

ECSPONENT LIMITED

Incorporated in the Republic of South Africa
Registration number: 1998/013215/06
JSE Code: ECS - ISIN: ZAE000179594
Debt Issuer Code: ECSD
("the Company" or "Ecsponent")

RENEWAL OF THE CAUTIONARY ANNOUNCEMENT

Shareholders are referred to the various announcements issued by the Company during the past three months in respect of:

1. The issue of a circular to Security Holders setting out details regarding proposed amendments to the Memorandum of Incorporation ("**MOI Amendments**"). If the MOI Amendments:
 - a) are approved by the requisite majority of Security Holders, the terms applicable to the current preference shares will be amended ("**Amended Preference Shares**") and the Amended Preference Shares will be transferred from Debt Instruments to Hybrid Instruments on the JSE List and the preference shares will be reclassified from financial liabilities to equity; or
 - b) are not approved by the requisite majority of Security Holders, the relevant preference shares will be converted to ordinary shares.
2. An announcement regarding a proposed specific issue of shares for cash relating to the issue of 8,808,624,705 ordinary shares to MHMK Group Limited ("**MHMK Group**") at a subscription price of ZAR0.0245 per ordinary share ("**Specific Issue**"), resulting in a total subscription consideration of ZAR215 811 305. The subscription consideration will not be paid in cash but will be offset against a claim owing to the MHMK Group, thereby reducing the Company's liabilities owing to the MHMK Group by ZAR215 811 305.

In addition to the above, the Board has advised that it is assessing various possibilities to restructure the group's balance sheet, and to obtain additional equity capital, and ensure a continued solvent position.

Having regard to the above factors, the outcomes of which are currently unknown and may have a material impact on the Company's share price, shareholders are advised to continue to exercise caution when dealing in the Company's securities until a further announcement is made.

For more information about this announcement or the Ecsponent group, email investor.relations@ecsponent.com or visit www.ecsponentlimited.com/investor-relations

7 May 2020
Pretoria

Sponsor to Ecsponent
Questco Corporate Advisory (Pty) Ltd