

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

THIS CIRCULAR COMPRISES IMPORTANT INFORMATION IN CONNECTION WITH THE AUDITED ANNUAL FINANCIAL STATEMENTS OF THE GROUP FOR THE YEAR ENDED 30 JUNE 2018. THIS CIRCULAR IS DISTRIBUTED TO SHAREHOLDERS AND CONTAINS A NOTICE CONVENING AN EXTRAORDINARY GENERAL MEETING.

The definitions and interpretation commencing on page 7 of this Circular shall apply *mutatis mutandis* to the information presented below.

ACTION REQUIRED BY THE SHAREHOLDERS:

- This entire Circular is important and should be read with particular attention to the section entitled “Action required by Shareholders”, which commences on page 5.
- If you are in any doubt as to what action you should take, you should consult your CSD, broker, legal adviser, accountant or other professional adviser immediately.
- If you have disposed of all of your Choppies Shares, as at the date of receipt of this Circular, please forward this Circular to the purchaser of such Choppies Shares or to the agent, broker or banker through whom you disposed of such Choppies Shares. Choppies does not accept responsibility, and will not be held liable, for any action of, or omission by, any agent, broker or banker, including, without limitation, any failure on the part of the agent, broker or banker of any beneficial owner of Choppies Shares to notify such Shareholder of the information in this Circular.



Choppies Enterprises Limited
(Incorporated in the Republic of Botswana)
(Registration number: CO2004/1681)
(BSEL and JSE share code: CHOPPIES)
(ISIN: BW0000001072)
("Choppies" or the "Company")

CIRCULAR TO SHAREHOLDERS

Relating to:

- the status of the 2018 AFS;
- reports on the Legal Investigation and Forensic Investigation conducted on instructions of the Company; and
- voting on the Proposed Resolutions.

And enclosing:

- a notice convening the EGM; and
- a Form of Proxy in respect of the EGM for use by the Shareholders

Date of issue: 14 August 2019

This Circular is available in English only. Copies of this Circular may be inspected during normal business hours at the registered office of Choppies and the offices of the Legal Adviser and the Sponsoring Brokers in Botswana the addresses of whom are set out in the "Corporate Information and Advisers" section of this Circular, from the date of issue of this Circular until the date of the EGM. This Circular will also be available in electronic form from the date of issue of this Circular on the Choppies website at www.choppies.co.bw as well as on X-News and SENS

IMPORTANT LEGAL NOTES

The definitions and interpretation provisions commencing on page 7 of this Circular shall apply, *mutatis mutandis*, to this section on Important Legal Notes (unless the context denotes a contrary intention).

FOREIGN SHAREHOLDERS

This Circular has been prepared for the purposes of complying with the BSEL Equity Listings Requirements. Accordingly, the information disclosed may not be the same as that which would have been disclosed had this Circular been prepared in accordance with the laws and regulations of any jurisdiction outside of Botswana and South Africa (it being recorded that the Company has a Secondary Listing on the JSE).

The release, publication or distribution of this Circular in jurisdictions other than Botswana and South Africa may be restricted by law and, therefore, any persons who are subject to the laws of any jurisdiction other than Botswana and South Africa should inform themselves about, and observe, any applicable requirements. Any failure to comply with the applicable requirements may constitute a violation of the securities laws of any such jurisdiction.

This Circular does not constitute a prospectus or a prospectus equivalent document. Shareholders are advised to read this Circular with care.

RESPONSIBILITY STATEMENT

This Circular is published by, and is the joint responsibility of, the Board.

The Board accepts full responsibility for the accuracy of the information contained in this Circular and each Director confirms that, to the best of his/her respective knowledge and belief, such information contained in this Circular is true and correct, and that this Circular does not omit anything likely to affect the importance of the information contained in this Circular, except where expressly indicated as such on behalf of any Director.

BSEL DISCLAIMER

Approval of the Circular by the BSEL should not be taken as any indication as to the merits of the Circular. The BSEL has not verified the accuracy and truth of the contents of the documentation submitted to the BSEL and accepts no liability of whatever nature for any loss, liability, damage or expense resulting directly or indirectly from the Circular.

CHOPPIES CORPORATE INFORMATION AND ADVISERS

Incorporation and Choppies Registered Address

Incorporated in the Republic of Botswana

Registration number: CO2004/1681

Registered Address:

Plot 169

Gaborone International Commerce Park

Gaborone, Botswana

Directors

- His Excellency Festus Mogae
- Farouk Ismail
- Ramachandran Ottapathu
- Wilfred Mpai
- Dorcas Kgosietsile
- Ronald Tamale
- Heinrich Stander

Company's Auditors



PricewaterhouseCoopers Botswana

Plot 50371

Fairground Office Park

Gaborone, Botswana

Legal Adviser



Desai Law Group

3rd Floor, North Wing, Central Square

Central Business District

Gaborone, Botswana

Transfer Secretaries in Botswana



Grant Thornton Business Services (Proprietary)
Limited

P O Box 1175, Gaborone

Plot 503710, Acumen Park Fairgrounds

Gaborone, Botswana

Email: anjana.suresh@bw.gt.com

Sponsoring Brokers in Botswana



African Alliance Botswana Limited

Plot 64511

Exchange House

Fairgrounds Office Park

Gaborone, Botswana

Company Secretary

Shathani Kgwarae

Plot 169

Gaborone International Commerce Park

Gaborone, Botswana

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A. ACTION REQUIRED BY SHAREHOLDERS

The definitions and interpretations commencing on page 7 of this Circular shall apply, *mutatis mutandis*, to this statement regarding the actions required (unless the context denotes a contrary intention).

Please take careful note of the following provisions regarding the actions required by the Shareholders.

1. If you are in any doubt as to the action you should take, please consult your CSD, broker, legal adviser, accountant or other professional adviser immediately.
2. If you have disposed of all your Choppies Shares, please forward this Circular to the purchaser of such Choppies Shares or to the CSD, stockbroker, or agent through whom the disposal was effected.
3. The EGM convened in terms of the notice incorporated in this Circular will be held on 4 September 2019 at Grand Aria Hotel and Conference Centre situated at Plot 32943, Block 3, West Gate, Gaborone, Botswana, commencing at 10h00.
4. A Shareholder entitled to attend and vote on the Proposed Resolutions may appoint a proxy to attend and vote on their behalf, and such proxy need not be a Shareholder. The instrument appointing such a proxy must be deposited with the Transfer Secretaries at the Transfer Secretaries' registered office, or submitted electronically to the following e-mail address: anjana.suresh@bw.gt.com, before **10h00 on 2 September 2019**.

B. GENERAL

The contents of this Circular do not purport to constitute personal legal advice or to comprehensively deal with the legal, regulatory and tax implications of the information in the Circular. Shareholders are accordingly advised to consult their professional advisers about their personal legal, regulatory and tax positions.

Choppies and any associate or affiliate do not accept responsibility and will not be held liable for any act of, or omission by, the CSD, broker or sponsor, including, without limitation, any failure on the part of the CSD, broker, sponsor or any registered holder of Choppies Shares to notify the holder of any beneficial interest on any matter set out in this Circular.

C. IMPORTANT DATES IN RELATION TO THE PROPOSED RESOLUTIONS

The definitions and interpretation commencing on page 7 of this Circular shall apply, *mutatis mutandis*, to the dates and times set out hereunder (unless the context denotes a contrary intention):

Record date to determine Shareholders entitled to receive the notice of EGM:	2 August 2019
Circular and notice convening the EGM released on X-News and SENS:	14 August 2019
Posting of Circular and notice convening the EGM to Shareholders:	14 August 2019
Voting Record Date in respect of being eligible to vote at the EGM:	23 August 2019
Release on X-News and SENS and posting of response to the Legal Report and Forensic Report by Mr Ottapathu (on or before):	27 August 2019
Forms of proxy to be received by 10h00:	2 September 2019
EGM to be held at 10h00:	4 September 2019
Results of the EGM release on X-News and SENS:	4 September 2019
Release of final announcement in respect of the Proposed Resolutions:	5 September 2019

Note

1. *The above dates and times are subject to amendment. Any such amendment will be released on X-News and SENS.*
2. *Trading on the BSE and the JSE was suspended on 1 November 2018.*

D. DEFINITIONS AND INTERPRETATIONS

In this Circular, unless otherwise stated or the context indicates otherwise, the terms and expressions in the first column will bear the meanings stated opposite them in the second column, and related expressions will bear corresponding meanings; words in the singular will include the plural and *vice versa*; words denoting one gender will include the other genders; and words denoting natural persons will include juristic persons and *vice versa*:

2018 AFS	means the audited annual financial statements for the Group for the year ended 30 June 2018
Audit Queries	means audit concerns and queries raised by PwC relevant to the Group's compliance with International Financial Reporting Standards in respect of the 2018 AFS
BWP	means the Botswana Pula, the lawful currency of Botswana
Board	means the board of directors of the Company, names of the members of which are listed at page 3 of this Circular
BSEL	means the Botswana Stock Exchange Limited
BSEL Equity Listings Requirements	means the listings requirements issued by the BSEL, as amended from time to time
Business Day	means any day other than a Saturday, a Sunday or a statutory public holiday in Botswana and South Africa
Botswana	means the Republic of Botswana
CA or Competition Authority	means the Competition Authority in Botswana, as established under the Competition Act
CDC	means Choppies Distribution Centre (Proprietary) Limited, a company incorporated in Botswana with registration number 2001/1472 and a wholly owned subsidiary of Choppies
CFO	means the Chief Financial Officer of the Company, Mr Hein Stander
CFO Report	has the meaning ascribed to it at paragraph 6.4.3 of Annexure 1, being the summary of the Legal Report;

CSD	means in respect of Shares traded on the: (i) the BSEL, the Central Securities Depository of Botswana Limited, being the central securities depository of the BSEL; and (ii) the JSE, the relevant Central Securities Depository Participant, being a participant in terms of the Financial Markets Act, No 19 of 2012;
Chairman	means the Chairman of the Board, His Excellency Festus Mogae
Choppies or the Company	means Choppies Enterprises Limited, a company incorporated in Botswana with registration number CO2004/1681
Choppies Share	means one ordinary share in the stated capital of the Company
Circular	means this document, including its annexures and attachments
Companies Act	means the Botswana Companies Act [Cap 42:01], as amended from time to time
Company Secretary	means the company secretary for the Company, Ms Shathani Kgwarae;
Competition Act	means the Botswana Competition Act [Cap 46:09], as amended from time to time
Constitution	means the constitution of the Company
Director	means a director of the Company
EY	means Ernst & Young Advisory Services (Proprietary) Limited an auditing firm based in South Africa which conducted the Forensic Investigation
Executive Director	means an executive Director;
Extraordinary General Meeting or EGM	means the extraordinary general meeting of the Shareholders to be held at the Grand Aria Hotel and Conference Centre situated at Plot 32943, Block 3, West Gate, Gaborone, Botswana on 4 September 2019 at 10h00 , convened in terms of the notice of EGM enclosed and forming part of this Circular
Forensic Investigation	means an independent forensic investigation conducted by EY in Botswana, South Africa and Zimbabwe into certain transactions to which the Group was party
Fours Group	means Fours Cash & Carry Group, which initially comprised Sharpview (Proprietary) Limited, Custody Investments (Proprietary) Limited and Woodblock (but, in the latter case, only temporarily, as Woodblock became the

buying entity for Payless) and now also includes at least the following: Hesburger (Proprietary) Limited, Citylab (Proprietary) Limited, Shinestar Lane (Proprietary) Limited, Hyperite (Proprietary) Limited, Lesney (Proprietary) Limited, Tiger Square (Proprietary) Limited and Silverlight (Proprietary) Limited; with all such companies being registered in Botswana

Forensic Report	means the report issued by EY in respect of the Forensic Investigation on 6 August 2019
Form of Proxy	means the form of proxy for use by Shareholders with “own name” registration only for appointment of a proxy to represent such Shareholders at the EGM
Group	means Choppies, together with its subsidiaries across the different jurisdictions in which it operates
JSE	means the Johannesburg Stock Exchange
JSE Listings Requirements	means the listings requirements issued by the JSE, as amended from time to time
Legal Adviser or DLG or Desai Law Group	means Desai Law Group, the Company’s legal advisers in Botswana
Legal Investigation	means an investigation conducted by Desai Law Group into certain matters which were referred for investigation, analysis and advice, and which involved a number of commercial agreements to which the Group was party in Botswana during past years
Legal Report	means the report issued by Desai Law Group in respect of the Legal Investigation on 3 June 2019, which report was adopted by the Board on 3 July 2019
Mr Ottapathu	means Mr Ramachandran Ottapathu, a Director and suspended Chief Executive Officer of the Company as at the date of this Circular
Non- Executive Director	means a non-executive Director
NRFSA	means Norton Rose Fulbright South Africa Inc., the South African legal advisers to the Non-Executive Directors in relation to the Forensic Investigation
Ordinary Resolution	means a resolution passed by a 50% + 1 vote of Shareholders entitled to attend the EGM, vote at it and voting on a resolution
PwC	means PricewaterhouseCoopers, the Company’s auditors

Payless	means Payless Supermarkets (Proprietary) Limited, a company registered in Botswana
Proposed Resolutions	means the Ordinary Resolutions as set out in the attached notice of EGM to be proposed by the Board at the EGM to reappoint existing and/or appoint new members to the Board
SENS	means the JSE News Service
South Africa	means the Republic of South Africa
Shareholder	means a registered holder of a Choppies Share
Transfer Secretaries	means the transfer secretaries for the Company, Grant Thornton Business Services (Proprietary) Limited;
USD	means the United States Dollar, the lawful currency for the United States of America
Woodblock	means Woodblock (Proprietary) Limited, being one of the Fours Group companies, although now no longer trading
X-News	means the BSEL News Service
ZAR	means the South African Rand, the lawful currency of South Africa
Zimbabwe	means the Republic of Zimbabwe

E. CIRCULAR TO SHAREHOLDERS

1. INTRODUCTION AND PURPOSE OF THE CIRCULAR

1.1. The purpose of this Circular is to:

1.1.1. update the Shareholders on the status of the 2018 AFS;

1.1.2. furnish Shareholders with (i) summaries of the Legal Report and the Forensic Report and (ii) provide Shareholders who wish to read these reports and the CFO Report with access, under terms and conditions, thereto; and

1.1.3. put the Proposed Resolutions to Shareholders.

1.2. In relation to the Legal Report and the Forensic Report, the Board notes that Mr Ottapathu has not had an opportunity to respond in writing to their respective contents nor have disciplinary charges been put to him as at the date of this Circular. The Board is however in the process of instituting such disciplinary proceedings. Mr Ottapathu has reserved his rights in respect of such proceedings. If disciplinary charges are put to Mr Ottapathu as arising from the Legal Report or the Forensic Report, he will be afforded the right to defend himself fully. Such right includes, but is not limited to, the right to respond to the Legal Report and the Forensic Report so that his side is on record. Mr Ottapathu has been afforded the right to record a written reply to the Legal Report and the Forensic Report, which reply shall be circulated on X-News and SENS by the Company on or before 27 August 2019.

1.3. The notice of the EGM contained in this Circular, will convene the EGM in order for Shareholders to:

1.3.1. receive an update on the status of the release of the 2018 AFS;

1.3.2. receive a presentation of the summaries of the Legal Report and the Forensic Report; and

1.3.3. vote on the Proposed Resolutions.

2. THE CIRCULAR

2.1 As announced by the Company on X-News and SENS on 5 March 2019, there are three subject matters which were required to be completed before PwC could finalise the necessary audit work and release the 2018 AFS.

- 2.2 The Board wishes to update the Shareholders as follows, since the announcement referred to above, regarding the:
- 2.2.1 Audit Queries – the work required to be completed by the Company in connection with the Audit Queries has been completed by the Company and submitted to PwC for audit. There may be a concomitant impact on finalisation of the Audit Queries once the Group has fully considered the possible financial accounting and disclosure impacts of outcomes and recommendations set out in the Legal Report and Forensic Report;
 - 2.2.2 Legal Investigation – this was finalised and a report in respect of it was issued by Desai Law Group as a final report to the Board on 3 June 2019; and
 - 2.2.3 Forensic Investigation – the Forensic Report was delivered by EY to the Board and NRFSA on 6 August 2019.
- 2.3 Summaries of the Legal Report and the Forensic Report are annexed to this Circular marked **ANNEXURE 1** and **ANNEXURE 2**, respectively. Shareholders are advised that each summary provides only an overview of the contents of the underlying report. For a complete understanding of the relevant subject matter, each report should be inspected or reviewed in full.
- 2.4 A copy of each of the reports on the Legal Investigation and the Forensic Investigation are available for inspection or review by any Shareholder (or a Shareholder’s adviser or representative) from the date of this Circular until the date of the EGM in accordance with the terms and conditions, and at the addresses provided in, paragraph 6.2 below.
- 2.5 To enable PwC to complete the required audit procedures with respect to the 2018 AFS as expeditiously as possible, the Board had requested PwC to continue their audit work in respect of the Audit Queries, prior to finalisation of the Forensic Investigation, based on the information presented in the Legal Report. The Board, management of the Company and PwC are now actively engaging with each other to determine the impact of the Legal Report and Forensic Report on the 2018 AFS.
- 2.6 The Board is hopeful, but cannot be certain, until any concomitant accounting and disclosure impacts from the Legal Report and Forensic Report have been fully ascertained and implemented by the Group, that the 2018 AFS will be published within a period of 6 to 8 weeks from the release of the Forensic Report (on 6 August 2019).
- 2.7 The Board will provide a further update as to the Audit Queries and the envisaged date of publication of the 2018 AFS to the Shareholders at the EGM.

3. PROPOSED RESOLUTIONS AND RETIREMENT OF THE CHAIRMAN

- 3.1 On 3 June 2019, the Board received a letter from Mr Ottapathu requesting the Board to convene an EGM to allow the Shareholders to consider certain resolutions which form some, but not all, of the Proposed Resolutions. The Board resolved, soon after receipt of the letter from Mr Ottapathu, to convene an EGM and to put forward to the Shareholders the resolutions proposed by Mr Ottapathu in addition to resolutions proposed by the Board itself.
- 3.2 It is the combined view of Mr Ottapathu and the Board that the current Board requires strengthening by inclusion of additional independent non-executive appointees to it. It is for this reason that the Board (including Mr Ottapathu), have put forward the Proposed Resolutions, to allow the Shareholders to elect a strengthened Board (whether it includes current Directors or not) which will direct the proceedings and affairs of the Company going forward.
- 3.3 Curriculum Vitae of proposed new appointees to the Board will be available on the Company's website at www.choppies.co.bw and at the addresses provided in paragraph 6.1 below.
- 3.4 Shareholders are advised that His Excellency Festus Mogae, the Chairman, has indicated to the Board that he will retire as Chairman and as a Director with effect from the conclusion of business at the Annual General Meeting of the Company at which the 2018 AFS are received and approved by Shareholders. For this reason, unlike the other existing Directors, who will retire immediately prior to the relevant resolution for his/her reappointment, the Chairman will not do so at the EGM.

4. EXTRAORDINARY GENERAL MEETING

- 4.1 The EGM will be held at **10h00 on 4 September 2019**, at the Grand Aria Hotel and Conference Centre situated at Plot 32943, Block 3, West Gate Gaborone, Botswana, to consider, among other things, and, to vote on, with or without modification, the Proposed Resolutions.
- 4.2 A Shareholder entitled to attend, speak and vote at the EGM is entitled to appoint one or more proxies to attend, speak and vote in his or her stead. A proxy need not be a Shareholder.
- 4.3 Shareholders are advised that Mr Ottapathu has, in terms of clause 15.6 (b) of the Constitution, indicated to the Board that he will require voting at the EGM to take place by way of poll, rather than on a show of hands. In terms of clause 15.9 of the Constitution, if a poll is taken, votes must be counted according to the votes attached to each Shareholder present in person or by representative and voting.

5. COSTS

Choppies shall bear costs incurred by it in connection with the preparation of this Circular.

6. DOCUMENTS AVAILABLE FOR INSPECTION

6.1 Copies of the following documents will be available for inspection during normal business hours at the registered office of Choppies and at the offices of the Legal Adviser and the Sponsoring Brokers in Botswana from the date of this Circular until the date of the EGM (both days inclusive):

6.1.1 a signed copy of this Circular; and

6.1.2 the Curriculum Vitae of (i) proposed new appointees to the Board, (ii) Mr Wilfred Mpai, who was appointed to the Board on 22 November 2018 and whose appointment would require to be ratified at the first general meeting of the Company after such appointment, being the EGM, (ii) Mr Heinrich Stander, who was appointed to the Board on 15 December 2018 and whose appointment would require ratification at the next general meeting of the Company after such appointment, being the EGM and (iii) Mr Ronald Tamale, who was appointed to the Board on 13 December 2017 and whose appointment has not been ratified by Shareholders at a previous general meeting of the Company, and therefore requires to be ratified at the next general meeting of the Company, being the EGM.

6.2 Complete copies of the Legal Report, the CFO Report and the Forensic Report will be available for inspection or review by Shareholders during normal business hours and upon reasonable notice (i) in Botswana, at the offices of the Legal Adviser and (ii) in South Africa, at NRFSA located at 15 Alice Lane, Sandton 2196, South Africa. Please note that any person requiring to inspect or review the full reports will be allowed to do so:

6.2.1 only after verification of identity and proper standing as Shareholder;

6.2.2 upon signing of a register to be maintained for this purpose by the Legal Adviser and NRFSA;

6.2.3 under strict supervision; and

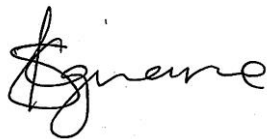
6.2.4 with respect to the Forensic Report - will not be allowed to make any facsimile of the report or any extract thereof and will be required to accept, in writing, a 'non-reliance and hold harmless letter' prior to being allowed to inspect or review the report. A copy of such letter will be available from the date of issuance of this Circular on the Choppies website.

For and on behalf of the Board



His Excellency Festus Mogae
Chairman

DATE: 14 AUGUST 2019



Shathani Kgwarae
Company Secretary

DATE: 14 AUGUST 2019

ANNEXURE 1 – SUMMARY OF THE LEGAL REPORT

A. Introduction and Background

1. The Choppies Shares are currently suspended from trading on both the BSEL and JSE, due to the delay in releasing the 2018 AFS. As announced by the Company on 5 March 2019, a legal investigation is one of three work streams required by PwC to complete its audit of the 2018 AFS.
2. During September 2018, PwC had raised concerns with the Board that certain agreements and transactions made and entered into by the Company and/or its subsidiary, CDC and/or Mr Ottapathu with the Fours Group and Payless, may have contravened aspects of (i) the Companies Act, (ii) the BSEL Listings Requirements and/or (iii) the Competition Act. In October 2018, DLG was engaged by the Board to undertake the Legal Investigation.
3. The Board received the Legal Report on 3 June 2019, setting out DLG's findings and recommendations following the Legal Investigation, and the Legal Report together with the CFO Report were adopted by the Board (excluding Mr Ottapathu, who had been required to recuse himself from the session) at a Board meeting held on 3 July 2019.
4. In the course of the Legal Investigation, DLG principally relied on documents provided to it by the Company.

B. Summary

5. Business Relationship

- 5.1 Engagements between Choppies, Payless and Fours Group appear to have begun on or about 2014. In September 2015 CDC, the Fours Group and Payless entered into an agreement for cooperation as a buying group (the "**2015 Agreement**"), together with an attendant suite of loan and security agreements.
- 5.2 Over time, new Fours Group companies were included in the buying group arrangement and started enjoying the benefits of the 2015 Agreement, but the necessary compliance processes arising out of the 2015 Agreement (such as the execution of deeds of adherence) were not followed and security arrangements by the additional companies (such as distinct and separate deeds of hypothecation) were not implemented.
- 5.3 In terms of the 2015 Agreement, CDC would provide to the Fours Group and Payless (i) the benefit and advantage of its buying power and (ii) guarantees to suppliers for the debts of the buying group. In return, CDC would share in the rebates of the buying group and a share of Fours Group profit.

- 5.4 Prior to 2015, the CA had allowed, by way of exemption, a buying group arrangement between CDC, Payless and Woodblock until December 2017 (the “**Exemption**”), based on a cooperation agreement between the parties concluded in 2014 (the “**2014 Agreement**”). When the 2015 Agreement was entered into, the CA was not informed that the earlier agreement had been replaced by the 2015 Agreement.
- 5.5 When the Exemption expired in 2017, CDC and Payless (excluding Woodblock, which had by this time become dormant) sought to extend the Exemption using a new cooperation agreement between CDC and Payless (the “**2017 Agreement**”), again not disclosing the 2015 Agreement. The application for extension of the Exemption in respect of Payless was rejected by the CA in October 2018 and the CA requested Payless and CDC to disentangle their buying group arrangements by 10 January 2019 (the “**CA Instruction**”). Whether the ‘disentanglement’ actually occurred is discussed below under paragraph 6.4 of this summary.

6. Most Significant Payless Findings

6.1 Payments to Mr Henning

- 6.1.1 The Legal Investigation found that (i) the registered shareholders for Payless are Mr Saleem Malique (“**Mr Malique**”) holding 90%, and Mr Willem Henning (“**Mr Henning**”) holding 10%, of the stated capital of Payless and (ii) the only director in Payless is Mr Malique.
- 6.1.2 Choppies assisted Mr Malique in Mr Malique’s acquisition of 90% of the stated capital of Payless, by making payments totalling BWP4,320,000 directly to Mr Henning, on Mr Malique’s behalf. A document setting out the basis of the payments by Choppies to Mr Henning, on behalf of Mr Malique, does not exist. Furthermore, the Board was not aware that Choppies was making the said payments to Mr Henning.
- 6.1.3 In essence, Company funds were used to finance an individual’s acquisition of shares in an unrelated company, without documentation as to the basis of that arrangement. These funds have not been repaid to the Company by Mr Malique but have been included in the Company’s outstanding loan to Payless (refer below).

6.2 Loans to Payless

According to the Legal Report, frequent loans to Payless by Choppies were made over time, comprising a debt totalling approximately BWP110, 717, 099.48 (as at the date of the Legal Report) owed to Choppies by Payless. An analysis of the debt is set out in the Legal Report.

6.3 Suggestion of ownership of Payless by Choppies

6.3.1 During the Legal Investigation, it was suggested to DLG, albeit verbally, by the legal representative for Mr Malique, that, notwithstanding being the registered owner of the relevant shares in Payless. Mr Malique is in fact not the beneficial owner of such shares. Mr Malique's contention is that the shares are beneficially owned by Choppies. If this is proved to be correct, Choppies will then have owned 90% of Payless for several years without disclosure of such ownership having been made to the Board or any regulatory authority.

6.3.2 It should be noted that Mr Ottapathu contests the beneficial ownership of Payless by Choppies.

6.4 Suggestion as to the Competition Authority being misled

6.4.1 On 22 February 2019, in response to the CA Instruction and under cover of a DLG letter, both Choppies and Payless reported, in writing, to the CA confirming that the buying group arrangement between them had been disentangled.

6.4.2 In light of the suggestion recorded at paragraph 6.3.1 above, DLG had recommended that the Board conduct an internal investigation to ascertain the level of interaction between Choppies and Payless after the confirmation of 22 February 2019. The Board instructed the CFO to do so.

6.4.3 During June 2019, the CFO submitted a report to the Board and DLG, evidencing that the arrangements between Choppies and Payless had continued from March to June 2019 (the "**CFO Report**"). In other words, a disentanglement did **not** occur. A copy of the CFO Report is available for inspection or review by any Shareholder from the date of the Circular until the date of the EGM in accordance with the terms and conditions, and at the addresses provided in, paragraph 6.2 of the Circular.

6.4.4 Mr Ottapathu contests the conclusion reached by the CFO.

6.4.5 If the findings by DLG and the conclusion reached by the CFO in his report are proved correct, this will mean that the CA will have been misled.

6.5 Recommendations to the Board by DLG in connection with Payless

In relation to:

- 6.5.1 **issues of financial assistance to Mr Malique:** the Board should examine the rationale for the arrangement with Mr Malique and a formal agreement be entered into so that the funds paid to Mr Henning on Mr Malique's behalf can be recovered from Mr Malique;
- 6.5.2 **loans made to Payless:** enforcement of security held by Choppies as against Payless should be contemplated by the Board;
- 6.5.3 **suggestion of ownership of Payless by Choppies:** the recommendation that the Board should conduct an internal investigation has already been implemented as at the date of this Circular (see paragraph 6.4.3 above), and the Company's management and the Board are considering the possible concomitant accounting implications of this on the 2018 AFS;
- 6.5.4 **potential misleading of the CA:** the recommendation that the CA be engaged with has been implemented.

7. **Most Significant Fours Group Findings**

7.1 Transfer of shares into Mr Ottapathu's own name

- 7.1.1 Notwithstanding the existence of security in favour of the Company from certain of the Fours Group companies¹ in the form of pledges of shares and deeds of hypothecation in aggregate to the value of BWP100 million², in August 2016 Mr Ottapathu procured the transfer of 50% of the Fours Group shares (the "**Fours Shares**") in each of the various Fours Group companies into his own name. This was purportedly on behalf of the Company, for the purpose of obtaining "additional security" for the Company.
- 7.1.2 The Board was unaware of, and did not consent to, this transfer of the Fours Shares into Mr Ottapathu's name purported to have been done on behalf of the Company. The Board only became aware of the transfer of the Fours Shares to Mr Ottapathu when the issue was raised by PwC in August 2018. It is not clear (i) why the Board was not informed or given the opportunity to approve this, nor (ii) indeed why the Fours Shares were not transferred directly to the Company in the first instance.

¹ These are Sharpview (Proprietary) Limited and Custody Investments (Proprietary) Limited, the Fours Group companies who had signed the 2015 Agreement.

² Passed by Sharpview (Proprietary) Limited and Custody Investments (Proprietary) Limited in favour of CDC, each to the value of BWP50 million.

7.1.3 The Fours Group shareholders have confirmed that the Fours Shares were transferred to Mr Ottapathu on behalf of the Company and a search of the relevant company records at the Companies and Intellectual Property Authority confirms that the Fours Shares were transferred to Mr Ottapathu.

7.1.4 It should be noted, further, that, although Mr Ottapathu expressed that he had transferred the Fours Shares into his own name on behalf of the Company, there was no document evidencing this until DLG recommended and arranged for Mr Ottapathu to sign a declaration of trust for the Fours Shares in favour of CDC.

7.1.5 Mr Ottapathu wishes it to be recorded in his defence that he received no personal benefit from holding the Fours Shares.

7.2 Legal Issues with the transfer of the Fours Shares

7.2.1 In addition to the fact that (i) the Board was unaware of, and did not authorise, the transfer of the Fours Shares to Mr Ottapathu, on behalf of the Company and (ii) there did not exist any document showing that Mr Ottapathu held the shares on behalf of the Company, the relevant regulators (the BSEL/JSE and the CA) were also not informed of the transfer at the material time.

7.2.2 The transfer of the Fours Shares raises three issues: (i) in the event that the shares are held in Mr Ottapathu's name for his personal benefit, there are BSEL related party issues to consider, (ii) if, as Mr Ottapathu says, the shares are held in trust as additional security by him for Choppies and/or CDC, there are potential other, BSEL transaction disclosure related, requirements to evaluate (as the Company may now be acquiring assets – the Fours Shares) as well as CA considerations to take into account and (iii) there may be tax implications, in either of the above scenarios.

7.2.3 It is concluded in the Legal Report that there are no BSEL related party issues to consider if the transfer was not for Mr Ottapathu's personal benefit and no BSEL transaction disclosure or CA issues to consider if transfer was for additional security purposes. It is further noted that, in any event, transfer of the Fours Shares to Mr Ottapathu was invalid *ab initio* in DLG's view as there was no Board authorisation or consideration which passed.

7.2.4 In relation to the possible tax issue, DLG advised that the procurement of a tax indemnity from Mr Ottapathu, on behalf of the Company, in respect of the transfer of the Fours Shares, should be contemplated.

7.2.5 As to whether Mr Ottapathu could have been seen to have been competing with the Company by having accepted transfer of the Fours Shares, DLG's considered analysis is that there is no breach or contravention of section 130 (1) (h) of the Companies Act by Mr Ottapathu as a result simply of acquiring the Fours Shares in his name.

7.3 Fours Offer

7.3.1 The shareholders of the Fours Group companies have made an offer to the Board for the transfer back of the Fours Shares (the "**Fours Offer**"). The Fours Offer entails payment of a certain sum (still under negotiation by the Board, hence undisclosed in this Circular) in reduction of the debt owed by Payless to Choppies (refer to paragraph 7.2 above). The idea is, because (i) Fours Group owes Payless money and (ii) Payless owes Choppies money, the money to be paid to Payless by Fours should be remitted to Choppies (in reduction of its debt to Choppies).

7.3.2 Agreement has not been reached with Fours Group as at the date of this Circular, as the Fours Group on the one hand requires the return of the Fours Shares and the cancellation of all security prior to making any settlement payment and the Board on the other hand requires that the payment be made first, or at least simultaneously with the return of the Fours Shares.

7.3.3 It should be noted that, on 28 July 2019, Fours Group has instituted proceedings out of the High Court of Botswana in terms of which the return of the Fours Shares is demanded. The Board intends defending these proceedings.

7.3.4 Details of any agreement (including any settlement agreement in respect of the litigation referred to in the preceding paragraph) reached with Fours Group will be disclosed to shareholders in due course in accordance with the BSEL Listings Requirements. These engagements are ongoing as at the date of this Circular.

7.4 Recommendations to the Board by DLG in connection with Fours Group

7.4.1 Notwithstanding the conclusion made that there may be no technical breaches of the BSEL Listings Requirements or the Competition Act, in respect of Mr Ottapathu's actions set out above, DLG recommended engagement by the Board with the CA and the BSEL for purposes of disclosing these actions to the authorities.

7.4.2 DLG recommended censure of Mr Ottapathu by the Board.

7.4.3 DLG recommended that the Fours Offer be considered, and the Four Shares transfers be reversed.

C. Broader Recommendations

8. **Corporate Governance** – taking into account the fact that the Company is a listed public company on the BSE and the JSE, DLG has recorded that, in its view, the necessary elements of good corporate governance are lacking in the Company. For example, clear and detailed reporting to the Board by the executive and properly articulated and defined parameters of operation and decision making (set by the Board), particularly in relation to investment activities of the Company and/or the Group, does not exist. It is recommended that there is an urgent need and requirement to overhaul the governance structure at Choppies to bring it up to international best practice standards.

9. **In relation to Mr Ottapathu:** the Legal Report recommends that the Board should, on behalf of the Company, consider the institution of disciplinary proceedings against Mr Ottapathu in relation to the matters and for the reasons set out in the Legal Report. It should be noted that such disciplinary proceedings against Mr Ottapathu arising out of the Legal Investigation have not been instituted as at the date of this Circular, as it is intended by the Board that any such proceedings be conjoined, and take effect simultaneously with, recommendations as to disciplinary action that may emanate from the Forensic Investigation.

ANNEXURE 2 – SUMMARY OF THE FORENSIC REPORT

A. Introduction and Brief Background

1. Following reports received from PwC during September 2018, the Board on 14 November 2018 and 23 January 2019, respectively engaged EY and NRFSA to perform the Forensic Investigation which entailed looking into:
 - 1.1 sales transactions through which certain inventory items were sold in bulk in South Africa and Zimbabwe during March and April 2018 (the “**Bulk Sales**”);
 - 1.2 transactions for the acquisition of four businesses in South Africa undertaken between October 2016 and October 2017 (the “**Store Acquisitions**”);
 - 1.3 money laundering allegations levied against the Group’s Zimbabwean operations, which had been widely reported on in the Botswana and Zimbabwean news media (the “**Money Laundering Allegations**”); and
 - 1.4 the completeness of reported related party disclosures made by the Group’s Directors (the “**Related Party Disclosures**”).
2. The Board established an independent committee comprising the Non-Executive Directors (the “**NED Committee**”) to independently monitor the Forensic Investigation, to receive reports and advice from EY and NRFSA on the progress and outcomes of the investigation and to engage with other stakeholders (such as PwC and relevant regulators) with respect to this investigation.
3. The Forensic Report was delivered to NRFSA and the NED Committee on 6 August 2019, and its findings are summarised below.

B. Summarised Investigation Results

4. **Bulk Sales and Store Acquisitions**

- 4.1. The Forensic Report confirmed that the Bulk Sales lack commercial substance.

- 4.2. The Bulk Sales preceded a number of special stock counts requisitioned by the Board upon receiving an internal audit report indicating the existence of anomalies in detailed inventory records. The internal audit report indicated that inventory items included in the detailed inventory records (the “**Bulk Sale Items**”) could not be physically verified and did thus presumably not exist, although these had been recorded in the inventory records.
- 4.3. The Bulk Sale Items were removed from the inventory records by means of the Bulk Sales. The Forensic Report found that the Bulk Sales were all initiated centrally for individual stores and, though there were certain exceptions, were undertaken at no or very low profit mark-up. In some instances, the Bulk Sales included stock volumes likely in excess of the stockholding ability at the individual stores and / or large quantities of (likely spoilt) perishable goods. In addition, Bulk Sales were recorded after normal operating hours.
- 4.4. In South Africa, the Forensic Report found evidence that the Bulk Sale Items were separately recorded in the inventory records from November 2017 onwards. There is a strong correlation between the creation of these records and inventory losses reported as arising from stock counts performed from 19 October 2017 to 28 February 2018. The results of such stock counts were reported to the Group’s senior management, including an Executive Director.
- 4.5. In Zimbabwe, the Bulk Sale Items were initially recorded in the inventory records between June 2015 and June 2016.
- 4.6. South Africa
- 4.6.1. The total value of Bulk Sales in South Africa amounted to ZAR128,805,477. Bank transfers in the amount of ZAR128,805,477 were received from two counterparties in settlement of the Bulk Sales by the Group’s South African subsidiaries. These two counterparties are related to each other through common ownership and directorships.
- 4.6.2. In turn, ZAR123,300,000 was channeled back to one of these counterparties (the “**Business Seller**”). Such payments were justified through adjustment of existing arrangements for business acquisitions from the Business Seller (being the Store Acquisitions).
- 4.6.3. The Forensic Report found evidence that various agreements supporting the Store Acquisitions were created and backdated in order to falsely create audit support for the transactions through which cash was then paid back to the Business Seller. Such backdated agreements were signed on behalf of the Group by members of senior management.

4.6.4. The creation of supporting documents went as far as to include the creation - after the fact (and acting on request from the Group's senior management)- of relevant documents by professional advisers in a manner to create the impression that these existed at an earlier date.

4.7. Zimbabwe

4.7.1. The total value of Bulk Sales undertaken in Zimbabwe amounted to USD5,958,869. The Forensic Report found that the Group's Zimbabwean accounting records reflect cash receipts for Bulk Sales. However, there were inconsistencies between operating records routinely used to report and control physical cash receipts and the accounting entries recording receipts in settlement of the Bulk Sales.

4.7.2. Only a portion of the Bulk Sales value could be verified as having been received in cash (i.e., either as banked with one of the Group's banks or as recorded in operating records as cash received). In order to rebalance the accounting records to reflect actual cash balances on hand or in the bank, a series of accounting entries (supported by vouchers created for this purpose) were passed.

4.7.3. The result of the accounting entries was to capitalise costs to capital work-in-progress for store refurbishments. The Forensic Report found evidence that vouchers were created (on instruction of a former member of the Group's Zimbabwean senior management) in order to support the accounting entries reflecting as cash expenditure for these refurbishment costs.

5. Money Laundering Allegations

5.1. The Money Laundering Allegations related to unsupported purchases of inventory from a supplier as well as unsupported payments purportedly for store refurbishments being made in Zimbabwe.

5.2. Other than establishing what appears to be a link between the accounting entries passed to capital work-in-progress as part of the rebalancing of cash records to obfuscate the non-receipt of cash in settlement of Bulk Sales transactions (as explained above), the Forensic Report did not substantiate the Money Laundering Allegations.

6. Related Party Disclosures

6.1. The Forensic Report identified more than 100 unique other business interests, which had not been declared to the Group by three current Directors and one former Director.

- 6.2. The Group has received explanations with respect to these entities from all the Directors. The Group will use the information contained in the Forensic Report and additional information received from the Directors to assess the nature and extent of transactions entered into with such entities.
- 6.3. The Forensic Report did not establish any formal relationships between any of the Directors and counterparties to which Bulk Sales were made, nor those specifically referenced in the Money Laundering Allegations.

C. Next Steps

7. Dealing with Management and Other Officials

- 7.1. While the fact patterns identified in the Forensic Report are self-evident members of senior management, or other officials of the Group interviewed as part of the Forensic Investigation (including some former employees of the Group) provided unsatisfactory explanations for these fact patterns.
- 7.2. The explanations provided are inconsistent with or do not support the factual transaction patterns, contradict explanations provided to EY by others during their investigation or indicate that explanations by senior management to the Board prior to the Forensic Investigation having been initiated were incomplete or inaccurate.
- 7.3. A recurring theme in the interviews of current and former employees during the Forensic Investigation was that they could not recall specific facts or that the matters of detail they were being questioned on were beyond their realm of responsibility, when this could not reasonably be the case.
- 7.4. In other instances, interviewees did not produce (even after repeated follow-up requests) documents referred to during their interviews, or where they did produce such documents, the documents did not support their version.
- 7.5. The Group is in the process of seeking legal advice in regard to the possible transgressions identified in the Forensic Report. Based on this advice, the Board will implement any remedial action considered necessary, including disciplinary procedures, reporting to relevant authorities or regulators and legal action.

8. 2018 AFS

- 8.1. The Group expects that material accounting adjustments will be required to the accounting records underpinning the 2018 AFS. Such adjustments will be required to correct the impact of inappropriate accounting for the Bulk Sales and the Store Acquisitions, and to ensure proper consideration of Related Parties Disclosures.

- 8.2. Given the complexity of the matters (and potential absence of complete and accurate records or explanations from responsible senior management and other officials), the exact impact of this is not yet known with certainty.
- 8.3. The Board expects that it may be able to quantify the accounting impact of the matters (on a provisional unaudited basis) by the time of the Extraordinary General Meeting.
- 8.4. PwC has liaised with EY and the NED Committee throughout the conduct of the Forensic Investigation, and PwC has received a copy of the Forensic Report. PwC will assess the Forensic Report (and the Group's proposed responses thereto) as part of their ongoing audit of the 2018 AFS.

NOTICE OF EXTRAORDINARY GENERAL MEETING

AGENDA

1. Release of the 2018 AFS

To receive an update on the timing of release of the 2018 AFS, updates in respect of the financial position of the Company and any other relevant updates which the Board considers appropriate and necessary to be tabled before the Shareholders.

2. Presentation of the findings of the Legal Investigation and Forensic Investigation

To receive a presentation on the summaries of the Legal Report and the Forensic Report.

3. Board composition

To reappoint and/or appoint members to the Board.

PART A RESOLUTIONS

Save for the Chairman of the Board, each existing Director of the Company, whether or not subject to retirement at a general meeting of the Company, or subject to ratification of such appointment at a general meeting of the Company, retires immediately prior to the relevant resolutions set out below and offers himself or herself up for re-appointment, as appropriate.

- **Ordinary Resolution 1**

To resolve to reappoint Mr Farouk Ismail as a director of the Company by ordinary resolution in accordance with the provisions of clause 20.3 of the Company's constitution.

- **Ordinary Resolution 2**

To resolve to reappoint Mr Wilfred Mpai as a director of the Company by ordinary resolution in accordance with the provisions of clause 20.3 of the Company's constitution.

- **Ordinary Resolution 3**

To resolve to reappoint Mrs Dorcas Kgosietsile as a director of the Company by ordinary resolution in accordance with the provisions of clause 20.3 of the Company's constitution.

- **Ordinary Resolution 4**

To resolve to reappoint Mr Ronald Tamale as a director of the Company by ordinary resolution in accordance with the provisions of clause 20.3 of the Company's constitution.

- **Ordinary Resolution 5**

To resolve to reappoint Mr Heinrich Stander as a director of the Company by ordinary resolution in accordance with the provisions of clause 20.3 of the Company's constitution.

- **Ordinary Resolution 6**

To resolve to reappoint Mr Ramachandran Ottapathu as a director of the Company by ordinary resolution in accordance with the provisions of clause 20.3 of the Company's constitution.

PART B RESOLUTIONS

The persons below have been proposed by certain institutional Shareholders, and the Board has consented to their appointment to the Board.

- **Ordinary Resolution 7**

To resolve to appoint Mr Goleele Mosinyi as a director of the Company by ordinary resolution in accordance with the provisions of clause 20.3 of the Company's constitution.

- **Ordinary Resolution 8**

To resolve to appoint Mr Kenny Nwosu as a director of the Company by ordinary resolution in accordance with the provisions of clause 20.3 of the Company's constitution.

PART C RESOLUTIONS

The persons below have been proposed by Mr Ottapathu, in his capacity as a Shareholder.

- **Ordinary Resolution 9**

To resolve to appoint Mr Oabona Michael Kgengwenyane as a director of the Company by ordinary resolution in accordance with the provisions of clause 20.3 of the Company's constitution.

- **Ordinary Resolution 10**

To resolve to appoint Mr Tom Pritchard as a director of the Company by ordinary resolution in accordance with the provisions of clause 20.3 of the Company's constitution.

- **Ordinary Resolution 11**

To resolve to appoint Ms Carol-Jean Harward as a director of the Company by ordinary resolution in accordance with the provisions of clause 20.3 of the Company's constitution.

Explanatory Note:

In terms of clause 20.1 of the Company's constitution, the minimum number of directors shall be 4. Furthermore, in compliance with the Company's constitution and the Companies Act, appointment and removal of members of the Board shall be by way of an Ordinary Resolution.

Voting and proxies:

Voting shall be by way of poll and not show of hands. A shareholder entitled to attend and vote and may appoint a proxy to attend and vote for him/her on his/her behalf and such proxy need not be a Shareholder. Proxies executed by companies /organisations should be accompanied by a resolution of the organisation appointing the representative to sign the proxy. The instrument appointing such a proxy must be deposited with the Transfer Secretaries at the Transfer Secretaries offices, or submitted electronically to the following e-mail address: anjana.suresh@bw.gt.com, before **10h00** hours on 2 September 2019. A form of instrument of proxy is attached to this Circular.

By order of the Board**Shathani Kgwarae****Company Secretary****Date of issue: 14 August 2019**

INSTRUMENT OF PROXY

**Choppies Enterprises Limited
(Registration number 2004/1681)
(the "Company")**

I/we.....of.....being a holder/holders of.....ordinary shares of the Company

hereby appoint

Or failing him/her.....of

As my/our proxy to vote for me/us at the general meeting of the Company to be held

On 4 September 2019 and at any adjournment of said general meeting.

Signed this.....day of..... 2019

Resolution	For	Against	Abstain
Ordinary Resolution 1 - To resolve to reappoint Mr Farouk Ismail as a director of the Company in accordance with the provisions of clause 20.3 of the Company's constitution.			
Ordinary Resolution 2 - To resolve to reappoint Mr Wilfred Mpai as a director of the Company in accordance with the provisions of clause 20.3 of the Company's constitution.			
Ordinary Resolution 3 - To resolve to reappoint Mr Mrs Dorcas Kgosietsile as a director of the Company in accordance with the provisions of clause 20.3 of the Company's constitution.			
Ordinary Resolution 4 - To resolve to reappoint Mr Ronald Tamale as a director of the Company in accordance with the provisions of clause 20.3 of the Company's constitution.			
Ordinary Resolution 5 - To resolve to reappoint Mr Heinrich Stander as a director of the Company in accordance with the provisions of clause 20.3 of the Company's constitution.			

Ordinary Resolution 6 - To resolve to reappoint Mr Ramachandran Ottapathu as a director of the Company in accordance with the provisions of clause 20.3 of the Company's constitution.			
Ordinary Resolution 7 - To resolve to appoint Mr Goleele Mosinyi as a director of the Company in accordance with the provisions of clause 20.3 of the Company's constitution.			
Ordinary Resolution 8 - To resolve to appoint Mr Kenny Nwosu as a director of the Company in accordance with the provisions of clause 20.3 of the Company's constitution.			
Ordinary Resolution 9 - To resolve to appoint Mr Oabona Michael Kgengwenyane as a director of the Company in accordance with the provisions of clause 20.3 of the Company's constitution.			
Ordinary Resolution 10 - To resolve to appoint Mr Tom Pritchard as a director of the Company in accordance with the provisions of clause 20.3 of the Company's constitution.			
Ordinary Resolution 11 – To resolve to appoint Ms Carol-Jean Harward as a director of the Company by ordinary resolution in accordance with the provisions of clause 20.3 of the Company's constitution.			

Please indicate with an "X" how you wish your votes to be cast.

Signed this _____ day of _____ 2019

Signature of shareholder(s) _____

Assisted by me (where applicable) _____

NOTE:

1. A Shareholder's instructions to the proxy must be indicated by the insertion of an "X" in the appropriate space provided. Failure to comply herewith will be deemed to authorize the proxy to vote at the General Meeting as he/she deems fit in respect of the Shareholder's votes exercisable thereat. A Shareholder or his/her proxy is obliged to use all the votes exercisable by the Shareholder or by his/her proxy. If the proxy form is signed under a power of attorney, it must be accompanied by a copy of the power of attorney and a signed notice of non-revocation of the power of attorney (unless the power of attorney has already been deposited with the Company).
2. Forms of proxy must be lodged with the Transfer Secretaries, posted to the addresses of the Transfer Secretaries provided on page 3 of the Circular (Choppies Corporate Information and Advisers), or emailed to Ms Anjana Suresh at anjana.suresh@bw.gt.com to be received before **10h00** hours on **2 September 2019**.
3. Proxies executed by companies /organisations should be accompanied by a resolution of the organisation appointing the representative to sign the proxy
4. The completion and lodging of this instrument will not preclude the relevant Shareholder from attending the General Meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof should such Shareholder wish to do so.
5. The Chairman of the General Meeting may reject or accept any form of proxy not completed and/or received other than in accordance with these notes provided that he is satisfied as to the manner in which the Shareholder concerned wishes to vote.
6. An instrument of proxy shall be valid for the General Meeting as well as for any adjournment thereof, unless the contrary is stated thereon.
7. A vote given in accordance with the terms of a proxy shall be valid, notwithstanding the previous death or insanity of the Shareholder, or revocation of the proxy, or of the authority under which the proxy was executed, or the transfer of the Ordinary Shares in respect of which the proxy is given, provided that no intimation in writing of such death, insanity or revocation shall have been received by the Company not less than one hour before the commencement of the General Meeting or adjourned General Meeting at which the proxy is to be used.
8. Where ordinary shares are held jointly, all joint Shareholders must sign.
9. A minor must be assisted by his/her guardian, unless relevant documents establishing his/her legal capacity are produced or have been registered by the Company.