



Long4Life Limited
(previously Long4Life Proprietary Limited)
(Incorporated in South Africa)
(Registration Number: 2016/216015/06)
("Long4Life" or "the Company")

MEDIA RELEASE

LONG4LIFE ACQUIRES INHLE BEVERAGES

Johannesburg, 23 August 2017:

Long4Life has concluded a Share Purchase Agreement to acquire 100% of Inhle Beverages (Pty) Limited (Inhle), subject to the completion of a due diligence and obtaining certain regulatory, including Competition Commission, approvals.

Inhle is a well-established contract packaging (co-packaging) business located in Heidelberg, Gauteng, and specialises in the canning and bottling of carbonated soft drinks, energy drinks and natural mineral water using cans and polyethylene terephthalate (or PET).

Inhle was established in 2003 with one production line. It is today the second largest beverage co-packaging business in South Africa with seven production lines, and with considerable scope for expansion. It employs around 300 staff and undertakes co-packaging on behalf of an established client base, which have all been growing respective volumes at a steady pace over the last few years.

Inhle is a family-owned business and the existing shareholders, the Botha family, and its management team will continue to be employed in the business.

The maximum purchase consideration is R360 million and will be settled by way of a combination of cash and Long4Life shares, the latter based on Long4Life's traded volume weighted average price (VWAP) in the five days prior to the closing date.

Long4Life Chief Executive, Brian Joffe, commented: "This acquisition fulfils the broad definition of our investment criteria in the leisure space. It presents a strategic opportunity from which we can build a beverage business of scale, through both organic growth and bolt-on acquisitions.

"Immediate access to the largest market in the country as well as its proximity to surrounding territories, positions Inhle extremely well from an expansionary point of view", added Brian Joffe.

Inhle recently secured a liquor licence (for packaging purposes), which represents another industry opportunity for Long4Life to expand its interests in this sector. The co-packaging on behalf of Inhle's clients will initially be focused on canned, already-mixed beverage products, which has seen strong growth over the last few years.

Inhle Director, Chris Botha, added: “The overriding benefit of this acquisition is that it positions Inhle for its next exciting growth chapter. As a family-owned business we have certain constraints, but partnering with Long4Life and being able to access its funding capability, as well as the vast entrepreneurial knowledge and experience of its team, allows us to better position ourselves for the future and, therefore, take advantage of the significant opportunity that exists in the rapidly growing beverage industry in South Africa”.

The concept of co-packaging on behalf of beverage manufacturers is a growing international trend, which ultimately reduces risk for the packaging supplier, being Inhle in this instance.

Long4Life’s Chief Operating Officer, Kevin Hedderwick concluded: “We share a common growth objective with Inhle’s existing shareholders and management, and we recognise the value of entering a market with a partner that is already well-known and highly regarded in its industry. We are excited about the opportunities that this partnership will bring as part of a larger, ambitious entity”.

ends

NOTE TO EDITORS:

About Long4Life

Long4Life is an investment holding company with a lifestyle focus that seeks to generate superior returns for its shareholders over the medium to long term. Long4Life plans to invest primarily in businesses with attractive growth prospects, led by strong, entrepreneurial-minded management teams. The Long4Life Board of Directors are responsible for capital allocation and play an active role in identifying and approving attractive investment opportunities.

Long4Life operates a decentralised management structure, providing financial, strategic and management support to its investee companies. Subject to the fulfilment of certain conditions precedent, it has acquired Sorbet, a franchise business, which offers a range of professional beauty therapy treatments, as well as premium body and skincare products for women and men.

Long4Life has also made an offer for Holdsport, which is a leading South African cash retailer selling sport, leisure and recreational merchandise through a national store network operating the Sportsmans Warehouse and Outdoor Warehouse retail chains. Holdsport also owns Performance Brands, which supplies technical apparel to the sporting and outdoor industry under the First Ascent, Capestorm, Second Skins, and African Nature brands.

About Inhle Beverages

Inhle Beverages is a co-packing manufacturer dedicated to the production of beverages. The company specialises in the bottling of carbonated soft drinks, energy drinks and natural mineral water. Products are produced in PET and cans. Inhle produces both branded and private label products for its customers. It has access to one of the best natural water sources, and also has access to municipal water supply for the manufacturing of soft drinks.

ISSUED ON BEHALF OF: LONG4LIFE

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