

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"**)

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 ANNOUNCEMENT – IMPLEMENTATION OF THE GENERAL OFFER

*Unless otherwise defined, all capitalised terms have the same meanings as defined in the joint offer circular issued by the Company and Tsogo Sun Hotels, dated 21 October 2020 ("**Circular**").*

Hospitality shareholders ("**Hospitality Shareholders**") are referred to Circular containing details of the offer by Tsogo Sun Hotels to acquire all of the issued Hospitality shares other than those held by Tsogo Sun Hotels and its subsidiaries and treasury shares, by way of:

- a scheme of arrangement in terms of section 114(1) read with section 115 of the Companies Act, proposed by the board of directors of Hospitality to the shareholders of Hospitality ("**Scheme**"); or
- if the Scheme fails to be implemented in accordance with its terms, a general offer by Tsogo Sun Hotels to the Hospitality Shareholders in terms of sections 117(1)(c)(v) of the Companies Act and paragraphs 1.15(c) of section 1 of the Listings Requirements ("**General Offer**"); and
- the delisting of all Hospitality shares from the main board of the JSE pursuant to the implementation of the Scheme or, if the Scheme fails, pursuant to the General Offer being implemented,

(collectively, the "**Offer**").

Hospitality Shareholders are furthermore referred to the announcement published by Hospitality on SENS on 8 December 2020 noting that the Scheme remained subject to the fulfilment of waiver, as the case may be, of the following Scheme Conditions Precedent set out in the Circular:

- no demands in terms of section 1645) of the Companies Act are received by Hospitality or, if any such demands are received by Hospitality, such 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; and
- the TRP having issued a compliance certificate in respect of the Scheme in terms of section 119(4)(b) of the Companies Act.

Hospitality Shareholders are advised that Hospitality has received a demand in terms of section 1645) of the Companies Act in respect of Hospitality Shares exceeding the aggregate number of Hospitality Shares determined by Tsogo Sun Hotels and Hospitality by agreement. The significant challenges faced by Hospitality pursuant to the COVID-19 pandemic and restrictions imposed on its business operations are commonly known. In the circumstances, the Hospitality Board and Independent Board do not believe it to be feasible or appropriate to make payment of cash amounts to repurchase the Hospitality Shares from the shareholder who delivered the demand. As a result, the Scheme Conditions Precedent have failed and the Scheme cannot be implemented in accordance with its terms. Accordingly, the General Offer will be implemented.

Hospitality Shareholders are advised that, on 17 December 2020, all the General Offer Conditions Precedent have been fulfilled and the General Offer is wholly unconditional.

The salient dates and times in relation to the implementation of the General Offer are detailed below.

General Offer declared wholly unconditional	Thursday, 17 December 2020
Finalisation announcement published on SENS by 11:00	Monday, 21 December 2020
Last day to trade to take up the General Offer	Tuesday, 12 January 2021
Suspension of trading in Hospitality	Wednesday, 13 January 2021
General Offer Record Date	Friday, 15 January 2021
General Offer Closing Date. Forms to be submitted by 12:00	Friday, 15 January 2021
Last date on which General Offer participants are expected to have their accounts with their Broker or CSDP credited with the General Offer Consideration, on or about	Monday, 18 January 2021
Expected last General Offer Payment Date	Monday, 18 January 2021
Expected termination of the listing of the Hospitality Shares at commencement of trade on the JSE	Tuesday, 19 January 2021

Tsogo Sun Hotels reserves the right to amend the above dates, including the General Offer Closing Date. Any such amendments will be published on SENS.

ACTION REQUIRED IN RESPECT OF THE GENERAL OFFER

Hospitality Shareholders are referred to the Circular which records the steps to be taken by Hospitality Shareholders who wish to accept the General Offer (which is summarised below). The Circular remains available on Hospitality's website.

Dematerialised Hospitality Shareholders

If you are a Dematerialised Hospitality Shareholder, you may be contacted by your duly appointed CSDP or Broker in the manner stipulated in the Custody Agreement and subject to the cut-off time in order to ascertain whether or not you wish to accept the General Offer. If you wish to accept the General Offer, you must notify your CSDP or Broker of your acceptance of the General Offer in the time and manner stipulated in the Custody Agreement. If you are a Dematerialised Hospitality Shareholder and wish to accept the General Offer but have not been contacted by your CSDP or Broker, it would be advisable for you to contact and furnish your CSDP or Broker with instructions in regard to the acceptance of the General Offer. These instructions must be provided in the manner and by the cut-off date and time stipulated in your Custody Agreement and must be communicated by your CSDP or Broker to the Transfer Secretaries by no later than 12:00 on the General Offer Closing Date. You must NOT complete the Form of Acceptance and Transfer attached to the Circular (*in pink*).

Certificated Hospitality Shareholders

If you are a Certificated Hospitality Shareholder and wish to accept the General Offer, you must complete the Form of Acceptance and Transfer attached to the Circular in accordance with its instructions and forward it, together with your Documents of Title to be received by the Transfer Secretaries, Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196 (hand deliveries) or P.O. Box 61763, Marshalltown, 2107 (for postal deliveries), by no later than 09:00 on the General Offer Closing Date. If you accept the General Offer and surrender your Documents of Title, you will NOT be able to Dematerialise and/or trade your General Offer Shares from the date that you surrender your Documents of Title in respect of those General Offer Shares.

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.

Fourways
17 December 2020

Financial advisor 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