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Broad-Based Black Economic Empowerment Verification Certificate

Entity Name: **Brownrygg Trading (Pty) Ltd t/a Precision Hydraulics**
 Certificate No: **QSE/2015/11/30/506_27218**
 Type of Entity: **Close Corporation**
 Registration No: **1987/02411/23**
 VAT No: **4230123178**
 Postal Address: **P.O. Box 13162, Noordstad, 9302**
 Physical Address: **6 Phillip Fourie Street, New East End, Bloemfontein, 9301**
 Verification Standard Applied: **DTi Codes of Good Practice on Black Economic Empowerment**
 Issue of the Rating Standard Applied: **Section 9 of B-BBEE Act 53 of 2003**
 Scorecard Applied: **QSE Scorecard**
 Size of the Entity: **Small Enterprise (<R35million)**

ELEMENT	WEIGHTING	SCORE
Ownership	0.00	0.00
Management Control	0.00	0.00
Employment Equity	25	17.24
Skills Development	0.00	0.00
Preferential Procurement	25	20.55
Enterprise Development	25	25.00
Socio-economic Development	25	22.48
OVERALL SCORE	100.00	85.27

Broad Based BEE status level **Level 2** Black Ownership **0.00%**
 BEE procurement recognition level **125.00%** Black Women Ownership **0.00%**
 Value Adding Supplier **Yes**

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 Empowerment Act of South Africa. The Certificate does not serve as a guarantee that the income reflected will continue at the same levels.

Our independent limited assurance report dated 30 November 2015, is available for inspection at the registered office of Brownrygg Trading (Pty) Ltd t/a Precision Hydraulics together with the accompanying Scorecard and should be referred to for an understanding of our assurance engagement.

This Certificate has been determined, on the basis of information provided by management that may not be complete in all respects. We do not accept or assume responsibility to anyone other than Brownrygg Trading (Pty) Ltd t/a Precision Hydraulics, for our work, for this report, or for the conclusion we have reached.

B-BBEE Approved Registered Auditor: Wayne G. Harrison CA(SA)
 B-BBEE Approved Registered Auditor Registration Nr: 397075 B

Date of issue: 30 November 2015
Expiry Date: 29 November 2016
Period of validity: 12 Months

Date of Issue: 30 November 2015

BROWNRYGG TRADING (PTY) LTD T/A PRECISION HYDRAULICS

Certificate Number: QSE/2015/11/30/506_27218

Expiry Date: 29 November 2016

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

To the director(s) of Brownrygg Trading (Pty) Ltd t/a Precision Hydraulics

We have completed our limited assurance engagement on the B-BBEE Status as at 30 November 2015, as set out on page 1 of the Broad-Based Black Economic Empowerment ("B-BBEE") Verification Certificate of Brownrygg Trading (Pty) Ltd t-a Precision Hydraulics (the "Certificate"), and the Scorecard as set out on the pages below. We clarify that our engagement is on the basis of information provided by management.

Directors' responsibility

The directors are responsible for the preparation of the Scorecard and determining the B-BBEE status in accordance with the B-BBEE Codes of Good Practice on Black Economic Empowerment, gazetted on 9 February 2007. 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 B-BBEE Codes of Good Practice on Black Economic Empowerment, gazetted on 9 February 2007. 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 Brownrygg Trading (Pty) Ltd t/a Precision Hydraulics 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

- 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 as 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 B-BBEE Codes of Good Practice on Black Economic Empowerment, gazetted on 9 February 2007.

Date of Issue: 30 November 2015

BROWNRYGG TRADING (PTY) LTD T/A PRECISION HYDRAULICS

Certificate Number: QSE/2015/11/30/506_27218

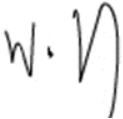
Expiry Date: 29 November 2016

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 B-BBEE Codes of Good Practice on Black Economic Empowerment, 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 Brownrygg Trading (Pty) Ltd t/a Precision Hydraulics in accordance with the terms of our engagement. We do not accept or assume responsibility to anyone other than Brownrygg Trading (Pty) Ltd t/a Precision Hydraulics, for our work, for this report, or for the conclusion we have reached.



B-BBEE Approved Registered Auditor: Wayne G. Harrison CA(SA)

B-BBEE Approved Registered Auditor Registration Nr: 397075 B

Date of Issue: 30 November 2015

BROWNRYG TRADING (PTY) LTD T/A PRECISION HYDRAULICS

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CODE SERIES OWNERSHIP ELEMENT OF B-BBEE FOR QSE ENTERPRISES				
Criteria	Points	Target	Actual	Score
Exercisable Black Voting Rights	6.00	25%+1 Vote	0.00%	0.00
Economic interest - black people	9.00	25.00%	0.00%	0.00
Ownership Fulfilment	1.00	Yes/No	No	0.00
Net Equity Value	9.00	formula	0.00%	0.00
Involvement of Black Women	2.00	10.00%	0.00%	0.00
Ownership by ESOPs, Broad-based Schemes and Co-ops	1.00	10.00%	0.00%	0.00

CODE SERIES MANAGEMENT CONTROL ELEMENT OF B-BBEE FOR QSE ENTERPRISES				
Criteria	Points	Target	Actual	Score
Black representation at top management level *	25.00	50.10%	0.00%	0.00
Black women representation at top manager level	2.00	25.00%	0.00%	0.00

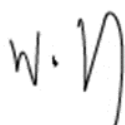
CODE SERIES EMPLOYMENT EQUITY ELEMENT OF B-BBEE FOR QSE ENTERPRISES				
Criteria	Points	Target	Actual	Score
Black management % - gender adjusted	15.00	60.00%	44.68%	11.17
Black staff as a % of total staff - gender adjusted	10.00	70.00%	42.50%	6.07
Exceeding EAP Target	2.00	Yes	formula	0.00

CODE SERIES SKILLS DEVELOPMENT ELEMENT OF B-BBEE FOR QSE ENTERPRISES				
Criteria	Points	Target	Actual	Score
Spend on Black Skills Development	25.00	2.00%	0.00%	0.00

CODE SERIES PREFERENTIAL PROCUREMENT ELEMENT OF B-BBEE FOR QSE ENTERPRISES				
Criteria	Points	Target	Actual	Score
BEE Procurement Spend	25.00	50.00%	41.10%	20.55

CODE SERIES ENTERPRISE DEVELOPMENT ELEMENT OF B-BBEE FOR QSE ENTERPRISES				
Criteria	Points	Target	Actual	Score
Average annual value of ED contributions	25.00	2.00%	3.01%	25.00

CODE SERIES SOCIO-ECONOMIC DEVELOPMENT ELEMENT OF B-BBEE FOR QSE ENTERPRISES				
Criteria	Points	Target	Actual	Score
Average annual value of SED contributions	25.00	1.00%	0.90%	22.48



B-BBEE Approved Registered Auditor: Wayne G. Harrison CA(SA)

B-BBEE Approved Registered Auditor Registration Nr: 397075 B