

SABVEST CAPITAL LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 2020/030059/06)

Share code: SBP

ISIN: ZAE000283511

("Sabcap")

VOLUNTARY ANNOUNCEMENT | ACQUISITION BY SABCAP OF AN INTEREST IN VALEMOUNT

Shareholders are advised that Sabcap has acquired a 39.3% equity interest in Valemount Trading Proprietary Limited ("**Valemount**") from the R & K Trust ("**Acquisition**"). Pursuant to the terms of the Acquisition, Sabcap will also provide Valemount with immediate shareholder loan funding and expects to provide additional loans and guarantees for the future funding of Valemount's growth and acquisitions.

Valemount was established in 2012 by Rob and Damien Westerman with the vision of building the leading pet company in South Africa. Through its Westerman's and Animal Zone brands, Valemount is now the largest manufacturer and distributor of bird seed and related feeder products in the country, with operations in Johannesburg, Durban, Cape Town and Port Elizabeth. It is also rapidly expanding the range of products it supplies to the wider pet market, supported by its international partners M-PETS, Beeztees and Pet Rebels. In addition, its distribution centers provide outsourced logistical services to other independent pet product suppliers. Its customers include leading retail chains, specialist pet stores and major co-ops.

A number of acquisitions are being considered to augment Valemount's existing strong organic growth and to widen its product range.

Sabcap's co-shareholders in Valemount are the Damien Westerman family and executive management.

The equity purchase consideration and initial supporting shareholder loans will be determined in accordance with an earnings and cash/debt formula calculated on 28 February 2023 and with reference to loan commitment agreements, with payments by Sabcap expected to be made in December 2022 and May 2023.

Sandton

05 December 2022

Sponsor

RAND MERCHANT BANK (A division of FirstRand Bank Limited)