

Distell Group Limited
Incorporated in the Republic of South Africa
Registration Number: 1988/005808/06
ISIN: ZAE000028668
Share Code: DST
("Distell" or "the Company")

Proposed restructuring of Distell's multi-tiered ownership structure

1 Key highlights

This announcement sets out the proposed restructuring of Distell's multi-tiered ownership structure, which will result in it being replaced with a clearer and simpler shareholding structure ("the Proposed Transaction"). If implemented, the Proposed Transaction will:

- dismantle the multi-tiered ownership structure above Distell;
- leave Distell shareholders with exactly the same economic interest in New Distell (as defined below);
- increase the free float in New Distell on the stock exchange operated by the JSE Limited ("the JSE"); and
- result in the control of New Distell vesting in Remgro Limited (via one or more of its subsidiaries, hereinafter referred to collectively as "Remgro") through the issuance of unlisted voting B shares in New Distell to Remgro.

The Proposed Transaction has the support of the Public Investment Corporation SOC Limited ("PIC"), and Coronation Asset Management Proprietary Limited acting on behalf of its clients ("Coronation"), as detailed below. Remgro is also supportive of the Proposed Transaction, but will not be entitled to vote on the Proposed Transaction.

2 Introduction

Distell currently has a multi-tiered ownership structure, in which Remgro and Capevin Holdings Limited ("Capevin") own a material interest via Remgro-Capevin Investments Proprietary Limited ("RCI"). Remgro and Capevin each hold 50% in RCI, and RCI has a 52.8% direct interest in Distell.

Remgro currently has an effective economic interest of 31.4% in Distell, via its 50% shareholding in RCI and its 19.0% shareholding in Capevin. Capevin's 50% interest in RCI is Capevin's only asset.

Distell shareholders are advised that the independent board of directors of Distell who are not conflicted insofar as the Proposed Transaction is concerned ("Distell Independent Board") has resolved, subject to a number of conditions, to simplify the multi-tiered shareholding structure of Distell as detailed below. The restructuring contemplated by the Proposed Transaction will be achieved through schemes of arrangement pursuant to a number of inter-conditional steps, as set out in paragraph 3 below.

Distell shareholders are encouraged to also refer to the Remgro announcement and the Capevin announcement released on the Stock Exchange News Service ("SENS"), which have been released simultaneously with this announcement, setting out *inter alia* the impact of the Proposed Transaction and the Capevin Scheme (as defined below) on Capevin shareholders.

3 Key Features of the Proposed Transaction

The Proposed Transaction involves a new entity, Business Venture Investments No 1997 Proprietary Limited ("New Distell"), whose ordinary shares will be listed on the JSE (the "New Distell Listing"). Post implementation of the Proposed Transaction, New Distell will be renamed Distell Group Limited.

Following discussions between Distell, Capevin and New Distell, the parties have agreed that Distell will propose a scheme of arrangement between Distell and its shareholders and Capevin will propose a scheme of arrangement between Capevin and its shareholders, in terms of section 114 of the Companies Act, No 71 of 2008 ("Companies Act"), in terms of which New Distell will issue shares to all the shareholders of Capevin (the "Capevin Scheme") and all the shareholders of Distell other than RCI ("Distell Minorities") (the "Distell Scheme") in exchange for their shares in Capevin and Distell, respectively, with the result that New Distell will own all the ordinary shares in Distell via Capevin and RCI, respectively. The issue of New Distell ordinary shares to all Capevin shareholders and Distell Minorities will ensure that they retain their current effective economic interest in Distell.

Immediately prior to implementation of the Distell Scheme and Capevin Scheme, Remgro will exchange all of its RCI shares for further shares in Capevin (such further Capevin shares referred to herein as the "RCI-Related Capevin Shares"), resulting in Remgro holding 59.5% of Capevin (the "RCI Exchange") and, therefore, controlling Capevin and, indirectly through RCI, also Distell. Capevin shareholders other than Remgro ("Capevin Minorities") will be required to approve the issue of the RCI-Related Capevin Shares to Remgro in terms of the RCI Exchange and will also have to approve the Capevin Scheme. Further details of the Capevin Scheme are set out in the Capevin SENS announcement.

In addition, as a condition to the Distell Scheme and Capevin Scheme, the Distell Minorities and Capevin Minorities will respectively be required, via separate whitewash resolutions each approved by the Takeover Regulation Panel (the "TRP"), to waive their right to receive a mandatory offer from Remgro pursuant to the RCI Exchange ("Mandatory Offer Requirement").

Post its creation and listing, and prior to implementation of the schemes of arrangement referred to above, New Distell will also issue unlisted voting shares (the "B Shares") to Remgro. The B Shares will have no economic rights, but will provide Remgro with the same level of voting rights in Distell as it held pursuant to the RCI Exchange, namely 52.8%. The requisite number of B Shares will be issued to Remgro (the "B Share Issuance") and will be "stapled" (as detailed below) to those New Distell ordinary shares that Remgro will receive in exchange for its RCI-Related Capevin Shares in terms of the Capevin Scheme (the "Stapled Ordinary Shares"). The B Shares and accompanying Stapled Ordinary Shares provide Remgro with a 52.8% voting interest in New Distell. In terms of the Capevin Scheme, Remgro will also receive New Distell ordinary shares in exchange for its current 19.0% interest in Capevin, however those New Distell ordinary shares will not be stapled to B Shares.

As stated above, subsequent to the aforementioned steps, Distell will become a wholly-owned subsidiary of New Distell (via RCI and Capevin). As part of the Distell Scheme, Distell will be delisted from the JSE (the "Distell Delisting"). Similarly, as part of the Capevin Scheme, Capevin will be delisted from the JSE (the "Capevin Delisting"). The New Distell Listing will ensure that Distell shareholders are able to trade their New Distell shares on the JSE Main Board, as they were previously able to trade their Distell shares.

The RCI Exchange, Distell Scheme, Capevin Scheme, B Share Issuance, Distell Delisting, Capevin Delisting and New Distell Listing collectively represent the Proposed Transaction, and are all inter-conditional.

By agreement with the JSE and the TRP, (i) Remgro will not be entitled to vote on the resolutions to approve the relevant inter-conditional steps of the Proposed Transaction, which will be proposed at the Capevin Scheme meeting; and (ii) RCI will not be entitled to vote on the resolutions to approve the relevant inter-conditional steps of the Proposed Transaction, which will be proposed at the Distell Scheme meeting.

The PIC owning 27.7% of Distell and 12.9% of Capevin, and Coronation owning 20.5% of Capevin and 2.7% of Distell, have indicated support for the Proposed Transaction and confirmed their intention to vote in favour of the proposals at the Distell Scheme meeting and Capevin Scheme meeting to be held to approve the Proposed Transaction.

The tables below have been provided to give a summary of the current direct ownerships of Distell and Capevin respectively, as well as the expected economic and voting interests in New Distell post the Proposed Transaction:

Current direct ownership of Distell pre Proposed Transaction:

| Shareholders | Number of shares | % Interest |
|------------------------------------|--------------------|---------------|
| RCI (50% Remgro / 50% Capevin) | 117 348 000 | 52.8% |
| PIC | 61 533 197 | 27.7% |
| Distell Minorities (excluding PIC) | 43 501 159 | 19.5% |
| Total | 222 382 356 | 100.0% |

Current direct ownership of Capevin pre Proposed Transaction:

| Shareholders | Number of shares | % Interest |
|---|--------------------|---------------|
| Coronation ¹ | 180 135 944 | 20.5% |
| Remgro | 167 645 356 | 19.0% |
| PIC | 113 114 642 | 12.9% |
| Capevin Minorities (excluding PIC and Coronation) | 419 207 323 | 47.6% |
| Total | 880 103 265 | 100.0% |

Note: 1. Representing clients of Coronation

Expected ownership of New Distell post Proposed Transaction:

| Shareholders | Number of Ordinary Shares | % Economic Interest | Number of B Shares | % Voting Interest |
|---|---------------------------|---------------------|--------------------|-------------------|
| Remgro ¹ | 58 674 000 | 26.4% | 124 226 613 | 52.8% |
| Remgro ² | 11 176 442 | 5.0% | - | 3.2% |
| PIC | 69 074 231 | 31.1% | - | 19.9% |
| Coronation (Capevin-related) | 12 009 156 | 5.4% | - | 3.5% |
| Distell Minorities (excluding PIC) ³ | 43 501 159 | 19.5% | - | 12.6% |
| Capevin Minorities ⁴ | 27 947 368 | 12.6% | - | 8.0% |
| Total | 222 382 356 | 100.0% | 124 226 613 | 100.0% |

Notes: 1. Issued to Remgro in relation to RCI-Related Capevin Shares

2. Issued to Remgro in relation to Capevin shares other than RCI-Related Capevin Shares

3. Distell Minorities includes shares representing 2.7% as previously held by Coronation in Distell

4. Excluding PIC and Coronation

4 Rationale for the Proposed Transaction

The Distell Independent Board believes that the Proposed Transaction will be beneficial to Distell and its shareholders as, *inter alia*, it will:

- result in the elimination of the current multi-tiered ownership structure, leaving a single entry point to investing in Distell;
- likely improve the demand, liquidity and marketability of the New Distell ordinary shares;
- simplify Distell's capital structure and thereby likely improve Distell's investment appeal to both foreign and local investors;
- result in an increased free float of New Distell ordinary shares, which will enhance the weighting thereof in stock market indices both on the JSE and internationally;
- simplify Distell's ability to raise capital, should it need to do so to support its long-term growth strategy; and
- retain the stability and continuity which follows as a result of Remgro remaining as an anchor shareholder in New Distell.

Accordingly, the Distell Independent Board has resolved to submit the Distell Scheme to Distell shareholders for their consideration.

5 Salient terms of the Proposed Transaction

5.1 Proposed Transaction exchange ratio

New Distell will, subject to the fulfilment of the conditions precedent set out in paragraph 6 below, issue the New Distell ordinary shares to Distell shareholders in the entitlement ratio of 1 New Distell ordinary share for every 1 Distell share held on Friday, 13 October 2017 (the "Record Date").

5.2 Distell Delisting

Subject to the fulfilment of the conditions precedent detailed in paragraph 6 below, the shares of Distell will be suspended from trading on the JSE at the commencement of business on Wednesday, 11 October 2017 and Distell will delist from the Beverages sector of the JSE, with effect from the commencement of business on Thursday, 19 October 2017.

5.3 B Shares

The detailed B Share terms, together with the salient terms of the memorandum of incorporation of New Distell, will be included in the circular and New Distell prospectus, to be posted to Distell shareholders not later than Friday 4 August 2017.

The B Shares will, subject to the fulfilment of the conditions precedent set out in paragraph 6 below, be issued to Remgro, on a once-off basis, at a ratio ("B Share Issue Ratio") of 2.117 B Shares for every 1 New Distell ordinary share issued to Remgro (subject to applicable rounding provisions and stapling method, to the extent required) in terms of the Capevin Scheme in exchange for Remgro's RCI-Related Capevin Shares, equating to up to 124,226,613 B Shares to be issued to Remgro in order to maintain Remgro's 52.8% voting rights in Distell held pursuant to the RCI Exchange.

5.3.1 Economic rights

The B Shares will be unlisted, non-convertible, non-participating, no par value shares. In addition, the B Shares issued to Remgro will only be entitled to voting rights and will have no economic participation, save for the right, if repurchased, to be repurchased at their issue price of R0.00001 per B Share and

the right, upon liquidation of New Distell, for their holders to be repaid their issue price of R0.00001 per B Share before any liquidation payment or distribution is made to the ordinary shareholders of New Distell. The B Shares will not be entitled to share in any dividends or distributions by New Distell.

5.3.2 Voting rights

The B Share Issuance simply confers RCI's 52.8% voting rights in New Distell to Remgro following the RCI Exchange, and do not confer any additional voting rights. The B Share Issuance will not lead to any economic dilution for the minority shareholders of Distell or Capevin. The voting B Shares held by Remgro may in certain circumstances be adjusted upwards or downwards to prevent undue accretion / dilution of the voting rights attaching thereto, following certain corporate actions undertaken by New Distell.

Notwithstanding the fact that the economic interests of Distell shareholders will not be diluted by the B Share issuance, their voting rights will be diluted. The dilution of Distell Shareholders from a voting perspective, expressed as a percentage, will be 35.8% (after the implementation of the Proposed Transaction).

Illustrated below is a Distell shareholder's shareholding in Distell pre and post the Transaction:

| Distell shareholder's direct interest in Distell¹ | Before | After |
|---|---------------|--------------|
| Direct economic interest in Distell | 5.00% | 5.00% |
| Direct voting interest in Distell | 5.00% | 3.21% |

Note: 1. Calculations include non-voting treasury shares held by Distell

5.3.3 Salient terms of the B Shares (stapling and disposal)

The terms of the B Shares will provide for certain restrictions on their transferability and the cessation of their voting rights, and the repurchase by New Distell of the relevant B Shares, upon the happening of certain events. The terms attaching to the B Shares will be detailed in full in the circular sent to shareholders regarding the Distell Scheme, but will include the following terms:

5.3.3.1 The B Shares are unlisted and may only be transferred on prior written notice to New Distell.

5.3.3.2 Upon the occurrence of an 'Option Event' (as detailed below), the voting rights attaching to the relevant B Shares will immediately cease to be of force and effect and New Distell will be entitled to repurchase the relevant B Shares at their issue price of R0.00001 per B Share.

5.3.3.3 The following constitute Option Events, namely:

5.3.3.3.1 Any transfer of B Shares without prior notice to New Distell;

5.3.3.3.2 Any disposal of B Shares without the accompanying Stapled Ordinary Shares simultaneously being disposed of;

5.3.3.3.3 Any transfer of Stapled Ordinary Shares which is effected on-market (i.e. via the JSE's normal order book);

5.3.3.3.4 If, at any time, there is no holder of B Shares ("B Shareholder") (whether individually or together with such B Shareholder's related and concert parties) which holds more than 25% of the total voting rights exercisable in New Distell, which for the avoidance of doubt includes the voting rights attaching to the ordinary shares in New Distell (whether stapled or not) and the voting rights attaching to the B Shares in New Distell (hereinafter referred to as the "Total Voting Rights in New Distell");

5.3.3.3.5 If, at any time, a particular B Shareholder (together with such B Shareholder's related and concert parties) ceases to hold more than 25% of the Total Voting Rights of New Distell; and

5.3.3.3.6 The Option Event detailed in 5.3.3.4 below.

5.3.3.4 If, as a result of the disposal of any B Shares together with their accompanying Stapled Ordinary Shares, both the transferor and the transferee (together with any other shareholders related to or acting in concert with the transferor and transferee, respectively) each hold more than 25% of the Total Voting Rights of New Distell, the transferee is entitled to offer to purchase the ordinary shares in New Distell held by all ordinary shareholders of New Distell. If the transferee does not make such an offer, this will constitute an Option Event.

5.3.3.5 If New Distell undertakes an alteration of its capital structure or a corporate action, which impacts the voting rights exercisable by the B Shareholders, the number of B Shares held by the B Shareholders shall be increased or decreased (as the case may be) to maintain the B Share Issue Ratio after implementation of such alteration of capital structure or corporate action.

6 Conditions precedent

The Proposed Transaction is subject to the fulfilment or, if applicable, waiver of the following conditions precedent, namely:

- the approval by Distell shareholders of the Distell Scheme and Distell Delisting;
- the approval by Capevin shareholders of the Capevin Scheme, RCI Exchange and Capevin Delisting;
- as part of the RCI Exchange, respective waivers by the Distell Minorities and Capevin Minorities of the Mandatory Offer Requirement;
- within the period prescribed by section 164(7) of the Companies Act, no demands, or valid demands which in aggregate represent not more than 5% of Distell or Capevin shares, are received by Distell or Capevin in accordance with section 115(8) of the Companies Act;
- the registration of the prospectus in relation to New Distell with the Companies and Intellectual Property Commission;
- the registration of the special resolutions required to restructure New Distell's share capital, and adopt the New Distell memorandum of incorporation; and
- the following regulatory approvals being obtained, namely:
 - JSE approval (in respect of the Distell circular to shareholders in relation to the Distell Scheme, the Capevin circular in relation to the Capevin Scheme, the prospectus in relation to New Distell and the listing of the New Distell ordinary shares);
 - approval from relevant competition authorities; and
 - TRP approval (in respect of the Distell circular to shareholders in relation to the Distell Scheme, the Capevin circular to shareholders in relation to the Capevin Scheme, and the waiver of the Mandatory Offer Requirement).

The New Distell Listing and the Distell Delisting will only occur if the Proposed Transaction is implemented, as all transaction steps are inter-conditional.

7 Financial information relating to the Proposed Transaction

As Distell shareholders will, in terms of the Distell Scheme, exchange their Distell shares for shares in New Distell, their New Distell shares after the Distell Scheme will mirror the economics of the Distell shares before the Distell Scheme. Accordingly, there will be no impact on the earnings and underlying net asset value attributable to each shareholder of Distell as a result of the Proposed Transaction.

8 Salient dates

The salient dates and times applicable to the Proposed Transaction are set out below:

2017

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| Record date to determine which Distell shareholders are entitled to receive the Distell circular | Friday, 28 July |
| Circular posted to Distell shareholders and notice convening the Distell Scheme meeting released on SENS | Friday, 4 August |
| Last day for Distell Minorities to make representations to the TRP in respect of the waiver of the Mandatory Offer Requirement | Monday, 21 August |
| Last day to trade in order to be recorded in the Distell share register in order to be eligible to attend and vote at the Distell Scheme meeting | Tuesday, 22 August |
| Record date for Distell shareholders to be recorded in the Distell share register in order to be eligible to attend and vote at the Distell Scheme meeting | Friday, 25 August |
| For administrative purposes, date by which Forms of Proxy for the Distell Scheme meeting are to be lodged, by 09h00 | Wednesday, 30 August |
| Form of Proxy to be handed to the chairman of the Distell Scheme meeting, at any time before the proxy exercises any rights of the shareholder at the Distell Scheme meeting on | Friday, 1 September |
| Distell Scheme meeting to be held at 10:00am, The House of JC Le Roux, Devon Valley Rd, Stellenbosch, 7600, on | Friday, 1 September |
| Results of the Distell Scheme meeting released on SENS | Friday, 1 September |
| Results of the Distell Scheme meeting to be published in the press | Monday, 4 September |
| Company to send any dissenting shareholders notice of the passing of the special resolution approving the Distell Scheme, in terms of section 164(4) of the Companies Act | Monday, 4 September |
| If (i) all of the resolutions relating to the Proposed Transaction are passed by the requisite majority of Distell shareholders at the Distell Scheme meeting, (ii) all of the resolutions required to give effect to the Proposed Transaction are passed by Capevin shareholders at the Capevin Scheme meeting | |
| Last day for Distell shareholders who voted against the Proposed Transaction to require Distell to seek court approval for the Proposed Transaction in terms of section 115(3)(a) of the Companies Act | Friday, 8 September |
| Last day to send notice of adoption of special resolutions to dissenting Distell shareholders, in accordance with section 164 of the Companies Act | Friday, 15 September |
| Last day for Distell shareholders who voted against the Proposed Transaction to apply to court for leave to apply for a review of the Transaction in terms of section 115(3)(b) of the Companies Act | Friday, 15 September |
| Receive compliance certificate from the Takeover Regulation Panel | Monday, 2 October |
| If all conditions relating to the Proposed Transaction are fulfilled or waived (to the extent applicable) | |
| Finalisation announcement expected to be released on SENS and published in the press | Monday, 2 October |
| Last day to trade in order to be recorded on the register on the Record Date | Tuesday, 10 October |

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| Distell shares expected to be suspended on JSE trading system | Wednesday, 11 October |
| Distell shareholders can trade their entitlement to New Distell Ordinary Shares | Wednesday, 11 October |
| Expected Record Date on which Distell shareholders must be recorded in the Register to participate in the Proposed Transaction | Friday, 13 October |
| Implementation of RCI Exchange | Friday, 13 October |
| Settlement of the Scheme consideration | Monday, 16 October |
| Expected termination of the listing of Distell shares at commencement of trade on the JSE | Thursday, 19 October |

Notes:

1. All times shown above are South African Local times
2. All dates and times in respect of the Proposed Transaction are subject to change. The above dates have been determined based on certain assumptions regarding the Proposed Transaction. The above dates will change to the extent that the requisite approvals of the relevant Competition Authorities are not obtained by Monday, 2 October 2017. If the relevant dates in respect of the Proposed Transaction change and the dates above are impacted a change will be released on SENS and published in the press
3. Distell will send the required notice to objecting Distell shareholders, if any, in terms of section 164(4) of the Companies Act on 4 September 2017, but the last day for sending this notice is ten business days after the date of the Distell Scheme meeting.
4. Certificated Distell shareholders whose Distell share certificates and duly completed Forms of Surrender and Transfer are received by the Transfer Secretaries after 12:00 on Friday, 13 October 2017 will have their new share certificates for the New Distell shares to them within 5 business days of such receipt.
5. Share certificates in Distell may not be dematerialised or rematerialised after 10 October 2017.

9 Independent Expert

The Distell Independent Board, has appointed Ernst & Young to act as Independent Expert, in terms of section 114(2) of the Companies Act and Takeover Regulations as defined in the Companies Act, on the Distell Scheme.

The report of the independent expert and the recommendation of the Distell Independent Board will be included in the circular to be posted to shareholders as set out in paragraph 11 below.

10 Confirmation to the TRP

New Distell has confirmed with the TRP that it will have a sufficient number of authorised and unissued New Distell ordinary shares and B Shares in order to fulfil its obligations on implementation of the Distell Scheme.

11 Posting of the circular

Distell shareholders are advised that a circular containing the full details of the terms of the Proposed Transaction and notice of the Distell Scheme meeting containing the necessary resolutions to be approved by the Distell shareholders in order to implement the Proposed Transaction, which will be accompanied by a prospectus in respect of New Distell, will be posted to Distell shareholders no later than Friday, 4 August 2017.

12 Directors responsibility statement

In this firm intention announcement, the Distell Independent Board accepts responsibility for the information contained in this announcement insofar as it relates to Distell and confirms that, to the best of their knowledge and belief, such information which relates to Distell is true and correct and the

announcement does not omit anything which would make any statement in the announcement false or misleading or omit anything likely to affect the importance of the information.

By order of the Board

Stellenbosch
22 June 2017

Financial Adviser, Merchant Bank and Transaction Sponsor to Distell and New Distell
Transaction Originator and Coordinator
Rand Merchant Bank, a division of FirstRand Bank Limited

Legal Adviser to Distell
Cliffe Dekker Hofmeyr Inc.

Independent expert to the Distell Independent Board
Ernst & Young Advisory Services Proprietary Limited

Legal Adviser to New Distell
Edward Nathan Sonnenbergs Inc.

Financial Adviser and Transaction Sponsor to Capevin
PSG Capital Proprietary Limited

Legal Adviser to Capevin
Cliffe Dekker Hofmeyr Inc.

Legal Adviser to the Capevin Independent Board
Cliffe Dekker Hofmeyr Inc.

Independent expert to the Capevin Independent Board
BDO Corporate Finance Proprietary Limited

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Posting of Transaction Documents and the Distell Incentive Plan Circular, and notices of the Distell Scheme Meeting and the Distell General Meeting

Unless otherwise indicated, capitalised words and terms contained in this announcement shall bear the same meanings ascribed thereto in the announcement released on SENS on 22 June 2017 ("June Announcement").

1 Introduction

Distell shareholders are referred to the June Announcement, that sets out the proposed restructuring of Distell's multi-tiered ownership structure (the "Transaction") as well as the announcement released on SENS on 4 August 2017 updating the salient dates and times of the Transaction.

The restructuring of Distell's multi-tiered ownership structure involves:

- a restructuring of Distell through *inter alia* schemes of arrangement between Distell and the Distell Minorities, and Capevin and the Capevin shareholders, respectively, in each case to which the Distell Group Holdings Limited ("New Distell" or "DGHL") is a party, and pursuant to which an aggregate of 222 382 356 DGHL ordinary shares will be issued to the Distell Minorities and Capevin shareholders in exchange for their shares in Distell and Capevin respectively;
- the issue of 124 226 613 B Shares in DGHL to Remgro;
- a waiver by the Distell Minorities of the Mandatory Offer Requirement pursuant to the RCI Exchange;
- the listing of all DGHL ordinary shares on the JSE; and
- the subsequent delisting of the Distell shares from the JSE.

The Transaction has the support of the PIC, and Coronation, as detailed in the Transaction Documents. Remgro is also supportive of the Transaction, but will not be entitled to vote on the Transaction.

Based on the results of the procedures performed by the independent expert, detailed valuation work and other considerations as set out in the fairness opinion, which is included in the Distell Scheme circular, the independent expert is of the opinion that the Distell Scheme, including the waiver of the Mandatory Offer Requirement, is fair and reasonable to Distell shareholders.

2 Posting of Transaction Documents

Distell shareholders are advised that the Distell Scheme circular, accompanied by the prospectus issued by DGHL (collectively, the "Transaction Documents") have been posted to Distell shareholders on Wednesday, 20 September 2017. The Transaction Documents are also available on Distell's website: <https://www.distell.co.za/investor-centre/>.

To obtain a thorough understanding of the restructure of Distell's multi-tiered ownership structure, Distell shareholders are advised to refer to the full terms and conditions pertaining thereto, as set out in the Transaction Documents.

3 Distell Scheme Meeting

The shareholders meeting to consider, *inter alia*, the Distell Scheme (“Distell Scheme Meeting”) is to be held at 12h00 on Friday, 27 October 2017, at Van Ryn’s Distillery & Brandy Cellar, Van Ryn Road, Vlottenburg, Stellenbosch, 7600, in order to consider and, if deemed fit, pass the special and ordinary resolutions necessary to give effect to the waiver of the Mandatory Offer Requirement and the Distell Scheme, which will result in the Distell Delisting.

The salient dates and times in relation to the Transaction are as follows:

| | 2017 |
|--|-------------------------|
| Record date to determine which Distell shareholders are entitled to receive the Distell Scheme circular | Friday, 15 September |
| Circular and notice convening the Distell Scheme Meeting posted to Distell shareholders | Wednesday, 20 September |
| Last day for Distell Minorities to make representations to the TRP in respect of the waiver of the Mandatory Offer Requirement | Thursday, 5 October |
| Last day to trade in order to be recorded in the register in order to be eligible to attend and vote at the Distell Scheme Meeting | Tuesday, 17 October |
| Voting record date for Distell shareholders to be recorded in the register in order to be eligible to attend and vote at the Distell Scheme Meeting | Friday, 20 October |
| For administrative purposes, date by which Forms of Proxy for the Distell Scheme Meeting are requested to be lodged, by 12h00 | Wednesday, 25 October |
| Form of Proxy to be handed to the chairman of the Distell Scheme Meeting, at any time before the proxy exercises any rights of the Distell Minorities at the Distell Scheme Meeting | Friday, 27 October |
| Last date and time for Distell shareholders to give notice to Distell objecting to the Distell Scheme in terms of section 164 of the Companies Act by 12h00 | Friday, 27 October |
| Distell Scheme Meeting to be held at 12h00, Van Ryn’s Distillery & Brandy Cellar, Van Ryn Road, Vlottenburg, Stellenbosch, Western Cape, 7600 | Friday, 27 October |
| Results of the Distell Scheme Meeting released on SENS | Friday, 27 October |
| Results of the Distell Scheme Meeting published in the press | Monday, 30 October |
| Company to send notice of the passing of the special resolution approving the Distell Scheme, in terms of section 164(4) of the Companies Act | Monday, 30 October |
| If (i) all of the resolutions relating to the Distell Scheme and the waiver of the Mandatory Offer Requirement are passed by the requisite majority of Distell Minorities at the Distell Scheme Meeting, and (ii) all of the resolutions required to give effect to the RCI Exchange, the waiver of the Mandatory Offer and the Capevin Scheme are passed by Capevin Minorities at the Capevin Scheme meeting | |

| 2017 | |
|---|-----------------------|
| Last day for Distell Minorities who voted against the Distell Scheme to require Distell to seek court approval for the Distell Scheme in terms of section 115(3)(a) of the Companies Act | Friday, 3 November |
| Last day to send notice of adoption of special resolutions in accordance with section 164(4) of the Companies Act | Friday, 10 November |
| Last day for Distell Minorities who voted against the Distell Scheme to apply to court for leave to apply for a review of the Distell Scheme in terms of section 115(3)(b) of the Companies Act | Friday, 10 November |
| 2018 | |
| Anticipated receipt of approval of the South African Competition Authorities on or before | Monday, 29 January |
| Receive compliance certificate from the TRP | Monday, 29 January |
| If all Conditions Precedent relating to the Distell Scheme are fulfilled or waived (to the extent applicable) | |
| Finalisation announcement expected to be released on SENS | Monday, 29 January |
| Implementation of RCI Exchange and B Share Issuance | Monday, 29 January |
| Finalisation announcement expected to be published in the press | Tuesday, 30 January |
| Last day to trade in order for Capevin shareholders to be recorded on the Capevin securities register on the record date | Tuesday, 6 February |
| Capevin shares expected to be suspended on the JSE trading system | Wednesday, 7 February |
| DGHL ordinary shares to be allocated to Capevin shareholders listed on the JSE | Wednesday, 7 February |
| Capevin shareholders can trade their entitlement to DGHL ordinary shares | Wednesday, 7 February |
| Last day to trade in order for Distell shareholders to be recorded on the register on the record date | Thursday, 8 February |
| Distell shares expected to be suspended on the JSE trading system | Friday, 9 February |
| DGHL ordinary shares to be allocated to Distell shareholders listed on the JSE | Friday, 9 February |
| Distell shareholders can trade their entitlement to DGHL ordinary shares | Friday, 9 February |
| Expected Capevin record date on which Capevin shareholders must be recorded in the Capevin securities register to participate in the Capevin Scheme | Friday, 9 February |
| Implementation of the Capevin Scheme | Monday, 12 February |
| Capevin shareholders' CSDP or broker accounts updated to reflect their DGHL ordinary shares | Monday, 12 February |
| Expected termination of the listing of Capevin shares at commencement of trade on the JSE | Tuesday, 13 February |

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|--|------------------------|
| Expected Distell record date on which Distell shareholders must be recorded in the register to participate in the Distell Scheme | Tuesday, 13 February |
| Implementation of the Distell Scheme | Wednesday, 14 February |
| Distell shareholders' CSDP or broker accounts updated to reflect their DGHL ordinary shares | Wednesday, 14 February |
| Expected termination of the listing of Distell shares at commencement of trade on the JSE | Thursday, 15 February |

Notes:

1. All times shown above are South African local times.
2. All dates and times in respect of the Transaction are subject to change. The above dates have been determined based on certain assumptions regarding the Transaction. The above dates will also change to the extent that the requisite approvals of the relevant South African Competition Authorities and/or Foreign Competition Authorities have not been obtained by Monday, 29 January 2018. If the relevant dates in respect of the Transaction change and the dates above are impacted, the changes will be released on SENS and published in the press.
3. It should be noted that although Distell will send the required notice to dissenting shareholders, if any, in terms of section 164(4) of the Companies Act on Monday, 30 October 2017, the last day for sending this notice is 10 business days after the date of the Distell Scheme Meeting.
4. Share certificates in respect of Distell shares may not be dematerialised or rematerialised from Thursday, 8 February 2018.

4 Posting of Distell Incentive Plan Circular and Distell General Meeting

Distell shareholders are advised that a second circular, relating to the proposed conditional share plan scheme ("CSP Scheme"), has also been posted to shareholders on Wednesday, 20 September 2017 ("Distell Incentive Plan Circular"). The Incentive Plan Circular gives details regarding the CSP Scheme that shall be applicable in respect of:

- i. DGHL, if the Distell Scheme and the Capevin Scheme become operative and the required advisory votes are adopted by Distell shareholders and Capevin shareholders; and
- ii. Distell, if the required ordinary resolution (requiring a 75% majority vote) is passed by Distell shareholders, which scheme will terminate if the Distell Scheme and the Capevin Scheme become operative.

Distell shareholders should note that the Transaction and the CSP Scheme are not inter-conditional. This means that the Transaction can become operative (if supported by the required votes) even if the CSP Scheme does not receive the required support, and *vice versa*.

The general meeting of Distell shareholders to consider the CSP Scheme will be held at 12h30, or as soon as possible thereafter once the Distell Scheme Meeting concludes, on Friday, 27 October 2017 ("Distell General Meeting"), at Van Ryn's Distillery & Brandy Cellar, Van Ryn Road, Vlottenburg, Stellenbosch, 7600 to pass the ordinary resolutions/advisory vote set out in the Distell Incentive Plan Circular.

To obtain a thorough understanding of the CSP Scheme, Distell shareholders are advised to refer to the full terms and conditions pertaining thereto, as set out in the Distell Incentive Plan Circular.

The salient dates and times in relation to the Distell General Meeting are as follows:

2017

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| Record date to determine which Distell shareholders are entitled to receive the Distell Incentive Plan Circular | Friday, 15 September |
| Distell Incentive Plan Circular and notice convening the Distell General Meeting posted to Distell shareholders | Wednesday, 20 September |
| Last day to trade in order to be recorded in the register in order to be eligible to attend and vote at the Distell General Meeting | Tuesday, 17 October |
| Voting record date for Distell shareholders to be recorded in the register in order to be eligible to attend and vote at the Distell General Meeting | Friday, 20 October |
| For administrative purposes, date by which Forms of Proxy for the Distell General Meeting are requested to be lodged, by 12h30 | Wednesday, 25 October |
| Form of Proxy to be handed to the chairman of the Distell General Meeting, at any time before the proxy exercises any rights of the Distell shareholder at the Distell General Meeting | Friday, 27 October |
| Distell General Meeting to be held at 12h30, or as soon as possible thereafter once the Distell Scheme Meeting concludes, at Van Ryn's Distillery & Brandy Cellar, Van Ryn Road, Vlotenburg, Stellenbosch, Western Cape, 7600 | Friday, 27 October |
| Results of the Distell General Meeting released on SENS | Friday, 27 October |

Notes:

1. All times shown above are South African local times.
2. All dates and times in respect of the Distell Incentive Plan Circular are subject to change. If the relevant dates are impacted, the changes will be released on SENS and published in the press.
3. If the Distell General Meeting is adjourned or postponed, Forms of Proxy submitted for the Distell General Meeting will remain valid in respect of any adjournment or postponement of the Distell General Meeting.

By order of the Board

Stellenbosch
20, September 2017

Financial Adviser, Merchant Bank and JSE Sponsor to Distell and DGHL
Transaction Originator and Coordinator
Rand Merchant Bank, a division of FirstRand Bank Limited

Legal Adviser to Distell
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Independent expert to the Distell Independent Board
Ernst & Young Advisory Services Proprietary Limited

Legal Adviser to DGHL
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Financial Adviser and Transaction Sponsor to Capevin
PSG Capital Proprietary Limited

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Independent expert to the Capevin Independent Board
BDO

Distell Group Limited
 Incorporated in the Republic of South Africa
 Registration Number: 1988/005808/06
 ISIN: ZAE000028668
 Share Code: DST
 ("Distell" or "the Company")

Results of the Distell Scheme Meeting and the Distell General Meeting and remaining salient dates and times of the Transaction

Unless otherwise indicated, capitalised words and terms contained in this announcement shall bear the same meanings ascribed thereto in the Distell Circular, Prospectus and Distell Incentive Plan Circular, distributed on Wednesday, 20 September 2017.

On 22 June 2017, Distell and Capevin issued a joint announcement in relation to the proposed restructuring of Distell's multi-tiered ownership structure. The related Circular and Prospectus were distributed on Wednesday, 20 September 2017. The Board of Distell is pleased to announce that at the Distell Scheme Meeting held today, the resolutions relating to the Transaction were approved by the requisite majority of votes. Furthermore, all the resolutions set out in the Notice of the Distell General Meeting in relation to the CSP Scheme were approved by the requisite majority of votes. The results of each resolution are as follows:

| Resolutions | Votes carried disclosed as a percentage of the total number of shares voted at the meeting ^(1,2) | | Number of shares voted | Shares voted disclosed as a percentage of the eligible voting rights (Distell Scheme Meeting) ⁽³⁾ and the total voting rights (Distell General Meeting) ⁽⁴⁾ | Shares abstained disclosed as a percentage of the eligible voting rights (Distell Scheme Meeting) ⁽³⁾ and the total voting rights (Distell General Meeting) ⁽⁴⁾ | |
|-------------------------------|---|---------|------------------------|---|---|-------|
| | For | Against | | | | |
| Distell Scheme Meeting | | | | | | |
| Special resolution 1 | Approval of the Distell Scheme | 99.99% | 0.01% | 86 603 379 | 84.87% | 0.24% |
| Special resolution 2 | Revocation of Special resolution 1 if the Distell Scheme does not | 99.99% | 0.01% | 86 603 379 | 84.87% | 0.24% |

| | | | | | | |
|--------------------------------|---|--------|-------|-------------|--------|-------|
| | become unconditional and is not continued | | | | | |
| Ordinary resolution 1 | Waiver by the Distell Minorities of the Mandatory Offer in terms of regulation 86(4) of the Companies Regulations | 99.99% | 0.01% | 86 603 379 | 84.87% | 0.24% |
| Ordinary resolution 2 | Directors authority | 99.99% | 0.01% | 86 603 379 | 84.87% | 0.24% |
| Distell General Meeting | | | | | | |
| Advisory vote | Approval of the DGHL CSP Scheme | 97.06% | 2.94% | 142 647 037 | 65.02% | 0.14% |
| Ordinary resolution 1 | Approval of the Distell CSP Scheme | 97.06% | 2.94% | 142 647 037 | 65.02% | 0.14% |
| Ordinary resolution 2 | Approval of the making of awards under the Distell CSP Scheme, prior to the end of the restricted period | 97.06% | 2.94% | 142 647 037 | 65.02% | 0.14% |
| Ordinary resolution 3 | Authority to implement the above resolutions | 97.06% | 2.94% | 142 647 037 | 65.02% | 0.14% |

Notes:

1. Any proxy appointments giving discretion to the Chairman of the Meeting have been included in the "For" totals above.
2. A vote "abstained" is not a vote in law and is not counted in the calculation of the votes "For" or "Against" a resolution.
3. The total ordinary shares in issue and held by Distell Minorities (eligible voting shares) as at Friday, 27 October 2017 was 102 040 911 ordinary shares of R0.01 rand each. 117 348 000 of the ordinary shares in issue held by Remgro-Capevin Investments Limited, comprising 52.77% of the total ordinary shares in issue, were not entitled to vote and 2 993 445 of the ordinary shares in issue are classified as Treasury shares, comprising 1.34% of the total ordinary shares in issue, were not entitled to vote. Minorities are entitled to one vote per ordinary share held, on a poll. The votes received, including votes abstained, amount to 85.11% of the eligible voting rights.
4. The ordinary shares in issue (total voting rights) as at Friday, 27 October 2017 was 219 318 911 ordinary shares of R0.01 rand each. A total of 2 993 445 of the ordinary shares in issue are classified as Treasury shares, comprising 1.34% of the total ordinary shares in issue, were not entitled to vote. Distell Shareholders are entitled to one vote per ordinary share held. The votes received, including votes abstained, amount to 65.16% of the total voting rights.

The special resolutions will, where necessary, be lodged for registration with the Companies and Intellectual Property Commission in due course.

Remaining salient dates and times of the Transaction

2017

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| Results of the Distell Scheme Meeting to be published in the press | Monday, 30 October |
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| If applicable, Company to send notice of the passing of the special resolution approving the Distell Scheme, in terms of section 164(4) of the Companies Act | Monday, 30 October |
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If (i) all of the resolutions relating to the Distell Scheme and the Waiver are passed by the requisite majority of Distell Minorities at the Distell Scheme Meeting, and (ii) all of the resolutions required to give effect to the RCI Exchange, the Waiver and the Capevin Scheme are passed by Capevin Minorities at the Capevin Scheme Meeting

2017

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| Last day for Distell Minorities who voted against the Distell Scheme to require Distell to seek court approval for the Distell Scheme in terms of section 115(3)(a) of the Companies Act | Friday, 3 November |
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| Last day to send notice of adoption of special resolutions in accordance with section 164(4) of the Companies Act | Friday, 10 November |
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| Last day for Distell Minorities who voted against the Distell Scheme to apply to court for leave to apply for a review of the Distell Scheme in terms of section 115(3)(b) of the Companies Act | Friday, 10 November |
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2018

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| Anticipated receipt of approval of the South African Competition Authorities on or before | Monday, 29 January |
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| Receive compliance certificate from the TRP | Monday, 29 January |
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If all Conditions Precedent relating to the Distell Scheme are fulfilled or waived (to the extent applicable)

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| Finalisation announcement expected to be released on SENS | Monday, 29 January |
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| Implementation of RCI Exchange and B Share Issuance | Monday, 29 January |
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| Finalisation announcement expected to be published in the press | Tuesday, 30 January |
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| Last day to trade in order for Capevin Shareholders to be recorded on the Capevin securities register on the Capevin Record Date | Tuesday, 6 February |
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| Capevin Shares expected to be suspended on the JSE trading system | Wednesday, 7 February |
| DGHL Ordinary Shares to be allocated to Capevin Shareholders listed on the JSE | Wednesday, 7 February |
| Capevin Shareholders can trade their entitlement to DGHL Ordinary Shares | Wednesday, 7 February |
| Last day to trade in order for Distell Shareholders to be recorded on the securities register on the Distell Record Date | Thursday, 8 February |
| Distell Shares expected to be suspended on the JSE trading system | Friday, 9 February |
| DGHL Ordinary Shares to be allocated to Distell Shareholders listed on the JSE | Friday, 9 February |
| Distell Shareholders can trade their entitlement to DGHL Ordinary Shares | Friday, 9 February |
| Expected Capevin Record Date on which Capevin Shareholders must be recorded in the Capevin securities register to participate in the Capevin Scheme | Friday, 9 February |
| Implementation of the Capevin Scheme (Capevin Operative Date) | Monday, 12 February |
| Capevin Shareholders' CSDP or Broker accounts updated to reflect their DGHL Ordinary Shares | Monday, 12 February |
| Expected termination of the listing of Capevin Shares at commencement of trade on the JSE | Tuesday, 13 February |
| Expected Distell Record Date on which Distell Shareholders must be recorded in the securities register to participate in the Distell Scheme | Tuesday, 13 February |
| Implementation of the Distell Scheme (Distell Operative date) | Wednesday, 14 February |
| Distell Shareholders' CSDP or Broker accounts updated to reflect their DGHL Ordinary Shares | Wednesday, 14 February |
| Expected termination of the listing of Distell Shares at commencement of trade on the JSE | Thursday, 15 February |

Notes:

1. All times shown above are South African local times.
2. All dates and times in respect of the Transaction are subject to change. The above dates have been determined based on certain assumptions regarding the Transaction. The above dates will also change to the extent that the requisite approvals of the relevant South African Competition Authorities and/or Foreign Competition Authorities have not been obtained by Monday, 29 January 2018. If the relevant dates in respect of the Transaction change and the dates above are impacted, the changes will be released on SENS and published in the press.
3. It should be noted that although Distell will send the required notice to Dissenting Distell Shareholders, if any, in terms of section 164(4) of the Companies Act on Monday, 30 October 2017, the last day for sending this notice is 10 Business Days after the date of the Distell Scheme Meeting.
4. Share certificates in respect of Distell Shares may not be Dematerialised or rematerialised from Thursday, 8 February 2018.

By order of the Board

Stellenbosch

27, October 2017

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Transaction Originator and Coordinator
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