

BASIL READ HOLDINGS LIMITED

Incorporated in the Republic of South Africa

(Registration number 1984/007758/06)

("Basil Read" or "the Company")

ISIN: ZAE000029781

Share code: BSR

SPECIFIC REPURCHASE OF "A" ORDINARY SHARES

1. INTRODUCTION

Shareholders of Basil Read ("Shareholders") are referred to:

- the announcement released on the Stock Exchange News Service of the JSE Limited ("JSE") ("SENS") on 27 September 2017 relating to the amendment to the agreement relating to a specific repurchase and special resolutions to implement the specific repurchase of the 33 607 507 "A" Ordinary Shares of R0.01 per share held by SIOC CDT Investment Holdings (RF) Proprietary Limited ("SIOC") (a related party to Basil Read) for a cash consideration of R336 075.07 ("Specific Repurchase") containing all the information required by section 11.25 of the JSE Listings Requirements other than as disclosed in this announcement;
- the announcement released on SENS on 4 December 2017 relating to the results of general meeting held on 4 December 2017 at which the necessary resolutions to cater for the successful implementation of the Specific Repurchase were passed by the requisite majority of Basil Read shareholders excluding SIOC;
- the announcement released on SENS on 26 February 2018 relating to the results of the rights offer which provided the funds required by Basil Read to confirm the solvency and liquidity as well as working capital undertakings (see paragraph 2 below) required to implement the Specific Repurchase; and
- the announcement released on SENS today, 28 March 2018, relating to the annual results of Basil Read and resulting in Basil Read no longer being in a prohibited period.

and are advised that Basil Read are now in a position to undertake the Specific Repurchase.

2. UNDERTAKING BY THE DIRECTORS OF BASIL READ

The directors of Basil Read ("Board") undertook in Special Resolution number 4 to the notice of general meeting forming part of the circular to shareholders dated 2 November 2017 (which included a statement by the Board that the Specific Repurchase was fair insofar as Shareholders (excluding SIOC) are concerned and that the Board had been so advised by BDO Corporate Finance (Pty) Ltd, the independent expert acceptable to the JSE and the pro forma financial effects of the Specific Repurchase), that they would not implement the Specific Repurchase unless certain conditions were met. These conditions have now been achieved as outlined below:

- the Company and all its subsidiaries will be able, in the ordinary course of business, to pay its debts for a period of 12 months after the date of the Specific Repurchase;
- the assets of the Company and all its subsidiaries will exceed the liabilities of the Company and all its subsidiaries for a period of 12 months after the date of the Specific Repurchase. For this purpose, the assets and liabilities have been recognised and measured in accordance with the accounting policies used in the Company's latest audited annual financial statements (as at and for the year ended 31 December 2016);
- the Company and all its subsidiaries will have adequate share capital and reserves for ordinary business purposes for a period of 12 months after the date of the Specific Repurchase;
- the working capital of the Company and all its subsidiaries will be adequate for ordinary business purposes for a period of 12 months after the date of the Specific Repurchase (see paragraph 3 below);
- the Company will publish an announcement in compliance with the Listings Requirements of the JSE containing the details of the Specific Repurchase and the working capital statement prescribed above (being this announcement);
- the Company or any of its subsidiaries will not repurchase securities in a prohibited period, unless it announced the full details of the Specific Repurchase (including the dates and quantities of the securities to be traded) prior to the commencement of the prohibited period; and
- a resolution by the Board that they have authorised the Specific Repurchase, that the Company and its subsidiaries have passed the solvency and liquidity test and that since the test was performed there have been no material changes to the financial position of any company of the group.

3. WORKING CAPITAL STATEMENT BY THE BOARD

In the opinion of the Board, the working capital available to Basil Read and its subsidiaries is sufficient for the group's present requirements, that is, for at least the next 12 months from the date of the Specific Repurchase.

4. TIMETABLE

The Specific Repurchase will be made on 17 April 2018 and the "A" Ordinary Shares will be cancelled from that date. The "A" Ordinary Shares are not listed.

Johannesburg
28 March 2018

Company Secretary
A Ndoni

Corporate Advisor and Transaction Sponsor
Tamela Holdings Proprietary Limited

Legal Adviser

Tugendhaft Wapnick Banchetti and Partners