

31 January 2019

Dear shareholder

PEPKOR HOLDINGS LIMITED ("PEPKOR" or "THE COMPANY"): NOTICE IN COMPLIANCE WITH SECTION 45(5) OF THE COMPANIES ACT NUMBER 71 OF 2008 AS AMENDED ("THE ACT")

1. Pursuant to the special resolution passed by the shareholders of the Company on 15 March 2018, in terms of which resolution the shareholders approved the granting of financial assistance to related or inter-related group companies (limited to subsidiaries of Pepkor Holdings Limited) subject to compliance with the provisions of Section 45 of the Act, the board of directors of the Company has passed a resolution in terms of which:
 - 1.1 the threshold in regard to the aggregate borrowings by the entire Pepkor group of companies – Pepkor Holdings Limited and its subsidiaries ("the Group") – shall not exceed the shareholders equity (the "Threshold");
 - 1.2 the aggregate financial assistance that may be granted from time to time by the Company to any of the Pepkor companies and/or amongst Pepkor, shall not exceed the Threshold; and
 - 1.3 the Threshold is in excess of 1/10th of 1% of the Company's net worth and as a consequence has triggered this notice in terms of Section 45(5) of the Act.
2. It should be noted that, in order to give effect to the treasury requirements of the Pepkor companies, from time to time, cross guarantees, suretyship, subordination of and/or loans are given among the Pepkor companies on an ongoing basis.
3. By giving this notice, the Company is of the view that it has complied with the notice requirements in terms of Section 45(5) of the Act.
4. The Company would like to emphasise that the granting of financial assistance between related and inter-related companies in the Group is a standard practice that has been applied consistently over many years by most major groups of companies.

No action is required on your part as a result of this notification of compliance, which is purely for your information, as required by the Act. However, should you require any further clarification, please contact the undersigned.

Yours faithfully,

AJ KEULDER
For: Pepkor (Pty) Ltd (Company secretary)