BOWLER METCALF LIMITED
Incorporated in the Republic of South Africa
Registration number 1972/005921/06
Share code: BCF   ISIN: ZAE000030797
("**the Company**")

VOLUNTARY ANNOUNCEMENT IN RESPECT OF THE PROPOSED ACQUISITION BY BOWLER PLASTICS PROPRIETARY LIMITED ("Bowler Plastics") OF THE BUSINESS AND ASSETS OF SKYE PLASTICS PROPRIETARY LIMITED ("Skye Plastics")

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1. **Introduction**

   Shareholders are advised that on 17th November 2021, the Company, through its wholly-owned subsidiary, Bowler Plastics, entered into a conditional binding offer ("**CBO**") with Skye Plastics in terms of which Bowler Plastics proposes to acquire, and Skye Plastics will sell, the business and assets of Skye Plastics as a going concern ("**Proposed Acquisition**"). Skye Plastics is the vendor and neither the entity or its owners are related parties to the Company as defined in the Listings Requirements of the JSE Limited ("**JSE**").

2. **Description of Skye Plastics**

   Skye Plastics, which was established in April 1994, continues today under the same ownership and manufactures rigid plastic packaging of the highest quality. Over the last 28 years, the management team has successfully built and sustained a strong customer and operations team with a step change in growth in the past three years. Skye Plastics partners with customers in product and mould design, ensuring maximum brand appeal and cost-effectiveness for each bottle and cap.

3. **Rationale for the Proposed Acquisition**

   The Proposed Acquisition accelerates the expansion of Bowler Plastics into the medical and agricultural packaging sectors. In addition, it provides a platform from which to serve a broader emerging customer base with standard packaging in a changing personal care market. The acquired skills and machine capacity can seamlessly integrate into the various Bowler Plastics operations in support of the overall business growth strategy.

4. **Suspensive Conditions**

   The Proposed Acquisition will be subject to the signing of a formal sale agreement as well as to the fulfilment of certain other suspensive conditions ("**Suspensive Conditions**"), including, *inter alia*:

   4.1 Bowler Plastics being satisfied with the outcome of a due diligence investigation into the business of Skye Plastics;
   4.2 final approval by the boards of directors of the Company and Bowler Plastics Board; and
   4.3 the conclusion of ancillary agreements

   It is intended that the Suspensive Condition in paragraph 4.1 above will be fulfilled on or before 14 December 2021 and subject to such fulfilment, the parties will finalise and sign a formal sale agreement. Any remaining Suspensive Conditions, with appropriate fulfilment periods assigned to them, will be contained in the formal sale agreement to be concluded.

   It is not anticipated that approval by the Competition Commission will be required as the Proposed Acquisition will be classified as a small merger, and no compulsory notification will therefore be required.

5.   Other salient terms of the Proposed Acquisition
5.1   The employment of all permanent staff will be transferred by Skye Plastics to Bowler Plastics.
5.2   Skye Plastics, its Managing Director and Operational Director will be subject to restraints of trade.

6.   Effective date of the Proposed Acquisition
The effective date of the Proposed Acquisition is anticipated to be the first day of the calendar month following that in which the last of the Suspensive Conditions is fulfilled or waived.

7.   Warranties and other significant terms of the CBO
The CBO contains certain representations and warranties by Skye Plastics in favour of Bowler Plastics. These, together with other fairly standard representations and warranties for a transaction of this nature, will be contained in the formal sale agreement to be concluded.

8.   Classification of the Proposed Acquisition
The Proposed Acquisition falls below a Category 2 transaction in terms of the JSE Listings Requirements and therefore does not require approval from the Company's shareholders and this announcement is made on a voluntary basis.

Cape Town
18 November 2021

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