

Nampak Sells Glass Business For An Estimated R1.5 Billion

Johannesburg, 26 September 2019 - Nampak Limited has entered into a sale agreement for the sale of its Glass business for an estimated R1.5 billion as a going concern to Isanti Glass 1 Proprietary Limited. The Glass business is one of two primary glass container manufacturers in South Africa servicing beverage and food manufacturers with an estimated market share of 25%.

Nampak CEO, André de Ruyter commented: *“The sale of the Nampak Glass business is in line with Nampak’s ongoing strategy to sharpen our focus on strategic substrates. We continue to rationalise the portfolio to optimise and improve returns on capital and reinforce our strategic intent. Proceeds from this disposal will be primarily used to reduce both local and international interest bearing debt and strengthen the company’s financial position.”*

The consideration, partially earmarked to improve gearing by reducing Nampak Limited’s debt levels, is payable in cash and consists of R992 million for the property, plant and equipment plus the value attributable to agreed levels of net working capital of the business as at the closing date. The disposal is subject to the fulfilment of various suspensive conditions, typical for a transaction of this nature, including the approval of South African competition authorities. It is not anticipated that the suspensive conditions will have been met before the Nampak Limited 30 September 2019 year-end.

About Nampak Glass

Nampak Glass, a division of Nampak Products Limited, a wholly-owned subsidiary of Nampak Limited, the Johannesburg Stock Exchange listed African packaging company, is one of two primary glass container manufacturers in South Africa and operates 49 facilities worldwide. Nampak Glass operates three furnaces which supply nine forming lines at its manufacturing facility in Roodekop, Gauteng. It has a sales and marketing presence in the Western Cape. The division serves a broad market of local and multinational customers in the beverage and food industries. Nampak Glass was established in 1984.

About Isanti Glass 1

Isanti Glass 1 Proprietary Limited is owned by Kwande Capital Proprietary Limited (“Kwande”) (60%) and SABSA Holdings Proprietary Limited (“SABSA”) (40%). Kwande is a black owned and managed investment company established in 2010, with a primary focus on investing in companies with high growth potential in strategic sectors, primarily in the manufacturing and oil and gas sectors.

SABSA is the holding company of the South African Breweries Proprietary Limited and a wholly owned indirect subsidiary of Anheuser-Busch InBev SA/NV (“AB InBev”). AB InBev is the leading global beer player and one of the largest glass manufacturers in the world. AB InBev has a primary listing in Belgium (Euronext) and secondary listings in South Africa (JSE) and Mexico (MEXBOL).

The Glass business will continue to be owned and operated by Nampak until the effective date of the transaction.