

NOTICE TO SHAREHOLDERS: ANNUAL GENERAL MEETING (“AGM”)

Shoprite Holdings Ltd and its Subsidiaries for the year ended June 2016

SHOPRITE HOLDINGS LIMITED
(Incorporated in the Republic of South Africa)
(Registration number 1936/007721/06)
JSE share code: SHP
NSX share code: SRH
LUSE share code: SHOPRITE
ISIN: ZAE000012084
("Shoprite Holdings" or "the Company")

1. NOTICE OF MEETING

Notice is hereby given that the AGM of Shoprite Holdings will be held at the Company's registered office, corner William Dabs and Old Paarl Roads, Brackenfell, South Africa on Monday, 31 October 2016 at 09:15 (South African time).

2. WHO MAY ATTEND AND VOTE?

- 2.1 If you hold dematerialised shares which are registered in your name or if you are the registered holder of certificated shares:
- you may attend the AGM in person;
 - alternatively, you may appoint a proxy to represent you at the AGM and to attend, participate in, and speak and vote at the AGM in your place by completing the attached form of proxy in accordance with the instructions it contains and returning it to the company secretary or transfer secretaries at their addresses set out below to be received not later than 09:15 (SA time) on Friday, 28 October 2016. A proxy need not be a shareholder of the Company.
- 2.2 If you are a beneficial shareholder, but not a registered shareholder as at the record date and:
- wish to attend the AGM, you must obtain the necessary letter of representation from your CSDP or broker to represent the registered shareholder; or
 - do not wish to attend the AGM, but would like your vote to be recorded at the AGM, you should contact your CSDP or broker and furnish them with your voting instructions; and
 - you must not complete the attached form of proxy.
- 2.3 The record date for purposes of determining which shareholders are entitled to receive this notice is determined in terms of section 59(1)(a) of the Companies Act, no 71 of 2008 ("the Companies Act") being 16 September 2016.
- 2.4 The date on which shareholders must be recorded as such in the register maintained by the transfer secretaries of the Company for purposes of being entitled to attend and vote at this meeting is determined in terms of section 59(1)(b) of the Companies Act being Friday, 21 October 2016 ("Voting Record Date").
- 2.5 In terms of section 63(1) of the Companies Act, any person attending or participating in the AGM must present reasonably satisfactory identification and the chairperson of the meeting must be reasonably satisfied that the right of any person to participate and vote has been reasonably verified. Suitable forms of identification will include a valid identification document, driver's license or passport.
- 2.6 Should any shareholder, or a representative proxy from a shareholder, wish to participate in the AGM by way of electronic participation, that shareholder should make an application in writing (including details on how the shareholder or its representative wish to participate) to the transfer secretaries or company secretary at their addresses listed below, to be received by them at least seven (7) business days before the AGM, to enable the transfer secretaries to arrange for the shareholder or its representative or proxy, to provide reasonably satisfactory identification to the transfer secretaries for purposes of section 63(1) of the Companies Act and to enable the transfer secretaries to provide details on how to access the

AGM by way of electronic participation. Please note that shareholders who wish to participate in the AGM by way of electronic participation must appoint a proxy to exercise his voting rights in terms of paragraph 2.1 above or furnish his CSDP or broker with voting instructions in terms of paragraph 2.2 above.

- 2.7 Votes at the AGM on all resolutions will be conducted by way of a poll and not on a show of hands. Every shareholder present in person or represented by proxy shall have one (1) vote for every share held in the Company.
- 2.8 If you are in any doubt as to what action you should take arising from the following resolutions, please consult your stockbroker, banker, attorney, accountant or other professional adviser immediately.

3. INTEGRATED REPORT

A copy of the Company's Integrated Report for the year ended June 2016 and the reports of the directors and independent auditors are delivered herewith.

4. PURPOSE OF MEETING

The purpose of this meeting is to:

- present the audited financial statements for the year ended June 2016, the report of the directors and the report of the auditors thereon;
- present the reports of the audit and risk as well as the social and ethics committees;
- consider any matters raised by shareholders; and
- consider and, if deemed fit, to pass, with or without modification, the resolutions set out below.

5. The following resolutions will be considered at the meeting, and, if deemed fit, passed with or without modification:

5.1 ORDINARY RESOLUTION NUMBER 1: ANNUAL FINANCIAL STATEMENTS

"Resolved that the annual financial statements of the Company and the Group for the year ended June 2016, including the reports of the directors and independent auditors be and are hereby approved."

For ordinary resolution number 1 to be approved by shareholders it must be supported by more than 50% of the voting rights exercised on the resolution by shareholders present or represented by proxy at this meeting.

5.2 ORDINARY RESOLUTION NUMBER 2: RE-APPOINTMENT OF AUDITORS

"Resolved that PricewaterhouseCoopers Inc. (PwC) be re-elected as independent registered auditors of the Company for the period until the next annual general meeting of the Company (noting that Mr MC Hamman is the individual registered auditor of PwC who will undertake the audit in respect of the financial year ending June 2017) as recommended by the Company's Audit and Risk Committee."

For ordinary resolution number 2 to be approved by shareholders it must be supported by more than 50% of the voting rights exercised on the resolution by shareholders present or represented by proxy at this meeting.

5.3 ORDINARY RESOLUTION NUMBER 3: RE-ELECTION OF DR ATM MOKGOKONG

"Resolved that Dr ATM Mokgokong, who is required to retire as a director of the Company at this AGM and who is eligible and available for re-election, is hereby reappointed as director with immediate effect."



Age: 59
 First Appointed: 2012
 Educational qualifications: MB ChB DCom (Honoris Causa)
 Directorship: Chairperson of Community Investment Holdings (Pty) Ltd, Rebosis Property Fund Ltd, Jasco Electronics Ltd and Afro Centric Investment Corporation Ltd and serves on the boards of Adcock Ingram and Medscheme Ltd.

For ordinary resolution number 3 to be approved by shareholders it must be supported by more than 50% of the voting rights exercised on the resolution by shareholders present or represented by proxy at this meeting.

5.4 ORDINARY RESOLUTION NUMBER 4: RE-ELECTION OF MR JF BASSON

"Resolved that Mr JF Basson, who is required to retire as a director of the Company at this AGM and who is eligible for re-election and available, is hereby reappointed as director with immediate effect."

Age: 64
 First Appointed: 2014
 Educational qualifications: B Com CTA CA(SA)
 Other directorships: Cape Consumers (Pty) Ltd

For ordinary resolution number 4 to be approved by shareholders it must be supported by more than 50% of the voting rights exercised on the resolution by shareholders present or represented by proxy at this meeting.

5.5 ORDINARY RESOLUTION NUMBER 5: RE-ELECTION OF MR JJ FOUCHÉ

"Resolved that Mr JJ Fouché, who is required to retire as a director of the Company at this AGM and who is eligible for re-election and available, is hereby reappointed as director with immediate effect."

Age: 68
 First Appointed to Audit Committee: 2013
 Educational qualifications: BCom LLB
 Other directorships: None

For ordinary resolution number 5 to be approved by shareholders it must be supported by more than 50% of the voting rights exercised on the resolution by shareholders present or represented by proxy at this meeting.

5.6 ORDINARY RESOLUTION NUMBER 6: RE-ELECTION OF MR JA ROCK

"Resolved that Mr JA Rock, who is required to retire as a director of the Company at this AGM and who is eligible and available for re-election, is hereby reappointed as director with immediate effect."

Age: 46
 First Appointed: 2012
 Educational qualifications: BA Hons MA ACA AMP (Insead)
 Other directorships: Ferroland Grondtrust (Pty) Ltd

For ordinary resolution number 6 to be approved by shareholders it must be supported by more than 50% of the voting rights exercised on the resolution by shareholders present or represented by proxy at this meeting.

5.7 ORDINARY RESOLUTION NUMBER 7: APPOINTMENT OF MR JF BASSON AS CHAIRPERSON AND MEMBER OF THE SHOPRITE HOLDINGS AUDIT AND RISK COMMITTEE

"Subject to his re-election as director, it is resolved that Mr JF Basson be elected as Chairperson and member of the Shoprite Holdings Audit and Risk Committee with immediate effect in terms of section 94(2) of the Companies Act."

Age: 64
 First Appointed: 2014
 Educational qualifications: B Com CTA CA(SA)
 Other directorships: Cape Consumers (Pty) Ltd

For ordinary resolution number 7 to be approved by shareholders it must be supported by more than 50% of the voting rights exercised on the resolution by shareholders present or represented by proxy at this meeting.

5.8 ORDINARY RESOLUTION NUMBER 8 : APPOINTMENT OF MR JA LOUW AS MEMBER OF THE SHOPRITE HOLDINGS AUDIT AND RISK COMMITTEE

"It is resolved that Mr JA Louw be elected as member of the Shoprite Holdings Audit and Risk Committee with immediate effect in terms of section 94(2) of the Companies Act."

Age: 72
 First appointed to Audit Committee: 2011
 Educational qualifications: BSc Hons B(B&A) Hons
 Other directorships: Mr Louw serves as a director on the board of various private companies.

For ordinary resolution number 8 to be approved by shareholders it must be supported by more than 50% of the voting rights exercised on the resolution by shareholders present or represented by proxy at this meeting.

5.9 ORDINARY RESOLUTION NUMBER 9: APPOINTMENT OF MR JJ FOUCHÉ AS MEMBER OF THE SHOPRITE HOLDINGS AUDIT AND RISK COMMITTEE

"Subject to his re-election as director, it is resolved that Mr JJ Fouché be elected as member of the Shoprite Holdings Audit and Risk Committee with immediate effect in terms of section 94(2) of the Companies Act."

Age: 68
 First Appointed to Audit Committee: 2013
 Educational qualifications: BCom LLB
 Other directorships: None

For ordinary resolution number 9 to be approved by shareholders it must be supported by more than 50% of the voting rights exercised on the resolution by shareholders present or represented by proxy at this meeting.

5.10 ORDINARY RESOLUTION NUMBER 10: APPOINTMENT OF MR JA ROCK AS MEMBER OF THE SHOPRITE HOLDINGS AUDIT AND RISK COMMITTEE

"Subject to his re-election as director it is resolved that Mr JA Rock be elected as member of the Shoprite Holdings Audit and Risk Committee with immediate effect in terms of section 94(2) of the Companies Act."

Age: 46
 First Appointed: 2012
 Educational qualifications: BA Hons MA ACA AMP (Insead)
 Other directorships: Ferroland Grondtrust (Pty) Ltd

For ordinary resolution number 10 to be approved by shareholders it must be supported by more than 50% of the voting rights exercised on the resolution by shareholders present or represented by proxy at this meeting.

5.11 ORDINARY RESOLUTION NUMBER 11: GENERAL AUTHORITY OVER UNISSUED ORDINARY SHARES

"Resolved that 28.6 million (approximately 5% of the issued ordinary share capital that includes treasury shares) of the authorised but unissued ordinary shares in the capital of the



Company be and are hereby placed under the control and authority of the directors of the Company until the next annual general meeting and that the directors of the Company be and are hereby authorised and empowered to, without first offering those shares to shareholders pro rata to their shareholding, allot, issue and otherwise dispose of such ordinary shares to a person or persons on such terms and conditions and at such times as the directors of the Company may from time to time and in their discretion deem fit, subject to the provisions of the Companies Act, the Memorandum of Incorporation ("MOI") of the Company and JSE Listings Requirements, when applicable, and any other exchange on which the shares of the Company may be quoted or listed from time to time."

For ordinary resolution number 11 to be approved by shareholders it must be supported by more than 50% of the voting rights exercised on the resolution by shareholders present or represented by proxy at this meeting.

5.12 ORDINARY RESOLUTION NUMBER 12: GENERAL AUTHORITY TO ISSUE SHARES FOR CASH

"Resolved that the directors of the Company be and are hereby authorised by way of a general authority, to issue all or any of the authorised, but unissued shares in the capital of the Company, for cash, as and when they in their discretion deem fit, subject to the Companies Act, the MOI of the Company, the JSE Listings Requirements and any other exchange on which the shares of the Company may be quoted from time to time, when applicable, subject to the following limitations, namely that:

- the equity securities which are the subject of the issue for cash must be of a class already in issue, or where this is not the case, must be limited to such securities or rights that are convertible into a class already in issue;
- any such issue will only be made to "public shareholders" as defined in the JSE Listings Requirements and not related parties, unless the JSE otherwise agrees, but may be made to such "public shareholders" and in such quantities that the directors in their discretion may deem fit;
- the number of ordinary shares issued for cash shall not in the aggregate in any one (1) financial year, exceed 5% (five percent) of the Company's issued ordinary shares, being 26 950 347 ordinary shares (excluding 35 436 572 treasury shares). The number of ordinary shares which may be issued shall be based on the number of ordinary shares in issue at the date of this notice of AGM, less any ordinary shares issued in terms of this authority by the Company during the current financial year;
- in the event of a sub-division or consolidation of issued ordinary shares during the period of this authority, the authority will be adjusted accordingly to represent the same allocation ratio;
- this authority be valid until the Company's next annual general meeting, provided that it shall not extend beyond fifteen (15) months from the date that this authority is given;
- a paid press announcement will be published giving full details, at the time of any issue representing on a cumulative basis within one (1) financial year, 5% (five percent) or more of the number of shares in issue prior to the issue in terms of this authority;
- in determining the price at which an issue of shares may be made in terms of this authority, the maximum discount permitted will be 10% (ten percent) of the weighted average traded price on the JSE of those shares measured over the thirty (30) business days prior to the date that the price of the issue is determined or agreed by the directors of the Company."

For ordinary resolution number 12 to be approved by shareholders it must in terms of the JSE Listings Requirements

be supported by more than 75% of the voting rights exercised on the resolution by shareholders present or represented by proxy at this meeting.

5.13 ORDINARY RESOLUTION NUMBER 13: GENERAL AUTHORITY TO DIRECTORS AND/OR COMPANY SECRETARY

"Resolved that any one of the directors of Shoprite Holdings or the company secretary be and are hereby authorised to do all things, perform all acts and to sign and execute all documentation necessary to implement the ordinary and special resolutions adopted at the AGM."

For ordinary resolution number 13 to be approved by shareholders it must be supported by more than 50% of the voting rights exercised on the resolution by shareholders present or represented by proxy at this meeting.

5.14 RESOLUTION NUMBER 14: NON-BINDING ADVISORY VOTE ON THE REMUNERATION POLICY OF SHOPRITE HOLDINGS

"Resolved that, through a non-binding advisory vote, the Company's remuneration policy (excluding the remuneration of the non-executive directors and members of board committees for their services as directors) as set out in the Remuneration report in the Integrated Report on pages 36 to 44 is endorsed."

For resolution number 14 to be approved by shareholders it must be supported by more than 50% of the voting rights exercised on the resolution by shareholders present or represented by proxy at this meeting.

5.15 SPECIAL RESOLUTION NUMBER 1: REMUNERATION PAYABLE TO NON-EXECUTIVE DIRECTORS

"Resolved as a special resolution in terms of section 66(9) of the Companies Act, that the annual remuneration of the non-executive directors for the twelve months from 1 November 2015 – 31 October 2016 be approved as follows:

SHOPRITE HOLDINGS BOARD AND COMMITTEE FEES

	2015/2016	2014/2015
BOARD		
Chairman of the Board	R367 500	R340 000
Lead Independent Director	R227 000	R210 000
Non-Executive Director	R216 000	R200 000

AUDIT AND RISK COMMITTEE

Chairman	R258 000	R239 500
Member	R130 000	R120 000

REMUNERATION COMMITTEE

Chairman	R67 000	R62 000
Member	R40 500	R37 500

NOMINATION COMMITTEE

Chairman	R67 000	R62 000
Member	R40 500	R37 500

SOCIAL AND ETHICS COMMITTEE

Chairman	R87 500	R81 000
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For special resolution number 1 to be approved by shareholders it must be supported by at least 75% of the voting rights exercised on the resolution by shareholders present or represented by proxy at this meeting.

REASON FOR AND EFFECT OF SPECIAL RESOLUTION NUMBER 1

The reason for and effect of special resolution number 1 is to grant the Company the authority to pay remuneration to its non-executive directors for their services as directors for the period ending on 31 October 2016.



5.16 SPECIAL RESOLUTION NUMBER 2: FINANCIAL ASSISTANCE TO SUBSIDIARIES, RELATED AND INTER-RELATED ENTITIES

“Resolved as a special resolution in terms of section 45(3)(a)(ii) of the Companies Act, subject to compliance with the requirements of the Company’s MOI and the JSE Listings Requirements as presently constituted and amended from time to time as a general approval, that the board of the Company be authorised during a period of two (2) years from the date of this special resolution to authorise the Company to provide direct or indirect financial assistance to a director or prescribed officer of the Company or of a related or inter-related company, or to a related or inter-related company or corporation, (“any related or inter-related company or corporation” has herein the same meaning as in section 45 of the Companies Act and which meaning includes all the subsidiaries of the Company) to the Company or to a member of such a related or inter-related corporation, or to a person related to any such company, corporation, director, prescribed officer or member, in any form including one or more of the following forms:

- loan to,
- the provision of credit to the deferment of any payment due by,
- guarantee of any obligation of,
- suretyship in respect of any obligation of,
- indemnity undertakings in respect of obligations of,
- the securing (in any form) of any debt or obligations of, or
- payments to or for the benefit of,

such a person or company or corporation, director, prescribed officer or member which the board of the Company may deem fit on the terms and conditions and for amounts that the board of the Company may determine.”

For special resolution number 2 to be approved by shareholders it must be supported by at least 75% of the voting rights exercised on the resolution by shareholders present or represented by proxy at this meeting.

REASON FOR AND EFFECT OF SPECIAL RESOLUTION NUMBER 2

This special resolution will grant the Company’s directors the authority to authorise financial assistance in any of the forms described in the resolution to a director or prescribed officer of the Company (to be utilised as part of an incentive scheme, where applicable) or of a related or inter-related company, or to a related or inter-related company or corporation, (“any related or inter-related company or corporation” has herein the same meaning as in section 45 of the Companies Act and which meaning includes all the subsidiaries of the Company) to the Company or to a member of such a related or inter-related corporation, or to a person related to any such company, corporation, director, prescribed officer or member as contemplated in section 45 of the Companies Act.

Notice to the shareholders of the Company in terms of section 45(5) of the Companies Act, of a resolution adopted by the Board authorising the Company to provide such direct or indirect financial assistance:

- By the time that this notice of AGM is delivered to shareholders, the Board would have adopted a written board resolution (“the Section 45 Board Resolution”) authorising the Company to provide at any time during the period of two (2) years from the date the above special resolution number 2 is adopted, any direct or indirect financial assistance as contemplated in section 45 of the Companies Act to any one or more related or inter-related companies or corporations of the Company;
- The Section 45 Board Resolution will only be subject to and only effective to the extent that special resolution number 2 is adopted by shareholders and the provision of any such direct

or indirect financial assistance by the Company, pursuant to such resolution, will always be subject to the Board being satisfied that immediately after providing such financial assistance, the Company will satisfy the solvency and liquidity test as referred to in section 45(3)(b)(i) of the Companies Act and that the terms under which the financial assistance will be given are fair and reasonable to the Company as required in section 45(3)(b)(ii) of the Companies Act; and

- The Company hereby provides notice of the Section 45 Board Resolution to shareholders of the Company.

5.17 SPECIAL RESOLUTION NUMBER 3: FINANCIAL ASSISTANCE FOR SUBSCRIPTION OF SECURITIES

“Resolved as a special resolution that the Company be and is hereby authorised, as a general authority contemplated in section 44(3)(a)(ii) of the Companies Act to provide direct or indirect financial assistance by way of a loan, guarantee, the provision of security or otherwise of the kind referred to in section 44 of the Companies Act to any employee of the Company or of a subsidiary of the Company or of a related or inter-related company (“related or inter-related company” has herein the same meaning as in section 44 of the Companies Act) to the Company, for the purpose of, or in connection with, the subscription of any shares or other securities to be issued by the Company or for the purchase of any shares or other securities of the Company or for the purchase of any convertible bonds issued by Shoprite Investments Limited or for the subscription of those bonds by such employees, on the terms and conditions that the Board of the Company may deem fit.”

For special resolution number 3 to be approved by shareholders it must be supported by at least 75% of the voting rights exercised on the resolution by shareholders present or represented by proxy at this meeting.

REASON FOR AND EFFECT OF SPECIAL RESOLUTION NUMBER 3

The Shoprite Holdings Executive Share Plan (“the Plan”) approved by shareholders on 29 October 2012 provides selected senior executives of the Group (“Participants”) with the opportunity of receiving Shoprite Holdings securities through the awarding of forfeitable shares. Forfeitable share awards comprise three (3) types of instruments, namely Co-investment Shares, Performance Shares and Retention Shares.

Participants may for instance in terms of the Plan rules be required to purchase Shoprite Holdings shares and Co-investment Shares are then awarded to them based on the value of a Participant’s investment in this regard. A Participant’s investment in the shares will be financed by utilising his own funds or by way of a loan from the Company or the subsidiary employer. Loans could also be made in terms of the Plan to provide financial assistance in respect of the acquisition of shares in terms of the Plan. Loans to Participants are interpreted as financial assistance for the subscription of or purchase of securities in terms of section 44 of the Companies Act. Financial assistance by the Company (should it be granted) may fall within the exemption in section 44(3)(a)(i) of the Companies Act which will mean that the Company may provide that financial assistance without the approval of a special resolution. However to ensure that the Board is properly authorised to provide such financial assistance in cases where that exemption does not apply, this special resolution is required.

This special resolution will grant the Company the authority to provide financial assistance as contemplated by section 44 of the Companies Act.

5.18 SPECIAL RESOLUTION NUMBER 4: GENERAL APPROVAL TO REPURCHASE SHARES

“Resolved as a special resolution that, the Company and/or any subsidiary of the Company be and are hereby authorised by way



of a general approval to acquire the issued ordinary shares of the Company, upon such terms and conditions and in such amounts as the directors of the Company may from time to time determine, but subject to the MOI of the Company, the provisions of the the Companies Act, the JSE Listings Requirements and any other exchange on which the shares of the Company may be quoted or listed from time to time, where applicable, and provided that:

- the repurchase of securities will be effected through the main order book operated by the JSE trading system without any prior understanding or arrangement between the Company and the counterparty, or other manner approved by the JSE;
- this general authority shall be valid until the Company's next annual general meeting, provided that it shall not extend beyond fifteen (15) months from the date of passing of this special resolution;
- in determining the price at which the Company's ordinary shares are acquired by the Company or its subsidiaries in terms of this general authority, the maximum premium at which such ordinary shares may be acquired will be 10% (ten percent) of the weighted average of the market price at which such ordinary shares are traded on the JSE, as determined over the five (5) trading days immediately preceding the date of the repurchase of such ordinary shares by the Company;
- the number of ordinary shares acquired in the aggregate in any one (1) financial year do not exceed 5% (five percent) of the number of the Company's issued ordinary shares on the date that this special resolution is adopted;
- prior to entering the market to repurchase the Company's securities, a board resolution to authorise the repurchase will have been passed in accordance with the requirements of section 46 of the Companies Act, and stating that the Board has acknowledged that it has applied the solvency and liquidity test as set out in section 4 of the Companies Act and has reasonably concluded that the Company will satisfy the solvency and liquidity test immediately after completing the proposed repurchase;
- the Company or its subsidiaries will not repurchase securities during a prohibited period as defined in paragraph 3.67 of the JSE Listings Requirements, unless there is a repurchase programme in place where the dates and quantities of securities to be traded during the relevant period are fixed (not subject to any variation) and full details of the programme have been disclosed to the JSE prior to the commencement of the prohibited period;
- when the Company has cumulatively repurchased 3% (three percent) of the initial number of the relevant class of securities, and for each 3% (three percent) in aggregate of the initial number of that class acquired thereafter, an announcement will be made; and
- the Company only appoints one agent to effect any repurchase(s) on its behalf."

For special resolution number 4 to be approved by shareholders it must be supported by at least 75% of the voting rights exercised on the resolution by shareholders present or represented by proxy at this meeting.

STATEMENT BY THE BOARD OF DIRECTORS

The directors of the Company have no specific intention to effect the resolution, but will continually review the Company's position, having regard to prevailing circumstances and market conditions, in considering whether to repurchase its own shares.

After having considered the effect of the repurchase of ordinary shares pursuant to this general authority, the directors of the Company in terms of the relevant provisions of the Companies Act and the JSE Listings Requirements confirm that they will not undertake such purchase unless:

- the Company and the Group are in a position to repay their debt in the ordinary course of business for the 12 (twelve) month period after the date of the notice of the AGM;
- the assets of the Company and the Group, being fairly valued in accordance with the accounting policies used in the latest annual financial statements are, after the repurchase, in excess of the liabilities of the Company and the Group for the twelve (12) month period after the date of the notice of the AGM;
- the ordinary capital and reserves of the Company and the Group are adequate for the twelve (12) month period after the date of the notice of the AGM;
- the available working capital is adequate to continue the operations of the Company and the Group for a period of twelve (12) months after the date of the notice of the AGM.

REASON FOR AND EFFECT OF SPECIAL RESOLUTION NUMBER 4

The JSE Listings Requirements 5.72(c) and 5.76 require that the Company or any subsidiary of the Company may only repurchase or purchase securities issued by the Company if approved by its shareholders by way of a special resolution. The existing general authority granted by the shareholders of the Company at the previous AGM on 19 October 2015, is due to expire, unless renewed.

The directors are of the opinion that it would be in the best interest of the Company to extend such general authority.

The proposed general authority would enable the Company or any subsidiary of the Company to repurchase up to a maximum of 28 643 598 (twenty eight million six hundred and forty three thousand five hundred and ninety eight) ordinary shares of the Company, representing 5% (five percent) of the issued ordinary share capital of Company as at June 2016.

The reason for the passing of special resolution number 4 is to authorise the Company and/or its subsidiaries by way of a general authority from shareholders to repurchase ordinary shares issued by the Company.

Once adopted this special resolution will permit the Company or any of its subsidiaries, to repurchase such ordinary shares in terms of the Companies Act, its MOI and the JSE Listings Requirements.

DISCLOSURES IN TERMS OF SECTION 11.26 OF THE JSE LISTINGS REQUIREMENTS

The JSE Listings Requirements require the following disclosures in respect of special resolution number 4, some of which are disclosed in the integrated report of which this notice forms part:

- Major shareholders of the Company page 64
- Share capital of Company page 59 to 60

MATERIAL CHANGE

Other than the facts and developments as referred to on page 49 of the Integrated Report, there have been no material changes in the affairs or financial position of the Company and its subsidiaries since the date of signature of the audit report and the date of this notice.

DIRECTORS' RESPONSIBILITY STATEMENT

The directors, whose names are given on pages 8 to 9 of the Integrated Report, collectively and individually, accept full responsibility for the accuracy of the information and certify that to the best of their knowledge and belief there are no facts that have been omitted which would make any statement false or misleading and that all reasonable enquiries to ascertain such facts have been made.

5.19 SPECIAL RESOLUTION NUMBER 5: APPROVAL OF AMENDMENT TO CLAUSES 9.3 TO 9.6 OF THE MEMORANDUM OF INCORPORATION OF THE COMPANY

"Resolved as a special resolution in accordance with section 16(1)(c) of the Companies Act, that the MOI of the Company be



and is hereby amended by way of the deletion of clauses 9.3, 9.4, 9.5 and 9.6 of the MOI of the Company and the deletion of clauses 2, 3, 4 and 5 of Schedule 1 to the MOI.”

For special resolution number 5 to be approved by shareholders, it must be supported by at least 75% of the voting rights exercised on the special resolution.

REASON FOR AND EFFECT OF SPECIAL RESOLUTION NUMBER 5

The Company does not have any issued 6% cumulative preference shares or 5% cumulative preference shares or second 5% cumulative preference shares or third 5% cumulative preference shares anymore. Clauses 9.3 to 9.6 set out the rights attaching to those shares while clauses 2 to 5 of Schedule 1 authorised those preference shares.

The board of directors of the Company has resolved that the Company does not have any further need for those shares and accordingly to delete the provisions relating to those shares from the MOI of the Company and to propose this special resolution.

The effect of the adoption of this special resolution 5 will therefore be that the Company will not have any authorised 6% cumulative preference shares or 5% cumulative preference shares or second 5% cumulative preference shares or third 5% cumulative preference shares anymore.

5.20 SPECIAL RESOLUTION NUMBER 6: APPROVAL OF AMENDMENT TO CLAUSE 15 OF THE MEMORANDUM OF INCORPORATION OF THE COMPANY

“Resolved as a special resolution in accordance with section 16(1)(c) of the Companies Act, that the Memorandum of Incorporation of the Company be and is hereby amended as follows:

- 5.20.1 that clause 15.3 of the MOI of the Company is deleted; and
5.20.2 that the following clause is added as clause 49 to the MOI of the Company:

CLAUSE 49

- 49.1 If pursuant to any corporate action or event, including any capitalisation issue or rights issue, Shareholders or other Security Holders would, but for the provisions of this clause 49 become entitled to fractions of Securities (“Fractional Entitlements”), such Fractional Entitlements shall be dealt with in accordance with the JSE Listings Requirements.
49.2 Subject to the JSE Listings Requirements, the provisions of clause 45 shall apply mutatis mutandis to any amounts that may become payable to Shareholders or other Security Holders in terms of this clause 49.”

For special resolution number 6 to be approved by shareholders, it must be supported by at least 75% of the voting rights exercised on the Special Resolution.

REASON FOR AND EFFECT OF SPECIAL RESOLUTION NUMBER 6

Only whole shares and not fractional shares may be issued by the Company and traded on the JSE. Previously the JSE Listings Requirements provided that all allocations of securities by a listed company will be rounded up or down, based on the standard rounding conversion. In terms of an amendment to the JSE Listings Requirements, allocations of securities must now be rounded down to the nearest whole number and shareholders must receive a cash payment for the fractions of securities to which they would otherwise have become entitled. The CSDP’s and brokers will then sell the securities constituted by the aggregation of the fractions on the open market. The MOI of the Company presently deals with the manner in which fractional entitlements are dealt with in clause 15.3. The JSE has granted the Company until 1 May 2017 to amend its MOI to bring it in line with the amendment to the JSE Listings Requirements.

The reason for this special resolution number 6 is to bring the

MOI in line with the latest amended JSE Listings Requirements. The effect of this special resolution 6 will be to align the MOI with the JSE Listings Requirements while clause 49.2 will provide that any payments to shareholders that become due by reason of the sale of fractions of securities will also be governed by the provisions of clause 49.

5.21 SPECIAL RESOLUTION NUMBER 7: APPROVAL OF AMENDMENT TO CLAUSES 1.2.24, 1.2.25 AND 48 OF THE MEMORANDUM OF INCORPORATION OF THE COMPANY

“Resolved as a special resolution in accordance with section 16(1)(c) of the Companies Act, that the Memorandum of Incorporation of the Company be and is hereby amended as follows:

- 5.21.1 that reference to Securities Services Act No 36 of 2004 in clause 1.2.24 be deleted and replaced with Financial Markets Act No 19 of 2012;
5.21.2 that reference to Securities Exchange News Service in clause 1.2.25 be deleted and replaced with Stock Exchange News Service; and
5.21.3 by deleting the words “or increase their odd-lot holdings” in clause 48.

For special resolution number 7 to be approved by shareholders, it must be supported by at least 75% of the voting rights exercised on the Special Resolution.

REASON FOR AND EFFECT OF SPECIAL RESOLUTION NUMBER 7

The Financial Markets Act No 19 of 2012 replaced the Securities Services Act No 36 of 2004 with effect from 3 June 2013 whilst the amendment to clause 1.2.25 is purely cosmetic in nature.

The JSE Listings Requirements do not allow the increase in odd-lot holdings which will be treated as a specific issue of shares for cash. This deletion is required to ensure compliance with Listings Requirement 5.123.

The reason for this special resolution number 7 is to make reference in the MOI to the latest legislation and to align the MOI with the amended JSE Listings Requirements. The effect of this special resolution number 7 will be to align the MOI with the JSE Listings Requirements and to correct references to previous and outdated legislation.

7. TRANSACTION OF OTHER BUSINESS

FOR SHOPRITE HOLDINGS LIMITED



PG DU PREEZ
Company Secretary

30 September 2016

THE COMPANY SECRETARY

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