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TongaatHulett®

- Delivered by Email To:**
- All known Affected Persons of Tongaat Hulett Limited (in business rescue)
 - Companies and Intellectual Property Commission
- Displayed:**
- Registered office and principal place of business of the Company
- Published:**
- On the website maintained by the Company and accessible to Affected Persons
 - Availability recorded in an announcement to shareholders on the Stock Exchange News Service (SENS), released after distribution.
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August 2024

REPORT ON THE STATUS OF THE BUSINESS RESCUE PROCEEDINGS OF TONGAAT HULETT LIMITED (IN BUSINESS RESCUE) ("COMPANY" OR "THL")

1. GENERAL

- 1.1. In accordance with section 132(3)(a) and section 132(3)(b) of the Companies Act 71 of 2008, as amended ("**Companies Act**"), when the business rescue proceedings of a company have not concluded within 3 months of the date on which they started, a business rescue practitioner is required to -
- 1.1.1. prepare a report on the progress of the business rescue, and update it at the end of each subsequent month until the end of the business rescue proceedings; and
- 1.1.2. deliver the report and each update to each affected person and to the Companies and Intellectual Property Commission ("**CIPC**").
- 1.2. In compliance with the sections referred to in paragraph 1.1 above, we hereby provide you with the twentieth report, being the August 2024 report, on the status of the Company's business rescue proceedings.

2. **BUSINESS RESCUE UPDATES**

The following matters have occurred or remain relevant since the distribution and publication of the Company's July 2024 business rescue status update report ("**July Report**"):

2.1. **Implementation of the Adopted Amended Business Rescue Plan**

- 2.1.1. The business rescue practitioners ("**BRPs**") continue to advance the preparatory steps for the implementation of the Adopted and Amended Business Rescue Plan ("**the Plan**") for THL as approved and adopted by the requisite majority of creditors on Thursday 11 January 2024 in accordance with section 151 of the Companies Act.
- 2.1.2. On 8 August 2024, a general meeting of Shareholders ("**Shareholders Meeting**") was held in order for the equity subscription in terms of the business rescue plan to be voted on ("**Equity Subscription**"). The Equity Subscription contemplated the subscription by Vision Investments for 4 864 887 494 shares in THL, which subscription was to be settled by way of a debt to equity exchange of a portion of the Lender Group debt, such that after the exchange, the Lender Group claims would not exceed R3.6bn. The Plan does set out the requirement for the terms of the then remaining R3.6bn debt to be revised such that THL would no longer be financially distressed.
- 2.1.3. The resolutions that were tabled at the Shareholders Meeting were not passed by the requisite majority of votes exercised by Shareholders as detailed in the Notice to Affected Persons distributed on 8 August 2024, following the Shareholder Meeting.
- 2.1.4. Shareholder approval was not obtained for the Equity Subscription, consequently the Suspensive Conditions contained therein were not fulfilled. The Business Rescue Practitioners have continued to implement the Adopted Plan, which includes the alternative transaction which contemplates the sale of the Company's assets as a going concern, as a group, to the Vision Parties (the "**Asset Transaction**"). Affected persons are also referred to the Interim BR Status Report distributed on 16 August 2024 which details the way forward for the business rescue process given the Equity Transaction was not accepted by sufficient shareholders as well as the implications thereof.
- 2.1.5. The Vision parties ("**Vision**"), the IDC, management of the Company and the BRPs, ("**the**

Parties") are continuing to take the necessary steps to satisfy all conditions on which the Plan is contingent, aimed at ensuring the successful implementation of the Plan..

2.1.6. Substantial progress has been made with regard to the implementation of the Plan and the Asset Transaction. To give effect to the implementation contemplated in the Plan, the Competition Tribunal in South Africa approved the transaction on 24 July 2024. The Botswana competition authority approved the transaction on 23 August 2024. The Zimbabwe competition filing was submitted in mid-July 2024. The Mozambique competition filings were made on 2 September 2024.

2.1.7. The IDC Post Commencement Finance facility has been extended to 6 December 2024.

2.1.8. Vision continues to cooperate fully with the BRPs and executive management of the Company to bring implementation of the transaction to a close as soon as possible. There is a core team focused on satisfying the conditions on which the Plan is contingent and ensuring the implementation of the underlying transaction.

2.2. Business Rescue Proceedings of other Tongaat Hulett Group Entities

2.2.1. The approved and adopted business rescue plan for Tongaat Hulett Developments Proprietary Limited ("**THD**") as published on Friday, 19 May 2023 continues to be implemented.

2.2.2. The BRPs also continue to advance the preparatory steps for the implementation of the Adopted and Amended Business Rescue Plans of both Tongaat Hulett Sugar South Africa Proprietary Limited (in business rescue) ("**THSSA**") and Voermol Feeds Proprietary Limited (in business rescue) ("**Voermol**") as approved and adopted by the requisite majority of creditors on Wednesday 31 January 2024 in accordance with section 151 of the Companies Act.

2.2.3. Separate monthly status update reports are provided for THD, THSSA and Voermol, which reports are uploaded and made accessible to Affected Persons on the Company's website at: <http://www.tongaat.com>, under the 'Business Rescue' tab.

2.3. Litigation Matters

2.3.1. **Declarator Application:** Following Vahed J's refusal to grant leave to appeal his judgement dated 5 December 2023, the Company and the BRPs Petitioned the Supreme Court of Appeal ("**SCA**") in Bloemfontein for leave to appeal the judgment of Vahed J. On 25 July 2024, the BRPs were granted leave to appeal by the SCA. On 26 August 2024, the Company and the BRPs served and filed their Notice of Appeal to the SCA. The Notice of Appeal is available for download at <https://www.tongaat.com/business-rescue/>.

2.3.2. **Powertrans Application:** With regard to the application brought by Mohini Singari Naidoo trading as Powertrans Sales & Services ("**Powertrans**") under case number D3902/2024 (see notice to affected persons dated 11 April 2024) to declare the Plan unlawful and set the Plan aside, the Company and the BRPs have opposed this application, and served their answering affidavit. Powertrans has delivered its replying affidavit..

2.4. Creditor Claims

2.4.1. Creditors are reminded to review their claims as they are reflected in 'Annexure A' of the Plan, which reflects all claims in accordance with the Company's records. In the event that any Creditor identifies any discrepancies between its submitted claim and the claim amount recorded by the Company, please do not hesitate to contact us on: BR@tongaat.com.

2.4.2. Take note that the Plan provides a process for Creditors to deal with any remaining disputes related to claims, and Creditors who dispute their claims reflected in the Plan, will be at liberty to follow such process, if they so wish.

3. **CLOSING REMARKS**

3.1. It remains our view that the Company stands a reasonable prospect of being rescued, as contemplated in section 128(1)(h) of the Companies Act, in a manner that will balance the rights and interests of all Affected Persons.

3.2. Affected Persons are reminded that all notices and documents regarding the business rescue proceedings of the Company that have been and/or will be circulated to all known Affected Persons



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are or will be published and made available to all Affected Persons on the Company's website at: www.tongaat.com, under the 'Business Rescue' tab.

3.3. If you have any queries, they may be directed to the business rescue email address at: BR@tongaat.com.

Yours faithfully,

TJ Murgatroyd

PF van den Steen

GC Albertyn

The Joint Business Rescue Practitioners of Tongaat Hulett Limited (in business rescue)

Companies and Intellectual Property Commission
Republic of South Africa

Form CoR 125.1

About this Form

- This form is issued in terms of section 132 and 141 of the companies Act, 2008, and Regulation 125 of the Companies Regulations, 2011.
- This Notice and the attached report must be published to every affected person, and to-
 - a) The Commission, if the business rescue proceedings were started by the company; or
 - b) The court, if the proceedings were ordered by the court.
- A report and Notice must be issued at the end of the first three months of the business rescue proceedings, and at regular monthly intervals after that

**Contacting the
Commission**

The Companies and Intellectual
Property Commission of South
Africa

Postal Address
PO Box 429
Pretoria
0001
Republic of South Africa
Tel: 086 100 2472

www.cipc.co.za

Business Rescue Status Report

Date: August 2024

Customer Code: WERKMP

Concerning

(Name and Registration Number of Company)

Name: Tongaat Hulett Limited

Registration No: 1892/000610/06

The above named company commenced business rescue proceedings on
27 October 2022.

Because the business rescue proceedings have not concluded within three months, the appointed business rescue practitioner provides the attached report in terms of section 132 (3).

Name and Title of person signing on behalf of the Practitioner:

TJ Murgatroyd, PF van den Steen & GC Albertyn
Joint Business Rescue Practitioners

Authorised Signature:

