MEDIA STATEMENT

CLARIFICATION REGARDING MEDIA ARTICLES PUBLISHED ABOUT CHOPPIES ENTERPRISES LIMITED

Reference is made to articles published in the Sunday Standard Newspaper dated 2nd to 8th September 2018. The public should be made aware of the following:

1. The articles in discussion refer to Choppies business in Zimbabwe, which is carried out under the name Nanavac Investments Private Limited, trading as Choppies Supermarket Zimbabwe. Choppies Enterprises Limited manages, controls operates, and owns 93% of economic interest in Nanavac Investments Proprietary Limited. This business is a separate entity from the listed Botswana entity Choppies Enterprises Limited. The matters in discussion are accordingly being dealt with in the same context, respecting the two entities separate legal jurisdictions.

2. Allegation of large amounts of cash introduced into supermarkets

This allegation has no foundation as no such non sales transactions have taken place.

3. Pratosh Investments Private Limited

Pratosh Investments is a Zimbabwe registered company, and is independent of the Choppies group. It is a wholesale supplier mainly of perishable groceries, particularly fruit and vegetables to the Zimbabwe supermarket stores.

4. Issues related to Mr Siqokela Mphoko

4.1 It is indeed accurate that Mr. Siqokela Mphoko is a non-executive director and shareholder in Nanavac Investments (Private) Limited, the Zimbabwean subsidiary of Choppies Enterprises Limited.

4.2 Over a period of time, starting in June 2017, Mr. Mphoko routinely approached various ‘Choppies’ supermarkets in Zimbabwe to demand and take cash from the cash till points. He misrepresented to Choppies employees that, as a director, he is entitled to take money from the company via the tills. When Choppies management became aware of this conduct, Mr. Mphoko was informed that he must desist from his actions. He was made aware that his actions do not constitute good practice and, in any event, conflict with Choppies internal policies.

4.3 Despite being requested as above, Mr Mphoko persisted with his conduct. He was further warned that, should he continue, the matter would be reported to the police. As his unacceptable conduct continued, charges were brought against Mr. Mphoko. This resulted in
his arrest and arraignment before a Zimbabwean magistrate on 170 counts of fraud and theft. Mr. Mphoko has since been remanded out of custody on bail.

Subsequently, apparently, Mr. Mphoko has deposed to an affidavit in answer to the criminal charges laid against him. This affidavit makes various untrue allegations. However, that aspect is a matter for the courts to deal with.

4.4 As far as Choppies management is concerned, Mr. Mphoko has been taking money, goods and services not due to him. It is estimated that the overall financial loss to the company is in excess of USD 51,000.

4.5 Contrary to Mr Mphoko’s incorrect assertions, Choppies management is not aware of any enquiry or charges involving any senior operations staff member of Choppies in Zimbabwe.

5 Kindly find below herewith for your ease of references, the articles published in the Zimbabwean Newspapers regarding this matter:


https://www.chronicle.co.zw/mphokos-son-arrested-appears-in-court/

http://www.sundaynews.co.zw/latest-former-vice-presidents-son-in-court/

6th September 2018
Gaborone