

SAB ZENZELE

RETAILER OFFER PROSPECTUS

DATE OF ISSUE: 22 FEBRUARY 2010

A copy of this prospectus has been registered by the Registrar of Companies on 3 February 2010 as required by the Companies Act, No. 61 of 1973.

The material contracts referred to in paragraph 13.8 on page 55 and the written consents of the advisors referred to in paragraph 13.10 on page 55 were attached to the copy of the prospectus which was lodged for registration by the Companies Registration Office.

The Registrar of Companies has scrutinised the information disclosed in this prospectus. The information disclosed complies with statutory requirements. The Registrar of Companies does not express a view on the risk for investors or the price of the shares on offer in terms of this prospectus. However, the attention of the public is drawn to the fact that the shares on offer are unlisted and should be considered as a risk capital investment. Investors themselves are therefore at risk as unlisted shares are not readily marketable and should SAB Zenzele fail, this may result in the loss of the investment to the investor.

CORPORATE INFORMATION

Registered Office [1(a) and 32]

SAB Zenzele Holdings Limited
(Registration Number 2009/022656/06)
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Sandton
2196
(PO Box 782178, Sandton, 2146)

Company Secretary [5 and 35]

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Sandton
2196
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Transfer Secretary and Share Administrator [1(a)]

Investec Employee Incentive Scheme Services
(Proprietary) Limited
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Share Application and Distribution Agent

South African Post Office Limited
(Registration Number 1991/005477/06)
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Pretoria Central
0002
(PO Box 10000, Pretoria, 0001)

Investment Bank [4]

The Standard Bank of South Africa Limited
(Registration Number 1962/000738/06)
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Johannesburg
2001
(PO Box 61344, Marshalltown, 2107)

Attorneys [4]

Bowman Gilfillan Incorporated
(Registration Number 1998/021409/21)
165 West Street
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Reporting Accountants and Auditors [3]

PricewaterhouseCoopers Incorporated
(Registration Number 1998/012055/21)
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Sunninghill
2157
(Private Bag X36, Sunninghill, 2157)

Accounting Advisors

KPMG Services (Proprietary) Limited
(Registration Number 1999/012876/07)
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MESSAGE FROM NORMAN ADAMI THE MANAGING DIRECTOR OF THE SOUTH AFRICAN BREWERIES LIMITED

At SAB we believe that a business will only succeed if it benefits society in the long-term.

For thousands of years, beer has added to the enjoyment of life for many. It is synonymous with social bonding and celebration and a core part of human and social ritual in many communities.

For more than a century, SAB has proudly provided products which have fundamentally benefitted South Africa, not only as a social unifier, but also a driver of economic growth at virtually every level of the South African economy.

Through the SAB Zenzele broad-based black economic empowerment transaction, we are bringing even further economic benefit to many more South Africans, especially those who have played a meaningful role in our long-term business success.

We believe that the participation by liquor licence holders, liquor licence applicants and registered ABI customers in SAB Zenzele will create genuine broad-based empowerment and improve the social well-being and sustainability of retailers.

Over the years, we have been privileged to operate as one of South Africa's leading companies. We believe this privilege comes with a responsibility to demonstrate leadership in every dimension of our business, especially in supporting the progress of South African society. Our long-standing commitment to black empowerment in South Africa is testament to this belief.

In designing the SAB Zenzele transaction, we were determined to look beyond traditional business approaches and search for pioneering solutions to black economic empowerment that would deliver real benefits to the lives of many thousands of South Africans.

Norman Adami

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<ul style="list-style-type: none"> • Liquor Licence Holders must fill out the red Application Form • Liquor Licence Applicants must fill out the green Application Form • ABI Customers must fill out the blue Application Form 	

AN OVERVIEW OF THE OFFER

This overview addresses the more important aspects of the offer. You are, however, cautioned that this overview is only a summary of the prospectus and is not comprehensive. This summary must not be read in isolation and should be read together with the entire prospectus.

The definitions starting on page 10 do not apply to this overview.

A. INTRODUCTORY COMMENTS

What is the SAB Zenzele offer all about?

The SAB Zenzele offer is part of SABMiller plc's ("SABMiller") broad-based black economic empowerment transaction in South Africa, which will involve an equity issue of 3.52% of The South African Breweries Limited ("SAB") to SAB Zenzele Holdings Limited ("SAB Zenzele") (which will, in turn, offer SAB Zenzele shares to retailers in terms of this offer), as well as an issue of shares in SAB to The SAB Zenzele Employee Trust established for the benefit of SAB employees, and to The SAB Foundation for the benefit of the broader South African community.

The purpose of the SAB Zenzele offer is to give black people who are retail liquor licence holders, retail liquor licence applicants or registered customers of ABI, the soft drinks division of SAB ("ABI"), a chance to own shares in SAB through SAB Zenzele and to participate in the profits of SAB and, at the end of the 10 year transaction term, to become direct shareholders of SABMiller.

Therefore, as a participant in the SAB Zenzele offer, you will have an opportunity to acquire shares in SAB Zenzele which, in turn, will hold shares in SAB.

The offer for SAB Zenzele shares will open on 22 February 2010. If you qualify to take part in the SAB Zenzele offer, you will have until 7 April 2010 to complete your application for SAB Zenzele shares and submit it to a participating South African Post Office ("Post Office") branch.

Once applications for SAB Zenzele shares have been received, SAB will then allocate SAB Zenzele shares to retailers based on certain allocation rules. Once issued, SAB Zenzele shares cannot be transferred or used as security for a loan during the 10 year transaction term. The shares in SAB Zenzele will, at the end of the transaction term, be exchanged for listed SABMiller shares that can be traded on the stock exchange operated by the JSE Limited ("JSE").

The formula for determining how many SABMiller shares you may receive has already been established, but there is no guarantee regarding how many SABMiller shares you will end up with. The formula is set out in Annexure C, as read together with the exchange agreement and SAB Zenzele's articles of association, which you can get at SAB Zenzele's registered office.

What makes the SAB Zenzele offer different?

The three distinctive features of the SAB Zenzele offer are as follows:

- the SAB Zenzele offer places no reliance on external bank funding and requires only a relatively small cash investment from applicants – the difference between the value of the SAB shares subscribed for by SAB Zenzele and the cash investment required from retailer shareholders will be notionally funded by SAB, as described in greater detail below. For example, for a R100 successful application, you will receive exposure to approximately R50,000 worth of SAB shares, with the difference of R49,900 being notionally funded by SAB;
- a meaningful dividend is expected to be paid twice a year to all SAB Zenzele shareholders for the whole of the transaction term; and
- the SAB Zenzele offer aims to encourage and support liquor licensing and benefit the stakeholders who have made a real contribution to the success of SAB and ABI.

What are the benefits of becoming a shareholder of SAB Zenzele?

Key benefits of becoming a shareholder of SAB Zenzele include the following:

- you will indirectly own a stake in SAB by holding shares in SAB Zenzele;
- it is anticipated that you will receive a meaningful dividend on your SAB Zenzele shares from the first year, which is expected to be paid twice a year throughout the transaction term;
- at the end of the transaction term, your SAB Zenzele shares will be exchanged for listed SABMiller shares on a value-for-value basis after the notional funding provided by SAB has been settled; and
- you will be able to trade your SABMiller shares on the JSE at the end of the transaction term.

B. KEY TERMS OF THE SAB ZENZELE OFFER

Who can apply for SAB Zenzele shares?

The following people and groups can apply for SAB Zenzele shares:

- black individuals or groups who hold a valid retail liquor licence, including temporary liquor permits issued in Gauteng;
- black individuals or groups who have lodged an application for a retail liquor licence or who intend to lodge an application and have materially completed those retail liquor licence application requirements that are within their control; and
- black individuals or groups who are registered customers of ABI.

Black groups include black-owned companies, close corporations, trusts and partnerships.

Will there be any assistance to help me with my retail liquor licence application?

SAB will help you to complete your retail liquor licence application. See the prospectus contained in this bound document or call SAB Zenzele's call centre on 0861 900 903 for more details.

Be careful of dishonest licensing consultants who offer to help you with your retail liquor licence application. Make sure you use reputable licensing consultants or seek assistance from SAB, which is free of charge.

If I participate in the SAB Zenzele offer, does this mean that I can legally trade liquor?

No, only persons with a valid retail liquor licence are legally entitled to sell liquor. Participants in the SAB Zenzele offer that have only lodged or materially completed a retail liquor licence application are not legally entitled to sell liquor.

One of the aims of the SAB Zenzele offer is to encourage the licensing of illegal liquor retailers.

Do I need to be a customer of SAB or sell SAB products to qualify to participate in the SAB Zenzele offer?

No. Retail liquor licence holders and retail liquor licence applicants do not need to be a customer of SAB or sell SAB products to qualify to participate in the SAB Zenzele offer.

Only applicants who fall within the category of ABI customers need to be registered customers of ABI. However, there is no ongoing obligation on registered ABI customers to sell ABI products or continue to be an ABI customer once you have qualified to participate in the SAB Zenzele offer.

What is the SAB Zenzele offer period?

The SAB Zenzele offer opens on 22 February 2010 and will close at the closing time of the relevant participating branch of the Post Office on the closing date, being 7 April 2010.

What may disqualify me from participating in the SAB Zenzele offer?

You will be disqualified from participating in the SAB Zenzele offer:

- if you are not a black individual or black group;
- if, at the time of the SAB Zenzele offer, you do not fall within one of the defined categories of participants as described above;
- if your SAB Zenzele offer application form is incomplete or not properly completed;
- if you have not submitted all the required supporting documents;
- if you have not paid at least the required equity contribution for the minimum allocation of SAB Zenzele shares;
- if you make a fraudulent or untrue statement in your application form; or
- if, in respect of retail liquor licence applicants, it becomes apparent to SAB, in its sole discretion, that you have no intention or are unable to become licensed or to legally retail liquor.

What happens if I hold multiple retail liquor licences, have lodged multiple retail liquor licence applications and/or I am a registered customer of ABI?

You are entitled (but not obliged) to submit a separate application form, and will qualify for SAB Zenzele shares, in respect of each retail liquor licence, retail liquor licence application and ABI outlet number. However, allocations of SAB Zenzele shares will be subject to scaling back in the case where there are more qualifying applications for SAB Zenzele shares than there are SAB Zenzele shares available for allocation ("Over-subscription").

You should note that, in the event of an Over-subscription, you may not receive any or all the SAB Zenzele shares you applied for.

How many SAB Zenzele shares are being offered?

19,228,250 SAB Zenzele shares are being offered in aggregate (of which approximately 708,159 SAB Zenzele shares have initially been set aside for allocation to retail liquor licence applicants that become licensed in the first three years following the allocation date), which is equivalent to 3.52% of SAB post issuance as at 27 November 2009.

The SAB Zenzele shares will be exchanged, on a value-for-value basis, for SABMiller shares that may be traded on the JSE at the end of the 10 year transaction term, after the notional funding provided by SAB has been settled.

Will I have voting rights in SAB once I have SAB Zenzele shares?

No. However, you may vote at any general meetings of SAB Zenzele. Further, as SAB Zenzele will be a shareholder of SAB, the directors of SAB Zenzele will vote on behalf of SAB Zenzele at any general meetings of SAB.

Will I receive a dividend on my SAB Zenzele shares?

Yes, it is anticipated that SAB Zenzele will pay meaningful dividends to retailer shareholders twice a year.

To illustrate, had the SAB Zenzele offer been implemented on 1 April 2008, the aggregate amount of dividends payable to SAB Zenzele would have totalled approximately R32 million for the financial year ended 31 March 2009. This amount, net of any costs and administration expenses, would have been distributed to retailer shareholders. Assuming costs and administration expenses of R5 million were incurred by SAB Zenzele for the year ended 31 March 2009 and that the SAB Zenzele offer was fully subscribed, retailer shareholders with a minimum base allocation of SAB Zenzele shares would have received dividends of R444, while retailer shareholders with a maximum allocation of SAB Zenzele shares would have received dividends of R4,440 during that financial year.

The first dividend is expected to be paid to you in November 2010.

In order to be able to pay dividends, SAB Zenzele must receive dividend payments from SAB. Dividends will be paid by SAB to SAB Zenzele if, in respect of any six month period of SAB's financial year, the board of directors of SAB declares a dividend to its holding company (which decision will be made by the SAB board taking into account, amongst other things, SAB's reinvestment needs and debt repayment options). The amount that SAB Zenzele will then receive for each share it holds in SAB will be equal to 25% of the adjusted attributable profits of SAB, divided by the total number of SAB ordinary shares in issue. The difference between 25% of the adjusted attributable profits and 100% of adjusted attributable profits will reduce the notional funding provided by SAB.

Before paying dividends, SAB Zenzele will make deductions and allowances for running costs and expenses of SAB Zenzele as necessary.

What funding assistance does SAB provide?

SAB provides notional funding in respect of the difference between the value of the SAB Zenzele shares issued and the retailer shareholders' cash investment. For example, for R100, you will receive exposure to approximately R50,000 worth of SAB shares, with the difference of R49,900 being notionally funded by SAB. This notional funding is provided at 85% of the South African prime lending rate.

How does the notional funding work?

The notional funding is achieved by SAB issuing R ordinary shares to SAB Zenzele at a nominal value, which shares are subject to a repurchase right at the end of the transaction term. The repurchase right takes into account a number of factors, such as:

- interest accumulated monthly on the notional funding at a rate of 85% of the South African prime lending rate;
- the difference between the percentage of adjusted attributable profits paid to SAB Zenzele and 100% of adjusted attributable profits; and
- the performance of SAB during the transaction term.

At the end of the transaction term, the difference between the value of SAB shares at that time and the value of the outstanding notional funding will be the benefit accruing to you, which will be settled by the issue of SABMiller shares in exchange for your SAB Zenzele shares, on a value-for-value basis.

C. HOW TO APPLY

How do I apply for SAB Zenzele shares?

- Read the prospectus contained in this bound document and complete and sign the original application form at the back of the prospectus (further originals of the prospectus can be collected from your nearest participating Post Office, SAB or ABI site, or the registered office of SAB Zenzele or the transfer secretary (see inside of the covering page for these details)).
- There is a separate application form for each of retail liquor licence holders (red), retail liquor licence applicants (green) and registered ABI customers (blue). Make sure you complete the correct application form.
- Put together all supporting documents referred to in the prospectus, examples of which are contained in Annexure F to the prospectus.
- Submit your completed and signed application form together with the supporting documents to a participating Post Office by the closing time of the relevant participating branch of the Post Office on or before the closing date.
- If you need help completing the application form or have any questions regarding the prospectus or the SAB Zenzele offer, please call our call centre on 0861 900 903.
- The Post Office will check your application. If your application form is not completed properly or is incomplete, your information cannot be verified or not all the required supporting documents are submitted, your application will not be accepted.

How do I pay for my SAB Zenzele shares?

A temporary Postbank account will be opened by the Post Office where you can pay for your SAB Zenzele shares either when you submit the application form or at any time before the closing date.

Payment may be made in one of the following manners:

- pay in cash or by debit card at a participating Post Office (make sure you get a receipt for the amount you pay in);
- by means of a bank issued cheque made out to "SA Post Office" or "South African Post Office", with the words "SAB Zenzele Holdings Limited" on the back. The cheque must be crossed "not transferable" and the words "or bearer" must be deleted; or
- transfer the money via EFT into the temporary SAB Zenzele Postbank account.

You should not make payment for SAB Zenzele shares to any other person.

How many SAB Zenzele shares can I apply for?

Retail liquor licence holders can apply for a base allocation of 317 SAB Zenzele shares by making a minimum cash investment of R100 and can apply for more SAB Zenzele shares up to a maximum of 3,170 SAB Zenzele shares for a cash investment of R25,000.

Retail liquor licence applicants can apply for a base allocation of 317 SAB Zenzele shares by making a minimum cash investment of R100, or can apply for an allocation of 634 SAB Zenzele shares by making a cash investment of R2,500.

ABI customers can apply for a base allocation of 317 SAB Zenzele shares by making a minimum cash investment of R100 and can apply for more SAB Zenzele shares up to a maximum of 1,585 SAB Zenzele shares for a cash investment of R10,000.

Please note that you may only apply for set numbers of SAB Zenzele shares (e.g. 317 SAB Zenzele shares for R100 or 634 SAB Zenzele shares for R2,500) and not for a number of SAB Zenzele shares or a subscription price in between. Any excess amount paid in respect of a successful application will not receive an increased SAB Zenzele share allocation and you will be refunded your excess cash investment with your first dividend, without interest.

In the case of an Over-subscription, you may not receive any or all of the SAB Zenzele shares you applied for. In the case of an under-subscription, you may, in SAB's sole discretion, receive more than the set allocation of SAB Zenzele shares referred to above without it being necessary to make a further cash investment.

What happens if there is an Over-subscription?

SAB will, in its sole discretion, decide how to allocate the SAB Zenzele shares, while ensuring that the SAB Zenzele offer is as broad-based as possible and ensuring an appropriate spread across the SAB Zenzele offer categories. Retail liquor licence applicants that have lodged an application will be preferred over applicants that only have a materially complete application, in the event of an Over-subscription.

What happens next after I have applied for SAB Zenzele shares?

- Once you have submitted your application form and pre-paid your subscription price for the SAB Zenzele shares, wait to hear from us.
- Please note that the pre-payment of the subscription price for the SAB Zenzele shares does not necessarily guarantee the allotment and issue of SAB Zenzele shares to you. SAB always retains the discretion on how it wishes to allocate SAB Zenzele shares.
- If you are not allotted any or all of the SAB Zenzele shares you applied for, you will be refunded all or a *pro rata* portion of your pre-paid subscription price, without interest, as applicable.

How will my SAB Zenzele shares be delivered to me?

A welcome pack will be posted to you at the postal address indicated on your application form once the SAB Zenzele shares have been allocated. The welcome pack will include a statement from the transfer secretary showing how many SAB Zenzele shares have been allotted and issued to you.

The transfer secretary will hold your share certificate in electronic format on your behalf.

Is there any entitlement to bonus SAB Zenzele shares?

Yes, retail liquor licence applicants who obtain a valid retail liquor licence within three years from the allocation date of SAB Zenzele shares may be entitled to additional SAB Zenzele shares at no additional cost out of a pool of SAB Zenzele shares set aside for this purpose. Retail liquor licence applicants who become licensed within that three-year period therefore need to contact SAB Zenzele in order to qualify for additional SAB Zenzele shares.

Prior to the issue of all additional SAB Zenzele shares, the dividends paid by SAB Zenzele will be split between the retailer shareholders and The SAB Foundation, as the holder of a special share in SAB Zenzele. The entitlement of The SAB Foundation to SAB Zenzele dividends will be *pro rata* to the proportion of the share capital of SAB Zenzele that has been authorised, but not yet issued.

This authorised share capital has been set aside for allotment and issue as additional shares to retail liquor licence applicants that become licensed during the first three years after the offer closes. In addition, any SAB Zenzele shares left over due to an under-subscription for SAB Zenzele shares in terms of this SAB Zenzele offer and any SAB Zenzele shares that may have been forfeited during the transaction term (see the next section for details on forfeiture) will be included in the authorised, but unissued, share capital of SAB Zenzele.

How many SABMiller shares will I receive?

It is not known at this stage how many SABMiller shares you will receive at the end of the transaction term, although this is dependant on a number of identifiable factors.

At the end of the transaction term, the difference between the value of SAB shares at that time and the value of the outstanding notional funding will be the benefit accruing to you, which will be settled by the issue to you of SABMiller shares in exchange for your SAB Zenzele shares, on a value-for-value basis.

The exchange of your SAB Zenzele shares for SABMiller shares is compulsory and you may not choose to retain your SAB Zenzele shares.

What will be the value of my SABMiller shares?

It is not possible to state what the value of the SABMiller shares will be at the end of the transaction term when they are issued to you as the value will be dependent on, amongst other things, the performance of SABMiller and the performance of SAB during the transaction term.

As the shares of SABMiller are publicly traded on the JSE and the London Stock Exchange, their value is determined by the performance of the SABMiller Group and the trading of its shares on the two stock exchanges.

How will I be able to track my investment?

During the 10 year transaction term, your SAB Zenzele shares may not be traded. However, you will have access to annual financial statements of SAB Zenzele and annual condensed financial information of SAB, which will include sufficient information for you to be able to monitor the value of the R ordinary shares in SAB held by SAB Zenzele and the performance of your investment in SAB Zenzele shares.

You will also have access to a dividend statement bi-annually.

After you have been issued with SABMiller shares, you will be able to directly track your investment as the listed SABMiller shares may be traded on the JSE.

D. RESTRICTIONS AND FORFEITURE EVENTS

Are there any BBBEE restrictions on the SAB Zenzele shares?

Yes, retailer shareholders must remain as qualifying black people (in terms of the Codes of Good Practice) for the 10 year transaction term, failing which, the SAB Zenzele shares of the relevant black individual or black group may be forfeited.

Are there restrictions on the SAB Zenzele shares?

Yes, you may not transfer your SAB Zenzele shares or use them as security for a loan during the 10 year transaction term. However, your SAB Zenzele shares may be transferred in circumstances of death, sequestration or liquidation as set out below.

After the transaction term, your SAB Zenzele shares will be exchanged for SABMiller shares which you may trade on the JSE.

What happens if I die after I have been allocated SAB Zenzele shares?

SAB Zenzele will allow the executor of your estate to transfer your SAB Zenzele shares to your heir, legatee or any third party, provided that the person to whom the SAB Zenzele shares are transferred ("Transferee") is a qualifying black person. If your heir or legatee is not a qualifying black person, the SAB Zenzele shares can be transferred to any other third party that is a qualifying black person and the proceeds should then be distributable to your heir or legatee. It is not necessary for the Transferee to be a retail liquor licence holder, retail liquor licence applicant or registered ABI customer.

What happens if I am sequestered or liquidated after I have been allocated SAB Zenzele shares?

SAB Zenzele will allow the trustee of your sequestered estate to transfer your SAB Zenzele shares to any third party, provided that such Transferee is a qualifying black person.

Should any black group be placed under liquidation (whether in solvent or insolvent circumstances) SAB Zenzele will allow the transfer of that black group's SAB Zenzele shares to a qualifying black person.

It is not necessary for the Transferee to be a retail liquor licence holder, retail liquor licence applicant or registered ABI customer.

Under what other circumstances will I forfeit my allocated SAB Zenzele shares?

Amongst other things, if SAB becomes aware that you had no intention of becoming or are unable to become a licensed liquor retailer or of legally retailing liquor, SAB reserves the right to cause you to forfeit your SAB Zenzele share allocation.

IMPORTANT INFORMATION

Certain capitalised terms used in this section have been defined starting on page 10.

Scope

This Prospectus is addressed only to Black Individuals and Black Groups in South Africa that are a Liquor Licence Holder, Liquor Licence Applicant or an ABI Customer and does not constitute an offer in any jurisdiction other than South Africa. Section 4 of the Prospectus contains details of each of the categories of Offer participant. The distribution of this Prospectus in jurisdictions other than South Africa may be restricted by law and a failure to comply with any of those restrictions may constitute a violation of the securities laws of any such jurisdiction. Persons who are in possession of this Prospectus must inform themselves about and observe any such restrictions.

United Kingdom

This Prospectus, if distributed in the United Kingdom, is for information purposes only. No invitation or offer to the public of transferable securities is being made in the United Kingdom by virtue of the publication of this Prospectus. This Prospectus does not constitute a prospectus for the purposes of the Financial Services and Markets Act and has not been approved as a prospectus in the United Kingdom by the Financial Services Authority.

United States

The SAB Zenzele Shares have not been nor will they be registered under the US Securities Act of 1933, and this Prospectus is not addressed to any person resident in the United States. Accordingly, the SAB Zenzele Shares may not be offered for sale or subscription or sold within the United States or to, or for the account or benefit of, United States persons. The SAB Zenzele Shares have not been approved or disapproved by the US Securities and Exchange Commission, any States Securities Commission in the United States or any other United States regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the SAB Zenzele Shares nor the accuracy or adequacy of this Prospectus.

Forward-looking statements

This Prospectus includes "forward-looking statements". These statements may contain the words "anticipate", "believe", "intend", "estimate", "expect" and words of similar meaning. All statements other than statements of historical facts included in this Prospectus, including, without limitation, those regarding the SABMiller Group's financial position, business strategy, plans and objectives of management for future operations (including development plans and objectives relating to the SABMiller Group's products and services) are forward-looking statements. These forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause the actual results, performance or achievements of the SABMiller Group to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. These forward-looking statements are based on numerous assumptions regarding the SABMiller Group's present and future business strategies and the environment in which the SABMiller Group will operate in the future. These forward-looking statements speak only as at the date of this Prospectus. SAB expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statements contained in this Prospectus to reflect any change in the SABMiller Group's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based, save to the extent required by law. Any information contained in this Prospectus regarding the price at which the SABMiller Group's securities have been bought or sold in the past, or regarding the yield on such securities, should not be relied upon as a guide to future performance.

Obtaining copies of this Prospectus

Copies of this Prospectus may be obtained:

- during the business hours of the relevant branch of any participating Post Office; or
- during business hours from the registered office of SAB Zenzele and the Transfer Secretary (see the covering page for these details); or
- off the SAB and SABMiller websites at www.sablimited.co.za or www.sabmiller.com; or
- during business hours from any SAB or ABI office, any SAB or ABI brewing, bottling or canning operation or any SAB or ABI distribution depot.

Participating Post Office branches may have different business hours. The business hours of SAB Zenzele and the Transfer Secretary are 09:00 till 17:00 on weekdays, excluding public holidays. The business hours of SAB and ABI sites vary from site to site.

Completing your Application Form

Only original Application Forms will be accepted. You cannot use Application Forms printed from the website or copies thereof as this is not permitted by the Companies Act.

A separate Application Form has been included for each Offer Category, as follows:

- Liquor Licence Holders must fill out the red Application Form;
- Liquor Licence Applicants must fill out the green Application Form; and
- ABI Customers must fill out the blue Application Form.

Should you make a mistake on the original Application Form, you can:

- correct it and sign in full next to the correction; or
- complete another original Application Form.

If you make a mistake regarding your banking details on the original Application Form, you will need to complete another original Application Form.

Your Application Form can only be handed in, in person, at a participating Post Office branch. Your Application Form may **not** be handed in to SAB Zenzele, SAB, ABI or any other third party.

To avoid queues, submit your Application Form early. You only need to pay before the Closing Date. Payment can only be made in cash, by debit card or by bank issued cheque at the Post Office or via EFT into a temporary SAB Zenzele Postbank Account set up by the Post Office. Payment for SAB Zenzele Shares should not be made to any other person.

If you need more information in respect of the Offer or assistance with completing your Application Form, please contact our call centre on 0861 900 903. An example of a completed Application Form is set out in Annexure H for illustrative purposes only.

Consider risks

You should read this Prospectus carefully and not rely only on marketing material in deciding whether or not to take part in this Offer.

The acquisition of SAB Zenzele Shares involves risks which should be taken into account by prospective investors. The risks primarily relate to the performance of SAB in which SAB Zenzele holds R Ordinary Shares, which are a special class of SAB ordinary shares that contain the mechanism for the Offer's notional funding. Therefore, you should carefully consider the information relating to SAB provided in this Prospectus and other information in this Prospectus before making a decision to apply for SAB Zenzele Shares.

You may wish to seek independent professional advice prior to applying for SAB Zenzele Shares to fully understand the legal implications and taxation obligations and the consequences arising from your application and subscription for SAB Zenzele Shares and the future disposal of SAB Zenzele Shares in exchange for SABMiller Shares at the end of the Transaction Term.

No listing

The SAB Zenzele Shares will not be listed on any stock exchange but, at the end of the transaction term, they will be exchanged for SABMiller Shares post settlement of notional funding provided by SAB, which SABMiller Shares may be traded on the JSE. The SAB Zenzele Shares may never be traded, Transferred or Encumbered, save in defined circumstances of death, sequestration or liquidation.

Registration of this Prospectus and supporting documents

A signed copy of this Prospectus in English was registered by the Registrar of Companies on 3 February 2010 as required by section 155(1) of the Companies Act, together with:

- the letters of consent from the investment bank, attorneys, reporting accountants and auditors, tax advisor, accounting advisor, transfer secretary and share administrator, and share application and distribution agent, consenting to act in the capacities stated and to their names being included in this Prospectus and confirming that such consents have not been withdrawn at the date of this Prospectus; and
- copies of the material contracts referred to in paragraph 13.8 on page 55 of this Prospectus.

TIMETABLE FOR THE OFFER

Offer Opening Date	Start of business of relevant Post Office on Monday 22 February 2010
Offer Closing Date	Close of business of relevant Post Office on Wednesday 7 April 2010
Allocation Date	During May 2010
Posting of share confirmations	End of May 2010

All references to time are to local time in South Africa.

These dates and times are subject to change. Any material change will be released on the Securities Exchange News Service (or 'SENS') and published in the press.

DEFINITIONS

Throughout this Prospectus and the annexures hereto, unless otherwise stated or the context otherwise indicates, the words in the first column shall have the corresponding meaning stated opposite them in the second column, words in the singular shall include the plural and *vice versa* and any reference to one gender shall include the other genders:

"ABI"	ABI, the soft drinks division of SAB;
"ABI Customers"	Qualifying Black People who are customers of ABI with an ABI Outlet Number and who comply with the requirements of paragraph 4.5;
"ABI Outlet Number"	a number allocated to each ABI customer, as reflected on SAB's register of ABI customers as at 1 July 2009;
"Additional SAB Zenzele Shares"	a number of SAB Zenzele Shares in the authorised, but unissued, share capital of SAB Zenzele as determined by SAB in its sole discretion, which may be allocated on the basis set out in paragraph 2.2, subject to their being applied in an over-subscription on the basis set out in paragraph 8.3;
"Adjusted Attributable Profit"	the profits of SAB attributable to equity shareholders of SAB, plus or minus exceptional non-cash items and any other items which have been declared distributable by the SAB board of directors, plus or minus gains (+) or losses (-) that are directly accounted for in SAB's equity statement (in terms of International Financial Reporting Standards and SAB's accounting policies) and not accounted for in SAB's income statement, which have been declared distributable by the SAB board of directors;
"Administration Agreement"	the administration agreement between the Company and SAB, dated 27 January 2010, which sets out, amongst other things, the administration services to be provided by SAB to SAB Zenzele or procured by SAB on behalf of SAB Zenzele;
"Allocation Date"	the date of allotment and issue of SAB Zenzele Shares to successful Applicants, being a date and time to be determined by SAB, in its sole discretion, during May 2010;
"Applicant"	an applicant for SAB Zenzele Shares pursuant to the Offer;
"Application"	an application for SAB Zenzele Shares made by correctly completing and submitting an Application Form and requisite supporting documents;
"Application Form"	the separate application form for SAB Zenzele Shares for each Offer Category included in this Prospectus;
"Base Allocation"	an allocation of 317 SAB Zenzele Shares per successful Applicant;
"BBBEE"	broad-based black economic empowerment as contemplated in the BBBEE Act and the Codes;
"BBBEE Act"	the Broad-Based Black Economic Empowerment Act, No. 53 of 2003, as amended, and any regulations promulgated thereunder;
"BBBEE Ownership Certificate"	a valid BBBEE ownership certificate based on a Black Group's current shareholding and issued by a BBBEE Verification Agency;
"BBBEE Verification Agency"	a BBBEE verification agency which has been granted and maintained accreditation from the South African National Accreditation System;
"Black Group"	(a) a company that meets the Company Requirements; (b) a close corporation that meets the Close Corporation Requirements; (c) a trust that meets the Trust Requirements; and/or (d) a partnership that meets the Partnership Requirements;
"Black Individual"	a "Black Person" as defined in the Codes from time to time and being, as at the Last Practicable Date, an African, Coloured (including Chinese) or an Indian person who is a natural person and: (a) is a citizen of South Africa by birth or by descent; or (b) became a citizen of South Africa by naturalisation before the commencement date of the Interim Constitution of the Republic of South Africa Act, 1993, being 27 April 1994; or

	(c) became a citizen of South Africa after the commencement date of the Interim Constitution of the Republic of South Africa Act, 1993, being 27 April 1994, who, but for the Apartheid policy that had been in place prior to that date, would have been entitled to acquire citizenship by naturalisation prior to that date;
" Board" or " Directors"	the board of directors of SAB Zenzele from time to time;
" Close Corporation Requirements"	a close corporation with the following characteristics: <ul style="list-style-type: none"> (a) at least 51% of its members interests are held and beneficially owned by one or more of the following: <ul style="list-style-type: none"> (i) a Black Individual; (ii) a trust that meets the Trust Requirements and the statutory requirements for membership in a close corporation; and (b) which members interests: <ul style="list-style-type: none"> (i) entitle the holder(s) thereof to 51% or more of the full economic benefits flowing from the holding of such members interest; and (ii) entitle the holder(s) thereof to exercise or cause to be exercised, directly or indirectly, 51% or more of the total voting rights at members' meetings, <p>on the basis that the economic interest and voting rights are calculated using the normal flow-through principle (as opposed to the exclusion principle and/or modified flow-through principle), as such principles are specified in the Codes;</p>
" Closing Date"	the closing date of the Offer, being 7 April 2010, as amended pursuant to paragraph 3.1;
" Codes"	the BBBEE codes of good practice gazetted on 9 February 2007 by the Department of Trade and Industry in terms of the BBBEE Act, as amended, or any codes of good practice or legislation on BBBEE which replaces it;
" Companies Act"	the Companies Act, No. 61 of 1973, as amended, or substituted by the Companies Act, No. 71 of 2008, as amended or substituted;
" Company Requirements"	a company (other than a section 21 company or a company limited by guarantee) with the following characteristics: <ul style="list-style-type: none"> (a) at least 51% of its issued shares are held and beneficially owned by one or more of the following: <ul style="list-style-type: none"> (i) a Black Individual; (ii) a company that meets these Company Requirements; (iii) a close corporation that meets the Close Corporation Requirements; (iv) a trust that meets the Trust Requirements; (v) a partnership that meets the Partnership Requirements; (vi) a juristic person, including a co-operative, or an unincorporated entity or association, including a joint venture or stokvel, as may be determined by SAB in its sole discretion as an entity or association which may enable SAB to claim ownership points under the Codes; and (b) which shares: <ul style="list-style-type: none"> (i) entitle the holder(s) thereof to 51% or more of the full economic benefits flowing from the holding of such shares; and (ii) entitle the holder(s) thereof to exercise or cause to be exercised, directly or indirectly, 51% or more of the total voting rights at general meetings of the company, <p>on the basis that the economic interest and voting rights are calculated using the normal flow-through principle (as opposed to the exclusion principle and/or modified flow-through principle), as such principles are specified in the Codes;</p>
" CSDP"	SABMiller's Central Securities Depository Participant;
" E Ordinary Shares"	E ordinary shares in the capital of SAB, which will be allotted and issued to The SAB Zenzele Employee Trust;
" Eastern Cape Act"	the Eastern Cape Liquor Act, No. 10 of 2003, as amended;
" EBITA"	operating profit before exceptional items and amortisation of intangible assets, excluding software, but including the relevant group's share of associates' and joint ventures' operating profit, on a similar basis;
" EFT"	electronic funds transfer;

“Encumber”	to pledge, mortgage, hypothecate, charge, cede in security, create a lien over, subordinate, grant an option over, grant a right of retention over, or otherwise encumber in any way whatsoever, or hedge, or lend, or enter into any arrangement or transaction whatsoever (whether or not subject to any suspensive or resolutive condition) which may have the same or similar effect as any of the aforementioned; and “Encumbered” and “Encumbrance” shall have corresponding meanings;
“EV/EBITA Multiple”	a multiple calculated by dividing the enterprise value of SABMiller by the 12-month EBITA of SABMiller as more fully described in the terms of the R Ordinary Shares;
“Exchange”	the exchange of SAB Zenzele Shares for SABMiller Shares as described in paragraph 2.3 and “Exchanged” shall have a corresponding meaning;
“Exchange Agreement”	the exchange agreement between SAB Zenzele, SAB, SABMiller, The SAB Foundation and The SAB Zenzele Employee Trust, dated 27 January 2010, which, in conjunction with the SAB Zenzele Memo and Articles, sets out the terms and conditions of the Exchange;
“F Ordinary Shares”	F ordinary shares in the capital of SAB, which will be allotted and issued to The SAB Foundation;
“FAB”	flavoured alcoholic beverage;
“FC&A committee”	the SAB finance, control and assurance committee of the SAB board;
“FICA”	the requirements in terms of the Financial Intelligence Centre Act, No. 28 of 2001, as amended;
“Foundation Special Share”	a share in the capital of SAB Zenzele, which has been or will be allotted and issued to The SAB Foundation, and with the rights and restrictions detailed in paragraph 5.3 and Annexure D;
“Gauteng Act”	the Gauteng Liquor Act, No. 2 of 2003, as amended;
“Gauteng Regulations”	the regulations in terms of the Gauteng Act, as amended;
“Implementation Agreement”	the implementation agreement between SAB Zenzele, SAB, SABMiller, The SAB Foundation and The SAB Zenzele Employee Trust, dated 27 January 2010, which sets out the terms and conditions of the implementation of SABMiller’s BBEE transaction in South Africa;
“JSE”	the exchange operated by the JSE Limited, a public company registered in accordance with the laws of South Africa under registration number 2005/022939/06, which is licensed as an exchange in terms of the Securities Services Act, No. 34 of 2004;
“Last Practicable Date”	26 January 2010, being the last practicable date prior to finalisation of this Prospectus;
“Liquor Licence Applicants”	Qualifying Black People who provide proof of a Qualifying Liquor Licence Application or who provide a Liquor Licence Assistant Letter on or before the Closing Date;
“Liquor Licence Assistants”	independent contractors with appropriate training that SAB has appointed to assist Applicants free of charge to prepare Qualifying Liquor Licence Applications, as described in greater detail in paragraph 6.12;
“Liquor Licence Assistant Letter”	a letter signed by a senior Liquor Licence Assistant as detailed in paragraph 4.4.4.1;
“Liquor Licence Holders”	Qualifying Black People who hold a Qualifying Liquor Licence on the date referred to in paragraph 4.3.1;
“LSE”	London Stock Exchange plc;
“MDC”	the SAB managing director’s committee of the SAB board;
“Offer”	the offer (as defined in the Companies Act) set out in this Prospectus;
“Offer Category”	each category of Applicant, being Liquor Licence Holders, Liquor Licence Applicants and ABI Customers;
“Old Act”	the Liquor Act, No. 27 of 1989, as amended;
“Partnership Requirements”	a partnership with the following characteristics: <ul style="list-style-type: none"> (a) at least 51% of the interest therein is held by one or more of the following: <ul style="list-style-type: none"> (i) a Black Individual; (ii) a company that meets the Company Requirements;

- (iii) a close corporation that meets the Close Corporation Requirements;
 - (iv) a trust that meets the Trust Requirements;
 - (v) a partnership that meets these Partnership Requirements;
 - (vi) a juristic person, including a co-operative, as may be determined by SAB in its sole discretion as an entity which may enable SAB to claim ownership points under the Codes; and
- (b) which interest:
- (i) entitles the holder(s) thereof to 51% or more of the full economic benefits flowing from the holding of such partnership interest; and
 - (ii) entitles the holder(s) thereof to exercise or cause to be exercised, directly or indirectly, 51% or more of the total voting rights at the meetings of the partnership,

on the basis that the economic interest and voting rights are calculated using the normal flow-through principle (as opposed to the exclusion principle and/or modified flow-through principle), as such principles are specified in the Codes;

" Post Office"	South African Post Office Limited, a public company registered in accordance with the laws of South Africa under registration number 1991/005477/06;
" Prospectus"	this prospectus which contains the details of the Offer, as supplemented from time to time;
" Qualifying Black Person"	a Black Individual or a Black Group and " Qualifying Black People" shall have a corresponding meaning;
" Qualifying Employees"	employees of the SABMiller Group that are permanently resident in South Africa, excluding those employees who are not Black Individuals and who are eligible for existing employee share incentive schemes of the SABMiller Group;
" Qualifying Liquor Licence"	a qualifying retail liquor licence or permit, as detailed in paragraph 4.3;
" Qualifying Liquor Licence Application"	a qualifying retail liquor licence application, as detailed in paragraph 4.4.3;
" R Ordinary Shares"	R ordinary shares in the capital of SAB, which will be allotted and issued to SAB Zenzele, the rights and restrictions of which are set out in Annexure C;
" R Repurchase Date"	the date on which SAB exercises its Repurchase Right, as more fully described in Annexure C;
" Rand" or " R"	the official currency of South Africa;
" Repurchase Right"	SAB's right to repurchase such number of R Ordinary Shares at the end of the Transaction Term for an amount equal to their par value on the subscription date, as are necessary to settle the outstanding notional funding, and which represents the value of the outstanding notional funding provided by SAB;
" Retailer Shareholder"	a registered holder of SAB Zenzele Shares;
" SAB"	The South African Breweries Limited, a public company registered in accordance with the laws of South Africa under registration number 1998/006375/06;
" SAB Group"	SAB and its subsidiaries and associated companies;
" SAB Memo and Articles"	the memorandum of association and articles of association of SAB from time to time;
" SAB Ordinary Shares"	all ordinary shares in the share capital of SAB, including the R Ordinary Shares, E Ordinary Shares and F Ordinary Shares;
" SAB Special Share"	a share in the capital of SAB Zenzele, which has been or will be allotted and issued to SAB, and with the rights and restrictions detailed in paragraph 5.4 and Annexure E;
" SAB Zenzele"	SAB Zenzele Holdings Limited a public company registered in accordance with the laws of South Africa under registration number 2009/022656/06;
" SAB Zenzele Memo and Articles"	the memorandum of association and articles of association of SAB Zenzele from time to time;

“ SAB Zenzele Postbank Account”	each temporary bank account that will be opened by a participating Post Office on behalf of SAB Zenzele in respect of each Application submitted to the Post Office. This account must be used by Applicants to pay for SAB Zenzele Shares applied for under the Offer;
“ SAB Zenzele Shares”	ordinary shares in the share capital of SAB Zenzele;
“ SABMiller”	SABMiller plc, a public company registered in accordance with the laws of England and Wales under registration number 3528416;
“ SABMiller Group”	SABMiller and its subsidiaries, associated companies and joint ventures;
“ SABMiller Shares”	listed ordinary shares in the share capital of SABMiller, which are to be issued pursuant to the Exchange and which are to be tradable on the JSE;
“ South Africa”	the Republic of South Africa;
“ Subscription Agreement”	the R Ordinary Share subscription agreement between SAB Zenzele and SAB, dated 27 January 2010;
“ The SAB Foundation”	The SAB Foundation, a trust registered in accordance with the laws of South Africa under master’s reference number IT 67/2010, and which will participate in SABMiller’s BBBEE transaction in South Africa;
“ The SAB Zenzele Employee Trust”	The SAB Zenzele Employee Trust, a trust registered in accordance with the laws of South Africa under master’s reference number IT 68/2010, and which will participate in SABMiller’s BBBEE transaction in South Africa;
“ Transaction Documents”	the following documents: <ul style="list-style-type: none"> (a) the Administration Agreement; (b) the Exchange Agreement; (c) the Implementation Agreement; (d) the Subscription Agreement; (e) the SAB Zenzele Memo and Articles; (f) the SAB Memo and Articles; and (g) this Prospectus;
“ Transactional Bank Account”	the bank account detailed by an Applicant in the Application Form, which will be used by SAB Zenzele for making payments to that Applicant;
“ Transaction Term”	the period commencing on the Allocation Date and terminating on the R Repurchase Date;
“ Transfer”	means sell, cede, alienate, donate, exchange, distribute, transfer or in any manner whatsoever dispose of, or enter into any arrangement or transaction whatsoever (whether or not subject to any suspensive or resolutive condition) which may have the same or similar effect as any of the aforementioned sale, cession, alienation, donation, exchange, distribution, transfer or disposal (including but not limited to any arrangement or transaction, or series of arrangements or transactions, or the cession of any rights or the granting of any option or any derivative or similar transaction/s which would have the same or substantially similar economic effect, whether in whole or in part), or realise any value in respect of;
“ Transfer Secretary”	the transfer secretary of SAB Zenzele from time to time and being, as at the Last Practicable Date, Investec Employee Incentive Scheme Services (Proprietary) Limited, a private company registered in accordance with the laws of South Africa under registration number 2000/016211/07;
“ Trust Requirements”	a trust with the following characteristics: <ul style="list-style-type: none"> (a) it is created and operated for the benefit of individuals of which at least 51% are Black Individuals and/or Black Groups; and (b) it meets the requirements and rules for trusts in the Codes (which, as at the Last Practicable Date, are set out in paragraphs 3 and 4 of Annexe 100(B) of Statement 100 of the Codes) in order for the participation of Black Individuals in the trust to be recognised under the Codes for the purposes of measuring the ownership element of BBBEE in respect of such a trust; and
“ United States dollar” or “ US\$”	the official currency of the United States of America.

PROSPECTUS FOR THE OFFER OF SAB ZENZELE SHARES

Definitions

Certain capitalised terms used in this Prospectus have been defined starting on page 10. Those capitalised terms have not been used in the overview that precedes this Prospectus.

A. DETAILS OF THE OFFER

This section provides details of the Offer.

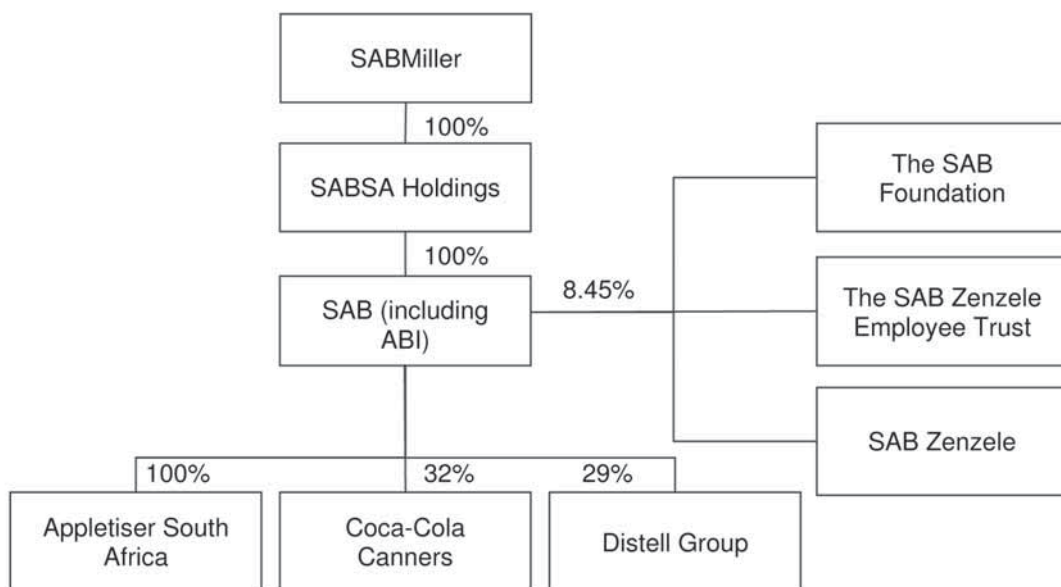
1. INTRODUCTION AND PURPOSE OF THE OFFER [7 and 36]

1.1 What is the purpose of the Offer? [7]

- 1.1.1 The Offer is a component of SABMiller's BBBEE transaction in South Africa, which will involve an indirect equity issue of 8.45% of SAB to participants in this Offer through SAB Zenzele (3.52% of SAB), Qualifying Employees through The SAB Zenzele Employee Trust (3.39% of SAB) and the broader South African community through The SAB Foundation (1.54% of SAB). The Offer as set out in this Prospectus relates only to the SAB Zenzele component referred to above and not The SAB Zenzele Employee Trust and The SAB Foundation components.
- 1.1.2 The purpose of this Offer is to give Qualifying Black People who are Liquor Licence Holders, Liquor Licence Applicants or ABI Customers an opportunity to acquire an indirect stake in SAB and to participate in the profits of SAB and, following the Exchange, to become direct shareholders of SABMiller.
- 1.1.3 Accordingly, Retailer Shareholders will initially be allotted and issued SAB Zenzele Shares in SAB Zenzele which, in turn, will hold R Ordinary Shares in SAB. The SAB Zenzele Shares in SAB Zenzele will, at the end of the Transaction Term, be Exchanged for SABMiller Shares after the notional funding provided by SAB has been settled by way of a repurchase by SAB of sufficient R Ordinary Shares to settle the outstanding notional funding. Retailer Shareholders will not be entitled to trade, Transfer or Encumber their SAB Zenzele Shares, but will be entitled to trade SABMiller Shares on the JSE at the end of the Transaction Term.
- 1.1.4 Through the Offer, SAB also seeks to support the liquor licensing process in South Africa. SAB believes that there are considerable socio-economic benefits to be derived from a normalised and regulated liquor industry in which liquor retailers, the vast majority of whom are currently unlicensed, are formally incorporated into the economy and liquor industry.

1.2 What is the BBBEE transaction structure?

The SABMiller structure in South Africa following implementation of the BBBEE transaction is set out below:



1.3 How will the Offer be funded? [45]

- 1.3.1 The transaction contemplated by the Offer will not require any cash funding, whether from SABMiller, any member of the SAB Group or an external bank, apart from the small cash investment of R100 required from Applicants for a Base Allocation (with Applicants being entitled to invest more than R100, up to a maximum of R25,000 (in the case of Liquor Licence Holders), R2,500 (in the case of Liquor Licence Applicants) or R10,000 (in the case of ABI Customers), in subscription for more SAB Zenzele Shares). More details regarding subscription costs are detailed in section 7 below.
- 1.3.2 Accordingly, the Offer will not be underwritten.
- 1.3.3 SAB will provide notional funding for the difference between the value of the SAB Zenzele Shares issued and the cash investment made by Retailer Shareholders. This notional funding takes the form of a Repurchase Right attaching to the R Ordinary Shares which will be issued by SAB to SAB Zenzele. Details are set out in paragraph 5.1.7 below.
- 1.3.4 Although SAB and SAB Zenzele are of the view that neither the notional funding nor any other aspect of the Offer constitute a contravention of the financial assistance provisions contained in Section 38 of the Companies Act, for an abundance of caution, appropriate SAB and SAB Zenzele shareholder and board resolutions have been passed in accordance with the requirements of Section 38(2A) of the Companies Act in order to sanction any financial assistance that may be associated with the Offer. Copies of these resolutions are attached to the Implementation Agreement, which is open for inspection.

2. SHARES ON OFFER [18, 23 and 43]

2.1 What shares are being offered? [18(a)(i), (ii), (iii) and (iv), 23, 43(a) (i), (ii), (iii) and (iv)]

2.1.1 **SAB Zenzele Shares**

- 2.1.1.1 Retailer Shareholders will initially be allotted and issued SAB Zenzele Shares in SAB Zenzele. SAB Zenzele will, in turn, subscribe for R Ordinary Shares in SAB.
- 2.1.1.2 The SAB Zenzele Shares are ordinary shares with a par value of R0.000 001 each.
- 2.1.1.3 There are 19,228,250 SAB Zenzele Shares on offer in aggregate for allotment and issue on the Allocation Date. However, approximately 708,159 of these SAB Zenzele Shares will initially be set aside to be issued as Additional SAB Zenzele Shares within the first three years following the Allocation Date, as set out in greater detail in paragraph 2.2 below.
- 2.1.1.4 Each SAB Zenzele Share will rank equal to each other SAB Zenzele Share in all respects.
- 2.1.1.5 The SAB Zenzele Shares will not be listed on any stock exchange.
- 2.1.1.6 The restrictions on the SAB Zenzele Shares are set out in section 10 below.

2.1.2 **SABMiller Shares**

- 2.1.2.1 At the end of the Transaction Term, the SAB Zenzele Shares will be Exchanged for SABMiller Shares, on the basis described in paragraph 2.3 below. By signing the Application Form and becoming a shareholder in SAB Zenzele, each Retailer Shareholder agrees to such Exchange, the terms and conditions of which are contained in the SAB Zenzele Memo and Articles, key extracts of which are set out in Annexure G.
- 2.1.2.2 The SABMiller Shares are ordinary shares with a par value of 10 US cents each.
- 2.1.2.3 Each SABMiller Share will rank equal to each other SABMiller Share in all respects.
- 2.1.2.4 The SABMiller Shares will be listed, and will be tradable on the JSE (where SABMiller has a secondary listing). SABMiller's primary listing is on the LSE, but the SABMiller Shares made available to Retailer Shareholders through this Offer will only be tradable on the JSE at the time of the Exchange.
- 2.1.2.5 Notwithstanding paragraph 2.1.2.4 above, SABMiller will be entitled, in its sole discretion, to make alternative arrangements regarding the exchange through which the listed SABMiller Shares may be traded in the event of material changes to the listings requirements of the JSE, the existence of the exchange operated by the JSE as compared to the Last Practicable Date, or relevant laws.
- 2.1.2.6 The SABMiller Shares will not be subject to any additional restrictions arising from this Offer.

2.2 Will any additional SAB Zenzele Shares be made available to Retailer Shareholders following the Allocation Date? [10 and 39]

- 2.2.1 Retailer Shareholders who are Liquor Licence Applicants who become licensed before the third anniversary of the Allocation Date may be issued with Additional SAB Zenzele Shares out of a pool of SAB Zenzele Shares in the authorised, but unissued, share capital of SAB Zenzele that will be set aside for this purpose. Additional SAB Zenzele Shares will be issued at no further cost to eligible Liquor Licence Applicants who become licensed.
- 2.2.2 Accordingly, any Retailer Shareholder that is a Liquor Licence Applicant and who becomes licensed following the Allocation Date, but before the third anniversary of the Allocation Date, should contact the SAB Zenzele call centre on 0861 900 903 and provide proof of a Qualifying Liquor Licence.
- 2.2.3 Allocations of Additional SAB Zenzele Shares will be made by SAB, in its sole discretion and subject to availability of Additional SAB Zenzele Shares for this purpose. In exercising its discretion, SAB will endeavour to allocate to each

Liquor Licence Applicant that becomes licensed 1 SAB Zenzele Share for each 5 SAB Zenzele Shares already held by that Liquor Licence Applicant. Due to the fact that there will be a limited pool of SAB Zenzele Shares available for allocation on the basis described in this paragraph 2.2, and because the Additional SAB Zenzele Shares will be allocated on a first-licensed first-served basis, it is in the interests of Liquor Licence Applicants to take steps to have their Qualifying Liquor Licences granted as soon as possible, by co-operating with the relevant liquor authorities.

- 2.2.4 Additional SAB Zenzele Shares allocated pursuant to paragraph 2.2.3 above will be allotted and issued on or about each anniversary of the Allocation Date.
- 2.2.5 To the extent that authorised, but unissued, SAB Zenzele Shares in the share capital of SAB Zenzele (including those which have been ear-marked for Additional SAB Zenzele Shares and any other authorised, but unissued, share capital arising from an under-subscription or forfeiture of issued SAB Zenzele Shares) remain unissued three years following the Allocation Date, SAB will, in its sole discretion, determine whether such SAB Zenzele Shares should be issued (whether to Retailer Shareholders, The SAB Foundation, or otherwise) or whether some or all of the remaining authorised share capital shall be cancelled.
- 2.2.6 As set out in greater detail in paragraph 5.5 below, the dividends paid by SAB Zenzele will be split between the Retailer Shareholders and The SAB Foundation, as the holder of the Foundation Special Share. The entitlement of The SAB Foundation will be *pro rata* to the proportion of the share capital of SAB Zenzele that has been authorised, but not yet issued (but excluding SAB Zenzele Shares in the authorised share capital that have been repurchased for value on the basis set out in paragraph 10.4.2 below). Accordingly, as Additional SAB Zenzele Shares are issued to Liquor Licence Applicants that become licensed, or in the manner described in paragraph 2.2.5 above, the economic entitlement of The SAB Foundation will reduce.

2.3 How are SAB Zenzele Shares Exchanged for SABMiller Shares? [8(c)]

- 2.3.1 On the Allocation Date, SAB Zenzele will subscribe for and be issued R Ordinary Shares in SAB which represent 3.52% of the entire issued share capital of SAB post issuance.
- 2.3.2 At the same time, but separately from this Offer The SAB Zenzele Employee Trust will subscribe for and be issued E Ordinary Shares in SAB which represent 3.39% of the entire issued share capital of SAB post issuance, and The SAB Foundation will subscribe for and be issued F Ordinary Shares in SAB which represent 1.54% of the entire issued share capital of SAB post issuance.
- 2.3.3 At the end of the Transaction Term, in order to settle the outstanding notional funding pertaining to the R Ordinary Shares, SAB will repurchase a number of the R Ordinary Shares on the basis described in section 5 below, with the remaining R Ordinary Shares that are not repurchased impacting on the number of SABMiller Shares each Retailer Shareholder will receive as set out below. Similar principles will apply to a repurchase by SAB of E Ordinary Shares and F Ordinary Shares, but these repurchases will not have any bearing on the entitlement of Retailer Shareholders to SABMiller Shares.
- 2.3.4 The R Ordinary Shares, E Ordinary Shares and F Ordinary Shares remaining in issue following the repurchase will no longer have any special conditions attaching to them and will rank equally in all respects with all other ordinary shares in the share capital of SAB.
- 2.3.5 Each Retailer Shareholder who holds SAB Zenzele Shares at the end of the Transaction Term will Exchange those SAB Zenzele Shares for SABMiller Shares on a value-for-value basis following the repurchase referred to above. In practice, this means that the number of R Ordinary Shares remaining following the repurchase will be multiplied by the value of an R Ordinary Share at the end of the Transaction Term, which provides the aggregate value of all the remaining R Ordinary Shares. This aggregate value is then divided by the 60-day volume weighted average price of a SABMiller Share traded on the JSE at the end of the Transaction Term, to determine how many SABMiller Shares will be issued to Retailer Shareholders in Exchange for their SAB Zenzele Shares.
- 2.3.6 The number of SABMiller Shares allocated to each Retailer Shareholder will be rounded down to the nearest whole number. The fractions of SABMiller Shares which are rounded down will be aggregated and donated to The SAB Foundation.
- 2.3.7 Further details of the Exchange are set out in the SAB Zenzele Memo and Articles (key extracts of which are set out in Annexure G) and the Exchange Agreement, which are both available for inspection, as read in conjunction with the terms of the R Ordinary Shares which are set out in Annexure C.
- 2.3.8 The E Ordinary Shares held by The SAB Zenzele Employee Trust and the F Ordinary Shares held by The SAB Foundation will similarly be exchanged for SABMiller Shares at the end of the Transaction Term.
- 2.3.9 Importantly, although the basis for determining how many SABMiller Shares Retailer Shareholders will receive is set now, there is no guarantee of how many SABMiller Shares Retailer Shareholders will receive. This is a risk that applies to equity investments, which this Offer is proposing. In addition, in the event that the number of SABMiller Shares due to any Retailer Shareholder pursuant to the Exchange is less than 100, SABMiller shall issue those shares and sell them on behalf of the relevant Retailer Shareholder such that the relevant Retailer Shareholder receives a cash equivalent to those SABMiller Shares in South African Rand.
- 2.3.10 The Exchange of SAB Zenzele Shares for SABMiller Shares is compulsory and a term of this Offer and the SAB Zenzele Memo and Articles and no further action will be required from Retailer Shareholders in order to effect the Exchange. The Exchange of SAB Zenzele Shares for SABMiller Shares is, in any event, in the interest of Retailer Shareholders as the SABMiller Shares are tradable whereas the SAB Zenzele Shares are not tradable.
- 2.3.11 The Exchange described in this paragraph 2.3 may be accelerated by SABMiller, in its sole discretion, in the event of a change of control in SABMiller or SAB. Alternatively, the mechanics of the Exchange may be varied, so as to ensure that Retailer Shareholders are not prejudiced by such a change in control event. The mechanics of the Exchange may also be varied, but not accelerated, if certain other corporate action events occur. Further details are set out in the SAB Memo and Articles, which are open for inspection, and Annexure C.

3. TIMING OF THE OFFER [19 and 44]

3.1 What is the Offer period?

The Offer opens on 22 February 2010 and closes on 7 April 2010. The Offer period may, however, be extended at SAB's sole discretion subject to the requirements of the Companies Act.

3.2 When will the SAB Zenzele Share allocation take place?

It is anticipated that the SAB Zenzele Shares will be allotted and issued to successful Applicants during May 2010.

3.3 How will successful Applicants receive SAB Zenzele Shares?

3.3.1 A welcome pack will be posted to each successful Applicant at the postal address indicated on that Applicant's Application Form once the SAB Zenzele Shares have been allotted and issued. The welcome pack will include a statement from the Transfer Secretary showing how many SAB Zenzele Shares have been allotted and issued to that Applicant on the Allocation Date.

3.3.2 Retailer Shareholders will not receive a share certificate in respect of their SAB Zenzele Shares. The share certificate will be held by the Transfer Secretary in electronic form as security for the restrictions on the SAB Zenzele Shares as set out in section 10 below and to enable the Transfer Secretary to effect the Exchange on behalf of each Retailer Shareholder.

3.4 What is the Transaction Term?

3.4.1 The Transaction Term is the time period prior to the Exchange and the period that the SAB Zenzele Shares will be subject to restrictions. This will be the period commencing on the Allocation Date and terminating on the R Repurchase Date. Save in the circumstances contemplated in paragraph 3.4.5 below, the R Repurchase Date will occur on a date between the first day of the 10th year and the first day of the 11th year following the Allocation Date, as determined by SAB in its sole discretion.

3.4.2 During the Transaction Term, Retailer Shareholders will be entitled to attend and vote at any general meetings of SAB Zenzele, the first of which is anticipated to be before November 2010.

3.4.3 Further, during the Transaction Term, it is anticipated that Retailer Shareholders will receive a dividend twice a year, as set out in more detail in paragraph 5.5 below.

3.4.4 The SAB Zenzele Shares will be Exchanged for SABMiller Shares, which may be freely traded on the JSE, at the end of the Transaction Term.

3.4.5 In the event of a change of control in SABMiller or SAB during the Transaction Term, SABMiller may, in its sole discretion, accelerate the Exchange or make such other changes as are necessary to ensure that Retailer Shareholders are not prejudiced by the change in control. The Transaction Term could also be shortened by other corporate action events. Further details are contained in the SAB Memo and Articles, which are open for inspection, and in Annexure C.

3.5 When will Retailer Shareholders receive SABMiller Shares?

3.5.1 Retailer Shareholders will receive SABMiller Shares at the end of the Transaction Term when the Exchange will be effected.

3.5.2 SAB Zenzele will communicate with Retailer Shareholders prior to the Exchange in relation to arrangements regarding the appointment of a CSDP (or other depository institution), on behalf of and at each Retailer Shareholder's cost, to register each Retailer Shareholder as the holder of SABMiller Shares as from the date of the Exchange. SAB Zenzele may also, in its sole discretion, offer alternative arrangements to Retailer Shareholders that do not wish to continue holding their SABMiller Shares or incur the cost of appointing a CSDP (or other depository institution). This may involve the disposal of the relevant SABMiller Shares through a trade on the JSE, with the cash proceeds, less costs and expenses, paid to the relevant Retailer Shareholders. If such alternative arrangements are made available, details will be published by SAB Zenzele prior to the date of the Exchange.

4. QUALIFYING RETAILERS [18(a)(v) and 43(a)(v)]

4.1 Who qualifies for the Offer?

4.1.1 In order to qualify for the Offer, Applicants must be:

4.1.1.1 a Qualifying Black Person or a Qualifying Black Group; and

4.1.1.2 a Liquor Licence Holder, a Liquor Licence Applicant or an ABI Customer.

4.1.2 Applicants are entitled (but not obliged) to submit a separate Application Form, and will qualify for (but not necessarily be allocated) SAB Zenzele Shares, in respect of each Qualifying Liquor Licence, Qualifying Liquor Licence Application and ABI Outlet Number (subject to verification as set out in paragraph 4.5 below). There is a different Application Form for each of these Offer Categories, as follows:

4.1.2.1 Liquor Licence Holders must fill out the red Application Form;

4.1.2.2 Liquor Licence Applicants must fill out the green Application Form; and

4.1.2.3 ABI Customers must fill out the blue Application Form.

4.1.3 Each Application Form caters for both Black Individuals and Black Groups.

4.2 How does one qualify as a black person?

4.2.1 **Black Individuals**

In order to qualify as a Black Individual, Applicants must be a "Black Person" as defined in the Codes from time to time which, as at the Last Practicable Date, is a natural person who is African, Coloured (including Chinese) or Indian and is a citizen of South Africa by birth or by descent, or became a citizen of South Africa by naturalisation before the commencement date of the Interim Constitution of the Republic of South Africa Act, 1993 (being 27 April 1994), or became a citizen of South Africa after the commencement date of the Interim Constitution of the Republic of South Africa Act, 1993, who, but for the Apartheid policy that had been in place prior to that date, would have been entitled to acquire citizenship by naturalisation prior to that date.

4.2.2 **Qualifying Black Groups**

Qualifying Black Groups fall into the following categories:

- 4.2.2.1 a company which meets the Company Requirements;
- 4.2.2.2 a close corporation which meets the Close Corporation Requirements;
- 4.2.2.3 a trust which meets the Trust Requirements; or
- 4.2.2.4 a partnership which meets the Partnership Requirements.

4.3 What retail liquor licence do Liquor Licence Holders need to hold in order to qualify?

4.3.1 Each Liquor Licence Holder must hold a Qualifying Liquor Licence on the date that the allocation of SAB Zenzele Shares is finalised in respect of that Liquor Licence Holder which date shall be determined by SAB in its sole discretion but shall be during the period from the date of submission of the Application Form by that Liquor Licence Holder until the Allocation Date.

4.3.2 The specific requirements for a Qualifying Liquor Licence will depend upon the province in which the licensed premises of the Applicant is situated, as follows:

4.3.2.1 Eastern Cape

- 4.3.2.1.1 A Liquor Licence Holder registered in terms of the Eastern Cape Act must hold a valid registration contemplated in Section 20 of the Eastern Cape Act which has been issued in the prescribed form pursuant to an application in terms of Section 22.
- 4.3.2.1.2 Notwithstanding the above, a registration contemplated in sub-section 20(d) (retail sale and consumption of liquor at a special event) and 20(e) (micro-manufacturing) shall not be a Qualifying Liquor Licence.
- 4.3.2.1.3 A temporary registration contemplated in Section 71 of the Eastern Cape Act shall **not** be a Qualifying Liquor Licence as these registrations have expired.

4.3.2.2 Gauteng

- 4.3.2.2.1 A Liquor Licence Holder holding a licence or permit issued in terms of the Gauteng Act must hold a valid liquor licence contemplated in Section 28 of the Gauteng Act or a permit contemplated in Section 141(m) of the Gauteng Act, which has been issued in the prescribed form pursuant to an application in terms of Section 23 of the Gauteng Act or Regulation 21 of the Gauteng Regulations, respectively.
- 4.3.2.2.2 Notwithstanding the above, a licence contemplated in sub-section 28(1)(a)(iv) (club liquor licence), 28(1)(a)(xiii) (catering or occasional permits) and 28(1)(b)(iv) (micro-manufacturer liquor licence) of the Gauteng Act shall not be a Qualifying Liquor Licence.

4.3.2.3 All other provinces

- 4.3.2.3.1 A Liquor Licence Holder holding a licence issued in terms of the Old Act must hold a valid liquor licence contemplated in Section 20 of the Old Act, which has been issued in the prescribed form pursuant to an application in terms of Section 19 of the Old Act.
- 4.3.2.3.2 Notwithstanding the above, a licence contemplated in sub-section 20(a)(iii) (wine-house licence), 20(a)(v) (club liquor licence), 20(a)(viii) (temporary liquor licence), 20(a)(ix) (occasional licence), 20(b)(ii) (brewer's licence), 20(b)(v) (wine farmer's licence), 20(b)(vi) (sorghum beer brewer's licence) and 20(b)(ix) (producer's licence) of the Old Act shall not be a Qualifying Liquor Licence.
- 4.3.2.3.3 In the event that provincial retail liquor legislation is enacted or brought into force in the Western Cape, Northern Cape, KwaZulu-Natal, Free State, North West, Mpumalanga or Limpopo between the Last Practicable Date and the Closing Date (or, in respect of any notification for Additional SAB Zenzele Shares, between the Last Practicable Date and the third anniversary of the Allocation Date), any retail liquor licence under that legislation shall constitute a Qualifying Liquor Licence, save for licences for catering or special purposes, micro-manufacturing licences, club licences, wine farmer's licences, or any other licence as SAB may, in its sole discretion, determine to be at odds with the aims of this Offer.

4.3.3 SAB may, in its sole discretion, alter the requirements for Qualifying Liquor Licences in respect of allocations of Additional SAB Zenzele Shares in order to accommodate changes to provincial retail liquor legislation at the relevant time.

4.4 What retail liquor licence application do Applicants need to submit to qualify?

4.4.1 Liquor Licence Applicants can fall into one of two categories as follows:

4.4.1.1 Liquor Licence Applicants that have lodged a Qualifying Liquor Licence Application; or

4.4.1.2 Liquor Licence Applicants that have materially completed the Qualifying Liquor Licence Application requirements that are within their control, and who have demonstrated a firm commitment to lodge a Qualifying Liquor Licence Application.

4.4.2 Further details of each of these categories are set out below.

4.4.3 **Lodged application**

Liquor Licence Applicants must provide a certified copy of an application for an appropriate Qualifying Liquor Licence stipulated in paragraph 4.3 above, which has been prepared in accordance with the requirements of the retail liquor licensing legislation currently in force in the province in which the premises in respect of which the Liquor Licence Applicant has applied for a licence is situated and which has been accepted for consideration clearly indicating the payment receipt number and date stamped by the clerk of the Magistrate's Court, the provincial liquor board or such other authority as SAB may, in its sole discretion, consider appropriate.

4.4.4 **Applications still to be lodged**

4.4.4.1 Liquor Licence Applicants that have materially completed the application requirements for a Qualifying Liquor Licence that are within their control, will be entitled to participate in the Offer if they are in receipt of a sequentially numbered letter signed by a senior Liquor Licence Assistant (designated by SAB for this purpose in its sole discretion), which certifies that the requirements set out below have been materially complied with and that the senior Liquor Licence Assistant has been instructed to proceed with assisting the Applicant to lodge a Qualifying Liquor Licence Application once the outstanding requirements have been complied with, irrespective of whether or not the Applicant is allotted and issued SAB Zenzele Shares pursuant to the Offer. In addition, the Liquor Licence Assistant is required to certify that, as far as he is aware, the Applicant has not received any final determination from any authority or agency that it does not comply with any of the requirements for a Qualifying Liquor Licence Application.

4.4.4.2 The senior Liquor Licence Assistant will need to certify that the following requirements have been complied with:

Eastern Cape

The application is to be made on the prescribed application form (signed by the applicant) and accompanied by:

- details of the physical address of the premises, identity/registration number of the applicant and residential/registered address of the applicant;
- a description of the premises (including colour photos) with reference to construction, layout, furnishing, fixtures, fittings and floor covering;
- details of the physical address by reference to erf, street or farm number;
- a plan of premises;
- comprehensive written representations;
- proof of service of notice to, and letters of consent from, a governing body of an educational institution or place of worship within 100 metres of the premises; and
- a sworn affidavit deposed to by the applicant confirming the correctness of the information provided in the licence application.

Gauteng

The application is to be made on the prescribed application form (signed by the applicant) and accompanied by:

- proof of the right of occupation of the premises;
- a detailed written motivation;
- a detailed sketch plan of the premises drawn to scale and showing rooms (particularly those where liquor will be sold), services, buildings and construction materials;
- a detailed description of premises, together with colour photographs of the internal and external features;
- a SAPS certificate of suitability, or, where not available, proof of application for such a certificate;
- a declaration that the applicant has not, in the preceding 10 years, been convicted of any offence and sentenced to imprisonment without the option of a fine, or, in the preceding 5 years, been convicted of an offence in terms of the Gauteng Act or the Old Act;
- details of the physical address of the premises, identity/registration number of the applicant and residential/registered address of the applicant;

- proof of affiliation to the Gauteng Liquor Traders Association, or, where not available, proof of application for such affiliation;
- where possible, a letter of consent signed by all places of worship, educational institutions, similar licensed premises and public transport facilities within 500 metres of the licensed premises;
- an affidavit:
 - declaring compliance with smoking laws;
 - specifying places of worship, educational institutions, similar licensed premises and public transport facilities within 500 metres of the licensed premises; and
 - declaring compliance with the requirement that a notice of the application be displayed at the licensed premises;
- a menu of the food that will be served at the licensed premises; and
- details of the financial interests of any person in the business of the applicant as well as details of any other financial interests of the applicant in the liquor industry in South Africa.

All other provinces

The application is to be made on the prescribed application form (signed by the applicant) and accompanied by:

- details of the physical address of the premises, identity/registration number of the applicant and residential/registered address of the applicant;
- a plan of premises, including the dimensions of each room, all doors, windows and counters and means of internal and external communication and the streets and places to which such means of external communication lead;
- a description of the premises (including colour photos) with reference to construction, layout, furnishing, fixtures, fittings and floor covering;
- detailed written representations;
- proof of service of notice to, and consent from, any educational institution or place of worship within 1km of the licensed premises;
- a sworn affidavit deposed to by the applicant confirming the correctness of the information provided in the licence application;
- in respect of KwaZulu-Natal only, an affidavit declaring compliance with smoking laws; and
- a declaration that the applicant has not, in the preceding 10 years, been convicted of any offence, whether in terms of the Old Act or otherwise and sentenced to imprisonment without the option of a fine.

4.4.4.3 In the event that provincial liquor legislation is enacted or brought into force in the Western Cape, Northern Cape, KwaZulu-Natal, Free State, North West, Mpumalanga or Limpopo between the Last Practicable Date and the Closing Date, SAB will determine, in its sole discretion, but on a basis that is consistent with the approach taken in the other provinces, which of the application requirements must be complied with in order to be eligible for certification by a senior Liquor Licence Assistant.

4.4.5 Further information regarding assistance with completion of Qualifying Liquor Licence Applications is set out in paragraph 6.12 below.

4.5 Which customers of ABI qualify?

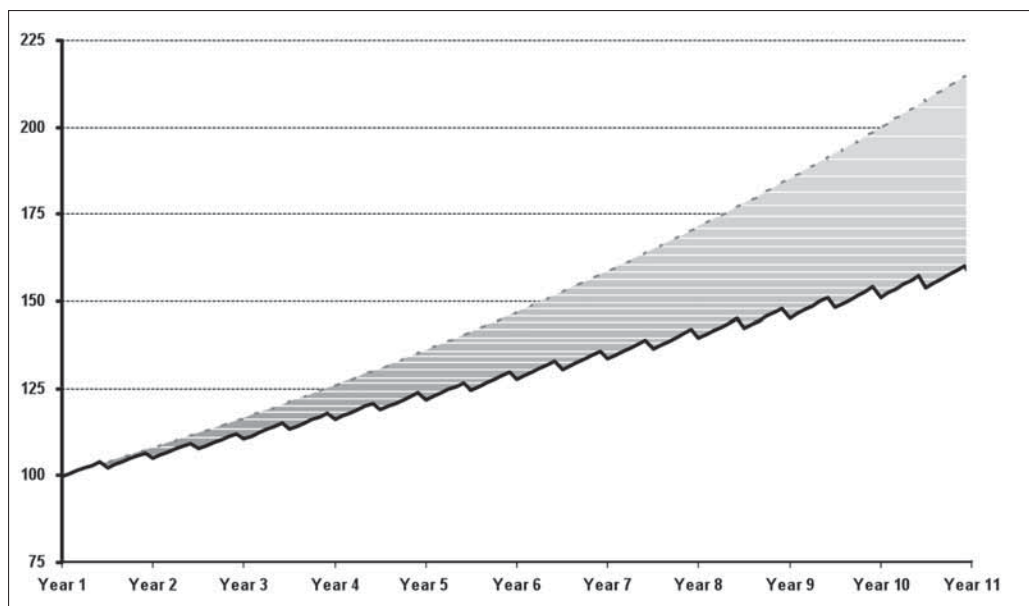
- 4.5.1 In order to qualify for the Offer, an Applicant must have an ABI Outlet Number, as reflected on SAB's register of ABI customers as at 1 July 2009.
- 4.5.2 In order to ascertain whether an Applicant has a valid ABI Outlet Number, the Applicant must first place a call to SAB Zenzele's call centre on 0861 900 903.
- 4.5.3 An ABI sales representative will subsequently make contact with that Applicant to the extent that further verification is required that the Applicant is an ABI Customer.
- 4.5.4 No further verification will be required if the Applicant has proof that it is an ABI Customer in the form of an ABI delivery notice, ABI payment receipt or ABI invoice, which reflects that Applicant's ABI Outlet Number and which is not more than three months old as at the date that the Applicant contacts the call centre, deals with an ABI sales representative or submits the relevant Application Form.
- 4.5.5 If the Applicant does not have the relevant notice, receipt or invoice as referred to above, further verification steps will need to be taken in order to enable ABI to verify that the Applicant corresponds to the relevant ABI Outlet Number and has traded with ABI within the three month period prior to the verification.
- 4.5.6 If successfully verified through such further steps, the Applicant will be provided with a letter indicating its ABI Outlet Number and confirming that it has traded with ABI within the three month period prior to the verification, on an ABI letterhead, a certified copy of which must be submitted along with that Applicant's Application Form.
- 4.5.7 SAB reserves the right to accept or refuse any ABI delivery notice, ABI payment receipt, ABI invoice, or request for verification as it may determine in its sole discretion.

5. MECHANICS OF THE OFFER [8(c) and 18]

5.1 How will the Offer be implemented?

Assuming the Offer is not under-subscribed, it will be implemented as follows:

- 5.1.1 Successful Applicants will subscribe for and be issued 19,228,250 SAB Zenzele Shares in SAB Zenzele in aggregate (approximately 708,159 of these SAB Zenzele Shares will initially be set aside to be issued as Additional SAB Zenzele Shares within the first three years following the Allocation Date, as set out in greater detail in paragraph 2.2 above).
- 5.1.2 The SAB Foundation will subscribe for and be issued the Foundation Special Share, which will give The SAB Foundation, as the holder of that share, an economic interest that is *pro rata* to the authorised, but unissued, share capital of SAB Zenzele, as described in greater detail in paragraph 5.3 below.
- 5.1.3 SAB will subscribe for and be issued the SAB Special Share, which will give SAB, as the holder of that share, no economic interest but certain rights to protect the BBBEE aspects and certain other imperatives of the Offer, as described in greater detail in paragraph 5.4 below.
- 5.1.4 SAB Zenzele will subscribe for and be issued 19,228,250 R Ordinary Shares, which represent 3.52% of the entire issued share capital of SAB post issuance. The R Ordinary Shares contain the mechanism for SAB's notional funding, as described in paragraphs 5.1.6 to 5.1.8 below.
- 5.1.5 Additional SAB Zenzele Shares may be issued to Retailer Shareholders that are Liquor Licence Applicants that are granted a Qualifying Liquor Licence during the three year period following the Allocation Date. The economic benefit attaching to the Foundation Special Share will be reduced *pro rata* to the number of Additional SAB Zenzele Shares issued.
- 5.1.6 At the end of the Transaction Term, a sufficient number of the R Ordinary Shares will be repurchased by SAB in order to settle the outstanding notional funding and the SAB Zenzele Shares will be Exchanged for SABMiller Shares such that the Retailer Shareholders will receive a number of SABMiller Shares which, broadly, will be linked to the operating performance of SAB during the Transaction Term.
- 5.1.7 At the end of the Transaction Term, the number of the SABMiller Shares that Retailer Shareholders will receive will be calculated by reference to the number of R Ordinary Shares remaining after the notional funding has been settled through the exercise of SAB's Repurchase Right, which will take into account the difference between:
 - 5.1.7.1 the opening balance of the Repurchase Right (after indexing the opening balance of the Repurchase Right by reference to an interest rate of 85% of the South African prime interest rate during the Transaction Term, and offsetting against that indexed Repurchase Right the difference between the dividends which would have been paid on R Ordinary Shares, had SAB paid 100% of Adjusted Attributable Profits as dividends during the Transaction Term, and the actual dividends paid on the R Ordinary Shares (as set out in greater detail in paragraph 5.5 below)); and
 - 5.1.7.2 the actual value of the R Ordinary Shares at the end of the Transaction Term, which value will be determined by applying SABMiller Group's implied trading EV/EBITA multiple at the time to SAB's latest 12-month consolidated EBITA and adjusting that value for SAB's position with respect to the consolidated book value of minorities, preference share funding and net debt, as well as the outstanding Repurchase Right attributable to the R Ordinary Shares, E Ordinary Shares and F Ordinary Shares. Further adjustments may be made in respect of relevant events that are not captured in the consolidated financial statements of SABMiller or SAB, subject to verification by an independent expert.
- 5.1.8 A graph describing, in simple terms, the notional funding mechanism is set out below for illustrative purposes only. The graph should not in any way be construed as a forecast of how SAB or SABMiller will perform during the Transaction Term, nor of the quantum of dividends to be paid.



- 5.1.9 In the graph above:
- 5.1.9.1 the dotted line represents the value of the exposure to SAB, indexed to 100 for purposes of illustration. Factors which will affect this value over the Transaction Term include, but are not limited to:
 - 5.1.9.1.1 the operating performance of SAB;
 - 5.1.9.1.2 the operating performance of SABMiller;
 - 5.1.9.1.3 the ZAR/USD exchange rate;
 - 5.1.9.1.4 the market price of SABMiller;
 - 5.1.9.1.5 uncertain future events;
 - 5.1.9.2 the solid line represents the value of the notional funding over the Transaction Term. Factors which will affect this value over the Transaction Term are:
 - 5.1.9.2.1 interest accumulated monthly on the notional funding at a rate of 85% of the South African prime lending rate; and
 - 5.1.9.2.2 the difference between the percentage of Adjusted Attributable Profit paid to SAB Zenzele and 100% of Adjusted Attributable Profit; and
 - 5.1.9.3 the grey shaded area is the value that will be paid to Retailer Shareholders in SABMiller Shares at the end of the Transaction Term.
- 5.1.10 There is no guarantee regarding how many SABMiller Shares each Retailer Shareholder will receive following the calculation referred to above.
- 5.1.11 In the event that the number of SABMiller Shares due to any Retailer Shareholder pursuant to the Exchange is less than 100, SABMiller shall issue those shares and sell them on behalf of the relevant Retailer Shareholder such that the relevant Retailer Shareholder receives an amount in cash arising from the sale of those SABMiller Shares.
- 5.1.12 The detailed terms of the rights and restrictions attaching to the R Ordinary Shares, which includes full details of the Repurchase Right, are set out in Annexure C and the SAB Memo and Articles, which are open for inspection.

5.2 Will Retailer Shareholders have any voting rights in SAB?

- 5.2.1 No, not directly, but as shareholders in SAB Zenzele, Retailer Shareholders can vote at general meetings of SAB Zenzele. As SAB Zenzele is a shareholder of SAB, the Board will vote at SAB general meetings on behalf of SAB Zenzele.
- 5.2.2 Retailer Shareholders are entitled to one vote at general meetings of SAB Zenzele for every SAB Zenzele Share held.

5.3 What rights attach to the Foundation Special Share?

- 5.3.1 The Foundation Special Share will entitle The SAB Foundation, as the holder of that share, to economic rights in SAB Zenzele that are *pro rata* to the authorised, but unissued, share capital of SAB Zenzele from time to time (but excluding SAB Zenzele Shares in the authorised share capital that have been repurchased for value on the basis set out in paragraph 10.4.2 below), and to one vote at general meetings of SAB Zenzele.
- 5.3.2 The funds received by The SAB Foundation by virtue of the Foundation Special Share will be utilised to further the object of The SAB Foundation.
- 5.3.3 The detailed terms of the rights and restrictions attaching to the Foundation Special Share are set out in Annexure D and the SAB Zenzele Memo and Articles, which are open for inspection.

5.4 What rights attach to the SAB Special Share?

- 5.4.1 The SAB Special Share will confer the following rights:
- 5.4.1.1 the holder of the SAB Special Share will have the requisite majority of votes at general meetings of the shareholders of SAB Zenzele in respect of any resolution relating only to the issue or buy-back of SAB Zenzele Shares, the cancellation of authorised, but unissued, share capital of SAB Zenzele or the ratification of any breach of any special condition contained in the SAB Zenzele Memo and Articles. This means that SAB, as the holder of the SAB Special Share, will be able to control the determination of these matters at shareholder level; and
 - 5.4.1.2 from the first annual general meeting of SAB Zenzele, the holder of the SAB Special Share will be entitled to nominate and appoint two directors to the Board (as set out in greater detail in section 14 below).
- 5.4.2 The SAB Special Share will confer no economic rights on its holder.
- 5.4.3 The detailed terms of the rights and restrictions attaching to the SAB Special Share are set out in Annexure E and the SAB Zenzele Memo and Articles which are open for inspection.

5.5 What dividend will Retailer Shareholders receive? [6(f)(ii), (iii) and (iv), 8(c)]

- 5.5.1 As SAB Zenzele is newly incorporated, it has no dividend history. However, it is anticipated that Retailer Shareholders will receive a meaningful dividend in the first year of receiving SAB Zenzele Shares. To illustrate, had the SAB Zenzele offer been implemented on 1 April 2008, the aggregate amount of dividends payable to SAB Zenzele would have totalled approximately R32 million for the financial year ended 31 March 2009. This amount, net of any costs and administration expenses, would have been distributed to Retailer Shareholders. Assuming costs and administration expenses of R5 million incurred by SAB Zenzele for the year ended 31 March 2009 and that the SAB Zenzele offer was fully subscribed, Retailer Shareholders with a Base Allocation of SAB Zenzele Shares would have received dividends of R444, while Retailer Shareholders with a maximum allocation of SAB Zenzele Shares would have received dividends of R4,440 during that financial year.
- 5.5.2 It is anticipated that dividends will be paid bi-annually in respect of each financial year of SAB Zenzele, with the first dividend expected to be paid to Retailer Shareholders in November 2010.
- 5.5.3 SAB Zenzele will use the ordinary cash dividends received from SAB in respect of the R Ordinary Shares held by SAB Zenzele (as set out in paragraph 5.5.4 below) in the following order of priority as set out in the SAB Zenzele Memo and Articles:
- 5.5.3.1 firstly, SAB Zenzele shall pay or make a reasonable provision from time to time for the costs, including tax and/or other statutory costs and/or costs arising from paragraphs 10.4.2, 10.6.2 or 10.8.2, incurred or to be incurred by SAB Zenzele and expenses incurred or to be incurred by SAB Zenzele in the course of the day-to-day management and administration of SAB Zenzele and implementing the provisions of the Transaction Documents;
- 5.5.3.2 secondly, to the extent that funds remain available, SAB Zenzele will declare and pay to the holders of the SAB Zenzele Shares and the Foundation Special Share a dividend equal to the remaining available funds. The Foundation Special Share will entitle the holder thereof to an amount of the dividend so declared and paid that is *pro rata* to the authorised, but unissued, share capital of SAB Zenzele at the date of declaration (but excluding SAB Zenzele Shares in the authorised share capital that have been repurchased for value on the basis set out in paragraph 10.4.2 below).
- 5.5.4 Dividends will be paid by SAB to SAB Zenzele, as the holder of the R Ordinary Shares, on the following basis:
- 5.5.4.1 for the first six months of SAB's financial year, being the period from 1 April to 30 September (both dates inclusive), if SAB declares and pays one or more cash dividends in respect of that period to the holders of ordinary SAB shares (excluding R Ordinary Shares, E Ordinary Shares and F Ordinary Shares), SAB will declare and pay in respect of each R Ordinary Share in issue a dividend equal to 25% of Adjusted Attributable Profit for that period divided by the number of SAB Ordinary Shares in issue; and
- 5.5.4.2 for the second six months of SAB's financial year, being the period from 1 October to 31 March of the following calendar year (both dates inclusive), if SAB declares and pays one or more cash dividends in respect of that period to the holder of ordinary SAB shares (excluding R Ordinary Shares, E Ordinary Shares and F Ordinary Shares), SAB will declare and pay in respect of each R Ordinary Share in issue a dividend equal to 25% of Adjusted Attributable Profit for the full financial year divided by the number of SAB Ordinary Shares in issue less any amount paid per R Ordinary Share in respect of the first six months of the financial year on the basis set out in paragraph 5.5.4.1 above.
- 5.5.5 The amount calculated in terms of paragraph 5.5.4 above shall be reduced by such amount as required for payment of tax and/or other statutory costs due in consequence of the declaration of the dividend, payable by SAB or SAB Zenzele, as the recipient of the dividend payment, including, without limitation, any amount due by the Company in respect of any payments for secondary tax on companies.
- 5.5.6 In the event that withholding tax on dividends is introduced, SAB Zenzele and SAB will withhold the requisite amount from the dividend payment in terms of paragraphs 5.5.3.2 and 5.5.4 above, respectively.

5.6 What are the tax consequences of participating in the Offer?

- 5.6.1 The tax consequences of this Offer include the following:
- 5.6.1.1 Capital Gains Tax
- 5.6.1.1.1 When Retailer Shareholders Exchange their SAB Zenzele Shares for SABMiller Shares, they will be regarded as having disposed of their SAB Zenzele Shares for the market value of the SABMiller Shares acquired. Retailer Shareholders will be subject to capital gains tax on the difference between the actual cost of their SAB Zenzele Shares and the market value of the SABMiller Shares acquired. As at the Last Practicable Date, the rate of capital gains tax applicable is a maximum of 10% of the gain if the Retailer Shareholder is a Black Individual, and 14% if the Retailer Shareholder is a Black Group.
- 5.6.1.1.2 If at a later date a Retailer Shareholder disposes of the SABMiller Shares acquired through the Exchange, it will be subject to capital gains tax on the difference between the sale proceeds of the shares, and the market value at the time of the Exchange referred to above. The rate will be the same as referred to in paragraph 5.6.1.1.1 above.
- 5.6.1.2 Income Tax
- It is currently envisaged that there will be no income tax consequences in respect of the acquisition and disposal of SAB Zenzele Shares and the acquisition and disposal of the SABMiller Shares.

5.6.1.3 Dividend Withholding Tax

With effect from a date still to be officially announced (but anticipated to be in the latter part of 2010), dividends paid by SAB Zenzele will be subject to withholding tax at a prescribed rate of 10%, deducted by and paid over to the revenue authorities by SAB Zenzele. The balance of the dividends received by the Retailer Shareholders are exempt from tax. Where a Retailer Shareholder is a Black Group, the Retailer Shareholder may, in certain circumstances, be exempt from the withholding tax but the Retailer Shareholder will have the responsibility to notify SAB Zenzele of such an exemption and provide SAB Zenzele with the necessary proof thereof.

- 5.6.2 The tax consequences discussed above are subject to the tax laws of South Africa which may change over the course of the Transaction Term. Applicants may wish to seek independent professional advice prior to applying for SAB Zenzele Shares to fully understand the tax implications and consequences arising from applying and subscribing for SAB Zenzele Shares, and the future Exchange of SAB Zenzele Shares for SABMiller Shares, as well as any subsequent disposal of SABMiller Shares following the Transaction Term.

6. APPLYING FOR SAB ZENZELE SHARES

6.1 How do Applicants apply for SAB Zenzele Shares?

- 6.1.1 Applicants should take the following steps in order to apply for SAB Zenzele Shares:

6.1.1.1 read the Prospectus and complete and sign the original Application Form. A different Application Form applies to each of the Offer Categories as follows:

6.1.1.1.1 Liquor Licence Holders must fill out the red Application Form;

6.1.1.1.2 Liquor Licence Applicants must fill out the green Application Form; and

6.1.1.1.3 ABI Customers must fill out the blue Application Form;

6.1.1.2 further originals of the Prospectus can be collected from the nearest participating Post Office, SAB or ABI site, or the registered office of SAB Zenzele or the Transfer Secretary (see the inside of the covering page, "Corporate Information", for these details);

6.1.1.3 ensure that the Application Form is fully completed and that the declaration contained in the Application Form is signed;

6.1.1.4 prepare or collate all the required supporting documents which are listed on the Application Form and detailed below;

6.1.1.5 submit the completed and signed Application Form together with the supporting documents to a participating Post Office by the closing time of the relevant participating Post Office on the Closing Date; and

6.1.1.6 pay for the SAB Zenzele Shares either when submitting the Application Form or at any time before the Closing Date.

6.1.2 Applications will be irrevocable and may not be withdrawn once received at any Post Office branch.

6.1.3 The Post Office will check each Application. If the Application Form is not completed properly or is incomplete, the Applicant's information cannot be verified or all the supporting documentation is not submitted, the Application will not be accepted.

6.1.4 Once the Application Form is processed, a SAB Zenzele Postbank Account will be opened.

6.1.5 Each Applicant may submit one Application Form in respect of each Qualifying Liquor Licence, Qualifying Liquor Licence Application and ABI Outlet Number (verified in accordance with paragraph 4.5 above). Accordingly, a single Applicant may be entitled to submit multiple Applications.

6.1.6 The Post Office will issue each Applicant with a receipt for the Application Form and the supporting documents received.

6.2 What supporting documents are required?

6.2.1 The following supporting documents are required in respect of each Application:

6.2.1.1 FICA related documents, which vary depending on whether the Applicant is a Black Individual or a Black Group, as set out in paragraph 6.3 (Black Individuals) or paragraph 6.4 (Black Groups) below;

6.2.1.2 bank related documents, which are the same for Black Individuals and Black Groups, as set out in paragraph 6.6 below; and

6.2.1.3 documentation demonstrating that the Applicant is a Liquor Licence Holder, Liquor Licence Applicant or ABI Customer, as set paragraphs 6.7, 6.8 and 6.9 below, respectively.

6.2.2 Where certified copies of supporting documentation is required, originals of that documentation will also suffice.

6.3 What FICA documents are required for Black Individuals?

Black Individuals will be required to submit:

6.3.1 a certified copy of the picture/bar coded pages from the Black Individual's South African green identity document or South African passport, provided that the identity number is printed on such passport; and

6.3.2 proof of physical address as indicated in paragraph 6.5 below.

6.4 What FICA documents are required for Black Groups?

- 6.4.1 All Black Groups will be required to submit the following documents:
- 6.4.1.1 in respect of both authorised signatories as stated under Part D of the Applicant's Application Form, a certified copy of the picture/bar coded pages from the South African green identity document, or South African passport, provided that the identity number is printed on such passport;
 - 6.4.1.2 proof of the Black Group's physical address as indicated in paragraph 6.5 below; and
 - 6.4.1.3 proof of the physical address, as indicated in paragraph 6.5 below, of both authorised signatories as stated under Part D of the Application Form.
- 6.4.2 In addition to the above, different types of entities will need to submit certified copies of the supporting documents listed below for FICA purposes:
- 6.4.2.1 Companies:
 - certificate of incorporation (CM1);
 - certificate of change of name (CM9) (if applicable);
 - notice of registered office and postal address (CM22);
 - return of directors and officers (CM29); and
 - directors' resolution authorising both signatories as stated under Part D of the Application Form to act on behalf of the company.
 - 6.4.2.2 Trusts:
 - trust deed;
 - current letters of authority issued by the Master of the South African High Court; and
 - trustees' resolution authorising both signatories as stated under Part D of the Application Form to act on behalf of the trust.
 - 6.4.2.3 Partnerships:
 - partnership agreement; and
 - partners' resolution authorising both signatories as stated under Part D of the Application Form to act on behalf of the partnership.
 - 6.4.2.4 Close Corporations:
 - founding statement and certificate of incorporation (CK1);
 - amended founding statement (CK2), if applicable; and
 - members' resolution authorising both signatories as stated under Part D of the Application Form to act on behalf of the close corporation.

6.5 What constitutes proof of physical address?

A certified copy of **any** one of the following documents reflecting the name and physical address must be submitted by Black Individuals or Black Groups as proof of physical address. Unless otherwise stated, these documents must be less than three months old:

- utility bill;
- current lease or rental agreement reflecting that the Applicant is the tenant;
- bank statement;
- municipal rates and taxes invoice;
- current copy of valid television licence;
- mortgage bond statement;
- land-line or cellular telephone account;
- current household (short-term) insurance policy;
- tax return (less than 1 year old);
- correspondence from a body corporate or share-block association reflecting the Applicant as owner/tenant/occupant;
- payslip or salary advice;
- a letter from or affidavit signed by a tribal chief/authority where the Applicant lives; or
- an affidavit signed by the Applicant and the Applicant's landlord, in the form of the affidavit attached. This Annexure has been perforated and can be torn out of the Prospectus and used as the base for the affidavit by completing the blanks.

6.6 What bank related documentation is required?

6.6.1 If the Applicant has an existing Transactional Bank Account, it must:

6.6.1.1 obtain a stamp on the Application Form from its bank verifying the Transactional Bank Account details; and

6.6.1.2 provide details of its Transactional Bank Account on its Application Form into which SAB Zenzele must pay refunds, dividends and any other payments.

6.6.2 If the Applicant does not have an existing Transactional Bank Account, it must:

6.6.2.1 open a new Transactional Bank Account at any bank or the Post Office; and

6.6.2.2 obtain a stamp on the Application Form from the bank verifying the Transactional Bank Account details.

6.7 What additional supporting documents are required for Liquor Licence Holders?

Liquor Licence Holders will be required to submit a certified copy of the Qualifying Liquor Licence, details of which are set out in paragraph 4.3 above.

6.8 What additional supporting documents are required for Liquor Licence Applicants?

Liquor Licence Applicants will be required to submit:

6.8.1 a certified copy of the Qualifying Liquor Licence Application, details of which are set out in paragraph 4.4.3 above, and a certified copy of the official proof of payment of the prescribed application fees in respect of the Qualifying Liquor Licence Application, including the receipt number, if such proof of payment does not form part of the Qualifying Liquor Licence Application; or

6.8.2 a certified copy of a Liquor Licence Assistant Letter, details of which are set out in paragraph 4.4.4 above.

6.9 What additional supporting documents are required for ABI Customers?

ABI Customers will be required to submit:

6.9.1 a certified copy of an ABI delivery notice, ABI payment receipt, or ABI invoice which reflects the Applicant's ABI Outlet Number and which is less than three months old on the date the Applicant contacts the call centre, deals with an ABI sales representative or submits the relevant Application Form; or

6.9.2 a certified copy of a letter on an ABI letterhead verifying that the Applicant is an ABI Customer and confirming that it has traded with ABI within the three month period prior to verification, as described in greater detail in paragraph 4.5 above.

6.10 Are there examples of supporting documents required?

6.10.1 Examples of the required supporting documents are set out in Annexure F.

6.10.2 A *pro forma* proof of physical address affidavit to be signed by the Applicant and the Applicant's landlord is attached. This is one of several possible documents that will constitute proof of physical address as set out in paragraph 6.5 above. This Annexure has been perforated and can be torn out of the Prospectus and used as the base for the affidavit by completing the blanks.

6.11 Who can help Applicants with completion of the Application Form?

SAB has designated trained people who are ready to assist Applicants to complete the Application Form. Applicants should call SAB Zenzele's call centre on 0861 900 903 to find out where these trained people can be located or SAB Zenzele's call centre operators can assist Applicants to complete the Application Form over the phone. An example of a completed Application Form is set out in Annexure H for illustrative purposes only.

6.12 Who can help Applicants with Qualifying Liquor Licence Applications?

6.12.1 SAB has made available Liquor Licence Assistants to help Applicants prepare the Qualifying Liquor Licence Application free of charge.

6.12.2 Applicants should call SAB Zenzele's call centre on 0861 900 903 for further information or assistance.

6.12.3 Applicants should be wary of dishonest licensing consultants that may offer assistance with completion of licence applications in exchange for a fee. Before handing over money, Applicants are advised to ensure that they are dealing with reputable licensing consultants.

6.13 What are the ongoing compliance requirements?

6.13.1 If there is any change in the shareholders, beneficiaries, partners or members of a Black Group, that Black Group is required to provide written notification of that fact to SAB Zenzele prior to the change or, at the latest, within 30 days following the change. This information can be delivered or posted to the physical or postal address of SAB Zenzele, as set out on the inside cover of the covering page, marked for the attention of the SAB Zenzele company secretary or faxed to (011) 881-8030 marked for the attention of the SAB Zenzele company secretary.

- 6.13.2 SAB will be entitled at any time to request from any Black Group at SAB's sole discretion and in writing the preparation and issue of a BBEE Ownership Certificate (but shall not be entitled to make such a request more than once in any 12-month period, unless a previous request within that period has not been responded to). If SAB makes such a request of a Black Group, the BBEE Ownership Certificate must be provided by that Black Group to SAB within 30 days of the date of the request (or such longer time period as SAB may, in its sole discretion, allow).
- 6.13.3 Each Black Group must, during the Transaction Term, fully co-operate and assist SAB and its representatives by providing them with access to all information and records which are in its possession or which it may be entitled and/or obliged to keep in its possession, within 14 days of a written request therefore from SAB or such representatives, for purposes of enabling SAB or such representatives to verify the BBEE status of that Black Group.
- 6.13.4 For further details of restrictions on the SAB Zenzele Shares, see section 10.

7. MINIMUM AND MAXIMUM SUBSCRIPTIONS AND PAYMENT [18(a)(iv), 20(a), 21 and 43(a)(iv)]

7.1 How much do Applicants have to pay?

7.1.1 *Liquor Licence Holders*

- 7.1.1.1 The minimum subscription is R100 for the Base Allocation.
- 7.1.1.2 Additionally, Liquor Licence Holders are entitled to apply for further SAB Zenzele Shares, in accordance with the table set out below. The maximum subscription is R25,000 for at least 3,170 SAB Zenzele Shares.

Indicative number of SAB Zenzele Shares	Subscription price (Rand)	Value of effective exposure to SAB (Rand)	Percentage notional funding	Notional funding provided by SAB (Rand)	Cost per SAB Zenzele Share (Rand)
317	100	50,000	99.8%	49,900	0.32
634	2,500	100,000	97.5%	97,500	3.94
951	5,000	150,000	96.7%	145,000	5.26
1,268	7,500	200,000	96.3%	192,500	5.91
1,585	10,000	250,000	96.0%	240,000	6.31
1,902	12,500	300,000	95.8%	287,500	6.57
2,219	15,000	350,000	95.7%	335,000	6.76
2,536	17,500	400,000	95.6%	382,500	6.90
2,853	20,000	450,000	95.6%	430,000	7.01
3,170	25,000	500,000	95.0%	475,000	7.89

- 7.1.1.3 Liquor Licence Holders may only apply for the precise number of SAB Zenzele Shares set out in the first column of the table above, and not for any other number of SAB Zenzele Shares in between. In the event of an over-subscription, Applicants may be allocated fewer SAB Zenzele Shares than set out in each row above, in which case the relevant Applicant will receive a *pro rata* refund of its subscription price (see paragraph 8.5 below). In the event of an under-subscription, Applicants may be allocated more SAB Zenzele Shares than set out in each row above, without being required to pay any additional subscription price.

7.1.2 *Liquor Licence Applicants*

- 7.1.2.1 The minimum subscription is R100 for the Base Allocation.
- 7.1.2.2 Additionally, Liquor Licence Applicants are entitled to apply for 634 SAB Zenzele Shares for a subscription price of R2,500. Accordingly, Liquor Licence Applicants may apply for the following SAB Zenzele Shares:

Indicative number of SAB Zenzele Shares	Subscription price (Rand)	Value of effective exposure to SAB (Rand)	Percentage notional funding	Notional funding provided by SAB (Rand)	Cost per SAB Zenzele Share (Rand)
317	100	50,000	99.8%	49,900	0.32
634	2,500	100,000	97.5%	97,500	3.94

- 7.1.2.3 Liquor Licence Applicants may only apply for the precise number of SAB Zenzele Shares set out in the first column of the table above, and not for any other number of SAB Zenzele Shares in between. In the event of an over-subscription, Applicants may be allocated fewer SAB Zenzele Shares than set out in each row above, in which case the relevant Applicant will receive a *pro rata* refund of its subscription price (see paragraph 8.5 below). In the event of an under-subscription, Applicants may be allocated more SAB Zenzele Shares than set out in each row above, without being required to pay any additional subscription price.

- 7.1.2.4 Additional SAB Zenzele Shares may be issued by SAB Zenzele, in SAB's sole discretion, to Liquor Licence Applicants upon successful licensing, at no additional cost. See paragraph 2.2 above for further details.

7.1.3 **ABI Customers**

7.1.3.1 The minimum subscription is R100 for the Base Allocation.

7.1.3.2 Additionally, ABI Customers are entitled to apply for further SAB Zenzele Shares, in accordance with the table set out below. The maximum subscription is R10,000 for at least 1,585 SAB Zenzele Shares.

Indicative number of SAB Zenzele Shares	Subscription price (Rand)	Value of effective exposure to SAB (Rand)	Percentage notional funding	Notional funding provided by SAB (Rand)	Cost per SAB Zenzele Share (Rand)
317	100	50,000	99.8%	49,900	0.32
634	2,500	100,000	97.5%	97,500	3.94
951	5,000	150,000	96.7%	145,000	5.26
1,268	7,500	200,000	96.3%	192,500	5.91
1,585	10,000	250,000	96.0%	240,000	6.31

7.1.3.3 ABI Customers may only apply for the precise number of SAB Zenzele Shares set out in the first column of the table above, and not for any other number of SAB Zenzele Shares in between. In the event of an over-subscription, Applicants may be allocated fewer SAB Zenzele Shares than set out in each row above, in which case the relevant Applicant will receive a *pro rata* refund of its subscription price (see paragraph 8.5 below). In the event of an under-subscription, Applicants may be allocated more SAB Zenzele Shares than set out in each row above, without being required to pay any additional subscription price.

7.2 **How do Applicants pay?**

7.2.1 The Post Office will open a temporary SAB Zenzele Postbank Account where Applicants can pay for SAB Zenzele Shares either when the Application Form is submitted or at any time before the closing time of the relevant participating branch of the Post Office on the Closing Date.

7.2.2 Applicants can pay for SAB Zenzele Shares at a participating Post Office:

7.2.2.1 in cash;

7.2.2.2 by debit card; or

7.2.2.3 by bank issued cheque drawn in favour of "SA Post Office" or "South African Post Office" with the words "SAB Zenzele Holdings Limited" on the back. The cheque must be crossed "not transferable" and the words "or bearer" must be deleted.

7.2.3 Alternatively, if payment is not made at a participating Post Office, payment can be made by electronic funds transfer. All EFT payments must be made into the SAB Zenzele Postbank Account of the Applicant. The EFT banking details are:

Account name: Full name of Black Individual or Black Group

Account number: SAB Zenzele Postbank Account number of the Applicant printed on the receipt issued by the Post Office when the Application Form is submitted

Bank name: Postbank

Account type: Savings

Branch code: 460005

Reference: South African identity number of the Black Individual or authorised representative of the Black Group

Please note that Credit Cards will not be accepted.

7.2.4 Applicants must ensure that payment is made for the SAB Zenzele Shares as early as possible but before the Closing Date to avoid disappointment. Failure to pay for SAB Zenzele Shares on time will result in the defaulting Applicant being disqualified from participating in the Offer.

7.2.5 Payment may only be made in the manner described in this paragraph 7.2 through the Post Office. No payment for SAB Zenzele Shares should be made to any other third party.

7.3 **When do Applicants have to pay for the SAB Zenzele Shares?**

Applicants can pay the full amount when the Application Form is submitted, or can make payments later by EFT 2 days before midnight on the Closing Date.

8. PROCESSING OF SHARE APPLICATIONS

8.1 How is each Application Form processed?

- 8.1.1 Once an Applicant has submitted its Application Form, the Post Office will check it and load it onto its system.
- 8.1.2 No Applicant may cancel its Application once it has submitted its Application Form.

8.2 How will SAB Zenzele Shares be allocated?

After the Offer closes, SAB will determine:

- 8.2.1 whether the Application was accepted or rejected; and
- 8.2.2 if the Application was accepted, how many SAB Zenzele Shares the Applicant will receive.

8.3 What happens in the event of an over-subscription?

- 8.3.1 If Applications for SAB Zenzele Shares in excess of the SAB Zenzele Shares offered are received, SAB will, in its sole discretion, determine how to allocate the SAB Zenzele Shares. This might mean that Applicants may not receive any or all of the SAB Zenzele Shares applied for even if the Application was properly completed.
- 8.3.2 In exercising its discretion as set out in paragraph 8.3.1 above, SAB will be guided by the following principles:
 - 8.3.2.1 SAB will seek maximum compliance with principles of BBBEE;
 - 8.3.2.2 SAB will seek to maximise its points under the Codes;
 - 8.3.2.3 SAB will determine an appropriate spread as between each Offer Category. In this regard, the minimum number of SAB Zenzele Shares that an Applicant will receive, unless that Applicant receives no SAB Zenzele Shares at all, is as follows:

Liquor Licence Holders:	190 SAB Zenzele Shares
Liquor Licence Applicants:	190 SAB Zenzele Shares
ABI Customers:	127 SAB Zenzele Shares
 - 8.3.2.4 SAB will favour Liquor Licence Applicants that provide proof of a lodged Qualifying Liquor Licence Application over Applicants that are only able to provide a Liquor Licence Assistant Letter;
 - 8.3.2.5 SAB may allocate some or all of the Additional SAB Zenzele Shares, set aside for the purposes described in paragraph 2.2, in order to meet the requirements of the over-subscription; and
 - 8.3.2.6 as a last resort, SAB may allocate on a first-come, first-served, basis to the extent that it needs to distinguish between Applicants that are otherwise indistinguishable.
- 8.3.3 *Pro rata* refunds will be paid to the Transactional Bank Account of Applicants that receive none or only some of the SAB Zenzele Shares applied for, as set out in greater detail in paragraph 8.5.2 below.

8.4 What happens in the event of an under-subscription?

In the event of an under-subscription, SAB will, in its sole discretion, determine how to deal with the balance of the SAB Zenzele Shares not applied for.

8.5 How will refunds be paid?

- 8.5.1 If, due to an over-subscription, an Applicant does not receive all the SAB Zenzele Shares applied for, SAB Zenzele will return to that Applicant the money paid by it for the SAB Zenzele Shares not received, without interest. If it is necessary for SAB to scale back an Applicant below the Base Allocation (see paragraph 8.3.2.3 above), SAB Zenzele will return a *pro rata* portion of that Applicant's R100 cash investment, without interest. If the Application was not accepted or the Applicant was disqualified, SAB Zenzele will return all the money to that Applicant, without interest.
- 8.5.2 Refunds in circumstances where an Application is not accepted or the Applicant is disqualified will be paid either by EFT into the Applicant's Transactional Bank Account and not into its SAB Zenzele Postbank Account or a refund cheque will be posted to the Applicant. If a refund cheque has to be posted to the Applicant because the Applicant does not have a Transactional Bank Account, the Applicant will bear the risk of loss of the cheque.
- 8.5.3 Refunds to Retailer Shareholders will be paid with the first dividend payment on the SAB Zenzele Shares.
- 8.5.4 Money paid by Applicants pursuant to the Offer will not attract interest under any circumstances.

8.6 What confirmation will successful Applicants receive of the allocation?

- 8.6.1 Following the Closing Date, each successful Applicant will receive a welcome pack indicating the number of SAB Zenzele Shares allocated to it.
- 8.6.2 No Retailer Shareholder will receive a share certificate for the SAB Zenzele Shares allotted and issued to it. The share certificate will be held by the Transfer Secretary in electronic form on behalf of each Retailer Shareholder until the end of the Transaction Term.

8.7 **Reservation**

- 8.7.1 SAB reserves the right to accept or reject any Application as it may determine in its absolute discretion.
- 8.7.2 SAB reserves the right to cancel or change any allocation of SAB Zenzele Shares following the Allocation Date in its sole discretion if it becomes apparent to SAB that the SAB Zenzele Shares have not been allocated correctly within the parameters of the Offer.

9. **DISQUALIFICATION FROM PARTICIPATING IN OFFER**

9.1 **What may disqualify an Applicant from becoming a Retailer Shareholder?**

Applicants may be disqualified from becoming a Retailer Shareholder in the following circumstances:

- 9.1.1 if the Applicant is not a Qualifying Black Person;
- 9.1.2 if the Applicant is not a Liquor Licence Holder, Liquor Licence Applicant or ABI Customer;
- 9.1.3 if the Applicant's Application Form is incomplete or not properly completed;
- 9.1.4 if the Applicant has not submitted all the required supporting documents;
- 9.1.5 if the Applicant did not pay at least the correct amount for a Base Allocation of SAB Zenzele Shares on time or at all;
- 9.1.6 if the Applicant's information cannot be verified;
- 9.1.7 if the Applicant makes any fraudulent or untrue statement(s) in its Application Form;
- 9.1.8 if the Applicant misrepresents its BBBEE status or rating; or
- 9.1.9 if, in respect of Liquor Licence Applicants, it becomes apparent to SAB that the Liquor Licence Applicant has no intention or is unable to become licensed or to legally retail liquor.

9.2 **What will happen if an Applicant is disqualified?**

- 9.2.1 The Application will not be accepted and any money that the Applicant has paid will be refunded without interest on the basis set out in paragraph 8.5.
- 9.2.2 If the Applicant has misrepresented its BBBEE status or rating or committed any fraudulent act with respect to the Offer or it transpires that the Applicant had no real intention or is unable to become licensed or to legally retail liquor, it may be disqualified from participating in the Offer or may be forced to sell its SAB Zenzele Shares back to SAB Zenzele at the subscription price. Further details are set out in paragraph 10.8 below.

10. **RESTRICTIONS ON SAB ZENZELE SHARES [18(a)(v) and 43(a)(v)]**

10.1 **What are the BBBEE restrictions?**

- 10.1.1 Retailer Shareholders must remain Qualifying Black Persons for the Transaction Term.
- 10.1.2 What it means to be a Qualifying Black Person is set out in paragraph 4.2 above.

10.2 **What are the restrictions on Transfer?**

- 10.2.1 The SAB Zenzele Shares may not be Transferred during the Transaction Term, save in cases of death or sequestration of Black Individuals as set out in paragraphs 10.4 and 10.5 below or liquidation of Black Groups as set out in paragraph 10.7 below. Restrictions on Transfer are contained in the SAB Zenzele Memo and Articles, which are open for inspection.
- 10.2.2 SABMiller Shares issued to Retailer Shareholders following the Exchange at the end of the Transaction Term may be traded on the JSE, free of any restrictions.

10.3 **What are the restrictions on Encumbrance?**

- 10.3.1 The SAB Zenzele Shares may not be Encumbered during the Transaction Term. Restrictions on Encumbrance are contained in the SAB Zenzele Memo and Articles.
- 10.3.2 SABMiller Shares issued to Retailer Shareholders following the Exchange at the end of the Transaction Term may be Encumbered.

10.4 **What happens if a Black Individual who is a potential Applicant or a Retailer Shareholder dies?**

- 10.4.1 SAB Zenzele will allow the executor of the Black Individual's estate to apply for SAB Zenzele Shares and to Transfer the SAB Zenzele Shares to the Black Individual's heir, legatee or any third party, provided that such transferee is a Qualifying Black Person. Accordingly, if the Black Individual's heir or legatee is not a Qualifying Black Person, another third party that is a Qualifying Black Person should be identified to take transfer of the SAB Zenzele Shares (the proceeds of that transfer should then be distributable to the heir or legatee). It is not necessary for the transferee to be a Liquor Licence Holder, Liquor Licence Applicant or ABI Customer.

- 10.4.2 SAB Zenzele will also have the right, but not the obligation, to offer to cash-settle the net equity value of that Retailer Shareholder's SAB Zenzele Shares. The net equity value shall be determined as at the date of cash-settlement and shall be determined materially in accordance with the valuation mechanics applicable to the Exchange. Further details are set out in the SAB Zenzele Memo and Articles, which are open for inspection, and Annexure G.
- 10.5 **What happens if a Black Individual who is a Retailer Shareholder is sequestered?**
- SAB Zenzele will allow the trustee of the Black Individual's estate to Transfer the SAB Zenzele Shares to any third party, provided that such transferee is a Qualifying Black Person. It is not necessary for the transferee to be a Liquor Licence Holder, Liquor Licence Applicant or ABI Customer.
- 10.6 **What happens if a shareholder, member, beneficiary or partner of a Black Group that is a Retailer Shareholder dies?**
- 10.6.1 If a shareholder, member, beneficiary or partner of a Black Group dies, but the Black Group remains a Qualifying Black Person (as detailed in paragraph 4.2 above), then the Black Group will not lose its SAB Zenzele Shares.
- 10.6.2 If, as a result of such a death, a Black Group is no longer a Qualifying Black Person, SAB Zenzele will allow the Black Group 180 days to rectify the breach. If the breach is not rectified within the 180 day period, SAB Zenzele may buy back the Black Group's SAB Zenzele Shares on the basis set out in paragraph 10.8 below.
- 10.7 **What happens if a Black Group that is a Retailer Shareholder is liquidated?**
- Should any Black Group be placed under liquidation (whether in solvent or insolvent circumstances) during the Transaction Term, SAB Zenzele will allow the Transfer of that Black Group's SAB Zenzele Shares to a Qualifying Black Person. It is not necessary for the transferee to be a Liquor Licence Holder, Liquor Licence Applicant or ABI Customer.
- 10.8 **Deemed offer**
- 10.8.1 The following events will give rise to a deemed offer:
- 10.8.1.1 if a Retailer Shareholder fails to comply with paragraph 10.1 above;
 - 10.8.1.2 if paragraph 10.6.2 above applies;
 - 10.8.1.3 if a Retailer Shareholder fails to comply with paragraph 6.13 above;
 - 10.8.1.4 if a Retailer Shareholder fails to comply with the SAB Zenzele Memo and Articles;
 - 10.8.1.5 if it is found that a Retailer Shareholder made a false declaration in respect of its BEE status on its Application Form;
 - 10.8.1.6 if, in respect of Liquor Licence Applicants, it becomes apparent to SAB that the Liquor Licence Applicant has no intention or is unable to become licensed or to legally retail liquor; and
 - 10.8.1.7 if, in respect of Retailer Shareholders that have, in SAB's sole discretion, been allotted and issued SAB Zenzele Shares notwithstanding that not all of the relevant qualification requirements set out in section 4 of this Prospectus have been fulfilled by the Allocation Date, those outstanding requirements have not been completed within a period following the Allocation Date as determined by SAB in its sole discretion and notified to the relevant Retailer Shareholder.
- 10.8.2 In the event of a deemed offer, SAB Zenzele shall be entitled, but not obliged, by giving written notice to the relevant Retailer Shareholder, to require it to sell all of its SAB Zenzele Shares to SAB Zenzele at their subscription price.
- 10.8.3 Further details of the restrictions on the SAB Zenzele Shares are set out in the SAB Zenzele Memo and Articles, key extracts of which are set out in Annexure G. The SAB Zenzele Memo and Articles are also open for inspection.

B. ABOUT SAB ZENZELE, THE SABMILLER GROUP AND THE SAB GROUP

This section provides an overview of the main business of SAB Zenzele, the SABMiller Group and the SAB Group, their products, future prospects and performance.

11. UNDERSTANDING SAB ZENZELE AND ITS ENVIRONMENT [6(a)(i), 6(b) and 6(e)]

SAB Zenzele was incorporated on 23 November 2009 for the specific purpose of holding a direct interest in SAB and at the end of the Transaction Term, facilitating the Exchange of SAB Zenzele Shares for SABMiller Shares. Therefore, SAB Zenzele has no trading history and, as the value of the main asset of SAB Zenzele will depend on the performance of SAB during the Transaction Term, and that of SABMiller at the end of the Transaction Term, information is provided below on the SABMiller Group and the SAB Group. Unless specifically stated to the contrary, this information is correct as at the Last Practicable Date, to the best of SAB Zenzele's knowledge.

11.1 Overview of the SABMiller Group

The geographical composition of the SABMiller Group as at 31 March 2009 is set out below:



The EBITA contributions depicted above are calculated before allocation of corporate costs.

An overview of the SABMiller Group is provided below. Financial information quoted in the overview below is in US\$, which is SABMiller's reporting currency. For your convenience, Rand equivalents of the financial figures are provided but only at the beginning of the overview.

As SABMiller is a publicly quoted company, Applicants are urged to visit www.sabmiller.com/investors for any further information that Applicants may require on the SABMiller Group and for latest SABMiller Group results for the six months ended 30 September 2009.

11.1.1 Introduction

SABMiller, together with its subsidiaries, associated companies and joint ventures, is, according to Plato Logic, one of the world's largest brewers, occupying a top-two market position by volume in many markets in which it operates, with group revenue for the year ended 31 March 2009 of US\$25,302 million (R224,429 million at an average R/US\$ exchange rate of 8.87 applicable to all income statement financial figures). The operating profit and lager volumes for the same period were US\$3,148 million and 210 million hectolitres, respectively. As at 31 March 2009, the SABMiller Group's total assets were US\$31,619 million (R303,859 million at the R/US\$ exchange rate of 9.61 applicable to all balance sheet financial figures). The SABMiller Group is also one of the largest bottlers and distributors of Coca-Cola products in the world.

The SABMiller Group has brewing interests and distribution agreements across six continents, with a balance between fast-growing developing markets and cash-generative mature markets. The SABMiller Group has a diverse portfolio of local, regional and global brands, including international premium beers such as Pilsner Urquell, Peroni Nastro Azzurro, Miller Genuine Draft and Grolsch, along with leading local brands such as Aguila, Castle Lager, Miller Lite, Snow and Tyskie. Six of the SABMiller Group's brands are among the top 50 in the world according to Plato Logic.

SABMiller is a FTSE-100 company listed on the LSE and the JSE. The SABMiller Group has demonstrated significant growth, with market capitalisation growing from US\$5,421 million as at 31 December 2000 to US\$46,509 million as at 31 December 2009. Since the SABMiller Group was first rated in 2003, SABMiller has been rated and currently is rated Baa1/stable outlook by Moody's and BBB+/stable outlook by S&P.

11.1.2 **Highlights of the SABMiller Group's operations**

11.1.2.1 **South Africa**

In respect of South Africa, SAB is the SABMiller Group's original brewing company. Founded in 1895, SAB has since become one of South Africa's leading companies as well as Africa's largest brewer. ABI, the soft drinks division of SAB, is South Africa's largest bottler for The Coca-Cola Company. Other beverage interests of SAB in South Africa include 100% ownership of Appletiser South Africa (Proprietary) Limited, an international producer of non-alcoholic fruit drinks, and 29% of Distell Group Limited, a major manufacturer and distributor in the South African wines and spirits sector.

11.1.2.2 **Latin America**

The SABMiller Group initially invested in El Salvador and Honduras in 2001, gaining full ownership in 2005. On 12 October 2005, the SABMiller Group completed the Bavaria transaction, through which SABMiller obtained a controlling interest in the second largest brewer in South America. The SABMiller Group now has operations in Colombia, Ecuador, El Salvador, Honduras, Panama and Peru.

11.1.2.3 **Europe**

The SABMiller Group's expansion into Europe began in 1993 with the acquisition of Dreher in Hungary. The SABMiller Group now has brewing operations in ten countries, being the Canary Islands (Spain), the Czech Republic, Hungary, Italy, The Netherlands, Poland, Romania, Russia, Slovakia and Ukraine. The SABMiller Group also exports significant volumes to a further eight European markets, of which the largest are the UK and Germany.

11.1.2.4 **North America**

The SABMiller Group acquired Miller, the United States' second largest brewer, in 2002.

The MillerCoors transaction, which provided for a combination of the operations of SABMiller's and Molson Coors' respective subsidiaries (Miller Brewing Company and Coors Brewing Company) located in the United States and Puerto Rico, into MillerCoors, was completed on 1 July 2008. As a result, SABMiller has a 58% economic interest and Molson Coors has a 42% economic interest in MillerCoors. Voting interests in MillerCoors are shared equally between SABMiller and Molson Coors, and each of SABMiller and Molson Coors has equal board representation. MillerCoors began operations on 1 July 2008.

In addition to the interest in MillerCoors, the North American segment also includes a 100% interest in the retained Miller business, principally comprising its international operations.

11.1.2.5 **Africa**

The SABMiller Group conducts operations in Africa in 15 countries, being Angola, Botswana, Comores, Ethiopia, Ghana, Lesotho, Malawi, Mayotte, Mozambique, Nigeria, Swaziland, Sudan, Tanzania, Uganda and Zambia. In addition, the SABMiller Group holds a 20% equity interest in a strategic alliance with Castel, which operates in 21 countries located principally in French-speaking Africa. The SABMiller Group has associated undertakings in Kenya and Zimbabwe.

11.1.2.6 **Asia**

In Asia, the SABMiller Group has operations in India and Vietnam, and in China through an associated company. The SABMiller Group has an interest in Australia through Pacific Beverages, its joint venture with Coca-Cola Amatil Limited.

11.2 **Strategy**

11.2.1 **Business strategy**

The SABMiller Group's business strategy is based upon the following key priorities:

- *Creating a balanced and attractive global spread of businesses:* The SABMiller Group has a business portfolio that is balanced geographically with exposure to markets at different stages of development. This portfolio offers long-term growth in the form of new, developing markets while generating cash from profitable, developed markets. The SABMiller Group will look to add to its portfolio of businesses when suitable value-enhancing opportunities occur.
- *Developing strong, relevant brand portfolios in the local market:* By understanding the trends and preferences within each market, the SABMiller Group continues to develop attractive brand portfolios that meet consumer needs on a range of different occasions and which appeal to their specific tastes. The SABMiller Group will also look to both support its local premium brands such as Castle Lite in South Africa and Cusqueña in Peru and to access the fast-growing, higher margin international premium lager segment by leveraging its portfolio of Peroni Nastro Azzurro, Pilsner Urquell, Grolsch and Miller Genuine Draft.
- *Constantly raising the performance of local businesses:* The SABMiller Group will continue to focus on improving its strong operational performance across its businesses through continually raising its operational standards, which the management of SABMiller believes will allow the SABMiller Group to keep ahead of the rest of the industry.
- *Leveraging the SABMiller Group's global scale:* The SABMiller Group will continue to focus on extracting maximum value from its global portfolio by applying best practices and internal management and production techniques to each of the SABMiller Group's operations. In this way, each operation benefits to the fullest extent from the skills, resources and experience of the SABMiller Group as a whole.

11.2.2 **Financial strategy**

The SABMiller Group is committed to maintaining a prudent financial profile that is reflected in a high quality investment-grade credit rating. Consistent with this commitment is the SABMiller Group's objective to optimise its overall capital structure, which it maintains by funding acquisitions where necessary through an appropriate mix of equity and debt. The SABMiller Group's strong financial structure also helps to ensure that adequate resources are available to it from a variety of market sources to meet ongoing business needs, as well as to provide medium-term flexibility to assess investments in appropriate markets.

11.3 **Competitive strengths**

The management of SABMiller believes that the SABMiller Group's key competitive strengths are:

11.3.1 **Leading market positions**

The SABMiller Group is one of the world's largest brewers, occupying a top two market position by volume in many markets in which it operates. SABMiller Group associates and joint ventures hold the number one position in China and the number two position in the United States by volume, the two largest markets for beer globally. The US market accounts for the largest profit pool in the global beer market, and the Chinese market is among the fastest growing markets globally in terms of volume. The SABMiller Group enjoys a leading position in South Africa, and it holds strong market positions in the countries in which it operates in Europe, Latin America, Asia and Africa. The SABMiller Group is also one of the largest bottlers and distributors of Coca-Cola products in the world.

11.3.2 **Geographic diversification**

SABMiller believes it has a well balanced spread of brewing interests and major distribution agreements across six continents with a balance between fast-growing developing markets and cash-generative mature markets, which reduces the SABMiller Group's exposure to any single market, currency or brand.

11.3.3 **A strong and comprehensive brand portfolio**

The SABMiller Group has a broad portfolio of local lager brands and has six lager brands in the top 50 world ranking, according to Plato Logic. The SABMiller Group has more than 200 brands and strong regional and local market positions.

In the longer term, the SABMiller Group expects to see a natural consumer move towards higher value, international brands and the SABMiller management believes that Grolsch, Miller Genuine Draft, Peroni Nastro Azzurro, and Pilsner Urquell provide the SABMiller Group with a strong international brand portfolio well placed to capture growth.

11.3.4 **A strong cash generative business**

The SABMiller Group has historically provided a strong and stable source of sales and operating cash flows from its breadth of product offerings, diversity of consumers and broad international operations in geographical regions following different economic cycles.

11.3.5 **Conservative financial policies**

The SABMiller Group has consistently implemented conservative financial policies and maintained a strong financial profile, with minimal working capital requirements and strong interest cover. The SABMiller Group maintains a strong liquidity position with cash balances and short-term investments and access to significant undrawn committed borrowing facilities, allowing the SABMiller Group a high degree of financial flexibility.

11.3.6 **A highly experienced management team with an outstanding track record in integrating and managing assets**

SABMiller management has a proven track record in successfully integrating acquisitions and through the breadth of its operations is experienced in managing a diverse portfolio of markets in highly-competitive business environments. The current SABMiller management team is highly experienced and is recognised within the industry for successfully driving the SABMiller Group's strong growth in recent years through organic growth and acquisitions.

11.4 **New products, research and development**

The SABMiller Group invests in research and development leading to new products, packages and processes, as well as new manufacturing technologies to improve overall operational effectiveness. The SABMiller Group's upstream scientific research yields solid progress in brewing, raw materials, flavour stability, packaging materials and environmental performances. During the year ended 31 March 2009, the aggregate amount spent by the SABMiller Group on research and development was US\$7 million, as compared to US\$9 million in 2008.

11.5 **Overview of SAB**

11.5.1 **Profile and nature of the business**

SAB, a 100% subsidiary of SABMiller, was established in 1895 and is the leading brewer in South Africa and competes in every segment of the brewing industry. It operates seven breweries. Total beer volumes during the financial year ended 31 March 2009 were 25.9 million hectolitres. Major local brands include Castle Lager, Carling Black Label, Castle Milk Stout, Hansa Pilsener and Castle Lite.

The SAB Group also includes the SABMiller Group's non-beer beverage operations in South Africa. The non-beer beverage operations currently comprise:

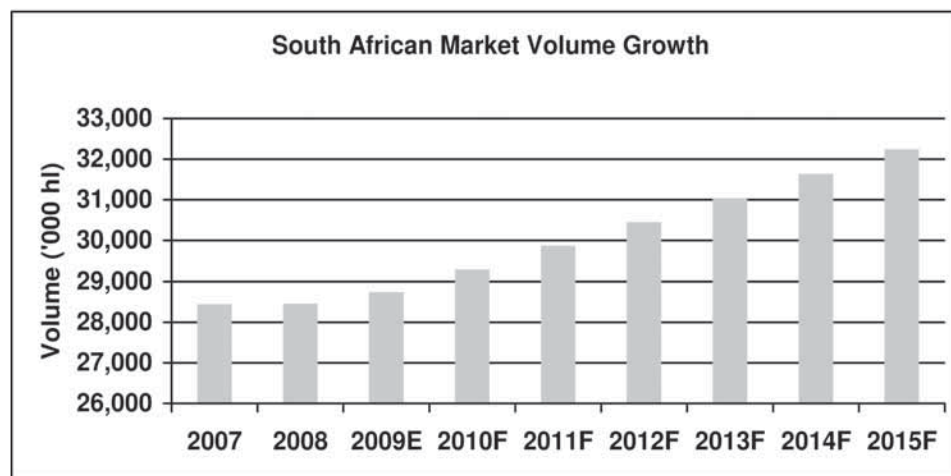
- 100% of ABI, the soft drinks division of SAB;
- 100% of Appletiser South Africa (Proprietary) Limited, an international producer of non-alcoholic fruit drinks; and
- 29% of Distell Group Limited, a major manufacturer and distributor in the South African wines and spirits sector.

ABI is the largest producer and distributor of Coca-Cola brands in Southern Africa. With five state-of-the-art manufacturing plants in South Africa, ABI accounts for approximately 60% of Coca-Cola's sales in South Africa, and total sales volumes of soft drinks in the year ended 31 March 2009 (including sparkling soft drinks, fruit juices and water) were 17.3 million hectolitres.

11.5.2 **Market**

According to a report by Plato Logic in respect of 2008, South Africa is the 12th largest beer market in the world by volume, and SAB is the only major brewer with a substantial presence in that market. According to SAB's estimates, as at March 2009, SAB's sales represented approximately 91% of total beer consumption in South Africa.

According to Plato Logic, the volumes of beer consumed in South Africa in 2008 were estimated at 28.4 million hectolitres and are expected to exceed 32.2 million hectolitres by 2015.



Source: Plato Logic – Plato-WorldDataSheets, November 2009

SAB's market share of the FAB segment over the past three years to 31 March 2009 has been in excess of 30%, according to SAB's estimates.

While SAB's main competition in the beer market is from other liquor products, including wines, spirits and sorghum, the recent entry of a competitor will heighten focus on the beer market itself.

ABI produces and bottles products in South Africa under franchise agreements with The Coca-Cola Company, which give ABI exclusive distribution rights in certain geographic areas within South Africa. These areas cover approximately 50% of the South African population and currently generate approximately 60% of total South African Coca-Cola sales volumes. SAB estimates that Coca-Cola products have a combined market share of approximately 90% of the soft drink market in ABI's territories in South Africa.

11.5.3 **Product range**

11.5.3.1 **Lager**

SAB has 11 brands of lager and five brands of FABs. The four mainstream brands are Castle Lager, Carling Black Label, Castle Milk Stout and Hansa Pilsener. Miller Genuine Draft, Pilsner Urquell, Peroni Nastro Azzurro and Castle Lite constitute the balance of the premium brand portfolio, together with Hansa Marzen Gold, Dreher and Grolsch brands. SAB's other brands, Redd's Premium Cold, Redd's Premium Dry, Brutal Fruit, Sarita, Blakes and Doyle and Skelter's Straight, represent SAB in the FAB segment.

SAB's recognised marketing expertise ensures continuous focus on innovative upgrading of all brands, packaging and promotions on a regular basis. The combination of this with relentless attention to distribution and in-market execution reinforces the company's leading position in the country.

Innovation in the FAB category saw three new brands, Sarita Ruby, a dry, red apple-flavoured FAB, Skelter's Straight, a citrus flavoured offering, and Blakes and Doyle, a dry cider-like product being launched in February 2008, March 2008 and September 2008, respectively.

Two premium lager brands, Grolsch and Dreher, were launched in the first half of the 2009 financial year, expanding SAB's premium and FAB portfolios. SAB continued to focus on generating excitement

and appeal around existing brand equities, introducing new pack designs for Brutal Fruit, upgrading pack designs for Miller Genuine Draft, introducing new artwork for Castle Milk Stout and aligning Hansa Marzen Gold and Hansa Pilsener packaging. Grolsch was launched in the iconic 450ml swing top bottle and the 330ml flat-sided crown top.

Recent innovation in packaging has seen Castle Lite being the first beer in South Africa to have innovative new packaging that includes temperature-sensitive labels with thermochromatic ink, indicating the optimal temperature for consumption of the beer.

11.5.3.2 **Soft drinks**

Coca-Cola products

ABI conducts essentially all of its business under its franchise agreements with The Coca-Cola Company, and this relationship is fundamental to ABI's business. SAB believes that ABI enjoys an open and constructive relationship with The Coca-Cola Company. ABI recently executed new franchise agreements with The Coca-Cola Company, which is next due for renewal at the end of March 2013.

Appletiser

Appletiser South Africa (Proprietary) Limited produces natural and non-alcoholic sparkling fruit juices.

The core brands of Appletiser South Africa (Proprietary) Limited are "Appletiser", "Grapetiser", "Peartiser" and "Fruitiser" sparkling fruit juices.

11.5.4 **Marketing, sales and distribution**

In respect of its beer-related operations, SAB maintains an extensive distribution network throughout South Africa, comprising 40 depots, 10 independent distributorships, three franchised distributorships and an expanding network of owner-drivers. The owner-drivers initiative has enabled SAB to reduce delivery fleet size and headcount and to benefit from higher delivery volumes from motivated entrepreneurial drivers.

SAB's latest analysis reflects sales of beer to approximately 45,000 licensed customers (30,000 of whom are black-owned) who are in turn licensed to sell beer and other alcohol for either on-premise or off-premise consumption. However, SAB estimates that there are approximately 105,000 outlets including unlicensed taverns, commonly referred to as shebeens, in South Africa. SAB does not sell directly to these shebeens but estimates that over half of its beer is redistributed to shebeens through informal channels. A major government initiative, which SAB supports and encourages through a number of initiatives, including this Offer, is underway to regulate the unlicensed trade.

Coca-Cola products are marketed jointly by ABI and The Coca-Cola Company, with The Coca-Cola Company undertaking all national and primary media advertising while ABI undertakes promotion and marketing on a local level in its own territories.

ABI directly and indirectly sells to approximately 65,000 customers, varying from large retail outlets to small rural stores.

11.5.5 **Manufacturing and properties**

SAB operates seven breweries.

In order to ensure world-class standards of production, SAB's breweries are regularly upgraded and refurbished, and brewing capacity is continually under review. Six of the seven breweries were designed to be expanded at a relatively low incremental cost.

SAB also has two malting plants and one hop-processing plant.

ABI has five bottling plants and Appletiser South Africa (Proprietary) Limited has one bottling plant.

As well as its beer and soft drinks divisions, SAB also owns a hop production company, The South African Breweries Hop Farms (Proprietary) Limited; a maltings plant, The South African Breweries Maltings (Proprietary) Limited; and a 60% holding in the metal crown manufacturer, Coleus Packaging (Proprietary) Limited. The remaining 40% of Coleus is held by a black empowerment group.

11.5.6 **Employees**

SAB Group employs more than 9,500 people on a permanent basis, 75% of whom are from previously disadvantaged groups. These numbers exclude employees of associated and joint venture undertakings.

In addition, SAB Group's operations support an estimated 48,000 jobs at SAB Group's first round suppliers. For each job offered by SAB Group and its first round suppliers, additional jobs are supported in the rest of the South African economy. In all, about 378,000 full-time jobs in South Africa can directly or indirectly be traced back to the production of SAB Group's products.

11.5.7 **Corporate governance**

The directors of SAB are committed to maintaining high standards of corporate governance, which they see as fundamental to discharging their stewardship responsibilities. The SAB board strives to provide the right leadership, strategic oversight and control environment to produce and sustain the delivery of value to all of SAB's shareholders. The SAB board applies integrity, principles of good corporate governance and accountability throughout its activities and each director brings independence of character and judgement to the role. All of the members of the SAB board are individually and collectively aware of their responsibilities to SAB's shareholders.

11.5.71 **Composition of the board of directors**

The SAB board consists of the chairman, Mr N. J. Adami, three independent non-executive directors, ten executive directors and one non-executive director. The SAB board sets the strategic objectives of SAB, determines investment policies, and agrees on performance criteria and delegates to management the detailed planning and implementation of these objectives and policies in accordance with appropriate risk parameters. The SAB board monitors compliance with policies and achievements against objectives by holding management accountable for its activities through monthly and quarterly performance reporting and budget updates.

11.5.72 **The SAB board's committees**

The managing director's committee (MDC)

The MDC is chaired by Mr N J Adami and is responsible for:

- implementation of SAB's strategies and policies;
- management of SAB;
- establishment of best management practices and practical standards;
- ensuring detailed reports are submitted to the SAB board; and
- forming sub-committees to help in the execution of their duties.

The audit committee

The audit committee is chaired by Mr Monwabisi Fandeso, an independent non-executive director. The other audit committee member is also an independent non-executive director.

The work of the committee includes the following matters:

- nominate for appointment a registered auditor for the SAB Group who, in the opinion of the audit committee, is independent of the SAB Group;
- determine the fees to be paid to the auditor and the auditor's terms of engagement;
- ensure that the appointment of the auditor complies with the Companies Act and any other legislation relating to the appointment of auditors;
- determine the nature and extent of any non-audit services which the auditor may provide to the SAB Group;
- pre-approve any proposed contract with the auditor for the provision of non-audit services to the SAB Group;
- consider the independence and objectivity of the external auditors and ensure that the scope of their additional services provided is not such that they could be seen to have impaired their independence;
- receive and deal appropriately with any complaints (internal or external) relating either to the accounting practices and internal audit or to the content or auditing of the SAB Group's financial statements, or to any related matter;
- receive and review reports from both internal and external auditors concerning the effectiveness of the SAB Group's internal control environment, systems and processes;
- review the reports of both internal and external auditors detailing their concerns arising out of their audits and request appropriate responses from management which result in their concerns being addressed;
- consider the effectiveness of the internal audit, approve the one-year operational internal audit plan and monitor the adherence of internal audit to its annual programme;
- review and recommend for adoption by the SAB board of directors such financial information that is publicly disclosed; and
- make appropriate recommendations to the SAB board of directors regarding the corrective actions to be taken as a consequence of audit findings.

Operational committees

There are a large number of key operational committees whose responsibilities are to manage and monitor the implementation of the strategic direction of the company, as determined by the board of directors. These committees include the following:

- the finance, control and assurance committee (FC&A);
- the soft drinks operational committee (SDOC);
- the quarterly management review committee (QMR);
- the remuneration committee (Remco);
- the corporate accountability and risk assurance committee (CARAC); and
- the capital review committee (CRC).

11.5.7.3 **Relationship with the auditors**

SAB has in place a formal policy on auditor independence and non-audit services, with which the external auditors are required to comply, to ensure that the independence of the auditors is not impaired by the nature of non-audit work. The policy stipulates work which is permitted or not permitted to be performed by the auditors, and provides for appropriate approval and oversight processes. As a further safeguard, PricewaterhouseCoopers confirms in a formal report to the FC&A committee that processes to ensure compliance with this policy are in place and that these processes are monitored regularly.

This report includes a statement that, in its opinion, PricewaterhouseCoopers believes that the nature of its non-audit services has not impaired its independence.

11.5.7.4 **Risk management**

SAB's risk management system is subject to regular review to ensure that it is in line with SABMiller Group's management policy. The risk management system is designed to deliver improved value to the operating business.

The directors of SAB are ultimately responsible for SAB's risk management system and for reviewing its effectiveness. The risk management system is designed to manage, rather than eliminate, the risk of failure to achieve business objectives and there is an ongoing process in place identifying, assessing, managing, monitoring and reporting on the significant risk faced by SAB. The MDC has the specific responsibility as the risk management committee for SAB's system of risk management.

In summary, SAB's risk management systems consist of:

- a group risk management policy;
- a recognised international risk management process;
- the MDC acting as the risk committee:
 - identifies and actions key risks as a whole bi-annually, as well as each risk individually during the 12-month MDC meeting cycle;
 - considers SAB's risks during the strategy and business planning process;
- the output of the risk management process influences SAB's internal audit planning process where appropriate;
- each region and department complies with SAB's risk management policy as stated within their letter of representation;
- each region and department has allocated clear risk management responsibility and at a minimum bi-annually reviews its significant risks;
- the progress of its risk control actions are reported where necessary at the regional audit committees; and
- the output of the risk management process influences the internal audit planning process where appropriate.

11.5.7.5 **Internal control**

SAB follows the SABMiller Group's system of internal control that are designed and operated to support the identification, evaluation and management of risks affecting SAB and the business environment in which it operates. As such they are subject to continuous review as the circumstances change and new risks emerge.

The key features of the system of internal control are:

- the risk management system described in paragraph 11.5.7.4 above;
- written policies and procedures within SAB's business, which are detailed in policy demand;
- clearly defined lines of accountability and delegation of authority;
- key policies employed in managing operating risk involving segregation of duties, transaction authorisation, monitoring, financial and managerial and comprehensive reporting and analysis against approved standards and budgets;
- group treasury operations which manage exposure to interest rate, counterparty, liquidity and currency transaction risks and co-ordinate the activities of SAB Group companies in this area. Treasury policies, risk limits and monitoring procedures are reviewed regularly by the audit committee on behalf of the SAB board;
- a group tax risk and tax operating framework which forms the basis of tax governance across SAB and is managed by a tax function, which monitors tax risk and implements strategies and procedures to control it;
- minimisation of operating risk by using appropriate infrastructure, controls, systems and people throughout the business; and
- business continuity planning, including preventative and contingency measures, back-up capabilities and the purchase of insurance.

11.5.76 **Whistle-blowing measures**

All employees within SAB have the opportunity to make confidential disclosures about suspected impropriety and wrongdoing. The SAB risk manager in consultation with the SAB company secretary where appropriate, decides on the appropriate method and level of investigation. The audit committee is notified of all disclosures made and receives reports on the results of all investigations and actions taken. The FC&A committee has the power to request further information, conduct its own inquiries or order additional action as it sees fit.

11.5.8 **Corporate citizenship and responsible drinking**

As South Africa's leading brewer and a responsible corporate citizen, SAB is committed to promoting responsible alcohol behaviour – both inside and outside the company. As a subsidiary of SABMiller, it subscribes to the SABMiller Group's alcohol framework and has a comprehensive code of commercial communication in place. SAB also actively seeks to encourage collaboration across the areas of education, access to information, law enforcement and parental involvement to encourage responsible alcohol behaviour.

Accordingly, as part of a multi-faceted "reality check" initiative to combat alcohol abuse in South Africa, SAB launched a bold advertising campaign to counter prevailing alcohol abuse amongst South African drinkers in October 2009. This followed an announcement by SAB during September 2009 that it would step up significantly its anti-abuse and responsible consumption activities nationwide.

11.5.9 **Performance**

As SAB Zenzele has no historical performance, and its future performance will largely be dependant on the performance of SAB Group, SAB Group's performance is therefore discussed below.

This commentary on SAB Group's performance has been extracted from the annual report of SABMiller Group for the year ended 31 March 2009, with subsequent additional commentary on the results for the half-year ended 30 September 2009.

11.5.9.1 **Performance for the year ended 31 March 2009**

Consumer spending in South Africa was hampered by high interest rates and high fuel prices in the first half of the year and by the effects of the global economic downturn in the second half of the year. Growth in gross domestic product slowed to 3.1% in the 2008 calendar year from 5.1% in 2007, and fell 1.8% in the quarter to December 2008. Retail sales for the 11 months to February 2009 were down 0.7% year on year, while sales for the month of February were down 4.5% year on year. Lager volumes were down 2% on the prior year, affected by a decline in both premium beer and FAB volumes. Fourth quarter sales volumes were further impacted by provincial legislation that restricted the informal retail liquor trade in the Western Cape, and by the timing of Easter.

The mainstream category, which accounts for the bulk of total lager sales, remained in growth despite robust price increases, supported by strong performances by both Hansa Pilsener and Castle Lager.

As anticipated, the loss of the Amstel brand reduced SAB's share of the premium category and SAB is revitalising its premium brand portfolio to deliver growth in this competitive environment. Cost efficiency savings are being made to reinvest in marketing and sales execution initiatives.

Soft drinks volumes grew by 4% with strong growth in sparkling soft drinks outweighing a marginal decline in alternative beverages following the discontinuation of a number of low margin fruit cordial brands. Market share gains were achieved following the launch of Coca-Cola Zero and flavoured Sparletta brands.

Revenue grew by 9%, with two price increases in each of the beer and soft drinks businesses. Despite the price increases, EBITA declined by 10% due to increased commodity and energy costs and higher inflation. The weakening of the Rand against key trading currencies compounded the impact of underlying commodity price increases. Distribution costs increased only marginally due to distribution efficiencies, which offset higher fuel costs. Increased container depreciation resulted from the company's replacement of the mainstream bottle pool, which commenced in the prior year and was completed in September 2008. EBITA was also adversely impacted by fair value movements on procurement-related foreign currency contracts.

Appletiser South Africa (Proprietary) Limited volumes were in line with prior year but the loss of the Just Juice packaging contract put margins under pressure.

Distell Group Limited volumes continued to show strong growth which, combined with robust pricing and cost efficiency, helped to offset increased commodity costs to deliver improved profitability.

11.5.9.2 **Performance for the six months ended 30 September 2009**

The South African economy weakened during the six months ended 30 September 2009 with real gross domestic product declining by 3% during the second quarter of 2009. Headline inflation fell considerably from 13% to 6% compared to the same period in the previous year, but retail sales remained under pressure falling by 5% year on year in September.

Lager volumes declined by 3%, impacted by reduced consumer spending. As expected, SAB's year on year beer market share declined. Mainstream volumes, down 2%, performed relatively better supported by strong growth in Castle Lager and Hansa Pilsener. Within local premium, Castle Lite returned to growth. Soft drinks volumes were down 2%, in line with the market. During the period, SAB grew its share of the sparkling soft drinks segment through effective market execution, particularly in the top-end grocer channel.

Group revenue increased by 7%, continuing to benefit from the price increases implemented in the prior year in both the beer and soft drinks businesses. Input costs remained under pressure as medium-term contractual arrangements with key brewing raw material suppliers limited SAB's ability to benefit from the downturn in brewing commodity prices. Higher packaging materials and sugar prices also contributed to increased input costs in the first six months. In addition, SAB's dollar based input costs were higher than the prior year due to adverse foreign exchange rates. Distribution costs declined in line with relatively lower crude oil prices, aided by distribution efficiencies.

Sales and marketing investment increased substantially, focused on SAB's key brands. Investment in customer facing route to market capability intensified, with investment in direct distribution and improved service levels to customers. These additional market facing investments were partly financed through an intensified productivity and cost reduction programme.

Efforts to enhance and grow the core of the lager brand portfolio saw new marketing campaigns for Carling Black Label, Castle Lager and Hansa Pilsener, reinforcing key characteristics of the brands. Castle Lager also benefited from the sponsorship of the Confederations Football Cup championship and the Lions rugby tour of South Africa. Castle Lite saw growth returning towards the end of the period supported by its "Extra cold" media campaign and sub-zero fridge placement in targeted outlets. At the same time, SAB pursued further growth in Peroni Nastro Azzurro and established its premium lager portfolio additions Grolsch and Dreher as longer term contributors.

EBITA grew 4% while margins reduced slightly as price increases were not sufficient to offset the decline in volumes, continued pressure from significantly higher input costs and additional market facing investments.

Distell Group Limited continued its robust performance with both domestic and international volumes exhibiting good growth to deliver increased revenue and improved profitability.

11.5.10 **Key challenges**

Key challenges facing SAB Zenzele will be largely dependent upon the challenges facing SAB, which are set out below.

Widespread economic recession

The global economy was facing a widespread recession with global and South African GDP projected to fall in 2009 and recover slightly in 2010. Consumer demand has softened in line with the general economic slowdown and the pressure on disposable income.

We are responding to the changed conditions, but given the uncertainties in the economic outlook, it may result in the underachievement of short to medium-term plans.

Changes in the availability or price of raw materials

The supply and price of raw materials used to produce the SAB Group's products can be affected by a number of factors beyond its control, including the level of global commodity prices and international demand, the size of the local crops, export demand, government regulations, adverse weather conditions and adverse currency fluctuations of the Rand against its major trading currencies.

The supply of, and demand for, certain brewing and packaging raw materials have been out of balance during recent years, which has led to supply shortages. While supply of raw materials can be addressed by imports this has resulted in price volatility of key raw material inputs. Supply pressures have now eased and prices have fallen, but should the SAB Group fail to ensure an adequate supply of brewing and packaging raw materials at competitive prices, there is the risk that margins could fall.

Challenge in identifying, developing and retaining the SAB Group's current and future management capability

In order to develop, support and market its products, the SAB Group must hire and retain skilled employees with particular expertise. Failure to maintain this capacity at a high level or maintain its effective organisational leadership process, which can capture shared learning and leverage global synergies and expertise, could jeopardise its growth potential.

In addition, various aspects of the SAB Group's business depend on the continuing services and skills of key individuals of the SAB Group, in particular, its senior management and the executive directors. The SAB Group has entered into employment contracts and taken other steps to encourage the retention of these individuals, and to identify and retain additional personnel, but if one or more of these key individuals retires early or is unable or unwilling to continue in their present positions, the SAB Group may not be able to replace them easily and its business, results of operations and financial condition could be adversely affected.

Highly competitive market

Globally, brewers compete mainly on the basis of brand image, price, customer service, distribution networks and quality. SAB's expertise in marketing, together with its strong and growing brand portfolios, position it well to benefit from changing consumer preferences in the South African market. However, the market continues to evolve and competitor activity is increasing, which could cause the SAB Group to implement a more moderate pricing policy, increase capital, marketing and other expenditure. A significant loss of market share could have a material adverse effect on the SAB Group's business, financial condition and results of operations.

Further, in South Africa, the SAB Group has a leading position in the local beer market but there can be no assurance that the introduction of new competition regulations in this market would not have a material adverse effect on the SAB Group's business.

More specifically, in March 2007, SAB was given notice by Heineken that it was terminating SAB's licence to manufacture and distribute Amstel Lager with immediate effect. Subsequent to that, Heineken is building a brewery in South Africa, which commenced production late in 2009.

Increased regulation

In many countries, including South Africa, debates continue over the need for regulatory constraints and restrictions on alcohol products, taxes and duties. These regulations govern many parts of the SAB Group's operations, including brewing, marketing and advertising, transportation, distributor relationships and sales. There can be no assurance that the SAB Group will not incur material costs or liabilities in connection with its compliance with current applicable regulatory requirements or that such regulation will not interfere with, restrict or affect the SAB Group's businesses. Further, the level of regulation to which the businesses of the SAB Group are subject can be affected by changes in the public perception of beer consumption. Governmental bodies may respond to any public criticism by implementing further regulatory restrictions on opening hours, drinking ages or advertising. Such steps could adversely affect the sale and consumption of beer and have a material adverse effect on the SAB Group's business, financial condition and results of operations, if regulatory authorities when making impositions on beer, do not recognise the positive contribution of our businesses, and effective ways of addressing health and social concerns.

Increasing restrictions on the marketing, distribution and sale of alcohol

In recent years, there has been increased social and political attention directed at the alcoholic beverage industry. The SAB Group believes that this attention is the result of public concern over alcohol-related problems, including drunk driving, underage drinking and the health consequences of the misuse of alcohol. Such public concerns and any resulting restrictions may cause consumption trends to shift away from beer and FABs to non-alcoholic beverages. A major alcohol strategy has been launched by SAB in a number of key areas in an attempt to reduce the misuse of alcohol. If, however, as a result of such concerns and restrictions, the social acceptability of beer or FABs were to decline significantly, sales of the SAB Group's products could materially decrease.

Imperative to maintain good relations with the workforce

The success of the SAB Group depends upon maintaining good relations with its workforce. SAB Group's management believes that the SAB Group's relations with its employees and unions are satisfactory. A substantial majority of the SAB Group's workforce in various of its operations is unionised. Any work stoppages or strikes could adversely affect the SAB Group's ability to operate its businesses.

Reliance on the reputation of brands and the protection of intellectual property rights

An event, or a series of events, that materially damages the reputation of one or more of the SAB Group's brands could have an adverse effect on the value of that brand and subsequent revenue from that brand or business. The SAB Group has invested considerable effort in protecting its brands, including the registration of trademarks and domain names. If the SAB Group is unable to protect its intellectual property, any infringement or misappropriation could materially harm its future financial results, and ability to develop its business. Also, if the SAB Group fails to ensure the relevance and attractiveness of its brands, and the enhancement of brand marketing, there is a risk that significant growth opportunities may not be realised and this could have a material adverse effect on the SAB Group's business.

Adverse weather conditions

Demand for the SAB Group's products, particularly soft drinks, may be affected by adverse weather conditions, especially in the summer months, when unseasonably cool or wet weather can affect sales volumes and therefore the results of the SAB Group's operations.

Significant agreements

The SAB Group bottles and distributes sparkling soft drinks, energy sports drinks, bottled water and fruit juices licensed to The Coca Cola Company. The current agreement is due for renewal at the end of March 2013. While SAB Group has no reason to believe this agreement will not be renewed, there is no guarantee that the terms and conditions will be the same as or more favourable than the current agreements.

11.5.11 **Outlook [6(i)]**

As the only asset of SAB Zenzele is its shareholding in SAB, the prospects of SAB Zenzele are dependent upon the prospects of SAB Group, as outlined below.

Overall, SAB expects the current trading conditions to be subdued in the second half of its financial year, as unemployment, retail spending and other consumer indicators lag the reported stabilisation of gross domestic product in South Africa.

SAB will continue to invest behind its strong brand portfolio and in market execution. The margin trend delivered in the first half of the financial year will be affected over the remainder of the financial year as the price increases achieved in the prior year are cycled.

Improved working capital management and lower capital investment will continue to enhance cash flow generation during the remainder of the financial year.

SAB has a well developed strategy to add value to all stakeholders. The SAB Group's financial position remains strong and the SAB Group is well positioned to take advantage of future improvements in the market environment.

12. FINANCIAL INFORMATION [25 and 6(f)(i)]

- 12.1 SAB Zenzele was only incorporated on 23 November 2009. It has not completed its first financial year since incorporation and has not produced financial statements. To assist in understanding the only asset of SAB Zenzele, being its interest in SAB, condensed consolidated financial information of the SAB Group for the six months ended 30 September 2009 and 30 September 2008 and the year ended 31 March 2009 is set out below.
- 12.2 The condensed consolidated financial information of the SAB Group is the responsibility of the directors of SAB and has been prepared to provide information about the historical financial position and financial results of the SAB Group on the relevant reporting dates.

BASIS OF PREPARATION

SAB is a wholly-owned subsidiary of SABSA Holdings (Proprietary) Limited, a company incorporated in South Africa, and consequently did not prepare consolidated annual financial statements.

The information, upon which the condensed consolidated financial information is based, was prepared from the underlying accounting records of SAB and its subsidiaries for the respective periods.

SAB GROUP
CONDENSED CONSOLIDATED INCOME STATEMENT

	Notes	6 months ended 30 September 2009 Rm	6 months ended 30 September 2008 Rm	Year ended 31 March 2009 Rm
Revenue		14,836	13,926	30,946
Net operating expenses	4	(12,532)	(11,617)	(24,908)
Operating profit		2,304	2,309	6,038
Operating profit before exceptional items		2,448	2,309	6,038
Exceptional items	5	(144)	-	-
Net finance costs		(247)	(318)	(652)
Interest payable and similar charges		(422)	(878)	(1,456)
Interest receivable and similar income		175	560	804
Share of post-tax results of associates		115	154	370
Profit before taxation		2,172	2,145	5,756
Taxation		(600)	(620)	(1,579)
Profit for the financial period		1,572	1,525	4,177
Profit attributable to equity shareholders		1,569	1,521	4,169
Profit attributable to minority interests		3	4	8
		1,572	1,525	4,177

The notes on pages 47 to 53 form an integral part of this condensed financial information.

SAB GROUP
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	6 months ended 30 September 2009 Rm	6 months ended 30 September 2008 Rm	Year ended 31 March 2009 Rm
Profit for the period	1,572	1,525	4,177
Other comprehensive income/(loss):			
Currency translation differences	1	-	-
Actuarial losses on medical and other post-retirement benefits*	-	-	(5)
Share of associates gains included in other comprehensive income	11	-	-
Total comprehensive income for the period, net of tax	1,584	1,525	4,172
- attributable to equity shareholders	1,581	1,521	4,164
- attributable to minority interests	3	4	8

* No actuarial valuations have been done for the interim periods as there were not expected to be any significant changes.

The notes on pages 47 to 53 form an integral part of this condensed financial information.

SAB GROUP
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	As at 30 September 2009 Rm	As at 30 September 2008 Rm	As at 31 March 2009 Rm
Assets				
Non-current assets				
Goodwill and intangible assets	7	4,146	4,115	4,173
Property, plant and equipment	8	9,047	8,671	9,082
Inter-group funding: Interest free		1,003	1,003	1,003
Investments in associates		1,603	1,448	1,592
Other non-current assets		14	13	13
		15,813	15,250	15,863
Current assets				
Inventories		2,641	2,294	2,650
Trade and other receivables	10	1,951	1,804	1,799
Current tax assets		223	189	97
Inter-group funding: Interest free		3	149	100
Inter-group funding: Interest bearing	9,10	286	219	263
Cash and cash equivalents	9	28	63	80
		5,132	4,718	4,989
Total assets		20,945	19,968	20,852
Equity				
Share capital	11	-	-	-
Share premium	11	-	-	-
Other reserves		1,052	1,068	1,068
Retained earnings		3,945	3,778	3,599
Total shareholders' equity		4,997	4,846	4,667
Minority interests in equity		17	10	14
Total equity		5,014	4,856	4,681
Non-current liabilities				
Borrowings	9,10	47	69	61
Inter-group funding: Interest free		2,073	2,073	2,073
Inter-group funding: Interest bearing	9,10	1,600	1,600	1,600
Deferred tax liabilities		1,092	908	1,093
Provisions		591	556	573
		5,403	5,206	5,400
Current liabilities				
Borrowings	9,10	96	285	190
Current tax liabilities		208	-	316
Inter-group funding: Interest free		578	480	518
Inter-group funding: Interest bearing	9,10	3,229	3,623	3,868
Trade and other payables		6,417	5,518	5,879
		10,528	9,906	10,771
Total equity and liabilities		20,945	19,968	20,852

The notes on pages 47 to 53 form an integral part of this condensed financial information.

SAB GROUP
CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	Note	6 months ended 30 September 2009 Rm	6 months ended 30 September 2008 Rm	Year ended 31 March 2009 Rm
Cash flows from operating activities				
Cash generated from operations		3,895	2,780	6,761
Interest received		175	560	804
Interest paid		(403)	(844)	(1,386)
Tax paid		(834)	(800)	(1,172)
Net cash from operating activities		2,833	1,696	5,007
Cash flows from investing activities				
Purchase of property, plant and equipment		(680)	(1,368)	(2,478)
Other investing activities		127	123	147
Net cash used in investing activities		(553)	(1,245)	(2,331)
Net cash used in financing activities				
		(2,231)	(523)	(2,616)
Net cash inflow/(outflow) from operating, investing and financing activities		49	(72)	60
Effects of exchange rate changes		(1)	-	(1)
Net increase/(decrease) in cash and cash equivalents		48	(72)	59
Cash and cash equivalents at beginning of period		(78)	(137)	(137)
Cash and cash equivalents at end of period	9	(30)	(209)	(78)

The notes on pages 47 to 53 form an integral part of this condensed financial information.

SAB GROUP
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital Rm	Share premium Rm	Other reserves* Rm	Retained earnings Rm	Total shareholders' equity Rm	Minority interests Rm	Total equity Rm
Balance as at 1 April 2008	-	-	1,068	3,433	4,501	6	4,507
Total comprehensive income for the period	-	-	-	1,521	1,521	4	1,525
Profit for the period	-	-	-	1,521	1,521	4	1,525
Dividends declared	-	-	-	(1,176)	(1,176)	-	(1,176)
Balance as at 30 September 2008	-	-	1,068	3,778	4,846	10	4,856
Balance as at 1 April 2008	-	-	1,068	3,433	4,501	6	4,507
Total comprehensive income for the period	-	-	-	4,164	4,164	8	4,172
Profit for the period	-	-	-	4,169	4,169	8	4,177
Other comprehensive loss	-	-	-	(5)	(5)	-	(5)
Dividends declared	-	-	-	(3,999)	(3,999)	-	(3,999)
Other movements	-	-	-	1	1	-	1
Balance as at 31 March 2009	-	-	1,068	3,599	4,667	14	4,681
Balance as at 1 April 2009	-	-	1,068	3,599	4,667	14	4,681
Total comprehensive income for the period	-	-	-	1,581	1,581	3	1,584
Profit for the period	-	-	-	1,569	1,569	3	1,572
Other comprehensive income	-	-	-	12	12	-	12
Dividends declared	-	-	-	(1,230)	(1,230)	-	(1,230)
Other movements	-	-	(16)	(5)	(21)	-	(21)
Balance as at 30 September 2009	-	-	1,052	3,945	4,997	17	5,014

*Included in other reserves is a merger relief reserve which arose on the restructuring of the SAB Group.

The notes on pages 47 to 53 form an integral part of this condensed financial information.

SAB GROUP

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL INFORMATION

1. ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the condensed consolidated financial information contained herein are consistent, in all material respects, with those of SABMiller, as disclosed in the SABMiller annual financial statements for the year ended 31 March 2009, which were published in June 2009. Full details are available at www.sabmiller.com. Selected accounting policies have been presented for ease of reference.

(a) Property, plant and equipment

Property, plant and equipment are stated at cost net of accumulated depreciation and any impairment losses.

Property, plant and equipment consist mainly of land and buildings, assets in the course of construction, plant, vehicles, systems and containers.

Cost includes expenditure that is directly attributable to the acquisition of the assets. Subsequent costs are included in the asset's carrying value or recognised as a separate asset as appropriate, only when it is probable that future economic benefits associated with the specific asset will flow to the SAB Group and the cost can be measured reliably. Repairs and maintenance costs are charged to the income statement during the financial period in which they are incurred.

Land and buildings

Land and buildings have been included at cost.

Assets in the course of construction

Assets in the course of construction are carried at cost less any impairment loss. Cost includes professional fees and for qualifying assets certain borrowing costs as determined below.

Assets held under finance lease

Assets held under finance leases which result in the SAB Group bearing substantially all the risks and rewards incidental to ownership are capitalised as property, plant and equipment. Finance lease assets are initially recognised at an amount equal to the lower of the fair value and the present value of the minimum lease payments at inception of the lease, then depreciated over their useful lives. The capital element of future obligations under the leases are included as a liability in the balance sheet classified, as appropriate, as a current or non-current liability. The interest element of the lease obligations is charged to the income statement over the period of the lease term to reflect a constant rate of interest on the remaining balance of the obligation for each financial period.

Containers

Containers in circulation are recorded within property, plant and equipment at cost net of accumulated depreciation less any impairment loss.

Depreciation

Depreciation for all other assets other than land and buildings is provided on a straight-line basis at rates calculated to write off the cost or valuation, less the estimated residual value of each asset over its expected useful life as follows:

Freehold buildings:	20 – 50 years
Leasehold buildings:	Shorter of the lease term or 50 years
Plant, vehicles and systems:	2 – 30 years
Containers, including returnable containers:	1 – 10 years
Assets held under finance lease:	Lower of the lease term or life of the asset

No depreciation is provided on freehold land or assets in the course of construction as the assets are not yet available for use.

Assets held under a finance lease are depreciated over the shorter of the lease period or economic life.

Depreciation of returnable bottles and containers is recorded to write the containers off over the course of their economic life. This is typically undertaken in a two-stage process:

- The cost excluding deposit value is depreciated over a period of 1 – 3 years.
- The deposit value is depreciated over the expected bottle design period taking into account breakages and losses in trade. This period is shortened where appropriate by reference to market dynamics and the ability of the entity to use bottles for different brands. This period is no more than 10 years from the inception of a bottle design.

The SAB Group annually reviews all of its depreciation rates and residual values to take account of any changes in circumstances. When setting useful economic lives, the principal factors the SAB Group takes into account are the expected rate of technological developments, expected market requirements for the equipment and the intensity at which the assets are expected to be used.

The profit or loss on the disposal of an asset is the difference between the disposal proceeds and the net book amount.

Capitalisation of borrowing costs

Direct financing costs incurred, before tax, on major capital projects during the period of development or construction that necessarily take a substantial period of time to be developed for their intended use, are capitalised up to the time of the completion of the project.

(b) Impairment

This policy covers all assets except financial assets, inventories and deferred tax assets.

Impairment reviews are performed by comparing the carrying value of the non-current asset to its recoverable amount, being the higher of the fair value less costs to sell and value in use. The fair value less costs to sell is considered to be the amount that could be obtained on disposal of the asset. The value in use of the asset is determined by discounting, at a market based pre-tax discount rate, the expected future cash flows resulting from its continued use, including those arising from its final disposal. When the carrying values of non-current assets are written down by any impairment amount, the loss is recognised in the income statement in the period in which it is incurred.

Should circumstances or events change and give rise to a reversal of a previous impairment loss, the reversal is recognised in the income statement in the period in which it occurs and the carrying value of the asset is increased. The increase in the carrying value of the asset is restricted to the amount that it would have been had the original impairment not incurred. Impairment losses in respect of goodwill are irreversible.

Intangible non-current assets with an indefinite life and goodwill are tested annually for impairment. Assets subject to amortisation are reviewed for impairment if circumstances or events change to indicate that the carrying value may not be fully recoverable.

(c) Investments in associates

An associate is an entity, other than a subsidiary, in which the SAB Group has a long-term interest of not less than 20% and in respect of which the SAB Group exercises a significant influence over the operational and financial policies. Investments in associates are accounted for initially at cost and are subsequently equity accounted.

(d) Financial assets and financial liabilities

Financial assets and financial liabilities are initially recorded at fair value (plus any directly attributable transaction costs where applicable). Subsequently, the financial assets are either carried at fair value through profit and loss, as available for sale (fair value through equity) or at amortised cost. For those financial instruments that are not subsequently held at fair value, the SAB Group assesses whether there is any objective evidence of impairment at each balance sheet date.

Financial assets are recognised when the SAB Group has rights or other access to economic benefits. Such assets consist of cash, equity instruments, a contractual right to receive cash or another financial asset, or a contractual right to exchange financial instruments with another entity on potentially favourable terms. Financial assets are derecognised when the right to receive cash flows from the asset have expired or have been transferred and the SAB Group has transferred substantially all risks and rewards of ownership.

Financial liabilities are recognised when there is an obligation to transfer benefits and that obligation is a contractual liability to deliver cash or another financial asset or to exchange financial instruments with another entity on potentially unfavourable terms. Financial liabilities are derecognised when they are extinguished, that is discharged, cancelled or expired.

If a legally enforceable right exists to set off recognised amounts of financial assets and liabilities, which are in determinable monetary amounts, and there is an intention to settle on a net basis, the relevant financial assets and liabilities are offset.

Interest costs are charged against income in the year in which they accrue. Premiums or discounts arising from the difference between the net proceeds of financial instruments purchased or issued and the amounts receivable or repayable at maturity are included in the effective interest calculation and taken to net interest payable over the life of the instrument. Interest costs relating to qualifying assets are capitalised.

Financial assets and liabilities include loans and receivables, available for sale investments, trade receivables, cash and cash equivalents, derivative financial assets and liabilities, trade payables and borrowings.

(e) Revenue recognition

Revenue represents the fair value of considerations received or receivable for goods and services provided to third parties. It is recognised when the risk and rewards of ownership are substantially transferred.

The SAB Group presents revenue gross of excise duties because unlike value added tax, excise is not directly related to the value of sales. It is not generally recognised as a separate item on invoices, increases in excise are not always passed on to customers and the SAB Group cannot reclaim the excise where customers do not pay for product received. The SAB Group therefore considers excise as a cost and reflects it as a production cost. Consequently any excise that is recovered in the sale price is included in revenue.

Interest income is recognised using the effective interest rate method.

Dividend income is recognised when the right to receive payment is established.

(f) Inventories

Inventories are stated at the lower of cost incurred in bringing each product to its present location and condition, and net realisable value as follows:

Raw materials, consumable and goods for resale: Purchase cost net of discounts and rebates on a first-in first-out (FIFO) basis.

Finished goods and work in progress: Raw material cost plus direct costs and a proportion of manufacturing overhead expenses on a FIFO basis.

Net realisable value is based on estimated selling price less further costs expected to be incurred to completion and disposal.

(g) Intangible assets

Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the identifiable net assets acquired in that entity at the date of acquisition. Goodwill is stated at cost less accumulated impairment and is reviewed for impairment on an annual basis. An impairment identified is recognised immediately in the income statement and is not reversed. Goodwill on acquisitions of associates is included in investments in associates.

Software

Where computer software is not an integral part of property, plant and equipment, the software is capitalised as an intangible asset. Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring them into use.

Direct costs associated with the production of identifiable and unique internally generated software products controlled by the SAB Group that will probably generate economic benefits exceeding their costs beyond one year are capitalised.

Capitalised computer software, licence fees and development costs are amortised over their economic useful lives of between three and eight years.

Internally generated costs associated with maintaining computer software programmes are expensed as incurred.

(h) Exceptional items

Exceptional items are expense or income items recorded in a period which have been determined by management as being material by their size or incidence and are presented separately within the results of the SAB Group. The determination of which items are disclosed as exceptional items will affect the presentation of profit measures including EBITA and requires a degree of judgement. Details relating to exceptional items reported during the year are set out in note 5.

(i) Significant judgments and estimates

In determining and applying accounting policies, judgement is often required where the choice of specific policy, assumption or accounting estimate to be followed could materially affect the reported results or net position of the SAB Group, should it later be determined that a different choice be more appropriate. SAB Management considers the following to be areas of significant judgement and estimation for the SAB Group due to greater complexity and/or particularly subject to the exercise of judgement:

Impairment reviews

Goodwill arising on business combinations is allocated to the relevant cash generating unit (CGU). Impairment reviews in respect of the relevant CGUs are performed at least annually or more regularly if events indicate that this is necessary. Impairment reviews are based on future cash flows discounted using the weighted average cost of capital with terminal values calculated applying the long-term growth rate. The future cash flows which are based on business forecasts, the long-term growth rates and the discount rates used are dependent on management estimates and judgements. Future events could cause the assumptions used in these impairment reviews to change with a consequent adverse impact on the results and net position of the SAB Group.

Post-retirement benefits

Pension accounting requires certain assumptions to be made in order to value the SAB Group's post-retirement obligations in the balance sheet and to determine the charges to be made to the income statement in accordance with IAS 19. The calculations of these obligations and charges are based on assumptions determined by management which include discount rates, salary and pension inflation, healthcare cost inflation, mortality rates and expected long-term rates of return on assets.

Property, plant and equipment

The determination of the useful economic life and residual values of property, plant and equipment is subject to management estimation. The SAB Group regularly reviews all of its depreciation rates and residual values to take account of any changes in circumstances, and any changes could affect prospective depreciation charges and asset carrying values.

(j) New standards and amendments

The following standard is mandatory for the first time in the financial year ending 31 March 2010 and is relevant for the SAB Group.

IAS 1 (revised), 'Presentation of financial statements' requires the presentation of a statement of changes in equity as a primary statement, includes non-mandatory changes to the titles of primary statements and introduces a statement of comprehensive income, but allows the presentation of a two statement approach with a separate income statement and statement of comprehensive income. The SAB Group has chosen to maintain existing primary statement titles and to follow the two statement approach.

The following standards and interpretations have been adopted by the SAB Group since 1 April 2009 with no significant impact on its consolidated results or financial position:

- Amendment to IAS 23 (revised), 'Borrowing Costs'
- Amendment to IFRS 2, 'Share-based payments' – Vesting conditions and cancellations
- Amendment to IFRS 7, 'Financial Instruments: Disclosures'
- Amendment to IAS 32, 'Financial Instruments: Presentation' and IAS 1, 'Presentation of financial statements' – 'Puttable financial instruments and obligations arising on liquidation'
- Amendment to IAS 39, 'Financial Instruments: Recognition and measurement' – Reclassification of financial assets
- IFRIC 13, 'Customer Loyalty Programmes'
- Amendment to IFRIC 9, 'Re-assessment of Embedded Derivatives'

2. SALES VOLUMES

	6 months ended 30 September 2009	6 months ended 30 September 2008	Year ended 31 March 2009
Third party sales volumes (hl 000)	19,815	20,275	44,577
Lager	11,973	12,307	25,949
Soft drinks	7,248	7,396	17,303
Other alcoholic beverages	594	572	1,325

3. EBITA DERIVATION

	6 months ended 30 September 2009 Rm	6 months ended 30 September 2008 Rm	Year ended 31 March 2009 Rm
Operating profit before exceptional items	2,448	2,309	6,038
Adjusted for:			
Amortisation	1	1	1
Share of associates operating profit	175	216	537
EBITA*	2,624	2,526	6,576

* This comprises operating profit before exceptional items, amortisation of intangible assets (excluding software) and includes the SAB Group's share of associates' operating profit on a similar basis.

4. NET OPERATING EXPENSES

	6 months ended 30 September 2009	6 months ended 30 September 2008	Year ended 31 March 2009
Cost of inventories recognised as an expense	4,571	3,980	9,026
Excise duties	2,761	2,618	5,546
Depreciation	459	609	1,299
Net loss/(profit) on disposal of assets	9	(5)	34
Selling, marketing and distribution costs	1,486	1,310	2,941
Employee benefit costs	1,880	1,791	3,675
Other expenses	1,485	1,430	2,727
Other income	(119)	(116)	(340)
Net operating expenses	12,532	11,617	24,908

5. EXCEPTIONAL ITEMS

Exceptional items comprise of business capability programme costs of R144 million in the six months ended 30 September 2009. The business capability programme will streamline finance, human resources and procurement activities through the deployment of global systems, the introduction of common sales, distribution and supply chain management systems.

6. DIVIDENDS

	6 months ended 30 September 2009 Rm	6 months ended 30 September 2008 Rm	Year ended 31 March 2009 Rm
Dividends declared	1,230	1,176	3,999
Dividends paid	1,659	1,790	4,183

Dividends paid include dividends that were declared but not paid in the respective previous financial periods.

7. GOODWILL

The recoverable amount for a cash generating unit (CGU) is determined based on value in use calculations. Value in use is determined by discounting the future post-tax cash flows generated from continuing use of the CGU using a post-tax discount rate, as this closely approximates to applying pre-tax discount rates to pre-tax cash flows.

Cash flows are based on financial forecasts approved by SAB management covering five-year periods and are dependent on the expected volume growth rates. The discount rate (weighted average cost of capital) is calculated using a methodology which reflects the returns from long-term government treasury bonds, and a SAB Limited specific beta. Cash flows after the first five-year period were extrapolated using a long-term growth rate, in order to calculate the terminal recoverable amount.

After performing the impairment review, the SAB directors are of the opinion that no provision for impairment is required.

8. PROPERTY, PLANT AND EQUIPMENT

Property plant and equipment comprises of assets under construction, land and buildings, plant, vehicles, equipment and returnable containers. The following is a summary of the respective additions, disposals and depreciation.

	6 months ended 30 September 2009 Rm	6 months ended 30 September 2008 Rm	Year ended 31 March 2009 Rm
Additions	680	1,368	2,478
Disposals	33	14	62
Depreciation	459	609	1,299

9. ANALYSIS OF NET DEBT

	6 months ended 30 September 2009 Rm	6 months ended 30 September 2008 Rm	Year ended 31 March 2009 Rm
Inter-group funding: Interest bearing liabilities*	4,829	5,223	5,468
Other borrowings	29	37	34
Overdrafts	58	272	158
Finance leases	56	45	59
Gross debt	4,972	5,577	5,719
Inter-group funding: Interest bearing assets*	286	219	263
Cash and cash equivalents (excluding overdrafts)	28	63	80
Net debt	4,658	5,295	5,376
Average interest rates on inter-group funding:			
Liabilities	9.5%	11.4%	11.3%
Assets	7.9%	11.6%	11.7%

* Included in inter-group funding is interest bearing liabilities of R1.6 billion with the holding company. This borrowing is guaranteed by SABMiller and is repayable on 19 July 2012. The remainder of the SAB Group's funding has no fixed terms of repayment.

Cash and cash equivalents on the balance sheet are reconciled to cash and cash equivalents on the cash flow statement as follows:

	6 months ended 30 September 2009 Rm	6 months ended 30 September 2008 Rm	Year ended 31 March 2009 Rm
Cash and cash equivalents (balance sheet)	28	63	80
Overdrafts	(58)	(272)	(158)
Cash and cash equivalents (cash flow statement)	(30)	(209)	(78)

10. FINANCIAL INSTRUMENTS

Financial risk factors

The SAB Group's activities expose it to a variety of financial risks, specifically credit risk, liquidity risk and market risk (including currency risk, cash flow interest rate risk and price risk). The SAB Group's overall risk management programmes focuses on the unpredictability of financial markets and seek to minimise potential adverse effects on the SAB Group's financial performance. The responsibility for the management of commodities exposures lies with the procurement functions within the SAB Group. Some of the risk management strategies include the use of derivatives, principally in the form of forward foreign currency contracts.

Risk management is carried out by the finance department under policies approved by the SAB board of directors. An essential part of this framework is the role undertaken by the audit committee of the SAB board, supported by the internal audit function, and by the Financial Director of SAB, who in this regard is supported by the treasury committee and the SAB Group treasury function.

Credit risk

Credit risk arises mainly from its credit exposure to its customers. The utilisation of credit limits is regularly monitored. Sales to customers are settled in cash or via electronic fund transfer. Policies are in place to ensure that sales of products are only made to customers with an appropriate credit history.

To reduce the SAB Group's credit risk, it holds some collateral as security against the carrying value. The SAB Group has policies in place with its customers to utilise this collateral as security against the amount in arrears, in the event of customer default.

The SAB Group has strict policies on the issue of credit to customers that are approved by the board and monitored daily. The customer base ranges from sole proprietors to national retailers. Credit limits to customers are only offered to customers with a good credit standing. The SAB Group has implemented policies that require appropriate credit checks on potential customers before sales commence. Credit risk is managed by limiting the aggregate amount of exposure to any one counterparty.

There is no significant concentration of credit risk with respect to trade receivables as the group has a large number of customers.

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities. The SAB Group maintains credit facilities with the top five banks to manage liquidity risk and minimise credit concentration risk.

The SAB Group has sufficient headroom to enable it to conform to covenants on its existing borrowings. The SAB Group has sufficient undrawn financing facilities and funding from related parties to service its operating activities and ongoing capital investment.

Market risk

Foreign exchange risk

The SAB Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US Dollar and Euro. Foreign exchange risk arises from future commercial transactions.

Price risk

The SAB Group is exposed to variability in the price of commodities used in the production and packaging of finished products, such as malt, sugar and barley. These prices are managed principally by contracting with international suppliers through fixed price contracts.

Interest rate risk

The SAB Group's interest rate risk arises from borrowings. Borrowings issued at variable rates expose the SAB Group to cash flow interest rate risk. Borrowings at fixed rates expose the SAB Group to fair value interest rate risk. During 2009 and 2008, all of the SAB Group's variable rate borrowings were denominated in local currency.

Capital risk management

The SAB Group defines its capital as comprising share capital, share premium, revaluation, other reserves and distributable reserves.

The SAB Group's objectives when managing capital are to safeguard the SAB Group's ability to continue as a going concern in order to provide return for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

Capital management

The capital structure of the SAB Group consists of net borrowings and shareholders' equity.

11. SHARE CAPITAL

	Share capital R	Share premium R	Total R
Authorised			
As at 31 March 2009: 1 000 000 000 ordinary shares of R0,000001 each	1,000	–	1,000
As at 30 September 2009: 1 000 000 000 ordinary shares of R0,000001 each	1,000	–	1,000
Issued			
As at 31 March 2009: 100 000 000 ordinary shares of R0,000001 each	100	400	500
As at 30 September 2009: 100 000 000 ordinary shares of R0,000001 each	100	400	500

The unissued shares are under the control of the directors until the next annual general meeting.

12. **COMMITMENTS, CONTINGENCIES AND GUARANTEES**

	6 months ended 30 September 2009 Rm	6 months ended 30 September 2008 Rm	Year ended 31 March 2009 Rm
Commitments	104	388	124
Contingent liabilities and guarantees	–	–	11

The capital expenditure on commitments will be financed by cash flow from operations and the utilisation of cash and borrowings within the accepted gearing profile of the company.

The SAB Group is subject to certain legal claims incidental to its operations. In the opinion of the SAB directors, after taking appropriate legal advice, these claims are not expected to have a material adverse effect upon the SAB Group's financial position, either individually or in aggregate, except insofar as already provided in these financial statements.

13. **RELATED PARTY TRANSACTIONS**

	6 months ended 30 September 2009 Rm	6 months ended 30 September 2008 Rm	Year ended 31 March 2009 Rm
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The most significant transactions with related parties were:

Parent Companies

SABMiller plc ¹	63	67	143
SABMiller Finance BV ¹	56	80	149
SABMiller International BV ¹	128	131	274
SABSA Holdings (Pty) Ltd ²	189	210	437
SABSA Holdings (Pty) Ltd ³	1,230	1,176	3,999

Associates

Coca-Cola Canners of Southern Africa (Pty) Ltd ⁴	848	874	1,853
Coca-Cola Canners of Southern Africa (Pty) Ltd ⁵	17	33	33
Distell Group Limited ⁵	77	77	150

The most significant balances with related parties were:

Parent Companies

SABSA Holdings (Pty) Ltd	6,019	5,313	6,712
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¹ *Share options, management fees and royalties*

² *Interest expense*

³ *Dividends paid*

⁴ *Purchases of canned Coca-Cola products from Coca-Cola Canners of Southern Africa (Pty) Ltd*

⁵ *Dividends received*

14. **PRINCIPAL SUBSIDIARIES AND ASSOCIATES**

	30 September 2009
Effective interest in ordinary share capital	100%
The South African Breweries Hop Farms (Proprietary) Limited	100%
The South African Breweries Maltings (Proprietary) Limited	100%
New Age Beverages (Proprietary) Limited	100%
Castle Brewing Namibia (Proprietary) Limited	100%
Appletiser South Africa (Proprietary) Limited	100%
Coleus Packaging (Proprietary) Limited	60%
Coca-Cola Canners of Southern Africa (Proprietary) Limited	32%
Distell Group Limited	29%

C. GENERAL INFORMATION

This section provides additional general information on SAB Zenzele and the Offer.

13. OTHER INFORMATION

13.1 Name, address, incorporation and history of SAB Zenzele [1(a), 23 and 32]

- 13.1.1 SAB Zenzele is a public company. It was incorporated in South Africa on 23 November 2009.
- 13.1.2 SAB Zenzele's registered and business address is 65 Park Lane, Sandown, Sandton, 2196.
- 13.1.3 SAB Zenzele was incorporated for the specific purpose of acquiring and holding R Ordinary Shares in SAB and making and implementing the Offer.
- 13.1.4 The SAB Zenzele Shares will not be listed on any stock exchange and accordingly no application to that effect has been made under Section 169 of the Companies Act.

13.2 Nature of the business of SAB Zenzele [6(b), 6(e) and 33]

SAB Zenzele is a ring-fenced limited purpose vehicle whose sole objective is to subscribe for and hold the R Ordinary Shares in SAB for the benefit of the shareholders of SAB Zenzele and to make and implement the Offer.

13.3 No litigation pending

SAB Zenzele is not engaged in any litigation and the board is not aware of any pending legal or arbitration proceedings.

13.4 Details of material loans [9(a), 9(b) and 16(a)]

As at the Last Practicable Date, SAB Zenzele had no outstanding material loans.

13.5 Share capital and share premium [6(a)(ii), 6(a)(iii), 8(a), 10, 11, 20(a), 37 and 39]

As at the Last Practicable Date, the authorised share capital, issued share capital and share premium of SAB Zenzele is as follows:

13.5.1 **Authorised share capital**

19,228,250 SAB Zenzele Shares with a par value of R0.000 001 each
1 Foundation Special Share with a par value of R0.000 001
1 SAB Special Share with a par value of R0.000 001

Total authorised share capital
R19.228252

13.5.2 **Issued share capital**

7 SAB Zenzele Shares with a par value of R0.000 001
1 Foundation Special Share with a par value of R0.000 001
1 SAB Special Share with a par value of R0.000 001

Total issued share capital
R0.000009

13.5.3 **Share premium**

On 7 SAB Zenzele Shares – None
On 1 Foundation Special Share – None
On 1 SAB Special Share – None

Total share premium
R0.00

-
- 13.5.4 The only alterations to the share capital of SAB Zenzele that will be made on or prior to the Allocation Date will be that, on incorporation, SAB Zenzele allotted and issued one SAB Zenzele Share to each of the initial signatories to the SAB Zenzele Memo and Articles. These SAB Zenzele Shares will be repurchased by SAB Zenzele at their par value on, prior to or shortly following the Allocation Date.

- 13.5.5 The SAB Zenzele Shares may be allotted and issued to Applicants that apply for further SAB Zenzele Shares in accordance with the table set out below:

Eligible Applicants	Number of SAB Zenzele Shares	Subscription price (Rand)	Premium per SAB Zenzele Share (Rand)
All	317	100	0.319999
All	634	2,500	3.939999
Liquor Licence Holders/ABI Customers	951	5,000	5.259999
Liquor Licence Holders/ABI Customers	1,268	7,500	5.909999
Liquor Licence Holders/ABI Customers	1,585	10,000	6.309999
Liquor Licence Holders	1,902	12,500	6.569999
Liquor Licence Holders	2,219	15,000	6.759999
Liquor Licence Holders	2,536	17,500	6.899999
Liquor Licence Holders	2,853	20,000	7.009999
Liquor Licence Holders	3,170	25,000	7.889999

- 13.5.6 The reason for the differentiation in share premium per SAB Zenzele Share is because of an incremental benefit in allowing Applicants to acquire larger numbers of SAB Zenzele Shares.
- 13.5.7 One Foundation Special Share will be available for allotment and issue or has been allotted and issued to The SAB Foundation, at the par value thereof on or before the Allocation Date. One SAB Special Share will be available for allotment and issue or has been allotted and issued to SAB, at the par value thereof on or before the Allocation Date.
- 13.5.8 No shares in the capital of SAB Zenzele have been issued by SAB Zenzele other than for cash prior to the date of issue of this Prospectus.
- 13.5.9 No options or preferential rights to subscribe for any shares in the capital of SAB Zenzele have been granted prior to the date of issue of this Prospectus. Liquor Licence Applicants that obtain a Qualifying Liquor Licence in the three years following the Allocation Date may be allocated, but are not entitled to, Additional SAB Zenzele Shares as described in greater detail in paragraph 2.2 above.
- 13.5.10 There have been no offers for subscription or sale of any shares in the capital of SAB Zenzele to the public prior to the date of issue of this Prospectus.
- 13.5.11 Further ordinary shares in the authorised but unissued share capital of SAB have, or will prior to the Allocation Date, be issued such that SAB will have 500,000,000 ordinary SAB shares (excluding R Ordinary Shares, E Ordinary Shares and F Ordinary Shares) in issue on the Allocation Date.

13.6 Material changes [31 and 46]

- 13.6.1 Since its incorporation, SAB Zenzele has:
- 13.6.1.1 adopted the SAB Zenzele Memo and Articles;
 - 13.6.1.2 made the Offer; and
 - 13.6.1.3 undertaken the corporate actions referred to in paragraph 13.5 above.
- 13.6.2 No material changes in the assets and liabilities of SAB Zenzele or the state of affairs of SAB Zenzele have taken place between its date of incorporation and the Last Practicable Date.

13.7 Adequacy of capital [22]

- 13.7.1 The board is of the opinion that, in the ordinary course of business:
- 13.7.1.1 the working capital resources of SAB Zenzele will be adequate for its current and foreseeable future requirements, that is, for at least 12 months following the date of this Prospectus; and
 - 13.7.1.2 the issued share capital of SAB Zenzele will be adequate for the purpose of its business for the foreseeable future.

13.8 Material contracts [16(a) and 40]

The only material contracts that have been entered into or adopted by SAB Zenzele are the Transaction Documents to which it is a party. These documents are available for inspection at SAB Zenzele's registered office as described on the inside cover of this Prospectus.

13.9 Preliminary expenses and issue expenses [15 and 21]

The expenses of the Offer, including costs of professional advisors, printing and publishing costs will be borne by SAB. There is, accordingly, no minimum amount that needs to be raised through the issue of SAB Zenzele Shares.

13.10 Advisors' consents

Each of the advisors, whose names appear on the inside cover of this Prospectus, has given and has not, prior to registration of this Prospectus, withdrawn its written consent to the inclusion of its name and acting in the capacity stated and, where applicable, to its report being included in this Prospectus.

13.11 Other [6(c), 6(e)(i) and 6(e)(ii)]

At the date of this Prospectus, other than as stated in this Prospectus, SAB Zenzele had no:

- 13.11.1 subsidiary companies;
- 13.11.2 immovable property (owned or leased); or
- 13.11.3 material capital commitments, lease payments or contingent liabilities.

14. DIRECTORS AND MANAGEMENT [2 and 34]

As at the date of this Offer, SAB Zenzele will have five directors, details of whom are set out below.

At the first annual general meeting of SAB Zenzele, the Board will be reconstituted to consist of at least five directors, two of whom will be appointed by SAB, as the holder of the SAB Special Share, and the balance of whom will be appointed by the shareholders of SAB Zenzele from a list of directors nominated by the first directors.

At each subsequent annual general meeting of SAB Zenzele, the Board will be reconstituted to consist of at least five directors, two of whom will be appointed by SAB, as the holder of the SAB Special Share, and the balance of whom will be appointed by the shareholders of SAB Zenzele from a list of directors nominated by the previous directors.

At all times, a majority of the Board must be Black Individuals.

14.1 Directors of SAB Zenzele [2(a), 2(b) and 34]

14.1.1 **Wayne James McCauley**

Date Appointed:	23 November 2009
Business Address:	65 Park Lane, Sandton, 2196
Qualifications:	Bachelor of Commerce and Masters in Business Leadership
Current Position:	Director, Sales and Distribution for Beer, SAB
Directorships:	The South African Breweries Limited Corpclo 1003 Close Corporation Dwarsloop Beer Wholesalers (Proprietary) Limited Dwarsloop Depot (Proprietary) Limited Entlini Game Farm (Proprietary) Limited Gazankulu Traditional Beer Company (Proprietary) Limited Giyani SAB Distributors (Proprietary) Limited Groblersdal Beer Distributors (Proprietary) Limited Letaba Beer Distributors (Proprietary) Limited Samine Place Homeowners Association Thohoyandou Beer Distributors (Proprietary) Limited United Breweries (Proprietary) Limited
Previous Work Experience:	Wayne worked as a Production Planner at Unilever from 1984 to 1987, whereafter he joined SAB. He has performed various roles at SAB prior to his current role, including General Manager of SAB's Central Region (June 2001 – December 2001), General Manager of SAB's Isando Region (January 2002 – June 2003) and General Manager of Miller Brewing Company Mid Central Market, working out of Cincinnati, Ohio, USA (October 2003 – October 2006)
Nationality (if not South African):	N/A

14.1.2 **Velaphi Ratshefola**

Date Appointed:	23 November 2009
Business Address:	65 Park Lane, Sandton, 2196
Qualifications:	B. Juris and LLB
Current Position:	Commercial Director, ABI
Directorships:	McCain Foods (SA) (Proprietary) Limited
Previous Work Experience:	Velaphi started his career as a Public Prosecutor at the Regional Court in Mmabatho in 1987. In 1988, Velaphi joined Nampak where he held various roles, including Legal Assistant, Personnel Manager, Manufacturing Manager and Divisional Human Resources Director. In 1990, Velaphi joined SAB as Industrial Relations Manager at United Breweries before returning to Nampak in 1992. Velaphi joined SAB once again in 1996 as Personnel Manager and was subsequently appointed as the General Manager for SAB's Central Region. In 2005, Velaphi was promoted to Operations Director of ABI. He was then appointed as the Sales & Distribution Director of ABI. Velaphi currently holds the position of Commercial Director of ABI.
Nationality (if not South African):	N/A

- 14.1.3 **Hepsy Mkhungo**
- Date Appointed: 23 November 2009
- Business Address: 65 Park Lane, Sandton, 2196
- Qualifications: Bachelor of Science and Certificate in the Management Advanced Programme
- Current Position: Manager, Transformation, CSI and ED
- Directorships: None
- Previous Work Experience: Hepsy's previous work experience includes time as Corporate Relations Manager at African Bank (March 2000 – October 2003), Purchasing Manager at Standard Bank (April 2004 – April 2005), BEE Consultant at ABSA (April 2006 – May 2008), and Head of Inclusion and Diversity at Accenture (June 2008 – August 2009)
- Nationality (if not South African): N/A
- 14.1.4 **Nirishi Trikamjee**
- Date Appointed: 23 November 2009
- Business Address: 65 Park Lane, Sandton, 2146
- Qualifications: B.Com, CA(SA), Post-Grad Diploma in Business Management
- Current Position: Financial Manager
- Directorships: None
- Previous Work Experience: Nirishi joined SAB in 2006 as a development accountant and progressed to Financial Manager responsible for consolidation and reporting of the SAB Group results. Nirishi attended the SAB Management Development Programme in 2008 which is hosted in conjunction with the University of Cape Town. As a Chartered Accountant, Nirishi established herself first as an academic article clerk, tutoring and lecturing students at the University of KwaZulu-Natal (2003). Thereafter she completed her traineeship at accounting and auditing firm PricewaterhouseCoopers (2004 – 2005). Nirishi serves on The SA Institute of Chartered Accountants Education Committee and for many years has been serving on the local committee of the Divine Life Society of SA, a non-profit organisation involved in the dissemination of spiritual literature and enriching the lives of the under-privileged in South Africa
- Nationality (if not South African): N/A
- 14.1.5 **Jonathan Searle**
- Date Appointed: 23 November 2009
- Business Address: 2 Jan Smuts Avenue, Braamfontein
- Qualifications: B Bus Sc (Hons), PGDA, CA(SA)
- Current Position: Assistant Director – Corporate Finance
- Directorships: None
- Previous Work Experience: Following the completion of his studies at the University of Cape Town, Jonathan joined Deloitte where he completed his articles of internship (1992 – 1994) and qualified as a Chartered Accountant. Thereafter he joined Gold Fields of South Africa, where he worked in the Treasury/Corporate Finance Division. In 1996 he joined the stock broking firm Fleming Martin, which eventually through a series of mergers and names changes became what today is JPMorgan South Africa. He started as a Corporate Finance executive and was part of the core team who advised SABMiller on their listing on the LSE in 1999. Following nine years at JPMorgan, which included a one year secondment to the London office, Jonathan left as a Vice-president and Head of South African M&A and joined the SABMiller Corporate Finance and Development team in South Africa in 2007. This team has responsibility for executing Corporate Finance transactions in South Africa, Africa and Asia
- Nationality (if not South African): N/A
- 14.2 **Interest of Directors [16(b), 17(a), 17(b), 17(c) and 41]**
- 14.2.1 As at the Last Practicable Date, none of the Directors held SAB Zenzele Shares. None of the first Directors will be eligible to participate in the Offer.
- 14.2.2 The Directors have no material beneficial interests, directly or indirectly, in any transactions effected by SAB Zenzele in the current financial year.
- 14.2.3 No sums have been paid or agreed to be paid to any of the Directors or to any associate of any of the Directors to induce him or her to be a director of SAB Zenzele or otherwise for services rendered by him or her to SAB Zenzele.

14.3 Directors' remuneration [2(c), 16(b) and 41(c)]

14.3.1 The initial five Directors and the directors appointed by the holder of the SAB Special Share will not be entitled to any remuneration for performing their role as Directors of SAB Zenzele. Remuneration of other directors will be determined by SAB Zenzele in general meetings.

14.3.2 The Directors will be refunded any out-of-pocket expenses incurred by them in conducting SAB Zenzele's business provided such expenses are authorised by the Board and are properly and reasonably incurred.

14.4 Borrowing powers of Directors [2(e)]

Subject to the SAB Zenzele Memo and Articles, the Directors may exercise all the powers of SAB Zenzele to raise or borrow money on behalf of SAB Zenzele. However, in accordance with the SAB Zenzele Memo and Articles, SAB Zenzele may not enter into debt or cash-raising agreements without the consent of SAB, as the holder of the SAB Special Share.

14.5 Administration services [2(d)]

Certain administration services will be performed by SAB pursuant to the terms and conditions of the Administration Agreement or by a third party that is procured to perform these services.

14.6 Directors' responsibility statement

14.6.1 The Directors, whose names are given commencing on page 56, collectively and individually, accept full responsibility for the accuracy of information given in this Prospectus in all material respects.

14.6.2 They certify that, to the best of their knowledge and belief:

14.6.2.1 there are no other facts, the omission of which would make any statement false or misleading in any material respect;

14.6.2.2 they have made all reasonable enquiries to ascertain such facts; and

14.6.2.3 the Prospectus contains all information required by law.

15. DOCUMENTS AVAILABLE FOR INSPECTION [16(a) and 16(b)]

Copies of the following documents are available for inspection at SAB Zenzele's registered office at any time during office hours from 22 February 2010 to 7 April 2010:

- SAB Zenzele Memo and Articles;
- SAB Memo and Articles;
- Consent letters from the advisors;
- Signed copy of this Prospectus;
- Administration Agreement;
- Exchange Agreement;
- Implementation Agreement; and
- Subscription Agreement.

16. NON-APPLICABLE PARAGRAPHS OF SCHEDULE 3 TO THE COMPANIES ACT

16.1 This Prospectus complies with the Companies Act and was registered on 3 February 2010.

16.2 This Prospectus is issued in compliance with sections 145(1) and 148(1) of the Companies Act and complies with Schedule 3 to the Companies Act. The number of each applicable paragraph in Schedule 3 to the Companies Act is given in square brackets after the appropriate headings or sub-headings.

16.3 Paragraphs of Schedule 3 to the Companies Act which are not applicable [50]

The following paragraphs of Schedule 3 to the Companies Act are not applicable and therefore have not been included in this Prospectus:

1(b), 6(a)(iv), 6(c), 6(d), 6(e)(ii), 6(f)(iv), 6(g), 6(h), 8(b), 8(d), 12, 13, 14, 18(b), 20(b), 24, 25(3), 25(4), 26 to 30, 38, 39, 41, 42, 43(b), 47 and 48.

By and on behalf of each of the Directors, namely:

Wayne McCauley

Velaphi Ratshefola

Hepsy Mkhungo

Nirishi Trikamjee

Jonathan Searle

2 February 2010

INDEPENDENT REPORTING ACCOUNTANT'S REPORT ON SAB ZENZELE [25(1), 25(2), 28]



The Board of Directors
SAB Zenzele Holdings Limited
65 Park Lane
Sandown
Sandton
2196

PricewaterhouseCoopers Inc
Reg. no. 1998/012055/21
2 Eglin Road
Sunninghill 2157
Private Bag X36
Sunninghill 2157
South Africa
Telephone +27 (11) 797 4000
Facsimile +27 (11) 797 5800
www.pwc.com/za

Dear Sirs

REPORT REQUIRED FROM THE INDEPENDENT REPORTING ACCOUNTANT'S OF SAB ZENZELE HOLDINGS LIMITED IN TERMS OF PARAGRAPH 25 OF SCHEDULE 3 OF THE COMPANIES ACT, 61 OF 1973, AS AMENDED

The board of directors of SAB Zenzele Holdings Limited ("SAB Zenzele") has resolved to issue a prospectus in respect of an invitation to retailers of SAB to subscribe for shares in SAB Zenzele as part of its broad-based black economic empowerment transaction. We were engaged to report on the historical financial information required to be presented in the prospectus, in accordance with paragraph 25 of Schedule 3 of the Companies Act of South Africa (Act 61 of 1973), as amended ("the Companies Act").

The directors of SAB Zenzele Holdings Limited are responsible for the preparation of the prospectus and all the information contained therein, including the historical financial information required in terms of paragraph 6(f) of Schedule 3 of the Companies Act, and the financial statements and financial information from which it has been extracted and prepared.

As SAB Zenzele Holdings Limited was incorporated on 23 November 2009, it has not completed its first financial year since incorporation and has not prepared annual financial statements. Historical annual financial information for the Company is therefore not available for inclusion in the prospectus.

Because the information on which we are required to report on is not presented, as described above, we do not report on historical information in terms of paragraph 25 of Schedule 3 of the Companies Act.

Yours faithfully

PricewaterhouseCoopers Inc
Director: T Howatt
Registered Auditor
Sunninghill
27 January 2010

Executive: S P Kana (Chief Executive Officer) T P Blandin de Chalaïn D J Fölscher G M Khumalo I S Sehoole S Subramoney F Tonelli

Resident Director in Charge: E R Mackeown

The Company's principal place of business is at 2 Eglin Road, Sunninghill where a list of directors' names is available for inspection.
PricewaterhouseCoopers Inc is an authorised financial services provider.
VAT reg.no. 4950174682

INDEPENDENT AUDITORS' REPORT ON SAB GROUP



The Board of Directors
The South African Breweries Limited
65 Park Lane
Sandown
Sandton
2196

PricewaterhouseCoopers Inc
Reg. no. 1998/012055/21
2 Eglin Road
Sunninghill 2157
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Telephone +27 (11) 797 4000
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www.pwc.com/za

Dear Sirs

INDEPENDENT AUDITOR'S REPORT ON REVIEW OF THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION OF THE SOUTH AFRICAN BREWERIES LIMITED AND ITS SUBSIDIARIES AND ASSOCIATED COMPANIES (THE "SAB GROUP") AS OF AND FOR THE SIX-MONTH PERIOD ENDED 30 SEPTEMBER 2009

Introduction

We have reviewed the condensed consolidated statement of financial position of the SAB Group as of 30 September 2009 and the related condensed consolidated income statement, condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated cash flow statement for the six-month period then ended as set out on pages 44 to 53 of the SAB Zenzele offer prospectus. The directors of The South African Breweries Limited are responsible for the preparation and presentation of this interim financial information in accordance with International Accounting Standard 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information is not prepared, in all material respects, in accordance with International Accounting Standard 34 "Interim Financial Reporting".

Other matters

The directors of The South African Breweries Limited have prepared condensed consolidated interim financial information for the first time for 30 September 2009 for the purpose of including this information in the SAB Zenzele offer prospectus. We did not perform a review or an audit on the corresponding figures as of and for the respective periods ended 31 March 2009 and 30 September 2008.

Yours faithfully

PricewaterhouseCoopers Inc
Director: T Howatt
Registered Auditor
Sunninghill
27 January 2010

Executive: S P Kana (Chief Executive Officer) T P Blandin de Chalain D J Fölscher G M Khumalo I S Sehoole S Subramoney F Tonelli

Resident Director in Charge: E R Mackeown

The Company's principal place of business is at 2 Eglin Road, Sunninghill where a list of directors' names is available for inspection.
PricewaterhouseCoopers Inc is an authorised financial services provider.
VAT reg.no. 4950174682

RIGHTS AND RESTRICTIONS OF THE R ORDINARY SHARES

This is an extract of Article 73 of the SAB Memo and Articles

73. TERMS AND CONDITIONS OF THE R ORDINARY SHARES

73.1 Definitions

For the purposes of this Article 73:

- 73.1.1 "Adjusted Attributable Profit" means the profits of the Company attributable to equity shareholders of the Company, plus or minus exceptional non-cash items and any other items which have been declared distributable by the board of directors of the Company, plus or minus gains (+) or losses (-) that are directly accounted for in the Company's equity statement (in terms of International Financial Reporting Standards and the Company's accounting policies) and not accounted for in the Company's income statement, which have been declared distributable by the board of directors of the Company;
- 73.1.2 "All Ordinary Shares" means all of the ordinary shares in the share capital of the Company, including, without limitation, E Ordinary Shares, F Ordinary Shares and R Ordinary Shares;
- 73.1.3 "Change in Control" means, in respect of the Company and SABMiller:
- (i) shares or rights to shares carrying not less than 50% (fifty percent) of all the votes exercisable in respect of the entire issued share capital of the Company or SABMiller is acquired (whether by transfer or allotment and whether at the same or different times) by any person or persons (whether acting in concert with each other or not and whether directly or indirectly) who did not immediately prior to such acquisition own those shares or rights; or
 - (ii) the right to appoint or otherwise determine, directly or indirectly, a majority of the board of directors of the Company or SABMiller is acquired (whether at the same or at different times) by any person or persons (whether acting in concert with each other or not) who did not immediately prior to such acquisition hold such right to appoint or determine;
- 73.1.4 "Corporate Event" means, in respect of the Company:
- (i) the unbundling of an asset of the Company;
 - (ii) the buy-back of all or a portion of All Ordinary Shares (other than pursuant to the E Repurchase Right, F Repurchase Right or R Repurchase Right);
 - (iii) the disposal of the whole or greater part of a material asset of the Company, where the materiality of the asset will be determined by SABMiller in its sole discretion;
 - (iv) a rights issue or capitalisation award by the Company; or
 - (v) the consolidation or sub-division of all or a portion of All Ordinary Shares;
- 73.1.5 "Exchange Agreement" means the exchange agreement entered into, or to be entered into, by the holders of the E Ordinary Shares, F Ordinary Shares and R Ordinary Shares, the Company and SABMiller;
- 73.1.6 "Expert" means the auditors of the Company for the time being;
- 73.1.7 "Initial R Repurchase Right" means the value of the R Repurchase Right at the date of the issue of the R Ordinary Shares, with a reference point of 27 November 2009, being R3,039,999,980.77 less the aggregate of the subscription price paid to SAB Zenzele by subscribers pursuant to the first share allocation under the SAB Zenzele share offer less an amount to be determined by the board of directors of SAB Zenzele to cater for the potential repurchase by SAB Zenzele of SAB Zenzele shares held by subscribers that have failed to comply with all the requirements of the Offer.;
- 73.1.8 "Prime Rate" means, in respect of any period, the published prime overdraft rate of interest ruling from time to time, expressed as a rate per annum and applied as a rate of compound interest, at which Standard Bank lends on overdraft to its customers from time to time during that period, as certified by any manager of Standard Bank, whose appointment or determination it shall not be necessary to prove;
- 73.1.9 "R Acceleration Notice" means the written notice to be issued by SABMiller in its sole discretion upon the happening of the circumstances contemplated in Article 73.5.1;
- 73.1.10 "R Ordinary Shares" means R ordinary shares with a par value of R0.000 001 each in the share capital of the Company;
- 73.1.11 "R Ordinary Share Price" means the value of an R Ordinary Share in issue on the R Repurchase Date, determined in accordance with the methodology set out in the Annexure to these Articles;
- 73.1.12 "R Repurchase Date" means the date between the first day of the 10th (tenth) year after the allotment and issue of the R Ordinary Shares and the first day of the 11th (eleventh) year after the allotment and issue of the R Ordinary Shares, or such other date as SABMiller may specify in the R Acceleration Notice issued in accordance with the provisions of Article 73.5.1, on which the Company exercises its R Repurchase Right, to be determined by the Company in its sole discretion;
- 73.1.13 "R Repurchase Right" means the right of the Company to acquire R Ordinary Shares as set out in Article 73.3;
- 73.1.14 "R Repurchase Right Reduction" means, in relation to each dividend declared and paid to the holder of the R Ordinary Shares pursuant to Article 73.2 below, the difference between:
- 73.1.14.1 the dividend that would have been declared and paid to the holder of the R Ordinary Shares pursuant to Article 73.2 below if the calculation was based on 100%, as opposed to 25%, of the Adjusted Attributable Profits for the relevant period; and

- 73.1.14.2 the dividend actually declared and paid to the holder of the R Ordinary Shares pursuant to Article 73.2 below;
- 73.1.15 "R Repurchase Shares" means the number of the R Ordinary Shares which are eligible to be acquired by the Company in accordance with the R Repurchase Right;
- 73.1.16 "R Remaining Shares" means the R Ordinary Shares which are not R Repurchase Shares;
- 73.1.17 "SAB Ordinary Shares" means ordinary shares in the capital of the Company, excluding E Ordinary Shares, F Ordinary Shares and R Ordinary Shares;
- 73.1.18 "SAB Zenzele" means SAB Zenzele Holdings Limited, a public company registered in accordance with the laws of the Republic of South Africa under registration number 2009/022656/06;
- 73.1.19 "SABMiller" means SABMiller plc, a public company registered in accordance with the laws of England and Wales under registration number 3528416;
- 73.1.20 "Standard Bank" means The Standard Bank of South Africa Limited (or, if it ceases to exist, such reputable bank as the Company may nominate in its sole discretion); and
- 73.1.21 any reference to a section of the Act shall include a reference to the equivalent provision of the Companies Act, No. 71 of 2008.

73.2 Dividends

- 73.2.1 Dividends will be declared and paid by the Company to the holder of the R Ordinary Shares, on the following basis and subject to reduction in terms of Article 73.2.2 below:
- 73.2.1.1 for the first six months of the Company's financial year, being, as at the date of adoption of this Article 73, the period from 1 April to 30 September (both dates inclusive), if the Company declares and pays one or more cash dividends in respect of that period to the holder of SAB Ordinary Shares, the Company will declare and pay in respect of each R Ordinary Share in issue a dividend equal to 25% of Adjusted Attributable Profit for that period divided by the number of All Ordinary Shares in issue; and
- 73.2.1.2 for the second six months of the Company's financial year, being, as at the date of adoption of this Article 73, the period from 1 October to 31 March of the following calendar year (both dates inclusive), if the Company declares and pays one or more cash dividends in respect of that period to the holder of SAB Ordinary Shares, the Company will declare and pay in respect of each R Ordinary Share in issue a dividend equal to 25% of Adjusted Attributable Profit for the full financial year divided by the number of All Ordinary Shares in issue and less any amount paid per R Ordinary Share in respect of the first six months of the financial year on the basis set out in Article 73.2.1.1.
- 73.2.2 The amount calculated in terms of Article 73.2.1 above shall be reduced by such amount as required for payment of tax and/or other statutory costs due in consequence of the declaration of the dividend, payable by the Company or the recipient of the dividend payment, including, without limitation, any amount due by the Company in respect of any payments for secondary tax on companies.
- 73.2.3 In the event that withholding tax on dividends is introduced, the Company shall withhold the requisite amount from the dividend payment in terms of Article 73.2.1 above.

73.3 Repurchase Right

The Company shall have the right, on the R Repurchase Date, to acquire by written notice to that effect to the holder of the R Ordinary Shares and subject to and in terms of the provisions of the Act, such number of the R Ordinary Shares, at an acquisition price of R0.000 001 per R Ordinary Share, as determined in accordance with the following formula:

$$R = P/S$$

Where:

R = the R Repurchase Shares

S = the R Ordinary Share Price

P = the value of the outstanding R Repurchase Right at the R Repurchase Date, calculated as follows:

$$P = I - C$$

Where:

I = Initial R Repurchase Right, as increased and accumulated with compounded interest compounding monthly (from the date of issuance until the R Repurchase Date) at a rate equal to 85% of the Prime Rate

C = the cumulative value of each of the R Repurchase Right Reductions, as increased and accumulated with compounded interest compounding monthly (from the date of each dividend payment giving rise to the relevant R Repurchase Right Reduction until the R Repurchase Date) at a rate equal to 85% of the Prime Rate,

provided that R may not be greater than the number of R Ordinary Shares in issue on the R Repurchase Date and may not be less than zero.

73.4 Restrictions

- 73.4.1 Subject to Article 73.5 below, and save as permitted pursuant to Article 73.8 below, the holder of the R Ordinary Shares shall not be entitled, before the Company exercises its right in terms of Article 73.3 and acquires the R Repurchase Shares, to Transfer or Encumber any of the R Ordinary Shares.
- 73.4.2 To give effect to the provisions of Article 73.4.1, the R Ordinary Shares shall be certificated and the share certificates of the R Ordinary Shares shall be held in trust by the secretary of the Company.

73.5 Corporate Action

- 73.5.1 In the event that a Change in Control in either the Company or SABMiller is contemplated or concluded, SABMiller shall issue a written notice ("the R Acceleration Notice") to the Company and the holders of the R Ordinary Shares, in terms of which, SABMiller shall give notice that:
- 73.5.1.1 it wishes to accelerate the R Repurchase Date and in so doing, designate any date as the R Repurchase Date; or
- 73.5.1.2 it does not wish to accelerate the R Repurchase Date and that the provisions of Article 73.5.3 will become effective.
- 73.5.2 In the event that SABMiller issues an R Acceleration Notice in the circumstances contemplated in Article 73.5.1.1, the Company shall exercise the R Repurchase Right on the date designated as the R Repurchase Date by SABMiller in the R Acceleration Notice.
- 73.5.3 In the event that SABMiller issues an R Acceleration Notice in the circumstances contemplated in Article 73.5.1.2, the Company shall procure that SABMiller develops a proposal which shall include such steps that SABMiller in its sole discretion considers necessary to ensure that the holder of the R Ordinary Shares enjoys a benefit at least equal to the benefit that would have accrued to the holder of the R Ordinary Shares following the exchange contemplated in Article 73.8 absent the Change in Control ("the Value Proposal") and shall submit the Value Proposal to the Expert for certification.
- 73.5.4 On the happening of any Corporate Event, which event SABMiller (in its sole discretion) considers will adversely affect the benefit that will accrue to the holder of the R Ordinary Shares following the exchange contemplated in Article 73.8 absent the relevant Corporate Event, the Company will procure that SABMiller proposes such adjustments and/or material alterations to, amongst others, the mechanics contemplated in this Article 73 (including the methodology set out in the Annexure to these Articles) and the Exchange Agreement that SABMiller considers necessary to ensure that the holder of the R Ordinary Shares will enjoy a benefit at least equal to the benefit that would have accrued to the holder of the R Ordinary Shares following the exchange contemplated in Article 73.8 absent the relevant Corporate Event ("the Adjustment Proposal") and shall refer the Adjustment Proposal to the Expert for certification.
- 73.5.5 In the event that the Expert certifies that either the Value Proposal or the Adjustment Proposal, as the case may be, will, in its view, result in the holder of the R Ordinary Shares enjoying a benefit at least equal to the benefit that would have accrued to the holder of the R Ordinary Shares absent the event giving rise to the Value Proposal or the Adjustment Proposal respectively, the Company shall implement the Value Proposal or the Adjustment Proposal, as the case may be.
- 73.5.6 In the event that the Expert notifies the Company and/or SABMiller that either the Value Proposal or the Adjustment Proposal, as the case may be, will not, in its view, result in the holder of the R Ordinary Shares enjoying a benefit at least equal to the benefit that would have accrued to the holder of the R Ordinary Shares absent the event giving rise to the Value Proposal or the Adjustment Proposal respectively, the Company shall procure that SABMiller shall, in its sole discretion, revise the Value Proposal or the Adjustment Proposal, as the case may be, and SABMiller shall submit the revised Value Proposal or Adjustment Proposal, as the case may be, to the Expert for certification.
- 73.5.7 The process contemplated in Article 73.5.6 shall be repeated until such time as the Expert certifies that, in its view, either the Value Proposal or the Adjustment Proposal, as the case may be, will result in the holder of the R Ordinary Shares enjoying a benefit at least equal to the benefit that would have accrued to the holder of the R Ordinary Shares absent the event giving rise to the Value Proposal or the Adjustment Proposal respectively, at which time, the Company shall implement the Value Proposal or the Adjustment Proposal, as the case may be.

73.6 Expert Determinations

- 73.6.1 Where the Expert is called upon to provide a certification, either in respect of a Value Proposal or Adjustment Proposal in terms of Article 73.5 or in respect of a Calculation Proposal in terms of Paragraph C of the methodology set out in the Annexure to these Articles (together, "the Proposals") the Expert shall, in considering whether to make the relevant certification, consider the Proposal on the following basis:
- 73.6.1.1 the certification of the Expert shall be restricted to the impact of the Proposal on the benefit that will accrue to the holder of the R Ordinary Shares and nothing else;
- 73.6.1.2 the Expert shall act as an expert and not as an arbitrator;
- 73.6.1.3 the Expert may call upon any professional advisers of SABMiller and/or the Company, or any of their predecessors, for such documents and information as the Expert may reasonably require for the purposes of the certification and SABMiller and the Company shall give or, so far as they are able, procure that appropriate authority is given to those advisers to make disclosures required of them and that they, as far as they are able, give the Expert all such facilities and information as the Expert may reasonably require for the purposes of its certification;
- 73.6.1.4 the Expert shall afford SABMiller and the Company an opportunity to make such written and oral representations as they or either of them wish, and the Expert shall have regard to any such representations but shall not be bound by them;
- 73.6.1.5 the Expert's certification shall be written, and shall be final and binding on SABMiller and the Company in the absence of any clerical or manifest error appearing within 30 (thirty) days from the date SABMiller and the Company receive the certification.
- 73.6.2 In the event that the implementation of a certified Proposal constitutes a variation of the terms set out in this Article 73 (including the methodology set out in the Annexure to these Articles), the terms of this Article 73 shall be deemed to be varied in accordance with the relevant certified Proposal.

73.7 Release of Restrictions

On the Company exercising its right in terms of Article 73.3 and acquiring the R Repurchase Shares:

- 73.7.1 the conditions and restrictions contained in Articles 73.2, 73.3, 73.4 and 73.5 shall automatically cease to apply to the R Remaining Shares and the R Remaining Shares shall rank *pari passu* in all respects with the SAB Ordinary Shares; and
- 73.7.2 the R Remaining Shares shall automatically be released from safe custody and the share certificates in respect of the R Remaining Shares shall be delivered to SABMiller or its nominee pursuant to the exchange referred to in Article 73.8 below.

73.8 Exchange

Immediately following the exercise by the Company of its R Repurchase Right and the acquisition of the R Repurchase Shares, the holder of the R Remaining Shares shall procure the transfer of the ordinary shares in the issued share capital of SAB Zenzele pursuant to the articles of association of SAB Zenzele and the Exchange Agreement and shall take all other steps that may be necessary to give effect to the exchange on the terms of the articles of association of SAB Zenzele and the Exchange Agreement.

73.9 *Pari passu* Ranking

Save as set out in Articles 73.2, 73.3, 73.4, 73.5 and 73.8, the R Ordinary Shares shall rank *pari passu* in all respects with the SAB Ordinary Shares.

ANNEXURE TO THE SAB MEMO AND ARTICLES

METHODOLOGY FOR DETERMINATION OF MARKET VALUE

For the purposes of this Annexure, the following definitions shall apply:

"EBITA"	operating profit before exceptional items and amortisation of intangible assets, excluding software, but including the relevant group's share of associates' and joint ventures' operating profit, on a similar basis;
"SAB Accounts"	the most recent consolidated interim or year-end accounts (reviewed or audited) of the Company as at the E Repurchase Date, F Repurchase Date and R Repurchase Date, respectively;
"SAB EBITA"	the latest 12 month consolidated EBITA of the Company, based on the most recent SAB Accounts as at the E Repurchase Date, F Repurchase Date and R Repurchase Date, respectively;
"SABMiller Accounts"	the most recent consolidated interim or year-end accounts (reviewed or audited) of SABMiller as at the E Repurchase Date, F Repurchase Date and R Repurchase Date, respectively;
"SABMiller EBITA"	the latest 12 month consolidated EBITA of SABMiller, based on the most recent SABMiller Accounts as at the E Repurchase Date, F Repurchase Date and R Repurchase Date, respectively;
"USD"	United States dollars;
"ZAR"	South African Rands; and
"ZAR/USD Exchange Rate"	the 60-day average ZAR/USD exchange rate at 17h00 on each of the 60 trading days up to (but not including) the 10 th (tenth) Business Day prior to the E Repurchase Date, F Repurchase Date and R Repurchase Date respectively, as certified by any manager of Standard Bank, whose appointment or determination it shall not be necessary to prove.

A. DETERMINE THE EV/EBITA MULTIPLE TO BE USED IN THE CALCULATION

The determination pursuant to this Paragraph A shall be made by the Company.

1. Determine the ZAR market capitalisation of SABMiller

- 1.1 Determine the ZAR 60-day VWAP of a SABMiller Share traded on the JSE as at the close of trading on the 10th (tenth) Business Day prior the E Repurchase Date, F Repurchase Date and R Repurchase Date respectively ("SABMiller VWAP").
- 1.2 In order to determine the ZAR market capitalisation of SABMiller, multiply the SABMiller VWAP by the 60-day volume-weighted average number of all SABMiller Shares in issue, excluding treasury shares, as at the close of trading on the 10th (tenth) Business Day prior to the E Repurchase Date, F Repurchase Date and R Repurchase Date respectively.

2. Determine the USD market capitalisation of SABMiller

In order to determine the USD market capitalisation of SABMiller, multiply the ZAR market capitalisation of SABMiller by the ZAR/USD Exchange Rate.

3. Determine the USD enterprise value of SABMiller

In order to determine the USD enterprise value of SABMiller:

- 3.1 add to the USD market capitalisation of SABMiller:
- 3.1.1 book value of minorities;
- 3.1.2 preference share funding; and
- 3.1.3 net debt,

all as per the SABMiller Accounts, as those terms are understood in the SABMiller Accounts for the year ended 31 March 2009.

4. **Determine the EV/EBITA multiple**

In order to determine the EV/EBITA multiple, divide the USD enterprise value of SABMiller by the SABMiller EBITA.

B. DETERMINE THE ZAR VALUE OF AN R ORDINARY SHARE

The determination pursuant to this Paragraph B shall be made by the Company.

1. **Determine the ZAR enterprise value of the Company**

In order to determine the ZAR enterprise value of the Company, multiply the EV/EBITA multiple determined in terms of paragraph A above by the SAB EBITA.

2. **Determine the ZAR equity value of the Company**

In order to determine the ZAR equity value of the Company:

2.1 deduct from the ZAR enterprise value of the Company:

- 2.1.1 book value of minorities;
- 2.1.2 preference share funding; and
- 2.1.3 net debt,

all as per the SAB Accounts as those terms are understood in the SAB Accounts for the year ended 31 March 2009.

3. **Determine the ZAR value of the Company**

In order to determine the ZAR value of the Company, including the outstanding E Repurchase Right, F Repurchase Right and R Repurchase Right, add to the ZAR equity value of the Company the outstanding E Repurchase Right, F Repurchase Right and R Repurchase Right, calculated in accordance with the formula set out in Article 74.3 of the E Ordinary Share terms, Article 75.3 of the F Ordinary Share terms and Article 73.3 of the R Ordinary Share terms.

4. **Determine the ZAR value of an E Ordinary Share, F Ordinary Share or R Ordinary Share**

In order to determine the ZAR value of an E Ordinary Share, F Ordinary Share or R Ordinary Share, divide the ZAR value of the Company by the number of All Ordinary Shares in issue as at the close of trading on the 10th (tenth) Business Day prior to the E Repurchase Date, F Repurchase Date and R Repurchase Date, respectively.

C. ADJUSTMENTS

1. Notwithstanding anything to the contrary contained in Paragraphs A and/or B above, in the event that, prior to the E Repurchase Date, F Repurchase Date or R Repurchase Date, an event (" Relevant Event ") occurs that:

- 1.1 is not reflected in the financial information contemplated in the SABMiller Accounts, SAB Accounts, SABMiller EBITA and/or SAB EBITA;
- 1.2 results in a calculation of the EV/EBITA multiple which, in the reasonable opinion of SABMiller and/or the Company, will result in a calculation of the enterprise value of SABMiller and/or the Company that will deviate by 5% or more from the enterprise value had that financial information been contemplated in the SABMiller Accounts, SAB Accounts, SABMiller EBITA and/or SAB EBITA,

the Company will procure that SABMiller proposes such adjustments and/or material alterations to the calculations set out in Paragraphs A and B above that SABMiller considers necessary to ensure that the holders of the E Ordinary Shares, F Ordinary Shares and/or R Ordinary Shares will enjoy a benefit at least equal to the benefit that would have accrued to the holders of the E Ordinary Shares, F Ordinary Shares and/or R Ordinary Shares absent the Relevant Event (" Calculation Proposal ") and shall refer the Calculation Proposal to the Expert for certification.

- 2. In the event that the Expert certifies that the Calculation Proposal will, in its view, result in the holders of the E Ordinary Shares, F Ordinary Shares and/or R Ordinary Shares enjoying a benefit at least equal to the benefit that would have accrued to the holders of the E Ordinary Shares, F Ordinary Shares and/or R Ordinary Shares absent the Relevant Event, the Company shall implement the Calculation Proposal.
- 3. In the event that the Expert notifies the Company and/or SABMiller that the Calculation Proposal, will not, in its view, result in the holders of the E Ordinary Shares, F Ordinary Shares and/or R Ordinary Shares enjoying a benefit at least equal to the benefit that would have accrued to the holders of the E Ordinary Shares, F Ordinary Shares and/or R Ordinary Shares absent the Relevant Event, the Company shall procure that SABMiller shall, in its sole discretion, revise the Calculation Proposal, and SABMiller shall submit the revised Calculation Proposal to the Expert for certification.
- 4. The process contemplated in Paragraph 3 above shall be repeated until such time as the Expert certifies that, in its view, the Calculation Proposal, will result in the holders of the E Ordinary Shares, F Ordinary Shares and/or R Ordinary Shares enjoying a benefit at least equal to the benefit that would have accrued to the holders of the E Ordinary Shares, F Ordinary Shares and/or R Ordinary Shares absent the Relevant Event, at which time, the Company shall implement the Calculation Proposal.

RIGHTS AND RESTRICTIONS OF THE FOUNDATION SPECIAL SHARE

This is an extract of Article 33 of the SAB Zenzele Memo and Articles

33. RIGHTS AND RESTRICTIONS OF THE FOUNDATION SPECIAL SHARE

33.1 Definitions

For the purposes of this Article 33:

- 33.1.1 "Cashed-out Shares" means SAB Zenzele Shares in the authorised, but unissued, share capital of the Company that have been repurchased pursuant to Article 7.5 of these Articles;
- 33.1.2 "Dividend" means any dividend declared or other distribution made in respect of the SAB Zenzele Shares;
- 33.1.3 "Dividend Date" means the date that the Company declares a Dividend;
- 33.1.4 "Foundation Dividend" means that proportion of the Dividend that is *pro rata* to the proportion of the share capital of the Company that is authorised but unissued from time to time, as determined at each Dividend Date in accordance with the following formula:
- $$FD = (1 - (O/A)) \times D$$
- Where:
- FD is that amount, in South African Rands, of the Dividend payable to the holder of the Foundation Special Share;
- O is the number of SAB Zenzele Shares in issue on the date of declaration of the relevant Dividend plus the number of Cashed-out Shares;
- A is the number of authorised SAB Zenzele Shares on the date of declaration of the relevant dividend; and
- D is the aggregate amount of the relevant Dividend in South African Rands;
- 33.1.5 "Foundation Special Share" means a share in the capital of the Company, with the rights and restrictions as set out in this Article 33;
- 33.1.6 "Foundation Special Shareholder" means the registered holder of the Foundation Special Share; and
- 33.1.7 "Unpaid Dividend" shall have the meaning given in paragraph 33.2.3 below.

33.2 Dividends

- 33.2.1 The Foundation Special Shareholder shall have the right to receive and be paid out of the profits of the Company available for distribution (as determined by the Company from time to time and declared), the Foundation Dividend, calculated in accordance with Article 33.1.4 of these Articles.
- 33.2.2 After calculation of the Foundation Dividend, the amount of the Dividend remaining after deducting the Foundation Dividend will be payable to the holders of the SAB Zenzele Shares in proportion to their shareholding.
- 33.2.3 If any Foundation Dividend or any part thereof is not declared and paid in full, on any Dividend Date ("Unpaid Dividend"), then the Unpaid Dividend shall be accumulated and the Unpaid Dividend (or part thereof) shall be declared and paid on the next succeeding Dividend Date.

33.3 Voting

- 33.3.1 The holder of the Foundation Special Share shall be entitled to receive notice of, attend and vote, at any general meeting of the Company, by virtue of or in respect of the Foundation Special Share and the Company shall be obliged to give to the holder of the Foundation Special Share notice, in terms of the Act, of any meeting of the Company.
- 33.3.2 At every meeting of the Company at which holders of the SAB Zenzele Shares of the Company are present and entitled to vote, upon a poll, the holder of the Foundation Special Share shall be entitled to one vote.

33.4 Variation of Rights

Notwithstanding any provisions to the contrary contained in these Articles, the Company shall not, without the prior written consent of Foundation Special Shareholder vary, amend, alter, delete or cancel any of the rights, privileges and conditions attaching to the Foundation Special Share.

33.5 *Pari Passu* Ranking

Save as set out in this Article 33, the Foundation Special Share shall rank *pari passu* in all respects with the SAB Zenzele Shares.

RIGHTS AND RESTRICTIONS OF THE SAB SPECIAL SHARE

This is an extract of Article 34 of the SAB Zenzele Memo and Articles

34. RIGHTS AND RESTRICTIONS OF THE SAB SPECIAL SHARE

34.1 Definitions

For the purposes of this Article 34:

34.1.1 "SAB Special Share" means a share in the capital of the Company, with the rights and restrictions as set out in this Article 34; and

34.1.2 "SAB Special Shareholder" means the registered holder of the SAB Special Share.

34.2 Dividends

The SAB Special Shareholder shall not have any right to receive and be paid out of the profits of the Company, whether by way of dividends or any other distribution.

34.3 Voting

34.3.1 The SAB Special Shareholder shall be entitled to receive notice of, attend or vote, at any general meeting of the Company, by virtue of or in respect of the SAB Special Share and the Company shall be obliged to give to the holder of the SAB Special Share notice, in terms of the Act, of any meeting of the Company.

34.3.2 At a general meeting of the Company at which the SAB Special Shareholder as well as holders of any of the other classes of shares are present and entitled to vote, the SAB Special Shareholder shall have, in relation to the following issues only, such number of votes as is equal to 3 (three) times the total number of votes of the holders of the other classes of shares present at the meeting:

34.3.2.1 the issue of any shares in its share capital or any instruments convertible into shares, or the grant of any option for any such issue of shares;

34.3.2.2 the acquisition by the Company of Ordinary Shares, subject to the other provisions of the Articles and the Act;

34.3.2.3 the cancellation of the authorised, but unissued, share capital of the Company; and

34.3.2.4 the ratification of any breach of any special condition contained in the Memorandum or any action by the Company that is inconsistent with any limitation, restriction or qualification contained in the Memorandum.

34.4 Variation of Rights

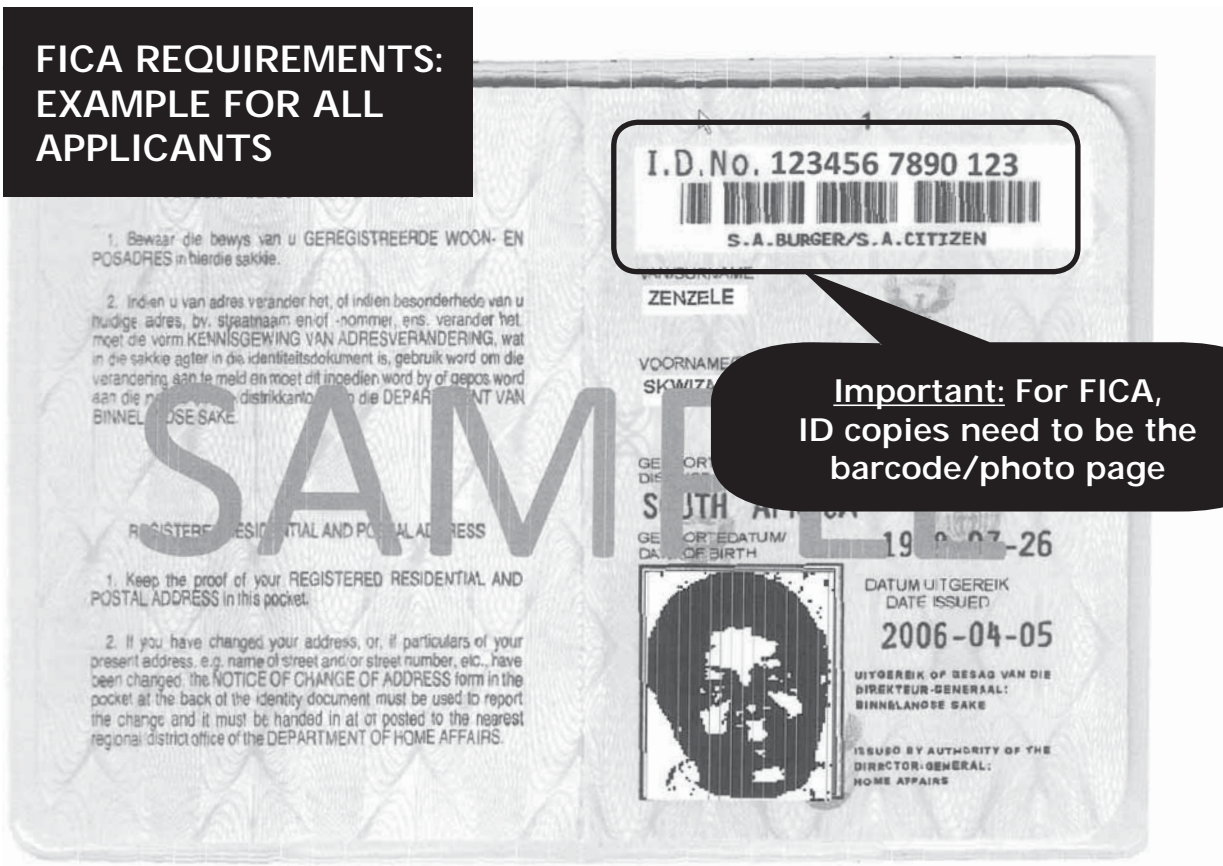
Notwithstanding any provisions to the contrary contained in these Articles, the Company shall not, without the prior written consent of the SAB Special Shareholder vary, amend, alter, delete or cancel any of the rights, privileges and conditions attaching to the SAB Special Share.

34.5 *Pari Passu* Ranking

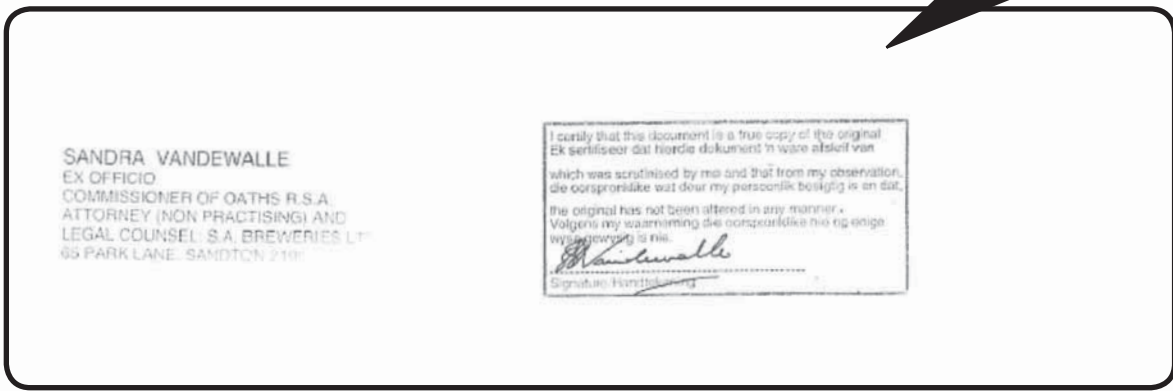
Save as set out in this Article 34, the SAB Special Share shall rank *pari passu* in all respects with the Ordinary Shares.

EXAMPLES OF SUPPORTING DOCUMENTS

**FICA REQUIREMENTS:
EXAMPLE FOR ALL
APPLICANTS**



Important: For FICA, ID copies need to be certified at a police station or other commissioner of oaths



**FICA REQUIREMENTS:
EXAMPLE FOR ALL
APPLICANTS**

MRS S. ZENZELE
 15 99TH STREET,
 MELVILLE
 JOHANNESBURG
 2000

Date	2009/10/14
Statement for	OCTOBER 2009
Physical Address	15 99 TH STREET, MELVILLE
Stand No./Portion	123ABC789
Township	JOHANNESBURG

Important: For FICA, must clearly reflect the name of individual applicant or legal entity

Important: For FICA, must be physical address of individual applicant or legal entity

Stand No.	Number of Dwellings	Date of Valuation	Next Read
120	1	2007/01/01	

Subtotal	-113.00
Current Charge	-483.76
TOTAL DUE	R -597.00
DUE DATE	2009/11/10

SAMPLE

As of 1 September 2009 the City of Johannesburg will no longer accept new tenant account applications.

Important: For FICA, tax invoice copies need to be certified at a police station or other commissioner of oaths

SANDRA VANDEWALLE
 EX OFFICIO
 COMMISSIONER OF OATHS R.S.A.
 ATTORNEY (NON PRACTISING) AND
 LEGAL COUNSEL, S.A. BREWERIES LT
 65 PARK LANE, SANDTON 2197

I certify that this document is a true copy of the original
 Ek sertifiseer dat hierdie dokument 'n ware afskeif van
 which was scrutinised by me and that from my observation,
 die oorspronklike wat deur my persoonlik besigtig is en dat,
 the original has not been altered in any manner.
 Volgens my waarneming die oorspronklike nie op enige
 wys verander is nie.
Sandra van der Wal
 Signature / Handtekening

Affidavit Confirming Residential Address

By Landlord

I, _____ with ID number _____, hereby confirm that _____ whose ID number is _____, is my _____ (nature of relationship e.g. son, mother, uncle, domestic worker, tenant, etc) and that he/she resides with me at the following address:

Landlord's signature _____

I CERTIFY that this affidavit was signed and sworn to before me at _____ on this the _____ day of _____ 20____, by the deponent who acknowledge that he/she knew and understood the contents of this affidavit, had no objection to taking this oath, considered this oath to be binding on his/her conscience and who uttered the following words: "I swear that the contents of this affidavit are true so help me God".

Commissioner of Oaths
Name:
Address:
Capacity:

By tenant

I, _____ with ID number _____, hereby confirm that I reside with _____ whose ID number is _____ at the following address:

Tenant's signature _____

I CERTIFY that this affidavit was signed and sworn to before me at _____ on this the _____ day of _____ 20____, by the deponent who acknowledge that he/she knew and understood the contents of this affidavit, had no objection to taking this oath, considered this oath to be binding on his/her conscience and who uttered the following words: "I swear that the contents of this affidavit are true so help me God".

Commissioner of Oaths
Name:
Address:
Capacity:

PROOF OF VALID LIQUOR LICENCE – EXAMPLE FOR LICENCED LIQUOR APPLICANTS

Important: Have your reference number ready. You will need it



Reference Number: GAU/123456
Region: Johannesburg

Finance and Economic Affairs

Important: Name of applicant and proof of licence.

LIQUOR ACT, 2003
LIQUOR LICENCE

Valid until 29 December 2010

Julius Mkhize is hereby licenced to sell all kinds of liquor

and to conduct under the name "Julius's Liquor Store", upon premises, the plan of which has been approved situated at **5050 Rockey Street, Yeoville**, in the district of **Johannesburg** such as is, in accordance with the conditions of the Act or any other law, authorized to be conducted under the abovementioned licence.

Liquor not required for immediate sale, shall be stored on the permitted premises.

This licence shall be of no force and effect unless the prescribed fees have been paid to the Receiver of Revenue. Payment of the prescribed fee is to be made within 60 days after the under-mentioned date of issue.

Date of Issue	Prescribed Fee	Payable on or before
03/12/2009	R1500.00	04/02/2010

Place of issue: **Gauteng (Johannesburg)**

Chairperson

FOR OFFICIAL USE BY THE RECEIVER OF REVENUE

Amount Received
R1500.00

Receipt Number
769077492

Office Date Stamp
RECEIVED
SARS
ANSIE VAN HOOYEN
29 DEC 2008
JHB BRANCH
CARLTON CENTRE

SANDRA VANDEWALLE
EX OFFICIO
COMMISSIONER OF OATHS &
ATTORNEY (NON PRACTISING)
LEGAL COUNSEL: S.A. BREWERS
55 PAVIN LANE, SANITON, 2111

Important: Proof of payment

Important: Stamped and dated by SARS or the South African Post Office

PROOF OF VALID LIQUOR PERMIT – EXAMPLE FOR LICENCED LIQUOR APPLICANTS

Reference number is the licence number. Region where licence or permit was issued



Reference Number: SHB/12345
Region: Johannesburg

Licence or permit must be valid for 2010

Finance and Economic Affairs

LIQUOR ACT, 2003
SHEBEEN PERMIT

Valid Until 29 December 2010

Sipho Mahlangu is hereby licenced to sell all kinds of liquor subject to a provision that permit holders may sell a maximum of 60 (sixty) cases of 12 x 750ml (quarts) of beer bottles per week upon premises and the plan approved, situated at 10001 Ghana Road, Tsutsumani Village Alexandra in the district of Johannesburg such as, in accordance with the conditions of the act or any other law, authorized to be conducted under the abovementioned permit.


Trading Hours from 10h00 to 02h00 (the next morning)

Liquor not required for immediate sale, shall be stored on the permitted premises.

Place of issue: Gauteng (Johannesburg)

Date of issue: 29 DEC 2008
JMB, BRANCH
CARLTON CENTRE

Important: Must be date stamped by magistrate or local liquor board


Chairperson/person acting under power delegated by Chairperson

Signed by licensing officer

Liquor Licencing Office



PROOF OF VALID LIQUOR LICENCE RENEWAL – EXAMPLE FOR LICENCED LIQUOR APPLICANTS

Kgoro ya Tihabello ya Ekonomi
Department of Economic Development
Departement van Ekonomiese Ontwikkeling
Mogotswa Wezokuthukiswa Komnotho

TO: ZANELE SIBEKO

GAUTENG LIQUOR BOARD LIQUOR ACT NO 2 OF 2003

ADVISE OF ANNUAL RENEWAL FEES PAYABLE IN RESPECT OF A LIQUOR LICENSE FOR THE YEAR 2009/2010 AS CONTEMPLATED IN SECTION 58 OF THE GAUTENG LIQUOR ACT.

Date of issue of this renewal advice	01-12-2009
Name of Business	ZANELE'S LIQUOR STORE
Address of licensed premises	101010 ROCK STREET, MELVILLE, JOHANNESBURG
Municipal Area	JOHANNESBURG
Name of License Holder	
Licence Type	
Act Section	
Year valid for	2009/2010
Licence Number	GAU/1234567
Province	GAUTENG
Date of issue of original licence	01/12/2008
* Renewal fee payable on or before	01/01/2010
Annual prescribed renewal fee to be paid	R3000.00

Important: You will need your licence number. Have it ready.

Licence Number: GAU/1234567

Confirmation of renewal payment

Important: You will need your receipt number. Have it ready.

AMOUNT RECEIVED: R 3000-00

Receipt No: 769823889



SIGNATURE SARS OFFICIAL

DATE: 05 December 2009

- ORIGINAL
- COPY
- COPY

Important: Must be valid for 2010

Important: Stamped and dated by SARS or the South African Post Office



**PROOF OF ABI OUTLET NUMBER
(EXAMPLE FOR INDIRECT
CUSTOMERS WHO DON'T HAVE A
DELIVERY NOTE OR INVOICE)**



Confirmation of the ABI outlet number

ABI outlet number*	
Trading as	

*Outlet number can only be provided if the outlet
Is owned by:

**Important: Be ready with
your ABI outlet number**

Surname												Title			
First Names															
National RSA Identity Number															

OR

Business Details of Legal entity														
Registered Name														
Date Established	Y	Y	Y	Y	M	M	D	D						
Business Registration Number														

We the undersigned ABI representatives confirm that the above details are correct and true.

ABI Sales representative

Name and surname			
Depot name		Employee number	

Signature _____ Date ____ / ____ 2009

ABI Sales Manager

Name and surname			
Depot name		Employee number	

Signature _____ Date ____ / ____ 2009

Branch
Street Address
Suburb and Code
City
Country

PO Box Number
Suburb and Code
City
Country

Tel +27 (0)11 000 0000
Fax +27 (0)11 000 0000
.....@za.sabmiller.com
www.abi.co.za

Directors N J Adams (Chairman/Managing Director), S D Buren, J H F Boesenberg, I V Everitt-
Pentate (British), M P Fandsook, H G Harvey, J M Kalvry, T V Mapha, K D Morokoff, W J
McCaskley, M M Nguashengile, C D Raphiti, G D Saunders, J S Ustas (USA)
Company Secretary M C B Saxby

* Non Executive #Independent Non Executive

Amalgamated Beverage Industries is the soft drink division of
The South African Breweries Limited (Registration Number 1998/006375/06)



Maatskappywet 1973
(Artikel 64)

Companies Act 1973
(Section 64)

Registrasiene

Maatskappy/Registration No. of Company

**SAB ZENZELE SIMPLIFIED
(PROPRIETARY) LIMITED
2008/012345/07**

Sertifikaat van Inlywing van 'n Maatskappy met 'n aandelekapaal

Certificate of Incorporation of a Company having a share capital

Hierby word gesertifiseer dat/This is to certify that

SAB ZENZELE SIMPLIFIED (PROPRIETARY) LIMITED

vandag ingelyf is kragtens die Maatskappywet, 1973 (Wet 61 van 1973), en dat die Maatskappy 'n maatskappy is met 'n aandelekapaal.

was this day incorporated under the Companies Act, 1973 (Act 61 of 1973), and that the Company is a company having a share capital.

Geteken en geseël te Pretoria op hede/Signed and sealed at Pretoria this

6 dag van/day of

June

/Two Thousand and Eight

[Signature]
Registrateur van Maatskappye/Registrar of Companies

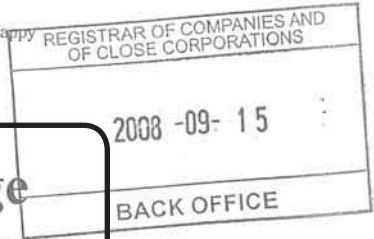
Sêl van die Registrasiekantoor vir Maatskappye
Seal of Companies Registration Office

Hierdie sertifikaat is nie geldig nie, tensy geseël deur die sêl van die Registrasiekantoor vir Maatskappye
This certificate is not valid unless sealed by the seal of the Companies Registration Office.



Registration No. of Company / Registrasienuommer van Maatskappy

2008/012345/07



Certificate of change of name of company

Sertifikaat van verandering van naam van maatskappy

This is to certify that/Hierby word gesertifiseer dat

ABC (PROPRIETARY) LIMITED

has changed its name by SPECIAL RESOLUTION and is now called sy naam verander het by SPESIALE BESLUIT en nou genoem word

SAB ZENZELE SIMPLIFIED (PROPRIETARY) LIMITED

and that the new name has this day been entered in the Register of Companies. en dat die nuwe naam op hierdie dag in die Register van Maatskappye aan geteken is.

Signed and sealed at Pretoria, this/Geteken en geseël te Pretoria op hede die 26

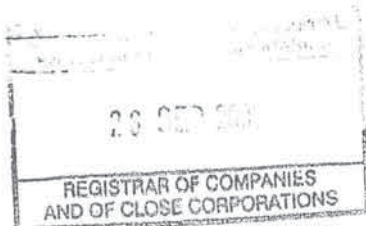
day of/dag van September

Two Thousand and Eight

[Signature]

Registrar of Companies/Registrateur van Maatskappye

Seal of Companies Registration Office Seël van Registrateur van Maatskappye



FICA REQUIREMENTS FOR COMPANIES (PTY LTD.)

MAATSKAPPYWET, 1973 / COMPANIES ACT, 1973
(Artikel 170 / Section 170)

CM 22

Kennisgewing van Geregisteerde Kantoor en Posadres van Maatskappy Notice of registered Office and Postal Address of Company

(Moet in tweevoud by inlywing en voor verandering van adresse in
(To be lodged in duplicate upon incorporation and prior to change)



SAB ZENZELE SIMPLIFIED
(PROPRIETARY) LIMITED
2008/012345/07

REGISTRASIENOMMER VAN MAATSKAPPY
REGISTRATION NUMBER OF COMPANY

Naam van maatskappy
Name of Company

SAB ZENZELE SIMPLIFIED (PROPRIETARY) LIMITED

(a) Die ligging van die geregisteerde kantoor en die posadres van begenoemde maatskappy is soos volg:
The situation of the registered office and the postal address of the above-mentioned company are as follows:

(i) Geregisteerde adres
Registered address 65 PARK LANE SANDOWN SANDTON

(ii) Posadres
Postal address P O BOX 782178 SANDTON 2164

(b) Die datum van die beoogde veranderings in die adresse is
(The date of the intended changes in the addresses is N/A

(Beide adresse moet te alle tye verskaf word / Both addresses must be furnished at all times)

HANDTEKENING/SIGNATURE
(Direkteur/Sekretaris/Beampte / Director/Secretary/Officer

02/06/2008

DATUM/DATE

Die veranderings tree in werking op / The changes take effect on

REGISTRATEUR VAN MAATSKAPPY
REGISTRAR OF COMPANIES

DATUM/DATE



Naam van maatskappy
Name of Company SAB ZENZELE SIMPLIFIED
(PROPRIETARY) LIMITED

Posadres
Postal address P O BOX 782178 SANDTON 2164

Kantoorgebruik / Office use

Dataverwerking / Data Processing

(1) Opgeneem/Recorded

Datum en paraaf
Date and initials

(2) Regstelling/Corrections

Datum en paraaf
Date and initials

Datumstempel van Registrasiekantoor vir
Maatskappy

Date stamp of Companies Registration Office

FICA REQUIREMENTS FOR COMPANIES (PTY LTD.)

CM29

Certificate issued by the Registrar of Companies & Close Corporations on Friday, September 05, 2008 08:04
Certificate of Confirmation

Return of directors and officers

Registration Number 2008/012345/07
 Enterprise Name SAB ZENZE SIMPLIFIED (PROPRIETARY) LIMITED
 Enterprise Shortened Name None provided.
 Enterprise Translated Name None provided.
 Registration Date 13/06/2008
 Business Start Date 13/06/2008
 Enterprise Type Private Company
 Enterprise Status In Business
 Financial Year End February
 Tax Number 9875412689
 Main Business/Main Object TRADING
 Postal Address P O BOX 782178
 SANDTON
 2164
 Address of Registered Office 65 PARK LANE
 SANDOWN
 SANDTON

Auditors

Name KPMG
 Postal Address PRIVATE BAG X9
 PARKVIEW
 2122

Active Directors / Officers

Surname and first names	ID number or date of birth	Director type	Appoint-ment date	Addresses
Director One	6812032589648	Director	01/07/2008	Postal: P O BOX 782178 Sandton 2164 Residential: 65 Park Lane Sandown Sandton
Director Two	7709156214586	Director	01/07/2008	Postal: P O BOX 782178 Sandton 2164 Residential: 65 Park Lane Sandown Sandton



COMPANIES AND INTELLECTUAL PROPERTY REGISTRATION OFFICE:
 Registrar of Companies & Close Corporations
 P.O. BOX 429, PRETORIA, 0001, Republic of South Africa. Docex 250, PRETORIA.
 Call Centre Tel 086 184 3384, Website www.cipro.co.za, WAP www.cipro.co.za/mobile

FICA REQUIREMENTS FOR COMPANIES (PTY LTD.)

RESOLUTION OF THE DIRECTORS OF SAB ZENZELE SIMPLIFIED (PROPRIETARY) LIMITED, REGISTRATION NUMBER 2008/012345/07 ("the Company") OF A MEETING HELD AT 65 PARK LANE, SANDOWN, SANDTON ON THIS THE 2ND DAY OF NOVEMBER 2009

RESOLVED THAT:

1. The Company hereby approves the terms of, and the transactions contemplated by, the application form for shares attached to the prospectus for SAB's BBBEE retail offer.
2. The Company be and is hereby authorised to:
 - 2.1 sign the Application Form and any documents ancillary thereto ("Documentation"); and
 - 2.2 take all such steps as may be necessary to perform all or any of its obligations arising from or pursuant to the signing of the Documentation.
3. Each director of the Company be and is hereby authorised to:
 - 3.1 sign the Documentation on behalf of the Company; and
 - 3.2 sign all such other documents and do and perform all such acts, deeds and such other things as may be necessary in order to give effect to these resolutions and to complete the process of applying and subscribing for shares pursuant to SAB's BBBEE retail offer.

DATE:

CHAIRPERSON

FICA REQUIREMENTS FOR CLOSE CORPORATION (CC)

CK1

Certificate issued by the Registrar of Companies & Close Corporations on Thursday, May 28, 2009 09:06
Certificate of Incorporation

Important: Founding statement and certificate of incorporation

Registration Number 2008/012345/23
Enterprise Name SAB ZENZELE SIMPLIFIED
Enterprise Shortened Name None provided.
Enterprise Translated Name None provided.
Registration Date 28/05/2008
Business Start Date 28/05/2008
Enterprise Type Close Corporation
Enterprise Status In Business
Financial Year End February
Tax Number Not available
Number of Members 2
Aggregate Members' Contribution R20 000.00
Description of Principal Business SAB ZENZELE SIMPLIFIED
Postal Address P O BOX 782178
SANDTON
2164

Address of registered office 65 PARK LANE
SANDOWN
SANDTON

Accounting Officer

Name KPMG
Postal Address PRIVATE BAG X9
PARKVIEW
2122

Profession The South African Institute of Chartered Accountants (SAICA)
Membership/Practice No 999999

Active Members

Surname and first names	ID number or date of birth	Contrib. (R)	Interest (%)	Appoint-ment date	Addresses
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COMPANIES AND INTELLECTUAL PROPERTY REGISTRATION OFFICE:
Registrar of Companies & Close Corporations
P.O. BOX 429, PRETORIA, 0001, Republic of South Africa, Docex 258, PRETORIA.
Call Centre Tel 088 184 3384, Website www.cipro.co.za, WAP www.cipro.co.za/mobile

FICA REQUIREMENTS FOR CLOSE CORPORATION (CC)

CK1

Certificate issued by the Registrar of Companies & Close Corporations on Thursday, May 28, 2009 09:06
Certificate of Incorporation

Important: Founding statement and certificate of incorporation

Registration number 2008/012345/23

Enterprise Name SAB ZENZELE SIMPLIFIED

Active Members

Surname and first names	ID number or date of birth	Contrib. (R)	Interest (%)	Appoint-ment date	Addresses
Member One	780518 964120 3	5000.00	50.00	28/05/2009	Postal: P O BOX 782178 SANDTON 2164 Residential: 65 Park Lane Sandown Sandton
Member Two	680609 234789 5	15000.00	50.00	28/05/2009	Postal: P O BOX 782178 SANDTON 2164 Residential: 65 Park Lane Sandown Sandton



COMPANIES AND INTELLECTUAL PROPERTY REGISTRATION OFFICE:

Registrar of Companies & Close Corporations

P.O. BOX 429, PRETORIA, 0001, Republic of South Africa. Docex 258, PRETORIA.

Cell Centre Tel 086 184 3384, Website www.cipro.co.za, WAP www.cipro.co.za/mcblle

FICA REQUIREMENTS FOR CLOSE CORPORATION (CC)

RESOLUTION OF THE MEMBERS OF SAB ZENZELE SIMPLIFIED, REGISTRATION NUMBER 2008/012345/23 (“the Close Corporation”) PASSED AT A MEETING HELD AT 65 PARK LANE, SANDOWN, SANDTON ON THIS THE 2ND DAY OF NOVEMBER 2009

RESOLVED THAT:

1. The Close Corporation hereby approves the terms of, and the transactions contemplated by, the application form for shares attached to the prospectus for SAB’s BBBEE retail offer.

2. The Close Corporation be and is hereby authorised to:
 - 2.1 sign the Application Form and any documents ancillary thereto (“Documentation”); and
 - 2.2 take all such steps as may be necessary to perform all or any of its obligations arising from or pursuant to the signing of the Documentation.

3. Each Member of the Close Corporation be and is hereby authorised to:
 - 3.1 sign the Documentation on behalf of the Close Corporation; and
 - 3.2 sign all such other documents and do and perform all such acts, deeds and such other things as may be necessary in order to give effect to these resolutions and to complete the process of applying and subscribing for shares pursuant to SAB’s BBBEE retail offer.

DATE:

CHAIRPERSON

FICA REQUIREMENTS FOR TRUSTS

J.246



the doj & cd

Department:
Justice and Constitutional Development
REPUBLIC OF SOUTH AFRICA

MASTER OF THE HIGH COURT: PRETORIA

MAGTIGINGSBRIEF LETTERS OF AUTHORITY

Ingevolge artikel 6(1) van die Wet op Beheer oor Trustgoed, 1988 (Wet 57 van 1988)/
In terms of section 6(1) of the Trust Property Control Act, 1988 (Act 57 of 1988)

No: IT 1234/08

Hiermee word gesertifiseer dat /

This is to certify that :- ZANELE ZIBE - 640320 5186 07 6 ;

SARAH BREWER- 631009 9123 03 9 ; PERCY MILLER - 550509 8139 09 5

gemagtig word om op te tree as trustee(s) van die /
is/are hereby authorized to act as trustee(s) of the

SAB ZENZELE SIMPLIFIED TRUST

Trust /
Trust.

GEGEE onder my hand te
GIVEN under my hand at

MEESTER VAN DIE HOOGGEREGSHOF	
PRIVAATSAK/PRIVATE BAG X60	
2008-05-09	dag van
this	day of
TRUST AM PRETORIA 0001	
MASTER OF THE HIGH COURT	


ASST. MEESTER VAN DIE HOOGGEREGSHOF
ASST. MASTER OF THE HIGH COURT

J246A/*JJ

FICA REQUIREMENTS FOR TRUSTS

TRUST DEED OF THE SAB ZENZELE SIMPLIFIED TRUST

made and entered into by and between

SAB ZENZELE SIMPLIFIED (PROPRIETARY) LIMITED

(a private company incorporated under the laws of South Africa under registration number:
2008/012345/07)

(in its capacity as THE FOUNDER)

and

TRUSTEE ONE (South African Identity Number: 631009 9123 03 0)

and

TRUSTEE TWO (South African Identity Number: 550509 8139 09 1)

and

TRUSTEE THREE (South African Identity Number: 640320 5186 07 4)

(in their capacity as the TRUSTEES)

FICA REQUIREMENTS FOR TRUSTS

RESOLUTION OF THE TRUSTEES OF THE SAB ZENZELE SIMPLIFIED TRUST, (“the Trust”) PASSED AT A MEETING HELD AT 65 PARK LANE, SANDOWN, SANDTON ON THIS THE 2ND DAY OF NOVEMBER 2009

RESOLVED THAT:

1. The Trustees approve the terms of, and the transactions contemplated by, the application form for shares attached to the prospectus for SAB’s BBBEE retail offer (“the Application Form”).
2. Each Trustee of the Trust be and is hereby authorised to:
 - 2.1 sign the Application Form and any documents ancillary thereto (“the Documentation”) on behalf of the Trust;
 - 2.2 take all such steps as may be necessary to perform all or any of the obligations arising from or pursuant to the signing of the Documentation; and
 - 2.3 do and perform all such acts, deeds and such other things as may be necessary in order to give effect to these resolutions and to complete the process of applying and subscribing for shares pursuant to SAB’s BBBEE retail offer.

DATE:

CHAIRPERSON

FICA REQUIREMENTS FOR PARTNERSHIP

PARTNERSHIP AGREEMENT

entered into between:

PARTNER ONE

Identity Number 681018 000 00 0
("the First Partner")

and

PARTNER TWO

Identity Number 550428 0000 00 0
("the Second Partner")

FICA REQUIREMENTS FOR PARTNERSHIP

RESOLUTION OF PARTNERS PARTNER ONE AND PARTNER TWO (“the Partners”)
PASSED AT A MEETING HELD AT 65 PARK LANE, SANDOWN, SANDTON ON THIS THE
2ND DAY OF NOVEMBER 2009

RESOLVED THAT:

1. The Partners approve the terms of, and the transactions contemplated by, the application form for shares attached to the prospectus for SAB’s BBBEE retail offer (“the Application Form”).
2. Each Partner be and is hereby authorised to:
 - 2.1 sign the Application Form and any documents ancillary thereto (“the Documentation”) on behalf of the Partnership;
 - 2.2 take all such steps as may be necessary to perform all or any of the obligations arising from or pursuant to the signing of the Documentation; and
 - 2.3 do and perform all such acts, deeds and such other things as may be necessary in order to give effect to these resolutions and to complete the process of applying and subscribing for shares pursuant to SAB’s BBBEE retail offer.

DATE:

CHAIRPERSON

EXTRACTS OF SAB ZENZELE MEMO AND ARTICLES

6. BBBEE RESTRICTIONS

- 6.1 For the duration of the Transaction Term:
- 6.1.1 each Retailer Shareholder shall remain a Qualifying Black Person;
 - 6.1.2 each Retailer Shareholder that has qualified for the Offer as a Black Group shall:
 - 6.1.2.1 if there is any change in its shareholders, beneficiaries, partners or members, provide the Company with written notification of that fact prior to such change;
 - 6.1.2.2 provide SAB, at the Retailer Shareholder's own cost, with a BBBEE Ownership Certificate, within 30 (thirty) days of written request by SAB or any of its representatives (or such longer time period as SAB may, in its sole discretion, allow);
 - 6.1.2.3 for purposes of enabling SAB or its representatives to verify that Retailer Shareholder's BBBEE status and within 14 (fourteen) days of a written request therefor from SAB or any of its representatives, fully co-operate and assist SAB and its representatives by providing them with access to all information and records which are in such Retailer Shareholder's possession or which such Retailer Shareholder may be entitled and/or obliged to keep in its possession;
 - 6.1.3 each Retailer Shareholder who has qualified for the Offer as a Black Individual shall, for purposes of enabling SAB or any of its representatives to verify such Retailer Shareholder's BBBEE status and within 14 (fourteen) days of a written request therefor from SAB or any of its representatives, fully co-operate and assist SAB and any of its representatives by providing them with access to all information and records which are in such Retailer Shareholder's possession or which such Retailer Shareholder may be entitled and/or obliged to keep in his/her possession.

7. RESTRICTIONS ON TRANSFER AND ENCUMBERANCE OF SHARES

- 7.1 For the duration of the Transaction Term, subject to Articles 7.2 and 7.3 below, no Retailer Shareholder shall be entitled at any time to:
- 7.1.1 Encumber all or any of its SAB Zenzele Shares or any of the rights attached to such SAB Zenzele Shares; or
 - 7.1.2 Transfer all or any of its SAB Zenzele Shares or any of the rights attached to such SAB Zenzele Shares; or
 - 7.1.3 enter into any agreement in respect of the votes attached to all or any of its SAB Zenzele Shares or any of the other rights attached to all or any of its SAB Zenzele Shares, or agree, whether or not subject to any suspensive or resolutive condition, to do the foregoing.
- 7.2 Notwithstanding anything to the contrary contained in Article 7.1 above, the Directors shall enter in the Register as a Retailer Shareholder, *nomine officii*, the name of anyone who submits proof of his appointment as:
- 7.2.1 the executor of the deceased estate of a Retailer Shareholder who is a Black Individual ("**Deceased Individual**") ; or
 - 7.2.2 the trustee of the sequestrated estate (provisional or final) of a Retailer Shareholder who is a Black Individual ("**Sequestrated Individual**") ; or
 - 7.2.3 the liquidator (provisional or final) of a Retailer Shareholder that is Black Group ("**Liquidated Black Group**").
- 7.3 Notwithstanding anything to the contrary contained in Article 7.1 above, the Directors shall permit the Transfer of SAB Zenzele Shares in the following circumstances arising during the Transaction Term:
- 7.3.1 **Death of a Black Individual**
The Directors shall permit the Transfer by the executor of a Deceased Individual's estate of the Deceased Individual's SAB Zenzele Shares to the Deceased Individual's heir, legatee or other third party; provided that such heir, legatee or other third party is a Qualifying Black Person.
 - 7.3.2 **Sequestration of a Black Individual**
The Directors shall permit the Transfer by the trustee of a Sequestrated Individual's insolvent estate of the Sequestrated Individual's SAB Zenzele Shares to any third party; provided that such third party is a Qualifying Black Person.
 - 7.3.3 **Liquidation of a Black Group**
The Directors shall permit the Transfer by the liquidator of a Liquidated Black Group's estate of the Liquidated Black Group's SAB Zenzele Shares to any third party; provided that such third party is a Qualifying Black Person.
- 7.4 In relation to any Transfer contemplated in Article 7.3:
- 7.4.1 it shall not be necessary for the relevant transferee to be a Liquor Licence Holder, Liquor Licence Applicant or ABI Customer;

- 7.4.2 the executor, trustee or the liquidator, as the case may be, must provide the Company with such documentation as may be required by it in order for the Company to satisfy itself that the requirements of Article 7.3 have been met.
- 7.5 Subject to Articles 4 and 34, the Company shall at all times have the right, but not the obligation, to offer to repurchase the SAB Zenzele Shares of a Deceased Individual at the net equity value by giving written notice to that effect to the executor, trustee or liquidator, as the case may be. The net equity value for purposes of the offer shall be determined by the Company by applying the formula and methodologies contained in the terms of the R Ordinary Shares on the basis that the R Repurchase Date (as defined in the terms of the R Ordinary Shares) shall be deemed to be the date of the offer. The other terms and conditions of the offer shall be determined by the Company in its sole discretion but applied consistently as between Retailer Shareholders that receive an offer pursuant to this Article 7.5.
- 7.6 The holder of the SAB Special Share shall be entitled to Transfer or Encumber the SAB Special Share at any time.
- 7.7 The holder of the Foundation Special Share shall be entitled to Transfer or Encumber the Foundation Special Share with the prior written consent of the holder of the SAB Special Share.

8. DEEMED OFFER

- 8.1 In this Article 8, unless inconsistent with or otherwise indicated by the context, the following terms shall bear the following meanings:
- 8.1.1 **"Offer Event"** means the occurrence of any of the following events:
- 8.1.1.1 if, as a result of the death during the Transaction Term of a shareholder, member, partner or beneficiary of an entity that qualified for the Offer as a Black Group, that Retailer Shareholder is no longer a Qualifying Black Person and fails to so qualify within 180 (one hundred and eighty) days of the death of such shareholder, member, partner or beneficiary;
 - 8.1.1.2 a breach of the provisions of Article 6.1.1 other than in the circumstances contemplated in Article 8.1.1.1;
 - 8.1.1.3 a breach of the provisions of Article 6.1.2;
 - 8.1.1.4 a breach of any other provision of the Memorandum and Articles;
 - 8.1.1.5 if an applicant for SAB Zenzele Shares that subsequently is allotted and issued SAB Zenzele Shares makes a false declaration in respect of its BEE status in its Application Form;
 - 8.1.1.6 if, in respect of Liquor Licence Applicants, it becomes apparent to SAB in its sole discretion that such Liquor Licence Applicant has no intention or is unable to become licensed or to legally retail liquor;
 - 8.1.1.7 if, in respect of Retailer Shareholders that have been allotted and issued SAB Zenzele Shares notwithstanding that not all of the relevant qualification requirements in the Prospectus have been fulfilled by the Allocation Date, those outstanding requirements have not been completed within a period following the Allocation Date as determined by SAB in its sole discretion and notified to the relevant Retailer Shareholder.
- 8.1.2 **"Offer Date"** means, in respect of an Offer Event, the day immediately preceding that Offer Event;
- 8.1.3 **"Offer Shares"** means all (and not only part) of the Offeror's SAB Zenzele Shares;
- 8.1.4 **"the Offeror"** means the Retailer Shareholder to which the Offer Event relates; and
- 8.1.5 **"Offer Period"** means the period commencing on the date on which the Company becomes aware of the Offer Event and lapsing at the end of the Transaction Term.
- 8.2 If an Offer Event occurs, the Offeror shall be deemed to have offered the Offer Shares to the Company for sale (**"Offer"**).
- 8.3 The Offer shall be open for acceptance by the Company for the duration of the Offer Period.
- 8.4 The Company shall be entitled but not obliged to accept the Offer by giving written notice to the Offeror to that effect (**"Notice"**) at any time during the Offer Period.
- 8.5 If the Company accepts the Offer, the sale and purchase of the Offer Shares which results shall be subject to the following terms and conditions:
- 8.5.1 the Offer Shares shall be sold and purchased free from any Encumbrance;
 - 8.5.2 the purchase price shall be the sum of the subscription price paid for each Offer Share;
 - 8.5.3 notwithstanding the date on which the Notice is sent, the effective date of the sale shall be the Offer Date; and
 - 8.5.4 the Offer Shares shall be Transferred and delivered pursuant to the authority granted to the Company in terms of Article 10 below.

9. EXCHANGE

- 9.1 In this Article 9 the terms defined in Annexure A shall have the same meaning when used in this Article 9; provided that all references to "the Company" in this Article 9 are references to SAB Zenzele Holdings Limited.
- 9.2 On the R Repurchase Date, each Retailer Shareholder shall Transfer and deliver all of its SAB Zenzele Shares (**"Exchange Shares"**) to SABMiller (or its nominee). In exchange for the Transfer by each Retailer Shareholder of its Exchange Shares, the Company shall procure (pursuant to the terms and conditions of the Exchange Agreement) that SABMiller allots and issues to that Retailer Shareholder such number of SABMiller Shares as is calculated in accordance with the formula set out in Annexure B, rounded down to the nearest whole number, subject to any caps on the number of SABMiller Shares that may


be allotted and issued pursuant to the Exchange Agreement. The Company shall take all steps that may be necessary to give effect to the exchange contemplated in this Article 9. The Exchange Shares shall be Transferred and delivered pursuant to the authority granted to the Company in terms of Article 10 below. Any costs and expenses arising from the allotment and issue of SABMiller Shares to Retailer Shareholders including, without limitation, the costs and expenses arising from the appointment of a central securities depository participant (in respect of SABMiller Shares to be held in uncertificated form), shall be for the account of the relevant Retailer Shareholder.

- 9.3 It is recorded that, notwithstanding anything to the contrary contained in Article 9.2 above, SABMiller will be entitled, in its sole discretion, to make alternative arrangements regarding the exchange through which the listed SABMiller Shares may be traded.
- 9.4 In the event that the number of SABMiller Shares to be received by a Retailer Shareholder in exchange for its Exchange Shares is less than 100, the Company shall procure that SABMiller shall allot and issue those SABMiller Shares and sell them on behalf of the relevant Retailer Shareholder and the Company shall procure that SABMiller pays to such Retailer Shareholder the proceeds received from such sale, in cash in South African Rands.
- 9.5 The issue and allotment of the SABMiller Shares or the cash received as proceeds from the sale of those SABMiller Shares will constitute a full discharge of the Company's and SABMiller's obligations to each Retailer Shareholder in respect of its Exchange Shares.
- 9.6 The Directors shall ensure, pursuant and in addition to the payments and provisions in terms of Article 25.1.1, that on or before the R Repurchase Date:
- 9.6.1 all actual and anticipated costs, including tax and/or other statutory costs and expenses of the Company as at the R Repurchase Date have been paid or sufficiently provided for; and
- 9.6.2 the balance of all cash on hand is declared and paid as a dividend in accordance with Article 25.2.
- 9.7 In the event that the implementation of a certified Proposal constitutes a variation of the terms set out in Article 73 of the SAB Memo and Articles (including the methodology attached to Article 73 of the SAB Memo and Articles), the terms of this Article 9 shall be deemed to be varied in accordance with the relevant certified Proposal.
- 9.8 It is recorded that, pursuant to the provisions of the Exchange Agreement, the Company and/or SABMiller may offer alternative arrangements to Retailer Shareholders that do not wish to continue holding SABMiller Shares allotted to them, or that do not wish to incur the cost of appointing a central securities depository participant (in respect of SABMiller Shares to be held in uncertificated form), which may involve the disposal of the relevant SABMiller Shares through a trade on the JSE, with the cash proceeds, less costs and expenses, paid to the relevant Retailer Shareholder in South African Rands. In the event that the implementation of such alternative arrangements constitutes a variation of the provisions of this Article 9, the provisions of this Article 9 shall be deemed to be varied in accordance with the relevant alternative arrangements as offered by the Company and/or SABMiller.
- 9.9 In the event that it is not logistically possible on the R Repurchase Date to allot and issue SABMiller Shares to a Retailer Shareholder for any reason (including, without limitation, an inability to locate or make contact with the relevant Retailer Shareholder) ("**Impediment**"), SABMiller will allot, but not issue, the relevant SABMiller Shares to the relevant Retailer Shareholder (or make such other arrangements as SABMiller may, in its sole discretion, determine to be in the interests of the relevant Retailer Shareholder). Subject to Article 9.10 below, SABMiller will issue the relevant SABMiller Shares to the relevant Retailer Shareholder upon the Impediment ceasing to exist.
- 9.10 In the event that an Impediment in respect of a Retailer Shareholder still exists at any time after 12 (twelve) months following the R Repurchase Date, SABMiller will allot and issue the relevant SABMiller Shares to The SAB Foundation. The relevant Retailer Shareholder will, accordingly, be deemed to have ceded to The SAB Foundation its right to have the relevant SABMiller Shares issued to it and will have no further rights or claims in relation to those SABMiller Shares or arising from the cession to The SAB Foundation.

10. POWER OF ATTORNEY

- 10.1 Each Retailer Shareholder nominates, constitutes and appoints the Company to be its lawful attorney and agent in that Retailer Shareholder's name, place and stead, in accordance with the provisions of the Act, to:
- 10.1.1 do all things as may be necessary to effect and register the Transfer of that Retailer Shareholder's Offer Shares to the Company in terms of Article 8 in the event that the Company issues a Notice to that Retailer Shareholder and to do all such other things as are necessary to give effect to Article 8;
- 10.1.2 do all things as may be necessary to effect and register:
- 10.1.2.1 the Transfer of that Retailer Shareholder's Exchange Shares to SABMiller (or its nominee); and
- 10.1.2.2 the allotment and issue to that Retailer Shareholder of its SABMiller Shares,
- and, to do all such other things as are necessary to give effect to Article 9; and
- 10.1.3 generally, in order to give effect to Articles 10.1.1 and/or 10.1.2 above, to do any act or deed on that Retailer Shareholder's behalf, to sign or execute any deed or instrument in Writing as effectually as that Retailer Shareholder might or could do if personally present, without any limitation whatsoever, with full power to delegate its powers in terms of this Article 10 and/or to appoint a substitute or substitutes, and to displace or remove such delegation, substitute or substitutes.
- 10.2 Each Retailer Shareholder ratifies and agrees to ratify whatsoever shall be done by virtue of this Article 10.

EXAMPLE OF HOW TO COMPLETE THE APPLICATION FORM



SAPO PAT CODE

Application Form for Retail Liquor Licence Holders for the SAB Zenzele Offer

Before completing this form ensure that you have read the terms and conditions of the Offer as contained in the SAB Zenzele Prospectus. The incorrect completion of this form may result in your Application being rejected. Please complete all the applicable sections in BLOCK LETTERS and take this form to a participating Post Office branch together with your payment and supporting documentation. Capitalised terms used in this Application Form shall have the same meaning attributed to those terms in the Prospectus.

<i>Post Office use only</i>	SAB Zenzele Postbank Account no
-----------------------------	---------------------------------

If you are applying as a Black Individual (i.e. a legal entity, being a company, trust, close corporation or partnership) and C and D (blue). are applying as a Black Group (i.e. a legal entity, being a company, trust, close corporation or partnership) A, E and G (green)

Part A: Licence Number details (Complete one application form per licence number)

*Liquor licence number

Part B: Details of Black Individual Applicant (Sole owner/Applicant/Trader)

*National RSA ID Number Gender Male Female

*Surname

*First Names

*Contact Numbers *Cell *Office

Postal Address Town Postal Code

Residential Address

Email Address

Race African Indian Coloured

Part C: Details of Black Group (i.e. legal entity, being a company, trust, close corporation or partnership)

*Black Group Registered Name

Income Tax reference number Date Established D D M M Y Y Y Y

Black Group Registration Number

Type of Business

Business Postal Address Town Postal Code

Business Trading Address Postal Code

Business Email Address

Please refer to www.thedti.gov.za – Chapter Three of Code 100

% Black ownership in legal entity (Beneficiaries in case of trust) % % Black women ownership in legal entity (Beneficiaries in case of trust) %

Part D: Details of authorised signatory or representative of Black Group

*National RSA ID Number Gender Male Female

*Surname 1 (signatory 1)

*First Names

*Contact Numbers *Cell

Postal Address Town Postal Code

Residential Address Postal Code

Email Address Fax Number

Race African Indian Coloured Chinese

1. Write in your Liquor Licence Number

2. If the Liquor Licence is in your own name, complete the yellow section Part B.

3. If the Liquor Licence is for a Black Group (a company, cc, trust or partnership), complete the blue sections (Parts C & D).

4. See the Appendices in the Prospectus for details on what Supporting Company Documents are required for Black Groups.

5. You must include the percentage of the Black Group that is black-owned. If applicable, the percentage of the Black Group that is owned by Black Women must be included.

6. If the Liquor Licence is for a Black Group (a company, cc, trust or partnership), Section D must be completed in the name of the Authorised Signatory (or signatories if there is more than one) for the Black Group.

Details of authorised signatory or representative of Black Group

*National RSA ID Number _____ Gender Male Female

*Surname 2 (signatory 2) _____ Title _____

*First Names _____

*Contact Numbers *Cell _____ *Office _____ Home _____

Postal Address _____

Residential Address _____

Email Address _____

Race African Indian Coloured Chinese

7. For all applicants, fill in all your bank account details. You have to get your bank to stamp this form in the space provided to verify that your bank details are correct. If you do not have a bank account, you can open one with PostBank at any Post Office Branch.

Part E: Banking details of Black Individual or Black Group

Account holder's name must be the same as the Black Individual's or Black Group's name

Bank account holder's name _____

Name of bank _____

Account type Cheque Transmission Savings

Bank Account number (Please stipulate the 11 digit number) _____

Bank Branch code _____ - _____

Please ensure that your bank stamps this Application Form to ensure accuracy and validity of the bank account details. If you don't have a bank account the Post Office will assist you to open a transactional bank account.

BANK STAMP

Part F: Subscription Amount and Payment Option

Whatever amount(s) an Applicant deposits into the temporary SAB Zezele Postbank Account opened specifically for this application for the Offer prior to the Closing Date, which is currently 7 April 2010, will constitute an offer by the Applicant to subscribe for SAB Zezele Shares on the terms and conditions as set out in the Subscription Agreement.

This amount will be used to purchase SAB Zezele Shares. An Applicant who deposits less than the minimum amount required, together with the interest, will not be eligible to purchase shares.

8. Payment: You can pay by Electronic Funds Transfer (EFT), with a bank issued cheque, with a debit card or with cash. Only cheques that are bank issued will be accepted. These must be made out to the "South African Post Office". You must write "SAB Zezele Holdings Ltd." on the back of the cheque.

Should be submitted as described in the Subscription Agreement. Cash payment: Payment need to be cleared by the Post Office. If not, no shares will be issued.

Part G: Binding Agreement

The submission of your signed Application Form constitutes an irrevocable offer on the terms set out in this Application Form and the Subscription Agreement, not capable of withdrawal. If a supplement to the Prospectus is issued, you will be entitled to withdraw your offer by the later of the Closing Date and 5 days from the receipt by you of the supplement. If SAB Zezele: (a) allots and issues SAB Zezele Shares to you, that constitutes an acceptance of your offer in respect of the SAB Zezele Shares so allotted to you, without the need for signature by SAB Zezele of the Application Form and (b) does not allot and issue the full number of SAB Zezele Shares applied for, that constitutes a rejection of your offer to the extent of the SAB Zezele Shares not allotted and issued to you. By signing and submitting this Application Form to SAB Zezele I/we warrant in favour of SAB Zezele that:

- I/we have read and understood this Application Form, the Prospectus and the SAB Zezele Memo and Articles, and understand that they together constitute the offer made by me/us and that, as a shareholder of SAB Zezele, I will be bound by the SAB Zezele Memo and Articles;
- I am/we are a Black Individual or a Black Group, as the case may be;
- I/we will be the registered and the beneficial owner of the SAB Zezele Shares which may be allotted and issued to me/us;
- the information provided by me/us in this Application Form (including supporting documents) is true and complete as at the date of signature hereof.

I/we acknowledge that SAB Zezele will rely on the truth and completeness of the above information in this Application Form.

Signed at: _____ on this _____ day of _____ 2010

Applicant/Signatory: 1. _____ Signatory 2. _____

9. Please read the agreement carefully before you sign. It is binding and once it is signed it constitutes a formal offer to buy SAB Zezele shares.

Barcode: *0384*



Did you bar code the documents correctly?	Y	N	POST OFFICE DATE STAMP
Did the Applicant sign his/her Application?	Y	N	
Did the Applicant provide their legal entity's documents (e.g. shareholders' agreements, memorandum and articles of association, trust deeds and/or association agreements) and are those attached?	Y	N	
Name of Teller	Signature of Teller		
Name of Checking Officer	Signature of Checking Officer		

Please do not hesitate to call the SAB Zezele Call Centre on 0861 900 903 for assistance in completing this Application Form. Please note that the SAB Zezele Call Centre cannot assist you in interpreting the Prospectus. For this you must seek assistance from your advisor. Payment for SAB Zezele Shares should be made to the SA Post Office and not to any other person.

Application Form for Retail Liquor Licence Applicants for the SAB Zenzele Offer

Before completing this form ensure that you have read the terms and conditions of the Offer as contained in the SAB Zenzele Prospectus. The incorrect completion of this form may result in your Application being rejected. Please complete all the applicable sections in BLOCK LETTERS and take this form to a participating Post Office branch together with your payment and supporting documentation. Capitalised terms used in this Application Form shall have the same meaning attributed to those terms in the Prospectus.

Post Office use only SAB Zenzele Postbank Account number

If you are applying as a Black Individual  or as a Black Group  (i.e. a legal entity, being a company, cc, trust or partnership) and C and D (blue).

1. Write in your Liquor Licence Application Receipt Number, or Paralegal Letter Number.

Part A: Licence Number details (Complete one application form per licence number)

*Lodged Liquor licence application receipt or paralegal number

Part B: Details of Black Individual Applicant (Sole owner/Applicant/Trader) 

*National RSA ID Number Gender Male Female

*Surname

*First Names

*Contact Numbers

*Cell

*Office

Postal Address

Town

Postal Code

Residential Address

Email Address

Race


African

Indian

Coloured

2. If the Liquor Licence Application or Paralegal Letter was completed and submitted in your own name, complete the yellow section Part B.

3. If the Liquor Licence Application or Paralegal Letter was completed and submitted for a Black Group (a company, cc, trust or partnership), complete the blue sections (Parts C & D).

Part C: Details of Black Group (i.e. legal entity, being a company, trust, close corporation or partnership) 

*Black Group Registered Name

Income Tax reference number

Date Established

D

M

Y

Y

Y

Black Group Registration Number

Type of Business

4. See the Appendices in the Prospectus for details on what Supporting Company Documents are required for Black Groups.

Business Postal Address

Town

Postal Code

Business Trading Address

5. You must include the percentage of the Black Group that is black-owned. If applicable, the percentage of the Black Group that is owned by Black Women must be included.


Business Email Address

Code

% Black ownership in legal entity (Beneficiaries in case of trust)

Please use the now through method according to the S... www.thedti.gov.za - Chapter Three: Sla... 100 of Code 100

% Black women ownership in legal entity (Beneficiaries in case of trust)

Part D: Details of authorised signatory or representative of Black Group 

*National RSA ID Number

Gender

Male

Female

*Surname 1 (signatory 1)

*First Names

*Contact Numbers

*Cell

Postal Address

Town

Postal Code

Residential Address

Email Address

Fax Number

Race

African

Indian

Coloured

Chinese

6. If the Liquor Licence Application or Paralegal Letter was completed and submitted for a Black Group (a company, cc, trust or partnership), complete the blue sections (Parts C & D). Section D must be completed in the name of the Authorised Signatory (or signatories if there is more than one) for the Black Group.

Details of authorised signatory or representative of Black Group

*National RSA ID Number		Gender	Male	<input type="checkbox"/>	Female	<input type="checkbox"/>
*Surname 2 (signatory 2)		Title				
*First Names						
*Contact Numbers	*Cell		*Office		Home	
Postal Address						
Residential Address						
Email Address						
Race	African	<input type="checkbox"/>	Indian	<input type="checkbox"/>	Coloured	<input type="checkbox"/>

7. For all applicants, fill in all your bank account details. You have to get your bank to stamp this form in the space provided to verify that your bank details are correct. If you do not have a bank account, you can open one with PostBank at any Post Office Branch.

Part E: Banking details of Black Individual or Black Group

Account holder's name must be the same as the Black Individual's or Black Group's name

Bank account holder's name

Name of bank

Account type: Cheque Transmission Savings

Bank Account number (Please stipulate the 11 digit number)

Bank Branch code

Please ensure that your bank stamps this Application Form to ensure accuracy and validity of the bank account details. If you don't have a bank account the Post Office will assist you to open a transactional bank account.

BANK STAMP

8. Payment: You can pay by Electronic Funds Transfer (EFT), with a bank issued cheque, with a debit card or with cash. Only cheques that are bank issued will be accepted. These must be made out to the "South African Post Office". You must write "SAB Zenzele Holdings Ltd." on the back of the cheque.

Part F: Subscription Amount and Payment Option

Whatever amount(s) an Applicant deposits into the temporary SAB Zenzele bank account opened specifically for this application for the Offer prior to the Closing Date, which is...

This amount will be...

All deposits...

EFT/Cash payment: Should be submitted as described in the RSA ID No...

...will be accepted.

Part G: Binding Agreement


The submission of your signed Application Form constitutes an irrevocable offer on the terms set out in this Application Form and the Subscription Agreement, not capable of withdrawal. If a supplement to the Prospectus is issued, you will be entitled to withdraw your offer by the later of the Closing Date and 5 days from the receipt by you of the supplement. If SAB Zenzele: (a) allots and issues SAB Zenzele Shares to you, that constitutes an acceptance of your offer in respect of the SAB Zenzele Shares so allotted to you, without the need for signature by SAB Zenzele of the Application Form and (b) does not allot and issue the full number of SAB Zenzele Shares applied for, that constitutes a rejection of your offer to the extent of the SAB Zenzele Shares not allotted and issued to you. By signing and submitting this Application Form to SAB Zenzele I/we warrant in favour of SAB Zenzele that:

- I/we have read and understood this Application Form, the Prospectus and the SAB Zenzele Memo and Articles, and understand that they together constitute the offer made by me/us and that, as a shareholder of SAB Zenzele, I will be bound by the SAB Zenzele Memo and Articles;
- I am/we are a Black Individual or a Black Group, as the case may be;
- I/we will be the registered and the beneficial owner of the SAB Zenzele Shares which may be allotted and issued to me/us;
- The information provided by me/us in this Application Form (including supporting documents) is true and complete as at the date of signature hereof. I/we acknowledge that SAB Zenzele will rely on the truth and completeness of the above information in this Application Form.

Signed at: _____ on this _____ day of _____ 2010

Applicant/Signatory: 1. _____ Signatory 2. _____





9. Please read the agreement carefully before you sign. It is binding and once it is signed it constitutes a formal offer to buy SAB Zenzele shares.

 <p>*0386*</p>	Did you bar code the documents correctly?	Y	N	POST OFFICE DATE STAMP
	Did the Applicant sign his/her Application?	Y	N	
	Did the Applicant provide their legal entity's documents (e.g. shareholders' agreements, memorandum and articles of association, trust deeds and/or association agreements) and are those attached?	Y	N	
Name of Teller	Signature of Teller			
Name of Checking Officer	Signature of Checking Officer			

Please do not hesitate to call the SAB Zenzele Call Centre on 0861 900 903 for assistance in completing this Application Form. Please note that the SAB Zenzele Call Centre cannot assist you in interpreting the Prospectus. For this you must seek assistance from your advisor. Payment for SAB Zenzele Shares should be made to the SA Post Office and not to any other person.

Application Form for ABI Customers for the SAB Zenzele Offer

Before completing this form ensure that you have read the terms and conditions of the Offer as contained in the SAB Zenzele Prospectus. The incorrect completion of this form may result in your Application being rejected. Please complete all the applicable sections in BLOCK LETTERS and take this form to a participating Post Office branch together with your payment and supporting documentation. Capitalised terms used in this Application Form shall have the same meaning attributed to those terms in the Prospectus.

Post Office use only		SAB Zenzele	
<p>If you are applying as a Black Individual Applicant (i.e. a legal entity) complete parts A, E and G (green) and C and D (blue).</p>			
<p>Part A: ABI Number details (Complete one application form per customer number) </p>			
*ABI outlet number			
<p>Part B: Details of Black Individual Applicant (Sole owner/Applicant/Trader) </p>			
*National RSA ID Number		Gender	Male <input type="checkbox"/> Female <input type="checkbox"/>
*Surname			
*First Names			
*Contact Numbers	*Cell	*Office	
Postal Address			
		Town	Postal Code
Residential Address			
Email Address			
Race	African <input type="checkbox"/>	Indian <input type="checkbox"/>	
<p>Part C: Details of Black Group (i.e. legal entity, being a company, trust, close corporation or partnership) </p>			
*Black Group Registered Name			
Income Tax reference number		Established	D D M M Y Y Y Y
Black Group Registration Number			
Type of Business			
Business Postal Address			
		Town	Postal Code
Business Trading Address			
		Town	Postal Code
Business Email Address			
<p>Please use the new www.thedti.gov.za – Chapter Three: Section 100 of Code 100 to determine the ownership percentages.</p>			
% Black ownership in legal entity (Beneficiaries in case of trust)		% Black women ownership in legal entity (Beneficiaries in case of trust)	
<p>Part D: Details of authorised signatory or representative of Black Group </p>			
*National RSA ID Number		Gender	Male <input type="checkbox"/> Female <input type="checkbox"/>
*Surname 1 (signatory 1)			
*First Names			
*Contact Numbers	*Cell		
Postal Address			
		Town	Postal Code
Residential Address			
		Town	Postal Code
Email Address			
		Fax Number	
Race	African <input type="checkbox"/>	Indian <input type="checkbox"/>	Coloured <input type="checkbox"/> Chinese <input type="checkbox"/>

1. Write in your ABI Outlet Number

2. If the ABI outlet number is in your own name, complete the yellow section "Part B".

3. If the ABI outlet number is for a Black Group (a company, cc, trust or partnership), complete the blue sections (Parts C & D).

4. See the Appendices in the Prospectus for details on what Supporting Company Documents are required for Black Groups.



5. You must include the percentage of the Black Group that is black-owned. If applicable, the percentage of the Black Group that is owned by Black Women must be included.

6. If the ABI outlet number is for a Black Group (a company, cc, trust or partnership), "Part D" must be completed in the name of the Authorised Signatory (or signatories if there are more than one) for the Black Group.

Details of authorised signatory or representative of Black Group 

*National RSA ID Number		Gender	Male	<input type="checkbox"/>	Female	<input type="checkbox"/>
*Surname 2 (signatory 2)		Title				
*First Names						
*Contact Numbers	*Cell		*Office		Home	
Postal Address						
Residential Address						
Email Address						
Race	African	Indian	Coloured	Chinese		

7. For all applicants, fill in all your bank account details. You have to get your bank to stamp this form in the space provided to verify that your bank details are correct. If you do not have a bank account, you can open one with PostBank at any Post Office Branch.


Part E: Banking details of Black Individual  or Black Group 

Account holder's name must be the same as the Black Individual's or Black Group's name

Bank account holder's name						
Name of bank						
Account type	Cheque	<input type="checkbox"/>	Transmission	<input type="checkbox"/>	Savings	<input type="checkbox"/>
Bank Account number (Please stipulate the 11 digit number)						
Bank Branch code						

Please ensure that your bank stamps this Application Form to ensure accuracy and validity of the bank account details. If you don't have a bank account the Post Office will assist you to open a transactional bank account.

BANK STAMP

Part F: Subscription Amount and Payment Option 


Whatever amount(s) an Applicant deposits into the temporary SAB Zezele Postbank Account opened specifically for this application for the Offer prior to the Closing Date, which is currently 7 April 2010, will constitute an offer by the Applicant to subscribe for SAB Zezele Shares on the terms and conditions as set out in the Subscription Agreement.

This amount will be used for the purchase of SAB Zezele Shares in the Subscription Agreement. An Applicant who deposits less than the amount stipulated in the Subscription Agreement will be deemed to have accepted the terms and conditions of the Subscription Agreement.

All deposits must be made in South African Rands (ZAR) together with the following documents:

- EFT/Debit Card/Cash payment: Should be submitted as described in the Subscription Agreement. Cash payment: Payment need to be cleared by the bank. No shares will be issued.

8. Payment: You can pay by Electronic Funds Transfer (EFT), with a bank issued cheque, with a debit card or with cash. Only cheques that are bank issued will be accepted. These must be made out to the "South African Post Office". You must write "SAB Zezele Holdings Ltd." on the back of the cheque.

Part G: Binding Agreement 


The submission of your signed Application Form constitutes an irrevocable offer on the terms set out in this Application Form and the Subscription Agreement, not capable of withdrawal. If a supplement to the Prospectus is issued, you will be entitled to withdraw your offer by the later of the Closing Date and 5 days from the receipt by you of the supplement. If SAB Zezele: (a) allots and issues SAB Zezele Shares to you, that constitutes an acceptance of your offer in respect of the SAB Zezele Shares so allotted to you, without the need for signature by SAB Zezele of the Application Form and (b) does not allot and issue the full number of SAB Zezele Shares applied for, that constitutes a rejection of your offer to the extent of the SAB Zezele Shares not allotted and issued to you. By signing and submitting this Application Form to SAB Zezele I/we warrant in favour of SAB Zezele that:

- I/we have read and understood this Application Form, the Prospectus and the SAB Zezele Memo and Articles, and understand that they together constitute the offer made by me/us and that, as a shareholder of SAB Zezele, I will be bound by the SAB Zezele Memo and Articles;
- I am/we are a Black Individual or a Black Group, as the case may be;
- I/we will be the registered and the beneficial owner of the SAB Zezele Shares which may be allotted and issued to me/us;
- the information provided by me/us in this Application Form (including supporting documents) is true and complete as at the date of signature hereof. I/we acknowledge that SAB Zezele will rely on the truth and completeness of the above information in this Application Form.

Signed at: _____ on this _____ day of _____ 2010

Applicant/Signatory: 1. _____ Signatory 2. _____

9. Please read the agreement carefully before you sign. It is binding and once it is signed it constitutes a formal offer to buy SAB Zezele shares.

 *0385*	Did you bar code the documents correctly?	Y	N	POST OFFICE DATE STAMP
	Did the Applicant sign his/her Application?	Y	N	
	Did the Applicant provide their legal entity's documents (e.g. shareholders' agreements, memorandum and articles of association, trust deeds and/or association agreements) and are those attached?	Y	N	
Name of Teller	Signature of Teller			
Name of Checking Officer	Signature of Checking Officer			

Please do not hesitate to call the SAB Zezele Call Centre on 0861 900 903 for assistance in completing this Application Form. Please note that the SAB Zezele Call Centre cannot assist you in interpreting the Prospectus. For this you must seek assistance from your advisor. Payment for SAB Zezele Shares should be made to the SA Post Office and not to any other person.

PRO FORMA RESIDENTIAL AFFIDAVIT

Affidavit Confirming Residential Address

By landlord

I, _____ with ID number _____, hereby confirm that _____ whose ID number is _____, is my _____ (nature of relationship e.g. son, mother, uncle, domestic worker, tenant, etc) and that he/she resides with me at the following address:

Landlord's signature _____

I CERTIFY that this affidavit was signed and sworn to before me at _____ on this the _____ day of _____ 20____, by the deponent who acknowledge that he/she knew and understood the contents of this affidavit, had no objection to taking this oath, considered this oath to be binding on his/her conscience and who uttered the following words: "I swear that the contents of this affidavit are true so help me God".

Commissioner of Oaths
Name:
Address:
Capacity:

By tenant

I, _____ with ID number _____, hereby confirm that I reside with _____ whose ID number is _____ at the following address:

Tenant's signature _____

I CERTIFY that this affidavit was signed and sworn to before me at _____ on this the _____ day of _____ 20____, by the deponent who acknowledge that he/she knew and understood the contents of this affidavit, had no objection to taking this oath, considered this oath to be binding on his/her conscience and who uttered the following words: "I swear that the contents of this affidavit are true so help me God".

Commissioner of Oaths
Name:
Address:
Capacity:





The *Pro forma* Residential Affidavit is perforated and can be torn out and used as the base for the affidavit by completing the blanks as more fully set out in paragraph 6.5 on page 26 of this Prospectus.

[This page has been left blank intentionally]

Application Form for Retail Liquor Licence Holders for the SAB Zenzele Offer

Before completing this form ensure that you have read the terms and conditions of the Offer as contained in the SAB Zenzele Prospectus. The incorrect completion of this form may result in your Application being rejected. Please complete all the applicable sections in BLOCK LETTERS and take this form to a participating Post Office branch together with your payment and supporting documentation. Capitalised terms used in this Application Form shall have the same meaning attributed to those terms in the Prospectus.

Post Office use only	SAB Zenzele Postbank Account number	
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If you are applying as a Black Individual  complete parts A, E and G (green) and B (yellow) or if you are applying as a Black Group  (i.e. a legal entity, being a company, trust, close corporation or partnership) complete parts A, E and G (green) and C and D (blue).

Part A: Licence Number details (Complete one application form per licence number)

*Liquor licence number

Part B: Details of Black Individual Applicant (Sole owner/Applicant/Trader)


*National RSA ID Number				Gender	Male	Female
*Surname				Title		
*First Names						
*Contact Numbers	*Cell	*Office		Home		
Postal Address						
		Town			Postal Code	
Residential Address						
		Town			Postal Code	
Email Address				Fax Number		
Race	African	Indian	Coloured	Chinese		

Part C: Details of Black Group (i.e. legal entity, being a company, trust, close corporation or partnership)



*Black Group Registered Name												
Income Tax reference number				Date Established	D	D	M	M	Y	Y	Y	Y
Black Group Registration Number												
Type of Business	Company	Partnership	Trust	Close Corp.								
Business Postal Address												
		Town			Postal Code							
Business Trading Address												
		Town			Postal Code							
Business Email Address				Fax Number								
Please use the flow through method according to the Codes to determine the following percentages: www.thedti.gov.za – Chapter Three: Statement 100 of Code 100												
% Black ownership in legal entity (Beneficiaries in case of trust)				%	% Black women ownership in legal entity (Beneficiaries in case of trust)				%			

Part D: Details of authorised signatory or representative of Black Group

*National RSA ID Number				Gender	Male	Female
*Surname 1 (signatory 1)				Title		
*First Names						
*Contact Numbers	*Cell	*Office		Home		
Postal Address						
		Town			Postal Code	
Residential Address						
		Town			Postal Code	
Email Address				Fax Number		
Race	African	Indian	Coloured	Chinese		

Details of authorised signatory or representative of Black Group 

*National RSA ID Number																Gender	Male	<input type="checkbox"/>	Female	<input type="checkbox"/>				
*Surname 2 (signatory 2)																Title								
*First Names																								
*Contact Numbers	*Cell						*Office						Home											
Postal Address																Town						Postal Code		
Residential Address																Town						Postal Code		
Email Address																Fax Number								
Race	African	<input type="checkbox"/>	Indian	<input type="checkbox"/>	Coloured	<input type="checkbox"/>	Chinese	<input type="checkbox"/>																


Part E: Banking details of Black Individual  **or Black Group** 

Account holder's name must be the same as the Black Individual's or Black Group's name

Bank account holder's name															
Name of bank															
Account type	Cheque	<input type="checkbox"/>	Transmission	<input type="checkbox"/>	Savings	<input type="checkbox"/>									
Bank Account number (Please stipulate the 11 digit number)															
Bank Branch code															

Please ensure that your bank stamps this Application Form to ensure accuracy and validity of the bank account details. If you don't have a bank account the Post Office will assist you to open a transactional bank account.

BANK STAMP


Part F: Subscription Amount and Payment Option 

Whatever amount(s) an Applicant deposits into the temporary SAB Zenzele Postbank Account opened specifically for this application for the Offer prior to the Closing Date, which is currently 7 April 2010, will constitute an offer by the Applicant to subscribe for SAB Zenzele Shares on the terms and conditions as set out in the Subscription Agreement.

This amount will be used, if the Applicant is successful with his/her/its application, to buy as many SAB Zenzele Shares as permitted. An Applicant who deposits less than R100 will not be successful.

All deposits must be made to the 11-digit temporary SAB Zenzele Postbank Account number that is printed on your receipt, together with the Postbank branch code 460005 for Electronic Funds Transfers. Use a Postbank deposit slip for counter deposits.

EFT/Internet payments: Should be submitted 2 days before the Closing Date as described in the Prospectus. Reference your RSA ID number.	Bank issued cheques: Should be submitted 2 days before the Closing Date as described in the Prospectus. No Bank certified/guaranteed cheques will be accepted.	Debit card/Cash payment: Debit card transaction need to be cleared by your bank otherwise no shares will be issued.
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Part G: Binding Agreement 

The submission of your signed Application Form constitutes an irrevocable offer on the terms set out in this Application Form and the Subscription Agreement, not capable of withdrawal. If a supplement to the Prospectus is issued, you will be entitled to withdraw your offer by the later of the Closing Date and 5 days from the receipt by you of the supplement. If SAB Zenzele: (a) allots and issues SAB Zenzele Shares to you, that constitutes an acceptance of your offer in respect of the SAB Zenzele Shares so allotted to you, without the need for signature by SAB Zenzele of the Application Form and (b) does not allot and issue the full number of SAB Zenzele Shares applied for, that constitutes a rejection of your offer to the extent of the SAB Zenzele Shares not allotted and issued to you. By signing and submitting this Application Form to SAB Zenzele I/we warrant in favour of SAB Zenzele that:

- I/we have read and understood this Application Form, the Prospectus and the SAB Zenzele Memo and Articles, and understand that they together constitute the offer made by me/us and that, as a shareholder of SAB Zenzele, I will be bound by the SAB Zenzele Memo and Articles;
- I am/we are a Black Individual or a Black Group, as the case may be;
- I/we will be the registered and the beneficial owner of the SAB Zenzele Shares which may be allotted and issued to me/us;
- the information provided by me/us in this Application Form (including supporting documents) is true and complete as at the date of signature hereof. I/we acknowledge that SAB Zenzele will rely on the truth and completeness of the above information in this Application Form.

Signed at: _____ on this _____ day of _____ 2010

Applicant/Signatory: 1. _____ Signatory 2. _____

FOR POST OFFICE USE ONLY			
 *0384*	Was a bank stamp from the Applicant's bank obtained on this form as proof of correctness?	Y	N
	Did you attach a certified copy(s) of the ID and Proof of residential/legal entity address to this form and captured FICA compliance on the system?	Y	N
	Did you bar code the documents correctly?	Y	N
	Did the Applicant sign his/her Application?	Y	N
	Did the Applicant provide their legal entity's documents (e.g. shareholders' agreements, memorandum and articles of association, trust deeds and/or association agreements) and are those attached?	Y	N
Name of Teller		Signature of Teller	
Name of Checking Officer		Signature of Checking Officer	



POST OFFICE DATE STAMP

Please do not hesitate to call the SAB Zenzele Call Centre on 0861 900 903 for assistance in completing this Application Form. Please note that the SAB Zenzele Call Centre cannot assist you in interpreting the Prospectus. For this you must seek assistance from your advisor. Payment for SAB Zenzele Shares should be made to the SA Post Office and not to any other person.

Application Form for Retail Liquor Licence Applicants for the SAB Zenzele Offer

Before completing this form ensure that you have read the terms and conditions of the Offer as contained in the SAB Zenzele Prospectus. The incorrect completion of this form may result in your Application being rejected. Please complete all the applicable sections in BLOCK LETTERS and take this form to a participating Post Office branch together with your payment and supporting documentation. Capitalised terms used in this Application Form shall have the same meaning attributed to those terms in the Prospectus.

<i>Post Office use only</i>	SAB Zenzele Postbank Account number																			
-----------------------------	-------------------------------------	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

If you are applying as a Black Individual  complete parts A, E and G (green) and B (yellow) or if you are applying as a Black Group  (i.e. a legal entity, being a company, trust, close corporation or partnership) complete parts A, E and G (green) and C and D (blue).

Part A: Licence Number details (Complete one application form per licence number)

*Lodged Liquor licence application receipt or paralegal number

Part B: Details of Black Individual Applicant (Sole owner/Applicant/Trader)


*National RSA ID Number										Gender		Male	Female		
*Surname										Title					
*First Names															
*Contact Numbers		*Cell		*Office				Home							
Postal Address															
										Town		Postal Code			
Residential Address															
										Town		Postal Code			
Email Address										Fax Number					
Race		African	Indian	Coloured	Chinese										

Part C: Details of Black Group (i.e. legal entity, being a company, trust, close corporation or partnership)



*Black Group Registered Name																					
Income Tax reference number										Date Established				D	D	M	M	Y	Y	Y	Y
Black Group Registration Number																					
Type of Business										Company		Partnership		Trust		Close Corp.					
Business Postal Address																					
										Town		Postal Code									
Business Trading Address																					
										Town		Postal Code									
Business Email Address										Fax Number											
Please use the flow through method according to the Codes to determine the following percentages: www.thedti.gov.za – Chapter Three: Statement 100 of Code 100																					
% Black ownership in legal entity (Beneficiaries in case of trust)												%	% Black women ownership in legal entity (Beneficiaries in case of trust)						%		

Part D: Details of authorised signatory or representative of Black Group

*National RSA ID Number										Gender		Male	Female		
*Surname 1 (signatory 1)										Title					
*First Names															
*Contact Numbers		*Cell		*Office				Home							
Postal Address															
										Town		Postal Code			
Residential Address															
										Town		Postal Code			
Email Address										Fax Number					
Race		African	Indian	Coloured	Chinese										

Details of authorised signatory or representative of Black Group 

*National RSA ID Number																Gender	Male	<input type="checkbox"/>	Female	<input type="checkbox"/>
*Surname 2 (signatory 2)																Title				
*First Names																				
*Contact Numbers	*Cell									*Office						Home				
Postal Address																				
										Town										Postal Code
Residential Address																				
										Town										Postal Code
Email Address																Fax Number				
Race	African	<input type="checkbox"/>	Indian	<input type="checkbox"/>	Coloured	<input type="checkbox"/>	Chinese	<input type="checkbox"/>												


Part E: Banking details of Black Individual  **or Black Group** 

Account holder's name must be the same as the Black Individual's or Black Group's name

Bank account holder's name																				
Name of bank																				
Account type	Cheque	<input type="checkbox"/>	Transmission	<input type="checkbox"/>	Savings	<input type="checkbox"/>														
Bank Account number (Please stipulate the 11 digit number)																				
Bank Branch code																				

Please ensure that your bank stamps this Application Form to ensure accuracy and validity of the bank account details. If you don't have a bank account the Post Office will assist you to open a transactional bank account.

BANK STAMP


Part F: Subscription Amount and Payment Option 

Whatever amount(s) an Applicant deposits into the temporary SAB Zenzele Postbank Account opened specifically for this application for the Offer prior to the Closing Date, which is currently 7 April 2010, will constitute an offer by the Applicant to subscribe for SAB Zenzele Shares on the terms and conditions as set out in the Subscription Agreement.

This amount will be used, if the Applicant is successful with his/her/its application, to buy as many SAB Zenzele Shares as permitted. An Applicant who deposits less than R100 will not be successful.

All deposits must be made to the 11-digit temporary SAB Zenzele Postbank Account number that is printed on your receipt, together with the Postbank branch code 460005 for Electronic Funds Transfers. Use a Postbank deposit slip for counter deposits.

EFT/Internet payments: Should be submitted 2 days before the Closing Date as described in the Prospectus. Reference your RSA ID number.	Bank issued cheques: Should be submitted 2 days before the Closing Date as described in the Prospectus. No Bank certified/guaranteed cheques will be accepted.	Debit card/Cash payment: Debit card transaction need to be cleared by your bank otherwise no shares will be issued.
---	--	---

Part G: Binding Agreement 

The submission of your signed Application Form constitutes an irrevocable offer on the terms set out in this Application Form and the Subscription Agreement, not capable of withdrawal. If a supplement to the Prospectus is issued, you will be entitled to withdraw your offer by the later of the Closing Date and 5 days from the receipt by you of the supplement. If SAB Zenzele (a) allots and issues SAB Zenzele Shares to you, that constitutes an acceptance of your offer in respect of the SAB Zenzele Shares so allotted to you, without the need for signature by SAB Zenzele of the Application Form and (b) does not allot and issue the full number of SAB Zenzele Shares applied for, that constitutes a rejection of your offer to the extent of the SAB Zenzele Shares not allotted and issued to you. By signing and submitting this Application Form to SAB Zenzele I/we warrant in favour of SAB Zenzele that:


- I/we have read and understood this Application Form, the Prospectus and the SAB Zenzele Memo and Articles, and understand that they together constitute the offer made by me/us and that, as a shareholder of SAB Zenzele, I will be bound by the SAB Zenzele Memo and Articles;
- I am/we are a Black Individual or a Black Group, as the case may be;
- I/we will be the registered and the beneficial owner of the SAB Zenzele Shares which may be allotted and issued to me/us;
- the information provided by me/us in this Application Form (including supporting documents) is true and complete as at the date of signature hereof.

I/we acknowledge that SAB Zenzele will rely on the truth and completeness of the above information in this Application Form.

Signed at: _____ on this _____ day of _____ 2010

Applicant/Signatory: 1. _____ Signatory 2. _____

FOR POST OFFICE USE ONLY

 *0386*	Was a bank stamp from the Applicant's bank obtained on this form as proof of correctness?	Y	N	POST OFFICE DATE STAMP
	Did you attach a certified copy(s) of the ID and Proof of residential/legal entity address to this form and captured FICA compliance on the system?	Y	N	
	Did you bar code the documents correctly?	Y	N	
	Did the Applicant sign his/her Application?	Y	N	
	Did the Applicant provide their legal entity's documents (e.g. shareholders' agreements, memorandum and articles of association, trust deeds and/or association agreements) and are those attached?	Y	N	
Name of Teller		Signature of Teller		
Name of Checking Officer		Signature of Checking Officer		



Please do not hesitate to call the SAB Zenzele Call Centre on 0861 900 903 for assistance in completing this Application Form.

Please note that the SAB Zenzele Call Centre cannot assist you in interpreting the Prospectus. For this you must seek assistance from your advisor. Payment for SAB Zenzele Shares should be made to the SA Post Office and not to any other person.

Application Form for ABI Customers for the SAB Zenzele Offer

Before completing this form ensure that you have read the terms and conditions of the Offer as contained in the SAB Zenzele Prospectus. The incorrect completion of this form may result in your Application being rejected. Please complete all the applicable sections in BLOCK LETTERS and take this form to a participating Post Office branch together with your payment and supporting documentation. Capitalised terms used in this Application Form shall have the same meaning attributed to those terms in the Prospectus.

Post Office use only | SAB Zenzele Postbank Account number

If you are applying as a Black Individual  complete parts A, E and G (green) and B (yellow) or if you are applying as a Black Group  (i.e. a legal entity, being a company, trust, close corporation or partnership) complete parts A, E and G (green) and C and D (blue).

Part A: ABI Number details (Complete one application form per customer number)

*ABI outlet number

Part B: Details of Black Individual Applicant (Sole owner/Applicant/Trader)


*National RSA ID Number				Gender	Male	Female
*Surname				Title		
*First Names						
*Contact Numbers	*Cell	*Office		Home		
Postal Address						
		Town			Postal Code	
Residential Address						
		Town			Postal Code	
Email Address				Fax Number		
Race	African	Indian	Coloured	Chinese		



Part C: Details of Black Group (i.e. legal entity, being a company, trust, close corporation or partnership)


*Black Group Registered Name												
Income Tax reference number				Date Established	D	D	M	M	Y	Y	Y	Y
Black Group Registration Number												
Type of Business	Company	Partnership	Trust	Close Corp.								
Business Postal Address												
		Town			Postal Code							
Business Trading Address												
		Town			Postal Code							
Business Email Address				Fax Number								
Please use the flow through method according to the Codes to determine the following percentages: www.thedti.gov.za – Chapter Three: Statement 100 of Code 100												
% Black ownership in legal entity (Beneficiaries in case of trust)				%	% Black women ownership in legal entity (Beneficiaries in case of trust)				%			


Part D: Details of authorised signatory or representative of Black Group


*National RSA ID Number				Gender	Male	Female
*Surname 1 (signatory 1)				Title		
*First Names						
*Contact Numbers	*Cell	*Office		Home		
Postal Address						
		Town			Postal Code	
Residential Address						
		Town			Postal Code	
Email Address				Fax Number		
Race	African	Indian	Coloured	Chinese		

Details of authorised signatory or representative of Black Group 												
*National RSA ID Number										Gender	Male	Female
*Surname 2 (signatory 2)										Title		
*First Names												
*Contact Numbers			*Cell	*Office				Home				
Postal Address												
						Town			Postal Code			
Residential Address												
						Town			Postal Code			
Email Address								Fax Number				
Race												
African		Indian		Coloured		Chinese						

Part E: Banking details of Black Individual  or Black Group 												
Account holder's name must be the same as the Black Individual's or Black Group's name												
Bank account holder's name												
Name of bank												
Account type												
Cheque			Transmission			Savings						
Bank Account number (Please stipulate the 11 digit number)												
Bank Branch code												
Please ensure that your bank stamps this Application Form to ensure accuracy and validity of the bank account details. If you don't have a bank account the Post Office will assist you to open a transactional bank account.												
										BANK STAMP		

Part F: Subscription Amount and Payment Option 												
Whatever amount(s) an Applicant deposits into the temporary SAB Zenzele Postbank Account opened specifically for this application for the Offer prior to the Closing Date, which is currently 7 April 2010, will constitute an offer by the Applicant to subscribe for SAB Zenzele Shares on the terms and conditions as set out in the Subscription Agreement.												
This amount will be used, if the Applicant is successful with his/her/its application, to buy as many SAB Zenzele Shares as permitted. An Applicant who deposits less than R100 will not be successful.												
All deposits must be made to the 11-digit temporary SAB Zenzele Postbank Account number that is printed on your receipt, together with the Postbank branch code 460005 for Electronic Funds Transfers. Use a Postbank deposit slip for counter deposits.												
EFT/Internet payments: Should be submitted 2 days before the Closing Date as described in the Prospectus. Reference your RSA ID number.				Bank issued cheques: Should be submitted 2 days before the Closing Date as described in the Prospectus. No Bank certified/guaranteed cheques will be accepted.					Debit card/Cash payment: Debit card transaction need to be cleared by your bank otherwise no shares will be issued.			

Part G: Binding Agreement 												
The submission of your signed Application Form constitutes an irrevocable offer on the terms set out in this Application Form and the Subscription Agreement, not capable of withdrawal. If a supplement to the Prospectus is issued, you will be entitled to withdraw your offer by the later of the Closing Date and 5 days from the receipt by you of the supplement. If SAB Zenzele: (a) allots and issues SAB Zenzele Shares to you, that constitutes an acceptance of your offer in respect of the SAB Zenzele Shares so allotted to you, without the need for signature by SAB Zenzele of the Application Form and (b) does not allot and issue the full number of SAB Zenzele Shares applied for, that constitutes a rejection of your offer to the extent of the SAB Zenzele Shares not allotted and issued to you. By signing and submitting this Application Form to SAB Zenzele I/we warrant in favour of SAB Zenzele that:												
1. I/we have read and understood this Application Form, the Prospectus and the SAB Zenzele Memo and Articles, and understand that they together constitute the offer made by me/us and that, as a shareholder of SAB Zenzele, I will be bound by the SAB Zenzele Memo and Articles;												
2. I am/we are a Black Individual or a Black Group, as the case may be;												
3. I/we will be the registered and the beneficial owner of the SAB Zenzele Shares which may be allotted and issued to me/us;												
4. the information provided by me/us in this Application Form (including supporting documents) is true and complete as at the date of signature hereof. I/we acknowledge that SAB Zenzele will rely on the truth and completeness of the above information in this Application Form.												
Signed at: _____ on this _____ day of _____ 2010												
Applicant/Signatory: 1. _____ Signatory 2. _____												

FOR POST OFFICE USE ONLY												
 *0385*	Was a bank stamp from the Applicant's bank obtained on this form as proof of correctness?	Y	N	POST OFFICE DATE STAMP								
	Did you attach a certified copy(s) of the ID and Proof of residential/legal entity address to this form and captured FICA compliance on the system?	Y	N									
	Did you bar code the documents correctly?	Y	N									
	Did the Applicant sign his/her Application?	Y	N									
	Did the Applicant provide their legal entity's documents (e.g. shareholders' agreements, memorandum and articles of association, trust deeds and/or association agreements) and are those attached?	Y	N									
Name of Teller						Signature of Teller						
Name of Checking Officer						Signature of Checking Officer						

Please do not hesitate to call the SAB Zenzele Call Centre on 0861 900 903 for assistance in completing this Application Form.

Please note that the SAB Zenzele Call Centre cannot assist you in interpreting the Prospectus. For this you must seek assistance from your advisor. Payment for SAB Zenzele Shares should be made to the SA Post Office and not to any other person.



