This circular is important and requires your immediate attention.

The definitions commencing on page 4 of this circular apply, *mutatis mutandis*, to this front cover:

Action required

- If you are in any doubt as to the action you should take, please consult your broker, CSDP, banker, accountant, attorney or other professional adviser immediately.
- If you have disposed of all your Bidvest shares, please forward this circular to the purchaser of such shares or to the broker, CSDP, banker, accountant, attorney, or other agent through whom the disposal was effected.
- Bidvest shareholders are referred to the inside front cover of this circular, which sets out the action required by them.

Bidvest

The Bidvest Group Limited

Incorporated in the Republic of South Africa

Registration number 1946/021180/06

Share code: BVT ISIN: ZAE000117321

"Bidvest" or **"the Company"**

CIRCULAR TO BIDVEST SHAREHOLDERS

regarding:

- the unbundling by Bidvest of all its BidCorp shares to Bidvest shareholders by way of a distribution in specie in terms of section 46 of the Companies Act and section 46 of the Income Tax Act, in the intended ratio of 1 BidCorp share for every 1 Bidvest share held at the close of business on the record date (subject to the rounding convention applied by the JSE);
- the approval of the unbundling in terms of section 112 of the Companies Act;
- the listing of BidCorp in the Food Retailers and Wholesalers sector of the main board of the JSE;
- the approval by shareholders of amendments to the Bidvest Incentive Scheme Trust in terms of the listings requirements of the JSE; and
- the approval by shareholders of the Bidvest Share Appreciation Rights Plan,

and incorporating:

- a notice convening a general meeting of Bidvest shareholders; and
- a form of proxy (*yellow*) (for use by certificated shareholders and own-name dematerialised Bidvest shareholders only).

Financial adviser and transaction sponsor

Standard Bank

Legal advisers

ENSAFRICA

Independent reporting accountants and auditors to Bidvest

Deloitte.

Tax advisers

CDH
CLIFFE DEKKER HOFMEYR

Reporting accountants and auditors to BidCorp

KPMG

This circular is available in English only.

This circular is being sent together with the BidCorp PLS.

Copies of this circular and the BidCorp PLS may be obtained from the registered office of Bidvest and the offices of the financial adviser and transaction sponsor whose addresses are set out in the "**Corporate information and advisers**" section of this circular from Thursday, April 14 2016 to Tuesday, May 17 2016 and both documents will be available on Bidvest's website **www.bidvest.co.za**.

Date of issue: Thursday, April 14 2016

ACTION REQUIRED BY BIDVEST SHAREHOLDERS

The definitions commencing on page 4 apply, *mutatis mutandis*, to this "**Action required by Bidvest shareholders**" section.

Please take careful note of the following provisions regarding the action required by Bidvest shareholders:

If you are in any doubt as to what action to take, please consult your broker, CSDP, banker, accountant, attorney or other professional adviser immediately.

If you have disposed of all your Bidvest shares, this circular should be handed to the purchaser of such shares or to the broker, CSDP, banker, accountant, attorney or other agent through whom the disposal was effected.

The general meeting, convened in terms of the notice incorporated in this circular, will be held in the boardroom, Bidvest House, 18 Crescent Drive, Melrose Arch, Johannesburg, at 10:00 on Monday, May 16 2016 or at any other adjourned or postponed date and time determined in accordance with the provisions of the Companies Act as read with the Listings Requirements to consider and, if deemed fit, pass the resolutions set out therein.

This circular contains information relating to the proposed unbundling by Bidvest of all of its BidCorp shares to Bidvest shareholders by way of a distribution *in specie* in terms of section 46 of the Companies Act and section 46 of the Income Tax Act, in the intended ratio of 1 BidCorp share for every 1 Bidvest share held at the close of business on the record date (subject to the rounding convention applied by the JSE), amendments to the Bidvest Incentive Scheme Trust and the adoption of the Bidvest Share Appreciation Rights Plan. You should carefully read through this circular and decide how you wish to vote on the resolutions to be proposed at the general meeting.

General meeting:

1.1 **If you hold dematerialised ordinary shares**

1.1.1 *Own-name registration*

You are entitled to attend, or be represented by proxy, and may vote (or abstain from voting), at the general meeting.

If you are unable to attend the general meeting, but wish to be represented thereat, you must complete and return the attached form of proxy (*yellow*), in accordance with the instructions contained therein, to be received by the transfer secretaries, Computershare Investor Services Proprietary Limited, Ground Floor, 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107) by no later than 10:00 on Thursday, May 12 2016. Alternatively, your form of proxy may be handed to the chairperson of the general meeting prior to the commencement of that meeting.

1.1.2 *Other than own-name registration*

If your CSDP or broker has not contacted you, you are advised to contact your CSDP or broker and provide them with your voting instructions. If your CSDP or broker does not obtain instructions from you, they will be obliged to act in terms of your mandate furnished to them.

You must not complete the attached form of proxy (*yellow*). In accordance with the custody agreement between you and your CSDP or broker you must advise your CSDP or broker timeously if you wish to attend, or be represented at, the general meeting.

Your CSDP or broker will be required to issue the necessary letter of representation to you to enable you to attend, or to be represented at the general meeting.

1.2 **If you hold certificated ordinary shares**

You are entitled to attend, or be represented by proxy, and may vote (or abstain from voting) at the general meeting.

If you are unable to attend the general meeting, but wish to be represented thereat, you must complete and return the attached form of proxy (*yellow*), in accordance with the instructions contained therein, to be received by the transfer secretaries, Computershare Investor Services Proprietary Limited, Ground Floor, 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107) by no later than 10:00 on Thursday, May 12 2016. Alternatively, your form of proxy may be handed to the chairperson of the general meeting prior to the commencement of that meeting.

CORPORATE INFORMATION AND ADVISERS

Company secretary and registered office
Craig Brighten
Bidvest House
18 Crescent Drive
Melrose Arch
Johannesburg
2196
(PO Box 87274 Houghton 2041)

Financial adviser and transaction sponsor
The Standard Bank of South Africa Limited
(Registration number 1962/000738/06)
30 Baker Street
Rosebank
Johannesburg
2196
(PO Box 61344 Marshalltown 2107)

Independent reporting accountants and auditors to Bidvest
Deloitte & Touche
(Practice number 904899E)
Deloitte Place, The Woodlands, 20 Woodlands Drive
Woodmead
Sandton
Johannesburg
2193
(Private Bag X6 Gallo Manor 2052)

Reporting accountants and auditors to BidCorp
KPMG Inc.
(Registration number 1999/021543/21)
KPMG
Crescent
85 Empire Road
Parktown
Johannesburg
2193
(Private Bag 9 Parkview)

Transfer secretaries
Computershare Investor Services Proprietary Limited
(Registration number 2004/003647/07)
Ground Floor
70 Marshall Street
Johannesburg
2001
(PO Box 61051 Marshalltown 2107)

Legal advisers
Edward Nathan Sonnenbergs Inc.
(Registration number 2006/018200/21)
150 West Street
Sandown
2196
(PO Box 783347 Sandton 2146)

Tax advisers
Cliffe Dekker Hofmeyr Inc.
(Registration number 2008/018923/21)
1 Protea Place
Sandown
Sandton
2196
(Private Bag X40 Benmore 2010)

Place and date of incorporation of Bidvest: Johannesburg, South Africa, March 29 1946

CONTENTS

SALIENT DATES AND TIMES

The definitions commencing on page 4 of this circular apply, *mutatis mutandis*, to this "**Salient dates and times**" section.

	2016
Terms announcement released on SENS	Thursday, April 14
Circular posted to Bidvest shareholders	Thursday, April 14
Distribution of BidCorp pre-listing statement to Bidvest shareholders	Thursday, April 14
Terms announcement published in South African press	Friday, April 15
Last day to trade in order to be eligible to participate and vote at the general meeting	Thursday, April 28
Record date in order to participate and vote at the general meeting	Friday, May 6
Form of proxy (*yellow*) for general meeting to be received by 10:00	Thursday, May 12
General meeting held at 10:00	Monday, May 16
Results of general meeting and finalisation information announced on SENS	Tuesday, May 17
Results of general meeting and finalisation information published in South African press	Wednesday, May 18
Last day to trade in Bidvest shares on the JSE to participate in unbundling	Friday, May 27
Listing of BidCorp from the commencement of business	Monday, May 30
Bidvest shares trade *ex* entitlement to BidCorp distribution shares	Monday, May 30
Announcement of specified ratio in respect of apportionment of costs/base costs of Bidvest and BidCorp for taxation/CGT purposes released on SENS	Tuesday, May 31
Announcement of specified ratio in respect of apportionment of costs/base costs of Bidvest and BidCorp for taxation/CGT purposes released published in the press	Wednesday, June 1
Record date to receive BidCorp shares in relation to the unbundling	Friday, June 3
BidCorp distribution shares unbundled to Bidvest shareholders	Monday, June 6
Bidvest shareholder's account with CSDP or broker updated	Monday, June 6

Note:

1. All times shown in this circular are South African times unless otherwise stated.
2. The above dates and times are subject to amendment. Any material amendment will be announced on SENS and published in the South African press.
3. Shares may not be dematerialised or rematerialised between Monday, May 30 2016 and Friday, June 3 2016.
4. If the general meeting is adjourned or postponed, forms of proxy submitted of the general meeting will remain valid in respect of any adjournment or postponement of the general meeting unless the contrary is stated on the relevant form of proxy.
5. To the extent that a form of proxy (*yellow*) is not received by 10:00 on Thursday, May 12 2016, as envisaged in the table above, the form of proxy may be handed to the chairperson of the general meeting prior to the commencement of that meeting.

DEFINITIONS

In this circular, unless the context indicates the contrary, the following expressions have the meanings assigned to them below and an expression which denotes any gender includes the other genders, any reference to a natural person includes a juristic person and *vice versa* and the singular includes the plural and *vice versa*.

"Act" or **"Companies Act"**	the South African Companies Act, 71 of 2008, as amended;
"board" or **"directors"**	the board of directors of Bidvest, as constituted from time to time comprising, as at the date of this circular, the directors reflected on page 7 of this circular;
"BidCorp"	Bid Corporation Limited, a public limited liability company incorporated in accordance with the laws of the Republic of South Africa with registration number 1995/008615/06;
"BidCorp distribution shares"	all of the BidCorp shares directly held by Bidvest as at the record date, which are to be distributed to the Bidvest shareholders recorded in the register on the record date pursuant to the unbundling;
"BidCorp Group"	BidCorp and its subsidiaries from time to time;
"BidCorp listing" or **"listing"**	the proposed listing of BidCorp in the Food Retailers and Wholesalers sector of the main board of the JSE on or about Monday, May 30 2016;
"BidCorp shareholders"	registered holders of BidCorp shares from time to time;
"BidCorp shares"	ordinary shares in the share capital of BidCorp;
"BidCorp PLS"	the pre-listing statement of BidCorp published on Thursday, April 14 2016 relating to the BidCorp;
"Bidvest" or **"the company"**	The Bidvest Group Limited, a public company with limited liability incorporated in accordance with the laws of South Africa with registration number 1946/021180/06;
"Bidvest Group"	Bidvest and its subsidiaries from time to time;
"Bidvest shares"	ordinary shares in the share capital of Bidvest with a par value of R0.05;
"Bidvest shareholders"	registered holders of Bidvest shares;
"Bidvest treasury shares"	4,118,420 Bidvest treasury shares that will be transferred as part of the transferring assets;
"business day"	any day other than a Saturday, Sunday or official public holiday in South Africa;
"certificated shareholders"	holders of certificated shares;
"certificated shares"	shares which have not been dematerialised, title to which is represented by share certificates or other documents of title;
"CGT"	capital gains tax as levied in terms of schedule 8 of the Income Tax Act;
"circular"	this bound document dated Thursday, April 14 2016 including the notice of general meeting and form of proxy attached thereto;
"common monetary area"	collectively South Africa, Namibia, Lesotho and Swaziland;
"CSDP"	a central securities depository participant as defined in section 1 of the Financial Markets Act;
"custody agreement"	a custody mandate agreement between a holder of dematerialised shares and a CSDP or broker regulating their relationship in respect of the dematerialised shares held by the CSDP or broker;
"Deloitte & Touche" or **"independent reporting accountants and auditors"**	Deloitte & Touche (practice number 904899E), registered auditors, the independent reporting accountants and auditors to Bidvest;
"dematerialised shareholders"	registered holders of dematerialised shares;
"dematerialised shares"	shares which have been dematerialised;
"dematerialisation" or **"dematerialising"**	the process by which certificated shares are or are to be converted into electronic form under Strate for trading on the JSE;
"disposal"	the disposal by Bidvest of the transferring assets to its wholly owned subsidiary, BidCorp, prior to the listing, in terms of asset-for-share transactions and unbundling transactions in accordance with the provisions of sections 42 and 46 of the Income Tax Act;
"disposal consideration"	the issue by BidCorp of 335,394,112 BidCorp shares to Bidvest;
"dividend tax"	dividend withholding tax payable in respect of any dividend in terms of Part VIII of the Income Tax Act;
"documents of title"	share certificates, certified transfer deeds, balance receipts and other documents of title to shares acceptable to Bidvest;

“Edward Nathan Sonnenbergs” or **“ENS”**	Edward Nathan Sonnenbergs Inc, registration number 2006/018200/21, the legal advisers to Bidvest;
“EPS”	earnings per share;
“exchange control regulations”	the exchange control regulations, 1961, as amended, promulgated in terms of section 9 of the South African Currency and Exchanges Act, 9 of 1933, as amended;
“excluded assets”	EAS Zimbabwe (Pvt) Limited, EAS Zambia Limited and Bidvest Zambia Limited;
“Financial Markets Act”	the Financial Markets Act, 19 of 2012, as amended;
“general meeting”	the general meeting of Bidvest shareholders convened in terms of the notice of general meeting attached to and forming part of this circular, to vote on the resolutions set out therein, which meeting is expected to take place at 10:00 on Monday, May 16 2016 at Bidvest House, 18 Crescent Drive, Melrose Arch, Johannesburg;
“included properties”	Bidvest Food Properties Proprietary Limited, a private company with limited liability incorporated in accordance with the laws of South Africa, being the holding company through which Bidvest holds South African foodservices properties;
“Income Tax Act”	the South African Income Tax Act, 58 of 1962, as amended;
“internal restructuring”	collectively, the disposal and the transfer by BidCorp of the excluded assets to Bidvest prior to the listing and unbundling and the disposal and transfer of the transferring assets by Bidvest to BidCorp prior to the listing and unbundling;
“JSE”	the stock exchange operated by the JSE Limited, a public company incorporated in South Africa registration number 2005/022939/06 and licensed as an exchange under the Financial Markets Act;
“KPMG” or **“independent reporting accountants and auditors”**	KPMG Incorporated (registration number 1999/021543/21), registered auditors, the reporting accountants and auditors to BidCorp;
“last practicable date”	the last practicable date prior to the finalisation of this circular being Tuesday, April 5 2016;
“listings requirements”	the JSE listings requirements as amended from time to time;
“memorandum of incorporation”	the memorandum of incorporation of Bidvest;
“NAV (per share)”	net asset value per share;
“ordinary share capital” or **“Bidvest ordinary share capital”**	the total value of the share capital of Bidvest attributable to the Bidvest shares;
“own-name dematerialised shareholder”	a beneficial owner of dematerialised shares who has instructed his CSDP to enter his own name in the CSDP’s sub-register;
“record date”	the last date on which a Bidvest shareholder must be recorded in the Bidvest register in order to participate in the unbundling, expected to be Friday, June 3 2016;
“the register” or **“share register”**	the register of Bidvest shareholders, including Bidvest’s sub-registers maintained by CSDPs;
“SA food interests”	Bidvest Food Africa Proprietary Limited, a private company with limited liability incorporated in accordance with the laws of South Africa, being the holding company through which Bidvest holds its South African foodservices assets;
“section 112 disposal”	the disposal of the whole or the greater part of the undertaking or assets of a company as contemplated and governed by section 112 of the Act;
“SENS”	the Stock Exchange News Service of the JSE;
“South Africa”	the Republic of South Africa;
“Standard Bank”	the Standard Bank of South Africa Limited, a public limited liability company incorporated in accordance with the laws of South Africa with registration number 1962/000738/06, acting through its corporate and investment banking division;
“Strate”	Strate Proprietary Limited, a private company incorporated in South Africa as an electronic settlement environment for transactions to be settled and transfer of ownership to be recorded electronically, with registration number 1998/022248/07;
“STT”	securities transfer tax levied in terms of the Securities Transfer Tax Act, 25 of 2007;
“subsidiaries”	shall have the meaning ascribed thereto in the Companies Act;
“suspensive conditions”	the suspensive conditions to the disposal or unbundling as set out in paragraph 4.9.1 of this circular (as the case may be), which are required to be fulfilled prior to the implementation of the disposal or unbundling (as the case may be);

"takeover regulations"	chapter 5 of the regulations published in terms of sections 120 and 223 of the Companies Act;
"TNAV (per share)"	tangible NAV per share;
"transaction"	collectively, the disposal, the listing and the unbundling;
"transferring assets"	all of the shares in Bidvest Food Africa Proprietary Limited, Bidvest Food Properties Proprietary Limited and the Bidvest treasury shares;
"transfer secretaries" or **"Computershare"**	Computershare Investor Services Proprietary Limited, a private company incorporated in South Africa with registration number 2004/003647/07, being the transfer secretaries to Bidvest;
"treasury shares"	equity shares of the company held: (i) by a subsidiary and/or (ii) by a trust, through a scheme and/or other entity, where the equity shares in the company are controlled by the applicant issuer from a voting perspective, the votes of which will not be taken into account for purposes of resolutions proposed pursuant to the provisions of the listings requirements;
"TRP"	the Takeover Regulation Panel established in terms of section 196 of the Companies Act;
"unbundling"	the proposed distribution of 335,404,212 BidCorp shares held by Bidvest and comprising 100% of the issued share capital of BidCorp, to Bidvest shareholders in the ratio of 1 BidCorp ordinary share for every 1 Bidvest share held (subject to the rounding convention applied by the JSE), in terms of section 46 of the Income Tax Act, and which is to be regarded as a section 112 disposal for Bidvest;
"VAT"	value added tax levied in terms of the South African Value Added Tax Act, 89 of 1991; and
"ZAR" or **"rand"** or **"R"**	South African rand, the official currency of South Africa.

Bidvest

The Bidvest Group Limited

Incorporated in the Republic of South Africa
Registration number 1946/021180/06
Share code: BVT ISIN: ZAE000117321
"Bidvest" or **"the Company"**

Directors
CWL Phalatse (chairman)
B Joffe (Group chief executive)
BL Berson
DE Cleasby
AW Dawe
N Madisa
LP Ralphs
GC McMahon
PC Baloyi +
DDB Band +
EK Diack +
AK Maditsi +
S Masinga +
NG Payne +
T Slabbert +
+ *Independent non-executive*

CIRCULAR TO BIDVEST SHAREHOLDERS

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1. **Introduction**

Shareholders are referred to the announcements released on SENS on February 8 2016 regarding proposed listing and subsequent unbundling of its foodservices business on the main board of the JSE and the further detailed announcement released on SENS on April 14 2016.

In order to implement its strategic decision to restructure the business operations and management focus of the Bidvest Group and to provide Bidvest shareholders with the opportunity to participate directly in its foodservices operations, the directors have decided, subject to shareholder approval and the fulfilment of the suspensive conditions, to transfer the transferring assets to BidCorp, in terms of the disposal, to procure the listing of BidCorp on the main board of the JSE and to subsequently unbundle all of the BidCorp shares held by Bidvest to the Bidvest shareholders.

The purpose of this circular is to provide Bidvest shareholders, in compliance with the listings requirements and the takeover regulations, with pertinent information regarding:

1.1 the disposal;

1.2 the listing of BidCorp;

1.3 the unbundling of the BidCorp distribution shares to Bidvest shareholders (which constitutes a section 112 disposal);

1.4 the amendment of the provisions of the Bidvest Incentive Scheme Trust in accordance with the listings requirements;

1.5 the adoption of the Bidvest Share Appreciation Rights Plan; and

1.6 to convene a general meeting of Bidvest shareholders in terms of the notice of general meeting forming part of this circular, at which meeting the resolutions required to approve and implement the transaction will be considered and, if deemed fit, approved.

2. **The disposal**

2.1 **Rationale for and terms of the disposal**

2.1.1 In order to give effect to the listing and unbundling, Bidvest will, prior to the listing and unbundling:

2.1.1.1 dispose of the transferring assets to its wholly owned subsidiary, BidCorp in terms of asset-for-share transactions and unbundling transactions in accordance with the provisions of sections 42 and 46 of the Income Tax Act respectively; and

2.1.1.2 acquire the excluded assets from BidCorp in terms of an unbundling transaction in accordance with the provisions of section 46 of the Income Tax Act.

2.1.2 The net book value of the transferring assets being disposed of by Bidvest is approximately R2,8 billion and the net book value of the excluded assets being acquired by Bidvest is approximately R6,2 million.

2.2 **Nature of business**

Bidvest Foodservice

Bidvest Foodservice comprises foodservice product distributors in the United Kingdom; Belgium; the Netherlands; Italy; Czech Republic; Slovakia; Poland; the Baltic States; Saudi Arabia; Turkey; the UAE, Lebanon, Bahrain, Oman, Australia; New Zealand; Singapore; Greater China; Malaysia, Chile; Brazil and southern Africa. Bidvest leads the foodservice industry in its chosen geographies operating through strategically located independent business units servicing the catering, hospitality; leisure; bakery; poultry; meat and food processing industries.

The Bidvest Foodservice group is divided into the following four regional groups:
Bidvest Foodservice Australasia;
Bidvest Foodservice United Kingdom;
Bidvest Foodservice Europe; and
Bidvest Foodservice Emerging Markets.

Bidvest Foodservice – Australasia

Bidvest Australasia, operating in Australia and New Zealand, offers a full end-to-end national distribution service. Bidvest Australia and Bidvest New Zealand offers customers the industry's most comprehensive range, wide market coverage, economies of scale and one-stop solutions. The division is an innovator and leads its industry in the development of e-commerce solutions. Sustained investment in training and technology ensure high levels of service efficiency, quality and accreditation.

Australia

Bidvest Australia comprises the following brands: Bidvest Australia, Bidvest Logistics, Bidvest Foodservice, Bidvest Fresh, Bidvest Import and Classic Meats.

New Zealand

Bidvest New Zealand comprises the following brands: Bidvest New Zealand, Bidvest Foodservice, Bidvest Fresh, Bidvest Logistics, Bidvest Exports, Blue Pepper and Bidvest Processing.

Bidvest Foodservice – United Kingdom

Bidvest Foodservice United Kingdom is a foodservice and product distributor serving customers in the hospitality, institutional, catering and QSR sectors in the United Kingdom and Ireland through the Bidvest Foodservice UK, Bidvest Logistics UK and Bidvest Fresh UK divisions.

Bidvest Foodservice UK

Bidvest Foodservice UK (formerly 3663) is a foodservice wholesale distributor and the preferred supply partner for over 60,000 customers across the UK. Bidvest Foodservice UK provides every food option from quality ingredients to finished meals, including a number of own brand ranges as well as all the big brands and regional specialities.

Bidvest Fresh UK

Bidvest Fresh supply national and independent customers within the catering industry with fresh ingredients including fish and seafood, meat, produce, dairy products and ambient goods. We offer delivery of all our ingredients directly to our customer's kitchens, with each product being delivered by temperature controlled vehicles ensuring the products freshness is preserved and handled with care.

Bidvest Logistics UK

Bidvest Logistics provides alternative multi-temperature services to meet the varying needs of our ever growing and diverse customer base. Operating in the high volume QSR sector of the foodservice market, Bidvest Logistics provides contracted services to clients requiring high levels of control and discipline in the supply of menus to their outlets.

Bidvest Foodservice United Kingdom comprises the following brands: Bidvest Foodservice, Bidvest Catering Equipment, Cimandis, Bidvest Hospitality Design, PCL, Bidvest Fresh, Direct Seafoods, Campbell Brothers, Oliver Kay, Hensons, Rustic Cheese and Bidvest Logistics.

Bidvest Foodservice – Europe

Bidvest Foodservice Europe comprises foodservice distributors of prestigious brands to the Horeca sector in Europe through Bidvest Belgium, Bidvest Deli XL Netherlands, Bidvest Czech Republic, Bidvest Slovakia, Farutex – Bidvest Polska, Bidvest Baltics, Bidvest Foodservice Spain, DAC in Italy and Aktaes Holdings in Turkey.

Bidvest Foodservice Europe comprises the following brands: Bidvest Czech, Bidvest Polska, Farutex, Bidvest Deli XL, Bidvest Baltics, Coronet, Bidvest Slovakia, Gruppo Dac, Prima, Aktaes and Nowaco.

Bidvest Foodservice – Emerging Markets

Southern Africa

The southern African business service customers across the total food value chain and is categorised as follows:

Bidvest Food Ingredients – manufactures and distributes meat, poultry, dairy and general food ingredients and equipment.

Bidvest Bakery Solutions – manufactures and distributes baking ingredients and equipment.

Bidvest Foodservice SA – is a multi-temp foodservice distributor offering a full range of ambient, chilled and frozen food products, as well as various other non-food catering requirements and equipment.

Bidvest Food Exports – distributes a large range of food ingredients and equipment into Africa.

Bidvest Foodservice Africa comprises the following brands: Bidvest Food Ingredients, Bidvest Food Zambia, Crown National, Bidvest Bakery Solutions, Bidvest foodservice multi-temp, BidFood Solutions, Bidvest Food SA and Bidvest Food Exports.

Greater China

Angliss Foodservice has distribution offices in Hong Kong, China, Macau Singapore and Malaysia. The distribution offices in Angliss China are situated in Beijing, Chengdu, Guangzhou, Haikou, Hangzhou, Hunan, Sanya, Shanghai, Tianjin, Wuhan, Xián and Zhengzhou. Angliss comprises the following brands: Angliss Hong Kong, Angliss China, Gourmet Cuisine, Le'Atelier du Goût, Foodtalk, Angliss Macau, Miumi, Sweet La Vie, Pastry Global Food Service Limited and Him Kee Food Distribution

Singapore

Angliss Singapore is structured into four main business units; foodservice, retail, international trading and marine services. Affiliates include Angliss Gourmet Partner and FoodPride. Angliss Singapore comprises the following brands: Angliss Singapore, Gourmet Partner and FoodPride.

Middle East

Bidvest Middle East currently operates in six markets via stand-alone commercial entities in every market comprising HORECA UAE; HORECA Trading Oman; Al Diyafa Company for Catering Services – KSA; HORECA United Services Bahrain and F&B Partners – Lebanon. Bidvest Middle East comprises the following brands: F&B Partners, Bidvest Middle East, HORECA and Al Diyafa.

Chile

Bidvest Chile includes a wholesale foodservice business with branches in Santiago and Puerto Montt and a bakery business (Deli Meals) located in Santiago. Bidvest Chile comprises the Bidvest Foodservice and Deli Meals brands.

Brazil

Irmãos Avelino, one of the largest distributors in the Brazilian Foodservice market, serves more than 8,000 customers throughout the State of São Paulo with a product range covering ambient, chilled and frozen product.

3. **The listing**

The JSE has granted BidCorp, subject to the requisite shareholder approval, a listing in the Food Retailers and Wholesalers sector of the main board of the JSE, under the abbreviated name 'BidCorp', with effect from the commencement of business on Monday, May 30 2016. For this purpose, the BidCorp PLS is being sent to Bidvest shareholders together with this circular.

4. **The unbundling**

4.1 **Background to and rationale for the unbundling**

4.1.1 The Bidvest Group is an international services, trading and distribution company listed on the JSE, South Africa and operating on five continents. We are proud of our South African roots and our place on the JSE. At the same time, we have become a global business with further international growth on the horizon both within our food and industrial businesses. The evolution of Bidvest into two distinct businesses comprising Bidvest Industrial, a major diversified industrial group operating in southern Africa employing c.117,000 people and generating turnover and trading profit of c.R93 billion and R5.7 billion respectively for the financial year ended June 30 2015 and Bidvest Foodservice, a global foodservice business operating in multiple geographies, following a natural progression over many years. Both businesses have divergent strategic focuses and require different management skills. A clear separation of interests will provide for greater management focus and enable management to identify opportunities both locally and abroad thereby increasing the scope for entrepreneurial flair. Consequently, the Bidvest board had decided to separately list and unbundle the foodservice business from Bidvest thus creating two fit for purpose businesses managed by focused teams that are better equipped to sustain and grow their respective businesses.

4.1.2 The directors believe that the separation of BidCorp from the Bidvest Group will enable the following:

4.1.2.1 streamline the activities and operations of the Bidvest Group which will ensure an improved platform from which to pursue continued growth;

4.1.2.2 greater transparency with regard to the nature of the activities and geographies in which each of BidCorp and the remainder of the Bidvest Group operate and their respective potential values;

4.1.2.3 improve management focus to assist in identifying acquisition opportunities both locally and abroad and to enable management to mitigate and manage specific risks and challenges faced by each individual business;

4.1.2.4 enable the respective management teams of BidCorp and Bidvest to express their entrepreneurial flair and take direct responsibility and accountability for the performance and growth of the respective companies;

4.1.2.5 enable smooth and transparent management succession, planning and implementation; and

4.1.2.6 provide flexibility to anticipate and react to changes within the specific market segments and economic landscapes within which each company operates.

4.1.3 In order to effectively manage the remaining underlying assets of Bidvest following the unbundling, the Bidvest Group board will be reconstituted under the existing Chairman, Lorato Phalatse. Lindsay Ralphs will be appointed the chief executive officer and Peter Meijer the chief financial officer. In addition to remaining a non-executive director, Brian Joffe has entered into a two year consulting agreement with the Bidvest Group. The full composition of the restructured Bidvest board commences on page 16 of this circular.

4.1.4 Following the unbundling, BidCorp will comprise the erstwhile foodservices operations of the Bidvest Group. Brian Joffe will be the executive chairman of the board of directors of BidCorp and Bernard Berson will be the chief executive officer. David Cleasby will be the chief financial officer. The BidCorp board will be comprised as set out in paragraph 16 of this circular.

4.2 **Details of the unbundling**

4.2.1 Bidvest will distribute the BidCorp distribution shares to its shareholders by way of a distribution *in specie* in terms of section 46 of the Companies Act and section 46 of the Income Tax Act.

4.2.2 Bidvest shareholders will receive 1 BidCorp share for every 1 Bidvest share held on the record date (subject to the rounding convention applied by the JSE).

4.3 **Procedure for the implementation of the unbundling**

4.3.1 The general meeting of Bidvest shareholders convened in terms of the notice of general meeting forming part of this circular, will consider and, if deemed fit, pass the resolutions necessary to give effect to the unbundling. In terms of section 112 of the Companies Act, the resolution to approve the unbundling requires the approval of at least a 75% majority of Bidvest shareholders present or represented by proxy at the general meeting and entitled to vote, as the unbundling is regarded as a section 112 disposal.

4.3.2 If you hold Bidvest shares in certificated form you should pay special attention to the provisions of the following paragraph since BidCorp will not issue any individual BidCorp share certificates in relation to the unbundling to which you are entitled. You will be required to move into a dematerialised environment. If you are in any doubt as to what action you should take, please consult your broker, CSDP, banker, attorney or other professional adviser.

For the purposes of the unbundling, Bidvest shareholders will be issued their respective BidCorp shares in dematerialised form only. Accordingly, all shareholders must appoint a CSDP under the terms of the Financial Markets Act, directly or through a broker, to receive BidCorp shares on their behalf. Should a shareholder require a physical share certificate in terms of its BidCorp shares, it will have to materialise its shares following the listing and should contact its CSDP to do so. There are risks associated with holding shares in certificated form, including the risk of loss or tainted scrip, which is no longer covered by the JSE Guarantee Fund. All shareholders who elect to convert their dematerialised shares into certificated shares will have to dematerialise their shares should they wish to trade them in accordance with the rules of Strate.

The BidCorp shares accruing to any unknown/untraceable certificated Bidvest shareholders will be transferred to Computershare Nominees Proprietary Limited and held in accordance with the Custody Agreement.

Should a Bidvest shareholder wish to claim their BidCorp shares, it will have to give an instruction to their CSDP/Broker/Custodian to receive the BidCorp shares from Computershare CSDP, the latter together with the transfer secretaries will verify the holding and validity of the BidCorp shares to be transferred. The transfer secretaries may require supporting documentation and will advise the shareholder accordingly. Beneficial ownership will be recorded on a sub-register with the transfer secretary (known as the nominee sub-register) but held in aggregate with Computershare CSDP in dematerialised format.

The BidCorp shares will then be transferred into such account with the CSDP or broker as may have been specified by the Bidvest shareholder concerned provided that such account must be within South Africa in the case of a resident but may in the case of a non-resident be inside or outside of South Africa.

Should an unknown/untraceable certificated Bidvest shareholder not wish to open an account with a CSDP or broker it may, by completing such forms as the transfer secretaries may require, instruct the transfer secretaries to sell its BidCorp shares to which it is entitled and remit the cash into an account with a South African bank on its behalf.

4.3.3 Documents of title in respect of Bidvest shares held are not required to be surrendered in order to receive the BidCorp distribution shares.

4.4 **Governing law**

The unbundling will be governed by the laws of South Africa.

4.5 **Offer not made where not legally permitted**

4.5.1 The legality of the unbundling to persons resident in jurisdictions outside of South Africa may be affected by the laws of the relevant jurisdiction. Such persons should inform themselves about any applicable legal requirements, which they are obligated to observe. It is the responsibility of any such person wishing to participate in the unbundling to satisfy themselves as to the full observance of the laws of the relevant jurisdiction in connection therewith.

4.5.2 In particular, the unbundling is not being made, directly or indirectly, in or into any jurisdiction where it is not legally permitted for the unbundling to be made or accepted ("**the affected jurisdictions**") including, *inter alia*, the USA, Canada, Australia, Japan and the Republic of Ireland.

4.5.3 Persons wishing to participate in the unbundling should not use the mail of any of the affected jurisdictions or any such means, instrumentality or facility for any purpose, directly or indirectly, relating to the unbundling. Envelopes containing forms of proxy or other documents relating to the unbundling should not be post-marked in any of the affected jurisdictions or otherwise dispatched from any of the affected jurisdictions and all participants must provide addresses outside the affected jurisdictions for receipt of any BidCorp distribution shares.

4.5.4 Foreign excluded Bidvest shareholders' BidCorp distribution shares will be aggregated and disposed of on the JSE by the transfer secretaries for the benefit of the foreign excluded Bidvest shareholders. CSDPs will be responsible for informing the transfer secretaries of all dematerialised shares held by them on behalf of foreign Bidvest shareholders. The transfer secretaries will determine which certificated Bidvest shareholders are foreign Bidvest shareholders. The transfer secretaries will deem all Bidvest shareholders who are resident or whose registered addresses are in any country other than in the common monetary area to be foreign excluded Bidvest shareholders, unless such Bidvest shareholders provide them with proof, either personally, through a representative or CSDP, satisfactory to the board, that they are entitled to receive BidCorp distribution shares, or contact the board to make an alternative arrangement, by not later than the record date.

4.5.5 Foreign excluded Bidvest shareholders will, in respect of their shareholdings, receive the average consideration per share (net of costs) at which all foreign excluded Bidvest shareholders' BidCorp distribution shares were disposed of. The average consideration will be calculated and the consideration due to each foreign excluded shareholder will be paid only once all these shares have been disposed of. Bidvest shareholders who are not residents of South Africa or whose registered addresses fall outside of South Africa should contact their CSDP or broker if they are uncertain of the impact of the unbundling on them.

4.6 **Foreign Bidvest shareholders**

4.6.1 The distribution of BidCorp shares to foreign Bidvest shareholders in terms of the unbundling may be affected by the laws of foreign Bidvest shareholders' relevant jurisdictions. Those foreign Bidvest shareholders should consult professional advisers as to whether they require any governmental or other consent or need to observe any other formalities to enable them to realise their entitlement in terms of the unbundling.

4.6.2 Bidvest shareholders are referred to paragraph 4.5 above, Annexure 2 and Annexure 3 for further information on the restrictions applicable to foreign Bidvest shareholders.

4.7 **Exchange control**

4.7.1 Bidvest shareholders whose registered addresses are outside the common monetary area will need to comply with the exchange control regulations set out in Annexure 3 hereto.

4.7.2 If Bidvest shareholders are in any doubt as to what action to take they should consult their professional advisers.

4.8 **Taxation considerations relating to the unbundling**

4.8.1 Bidvest intends to rely on the provisions of section 46 of the Income Tax Act in respect of the unbundling. This section provides relief from income tax, CGT, dividend tax and STT which would ordinarily be payable in respect of an unbundling of this nature.

4.8.2 Bidvest shareholders are referred to Annexure 3 for information on the taxation consequences relating to the unbundling.

4.9 **Suspensive conditions to the unbundling**

4.9.1 The implementation of the unbundling is subject to the fulfilment or waiver (by Bidvest, to the extent permitted) of the following suspensive conditions on or before Tuesday, May 17 2016:

4.9.1.1 the resolutions set out in the notice of general meeting attached to this circular authorising the unbundling shall have been passed by the requisite majority of the votes of Bidvest shareholders;

4.9.1.2 Bidvest shall have obtained a 'binding class tax ruling' and a binding private tax ruling in terms of sections 78 and 79 of the Tax Administration Act, 2011, in regard to the disposal and the unbundling on terms satisfactory to the board; and

4.9.1.3 the TRP shall have issued a certificate of compliance in respect of the unbundling in terms of section 115 of the Companies Act.

5. **TRP implications**

The unbundling is presumed to constitute a section 112 disposal and as such Bidvest is required to consider the provisions of the Companies Act and the takeover regulations in implementing the unbundling. The unbundling will result in Bidvest shareholders holding a direct interest in BidCorp rather than holding that interest through Bidvest. The Takeover Regulations Panel has exempted Bidvest from complying with Regulations 106(4)(g) and Regulation 90's disclosure requirements for the appointment of an independent expert, performing valuation, and providing fair and reasonable opinion, based on the fact that Bidvest shareholders will receive 1 BidCorp share for every Bidvest share held on the record date (subject to the rounding convention applied by the JSE).

6. **Financial information relating to the disposal and the unbundling**

6.1 **Historical information of Bidvest and BidCorp**

6.1.1 The consolidated audited historical information of Bidvest for the financial year ended June 30 2015 and interim results for the period ended December 31 2015 is available on Bidvest's website: www.bidvest.co.za.

6.1.2 The report of historical financial information of BidCorp Group for the 3 years ended June 30 2015 and the report of historical financial information of BidCorp Group for the 6 months ended December 31 2015 are set out in the BidCorp PLS.

6.2 ***Pro forma* financial effects of the unbundling**

Based on Bidvest's consolidated interim results for the period ended December 31 2015, the *pro forma* financial effects of the unbundling on the EPS, diluted EPS, HEPS, diluted HEPS, normalised HEPS, NAV and TNAV of the Bidvest Group are set out below.

These financial effects are prepared for illustrative purposes only in order to assist shareholders to assess the impact of the unbundling and, because of their nature, may not give a fair presentation of Bidvest's financial position, changes in equity, results of operations or cash flows after the internal restructuring and listing nor the effect of the unbundling on Bidvest's results of operations.

The summarised *pro forma* financial effects have been prepared in a manner consistent in all respects with IFRS, the accounting policies adopted by Bidvest as at June 30 2015 and the Revised SAICA Guide on *Pro Forma* Financial Information and the listings requirements of the JSE.

The *pro forma* financial effects are the responsibility of the board. The material assumptions used in the preparation of the *pro forma* financial effects are set out in the notes following the table below.

	6 months ended December 31 2015	6 months ended December 31 2015
Per Bidvest share	Before the unbundling	After the unbundling
	Unaudited	*Pro forma*
EPS (cents)	930.9	414.3
Diluted EPS (cents)	925.8	412.1
HEPS (cents)	1 001.5	482.2
Diluted HEPS (cents)	996.0	479.7
Normalised HEPS (cents)	1 001.5	493.3
NAV (cents)	12 897	5 681
TNAV (cents)	7 147	4 599
Number of Bidvest shares in issue (thousands)	335 404	335 404
Number of Bidvest shares in issue net of treasury shares (thousands)	326 837	330 955
Weighted average number of Bidvest shares in issue (thousands)	325 399	329 517

Notes to the *pro forma* financial effects:

1. The "Before the unbundling" column sets out the EPS, diluted EPS, HEPS, normalised HEPS, diluted HEPS, NAV, TNAV, per Bidvest Group share prior to the unbundling.

2. The "After the unbundling" column sets out the EPS, diluted EPS, HEPS, normalised HEPS and diluted HEPS, per Bidvest Group share assuming that the unbundling took place with effect from July 1 2015 for *pro forma* statement of comprehensive income purposes and takes into account the following adjustments:

   a. Inclusion of the income, expenditure and taxes relating to the excluded assets which will be transferred to the Bidvest Group in terms of the internal restructuring. These adjustments will have a continuing effect on Bidvest's statement of comprehensive income;
   b. Exclusion of the income, expenditure and taxes relating to Bidvest Food Africa, Bidvest Food Properties and the Bidvest treasury shares which will be transferred to BidCorp in terms of the internal restructuring;
   c. Exclusion of head office costs of R23.4 million and the related taxation adjustment which relate to the costs of executives currently employed by Bidvest but who will be transferred to the BidCorp Group subsequent to the listing and unbundling. These adjustments will have a continuing effect on the Bidvest Group's statement of comprehensive income;
   d. Reversal of the administrative fee expense incurred by subsidiaries of BidCorp of R19.7 million and the related taxation adjustment which will no longer be receivable by Bidvest subsequent to the unbundling and the listing. These adjustments will have a continuing effect on the Bidvest Group's statement of comprehensive income;
   e. Share-based payment (IFRS 2) relief of R12.4 million, and the related taxation adjustment, which relates to the executives who are currently employed by Bidvest but will be employed by the BidCorp Group subsequent to the listing and unbundling. This adjustment will have a continuing effect on the Bidvest Group's statement of comprehensive income. An additional IFRS 2 charge of R25.7 million and the related taxation adjustment, resulting from the early vesting of the existing CSP scheme will be expensed in Bidvest and will not have a continuing effect on Bidvest's statement of comprehensive income. R19.9 million of this charge relates to BidCorp executives;
   f. Expensing of transaction costs, amounting to R18 million, which relate directly to the listing and which have been expensed in terms of IAS 32: Financial Instruments. These adjustments will not have a continuing effect on Bidvest's statement of comprehensive income; and
   g. Interest adjustment has been made in relation to the above items where it is deemed material.

3. The assumptions and notes for the *pro forma* NAV and TNAV per Bidvest Group share assuming that the unbundling took place with effect from December 31 2015, are set out in Annexure 4.

6.2.1 Details of the *pro forma* financial effects of the unbundling on Bidvest's consolidated statement of comprehensive income and consolidated statement of financial position for the 6 months ended December 31 2015 are contained in Annexure 4 to this circular.

6.2.2 The independent reporting accountants' report on the aforementioned *pro forma* financial effects and the *pro forma* consolidated statement of comprehensive income and the *pro forma* consolidated statement of financial position of Bidvest are set out in Annexure 5 to this circular.

7. **Dissenting shareholders**

A statement informing Bidvest shareholders of their rights in terms of section 64 of the Companies Act is set out in Annexure 1 hereto.

8. **Treatment of existing share plans and adoption of share appreciation rights plan**

Bidvest's current management share incentive plans comprise the Bidvest Incentive Scheme ("BIS") and The Bidvest Conditional Share Plan ("BCS"), collectively referred to as the existing share plans.

In view of the listing and subsequent unbundling of BidCorp, certain measures will be taken with regard to the existing share plans in order to ensure the equitable and fair treatment of employees who are participants under the existing share plans and who will remain in employment with Bidvest and BidCorp post the listing and unbundling.

The settlement principles and the provisions of the existing share schemes are set out in Annexure 8.

In line with local and global best practice, Bidvest intends to adopt a new share plan, namely the Bidvest Group Share Appreciation Rights Plan ("SAR Plan") to replace the previous BIS to incentivise, motivate and retain the right calibre of senior management, and to recognise contributions made by selected employees.

The SAR Plan is aligned with global best practice and recently adopted plans for large JSE-listed or dual-listed companies.

The salient features of the SAR Plan are set out in Annexure 9.

9. **Board opinion and recommendations**

9.1 The board is of the opinion that the terms and conditions of the listing and unbundling are fair and that the implementation of the listing and unbundling will be to the benefit of Bidvest shareholders. Accordingly, the board recommends that Bidvest shareholders vote in favour of the special and ordinary resolutions to be proposed at the general meeting, a copy of which resolutions are embodied in the notice of general meeting forming part of this circular.

9.2 The directors of Bidvest with interests in the Company intend to vote in favour of the special and ordinary resolutions to be proposed at the general meeting to approve the listing and unbundling.

10. **Major shareholders of Bidvest**

As at February 26 2015, the names of direct and indirect beneficial shareholders of Bidvest who own more than 3% of the issued ordinary share capital of Bidvest are as follows:

	Number of shares held	% of shares issued
Beneficial shareholding		
Major shareholders holding 3% or more of the shares in issue		
Government Employees Pension Fund	48,565,138	14.48
GIC Asset Management Pte Limited	13,780,024	4.11
	62,345,162	18.59
Investment management holdings		
Fund managers holding 3% or more of the shares in issue		
Public Investment Corporation	45,874,443	13.68
JP Morgan Asset Management	20,624,359	6.15
Genesis Investment Management LLP	15,374,231	4.58
GIC Asset Management Pte Limited	13,274,629	3.96
Sanlam Investment Management	11,454,860	3.42
BlackRock Inc	11,370,623	3.40
Lazard Asset Management LLC Group	10,600,559	3.17
The Vanguard Group Inc	10,270,734	3.06
	138,844,438	41.42

11. **Material change**

There have been no material changes in the financial or trading position of Bidvest and the Bidvest Group between December 31 2015 and the last practicable date.

12. **Directors' interests in Bidvest shares**

As at the last practicable date, the aggregate interest of directors in Bidvest shares were as follows:

	Direct	Indirect	% of issued share capital
BL Berson	8	38,313	0.01
DE Cleasby	81,974	–	0.02
B Joffe	76,215	–	0.02
D Masson*	3,108	–	0.00
LP Ralphs	189,517	–	0.05
	350,822	38,313	0.1

* *Mr D Masson passed away on March 20 2016.*

Non-beneficial

* B Joffe is a trustee and potential beneficiary of a discretionary trust holding 1,009,960 Bidvest shares.

* DE Cleasby is a trustee of the Group's retirement funds which hold 541,636 Bidvest shares.

12.1 **Trades by directors in the last year**

1. AW Dawe sold 38,044 Bidvest shares on the open market on September 3 2015 for R323.3205 per share at a total value of R12,300,405.10.
2. AW Dawe: 20,081 Bidvest shares were accrued to him in terms of a CSP award at a market value of R6,880,152.22. He sold 20,081 Bidvest shares at R344.402837 per share to the total value of R6,915,953.37.
3. D Masson: sale of 1,247 Bidvest shares on open market on September 21 2015 by an associate trust of director for R318.50 per share at a total value of R397,169.50.
4. D Masson: disposal of beneficial interest in associate trust of director – 3,000 Bidvest shares at market value of R325.23 per share on September 25 2015 to the total value of R975,690.00.
5. D Masson: sale of 3,100 Bidvest shares off market by an associate trust of director at R323,97 per share on September 25 2015 to the total value of R1,004,307.00.
6. D Masson: Acquisition of 3,100 Bidvest shares off market from an associate trust of director at R323.97 per share on September 25 2015 to the total value of R1,004 307.00.
7. B Joffe: 89,421 Bidvest shares were accrued to him in terms of a CSP award at a market value of R30,637,423.09. He sold 89,000 Bidvest shares at R347.29 per share at a total value of R30,908,810.00 and 421 Bidvest shares were delivered to him.
8. B Joffe: sold 48,324 Bidvest ordinary loan scheme shares issued at a price of R108.54 per share and sold on open market at R345.0012 per share to the total value of R16,671,837.99.
9. DE Cleasby: 31,228 Bidvest shares were accrued to him in terms of a CSP award at a market value of R10,699,337.36. He sold 30,000 Bidvest shares at R347.29 per share at a total value of R10,418,700.00 and 1,228 Bidvest shares were delivered to him.
10. BL Berson: 47,930 Bidvest shares were accrued to him in terms of a CSP award at a market value of R16,421,776.60. He sold 47,930 Bidvest shares at R345.018187 per share at a total value of R16,536,721.73.
11. LP Ralphs: 50,626 Bidvest shares were accrued to him in terms of a CSP award at a market value of R17,345,480. 50,626 Bidvest shares were delivered to him.

13. **Share capital of the company**

The table below shows the authorised and issued ordinary share capital of Bidvest as at the last practicable date:

	R'000
Authorised ordinary share capital: 540,000,000 at R0.05 each	27,000
Issued ordinary share capital: 335,404,212	
Which includes: Treasury shares: 8,236,840 and The Bidvest Incentive Scheme: 339,457	16,770
Total share capital	**16,770**

4,118,420 Bidvest treasury shares will be transferred as part of the transferring assets which will result in Bidvest owning 4,118,420 treasury shares.

14. **Statement by the directors of Bidvest**

The directors have considered the position of the Bidvest Group prior to and following the implementation of the transaction and are of the view that:

14.1 Bidvest and the Bidvest Group will be able in the ordinary course of business to pay its debts for a period of 12 months after the date of approval of this circular;

14.2 the consolidated assets of the company and the Bidvest Group, fairly valued, will be in excess of the consolidated liabilities of the company and the Bidvest Group for a period of 12 months after the date of approval of this circular;

14.3 the share capital and reserves of the company and the Bidvest Group will be adequate for ordinary business purposes for a period of 12 months after the date of approval of the circular;

14.4 the working capital of the company and the Bidvest Group will be adequate for ordinary business purposes for a period of 12 months after the date of the approval of this circular; and

14.5 the directors have authorised the unbundling and the company and the Bidvest Group has passed the ‘solvency and liquidity’ test, as contemplated in section 4 of the Companies Act, and there have been no material changes to the financial position of the Bidvest Group since that test was performed by the directors.

15. **Composition of the Bidvest board following the unbundling**

Mr Bernard Berson and Mr David Cleasby will resign from, and Mr Peter Meijer will be appointed to the board of directors of Bidvest. Furthermore, Mr Brian Joffe will retire as chief executive but remains a non-executive director of Bidvest. Other than this the board will remain unchanged.

16. **Composition of the board of directors of BidCorp following the unbundling**

The names, qualifications, ages, business addresses and functions of the directors of BidCorp following the implementation of the unbundling are set out below together with an abridged *curriculum vitae* for each such director:

Name	Position	Business address
Brian Joffe	Executive chairman	Bidvest House 18 Crescent Drive Melrose Arch, Johannesburg 2196
Bernard Larry Berson	Chief executive	L1, 31 – 35 Bank Street Pyrmont NSW 2009 Australia PO Box 36, Rozelle, 2039 Australia
David Edward Cleasby	Chief financial officer	Bidvest House 18 Crescent Drive Melrose Arch, Johannesburg 2196
Paul Cambo Baloyi	Independent non-executive director	Carlswald Estate Midrand 1685
Douglas Denoon Balharrie Band	Lead independent non-executive director	Kleine Wingerd Klein Constantia Road Constantia, 7806
Nigel George Payne	Independent non-executive director	Westbrooke Drive Sandton 2196
Cecelia Wendy Lorato Phalatse	Independent non-executive director	Bidvest House 18 Crescent Drive Melrose Arch, Johannesburg 2196
Helen Wiseman	Independent non-executive director	Suite 1A, Level 2 802 Pacific Highway Gordon NSW 2072 Australia

Executive directors

Brian Joffe, *Executive chairman*, Age: 68**, Qualification:** CA(SA)

Director of numerous Bidvest subsidiaries. Since founding Bid Corporation in 1988, Brian served as executive chairman until his appointment as chief executive in 2004. Brian has over 33 years of South African and international commercial experience. Brian was one of the *Sunday Times’* top five businessmen in 1992 and is a past recipient of the Jewish Business Achiever of the Year award, was listed as one of the top 100 Africans of the Year in the Africa Almanac in 2001, was voted South Africa’s Top Manager of the Year in 2002 in the Corporate Research Foundation’s publication “South Africa’s Leading Managers”, represented South Africa at the coveted “Ernst & Young World Entrepreneur of the Year” awards in 2003, voted the *Sunday Times’* Businessman of the Year in 2007, awarded an honorary doctorate in May 2008 by Unisa and selected in 2010 by Wits Business School Journal as one of South Africa’s top 25 business leaders, having made a significant impact on business in South Africa over the last five years. Listed by *Forbes Magazine* as one of the 20 most powerful people in African business. Brian is currently vice-chairman of the board of Adcock Ingram Holdings Limited and was previously chairman of Bidvest Namibia Limited.

Bernard Larry Berson, ***Chief executive officer*****, Age:** 50, **Qualification:** Australian CA

After qualifying as a Chartered Accountant, Bernard joined Bidvest in South Africa in 1990, as the Financial Director of the Packaging and Strapping division. Bernard then moved to Toronto, Canada in 1993, and worked in a financial role in an aged care development business and then in a home fabrics distribution company. After immigrating to Sydney in early 1996, Bernard rejoined Bidvest, who had just bought into Manettas Limited, their first foray out of South Africa. Bernard has been involved in all aspects of the development of Bidvest's business in Australia, New Zealand and Asia, and in 2010 assumed responsibility as CEO of Bidvest's global foodservice business, including its operations in the UK and Europe. During the past 20 years with Bidvest's foodservice business, Bernard has been involved in all acquisitions and strategic direction setting of the business.

David Edward Cleasby, ***Chief financial officer*****, Age:** 53, **Qualification:** CA(SA)

Director of numerous Bidvest subsidiaries and associate companies. David was financial director of Rennies Terminals when Bidvest acquired Rennies group in 1998. In 2001, David joined the Bidvest corporate office where he has been involved in both Group corporate finance and investor relations. David was appointed as Group financial director on July 9 2007 and serves on Bidvest's Risk, Social and Ethics and Acquisitions committees. David has looked after Bidvest's interests in many of the investments made by the Group over the years.

Independent non-executive directors

Paul Cambo Baloyi, Age: 59, **Qualification:** MBA (Manchester Bangor University of Wales), MDP, SEP (Harvard)

Paul is currently the managing director of CAP Leverage Pty Ltd. Until April 2012, has been chief executive officer and managing director of the Development Bank of Southern Africa from June 11 2006. Paul also served as chief executive officer and managing director of DBSA Development Fund. Prior to this Paul had spent 30 years in the Financial Services Sector, with both Standard Bank and the Nedbank group. His last position at Nedbank was as managing director of Nedbank Africa. Paul has been an independent non-executive director on many boards locally and internationally including, African financial institutions. He was a council member of the Institute of Bankers and also served as chairman of the Ned Medical Aid. Other boards include, Old Mutual South Africa, AUSTRO Group Limited, Basil Read Limited and of which he is Chairman and CAP Leverage Pty Ltd. Paul also serves on various Board Committees (Audit, Risk, Remuneration, Nominations) as member and chairman.

Douglas Denoon Balharrie Band, Age: 71, **Qualification:** CA(SA)

Doug has extensive experience in both commerce and industry and has previously served in the capacity of independent director in a number of JSE Top 40 companies.

Cecelia Wendy Lorato Phalatse, **Age:** 53, **Qualification:** BA Political Science (Hons), University of Leeds UK, MA Southern African Studies, University of York

Lorato is a non-executive director of Pick n Pay. Lorato has held various positions over the years including deputy director general in the office of the President and a number of other positions in the FMCG and retail banking sectors.

Nigel George Payne, Age: 56, **Qualification:** CA(SA), MBL

Nigel is a director of companies, including the JSE Limited, Mr Price Group Limited (Chairman), Vukile Property Fund Limited and BSI Steel Limited and is chairman of Bidvest Bank Limited.

Helen Wiseman, Age: 50, **Qualification:** BSc (Hons) University of Manchester, CA, GAICD

A non-executive director and former KPMG partner, Helen has extensive international business experience in across a range of sectors including manufacturing, distribution, mining, energy and financial services. Helen has chaired regional audit committees of the Bidvest International Foodservice Business since 2011 and has held various board roles.

17. Additional information

17.1 Agreements in relation to the unbundling

No agreement exists between Bidvest and any shareholders which could be considered material to a decision regarding the unbundling to be taken by shareholders. As at the last practicable date, no other agreements have been entered into between Bidvest and any of the directors of Bidvest or shareholders in relation to the unbundling.

17.2. Directors' remuneration

The remuneration of the directors of Bidvest will not change as a consequence of the unbundling. However, the CSPs will be treated as set out below upon shareholders' approval of the unbundling in accordance with the provisions as set out in Annexure 8. The vesting CSPs will be restricted until post the listing and unbundling of BidCorp.

Executive	Number of CSPs allocated subject to performance conditions	Number of CSPs to be vested (subject to audit)	Number of CSPs to be exchanged for replacement rights in successor company	Number of CSPs to be forfeited
2012, 2013, 2014 and 2015 CSP allocations				
B Joffe	262,975	145,329	70,000	47,646
BL Berson	125,589	68,417	35,000	22,172
LP Ralphs	131,488	72,664	35,000	23,824
DE Cleasby	68,494	37,340	19,000	12,154
AW Dawe	3,465	3,465	–	–
Total	**592,011**	**327,215**	**159,000**	**105,796**

17.3. Bidvest has in a number of cases granted guarantees to secure the banking facilities of its BidCorp subsidiaries. These guarantees are in the process of being either unwound or transferred to BidCorp.

18. **Directors' responsibility statement**

The directors, whose names are set out on page 7 of this circular, collectively and individually accept full responsibility for the accuracy of the information given and certify that, to the best of their knowledge and belief, there are no other 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 and that this circular contains all information required by law and the listings requirements.

19. **General meeting of Bidvest shareholders**

A notice convening a general meeting of Bidvest shareholders is attached to this circular. The general meeting will be held at Bidvest, the boardroom, Bidvest House, 18 Crescent Drive, Melrose Arch, Melrose, Johannesburg, at 10:00 on Monday, May 16 2016, or at any other adjourned or postponed date and time determined in accordance with the provisions of the Companies Act as read with the listings requirements to consider and, if deemed fit, pass, with or without modification, the requisite special and ordinary resolutions to approve and implement, amongst other things, the unbundling. A notice convening a general meeting of the Bidvest shareholders is attached to and forms part of this circular.

20. **Consents**

The financial adviser and transaction sponsor, legal advisers and reporting accountants have consented in writing to act in the capacities stated and to their names being stated in the circular and had not withdrawn the consents prior to the last practicable date.

21. **Expenses relating to the disposal and unbundling**

The expenses relating to the disposal and unbundling and the subsequent listing are estimated at approximately R17,777,000 and comprise:

Description	R (exclusive of VAT)
Investment bank and transaction sponsor – Standard Bank	5,000,000
Legal advisers – Edward Nathan Sonnenbergs	1,500,000
Tax advisers – Cliffe Dekker Hofmeyr	1,500,000
Transfer secretaries – Computershare	30,000
Independent reporting accountants and auditors to Bidvest – Deloitte	1,000,000
Reporting accountants and auditors to BidCorp – KPMG	6,000,000
Printing and publishing costs	500,000
TRP inspection and exemption fees	232,000
JSE documentation fees	15,000
Other	2,000,000
Total	**R17,777,000**

The transaction costs as set out above will be payable by Bidvest.

22. Documents available for inspection

The following documents or copies thereof will be available for inspection by Bidvest shareholders at the registered offices of the company during normal business hours on business days from the date of this circular up to and including the date of the general meeting:

22.1 the memorandum of incorporation of the company and its subsidiaries;

22.2 the independent reporting accountants' and auditors' report on the unaudited reviewed *pro forma* financial information of Bidvest as set out in Annexure 5 to this circular;

22.3 the consolidated audited historical financial information of Bidvest for the preceding 3 financial years together with all notes, namely the 2013, 2014 and 2015 consolidated financial statements;

22.4 consent letter of the appointed professional advisers as set out in paragraph 20 of this circular;

22.5 a signed copy of this circular;

22.6 TRP exemption letter and approval letter;

22.7 The Bidvest Group Share Appreciation Rights Plan; and

22.8 the BidCorp PLS.

By order of the board

April 14 2016

LP Ralphs
Executive director

CWL Phalatse
Chairman

EXTRACTS OF RELEVANT SECTIONS OF THE COMPANIES ACT

Section 115: Required approval for transactions contemplated in Part A

1. Despite section 65, and any provision of a company's memorandum of incorporation, or any resolution adopted by its board or holders of its securities, to the contrary, a company may not dispose of, or give effect to an agreement or series of agreements to dispose of, all or the greater part of its assets or undertaking, implement an amalgamation or a merger, or implement a scheme of arrangement, unless:

    1.1 the disposal, amalgamation or merger, or scheme of arrangement:

        1.1.1 has been approved in terms of this section; or

        1.1.2 is pursuant to or contemplated in an approved business rescue plan for that company, in terms of Chapter 6; and

    1.2 to the extent that Parts B and C of this Chapter and the Takeover Regulations apply to a company that proposes to:

        1.2.1 dispose of all or the greater part of its assets or undertaking;

        1.2.2 amalgamate or merge with another company; or

        1.2.3 implement a scheme of arrangement,

    the Panel has issued a compliance certificate in respect of the transaction, in terms of section 119(4)(b), or exempted the transaction in terms of section 119(6).

2. A proposed transaction contemplated in subsection (1) must be approved:

    2.1 by a special resolution adopted by persons entitled to exercise voting rights on such a matter, at a meeting called for that purpose and at which sufficient persons are present to exercise, in aggregate, at least 25% of all of the voting rights that are entitled to be exercised on that matter, or any higher percentage as may be required by the company's memorandum of incorporation, as contemplated in section 64(2); and

    2.2 by a special resolution, also adopted in the manner required by paragraph (a), by the shareholders of the company's holding company if any, if:

        2.2.1 the holding company is a company or an external company;

        2.2.2 the proposed transaction concerns a disposal of all or the greater part of the assets or undertaking of the subsidiary; and

        2.2.3 having regard to the consolidated financial statements of the holding company, the disposal by the subsidiary constitutes a disposal of all or the greater part of the assets or undertaking of the holding company; and

    2.3 by the court, to the extent required in the circumstances and manner contemplated in subsections (3) to (6).

3. Despite a resolution having been adopted as contemplated in subsections (2)(a) and (b), a company may not proceed to implement that resolution without the approval of a court if:

    3.1 the resolution was opposed by at least 15% of the voting rights that were exercised on that resolution and, within five business days after the vote, any person who voted against the resolution requires the company to seek court approval; or

    3.2 the court, on an application within 10 business days after the vote by any person who voted against the resolution, grants that person leave, in terms of subsection (6), to apply to a court for a review of the company to seek court approval; or

    3.3 the transaction is in accordance with subsection (7).

4. For the purposes of subsections (2) and (3), any voting rights controlled by an acquiring party, a person related to an acquiring party, or a person acting in concert with either of them, must not be included in calculating the percentage of voting rights:

    4.1 required to be present, or actually present, in determining whether the applicable quorum requirements are satisfied; or

    4.2 required to be voted in support of a resolution, or actually voted in support of the resolution.

In subsection (4), 'act in concert' has the meaning set out in section 117(1)(b).

5. If a resolution requires approval by a court as contemplated in terms of subsection (3)(a), the company

6. must either:

    6.1 within 10 business days after the vote, apply to the court for approval, and bear the costs of that application; or

    6.2 treat the resolution as a nullity.

7. On an application contemplated in subsection (3)(b), the court may grant leave only if it is satisfied that the applicant:

    7.1 is acting in good faith;

    7.2 appears prepared and able to sustain the proceedings; and

    7.3 has alleged facts which, if proved, would support an order in terms of subsection (7).

8. On reviewing a resolution that is the subject of an application in terms of subsection (5)(a), or after granting leave in terms of subsection (6), the court may set aside the resolution only if:

    8.1 the resolution is manifestly unfair to any class of holders of the company's securities; or

    8.2 the vote was materially tainted by conflict of interest, inadequate disclosure, failure to comply with the Act, the memorandum of incorporation or any applicable rules of the company, or other significant and material procedural irregularity.

9. The holder of any voting rights in a company is entitled to seek relief in terms of section 164 if that person:

    9.1 notified the company in advance of the intention to oppose a special resolution contemplated in this section; and

    9.2 was present at the meeting and voted against that special resolution.

10. If a transaction contemplated in this Part has been approved, any person to whom assets are, or an undertaking is to be transferred, may apply to a court for an order to effect:

    10.1 the transfer of the whole or any part of the undertaking, assets and liabilities of company contemplated in that transaction;

    10.2 the allotment and appropriation of any shares or similar interests to be allotted or appropriated as a consequence of the transaction;

    10.3 the transfer of shares from one person to another;

    10.4 the dissolution, without winding-up, of a company, as contemplated in the transaction;

    10.5 incidental, consequential and supplemental matters that are necessary for the effectiveness and completeness of the transaction; or

    10.6 any other relief that may be necessary or appropriate to give effect to, and properly implement, the amalgamation or merger.

Section 164: Dissenting shareholders appraisal rights

1. This section does not apply in any circumstances relating to a transaction, agreement or offer pursuant to a business rescue plan that was approved by shareholders of a company, in terms of section 152.

2. If a company has given notice to shareholders of a meeting to consider adopting a resolution to:

    2.1 amend its Memorandum of Incorporation by altering the preferences, rights, limitations or other terms of any class of its shares in any manner materially adverse to the rights or interests of holders of that class of shares, as contemplated in section 37(8); or

    2.2 enter into a transaction contemplated in sections 112, 113 or 114, that notice must include a statement informing shareholders of their rights under this section.

3. At any time before a resolution referred to in subsection (2) is to be voted on, a dissenting shareholder may give the company a written notice objecting to the resolution.

4. Within 10 business days after a company has adopted a resolution contemplated in this section, the company must send a notice that the resolution has been adopted to each shareholder who:

    4.1 gave the company a written notice of objection in terms of subsection (3); and

    4.2 has neither:

        4.2.1 withdrawn that notice; or

        4.2.2 voted in support of the resolution.

5. A shareholder may demand that the company pay the shareholder the fair value for all of the shares of the company held by that person if:

    5.1 the shareholder:

        5.1.1 sent the company a notice of objection, subject to subsection (6); and

        5.1.2 in the case of an amendment to the company's Memorandum of Incorporation, holds shares of a class that is materially and adversely affected by the amendment;

    5.2 the company has adopted the resolution contemplated in subsection (2); and

    5.3 the shareholder:

        5.3.1 voted against that resolution; and

        5.3.2 has complied with all of the procedural requirements of this section.

6. The requirement of subsection (5)(a)(i) does not apply if the company failed to give notice of the meeting, or failed to include in that notice a statement of the shareholders rights under this section.

7. A shareholder who satisfies the requirements of subsection (5) may make a demand contemplated in that subsection by delivering a written notice to the company within:

    7.1 20 business days after receiving a notice under subsection (4); or

    7.2 if the shareholder does not receive a notice under subsection (4), within 20 business days after learning that the resolution has been adopted.

8. A demand delivered in terms of subsections (5) to (7) must also be delivered to the Panel, and must state:

    8.1 the shareholder's name and address;

    8.2 the number and class of shares in respect of which the shareholder seeks payment; and

    8.3 a demand for payment of the fair value of those shares.

9. A shareholder who has sent a demand in terms of subsections (5) to (8) has no further rights in respect of those shares, other than to be paid their fair value, unless:

    9.1 the shareholder withdraws that demand before the company makes an offer under subsection (11), or allows an offer made by the company to lapse, as contemplated in subsection (12)(b);

    9.2 the company fails to make an offer in accordance with subsection (11) and the shareholder withdraws the demand; or

    9.3 the company, by a subsequent special resolution, revokes the adopted resolution that gave rise to the shareholder's rights under this section.

10. If any of the events contemplated in subsection (9) occur, all of the shareholder's rights in respect of the shares are reinstated without interruption.

11. Within five business days after the later of:

    11.1 the day on which the action approved by the resolution is effective;

    11.2 the last day for the receipt of demands in terms of subsection (7)(a); or

    11.3 the day the company received a demand as contemplated in subsection (7)(b), if applicable,

the company must send to each shareholder who has sent such a demand a written offer to pay an amount considered by the company's directors to be the fair value of the relevant shares, subject to subsection (16), accompanied by a statement showing how that value was determined.

12. Every offer made under subsection (11):

    12.1 in respect of shares of the same class or series must be on the same terms; and

    12.2 lapses if it has not been accepted within 30 business days after it was made.

13. If a shareholder accepts an offer made under subsection (12):

    13.1 the shareholder must either in the case of:

        13.1.1 shares evidenced by certificates, tender the relevant share certificates to the company or the company's transfer agent; or

        13.1.2 uncertificated shares, take the steps required in terms of section 53 to direct the transfer of those shares to the company or the company's transfer agent; and

    13.2 the company must pay that shareholder the agreed amount within 10 business days after the shareholder accepted the offer and:

        13.2.1 tendered the share certificates; or

        13.2.2 directed the transfer to the company of uncertificated shares.

14. A shareholder who has made a demand in terms of subsections (5) to (8) may apply to a court to determine a fair value in respect of the shares that were the subject of that demand, and an order requiring the company to pay the shareholder the fair value so determined, if the company has:

    14.1 failed to make an offer under subsection (11); or

    14.2 made an offer that the shareholder considers to be inadequate, and that offer has not lapsed.

15. On an application to the court under subsection (14):

    15.1 all dissenting shareholders who have not accepted an offer from the company as at the date of the application must be joined as parties and are bound by the decision of the court;

    15.2 the company must notify each affected dissenting shareholder of the date, place and consequences of the application and of their right to participate in the court proceedings; and

    15.3 the court:

        15.3.1 may determine whether any other person is a dissenting shareholder who should be joined as a party;

        15.3.2 must determine a fair value in respect of the shares of all dissenting shareholders, subject to subsection (16);

        15.3.3 in its discretion may:

            15.3.3.1 appoint one or more appraisers to assist it in determining the fair value in respect of the shares; or

            15.3.3.2 allow a reasonable rate of interest on the amount payable to each dissenting shareholder from the date the action approved by the resolution is effective, until the date of payment;

        15.3.4 may make an appropriate order of costs, having regard to any offer made by the company, and the final determination of the fair value by the court; and

        15.3.5 must make an order requiring:

            15.3.5.1 the dissenting shareholders to either withdraw their respective demands or to comply with subsection (13)(a); and

            15.3.5.2 the company to pay the fair value in respect of their shares to each dissenting shareholder who complies with subsection (13)(a), subject to any conditions the court considers necessary to ensure that the company fulfils its obligations under this section.

16. At any time until the court has made an order contemplated in subsection (15)(c)(v), a dissenting shareholder may accept the offer made by the company in terms of subsection (11), in which case:

    16.1 that shareholder must comply with the requirements of subsection 13(a); and

    16.2 the company must comply with the requirements of subsection 13(b).

17. The fair value in respect of any shares must be determined as at the date on which, and time immediately before, the company adopted the resolution that gave rise to a shareholder's rights under this section.

18. If there are reasonable grounds to believe that compliance by a company with subsection (13)(b), or with a court order in terms of subsection (15)(c)(v)(bb), would result in the company being unable to pays its debts as they fall due and payable for the ensuing 12 months:

    18.1 the company may apply to a court for an order varying the company's obligations in terms of the relevant subsection; and

    18.2 the court may make an order that:

        18.2.1 is just and equitable, having regard to the financial circumstances of the company; and

        18.2.2 ensures that the person to whom the company owes money in terms of this section is paid at the earliest possible date compatible with the company satisfying its other financial obligations as they fall due and payable.

19. If the resolution that gave rise to a shareholder's rights under this section authorised the company to amalgamate or merge with one or more other companies, such that the company whose shares are the subject of a demand in terms of this section has ceased to exist, the obligations of that company under this section are obligations of the successor to that company resulting from the amalgamation or merger.

20. For greater certainty, the making of a demand, tendering of shares and payment by a company to a shareholder in terms of this section do not constitute a distribution by the company, or an acquisition of its shares by the company within the meaning of section 48, and therefore are not subject to:

    20.1 the provisions of that section; or

    20.2 the application by the company of the solvency and liquidity test set out in section 4.

21. Except to the extent:

    21.1 expressly provided in this section; or

    21.2 that the Panel rules otherwise in a particular case, a payment by a company to a shareholder in terms of this section does not obligate any person to make a comparable offer under section 125 to any other person.

INFORMATION FOR FOREIGN SHAREHOLDERS

1. **Distributions to foreign shareholders**

The distribution of BidCorp ordinary shares to foreign shareholders, in terms of the unbundling, may be affected by the laws of such foreign shareholders' relevant jurisdiction. Those foreign shareholders should consult their professional advisers as to whether they require any governmental or other consents or need to observe any other formalities to enable them to take up their rights.

This section sets out the restrictions applicable to shareholders who have registered addresses outside South Africa, who are nationals, citizens or residents of countries other than South Africa, or who are persons (including, without limitation, custodians, nominees and trustees) who have a contractual or legal obligation to forward this document to a jurisdiction outside South Africa or who hold ordinary shares for the account or benefit of any such foreign shareholder.

It is the responsibility of any foreign shareholder (including, without limitation, nominees, agents and trustees for such persons) receiving this circular and wishing to take up their entitlement to unbundled BidCorp ordinary shares to satisfy themselves as to full observance of the applicable laws of any relevant territory, including obtaining any requisite governmental or other consents, observing any other requisite formalities and paying any issue, transfer or other taxes due in such territories. Foreign shareholders are obliged to observe the applicable legal requirements of their relevant jurisdictions.

Receipt of this circular will not constitute an offer of unbundled BidCorp ordinary shares ("offer") in those jurisdictions in which it would be illegal to make such an offer and, in those circumstances, this circular if sent, will be sent for information only and should not be copied or redistributed. No person receiving a copy of this circular in any territory, other than South Africa, may treat the same as constituting an offer to such person unless, in the relevant territory, such an offer could lawfully be made to him without contravention of any registration or other legal requirements.

Accordingly, persons (including, without limitation, nominees, agents and trustees) receiving a copy of this circular should not distribute or send the same to any person in, or citizen or resident of, or otherwise into any jurisdiction where to do so would or might contravene local securities laws or regulations. Any person who does distribute this circular into any such territory (whether under a contractual or legal obligation or otherwise) should draw the recipient's attention to the contents of this annexure.

Bidvest reserves the right, but shall not be obliged, to treat as invalid any distribution of BidCorp ordinary shares, in terms of the unbundling, which appears to Bidvest or its agents to have been executed, effected or dispatched in a manner which may involve a breach of the securities laws or regulations of any jurisdiction or if Bidvest believes or its agents believe that the same may violate applicable legal or regulatory requirements.

An "**excluded foreign shareholder**" includes any foreign shareholder who is unable to receive any of the BidCorp ordinary shares to be distributed to him because of the laws of the jurisdiction of that shareholder, or any foreign shareholder that Bidvest is not permitted to distribute any of the BidCorp ordinary shares to because of the laws of the jurisdiction of that shareholder. The BidCorp ordinary shares to which excluded foreign ordinary shareholders would be entitled in terms of the unbundling may be aggregated and disposed of on the JSE exchange by the transfer secretaries on behalf of and for the benefit of excluded foreign ordinary shareholders as soon as is reasonably practical after the implementation of the unbundling at the best price that can reasonably be obtained at the time of sale. CSDPs will be responsible for informing the transfer secretaries of all dematerialised shares held by them on behalf of such excluded foreign ordinary shareholders. The transfer secretaries will determine which certificated foreign shareholders are such excluded foreign shareholders.

Excluded foreign shareholders will, in respect of their entitlement to the unbundled BidCorp ordinary shares, receive the average consideration per unbundled BidCorp ordinary share (net of transaction and currency conversion costs) received by the transfer secretaries pursuant to the sale process as set out in the preceding paragraph. The average consideration per unbundled BidCorp ordinary share due to each excluded foreign shareholder will only be paid once all such unbundled BidCorp ordinary shares have been disposed of.

2. **Exchange control**

The unbundled BidCorp ordinary shares are not freely transferable from the common monetary area and must be dealt with in terms of the exchange control regulations. The following is a summary of the exchange control regulations, is not comprehensive and is intended as a guide only. In the event that shareholders have any doubts in respect of their obligations in terms of the exchange control regulations, they should consult their professional advisers.

2.1 **Emigrants from the common monetary area**

The unbundled BidCorp ordinary shares received by the shareholders who are emigrants from the common monetary area and whose registered address is outside the common monetary area will:

2.1.1 in the case of dematerialised shareholders be credited to their blocked share accounts at the CSDP controlling their blocked portfolios; or

2.1.2 in the case of certificated shareholders whose documents of title have been restrictively endorsed under the exchange control regulations, be endorsed 'non-resident' and will be sent to the authorised dealer in foreign exchange controlling their blocked assets.

The CSDP or broker will ensure that all requirements of the exchange control regulations are adhered to in respect of their clients falling into this category of investor, whether shares are held in dematerialised or certificated form.

2.2 **All other non-residents of the common monetary area**

The unbundled BidCorp ordinary shares received by the shareholders who are non-residents of the common monetary area and who have never resided in the common monetary area and whose registered address is outside the common monetary area will:

2.2.1 in the case of dematerialised shareholders be credited to their share accounts at the CSDP controlling their portfolios; or

2.2.2 in the case of a certificated shareholder whose documents of title have been restrictively endorsed under the exchange control regulations, be deposited with an authorised dealer in foreign exchange in South Africa nominated by such shareholder. It will be incumbent on the shareholder concerned to nominate the authorised dealer and to instruct the nominated authorised dealer as to the disposal of the relevant shares. If the information regarding the authorised dealer is not given, the unbundled BidCorp ordinary shares will be held in trust for the shareholder concerned pending the receipt of the necessary information or instruction.

The CSDP or broker will ensure that all requirements of the exchange control regulations are adhered to in respect of their clients falling into this category of investor, whether shares are held in dematerialised or certificated form.

TAXATION CONSIDERATIONS RELATING TO THE UNBUNDLING

The summary below is a general guide and is not intended to constitute a complete analysis of the taxation consequences of the unbundling provisions in terms of South African taxation law. It is not intended to be, nor should it be considered as legal or taxation advice. Bidvest and its advisers cannot be held responsible for the taxation consequences of the unbundling and therefore, shareholders are advised to consult their own taxation advisers in this regard.

The unbundling will constitute a disposal by Bidvest of its BidCorp ordinary shares to the ordinary shareholders. The disposal will be effected utilising the tax concessions provided for in section 46 of the Income Tax Act.

The concessions provided for in section 46 are outlined below:

1. **Disposal of BidCorp ordinary shares by Bidvest**

   The distribution of BidCorp ordinary shares by Bidvest, in terms of the unbundling, will be disregarded by Bidvest in determining its taxable income or assessed loss in the tax year that the unbundling takes place. On the basis that Bidvest holds the BidCorp ordinary shares as capital assets, the unbundling should not attract CGT.

2. **Bidvest ordinary shares held as trading stock**

   Any shareholder holding ordinary shares as trading stock will be deemed to acquire the unbundled BidCorp ordinary shares as trading stock. The combined expenditure of such Bidvest ordinary shares and BidCorp ordinary shares will be the amount originally taken into account by the shareholder in respect of those Ordinary shares, as contemplated in section 11(a), section 22(1), or section 22(2) of the Income Tax Act.

   The expenditure to be allocated to the unbundled BidCorp ordinary shares will be determined by applying the ratio that the market value of BidCorp ordinary shares bears to the sum of the market value of the BidCorp ordinary shares and the ordinary shares at the end of the day after the unbundling. Bidvest will advise shareholders of the specified ratio by way of an announcement to be released on SENS on or about Tuesday, May 31 2016. This ratio must be used in the determination of any profits or losses derived on any future disposals of the unbundled BidCorp ordinary shares or ordinary shares.

3. **Bidvest ordinary shares held as capital assets**

   Any shareholder holding ordinary shares as capital assets will be deemed to acquire the unbundled BidCorp ordinary shares as capital assets. The original expenditure incurred in respect of the ordinary shares, in terms of paragraph 20 of the Eighth Schedule to the Income Tax Act, and (where applicable) the CGT valuation of the ordinary shares, as contemplated in paragraph 29 of the Eighth Schedule to the Income Tax Act, will be apportioned between the BidCorp ordinary shares and the ordinary shares by applying the ratio that the market value of BidCorp ordinary shares bears to the sum of the market values of the BidCorp ordinary shares and ordinary shares at the end of the day after the unbundling. Bidvest will advise shareholders of the specified ratio by way of an announcement to be released on SENS on or about Tuesday, May 31 2016. This ratio must be used in the determination of the capital gain or loss derived on any future disposals of the unbundled BidCorp ordinary shares or ordinary shares.

   The base cost so allocated to the unbundled BidCorp ordinary shares will reduce the base cost of the ordinary shares held, thus allocating the base cost between the ordinary shares and the unbundled BidCorp ordinary shares.

   Shareholders will be deemed to have acquired the unbundled BidCorp ordinary shares on the date on which the ordinary shares were originally acquired.

4. **Securities transfer tax**

   The registration of the unbundled BidCorp ordinary shares in the names of the ordinary shareholders will be exempt from the payment of any STT.

5. **Dividends tax and returns of capital**

   In terms of sections 46(5) and 46(5A) of the Income Tax Act, the distribution of the BidCorp ordinary shares must be disregarded for Dividends Tax purposes and must also not be treated as a return of capital for the purposes of paragraph 76B of the Eighth Schedule to the Income Tax Act.

6. **Exempt persons**

   The provisions of section 46 of the Income Tax Act will not apply to any unbundling of the unbundled BidCorp ordinary shares to a shareholder who is not a resident, the Government, provincial administration or a municipality, a Public Benefit Organisation (as defined in section 30 of the Income Tax Act), a recreational club (as defined in section 30A of the Income Tax Act), a company or trust contemplated in section 37A of the Income Tax Act, a fund contemplated in section 10(1)(d)(i) or (ii) of the Income Tax Act or a person contemplated in section 10(1)(cA) or (t) of the Income Tax Act who either alone or together with any connected person in relation to that shareholder, immediately after the unbundling, holds 20% or more of the ordinary issued share capital of BidCorp.

7. **Non-resident shareholders**

   Shareholders who are non-resident for tax purposes in South Africa are advised to consult their own professional tax advisers regarding the tax treatment of the unbundling in their respective jurisdictions, having regard to the tax laws in their jurisdiction and any applicable tax treaties between South Africa and their country of residence.

PRO FORMA FINANCIAL INFORMATION OF THE UNBUNDLING

Basis of preparation

The definitions commencing on page 4 of the circular statement have been used throughout this Annexure 4.

The *Pro Forma* Financial Information of the Bidvest Group ("*Pro forma* Financial Information") has been prepared for illustrative purposes only and because of its nature may not fairly present the Bidvest Group's financial position, changes in equity, results of operations or cash flows.

The *Pro Forma* Financial Information of the Bidvest Group is based on the unaudited interim historical financial information of the Bidvest Group prior to the unbundling.

The *Pro Forma* Financial Information of the Bidvest Group has been prepared to illustrate the impact of the unbundling on the historical financial information of the Bidvest Group prior to the internal restructuring and will include the following *pro forma* adjustments:

- Disposal and transfer to BidCorp of the transferring assets and the acquisition and transfer to Bidvest of the excluded assets; and
- Transaction and other costs ("**Other**").

The *Pro Forma* Financial Information of Bidvest Group has been prepared on the assumption that the unbundling occurred on July 1 2015 for statement of comprehensive income purposes and December 31 2015 for statement of financial position purposes.

The *pro forma* adjustments in respect of the *pro forma* statement of comprehensive income and the *pro forma* statement of financial position set out below relate to the following:

Column 3 – financial information relating to the excluded assets;

Column 4 – financial information relating to Bidvest Food Africa;

Column 5 – financial information relating to Bidvest Food Properties;

Column 6 – financial information relating to the Bidvest treasury shares;

Column 7 – consolidation entries relating to columns 2 to 6;

Column 8 – Bidvest Group after the internal restructuring;

Column 9 – adjustments relating to Other; and

Column 10 – Bidvest Group after the unbundling

The *Pro Forma* Financial Information of Bidvest Group has been prepared using the accounting policies of the Bidvest Group which comply with IFRS and are consistent with those applied in the Report of Historical Financial Information of the Group prior to the unbundling.

The *Pro Forma* Financial Information of the Bidvest Group is the responsibility of the directors.

Deloitte & Touche's unmodified independent reporting accountant's report on the *Pro Forma* Financial Information of the Bidvest Group is set out in Annexure 5 to this circular. Such report is included solely to comply with the requirements of the listings requirements.

Pro forma statement of comprehensive income of the Bidvest Group for the six months ended December 31 2015

	Column 1 Historical Financial Information of Bidvest Unaudited R'000	*Column 2* Historical Financial Information of BidCorp Reviewed R'000	*Column 3* Excluded Assets *Pro forma* R'000	*Column 4* SA Food Interests Reviewed R'000	*Column 5* Included Properties *Pro forma* R'000	*Column 6* Treasury shares *Pro forma* R'000	*Column 7* Consolidation entries *Pro forma* R'000	*Column 8* Bidvest Group after internal restructuring *Pro forma* R'000	*Column 9* Adjustments relating to other *Pro forma* R'000	*Column 10* Bidvest Group after internal restructuring and other adjustments *Pro forma* R'000
Turnover	114 446 512	(64 755 706)	4 010	(3 416 892)	(28 098)	–	28 098	46 277 924	–	46 277 924
Revenue	103 303 625	(64 755 706)	4 010	(3 416 892)	(28 098)	–	28 098	35 135 037	–	35 135 037
Cost of revenue	(79 800 409)	51 736 560	(3 391)	2 650 140	–	–	–	(25 362 043)	–	(25 417 100)
Gross profit	23 503 216	(13 019 146)	619	(766 752)	(28 098)	–	28 098	9 717 937	–	9 717 937
Operating expenses	(18 526 079)	10 900 833	2 934	545 009	–	–	(28 098)	(7 105 401)	(14 265)	(7 119 666)
Sales and distribution expenses	(12 986 993)	8 099 579	–	330 157	–	–	–	(4 557 257)	–	(4 557 257)
Administration expenses	(3 705 917)	1 831 579	2 935	191 663	–	–	(28 098)	(1 707 838)	(14 265)	(1 722 103)
Other expenses	(1 833 169)	969 675	(1)	23 189	–	–	–	(840 306)	–	(840 306)
Other income	162 544	(79 959)	–	(959)	–	–	–	81 626	–	81 626
Trading result	5 139 681	(2 198 272)	3 553	(222 702)	(28 098)	–	–	2 694 162	(14 265)	2 679 897
Income from investments	17 708	–	–	–	–		–	17 708	–	17 708
Trading profit	5 157 389	(2 198 272)	3 553	(222 702)	(28 098)	–		2 711 870	(14 265)	2 697 605
Share-based payment expense	(112 668)	32 051	–	7 398	–	–	–	(73 219)	(13 338)	(86 557)
Acquisition costs	(5 379)	328	–	–	–	–	–	(5 051)	–	(5 051)
Net capital items	(233 559)	–	–	9 149	–	–	–	(224 410)	–	(224 410)
Operating profit	4 805 783	(2 165 893)	3 553	(206 155)	(28 098)	–	–	2 409 190	(27 603)	2 381 587
Net finance charges	(601 521)	108 410	22	41 304	–	–	–	(451 785)	24 254	(427 531)
Finance expense	(640 034)	130 079	–	41 932	–	–	–	(468 023)	24 254	(443 769)
Finance income	38 513	(21 669)	22	(628)	–	–	–	16 238	–	16 238
Share of profit of associates	98 403	(6 981)	–	2 401	–	–	–	93 823	–	93 823
Profit before taxation	4 302 665	(2 064 464)	3 575	(162 450)	(28 098)	–	–	2 051 228	(3 349)	2 047 879
Taxation	(1 192 902)	522 322	(1 251)	49 334	8 156	–	–	(614 629)	(11 297)	(618 731)
Profit for the year	3 109 763	(1 542 142)	2 324	(113 116)	(20 230)	–	–	1 436 599	(7 451)	1 429 148
Attributable to:										
Shareholders of the company	3 029 104	(1 524 435)	2 024	(113 116)	(20 230)	–	–	1 373 347	(7 451)	1 365 896
Non-controlling interest	80 659	(17 707)	300	–	–	–	–	63 252	–	63 252

Pro forma statement of comprehensive income of the Bidvest Group for the six months ended December 31 2015 (continued)

	Column 1 Historical Financial Information of Bidvest Unaudited R'000	*Column 2* Historical Financial Information of BidCorp Reviewed R'000	*Column 3* Excluded Assets *Pro forma* R'000	*Column 4* SA Food Interests Reviewed R'000	*Column 5* Included Properties *Pro forma* R'000	*Column 6* Treasury shares *Pro forma* R'000	*Column 7* Consolidation entries *Pro forma* R'000	*Column 8* Bidvest Group after internal restructuring *Pro forma* R'000	*Column 9* Adjustments relating to other *Pro forma* R'000	*Column 10* Bidvest Group after internal restructuring and other adjustments *Pro forma* R'000
Basic earnings per share (cents)	930.9	(468.5)	0.6	(34.8)	(6.2)	–	–	416.8	(2.3)	414.3
Diluted basic earnings per share (cents)	925.8	(465.9)	0.6	(34.6)	(6.2)	–	–	414.5	(2.2)	412.1
Headline earnings per share (cents)	1 001.5	(467.4)	0.6	(37.6)	(6.2)	–	–	484.7	(2.3)	482.2
Diluted headline earnings per share (cents)	996.0	(464.9)	0.6	(37.4)	(6.2)	–	–	482.1	(2.2)	479.7
Normalised headline earnings per share	1 001.5	(467.4)	0.6	(37.6)	(6.2)			484.7	8.77	493.6
Dividends per share (cents)	482.0	–	–	–	–	–	–	–	–	482.0
Profit for the year	3 109 763	(1 542 142)	2 324	(113 116)	(20 230)	–	–	1 436 599	(7 451)	1 429 148
Other comprehensive income (expense) net of taxation	4 064 909	(3 842 629)	(323)	–	–	–	–	221 957	–	22 1957
Items that may be classified subsequently to profit or loss										
Increase (decrease) in foreign currency translation reserve	4 050 223	(3 840 871)	(323)	–	–	–	–	209 029	–	209 029
Increase (decrease) in fair value of available-for-sale financial assets										
Increase (decrease) in fair value of available-for-sale financial assets	(6 334)	–	–	–	–	–	–	(6 334)	–	(6 334)
Increase (decrease) in fair value of cash flow hedges										
Fair value losses arising during the year	28 992	(2 239)	–	–	–	–	–	26 753	–	26 753
Deferred tax relief	(7 972)	481	–	–	–	–	–	(7 491)	–	(7 491)
Total comprehensive income for the year	7 174 672	(5 384 771)	2 001	(113 116)	(20 230)	–	–	1 658 556	(7 451)	1 651 105
Attributable to:										
Shareholders of the company	7 061 997	(5 353 406)	1 821	(113 116)	(20 230)	–	–	1 577 066	(7 451)	1 569 615
Non-controlling interest	112 675	(31 365)	180	–	–	–	–	81 490	–	81 490

	Column 1 Historical Financial Information of Bidvest Unaudited R'000	*Column 2* Historical Financial Information of BidCorp Reviewed R'000	*Column 3* Excluded Assets *Pro forma* R'000	*Column 4* SA Food Interests Reviewed R'000	*Column 5* Included Properties *Pro forma* R'000	*Column 6* Treasury shares *Pro forma* R'000	*Column 7* Consolidation entries *Pro forma* R'000	*Column 8* Bidvest Group after internal restructuring *Pro forma* R'000	*Column 9* Adjustments relating to other *Pro forma* R'000	*Column 10* Bidvest Group after internal restructuring and other adjustments *Pro forma* R'000
HEADLINE EARNINGS										
The following adjustments to profit attributable to shareholders were taken into account in the calculation of headline earnings:										
Profit attributable to shareholders of the Company	3 029 104	(1 524 435)	2 024	(113 116)	(20 230)	–	–	1 373 347	(7 451)	1 365 896
Impairment of property, plant and equipment;	146	–	–	–	–	–	–	146	–	146
Property, plant and equipment	203	–	–	–	–	–	–	203	–	203
Tax relief	(57)	–	–	–	–	–	–	(57)	–	(57)
Net loss on disposal of interests in subsidiaries and disposal and closure of businesses	5 685	3 464	–	(9 149)	–	–	–	–	–	–
Net loss on disposal and impairment of investments in associates	230 080	–	–	–	–	–	–	230 080	–	230 080
Impairment of investments in associate	216 916	–	–	–	–	–	–	216 916	–	216 916
Net loss on change in shareholding in associates	13 164	–	–	–	–	–	–	13 164	–	13 164
Net profit on disposal of property, plant and equipment and intangible assets	(4 807)	–	–	–	–	–	–	(4 807)	–	(4 807)
Property, plant and equipment	(2 409)	–	–	–	–	–	–	(2 409)	–	(2 409)
Tax relief (charge)	(4 231)	–	–	–	–	–	–	(4 231)	–	(4 231)
Non-controlling interest	1 833	–	–	–	–	–	–	1 833	–	1 833
Non-headline items included in equity accounted earnings of associated companies	(1 478)	–	–	–	–	–	–	(1 478)	–	(1 478)
Headline earnings	3 258 730	(1 520 971)	2 024	(122 265)	(20 230)	–	–	1 597 288	(7 451)	1 589 837

Notes to the *pro forma* statement of comprehensive income of the Bidvest Group for the six months ended December 31 2015

1. Column 1 presents the historical financial information relating to the Bidvest Group prior to the internal restructuring, which has been extracted from the unaudited historical financial information of the Bidvest Group prior to the internal restructuring for the six months ended December 31 2015.
2. Column 2 presents the historical financial information relating to the BidCorp Group prior to the internal restructuring, reviewed by KPMG Inc. and their unmodified review report lies open for inspection, which has been extracted from the unaudited historical financial information of the Bidvest Group prior to the internal restructuring for the six months ended December 31 2015.
3. Column 3 presents the unadjusted historical financial information relating to the excluded assets for the six months ended December 31 2015. The excluded assets will be disposed and transferred from BidCorp Group to Bidvest as part of the internal restructuring and as such, the income and expenditure relating to the excluded assets needs to be included in the consolidated *pro forma* financial information of the Bidvest Group. These adjustments will have a continuing effect on the Bidvest Group's statement of comprehensive income.
4. Column 4 presents the unadjusted historical financial information relating to Bidvest Food Africa reviewed by KPMG Inc. Bidvest Food Africa forms part of the transferring assets that will be transferred to BidCorp as part of the internal restructuring and as such, the income and expenditure relating to Bidvest Food Africa needs to be excluded in the consolidated *pro forma* financial information of the Bidvest Group. The unadjusted historical income and expenditure relating to Bidvest Food Africa has been reviewed by KPMG Inc. and their unqualified review opinion is available for inspection in terms of paragraph 22 of this circular. These adjustments will have a continuing effect on the Bidvest Group's statement of comprehensive income.
5. Column 5 presents the unadjusted historical financial information relating to Bidvest Food Properties. Bidvest Food Properties forms part of the transferring assets and will be transferred to BidCorp as part of the internal restructuring. The properties housed in Bidvest Food Properties are all owner occupied in terms of intercompany triple net leases. All expenditure relating to such properties, therefore, has historically, and will continue to eliminate on consolidation. These adjustments will have a continuing effect on the Bidvest Group's statement of comprehensive income.
6. Column 6 and Column 7 illustrate that the financial effects of the transfer of the Bidvest treasury shares to BidCorp does not have an impact on the Bidvest Group's *pro forma* statement of comprehensive income, other than the dilutionary effect of the increased number of issued shares. The effect of any dividends have not been taken into account as it is considered to be immaterial.
7. Column 8 presents the *pro forma* statement of comprehensive income of the Bidvest Group subsequent to the internal restructuring and including the adjustments detailed in notes 2 to 6 above.
8. Column 9 presents the financial effects relating to Other *pro forma* adjustments, as follows:
    a. Head office costs of R23 million pre-tax which relate to the historical employment related costs of executives currently employed by Bidvest but who will be transferred to the BidCorp Group subsequent to the listing and unbundling. These adjustments will have a continuing effect on the Bidvest Group's statement of comprehensive income.
    b. Reversal of administrative fee expense of R19.7 million incurred by subsidiaries of BidCorp which represents a cost saving in respect of the administrative fee expense which will no longer be payable to Bidvest subsequent to the listing and unbundling. These adjustments will have a continuing effect on the Bidvest Group's statement of comprehensive income.
    c. Expensing of transaction costs, amounting to R18 million, which relate directly to the listing and unbundling which have been expensed in terms of IAS 32: Financial Instruments. This adjustment will not have a continuing effect on Bidvest's statement of comprehensive income.
    d. Share-based payment (IFRS 2) credit of R12.4 million, and the related taxation adjustment, which relates to the executives who are currently employed by Bidvest but will be employed by the BidCorp Group subsequent to the listing and unbundling This adjustment will have a continuing effect on the Bidvest Group's statement of comprehensive income. An additional IFRS 2 charge of R25.7 million and the related taxation adjustment, resulting from the early vesting of the existing CSP scheme will be expensed in Bidvest and will not have a continuing effect on Bidvest's statement of comprehensive income. Settlement of the interest-bearing intergroup loans/preference shares. The intergroup loans in relation to the SA Food interests will be settled with Bidvest and refinanced via external loans from financial institutions. Other intergroup loans will be settled by utilising the available cash resources. The preference shares held in subsidiaries will be redeemed. These adjustments will not have a continuing effect on the Bidvest Group's statement of comprehensive income.
    e. Interest adjustments have been made in relation to the above items where it is deemed material and will have a continuing effect on the statement of comprehensive income.

9. Column 10 presents the *pro forma* statement of comprehensive income of the Bidvest Group subsequent to the adjustments detailed in columns 2 to 8 above in respect of the unbundling.

Pro forma statement of financial position of the Bidvest Group as at December 31 2015

	Column 1	*Column 2*	*Column 3*	*Column 4*	*Column 5*	*Column 6*	*Column 7*	*Column 8*	*Column 9*	*Column 10*
	Historical Financial Information of Bidvest Unaudited R'000	**Historical Financial Information of BidCorp Reviewed R'000**	**Excluded Assets *Pro forma* R'000**	**SA Food Interests Reviewed R'000**	**Included Properties *Pro forma* R'000**	**Treasury shares *Pro forma* R'000**	**Consolidation entries *Pro forma* R'000**	**Bidvest Group after internal restructuring *Pro forma* R'000**	**Adjustments relating to other *Pro forma* R'000**	**Bidvest Group after internal restructuring and other adjustments *Pro forma* R'000**
ASSETS										
Non-current assets	49 152 075	(26 751 641)	430	(484 784)	(329 957)	(1 351 707)	2 027 561	22 261 977	71 502	22 333 478
Property, plant and equipment	21 053 008	(10 474 777)	276	(358 283)	(329 957)	–		9 890 267	–	9 890 267
Intangible assets	2 248 624	(13 965 99)	–	–	–	–	–	852 025	–	852 025
Goodwill	16 546 020	(13 754 559)	34	(61 493)	–	–	–	2 730 002	–	2 730 002
Deferred taxation assets	922 814	(561 391)	120	(29 629)	–	–	–	331 914	7 195	339 109
Defined benefit pension surplus	146 954	–	–	–	–	–	–	146 954	–	146 954
Interest in subsidiaries		(61 499)	–	(2 808)	–	–	–	(64 307)	64 307	–
Interest in associates	4 822 142	(126 514)	–	(12 819)	–	–	–	4 682 809	–	4 682 809
Investments	2 524 116	(376 302)	–	(19 752)	–	(1 351 707)	2 027 561	2 803 916	–	2 803 916
Banking and other advances	888 397	–	–	–	–	–	–	888 397	–	888 397
Current assets	52 656 498	(28 762 671)	13 269	(2 190 507)	(21 373)	–	–	21 695 216	–	21 695 216
Vehicle rental fleet	1 262 758	–	–	–	–	–	–	1 262 758	–	1 262 758
Inventories	18 045 879	(8 595 514)	–	(855 282)	–	–	–	8 595 083	–	8 595 083
Short-term portion of banking and other advances	705 957	–	–	–	–	–	–	705 957	–	705 957
Trade and other receivables	26 343 211	(16 456 280)	2 242	(886 886)	–	–	–	9 002 287	–	9 002 287
Cash and cash equivalents	6 298 693	(3 710 877)	11 027	(448 339)	(21 373)	–	–	2 129 131	–	2 129 131
Total assets	101 808 573	(55 514 312)	13 699	(2 675 291)	(351 330)	(1 351 707)	2 027 561	43 957 193	71 502	44 028 694

Pro forma statement of financial position of the Bidvest Group as at December 31 2015

	Column 1	*Column 2*	*Column 3*	*Column 4*	*Column 5*	*Column 6*	*Column 7*	*Column 8*	*Column 9*	*Column 10*
	Historical Financial Information of Bidvest	**Historical Financial Information of BidCorp**	**Excluded Assets**	**SA Food Interests**	**Included Properties**	**Treasury shares**	**Consolidation entries**	**Bidvest Group after internal restructuring**	**Adjustments relating to other**	**Bidvest Group after internal restructuring and other adjustments**
	Unaudited	**Reviewed**	***Pro forma***	**Reviewed**	***Pro forma***	***Pro forma***	***Pro forma***	***Pro forma***	***Pro forma***	***Pro forma***
	R'000	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**
EQUITY AND LIABILITIES										
Capital and reserves	43 446 557	(23 110 466)	8 482	(654 269)	(336 772)	(1 351 707)	2 027 561	20 029 386	(10 805)	20 018 581
Share capital and premium	(169 693)	–	–			–	675 854	506 161		506 161
Reserves	42 322 877	(23 023 870)	7 318	(654 269)	(336 772)	(1 351 707)	1 351 707	18 315 284	(10 805)	18 304 497
Non-controlling interest	1 293 373	(86 596)	1 164	–	–	–	–	1 207 941		1 207 941
Non-current liabilities	12 559 806	(4 953 302)	81	(379)	(14 558)	–	–	7 591 648	–	7 591 648
Deferred tax liabilities	1 071 514	(486 095)	81	(379)	(14 558)	–	–	570 563	–	570 563
Life assurance fund	25 861	–	–	–	–	–	–	25 861	–	25 861
Long-term portion of borrowings	9 086 978	(2 552 838)	–	–	–	–	–	6 534 140	–	6 534 140
Post-retirement obligations	298 149	(203 045)	–	–	–	–	–	95 104	–	95 104
Puttable non-controlling interest liabilities	1 084 404	(1 058 611)	–	–	–	–	–	25 793	–	25 793
Long-term portion of provisions	830 058	(649 534)	–	–	–	–	–	180 524	–	180 524
Long-term portion of operating lease liabilities	162 842	(3 179)	–	–	–	–	–	159 663	–	159 663
Current liabilities	45 802 210	(27 450 542)	5 136	(2 020 643)	–	–	–	16 336 159	82 307	16 418 466
Trade and other payables	31 305 906	(20 829 121)	4 711	(1 011 439	–	–	–	9 470 055	18 000	9 488 055
Short-term portion of provisions	998 197	(570 439)	95	(14 993)	–	–	–	412 860	–	412 860
Vendors for acquisition	650 035	(631 646)	–	–	–	–	–	18 389	–	18 389
Taxation	480 696	(440 237)	731	4 408	–	–	–	45 598	–	45 598
Banking liabilities	3 096 947	–	–	–	–	–	–	3 096 947	–	3 096 947
Intergroup loans	–	(738 078)	(401)	(998 619)	–	–	–	(1 737 098)	1 737 098	–
Short-term portion of borrowings	9 270 429	(4 241 021)	–	–	–	–	–	5 029 408	(1 672 792)	3 356 616
Total equity and liabilities	101 808 573	(55 514 310)	13 699	(2 675 291)	(351 330)	(1 351 707)	2 027 561	43 957 193	71 502	44 028 694
	–	2	–	–	–	–	–		–	
Net assets per share (cents)	12 897	(7 044)	2	(200)	(103)	(414)	613	5 687	(3)	5 684
Net tangible assets per share (cents)	7 147	(2 409)	2	(181)	(103)	(414)	613	4 605	(3)	4 601
Number of ordinary shares in issue including treasury shares	326 837	326 837	326 837	326 837	326 837	326 837	330 955	330 955	330 955	330 955
Number of ordinary shares in issue	335 404	335 404	335 404	335 404	335 404	335 404	335 404	335 404	335 404	335 404
Weighted number of ordinary shares in issue	325 399	325 399	325 399	325 399	325 399	325 399	329 517	329 517	329 517	329 517
Diluted weighted number of ordinary shares in issue	327 182	327 182	327 182	327 182	327 182	327 182	331 300	331 300	331 300	331 300

Notes to the *pro forma* statement of financial position

1. Column 1 presents the unaudited historical financial information relating to the Bidvest Group prior to the unbundling and prior to the internal restructuring for the six months ended December 31 2015.
2. Column 2 presents the historical financial information as reviewed by KPMG Inc. relating to the BidCorp Group prior to the internal restructuring, which has been extracted from the unaudited historical financial information of the Bidvest Group prior to the internal restructuring for the six months ended December 31 2015. Their unmodified review report is available for inspection at the company's registered office.
3. Column 3 presents the unadjusted historical financial information relating to the excluded assets that will be disposed and transferred by BidCorp to Bidvest as part of the internal restructuring and as such, the assets and liabilities relating to the excluded assets, therefore, needs to be included in the consolidated *pro forma* financial information of the Bidvest Group.
4. Column 4 presents the unadjusted historical financial information relating to Bidvest Food Africa which has been reviewed by KPMG Inc. Bidvest Food Africa will be transferred to BidCorp as part of the transferring assets in terms of the internal restructuring and, as such, the assets and liabilities relating to Bidvest Food Africa need to be excluded in the consolidated *pro forma* financial information of the Bidvest Group. The unadjusted historical assets and liabilities relating to Bidvest Food Africa has been reviewed by KPMG Inc. and their unqualified review opinion is available for inspection at the company's registered office.
5. Column 5 presents the unadjusted historical financial information relating to Bidvest Food Properties. Bidvest Food Properties will be transferred to BidCorp as part of the transferring assets in terms of the internal restructuring and, as such, the assets and liabilities relating to Bidvest Food Africa need to be excluded in the consolidated *pro forma* financial information of the Bidvest Group. The owner occupied properties held by Bidvest Food Properties have been sold at their fair value.
6. Column 6 and Column 7 present the financial effects of the Bidvest treasury shares that will be transferred to BidCorp prior to their listing and unbundling. The transfer has been raised at the fair value of R1.35 billion calculated as 4,118,420 Bidvest shares multiplied by the market price per Bidvest share on December 31 2015 of R328.21. The adjustment for the BidCorp shares received on the unbundling has been made at a notional fair value of R676 million, which is equal to 50% of the value of the Bidvest treasury shares detailed above. The notional fair value is based on the assumption that the Bidvest and the BidCorp share prices, post the unbundling, will each equal 50% of the Bidvest share price prior to the unbundling.
7. Column 8 presents the *pro forma* statement of financial position of the Bidvest Group subsequent to the internal restructuring and including the adjustments detailed in notes 2 to 6 above.
8. Column 9 presents the financial effects relating to Other *pro forma* adjustments, as follows:
   Settlement of intergroup loans, amounting to R1,737 million and preference shares, amounting to R64.3 million. The interest-bearing intergroup loans in relation to Bidvest Food Africa will be partially settled with Bidvest by drawing down on newly acquired external loans from financial institutions amounting to R550 million. Other inter group loans will be settled by utilising BidCorp's available cash resources. The preference shares, amounting to R64.3 million, held by subsidiaries will be redeemed out of Bidvest's existing cash resources.
9. Column 10 presents the *pro forma* statement of financial position of the Bidvest Group subsequent to the adjustments detailed in columns 2 to 9 above in respect of the unbundling.

REPORTING ACCOUNTANTS' REPORT ON THE *PRO FORMA* FINANCIAL INFORMATION

April 8 2016

The Directors
The Bidvest Group Limited
Bidvest House
18 Crescent Drive
Melrose Arch
Johannesburg
2196

Dear Directors

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON THE COMPILATION OF *PRO FORMA* FINANCIAL INFORMATION INCLUDED IN A CIRCULAR

We have completed our assurance engagement to report on the compilation of *pro forma* financial information of Bidvest Group Limited by the directors. The *pro forma* financial information, as set out in paragraph 6 and Annexure 4 of the circular ("the circular"), to be dated on or about April 14 2016, consists of *pro forma* consolidated statement of comprehensive income and *pro forma* consolidated statement of financial position for the six months ended December 31 2015 and related notes. The *pro forma* financial information has been compiled on the basis of the applicable criteria specified in the JSE Limited (JSE) Listings Requirements.

The *pro forma* financial information has been compiled by the directors to illustrate the impact of the corporate action or event, described in paragraph 1 of the circular, on the company's financial position as at December 31 2015, and the company's financial performance for the period then ended, as if the corporate action or event had taken place at July 1 2015, being the commencement date of the financial period for the purposes of the statement of comprehensive income and at December 31 2015, being the last day of the financial period for the purposes of the statement of financial position. As part of this process, information about the company's financial position and financial performance has been extracted by the directors from the company's unaudited financial statements for the six months period ended December 31 2015.

Directors' Responsibility for the *Pro Forma* Financial Information

The directors are responsible for compiling the *pro forma* financial information on the basis of the applicable criteria specified in the JSE Listings Requirements and described in paragraph 6 and Annexure 4 of the circular.

Quality control

The firm applies International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Independence and other ethical requirements

We have complied with the independence and other ethical requirements of the Independent Regulatory Board for Auditors Code of Professional Conduct for Registered Auditors (IRBA Code), which is consistent with Parts A and B of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, and is founded on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Reporting Accountant's Responsibility

Our responsibility is to express an opinion about whether the *pro forma* financial information has been compiled, in all material respects, by the directors on the basis specified in the JSE Listings Requirements based on our procedures performed. We conducted our engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3420, Assurance Engagements to Report on the Compilation of *Pro Forma* Financial Information Included in a Prospectus which is applicable to an engagement of this nature. This standard requires that we comply with ethical requirements and plan and perform our procedures to obtain reasonable assurance about whether the *pro forma* financial information has been compiled, in all material respects, on the basis specified in the JSE listings requirements.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the *pro forma* financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the *pro forma* financial information.

As the purpose of *pro forma* financial information included in a prospectus is solely to illustrate the impact of a significant corporate action or event on unadjusted financial information of the entity as if the corporate action or event had occurred or had been undertaken at an earlier date selected for purposes of the illustration, we do not provide any assurance that the actual outcome of the event or transaction at December 31 2015 would have been as presented.

A reasonable assurance engagement to report on whether the *pro forma* financial information has been compiled, in all material respects, on the basis of the applicable criteria, involves performing procedures to assess whether the applicable criteria used in the compilation of the *pro forma* financial information provides a reasonable basis for presenting the significant effects directly attributable to the corporate action or event, and to obtain sufficient appropriate evidence about whether:

- The related *pro forma* adjustments give appropriate effect to those criteria; and
- The *pro forma* financial information reflects the proper application of those adjustments to the unadjusted financial information.

Our procedures selected depend on our judgment, having regard to our understanding of the nature of the company, the corporate action or event in respect of which the *pro forma* financial information has been compiled, and other relevant engagement circumstances.

Our engagement also involves evaluating the overall presentation of the *pro forma* financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the *pro forma* financial information has been compiled, in all material respects, on the basis of the applicable criteria specified by the JSE Listings Requirements and described in paragraph 6 and Annexure 4 of the circular.

Deloitte & Touche
Registered Auditors
Per MH Holme
Partner

Deloitte Place
The Woodlands
20 Woodlands Drive
Woodmead
Sandton
2196
(Private Bag X6 Gallo Manor 2052)

TRADING HISTORY OF BIDVEST SHARES

Set out in the table below are the aggregate volumes and value traded and the lowest, highest and closing prices traded for Bidvest shares for the period reflected:

	Close (cents)	Low (cents)	High (cents)	Volume (shares)
Monthly				
February 2015	31 284	30 134	32 376	12 757 222
March 2015	31 965	30 295	32 938	17 016 193
April 2015	31 794	30 961	32 801	11 614 308
May 2015	29 656	29 517	32 022	14 793 117
June 2015	30 363	28 945	31 119	20 732 524
July 2015	30 338	29 467	31 486	17 197 680
August 2015	31 422	27 722	32 020	14 835 469
September 2015	32 622	30 156	33 253	22 336 796
October 2015	35 400	32 256	35 934	18 965 104
November 2015	33 704	33 126	35 500	16 318 127
December 2015	32 821	29 644	34 500	19 930 776
January 2016	36 474	30 200	36 474	25 197 134
February 2016	36 373	34 811	37 899	14 418 548
Daily				
January 18 2016	31 100	31 048	31 700	1 190 328
January 19 2016	32 500	31 181	32 549	1 167 963
January 20 2016	32 222	31 300	32 499	1 463 855
January 21 2016	31 756	31 456	32 760	1 036 143
January 22 2016	33 125	32 061	33 125	1 207 736
January 25 2016	33 510	33 001	33 750	1 881 290
January 26 2016	33 830	32 676	33 973	1 139 067
January 27 2016	34 597	33 901	34 800	1 602 997
January 28 2016	35 494	34 200	35 494	1 831 182
January 29 2016	36 474	35 111	36 474	2 088 746
February 01 2016	36 156	35 812	36 869	1 641 163
February 02 2016	35 574	35 491	36 300	1 401 550
February 03 2016	36 331	35 361	36 800	1 397 006
February 04 2016	36 844	36 401	37 350	1 571 450
February 05 2016	36 120	35 767	36 800	949 650
February 08 2016	36 276	36 261	37 899	1 502 657
February 09 2016	35 294	34 914	36 500	1 875 388
February 10 2016	35 877	34 811	36 259	562 602
February 11 2016	35 977	35 400	35 990	1 383 935
February 12 2016	35 676	35 574	36 393	1 162 104
February 15 2016	36 373	35 710	36 632	971 043
February 16 2016	36 368	35 901	36 887	711 533
February 17 2016	36 700	35 729	36 700	1 245 218
February 18 2016	36 417	35 574	37 221	1 255 283
February 19 2016	35 666	35 369	36 039	991 450
February 22 2016	35 700	35 400	36 043	921 004
February 23 2016	35 000	35 000	36 277	1 342 889
February 24 2016	34 917	34 651	35 799	1 646 171
February 25 2016	35 409	34 673	35 954	972 340
February 26 2016	36 079	35 500	36 350	645 084
February 29 2016	35 729	35 387	36 400	1 034 112

	Close (cents)	Low (cents)	High (cents)	Volume (shares)
March 01 2016	36 671	35 246	36 671	1 066 162
March 02 2016	35 459	34 921	37 250	1 712 226
March 03 2016	35 348	35 001	36 199	1 467 923
March 04 2016	33 920	33 649	35 499	2 198 801
March 07 2016	33 920	33 920	34 856	1 231 083
March 08 2016	33 847	33 754	34 676	1 684 338
March 09 2016	34 641	33 750	34 675	922 482
March 10 2016	34 880	34 239	35 387	1 052 523
March 11 2016	34 950	34 420	35 213	583 769
March 14 2016	35 445	34 662	35 445	1 209 308
March 15 2016	34 470	34 367	35 519	1 172 146
March 16 2016	35 601	34 148	35 700	1 044 325
March 17 2016	36 184	35 201	36 947	2 959 628
March 18 2016	37 184	35 520	37 225	1 590 237
March 22 2016	37 137	36 252	37 300	1 123 120
March 23 2016	36 916	36 435	37 399	1 071 759
March 24 2016	37 195	36 420	37 199	716 131
March 29 2016	36 130	36 000	37 231	1 200 436

TRP EXEMPTION LETTER

Takeover
Regulation
Panel

a member of the dti group

5th April, 2016

Attention: Ms. Natalie Di-Sante
Standard Bank Corporate and Investment Banking
Standard Bank Limited
P O Box 61690
MARSHALLTOWN
2107

Natalie.Di-Sante@standardbank.co.za

Dear **Ms. Natalie Di-Sante**,

APPLICATION FOR DISPENSATION ON THE POSTING OF A CIRCULAR FOR BIDVEST GROUP LIMITED ("Circular")

We refer to your letter of the 18th and 24th March, 2016 setting out an application on behalf of the Board of Bidvest Group Limited ("Bidvest") requesting a dispensation from complying with the strict requirements of Regulation 106(6)(6)(d)(i) and an exemption from complying with Regulation 106(4)(g) as part of disclosures required in the Unbundling Circular in terms of Section 112 of the Companies Act, No 71 of 2008 and Takeover Regulations ("regulations").

1 Background

1.1 Bidvest is implementing a decision to restructure its' business operations of the Bidvest Group and to provide Bidvest Shareholders with the opportunity to participate directly in its foodservices operations.

1.2 The restructuring process will involve a disposal of some of Bidvest assets; the listing of BidCorp; the unbundling of the BidCorp and distribution shares to Bidvest shareholders (which constitutes a section 112 disposal); the amendment of the provisions of the Bidvest Incentive Scheme Trust; the adoption of the Bidvest Share Appreciation Rights Plan, etc.

2 The Nature and Extent of dispensation sought

2.1 Bidvest has to comply with applicable provisions of Part B and Part C of the Companies Act: Act 71 of 2008 and the Takeover Regulations relating to the disposal of all or greater part of assets under section 112 of the Act and therefore seeks a dispensation and or exemptions as follows:

2.1.1 Regulation 106(6)(d) provides that a circular must contain disclosures relating to Historical Financial Information, and Bidvest is seeking a dispensation to relax the strict requirements of the regulation in favour of inserting a clause in its circular stating that the full financials are open for inspection at the registered office of Bidvest and are also available on the Bidvest website; and

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32 Princess of Wales Terrace • Parktown • 2193 • Johannesburg
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Tel: +27 11 643 1801 • Fax: +27 11 643 2284 • Website: www.trpanel.co.za

2.1.2 Regulation 90(1) – (2) provides that in a transaction contemplated in section 117(1)©-(i), for our purpose, a company must request a ruling from the Takeover Regulation Panel whether an independent expert must be retained to report on the proposed transaction or not; and retain such an expert if the Panel so requires. Furthermore Regulation 106(4) requires that a fair and reasonable opinion in compliance with Regulation 90 be attached to the circular. In this regard Bidvest seeks a ruling declaring that the independent expert's opinion is not required, and exempting Bidvest from complying with Regulation 106(4)(g).

3 Motivation and reasons provide in support of application for dispensation/ ruling

3.1 In support of the request for the dispensations/ruling from the Regulation we are informed that:

3.1.1 Bidvest will distribute the BidCorp distribution-shares to its shareholders by way of a distribution *in specie* in terms of section 46 of the Companies Act and section 46 of the Income Tax Act; and Bidvest shareholders will receive one (1) BidCorp share for every one (1) Bidvest share held on the record date.

3.1.2 As a result there will be no adverse effects on Bidvest shareholders post the implementation of the restructuring and unbundling, as each shareholder will continue hold substantially the same economic interest in Bidvest and Bid Corp as they did before the implementation. The only material difference is that a Bidvest shareholder will now hold shares directly in the food-services operations and not through Bidvest shares. Therefor there will be no prejudice to any shareholders.

3.2 In support of the request for the dispensations against Regulations 106(6)(d)(i) we are informed that:

3.2.1 In the place of the of the disclosure required by Regulations 106(6)(d)(i) the applicant proposed including a cross reference (link) to their respective websites in the Circular where most recent as well as historical audited financial information can be obtained.

3.2.2 The information contained on the Applicants websites would provide substantially more detail than would be provided for in a circular, therefore the proposal would not prejudice any shareholder. The financial statement of the applications are also open for inspection during the offer period as mentioned in the circular.

4 Conclusions

4.1 After considering the merits of this application for exemption we have been persuaded by the contents of your letter including the explanation in the circular that:

4.1.1 We are therefore of the view that good cause has been shown and circumstances advanced meets both the requirements of reasonable and justifiable stipulated in section 119(6) of the Companies Act of 2008.

4.1.2 It is therefore our view that there is no foreseeable possibility that the proposed Transaction will prejudice the interests of any shareholder of Bidvest; and that it will be both reasonable and justifiable to grant the Board of Bidvest a relaxation of the requirement of having to comply with the provisions of the Act and the Regulations relating to takeovers and mergers as contained under Part B and Part C of Chapter 5 of the Act and the Regulations.

5 **Ruling and Dispensation**

5.1 Accordingly:

5.1.1 A ruling is hereby granted that Bidvest is not required to obtain an independent expert's opinion for purposes of this unbundling and therefore exempted from complying with the provisions of Regulation 106(4)(g)

5.1.2 A dispensation is granted to Bidvest from complying strictly with the requirement of Regulation 106(6)(d) for attaching Historical Financial Information to its circular, but instead it is required to insert a clause in its circular stating that the full financials are open for inspection at the registered office of Bidvest and are also available on the Bidvest website

6 **Disclaimer and limitations**

6.1 KINDLY TAKE NOTICE THAT THIS DISPENSATION IS PROVIDED ON THE BASIS THAT:

6.1.1 This dispensation was granted solely and exclusively on the merits of the application and should not be read to apply to any other case;

6.1.2 All the material and relevant information required for purposes of this application has been provided to the Panel in full and that nothing relevant has been withheld;

6.1.3 A full explanation on the reasons for seeking the dispensation and granting thereof will be fully disclosed in the circular to the shareholders; and finally that

6.1.4 In considering the application the Panel did not take into consideration the commercial advantages or disadvantages of the transaction in accordance with section 201(3).

Yours faithfully

Kealeboga E Moloto-Stofile
Deputy Executive Director

SETTLEMENT PRINCIPLES AND PROVISIONS OF THE BIDVEST INCENTIVE SCHEME AND THE BIDVEST CONDITIONAL SHARE PLAN

The Bidvest Incentive Scheme 1990 (BIS)

BIS participants were granted share options ("Options") that vest in tranches after 3 years (50%), 4 years (25%) and 5 years (25%) respectively. Options not exercised within a 10 year period following the award date, lapse. In addition, the BIS also provides for the purchase of shares on loan account ("Purchase Instruments"). The loan is repayable after 3 years (50%), 4 years (25%) and 5 years (25%) respectively and must be fully repaid before 10 years.

As at the last practicable date, 11,220,374 Options awarded to participants under the BIS remained outstanding. 8,987,146 Options are unvested, while 2,233,228 Options are vested but unexercised. 310,777 Purchase Instruments remain on loan account.

Options

To ensure Participants are treated fairly and reasonably, it is proposed to amend the rules of the BIS to allow participants of the BIS who have been granted Options in terms of the BIS and who have not exercised their Options at the unbundling date, to exchange each one of their existing Bidvest Group Options for one right over one BidCorp share and one Bidvest share ("Replacement Right").

In terms of the Options, the original Option Price will not be adjusted, but on exercise of the Replacement Right, the original Option Price will be deducted from the combined value of the BidCorp share and the Bidvest Group share. Each successor company will assume the responsibility of settlement of the Replacement Rights for its own employees post the listing and unbundling in its own shares. The vesting date and lapse dates of the Replacement Rights will be the same as that of the original Options.

Therefore, for Options, where:

A = original Option Price

B = Value of one share of BidCorp on the exercise day

C = Value of one share of Bidvest on the exercise day

D = number of Options exercised

The number of BidCorp shares to be delivered by BidCorp to a Participant employed by BidCorp on the exercise date will be:

$$\frac{(B + C) - A}{B} \times D$$

The number of Bidvest shares to be settled by Bidvest to a Participant employed by Bidvest on the exercise date will be:

$$\frac{(B + C) - A}{C} \times D$$

Purchase instruments

In terms of Purchase Instruments holders who have not repaid the loans attached to their Purchase Instruments at the unbundling date, such Purchase Instrument holders are shareholders by virtue of their holding of the Purchase Instruments. As shareholders, they would receive the same distribution as other Bidvest Group shareholders, in the form of a BidCorp share. Accordingly, no exchange of instruments is proposed, and the Purchase Instrument holders shall continue to participate in the BIS.

This approach for both the Options and Purchase Instruments will permit Participants to retain their exposure to the share price of both entities that comprised the Bidvest Group before the unbundling and retain the nature and value of the awards that they held before the unbundling.

The Bidvest Group Conditional Share Plan 2008 (CSP)

Conditional awards granted under the CSP are subject to performance conditions measured over a 3 year performance period. Subject to the achievement of the performance conditions, 75% of the conditional awards vest after year 3, and the remaining 25% after year 4.

As at the last practicable date, the performance period for the 2012 award has expired and 75% of awards have vested, whilst 25% of the 2012 awards (43,011) are unvested. All awards granted in 2013 (220,000), 2014 (170,000) and 2015 (159,000) are unvested and none of the performance periods for these awards have been adjudicated.

The rules of the CSP allow the board wide discretion in these circumstances and it is proposed to restructure the outstanding awards differently, depending on the year of the award:

- 2012 awards: accelerated vesting will occur on the unbundling date;
- 2013 and 2014 awards: performance conditions will be tested early and vesting will be accelerated;
- 2015 awards: awards will be restructured into replacement conditional rights ("Replacement Rights") in the successor companies – each conditional right in terms of the 2015 awards will be exchanged for a Replacement Right over either a Bidvest Group share or a BidCorp share – depending on in which successor company the participant is employed.

The differing treatment is described in more detail in the sub-headings below:

2012, 2013 and 2014 awards
The vesting of the unvested 2012, 2013 and 2014 conditional awards will be accelerated to occur on the unbundling date, on the condition that the unbundling is approved, and such awards will be settled by the Bidvest Group in Bidvest Group shares.

Performance conditions for all unvested conditional awards will be tested early, using the following method:

- For the 2012 awards, testing of the satisfaction of the performance conditions has already been completed, and the remaining tranche is only subject to time-vesting.
- For the 2013 awards, a vesting percentage relating to actual performance will be determined for the period from award until December 2015, and for the remainder of the outstanding awards, a deemed vesting percentage will be determined according to historical vesting for previous awards. The actual vesting percentage (a) and the deemed percentage (d) will be applied to the number of outstanding awards weighted according to the number of full months (n) actually elapsed from the award date to the restructure date as a portion of the full original performance period (m), so the deemed vesting percentage will be:

  $(n/m \times a) + ((m - n)/m \times d))$

- For the 2014 awards, a deemed vesting percentage will be determined according to historical vesting for previous awards.

2015 awards

- No early testing of performance conditions, or accelerated vesting shall apply to these awards.
- Each 2015 CSP award will be exchanged for a Replacement Right over the participant's employer company shares, being either Bidvest Group shares or BidCorp shares.
- The number of shares comprising the Replacement Right will be adjusted to ensure that the market value of the shares is the same as that of the Bidvest Group shares immediately preceding the unbundling transaction.
- The vesting period for the Replacement Rights will be extended for an additional year, and 75% of these awards will vest after 3 years, on June 30 2019 and 25% on June 30 2020.
- The performance period will be reset to run from July 1 2016 to June 30 2019.
- The performance conditions will be based on the same metrics – relative total shareholder return, return on funds employed and real headline earnings growth – and will be no less stretching than the original conditions, but will be based on the performance of the participant's respective employer companies.

Regulation of new and replacement awards post-unbundling
Bidvest Group will continue to use the existing CSP for new awards to its directors, and will adopt a new Share Appreciation Rights Plan ("SAR Plan") for employees to replace the previously used BIS. The BIS rules will regulate the Replacement Rights received as a result of BIS participation, but will be amended to cater for the calculation of the number of Bidvest Group shares to be settled in accordance with the principles discussed above. The CSP rules will regulate the Replacement Rights received as a result of the CSP participation.

BidCorp will adopt new share plans for future awards (further details are contained in the BidCorp PLS). BidCorp will adopt the provisions of the BIS to regulate the treatment of the Replacement Rights received as a result of participation by these employees in the BIS by its employees. The Replacement Rights received as a result of the CSP participation by BidCorp employees will be regulated in the new CSP to be adopted by BidCorp.

SALIENT FEATURES OF THE SAR PLAN

In line with local and global best practice, Bidvest intends to adopt a new share plan, namely the Bidvest Group Share Appreciation Rights Plan ("SAR Plan") to replace the previous Bidvest Incentive Scheme ("BIS"), to incentivise, motivate and retain the right calibre of senior management, and to recognise contributions made by selected employees.

The SAR Plan is aligned with global best practice and recently adopted plans for large JSE-listed or dual-listed companies.

Selected senior employees of the group (not including executive directors) will be eligible for participation in the SAR Plan.

The SAR Plan provides participants with the opportunity to be awarded rights ("share appreciation rights" or "SARs") to receive shares equal to the increase in the value of a certain number of shares between the award date and the exercise date.

The number of Shares to be delivered to the Participant shall be calculated by reference to the formula:

$$A = \frac{(B - C) \times D}{B}$$

Where:
A = the number of Shares, rounded to the nearest whole number, to which a Participant is entitled;
B = the Exercise Price;
C = the Award Price; and
D = the number of SARs being exercised.

Vesting of SARs will be 3 years (50%), 4 years (25%) and 5 years (25%) respectively and will further be subject to the continued employment of the participants for the employment period. SARs can be exercised for a total of ten years post the award date. SARs not exercised within this period will lapse.

The award of SARs will allow participants to share in the success of the Company, and be placed in a similar position as shareholders.

Through the delivery of real shares under the SAR Plan, participants will become shareholders in the Company from the date of settlement.

Purpose
The SAR Plan will be primarily used as an incentive to participants to deliver the group's business strategy over the long term.

The intent of the SAR is thus to recognise contributions made by selected employees, and incentivise them to maintain a continuing relationship with the group by providing them with an opportunity to receive shares in the Company.

The SAR Plan will incentivise, motivate and retain senior management (excluding executives) through the award of regular, annual awards of rights to receive shares equal to the increase in the value of a certain number of shares between the award date and the exercise date, the vesting of which is subject to the satisfaction of the employment condition ("SARs").

The employment condition is the requirement for continued employment of the participant by the Company for the duration of a certain number of years from the date of the award.

Participants
Eligible employees will include senior management of any employer company within the Company.

Participants in the existing CSP will not participate in the SAR Plan.

Recommendations for participation of senior management will be made by the CEO.

Participation in the SAR Plan is not a condition of employment, and the Remuneration Committee retains absolute discretion regarding the making of an award to any employee in terms of the SAR Plan.

Rights of participants
Participants will not be entitled to any shareholder rights before the settlement of the shares, which will only occur after the exercise of the SARs.

Basis of awards and award levels
In line with the requirements of King III and best practice, regular annual awards of SARs will be made on a consistent basis to ensure long-term shareholder value creation.

The number of annual SARs awarded to participants will primarily be based on the participant's annual salary, grade, performance, retention and attraction considerations, as well as market benchmarks.

The award levels will be decided by the Remuneration Committee each time that awards are granted, by taking into account the particular circumstances at that time e.g. company affordability, retention considerations and company performance. Annual allocations will be benchmarked and set to a market related level of remuneration whilst considering the overall affordability thereof to the Company.

Performance conditions and vesting

SARs will not be subject to performance conditions, as they are subject to the inherent hurdle of the appreciation of the share price over the award price, over the duration of the vesting period, and executive directors will not participate in the SAR plan. The Remuneration Committee has the discretion to impose performance conditions on future awards.

Manner of settlement

The rules of the SAR Plan are flexible in order to allow for settlement in any of the following manners:

- by way of a market purchase of shares;
- use of treasury shares;
- issue of shares.

The exact method of settlement will be determined by the Remuneration Committee, although the preference will be a market purchase of shares as it causes no dilution to shareholders.

Limits and adjustments

The maximum number of shares which may at any one time be allocated under the SAR Plan and existing Conditional Share Plan shall not exceed 16,750,000 shares, which represents approximately 5% of the number of issued shares as at the date of approval of the SAR Plan by shareholders. This is in line with market best practice.

Shares issued by the Company or shares held in treasury which are used to settle the SAR Plan, will be included in the company limit. Awards made under the SAR Plan, which do not result in the settlement of shares to a participant as a result of the forfeiture thereof, will be excluded in calculating the company limit. Similarly, any shares purchased in the market in settlement of the SAR Plan will be excluded. The Remuneration Committee must, where required, adjust the company limit (without the prior approval of shareholders in a general meeting), to take account of a sub-division or consolidation of the shares of the Company.

The issue of Shares as consideration for an acquisition, and the issue of Shares for cash or a vendor consideration placing will not be regarded as a circumstance that requires any adjustment to the Company or Individual Limit. Awards under the SAR Plan which are not subsequently settled to a participant as a result of the forfeiture thereof will revert back to the SAR Plan.

The maximum number of shares which may be allocated to an individual in respect of all unvested awards under the SAR Plan and the existing Conditional Share Plan may not exceed 1,675,000 shares, which represents approximately 0.5% of the number of issued shares as at date of approval of the SAR Plan by shareholders. The Remuneration Committee may, where required, adjust the individual limit to take account of a capitalisation issue, a special distribution, a rights issue or reduction in capital of the Company. Such adjustment should give a participant entitlement to the same proportion of equity capital as that to which he was previously entitled.

The auditors, or other independent adviser acceptable to the JSE, shall confirm to the JSE in writing that any adjustment made in terms of this paragraph has been properly calculated on a reasonable and equitable basis, in accordance with the rules of the share plan and must be reported on in the company's financial statements in the year during which the adjustment is made.

Consideration

The participant will give no consideration for the award, exercise (in the case of SARs) or settlement of SARs or shares under the SAR Plan.

Termination of employment

"Bad leavers"

Participants terminating employment due to resignation or dismissal on grounds of misconduct, poor performance, dishonest behaviour or fraudulent conduct or on the basis of abscondment will be classified as "bad leavers", and will be treated as follows:

For participants who resign, all vested SARs must be exercised on or before the date of termination of employment – to the extent that they have not been so exercised on the date of termination of employment, they will be forfeited, while other bad leavers will immediately forfeit all vested but unexercised SARs. All unvested SARs will be forfeited on the date of termination of employment unless the Remuneration Committee in their absolute discretion determines otherwise. The discretion of the Remuneration Committee will be limited to the Vesting of a pro-rata portion of the SARs, reflecting the number of months served since the Award Date.

"Good leavers"

Participants terminating employment due to death, ill-health, disability, injury, retrenchment, retirement, or, with the approval of the directors, prior to the normal retirement age (except to the extent that the termination constitutes bad leaver termination as set out above), or the sale of a subsidiary company, will be classified as "good leavers" and the following treatment will apply:

- vested but unexercised SARs on the date of termination of employment, the participant may exercise such SARs within a period of six or twenty four months (depending on the reason for the termination) following the date of termination of employment;
- unvested SARs will vest proportionally. The portion which shall vest on date of termination of employment unless the Remuneration Committee in its absolute discretion determines otherwise, will reflect the number of months served since the award date to the date of termination of employment over the total number of months in the vesting period. The remainder of the award will lapse. SARs that early vest can also be exercised within a period of six or twenty four months (depending on the reason for the termination).

Change of control

In the event of a change of control of the Company occurring before the vesting date of any award, a portion of the award will vest.

- the portion of the award which shall vest will reflect the number of complete months served since the award date to the change of control date, over the total number of months in the vesting period.

The portion of the award which does not vest as a result of the change of control will, except on the termination of the SAR Plan, continue to be subject to the terms of the award letter, unless the Remuneration Committee determines otherwise.

Awards will not vest as a consequence of an internal reconstruction or similar event which is not a change of control as defined in the rules of the SAR Plan. In this case the Remuneration Committee shall make such adjustment to the number of awards or convert awards into awards in respect of shares in one or more of the other companies, provided the participants are no worse off.

Variation of share capital

In the event of a variation in share capital such as a capitalisation issue, subdivision of shares, consolidation of shares etc, participants shall continue to participate in the SAR Plan. The Remuneration Committee may make such adjustment to the award or take such other action to place participants in no worse a position than they were prior to the happening of the relevant event and to provide that the fair value of the award immediately after the event is materially the same as the fair value of the award immediately before the event.

The issuing of shares as consideration for an acquisition, and the issuing of shares or a vendor consideration placing will not be regarded as a circumstance that requires any adjustment to the awards.

Liquidation

If the Company is placed into liquidation for purposes other than reorganisation, an Award shall ipso facto lapse as from the Liquidation Date and any unvested SARs and Vested but unexercised SARs shall lapse from the Liquidation Date.

Amendment

The Remuneration Committee may alter or vary the rules of the SAR Plan as it sees fit, (subject to JSE approval), however in the following instances the rules may not be amended without the prior approval of the JSE and a resolution by the shareholders of 75% of the voting rights:

- the category of persons who are eligible for participation in the SAR Plan;
- the number of shares which may be utilised for the purpose of the SAR Plan;
- the individual limitations on benefits or maximum entitlements;
- the basis upon which awards are made;
- the amount payable upon the award, settlement or vesting of an award;
- the voting, dividend, transfer and other rights attached to the awards, including those arising on a liquidation of the Company;
- the adjustment of awards in the event of a variation of capital of the Company or a change of control of the Company; and
- the procedure to be adopted in respect of the vesting of awards in the event of termination of employment.

General

The rules of the SAR Plan are available for inspection from Thursday, April 14 2016 to Tuesday, May 17 2016 at the Company's registered office, being Bidvest House, 18 Crescent Drive, Melrose Arch, Johannesburg, 2196.

Bidvest

The Bidvest Group Limited

Incorporated in the Republic of South Africa
Registration Number 1946/021180/06
Share code: BVT ISIN: ZAE000117321
"Bidvest" or **"the Company"**

NOTICE OF GENERAL MEETING

All terms defined in the circular to which this notice of general meeting is attached shall bear the same meanings herein.

Notice is hereby given of a general meeting of Bidvest shareholders to be held at 10h00 on Monday, May 16 2016 at the boardroom, Bidvest House, 18 Crescent Drive, Melrose Arch, Johannesburg, for the purpose of considering and, if deemed fit, passing with or without modification, the special and ordinary resolutions set out below.

The record date established by the directors in terms of section 59 of the Companies Act for the purpose of determining which Bidvest shareholders are entitled to receive notice of the general meeting is Friday, April 8 2016 and for determining which shareholders are entitled to participate and vote at the general meeting is Friday, May 6 2016.

Special resolution number 1 – approval in terms of section 112 of the Companies Act
The unbundling constitutes the disposal of all or a part of the assets or undertaking of the company, including the treasury shares, as contemplated in section 112 of the Companies Act, and as such requires the approval of the Bidvest shareholders.

Resolved that the shareholders hereby approve the unbundling (a written summary of the unbundling setting out the precise terms of the transaction is set out in the circular) which unbundling constitutes the disposal of all or a part of the assets or undertaking of the company as contemplated in section 112 of the Companies Act and furthermore the transfer of the treasury shares from Bidvest to BidCorp

This resolution requires the support of at least 75% of the voting rights exercised on the resolution in terms of section 112 read with section 115 of the Companies Act.

Special resolution number 2 – approval of the treatment of outstanding share awards under the Bidvest Incentive Scheme
Resolved that The Bidvest Incentive Scheme be amended to provide for the restructure of all outstanding instruments, in the manner as set out in Annexure 8 and following such amendment the directors of Bidvest be authorised to take all such steps as may be necessary to implement the restructure of the instruments.

For further information, refer to the explanatory notes in Annexure 8.

This resolution requires the support of at least 75% of the voting rights exercised on the resolution in terms of schedule 14 of the listings requirements.

Special resolution number 3 – approval of the Bidvest Group Share Appreciation Rights Plan (SAR Plan)
Resolved that:

- the Bidvest Group Share Appreciation Rights Plan ("the SAR Plan"), substantially in the form as set out in the rules of the SAR Plan, which have been made available for inspection and the salient features of which are set out in Annexure 9 hereto, be and are hereby approved as contemplated in Schedule 14 to the listings requirements; and
- that the directors of the Company be and are hereby authorised to take all such steps as may be necessary for the establishment and implementation of the SAR Plan, including the allotment and issue of ordinary shares in the capital of the Company on the terms and conditions set out in the SAR Plan, to participants of the SAR Plan.

The Remuneration Committee, in consultation with management and external professionals has considered best market practice and the potential cost implications of the proposed SAR Plan. Accordingly, the Remuneration Committee has proposed, and the Board has approved the SAR Plan in accordance with the salient features contained in Annexure 9 attached hereto, for implementation by the Board subject to shareholder approval as required in terms of the listings requirements.

A copy of the rules of the SAR Plan will be available for inspection during normal business hours at the Company's registered office.

This resolution requires the support of at least 75% of the voting rights exercised on the resolution in terms of schedule 14 of the listings requirements.

For further information, refer to the explanatory notes in Annexure 9.

Ordinary resolution number 1 – directors' authority

Resolved that any two directors of the company be and is hereby authorised to do all such things, sign all such documents and procure the doing of all such things and the signature of all such documents as may be necessary or incidental to give effect to the special and ordinary resolutions set out in this notice and anything already done in this respect be and is hereby ratified.

This resolution requires the support of a majority of the voting rights exercised on the resolution.

Identification

In terms of section 63(1) of the Companies Act, all general meeting participants will be required to provide identification reasonably satisfactory to the chairman of the general meeting, who must be reasonably satisfied that the right of that person to participate in, and speak at vote at, the general meeting as a shareholder, as proxy or as a representative of a shareholder, has been reasonably verified. Accepted forms of identification include original drivers' licenses, identity documents and passports.

Electronic participation

Shareholders or their proxies may participate in (but not vote at) the general meeting by way of telephone conference call and if they wish to do so:

- must contact the company secretary (by email at the address craig@bidvest.co.za) by no later than Thursday, May 12 2016, in order to obtain a pin number and dial-in details for that conference call;
- will be required to provide reasonably satisfactory identification;
- will be billed separately by their own telephone service providers for their own telephone calls to participate in the general meeting;
- shareholders and their proxies will not be able to vote telephonically at the general meeting and will still need to appoint a proxy or representative to vote on their behalf at the general meeting.

Voting

Shareholders of the company will be entitled to attend the general meeting and to vote (or abstain from voting) on the special and ordinary resolutions set out above. On a show of hands every shareholder who is present in person or by proxy at the general meeting shall have 1 vote (irrespective of the number of shares held in the company) and, on a poll, every shareholder of the company shall have 1 vote for every share held or represented.

Appraisal right

Shareholders are hereby advised of their appraisal rights in terms of section 164 of the Companies Act. Their attention is drawn to the provisions of that section which are set out in Annexure 1 to this circular.

Proxies

A shareholder entitled to attend and vote at the general meeting may appoint 1 or more persons as its proxy to attend, speak and vote (or abstain from voting) in its stead. A proxy need not be a shareholder of the company.

A form of proxy (*yellow*) is attached for the convenience of certificated shareholders and (own-name) dematerialised shareholders who are unable to attend the general meeting but who wish to be represented thereat. In order to be valid, duly completed forms of proxy must be received by the company's transfer secretaries, Computershare Investor Services Proprietary Limited, Ground Floor, 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107) or by fax to +2711 688 5238 by no later than 10:00 on Thursday, May 12 2016. Alternatively, a duly completed form of proxy may be handed to the chairperson of the general meeting prior to the commencement of the general meeting. Any shareholder who completes and lodges a form of proxy will nevertheless be entitled to attend and vote in person at the general meeting should the shareholder decide to do so.

Dematerialised shareholders, other than with 'own-name' registration, who have not been contacted by their CSDP or broker with regard to how they wish to cast their votes should contact their CSDP or broker and instructed their CSDP or broker as to how they wish to cast their votes at the general meeting in order for their CSDP or broker to vote in accordance with such instructions. If such dematerialised shareholders wish to attend the general meeting in person, they must request their CSDP or broker to issue the necessary letter of representation to them. This must be done in terms of the custody agreement entered into between such dematerialised shareholders and their CSDP or broker.

For and on behalf of the board

Craig Brighten
Company Secretary
Melrose
April 14 2016

Registered office:
Bidvest House
18 Crescent Drive
Melrose Arch
Johannesburg, 2196
(PO Box 87274, Houghton, 2041)

Transfer secretaries:
Computershare Investor Services Proprietary Limited
Ground Floor – 70 Marshall Street
Johannesburg, 2001
(PO Box 61051, Marshalltown, 2107)

Bidvest

The Bidvest Group Limited

Incorporated in the Republic of South Africa
Registration number 1946/021180/06
Share code: BVT ISIN: ZAE000117321
"Bidvest" or **"the Company"**

FORM OF PROXY

For use by all Bidvest ordinary shareholders who have dematerialised their shares with own-name registration or hold certificated shares.

For use only by Bidvest ordinary shareholders who:

- hold their shares in certificated form ("**certificated ordinary shareholders**")
- have dematerialised their shares with 'own- name' registration ("**dematerialised ordinary shareholders**"),

at the general meeting of shareholders of the company to be held at 10:00 on Monday, May 16 2016, at the boardroom, Bidvest House, 18 Crescent Drive, Melrose Arch, Johannesburg, or at any other adjourned or postponed date and time determined in accordance with the provisions of the Companies Act as read with the listings requirements.

Dematerialised ordinary shareholders who do not have 'own- name' registration who wish to attend or send a proxy to represent them at the general meeting must inform their central securities depository Participant ("**CSDP**") or broker of their intention to attend or be represented at the general meeting and request their CSDP or broker to issue them with the relevant letter of representation to attend or be represented at the general meeting and vote. If they do not wish to attend or be represented at the general meeting, they must provide their CSDP or broker with their voting instructions in terms of the relevant custody agreement entered into between them and the CSDP or broker. In the absence of such instructions, the CSDP or broker will be obliged to vote in accordance with the instructions contained in the custody agreement mandate between them and their CSDP or broker. These shareholders must not use this form of proxy.

I/We (FULL NAMES IN BLOCK LETTERS PLEASE)

of (ADDRESS)

Telephone (work + area code) Telephone (home + area code

Cellphone number Email address

Identity number

being a shareholder of Bidvest and the holder/s of Bidvest ordinary shares

do hereby appoint (see notes):

or, failing him/her

or, failing him/her

the chairperson of the general meeting,

as my/our proxy to attend, speak and vote on a show of hands or on a poll for me/us on my/our behalf at the general meeting convened for purposes of considering and, if deemed fit, passing, with or without modification, the resolutions to be proposed thereat and at each adjournment thereof, and to vote for and/or against or abstain from voting for and/or against the resolutions in respect of the shares registered in my/our name/s in accordance with the following instructions:

	Number of ordinary shares		
	***For**	***Against**	***Abstain**
Special resolution number 1 – approval in terms of Section 112 of the Companies Act			
Special resolution number 2 – approval of the treatment of outstanding share awards			
Special resolution number 3 – approval of the Bidvest Group Share Appreciation Rights Plan (SAR Plan)			
Ordinary resolution number 1 – directors' authority			

** Insert the number of votes to be cast 'for', 'against' or 'abstain' as required. If you insert an 'X', all votes will be cast in the manner indicated by that X. If no options are marked and no instructions are given in a separate sheet of paper accompanying and attached to this form of proxy, the proxy will be entitled to vote as he/she thinks fit.*

Signed at on 2016

Signature/s

Assisted by (where applicable)

NOTES AND SUMMARY OF SALIENT RIGHTS IN TERMS OF SECTION 58 OF THE COMPANIES ACT

1. A shareholder entitled to attend and vote at the general meeting may insert the name of a proxy or the names of 2 alternative proxies of his/her/its choice in the space provided, with or without deleting 'the chairperson of the general meeting'. A proxy need not be a shareholder of the company. The person whose name stands first on this form of proxy and who is present at the general meeting will be entitled to act as proxy to the exclusion of those whose names follow.

2. A shareholder is entitled to 1 vote on a show of hands and, on a poll, 1 vote in respect of each ordinary share. A shareholder's instructions to the proxy must be indicated by inserting the relevant number of shares represented by the shareholder in the appropriate box. Failure to comply with this will be deemed to authorise the proxy to vote or abstain from voting at the general meeting as he deems fit in respect of all the shareholder's votes.

3. If a shareholder does not indicate on this form that his proxy is to vote in favour of or against any ordinary resolution or to abstain from voting, or gives contradictory instructions, or should any further resolution/s or any amendment/s which may properly be put before the general meeting be proposed, the proxy shall be entitled to vote as he things fit.

4. The chairperson of the general meeting may reject or accept any form of proxy which is completed and/or received, other than in compliance with these notes.

5. The completion and lodging of this form of proxy will not preclude the relevant shareholder from attending the general meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof, should such shareholder wish to do so.

6. Documentary evidence establishing the authority of a person signing the form of proxy in a representative capacity must be attached to this form of proxy, unless previously recorded by the company or unless the chairperson of the general meeting waives this requirement.

7. A minor or any other person under legal incapacity must be assisted by his/her parent or guardian, as applicable, unless the relevant documents establishing his/her capacity are produced or have been registered by the company.

8. Where there are joint holders of shares, any 1 of such holders may sign the form of proxy provided that if more than 1 of such holders is present or represented at the general meeting, the holder whose name stands first in the register of the company in respect of such shares, or his proxy, as the case may be, shall alone be entitled to vote in respect thereof.

9. Where this form of proxy is signed under power of attorney, such power of attorney must accompany this form of proxy, unless it has previously been registered with the company or the transfer secretaries.

10. A proxy may delegate his/her authority to act on behalf of a shareholder to another person subject to any restriction therefore set out in this instrument of proxy.

11. The proxy appointment made herein shall remain valid for a period of one year from the date of signature unless revoked by the shareholder by cancelling it in writing or making a later inconsistent appointment of proxy and delivering a copy of the revocation instrument to the proxy and the company.

12. A vote given in accordance with the terms of this form of proxy shall be valid notwithstanding the death or mental disorder of the principal or revocation of the proxy of the authority under which the proxy is given, provided that no intimation in writing of such death, insanity, revocation or transfer as aforesaid shall have been received by the company before the commencement of the general meeting (or any adjournment thereof).

13. Completed forms of proxy and the authority (if any) under which they are signed must be lodged with or mailed to the company's transfer secretaries, Computershare Investor Services Proprietary Limited, Ground Floor, 70 Marshall Street, Johannesburg, 2001, South Africa (PO Box 61051, Marshalltown, 2107), to be received no later than 10:00 on Thursday, May 12 2016, or handed to the chairperson of the general meeting before that meeting is due to commence.

14. Any alteration or correction made to this form of proxy, other than the deletion of alternatives, must be initialled by the signatory/ies.