

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

**THIS CIRCULAR TO CONTAIN IMPORTANT INFORMATION IN CONNECTION WITH THE COMPANY. THIS CIRCULAR IS DISTRIBUTED TO SHAREHOLDERS.**

**ACTION REQUIRED BY THE SHAREHOLDERS:**

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: BW00001142508)

JSE share code: CHP

BSEL share code: CHOPPIES

ISIN: BW0000001072

("Choppies" or the "Company")

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**CIRCULAR TO SHAREHOLDERS**

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**Relating to:**

- An update with regard to the various issues pertaining to the Company and its subsidiaries.

**Date of issue: 19 March 2020**

*This Circular is available in English only. Copies of this Circular may be inspected during normal business hours at the registered office of Choppies from the date of issue of this Circular until 30 April 2020. 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](http://www.choppies.co.bw).*

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## IMPORTANT LEGAL NOTICES

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### FOREIGN SHAREHOLDERS

This Circular has been prepared for the purposes of complying with the BSEL Equity Listings Requirements and the JSE Listings Requirements incorporated by reference in terms thereof. 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.

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, the 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.

### 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 correctness of the contents of the documentation submitted to either exchange and the BSEL accepts no liability of whatever nature for any loss, liability, damage or expense resulting directly or indirectly from the Circular.

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## DEFINITIONS AND INTERPRETATION

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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*:

**Annual Meeting or AGM** means an annual meeting of shareholders in terms of Section 105 of the Companies Act;

<b>Annual Report</b>	means the annual report of the Company for the year ended 30 June 2018 compiled in terms of Section 215 of the Companies Act and which has already been distributed to shareholders and which has already been distributed to Shareholders on the 27 January 2020;
<b>Board</b>	means the board of directors of the Company, names of the members of which are listed on page 103 of the Annual Report;
<b>BSEL</b>	means the Botswana Stock Exchange Limited;
<b>CDC</b>	means Choppies Distribution Centre (Pty) Limited, a subsidiary of Choppies;
<b>Choppies or the Company</b>	means Choppies Enterprises Limited, a public company duly incorporated and registered in Botswana in accordance with the laws of Botswana, with registration number BW00001142508;
<b>Choppies Share</b>	means an ordinary share of no par value in the issued capital of Choppies, and “ <b>Choppies Shares</b> ” has corresponding meaning;
<b>Circular</b>	means this document dated 19 March 2020;
<b>Companies Act or Act</b>	means the Botswana Companies Act [Cap 42:01], as amended from time to time;
<b>Court</b>	means the High Court for the Republic of Botswana;
<b>Director</b>	means a director of the Company;
<b>Extraordinary General Meeting or EGM</b>	means the Extraordinary General Meeting of the shareholders of Choppies, to be convened by the Company and at which meeting the matters that would have been dealt with at an AGM of the Company in the calendar years 2018 and 2019, will be dealt with, to be held on a date, and at a venue to be advised, in terms of a notice of EGM and further circular to shareholders to be distributed in due course;
<b>Founding Shareholders</b>	means founding shareholders of the Company Messrs Ramachandran Ottapathu and Farouk Ismail;
<b>Group</b>	means the Company and its subsidiaries;
<b>JSE</b>	means the Johannesburg Stock Exchange;
<b>Lenders</b>	means the consortium of lenders being ABSA Bank Limited, Barclays Bank of Botswana Limited now ABSA Botswana Limited, First National Bank Botswana Limited, Stanbic Bank Botswana Limited, Standard Bank SA Limited and Standard Chartered Bank Botswana Limited;

<b>Payless Supermarkets</b>	means Payless Supermarkets( Proprietary) Limited;
<b>Registrar</b>	means the Registrar of Companies at the office of the Companies and Intellectual Property Authority, for Botswana; and
<b>Shareholder</b>	means a registered holder of a Choppies Share, recorded as such in the registers of Choppies with the Central Securities Depository of Botswana, as of date of issue of this Circular.

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## **PURPOSE OF THE CIRCULAR**

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The purpose of this Circular is to update Shareholders on issues pertaining to the Group.

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## **THE EGM**

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The following is the background:

- Section 105 of the Companies Act requires a company to hold an annual Meeting of shareholders, once in a calendar year and not later than six months after the balance sheet date of the company and in any event, not later than fifteen months of the last annual Meeting.
- The last AGM of the Company was held on 30 November 2017.
- An AGM of the Company in respect of the calendar year 2018 should have been held on or before 31 December 2018.
- An AGM of the Company in respect of the calendar year 2019 should have been held on or before 31 December 2019.
- In terms of Section 105 of the Act, the business of an annual meeting of shareholders is to consider and approve the financial statements in respect of the last balance sheet date, receive the auditor's report, consider the annual report and if necessary, appoint auditors.
- By reason of the fact that the auditor's report and financial statements for the years ended 30 June 2018 and 30 June 2019 were not available twenty working days prior to 31 December 2018 and 31 December 2019 respectively, the holding of the annual meetings on or before the due dates, would have been pointless and impractical.
- In terms of Section 18 of the Act, the Registrar is entitled to extend the period within which annual meetings are to be held for a period not exceeding sixty days. Section 18 also provides that on the expiry of the 60-day extension given by the Registrar may grant extension.
- By reason of the fact that the auditor's reports in respect of the financial statements of the Company and its subsidiaries for the year ended 30 June 2018 were not available until 13 December 2019, if extension of 60 days was granted in respect of the AGM for 2018, that 60 days would have expired before the auditor's report in respect of the financial statements of the Group for the year ended 30 June 2018 were available.
- By virtue of the fact that the auditor's report in respect of the financial statements of the Company and its subsidiaries for the year ended 30 June 2019 are not currently available, had an extension of 60 days been granted in respect of the annual meeting for the year 2019, that extension would have expired without the auditor's reports in respect of the financial statements of the Group for the year ended 30 June 2019 being made available.

- Section 108 of the Act provides that the Court may call a meeting of shareholders if it is impracticable to call the meeting in the manner prescribed by the Act and to make the order on such terms as the Court considers appropriate.
- The Board, mindful of good governance and the need to keep shareholders regularly updated, issues this Circular.
- The Board intends to exercise its rights to convene an Extraordinary General Meeting of Shareholders when the annual report, auditors report in respect of the financial statements of the Group for the financial year ended 30 June 2019 are complete and to conduct at that EGM the matters that would have been dealt with at an AGM of the Company in the calendar year 2018 and in the calendar year 2019.
- The business set out in the agenda for the EGM would be that which would have been tabled at an AGM for calendar year 2018 and calendar year 2019.
- The Company intends to make application to the Court, for an order directing that the EGM in so far as it deals with the business which should have been dealt with at the AGM held in calendar year 2018 be deemed the AGM of the Company for the calendar year 2018 and in so far as it deals with the business which should have been dealt with at the AGM held in calendar year 2019 be deemed the AGM of the Company for the calendar year 2019.

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## **UPDATE ON KEY ISSUES AFFECTING THE GROUP**

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The directors provide to Shareholders by way of update, the following information: -

### 1. Independent Quasi-Judicial Inquiry

As recommended by Advocate Redding SC and Advocate Meyerowitz in their opinion dated the 6 December 2019

- 1.1. The Board advised the shareholders that it has accepted the advice from Advocates Redding SC and Meyerowitz as contained in the aforesaid opinion.
- 1.2. Advocate Meyerowitz, who is undertaking the Inquiry, has completed most of the preparation work which includes the examination of the annexures and exhibits to the Ernst and Young report and is to commence interviewing employees of the Group who were involved in the accounting for and sale of the bulk stock.
- 1.3. It is anticipated that the result of the inquiry will be completed by the end of April 2020.

### 2. Employment Contract of the Chief Executive Officer

- 2.1. The employment contract of Mr Ramachandran Ottapathu has been reviewed.
- 2.2. The advices of Advocates Hoffmann SC and Redding SC in this regard were accepted by the Board, and appropriate clauses inserted in the employment contract.
- 2.3. In accordance with current best remuneration practises as advocated by King IV Code on Corporate Governance, the current guaranteed portion of the Chief Executive Officer's remuneration has been reduced by 43% to facilitate the introduction of short-term incentives. Upon the lifting of the suspension of the Company's share trading on the BSEL and JSE, the Board will consider the introduction of long-term incentives as part of the remuneration of the Chief Executive Officer as well as the quantum of overall remuneration.
- 2.4. The reviewed employment contract between the Company, and the Chief Executive Officer was effective as of 1 March 2020.

### 3. Appointment of Chief Financial Officer

A South African Chartered Accountant has been appointed CFO with effect from mid-April 2020. This appointment is subject to the issuing of a work permit by the Botswana authorities. The individual has extensive JSE listed company experience including group accountant of the Nampak Group for six years and more recently senior financial positions within the retail group Edcon.

4. Recruitment of Deputy Chief Executive Officer

A suitable candidate with over 25 years of grocery retail experience in Southern Africa including very senior executive position and proven retail track record has been identified and he will commence duties with the Group, as soon as his current commitment comes to an end, during April 2020.

5. Recoveries of monies owing by Payless Supermarkets

CDC the creditor in respect of the debt, made demand upon Payless Supermarkets for the payment of the amount of P121 048 424.78 being the capital of monies owing to CDC under a Loan Agreement concluded between CDC and Payless Supermarkets. Payless Supermarkets acknowledged indebtedness as of 5 February 2019 in the amount of P110 717 099.48.

Pursuant to the terms of the letter of demand, and by virtue of the fact that Payless Supermarkets made no attempt to effect payment of the whole or any part of the outstanding capital, Payless Supermarkets, in the view of CDC, was deemed, in terms of the Companies Act, to be unable to pay its debt when due.

Following petition by CDC, the High Court of the Republic of Botswana, on 13 March 2020 granted a provisional order for the winding up of Payless Supermarkets and the appointment of a provisional liquidator. The return day for consideration of a final order of winding up is 27 April 2020. The Court in making the provisional order for winding up directed the provisional liquidator to continue the businesses of Payless Supermarkets while evaluating the prospects of the sale of the business as a whole or the sale of the businesses individually, as a going concern or as going concerns, in order to derive best value, from the assets of Payless Supermarkets, for creditors.

CDC as a secured creditor may if appropriate, support the provisional liquidator, in operating the businesses, as a means to enable sales of the business or businesses as going concern(s). CDC has ceded any proceeds recovered from Payless Supermarkets to the Lenders to the Company (as guaranteed to the Lenders by CDC) as security for the indebtedness to the Lenders. CDC and the Company have undertaken not to provide any financial assistance to Payless Supermarkets, in liquidation, without the consent of Lenders and prior to seeking the consent of the Lenders, CDC and the Company will provide a motivation to the Lenders which sets out the business case for the provision of such financial assistance.

Saleem Malik, the owner of 90% of the issued shares in Payless Supermarkets executed a deed of suretyship in terms of which he guaranteed, as surety and guarantor and co-principal debtor, the due performance by Payless Supermarkets of its obligations to CDC. As security for due performance by Malik of his obligations under that guarantee, the said Malik ceded and pledged the shares held by him in Payless Supermarkets. CDC issued demand upon Malik for payment of the amount due by Payless Supermarkets to CDC. Malik failed to effect payment of such amount. Accordingly, CDC has instituted action out of the High Court for the Republic of Botswana, seeking a judgement against Malik for the full capital of the indebtedness of Payless Supermarkets to CDC and interest thereon, and an order, attaching the shares held by Malik in Payless Supermarkets. Summons was served on Malik on 3 March 2020.

6. Discontinuation of Operations in loss-making markets

In order to stabilise the business and enhance Shareholders' value, Choppies has exited all the loss-making markets and its progress in this regard is as follows:

- 6.1. Mozambique: Operations closed in September 2019 and majority of the equipment has been moved to Choppies Zambia.
- 6.2. Tanzania: Operations closed in November 2019 and all efforts are being made to sell the equipment and clear the outstanding liabilities.
- 6.3. Kenya: Operations have since been scaled down to only two stores and negotiations are on-going to sell equipment to local operators and/or existing landlords to clear some of the outstanding liabilities.

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#### **RELATIONSHIP WITH LENDERS AND INJECTION OF CAPITAL BY THE FOUNDING SHAREHOLDERS**

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1. As of 19 September 2019 loans of an aggregate of approximately BWP680million were outstanding to the Lenders. Lenders.
2. In terms of a facility agreement concluded between the Company and CDC and certain of the Lenders, the capital of majority of loans was repayable, over a 5-year period of time, commencing 1 July 2020, with interest payable on a monthly basis.
3. Because of various instances of default, the main instance of which was failure to timeously deliver and publish the audited consolidated financial statements in respect of the year ended 30 June 2018, the principal balances of or the borrowings, became payable in full, on demand.
4. The Lenders agreed to hold off making demand for immediate payment and proceeding to recover the full amount of the aggregate of the capital of the borrowings provided that there be an immediate reduction in the capital outstanding of the loans and sales of non-performing businesses of the Group, particularly those in South Africa, be proceeded with, with an agreed time frame.
5. The Company agreed to a reduction of the capital of loans in the sum of BWP150million payable as to (1) the amount of BWP 100million by 10 October 2019 and (2) BWP 50million by 30 November 2019, and required that the Founding Shareholders guarantee the payment by the Company of the total aggregate of BWP 150million, on the due dates.
6. The Founding Shareholders agreed to undertake that guarantee.
7. As of the 10<sup>th</sup> of October 2019, the Company was not able to effect the reduction of capital of the loans outstanding to the Lenders in the sum of BWP 100million.
8. Accordingly, in terms of the guarantees, the Founding Shareholders effected the payment of BWP100million, Mr Ottapathu effecting a payment of BWP 80 million and Mr Ismail effecting a payment of BWP20million thereof to the agent for the Lenders, thereby causing the outstanding capital balance of the loans due to the Lenders to be reduced by the required BWP 100million.
9. The Company and the Founding Shareholders agreed that, subject to compliance by the Company of the requirements of the BSEL, as set forth in the BSE Equity Listing Requirements for a related party transaction (the Founding Shareholders being related parties to the Company) based on the size of the contribution made by the Founding Shareholders relative to the size of the Company, the payment of BWP 100million by the Founding Shareholders on behalf of the Company, to the Lenders, in reduction of

the capital outstanding to the Lenders, would be considered a loan by them to the Company on the basis that:-

- 9.1. such loan would accrue interest at a rate, comparable to current market related rates of interest;
- 9.2. the claims of the Founding Shareholders for repayment of the capital of the loan be subordinated to the claims of the Lenders and trade creditors of the Group;
- 9.3. the capital of the loan will be repayable provided that: -
  - 9.3.1. a debt reduction plan in respect of the capital outstanding to Lenders has been approved by the Lenders;
  - 9.3.2. the Company and CDC are in compliance with the terms of the debt reduction plan including all debt reduction milestones;
  - 9.3.3. there is no default by the Company or CDC under facility agreements with the Lenders and the terms of securities granted in favour of the Lenders;
  - 9.3.4. no payments of interest or capital are outstanding to Lenders;
  - 9.3.5. neither the Company nor CDC are in arrears with any amount due and payable to Lenders;
  - 9.3.6. A repayment under the loan can be made from free cash flows which, in this context mean the net cash of the Company and CDC available for distribution after making provision for amounts due to Lenders and trade creditors.
  
10. The BSEL has confirmed that the contribution by the Founding Shareholders on behalf of the Company, in reduction of the capital outstanding to the Lenders may be considered a loan, by the Founding Shareholders, and a loan agreement in this regard entered into by the Company and the Founding Shareholders as related parties to the Company, provided that there be an independent professional expert opinion in respect of the fairness and reasonableness of the terms of the loan.
  
11. The Company appointed BDO Services (Pty) Limited, certified public accountants in Botswana, accredited as a financial advisor by the BSEL, with approval of the BSEL as an independent expert to render that opinion. That opinion was issued on 17 March 2020. The Loan Agreement between the Founding Shareholders and the Company, which will comply with the terms of the Intercreditor and Debt Reduction Agreement as currently in force as between the Company, CDC and the Lenders, and will contain, inter alia the terms set out in paragraph 9 above, will be concluded and the appropriate announcement made within the next 10 days.
  
12. The second instalment in reduction of the outstanding capital of the loans (that of BWP 50million which was due and payable on the 30 November 2019) was paid, in two tranches (with the approval of the Lenders) of BWP 20million on 20 December 2019 and BWP 30million on 14 January 2020, from the resources of the Group generated over the 2019/2020 festive season.
  
13. The Company and the Lenders are in advanced discussions to agree on a Debt Reduction Plan which is expected to be finalised by the 31 March 2020.

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## **SALE OF SA OPERATIONS**

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On the 25 February 2020 the Competition Commission of South Africa (“the Commission”) issued a Merger Clearance Certificate in terms of which the Commission approved the merger brought about by the acquisition by Kind Investment (Pty) Limited of the shares and claims of the Company in its four South African subsidiaries, without conditions.



The conditions precedent to the agreement for the sale of shares and claims in the South African subsidiaries of the Company have thus been fulfilled. The effective date of the sale is, in terms of the agreement, the 1st of April 2020.

It is now for the parties to meet and undertake the stocktake and valuation of assets and liabilities as at the effective date, in order to calculate any residual liability of the Company to contribute funds to its South African subsidiaries in respect of the net equity value thereof, in order to close the transactions and the sale.

It is anticipated that this process will take place (as set forth in the agreement) at the end of March 2020 to complete by 1<sup>st</sup> of April 2020.

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#### **FINANCIAL STATEMENTS OF THE GROUP AND AUDITORS REPORT IN RESPECT OF THE YEAR ENDED 30 JUNE 2018**

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Shareholders are referred to the abridged financial statements and auditors report thereon which were published on XNews and SENS and in the press in Botswana, on 13 December 2019.

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#### **ANNUAL REPORT IN RESPECT OF THE YEAR ENDED 30 JUNE 2018**

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Shareholders are referred to the annual report with the annual financial statements for the year ended 30 June 2018 and the auditors' report in respect thereof, sent to Shareholders on 27 January 2020.

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#### **FINANCIAL STATEMENTS OF THE GROUP SUBSIDIARY COMPANIES IN RESPECT OF THE YEARS ENDED 30 JUNE 2016, 2017 AND 2018**

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Shareholders are informed that despite the fact that KPMG, certified public accountants in Botswana, (KPMG) signed off on the Auditor's Report in respect of the Company and consolidated Group financial statements for the 2017 financial year and the Annual Report and such financial statements were approved by shareholders at the annual meeting of shareholders in November 2017 and KPMG was replaced as Group Auditors by shareholders at an extraordinary meeting in February 2018, audit reports for the annual financial statements of the Group's Botswana and South African subsidiary companies were not signed off by KPMG for the 2017 and, in some cases, the 2016 financial year. This situation came to light around November 2019 where after the Company engaged with KPMG to rectify the situation but without any success leading up to KPMG refusing to complete such audits and "terminating" all agreements with the Group and its subsidiaries in a letter dated 21 January 2020. The Company responded to the letter, with particular reference to the so called "termination" of agreements, and reserved its position as against KPMG. However, the situation is that KPMG has refused to complete such audits.

PwC Botswana, certified public accountants in Botswana, (PwC Botswana), signed off the audit report for the Group and holding company annual financial statements for the year ended 30 June 2018 without signing off the audit reports of the Botswana and South African subsidiary companies for the same period. The Company has advised the Botswana Accounting Oversight Authority, the Companies and Intellectual Property Authority and Botswana Unified Revenue Services and the South African regulatory and tax authorities of the situation.

On 16 March 2020 PwC Botswana gave notice of termination of their role as auditors of the Botswana Subsidiaries of the Company, in respect of the Botswana subsidiaries of the Company, on the basis of regulations published by the Independent Ethics Standards Board for Accountants (IESBA) as adopted by the Botswana Institute of Chartered Accountants (BICA) in respect of actual or threatened litigation by an audit client or shareholders or management of an audit client which may constitute a threat to independence. PwC

is citing threatened litigation in an action for damages by significant shareholders of the Company, Messrs. Ramachandran Ottapathu and Farouk Ismail, who are also directors of the Botswana subsidiaries on account of alleged: -

- failure by PwC Botswana to act on an actual or perceived threat to its independence;
- breach by PwC Botswana and/or Mr. Rudi Binedell, audit partner, of rules of the relevant code of ethics in respect of independence; and
- a unjustifiable delay in the completion of auditor's report of the Company in respect of the financial year ended June 2018

Which allegedly resulted in the suspension of and a prolonged period of suspension of the shares of the Company trading on the BSEL and JSE.

It should be noted that by virtue of the fact that PwC signed the auditor's report in respect of the financial statements of the Company and consolidated group financial statements for the financial year ended 2018 on 13 December 2019 PwC must have considered the financial statements of the subsidiaries of the Company.

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## **APPOINTMENT OF AUDITORS**

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1. Shareholders are aware that PwC Botswana resigned as auditors of the Company in respect of all financial periods after 30 June 2018, thereby creating a casual vacancy, in the office of the auditor to the Company, as envisaged in Section 191 of the Companies Act.
2. Immediately, upon receipt of such resignation, the Audit Committee of the Board set about achieving the appointment of a replacement, of PwC Botswana as auditor to the Company, in an effort to comply with the provisions of Section 191 of the Companies Act, and communicated with the firms of certified public accountants in Botswana, BDO, Deloitte, Ernst & Young and KPMG.
3. Each of those firms, for various reasons, declined the appointment.
4. The international audit firm Mazars indicated willingness to be appointed auditors of the Group for the period commencing 1 July 2018. Acceptance by it of the appointment of auditors was subject to: -
  - 4.1. the on boarding and risk assessments required by Mazars at country, regional and group level, in respect of the Group being satisfactorily completed;
  - 4.2. examination by Mazars of the financial statements of the Group as of 30 June 2018, and the auditor's report in respect thereof; and
  - 4.3. consultation by Mazars with PwC in respect of various issues identified on the auditor's report, and the boarding of financial and accounting information for the year ended 30 June 2018;
5. As of 17 February 2020, all the formalities were concluded, and the Board acting in terms of the powers given to it under sections 191 and 197 of the Companies Act, appointed Mazars as auditors to the Group, for the period commencing 1 July 2018 and ending 30 June 2019.
6. The Board kept the Registrar advised of the processes, progress and efforts made by it and its Audit Committee in securing the appointment of an auditor to the Company, and the Registrar has endorsed the appointment of Mazars as auditors to the Group.

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**FINANCIAL STATEMENTS OF THE GROUP AND AUDITORS REPORT IN RESPECT OF THE YEAR ENDED 30 JUNE 2019**

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Shareholders are advised that the financial statements of the Group and auditor's report in respect of the year ended 30 June 2019 are expected to be completed and published by 30 June 2020.

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**DOCUMENTS AVAILABLE FOR INSPECTION**

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Copies of the following documents will be made available for inspection during normal business hours at the offices of the Company Secretaries, DPS Consulting Services (Proprietary) Limited, Plot 50371 Fairgrounds Office Park, Gaborone, Botswana from the date of this Circular until the 30 April 2020 (both days inclusive):

- a signed copy of this Circular;
- the Annual Report in respect of the year ended 30 June 2018;
- the annual financial statements of the Group in respect of the year ended 30 June 2018.

The Company's primary listing is on the BSEL and its secondary listing is on the JSE. The listings on both exchanges are suspended.

BY ORDER OF THE BOARD

DATED AT GABORONE ON 19 MARCH 2020

BSEL Sponsoring Broker  
African Alliance Botswana Limited



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