

Mpact Limited
(Incorporated in the Republic of South Africa)
(Registration number 2004/025229/06)
JSE share code: MPT ISIN: ZAE000156501
("Mpact" or "the Company" or "the Group")

FORCE MAJEURE DECLARED IN RESPECT OF INTERRUPTION IN ELECTRICITY SUPPLY TO THE SPRINGS PAPER MILL

As a consequence of an explosion and fire at the municipal sub-station in Ekurhuleni, which supplies electricity to the Company's Springs Paper Mill (the Mill), the Mill has been without electricity supply from 18:00 on Wednesday, 19 August 2020 to date (Power Interruption) and has therefore been unable to produce.

The Company was initially advised by the Ekurhuleni Municipality that electricity supply would be restored to the Mill by no later than 7 September 2020. This has regrettably not happened. Based on the latest indications from the Municipality, it is anticipated that electricity supply could be restored to the Mill by the end of this week. However, given the delays to date, and given the unforeseen additional delays experienced by the Municipality in restoring the sub-station, the Company has declared force majeure in relation to the Power Interruption.

While the Power Interruption is an insurable event in terms of the Company's insurance policy, any impact on the Group's earnings remains uncertain.

About the Mill

The Mill, located in Springs, Ekurhuleni, produces coated white top cartonboard used for packaging foodstuffs, and speciality core board used for toilet rolls, paper reels, cling wrap rolls amongst others. The Mill has a production capacity of approximately 140 000 tons per annum and its total revenue in 2019 was approximately R1.3 billion.

Melrose Arch
16 September 2020

Sponsor
RAND MERCHANT BANK (A division of FirstRand Bank Limited)
