EFFICIENT GROUP LIMITED
(formerly Efficient Financial Holdings Limited)
Incorporated in the Republic of South Africa
(Registration Number: 2006/036947/06)
Share code: EFG
ISIN: ZAE000151841
("Efficient")

ACQUISITION OF SHAREHOLDING IN EFFICIENT FINANCIAL SERVICES (PROPRIETARY) LIMITED ("EFS")

1. Introduction

Shareholders are advised that Efficient concluded an agreement on 29 November 2011 (the "Acquisition Agreement") in terms of which, inter alia, Efficient has acquired a 10.18% shareholding in EFS (a subsidiary of Efficient) from Peter James Hewett ("Hewett") (the "Acquisition"), after which Acquisition EFS shall become a wholly-owned subsidiary of Efficient, in exchange for the allotment and issue by Efficient of a maximum of 2,085,000 shares in Efficient to Hewett (the "Consideration Shares").

Hewett is the managing director of EFS and a related party to Efficient as contemplated in section 10.1(b)(ii) of the JSE Listings Requirements. Hewett is also a prescribed officer, as contemplated in the Companies Act, 2008 (the "Companies Act"). Accordingly, the allotment and issue of the Consideration Shares to Hewett, remains subject to the requisite shareholder approval under section 41 of the Companies Act (the "Condition Precedent").

Shareholders are advised that Efficient has posted a notice of general meeting dated 30 November 2011 (dispatched together with its Annual Report and Notice of Annual General Meeting) to its shareholders in respect of obtaining the requisite shareholder approval under section 41 of the Companies Act, which meeting will be held in the main boardroom at the head office of Efficient, situated at 81 Dely Road, Hazelwood, Pretoria on Monday, 23 January 2012 at the later of 11h00 and the conclusion of the Annual General Meeting for the financial year ended 31 August 2011 (also to be held in the main boardroom at the head office of the Company situated at 81 Dely Road, Hazelwood, Pretoria on Monday, 23 January 2012 at 10h00).

2. The Acquisition

The terms of the Acquisition set out in the Acquisition Agreement are set out below:

2.1. Subject to the fulfilment of the Condition Precedent but with effect from 1 September 2011 (the "Effective Date"), Efficient shall acquire from Hewett 34 ordinary shares in EFS which constitutes a 10.18% shareholding in EFS (the "Acquisition Shares");

2.2. the consideration payable by Efficient for the Acquisition Shares is a maximum of 2,085,500 shares in the share capital of Efficient, payable in two tranches: (i) 820,500 of the Consideration Shares to be allotted and issued within three business days of the fulfilment of the Condition Precedent; and the balance of the Consideration Shares (up to a maximum of 1,265,000

Consideration Shares) on 1 September 2014 (the "Conditional Issue"), which Conditional Issue is subject to the achievement of the profit guarantee as is detailed in paragraph 2.3 below; and

2.3. Hewett guarantees that Efficient, through its subsidiaries, will generate a cumulative profit from financial- and asset management services rendered to clients, as a direct result of business generated through the facilitation of Hewett, over a 3 (three) year cumulative period from the Effective Date, equal to R9 400 000.00 (nine million four hundred thousand Rand) (the "Profit Guarantee"). If the Profit Guarantee is not achieved, the Consideration Shares comprising the Conditional Issue shall be reduced pro rata in accordance with a pre-determined formula as is set out in the Acquisition Agreement.

Rationale

Pursuant to Efficient acquiring the Acquisition Shares EFS will be a wholly-owned subsidiary of Efficient. The acquisition of the Acquisition Shares from the managing director of Efficient's subsidiary company, is an implementation of Efficient's initiative to incentivise senior personnel on group level as opposed to subsidiary company level.

Related party transaction

The Acquisition is a small related party transaction as defined in terms of section 10.7 of the JSE Listings Requirements. BDO Corporate Finance (Pty) Ltd, which were appointed as independent professional expert to determine whether the terms of the Acquisition are fair to shareholders of Efficient, have concluded that the terms and conditions of the Acquisition is fair to shareholders of Efficient. A copy of their report will be available for inspection at the offices of Efficient, being 81 Dely Road, Hazelwood, Pretoria, 0081 from the date of issue of this announcement until the expiry of a 28 day period.

FINANCIAL INFORMATION

The unaudited pro forma financial effects, set out in the table below, have been prepared for illustrative purposes only, to provide information on how the Acquisition may have impacted Efficient's audited consolidated financial statements for the year ended 31 August 2011.

Due to their nature, the unaudited pro forma financial effects may not fairly present Efficient's financial position, changes in equity, results of operations or cash flows following the Acquisition. The unaudited pro forma financial effects are the responsibility of the directors of Efficient and have not been reviewed or reported on by Efficient's auditors.

The unaudited pro forma financial effects of the Acquisition on Efficient's basic earnings per share, headline earnings per share for the year ended 31 August 2011 as well as net asset value and net tangible asset value per share as at 31 August 2011 are set out below.

Scenario 1 – Excluding Conditional Issue	Before the Acquisition	Pro forma after the	Change

		Acquisition	
Basic EPS (cents)	7.77	7.50	-3.5%
Headline EPS (cents)	7.77	7.50	-3.5%
Weighted average shares in issue ('000)	39 939	40 760	

Scenario 2 – Including Conditional Issue	Before the Acquisition	Pro forma after the Acquisition	Change
Basic EPS (cents)	7.77	7.27	-6.4%
Headline EPS (cents)	7.77	7.27	-6.4%
Net asset value per share (cents)	195.9	186.35	-4.9%
Net tangible asset value per share (cents)	86.91	82.76	-4.8%
Weighted average shares in issue ('000)	39 939	42 025	

Notes:

- Scenario 1 is calculated using only the Consideration Shares to be allotted and issued within three business days after the fulfilment of the Condition Precedent. The impact on net asset value per share and net tangible asset value per share in Scenario 1 are considered to be immaterial and therefore have not been disclosed.

- Scenario 2 is calculated assuming all of the Consideration Shares are issued, being the shares referred to in Scenario 1 above and the balance of the Consideration Shares (up to a maximum of 1,265,000 Consideration Shares) to be issued on 1 September 2014, subject to the achievement of the Profit Guarantee detailed in paragraph 2.3 above, assuming the Profit Guarantee is fully achieved.

- The amounts set out in the "Before the Acquisition" columns have been extracted, without adjustment, from the audited consolidated financial statements of Efficient for the year ended 31 August 2011.

- The Acquisition is assumed to have been implemented on 1 September 2010 for purposes of basic earnings per share and headline earnings share, the result being that the profit for the year attributable to shareholders of Efficient would have been R48 000 lower. This amount represents Hewett's portion of the loss generated by EFS for the year ended 31 August 2011.

- The Acquisition is assumed to have been implemented on 31 August 2011 for purposes of net asset value and net tangible asset value per share, the result being that the net asset value and net tangible asset value of Efficient would have been R69 000 higher. This amount represents Hewett's portion of the accumulated profits and losses for EFS until 31 August 2011.

- All adjustments have a continuing effect.

1 December 2011

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Independent expert
BDO Corporate Finance (Pty) Ltd