Choppies Enterprises Limited
(Registration number 2004/1681)
JSE share code: CHP
BSE share code: CHOPPIES
ISIN: BW0000001072
("Choppies" or the "Company")

NOT FOR PUBLICATION, DISTRIBUTION OR RELEASE, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES OF AMERICA, CANADA, JAPAN OR AUSTRALIA OR ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DO SO

RESULTS OF THE PRIVATE PLACEMENT

1. Introduction

This announcement has been prepared with reference to the Pre-listing Statement issued by Choppies dated 11 May 2015 and to the Abridged Pre-listing Statement released on the Stock Exchange News Service ("SENS") and X-News of the Botswana Stock Exchange on the same day, regarding the secondary inward listing of Choppies in the "Food Retailers and Wholesalers" sector of the main board of the JSE, with effect from the commencement of business on Wednesday, 27 May 2015. Unless otherwise indicated, defined terms used in this announcement are as set out in the Pre-listing Statement.

2. Results of the Offer

The bookbuild in relation to the Offer closed at 12:00 on Wednesday, 20 May 2015 and was strongly over-subscribed.

Choppies and the Selling Shareholders have successfully placed 277 420 758 Offer Shares at an Offer Price of R4.96 per Offer Share, comprising the following:
- a placing of 117 420 758 new Subscription Shares by way of an Offer for Subscription by the Company to raise gross proceeds of R575 million for the Company; and
- a placing of 160 000 000 existing Sale Shares by way of a concurrent Offer for Sale by the Selling Shareholders.

The total value of the 277 420 758 Offer Shares placed in the Offer is R1 359 million.

3. Listing and Settlement

The Settlement Date in respect of the Offer and the Listing Date are expected to be Wednesday, 27 May 2015. Any amendment to these dates will be announced on SENS and X-News.

Based on a total of 1 291 628 341 Ordinary Shares outstanding at the Listing Date, the Offer Price implies a total market capitalisation for Choppies of R6 329 million.

Gaborone
21 May 2015
Bookrunner and JSE Sponsor
Rand Merchant Bank (a division of FirstRand Bank Limited)
Attorneys
Collins Newman and Co, Botswana Legal Counsel to Choppies
Webber Wentzel, South African Legal Counsel to Choppies
Linklaters LLP, International Legal Counsel to the Bookrunner

Independent Reporting Accountants
KPMG Inc.

Communications Adviser to Choppies
Instinctf Partners

DISCLAIMER

The distribution of this announcement may be restricted by law in certain jurisdictions and persons into whose possession any document or other information referred to herein comes should inform themselves about and observe any such restriction. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

This announcement does not constitute an offer to the public for the sale of or subscription for, or the solicitation of an offer to buy and/or subscribe for, shares as defined in the South African Companies Act, No. 71 of 2008 (as amended) or otherwise (the “South African Companies Act”) and will not be distributed to any person in South Africa in any manner which could be construed as an offer to the public in terms of the South African Companies Act. This announcement does not constitute a prospectus registered and/or issued in terms of the South African Companies Act.

This announcement does not constitute an offer to the public for the sale of, or subscription for, shares as defined in Part XXII of the Botswana Companies Act or otherwise and will not be distributed to any person in Botswana in any manner which could be construed as an offer to the public in terms of Part XXII of the Botswana Companies Act. This announcement is not a prospectus registered and/or issued in terms of Part XXII of the Botswana Companies Act.

Prospective investors in the Ordinary Shares of Choppies, as with any other listed company, should ensure that they fully understand the nature of the Company’s operations, its valuation and the extent of their exposure to risks, and that they consider the suitability of the Company’s Ordinary Shares as an investment in light of their own circumstances and financial position. The BSE’s approval of the admission of the Company's securities on the JSE should not be taken in any way as an indication of the merits of the Company. The BSE has not verified the accuracy and truth of the contents of the documentation submitted to it and, the BSE accepts no liability of whatever nature for any loss, liability, damage or expense resulting directly or indirectly from the investment in the said securities.

This announcement is not for distribution, directly or indirectly, in or into the United States (including its territories and possessions, any State of the United States and the District of Columbia), Australia, Canada
or Japan. This announcement does not constitute or form a part of any offer or solicitation to purchase or subscribe for securities in the United States, Australia, Canada, Japan or any other jurisdiction where such offer or sale would be unlawful. The shares of the Company have not been, and will not be, registered under the United States Securities Act of 1933 (the “Securities Act”). The shares of the Company may not be offered or sold in the United States except pursuant to an exemption from the registration requirements of the Securities Act. There will be no public offer of securities in the United States.

In the United Kingdom, this announcement is distributed only to, and is directed only at: (i) persons having professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended) (the “Order”) and high net worth entities falling within Article 49(2)(a) to (d) of the Order; and (ii) any other person to whom it can otherwise be lawfully distributed.

This announcement is distributed in any member state of the European Economic Area which applies the Prospectus Directive (this Directive together with any implementing measures in any member state, the “Prospectus Directive”) only to those persons who are qualified investors for the purposes of the Prospectus Directive in such member state, and such other persons as this announcement may be addressed on legal grounds, and no person that is not a relevant person or qualified investor may act or rely on this document or any of its contents. The expression “Prospectus Directive” means Directive 2003/71/EC (and any amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State) and includes any relevant implementing measure in each Relevant Member State, and the expression “2010 PD Amending Directive” means Directive 2010/73/EU.

This announcement has been prepared with reference to the Pre-listing Statement issued by Choppies dated 11 May 2015 and does not purport to be full or complete. Potential investors are directed to read the full Pre-listing Statement in full. This announcement is not a substitute for the pre-listing statement nor is it a prospectus, and investors should not subscribe for or purchase any shares referred to in this announcement except on the basis of information in the full Pre-listing Statement. No reliance may or should be placed by any person for any purposes whatsoever on the information contained in this announcement or on its completeness, accuracy or fairness in connection with any investment decision. RMB is advising the Company and no one else and will not regard any person other than the Company as its client and will not be responsible to anyone other than the Company for providing the protections afforded to its clients nor for giving advice in relation to this announcement.

None of RMB, its subsidiary undertakings, affiliates or any of their respective directors, officers, employees, advisers, agents or any other person accepts any responsibility or liability whatsoever for, or makes any representation or warranty, express or implied, as to the truth, accuracy, completeness or fairness of the
information or opinions in this announcement (or whether any information has been omitted from the announcement) or any other information relating to Company, its subsidiaries or associated companies, whether written, oral or in a visual or electronic form, and howsoever transmitted or made available or for any loss howsoever arising from any use of this announcement or its contents or otherwise arising in connection therewith.

This document may contain statements about Choppies that are or may be forward-looking statements. All statements, other than statements of historical fact, are, or may be deemed to be, forward-looking statements, including, without limitation, those concerning: strategy; the economic outlook for the retail industry; cash costs; operating results; growth prospects and outlook for operations, individually or in the aggregate; liquidity, capital resources and expenditure; and the outcome and consequences of any pending litigation proceedings. These forward-looking statements are not based on historical facts, but rather reflect current expectations concerning future results and events and generally may be identified by the use of forward looking words or phrases such as "believe", "aim", "expect", "anticipate", "intend", "foresee", "forecast", "likely", "should", "planned", "may", "estimated", "potential" or similar words and phrases.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Choppies cautions that forward-looking statements are not guarantees of future performance. Actual results, financial and operating conditions, liquidity and the developments within the industry in which Choppies operates may differ materially from those made in, or suggested by, the forward-looking statements contained in this document.

All these forward-looking statements are based on estimates and assumptions, all of which estimates and assumptions, although Choppies may believe them to be reasonable, are inherently uncertain and are inherently subject to significant business, economic and competitive uncertainties and contingencies. Such estimates, assumptions or statements may not eventuate. Many factors (including factors not yet known to Choppies, or not currently considered material), could cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied in those estimates, statements or assumptions. This announcement does not constitute a recommendation concerning the Offer. The price and value of securities can go down as well as up. Past performance is not a guide to future performance. Information in this announcement or any of the documents relating to the Offer cannot be relied upon as a guide to future performance. Potential investors should consult a professional advisor as to the suitability of the Offer for the person concerned.