting Shareholders who have not, whether voluntarily or pursuant to a final order of court, withdrawn their demands made in terms of section 164(5) and 164(8) of the



Companies Act before the Ordinary Scheme Record Date, or allowed any offers made to them in terms of section 164(11) of the Companies Act to lapse before the Ordinary Scheme Record Date;

- 1.23. "Ordinary Scheme Record Date" means the date on and time at which an Ordinary Shareholder must be recorded in the Register in order to receive the Ordinary Scheme Consideration, being the close of business on the first Friday following the Ordinary Scheme LDT, or such other date and time as the JSE may direct, which date and time is expected to be [17h00 on Friday, 27 June 2014];
- 1.24. "Ordinary Shares" or "BCX Ordinary Shares" means BCX ordinary shares having a par value of R0,0059 in the Share Capital of BCX;
- 1.25. "Register" means BCX's securities register, including all relevant sub-registers;
- 1.26. "Share Capital" means the issued share capital of BCX which comprises the BCX Ordinary Shares and the BCX A Shares;
- 1.27. "Transfer Secretary" means Computershare Investor Service Proprietary Limited (registration number 2004/003647/07), a private company duly incorporated and registered under the company laws of South Africa; and
- 1.28. "Treasury Shares" means 19,009,444 Ordinary Shares held by BCX, representing 4.7% of BCX's total issued Ordinary Share capital.

## 2. Ordinary Scheme Terms

- 2.1. In terms of section 114(1)(c) of the Companies Act, the BCX Board proposes the Ordinary Scheme as set out in this Annexure E between BCX and the BCX Ordinary Shareholders (other than Excluded Shareholders).
- 2.2. In terms of the Ordinary Scheme, Telkom will acquire the Ordinary Shares from the Ordinary Scheme Participants and each of the Ordinary Scheme Participants will receive the Ordinary Scheme Consideration, being R6.60 per Ordinary Share, payable in cash.
- 2.3. Subject to the Ordinary Scheme becoming unconditional with effect from the Scheme Operative Date:
- 2.3.1. the Ordinary Scheme Participants (whether they voted in favour of the Ordinary Scheme Special Resolution or not, or abstained or refrained from voting) shall be deemed to have disposed of (or shall be deemed to have undertaken to transfer) their Ordinary Shares, free of encumbrances, to Telkom with effect from the Ordinary Scheme Operative Date in exchange for the Ordinary Scheme Consideration and Telkom shall be deemed to have acquired

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registered and beneficial ownership of all the Ordinary Shares with effect from the Ordinary Scheme Operative Date against discharge of the Ordinary Scheme Consideration;

2.3.2. Ordinary Scheme Participants shall be deemed to have:

2.3.2.1. irrevocably authorised and instructed BCX to instruct and authorise every CSDP or broker concerned to transfer, against receipt of the Ordinary Scheme Consideration, the Ordinary Shares of the Ordinary Scheme Participant holding Dematerialised Shares to Telkom in the manner described in sections 53(1) and (2) of the Companies Act;

2.3.2.2. irrevocably authorised and instructed BCX to dispose, and procure the transfer, of the Ordinary Shares to Telkom, which will be deemed to have acquired ownership of the Ordinary Shares of the Ordinary Scheme Participants holding Certificated Shares in exchange for the payment by Telkom of the Ordinary Scheme Consideration;

2.3.2.3. irrevocably authorised and instructed BCX as their agent to procure the transfer and cession of the Ordinary Shares into the name of Telkom; and

2.3.2.4. irrevocably authorised and instructed BCX as principal, but with the power to appoint agents, to collect from Telkom the Ordinary Scheme Consideration for delivery to the Ordinary Scheme Shareholders;

2.3.3. each Ordinary Scheme Participant shall be deemed to have ceded and transferred to Telkom, on the Ordinary Scheme Operative Date, all of the Ordinary Shares, and all right, title and interest in such Ordinary Shares, held by each such Ordinary Scheme Participant, without any further act or instrument being required; and

2.3.4. Ordinary Scheme Participants shall be entitled to receive the Ordinary Scheme Consideration against transfer of the Ordinary Shares, subject to the remaining provisions of the Ordinary Scheme.

2.4. Subject to the remaining provisions of the Ordinary Scheme in respect of Dissenting Shareholders, on the Ordinary Scheme Operative Date, BCX shall instruct the Transfer Secretary and relevant CSDPs to record the transfer of Ordinary Shares to Telkom in BCX's share register (including all sub-registers in respect of Dematerialised Shares). BCX shall

do all such things and take all such steps (including the signing of any transfer form and instructing of any CSDP or its nominee) in order to record or effect that cession and transfer of ownership and registration.

- 2.5. The Ordinary Scheme Consideration shall not bear interest.
- 2.6. BCX, as principal, shall procure that Telkom complies with its obligations under the Ordinary Scheme, and BCX alone shall have the right to enforce those obligations (if necessary) against Telkom.
- 2.7. The rights of the Ordinary Scheme Participants to receive the Ordinary Scheme Consideration will be rights enforceable by Ordinary Scheme Participants against BCX only. Ordinary Scheme Participants will be entitled to require BCX to enforce its rights in terms of the Ordinary Scheme against Telkom.
- 2.8. Ordinary Scheme Participants shall not be entitled to require BCX to deliver or procure the delivery of the Ordinary Scheme Consideration if BCX or its agents have not received the Ordinary Scheme Consideration or to hold BCX liable for damages or the payment of any amount, save to the extent that BCX itself is in breach of its obligations in terms of the Ordinary Scheme.
- 2.9. The effect of the Ordinary Scheme will, amongst other things, be that Telkom shall, with effect from the Scheme Operative Date and against discharge of the Ordinary Scheme Consideration, become the registered and beneficial owner of all the Ordinary Scheme Shares, free of encumbrances, and the Scheme Participants shall receive the Ordinary Scheme Consideration. The Ordinary Scheme shall not result in any of the Ordinary Shares being transferred to any person other than Telkom and none of the Ordinary Scheme Consideration shall be discharged or paid to any person other than the Ordinary Scheme Participants.
- 2.10. After close of trading on the JSE on the Ordinary Scheme LDT, BCX Ordinary Shares may no longer be traded on the JSE or ceded, transferred or disposed of to any person, other than Telkom pursuant to the Ordinary Scheme or BCX pursuant to the Appraisal Rights. The effect of the Ordinary Scheme, inter alia, will be that Telkom will, with effect from the Ordinary Scheme Operative Date, become the registered and beneficial owner of all the Ordinary Shares.
- 2.11. Telkom and BCX have agreed that, upon the Ordinary Scheme becoming operative, they will give effect to the terms and conditions of the Ordinary Scheme and will take all actions and sign all necessary documents to give effect to the Ordinary Scheme.
- 2.12. Each Ordinary Scheme Participant is deemed, on the Ordinary Scheme Operative Date, to have warranted and undertaken in favour of BCX and Telkom that the relevant Ordinary

Shares are not subject to a pledge or otherwise encumbered, or if subject to any such pledge or other encumbrances, that such Ordinary Shares shall be released from such pledge or other encumbrance immediately following payment and discharge of the Ordinary Scheme Consideration.

- 2.13. Subject to the fulfilment or waiver, as the case may be, of all the Ordinary Scheme Conditions, the Ordinary Scheme will be implemented with effect from the Ordinary Scheme Operative Date.
- 2.14. If the Implementation Agreement is validly terminated, the Ordinary Scheme will not be implemented.