

Bidvest

The Bidvest Group Limited

NOTICE OF ANNUAL GENERAL MEETING 2011

THE POWER OF MANY



The Bidvest Group Limited

Bidvest House
18 Crescent Drive
Melrose Arch
Melrose
Johannesburg, 2196
South Africa

PO Box 87274
Houghton
Johannesburg, 2041
South Africa

This document is important and requires your immediate attention

Please read this document immediately. If you have any doubts about what action you should take, contact your independent financial adviser.

If you have sold or transferred all of your shares in The Bidvest Group Limited you should pass on this document, and the associated proxy form, to the person through whom you made the sale or transfer, for transmission to the purchaser or transferee.

The Bidvest Group Limited

Registration number 1946/021180/06

Website address

www.bidvest.com

Letter from the chairman

Dear shareholder

I have great pleasure in extending an invitation to you to attend the 65th annual general meeting of The Bidvest Group Limited to be held in the boardroom, Third Floor, Bidvest House, 18 Crescent Drive, Melrose Arch, at 13:00 on Monday, November 21 2011.

You will find with this letter:

- The notice of meeting setting out the resolutions to be proposed, together with explanatory notes, and guidance notes for shareholders who wish to attend the meeting or to vote by post
- Voting forms (proxy/voting instruction)
- A CD containing the integrated annual report*


If you are unable to attend the meeting in person, you are able to exercise the right as a shareholder to vote on the resolutions to be proposed at the annual general meeting and to take part in the governance of The Bidvest Group Limited by completing, signing and returning the applicable voting form in good time before the annual general meeting.

Alternatively the Company is also offering certificated shareholders and dematerialised shareholders with "own name" registration reasonable access to participate in the meeting through electronic means including teleconferencing and secure online voting of shares.

For further information and to register for such participation, eligible shareholders are invited to navigate to the following URL:

<https://www.bigpulse.com/m15474/intro>.

The directors and I look forward to seeing as many of you as possible at the annual general meeting and we thank you for your continued support.



Cyril Ramaphosa

Chairman

**The annual integrated report is also available on our website and hard copies are available from the company secretary upon request.*

Notice to shareholders

Notice is hereby given that the 65th annual general meeting of members of The Bidvest Group Limited will be held at Bidvest House, 18 Crescent Drive, Melrose Arch, Johannesburg at 13:00 on Monday, November 21 2011.

Memorandum of incorporation

Until the Companies Act No 71 of 2008, as amended, (Companies Act) came into effect on May 1 2011, the memorandum of incorporation (Mol) of the Company has comprised its memorandum of association and its articles of association. On the date that the Companies Act came into effect, the memorandum of association and articles of association of the Company automatically converted into the Company's Mol. Accordingly, for consistency of reference in this notice of annual general meeting, the term "Mol" is used throughout to refer to the Company's memorandum of association and its articles of association (which now form the Company's Mol, as aforesaid). All references to a provision in the Company's Mol in this notice of annual general meeting (including all of the relevant ordinary and special resolutions contained herein) refer to provisions of the Mol that was previously called the Company's articles of association.

The annual general meeting of members will be held for the following purposes:

1. To receive, consider and adopt the audited financial statements of the Company and the Group for the year ended June 30 2011, together with the reports of the directors and auditors.
2. To confirm, as recommended by the audit committee, the re-appointment of Deloitte & Touche as independent registered auditors of the Company and Trevor Brown as lead audit partner.
3. To consider and, if deemed fit, to pass, with or without modification, the following special resolutions:

3.1 Special resolution number 1 – General authority for share buy-back

"Resolved that the Company or any of its subsidiaries, be and are hereby authorised, by way of a general authority, to approve the purchase from time to time of its own issued ordinary shares by the Company, or approve the purchase of ordinary shares in the Company by any of its subsidiaries upon such terms and conditions and in such amounts as the directors of the Company may from time to time determine, but always subject to the provisions of the Mol and the requirements of the JSE Limited (the JSE), being that:

- *any such acquisition of ordinary shares shall be effected through the order book operated by the JSE trading system and done without any prior understanding or arrangement;*
- *this general authority shall be valid until the Company's next annual general meeting, provided that it shall not extend beyond 15 (fifteen) months from the date of passing of this special resolution number 1;*
- *an announcement will be published as soon as the Company or any of its subsidiaries has acquired ordinary shares constituting, on a cumulative basis 3% of the number of ordinary shares in issue prior to the acquisition pursuant to which the aforesaid 3% threshold is reached, and for each 3% in aggregate acquired thereafter, containing full details of such acquisitions;*
- *acquisitions of shares in aggregate in any one financial year may not exceed 20% of the Company's ordinary issued share capital as at the date of passing of this special resolution number 1;*
- *in determining the price at which ordinary shares issued by the Company are acquired by it or any of its subsidiaries in terms of this general authority, the maximum premium at which such ordinary shares may be acquired will be 10% of the weighted average of the market value at which such ordinary shares are traded on the JSE over the five business days immediately preceding the date of repurchase of such ordinary shares by the Company or any of its subsidiaries;*
- *the Company has been given authority by its articles of association;*
- *at any one point in time, the Company may only appoint one agent to effect any repurchase on the Company's behalf;*
- *the Company's sponsor must confirm the adequacy of the Company's working capital for purposes of undertaking the repurchase of shares in writing to the JSE before entering the market to proceed with the repurchase; and*
- *the Company and/or its subsidiaries not repurchasing any shares during a prohibited period as defined by the JSE listing requirements, unless a repurchase programme is in place where dates and quantities of shares to be traded during the prohibited period are fixed, and full details of the programme have been disclosed in an announcement over SENS prior to the commencement of the prohibited period."*

The reason for and effect of special resolution number 1 is to grant the Company a general authority in terms of the JSE listing requirements for the repurchase by the Company, or a subsidiary of the Company, of the Company's shares.

3.2 Special resolution number 2 – Approval of non-executive directors' remuneration

"Resolved that the non-executive directors' remuneration for the year ending June 30 2012 be approved as follows:

<i>Chairman</i>	<i>– R620 600 per annum</i>
<i>Non-executive directors</i>	<i>– R53 500 per annum plus R21 400 per meeting</i>
<i>Alternate directors</i>	<i>– R26 750 per annum plus R21 400 per meeting if attended in place of the nominated director</i>
<i>Audit committee chairman</i>	<i>– R197 950 per annum plus R32 100 per meeting</i>
<i>Audit committee member</i>	<i>– R46 010 per annum plus R19 420 per meeting</i>
<i>Remuneration committee chairman</i>	<i>– R85 600 per annum plus R19 420 per meeting</i>
<i>Remuneration committee member</i>	<i>– R19 420 per meeting</i>
<i>Nominations committee chairman</i>	<i>– R53 500 per annum plus R19 420 per meeting</i>
<i>Nominations committee member</i>	<i>– R19 420 per meeting</i>
<i>Acquisitions committee chairman</i>	<i>– R64 200 per annum plus R29 425 per meeting</i>
<i>Acquisitions committee member</i>	<i>– R29 425 per meeting</i>
<i>Risk committee chairman</i>	<i>– R141 240 per annum plus R19 420 per meeting</i>
<i>Risk committee member</i>	<i>– R19 420 per meeting</i>
<i>Transformation committee chairman</i>	<i>– R85 600 per annum plus R19 420 per meeting</i>
<i>Transformation committee member</i>	<i>– R19 420 per meeting</i>

Other services – to be approved by the chief executive up to a maximum in aggregate of R4 million per annum."

Reason and effect of special resolution number 2 is to authorise the Company to pay remuneration to non-executive directors of the Company for their services as directors in terms of section 66 of the Companies Act and the recommendations of the King Code of Governance for South Africa 2009 (King III).

4. To consider and, if approved, to pass, with or without modification, the following ordinary resolutions:

4.1 Ordinary resolution number 1 – Place unissued shares under the directors' control

"Resolved to place 30 (thirty) million of the unissued shares of the Company under the control of the directors, who shall be authorised, subject to the requirements of the JSE, to allot and issue up to 30 (thirty) million shares in the authorised, but unissued share capital of the Company at such times, at such prices and for such purposes as they may determine, at their discretion, after setting aside so many shares as may be required to be allotted and issued pursuant to the Company's share incentive schemes or acquisitions utilising such shares as currency to discharge the purchase consideration."

4.2 Ordinary resolution number 2 – Issue of ordinary shares for cash

"Resolved that subject to the passing of ordinary resolution number 1 and in terms of the JSE listing requirements, the directors are hereby authorised to issue up to 30 (thirty) million ordinary shares for cash, representing a class of share already in issue or, where this is not the case, must be limited to such shares or rights that are convertible into a class already in issue as and when suitable opportunities arise, subject to the following conditions, inter alia:

- that this authority shall not extend beyond the next annual general meeting or 15 (fifteen) months from the date of this annual general meeting, whichever date is the earlier;*
- that a press announcement giving full details, including the impact on net asset value and earnings per share, will be published at the time of any issue representing, on a cumulative basis within one year, 5% or more of the number of shares in issue prior to the issue/s;*
- that the shares must be issued to public shareholders and not to related parties;*
- that any issue in the aggregate in any one year shall not exceed 30 (thirty) million shares of the Company's issued ordinary share capital; and*
- that, in determining the price at which an issue of shares will be made in terms of this authority, the maximum discount permitted will be 10% of the weighted average traded price of the shares over the 30 (thirty) days prior to the date that the price of the issue is determined or agreed to by the directors. In the event that shares have not traded in the said 30 (thirty) day period a ruling will be obtained from the committee of the JSE."*

Subject to the approval of the general authority proposed in terms of this ordinary resolution number 2, and in terms of the listing requirements, shareholders by their approval of this resolution, grant a waiver of any pre-emptive rights to which ordinary shareholders may be entitled in favour of the directors for the allotment and issue of ordinary shares in the share capital of the Company for cash

other than in the normal course by way of a rights offer or a claw-back offer or pursuant to the Company's share incentive schemes or acquisitions utilising such shares as currency to discharge the purchase consideration.

The proposed resolution to issue up to 30 (thirty) million ordinary shares represents approximately 9,16% (nine comma sixteen percent) of the issued share capital of the Company at the date of this notice.

4.3 Ordinary resolution number 3 – Payment of dividend by way of a pro rata reduction of share capital or share premium

“Resolved that the directors of the Company shall be entitled to pay by way of a pro rata reduction of share capital or share premium, in lieu of a dividend, an amount equal to the amount which the directors of the Company would have declared and paid out of profits in respect of the Company's interim and final dividends for the financial year ending June 30 2011.”

This general authority shall be valid until the Company's next annual general meeting, provided that it shall not extend beyond 15 (fifteen) months from the date of passing of this ordinary resolution number 3.

4.4 Ordinary resolution number 4 – Creation and issue of convertible debentures

“Resolved that the directors of the Company be and they are hereby authorised to create and issue convertible debentures or other convertible instruments in respect of 30 (thirty) million ordinary shares of 5 cents each (five cents) in the capital of the Company, subject to a conversion premium of not less than 20% (twenty percent) above the volume weighted traded price of the shares in the Company for the three trading days prior to pricing and to such conversion and other terms as they may determine in their sole and absolute discretion, but subject at all times to the listing requirements.”

The proposed resolution for the creation and issue of up to 30 (thirty) million convertible debentures or other convertible instruments that represents approximately 9,16% (nine comma sixteen percent) of the issued share capital of the Company at the date of this notice.

For the sake of clarity, the aggregate number of shares issued in ordinary resolution number 2 and ordinary resolution number 4 will not exceed 30 (thirty) million ordinary shares in the issued share capital of the Company.

4.5 Ordinary resolution number 5 – Re-election of retiring directors

To re-elect, by separate ordinary resolutions numbered 4.5.1 to 4.5.7, the following directors who are required in terms of the articles of association, to retire by rotation as directors at the forthcoming annual general meeting and who are eligible for re-election at the annual general meeting:

4.5.1 Douglas Denoon Balharrie Band

4.5.2 Bernard Larry Berson

4.5.3 David Edward Cleasby

4.5.4 Anthony William Dawe

4.5.5 Rachel Mathabo Kunene

4.5.6 Peter Nyman

4.5.7 Lindsay Peter Ralphs

Abbreviated biographical details of the above directors are set out on pages 18 to 22 of the annual integrated report.

4.6 Ordinary resolution number 6 – Election of members of the audit committee

Subject to the passing of ordinary resolution 5, to elect by separate ordinary resolutions number 4.6.1 to 4.6.4, the following independent non-executive directors as members of the audit committee of the Company for the period ending June 30 2012:

4.6.1 Nigel George Payne

4.6.2 Nkateko Peter Mageza

4.6.3 Donald Masson

4.6.4 Joseph Leon Pamensky

Abbreviated biographical details of the above directors are set out on pages 18 to 22 of the annual integrated report.

4.7 Ordinary resolution number 7 – Non-binding advisory vote on the remuneration policy of the Group

“Resolved that in terms of the recommendations of King III, the remuneration policy of the Group, a summary of which is set out below, be and is hereby adopted.”

“Our remuneration philosophy promotes the Group’s entrepreneurial culture within a decentralised environment with the aim of achieving sustainable growth within all businesses. Our philosophy emphasises the fundamental value of people and their role in attaining this objective. Deliberations of the remuneration committee are informed by performance reviews from individual, divisional and Group perspectives. Delivery-specific short-term incentives are viewed as strong drivers of performance. A significant portion of top management’s reward is variable and is determined by the achievement of realistic profit targets together with an individual’s personal contribution to the growth and development of their immediate business and the wider Group. Long-term incentives align the objectives of management and shareholders for a sustained period.”

The complete remuneration policy is available on the Group’s website.



A 75% (seventy-five percent) majority of the votes cast by shareholders present or represented and voting at the general meeting will be required in order for ordinary resolutions numbers 2 and 4 to become effective.

Before entering the market to effect the general repurchase (special resolution 1) and the general payment (ordinary resolution 3), the directors, having considered the effects of the repurchase of the maximum number of ordinary shares in terms of the foregoing general authority, special authority and the general payment, will ensure that for a period of 12 (twelve) months after the date of the notice of annual general meeting:

- the Company and the Group will be able, in the ordinary course of business, to pay its debts;
- the assets of the Company and the Group, fairly valued in accordance with international financial reporting standards, will exceed the liabilities of the Company and the Group;
- the share capital and the reserves of the Company and the Group will be adequate for ordinary business purposes; and
- the working capital of the Company and the Group will be adequate for ordinary business purposes.

5. To transact such other business as may be transacted at an annual general meeting.

The following information appears in the annual integrated report posted to shareholders on October 21 2011 and is provided in terms of the JSE listing requirements for purposes of the general authority:

- Directors – pages 18 to 22
- Major shareholders – page 222
- Directors’ interests in ordinary shares – pages 136 to 137
- Share capital of the Company – pages 213 to 214.

Litigation statement

In terms of section 11.26 of the JSE listing requirements, the directors, whose names appear on pages 18 to 22 of the financial statements, are not aware of any legal or arbitration proceedings that are pending or threatened, that may have or have had in the recent past, being at least the previous 12 (twelve) months, a material effect on the Group’s financial position.

Directors’ responsibility statement

The directors, whose names appear on pages 18 to 22 of the financial statements, collectively and individually accept full responsibility for the accuracy of the information pertaining to these resolutions. They 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 the resolutions contain all information.

Material changes

Other than the facts and developments reported on in the financial report, there have been no material changes in the affairs or financial position of the Company and its subsidiaries since the date of signature of the audit report and up to the date of this notice.

Share purchases

The directors have no specific intention, at present, for the Company to repurchase any of its shares but consider that such a general authority should be put in place should an opportunity present itself to do so during the year, which is in the best interests of the Company and its shareholders.

At that time an announcement will be made detailing the salient features of the capital reduction and the Company's sponsor shall, prior to the implementation of the reduction, provide the JSE with the written working capital statement required in terms of the JSE listing requirements.

Any member entitled to vote at the meeting may appoint a proxy or proxies to attend, speak and vote in his/her stead and the person/s so appointed need not be a member/s of the Company.

The forms of proxy should be completed by those shareholders who are:

- holding shares in certificated form; or
- "own name" registered dematerialised shareholders.

All other beneficial owners who have dematerialised their shares through a central securities depository participant (CSDP) or broker and wish to attend the annual general meeting, must instruct their CSDP or broker to provide them with a letter of representation, or they must provide the CSDP or broker with their voting instructions in terms of the relevant custody agreement entered into between them and the CSDP or broker.

Proxy forms must be lodged at, posted to or faxed for attention:

Mohammed Ismail, Computershare (Pty) Limited, Fax: +27 (11) 688 5248; Tel: +27 (11) 370 5207; (PO Box 61051, Marshalltown, 2107, South Africa) to reach the Company by no later than 13:00 on November 18 2011.

The board of directors of the Company has determined that the record date for the purpose of determining which shareholders of the Company are entitled to receive notice of the 65th annual general meeting was October 14 2011 and the record date for purposes of determining which shareholders of the Company are entitled to participate in and vote at the annual general meeting is November 11 2011. Accordingly, only shareholders who are registered in the register of members of the Company on November 11 2011 will be entitled to participate in and vote at the annual general meeting.

Alternatively the Company is also offering certificated shareholders and dematerialised shareholders with "own name" registration reasonable access to participate in the meeting through electronic means including teleconferencing and secure online voting of shares. For further information and to register for such participation, eligible shareholders are invited to navigate to the following URL: <https://www.bigpulse.com/m15474/intro>.

Shareholders are encouraged to attend the annual general meeting.

By order of the board



CA Brighten

Company secretary

October 21 2011

Form of proxy



(Reg No: 1946/021180/06)
Share code: BVT • ISIN number: ZAE 000117321

For the 65th annual general meeting – for use by certificated shareholders and dematerialised shareholders with “own name” registration.

Holders of dematerialised ordinary shares, other than those with own name registration, must inform their CSDP or broker of their intention to attend the annual general meeting and request their CSDP to issue them with the necessary letter of representation to attend the annual general meeting in person or provide their CSDP with their voting instructions should they not wish to attend the annual general meeting in person.

I/We (full name in block capitals please)

of (address)

being a member/members of The Bidvest Group Limited and entitled to _____ votes,
hereby appoint

of

or failing him

of

or failing him, the chairman of the meeting as my/our proxy to vote on my/our behalf at the annual general meeting of the Company to be held at Bidvest House, 18 Crescent Drive, Melrose Arch at 13:00 on November 21 2011 or at any adjournment thereof, as follows:

	For	Against	Abstain
1. To adopt the audited financial statements			
2. To re-appoint the auditors and lead audit partner for the ensuing year			
3. Special resolutions			
3.1 General authority for share buy-back			
3.2 Approval of non-executive directors' remuneration for the year ending June 30 2012			
4. Ordinary resolutions			
4.1 Place the unissued shares under the directors' control			
4.2 Issue of ordinary shares for cash			
4.3 Payment of dividend by way of a pro rata reduction of share capital or share premium			
4.4 Creation and issue of convertible debentures			
4.5 To re-elect retiring directors			
4.5.1 DDB Band			
4.5.2 BL Berson			
4.5.3 DE Cleasby			
4.5.4 AW Dawe			
4.5.5 RM Kunene			
4.5.6 P Nyman			
4.5.7 LP Ralphs			
4.6 To elect members of the audit committee			
4.6.1 NG Payne			
4.6.2 NP Mageza			
4.6.3 D Masson			
4.6.4 JL Pamensky			
4.7 Non-binding endorsement of remuneration policy			

Mark with an “X” whichever is applicable. Unless otherwise directed the proxy will vote as he/she thinks fit.

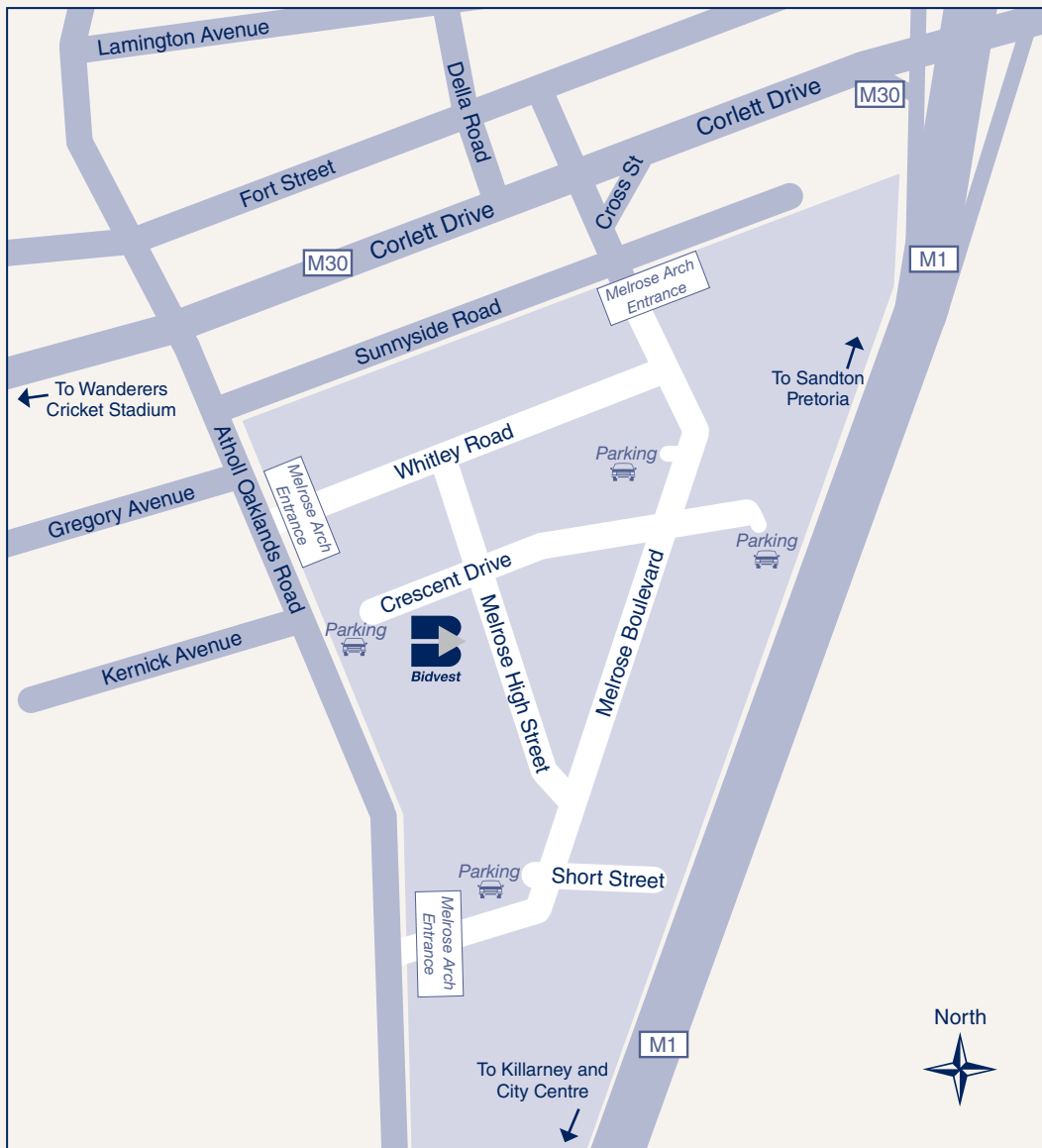
Signed this _____ day of _____ 2011

Member _____

A member entitled to attend and vote at the above mentioned meeting is entitled to appoint a proxy (who need not be a member of the Company) to attend, speak and, on a poll, to vote in his/her stead.

Notes

1. On a poll a shareholder is entitled to one vote for each share held.
2. A shareholder may insert the name of a proxy of the shareholder's choice in the space provided.
3. Forms of proxy must be lodged at, posted to or faxed for attention Mohammed Ismail, Computershare (Pty) Limited, Fax: +27 (11) 688 5248; Tel: +27 (11) 370 5207; PO Box 61051, Marshalltown, 2107, South Africa so as to reach the Company by no later than 13:00 on November 18 2011.
4. The completion and lodging of this form of proxy will not preclude the relevant shareholders from attending the general meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof.
5. Any alteration or correction made to this form of proxy must be initialled by the signatory.
6. If any shares are jointly held, the first name appearing in the register shall, in the event of any dispute, be taken as the shareholder.




The Bidvest Group Limited

Bidvest House
18 Crescent Drive
Melrose Arch
Melrose
Johannesburg, 2196
South Africa

PO Box 87274
Houghton
Johannesburg, 2041
South Africa

Telephone: +27 (11) 772 8700
Facsimile: +27 (11) 772 8970



The Monarch butterfly (*Danaus plexippus*) is considered by many to be the most beautiful of all butterflies, perhaps even the 'king' of the order Lepidoptera, hence the name. It is also known for its evolutionary ingenuity, perseverance and value to man.

www.bidvest.com