THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

The definitions and interpretations commencing on page 4 apply to this cover page.

ACTION REQUIRED BY SHAREHOLDERS:

1. This entire Circular is important and should be read with particular attention to the section entitled "*Action Required by Shareholders*", commencing on page 2.
2. If you are in any doubt as to what action to take in relation to this Circular, please consult your CSDP, CSDB, broker, banker, attorney, accountant or other professional adviser immediately.
3. If you have disposed of all your Shares, please forward this Circular and the attached Form of Proxy (*grey*) to the purchaser of such Shares or to the CSDP, CSDB, broker, banker or other agent through whom the disposal was effected.

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ca&s group

Taking brands beyond borders

CA SALES HOLDINGS LIMITED

Incorporated in the Republic of South Africa
Registration number 2011/143100/06
Registered as an external company in the Republic of Botswana
Botswana registration number: EX2017/18292
Share code: CAS ISIN: ZAE400000036
("**CA Sales**" or "**the Company**")

CIRCULAR TO SHAREHOLDERS

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relating to:

– the approval of the Share Issue, in terms of which CA Sales will issue the Consideration Shares to the Sellers pursuant to the Transaction, requiring the approval of Shareholders by way of a special resolution, in terms of section 41(1)(a) and (b) of the Companies Act;

and incorporating:

– a Notice of General Meeting; and
– a Form of Proxy (*grey*) for purposes of the General Meeting.

Corporate Adviser and 4AX Issuer Agent

PSG CAPITAL

BSE Sponsor

AFRICAN ALLIANCE SECURITIES

Date of issue: Friday, 28 February 2020

This Circular is available in English only. Copies may be obtained during normal business hours from the registered office and office in Botswana of CA Sales and from the offices of PSG Capital and the BSE Sponsor, whose addresses are set out in the "Corporate Information and Advisors" section of this Circular, from Friday, 28 February 2020 until the date of the General Meeting (both days inclusive). A copy of this Circular will also be available on CA Sales's website (https://casholdings.co.za/investors/za).

CORPORATE INFORMATION AND ADVISORS

Directors

Johan Holtzhausen (Chairman)
Ducan Lewis (Chief Executive Officer)
Frans Britz*
Nico De Waal*
Trevor Rogers*
Blackie Marole*#
Elias Masilela*#
Badal Patel*#
Leon Cronje*#
Jean Craven^

* Non-executive Directors
\# Independent non-executive Directors
^ Alternate Director

Date and place of incorporation

7 December 2011
South Africa

Address

Registered office

1st Floor, Ou Kollege Building
35 Kerk Street
Stellenbosch
7600
South Africa

Botswana office

Plot No. 14400, New Lobatse Road
Gaborone West Industrial
Gaborone
Botswana

Transfer Secretaries

Grant Thornton Botswana
Acumen Park, Plot 50370
Fairgrounds
Gaborone
Botswana

Corporate Adviser and 4AX Issuer Agent

PSG Capital Proprietary Limited
(Registration number 2006/015817/07)
1st Floor
Ou Kollege Building
35 Kerk Street
Stellenbosch, 7600
(PO Box 7403, Stellenbosch, 7599)

and at:

2nd Floor, Building 3, 11 Alice Lane
Sandhurst
Sandton, 2196
(PO Box 650957, Benmore 2010)

Independent Expert

Grant Thornton Botswana
Acumen Park, Plot 50370
Fairgrounds
Gaborone
Botswana

Company secretary

Frans Reichert CA(SA)
2nd Floor, Building 3
11 Alice Lane, Sandown
Sandton, 2196
South Africa
(PO Box 650957, Benmore, 2010)

BSE Sponsor

African Alliance Botswana Securities Limited
African Alliance House
Plot No 50361
Fairgrounds Office Park
Gaborone

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ACTION REQUIRED BY SHAREHOLDERS

This Circular is important and requires your immediate attention. Please take careful note of the following provisions regarding the action required by Shareholders. If you are in any doubt as to what actions to take, please consult your CSDP, CSDB, broker, banker, attorney, accountant or other professional adviser immediately.

If you have disposed of all of your Shares in CA Sales, please forward this Circular and the attached Form of Proxy to the purchaser of such Shares or to the CSDP, CSDB, broker, banker, attorney or other agent through whom the disposal was effected.

The General Meeting will be held at 2nd Floor, Boardroom, Portion 867, Commerce Park, Gaborone, Botswana on Monday, 30 March 2020 at 10:00, at which General Meeting Shareholders will be requested to consider and, if deemed fit, to pass, with or without modification, the resolutions set out in the Notice of General Meeting attached to this Circular.

SHAREHOLDERS

1. **IF YOU HOLD CERTIFICATED SHARES OR DEMATERIALISED SHARES AND HAVE SELECTED OWN-NAME REGISTRATION:**

1.1 You are entitled to attend the General Meeting in person and speak, vote or abstain from voting at the General Meeting.

1.2 Alternatively, you may appoint a proxy to represent you at the General Meeting by completing the attached Form of Proxy in accordance with the instructions it contains and return it to the Transfer Secretaries to be received, by them preferably, for administrative purposes, by no later than Thursday, 26 March 2020, provided that any Form of Proxy not delivered to the Transfer Secretaries by this time may be handed to the chairman of the General Meeting at any time before the appointed proxy exercises any Shareholder rights at the General Meeting.

2. **IF YOU HOLD DEMATERIALISED SHARES AND HAVE NOT SELECTED OWN-NAME REGISTRATION:**

2.1 If your CSDP, CSDB or broker has not contacted you, it would be advisable for you to contact your CSDP, CSDB or broker and furnish them with your voting instructions. This must be done in terms of the Custody Agreement concluded between you and your CSDP, CSBD or broker in the manner and time stipulated therein.

2.2 If your CSDP, CSDB or broker does not obtain voting instructions from you, they will be obliged to vote in accordance with the instructions contained in the Custody Agreement concluded between you and your CSDP, CSDB or broker.

2.3 In accordance with the Custody Agreement between you and your CSDP, CSDB or broker, you must advise your CSDP, CSDB or broker if you wish to attend or be represented at the General Meeting. Your CSDP, CSDB or broker will issue the necessary letter of representation for you to do so.

2.4 **You must not complete the attached Form of Proxy.**

3. **GENERAL**

3.1 The implementation of the Share Issue is subject, *inter alia*, to the approval by Shareholders of the requisite resolution at the General Meeting in accordance with the Companies Act and the MOI.

3.2 In order to be approved, each special resolution and each ordinary resolution must be adopted with the support of at least 75% and more than 50%, respectively, of the voting rights exercised on such resolutions at the General Meeting.

SALIENT DATES AND TIMES

	2020
Record date for Shareholders to be recorded in the Register in order to receive this Circular	Friday, 21 February
Circular incorporating the Notice of General Meeting and Form of Proxy *(grey)*, distributed to Shareholders on	Friday, 28 February
Last day to trade Shares listed on the BSE in order to be recorded in the BSE Register to vote at the General Meeting on	Tuesday, 17 March
Last day to trade Shares listed on the 4AX in order to be recorded in the 4AX Register to vote at the General Meeting on	Friday, 20 March
Record date for a Shareholder to be registered in the Register in order to be eligible to attend and participate in the General Meeting and to vote thereat, by close of trade on	Friday, 20 March
For administrative reasons, Forms of Proxy (*grey*) in respect of the General Meeting to be lodged at the Transfer Secretaries preferably by 10:00 on	Thursday, 26 March
Forms of Proxy (*grey*) not lodged with the Transfer Secretaries to be handed to the chairperson of the General Meeting before the proxy exercises the rights of the Shareholder at the General Meeting on	Monday, 30 March
General Meeting held at 10:00 on	Monday, 30 March
Results of the General Meeting announced on	Monday, 30 March

Notes:

1. The above dates and times are subject to amendment at the discretion of CA Sales, subject to the Companies Act and any other regulatory requirements. Any such amendment will be communicated to the Shareholders in accordance with the Companies Act and the MOI on X-News and the 4AX website.
2. All dates and times indicated above are Botswana Standard Time (identical to South African Standard Time).
3. If the General Meeting is adjourned or postponed, Forms of Proxy submitted for the initial General Meeting will remain valid in respect of any such adjournment or postponement.

DEFINITIONS AND INTERPRETATIONS

In this Circular, unless the context indicates otherwise, references to the singular shall include the plural and *vice versa*, words denoting one gender include the others, words and expressions denoting natural persons include juristic persons and associations of persons and the words and expressions in the first column have the meanings stated opposite them in the second column.

"4AX"	the licensed exchange operated by 4 Africa Exchange Proprietary Limited (registration number 2013/031754/07), a limited liability private company duly incorporated in South Africa and licensed as an exchange under the Financial Markets Act;
"4AX Listings Requirements"	the Listings Requirements of 4AX, as amended from time to time by 4AX;
"4AX Register"	the register of Shareholders, including the relevant sub-registers of the CSDP(s) administering the sub-registers of CA Sales and the register of disclosures, in relation to CA Sales listed on the 4AX;
"Board" or "Directors"	the directors of CA Sales from time to time, comprising, as at the Last Practicable Date, those persons whose names appear in the "*Corporate Information and Advisors*" section of this Circular;
"Botswana"	the Republic of Botswana;
"BSE"	the Botswana Stock Exchange, as established by the Botswana Stock Exchange Act Cap 56:08;
"BSE Listings Requirements"	the Equity Listings Requirements of the BSE, as amended from time to time by the BSE;
"BSE Register"	the register of Shareholders, including the relevant sub-registers of the CSDB(s) administering the sub-registers of CA Sales and the register of disclosures, in relation to CA Sales listed on the BSE;
"BSE Sponsor"	African Alliance Botswana Securities Limited, the particulars of which are set out in the "*Corporate Information and Advisors*" section of this Circular;
"Business Day"	any day, other than a Saturday, Sunday or public holiday in South Africa;
"BWP" or "P"	Botswana Pula, the legal tender in Botswana;
"CA Sales" or "Company"	CA Sales Holdings Limited (registration number 2011/143100/06), a public company with limited liability duly incorporated under the laws of South Africa and registered as an external company in Botswana, whose shares are listed on the BSE and 4AX;
"Certificated Shareholders"	holders of Certificated Shares;
"Certificated Shares"	Shares being "certificated securities" and having accordingly not been Dematerialised, title to which are evidenced by Documents of Title;
"Circular"	this bound document dated Friday, 28 February 2020 to Shareholders, including all annexures hereto;
"Companies Act"	the Companies Act, 2008 (Act No. 71 of 2008) of South Africa, as amended or replaced from time to time;
"Conditions Precedent"	the conditions precedent to the Transaction as set out in paragraph 3.2 of this Circular;
"Consideration Shares"	collectively, the Tranche 1 Consideration Shares and the Tranche 2 Consideration Shares;

"CSDB"	the Central Securities Depository of Botswana Limited, being the central securities depository of the BSE;
"CSDP"	a Central Securities Depository Participant with whom a Shareholder on the 4AX Register holds a Dematerialised share account;
"Custody Agreement"	a custody mandate agreement between a Shareholder and a CSDP or broker, regulating their relationship in respect of Dematerialised Shares held on CA Sales's uncertificated securities register administered by a CSDP or broker on behalf of that person;
"Dematerialise"	the process by which Certificated Shares are converted into an electronic format as Dematerialised Shares and recorded in CA Sale's uncertificated securities Register administered by a CSDP or CSDB;
"Dematerialised Shareholders"	Shareholders who hold Dematerialised Shares;
"Dematerialised Shares"	Shares which have been Dematerialised and which are no longer evidenced by certificates or other physical Documents of Title;
"Documents of Title"	share certificates, certified transfer deeds, balance receipts or any other physical documents of title pertaining to the Shares in question, acceptable to the Board;
"Dunechanus Trust"	the trustees for the time being of the Dunechanus Family Trust, trust number IT 1652/05, a trust duly incorporated and registered in accordance with the laws of South Africa, of which Lewis is a trustee and beneficiary;
"Dunechanus Trust Tranche 1 Sale Shares"	87 ordinary shares in the issued ordinary share capital of Pack 'n Stack having a par value of ZAR1 each, currently constituting 4.35% of the entire issued ordinary share capital of Pack 'n Stack;
"Dunechanus Trust Tranche 2 Sale Shares"	87 ordinary shares in the issued ordinary share capital of Pack 'n Stack having a par value of ZAR1 each, currently constituting 4.35% of the entire issued ordinary share capital of Pack 'n Stack;
"Financial Markets Act"	the Financial Markets Act, 2012 (No. 19 of 2012) of South Africa, as amended or replaced from time to time;
"Form of Proxy"	for purposes of the General Meeting, the form of proxy (*grey*) for use by Shareholders;
"General Meeting"	the general meeting of Shareholders to be held at 2nd Floor, Boardroom, Portion 867, Commerce Park, Gaborone, Botswana, on Monday, 30 March 2020 at 10:00, convened in terms of the Notice of General Meeting enclosed and forming part of this Circular, together with any reconvened general meeting held as a result of the adjournment or postponement of that general meeting;
"Income Tax Act"	the Income Tax Act, 1962 (Act No. 58 of 1962) of South Africa, as amended or replaced from time to time;
"Independent Expert"	Grant Thornton Botswana, further particulars of which appear in the "*Corporate Information and Advisors*" section of this Circular;
"Independent Expert's Report"	the fair and reasonable opinion prepared by the Independent Expert on the Transaction, prepared in accordance with the provisions of the BSE Listings Requirements, and attached hereto as **Annexure 1**;
"Last Practicable Date"	the last practicable date before finalisation of this Circular, which date was Wednesday, 19 February 2020;
"Lewis"	Duncan Lewis (identity number 681129 5217 081), an adult male South African citizen and a Director and the chief executive officer of the Company;

"Lewis Tranche 1 Sale Shares"	15 ordinary shares in the issued ordinary share capital of Pack 'n Stack having a par value of ZAR1 each, currently constituting 0.75% of the entire issued ordinary share capital of Pack 'n Stack;
"Lewis Tranche 2 Sale Shares"	14 ordinary shares in the issued ordinary share capital of Pack 'n Stack having a par value of ZAR1 each, currently constituting 0.70% of the entire issued ordinary share capital of Pack 'n Stack;
"Maximum Consideration"	has the meaning given thereto in paragraph 1.4.2 below;
"MOI"	the memorandum of incorporation of CA Sales;
"Notice of General Meeting"	the notice of the General Meeting of Shareholders, forming part of this Circular;
"Own-Name Registration" or "Own-Name Dematerialised Shareholders"	Shareholders who hold Shares that have been Dematerialised and are recorded by the CSDP or CSDB on the sub-register kept by that CSDP, CSDB in the name of such Shareholder;
"Pack 'n Stack"	Pack 'n Stack Investment Holdings Proprietary Limited (registration number 2001/008373/07), a limited liability private company duly incorporated in South Africa and a Subsidiary of CA Sales;
"PSG Capital"	PSG Capital Proprietary Limited (registration number 2006/015817/07), a private company incorporated under the laws of South Africa, particulars of which appear in the "*Corporate Information and Advisors*" section of this Circular;
"Rand", "R" or "ZAR"	South African Rand, the legal tender in South Africa;
"Register"	the BSE Register and the 4AX Register, as the case may be;
"Sale Shares"	collectively, the Tranche 1 Sale Shares and the Tranche 2 Sale Shares;
"Sellers"	collectively, Lewis and the Dunechanus Trust;
"Share Issue"	the issue of the Consideration Shares by CA Sales to the Sellers pursuant to the Transaction;
"Shares"	no par value ordinary shares in the Company's issued share capital;
"Shareholders"	registered holders of Shares;
"South Africa"	the Republic of South Africa;
"Subsidiary"	a subsidiary as defined in the Companies Act, but also includes an entity incorporated outside of South Africa which would, if incorporated in South Africa, be a "subsidiary" as defined in the Companies Act;
"Tranche 1 Consideration Shares"	the aggregate number of Shares which are to be issued by CA Sales to the Sellers, at a price per share equal to the VWAP prior to the date in which the last of the Conditions Precedent is fulfilled in settlement of the Tranche 1 Purchase Consideration, with the number of Shares to be issued, being calculated by dividing the Tranche 1 Purchase Consideration by such VWAP;
"Tranche 1 Purchase Consideration"	the amount due by CA Sales to the Sellers in consideration for the Tranche 1 Sale Shares, being an amount of ZAR15 250 809;
"Tranche 1 Sale Shares"	collectively, the Dunechanus Trust Tranche 1 Sale Shares and the Lewis Tranche 1 Sale Shares;

"Tranche 2 Consideration Shares"	the aggregate number of Shares which are to be issued by CA Sales to the Sellers, at a price per share equal to the VWAP on the day of the Tranche 2 Purchase Consideration being agreed or determined in terms of the Transaction Agreement, in settlement of the Tranche 2 Purchase Consideration, with the number of Shares to be issued, being calculated by dividing the Tranche 2 Purchase Consideration by such VWAP;
"Tranche 2 Purchase Consideration"	the amount payable by CA Sales to the Sellers for the Tranche 2 Sale Shares, as set out in paragraph 3.1.7;
"Tranche 2 Sale Shares"	collectively, the Dunechanus Trust Tranche 2 Sale Shares and the Lewis Tranche 2 Sale Shares;
"Transaction"	the proposed sale by the Sellers of the Sale Shares to CA Sales the purchase consideration of which is to be settled by CA Sales through the Share Issue in terms of the Transaction Agreement, which is to occur by means of an asset-for-share transaction in terms of section 42 of the Income Tax Act;
"Transaction Agreement"	the asset-for-share agreement entered into between the Sellers, CA Sales and Pack 'n Stack on or about 24 December 2019, recording the terms and conditions of the Transaction;
"Transfer Secretaries"	Grant Thornton Botswana, the particulars of which are set out in the "*Corporate Information and Advisors*" section of this Circular;
"VWAP"	the volume weighted average price of a Share determined over a period of 60 (sixty) trading days on the BSE prior to a specified date; and
X-News	the BSE News Service.

ca&s group

Taking brands beyond borders

CA SALES HOLDINGS LIMITED

Incorporated in the Republic of South Africa
Registration number 2011/143100/06
Registered as an external company in the Republic of Botswana
Botswana registration number: EX2017/18292
Share code: CAS ISIN: ZAE400000036
("**CA Sales**" or "**the Company**")

Directors:

Johan Holtzhausen (*Chairman*)
Duncan Lewis (*Chief Executive Officer*)
Frans Britz*
Nico De Waal*
Trevor Rogers*
Blackie Marole*#
Elias Masilela*#
Badal Patel*#
Leon Cronje*#
Jean Craven^

* Non-executive Directors
\# Independent non-executive Directors
^ Alternate Director

CIRCULAR TO SHAREHOLDERS

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1. INTRODUCTION AND PURPOSE OF THIS CIRCULAR

1.1 As announced on 24 December 2019, the Company concluded the Transaction Agreement, in terms of which the Sellers will sell the Sale Shares to the Company, the aggregate purchase consideration of which shall be settled through the Share Issue, being the issuing by the Company of the Consideration Shares to the Sellers. The Transaction is to occur by means of an asset-for-share transaction in terms of section 42 of the Income Tax Act.

1.2 CA Sales is a public company duly incorporated in South Africa and must comply with the provisions of the Companies Act. In terms sections 41(1)(a) and (b) of the Companies Act, the issuing of shares to a director of a company or to a person related or inter-related to a director requires shareholder approval by means of a special resolution. Lewis is a director of CA Sales and a trustee and beneficiary of the Dunechanus Trust. Accordingly, the issuing by CA Sales of the Consideration Shares under the Share Issue to Lewis and (to the extent that it may be related or inter-related to Lewis) to the Dunechanus Trust pursuant to the Transaction requires the approval of Shareholders by means of a special resolution, requiring the support of at least 75% of the voting rights exercised on the resolution.

1.3 The purpose of this Circular is to:

1.3.1 provide Shareholders with the relevant information relating to the Transaction and the Share Issue to enable Shareholders to make an informed decision in respect of the resolutions set out in the Notice of General Meeting enclosed with this Circular; and

1.3.2 convene the General Meeting to consider and, if deemed fit, approve the resolutions authorising the Share Issue.

1.4 Classification of the Transaction

1.4.1 Lewis is a director of CA Sales and therefore a related party to CA Sales as contemplated in paragraph 7.2(c)(i) of the BSE Listings Requirements. The Dunechanus Trust is an associate of Lewis and therefore also a related party to CA Sales as contemplated in paragraph 7.2(c)(vii) of the BSE Listings Requirements.

1.4.2 As mentioned in paragraph 3.1.6 below, the aggregate maximum consideration in respect of the Sale Shares will not exceed ZAR44 803 409 ("**Maximum Consideration**") equating to P33 602 482 (at an exchange rate R1.33 to the Pula, as at the as at the date of signature of the Transaction Agreement). As at the date of signature of the Transaction Agreement, the market capitalisation of CA Sales was P1.69 billion. As the value of the Maximum Consideration is equal to only 1.99% of CA Sale's market capitalisation, the Transaction constitutes a small related party transaction in accordance with paragraph 7.6 of the BSE Listings Requirements. Likewise, the Transaction does not constitute a related party transaction in accordance with the 4AX Listings Requirements.

1.4.3 In terms of the BSE Listings Requirements, a small related party transaction such as the Transaction is not required to be approved by Shareholder. However, as required by paragraph 7.6 of the BSE Listings Requirements:

1.4.3.1 the Company has informed the BSE in writing of the Transaction; and

1.4.3.2 the Company confirms that the provisions of paragraph 7.6(b) of the BSE Listings Requirements have been complied with in that the Board and the audit committee of CA Sales have reviewed the Transaction and have determined that the terms of the Transaction are fair, taking into account the Independent Expert's Report, which has been presented to the BSE.

1.4.4 This Circular is, accordingly, not required under either the BSE Listings Requirements or the 4AX Listings Requirements, but is being distributed to Shareholders for purposes of section 41(1) of the Companies Act in order to convene the General Meeting to consider and, if deemed fit, approve the resolutions authorising the Share Issue.

2. RATIONALE FOR THE TRANSACTION AND SHARE ISSUE

2.1 Lewis was appointed as a Director and the chief executive officer of CA Sales on 1 June 2019. Lewis (together with his associate, the Dunechanus Trust) holds 10.15% of the issued shares in Pack 'n Stack. Pack 'n Stack is a Subsidiary of CA Sales, with CA Sales currently holding 84% of the issued share capital of Pack 'n Stack.

2.2 Pack 'n Stack is an integral part of the CA Sales group and essential to CA Sales's growth path. With Lewis taking up the role of chief executive officer of CA Sales, the Board has considered means of ensuring that Lewis's interests are further aligned to the wider CA Sales group and CA Sales's Shareholders (and not only to Pack 'n Stack). With this in mind, the Board is proposing the Transaction, in terms of which Lewis and his family trust will be acquiring additional Shares in exchange for their shareholding in Pack 'n Stack.

2.3 As at the Last Practicable Date, the Sellers, between them, held 6 272 956 Shares, constituting 1.4% of CA Sales's issued share capital. Following the implementation of the Transaction, Lewis and the Dunechanus Trust will no longer hold any shares in Pack 'n Stack.

2.4 It is not possible to confirm, at this stage, the number of Consideration Shares to be issued under the Share Issue, as this will depend on the performance of Pack 'n Stack and the applicable VWAP (see paragraphs 3.1.3, 3.1.4, 3.1.7 and 3.1.9 below). However, by way of illustration, should the aggregate consideration in respect of the Sale Shares reach the Maximum Consideration of ZAR44 803 409 (see paragraph 3.1.8), then assuming all Consideration Shares are issued at a 60-day VWAP of ZAR5.07 (BWP3.77 at an exchange rate of ZAR1.344 to the Pula (being the VWAP and ZAR/BWP exchange rate as at the Last Practicable Date)), then 8 836 964 Consideration

Shares, in aggregate, would be issued to the Sellers. These Shares would represent (following their issue, based on CA Sales's current issued share capital), approximately 3.28% of CA Sales.

3. TERMS OF THE TRANSACTION AND SHARE ISSUE

3.1 Overview

3.1.1 In terms of the Transaction, the Sellers will sell the Sale Shares (representing 10.15% of the issued share capital of Pack 'n Stack) to the Company in two separate tranches, the aggregate purchase consideration of which will be settled through the issuing by CA Sales under the Share Issue of the Consideration Shares to the Sellers, in terms of section 42 of the Income Tax Act.

Tranche 1

3.1.2 The first tranche of the Transaction involves the acquisition by the Company of 5.10% of Pack 'n Stack's share capital (the Tranche 1 Sale Shares) from the Sellers for the Tranche 1 Purchase Consideration.

3.1.3 The Tranche 1 Purchase Consideration is based on the consolidated net profit after tax of Pack 'n Stack for its financial year ended 31 December 2018, adjusted to exclude any income, expense and taxation items that are not recurring or sustainable in nature, calculated and derived from Pack 'n Stack's and its Subsidiaries' audited financial statements for that year. The Tranche 1 Purchase Consideration has been calculated by applying a price earnings multiple of 7 thereto, and will amount to ZAR15 250 809.

3.1.4 The Tranche 1 Purchase Consideration will be settled through the issue by CA Sales of the Tranche 1 Consideration Shares to the Sellers at the prevailing 60-day VWAP. By way of example, assuming Shares are issued at a 60-day VWAP of ZAR5.07 (BWP3.77 at an exchange rate of ZAR1.344 to the Pula), then 3 008 049 Shares in aggregate will be issued to the Sellers as follows:

3.1.4.1 by issuing to the Dunechanus Trust 85.29% of the Tranche 1 Consideration Shares; and

3.1.4.2 by issuing to Lewis 14.71% of the Tranche 1 Consideration Shares.

3.1.5 Following implementation of the first tranche of the Transaction, CA Sales will hold 89.1% of the issued shares in Pack 'n Stack.

Tranche 2

3.1.6 The second tranche of the Transaction involves the acquisition by the Company of 5.05% of Pack 'n Stack's share capital (the Tranche 2 Sale Shares) from the Sellers for the Tranche 2 Purchase Consideration.

3.1.7 The Tranche 2 Purchase Consideration is based on the consolidated net profit after tax of Pack 'n Stack for its financial year ending 31 December 2020, adjusted to exclude any income, expense and taxation items that are not recurring or sustainable in nature, calculated and derived from Pack 'n Stack's and its Subsidiaries' audited financial statements for that year. The Tranche 2 Purchase Consideration will be calculated by applying a price earnings multiple of 7 thereto.

3.1.8 Notwithstanding anything to the contrary, the Tranche 2 Purchase Consideration shall be capped at and not exceed ZAR29 552 600, with the result that the aggregate of the Tranche 1 Purchase Consideration and the Tranche 2 Purchase Consideration shall never exceed the Maximum Consideration of ZAR44 803 409.

3.1.9 The Tranche 2 Purchase Consideration will be settled through the issue by CA Sales of the Tranche 2 Consideration Shares to the Sellers at the prevailing 60-day VWAP as follows:

3.1.9.1 by issuing to the Dunechanus Trust 86.14% of the Tranche 2 Consideration Shares; and

3.1.9.2 by issuing to Lewis 13.86% of the Tranche 2 Consideration Shares.

3.1.10 Following implementation of the second tranche of the Transaction, CA Sales will hold 94.15% of the issued shares in Pack 'n Stack.

3.1.11 In the event of any fractions of Tranche 1 Consideration Shares and/or Tranche 2 Consideration Shares to be issued in accordance with paragraphs 3.1.4 and 3.1.9 above, such fractions shall be rounded down to the nearest whole number and issued accordingly. For the avoidance of doubt, no cash payment will be made in respect of any shortfall.

3.2 **Conditions Precedent**

3.2.1 The Transaction, and as a result, the Share Issue, is subject to the fulfilment of the following conditions precedent ("**Conditions Precedent**"), namely that by no later than 31 March 2020:

3.2.1.1 the Board has approved or ratified (as the case may be) the conclusion of the Transaction Agreement and has approved the issue of the Consideration Shares to the Sellers, subject to the shareholder approval referred to in paragraph 3.2.1.6 being obtained;

3.2.1.2 the board of directors of Pack 'n Stack has approved the transfer of the Sale Shares pursuant to the Transaction Agreement;

3.2.1.3 the trustees for the time being of the Dunechanus Trust have unanimously approved or ratified (as the case may be) in writing the Transaction and the conclusion of the Transaction Agreement;

3.2.1.4 to the extent required, the Company has obtained all regulatory approvals and/or exemptions for the Transaction as may be required, including, if applicable, by the BSE and/or the 4AX;

3.2.1.5 the Independent Expert has provided written confirmation to the Company that the Transaction, on the terms set out in the Transaction Agreement, is fair as contemplated in the BSE Listings Requirements;

3.2.1.6 Shareholders have passed a special resolution in terms of section 41(1) of the Companies Act to issue the Consideration Shares to the Sellers; and

3.2.1.7 all the other shareholders of Pack 'n Stack have waived in writing any pre-emptive rights, options or similar rights which they may have in respect of the Sale Shares.

3.2.2 No Condition Precedent is capable of being waived. The Company will, however, be entitled to extend the date for fulfilment of any Condition(s) Precedent on written notice to the Sellers prior to the expiry of the relevant time period, provided that any extension of more than 45 days shall require the consent of the Sellers.

3.3 **The implementation date of the Transaction**

3.3.1 The first tranche of the Transaction will be implemented on the third Business Day after the day on which the last of the Conditions Precedent is fulfilled, on which date CA Sales will take transfer of the Tranche 1 Sale Shares and will issue the Tranche 1 Consideration Shares.

3.3.2 The second tranche of the Transaction will be implemented after the audited financial statements of Pack 'n Stack and its subsidiaries for the financial year ending 31 December 2020 has been finalised, on the third Business Day following the Tranche 2 Purchase Consideration being agreed or determined in terms of the Transaction Agreement, on which date CA Sales will take transfer of the Tranche 2 Sale Shares and will issue the Tranche 2 Consideration Shares.

4. GENERAL MEETING

4.1 The General Meeting of Shareholders will be held at 2nd Floor, Boardroom, Portion 867, Commerce Park, Gaborone, Botswana on Monday, 30 March 2020, to consider and, if deemed fit, to pass, with or without modification, the requisite resolutions required to give effect to the Share Issue, as contained in the Notice of General Meeting attached to this Circular.

4.2 Full details of the action required by Shareholders are set out in the "*Action Required by Shareholders*" section of this Circular.

5. **THE VIEWS OF THE BOARD IN RELATION TO TRANSACTION AND THE SHARE ISSUE**

5.1 Grant Thornton Botswana has been appointed as an independent professional expert listed as acceptable to the BSE. The Independent Expert has found the Transaction and Share Issue to be fair, for the reasons and on the basis set out in the Independent Expert's Report.

5.2 The Board and its audit committee, taking into account the Independent Expert's Report, have considered the terms and conditions of the Transaction and the Share Issue and are of the opinion that the terms and conditions thereof are fair to Shareholders and, accordingly, recommend that Shareholders vote in favour of the resolutions to be proposed at the General Meeting relating to the approval of the Share Issue.

5.3 The Directors, in their personal capacities, intend to vote any Shares beneficially owned by them in favour of the resolutions to be proposed at the General Meeting. While Lewis (a Director of the Company) is entitled by law to vote his Shares, he has, for purposes of good corporate governance, nevertheless opted not to vote on the resolutions to be proposed at the General Meeting.

6. **ADVISERS' CONSENTS**

Each of the advisers, whose name appears in the "*Corporate Information and Advisors*" section of this Circular, has consented in writing to act in the capacities stated and to the inclusion of its name and in the case of the Independent Expert, to the inclusion of its report in this Circular in the form and context in which they appear and has not withdrawn its consent prior to the publication of this Circular.

7. **DOCUMENTS AVAILABLE FOR INSPECTION**

The following documents, or copies thereof, will be available for inspection by Shareholders during normal business hours at the registered office and Botswana office of CA Sales and at the offices of PSG Capital and the BSE Sponsor from Friday, 28 February 2020, until the date of the General Meeting (both days inclusive):

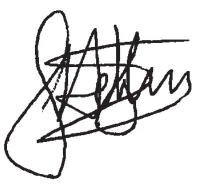
7.1 the Independent Expert's Report, as reproduced in **Annexure 1**;

7.2 the Transaction Agreement;

7.3 the written consents from each of the advisers referred to in paragraph 6; and

7.4 a copy of this Circular.

SIGNED ON 26 FEBRUARY 2020 BY JOHAN HOLTZHAUSEN ON BEHALF OF THE BOARD OF CA SALES, AS DULY AUTHORISED BY THE BOARD



JOHAN HOLTZHAUSEN

INDEPENDENT EXPERT'S REPORT

Grant Thornton
An instinct for growth™

The Board of Directors
CA Sales Holdings Limited
11 Alice Lane, Building 3 (2nd floor)
Sandown 2196
P. O. Box 957, Parklands 2121
Republic of South Africa

Chartered Accountants
Grant Thornton
Acumen Park
Plot 50370 Fairgrounds
P.O. Box 1157
Gaborone Botswana
www.gt.co.bw

12 February 2020

Ref. no.: AS/19/0049/MG/AG

Dear Sir/ Madam

Subject: Independent Expert Opinion (as per Chapter 7 of Botswana Stock Exchange Equity Listings Requirements) – Transactions with Related Parties

Introduction

Background

Grant Thornton ("GT") has been mandated by the Board of Directors of CA Sales Holdings Limited ("CAS" or the Company) to review the basis of the transaction price towards acquisition of equity stake of 10.15% in its subsidiary company, Pack n Stack Investment Holdings ("Pack n Stack"), currently and collectively being held by Dunechaus Trust ("the Trust") and Duncan S. Lewis (Duncan), who is the Chief Executive Officer ("CEO") of CAS and provide an opinion on whether the key assumptions are fair and reasonable. 5.1% stake is being acquired in first tranche (tranche 1) with purchase consideration based on FY2018 earnings. The balance 5.05% will be acquired in second tranche (tranche 2) with purchase consideration based on FY2020 forecast earnings. CAS is registered in Botswana as a foreign company and listed on Botswana Stock Exchange's ("BSE") main board – having commenced trading from 9 November 2017.

Definition of Fairness and Reasonableness

A transaction is deemed fair and reasonable to the shareholders if the benefits derived from the transaction will equal or exceed the related costs thereof. The assessment of fairness is primarily quantitative. In this case, fairness is determined by the long-term income generation of the subsidiary company resulting in higher income for CAS from effective investment of additional capital in the subsidiary company. The assessment of reasonableness is qualitative. In this case, the Transaction is deemed reasonable if the purchase consideration is line with market standards on similar investments.

Limiting Conditions

- Completeness and Accuracy of Information – GT has prepared this opinion in good faith and has relied on the accuracy and veracity of the information made available to it by the

Directors of CAS. Whilst GT has no reason to doubt the accuracy or veracity of such information supplied, GT accepts no responsibility whatsoever for the accuracy or veracity of such information.

- Economic, Market and Other Conditions – GT has based its opinion on economic, market and other conditions prevailing on or about October 2019. It should be noted that subsequent events may inevitably affect this opinion and that GT is not under any obligation to update, revise or re-affirm its opinion should any such developments transpire. Specifically, but without limiting the generality of the foregoing, such subsequent events may include material changes consequent upon changes in economic, market and other conditions, or the business of, or prospects of CAS, Pack n Stack and their subsidiary & associate companies between the effective date of this opinion and the date of any subsequent consideration hereof.

- Purpose of Valuation Opinion – This valuation opinion is rendered solely as an expert opinion in order to determine the fairness and reasonableness of the transaction price towards acquisition of equity stake of 10.15% in Pack n Stack that is currently and collectively being held by the Trust and Duncan S. Lewis as provided for in terms of Chapter 7 of the BSE Equity Listing Requirements, and for no other purpose whatsoever.

- Representations and Warranties – GT makes no representation or warranty, express or implied, nor shall have any responsibility or liability whatsoever in respect of any statement, information or opinion contained or relied on herein, whether orally or in writing, or any omissions, or in respect of the completeness and/or accuracy of any such statement, information or opinion. Our review of the basis of arriving at the purchase consideration shall not constitute an independent valuation of the subsidiary companies and/ or an audit in accordance with Auditing Standards. On the basis of these enquiries and such other procedures as GT considers appropriate to the circumstances, GT believes that the information provided has been prepared with due care and consideration.

Independence

Save for the fees payable to GT for providing this independent expert opinion, which fees are payable irrespective of the outcome of the Transaction, GT has no material interest, direct or indirect, beneficial or non-beneficial, in CAS and Pack n Stack or any of their subsidiaries.

Procedures

Sources of Information

In arriving at our opinion, we have considered, inter alia the following:

- Pack n Stack is a national agency business based in Southern Africa. It is a full-service retail execution business servicing major retail and independent hardware stores in South Africa and Namibia. The service offering to hardware stores is handled through Array Marketing and Surapax, which was acquired by Pack n Stack in 2016 and 2017. Prior to the Transaction, CAS held 83.9% equity stake in Pack n Stack;

- Annual financial statements for Pack n Stack and its operating subsidiaries and associates for the year ended 31 December 2018;

- Valuation assumptions and a multiple applied for the Transaction as provided by the Directors of CAS;

- Relative valuation multiples for comparable regional listed consumer retail & wholesale companies obtained from BSE, Motswedi Securities and Johannesburg Stock Exchange ("JSE");

- CAS's Pack n Stack roll up proposal presentation;

- Pack n Stack normalized PAT projections for FY2020;

- Discussions and correspondence with Directors of CAS regarding the Transaction.

Background to the Transaction

The review is carried out in October 2019, with regards to the decision of CAS board concerning the proposed transaction between CAS and the Trust/ Duncan S. Lewis involving share swap as follows;

- ➢ **Tranche 1:** CA Sales will acquire an aggregate of 102 (5.10%) shares held by Duncan (15 shares) and the Trust (87 shares) in Pack n Stack for a consideration based on the recurring attributable earnings of Pack n Stack for the year ended 31 December 2018, based on the audited financial statements for that year ("Tranche 1"). The purchase consideration for Tranche 1 will be calculated at a price earnings multiple of 7 and will amount to ZAR 15,250,809. The consideration will be settled through the issue by CA Sales of CA Sales ordinary shares to Duncan and to the Trust at the prevailing 60-day volume weighted average traded price ("VWAP"). By way of example, assuming CA Sales shares are issued at a 60-day VWAP of ZAR 5.07 (BWP 3.77 at an exchange rate of R1.344 to the Pula), then 3,008,049 CA Sales shares in aggregate will be issued to Duncan (416,957 shares) and to the Trust (the remaining 2,591,092 shares) as consideration.

- ➢ **Tranche 2:** CA Sales will acquire an aggregate of 101 (5.05%) shares held by Duncan (14 shares) and the Trust (87 shares) in Pack n Stack for a consideration based on the recurring attributable earnings of Pack n Stack for the year ending 31 December 2020, based on the audited financial statements for that year ("Tranche 2"). The purchase consideration for Tranche 2 will be calculated at a price earnings multiple of 7. Notwithstanding anything to the contrary, the purchase consideration for Tranche 2 shall be capped at and not exceed ZAR 29,552,600. The consideration will be settled through the issue by CA Sales of CA Sales ordinary shares to Duncan and to the Trust at the prevailing 60-day VWAP at the time. Tranche 2 will be implemented during 2021. Post Tranche 2, CA Sales will hold 94.15% of Pack n Stack.

- ➢ In summary, CA Sales is to acquire a total of 203 shares in Pack n Stack based on an aggregate maximum consideration of ZAR 44,803,409, settled through issuing CA Sales shares at the prevailing 60-day VWAP at the time.

➢ As at the transaction review date in October 2019, CAS is a material shareholder in Pack n Stack as defined in Section 7.2 of the BSE Listing Requirements and Duncan S. Lewis is the principal executive officer, i.e. CEO of CAS. Dunechaus Trust is a shareholder of Pack n Stack. The acquisition of additional equity stake by CAS in its subsidiary Pack n Stack from CAS's CEO, Duncan S. Lewis and the Trust is thus a related party transaction in terms of the BSE Listing Requirements. The transaction value is less than 5%, at 1.97% of market capitalisation of the listed company, viz. CAS. As per Botswana Stock Exchange Equity Listing Requirements, the requirements for transaction with related party do not apply since this is treated as a small transaction. For small transactions, the Board of Directors of CAS is required to issue a certificate that the Audit Committee has reviewed and approved the transaction and are satisfied that the transaction is fair and reasonable. Grant Thornton's opinion is therefore for the Board of Directors of CAS.

Review of Valuation

In order to assess the fairness and reasonableness of the purchase consideration for additional 10.15% equity stake in Pack n Stack, currently being held by the Trust and Duncan S. Lewis, GT conducted the following:

- high-level review of the recent historical financial performance of Pack n Stack and its operating subsidiaries & associate companies for financial years 2017-18 (as applicable);

- testing appropriateness of the valuation methodology used in order to arrive at the purchase consideration – with due consideration to the underlying industry in which the subsidiary companies operate, business cycles, etc.;

- review the key assumptions to financial forecasts for FY2020, basis of purchase consideration and transaction structure

Following confirmation from Directors of CAS that there have been no material changes in the businesses of the subsidiary companies since the date of transaction proposal, GT believes the valuation of Pack n Stack are valid.

Valuation and structure of Transaction

- As at review date in October 2019, Pack n Stack Investment Holdings had investments in the following subsidiary and associate companies. The group companies are structured currently to meet Black Economic Empowerment ("BEE") criterion, and use the same IT, Payroll and Accounting systems and receive operational support from Pack n Stack:

    - Pack n Stack (Pty) Ltd (75% shareholding), which has 51% shareholding in Magnet Marketing
    - Array Marketing (80% shareholding)
    - PnS Retail Solutions, Namibia (100% shareholding)
    - Edge Logistics (30% shareholding)

- Agility In-Store KZN (70% shareholding)
- Surapax (51% shareholding)

- The following changes took place after 31 December 2018 to date:
  - Array Marketing increased shareholding (100% shareholding)
  - Edge Logistics sold
  - Surapax increased shareholding (100% shareholding)
  - Agility In-Store acquired (shareholdings 100%)

- The Directors of CAS computed the normalised PAT;
  - For **tranche 1** of the proposed transaction of each of the above-mentioned subsidiary and associate companies using their annual financial statements for financial year ended 31 December 2018. Subsequently, the consolidated PAT of Pack n Stack is computed and value pertaining to non-controlling interest and discontinued operations is deducted to arrive at the attributable normalised PAT of ZAR 42,719,352 of Pack n Stack Investment Holdings – which is fair, in our view;
  - For **tranche 2** of the proposed transaction by assuming an aggressive compound annual growth rate (CAGR) of 40% between FY2018 and FY2020 to estimate FY2020 attributable normalised PAT of ZAR 83,600,000. The forecast normalised FY2020 PAT is the maximum possible, and therefore a cap of the tranche 2 of the transaction assuming Pack n Stack succeeds in winning and adding the high margin multinationals to their portfolio of principals.
  - The valuation of Pack n Stack is carried out by Directors of CAS using Relative Valuation methodology by applying Price Earnings multiple ("P/E") of 7x to its consolidated attributable normalised Profit After Tax ("PAT") for financial year ended 31 December 2018 for **tranche 1** and FY2020 forecast attributable normalised PAT for **tranche 2**.

- A P/E multiple of 7x for Pack n Stack Investment Holdings is at 65% discount to the average trailing P/E ratio of consumer retail & wholesale companies listed on the BSE and JSE. The P/E multiple gives due consideration to the long-term economic prospects of Southern Africa region in which the group companies operates. The discount applied to benchmark sector trailing P/E ratio considers the following factors and is considered fair & reasonable:
  - Country risks of South Africa, Namibia and other countries in Southern Africa in which the companies operate
  - Small size of the businesses relative to listed comparable companies

  - Other unsystematic risks applicable to the group companies relative to listed comparable companies (viz., geographic concentration, dependence on key personnel)

  - Lack of marketability due to Pack n Stack Investment Holdings being privately held business

- Based on the above-mentioned methodology, for the proposed transaction;

  - **Tranche 1** - the valuation of 100% equity share capital of Pack n Stack Investment Holdings is derived as ZAR 299 million. This leads to 5.1% additional equity stake in Pack n Stack acquired by CAS from Duncan S. Lewis being valued at ZAR 15,250,809. As per the corresponding share swap arrangement and transaction structure shared by Directors of CAS, the purchase consideration is to be settled through issuing estimated 3,008,049 CAS shares at prevailing ZAR 5.07 (BWP 3,77 @ BWP/ZAR of 1.344).

  - **Tranche 2** – a forecasted maximum valuation of 100% equity share capital of Pack n Stack Investment Holdings is derived as ZAR 585 million. This leads to 5.05% additional equity stake in Pack n Stack Investment Holdings acquired by CAS from Duncan S. Lewis being valued at maximum of ZAR 29,552,600. As per the corresponding share swap arrangement and transaction structure shared by Directors of CAS, the estimated aggregate future, purchase consideration capped at ZAR 29,552,600 is to be settled through issuing of CAS shares at the prevailing 60 days volume weighted average price.

Appropriateness and Reasonableness of information and assumptions used

In regard to the historical financial information of Pack n Stack and its operating subsidiaries & associate companies, GT is of the view that the information is reasonably reliable. GT has made use of annual financial statements of these companies as availed to us. Although GT believes the financial information provided by Directors of CAS were prepared with due care and consideration, GT has not audited any of the information.

In regard to the publicly available information, GT is satisfied that the data extracted from BSE, JSE and Motswedi Securities is reasonable and appropriate.

Fair and reasonable opinion

Based upon the above and subject to the foregoing, GT is of the opinion that the basis of the Transaction with related parties of CAS, Dunechaus Trust and Duncan S. Lewis, is fair and reasonable.

- The purchase consideration is fair as this is a strategic investment by CAS, which enables Duncan S. Lewis, the CEO's interests to be aligned with those of the greater CAS group and CAS shareholders. This strategic investment is expected to enhance the Company's earnings and generate significant value for shareholders of CAS in the long term.

- The purchase consideration is reasonable in that:

- Normalised PAT is derived to arrive at the valuation of the subsidiary company, Pack n Stack using appropriate basis for FY2018;

- For FY2020 the forecast normalised PAT and the CAGR between FY2018 & FY2020 have been derived using appropriate basis;

- CAS directors have indicated that Pack n Stack has bought-out the minority shareholders in its subsidiary companies, Surapax and Array Marketing which gives it more control over such these subsidiary companies by way of increased voting rights;

- CAS directors have also highlighted that Pack n Stack continually get new customers which adds to its growth and are looking to add high margin multinational to their portfolio of principals;

- Theoretical P/E multiple applied on Normalised PAT of subsidiary company considers appropriate discounts to factor in country risk, small stock & other unsystematic risks and lack of marketability.

Independent Advice

It should be noted that this opinion is not a recommendation to any shareholder of CAS as to the manner in which they should vote, nor is it advice given on the appropriate course of action for such Directors or Shareholders to take.

The shareholders of CAS should note that each individual shareholder's decision may be influenced by such shareholder's particular circumstances and accordingly that such shareholder should consult an independent advisor if in any doubt as to the merit or otherwise of the transaction.

Caveats

Our view is based on our review of the valuation and proposed transaction structure provided by the Directors of CAS. In arriving at this view, we have relied upon, and assumed to be true, accurate, complete and not misleading, the information, opinions and representation expressed by the Directors of CAS. Accordingly, Grant Thornton accepts no liability of whatever nature of any loss, damage or expense resulting directly or indirectly from the above view.

The reader's attention is drawn to the fact that this opinion does not purport to contain all of the information required for an investment or disposal decision, and any such investment or disposal decision should only be made after careful consideration of the financial and business prospects of the subsidiary companies.

GT has based this opinion on the state of the respective geographies in which each of the operating subsidiary & associate companies operates, and the trading conditions as of October 2019. Shareholders should note that subsequent developments may affect this opinion, but GT is under no obligation to update, revise or re-affirm this opinion should any such developments transpire.

Should you need any further information relating to the above, please contact the undersigned.

Yours sincerely

Arindam Ghosh
Director (Advisory Services)

CA SALES HOLDINGS LIMITED
Incorporated in the Republic of South Africa
Registration number 2011/143100/06
Registered as an external company in the Republic of Botswana
Botswana registration number: EX2017/18292
Share code: CAS ISIN: ZAE400000036
("**CA Sales**" or "**the Company**")

NOTICE OF GENERAL MEETING

All terms defined in the Circular to which this Notice of General Meeting is attached, shall bear the same meanings where used in this Notice of General Meeting.

NOTICE IS HEREBY GIVEN that a General Meeting of Shareholders will be held at 2nd Floor, Boardroom, Portion 867, Commerce Park, Gaborone, Botswana on Monday, 30 March 2020 at 10:00, to consider and, if deemed fit, pass, with or without modification, the resolutions set out hereunder.

Notes:

– *For a special resolution to be approved by Shareholders, it must be supported by at least 75% of the voting rights exercised on such resolution in terms of section 65(9) of the Companies Act and CA Sales's MOI.*

– *For an ordinary resolution to be approved by Shareholders, it must be supported by more than 50% of the voting rights exercised on such resolution.*

SPECIAL RESOLUTION NUMBER 1 – APPROVAL OF THE SHARE ISSUE IN TERMS OF THE COMPANIES ACT

IT IS RESOLVED AS A SPECIAL RESOLUTION that the issuing of the Consideration Shares to the Sellers on the terms set out in the Transaction Agreement, be and is hereby approved in terms of section 41(1)(a) and, to the extent applicable, in terms of section 41(1)(b) of the Companies Act, on the basis detailed in the Circular.

Reason and effect

The reason for the special resolution above is to approve the issue of the Consideration Shares to the Sellers, being required in terms of section 41(1)(a) of the Companies Act, as Lewis is a director of the Company and in terms of section 41(1)(b) of the Companies Act, to the extent that the Dunechanus Trust is a person related or inter-related to Lewis as contemplated in section 2 of the Companies Act.

The effect of the special resolution, if passed, will be to grant such approval for the issuance of the Consideration Shares to the Sellers.

ORDINARY RESOLUTION NUMBER 1 – DIRECTORS' AUTHORITY

IT IS RESOLVED AS AN ORDINARY RESOLUTION that any Director of CA Sales, other than Lewis, be and is hereby authorised and empowered to do all such things, sign all such documents, file all such documents with any applicable regulatory body (including the BSE and the 4AX), and take all such actions as may be necessary for or incidental to give effect to the resolutions set out above in this Notice of General Meeting and anything already done in this respect be and is hereby ratified.

Reason and effect

The reason for and effect of Ordinary Resolution Number 1 is to authorise each Director of CA Sales, other than Lewis, to do all such things and sign all such documents as are deemed necessary or desirable to implement the resolutions set out in the Notice of General Meeting.

VOTING AND PROXIES

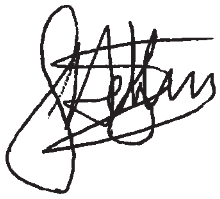
1. The date on which Shareholders must be recorded as such in the Register for purposes of being entitled to receive this Circular is Friday, 21 February 2020.
2. The date on which Shareholders must be recorded in the Register for purposes of being entitled to attend and vote at the General Meeting is Friday, 20 March 2020, with the last day to trade Shares listed on the BSE being Tuesday, 17 March 2020 and the last day to trade Shares listed on the 4AX being Friday, 20 March 2020.
3. Meeting participants will be required to provide proof of identification to the reasonable satisfaction of the chairman of the General Meeting and must accordingly bring a copy of their identity document, passport or driver's licence to the General Meeting. If in doubt as to whether any document will be regarded as satisfactory proof of identification, meeting participants should contact the transfer secretary for guidance.
4. Shareholders entitled to attend and vote at the General Meeting may appoint one or more proxies to attend, speak and vote thereat in their stead. A proxy need not be a Shareholder of the Company. A Form of Proxy, which sets out the relevant instructions for its completion, is enclosed for use by a Certificated Shareholder or Own-name Registered Dematerialised Shareholder who wishes to be represented at the General Meeting. Completion of a Form of Proxy will not preclude such Shareholder from attending and voting (in preference to that Shareholder's proxy) at the General Meeting.
5. The instrument appointing a proxy and the authority (if any) under which it is signed must reach the Transfer Secretary at the address set out in the "*Corporate Information and Advisors*" section of the Circular by no later than 10:00 on Thursday, 26 March 2020, provided that any Form of Proxy not delivered to the Transfer Secretary by this time may be handed to the chairman of the General Meeting at any time before the appointed proxy exercises any Shareholder rights at the General Meeting.
6. Dematerialised Shareholders, other than Own-name Registered Dematerialised Shareholders, who wish to attend the General Meeting in person, will need to request their CSDP, CSDB or broker to provide them with the necessary authority (i.e. letter of representation) in terms of the Custody Agreement entered into between such Shareholders and the CSDP, CSDB or broker.
7. Dematerialised Shareholders, other than Own-name Registered Dematerialised Shareholders, who are unable to attend the General Meeting and who wish to be represented thereat, must provide their CSDP, CSDB or broker with their voting instructions in terms of the Custody Agreement entered into between themselves and the CSDP, CSDB or broker in the manner and time stipulated therein.
8. Shareholders present in person, by proxy or by authorised representative shall, on a show of hands, have one vote each and, on a poll, will have one vote in respect of each share held.

ELECTRONIC PARTICIPATION

1. Shareholders or their proxies may participate in the General Meeting by way of telephone conference call ("**teleconference facility**").
2. Please note that the teleconference facility will only allow Shareholders to listen in and raise questions during the allocated time. Shareholders will not be able to vote using the teleconference facility. Should such Shareholders wish to vote, they must either:
   - complete the Form of Proxy and return it to the Transfer Secretaries in accordance with paragraph 5 above; or
   - contact their CSDP or broker in accordance with paragraphs 6 and 7 above.
3. Shareholders or their proxies who wish to participate in the General Meeting via the teleconference facility must notify the Company by emailing the company secretary (Frans.Reichert@cas.group) by no later than Thursday, 26 March 2020. The company secretary will first validate such requests and confirm the identity of the shareholder in terms of section 63(1) of the Companies Act and thereafter, if validated, provide further details on using the teleconference facility.
4. The cost of the participant's phone call will be for his/her own expense and will be billed separately by his/her own telephone service provider.
5. The Company cannot guarantee there will not be a break in communication which is beyond the control of the Company.
6. The participant acknowledges that the telecommunication lines are provided by a third party and indemnifies the Company against any loss, injury, damage, penalty or claim arising in any way from the

use or possession of the telecommunication lines, whether or not the problem is caused by any act or omission on the part of the participant or anyone else. In particular, but not exclusively, the participant acknowledges that he/she will have no claim against the Company, whether for consequential damages or otherwise, arising from the use of the telecommunication lines or any defect in it or from total or partial failure of the telecommunication lines and connections linking the telecommunication lines to the General Meeting.

SIGNED ON 26 FEBRUARY 2020 BY JOHAN HOLTZHAUSEN ON BEHALF OF THE BOARD OF CA SALES, AS DULY AUTHORISED BY BOARD



JOHAN HOLTZHAUSEN

CA SALES HOLDINGS LIMITED

Incorporated in the Republic of South Africa
Registration number 2011/143100/06
Registered as an external company in the Republic of Botswana
Botswana registration number: EX2017/18292
Share code: CAS ISIN: ZAE400000036
(“**CA Sales**” or “**the Company**”)

FORM OF PROXY

All terms defined in the Circular, to which this Form of Proxy is attached, shall bear the same meanings when used in this Form of Proxy.

For use by Shareholders at the General Meeting to be held at 2nd Floor, Boardroom, Portion 867, Commerce Park, Gaborone, Botswana, on Monday, 30 March 2020 at 10:00.

I/We (Full name in print) ______________________________

of (address) ______________________________

Telephone: (work) area code ( ) ______________ Telephone: (home) area code ( ) ______________

Cellphone number: ______________ Email address: ______________

being the holder of [ ] Shares in CA Sales, hereby appoint:

1. ______________________________ or failing him/her
2. ______________________________ or failing him/her
3. the chairperson of the General Meeting,

as my/our proxy to attend, speak and vote for me/us at the General Meeting for purposes of considering and, if deemed fit, passing, with or without modification, the resolutions to be proposed thereat and at any adjournment thereof and to vote for and/or against the resolutions and/or abstain from voting in respect of the Shares registered in my/our name(s), in accordance with the following instruction (see notes):

	In favour of *	Against *	Abstain *
Special Resolution Number 1 Approval of the Share Issue in terms of the Companies Act			
Ordinary Resolution Number 1 Directors’ authority			

* One vote per Share held by Shareholders. Shareholders must insert the relevant number of votes they wish to vote in the appropriate box provided or “X” should they wish to vote all Shares held by them. If the Form of Proxy is returned without an indication as to how the proxy should vote on any particular matter, the proxy will exercise his/her discretion as to whether, and if so, how he/she votes.

Signed at ______________ on this ______ day of ______________ 2020

Signature(s) ______________________________

Capacity of signatory (where applicable) ______________________________

Assisted by *(where applicable) (state capacity and full name)* ______________________________

Each Shareholder is entitled to appoint one or more proxy(ies) (who need not be Shareholder(s) of CA Sales) to attend, speak and vote in his/her stead at the General Meeting.

Please read the notes on the reverse side hereof.

Notes:

1. A Shareholder entitled to attend and vote at the General Meeting is entitled to appoint one or more proxies to attend, speak and vote in his/her stead. A proxy need not be a registered Shareholder of CA Sales.
2. Every Shareholder present in person or by proxy and entitled to vote at the General Meeting shall, on a show of hands, have one vote only, irrespective of the number of Shares such Shareholder holds. In the event of a poll, Shareholders present in person, by proxy or by authorised representative shall have one vote in respect of each Share held.

Instructions on signing and lodging the Form of Proxy

A Shareholder may insert the name of a proxy or the names of two alternative proxies of the Shareholder's choice in the space/s provided, with or without deleting "the chairperson of the General Meeting", but any such deletion must be initialled by the Shareholder. Should this space/s be left blank, the proxy will be exercised by the chairperson of the General Meeting. The person whose name appears first on the Form of Proxy and who is present at the General Meeting will be entitled to act as proxy to the exclusion of those whose names follow.

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 or CA Sales.

The completed Form of Proxy must be lodged with, posted to or sent via e-mail to the Transfer Secretaries at the addresses set out below, to be received by them preferably by no later than 10:00 (South African time) on Thursday, 26 March 2020, provided that any Form of Proxy not delivered to the Transfer Secretary by this time may be handed to the chairperson of the General Meeting prior to the commencement of the General Meeting, at any time before the appointed proxy exercises any Shareholder rights at the General Meeting. The details of the Transfer Secretaries are as set our below:

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 chairperson of the General Meeting.

The completion and lodging of this Form of Proxy will not preclude the relevant Shareholder from attending the General Meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof, should such Shareholder wish to do so.

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.

The chairperson of the General Meeting may accept any Form of Proxy which is completed other than in accordance with these instructions provided that he/she is satisfied as to the manner in which a Shareholder wishes to vote.

Forms of Proxy must be completed and returned to be received by the Transfer Secretary of the company:

Shares listed on BSE

Grant Thornton, Botswana, Acumen Park, Plot 50370, Fairground, Gaborone

(PO Box 1157, Gaborone, Botswana)

Shares listed on 4AX

4 Africa Exchange Registry, Postnet Suite 532, Private Bag X51, Bryanston, 2021

Email: operations@4aregistry.co.za

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