Mpact Limited
(Incorporated in the Republic of South Africa)
(Registration number 2004/025229/06)
JSE share code: MPT ISIN: ZAE000156501
("Mpact")

Mpact reaches agreement regarding non-notification on historic acquisitions

Mpact notes the media statement issued by the Competition Commission (the Commission) today regarding its referral of a settlement agreement, which Mpact reached with the Commission, to the Tribunal for confirmation as a consent order. The settlement agreement relates to the acquisition of various minority interests by Mpact's predecessor-in-title, prior to Mpact's listing on the JSE in 2011, which were not notified to the Competition Authorities at the time the shareholdings were acquired.

Mpact and the Commission reached a comprehensive settlement amounting to R7 million to resolve all matters relating to the minority shareholdings which it held in these entities. The settlement agreement is comprehensive in that it covers the failure to obtain the prior approval of the Competition Authorities as well as any potential concerns, which the Commission may have regarding the relationship between Mpact and the sheet plants concerned.

At all relevant times, Mpact and the sheet plants were principally in a supplier-customer relationship and Mpact had a significant minority shareholding in the sheet plants concerned. As such, Mpact has always maintained, contrary to the Commission's characterisation thereof, that the relationship between it and the entities in which it had shareholdings has not been collusive in nature. However, the settlement agreement finally resolves all potential concerns in this regard.

13 February 2020

Sponsor: RAND MERCHANT BANK (A division of FirstRand Bank Limited)