



**Dairibord**  
**Holdings**  
*More Than Just Milk*

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## PRESS RELEASE

### STRATEGIC ALLIANCE AND SHARE SUBSCRIPTION AGREEMENT

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The Directors of Dairibord Holdings Limited (Dairibord) would like to advise all stakeholders that Dairibord Zimbabwe (Private) Limited (DZPL), its 100% owned flagship subsidiary, whose primary business is manufacturing and marketing of milks, foods and beverages, and Tavistock Estate (Private) Limited (Tavistock), the largest single supplier of raw milk to DZPL, have entered into a Strategic Alliance and Share Subscription Agreement.

The strategic alliance includes a milk supply agreement and a joint development agreement that will govern the collaboration of the parties involved. Both parties will combine their competences and experiences on future milk supply growth strategies. DZPL will actively assist Tavistock in securing structured finance through loan guarantees and other capital raising mechanisms to achieve mutual growth targets. In addition, DZPL will subscribe to preference shares in Tavistock that will guarantee DZPL a board seat, dividends and voting rights in Tavistock.

As at the date of this announcement, the Board of Directors of Dairibord can confirm that this transaction qualified as a related party transaction and that the transaction has been declared as fair and reasonable in pursuance of the provisions of section 270 of statutory instrument 134 of 2019. The Fair and Reasonable opinion will be available for inspection for 28 days at the registered office of the issuer.

The Board of Dairibord believes that this strategic alliance will provide DZPL critical access to raw milk and that parties will collaborate in the development of a sustainable raw milk supply business model that will unlock shareholder value.

#### By Order of the Board

**M. R. Ndoro**  
**Company Secretary**  
**31 January 2020**

**Directors:** J. Sachikonye (Chairman), S. Chindove, C. Mahembe, \*A. Mandiwanza (Group Chief Executive), \*M. Ndoro (Group Finance Director), R.P Kupara, N. Chiromo, C.R.J Hawgood, K. K. Naik \* **Executive.**