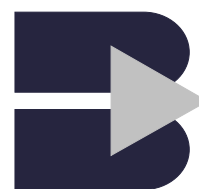




18



BIDVest

The Bidvest Group Limited
Notice of annual general
meeting 2006

The Bidvest Group Limited

The Bidvest Group Limited

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

PO Box 87274
Houghton, 2041
South Africa

This document is important and requires your immediate attention

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

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

The Bidvest Group Limited

Registration number 1946/021180/06

Website address

www.bidvest.com



Letter from the chairman

Dear shareholder

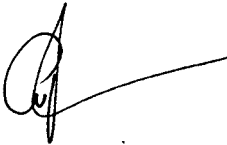
I have great pleasure in extending an invitation to you to attend the 60th annual general meeting of The Bidvest Group Limited to be held in the boardroom, Third Floor, Bidvest House, 18 Crescent Drive, Melrose Arch, at 09:00 on Tuesday, October 31 2006.

You will find with this letter:

- ▶ The notice of meeting setting out the resolutions to be proposed, together with explanatory notes, and guidance notes for shareholders who wish to attend the meeting or to vote by post
- ▶ Voting forms (proxy/voting instruction)
- ▶ A copy of the Bidvest Group Limited financial statements 2006 including the directors' remuneration report

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

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



MC Ramaphosa
Chairman

Notice to shareholders

Notice is hereby given that the 60th annual general meeting of members of The Bidvest Group Limited will be held at Bidvest House, 18 Crescent Drive, Melrose Arch, Johannesburg at 9:00 on Tuesday, October 31 2006 for the following purposes:

1. To receive, consider and adopt the audited financial statements of the Company and the Group for the year ended June 30 2006, together with the reports of the directors and auditors.
2. To approve the non-executive directors' remuneration for the year ending June 30 2007.

Proposed remuneration for non-executive directors:

Chairman	R400 000 per annum
Board members	R27 000 per annum plus R9 000 per meeting
Alternate directors	R13 500 per annum plus R9 000 per meeting if attended in place of the nominated director
Audit committee chairman	R36 000 per annum plus R13 500 per meeting
Audit committee member	R27 000 per annum plus R9 000 per meeting
Remuneration committee chairman	R27 000 per annum plus R9 000 per meeting
Remuneration committee member	R9 000 per meeting
Nominations committee chairman	R9 000 per annum plus R9 000 per meeting
Nominations committee member	R9 000 per meeting
Acquisitions committee chairman	R27 000 per annum plus R9 000 per meeting
Acquisitions committee member	R9 000 per meeting
Risk committee chairman	R27 000 per annum plus R9 000 per meeting
Risk committee member	R9 000 per meeting
Other services	To be approved by the chief executive up to a maximum in aggregate of R3,25 million per annum

3. To confirm the re-appointment of KPMG Inc as auditors.
4. To consider and, if deemed fit, to pass, with or without modification, the following special resolutions:

4.1 Special resolution number 1

"Resolved that the Company or any of its subsidiaries, be and are hereby authorised, by way of a general approval, to acquire ordinary shares issued by the Company, in terms of sections 85(2) and 85(3) of the Companies Act, No 61 of 1973 (as amended) and in terms of the rules and requirements of the JSE Limited ("the JSE"), being that:

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

- ▶ the Company remaining in compliance with the minimum shareholder spread requirements of the JSE listing requirements; and
- ▶ the Company and/or its subsidiaries not repurchasing any shares during a prohibited period as defined by the JSE listing requirements.”

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

4.2 Special resolution number 2

“Resolved that the articles of association of the Company be cancelled and new articles of association be adopted in place thereof.”

The reason for and effect of special resolution number 2 is to incorporate amendments to the Company's Act, including the electronic transmission of documents and to take into account special resolutions passed since 1990, previously approved by shareholders. The articles of association will be available for inspection at the meeting and at the registered office of the Company during usual business hours on any weekday from the date of this report to the date of the annual general meeting.

4.3 Special resolution number 3

“Resolved that the acquisition by:

- BB Investment Company (Proprietary) Limited (“BB Investment Company”), a wholly owned subsidiary of the Company, by way of a specific authority, in terms of section 89 of the Companies Act, 1973, as amended (the “Companies Act”) and in terms of section 5.69 of the JSE Limited (the “JSE”) listing requirements (“the listings requirements”), of 18 000 000 ordinary shares in the Company, being a specific repurchase, from Dinatla Investment Holdings (Proprietary) Limited (“Dinatla”) for a consideration of R79,38 (seventy nine rand and thirty eight cents) per ordinary share, upon the terms and subject to the conditions contained in the agreement entered into between them in writing dated October 5 2006 (the “repurchase agreement”); and
- the Company and or BB Investment Company by way of a specific authority in terms of section 85 or section 89 of the Companies Act, as the case may be, and in terms of section 5.69 of the listings requirements, of 15 000 000 ordinary shares in the Company, being a specific repurchase from Dinatla for a consideration of R75,00 (seventy five rand) per ordinary share if and to the extent that a put option granted by the Company in favour of Dinatla is exercised, upon the terms and subject to the conditions contained in the agreement entered into between them in writing dated October 5 2006 (the “put option agreement”)

be and are hereby authorised.”

The reason for the special resolution is to comply with section 85 and section 89 of the Companies Act, as the case may be, and to obtain the specific authority required in terms of section 5.69 of the JSE listings requirements for the acquisition of ordinary shares upon the terms and subject to the conditions set out in the repurchase agreement and the put option agreement. The effect of the special resolution is to approve the acquisition by BB Investment Company of 18 000 000 of the Company's issued ordinary shares upon the terms and subject to the conditions of the repurchase agreement and the acquisition by BB Investment Company or the company of 15 000 000 of the Company's issued ordinary shares upon the terms and subject to the conditions set out in the put option agreement.

A fair and reasonable opinion has been conducted on the specific repurchases. Deloitte & Touche were appointed as independent advisers to determine whether the transactions in terms of the resolutions are fair and reasonable to shareholders. Deloitte's have concluded that the repurchase in respect of the repurchase agreement is fair and reasonable. However, in respect of the repurchase in relation to the put option Deloitte & Touche conclude the terms are unfair as to price but reasonable as to other qualitative factors. A copy of their opinion is attached to the notice.

The Repurchase agreement and the put option agreement referred to in the abovementioned special resolutions will be available for inspection at the meeting and at the registered office of the Company during usual business hours on any weekday from the date of this report to the date of the annual general meeting.

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

5.1 Ordinary resolution number 1

“To place 30 (thirty) million of the unissued shares of the Company under the control of the directors, who shall be authorised, subject to the requirements of the JSE, to allot and issue up to 30 (thirty) million shares in the authorised, but unissued share capital of the Company at such times, at such prices and for such purposes as they may determine, at their discretion, after setting aside so many shares as may be required to be allotted and issued pursuant to the Company's employee share option scheme.”

Notice to shareholders

5.2 Ordinary resolution number 2

"That subject to the passing of ordinary resolution number 1 and in terms of the JSE listing requirements, the directors are hereby authorised to issue up to 30 (thirty) million ordinary shares for cash, representing a class of share already in issue, as and when suitable opportunities arise, subject to the following conditions, inter alia:

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

The approval of a 75% majority of the votes cast by shareholders present or represented by proxy at the meeting is required for ordinary resolution number 2 to become effective.

5.3 Ordinary resolution number 3

"Resolved that the directors of the Company shall be entitled to pay by way of a pro rata reduction of share capital or share premium, in lieu of a dividend, an amount equal to the amount which the directors of the Company would have declared and paid out of profits in respect of the Company's interim and final dividends for the financial year ending June 30 2007."

In terms of paragraph 5.86 of the JSE listing requirements, any general payment will not exceed 20% of the Company's issued share capital.

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

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

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

5.4 Ordinary resolution number 4

"Resolved that the Deed of Amendment to the Bidvest Incentive Scheme be and is hereby adopted.

The reason for and effect of ordinary resolution number 4 is to bring The Bidvest Incentive Trust Deed, established on October 9 1990 in line with current practice. Details of the amendment to The Bidvest Incentive Scheme are set out below:

- 1. The provisions of the original Trust Deed shall apply in respect of options granted on or prior to the effective date of the amendment and to Trust Scheme Instruments purchased on or prior to that date.*
- 2. In respect of all new Options and all New Scheme Instruments the provisions of the original Trust Deed will be of no force and effect and the addendum shall regulate the New Options and New Trust Scheme Instruments.*

3. *the Clause related to the resignation or removal of a Trustee has been expanded to include the following:*
 - ▶ *if an application is filed for the sequestration of his estate;*
 - ▶ *he leaves the Republic of South Africa permanently;*
 - ▶ *he becomes permanently incapacitated;*
 - ▶ *or he dies.*
4. *The amendment includes disqualification of the following persons from acting as Trustees of the Trust:*
 - ▶ *Any person who would be disqualified from acting as a director of a company in terms of the Companies Act;*
 - ▶ *Any person removed from an office of trust on account of misconduct;*
 - ▶ *A person whose estate has been sequestrated and has not been rehabilitated;*
 - ▶ *Any person who has been declared by a competent court to be mentally ill or is incapable of managing his own affairs or is detained as a patient in an institution or as a State patient; or*
 - ▶ *A person who has been convicted of any crime involving dishonesty.*
5. *The initial Trust Deed is an annexure to the addendum.*
6. *The grant price.*

The Deed of Amendment will be available for inspection at the meeting and at the registered office of the Company during usual business hours on any weekday from the date of this report to the date of the annual general meeting. The following information, appears in the financial statements of which this notice forms part, and is provided in terms of the JSE listing requirements for purposes of the general authority:

- ▶ Directors – page 12
- ▶ Major shareholders – page 78
- ▶ Directors' interests in ordinary shares – pages 12 and 13
- ▶ Share capital of the Company – page 72.

Litigation statement

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

Directors' responsibility statement

The directors, whose names appear on page 12 of the financial statements, collectively and individually accept full responsibility for the accuracy of the information pertaining to these resolutions. They certify that, to the best of their knowledge and belief, there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that the special resolutions contain all information.

Material changes

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

Share purchases

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

Notice to shareholders

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

6. To re-elect, by separate ordinary resolutions numbered 6.1 to 6.8, the following directors who are required in terms of the articles of association, to retire by rotation as directors at the forthcoming annual general meeting and who are eligible for re-election at the annual general meeting:

6.1 Mr DDB Band

Mr Band is a non-executive director of The Standard Bank Group Limited, Electronic Media Network Limited, Supersport International Holdings Limited, MIH Holdings Limited, Tiger Brands Limited and MTN Group Limited. Doug has extensive experience in both commerce and industry and has served in an executive position in various blue-chip listed companies.

6.2 Mr BL Berson

Bernard has nineteen years of international financial, administrative and management experience in numerous industries.

6.3 Ms LG Boyle

Lilian is a director of numerous Bidvest subsidiaries, a non-executive director of the South African Bank Note Company (Pty) Limited and SA Mint (Pty) Limited. Lilian has thirty-eight years of diverse business experience including seven years in the freight management industry and twenty years in the travel industry.

6.4 Ms MBN Dube

Ms Dube is a director of numerous Bidvest subsidiaries, Enviroserv Holdings Limited and ZAICO (Pty) Limited. Muriel has senior strategic management and operational experience in the public sector and with multinationals in the private sector.

6.5 Mr LI Jacobs

Mr Jacobs is a director of numerous Bidvest subsidiaries, Bassap Investments (Pty) Limited and Dinatla Investment Holdings (Pty) Limited. Lionel is an entrepreneur with extensive negotiating and investment skills and established Bassap Investments (Pty) Limited, a core shareholder in the Dinatla consortium, to further his commitment to the principles of black economic empowerment.

6.6 Ms RM Kunene

Ms Kunene is the chief executive officer of Nandi Heritage (Pty) Limited, Chairman of ECH Management Solution (Africa) (Pty) Ltd and a director of Dinatla Investment Holdings (Pty) Limited, NPMS Energy (Pty) Limited and Ikhwezi Lomso Laundries. Rachel was a founder member of the broad-based empowerment group Nandi Heritage (Pty) Limited.

6.7 Mr D Masson

Mr Masson is a director of numerous Bidvest subsidiaries, Cashbuild Limited, Pamodzi Financial Services Limited, Valley Irrigation Limited, Faritec Holdings Limited. Trustee of Investment Solutions, Cashbuild Pension Fund and former chairman of the South African Post Office Pension Fund. Donald is a former member of the President's Economic Advisory Council and has forty years of diverse business experience in senior executive positions at numerous listed, unlisted and parastatal organisations.

6.8 Mr SG Pretorius

Mr Pretorius is a director of numerous Bidvest subsidiaries. Brand has thirty-three years' experience in the motor industry (manufacturing and retail) and is a member of various advisory boards. He is a board member of the State President's International Marketing Council, the National Business Initiative and the President of the South African Retail Motor Industry Association.

7. To re-elect by separate ordinary resolutions numbered 7.1 to 7.4, the following directors who are required in terms of Article 53.3 of the articles of association, to stand for re-election as directors at the forthcoming annual general meeting and who are eligible for re-election at the annual general meeting:

7.1 Mr DE Cleasby

Mr Cleasby the Group financial director designate and is a director of Bid Property Holdings (Pty) Limited, McCarthy Limited and Durban Coal Terminal company Limited. David was financial director of Rennie's Terminals when Rennie's was acquired by Bidvest in 1998. In 2001, he joined the Bidvest corporate office, where he has been involved in both group corporate finance and investor relations.

Notice to shareholders

7.2 Mr AW Dawe

Mr Dawe is a director of numerous Bidvest subsidiaries. Anthony has twelve years' experience in the freight industry with most of those years focused in the South African port environment. Prior to this Anthony's experience was in financing in London and he worked for one of the large accounting firms in South Africa.

7.3 Mr NG Payne

Mr Payne is a director of the JSE Limited. Nigel is a leading authority on corporate governance, risk management and internal audit and was the convenor of the risk management and internal audit task team at the King II report.

7.4 Adv FDP Tlakula

Adv Tlakula is the chief electoral officer of the Independent Electoral Commission and was previously a member of the Human Rights Commission. Pansy is a director of Lehotsa Holdings (Pty) Limited, MMRT (Pty) Limited and Khomanani Womens Investment (Pty) Limited.

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

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

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

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

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

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

Mr I Haniff +27 (11) 834 2266, Link Market Services (Pty) Limited, 11 Diagonal Street, Johannesburg 2001

(PO Box 4844, Johannesburg 2000, South Africa) to reach the Company by 09:00 on Monday, October 30 2006.

By order of the board



MA David
Company secretary

Friday, October 6 2006

Notice to shareholders

FAIR AND REASONABLE OPINIONS IN RESPECT OF SPECIAL RESOLUTION NUMBER 3

6 October 2006

The Bidvest Group Limited
Bidvest House
18 Crescent Drive
Melrose Arch
2196

Attention: The Directors

Dear Sirs

Fair and reasonable opinions to the shareholders of The Bidvest Group Limited ("Bidvest") on Bidvest's involvement in the proposed refinancing of the shareholding of Dinatla Investment Holdings (Proprietary) Limited ("Dinatla") in Bidvest

Introduction

In terms of a scheme of arrangement proposed by Dinatla between Bidvest and the holders of ordinary shares in Bidvest, Dinatla acquired approximately 15% of the issued share capital of Bidvest in 2003. Dinatla has an obligation to settle its indebtedness relating to this acquisition on or, if only in cash, prior to December 8 2006. The amount of the Dinatla indebtedness is based on a rolling 14-day traded volume weighted average price ("VWAP") of the Bidvest shares immediately preceding the earlier of the specified date or the settlement date, but subject to a maximum of R60 per Bidvest share and a minimum of R42 per Bidvest share. Based on the anticipation that the 14-day traded VWAP per Bidvest share does not fall below R60 per share, the amount of the Dinatla indebtedness is R2,7 billion, being 45 million Bidvest shares multiplied by the maximum price of R60 per share.

Dinatla is arranging to refinance its debt relating to its shareholding in Bidvest. In terms of this refinancing BB Investment Company (Proprietary) Limited, a wholly owned subsidiary of Bidvest, will repurchase 18 million shares from Dinatla at R79,38 per share amounting to a total consideration of approximately R1,4 billion ("the Bidvest repurchase"). The remaining amount of the Dinatla indebtedness of approximately R1,3 billion will be funded by Investec Bank Limited or its nominee ("Investec") subscribing for cumulative, redeemable, non-participating preference shares to be issued by Dinatla, which will be redeemable on 30 March 2012 ("the closing date"). To enable Dinatla to secure market-related funding on the Dinatla preference shares on favourable terms, Bidvest has granted Dinatla an American put option ("the put option") against Bidvest. The put option is over 15 million Bidvest shares at R75 per Bidvest share for the period commencing 3-months after the subscription date in respect of the Dinatla preference shares and ending on the closing date. The put option can only be exercised in the event that and for so long as the Bidvest share price falls below R75 based on a rolling 10-day traded VWAP of the Bidvest shares. The Bidvest repurchase and the granting of the put option are separate transactions and we refer to them as the proposed transactions.

Details of the proposed transactions are contained in the notice of annual general meeting, of which this letter forms part.

Scope

In terms of the JSE Limited ("JSE") Listings Requirements, the Bidvest repurchase and the granting of the put option by Bidvest are regarded as related-party transactions. In terms of paragraph 10.4(f) of these Listings Requirements, an opinion is required from an independent professional expert, acceptable to the JSE, indicating whether or not the proposed transactions are each fair and reasonable to the shareholders of Bidvest.

As a consequence of the above, the directors of Bidvest have appointed the Corporate Finance division of Deloitte & Touche to act as an independent professional expert to advise whether the proposed transactions are each fair and reasonable to the shareholders of Bidvest.

Definition of the terms "fair" and "reasonable"

The assessment of fairness is primarily based on quantitative issues. The Bidvest repurchase would be considered fair to the shareholders of Bidvest if the price at which the shares are repurchased were less than the fair value of the shares. The granting of the put options to Dinatla would be considered fair if the quantitative benefits from issuing the option were greater than the fair value of the put option.

The reasonableness of the proposed transactions, however, is determined based on qualitative issues. Hence, a transaction may be unfair but still be reasonable, or vice versa, after taking into consideration other significant factors.

The fair and reasonable opinions do not purport to cater for individual shareholders but rather the general body of shareholders.

Information utilised and procedures carried out

In arriving at our opinions we have considered information from the following sources:

- ▶ a brief review of Bidvest including a summary of the history and the nature of the business. This information was acquired from a variety of sources, including discussions with management of Bidvest;
- ▶ relevant analysts' reports dealing with the industry in which the company operates and on the company itself;
- ▶ Bidvest's audited annual financial statements for 2004, 2005 and 2006;
- ▶ the purchase of shares agreement and the put option agreement;
- ▶ Bidvest's budget for the 2007 year;
- ▶ valuation inputs required for option pricing, such as risk free rates, volatility assumptions, projected dividend yields and Bidvest share prices from independent sources; and
- ▶ discussions with senior management of Bidvest.

Where practical, we have corroborated the reasonability of the information provided to us for the purpose of our opinions, including publicly available information, whether in writing or obtained in discussion with management of Bidvest.

OUR APPROACH TO CONSIDERING THE PROPOSED TRANSACTIONS

The Bidvest repurchase

In considering the Bidvest repurchase, we have performed an independent indicative valuation of the Bidvest shares and compared this to R79,38, the price of the Bidvest repurchase. In order to value Bidvest shares we reviewed and summarised information in recent analyst reports on Bidvest and identified key assumptions used by the analysts' in their valuations. We constructed a free cash flow valuation model based on projected revenue growth rates, projected operating margins and reinvestments into net operating assets for each business segment, other high level projected financial information of Bidvest, and economic and market data and assumptions. This model also enabled us to test the impact of the aforementioned key assumptions, which drive value, on the valuation of Bidvest shares. Where applicable we discussed these assumptions with management of Bidvest, compared them to assumptions implicit in Bidvest's 2007 budget, and compared certain economic and market assumptions to the findings of our own research.

The put option

In considering the put option, we have calculated the fair value thereof by using appropriate valuation models and the option valuation inputs, which we have considered. In addition we attempted to quantify benefits to shareholders arising from the grant of this option. We used the Black-Scholes and binomial option tree models to value the put option.

Due to the nature of the benefits to Bidvest arising from the grant of the put option we were not able to quantify the value of such benefits. The benefits are included as qualitative factors, as follows:

- ▶ the proposed transactions bring more gearing to the balance sheet of Bidvest
- ▶ the proposed transactions result in Bidvest's earnings per share being enhanced
- ▶ the proposed transactions enhance the return on equity of Bidvest
- ▶ the proposed transactions remove any concern in the market regarding a possible overhang of Bidvest shares
- ▶ the proposed transactions facilitate Dinatla remaining invested in 9% of Bidvest's equity and enable Bidvest to retain this Black Economic Empowerment shareholder.

Notice to shareholders

Opinions

Based on the results of our indicative valuation of Bidvest shares, and other information considered, we are of the opinion that the terms and conditions of the repurchase of the Bidvest shares from Dinatla are fair and reasonable to the shareholders of Bidvest.

With regard to the grant of the put option, we were unable to quantify the benefits to Bidvest and, accordingly, we are required to conclude that the terms and conditions of granting the put option are unfair as to price. However we find that the terms and conditions are reasonable to the shareholders due to the compelling qualitative factors we have noted above.

Our opinions are based upon the market, regulatory and trading conditions as they currently exist and can only be evaluated as at the date of this letter. It should be understood that subsequent developments may affect our opinions, which we are under no obligation to update, revise or re-affirm.

The decision of each shareholder of Bidvest may be influenced by particular circumstances. We suggest that a shareholder should consult an independent adviser if in any doubt as to the merits of the proposed transactions considering personal circumstances.

Limiting conditions

Forecasts relate to future events and are based on assumptions, which may not remain valid for the whole of the relevant period. Consequently, forecast information cannot be relied upon to the same extent as that derived from audited financial statements for completed accounting periods. We express no opinion as to how closely actual results will correspond to projections made by the management of Bidvest and provided to us during the course of our review.

Our procedures and inquiries did not constitute an audit in terms of International Standards on Auditing. Accordingly, we cannot express an audit opinion on the financial data or other information used in arriving at our opinions.

Independence

We confirm that we have no financial interest in Bidvest. Furthermore, we confirm that our professional fees are not contingent upon the success of the proposed transactions.

Consent

We hereby consent to the inclusion of this letter and references thereto in the notice of annual general meeting in the form and context in which they appear.

Yours faithfully

Deloitte & Touche Corporate Finance

Deloitte & Touche

Registered Auditors

Woodlands Drive

Woodmead

Sandton

2196



Form of proxy

(Reg No: 1946/021180/06)

Share code: BVT • ISIN number: ZAE 00005 0449

For the 60th annual general meeting – for use by certificated shareholders and dematerialised shareholders with “own name” registration.

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

I/We _____

of _____

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

hereby appoint _____

of _____

or failing him _____

of _____

or failing him, the Chairman of the meeting as my/our proxy to vote on my/our behalf at the annual general meeting of the Company to be held at 09:00 on October 31 2006 or at any adjournment thereof, as follows:

	For	Against	Abstain
1. To adopt annual financial statements			
2. To approve non-executive directors' remuneration for the year ending June 30 2007			
3. To re-appoint the auditors for the ensuing year			
4. Special resolutions			
4.1 General approval for share buy back			
4.2 Adoption of new articles of association			
4.3 Specific buy back of shares			
5. Ordinary resolutions			
5.1 Place the unissued shares under the directors' control			
5.2 Issue of ordinary shares for cash			
5.3 Payment of dividend by way of a pro rata reduction of share capital or share premium			
5.4 Adoption of deed of amendment to the Bidvest Incentive Scheme			
6. To re-elect directors in terms of the Company's articles of association			
6.1 Mr DBD Band			
6.2 Mr BL Berson			
6.3 Ms LG Boyle			
6.4 Ms MBN Dube			
6.5 Mr LI Jacobs			
6.6 Ms RM Kunene			
6.7 Mr D Masson			
6.8 Mr SG Pretorius			
7. To re-elect directors in terms of Article 53.3 of the Company's articles of association			
7.1 Mr DE Cleasby			
7.2 Mr AW Dawe			
7.3 Mr NG Payne			
7.4 Adv FDP Tlakula			

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

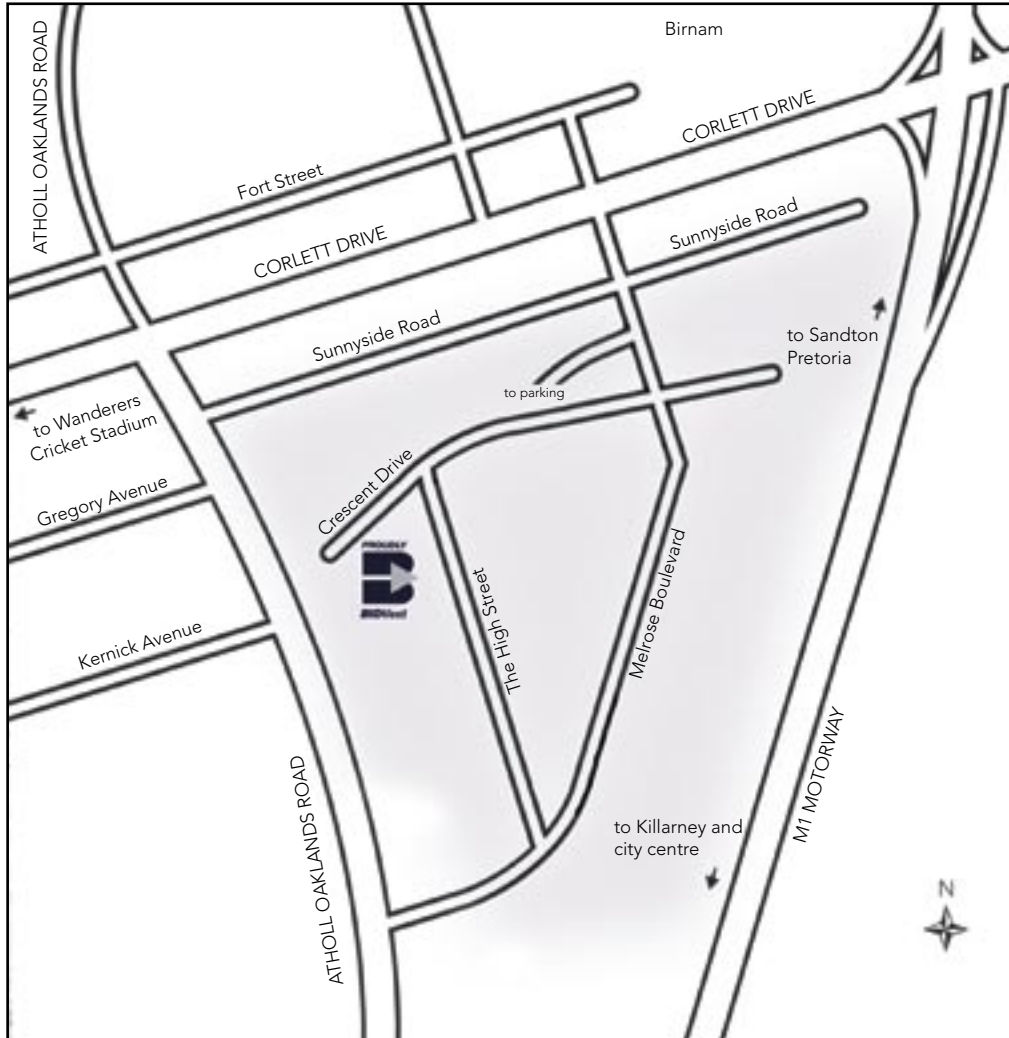
Signed this _____ day of _____ 2006

Member _____

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

Notes

1. On a poll a shareholder is entitled to one vote for each share held.
2. A shareholder may insert the name of a proxy of the shareholder's choice in the space provided.
3. Forms of proxy must be lodged at, posted to or faxed for attention Mr I Haniff +27 (11) 834 2266, Link Market Services (Pty) Limited, 11 Diagonal Street, Johannesburg 2001, Box 4844, Johannesburg 2000, so as to reach the Company at least 24 hours before the meeting.
4. The completion and lodging of this form of proxy will not preclude the relevant shareholders from attending the general meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof.
5. Any alteration or correction made to this form of proxy must be initialled by the signatory.
6. If any shares are jointly held, the first name appearing in the register shall, in the event of any dispute, be taken as the shareholder.



The Bidvest Group Limited

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*The promise of new life reaches far and wide,
where it takes root and starts to flourish*