

**This circular is important and requires your immediate attention.**

The definitions commencing on page 4 of this circular apply *mutatis mutandis* to this cover.

**Actions required**

- If you are in any doubt as to what action you should take arising from this circular, please consult your broker, CSDP, banker, accountant, attorney or other professional advisor immediately.
- If you have disposed of all of your shares in Tiger Brands, please forward this circular to the purchaser of such shares or to the broker, CSDP, banker, accountant, attorney or other agent through whom the disposal was effected.
- Tiger Brands shareholders are referred to page 1 of this circular, which sets out the action required by them.

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**Tiger Brands**



**TIGER BRANDS LIMITED**

(Incorporated in the Republic of South Africa)

(Registration number 1944/017881/06)

Share code JSE: TBS ISIN: ZAE000071080

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**CIRCULAR TO TIGER BRANDS SHAREHOLDERS**

regarding:

- a proposed specific payment to shareholders of 270 cents per share, *in lieu* of an interim dividend, by way of a reduction in the Company's share premium account; and
- the authority to make a general payment out of share premium, *in lieu* of a final dividend, or part thereof, for the year ending 30 September 2010;

and incorporating:

- a notice convening a general meeting of shareholders; and
- a form of proxy (*blue*) (for use by holders of certificated shares and dematerialised shares with own-name registration only).

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Investment bank and transactional sponsor

Sponsor



**J.P.Morgan**

Attorneys



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Date of issue: 1 June 2010

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## CORPORATE INFORMATION AND ADVISORS

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The definitions commencing on page 4 of this circular apply *mutatis mutandis* to this Corporate information and advisors section.

### **Company Secretary and business address**

I W M Isdale  
3010 William Nicol Drive  
Bryanston, 2021  
South Africa  
(PO Box 78056, Sandton, 2146)

### **Sponsor**

J.P. Morgan Equities Limited  
(Registration number 1995/011815/06)  
1 Fricker Road, Corner Hurlingham Road  
Illovo, 2196  
South Africa  
(Private Bag X9936, Sandton, 2146)  
Member of the JSE Limited

### **Investment bank and transactional sponsor**

Nedbank Capital, a division of Nedbank Limited  
(Registration number 1951/000009/06)  
3rd Floor, Corporate Place, Nedbank Sandton  
135 Rivonia Road  
Sandton, 2196  
South Africa  
(PO Box 1144, Johannesburg, 2000)

### **Transfer secretaries**

Computershare Investor Services (Proprietary) Limited  
(Registration number 2004/003647/07)  
Ground Floor  
70 Marshall Street  
Johannesburg, 2001  
South Africa  
(PO Box 61051, Marshalltown, 2107)

### **Attorneys**

Edward Nathan Sonnenbergs Inc.  
150 West Street  
Sandton, 2196  
South Africa  
(PO Box 783347, Sandton, 2146)

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## ACTION REQUIRED BY TIGER BRANDS SHAREHOLDERS

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The definitions commencing on page 4 of this circular apply *mutatis mutandis* to the following action required by Tiger Brands shareholders.

Please take careful note of the following provisions regarding the action required by Tiger Brands shareholders:

1. If you have disposed of all of your ordinary shares, this circular should be handed to the purchaser of such shares or the broker, CSDP, banker, accountant, attorney or other agent through whom the disposal was effected.
2. If you are in any doubt as to what action to take, you must consult your broker, CSDP, banker, accountant, attorney or other professional advisor immediately.
3. The general meeting, convened in terms of the notice incorporated in this circular, will be held at 3010 William Nicol Drive, Bryanston, Johannesburg, 2021, on Monday, 21 June 2010, commencing at 10:00.

#### 4. GENERAL MEETING

##### 4.1 If you hold dematerialised shares

###### 4.1.1 *Own-name registration*

You are entitled to attend, or be represented by proxy, and may vote at the general meeting.

If you are unable to attend the general meeting, but wish to be represented thereat, you must complete and return the attached form of proxy, in accordance with the instructions contained therein, to be received by the transfer secretaries, Computershare Investor Services (Proprietary) Limited, Ground Floor, 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107) by no later than 10:00 on Thursday, 17 June 2010.

###### 4.1.2 *Other than own-name registration*

If your CSDP or broker does not contact you, you are advised to contact your CSDP or broker and provide them with your voting instructions. If your CSDP or broker does not obtain instructions from you, they will be obliged to act in terms of your mandate furnished to them.

You must **not** complete the attached form of proxy. In accordance with the mandate between you and your CSDP or broker you must advise your CSDP or broker timeously if you wish to attend, or be represented at the general meeting.

Your CSDP or broker will be required to issue the necessary letter of representation to you to enable you to attend, or to be represented at the general meeting.

##### 4.2 If you hold certificated shares

You are entitled to attend, or be represented by proxy, and may vote at the general meeting.

If you are unable to attend the general meeting, but wish to be represented thereat, you must complete and return the attached form of proxy, in accordance with the instructions contained therein, to be received by the transfer secretaries, Computershare Investor Services (Proprietary) Limited, Ground Floor, 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107) by no later than 10:00 on Thursday, 17 June 2010.

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## CONTENTS

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The definitions commencing on page 4 of this circular apply *mutatis mutandis* to this Contents section.

	Page
<b>Corporate information and advisors</b>	Inside front cover
<b>Action required by Tiger Brands shareholders</b>	1
<b>Salient dates and times</b>	3
<b>Definitions</b>	4
<b>Circular to shareholders</b>	7
1. Introduction and rationale	7
2. Details of the specific payment	7
3. Conditions precedent to the distributions	8
4. <i>Pro forma</i> financial effects of the specific payment	8
5. General payment authority	9
6. Share capital	9
7. Directors and directors' interests	10
8. Major shareholders	11
9. Working capital statement	11
10. Taxation	11
11. Exchange Control Regulations	12
12. Material changes	12
13. Litigation statement	12
14. Costs	13
15. Directors' responsibility statement	13
16. General meeting	13
17. Consents	13
18. Directors' recommendation	14
19. Documents available for inspection	14
<b>Notice of general meeting of Tiger Brands shareholders</b>	15
<b>Form of proxy (<i>blue</i>)</b>	Attached

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## SALIENT DATES AND TIMES

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The definitions commencing on page 4 of this circular apply *mutatis mutandis* to this Salient dates and times section.

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**2010**

Circular and form of proxy posted to shareholders on	Tuesday, 1 June
Last day to lodge form of proxy for the general meeting, by 10:00 on	Thursday, 17 June
General meeting to be held at 10:00 on	Monday, 21 June
Results of the general meeting released on SENS on	Monday, 21 June
Results of the general meeting published in the press on	Tuesday, 22 June
If the resolution relating to the specific payment of 270 cents per share by way of a reduction of Tiger Brands' share premium account is approved, it is anticipated that the specific payment to shareholders will take place as follows:	
Specific payment finalisation date by no later than	Monday, 21 June
Last day to trade in order to participate in the specific payment on	Friday, 2 July
Trade in the ordinary shares will commence trading ex specific payment on	Monday, 5 July
Record date on which Tiger Brands shareholders must be recorded in the register to be entitled to the specific payment on	Friday, 9 July
Payment date on	Monday, 12 July

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**Notes:**

1. These dates and times are subject to amendment. Any such amendment will be released on SENS and published in the South African press.
2. If the resolution in respect of the specific payment is passed, share certificates may not be dematerialised or rematerialised from Monday, 5 July 2010 to Friday, 9 July 2010 (both days inclusive).
3. This circular is available in English only. Copies may be obtained during normal business hours from the registered office of Tiger Brands, Nedbank Capital and the transfer secretaries, the addresses of which are set out in the "Corporate information and advisors" section of this circular.

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## DEFINITIONS

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In this circular, unless otherwise stated or the context otherwise indicates, the words in the first column below shall have the meaning stated in the second column, reference to the singular shall include the plural and *vice versa*, words denoting one gender shall include the other gender, and an expression denoting natural persons shall include juristic persons and associations of persons:

"the Act" or "Companies Act"	the Companies Act, 1973 (Act 61 of 1973), as amended, superseded or replaced, from time to time;
"board" or "directors"	the board of directors of Tiger Brands whose names appear on page 7 of this circular;
"broker"	any person registered as a "broking member (equities)" in terms of the Rules of the JSE and in accordance with the provisions of the Securities Services Act;
"cents"	South African cents;
"certificated shares"	shares which have not been dematerialised, title to which is represented by a share certificate(s) or other document(s) of title;
"certificated shareholders"	holders of certificated shares;
"circular"	this bound document, dated 1 June 2010, containing the circular to Tiger Brands shareholders and annexures hereto, the notice of general meeting and a form of proxy;
"common monetary area"	South Africa, the Republic of Namibia and the Kingdoms of Swaziland and Lesotho;
"CSDP"	a Central Securities Depository Participant, required in terms of the Securities Services Act and appointed by shareholders for the purpose of and in regard to the dematerialisation of their shares;
"dematerialisation"	the process by which certificated shares are converted or held in an electronic form as uncertificated shares and recorded in the sub-register of security holders maintained by a CSDP or broker;
"dematerialised shares"	shares which have been dematerialised through a CSDP or broker and replaced by electronic record(s) of ownership under the Strate system;
"dematerialised shareholders"	holders of dematerialised shares;
"distributions"	the specific payment and general payment;
"Exchange Control Regulations"	the Exchange Control Regulations, 1961, as amended, promulgated in terms of section 9 of the Currency and Exchanges Act, 1933 (Act 9 of 1933), as amended;
"general meeting"	the general meeting of Tiger Brands shareholders to be held at 10:00 on Monday, 21 June 2010 for the purpose of considering, and if deemed fit, passing, with or without modification, the resolutions contained in the notice of the general meeting attached to and forming part of this circular;
"general payment"	the payment to shareholders out of the Company's share premium account, <i>in lieu</i> of a final dividend, or part thereof, for the year ending 30 September 2010;
"Income Tax Act"	Income Tax Act, 1962 (Act 58 of 1962), as amended;

"JSE"	the exchange operated by the JSE Limited (Registration number 2005/022939/06), a public company incorporated and registered in accordance with the laws of South Africa and licensed as an exchange under the Securities Services Act;
"last practicable date"	Tuesday, 25 May 2010, being the last practicable date prior to the publication of this circular;
"Listings Requirements"	the Listings Requirements of the JSE, as amended from time to time;
"NAV"	net asset value per Tiger Brands ordinary share;
"Nedbank"	Nedbank Limited (Registration number 1951/000009/06), a public company incorporated and registered in South Africa and a wholly-owned subsidiary of the JSE listed Nedbank Group Limited (Registration number 1966/010630/06);
"Nedbank Capital"	Nedbank Capital, a division of Nedbank, the investment bank and transactional sponsor;
"ordinary shares" or "shares"	ordinary shares having a par value of 10 cents each in the issued share capital of Tiger Brands;
"own-name dematerialised shareholders"	dematerialised shareholders who have instructed their CSDP to hold their dematerialised shares in their own name on the sub-register;
"payment date"	the date on which the specific payment is effected, being Monday, 12 July 2010;
"Rand"	South African Rand;
"record date"	the last date on which shareholders must be recorded in the register in order to participate in the specific payment which is expected to be on Friday, 9 July 2010;
"the register"	the register of certificated shareholders maintained by the transfer secretaries and the sub register of dematerialised shareholders maintained by the relevant CSDP's;
"Securities Services Act"	the Securities Services Act, 2004 (Act 36 of 2004), as amended;
"SENS"	the Securities Exchange News Service of the JSE;
"shareholders" or "Tiger Brands shareholders"	beneficial holders of the ordinary shares in Tiger Brands;
"South Africa"	the Republic of South Africa;
"specific payment"	the cash distribution by way of a capital reduction out of share premium of 270 cents per share, made to Tiger Brands shareholders <i>in lieu</i> of an interim dividend for the six months ended 31 March 2010;
"STC"	Secondary Tax on Companies;
"Strate"	Strate Limited (Registration number 1998/022242/06), a public company incorporated in accordance with the laws of South Africa and which is a registered central securities depository responsible for the electronic custody and settlement system used by the JSE;
"Tiger Brands" or "the Company"	Tiger Brands Limited (Registration number 1944/017881/06), a public company incorporated in accordance with the laws of South Africa and whose shares are listed on the Main Board of the JSE;

"TNAV"	tangible NAV;
"transfer secretaries"	Computershare Investor Services (Proprietary) Limited (Registration number 2004/003647/07), a private company incorporated in accordance with the laws of South Africa; and
"treasury shares"	shares owned by Tiger Consumer Brands Limited (Registration number 1972/006590/06), a public company incorporated in accordance with the laws of South Africa and a wholly-owned subsidiary of Tiger Brands which, at the last practicable date, amounted to 10 326 758 shares.

# Tiger Brands



## TIGER BRANDS LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 1944/017881/06)

Share code JSE:TBS ISIN: ZAE000071080

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### Directors

L C van Vught (*Chairman*)<sup>†</sup>

P B Matlare (*Chief Executive Officer*)\*

S L Botha<sup>†</sup>

N G Brimacombe\*

R M W Dunne<sup>†</sup>

M Fleming<sup>^</sup>

K D K Mokhele<sup>†</sup>

B N Njobe\*

A C Parker<sup>†</sup>

P M Roux<sup>#</sup>

B L Sibiyi (*Deputy Chairman*)<sup>†</sup>

C F H Vaux\*

<sup>†</sup> Independent non-executive director

<sup>#</sup> Non-executive director

\* Executive director

<sup>^</sup> Financial director

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## CIRCULAR TO SHAREHOLDERS

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### 1. INTRODUCTION AND RATIONALE

It was announced on SENS on Tuesday, 18 May 2010, that the directors of Tiger Brands have decided, subject to the approval of Tiger Brands shareholders in a general meeting, to make a cash distribution to Tiger Brands shareholders by way of a capital reduction out of the Company's share premium account of 270 cents per share. This specific payment is *in lieu* of the interim dividend for the six months ended 31 March 2010.

In addition to the above, the directors wish to obtain a general authority to make a cash distribution to shareholders by way of a capital reduction out of share premium, *in lieu* of a final dividend, or part thereof, for the year ending 30 September 2010, subject to the provisions of the Act and the Listings Requirements.

The purpose of this circular is to inform Tiger Brands shareholders of the details of the proposed specific payment, as well as to convene a general meeting of Tiger Brands shareholders to approve resolutions authorising the proposed specific payment to shareholders and granting the general authority to the board to make the general payment, subject to the Act and the Listings Requirements.

### 2. DETAILS OF THE SPECIFIC PAYMENT

Subject to the condition precedent set out in paragraph 3 below, shareholders recorded in the register at the close of business on the record date will be entitled to receive the specific payment. Payment to shareholders will be effected on Monday, 12 July 2010, as follows:

#### 2.1 Certificated shareholders

Payment to certificated shareholders will be effected by way of a cheque to be forwarded to each such shareholder by ordinary post to the shareholder's registered address; or electronically transferred into the shareholder's bank account if details of such account are available to the transfer secretaries, provided that the shareholder concerned has entered into a mandate with the transfer secretaries, each at the risk of the shareholder concerned.

## 2.2 Dematerialised shareholders

Payments due to dematerialised shareholders will be paid to their respective CSDP or broker who will update the accounts of such shareholders in accordance with the applicable custody agreement.

### 3. CONDITION PRECEDENT TO THE DISTRIBUTIONS

The distributions are subject to the fulfilment of the condition precedent that the approval by the requisite majority of shareholders in general meeting is obtained.

### 4. PRO FORMA FINANCIAL EFFECTS OF THE SPECIFIC PAYMENT

The illustrative *pro forma* financial effects set out below have been prepared to assist Tiger Brands shareholders to assess the impact of the specific payment on the NAV and TNAV per ordinary share. The material assumptions are set out in the notes following the table. The *pro forma* financial effects are the responsibility of the directors and are provided for illustrative purposes only.

Shareholders are advised that, as the distribution is being made *in lieu* of an interim dividend that would have been paid had no capital been available for distribution, there will be no additional reduction in the cash and cash equivalents and equity attributable to ordinary shareholders of the Company.

The financial effects have been prepared for illustrative purposes only, and because of their nature, may not give a fair presentation of Tiger Brands' financial position, changes in equity, results of operations or cash flows.

	Actual before the specific payment <sup>(1)</sup>	Impact of the proposed specific payment <sup>(2) &amp; (5)</sup>	<i>Pro forma</i> After the specific payment
<b>Assets</b>			
Cash and cash equivalents (R million)	165.9	(437.0)	(271.1)
<b>Equity and liabilities</b>			
Equity attributable to ordinary shareholders <sup>(3)</sup> (R million)	7 553.8	(437.0)	7 116.8
NAV <sup>(4)</sup> (cents per share)	4 772.1		4 496.1
TNAV <sup>(4)</sup> (cents per share)	3 516.1		3 240.1

#### Notes:

- As per the published unaudited results of Tiger Brands for the six months ended 31 March 2010.
- Adjustments to cash and cash equivalents and equity attributable to ordinary shareholders were made on the assumption that the specific payment to shareholders of 270 cents per share was paid on 31 March 2010.
- Equity attributable to ordinary shareholders comprises the following line items:

	Actual before the specific payment <sup>(1)</sup> R million	Impact of the proposed specific payment <sup>(2) &amp; (5)</sup> R million	<i>Pro forma</i> After the specific payment R million
Ordinary share capital	19.0	–	19.0
Share premium	955.2	(502.1)	453.1
Non-distributable reserves	864.7	–	864.7
Accumulated profits	8 330.0	–	8 330.0
Tiger Brands Limited shares held by subsidiary	(770.3)	27.9	(742.4)
Tiger Brands Limited shares held by empowerment entities	(2 064.1)	37.2	(2 026.9)
Share-based payment reserve	219.3	–	219.3
<b>Total equity attributable to ordinary shareholders</b>	<b>7 553.8</b>	<b>(437.0)</b>	<b>7 116.8</b>

- The calculation of NAV per share and TNAV per share as at 31 March 2010 has been based on 158 289 687 ordinary shares in issue (which excludes the 10 326 758 treasury shares, as well as 21 426 860 shares held by various empowerment entities which are consolidated for accounting purposes).
- The impact of the specific payment takes into account the on-payment of the specific payment by the empowerment entities to the participants in the Company's Broad-Based Black Economic Empowerment initiatives.

## 5. GENERAL PAYMENT AUTHORITY

The board wishes to obtain a general authority from the shareholders, in terms of the Listings Requirements, pursuant to which it shall be entitled to make a payment to shareholders out of the Company's share premium, *in lieu* of a final dividend, or part thereof, for the year ending 30 September 2010, subject to the provisions of the Act, the Listings Requirements and the following limitations:

- 5.1 that this authority shall not extend beyond 15 months from the date of the general meeting or the date of the next annual general meeting, whichever is the earlier date;
- 5.2 that any general payment(s) may not exceed 20% of the Company's issued share capital, including reserves but excluding minority interests and revaluations of assets and intangible assets that are not supported by a valuation by an independent professional expert acceptable to the JSE prepared within the last six months, in any one financial year, measured as at the beginning of each financial year; and
- 5.3 that any general payment be made *pro rata* to all shareholders.

Announcements will be released on SENS and published in the press which will set out the financial effects of the general payment prior to such payment being effected and the relevant timetable in accordance with schedule 24 of the Listings Requirements.

## 6. SHARE CAPITAL

As at the last practicable date, the authorised and issued share capital and share premium of Tiger Brands was as follows:

	R'000
Before the transaction	
<i>Authorised share capital</i>	
250 000 000 ordinary shares of 10 cents each	25 000
<b>Total authorised share capital</b>	<b>25 000</b>
<i>Issued share capital and share premium</i>	
190 059 705 ordinary shares of 10 cents each	19 006
Share premium	956 238
<b>Total issued share capital and share premium</b>	<b>975 244</b>

The authorised and issued share capital and share premium of Tiger Brands subsequent to the specific payment will be as follows:

	R'000
After the transaction	
<i>Authorised share capital</i>	
250 000 000 ordinary shares of 10 cents each	25 000
<b>Total authorised share capital</b>	<b>25 000</b>
<i>Issued share capital and share premium</i>	
190 059 705 ordinary shares of 10 cents each	19 006
Share premium	454 129
<b>Total issued share capital and share premium</b>	<b>473 135</b>

### Note:

1. There were 10.3 million treasury shares in issue as at the last practicable date.

## 7. DIRECTORS AND DIRECTORS' INTERESTS

### 7.1 Directors' details

The names, ages, qualifications, business addresses and functions of the directors of Tiger Brands are set out below. All directors are South African.

<b>Name, age and qualifications</b>	<b>Business address</b>	<b>Functions</b>
L C van Vught (67) BSc (Hons), BCom	3010 William Nicol Drive Bryanston 2021	Independent non-executive Chairman
P B Matlare (50) BSc (Hons), Political Economy (MA)	3010 William Nicol Drive Bryanston 2021	Chief Executive Officer
S L Botha (45) BEcon (Hons)	3010 William Nicol Drive Bryanston 2021	Independent non-executive director
N G Brimacombe (46) BCom (Hons), MBL	3010 William Nicol Drive Bryanston 2021	Executive director
R M W Dunne (62) CA(SA)	3010 William Nicol Drive Bryanston 2021	Independent non-executive director
M Fleming (43) CA(SA)	3010 William Nicol Drive Bryanston 2021	Financial director
K D K Mokhele (54) BSc (Agriculture), MS, PhD (Microbiology)	3010 William Nicol Drive Bryanston 2021	Independent non-executive director
B N Njobe (48) MSc (Agriculture)	3010 William Nicol Drive Bryanston 2021	Executive director
A C Parker (59) BEcon (Hons)	3010 William Nicol Drive Bryanston 2021	Independent non-executive director
P M Roux (45) BCom (Hons), MBA	3010 William Nicol Drive Bryanston 2021	Non-executive director
B L Sibiyi (53) BAdmin, MBA	3010 William Nicol Drive Bryanston 2021	Independent non-executive Deputy Chairman
C F H Vaux (59) CA(SA)	3010 William Nicol Drive Bryanston 2021	Corporate finance director

## 7.2 Directors' interests in Tiger Brands

As at the last practicable date, the aggregate beneficial interests of the directors in the Tiger Brands ordinary share capital were as follows:

Director	Direct Beneficial	Indirect Beneficial	Total	Percentage held <sup>(1)</sup>
M Fleming	15 100	–	15 100	0.008
R M W Dunne	–	5 000	5 000	0.003
L C van Vught	–	2 880	2 880	0.001
<b>Total</b>	<b>15 100</b>	<b>7 880</b>	<b>22 980</b>	<b>0.012</b>

**Note:**

1. Based on 190 059 705 ordinary shares in issue as at the last practicable date.

## 8. MAJOR SHAREHOLDERS

As at 26 March 2010, the following shareholders, other than directors, held beneficially, whether directly or indirectly, more than 5% of the ordinary share capital:

Shareholder	Number of ordinary shares	Percentage holding
Government Employees Pension Fund	21 474 222	11.30
Tiger Consumer Brands Limited	10 326 758	5.44
<b>Total</b>	<b>31 800 980</b>	<b>16.74</b>

## 9. WORKING CAPITAL STATEMENT

The directors are of the view that, after considering the effect of the specific payment and the general payment and subject to the requirements of the Act:

- the Company and the group will be able in the ordinary course of business to pay its debts for a period of 12 months after the date of the general meeting;
- the assets of the Company and the group will be in excess of the liabilities of the Company and the group for a period of 12 months after the date of the general meeting. For this purpose, the assets and liabilities will be recognised and measured in accordance with the accounting policies used in the latest audited annual group financial statements;
- the share capital and reserves of the Company and the group will be adequate for ordinary business purposes for a period of 12 months after the date of the general meeting; and
- the working capital of the Company and the group will be adequate for ordinary business purposes for a period of 12 months after the date of the general meeting.

## 10. TAXATION

This summary, which is based on tax legislation in force as at the last practicable date, serves as a general guide and is not intended to be, nor should it be considered to be, legal or tax advice. Shareholders are advised to consult their own advisers as to the tax consequences of the distributions in light of their own particular circumstances. Tiger Brands and its advisers are not responsible for the tax consequences of the distributions for shareholders under South African law, the law of the jurisdiction of their residence and any treaty between South Africa and such jurisdiction.

10.1 The distributions to shareholders will be made out of the Company's share premium account and will, therefore, not constitute a "dividend" as defined in the Income Tax Act.

10.2 As the distributions are not dividends, no STC will be payable by the Company.

10.3 The distributions will not qualify for a credit for STC purposes in the hands of any shareholder, which is a company or close corporation, resident in South Africa.

- 10.4 To the extent that shareholders hold their shares as capital assets in terms of the Income Tax Act, the distributions will be treated as proceeds for capital gains tax purposes. This will also apply to the disposal of any shares held as trading stock, the proceeds of which are deemed to be of a capital nature in terms of section 9C of the Income Tax Act.
- 10.5 To the extent that shareholders hold their shares as trading stock in terms of the Income Tax Act, the distributions will be subject to income tax, unless the proceeds on disposal of the shares will be deemed to be of a capital nature in terms of section 9C of the Income Tax Act.

## 11. EXCHANGE CONTROL REGULATIONS

The following is a summary of the Exchange Control Regulations insofar as they have application to shareholders. Any shareholders who have any doubts as to the application thereof should consult their professional advisers as soon as possible:

### 11.1 Residents of the common monetary area

In the case of:

- 11.1.1 certificated shareholders whose registered address in the register is within the common monetary area and whose documents of title are not endorsed in terms of the Exchange Control Regulations, the distributions will be posted to his/her registered address (or electronically transferred to such shareholder's bank account if the transfer secretaries have details of that bank account and the shareholder concerned has concluded a mandate with the transfer secretaries); or
- 11.1.2 dematerialised shareholders, the distributions will be paid to his/her duly appointed CSDP or broker and credited to such shareholder in accordance with the provisions of the custody agreement with his/her CSDP or broker.

### 11.2 Emigrants from the common monetary area

In the case of shareholders who are emigrants from the common monetary area and whose shares form part of their blocked assets, the distributions will:

- 11.2.1 in the case of certificated shareholders, be forwarded to the authorised dealer in foreign exchange in South Africa controlling such shareholder's blocked assets in terms of the Exchange Control Regulations. Shareholders should please provide the details of the authorised dealer concerned; or
- 11.2.2 in the case of dematerialised shareholders, be paid to his/her CSDP or broker, which shall arrange for the same to be credited directly to the blocked Rand bank account of the shareholder with his/her authorised dealer.

### 11.3 All other non-residents of the common monetary area

The distributions accruing to non-resident shareholders whose registered addresses are outside the common monetary area and who are not emigrants from the common monetary area will:

- 11.3.1 in the case of certificated shareholders, whose documents of title have been endorsed "non-resident" under the Exchange Control Regulations, be posted to his/her registered address; or
- 11.3.2 in the case of dematerialised shareholders, be paid to his/her duly appointed CSDP or broker and credited to the shareholder in terms of the provisions of the custody agreement with his/her CSDP or broker.

## 12. MATERIAL CHANGES

There have been no material changes to the financial and trading position of Tiger Brands or its subsidiaries since the interim financial period ended 31 March 2010 up to the last practicable date.

## 13. LITIGATION STATEMENT

The directors are not aware of any legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware), which may have, or have during the 12 months preceding the date of this circular, a material effect on the Company's or its underlying subsidiaries' financial position.

#### 14. COSTS

The estimated costs of preparing and distributing this circular, holding the general meeting and making the proposed distributions to shareholders, including the fees payable to professional advisers, are approximately R208 400, exclusive of value-added tax, and include the following:

	<b>Rand</b>
Investment bank and transactional sponsor – Nedbank Capital	100 000
Legal costs – Edward Nathan Sonnenbergs Inc.	40 000
JSE documentation fees	8 400
Printing and postage costs	60 000
<b>Total</b>	<b>208 400</b>

#### 15. DIRECTORS' RESPONSIBILITY STATEMENT

The directors, whose names are given on page 7 of this circular, collectively and individually, accept full responsibility for the accuracy of the information given and certify that to the best of their knowledge and belief there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that this circular contains all information required by law and the Listings Requirements.

#### 16. GENERAL MEETING

##### 16.1 Notice of general meeting

The general meeting of Tiger Brands shareholders will be held at 10:00 on Monday, 21 June 2010 at 3010 William Nicol Drive, Bryanston, 2021, to consider and, if deemed fit, pass, with or without modification, the resolutions required in order to implement the specific payment and to grant a general authority to make the general payment to ordinary shareholders out of share premium.

##### 16.2 Dematerialised shareholders, other than own-name dematerialised shareholders

If your CSDP or broker does not contact you, you are advised to contact your CSDP or broker and provide them with your voting instructions. If your CSDP or broker does not obtain instructions from you, they will be obliged to act in terms of your mandate furnished to them.

You must not complete the attached form of proxy. In accordance with the mandate between you and your CSDP or broker you must advise your CSDP or broker timeously if you wish to attend, or be represented at, the general meeting.

Your CSDP or broker will be required to issue the necessary letter of representation to you to enable you to attend, or to be represented at the general meeting.

##### 16.3 Own-name dematerialised shareholders and certificated shareholders

If your Tiger Brands shares have been dematerialised but are recorded in the register of Tiger Brands in your own name or if your Tiger Brands shares have not been dematerialised you can attend and vote at the general meeting. If you are unable to attend the general meeting and wish to be represented thereat, you must complete the attached form of proxy in accordance with the instructions therein and lodge it with or post it to the transfer secretaries, to be received by no later than 10:00 on Thursday, 17 June 2010 (or 48 hours before any adjourned general meeting which date, if necessary, will be notified on SENS and in the press).

#### 17. CONSENTS

The investment bank and transactional sponsor, sponsor, attorneys and transfer secretaries have consented in writing to act in the capacity stated, and to their names being stated in this circular, and have not withdrawn their consents prior to the publication of this circular.

#### 18. DIRECTORS' RECOMMENDATION

It is the opinion of the directors that it is appropriate to make payments to shareholders by way of reducing the capital of the Company, and specifically the share premium arising out of past shares issued, *in lieu* of the interim dividend and final dividend, or part thereof, which would have been paid for the six months ended 31 March 2010 and year ending 30 September 2010, respectively, subject to such limitations and conditions as are contained in this circular.

The directors further recommend that shareholders vote in favour of the proposed resolutions. Every director that holds shares in the Company intends to vote in favour of the proposed resolutions.

#### 19. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents, or copies thereof, will be available for inspection by Tiger Brands shareholders during normal business hours at the registered office of Tiger Brands, and at the office of the transfer secretaries from Tuesday, 1 June 2010 to Monday, 21 June 2010:

- the memorandum and articles of association of Tiger Brands;
- the audited annual financial statements of Tiger Brands for each of the past three financial years;
- the unaudited interim results of Tiger Brands for the six months ended 31 March 2010;
- the consent letters of the investment bank and transactional sponsor, sponsor, legal adviser and the transfer secretaries; and
- a signed copy of this circular.

This circular signed at Bryanston on behalf of all the directors in terms of powers of attorney granted in favour of the Company Secretary, I W M Isdale.

**I W M Isdale**

*Company Secretary*

## Tiger Brands



### TIGER BRANDS LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 1944/017881/06)

Share code JSE: TBS ISIN: ZAE000071080

("Tiger Brands" or "the Company")

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#### Directors

L C van Vught (*Chairman*)<sup>†</sup>

P B Matlare (*Chief Executive Officer*)<sup>\*</sup>

S L Botha<sup>†</sup>

N G Brimacombe<sup>\*</sup>

R M W Dunne<sup>†</sup>

M Fleming<sup>\*</sup>

K D K Mokhele<sup>†</sup>

B N Njobe<sup>\*</sup>

A C Parker<sup>†</sup>

P M Roux<sup>#</sup>

B L Sibiyi (*Deputy Chairman*)<sup>†</sup>

C F H Vaux<sup>\*</sup>

<sup>†</sup> Independent non-executive director

<sup>#</sup> Non-executive director

<sup>\*</sup> Executive director

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#### NOTICE OF GENERAL MEETING OF TIGER BRANDS SHAREHOLDERS

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Notice is hereby given that a general meeting of members of Tiger Brands will be held at 10:00 on Monday, 21 June 2010, at 3010 William Nicol Drive, Bryanston, 2021, to consider and, if deemed fit, to pass, with or without modification, the following ordinary resolutions in the manner required by the Companies Act, No. 61 of 1973, as amended, superseded or replaced from time to time ("the Act"), and subject to the Listings Requirements of the JSE Limited ("the JSE"), ("the Listings Requirements"):

##### 1. ORDINARY RESOLUTION NUMBER 1

"Resolved, as an ordinary resolution, that subject to the Listings Requirements and the Act, the Company makes a specific cash payment of 270 cents per ordinary share to members of the Company registered as such at the close of business on Friday, 9 July 2010, by way of a reduction in the Company's share premium account."

##### 2. ORDINARY RESOLUTION NUMBER 2

"Resolved, as an ordinary resolution, that subject to the Listings Requirements, and the Act, the directors of the Company be and are hereby authorised by way of a general authority, to make a payment to shareholders out of the Company's share premium account, *in lieu* of a final dividend, or part thereof, for the year ending 30 September 2010, provided that:

- (a) this authority shall not extend beyond 15 (fifteen) months from the date of this meeting or the date of the next annual general meeting, whichever is the earlier date;
- (b) having regard to any other payments to shareholders (including the cash distribution contemplated in ordinary resolution number 1) such payments will not in aggregate exceed 20% (twenty percent) of the Company's issued share capital, including reserves but excluding minority interests and revaluation of assets and intangible assets that are not supported by a valuation by an independent professional expert acceptable to the JSE prepared within the last 6 (six) months, in any one financial year; and
- (c) such payments are made *pro rata* to all shareholders and otherwise in compliance with the Listings Requirements.

Subject to the above, the quantum of the reduction in share premium will be determined by the board of the Company or its delegate."

### 3. ORDINARY RESOLUTION NUMBER 3

"Resolved as an ordinary resolution, that any director or officer of the Company be and is hereby authorised to execute all documents and to do all such further acts and things as may be necessary to give effect to ordinary resolutions number 1 and number 2."

#### VOTING AND PROXIES

If you hold your Tiger Brands shares in certificated form or if you have dematerialised your Tiger Brands shares and have elected "own-name" registration in the sub-register of Tiger Brands maintained by a Central Securities Depository Participant ("CSDP"), you may attend, speak and vote at the general meeting in person. If you do not wish to attend, but wish to be represented thereat by proxy, you are entitled to appoint one or more proxies (**who need not be members of the Company**) to attend, speak and vote on your behalf at the general meeting by completing the attached form of proxy (*blue*) for the general meeting in accordance with the instructions it contains and returning it to the office of the transfer secretaries, Computershare Investor Services (Proprietary) Limited, 70 Marshall Street, Johannesburg, 2001.

If you have dematerialised your Tiger Brands shares and have not elected "own-name" registration in the sub-register of Tiger Brands maintained by a CSDP and you wish to attend the general meeting, you should instruct your CSDP or broker to issue you with the necessary letter of representation to attend, or if you do not wish to attend the general meeting, you should provide your CSDP or broker with your voting instructions in accordance with the mandate between you and your CSDP or broker so that your votes may be represented at the general meeting.

By order of the board

**I W M Isdale**

*Company Secretary*

Bryanston  
1 June 2010

#### Transfer secretaries

Computershare Investor Services (Proprietary) Limited  
Ground Floor  
70 Marshall Street  
Johannesburg  
2001  
(PO Box 61051, Marshalltown, 2107)

# Tiger Brands



## TIGER BRANDS LIMITED

(Incorporated in the Republic of South Africa)  
(Registration number 1944/017881/06)  
Share code JSE: TBS ISIN: ZAE000071080  
("Tiger Brands" or "the Company")

### FORM OF PROXY

For use only by members holding certificated shares and members who have dematerialised their share certificates and have elected "own-name" registration in the sub-register maintained by the Central Securities Depository Participant ("CSDP"), at the general meeting of Tiger Brands to be held at 3010 William Nicol Drive, Bryanston, Sandton, 2021 at 10:00 on Monday, 21 June 2010.

Members who have dematerialised their share certificates through a CSDP or broker and have not elected "own-name" registration in the sub-register maintained by the CSDP must **not** complete this form of proxy, but should instruct their CSDP or broker to issue them with the necessary letter of representation to attend, or if they do not wish to attend the general meeting, but wish to be represented thereat, they may provide their CSDP or broker with their voting instructions in terms of the custody agreement entered into between such shareholders and their CSDP or broker.

I/We (full names in BLOCK LETTERS please)

of (address)

being the holder(s) of  Tiger Brands ordinary shares do hereby appoint (see note 1):

1.  of  or failing him/her,
2.  of  or failing him/her,
3. the chairman of the general meeting,

as my/our proxy to attend and speak and vote for me/us on my/our behalf at the general meeting which will be held for the purpose of consideration and, if deemed fit, passing with or without modification, the ordinary resolutions to be proposed at the general meeting and at each adjournment of the general meeting and to vote for or against the ordinary resolutions or to abstain from voting in respect of the ordinary shares in the issued ordinary share capital of Tiger Brands registered in my/our name/s, in accordance with the following instructions (see note 2).

	Insert an "X" or the number of shares (see note 2)		
	For	Against	Abstain
<b>Ordinary resolution number 1</b> Granting approval for the specific payment of 270 cents per share to all members on the record date, by way of reduction in the share premium account			
<b>Ordinary resolution number 2</b> Granting the directors the general authority to make a payment out of share premium <i>in lieu</i> of the final dividend, or part thereof, for the year ending 30 September 2010			
<b>Ordinary resolution number 3</b> Granting approval for any director or officer of Tiger Brands to take all such steps and sign such documents as are necessary to give effect to ordinary resolutions number 1 and number 2			

Insert an "X" in the relevant spaces above according to how you wish your votes to be cast. However, if you wish to cast your votes in respect of a lesser number of ordinary shares than you own in Tiger Brands, insert the number of ordinary shares held in respect of which you desire to vote (see note 2).

Signed at \_\_\_\_\_ on \_\_\_\_\_ 2010

Signature/s

Name in BLOCK LETTERS

(full name if signing in a representative capacity)

Assisted by (where applicable)

Each member is entitled to appoint a proxy (who need not be a member of Tiger Brands) to attend, speak and, on a show of hands or on a poll of demand, vote in place of that member at the general meeting.

**Please read the notes on the reverse side of this form of proxy.**

**Notes:**

1. An ordinary shareholder may insert the name of a proxy or the names of one alternative proxy of the ordinary shareholder's choice in the space/s provided, with or without deleting "the chairman of the general meeting", but any such deletion must be initialled by the ordinary shareholder. The person whose name stands first on this form of proxy and who is present at the general meeting will be entitled to act as proxy to the exclusion of those whose names follow.
2. Please insert an "X" in the relevant space according to how you wish your votes to be cast. However, if you wish to cast your votes in respect of a lesser number of ordinary shares than you own in Tiger Brands, insert the number of ordinary shares held in respect of which you wish to vote. Failure to comply with the above will be deemed to authorise the proxy to vote or to abstain from voting at the general meeting as he/she deems fit in respect of all the ordinary shareholder's votes exercisable at the general meeting. An ordinary shareholder or his/her proxy is not obliged to use all the votes exercisable by the ordinary shareholder or by his/her proxy, but the total of the votes cast, including those in respect of which abstention is recorded, may not exceed the total number of the votes exercisable by the ordinary shareholder or by his/her proxy.
3. Forms of proxy must be received by the transfer secretaries, Computershare Investor Services (Proprietary) Limited, Ground Floor, 70 Marshall Street Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107) by not later than 10:00 on Thursday, 17 June 2010.
4. Where there are joint holders of any ordinary shares, only that holder whose name appears first in the register in respect of such ordinary shares need sign this form of proxy.
5. The completion and lodging of this form of proxy will not preclude the relevant ordinary shareholder from attending the general meeting and speaking and voting in person at the general meeting to the exclusion of any proxy appointed in terms of this form of proxy.
6. Any alteration to this form of proxy must be signed in full and not initialled.
7. If this form of proxy is signed under a power of attorney, then such power of attorney or a notarially certified copy hereof must be sent with this form of proxy for noting (unless it has already been noted by the transfer secretaries).
8. A minor must be assisted by his/her parent or guardian unless the relevant documents establishing his/her legal capacity are produced or have been registered by the transfer secretaries.
9. The chairman of the general meeting may accept any form of proxy which is completed, other than in accordance with these notes, if the chairman is satisfied as to the manner in which the ordinary shareholder wishes to vote.
10. Ordinary shareholders who have dematerialised their ordinary shares must inform their CSDP or broker of their intention to attend the general meeting and request their CSDP or broker to issue them with the necessary letter of representation to attend the general meeting or provide their CSDP or broker with their voting instructions should they not wish to attend the general meeting in person.



