

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

The definitions and interpretations commencing on page 5 apply to this cover page.

If you are in any doubt as to the action you should take, please consult your Broker, CSDP, attorney, accountant, banker or other professional advisor immediately.

Action required

1. If you have disposed of your Shares in Purple Group, please forward this Circular and the attached Form of Proxy to the purchaser of such Shares or to the Broker, agent, CSDP or banker through whom the disposal was effected.
2. Shareholders are referred to page 2 of this Circular, which sets out the action required by them.
3. **Purple Group does not accept responsibility, and will not be held liable for any action of or omission by any CSDP or Broker including, without limitation, any failure on the part of the CSDP or Broker of any beneficial owner of Purple Group Shares to notify such beneficial owner of the details set out in this Circular.**



PURPLE GROUP
LIMITED

PURPLE GROUP LIMITED

Incorporated in the Republic of South Africa
(Registration number 1998/013637/06)
JSE share code: PPE: ISIN: ZAE000185526
("Purple Group" or "the Company")

CIRCULAR TO SHAREHOLDERS

Relating to:

- **the specific repurchase of 35 087 720 Shares from Sanlam Investment Holdings Proprietary Limited for an aggregate consideration of R19 298 246 (on the basis of 55 cents per share);**

and incorporating

- **a notice convening a General Meeting of Shareholders; and**
- **a form of proxy for purposes of the General Meeting of Shareholders (for use by Certificated Shareholders and Dematerialised Shareholders who have selected Own-Name Registration only).**

Sponsor

Deloitte.

Legal Advisor



Date of issue: 9 October 2017

This Circular is available in English only. Copies may be obtained from the Company and the Sponsor at the addresses set out in the "Corporate Information" section of this Circular during normal business hours from the date of this Circular up to and including the date of the General Meeting. Electronic copies of this Circular are available on the Company's website, www.purplegroup.co.za.

CORPORATE INFORMATION AND ADVISORS

Directors

Mr MA Barnes (Chairman)*
Mr CH Savage (Chief Executive Officer)
Mr GS van Dyk (Chief Financial Officer)
Mr D Alter*#
Mr C Carter*#
Mr R Lubner*
* *non-executive*
independent

Sponsor

Deloitte & Touche Sponsor Services
Proprietary Limited
(Registration Number 1996/000034/07)
The Woodlands
20 Woodlands Drive
Woodmead
Sandton
2196
(Private Bag X6, Gallo Manor, 2052)

Company Secretary and Registered Office of Purple Group Limited

Terbium Financial Services Proprietary Limited
Block B
The Offices of Hyde Park
Strouthos Place
Hyde Park
2196
(PO Box 411449, Craighall, 2024)

Legal Advisor

Cliffe Dekker Hofmeyr Incorporated
(Registration number 2008/018923/21)
1 Protea Place
Sandown
2196
(Private Bag X40, Benmore)

Date and place of incorporation of Purple Group

15 July 1998, South Africa

Transfer Secretaries

Terbium Financial Services Proprietary Limited
(Registration number 2009/018890/07)
Beacon House
31 Beacon Road
Florida North
1709
(PO Box 61272, Marshalltown, 2107)

TABLE OF CONTENTS

Page

Corporate information and advisors	Inside front cover
Action required by Shareholders	2
Salient dates and times	4
Definitions and interpretations	5
Circular to Shareholders	
1. Introduction and rationale	8
2. Terms of the Specific Repurchase	8
3. Conditions precedent of the Specific Repurchase	9
4. Adequacy of capital	9
5. Major beneficial shareholders	10
6. Information on SIH	10
7. Material changes	10
8. Share capital	11
9. Directors' interests	11
10. Costs of the Specific Repurchase	12
11. Directors' responsibility statement	12
12. Directors' recommendation	12
13. Impact on the financial information of Purple Group	12
14. Irrevocable undertakings	13
15. Advisers consents	13
16. Documents available for inspection	13
Annexure 1 – Purple Group's Share Price History	15
Notice of General Meeting	16
Form of proxy	Attached

ACTION REQUIRED BY SHAREHOLDERS

The definitions and interpretations commencing on page 5 apply to the action required by Shareholders section.

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, Broker, banker, attorney, accountant or other professional adviser immediately.

If you have disposed of all of your Shares in Purple Group, please forward this Circular to the purchaser of such Shares or to the CSDP, Broker, banker, attorney or other agent through whom the disposal was effected.

This Circular contains information relating to the Specific Repurchase. You should carefully read this Circular and decide how you wish to vote on the Resolutions to be proposed at the General Meeting. The General Meeting, convened in terms of the Notice incorporated in this Circular, will be held at Purple Group's registered office, Ground Floor, Block B, The Offices of Hyde Park, Strouthos Place, Hyde Park, Johannesburg, South Africa on Friday, 10 November 2017 commencing at 10:00.

1. IF YOU HAVE DEMATERIALISED YOUR SHARES

1.1 "Own-name" registration

You are entitled to attend in person, or be represented by proxy, at the General Meeting. If you are unable to attend the General Meeting, but wish to be represented thereat, you must complete and return the attached form of proxy, in accordance with the instructions contained therein, to be received by the Transfer Secretaries, Terbium Financial Services, Beacon House, 31 Beacon Road, Florida North, 1709, Johannesburg, South Africa.

1.2 Other than "own-name" registration

You are entitled to attend in person, or be represented by proxy, at the General Meeting. You must not, however, complete the attached form of proxy. You must advise your CSDP or Broker timeously if you wish to attend, or be represented at the General Meeting. If your CSDP or Broker does not contact you, you are advised to contact your CSDP or Broker and provide them with your voting instructions. If your CSDP or Broker does not obtain instructions from you, they will be obliged to act in terms of your mandate furnished to them. If you do wish to attend or be represented at the General Meeting, your CSDP or Broker will be required to issue the necessary letter of representation to you to enable you to attend or to be represented at the General Meeting.

2. IF YOU HOLD CERTIFICATED SHARES

You are entitled to attend, or be represented by proxy, at the General Meeting. If you are unable to attend the General Meeting, but wish to be represented thereat, you must complete and return the attached form of proxy, in accordance with the instructions contained therein, to be received by the Transfer Secretaries, Terbium Financial Services, Beacon House, 31 Beacon Road, Florida North, 1709, Johannesburg, South Africa by no later than 10:00 Wednesday, 8 November 2017.

3. GENERAL

3.1 Approvals necessary for the implementation of the Specific Repurchase at the General Meeting

The implementation of the Specific Repurchase is subject to, *inter alia*, the approval of the Shareholders by special resolution at the General Meeting in accordance with the Listings Requirements, the Companies Act and the MOI. In order to be approved, the special resolution must be adopted with the support of at least 75% of the voting rights exercised, excluding the votes of SIH and its associates, on such resolution at the General Meeting.

3.2 **Dematerialisation**

If a Certificated Shareholder wishes to Dematerialise his/ her Certificated Shares, he/ she should contact his/ her Broker or CSDP.

SALIENT DATES AND TIMES

The definitions and interpretations commencing on page 5 apply to these salient dates and times

2017

Notice record date, being the date on which a Shareholder must be registered in the Register in order to be eligible to receive the notice of General Meeting on	Friday, 29 September
Circular posted to Shareholders and Notice convening the General Meeting published on SENS on	Monday, 9 October
Notice of General Meeting published in the South African press on	Tuesday, 11 October
Last Day to Trade Shares in order to be recorded in the Register to vote at the General Meeting (see note 2 below)	Tuesday, 31 October
General Meeting record date, being the date on which a Shareholder must 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, 3 November
Form of Proxy in respect of the General Meeting to be lodged at the Transfer Secretary or the Company by 10:00 on	Wednesday, 8 November
General Meeting to be held at 10:00 on	Friday, 10 November
Results of General Meeting published on SENS on	Friday, 10 November
Results of the General Meeting published in the South African press on	Monday, 13 November

Notes:

1. The above dates and times are subject to amendment. Any such amendment will be published on SENS.
2. Shareholders should note that, as transactions in Shares are settled in the electronic settlement system used by Strate, the settlement of a trade takes place three business days after such trade. Therefore, Shareholders who acquire Shares after the Last Day to Trade will not be eligible to vote at the General Meeting.
3. All times given in this Circular are South African Standard Time.

DEFINITIONS AND INTERPRETATIONS

In this Circular, the annexures hereto, the Notice and form of proxy, unless the context otherwise indicates, references to the singular include the plural and *vice versa*, words denoting one gender include the others, expressions denoting natural persons include juristic persons and associations of persons and *vice versa*, and the words in the first column hereunder have the meaning stated opposite them in the second column, as follows:

“Board” or “Directors”	the board of directors of Purple Group as at the Last Practicable Date whose names appear in the “Corporate Information and Advisors” section of this Circular;
“Broker”	a stockbroker as defined in the Financial Markets Act, or its duly authorised nominee;
“Business Day”	any day, other than a Saturday, Sunday or public holiday in South Africa;
“Certificated Shareholders”	Shareholders who hold Certificated Shares;
“Certificated Shares”	Shares represented by share certificates or other physical Documents of Title, which have not been surrendered for Dematerialisation in terms of the requirements of Strate;
“Circular”	this bound document, issued on Monday, 9 October 2017, including enclosures thereto;
“Cliffe Dekker Hofmeyr” or “Legal Adviser”	Cliffe Dekker Hofmeyr Inc, with registration number 2008/018923/21, a personal liability company incorporated under the laws of South Africa;
“Companies Act”	The Companies Act, 2008 (Act No. 71 of 2008), as amended;
“Conditions Precedent”	the conditions precedent to the Share Repurchase as set out in paragraph 3 of this Circular;
“CSDP”	a Central Securities Depository Participant that holds in custody and administers securities or an interest in securities and that has been registered as a participant by a licensed central securities depository in terms of the Financial Markets Act;
“Custody Agreement”	the custody mandate agreement between a Dematerialised Shareholder and a CSDP or Broker governing their relationship in respect of Dematerialised Shares held by the CSDP or Broker;
“Deloitte” or “Sponsor”	Deloitte & Touche Sponsor Services Proprietary Limited, with registration number 1996/000034/07, a company duly registered and incorporated with limited liability in accordance with the laws of the Republic of South Africa;
“Dematerialised” or “Dematerialisation”	the process by which Certificated Shares are converted to, or held in electronic form as uncertificated Shares and are recorded in the sub-register of Shareholders maintained by a CSDP;
“Dematerialised Shareholder”	Shareholders who hold Shares which have been Dematerialised in terms of the requirements of Strate;
“Dematerialised Shares”	Shares which have been incorporated into the Strate system and which are no longer evidenced by certificates or other physical Documents of Title;
“Dematerialised Own-Name Shareholders”	Dematerialised Shareholders who have instructed their CSDP to hold their Shares in their own name on the sub-register;

“Documents of Title”	share certificates, certified transfer deeds, balance receipts and/or any other physical documents of title pertaining to the Shares in question acceptable to the Board;
“Effective Date”	– the 5th (fifth) Business Day after all conditions precedent have been met;
“Financial Markets Act”	the Financial Markets Act, 2012 (Act 19 of 2012), as amended;
“FWT”	First World Trader Proprietary Limited, with registration number 1999/021265/07, a company duly registered and incorporated with limited liability in accordance with the laws of the Republic of South Africa, a wholly-owned subsidiary of Purple Group;
“Form of Proxy”	for the purposes of the General Meeting, the form of proxy for use only by Certificated Shareholders and Own-name Registered Dematerialised Shareholders;
“General Meeting”	the General Meeting of Shareholders to be held at 10:00 on Friday, 10 November 2017 at the registered office of Purple Group, Ground Floor, Block B, The Offices of Hyde Park, Strouthos Place, Hyde Park, Johannesburg, South Africa, to consider and if deemed fit, to approve, with or without modification, the Resolutions proposed in the Notice;
“the Group”	Purple Group and its direct and indirect subsidiaries;
“Interim Results”	the unaudited condensed consolidated interim report of Purple Group for the six months ended 28 February 2017 published on SENS on Monday, 24 April 2017;
“JSE”	JSE Limited (registration number 2005/022939/06), a public company incorporated in accordance with the laws of South Africa and licensed as an exchange under the Financial Markets Act;
“Last Day to Trade”	Tuesday, 31 October 2017, being the last day to trade in Shares in order to be reflected in the Register on the voting Record Date;
“Last Practicable Date”	Friday, 29 September 2017 being the last practicable date prior to the finalisation of this Circular;
“Listings Requirements”	the JSE Limited Listings Requirements, as amended from time to time;
“MOI”	the memorandum of incorporation of Purple Group;
“Notice”	the notice of General Meeting forming part of this Circular in terms of which the General Meeting is convened;
“Own-name Registration” or “Own-name Registered”	Shareholders who hold Shares that have been Dematerialised and are recorded by the CSDP on the sub-register kept by that CSDP in the name of such Shareholder;
“Purple Group” or “the Company”	Purple Group Limited (registration number 1998/013637/06), a public company incorporated in accordance with the laws of South Africa;
“Record Date”	Friday, 3 November 2017, being the date on which Shareholders must be recorded in the Register in order to vote at the General Meeting;
“Register”	the register of Certificated Shareholders maintained by the Transfer Secretaries and the sub-register of Dematerialised Shareholders maintained by the relevant CSDPs;
“Repurchase Consideration”	the aggregate consideration payable by FWT in respect of the Repurchase Shares being the total number of Repurchase Shares multiplied by the respective Repurchase Price per Share, amounting to an aggregate of R19 298 246;

“Repurchase Price per Share”	an amount equal to 55 (fifty five) cents per Share, being at a premium of 12.9996c per share to the VWAP (42.0004c) of the Shares measured over the 30 Business Days prior to the date that the Sale of Shares Agreement and the Specific Repurchase was signed;
“Repurchase Purchaser”	FWT, a subsidiary of Purple Group;
“Repurchase Seller”	SIH;
“Repurchase Shares”	35 087 720 Shares;
“Resolutions”	the resolutions contained in the Notice, which will be tabled at the General Meeting and in terms of which Shareholders will, subject to the passing thereof, approve the Specific Repurchase, as is required in terms of the Listings Requirements and the Companies Act;
“Sale of Shares Agreement”	an agreement dated 14 August 2017, entered into between Purple Group, FWT and SIH in terms of which SIH will acquire ordinary shares, constituting 30% of all shares in issue at the effective date, of FWT from Purple Group;
“SENS”	the Stock Exchange News Service operated by the JSE;
“Shareholders”	the registered holders of Shares;
“Shares”	ordinary shares of Purple Group with a par value of 1 (one) cent each in the issued share capital of Purple Group of which there were 935 476 518 in issue at the Last Practicable Date;
“SIH”	Sanlam Investment Holdings Proprietary Limited, with registration number 1998/022648/07, a company duly registered and incorporated with limited liability in accordance with the laws of the Republic of South Africa, a wholly-owned subsidiary of Sanlam Limited;
“South Africa”	the Republic of South Africa;
“Solvency and Liquidity Test”	the solvency and liquidity test set out in section 4(1) of the Companies Act;
“Specific Repurchase”	the acquisition by the Repurchase Purchaser, of the Repurchase Shares for the Repurchase Consideration with effect from the Effective Date, as set out in this Circular, in terms of section 48 of the Companies Act and paragraph 5.69 of the Listings Requirements and pursuant to the terms and conditions of the Sale of Shares Agreement;
“Strate”	Strate Proprietary Limited with registration number 1998/022242/07, a private company incorporated in accordance with the laws of South Africa which manages the electronic settlement and clearing system used by the JSE;
“Subsidiary”	a subsidiary as defined in the Companies Act;
“Transfer Secretaries” or “Terbium”	Terbium Financial Services Proprietary Limited, with registration number 2009/018890/07, a company duly registered and incorporated with limited liability in accordance with the laws of the Republic of South Africa; and
“VWAP”	Volume weighted average price.



PURPLE GROUP
LIMITED

PURPLE GROUP LIMITED

Incorporated in the Republic of South Africa
(Registration number 1998/013637/06)
JSE share code: PPE: ISIN: ZAE000185526
("Purple Group" or "the Company")

Directors

Executive

Mr CH Savage (*Group CEO*)

Mr GS Van Dyk (*Group CFO*)

Non-executive

Mr MA Barnes (Non-executive Chairman)

Mr R Lubner (Non-executive Director)

Mr C Carter (Independent non-executive director)

Mr D Alter (Independent non-executive director)

CIRCULAR TO PURPLE GROUP SHAREHOLDERS

1. INTRODUCTION AND RATIONALE

- 1.1 Shareholders are referred to the announcement published on SENS on 14 August 2017 wherein they were advised that Purple Group Limited had entered into various agreements with SIH, including a Sale of Shares Agreement.
- 1.2 In terms of the Sale of Shares Agreement:
 - SIH will acquire a 30% shareholding in FWT for a consideration of R100 million cash ("the Purchase Consideration"), subject to the fulfilment of certain conditions precedent; and
 - Purple Group or a Subsidiary of Purple Group will acquire the Repurchase Shares from SIH for the Repurchase Consideration.
- 1.3 SIH subscribed for the Repurchase Shares on 28 February 2017 at a price of 55 cents per share, at which stage an investment by Sanlam at Purple Group level was being contemplated. It was subsequently agreed that a transaction would be pursued at an FWT level. As part of the negotiations in respect of the Sale of Shares Agreement, SIH required that Purple Group or a Subsidiary of Purple Group repurchase the Repurchase Shares for the Repurchase Consideration.
- 1.4 The purpose of this Circular is to provide Shareholders with relevant information relating to the Specific Repurchase and to give notice convening the General Meeting in order to consider and, if deemed fit, pass, with or without modification, the resolutions, as set out in the notice of the General Meeting, to approve and implement the Specific Repurchase.

2. TERMS OF THE SPECIFIC REPURCHASE

- Purple Group has entered into the Sale of Shares Agreement with SIH in terms of which FWT, a subsidiary of Purple Group, will acquire the Repurchase Shares from SIH at the Repurchase Price, subject to the Conditions Precedent referred to in paragraph 3 of this Circular below.
- The Repurchase Shares represent 3.81% of the total number of Shares in issue at the Last Practicable Date.

- The total Repurchase Consideration shall be discharged from the purchase consideration received from SIH in respect of the Sale of Shares Agreement. The Specific Repurchase shall be implemented on the Effective Date.
- The Repurchase Shares will be held by FWT, the Repurchase Purchaser, as treasury shares.
- In terms of paragraph 5.69(b) of the Listings Requirements and the Company's MOI, a special resolution must be passed by Shareholders (excluding SIH and its associates) in order to implement the Specific Repurchase. SIH and its associates shall not be entitled to vote in respect of the aforementioned special resolution.
- The Sale of Shares Agreement requires Purple Group to procure the Specific Repurchase within 10 Business Days of the effective date of the transaction contemplated in the Sale of Shares Agreement, which is expected to be in the fourth quarter of 2017.
- In terms of the Listings Requirements, FWT must pursue the Specific Repurchase unless the JSE agrees otherwise. SIH is not a related party as contemplated in the Listings Requirements.

3. **CONDITIONS PRECEDENT OF THE SPECIFIC REPURCHASE**

The Specific Repurchase remains subject to the fulfilment of the following Conditions Precedent:

- That the Specific Repurchase is approved by a special resolution of the Shareholders by way of a specific authority; and
- The Sale of Shares Agreement becoming unconditional.

Conditions precedent relating to the Sale of Shares Agreement:

The implementation of the transaction as per the Sale of Shares Agreement is subject to the fulfilment or waiver of the following conditions precedent by 30 November 2017 or a later date as agreed by the Purple Group and SIH:

- the unconditional approval of the transaction as per the Sale of Shares Agreement by the Competition Authorities; and
- the completion of the Internal Restructuring of the Purple Group and the appropriate shared services agreements entered into between First World Trader (Pty) Ltd trading as EasyEquities and the Purple Group Limited entities post the Internal Restructuring.
- Obtaining the requisite consents from Purple Group's bankers;
- The adoption of a new Memorandum of Incorporation for EasyEquities; and
- The Purple Group confirming that no Material Adverse Change has occurred five Business Days before the effective date of the Transaction.

4. **ADEQUACY OF CAPITAL**

4.1 The Directors have considered the impact of the Specific Repurchase and are of the opinion that:

- The provisions of section 4 and section 48 of the Companies Act have been complied with;
- Purple Group and FWT will be able in the ordinary course of business to pay its debts for a period of 12 months after the date of approval of this Circular;
- The assets of Purple Group and FWT will be in excess of its liabilities for a period of 12 months after the date of approval of this Circular, where for this purpose, the assets and liabilities are recognised and measured in accordance with the accounting policies used in the latest audited consolidated annual financial statements of Purple Group and FWT;
- The share capital and reserves of Purple Group and FWT will be adequate for ordinary business purposes for a period of 12 months after the date of approval of this Circular; and
- The working capital of Purple Group and FWT will be adequate for ordinary business purposes for a period of 12 months after the date of approval of this Circular.

4.2 Furthermore, in respect of the Specific Repurchase:

- In terms of section 46(1)(a)(ii) of the Companies Act and the Listings Requirements, the Board has, by resolution, authorised the Specific Repurchase;

- In terms of section 46(1)(b) of the Companies Act, it reasonably appears that the Purple Group and FWT will satisfy the Solvency and Liquidity Test immediately after completing the Specific Repurchase; and
- In terms of section 46(1)(c) of the Companies Act and paragraph 5.69 of the Listings Requirements, the Board has, by resolution, acknowledged that it has applied the Solvency and Liquidity Test, and reasonably concluded that Purple Group and FWT will satisfy the Solvency and Liquidity Test immediately after completing the Specific Repurchase, and that, since the test was performed, there have been no material changes to the financial position of any company of the group.

5. MAJOR BENEFICIAL SHAREHOLDERS

To the best of Purple Group's knowledge and belief, the following major beneficial Shareholders are the direct or indirect beneficial owners of 5% or more of the Shares:

Name	Direct	Indirect	Total Shares held before and after Specific Repurchase	Percentage shareholding before Specific Repurchase ¹	Percentage shareholding after Specific Repurchase ²
MA Barnes	44 852 718	166 080 851	210 933 569	22.55	22.55
R Lubner	–	227 100 267	227 100 267	24.28	24.28
The Erasmus Family Trust ⁴	54 205 179	–	54 205 179	5.8	5.8
Daymer Limited ³	100 100 000	–	100 100 000	10.7	10.7
Total	199 157 897	393 181 118	592 339 015	63.33	63.33

Notes:

1. Based on 935 476 518 Shares in issue on the Last Practicable Date.
2. On the assumption that all of the Repurchase Shares are acquired by FWT and held as treasury shares.
3. The beneficial owner of all of the shares in Daymer Limited, is The Daymer Trust. The Trustee of The Daymer Trust is a corporate trustee called Ridgeway Associates Limited (an Isle of Man company). The beneficiaries of the Daymer Trust are Hospice Care and Crossroads Caring for the Carers (Isle of Man). Neither The Daymer Trust (as beneficial owner of Daymer Limited) nor Daymer Limited holds any interest in Sanlam Investments Proprietary Limited and therefore Daymer Limited is not a connected party to Sanlam Investments Proprietary Limited.
4. The beneficiaries of the Erasmus Family Trust are the legal descendants of the Erasmus family or any other individual or entity at the discretion of the Trustees of the Trust. Neither the Erasmus family nor any beneficiaries holds any interest in Sanlam Investments Proprietary Limited and therefore the Erasmus Family Trust is not a connected party to Sanlam Investments Proprietary Limited.

6. INFORMATION ON SIH

Sanlam Investments is one of South Africa's largest investment management companies, offering a comprehensive range of client-focused investment solutions to end-investors, intermediaries and larger institutions. SIH is a wholly-owned subsidiary of Sanlam Limited.

7. MATERIAL CHANGES

The Board reports that, since the Interim Results, there have been no material changes in the financial or trading position of the Group, up to and including the Last Practicable Date.

8. SHARE CAPITAL

The authorised and issued ordinary share capital of Purple Group, before and after the Specific Repurchase, is set out below:

	Before the Specific Repurchase Number of Shares	Before the Specific Repurchase R '000	After the Specific Repurchase Number of Shares ²	After the Specific Repurchase ZAR '000
Authorised				
Ordinary shares of 1 cent each	1 200 000 000	12 000	1 200 000 000	12 000
Issued				
Ordinary shares of 1 cent each	935 476 518	9 355	935 476 518	9 355
Treasury shares held by a subsidiary ⁽¹⁾	2 300 000	(23)	37 387 720	(374)
Share premium		468 002		449 055
Total		477 334		458 036

Notes:

1. 2 300 000 Shares were held in treasury as at the Last Practicable Date.
2. On the assumption that all of the Repurchase Shares are acquired by FWT and held as treasury shares.

9. DIRECTORS' INTERESTS

The Directors' interests in Shares, as at the Last Practicable Date (and their associates), including any director who has resigned during the last 18 months, holdings in the share capital of the Company, are as follows:

Name	Direct	Indirect	Total Shares held before and after Specific Repurchase	Percentage shareholding before Specific Repurchase ¹	Percentage shareholding after Specific Repurchase ²
Executive					
CH Savage	20 850 011	4 540 000	25 390 011	2.71	2.76
GS van Dyk	18 518 500	–	18 518 500	1.98	2.01
Non-executive					
MA Barnes	44 852 718	166 080 851	210 933 569	22.55	22.91
R Lubner	–	227 100 267	227 100 267	24.28	24.66
C Carter	1 932 366	–	1 932 366	0.21	0.21
D Alter	7 200 000	–	7 200 000	0.77	0.78
Total	72 524 434	397 721 118	470 245 552	52.5	52.5

Notes:

1. Based on 935 476 518 Shares in issue on the Last Practicable Date.
2. On the assumption that all of the Repurchase Shares are acquired by FWT and held as treasury shares.
3. No director has resigned in the last 18 months.

The following changes occurred from previous financial year, being August 2016:

- Carly Barnes, associate of Mark Barnes, acquired 15 350 shares as detailed in SENS announcement dated 16 November 2016; and
- Charles Savage disposed of 72 000 shares and his associates purchased 72 000 shares, as detailed in SENS announcement dated 8 December 2016.

10. COSTS OF THE SPECIFIC REPURCHASE

The transaction costs (exclusive of value-added tax) of the Specific Repurchase are anticipated to be:

Description	Estimated Amount (Rand)
Securities transfer tax	48 245
Sponsor – Deloitte & Touche Sponsor Services Proprietary Limited	120 000
Legal Advisor – Cliffe Dekker Hofmeyr Incorporated	8 000
Printing and related costs – INCE	24 151
JSE documentation fee – JSE Limited	19 526
Contingency	30 000
Total	249 922

11. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors, whose names appear in the "Corporate Information and Advisors" section of this Circular, collectively and individually accept full responsibility for the accuracy of the information contained in this Circular and certify that to the best of their knowledge and belief there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that this Circular contains all information required by law and the Listings Requirements.

12. DIRECTORS' RECOMMENDATION

The Directors having carefully considered the rationale for and terms and conditions of the Specific Repurchase are unanimously of the opinion that the terms and conditions of the Specific Repurchase are fair and reasonable to the Shareholders, and accordingly recommend that Shareholders vote in favour of all resolutions to be considered at the General Meeting. The Directors who hold shares intend voting in favour of the relevant resolutions.

13. IMPACT ON THE FINANCIAL INFORMATION OF PURPLE GROUP

The Share Repurchase and the costs set out in paragraph 10 of this Circular above are anticipated to be funded from the Purchase Consideration received from SIH in terms of the Sale of Shares Agreement. The Share Repurchase will be concluded once the Purchase Consideration has been received by TPG. The Share Repurchase will result in a decrease in Purple Group's cash, with a corresponding increase in investments. The costs associated with the Share Repurchase as set out in paragraph 10 of this Circular will be an expense and decrease the net asset value by the amount of the costs.

14. IRREVOCABLE UNDERTAKINGS

The following Shareholders have provided irrevocable undertakings to vote in favour of the Specific Repurchase, which is available for inspection in accordance with paragraph 16 below.

Shareholder	Shares held	Percentage of Shares represented by irrevocable undertaking at the General Meeting ¹
MA Barnes	210 933 569	23.49
R Lubner	218 013 761	24.28
Daymer Limited	100 000 000	11.13
PL Erasmus	19 264 337	2.15
The Erasmus Family Trust	54 205 179	6.04
B Leather	14 050 597	1.56
CH Savage	19 814 011	2.21
GS van Dyk	17 518 500	1.95
P Jansen Van Vuuren	2 202 963	0.25
B Ferreira	2 166 436	0.24
N Morar	2 000 000	0.22
T Finnemore	2 427 967	0.27
PE White	13 000 000	1.45
Total	675 597 320	75.23

Note:

1. In terms of paragraph 5.69(b) of the Listings Requirements, the Repurchase Sellers, and their associates will be excluded from voting on the Specific Repurchase and therefore the total number of shares eligible to vote at the General Meeting (as calculated at the Last Practicable Date) will be 898 088 798 Shares (excludes treasury shares).

15. ADVISERS CONSENTS

Each of the advisers, whose names appear in the “Corporate Information and Advisors’” section of this Circular, have consented in writing to act in the capacities stated and to the inclusion of their names and have not withdrawn their consents prior to the publication of this Circular.

16. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents, or copies thereof, will be available for inspection at no charge during normal business hours at the offices of Purple Group and that of the Sponsor, whose addresses are set out in the “Corporate Information and Advisors” section of the Circular, from the date of this Circular up and to including the date of the General Meeting:

- the MOI of Purple Group and its major subsidiaries;
- the Sale of Shares Agreement;
- the financial statements of Purple Group for the three financial years ended 31 August 2016, 31 August 2015 and 31 August 2014;
- interim results for the six months ended 28 February 2017;
- signed copy of this Circular;
- the written consents of each of the Advisors; and
- irrevocable undertakings.

9 October 2017

Signed at Johannesburg on behalf of the Board on 2 October 2017 in terms of resolutions passed and signed by the Board.

By order of the Board

A handwritten signature in black ink, appearing to read 'CS', with a stylized flourish at the end.

Charles Savage
Chief Executive Officer

PURPLE GROUP'S SHARE PRICE HISTORY

Daily

Day Ended	High (cents)	Low (cents)	Volume	Value (R)	Closing Price (ZAC)
22/08/17	42	41	193 201	79 514.42	42
23/08/17	–	–	–	–	42
24/08/17	42	40	41 000	16 680	42
25/08/17	44	42	284 799	120 346.3	44
28/08/17	–	–	46 450	19 143	40
29/08/17	44	43	84 000	36 605.17	44
30/08/17	–	–	–	–	44
31/08/17	45	44	25 000	11 013.64	45
01/09/17	45	45	25 000	11 250	45
04/09/17	46	45	228 800	103 511.64	46
05/09/17	46	42	112 045	48 733.06	46
06/09/17	46	46	22 885	10 527.1	46
07/09/17	45	41	73 000	31 019.24	45
08/09/17	46	44	34 438	15 442.79	46
11/09/17	46	42	116 098	50 745.08	45
12/09/17	45	43	36 285	16 248.25	45
13/09/17	46	45	42 000	18 902.85	46
14/09/17	45	41	40 940	17 223	45
15/09/17	–	–	–	–	45
18/09/17	44	44	1 000 000	440 000	44
19/09/17	44	43	4 552	1 979.38	44
20/09/17	44	44	1 000	440	44
21/09/17	–	–	–	–	44
22/09/17	45	44	63 562	28 082.9	45
26/09/17	45	44	219 500	97 357.02	44
27/09/17	46	43	108 774	48 241.56	44
28/09/17	44	39	142 928	62 133.32	44
29/09/17	45	45	10 822	4 869.9	45

Source: JSE

Monthly

Month	High	Low	Total Volume	Total Value (R)
2016-10	62	52	2 170 374	1 239 414
2016-11	60	52	3 042 880	1 696 157
2016-12	58	49	2 093 163	1 093 925
2017-01	57	46	1 527 182	772 790
2017-02	56	47	2 555 815	1 359 623
2017-03	55	40	1 639 010	815 221
2017-04	50	41	2 630 523	1 203 156
2017-05	46	40	3 175 265	1 401 728
2017-06	44	38	3 115 619	1 304 202
2017-07	44	39	1 850 893	776 569
2017-08	49	40	5 593 118	2 417 872
2017-09	46	39	2 282 629	1 006 707

Source: JSE



PURPLE GROUP
LIMITED

PURPLE GROUP LIMITED

Incorporated in the Republic of South Africa
(Registration number 1998/013637/06)
JSE share code: PPE: ISIN: ZAE000185526
("Purple Group" 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 when used in this notice of General Meeting.

NOTICE IS HEREBY GIVEN that a General Meeting of Shareholders will be held at 10:00 on Friday, 10 November 2017 at the registered office of Purple Group, Ground Floor, Block B, The Offices of Hyde Park, Strouthos Place, Hyde Park, Johannesburg, South Africa, to consider and, if deemed fit, pass, with or without modification, the special resolution and ordinary resolution set out hereunder.

SPECIAL RESOLUTION NUMBER 1 – The Specific Repurchase

"RESOLVED THAT the Company be and is hereby authorised, by way of specific authority, in accordance with the applicable provisions of the Companies Act, the Listings Requirements and its MOI, to acquire 35 087 720 Shares from Sanlam Investment Holdings Proprietary Limited at the Repurchase Price Per Share."

Once the Specific Repurchase has been completed, the Repurchase Shares will be held as treasury Shares of Purple Group Limited.

In terms of the MOI and the Listings Requirements, for special resolution number 1 to be adopted at least 75% of the voting rights exercised by Shareholders present in person or represented by proxy and entitled to vote on this resolution at the General Meeting must be cast in favour of this resolution. The votes of the Sanlam Investment Holdings Proprietary Limited and its associates will not be taken into account in determining the results of the voting on this resolution.

The Directors have considered the impact of the Specific Repurchases contemplated in this resolution and are of the opinion that the provisions of section 4 and section 48 of the Companies Act and the relevant Listings Requirements have been complied with, and:

- In terms of section 46(1)(a)(ii) of the Companies Act, the Board and the board of FWT has, by resolution authorised the Specific Repurchase;
- In terms of section 46(1)(b) of the Companies Act, it reasonably appears that the Company, FWT and the Group as a whole will satisfy the Solvency and Liquidity Test immediately after completing the Specific Repurchase; and
- In terms of section 46(1)(c) of the Companies Act and paragraph 5.69 of the Listings Requirements, the Board and the board of FWT has, by resolution, acknowledged that it has applied the Solvency and Liquidity Test immediately after completing the Specific Repurchase.

The Reason for the passing of the special resolution is to authorise the implementation of the Specific Repurchase. The effect of the passing and implementation of the special resolution is that the Specific Repurchase will be implemented.

ORDINARY RESOLUTION NUMBER 1 – Directors' authority to take all such actions necessary to implement the Specific Repurchase

"RESOLVED THAT, any director and the Company Secretary be and are hereby authorised to do all such things and sign all such documents as may be required to give effect to Special Resolution Number 1."

The reason for Ordinary Resolution Number 1 is to seek a specific authority and approval for the directors and Company Secretary to implement Ordinary Resolution Number 1.

The passing of Ordinary Resolution Number 1 is subject to a simple majority of votes by Shareholders, present in person or by proxy at the General Meeting, being cast in favour thereof.

VOTING AND PROXIES

The date on which Shareholders must have been recorded as such in the securities register maintained by the Transfer Secretaries of the Company ("**the Register**") for purposes of being entitled to receive this notice is Friday, 29 September 2017.

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, 3 November 2017, with the last day to trade being Tuesday, 31 October 2017.

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 drivers' license 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 Secretaries for guidance.

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 Certified Shareholders or Own-Name Registered Dematerialised Shareholders who wish 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.

The instrument appointing a proxy and authority (if any) under which it is signed must reach the Transfer Secretaries of the Company, at the address given below, by not later than Wednesday, 8 November 2017 or can also be handed to the Chairman at the General Meeting.

Dematerialised Shareholders, other than Own-Name Registered Dematerialised Shareholders, who wish to attend the General Meeting in person will need to request their CSDP or Broker to provide them with the necessary letter of representation in terms of the custody agreement entered into between such Shareholders and the CSDP or Broker.

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 or Broker with their voting instructions in terms of the custody agreement entered into between themselves and the CSDP or Broker in the manner and time stipulated therein.

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 ATTENDANCE

There will be no provision for electronic participation for attending and voting at the General Meeting.

By order of the Board

Terbium Financial Services Proprietary Limited

Company Secretary

9 October 2017

Registered Address

Terbium Financial Services Proprietary Limited
(Registration number 2009/018890/07)
Beacon House
31 Beacon Road
Florida North
Roodepoort 1709
(PO Box 61272, Marshalltown, 2107)

Transfer Secretaries

Terbium Financial Services Proprietary Limited
(Registration number 2009/018890/07)
Beacon House
31 Beacon Road
Florida North
Roodepoort 1709
(PO Box 61272, Marshalltown, 2107)



PURPLE GROUP
LIMITED

PURPLE GROUP LIMITED

Incorporated in the Republic of South Africa
(Registration number 1998/013637/06)
JSE share code: PPE: ISIN: ZAE000185526
("Purple Group" or "the Company")

FORM OF PROXY – FOR USE BY CERTIFIED AND OWN-NAME REGISTERED DEMATERIALISED SHAREHOLDERS ONLY

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

For use only by Shareholders holding Certificated Shares, nominee companies of CSDP's, Brokers' nominee companies and Own-Name Dematerialised Shareholders at 10:00 on Friday, 10 November 2017 at the registered office of Purple Group, Ground Floor, Block B, The Offices of Hyde Park, Strouthos Place, Hyde Park, Johannesburg, South Africa.

Dematerialised Shareholders who are not Own-Name Registered Dematerialised Shareholders must not complete this Form of Proxy and must provide their CSDP or Broker with their voting instructions, except for Own-Name Registered Dematerialised Shareholders recorded in the sub-register through a CSDP or Broker, which Shareholders must complete this Form of Proxy and lodge it with their CSDP or Broker in terms of the custody agreement entered into between them and their CSDP or Broker. Dematerialised Shareholders who are not Own-Name Registered Dematerialised Shareholders wishing to attend the General Meeting must inform their CSDP or Broker of such intention and request their CSDP or Broker to issue them with the necessary letter of representation to attend.

I/We (Full name print) _____

of (address) _____

Telephone: (work) area code (_____) Telephone: (_____) area code (_____) _____

Cellphone number: _____ Email address: _____

being the holder of _____ Shares in the Company, 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 special resolution and ordinary resolution 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):

	Number of Shares		
	In favour of	Against	Abstain
Special Resolution Number 1			
The Specific Repurchase of 35 087 720 Shares held by Sanlam Investment Holdings Proprietary Limited			
Ordinary Resolution Number 1			
Authority to any director and Company Secretary to implement Special Resolution Number 1			

Please indicate your voting instruction by way of inserting the number of Shares or by a cross in the space provided.

Signed at _____ on this _____ day of _____

Signature(s) _____

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 the Company) 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 the Company.
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, every Shareholder be entitled to that proportion of total votes in the Company which the aggregate amount of the nominal value of the Shares held by such Shareholder bears to the aggregate amount of the nominal value of all Shares issued by the Company.
3. Shareholders who have Dematerialised their Shares with a CSDP or Broker, other than Own-Name Registered Dematerialised Shareholders, must arrange with the CSDP or Broker concerned to provide them with the necessary authorisation to attend the General Meeting or the Shareholders concerned must instruct their CSDP or Broker as to how they wish to vote in this regard. This must be done in terms of the agreement entered into between the Shareholder and the CSDP or Broker concerned.

Instructions on signing and lodging the Form of Proxy:

1. 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 a proxy to the exclusion of those whose names follow.
2. A Shareholder's voting instructions to the proxy must be indicated by the insertion of a "X", or the number of votes which that Shareholder wishes to exercise, in the appropriate spaces provided overleaf. Failure to do so will be deemed to authorise the proxy to vote or to abstain from voting at the General Meeting as he/she thinks fit in respect of all the Shareholder's exercisable votes. A shareholder or his/her proxy is not obliged to use all the votes exercisable by him/her or his/her proxy, but the total number of votes cast, or those in respect of which abstention is recorded, may not exceed the total number of votes exercisable by the Shareholder or by his/her proxy.
3. 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 of the Company.
4. To be valid, the completed Form of Proxy must be lodged with the Transfer Secretaries of the Company, Terbiem Financial Services Proprietary Limited at Beacon House, 31 Beacon Road, Florida North, 1709, South Africa or posted to the Transfer Secretaries at PO Box 61272, Marshalltown, 2107, to be received by them by no later than Wednesday, 8 November 2017 at 10h00 or can also be handed to the Chairman at the General Meeting.
5. 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.
6. 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.
7. The appointment of a proxy in terms of this Form of Proxy is revocable in terms of the provisions of section 58(4)(c) read with section 58(5) of the Companies Act, and accordingly a Shareholder may revoke the proxy appointment by cancelling it in writing, or making a later inconsistent appointment of a proxy, and delivering a copy of the revocation instrument to the proxy and to the Company.
8. 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.
9. 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.

Summary of rights established by section 58 of the Companies Act, 71 of 2008 ("Companies Act"), as required in terms of sub-section 58(8)(b)(i):

1. A shareholder may at any time appoint any individual, including a non-shareholder of the Company, as a proxy to participate in, speak and vote at a shareholders' meeting on his/her behalf (section 58(1)(a)), or to give or withhold consent on behalf of the shareholder to a decision in terms of section 60 (shareholders acting other than at a meeting) (section 58(1)(b)).
2. A proxy appointment must be in writing, dated and signed by the shareholder, and remains valid for one year after the date on which it was signed or any longer or shorter period expressly set out in the appointment, unless it is revoked in terms of paragraph 6.3 below or expires earlier in terms of paragraph 10.4 below (section 58(2)).
3. A shareholder may appoint two or more persons concurrently as proxies and may appoint more than one proxy to exercise voting rights attached to different securities held by the shareholder (section 58(3)(a)).
4. A proxy may delegate his/her authority to act on behalf of the shareholder to another person, subject to any restriction set out in the instrument appointing the proxy ("proxy instrument") (section 58(3)(b)).
5. A copy of the proxy instrument must be delivered to the Company, or to any other person acting on behalf of the Company, before the proxy exercises any rights of the shareholder at a shareholders' meeting (section 58(3)(c)) and in terms of the Memorandum of Incorporation ("MOI") of the Company at least 48 hours before the meeting commences.
6. Irrespective of the form of instrument used to appoint a proxy:
 - 6.1 the appointment is suspended at any time and to the extent that the shareholder chooses to act directly and in person in the exercise of any rights as a shareholder (section 58(4)(a));
 - 6.2 the appointment is revocable unless the proxy appointment expressly states otherwise (section 58(4)(b)); and
 - 6.3 if the appointment is revocable, a shareholder may revoke the proxy appointment by cancelling it in writing or by making a later, inconsistent appointment of a proxy, and delivering a copy of the revocation instrument to the proxy and to the Company (section 58(4)(c)).

7. The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy's authority to act on behalf of the shareholder as of the later of the date stated in the revocation instrument, if any, or the date on which the revocation instrument was delivered as contemplated in paragraph 6.3 above (section 58(5)).
8. If the proxy instrument has been delivered to a company, as long as that appointment remains in effect, any notice required by the Companies Act or the Company's MOI to be delivered by the Company to the shareholder must be delivered by the Company to the shareholder (section 58(6)(a)), or the proxy or proxies, if the shareholder has directed the Company to do so in writing and paid any reasonable fee charged by the Company for doing so (section 58(6)(b)).
9. A proxy is entitled to exercise, or abstain from exercising, any voting right of the shareholder without direction, except to the extent that the MOI or proxy instrument provides otherwise (section 58(7)).
10. If a Company issues an invitation to shareholders to appoint one or more persons named by the Company as a proxy, or supplies a form of proxy instrument:
 - 10.1 the invitation must be sent to every shareholder entitled to notice of the meeting at which the proxy is intended to be exercised (section 58(8)(a));
 - 10.2 the invitation or form of proxy instrument supplied by the Company must:
 - 10.2.1 bear a reasonably prominent summary of the rights established in section 58 of the Companies Act (section 58(8)(b)(i));
 - 10.2.2 contain adequate blank space, immediately preceding the name(s) of any person(s) named in it, to enable a shareholder to write the name, and if desired, an alternative name of a proxy chosen by the shareholder (section 58(8)(b)(ii)); and
 - 10.2.3 provide adequate space for the shareholder to indicate whether the appointed proxy is to vote in favour of or against any resolution(s) to be put at the meeting, or is to abstain from voting (section 58(8)(b)(iii));
 - 10.3 the Company must not require that the proxy appointment be made irrevocable (section 58(8)(c)); and
 - 10.4 the proxy appointment remains valid only until the end of the meeting at which it was intended to be used, subject to paragraph 7 above (section 58(8)(d)).