

Mr Price Group Limited

(Registration number 1933/004418/06)

Incorporated in the Republic of South Africa

ISIN: ZAE000200457

LEI number: 378900D3417C35C5D733

JSE and A2X share code: MRP

("Mr Price Group" "the company" or "the group")



DISTRIBUTION OF CIRCULAR

1. Introduction

Mr Price Group wishes to affect a capital raise of up to 10% of the company's ordinary issued shares at an appropriate point in time and as market conditions permit.

The COVID-19 pandemic has brought about and highlighted significant risks across all business sectors. The company has established plans to mitigate these as best as possible in a very volatile and uncertain environment, with a focus on protecting existing operations. The nationwide lockdown in late March and April 2020 resulted in the group not being able to generate revenue. Despite this, the group's current financial position remains sound, with positive cash resources and a debt-free balance sheet to support current business operations. This position has been achieved as a result of focus on a proven business model and strong financial discipline. Cash flow generation and balance-sheet strength will continue to be central to the group's strategy and is aligned with the company's founders' mentality.

Internal market research has identified attractive growth areas and a capital raise will enable the company to pursue and accelerate these growth opportunities, whether they are organic or acquisitive in nature. The board and management are of the view that market conditions will allow strong companies to capitalise on these opportunities whilst maintaining financial flexibility. The group needs to be well positioned to respond, with speed and agility, without being compromised by the status of prevailing equity markets at a particular time.

In considering possible acquisitions, the company has set clear guidelines, including geography, market sector, growth opportunity, size and valuation. There is no 'must acquire' mentality as this would diminish financial discipline and the ongoing unwavering focus on investing for the long term. For the sake of providing further clarity to shareholders and potential investors, the company's current focus is on identifying several growth opportunities in South Africa rather than favouring a single large acquisition or foreign markets.

The following authorities will accordingly be requested from shareholders:

- the control of 10% of the authorised but unissued ordinary shares (equating to a maximum number of 25 704 573 ordinary shares);
- an issue of ordinary shares for cash not exceeding 10% of the issued ordinary share capital (equating to 25 704 573 ordinary shares); and
- the signature of documents.

2. Distribution of circular and notice of general meeting

The circular has been disseminated electronically and posted to shareholders today, Wednesday, 20 May 2020 and will contain the relevant notice to convene the general meeting of shareholders to be held at the Mr Price Group boardroom at Upper Level, North Concourse, 65 Masabalala Yengwa Avenue, Durban, on Monday, 29 June 2020 at 14h00 for the purpose of considering and, if deemed fit, passing with or without modification, the relevant proposed resolutions required to implement a specific issue of ordinary shares for cash.

Copies of the circular may also be obtained from the group's website at www.mrpricegroup.com or requested from the company secretary at jchadle@mrpg.com.

3. Salient dates and times

Event	Date
Posting record date to determine which shareholders are entitled to receive the circular	Friday, 15 May 2020
Circular distributed to shareholders and announcement released on SENS	Wednesday, 20 May 2020
Last date to trade in order to appear in the register on the meeting record date	Monday, 15 June 2020
Meeting record date to determine which shareholders are entitled to vote at the general meeting	Friday, 19 June 2020
Forms of proxy to be lodged with the transfer secretaries, for administrative purposes, by 14h00 on	Thursday, 25 June 2020
General meeting held at 14h00 on	Monday, 29 June 2020
Results of general meeting released on SENS on	Monday, 29 June 2020

Notes

1. All of the above dates and times are subject to change. Any changes made will be notified to shareholders by release on SENS.
2. Shareholders should note that, as transactions in shares are settled in the electronic settlement system used by Strate, settlement of trades takes place three business days after such trade. Therefore, persons who acquire shares after the last day to trade namely, Monday, 15 June 2020, will not be able to vote at the general meeting.
3. For administrative purposes it is requested that forms of proxy be lodged with the transfer secretaries by 14h00 on Thursday, 25 June 2020. Alternately, forms of proxy delivered on the day of the meeting must be delivered by email to proxy@computershare.co.za with a copy thereof to the Mr Price Group company secretary at jcheadle@mrpg.com, to be received by both of them before the person so empowered seeks to exercise any right granted to it under such instrument.

4. Action required by shareholders in relation to the general meeting

As a result of the COVID-19 pandemic and the resultant lockdown restrictions on travel and the holding of public gatherings, it is no longer permissible nor possible to hold a shareholder meeting in person.

Consequently, the general meeting will only be accessible through electronic participation, as permitted by the JSE Limited and the provisions of the Companies Act and the company's Memorandum of Incorporation.

To this end, the company together with its share transfer secretaries, Computershare Investor Services Proprietary Limited (Computershare) shall host the general meeting on an interactive electronic platform, to facilitate remote participation by shareholders. Computershare shall also act as meeting scrutineer.

Shareholders who wish to participate electronically at the general meeting are required to contact Computershare on proxy@computershare.co.za; or alternatively contact their office on +27 11 370 5000 as soon as possible, but in any event, for administrative purposes only, by no later than 14h00 on Tuesday, 23 June 2020. However, this will not in any way affect the rights of shareholders to register for the general meeting after this date, provided, however, that only those shareholders who are fully verified (as required in terms of section 63(1) of the Companies Act) and subsequently registered at the commencement of the general meeting, will be allowed to participate by electronic means. Shareholders wishing to vote, shall be assisted by Computershare where required and only through means of submitting their vote on the appropriate proxy form issued by Computershare as provided at the general meeting.

Shareholders are strongly encouraged to submit votes by proxy before the general meeting. If dematerialised shareholders without "own name" registration wish to participate in the general meeting, they should instruct their CSDP or broker to issue them with the necessary letter of representation to participate remotely in the general meeting in person, in the manner stipulated in their respective custody agreements. These instructions must be provided to the CSDP or broker by the cut-off time and date advised by the CSDP or broker for instructions of this nature.

Aside from the costs incurred by the company as a result of the hosting of the general meeting by way of a remote interactive electronic platform, which shareholders can choose to access, shareholders will be liable for their own network charges in relation to electronic participation at the general meeting. Any such charges will not be for the account of Mr Price Group and / or Computershare. Neither of Mr Price Group or Computershare can be held accountable in the case of loss of network connectivity or other network failure due to insufficient airtime, internet connectivity, internet bandwidth and / or power outages which prevents any such Shareholder from participating at the general meeting.

Voting remotely through the above platform will not be allowed or possible. However, shareholders are reminded that they are still able to vote normally through proxy submission, despite deciding to so participate either electronically or not at all in the general meeting. Shareholders are strongly encouraged to submit votes by proxy in advance of the general meeting.

Completed proxy forms should be delivered by email at proxy@computershare.co.za or by post to, Computershare, Rosebank Towers, 15 Biermann Avenue, Rosebank, Johannesburg, before the person(s) so empowered seeks to exercise any right granted to it under such instrument, and are requested to be lodged timeously so as to be received, for administrative purposes, by 14h00 on Thursday, 25 June 2020.

The chairman may reject or accept any form of proxy which is completed and/or received otherwise than in accordance with the proxy notes, provided that he is satisfied as to the manner in which the shareholder concerned wishes to vote.

Proxy forms delivered on the day of the meeting must be delivered by email to the company at proxy@computershare.co.za with a copy thereof to the company secretary of the company at jheadle@mrpg.com to be received by both of them before the person so empowered seeks to exercise any right granted to it under such instrument.

Durban
20 May 2020

Financial advisor and transaction sponsor



Legal advisor

