

SOVEREIGN FOOD INVESTMENTS LIMITED

Incorporated in the Republic of South Africa

Registration number 1995/003990/06

JSE Code: SOV

ISIN: ZAE000009221

(“Sovereign”)

GENERAL OFFER BECOMES UNCONDITIONAL AS TO ACCEPTANCES AND UPDATE REGARDING THE TRANSACTION

Unless otherwise defined, capitalised words and terms contained in this announcement shall bear the same meanings ascribed thereto in the combined offer circular to Sovereign shareholders, dated Thursday, 7 September 2017 (“Circular”).

1. Introduction

Sovereign Shareholders are referred to the Circular accompanied by the Bidco Prospectus (collectively, the “Offer Documents”), in terms of which Sovereign Shareholders were advised of the two separate but concurrent offers by Bidco to acquire all or a portion of the Sovereign Shares in issue, excluding Treasury Shares, by way of the Scheme, or the General Offer.

2. General Offer has become unconditional as to acceptances

In terms of the Circular, Sovereign Shareholders were informed that implementation of the General Offer is conditional upon, *inter alia*, Eligible Shareholders accepting the General Offer in respect of so many Offer Shares as will result in Bidco acquiring more than 50% of all the Sovereign Shares in issue, excluding Treasury Shares.

Sovereign Shareholders are advised, in accordance with Regulation 105(1), that:

- Eligible Shareholders holding 41 095 193 Offer Shares, constituting 54.37% of all the Sovereign Shares in issue, excluding Treasury Shares, have accepted the General Offer; and
- as at the date of this announcement, Bidco does not hold any Sovereign Shares.

Accordingly, the General Offer has become unconditional as to acceptances. The General Offer however remains subject to the fulfilment or waiver of the other General Offer Conditions as more fully set out in the Circular.

3. Update regarding the Transaction

The Scheme remains subject to the fulfilment or waiver of the Scheme Conditions. In the event that the Scheme becomes operative, the General Offer will lapse, alternatively, if the Scheme does not become operative and the General Offer becomes wholly unconditional, the General Offer will be implemented.

To obtain a thorough understanding of the Offer and the Delisting, Sovereign Shareholders are advised to refer to the full terms and conditions pertaining thereto, as set out in the Offer Documents.

4. The Independent Board and Sovereign Board responsibility statement

The Independent Board and Sovereign Board (to the extent that the information relates to Sovereign and the Offer) collectively and individually accept responsibility for the information contained in this announcement and certify that, to the best of their knowledge and belief, the information contained in this announcement is true and this announcement does not omit anything that is likely to affect the import of such information.

5. Capitalworks and Bidco board responsibility statement

Capitalworks and the board of directors of Bidco (to the extent that the information relates to Capitalworks, Bidco and the Offer) collectively and individually accept responsibility for the information contained in this announcement and certify that, to the best of their knowledge and belief, the information contained in this announcement is true and this announcement does not omit anything that is likely to affect the import of such information.

Port Elizabeth, Johannesburg

26 September 2017

Corporate advisor to Sovereign and the Independent Board

One Capital Advisory Proprietary Limited

Transaction sponsor to Sovereign

One Capital Sponsor Services Proprietary Limited

Attorneys to Sovereign and the Independent Board

Cliffe Dekker Hofmeyr Inc.

Corporate advisor to Capitalworks and Bidco

One Capital Advisory Proprietary Limited

Attorneys to Capitalworks and Bidco

Cliffe Dekker Hofmeyr Inc.

Independent sponsor to Sovereign

Deloitte & Touche Sponsor Services Proprietary Limited

Disclaimer

This announcement shall not constitute an offer to sell or the solicitation of an offer to buy securities, nor shall there be any sale of the securities described herein, in any jurisdiction, in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction or without an exemption from the registration or qualification requirements under the securities laws of such jurisdiction.

The distribution of this announcement in certain jurisdictions may be restricted by applicable law and therefore persons in such jurisdictions into which this announcement is released, published or distributed should inform themselves about and observe such restrictions.