

16 January 2018

Lewis Stores
Best Home and
Electric
Beares

Dear Shareholder

**NOTICE OF INTRA-GROUP FINANCIAL ASSISTANCE
IN TERMS OF SECTION 45 OF THE COMPANIES ACT, 71 OF 2008**

Section 45(5) of the Companies Act, No. 71 of 2008 ("**the Act**") requires a company to provide written notice to its shareholders of resolutions adopted by the board of directors authorising the company to provide intra-group financial assistance. We confirm that no action is required by shareholders and this letter is for information purposes only.

We wish to notify you that the board of directors of Lewis Group Limited ("**the company**") has resolved:

- pursuant to the special resolution of shareholders adopted at the annual general meeting on 17 October 2017, and in accordance with the group's usual business practices, that the company provides the following financial assistance to its wholly-owned subsidiary, Lewis Stores Proprietary Limited ("**Lewis Stores**"):
 - a guarantee in respect of Lewis Stores' performance obligations under the R150 million revolving credit facility granted to Lewis Stores by Investec Bank Limited; and
 - a guarantee in respect of Lewis Stores' performance obligations under the R300 million revolving credit facility granted to Lewis Stores by Absa Bank Limited.

The board was satisfied that, in each instance, immediately after providing the financial assistance, the company would satisfy the solvency and liquidity test, and that the terms of the financial assistance were fair and reasonable to the company.

Yours faithfully

A handwritten signature in black ink, appearing to be "Johan Enslin", written over a white background.

Johan Enslin
Chief Executive Officer

Oh behalf of the board of directors

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