Registered number: 04317607

Illovo Sugar Africa Holdings Limited

Annual Report and Financial Statements

31 August 2020



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Strategic Report for the Year Ended 31 August 2020

Review of the company's business

The principal activity of the company is that of a holding company within the Associated British Foods plc group (the "Group"). The directors anticipate that the company will continue to operate on the same basis.

Principal risks and uncertainties

The company is not exposed to any significant unusual risks or uncertainties in its role as a holding company within the Group. A full description of the principal risks and uncertainties applicable to the Associated British Foods plc group, of which this company is a subsidiary, are disclosed on pages 84 to 90 of the 2020 group Annual Report, which is available at www.abf.co.uk. This is supplemented by the section on principal risks and uncertainties in the Interim Results Announcement of Associated British Foods plc dated 20 April 2021.

Trading results and transfer to reserves

The company's results for the year are reflected in the Statement of Total Comprehensive Income on page 8. The profit on ordinary activities after taxation amounted to ZAR1,125m (2019: nil). No dividends were declared or paid in the current or prior period.

Engaging with our stakeholders - Section 172 Statement

The directors are required to act in a way which they consider, in good faith, is most likely to promote the success of the company for the benefit of its members as a whole and, in doing so, have regard (amongst other matters) to the matters set out in section 172(1)(a) to (f) of the Companies Act 2006.

The company is a subsidiary of Associated British Foods plc and, as such, the company has adopted and directors have due regard to applicable group policies and procedures which impact on the company's stakeholders, including those referred to on page 72 of the Associated British Foods plc Annual Report and Accounts 2020. Please also see the Associated British Foods plc section 172 statement on pages 14 to 19 of that document.

Stakeholders and engagement

As part of the identification of key stakeholders, the directors have identified the following stakeholder groups with whom engagement is fundamental to the Company's ongoing success:

- · subsidiaries of the company
- its shareholder



Strategic Report for the Year Ended 31 August 2020 (continued)

Engaging with our stakeholders - Section 172 Statement (continued)

Subsidiaries of the company

The company forms part of the group of companies headed by Associated British Foods plc and the company's accounts are consolidated into the Associated British Foods plc accounts. Group companies can provide financial and other support to the company and the sharing of best practice and know-how between the businesses within the broader group is actively encouraged. The company is kept up to date on key business activities and decisions of its subsidiaries and provides all necessary support.

Shareholder

The company takes appropriate steps to ensure that its shareholder is kept up to date on key business activities and decisions.

pproved by the Board on 26 May 2021 and signed on its behalf by:

GB Dalgleish

Registered office

Weston Centre 10 Grosvenor Street London W1K 4QY

Directors' Report for the Year Ended 31 August 2020

The directors present their annual report and the financial statements for the year ended 31 August 2020.

Dividends

No dividends were declared and paid in the current or prior period. The directors do not recommend the further payment of a dividend.

COVID-19 and going concern

The COVID-19 pandemic has continued across the world, and at the time of approving these financial statements, it has had no adverse impact on the company.

Uncertainty as to the length of the pandemic and the related measures to combat it mean that the 2021 full year impact cannot yet be known.

The company has received a letter of support from its intermediate parent company, ABF Investments plc, indicating that it will receive the financial and other support necessary for the company to trade and meet its liabilities as and when they become due for a period of at least twelve months from the date of signing of these financial statements.

After making due enquiries and considering the impact of COVID-19 and the support available from the intermediate parent company described above, the directors have a reasonable expectation that the company has adequate resources to continue in operation for 12 months from the date of signing of these financial statements. These considerations included the impact of COVID-19 on the wider ABF group, the ABF group's directors' assessment of going concern (set out in the 2021 Interim Results Announcement dated 20 April 2021 and available at www.abf.co.uk), which included the significant levels of cash and undrawn committed long-term facilities available to the group and the ABF group's directors' stress testing of cash flow forecasts through to September 2022, and an assessment of any developments since that date that would adversely affect that conclusion. Accordingly, the financial statements have been prepared on the going concern basis.

Engagement with suppliers, customers and others in a business relationship with the Company

A description of the company's stakeholders and the engagement with them is disclosed in the section 172 statement on page 1.

Directors of the company

The directors, who held office during the year and as at the date of approval of this Directors' report were:

CP Taylor (appointed 28 January 2020 and resigned 26 May 2020)

JJ Rea Lyall (appointed 25 May 2020)

GB Dalgleish

JJ Van Rooyen (resigned 13 December 2019)

Directors' indemnities

The directors have benefited from the Associated British Foods plc group Directors and Officers Insurance policy.

Energy usage

The directors consider the Company to be a low energy user. For further information on carbon and energy reporting for the Group of which the company forms a part of please refer to full disclosures made in the Associated British Foods plc annual report for the year ended 12 September 2020.



Directors' Report for the Year Ended 31 August 2020 (continued)

Health and Safety

The company, and the broader group of which it forms part, keeps its health, safety and environmental performance and levels of legal compliance under regular review and ensures that its risk management controls are appropriate and effective.

Disclosure of information to the auditor

The directors who held office at the date of approval of this Directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware; and each director has taken all the reasonable steps that they ought to have taken as a director to make themself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Reappointment of auditor

The auditor Ernst & Young LLP is deemed to be reappointed under section 487(2) of the Companies Act 2006.

pproved by the Board on 26 May 2021 and signed on its behalf by:

B Dalgleish

Director

Statement of Directors' Responsibilities

The directors are responsible for preparing the Strategic report, the Directors' report and the financial statements in accordance with applicable UK law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with UK Generally Accepted Accounting Practice (UK Accounting Standards and applicable law), Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- · make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



Independent Auditor's Report to the Members of Illovo Sugar Africa Holdings Limited

Opinion

We have audited the financial statements of Illovo Sugar Africa Holdings Limited (the 'Company') for the year ended 31 August 2020, which comprise the Statement of Total Comprehensive Income, Balance Sheet, Statement of Changes in Equity and the related notes 1 to 10, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 101 'Reduced Disclosure Framework'.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 August 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter - disclosure of effects of COVID-19

We draw attention to note 1 of the financial statements, which describes the financial and operational consequences the Company faces as a result of COVID-19. Our opinion is not modified in respect of this matter.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Independent Auditor's Report to the Members of Illovo Sugar Africa Holdings Limited (continued)

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- · the financial statements are not in agreement with the accounting records and returns; or
- · certain disclosures of directors' remuneration specified by law are not made; or
- · we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Jon Killingley (Senior Statutory Auditor)

For and on behalf of Ernst & Young LLP, Statutory Auditor

London

26 May 2021

Statement of Total Comprehensive Income

for the Year ended 31 August 2020

Investment income	Note	2020 ZAR'm 1,125	2019 ZAR'm
Profit before tax		1,125	-
Taxation	4		-
Profit for the year		1,125	-
Other comprehensive income	_	<u> </u>	_
Total comprehensive income	_	1,125	

There is no material difference between the company's results as reported and on a historical cost basis. Accordingly no note of historical cost, profits and losses has been prepared.



Balance Sheet

at 31 August 2020

	Note	2020 ZAR'm	2019 ZAR'm
Fixed assets			
Investments	5	13,154	12,029
Current assets			
Debtors	6	2	2
Current liabilities			
Creditors	7 _	(1)	(1)
Net current assets	_	1	1
Net assets	=	13,155	12,030
Capital and reserves			
Share capital	8	12	12
Share premium		12,092	12,092
Profit and loss account	_	1,051	(74)
Shareholders' funds	_	13,155	12,030

Approved by the Board on 26 May 2021 and signed on its behalf by:

GB Dalgleish

Registered number: 04317607

Statement of Changes in Equity for the Year Ended 31 August 2020

At 1 September 2018	Share capital ZAR'm	Share premium ZAR'm 12,092	Profit and loss account ZAR'm (74)	Total ZAR'm 12,030
At 31 August 2019	12	12,092	(74)	12,030
	Share capital ZAR'm	Share premium ZAR'm	Profit and loss account ZAR'm	Total ZAR'm
At 1 September 2019	12	12,092	(74)	12,030
Profit for the year	<u> </u>		1,125	1,125
Total comprehensive income		_	1,125	1,125
At 31 August 2020	12	12,092	1,051	13,155



Notes to the Financial Statements

1 Authorisation of the financial statements of compliance with FRS 101

The financial statements of Illovo Sugar Africa Holdings Limited (the "company") for the year ended 31 August 2020 were authorised for issue by the board of directors on 26 May 2021.

The company's financial statements are presented in South African Rand and all values are rounded to the nearest million rand (ZAR'm) except where otherwise indicated. They are prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and the Companies Act 2006.

The company has taken advantage of the disclosure exemptions permitted by FRS 101 in relation to financial instruments, capital management, presentation of a cash flow statement, standards not yet effective, impairment of assets and certain related party transactions. Where required, equivalent disclosures are given in the consolidated financial statements of Associated British Foods plc.

The company has also taken advantage of the exemption under s400 of the Companies Act 2006 not to prepare group accounts as it is a wholly owned subsidiary of Associated British Foods plc and its results are included in the parent company's consolidated financial statements. These consolidated financial statements are available to the public and may be obtained from Associated British Foods plc, Weston Centre, 10 Grosvenor Street, London, W1K 4QY. They are also available for download on the group's website at www.abf.co.uk.

The company is a private limited company incorporated in Great Britain and domiciled in England and Wales.

These accounts have been prepared for the year ended 31 August 2020.

COVID-19 and going concern

The COVID-19 pandemic has continued across the world, and, at the time of approving these financial statements, had no adverse impact on the company.

Uncertainty as to the length of the pandemic and the related measures to combat it mean that the 2021 full year impact cannot yet be known.

As set out in note 10, the smallest group in which the results of the company are consolidated is that headed by Associated British Foods plc, which confirmed in its Annual Report dated 3 November 2020 that its directors have a reasonable expectation that the Associated British Foods plc group has adequate resources to continue in operational existence for the foreseeable future.

After making due enquiries and considering the impact of COVID-19 and the support available from the intermediate parent company described above, the directors have a reasonable expectation that the company has adequate resources to continue in operation for 12 months from the date of signing of these financial statements. These considerations included the impact of COVID-19 on the wider ABF group, the ABF group's directors' assessment of going concern (set out in the 2021 Interim Results Announcement dated 20 April 2021 and available at www.abf.co.uk), which included the significant levels of cash and undrawn committed long-term facilities available to the group and the ABF group's directors' stress testing of cash flow forecasts through to September 2022, and an assessment of any developments since that date that would adversely affect that conclusion. Accordingly, the financial statements have been prepared on the going concern basis.



Notes to the Financial Statements (continued)

1 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies adopted by the company are set out below. These have been consistently applied to all years unless otherwise stated.

Foreign currency transactions and balances

The company's functional and presentational currency is South African Rand (ZAR).

Tax

Current tax is provided at amounts expected to be paid using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Investments

Investments in associated undertakings are reported at cost less any provision for impairment.

Dividends

Dividends payable and receivable are recognised in the year in which they are paid or received.

Financial assets and liabilities

Financial assets and liabilities are measured initially at fair value plus directly attributable transaction costs and thereafter at amortised cost.

The allowance for doubtful debts is recognised based on management's expectation of losses without regard to whether an impairment trigger happened or not (an "expected credit loss" model).

2 Directors' remuneration

Key management, which is limited to the named directors of the company, received no emoluments in respect of their services to this company in either the current or the prior period.

3 Auditor's remuneration

The auditor's remuneration was borne by Associated British Foods plc in the current and the prior period.



Notes to the Financial Statements (continued)

4 Taxation

The tax charge for the year ended 31 August 2019 and 2020 was nil. Dividends are not taxable.

The tax assessed for the period is lower than (period to 31 August 2019: equal to) the standard rate of corporation tax in South Africa of 28% (period to 31 August 2019: 28%).

On 15 September 2016 the company became tax resident in South Africa. Accordingly, for the foreseeable future, the company will be subject to South African tax legislation. The main rate of corporation tax in South Africa is 28%.

The tax on profit before tax for the year is lower than the standard rate of corporation tax in the UK (2019 - higher than the standard rate of corporation tax in the UK) of 19% (2019 - 19%).

The differences are reconciled below:

	2020 Z AR'm	2019 ZAR'm
Profit before tax	1,125	-
Corporation tax at standard rate Non-taxable dividends from overseas companies	315 (315)	-
Total tax charge/(credit)	<u> </u>	<u>-</u>

The UK corporation tax rate was reduced from 20% to 19% with effect from 1 April 2017, with a further reduction to 17% effective from 1 April 2020. The legislation to effect these rate changes had been enacted before the balance sheet date.

The UK Budget 2021 announcements on 3 March 2021 included measures to support economic recovery as a result of the ongoing COVID-19 pandemic. These included an increase to the UK's main corporation tax rate to 25%, which is due to be effective from 1 April 2023. These changes were not substantively enacted at the balance sheet date and hence have not been reflected in the measurement of deferred tax balances at the period end. It is not anticipated that these changes will have a material impact on the company's/group's deferred tax balances.

5 Investments

Subsidiaries	ZAR'm
At 31 August 2019	12,029
Additions	1,125
At 31 August 2020	13,154



Notes to the Financial Statements (continued)

5 Investments (continued)

On 20 September 2019, the Company acquired 100% of the ordinary and preference share capital of Illovo Group Holdings Limited from its subsidiary, Illovo Sugar Africa (Pty). This was in form of a dividend in specie at the book value of ZAR1,125m.

A list of the related undertakings as at 31 August 2020 is given below. Except where stated, none of the companies listed are a direct subsidiary of Illovo Sugar Africa Holdings Limited.

The percentages shown are Illovo Sugar Africa Holdings Limited's ultimate interest and therefore allow for the situation where the interest in subsidiaries are held by partly-owned intermediate subsidiaries.

RELATED UNDERTAKINGS	% effective holding if not 100%
South Africa	
1 Nokwe Avenue, Ridgeside, Umhlanga Rocks, Kwazulu Natal, 4320, So	outh Africa
Illovo Sugar Africa Proprietary Limited *	
CGS Investments (Pty) Limited	
East African Supply (Pty) Limited	
Illovo Sugar (South Africa) Proprietary Limited	
Glendale Sugar (Pty) Ltd	
Glendale Distilling Company	50%
Illovo Distributors (Pty) Limited	
Illprop (Pty) Limited	
Lacsa (Pty) Limited	35%
Noodsberg Sugar Company (Pty) Ltd	
Reynolds Brothers (Pty) Ltd	
Smithchem (Pty) Limited	
Umzimkulu Sugar Company (Pty) Ltd	
S.A. Sugar Distributors (Pty) Limited	
Illovo Edge, 1 Harries Road Illovo, Johannesburg 2196, South Africa	
Group Risk Holdings Proprietary Limited	15%
1 Gledhow Mill Road, Gledhow, Kwadukuza, 4450, South Africa	
Gledhow Sugar Company (Pty) Limited	30%



Notes to the Financial Statements (continued)

5 Investments (continued)	
Mauritius	
10th Floor, Standard Chartered Tower, 19 Cybercity, Ebene, Mauritius	
Illovo Group Holdings Limited *	
Illovo Group Financing Services	
Illovo Group Marketing Services Limited	
Kilombero Holdings Limited	73%
Sucoma Holdings Limited	
Tanzania	
Msolwa Mill Office, Kidatau, Kilombero District, Tanzania	
Illovo Distillers (Tanzania) Limited	80%
Illovo Tanzania Limited	
Kilombero Sugar Company Limited	55%
Kilombero Sugar Distributors Limited	20%
Zambia	
Nakambala Estates, Plot No. 118a Lubombo Road, Off Great North Road, Zaml	bia
Illovo Sugar (Zambia) Limited	
Nanga Farms PLC	75%
Tukunka Agricultural Limited	75%
Zambia Sugar plc	75%
Malawi	
Illovo House, Churchill Road, Limbe, Malawi	
Malawi Sugar Limited	99%
Illovo Sugar (Malawi) plc	76%
Dwangwa Sugar Corporation Limited	76%
Mozambique	
KM75 EN1, Maçiana, Distrito de Manhiça, Provincia de Maputo, Mozambique	
MARAGRA AÇUCAR, S.A.	90%
Eswatini	
Umbombo Sugar Limited, Old Main Road, Big Bend, Eswatini	
Ubombo Sugar Limited	60%
Illovo Swaziland Limited	60%
Bar Circle Ranch Limited	60%



Notes to the Financial Statements (continued)

5 Investments (continued)				
Moyeni Ranch Limited			60%	
United Kingdom				
Weston Centre, 10 Grosvenor Street,	London, W1K 4Q	Y, United Kingd	om	
Mitra Sugar Limited				
Spain				
Plaza Pablo Ruiz Picasso S/N, Torre F	Picasso, Planta 37,	Madrid, Spain		
Illovo Sugar Espana, S.L.				
Malta	•			
171 Old Bakery Street, Valletta, VLT	1455, Malta			
Relax Limited			35%	
* Directly owned by Illovo Sugar Africa	Holdings Limited.			
In the opinion of the directors the invebalance sheet.	estments are worth	at least the amo	unt at which they a	are stated in the
6 Debtors				
			2020	2019
Debtors from related parties		_	ZAR'm 2	ZAR'm
Amounts due from related parties for the	current year were	interest-bearing.		
7 Creditors				
			2020	2019
Creditors		-	ZAR'm	ZAR'm
8 Share capital				
Allotted, called up and fully paid shar	es			
	2020)	2019)
	No.	ZAR	No.	ZAR
Issued and fully paid of ZAR1 each	12,104,515	12,104,515	12,104,515	12,104,515
	Page 10	6		



Notes to the Financial Statements (continued)

9 Holding company

The immediate holding company is ABF Overseas Limited, a company registered in England and Wales. The ultimate holding company is Wittington Investments Limited which is incorporated in Great Britain and registered in England and Wales.

The largest group in which the results of the company are consolidated is headed by Wittington Investments Limited, incorporated in Great Britain. The smallest group in which they are consolidated is headed by Associated British Foods plc, which is incorporated in Great Britain and registered in England and Wales. The consolidated accounts of these groups are available to the public and may be obtained from Weston Centre, 10 Grosvenor Street, London, W1K 4QY, being the registered office for of these companies. The consolidated accounts of Associated British Foods plc are also available for download on the group's website at www.abf.co.uk.

10 Post balance sheet events

On 15 October 2020, ABF Overseas Limited injected ZAR332m into the company, as part of the funding of Maragra sugar plant in Mozambique.

