

## THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

The definitions and interpretations commencing on page 6 of this Circular apply throughout this Circular, including this front cover.

### Action required by Shareholders:

This Circular is important and should be read in its entirety, with particular attention to be given to the section entitled: "Action required by Shareholders" commencing on page 2 of this Circular, which sets out the detailed actions required of Shareholders in respect of the matters dealt with in this Circular.

If you are in any doubt as to what action you should take in relation to this Circular, please consult your CSDP, Broker, agent, banker, accountant, attorney or other professional advisor immediately.

If you have disposed of all your Shares, this Circular should be handed to the purchaser of such Shares or to the CSDP, Broker or other agent through whom such disposal was effected.

**THL does not accept responsibility, and will not be held liable, under any applicable law, regulation or otherwise, for any action of, or omission by, any CSDP, Broker or other service provider to, or other agent of, any beneficial owner of Shares including, without limitation, any failure on the part of the CSDP, Broker or other service provider to, or agent of, any beneficial owner of Shares to notify such beneficial owner of the General Meeting or of the matters set out in this Circular.**

This Circular does not constitute or form part of any offer, or invitation for or solicitation of any offer, to purchase, otherwise acquire, subscribe for, sell, otherwise dispose of, or issue, any security in any jurisdiction, nor shall it or any part of it form the basis of, or be relied on in connection with, any agreement or commitment whatsoever in any jurisdiction.



Est. 1892

# TongaatHulett®

## Tongaat Hulett Limited

(Incorporated in South Africa)

(Registration Number: 1892/000610/06)

ISIN: ZAE000096541 JSE share code: TON

("THL" or the "Company")

## CIRCULAR TO SHAREHOLDERS

seeking the approvals which the Company requires from Shareholders to enable it to proceed with the Equity Subscription, including, *inter alia*, the proposed:

- authorisation to issue additional Shares for the purpose of implementing the Equity Subscription considering that the voting power of such Shares, upon issue, will exceed 30% of the voting power of the Shares currently in issue and in order to issue Shares under the Equity Subscription contemplated in sections 41(1) and 41(3) of the Companies Act;
- the specific issue of in aggregate 4 864 887 494 shares to Vision Investments allowing the implementation of the Equity Subscription;

and incorporating:

- a notice convening a General Meeting of Shareholders; and
- a Form of Proxy (*blue*) in respect of the General Meeting (to be completed by Certificated Shareholders and Own-Name Dematerialised Shareholders only).

Business Rescue  
Practitioners



METIS

Corporate Advisor  
to THL



BIRKETT  
STEWART  
MCHENDRIE  
CORPORATE FINANCE

JSE Sponsor  
to THL



PSG CAPITAL

Financial Advisor to  
Vision Investments



Standard Bank

Legal Advisor to THL



WERKSMANS  
ATTORNEYS

Corporate Advisor to Vision Investments



VALOREM  
CAPITAL  
CREATING SUSTAINABLE VALUE

Legal Advisor to Vision Investments



STEIN SCOP  
ATTORNEYS

Date of issue: **Wednesday, 10 July 2024**

This Circular is available in English only. This Circular will be available electronically on the THL website (<https://www.tongaat.com>) from the date of issue of this Circular up to and including **Thursday, 8 August 2024** (both days inclusive).

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## **IMPORTANT INFORMATION, DISCLAIMERS AND FORWARD-LOOKING STATEMENTS**

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The definitions and interpretations commencing on page 6 of this Circular apply to this section.

### **GENERAL**

This Circular does not constitute or form part of any offer, or invitation for or solicitation of any offer, to purchase, otherwise acquire, subscribe for, sell, otherwise dispose of, or issue, any security in any jurisdiction, nor shall it or any part of it form the basis of, or be relied on in connection with, any agreement or commitment whatsoever in any jurisdiction (including, without limitation, South Africa, Australia, Canada, Japan, the United Kingdom, the United States of America, its territories and possessions, any state of the United States and the District of Columbia (“**United States**”) or any member state of the European Economic Area).

The Equity Subscription referred to in this Circular will be made in accordance with the applicable South African laws and regulations. The Circular will only be addressed to Persons to whom it may lawfully be made.

This Circular is not for distribution, directly or indirectly, in or into any jurisdiction outside of South Africa (including, without limitation, Australia, Canada, Japan, the United Kingdom, the United States or any member state of the European Economic Area) if such distribution is restricted or prohibited by, or would constitute a violation of, the relevant laws or regulations of such jurisdiction. If the distribution of this Circular and any accompanying documentation in or into any jurisdiction outside of South Africa is restricted or prohibited by, or would constitute a violation of, the laws or regulations of any such jurisdiction, this Circular is deemed to have been sent for information purposes only and should not be copied or redistributed.

The information contained in this Circular constitutes factual information as contemplated in section 1(3)(a) of the Financial Advisory and Intermediary Services Act No. 37 of 2002, as amended, and should not be construed as an express or implied recommendation, guide or proposal that the Vision Transaction and Equity Subscription or the present or future business or investments of THL is appropriate to the particular investment objectives, financial situations or needs of any Shareholder or prospective investor, and nothing in this Circular should be construed as constituting the canvassing for, or marketing or advertising of, financial services in South Africa.

### **DATE OF INFORMATION PROVIDED**

Unless the context clearly indicates otherwise, all information in this Circular is provided as at the Last Practicable Date.

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## CORPORATE INFORMATION AND ADVISORS

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### Registered Office

Tongaat Hulett Limited  
(Registration number: 1892/000610/06)  
Amanzimnyama Hill Road, Tongaat,  
KwaZulu-Natal,  
South Africa  
(PO Box 3, Tongaat, KwaZulu-Natal,  
4400, South Africa)

### Place of incorporation

South Africa

### Date of incorporation

7 September 1892

**Website:** [www.tongaat.com](http://www.tongaat.com)

### Investor Enquiries

Michelle Jean-Louis Tel: +27 32 439 4000  
E-mail: [investor.relations@tongaat.com](mailto:investor.relations@tongaat.com)

### Legal Advisor to Vision Investments

Stein Scop Attorneys Inc.  
(Registration Number: 2015/306625/21)  
Second Floor, Capital Hill, 6 Benmore Rd,  
Morningside, Sandton, 2057  
Johannesburg, South Africa

### Corporate Advisor to Vision Investments

Valorem Capital Limited  
(Registration number: 11370741)  
6 The Drive, Cobham, KT11 2JQ  
United Kingdom

### Financial Advisor to Vision Investments

The Standard Bank of South Africa Limited  
(Registration Number 1962/000738/06)  
30 Baker Street  
Rosebank, 2196  
Johannesburg, South Africa

### Company Secretary

JJ van Rooyen B.Proc, MBA  
Amanzimnyama Hill Road, Tongaat,  
KwaZulu-Natal, South Africa  
(PO Box 3, Tongaat, KwaZulu-Natal,  
4400, South Africa)  
E-mail: [johann.vanrooyen@tongaat.com](mailto:johann.vanrooyen@tongaat.com)

### Corporate Advisor to THL

BSM Advisory Proprietary Limited  
(Registration Number: 2019/457342/07)  
22 Kildoon Road  
Bryanston  
Gauteng  
2191

### Legal Advisor to THL

Werksmans Incorporated  
Werksmans Attorneys  
(Registration number: 1990/007215/21)  
The Central, 96 Rivonia Rd, Dennehof, Sandton, 2196  
Johannesburg, South Africa

### Sponsor to THL

PSG Capital Proprietary Limited  
(Registration Number 2006/015817/07)  
1st Floor, Ou Kollege  
35 Kerk Street  
Stellenbosch, 7600  
(PO Box 7403, Stellenbosch 7599)  
and  
Suite 1105, 11th Floor Sandton Eye Building  
126 West Street  
Sandton, 2196

### Business Rescue Practitioners

Metis Strategic Advisors  
Registration Number 2015/220685/07  
22 Kildoon Road  
Bryanston  
Gauteng  
2191

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## ACTION REQUIRED BY SHAREHOLDERS

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The definitions and interpretations commencing on page 6 of this Circular apply to this section.

**This Circular is important and requires your immediate attention.**

If you are in any doubt as to what action to take, please consult your CSDP, Broker, agent, banker, accountant, attorney or other professional advisor immediately.

If you have disposed of all your Shares, this Circular should be handed to the purchaser of such Shares or to the CSDP, Broker or other agent through whom such disposal was effected.

**Shareholders are requested to take note of the following information regarding the actions required by them in connection with this Circular.**

1. **General Meeting**

Shareholders are invited to speak and vote at, and participate in, a General Meeting, convened in terms of the Notice of General Meeting (which is attached to, and forms part of, this Circular) for purposes of considering and, if deemed fit, adopting, with or without modification, the resolutions set out in the Notice of General Meeting.

The General Meeting will be held at at 10:00 on Thursday, 8 August 2024 and will be conducted entirely by electronic communication, as contemplated in the MOI and in section 63(2)(a) of the Companies Act. Shareholders will accordingly only be able to access, and speak and vote at, and participate in, the General Meeting electronically via an electronic facility. Further details on the steps which need to be taken in order to access the electronic facility are provided in the Notice of General Meeting.

2. **Voting and attendance at the General Meeting**

2.1 **Dematerialised Shareholders other than Own-Name Dematerialised Shareholders**

If you have Dematerialised your Shares without “own name” registration, then the following is relevant to you in connection with the General Meeting:

*Voting at the General Meeting*

- Your CSDP or Broker should contact you to ascertain how you wish to cast your vote (or to ascertain whether you wish to abstain from casting your vote) at the General Meeting, and thereafter cast your vote (or abstain from casting your vote) in accordance with your instructions.
- If you have not been contacted by your CSDP or Broker, it is advisable that you contact your CSDP or Broker and furnish it with your voting instructions.
- If your CSDP or Broker does not obtain voting instructions from you, it should vote in accordance with the instructions contained in the mandate agreement between you and your CSDP or Broker.
- You must **NOT** complete the attached Form of Proxy (*blue*).

*Attendance and representation at the General Meeting*

In accordance with the mandate agreement between you and your CSDP or Broker, you must advise your CSDP or Broker if you wish to speak and vote at, and participate in, the General Meeting yourself or through a representative. If you do so, your CSDP or Broker should issue the necessary letter of representation to you or your representative to speak and vote at, and participate in, the General Meeting. In order to speak and vote at, and participate in, the General Meeting, you or your representative will additionally need to take the steps required in order to access the electronic facility, as provided in the Notice of General Meeting.

**THL does not accept responsibility, and will not be held liable, under any applicable law, regulation or otherwise, for any action of, or omission by, any CSDP, Broker or other service provider to, or agent of, any beneficial owner of Shares, including, without limitation, any failure on the part of the CSDP, Broker or other service provider to, or agent of, any beneficial owner of Shares to notify such beneficial owner of the General Meeting or of the matters set out in this Circular.**

## 2.2 Own-Name Dematerialised Shareholders and Certificated Shareholders

If you are a Certificated Shareholder or an Own-Name Dematerialised Shareholder, then the following actions are relevant to you in connection with the General Meeting:

### Voting, attendance and representation at the General Meeting

- You may speak and vote at, and participate in, the General Meeting yourself or through a representative by registering to do so in the manner provided in the “Electronic Participation” section in the Notice of General Meeting.
- Alternatively, you may appoint one or more proxies to represent you at the General Meeting by completing the attached Form of Proxy (*blue*) in accordance with the instructions contained therein. In order for your proxy to speak and vote at, and participate in, the General Meeting, your proxy will additionally need to take the steps required in order to access the electronic facility, as provided in the “Electronic Participation” section in the Notice of General Meeting. A proxy need not be a Shareholder. For the purpose of effective administration, it is requested that the Form of Proxy (*blue*) be lodged with, emailed to or posted to the Transfer Secretaries, to the addresses provided below, so as to reach the Transfer Secretaries at or before **10:00 on Tuesday, 6 August 2024**:

#### **Hand deliveries to:**

Computershare Investor Services  
Proprietary Limited  
Rosebank Towers, 15 Biermann Avenue,  
Rosebank, Johannesburg, 2196,  
South Africa

#### **Postal deliveries to:**

Computershare Investor Services  
Proprietary Limited  
Private Bag X9000, Saxonwold,  
Johannesburg, 2132, South Africa

#### **Email deliveries to:**

proxy@computershare.co.za

If you do not lodge, email or post the Form of Proxy (*blue*) so as to reach the Transfer Secretaries at or before **10:00 on Tuesday, 6 August 2024**, you will nevertheless be entitled to email the Form of Proxy (*blue*) to the Transfer Secretaries at proxy@computershare.co.za so as to reach them prior to the time of commencement of the General Meeting.

## 3. Identification of Shareholders and proxies and representatives

In terms of section 63(1) of the Companies Act, before any person may speak or vote at, or participate in, the General Meeting, that Person must present reasonably satisfactory identification, and the person presiding at the General Meeting must be reasonably satisfied that the right of the person to speak and vote at, and participate in, the General Meeting, either as a Shareholder, or as a proxy or a representative for a Shareholder, has been reasonably verified. Acceptable forms of identification include a valid green barcoded or smart card identification document issued by the South African Department of Home Affairs, a South African driver's licence or a valid passport. A Shareholder or its proxy or representative must electronically provide the necessary proof of its identification in accordance with the relevant provisions of the Notice of General Meeting before such person will be entitled to speak and vote at, and participate in, the General Meeting. If the Shareholder is not an individual, the necessary proof of identification of the representative (such as her/his valid green barcoded, or smart card identification document issued by the South African Department of Home Affairs, South African driver's licence or valid passport) must be accompanied by a copy of a resolution by the relevant entity which sets out that the representative is authorised to represent the relevant entity at the General Meeting.

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## IMPORTANT DATES AND TIMES

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The definitions and interpretations commencing on page 6 of this Circular apply to this section.

**2024**

Record date to determine which Shareholders are entitled to receive the Circular incorporating the Notice of General Meeting	Friday, 5 July
Announcement advising of the posting of this Circular and giving the date and place of the General Meeting released on SENS on	Wednesday, 10 July
Circular and Notice of General Meeting posted to Shareholders on	Wednesday, 10 July
Last date to trade	Tuesday, 30 July
Record date to participate in and vote at the General Meeting	Friday, 2 August
Last day to lodge forms of proxy for the General Meeting by 10:00, for administrative purposes only, on	Tuesday, 6 August
General Meeting held at 10:00 on	Thursday, 8 August
Results of the General Meeting released on SENS on	Thursday, 8 August

**Notes:**

1. All dates and times above and elsewhere in this Circular are South African Standard Time.
2. The above dates and times are subject to amendments. Any material amendments will be released on SENS.
3. If the General Meeting is adjourned or postponed, Forms of Proxy (*blue*) submitted for the General Meeting will remain valid in respect of the resumption of the adjourned meeting, and the recommencement of the postponed meeting.

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## DEFINITIONS AND INTERPRETATIONS

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In this Circular (including the Notice of General Meeting and Form of Proxy) (*blue*), unless otherwise stated or the context indicates otherwise: (i) the words or expressions in the first column below shall have the meaning assigned to them in the second column; (ii) a reference to the singular shall include the plural and *vice versa*; (iii) a word or an expression which denotes one gender includes all other genders; (iv) a natural person includes a juristic person and *vice versa*; and (v) cognate words and expressions shall bear corresponding meanings:

<b>“Almoiz”</b>	means Almoiz NA Holdings Limited, a private limited liability company incorporated in accordance with the laws of the United Arab Emirates, with registration number 67410836;
<b>“Almoiz SA”</b>	means Almoiz SA Industries Proprietary Limited, a private limited liability company incorporated in accordance with the laws of South Africa, with registration number 2023/178806/07, and a wholly owned subsidiary of the Almoiz;
<b>“Approved Plan”</b>	means the business rescue plan proposed to the creditors that was formally approved and adopted on 11 January 2024;
<b>“BRPs”</b>	means the joint business rescue practitioners of the Company, being Peter van den Steen, Trevor Murgatroyd and Gerhard Albertyn;
<b>“Board” or “Directors”</b>	means the board of directors of THL. The names of the directors of THL as at the date of this Circular are listed on page 13 of this Circular;
<b>“Broker” or “Stockbroker”</b>	means as defined in the Financial Markets Act, or its nominee;
<b>“Business Day”</b>	means a day, other than a Saturday, a Sunday or a statutory public holiday in South Africa, on which banks are generally open for business in South Africa, save where a reference to “Business Day” is made within the context of a law in which case it shall bear the meaning ascribed to it by that law, if any;
<b>“Capital Portion”</b>	means on any date, that component of the Lender Group Facility Balance as at that date, which comprises solely of capital i.e. excluding all accrued interest, fees, penalties and the like, and whether capitalised or not;
<b>“Certificated Share”</b>	means a Share which has not been Dematerialised, title to which is evidenced by a share certificate, or other physical document of title acceptable to the Company;
<b>“Certificated Shareholders”</b>	means Shareholders who hold Certificated Shares;
<b>“CIPC”</b>	means the Companies and Intellectual Property Commission, established in terms of section 185 of the Companies Act;
<b>“Circular”</b>	means this bound document dated Wednesday, 10 July 2024, including, without limitation, the Notice of General Meeting and the Form of Proxy ( <i>blue</i> );
<b>“Claims”</b>	means all actual and/or alleged monetary claims against the Company including claims which are disputed, contingent, conditional, liquidated, or unliquidated (including claims for damages), the cause of action in respect of which arose prior to or after the Commencement Date and/or under section 136(3) of the Companies Act;



<b>“Claims Balance”</b>	means an amount of R3.6 bn, constituting the Lender Group Facility Balance outstanding on the Subscription Date immediately following the implementation of the Equity Subscription, comprising the outstanding balance of the Capital Portion, accrued interest, fees (including, <i>inter alia</i> , restructuring, commitment, agency and administration fees) and/or other amounts howsoever named or described, in each instance then owing;
<b>“Commencement Date”</b>	means 27 October 2022, being the date upon which Business Rescue commenced in accordance with section 129 of the Companies Act;
<b>“Competition Act”</b>	means the Competition Act 89 of 1998, as amended, including the regulations promulgated thereunder;
<b>“Companies Act”</b>	means the Companies Act 71 of 2008, as amended, including the regulations promulgated thereunder;
<b>“Companies Regulations”</b>	means the Companies Regulations, 2011, promulgated in terms of section 223 of the Companies Act, as amended from time to time;
<b>“Company” or “THL”</b>	means Tongaat Hulett Limited (Registration Number: 1892/000610/06), a limited liability public company incorporated in accordance with the laws of South Africa;
<b>“Company Secretary”</b>	means the company secretary of THL. The name of the company secretary as at the Last Practicable Date is stated in the “Corporate Information and Advisors” section of this Circular;
<b>“Concurrent Claim”</b>	means any Claim in accordance with the Approved Plan (other than a Disputed Claim) which is unsecured, and which does not enjoy a statutory preference as envisaged in the Companies Act;
<b>“Conditions Precedent”</b>	means the conditions precedent to the agreement regulating the Equity Subscription as set out in paragraph 5.5 of this Circular;
<b>“Creditor”</b>	in accordance with the Approved Plan means any creditor, including without any limitation, PCF lenders, disputed Creditors and contingent Creditors, with a monetary Claim against the Company;
<b>“CSDP”</b>	means a central securities depository participant, being a “participant” as defined in section 1 of the Financial Markets Act;
<b>“Day”</b>	means a calendar day, whether or not a Business Day;
<b>“Dematerialised” or “Dematerialisation”</b>	means the process whereby physical share certificates are replaced with electronic records evidencing ownership of shares in accordance with the rules of Strate, as contemplated in the Financial Markets Act;
<b>“Dematerialised Share”</b>	means a Share which has been Dematerialised;
<b>“Dematerialised Shareholders”</b>	means Shareholders who hold Dematerialised Shares;
<b>“Distributions”</b>	means a transfer of money or other property of the Company, including its own shares, made to Creditors in respect of their approved Claims as provided for in the Approved Plan, including any deemed Distributions as contemplated in the Approved Plan, and outlined in paragraph 6.1.2 of the Approved Plan;
<b>“DNA”</b>	means Distribuidora Nacional de Açúcar Limitada, a company incorporated to purchase, store, distribute and sell all of the sugar produced by the millers in Mozambique;
<b>“Exchange Control Regulations”</b>	means the Exchange Control Regulations, 1961 in South Africa means made in terms of the Currency and Exchanges Act No. 9 of 1933, as amended from time to time, and all directives and rulings issued thereunder;

<b>“Equity Claim(s)”</b>	means that component of the Capital Portion as at the Subscription Date, which when applied to effect the Equity Subscription, will result in the Lender Group Facility Balance, being in the amount of the Claim Balance;
<b>“Equity Subscription Agreement”</b>	means the agreement between THL, Vision Investments and the Vision SPVs governing the terms of the Equity Subscription concluded on the Signature Date, as restated and revised on or about 1 July 2024;
<b>“Equity Subscription”</b>	means the specific issue of in aggregate 4 864 887 494 shares in THL to be subscribed for by Vision Investments, and allotted and issued to Vision Investments by THL in accordance with and pursuant to the Equity Subscription Agreement, and which will be upon subscription and subject to compliance with the relevant provisions within the Equity Subscription Agreement, be distributed to the Vision Parties in the proportions set out in paragraph 5.3 of this Circular;
<b>“Facility Agreements”</b>	means the loan facilities in which facilities are provided by the Lender Group to THL, as amended from time to time;
<b>“Financial Markets Act”</b>	means the Financial Markets Act 19 of 2012, as amended from time to time;
<b>“Form of Proxy”</b>	means the form of proxy ( <i>blue</i> ) incorporated into this Circular for use by Certificated Shareholders and Own-Name Dematerialised Shareholders only, for purposes of appointing a proxy to represent such Shareholders at the General Meeting;
<b>“General Meeting”</b>	means the meeting of Shareholders to be held electronically only at 10:00 on Thursday, 8 August 2024 for the purpose of Shareholders considering, and if deemed fit, adopting, the Shareholder Resolutions, including a resumption of an adjourned meeting, and a recommencement of a postponed meeting;
<b>“Guma Agri”</b>	means Guma Agri and Food Security Limited, a private company limited by shares incorporated in Mauritius, with company file number C192979, having its registered office address at B45 Twenty Foot Road, 5th Floor La Croisette, Grand Baie Mauritius;
<b>“IDC”</b>	means Industrial Development Corporation of South Africa Limited, registration number 1940/014201/06;
<b>“IDC PCF Facility”</b>	means the PCF loan facility provided by the IDC to the Company in an initial principal amount of R1.2 bn on or about 23 December 2022, the principal amount of which facility: <ul style="list-style-type: none"> <li>• was increased to R1.725 bn on or about 28 July 2023;</li> <li>• was increased to R2.3 bn on or about 5 October 2023;</li> </ul> and the principal amount of which facility may increase from time to time;
<b>“Independent Shareholders”</b>	means THL Shareholders who are independent as contemplated in Takeover Regulation 86(4);
<b>“Insolvency Law”</b>	means the Insolvency Act 24 of 1936, as amended and Chapter 14 of the Companies Act 61 of 1973, read with item 9 of Schedule 5 of the Companies Act;
<b>“Implementation”</b>	means the Equity Subscription and implementation of the Approved Plan and the arrangements with other Persons;
<b>“JSE”</b>	means as the context requires, either the: (i) JSE Limited (Registration Number: 2005/022939/06), a limited liability public company incorporated in accordance with the laws of South Africa and licensed as an exchange under the Financial Markets Act; or (ii) securities exchange operated by the aforementioned company;

<b>“Keni 62”</b>	means Keni 62 Proprietary Limited, a private limited liability company incorporated in accordance with the laws of South Africa, with registration number 2023/178882/07 and wholly owned subsidiary of the Guma Agri;
<b>“Last Practicable Date”</b>	means Thursday, 4 July 2024, being the last practicable date prior to the finalisation of this Circular;
<b>“Lender Group”</b>	means THL’s South African debt providers being, as at the Last Practicable Date: <ul style="list-style-type: none"> <li>• Absa Bank Limited;</li> <li>• The Standard Bank of South Africa Limited (acting through its Corporate and Investment Banking division) (including in its capacity as facility agent);</li> <li>• FirstRand Bank Limited (acting through its Rand Merchant Bank division);</li> <li>• Investec Bank Limited (acting through its Corporate and Institutional Banking division and its Investment Banking Division, Corporate Solutions);</li> <li>• Nedbank Limited;</li> <li>• The Land and Agricultural Development Bank of South Africa;</li> <li>• Sanlam Life Insurance Limited (acting through its Sanlam Investment Management division);</li> <li>• Sanlam Investment Management Proprietary Limited (acting on behalf of its third-party clients);</li> <li>• Sanlam Specialised Finance Proprietary Limited;</li> <li>• Momentum Metropolitan Life Limited; and</li> <li>• Ashburton Fund Managers Proprietary Limited (acting on behalf of its clients);</li> </ul>
<b>“Lender Group Facilities”</b>	means the loan facilities provided by the Lender Group to THL from time to time on or about December 2021;
<b>“Lender Group Facility Balance”</b>	means on any date, the outstanding balance owing under the Lender Group Facilities on that date, whether or not then due and owing and comprising capital, interest, fees and any other amounts required (including, <i>inter alia</i> , restructuring, commitment, agency and administration fees) or otherwise scheduled to be paid under the Lender Group Facilities;
<b>“MOI”</b>	means the memorandum of incorporation of the Company;
<b>“Ngwenyama 62”</b>	means Ngwenyama 62 Proprietary Limited, a private limited liability company incorporated in accordance with the laws of South Africa, with registration number 2023/203278/07 and wholly owned subsidiary of the Guma Agri;
<b>“Notice of General Meeting”</b>	means the notice convening the General Meeting to conduct the business described therein and to consider and, if deemed fit, adopt, with or without modification, the Shareholder Resolutions, and which notice is attached to, and forms part of, this Circular;
<b>“Own-Name Dematerialised Shareholders”</b>	means Dematerialised Shareholders who have instructed their CSDP to hold their Dematerialised Shares in their own name on the sub-registers maintained by the CSDP;
<b>“PCF”</b>	means post commencement funding in respect of business rescue processes as governed within chapter 6 of the Act;
<b>“Person”</b>	means a natural person, firm, company, body corporate, juristic person, unincorporated association, regulatory authority or any association, trust, partnership, consortium, or other entity (whether or not having separate legal personality, and in each case in any jurisdiction);

<b>“PIC”</b>	means Public Investment Corporation SOC Limited registration number 2005/009094/30;
<b>“Record Date”</b>	means the date on which Shareholders must be entered in the Securities Register in order to be eligible to speak and vote at, and participate in, the General Meeting, being Friday, 2 August 2024;
<b>“Related”</b>	means the meaning ascribed to it in the Companies Act, irrespective of the place of registration, establishment or incorporation of the relevant Person;
<b>“Remoggo”</b>	means Remoggo (Mauritius) PCC a private company limited by shares incorporated in Mauritius, with company file number C117836;
<b>“the Requirements”</b>	means the listings requirements of the JSE, as amended from time to time;
<b>“SARS”</b>	means South African Revenue Services;
<b>“Secured Creditor”</b>	in accordance with the Approved Plan means a Creditor who holds security for a Claim against the Company in terms of Insolvency Law;
<b>“Securities Register”</b>	means the register of Certificated Shareholders maintained by the Transfer Secretaries on behalf of the Company and each of the sub-registers of Dematerialised Shareholders maintained by the relevant CSDP’s in terms of the Financial Markets Act;
<b>“SENS”</b>	means the Stock Exchange News Service of the JSE;
<b>“Shareholder Resolutions”</b>	means the resolutions contained in the Notice of General Meeting;
<b>“Shareholders”</b>	means the registered holders of issued Shares from time to time;
<b>“Share(s)”</b>	means an ordinary share or shares in THL, listed on the JSE;
<b>“Signature Date”</b>	means the date on which the Equity Subscription Agreement was signed and executed meaning 9 May 2024;
<b>“South Africa”</b>	means the Republic of South Africa;
<b>“Sponsor”</b>	means PSG Capital Proprietary Limited (Registration Number: 2006/015817/07)), a limited liability private company incorporated in accordance with the laws of South Africa;
<b>“Strate”</b>	means Strate Proprietary Limited (Registration Number: 1998/022242/07), a limited liability private company incorporated in accordance with the laws of South Africa being a licensed central securities depository in terms of the Financial Markets Act, which is responsible for the electronic settlement system for transactions that take place on the JSE and off market trades;
<b>“Subscription Date”</b>	means the third Business Day following the date on which all of the Suspensive Conditions are fulfilled or waived in accordance with the Equity Subscription Agreement;
<b>“Suspensive Conditions”</b>	means the suspensive conditions applicable to the Equity Subscription Agreement;
<b>“Takeover Regulations”</b>	means the Takeover Regulations promulgated in terms of section 120 of the Companies Act, and forming part of the Companies Regulations;
<b>“Terris”</b>	means Terris AgriPro (Mauritius) (registration number: 171903 GBC), registered and incorporated in Mauritius;

<b>“Terris Sugar”</b>	means Terris Sugar South Africa Proprietary Limited, a private limited liability company incorporated in accordance with the laws of South Africa, with registration number 2023/185173/07, and a wholly owned subsidiary of Terris;
<b>“THD”</b>	means Tongaat Hulett Developments Proprietary Limited (registration number: 1981/012378/07), a private company with limited liability incorporated in accordance with the laws of South Africa, at present in Business Rescue;
<b>“THSSA”</b>	means Tongaat Hulett Sugar South Africa Limited (registration number: 1965/000565/06), a private subsidiary company of THL with limited liability incorporated in accordance with the laws of South Africa, at present in Business Rescue;
<b>“Tokwe One”</b>	means Tokwe One Proprietary Limited, a private limited liability company incorporated in accordance with the laws of South Africa, with registration number 2023/203285/07, and a wholly owned subsidiary of Remoggo;
<b>“Tokwe Two”</b>	means Tokwe Two Proprietary Limited, a private limited liability company incorporated in accordance with the laws of South Africa, with registration number 2023/203278/07, and a wholly owned subsidiary of Remoggo;
<b>“Tokwe Three”</b>	means Tokwe Three Proprietary Limited, a private limited liability company incorporated in accordance with the laws of South Africa, with registration number 2023/203299/07, and a wholly owned subsidiary of Remoggo;
<b>“Total Shares”</b>	means at a point in time, the total number of Shares then in issue;
<b>“Transfer Secretaries”</b>	means Computershare Investor Services Proprietary Limited (Registration Number: 2004/003647/07), a limited liability private company incorporated in accordance with the laws of South Africa, and transfer secretaries to the Company;
<b>“TRP”</b>	means the Takeover Regulation Panel, established by section 196 of the Companies Act;
<b>“Unsecured Creditors”</b>	means all Creditors with Concurrent Claims against the Company
<b>“Vision Investments”</b>	means Vision Investments 155 Proprietary Limited, a private limited liability company incorporated in accordance with the laws of South Africa, with registration number 2023/178789/07, which is owned and controlled by the remaining Vision Parties and acts for and on behalf of the Vision Parties;
<b>“Vision Parties”</b>	<p>means a grouping made up of the following participants, none of which are related parties to THL, as defined in the Requirements:</p> <ul style="list-style-type: none"> <li>• Terris;</li> <li>• Remoggo;</li> <li>• Guma Agri;</li> <li>• Almoiz;</li> <li>• Vision Investments;</li> <li>• Ngwenyama 62;</li> <li>• Keni 62;</li> <li>• Almoiz SA;</li> <li>• Tokwe One;</li> <li>• Tokwe Two;</li> <li>• Tokwe Three; and</li> <li>• Terris Sugar;</li> </ul> <p>as the context requires, be a reference to any one of them;</p>

**“Vision Principals”**

means:

- Terris;
- Remoggo;
- Guma Agri; and
- Almoiz;

**“Vision SPVs”**

means:

- Ngwenyama 62;
- Keni 62;
- Almoiz SA;
- Tokwe One;
- Tokwe Two;
- Tokwe Three; and
- Terris Sugar SA;

**“Vision Transactions”**

means Vision Investments’ acquisition of the Lender Group Facility Balance held by the Lender Group and the subsequent Equity Subscription as contemplated in this Circular to Shareholders; and

**“ZAR”, “R” or “Rand”**

means the South African Rand, the lawful currency of South Africa.



Est. 1892

# Tongaathulett®

## Tongaathulett Limited

(Incorporated in South Africa)

(Registration Number: 1892/000610/06)

ISIN: ZAE000096541 JSE share code: TON

("THL" or the "Company")

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### DIRECTORS

**Executive Director:**

RD Aitken (Interim *Chief Executive Officer*)

**Non-executive Directors:**

None

**BRPs:**

Trevor Murgatroyd

Peter van den Steen

Gerhard Albertyn

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## CIRCULAR TO SHAREHOLDERS

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### 1. INTRODUCTION AND PURPOSE OF THIS CIRCULAR

- 1.1 Shareholders are referred to the announcement released on SENS on 12 January 2024 in relation to the Approved Plan and the acquisition of the Lender Group Facility Balance amounting to *circa* R8.5 bn and the intended utilisation of a portion of such claims to be discharged, by means of exchange, through the subscription by Vision Investments for new equity in THL.
- 1.2 Shareholders should review this Circular in conjunction with the Approved Plan. The Approved Plan is available for inspection as indicated in paragraph 21 and is available on the Company website: <https://www.tongaat.com/1-3-thl-business-rescue-plan-29-november-2023-with-amendments-vision-clean/>.
- 1.3 THL is in severe financial distress as extensively detailed in the Approved Plan. Due to time constraints, as well as cost constraints, THL is not in a position to fully apply the provisions of the Requirements in as far as they apply to the implementation of the Approved Plan. THL and this Circular are, however, compliant with the Act and the specific carve outs provided in the Act in relation to the implementation of transactions contemplated in the Approved Plan.
- 1.4 THL's current position (*inter alia* due to processes still underway with regards to the auditing of annual financial statements and the financial distress which is to be addressed partly by the subject matter of this Circular to Shareholders) does not enable the Company to comply with all elements of the Requirements as would otherwise be required.
- 1.5 Considering the conditions contained in Schedule 11 of the Requirements and given the current circumstances, this Circular includes information required in terms of a specific issue of shares as governed by the Act and the Requirements with the exception of up-to-date audited financial information and financial impacts in terms of paragraph 11.19A(f).
- 1.6 The purpose of this Circular is to:
  - (i) outline key aspects of the Approved Plan and expand on the rationale for the implementation thereof;
  - (ii) provide Shareholders with additional information in relation to the Equity Subscription which requires Shareholder approval; and
  - (iii) convene the General Meeting in order for Shareholders to consider and vote on the Shareholder Resolutions for which Shareholder approval is sought.

### 2. THL BUSINESS DESCRIPTION AND MANAGEMENT INSIGHTS

- 2.1 THL is a leading agri-business in sugar, ethanol and animal feeds, with a significant asset base and footprint in Southern Africa. THL has ongoing agriculture activities with a substantial land portfolio within the primary growth corridors of KwaZulu-Natal, which has the potential to be converted to developable land at the appropriate time.
- 2.2 THL has consistently focused on creating mutually beneficial relationships by partnering with key stakeholders for the benefit of the people impacted by the Company's operations.
- 2.3 THL has four operations in Southern Africa with significant sugarcane facilities and extensive agricultural landholdings with the potential for future development, a growing animal feeds position and opportunities to further grow ethanol production and electricity generation.
  - (i) THL's sugar business focuses on cane growing, sugar milling and refining throughout the Southern African region. There are three operational mills in South Africa with an installed capacity to produce 600 000 tons of sugar per annum.

Voermol Feeds, an animal feeds business, is also part of the South African operations, manufacturing and marketing a range of energy and supplementary feeds to the livestock farming community.
  - (ii) In Mozambique, there are two operations that have a combined milling capacity in excess of 300 000 tons of sugar per annum.



- (iii) In Zimbabwe, there are two operations that have a combined installed milling capacity of 600 000 tons per annum, while the total refined sugar installed capacity is 60 000 tons per annum.
  - (iv) The Botswana operation has the capacity to pack and distribute 45 000 tons of sugar per annum.
- 2.4 In South Africa, in the season ended in December 2023, a strong operational performance has been driven by improved reliability and efficiency of the sugar operations. This was supported by good local market demand and higher export pricing, together with improved refining cost recoveries.
- 2.5 In Mozambique, overall performance was marginally affected by damage to fields caused by flooding that occurred at the beginning of the 2024 season. Sugar sales volumes have been impacted by the presence of imported sugar in the local market which has led to surplus exports at lower margins. The current Mozambique debt facilities are repayable in July 2024 and the process to refinance or extend these facilities is underway.
- 2.6 Zimbabwe's performance was negatively impacted by operational challenges in the milling operations. The impact of duty-free sugar imports depressing local market prices and the doubling of the minimum wage together with increasing cane purchase costs has significantly reduced margins.
- 2.7 In Botswana, local market price increases exceeded assumptions, while a shift towards higher brown sugar mix contributed to lower revenue per ton.

### 3. IMPLEMENTATION OF THE VISION TRANSACTIONS

#### 3.1 Background to the Approved Plan

- (i) On 27 October 2022, the Board announced its decision to commence with voluntary business rescue proceedings in accordance with Chapter 6 of the Act, having determined that the Company faced circumstances constituting severe "financial distress" within the definition contained in section 128 of the Act. This was after the JSE suspended trading of THL's Shares on the exchange operated by the JSE on 20 July 2022, for failure to timeously publish its audited annual financial statements for the financial year ended 31 March 2022.
- (ii) The key feature of the Approved Plan, pursuant to its adoption and implementation, is the acquisition by Vision Investments of the Lender Group Facility Balance and the subsequent utilisation of the Equity Claims by Vision Investments to subscribe for Shares in THL. The intention is that this will result in (*inter alia*):
  - a. the continued trading of THL substantially in its pre-Commencement Date composition. In this regard it is noted that THD will remain a subsidiary of THL, subject to the implementation of THD's business rescue plan;
  - b. the recapitalisation of the THL balance sheet, in particular the utilisation of a material portion of the former Lender Group Facility Balance to subscribe for equity; and
  - c. the possible continued listing of THL on the JSE, albeit with current Shareholders becoming minority Shareholders and Vision Investments holding the majority of the listed Shares in the Company on behalf of the Vision SPVs following the abovementioned Equity Subscription.
- (iii) If approved and successfully implemented as contemplated, the Approved Plan will result in:
  - a. the rescue of the Company (or as an alternative, the business of the Company) which will continue in business, albeit under new ownership;
  - b. the avoidance of a major humanitarian and financial catastrophe in the KwaZulu-Natal region in general, and in the sugar supply chain in particular as outlined in paragraph 9.3.5 of the Approved Plan;
  - c. the opportunity for new jobs to be created as the business grows under new ownership with Vision Parties;

- d. the implementation of the Equity Subscription by Vision Investments subscribing for new Shares in the Company which will result in Vision Investments owning *circa* 97.3% of the total issued Shares of the Company. The approximate value of the Equity Claim acquired by the Company for the Equity Subscription will be *circa* R4.9 bn based on the Lender Group Facility Balance as at the Signature Date of the Equity Subscription Agreement. The proportion of the Equity Claim (totalling an amount of *circa* R4.9 bn as at the Signature Date of the Equity Subscription Agreement, which amount will increase as explained and illustrated in note 6 in paragraph 8.8 below), utilised by Vision Investments in respect of the Equity Subscription, shall disappear by merger thereby discharging such Equity Claim portion of the Lender Group Facility Balance;
  - e. in addition to the *circa* R1.3 bn already paid to various critical suppliers by THL since the Commencement Date, Vision Investments has agreed to (either by making a loan to THL or otherwise ensuring THL is able to do so) THL paying an amount of R75 m as a Distribution to Unsecured Creditors, pro-rata to their respective Claims. Such Distribution is to be made subsequent to full implementation of the Vision Transactions;
  - f. a positive outcome for Unsecured Creditors. In this regard it is noted that in liquidation Unsecured Creditors would be anticipated to receive nil. Equally so, without the abovementioned amount being made available by Vision Investments, Unsecured Creditors would be anticipated to receive nil in the business rescue;
  - g. existing Shareholders retaining an interest of *circa* 2.7% of the equity in THL with its positively recapitalised balance sheet. In this regard it is noted that in liquidation Shareholders would have anticipated receipt of nil. Equally so, in an alternatively structured transaction (the sale of the assets, *as a going concern*, of THL to Vision Investments), Shareholders would again be anticipated to receive nil. Consequently, and should it be possible to remain listed on the JSE, this results in positive value accruing to Shareholders through the retention of their shareholdings and becoming minority shareholders in the still-listed, post recapitalisation, Vision Investments' controlled THL;
  - h. a portion or the entire amount of the IDC PCF Facility is to be secured in a working capital facility which is sufficient to fund the working capital requirements of the Company for at least the duration of the Business Rescue proceedings, and thereafter it would be the goal of Vision Investments to secure working capital facilities into the future beyond the implementation of the Approved Plan; and
  - i. if possible, THL retaining its listing on the JSE post reinstatement of trade of the Shares in issue, subject to compliance with the Requirements. Shares could potentially start trading again by as early as the beginning of 2025, if all the necessary Requirements in terms of the JSE Listing can be complied with, following which THL's share value will be re-established and Shareholders will have the option to sell THL Shares held, if intended to recognise and crystallise any losses.
- (iv) Shareholders are advised that although it is the intention of the Vision Parties and THL to retain THL's status as a listed company on the JSE, it is possible that the implementation of the Vision Transactions, and the potential mandatory offer that could result therefrom, may result in THL Shares being delisted from the JSE.
- (v) In the event of, for whatever reason, a failure to secure the consents, voting support and/or approvals required in order for the proposed issue of new THL Shares to Vision Investments (i.e., the Equity Subscription) to be effected, the Approved Plan contemplates in substitution that the currently proposed Vision Transactions will be switched from transactions contemplating the issue of new Shares to transactions contemplating the acquisition by Vision Investments of all of THL's assets and businesses (as going concerns) in terms of section 112(1)(a) of the Act which would not require Shareholder approval. Whilst employees, Unsecured Creditors and Secured Creditors would be largely unaffected by such a change, once it has sold its assets and businesses (leaving THL as an empty shell), THL will be delisted from the JSE (as it will no longer qualify to be listed on the exchange) and liquidated, resulting in its Shares (those held by existing Shareholders) having nil value.

### 3.2 Overview of Vision Parties

- (i) The Vision Parties represent a group of investors with notable experience in the sugar industry, THL's operating jurisdictions, and capital investment in Southern Africa. An overview of each Vision Party is set out below:
  - a. Terris Sugar has a successful track record of investing in and operating large scale businesses in South Africa (and internationally). Terris Sugar's most recent realised investment was Samancor Chrome;
  - b. Remoggo is a Mauritian based investment holding company with investments in FMCG retail, agribusiness, logistics, and facilities management services in Zimbabwe and seven other African countries;
  - c. Guma Agri is a Pan African hands-on operational and multi-industry investment powerhouse intensely focused on adding value and initiating growth by means of its entrepreneurial, operational and managerial participation; and
  - d. Almoiz is one of the largest agribusiness groups in Pakistan, with substantial interests in the sugar, energy, steel, animal feed, textiles and food and beverages sector. Amongst its holdings, the group owns and operates 5 sugar mills procuring cane from 40,000 farmers annually to produce over 650,000 tons of refined sugar. It is the only sugar milling group in Pakistan to be "Bonsucro Certified" for sustainable sugar production.
- (ii) Additionally, the Vision Parties have previously engaged with both the PIC and IDC regarding their participation in the Vision Transactions, and the Vision Parties are committed to work with the PIC, IDC, and the Government Employees Pension Fund to the extent they wish to participate in the Vision Transactions.

### 3.3 Background to the Equity Subscription

- (i) The Approved Plan outlines Vision Investments acquiring *circa* R8.5 bn of the Lender Group Facility Balance (including accrued interest and fees), followed by the Equity Subscription. The consideration for such Equity Subscription will be determined as the total Lender Group Facility Balance on the Subscription Date less R3.6 bn (which, as at the Signature Date of the Equity Subscription Agreement was *circa* R4.9 bn based on current balances) which will be discharged, by means of exchange, of such amount of the former Lender Group Facility Balance against THL (i.e. those purchased by Vision Investments).
- (ii) The utilisation of the Equity Claims for the Equity Subscription will result in an equity issue of 4 864 887 494 Shares to Vision Investments holding *circa* 97.3% of the issued share capital of THL, post the Equity Subscription. Existing Shareholders will hold *circa* 2.7% which is 135 112 506 Shares, post the Equity Subscription.
- (iii) Based on the value of the Equity Claim as at the Signature Date of the Equity Subscription Agreement, a deemed share price of 101 cents per Share can be mathematically calculated. However, the deemed Share price has not been arrived at through any empirical determination of fair value given the financial distress of the Company, but rather as the total quantum of debt required to be discharged, by means of exchange for the issuance of the maximum number of available new equity shares in order to restore the company to solvency.
  - a. It is the view of the Vision Parties that:
    - in the circumstance as described above, a deemed share price of 101 cents per Share is not representative of the fair value per Share; and
    - if a mandatory offer were to be triggered following the implementation of the Equity Subscription, the mandatory offer price would be determined based on the fair value and not on the deemed Share price of 101 cents per Share.
  - b. The weighted average trading price of the Shares is not available as THL has been suspended from the JSE as of July 2022.
  - c. The Equity Subscription will achieve a reduction in Lender Group Facility Balance to more sustainable levels. The commercial terms of the Claims Balance of R3.6 bn of debt, known as the Claim Balance, are equivalent to the existing Lender Group Facilities' terms, which

are expected to be amended when the revision of such terms are finalised between the parties after the Equity Subscription.

- (iv) With this further reduction in debt to more sustainable levels, the intention is to bring THL out of business rescue and for the Company to remain listed on the JSE.

## 4. RATIONALE

### 4.1 Shareholder approval

- (i) In accordance with section 146(d) of the Act, a Shareholder is entitled to vote on a business rescue plan in the event it alters the rights associated with the class of securities held by that Shareholder. The Approved Plan did not alter any such rights and therefore, Shareholders were not required nor entitled to vote on the Approved Plan for its approval and adoption.
- a. The Approved Plan contemplated (*inter alia*) the Equity Subscription, which ultimately results in the equity issue which also would not alter the rights associated with the class of securities held by Shareholders, and therefore Shareholders were not required nor entitled to vote on the Approved Plan in terms of section 152(3)(c) of the Companies Act.
- b. During the implementation of the Approved Plan, the Equity Subscription will lead to the issuance of Shares exceeding 30% of THL's current share capital. Given that section 41(3) of the Act in relation to other business rescue carve outs is unclear, shareholder approval is sought via a special resolution, requiring 75% or more of the votes cast in favour for clarity and avoidance of doubt.
- c. Considering THL is a JSE listed entity, albeit in a suspended state, the JSE has considered the application of Schedule 11 of the Requirements and indicated that THL must seek Shareholder approval in the context of paragraph 5.51(g) of the Requirements with a 75% majority vote of the votes cast in favour of the JSE specific ordinary resolution. Various dispensations have been allowed considering Schedule 11 of the Requirements and the details of these dispensations and its impact on this Circular are outlined below:
- Considering THL has been suspended since July 2022, providing share trading history for the time frame required by paragraph 7.C.14 cannot be complied with;
  - Financial impacts as are required in terms of paragraph 11.19A(f) of the Requirements will be outlined in paragraph 8 instead of detailed *pro forma* financial effects due to the detailed *pro forma* effects based on the year ended 31 March 2022 unaudited results being possibly misleading to Shareholders;
  - Considering there are no *pro forma* financial effects, no reporting accountants report on such *pro forma* financial effects is required; and
  - Audited financial statements for the period ended 31 March 2021, unaudited financial results for the period ended 31 March 2022 as published on 31 October 2023 (i.e. only comprise of the summarised consolidated statement of financial position, summarised consolidated statement of profit or loss and other comprehensive income, and the summarised consolidated statement of cash flows) are available on the THL website here: <https://www.tongaat.com/investors/integrated-reports/>
    - The financial results for the periods ended 31 March 2023 and 31 March 2024 are not yet completed and hence unavailable for incorporation by reference in the Circular.

### 4.2 The strategic rationale of the Approved Plan

- (i) The Vision Parties have been tracking the performance of THL for approximately five years and believe the underlying assets and operating segments have value with the appropriate financing structures and operational expertise that the Vision Parties bring.
- (ii) Given THL's historical and current critical role in the agricultural sector of Southern Africa, and specifically its contribution to the local KwaZulu-Natal economy, and the employment of approximately 27 000 people, who on average feed seven dependents each, THL and the Vision Parties believe the value created will be holistic and will make a significant sustainable contribution to all stakeholders in the region.

- (iii) To date, the Vision Parties have already engaged in numerous discussions with THL and the BRPs to better understand the current situation of THL. Additionally, the Vision Parties have engaged technical consultants to evaluate the current operations and have reviewed the contents of the virtual data room previously made available. These activities have provided a further underpin to the strategic rationale for the Vision Transactions.
- (iv) As the first step in implementing the Approved Plan, THL and Vision Investments envisage the Equity Subscription supporting the most effective method to harness the full potential of THL and effectively extract the Company from the business rescue process and set THL on the path to pre-Commencement Date trading and operations.

#### 4.3 Counterfactual in the event of THL liquidation

- (i) In the event that the Equity Subscription is not implemented timeously, and the sale of business is not implemented either in terms of the Approved Plan, pursuant to section 153 of the Act, the Tongaat Group would be placed in liquidation.
- (ii) This will have a number of significant effects on creditors, stakeholders in the market, the competitive dynamics of the South African sugar market as well as animal feed industries, and the public interest broadly, in addition to Shareholders, including the following:
  - a. Employees:
    - Subject to the implementation of the Equity Subscription, the majority of THL's employees will retain their jobs. Conversely, in the event of liquidation, all 2 668 South African jobs would be immediately suspended, potentially leading to immediate job losses unless the liquidator opts to continue trading, which is deemed highly improbable due to the lack of indemnification against trading losses. Employees in liquidation scenarios would be treated as unsecured creditors, only receiving payment after the final liquidation process. It's highlighted that THL's South African employees earned around R850 m in remuneration, significantly impacting numerous households, including those in rural areas. Moreover, THL's operations contributed to a total economy-wide impact of 25 563 employment opportunities, accounting for 0.22% of employment in South Africa, and approximately R7.95 bn in household income. Consequently, the absence of the Equity Subscription would not only result in direct job losses but also substantial ripple effects throughout the economy.
  - b. THL's Creditors:
    - In comparison to adopting the Approved Plan, the distributions to creditors in a liquidation scenario would be notably lower, affecting both secured and unsecured creditors. Additionally, the duration of business rescue proceedings is typically much shorter than liquidation proceedings, potentially taking years to conclude. Notably, under business rescue in sections 128 to 155 of the Act, SARS will be ranked as an unsecured creditor, while in liquidation in terms of sections 96 to 102 of the Insolvency Act 24 of 1936, SARS would be ranked as a statutory preferred creditor. Consequently, in a liquidation scenario, any dividend to unsecured creditors, including employees, would be diminished by SARS' claims against the company, which is additional support for avoidance of a liquidation scenario.
  - c. Shareholders:
    - It is not anticipated that there will be any return to the Company's Shareholders in the event of liquidation or in the event of an asset sale pursuant to the Approved Plan.
  - d. Substantial Socio-Economic Impact:
    - THL's commitment to empowerment farming is evident through its significant payments to growers, particularly benefitting over 15 000 black farmers and cooperative members. However, in the event of liquidation, these crucial relationships and livelihoods would be jeopardised, impacting sugarcane sourcing and the empowerment of local communities. Similarly, THL's partnership with restitution communities, facilitating land reform and rural development, would abruptly cease, halting progress in economic empowerment and local development efforts.



- The ripple effects of THL's potential liquidation extend beyond farming communities, encompassing tax revenues and supplier networks. THL's tax contributions, despite corporate tax losses, play a vital role in the South African economy, generating substantial direct, indirect, and induced impacts. Likewise, THL's liquidation would disrupt its extensive supplier base, significantly comprising black-owned and small enterprise suppliers, further exacerbating economic consequences and eroding valuable contributions to the country's fiscus and Gross Domestic Product.

#### 4.4 Business case and turnaround plan

- (i) The Vision Parties and Vision Investments have reviewed the sugar assets across all geographies and have identified scope for improvement.
- (ii) In the short-to-medium term, the Vision Parties intend to continue THL management's strategy of stabilising and growing the operations and returning the business to sustainable profitability. Many of the challenges faced by THL's operations, such as issues related to delayed and deferred maintenance, old and improperly functioning machinery, frequent breakdowns and lost time, and low milling efficiency, relate to many years of underinvestment in the operations under the previous leadership. While significant progress has been made over the past four years in reinvesting into the production assets, the ability to address all these issues has been limited by the funding available and the capacity of THL. These are areas where the Vision Parties and Vision Investments have deep and distinctive expertise. Their detailed review of milling operations has given the Vision Parties confidence that Vision Investments will be able to bring operations up to acceptable speed and efficiency within a reasonable timeframe and at a manageable cost.
- (iii) In the medium term, the Vision Parties intend to enhance grower confidence that their cane will be processed timeously to address cane security concerns, and to deploy agricultural expertise to support the expansion of THL's cane supply. The ultimate aim is to help THL's South African operations to maximise their installed capacity in annual crush. A significant investment in capital expenditure over this period is intended to transition milling operations from medium-pressure at present to high-pressure steam, providing the platform to further expand and/or diversify into downstream activities where the Vision Parties have significant expertise.
- (iv) Additionally in Zimbabwe and Mozambique, the Vision Parties intend to engage regulators and other stakeholders to ensure that operating environments are stabilised, and the land tenure issues are resolved (as outlined in paragraph 10.1.21 of the Approved Plan) and that cane yields are improved for both owned fields and third-party cane farmers. In Botswana, the focus will be on ensuring that market share within the retail trade is enhanced through sustainable and low-cost sugar supply arrangements.
- (v) The Vision Parties believe that the underlying THL assets have value, that jobs can be saved, and that THL can continue to play a critical role in the agricultural sectors in South Africa, Mozambique, Botswana and Zimbabwe.
- (vi) The Vision Parties have significant breadth of experience in the sugar industry and in THL's operating jurisdictions and have a successful track record of investing in and operating large-scale businesses in South Africa, Zimbabwe and Mozambique, as well as internationally. It is the Vision Parties' belief that their collective expertise will create significant value in the business if an appropriate capital structure is implemented, and operational enhancements drive the business going forward.
- (vii) The Vision Parties have invested significant resources into understanding THL and the current status of its operations. Their due diligence teams attended several site visits, conducted an extensive review of the data provided in the virtual data room and engaged in numerous sessions with THL's management team to understand the technical, operational and financial status of THL's operations.
- (viii) Their findings support their investment thesis and confirm their belief that through their collective experience, the Vision Parties will be able to affect the ongoing successful turnaround of THL through the implementation of their aforementioned business plan.

- (ix) Across the jurisdictions in which THL operates, the Vision Parties have also had extensive preliminary consultations with the relevant authorities.

## 5. SALIENT TERMS OF THE EQUITY SUBSCRIPTION AND THE VISION TRANSACTIONS

The Equity Subscription and the Vision Transactions shall comprise *inter alia* the following elements:

### 5.1 Vision Transactions

- (i) Acquisition by Vision Investments of the Lender Group Facility Balance amounting to *circa* R8.5 bn (balance as at the Signature Date of the Equity Subscription Agreement);
- (ii) Subject to the fulfilment or waiver of the Suspensive Conditions of the Equity Subscription Agreement, the allotment and issue of the Shares to Vision Investments and Vision Investment complying with the provisions of section 46 of the Act, Vision Investments will utilise the Equity Claims to implement the Equity Subscription, and will have the right to distribute the Shares, by way of a *distribution in specie* in terms of section 46 of the Act, to the Vision SPVs in the proportions set out in paragraph 5.3 below, resulting in the Vision SPVs holding *circa* 97.3% of the Shares in THL. Please note the following:
  - a. Vision Investments is a newly incorporated special purpose vehicle that has been formed specifically to facilitate the implementation of the Equity Subscription;
  - b. The Vision SPVs are wholly owned subsidiaries of each of the respective Vision Principals;
  - c. Each of the Vision SPVs shall capitalise Vision Investments;
  - d. The Equity Claim consists of the Capital Portion of the loan facilities advanced by the Lender Group to THL in accordance with the Facility Agreements;
  - e. The proportion of the Equity Claim utilised by Vision Investments in respect of the Equity Subscription, shall disappear by merger, thereby discharging such proportion of the Lender Group Facility Balance; and
  - f. Pursuant to the implementation of the Equity Subscription by Vision Investments, the Vision SPVs will collectively become the holders of *circa* 97.3% of the Shares in THL;
- (iii) Existing Shareholders retain an interest of *circa* 2.7% in THL equity after the Equity Subscription;
- (iv) A replacement IDC facility will be negotiated with the IDC, in a manner that will result in the extinguishment of the PCF;
- (v) Following the outcome of an appeal process, the settlement (or provision therefore) of the South African Sugar Association (SASA) Claims is not a Suspensive Condition to the Equity Subscription however the signing of an appropriate escrow agreement is; and
- (vi) A R75 million distribution, paid *pro rata* to Unsecured Creditors' respective claims.

### 5.2 Confirmations from the Vision Parties and THL

- (i) The Vision Parties advise that:
  - a. they are not party to any agreement with any director of THL, or any Person who was a director of THL within the period of 12 (twelve) months preceding the Last Practicable Date; and
  - b. they are not party to any agreement with any Shareholder, or any Person which was a Shareholder within the period of 12 (twelve) months preceding the Last Practicable Date, which is considered by it to be material to a decision whether to vote in favour of the Shareholder Resolutions.
- (ii) The Company is not party to any agreement with:
  - a. Vision Investments and the Vision Parties, any director of Vision Investments and the Vision Parties, or any Person who was a director of Vision Investments or Vision Parties within the period of 12 (twelve) months preceding the Last Practicable Date, other than the Vision Transaction agreement and a non-disclosure agreement entered into with Vision Investments and the Vision Parties prior to the commencement of discussions in relation to the Vision Transaction; and

- b. any Shareholder, or any Person which was a Shareholder within the period of 12 (twelve) months preceding the Last Practicable Date, which is considered by the Company to be material to a decision whether to vote in favour of the Shareholder Resolutions.
- (iii) Rutenhuro Moyo (“**Rute**”) is a principal (meaning that Rute is the primary party with significant authority and interest in these entities) in Tokwe One, Tokwe Two, Tokwe Three and Vision Investments, which are entities that are party to the Vision Transactions. Rute is not a related party in terms of the Requirements but for transparency Rute is a non-executive director of a material subsidiary of THL and he has recused himself from meetings up until the Approved Plan was adopted and resumed his duties from 14 February 2024.
- (iv) The Vision Parties have advised that neither it nor any other member of the Vision Parties have had any dealings in Shares during the 6 (six) month period ending on the Last Practicable Date nor will have any dealings in Shares up until Implementation.
- (v) As at the date of posting of this circular, the subscribers for the new equity to be issued in THL comprise Vision Investments as outlined in paragraph 5.3 or Annexure A of the Equity Subscription Agreement. The company has been advised that post the allotment and issue of such new equity, one or more direct shareholders may be introduced into the shareholder body of THL. The Company is not party to any of the negotiations which may result in the introduction of such direct shareholders but has been assured that the commercial parameters of the transactions described in this circular will not change pursuant thereto and all necessary regulations will be complied with.

**5.3 Please see below table outlining the Shares to be held by the Vision SPVs following implementation of the Equity Subscription:**

<b>No</b>	<b>Details of Vision Party</b>	<b>Shares</b>	<b>Percentage interest in THL immediately after subscription</b>
1	Ngwenyama 62	425 677 656	8.51%
2	Keni 62	425 677 656	8.51%
3	Almoiz SA	608 110 937	12.16%
4	Tokwe One	972 977 499	19.45%
5	Tokwe Two	912 166 405	18.24%
6	Tokwe Three	912 166 405	18.24%
7	Terris Sugar	608 110 937	12.16%
<b>TOTAL</b>		<b>4 864 887 494</b>	<i>circa 97.3%</i>

**5.4 Provisions contained in the Equity Subscription Agreement**

- (i) Vision Investments shall subscribe for the relevant Shares in THL pursuant to the Equity Subscription.
- (ii) The Equity Claim will be utilised by Vision Investments to discharge, by exchange, the Equity Subscription.
- (iii) As a consequence of the Vision Transactions, immediately post implementation of the Equity Subscription, the Claims Balance of the loan facilities (in an amount of R3.6 bn), advanced by the Lender Group in terms of the Facility Agreements, shall remain due by THL to Vision Investments, on terms which are no worse than the terms currently contained in the Facility Agreements.

**5.5 Suspensive Conditions in the Equity Subscription Agreements**

- (i) The implementation of the Equity Subscription is subject to the fulfilment or waiver of the following suspensive conditions:
- a. the passing of all resolutions (of whatsoever nature) required to give lawful effect to any agreements contemplated in the Equity Subscription agreement;
- b. the execution of the written agreements governing the concurrent creditor dividend escrow arrangements and such agreements becoming unconditional in accordance with their terms;



- c. the execution of the written agreements governing the SASA escrow arrangements and such agreements becoming unconditional in accordance with their terms;
- d. the consent of the applicable Competition Authorities to the Equity Subscription and the change of control of THL's group resulting therefrom and insofar as such consent is subject to the fulfilment of any terms and/or conditions, imposed by the Competition Authorities, that such terms and conditions are acceptable to the parties affected thereby and that such consent becomes unconditional;
- e. to the extent legally required, the passing of an ordinary resolution by the Shareholders of THL, waiving the requirement for a mandatory offer to be made by the Vision SPVs to any minority Shareholders of THL, to acquire all or a portion of the Shares held by such minority Shareholders, in accordance with regulation 86(7) of the Companies Regulations;
- f. the TRP exempting the Vision SPVs from any obligation to make a mandatory offer to existing Shareholders of THL consequent upon the Equity Subscription, on the basis that the majority of such Shareholders will have waived their entitlement to be made the mandatory offer by resolution passed by them in accordance with regulation 86(4) of the Companies Regulations;
- g. insofar as the above suspensive condition is waived by all the parties to the Equity Subscription Agreement and the Vision SPVs are required by the TRP to make a mandatory offer to minorities which is subject to the fulfilment of any terms and/or conditions imposed by the TRP, the Vision SPVs agree to make such mandatory offer provided the terms and conditions so imposed are acceptable to all the parties of the Equity Subscription Agreement affected thereby, and such conditions are fulfilled;
- h. to the extent legally required, the consent of the Financial Surveillance Department of the South African Reserve Bank to the transactions contemplated in the agreement regulating the Equity Subscription; and
- i. this Circular being posted by THL to its Shareholders and the Shareholders approving the resolutions proposed pursuant to such Circular, including without limitation, the approval of the proposed (i) special resolution of Shareholders required to implement the Equity Subscription pursuant to section 41(3) of the Companies Act and (ii) JSE ordinary resolution of Shareholders required in respect of a specific issue of shares.

## 6. **AUTHORITY TO ISSUE SHARES IN TERMS OF THE EQUITY SUBSCRIPTION AND THE VISION TRANSACTIONS**

- 6.1 As the voting power of the new Shares to be issued will exceed 30% (thirty percent) of the voting power of all the Shares in issue immediately prior to Implementation, and the issue of those new Shares will, in terms of section 41 of the Act which is uncertain in relation to business rescue carve outs of the Act, require the approval of at least 75% (seventy five percent) of the votes exercised by Shareholder's voting (personally, by proxy or by representative) at the General Meeting for clarity and avoidance of doubt.
- 6.2 Special Resolution Number 1 set out in the Notice of General Meeting is the resolution proposing the issue of Shares under Vision Transactions. In order for Special Resolution Number 1 to be adopted, it must be supported by at least 75% (seventy five percent) of the voting rights exercised on it.
- 6.3 In terms of section 152(6) of the Act provides that: "To the extent necessary to implement an adopted business rescue plan—(a) the practitioner may, in accordance with that plan, determine the consideration for, and issue any authorised securities of the company, despite section 38 or 40 of the Act to the contrary." Therefore, it is not deemed necessary to seek the 50% Ordinary Resolution required to place the Shares under the control of the directors.
- 6.4 In terms of the Requirements, paragraph 5.51(g) mandates the ordinary resolution relating to the Specific Issue of Shares requiring approval by at least 75% of Shareholders. Ordinary Resolution Number 1 set out in the Notice of General Meeting, is accordingly the resolution in terms of the Requirements proposing the Specific Issue of Shares to Vision Investments in terms of the Equity Subscription. Such approval must comprise 75% of Shareholders constituting public Shareholders, as defined in the Requirements.

## 7. OTHER REGULATORY CONSIDERATIONS

- 7.1 The Equity Subscription, if approved by Shareholders and thereafter implemented accordingly, may result in Vision Investments or one of the Vision SPVs, acquiring more than 35% of the voting rights attaching to the Shares in terms of section 123 of the Act. In such an event and in terms of section 123 of the Act, such a person would be obliged to make a mandatory offer to the remaining Shareholders of THL. In accordance with regulation 86(4) of the Companies Regulations, Shareholders may waive their right to receive a mandatory offer.
- 7.2 In the event Shareholders provide the requisite authorities as outlined in this Circular and the Equity Subscription is approved, and an obligation to make a mandatory offer is triggered, Shareholders will be engaged further, through a TRP specific circular, to consider either:
- (i) A mandatory offer in terms of section 123 of the Act; or
  - (ii) To waive their Shareholder right to receive a mandatory offer in accordance with regulation 86(4) of the Companies Regulations.

## 8. SHARE CAPITAL AND DEBT

8.1 At the Last Practicable Date, the authorised and issued shares in the Company are as follows:

- (i) Prior to the Equity Subscription:

<b>Class of Shares</b>	<b>Number of Shares</b>
Authorised Shares with no par value	5 000 000 000
Issued Shares with no par value	135 112 506
<i>Total stated capital of ZAR 1 678 804 483 (one billion six hundred and seventy-eight million eight hundred and four thousand four hundred and eighty-three Rand).</i>	

- (ii) Post the adoption of the required Shareholder Resolutions and the Equity Subscription which will issue a maximum number of Shares of 4 864 887 494, the authorised and issued shares of the Company will be as follows:

<b>Class of Shares</b>	<b>Number of Shares</b>
Authorised Shares with no par value	5 000 000 000
Issued Shares with no par value	5 000 000 000
<i>Total stated capital of ZAR 6 396 108 614 (Six billion three hundred and ninety-six million one hundred and eight thousand six hundred and fourteen Rand).</i>	

- 8.2 The number of Shares in issue post the Equity Subscription will be 5 000 000 000.
- 8.3 The pricing is unrestricted due to the fluctuation of the debt, considering the interest accrued on the capital portion of such debt, allocated for the Equity Subscription of 4 864 887 494 Shares. The final price will be contingent upon the date of Share issuance and the corresponding quantum of debt that is converted at that point.
- 8.4 Vision Investments will hold 4 864 887 494 Shares post the Equity Subscription which equates to circa 97.3%.
- 8.5 At the Last Practicable Date, 219 168 (two hundred and nineteen thousand one hundred and sixty-eight) Shares are held by Subsidiaries of THL in treasury for the purposes of fulfilling share awards outstanding in terms of the Company's management share ownership plan. These shares will be cancelled, as permissible in terms of the Company's management share ownership plan and MOI, and therefore there is no impact on the number of shares that can be issued in terms of the Equity Subscription.
- 8.6 There has been no issue of Shares in the 3 (three) years preceding the Last Practicable Date.

- 8.7 At the Last Practicable Date, all the authorised and issued shares in THL are of the same class and rank *pari passu* in every respect and accordingly, no shares have any special or preferent right to dividends, capital or profits or any other special or preferent right, including special or preferent redemption rights and special or preferent rights on liquidation or distribution of capital assets.
- 8.8 Financial analysis of the Equity Subscription post a proportionate *circa* R4.9 bn reduction of the Lender Group Facility Balance (based on the quantum of the Lender Group Facility Balance on the Signature Date of the Equity Subscription Agreement):

	<b>Before Transaction March 2024</b>	<b>Total consolidated adjustment</b>	<b>Post transaction</b>
<b>Gross borrowings</b>			
South Africa	<b>9 528.4</b>	<i>(4 893.0)</i>	<b>4 635.4</b>
<i>Lender Group</i>	<b>8 493.0</b>	<i>(4 893.0)</i>	<b>3 600.0</b>
<i>IDC PCF Facility</i>	<b>1 006.6</b>		<b>1 006.6</b>
<i>Other</i>	<b>28.8</b>		<b>28.8</b>
Mozambique	<b>1 175.7</b>		<b>1 175.7</b>
Zimbabwe	<b>633.9</b>		<b>633.9</b>
<b>Total gross borrowing</b>	<b>11 338.0</b>	<i>(4 893.0)</i>	<b>6 445.0</b>
<b>Gross borrowings</b>			
Non-current borrowings	<b>1 479.7</b>	3 600.0	<b>5 079.7</b>
Current borrowings	<b>9 908.3</b>	<i>(8 493.0)</i>	<b>1 365.3</b>
	<b>11 338.0</b>	<i>(4 893.0)</i>	<b>6 445.0</b>

**Commentary:**

- The Equity Subscription will achieve a reduction of *circa* R4.9 bn (based on the quantum of the Lender Group debt balance on the Signature Date of the Equity Subscription Agreement) in debt to more sustainable level through a reduction of the Lender Group Facility Balance to a balance of *circa* R3.6 bn. The final commercial terms of the remaining *circa* R3.6 bn of debt are still to be finalised.
- The movement of R3.6 bn in the long-term borrowings is the net movement of the increase in the non-current portion of borrowings, moving the current (short term) portion of borrowings relating to the Lender Group debt in full to non-current borrowings.
- The utilisation of the *circa* R4.9 bn (based on the quantum of the Lender Group debt balance on the Signature Date of the Equity Subscription Agreement) debt to subscribe for equity will result in an equity issue of 4 864 887 494 Shares and Vision Investments holding *circa* 97.3% of the issued share capital of THL, post the Equity Subscription. Previous Shareholders will hold *circa* 2.7% which is 135 112 506 Shares, post the Equity Subscription.
- At 31 March 2024, and prior to the Equity Subscription, the Lender Group Facility Balance owing by THL to the Lender Group totalled R8.5 bn. The finance costs incurred on the Lender Group Facility Balance for the year ended 31 March 2024 was R1.03 bn. Assuming the Equity Subscription occurred on 1 April 2023, the finance costs for the year incurred on the residual claim of R3.6 bn would reduce by R585 m to R448 m.
- In relation to the share capital to be issued, the Lender Group Facility Balance is unrestricted due to the fluctuation of the debt, considering the interest accrued on the capital portion of such debt. The final Equity Claim will be contingent upon the date of Share issuance and the corresponding quantum of the Lender Group Facility Balance, which is to be discharged, by means of exchange. Lender Group Facility Balance of *circa* R4.9 bn discharged, by means of exchange, for the issue of 4 864 887 494 Shares will result in a deemed Share value of 101c in relation to the exchange.

6. In the event the Subscription Date occurs at a later stage, the below outlines the expected indicative Share value over the next six months:

	<b>Signature Date</b>	<b>31 May</b>	<b>30 June</b>	<b>31 July</b>	<b>31 August</b>	<b>30 September</b>	<b>31 October</b>
<b>Total Lender Group Facility Balance*</b>	8 493.0	8 600.4	8 741.0	8 886.5	9 031.9	9 172.7	9 318.2
<b>Claim Balance (as defined in the Equity Subscription Agreement)</b>	3 600.0	3 600.0	3 600.0	3 600.0	3 600.0	3 600.0	3 600.0
<b>Equity Claims</b>	4 893.0	5 000.4	5 141.0	5 286.5	5 431.9	5 572.7	5 718.2
<b>Shares issued</b>	4 864 887 494						

<b>Deemed Share value</b>	1,01	1,03	1,06	1,09	1,12	1,15	1,18
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\* The Total Lender Group Facility Balance may vary depending on the prevailing interest rates. The indicative amounts presented above are prepared on the basis of the interest rates remaining at the current rates.

## 9. DIRECTORS

### 9.1 Directors' remuneration

The remuneration of the Directors will not be varied as a consequence of Vision Transactions.

### 9.2 Directors' interests in Shares

The direct and indirect beneficial interests of Directors (and their associates), including, to the best of the Board's knowledge, any director of THL who resigned during the 18 (eighteen) months preceding the Last Practicable Date, in the issued Shares as at the Last Practicable Date were as follows:

<b>Name</b>	<b>Number of Shares beneficially owned</b>	<b>Percentage of Total Shares</b>
RD Aitken	57 580	0.04
JG Hudson	161 379	0.11
<b>Total</b>	<b>218 959</b>	<b>0.15</b>

There have been no changes in these beneficial interests as of the Last Practicable Date.

- 9.3 There have been no transactions in the past 18 months and therefore no directors have had a material beneficial interest in any such transactions.

## 10. SHAREHOLDERS

### 10.1 Major Shareholders and other top 5 shareholders prior to the new issue of Shares:

<b>Details</b>	<b>Percentage</b>	<b>Number of Shares</b>
Public Investments Corporation Limited	<i>circa</i> 16.62%	22 455 698
Artemis Investments Proprietary Limited	<i>circa</i> 14.88%	20 104 741
Braemer Trading Limited	<i>circa</i> 9.98%	13 484 228
PSG Fund Management:	<i>circa</i> 7.80%	10 538 775
Ushukela Investments Proprietary Limited (formerly Betelgeux Investments Proprietary Limited)	<i>circa</i> 2.94%	3 972 308
Ebrahim Ahmed Adamjee	<i>circa</i> 2.01%	2 715 761
<b>Total</b>	<b><i>circa</i> 54.23%</b>	<b>73 271 511</b>

## 11. MATERIAL CONTRACTS

THL and its subsidiaries have not entered into any restrictive funding arrangements, as defined in the Requirements.

The details of the material terms of the historical Facility Agreements are set out in the reviewed condensed consolidated interim financial for the six months ended 30 September 2021, released 9 December 2021. Please see pages 49 to 51. This is available on the company's website here: at the following link: <https://www.tongaat.com/wp-content/uploads/2021/12/Interim-results-for-the-six-months-ended-30September-2021.pdf>

There have not been any material changes to the terms and conditions as disclosed above and incorporated by reference in paragraph 20 below and the Equity Subscription will not result in any change in the existing terms and conditions of the Facility Agreements.

## 12. RESOLUTIONS TO BE PROPOSED TO SHAREHOLDERS

The BRPs propose the Shareholder Resolutions for consideration, and if deemed fit, adoption, by Shareholders. The Shareholder Resolutions are set out in the Notice of General Meeting.

## 13. RECOMMENDATIONS

13.1 The BRPs are of the view that Vision Transactions are in the best interests of the Company. It follows that each of the BRPs unanimously recommends that Shareholders vote in favour of the Shareholder Resolutions. One of the reasons for this recommendation being that in the potential alternative transaction of a sale of the business and assets as a going concern, the Shareholders would realise Rnil, whereas, under this transaction the Shareholders retain *circa* 2,7%, which over time is likely to hold value and may be traded, subject to reinstatement by the JSE post restoration of outstanding compliance elements with the aim of reinstating the THL listing on the JSE.

13.2 Each Director who beneficially owns Shares will vote those Shares in favour of all the Shareholder Resolutions.

## 14. CONSENTS

Each advisor whose name appears on the inside front cover of this Circular has consented in writing to act in the capacity stated and to its name appearing in this Circular and has not withdrawn its consent prior to the Last Practicable Date.

## 15. EXPENSES

The estimated total amount of expenses (excluding VAT) relating to the specific issue as contemplated in the Requirements which have been incurred by the Company or that are expected to be incurred are set out below:

<b>Expense Details</b>	<b>Payable to</b>	<b>Rand</b>
JSE Documentation Fee	JSE	<i>circa</i> R26 815.13
JSE Listing Fee	JSE	<i>circa</i> R750 741.67

## 16. DIRECTORS' RESPONSIBILITY STATEMENT

The BRPs whose names are stated on page 13 collectively and individually accept full responsibility for the accuracy of the information contained in this Circular in relation to THL, and certify that, to the best of their knowledge and belief, there are no facts which have been omitted which would make any statement in this Circular in relation to THL false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that this Circular contains all information required by the Act.

## 17. VISION INVESTMENTS DIRECTORS' RESPONSIBILITY STATEMENT

Vision Investments accepts full responsibility for the accuracy of the information contained in this Circular in relation to Vision Investments and the Vision Parties, and certify that, to the best of its knowledge and belief, there are no facts which have been omitted which would make any statement in this Circular in

relation to Vision Investments false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that this Circular contains all information required by the Act.

Vision Investments confirms that none of the parties who are defined as Vision Parties, including all associates, are related parties to THL, as defined in the Requirements.

## 18. LITIGATION STATEMENT

### 18.1 THL Existing Litigation

<b>Plaintiff/ Defendant/ Applicant/ Respondent</b>	<b>Description</b>	<b>Status and/or Reason</b>	<b>Quantum</b>
THL (Plaintiff) Against Ex-Directors Staude, Munro and Slabbert	Recovery: For losses suffered from the findings of the PwC forensic report.	The pleadings in the matter have not closed as yet. The current status is that Staude and Slabbert have pleaded and THL has replicated. Once this is resolved we expect that pre-trial processes will only be finalised towards the end of 2024 where after we will likely seek a date of set down.	R450 m
THL (Plaintiff) against Hollard Insurance Company Limited/ Global Alliance or Global Alliance Insurance	Recovery: Insurance claim for damages suffered as a result of the failure of a diffuser	The claim is based on 2 Insurance Policies which it contends covered an insurable event, namely the failure of the diffuser at its Xinavane expansion project. Both parties have exchanged Heads of Argument on the jurisdictional point that was raised, and the matter was argued before the court a quo. Judgement was handed down in favour of the defendant and leave to appeal was granted by consent. The matter will now be heard by the Supreme Court of Appeal and a date for the hearing of the Appeal is awaited.	R52 m
THL (Plaintiff) against Emerald Insurers	Recovery: Business Interruption Claim against insurers for closure during KwaZulu-Natal riots	TH Refinery and mills in question were closed down as a consequence of the damage and looting activity in KwaZulu-Natal during July 2021. The loss or damage was described as being in close proximity to the mills thereby preventing any free or safe access to and from the sites. TH lodged a claim under the Riot Wrap Policy with Emerald Insurers which has been repudiated based on no actual damage preventing access to the facilities. Attempts to settle the matter have been unsuccessful. Summons has been issued and the matter is being defended. Defendant has filed a Plea and pre-trial preparation is underway. The matter is proceeding in the normal course.	R105 m
THL (Applicant)	South African Sugar Association (SASA)	An application has been made to the High Court of South Africa, KwaZulu-Natal Local Division, Durban, seeking the High Court's declaration that the BRPs were entitled in terms of section 136(2)(a) of the Companies Act to suspend THL's obligations to SASA under the Sugar Industry Agreement read together with the Sugar Act 9 of 1978.  On 29 November 2023, the Declaratory Application was dismissed with costs by the Honourable Vahed J. The judgement in respect of such order was handed down on 4 December 2023.  THL and the BRPs have applied for leave to appeal the decision. The leave to appeal hearing was held on 20 March 2024. Judgement is reserved by Vahed J. The parties have received judgement that the leave to appeal was not granted and THL has subsequently submitted a notice of intention to appeal to the Supreme Court of Appeal.	R526 m



<b>Plaintiff/ Defendant/ Applicant/ Respondent</b>	<b>Description</b>	<b>Status and/or Reason</b>	<b>Quantum</b>
THSSA (Respondent) together with other sugar manufacturers in a complaint investigated by the Competition Commission of SA (“CCSA”)	THSSA	The CCSA commenced with an investigation into complaints of excessive pricing lodged by Coca-Cola Beverages South Africa (“CCBSA”). THS cooperated with the Competition Commission’s investigation into the CCBSA complaint and provided relevant information to the Commission where requested to do so. The Commission completed its investigation into the complaint in July 2021 and decided not to refer the complaint to the Competition Tribunal for adjudication. CCBSA has brought a review application. Further CCBSA has requested that the application be “transferred” to the Competition Appeal Court. The Respondents have replied that there is no provision in the Competition Act for a “transfer” and any such application will be opposed. A formal application to have the matter transferred has been filed by CCBSA which has been opposed by THL, Illovo and RCL.	Fine of 10% of turnover
THL (Plaintiff) against GR Cane Haulage	Recovery and counterclaim: Diversion Overcharge (THSSA)	THS SA instituted an action against GR Cane Haulage – the claim is for GR Cane having charged the incorrect rate and not having deducted the growers’ portion during the 2015 Darnall/Maidstone diversion. GR Cane has brought a counterclaim for, <i>inter alia</i> , penalties, tolls and damages for mill inefficiencies. A pre-trial conference has been held, and dates for the delivery of a number of procedural notices were set. The matter has, however, been placed on hold given the unavailability of Tongaat witnesses. Attempts to settle the matter continue.	R2.9 m
THSSA (Plaintiff) against Ex- employee Mara Moyolo	Fraud (THSSA)	Recovery against the employee who defrauded the company over an extended period. She was dismissed in 2019. The matter is proceeding.	R10 m
THSSA (Defendant) in a claim by Amanda Randeira	Civil action instituted (THSSA)	The Plaintiff instituted a delictual claim against Tongaat Hulett Sugar South Africa and an ex-employee in the amount of some R31 m in relation to employment issues. The matter continues to be defended. Plaintiffs’ attorneys have requested BRP’s to agree to waive the s133 moratorium in the matter so it can be set down for trial. This request has been refused by the BRPs. This is still in process.	R32 m
THL (Respondent) in a claim by Mohini Singari Naidoo trading as Powertrans Sales & Services	Court Application in process	Powertrans has sought, <i>inter alia</i> , the following relief in the application: <ul style="list-style-type: none"> <li>• declaring the Vision business rescue plan adopted in relation to THL at the meeting of creditors held on 11 January 2024 to be unlawful and setting it aside;</li> <li>• directing THL and the BRPs to comply, in the manner contemplated in section 7(k) of the Companies Act, with their duties and the procedures which are set out in sections 140(1)(d), 141(1) &amp; (2)(a), 145(1)(a) and 150 to 152 of the Companies Act; and costs of the application.</li> </ul>	NIL

Save as set out above, as at the Last Practicable Date, there were no additional legal or arbitration proceedings, including any such proceedings which are pending or threatened, of which the directors of THL are aware and which may have or have had during the 12-month period preceding the date of issue of this Circular, a material effect on the financial position of THL.

## 19. NOTICE OF GENERAL MEETING

The General Meeting will be held at **10:00** on **Thursday, 8 August 2024** in order for Shareholders to consider and, if deemed fit, adopt, with or without modification, the Shareholder Resolutions.

The General Meeting will be conducted entirely by electronic communication as contemplated in the MOI and section 63(2)(a) of the Companies Act, and Shareholders will accordingly only be able to access the General Meeting electronically via an electronic facility. More information in this regard is provided in the Notice of General Meeting.

## 20. DOCUMENTS INCORPORATED BY REFERENCE

The following document has been incorporated by reference and is available for viewing on the Company's website at the link below, as well as being available for inspection as set out in paragraph 21 below:

Material terms of the historical Facility Agreements set out in reviewed condensed consolidated interim financial results for the six months ended 30 September 2021, released 9 December 2021. Please see pages 49 to 51.	<a href="https://www.tongaat.com/wp-content/uploads/2021/12/Interimresults-for-the-six-months-ended-30September-2021.pdf">https://www.tongaat.com/wp-content/uploads/2021/12/Interimresults-for-the-six-months-ended-30September-2021.pdf</a>
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## 21. DOCUMENTS AVAILABLE FOR INSPECTION

The documents listed below will be available for inspection by Shareholders from Wednesday, 10 July, being the issue date of this Circular, up to and including the date of the General Meeting, on a virtual platform to which Shareholders will be granted access on a "read only" basis upon a request being sent to the Company Secretary (johann.vanrooyen@tongaat.com):

- 21.1 a signed copy of this Circular;
- 21.2 the Approved Plan;
- 21.3 the Equity Subscription Agreement;
- 21.4 Directors' service contracts;
- 21.5 THL and all of its subsidiary companies' memorandum of incorporation;
- 21.6 the audited consolidated annual financial statements of THL for the 3 (three) financial years ended 31 March 2019, 31 March 2020 and 31 March 2021;
- 21.7 the reviewed condensed consolidated interim financial results for the six months ended 30 September 2021; and
- 21.8 the unaudited interim financial results of THL for the 12 (twelve) months ended 31 March 2022.

By order of the Business Rescue Practitioners

### **TONGAAT HULETT LIMITED**

#### **REGISTERED OFFICE OF TONGAAT HULETT:**

Amanzimnyama Hill Road Tongaat, KwaZulu-Natal South Africa



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## ANNEXURE 1: NOTICE OF GENERAL MEETING

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Est. 1892

# Tongaathulett®

## Tongaathulett Limited

(Incorporated in South Africa)

(Registration Number: 1892/000610/06)

ISIN: ZAE000096541 JSE share code: TON

("THL" or the "Company")

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## NOTICE OF GENERAL MEETING

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**NOTICE IS HEREBY GIVEN** to the Shareholders that a general meeting of the Shareholders will be held at **10:00 (South African Standard Time) on Thursday, 8 August 2024.**

The General Meeting will be conducted entirely by electronic communication as contemplated in the MOI and in section 63(2)(a) of the Companies Act, and Shareholders will accordingly only be able to access the General Meeting electronically via an electronic facility. More information in this regard is provided under the heading "Electronic Participation" near the end of this Notice of General Meeting.

### **Purpose:**

The purpose of the General Meeting is to consider and, if deemed fit, adopt, with or without amendment, the resolutions set out hereunder in the manner required by the Companies Act.

### **Notes:**

- The definitions and interpretations commencing on page 6 of the Circular to which this Notice of General Meeting is attached, and of which it forms part, ("**Circular**") apply throughout this Notice of General Meeting.
- **In terms of section 63(1) of the Companies Act, before any person may attend or participate in the General Meeting, that person must present reasonably satisfactory identification, and the person presiding at the General Meeting must be reasonably satisfied that the right of the person to speak and vote at, and participate in, the General Meeting, either as a Shareholder, or as a proxy or a representative for a Shareholder, has been reasonably verified. Acceptable forms of identification include a valid green barcoded or smart card identification document issued by the South African Department of Home Affairs, a South African driver's licence or a valid passport. A Shareholder or its representative or proxy must electronically provide the necessary proof of its identification before such person will be entitled to speak and vote at, and participate in, the General Meeting. Such identification must be delivered by a Shareholder or its representative or proxy either:**
  - on registration, if such Shareholder or its representative or proxy is registering to participate in the General Meeting using the Computershare Summit platform; or
  - by email to the Transfer Secretaries at [proxy@computershare.co.za](mailto:proxy@computershare.co.za), together with the request to participate in the General Meeting, if such Shareholder or its representative or proxy is requesting to participate in the General Meeting via email.
- **If the Shareholder is not an individual, the necessary proof of identification of the representative (such as the representative's valid green barcoded or smart card identification document issued by the South African Department of Home Affairs, South African driver's licence or valid passport) must be accompanied by a copy of a resolution of the Shareholder which sets out that the representative is authorised to represent the Shareholder at the General Meeting.**

## **Record Dates:**

In terms of section 59(1)(a) and (b) of the Companies Act, the Board has set the following record dates for the purposes of determining which Shareholders are entitled to:

- receive notice of the General Meeting (being the date on which a Shareholder must be registered in the Securities Register in order to receive this Notice of General Meeting), which date is **Friday, 5 July 2024**; and
- speak and vote at, and participate in, the General Meeting (being the date on which a Shareholder must be registered in the Securities Register in order to participate in, and speak and vote at, the General Meeting), which date is **Friday, 2 August 2024**.

## **Special Resolution Number 1 – Authorisation to issue additional Shares under Section 41 of the Companies Act**

*“Resolved as a special resolution that, in the event that the Shares to be issued pursuant to the Equity Subscription will have voting power which is equal to or exceeds 30% of the voting power of all the issued Shares immediately prior to such issue, and in order to issue Shares under the Equity Subscription to Shareholders contemplated in section 41(1) of the Companies Act, the Directors be and are hereby authorised, in terms of section 41(1) and section 41(3) of the Companies Act, to issue such Shares, which will rank pari passu with existing issued Shares.”*

For Special Resolution Number 1 to be passed, votes in favour of the resolution must represent at least 75% (seventy-five percent) of the voting rights exercised at the General Meeting. None of the Vision Parties or their associates are currently Shareholders of THL and therefore will not be voting nor do they require to be excluded from such a vote.

### **Reason and effect:**

The reason for the Special Resolution Number 1 is to enable the Company to issue Shares in terms of, or for the purposes of implementing, the Vision Transaction in relation to the Equity Subscription which have voting power equal to or in excess of 30% (thirty percent) of the voting power of all issued Shares immediately prior to the proposed issuance.

The effect of adopting Special Resolution Number 1 is that subject to the Board being authorised, on behalf of the Company, to issue Shares in terms of, or for the purposes of implementing, the Vision Transactions relating to the Equity Subscription having voting power equal to or in excess of 30% (thirty percent) of the voting power of all Shares in issue immediately prior to the proposed issuance.

## **Ordinary Resolution Number 1 – Specific authority to issue Shares**

*“Resolved that, subject to special resolution number 1 being passed by the requisite majority of Shareholders, the Company is authorised to allot and issue 4 864 887 494 new Shares in the authorised but unissued share capital of the Company, to Vision Investments, pursuant to the terms of the implementation agreement and specific issue, which will rank pari passu with existing issued Shares, as detailed in this Circular to which this notice of general meeting is attached.”*

For Ordinary Resolution Number 1 to be passed, votes in favour of the resolution must represent at least 75% (seventy-five percent) of the voting rights exercised at the General Meeting. None of the Vision Parties or their associates are currently Shareholders of THL and therefore will not be voting nor do they require to be excluded from such a vote.

### **Reason and effect:**

The reason for the Ordinary Resolution Number 1 is to enable the Company to issue Shares in terms of, or for the purposes of implementing, the Vision Transactions in relation to the Equity Subscription which have voting power and are a specific fresh issue of Shares in terms of the Requirements.

The effect of adopting Ordinary Resolution Number 1 is that subject to the Board being authorised, on behalf of the Company, to issue Shares in terms of, or for the purposes of implementing, the Vision Transactions relating to the Equity Subscription which have voting power and are a specific fresh issue of Shares in terms of the Requirements.

## **VOTING**

The above resolutions will be voted on by way of a poll. On a poll every Shareholder, present personally or represented by proxy or by representative, shall be entitled to cast one vote per Share held.

## **CERTIFICATED SHAREHOLDERS AND OWN-NAME DEMATERIALISED SHAREHOLDERS**

A Certificated Shareholder or Own-Name Dematerialised Shareholder or its representative may speak and vote at, and participate in, the General Meeting by registering to do so in the manner provided in the “Electronic Participation” section below.

**Alternatively, a Certificated Shareholder or Own-Name Dematerialised Shareholder may appoint one or more proxies to represent it at the General Meeting by completing the attached Form of Proxy (blue) in accordance with the instructions contained therein. The Certificated Shareholder’s or Own-Name Dematerialised Shareholder’s proxy may then speak and vote at, and participate in, the General Meeting if the proxy registers to do so in the manner provided in the “Electronic Participation” section below. A proxy need not be a Shareholder.**

For the purpose of effective administration, it is requested that the Form of Proxy (*blue*) be lodged with, emailed to or posted to the Transfer Secretaries, to the addresses provided below, so as to reach the Transfer Secretaries by no later than **10:00 on Tuesday, 6 August 2024**:

### **Hand deliveries to:**

Computershare Investor Services  
Proprietary Limited  
Rosebank Towers, 15 Biermann Avenue,  
Rosebank, Johannesburg, 2196,  
South Africa

### **Postal deliveries to:**

Computershare Investor Services  
Proprietary Limited  
Private Bag X9000, Saxonwold,  
Johannesburg, 2132, South Africa

### **Email deliveries to:**

proxy@computershare.co.za

If a Certificated Shareholder or Own-Name Dematerialised Shareholder does not lodge, email or post the Form of Proxy (*blue*) to reach the Transfer Secretaries by **10:00 on Tuesday, 6 August 2024**, the Shareholder will nevertheless be entitled to email the Form of Proxy (*blue*) to the Transfer Secretaries at proxy@computershare.co.za so as to reach them prior to the time of commencement of the General Meeting.

## **DEMATERIALISED SHAREHOLDERS OTHER THAN OWN-NAME DEMATERIALISED SHAREHOLDERS**

A beneficial owner of Shares which has Dematerialised its Shares, other than a Dematerialised Own-Name Shareholder should note the following:

- its CSDP or Broker should contact it to ascertain how it wishes to cast its vote (or to ascertain whether it wishes to abstain from casting its vote) at the General Meeting, and thereafter cast its vote (or abstain from casting its vote) in accordance with those instructions;
- if it has not been contacted by its CSDP or Broker, it is advisable that it contact its CSDP or Broker and furnish it with its voting instructions; and
- if its CSDP or Broker does not obtain voting instructions from it, the CSDP or Broker should vote in accordance with the instructions contained in the mandate agreement between the beneficial owner and the CSDP or Broker.

In accordance with the mandate agreement with its CSDP or Broker, a beneficial owner of Shares which has Dematerialised its Shares, other than a Dematerialised Own-Name Shareholder must advise its CSDP or Broker if it wishes to speak and vote at, and participate in, the General Meeting itself or through a representative. If it does so, its CSDP or Broker should issue the necessary letter of representation to it or its representative to speak and vote at, and participate in, the General Meeting. In order to speak and vote at, and participate in, the General Meeting, the beneficial owner or representative will additionally need to take the steps required in order to access the electronic facility, as provided in the “Electronic Participation” section below.

## **ELECTRONIC PARTICIPATION**

In accordance with the provisions of the Companies Act and the MOI, the General Meeting will be conducted entirely through electronic communication. The electronic meeting facility will enable all participants to communicate concurrently with each other without an intermediary, and to participate reasonably effectively in the General Meeting.

Voting via the electronic facility will be the only method available to Shareholders to vote their Shares at the General Meeting. The electronic facility which has been selected by THL for purposes of the General Meeting is the **Computershare Summit platform**, an electronic facility which may be accessed by using a smartphone, tablet or computer. Votes can be exercised between the commencement of the General Meeting and the closure of voting as announced by the Chairman during the General Meeting.

A Shareholder or its representative or proxy which wishes to participate in the General Meeting will be required to either:

- register its personal details (including providing reasonably satisfactory identification, as contemplated earlier in this Notice of General Meeting), using the link <https://meetnow.global/ZA>, to enable it to participate in the General Meeting. For the purposes of effective administration, it is requested that such registration be completed by no later than **10:00 on Tuesday, 6 August 2024**. A Shareholder or its representative or proxy who does not complete registration by that time may still participate in the General Meeting via electronic communication by completing registration prior to the time of commencement of the General Meeting. If any Shareholder or its representative or proxy experiences any difficulty with such registration process, such Shareholder or its representative or proxy, as the case may be, should request an agent of the Transfer Secretaries to assist such Shareholder or representative or proxy with such difficulty by sending an email to [proxy@computershare.co.za](mailto:proxy@computershare.co.za); or
- send a notice by email to the Transfer Secretaries at [proxy@computershare.co.za](mailto:proxy@computershare.co.za) advising that it wishes to participate in the General Meeting and attaching reasonably satisfactory identification, as contemplated earlier in this Notice of General Meeting. For the purpose of effective administration, it is requested that the email be sent so as to reach the Transfer Secretaries by no later than **10:00 on Tuesday, 6 August 2024**. A Shareholder or its representative or proxy who does not send an email so as to reach the Transfer Secretaries by that time may still participate in the General Meeting via electronic communication by emailing the Transfer Secretaries at [proxy@computershare.co.za](mailto:proxy@computershare.co.za) so as to reach them prior to the time of commencement of the General Meeting and attaching reasonably satisfactory identification.

Following successful completion of that registration process, a Shareholder or its representative or proxy can connect to the General Meeting by using the link <https://meetnow.global/ZA> and following the prompts on that website. A Shareholder or its representative or proxy will need the latest versions of Chrome, Safari, Internet Explorer 11, Edge or Firefox. A Shareholder or its representative or proxy should ensure that its browser is compatible.

Once a Shareholder or its representative or proxy has successfully authenticated, the info screen will be displayed. The Shareholder or its representative or proxy can then view company information, ask questions and watch the webcast.

If the General Meeting is being viewed on a computer, the webcast will automatically appear at the side once the meeting has started.

Voting:

- the chairman will open voting on all resolutions at the start of the meeting. Once the voting has opened, a Shareholder or its representative or proxy can navigate to the voting icon. From there, the resolutions and voting choices will be displayed;
- to vote, a Shareholder or its representative or proxy selects the voting direction from the options shown on screen. A confirmation message will appear to show the vote has been received;
- if a Shareholder or its representative or proxy wishes to change its vote, it should click on the change vote link and select another voting direction; and
- once the chairman has opened voting on the resolutions, voting can occur at any time during the meeting until the chairman closes the voting.

If a Shareholder or its representative or proxy experiences any difficulty with logging into the General Meeting, that Shareholder or its representative or proxy, as the case may be, should request an agent of the Transfer Secretaries to assist that Shareholder or representative or proxy with such difficulty by sending an email to [proxy@computershare.co.za](mailto:proxy@computershare.co.za).

The cost of procuring the electronic facility will be for the account of the Company. The costs of accessing the electronic facility will be borne by the Shareholder.

It is recommended that Shareholders or their representatives or proxies log into the facility at least 15 (fifteen) minutes prior to the scheduled start time of the General Meeting.

The Company shall not be liable in the case of loss of network connectivity or other network failure, whether due to insufficient airtime, internet connectivity, internet bandwidth and/or power outages or otherwise, which prevents any Shareholder or its representative or proxy from participating in and/or voting at the General Meeting.

By order of the Business Rescue Practitioners

**TONGAAT HULETT LIMITED**

**Registered office of Tongaat Hulett:**

Amanzimnyama Hill Road  
Tongaat, KwaZulu-Natal  
South Africa

**Transfer Secretaries**

Computershare Investor Services Proprietary Limited  
(Registration Number: 2004/003647/07)  
Rosebank Towers, 15 Biermann Avenue, Rosebank  
Johannesburg, 2196, South Africa  
Private Bag X9000, Saxonwold,  
Johannesburg 2132, South Africa  
proxy@computershare.co.za





# TongaatHulett®

## Tongaat Hulett Limited

(Incorporated in South Africa)  
(Registration Number: 1892/000610/06)  
ISIN: ZAE000096541 JSE share code: TON  
("THL" or the "Company")

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### FORM OF PROXY

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**FOR USE BY CERTIFICATED SHAREHOLDERS AND OWN-NAME DEMATERIALISED SHAREHOLDERS AT THE GENERAL MEETING OF THL TO BE HELD ELECTRONICALLY AT 10:00 (SOUTH AFRICAN STANDARD TIME) ON THURSDAY, 8 AUGUST 2024.**

For completion by Certificated Shareholders and Own-Name Dematerialised Shareholders who are unable to attend and vote at the General Meeting of the Company to be held electronically **at 10:00 on Thursday, 8 August 2024**, including a resumption of an adjourned meeting, and the recommencement at a postponed meeting ("**General Meeting**").

The definitions and interpretations commencing on page 6 of the Circular to which this Form of Proxy is attached apply throughout this Form of Proxy.

Each Certificated Shareholder and Own-Name Dematerialised Shareholder is entitled to appoint a proxy (who need not be a Shareholder) to speak and vote in place of that Shareholder at the General Meeting. Please read the notes to this Form of Proxy below.

I/We \_\_\_\_\_ (please print names in full)

of \_\_\_\_\_ (address)

Telephone/Cellphone number: \_\_\_\_\_ Email address: \_\_\_\_\_

being the holder/s of \_\_\_\_\_

Shares in the Company, do hereby appoint: \_\_\_\_\_

1. \_\_\_\_\_ or, failing him/her

2. \_\_\_\_\_ or, failing him/her

3. the chairman of the General Meeting,

as my/our proxy to attend, speak and vote for me/us and on my/our behalf at the General Meeting, and to vote or to abstain from voting at the General Meeting as follows on the ordinary and special resolutions to be proposed at such meeting:

	For	Against	Abstain
<b>Special Resolution Number 1:</b> Authorisation to issue additional shares under section 41 of the Companies Act			
<b>Ordinary Resolution Number 1:</b> Specific Authority to Issue Shares in terms of paragraph 5.51(g) of the Requirements			

Signed at \_\_\_\_\_ this \_\_\_\_\_ day of \_\_\_\_\_ 2024

Signature \_\_\_\_\_

Assisted by me, where applicable (name and signature) \_\_\_\_\_

**Please read the notes and instructions below.**

## NOTES TO THE FORM OF PROXY

1. This Form of Proxy is only to be completed by Certificated Shareholders and Own-Name Dematerialised Shareholders.
2. A Shareholder may insert the name of a proxy or the names of two alternative proxies of the Shareholder's choice in the space provided. The Person whose name stands first on the Form of Proxy and who is present at the General Meeting will be entitled to act to the exclusion of those whose names follow.
3. The above resolutions will be voted on by way of a poll. On a poll, every Shareholder present personally or represented by proxy or by representative, shall be entitled to cast one vote per Share held.
4. A Shareholder's instructions to the proxy must be indicated by inserting the relevant numbers of votes exercisable by the proxy in the appropriate box or by inserting "X" should the Shareholder wish to vote all Shares held by it. Failure to comply will be deemed to authorise the proxy to vote or to abstain from voting, as the case may be, in respect of all the Shareholder's votes. A Shareholder or the proxy is not obliged to exercise all the votes exercisable by the Shareholder or by the proxy, but the total of votes cast and in respect of which abstention is recorded may not exceed the total of votes exercisable by the Shareholder or by the proxy.
5. Forms of Proxy must be dated and signed by the Shareholder appointing a proxy.
6. For purpose of effective administration, it is requested that the Form of Proxy be lodged with, emailed to or posted to the Transfer Secretaries, to the addresses provided below, so as to reach the Transfer Secretaries at or before **10:00 on Tuesday, 6 August 2024**:

### Hand deliveries to:

Computershare Investor Services  
Proprietary Limited  
Rosebank Towers, 15 Biermann Avenue,  
Rosebank, Johannesburg, 2196,  
South Africa

### Postal deliveries to:

Computershare Investor Services  
Proprietary Limited  
Private Bag X9000, Saxonwold,  
Johannesburg, 2132, South Africa

### Email deliveries to:

proxy@computershare.co.za

If a Certificated Shareholder or Own-Name Dematerialised Shareholder does not lodge, email or post the Form of Proxy to reach the Transfer Secretaries by **10:00 on Tuesday, 6 August 2024**, the Shareholder will nevertheless be entitled to email the Form of Proxy to the Transfer Secretaries at proxy@computershare.co.za so as to reach them prior to the time of commencement of the General Meeting.

7. Completing and lodging, emailing or posting this Form of Proxy will not preclude the relevant Shareholder from attending the General Meeting, speaking, and voting personally to the exclusion of any proxy appointed in terms hereof.
8. Documentary evidence establishing the authority of a Person signing this Form of Proxy in a representative capacity or other legal capacity must be attached to this Form of Proxy, unless previously recorded by the Transfer Secretaries or waived by the chairperson of the General Meeting.
9. The completion of blank spaces need not be initialled. Any alteration or correction made to this Form of Proxy must be initialled by the signatory/ies.
10. If any Shares are jointly held, all joint Shareholders must sign this Form of Proxy. If more than one of those Shareholders is present at the General Meeting either personally or by proxy, the Person whose name appears first in the Securities Register will be entitled to vote to the exclusion of the others.
11. Despite the foregoing, the chairman of the General Meeting may waive any formalities that would otherwise be a prerequisite for a valid Form of Proxy.

## TRANSFER SECRETARIES' OFFICES

### South Africa

Computershare Investor Services Proprietary Limited  
(Registration Number: 2004/003647/07)  
Rosebank Towers, 15 Biermann Avenue, Rosebank  
Johannesburg, 2196, South Africa (Private Bag X9000, Saxonwold, 2132, South Africa)  
Tel: +27 11 370 5000  
Email: proxy@computershare.co.za

### Summary of terms of section 58(8)(b)(i) of the Companies Act

- Section 58(8)(b)(i) provides that the form of proxy supplied by a company for the purpose of appointing a proxy must bear a reasonably prominent summary of the rights established by section 58 of the Companies Act, 2008, as amended, which summary is set out below:
- a shareholder of a company may, at any time, appoint any individual, including an individual who is not a shareholder of that company, as a proxy to, among other things speak and vote at, and participate in, a shareholders meeting on behalf of the shareholder;
- a shareholder may appoint two or more persons concurrently as proxies;
- a shareholder may appoint more than one proxy to exercise voting rights attached to different securities held by the shareholder;
- a proxy may delegate the proxy's authority to act on behalf of the shareholder to another person;
- a proxy appointment must be in writing, and dated and signed by the shareholder; and remains valid only until the meeting (including any resumption thereof pursuant to an adjournment or recommencement thereof pursuant to a postponement) ends, unless the proxy appointment is revoked, in which case the proxy appointment will be cancelled with effect from such revocation;
- a shareholder may revoke a proxy appointment in writing;
- a proxy appointment is suspended at any time and to the extent that the shareholder chooses to act directly and in person in the exercise of any rights as a shareholder; and
- a proxy is entitled to exercise, or abstain from exercising, any voting right of the shareholder without direction, except to the extent the form of proxy provides otherwise.





