

PIC to acquire 26.4% of Distell

15 December 2016

PRETORIA – The Public Investment Corporation (PIC) announced today that it will acquire 26.4% of the ordinary shares of Distell Group Limited (“Distell”), a leading producer and marketer of ciders, ready-to-drink beverages, spirits and fine wines. The acquisition is subject to approvals by the Competition Commission.

The Distell shares became available as a result of the merger between SABMiller and AB InBev. At the time of approving the merger between AB InBev and SABMiller, the Competition Tribunal laid down a list of merger conditions. One such condition was a requirement for the merged entity to divest of its 26.4% stake in Distell to one or more purchasers approved by the Competition Commission or the existing shareholders of Distell who may exercise their pre-emptive rights to acquire the Distell shareholding. Two of Distell shareholders, Remgro and Capevin Holdings Limited, held pre-emptive rights to purchase these shares in Distell.

Remgro and Capevin Holdings Limited have elected not to exercise their pre-emptive rights, making available 26.4% of Distell’s shares. PIC’s clients stand to benefit from exposure to Distell, whose share price is attractive relative to its fair value as well as the fact that the company has shown consistent growth and continues to implement its international expansion strategy to other countries, including the United States of America and China. Further information on this transaction will be provided as and when it becomes available.

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About PIC

The Public Investment Corporation (PIC) is a public asset management firm wholly owned by the South African government, with the Minister of Finance as the sole shareholder representative of the government. PIC’s clients are mostly public sector entities including the Government Employees Pension Fund, which contribute 90% of the funds that PIC manages. Other clients include Unemployment Insurance Fund, Associated Institutions Pension Fund, Compensation Commissioner Pension Fund and Compensation Commissioner Fund. The PIC is a hybrid of a single asset manager and a multi-manager with emphasis on providing its clients with value at a low cost and invests in established brands with strong management requiring little oversight. It is the largest and successful asset manager on the African continent, with assets under management exceeding R1.8 trillion. The PIC invests in a variety of asset classes such as the following:

- Shares on the Johannesburg Stock Exchange
- Bonds
- Private Equity
- Developmental Investments

The PIC has a clear developmental investment programme. The developmental investments focus on the following areas: Economic Infrastructure (Roads, Rail, Transport & Logistics, Energy, Ports (air, sea, and rail); Social Infrastructure (Affordable Housing, Health, Education); Priority Sector Investments (Agriculture, Agro- processing, Manufacturing and beneficiation Tourism); Environmental & Sustainability (Renewable energy, Clean technology Green buildings, Sustainable environments);and SMEs across all sectors.

For more information, please follow this link: www.pic.gov.za

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