

Shoprite Investments Limited
(Incorporated in the Republic of South Africa)
(Registration number 1985/000928/06)
Stock code: SHPCB
ISIN: ZAE000166997
("Shoprite Investments" or the "Issuer")

NOTICE TO BONDHOLDERS REGARDING THE CONVERSION NOTICE FOR SHOPRITE INVESTMENTS

Bondholders are advised that the Issuer has released a conversion notice in relation to the ZAR4,700,000,000 Senior Unsecured Guaranteed Convertible Registered Bonds which are due on 3 April 2017 and convertible into Shoprite Holdings Limited Ordinary Shares. In order for a bondholder to exercise their option to convert their bonds into the ordinary shares, the following procedure is to be followed.

- Contact their JSE approved Stock Broker (Broker) and the Broker to complete and forward the attached Conversion Notice to the Conversion Agent; or
- Contact their Central Securities Depository's Nominee (CSDP) and the CSDP to complete and forward the attached Conversion Notice to the Conversion Agent.

The Conversion Notice is required to be completed and signed/stamped by the Bondholders CSDP agent / Broker.

The completed Conversion Notice must be sent by either telefax or email to the Conversion Agent during the Conversion Agents usual business hours (8:00 to 16:30 on a Business Day). Details of Conversion Agent are as follows:

- Rand Merchant Bank, a division of FirstRand Bank Limited
- For attention: Martin Cohen / Kirchen Rambuchen
- Fax No: +27 11 282 4695
- Email: Martin.cohen@rmb.co.za
- Email: Kirchen.Rambuchen@rmb.co.za

If delivery of the Conversion Notice is made after usual business hours or on a day which is not a Business day, such delivery will be deemed to be made on the next following business day.

FORM OF CONVERSION NOTICE

SHOPRITE INVESTMENTS LIMITED

ZAR4.7 BILLION SENIOR UNSECURED GUARANTEED CONVERTIBLE REGISTERED BONDS DUE 3 APRIL 2017 CONVERTIBLE INTO ORDINARY SHARES IN SHOPRITE HOLDINGS LIMITED

Any Conversion Notice not duly completed shall be decreed not to have been delivered and shall be null and void

Once the bondholder exercises its option to convert the Bond, all interest accrued from the Last Interest Payment date to Conversion Date will be forfeited (refer to Condition 8.2.1 of the Terms and Conditions of the Listing Document dated 24 May 2012).

To: SHOPRITE INVESTMENTS LIMITED

1. I/We, the undersigned, being the holder(s) of the Beneficial Interests specified below hereby irrevocably elect to convert such Bonds in accordance with the Terms and Conditions of the Bonds into Ordinary Shares in Shoprite Holdings Limited (“**Ordinary Shares**”) at the Conversion Price (as defined in the Terms and Conditions).

2. The total Principal Amount:

Number of Bonds (must be a whole number):

Total Principal Amount (calculated as Number of Bonds multiplied by R10,000):

3. I/We request that the Ordinary Shares to be issued on conversion of the Bonds mentioned above be registered in the name of the person who is named below (see Note 1):

1 SECURITIES CSDP DETAILS

Bank code [•]

Bank Branch Code [•]

Holding Bank Account Number [•]

Settlement Bank Account Number [•]

Bank BIC Code [•]

Strate Business Partner ID [•]

Bank CSD Account Number [•]

4. The details provided as per Point 3 above will be verified against the details maintained in the Transfer Agents register

5. Any payment of interest required to be made pursuant to Condition 9.10 (*Payment*) of the Bonds or any payment of cash in terms of the Soft Redemption Option to be made pursuant to Condition 10.1.2 or any payment of any Additional Cash Alternative Amount in terms of Condition 19.4.2, will be despatched to Strate Limited. Once all conditions have been met, Strate Limited will transfer the cash to the CSDP bank account.

Please note:

- (i) This Conversion Notice will be void unless the introductory details and above sections are completed.

- (ii) Your attention is drawn to Condition 9 (*Conversion of Bonds*) of the Bonds with respect to the conditions relating to conversion which must be fulfilled.
- (iii) The exercise of a Conversion Right is subject to any applicable fiscal or other laws or regulations applicable in the jurisdiction where the Specified Office of the Conversion Agent to whom this notice is presented is located.
- (iv) Terms used in this Conversion Notice and not otherwise defined have the meanings set forth in the Terms and Conditions.
- (v) This Conversion Notice once given shall be irrevocable and may not be withdrawn without the prior written consent of the Issuer.

6. Further, the CSDP / Broker represents, warrants and agrees that, at the time of signing of this Conversion Notice: (tick one)

- The Bondholder and each person who has a Beneficial Interest in the Bonds to be converted is not a resident of South Africa within the meaning of the Exchange Control Regulations of 1961 of South Africa issued pursuant to the Currency and Exchanges Act, 1933 (as amended from time to time) of South Africa; or
- All exchange control approvals required under applicable laws and regulations of South Africa in connection with the exercise of Conversion Rights and the issue of Ordinary Shares to the Bondholders and each person who has a Beneficial Interest in the Bonds to be converted have been obtained and are in full force and effect;
- No exchange control approvals required under applicable laws and regulations of South Africa in connection with the exercise of Conversion Rights and the issue of Ordinary Shares to the Bondholders and each person who has a Beneficial Interest in the Bonds to be converted have been obtained and are in full force and effect.

Dated: [•]

Authorised Signatory: _____

Name of CSDP / Broker: _____

To be completed by the Conversion Agent

- 1 Date and time of receipt of Conversion Notice:
- 2 Conversion Date:
- 3 Aggregate Principal Amount of Bonds to be converted:
- 4 Conversion Price on Conversion Date:
- 5 Capital, stamp, issue and registration duties payable by the Bondholder:
- 6 Number of Ordinary Shares to be issued (rounded down to whole number):

Dated [•]

Authorised Signatory: _____

For and behalf of the Conversion Agent

22 February 2017

Debt Sponsor
RAND MERCHANT BANK (A division of FirstRand Bank Limited)