



Barloworld Limited  
(Incorporated in the Republic of South Africa)  
(Registration number 1918/000095/06)  
(Income Tax Registration number 9000/051/71/5)  
(Share code: BAW)  
(JSE ISIN: ZAE000026639)  
(Share code: BAWP)  
(Bond issuer code: BIBAW)  
(JSE ISIN: ZAE000026647)  
(Namibian Stock Exchange share code: BWL)  
("Barloworld" or the "Company")

### **Further update on the proposed acquisition of Tongaat Hulett Starch business ("Sale Business") and renewal of cautionary announcement**

Shareholders are referred to the cautionary announcement and voluntary business updates dated 12 and 28 May 2020 respectively regarding the material adverse change ("**MAC**") notice delivered by KLL Group Proprietary Limited, a wholly owned subsidiary of Barloworld ("**KLL**" or "**Barloworld**"), to Tongaat Hulett Limited ("**THL**") in terms of the sale and purchase agreement pertaining to the proposed acquisition of the Sale Business (the "**SPA**") (the "**Transaction**").

Shareholders are advised to refer to these announcements and, unless defined in this announcement, all definitions and abbreviations contained therein apply to this announcement.

Shareholders are reminded that Barloworld and THL (the "**Parties**") were unable to reach agreement on whether a MAC has occurred and accordingly the determination is to be referred to an independent accountant ("**Independent Accountant**") in accordance with the process provided for in the SPA. Barloworld remains of the view that a MAC event has occurred as previously communicated and continues to proceed in terms of the MAC notice and its rights and obligations as per the SPA.

Barloworld hereby updates its shareholders that the Parties have been unable to agree on the appointment of one of the two parties identified in the SPA to act as the Independent Accountant. The Parties, however, continue to work towards making a suitable appointment.

In light of the above developments, Barloworld anticipates that the MAC determination process will take longer to complete than the six to eight weeks announced on 12 May 2020 and at this stage Barloworld is unable to provide further clarity on the expected timeline.

Shareholders should note that it is a suspensive condition to the Transaction that no MAC has occurred. Therefore, the Transaction cannot complete until such time as it has been finally determined whether or not a MAC has occurred. If this determination has not been made by the Longstop Date for the fulfilment or waiver of all the suspensive conditions to the Transaction, which will not be later than 31 October 2020, the SPA will terminate.

Barloworld will update shareholders once there have been further material developments regarding the MAC process. Resultantly, shareholders are advised to continue to exercise caution when dealing in the Company's securities until a further announcement is made.

Sandton  
4 June 2020

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