

*Broad-Based Black Economic Empowerment
Verification Certificate*

CCII SYSTEMS (PTY) LTD

Certificate No: QSE2043 / 2016

Registration No: 1990/005058/07
Vat No: 4340130915
Address: REAL-TIME HOUSE
GREENFORD OFFICE ESTATE
KENILWORTH

Verification Standard Applied: Information and Communication Technology Charter
Issue of the rating standard applied: Section 9(1) of the B-BBEE Act 53 of 2003
Scorecard Applied: Qualifying Small Enterprise
Size of the enterprise: Between R5 million and R35 million annual turnover

| Element | Weighting | Score |
|----------------------------|-------------------|--------------|
| Ownership | 25 points | - |
| Management Control | 25 points | - |
| Employment Equity | 25 points | 22.32 |
| Skills Development | 25 points | 21.76 |
| Preferential Procurement | 25 points | - |
| Enterprise Development | 25 points | 24.96 |
| Socio-Economic Development | 25 points | 24.97 |
| Overall Score | 100 points | 94.01 |

Broad Based BEE status level: A level TWO contributor to B-BBEE.
BEE procurement recognition level: 125 %
Black Ownership: 0%
Black Women Ownership: 0%
Value Adding Supplier (Yes /No): Yes

Although the above mentioned 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 determined, in all material respects, in accordance with the B-BBEE Codes of Good Practice on Black Economic Empowerment, gazetted on 9 February 2007 in terms of the Broad-Based Black Economic Act of South Africa. Our independent limited assurance report is available for inspection at the registered office of the above mentioned entity 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.



Cornelius Jansen van Dyk
B-BBEE Approved Registered Auditor number: 507128B
B-BBEE Approved Registered Auditor.

Date of issue: 16 February 2016
Expiry date: 15 February 2017
Period of validity: 12 months

Name of Measured Entity:

CCII SYSTEMS (PTY) LTD

Certificate number:

QSE2043 / 2016

B-BBEE Approved Registered Auditor:

Corné van Dyk

B-BBEE Approved Registered Registration No:

507128B

**CODE SERIES 801: MEASUREMENT OF THE OWNERSHIP ELEMENT FOR QSE**

| Weighting Points | Ownership | Weighting Points | Compliance Target | Score |
|------------------|---|------------------|-------------------|----------|
| 25 | 1.1 Voting Rights | | | |
| | 1.1.1 Exercisable Voting Rights in the Enterprise in the hands of black people | 6 | 30% | - |
| | 1.2 Economic Interest | | | |
| | 1.2.1 Economic Interest of black people in the Enterprise | 9 | 30% | - |
| | 1.3 Realisation Points | | | |
| | 1.3.1 Ownership Fulfilment | 1 | | - |
| | 1.3.2 Net Value | 9 | | - |
| 3 | 1.4 Bonus Points | | | |
| | 1.4.1 Involvement in the ownership of the Enterprise by black women | 2 | 10% | - |
| | 1.4.2 Involvement in the ownership of the Enterprise by black participants in Employee Ownership Schemes, Co-Operatives or Broad-based Ownership Shemes | 1 | 10% | - |
| Total | | 28 | | - |

CODE SERIES 802: MEASUREMENT OF THE MANAGEMENT CONTROL ELEMENT FOR QSE

| Weighting points | Management Control | Weighting points | Compliance Target | Score |
|------------------|--|------------------|-------------------|----------|
| 25 | Black Representation at Top Management Level using the Adjusted Recognition for Gender | 25 | 50.10% | - |
| 2 | Bonus points: Black Women Representation at Top Management Level | 2 | 25% | - |
| Total | | 27 | | - |

CODE SERIES 803: MEASUREMENT OF THE EMPLOYMENT EQUITY ELEMENT FOR QSE

| Weighting Points | Employment Equity | Weighting Points | Compliance Target | Score |
|------------------|--|------------------|-------------------|--------------|
| 25 | Black employees of the Measured Entity who are Management as a percentage of all Management adjusted using the Adjusted Recognition for Gender | 15 | 60% | 13.75 |
| | Black employees of the Measured Entity as a percentage of all employees adjusted using the Adjusted Recognition for Gender | 10 | 70% | 8.57 |
| 2 | Bonus points for meeting or exceeding the EAP targets in each category above | 2 | | 0.00 |
| Total | | 27 | | 22.32 |

Name of Measured Entity:

CCII SYSTEMS (PTY) LTD

Certificate number:

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**CODE SERIES 804: MEASUREMENT OF THE SKILLS DEVELOPMENT ELEMENT FOR QSE**

| Weighting points | Skills Development | Weighting points | Compliance Target | Score |
|------------------|---|------------------|-------------------|-------------|
| 25 | Adjusted Skills Development Spend on Learning Programmes for Black employees as a percentage of Leviable Amount | 25 | 2% | 0.00 |
| Total | | 25 | | 0.00 |

CODE SERIES 805: MEASUREMENT OF THE PREFERENTIAL PROCUREMENT ELEMENT FOR QSE

| Weighting points | Preferential Procurement | Weighting points | Compliance Target | Score |
|------------------|--|------------------|-------------------|----------|
| 25 | B-BBEE Procurement Spend from all Suppliers based on the B-BBEE Procurement Recognition Levels as a percentage of the Total Measured Procurement Spend | 25 | 50% | - |
| Total | | 25 | | - |

CODE SERIES 806: MEASUREMENT OF THE ENTERPRISE DEVELOPMENT ELEMENT FOR QSE

| Weighting points | Enterprise Development | Weighting points | Compliance Target | Score |
|------------------|---|------------------|-------------------|--------------|
| 25 | Average Annual value of all Qualifying Contributions made by the Measured Entity as a percentage of the target. | 25 | 2% of NPAT | 24.96 |
| Total | | 25 | | 24.96 |

CODE SERIES 807: MEASUREMENT OF THE SOCIO-ECONOMIC DEVELOPMENT ELEMENT FOR QSE

| Weighting Points | Socio-Economic Development | Weighting Points | Compliance Target | Score |
|------------------|--|------------------|-------------------|--------------|
| 25 | Average Annual value of all Socio-Economic Development Contributions and Approved Socio-Economic Development Contributions made by the Measured Entity as a percentage of the target | 25 | 1.5% of NPAT | 24.97 |
| Total | | 25 | | 24.97 |

LIST OF CONTRIBUTIONS TOWARDS ENTERPRISE DEVELOPMENT:

| Date | Beneficiary | Type of Contribution | Amount |
|------------|--------------------------|----------------------|-------------|
| 31/08/2015 | SHANDUKA BLACK UMBRELLAS | Grant Contribution | R 35 000.00 |
| 30/11/2015 | SHANDUKA BLACK UMBRELLAS | Grant Contribution | R 8 715.00 |

LIST OF CONTRIBUTIONS TOWARDS SOCIO-ECONOMIC DEVELOPMENT:

| Date | Beneficiary | Type of Contribution | Amount |
|------------|---|----------------------|-------------|
| 03/12/2015 | ARMSCOR DEFENCE INDUSTRY BURSARY SCHEME | Grant Contribution | R 41 000.00 |

LIMITED ASSURANCE REPORT OF THE INDEPENDENT B-BBEE APPROVED REGISTERED AUDITOR**To the directors/members of CCII SYSTEMS (PTY) LTD**

We have completed our limited assurance engagement on the B-BBEE Status as set out on page 1 of the Broad-Based Black Economic Empowerment ("B-BBEE") Verification Certificate of the measured entity (the "Certificate"), and the Scorecard as set out on pages 2 to 3 of the Certificate. We clarify that our engagement is on the basis of information provided by management.

Directors' responsibility

The directors/members 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 directors 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.

B-BBEE Approved registered auditor's responsibility

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:

- 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;
- Inquiring of management and employees responsible for the preparation of the B-BBEE compliance information;
- Performing such additional procedures we considered necessary;
- 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.

Restriction on liability

Our engagement has been undertaken so that we are able to report to those who engaged us in accordance with the terms of our engagement. 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.