

THIS OFFER IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to the action you should take in relation to the contents of this Offer, please consult your central securities depository participant (**CSDP**), stockbroker, banker, accountant, attorney or other professional advisor immediately. Full particulars of the action required by AgriRewards Participants are set out on page 2 of this Offer.

SENWES LIMITED

ISIN NUMBER: ZAEZ00000018
(Incorporated in the Republic of South Africa)
(Registration number 1997/005336/07)
(**Senwes** or the **Company**)

CONVERSION OFFER TO AGRIREWARDS PARTICIPANTS

(Offer)

regarding

**THE ELECTION TO CONVERT THE AGRIREWARDS BENEFITS INTO ORDINARY
SHARES IN SENWES**

Date of issue: 1 October 2019

**Appointed Advisor
Senwes Limited
EM Joynt
Per e-mail: elmarie.joynt@senwes.co.za
claudi.smit@senwes.co.za
Telefax: 086 680 3124 or 018-464 2228**

**Transfer Secretaries
Senwes Limited
By e-mail:
elmarie.joynt@senwes.co.za
claudi.smit@senwes.co.za
Telefax: 086 680 3124 or 018-464 2228**

Copies of this Offer (in Afrikaans or English) may be obtained from the Senwes website, www.agrirewards.co.za and from the registered office of Senwes situated at 1 Charel de Klerk Street, Klerksdorp 2570. This will be made available on 30 September 2019

ACTION REQUIRED BY AGRIREWARDS PARTICIPANTS

The following information pertains to all AgriRewards Participants (“*Participants*”).

- In accordance with the AgriRewards Loyalty Scheme Rules, approved by the board of directors of the company, ordinary shares in the company (“*Senwes Shares*”) are being offered to AgriRewards Participants on the Record date, being registered Participants as at 30 April 2019.
- Instead of paying the cash accumulated benefits as a bonus (“*AgriRewards benefits*”) over the period of the AgriRewards Scheme, AgriRewards Participants now have the option to receive, in lieu of the AgriRewards benefits, fully paid ordinary Senwes shares (“*Senwes Shares*”).
- The entitlement to participate in the conversion of the AgriRewards benefits is restricted to AgriRewards Participants on the Record date.
- AgriRewards Participants that elect to take up this Offer shall only be able to do so for the full AgriRewards benefits and not a portion thereof.
- No further action is required by Participants who do not wish to respond to the Senwes Shares offer or do not wish to take up the Offer.
- Should you wish to take up the Senwes Shares, you must complete the attached election form and return it to the Appointed Advisor to the Company (Senwes Limited) during normal business hours, marked for the attention of the Company Secretary of Senwes, at 1 Charel de Klerk Street, Klerksdorp or via email to Elmarie.Joynt@senwes.co.za or Claudi.Smit@senwes.co.za. You can also exercise your election electronically by going to www.agrirewards.co.za
- Your election to receive the Senwes Shares must either be received by the Appointed Advisor of the company (Senwes) by no later than 17:00 on 31 October 2019 or submitted electronically by no later than 17:00 on 31 October 2019. Any form containing your election that is received after this date and time, will be rejected.
- AgriRewards Participants should take note that in accordance with the AgriRewards Scheme Rules, the Senwes Shares shall automatically be ceded and pledged as security for any credit facilities at Senwes Credit.
- Upon acceptance of this Offer, the AgriRewards Benefits shall be replaced with Senwes Shares and a Participant shall not have any claim of whatsoever nature against the Company.

THE ATTENTION OF PARTICIPANTS IS DRAWN TO THE FACT THAT SHOULD THEY NOT ACTION THE CONTENTS OF THIS OFFER, THEY WILL BE DEEMED TO HAVE ELECTED TO KEEP THE BENEFITS ACCUMULATED IN AGRIREWARDS

SALIENT DATES AND TIMES

	2019
Announce the Offer (ZAPS)	30 September
Record date for determining which Participants may receive the Offer	30 April
Publish the Offer and form of election/e-mail the Offer	1 October at 8:00
Opening date of Offer	1 October at 9:00
Closing Date to elect to convert to shares. Forms of election to reach the Transfer Secretary by 17:00	31 October at 17:00
Completed CSDP and Broker Mandates plus FICA documentation	To be provided before the Closing Date
Finalisation	7 November
CSDP/broker accounts credited/updated with the shares, as applicable	8 November
Announcement relating to the results	11 November

All times provided are South African local times. The above dates and times are subject to change. Any change will be announced on ZAPS.

CORPORATE INFORMATION OF THE COMPANY

Company secretary and registered office of Senwes / Transfer secretary

EM Joynt
Senwes Limited
1 Charel de Klerk Street
KLERKSDORP
2570
South Africa

(PO Box 31, Klerksdorp, 2570)
Tel no. +27 (018) 464 7104

The licenced exchange:

ZAR X (Proprietary) Limited
(Registration number 2015/089692/07)
First Floor
Jindal Africa Building
22 Kildoon Road
Bryanston
JOHANNESBURG
2021
South Africa

Tel no. +27 (010) 442 5500

Appointed Advisor in terms of the ZAR X Listing Requirements:

EM Joynt
1 Charel de Klerk Street
KLERKSDORP
2570
South Africa

(PO Box 31, Klerksdorp, 2570)
Tel no. +27 (018) 464 7104

Central Securities Depository:

Strate (Proprietary) Limited
(Registration number: 1998/022242/07)
1st Floor
9 Fricker Road
Illovo Boulevard
Illovo
SANDTON
2196
South Africa

Tel no. +27 (011) 759 5300

Central Security Depository Participant:

Computershare (Proprietary) Limited
(Registration number: 2000/006082/07)
Rosebank Towers
15 Biermann Avenue
ROSEBANK
2196
South Africa

(PO Box 61051, Marshalltown, 2107)
Tel no. +27 (011) 370 5000

INTERPRETATIONS AND DEFINITIONS

In this Offer, unless otherwise stated or the context indicates otherwise, the words and phrases in the first column shall have the meanings stated opposite to them in the second column, references to the singular shall include the plural and *vice versa*, words denoting one gender shall include the other gender and expressions denoting natural persons shall include juristic persons and associations of persons:

"Act"	means the Companies Act, No 71 of 2008, as amended;
"AgriRewards"	means the deferred bonus scheme in terms of which Senwes allocates a large portion of its profits on an annual basis to customers to reward them for their loyal business during the year as per the AgriRewards Scheme Rules.
"AgriRewards Participant"	means a customer that has registered for AgriRewards and accepted the terms and conditions of the AgriRewards Scheme Rules available on www.agrirewards.co.za ;
"Announcement"	means the announcement published by Senwes regarding the Offer;
"Appointed Advisor"	means the Company Secretary of Senwes, appointed as such to ensure compliance with the Listing Requirements as provided for in paragraph 13 of the Listing Requirements;
"Business Day"	means any day except any Saturday, any Sunday, or any day which is a public holiday in South Africa or any day gazetted as such;
"Closing Date"	means the closing date of the Offer;
"Common Monetary Area"	means South Africa, Namibia, Lesotho and Swaziland as one monetary union;
"Cession and Pledge"	means the cession and pledge of the Senwes Shares as per the AgriRewards rules which are to be applied as security for credit facilities at Senwes in the event that the AgriRewards Participant has any such facilities at Senwes;
"CSD"	means STRATE (Proprietary) Limited, the Central Securities Depository that has been appointed to provide the infrastructure for holding the uncertificated securities and which infrastructure will provide the clearing and settlement services for the Senwes shares traded on ZAR X;
"CSDP"	means Computershare (Pty) Limited, the Central Securities Depository Participant, as required by the FMA; that perform the custody and administration services for the Exchange;
"Dematerialised Shares" or "Uncertificated"	means shares that are not evidenced by a certificate or written instrument and are transferable by entry without a written instrument in accordance with the provisions of the MOI and the FMA;
"Exchange" or "ZAR X"	means ZAR X (Proprietary) Limited, the licenced exchange in terms of the FMA, on which the Senwes shares are listed and traded;
"FMA"	means the Financial Markets Act, No. 19 of 2012, as amended;
"FICA"	means the requirements to " <i>Know your Client</i> ", as provided in the Financial Intelligence Centre Act no. 38 of 2001 and applicable to Senwes as an accountable institution;
"Form of Election"	means the form of election by an AgriRewards Participant that elects to accept the Offer as contained herein and which has to be completed and provided to the Secretary on or before the Closing Date;
"Implementation Date"	means the date on which the Offer will be implemented.

"Listing Requirements"	means the ZAR X listing requirements;
"MOI"	means the memorandum of incorporation of the company;
"Offer"	means this Offer to AgriRewards Participants to elect voluntarily to convert the AgriRewards Benefits so accumulated as at the record date into Senwes Shares and upon the Implementation Date to become shareholders of Senwes;
"Opening Date"	means the opening date in respect of the Offer;
"R" or "rand"	means South African rand, the official currency of South Africa;
"Record Date"	means 30 April 2019;
"Secretary"	means the company secretary of Senwes;
"Security Transfer Tax"	means security transfer tax as provided in the Securities Transfer Tax Act 25 of 2007, together with the Securities Transfer Tax Administration Act, No. 26 of 2007, which is 0.25% of the value of the Senwes Shares, if applicable;
"Senwes"	means Senwes Limited, registration number 1997/005336/06, a public company duly registered and incorporated with limited liability under the laws of South Africa;
"Senwes Board" or "Senwes Directors"	means the board of directors of Senwes;
"Senwes Shares"	means Senwes Shares offered and to be allotted and transferred to AgriRewards Participants who accepted the Offer;
"Senwes Group Auditors" or "EY" or 'Independent External Auditors"	means Ernst & Young Incorporated, registration number 2005/002308/21, a company duly incorporated and registered in accordance with the laws of South Africa;
"Senwes Shares"	means ordinary shares in the share capital of Senwes, having a par value of R0.005162473 (zero point zero zero five one six two four seven three rand) each;
"Transfer Secretary"	means the Company Secretary of Senwes;
"Uncertificated Securities"	means Dematerialised Shares as provided in the FMA;
"VAT"	means the value added tax levied in terms of the Value Added Tax Act, No 89 of 1991, as amended; and
"ZAPS"	means the ZAR X publishing service which communicates issuer news to shareholders.

OFFER TO AGRIREWARDS PARTICIPANTS

1. INTRODUCTION

- 1.1 AgriRewards is a deferred bonus scheme in terms of which Senwes allocates a large portion of its profits on an annual basis to customers to reward them for their loyal business during the year. The bonus is to be paid in the form of cash in the year that follows the allocation. The focus of the programme is to make a significant investment back to the customers and help them build a strong fund, based on the extent of business they have been doing with Senwes.
- 1.2 Bonus allocations are made depending on the extent of business done with the qualifying business units during the relevant financial year. The allocated bonus will be paid in cash 16 (sixteen) years after allocation and participation is not automatic. Customers must register and accept the terms and conditions of AgriRewards as to participate in the scheme. (“**AgriRewards Participants**”).
- 1.3 The benefits of AgriRewards are:
- It rewards clients with a bonus for doing business with Senwes;
 - The bonus is used as security for Senwes Credit.
 - That it will convert in cash after 16 (sixteen) years after allocation.
- 1.4 As soon as the annual allocation occurs, the company has an unconditional obligation to pay out the AgriRewards Benefits at the end of the Scheme or the termination thereof by the Board. The decision is not at the discretion of the Board, like many other similar schemes in the agricultural market.
- 1.5 The Company resolved to convert the AgriRewards Benefits due to AgriRewards Participants to Senwes Shares at the voluntary election of such AgriRewards Participants.
- 1.6 Senwes is listed on ZAR X and Senwes Shares taken up are fully dematerialised. AgriRewards Participants who elect to take up the Senwes Shares, are obliged in terms of the FMA to open an account at the CSDP. The procedures are explained comprehensively below.

2 RATIONALE

The election by Participants to receive the Senwes Shares instead of the AgriRewards Benefits affords Participants the opportunity to take up shareholding in Senwes and, at the same time, provides flexibility for those Participants who wish to unlock the AgriRewards’ current value immediately.

The Senwes Shares are freely negotiable on the ZAR X exchange and may therefore be traded upon transfer and allocation to each AgriRewards Participant. The AgriRewards benefits will therefore be a liquid asset for Participants who elect to accept the conversion. Participants shall also be able to share in dividends that are paid from time to time. The listing circular and live trading data are available on www.zarx.co.za

3 THE AWARD OF THE ORDINARY SHARES OR THE ELECTION TO RECEIVE THE SENWES SHARES

- 3.1 Participants will be entitled to receive the Senwes Shares in respect of all AgriRewards benefits accumulated on the Record Date (30 April 2019).
- 3.2 The entitlement to take up the Senwes Shares may not be exercised in part.
- 3.3 The number of Shares to which a Participant will be entitled is contained in the covering letter addressed to each individual AgriRewards Participant as each allocation is different dependent upon the participation of an AgriRewards Participant on the Record date in the AgriRewards Scheme.

- 3.4 Participants electing to receive the Senwes Shares must note that the election is irrevocable and, once an election to receive the Senwes Shares is made, it cannot be cancelled.
- 3.5 The Company's share capital comprises of ordinary shares that all rank *pari passu* in all respects with a par value of 0.00516247373 cents:

Authorised share capital	581 116 758
Issued share capital	180 789 308

All the shares carry voting rights and in the event of a meeting by ballot in terms of the MOI, each share carries one vote. There are no special or preference rights attached to the Senwes shares in terms of the MOI.

- 3.6 The Senwes Shares are currently being housed as treasury stock in Senwes Capital (Proprietary) Limited, a wholly-owned subsidiary of Senwes. Senwes Capital holds enough shares in Senwes to fulfil its obligations in terms of the Offer should all the AgriRewards Participants elect to accept the Offer.
- 3.7 The Senwes Shares are listed and are fully uncertificated. Senwes shares will be credited to an account at the CSDP in the name of each shareholder, after acceptance of this Offer. The Secretary will provide each shareholder of confirmation thereof after the Implementation Date.
- 3.8 Senwes does not accept any responsibility, and will not be held liable for any damages, for any action on the part of, or omission by any CSDP, broker or other agent of any AgriRewards Participant to react to this Offer or their failure to act in accordance with any instructions issued in term of this Offer.
- 3.9 ZAR X is the licenced exchange for the trading of shares in Senwes Limited and Senwes acts as the:
- i) **Market Participant (main Broker)** attending to the trading as per instruction from Shareholders and/or Investors;
 - ii) **the Transfer Secretary**, attending to the maintenance of the share registers; and
 - iii) **the Appointed Advisor**, who ensure that the listing requirements are being complied with.
- 3.10 After the conversion of the AgriRewards Benefits into shares, AgriRewards Participants are entitled to elect a broker of choice, other than Senwes, as there are multiple brokers acting as market participants on ZAR X. Please refer to <https://www.ZAR X.co.za/broker-list>.
- 3.11 Senwes will pay all the brokerage, costs, STT and VAT on behalf of Participants who elect to take up the Offer for Senwes Shares. After the transfer and allocation of the Senwes Shares on the Implementation date, Participants shall be Senwes shareholders and shall be liable for any costs pertaining to the subsequent trading of shares on ZAR X. The costs include the costs of the CSD and CSDP. For more comprehensive particulars regarding the trading of shares, refer to <http://www.senwes.co.za/en-za/investors/shares/senwes>
- 3.12 **Fractions**
- Trading on ZAR X in the Strate environment does not permit fractions and fractional entitlements. Should the AgriRewards Benefits referred to in paragraph 3 give rise to a fraction of a Share, the number of Shares will be rounded up to the nearest whole number.
- 3.13 **Nominee companies**
- In terms of the Listing Requirements, nominee companies may not open a CSD account at the CSDP.

3.14 Tax implications after take up of Senwes Shares

- 3.14.1 The Income Tax Act, 58 of 1962 (***Income Tax Act***) provides that Senwes Shares, unless a shareholder is exempted, will be subject to dividend withholding tax (***DWT***). In the case of a South African resident Shareholder who is not exempted, the DWT rate is 20% (twenty per centum) of the Senwes Shares. Non-resident Participants may be subject to DWT at a rate of less than 20%, depending on their country of residence and the applicability of any Double Tax Agreement between South Africa and their country of residence.
- 3.14.2 The subsequent disposal of Shares obtained as a result of this Offer, is likely to have Income Tax or Capital Gains Tax (***CGT***) implications. Senwes' income tax reference number is 9418001617.

4 FOREIGN PARTICIPANTS

- 4.1 This Offer, and the rights to receive the Ordinary Shares in jurisdictions other than the Republic of South Africa, may be restricted by law and any failure to comply with those restrictions may constitute a violation of the securities laws of such jurisdictions. Accordingly, Participants will not be entitled to receive the Senwes shares, directly or indirectly, in those jurisdictions and shall be deemed not to have elected the Ordinary Shares alternative.
- 4.2 Such non-resident Participants should inform themselves about and observe any applicable legal requirements in such jurisdictions. It is the responsibility of non-resident Participants to satisfy themselves as to the full observance of the laws and regulatory requirements of the relevant jurisdictions in respect of the Ordinary Shares, including the obtaining of any governmental, exchange control or other consents or the making of any filing which may be required, compliance with other necessary formalities and payment of any issue, transfer or other taxes or other requisite payments due in such jurisdictions. Participants who have any doubt as to their position, including, without limitation, their tax status, should consult an appropriate advisor in the relevant jurisdictions without delay.

5 PROCEDURE TO OPEN AN ACCOUNT AT THE CSDP

- 5.1 Participants who do **not** wish to receive any Senwes Shares do not need to take any further action.
- 5.2 Participants who wish to receive the Senwes Shares must, on or before 17:00 on 31 October 2019 (the Closing Date), complete the attached election form and return it to the Appointed Advisor to the Company (Senwes Limited) during normal business hours, marked for the attention of the Company Secretary of Senwes, at 1 Charel de Klerk Street, Klerksdorp or via email to Elmarie.Joynt@senwes.co.za or Claudi.Smit@senwes.co.za or exercise the election electronically by going to www.agrirewards.co.za.
- 5.3 It is important to note that before the Senwes Shares shall be issued and allocated, Participants **must** have an SDA account at Computershare as the CSDP in terms of the FMA.
- 5.4 **To enable the opening of an SDA account the AgriRewards Participant shall, upon election to convert the AgriRewards Benefits, be obliged to provide the following to Senwes as the Transfer Secretary:**
- a) A completed and signed Computershare mandate;
 - b) a signed Broker Mandate Agreement; and
 - c) the complete FICA documentation required in terms of money laundering legislation. No share transaction may take place without this documentation;

all of which are available at the Transfer Secretary. The Transfer Secretary shall contact each AgriRewards Participant who elects to take up the offer as to assist with the opening of the SDA account. In the event that a Participant fails to provide the FICA documentation before the Closing Date, the acceptance of the Offer may be rejected as the transfer and allocation of the Senwes Shares shall not possible without these documents.

5.5 The Participants' SDA accounts will be credited and updated with the Senwes Shares on the Implementation Date, in accordance with the election made.

6 EXCHANGE CONTROL REGULATIONS

6.1 Any Shares issued to emigrant Participants from the Common Monetary Area will be credited to their blocked share accounts at the CSDP controlling their blocked portfolios. Any Shares issued to a non-resident of the Common Monetary Area will be credited to such non-residents' CSDP or broker accounts and a "non-resident" annotation will appear in the CSDP or broker register.

6.2 Any Senwes Share payments paid out of the Company's distributable profits to non-residents and emigrant Participants from the Common Monetary Area are freely transferable and will be credited to the CSDP or brokers controlling their portfolios.

7 FINANCIAL STATEMENTS

The comprehensive audited financial statements as audited by the external auditors, the EY audit report and interim financial statements (unaudited) for the Company are accessible and available on www.senwes.co.za.

8. APPLICABLE LAW

This Offer is to be governed, interpreted and implemented in accordance with the laws of the Republic of South Africa.

This Offer is available in Afrikaans and English. Copies of this Offer may be obtained from the registered office of Senwes.

For and on behalf of the board of directors



EM Joynt
GROUP COMPANY SECRETARY /
APPOINTED ADVISOR

SENWES LIMITED
1 Charel de Klerk Street
Klerksdorp
2570

30 September 2019

SENWES LIMITED
ISIN NUMBER: ZAEZ00000018
(Incorporated in the Republic of South Africa)
(Registration number 1997/005336/07)
(**Senwes** or the **Company**)

AGRIREWARDS PARTICIPATION ELECTION FORM

The definitions and interpretations in the Offer shall apply *mutatis mutandis* to this section.

Important:

1. Participants who wish to exercise the election to receive the Senwes Shares must complete the following sections of this document:
 - 1.1 **PART A**
 - 1.2 **PART B**
2. The details of the terms of the Senwes Shares offer are contained in the Offer, which this form is attached to, and are hereby incorporated by reference as if repeated herein.
3. Please read the instructions on the next page. Failure to follow the instructions may cause this document to be rejected and it will be deemed that you did not accept the Offer.
4. If you have any doubt about how to complete the document, consult your banker, broker, attorney, accountant, auditor or other professional advisor immediately.
5. Election forms will be rejected if they are not received by the Appointed Advisor (Senwes) at the address indicated below on or before the Closing Date (17:00 on 31 October 2019).
6. A properly completed election form is required for each AgriRewards Participant who wishes to participate in the Offer.

Participants who wish to elect to receive the Senwes Shares must submit a fully completed election form:

1. **by hand or by mail to the Appointed Advisor; or**
2. **by e-mail to the Appointed Advisor at Elmarie.Joynt@senwes.co.za or Claudi.Smit@senwes.co.za,**
3. **electronically on www.agrirewards.co.za**

in order to reach Senwes as Appointed Advisor to the Company no later than 17:00 on 31 October 2019; or may make the election electronically by no later than 17:00 on 31 October 2019 by going to www.agrirewards.co.za

The address for the Appointed Advisor (Senwes):

Street address: 1 Charel de Klerk Street, KLERKSDORP, 2571

Postal address: PO Box 31, KLERKSDORP, 2570

PART A: DETAILS OF AGRIREWARDS PARTICIPANT WHO ELECTS TO ACCEPT THE SENWES SHARES OFFER

Full Names and Surname of the AGRIREWARDS PARTICIPANT:

.....

Postal address:

.....

.....

ID/Registration number:

Telephone number: **Cell phone no:**

E-mail:

Customer number: **Shareholder number (if any)**

PART B: ACCEPTANCE OF THE SENWES SHARES OFFER

Indicate your acceptance by ticking the applicable blocks with a cross and signing this form.

ACCEPTANCE: I/We accept the Senwes Shares offer on the terms and conditions as indicated in the Offer in lieu of the AgriRewards Benefits.	
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Signed at _____ on _____ 2019.

Signature

Signature

Assisted by (where applicable)

Pls e-mail: Elmarie.Joynt@senwes.co.za
 or
 Claudi.Smit@senwes.co.za