

**PICK N PAY HOLDINGS LIMITED RF
("the Company")**

**Minutes of the General Meeting of Shareholders
held in the Conference Centre at the registered office of the Company
situated at 101 Rosmead Avenue, Kenilworth, Cape Town
on Monday 25 July 2016 at 08h30**

WELCOME

Rene de Wet advised shareholders that the Chairman, Raymond Ackerman, had mandated him to chair the General Meeting and enquired as to whether there were any objections from the members present. There being no objections from the members present, the meeting continued as proposed.

QUORUM FOR THE MEETING

The quorum for the meeting was three members personally present and entitled to vote, who between them held in excess of 25% of the issued shares. Representatives of the controlling shareholder were taken into account in determining quorum, but would not vote on any of the resolutions proposed.

Rene de Wet announced that the necessary quorum was present and the meeting was declared duly constituted.

APOLOGIES

It was noted that directors and alternate directors who were members of the Ackerman family would not attend the meeting, as the Ackerman family had undertaken not to vote their shareholding. Apologies were recorded from Raymond Ackerman, Wendy Ackerman, Gareth Ackerman, Suzanne Ackerman-Berman, Jonathan Ackerman and David Robins.

CHAIRMAN'S ADDRESS

Rene de Wet addressed the shareholders as follows:

"This general meeting has been called so that shareholders can vote on a proposal put forward by the controlling shareholder to eliminate the pyramid control of the listed companies in the Pick n Pay group of companies.

"The rationale for, and terms of, the proposal as well as the effects thereof are fully described in the circular to shareholders and the documents that accompanied such circular, all dated 24 June 2016.

"In summary, the proposal comprises –

- the unbundling by Pick n Pay Holdings RF of all of its ordinary shares in Pick n Pay Stores to its shareholders. Each Holdings shareholder will receive about 48.75 Stores shares for every 100 shares in Holdings; and
- the creation and issue of B shares by Stores to the ultimate controlling shareholders (being the Ackerman Family). The B shares will only carry voting rights so as to put the controlling shareholders in the same voting position as

they effectively enjoy in Stores before the unbundling. The B shares will not carry any rights to dividends, proceeds on a winding-up or any other economic rights.

“The unbundling and the issue of the B shares are inter-conditional and inextricably linked.

“After the unbundling, Holdings will have no substantive assets, other than the cash required to settle costs and expenses. Holdings will be an empty shell. It will not qualify to maintain a listing on the JSE. It is proposed that all of the shares in Holdings be purchased by Pick n Pay Stores Limited for a nominal amount, pursuant to a scheme of arrangement in terms of section 114 of the Companies Act. This will result in Holdings becoming a wholly owned subsidiary of Stores, which will then attend to the orderly winding up of Holdings.

“In addition, after the unbundling, shareholders will hold shares directly in Pick n Pay Stores Limited, rather than indirectly through Pick n Pay Holdings Limited.

“To pay for the expenses of the unbundling, a portion of Holdings’ asset will be sold.

“The Independent Board of the Company has considered the proposal put forward by the Ackerman Family and believes that the unbundling will be to the benefit of its shareholders for the reasons set out in the circular.

“As such the Independent Board of Directors has recommended that shareholders vote in favour of the resolutions required to implement the proposal.

“Please bear in mind that the resolutions in the notice are subject to the condition precedent that shareholders of Pick n Pay Stores Limited pass the resolutions required to give effect to the proposal. Accordingly, even if the resolutions considered at this meeting are passed, the proposal will only be implemented if the required resolutions of Stores’ shareholders are passed.

“I now turn to the business of the meeting.”

VOTING PROCEDURES

Voting took place by means of a poll and ballot forms were handed to shareholders during registration. Ballot forms were completed after each resolution was put to the meeting. In order to expedite the proceedings, forms were collected only after all the resolutions had been put to the meeting and voted on.

Computershare Investor Services Proprietary Limited (the Scrutineers) was nominated and accepted to act as Scrutineers for the purposes of the poll.

NOTICES OF THE MEETING AND OTHER FORMALITIES

Rene de Wet stated that the notice convening the General Meeting, as set out in the circular dated 24 June 2016, had been in members’ hands for the prescribed period, having been posted on the Company website and despatched by registered post to shareholders on 24 June 2016. The notice contained full details of all the resolutions to be considered at the meeting. There being no changes to the proposed resolutions, Rene de Wet proposed, and it was agreed, that the Notice be taken as read.

Rene de Wet advised that the minutes of this General Meeting would be posted on the Company's website after approval by the Board at the next Board meeting in October 2016.

Rene de Wet proposed, and it was agreed, that the members proceed with the business of the meeting. Before putting the resolutions to the meeting, Rene de Wet invited comments from shareholders.

COMMENTS FROM SHAREHOLDERS

The following matters were raised:

Anita Gilmour asked why no member of the Ackerman family was present at the shareholder meeting. Rene de Wet advised that the Ackerman family had undertaken not to vote on the proposal they had put forward to the Pick n Pay listed companies, and had elected not to participate in any debate on the proposal so as to avoid influencing the outcome of the vote of the minority shareholders. The Ackerman family would be present at the annual general meeting to be held upon the conclusion of the general meetings.

Chris Logan congratulated the Company on the proposal, expressing the hope that it was successful as it liberated value and eliminated a cause of management distraction. He queried why it had taken so long for the Ackerman family to make the proposal, given that the advantages as set out in the circular had been known for some time. Rene de Wet advised that it was the prerogative of the Ackerman family to decide on the timing of any proposal they may wish to make. Jeff van Rooyen added that the Ackerman family had taken the time to put together a structure that would meet the needs of Pick n Pay while retaining control for the family. Shareholders were advised over the years that the Ackerman family were applying their minds to the issue. When ready, the proposal was presented to the listed companies in the Pick n Pay who, after interrogating it in detail, agreed that it made sense for Pick n Pay. Jeff van Rooyen reiterated that the Ackerman family had agreed not to vote on the proposal, leaving the decision in the hands of minority shareholders.

Chris Logan asked why the proposal did not go all the way to "one share one vote". Hugh Herman responded that the Ackerman family wished to retain control. The pyramid control structure was put in place following due process and shareholders had invested in full knowledge of the control structure. The move from the pyramid control structure to a B share control structure was seen as progress towards a more "democratic" structure as the B shares had a mechanism to be relinquished over time. However it was emphasised that no timing had been proposed for the relinquishing of control.

Anita Gilmour noted that she preferred to invest in family-controlled businesses. Hugh Herman assured her that the Ackerman family had advised the board that they would remain involved in Pick n Pay, were happy with the professional management of the company and had no intention of selling at this time.

Mike Marsden asked if there were tax consequences for shareholders. Jeff van Rooyen referred the meeting to paragraph 13 on page 20 of the circular, which set out that the Company intended to rely on the provisions of section 46 of the Income Tax Act, which provides relief from inter alia income tax and capital gains tax which would ordinarily be payable in respect of an unbundling of this nature.

Mike Marsden asked why shareholders should accept a voting reduction of 32% with no commensurate value being offered. Jeff van Rooyen noted that the dilution of the voting rights of minority shareholders could only succeed if the minority shareholders agreed to it. For minority shareholders to accept this theoretical disadvantage, there would have to be compelling advantages to the proposal that outweighed the voting dilution. Accepting the proposal would collapse a cumbersome structure, create better liquidity in the share and make it easier to potentially raise capital. Hugh Herman added that the Ackerman family already had control, so an existing aspect of the current structure was being replicated.

Anita Gilmour asked why the Company should pay any expenses related to the proposal. Rene de Wet advised that, as set out in the circular, the Ackerman family would be paying both directly and indirectly towards the expenses of the proposal. Given the advantages to Company shareholders of unlocking the discount, and the other advantages of the proposal, it was felt that it was fair that the shareholders should contribute towards the expenses. Mrs Gilmour disagreed with this conclusion.

Murray (JM) Wilson asked if the transaction would attract capital gains tax as a deemed disposal. He was assured that the Company intended to rely on the provisions of section 46 of the Income Tax Act.

Chris Logan noted that shareholders would save expenses in the future, as the proposed structure would cost less to administer. He added that he supported family control for Pick n Pay.

Mr Michael Florence asked for a breakdown of the anticipated costs of the transaction. Jeff van Rooyen referred him to page 22 of the Circular, which set out costs in the region of R15.5 million for the Company and R2 million for Pick n Pay Stores Limited. Jeff van Rooyen reiterated that the Ackerman family would bear two-thirds of the Company's costs, directly and indirectly. Michael Florence noted that the Ackerman family had invested heavily in the Pick n Pay group over many years, and that with the appointment of professional management the Company had gone from strength to strength in recent years. He stated that he viewed the expenses of the proposed transaction as negligible compared to the benefits of unbundling the pyramid structure of the Pick n Pay group.

No further comments were made or questions were raised from the floor. Rene de Wet proceeded with the business of the meeting.

SPECIAL RESOLUTION NUMBER 1 – UNBUNDLING AND CONSEQUENT DISPOSAL OF ALL OR A GREATER PART OF THE COMPANY'S ASSETS

Rene de Wet proposed Special Resolution Number 1 as set out in the Notice and called upon any member to second the motion. The motion was seconded by Freya Griffiths.

The motion was opened for discussion. There being no questions from the floor, the Chairman requested the members to vote on Special Resolution Number 1 by recording their votes on the ballot forms.

The outcome of the voting result was confirmed to be as follows:

	Number	Percentage
Votes in favour	162 449 138	99.33548%

Votes against	1 086 734	0.66452%
Abstain	283 001	0.11411%
Total votes cast	163 535 872	100%

Special Resolution Number 1 was subsequently declared to have been passed and the unbundling and consequent disposal of all or a greater part of the Company's assets to have been approved by the members.

SPECIAL RESOLUTION NUMBER 2: APPROVAL OF THE SCHEME OF ARRANGEMENT

Rene de Wet proposed Special Resolution Number 2 as set out in the Notice and called upon any member to second the motion. The motion was seconded by Sonja Lassen.

The motion was opened for discussion and, there being no questions from the floor, members were asked to complete the ballot forms in respect of Special Resolution Number 2.

The outcome of the voting results was confirmed to be as follows:

	Number	Percentage
Votes in favour	162 449 139	99.33548%
Votes against	1 086 734	0.66452%
Abstain	283 000	0.11411%
Total votes cast	163 535 873	100%

Special Resolution Number 2 was subsequently declared to have been passed and the scheme of arrangement, pursuant to which all the shares in the Company were to be acquired from Holdings shareholders to facilitate the winding-up of the Company, to have been approved by the members.

SPECIAL RESOLUTION NUMBER 3: AMENDMENTS TO THE PICK N PAY EMPLOYEE SHARE SCHEMES

Rene de Wet proposed Special Resolution Number 3 as set out in the Notice and called upon any member to second the motion. The motion was seconded by Mark Lassen.

The motion was opened for discussion. Mrs Gilmour enquired how many people were involved in the Pick n Pay Employee Share Schemes. Rene de Wet confirmed that there were a substantial number as long service shares were awarded in the Company. There being no further questions from the floor, members were asked to complete the ballot forms in respect of Special Resolution Number 3.

The outcome of the voting results was confirmed to be as follows:

	Number	Percentage
Votes in favour	162 156 752	99.15669%
Votes against	1 379 121	0.84331%
Abstain	283 000	0.11411%
Total votes cast	163 535 873	100%

Special Resolution Number 3 was subsequently declared to have been passed and the amendments to the Pick n Pay Employee Share Schemes to have been approved by the members.

SPECIAL RESOLUTION NUMBER 4: AMENDMENT TO THE COMPANY'S MEMORANDUM OF INCORPORATION

Rene de Wet proposed Special Resolution Number 4 as set out in the Notice and called upon any member to second the motion. The motion was seconded by Vaughan Pierce.

The motion was opened for discussion and, there being no questions from the floor, members were asked to complete the ballot forms in respect of Special Resolution Number 4.

The outcome of the voting results was confirmed to be as follows:

	Number	Percentage
Votes in favour	162 449 147	99.33548%
Votes against	1 086 725	0.66452%
Abstain	283 001	0.11411%
Total votes cast	163 535 872	100%

Special Resolution Number 4 was subsequently declared to have been passed and the amendments to the Company's Memorandum of Incorporation to have been approved by the members.

ORDINARY RESOLUTION NUMBER 1: DIRECTORS' AUTHORISED TO ACT

Rene de Wet proposed Ordinary Resolution Number 1 as set out in the Notice and called upon any member to second the motion. The motion was seconded by Michael Florence.

The motion was opened for discussion. There being no questions from the floor, members were asked to complete the ballot forms in respect of Ordinary Resolution Number 1.

The outcome of the voting results was confirmed to be as follows:

	Number	Percentage
Votes in favour	162 156 743	99.15669%

Votes against	1 379 121	0.84331%
Abstain	283 009	0.11411%
Total votes cast	163 535 864	100%

Ordinary Resolution Number 1 was subsequently declared to have been passed by the requisite majority of votes.

RESULTS OF THE BALLOT

The Scrutineers collected the ballot forms and calculated the voting results, which were duly certified by the Company Secretary.

Rene de Wet announced the results of the ballot, confirming that all resolutions had been passed with the requisite majority. Shareholders applauded.

CLOSING

Rene de Wet asked the meeting if there was any further business to be executed. No further business was forwarded by members. The proceedings of the General Meeting were formally closed by Rene de Wet after he thanked all members for their attendance.

Members were reminded that, although all resolutions had been passed by the requisite majority, implementation was subject to the condition precedent that shareholders of Pick n Pay Stores Limited passed the resolutions required to give effect to the inter-conditional proposal to eliminate the pyramid control structure of the Pick n Pay listed companies. The general meeting of Pick n Pay Stores Limited being held to consider this proposal was scheduled to take place after closure of the General Meeting. The results would be published on SENS.

THESE MINUTES WERE CERTIFIED TO BE A TRUE AND CORRECT RECORD OF THE PROCEEDINGS BY THE BOARD OF DIRECTORS OF THE COMPANY AT THE GENERAL MEETING HELD AT KENILWORTH ON 25 JULY 2016.

**SIGNED AS CORRECT
DIRECTOR**

DATE