

THIS COMBINED CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

The definitions and interpretations commencing on page 11 of this Circular have, where appropriate, been used on this cover page.

ACTION REQUIRED:

If you have disposed of all your Accéntuate Shares, this Circular, together with the attached form of proxy and form of surrender and transfer, should be handed to the purchaser of such Accéntuate Shares or to the broker, Participant (previously known as a CSDP), banker or other agent through whom the disposal was effected. Accéntuate Shareholders who hold Dematerialised Accéntuate Shares through a Participant or broker who wish to attend the General Meeting must request their Participant or broker to provide them with the necessary letter of representation to attend the General Meeting or must instruct their Participant or broker to vote on their behalf in terms of their respective agreements with their Participant or broker.

Accéntuate Shareholders are referred to page 3 of this Circular, which sets out the detailed action required of them in respect of the proposed Scheme set out in this Circular.

If you are in any doubt as to the action you should take, please consult your broker, Participant, banker, legal advisor, accountant, or other professional advisor immediately. Accéntuate does not accept responsibility and will not be held liable for any failure on the part of the Participant or broker of any holder of Dematerialised Accéntuate Shares to notify such Accéntuate Shareholder of the proposed Scheme set out in this Circular



ACCÉNTUATE LIMITED

(Incorporated in the Republic of South Africa)
(Registration number 2004/029691/06)
Share code: ACE ISIN: ZAE000115986
("Accéntuate" or "the Company")

**PRUTA SECURITIES (JERSEY)
LIMITED**

PRUTA SECURITIES (JERSEY) LIMITED
(Incorporated in Jersey)
(Registration Number: 8465)
("the Offeror")

CIRCULAR TO ACCÉNTUATE SHAREHOLDERS

Relating to:

- a Scheme of arrangement in terms of section 114 of the Companies Act proposed by the board of Accéntuate between Accéntuate and its Shareholders which, if implemented, will result in the Offeror acquiring all of the issued Accéntuate Shares, excluding Shares held by the Offeror ("the Offer Shares"), its related and inter-related persons and persons acting in concert with any of them for an Offer Price of R0,10 per Accéntuate Share ("the Scheme"); or
- separately but concurrent to the Scheme, a conditional standby offer to the Eligible Shareholders in terms of section 117(1)(c)(v) of the Companies Act and paragraph 1.15(c) of the Listings Requirements to acquire all of the Offer Shares for a cash consideration of R0,10 per Offer Share, subject to the Scheme not becoming operative, the standby offer being accepted by at least 51% of Eligible Shareholders ("the Standby Offer") and the Delisting being approved; and
- the subsequent delisting of the Accéntuate Shares from the AltX of the JSE, following the implementation of the Scheme or the approval of the resolution to delist the Company, as the case may be, and including:
 - a report prepared by the Independent Expert in terms of sections 114(2) and 114(3) of the Companies Act;
 - a notice convening an Accéntuate Shareholders' General Meeting;
 - an Electronic Participation Form;
 - a form of proxy in respect of the Accéntuate Shareholders' General Meeting for use by Certificated Accéntuate Shareholders and Dematerialised Accéntuate Shareholders with own-name registration only;
 - a form of surrender and transfer for use by Certificated Accéntuate Shareholders only;
 - a statement of dissenting Shareholders' appraisal rights in terms of section 164(2) of the Companies Act; and
 - extracts of section 115 of the Companies Act dealing with the approval requirements for fundamental transactions and section 164 of the Companies Act dealing with dissenting Shareholders appraisal rights

Designated Advisor



**Bridge Capital Advisors
(Pty) Ltd**

Independent Expert



**Merchantec Capital
(Pty) Ltd**

Attorneys to Accéntuate



Fullard Mayer Morrison Inc.

Reporting Accountant



Moore Johannesburg

Date of issue: Friday, 27 November 2020

This Circular is only available in English. Copies of this Circular may be obtained from the registered offices of Accéntuate, the sponsor to Accéntuate and the Transfer Secretaries at their respective addresses set out in the "Corporate Information and Advisors" section of this Circular, from the date of posting thereof until the date of the General Meeting. An electronic version of this Circular will also be available on the Company's website www.AccéntuateLtd.co.za from 27 November 2020.

CORPORATE INFORMATION AND ADVISORS

COMPANY SECRETARY

Juba Statutory Services Proprietary Limited
(represented by Sirkien van Schalkwyk)
(Registration number: 2010/006409/07)

REGISTERED OFFICE OF ACCÉNTUATE

32 Steele Street
Steeledale
2197

DATE AND PLACE OF INCORPORATION

13 October 2004, South Africa

DESIGNATED ADVISOR

Bridge Capital Advisors Proprietary Limited
(Registration number 1998/016302/07)
50 Smits Street Dunkeld
2196

(PO Box 651010, Benmore, 2010)

INDEPENDENT EXPERT

Merchantec Capital Proprietary Limited
(Registration number 2008/027362/07)
13th Floor, Illovo Point
68 Melville Road Illovo
Sandton 2196

(PO Box 41480, Craighall, 2024)

ATTORNEYS TO ACCÉNTUATE

Fullard Mayer Morrison Inc.
(Registration number: 1999/026700/21)
4 Morris Street West
Woodmead
Sandton
2191

(PO Box 4475, Rivonia, 2128)

REGISTERED OFFICE OF THE OFFEROR

Pruta Securities (Jersey) Limited
Standard Bank House
47-49 La Motte Street
St Helier
Jersey
JE2 4SZ

DIRECTORS OF THE OFFEROR

Sole Director: Lumbro Corporate Services Limited

AUDITORS & INDEPENDENT REPORTING ACCOUNTANTS

Moore Johannesburg Inc.
(Registration number: 2012/176117/21)
50 Oxford Road
Parktown
2193

(PO Box 3094, Houghton, 2041)

TRANSFER SECRETARIES

Computershare Investor Services Proprietary Limited
(Registration number: 2004/003647/07)
Rosebank Towers
15 Biermann Avenue
Rosebank
2196

(Private Bag X9000, Saxonwold, 2132)

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ACTION REQUIRED BY ACCÉNTUATE SHAREHOLDERS WITH REGARD TO THE SCHEME

The definitions and interpretations commencing on page 11 of this Circular shall apply mutatis mutandis to this statement regarding the action required by Accéntuate Shareholders with regard to the Scheme. Action required by Accéntuate Shareholders with regard to the Standby Offer are dealt with in paragraph 8 of this Circular on page 21.

Please take careful note of the following provisions regarding the actions required by Accéntuate Shareholders. If you are in any doubt as to the action you should take, please consult your Participant, Broker, Attorney, Banker or Professional Advisor immediately.

The General Meeting of Accéntuate Shareholders will be held at 09:00 on Monday, 28 December 2020 at Accéntuate, 32 Steele Street, Steeledale, 2197 to consider and if deemed fit, pass the resolutions regarding the Scheme in terms of section 114 of the Companies Act and the Delisting if the Scheme is not approved.

1. IF YOU HAVE DEMATERIALIZED YOUR SHARES AND DO NOT HAVE “OWN-NAME” REGISTRATION

1.1 Voting at the General Meeting

If your Dematerialised Accéntuate Shares are not recorded in your own-name in the electronic sub-register of Accéntuate, you should notify your duly appointed Participant or broker, as the case may be, in the manner and subject to the cut-off time stipulated in the custody agreement governing your relationship with your Participant or broker, of your instructions as regards voting your Accéntuate Shares at the General Meeting.

If your Participant or broker does not obtain instructions from you, your Participant or broker will be obliged to act in accordance with the instructions contained in the custody agreement concluded between you and your Participant or broker.

If you have not been contacted, it would be advisable for you to contact your Participant or broker immediately and furnish your Participant or broker with your instructions.

You must not complete the attached form of proxy.

1.2 Attendance and representation at the General Meeting

In accordance with the mandate between you and your Participant or broker, you must advise your Participant or broker if you wish to:

- 1.2.1 attend, speak or vote at the General Meeting, by means of electronic participation only; and/or
- 1.2.2 send a proxy to represent you (including the Chairman of the General Meeting) at the General Meeting.

Your Participant or broker will then issue the necessary letter of representation to you to attend the General Meeting. You will not be permitted to attend, speak or vote at the General Meeting, nor send a proxy to represent you at the General Meeting without the necessary letter of representation being issued to you, and your Participant or broker may then vote on your behalf or abstain from voting at the General Meeting in accordance with the mandate between you and your Participant or broker.

1.3 Consequences of the Shareholders vote on the Scheme

In order for the Scheme to become operative, Accéntuate Shareholders (excluding the Offeror, any person related or inter-related to the Offeror and any person acting in concert with any of them) exercising at least 75% of the voting rights of Accéntuate Shareholders present or represented by proxy at the meeting are required to vote in favour of the Scheme. Should the Scheme become unconditional and operative, Shareholders, irrespective of their election, will have their accounts at their Participant or broker debited with their Shares and credited with the Offer Price due to them. Should the Scheme not be declared unconditional, Accéntuate Shareholders will retain their Accéntuate Shares and will not be entitled to receive the Offer Price unless they accept the Standby Offer.

2. IF YOU HAVE NOT DEMATERIALIZED YOUR SHARES OR IF YOU HAVE DEMATERIALIZED ACCÉNTUATE SHARES WITH “OWN-NAME” REGISTRATION

2.1 Voting, attendance, and representation at the General Meeting

You may attend, speak, and vote at the General Meeting, by means of electronic participation only subject to sections 57 and 58 of the Companies Act.

Alternatively, you may appoint a proxy to represent you at the General Meeting by completing the relevant attached form of proxy (blue) in accordance with the instructions therein and return it to the Transfer Secretaries: Computershare Investor Services Proprietary Limited, Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196 to be received by, as suggested (to ensure ordinary proceedings on the day) no later than 48 hours (excluding Saturdays, Sundays and official Public Holidays) before the General Meeting that is to be held at 09:00 on Monday, 28 December 2020. The form of proxy may also be handed to the Chairman of the General Meeting or adjourned General Meeting at any time before the vote on the Scheme or the Delisting.

2.2 Surrender of Documents of Title (this applies only to certificated and not to Dematerialised Accénuate Shareholders with “own-name” registration)

You are required to surrender your Documents of Title in respect of all your Shares in order to claim the Offer Price should the Scheme become unconditional, by completing the attached form of surrender and transfer (pink) in accordance with its instructions, and returning it, together with the relevant share certificates or Documents of Title, to the Transfer Secretaries: Computershare Investor Services Proprietary Limited, Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196, to be received by no later than 12:00 on the Scheme Consideration Record Date.

2.3 Scheme Consideration Record Date

Certificated Shareholders

If you hold Certificated Accénuate Shares, you must complete the attached form of surrender and transfer (pink) and return it together with the relevant share certificate(s) or other Documents of Title in accordance with the instructions contained therein to the Transfer Secretaries: Computershare Investor Services Proprietary Limited, Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196, to be received by no later than 12:00 on the Scheme Consideration Record Date.

If the Scheme becomes unconditional and you have surrendered your Documents of Title to the Transfer Secretaries on or before 12:00 on the Scheme Consideration Record Date, the Offer Price will be paid by way of EFT or posted to you at your own risk by ordinary post on or about the Implementation Date. If you surrender your Documents of Title after 12:00 on the Scheme Consideration Record Date, the Transfer Secretaries will pay by way of EFT or post the Offer Price in respect thereof to you by ordinary post at your own risk within five Business Days of receipt thereof.

Should the Scheme not become unconditional, and the Standby Offer not be accepted, the Transfer Secretaries shall, within five Business Days of either the date upon which it becomes known that the Scheme will not be implemented or on receipt by the Transfer Secretaries of the required Documents of Title, whichever is the later, return the Documents of Title to the Shareholder concerned by registered post at the risk of such Certificated Shareholder.

Dematerialised Accénuate Shareholders with “own-name” registration

If the Scheme becomes unconditional, Dematerialised Accénuate Shareholders with “own-name” registration will have their accounts held at their Participant or broker debited with their Shares and credited with the Offer Price in respect thereof on the Implementation Date. If you wish to dematerialise your Accénuate Shares, please contact a Participant or broker. You do not need to dematerialise your Accénuate Shares in order to receive the Offer Price in respect thereof.

Shareholders are advised to consult their professional advisors about their personal tax positions regarding the receipt of the Offer Price.

Accénuate does not accept responsibility and will not be held liable for any failure on the part of the Participant or broker of a Dematerialised Accénuate Shareholder to notify such Accénuate Shareholder of the General Meeting or any business to be conducted thereat.

2.4 Consequences of the Shareholders vote on the Scheme

For the Scheme to become operative, at least 75% of Shareholders (excluding the Offeror, any person related or inter-related to the Offeror and any person acting in concert with any of them) present in person (by electronic participation only) or represented by proxy at the General Meeting need to vote in favour of the Scheme. If the Scheme becomes unconditional and implemented, Shareholders will have to surrender their Documents of Title/share certificates in exchange for the Offer Price (please refer to 2.3 above) irrespective of whether they voted in favour of the Scheme or not. If the Scheme does not become operative, Accénuate Shareholders will retain their Accénuate Shares and not receive the Offer Price unless at least 51% of Eligible Shareholders have accepted the Standby Offer and the Standby Offer is implemented.

3. GENERAL MEETING

Electronic participation

As a result of the COVID-19 outbreak and its declaration as a “national disaster” in South Africa in terms of the Disaster Management Act, 2002, and the restrictions imposed thereby on public gatherings, it is currently not permissible to hold the General Meeting in person.

Accénuate Shareholders are invited to attend the General Meeting, convened in terms of the Notice of General Meeting, which will only be accessible through electronic participation.

The Company does not make provision, in terms of its MOI, to hold a meeting by electronic communication. However, after consulting with the TRP, Accénuate and the TRP are of the view that it is prudent, given the need to ensure the health and welfare of the Shareholders, as well as the Company’s directors, management team, contractors and partners, to hold the General Meeting in electronic format only. Neither the TRP nor the Company foresee any prejudice to the Shareholders as a result of holding the General Meeting in electronic format.

Accordingly, the General Meeting, convened in terms of the Notice of General Meeting, will be held entirely by electronic communication, as permitted by the JSE and the provisions of the Companies Act on Monday, 28 December 2020, commencing at 09:00 to consider, and if deemed fit, to pass the resolutions required to approve the Scheme, and should the Scheme fail for any reason, the Standby Offer and Delisting, as the case may be. A notice convening such General Meeting is attached to, and forms part of, this Circular.

Shareholders are to connect to the General Meeting utilising the details set out in the “Electronic attendance and participation” section below.

ELECTRONIC ATTENDANCE AND PARTICIPATION

CONNECTING TO THE GENERAL MEETING ELECTRONICALLY

The General Meeting will be held at 09:00 on Monday, 28 December 2020 entirely via a remote interactive electronic platform, Zoom. Computershare will facilitate the electronic participation and voting by Accénuate Shareholders.

- 3.1 In order to attend the General Meeting and participate electronically thereat, Accénuate Shareholders must pre-register with the Transfer Secretaries by making a written application (on the Electronic Participation Form) attached to so participate, by completing and delivering the Electronic Participation Form to the Transfer Secretaries at First Floor, Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196, or posting it to Private Bag X9000, Saxonwold, 2132 (at the risk of the Accénuate Shareholder), or sending it by email to proxy@computershare.co.za, so as to be received by the Transfer Secretaries by no later than 09:00 on Tuesday, 22 December 2020, for administrative reasons, in order for the Transfer Secretaries to arrange such participation for the Accénuate Shareholder and for the Transfer Secretaries to provide the Accénuate Shareholder with the details as to how to access the General Meeting by means of electronic participation. Accénuate Shareholders may still register/apply to participate electronically at the General Meeting after this date, provided, however, that for those Shareholders to participate in and/or vote electronically at the General Meeting those Shareholders must first be verified and registered (as required in terms of section 63(1) of the Companies Act) before the commencement of the General Meeting.
- 3.2 Upon receiving a completed Electronic Participation Form, the Transfer Secretaries will follow a verification process to verify each applicant’s entitlement to participate in and/or vote at the General Meeting. The Transfer Secretaries will provide Accénuate with the email address of each verified Accénuate Shareholder (“Verified Accénuate Shareholder”) or their duly appointed proxy to enable the Company to forward to such Verified Accénuate Shareholders a Zoom meeting invitation required to access the General Meeting.
- 3.3 Accénuate or the Transfer Secretaries will send each Verified Accénuate Shareholder a Zoom meeting invitation with a link to “Join the Zoom Meeting” on Wednesday, 23 December 2020 to enable Verified Accénuate Shareholders to link up and participate electronically in the General Meeting. This link will be sent to the email address nominated by the Verified Accénuate Shareholder in the Electronic Participation Form.
- 3.4 In person registration of General Meeting participants will not be permitted.
- 3.5 Accénuate Shareholders will be liable for their own network charges in relation to electronic participation in and/or voting at the General Meeting. Any such charges will not be for the account of Accénuate and/or Computershare. Neither Accénuate and/or Computershare can be held accountable in the case of loss of network connectivity or other network failure due to insufficient airtime, internet connectivity, internet bandwidth and/or power outages (as the case may be) which prevent any such Accénuate Shareholder from participating in and/or voting at the General Meeting.

4. ELECTRONIC VOTING AT THE GENERAL MEETING

- 4.1 Accénuate Shareholders connecting to the General Meeting electronically will be able to participate in the General Meeting. The electronic platform, Zoom, to be utilised for the General Meeting does not provide for electronic voting during the meeting. Accordingly, Accénuate Shareholders are strongly encouraged to submit votes by proxy in advance of the General Meeting, by completing the Form of Proxy and lodging the completed proxy form together with the Electronic Participation Form with Computershare. Accénuate Shareholders who indicate in the Electronic Participation Form that they wish to vote during the electronic meeting, will be contacted by Computershare to make the necessary arrangements.
- 4.2 Accénuate Shareholders are also encouraged to submit any questions to Accénuate's company secretary (as set out in the "Corporate Information and Advisors" section of this Circular) prior to the General Meeting, by no later than 09:00 on Monday, 28 December 2020. These questions will be addressed at the General Meeting.
- 4.3 All Eligible Shareholders will be entitled to participate in the General Meeting and to vote (or abstain from voting) on the resolutions set out in the Notice of General Meeting.

5. DISSENTING SHAREHOLDERS' APPRAISAL RIGHTS

At any time before the Special Resolution is to be voted on at the General Meeting, a Shareholder may give Accénuate written notice objecting to the Special Resolution.

Within 10 Business Days after Accénuate has adopted the Special Resolution, Accénuate must send a notice that the Special Resolution has been adopted to each Shareholder who gave Accénuate a written notice of objection and who has neither withdrawn that notice nor voted in favour of the Special Resolution.

A Shareholder who has given Accénuate written notice in terms of section 164 of the Companies Act objecting to the Special Resolution and has complied with all of the procedural Regulations set out in section 164 of the Companies Act may, if the Special Resolution has been adopted, can then demand in writing within:

- 20 Business Days after receipt of the notice referred to above; or
- if the Shareholder does not receive the notice from Accénuate referred to above, 20 Business Days after learning that the Special Resolution has been adopted,

that Accénuate pay the Shareholder the fair value (in terms of and subject to the requirements set out in section 164 of the Companies Act) for all the Shares held by that Shareholder. A more detailed explanation of the dissenting Shareholders' appraisal rights is contained in paragraph 3.5 of the Circular.

A copy of section 164 of the Companies Act pertaining to Appraisal Rights is set out in Annexure 8 to this Circular.

6. TAKEOVER REGULATION APPROVALS

Accénuate Shareholders should take note that the TRP does not consider commercial advantages or disadvantages of affected transactions when it approves such transactions.

IMPORTANT LEGAL NOTICES

OFFER NOT MADE IN RESTRICTED JURISDICTIONS

The legality of the Offer to non-resident Shareholders may be affected by the laws of any jurisdiction relevant to them. Such Shareholders should inform themselves about any applicable legal requirements, which they are obliged to observe. It is the responsibility of any such Shareholder wishing to accept the Scheme to satisfy himself/herself as to the full observance of the laws of any relevant jurisdiction in connection with the Scheme.

This Offer does not and will not constitute an offer to purchase, or the solicitation of an offer to sell, any Accéntuate Shares in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to the registration or qualification under the laws of such jurisdiction. Without limiting the generality of the above, the Offer is not being made, directly or indirectly, in or into or by the use of mails of, or by any means or instrumentality (including, without limitation, telephonically or electronically) of interstate or foreign commerce of, or any other jurisdiction if it is illegal for the Offer to be made or accepted in that jurisdiction (a "restricted jurisdiction").

The Offer cannot be accepted by any such use of mails, means, instrumentality or facility or from within a restricted jurisdiction. Accordingly, neither copies of this document nor any related documentation are being or may be mailed or otherwise distributed or sent in or into or from a restricted jurisdiction, and, if received in any restricted jurisdiction, this document should be treated as being received for information only.

The Scheme Consideration is not freely transferable from South Africa and must be dealt with in terms of the Exchange Control Regulations. The Scheme Consideration due to an Accéntuate Scheme Participant who is an emigrant from South Africa, whose registered address is outside the Common Monetary Area and whose Documents of Title have been restrictively endorsed under the Exchange Control Regulations will be deposited in a blocked Rand account with the authorised dealer in foreign exchange in South Africa controlling the Accéntuate Scheme Participant's blocked assets in accordance with his instructions, against delivery of the relevant Documents of Title. In terms of a recent relaxation to the exchange control rulings, emigrants may externalise the Scheme Consideration by making application to the Financial Surveillance Department of the SARB via the requisite authorised dealer channel. Previously, a 10% levy would have been payable on externalisation. This is however no longer the position and the Scheme Consideration may, on application, be externalised free of the levy. Accéntuate Shareholders are, however, advised to consult their advisors in this regard.

Shareholders who complete the form of surrender and transfer (pink) are deemed to represent and warrant to Accéntuate that they have not received or sent copies or originals of this document, the form of surrender and transfer (pink) or any related documents in, into or from a restricted jurisdiction and have not otherwise utilised in connection with the Scheme, the mails, or any means or instrumentality (including, without limitation, telephonically or electronically) of interstate or foreign commerce of, or any facility of a national securities exchange of, a restricted jurisdiction, and that the form of surrender and transfer (pink) has not been mailed or otherwise sent in, into or from a restricted jurisdiction and such Shareholder is accepting the Scheme from outside a restricted jurisdiction.

FORWARD-LOOKING STATEMENTS

This Circular contains statements about Accéntuate that are, or may be, forward-looking statements. All statements, other than statements of historical fact are, or may be deemed to be, forward-looking statements, including, without limitation, those concerning: strategy; the economic outlook for the industry; production; cash costs and other operating results; growth prospects and outlook for operations, individually or in the aggregate; liquidity and capital resources and expenditure; and the outcome and consequences of any pending litigation proceedings. These forward-looking statements are not based on historical facts, but rather reflect current expectations concerning future results and events and generally may be identified by the use of forward-looking words or phrases such as "believe", "aim", "expect", "anticipate", "intend", "foresee", "forecast", "likely", "should", "planned", "may", "estimated", "potential" or similar words and phrases.

Examples of forward-looking statements include statements regarding a future financial position or future profits, cash flows, corporate strategy, anticipated levels of growth, estimates of capital expenditures, acquisition strategy, expansion prospects or future capital expenditure levels and other economic factors, such as, inter alia, interest rates.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Accéntuate cautions that forward-looking statements are not guarantees of future performance. Actual results, financial and operating conditions, liquidity, and the developments within the industry in which Accéntuate operates may differ materially from those made in, or suggested by, the forward-looking statements contained in this Circular.

All these forward-looking statements are based on estimates and assumptions regarding Accéntuate, as made by Accéntuate, and although Accéntuate believes them to be reasonable, are inherently uncertain. Such estimates, assumptions or statements may not eventuate. Factors which may cause the actual results, performance, or achievements to be materially different from any future results, performance or achievements expressed or implied in those statements or assumptions include other matters not yet known to Accéntuate or not currently considered material by Accéntuate.

Accéntuate Shareholders should keep in mind that any forward-looking statement made in this Circular or elsewhere is applicable only at the date on which such forward-looking statement is made. New factors that could cause the business of Accéntuate not to develop as expected may emerge from time to time and it is not possible to predict all of them. Further, the extent to which any factor or combination of factors may cause actual results to differ materially from those contained in any forward-looking statement are not known. Accéntuate has no duty to, and does not intend to, update, or revise the forward-looking statements contained in this Circular after the date of this Circular, except as may be required by law.

Any forward-looking statement has not been reviewed nor reported on by the external auditors.

DISCLAIMER

Shareholders should take note that the TRP does not consider the commercial advantages or disadvantages of affected transactions when it approves such transactions.

IMPORTANT DATES AND TIMES IN RELATION TO THE SCHEME

The definitions and interpretations commencing on page 11 of this Circular shall apply *mutatis mutandis* to the dates and times set out hereunder.

	2020
Record date to determine which Accéntuate Shareholders are entitled to receive the Circular	Friday, 13 November
Posting of the Circular to Accéntuate Shareholders and notice convening General Meeting published on SENS	Friday, 27 November
Last day to trade in Accéntuate Shares in order to be recorded on the Accéntuate share register on the scheme voting record date (voting last day to trade)	Monday, 14 December
Record date for General Meeting	Friday, 18 December
Proxy forms to be received by 09:00	Wednesday, 23 December
Last date and time for Accéntuate Shareholders to give notice in terms of section 164(3) of the Companies Act to Accéntuate objecting to the Special Resolution approving the Scheme by 09:00 on	Monday, 28 December
General Meeting to be held at 09:00	Monday, 28 December
Results of General Meeting published on SENS	Monday, 28 December

If the Scheme is approved by Accéntuate Shareholders at the General Meeting with sufficient voting rights such that no Shareholder may require the Company to obtain Court approval for the Scheme as contemplated in section 115(3)(a) of the Companies Act:

	2021
Last day for Shareholders who voted against the Scheme to require Accéntuate to seek Court approval for the Scheme in terms of section 115(3)(a) of the Companies Act if the Scheme is approved by Shareholders at the General Meeting but the Scheme Resolution was opposed by at least 15% of the voting rights that were exercised on the Scheme Resolution at the General Meeting (where applicable) (5 business days after General Meeting)	Tuesday, 5 January
Last date on which Accéntuate Shareholders can make application to the Court in terms of section 115(3)(b) of the Companies Act on (10 business days after General Meeting)	Tuesday, 12 January
Last date for Accéntuate to give notice of adoption of the special resolution approving the Scheme to Accéntuate Shareholders objecting to the special resolution	Tuesday, 12 January

If no Accéntuate Shareholders exercise their rights in terms of section 115 of the Companies Act:

	2020/2021
Offer opens	Tuesday, 29 December
Finalisation Date announcement expected to be published on SENS on or about	Friday, 8 January
Expected Scheme LDT, being the last day to trade Accéntuate Shares on the JSE in order to be recorded in the Register to receive the Scheme Consideration, on	Tuesday, 19 January
Suspension of listing of Accéntuate Shares on the JSE expected to take place at the commencement of trade on	Wednesday, 20 January
Expected Scheme Consideration Record Date, being the date on which Scheme Participants must be recorded in the Register to receive the Scheme Consideration, by close of trade on	Friday, 22 January
Expected Implementation Date of the Scheme	Monday, 25 January
Expected payment and delivery of Scheme Consideration	Monday, 25 January
Expected termination of listing of Accéntuate Shares at commencement of trade on the JSE	Tuesday, 26 January

If the Scheme is not implemented and the Standby Offer is implemented:

	2021
Expected finalisation announcement published on SENS	Monday, 4 January
Expected date of lodging an application for the termination of listing of the Shares on the JSE	Tuesday, 5 January
First date on which the Standby Offer Consideration is expected to be sent by EFT or by cheque to Standby Offer Participants who are Certificated Shareholders who have lodged their Form of Acceptance and Transfer (pink) with the Transfer Secretaries on or prior to the Standby Offer being declared wholly unconditional on or about	Thursday, 7 January
First date on which Dematerialised Standby Offer Participants are expected to have their accounts with their Broker or CSDP credited with the Standby Offer Consideration on or about	Thursday, 7 January
Expected last day to trade to take up the Standby Offer on or about	Tuesday, 12 January
Expected date on which the Shares trade "ex" the right to participate in the Standby Offer on or about	Wednesday, 13 January
Expected suspension of the listing of the Shares at the commencement of trade on the JSE	Wednesday, 13 January
Expected Standby Offer Record date on or about	Friday, 15 January
Expected Standby Offer Closing Date at 12:00 on or about	Friday, 15 January
Last date on which the Offer Consideration is expected to be sent by EFT or by cheque to Standby Offer Participants who are Certificated Shareholders who have lodged their Form of Acceptance and Transfer (pink) with the Transfer Secretaries on or prior to the last day to trade to take up the Standby Offer on or about	Monday, 18 January
Last date on which Dematerialised Standby Offer Participants are expected to have their accounts with their Broker or Participant credited with the Offer Consideration on or about	Monday, 18 January
Expected termination of the listing of the Shares at commencement of trade on the JSE on or about	Tuesday, 19 January

1. All dates and times are subject to change by mutual agreement between Accéntuate and the Offeror and approved by the JSE and Takeover Regulation Panel (if required) and/or may be subject to certain regulatory approvals including but not limited to that of the Takeover Regulation Panel authority, being granted. Any change will be released on SENS.
2. Shareholders are referred to paragraph 4.5 (which contains a summary of the dissenting Shareholders' appraisal rights) regarding rights afforded to Accéntuate Shareholders.
3. Accéntuate Shareholders should note that as transactions in shares are settled in the electronic settlement system used by Strate, settlement of trades' takes place three trading days after such trade. Therefore persons who acquire Accéntuate Shares after the Voting Last Day to Trade will not be eligible to vote at the General Meeting, but will, provided the Scheme is approved and they acquire the Accéntuate Shares on or prior to the Scheme Last Day to Trade, participate in the Offer.
4. An Accéntuate Shareholder may submit a proxy at any time before the vote on the Scheme (or any adjournment of the General Meeting) or handed to the Chairman of the General Meeting before the appointed proxy exercises any of the relevant Shareholder's rights at the General Meeting (or any adjournment of the General Meeting), provided that should a Shareholder lodge a form of proxy with the Transfer Secretaries at Computershare Investor Services Proprietary Limited, Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196 less than 48 hours before the General Meeting, such Shareholder will also be required to furnish a copy of such form of proxy to the Chairman of the General Meeting before the appointed proxy exercises any of such Shareholder's rights at the General Meeting (or any adjournment of the General Meeting).
5. If the General Meeting is adjourned or postponed, forms of proxy submitted for the initial General Meeting will remain valid in respect of any adjournment or postponement of the Scheme.
6. All times given in this Circular are local times in South Africa.
7. Accéntuate share certificates may not be dematerialised or rematerialised after the Scheme Last Day to Trade or the offer as the case may be.
8. Although the salient dates and times are subject to change, such statement may not be regarded as consent or dispensation for any change to the time period which may be required in terms of the Takeover Regulations, where applicable, and any such consent or dispensation must be specifically applied for and granted.

DEFINITIONS AND INTERPRETATIONS

In this Circular, unless the context indicates a contrary intention, an expression which denotes any gender includes the other genders, a natural person includes a juristic person and *vice versa*, the singular includes the plural and vice versa and the following expressions bear the meanings assigned to them below and cognate expressions bear cognate meanings.

"the Act" or "the Companies Act"	the Companies Act, 2008 (No. 71 of 2008), as amended, and where appropriate in the context includes a reference to the Regulations promulgated in terms of such Act;
"Accénuate" or "Company"	Accénuate Limited, a public company duly incorporated and registered in accordance with the company laws of South Africa, with registration number 2004/029691/06, the issued Shares of which are listed on the JSE;
"Accénuate Group" or "Group"	Accénuate and its Subsidiaries;
"Agulhas"	Agulhas Nominees Proprietary Limited, Registration number: 2000/026993/07;
"AltX"	the alternative exchange of the JSE;
"the Board" or "Accénuate Board"	the Board of directors of Accénuate;
"Certificated Accénuate Shareholders"	Accénuate Shareholders who hold Certificated Accénuate Shares;
"Certificated Accénuate Shares"	Accénuate Shares which have not yet been Dematerialised into the Strate system, title to which is represented by share certificates or other physical Documents of Title;
"Certificated Eligible Shareholders"	Accénuate Shareholders who hold Certificated Accénuate Shares and are eligible to surrender or dispose Accénuate Shares in terms of the Scheme or Standby Offer;
"CIPC"	the Companies and Intellectual Property Commission established pursuant to section 185 of the Companies Act;
"the/this Circular"	all the documents contained in this bound document dated Friday, 27 November 2020, including, the combined circular, the notice of General Meeting, the form of proxy and the form of surrender and transfer;
"the Conditions"	the conditions precedent to which the Scheme, the Offer and the delisting is subject, as set out in paragraph 4.3 of this Circular;
"Court"	any South African court of competent jurisdiction to approve and implement the Special Resolution set out in the notice of the General Meeting pursuant to section 115 of the Companies Act and to determine the fair value of Accénuate Shares pursuant to section 164(14) of the Companies Act;
"Delisting"	the termination of the listing of all Accénuate ordinary shares from the AltX pursuant to the Scheme becoming operative; or if the Scheme fails, the Standby Offer being implemented subject to the fulfillment or waiver of the Standby Offer conditions and the approval of the Delisting Resolution, as per paragraph 1.17(b) of the JSE Listings Requirements;
"Delisting Resolution"	the ordinary resolution to be proposed by the Board at the General Meeting to approve the Delisting in terms of paragraph 1.15(a) of the JSE Listings Requirements;
"Dematerialise"	the process whereby certificated shares are converted into electronic format and no longer evidenced by Documents of Title;
"Dematerialised Accénuate Shareholders"	Own-Name Dematerialised Shareholders and Non-Own-Name Dematerialised Shareholders;
"Dematerialised Accénuate Shares"	an Accénuate Share that has been Dematerialised or issued in Dematerialised form and is held on a sub-register of Accénuate Shareholders administered by a Participant;
"Documents of Title"	Accénuate Shares certificates and/or certified transfer deeds and/or balance receipts or any other Documents of Title in respect of Accénuate Shares acceptable to Accénuate;
"Electronic Participation Form"	the electronic participation form annexed to the Notice of General Meeting;

"Eligible Shareholders"	Accénuate Shareholders other than the Offeror and its related or inter-related persons and any person acting in concert with any of them;
"the Exchange Control Regulations"	the Exchange Control Regulations, 1961, as amended, made in terms of section 9 of the Currency and Exchanges Act, 1933 (Act 9 of 1933), as amended;
"Excluded Shares"	the Accénuate Shares held by the Offeror and its related or inter-related persons and any person acting in concert with any of them referred to in paragraph 14;
"Finalisation Date"	the date on which Accénuate announces that all of the Conditions have either been fulfilled or waived, as the case may be, including without limitation that the Takeover Regulation Panel has issued its compliance certificate under section 119(4)(b) or an exemption in terms of 119(6) of the Companies Act and that the Scheme has become unconditional and capable of implementation, which Finalisation Date is expected to be Friday, 8 January 2021;
"Firm Intention Announcement"	the announcement released by Accénuate on SENS on Monday, 12 October 2020 regarding the terms and conditions of the Offer and the Scheme of Arrangement;
"Firm intention Offer Letter" or "Offer letter"	the offer letter dated Thursday, 24 September 2020 received by the Board from the Offeror containing the basis for and governing the terms and conditions of the Scheme and Standby Offer, and the implementation thereof;
"FMA"	the Financial Markets Act 19 of 2012, as amended, (formerly the Securities Services Act, 2004 (Act 36 of 2004);
"General Meeting"	the Meeting to be held at 09:00 on Monday, 28 December 2020 at Accénuate, 32 Steele Street, Steeledale 2197, (or any postponement or adjournment thereof), at which meeting Accénuate Shareholders will consider and vote on the Scheme together with any reconvened General Meeting held as a result of the adjournment or postponement of that General Meeting;
"IFRS"	International Financial Reporting Standards;
"Implementation Date"	the date on which the Scheme is to be implemented, which is expected to be Monday, 18 January 2021, being the first Business Day following the Scheme Consideration Record Date;
"Independent Board"	an independent sub-committee of the Accénuate Board, consisting of Messrs. Ralph Bruce Patmore, Pieter Slabbert Kriel and Andile Mjamekwana, appointed to fulfil the role of an "independent board", as contemplated in regulation 108 of the Takeover Regulations, all of whom are independent as contemplated in regulation 108(8) of the Takeover Regulations;
"Independent Expert"	Merchantec Capital Proprietary Limited (Registration number 2008/027362/07), a company duly incorporated and registered under the company laws of South Africa;
"Jacana"	Jacana Assets Limited, a company with limited liability duly incorporated in accordance with the laws of St Helier, Jersey having registration number: 243598, with material beneficial shareholders being JTC Nominees Limited and JTC Services Limited;
"the JSE"	JSE Limited (Registration number 2005/022939/06), a public company incorporated in accordance with the laws of South Africa and licensed as an exchange under the FMA;
"JSE Listings Requirements"	the Listings Requirements as published by the JSE, as amended from time to time;
"Last Practicable Date"	Wednesday, 18 November 2020, being the Last Practicable Date prior to the finalisation of this Circular;
"Lumbro Corporate Services Limited"	Sole director of Pruta, the directors of Lumbro Corporate Services Limited a wholly owned subsidiary of Standard Bank Group being Mark Anthony Carpenter, Simon John Peter Grant, Jane Carmichael Michalski, Jonathan David Sprigg, Jonathan Charles Norman Peake, William Peter Thompson Thorp and Charles Grey Molteno;
"Non-Own-Name"	a person on whose behalf any Dematerialised Share not held in "own-Participant" or broker in accordance with the custody agreement with the Participant or broker;
"Offer"	subject to the fulfilment or waiver of the Conditions, the Offer made by the Offeror to all Scheme Participants to acquire all the Scheme Shares in terms of section 114 of the Companies Act, for the Offer Price, or in terms of the Standby Offer as the case may be;

"Offeror" or "Pruta"	Pruta Securities (Jersey) Limited, a company with limited liability duly incorporated in accordance with the laws of St Helier, Jersey, having registration number: 8465, and is wholly beneficially owned by Standard Bank Offshore Trust Company Jersey Limited as trustee of the Life Trust, a Jersey law discretionary trust established on 1 October 1991;
"Offer Price" or "Offer Consideration"	the consideration payable by the Offeror to the Scheme Participants in cash, being R0,10 (10 cents only) per share, for every Scheme Share held by the Scheme Participant;
"Operative Date"	the date upon which the Scheme will be operative, and the Offeror will acquire the Scheme Shares which is expected to be on or about Monday, 18 January 2021;
"Own-Name Dematerialised Accénuate Shareholders"	Dematerialised Accénuate Shareholders who/which have elected own-name registration in the sub register of Accénuate held by a Participant;
"Participant"	a participant as defined in section 1 of the FMA appointed by an individual Accénuate Shareholder for the purposes of, and in regard to the Documents of Title for the purposes of incorporation into Strate;
"Parties"	collectively the Offeror and Accénuate;
"the Proposed Transaction"	means the Scheme and Standby Offer;
"R" or "Rand"	South African Rand;
"Register" or "Share Register"	Accénuate's share register, including all sub registers;
"Regulations"	the Companies Regulations 2011 promulgated under the Companies Act, as amended;
"Remaining Shareholders"	Eligible Shareholders who wish to reject the Standby Offer;
"Scheme" or "Scheme of Arrangement"	the scheme of arrangement proposed by the Board between Accénuate and the Accénuate Shareholders pursuant to which the Offeror will make an Offer to the Eligible Shareholders to acquire all of the issued ordinary shares in Accénuate for an Offer Price of R0,10 (ten cents only) per Scheme Share payable in cash in terms of section 114 of the Companies Act and a subsequent delisting of Accénuate from the JSE as per paragraph 1.17(b) of the JSE Listings Requirements;
"Scheme Consideration"	the consideration payable to the Scheme Participants for their Scheme Shares, in terms of the Scheme, being the Offer Consideration;
"Scheme Last Day to Trade"	the last day to trade on the exchange operated by the JSE to participate in the Offer and in order to be registered in the register on the Scheme Consideration Record Date, which date is expected to be Tuesday, 19 January 2021;
"Scheme Participants"	Accénuate Shareholders, other than any holder of the Excluded Shares who are entitled to receive the Scheme Consideration being: (i) Accénuate Shareholders Registered as such on the Scheme Consideration Record Date other than dissenting Accénuate Shareholders who have not withdrawn their demand made in terms of sections 164(5) to 164(11) of the Companies Act or allowed any Offer made to them in terms of section 164(11) of the Act to lapse on or before the Scheme Consideration Record Date; and (ii) dissenting Accénuate Shareholders who are subsequently deemed to be Scheme Participants in the event that any of the circumstances contemplated in sections 164(9)(a) and (b) of the Companies Act occur;
"Scheme Consideration Record Date"	the time and date on which Scheme Participants must be recorded in the register in order to participate in the Scheme and receive the Scheme Consideration, which time and date is expected to be 17:00 on Friday, 22 January 2021;
"Scheme Shares"	Accénuate Shares held by Eligible Shareholders on the Scheme Consideration Record Date;
"SENS"	the Stock Exchange News Service, the news service operated by the JSE;
"Shareholders" or "Accénuate Shareholders"	the holders of Accénuate Shares recorded as such in the Register at the relevant date;
"Shares" or "Accénuate Shares"	ordinary shares of 0.001 cents each in the issued share capital of Accénuate, which are listed on the JSE;
"South Africa"	the Republic of South Africa;

"Special Resolution"	the special resolution to be proposed at the General Meeting for approval of the Scheme, the full terms of which are set out in the Special Resolution Number 1 in the notice of General Meeting attached to and forming part of this Circular;
"Standby offer"	a conditional standby offer to the Eligible Shareholders in terms of section 117(1)(c)(v) of the Companies Act and paragraph 1.15(c) of the JSE Listings Requirements to acquire all of the Offer Shares for a cash consideration of R0,10 per Offer Share, subject to the Scheme not becoming operative, the standby offer being accepted by at least 51% of Eligible Shareholders and the Delisting being approved;
"Strate"	Strate Proprietary Limited (Registration number 1998/022242/07), a limited liability private Company duly incorporated in South Africa, which is a registered central securities depository, and which is responsible for the electronic settlement system used by the JSE;
"Subsidiary"	a subsidiary as defined in the Companies Act;
"Takeover Regulation Panel" or "the Panel" or "TRP"	the Takeover Regulation Panel established in terms of section 196 of the Companies Act;
"Takeover Regulations"	the Takeover Regulations issued in terms of section 120 of the Companies Act, as amended;
"Transfer Secretaries" or "Computershare"	Computershare Investor Services Proprietary Limited, a private company duly incorporated and registered under company the laws of South Africa, with registration number 2004/003647/07, particulars of which appear in the "Corporate Information" section of the Circular;
"the Transaction"	the Scheme or the Standby Offer should the Scheme not be approved by the Eligible Shareholders and the subsequent delisting of Accéntuate Shares from the JSE;
"Voting Record Date"	the date on, and the time at, which an Accéntuate Shareholder must be recorded in the Register in order to vote at the General Meeting, being the close of business on the Friday of the week immediately preceding the date of the General Meeting, the date being Friday, 18 December 2020;
"Voting Last Day to Trade"	the last day to trade on the exchange operated by the JSE to be able to vote at the General Meeting, being the Tuesday immediately preceding the week during which the Voting Record Date occurs, which date is expected to be Tuesday, 14 December 2020; and
"VWAP"	volume-weighted average price.



ACCÉNUATE LIMITED

(Incorporated in the Republic of South Africa)
(Registration number 2004/029691/06)
Share code: ACE ISIN: ZAE000115986
("Accénuate" or "the Company")

PRUTA SECURITIES (JERSEY) LIMITED

PRUTA SECURITIES (JERSEY) LIMITED

(Incorporated in Jersey)
(Registration Number: 8465)
("the Offeror")

ACCÉNUATE DIRECTORS

Executive directors

Donald Platt (*Chief Executive Officer*)
Wisdom Mushohwe (*Chief Financial Officer*)

Non-Executive

Ralph Patmore (Chairman)*
Andile Mjamekwana*
Pieter Kriel*
Eric Ratshikhopha*

* independent

OFFEROR DIRECTORS

Sole Director
Lumbro Corporate Services Limited

COMBINED CIRCULAR TO ACCÉNUATE SHAREHOLDERS

1. INTRODUCTION

In the Firm Intention Announcement released on SENS on Monday, 12 October 2020 by Accénuate and the Offeror, Accénuate Shareholders were informed of the firm intention by the Offeror to make an offer to acquire the issued ordinary shares in Accénuate, from the Eligible Shareholders, by way of a Scheme of arrangement in terms of section 114 of the Companies Act, to be proposed by the Board between Accénuate and Accénuate Shareholders.

Upon implementation of the Scheme, all Eligible Shareholders will receive the Offer Price of R0,10 (10 cents only) per Scheme Share held, payable in cash against surrender of their Documents of Title (if applicable).

The Offeror directly owns 53 814 461 Accénuate Shares or a 29.70% interest.

Implementation of the Scheme is subject to the fulfilment or waiver of the Conditions including, inter alia, approval of the Scheme by the requisite majority of Accénuate Shareholders in terms of section 115 of the Act. The Offer is made conditional upon the Scheme becoming unconditional and thus capable of implementation.

For the Scheme to become operative, amongst other Conditions, Eligible Shareholders holding at least 75% of the voting rights exercised at the General Meeting must be exercised in favour of the Scheme. If you are a Dematerialised Shareholder and the Scheme becomes unconditional and implemented, you will have your accounts at your Participant or broker debited with your Shares and credited with the Offer Price irrespective of whether you voted in favour of the Scheme or not, but subject to your dissenting Shareholder appraisal rights as set out in section 164 of the Companies Act. If you are not a Dematerialised Shareholder and the Scheme becomes unconditional and implemented, you will have to surrender your Documents of Title/ share certificates in exchange for the Offer Price irrespective of whether or not you voted in favour of the Scheme.

Separately but concurrent to the Scheme, the Offeror has resolved to make a conditional standby offer (the "Standby Offer"), as contemplated in section 117(1)(c)(v) of the Companies Act and paragraph 1.15(c) of the Listings Requirements to the Eligible Shareholders to acquire all the ordinary shares that it or the related parties do not already own ("a Standby Offer Share") for a cash consideration of R0.10 (ten cents only) ("Standby Offer Consideration"), per Standby Offer Share should the Scheme not be approved by the Eligible Shareholders, but subject to your dissenting Shareholder appraisal rights as set out in section 164 of the Companies Act. **Shareholders must note that the Standby Offer shall be conditional on at least 51% of Eligible Shareholders accepting the Standby Offer.**

Following implementation of the Scheme, or the Standby Offer (as the case may be), the Offeror will (subject to their dissenting Shareholders appraisal rights as set out in section 164 of the Companies Act, become the owner of all the Scheme Shares. Further, the listing of Accénuate on the AltX of the JSE will be terminated.

2. SUBSCRIPTION

It was a conditional term of the Offer that the Offeror subscribe for 30% (thirty per centum) of the current issued share capital of ACE, which was approved by the Board at a value of R0,10 per Share.

Given the limitations imposed by the shareholders of Accéntuate by way of an AGM resolution, passed by the requisite majority of Shareholders at the AGM on the 11 December 2019, the subscription, by the Offeror, was limited to 30% (thirty per centum) of the current issued share capital of Accéntuate, being 41 809 856 shares (forty-one million eight hundred and nine thousand eight hundred and fifty six), raising R4 180 985 (four million one hundred and eighty thousand nine hundred and eighty five rand) at 10cps (ten cents per share) ("the Subscription"). The Subscription was implemented on 30 September 2020 and settled in cash. The proceeds of the Subscription have been used to reduce the underlying unsecured debt of Accéntuate.

Shareholders are advised that the Subscription has not triggered a mandatory offer in terms of section 123 of the Act, as read with regulations 84 and 86 of the Companies Regulations, 2011 ("the Regulations"). Neither the Offeror nor Jacana have, subsequent to the Subscription, acquired any further shares in Accéntuate. Accordingly, the Offeror and Jacana are parties acting in concert only for the purposes of the Scheme, and not prior thereto.

2.1 Subscriber and offeror

Pruta was, prior to the subscription, a shareholder of Accéntuate holding 12 004 605 of the ordinary shares in Accéntuate or 8,61% of the issued share capital of Accéntuate and is the Offeror and pursuant to the subscription for 41 809 856 Shares now holds 53 814 461 ordinary shares in Accéntuate or 29,7% of the issued share capital of Accéntuate, which was implemented on 30 September 2020.

2.2 The subscription provided relief from the immediate liquidity constraints of the Group but was only procured on condition that the Company propose a Scheme of Arrangement with its shareholders in order to de-list from the JSE.

3. RATIONALE FOR THE SCHEME

The Company has been under significant liquidity constraints and has reported ongoing financial losses over a number of reporting periods, Shareholders have also been advised of the ongoing review by the Company's principal bankers of the overdraft and other banking facilities.

The Offeror and the Accéntuate Board believe that the Company has not derived any material benefits from being in the listed environment, having not garnered institutional shareholder support to justify the costs of the regulatory processes, Listings Requirements, compliance and associated costs with being a listed entity. The listing costs of approximately R4,2 million per annum have had a significant adverse effect on the business.

The Company has over the past year disposed of various operating subsidiaries and also issued convertible loans to mitigate the cash flow constraints as a result of these losses. Notwithstanding these efforts the Group has continued to make operating losses.

Over a period of more than twelve months the board engaged with shareholders and private equity companies in an effort to recapitalise the Company. As the prospect of success diminished and the cashflow constraints increased, the options of liquidation or business rescue were tabled and considered to be the only alternative if recapitalisation was unsuccessful. The Company was solvent but was not liquid therefore the offer of R0,10 (ten cents) a share was considered acceptable and a better solution for all stakeholders as opposed to liquidation or business rescue.

4. SCHEME

4.1 Mechanics of the Scheme

The Scheme of Arrangement proposed by the Board between Accéntuate and the Eligible Shareholders pursuant to which the Offeror will acquire all the Scheme Shares, which are held by the Eligible Shareholders. The Offeror will acquire all the Scheme Shares for a cash consideration of R0,10 per Share in terms of section 114 of the Companies Act and the subsequent delisting of Accéntuate from the JSE as per paragraph 1.17(b) of the JSE Listings Requirements.

4.1.1 The Scheme is subject to Shareholders appraisal rights in terms of section 164 of the Companies Act and shall become binding on Accéntuate and the Eligible Shareholders (irrespective of whether or not such holders support the Scheme) if, *inter alia*:

- a Special Resolution approving the Scheme is adopted at the General Meeting; and
- all the Conditions for the implementation of the Scheme have been fulfilled or waived (where applicable).

4.1.2 Subject to the Scheme becoming unconditional, Eligible Shareholders will with effect from the Implementation Date be regarded in law as having:

- disposed of their Scheme Shares to the Offeror, which will be deemed to have acquired ownership of the Scheme Shares on the Implementation Date, in exchange for the Offer Price payable for those Scheme Shares which Offer Price is to be settled in terms of paragraph 5;

- authorised Accénuate and/or the Transfer Secretaries on its behalf to transfer the Scheme Shares into the name of the Offeror; and
 - authorised the Transfer Secretaries on its behalf to collect from the Offeror the Offer Price for delivery to those Eligible Shareholders and all risk and benefit in the Scheme Shares will pass from those Scheme Participants to Accénuate with effect from the Implementation Date.
- 4.1.3 Should the Scheme become unconditional and be implemented, Eligible Shareholders shall be entitled to receive the Offer Price in respect of the Scheme Shares held by them and the Transfer Secretaries will administer and procure the transfer of the Offer Price to the Scheme Participants.
- 4.1.4 Should the Scheme become unconditional and be implemented, Scheme Participants shall:
- against the surrender by Certificated Shareholders of their Documents of Title in respect of the Scheme Shares, receive the Offer Price; and
 - in terms of the custody agreement entered into between the Scheme Participants concerned and their Participant or broker, Dematerialised Accénuate Shareholders will have their Scheme Shares transferred to the Offeror and the Offer Price transferred to their Participant or broker who should credit them with the Offer Price.
- 4.1.5 The rights of the Scheme Participants to receive the Offer Price in respect of the Scheme Shares held by them will be rights enforceable by Scheme Participants against the Offeror only. The Offeror has giving a cash confirmation to the offer, that it can fulfill its obligation to pay the Scheme Consideration.
- 4.1.6 The effect of the Scheme will be that, with effect from the Implementation Date, the Scheme Shares of the Eligible Shareholders will be acquired by the Offeror, resulting in the Offeror owning the entire issued share capital of Accénuate, other than shares owned by related parties.
- 4.1.7 Furthermore, following the implementation of the Scheme, Accénuate will delist from the JSE in terms of section 1.17(b) of the JSE Listings Requirements.
- 4.1.8 With effect from the Implementation Date, each and every director of the Transfer Secretaries and/or Accénuate or any other person nominated by Accénuate will irrevocably be deemed to be the attorney and agent in *rem suam* of the Scheme Participants to implement the transfer of the Scheme Shares and to sign any instrument of transfer in respect thereof or any other documents and to do any other acts required or desirable to implement the Scheme and the Delisting and to take all steps necessary to procure electronic delivery of shares which have been Dematerialised.
- 4.1.9 Agulhas is not an Eligible Shareholder given its prior exercise of its appraisal rights in terms of section 164 of the Act and its Shares and accrued appraisal rights are excluded from the Scheme and Standby Offer. Agulhas is not entitled to exercise any voting rights in terms of the Scheme or Standby Offer and its Shares will not be subject to expropriation in terms of the Scheme or entitled to accept the Standby Offer. Agulhas Shares will be excluded from eligible votes to be counted in respect of the Scheme and/or Standby Offer.

4.2 Terms of the Scheme

4.2.1 **The Scheme**

Subject to the Scheme becoming unconditional, and capable of implementation, the Offeror hereby offers to purchase from the Eligible Shareholders the Scheme Shares on the terms and conditions set out in this Circular.

The Offer is made conditional upon the Scheme becoming unconditional and thus capable of implementation. For the Scheme to become operative, amongst other conditions, the Accénuate Shareholders (excluding the Offeror, any person related or inter-related to the Offeror and any person acting in concert with any of them) exercising at least 75% of the voting rights of Accénuate Shareholders present or represented by proxy at the meeting. If you are a Dematerialised Shareholder and the Scheme becomes unconditional and implemented, you will have your accounts at your Participant or broker debited with their Shares and credited with the Offer Price irrespective of whether you voted in favour of the Scheme or not. If you are not a Dematerialised Shareholder the Scheme becomes unconditional and implemented, you will have to surrender their Documents of Title/share certificates in exchange for the Offer Price irrespective of whether you voted in favour of the Scheme or not. If the Scheme does not become operative, Accénuate Shareholders will retain their Accénuate Shares and not receive the Offer Price.

4.2.2 **The Offer Price**

The Offer Price is R0,10 (10 cents only) per Scheme Share. This Offer Price will be payable in cash, in Rand. The Independent Board believes that the Offer Price reflects fair and reasonable value for the Scheme Shares. In this regard Shareholders are referred to paragraph 16 of this Circular and the report of the Independent Expert attached to this Circular as Annexure 1.

The Scheme Consideration accords with the highest price paid by the Offeror over the 6 months preceding the date of the Firm Intention Announcement, being the Subscription detailed in paragraph 2.

4.3 Conditions Precedent to the Scheme

- 4.3.1 approval by Eligible Shareholders of the Offer as is contemplated by section 114, read with section 115, of the Act. To the extent required, approval by a court of the implementation of such resolution in terms of section 115(2)(c) and/or section 115(3) of the Act; and if applicable, Accéntuate not having treated the aforesaid resolution as a nullity, as contemplated in section 115(5)(b) of the Act; and
- 4.3.2 The TRP has issued a compliance certificate in respect of the Scheme in terms of section 119(4)(b) of the Companies Act, provided that if such compliance certificate is issued conditionally or on terms, this condition shall not be regarded as having been fulfilled unless the party which is or parties which are affected by such conditions or terms, confirm/s in writing (by not later than the said date and time) that such conditions and terms are acceptable to it/them, acting reasonably.

The above conditions cannot be waived and time periods for the fulfilment of such conditions cannot be extended unless agreed to in writing by Accéntuate and the Offeror, with approval of the TRP.

4.4 Funding of the Scheme Consideration

In compliance with regulation 111(4)(b) of the Companies Regulations, the Offeror has provided the TRP with the necessary confirmation from Sasfin Securities Proprietary Limited that sufficient cash is held in favour of Eligible Shareholders for the sole purpose of discharging the Scheme Consideration. The maximum aggregate cash consideration amounts to R8 740 017.

4.5 Dissenting Shareholders' Appraisal Rights

- 4.5.1 Section 164 of the Companies Act provides that:
- at any time before the Special Resolution is to be voted on, a Shareholder may give Accéntuate a written notice objecting to the Special Resolution ("Notice of Objection");
- 4.5.2 Accéntuate must send a notice that the Special Resolution has been adopted to each Shareholder who gave Accéntuate a Notice of Objection and has neither withdrawn the Notice of Objection nor voted in favour of the Special Resolution;
- 4.5.3 a Shareholder may demand in writing within 20 Business Days that Accéntuate pay the Shareholder the fair value for all the shares of Accéntuate held by that person if:
- the Shareholder sent Accéntuate a Notice of Objection;
 - Accéntuate has adopted the Special Resolution; and
 - the Shareholder voted against the Special Resolution and has complied with all of the procedural requirements of section 164 of the Companies Act;
- 4.5.4 the demand sent by the Shareholder to Accéntuate as provided in paragraph 4.5.1 above must set out:
- the Shareholder's name and address;
 - the number of Shares in respect of which the Shareholder seeks payment; and
 - a demand for payment of the fair value of those Shares. The fair value of the Shares is determined as at the date on which, and the time immediately before, Accéntuate adopted the Special Resolution that gave rise to the Shareholder's rights under this section
- 4.5.5 Before exercising their rights under section 164 of the Companies Act, Shareholders should have regard to the following factors relating to the Scheme:
- the Offer Price is payable in cash;
- the report of the Independent Expert set out in Annexure 1 to this Circular concludes that the terms of the Scheme are fair and reasonable;
 - The Scheme Consideration represents the highest price paid by the offeror over the 6 months preceding the Firm Intention Announcement; and
 - the Court is empowered to grant a costs order in favour of, or against, a dissenting Shareholder, as may be applicable.
- 4.5.6 In the event that any of the circumstances contemplated in section 164(9) of the Companies Act occur, then a dissenting Shareholder shall:
- 4.5.7 if such event takes place on or before the Scheme Consideration Record Date in respect of the Scheme, be deemed to be a Shareholder and be subject to the provisions of the Scheme; and

4.5.8 if such event takes place after the Scheme Consideration Record Date in respect of the Scheme, be deemed to have been a Shareholder as at the Implementation Date, provided that settlement of the Offer Price and transfer of that dissenting Shareholder's Shares to Accénuate shall take place on the later of: (i) the Implementation Date; (ii) the date which is five Business Days after that dissenting Shareholder so withdrew its demand or allowed the Accénuate Offer to lapse, as the case may be and (iii) if that dissenting Shareholder is a Certificated Shareholder, the date which is five Business Days after that dissenting Shareholder surrendered its Documents of Title and completed a form of surrender and transfer (pink) accepting the Offer to the Transfer Secretaries. No interest will be paid on the Scheme Consideration for any delay after the Implementation Date.

4.6 The General Meeting

4.6.1 Approval of the Scheme will be put to a vote at the General Meeting to be held at 09:00 on Monday, 28 December 2020 at Accénuate, 32 Steele Street, Steeledale, 2197, via Zoom.

4.6.2 Each eligible Certificated Accénuate Shareholder and Dematerialised Accénuate Shareholder recorded in the Register on the Voting Record Date with "own-name" registration can attend, speak and vote, as the case may be, at the General Meeting by electronic participation, or give a proxy to someone else (including the Chairman of the General Meeting) to represent him/ her at the General Meeting.

4.6.3 in order to ensure an orderly arrangement of affairs at the General Meeting, the relevant form of proxy should be received by the Transfer Secretaries by not later than 48 hours (excluding Saturdays, Sundays and official Public Holidays) before the General Meeting that is to be held at 09:00 on Monday, 28 December 2020. Such Shareholder will also be required to furnish a copy of such form of proxy to the Chairman of the General Meeting before the appointed proxy exercises any of such Shareholder's rights at the General Meeting (or any adjournment of the General Meeting). Should a Dematerialised Accénuate Shareholder recorded in the Register on the Voting Record Date who does not have "own-name registration":

4.6.3.1 wish to attend, speak, and vote at the General Meeting, such Accénuate Shareholder must arrange with his/her Participant or broker to obtain the necessary letter of representation; or

4.6.3.2 be unable to or not wish to attend the General Meeting but wish to vote at the General Meeting, he/ she should provide his/her Participant or broker with their voting instruction in the manner stipulated in the custody agreement governing the relationship between such Accénuate Shareholder and their Participant or broker. These instructions must be provided to the Participant or broker by the cut off time and date advised by the Participant or broker for instructions of this nature. The Participant or broker will then provide the Transfer Secretaries with the Accénuate Shareholders' instructions.

4.6.4 Dematerialised Accénuate Shareholders recorded in the Register on the Voting Record Date who do not have "own-name" registration will not be permitted to attend, speak or vote at the General Meeting without the necessary letter of representation being issued to them by their Participant or broker.

5. PROCEDURE FOR THE ACCEPTANCE OF THE SCHEME

5.1 Certificated Shareholders

5.1.1 Certificated Shareholders shall, subject to the Scheme becoming unconditional and implemented, only be entitled to receive the Offer Price in respect of their Accénuate Shares once they have surrendered their Documents of Title in respect thereof.

5.1.2 A Certificated Accénuate Shareholder who wishes to surrender his/her Documents of Title in anticipation of the Scheme being implemented may complete the form of surrender and transfer (pink) and return it, together with the Documents of Title relating to all his/her Accénuate Shares, to Computershare Investor Services Proprietary Limited, Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196 prior to 12:00 on the Scheme Consideration Record Date.

5.1.3 Alternatively, Certificated Accénuate Shareholders can submit their Documents of Title after 12:00 on the Scheme Consideration Record Date and surrender their Documents of Title representing all of their Certificated Accénuate Shares under cover of a completed form of surrender and transfer (pink) at that time. In this regard, if requested by any of those Accénuate Shareholders, a further form of surrender and transfer will be sent to Certificated Accénuate Shareholders for use by those Certificated Accénuate Shareholders who may not yet have surrendered their Documents of Title. The Offer Price will be posted to Shareholders within five Business Days of receipt of such documents if received after 12:00 on the Scheme Consideration Record Date.

5.1.4 If the Documents of Title relating to the Shares held by a Certificated Accénuate Shareholder has been lost or destroyed, Accénuate Shareholders should nevertheless return a duly completed surrender form, together with an indemnity on terms satisfactory to Accénuate. Accénuate may, in its sole discretion dispense with the surrender of such Documents of Title upon production of satisfactory evidence that the Documents of Title have been lost or destroyed and upon provision of an indemnity on terms acceptable to it. Unless otherwise agreed by Accénuate, only indemnity forms obtained from the Transfer Secretaries (available on request) will be regarded as suitable. Accénuate shall be entitled, in its absolute discretion, by way of agreement to waive the requirement of an indemnity.

5.1.5 No receipt will be issued for Documents of Title surrendered unless specifically requested.

In order to comply with the requirements of the JSE, lodging agents must prepare special transaction receipts, if required.

5.1.6 Documents of Title surrendered by Certificated Accéntuate Shareholders prior to the Implementation Date of the Scheme will be held in trust by the Transfer Secretaries, at the risk of the Accéntuate Shareholders concerned, pending the Scheme becoming unconditional. In the event of the Scheme not being implemented for any reason whatsoever, the Transfer Secretaries will, by not later than five Business Days after the date upon which it becomes known that the Scheme will not be implemented, return the Documents of Title to the Accéntuate Shareholders concerned by Registered post, at the risk of such Accéntuate Shareholders, to the address recorded in the Register.

5.1.7 The attention of Certificated Accéntuate Shareholders is drawn to the fact that, if they surrender their Documents of Title in advance, they will not be in a position to deal in their Shares on the JSE between the date of surrender and the Implementation Date, or if the Scheme is not implemented, between the date of surrender and the date on which their Accéntuate Shares are returned to them as set out in this Circular.

5.2 Dematerialised Accéntuate Shareholders

Dematerialised Accéntuate Shareholders must not complete the attached form of surrender and transfer (pink).

6. OFFER PRICE

Subject to the Conditions being fulfilled or waived, as the case may be, the Offer Price payable by the Offeror in terms of the Scheme is R0,10 (10 cents only) in cash for every Scheme Share.

Accéntuate Shareholders are referred to paragraph 9 below regarding the treatment of the Offer Price in terms of the Exchange Control Regulations.

7. SETTLEMENT OF THE SCHEME

7.1 In the event that the Scheme becomes unconditional and the Scheme is implemented, Scheme Participants, subject to the Exchange Control Regulations, will be entitled to receive the Offer Price in respect of the Scheme Shares held by them on the Implementation Date. The Offer Price shall be fully paid up and the Offeror will, either itself and/or through Accéntuate's Transfer Secretaries, administer and procure the transfer of the Offer Price to the Scheme Participants.

7.2 The following provisions relate to Scheme Participants:

7.2.1 subject to Exchange Control Regulations, details of which are set out in paragraph 9 below, the Offer Price will be paid by way of EFT or posted by ordinary post to Certificated Shareholders, at the risk of the Scheme Participants concerned, by the Transfer Secretaries on behalf of Accéntuate on the Implementation Date if the Documents of Title to all of those Certificated Accéntuate Shareholders' Certificated Accéntuate Shares have been surrendered before 12:00 on the Scheme Consideration Record Date or, if the Accéntuate Shareholders' Documents of Title are surrendered after 12:00, on the Scheme Consideration Record Date, within five Business Days after receipt thereof by the Transfer Secretaries;

7.2.2 where, on or subsequent to the Implementation Date, a person who was not a registered holder of Certificated Accéntuate Shares on the Scheme Consideration Record Date, tenders to the Transfer Secretaries Documents of Title together with a duly stamped form of transfer purporting to have been executed on or before the Scheme Consideration Record Date by or on behalf of the then registered holder of such Accéntuate Shares, and provided that the Offer Price shall not already have been posted or delivered to the registered holder, then such transfer shall be accepted by Accéntuate as if it were a valid transfer to such person of the Scheme Shares concerned. The Offer Price will be posted to such person in accordance with the provisions of this paragraph 6.2.2, within five Business Days of such tender, subject to proof satisfactory to the Transfer Secretaries as to the payment of any duty or tax payable, and provided that Accéntuate is, if so required by it, given an indemnity on terms acceptable to it in respect of such consideration;

7.2.3 if the Offer Price is not sent to Certificated Accéntuate Shareholders entitled thereto because the relevant Documents of Title have not been surrendered or if the Offer Price is returned undelivered to the Transfer Secretaries, the Offer Price will be held in trust by Accéntuate or the Transfer Secretaries on behalf of Accéntuate until lawfully claimed, subject to the below. For the avoidance of doubt, no interest will accrue on any such funds held by Accéntuate. If the necessary information or instructions have not been provided after a period of five years, such Scheme Consideration shall be paid over to the Guardians Fund of the High Court, from which it can be claimed.

7.3 In respect of Dematerialised Accéntuate Shareholders, Accéntuate will deposit the Offer Price into the account of the relevant Participant via Strate and thereafter the accounts of Dematerialised Accéntuate Shareholders at their Participant's or brokers will be credited and updated with the Offer Price due to them in accordance with the custody agreements between the Dematerialised Accéntuate Shareholders and their Participant's or brokers.

- 7.4 Settlement of the Offer Price will be implemented in full in accordance with its terms without regard to any lien, right of set-off, counterclaim or other analogous right to which Accéntuate may otherwise be, or claim to be, entitled against such Shareholders.

8. GENERAL

- 8.1 The Company may, but only after the receipt of the Offeror's written consent:
- 8.1.1 before or at the General Meeting, agree to any amendment, variation, or modification of the Scheme subject to the approval of the TRP; or
 - 8.1.2 after the General Meeting, agree to any amendment, variation or modification which the Court may deem fit to approve or impose, provided that no amendment, variation or modification made after the General Meeting may have the effect of diminishing the rights which will accrue to an Accéntuate Shareholder in terms of the Scheme.
- 8.2 A certificate signed by two directors of the Independent Board of Accéntuate stating that all Conditions have been fulfilled and/or waived and that the Scheme is capable of implementation shall be binding on Accéntuate and the Accéntuate Shareholders.
- 8.3 Upon the Scheme being implemented, the existing Documents of Title relating to the Scheme Shares held by any Scheme Participants will cease to be of any value, other than for the purposes of surrender in terms of the Scheme, and no certificates or deeds or documents will be issued by Accéntuate in place thereof.
- 8.4 Accéntuate will be entitled, and will have the authority on behalf of itself and each Accéntuate Shareholder, to authorise any person nominated by Accéntuate to sign all documents required to carry the Scheme and the delisting into effect, including but not limited to, all transfer forms, instructions to Participant's, forms of transfer, changes in address and cessions of rights to dividends, distributions and other entitlements to Accéntuate.
- 8.5 All times and dates referred to herein are subject to change, as contemplated in this Circular. Any such change shall be released on SENS, subject to the approval of the TRP.
- 8.6 Tax implications for Accéntuate Shareholders**
- The tax implications of the Scheme on Accéntuate Shareholders will depend on the individual circumstances of each Accéntuate Shareholder. Accéntuate Shareholders should seek advice from appropriate professional advisors if they are in any doubt whatsoever about their tax position. No dividend tax is applicable to the Scheme Consideration.
- 8.7 Applicable laws**
- The Scheme shall be governed by the laws of South Africa only. Each Accéntuate Shareholder shall be deemed to have irrevocably submitted to the non-exclusive jurisdiction of the Courts of South Africa in relation to all matters arising out of or in connection with the Scheme.
- 8.8 Termination events**
- The Scheme and/or Standby Offer, as the case may be, will terminate with immediate effect, if any or all of the Conditions Precedent, Scheme Conditions or Standby Offer Conditions have not been fulfilled or waived on or before the relevant date/s for fulfilment or waiver.

9. THE STANDBY OFFER – ACTION REQUIRED BY SHAREHOLDERS

- 9.1 The Standby Offer will run concurrently to the Scheme; however, implementation of the Standby Offer will be conditional on, *inter alia*, the Scheme not being implemented.
- Please take careful note of the following provisions regarding the actions required by Shareholders in respect of the Standby Offer:
- 9.1.1 If you are in any doubt as to the action you should take, please consult your Broker, Participant, banker, attorney, accountant, or other professional adviser immediately.
 - 9.1.2 If you have disposed of all your Shares, this Circular should be forwarded to the purchaser of such Shares or to the Broker, Participant, banker, accountant, attorney, or other agent through whom the disposal was effected.
 - 9.1.3 In order for the Standby Offer to become operative, the Delisting Resolution, and the Standby Offer must be accepted by at least 51% of the Eligible Shareholders to become wholly unconditional, failing which it shall the lapse unless waived by the Offeror, in its discretion.

- 9.2** Shareholders should take note that the Independent Board recommend that Shareholders vote in favour of the Delisting Resolution and accept the Standby Offer.

For the avoidance of doubt, Eligible Shareholders will be entitled to accept the Standby Offer from 09h00 on the Offer Opening Date, however, any Offer Shares Tendered will not be acquired until such time as the Standby Offer is implemented, which is conditional, *inter alia*, on the Scheme not being implemented and the Standby Offer becoming wholly unconditional.

- 9.3** Eligible Shareholders shall be entitled to either:

- accept the Standby Offer in respect of all (and not some) of their Offer Shares (accordingly no partial acceptances will be accepted); or
- reject the Standby Offer.

Eligible Shareholders who wish to reject the Standby Offer (“Remaining Shareholders”) do not need to take any further action and will continue to hold their Standby Offer Shares and will be deemed to be Remaining Shareholders. Remaining Shareholders are advised that in the event that the Standby Offer is implemented they will remain Accénuate Shareholders in the unlisted Company, with the tradability of their Accénuate Shares being limited and will be issued certificates in respect of those Accénuate Shares they have retained.

If you wish to accept the Standby Offer, you must do so in the manner described below, depending on whether you are a Certificated Shareholder or a Dematerialised Shareholder.

9.4 Voting and attendance at the General Meeting

Shareholders are referred to section II of “Action required by Shareholders in respect of the Scheme”, titled “Voting attendance and representation at the General Meeting” commencing on page 4 of this Circular, to ascertain the action required by Shareholders in respect of the General Meeting.

9.5 Action Required in respect of the De-Listing Resolution and Standby Offer

Dematerialised Shareholders

If you are a Dematerialised Shareholder, you may be contacted by your duly appointed Participant or Broker in the manner stipulated in the Custody Agreement governing your relationship with your Participant or Broker and subject to the cut-off time in order to ascertain whether or not you wish to accept the Standby Offer. If you wish to accept the Standby Offer, you must notify your Participant or Broker of your acceptance of the Standby Offer in the time and manner stipulated in the Custody Agreement entered into between you and your Participant or Broker.

If you are a Dematerialised Shareholder and wish to accept the Standby Offer, but have not been contacted by your Participant or Broker, it would be advisable for you to contact and furnish your Participant or Broker with instructions in regard to the acceptance of the Standby Offer. These instructions must be provided in the manner and by the cut-off date and time stipulated in your Custody Agreement and must be communicated by your Participant or Broker to the Transfer Secretaries by no later than 12:00 on the Standby Offer Closing Date.

You must NOT complete the attached Form of Acceptance and Transfer (*pink*).

If you notify your Participant or Broker of your desire to accept the Standby Offer, you will NOT be able to rematerialise and/or trade your Shares from the date on which you notify your Participant or Broker of your acceptance of the Standby Offer. Dematerialised Shareholders will, however, be entitled to sell such Offer Shares Tendered to the Offeror in terms of the Scheme and to receive the Scheme Consideration in respect of such Offer Shares Tendered in the event that the Scheme becomes operative.

9.6 Certificated Shareholders

If you are a Certificated Shareholder and wish to accept the Standby Offer, you must complete the Form of Acceptance and Transfer (*pink*) attached to this Circular in accordance with its instructions and forward it, together with your Documents of Title to be received by the Transfer Secretaries, Computershare Investor Services Proprietary Limited, Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196, by no later than 12:00 on the Standby Offer Closing Date.

If you accept the Standby Offer and surrender your Documents of Title, you will NOT be able to Dematerialise and/or trade your Standby Offer Shares from the date that you surrender your Documents of Title in respect of those Standby Offer Shares.

9.6.1 Approval of the Delisting at the General Meeting

The delisting of all the Accénuate Shares on the AltX of the JSE must be approved by an Ordinary Resolution, at the General Meeting, at which at least three Shareholders are present and sufficient Shareholders are present to exercise, in aggregate, at least 25% of all the voting rights that are entitled to be exercised at the General Meeting, in accordance with paragraphs 1.15(a) and 1.16 of the Listings Requirements. In order to be approved the Ordinary Resolution must be supported by more than 50% of voting rights exercised thereon.

In accordance with paragraph 1.16 of the Listings Requirements the Offeror and its associates, as well as Jacana and Frederick Cornelius Platt who are deemed to be acting in concert in terms of the Takeover Regulations with the Offeror, will not be entitled to vote at the General Meeting.

9.7 General

9.7.1 Compulsory acquisition and Squeeze Out

In the event that at least 90% of all Shareholders accept the Standby Offer, the Offeror intends to make use of the compulsory acquisition and squeeze out provisions, as contained in section 124 of the Act to acquire all of the remaining shares in Accéntuate from the Shareholders who did not accept the Standby Offer (“the Compulsory Acquisition”).

If within 4 months after the date of the Standby Offer, and at least 90% of the Shareholders have accepted the Standby Offer the Offeror shall, within 2 further months, notify any remaining Shareholders who have not accepted the Standby Offer (“Remaining Shareholders”) in the prescribed manner and form, that the Standby Offer has been accepted by at least 90% of all Shareholders and that the Offeror desires to acquire all remaining shares.

The Offeror shall be bound after giving such notice, to acquire the remaining shares on the same terms and conditions of the General Offer. Accordingly, the Offeror shall be bound to acquire such remaining shares at a price of 10 cents per share, being the price per share offered in terms of the General Offer (“the Compulsory Consideration”). All remaining Shareholders shall receive the Compulsory Consideration in cash and dispose of their shares to the Offeror.

The Compulsory Acquisition shall be unconditional.

9.7.2 Dematerialisation or rematerialisation of and trading in Accéntuate Shares

If you wish to Dematerialise your Accéntuate Shares, please contact the Transfer Secretaries or your Broker or Participant. You are not required to Dematerialise your Offer Shares in order to participate in the Standby Offer or to receive the Standby Offer Consideration.

You should note that once you have surrendered your Documents of Title in respect of your Offer Shares, pursuant to your acceptance of the Standby Offer, you may not Dematerialise or trade any of the Offer Shares to which those Documents of Title relate.

Furthermore, you should note that, after acceptance of the Standby Offer you may not Dematerialise or trade any of the Offer Shares in respect of which the Standby Offer has been accepted. You will however be entitled to sell such Offer Shares tendered, to the Offeror in terms of the Scheme and to receive the Scheme Consideration in respect of such Offer Shares Tendered in the event that the Scheme becomes operative.

For the avoidance of doubt, you may not, after acceptance of the Standby Offer, instruct any Broker or Participant to hold your Offer Shares in respect of which the Standby Offer has been accepted as nominee on your behalf or, where such Offer Shares are already held by the Broker or Participant as nominee, request the Broker or Participant to release the Offer Shares in respect of which the Standby Offer has been accepted.

No Dematerialisation or rematerialisation of Accéntuate Shares may take place:

9.7.3 from the Business Day following the last day to trade prior to the General Meeting up to and including the General Meeting Record Date; and

9.7.4 if the Standby Offer is declared wholly unconditional, on or after the Business Day following the Standby Offer LDT.

9.8 Foreign Shareholders

If you are a Foreign Shareholder, you are urged to read the important information, relating to the Standby Offer described in this Circular. If you are in doubt about your position, you should consult your professional advisor in the relevant jurisdiction.

9.9 Posting Forms of Acceptance and Transfer and Documents of Title

Forms of Acceptance and Transfer (pink), and Documents of Title that are sent through the post are sent at the risk of the Eligible Shareholder concerned. Accordingly, Eligible Shareholders should take note of postal delivery times so as to ensure that the forms and relevant Documents of Title are received timeously. It is therefore recommended that such forms and Documents of Title rather be sent by registered post or delivered by hand to the Transfer Secretaries.

9.10 Lost or Destroyed Documents of Title in Respect of Certified Shareholders

If Documents of Title have been lost or destroyed, Certificated Shareholders should nevertheless return the Form of Acceptance and Transfer (pink) duly signed and completed. The Transfer Secretaries shall issue a suitable indemnity form to such Certificated Shareholder, such indemnity form to be in a form and substance acceptable to the Offeror (in their sole and absolute discretion) and the Offeror and the Transfer Secretaries must be satisfied that the Documents of Title have been lost or destroyed.

Only upon receipt of such indemnity form duly completed and signed by such Certificated Shareholder to be received by 12:00 on the Standby Offer Closing Date, will the Offeror consider the action taken by such Certificated Shareholder in terms of the Standby Offer.

9.11 Other

The contents of this Circular do not purport to constitute personal legal advice or to comprehensively deal with the legal, regulatory and tax implications of the Standby Offer or any other matter for each Shareholder. Shareholders are accordingly advised to consult their professional advisers about their personal legal, regulatory and tax positions regarding the Standby Offer or any other matter and in particular the receipt of the Standby Offer Consideration, as applicable.

Accénuate and the Offeror do not accept responsibility and will not be held liable for any act of, or omission by, any Participant or Broker, including, without limitation, any failure on the part of the Participant or Broker or any registered holder of Offer Shares to notify the holder of any beneficial interest in those Offer Shares in respect of the Standby Offer or any other matter set out in this Circular.

9.12 TRP Approval

Shareholders should take note that the TRP does not consider the commercial advantages or disadvantages of "affected transactions", as defined in section 117(1)(c) of the Companies Act, when it approves such transactions.

10. EXCHANGE CONTROL REGULATIONS

10.1 The following is a summary of the Exchange Control Regulations as they apply to Scheme Participants.

10.2 Accénuate Shareholders who are not registered in or who have a registered address outside South Africa must satisfy themselves to the full observance of the laws of the relevant jurisdiction concerning the receipt of the Offer Price, including obtaining any requisite governmental or other consents, observing any other requisite formalities and paying any transfer or other taxes due in such territory. If in doubt, Accénuate Shareholders should consult their professional advisors without delay.

10.3 Residents of the common monetary area

In the case of:

- Certificated Accénuate Shareholders whose registered address in the Register are within the common monetary area and whose Documents of Title are not restrictively endorsed in terms of the Exchange Control Regulations, the Offer Price will be posted to such Accénuate Shareholders, in accordance with paragraph 6; or
- Dematerialised Accénuate Shareholders whose registered address in the Register are within the common monetary area and have not been restrictively designated in terms of the Exchange Control Regulations, the Offer Price will be credited directly to the accounts nominated for the relevant Accénuate Shareholders by their duly appointed Participant or broker in terms of the provisions of the custody agreement with their Participant or broker.

10.4 Emigrants from the common monetary area

In the case of Accénuate Shareholders who are emigrants from the common monetary area and whose Shares form part of their blocked assets, the Offer Price will:

- in the case of Certificated Accénuate Shareholders whose Documents of Title are restrictively endorsed in terms of the Exchange Control Regulations, be forwarded to the authorised dealer in foreign exchange in South Africa controlling such Accénuate Shareholders' blocked assets in terms of the Exchange Control Regulations. The attached form of surrender and transfer (pink) makes provision for details of the authorised dealer concerned to be given; or
- in the case of Dematerialised Accénuate Shareholders whose registered address in the Register are within the common monetary area and have not been restrictively designated in terms of the Exchange Control Regulations, be paid to their Participant or broker, which shall arrange for same to be credited directly to the blocked Rand bank account of the Accénuate Shareholder concerned with their authorised dealer in foreign exchange in South Africa.

10.5 All other non-residents of the common monetary area

The Offer Price accruing to non-resident Shareholders whose registered address are outside the common monetary area and who are not emigrants from the common monetary area will:

- in the case of Certificated Accénuate Shareholders, whose Documents of Title have been restrictively endorsed in terms of the Exchange Control Regulations, be posted to their registered address, unless written instructions to the contrary are received and an address provided. The attached form of surrender and transfer (pink) makes provision for a substitute address or bank details; or
- in the case of Dematerialised Accénuate Shareholders, be paid to their duly appointed Participant or broker and credited to such Accénuate Shareholders in terms of the provisions of the custody agreement with their Participant or broker.

10.6 Information not provided

If the information regarding authorised dealers is not given or the instructions are not given the Offer Price will be held in trust by Accénuate or the Transfer Secretaries on behalf of Accénuate for the Shareholders concerned, pending receipt of the necessary information or instructions.

11. SHAREHOLDINGS, ACTING AS PRINCIPAL AND CONCERT PARTIES

11.1 Interests of the Offeror and its directors and concert parties in Accénuate Shares

As at the Last Practicable Date, the Offeror holds 53 814 461 Accénuate Shares directly. The Offeror's directors hold no beneficial interest in Accénuate Shares.

No parties acting in concert with the Offeror, have dealt in Accénuate Shares during the period beginning six months before the Offer Period and ending on the Last Practicable Date as stated below.

The Offeror confirms it is the ultimate proposed purchaser of all the Scheme Shares and is acting in concert with Jacana and Frederick Cornelius Platt, who collectively hold 20 774 558 ordinary shares. The Offeror, Jacana and Frederick Platt agreed to act in concert for the purposes of the delisting and Scheme and have agreed to remain Shareholders in the unlisted entity.

The Offeror has therefore made declarations in the required form to Accénuate and the TRP, as required by Regulation 84(5) of the Takeover Regulations.

Jacana and Frederick Cornelius Platt shall abstain from voting in favour of the Scheme or at all. The prohibition of the identified concert parties from voting is in terms of Section 115(4) of the Companies Act.

Offeror

The Offeror has traded in Accénuate shares during the six-month period prior to the Firm Intention Announcement and ending on the Last Practicable Date.

12. MAJOR SHAREHOLDERS

As at the Last Practicable Date the following Accénuate Shareholders beneficially hold 5% or more of the Accénuate issued share capital:

Shareholder	Number of Shares held	% of Shares held
Pruta Securities (Jersey) Ltd	53 814 461	29,70
TBI Strategic Partners (Pty) Ltd	40 310 792	22,24
Thebe Investment Corporation (Pty) Ltd ("Thebe")	17 653 443	9,74
Jacana Assets Ltd	13 541 684	7,47
Total	125 320 380	69,15

13. FINANCIAL INFORMATION

13.1 Share Capital

The authorised and issued capital of Accéntuate and the share premium, at the Last Practicable Date, are set out below:

	Number of Shares	R'000
Authorised		
Ordinary shares at 0.001 cents each	500 000 000	5
Issued shares		
Ordinary shares at 0.001 cents each	181 175 744	2
Treasury shares		
Deemed treasury shares held	(4 178 890)	
Issued shares excluding treasury shares		
Ordinary shares at 0.001 cents each	176 996 854	2
Share premium	181 175 744	154 737

13.2 Documents incorporated by reference

The following information has been incorporated by reference and is available for viewing on the Company's website at the link in the table below. The TRP has given dispensation to incorporate the historical financial information relating to Accéntuate by reference and their letter is available for inspection. Extracts from the audited historical financial information of Accéntuate for the three financial years ended 30 June 2019, 30 June 2018 and 30 June 2017 are included in Annexure 5 to this Circular.

Such information will be available for inspection at the registered office of Accéntuate as detailed in paragraph 19 below:

Circular paragraph reference	Information	Website
12.2	Accéntuate annual financial statements for the year ended 30 June 2019	http://accentuateltd.co.za/pdf/financials/57-Accentuate-Annual-Report-2019.pdf
12.2	Accéntuate annual financial statements for the year ended 30 June 2018	http://accentuateltd.co.za/pdf/financials/53-Accentuate-Annual-Report-2018.pdf
12.2	Accéntuate annual financial statements for the year ended 30 June 2017	http://accentuateltd.co.za/pdf/financials/50-Accentuate Annual Report 2017.pdf

Accéntuate announced on SENS on 14 July 2020 that it would place reliance on the Third Market Notice in the preparation of the 2020 annual financial statements as a result of the outbreak of the Covid-19 pandemic and subsequent national lockdown. The Accéntuate provisional 2020 year-end results will be published on or before 30 November 2020.

13.3 Material Change

There has been a material change to the expected financial or trading position of Accéntuate subsequent to its latest published financial results for the 6 months ended 31 December 2019. Shareholders are referred to the circular distributed to Shareholders on 28 September 2020 relating to Accéntuate's disposal of its 100% shareholding in Safic ("Safic Disposal"). The general meeting was held on 26 October 2020 and the resolutions passed with the requisite majority. The Safic Disposal is now final.

13.4 Pro forma financial information

The *pro forma* financial information is presented in accordance with the provisions of the JSE Listings Requirements and the Guide on *pro forma* Financial Information issued by the South African Institute of Chartered Accountants. The *pro forma* financial effects of the Subscription on Shareholders are the responsibility of the Directors and have been prepared for illustrative purposes only to provide information about how the Subscription would have affected the financial position and results of Accéntuate and, because of its nature, may not fairly present Accéntuate's financial position, changes in equity, results of operations and cash flows after the Subscription. The accounting policies of Accéntuate for the twelve-months ended 30 June 2019 and six months ended 31 December 2019 have been used in the preparation of the *pro forma* financial effects and are consistent with IFRS. It has been assumed for purposes of the *pro forma* financial effects that the transaction took place with effect:

- from 1 July 2018 for the statement of comprehensive income and 30 June 2019 for the statement of financial position; and
- from 1 July 2019 for the statement of comprehensive income and 31 December 2019 for the statement of financial position.

	Note	Published interim results 31 December 2019	Pro forma results after the Subscription issue	% change
	1			
Net asset value per share (cents)		58,48	47,30	(19,13)
Net tangible asset value per share (cents)		56,47	45,75	(18,99)
Earnings per share ("EPS") (cents)		(8,58)	(7,42)	13,53
Headline earnings per share ("HEPS") (cents)		(8,58)	(7,42)	13,52
Diluted earnings per share (cents)		(8,58)	(7,42)	13,53
Diluted headline earnings per share (cents)		(8,58)	(7,42)	13,52
Shares in issue		139 366 188	181 176 044	30,00
Weighted average shares in issue for basic EPS		133 609 965	154 514 893	15,65
Weighted average shares in issue for diluted EPS		133 609 965	154 514 893	15,65
Weighted average shares in issue for basic HEPS		133 609 965	154 514 893	15,65
Weighted average shares in issue for diluted HEPS		133 609 965	154 514 893	15,65

Notes

1. The ACE financial information reflected in the "Before" column has been extracted from the published interim results of the Company for the six months ended 31 December 2019.
2. The *pro forma* adjustments illustrate the effect of the Subscription Offer on Accéntuate Limited's EPS and HEPS as if the Subscription issue had become effective on 1 July 2019. The "After the Subscription Issue" column takes into account the effect of the Subscription offer on EPS and HEPS.
3. The Subscription issue was done effective 30 September 2020

	Note	Published year-end results 30 June 2019 before the Subscription issue	Pro forma results after the Subscription issue	% change
	1			
Net asset value per share (cents)		65,69	52,84	(20)
Net tangible asset value per share (cents)		64,87	52,21	(20)
Earnings per share ("EPS") (cents)		(17,46)	(13,30)	24
Headline earnings per share ("HEPS") (cents)		(17,46)	(13,30)	24
Diluted earnings per share (cents)		(17,46)	(13,30)	24
Diluted headline earnings per share (cents)		(17,46)	(13,30)	24
Shares in issue		139 366 188	181 176 044	30,00
Weighted average shares in issue for basic EPS		133 609 965	175 419 821	31,00
Weighted average shares in issue for diluted EPS		133 609 965	175 419 821	31,00
Weighted average shares in issue for basic HEPS		133 609 965	175 419 821	31,00
Weighted average shares in issue for diluted HEPS		133 609 965	175 419 821	31,00

Notes

1. The "Before the subscription issue" column is based on the audited condensed consolidated statement of comprehensive income of Accéntuate Limited for the year ended 30 June 2019 and audited statement of financial position of Accéntuate Limited as at 30 June 2019.
2. The pro forma adjustments illustrate the effect of the Subscription Offer on Accéntuate Limited's EPS and HEPS as if the Subscription issue had become effective on 1 July 2018. The "After the Subscription Issue" column takes into account the effect of the Subscription offer on EPS and HEPS.
3. The Subscription issue was done effective 30 September 2020.

13.5 Financial effects of the Scheme

The Scheme is not a *pro rata* repurchase nor is there a re-investment directly into Accéntuate involved, as such, *pro forma* financial information with regards to the Scheme have not been prepared.

13.6 Share price history

The price and trading history of Accéntuate Shares on the JSE is set out in Annexure 6 to this Circular.

14. INFORMATION ON THE DIRECTORS OF THE COMPANY AND ITS SUBSIDIARIES

14.1 Directors' interests

At the Last Practicable Date, the Directors held, directly or indirectly, beneficial interests in approximately 44 million shares in Accéntuate, representing approximately 32% of the total issued share capital of Accéntuate, net of treasury shares. The direct and indirect beneficial interests of members of the Board are as follows:

Director	Direct Beneficial	Indirect Beneficial	Total	% shareholding
Executive Directors				
Frederick Cornelius Platt ⁽¹⁾	6 573 408	659 466	7 232 874	5.19
Donald Ernest Platt	1 600 000	–	1 600 000	1.15
Change in Director functions				
Pieter Kriel (Thebe Investment Corporation (Pty) Ltd) ⁽²⁾	–	17 653 443	17 653 443	12.67
Andile Mjamekwana (Thebe Investment Corporation (Pty) Ltd) ⁽³⁾	–	17 653 443	17 653 443	12.67
Directors who have resigned during the last 18 months				
Thys du Preez (TBI Strategic Partners)	–	40 310 792	40 310 792	28.92
Ockert Goosen (TBI Strategic Partners)	–	40 310 792	40 310 792	28.92

Notes

¹ Resigned 3 March 2020, effective 31 August 2020

² No longer represents Thebe on the Board

³ Resigned from Thebe, classified as Independent, effective 19 May 2020

There are no changes to the Directors' interests in Shares since the last financial year ended 30 June 2019 up to the Last Practicable Date.

14.2 Subsidiary Companies

FloorworX Africa Proprietary Limited ("FloorworX")

FloorworX manufactures and distributes a comprehensive range of internationally renowned resilient floor coverings, including laminates, luxury vinyl planks and engineered wooden flooring. FloorworX also supplies a wide range of flooring adhesives, accessories, floor-care and maintenance products, as well as offering technical advice on sub-floor preparation, floor installation support, cleaning and aftercare assistance.

Safic Proprietary Limited ("Safic")

Shareholders are referred to the circular distributed to Shareholders on 28 September 2020 relating to Accéntuate's disposal of its 100% shareholding in Safic ("Safic Disposal"). The general meeting was held on 26 October 2020 and the resolutions passed with the requisite majority. The Safic Disposal is now final.

Management emoluments and service contracts

It is not anticipated that the emoluments of the current Accéntuate directors who will remain on the Board will be materially affected by the Transaction.

Service contracts with executive directors of Accéntuate as well as the Company Secretary were concluded on terms and conditions that are standard for such appointments and contain normal terms of employment. The service contracts are available for inspection as described in paragraph 22 of this Circular. There are no service contracts in place in respect of non-executive directors of Accéntuate.

14.3 Accéntuate Share Option Scheme

Accéntuate has a Share Option Scheme for its senior executives however the conditions have not been met since 2017.

15. AGREEMENTS AND OTHER ARRANGEMENTS IN RELATION TO THE SCHEME

15.1 Pruta is a shareholder of Accéntuate holding 53 814 461 of the ordinary shares in Accéntuate or 29,70% of the issued share capital of Accéntuate.

Jacana is a shareholder of Accéntuate holding 13 541 684 of the ordinary shares in Accéntuate or 7,47% of the issued share capital of Accéntuate.

Pruta, Jacana and Frederick Platt are acting in concert in terms of section 117(1)(b) of the Companies Act, in that they have all agreed not to participate in the Scheme and remain Shareholders in the unlisted entity.

Save for the above, there are no arrangements, agreements or undertakings between Accéntuate and directors of Accéntuate, any person who was a director of Accéntuate in the previous 12 months, any shareholder of Accéntuate or any shareholder of Accéntuate in the previous 12 months, that is material to the Standby Offer other than the irrevocable undertaking set out below in par 15.2 and the Offer Letter as amended, no arrangements, agreements or understandings have been entered into between Accéntuate, the shareholders, the Offeror or any person acting in concert with it, or any director of Accéntuate or any person who was a director of Accéntuate within the period commencing 12 months prior to the date on which the details of the Scheme was published, or any person who is or was an Accéntuate Shareholder within the above mentioned period, in relation to the Scheme.

15.2 The Offeror has received irrevocable undertakings from Accéntuate Shareholders, who at the date of the Firm Intention Announcement, collectively hold 57 964 235 Accéntuate Shares, to vote in favour of the Scheme, and the Delisting and accept the Standby Offer, in the event that the Scheme and the resolutions to be proposed at the General Meeting not be carried, representing approximately 31,98% of the Accéntuate Shareholders entitled to vote at the General Meeting.

Party	Number of Shares held	% of Shares held
TBI Strategic Partners (Pty) Ltd	40 310 792	22,24
Thebe Investment Corporation	17 653 443	9,74
Total	57 964 235	31,98

16. SUSPENSION AND TERMINATION OF LISTING

Subject to the Scheme becoming unconditional and being implemented, or the Delisting being approved, the JSE has granted approvals for the suspension of the listing of Accéntuate Shares with effect from the commencement of trading on the JSE on Wednesday, 13 January 2021 and the termination of the listing of Accéntuate Shares from the commencement of trading on Tuesday, 19 January 2021.

17. OPINIONS AND RECOMMENDATIONS

17.1 The Independent Board appointed Merchantec Capital Proprietary Limited as the Independent Expert (which meets the requirements set out in section 114(2) of the Companies Act) to advise it on the proposed Scheme and to compile a report in terms of section 114 of the Companies Act and the Takeover Regulations and paragraph 1.15(d) of the JSE Listings Requirements to the Independent Board concerning the Offer.

17.2 The Independent Expert has advised the Independent Board that it has considered the terms and conditions of the Offer and is of the opinion that these terms and conditions are fair and reasonable to Accéntuate Shareholders. Based on the TRP guidelines, the offer is deemed unreasonable due to the share price on the day of the offer being higher than the offer price. The text of the letter from the Independent Expert is included in Annexure 1 to this Circular and the report has not been withdrawn prior to the publication of this Circular.

The Independent Board, after due consideration of the report of the Independent Expert, has determined that it will place reliance on the valuation performed by the Independent Expert for the purposes of reaching its own opinion regarding the Offer as contemplated in Regulation 110(3)(b) of the Companies Act.

Despite the TRP guideline the Independent Board concluded that the offer price was still reasonable due to the illiquidity of the shares in the market. The Independent Board having considered, *inter alia*, the independent advice of the Independent Expert and the terms and conditions of the Offer, is of the opinion that these terms and conditions are fair and reasonable to Accéntuate Shareholders.

The major factors taken into account by the Independent Board in determining their opinion were:

- the viability of the business as a listed entity due to the costs associated with being listed; and
- the restrictions on the business pursuing the available opportunities for growth due to the lack of working capital and the R500 000 monthly reduction of the present facility by the bank.

17.3 The Independent Board supports and recommends that the Shareholders vote in favour of the Ordinary Resolution 2 set out in the notice of General Meeting, the delisting of the Company, to the extent that the Special resolution not be adopted.

17.4 In so far as any information in this Circular relates to the Scheme, the Circular is the responsibility of the Independent Board of Accéntuate, as is required under Regulation 106(3)(a) of the Companies Act.

18. MATERIAL CHANGES AND LITIGATION

18.1 There are no legal or arbitration proceedings against Accéntuate (including any such proceedings that are pending or threatened), of which the directors are aware which may have or have had during the 12 months preceding the date of this Circular, a material effect on Accéntuate's financial position.

18.2 Since 31 December, the COVID-19 pandemic has materially affected the supply and demand for Accéntuate Limited products and therefore, its operating results have been negatively impacted for the 2020 year. Despite not having been significantly affected on the workforce, the pandemic is expected to result in critical interruptions of the Accéntuate Limited's distribution systems.

19. ACCÉNTUATE UNDERTAKINGS AND WARRANTIES

Accéntuate has provided no undertakings or warranties, other than per the undertakings required and inherent to the Offer Letter as received.

20. RESPONSIBILITY STATEMENT

The Accéntuate Board, whose names are given on page 15 to 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 the Circular contains all information required by law and the JSE Listings Requirements.

In so far as any information in this Circular relates to the Scheme, the Circular is the responsibility of the Independent Board of Accéntuate, as is required under Regulation 106(3)(a) of the Companies Act. Therefore, the Independent Board accepts responsibility for the information contained in the Circular to the extent that it relates to Accéntuate and to the best of their knowledge and belief, the information contained in this Circular is true and nothing has been omitted which is likely to affect the import of the information herein.

In compliance with Regulation 106(4)(i), the Offeror accept responsibility for the information contained in the Circular to the extent that it relates to the Offeror and to the best of their knowledge and belief, the information contained in this Circular is true and nothing has been omitted which is likely to affect the import of the information herein.

21. COSTS OF THE SCHEME

The costs in relation to the Scheme and the Offer, including this Circular, shall be borne by Accéntuate and are set out below in Table A. Accéntuate incurred preliminary expenses during 2020 in relation to the circular to shareholders regarding the Sale of Shares and Claims Agreement and disposal of Accéntuate's 100% shareholding in Safic Proprietary Limited and are disclosed in Table B below.

Table A

		Rand (excl VAT)
Designated Advisor	Bridge Capital	600 000
Printing, publication, and distribution	Graphiculture	80 000
JSE documentation fees	JSE	20 000
TRP documentation fees	TRP	100 000
Independent Expert	Merchantec	105 000
Independent reporting accountant fees	Moore	75 000
Legal Advisor	FMM	180 000
Transfer Secretaries fees	Computershare	10 000
Total		1 170 000

Table B

		Rand (excl VAT)
Designated Advisor & Corporate Advisor	Bridge Capital	190 000
Printing, publication, and distribution	Graphiculture	21 000
JSE documentation fees	JSE	54 000
Independent reporting accountant fees	Moore	170 000
Legal Advisor	FMM	29 000
Transfer Secretaries fees	Computershare	50 000
Other		6 000
Total		520 000

22. CONSENTS

Bridge Capital Advisors Proprietary Limited, Merchantec Capital Proprietary Limited, Moore Johannesburg Inc., Fullard Mayer Morrison Inc. and the Transfer Secretaries have consented in writing to the inclusion of their names and reports, as applicable in this Circular, in the form and context in which they appear and have not withdrawn their consents prior to the publication of this Circular.

23. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection during normal business hours at the registered office of Accénuate, from the date of posting of the Circular until the end of the date of the General Meeting and are also available at the following link <https://app.box.com/s/w36js8gxh9rdizto0vzomrzcmgrief4v>

- 23.1 the audited financial statements of Accénuate for the years ended 30 June 2019, 30 June 2018 and 30 June 2017;
- 23.2 the unaudited interim financial information for the six months ended 31 December 2019;
- 23.3 the Memorandum of Incorporation of Accénuate and each of its subsidiaries;
- 23.4 Reporting Accountants Report on the *Pro Forma* financial information;
- 23.5 Firm Intention Offer Letter;
- 23.6 Signed copy of this Circular;
- 23.7 Irrevocable undertakings;
- 23.8 Signed report of the Independent Expert;
- 23.9 TRP Dispensation letter;
- 23.10 TRP letter of approval; and
- 23.11 the written consents referred to in paragraph 21.

SIGNED ON BEHALF OF THE INDEPENDENT BOARD

SIGNED ON BEHALF OF THE ACCÉNUATE BOARD

Ralph Patmore
Chairman of the Board
 23 November 2020

Donald Platt
Chief Executive Officer
 23 November 2020

SIGNED BY THE BOARD OF DIRECTORS OF THE OFFEROR

Sole Director: Lumbro Corporate Services Limited
 23 November 2020

REPORT OF THE INDEPENDENT EXPERT

Independent Board
Accénuate Limited
32 Steele St,
Steeledale,
Johannesburg,
2197

23 November 2020

Dear Sirs

INDEPENDENT EXPERT REPORT TO THE INDEPENDENT BOARD OF DIRECTORS (“THE INDEPENDENT BOARD”) OF ACCÉNUATE LIMITED (“THE COMPANY” OR “ACCÉNUATE” OR “THE GROUP”) IN RESPECT OF THE OFFER BY PRUTA SECURITIES LIMITED (“PRUTA” OR THE “OFFEROR”) TO ACQUIRE A MAJORITY SHAREHOLDING FOR THE PURPOSE OF DE-LISTING

INTRODUCTION

The board of directors of Accénuate has received a binding offer from Pruta to acquire new shares in Accénuate on condition that Pruta ultimately obtains outright control or at least a 51% (fifty-one per centum) of the ordinary issued shareholding in the Company by way of a Scheme of arrangement and de-lists the Company's shares from the JSE (“**the Offer**”).

Accénuate has constituted an Independent Board to consider the binding offer it has received, and intends to propose a Scheme of Arrangement (“**the Scheme**”) in terms of which Pruta will offer to acquire all the ordinary shares in Accénuate, which it does not already hold, being 113 819 899 shares.

Pruta is a shareholder of Accénuate, holding 12 004 605 of the ordinary shares in Accénuate or 8,61% of the issued share capital of Accénuate and is the offeror and subscriber for the new shares in the Company (“**the Subscriber**”).

Pruta subscribed for 41 809 856 ordinary shares in Accénuate in September 2020 and now holds 53 814 461 ordinary shares in Accénuate or 29,7% of the issued share capital of Accénuate. For the purposes of the Scheme, Pruta, Jacana Investments Limited (“**Jacana**”) and Frederick Cornelius Platt are parties acting in concert.

Jacana is a shareholder of Accénuate and Frederick Cornelius Platt holding 13 541 684 of the ordinary shares in Accénuate or 9,72% of the issued share capital of Accénuate.

The subscription was conditional upon a scheme of arrangement and resultant delisting being proposed by the board and as such, the Independent Board will propose a scheme of arrangement in terms of section 114 of the Act in order to de-list the Company from the JSE. The Offeror wishes to expropriate the shares and delist the company and will, should the Scheme be approved, expropriate the shares of the Scheme participants in terms of section 114(1)(c) at a price of 10 cents per share. The Scheme, if approved by the Shareholders, shall bind all Scheme participants.

In the event that the Scheme is not approved by the Shareholders, the Offeror will make a general standby offer to all the Shareholders (“**Standby Offer**”). The Standby Offer will be made at a price of 10 cents per share, being the highest price paid by the offeror over the 6 months preceding the Standby Offer and will be conditional upon at least 51% of all Shareholders accepting the Standby Offer.

The Company has been under significant liquidity constraints and has reported ongoing financial losses over a number of reporting periods. The Company has over the past year disposed of various operating subsidiaries and also issued convertible loans to mitigate the cash flow constraints as a result of these losses. Despite best efforts the Company continued to make operating losses.

The subscription provides relief from the immediate liquidity constraints of the Group but was only procured on condition that the Company propose a Scheme of Arrangement to its shareholders in order to de-list from the JSE.

FAIR AND REASONABLE OPINION REQUIRED IN TERMS OF THE COMPANIES ACT

In terms of section 114 of the Companies Act, the Company must retain an independent expert, who meets the requirements set out in section 114(2) of the Companies Act, to compile a report as required by section 114(3) of the Companies Act (the “**Fair and Reasonable Opinion**”).

In accordance with section 114(3) of the Companies Act and Regulations 90(1) and (2) of the Companies Regulations, Merchantec Capital has been appointed as the Independent Expert for the purposes of providing external advice in regard to, among other things, the Scheme and to make appropriate recommendations to the Independent Board for the benefit of Shareholders in respect of the Scheme.

FAIRNESS OPINION REQUIRED IN TERMS OF THE LISTINGS REQUIREMENTS

In terms of paragraph 1.15(d) of the Listings Requirements, the Independent Board is required to obtain a fairness opinion from an independent professional expert confirming whether the Offer is fair insofar as Shareholders are concerned (the “**Fairness Opinion**”) and to advise Shareholders accordingly.

Merchantec Capital has been appointed as the independent professional expert by the Independent Board to provide the Fairness Opinion in respect of the Standby Offer.

The Fair and Reasonable Opinion and the Fairness Opinion are together referred to as the “**Independent Expert Report**”.

RESPONSIBILITY

Compliance with the Listings Requirements and the Companies Act is the responsibility of the Independent Board. Our responsibility is to report to the Independent Board and the Offer Participants on the fairness and reasonableness of the terms and conditions of the Scheme and Standby Offer.

DEFINITION OF THE TERMS “FAIR” AND “REASONABLE”

The “fairness” of the Offer is based on quantitative issues. An offer may be said to be fair if the benefits received by the shareholders, as a result of the offer, are equal to or greater than the value ceded by the shareholders.

Accordingly, the Offer may be considered fair if the consideration of 10 cents received per Share by Accéntuate shareholders is considered to be equal to or greater than the fair value per Share, respectively, or unfair if the Offer of 10 cents, received by the Accéntuate shareholders, is less than the fair value of one Accéntuate Share.

In terms of the Companies Regulations, a transaction will be considered reasonable if the value received by the shareholders in terms of the corporate action is higher than the market price of the Accéntuate security at the date that the corporate action was announced.

The Offer may therefore be considered reasonable if the Offer Share exceeds the market value of the Accéntuate share as at the date of the announcement of the Proposed Transaction.

In addition, other qualitative factors are also considered in evaluating the reasonability of the Offer Consideration. Even though the consideration may differ from the market value of the assets being acquired, a transaction may still be reasonable after considering other significant qualitative factors.

DETAIL AND SOURCES OF INFORMATION

In arriving at our opinion, we have relied upon the following principal sources of information:

- Firm Offer announcement released 12 October 2020;
- The rationale included in the draft Accéntuate circular to shareholders to be posted on or about Friday, 27 November 2020;
- Audited financial information of Accéntuate for the years ended 30 June 2017, 2018, 2019;
- Unaudited financial information for Accéntuate for the year ended June 2020.
- Management accounts for Accéntuate as at 30 September 2020;
- Group budget financials for the year ended 30 June 2021;
- Forecasts for Accéntuate for the financial periods 30 June 2022 to 30 June 2024;
- Discussions with management about cash and debt balances as at 30 September 2020 as well as forecasted capital expenditure and working capital;

- Discussions with management regarding the historic and forecast financial information, as well as the prevailing market, economic, legal and other conditions which may affect underlying value; and
- Publicly available information relating to the industries that we deemed relevant.

The information above was obtained from:

- Directors and management of Accéntuate; and
- Third party sources, including information related to publicly available economic, market and other data which we considered applicable to, or potentially influencing Accéntuate.

PROCEDURES PERFORMED

In arriving at our opinion, we have undertaken the following procedures in evaluating the fairness and reasonableness of the Offer:

- Considered the rationale of the Offer;
- Reviewed the terms and conditions of the Offer;
- Reviewed the audited historical financial information of Accéntuate;
- Reviewed the forecasts of Accéntuate as well as the assumptions used in respect of growth and margins;
- Reviewed certain publicly available information relating to Accéntuate, including Company announcements;
- Held discussions with management and considered such other matters as we considered necessary, including assessing the prevailing economic, legal, regulatory and market conditions in the industry;
- Calculated and applied a weighted average cost of capital to the forecasts to produce a discounted cash flow valuation for Accéntuate;
- Evaluated the relative risks associated with Accéntuate and the industry in which it operates; and obtained the strategy for Accéntuate and considered such other matters as we considered necessary, including assessing the prevailing economic and market conditions and trends in the appropriate industries. Assessed the forecasts for reasonability with special consideration given to the effect of Covid-19 on the achievability of the forecasts;
- Used a Discounted Cash Flow (“**DCF**”) valuation as the primary valuation methodology with a Price/NAV multiple based valuation (“**Price/NAV**”) as the secondary methodology. The DCF was implemented using a free cash flow to the firm (“**FCFF**”) model with the deduction of net debt components to get to an equity value. The cash flows were then discounted at a South African based WACC. The Price/NAV used peers in a similar industry providing similar services to Accéntuate. After assessing the peers, their multiples were collated after which a median value was taken;
- The key external value drivers to the valuations include the prevailing market and industry conditions. The effect of Covid-19 and the general market sentiment are key influencers in revenue and growth. The financial forecasts used in the DCF were projected with the current year, being the year ended 30 June 2020, being adjusted and used as a sustainable base. This was done due to the depressed nature of the current economic environment as well as the effect of Covid-19 on the business to ensure that the revenue and performance of the Group over the forecast period returns to normalised and sustainable levels. For the DCF, Management have forecast modest revenue growth rates of 5%, which is higher than the current inflation rate in South Africa, as the Group looks to return a profit over the forecast period. These growth rates appear reasonable based on current market trends and affect the level of the FCFF in each year. Other company specific factors that is expected to drive growth is the sale of Safic as it is expected that consolidation of a smaller Group will help management focus on driving growth more efficiently for FloorworX. The main internal value driver for the Price/NAV is the NAV level at valuation date as well as adjustments to NAV for obsolete inventory, receivables not expected to be recovered as well as common year end salary and leave provisions.
- Following the result from the valuation, we stress-tested the Accéntuate valuation to determine which inputs had the biggest impact on the valuation. We found that the DCF valuation was very sensitive to revenue growth assumptions as well as the discount rate while the Price/NAV valuation was sensitive to the observed peer multiples as well as the company specific, size and country risk discounts. Additionally, the resulting market sentiment is a key determinant in the ranges of the multiples observed in the current market and therefore the value obtained;
- Sensitivity analyses were conducted, where practical, utilising key value drivers, which included, *inter alia*, a variance range of 5% in the base year revenue applied in the DCF. A 5% movement in the revenue growth rate resulted in a 7% change in the calculated value of Accéntuate. The base discount rate was 19,29% with variations in this discount rate also considered to assess the sensitivity that a 1% change in the WACC had on the value of the Company. The result was that a 1% decrease in the discount rate resulted in a 18% increase in the value with a 1% increase in the discount rate resulting in a 18% decrease in the value; and

- For the Price/NAV, the multiple adjustments were stress-tested for a 5% change in the multiple to account for changes to the company specific, size premium or country risk premium. A 5% decrease in the multiple adjustments resulted in a 10% increase in the value.

ASSUMPTIONS

We have arrived at our opinion based on the following assumptions:

- That Offer will have the legal, accounting and taxation consequences described in discussions with and materials furnished to us by representatives of Accéntuate;
- That reliance can be placed on the financial information of Accéntuate; and
- There are no known undisclosed contingencies that could have a material effect on the value of Accéntuate.

APPROPRIATENESS AND REASONABLENESS OF UNDERLYING INFORMATION AND ASSUMPTIONS

We satisfied ourselves as to the appropriateness and reasonableness of the information and assumptions employed in arriving at our opinion by:

- Reliance on audit reports in the financial statements;
- Conducting analytical reviews on the historical financial results and the forecast financial information, such as key ratio and trend analyses; and
- Determining the extent to which representations from management were confirmed by documentary and audited financial evidence, as well as our understanding of Accéntuate and the economic environment in which its subsidiaries operate.

THE MATERIAL EFFECTS ON THE RIGHTS OF THE ACCÉNTUATE SHAREHOLDERS

Based on our opinion below, there are no material adverse effect on the rights of the Accéntuate Shareholders.

STATEMENT REGARDING ANY MATERIAL INTEREST OF ANY DIRECTOR OF THE COMPANY OR TRUSTEE FOR SECURITY HOLDERS

The following directors hold shares in the Group:

- Donald Platt: 1 600 000 shares (0,9%); and
- Fred Platt 6 693 408 shares (3,7%).

LIMITING CONDITIONS

This Independent Expert Report is provided to the Independent Board and Offer Participants in connection with and for the purpose of the Offer. The Independent Expert Report does not purport to cater for each individual Offer Participant's perspective, but rather that of the general body of the Offer Participants. Should an Offer Participant be in doubt as to what action to take, he or she should consult an independent advisor.

An individual shareholder's decision as to whether to accept the Offer may be influenced by their particular circumstances. The assessment as to whether or not the Independent Board will decide to recommend acceptance of the Offer is a decision that can only be taken by the Independent Board.

We have relied upon and assumed the accuracy of the information used by us in deriving our opinion. While our work has involved an analysis of the annual financial statements and other information provided to us, our engagement does not constitute, nor does it include, an audit conducted in accordance with generally accepted auditing standards.

We have also assumed that the Offer will have the legal consequences described in discussions with, and materials furnished to us by representatives and advisors of Accéntuate and we express no opinion on such consequences.

Our opinion is based on current economic, regulatory and market as well as other conditions. Subsequent developments may affect the opinion, and we are under no obligation to update, review or re-affirm our opinion based on such developments.

SECTIONS 115 AND 164 OF THE COMPANIES ACT

Extracts of sections 115 and 164 of the Companies Act have been included as **Annexures 7 and 8** in the Circular.

INDEPENDENCE, COMPETENCE AND FEES

We confirm that we have no direct or indirect interest in Accéntuate or the Offer nor do we have any relationship with Accéntuate or any person related to Accéntuate such as would lead a reasonable and informed third party to conclude that our integrity, impartiality or objectivity has been compromised by such relationship. We also confirm that we have the necessary competence and experience to provide the Independent Expert Report.

Furthermore, we confirm that our professional fees of R105,000 (one hundred and five thousand rand) (excluding VAT) are not contingent upon the success of the Offer.

VALUATION AND CONCLUSION

Merchantec Capital performed a valuation of Accéntuate as per the procedures performed section of this report to determine whether the Offer represents fair value to the Offer Participants.

In undertaking the valuation exercise, we determined a valuation range for the Offer Shares of between 5 to 7 cents per share. The Offer Consideration of 10 cents per share is greater than the valuation range.

QUALITATIVE CONSIDERATIONS

In arriving at our opinion, we have also considered the following key qualitative considerations in evaluating the reasonableness of the Offer:

- The rationale for the Offer as set out in public announcements made by Accéntuate;
- The trading liquidity of Accéntuate shares; and
- The historic trading price of Accéntuate shares.

In evaluating the reasonableness of the Offer to arrive at our opinion, we have considered that the Offer Consideration is at a discount to the traded price of the Accéntuate shares as well as the 30-day volume weighted average price immediately prior to the SENS cautionary: proposed offer and de-listing announcement dated 12 October 2020. The closing price was 20 cents per share on the day preceding the announcement. The 30-day VWAP was 19 cents and was based on the last 30 trading days where the Accéntuate share traded. Due to the illiquidity of the share we have used the period from 5 May 2020 to 12 October 2020 to ensure that 30 trading days were used in the calculation of the VWAP.

This illiquidity in the share price is an important consideration in the determination of reasonability as investors looking to sell their shares and exit are restricted by less frequent trading conditions. Therefore, it is reasonable to expect that investors would not be able to exit the investment at the market values and would need to offer their shares at large discounts in order to find buyers in the market.

In forming our opinion, we have also considered the Group's existing financial and cash flow position especially as the subscription is conditional to the Offer being accepted and the Company being delisted.

Based on the qualitative considerations set out above as well as the recent prices at which Accéntuate shares have been sold, we are of the opinion that the terms and conditions of the Offer are reasonable in the circumstances.

OPINION

Merchantec Capital has considered the proposed terms of the Scheme Offer and, based upon and subject to the conditions set out herein, is of the opinion that the terms and conditions of the Scheme are fair and reasonable to the Scheme Offer Participants.

Merchantec Capital has also considered the proposed terms of the Standby Offer and, based upon and subject to the conditions set out herein, is of the opinion that the terms and conditions of the Standby Offer are fair to the Standby Offer Participants.

Our opinion is based upon the information available to us up to the date of this report including in respect of the financial, market and other conditions and circumstances existing and disclosed to us at the date thereof. We have furthermore assumed that all conditions precedent, including any material regulatory and other approvals and consents required in connection with the Offer have been fulfilled, waived (if applicable) or obtained.

CONSENT

We consent to the inclusion of this report in the notice to be circular to the Shareholders of Accéntuate the form and context in which it appears.

Yours faithfully

Marcel Goncalves CA(SA)

Director

MERCHANTEC CAPITAL

Illovo Point 13th Floor

68 Melville Road

Illovo

Sandton

2196

SECTION 115: REQUIRED APPROVAL FOR TRANSACTIONS CONTEMPLATED IN CHAPTER 5 OF THE COMPANIES ACT

- (1) Despite section 65, and any provision of a company's Memorandum of Incorporation, or any resolution adopted by its board or holders of its securities, to the contrary, a company may not dispose of, or give effect to an agreement or series of agreements to dispose of, all or the greater part of its assets or undertaking, implement an amalgamation or a merger, or implement a scheme of arrangement, unless:
- (a) the disposal, amalgamation or merger, or scheme of arrangement –
 - (i) as been approved in terms of this section; or
 - (ii) is pursuant to or contemplated in an approved business rescue plan for that company, in terms of Chapter 6; and
 - (b) to the extent that Parts B and C of this Chapter and the Takeover Regulations apply to a company that proposes to—
 - (i) dispose of all or the greater part of its assets or undertaking;
 - (ii) amalgamate or merge with another company; or
 - (iii) implement a scheme of arrangement, the Panel has issued a compliance certificate in respect of the transaction, in terms of section 119(4)(b), or exempted the transaction in terms of section 119(6).
- (2) A proposed transaction contemplated in subsection (1) must be approved –
- (a) by a special resolution adopted by persons entitled to exercise voting rights on such a matter, at a meeting called for that purpose and at which sufficient persons are present to exercise, in aggregate, at least 25% of all of the voting rights that are entitled to be exercised on that matter, or any higher percentage as may be required by the company's Memorandum of Incorporation, as contemplated in section 64(2); and
 - (b) by a special resolution, also adopted in the manner required by paragraph (a), by the shareholders of the company's holding company if any, if –
 - (i) the holding company is a company or an external company;
 - (ii) the proposed transaction concerns a disposal of all or the greater part of the assets or undertaking of the subsidiary; and
 - (iii) having regard to the consolidated financial statements of the holding company, the disposal by the subsidiary constitutes a disposal of all or the greater part of the assets or undertaking of the holding company; and
 - (c) by the court, to the extent required in the circumstances and manner contemplated in subsections (3) to (6).
- (3) Despite a resolution having been adopted as contemplated in subsections (2)(a) and (b), a company may not proceed to implement that resolution without the approval of a court if –
- (a) the resolution was opposed by at least 15% of the voting rights that were exercised on that resolution and, within five business days after the vote, any person who voted against the resolution requires the company to seek court approval; or
 - (b) the court, on an application within 10 business days after the vote by any person who voted against the resolution, grants that person leave, in terms of subsection (6), to apply to a court for a review of the transaction in accordance with subsection (7).
- (4) For the purposes of subsections (2) and (3), any voting rights controlled by an acquiring party, a person related to an acquiring party, or a person acting in concert with either of them, must not be included in calculating the percentage of voting rights –
- (a) required to be present, or actually present, in determining whether the applicable quorum requirements are satisfied; or
 - (b) required to be voted in support of a resolution, or actually voted in support of the resolution.
- (4A) In subsection (4), 'act in concert' has the meaning set out in section 117(1)(b).

- (5) If a resolution requires approval by a court as contemplated in terms of subsection (3)(a), the company must either –
 - (a) within 10 business days after the vote, apply to the court for approval, and bear the costs of that application; or
 - (b) treat the resolution as a nullity.
- (6) On an application contemplated in subsection (3)(b), the court may grant leave only if it is satisfied that the applicant—
 - (a) is acting in good faith;
 - (b) appears prepared and able to sustain the proceedings; and
 - (c) has alleged facts which, if proved, would support an order in terms of subsection (7).
- (7) On reviewing a resolution that is the subject of an application in terms of subsection (5)(a), or after granting leave in terms of subsection (6), the court may set aside the resolution only if –
 - (a) the resolution is manifestly unfair to any class of holders of the company's securities; or
 - (b) the vote was materially tainted by conflict of interest, inadequate disclosure, failure to comply with the Act, the Memorandum of Incorporation or any applicable rules of the company, or other significant and material procedural irregularity.
- (8) The holder of any voting rights in a company is entitled to seek relief in terms of section 164 if that person—
 - (a) notified the company in advance of the intention to oppose a special resolution contemplated in this section; and
 - (b) was present at the meeting and voted against that special resolution.
- (9) If a transaction contemplated in this Part has been approved, any person to whom assets are, or an undertaking is, to be transferred, may apply to a court for an order to effect –
 - (a) the transfer of the whole or any part of the undertaking, assets and liabilities of a company contemplated in that transaction;
 - (b) the allotment and appropriation of any shares or similar interests to be allotted or appropriated as a consequence of the transaction;
 - (c) the transfer of shares from one person to another;
 - (d) the dissolution, without winding-up, of a company, as contemplated in the transaction;
 - (e) incidental, consequential and supplemental matters that are necessary for the effectiveness and completion of the transaction; or
 - (f) any other relief that may be necessary or appropriate to give effect to, and properly implement, the amalgamation or merger.

SECTION 164: DISSENTING SHAREHOLDERS' APPRAISAL RIGHTS

- (1) This section does not apply in any circumstances relating to a transaction, agreement or offer pursuant to a business rescue plan that was approved by shareholders of a company, in terms of section 152.
- (2) If a company has given notice to shareholders of a meeting to consider adopting a resolution to –
 - (a) amend its Memorandum of Incorporation by altering the preferences, rights, limitations or other terms of any class of its shares in any manner materially adverse to the rights or interests of holders of that class of shares, as contemplated in section 37(8); or
 - (b) enter into a transaction contemplated in section 112, 113, or 114,that notice must include a statement informing shareholders of their rights under this section.
- (3) At any time before a resolution referred to in subsection (2) is to be voted on, a dissenting shareholder may give the company a written notice objecting to the resolution.
- (4) Within 10 business days after a company has adopted a resolution contemplated in this section, the company must send a notice that the resolution has been adopted to each shareholder who –
 - (a) gave the company a written notice of objection in terms of subsection (3); and
 - (b) has neither –
 - (i) withdrawn that notice; or
 - (ii) voted in support of the resolution.
- (5) A shareholder may demand that the company pay the shareholder the fair value for all of the shares of the company held by that person if –
 - (a) the shareholder –
 - (i) sent the company a notice of objection, subject to subsection (6); and
 - (ii) in the case of an amendment to the company's Memorandum of Incorporation, holds shares of a class that is materially and adversely affected by the amendment;
 - (b) the company has adopted the resolution contemplated in subsection (2); and
 - (c) the shareholder –
 - (i) voted against that resolution; and
 - (ii) has complied with all of the procedural requirements of this section.
- (6) The requirement of subsection (5)(a)(i) does not apply if the company failed to give notice of the meeting or failed to include in that notice a statement of the shareholders rights under this section.
- (7) A shareholder who satisfies the requirements of subsection (5) may make a demand contemplated in that subsection by delivering a written notice to the company within –
 - (a) 20 business days after receiving a notice under subsection (4); or
 - (b) if the shareholder does not receive a notice under subsection (4), within 20 business days after learning that the resolution has been adopted.
- (8) A demand delivered in terms of subsections (5) to (7) must also be delivered to the Panel, and must state—
 - (a) the shareholder's name and address;
 - (b) the number and class of shares in respect of which the shareholder seeks payment; and
 - (c) a demand for payment of the fair value of those shares.
- (9) A shareholder who has sent a demand in terms of subsections (5) to (8) has no further rights in respect of those shares, other than to be paid their fair value, unless –
 - (a) the shareholder withdraws that demand before the company makes an offer under subsection (11), or allows an offer made by the company to lapse, as contemplated in subsection (12)(b);

- (b) the company fails to make an offer in accordance with subsection (11) and the shareholder withdraws the demand; or
 - (c) the company, by a subsequent special resolution, revokes the adopted resolution that gave rise to the shareholder's rights under this section.
- (10) If any of the events contemplated in subsection (9) occur, all of the shareholder's rights in respect of the shares are reinstated without interruption.
- (11) Within five business days after the later of—
- (a) the day on which the action approved by the resolution is effective;
 - (b) the last day for the receipt of demands in terms of subsection (7)(a); or
 - (c) the day the company received a demand as contemplated in subsection (7)(b), if applicable, the company must send to each shareholder who has sent such a demand a written offer to pay an amount considered by the company's directors to be the fair value of the relevant shares, subject to subsection (16), accompanied by a statement showing how that value was determined.
- (12) Every offer made under subsection (11) –
- (a) in respect of shares of the same class or series must be on the same terms; and
 - (b) lapses if it has not been accepted within 30 business days after it was made.
- (13) If a shareholder accepts an offer made under subsection (12) –
- (a) the shareholder must either in the case of –
 - (i) shares evidenced by certificates, tender the relevant share certificates to the company or the company's transfer agent; or
 - (ii) uncertificated shares, take the steps required in terms of section 53 to direct the transfer of those shares to the company or the company's transfer agent; and
 - (b) the company must pay that shareholder the agreed amount within 10 business days after the shareholder accepted the offer and –
 - (i) tendered the share certificates; or
 - (ii) directed the transfer to the company of uncertificated shares.
- (14) A shareholder who has made a demand in terms of subsections (5) to (8) may apply to a court to determine a fair value in respect of the shares that were the subject of that demand, and an order requiring the company to pay the shareholder the fair value so determined, if the company has –
- (a) failed to make an offer under subsection (11); or
 - (b) made an offer that the shareholder considers to be inadequate, and that offer has not lapsed.
- (15) On an application to the court under subsection (14) –
- (a) all dissenting shareholders who have not accepted an offer from the company as at the date of the application must be joined as parties and are bound by the decision of the court;
 - (b) the company must notify each affected dissenting shareholder of the date, place and consequences of the application and of their right to participate in the court proceedings; and
 - (c) the court –
 - (i) may determine whether any other person is a dissenting shareholder who should be joined as a party;
 - (ii) must determine a fair value in respect of the shares of all dissenting shareholders, subject to subsection (16);
 - (iii) in its discretion may –
 - (aa) appoint one or more appraisers to assist it in determining the fair value in respect of the shares; or
 - (bb) allow a reasonable rate of interest on the amount payable to each dissenting shareholder from the date the action approved by the resolution is effective, until the date of payment;
 - (iv) may make an appropriate order of costs, having regard to any offer made by the company, and the final determination of the fair value by the court; and

- (v) must make an order requiring –
 - (aa) the dissenting shareholders to either withdraw their respective demands, or to comply with subsection (13)(a); and
 - (bb) the company to pay the fair value in respect of their shares to each dissenting shareholder who complies with subsection (13)(a), subject to any conditions the court considers necessary to ensure that the company fulfils its obligations under this section.
- (15A) At any time before the court has made an order contemplated in subsection (15)(c)(v), a dissenting shareholder may accept the offer made by the company in terms of subsection (11), in which case-
 - (a) that shareholder must comply with the requirements of subsection 13(a); and
 - (b) the company must comply with the requirements of subsection 13(b);
- (16) The fair value in respect of any shares must be determined as at the date on which, and time immediately before, the company adopted the resolution that gave rise to a shareholder's rights under this section.
- (17) If there are reasonable grounds to believe that compliance by a company with subsection (13)(b), or with a court order in terms of subsection (15)(c)(v)(bb), would result in the company being unable to pay its debts as they fall due and payable for the ensuing 12 months –
 - (a) the company may apply to a court for an order varying the company's obligations in terms of the relevant subsection; and
 - (b) the court may make an order that –
 - (i) is just and equitable, having regard to the financial circumstances of the company; and
 - (ii) ensures that the person to whom the company owes money in terms of this section is paid at the earliest possible date compatible with the company satisfying its other financial obligations as they fall due and payable.
- (18) If the resolution that gave rise to a shareholder's rights under this section authorised the company to amalgamate or merge with one or more other companies, such that the company whose shares are the subject of a demand in terms of this section has ceased to exist, the obligations of that company under this section are obligations of the successor to that company resulting from the amalgamation or merger.
- (19) For greater certainty, the making of a demand, tendering of shares and payment by a company to a shareholder in terms of this section do not constitute a distribution by the company, or an acquisition of its shares by the company within the meaning of section 48, and therefore are not subject to –
 - (a) the provisions of that section; or
 - (b) the application by the company of the solvency and liquidity test set out in section 4.
- (20) Except to the extent-
 - (a) expressly provided in this section; or
 - (b) that the Panel rules otherwise in a particular case,

a payment by a company to a shareholder in terms of this section does not obligate any person to make a comparable offer under section 125 to any other person.

INTERIM FINANCIAL RESULTS SUMMARY FOR THE SIX MONTHS ENDED 31 DECEMBER 2019

CONDENSED STATEMENT OF FINANCIAL POSITION

	GROUP	
	Unaudited 6 months to 31 December 2019 R'000	Unaudited 6 months to 31 December 2018 R'000
ASSETS		
Non-current assets	66 632	73 867
Property, plant and equipment	52 921	58 688
Right-of-use asset	5 310	–
Investment Property	2 800	–
Goodwill	–	3 985
Intangible assets	–	6 782
Deferred tax	5 599	4 412
Current assets	99 684	130 542
Inventories	45 233	87 907
Trade and other receivables	17 957	31 767
Other financial assets	208	–
Current tax receivables	1 143	2 173
Cash and cash equivalents	2 635	8 695
Non-current assets and disposal groups classified as held for sale	32 508	–
Total assets	166 316	204 409
EQUITY AND LIABILITIES		
Total equity	81 507	94 090
Stated capital	150 557	150 557
Accumulated loss	(101 765)	(83 670)
Revaluation reserve	32 373	27 094
Share-based payment reserve	342	109
Non-current liabilities	5 454	1 810
Borrowings/Loans payable	5 454	1 810
Current liabilities	79 354	108 508
Trade and other payables	31 512	76 127
Borrowings	636	12 232
Operating lease liability	–	655
Lease liability	5 003	1 579
Current tax payable	–	2 194
Bank overdraft	22 893	15 721
Liabilities associated with non-current assets and disposal groups classified as held for sale	19 310	–
Total equity and liabilities	166 316	204 408

CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	GROUP	
	Unaudited 6 months to 31 December 2019 R'000	Unaudited 6 months to 31 December 2018 R'000
Revenue	94 530	120 429
Cost of sales	(52 057)	(75 303)
Gross profit	42 474	45 126
Other income	159	117
Operating expenses	(54 901)	(61 447)
Operating loss before finance costs	(12 269)	(16 205)
Finance income	–	–
Finance costs	(2 197)	(2 205)
Loss before tax	(14 465)	(18 410)
Taxation	1 611	3 524
Loss after tax from continuing operations	(12 854)	(14 886)
Profit/(loss) after tax from discontinued operations	1 391	(1 243)
Loss for the year	(11 463)	(16 129)
Earnings per share (cents)		
Loss per share (cents)	(8,58)	(12,05)
Diluted loss per share (cents)	(8,58)	(11,80)
Net asset value per share (cents)	58,48	67,51
Notes to the statement of comprehensive income:		
Headline loss per share (cents)	(8,58)	(7,75)
Diluted headline loss per share (cents)	(8,58)	(7,58)
Number of shares:		
Weighted average number of shares	133 609 965	133 827 505
Diluted weighted number of shares	133 609 965	136 724 476
Number of shares in issue	139 366 188	139 366 188
Reconciliation of headline and normalised earnings (R'000)		
Loss for the period attributable to ordinary shareholders	(11 463)	(16 129)
Loss on disposal of property, plant and equipment – net of taxation	(6)	(6)
Pentafloor goodwill write off	–	5 766
Headline earnings attributable to ordinary shareholders	(11 469)	(10 369)

CONDENSED STATEMENT OF CHANGES IN EQUITY

	GROUP	
	Unaudited 6 months to 31 December 2019 R'000	Unaudited 6 months to 31 December 2018 R'000
Capital and reserves opening balance	91 556	110 341
Net equity adjustments for changes in accounting policy	(25)	–
Loss for the year	(11 463)	(16 129)
Asset revaluation surplus	1 171	(122)
Share-based payment expense	269	–
Capital and reserves closing balance	81 507	94 091

CONDENSED STATEMENT OF CASH FLOW

	GROUP	
	Unaudited 6 months to 31 December 2019 R'000	Unaudited 6 months to 31 December 2018 R'000
Net cash flow provided by operating activities from continuing operations	(7 204)	(4 225)
Net cash flow provided by operating activities from discontinued operations	(2 431)	–
Net cash flow provided by operating activities	(9 635)	(4 225)
Net cash flow used in investing activities by operating activities from continuing operations	(3 558)	–
Net cash flow used in investing activities by operating activities from discontinued operations	3 844	–
Net cash flow from investment activities	286	9 549
Net cash used in financing activities by operating activities from continuing operations	7 109	–
Net cash flow used in financing activities by operating activities from discontinued operations	(998)	–
Net cash used in financing activities	6 111	(1 090)
Net increase in cash and cash equivalents	(3 238)	4 234
Cash and cash equivalents at beginning of period	(15 918)	(11 260)
Cash and cash equivalents at end of period	(19 156)	(7 026)

CONDENSED CONSOLIDATED SEGMENT INFORMATION

	Flooring		Corporate (and eliminations)		Consolidated	
	Unaudited 6 months to 31 December 2019 R'000	Unaudited 6 months to 31 December 2018 R'000	Unaudited 6 months to 31 December 2019 R'000	Unaudited 6 months to 31 December 2018 R'000	Unaudited 6 months to 31 December 2019 R'000	Unaudited 6 months to 31 December 2018 R'000
Comprehensive income						
Total sales	94 533	121 011	11 949	–	106 482	121 011
Less: Inter-segmental sales	–	(582)	(11 949)	–	(11 949)	(582)
Revenue	94 533	120 429	–	–	94 533	120 429
Gross profit	42 474	48 536	(249)	(3 410)	42 225	45 126
Operational (loss)/profit	(5 588)	(9 932)	(4 670)	(6 272)	(10 258)	(16 204)
Finance income	18	–	(18)	–	–	–
Finance costs	–	(47)	(100)	(1 127)	(100)	(1 174)
(Loss)/profit before tax	(5 869)	(9 979)	(4 588)	(7 400)	(10 457)	(17 379)
Share of profit/(loss) from associate	–	–	–	–	–	–
Other information						–
Capital expenditure	426	179	240	21	666	200
Depreciation and amortisation	2 732	1 894	111	432	2 843	2 326
Segment assets	132 106	178 573	3 930	(1 764)	136 036	176 809
Segment liabilities	32 860	63 820	(3 957)	19 464	28 903	83 284

SEGMENT INFORMATION – DISCONTINUED OPERATION

Environmental Solutions segment has been disclosed as a discontinued operation with financial results included in the group results. Financial information relating to the discontinued operation for the period to the date of disposal is set out below and reported as a separate segment for the interim period ended 31 December 2019.

COMMENTARY

INTRODUCTION TO THE RESULTS

Accéntuate is a group of companies involved the flooring market, water treatment, chemical blending, industrial and commercial cleaning and metal treatment sectors. Accéntuate is a truly South African company, partnered with local and international leaders in their field, and in this way is able to fulfil the mandate of consciously supporting economic transformation in the country.

Demand remained subdued during the first 6 months of the financial year, negatively impacting revenue. The challenges faced by the major companies in the construction sector have also had a negative impact on the business during the period under review. Lastly, the volatile exchange rate and the rising price of Brent Crude during this period, has negatively influenced petrol/diesel prices as well as petrochemical derivative input costs in both the chemical and flooring manufacturing facilities.

	Environmental Solutions (Discontinued operations)	
	Unaudited 6 months to 31 December 2019 R'000	Unaudited 6 months to 31 December 2018 R'000
Comprehensive income		
Total sales	34 825	34 361
Less: Inter-segmental sales	(2 064)	(361)
Revenue	32 762	34 000
Gross profit	19 839	20 529
Operational (loss)/profit	(1 688)	(1 712)
Finance income	–	–
Finance costs	(1 808)	(1 045)
(Loss)/profit before tax	(3 496)	(2 757)
Share of profit/(loss) from associate	–	–
Other information		
Capital expenditure	340	71
Depreciation and amortisation	1 436	462
Segment assets	30 280	27 598
Segment liabilities	43 955	27 033

SALE OF PENTAFLOOR

In the release of the Company's financial results for the year ended 30 June 2019, a detailed update on the sale of Pentafloor Proprietary Limited ("Pentafloor") was provided. The general meeting of shareholders to approve the repurchase of shares, the corporate action involved, as well as the action relating to the subordinated convertible loan agreements, was held on 22 November 2019 ("general meeting") and all resolutions passed by the required majority.

SMALL RELATED PARTY TRANSACTION

On 3 April 2019, Accéntuate announced that it had entered into subordinated convertible loan agreements with Frederick Cornelius Platt, the chief executive officer, Pruta Securities (Jersey) Limited, Jacana Assets Limited and TBI Strategic Partners Proprietary Limited. The action relating to subordinate convertible loan agreements, was tabled at the general meeting on 22 November 2019 and the requisite resolution was passed by the required majority and excluded the related parties from voting.

DISSENTING SHAREHOLDER

Shareholders are advised that, prior to the general meeting held, the company received a dissenting shareholder's notice in terms of Section 164(3) of the Companies Act, 2008 as amended ("the Act").

The dissenting shareholder holds 5,250,000 ordinary shares in the authorised and issued share capital of the company, equal to 3.77% of the issued share capital. The company has engaged with the dissenting shareholder in terms of the procedure as set out in section 164 of the Act, 2008 and discussions are currently in progress.

DISCONTINUED OPERATION

The group received an offer for one of the subsidiaries within the group, with an effective date of 31 December 2019. The offer was accepted by the Board at a special board meeting held on 25 March 2020 and will result in the disposal of the Environmental Solutions segment from the group once all the conditions precedent have been met. As a result of the firm offer, and the criteria per IFRS 5: *Non-current assets held for sale and discontinued operations*, having been met, the subsidiary as at 31 December 2019 was reported in the financial results for the 6 months ended 31 December 2019 as a discontinued operation. Financial information relating to the discontinued operation for the reporting period has been included separately within the financial results.

REVIEW OF FINANCIAL PERFORMANCE

Although the results for the 6 months under review are disappointing and slower than anticipated, they reflect the general performance of the construction industry in which Accénuate operates. Revenue was negatively impacted by the lowest demand levels experienced in recent memory and the current state of infrastructure spend and the depressed macro-economic environment.

Growth in market share and margin maintenance, notwithstanding lower production volumes, has however seen operational performance in line with the previous year. Major cost reduction initiatives were instituted and have assisted with the resilience. Since the impact of the Pentafloor disposal and the costs associated with restructuring were taken into account, we are starting to see a positive trend emerge.

Once-off cost restructuring throughout the group, normal operating costs have been reduced during the period, including a significantly reduced rental charge as a result of renegotiated terms with the landlord of the Steeledale premises. Finance costs were maintained at R2,2 million for the period (this amount included R0.7 million finance charge for operating leases on application of IFRS 16).

Earnings per share ("EPS") is a negative 8,58 cents per share in the current year, compared to negative 12,05 cents in 2018. Headline earnings per share ("HEPS") was 8,58 cents per share, while the comparative period was 7,75 cents per share.

Cash and cash equivalents at the end of the period amount to negative R22,8 million (December 2018: R15,7million), a R7,0 million reduction from prior period under review.

OPERATIONAL REVIEW

Notwithstanding the challenging market conditions, much time and attention was spent by the executive team in developing plans that address costs, sustainability, and the growth of market share, all of which have contributed to an organisation that is leaner, and more focused. Strengthening the statements of financial position remains a high priority for the executive team and the Board.

FLOORING BUSINESS (100% OWNED)

The flooring business operations contributed 74% of group sales.

FloorworX, the largest contributor of revenue to the group, experienced a major decline in demand which negatively impacted sales and production volumes. This was especially noticeable in the areas of Government spend on education and healthcare. Despite this, it has maintained and grown market share, whilst actively managing costs and ensuring a sustainable platform.

Due to the dramatic reduction in activity within Government infrastructure spend, the strategy of diversification into the commercial market has borne fruit, with strong growth in the areas of soft and specialised floor coverings.

ENVIRONMENTAL SOLUTIONS BUSINESS (100% OWNED)

This comprises the chemical blending business operations of Safic, which contributed 26% to group sales.

Safic experienced a slight increase in revenue over the period under review. This was achieved predominantly as a result of growth within the commercial, food and beverage as well as metal treatment sectors. Traditional high-volume market sectors such as manufacturing and heavy engineering remained constrained. A comprehensive market development plan has been implemented, which Accénuate believes will impact positively on the performance of the division. The gross profit margin has declined marginally due to a reduction in chemical sales and an increase in equipment sales at a lower margin. Total operating costs declined by 1,3% but was negatively impacted by increased administration costs, the increase in petrochemical derivative inputs as well as the increased costs of logistics.

As mentioned, a firm offer was received, and the Board approved the disposal of Safic subject to the conditions precedent being met. Shareholders are referred to the firm intention announcement released on SENS on 6 April 2020.

WATER TREATMENT BUSINESS (40% OWNED BY SAFIC)

Ion Exchange Safic, the joint venture between Ion Exchange India and Safic, continues with the implementation of its strategy, which includes the appointment of distributors, building local engineering and execution capacity and collaborating with execution partners with regards to identified projects. Much progress has been made in building capacity and establishing credibility, all of which will stand the company in good stead as the need for innovative and cost-effective water solutions become critical to the sustainable growth of the South African economy.

OUTLOOK

The focus in the period ahead will remain on sustainable growth that will see Accénuate weather the current deep cycle to remain relevant and profitable into the future. Much focus has been placed on both cost containment and efficiencies that will allow a focused approach to the anticipated increase in infrastructure activity specifically in the areas of healthcare and education.

SUBSEQUENT EVENTS

Subsequent to the reporting date, the company has agreed to key terms for a proposed transaction for the disposal of its 100% shareholding in Safic Proprietary Limited a subsidiary of the company. The proposed transaction has received Board approval. The disposal is subject to the fulfilment of various conditions precedent. The proposed transaction has been classified as a Category 1 transaction requiring shareholder approval and accordingly a circular will be distributed to Shareholders in this regard. This proposed transaction will result in the disposal of the Environmental Solutions and Water Treatment segment, to enable the company to strategically focus on the flooring business.

On 6 March 2020, Accénuate Management Services Proprietary Limited was found to be in breach of the Facility Agreement with First National Bank (the Bank), in terms of refinancing the business per agreed timelines. The breach resulted in the overdraft facilities of R23 million being reduced to R22 million. The Bank is continuously monitoring the facility and assessing conditions on a continuous basis and are committed to working with management to ensure that the facilities are maintained. The going concern status of the group is dependent on these facilities remaining available.

GOING CONCERN

In determining the appropriate basis of preparation of the financial results for the 6 months ended 31 December 2019, the directors are required to consider whether the group and company can continue in operational existence for the foreseeable future.

Despite incurring major operational losses, the group's current assets of R99.7 million exceed current liabilities of R79.4 million and therefore the group's solvency ratio remains sufficient.

Short-term liquidity, impacted by difficult trading conditions and exacerbated by the Coronavirus Disease 2019 (Covid-19) pandemic, remains a priority for the Board. Currently discussions with various financing options continue to ensure the sustainability of the group. At the same time, Covid-19 has also presented opportunities for FloorworX in the roll out of flooring solutions in the health and educational sectors.

As the only local vinyl flooring manufacturer, FloorworX is working closely with Government to provide the necessary facilities necessitated by the pandemic and operates as an essential service during the lockdown.

The group is also in the midst of a restructuring and include the disposal of Safic as described above.

BOARD CHANGES

The Board refers shareholders to the company's 2019 integrated annual report distributed to shareholders on 11 November 2019 wherein they were advised that the audit and risk committee had initiated a process which might result in the termination of the contract of the chief financial officer.

Shareholders are referred to the SENS announcement released on 2 December 2019 wherein they were advised that Maarten Coetzee's contract with the company had been terminated with effect from 29 November 2019.

The group financial manager, Desigan Moodley CA(SA), acted as chief financial officer to 28 February 2020. The FloorworX financial director, Wisdom Mushohwe CA(SA), was appointed as the chief financial officer of Accénuate Limited on 25 March 2020.

Fred Platt resigned as chief executive officer effective 31 August 2020. Dr Donald Platt will work with Fred Platt during his six-month notice period and be appointed as chief executive officer effective 1 September 2020.

DIVIDEND

The Board deems it prudent not to declare a dividend.

LITIGATION

A case has been lodged against Mazars relative to the fraudulent activities identified by FloorworX during 2016. Shareholders will be apprised of any development in this regard. Mazars was the external auditors of the company during 2016.

A notice of motion was received from the dissenting shareholder on 6 March 2020 and is being attended to by the Board.

CONTINGENT LIABILITY

There are no contingent liabilities in the group.

BASIS OF PREPARATION

The accounting policies and methods of computation applied to these condensed consolidated financial statements are in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards ("IFRS") and the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by the Financial Reporting Standards Council and are consistent with those applied in the previous annual consolidated financial statements except for the adoption of IFRS 16: Leases on 1 July 2019. IFRS 16 became effective for periods starting 1 January 2019.

IFRS 16 introduced a single, on-balance sheet accounting model for lessees. As a result, the group, as a lessee, has recognised right-of-use assets representing its rights to use the underlying assets and lease liabilities representing its obligation to make lease payments. The group has applied IFRS 16 using the modified retrospective approach. Accordingly, the comparative information presented for 2018 has not been restated – i.e. it is presented, as previously reported, under IAS 17 and related interpretations. The details of the changes in accounting policies are disclosed below.

The group now assesses whether a contract is or contains a lease based on the new definition of a lease. Under IFRS 16, a contract is, or contains, a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration. At inception or on reassessment of a contract that contains a lease component, the group allocates the consideration in the contract to each lease and non-lease component on the basis of their relative standalone prices.

As a lessee, the group previously classified leases as operating, or finance leases based on its assessment of whether the lease transferred substantially all of the risks and rewards of ownership. Under IFRS 16, the group recognises right-of-use assets and lease liabilities for most leases. However, the group has elected not to recognise right-of-use assets and lease liabilities for some leases, as allowed by the standard, for the following:

- Short-term leases (term of one year or less) and low value leases (where the right-of-use asset would have been lower than R72 000) were not capitalised and were recognised an expense on a straight-line basis over the lease term.
- Leases with less than one year remaining on the contract as at 1 January 2019 were excluded from capitalisation.

The effects of IFRS 16 on the Statement of financial position and statement of comprehensive income is set out as follows:

Impact of change in accounting policy on the financial statements on 1 July 2019	1 July 2019 R'000
Statement of Financial Position	
Assets	
Right-of-use assets presented in property, plant & equipment	15 704
Liabilities	
Operating lease liability	16 208
Equity	
Retained earnings (opening balance)	505

Effects of changes in accounting policy IFRS 16 Leases on the current period	31 December 2019 R'000
Statement of Comprehensive income	
GROUP	
Rent paid reduction/reversal	(2 872)
Increase in depreciation on right-of-use asset	2 452
Increase in interest on right of use liabilities	680
Taxation	(73)
Net movement due to changes	187

The group, in prior year, adopted IFRS 9: *Financial instruments* and IFRS 15: *Revenue from contracts with customers*; the adoption had no material impact on the financial results in prior year and current period.

The condensed consolidated financial statements are prepared in accordance with the requirements of the JSE Limited's Listings Requirements ("Listings Requirements") for interim reports and the Act. The Listings Requirements require interim reports to be prepared in accordance with and containing the information required by IAS 34 Interim Financial Reporting, as well as the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by the Financial Reporting Standards Council. The preparation of this interim report was supervised by the chief financial officer, Wisdom Mushohwe CA(SA).

The directors take full responsibility for the preparation of the interim report and that the financial information has been correctly extracted from the underlying annual financial statements.

FORWARD-LOOKING STATEMENTS

Any forward-looking statements contained in this announcement have not been reviewed nor reported on by the company's external auditors.

Steeledale

30 April 2020

PRO FORMA FINANCIAL INFORMATION OF ACCÉNTUATE

The definitions and interpretations commencing on page 11 of the Circular to which this annexure is attached, apply to this annexure, unless a word or a term is otherwise defined herein.

The *pro forma* consolidated statement of comprehensive income for the year ended 30 June 2019 and *pro forma* consolidated statement of financial position as at 30 June 2019 ("**Pro forma financial information as at and for the year ended 30 June 2019**") and the *pro forma* consolidated statement of comprehensive income for the six months ended 31 December 2019 and *pro forma* consolidated statement of financial position as at 31 December 2019 ("**Pro forma financial information as at and for the six months ended 31 December 2019**") (collectively the "**Pro forma Financial Information**") is presented below.

The *Pro forma* Financial Information is the responsibility of the directors of Accénuate ("**Directors**") and have been prepared for illustrative purposes only and, because of its nature, may not fairly present Accénuate's financial position or results of operations.

The *Pro forma* Financial Information has been prepared to illustrate the impact of the Subscription on the audited annual financial statements for the year ended 30 June 2019 on the assumption that the Subscription occurred on 1 July 2018 for statement of comprehensive income for the year ended 30 June 2019 purposes and on 30 June 2019 for statement of financial position as at 30 June 2019 purposes.

The *Pro forma* Financial Information has been prepared to illustrate the impact of the Subscription on the unaudited interim financial statements for the six months ended 31 December 2019 on the assumption that the Subscription occurred on 1 July 2019 for statement of comprehensive income for the six months ended 31 December 2019 purposes and on 31 December 2019 for statement of financial position as at 31 December 2019 purposes.

The Independent Reporting Accountants' Assurance Report on the *Pro forma* Financial Information of Accénuate is set out in **Annexure 4** to this Circular.

The *Pro forma* Financial Information has been compiled in accordance with the SAICA Guide and using accounting policies that comply with IFRS and that are consistent with those applied in the annual financial statements for the year ended 30 June 2019, and with those applied in the unaudited interim financial statements for the six months ended 31 December 2019. The *Pro forma* Financial Information has been given no greater prominence than unadjusted financial figures, and are presented in a manner consistent with both the format and accounting policies adopted in the annual financial statements for the year ended 30 June 2019 and the unaudited interim financial statements for the six months ended 31 December 2019.

The *Pro forma* Financial Information, after the Subscription, is set out below and has been prepared to illustrate the effect of the Subscription. The tables below sets out the financial effects of the Subscription based on the annual financial statements of Accénuate for the year ended 30 June 2019 and the unaudited interim financial statements of Accénuate for the six months ended 31 December 2019.

The new shares subscription was settled in cash, which had no impact on the Consolidated Statement of Comprehensive Income – as the transaction only affected the Statement of Financial Position by increasing the equity and cash on the proceeds from the share issue.

**ACCÉNTUATE LTD PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION
31 DECEMBER 2019**

	Before – Published interim Group Results 31 December 2019 ⁽ⁱ⁾ R'000	New Shares Subscription adjustments ⁽ⁱⁱ⁾ R'000	After: Subscription Transaction Adjustments R'000
ASSETS			
Non-current assets			
Property, plant and equipment	52 921	–	52 921
Right-of-use asset	5 310	–	5 310
Investment property	2 800	–	2 800
Goodwill	–	–	–
Intangible assets	–	–	–
Investment in subsidiaries	–	–	–
Deferred tax assets	5 599	–	5 599
	66 631	–	66 631
Current assets			
Inventories	45 233	–	45 233
Trade and other receivables	17 957	–	17 957
Other financial assets	208	–	208
Current tax receivables	1 143	–	1 143
Cash and cash equivalents	2 635	4 181	2 635
Non-current assets and disposal groups classified as held for sale	32 508	–	32 508
	99 684	4 181	103 865
Total assets	166 315	4 181	170 496
EQUITY AND LIABILITIES			
Equity attributable to equity holders of parent			
Share capital	150 557	4 181	154 738
Accumulated profit/(loss)	(101 765)	–	(101 765)
Revaluation reserve	32 373	–	32 373
Share-based payment reserve	342	–	342
	81 507	4 181	85 688
Non-controlling interest	–	–	–

**ACCÉNTUATE LTD PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION
31 DECEMBER 2019**

(continued)

	Before – Published interim Group Results 31 December 2019 ⁽ⁱ⁾ R'000	New Shares Subscription adjustments ⁽ⁱⁱ⁾ R'000	After: Subscription Transaction Adjustments R'000
Total capital and reserves	81 507	–	85 688
Non-current liabilities			
Borrowings	5 454	–	5 454
Deferred taxation	–	–	–
	5 454	–	5 454
Current liabilities			
Loans from group companies	–	–	–
Trade and other payables	31 512	–	31 512
Borrowings	636	–	636
Finance lease liabilities	5 003	–	5 003
Operating lease liabilities	–	–	–
Current tax payable	22 893	–	22 893
Bank overdraft	19 310	–	19 310
Liabilities associated with non-current assets and disposal groups classified as held for sale	79 354	–	79 354
Total Liabilities	84 808	–	84 808
Total Equity and Liabilities	166 315	4 181	170 496
Net asset value per share (cents)	58,48	(11)	47,30
Tangible net asset value per share (cents)	56,47	(11)	45,75
Total Shares in issue	139 366 188	41 809 856	181 176 044
Deemed Treasury Shares	3 978 890	–	3 978 890
Number of shares in issue (excl. Treasury Shares)	135 387 298	41 609 856	177 197 154

Notes:

⁽ⁱ⁾ The “Before” column represents the financial information of Accénuate, extracted without adjustment, from the published interim consolidated financial results of Accénuate for the 6 months ended 31 December 2019.

⁽ⁱⁱ⁾ These adjustments were made to take the resultant Subscription of new shares in Accénuate of 41 809 856 at 10 cents per share.

⁽ⁱⁱⁱ⁾ The “After” column represents the financial information of Accénuate after Subscription adjustment, from the published interim consolidated financial results of Accénuate Statement of Financial Position as at 31 December 2019.

**ACCÉNTUATE LTD *PRO FORMA* CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
31 DECEMBER 2019**

	Group Results – 31 December 2019 <i>Pro forma</i> R'000	Adjustments	After Subscription Adjustments ⁽ⁱⁱⁱ⁾ <i>Pro forma</i> R'000
Revenue	94 530	–	94 530
Cost of sales	(52 057)	–	(52 057)
Gross profit	42 474	–	42 474
Other income	159	–	159
Other operating gains/(losses)	–	–	–
Movement in credit loss allowances	–	–	–
Operating expenses	(54 901)	–	(54 901)
Operating loss before finance costs	(12 269)	–	(12 269)
Investment income	–	–	–
Finance costs	(2 197)	–	(2 197)
Other non-operating gains/(losses)	–	–	–
Profit/(loss) before taxation	(14 465)	–	(14 465)
Taxation	1 611	–	1 611
Loss from continuing operations	(12 855)	–	(12 855)
Loss from discontinued operations	1 391	–	1 391
Profit/(loss) for the period	(11 463)	–	(11 463)
Other comprehensive income/(loss)	–	–	–
Items that will not be reclassified to profit or loss	–	–	–
Asset revaluation surplus	–	–	–
– Gross revaluation surplus	–	–	–
– Deferred taxation	–	–	–
Other comprehensive income/(loss) for the period, net of tax	–	–	–
Total comprehensive income/(loss) for the period	(11 463)	–	(11 463)
Profit/(loss) attributable to:			
Ordinary shareholders	(11 463)	–	(11 463)
Non-controlling interest	–	–	–
Total comprehensive income/(loss) attributable to:			
Ordinary shareholders	(11 463)	–	(11 463)
Non-controlling interest	–	–	–
Headline earnings			
Basic earnings	(11 463)	–	(11 463)
Headline earnings	(11 462)	–	(11 463)
Basic earnings per share (cents)	(8,58)	–	(7,42)
Diluted earnings per share (cents)	(8,58)	–	(7,42)
Headline earnings per share (cents)	(8,58)	–	(7,42)
Diluted headline earnings per share (cents)	(8,58)	–	(7,42)
Weighted number of ordinary shares in issue	133 609 965	20 904 928	154 514 893
Weighted number of ordinary shares for diluted earnings per share	133 609 965	20 904 928	154 514 893

**ACCÉNTUATE LTD PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION
30 JUNE 2019**

	Before – Published Group Results 30 June 2019 ⁽ⁱ⁾ Actual R'000	New Shares Subscription adjustments ⁽ⁱⁱ⁾ <i>Pro forma</i> R'000	After New Subscription Transaction Adjustments <i>Pro forma</i> R'000
ASSETS			
Non-current assets			
Property, plant and equipment	55 227	–	55 227
Investment property	2 800	–	2 800
Goodwill	-	–	–
Intangible assets	1 143	–	1 143
Investment in subsidiaries	–	–	–
Deferred tax assets	4 519	–	4 519
	63 689	–	63 689
Current assets			
Inventories	56 785	–	56 785
Trade and other receivables	35 646	–	35 646
Other financial assets	40	–	40
Current tax receivables	3 003	–	3 003
Cash and cash equivalents	1 873	4 181	6 054
	97 347	4 181	101 528
Total assets	161 036	4 181	165 217
EQUITY AND LIABILITIES			
Equity attributable to equity holders of parent			
Share capital	150 557	4 181	154 738
Accumulated profit/(loss)	(90 276)	–	(90 276)
Revaluation reserve	31 202	–	31 202
Share-based payment reserve	73	–	73
	91 556	4 181	95 737
Non-controlling interest	–	–	–
Total capital and reserves	91 556	4 181	95 737

**ACCÉNTUATE LTD PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION
30 JUNE 2019**

(continued)

	Before – Published Group Results 30 June 2019 ⁽ⁱ⁾ Actual R'000	New Shares Subscription adjustments ⁽ⁱⁱ⁾ Pro forma R'000	After New Subscription Transaction Adjustments Pro forma R'000
Non-current liabilities			
Borrowings	2 076	–	2 076
Deferred taxation	–	–	–
	2 076	–	2 076
Current liabilities			
Loans from group companies	–	–	–
Trade and other payables	47 767	–	47 767
Borrowings	806	–	806
Finance lease liabilities	517	–	517
Operating lease liabilities	40	–	40
Current tax payable	483	–	483
Bank overdraft	17 791	–	17 791
	67 404	–	67 404
Total Liabilities	69 480	–	69 480
Total Equity and Liabilities	161 036	4 181	165 217
Net asset value per share (cents)	65,69	3,00	52,84
Tangible net asset value per share (cents)	64,87	3,00	52,21
Total Shares in issue	139 366 188	41 809 856	181 176 044
Deemed Treasury Shares	3 978 890	–	3 978 890
Number of shares in issue (excl. Treasury Shares)	135 387 298	41 809 856	177 197 154

Notes:

⁽ⁱ⁾ The "Before" column represents the financial information of Accénuate, extracted without adjustment, from the published consolidated financial results of Accénuate for the year ended 30 June 2019.

⁽ⁱⁱ⁾ These adjustments were made to take the resultant Subscription of new shares in Accénuate of 41 809 856 at 10 cents per share.

⁽ⁱⁱⁱ⁾ The "After" column represents the financial information of Accénuate after Subscription adjustment, from the published consolidated financial results of Accénuate Statement of Financial Position as at 30 June 2019.

ACCÉNTUATE LTD PRO FORMA CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
30 JUNE 2019

	Group Results – 30 June 2019 Actual R'000	Adjustments Pro forma R'000	After Subscription Adjustments⁽ⁱⁱⁱ⁾ Pro forma R'000
Revenue	285 262	–	285 262
Cost of sales	(166 276)	–	(166 276)
Gross profit	118 986	–	118 986
Other income	4 224	–	4 224
Other operating gains/(losses)	–	–	–
Movement in credit loss allowances	–	–	–
Operating expenses	(146 138)	–	(146 138)
Operating loss before finance costs	(22 928)	–	(22 928)
Investment income	1 162	–	1 162
Finance costs	(4 185)	–	(4 185)
Other non-operating gains/(losses)	–	–	–
Profit/(loss) before taxation	(25 951)	–	(25 951)
Taxation	5 095	–	5 095
Loss from continuing operations	(20 856)	–	(20 856)
Loss from discontinued operations	(2 474)	–	(2 474)
Profit/(loss) for the period	(23 330)	–	(23 330)
Other comprehensive income/(loss)			
Items that will not be reclassified to profit or loss	–	–	–
Asset revaluation surplus	–	–	–
– Gross revaluation surplus	–	–	–
– Deferred taxation	–	–	–
Other comprehensive income/(loss) for the period, net of tax	–	–	–
Total comprehensive income/(loss) for the period	(23 330)	–	(23 330)
Profit/(loss) attributable to:			
Ordinary shareholders	(23 330)	–	(23 330)
Non-controlling interest	–	–	–
Total comprehensive income/(loss) attributable to:			
Ordinary shareholders	(23 330)	–	(23 330)
Non-controlling interest	–	–	–
Headline earnings			
Basic earnings	(23 330)	–	(23 330)
<i>Adjustments:</i>			
Profit on disposal of property, plant & equipment	–	–	–
Profit/(Loss) on disposal of Safic	–	–	–
Tax effect	–	–	–
Headline earnings	(23 330)	–	(23 330)
Earnings per share			
Basic earnings per share (cents)	(17,46)	–	(13,30)
Diluted earnings per share (cents)	(17,46)	–	(13,30)
Headline earnings per share (cents)	(17,46)	–	(13,30)
Diluted headline earnings per share (cents)	(17,46)	–	(13,30)
Weighted number of ordinary shares in issue	133 609 965	41 809 856	175 419 821
Weighted number of ordinary shares for diluted earnings per share	133 609 965	41 809 856	175 419 821

Notes:

⁽ⁱ⁾ The "Before" column represents the financial information of Accénuate, extracted without adjustment, from the published consolidated financial results of Accénuate for the year ended 30 June 2019.

⁽ⁱⁱ⁾ These adjustments were made to take the resultant New Share subscription of new shares in Accénuate.

⁽ⁱⁱⁱ⁾ The "After" column represents the financial information of Accénuate after Subscription adjustment, from the published consolidated financial results of Accénuate for the year ended 30 June 2019.

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE *PRO FORMA* FINANCIAL INFORMATION OF ACCÉNTUATE LIMITED

The Board of Directors
Accénuate Limited
Accénuate Business Park
32 Steele Street
Steeledale
Johannesburg South
2197

22 November 2020

Dear Sirs

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE COMPILATION OF THE *PRO FORMA* FINANCIAL INFORMATION OF ACCÉNTUATE LIMITED

We have completed our assurance engagement to report on the compilation of the *pro forma* financial information of Accénuate Limited ("Accénuate" or the "Company") by the directors. The *pro forma* financial information, as set out in Annexure 3 of the circular dated **20 November 2020** ("the Circular"), consists of the *pro forma* statement of comprehensive income, the *pro forma* statement of financial position and related notes (the "*Pro Forma* Financial Information"). The *Pro Forma* Financial Information has been compiled by the directors based on the applicable criteria specified in the JSE Limited ("JSE") Listings Requirements (the "JSE Listing Requirements") and described in Annexure 3 of the Circular.

The *Pro Forma* Financial Information has been compiled by the directors to illustrate the impact of the share arrangement scheme between Accénuate Limited ("**Accénuate**" or the "**Company**") and Pruta Securities (Jersey) Limited ("**Pruta**") based on the SENS announcement issued on **12 October 2020**. As part of this process, information about Accénuate's financial position and financial performance have been extracted by the directors from the Company's published unaudited consolidated interim results for the 6 months ended 31 December 2019.

Directors' Responsibility for the Pro Forma Financial Information

The directors are responsible for compiling the *Pro Forma* Financial Information based on the applicable criteria specified in the JSE Listings Requirements and described in Annexure 3 of the Circular.

Reporting Accountants' independence and quality control

We have complied with the independence and other ethical requirements of the Code of Professional Conduct for Registered Auditors issued by the Independent Regulatory Board for Auditors ("IRBA Code"), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. The IRBA Code is consistent with the International Ethics Standards Board for Accountants *Code of Ethics for Professional Accountants* (Part A and B).

The firm applies International Standard on Quality Control 1 and accordingly, maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting Accountants' Responsibility

Our responsibility is to express an opinion about whether the *Pro Forma* Financial Information has been compiled, in all material respects, by the directors on the basis specified in the JSE Listings Requirements of the Circular based on our procedures performed.

We conducted our engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3420 Assurance Engagements to Report on the Compilation of *Pro forma* Financial Information included in a Prospectus. This standard requires that we comply with ethical requirements and plan and perform our procedures to obtain reasonable assurance about whether the *Pro Forma* Financial Information has been compiled, in all material respects, on the basis specified in the JSE Listings Requirements.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the *pro forma* consolidated financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the *pro forma* consolidated financial information.

As the purpose of *Pro Forma* Financial Information included in a circular is solely to illustrate the impact of a material corporate action or event on unadjusted financial information of the entity as if the corporate action or event had occurred or had been undertaken at an earlier date selected for the purposes of the illustration, we do not provide any assurance that the actual outcome of the event or transaction would have been as presented.

A reasonable assurance engagement to report on whether the *Pro Forma* Financial Information has been compiled, in all material respects, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used in the compilation of the *Pro Forma* Financial Information provides a reasonable basis for presenting the material effects directly attributable to the corporate action or event, and to obtain sufficient appropriate evidence about whether:

- The related *pro forma* adjustments give appropriate effect to those criteria; and
- The *Pro Forma* Financial Information reflects the proper application of those adjustments to the unadjusted financial information.

Our procedures selected depend on our judgement, having regard to our understanding of the nature of the Company, the corporate action or event in respect of which the *Pro Forma* Financial Information has been compiled, and other relevant engagement circumstances.

Our engagement also involves evaluating the overall presentation of the *Pro Forma* Financial Information.

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

Opinion

In our opinion, the *Pro Forma* Financial Information has been compiled, in all material respects, based on the applicable criteria specified by the JSE Listings Requirements and described in Annexure 3 of the Circular.

MOORE JOHANNESBURG INC.

Registered Auditors

Per: Candice Whitefield
Chartered Accountant (SA)
Registered Auditor
Director

50 Oxford Road
Parktown
2193

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE *PRO FORMA* FINANCIAL INFORMATION OF ACCÉNTUATE LIMITED

The Board of Directors
Accéntuate Limited
Accéntuate Business Park
32 Steele Street
Steeledale
Johannesburg South
2197

22 November 2020

Dear Sirs

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE COMPILATION OF THE *PRO FORMA* FINANCIAL INFORMATION OF ACCÉNTUATE LIMITED

We have completed our assurance engagement to report on the compilation of the *pro forma* financial information of Accéntuate Limited ("Accéntuate" or the "Company") by the directors. The *pro forma* financial information, as set out in Annexure 3 of the circular dated **20 November 2020** ("the Circular"), consists of the *pro forma* statement of comprehensive income, the *pro forma* statement of financial position and related notes (the "*Pro Forma* Financial Information"). The *Pro Forma* Financial Information has been compiled by the directors based on the applicable criteria specified in the JSE Limited ("JSE") Listings Requirements (the "JSE Listing Requirements") and described in Annexure 3 of the Circular.

The *Pro Forma* Financial Information has been compiled by the directors to illustrate the impact of the share arrangement scheme between Accéntuate Limited ("**Accéntuate**" or the "**Company**") and Pruta Securities (Jersey) Limited ("**Pruta**") based on the SENS announcement issued on **12 October 2020**. As part of this process, information about Accéntuate's financial position and financial performance have been extracted by the directors from the Company's published consolidated financial statements for the year ended 30 June 2019, on which an auditor's assurance report has been issued.

Directors' Responsibility for the Pro Forma Financial Information

The directors are responsible for compiling the *Pro Forma* Financial Information based on the applicable criteria specified in the JSE Listings Requirements and described in Annexure 3 of the Circular.

Reporting Accountants' independence and quality control

We have complied with the independence and other ethical requirements of the Code of Professional Conduct for Registered Auditors issued by the Independent Regulatory Board for Auditors ("IRBA Code"), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. The IRBA Code is consistent with the International Ethics Standards Board for Accountants *Code of Ethics for Professional Accountants* (Part A and B).

The firm applies International Standard on Quality Control 1 and accordingly, maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting Accountants' Responsibility

Our responsibility is to express an opinion about whether the *Pro Forma* Financial Information has been compiled, in all material respects, by the directors on the basis specified in the JSE Listings Requirements of the Circular based on our procedures performed.

We conducted our engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3420 Assurance Engagements to Report on the Compilation of *Pro forma* Financial Information included in a Prospectus. This standard requires that we comply with ethical requirements and plan and perform our procedures to obtain reasonable assurance about whether the *Pro Forma* Financial Information has been compiled, in all material respects, on the basis specified in the JSE Listings Requirements.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the *pro forma* consolidated financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the *pro forma* consolidated financial information.

As the purpose of *Pro Forma* Financial Information included in a circular is solely to illustrate the impact of a material corporate action or event on unadjusted financial information of the entity as if the corporate action or event had occurred or had been undertaken at an earlier date selected for the purposes of the illustration, we do not provide any assurance that the actual outcome of the event or transaction would have been as presented.

A reasonable assurance engagement to report on whether the *Pro Forma* Financial Information has been compiled, in all material respects, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used in the compilation of the *Pro Forma* Financial Information provides a reasonable basis for presenting the material effects directly attributable to the corporate action or event, and to obtain sufficient appropriate evidence about whether:

- The related *pro forma* adjustments give appropriate effect to those criteria; and
- The *Pro Forma* Financial Information reflects the proper application of those adjustments to the unadjusted financial information.

Our procedures selected depend on our judgement, having regard to our understanding of the nature of the Company, the corporate action or event in respect of which the *Pro Forma* Financial Information has been compiled, and other relevant engagement circumstances.

Our engagement also involves evaluating the overall presentation of the *Pro Forma* Financial Information.

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

Opinion

In our opinion, the *Pro Forma* Financial Information has been compiled, in all material respects, based on the applicable criteria specified by the JSE Listings Requirements and described in Annexure 3 of the Circular.

MOORE JOHANNESBURG INC.

Registered Auditors

Per: Candice Whitefield
Chartered Accountant (SA)
Registered Auditor
Director

50 Oxford Road
Parktown
2193

EXTRACTS FROM THE THREE-YEAR HISTORICAL FINANCIAL INFORMATION OF ACCÉNTUATE

Commentary [8.12]

The consolidated statements of financial position, statements of comprehensive income, statements of changes in equity, cash flow statements and accounting policies of Accéntuate for the last three financial years ended 30 June 2019, 30 June 2018 and 30 June 2017 have been extracted and compiled from the audited consolidated annual financial statements of Accéntuate. The preparation of this **Annexure 5** is the responsibility of the directors of Accéntuate. The historical financial information of Accéntuate for the above three financial years was audited by Moore Johannesburg Inc. and was reported on without qualification. The annual financial statements are prepared on the going-concern basis and the accounting policies have been applied consistently to all periods presented.

A complete set of Accéntuate's historical financial statements are available on the Company's website at <http://www.accentuateltd.co.za> and are also open for inspection.

STATEMENT OF COMPLIANCE

The consolidated and separate annual financial statements have been prepared in accordance with IFRS, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, the JSE Listings Requirements and the requirements of the Companies Act.

STATEMENT OF FINANCIAL POSITION

as at 30 June 2019

		GROUP		
	Note	Audited 30 June 2019 R'000	Audited 30 June 2018 R'000	Restated* 30 June 2017 R'000
ASSETS				
Non-current assets		63 689	80 014	58 885
Property, plant and equipment	10	55 227	61 427	54 339
Investment property	11	2 800	–	–
Goodwill	12	–	9 751	–
Intangible assets	13	1 143	7 141	1 500
Investments in subsidiaries	14	–	–	–
Deferred taxation	15	4 519	1 695	3 046
Current assets		97 347	144 025	131 372
Inventories	17	56 785	80 234	80 157
Trade and other receivables	18	35 646	47 003	47 266
Other financial assets	19	40	8 231	1 726
Loans to group companies	20	–	–	–
Current tax receivables	30	3 003	2 027	2 022
Cash and cash equivalents	21	1 873	6 530	201
Total assets		161 036	224 039	190 257
EQUITY AND LIABILITIES				
Equity attributable to owners of the parent		91 556	110 341	130 487
Share capital	4	150 557	150 557	147 613
Accumulated loss		(90 276)	(67 541)	(45 755)
Revaluation reserve		31 202	27 216	27 614
Share based payment reserve		73	109	1 015
Total equity		91 556	110 341	130 487
Non-current liabilities		2 076	3 645	6 613
Borrowings	22	2 076	–	–
Deferred taxation	16	–	3 645	6 613
Current liabilities		67 404	110 053	
Loans from group companies	20	–	–	–
Trade and other payables	25	47 767	72 732	41 635
Borrowings	22	806	15 197	–
Finance lease obligation	23	517	360	706
Operating lease liability		40	1 271	1 530
Current tax payable	30	483	2 703	500
Bank overdraft	21	17 791	17 790	8 786
Total liabilities		69 480	113 698	59 770
Total equity and liabilities		161 036	224 039	190 257

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the year ended 30 June 2019

	Notes	GROUP		
		Audited 30 June 2019 R'000	Audited 30 June 2018 R'000	Restated 30 June 2017 R'000
Revenue		285 262	294 893	295 061
Cost of sales	5	(166 276)	(176 012)	(176 327)
Gross profit		118 986	118 881	118 734
Other income	6	4 224	1 795	12 384
Operating expenses	6	(146 138)	(144 126)	(131 134)
Operating loss before finance costs		(22 928)	(23 450)	(16)
Finance income		1 162	486	145
Finance costs	7	(4 185)	(3 520)	(2 420)
Losses on sale of subsidiary		–	–	–
Loss before tax		(25 951)	(26 484)	(2 291)
Taxation	8	5 095	4 300	1 139
Loss from continuing operations		(20 856)	(22 184)	(1 152)
Loss from discontinued operations	35	(2 474)	–	–
Loss for the year		(23 330)	(22 184)	6 171
Other comprehensive income/(loss)		–	–	7 323
Items that will not be reclassified to profit or loss		–	–	(350)
Asset revaluation surplus		4 581	–	7 673
– Gross revaluation surplus		5 753	–	9 402
– Deferred taxation		(1 172)	–	(1 729)
Other comprehensive income for the period, net of tax		–	–	–
Total comprehensive loss for the period		(23 330)	(22 184)	6 171
Loss attributable to:				
Owners of the parent		(23 330)	(22 184)	917
Non-controlling interest		–	–	–
		(23 300)	(22 184)	917
Total comprehensive loss attributable to:				
Owners of the parent		(23 330)	(22 184)	8 240
Non-controlling interest		–	–	–
		(23 330)	(22 184)	8 240
Earnings per share (cents)				
Loss per share (cents)	9	(17,46)	(16,58)	(0,88)
Loss per share from continued operations (cents)	9	(15,61)	(16,58)	(0,88)
Loss per share from discontinued operations (cents)	9	(1,85)	–	–
Diluted loss per share (cents)	9	(17,46)	(16,58)	(0,86)
Asset value per share (cents)		66,00	79,00	97,00

STATEMENT OF CHANGES IN EQUITY

for the year ended 30 June 2019

GROUP	Share capital R'000	Share premium R'000	Revaluation Reserve R'000	Share-based payment reserve R'000	Accumulated losses R'000	Total equity R'000
Balance at 30 June 2017	1	147 613	27 614	1 015	(45 755)	130 488
Total (loss)/profit for the year	–	–	–	–	(22 184)	(22 184)
Transfer of revaluation reserve	–	–	(398)	–	398	–
Shares acquired by subsidiary	–	(247)	–	–	–	(247)
Acquisition of subsidiary	–	3 190	–	–	–	3 190
Share-based payment expense	–	–	–	(906)	–	(906)
Balance at 30 June 2018	1	150 556	27 216	109	(67 541)	110 341
Total (loss)/profit for the year	–	–	–	–	(23 330)	(23 330)
Revaluation for the year	–	–	4 581	–	–	4 581
Transfer between reserves	–	–	(595)	–	595	–
Shares acquired by subsidiary	–	–	–	–	–	–
Disposal of subsidiary	–	–	–	–	–	–
Share-based payment expense	–	–	–	–	–	–
Reserve adjustment	–	–	–	(36)	–	(36)
Balance at 30 June 2019	1	150 556	31 202	73	(90 276)	91 556
Notes	24	24		28		

COMPANY	Share capital R'000	Share premium R'000	Accumulated losses R'000	Total equity R'000
Balance at 30 June 2017	1	146 997	(99 701)	47 297
Total (loss)/profit for the year	–	–	(1 852)	(1 852)
Shares issued for cash	–	3 190	–	3 190
Balance at 30 June 2018	1	150 187	(101 553)	48 635
Total (loss)/profit for the year	–	–	(848)	(848)
Shares issues for cash	–	–	–	–
Balance at 30 June 2019	1	150 187	(102 401)	47 786
Notes	24	24		

STATEMENT OF CASH FLOWS

for the year ended 30 June 2019

	Notes	GROUP		
		Audited 30 June 2019 R'000	Audited 30 June 2018 R'000	Audited 30 June 2017 R'000
Cash flow from operating activities				
Cash (utilised in)/generated from operations	29	(10 071)	9 552	13 444
Finance income		1 162	486	145
Taxation paid	30	(386)	(475)	1 308
Finance costs	7	(4 261)	(3 520)	(2 420)
Cash flow from operating activities		(13 555)	6 043	12 477
Cash flow from investing activities				
Acquisition of property, plant and equipment	10	(2 548)	(2 689)	(934)
Acquisition of subsidiary	35	–	(14 745)	–
Acquisition of intangible asset		–	–	(42)
Proceeds from disposal of subsidiary		13 081	–	–
Proceeds on disposal of property, plant and equipment		292	124	74
Proceeds from loans to group companies		–	–	–
Proceeds from loans received		8 191	–	–
Loans advanced/(repaid)		–	(6 505)	(187)
Cash flow from investing activities		19 016	(23 815)	(1 089)
Cash flow from financing activities				
Proceeds from shares issued for cash		–	247	7 500
(Decrease)/Increase in borrowings		2 806	15 197	–
Repayment of borrowings		(13 081)	–	–
Proceeds from loans to group companies		–	–	–
Repayment of loans to group companies		–	–	–
Increase in finance lease obligations		157	346	706
Net cash used in financing activities		(10 118)	15 098	8 206
Net increase in cash and cash equivalents		(4 658)	(2 674)	19 594
Cash and cash equivalents at beginning of period		(11 260)	(8 586)	(28 179)
Cash and cash equivalents at end of period	21	(15 918)	(11 260)	(8 586)

PRICE AND TRADING HISTORY OF ACCÉNTUATE SHARES ON THE JSE

Set out below is a table showing the aggregate volumes and values traded and the highest and lowest prices traded in Accéntuate Shares for each month over the 12 months prior to the date of issue of this Circular.

Shares on the JSE for the previous 12 months:

Monthly	High (cents)	Low (cents)	Close (cents)	Volume (shares)	Value (R)
2020					
October	0	0	0	0	0
September	24	0	15	25 054	4 612
August	49	0	25	822 884	230 529
July	15	0	8	784 355	84 661
June	17	0	10	173 094	20 826
May	17	0	17	566 601	9 621
April	31	0	17	154 491	28 458
March	31	0	31	47 279	9 040
February	6	0	3	12 975	541
January	6	0	6	1 584	94
2019					
December	35	0	4	3 187	156
November	4	0	39	3 122	1 096
October	40	0	40	1 002	1 002

Source: *ires expert*

SECTION 115 – REQUIRED APPROVAL FOR TRANSACTIONS CONTEMPLATED IN PART OF CHAPTER 5 OF THE COMPANIES ACT

- “(1) Despite section 65, and any provision of a Company's Memorandum of Incorporation, or any resolution adopted by its Board or holders of its securities, to the contrary, a Company may not dispose of, or give effect to an agreement or series of agreements to dispose of, all or the greater part of its assets or undertaking, implement an amalgamation or a merger, or implement a Scheme of Arrangement, unless:
- (a) the disposal, amalgamation or merger, or Scheme of Arrangement:
 - (i) has been approved in terms of this section; or
 - (ii) is pursuant to or contemplated in an approved business rescue plan for that Company, in terms of Chapter 6; and
 - (b) to the extent that Parts B and C of this Chapter and the Takeover Regulations apply to a Company that proposes to:
 - (i) dispose of all or the greater part of the assets or undertaking;
 - (ii) amalgamate or merge with another Company; or
 - (iii) implement a Scheme of Arrangement, the Panel has issued a compliance notice in respect of the Transaction in terms of section 119(4) (b) or exempted the Transaction in terms of section 119(6).
- (2) A proposed transaction contemplated in subsection (1) must be approved:
- (a) by a Special Resolution adopted by persons entitled to exercise voting rights on such a matter, at a meeting called for that purpose and at which sufficient persons are present to exercise, in aggregate, at least 25% of all of the voting rights that are entitled to be exercised on that matter; and
 - (b) by a Special Resolution, also adopted in the manner required by paragraph (a), by the Shareholders of the Company's holding Company if any, if:
 - (i) the holding Company is a Company or an external Company;
 - (ii) the proposed transaction concerns a disposal of all or the greater part of the assets or undertaking of the subsidiary; and
 - (iii) having regard to the consolidated financial statements of the holding Company, the disposal by the subsidiary substantially constitutes a disposal of all or the greater part of the assets or undertaking of the holding Company; and
 - (c) by the Court, to the extent required in the circumstances and manner contemplated in subsections (3) to (6).
- (3) Despite a resolution having been adopted as contemplated in subsections (2)(a) and (b), a Company may not proceed to implement that resolution without the approval of a Court if:
- (a) the resolution was opposed by at least 15% of the voting rights that were exercised on that resolution, and any person who voted against the resolution requires the Company to seek Court approval; or
 - (b) the Court, on an application by any person who voted against the resolution, grants that person leave, in terms of subsection (6), to apply to a Court for a review of the Transaction in accordance with subsection (7).
- (4) For the purposes of subsections (2) and (3), any voting rights controlled by an acquiring party, a person related to an acquiring party, or a person acting in concert with either of them, must not be included in calculating the percentage of voting rights:
- (a) present in satisfaction of the quorum requirement; or
 - (b) voted in support of a resolution.
- (5) If a resolution requires approval by a Court as contemplated in terms of subsection (3) (a), the Company must either:
- (a) apply to the Court for approval, and bear the costs of that application; or
 - (b) treat the resolution as a nullity.

- (6) On an application contemplated in subsection (3) (b), the Court may grant leave only if it is satisfied that the applicant:
 - (a) is acting in good faith;
 - (b) appears prepared and able to sustain the proceedings; and
 - (c) has alleged facts which, if proved, would support an order in terms of subsection (7).
- (7) On reviewing a resolution that is the subject of an application in terms of subsection (5)(a), or after granting leave in terms of subsection (6), the Court may set aside the resolution only if:
 - (a) the resolution is manifestly unfair to any class of holders of the Company's securities; or
 - (b) the vote was materially tainted by conflict of interest, inadequate disclosure, failure to comply with the Act, the Memorandum of Incorporation, or any applicable rules of the Company, or other significant and material procedural irregularity.
- (8) The holder of any voting rights in a Company is entitled to seek relief in terms of section 164 if that person:
 - (a) notified the Company in advance of the intention to oppose a Special Resolution contemplated in this section; and
 - (b) was present at the meeting and voted against that Special Resolution.
- (9) If a transaction contemplated in this part has been approved, any person to whom assets are, or an undertaking is, to be transferred, may apply to a Court for an order to effect:
 - (a) the transfer of the whole or any part of the undertaking, assets and liabilities of a Company contemplated in that transaction;
 - (b) the allotment and appropriation of any shares or similar interests to be allotted or appropriated as a consequence of the Transaction;
 - (c) the transfer of shares from one person to another;
 - (d) the dissolution, without winding-up, of a Company, as contemplated in the Transaction;
 - (e) incidental, consequential, and supplemental matters that are necessary for the effectiveness and completion of the Transaction; or
 - (f) any other relief that may be necessary or appropriate to give effect to, and properly implement, the amalgamation or merger."

SECTION 164 – DISSENTING SHAREHOLDERS’ APPRAISAL RIGHTS

- “(1) This section does not apply in any circumstances relating to a transaction, agreement or Offer pursuant to a business rescue plan that was approved by Shareholders of a Company, in terms of section 152.
- (2) If a Company has given notice to Shareholders of a meeting to consider adopting a resolution to:
- (a) amend its Memorandum of Incorporation by altering the preferences, rights, limitations, or other terms of any class of its shares in any manner materially adverse to the rights or interests of holders of that class of shares, as contemplated in section 37(8); or
 - (b) enter into a transaction contemplated in section 112, 113, or 114, that notice must include a statement informing Shareholders of their rights under this section.
- (3) At any time before a resolution referred to in subsection (2) is to be voted on, a dissenting Shareholder may give the Company a written notice objecting to the resolution.
- (4) Within 10 Business Days after a Company has adopted a resolution contemplated in this section, the Company must send a notice that the resolution has been adopted to each Shareholder who:
- (a) gave the Company a written notice of objection in terms of subsection (3); and
 - (b) has neither:
 - (i) withdrawn that notice; nor
 - (ii) voted in support of the resolution.
- (5) A Shareholder may demand that the Company pay the Shareholder the fair value for all of the shares of the Company held by that person if:
- (a) the Shareholder:
 - (i) sent the Company a notice of objection, subject to subsection (6); and (ii) in the case of an amendment to the Company’s Memorandum of Incorporation, holds shares of a class that is materially and adversely affected by the amendment;
 - (ii) the Company has adopted the resolution contemplated in subsection (2); and
 - (b) the Shareholder:
 - (i) voted against that resolution; and
 - (ii) has complied with all of the procedural requirements of this section.
- (6) The requirement of subsection (5)(a)(i) does not apply if the Company failed to give notice of the meeting or failed to include in that notice a statement of the Shareholders rights under this section.
- (7) A Shareholder who satisfies the requirements of subsection (5) may make a demand contemplated in that subsection by delivering a written notice to the Company within:
- (a) 20 Business Days after receiving a notice under subsection (4); or
 - (b) if the Shareholder does not receive a notice under subsection (4), within 20 Business Days after learning that the resolution has been adopted.
- (8) A demand delivered in terms of subsections (5) to (7) must state:
- (a) the Shareholder’s name and address;
 - (b) the number and class of shares in respect of which the Shareholder seeks payment; and
 - (c) a demand for payment of the fair value of those shares.

- (9) A Shareholder who has sent a demand in terms of subsections (5) to (8) has no further rights in respect of those shares, other than to be paid their fair value, unless:
- (a) the Shareholder withdraws that demand before the Company makes an Offer under subsection (11), or allows an Offer made by the Company to lapse, as contemplated in subsection (12)(b);
 - (b) the Company fails to make an Offer in accordance with subsection (11) and the Shareholder withdraws the demand; or
 - (c) the Company revokes the adopted resolution that gave rise to the Shareholder's rights under this section.
- (10) If any of the events contemplated in subsection (9) occur, all of the Shareholder's rights in respect of the shares are reinstated without interruption.
- (11) Within five Business Days after the later of:
- (a) the day on which the action approved by the resolution is effective;
 - (b) the last day for the receipt of demands in terms of subsection (7)(a); or
 - (c) the day the Company received a demand as contemplated in subsection (7)(b), if applicable, the Company must send to each Shareholder who has sent such a demand a written Offer to pay an amount considered by the Company's directors to be the fair value of the relevant shares, subject to subsection (16), accompanied by a statement showing how that value was determined.
- (12) Every Offer made under subsection (11):
- (a) in respect of shares of the same class or series must be on the same terms; and
 - (b) lapses if it has not been accepted within 30 Business Days after it was made.
- (13) If a Shareholder accepts an Offer made under subsection (12):
- (a) the Shareholder must either in the case of:
 - (i) shares evidenced by certificates, tender the relevant share certificates to the Company or the Company's transfer agent; or
 - (ii) uncertificated shares, take the steps required in terms of section 53 to direct the transfer of those shares to the Company or the Company's transfer agent; and
 - (b) the Company must pay that Shareholder the agreed amount within 10 Business Days after the Shareholder accepted the Offer and:
 - (i) tendered the share certificates; or
 - (ii) directed the transfer to the Company of uncertificated shares.
- (14) A Shareholder who has made a demand in terms of subsections (5) to (8) may apply to a Court to determine a fair value in respect of the shares that were the subject of that demand, and an order requiring the Company to pay the Shareholder the fair value so determined, if the Company has:
- (a) failed to make an Offer under subsection (11); or
 - (b) made an Offer that the Shareholder considers to be inadequate, and that Offer has not lapsed.
- (15) On an application to the Court under subsection (14):
- (a) all dissenting Shareholders who have not accepted an Offer from the Company as at the date of the application must be joined as parties and are bound by the decision of the Court;
 - (b) the Company must notify each affected dissenting Shareholder of the date, place, and consequences of the application and of their right to participate in the Court proceedings; and
 - (c) the Court:
 - (i) may determine whether any other person is a dissenting Shareholder who should be joined as a party;
 - (ii) must determine a fair value in respect of the shares of all dissenting Shareholders, subject to subsection (16);
 - (iii) in its discretion may:
 - (aa) appoint one or more appraisers to assist it in determining the fair value in respect of the shares; or
 - (bb) allow a reasonable rate of interest on the amount payable to each dissenting Shareholder from the date the action approved by the resolution is effective, until the date of payment;

- (iv) may make an appropriate order of costs, having regard to any Offer made by the Company, and the final determination of the fair value by the Court; and
 - (v) must make an order requiring:
 - (aa) the dissenting Shareholders to either withdraw their respective demands, in which case the Shareholder is reinstated to their full rights as a Shareholder, or to comply with subsection (13)(a); and
 - (bb) the Company to pay the fair value in respect of their shares to each dissenting Shareholder who complies with subsection (13)(a), subject to any Conditions the Court considers necessary to ensure that the Company fulfils its obligations under this section.
- (16) The fair value in respect of any shares must be determined as at the date on which, and time immediately before, the Company adopted the resolution that gave rise to a Shareholder's rights under this section.
- (17) If there are reasonable grounds to believe that compliance by a Company with subsection (13)(b), or with a Court order in terms of subsection (15)(c)(v)(bb), would result in the Company being unable to pay its debts as they fall due and payable for the ensuing 12 months:
- (a) the Company may apply to a Court for an order varying the Company's obligations in terms of the relevant subsection; and
 - (b) the Court may make an order that:
 - (i) is just and equitable, having regard to the financial circumstances of the Company; and
 - (ii) ensures that the person to whom the Company owes money in terms of this section is paid at the earliest possible date compatible with the Company satisfying its other financial obligations as they fall due and payable.
- (18) If the resolution that gave rise to a Shareholder's rights under this section authorised the Company to amalgamate or merge with one or more other companies, such that the Company whose shares are the subject of a demand in terms of this section has ceased to exist, the obligations of that Company under this section are obligations of the successor to that Company resulting from the amalgamation or merger.
- (19) For greater certainty, the making of a demand, tendering of shares and payment by a Company to a Shareholder in terms of this section do not constitute a distribution by the Company, or an acquisition of its shares by the Company within the meaning of section 48, and therefore are not subject to:
- (a) the provisions of that section; or
 - (b) the application by the Company of the solvency and liquidity test set out in section 4.
- (20) Except to the extent:
- (a) expressly provided in this section; or
 - (b) that the Panel rules otherwise in a particular case,
- a payment by a Company to a Shareholder.



ACCÉNUATE LIMITED

(Incorporated in the Republic of South Africa)
(Registration number 2004/029691/06)
Share code: ACE ISIN: ZAE000115986
("Accénuate" or "the Company")

PRUTA SECURITIES (JERSEY) LIMITED

PRUTA SECURITIES (JERSEY) LIMITED

(Incorporated in Jersey)
(Registration Number: 8465)
("the Offeror")

NOTICE OF GENERAL MEETING

As a result of the impact of the COVID-19 pandemic and restrictions placed on public gatherings, the General Meeting will be held in electronic format only.

Where appropriate and applicable the terms defined in the Circular to which this notice of General Meeting is attached and forms part of bear the same meanings in this notice of General Meeting, and in particular in the resolutions set out below.

The attention of Shareholders is drawn to Annexure 7 and 8 of the Circular which sets out the provisions of Sections 114, 115 and 164 of the Companies Act.

Notice is hereby given that a meeting of Shareholders of Accénuate will be held at 09:00 on Monday, 28 December 2020 via a wholly electronic meeting (the "General Meeting"), for the purpose of considering and, if deemed fit, passing with or without modification, the Special Resolution and Ordinary Resolutions set out below. All meetings (whether called for the passing of special or ordinary resolutions) shall be called on not less than 15 (fifteen) Business Days' notice.

RECORD DATES AND ATTENDANCE

In terms of section 59(1)(a) and (b) of the Act, the record dates for the purpose of determining which Shareholders are entitled to:

- receive notice of the General Meeting, (being the date on which a Shareholder must be registered in the Company's share register in order to receive the notice of the General Meeting) as Friday, 13 November 2020; and
- participate in and vote at the General Meeting, (being the date on which a Shareholder must be registered in the Company's share register in order to participate in and vote at the General Meeting) as Friday, 18 December 2020. Last day to trade in order to be eligible to vote at the General Meeting is Tuesday, 14 December 2020.

In terms of section 62(3)(e) of the Companies Act, 71 of 2008,

- a Shareholder who is entitled to attend and vote at the General Meeting is entitled to appoint a proxy or two or more proxies to attend and participate in and vote at the General Meeting in the place of the Shareholder, by completing the proxy in accordance with the instructions set out therein;
- a proxy need not be a Shareholder of Accénuate; and
- Accénuate Shareholders recorded in the Register of Accénuate on the Voting Record Date (including Shareholders and their proxies) are required to provide reasonably satisfactory identification before being entitled to attend or participate in the General Meeting: in this regard, all Accénuate Shareholders recorded in the Register of Accénuate on the Voting Record Date will be required to provide identification satisfactory to the Chairman of the General Meeting. Forms of identification include valid identity documents, smart cards, driver's licences and passports.

SPECIAL RESOLUTION NUMBER 1 – IMPLEMENTATION OF THE SCHEME

"**RESOLVED THAT** the Scheme (as more fully described in paragraph 4 of the Circular to which this notice convening the General Meeting is attached), in terms of which Accénuate, will, subject to the Conditions (save for any Condition relating to this special resolution), and on the Operative Date, acquire the Scheme Shares from the Scheme Participants, in exchange for the Scheme Consideration, be and is hereby approved as a special resolution in terms of section 115(2)(a) of the Companies Act."

In terms of section 62(3)(c) of the Companies Act, the percentage of voting rights that will be required for this Special Resolution to be adopted is at least 75% of the voting rights exercised on the resolution by Accénuate Shareholders present in person or represented by proxy.

Reason and effect of Special Resolution Number 1

The reason for the passing of Special Resolution Number 1 is, subject to the fulfilment (and/or waiver) of the Conditions to the Scheme which Conditions are set out in the Circular to Accéntuate Shareholders to which this notice of General Meeting is attached, to authorise Accéntuate to implement a scheme of arrangement in terms of section 114 of the Companies Act pursuant to which the Offeror will acquire their Accéntuate Shares, excluding the Excluded Shares, for a cash consideration of R0,10 per share and, as a result of the Scheme being implemented, the listing of all of the ordinary shares in the issued share capital of Accéntuate on the exchange operated by the JSE, will be terminated.

The effect of Special Resolution Number 1 will be that, subject to the fulfilment (and/or waiver) of the Conditions to the Scheme which Conditions are set out in the Circular to Accéntuate Shareholders to which this notice of General Meeting is attached, the Offeror will acquire all Accéntuate Shares from Scheme Participants for a cash consideration of R0,10 per Accéntuate Share.

In accordance with section 115(4) of the Companies Act, the voting rights of the concert parties of the Offeror are excluded for purposes of both determining whether the applicable quorum requirements are satisfied and voting on this resolution.

SPECIAL RESOLUTION NUMBER 2 – REVOCATION OF SPECIAL RESOLUTION NUMBER 1 IN TERMS OF SECTION 164(9)(C) OF THE COMPANIES ACT IF THE SCHEME DOES NOT BECOME UNCONDITIONAL, IS NOT CONTINUED AND DISSENTING SHAREHOLDERS HAVE EXERCISED APPRAISAL RIGHTS UNDER SECTION 164 OF THE COMPANIES ACT

“RESOLVED THAT, subject to and only in the event of: (i) Special Resolution Number 1 being validly approved by the Shareholders; (ii) the Scheme not becoming unconditional for whatever reason; (iii) Accéntuate making an announcement on SENS to the effect that the Scheme shall not be continued or pursued any further, made unconditional or revived; and (iv) any Dissenting Shareholders exercising their Appraisal Rights under section 164 of the Companies Act, Special Resolution Number 1 be and is hereby revoked with effect from the date of the announcement contemplated in (iii) above, in accordance with section 164(9)(c) of the Companies Act, and accordingly a Dissenting Shareholder that has sent a demand to Accéntuate in terms of sections 164(5) to (8) of the Companies Act to be paid the fair value of its Shares, shall have no rights to be so paid under section 164 of the Companies Act in that the Scheme did not and shall not become effective.”

In terms of section 62(3)(c) of the Companies Act, the percentage of voting rights that will be required for this Special Resolution to be adopted is at least 75% of the voting rights exercised on the resolution by Accéntuate Shareholders present in person or represented by proxy.

Reason and effect of Special Resolution Number 2

The reason and effect of Special Resolution Number 2 is to remove any right to payment that the Dissenting Shareholders may have under section 164 of the Companies Act if the Scheme lapses and is no longer continued.

ORDINARY RESOLUTION NUMBER 1 – AUTHORISATION OF DIRECTORS

“RESOLVED THAT any of the directors of Accéntuate be and are hereby authorised to do all things and sign all documents required to give effect to and implement Special Resolution Number 1 and Special Resolution Number 2 set out above and Ordinary Resolution Number 2 set out below.”

In order for Ordinary Resolution Number 1 to be passed the support of more than 50% of all the voting rights exercised on the resolution by the Accéntuate Shareholders (eligible to vote) present in person or represented by proxy at the General Meeting.

The voting rights of the Offeror, any related or inter-related person to the Offeror and any person acting in concert with any of them shall not be included in the voting rights required to be present, or actually present, in determining whether the quorum requirements are satisfied, or required to be voted in support of Special Resolution Number 1, or actually voted in support of the Special Resolution Number 1 (section 115(4) of the Companies Act).

ORDINARY RESOLUTION NUMBER 2 – DELISTING RESOLUTION IN ACCORDANCE WITH PARAGRAPHS 1.15(A) AND 1.16 OF THE LISTINGS REQUIREMENTS

“RESOLVED THAT, if the Scheme is not implemented the delisting of the Accéntuate Shares from the AltX of the JSE in terms of paragraph 1.15 of the JSE Listings Requirements be and is hereby approved, and Accéntuate be and is hereby authorised to apply for the delisting of the Accéntuate Shares from the securities exchange operated by JSE Limited with effect from the commencement of business on or about the South African Business Day following the Standby Offer Closing Date or as soon as reasonably possible thereafter.”

Voting requirement

In order for Ordinary Resolution Number 2 to be passed the support of more than 50% of all the voting rights exercised on the resolution by the Accéntuate Shareholders (eligible to vote) present in person or represented by proxy at the General Meeting. The Offeror and any of their associates will not exercise any votes on this Ordinary Resolution.

Explanatory note

The reason for the passing of the Ordinary Resolution 2 is to approve the termination of the listing of all the Accéntuate Shares from the AltX in terms of paragraphs 1.15(a) and 1.16 of the Listings Requirements, once the Standby Offer becomes wholly unconditional.

The effect of the Ordinary Resolution 2 will be that the Offeror will be authorised to make application to the JSE for the suspension and termination of the listing of all the Accéntuate Shares from the AltX, which will result in all Accéntuate Shares being delisted from the AltX following the Standby Offer becoming wholly unconditional.

QUORUM

A quorum for the purposes of considering the ordinary and Special Resolution shall comprise, sufficient persons who are present at the meeting to exercise in aggregate 25% of all voting rights that are entitled to be exercised in respect of at least one matter to be decided at the General Meeting. For each matter to be decided at the General Meeting, sufficient persons must be present at the General Meeting who exercise in aggregate at least 25% of all the voting rights that are entitled to be exercised by Shareholders. In addition, a quorum shall consist of three Shareholders of Accéntuate personally present or represented by proxy (and if the Shareholder is a body corporate, it must be represented) and entitled to vote at the General Meeting on matters to be decided by Shareholders.

FORM OF PROXY

A form of proxy is attached for the convenience of any Shareholder holding Certificated Accéntuate Shares who cannot attend the General Meeting and who wishes to be represented thereat. Forms of proxy may also be obtained on request from Accéntuate's registered office. The completed forms of proxy must be deposited at or posted to the office of the Transfer Secretaries of Accéntuate, Computershare Investor Services Proprietary Limited Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196 which Accéntuate requests be received by not later than 48 hours (excluding Saturdays, Sundays and official Public Holidays) prior to the General Meeting that is being held at 09:00 on Monday, 28 December 2020, (to ensure ordinary proceedings on the day and to ease administration). The form of proxy may also be handed to the chairman of the General Meeting or adjourned General Meeting at any time before any vote. Any Shareholder who completes and lodges a form of proxy will nevertheless be entitled to attend and vote in person at the General Meeting should the Shareholder subsequently decide to do so.

Attached to the proxy form is an extract of section 58 of the Companies Act to which Shareholders are referred.

Shareholders who have already dematerialised their Accéntuate Shares through a Participant or broker and who wish to attend the General Meeting must instruct their Participant or broker to issue them with the necessary letter of representation to attend.

Dematerialised Accéntuate Shareholders, who have elected own-name registration in the sub register through a Participant and who are unable to attend but who wish to vote at the General Meeting must complete and return the attached relevant form of proxy and lodge it with the Transfer Secretaries Computershare Investor Services Proprietary Limited Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196 to be received by no later than 09:00 on Wednesday, 23 December 2020. Forms of proxy may also be handed to the chairman of the General Meeting or adjourned General Meeting at any time before any vote.

Dematerialised Accéntuate Shareholders, who have not elected own-name registration in the sub register through a Participant and who are unable to attend but who wish to vote at the General Meeting should ensure that the person or entity (such as a nominee) whose name has been entered into the sub register maintained by a Participant or broker completes and returns the attached relevant forms of proxy in terms of which they are appointed as a proxy to vote at the General Meeting.

ELECTRONIC PARTICIPATION

In order to attend the General Meeting and participate electronically thereat Accéntuate Shareholders must pre-register with the Transfer Secretaries by making a written application (on the Electronic Participation Form) to so participate, by delivering the Electronic Participation Form to the Transfer Secretaries at First Floor, Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196, or posting it to Private Bag X9000, Saxonwold, 2132 (at the risk of the Accéntuate Shareholder), or sending it by email to proxy@computershare.co.za, so as to be received by the Transfer Secretaries by no later than 09:00 on Wednesday, 23 December 2020, in order for the Transfer Secretaries to arrange such participation for the Accéntuate Shareholder and for the Company or the Transfer Secretaries to provide the Accéntuate Shareholder with the details as to how to access the General Meeting by means of electronic participation. Shareholders may still register/apply to participate in and/or vote electronically at the General Meeting after this date, provided, however, that those Shareholders are first verified (as required in terms of section 63(1) of the Companies Act) and are registered at the commencement of the General Meeting.

APPRAISAL RIGHTS FOR DISSENTING SHAREHOLDERS

In terms of section 164 of the Companies Act, at any time before the Special Resolution as set out in this notice of General Meeting is voted on, a Shareholder may give Accénuate a written notice objecting to the Special Resolution.

Within 10 Business Days after Accénuate has adopted the Special Resolution, Accénuate must send a notice that the Special Resolution has been adopted to each Shareholder who:

- gave Accénuate a written notice of objection as contemplated above; and
- has neither withdrawn that notice nor voted in support of the Special Resolution.

A Shareholder may demand that Accénuate pay the Shareholder the fair value for all of the Accénuate Shares held by that person if:

- the Shareholder has sent Accénuate a notice of objection;
- Accénuate has adopted the Special Resolution; and
- the Shareholder voted against the Special Resolution and has complied with all of the procedural requirements of section 164 of the Companies Act.

A copy of section 164 of the Companies Act is set out in Annexure 8 of the circular.

By order of the Board

Juba Statutory Services Proprietary Limited

(represented by Sirkien van Schalkwyk)

Company Secretary

ACCÉNUATE LIMITED

32 Steele Street

Steeledale

2197

(PO Box 1754, Alberton, 1450)

26 November 2020

ELECTRONIC PARTICIPATION FORM

PARTICIPATION IN THE GENERAL MEETING VIA ELECTRONIC COMMUNICATION:

Capitalised terms used in this Electronic Participation Form shall bear the meanings ascribed thereto in the Circular to which the Notice of General Meeting is attached.

1. Accénuate Shareholders or their duly appointed proxy(ies) that wish to participate in the General Meeting via electronic communication (“Participants”) must apply to Computershare, by delivering this duly completed Electronic Participation Form to:

- 1.1 Rosebank Towers, First Floor, 15 Biermann Avenue, Rosebank 2196, or posting it to Private Bag X9000, Saxonwold, 2132 (at the risk of the Participant), or by email to proxy@computershare.co.za so as to be received by Computershare by no later than 09:00 on Wednesday, 23 December 2020, for administrative reasons, in order for the Transfer Secretaries to arrange such participation for the Accénuate Shareholder and for the Transfer Secretaries to provide the Accénuate Shareholder with the details as to how to access the General Meeting by means of electronic participation.
- 1.2 Accénuate Shareholders may still register/apply to participate in and/or vote electronically at the General Meeting after the aforementioned date, provided, however, that those Accénuate Shareholders are verified (as required in terms of section 63(1) of the Companies Act) and are registered at the commencement of the General Meeting.

2. Important notice

- 2.1 The Transfer Secretaries shall, by no later than Wednesday 23 December 2020, notify Participants that have delivered valid notices in the form of this Electronic Participation Form, by email of the relevant details through which Participants can participate electronically, subject to such Accénuate Shareholders delivering this Electronic Participation Form by 09:00 on Tuesday, 22 December 2020.
- 2.2 The cut-off time to participate in the General Meeting via electronic communication will be 08:55 on Monday, 28 December 2020 provided that those Accénuate Shareholders wishing to participate are verified (as required in terms of section 63(1) of the Companies Act) and are registered at the commencement of the General Meeting. No late registrations will be accommodated.
- 2.3 Upon receiving a completed Electronic Participation Form, the Transfer Secretaries will follow a verification process to verify each applicant’s entitlement to participate in and/or vote at the General Meeting. The Transfer Secretaries will provide Accénuate with the email address of each Participant or their duly appointed proxy to enable the Company to forward to such Participant a Zoom meeting invitation required to access the General Meeting. Alternatively, the Transfer Secretaries will forward to such Verified Accénuate Shareholders a Zoom meeting invitation required to access the General Meeting.
- 2.4 Accénuate or the Transfer Secretaries will send each Participant a Zoom meeting invitation with a link to “Join the Zoom Meeting” on Wednesday, 23 December 2020 to enable Participants to link up and participate electronically in the General Meeting. This link will be sent to the email address nominated by the Participant in this Electronic Participation Form.
- 2.5 Accénuate Shareholders connecting to the General Meeting electronically will be able to participate in the General Meeting. The electronic platform Zoom to be utilised for the General Meeting does not provide for electronic voting during the meeting. Accordingly, Accénuate Shareholders are strongly encouraged to submit votes by proxy in advance of the General Meeting, by completing the Form of Proxy and lodging the completed proxy form together with the Electronic Participation Form with Computershare. Accénuate Shareholders who indicate in this Electronic Participation Form that they wish to vote during the electronic meeting, will be contacted by Computershare to make the necessary arrangements.

ELECTRONIC PARTICIPATION FORM

Full name of Participant:	
ID number:	
Email address:	
* Note: this email address will be used by the Company's Transfer Secretaries to share the Zoom meeting invitation required to access the General Meeting electronically	
Cell number:	
Telephone number: (code)	(number)
* Note: The electronic platform to be utilised for the General Meeting does not provide for electronic voting during the meeting. Accordingly, Accéntuate Shareholders are strongly encouraged to submit votes by proxy in advance of the General Meeting, by completing the proxy form.	
Indicate (by marking with an "X") whether:	
<input type="checkbox"/>	votes will be submitted by proxy (in which case, please enclose the duly completed Form of Proxy with this form) rather than seeking to vote during the General Meeting; or
<input type="checkbox"/>	the Participant wishes to exercise votes during the General Meeting. If this option is selected, the Company's Transfer Secretaries will contact you to make the necessary arrangements.
Name of CSDP or broker (if Accéntuate Shares are held in dematerialised format):	
Contact number of CSDP/broker:	
Contact person of CSDP/broker:	
Number of share certificate (if applicable):	
Signature:	
Date:	

Terms and conditions for participation in the General Meeting via electronic communication

1. Documentary evidence establishing the authority of the named person, including any person acting in a representative capacity, who is to participate in the General, must be attached to this application.
2. A certified copy of the valid identity document/passport of the person attending the General Meeting by electronic participation, including any person acting in a representative capacity, must be attached to this application.
3. The cost of electronic participation in the General Meeting is for the expense of the Participant and will be billed separately by the Participant's own service provider.
4. The Participant acknowledges that the electronic communication services are provided by a third parties and indemnifies Accéntuate and/or the Transfer Secretaries against any loss, injury, damage, penalty or claim arising in any way from the use or possession of the electronic services, whether or not the problem is caused by any act or omission on the part of the Participant or anyone else. In particular, but not exclusively, the Participant acknowledges that he/she will have no claim against Accéntuate and/or the Transfer Secretaries, whether for consequential damages or otherwise, arising from the use of the electronic services or any defect in it or from total or partial failure of the electronic services and connections linking the Participant via the electronic services to the General Meeting.
5. The application to participate in the General Meeting electronically will only be deemed successful if this Electronic Participation Form has been completed fully and signed by the Participant.



ACCÉNUATE LIMITED
(Incorporated in the Republic of South Africa)
(Registration number 2004/029691/06)
Share code: ACE ISIN: ZAE000115986
("Accénuate" or "the Company")

PRUTA SECURITIES (JERSEY) LIMITED

PRUTA SECURITIES (JERSEY) LIMITED
(Incorporated in Jersey)
(Registration Number: 8465)
("the Offeror")

FORM OF PROXY – GENERAL MEETING

Where appropriate and applicable the terms defined in the Circular to which this form of proxy is attached and forms part of shall bear the same meaning in this form of proxy.

For use by the holders of Certificated Accénuate Shares and/or Dematerialised Accénuate Shares held through a Participant or broker who have selected own-name registration, registered as such at the close of business on the Voting Record Date, at a meeting of Shareholders to be held at 09:00 on Monday, 28 December 2020 at Accénuate's registered office being Accénuate, 32 Steele Street, Steeledale, 2197 ("General Meeting") or any postponement or adjournment thereof. The form of proxy may also be handed to the Chairman of the General Meeting or adjourned General Meeting before the General Meeting is due to commence or recommence.

Holders of Accénuate Dematerialised Accénuate Shares who have not selected own-name registration must inform their Participant or broker timeously of their intention to attend and vote at the General Meeting or be represented by proxy thereat in order for the Participant or broker to issue them with the necessary letter of representation to do so or provide the Participant or broker timeously with their voting instruction should they not wish to attend the General Meeting in order for the Participant or broker to vote in accordance with their instructions at the General Meeting.

I/We (full name in block letters please)

of (address)

Telephone: (work) area code ()

Telephone: (home) area code ()

Cell phone number:

E-mail address:

being the holder of

Shares in Accénuate, hereby appoint (see note):

1. _____ or failing him/her

2. _____ or failing him/her

3. the Chairperson of the General Meeting,

as my/our proxy to act for me/us on my/our behalf at the General Meeting in accordance with the following instructions (see note 2):

		Number of shares		
		For *	Against *	Abstain *
Special Resolution Number 1	Approval of the Scheme in terms of sections 114 and 115 of the Companies Act			
Special Resolution Number 2	Revocation of Special Resolution Number 1 In Terms of Section 164(9) (C) of the Companies Act			
Ordinary resolution number 1	Authorisation of directors			
Ordinary resolution number 2	Approval for the Delisting in terms of paragraphs 1.15(a) and 1.16 of the Listings Requirements			

* One vote per share held by Accénuate Shareholders recorded in the Register on the Voting Record Date.

Signed at _____ on _____ 2020

Signature *

Assisted by me (where applicable)

NOTES:

1. A Shareholder may insert the name of a proxy or the names of two alternative proxies of the Shareholder's choice in the space(s) provided. The person whose name appears 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. A proxy appointed by a Shareholder in terms hereof may not delegate his authority to act on behalf of the Shareholder to any other person.
3. A Shareholder's instructions to the proxy must be indicated by the insertion of the relevant number of votes exercisable by the Shareholder in the appropriate box provided. Failure to comply with the above will be deemed to authorise the proxy to vote or abstain from voting at the General Meeting as he deems fit in respect of all Shareholder's votes exercisable thereat.
4. Forms of proxy must be lodged at or posted to Transfer Secretaries Computershare Investor Services Proprietary Limited Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196, to be received by not later than 09:00 on Wednesday, 23 December 2020 or not less than 48 hours (excluding Saturdays, Sundays and official Public Holidays) before the recommencement of any adjourned or postponed meeting, or handed to the Chairman before the General Meeting is due to commence or recommence.
5. The completion and lodging of this form of proxy will not preclude the relevant Shareholder from attending the General Meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof, should such Shareholder wish to do so. In addition to the foregoing, a Shareholder may revoke the proxy appointment by (i) cancelling it in writing or making a later inconsistent appointment of a proxy; and (ii) delivering a copy of the revocation instrument to the proxy, and to Accéтуate. The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy's authority to act on behalf of the Shareholder as at the later of the date stated in the revocation instrument, if any; or the date on which the revocation instrument was delivered in the required manner.
6. The Chairman of the General Meeting may reject or accept any form of proxy which is completed and/or received otherwise than in accordance with these notes, provided that, in respect of acceptances, he is satisfied as to the manner in which the Shareholder(s) concerned wish(es) to vote.
7. Each Shareholder is entitled to appoint one or more proxies (none of whom need be a member of Accéтуate) to attend, speak and vote in place of that Shareholder at the General Meeting.
8. Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity must be attached to this form of proxy unless previously recorded by Accéтуate or Computershare Investor Services Proprietary Limited or waived by the Chairman of the General Meeting.
9. Any alteration or correction made to this form of proxy must be initialled by the signatory(ies).
10. Where there are joint holders of shares:
 - 10.1 any one holder may sign the form of proxy; and
 - 10.2 the vote of the senior (for that purpose seniority will be determined by the order in which the names of Shareholders appear in the Register of members) who tenders a vote (whether in person or by proxy) will be accepted to the exclusion of the vote(s) of the other joint holder(s) of Accéтуate Shares.
11. This form of proxy may be used at any adjournment or postponement of the General Meeting, including any postponement due to a lack of quorum, unless withdrawn by the Shareholder.
12. The foregoing notes contain a summary of the relevant provisions of section 58 of the Companies Act, as required in terms of that section. In addition, an extract from the Companies Act reflecting the provisions of section 58 of the Companies Act is attached as Annexure A to this form of proxy.

EXTRACT FROM THE COMPANIES ACT

"58. Shareholder right to be represented by proxy

- (1) At any time, a Shareholder of a Company may appoint any individual, including an individual who is not a Shareholder of that Company, as a proxy to:
 - (a) participate in, and speak and vote at, a Shareholders meeting on behalf of the Shareholder; or
 - (b) give or withhold written consent on behalf of the Shareholder to a decision contemplated in section 60.
- (2) A proxy appointment:
 - (a) must be in writing, dated and signed by the Shareholder; and
 - (b) remains valid for:
 - (i) one year after the date on which it was signed; or
 - (ii) any longer or shorter period expressly set out in the appointment,unless it is revoked in a manner contemplated in subsection (4)(c) or expires earlier as contemplated in subsection (8 (d).
- (3) Except to the extent that the Memorandum of Incorporation of a Company provides otherwise:
 - (a) a Shareholder of that Company may appoint two or more persons concurrently as proxies, and may appoint more than one proxy to exercise voting rights attached to different securities held by the Shareholder;
 - (b) a proxy may delegate the proxy's authority to act on behalf of the Shareholder to another person, subject to any restriction set out in the instrument appointing the proxy; and
 - (c) a copy of the instrument appointing a proxy must be delivered to the Company, or to any other person on behalf of the Company before the proxy exercises any rights of the Shareholder at a Shareholders meeting.
- (4) Irrespective of the form of instrument used to appoint a proxy:
 - (a) the appointment is suspended at any time and to the extent that the Shareholder chooses to act directly and in person in the exercise of any rights as a Shareholder.
 - (b) the appointment is revocable unless the proxy appointment expressly states otherwise; and
 - (c) if the appointment is revocable, a Shareholder may revoke the proxy appointment by:
 - (i) cancelling it in writing, or making a later inconsistent appointment of a proxy; and
 - (ii) delivering a copy of the revocation instrument to the proxy, and to the Company.
- (5) The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy's authority to act on behalf of the Shareholder as of the later of:
 - (a) the date stated in the revocation instrument, if any; or
 - (b) the date on which the revocation instrument was delivered as required in subsection (4)(c)(ii).
- (6) If the instrument appointing a proxy or proxies has been delivered to a Company, as long as that appointment remains in effect, any notice that is required by this Act or the Company's Memorandum of Incorporation to be delivered by the Company to the Shareholder must be delivered by the Company to:
 - (a) the Shareholder; or
 - (b) the proxy or proxies if the Shareholder has:
 - (i) directed the Company to do so, in writing; and
 - (ii) paid any reasonable fee charged by the Company for doing so.
- (7) A proxy is entitled to exercise, or abstain from exercising, any voting right of the Shareholder without direction, except to the extent that the Memorandum of Incorporation, or the instrument appointing the proxy, provides otherwise.

- (8) If a Company issues an invitation to Shareholders to appoint one or more persons named by the Company as a proxy, or supplies a form of instrument for appointing a proxy:
- (a) the invitation must be sent to every Shareholder who is entitled to notice of the meeting at which the proxy is intended to be exercised;
 - (b) the invitation, or form of instrument supplied by the Company for the purpose of appointing a proxy, must:
 - (i) bear a reasonably prominent summary of the rights established by this section;
 - (ii) contain adequate blank space, immediately preceding the name or names of any person or persons named in it, to enable a Shareholder to write in the name and, if so desired, an alternative name of a proxy chosen by the Shareholder; and
 - (iii) provide adequate space for the Shareholder to indicate whether the appointed proxy is to vote in favour of or against any resolution or resolutions to be put at the meeting, or is to abstain from voting;
 - (c) the Company must not require that the proxy appointment be made irrevocable; and
 - (d) the proxy appointment remains valid only until the end of the meeting at which it was intended to be used, subject to subsection (5).
- (9) Subsection (8)(b) and (d) do not apply if the Company merely supplies a generally available standard form of proxy appointment on request by a Shareholder.”



ACCÉNTUATE LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 2004/029691/06)

Share code: ACE ISIN: ZAE000115986

("Accéntuate" or "the Company")

PRUTA SECURITIES (JERSEY) LIMITED

PRUTA SECURITIES (JERSEY) LIMITED

(Incorporated in Jersey)

(Registration Number: 8465)

("the Offeror")

FORM OF SURRENDER AND TRANSFER – SCHEME OF ARRANGEMENT FOR USE BY CERTIFICATED SHAREHOLDERS ONLY

INSTRUCTIONS:

HOLDERS OF DEMATERIALISED ACCÉNTUATE SHARES MUST NOT COMPLETE THIS FORM OF SURRENDER AND TRANSFER

Where appropriate and applicable the terms defined in the Circular to which this form of surrender and transfer is attached and forms part of shall bear the same meaning in this form of surrender and transfer.

Important notes concerning this Form:

- This Form is only for use in respect of the scheme of arrangement proposed by the Accéntuate Board between Accéntuate and Eligible Shareholders holding Certificated Shares ("Certificated Eligible Shareholders") in accordance with the requirements of section 114(1) of the Companies Act.
- Full details of the Scheme are contained in the Circular to which this Form is attached and forms part.
- This Form is attached for the use by Certificated Eligible Shareholders who if the Scheme becomes operative, will be required to surrender their Documents of Title in respect of all their Accéntuate Shares in order to claim the Scheme Consideration payable to them.
- HOLDERS OF DEMATERIALISED SHARES MUST NOT COMPLETE THIS FORM.

INSTRUCTIONS:

1. The surrender of Documents of Title is for use only by Scheme Participants who are Certificated Shareholders.
2. A separate Form is required for each Certificated Scheme Participant.
3. Shareholders must complete this Form in BLOCK CAPITALS.
4. **Part A** must be completed by all Certificated Eligible Shareholders who return this Form.
5. **Part B** must be completed by a Certificated Eligible Shareholders who completed Part A and who is an emigrant from, or non-resident of, South Africa, the Republic of Namibia and the Kingdoms of Lesotho and Swaziland (collectively "the Common Monetary Area").
6. **Part C** must be completed by Certificated Eligible Shareholders who completed Part A and who elect to receive the Scheme Consideration to be made by way of the electronic flow of funds.
7. If this Form is returned with the relevant Documents of Title to the Scheme Shares, it will be treated as a conditional surrender which is made subject to the Scheme becoming operative. In the event of the Scheme not becoming operative for any reason whatsoever the Transfer Secretaries will, by not later than five Business Days after the date upon which it becomes known that the Scheme will not be operative, return the Documents of Title to the Shareholders concerned, by registered post, at the risk of such Shareholders.
8. Persons who have acquired Accéntuate Shares after the date of the issue of the Circular to which this Form is attached, may obtain copies of the Form and the Circular from the Transfer Secretaries, Computershare Investor Services Proprietary Limited, Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196.
9. The Scheme Consideration will not be sent to Certificated Scheme Participants unless and until Documents of Title in respect of the relevant Scheme Shares have been surrendered to the Transfer Secretaries.
10. The completed Form and the Documents of Title in respect of the Scheme Shares surrendered must be returned by not later than 12:00 on the Scheme Record Date to:

The Transfer Secretaries,
Computershare Investor Services Proprietary Limited
Rosebank Towers
15 Biermann Avenue
Rosebank
2196
(Private Bag X9000, Saxonwold, 2132)

Dear Sirs

PART A: TO BE COMPLETED BY ALL CERTIFICATED ELIGIBLE SHAREHOLDERS WHO RETURN THIS FORM

I/We, the undersigned Scheme Participant, hereby surrender and enclose the undermentioned Accéntuate Share certificate/s and/or other Documents of Title attached hereto, representing all the Scheme Shares, registered in the name of the person mentioned below and authorise the Transfer Secretaries, conditional upon the Scheme becoming operative, to register the transfer of these Scheme Shares into the name of Pruta Securities (Jersey) Limited or its nominee(s) as follows:

Name of Shareholder	Certificate number(s) (in numerical order)	Number of Scheme Shares covered by each certificate enclosed
Total		

Surname or Name of juristic person/name of trust together with the name of each trustee:

Identify number/registration number/Master's reference number and identify numbers of each trustee:

Address to which the Scheme Consideration should be sent (if different from registered address)

Postal code:

Signature of Scheme Participant:	Stamp and address of agent lodging this form
Assisted by me (if applicable):	
State full name and capacity:	
Date:	
Telephone number (Home) ()	
Telephone number (Work) ()	
Cell phone number ()	

Note:

In order to comply with the Financial Intelligence Centre Act, 2001 (Act 38 of 2001) ("FICA"), the Transfer Secretaries will be unable to record any change of address unless the following documentation is received:

- an original certified copy of your identity document;
- an original certified copy of a document issued by the South African Revenue Services to verify your tax number. If you do not have one, please submit this in writing and have the letter signed by a Commissioner of Oaths; and
- an original or original certified copy of a service bill to verify your residential address.

Notes and instructions:

1. Applications under this Form are irrevocable and may not be withdrawn once submitted.
2. Scheme Participants should consult their professional advisors in case of doubt as to the correct completion of this Form.
3. Emigrants from the Common Monetary Area must complete Part B.
4. All other non-residents of the Common Monetary Area must also complete Part B if they wish the Scheme Consideration to be paid to an Authorised Dealer in South Africa.
5. If Part B is not properly completed by Certificated Shareholders, the Scheme Consideration will be held in trust by the Transfer Secretaries pending receipt of the necessary nomination or instruction. No interest will be paid on the amount so held in trust.
6. No receipts will be issued for documents lodged unless specifically requested. In compliance with the requirements of the JSE, lodging agents are requested to prepare special transaction receipts, if required. Signatories may be called upon for evidence of their authority or capacity to sign this Form.
7. Persons who are emigrants from the Common Monetary Area should nominate the Authorised Dealer in foreign exchange in South Africa which has control of their blocked assets in Part B of this Form. Failing such nomination, the Scheme Consideration due to such Scheme Participants in accordance with the provisions of the Scheme will be held by Accénuate, pending instructions from the Scheme Participants concerned.
8. Any alteration to this Form must be signed in full and not initialed.
9. If this Form is signed under a power of attorney, then such power of attorney, or a notarially certified copy thereof, must be sent with this Form for noting (unless it has already been noted by Accénuate or the Transfer Secretaries). This does not apply in the event of this Form bearing a JSE broker's stamp.
10. Where the Scheme Participant is a company or a close corporation, unless it has already been registered with Accénuate or the Transfer Secretaries, a certified copy of the directors' or members' resolution authorising the signing of this Form must be submitted if so requested by Accénuate or the Transfer Secretaries.
11. If this Form is not signed by the Scheme Participant, the Scheme Participant will be deemed to have irrevocably appointed the Transfer Secretaries to implement the Scheme Participant's obligations under the Scheme on his or her behalf.
12. Where there are any joint holders of any Scheme Shares, only that holder whose name stands first in the Register in respect of such Shares need sign this Form.
13. A minor must be assisted by his or her parent or guardian unless the relevant documents establishing his or her legal capacity are produced or have been registered by the Transfer Secretaries.
14. Should you surrender your Documents of Title in anticipation of the Scheme becoming operative and the Scheme then does not become operative, the Transfer Secretaries shall, within five Business Days of either the date upon which it becomes known that the Scheme will not be implemented or on receipt by the Transfer Secretaries of the relevant Documents of Title, whichever is the later, return the Documents of Title to you by registered post at your risk. If the Scheme is not implemented and the Standby Offer is implemented, and you have accepted the Standby Offer then the provisions of this 14 shall not apply.



ACCÉNTUATE LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 2004/029691/06)

Share code: ACE ISIN: ZAE000115986

("Accéntuate" or "the Company")

PRUTA SECURITIES (JERSEY) LIMITED

PRUTA SECURITIES (JERSEY) LIMITED

(Incorporated in Jersey)

(Registration Number: 8465)

("the Offeror")

FORM OF SURRENDER AND TRANSFER – STANDBY OFFER FOR USE BY CERTIFICATED SHAREHOLDERS ONLY

INSTRUCTIONS:

HOLDERS OF DEMATERIALISED ACCÉNTUATE SHARES MUST NOT COMPLETE THIS FORM OF SURRENDER AND TRANSFER

Where appropriate and applicable the terms defined in the Circular to which this form of surrender and transfer is attached and forms part of shall bear the same meaning in this form of surrender and transfer.

Important notes concerning this Form:

- This Form is only for use in respect of the Standby Offer to be made to the Accéntuate and Eligible Shareholders holding Certificated Shares ("Certificated Eligible Shareholders") in accordance with the requirements of section 117(1)(c)(v) of the Companies Act and paragraph 1.15(c) of the Listings Requirements.
- Full details of the Standby Offer are contained in the Circular to which this Form is attached and forms part.
- This Form is attached for the use by Certificated Eligible Shareholders who if the Delisting is approved, wishes to accept the Standby Offer and surrender their Documents of Title in respect of all their Accéntuate Shares in order to claim the Standby Offer Consideration payable to them.
- HOLDERS OF DEMATERIALISED SHARES MUST NOT COMPLETE THIS FORM.

INSTRUCTIONS:

1. The surrender of Documents of Title is for use only by eligible shareholders who are Certificated Eligible Shareholders.
2. A separate Form is required for each Certificated Eligible Shareholder.
3. Shareholders must complete this Form in BLOCK CAPITALS.
4. **Part A** must be completed by all Certificated Eligible Shareholders who return this Form.
5. **Part B** must be completed by a Certificated Eligible Shareholders who completed Part A and who is an emigrant from, or non-resident of, South Africa, the Republic of Namibia and the Kingdoms of Lesotho and Swaziland (collectively "the Common Monetary Area").
6. **Part C** must be completed by Certificated Eligible Shareholders who completed Part A and who elect to receive the Standby Offer Consideration to be made by way of the electronic flow of funds.
7. The completed Form and the Documents of Title in respect of the Standby Offer Shares Tendered must be returned to the Transfer Secretaries so as to be received by not later than 12:00 on the Standby Offer Closing Date.
8. Once this 'Form of Acceptance and Transfer' is received by the Transfer Secretaries, your acceptance of the Standby Offer will be final, and you may not withdraw your acceptance unless expressly permitted by the Companies Regulations.
9. If you do not validly accept the Standby Offer by 09:00 on the Standby Offer Closing Date, you will be deemed to have declined the Standby Offer. Late acceptances may be accepted or rejected at the absolute and sole discretion of the Company.
10. If this Form is returned with the relevant Documents of Title to the Standby Offer Shares, it will be treated as a conditional surrender which is made subject to the Standby Offer becoming wholly unconditional. In the event of the Standby Offer not becoming wholly unconditional for any reason whatsoever, the Transfer Secretaries will, by not later than 5 (five) Business Days after the date upon which it becomes known that the Standby Offer will not become wholly unconditional, return the Documents of Title to the Shareholders concerned, by registered post, at the risk of such Shareholders.

Persons who have acquired Accéntuate Shares after the date of the issue of the Circular to which this Form is attached, may obtain copies of the Form and the Circular from the Transfer Secretaries, Computershare Investor Services Proprietary Limited, Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196.

11. The Standby Offer Consideration will not be sent to Certificated Eligible Shareholders unless and until Documents of Title in respect of the relevant Standby Offer Shares have been surrendered to the Transfer Secretaries.
12. The completed Form and the Documents of Title in respect of the Standby Offer Shares surrendered must be returned by not later than 12:00 on the Scheme Record Date.

To: The Transfer Secretaries,
Computershare Investor Services Proprietary Limited
Rosebank Towers
15 Biermann Avenue
Rosebank
2196
(Private Bag X9000, Saxonwold, 2132)

PART B: TO BE COMPLETED BY A CERTIFICATED ELIGIBLE SHAREHOLDER WHO COMPLETED PART A AND WHO IS AN EMIGRANT FROM, OR NON-RESIDENT OF, THE COMMON MONETARY AREA. (see notes 3 and 4 below).

In the case of Certificated Eligible Shareholders who are emigrants: The Standby Offer Consideration will be posted or transferred (at the risk of the Certificated Eligible Shareholders) to the Authorised Dealer nominated by the Certificated Eligible Shareholders below for its control and credited to the emigrant's blocked account. Accordingly, non-residents who are emigrants must provide the following information: NB PART A must also be completed

Name of Authorised Dealer:	Stamp and address of agent lodging this form (if any)
Account number:	
Address:	
Signature of Authorised Dealer:	

If emigrants make no nomination above, the Company Secretary will hold the consideration in trust for the benefit of the emigrants concerned until lawfully claimed by such Scheme Participant for a maximum period of five years, after which such funds shall be paid over to the Guardian's Fund. Non-residents must complete Part B if they wish the Scheme Consideration to be paid to an Authorised Dealer in South Africa.

In the case of all other Certificated Eligible Shareholders: The Scheme Consideration will be posted, to the registered address of the non-resident concerned, unless written instructions to the contrary are received and a substitute address is provided below (in each case at the risk of the Certificated Eligible Shareholder):

Substitute address:	Stamp and address of agent lodging this form (if any)
Signature of Shareholder:	
Name of Authorised Dealer:	
Signature of Authorised Dealer:	

PART C: TO BE COMPLETED BY CERTIFICATED ELIGIBLE SHAREHOLDERS WHO COMPLETED PART A AND WHO ELECT TO RECEIVE THE STANDBY OFFER CONSIDERATION TO BE MADE BY WAY OF THE ELECTRONIC FLOW OF FUNDS.

To be completed in BLOCK CAPITALS by Accéntuate Shareholders wishing to receive payment of the Standby Offer Consideration by means of EFT.

I/We, being a holder/s of Accéntuate Shares hereby request that the Standby Offer Consideration be electronically deposited into my/our bank account, the details of which are as follows:

Name of account holder (no third-party accounts): _____

Bank name: _____ Branch name: _____ Branch code: _____

Account number: _____

Signature of Shareholder: _____

Assisted by me (if applicable): _____

(State full name and capacity): _____

Date: _____

Tel (Home) () _____ Tel (Work) () _____ Cell phone () _____

In terms of FICA, the Transfer Secretaries will only be able to record the bank details if certified true copies of the Shareholder's ID Document and Bank Statement are submitted with this Form.

Accéntuate undertakes no responsibility for verification of the banking details provided above nor for the authenticity of the signature above. Certificated Eligible Shareholders warrant the correctness of the above banking details and indemnify and hold Accéntuate harmless against any loss for funds having been paid into the account, details of which have been provided above.

Notes and instructions:

1. Applications under this Form are irrevocable and may not be withdrawn once submitted.
2. Eligible Shareholders should consult their professional advisors in case of doubt as to the correct completion of this Form.
3. Emigrants from the Common Monetary Area must complete Part B.
4. All other non-residents of the Common Monetary Area must also complete Part B if they wish the Standby Offer Consideration to be paid to an Authorised Dealer in South Africa.
5. If Part B is not properly completed by Certificated Shareholders, the Scheme Consideration will be held in trust by the Transfer Secretaries pending receipt of the necessary nomination or instruction. No interest will be paid on the amount so held in trust.
6. No receipts will be issued for documents lodged unless specifically requested. In compliance with the requirements of the JSE, lodging agents are requested to prepare special transaction receipts, if required. Signatories may be called upon for evidence of their authority or capacity to sign this Form.
7. Persons who are emigrants from the Common Monetary Area should nominate the Authorised Dealer in foreign exchange in South Africa which has control of their blocked assets in Part B of this Form. Failing such nomination, the Standby Offer Consideration due to such Eligible Shareholders in accordance with the provisions of the Scheme will be held by Accéntuate, pending instructions from the Scheme Eligible Shareholders concerned.
8. Any alteration to this Form must be signed in full and not initialed.
9. If this Form is signed under a power of attorney, then such power of attorney, or a notarially certified copy thereof, must be sent with this Form for noting (unless it has already been noted by Accéntuate or the Transfer Secretaries). This does not apply in the event of this Form bearing a JSE broker's stamp.
10. Where the Eligible Shareholders is a company or a close corporation, unless it has already been registered with Accéntuate or the Transfer Secretaries, a certified copy of the directors' or members' resolution authorising the signing of this Form must be submitted if so requested by Accéntuate or the Transfer Secretaries.
11. If this Form is not signed by the Eligible Shareholder, the Eligible Shareholder will be deemed to have irrevocably appointed the Transfer Secretaries to implement the Eligible Shareholders' obligations under the Standby Offer on his or her behalf.
12. Where there are any joint holders of any Standby Offer, only that holder whose name stands first in the Register in respect of such Standby Offer Shares need sign this Form.
13. A minor must be assisted by his or her parent or guardian unless the relevant documents establishing his or her legal capacity are produced or have been registered by the Transfer Secretaries.
14. Should you surrender your Documents of Title in anticipation of the Standby Offer becoming operative and the Standby Offer and the Scheme then do not become operative, the Transfer Secretaries shall, within five Business Days of either the date upon which it becomes known that the Standby Offer and the Scheme will not be implemented or on receipt by the Transfer Secretaries of the relevant Documents of Title, whichever is the later, return the Documents of Title to you by registered post at your risk.

