

HOSPITALITY PROPERTY FUND LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 2005/014211/06)

Company code: HPAI

(Approved as a REIT by the JSE)

JSE share code: HPB

ISIN: ZAE000214656

("Hospitality" or "the Company")

TSGO SUN HOTELS LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 2002/006356/06)

JSE share code: TGO

ISIN: ZAE000272522

("Tsogo Sun Hotels")

JOINT CAUTIONARY ANNOUNCEMENT – POTENTIAL OFFER BY TSGO SUN HOTELS LIMITED TO ACQUIRE SHARES IN THE ISSUED SHARE CAPITAL OF HOSPITALITY PROPERTY FUND LIMITED AND THE DELISTING OF THE SHARES OF HOSPITALITY PROPERTY FUND LIMITED ("JOINT CAUTIONARY ANNOUNCEMENT")

Shareholders of Hospitality and Tsogo Sun Hotels are advised that their respective boards have, in principle, agreed on the terms and conditions of a transaction by which:

- Tsogo Sun Hotels will offer to acquire all of the ordinary shares with no par value in the issued share capital of Hospitality ("**Hospitality Shares**"), other than the Hospitality Shares already owned by Tsogo Sun Hotels, its subsidiaries (collectively "**Tsogo Sun Hotels Group**") and treasury shares;
- and an application will be made for the delisting of all Hospitality Shares from the main board of the Johannesburg Stock Exchange, being the securities exchange operated by the JSE Limited ("**JSE**").

collectively, (the "**Proposed Transaction**").

The consideration in respect of the Proposed Transaction will be settled by Tsogo Sun Hotels by the issue of no par value ordinary shares in the issued share capital of Tsogo Sun Hotels ("**Tsogo Sun Hotels Shares**") at a ratio of 1.77 Tsogo Sun Hotels Shares per Hospitality Share acquired by Tsogo Sun Hotels. The consideration is the same as the consideration paid in the share for share transactions announced by Tsogo Sun Hotels on SENS on 3 July 2020, 20 July 2020 and 11 August 2020.

Hospitality and Tsogo Sun Hotels intend entering into an implementation agreement that will include the details of the Proposed Transaction.

Tsogo Sun Hotels has received a non-binding, in principle indication of support from Coronation, representing, as at the date hereof, more than 75% of the voting rights entitled to vote in favour of all resolutions required to be passed by the Hospitality Shareholders in order to implement the Proposed Transaction, should it proceed.

Further details on the Proposed Transaction will be announced in due course, but until then shareholders of Hospitality and Tsogo Sun Hotels are advised to exercise caution when dealing in Hospitality Shares and Tsogo Sun Hotels Shares.

Fourways

30 September 2020

Financial adviser to Tsogo Sun Hotels and Hospitality

Investec Bank Limited

Legal adviser to Tsogo Sun Hotels and Hospitality

Edward Nathan Sonnenbergs Incorporated

Sponsor to Tsogo Sun Hotels and Transaction Sponsor to Hospitality

Investec Bank Limited

