



The Trusted Home of Agriculture
Die Betroubare Tuiste van Landbou

9 January 2019

FURTHER UPDATE ANNOUNCEMENT REGARDING IMPORTANT SHAREHOLDER MATTERS

BKB shareholders are referred to the general announcement on 15 November 2018 in which shareholders were informed of certain important shareholder matters. Through today's announcement, BKB wishes to update the shareholders of BKB of certain recent developments relating to BKB, as well as to clarify any misconceptions that shareholders may have based on public announcements made by a third party.

Background

1. As announced to the shareholders of BKB on 15 November 2018, the ARC Fund, a South African *en commandite* partnership and the holder of 18 612 016 issued shares in BKB ("**ARC BKB Shares**"), provided BKB with a right of first refusal notice for BKB, or a nominee appointed by BKB, to purchase the ARC BKB Shares at a price of R22 per BKB share, for a total consideration of R409 464 352 ("**Right of First Refusal Notice**"), which BKB was entitled to exercise by no later than 27 December 2018.
2. On 21 December 2018, African Rainbow Capital Investments Limited ("**ARC Investments**"), the limited partner of the ARC Fund, published an announcement on SENS, which stated, inter alia that "[s]hareholders *are advised that BKB has exercised its right of first refusal and has acquired the BKB shares at R22 per share from the ARC Fund for a total consideration of R409.5 million*".

Shareholder Update

3. Pursuant to the receipt of the Right of First Refusal Notice from ARC Fund, BKB identified Maruwa Investments Proprietary Limited ("**Maruwa**") as a suitable entity to be appointed as BKB's nominee for purposes of exercising BKB's right of first refusal in respect of the ARC BKB Shares ("**ARC Buy-Out**").
4. Maruwa is a black-owned and managed investment holding company focused on agri-related investments in South Africa and is jointly owned by Solis Capital (www.soliscapital.co.za) and Ascension Capital (www.ascensioncapital.co.za).
5. Maruwa accepted the nomination by BKB and acquired the ARC BKB Shares from ARC Fund on 21 December 2018. Maruwa is now a 20% shareholder of BKB.



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6. Accordingly, and contrary to the 21 December 2018 SENS announcement by ARC Investments referred to in paragraph 2 above, BKB wishes to clarify that BKB did not acquire the ARC BKB Shares from ARC Fund as it was acquired by Maruwa pursuant to Maruwa having been duly appointed as BKB's nominee for purposes of the ARC Buy-Out.
7. Further announcements will follow regarding matters related to the ARC Buy-Out as well as the proposed listing of BKB on the licensed securities exchange operated by 4 Africa Exchange Proprietary Limited.
8. Shareholders are advised to exercise caution in dealing with their shares in BKB until a further announcement is made.

**Ms J OOSTHUIZEN
COMPANY SECRETARY
PORT ELIZABETH
9 JANUARY 2019**

