

**TISO BLACKSTAR GROUP SE**  
(Incorporated in England and Wales)  
(Registration number SE000110)  
(Registered as an external company with limited liability in the Republic of South Africa under registration number 2011/008274/10)  
JSE share code: TBG  
ISIN: GB00BF37LF46  
("Tiso Blackstar" or "the Company" or together with its subsidiaries the "Group")

**tiso blackstar  
group.**

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**CLARIFICATION ANNOUNCEMENT: UNMODIFIED REVIEW OPINION, INCLUDING AN EMPHASIS OF MATTER, AND A FURTHER UPDATE**

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**Unmodified review opinion, including an emphasis of matter:**

Shareholders are referred to the short form announcement dated 16 September 2020 relating to the reviewed provisional condensed consolidated financial statements for the year ended 30 June 2020 ("**Provisional Results**").

The Company advised shareholders that the Provisional Results were reviewed by the Company's auditors, who expressed an unmodified review opinion thereon. The Company wishes to clarify that the unmodified review opinion included an emphasis of matter paragraph as detailed below.

The emphasis of matter paragraph included in the auditor's review opinion for Tiso Blackstar Group SE ("**Review Report**") was raised to draw the attention of the users of the report to the material impact that the transaction to dispose of the investment in Kagiso Tiso Holdings ("**KTH**") had on the Company's consolidated financial statements and its cash flow. On the date of the release of the Provisional Results release, 16 September 2020 and till today, the disposal of KTH has remained conditional, however, it met the conditions to be classified and presented as a non-current asset held for sale under IFRS 5 Non-current Assets Held for Sale and Discontinued Operations, and the financial statements have been prepared on this basis.

The disposal of KTH would result in significant cash inflows for the Group which will be utilised for the share buy-back and delisting by the Company. The resolutions were approved at the Court Meeting and General Meeting held at the registered offices of the Company on 21 September 2020, and as released on SENS on 30 September 2020, one condition precedent is outstanding to finalise Sale of Shares Agreement.

The emphasis of matter paragraph draws attention to the fact that the deal was conditional upon meeting certain conditions precedent in terms of the Sale of Shares Agreement, and that shareholders should refer to notes 5.1 and 1.1 in the Provisional Results, which describes the material impact of the disposal. The emphasis of matter paragraph does not affect the auditor's opinion, which remains unmodified.

Extract from Review Report:

"We draw attention to notes 5.1 and 1.1, which describes the material impact that the transaction to dispose of the group's associate investment in Kagiso Tiso Holdings (KTH) has on the preparation of the financial statements and its cash flow. Our conclusion is not modified in this respect."

Shareholders are referred to the Review Report on pages 34 and 35 for a detailed understanding of the emphasis of matter.

The Provisional Results, which includes the Review Report (“**Full Announcement**”), is available on the Company’s website or may be requested in person, at the Company’s registered office or the office of the sponsor, at no charge, during office hours.:

[https://storage.googleapis.com/tiso\\_cosmos\\_files/Announcement%20-%2030%20June%202020%20FINAL%20website.pdf](https://storage.googleapis.com/tiso_cosmos_files/Announcement%20-%2030%20June%202020%20FINAL%20website.pdf)

Additionally, the Full Announcement can also be found at:

<https://senspdf.jse.co.za/documents/2020/JSE/ISSE/TBG/FY20PROVR.pdf>

**Further update:**

Further to the announcement released on 30 September 2020, shareholders are hereby advised that the outstanding condition precedent in paragraph of 3.3.1.3 of the Circular is expected to be fulfilled by the 30<sup>th</sup> of October 2020. Accordingly, a revised final timetable will be published in respect of the implementation of the Scheme.

London  
16 October 2020

Sponsor  
PSG Capital



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