

Tongaat Hulett Limited
(Incorporated in the Republic of South Africa)
Registration number 1892/000610/06
JSE Share Code: TON
ISIN: ZAE000096541
("THL" or the "Company")

Further announcement regarding the proposed disposal of the starch business and withdrawal of cautionary announcement

Shareholders ("THL Shareholders") are referred to:

- the firm intention announcement released by THL on 28 February 2020 wherein the Company advised THL Shareholders that it had entered into an agreement to dispose ("**Disposal**") of its starch business ("**Starch Business**") as a going concern to KLL Group Proprietary Limited ("**KLL Group**"), a wholly-owned subsidiary of Barloworld Limited, subject to the fulfilment or waiver of certain conditions precedent;
- the announcement released on 12 May 2020 which stated that KLL Group had advised THL that KLL Group is of the view that the COVID-19 global pandemic and the consequences thereof constitute an event that is reasonably likely to cause the EBITDA of the Starch Business for the financial year ending 31 March 2021 to be 82.5% or less of the EBITDA of the Starch Business for the financial year ended 31 March 2020, and that, therefore, KLL Group is of the view that a material adverse change ("**MAC**") has occurred;
- the announcement released on 7 July 2020, regarding the referral of the dispute as to whether a MAC had occurred to Rothschild and Co South Africa Proprietary Limited ("**Independent Expert**") for determination; and
- the announcement released on 14 August 2020 which stated that, due to a dispute regarding the focus of the Independent Expert's determination, and in order to deal with the substantive matters in dispute without delay and on an expeditious basis, KLL Group had issued a further notice stating that KLL Group is of the view that a MAC has occurred. The content of this second notice was substantially similar to the content of the first notice.

On 21 September 2020, the Independent Expert, based upon, and subject to, the terms of their determination letter, and as at the date hereof, determined that it is reasonably likely that the EBITDA of the Sale Business for the financial year ending 31 March 2021 will be more than 82.5% of the EBITDA of the Sale Business for the financial year ended on 31 March 2020 and that a MAC has therefore not occurred. The Independent Expert's determination is final and binding.

On 17 and 18 September 2020, in accordance with the Insolvency Act, THL published notices of the Disposal in the Government Gazette and two issues of an Afrikaans and two issues of an English newspaper circulating in the districts in which the Starch Business is carried on.

The Disposal remains subject to conditions precedent. THL remains fully committed to the fulfilment of the remaining conditions precedent and the implementation of the Disposal. Subject to the fulfilment (or waiver, if applicable) of the remaining conditions precedent, it is anticipated that the Disposal will be implemented on 31 October 2020.

Withdrawal of cautionary announcement

Having regard to the above, the cautionary announcement last renewed on 14 August 2020 is withdrawn.

Responsibility statement

The board of directors of the Company, individually and collectively, accepts full responsibility for the accuracy of the information solely pertaining to the Company contained in this announcement. In addition, the board of directors of the Company certifies that to the best of its knowledge and belief, the information contained in this announcement solely pertaining to the Company is true and, where appropriate, does not omit anything that is likely to affect the importance of the information contained herein, and that all reasonable enquiries to ascertain such information have been made.

Tongaat

22 September 2020

Financial Adviser and Transaction Sponsor to THL

PricewaterhouseCoopers Corporate Finance Proprietary Limited

Legal Adviser to THL

Bowmans