

## 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")

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# JOINT ANNOUNCEMENT – FIRM INTENTION BY TSGO SUN HOTELS LIMITED TO MAKE AN OFFER TO ACQUIRE SHARES IN THE ISSUED SHARE CAPITAL OF HOSPITALITY PROPERTY FUND LIMITED AND THE DELISTING OF THE SHARES OF HOSPITALITY PROPERTY FUND LIMITED ("FIRM INTENTION ANNOUNCEMENT") AND WITHDRAWAL OF CAUTIONARY

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## 1. INTRODUCTION

1.1. Further to the announcement released on SENS on 30 September 2020, the board of directors of Hospitality ("Hospitality Board") and the board of directors of Tsogo Sun Hotels ("Tsogo Board") are pleased to propose the terms and conditions of a single offer to be made by Tsogo Sun Hotels 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, which single offer comprises:

1.1.1. a scheme of arrangement in terms of section 114(1) read with section 115 of the Companies Act, No. 71 of 2008 ("Companies Act"), to be proposed by the Hospitality Board to the holders of Hospitality Shares ("Hospitality Shareholders") ("the Scheme"); and

1.1.2. if the Scheme does not become operative, a general offer to the Hospitality Shareholders, made by Tsogo Sun Hotels, as contemplated by section 117(1)(c)(v) of the Companies Act and paragraph 1.15(c) of section 1 of the listings requirements of the JSE Limited ("Listings Requirements") ("General Offer").

(collectively, the "Tsogo Sun Hotels Offer").

1.2. Pursuant to the implementation of the Tsogo Sun Hotels Offer, and subject to obtaining the necessary shareholder approval required pursuant to the General Offer, application will be made for the delisting ("Delisting") of all Hospitality Shares from the main board of the Johannesburg Stock Exchange, being the securities exchange operated by the JSE Limited ("JSE").

1.3. The consideration in respect of the Tsogo Sun Hotels Offer 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 ("Offer Consideration").

1.4. Hospitality and Tsogo Sun Hotels have entered into an implementation agreement ("Implementation Agreement") that includes the details of the Scheme and General Offer.

1.5. The purpose of this firm intention announcement ("Firm Intention Announcement") is to advise the Hospitality Shareholders of the material terms and conditions of the Tsogo Sun Hotels Offer.

## 2. RATIONALE FOR THE SCHEME AND GENERAL OFFER

2.1.1. The nature of the business of Tsogo Sun Hotels and Hospitality are substantially similar and have in-principle the same economic drivers. Hotels owned by Hospitality and operated by Tsogo Sun Hotels make up the vast majority

of both groups' economic value. Furthermore, the Tsogo Sun Hotels Group currently own more than 75% of the issued share capital of Hospitality.

2.1.2. The Tsogo Sun Hotels Group currently includes two listed companies, both exposed to the hospitality sector and with many interrelated services and offerings. Hospitality Shareholders would be able to benefit from a larger and further diversified portfolio of hotels.

2.1.3. The successful implementation of the Tsogo Sun Hotels Offer will:

2.1.3.1. allow for Hospitality Shareholders to benefit from a significant company within the Tsogo Sun Hotels Group that has been trading since 1969, with complementary assets in addition to Hospitality's asset holding, and further simplify the Tsogo Sun Hotels Group;

2.1.3.2. grant Hospitality Shareholders an opportunity to swap their Hospitality Shares into Tsogo Sun Hotels Shares, thereby fully aligning the interests of Tsogo Sun Hotels and the interests of those Hospitality Shareholders, and creating significantly more liquidity for those shareholders by holding Tsogo Sun Hotels Shares than what they currently have given the very limited liquidity in Hospitality Shares as recently traded on the JSE; and

2.1.3.3. simplify Tsogo Sun Hotels' corporate and operating structure, as Hospitality could become a wholly-owned subsidiary of Tsogo Sun Hotels if the Scheme were to be implemented, thereby reducing structural complexity and costs associated with maintaining two separate listings on the JSE.

### 3. HOSPITALITY INDEPENDENT BOARD

3.1. In terms of the regulations prescribed by the Minister of Trade and Industry in terms of sections 120 and 223 of the Companies Act ("**Companies Regulations**") and the Listings Requirements, Hospitality is required to constitute an independent board of directors of Hospitality ("**Independent Board**") for the purposes of considering the Scheme and General Offer, including evaluating the terms and conditions of the Scheme, the General Offer and the proposed Delisting, and advising Hospitality Shareholders thereon.

3.2. In accordance with Companies Regulation 108, the Independent Board is required to comprise a minimum of three independent directors. Having considered the current composition of the Hospitality Board, the board has appointed J Awbrey, T Mosololi and D Smith as additional directors to the Hospitality Board, as it is entitled to do in terms of Companies Regulation 108(9). The Hospitality Board has determined that all of such additional directors are independent for the purpose of the Listings Requirements and the Companies Regulations, and shall serve as the Independent Board for the purpose of the Tsogo Sun Hotels Offer.

### 4. THE SCHEME

4.1. The Scheme shall be proposed by the Hospitality Board to the Hospitality Shareholders in accordance with section 114(1) read with section 115 of the Companies Act and the Companies Regulations and accordingly, constitutes an "affected transaction", as defined in section 117 of the Companies Act.

4.2. The implementation of the Scheme shall be subject to the following conditions precedent, namely:

4.2.1. the JSE and the Takeover Regulation Panel ("**TRP**") approving the Joint Offer Circular ("**Circular**") to be issued to Hospitality Shareholders;

4.2.2. the shareholders of Tsogo Sun Hotels authorising, by way of a resolution adopted by the holders of Tsogo Sun Hotels Shares with the support of more than 50% (fifty percent) of the voting rights exercised on the resolution, the implementation of the Tsogo Sun Hotels Offer as a Category 1 transaction in terms of the Listings Requirements;

- 4.2.3. the JSE approving the Delisting pursuant to the implementation of the Scheme, in accordance with paragraph 1.14 of section 1 of the Listings Requirements;
- 4.2.4. each of the resolutions required to be adopted by the Hospitality Shareholders to approve the Scheme in terms of section 115(2)(a) of the Companies Act being approved by the requisite majority of votes as contemplated in the Companies Act and the Listings Requirements;
- 4.2.5. the admission to listing on the main board of the JSE of the shares to be issued by Tsogo Sun Hotels upon implementation of the Scheme, and the approval by the JSE of all documentation required by the JSE to be submitted to it in connection with such listing;
- 4.2.6. no valid demands by Hospitality Shareholders in terms of section 164 of the Companies Act ("**Valid Demands**") are received by Hospitality or, if any Valid Demands are received by Hospitality, such Valid Demands are received from Hospitality Shareholders who, in aggregate, hold less than the aggregate number of Hospitality Shares as Tsogo Sun Hotels and Hospitality may determine by agreement;
- 4.2.7. if any person who voted against the special resolution required to approve the Scheme pursuant to section 114(1) read with 115(2)(a) of the Companies Act ("**Scheme Special Resolution**") applies to court for a review of the Scheme in terms of section 115(3)(b) and section 115(6) of the Companies Act, either leave to apply to the court for any such review is refused, or if leave is so granted the court refuses to set aside the Scheme Special Resolution;
- 4.2.8. the TRP having issued a compliance certificate in respect of the Scheme in terms of section 119(4)(b) of the Companies Act;
- 4.2.9. an independent expert being appointed and provides:
  - 4.2.9.1. a "fair and reasonable" opinion in relation to the Scheme, as required by the Companies Regulations; and
  - 4.2.9.2. a fairness opinion to the extent required in terms of paragraph 1.15(d) of Section 1 of the Listings Requirements; and
- 4.2.10. Tsogo Sun Hotels having provided written notice to the Company prior to the date that is 12 (twelve) Business Days after the date on which the Scheme Special Resolution is considered and voted upon by Hospitality Shareholders, confirming that it is satisfied that no material adverse event has occurred on or prior to the date of such notice;  
  
(collectively, the "**Scheme Conditions Precedent**").
- 4.3. The Scheme Condition Precedent in paragraphs 4.2.6 and 4.2.10 are expressed for the benefit of Tsogo Sun Hotels, who shall be entitled, upon written notice to Hospitality, to waive the requirement for fulfilment of such Scheme Conditions Precedent. The remainder of the Scheme Conditions Precedent are expressed for the benefit of Hospitality and Tsogo Sun Hotels, being the parties to the Implementation Agreement ("**Parties**"), who shall be entitled, upon written agreement between them, to waive the requirement for fulfilment of such Scheme Conditions Precedent to the extent that such conditions are legally capable of waiver.
- 4.4. The Scheme shall not be implemented and shall be of no force or effect if the Scheme Conditions Precedent are not fulfilled (or waived) on or before midnight on the 15th (fifteenth) day from and including the date of written notice given by either Hospitality or Tsogo Sun Hotels to the other of them, requiring that those Scheme Conditions Precedent which, at the date of the written notice have not been fulfilled or waived, be fulfilled or, where legally possible, waived, provided that no such notice may be given on or before 14 November 2020.
- 4.5. Should the Scheme not be implemented by reason of paragraph 4.4 above then the General Offer shall be made in accordance with paragraph 5 below.

4.6. In the event that the Scheme Conditions Precedent are fulfilled and the Scheme is implemented, then, on that date (“**Scheme Implementation Date**”):

4.6.1. the Hospitality Shareholders (other than Tsogo Sun Hotels) who are registered as such in the securities register of Hospitality Shareholders at the time and date on which Hospitality Shareholders must be recorded as shareholders in the securities register in order to participate in the Scheme and receive the consideration for their Hospitality Shares (“**Scheme Consideration**”) and are therefore entitled to receive the Scheme Consideration (“**Scheme Participants**”) (whether they voted in favour of the Scheme or not or abstained or refrained from voting) shall be deemed to have disposed of their respective Hospitality Shares (“**Scheme Shares**”), together with all right, title and interest therein and free from of all encumbrances, to Tsogo Sun Hotels;

4.6.2. Tsogo Sun Hotels shall have acquired the registered and beneficial ownership of the Scheme Shares, free from of all encumbrances;

4.6.3. the disposal and transfer by each Scheme Participant of the Scheme Shares held by each such Scheme Participant to Tsogo Sun Hotels, and the acquisition and ownership of those Scheme Shares by Tsogo Sun Hotels, pursuant to the provisions of the Scheme, will be effected, and no further act or instrument shall be required to give effect to such transfer of the Scheme Shares;

4.6.4. the Scheme Participants shall be entitled to receive the Scheme Consideration; and

4.6.5. the Scheme Consideration shall be settled, in full, in accordance with the terms of the Scheme without regard to any lien, right of set-off, counterclaim or other analogous right to which Hospitality or Tsogo Sun Hotels may otherwise be, or claim to be, entitled against a Scheme Participant.

4.7. The Scheme shall be subject to such further conditions and shall be proposed on such further terms as may be set out in the Circular. All the conditions and terms agreed to date have been included in this Firm Intention Announcement.

## 5. THE GENERAL OFFER

5.1. If the Scheme fails, Tsogo Sun Hotels will implement the General Offer in terms of sections 117(1)(c)(v) of the Companies Act and paragraph 1.15(c) of the Listings Requirements.

5.2. The implementation of the General Offer shall be subject to the following conditions precedent, namely:

5.2.1. the JSE and the TRP approving the Circular;

5.2.2. the shareholders of Tsogo Sun Hotels authorising, by way of a resolution adopted by the holders of Tsogo Sun Hotels Shares with the support of more than 50% (fifty percent) of the voting rights exercised on the resolution, the implementation of the Tsogo Sun Hotels Offer as a Category 1 transaction as required in terms of the Listings Requirements;

5.2.3. the JSE approving the Delisting pursuant to the implementation of the General Offer, in accordance with paragraph 1.14 of section 1 of the Listings Requirements;

5.2.4. an independent expert being appointed and provides:

5.2.4.1. a “fair and reasonable” opinion in relation to the General Offer, as required by the Companies Regulations; and

5.2.4.2. a fairness opinion to the extent required in terms of paragraph 1.15(d) of Section 1 of the Listings Requirements; and

5.2.5. the resolution relating to the Delisting is approved by the requisite majority of votes as contemplated in the Listings Requirements;

5.2.6. the TRP having issued a compliance certificate in respect of the General Offer in terms of section 119(4)(b) of the Companies Act; and

5.2.7. Tsogo Sun Hotels having provided written notice to the Company prior to the date that is 12 (twelve) Business Days after the date on which the Delisting Resolution is considered and voted upon by Hospitality Shareholders, confirming that it is satisfied that no material adverse event has occurred on or prior to the date of such notice.

(collectively, the “**General Offer Conditions Precedent**”).

5.3. The General Offer Conditions Precedent in clauses 5.2.3, 5.2.5, and 5.2.7 are expressed for the benefit of Tsogo Sun Hotels, who shall be entitled, upon written notice to Hospitality, to waive the requirement for fulfilment of the General Offer Conditions Precedent. The remainder of the General Offer Conditions Precedent are expressed for the benefit of the Parties, who shall be entitled to, upon written agreement between them, waive the requirement for fulfilment of the General Offer Conditions Precedent to the extent that such conditions are legally capable of waiver.

5.4. The General Offer shall not be implemented and shall be of no force or effect if the General Offer Conditions Precedent are not fulfilled (or waived) on or before midnight on the 15th (fifteenth) day from and including the date of written notice given by either party to the other of them, requiring that those General Offer Conditions Precedent which, at the date of the written notice have not been fulfilled or waived, be fulfilled or, where legally possible, waived, provided that no such notice may be given on or before 14 November 2020.

5.5. Should the General Offer not be implemented by reason of clause 5.4 above then the Tsogo Sun Hotels Offer shall be deemed to have failed and shall not be implemented.

5.6. In the event that the General Offer Conditions Precedent are fulfilled and the General Offer is implemented, then:

5.6.1. Tsogo Sun Hotels will acquire all of the Hospitality Shares (“**General Offer Shares**”) which have been tendered by Hospitality Shareholders who are eligible to participate in the General Offer and who accept the General Offer (“**General Offer Participants**”) in exchange for the consideration for their General Offer Shares (“**General Offer Consideration**”); and

5.6.2. the General Offer Participants shall be entitled to receive the General Offer Consideration.

5.7. In the event that the General Offer is implemented and accepted by eligible Hospitality Shareholders holding at least 90% of the General Offer Shares, Tsogo Sun Hotels may, at its election, invoke the provisions of section 124(1) of the Companies Act, to compulsorily acquire all of the General Offer Shares not already tendered by the eligible Hospitality Shareholders. If Tsogo Sun Hotels elects not to invoke the provisions of section 124(1) of the Companies Act, those eligible Hospitality Shareholders who have not accepted the General Offer will remain shareholders in Hospitality.

5.8. The General Offer will be a continuation of the affected transaction commenced with the Scheme, as defined in section 117 of the Companies Act. The General Offer will be implemented in accordance with the Companies Act and the Companies Regulations and will be regulated by the TRP.

5.9. The General Offer will be subject to such further conditions and shall be proposed on such further terms as may be set out in the Circular. All the conditions and terms agreed to date have been included in this Firm Intention Announcement.

## **6. SCHEME CONSIDERATION AND GENERAL OFFER CONSIDERATION**

6.1. The Scheme Consideration or General Offer Consideration, as the case may, shall be 1.77 Tsogo Sun Hotels Shares per Hospitality Share.

6.2. Tsogo Sun Hotels has sufficient authorised share capital to settle the Scheme Consideration and the General Offer Consideration, as the case may be.

## 7. PRO FORMA FINANCIAL EFFECTS

### 7.1. Tsogo Sun Hotels

The consolidated *pro forma* financial effects of the Tsogo Sun Hotels Offer, as set out below, are the responsibility of the Directors. The consolidated *pro forma* financial effects are presented in a manner consistent with the basis on which the historical financial information of Tsogo Sun Hotels has been prepared and in terms of Tsogo Sun Hotels' accounting policies. The *pro forma* financial effects have been presented for illustrative purposes only and, because of their nature, may not fairly present Tsogo Sun Hotels' financial position, changes in equity, results of operations or cash flows post the implementation of the Tsogo Sun Hotels Offer.

The *pro forma* financial information of Tsogo Sun Hotels has been prepared based on the published audited consolidated financial information of Tsogo Sun Hotels for the year ended 31 March 2020.

<b>Pro forma financial effects (cents)</b>	<b>Audited as at 31 March 2020<sup>1</sup></b>	<b>Pro forma after the subsequent events<sup>2</sup></b>	<b>Pro forma after the Tsogo Sun Hotels Offer<sup>3</sup></b>	<b>% Change</b>
Earnings per share (cents) <sup>4</sup>	(84.5)	(55.3)	(47.3)	14%
Headline earnings per share (cents) <sup>4</sup>	20.4	23.7	25.2	6%
Adjusted headline earnings per share (cents) <sup>4</sup>	26.2	28.7	29.6	3%
Net asset value per share (cents) <sup>5</sup>	597.8	573.6	595.5	4%
Tangible net asset value per share (cents) <sup>5</sup>	551.3	533.3	562.1	5%
Number of Shares in issue excluding Treasury Shares (m)	1,061	1,227	1,479	
Weighted average number of shares in issue (m)	1,061	1,227	1,479	

#### Notes and assumptions:

- The "Audited as at 31 March 2020" column is based on the audited consolidated annual financial statements of the Tsogo Sun Hotels Group for the year ended 31 March 2020.
- The "Pro forma after the subsequent events" column reflects the impact of the following subsequent events:
  - Disposal of the Tsogo Sun Hotels Group's interest in United Resorts and Hotels Limited, as announced on the SENS dated 14 July 2020.
  - Acquisition of additional ordinary shares in Hospitality, as announced on the SENS dated 3 July 2020, 20 July 2020 and 11 August 2020.
- The "pro forma after the Tsogo Sun Hotels Offer" column represents the impact of the Tsogo Sun Hotels Offer.
- Pro forma* earnings, headline earnings and adjusted headline earnings per share are based on the principal assumption that the subsequent events and Tsogo Sun Hotels Offer were effective on 1 April 2019.
- Pro forma* net asset value and net tangible asset value per share are based on the principal assumption that the subsequent events and Tsogo Sun Hotels Offer were effective on 31 March 2020.
- Although there is current significant uncertainty regarding the implications of the COVID-19 pandemic, there is no post balance sheet event that has been adjusted for in this regard. There are no other material subsequent events that require an adjustment to the *pro forma* financial information.
- Details of the adjustments will be presented in the Circular to be posted to the Shareholders.

### 7.2. Hospitality

The financial effects for Hospitality Shareholders are presented below:

In terms of the International Financial Reporting Standards, Tsogo Sun Hotels exercises control over Hospitality by virtue of its shareholding in Hospitality. Consequently, Hospitality's results are consolidated into Tsogo Sun Hotels' statement of comprehensive income and balance sheet. The *pro forma* financial effects of the Tsogo Sun Hotels Offer on Hospitality Shareholders, for which the Hospitality Board is responsible, are provided for illustrative purposes only to provide information about how the Tsogo Sun Hotels Offer will affect the financial position of the Hospitality Shareholders. There are no post balance sheet events which require adjustment to the *pro forma* financial effects.

<b>Pro forma financial effects (cents)</b>	<b>Audited as at 31 March 2020<sup>8</sup></b>	<b>Pro forma after the Tsogo Sun Hotels Offer<sup>9</sup></b>	<b>% Change</b>
Earnings per share (cents) <sup>10</sup>	(344.2)	(83.7)	76%
Headline earnings per share (cents) <sup>10</sup>	81.9	44.6	(46%)
Net asset value per share (cents) <sup>11</sup>	1,327.3	1,054.1	(21%)

Tangible net asset value per share (cents) <sup>11</sup>	1,327.3	994.9	(25%)
Number of Shares in issue excluding Treasury Shares (m)	578	1,479	
Weighted average number of shares in issue (m)	578	1,479	

**Notes and assumptions:**

8. The "Audited as at 31 March 2020" column is based on Hospitality's audited financial results for the 12 months ended 31 March 2020.
9. The financial information in the "Pro forma after the Tsogo Sun Hotels Offer" column has been derived by taking the "Pro forma after the Tsogo Sun Hotels" financial effects from Tsogo Sun Hotels, as illustrated in paragraph 7.1 above and multiplying these results by the Offer Consideration of 1.77 Tsogo Sun Hotels Shares per Hospitality Share to provide the financial effects for Hospitality Shareholders. Based on the assumption that the Tsogo Sun Hotels Offer was implemented on 1 April 2019 for pro forma income statement purposes, Tsogo Sun Hotels will hold 100% of Hospitality's unlisted securities in issue and accordingly Hospitality is assumed not to be a REIT (Real Estate Investment Trust) with effect from 1 April 2019. As a result, the profits generated by Hospitality will be subject to taxation at the corporate rate of 28% and similarly, deferred tax assets and liabilities will be recognised on the balance sheet. In addition, the Tsogo Sun Hotels financial effects illustrated in paragraph 7.1 includes depreciation on hotels owned by Hospitality and managed by Tsogo Sun Hotels. This depreciation charge raised on consolidation is not included in the "Audited as at 31 March 2020" column as reflected above.
10. Pro forma earnings and headline earnings per share are based on the principal assumption that the subsequent events and Tsogo Sun Hotels Offer were effective on 1 April 2019.
11. Pro forma net asset value and net tangible asset value per share are based on the principal assumption that the subsequent events and Tsogo Sun Hotels Offer were effective on 31 March 2020.
12. Although there is current significant uncertainty regarding the implications of the COVID-19 pandemic, there is no post balance sheet event that has been adjusted for in this regard. There are no other material subsequent events that require an adjustment to the pro forma financial information.

## 8. SHAREHOLDINGS IN HOSPITALITY AND ACTING AS PRINCIPAL

- 8.1. Tsogo Sun Hotels is the ultimate proposed purchaser of the Hospitality Shares which form the subject of the Tsogo Sun Hotels Offer and that it is acting alone, and not as agent or broker for any other party.
- 8.2. Tsogo Sun Hotels is the direct and indirect (through its wholly-owned subsidiary, Tsogo Sun Investments Proprietary Limited) beneficial owner of 453 850 261 Hospitality Shares, comprising approximately 75.4% of the issued ordinary share capital of Hospitality.

## 9. INDEPENDENT EXPERT AND FAIR AND REASONABLE OPINION

- 9.1. The Hospitality Board and Independent Board will appoint an independent expert to provide it with advice in connection with the Scheme and the General Offer, in the form of the fair and reasonable opinion as required by and in compliance with the Companies Regulations, and the fairness opinion as required by and in compliance with the Listings Requirements.
- 9.2. The full substance of the independent expert's report in connection with the Scheme and General Offer, once procured, will be more fully set out in the Circular, in accordance with the Companies Act and Listings Requirements.

## 10. TERMINATION OF LISTING

Following implementation of the Tsogo Sun Hotels Offer, whether by way of the Scheme or the General Offer, and subject to obtaining the necessary shareholder approval required pursuant to the General Offer, application will be made to the JSE to terminate the listing of Hospitality Shares on the main board of the JSE.

## 11. CIRCULAR

Further details of the Tsogo Sun Hotels Offer and Delisting will be included in the Circular to be sent to the Hospitality Shareholders, containing, *inter alia*, a notice of the general meeting to consider those resolutions required to implement the Tsogo Sun Hotels Offer, a form of proxy and a form of surrender and transfer. The Circular is expected to be posted to Hospitality Shareholders on or about Friday 16 October 2020.

The salient dates in relation to the Tsogo Sun Hotels Offer and Delisting will be published in due course.

## **12. RESPONSIBILITY STATEMENT**

The Independent Board and Tsogo Sun Hotels accepts responsibility for the information contained in this announcement, and confirm that to the best of their respective knowledge and belief, the information set out herein is true and this announcement does not omit anything likely to affect the importance of the information included.

## **13. WITHDRAWAL OF CAUTIONARY**

Following the release of this Firm Intention Announcement, shareholders of Hospitality and Tsogo Sun Hotels are advised that caution is no longer required when dealing in Hospitality Shares and Tsogo Sun Hotels.

By order of the Independent Board and Tsogo Board

Fourways  
7 October 2020

### **Financial adviser to Tsogo Sun Hotels**

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