



Est. 1892

# 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.
- 

27 February 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"), stipulates 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, and update it at the end of each subsequent month until the end of the business rescue proceedings; and
  - 1.2 deliver the report and each update to each Affected Person and to the Companies and Intellectual Property Commission ("CIPC").
- 2 The Companies Act further provides that, [132] business rescue proceedings end when, *inter alia*: the [a][i] court sets aside the resolution that began those proceedings; or [ii] has converted the proceedings to liquidation proceedings; or [b] the practitioner has filed a Notice Of The Termination Of Business Rescue Proceedings with CIPC.
- 3 On 12 February 2026, the Joint Business Rescue Practitioners of THL ("the BRPs") instituted proceedings in the KwaZulu-Natal Division of the High Court of South Africa under Durban High Court Case Number 2026-031780 ("the liquidation proceedings") in terms of which THL has applied for an order, *inter alia*, that THL's business rescue be discontinued and that it be placed into provisional winding-up.
- 4 The liquidation proceedings were instituted by the BRPs pursuant to their statutory duties in terms of section 141 of the Companies Act.



Est. 1892

- 5 The practitioner's duty under Section 141(2) arises when the practitioner concludes that no reasonable prospect of rescue exists. The duty is mandatory.
- 6 On or about 7 February 2026 the BRPs concluded that there is no reasonable prospect for THL to be rescued, following the lapsing of the sale agreements.
- 7 As at the date of the submission of this report, neither of the circumstances referred to in paragraph 2 above have occurred. Because the liquidation proceedings are ongoing, the BRPs consider it appropriate to publish this report at this time. The application for liquidation was heard on 27 February 2026 and was adjourned to a date that is to be set by the Judge President, which has since been set for 16 April 2026.
- 8 This report is the 38<sup>th</sup> report prepared in accordance with section 132(3) of the Companies Act.

## **BUSINESS RESCUE UPDATES**

- 9 The following matters have occurred and/or remain relevant since the distribution and publication of THL's January 2026 business rescue status update report -
  - 9.1 until 7 February 2026, the BRPs continued to advance the necessary steps for purposes of implementing the Business Rescue Plan ("the Plan") as approved and adopted by the requisite majority of creditors on Thursday, 11 January 2024 in accordance with section 151 of the Companies Act; and
  - 9.2 the implementation of the Asset Transaction in accordance with the Plan remained an ongoing process, which contemplated the sale of THL's business and assets as a going concern, as a group, to the Vision Parties ("Vision").
- 10 The parties to the transaction continued to work towards the implementation of the Asset Transaction and refinancing of the Industrial Development Corporation ("IDC") post commencement of the finance facility in the shortest possible timeframe.
- 11 THL continued to trade in very difficult market conditions due, *inter alia*, to a significant increase in sugar being imported into South Africa. In amplification -
  - 11.1 these imports, particularly from Eswatini and from deep-sea sources, increased sharply and made it harder for locally produced sugar to compete in the domestic market;
  - 11.2 locally produced sugar has been pushed out of the South African market and sold into export markets instead, where prices are much lower than those achieved locally;
  - 11.3 in consequence, revenue reduced which in turn placed pressure on margins; and



Est. 1892

**TongaatHulett®**

- 11.4 the high level of imports has been driven by a stronger Rand, lower international sugar prices, and delays in implementing higher import duties that were triggered in October 2025 and only recently gazetted. Unfortunately the higher import duties however have not been effective with the updated tariff protection remaining insufficient to curb imports.
- 12 In addition to what is set out in paragraph 11 above, the outbreak of foot-and-mouth disease reduced demand for animal feed products, further affecting sales.

### **THL'S LIQUIDITY REQUIREMENTS**

- 13 The Business Rescue Practitioners closely monitored THL's liquidity and operational risks and continued to take steps to manage the impact of the challenging conditions referred to above.
- 14 Regrettably, the BRPs concluded on or about 7 February 2026, that there is no longer a reasonable prospect for THL to be rescued because -
- 14.1 neither of the two critical conditions precedent to the South African Sale of Business Agreement ("the SA SOB") has been fulfilled, namely: (i) the refinancing of the IDC PCF; and (ii) the payment of R517 million to SASA into escrow;
- 14.2 the IDC's approval of a R200 million increase in the PCF was conditional upon Vision or the Standard Bank of South Africa matching the contribution. Both declined;
- 14.3 the SASA escrow remains unfunded;
- 14.4 Vision refused to extend the various sale agreements beyond 7 February 2026, as confirmed by its letter dated 6 February 2026. The Sale Agreements accordingly lapsed; and
- 14.5 Vision issued a formal demand declaring all Senior Facility Outstandings immediately due and payable in the amount of R11,738,406,991.00.
- 15 The IDC has not, as at date hereof, confirmed that the PCF facility has been fully reinstated, or granted the increase requested, and Vision has failed to reinstate its consent.

### **THE LIQUIDATION APPLICATION AND ITS CONSEQUENCE**

- 16 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.



- 17 The current dire financial position of the company has been articulated in various affidavits filed in the liquidation application, 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**

- 18 The business rescue plan for Tongaat Hulett Developments Proprietary Limited ("THD") as approved and adopted by the relevant Affected Persons on Tuesday, 30 May 2023 continues to be implemented.
- 19 THD's business rescue plan is separate and distinct from that of THL and is expected to continue unaffected by THL's provisional liquidation application.
- 20 The BRPs are considering the impact of THL's provisional liquidation filing on the Adopted 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.
- 21 Separate monthly status update reports are provided for THD, THSSA and Voermol, which reports are uploaded and made accessible to Affected Persons on THL's website at: <https://www.tongaat.com/>, under the '*Business Rescue*' tab.

## **LITIGATION MATTERS**

### **(i) Declaratory Proceedings**

- 22 Application for leave to appeal to the Constitutional Court: All of the respondents who have opposed this application have delivered their answering affidavits, and the BRPs have applied for leave to deliver a replying affidavit. The replying affidavit has been delivered.

### **(ii) Liquidation Proceedings**

- 23 This has been dealt with above.
- 24 All affidavits have been exchanged. The BRPs heads of argument are required to be delivered on 9 March 2026. The respondents who have opposed this application must deliver their heads of argument by 12 March 2026.
- 25 The Judge President has allocated this matter for hearing on 16 April 2026.



Est. 1892

**TongaatHulett**<sup>®</sup>

- 26 A copy of the application to court for the provisional liquidation of **THL**, including the notice of motion, certificate of urgency, founding affidavit and annexures, is 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)**

**17 MARCH 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

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

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

**Business Rescue Status Report**

**Date:** 27 February 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:**

