

PRESS RELEASE



COMMENT ON MISLEADING INFORMATION ABOUT DELTA'S REGIONAL INVESTMENTS.

Delta Corporation would like to clarify certain facts relating to its investments outside Zimbabwe; following the false and misleading claims circulating in the social media regarding this.

1. In December 2017, Delta acquired a 70% stake in Natbrew Plc – Zambia from Heinrich's Syndicate Limited which is a wholly owned subsidiary of Anheuser-Busch InBev SA/NV (AB InBev). The transaction included the acquisition of the Chibuku brand. Natbrew Plc – Zambia is listed on the Zambia Stock Exchange. AB InBev is a 40% shareholder in Delta.
2. This cross-border investment was approved by the Exchange Control Authority (RBZ), the Zimbabwe Stock Exchange, Security Exchange Zambia, COMESA and other regulators in Zimbabwe and Zambia.
3. Details about the transaction were announced to the market by way of notice and are tabulated in the 2018 annual report. Specifically, the transaction was funded through the use of treasury shares and a bank loan. The funding structure has in no way affected the Company's ability to fund its operations as it has sufficient cash resources.
4. The Company announced in December 2018 that it had entered into binding agreements to acquire United National Breweries Pty Ltd of South Africa. The funding of this transaction is still to be finalised. The information provided in notices relating to such transactions depends on their materiality (value) and the ZSE regulations.
5. These investment transactions to date, have had no direct impact on the operating cash, particularly the foreign currency required for the Zimbabwe operations. The Company had net cash of \$302 million as at 30 September 2018. The disruptions to operations arise from the limited access to foreign currency. These investments will yield dividends and royalties for Delta into the future.
6. AB InBev remains a committed 40% shareholder in the Delta business. AB InBev has supported Delta through credit lines for the importation of raw materials since access to foreign currency became limited and continues to provide this support. In addition, AB InBev has agreed to place over \$120million, due to them in relation to unremitted dividends and fees, into RBZ savings bonds in order to reduce the pressure on the demand of foreign currency. AB InBev remains the anchor shareholder in Delta.
7. It is in the public domain that in certain African markets, AB InBev is divesting from the traditional beer sector, a market segment in which Delta has proven competencies. The Delta Board has resolved to bid for any such assets as they become available. To date, AB InBev has divested from Zambia and Malawi

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traditional beer businesses. It therefore is consistent that AB InBev would not bid for UNB.

Delta therefore notes with concern the irresponsible conclusions reached in the social media claims, of asset stripping in favour of AB InBev. Rather, The Delta Board is excited about the opportunities for growth as market leader in the traditional beer sector in the region.

Delta Corporation continues to subscribe to high levels of corporate governance.

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Note to editors:

Overview of Delta Corporation

Delta Corporation is involved, through its principal subsidiary Delta Beverages, in the brewing of lager and traditional beer and the bottling of soft drinks under licence from the Coca Cola Company. It operates one of the largest distribution network of depots and delivery fleets in Zimbabwe. The Company has a significant interest in Schweppes Zimbabwe which manufactures still and juice drinks under the Coca-Cola franchise. Delta Beverages is the country's leading brewer with more than 15 beer brands and some 4,000+ employees across the country. The group's portfolio includes Castle, Carling Black Label, Chibuku, Chibuku Super, Castle Lite, Redd's and Castle Milk Stout as well as leading local brands such as Golden Pilsener and Zambezi. Its associate entity African Distillers is the leading producer of wines, spirits and ciders. It is the majority shareholder in Natbrew Plc, the LuSE listed traditional beer business in Zambia. Delta Corporation is an associate of AB InBev, the world's largest beer company.

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