

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

The definitions and interpretations commencing on page 3 of this Circular apply *mutatis mutandis* throughout this Circular.

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

1. If you have disposed of all of your Shares, then this Circular, together with the attached Notice of General Meeting and form of proxy should be forwarded to the purchaser to whom, or the broker, agent, CSDP or banker through whom you disposed of your Shares.
2. The General Meeting convened in terms of this Circular will be held at 8:00 on Friday, 15 December 2017 at the registered office of Taste, 12 Gemini Street, Linbro Business Park, Sandton, 2065.
3. Shareholders are referred to page 7 of this Circular which sets out the detailed action required of Certificated Shareholders and Dematerialised Shareholders.
4. Taste does not accept any responsibility and will not be held liable for any failure on the part of any CSDP or broker of a Dematerialised Shareholder to notify such Shareholder of the General Meeting or any business to be concluded thereat.



TASTE HOLDINGS LIMITED

Incorporated in the Republic of South Africa
(Registration number 2000/002239/06)
Share code: TAS ISIN: ZAE000081162
("Taste" or "the Company")

CIRCULAR TO SHAREHOLDERS OF TASTE

regarding

- **an increase in the authorised ordinary shares of the Company from 1 000 000 000 shares to 2 000 000 000 shares of no par value;**
- **the issue of the Rights Offer Shares in terms of section 41(3) of the Companies Act;**

and enclosing

- **a notice convening the General Meeting; and**
- **a form of proxy for use by Certificated Shareholders and "own name" registered Dematerialised Shareholders only.**

Sponsor

Merchantec
capital

Date of issue: 16 November 2017

Copies of this Circular, in its printed format, may be obtained from the registered office of the Company and the Sponsor at the addresses set out in the "Corporate information" section of this Circular during normal business hours from Thursday, 16 November 2017 up to and including Friday, 15 December 2017 or on the Company's website at www.tasteholdings.co.za. A copy of this Circular was filed with the JSE and the sections of the Circular that pertain to amendments to the Memorandum of Incorporation were approved by the JSE. The remaining contents of this Circular were noted by JSE. This Circular, which is not an invitation to the public to subscribe for Shares, but is issued in compliance with the Listings Requirements for the purpose of providing information to the public with regard to the Company, is available in the English language only.

CORPORATE INFORMATION

Taste Holdings Limited

Date of incorporation: 7 February 2000

Place of incorporation: South Africa

Company Secretary and registered address of Taste

iThemba Corporate Governance and Statutory Solutions

Proprietary Limited

(Registration number 2008/008745/07)

12 Gemini Street

Linbro Business Park

Sandton, Johannesburg, 2065

(PO Box 1125, Ferndale, Randburg, 2160)

Sponsor

Merchantec Capital

(Registration number 2008/027362/07)

2nd Floor, North Block

Hyde Park Office Tower

Corner 6th Road and Jan Smuts Avenue

Hyde Park, Johannesburg, 2196

(PO Box 41480, Craighall, 2024)

Transfer Secretaries

Computershare Investor Services Proprietary Limited

(Registration number 2004/003647/07)

Rosebank Towers

15 Biermann Avenue

Rosebank, Johannesburg, 2196

(PO Box 61051, Marshalltown, 2107)

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IMPORTANT DATES AND TIMES

The definitions and interpretations commencing on page 3 of this Circular apply *mutatis mutandis* to this "Important dates and times" section (unless the context requires a contrary intention):

2017

Record date to determine which Shareholders are entitled to receive this Circular	Friday, 10 November
Circular posted to Shareholders on	Thursday, 16 November
Last day to trade in order to be eligible to vote at the General Meeting	Tuesday, 5 December
General Meeting Record Date	Friday, 8 December
Last day to lodge forms of proxy for the General Meeting by 8:00 on	Wednesday, 13 December
General Meeting to be held at 8:00 on	Friday, 15 December
Results of General Meeting released on SENS on	Friday, 15 December
Results of General Meeting released in the press on	Monday, 18 December

Notes:

1. The above dates and times are subject to amendment. Any such amendment will be released on SENS.
2. Additional copies of this Circular in its printed format, may be obtained from the Sponsor at the address set out in the "Corporate information" section of this Circular during normal business hours from Thursday, 16 November 2017 up to and including Friday, 15 December 2017.
3. Any form of proxy not delivered to the Transfer Secretaries by 8:00 on Wednesday, 13 December 2017 may be handed to the Chairperson of the General Meeting immediately before the appointed proxy exercises any of the Shareholders' votes at the General Meeting (or any adjournment or postponement thereof).

DEFINITIONS AND INTERPRETATIONS

In this Circular and the annexures hereto, the notice of General Meeting 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 Taste at the Last Practicable Date whose details are set out on page 5 of this Circular;
“Business Day”	any day other than a Saturday, Sunday or a public holiday in South Africa;
“Certificated Share”	a Taste Share that has not been Dematerialised, title to which is evidenced by a Document of Title;
“Certificated Shareholder”	a Taste Shareholder who holds Certificated Shares;
“Circular”	this bound document, dated 16 November 2017, including the annexures hereto and incorporating a notice of General Meeting and a form of proxy;
“Commitment Agreement”	the agreement to be entered into between Taste and RVF in terms of which RVF agree, subject to certain conditions, to subscribe for the Remaining Offer Shares;
“Companies Act”	the Companies Act 71 of 2008;
“Company Regulations” or “Regulations”	the Companies Regulations, 2011, published in terms of the Companies Act;
“Competition Act”	the Competition Act 89 of 1998;
“Computershare Investor Services” or “Transfer Secretaries”	Computershare Investor Services Proprietary Limited (Registration number 2004/003647/07), a private company duly incorporated in accordance with the laws of South Africa;
“CSDP”	a Central Securities Depository Participant, accepted as a participant in terms of the Financial Markets Act 19 of 2012, appointed by an individual Shareholder for the purposes of, and in regard to Dematerialisation of Documents of Title for purposes of incorporation into Strate;
“Custody Agreement”	the agreement which regulates the relationship between the CSDP or broker and each beneficial holder of Dematerialised Shares;
“Debt Settlement”	the settlement of, <i>inter alia</i> , Taste’s term debt (which is comprised predominantly of the R225 million Notes that are currently outstanding), RVF’s fee in terms of the Commitment Agreement and the Transactions’ costs;
“Dematerialisation”	the process by which Certificated Shares are converted into electronic format as Dematerialised Shares and recorded in Taste’s Uncertificated Securities Register;
“Dematerialised Share”	a Taste Share that has been Dematerialised or has been issued in Dematerialised form, and recorded in Taste’s Uncertificated Securities Register;
“Dematerialised Shareholder”	a Taste Shareholder who holds Dematerialised Shares;
“Documents of Title”	share certificates, certified transfer deeds, balance receipts and/or any other form of acceptable document of title acceptable to Taste in respect of Taste Shares;
“Financial Markets Act”	the Financial Markets Act 19 of 2012;
“General Meeting”	the general meeting of Shareholders to be held at 8:00 on Friday, 15 December 2017, at the registered office of Taste, 12 Gemini Street, Linbro Business Park, Sandton, 2065, to consider, and if deemed fit, approve, with or without modification, the Resolutions;
“General Meeting Record Date”	Friday, 8 December 2017, being the date on which Taste Shareholders must be recorded in the Register so as to be able to attend and vote at the General Meeting;
“Group” or “Taste Group”	Taste and its Subsidiaries;
“JSE”	JSE Limited (Registration number 2005/022939/06), a public company duly incorporated in accordance with the laws of South Africa and licensed as an exchange under the Financial Markets Act;
“Last Practicable Date”	Friday, 10 November 2017, being the last practicable date prior to the finalisation of this Circular;
“Listings Requirements”	the Listings Requirements of the JSE, as amended from time to time by the JSE;
“Merchantec Capital” or “Sponsor”	Merchantec Proprietary Limited (Registration number 2008/027362/07), a private company duly registered and incorporated under the laws of South Africa;

“Notes”	the senior secured notes issued by the company in terms of the R1 000 000 000 Domestic Medium Term Note Programme as described in the programme memorandum dated 30 July 2014;
“Notes Purchase”	the purchase of Notes by RVF and/or its affiliates from the current holders thereof;
“Notice of General Meeting” or “Notice”	the notice convening the General Meeting which is attached to and forms part of this Circular;
“Rand” or “R” or “ZAR”	South African Rand;
“Remaining Offer Shares”	the number of Rights Offer Shares not taken up by Shareholders pursuant to the Rights Offer;
“Rights Offer”	the proposed rights offer by Taste to Taste Shareholders in terms of which Shareholders will be entitled to subscribe for the Rights Offer Shares at the Rights Offer Price in the ratio of 96.43483 Rights Offer Shares for every 100 Shares held on the Rights Offer Record Date;
“Rights Offer Circular”	the circular to Shareholders containing details of the Rights Offer and including the renounceable (nil paid) letters of allocation which will be issued by Taste, conferring the right on Shareholders to follow their rights in terms of the Rights Offer and subscribe for the Rights Offer Shares pursuant to the Rights Offer, which circular is to be distributed to Shareholders in due course;
“Rights Offer Price”	the price at which the Rights Offer Record Date Shareholders will be entitled to subscribe for Rights Offer Shares in terms of the Rights Offer, being 90 cents per Rights Offer Share;
“Rights Offer Record Date”	the record date for Shareholders to participate in the Rights Offer on the terms and conditions detailed in the Rights Offer Circular, which date is still to be determined;
“Rights Offer Shares”	442 222 223 Taste Shares which can be subscribed for by the Rights Offer Record Date shareholders in terms of the Rights Offer;
“Register”	Taste’s securities register, including the Uncertificated Securities Register;
“Resolutions”	the resolutions set out in the Notice of the General Meeting, which are to be considered and voted on at the General Meeting;
“SENS”	the Stock Exchange News Service of the JSE;
“South Africa”	the Republic of South Africa;
“Strate”	the settlement and clearing system used by the JSE, managed by Strate Proprietary Limited (Registration number 1998/022242/07), a private company duly incorporated in accordance with the laws of South Africa and which company is a registered Central Securities Depository in terms of the Financial Markets Act;
“Riskowitz Value Fund” or “RVF”	Riskowitz Value Fund LP, a partnership formed in the state of Delaware, USA;
“Subsidiary”	a subsidiary as defined in the Companies Act;
“Taste” or “the Company”	Taste Holdings Limited (Registration number 2000/002239/06), a public company duly registered and incorporated under the laws of South Africa and listed on the JSE;
“Taste Shares” or “Shares”	ordinary shares of no par value of Taste;
“Taste Shareholders” or “Shareholders”	holders of Taste Shares;
“Transactions”	the Sale of Notes, the Rights Offer and the Debt Settlement, collectively;
“Transaction Process Agreement”	the agreement entered into between Taste and RVF, the terms of which, <i>inter alia</i> , set out the manner in which the Transactions are to be effected; and
“Uncertificated Securities Register”	the record of Dematerialised Shares administered and maintained by a CSDP and which forms part of the Register.



TASTE HOLDINGS LIMITED

Incorporated in the Republic of South Africa
(Registration number 2000/002239/06)
Share code: TAS ISIN: ZAE00081162
("Taste" or "the Company")

DIRECTORS

Executive

C F Gonzaga (*Chief Executive Officer*)
E Tsatsarolakis (*Financial Director*)
D J Crosson (*Executive Director*)

Non-executive

G M Pattison* (*Chairperson*)
A Berman*
T C Moodley
H R Rabinowitz
K M Utian*
W P van der Merwe*

* *Independent*

CIRCULAR TO TASTE SHAREHOLDERS

1. INTRODUCTION

On 16 November 2017, it was announced on SENS that Taste was evaluating proposals to settle, *inter alia*, its term debt and fund the future growth of Starbucks and Domino's Pizza corporate owned stores. After consideration by the Board the most appropriate proposal evaluated was to do this by way of a fully committed Rights Offer.

The purpose of this Circular is to provide Taste Shareholders with relevant information relating to the proposed amendments to the Memorandum of Incorporation of Taste to facilitate the proposed Rights Offer, the Rights Offer and the Resolutions to be proposed at the General Meeting and the implications thereof, in accordance with the provisions of the Companies Act, the Company Regulations and the Listings Requirements, where applicable. A notice convening such meeting is attached to, and forms part of, this Circular.

2. RATIONALE FOR THE TRANSACTIONS

Earlier this year Taste announced its intention to restructure its food and luxury goods operating divisions with a view to separating them. Part of this intended restructure would see the Group settle, in addition to other debt, its long term bond debt of R225 million Notes and utilise surplus cash resources to fund the continued roll out of Domino's Pizza and Starbucks stores. Having initiated a sale process of the luxury goods division earlier in the year, deteriorating macro-economic conditions meant that the timing of the disposal was not ideal and the Group therefore stopped the sale process.

The continued roll-out of Starbucks and Domino's Pizza stores is necessary for the food division to achieve EBITDA profitability. In anticipation of a moderate consumer recovery next year and on the basis that the planned Starbucks and Domino's Pizza corporate stores are opened, the food division would be positioned to achieve a monthly cash breakeven in the second half of next year.

As part of the debt reduction the Company will raise R398 million by way of a Rights Offer at 90 cents per share. The Rights Offer will be fully subscribed for pursuant to the Commitment Agreement to be entered into with RVF. RVF, together with its affiliates, is the Company's largest shareholder and its willingness to enter into the Commitment Agreement to ensure that the Rights Offer is fully subscribed is an indication of RVF's support for the continued roll out of the Company's food services offering. Shareholders will not have the right to apply for excess allocations. The proceeds of the Rights Offer will be used to settle the term debts, including, *inter alia*, the R225 million of Notes, that are currently outstanding, the transaction costs and the balance of the proceeds from the Rights Offer will be used to fund the continued roll out of Domino's Pizza and Starbucks stores.

It is the opinion of the Board that this represents the most favourable debt reduction and expansion funding options available to the Company in the current conditions.

3. THE TRANSACTIONS

Taste intends to implement the Transactions in accordance with a three part process comprising the Notes Purchase, the Rights Offer and the Debt Settlement. An outline of each part of the process is set out below:

3.1 The Notes Purchase

RVF will purchase all of the Notes from the holders of those Notes in terms of an agreement between the two parties ("Sale of Notes Agreement"), subject to an agreement in terms of which RVF will subordinate any rights to enforce the Notes in favour of certain general banking facilities provided to Taste ("Subordination Agreement").

3.2 The Rights Offer

Taste will raise R398 million through the Rights Offer. Further detail is provided in paragraph 5.

3.3 The Debt Settlement

The proceeds of the Rights Offer will be used to settle, *inter alia*, term debt (which is comprised predominantly of the R225 million Notes that are currently outstanding), RVF's fee in terms of the Commitment Agreement and the Transactions' costs. The remaining funds will be applied to the rollout of new Starbucks and Domino's Pizza stores.

The Transactions are conditional upon *inter alia*:

- approval from the South African competition authorities, to the extent they are required;
- approval from the Financial Surveillance Department of the South African Reserve Bank;
- the signature of the Commitment Agreement by RVF and Taste; and
- Shareholder approval of the Resolutions.

4. SHAREHOLDER APPROVALS

As part of the Transactions, the Company will raise equity in order to settle term debt and fund the future growth of stores in the food division. The issue of greater than 30% of the Shares in issue pursuant to the Rights Offer requires approval from Shareholders by way of a special resolution in terms of section 41(3) of the Companies Act. Following the issue of new Taste Shares in terms of the Rights Offer, the number of the Company's issued Shares will be close to the number of its authorised Shares. Taste therefore requires Shareholder approval to amend its Memorandum of Incorporation in order to increase the number of authorised Shares to provide for sufficient authorised Shares going forward.

Accordingly, Taste will be proposing the relevant amendments to the Memorandum of Incorporation, as set out in Annexure 1 to the Circular, which in terms of paragraph 5.92(A) and Schedule 10.5(d) of the Listings Requirements and section 16(1)(c) of the Companies Act, requires the approval by way of a special resolution (requiring at least a 75% majority of the votes cast in favour of such resolution) of all Shareholders present or represented by proxy at the General Meeting.

The proposed amendments to the Memorandum of Incorporation above are the second set of amendments since Taste had its Memorandum of Incorporation approved in 2012. The first set of amendments, which were proposed in order to enable capital raising, included the conversion of the authorised share capital from par value shares into shares of no par value, the increase of the number of authorised Shares from 500 million Shares to 1 billion Shares and the inclusion of preference shares in the authorised shares of Taste. These amendments, which were included in the circular to Taste Shareholders, dated 12 April 2017, were approved by Shareholders at the general meeting held on 17 May 2017.

Taste therefore requests that Shareholders approve the adoption of a new updated Memorandum of Incorporation in substitution for the existing Memorandum of Incorporation, approved on 23 March 2012, together with all the amendments which have been approved and filed with the Companies and Intellectual Property Commission to date.

5. THE RIGHTS OFFER

All Shareholders will be entitled to subscribe for their pro rata portion (based on their holdings of Taste Shares on the Rights Offer Record Date), by way of a renounceable Rights Offer, of the Rights Offer Shares. The Rights Offer Shares will be offered to Shareholders subject to the terms and conditions set out in the Rights Offer Circular. A total of 442 222 223 Taste Shares will be offered in the Rights Offer at the Rights Offer Price. Shareholders will not be obliged to take up their full allocation of Rights Offer Shares, and may take up part only. Shareholders (recorded in the Register at the close of trade on the Rights Offer Record Date) or their renounees in terms of the Rights Offer will be entitled to participate in the Rights Offer.

The Rights Offer will be fully subscribed for in terms of the Commitment Agreement that the Company is to enter into with RVF. Shareholders will not have the right to apply for Rights Offer Shares in excess of their entitlements.

Upon their issue, the Rights Offer Shares will rank *pari passu* in all respects with the existing Taste Shares.

6. SHAREHOLDER COMMITMENTS AND DIRECTORS' RECOMMENDATIONS

Taste has had discussions with certain existing Shareholders and has received commitments, by way of indications, that they will vote in favour of the Resolutions, which commitments represent in excess of 70% of the total voting rights for the Resolutions.

The Board, after due consideration of the Transactions, has considered the terms and conditions thereof, and is of the opinion that the Transactions represent the best possible outcome for Taste Shareholders given current market conditions and, accordingly, recommends that Shareholders vote in favour of the Resolutions to be proposed at the General Meeting.

7. THE GENERAL MEETING

The General Meeting will be held at the registered office of Taste, 12 Gemini Street, Linbro Business Park, Sandton, 2065 at 8:00 on Friday, 15 December 2017, to consider and approve, with or without modification, the Resolutions set out in the Notice of General Meeting included in this Circular.

A notice convening the General Meeting and a form of proxy for use by Certificated Shareholders and Dematerialised Shareholders with "own name" registration who are unable to attend the General Meeting, form part of this Circular.

Certificated Shareholders and Dematerialised Shareholders with "own name" registration, who:

- wish to attend the General Meeting, may do so in person and vote at the General Meeting;
- are unable to attend the General Meeting may appoint a proxy to represent them at the General Meeting by completing the attached form of proxy in accordance with the instructions contained therein and delivering it to the Transfer Secretaries, as follows:
 - **by hand:** Rosebank Towers, 15 Biermann Avenue, Rosebank, Johannesburg, 2196, South Africa; or
 - **by post:** PO Box 61051, Marshalltown, 2107, South Africa; or
 - **by e-mail:** proxy@computershare.co.za; or
 - **by fax:** +27 11 688 5238,

so as to be received by no later than Wednesday, 13 December 2017 at 8:00, being at least 48 hours before the commencement of the General Meeting.

Should the form of proxy not be delivered to the Transfer Secretaries by this date and time, you will be entitled to furnish your form of proxy to the chairperson of the General Meeting before the appointed proxy exercises any of your Shareholder rights at the General Meeting (or any adjournment or postponement thereof).

If you hold Certificated Shares and wish to Dematerialise such Shares, please contact the Transfer Secretaries or your Broker or CSDP.

Dematerialised Shareholders, other than Dematerialised Shareholders with "own name" registration, who:

- are unable to attend the General Meeting and 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 concerned, in the manner and within the time stipulated therein;
- wish to attend the General Meeting, must instruct their CSDP or broker to issue them with the necessary written letter of representation to attend.

8. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors, whose names are given on page 5 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 that 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.

9. CONSENTS

The Sponsor, the Transfer Secretaries and Company Secretary have consented in writing to act in the capacities stated and to their names being stated in this Circular and have not withdrawn their consents prior to publication of this Circular.

10. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents, or copies thereof, will be available for inspection at the registered office of Taste and the office of the Sponsor which addresses are set out in the "Corporate information" section of this Circular, during normal business hours from Thursday, 16 November 2017 up to and including Friday, 15 December 2017:

- the Memorandum of Incorporation of Taste;
- copies of the written consent letters referred to in paragraph 9 above;
- copies of the Taste Annual Reports for the years ended 28 February 2017; 29 February 2016 and 28 February 2015;
- a signed copy of the Transaction Process Agreement;
- a signed copy of this Circular; and
- powers of attorney signed by the Directors.

SIGNED BY C F GONZAGA, ON HIS OWN BEHALF AS A DIRECTOR AND ON BEHALF OF ALL THE OTHER DIRECTORS OF TASTE HOLDINGS LIMITED, HE BEING DULY AUTHORISED IN TERMS OF POWERS OF ATTORNEY GRANTED TO HIM BY SUCH DIRECTORS

C F Gonzaga

Chief Executive Officer

16 November 2017

Johannesburg

PROPOSED AMENDMENTS TO TASTE'S MEMORANDUM OF INCORPORATION

The amendments to the Memorandum of Incorporation of Taste are set out below. A copy of the complete proposed amended Memorandum of Incorporation is available for inspection at Taste's registered office and the office of the Sponsor set out in the "Corporate information" section of this Circular.

For the purpose of this Annexure 1, "Act" refers to the Companies Act 71 of 2008, as amended, and includes all schedules to such Act and the Regulations. A reference to a section by number refers to the corresponding section of the Act, notwithstanding the renumbering of such section after the date on which the Company is incorporated. A reference to a clause by number refers to a corresponding provision of the Memorandum of Incorporation.

1. FIRST AMENDMENT: THE SUBSTITUTION OF CLAUSE 7.1.2 AS FOLLOWS:

CURRENT CLAUSE 7.1.2

- 7.1.2 **1 000 000 000** (One Billion) Ordinary Shares, of the same class, each of which ranks *pari passu* in respect of all rights (as contemplated in paragraph 3.29 of the JSE Listings Requirements or such paragraph as may be applicable from time to time) and entitles the holder to: [LR 10.5(a)]
- 7.1.2.1 1 (One) vote for every Ordinary Share held, in person or by proxy, on any matter to be decided by the Shareholders by means of a poll; [LR10.5(b)]
 - 7.1.2.2 participate proportionally in any distribution made by the Company to the Ordinary Shareholders; and
 - 7.1.2.3 receive proportionally the net assets of the Company upon its liquidation after payment by the Company of any amount payable to the Preference Shareholders to satisfy their preferential rights, if applicable, as set out in the Preference Share Terms.

PROPOSED NEW CLAUSE 7.1.2

- 7.1.2 **2 000 000 000** (Two Billion) Ordinary Shares, of the same class, each of which ranks *pari passu* in respect of all rights (as contemplated in paragraph 3.29 of the JSE Listings Requirements or such other paragraph as may be applicable from time to time) and entitles the holder to: [LR 10.5(a)]
- 7.1.2.1 1 (One) vote for every Ordinary Share held, in person or by proxy, on any matter to be decided by the Shareholders by means of a poll; [LR10.5(b)]
 - 7.1.2.2 participate proportionally in any distribution made by the Company to the Ordinary Shareholders; and
 - 7.1.2.3 receive proportionally the net assets of the Company upon its liquidation after payment by the Company of any amount payable to the Preference Shareholders to satisfy their preferential rights, if applicable, as set out in the Preference Share Terms.



TASTE HOLDINGS LIMITED

Incorporated in the Republic of South Africa

(Registration number 2000/002239/06)

Share code: TAS ISIN: ZAE000081162

("Taste" or "the Company")

NOTICE OF GENERAL MEETING

If you are in any doubt as to what action you should take in respect of the following resolutions, please consult your Central Securities Depository Participant ("CSDP"), broker, banker, attorney, accountant or other professional adviser immediately.

Notice is hereby given that a General Meeting of Shareholders will be held at 8:00 on Friday, 15 December 2017 at the registered office of Taste, 12 Gemini Street, Linbro Business Park, Sandton, 2065, to consider, and, if deemed fit, to pass, with or without modification, the Resolutions set out hereunder.

The Board determined that the record date for the purposes of determining which shareholders of the Company are entitled to participate in and vote at the General Meeting is Friday, 8 December 2017. Accordingly, the last day to trade in Taste Shares in order to be recorded in the Company's securities register to be entitled to vote will be Tuesday, 5 December 2017.

SPECIAL RESOLUTION 1 – INCREASE IN THE AUTHORISED NO PAR VALUE SHARES OF THE COMPANY

"RESOLVED THAT, the number of authorised shares of the Company be and is hereby increased from 1 000 000 000 (one billion) ordinary no par value shares, to 2 000 000 000 (two billion) ordinary no par value shares, by the creation of an additional 1 000 000 000 (one billion) ordinary no par value shares, which will rank pari passu in all respects with the existing ordinary no par value shares in the Company."

Explanatory note

The adoption of this Special Resolution Number 1 will increase the number of authorised shares of the Company and will facilitate the transactions and rationale as set out on pages 5 and 6 of this Circular.

The minimum percentage of voting rights that is required for Special Resolution Number 1 to be adopted is 75% (seventy five percent) of the votes exercised on such special resolution by shareholders entitled to vote, present or represented by proxy at the General Meeting and further subject to the provisions of the Companies Act, the Memorandum of Incorporation of the Company and the Listings Requirements of the JSE.

SPECIAL RESOLUTION 2 – AMENDMENTS TO THE MEMORANDUM OF INCORPORATION OF THE COMPANY

"RESOLVED THAT, subject to the passing of Special Resolution Number 1, the Company's Memorandum of Incorporation is amended by the deletion of the phrase "1 000 000 000 (One Billion) Ordinary Shares" in clause 7.1.2 and its replacement with the phrase "2 000 000 000 (Two Billion) Ordinary Shares."

Explanatory note

The Board has passed a resolution proposing that this Special Resolution Number 2 is adopted for the purpose of ensuring that the Company's Memorandum of Incorporation is amended to reflect the increased number of authorised ordinary shares of the Company.

The adoption of this Special Resolution Number 2 will authorise the amendment to the Memorandum of Incorporation of the Company.

The minimum percentage of voting rights that is required for Special Resolution Number 2 to be adopted is 75% (seventy five percent) of the votes exercised on such special resolution by shareholders entitled to vote, present or represented by proxy at the general meeting, and further subject to the provisions of the Companies Act, the Memorandum of Incorporation of the Company and the Listings Requirements of the JSE.

SPECIAL RESOLUTION 3 – ADOPTION OF NEW MEMORANDUM OF INCORPORATION

“**RESOLVED THAT**, subject to the passing of Special Resolutions Number 1 and 2, the existing Memorandum of Incorporation of the Company adopted on 23 March 2012 be and is hereby abrogated in its entirety and replaced with the new Memorandum of Incorporation, a copy of which is tabled at this General Meeting and signed by the chairperson of this General Meeting on the first page thereof for identification purposes. The new Memorandum of Incorporation having been made available for inspection at the Company’s registered office from the date of notice of this meeting until the date of this General Meeting, which new Memorandum of Incorporation will override, replace and supersede the current Memorandum of Incorporation of the Company.

Explanatory note

Special Resolution Number 3 is proposed in order to adopt a new Memorandum of Incorporation in substitution for the existing Memorandum of Incorporation adopted on 23 March 2012 together with all the amendments which have been adopted and filed with the Companies and Intellectual Property Commission to date.

The minimum percentage of voting rights that is required for Special Resolution Number 3 to be adopted is 75% (seventy five percent) of the votes exercised on such special resolution by shareholders entitled to vote, present or represented by proxy at the general meeting, and further subject to the provisions of the Companies Act, the Memorandum of Incorporation of the Company and the Listings Requirements of the JSE.

SPECIAL RESOLUTION 4 – APPROVAL TO ISSUE THE RIGHTS OFFER SHARES IN TERMS OF SECTION 41(3) OF THE COMPANIES ACT

“**RESOLVED THAT**, the Board be and is hereby authorised, in accordance with the provisions of section 41(3) of the Companies Act, to issue the Rights Offer Shares pursuant to the Rights Offer and the Commitment Agreement.”

Explanatory note

In accordance with the provisions of section 41(3), read with section 65(11)(e) of the Companies Act, a special resolution is required to be approved by shareholders in the event that the voting power of a class of shares that are to be issued as a result of a transaction will exceed 30% of the voting power of that class of shares held by shareholders immediately prior to the transaction.

The issue of the Rights Offer Shares and the Remaining Offer Shares pursuant to the Rights Offer and the Commitment Agreement contemplates an issue by the Company of more than 30% of the Shares, excluding treasury shares, currently in issue, and such issue accordingly requires the approval of Shareholders in terms of section 41(3) of the Companies Act.

ORDINARY RESOLUTION NUMBER 1 – DIRECTORS’ AUTHORITY TO IMPLEMENT RESOLUTIONS

“**RESOLVED THAT**, each director of Taste be and is hereby individually authorised to sign all such documents and do all such other things as may be necessary for or incidental to the implementation of the resolutions passed at the general meeting of shareholders of Taste.”

Explanatory note

The adoption of this Ordinary Resolution Number 1 will authorise any director of the Company to execute all documents and do all such further acts and things as he may in his discretion consider appropriate to implement and give effect to the resolutions set out in this notice of general meeting.

Ordinary resolutions to be adopted at this general meeting require the support of a simple majority, which is more than 50% of the voting rights exercised on the resolutions.

VOTING AND PROXIES

A Shareholder entitled to attend and vote at the General Meeting is entitled to appoint a proxy or proxies to attend, speak and vote in his/her stead. A proxy need not be a member of the Company. For the convenience of registered members of the Company, a form of proxy is enclosed herewith.

The attached form of proxy is only to be completed by those Shareholders who:

- hold Taste shares in Certificated form; or
- are recorded on the electronic sub-register in “own name” Dematerialised form.

Shareholders who have Dematerialised their Shares through a CSDP or broker without “own name” registration and who wish to attend the General Meeting, must instruct their CSDP or broker to provide them with the relevant letter of representation to attend the general meeting in person or by proxy and vote.

If they do not wish to attend in person or by proxy, 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.

Forms of proxies should be forwarded to reach the transfer secretaries, Computershare Investor Services Proprietary Limited, at least 48 (forty-eight) hours, excluding Saturdays, Sundays and public holidays, before the time of the meeting.

Should the form of proxy not be delivered to the transfer secretaries by this date and time, the Shareholder will be entitled to furnish their form of proxy to the chairperson of the General Meeting before the appointed proxy exercises any of the Shareholder rights at the General Meeting (or any adjournment or postponement thereof).

Kindly note that meeting participants, which includes proxies, are required to provide reasonably satisfactory identification before being entitled to attend or participate in a shareholders' meeting. Forms of identification include valid identity documents, driver's licenses and passports.

By order of the Board

Claire Middlemiss

iThemba Corporate Governance and Statutory Solutions Proprietary Limited

Company Secretary

Johannesburg

16 November 2017

Registered office

12 Gemini Street

Linbro Business Park

Sandton, Johannesburg, 2065

(PO Box 1125, Ferndale, Randburg, 2160)

Transfer secretaries

Computershare Investor Services Proprietary Limited

(Registration number 2004/003647/07)

Rosebank Towers

15 Biermann Ave

Rosebank, Johannesburg, 2196

(PO Box 61051, Marshalltown, 2107)

TASTE HOLDINGS LIMITED

Incorporated in the Republic of South Africa
(Registration number 2000/002239/06)
Share code: TAS ISIN: ZAE000081162
("Taste" or the "Company")



FORM OF PROXY

For use only by:

- holders of certificated ordinary shares in the Company; or
- holders of dematerialised ordinary shares in the Company ("Dematerialised Shareholders") held through a Central Securities Depository Participant ("CSDP") or broker and who have selected "own-name" registration,

at the general meeting of shareholders of the Company to be held at 8:00 on Friday, 15 December 2017 at the registered office of Taste Holdings, 12 Gemini Street, Linbro Business Park, Sandton, 2065 ("General Meeting").

Dematerialised Shareholders holding shares in the Company other than with "own-name" registration, who wish to attend the General Meeting must inform their CSDP or broker of their intention to attend the General Meeting and request their CSDP or broker to issue them with the relevant letter of representation to attend the General Meeting in person or by proxy and vote. If they do not wish to attend the General Meeting in person or by proxy, they must provide their CSDP or broker with their voting instructions in terms of the relevant Custody Agreement entered into between them and the CSDP or broker. **These Shareholders must not use this form of proxy.**

Each shareholder is entitled to appoint one or more proxies (who need not be a shareholder of the Company) to attend, speak and vote in place of that shareholder at the General Meeting and at any adjournment thereto. A proxy need not be a shareholder of the Company.

I / We (Full names in block letters) _____

of (address) _____

Telephone (work) _____ Telephone (home) _____

Cellphone number _____ Email address _____

being the holder/custodian of ordinary shares in the Company, hereby appoint (see note):

1. _____ or failing him / her,
2. _____ or failing him / her,
3. the Chairperson of the General Meeting,

as my/our proxy to attend and act for me/us on my/our behalf at the General Meeting convened for the purpose of considering and, if deemed fit, passing, with or without modification, the resolutions to be proposed thereat and at each adjournment or postponement thereof, and to vote for and/or against such resolutions, and/or to abstain from voting for and/or against the resolutions, in respect of the shares in the issued share capital of the Company registered in my/our name in accordance with the following instructions:

	For	Against	Abstain
Special Resolution Number 1 Increase in the Authorised No Par Value Share Capital of the Company			
Special Resolution Number 2 Amendments to the Memorandum of Incorporation of the Company			
Special Resolution Number 3 Adoption of New Memorandum of Incorporation			
Special Resolution Number 4 Approval to Issue the Rights Offer Shares in terms of Section 41(3) of the Companies Act			
Ordinary Resolution Number 1 Directors' Authority to Implement Resolutions			

Insert an "X" in the relevant spaces above according to how you wish your votes to be cast. If no directions are given, the holder of the proxy will be entitled to vote or abstain from voting as that proxy deems fit.

This proxy shall be valid only for the General Meeting of shareholders of the Company to be held on Friday, 15 December 2017 and any adjournment or postponement thereof.

Signed at _____ on _____ 2017

Signature(s) _____

Assisted by (where applicable) _____

Please read the notes on the reverse side hereof.

Notes:

1. Summary of rights contained in section 58 of the Companies Act, 2008 (Act 71 of 2008), as amended ("Companies Act")

In terms of section 58 of the Companies Act:

- a shareholder may, at any time and in accordance with the provisions of section 58 of the Companies Act, appoint any individual (including an individual who is not a shareholder) as a proxy to participate in, and speak and vote at, a shareholders meeting on behalf of such shareholder;
 - a proxy appointment must be in writing, dated and signed by the shareholder;
 - except to the extent that the memorandum of incorporation of a company provides otherwise, a shareholder of that company may appoint two or more persons concurrently as proxies, and may appoint more than one proxy to exercise voting rights attached to the different securities held by the shareholder;
 - except to the extent that the memorandum of incorporation of the company provides otherwise, a proxy may delegate her or his authority to act on behalf of a shareholder to another person, subject to any restriction set out in the instrument appointing such proxy;
 - except to the extent that the memorandum of incorporation of the company provides otherwise, a copy of the instrument appointing a proxy must be delivered to the company, or to any other person on behalf of the company, before the proxy exercises any rights of the shareholder at a shareholders' meeting;
 - irrespective of the form of instrument used to appoint a proxy, the appointment of a proxy is suspended at any time and to the extent that the relevant shareholder chooses to act directly and in person in the exercise of any of such shareholder's rights as a shareholder;
 - irrespective of the form of instrument used to appoint a proxy, any appointment by a shareholder of a proxy is revocable, unless the form of instrument used to appoint such proxy states otherwise;
 - if an appointment of a proxy is revocable, a shareholder may revoke the proxy appointment by: (i) cancelling it in writing, or making a later inconsistent appointment of a proxy and (ii) delivering a copy of the revocation instrument to the proxy and to the company;
 - 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 (i) stated in a revocation instrument, if any; or (ii) upon which the revocation instrument is delivered to the proxy and the relevant company as required in section 58(4)(c)(ii) of the Companies Act;
 - if the instrument appointing a proxy or proxies has been delivered to the relevant company, as long as that appointment remains in effect, any notice that is required by the Companies Act or the relevant company's memorandum of incorporation to be delivered by such company to the shareholder must be delivered by such company to the shareholder or the proxy or proxies, if the shareholder has in writing directed the relevant company to do so and has paid any reasonable fee charged by the company for doing so;
 - a proxy appointed by a shareholder is entitled to exercise, or abstain from exercising, any voting right of such shareholder without direction, except to the extent that the relevant company's memorandum of incorporation, or the instrument appointing the proxy, provides otherwise (see note 5).
 - if a company issues an invitation to shareholders to one or more persons named by such company as a proxy, or supplies a form of instrument for appointing a proxy:
 - such invitation must be sent to every shareholder who is entitled to receive notice of the meeting at which the proxy is intended to be exercised;
 - the invitation or form of proxy must bear a reasonably prominent summary of the rights established by section 58 of the Companies Act, contain adequate space to enable a shareholder to write in the name, and if so desired an alternative name, of a proxy chosen by the shareholder and provide adequate space for the shareholder to indicate whether the appointed proxy is to vote in favour of or against any resolution or resolutions to be put at the meeting, or abstain from voting;
 - the company must not require that the proxy appointment be made irrevocable; and
 - the proxy appointment remains valid only until the end of the relevant meeting at which it was intended to be used, unless revoked as contemplated in section 58(5) of the Companies Act.
2. The form of proxy must only be used by shareholders who hold shares in certificated form or who are recorded on the sub-register in electronic form in "own name".
3. All other beneficial owners who hold dematerialised shares through a CSDP or broker and wish to attend the General Meeting 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.
4. A shareholder entitled to attend and vote at the General Meeting may insert the name of a proxy or the names of two alternate proxies of the shareholder's choice in the space provided, with or without deleting "the Chairperson of the General Meeting". The person whose name stands first on the form of proxy and who is present at the General Meeting will be entitled to act as proxy to the exclusion of such proxy(ies) whose names follow.
5. A shareholder is entitled to one vote on a show of hands and, on a poll, one vote in respect of each ordinary share held. A shareholder's instructions to the proxy must be indicated by the insertion of an "X" in the appropriate space provided. If an "X" has been inserted in one of the blocks to a particular resolution, it will indicate the voting of all the shares held by the shareholder concerned. Failure to comply with this will be deemed to authorise the proxy to vote or to abstain from voting at the General Meeting as he/she deems fit in respect of all the shareholder's votes exercisable thereat. A shareholder or the proxy is not obliged to use all the votes exercisable by the shareholder or by the proxy, but the total of the votes cast and in respect of which abstention is recorded may not exceed the total of the votes exercisable by the shareholder or the proxy.
6. A vote given in terms of an instrument of proxy shall be valid in relation to the General Meeting, notwithstanding the death, insanity or other legal disability of the person granting it, or the revocation of the proxy, or the transfer of the shares in respect of which the proxy is given, unless notice as to any of the aforementioned matters shall have been received by the Company's Transfer Secretaries, Computershare Investor Services Proprietary Limited ("transfer secretaries"), not less than 48 (forty eight) hours before the commencement of the General Meeting for administrative purposes or thereafter to the chairperson of the General Meeting before the appointed proxy exercises any Shareholders' rights at the General Meeting (or any adjournment or postponement thereof).
7. If a shareholder does not indicate on this form of proxy that his/her proxy is to vote in favour of or against any resolution or to abstain from voting, or gives contradictory instructions, or should any further resolution(s) or any amendment(s) which may properly be put before the General Meeting be proposed, such proxy shall be entitled to vote as he/she thinks fit.
8. A shareholder's authorisation to the proxy including the Chairperson of the General Meeting, to vote on such shareholder's behalf, shall be deemed to include the authority to vote on procedural matters at the General Meeting.
9. 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.
10. Documentary evidence establishing the authority of a person signing the form of proxy in a representative capacity must be attached to this form of proxy, unless previously recorded by the Transfer Secretaries or is waived by the Chairperson of the General Meeting.
11. A minor or any other person under legal incapacity must be assisted by his/her parent or guardian, as applicable, unless the relevant documents establishing his/her capacity are produced or have been registered by the Transfer Secretaries.
12. Where there are joint holders of shares:
 - any one holder may sign the form of proxy;
 - the vote(s) of the senior shareholders (for that purpose seniority will be determined by the order in which the names of shareholders appear in the Company's register of ordinary shareholders) who tenders a vote (whether in person or by proxy) will be accepted to the exclusion of the vote(s) of the other joint shareholder(s).
13. Forms of proxy should be lodged with or mailed to the transfer secretaries:
Hand deliveries to:
Computershare Investor Services Proprietary Limited
(Registration number 2004/003647/07)
Rosebank Towers
15 Biermann Ave
Rosebank, Johannesburg, 2196
- Postal deliveries to:**
Computershare Investor Services Proprietary Limited
PO Box 61051
Marshalltown, 2107
- to be received by no later than 8:00 on, Wednesday, 13 December 2017 (or 48 (forty-eight) hours before any adjournment of the General Meeting which date, if necessary, will be notified on the Stock Exchange News Service of JSE Limited) or may be handed to the Chairperson of the General Meeting immediately before the appointed proxy exercises any of the shareholder's votes at the General Meeting.
14. A deletion of any printed matter and the completion of any blank space need not be signed or initialled. Any alteration or correction must be signed and not merely initialled.
15. The proxy appointment remains valid only for the general meeting at which it is intended to be used and any adjournment or postponement thereof, subject to paragraph 1 above.

NOTES
