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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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31 May 2026

## REPORT ON THE STATUS OF THE BUSINESS RESCUE PROCEEDINGS OF TONGAAT-HULETT LIMITED (IN BUSINESS RESCUE)

### GENERAL

- 1 Section 132(3)(a) and section 132(3)(b) of the Companies Act 71 of 2008 (as amended) (the "Companies Act") stipulate that when the business rescue proceedings of a company have not concluded within three months of the date on which they commenced, a business rescue practitioner is required to:
  - 1.1 prepare a report on the progress of the business rescue proceedings, and update it at the end of each subsequent month until the end of those proceedings; and
  - 1.2 deliver the report and each update to each Affected Person and to the Companies and Intellectual Property Commission (the "CIPC").
- 2 This report is the 41<sup>st</sup> report prepared in accordance with section 132(3) of the Companies Act.

### BUSINESS RESCUE UPDATES

- 3 In terms of the application instituted by the BRPs in February 2026 in the KwaZulu-Natal Division of the High Court of South Africa under case number 2026-031780 (the "**Liquidation Proceedings**"), THL and the BRPs applied for an order, *inter alia*, that THL's business rescue proceedings be discontinued and that THL be placed into provisional winding-up.
- 4 The application was set down for hearing on 16 April 2026. At the hearing, the legal proceedings regarding the application for provisional liquidation of Tongaat Hulett were

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Number 1892/000610/06



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adjourned, with the matter now scheduled to be heard on 17 and 18 June 2026. This adjournment provides additional time for Vision and IDC to endeavour to reach agreement on the funding request and for the Company, together with its BRPs and stakeholders, to continue engaging constructively with the objective of reaching a longer-term solution that is in the best interests of the business, its employees, and all stakeholders.

- 5 In the interim, and pending an adjudication of the Liquidation Proceedings, the following matters have occurred and/or remain relevant since the distribution and publication of THL's April 2026 business rescue status update report (the "**April Report**"):
  - 5.1 THL's South African mills commenced the milling season during May 2026, six weeks later than planned due to liquidation disruptions and funding constraints for off-crop maintenance.
  - 5.2 Both Maidstone and Amatikulu mills are operating efficiently with minimal downtime (below 10%). Felixton experienced initial challenges from wet fuel conditions and minor mechanical issues, which have now been resolved. Downtime currently stands below 25% and is projected to improve as the season progresses;
  - 5.3 Operational performance metrics are encouraging for the first 12 days of operation. Maidstone is demonstrating strong extraction performance, with improved efficiency compared to historical rates. Collectively, the mills have processed in excess of 152,000 tonnes of cane, yielding more than 13,000 tonnes of sugar;
  - 5.4 THL continues to operate in a materially constrained commercial environment. Structural market pressures, import dynamics, customer hesitancy, and supply-side constraints continue to impact revenue generation and cash flow:
    - 5.4.1 continued sugar imports into the South African market, driven by low tariff protection, have displaced locally produced sugar from the domestic market. The ITAC review of the dollar-based preference price underpinning the tariffs remains ongoing;
    - 5.4.2 there is increased reluctance from customers to award contracts or commit to future sales volumes due to supply uncertainty;
    - 5.4.3 there are cost absorption pressures across diesel, packaging, fertiliser, and other key inputs related to recent fuel price movements;
    - 5.4.4 there are supply constraints on key raw materials (notably urea for animal feed products) due to the ongoing Middle East conflict;
  - 5.5 THL continues to operate under the post-commencement finance facility (the "**PCF Facility**") provided by the IDC, in terms of the most recent extension provided under PCF Agreement Amending Agreement No. 11. However, there are certain restrictions which the BRPs are addressing with the IDC. The key terms of the PCF Facility are as follows:



- 5.5.1 the PCF Facility, in the amount of R2.5 billion, remains available until 30 June 2026, or earlier upon the granting of an order terminating the Company's business rescue proceedings and winding up the Company (whether provisionally or finally) in the Liquidation Proceedings, or the setting aside of the adopted business rescue plan;
- 5.5.2 the PCF Facility remains secured under the existing security package granted by the Company in favour of the IDC, which security remains in full force and effect; and
- 5.5.3 all amounts outstanding under the PCF Facility must be repaid in full, or may, at the IDC's discretion, be restructured into a term loan on terms and conditions acceptable to the IDC, prior to any sale or transfer of the Company's business and assets as a going concern in accordance with the approved or proposed business rescue plan.

The PCF Facility continues to support the working capital requirements of the business, although headroom is coming under pressure from the challenging commercial conditions identified above. The facility is subject to tight controls over payments and drawdowns implemented by the IDC. The BRPs and management continue to engage constructively with the IDC to improve the facility's operational flexibility and to extend the maturity date beyond 30 June 2026 to 30 September 2026.

## THE LIQUIDATION APPLICATION AND ITS CONSEQUENCE

- 6 If a provisional liquidation order is granted by the High Court, the Master of the High Court will appoint a provisional liquidator, who will assume responsibility for overseeing the winding-up process, engaging with creditors, securing THL's assets, and guiding the submission and adjudication of creditor claims.
- 7 The current dire financial position of the Company has been articulated in various affidavits filed in the Liquidation Proceedings, all of which are available on THL's website at: <https://www.tongaat.com/>, under the 'Business Rescue' tab.

## BUSINESS RESCUE PROCEEDINGS OF OTHER TONGAAT HULETT GROUP ENTITIES

- 8 The business rescue plan for Tongaat Hulett Developments Proprietary Limited ("**THD**"), as approved and adopted by the relevant affected persons on 30 May 2023, continues to be implemented.
- 9 THD's business rescue plan is separate and distinct from that of THL and is expected to continue unaffected by the Liquidation Proceedings.
- 10 Separate monthly status update reports are provided for THD, THSSA, and Voermol. These reports are uploaded and made accessible to affected persons on THL's website at: <https://www.tongaat.com/>, under the '*Business Rescue*' tab.



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**LITIGATION MATTERS**

- 11 The application for leave to appeal to the Constitutional Court in respect of the Declaratory Proceeding remains pending.
- 12 The application for liquidation of THL was called for hearing on 16 April 2026 and the matter was adjourned to be heard on 17 and 18 June 2026. The affidavits delivered in the Liquidation Proceedings are available on THL's website at <https://www.tongaat.com/business-rescue/>.

Yours faithfully,

TJ Murgatroyd

PF van den Steen

GC Albertyn

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

**9 JUNE 2026  
JOHANNESBURG**

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

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[www.cipc.co.za](http://www.cipc.co.za)

**Business Rescue Status Report**

**Date:** 31 May 2026

**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:**

