



Tongaat Hulett Opens A State Of The Art Refinery To Produce White Sugar In Mozambique

Tongaat Hulett has delivered on its commitment to the long-term success of the Mozambique Sugar Industry with the opening of a new white sugar refinery at the Xinavane Sugar Mill which represented an investment of Mt2,5 billion (R550 million). On the morning of 29 November 2018, His Excellency Filipe Jacinto Nyusi, President of the Republic of Mozambique, the Chairman of Tongaat Hulett Mr Bahle Sibisi, the Minister of Trade and Industry Ragendra de Sousa and numerous other dignitaries joined stakeholders at the Opening Ceremony in Xinavane.

The Opening Ceremony was followed by a Lunch at Xinavane, attended by President of The Republic of Mozambique, accompanied by members of the council of Ministers, Tongaat Hulett Chairman, Bahle Sibisi, Tongaat Hulett interim CEO, Sydney Mtsambiwa and the MD of Tongaat Hulett Mozambique, Rosario Cumbi. Numerous dignitaries and various stakeholders attended the event.

The existing sugar refining capacity in Mozambique is some 20 000 tons per annum, while it is estimated that some 70 000 tons of refined sugar is consumed annually. The majority of Mozambique's refined sugar requirements is currently imported.

Tongaat Hulett's 90 000 ton per annum Sugar Refinery, which was completed in October 2018, will be sufficient to meet projected local annual market demand for the next seven to ten years. The Refinery was designed by Tongaat Hulett's Technology Group (TG).TG have been designing and selling sugar processing equipment for over 30 years and attained 11 patents in 22 countries, including the GREEN (Greatly Reduced Energy and Equipment Needs) refining technology.

The Refinery construction lasted 18 months and created 605 direct temporary jobs, which equates to a total of 430 729-man hours. 436 jobs were filled by Mozambican nationals and once the Refinery is fully operational, it will create 90 permanent new jobs

The completion of the Sugar Refinery at Xinavane will ensure that this operation further entrenches its position as the leading sugar industry investment in Mozambique.

Bahle Sibisi, Tongaat Hulett Chairman said, "The Sugar Refinery Project reflects Tongaat Hulett's commitment to the future of the Mozambican Sugar Industry, relevant sugar industry stakeholders including shareholders, customers, the agricultural sector and the broader economy as the project will ensure that previously imported refined sugar is now produced in Mozambique while also providing further support for the significant number of rural community members that benefit from the industry."

“We are cognisant of the role the Sugar Industry plays in the socio-economic development of the country and in the rural communities in particular. We are delighted to with this further investment by Tongaat Hulett, which will catapult Government’s efforts for increased domestic production, and reduction of imports”, said the President of the Republic of Mozambique, His Excellency Filipe Jacinto Nyusi.

The refined sugar produced will be industrial/bottler grade and carry food safety FSSC 22000 certification. White sugar is required to produce soft drinks, dairy, beer, sweets and confectionary products. It is anticipated that the increased availability of white sugar will contribute towards the growth of these industries in Mozambique. The Xinavane Refinery which is located some 150 kilometres from the Maputo harbour is well-placed to export surplus white sugar to regional African markets.

Recognising, with appreciation, the efforts of the Mozambican Government to create a business environment that supports investment, Bahle Sibisi concludes, “Tongaath Hulett’s ongoing investments in the Sugar Industry in Mozambique supports Government’s objectives of growing the local economy, promoting domestic production and contributing to the balance of trade equilibrium. The company is committed to working with Government and other relevant stakeholders to facilitate the success of the Sugar Refinery Project and its other investments at Xinavane and Mafambisse, thereby contributing to economic development, job creation and social upliftment.”

Maputo

29 November 2018

ENDS

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Image captions

1. President of the Republic of Mozambique, His Excellency Filipe Jacinto Nyusi addresses guests
2. His Excellency, President Filipe Jacinto Nyusi is introduced to Tongaat Hulett Board Chairman, Bahle Sibisi, and acting CEO Sydney Mtsambiwa, by Rosario Cumbi, MD of the company’s Mozambique operations.

About Tongaat Hulett

Tongaat Hulett is an agriculture and agri-processing business, focusing on the complementary feedstocks of sugarcane and maize. Through our sugar and starch operations, we produce a range of refined sugarcane and maize based carbohydrate products, with many interchangeable products. Our ongoing agriculture activities mean we have a substantial land portfolio within the primary growth corridors of KwaZulu-Natal, with strong policy support for conversion at the appropriate time. In partnering with key stakeholders, we have created mutually beneficial relationships for our shareholders, governments, private farmers and their representative bodies, communities, employees, as well as the people impacted by our company's operations.