

**PROSPECTUS**

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**RIBO**  
**BOTTLING COMPANY**  
**LIMITED**



**RIVELLA**

REGD. TRADE MARK

**PROSPECTUS**  
**OF**  
**RIBO BOTTLING COMPANY**  
**LIMITED**

*(Incorporated in the Republic of South Africa)*

**Issue of 718,000 Ordinary Shares of 50 cents each at par.**

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*(Three forms of application are attached—one only to be completed in respect of each application.)*

# RIBO BOTTLING COMPANY LIMITED

*(Incorporated in the Republic of South Africa)*

**Issue of 718,000 Ordinary Shares of 50 cents each at par payable in full on application in the currency of the Republic of South Africa and ranking pari passu with existing Ordinary Shares in the Company.**

## Registration

A copy of this Prospectus together with copies of documents specified below, have been filed with and registered by the Registrar of Companies in terms of the Companies Act, 1926, as amended. The written consent of the Auditors, Messrs. Deloitte, Plender, Griffiths, Annan & Co. to the issue of this Prospectus, including their report in the form and

context in which it has been included herein. This consent was given and was not withdrawn before delivery of this Prospectus for registration. The written consent of the auditors, bankers and attorneys to act in their respective capacities. Copies of contracts as required in terms of the Sixth Schedule of the Companies Act, 1926, as amended.

## Copies of this Prospectus

Copies of this Prospectus and Application Forms may be obtained from:—

**Rivella Southern Africa (Pty.) Ltd.,**  
1505, Rand Central,  
165, Jeppe Street (P.O. Box 3422),  
Johannesburg.

**The Company's Bankers:**  
Standard Bank of S.A. Ltd.,  
88, Commissioner Street,  
Johannesburg.

And at their main branches throughout South Africa.

**The Company's Secretaries:**

Isaacs, Kessel, Feinstein & Co.,  
2nd Floor, Annan House,  
86, Commissioner Street,  
Johannesburg.

## Application for Shares

The application lists for the Ordinary Shares now offered will open at 9 a.m. on October 16, 1963, and will close at 12 noon on November 1, 1963, after which date no further applications will be considered.

The Directors of RIBO BOTTLING COMPANY LIMITED, Johannesburg, reserve to themselves the right to refuse any application for shares or to accept some applications in full and others in part or to abate all applications pro rata. Where the number of shares allotted is less than the number applied for, the amount in excess will be returned. No receipts will be given for applications and remittances.

Applications must be for 100 shares or multiples thereof, and should be made on the application forms attached at the back of this Prospectus.

Preference in the acceptance of applications will be given to applicants for small numbers of shares as it is the wish of the Company to secure as wide a spread of shareholders as possible.

All applications should be forwarded to:

ISAACS, KESSEL, FEINSTEIN & CO.,  
2nd FLOOR, ANNAN HOUSE,  
86, COMMISSIONER STREET,  
(P.O. BOX 6610),  
JOHANNESBURG,

and should be accompanied either by cheque, which

should be crossed "Not Negotiable" or by bankers draft, payable in Johannesburg.

Cheques and bankers drafts must be in favour of RIBO BOTTLING COMPANY LIMITED.

No bank commission is payable on applications, but applicants will bear bank commission payable on any refund cheques issued by the Company.

Unless persons or companies applying in a nominee capacity disclose the number of shares applied for and the name of each of its principals, such applications will be regarded as a single application.

Acceptance of applications will be conditional on a minimum subscription for 500,000 shares of 50c being obtained, equal to R250,000. Money paid in respect of all shares will be returned if such minimum subscription is not obtained. As soon as the Directors consider the time opportune, an application for listing will be made to the Johannesburg Stock Exchange. At this stage no application will be made for a Stock Exchange listing due to the fact that the Company can produce no financial history.

A commission of  $\frac{3}{4}\%$  (three quarter percent) on the offer price will be paid on all shares allotted in respect of applications bearing the stamp of a recognised Broker, Banker, Trust of Investment Company, or other approved Agent.

## Share Capital

Authorised .....	R400,000
800,000 Ordinary shares of 50c each.	
Issued and to be issued at par in terms of this Prospectus .....	R360,000
720,000 Ordinary shares of 50c each.	

The issue has not been underwritten. Attention, however, is drawn to the preceding paragraphs insofar as the refund of application moneys is concerned.

## Directors

DAVID EDWARD CRANKO, B.Com., LL.B.,  
(Attorney)  
3, Erlswold Way,  
Saxonwold, Johannesburg.

FERNAND FRANCIS HAENGGI (Swiss),  
Managing Director of Rivella Southern Africa (Pty.) Ltd.,  
33, Majorca Court, Cavendish Road,  
Yeoville, Johannesburg.

WILHELM JOHANNES ROUSSEAU, B.Com.,  
General Manager of Reivilo Dairy Co-Operative Ltd.,  
Reivilo, Cape Province.

MICHAEL LEWIS SIMS,  
Company Director,  
17, Victoria Avenue,  
Melrose, Johannesburg.

Alternate:

DIEDERIK JOHANNES SCHUTTE,  
(for W. J. Rousseau)  
P.O. Box 6,  
Reivilo, Cape Province.

## Technical and Management Consultants

Rivella Southern Africa (Pty.) Ltd.,  
P.O. Box 3422, Johannesburg.

## Secretaries and Registered Office

ISAACS, KESSEL, FEINSTEIN & CO.,  
2nd Floor, Annan House,  
86, Commissioner Street, Johannesburg.

## Transfer Secretaries

PILLAR TRUST LIMITED,  
2nd Floor, Annan House,  
86, Commissioner Street, Johannesburg.

## **Bankers**

STANDARD BANK OF S.A. LTD.,  
88, Commissioner Street, Johannesburg.

## **Attorneys**

DAVID E. CRANKO,  
7th Floor, J.I.C. House,  
80, Commissioner Street, Johannesburg.

## **Auditors**

DELOITTE, PLENDER, GRIFFITHS, ANNAN & CO.,  
84, Annan House,  
Fox Street, Johannesburg.

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## **HISTORY AND BUSINESS**

### **Rivella International Aktiengesellschaft**

Rivella International AG., a company incorporated with limited liability according to the laws of Switzerland and having its registered office in Rothrist, Canton of Aargau, Switzerland, a wholly owned subsidiary of Rivella Holding AG., has entered into bottling and distribution agreements with companies in various countries conferring upon them the right to manufac-

ture and distribute in such countries under the trade mark "RIVELLA" a non-alcoholic beverage made from a milkserum herb-flavoured concentrate.

The trade mark has been registered in the International Trade Mark Register under No. 158'188 and in the Republic of South Africa in class 42 under No. 1631/56, and in class 44 under No. 1632/56.

### **The Product**

"RIVELLA" is a non-alcoholic, pasteurised lacto-mineral beverage, similar in colour to ginger ale or certain white wines and slightly sparkling. "Rivella" is absolutely clear. It tastes sweet/sour, unlike any other beverage available on the South African market.

**It is absolutely pure, containing no chemical preservatives and no colouring matter.**

Its ingredients are:

1. A concentrate derived from milkserum.
2. Water and sugar.

3. An extract from natural mountain herbs (aroma) from Switzerland, representing less than 1% of the finished product in both value and weight.

Initially, the concentrate will be imported from Holland, but arrangements have been made to have it manufactured locally later so that, ultimately, over 99% of the finished beverage will be of South African origin.

Overseas, "Rivella" serves a *dual purpose*. Not only is it enjoyed as a "straight" drink; it is also used as a "mixer", i.e. it is mixed with alcoholic drinks (gin, brandy, vodka) in the same way as soda and ginger ale.

## "Rivella" Achievements Overseas

The beverage known as "Rivella" was first produced commercially in Switzerland in 1954 after many years of research. Sales in that country show a steady upward trend. In 1961 and again in 1962, sales increased by more than 18% compared with the respective previous years.

"Rivella" today is one of the most popular soft drinks in Switzerland, where it competes with several internationally known brands. In 1962, sales reached 1,595,000 imperial gallons.

So successful was the drink in Switzerland that Rivella International AG. received requests from people all over the world for rights to bottle and distribute "Rivella" in their own countries. Rivella International AG. has to date granted licences to companies for the undermentioned countries:

Country	First introduced in
Switzerland	1954
Holland	1957
Belgium	1958
Luxembourg	1958
Australia	1959
England	1959
Germany	1961
Denmark	1963

The beverage is being produced under the trade name "RIVELLA" in all these countries except Germany, where the trade name "Rivella" was not available.

Negotiations for the introduction of "Rivella" in France, the United States of America and Japan have reached an advanced stage.

## Rivella Southern Africa (Pty.) Limited

Rivella Southern Africa (Pty.) Ltd. is a company incorporated under the laws of the Republic of South Africa. The shares are held as to 51% by Rivella Holding AG. and 49% by Mr. Fernand Franciss Haenggi, formerly of Switzerland and now permanently resident in Johannesburg.

Rivella Southern Africa (Pty.) Ltd. has been appointed the sole supplier for the whole of Africa, south of Southern Latitude 10°, of the milkserum (the concentrate) and the herb flavouring (the aroma) required in the manufacture of the beverage bottled in many other parts of the world under the name "Rivella."

## Ribo Bottling Company Limited

Ribo Bottling Company Limited, a company incorporated under the laws of the Republic of South Africa, was registered on September 16, 1963.

On September 17, 1963, Ribo Bottling Company Limited ratified and adopted a manufacturing and distribution agreement with Rivella International AG., the more important provisions thereof being:—

- (a) Ribo Bottling Company Limited has had conferred upon it the *exclusive right* to manufacture and distribute the beverage to be sold under the trade mark "RIVELLA" in the area *within a radius of 50 miles from the Johannesburg City Hall*. This area includes the Pretoria, Vereeniging, Vanderbijl Park areas and the entire Witwatersrand from Springs to Randfontein.
- (b) Rivella International AG. has undertaken not to confer *rights* for the manufacture and/or distribution of the beverage upon any other company in the *Republic of South Africa, South West Africa, Northern and Southern Rhodesia* until it has first offered such rights to Ribo Bottling Company Limited by written notice, which shall not be given prior to *March 31, 1967*. Ribo Bottling Company Limited shall have thirty days from receipt of such written notice within which to accept such rights.
- (c) Rivella International AG. will supply to Ribo Bottling Company Limited complete and detailed instructions for the manufacture of the beverage

and has undertaken to furnish to Ribo Bottling Company Limited, at no cost, details of all future developments, improvements and experience.

- (d) Ribo Bottling Company Limited will pay to Rivella International AG. a royalty which will be fixed in such a way that Rivella International AG. will receive Swiss francs 45.50 (approximately R7.57) per 1,000 imperial gallons of the beverage bottled.
- (e) Rivella International AG. has the right to terminate the agreement by giving nine months notice effective any calendar year-end after 1973, but only if the annual production of the beverage should not have reached 500,000 imperial gallons by 1971 or in any subsequent year up to but not including 1981, or one million imperial gallons in 1981 or any subsequent year. Otherwise, the agreement shall remain in force until December 31, 1989, and unless terminated then, will remain in force for additional periods of five years thereafter.

*The minimum production figure of 500,000 imperial gallons to be attained by 1971 represents approximately 4% of total present sales of all mineral waters in the Johannesburg-Pretoria areas and should be attained within 18 months of first production.*

*A copy of the Manufacturing and Distribution Agreement entered into between Ribo Bottling Company Limited and Rivella International AG. is available for inspection at the registered office of Ribo Bottling Company Limited during the hours 9 a.m. to 1 p.m., and 2 p.m. to 4 p.m. on any week day other than public holidays and Saturday, from October 16, 1963, till November 1, 1963.*

## Comments on the Agreement

The Directors believe that the minimum production figures set out in sub-paragraph (e) above will be surpassed. They base this belief upon the following facts:—

- (a) At the 1960 Census, the total population including all races, in the area bounded by a 50 mile radius from the Johannesburg City Hall, was 2,400,000. Allowing for a natural growth of population and

the recent influx of immigrants, the number of people in this area must have grown considerably since the 1960 Census.

- (b) Act 53 of 1952 imposed an excise duty on soft drinks for the period April, 1952, to March, 1954, and the following is an analysis of production figures of soft drinks in the Republic during that period, based on information obtained from the Department of Customs and Excise, Pretoria:—

**TABLE**

**1. Production Figures of Soft Drinks (excluding Squashes) — According to Area in thousand bulk gallons.**

1952	Total	Cape Town	East London	Port Elizabeth	Durban	Johannesburg	Pretoria
April	1811	403	77	120	275	830	106
May	1069	243	48	66	197	456	59
June	836	224	41	52	119	366	34
July	952	226	45	65	175	391	50
August	926	140	51	69	147	461	58
September	1173	176	55	71	172	636	63
October	1898	505	77	162	239	764	151
November	1935	449	80	223	270	804	109
December	2433	599	103	227	430	936	138
Total for 9 months	13033	2965	577	1055	2024	5644	768
Percentage:	100%	23%	4.5%	8.2%	15.7%	44.3%	4.3%

N.B.: Production figures according to area are not available for years subsequent to 1952.

**2. Monthly Production Figures of Soft Drinks (including Squashes) in above Areas in thousand bulk gallons.**

Period	Total	1952										1953		
		April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	March	
1952/53	23,170	2,201	1,277	1,017	1,164	1,143	1,511	2,357	2,461	3,087	2,816	2,269	1,867	
Period	Total	1953										1954		
		April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	March	
1953/54	25,704	1,870	1,464	1,332	1,272	1,354	1,931	2,357	2,658	3,862	2,595	2,422	2,587	
Index:		1952/53 = 100						1953/54 = 110.9						

N.B.: Monthly Production Figures excluding Squashes are not available.

- (c) During the period July 1, 1956, to December 31, 1962, the production of aerated water drinks in bottles of 8-12 oz. and 24-30 oz. increased by 53% and 43% respectively, as will appear from the

sub-joined table which is based on information extracted from monthly bulletins of statistics compiled by the Bureau of Statistics, Pretoria:—

TABLE

**1. Production of Aerated Water (including Soft Drinks).**

In '000 doz. Bottles.						
	1956/57	1957/58	1958/59	1959/60	†1961	†1962
8—12 oz.	24,387	27,791	31,117	32,270	34,593	37,410
24—30 oz.	3,084	3,881	4,055	4,319	4,010	4,413
	— 1961 —		— 1962 —		1962	1963
	Jan./June	July/Dec.	Jan./June	July/Dec.	Jan./Mch.	Jan./Mch.
8—12 oz.	16,679	17,914	17,315	20,095	10,368	11,051
24—30 oz.	1,756	2,254	2,009	2,404	1,241	1,333

Note: † Year ended 31st December.

Prior years, 1956/57 to 1959/60, are census years relating to financial years of establishments which ended on any date between 1st July of one year and 30th June of the following year.

**2. Production Index.**

1956/57 = 100.

	1956/57	1957/58	1958/59	1959/60	1961	1962
8—12 oz.	100	114	128	132	142	153
24—30 oz.	100	126	131	140	130	143

Note: This index indicates how production of aerated waters has increased over several years. The Directors believe the upward trend will continue as the population grows and standards of living rise.

(d) *Marketing research tests* conducted in Johannesburg and Springs during June, 1963, with bottles of "Rivella" imported from Switzerland indicate a high potential demand for the product from both Europeans and Non-Europeans and that proper marketing and advertising programmes should stimulate a demand exceeding the maximum initial capacity of the contemplated production plant.

(e) In all overseas countries where "Rivella" has been introduced, "Rivella" sells at prices 25% to 30% above those of internationally known cola drinks, but it is the intention to offer "Rivella" in the

Johannesburg/Pretoria areas at substantially the same price as these cola drinks.

(f) Having regard to the success of "Rivella" in Switzerland and other countries where "Rivella" was introduced as an unknown drink competing with several drinks that for many years had enjoyed world-wide reputations, it should not be difficult to surpass the projected minimum production figures. It should be noted moreover that local climatic conditions are more favourable for sales of the beverage than in Switzerland and other European countries.

**Future Prospects and Dividend Policy**

It is estimated that within 18 months from first production, sales of the beverage will reach an annual rate of 520,000 imperial gallons.

Subject to unforeseen circumstances, the net profits after tax at this rate of sales would approximate R51,500. This figure, which is based on estimated annual sales to retailers of R286,000, would produce

net earnings equivalent to 14.3% (7.15 cents per share) on the capital offered in terms of this Prospectus.

Allowing for retention of approximately 40% of profits as a reserve to finance expansion, potential dividend distribution is 60% of net profits, equivalent to a yield of 8½% (4¼ cents per share) on the capital offered in terms of this Prospectus.



The estimated dividend yield set out above appears to be well within the reach of the Company having regard to:—

- (a) overseas sales achieved by the "Rivella" Group;
- (b) the test results as described on Page 7 hereof;
- (c) the increasing demand for soft drinks as reflected on the tables set out on Pages 6 and 7 hereof;
- (d) the dual marketability of "Rivella", i.e. both as a "straight" soft drink and as a "mixer" with alcoholic drinks;
- (e) the beneficial properties of "Rivella" which, unlike other leading soft drinks, is pasteurised and contains *no* chemical preservatives or colouring matter;
- (f) the modern and efficient marketing, advertising and distribution systems employed by the overseas group, which will be made available to this Company. The contemplated sales outlets will ultimately include departmental stores and other retail shops, bottle stores, restaurants, clubs and other outlets exploited by established international softdrinks;
- (g) the technical assistance and know-how the Company will receive from its overseas associates.

## Factory

On September 17, 1963, the Company ratified and adopted a pre-incorporation contract entered into with Elandsfontein Estate Co. Ltd., a subsidiary of The Gold Fields of S.A. Ltd., for the purpose of acquiring Freehold Erf No. 267, Tulisa Park (Industrial) measuring 1.6576 morgen, for the sum of R21,000 (equivalent to R6,000 per acre).

Plans are in hand to erect a modern bottling plant with storage facilities and administration blocks on this stand, which is within the "free delivery area" from Kazerne and within the municipal area of Johannesburg.

This plant will have a capacity of 520,000 imperial gallons per annum of the finished beverage, based on one-shift operations.

## Management

On September 23, 1963, an agreement was entered into between this Company and Rivella Southern Africa (Pty.) Ltd., appointing the latter Technical and Management Consultants to this Company.

This agreement is valid until August 31, 1968, and will be automatically renewed for a further period of five years, unless terminated by either party after giving one year's notice.

A copy of this agreement is available for inspection at the registered office of Ribo Bottling Company Limited during the office hours from October 16, 1963, till November 1, 1963.

Mr. Haengggi first became interested in "Rivella" in 1959. During 1960, he undertook a comprehensive study tour in Switzerland at the Head Office of

Rivella International AG., where he was fully briefed on all technical, marketing and legal aspects of producing and distributing "Rivella". He paid a further visit to Switzerland this year.

Mr. Haengggi is both Managing Director of Rivella Southern Africa (Pty.) Limited and a Director of Ribo Bottling Company Limited.

As soon as appropriate, a General Sales Manager will be appointed by Ribo Bottling Company Limited in collaboration with Rivella International AG.

Rivella International AG. has undertaken to place qualified senior staff at the disposal of Ribo Bottling Company Limited in the event of any shortage of suitable personnel in South Africa.

## Working Capital

The Directors consider that the proceeds of the minimum subscription on the present issue, together with credit facilities, will satisfy the present requirements of the Company.

## Borrowings

The Company has no mortgage, debenture or loan capital outstanding.

## Borrowing Powers of Directors

The following provisions are contained in the Articles of Association of the Company:—

102. Subject as hereinafter provided, the Directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property and uncalled capital and to issue debentures, debenture stock and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company, or of any third party, but the Directors shall restrict the borrowings of the Company and exercise all voting and other rights or powers of control exercisable by the Company in relation to its subsidiary companies (if any) for the time being so as to secure (as regards subsidiary companies so far as by such exercise they can secure) that the aggregate amount at any one time owing by the Company and/or its subsidiary companies in respect of monies borrowed by it or them or any of them (other than inter-company loans and other than temporary loans obtained from the bankers of the Company and/or its subsidiaries in the ordinary course of business) shall not without the previous sanction of the Company in General Meeting exceed the aggregate of:—

- (a) the nominal amount of the issued and paid up share capital for the time being of the Company (subject to any variations therein

since the date of the last audited accounts of the Company) plus

- (b) the aggregate of the amounts standing to the credit of all capital and revenue reserve accounts (other than reserves created by the writing up of any assets of the Company or of any of its subsidiaries after acquisition thereof by the Company or any provisions for taxation), any share premium accounts and the Profit and Loss Accounts as set out in the consolidated balance sheet of the Company and its subsidiaries certified by the Company's auditors and as attached to or forming part of the last accounts of the Company which shall have been drawn up to be laid before the Company in General Meeting at the relevant time;

provided that no such sanction shall be required to the borrowing of any monies intended to be applied and actually applied within ninety days in the repayment (with or without any premium) of any monies then already borrowed and outstanding and notwithstanding that the new borrowing may result in the abovementioned limit being exceeded. No debt incurred or security given in excess of such limit shall be invalid or ineffectual except in the case of express notice to the lender or the recipient of the security given that the limit hereby imposed had been or was thereby exceeded.

## Allocation of Funds

The funds obtained by this issue, together with those already subscribed, will be used as follows:—

Land and Buildings	R 61,000
Machinery	R120,000
Other fixed assets	R 45,000

Working capital	R104,000
Share Issue and Preliminary Expenses	R 30,000
<b>Total</b>	<b>R360,000</b>

Goodwill has not been provided for, as none has been or will have to be paid in connection with this project.

## Statutory Information

The following information is given in terms of the Companies Act, 1926, as amended, the paragraphs being numbered to correspond with the numbers of the paragraphs forming the Sixth Schedule of the aforesaid Act.

### Part I

1. The Company was incorporated on September 16, 1963. Its registered office is at 2nd Floor, Annan House, 86 Commissioner Street, Johannesburg, Transvaal.
2. The application lists open at 9 a.m. on October 16, 1963, and will close at 12 noon on November 1, 1963.
3. The particulars of the share capital are the following:—

Authorised	R400,000
800,000 Ordinary Shares of 50c each.	
Issued and fully paid up	R 1,000
2,000 Ordinary Shares of 50c each.	
To be issued at par in terms of this Prospectus	R359,000
718,000 Ordinary Shares of 50c each.	
	<b>R360,000</b>

The shares are all of one class and carry equal rights in every respect.

4. There are no founders, management or deferred shares.
5. There is no contract or arrangement or proposed contract or arrangement whereby any option or preferential right has been given or agreed to be given to any person to subscribe for any reserve share capital or any increase of capital or any debentures in the Company.
- 6.(a) The qualification of a director shall be the holding alone and not jointly with any other person of not less than 400 Ordinary Shares in the Company. A director may act before acquiring his qualification but must acquire the same within two months after his appointment or election.
- (b) The Articles of Association of the Company provide that:—

(i) The directors (other than a Managing Director) of the Company shall each be paid out of the funds of the Company remuneration for their service at the rate of R500.00 (five hundred Rand) per annum with an additional sum of R500.00 (five hundred Rand) for the Chairman and such further sum, if any, as the Company in General Meeting may from time to time determine. The directors shall also be paid all travelling, hotel and other expenses properly incurred by them in attending and returning from meetings of the directors or any committee of the directors or General Meeting of the Company or in connection with the business of the Company.

Any director who serves on any committee or who devotes special attention to the business of the Company or who otherwise performs services which in the opinion of the directors are outside the scope of the ordinary duties of a director, may be paid such extra remuneration by way of salary, percentage of profits or otherwise as the directors may determine.

(ii) The directors may from time to time appoint one or more of their body to the office of Managing Director for such period, not exceeding five years, and on such terms as they think fit and, subject to the terms of any agreement entered into in any particular case, may revoke such appointment. A director so appointed shall not, whilst holding that office, be subject to retirement by rotation or be taken into account in determining the rotation of retirement of Directors, but his appointment shall be automatically determined if he ceases from any cause to be a director.

(iii) A Managing Director shall receive such remuneration (whether by way of salary, commission or participation in profits, or partly in one way and partly in another) as the directors may determine, and it may be made a term of his appointment that he be paid a pension or gratuity on retirement from his office.

No Managing Director has been appointed.

On September 23, 1963, an agreement was entered into between this Company and Rivella Southern Africa (Pty.) Limited, appointing the latter Technical and Management Consultants to this Company. This agreement is valid until August 31, 1968, and is automatically re-

newed for a further period of five years, unless terminated by either party by giving one year's notice.

The fee payable to Rivella Southern Africa (Pty.) Limited by this Company is R400.00 (four hundred Rand) monthly in arrear.

A copy of this agreement entered into between Ribo Bottling Company Limited and Rivella Southern Africa (Pty.) Limited is available for inspection at the registered office of Ribo Bottling Company Limited during office hours from October 16, 1963, till November 1, 1963.

7. The names, occupations and addresses of the directors and of the auditors of the Company are set forth at the commencement hereof.
  8. The Articles of Association of the Company provide that:—
  109. At the first Annual General Meeting of the Company all the directors of the Company shall retire from office. At each Annual General Meeting of the Company held thereafter one third of the directors (other than a Managing Director) or, if their number is not three or a multiple of three, then the number nearest to but not less than one third shall retire from office.
  110. The directors to retire in every year shall be those who have been longest in office since their last election, but as between persons who became directors on the same day those to retire shall (unless they otherwise agree amongst themselves) be determined by lot. If at any Annual General Meeting any director will have held office for a period of three years since his last appointment, he shall also retire at such meeting.
  111. A retiring director shall be eligible for re-election.
  9. The minimum amount which in the opinion of the directors must be raised by this issue, is: R250,000
- This sum is required to provide for the following:
- |  |          |
|--|----------|
| a) Outright Purchase of land and buildings ..... | R 61,000 |
| b) Part Purchase of Machinery .....              | R 40,000 |
| c) Part Purchase of other fixed assets .....     | R 15,000 |
| d) Working capital: .....                        | R104,000 |
| Production and Administration .....              | R34,000  |
| Sales & Marketing .....                          | R70,000  |
|  |          |
| e) Share Issue and Preliminary Expenses .....    | R 30,000 |
|  |          |
| Total .....                                      | R250,000 |

In the event of the issue not being fully subscribed, but provided the minimum subscription is obtained, the Company will nevertheless be able to finance its operations by purchasing its machinery and other fixed assets valued at R165,000 through Hire Purchase Discount Houses, thereby requiring an initial deposit of only R55,000.

10. The amount payable on application for the ordinary shares now offered is 50c (fifty cents) per share. This is the first offer of shares by the Company to the public. The issue is at par and no premium will accrue to the Company.

10. (*bis*). No share premium is payable.

11. During the two preceding years, no shares or debentures have been issued or agreed to be issued or are under option to any vendors, promoters, or other persons as fully or partly paid up or otherwise in cash.

12, 13 and 14. On September 17, 1963, the Company ratified and adopted a pre-incorporation contract entered into on 15th May, 1963, with Elandsfontein Estate Co. Ltd., of 75, Fox Street, Johannesburg, a subsidiary of The Gold Fields of S.A. Ltd., for the purpose of acquiring Freehold Erf No. 267, Tulisa Park (Industrial) measuring 1.6576 morgen, for the sum of R21,000 being equivalent to R6000 per acre, payable in cash. This stand is within the "free delivery area" from Kazerne and within the Municipality of Johannesburg, and comprises the property on which the Company will be erecting its plant, storerooms and administration blocks.

The said Deed of Sale has since been amended by agreement dated October 1, 1963. It is subject to the suspensive condition that subscriptions be obtained for shares in Ribo Bottling Company Limited to the value of at least R250,000, by not later than December 31, 1963, failing which the Deed of Sale shall be null and void.

Apart from the foregoing, no property has been purchased or acquired by the Company or is proposed to be purchased or acquired, the purchase price of which is to be defrayed in whole or in part out of the proceeds of this offer, or is to be or has within the last two preceding years been paid in whole or in part by securities of the Company, or the purchase or acquisition of which has not been completed at the date hereof.

15. No fixed property (or any option over fixed property) has been purchased or sold within three years prior to the date hereof where any promoter or director has been a member of a partnership, syndicate or association which has been so interested.

16. No amount has been paid within the two preceding years or is intended to be paid to any promoter or to any partnership, syndicate or

association of which a promoter is or was interested.

17. A commission at the rate of  $\frac{3}{4}$ % (three quarter percent) per share will be paid on all shares allotted in respect of applications bearing the stamp of a recognised Stockbroker, Banker, Trust or Investment Company or other approved Agent.

This offer has not been underwritten.

18. The preliminary expenses in connection with the formation of the Company, estimated at R2,500, and the expenses of the issue, estimated at R27,500 (including cost of preparing and issuing new share certificates, stamp duties, the cost of advertising and printing, the auditors' fees and legal expenses), are for the Company's account and are payable by the Company in cash.

19. The following material contracts, not being contracts entered into in the ordinary course of business, have been entered into within three years preceding the date hereof:—

a) A Manufacturing and Distribution Agreement entered into with Rivella International AG., Switzerland, ratified and adopted by this Company on September 17, 1963;

b) An Agreement with Rivella Southern Africa (Pty.) Limited, Johannesburg, relating to technical and managerial services to be furnished to this Company, dated September 23, 1963;

c) A Deed of Sale entered into with Elandsfontein Estate Co. Limited, Johannesburg, on May 15, 1963, relating to the purchase of Freehold Erf No. 267, Tulisa Park (Industrial), Johannesburg, ratified and adopted by this Company on September 17, 1963.

The said Deed of Sale has since been amended by agreement dated October 1, 1963.

A copy of each of the aforementioned contracts is available for inspection at the registered office of Ribo Bottling Company Limited from 9 a.m. to 1 p.m. and 2 p.m. to 4 p.m. on all week days other than public holidays and Saturdays, during the period from October 16, 1963, till November 1, 1963.

20. No director or promoter has any interest, direct or indirect, in the promotion of the Company or property acquired within the two years preceding the date hereof, or proposed to be acquired.

21. No debentures are being offered by the Company.

22. A Certificate to Commence Business was issued on September 16, 1963, but the Company has not yet commenced business.

**Part II**

23. (i), (ii) and (iii). The following is a report by the Company's auditors, Messrs. Deloitte, Plender, Griffiths, Annan & Co.:—

October 1, 1963.

The Directors,  
Ribo Bottling Company Limited,  
JOHANNESBURG.

*Gentlemen,*

Your Company was incorporated on the 16th September, 1963, and no accounts have as yet been made up by it.

*(signed)* Deloitte, Plender, Griffiths, Annan & Co.,  
*Auditors.*

24., 25. and 26. Not applicable.

SIGNED AT JOHANNESBURG, on the 1st day of October, 1963:

*(signed)* D. E. CRANKO.

*(signed)* F. F. HAENGGI.

*p.p.* W. J. ROUSSEAU.  
*(signed)* F. F. HAENGGI.

*p.p.* M. L. SIMS.  
*(signed)* F. F. HAENGGI.