

Salient terms of the Discovery Perpetual Preference Share issue

	Terms
Issuer	<ul style="list-style-type: none"> Discovery Limited
Description	<ul style="list-style-type: none"> Non-cumulative, non-participating, non-convertible, voluntarily redeemable, no par value perpetual preference shares
Issue Size	<ul style="list-style-type: none"> R800 million
Deemed Issue Price	<ul style="list-style-type: none"> R100 per Perpetual Preference Share
Dividend Rate	<ul style="list-style-type: none"> 100% of prime overdraft rate
Dividend Terms	<ul style="list-style-type: none"> Discretionary, non-cumulative, non-participating Calculation period in line with financial periods ending on 30 June and 31 December of each year Payable semi-annually, on the earlier of 5 days prior to the payment of dividends on ordinary shares or within 90 days from 30 June and 31 December Ordinary dividends withheld in the event that preference share dividends are not declared and paid in a period
Regulatory Option	<ul style="list-style-type: none"> To the extent there is an adverse change in regulatory capital treatment of the Perpetual Preference Shares (i.e. the instruments are not recognized as Tier 1 capital), Discovery shall be entitled to exercise the Regulatory Option at a premium. In such event, the redemption price shall be calculated as follows: Redemption price=the higher of either the Deemed Issue Price or clean Market Price, plus 2.5% of the Market Price, plus any applicable dividends.
Market Price	<ul style="list-style-type: none"> The market price of the Perpetual Preference Share shall be calculated with reference to the 15 (fifteen) trading day volume weighted average ("VWAP") of such Perpetual Preference Share, less any dividends included in the market price.
Voting Rights	<ul style="list-style-type: none"> Non-voting save for the following events: <ul style="list-style-type: none"> If declared, should any preference dividend be unpaid for a period of more than 90 days; or Upon a resolution being proposed which directly affects the rights attached to these preference shares At any general meeting of Discovery where Perpetual Shareholders may vote, the Perpetual Preference Shareholders shall have a maximum of 25% of the total votes at the meeting
Listing	<ul style="list-style-type: none"> JSE Limited ("JSE")