



Choppies Enterprises Limited

(Registration number 2004/1681)

BSEL share code: CHOPPIES

JSE share code: CHP

ISIN: BW0000001072

("Choppies" or the "Company")

### **SHAREHOLDER ANNOUNCEMENT**

Shareholders are directed to the Company's previous announcements, the last of which was published on 21 May 2019. Further to that announcement, shareholders are advised as follows:

#### **A. MEDIA AND SOCIAL MEDIA REPORTAGE**

1. The board of directors of the Company (the "**Board**") is disappointed to take note of the unfortunate and intemperate comments attributed to or made by Mr Ramachandran Ottapathu, the suspended CEO of the Company ("**Mr Ottapathu**" or the "**Suspended CEO**") over the past week and a half on various social media platforms, in the Botswana press, in television and radio interviews and by way of correspondence from him to selected shareholders.
2. The Board considers it necessary to dispel the statements by the Suspended CEO that his suspension was as a result of disagreements with certain Board members and/or because he had presented a report that calls for changes in governance at Board and Company level. In fact, the decision by the Board to suspend Mr Ottapathu was as a result of an aggregation of activities and conduct by the Suspended CEO. These will in due course be made known to shareholders, once the various investigations referred to in previous announcements by the Company are completed.
3. In the meantime, the Board advises shareholders that (i) the suspension was and is valid and proper; (ii) the Suspended CEO's rights and entitlements under Botswana law have not been infringed and remain protected as would those of any employee of the Company; and (iii) as the Suspended CEO remains an employee of the Company during the period of his suspension, such rights and entitlements do not extend to unauthorised disclosures by him of confidential

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information relating to the Board and the Company (which may in and of themselves form the basis of disciplinary proceedings against him).

## **B. DRAFT NOTICE OF EGM**

4. The Board has been made aware that a document purporting to be a draft notice of an extraordinary general meeting (“**EGM**”) of shareholders of the Company (“**EGM Notice**”) has apparently been sent by Mr Ottapathu (or on his behalf) in his capacity as a shareholder to select shareholders.
5. The Board advises shareholders that it has not authorised the issuance or circulation of any such EGM Notice.
6. Whilst Mr Ottapathu is entitled to requisition an EGM subject to meeting the requirements of the Companies Act, formal and proper notice of such an EGM must come from the Board, which is itself considering various options available to it to disseminate further information at the earliest possible opportunity to shareholders, including at an EGM called by the Board of its own volition.
7. Shareholders will be apprised of the Board’s decision in due course.

The Company’s primary listing is on the BSE 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)