



NUTRITIONAL HOLDINGS

NUTRITIONAL HOLDINGS LIMITED

(Registration number: 2004/002282/06)

(Incorporated in the Republic of South Africa)

(Share Code: NUT ISIN Code: ZAE000298568)

("the Company" or "the Group")

QUARTERLY SUSPENSION UPDATE ANNOUNCEMENT AND RENEWAL OF CAUTIONARY ANNOUNCEMENT

Shareholders are referred to the previous SENS announcement dated 22 March 2022 with regards to an update on the status of the Company.

In terms of paragraph 1.11(c) of the JSE Listings Requirements, the Company is required to provide an update to shareholders regarding the current state of affairs of the Company until the Suspension is lifted. Accordingly, shareholders are advised that the following:

Investor commitment

A firm written commitment has been received from an investor (representing a number of investors) ("Investors") to provide financial and other support towards the regularisation of Nutritional Holdings, subject to certain terms and conditions, including the restructure of the Board. Two nominations of independent non-executive directors have already been accepted as detailed below.

A detailed review of operations and engagement with existing, former and potential service providers has been ongoing, including the auditor of Nutritional Holdings. It has been agreed that the food manufacturing business housed in Nutritional Foods Proprietary Limited ("Nutritional Foods") should be retained, as well as the cannabis focussed business housed in Ukusekela Proprietary Limited ("Ukusekela") and both businesses should form part of the strategy to rebuild Nutritional Holdings. Production at the factory at Ukusekela is currently on hold pending the renewal of requisite licenses which had lapsed. Other opportunities and licences in this area are being investigated.

Board and Compliance

1. The appointment of two new Independent Non-Executive Directors to the board, namely Mr Igmar Rautenbach and Mr Cobus Kotze as announced on SENS on 28 March 2022.
2. An Interim Designated Advisor and Company Secretary have been appointed, which appointment is expected to become permanent subject to certain conditions being achieved.
3. Mr Neville Moodley has been appointed as the financial director as published on SENS on 28 March 2022.

The Board is still being restructured to allow for the appointment of additional South African based and experienced independent directors. A separate announcement will be made in due course.

Audited and Interim Results

Shareholder are referred to the previous SENS announcement published on 22 March 2022 regarding the finalisation of the audited group results. The reasons for the delay of the Company's audited results are mainly due to reconsolidation of Nutritional Foods into the group results, a full review of previous work done and investigation into all transactions, with rectification steps being addressed where needed. Two of the Company's directors have been appointed to the board of Nutritional Foods and the relevant financial information has been requested.

The Company has sent the JSE a strategic roadmap of their plans to regularise the Group and requested for the JSE to allow for a six-month extension in order to finalise the audits for 28 February 2021 and 28 February 2022, respectively as well as the interim results for the six months ended 31 August 2021. The Company continues to engage with the JSE on the consideration of the termination of its listing. Accordingly, this process is ongoing.

Bi-weekly update reports will be sent to the JSE against the roadmap. The finalisation of the audited group results is the key focus of the Company at present. The Company will continue to update shareholders as to the progress of the matters set out above.

Legal matters

The Company has recently learnt that a shareholder and former director has taken legal steps against the Company as well as Nutritional Foods, to recover a shareholder loan, amounting to R9 449 137, which two linked applications are being vigorously opposed. The shareholder loan is reflected as a liability in the records of the Group and thus no further provision is required. The company and current investors had initiated and appointed attorneys to assist the Company to defend the matter and the investors will also engage with the shareholder to try to resolve the matter amicably.

Lifting of suspension

The lifting of the suspension can only occur subject to, inter alia, the following:

- audited results for the year ended 28 February 2021 ("Annual Results") being published on SENS;
- the distribution of the Integrated Annual Report for the year ended 28 February 2021; and
- the publication of the interim results for the six months ended 31 August 2021.

Given the effluxion of time, it is expected that the Company will also need to complete the audit for the year ended 28 February 2022 before the JSE will agree to lift the suspension.

The Company will only re-apply for the lifting of the Suspension of trade in its securities once the above results have been published on SENS, the Annual Reports have been distributed to shareholders and the Company has responded to the JSE in full on all queries raised.

A further announcement in this regard will be published in due course.

Renewal of Cautionary Announcement

Shareholders are advised to continue to exercise caution when dealing in their securities until a further announcement is made.

By order of the Board

Durban

29 April 2022
