

SAB plans launch of new B-BBEE scheme Zenzele Kabili

South African Breweries (SAB) will be launching a new B-BBEE scheme, called SAB Zenzele Kabili, later this month. This will be replacing the old SAB Zenzele scheme, which reaches maturity this May.



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A virtual AGM has been called for SAB Zenzele shareholders to vote in the new scheme on 10 May 2021. The virtual AGM event will be live-streamed on the SAB Zenzele Kabili app and broadcast live on Soweto TV (DStv 251) from 10:00am until 12:00am on the day. SAB Zenzele shareholders are requested to download the SAB Zenzele mobile app on either the Apple iStore or the Android store and cast their votes for the new scheme on this platform. Voting has already opened and will continue until 12:00 on 10 May 2021.

SAB Zenzele is the largest B-BBEE scheme in the history of South Africa's fast-moving consumer goods sector, having reached a total maturation value of R9.7bn. Launched in 2010, the landmark SAB Zenzele transaction endeavoured to give the company's employees and retailer partners, taverners, bottle store owners, retailer customers, an opportunity at ownership in the 125-year-old company.



MTN transformation programme turns employees into store owners

22 Sep 2020



R5.4bn worth of AB InBev Shares

According to SAB, retailer shareholders who invested R100 in 2010 will have received a total pre-tax payout of R77,518 when the transaction fully unwinds later this month.

SAB says it plans to continue this trajectory of empowerment and wealth creation for staff, retailers and beneficiaries of the SAB Foundation. The company is offering SAB Zenzele Retailer Shareholders the opportunity to reinvest a portion of their remaining proceeds into a replacement B-BBEE ownership transaction through the SAB Zenzele Kabili scheme that will own R5.4bn worth of AB InBev Shares.

JSE listing

SAB Zenzele Kabili will be listed on the B-BBEE Segment of the Johannesburg Stock Exchange (JSE) to facilitate liquidity and broaden ownership to other B-BBEE investors, including qualifying SAB employees through a new employee stock ownership plan. The qualifying public will be able to trade from the listing post on 28 May 2021, through a JSE broker or existing trading platform.

SAB Zenzele was scheduled to unwind in March 2020, with SAB Zenzele Kabili envisioned to launch shortly thereafter. However, Covid-19 driven restrictions prevented the necessary shareholder scheme meeting from taking place, at which time beneficiaries would have voted regarding pay-outs and reinvestment options.

The SAB Zenzele board, together with SAB, recognised at the time that such postponement would have a significant negative impact on the anticipated cash flows of shareholders, which had been exacerbated by the pandemic.

The board subsequently resolved, together with SAB, that each SAB Zenzele Retailer Shareholder would be paid a cash amount equal to 77.4% of the calculation of its right and entitlement from the unwind of SAB Zenzele less applicable costs and taxes. This cash payment, which amounted to c.R3,499m, took place in April 2020.



CCBSA expands B-BBEE employee share ownership scheme

8 Feb 2021



The remaining entitlement of SAB Zenzele Retailer Shareholders is therefore 22.6% of the calculation of their right and entitlement from the unwind of SAB Zenzele as at the date of the unwind of SAB Zenzele, adjusted for inflation over time. In a video address to shareholders this week, SAB Zenzele chairman Dr Penuell Maduna announced that the scheme meeting will now take place on 10 May 2021, in a digital environment where beneficiaries will vote regarding reinvestment of this portion.

He explained that those that reinvest into SAB Zenzele Kabili will henceforth become global shareholders, receiving 25% in dividends annually, without having to wait ten years before being able to sell shares or get paid out. Additionally, SAB Zenzele Kabili shareholders will be able to trade immediately after listing.

“We all want to build a prosperous future for ourselves and our families. At SAB, we understand that this takes hard work and good partnerships” said Maduna. “SAB Zenzele Kabili is set to be our biggest success yet, and despite these tough times, it’s time for a new scheme for new dreams and ownership for all,” he added.