

CAPEVIN HOLDINGS LIMITED  
(Incorporated in the Republic of South Africa)  
Registration number: 1997/020857/06  
Share code: CVH  
ISIN: ZAE000167714  
("Capevin" or the "Company")

## CASH PAYMENT IN RESPECT OF FRACTIONAL ENTITLEMENTS

Unless otherwise indicated, capitalised words and terms contained in this announcement shall bear the same meanings ascribed thereto in the Capevin Circular distributed to Capevin Shareholders on Wednesday, 20 September 2017.

Capevin Shareholders are referred to the joint SENS finalisation announcement released on Monday, 14 May 2018, confirming, *inter alia*, that the Capevin Scheme is now unconditional and can be implemented.

In implementing the Capevin Scheme, DGHL will issue DGHL Ordinary Shares to Capevin Shareholders in the entitlement ratio of 0.066667 DGHL Ordinary Shares for every 1 Capevin Share held by a Capevin Shareholder on the Capevin Record Date, being Friday, 1 June 2018 (see Note 1 below).

In respect of any fractional entitlements that may arise as a result of the above issue and allotment, all allocations of DGHL Ordinary Shares will be rounded down to the nearest whole number. This will result in allocations of whole DGHL Ordinary Shares only, with a cash payment for the fractional entitlements to be paid out to Capevin Shareholders.

In accordance with the Listings Requirements of the JSE Limited ("JSE"), the cash value of the fractional entitlements has been calculated as the volume weighted average price of Distell Group Limited ordinary shares ("Distell Ordinary Shares") traded on the JSE on Wednesday, 30 May 2018, less a discount of 10% (see Note 2 below).

Shareholders are advised that the volume weighted average price of Distell Ordinary Share traded on the JSE on Wednesday, 30 May 2018, was 12426 cents per share. This amount, discounted by 10%, is 11184 cents per share, which amount will be used to determine the cash payment for the fractional entitlements.

Capevin Shareholders are informed that, as far as the tax implications of the cash payment of the fractional entitlements are concerned, the receipt of the cash payment by Capevin Shareholders will be subject to capital gains tax for Capevin Shareholders holding Capevin Shares on capital account or to income tax for Capevin Shareholders holding Capevin Shares as trading stock, e.g. share dealers unless a specific exclusion applies, e.g. in the case of non-resident Capevin Shareholders or certain collective investment schemes.

Capevin Shareholders are further informed that in calculating the base cost (for capital gains tax purposes) or the cost (for income tax purposes) of the fractions of shares that Capevin Shareholders are entitled to, when determining the gain that is subject to capital gains tax or income tax, the base cost or cost of Capevin Shares disposed of should be allocated to the total number of DGHL Ordinary Shares a Capevin Shareholder is entitled to in terms of the Capevin Scheme, multiplied by the fractional entitlement. By way of example, if 100 Capevin Shares are held by a Capevin Shareholder at a base cost or cost of R800, the 6.67 DGHL Ordinary Shares that the Capevin Shareholder is entitled to, will be allocated a base cost of R119.94 (R800/6.67) per DGHL Ordinary Share and therefore the base cost

or cost of the fractional entitlement (of 0.67 of a DGHL Ordinary Share) to be disposed of will be R80.36 (R119.94 x 0.67).

The above summary of the tax implications is a general guide and is not intended to constitute a complete analysis of the taxation consequences of the cash payment of fractional entitlements in terms of South African taxation law. It is not intended to be, nor should it be considered as legal or taxation advice. This summary is therefore intended solely to draw the Capevin Shareholders' attention to certain key aspects of the tax legislation that may be relevant to them pursuant to the cash payment.

Capevin and its advisers cannot be held responsible for the taxation consequences that the Capevin Scheme may have on Capevin Shareholders and therefore Capevin Shareholders are advised to consult their own tax advisers if they are in any doubt about their tax position.

*Note 1: In order for exactly 117 348 000 DGHL Ordinary Shares to be issued, as is required in terms of the Capevin Scheme, the entitlement ratio had to be rounded to 6 decimal places, which rounding was authorised by the JSE.*

*Note 2: As no DGHL Ordinary Shares traded on 30 May 2018, the JSE accordingly permitted the Company to use the volume weighted average price of Distell Ordinary Shares for purposes of determining the cash payment for the fractional entitlements.*

By order of the Board

Stellenbosch  
31 May 2018

Financial Adviser and Transaction Sponsor to Capevin  
PSG Capital Proprietary Limited

Legal Adviser to Capevin  
Cliffe Dekker Hofmeyr Inc.

Independent expert to the Capevin Independent Board  
BDO Corporate Finance Proprietary Limited