

# notice of annual general meeting

Notice is hereby given that the 83<sup>rd</sup> Annual General Meeting of shareholders will be held in the boardroom of the Company, Upper Level, North Concourse, 65 Masabalala Yengwa Avenue, Durban on Wednesday 31 August 2016 at 14h30. The following business will be conducted and resolutions proposed, considered and, if deemed fit, passed with or without modification. For clarification, the following abbreviations are employed in this notice:

“the Act”	The Companies Act (71 of 2008)
“the Company”	Mr Price Group Limited
“the Group”	Mr Price Group Limited and its consolidated entities
“King III”	King Code of Governance for South Africa 2009
“the Listings Requirements”	The Listings Requirements of the JSE Limited
“the MOI”	The Memorandum of Incorporation of the Company
“Specific Repurchase”	As contemplated in Special Resolution No 3 of this Notice of Meeting

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## 1. Ordinary resolution No. 1 – Adoption of the Annual Financial Statements

“Resolved that the Annual Financial Statements for the year ended 2 April 2016, incorporating the Report of the Directors and the Report of the Audit and Compliance Committee, having been considered, be adopted.”

## 2. Ordinary resolution Nos. 2.1 to 2.3 – Re-election of Directors retiring by rotation

“Resolved to re-elect, each by way of a separate vote, the following non-executive Directors, who retire by rotation in terms of the MOI, but being eligible, offer themselves for re-election:

**2.1** Mr SB Cohen;

**2.2** Mr K Getz; and

**2.3** Mr MJD Ruck.”

Abbreviated details of the above Directors are outlined in Appendix 1.

## 3. Ordinary resolution No. 3 – Re-election of independent auditor

“Resolved that, as recommended by the Audit and Compliance Committee, Ernst & Young Inc. be re-elected as the independent registered auditor of the Company and that Mr V Pillay be appointed as the designated registered auditor to hold office for the ensuing year.”

## 4. Ordinary resolution Nos. 4.1 to 4.4 – Election of members of the Audit and Compliance Committee

“Resolved that, subject to the passing of ordinary resolution 2.3, the following independent non-executive Directors be elected, each by way of a separate vote, as members of the Audit and Compliance Committee of the Company for the period from 1 September 2016 until the conclusion of the next Annual General Meeting of the Company:

**4.1** Mr MR Johnston;

**4.2** Ms D Naidoo;

**4.3** Mr MJD Ruck; and

**4.4** Mr WJ Swain.”

Abbreviated details of the above Directors are outlined in Appendix 1.

## 5. Ordinary resolution No. 5 – Non-binding advisory vote on the Remuneration Policy of the Company

“Resolved that in terms of the recommendations of King III, the Remuneration Policy of the Company, under the heading “Remuneration Report” in the Annual Integrated Report, having been considered, be adopted.”

## 6. Ordinary resolution No. 6 – Adoption of the Report of the Social, Ethics, Transformation and Sustainability Committee

“Resolved that the Report of the Social, Ethics, Transformation and Sustainability Committee, as set out in the Annual Integrated Report, having been considered, be adopted.”

## 7. Ordinary resolution No. 7 – Signature of documents

“Resolved that any one Director or the secretary of the Company be and they are hereby authorised to do all such things and sign all documents and take all such action as they consider necessary to implement the

resolutions set out in the notice convening this Annual General Meeting at which this ordinary resolution will be considered.”

#### 8. Ordinary resolution No. 8 – Control of unissued shares

“Resolved that the authorised but unissued ordinary shares of the Company be placed under the control of the Directors, until the next Annual General Meeting, subject to a maximum of 5% of the shares in issue (equating to 12 799 794 ordinary shares), to be allotted, issued and otherwise disposed of on such terms and conditions and at such time/s as the Directors may from time to time in their discretion deem fit; subject to the provisions of the Act and excluding an issue of shares for cash as contemplated in the Listings Requirements.”

#### Statement of Board's intention

The resolution would be for purposes other than the issuing of shares for the approved share schemes, for which authority has already been obtained from shareholders, and corporate actions which are subject to the Listings Requirements. At this point in time, the Directors of the Company have no specific intention to effect the provisions of this ordinary resolution.

#### 9. Special Resolution No 1 – Remuneration of Directors

“Resolved that the annual remuneration of each non-executive Director of the Company be approved, as a special resolution in terms of Section 66 of the Act, with effect from 3 April 2016 as follows:

1.1	Independent non-executive Chairman of the Company	R 1 327 500
1.2	Honorary Chairman of the Company	R 663 750
1.3	Lead Director of the Company	R 393 000
1.4	Other Director of the Company	R 329 250
1.5	Chairman of the Audit and Compliance Committee	R 205 000
1.6	Member of the Audit and Compliance Committee	R 121 600
1.7	Chairman of the Remuneration and Nominations Committee	R 167 800
1.8	Member of the Remuneration and Nominations Committee	R 87 650
1.9	Chairman of the Social, Ethics, Transformation and Sustainability Committee	R 133 800
1.10	Member of the Social, Ethics, Transformation and Sustainability Committee	R 84 950.”

#### Reason and effect

To grant the Company the authority to pay fees to its non-executive Directors for their services as Directors, in line with the recommendations of King III and the Act.

#### 10. Special resolution No. 2 – General authority to repurchase shares

“Resolved that the Board of Directors of the Company be and is hereby authorised, by way of a renewable general authority, to approve the purchase from time to time of its own issued ordinary shares by the Company, or approve the purchase of ordinary shares in the Company by any subsidiary of the Company upon such terms and conditions and in such amounts as the Directors of the Company may from time to time determine, but always subject to the provisions of the Act, the MOI and the Listings Requirements, when applicable, and any other relevant authority, provided that:

- a) a resolution has been passed by the Board of Directors confirming that the Board has authorised the general repurchase, that the Company and its subsidiaries passed the solvency and liquidity test and that since the test was done, there have been no material changes to the financial position of the Group;
- b) the authorisation contemplated by this Special Resolution shall be valid only until the next Annual General Meeting or for 15 (fifteen) months from the date of this resolution, whichever period is the shorter;
- c) the general repurchase of securities will be affected through the order book operated by the JSE trading system and done without any prior understanding or arrangement between the Company and the counter party (reported trades are prohibited);
- d) in determining the price at which the Company's ordinary shares are acquired by the Company in terms of this general authority, the maximum premium at which such ordinary shares may be acquired will be 10% of the weighted average of the market value of the Company's securities over the 5 business days immediately preceding the date of the repurchase of such ordinary shares by the Company. The JSE should be consulted for a ruling if the Company's securities have not traded in such 5 business day period;
- e) the acquisition of ordinary shares in aggregate in any one financial year does not exceed 5% of the Company's issued ordinary share capital as at the beginning of that financial year;
- f) the Company or subsidiaries are not repurchasing securities during a prohibited period as defined in paragraph 3.67 of the Listings Requirements unless they have in place a repurchase programme where the dates and quantities of the Company's securities to be traded during the relevant period are fixed (not subject to any variation) and full details of the programme have been submitted to the JSE in writing. The Company must instruct an independent third party, which makes its investment decisions in relation to the Company's securities independently of, and uninfluenced by, the Company, prior to the commencement of the prohibited period to execute the repurchase programme submitted to the JSE;
- g) when the Company has cumulatively repurchased 3% of the initial number of the relevant class of securities, and for each 3% in aggregate of the initial number of that class acquired thereafter, an announcement will be made;
- h) at any point in time, the Company will only appoint one agent to effect any repurchase(s) on its behalf;

- i) any such general repurchases are subject to exchange control regulations and approval at that point in time; and
- j) the number of shares purchased and held by a subsidiary or subsidiaries of the Company shall not exceed 5% in the aggregate of the number of issued shares in the Company at the relevant times."

#### **Reason and effect**

To authorise the Company and any of its subsidiaries, by way of general approval, to acquire the Company's issued shares on the terms and conditions and in such amounts to be determined from time to time by the Directors of the Company, subject to the limitations set out above.

#### **Statement of Board's intention**

The Directors of the Company have no specific intention to effect the provisions of this Special Resolution but will continually review the Group's position. Any consideration to effect the provisions of the Special Resolution will take into account the prevailing circumstances and market conditions.

#### **11. Special Resolution No. 3 – Specific authority to repurchase treasury shares**

"Resolved that, the Company be and is hereby authorised, by way of a specific authority, in terms of the Act, the Listings Requirements and its MOI, to acquire and cancel 2 000 000 of its own issued ordinary shares, (par value 0.025 cents) at the volume weighted average price of Mr Price Group ordinary shares for the 30 days prior to 31 August 2016, from the Mr Price Partners Share Trust (Master's reference number IT4984/2006)."

#### **Reasons and effect**

As previously reported in the Group's Remuneration Reports, there has been a shift in the allocation formula for both share and share option awards to associates, taking into account the annual guaranteed remuneration of participants and the prevailing share price at the time of the offer. The impact of these allocation changes, coupled with operational restructuring within the Group and natural attrition, has resulted in the number of shares and share options being offered reducing over time.

The Mr Price Partners Share Trust ("Trust") needs to have available sufficient issued shares in the Company in order to meet the rights of participants in respect of such shares (including dividend and voting rights) in accordance with the provisions of the Trust. The forfeiture of shares by departing participants has however resulted in a surplus of unallocated shares in the Trust. In terms of Schedule 14.3 (f) of the Listings Requirements, these unallocated shares must revert to the scheme. It is contrary to the spirit of Schedule 14.3 of the JSE Listings Requirements and the scheme for the unallocated shares to be held indefinitely by the Trust, in that they are surplus to the needs of the scheme and are not likely to be allocated to participants in the foreseeable future. The total shareholding for the Trust as at the last practicable date is 6 527 916 ordinary shares, whilst 2 000 000 of these ordinary shares are unallocated and accordingly the subject of this specific repurchase.

The 2 000 000 unallocated ordinary shares (par value 0.025 cents) will be cancelled as a result of the repurchase (at the volume weighted average price of Mr Price Group ordinary shares for the 30 days prior to 31 August 2016) and returned to the status of authorised and unissued shares. This would largely rebalance the number of shares in issue, taking into account the allotment and issue in May 2016 of 2 312 013 shares to various share option schemes operated by the Group. This subscription was required to meet the vesting obligations of those share option schemes over the forthcoming year.

#### **Additional information in respect of special resolutions number 2 and 3**

As required by the Listing Requirements, additional Information relating to special resolutions number 2 and 3, is set out in Appendix 2.

#### **12. Special resolution No. 4 – Financial assistance to related or inter-related Company**

"Resolved that the Directors, in terms of and subject to the provision of Section 45 of the Act, be authorised to cause the Company to provide any financial assistance to any company or corporation which is related or inter-related to the Company."

#### **Reason and effect**

To grant the Directors of the Company the authority to cause the Company to provide financial assistance to local and international subsidiary companies affecting the Group's operations. It does not authorise the provision of financial assistance to a Director or Prescribed Officer of the Company.

#### **13. Special resolution No. 5.1 – amendment to the MOI (part 1)**

"Resolved that the MOI of the Company be and is amended by:

- inserting the following new clauses 10.3 and 10.4 after clause 10.2 and renumbering the existing clauses of section 10 of the MOI, which new clauses 10.3 and 10.4 read as follows:

"10.3 The rights of Shareholders to be represented by proxy shall be governed by the provisions of section 58 of the Act, subject to the provisions of clause 10.4 below, as read with any applicable provisions of the JSE Listings Requirements.

10.4 A copy of the instrument appointing a proxy must be delivered to the Company, or to any other person on behalf of the Company, before the proxy exercises any rights of the Shareholder at a Shareholder's Meeting, not less than 48 hours before the time for holding the Meeting at which the person named in the instrument of proxy proposes to vote, and in default of complying herewith the instrument of proxy shall not be treated as valid."

- amending the table of contents to accommodate the inserted clauses."

#### **14. Special resolution No. 5.2 – amendment to the MOI (part 2)**

"Resolved that the MOI of the Company be and is amended by:

- removing clause 12.1 clause which reads as follows:

"12.1 If, on any capitalisation issue, Shareholders would, but for the provisions of this clause become entitled to fractions of Shares, the Board shall, subject to any contrary provisions in the Resolution authorising the capitalisation issue, be entitled to round off the number of capitalisation Shares to be received to the nearest whole number or to sell the Shares resulting from the aggregation of those fractions, on such terms and conditions as it deems fit, for the benefit of the relevant Shareholders, and any Director shall be empowered to sign any instrument of transfer or other instrument necessary to give effect to that sale."

- inserting the following new clauses after 15.1.4, which read as follows:

"15.2 In respect of any corporate action that may result in fractional entitlements arising, all allocations of Securities will be rounded down to the nearest whole number resulting in allocations of whole securities and a cash payment (subject to compliance with the JSE Listings Requirements) for the fractions. The cash payment will be made in terms of the JSE Listings Requirements. The Company will release an announcement on LDT + 2 (last day to trade plus two days) in respect of the cash value determined.

15.3 For the purposes of clause 15.2:

15.3.1 "corporate action" has the meaning assigned thereto in the JSE Listings Requirements;

15.3.2 the provisions of clause 15.2, for the avoidance of any doubt, will apply *mutatis mutandis* to any capitalisation issue in terms of clause 12;

15.3.3 any corporate action events to which fraction payouts will not apply (including any rights offers and any corporate event to the extent that it encompasses any share entitlements to any unlisted company) will be determined in terms of the JSE Listings Requirements. Any provision of clause 15.2 which is inconsistent with the JSE Listings Requirements will accordingly be void to the extent of any such inconsistency."

- amending the table of contents to accommodate the removal of clause 12.1 and the insertion of clauses 15.2 to 15.3.3."

#### **Reasons and effect**

**5.1** Pursuant to section 58(3) of the Act, this amendment stipulates the time period for the appointment of a proxy and the delivery of the voting instrument by the appointed proxy as being 48 hours prior to the commencement of a shareholder meeting.

**5.2** Amendments to Schedule 18 of the Listing Requirements, effective 8 April 2016, addressed the treatment of fractional entitlement in corporate actions. Previously, fractional entitlements were rounded up or down to the nearest whole number. This amendment results in all allocations of securities being rounded down to the nearest whole number and a cash payment being paid for the fraction at beneficial owner level. Companies have been given to 1 May 2017 to align their MOI to the new fractional entitlement practice.

The full MOI is available upon request from the Company Secretary, who can be reached via the email address [hgrosvenor@mrpg.com](mailto:hgrosvenor@mrpg.com)

#### **15. To transact such other business as may be transacted at an Annual General Meeting**

##### **Voting and proxies**

Shareholders who have not dematerialised their shares or who have dematerialised their shares with 'own name' registration are entitled to attend and vote at the meeting and are entitled to appoint a proxy or proxies to attend, speak and vote in their stead. The person so appointed need not be a shareholder. Proxy forms should be forwarded to reach the Company's transfer secretaries, Computershare Investor Services (Proprietary) Limited, 70 Marshall Street, Johannesburg, 2001 or be posted to the transfer secretaries at PO Box 61051, Marshalltown, 2107 to be received by them by 14h30 on Monday, 29 August 2016, being not less than 48 hours before the time fixed for the holding of the meeting (excluding Saturdays, Sundays and public holidays). Proxy forms must only be completed by shareholders who have not dematerialised their shares or who have dematerialised their shares with 'own name' registration.



Consistent with the provisions of the Companies Act and aligned with good corporate governance, all resolutions will be voted via a poll and not a show of hands. On a poll, every shareholder of the Company holding an ordinary share has one vote for every ordinary share held in the Company by such shareholder and every shareholder holding a B ordinary share has 12 votes per share for every B ordinary share held in the Company by such shareholder. Shareholders who have dematerialised their shares, other than those shareholders who have dematerialised their shares with 'own name' registration, should contact their CSDP or broker in the manner and time stipulated in their agreement:

- to furnish them with their voting instructions; and
- in the event that they wish to attend the meeting, to obtain the necessary authority to do so.

Voting percentages required for the passing of resolutions:

- ordinary resolutions numbers 1 to 8: more than 50% of votes cast
- special resolutions numbers 1 to 5: more than 75% of votes cast

### **Participation in the meeting**

The Board of Directors of the Company has determined that the record date for the purpose of determining which shareholders of the Company are entitled to receive notice of the 83<sup>rd</sup> Annual General Meeting is Friday 17 June 2016 and the record date for purposes of determining which shareholders of the Company are entitled to participate in and vote at the Annual General Meeting is Friday 26 August 2016. Only shareholders who are registered in the register of members of the Company on Friday 26 August 2016 will be entitled to participate in and vote at the Annual General Meeting. Accordingly, the last day to trade in order to be entitled to participate in and vote at the Annual General Meeting is Tuesday 23 August 2016.

In compliance with the provisions of the Act, shareholders may participate in the meeting by way of teleconference call. To obtain dial-in details, shareholders or their proxies must contact the Company Secretary by email ([hgrosvenor@mrpg.com](mailto:hgrosvenor@mrpg.com)) by no later than 14h30 on Tuesday 30 August 2016. Note that shareholders will be billed separately for the dial in call by their telephone service providers.

Voting will not be possible via the teleconference call and shareholders wishing to vote their shares will need to be represented at the meeting either in person, by proxy or by letter of representation, as provided for in this Notice of Meeting.

Equity securities held by a Mr Price Group Limited share trust or scheme will not have their votes at the Annual General Meeting taken into account for the purposes of resolutions proposed in terms of the Listings Requirements.

Kindly note that meeting participants (including proxies and teleconference call participants) are required to provide reasonably satisfactory identification before being entitled to attend or participate in a shareholders' meeting. Forms of identification include valid identity documents, driver's licenses and passports.

### **Shareholders are encouraged to attend the Annual General Meeting.**

By order of the Board  
HE Grosvenor  
Company Secretary  
31 May 2016



## appendix 1

### Non-executive Directors retiring by rotation and standing for re-election

#### Mr SB Cohen

Qualifications:	BCom, LLB (Rhodes), MBA (UCT)
Date of appointment to the Board:	23 March 1989
Position held:	Non-executive Director (Honorary Chairman)
Committee membership:	He was previously a member of the Audit Committee and the Remuneration and Nominations committees, which he still attends by invitation.
Other directorships include:	He is also involved in a number of CSI projects, mainly in education some of which are with the MRP Foundation.

Stewart's thesis for his MBA was a study of Discount Department Stores and Hypermarkets which was followed by further research on the future of e-tailing. He was admitted to Cape Bar as an Advocate and soon thereafter began a retail career. He was General Manager of listed Grand Bazaars, MD of Ackermans and partner in retail consultants Cohen, Chiappini and Associates. He was joint MD (with Laurie Chiappini) of Specialty Stores (later renamed Mr Price Group) and became Joint Chairman of Mr Price Group and is currently Honorary Chairman.

During his retail career he was a store manager, regional manager, store operations director, property director, internal auditor and store development/ design director. He has travelled overseas extensively to study retail and fashion trends and attended specialist retail programmes at Harvard Business School. He was directly involved in the major acquisitions and financial restructurings in Mr Price Group. He developed the Group's vision and value statements and has been intimately involved in developing the people strategies of the Group.

#### Mr K Getz

Qualifications:	BProc, LLM
Date of appointment to the Board:	24 May 2005
Position held:	Non-executive Director
Committee membership:	Chairman of the Social, Ethics, Transformation and Sustainability Committee, Member of the Remuneration and Nominations Committee
Other directorships include:	Bernadt, Vukic, Potash & Getz Attorneys; BVPG Consulting (Pty) Limited; Spur Corporation Limited; Cape Union Mart Group (Pty) Ltd and Strate (Pty) Limited.

Keith has been a practicing attorney since 1980, duly admitted to practice as an attorney in any part of the RSA in terms of applicable law.

#### Mr MJD Ruck

Qualifications:	B Bus Sc (Actuarial Science), PMD (Harvard)
Date of appointment to the Board:	30 July 2007
Position held:	Independent Non-executive Director
Committee membership:	Member Audit and Compliance Committee Member Remuneration and Nominations Committee
Other directorships include:	Standard Bank Group Limited and The Standard Bank of South Africa Limited, and Deputy Chairman ICBC Bank Argentina

Myles started his working life in the actuarial divisions at Old Mutual and Ned-Equity before briefly working in retail (Edgars and Truworhs) as Divisional Administration Manager. In 1995 he joined Standard Merchant Bank (later SCMB), ultimately becoming CEO of SCMB in 1998, deputy CEO of Standard Bank Group in 2002 and CEO of Liberty Group Holdings in 2003. He currently chairs the risk committee of Standard Bank and has had extensive experience and exposure to all the major risk areas presented by both the corporate and individual markets of the bank.



**Audit and Compliance Committee members standing for re-election.****Ms D Naidoo**

Qualifications: B Com, Post Grad Diploma (Acc), M Com (Tax) (University of Natal), CA (SA)  
Date of appointment to the Board: 16 May 2012  
Position held: Independent Non-executive Director  
Committee membership: Chairman Audit and Compliance Committee  
Other directorships include: Anglo American Platinum Limited, Hudaco Industries Ltd, Omnia Holdings Ltd, Strate (Pty) Ltd and Barclays Africa Group Limited

Daisy started her career at Ernst & Young, where she completed her articles. She was then employed by SA Breweries (Durban) as a Financial Planner before moving to Deloitte & Touche (Durban) as an Assistant Tax Manager – Corporate Taxation.

Daisy then gained almost a decade's worth of deal making experience, including heading the Debt Structuring Unit at Sanlam Capital Markets.

She currently serves on the audit, social and ethics and remuneration committees of the boards she is appointed to and provides risk advisory services to a mezzanine fund and serves on credit and investment committees of funds. She is also a trustee of Discovery Health Medical Scheme. She was appointed to the Tax Court as an accountant member serving a 5 year term.

Daisy is a member of SAICA and the IoD.

**Mr MR Johnston**

Qualifications: CA (SA)  
Date of appointment to the Board: 1 February 1998  
Position held: Lead Independent Director  
Committee membership: Chairman of the Special Corporate Governance Meeting of the Board  
Chair of the Remuneration and Nominations Committee  
Member of the Audit and Compliance Committee  
Other directorships include: Strate (Pty) Ltd

Bobby is a business generalist with an accounting background. He ran a stockbroking/jobbing business for 20 years before selling out to FNB. He is past Chairman of JSE Limited and current Chairman of Strate (Pty) Ltd. He is also the administrator of about 40 charitable and family trusts and about 30 companies.

**Mr MJD Ruck**

Detailed above

**Mr WJ Swain**

Qualifications: CA (SA)  
Date of appointment to the Board: 1 February 1998  
Position held: Independent Non-executive Director  
Committee membership: Member of the Audit and Compliance Committee  
Member of the Remuneration and Nominations Committee  
Other directorships include: The Sharks (Pty) Limited

John has an accounting and business background. He served as a partner in the now Ernst & Young (EY) for 24 years before running Commercial Finance Company Limited (a JSE listed Investment Holding Company) and its subsidiaries for 10 years.

Currently apart from Mr Price Group Limited, he is a Director, Trustee and Administrator of approximately 27 private companies, charitable and family trusts.

## appendix 2

### Additional information in respect of special resolutions number 2 and 3

As required by the Listing Requirements, the following additional information is provided for the purposes of considering special resolutions number 2 and 3.

#### Board of Directors of the Company

The Board of Mr Price Group comprises the following Directors:

Name	Business address	Designation
Mr SB Cohen	65 Masabalala Yengwa Avenue, Durban, 4001	Honorary Chairman
Mr NG Payne	65 Masabalala Yengwa Avenue, Durban, 4001	Non-Executive Chairman
Mr SI Bird	65 Masabalala Yengwa Avenue, Durban, 4001	Chief Executive Officer
Mr MM Blair	65 Masabalala Yengwa Avenue, Durban, 4001	Chief Financial Officer
Mr K Getz	65 Masabalala Yengwa Avenue, Durban, 4001	Non-Executive Director
Mr MR Johnston	65 Masabalala Yengwa Avenue, Durban, 4001	Non-Executive Director
Mrs RM Motanyane-Welch	65 Masabalala Yengwa Avenue, Durban, 4001	Non-Executive Director
Ms D Naidoo	65 Masabalala Yengwa Avenue, Durban, 4001	Non-Executive Director
Mr MJD Ruck	65 Masabalala Yengwa Avenue, Durban, 4001	Non-Executive Director
Mr WJ Swain	65 Masabalala Yengwa Avenue, Durban, 4001	Non-Executive Director
Mr N Abrams	65 Masabalala Yengwa Avenue, Durban, 4001	Alternate Director
Mr SA Ellis	65 Masabalala Yengwa Avenue, Durban, 4001	Alternate Director

#### Directors' interests

The interests of the Directors in the share capital of the Company as at 20 May 2016 (being the last practicable date prior to the finalisation of this notice) are set out below:

Director	Ordinary shares					B-Ordinary shares			
	Direct Beneficial	Indirect Beneficial	Held By Associate	Total	%	Indirect Beneficial	Held By Associate	Total	%
SI Bird	365 626	119 000		<b>484 626</b>	0.19				
MM Blair	180 389	100 000	400	<b>280 789</b>	0.11				
SB Cohen	490	500 000	44 588	<b>545 078</b>	0.21	4 500 000		4 500 000	41.11
SA Ellis	67 799	67 248		<b>135 047</b>	0.05				
K Getz			20 000	<b>20 000</b>	0.01				
MR Johnston			91 250	<b>91 250</b>	0.04		46 504	46 504	0.42
WJ Swain		611 670		<b>611 670</b>	0.24				
Total interest				<b>2 168 460</b>	0.85			4 546 504	41.43
Total issued share capital				<b>255 995 880</b>				<b>10 945 081</b>	

There were no changes in the interests of the Directors between the year ended 2 April 2016 and the last practicable date of 20 May 2016.

### Share capital and major shareholders

The authorised and issued share capital of the Company as at the last practicable date is as follows:

	Ordinary	B Ordinary**
Par value	0.025 cents	0.3 cents
Authorised share capital	323 300 000	19 700 000
Total authorised share value	R80 825.00	R59 100.00
Issued share capital *	255 995 880	10 945 081
Total issued share value	R63 998.97	R32 835.24
Treasury shares	13 005 093	-
Share premium	R414 549 894.29	-

\* On 13 May 2016 (being post the year end date of 2 April) 2 312 013 ordinary shares were allotted and issued to the various share option schemes operated by the Group.

\*\* B-ordinary shares are unlisted.

The authorised and issued share capital of the Company after the proposed specific repurchase shall be as follows:

	Ordinary	B Ordinary
Par value	0.025 cents	0.3 cents
Authorised share capital	323 300 000	19 700 000
Total authorised share value	R80 825.00	R59 100.00
Issued share capital	253 995 880	10 945 081
Total issued share value	R63 498.97	R32 835.24
Treasury shares	11 005 093	-
Share Premium	R74 550 394	-

To the Company's best knowledge and belief, the following shareholders or fund managers, other than Directors, held discretionary beneficial interests and/or administered client portfolios amounting to 5% or more of the issued ordinary shares of the Company at the year end date of 2 April 2016:

Shareholder	Beneficial holding		Portfolio administration	
			Discretionary	
	%	Shares	%	Shares
Public Investment Corporation	14.00	35 522 910	-	-
Capital Group Companies Inc	9.70	24 610 468	0.06	138 954

### Board approval for the specific repurchase of shares

In terms of Section 46(1) of the Act, the Board of Directors has authorised the specific repurchase by way of resolution. In approving this resolution the Board acknowledged that it has applied the solvency and liquidity test as set out in Section 4 of the Act, and confirmed that there have been no material changes to the financial position of the Group since the test was applied.

### Statement of Directors in respect of adequacy of capital

As at the date of this Report, the Company's Directors have considered the impact the specific repurchase of 2 000 000 shares (as contemplated in Special Resolution no. 3) and that the provisions of Section 4 and Section 48 of the Act have been complied with and are of the opinion that, for a period of 12 months following the repurchase:

- a) the Company and the Group will be in a position to repay its debts in the ordinary course of business;
- b) the assets of the Company and the Group, being fairly valued in accordance with International Financial Reporting Standards, will be in excess of the liabilities of the Company and the Group;
- c) the share capital and reserves of the Company and the Group will be adequate for ordinary business; and
- d) the available working capital will be adequate to continue the ordinary business purposes of the Company and the Group.

Furthermore, the Company's Directors have considered the effect of repurchasing the maximum number of shares (as contemplated in Special Resolution no. 2) and they will not implement any such repurchase unless they are satisfied that the Company would be able to meet the solvency and liquidity criteria outlined in a) – d) above.

### Directors' responsibility statement

The Directors collectively and individually accept full responsibility for the accuracy of the information pertaining to the abovementioned resolution and certify that to the best of their knowledge and belief there are no 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 the abovementioned resolution contains all information required by law and the Listings Requirements.

### Source of funds

The proposed specific repurchase will be funded from internal cash resources. The proceeds received by the Trust will in turn vest in Mr Price Group Limited as a vested beneficiary of any and all rights to any distribution (except to the extent that such rights vest in any participant in the scheme).

### Financial effects

As the specific repurchase is intra-group, no significant cash will be utilised and the financial effects are minimal. The repurchase consideration for the 2 000 000 shares (at the 30 day VWAP) will be settled via the creation of a loan claim in favour of the Trust. The loan claim, being consideration for the acquisition of the shares by the Company, constitutes a dividend as defined in section 1 of the Income Tax Act. As a vested beneficiary of any and all rights to any distribution (except to the extent that such rights vest in any participant in the scheme), the Company will be entitled to the loan claim when it comes into existence. The loan claim retains its nature as a dividend upon vesting in the Company.

The impact on the total issued share capital is that the ordinary shares (0.025 cents par value) will be reduced by 2 million ordinary shares to 253 995 880. The share capital account will be reduced by R500 (being the 2 million shares at the par value of 0.025 cents per share). The share premium account will reduce by the difference between the purchase price (VWAP for the 30 days prior to 31 August 2016) and the par value of the shares, being 0.025 cents per share. The treasury shares held across all Group share and share option schemes will decrease by 2 million shares.

### Costs of specific repurchase

The transaction costs associated with the specific repurchase amount to approximately R931 000 (VAT exclusive), which represents less than 0.002% of the Mr Price market capitalisation of R44 billion, as at the last practicable date.

Item	Cost (R)
Sponsor fees	40 000
JSE fees	21 000
Security transfer tax estimate	870 000
<b>TOTAL</b>	<b>931 000</b>

### Material change

There have been no material changes in the financial or trading position of the Company and its consolidated entities since the date of signature of the audit report and the date of this notice.

### **Rights of an ordinary shareholder to appoint a proxy:**

In compliance with the provisions of section 58(8)(b)(i) of the Act a summary of the rights of an ordinary shareholder to be represented by proxy, as set out in section 58 of the Act, is set out below:

- an ordinary shareholder entitled to attend and vote at the Annual General Meeting may appoint any individual (or two or more individuals) as a proxy or as proxies to attend, participate in and vote at the Annual General Meeting in the place of the shareholder. A proxy need not be a shareholder of the Company.
- a proxy appointment must be in writing, dated and signed by the ordinary shareholder appointing a proxy and, subject to the rights of an ordinary shareholder to revoke such appointment (as set out below), remains valid only until the end of the Annual General Meeting.
- a proxy may delegate the proxy's authority to act on behalf of an ordinary shareholder to another person, subject to any restrictions set out in the instrument appointing the proxy.
- the form of proxy must be delivered in accordance with instruction 4 to the form of proxy to be valid.
- the appointment of a proxy is suspended at any time and to the extent that the ordinary shareholder who appointed such proxy chooses to act directly and in person in the exercise of any rights as an ordinary shareholder.
- the appointment of a proxy is revocable by the ordinary shareholder in question cancelling it in writing, or making a later inconsistent appointment of a proxy, and delivering a copy of the revocation instrument to the proxy and to the Company. The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy's authority to act on behalf of the ordinary shareholder as of the later of:
  - (a) the date stated in the revocation instrument, if any; and
  - (b) the date on which the revocation instrument is delivered to the Company as required in the first sentence of this paragraph.
- if the instrument appointing the proxy or proxies has been delivered to the Company, as long as that appointment remains in effect, any notice that is required by the Act or the MOI to be delivered by the Company to the ordinary shareholder, must be delivered by the Company to:
  - (a) the ordinary shareholder, or
  - (b) the proxy or proxies, if the ordinary shareholder has
    - (i) directed the Company to do so in writing; and
    - (ii) paid any reasonable fee charged by the Company for doing so.
- a proxy is entitled to exercise, or abstain from exercising, any voting right of the ordinary shareholder without direction, except to the extent that the MOI of the Company or the form of proxy provides otherwise. See further instruction 2 to the form of proxy in this regard.

### **Instructions on signing and lodging this form of proxy:**

1. An ordinary shareholder may insert the name of a proxy or the names of two alternative proxies of the ordinary shareholder's choice in the space/s provided overleaf, with or without deleting 'the Chairman of the meeting', but any such deletion must be initialled by the ordinary shareholder. Should this space be left blank, the proxy will be exercised by the Chairman of the meeting. The person whose name appears first on the form of proxy and who is present at the meeting will be entitled to act as proxy to the exclusion of those whose names follow.
2. An ordinary shareholder's voting instructions to the proxy must be indicated by the insertion of an 'X' or, alternatively, the number of ordinary shares such ordinary shareholder wishes to vote, in the appropriate spaces provided overleaf. Failure to do so will be deemed to authorise the proxy to vote or to abstain from voting at the meeting as he/she thinks fit in respect of all the ordinary shareholder's ordinary shares. An ordinary shareholder or his/her proxy is not obliged to use all the ordinary shares held by the ordinary shareholder, but the total number of ordinary shares voted, or those in respect of which abstention is recorded, may not exceed the total number of ordinary shares held by the ordinary shareholder.
3. A minor must be assisted by his/her parent or guardian unless the relevant documents establishing his/her legal capacity are produced or have been registered by the transfer secretaries.
4. To be valid the completed form of proxy must be lodged with the transfer secretaries of the Company: Computershare, Investor Services (Proprietary) Limited, 70 Marshall Street, Johannesburg, 2001, (PO Box 61051, Marshalltown, 2107), to be received by them not later than Monday 29 August 2016 at 14h30.
5. Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity must be attached to this form of proxy unless previously recorded by the transfer secretaries or waived by the Chairman of the meeting.
6. The completion and lodging of this form of proxy will not preclude the relevant ordinary shareholder from attending the Annual General Meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof, should such ordinary shareholder wish to do so.
7. The completion of any blank spaces overleaf need not be initialled. Any alterations or corrections to this form of proxy must be initialled by the signatory/ies.
8. The Chairman of the meeting may accept any form of proxy which is completed, other than in accordance with these instructions, provided that the Chairman is satisfied as to the manner in which an ordinary shareholder wishes to vote.

# form of proxy

## for use by mr price group limited ordinary shareholders

(Registration number 1933/004418/06) (Incorporated in the Republic of South Africa) ('Mr Price' or 'the Company')  
 For use by Mr Price ordinary shareholders ('ordinary shareholders') at the 83<sup>rd</sup> Annual General Meeting of the Company to be held in the boardroom of Mr Price Group Limited at Upper Level, North Concourse 65 Masabalala Yengwa Avenue, Durban, on Wednesday 31 August 2016 at 14h30.

I/We \_\_\_\_\_

of address \_\_\_\_\_

Telephone number \_\_\_\_\_ Cellphone number \_\_\_\_\_

e-mail address \_\_\_\_\_

being the holder/s of  ordinary shares in the Company, hereby appoint

1. \_\_\_\_\_ or failing him/her,
2. \_\_\_\_\_ or failing him/her,
3. the Chairman of the meeting,

as my/our proxy to attend, speak and vote for me/us and on my/our behalf or to abstain from voting at the Annual General Meeting of the Company and at any adjournment thereof, as follows (see instruction 2 overleaf):

Insert an 'X' or the number of ordinary shares you wish to vote

	in favour	against	abstain
1. <b>Ordinary resolution No. 1</b> Adoption of the Annual Financial Statements.			
2. <b>Ordinary resolution No. 2.1 to No. 2.3</b> Re-election of Directors retiring by rotation			
<b>2.1</b> Mr SB Cohen;			
<b>2.2</b> Mr K Getz; and			
<b>2.3</b> Mr MJD Ruck.			
3. <b>Ordinary resolution No. 3</b> Re-election of independent auditor.			
4. <b>Ordinary resolution No. 4.1 to No. 4.4</b> Election of members of the Audit and Compliance Committee			
<b>4.1</b> Mr MR Johnston;			
<b>4.2</b> Ms D Naidoo;			

Insert an 'X' or the number of ordinary shares you wish to vote

			in favour	against	abstain
<b>4.3</b>	Mr MJD Ruck; and				
<b>4.4</b>	Mr WJ Swain.				
<b>5. Ordinary resolution No. 5</b>	Non-binding advisory vote on the Remuneration Policy of the Company.				
<b>6. Ordinary resolution No. 6</b>	Adoption of the Report of the SETS Committee				
<b>7. Ordinary resolution No. 7</b>	Signature of documents.				
<b>8. Ordinary resolution No. 8</b>	Control of authorised but unissued shares.				
<b>9. Special resolution No. 1.1 to No. 1.10</b>	Non-executive Director remuneration:				
<b>1.1</b>	Independent non-executive Chairman of the Company	R 1 327 500			
<b>1.2</b>	Honorary Chairman of the Company	R 663 750			
<b>1.3</b>	Lead Director of the Company	R 393 000			
<b>1.4</b>	Other Director of the Company	R 329 250			
<b>1.5</b>	Chairman of the Audit and Compliance Committee	R 205 000			
<b>1.6</b>	Member of the Audit and Compliance Committee	R 121 600			
<b>1.7</b>	Chairman of the Remuneration and Nominations Committee	R 167 800			
<b>1.8</b>	Member of the Remuneration and Nominations Committee	R 87 650			
<b>1.9</b>	Chairman of the Social, Ethics, Transformation and Sustainability Committee	R 133 800			
<b>1.10</b>	Member of the Social, Ethics, Transformation and Sustainability Committee	R 84 950			
<b>10. Special resolution No. 2</b>	General authority to repurchase shares.				
<b>11. Special resolution No. 3</b>	Specific authority to repurchase treasury shares.				
<b>12. Special resolution No. 4</b>	Financial assistance to related or inter-related companies.				
<b>13. Special resolution No. 5.1 and No. 5.2</b>	Amendment of the Memorandum of Incorporation.				
<b>5.1</b>	Amendment for time frame on appointment of proxy and voting thereby.				
<b>5.2</b>	Amendment for fractional entitlement.				

Signed at \_\_\_\_\_ on \_\_\_\_\_ 2016

Signature/s \_\_\_\_\_

Assisted by me (where applicable) \_\_\_\_\_

Please read the rights and instructions provided on page 45.