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WOOLWORTHS HOLDINGS LIMITED

**NOTICE OF ANNUAL GENERAL MEETING AND SUMMARISED
GROUP RESULTS FOR THE 52 WEEKS ENDED 24 JUNE 2018**

HIGHLIGHTS

Turnover and
concession sales

+1.6%
to R75.2 billion

Adjusted diluted headline
earnings per share

-12.8%
to 364.1 cps

Headline earnings
per share

-17.7%
to 346.3 cps

Earnings per share

-165.2%
to -369.5 cps

Total dividend
per share

-23.6%
to 239.0 cps

Return on equity*

18.0%
from 20.8%

* DJ asset impairment added back

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AVAILABILITY OF THE INTEGRATED AND GOOD BUSINESS JOURNEY REPORTS

The Integrated and Good Business Journey Reports for the year ended 24 June 2018 may be viewed on the Woolworths Holdings Limited (the 'Company') website, www.woolworthsholdings.co.za.

AVAILABILITY OF THE AUDITED ANNUAL FINANCIAL STATEMENTS

Printed copies of the audited Annual Financial Statements for the year ended 24 June 2018 may be obtained from the registered office of the Company, Woolworths House, 93 Longmarket Street, Cape Town 8001, during normal business hours from 28 September 2018 up to and including 30 November 2018, or may be viewed on the Company's website, www.woolworthsholdings.co.za.

CHAIRMAN'S LETTER TO SHAREHOLDERS

Dear Shareholder

ANNUAL GENERAL MEETING

On behalf of the Board, you are invited to attend the 2018 Annual General Meeting (AGM) to be held at 10:00 in the Auditorium, 1st Floor, Woolworths House, 93 Longmarket Street, Cape Town 8001 on Friday, 30 November 2018.

This booklet contains the detailed Notice of Annual General Meeting (Notice) and relevant supporting documentation to assist you in your deliberations for voting at the AGM.

The AGM provides the Board the opportunity to present the performance of the Company for the year ended 24 June 2018 to you and to engage and respond to your questions. Your attendance and participation at the AGM is important to us and if you are unable to attend the AGM, I would encourage you to complete and submit the proxy form according to the instructions provided.

BUSINESS OF THE AGM

The Notice sets out the business to be conducted at the AGM and is accompanied by Explanatory Notes relating to each of the resolutions. The AGM will be conducted in English.

As in prior years, all votes shall be by way of a poll and shareholders present or represented by proxy will be entitled to votes equal to the number of shares held by such shareholder.

In addition to the routine business, I would like to highlight the following:

CHANGES TO THE BOARD

After having served as a Non-executive Director, trustee of the Woolworths Holdings Share Trust and a member of the Audit and Remuneration Committees, Mr Peter Bacon retired from the Board and Trust at the last Annual General Meeting, as previously announced. His contribution to the Board has been invaluable and the Board expresses its gratitude to Mr Bacon for his service during his tenure.

Further, after serving eight years as an Independent Non-executive Director, Chairman of the Sustainability Committee and a member of the Nominations, Remuneration and Risk and Compliance Committees, Lord Rose resigned from the Board and the Committees on 28 May 2018, as previously reported. His contribution to the Board has been invaluable and the Board expresses its gratitude to Lord Rose for his service to the Company.

Following a strategic cost and structural review, the Board took the decision to simplify the Group's Australian regional leadership structure. The role of Regional Chief Executive Officer was discontinued and, consequently, Mr John Dixon resigned as an Executive Director of the Company, with effect from 21 May 2018, as previously reported. The Board expresses its gratitude to Mr John Dixon for his stewardship of the Australian business over the last two and a half years and wishes him every success for the future.

On 20 April 2018, the Company announced that Ms Sizakele Mzimela had been appointed as a Non-executive Director of the Company. Ms Mzimela has also been appointed as a member of the Risk and Compliance Committee with effect from 1 July 2018.

RE-ELECTION OF DIRECTORS RETIRING BY ROTATION

In accordance with the Memorandum of Incorporation (MOI) of the Company, one-third of all directors on the Board are required to retire at the AGM. Accordingly, Mr Patrick Allaway, Mr Andrew Higginson, Ms Gail Kelly and Ms Zyda Rylands will retire and, being eligible, offer themselves for re-election.

A formal assessment of the independence of each of the retiring Non-executive Directors was carried out by the Nominations Committee. Mr Patrick Allaway, Mr Andrew Higginson and Ms Gail Kelly retain their classification as Independent Non-executive Directors. Ms Zyda Rylands is an Executive Director and, accordingly, is not subject to an independence assessment. As Chairman, I further conducted a formal performance review of each director standing for re-election which was preceded by a peer review of each director's performance on the Board. The retiring directors' performance was such that the Board unanimously supported their re-election.

ELECTION OF DIRECTOR APPOINTED SINCE THE LAST ANNUAL GENERAL MEETING

The Board has made one new appointment since the last Annual General Meeting, being Ms Sizakele Mzimela, classified as an Independent Non-executive Director, with effect from 1 July 2018. In line with the Companies Act 71 of 2008, as amended (Companies Act) and the Company's MOI, Ms Sizakele Mzimela will stand for election by shareholders at this AGM.

The Board is pleased to have the skills, competency and experience of Ms Sizakele Mzimela on the Board and believes she will add significant value.

REMUNERATION POLICY & IMPLEMENTATION REPORT

During the year under review, the Chairman of the Remuneration Committee, Mr Tom Boardman, and myself as Chairman continued to engage with shareholders and other relevant stakeholders on the topic of executive remuneration.

Any and all matters raised by shareholders were carefully considered and our Remuneration Policy and philosophy is continuously being reviewed to gear short- and long-term incentives towards the most appropriate measures of sustainable performance.

As previously communicated, the Board has effected the necessary adjustments to both the short-term incentive in

2018 and the long-term incentives going forward to take into account the impairment of the carrying value of the David Jones assets. Details can be found in the Remuneration Report.

MANDATORY AUDIT FIRM ROTATION

The Audit Committee has deliberated regarding the timing of audit firm rotation, considering many aspects including the views of key stakeholders. The Independent Regulatory Board for Auditors (IRBA) mandatory audit firm rotation requirements will become effective on 1 April 2023 and are applicable to the Group's financial year ending 30 June 2024. The Audit Committee concluded that the Group should rotate to a new external audit firm earlier than IRBA's mandatory date. As such, it is intended that a new external audit firm be appointed for the Group's financial year ending 27 June 2021, and in any event, if unexpected delays occur, no later than in respect of the 25 June 2023 year end. The Audit Committee evaluated the independence and quality of service of the current external audit firm, Ernst & Young Inc. (EY) and concluded that it is satisfied in both respects.

The Audit Committee confirms that independence assessments of the current audit firm and the designated individual auditor will continue to be conducted throughout this process in accordance with the JSE Listings Requirements and other applicable legal and regulatory requirements.

Accordingly, we request shareholder support for the ongoing appointment of EY given the robust steps to ensure independence and whilst we roll out the process to appoint new external auditors.

NON-EXECUTIVE DIRECTORS' FEES

Fees paid to Non-executive Directors recognise the responsibilities of directors in providing their contribution on an ongoing basis throughout the year and are not only based on attendance at meetings. Notwithstanding this,

the Remuneration Committee has recommended, and the Board has concurred, that for the coming year, there be no increases proposed for Non-executive Directors' fees for both the Board and the Committees. Accordingly, the 2019 fees remain the same as the 2018 Non-executive Directors' fees.

Details relating to Non-executive Directors' fees are set out in the Explanatory Notes on pages 23 and 24.

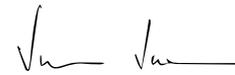
QUESTION AND ANSWER SESSION

The AGM provides an opportunity for you to ask questions about the business set out in this Notice and to raise other relevant matters relating to the Company. As Chairman of the AGM, I will endeavour to ensure that discussions are kept relevant and that as many shareholders as possible have the opportunity to speak at the meeting.

The Board unanimously supports all the resolutions being put forward for consideration and approval and looks forward to your favourable vote in respect of these resolutions.

You are welcome to forward any questions you would like to address to the members of the Board in advance or if you are unable to attend the AGM. We request that any such questions be sent to the Group Company Secretary at Governance@woolworths.co.za. These will be answered on the day of the meeting or emailed to you directly. Should you wish to use this channel, please send your questions through by 17:00 on 16 November 2018.

I look forward to welcoming you to the AGM.



SN Susman
Chairman

COMMENTARY

2018 has been a difficult year. Significant costs and disruption from transformation initiatives in David Jones and poor performance in our fashion business in South Africa have led to a result for the Group that is disappointing. This was exacerbated by challenging economic and trading conditions in both markets.

A reassessment of the carrying value of the David Jones assets resulted in the recognition of an impairment charge of A\$712.5 million (R6 927 million) processed in the first half of the financial year.

Group sales for the 52 weeks ended 24 June 2018 increased by 1.6% compared to the prior year (and by 2.9% in constant currency).

Woolworths Fashion, Beauty and Home

Sales declined by 1.5% for the year and comparable store sales were 4.1% lower. Price movement was 0.8%. Our womenswear modern range failed to resonate with our core customer. Gross profit margin was impacted by higher markdowns and promotional activity, and declined by 1.2% to 46.7%.

Costs were well controlled, with comparable store costs of 2.7% and total store cost growth of 6.4%, with 2.5% new space added. Other operating costs were flat on the prior year. Despite good cost control, operating profit declined by 21.3%, to R1 706 million.

Woolworths Food

Our Food business continued to outperform the market, with sales growth of 8.4% and comparable store sales growth of 4.8% on price movement of 3.2%.

Store costs increased by 9.5%, with comparable store cost growth of 5.0%. Net new space grew by 3.5%. Other operating costs were 2.1% up on last year. Operating profit increased by 9.6% to R2 167 million.

Woolworths Financial Services

Woolworths Financial Services also had a good year, with the average debtors book growing by 4.6%. The impairment rate for the 12 months ended 30 June 2018 reduced by 1.1% to 5.2%, and operating profit grew by 11.9%.

David Jones

The business experienced significant change during the year, including the implementation of new merchandise and finance systems, the re-platforming of its online systems, the launch of the new food initiative, and the move of its head office from Sydney to Melbourne.

After a difficult first half, sales increased by 2.2% and by 2.7% in comparable stores in the second half. Full year sales were 0.9% lower (and 0.4% lower in comparable stores).

Expenses increased by 8.8% as a result of the investment in food and other strategic initiatives. Comparable store costs were well controlled at 1.5%, but operating profit declined by 49.6% to A\$64 million.

Net retail space grew by 0.1%, with 4.2% new space offset by 4.1% of space reductions and closures. The sales disruption from the refurbishment of the Elizabeth Street store in Sydney will continue for approximately another 18 months.

Country Road Group (CRG)

Country Road Group had a mixed year. Strong performances from Witchery, Mimco and Politix were offset by a weaker Country Road womenswear performance, resulting in comparable store sales, which exclude Politix (acquired in November 2016), declining by 1.8%. Including Politix, sales increased by 1.7% for the year. Net retail space grew by 2.5%.

Gross profit margin improved by 2.5% to 62.8% from higher full-priced sales and reduced promotions.

Store and operating costs increased by 6.1%, mainly as a result of Politix, with comparable store costs increasing by 1.9%. Operating profit increased by 5.1% to A\$103 million.

Group earnings

Headline earnings per share (HEPS) and adjusted diluted HEPS, both of which exclude the A\$712.5 million impairment of David Jones assets recognised in the first half of the year, decreased by 17.7% and 12.8% respectively. Earnings per share, which includes the impairment, decreased by 165.2%.

Outlook

In South Africa, the change in political leadership has yet to translate into economic growth. Despite the initial improved consumer confidence experienced in the second half of the year, discretionary spending continued to be under pressure from unemployment and higher costs of living.

In Woolworths Fashion, Beauty and Home, we have made a number of changes to structure, process and product offering to effect improvement in our womenswear ranges.

In David Jones, the head office move to Melbourne is complete, as are the significant systems implementations that began last year. We now look forward to optimising those systems, focusing on trading the business and improving the customer experience.

We have now also reduced our cost base by A\$25 million across Australia, largely through a restructure that took place in June.

Trading for the first seven weeks of the new financial year has shown positive signs. In Australia, David Jones and CRG sales are 3.7% and 2.1% up on last year respectively, while in South Africa, Food sales are up 7.6%. Sales in Woolworths Fashion, Beauty and Home are down 1.7%, but mainly due to a relatively smaller winter sale.

Any reference to future financial performance included in this statement has not been reviewed and reported on by the Group's external auditors, and does not constitute an earnings forecast.

CHANGES TO THE BOARD OF DIRECTORS

As previously announced on the JSE Stock Exchange News Service, the following changes to the Board of Directors were effected during the year under review:

- Peter Bacon – retired from the Board on 28 November 2017;
- John Dixon – resigned from the Board on 21 May 2018;
- Stuart Rose – resigned from the Board on 28 May 2018; and
- Sizakele Mzimela – appointed to the Board on 1 July 2018.

The Board expresses its gratitude to the Directors that have left the Board and welcomes the appointment of Ms Mzimela.

SN Susman

Chairman
Cape Town, 22 August 2018

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Group Chief Executive Officer

DIVIDEND DECLARATION

Notice is hereby given that the Board of Directors has declared a final gross cash dividend per ordinary share (dividend) of 130.5 cents (104.4 cents net of dividend withholding tax) for the 52 weeks ended 24 June 2018, a 27.5% decrease on the prior year's final dividend of 180.0 cents per share. This brings the total dividend for the year to 239.0 cents, a 23.6% decrease on the prior year's total dividend of 313.0 cents per share. The dividend has been declared from reserves and therefore does not constitute a distribution of 'contributed tax capital' as defined in the Income Tax Act, 58 of 1962. A dividend withholding tax of 20% will be applicable to all shareholders who are not exempt.

The issued share capital at the declaration date is 1 048 313 728 ordinary shares.

The salient dates for the dividend will be as follows:

Last day of trade to receive a dividend	Tuesday, 11 September 2018
Shares commence trading 'ex' dividend	Wednesday, 12 September 2018
Record date	Friday, 14 September 2018
Payment date	Monday, 17 September 2018

Share certificates may not be dematerialised or rematerialised between Wednesday, 12 September 2018 and Friday, 14 September 2018, both days inclusive. Ordinary shareholders who hold dematerialised shares will have their accounts at their CSDP or broker credited or updated on Monday, 17 September 2018. Where applicable, dividends in respect of certificated shares will be transferred electronically to shareholders' bank accounts on the payment date. In the absence of specific mandates, dividend cheques will be posted to shareholders.

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Group Company Secretary
Cape Town, 22 August 2018

GROUP STATEMENT OF COMPREHENSIVE INCOME

Notes	52 weeks to 24 Jun 2018 Rm	Restated* 52 weeks to 25 Jun 2017 Rm	% change
Revenue	70 572	69 230	1.9
Turnover and concession sales	75 232	74 052	1.6
Concession sales	(6 640)	(6 862)	(3.2)
Turnover	68 592	67 190	2.1
Cost of sales	41 700	40 518	2.9
Gross profit	26 892	26 672	0.8
Other revenue	1 909	1 944	(1.8)
Expenses	23 542	22 410	5.1
Store costs	16 960	16 233	4.5
Other operating costs	6 582	6 177	6.6
Operating profit	5 259	6 206	(15.3)
Impairment of David Jones assets	3 6 927	-	
Profit on sale of property in Sydney, net of impairment	-	1 420	
Profit on sale of property	-	1 762	
Impairment due to sale of property	-	342	
Investment income	71	96	(26.0)
Finance costs	1 124	1 256	(10.5)
(Loss)/profit before earnings from joint ventures	(2 721)	6 466	>(100)
Earnings from joint ventures	287	260	10.4
(Loss)/profit before tax	(2 434)	6 726	>(100)
Tax	1 115	1 278	(12.8)
(Loss)/profit for the year	(3 549)	5 448	>(100)
Other comprehensive income:			
Amounts that may be reclassified to profit or loss			
Fair value adjustments on financial instruments, after tax	182	(123)	
Exchange differences on translation of foreign subsidiaries	263	(3 087)	
Amounts that may not be reclassified to profit or loss			
Post-retirement medical benefit liability: actuarial gain, after tax	1	15	
Other comprehensive income for the year	446	(3 195)	
Total comprehensive (loss)/income for the year	(3 103)	2 253	
(Loss)/profit attributable to:			
Shareholders of the parent	(3 550)	5 446	
Non-controlling interests	1	2	
Total comprehensive (loss)/income attributable to:			
Shareholders of the parent	(3 103)	2 253	
Non-controlling interests	1	2	
Reconciliation of headline earnings			
Basic (loss)/earnings attributable to shareholders of the parent	(3 550)	5 446	>(100)
Net loss/(profit) on disposal of property, plant and equipment and intangible assets	42	(1 752)	
Impairment of property, plant and equipment and intangible assets	6 954	382	
Tax impact of adjustments	(119)	(31)	
Headline earnings	3 327	4 045	(17.8)
Relocation and restructure costs, net of grants received	126	173	
Onerous leases	147	-	
Transaction and swap close-out costs	-	53	
Unrealised foreign exchange gains	(6)	(11)	
Tax impact of adjustments	(75)	(60)	
Tax base adjustments on David Jones assets at acquisition	-	(164)	
Adjusted headline earnings	9 3 519	4 036	(12.8)
(Loss)/earnings per share (cents)	2 (369.5)	566.7	>(100)
Headline earnings per share (cents)	346.3	420.9	(17.7)
Adjusted headline earnings per share (cents)	366.3	420.0	(12.8)
Diluted (loss)/earnings per share (cents)	2 (367.3)	563.7	>(100)
Diluted headline earnings per share (cents)	344.2	418.7	(17.8)
Adjusted diluted headline earnings per share (cents)	364.1	417.7	(12.8)
Number of shares in issue (millions)	960.6	961.7	(0.1)
Weighted average number of shares in issue (millions)	960.8	961.0	(0.0)

* Comparative information has been restated for the change in classification of trunking revenue within the Woolworths Logistics segment, as it was established that gross rebates received from suppliers should have been presented as part of Cost of sales and not Turnover. Consequently, R221 million previously reported under Turnover and concession sales has been reclassified to Cost of sales. The reclassification has had no impact on the prior year statement of financial position, statement of changes in equity, statement of cash flows, nor on earnings per share and other share measures.

GROUP STATEMENT OF FINANCIAL POSITION

Notes	At 24 Jun 2018 Rm	At 25 Jun 2017 Rm
ASSETS		
Non-current assets	28 650	34 706
Property, plant and equipment	3 13 959	13 846
Intangible assets	3 13 410	19 595
Investment in joint ventures	978	1 015
Fair value lease adjustment	59	65
Other loans	56	42
Derivative financial instruments	7 18	3
Deferred tax	170	140
Current assets	11 497	10 287
Inventories	7 542	6 990
Trade and other receivables	1 487	1 218
Derivative financial instruments	7 174	40
Tax	271	252
Cash and cash equivalents	2 023	1 787
TOTAL ASSETS	40 147	44 993
EQUITY AND LIABILITIES		
TOTAL EQUITY	13 126	19 066
Equity attributable to shareholders of the parent	13 113	19 038
Non-controlling interests	13	28
Non-current liabilities	15 076	15 336
Interest-bearing borrowings	11 711	12 137
Operating lease accrual and fair value lease adjustment	1 906	1 980
Post-retirement medical benefit liability	404	386
Provisions	297	156
Derivative financial instruments	7 -	19
Deferred tax	758	658
Current liabilities	11 945	10 591
Trade and other payables	8 728	8 262
Provisions	752	825
Operating lease accrual and fair value lease adjustment	115	114
Derivative financial instruments	7 77	176
Tax	124	26
Overdrafts and interest-bearing borrowings	2 149	1 188
TOTAL LIABILITIES	27 021	25 927
TOTAL EQUITY AND LIABILITIES	40 147	44 993
Net asset book value per share (cents)	1 365	1 980
GROUP ANALYSIS		
Total assets	40 147	44 993
Woolworths*	13 198	12 680
David Jones	18 804	24 217
Country Road Group	7 130	7 044
Woolworths Financial Services	969	1 007
Treasury	46	45
Inventories	7 542	6 990
Woolworths*	3 610	3 550
David Jones	2 747	2 191
Country Road Group	1 185	1 249
Total liabilities	27 021	25 927
Woolworths*	6 143	5 893
David Jones	5 474	6 703
Country Road Group	1 573	1 586
Treasury	13 831	11 745
Approved capital commitments	3 839	4 697
Woolworths*	1 811	2 035
David Jones	1 648	2 157
Country Road Group	380	505

* Includes Woolworths Fashion, Beauty and Home, Woolworths Food and Woolworths Logistics.

GROUP STATEMENT OF CASH FLOWS

	Notes	52 weeks to 24 Jun 2018 Rm	52 weeks to 25 Jun 2017 Rm
Cash flow from operating activities			
Cash inflow from trading		7 371	8 177
Working capital movements		(305)	(615)
Cash generated by operating activities		7 066	7 562
Investment income received		71	96
Finance costs paid		(1 117)	(1 216)
Tax paid		(1 037)	(1 701)
Cash generated by operations		4 983	4 741
Dividends received from joint ventures		325	223
Dividends paid to ordinary shareholders		(2 782)	(3 015)
Net cash inflow from operating activities		2 526	1 949
Cash flow from investing activities			
Investment in property, plant and equipment and intangible assets to maintain operations		(1 664)	(1 439)
Investment in property, plant and equipment and intangible assets to expand operations		(1 004)	(1 126)
Proceeds on disposal of property, plant and equipment and intangible assets		79	13
Proceeds on disposal of property in Sydney		–	3 677
Acquisition of subsidiary, net of cash acquired		–	(711)
Loans (advanced)/repaid		(12)	8
Net cash (outflow)/inflow from investing activities		(2 601)	422
Cash flow from financing activities			
Settlement of share-based payments through share purchase	5	(122)	(39)
Share purchase costs		(1)	(2)
Finance lease payments		(12)	(14)
Borrowings raised		3 306	1 900
Borrowings repaid		(3 000)	(3 852)
Net cash inflow/(outflow) from financing activities		171	(2 007)
Increase in cash and cash equivalents		96	364
Net cash and cash equivalents at the beginning of the year		1 761	1 497
Effect of foreign exchange rate changes		21	(100)
Net cash and cash equivalents at the end of the year		1 878	1 761
GROUP ANALYSIS			
Cash generated by operating activities		7 066	7 562
Woolworths		5 249	5 050
David Jones		414	1 075
Country Road Group		1 403	1 437

GROUP STATEMENT OF CHANGES IN EQUITY

	Notes	Share- holders of the parent Rm	Non- controlling interests Rm	Total 52 weeks to 24 Jun 2018 Rm	Share- holders of the parent Rm	Non- controlling interests Rm	Total 52 weeks to 25 Jun 2017 Rm
Shareholders' interest at the beginning of the year		19 038	28	19 066	19 826	27	19 853
Movements for the year:							
(Loss)/profit for the year		(3 550)	1	(3 549)	5 446	2	5 448
Other comprehensive income		446	–	446	(3 195)	–	(3 195)
Total comprehensive (loss)/income for the year		(3 104)	1	(3 103)	2 251	2	2 253
Share-based payments, including issues, settlements and costs		(55)	–	(55)	(25)	–	(25)
Transfer between reserves		15	(15)	–	–	–	–
Dividends to ordinary shareholders		(2 781)	(1)	(2 782)	(3 014)	(1)	(3 015)
Shareholders' interest at the end of the year		13 113	13	13 126	19 038	28	19 066
Dividend per ordinary share (cents)				239.0			313.0
Dividend cover (based on headline earnings)				1.45			1.34

SEGMENTAL ANALYSIS

	Notes	52 weeks to 24 Jun 2018 Rm	Restated 52 weeks to 25 Jun 2017 Rm	% change
REVENUE				
Turnover		68 592	67 190	2.1
Woolworths Fashion, Beauty and Home		13 687	13 894	(1.5)
Woolworths Food		29 332	27 075	8.3
Woolworths Logistics		429	376	14.1
David Jones		14 455	15 030	(3.8)
Country Road Group		10 689	10 815	(1.2)
Other revenue and investment income		1 980	2 040	(2.9)
Woolworths Fashion, Beauty and Home		18	19	(5.3)
Woolworths Food		130	124	4.8
David Jones		2 221	2 139	3.8
Country Road Group		81	52	55.8
Treasury		11	69	(84.1)
Intragroup	11	(481)	(363)	32.5
Total Group		70 572	69 230	1.9
GROSS PROFIT				
Woolworths Fashion, Beauty and Home		6 390	6 650	(3.9)
Woolworths Food		7 343	6 794	8.1
David Jones		6 206	6 506	(4.6)
Country Road Group		6 712	6 520	2.9
Intragroup	11	241	202	19.3
Total Group		26 892	26 672	0.8
ADJUSTED (LOSS)/PROFIT BEFORE TAX				
Woolworths Fashion, Beauty and Home		1 707	2 168	(21.3)
Woolworths Food		2 167	1 977	9.6
Woolworths Financial Services		286	259	10.4
David Jones		650	1 279	(49.2)
Country Road Group		1 032	958	7.7
Treasury		(1 062)	(1 096)	(3.1)
Total Group – adjusted		4 780	5 545	(13.8)
Adjustments		(7 214)	1 181	
Impairment of David Jones assets	3	(6 927)	–	
Relocation and restructure costs, net of grants received		(146)	(173)	
Onerous leases		(147)	–	
Transaction and swap close-out costs		–	(77)	
Unrealised foreign exchange gains		6	11	
Profit on sale of property in Sydney		–	1 762	
Impairment due to sale of property		–	(342)	
Total Group – unadjusted		(2 434)	6 726	>(100)
Woolworths Fashion, Beauty and Home		1 712	2 177	(21.4)
Woolworths Food		2 168	1 979	9.6
Woolworths Financial Services		286	259	10.4
David Jones		(6 527)	2 502	>(100)
Country Road Group		991	939	5.5
Treasury		(1 064)	(1 130)	(5.8)

NOTES

1. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

These summarised Group Annual Financial Statements have been prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards (IFRS) and interpretations adopted by the International Accounting Standards Board (IASB), IAS 34: Interim Financial Reporting, the South African Institute of Chartered Accountants (SAICA) Financial Reporting Guides as issued by the Accounting Practices Committee, Financial Pronouncements as issued by the Financial Reporting Standards Council (FRSC), the requirements of the Companies Act of South Africa and the JSE Limited Listings Requirements.

Accounting policies applied in the preparation of these summarised Group Annual Financial Statements are consistent with those applied in the preparation of the Group Annual Financial Statements for the 52-week period ended 24 June 2018, and are consistent with the prior year. These summarised Group Annual Financial Statements have been prepared on the going concern and historical cost bases, except where otherwise indicated. The presentation and functional currency is the South African rand, rounded to the nearest million, except where otherwise indicated.

These summarised Group Annual Financial Statements have been prepared under the supervision of the Group Finance Director, Reeza Isaacs CA(SA), and are the full responsibility of the directors.

2. EARNINGS PER SHARE

The difference between earnings per share and diluted earnings per share is due to the impact of unexercised options under the Group's share incentive schemes (refer to note 5).

3. PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

The Group acquired property, plant and equipment at a fair value of R2 097 million (2017: R1 962 million) and intangible assets at a fair value of R564 million (2017: R1 382 million).

As a result of the cyclical downturn and structural changes that have impacted performance across the Australian retail sector, and the impact of poor or delayed execution in certain key initiatives within David Jones, the carrying value of property, plant and equipment and intangible assets within David Jones was reassessed during the year. Consequently, an impairment charge of R6 927 million (A\$712.5 million) relating to goodwill and other assets was recognised.

4. PROFIT BEFORE TAX

During the period, the Group received government grants from the State of Victoria, Australia, in respect of operating expenses and capital expenditure, on the establishment of an Australian regional head office for the Group's subsidiaries, David Jones and Country Road Group. Included in profit before tax are grants received in respect of income, which have been deducted from the related expenses in terms of IAS 20: Government Grants. Grants received in respect of capital expenditure have been recognised in profit before tax on a systematic basis over the useful life of the assets. There are no unfulfilled conditions and contingencies attached to the grants recognised in the current period.

5. ISSUE AND PURCHASE OF SHARES

2 300 294 (2017: 489 382) ordinary shares totalling R137 million (2017: R39 million) were purchased from the market by Woolworths Proprietary Limited for the purposes of share incentive schemes and are held as treasury shares by the Group. 266 700 (2017: 27 186) ordinary shares totalling R15 million (2017: R2 million) were sold to the market in terms of the Group's Restricted Share Plan. 444 714 (2017: 250 042) ordinary shares totalling R35 million (2017: R18 million) were purchased and allocated to employees in terms of the Group's Restricted Share Plan.

465 934 (2017: 1 820 950) ordinary shares totalling R24 million (2017: R138 million) were issued and allocated to employees in terms of the Group's other share incentive schemes.

NOTES (CONTINUED)

6. ACCOUNTING POLICIES

The adoption of certain new standards, which became effective in the current year, has resulted in minor changes to accounting policies and disclosure, none of which have a material impact on the financial position or performance of the Group.

STANDARDS ISSUED, NOT YET EFFECTIVE

The Group has undertaken initial assessments of the financial impact of IFRS 9: Financial Instruments, IFRS 15: Revenue from Contracts with Customers and IFRS 16: Leases, and have identified the following, which will impact on the Group's financial results in the periods that these standards are adopted:

IFRS 9: The standard is effective for financial periods beginning on or after 1 January 2018. The measurement of provisions against receivables will be revised to comply with the expected credit loss method. Accordingly, a reduction of between 13% and 17% of the carrying value of the Group's investment in the joint venture with ABSA Limited, Woolworths Financial Services, is expected. Excluding this, the Group does not consider the potential impact of application of the standard to be material.

IFRS 15: The standard is effective for financial periods beginning on or after 1 January 2018. The Group recognises revenue from the principal activities of retailing and associated activities, such as logistics services and concession sales commission.

Management has assessed the effects of applying the new standard on the Group's financial statements and has identified the following areas that are likely to be affected:

- Rights of return: IFRS 15 requires separate presentation on the statement of financial position of the right to recover the goods from the customer and the refund obligation. The requirements of IFRS 15 are not expected to result in a change in the provisioning for refunds, nor is the right of return asset expected to exceed 0.2% of sales, and is therefore not considered material;
- Gift card breakage: IFRS 15 requires the Group to estimate the value of gift cards that would expire and recognise this amount as revenue. The Group currently does not recognise revenue for future gift card breakage. The value of expected gift card breakage is not expected to exceed 0.1% of sales, and is therefore not considered material;
- Customer loyalty programmes: The standard specifies that, when the Group grants a customer the option to acquire additional goods or services in terms of customer loyalty programmes, and that option is a separate performance obligation, the Group should defer the recognition of revenue relating to the option until the performance obligations are fulfilled. Management has estimated that the impact on revenue is not expected to exceed 0.1% of sales, and is therefore not considered material.

Excluding these areas, the Group does not consider other potential impacts of application of the standard to be material.

IFRS 16: The standard is effective for financial periods beginning on or after 1 January 2019. The standard is expected to have a material impact due to the significant number of leases, and will result in changes to the statement of financial position, whereby a right-of-use asset and lease liability will be recognised. Changes to the statement of comprehensive income will result in the current operating lease costs being replaced by an amortisation of the right-of-use asset and associated finance costs. The standard will also impact a number of statutory measures such as operating profit and cash generated from operations, and will require normalisation of performance measures and covenants. The Group continues to assess the impact on its Annual Financial Statements in respect of the application of IFRS 16, including understanding the practical application of the principles of the standard. It is therefore not practical to provide a reasonable estimate of the financial effect until this review is complete.

7. FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying value of trade and other receivables, trade and other payables and borrowings approximate their fair values. In terms of IFRS 13: Fair Value Measurement, the Group's borrowings are measured at amortised cost and its derivative financial instruments at fair value. These are determined to be Level 2 under the fair value hierarchy. Derivatives are valued using valuation techniques with market observable inputs, with derivatives being mainly in respect of interest rate swaps and foreign exchange forward contracts. The most frequently applied valuation technique include forward pricing and swap models, using present value calculations. The models incorporate various inputs, including the credit quality of counterparties, foreign exchange spot and forward rates, interest rate curves and forward rate curves of the underlying index.

8. CONTINGENT LIABILITIES

Group companies are party to legal disputes and investigations that have arisen in the ordinary course of business. Whilst the outcome of these matters cannot readily be foreseen, the directors do not expect them to have any material financial effect.

9. PRO FORMA FINANCIAL INFORMATION

Adjusted headline earnings and constant currency information presented in these summarised Group Annual Financial Statements constitute pro forma financial information.

	2018 Rm	2017 Rm	% change
9.1 Adjusted headline earnings			
Headline earnings	3 327	4 045	(17.8)
Adjustments	192	(9)	
Relocation and restructure costs, net of grants received	126	173	
Onerous leases	147	-	
Transaction and swap close-out costs	-	53	
Unrealised foreign exchange gains	(6)	(11)	
Tax impact of adjustments	(75)	(60)	
Tax base adjustments on David Jones assets at acquisition	-	(164)	
Adjusted headline earnings	3 519	4 036	(12.8)
9.2 Constant currency information			
Turnover and concession sales	76 168	74 052	2.9

Notes

1. The accounting policies adopted by the Group in the latest Annual Financial Statements, which have been prepared in accordance with IFRS, have been used in preparing the pro forma financial information.
2. Adjusted headline earnings is arrived at, after excluding from headline earnings, costs of a non-recurring nature.
3. Constant currency information has been presented to illustrate the impact of changes in the Group's major foreign currency, the Australian dollar. In determining the constant currency information, amounts denoted in Australian dollars for the current financial reporting period have been adjusted by application of the aggregated monthly average Australian dollar exchange rate for the prior comparable period of R10.25/A\$.
4. The pro forma financial information, which is the responsibility of the Group's directors, has been presented for illustrative purposes only and is consistent with the prior reporting period.
5. Accordingly, the pro forma financial information may not fairly present the Group's financial position, changes in equity, results of operations or cash flows.
6. The Group's external auditors, EY, have issued a Reporting Accountant's assurance report in terms of ISAE 3420: Assurance Engagements to Report on the Compilation of Pro Forma Financial Information, on the pro forma financial information contained in this announcement, a copy of which is available at the Company's registered office.

10. BORROWING FACILITIES

Unutilised banking and debt facilities amount to R10 716 million (2017: R11 833 million) as follows:

	2018 Rm	2017 Rm
Committed	10 216	11 033
Uncommitted	500	800
Total	10 716	11 833

Notes to the value of R2.5 billion were issued under the Domestic Medium Term Note (DMTN) programme, which is a further source of funding to the Group. The DMTN programme was approved by the JSE on 17 March 2017 and is guaranteed by Woolworths Proprietary Limited. It will be used to raise debt on an ongoing basis.

NOTES (CONTINUED)

11. RELATED-PARTY TRANSACTIONS

The Group entered into related-party transactions, the substance of which is disclosed in the Group's 2018 Annual Financial Statements. Intragroup adjustments relate to the sale of concession goods between segments and supply chain distribution adjustments.

12. EVENTS SUBSEQUENT TO THE REPORTING DATE

No event material to the understanding of these summarised Group Annual Financial Statements has occurred between the end of the financial year and the date of approval.

13. APPROVAL OF SUMMARISED GROUP ANNUAL FINANCIAL STATEMENTS

The Group Annual Financial Statements were approved by the Board of Directors on 22 August 2018.

14. AUDIT OPINION

These summarised Group Annual Financial Statements have been extracted from the audited Group Annual Financial Statements, but is not in itself audited. The Annual Financial Statements were audited by Ernst & Young Inc., who expressed an unmodified opinion thereon. The audited Annual Financial Statements and the auditor's report thereon are available for inspection at the Company's registered office. The directors take full responsibility for the preparation of the summarised report and that the financial information has been correctly extracted from the underlying Annual Financial Statements.

However, the auditor's report does not necessarily report on all the information contained in this announcement. Shareholders are therefore advised that, in order to obtain a full understanding of the nature of the auditor's engagement, they should obtain a copy of the auditor's report, together with the accompanying financial information from the Company's registered office.



David Jones, Summer 2018

NOTICE OF ANNUAL GENERAL MEETING

Woolworths Holdings Limited
(Incorporated in the Republic of South Africa)
(Registration number 1929/001986/06)
JSE Share code: WHL
ISIN: ZAE000063863
Bond company code: WHL1
Bond code: WHL01
(WHL or the Company)

Notice is hereby given to shareholders of the Company that the 2018 Annual General Meeting (AGM) of shareholders will be held at 10:00 in the Auditorium, 1st Floor, Woolworths House, 93 Longmarket Street, Cape Town 8001, on Friday, 30 November 2018, to consider and if thought fit, to pass with or without amendment the following ordinary and special resolutions, as well as such other matters as may be required to be dealt with at the AGM in terms of the Companies Act, 71 of 2008, as amended (Companies Act).

Explanatory notes on each of the tabled resolutions are set out on pages 22 to 25 of the Notice.

PRESENTATION OF ANNUAL FINANCIAL STATEMENTS AND REPORTS

The Annual Financial Statements of the Company, incorporating among others, the Directors' Report, the independent auditor's report and Audit Committee report for the financial year ended 24 June 2018, together with the report of the Social and Ethics Committee found in the Integrated Report on pages 131 to 138, were made available to shareholders on 14 September 2018. The Annual Financial Statements will be presented to shareholders as required in terms of the Companies Act.

1. ORDINARY RESOLUTION NUMBER 1 – RE-ELECTION OF DIRECTORS

The following directors retire in accordance with the Memorandum of Incorporation (MOI) of the Company and, being eligible, offer themselves for re-election, each by way of a separate vote. It is resolved that:

- 1.1 'Mr Patrick Allaway be and is hereby re-elected as a director.'
- 1.2 'Mr Andrew Higginson be and is hereby re-elected as a director.'
- 1.3 'Ms Gail Kelly be and is hereby re-elected as a director.'
- 1.4 'Ms Zyda Rylands be and is hereby re-elected as a director.'

Brief biographies in respect of each director offering himself/herself for re-election are set out on pages 26 to 28 of this Notice.

2. ORDINARY RESOLUTION NUMBER 2 – ELECTION OF DIRECTOR

Ms Sizakele Mzimela was appointed by the Board of Directors subsequent to the 2017 Annual General Meeting, in accordance with the Companies Act and the Company's MOI, and being eligible, offers herself for election. It is resolved that:

- 2.1 'Ms Sizakele Mzimela be and is hereby elected as a director.'

A brief biography of Ms Mzimela is set out on page 27 of this Notice.

3. ORDINARY RESOLUTION NUMBER 3 – RE-APPOINTMENT OF AUDITOR

'Resolved, on recommendation of the Audit Committee, that Ernst & Young Inc. (EY), and the designated audit partner, be and are hereby re-appointed as external auditor of the Company until the conclusion of the 2019 Annual General Meeting of the Company in terms of Section 90(l) of the Companies Act.'

4. ORDINARY RESOLUTION NUMBER 4 – ELECTION OF AUDIT COMMITTEE MEMBERS

'Resolved that the following Independent Non-executive Directors, each by way of separate vote, be and are hereby elected as members of the Audit Committee of the Company, until the conclusion of the 2019 Annual General Meeting:

- 4.1 Mr Patrick Allaway*;
- 4.2 Ms Zarina Bassa;
- 4.3 Mr Hubert Brody (Chairman); and
- 4.4 Mr Andrew Higginson**.'

A brief biography of each member of the Audit Committee is set out on pages 26 to 27 of this Notice. The report of the Audit Committee can be found on pages 30 to 33 of the Annual Financial Statements and is available on the Company's website, www.woolworthsholdings.co.za.

5. NON-BINDING ADVISORY RESOLUTION NUMBER 1 – APPROVAL OF THE REMUNERATION POLICY

'Resolved by way of a separate non-binding advisory vote, that the Remuneration Policy of the Company, as set out in the 2018 Integrated Report, be and is hereby approved.'

The Remuneration Policy can be found on pages 146 to 153 of the Integrated Report and is available on the Company's website, www.woolworthsholdings.co.za.

* Subject to passing of resolution 1.1

** Subject to passing of resolution 1.2

6. NON-BINDING ADVISORY RESOLUTION NUMBER 2 – APPROVAL OF THE REMUNERATION IMPLEMENTATION REPORT

'Resolved by way of a separate non-binding advisory vote, that the Implementation Report of the Remuneration Policy, as set out in the 2018 Integrated Report, be and is hereby approved.'

The Implementation Report can be found on pages 155 to 166 of the Integrated Report and is available on the Company's website, www.woolworthsholdings.co.za.

7. SPECIAL RESOLUTION NUMBER 1 – APPROVAL OF NON-EXECUTIVE DIRECTORS' FEES

'Resolved that the Non-executive Directors' fees, exclusive of value-added tax, payable to Non-executive Directors for the period 1 January to 31 December 2019, details of which are set out on page 24 of the Explanatory Notes, be and are hereby approved.'

8. SPECIAL RESOLUTION NUMBER 2 – GENERAL AUTHORITY TO REPURCHASE SHARES

'Resolved that the Company and its subsidiaries be and are hereby granted a general authority in terms of the Listings Requirements of the JSE Limited (JSE) for the acquisition by the Company and/or its subsidiaries of securities (as that term is defined in the Companies Act), issued by the Company, on such terms and conditions as the directors may deem fit, subject to compliance with the provisions of Section 48, read with Section 46 of the Companies Act, provided that:

- 8.1 all such acquisitions shall be implemented through the order book operated by the JSE trading system and effected without any prior understanding or arrangement between the Company and the counterparty (reported trades being prohibited);
- 8.2 such authority is given in terms of the Company's MOI;
- 8.3 such general authority shall be valid only until the next Annual General Meeting of the Company or the expiry of a period of 15 months from the date of passing of this resolution, whichever occurs first;
- 8.4 such acquisitions may not be made at a price greater than 10% above the weighted average of the market value for the securities on the JSE for the 5 (five) business days immediately preceding the date on which the acquisition is effected;

- 8.5 any such general acquisitions are subject to exchange control regulations and approval at that point in time;
- 8.6 when the Company has cumulatively repurchased 3% of the initial number (the number of that class of securities in issue at the time that this general authority is granted) of the relevant class of securities, and for each 3% in aggregate of the initial number of that class acquired thereafter, a press announcement must be made containing the details required in terms of the Listings Requirements of the JSE in respect of such acquisitions;
- 8.7 no acquisitions of securities shall be effected during a prohibited period as contemplated in the Listings Requirements of the JSE unless the Company or its subsidiaries have in place a repurchase programme where the date and quantities of securities to be traded during the relevant period are fixed (not subject to any variation) and full details of the programme have been disclosed to the JSE as required, prior to the commencement of the prohibited period. The Company must instruct an independent third party which makes its investment decisions in relation to the Company's securities independently of, and uninfluenced by, the Company, prior to the commencement of the prohibited period to execute the repurchase programme submitted to the JSE;
- 8.8 the Company only appoints one agent to effect any acquisitions on its behalf;
- 8.9 the aggregate of such acquisitions undertaken by the Company may not exceed 5% of the Company's issued share capital of that class in any one financial year;
- 8.10 the aggregate of such acquisitions by subsidiaries of the Company may not result in such subsidiaries holding more than 10% of the Company's issued share capital; and
- 8.11 the Board of Directors shall have authorised the acquisition, the Company shall have passed the solvency and liquidity test in terms of Section 4 of the Companies Act and since the solvency and liquidity test was considered, no material changes to the financial position of the Company and its subsidiaries shall have occurred.'

NOTICE OF ANNUAL GENERAL MEETING (CONTINUED)

9. SPECIAL RESOLUTION NUMBER 3 – FINANCIAL ASSISTANCE TO RELATED OR INTER-RELATED COMPANIES OR UNDERTAKINGS (INCORPORATED OR ESTABLISHED IN SOUTH AFRICA OR INTERNATIONALLY)

'Resolved that, to the extent required in terms of, and subject to the provisions of, Section 45 of the Companies Act, as amended, and the requirements (if applicable) of the MOI of the Company and the Listings Requirements of the JSE, the provision by the Company at any time and from time to time during the period of two years commencing on the date of the adoption of this special resolution, of direct or indirect financial assistance (whether by way of loan, guarantee, the provision of security or otherwise), to any present or future related or inter-related company or undertaking to the Company (whether incorporated or established in South Africa or not), on such terms and conditions as the directors (or any one or more persons authorised by the directors from time to time for such purpose) may deem fit, be and is hereby approved.'

10. SPECIAL RESOLUTION NUMBER 4 – ISSUE OF SHARES OR OPTIONS AND GRANT OF FINANCIAL ASSISTANCE IN TERMS OF THE COMPANY'S SHARE-BASED INCENTIVE SCHEMES

'Resolved that, to the extent required in terms of, and subject to the provisions of, sections 41, 42, 44 and 45 of the Companies Act, as amended, and the requirements (if applicable) of the MOI of the Company and the Listings Requirements of the JSE:

10.1 the issue by the Company of shares or securities convertible into shares, or the grant by the Company of options for the allotment or subscription of shares or other securities of the Company or the grant of any other rights exercisable for shares or securities of the Company; and/or

10.2 the provision by the Company of direct or indirect financial assistance (whether by way of loan, guarantee, the provision of security or otherwise) in connection with the subscription or acquisition of any option or any shares or securities issued or to be issued by the Company or by a present or future related or inter-related company (whether incorporated in South Africa or not) or for the purchase of any shares or securities of the Company or of a present or future related or inter-related company (whether incorporated in South Africa or not), at any time and from time to time during the period of two years commencing on the date of the adoption of this special resolution, to the Woolworths Holdings Share Trust or to a director, future director, prescribed officer or future prescribed officer of the Company or to a person related or inter-related to the Company or to a director or prescribed officer of the Company or to their respective nominees, in accordance with the provisions of the Woolworths Holdings Share Trust and/or the rules governing the Company's Share Appreciation Right Scheme, Performance Share Plan and Retention Share Plan, be and is hereby approved.'

EXPLANATORY NOTES

The reasons for and the effect of the resolutions contained in this Notice are set out in the Explanatory Notes forming part of this Notice of AGM read with the Chairman's letter to shareholders.

IDENTIFICATION

In terms of Section 63(l) of the Companies Act, before any person may attend or participate in the AGM, that person must present reasonably satisfactory identification and the person presiding at the AGM must be reasonably satisfied that the right of the person to participate in and vote at the AGM, either as a shareholder, or as a proxy for a shareholder, has been reasonably verified.



Studio.W, Summer 2018



Polliix, Summer 2018

RECORD DATE

The directors have determined that the record date on which a shareholder must be registered in the securities register of the Company in order to:

- receive notice of the AGM is Friday, 21 September 2018; and
- participate in and vote at the AGM is Friday, 23 November 2018.

Therefore, the Last Day to Trade in order to be able to participate at the AGM is Tuesday, 20 November 2018.

VOTING AND PROXIES

In terms of the Companies Act, no voting rights attached to the treasury shares held by the subsidiaries may be exercised. Ordinary shares held in treasury, by among others, a share trust or scheme, will not have their votes taken into account at the AGM for the purposes of resolutions proposed in terms of the Listings Requirements of the JSE.

Any ordinary shareholder who holds certificated ordinary shares in the Company or who holds dematerialised ordinary shares in the Company through a Central Securities Depository Participant (CSDP) or broker and who has selected 'own name' registration, may attend, participate in and vote at the AGM or at any adjournment thereof or may appoint any other person or persons (none of whom need be a shareholder) as a proxy or proxies, to attend, participate in and vote or abstain from voting at the AGM or at any adjournment thereof, in such ordinary shareholder's stead.

For administrative purposes only, we request that proxy forms be delivered to the Company's Transfer Secretary, Computershare Investor Services Proprietary Limited, Rosebank Towers, 15 Biermann Avenue, Rosebank 2196, or be posted to them at PO Box 61051, Marshalltown 2107, or emailed to them at proxy@computershare.co.za, by 10:00 on Wednesday, 28 November 2018 or thereafter to the Company by hand at Woolworths House, 93 Longmarket Street, Cape Town 8001, or electronically to the Group Company Secretary at Governance@woolworths.co.za.

A proxy form is enclosed for use by such ordinary shareholders. Any forms of proxy not submitted by this time may nevertheless be submitted to the Transfer Secretary before the meeting or handed to the Chairman of the AGM prior to the shareholder exercising any rights of a shareholder at the AGM.

In the event that such shareholder wishes to personally attend the AGM, they should contact their CSDP or broker in order to obtain the necessary authority to do so.

Any ordinary shareholder who holds dematerialised ordinary shares in the Company and has not selected 'own name' registration, should contact his CSDP or broker in the manner and time stipulated in such shareholder's agreement with his CSDP or broker in order to furnish them with such shareholder's voting instruction.

Each ordinary resolution presented at the AGM requires the support of more than 50% of the voting rights exercised on the resolution in order to be adopted. Each special resolution presented at the AGM requires the support of at least 75% of the voting rights exercised on that resolution in order to be adopted. On a poll, every shareholder, present in person or by proxy, shall have one vote for every share held or represented.

ELECTRONIC PARTICIPATION

Shareholders or their proxies may participate in (but not vote at) the AGM by way of a webcast. If you wish to do so, please contact the Group Company Secretary by email at Governance@woolworths.co.za and identify yourself to the satisfaction of the Group Company Secretary to obtain the webcast access details by no later than 17:00 on Thursday, 29 November 2018. Shareholders participating in this manner and who may wish to vote will still have to appoint a proxy to vote on their behalf at the AGM. Access by means of electronic communication will be at the expense of the shareholder.

By order of the Board.

A handwritten signature in black ink, appearing to read 'CA Reddiar'.

CA Reddiar
Group Company Secretary

EXPLANATORY NOTES RELATING TO THE BUSINESS TO BE CONDUCTED AT THE ANNUAL GENERAL MEETING

1. PRESENTATION OF ANNUAL FINANCIAL STATEMENTS

A summary of the audited Annual Financial Statements is set out on pages 4 to 14 of this booklet. The full Annual Financial Statements are available on the Company's website, www.woolworthsholdings.co.za, or printed copies can be requested from the Group Company Secretary at Governance@woolworths.co.za.

2. RE-ELECTION OF DIRECTORS

In accordance with the MOI, one-third of all directors are required to retire at each Annual General Meeting (AGM) and may offer themselves for re-election. Accordingly, the following directors will retire at the 2018 AGM in accordance with Article 26.1 of the Company's MOI:

- Mr Patrick Alloway
- Mr Andrew Higginson
- Ms Gail Kelly
- Ms Zyda Rylands

The Nominations Committee reviewed the composition of the Board against corporate governance, individual performance and diversity requirements and has recommended the re-election of the four directors listed above.

The performance of each retiring director has been assessed.

Following such review, the Board recommends to shareholders the re-election of the above-mentioned directors, by way of a series of votes, each of which is on the candidacy of a single individual to fill a single vacancy, as required under Section 68(2) of the Companies Act, 71 of 2008, as amended (Companies Act).

A brief biography in respect of each retiring director offering him/herself for re-election is set out on pages 26 to 28 of this Notice.

3. ELECTION OF DIRECTOR

Ms Sizakele Mzimela had been appointed to the Board subsequent to the 2017 AGM. In accordance with Article 23.2 of the Company's MOI and the Companies Act, directors appointed during the year shall retain office only until the next AGM of the Company and shall be eligible for election by shareholders. The Board proposes that Ms Mzimela be elected as a director of the Company. A brief biography of Ms Mzimela is set out on page 27 of this Notice.

4. RE-APPOINTMENT OF AUDITOR

Ernst & Young Inc. (EY) has indicated its willingness to continue as external auditor of the Company for the 2019 financial year and ordinary resolution number 3 proposes the re-appointment of the firm as the Company's external auditor until the conclusion of the 2019 AGM. The Audit Committee, at their meeting on 20 August 2018, reviewed the independence and

assessed the performance and accreditation of the external auditor and designated audit partner, in terms of the applicable regulations and legislation, and is satisfied with their independence, accreditation and performance. The Audit Committee used agreed audit quality indicators based on global best practice to assess performance.

In addition, the external auditor confirmed that it had complied with the requirements regarding independence and was considered independent with respect to the Group, as required by the codes endorsed and administered by the Independent Regulatory Board for Auditors, the South African Institute of Chartered Accountants and the International Federation of Accountants.

The Audit Committee is also satisfied that the audit firm is accredited to appear on the JSE List of Accredited Auditors. Accordingly, the committee nominates EY as the external auditor for the 2019 financial year, subject to shareholder approval.

Ms Johanna Cornelia de Villiers, formally appointed as the designated auditor of the Company at the 2017 AGM, remains in the role.

The Audit Committee has deliberated regarding the timing of audit firm rotation, considering many aspects including the views of key stakeholders. The Independent Regulatory Board for Auditors (IRBA) mandatory audit firm rotation requirements will become effective on 1 April 2023 and is applicable to the Group's financial year ending 27 June 2024. The Audit Committee concluded that the Group should rotate to a new external audit firm earlier than IRBA's mandatory date. As such, it is intended that a new external audit firm be appointed for the Group's financial year ending 27 June 2021, and in any event, if unexpected delays occur, no later than in respect of the June 2023 financial year end. The Audit Committee evaluated the independence and quality of service of the current external audit firm, Ernst & Young Inc. (EY) and concluded that it is satisfied in both respects.

The Audit Committee confirms that independence assessments of the current audit firm and the designated individual auditor will continue to be conducted throughout this process in accordance with the JSE Listings Requirements and other applicable legal and regulatory requirements.

Accordingly, we request shareholder support for the ongoing appointment of EY given the robust steps to ensure independence and whilst we roll out the process to appoint new external auditors.

5. ELECTION OF AUDIT COMMITTEE MEMBERS

In terms of Section 94(2) of the Companies Act, an Audit Committee comprising at least three members must be elected by shareholders at each AGM.

In terms of Regulation 42 of the Companies Regulations, 2011 promulgated pursuant to the Companies Act, at least one-third of the members of the Company's Audit Committee at any particular time must have academic qualifications or experience in: economics, law, corporate governance, finance, accounting, commerce, industry, public affairs or human resource management.

The Nominations Committee, at a meeting held on 20 August 2018, satisfied itself that the members of the Audit Committee continue to meet the requirements of the Companies Act and King IV in that they:

- are each Independent Non-executive Directors as contemplated in King IV and the Listings Requirements of the JSE;
- are suitably qualified and experienced to be members of the Audit Committee;
- collectively possess the skills and the relevant experience which are appropriate to the size, industry and circumstances of the Company; and
- have an understanding of International Financial Reporting Standards and other financial and sustainability reporting standards, regulations and guidelines applicable to the Company.

A brief biography of each member of the Audit Committee is set out on pages 26 to 27 of this Notice.

The report of the Audit Committee can be found on pages 30 to 33 of the Annual Financial Statements and is available on the website, www.woolworthsholdings.co.za.

6. VOTING ON THE REMUNERATION POLICY AND IMPLEMENTATION REPORT

In terms of the King IV Report on Corporate Governance for South Africa 2016 (King IV), read with the Listings Requirements of the JSE, companies are required to table their Remuneration Policy and Implementation Report to shareholders for separate non-binding advisory votes at the AGM. These votes enable shareholders to express their views on the Company's Remuneration Policy and the manner in which the Company implemented the Policy.

The Company's Remuneration Policy, which is set out on pages 146 to 153 of the Integrated Report, deals with, among other matters, the Company's policy towards executive remuneration, reward as a percentage of total remuneration, and strategy and guidelines on the various components making up the remuneration packages of the Company's executives.

The Board has sought to improve the vote that the Remuneration Policy received in the prior year (97%) and has continued to engage with our major shareholders in this regard. The Remuneration Policy is aligned to strategy, will contribute to the progress of the Group, and is in line with governance practices.

The Implementation Report, which is set out on pages 155 to 166 of the Integrated Report, deals with, among other matters, the manner in which the Company implemented the remuneration principles insofar as this relates to its Executive Directors. 93.6% of shareholders voted in favour of the implementation Report of the 2017 AGM.

These reports may also be accessed on the website of the Company at www.woolworthsholdings.co.za.

The non-binding resolutions are of an advisory nature only and failure to pass these resolutions will therefore not have any legal consequences relating to existing arrangements. The Remuneration Committee Chairman and the Chairman of the Board will continue to proactively engage with major shareholders prior to the AGM with regard to executive remuneration. The Board will take the outcome of each of the votes into consideration when considering the Company's future Remuneration Policy and implementation thereof.

Should 25% or more of the votes exercised on these non-binding resolutions be cast against either or both of these non-binding resolutions, the Board undertakes to engage with identified dissenting shareholders as to the reasons therefore and take appropriate action to reasonably address issues raised as envisaged in King IV and the Listings Requirements of the JSE.

7. REMUNERATION FOR THE NON-EXECUTIVE DIRECTORS

Section 66(9), read with Section 66(8) of the Companies Act, requires that remuneration paid by a Company to its directors for their service, as directors, may only be paid in accordance with a special resolution approved by the shareholders of the Company within the previous two years. The fees for the Non-executive Directors for 2019 have not been increased and are being tabled at this AGM for final shareholder endorsement.

7.1 NON-EXECUTIVE DIRECTORS' FEES FOR 2019

The proposed fees are for the calendar year effective 1 January 2019 to 31 December 2019, and are exclusive of value-added tax. Even though directors' fees have been independently benchmarked, no increases are proposed.

The proposed fees (exclusive of value-added tax) for Non-executive Directors for the calendar year effective 1 January 2019 to 31 December 2019 remain in accordance with the prior year, as follows:

EXPLANATORY NOTES RELATING TO THE BUSINESS TO BE CONDUCTED AT THE AGM (CONTINUED)

	Proposed for the period 1 January 2019 to 31 December 2019*	Fees for the period 1 January 2018 to 31 December 2018*	% Increase
Chairman Lead Independent Director	R1 728 200	R1 728 200	0%
United Kingdom-based director	R662 500	R662 500	0%
Australian-based director	£75 975	£75 975	0%
South African-based director	A\$158 900	A\$158 900	0%
Audit Committee chairman	R400 600	R400 600	0%
Audit Committee member	R345 100	R345 100	0%
Remuneration Committee chairman	R189 200	R189 200	0%
Remuneration Committee member	R233 800	R233 800	0%
Risk Committee chairman	R122 400	R122 400	0%
Risk Committee member	R233 700	R233 700	0%
Social and Ethics Committee chairman	R122 400	R122 400	0%
Social and Ethics Committee member	R189 200	R189 200	0%
Nominations Committee chairman	R111 300	R111 300	0%
Nominations Committee member	R178 100	R178 100	0%
Sustainability Committee chairman	R111 300	R111 300	0%
Sustainability Committee member	R189 200	R189 200	0%
Treasury Committee member	R111 300	R111 300	0%
Hourly rate for additional service	R44 500	R44 500	0%
	R5 342	R5 342	0%

* Exclusive of value-added tax

8. GENERAL AUTHORITY TO REPURCHASE SECURITIES

Special resolution number 2 seeks to provide a general approval and authority in terms of Section 5.72 of the Listings Requirements of the JSE, for the acquisition by the Company and/or its subsidiaries of securities issued by the Company.

The directors consider that such general authority should be put in place in order to facilitate the repurchase of the Company's securities, should an opportunity to do so which is in the best interests of the Company and its shareholders, present itself during the ensuing year.

The directors undertake that the Company will not commence a general repurchase of the maximum number of securities in terms of the general authority unless the directors, after considering the effect of such maximum repurchase, are satisfied that for a period of 12 months after the date of the general repurchase:

- 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 Company and the Group's ordinary share capital, reserves and available working capital will be adequate for ordinary business purposes; and
- the working capital of the Company and the Group will be adequate for ordinary business purposes.

8.1 DISCLOSURE IN TERMS OF SECTION 11.26 OF THE LISTINGS REQUIREMENTS OF THE JSE

The Listings Requirements of the JSE require the following disclosures, which are provided in the Annual Financial Statements and this report as below:

- Major shareholders set out on page 32; and
- Share capital of the Company set out on page 32.

8.2 MATERIAL CHANGE

Other than the facts and developments reported in the Integrated Report and Annual Financial Statements, there have been no material changes in the financial or trading position of Woolworths Holdings Limited and its subsidiaries between the end of the financial year and the date of approval of the aforesaid reports.

8.3 DIRECTORS' RESPONSIBILITY STATEMENT

The directors, collectively and individually, accept full responsibility for the accuracy of the information pertaining to special resolution number 2, and certify that to the best of their knowledge and belief, there are no facts in relation thereto that have been omitted which would make any statement in relation to this special resolution false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that this special resolution contains all the information required by the Listings Requirements of the JSE.

9. FINANCIAL ASSISTANCE TO RELATED OR INTER-RELATED COMPANIES OR UNDERTAKINGS (INCORPORATED IN SOUTH AFRICA OR INTERNATIONALLY)

Section 45 of the Companies Act authorises the Company to provide direct or indirect financial assistance to any one or more related or inter-related companies or undertakings incorporated or established in South Africa and internationally. Section 45 of the Companies Act further provides that the particular financial assistance must be provided only pursuant to a special resolution of the shareholders, adopted within the previous two years, which approved such assistance either for the specific recipient, or generally for a category of potential recipients, and the specific recipient falls within that category, and the Board of Directors must be satisfied that:

- immediately after providing the financial assistance, the Company would satisfy the solvency and liquidity test; and
- the terms under which the financial assistance is proposed to be given are fair and reasonable to the Company.

In accordance with Section 45 (5)(a), notice has also been provided to shareholders that the Board of Directors anticipates the Company entering, during the course of the following financial year, into transactions which would in aggregate exceed 1/10 of 1% of the Company's net worth.

10. ISSUE OF SHARES OR OPTIONS AND GRANT OF FINANCIAL ASSISTANCE IN TERMS OF EXISTING SHARE-BASED INCENTIVE SCHEMES OF THE COMPANY

The reason for this special resolution is that, from time to time, it may be necessary for the Company to (i) issue shares to related parties (who are employees of the Company or its subsidiaries) and/or (ii) provide financial assistance to related parties (who are employees of the Company or its subsidiaries) to subscribe for, or purchase, options or securities (including shares) of the Company, pursuant to the provisions of the Woolworths Holdings Share Trust and/or the rules of the Share Appreciation Right Scheme, Performance Share Plan and Retention Share Plan, in order to incentivise such employees.

In terms of sections 41, 44 and 45 of the Companies Act, the Company will require a special resolution to be adopted (i) prior to inter alia securities or shares being issued to related parties and/or such financial assistance being provided, unless such issuance, or the provision of such financial assistance, is pursuant to an 'employee share scheme' as contemplated in section 97, read with section 95(l)(c), of the Companies Act.

Consequently, in the Board's view, it is more prudent to obtain this authorisation to the extent that the Woolworths Holdings Share Trust and/or the rules of the Share Appreciation Right Scheme, Performance Share Plan and Retention Share Plan do not meet the requirements for an 'employee share scheme' as set out in section 97, read with section 95(l)(c), of the Companies Act.

This authorisation, if obtained, may only be used by the Company for purposes of facilitating an employee's participation in employee incentive schemes established by the Company.

Any questions on the proposed resolutions and/or the explanatory notes may be emailed to Governance@woolworths.co.za.

NON-EXECUTIVE DIRECTORS' PROFILES

SIMON SUSMAN (68)

CHAIRMAN

NON-INDEPENDENT NON-EXECUTIVE DIRECTOR

Other directorships include: Trent, International Group of Department Stores, Capstone Asset Management, Meat Naturally, Tsiba University and Trust, Business Against Crime, Chairman of Conservation International (SA) Centre for Biodiversity, Virgin Active Group and Chairman of the Advisory Board – University of Stellenbosch Business School.

Simon joined WHL in 1982 after working at clothing and food retailer, Marks and Spencer plc in London. He led the retail operations, food and clothing groups at WHL and was appointed to the Board in 1995. He became the Chief Executive Officer in 2000. He was appointed as a Non-executive Director and Deputy Chairman in November 2010 and as Chairman of the Board in November 2011. He is a member of the Nominations, Remuneration, Risk and Compliance, Social and Ethics and Sustainability Committees.

PATRICK ALLAWAY (57) (AUSTRALIAN)

INDEPENDENT NON-EXECUTIVE DIRECTOR

BA LLB

Other directorships include: David Jones, Country Road Group, Domain Holdings Group, Fairfax Media, Venuston and Giant Steps Endowment Fund and Chairman of Saltbush Capital Markets.

Patrick has over 30 years' experience in the global financial industry. Previous senior executive and non-executive board representations include Lead Independent Director of Macquarie Goodman Group, Chairman of Duncan Solutions, Non-executive Director of Metcash and Managing Director of SBC Warburg. Patrick joined the Board in December 2014. He is a member of the Audit, Remuneration, Risk and Compliance and Treasury Committees. Patrick is also a director of David Jones and Country Road Group and the Chairman of the Audit, Remuneration and Risk and Compliance Committees for David Jones and Country Road Group.

ZARINA BASSA (54)

INDEPENDENT NON-EXECUTIVE DIRECTOR

CA(SA)

Other directorships include: Woolworths South Africa, Investec, Vodacom South Africa, Oceana Group and Yebo Yethu.

Previous board roles include Kumba Iron Ore, Senwes, Financial Services Board, Sun International, Mercedes Benz South Africa and the Lewis Group. Zarina also chaired the Public Accountants' and Auditors' Board and was a board member of the Accounting Standards Board and the JSE's GAAP Monitoring Panel, the South African Institute of Chartered Accountants and Vice President of ABASA. Zarina was a partner at Ernst & Young prior to joining the ABSA Group, where she was an Executive Director. She joined the WHL Board in November 2011. She is the Chairman of the Risk and Compliance Committee and a member of the Audit, Nominations and Remuneration Committees. Zarina is also a Trustee of the Woolworths Holdings Share Trust and a director of Woolworths South Africa, the chairman of the Remuneration and Risk and Compliance Committees and a member of the Audit Review Panel for Woolworths South Africa.

TOM BOARDMAN (68)

LEAD INDEPENDENT DIRECTOR

INDEPENDENT NON-EXECUTIVE DIRECTOR

CA(SA)

Other directorships include: African Rainbow Minerals, Jumo World, African Rainbow Energy and Power, Royal Bafokeng Holdings, Ubuntu-Botho Investments and Millicom International Cellular SA.

Tom was Chief Executive of Nedbank Group Limited from December 2003 to February 2010. Previous Board roles include the Nedbank Group, Kinnevik AB and Ansoor Limited. He was previously Chief Executive of BoE Limited, one of South Africa's leading private and investment banking companies, which was acquired by Nedbank in 2002. He was the founding shareholder and Managing Director of retail housewares chain Boardmans. Prior to this, he was Managing Director of Sam Newman Limited. He joined the Board in September 2010. He is Chairman of the Nominations, Risk and Compliance and Remuneration Committees and a member of the Sustainability and Social and Ethics Committees and a Trustee of the Woolworths Holdings Share Trust.

HUBERT BRODY (54)

INDEPENDENT NON-EXECUTIVE DIRECTOR

CA(SA)

Other directorships include: Chairman of DG Capital, Nedbank Group, Tennis SA and a Council Member of Stellenbosch University.

Hubert was previously the Chief Executive, Personal Finance at Sanlam Limited and Chief Executive Officer of Imperial Holdings. In addition, he was the Chairman of Imperial Bank, Regent Group and sat as Chairman on a number of the Imperial's divisional and supervisory boards. He joined the Board in July 2014. He is Chairman of the Audit Committee and is a member of the Risk and Compliance and Treasury Committees. Hubert is also the Chairman of the Woolworths South Africa Audit Review Panel.

ANDREW HIGGINSON (61) (BRITISH)

INDEPENDENT NON-EXECUTIVE DIRECTOR

BSC (HONS)

Other directorships include: Chairman of WM Morrisons Supermarkets, Clearwater International, The Scotts Company (UK), Cornthwaite Seven and York Parking Space.

Andrew Higginson held Executive Board positions in listed UK retail businesses for 22 years, 15 of those years as an Executive Director of Tesco plc, the world's third largest retailer (measured by sales). He retired as an Executive from Tesco in August 2012 and now holds a number of Non-executive Directorships. Andrew is the Chairman of UK food retailer, Morrisons plc. He joined the Board in June 2012. He is a member of the Audit, Risk and Compliance and Remuneration Committees.

GAIL KELLY (62) (AUSTRALIAN)

INDEPENDENT NON-EXECUTIVE DIRECTOR

BA AND HIGHER DIPLOMA OF EDUCATION, MBA

Other directorships include: UBS, Member of the McKinsey Advisory Council, The Global Board of Advisors at the US Council on Foreign Relations and the Australian Philanthropic Services and member of Plus Alliance and Optur Advisory Boards.

Gail's career in banking spans 35 years, split equally between South Africa and Australia. While in South Africa, Gail held a number of senior executive positions in the Nedbank Group. Over the past 13 years, she served as the Group Chief Executive Officer and Managing Director of two banks in Australia – St. George Bank from 2002 to 2007 and Westpac from 2008 to 2015. In 2008, these two banks came together under Gail's leadership in what was the largest in-market merger in Australian financial services. Gail joined the Board in October 2015. She is a member of the Nominations, Remuneration, Risk and Compliance and Sustainability Committees.

NOMBULELO (PINKY) MOHOLI (58)

INDEPENDENT NON-EXECUTIVE DIRECTOR

B.Sc. ENGINEERING, SEP, SMMP

Other directorships include: Old Mutual Group Holdings, Engen, Anglo American Platinum and Chairman of Nedbank's Eyethu Community Trust.

Pinky has more than 24 years' experience in the Information Communication and Technology industry. She was the Group Chief Executive Officer for Telkom from 2011 to March 2013. She joined the Board in July 2014. She is the Chairman of the Social and Ethics Committee and a member of the Risk and Compliance and Remuneration Committees.

SIZAKELE MZIMELA (53)

INDEPENDENT NON-EXECUTIVE DIRECTOR

BA IN ECONOMICS AND STATISTICS

Other directorships include: Chairman of Cargo Carriers, Bryte Insurance Company, Etion, Multiloads, African Reinsurance Corporation (South Africa), Bigen Africa Group Holdings, South African Express Airways and member of African Infrastructure Preparation Facility.

Sizakele is the founding member of Fly Blue Crane and Blue Crane Aviation. She previously served as the Chief Executive Officer of South African Airways SOC Limited and is currently the Chief Executive Officer for South African Express Airway SOC Limited. She joined the Board in July 2018. She is a member of the Risk and Compliance Committee.

EXECUTIVE DIRECTORS' AND COMPANY SECRETARY'S PROFILES

IAN MOIR (59) (AUSTRALIAN) **EXECUTIVE DIRECTOR AND** **GROUP CHIEF EXECUTIVE OFFICER** **MBA, MA (ECON)**

Other directorships include: Woolworths South Africa, David Jones and Country Road Group.

Ian was appointed to the Board of Country Road on 23 October 1998. He was formerly Chief Operating Officer of Country Road before being appointed Chief Executive Officer in November 2000. He was previously Executive Director and Chief Operating Officer of Woolmark. He was appointed to the Board in January 2010 and was appointed the Group Chief Executive Officer in November 2010. He is a member of the Risk and Compliance, Sustainability and Social and Ethics Committees. Ian is also the Chairman of Woolworths South Africa, David Jones and Country Road boards.

REEZA ISAACS (49) **EXECUTIVE DIRECTOR AND GROUP FINANCE DIRECTOR** **CA(SA)**

Other directorships include: Woolworths South Africa, David Jones, Country Road Group and Woolworths Financial Services.

Reeza joined WHL in June 2013 as Deputy Chief Financial Officer, and was appointed Finance Director in November 2013. Prior to joining WHL, he was the senior partner for the Western Cape Ernst & Young office and was a partner from 1999. Reeza has worked across multiple business sectors, including manufacturing, retail, oil, gas, asset management and insurance and with a wide variety of entities, including listed, private and owner-managed entities. He served as the lead partner for several of Ernst & Young's largest Cape Town clients, including Engen, Coronation, WHL, Metropolitan Life, Sanlam Investments Management and Truworths. He is a member of the Risk and Compliance Committee.

SAM NGUMENI (50) **EXECUTIVE DIRECTOR AND CHIEF OPERATING OFFICER** **BCOM, MBA**

Other directorships include: Woolworths South Africa, David Jones, Country Road Group, Woolworths Financial Services and The Woolworths Trust.

Sam was appointed as the Group Chief Operating Officer in March 2012. He is responsible for Human Resources, Transformation, Information Technology, Supply Chain and Logistics. Sam has been with WHL for 13 years, mainly in Financial Services, and has more than 16 years of retail credit experience. Sam was previously the Chief Executive Officer for Woolworths Financial Services, where he spearheaded the successful joint venture between Barclays Africa Group and Woolworths South Africa. He was appointed to the Board in February 2014. He is a member of the Risk and Compliance Committee.

ZYDA RYLANDS (53) **EXECUTIVE DIRECTOR AND CHIEF EXECUTIVE OFFICER:** **WOOLWORTHS SOUTH AFRICA** **CA(SA)**

Other directorships include: Woolworths South Africa and Woolworths Financial Services.

Zyda joined Woolworths South Africa in 1996 and worked in the finance and store operation teams. She was appointed the People and Transformation Director of Woolworths South Africa in 2005 and was appointed to the Board in August 2006. She was appointed as the Chief Operating Officer: Support Services in 2008. She serves as a trustee of the Trauma Centre for Survivors of Violence and Torture. Zyda served as Chairperson of the Audit Committee for Parliamentary Services and as a Non-executive Director of the Open Society Foundation for South Africa. She is member of the Risk and Compliance, Sustainability and Social and Ethics Committees.

CHANTEL REDDIAR (43) **GROUP COMPANY SECRETARY** **BA, LLB, LL.M., MBA**

Chantel joined WHL in September 2016 as the Director: Governance, Risk and Compliance and Group Company Secretary. Chantel has 18 years' experience as a corporate lawyer. Previously, Chantel was Group Company Secretary at Sun International Limited, a position she held since 2010, and the Director: Corporate Services and Legal. Her responsibilities included oversight of corporate governance, compliance, legal and socio-economic development functions. Prior to Sun International, Chantel served as the Legal Advisor at Nissan South Africa, having completed her articles at Webber Wentzel.



Studio.W, Summer 2018

BOARD INFORMATION FOR THE YEAR UNDER REVIEW

NAME OF DIRECTOR	DATE OF APPOINTMENT	STATUS	OVERALL ATTENDANCE	BOARD	STRATEGY	AUDIT	NOMINATIONS	RISK AND COMPLIANCE	REMUNERATION	SOCIAL AND ETHICS	SUSTAINABILITY	DIRECTORS STANDING FOR ELECTION
Simon Susman ¹	18/11/2010	Non-independent Non-executive	90%	4/4	2/2		3/3	3/4	3/3	2/3	2/2	
Patrick Allaway	01/12/2014	Independent Non-executive	100%	4/4	2/2	5/5		4/4	3/3			Re-election
Peter Bacon ²	22/08/2006	Independent Non-executive	100%	2/2	1/1	2/2			1/1			
Zarina Bassa	17/11/2011	Independent Non-executive	100%	4/4	2/2	5/5	3/3	4/4	3/3			
Tom Boardman	27/09/2010	Independent Non-executive	100%	4/4	2/2		3/3		3/3	3/3	2/2	
Hubert Brody	01/07/2014	Independent Non-executive	80%	3/4	2/2	4/5		3/4				
John Dixon ³	19/05/2017	Executive	90%	3/4	2/2			4/4				
Andrew Higginson	01/06/2012	Independent Non-executive	100%	4/4	2/2	5/5		4/4	3/3			Re-election
Reeza Isaacs	26/11/2013	Executive	90%	4/4	2/2			3/4				
Gail Kelly	01/10/2015	Independent Non-executive	100%	4/4	2/2		3/3	4/4	3/3		2/2	Re-election
Nombulelo Moholi	01/07/2014	Independent Non-executive	100%	4/4	2/2			4/4	3/3	3/3	2/2	
Ian Moir	01/01/2010	Executive	100%	4/4	2/2			4/4		3/3	2/2	
Sam Ngumeni	12/02/2014	Executive	100%	4/4	2/2			4/4				
Stuart Rose ⁴	27/01/2011	Independent Non-executive	100%	4/4	2/2		3/3	4/4	3/3		2/2	
Zyda Rylands	22/08/2006	Executive	100%	4/4	2/2			4/4		3/3	2/2	Re-election

x/x denotes number of meetings able to attend. Apologies tendered and accepted when absent from meetings.

¹ Chairman

² Retired from the Board on 28 November 2017

³ Resigned from the Board on 21 May 2018

⁴ Resigned from the Board on 28 May 2018

* Sizakele Mzimela was appointed to the Board on 1 July 2018

SHAREHOLDING DISCLOSURES

STATED CAPITAL

AUTHORISED

Ordinary shares – 2 410 600 000 of no par value

ISSUED

Ordinary shares – 1 048 313 728 of no par value

Further details of the stated capital and the movements for the period under review are disclosed in note 10 of the Company's Annual Financial Statements. The value of the WHL Share Capital as at 24 June 2018 was R11 399 000 000.

ANALYSIS OF SHAREHOLDERS

Public and non-public shareholders	Number of share-holders	Percentage of total	Number of shares	Percentage of total
Public shareholders	61 808	100.0	954 330 023	91.0
Non-public shareholders				
Directors and their associates	12	–	9 601 885	0.9
E-Com Investments 16 Proprietary Limited	1	–	43 763 861	4.2
Woolworths Proprietary Limited	1	–	40 497 604	3.9
Woolworths Proprietary Limited on behalf of deceased and untraceable former Woolworths Employee Share Ownership Trust beneficiaries	2	–	120 355	–
Total shareholders	61 824	100.0	1 048 313 728	100.0

Total number of treasury shares held at 24 June 2018 – 84 261 465.

Directors of the Company hold direct and indirect beneficial interests of 9 601 885 ordinary shares (2017: 8 362 417) in the Company.

According to the Company's register of shareholders, read in conjunction with the Company's register of disclosure of beneficial interests made by registered shareholders acting in a nominee capacity, the following shareholders held, directly and indirectly, beneficially in excess of 5% of any class of the issued stated capital at 24 June 2018:

Major Beneficial Shareholders	Number of shares	2018 Percentage of shares	2017 Percentage of shares
Government Employees Pension Fund	147 398 214	14.1	14.4
Allan Gray Proprietary Limited*	122 487 074	11.7	3.3
Lazard Asset Management LLC Group*	53 607 075	5.1	4.9

* Held on behalf of their clients.

SHAREHOLDER CALENDAR

2018

June Financial year-end – 24 June
July Trading update
August Annual results and announcement of final dividend – 22 August
September Publication of 2018 Integrated Annual Report, final dividend payment, and posting of Notice of Annual General Meeting
November Annual General Meeting and trading update

2019

January Trading update
February Interim results and announcement of interim dividend
June Financial year-end – 30 June
July Trading update
August Annual results and announcement of final dividend
September Publication of 2019 Integrated Annual Report, final dividend payment, and posting of Notice of Annual General Meeting
November Annual General Meeting and trading update

ADMINISTRATION

WOOLWORTHS HOLDINGS LIMITED

Registration number: 1929/001986/06
 Tax reference number: 9300/149/71/4
 Share code: WHL
 Bond code: WHLI
 Share ISIN: ZAE000063863
 Bond ISIN: ZAG000147133

GROUP COMPANY SECRETARY

Chantel Reddiar
 Email: Governance@woolworths.co.za

REGISTERED OFFICE

Woolworths House
 93 Longmarket Street
 Cape Town 8001, South Africa

POSTAL ADDRESS

PO Box 680
 Cape Town 8000, South Africa

CONTACT DETAILS

Tel: +27 (21) 407 9111

INVESTOR RELATIONS

Email: InvestorRelations@woolworths.co.za

WEBSITE

www.woolworthsholdings.co.za

PRINCIPAL TRANSACTIONAL BANKERS

The Standard Bank of South Africa Limited
 National Australia Bank Group
 Commonwealth Bank of Australia
 ABSA Bank Limited

AUDITORS

Ernst & Young Inc.

JSE SPONSOR

Rand Merchant Bank
 (A division of FirstRand Bank Limited)
 1 Merchant Place
 Cnr Fredman Drive and Rivonia Road
 Sandton 2194, South Africa
 PO Box 786273
 Sandton 2146

TRANSFER SECRETARIES

Computershare Investor Services Proprietary Limited
 15 Biermann Avenue, Rosebank 2196, South Africa
 PO Box 61051, Marshalltown 2107, South Africa

Tel: (+27 11) 370 5000

Fax: (+27 11) 370 5487

Email: woolworths@computershare.co.za

CONTACT INFORMATION

For any further information you might require and feedback on our Notice report, please contact:

GROUP COMPANY SECRETARY

Governance@woolworths.co.za

INVESTOR RELATIONS

InvestorRelations@woolworths.co.za

or visit our Group websites:

www.woolworthsholdings.co.za, www.woolworths.co.za, www.davidjones.com.au, www.countryroad.com.au.

In line with our Good Business Journey, this is printed on Sappi Camelot Cartridge paper – fully recyclable.



FORM OF PROXY

(Incorporated in the Republic of South Africa)
 (Registration number 1929/001986/06)
 Share code: WHL
 ISIN number: ZAE000063863
 Bond company code: WHLI
 Bond code: WHL01
 (WHL or the Company)

WHL

For use only by:

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

at the Annual General Meeting of shareholders of the Company to be held in the Auditorium, 1st Floor Woolworths House, 93 Longmarket Street, Cape Town 8001 at 10:00 on Friday, 30 November 2018 and at any adjournment or postponement thereof ('Annual General Meeting').

If you are a shareholder referred to above, and entitled to attend and vote at the Annual General Meeting, you can appoint a proxy or proxies to attend, vote, and speak in your stead at the Annual General Meeting. A proxy need not be a shareholder of the Company.

If you are an ordinary shareholder and have dematerialised your ordinary shares through a CSDP (and have not selected 'own name' registration in the sub-register maintained by a CSDP), do not complete this form of proxy but instruct your CSDP to issue you with the necessary authority to attend the Annual General Meeting, or if you do not wish to attend, provide your CSDP with your voting instructions in terms of your custody agreement entered into with it.

I/We (full names in block letters) _____
 of (Address) _____
 Telephone number (_____) _____ Cellphone number _____ being a holder/s of _____
 ordinary shares in the company, hereby appoint (see note 10)

1. _____ of _____ failing him/her
2. _____ of _____ failing him/her
3. the Chairman of the Company, or failing him the Chairman of the Annual General Meeting, as my proxy to attend, speak and on a poll to vote or abstain from voting on my/our behalf, as indicated below, at the Annual General Meeting and/or at any adjournment or postponement thereof.

Resolution	For	Against	Abstain
1. Ordinary resolution 1 – re-elect by way of separate resolutions the following retiring Directors available for election:			
1.1 Patrick Allaway			
1.2 Andrew Higginson			
1.3 Gail Kelly			
1.4 Zyda Rylands			
2. Ordinary resolution 2 – election of Director			
2.1 Sizakele Mzimela be elected as a Director			
3. Ordinary resolution 3 – re-appointment of Ernst & Young Inc. as the auditors			
4. Ordinary resolution 4 – elect Audit Committee members by way of separate resolutions:			
4.1 Patrick Allaway			
4.2 Zarina Bassa			
4.3 Hubert Brody			
4.4 Andrew Higginson			
5. Non-binding advisory resolution 1 – approval of the Remuneration Policy			
6. Non-binding advisory resolution 2 – approval of the Remuneration Implementation Report			
7. Special resolution 1 – approval of Non-executive Directors' fees for the period 1 January 2019 to 31 December 2019 exclusive of value-added tax			
8. Special resolution 2 – approval of general authority to repurchase shares			
9. Special resolution 3 – approval of financial assistance to related or inter-related companies or undertakings			
10. Special resolution 4 – approval of issue of shares or options and grant of financial assistance in terms of the Company's share based incentive schemes			

Insert an 'X' in the relevant spaces above according to how you wish your votes to be cast. However, if you wish to cast your votes in respect of a lesser number of shares than you own in the Company, insert the number of shares which you desire to vote (see note 2). This proxy shall be valid only for the Annual General Meeting of shareholders of the Company to be held on Friday, 30 November 2018 and any adjournment or postponement thereof.

Signed this _____ day of _____ 2018

Assisted by me (if applicable) _____

Signature _____

Please read the notes on the reverse side hereof.

NOTES:

A WHL shareholder is entitled to appoint one or more proxies (none of whom need be a shareholder of WHL) to attend, speak and vote or abstain from voting in the place of that shareholder at the Annual General Meeting.

1. A WHL shareholder may therefore insert the name of a proxy or the names of two alternative proxies of the WHL shareholder's choice in the space provided, with or without deleting the words "the Chairman of the Company, or failing him the Chairman of the Annual General Meeting." The person whose name appears first on this form of proxy and who is present at the Annual General Meeting will be entitled to act as proxy to the exclusion of those whose names follow.
2. A WHL shareholder's instructions to the proxy must be indicated by the insertion of an 'X' in the appropriate box or if a WHL shareholder wishes the proxy to cast votes in respect of a lesser number of shares than the WHL shareholder owns, the requisite number of shares should be inserted in the appropriate box. Failure to comply with the above will be deemed to authorise and instruct the Chairman of the Company or failing him the Chairman of the Annual General Meeting, if he is the authorised proxy, to vote in favour of the resolutions concerned at the Annual General Meeting, or any other proxy to vote or abstain from voting at the Annual General Meeting as he deems fit, in respect of the WHL shareholder's total holding.
3. The completion and lodging of this form of proxy will not preclude a WHL shareholder from attending the Annual General Meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof, should such WHL shareholder wish to do so.
4. In case of joint holders, the vote of the most senior joint holder who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other joint holders, for which purpose seniority will be determined by the order in which the names appear on the Company's register of shareholders in respect of the joint holding.
5. The Chairman of the Annual General Meeting may reject or accept any form of proxy which is completed and/or received, otherwise than in accordance with these notes.
6. 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 Company's Transfer Secretary or waived by the Chairman of the Annual General Meeting.
7. Any alteration or correction to this form of proxy must be initialled by the signatory/ies.
8. For administrative purposes only, proxy forms should be delivered to the Company's Transfer Secretary, Computershare Investor Services Proprietary Limited, Rosebank Towers, 15 Biermann Avenue, Rosebank 2107, or be posted to them at PO Box 61051, Marshalltown 2107, or emailed to them at proxy@computershare.co.za, so as to be received by 10:00 on Wednesday, 28 November 2018 or thereafter to the Company by hand at Woolworths House, 93 Longmarket Street, Cape Town 8001 or electronically to the Group Company Secretary at Governance@woolworths.co.za. A proxy form is enclosed for use by such ordinary shareholders. Any forms of proxy submitted by this time may nevertheless be submitted to the Transfer Secretaries before the meeting or handed to the Chairman of the Annual General Meeting prior to the shareholder exercising any rights of a shareholder at the Annual General Meeting.
9. If the Annual General Meeting is adjourned or postponed, forms of proxy submitted for the Annual General Meeting will remain valid in respect of any adjournment or postponement of the Annual General Meeting, unless the contrary is stated on such form of proxy.
10. The appointment of a proxy or proxies:
 - a. is suspended at any time and to the extent that a WHL shareholder chooses to act directly and in person in the exercise of any rights as a WHL shareholder;
 - b. is revocable, in which case a WHL shareholder may revoke the proxy appointment by:
 - (i) cancelling it in writing or making a later inconsistent appointment of a proxy; and
 - (ii) deliver a copy of the revocation instrument to the proxy to the Company's Transfer Secretary, Computershare Investor Services Proprietary Limited at 15 Biermann Avenue, Rosebank 2107, or posted to them at PO Box 61051, Marshalltown 2107;
 - c. if the instrument appointing a proxy or proxies has been delivered to the Company's Transfer Secretaries, as long as that appointment remains in effect, any notice that is required by the Companies Act 71 of 2008, as amended (the 'Companies Act'), or the Company's Memorandum of Incorporation to be delivered by the Company to the WHL shareholder, must be delivered by the Company to:
 - (i) the WHL shareholder; or
 - (ii) the proxy or proxies, if the WHL shareholder has directed the Company to do so in writing and paid any reasonable fee charged by the Company for doing so.

SUMMARY OF THE RIGHTS OF A WHL SHAREHOLDER TO BE REPRESENTED BY PROXY:

For purposes of this summary, the term 'shareholder' shall have the meaning ascribed thereto in Section 57(1) of the Companies Act. Shareholders' rights regarding proxies in terms of Section 58 of the Companies Act include, inter alia, to at any time appoint any individual, including an individual who is not a shareholder of that company, as a proxy to participate in, and speak and vote at, a shareholders' meeting on behalf of the shareholder.

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 a manner contemplated in Section 58(4)(c), or expires earlier as contemplated in Section 58(8)(d) of the Companies Act.

Except to the extent that the Memorandum of Incorporation of the Company provides otherwise:

- a shareholder of that company may appoint 2 (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;
- a proxy may delegate the proxy's authority to act on behalf of the shareholder to another person, subject to any restriction set out in the instrument appointing the proxy; and
- 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 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;
- the appointment is revocable unless the proxy appointment expressly states otherwise; and
- if the appointment 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:

- stated in the revocation instrument, if any; or
- 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.

Should the instrument appointing a proxy or proxies have 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 is entitled to exercise, or abstain from exercising, any voting right of the relevant shareholder without direction, except to the extent that the Memorandum of Incorporation of the relevant company or the instrument appointing the proxy provide otherwise.

If a company issues an invitation to shareholders to appoint 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.

