

## **Vasari concludes acquisition of KVV, takes aim at strategic growth opportunities**

**Johannesburg, South Africa – 14 October 2016:** Vasari, a leading consumer focused investment group has completed the acquisition of South African wine and spirits producer KVV Group's operational assets for ZAR1.15 billion. The acquisition, announced in May 2016 was finalised after securing overwhelming shareholder support and a nod from the South African Competition Commission.

Vasari, supported by Investec, acquired KVV. The successful completion of the transaction sees the acquisition of 100% of KVV's operational assets. Vasari has over three decades of experience in owning and operating branded consumer goods companies across Africa, Asia and Europe. The acquired company will continue to trade under the KVV brand.

Vivian Imerman, Chairman of Vasari said: "We appreciate the overwhelming approval of all the shareholders and value their role in supporting our vision. KVV is a strategic asset that will enable us to capitalise on the growth opportunities in wine and cognac and represents a major step towards creating a brand house with category dominating beverages."

"In retaining the KVV brand we recognise the proud heritage and exceptional brand equity. It is also a testament to our commitment to extending the brand's legacy and its strategic growth across African and Asian emerging and frontier markets. The acquisition now makes it possible for us to broaden our offerings to customers in newer markets," adds Imerman.

KVV's 100-year relationship with farmers, suppliers, producers and customers along with its highly skilled staff and manufacturing capabilities provide a rich platform from which to lead development and innovation of the brand portfolio to drive growth. According to Imerman, KVV's suppliers are an integral part of Vasari's vision to deliver products that meet customers' needs."

In coming CEO of KVV, Boyce Lloyd is a senior SABMiller executive and brings with him more than 20 years beverage experience gained in Africa and Latin America. Boyce held senior leadership roles within SABMiller such as Marketing Director, SAB South Africa (Soft Drinks), Strategy & Commercial Director Africa, MD SABMiller Angola, MD SABMiller Honduras. He joins the team in November 2016 from SABMiller where he was until recently the Integration Director for the AB Inbev / SABMiller merger.

Ken Allan has been appointed as Executive South Africa Markets. Ken joins KVV from Diageo where he was the Commercial Director of Brandhouse in South Africa leading spirits and beer segments.

Pedro Lotra who has been appointed the new chair of KVV says, "We will continue to build on the brand's successful legacy and look forward to working with the team to further grow operations and expand our presence, network and visibility in markets that matter."

In addition to further building the KWV brand, Lotra says Vasari's growth plans include leveraging the strength of KWV's wine and brandy portfolio and driving acceptance on the continent and in other offshore jurisdictions.

"Growth in many advanced markets like Europe has flat lined while consumption in Asian markets, especially of South African wine, is seeing continued appreciation and growth. Premium wine consumption continues to be driven by a sophisticated palate and with a revitalised portfolio of established brands; we will now be able to benefit from such trends."

"The acquisition advances Vasari's objectives of geographic expansion, diversify participation in the alcohol beverages segment and enhances the company's ability to serve customers and shareholders alike," says Imerman in conclusion.

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