

PEPKOR HOLDINGS LIMITED
(Incorporated in the Republic of South Africa)
(Registration number: 2017/221869/06)
Share Code: PPH
ISIN: ZAE000259479
("Pepkor" or the "Company")



DISTRIBUTION OF SCRIP DIVIDEND CIRCULAR

Shareholders are referred to the Company's annual results for the year ended 30 September 2019 and the scrip dividend declaration announced on SENS on 25 November 2019, wherein the board of directors of Pepkor advised that it resolved to declare a scrip dividend ("**Scrip Dividend**") in respect of the year ended 30 September 2019 with a cash alternative of 20.9 cents ("**Alternative Cash Dividend**").

The Company has today, 7 January 2020, distributed a circular (and including a form of election for certificated shareholders) to shareholders, detailing the terms of the Scrip Dividend and the Alternative Cash Dividend ("**Circular**").

The salient dates and times in relation to the Scrip Dividend and Alternative Cash Dividend are set out below:

	2019
Audited financial results of Pepkor for the year ended 30 September 2019 and declaration of Scrip Dividend with Alternative Cash Dividend announced on the Stock Exchange News Service (" SENS ") on	Monday, 25 November
Audited financial results and Scrip Dividend with Alternative Cash Dividend published in press on	Tuesday, 26 November
	2020
Circular and Form of Election distributed to shareholders on	Tuesday, 7 January
Announcement advising of the distribution of the Circular released on SENS on	Tuesday, 7 January
Finalisation information, including the ratio applicable to the Scrip Dividend, released on SENS by 11:00 am on	Tuesday, 14 January
Finalisation of information, including the ratio applicable to the Scrip Dividend, published in the press on	Wednesday, 15 January
Last day to trade in order to be eligible to receive the Scrip Dividend or the Alternative Cash Dividend	Tuesday, 21 January
Pepkor ordinary shares commence trading "ex" the Scrip Dividend and the Alternative Cash Dividend on	Wednesday, 22 January
Listing of maximum possible number of Pepkor ordinary shares on the JSE Limited in terms of the Scrip Dividend	Wednesday, 22 January
Announcement released on SENS in respect of the cash payment applicable to fractional entitlements, based on the volume weighted average price of Pepkor ordinary shares traded on Wednesday, 22 January 2020, less 10%, by 11:00 am on	Thursday, 23 January

Last day to elect to receive the Alternative Cash Dividend instead of the Scrip Dividend, with Forms of Election to reach the transfer secretaries by 12:00 pm on	Friday, 24 January
Record Date in respect of the Scrip Dividend/Alternative Cash Dividend alternative, offer closes	Friday, 24 January
New Pepkor ordinary share certificates posted and Alternative Cash Dividend payments made, CSDP/broker accounts credited/updated, as applicable, on	Monday, 27 January
Announcement released on SENS in respect of the results of the Scrip Dividend	Monday, 27 January
Adjustment of number of new Pepkor ordinary shares listed - JSE listing of Pepkor ordinary shares in respect of the Scrip Dividend adjusted to reflect the actual number of Pepkor ordinary shares issued in terms of the Scrip Dividend	Wednesday, 29 January

In terms of the Scrip Dividend, Pepkor shareholders recorded in the securities register of Pepkor on Friday, 24 January 2020 (“**Record Date**”), will be entitled to be issued fully-paid Pepkor ordinary no par value shares in respect of all or part of their ordinary shareholding as at the close of business on the Record Date, in proportion to their ordinary shareholding and to the extent that such shareholders have not elected to receive the Alternative Cash Dividend.

Shareholders will, however, be entitled to elect to receive the Alternative Cash Dividend of 20.9 cents per share, held in respect of all or part of their ordinary shareholding in Pepkor on the Record Date, instead of the Scrip Dividend. For the avoidance of doubt, shareholders who do not elect to receive the Alternative Cash Dividend, will automatically receive the Scrip Dividend (the Scrip Dividend is the default option).

The number of Pepkor ordinary shares to which a shareholder will become entitled in terms of the Scrip Dividend will be determined with reference to such shareholder’s ordinary shareholding in Pepkor (at the close of business on the Record Date) in relation to the ratio that 20.9 cents bears to the volume weighted average price (“**VWAP**”) at which Pepkor ordinary shares traded on the exchange operated by the JSE Limited (“**JSE**”) during the 10 trading day period ending on Monday, 13 January 2020, discounted by 5%. The finalisation information including the ratio applicable to the Scrip Dividend is expected to be released on SENS on Tuesday, 14 January 2020, by 11:00 am.

Where a Shareholder’s entitlement under the Scrip Dividend to new Pepkor ordinary shares gives rise to a fraction of a new Pepkor ordinary share, such fraction will be rounded down to the nearest whole number, resulting in allocations of whole Pepkor ordinary shares and a cash payment in respect of the fraction. In terms of the Listings Requirements of the JSE, the applicable cash payment in respect of fractional entitlements will be determined with reference to the VWAP of Pepkor ordinary shares traded on the JSE on Wednesday, 22 January 2020, (being the day on which Pepkor ordinary shares begin trading ‘ex’ the entitlement to receive the Scrip Dividend or the Alternative Cash Dividend), less 10%. The value to be used for calculating cash payments for fractional entitlements will be announced on SENS on Thursday, 23 January 2020, by 11:00 am.

The distribution of the Circular, and the rights and entitlements to receive Pepkor ordinary shares pursuant to the Scrip Dividend in jurisdictions other than the Republic of South Africa, may be restricted by law and any failure to comply with such restrictions may constitute a violation of the securities laws of such jurisdictions. Accordingly, shareholders will not be entitled to receive any Scrip Dividend shares, directly or indirectly, in those jurisdictions and shall be deemed to have elected the Alternative Cash Dividend. Such non-resident Shareholders should inform themselves about and observe any applicable legal requirements

in such jurisdictions. Shareholders who have any doubts as to their position, including, without limitation, their tax status, should consult an appropriate adviser in the relevant jurisdictions without delay.

The Circular will be available on the Company's website at <https://www.pepkor.co.za/investor-relations/shareholder-diary-meetings-and-notices>. In addition, copies of the Circular will be available for inspection, in English only, during normal business hours until Friday, 24 January 2020 at the Company's registered office at 36 Stellenberg Road, Parow Industria and at the offices of its sponsor, PSG Capital, at 1st Floor, Ou Kollege, Stellenbosch and 2nd Floor, Building 3, 11 Alice Lane, Sandhurst, Sandton.

7 January 2020

Transaction Advisor and Sponsor

PSG Capital



PSG CAPITAL