



Press Release

ASTRAL PREVENTS ESKOM CUTTING ELECTRICITY SUPPLY TO ITS WESTRAND OPERATIONS

4 December 2019: Astral Foods Limited (Astral), a leading Southern African integrated poultry producer, today secured an order against Eskom in the Johannesburg High Court in terms of which Acting Judge Gerry Nel ordered that Eskom is interdicted and restrained from interrupting the bulk supply of electricity to the Randwest Local Municipality, pending the outcome of a review application that will be launched by Astral in 2020.

Michael Schmitz, Managing Director of Astral's Feed division, stated that: *"Even though Astral had submitted written representations to Eskom setting out the reasons why the proposed disconnection of electricity would cause catastrophic damage, not only to Astral's Meadow Feeds business, but other businesses that operate in the Randwest Local Municipality, Eskom persisted with its intention to consider a disconnection. In the circumstances Astral was left with no alternative but to approach the Court for relief"*.

The decision to launch an urgent interdict application was taken after initially receiving Eskom's Public Notice dated 15 October 2019, in which Eskom notified the public of its decision to exercise its right to disconnect the supply of electricity to the Randwest Local Municipality. This disconnection was to commence on 27 November 2019 due to the non-payment of electricity by that municipality to Eskom.

"We are satisfied with the order preventing Eskom from interrupting the electricity supply to our animal feed mill in Randfontein and remain of the opinion that we, the paid up consumers of electricity, should not be penalised for the inefficiencies and corruption prevalent within the local municipalities. The continued dependency on Eskom, who have a monopoly over the supply of electricity, remains unhealthy and their repeated threats to interrupt supply has a profound effect on businesses such as Astral. The lack of business confidence in general, is also negatively impacting both investment and growth opportunities. It is unacceptable that big businesses are having to take over the responsibility of protecting the interests of all paying customers, as Eskom persists with the irrational idea of terminating the electricity supply to the manufacturing sector that are both good corporate citizens and contribute significantly to job creation, while the current impasse is between two state entities," concluded Chris Schutte, CEO of Astral.

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Company background

Astral Foods Limited (Astral), a leading South African integrated poultry producer, with key activities in manufacturing of animal feeds, broiler genetics, production and sale of day-old chicks and hatching eggs, with integrated breeder and broiler production operations, abattoirs as well as sales and distribution of various key poultry brands. The brands in the Astral stable include:

- County Fair
- Festive
- Goldi
- Earlybird
- Mountain Valley
- Ross Poultry Breeders
- National Chicks
- Meadow Feeds
- Tiger Animal Feeds (Zambia)
- Tiger Chicks (Zambia)
- Meadow Feeds (Mozambique)
- Mozpintos (Mozambique)
- CAL Labs