IMPLEMENTATION OF UNBUNDLING

Shareholders are referred to the Company’s circular dated 21 February 2018 ("Circular"), detailing the proposed distribution in specie by the Company of its shareholding ("Distribution Shares") in Hosken Passenger Logistics and Rail Limited ("HPLR"), referred to in the Circular as "Newco", to La Concorde shareholders ("Unbundling"), as well as to the Company's announcement dated 23 March 2018, advising that the Unbundling had been approved by shareholders at the general meeting held on that date.

Shareholders are advised that the Unbundling was implemented today, 13 April 2018, in accordance with the timetable contained in the Salient Dates and Times section of the Circular.

In accordance with the Circular, the Distribution Shares have been unbundled to shareholders in certificated form, save where a shareholder has applied, in the manner prescribed in the Circular, for the applicable shares to be distributed to it in dematerialised form. HPLR share certificates will be posted to shareholders, at their risk, today, 13 April 2018 or as soon as reasonably possible thereafter, in accordance with the Circular. Those shareholders who have applied for the applicable Distribution Shares to be distributed to them in dematerialised form, will have their central securities depositary participant / broker accounts credited with such shares on the listing date of HPLR on the JSE Main Board, which is currently anticipated to occur on Tuesday, 24 April 2018.

Certain South African Tax Considerations

The distribution of the Distribution Shares constitutes a “dividend” as defined in the Income Tax Act, 1962 (“Income Tax Act”). The distribution gives rise to a liability for dividends tax in accordance with the Income Tax Act in the event that any beneficial owner of the Distribution Shares does not qualify for an exemption from the dividends tax.

In terms of the Securities Transfer Tax Act, 2007, securities transfer tax (“STT”) is payable on the transfer of the Distribution Shares to shareholders pursuant to the Unbundling. The amount of STT to be imposed is calculated as 0.25% of the market value of the Distribution Shares, on the record date of the Unbundling.

The market value of R7.78 per Distribution Share will be applied by the Company in determining the amounts of dividends tax and STT payable in respect of the distribution in specie of the Distribution Shares under the Unbundling.

Shareholders are furthermore referred to paragraph 4.8 of the Circular (which Circular remains available on the Company's website, http://laconcordeholdings.co.za), which summarised the tax consequences of the Unbundling. In particular, shareholders are referred to paragraph 4.8.4 in
relation to the treatment of and method of settlement of STT, as well as paragraph 4.8.5 in relation to the treatment of dividend tax in relation to the Unbundling.

The above is a general description of certain South African tax considerations relating to the Unbundling as at the date hereof. It is not intended to be, nor should it be considered as legal or taxation advice. Shareholders should consult their own professional advisers regarding the tax implications arising in respect of the Unbundling.

Paarl
13 April 2018

Corporate advisor

Legal advisor