



SPECIAL DIVIDEND NOTICE

1. INTRODUCTION

Masimba Holdings Limited (Masimba or “the Company”) announces that it will distribute the Company’s shareholding in Proplastics Limited (Proplastics) by way of a Dividend in Specie to the shareholders of Masimba (“the Transaction”). The shares were held as an available for sale investment.

2. BACKGROUND TO THE PROPOSED TRANSACTION

Following the unbundling of Proplastics, which was a wholly owned subsidiary of Masimba in 2015, the company became a minority shareholder in Proplastics. The following shares have been held as an available for sale investment:

Name of Shareholder	Number of Shares Held	% of Proplastics Issued Share Capital
Masimba Holdings Limited	15,675,377	6.11 %

3. PROPOSED TRANSACTION

On 4 November 2021, the Directors resolved to distribute the Company’s shareholding in Proplastics by way of a Dividend in Specie to shareholders of Masimba. A total of 14,961,757 of the 15,675,377 Proplastics shares will be transferred directly to the shareholders of Masimba, while the balance of 713,620 Proplastics shares will be applied to finance transaction costs.

4. EFFECTIVE DATE OF THE TRANSACTION

The Transaction will be effective 3 December 2021, being the Dividend in Specie Record Date.

5. MECHANICS OF THE PROPOSED DIVIDEND IN SPECIE

Masimba will proceed to declare a Dividend in Specie of 14,961,757 of the 15,675,377 Proplastics shares directly to the shareholders of Masimba. The remaining balance of 713,620 Proplastics shares not made available for distribution will be used to cover costs associated with the Transaction. In terms of the distribution to Masimba shareholders, the Board of Masimba proposes a dividend to Masimba shareholders that will be settled through Proplastics shares in the ratio of 1 (One) Proplastics share for every 16 (Sixteen) Masimba shares held as at the Record Date of 3 December 2021.

6. TAXATION

Masimba shareholders will receive their Dividend in Specie entitlement less 10% (ten percent) withholding tax payable to ZIMRA where applicable. The value of this withholding tax shall be calculated based on the Proplastics share price as at the date of the Board resolution, 4 November 2021. Shareholders registered in the books as at the Record Date will subsequently receive a share certificate for the Proplastics shares distributed to them, in proportion to their shareholding in Masimba.

7. RATIONALE FOR THE PROPOSED TRANSACTION

The Board believes that this transaction will enable value transfer to shareholders at minimal costs.

8. EFFECTS ON THE GROUP STRUCTURE

The transaction will not result in any changes on the shareholding structure of Masimba. Upon successful execution of the transaction, Masimba will no longer be a shareholder of Proplastics.

9. FINANCIAL EFFECTS OF THE TRANSACTION

9.1. EFFECT OF THE TRANSACTION ON NAV PER SHARE OF MASIMBA

	Inflation adjusted			
	Sep-21	Jun-21	Dec-20	Dec-19
Net asset value (NAV) per share (ZWL cents)	1,229.06	1,172.03	930.04	649.84
Adjusted NAV per share (ZWL cents)	1,068.51	977.99	855.37	85.97

The unaudited and unreviewed adjusted NAV shows the financial impact of the transaction had the transaction occurred at the corresponding dates.

9.2. EFFECT OF THE TRANSACTION ON EARNINGS PER SHARE OF MASIMBA

	Inflation adjusted			
	Sep-21	Jun-21	Dec-20	Dec-19
Earnings per share (EPS) (ZWL cents)	343.84	135.23	182.97	85.97
Adjusted EPS (ZWL cents)	342.34	133.73	182.97	84.98



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10. EFFECT ON PROPLASTICS'S SHAREHOLDING STRUCTURE

The top 20 shareholding of Proplastics before and after the transaction will be as follows:

Before the transaction (share register as at 31 October 2021)

Rank	Account Name	Shares	% of Total
1	ZUMBANI CAPITAL (PVT) LTD	54,733,312	21.29
2	OLD MUTUAL LIFE ASS CO ZIM LTD	49,902,370	19.41
3	STANBIC NOMINEES	27,824,605	10.82
4	AMALGAMATED AFRICAN VENTURES	23,829,479	9.27
5	GIONA CAPITAL (PVT) LTD	16,137,846	6.28
6	MASIMBA HOLDINGS LIMITED	15,675,377	6.10
7	SCB NOMINEES	10,194,787	3.97
8	BULKWOOD INVESTMENTS	6,665,967	2.59
9	STANBIC NOMINEES NNR	5,990,790	2.33
10	THE ROY TURNER TRUST	2,756,599	1.07
11	STREAMCOAST INVESTMENTS P/L	2,690,433	1.05
12	NSSA - NATIONAL PENSION SCHEME	2,607,684	1.01
13	HIPPO VALLEY ESTATES PF-IMARA	2,180,963	0.85
14	NATIONAL FOODS PENSION FUND	1,593,363	0.62
15	CATERING INDUSTRY PENSION FUND	1,493,244	0.58
16	PUBLIC SERVICE PENSION FUND	1,464,840	0.57
17	ZESA STAFF PENSION FUND	1,414,774	0.55
18	FBC HOLDINGS PF-IMARA	1,210,691	0.47
19	LOBB, MARCUS RICHARD	1,205,581	0.47
20	AMZIM PENSION FUND	1,175,968	0.46
TOTAL		230,748,673	89.76
TOTAL NUMBER OF SHARES		257,085,628	100.00

Projected shareholding structure after the transaction

Rank	Account Name	Shares	% of Total
1	ZUMBANI CAPITAL (PVT) LTD	59,002,629	22.95
2	OLD MUTUAL LIFE ASS CO ZIM LTD	52,595,381	20.46
3	STANBIC NOMINEES	28,374,710	11.04
4	AMALGAMATED AFRICAN VENTURES	25,049,124	9.74
5	GIONA CAPITAL (PVT) LTD	17,296,481	6.73
6	SCB NOMINEES	10,482,348	4.08
7	BULKWOOD INVESTMENTS	6,665,967	2.59
8	STANBIC NOMINEES NNR	5,990,790	2.33
9	NSSA - NATIONAL PENSION SCHEME	2,773,341	1.08
10	THE ROY TURNER TRUST	2,756,599	1.07
11	AKRIBOS WEALTH MANGRS NOMINEES	2,726,449	1.06
12	STREAMCOAST INVESTMENTS P/L	2,690,433	1.05
13	HIPPO VALLEY ESTATES PF-IMARA	2,284,484	0.89
14	NATIONAL FOODS PENSION FUND	1,651,721	0.64
15	CATERING INDUSTRY PENSION FUND	1,540,091	0.60
16	PUBLIC SERVICE PENSION FUND	1,464,840	0.57
17	ZESA STAFF PENSION FUND	1,414,774	0.55
18	LOBB, MARCUS RICHARD	1,290,812	0.50
19	FBC HOLDINGS PF-IMARA	1,259,787	0.49
20	AMZIM PENSION FUND	1,175,968	0.46
TOTAL		228,486,729	88.88
TOTAL NUMBER OF SHARES		257,085,628	100.00

11. OVERVIEW OF PROPLASTICS

Proplastics Limited, (formerly a subsidiary of Masimba Holdings Limited) is the only Zimbabwean plastic pipes and fittings manufacturer listed on the Zimbabwe Stock Exchange, a milestone that was achieved in the year 2015.

Proplastics Limited is the leading plastic pipe manufacturer since 1965 and has over half a century of experience as a specialist producer of Polyvinyl Chloride (PVC), High-Density Polyethylene (HDPE), Low-density Polyethylene (LDPE) pipes and related fittings. The company has been providing homes and industries within and across Zimbabwean borders with a complete range of high performance piping solutions for application in irrigation, mining, civils, borehole casings and cable ducting. Over the years, Proplastics Limited has evolved to become the brand that can be trusted through its unrelenting pride in meeting the highest regional and international standards in manufacturing processes. To date, the firm holds certifications for product mark schemes, ISO 9001, ISO 14001 and OHSAS 18001 from both SAZ and SANS. Proplastics is the only local pipe manufacturer that holds the Southern African Plastic Pipe Manufacturers Association (SAPPMA) and the Installation and Fabrication Plastics Pipe Association (IFPA) certifications. These certifications are the cornerstone of Proplastics's unrivalled manufacturing and service delivery excellence that ensures supreme world class conformance. It is the genetic identity of Proplastics's guaranteed return on investment.

12. COST OF THE DIVIDEND IN SPECIE

The total cost associated with the Dividend in Specie in respect of the Proplastics Limited shares to Masimba shareholders is approximately ZWL21,372,919.

Narration	Number of Shares	Value of Shares	%
Shareholding Held in Proplastics	15,675,377	466,812,727.06	6.10
Transaction Fees	713,620	21,372,919.00	0.28
Shares Available for distribution	14,961,757	445,439,808.06	5.82

13. NOTE TO FOREIGN SHAREHOLDERS

It is the responsibility of each foreign shareholder to satisfy themselves as to the full observance of the laws and regulatory requirements of the relevant foreign jurisdiction in connection with the Dividend in Specie, including the obtaining of any governmental, exchange or other consents or the making of any filings which may be required, the compliance with other necessary formalities and the payment of any issue, transfer or other taxes or other requisite payments due in such jurisdiction. Any foreign shareholder who is in doubt as to his position regarding the Dividend in Specie should consult an appropriate professional advisor in the relevant jurisdiction without delay.

14. DIVIDEND TIMETABLE

Event	Date
Dividend Announcement	Monday, 15 November 2021
Cum-Dividend Date	Tuesday, 30 November 2021
Ex-Dividend Date	Wednesday, 1 December 2021
Record Date	Friday, 3 December 2021
Collection of New Share Certificates Date	Tuesday, 7 December 2021

By Order of the Board

Pearl Mutiti
Company Secretary

15 November 2021

SOUTHERN TRUST SECURITIES (PVT) LTD
(Members of the Zimbabwe Stock Exchange)
Sponsoring Broker

FIRST TRANSFER SECRETARIES (PRIVATE) LIMITED

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