



Choppies Enterprises Limited

(Registration number 2004/1681)

BSEL share code: CHOPPIES

JSE share code: CHP

ISIN: BW0000001072

("Choppies" or the "Company" and, together with its subsidiaries, the "Group")

SHAREHOLDER ANNOUNCEMENT: SMALL RELATED PARTY TRANSACTION

1. Shareholders are directed to the Company's previous announcements, the last of which was published on 21 May 2019.

2. Shareholders are advised that, on or about 11 January 2019, the Company entered into an agreement with Phelekezela Mphoko and Siqokoqela Mphoko (both, the "**Mphokos**") in terms of which:
 - (i) Choppies agreed to acquire all the shares previously held by the Mphokos in Nanavac Investments (Private) Limited ("**Nanavac Investments**") for a consideration of US\$2,900,000 (United States Dollars Two Million Nine Hundred Thousand); and
 - (ii) Choppies and the Mphokos agreed to settle all the disputes between them.

(the "**Nanavac Transaction**").

3. The Nanavac Transaction was completed in January 2019 and shareholders are referred to the announcement released on 23 January 2019 in this regard.

4. Nanavac Investments, trading as Choppies Supermarkets Zimbabwe, houses the Zimbabwean trading activities of the Choppies Group. Prior to completion of the Nanavac Transaction, Choppies held 93% of the economic interest and 49% of the equity in Nanavac Investments while the Mphokos held a 7% economic interest and 51% of the equity. Following completion of the Nanavac Transaction, Choppies now holds 100% of the economic interest and equity in Nanavac Investments.



5. In accordance with section 7.6(b) of the Botswana Stock Exchange Limited (“BSEL”) Equity Listings Requirements (the “Listings Requirements”) the audit committee of the Company (the “Audit Committee”) has reviewed the terms of the Nanavac Transaction and has determined that the terms of the Nanavac Transaction were fair as far as the shareholders of the Company were concerned. The determination of the Audit Committee will be available for inspection at the registered office of the Company, for a period of 28 days from the date of this announcement.

6. Furthermore, in terms of section 7.6 of the Listings Requirements, Choppies shareholders will not be required to vote on or approve the Nanavac Transaction and this announcement is therefore for information purposes only.

The Company’s primary listing is on the BSEL and its secondary listing is on the Johannesburg Stock Exchange.

By Order of the Board

3 June 2019

BSEL Sponsoring Broker

AFRICAN ALLIANCE BOTSWANA LIMITED

JSE Sponsor

RAND MERCHANT BANK (A division of FirstRand Bank Limited)