

ABRIDGED CIRCULAR TO SHAREHOLDERS

Relating to and seeking approvals for:

- i) The dual listing of Simbisa Brands Limited with a secondary listing on the London Stock Exchange Alternative Investment Market (“AIM”) by way of a new issuance of ordinary shares; and
- ii) The Acquisition of Foodfund in exchange for an issuance of Simbisa ordinary shares listed on AIM
- And incorporating

NOTICE OF AN EXTRAORDINARY GENERAL MEETING

Notice of an Extraordinary General Meeting of the members of Simbisa Brands Limited, to be held at Standards Association of Zimbabwe (Northend Close, Northridge Park, Borrowdale), Harare on Friday 9 March 2018, at 0815 hours, which notice was published on Wednesday 14 February 2018 in accordance with the Listings Requirements of the Zimbabwe Stock Exchange and the Companies Act (Chapter 24:03) of Zimbabwe, as set out at the end of this Abridged Circular. Shareholders are asked to complete and return the attached form of proxy in accordance with the instructions printed thereon, as soon as possible, but not later than 0815 hours, on Wednesday 7 March 2018.

Financial Advisors



IH Advisory
INTER-HORIZON

Sponsoring Broker



IH Securities
A MEMBER OF THE ZIMBABWE STOCK EXCHANGE
INTER-HORIZON

Legal Advisors



Kantor Immerman
LEGAL PRACTITIONERS

Transfer Secretaries



Corpserve

Independent Financial Advisor



Deloitte

Independent Reporting Accountants



EY

Independent Valuation of Foodfund



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THIS ABRIDGED CIRCULAR TO SHAREHOLDERS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Abridged Circular to Simbisa Shareholders (“Shareholders”) presents information in relation to the proposed secondary listing of Simbisa Brands Limited’s (“the Company” or “Simbisa”) ordinary shares (“Shares”) on AIM, by way of a new issuance of ordinary shares (“New Shares”), in accordance with the listing requirements of the London Stock Exchange (“LSE”), and the subsequent Proposed Acquisition of a 100% beneficial shareholding in Foodfund Investments LLC, Foodfund Investments Limited, Foodfund Technical Consultancy Limited, Foodfund International Limited and an 80% beneficial shareholding in Foodfund Investments (Pty) Ltd (collectively “Foodfund” or “the Sellers”), in exchange for an issuance of a portion of the New Shares of Simbisa to be listed on AIM (together the “Proposed Transactions”). The detailed information on the Company and the Proposed Transactions is more fully set out in the full Circular to Shareholders. This Abridged Circular to Shareholders should accordingly be read in conjunction with the full Circular to Shareholders, and with definitions contained therein. The full Circular to Shareholders can be obtained from the Registered Office of Simbisa or a downloadable version can be found on the Company website: www.simbisabrands.com.

1. OVERVIEW OF THE PROPOSED TRANSACTIONS

1.1 The Proposed Secondary Listing

At a meeting of the Board of Simbisa, held on 21 July 2017, the Directors of Simbisa unanimously approved certain resolutions which included a resolution authorising Simbisa to apply for a Secondary Listing of Simbisa’s Shares on AIM by way of a new issuance of shares. The principal reason for the Proposed Secondary Listing is to enable the Company to access additional funding from international markets in order to finance regional and international expansion activities and to enable the Proposed Acquisition of Foodfund.

The Directors intend to grow the Company’s operations through an injection of additional capital into existing operations, the opening of additional outlets in various markets and identifying potential acquisition opportunities to complement and expand the Company’s portfolio of brands. The Company’s strategic growth ambitions and the Proposed Acquisition of Foodfund cannot be achieved without access to competitive and sufficient funding as achieved through a secondary listing on AIM. Capital raised through an IPO on AIM will reduce the overall cost of funding, allowing the Company to remain competitive whilst unlocking shareholder value and ultimately enlarging the Company’s capital base.

1.2 Benefits of the Proposed Secondary Listing

- The following are some of the benefits that will accrue to both the Shareholders of the Company and the wider economy of Zimbabwe:
- Access to equity financing from international markets and a wider pool of funding, including competitively priced debt funding;
 - The existing Shareholders gain the prospect of holding shares in an enlarged and geographically diversified group with greater growth prospects;
 - Simbisa intends to further diversify its operations into various new markets and is targeting an aggressive growth strategy. In order to execute this strategy, and in light of local funding constraints, the opportunity to take the brands to the international market through a Listing on AIM is considered to accrue significant benefits to the Company, its Shareholders and the country at large;
 - Diversifying and growing operations regionally and internationally is also key to managing Simbisa’s revenue concentration risk;
 - The resultant growth will improve prospects for employment creation and therefore improve socio-economic conditions locally and in the markets in which Simbisa does and will operate; and
 - Upon achievement of critical mass in the regional business, the rate of investment is expected to decline, which is anticipated to free up excess cash flows for increased dividends or capital deployment.

1.3 Acquisition of Foodfund

Foodfund is a family owned and operated business incorporated in the United Arab Emirates, the British Virgin Islands and the Republic of South Africa, with several restaurants across the globe. Its portfolio currently includes 17 outlets operating under 8 independent food and beverage brands situated in Europe, Middle East, South Africa and the United Kingdom. In the year ended 30 June 2017, Foodfund achieved revenue of AED 153 million and a profit after tax for the year of AED 7.9 million.

Foodfund was founded as a concept over 10 years ago by Costa Tomazos, the Chairman of Foodfund, who started his food and beverage experience in the 1970’s by opening one of the first steakhouse chains in South Africa.

- At the meeting held on 21 July 2017, the Board of Directors of Simbisa considered and identified a potential opportunity for the acquisition of Foodfund. It was undertaken to conclude the transaction in lieu of its shares. The reference price for Simbisa shares from a negotiation standpoint was the 30 - day weighted average price from that date of 20.15 USc. Included in of the full Circular to Shareholders is an indication of the implied purchase consideration based on this price. Subsequent to this meeting, the Board of Directors held a second meeting on Friday 12 January 2018 where they resolved to utilise a maximum of 198,625,000 of the New Shares issued and listed on AIM as consideration for the acquisition. The negotiated value of the acquisition at the Effective Date of the Foodfund Acquisition (i.e. 1 July 2018), is to be settled via a staggered issuance of up to 198,625,000 Simbisa ordinary shares that are to be listed on AIM. The issuance of these New Shares will involve:
- An initial issue of 127,750,000 Simbisa ordinary shares, on the Effective Date of the Foodfund Acquisition.
 - Up to 47,250,000 Foodfund Performance Based Earn-out Shares being issued if Foodfund achieves a cumulative Profit After Tax above the Earnings Target of US\$9,953,995 and up to US\$13,635,609 on a pro rata basis of 12.834 Simbisa New Shares for every US\$1 PAT generated above the Earnings Target and for the Foodfund Financial Years ending 30 June 2019 - 30 June 2021.
 - Additional Foodfund Performance Based Earn-out Shares will be issued on the pro rata basis of 4.71 Simbisa New Shares for every US\$1 Profit After Tax (“PAT”) generated above the cumulative Profit After Tax of US\$13,635,609, capped to a total amount of 23,625,000 Simbisa New Shares.
 - The Performance Based Earn-out Shares will be issued after release of the audited 30 June 2021 financial results of Foodfund.

Should Foodfund fail to meet the cumulative Earnings Target of above US\$9,953,995, no Foodfund Performance Based Earn-out Shares will be issued. Outlined in Annexure 6 of the full Circular to Shareholders are the indicative sensitivities to the 3-year cumulative PAT realised by Foodfund for the Foodfund Financial Years ending 30 June 2019 to 30 June 2021 and the resultant number of Simbisa New Shares that would be issued as the purchase consideration in exchange for 100% of Foodfund’s issued share capital.

The table below indicates the potential number of Simbisa ordinary shares to be to be issued to the Sellers based on the possible outcomes of Foodfund’s performance over the period:

Food Fund PAT for the Foodfund Financial Years ending 30 June 2019 to 30 June 2021	Cumulative PAT less than or equal to US\$9,953,995	Cumulative PAT above US\$9,953,995 but less than or equal to US\$13,635,609	Cumulative PAT above US\$13,635,609
Shares issued at Effective Date of the Foodfund Acquisition	127,750,000	127,750,000	127,750,000
Performance Based Earn-out Shares	-	1 to 47,250,000	47,250,001 - 70,625,000
Total	127,750,000	127,750,001 – 175,000,000	175,000,001 – 198,625,000

1.4 Mechanics of the Proposed Secondary Listing

The Proposed Secondary Listing will be consummated through the issue of New Shares in the Company and their listing on AIM as proposed in the full Circular to Shareholders. Simbisa is seeking shareholder approval to increase its authorised share capital from 999,999,000 to 1,999,999,000 and to place 273,625,000 ordinary shares under the control of the Directors, to be listed on AIM as follows:

- Within 6 months of the approval at the EGM, a portion of the 273,625,000 (two hundred and seventy-three million, six hundred and twenty-five thousand) New Shares will be utilised to raise capital by issuing up to 75,000,000 ordinary shares through an Initial Public Offering (“IPO”) on AIM. The quantum of shares issued, pricing and exact amount of capital raised will be determined by market sentiment and economic conditions upon IPO. Outlined in Annexure 4 of the full Circular to Shareholders are the indicative sensitivities to the pricing of the IPO and the resultant potential capital that could be raised. The capital raised through the IPO will be used to fund regional expansion activities through a combination of capital expenditure in existing regional markets and identifying new acquisitions.
- Up to 198,625,000 Simbisa ordinary shares will be issued to the Sellers as settlement for the Acquisition of Foodfund in accordance with the terms and conditions of the Sale and Purchase Agreement (“SPA”)

The broad mechanics of the Proposed Secondary Listing are as follows:

- Seek all prerequisite approvals from existing Shareholders for the Proposed Transactions in accordance with the ZSE Listing Requirements;
- Seek approval from the RBZ Exchange Control for a Secondary Listing of up to 49% of the ordinary shares in a Zimbabwean domiciled company on an international exchange;
- Seek London Stock Exchange approval for a secondary listing of the New Shares of Simbisa on AIM; and
- The settlement of the Foodfund Acquisition through an issuance of New Shares listed on AIM.

1.5 Consideration of RBZ Regulations

The RBZ allows fungibility of shares between the ZSE and international exchanges with prior Exchange Control approval. In January 2016 through the Monetary Policy, the RBZ announced an increase in the maximum level of fungibility to 49% (from the previous 40% stipulated in section 5.2.8 of the Foreign Exchange Guidelines of 2009).

To allow the Company to achieve its strategy of raising capital for expansion purposes through the listing of Simbisa’s shares on an international exchange, which is one of the key motivations for the Secondary Listing, fungibility of the shares between ZSE and AIM will only become operative after a minimum period of six months from the date the shares first become listed on AIM. The restriction of fungibility is aligned with the RBZ’s announcement in the 2017 Mid-Term Monetary Policy Statement of the establishment of a portfolio fund to assist with repatriation of foreign exchange for securities related transactions. The operations of the restriction on fungibility will be controlled by the Company’s Transfer Secretaries as is standard practice for dual listed shares. Shareholders are advised to contact their advisors or brokers or the Company’s Transfer Secretaries for any queries about fungibility.

1.6 Impact on share capital

The table below shows the impact of New Shares issued to the Sellers on the Effective Date of the Foodfund Acquisition on Simbisa’s current share capital structure:

Indicative Simbisa share capital structure before and after the shares issued on the Effective Date of the Foodfund Acquisition:			
	Before the New Shares are issued (reflecting NAV as at 30 June 2017)	New Shares issued on the Effective Date of the Foodfund Acquisition	After New Shares are issued (reflecting NAV as at 30 June 2017)
Authorised Share Capital	999,999,000	1,000,000,000	1,999,999,000
Issued Share Capital	556,784,788	127,750,000	684,534,788
Net Asset Value per share	5.20 USc	2.82 USc*	8.02 USc

*Note that the impact reflected for the purposes of this Abridged Circular represents only the increase in Net Asset Value as a result of the shares issued at the Effective Date of the Foodfund Acquisition, the conversion of shareholder loans and the related acquisition journals as reflected in the Proforma Statement of Financial Position detailed in section 6, and does not take into account the impact on the Net Asset Value of the share issuance pertaining to the Proposed Secondary Listing or the Performance Based Earn-out share issuance since the actual number of shares to be issued will vary.

2. TIMETABLE OF THE PROPOSED TRANSACTIONS

Important Dates	
Simbisa EGM Notice and announcement published	Wednesday 14 February 2018
Last Day of Trading	Tuesday 27 February 2018
Record Date, Simbisa share register closed (at 1600 hours)	Friday 2 March 2018
Last day of lodging Proxy Forms (at 0815 hours)	Wednesday 7 March 2018
Simbisa EGM (at 0815 hours)	Friday 9 March 2018
Simbisa share register reopens (After EGM)	Friday 9 March 2018
Publication of Simbisa EGM resolution results	Monday 12 March 2018

The above dates may be subject to change and any such change will be published in the Zimbabwe national press. All times indicated above and elsewhere in the Abridged Circular are Zimbabwean local times.

3. ACTIONS TO BE TAKEN BY SIMBISA SHAREHOLDERS

- Read this Document in its entirety. If you are in doubt as to the action you should take, you should immediately seek advice from your stockbroker, bank manager, legal practitioner, accountant or other professional advisors.
- Attend and vote at the EGM to be held on Friday 9 March 2018.
- Shareholders who are unable to attend the EGM, but who wish to be represented thereat, should complete and sign the Proxy Form included with this Document and ensure it is lodged at the registered offices of the Company being, Edward Building, Corner 1st Street & Nelson Mandela Avenue, Harare, Zimbabwe so that it is received by the Transfer Secretaries by 0815 hours, on Wednesday 7 March 2018. Proxy forms will be accepted at the discretion of the Chairman up to 1 hour before the commencement of the EGM. Shareholders may attend the meeting in person, notwithstanding the completion and return of a Proxy Form.

4. FINANCIAL INFORMATION

Below are extracts of Simbisa’s financial information for the five financial years ended 30 June 2017. For the period from 1 July 2012 to 30 September 2015, Simbisa was part of Inncor and therefore the financials have been extracted from Inncor’s audited financial statements. For the period from 1 October 2015 to 30 June 2017 the financials are extracted from Simbisa’s audited financial statements.

4.1 Statement of Comprehensive Income of Simbisa

	30-Jun-17 US\$	30-Jun-16 US\$	30-Jun-15 US\$	30-Jun-14 US\$	30-Jun-13 US\$
Revenue	158,883,666	146,592,593	153,137,863	152,890,418	147,518,250
Other income	1,230,603	1,529,164	1,722,693	1,936,609	4,589,920
	160,114,269	148,121,757	154,860,556	154,827,027	152,108,170
Operating expenses	(148,594,476)	(139,712,454)	(144,468,405)	(145,992,036)	(141,357,707)
Profit before interest, equity accounted earnings and tax	11,519,793	8,409,303	10,392,151	8,834,991	10,750,463
Net interest expense	(1,460,070)	(1,269,774)	(919,155)	(927,109)	(752,302)
Equity accounted earnings	-	-	188,582	158,877	143,843
Profit before tax	10,059,723	7,139,529	9,661,578	8,066,759	10,142,004
Income tax expense	(3,704,148)	(2,098,261)	(2,148,936)	(1,929,263)	(2,174,244)
Profit for the year	6,355,575	5,041,268	7,512,642	6,137,496	7,967,760
Other comprehensive income					
Exchange differences arising on the translation of foreign operations	(106,442)	(909,010)	(907,605)	(436,717)	(67,738)
Other comprehensive income for the year, net of tax	(106,442)	(909,010)	(907,605)	(436,717)	(67,738)
Total comprehensive income for the year	6,249,133	4,132,258	6,605,037	5,700,779	7,900,022
Profit for the year attributable to:					
Equity holders of the parent	6,843,393	5,043,780	5,677,149	5,550,456	5,894,710
Non-controlling interests	(487,818)	(2,511)	1,835,493	587,040	2,073,050
	6,355,575	5,041,268	7,512,642	6,137,496	7,967,760
Total comprehensive income for the year:					
Equity holders of the parent	6,668,825	4,021,939	4,991,291	5,155,510	5,844,596
Non-controlling interests	(419,692)	110,319	1,613,746	545,269	2,055,426
	6,249,133	4,132,258	6,605,037	5,700,779	7,900,022

4.2 Statement of Financial Position of Simbisa

	30 Jun-17 US\$	30 Jun-16 US\$	30 Jun-15 US\$	30 Jun-14 US\$	30 Jun-13 US\$
ASSETS					
Non-current assets					
Property, plant and equipment	59,665,479	56,135,372	46,388,202	45,577,691	40,552,864
Intangible assets	199,885	201,642	480,551	512,807	587,685
Investments in associates	-	-	394,667	288,585	284,708
Deferred tax assets	973,444	422,308	605,763	463,151	767,670
	60,838,808	56,759,322	47,869,183	46,842,234	42,192,927
Current assets					
Current tax assets	40,108	504,606	-	-	-
Inventories	4,864,854	4,728,931	4,536,204	4,633,696	5,249,797
Trade and other receivables	4,308,417	3,228,265	6,661,314	5,991,475	5,629,330
Cash and cash equivalents	3,414,451	1,861,140	3,726,761	4,752,158	2,593,957
	12,627,830	10,322,942	14,924,279	15,377,329	13,473,084
Total assets	73,466,638	67,082,264	62,793,462	62,219,563	55,666,011
EQUITY AND LIABILITIES					
Capital and reserves					
Ordinary share capital	17,339,703	17,339,703	-	-	-
Non-distributable reserves	(2,240,394)	(2,134,392)	(900,476)	(214,618)	3,003,489
Distributable reserves	13,963,264	9,068,619	21,951,790	20,241,467	15,881,044
	29,062,573	24,273,930	21,051,314	20,026,849	18,884,533
Non-controlling interests	(106,221)	408,179	4,952,635	4,926,556	4,710,280
Total equity	28,956,352	24,682,109	26,003,949	24,953,405	23,594,813
Non-current liabilities					
Deferred tax liabilities	3,799,695	3,988,784	3,714,326	3,801,976	3,433,040
Interest-bearing borrowings	6,345,677	9,307,664	369,788	-	-
	10,145,372	13,296,448	4,084,114	3,801,976	3,433,040
Current liabilities					
Interest-bearing borrowings	11,999,858	9,535,153	14,998,914	14,885,311	10,846,370
Trade and other payables	22,099,892	19,438,097	17,571,353	18,665,352	17,604,923
Current tax liabilities	265,164	130,457	135,132	(86,481)	186,865
	34,364,914	29,103,707	32,705,399	33,464,182	28,638,158
Total liabilities	44,510,286	42,400,155	36,789,513	37,266,158	32,071,198
Total equity and liabilities	73,466,638	67,082,264	62,793,462	62,219,563	55,666,011

ABRIDGED CIRCULAR TO SHAREHOLDERS (CONTINUED)

4.3 Statement of Cash Flows of Simbisa

	30-Jun-17 US\$	30-Jun-16 US\$	30-Jun-15 US\$	30-Jun-14 US\$	30-Jun-13 US\$
Cash generated from operating activities	21,057,665	19,116,789	15,840,674	16,397,602	15,181,078
Interest income	64,972	2,414	230,540	270,642	193,867
Interest expense	(1,525,042)	(1,242,048)	(1,149,695)	(1,197,751)	(946,169)
Taxation paid	(3,780,343)	(2,217,640)	(989,056)	(825,147)	(1,002,767)
Total cash generated from operations	15,817,252	15,659,515	13,932,463	14,645,346	13,426,009
Investing activities	(10,422,886)	(16,390,160)	(8,897,649)	(11,697,399)	(11,524,426)
Net cash flow before financing activities	5,394,366	(730,645)	5,034,814	2,947,947	1,901,583
Financing activities	(3,830,872)	(1,134,976)	(6,060,211)	(789,746)	(3,884,719)
Dividends paid by holding company	(1,875,664)	(1,553,262)	(3,946,904)	(4,013,194)	(3,367,723)
Dividends paid by subsidiaries to non-controlling interests	(433,041)	(727,528)	(1,105,875)	(441,750)	(302,063)
Change in borrowings	(73,865)	3,409,676	(612,544)	3,324,167	(165,781)
Cash paid to non-controlling interests	(1,448,302)	(2,263,862)	(394,888)	341,031	(49,152)
Net increase /(decrease) in cash and cash equivalents	1,563,494	(1,865,621)	(1,025,397)	2,158,201	(1,983,136)
Foreign currency translation	(10,183)	-	-	-	-
Cash and cash equivalents at the beginning of the year	1 861 140	3,726,761	4,752,158	2,593,957	4,577,093
Cash and cash equivalents at the end of the year	3,414,451	1,861,140	3,726,761	4,752,158	2,593,957

5. MATERIAL CHANGES

There have been no material changes in the trading and financial position of Simbisa since 30 June 2017.

6. PROFORMA STATEMENT OF FINANCIAL POSITION

	Simbisa Brands US\$ Note 1	Foodfund US\$ Note 2	Shareholder loan conversion US\$ Note 3	Acquisition Adjustments US\$ Note 4	Consolidated US\$
ASSETS					
Non-current assets					
Property, plant and equipment	59,665,479	6,210,694	-	-	65,876,173
Intangible assets	199,885	13,518,746	-	(13,518,746)	199,885
Investment in associates	-	8,972,863	-	-	8,972,863
Financial assets	-	-	-	-	-
Deferred tax assets	973,444	-	-	-	973,444
	60,838,808	28,702,303	-	(13,518,746)	76,022,365
Current assets					
Current tax assets	40,108	-	-	-	40,108
Inventories	4,864,854	480,242	-	-	5,345,096
Trade and other receivables	4,308,417	8,568,814	-	-	12,877,231
Cash and Bank	3,414,451	6,717,499	-	-	10,131,950
	12,627,830	15,766,555	-	-	28,394,385
Total assets	73,466,638	44,468,858	-	(13,518,746)	104,416,750
EQUITY AND LIABILITIES					
Capital and reserves					
Share capital	55,678	81,745	-	(68,970)	68,453
Share premium	17,284,025	-	-	25,537,225	42,821,250
Contributed capital	-	355,892	39,390,431	(39,746,323)	-
Non-distributable reserves	(2,240,394)	338,075	-	(338,075)	(2,240,394)
Distributable reserves	13,963,264	(683,751)	-	1,097,397	14,376,910
	29,062,573	91,961	39,390,431	(13,518,746)	55,026,219
Minority interests	(106,221)	-	-	-	(106,221)
Total shareholders' equity	28,956,352	91,961	39,390,431	(13,518,746)	54,919,998
Non-current liabilities					
Provision for deferred taxation	3,799,695	-	-	-	3,799,695
Shareholder loans	-	39,390,431	(39,390,431)	-	-
Non-current trade and other payables	-	1,773,043	-	-	1,773,043
Borrowings - third party	6,345,677	-	-	-	6,345,677
	10,145,372	41,163,474	(39,390,431)	-	11,918,415
Current liabilities					
Borrowings - third party	11,999,858	-	-	-	11,999,858
Trade and other payables	22,099,892	3,213,423	-	-	25,313,315
Provisions	-	-	-	-	-
Taxation	265,164	-	-	-	265,164
	34,364,914	3,213,423	-	-	37,578,337
Total liabilities	44,510,286	44,376,897	(39,390,431)	-	49,496,752
Total equity and liabilities	73,466,638	44,468,858	-	(13,518,746)	104,416,750

The tables above set out the proforma financial information of Simbisa Brands Limited based on the audited financial statements for the year ended 30 June 2017. The proforma financial information has been prepared for illustrative purposes only and because of its proforma nature, may not fairly present the Company's financial position nor the effect and impact of the Transactions going forward.

Notes to the Proforma Statement of Financial Position

- Note 1** – Extracted from the audited financial statements of Simbisa Brands Limited for the year ended 30 June 2017.
- Note 2** - Extracted from the audited consolidated financial statements of Foodfund. The functional currency of Foodfund is the United Arab Emirates Dirham ("AED") and the statement of financial position as at 30 June 2017 has been translated at the closing exchange rate to the USD of 3.67. The financial statements for the subsidiary companies of Foodfund are audited for the periods ended 30 June 2013 to 30 June 2017.
- Note 3** - Shareholder loans with a tenure of 24 months and accruing interest at 7% per annum are convertible to equity within 12 months. As a condition precedent to the SPA, all outstanding shareholder loans will be converted to equity prior to the Acquisition. The impact is an increase in the net book value of Foodfund.
- Note 4** - Proforma adjustments have been prepared using accounting policies in terms of IFRS and Simbisa management's best estimate at this stage:
- Intangible assets adjustments represent reversal of goodwill and intangible assets in the consolidated financial statements of Foodfund.
 - Share capital adjustments represent the elimination of Foodfund share capital and the issuance of up to 127,750,000 Simbisa ordinary shares as purchase consideration.
 - The proforma adjustment on share premium relates to the excess of the value of the 127,750,000 New Simbisa shares issued over their nominal price.
 - The proforma adjustment to Non-distributable reserves relates to the elimination of non-distributable reserves of Foodfund.
 - The proforma adjustment to Distributable reserves relates to the elimination of Distributable reserves of Foodfund and recognition of the excess of net book value of Foodfund over the consideration paid by Simbisa.

7. DIRECTORS INTERESTS

As at 13 February 2018, the Directors directly and/or indirectly, held beneficial interests aggregating approximately 142,457,901 Simbisa shares representing 25.6% of the issued share capital of the Company. The details of the direct and indirect interests held by the Directors are summarised below:

Directors	Direct shareholding	Indirect shareholding	Total
Addington Chinake	-	-	-
Basil Dionisio	-	22,484,058	22,484,058
Salim Eceolaza	-	-	-
Emmanuel (Manoli) Vardas	-	-	-
Zinona (Zed) Koudounaris	-	109,973,843	109,973,843
Amit Gupta	-	-	-
Johnny Tomazos	-	-	-
Leighton Shaw	-	10,000,000	10,000,000

Other interests

Addington Chinake is a Partner in Kantor and Immerman, the legal advisors to Simbisa on the Proposed Transactions. Total fees to be paid to Kantor and Immerman amount to US\$40,000. All fees for the Proposed Transactions were agreed on commercial terms.

Johnny Tomazos is a beneficial shareholder in Foodfund.

The advisory firm owned by Amit Gupta, AMG Solutions Limited, is on a retainer ship with Simbisa.

Except as disclosed in this Document, none of the Directors of Simbisa have an interest in any contracts of significance relating to services provided to Simbisa by third parties.

8. LITIGATION STATEMENT

The Company is not involved in any material litigation or arbitration proceedings which may have, or which have had, during the twelve months preceding the date of this Abridged Circular, a significant effect on the financial position of Simbisa nor is the Company aware that any such proceedings are pending or threatened.

9. EXCHANGE CONTROL APPROVAL

An application for the dual listing of Simbisa on AIM is under consideration by the RBZ.

10. EXPERTS' CONSENTS

The Lead Financial Advisors, Sponsoring Brokers, Legal Advisors, Transfer Secretaries, Independent Financial Advisors, Independent Auditors, Reporting Accountants and Imara Corporate Finance Zimbabwe (Private) Limited ("Imara") have submitted their written consents to act in the capacities stated and to their names being stated in this Abridged Circular, which consents have not been withdrawn as at the date of this Abridged Circular. The above-mentioned consents are available for inspection by interested parties in terms of Paragraph 14 below.

11. OPINIONS AND RECOMMENDATIONS

In accordance with the ZSE Listing Requirements, the Board has appointed Deloitte as Independent Financial Advisors, to advise as to whether the terms of the Proposed Transactions are fair and reasonable to Simbisa minority Shareholders. Taking into consideration the terms and conditions of the Proposed Transactions, the Independent Financial Advisor is of the opinion that such terms and conditions are fair and reasonable to Simbisa Shareholders. The Independent Financial Advisor's opinion is included in Annexure 1 of the full Circular to Shareholders and has not been withdrawn prior to the publication of this Abridged Circular.

The Directors, having taken into account the future prospects of the Company and the opinion of the Independent Financial Advisors, have concluded that the Proposed Transactions are fair and reasonable.

12. SHARE INFORMATION

12.1 Simbisa Shareholding Structure

The table below details the top twenty shareholders of Simbisa as at 31 January 2018:

Rank	Name	Number of Shares	Percentage
1	ZMD INVESTMENTS (PVT) LTD	102,829,853	18.47%
2	STANBIC NOMINEES (PVT) LTD	102,733,719	18.45%
3	H M BARBOUR (PVT) LTD	100,024,000	17.96%
4	OLD MUTUAL LIFE ASS CO ZIM LTD	55,939,795	10.05%
5	SCB NOMINEES 033663700070	24,020,813	4.31%
6	SARCOR INVESTMENTS (PVT) LTD	22,484,058	4.04%
7	PHARAOH LIMITED- NNR	11,645,929	2.09%
8	STONE HOUSE TRUST-NNR	10,000,000	1.80%
9	MINING INDUSTRY PENSION FUND	8,238,931	1.48%
10	OLD MUTUAL ZIMBABWE LIMITED	7,851,105	1.41%
11	MUSIC VENTURES PVT LTD	7,465,382	1.34%
12	CITY AND GENERAL HOLDINGS P/L	6,822,598	1.23%
13	GENERAL ELECTRONICS (PVT) LTD	5,118,624	0.92%
14	WARREN MEARES	4,663,217	0.84%
15	SCHUTEX INVESTMENTS (PVT) LTD	4,316,855	0.78%
16	J-SOFT (PVT) LTD	3,932,780	0.71%
17	NATIONAL SOCIAL SECURITY AUTHORITY	3,579,634	0.64%
18	OLD MUTUAL INSURANCE COMPANY PVT LTD	3,233,481	0.58%
19	MUZIKA RUBI HOLDINGS (PVT) LTD	2,789,493	0.50%
20	NORTON TEXTILES (PVT) LTD	2,398,837	0.43%
Total Top Twenty Shareholders		490,089,104	88.02%
Other Shareholders		66,695,684	11.98%
Total Issued Shares		556,784,788	100%

The Directors of two (2) of the largest shareholders, ZMD Investments (Private) Limited and H M Barbour (Private) Limited, who between them own 36.43% of Simbisa, have provided written undertakings not to sell their shares for a period until at least after the publication of the first audited results of Simbisa following the IPO or nine (9) months from the date of Simbisa listing on AIM, which ever period is greater.

12.2 Share Price History

Daily			Quarterly			
Date	USc per share	Volume	Date	High	Low	Volume
Thursday, December 28, 2017	42.00	3,969	31-Mar-16	16.00	12.50	5,673,801
Friday, December 29, 2017	47.00	-	30-Jun-16	14.00	12.50	21,150,109
Tuesday, January 2, 2018	47.00	-	30-Sep-16	13.10	12.00	14,764,114
Wednesday, January 3, 2018	47.00	-	31-Dec-16	16.05	12.00	3,509,287
Thursday, January 4, 2018	45.64	3,409	31-Mar-17	17.10	16.00	10,837,992
Friday, January 5, 2018	45.64	-	30-Jun-17	20.00	17.10	10,740,594
Monday, January 8, 2018	45.64	-	30-Sep-17	77.02	20.00	19,417,783
Tuesday, January 9, 2018	45.64	-	31-Dec-17	70.00	38.00	5,790,410
Wednesday, January 10, 2018	45.64	-				
Thursday, January 11, 2018	45.64	234,192				
Friday, January 12, 2018	45.64	1,099				
Monday, January 15, 2018	45.00	5,450				
Tuesday, January 16, 2018	45.00	1,090				
Wednesday, January 17, 2018	45.00	2,583				
Thursday, January 18, 2018	45.00	-				
Friday, January 19, 2018	45.00	3,027				
Monday, January 22, 2018	45.00	-				
Tuesday, January 23, 2018	44.00	134,094				
Wednesday, January 24, 2018	44.00	-				
Thursday, January 25, 2018	44.00	-				
Friday, January 26, 2018	44.00	5,137				
Monday, January 29, 2018	39.75	-				
Tuesday, January 30, 2018	39.75	-				
Wednesday, January 31, 2018	39.75	-				
Thursday, February 1, 2018	39.75	2,473				
Friday, February 2, 2018	40.33	-				
Monday, February 5, 2018	40.33	-				
Tuesday, February 6, 2018	40.33	1,225				
Wednesday, February 7, 2018	40.00	7,209				
Thursday, February 8, 2018	40.00	585				

Monthly		USc per share		
Date	High	Low	Volume	
28-Feb-17	16.50	16.16	359,375	
31-Mar-17	17.10	16.50	10,276,288	
30-Apr-17	17.85	17.10	9,754,614	
31-May-17	18.00	17.85	447,326	
30-Jun-17	20.00	18.00	839,638	
31-Jul-17	25.00	20.00	765,473	
31-Aug-17	47.00	25.00	226,844	
30-Sep-17	77.02	47.00	18,425,466	
31-Oct-17	70.00	65.00	3,605,935	
30-Nov-17	68.91	48.00	12,120,142	
31-Dec-17	47.93	38.00	64,333	
31-Jan-18	47.00	39.75	390,081	

13. CONDITIONS PRECEDENT

- The implementation of the Proposed Transactions is conditional upon the following:
- The passing by Shareholders of Simbisa of the Resolutions, by the requisite majority, at an EGM to be held on 9 March 2018 in terms of the Notice of the EGM published in the national press dated Wednesday 14 February 2018;
 - The granting of the requisite approval by the RBZ for a dual listing of the shares in a Zimbabwean company on an international exchange and Acquisition by Simbisa of Foodfund on the terms of the SPA;
 - The SPA for the Acquisition of Foodfund becoming unconditional in accordance with its terms and conditions therein;
 - The satisfactory conclusion of a legal and financial due diligence; and
 - The granting of authority by the LSE for the listing of New Shares on AIM.

14. DOCUMENTS AND CONSENTS AVAILABLE FOR INSPECTION

- Between Wednesday 14 February 2018 and Friday 9 March 2018, copies of the following documents will be available for inspection, during normal working hours, at the Sponsoring Brokers, Financial Advisors and Simbisa Registered Offices at the addresses set out in the "Corporate Information" section at the beginning of this document:
- The Memorandum of Association of the Company;
 - The substituted Articles of Association of the Company;
 - The written consents detailed in section 10 of the Document;
 - The SPA for the Acquisition of Foodfund;
 - The Independent Reporting Accountant's Report on the historical information for the five financial years ended 30 June 2017, which is set out in Annexure 2 of the full circular;
 - The Independent Reporting Accountant's Report on the Proforma Statement of Financial Position;
 - The Independent Financial Advisor's Report dated 14 February 2018;
 - The Imara Independent Valuation of Foodfund report prepared for the Board of Directors of Simbisa Brands Limited;
 - The written undertakings as noted in Section 12.1;
 - The audited financial statements for the five financial years ended 30 June 2017 for Simbisa;
 - The audited financial statements for the five financial years ended 30 June 2017 for the subsidiaries of Foodfund; and
 - The ZSE approval letter for the distribution of the full Circular to Shareholders.

15. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors, whose names appear below, collectively and individually accept full responsibility for the accuracy of the information provided in this Abridged Circular, and certify that to the best of their knowledge and belief, there are no other facts the omission of which would make any statement false or misleading. They have made all reasonable enquiries to ascertain such facts, and that this Abridged Circular contains all information required by law.

The Directors confirm that this Abridged Circular includes all such information within their knowledge (or which it would be reasonable for them to obtain by making enquiries) that investors and their professional advisors would reasonably expect to find for the purpose of making an informed assessment of the assets and liabilities, financial position, profits and losses and prospects of the issuer, and of the rights attaching to the securities to which the listing particulars relate.

Signed on 14 February 2018:

Director's Name	Position	Signature
Addington Chinake	Non-Executive Chairman	(Signed on original)
Basil Dionisio	Chief Executive Officer	(Signed on original)
Salim Eceolaza	Group Finance Director	(Signed on original)
Emmanuel (Manoli) Vardas	Executive Director	(Signed on original)
Zinona (Zed) Koudounaris	Non-Executive Director	(Signed on original)
Amit Gupta	Non-Executive Director	(Signed on original)
Johnny Tomazos	Non-Executive Director	(Signed on original)

16. NOTICE OF EGM



NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting ("EGM") of the Shareholders of Simbisa Brands Limited is to be held at Standards Association of Zimbabwe (Northend Close, Northridge Park, Borrowdale), Harare, on Friday 9 March 2018, at 0815 hours, for the purpose of transacting the following business:-

TO CONSIDER and, if deemed fit, to pass, with or without modification, the following Resolutions:

SPECIAL RESOLUTION 1 – INCREASE IN AUTHORISED SHARE CAPITAL

"**THAT** the Articles of Association of the Company be and are hereby amended through the increase of the Company's authorised share capital, from the current authorised share capital of US\$100,000 made up of 999,999,000 ordinary shares of US\$0.0001 and 1,000 class 'A' ordinary shares of US\$0.0001 each, by an additional 1,000,000,000 ordinary shares of US\$0.0001 each, such that the authorised share capital of the Company shall be US\$200,000 divided into 1,999,999,000 ordinary shares of US\$0.0001 each and 1,000 class 'A' ordinary shares of US\$0.0001 each."

SPECIAL RESOLUTION 2 – ISSUE OF ORDINARY SHARES

"**THAT** up to 273,625,000 ordinary shares of the Company be placed under the control of the Directors and that the Directors be and are hereby authorised to issue and allot such capital for the purpose of pursuing the Company's expansion initiatives as specified in Ordinary Resolutions 2 and 3 below."

SPECIAL RESOLUTION 3 – WAIVER OF PRE-EMPTIVE RIGHTS

Special Resolution 3 will be subject to approval by 85% of members present in person or by proxy in accordance with the ZSE Listing Requirements Section 5.82.

"**THAT** the existing shareholders' rights of pre-emption over the 273,625,000 ordinary shares to be issued pursuant to Special Resolution 2, be and are hereby waived."

SPECIAL RESOLUTION 4 – ADOPTION OF AIM AND ZSE COMPLIANT ARTICLES OF ASSOCIATION

"**THAT**, to meet the Listing Requirements of the AIM and the ZSE, pursuant to the proposed AIM Listing, the Company's entire existing Articles of Association be and are hereby substituted, in accordance with the substituted draft articles of association initiated by the Chairman, subject to approval by the AIM, the ZSE and registration thereof by the Registrar of Companies in Zimbabwe."

ORDINARY RESOLUTION 1 – APPLICATION FOR AIM LISTING

"**THAT** subject to the passing of Special Resolutions 1 to 3 above, and all other regulatory approvals, an application be made by the Company to the Alternative Investment Market of the London Stock Exchange ("AIM") for the admission of up to 273,625,000 ordinary shares of the Company to the official list of AIM."

ORDINARY RESOLUTION 2 – ACQUISITION OF FOODFUND

"**THAT** subject to the passing of Ordinary Resolution 1 above, and subject to a majority vote of Shareholders excluding related parties and their associates, the Directors of the Company be and are hereby authorised to acquire a 100% beneficial shareholding in each of Foodfund Investments LLC, Foodfund Investments Limited, Foodfund Technical Consultancy Limited, Foodfund International Limited as one composite transaction and an 80% beneficial shareholding in Foodfund Investments (Pty) Ltd through an issue and allotment to the Sellers of up to 198,625,000 ordinary shares in the Company to be listed on AIM, being 127,750,000 shares, on the Effective Date of the Foodfund Acquisition and subsequently against the earn out targets being met as prescribed, up to 70,875,000 Foodfund Performance Based Earn-out Shares, as purchase consideration in terms of the Sale and Purchase Agreements, subject only to the fulfillment or waiver of the Conditions Precedent."

ORDINARY RESOLUTION 3 – APPROVAL OF CAPITAL RAISE AND INITIAL PUBLIC OFFERING

"**THAT** subject to the passing of Ordinary Resolution 1 above, the Company be and is hereby authorised to raise additional capital by way of an Initial Public Offering ("IPO") on