

Accordant Group Limited

Independent Adviser's Report

In Respect of the Issue of Ordinary Shares to the Trustees of the S. A. Hull Family Trust No. 2

Appraisal Report

In Respect of the Issue of Ordinary Shares to Related Parties

March 2026

Statement of Independence

Simmons Corporate Finance Limited confirms that it:

- has no conflict of interest that could affect its ability to provide an unbiased report; and
- has no direct or indirect pecuniary or other interest in the proposed transactions considered in this report, including any success or contingency fee or remuneration, other than to receive the cash fee for providing this report.

Simmons Corporate Finance Limited has satisfied the Takeovers Panel, on the basis of the material provided to the Takeovers Panel, that it is independent under the Takeovers Code for the purposes of preparing this report.

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1. Introduction

1.1 Background

Accordant Group Limited (**Accordant** or the **Company**) is New Zealand's leading recruitment and resourcing company, with capability spanning all aspects of executive, commercial and industrial recruitment services including permanent, temporary and contractor assignments.

Accordant's ordinary shares are listed on the main equities security market operated by NZX Limited (the **NZX Main Board**). Accordant had a market capitalisation of \$10.2 million as at 23 March 2026.

Accordant's current share capital structure consists of 2 classes of shares:

- 34,325,542 ordinary shares, of which 406,809 shares are held by Accordant as treasury stock. The treasury stock shares do not count towards the number of exercisable voting rights in the Company
- 800,000 restricted shares issued under the Company's employee share plan. The restricted shares confer voting rights.

For the purposes of this report, Accordant is deemed to currently have 34,718,733 securities on issue with voting rights, consisting of:

- 33,918,733 ordinary shares (ie excluding the treasury stock)
- 800,000 restricted shares.

A profile of Accordant is set out in section 4.

1.2 S. A. Hull Family Trust No. 2 and its Associates

Hull Family Trust

The S. A. Hull Family Trust No. 2 (the **Hull Family Trust**) is Accordant's largest shareholder, holding 18,194,598 ordinary shares in the Company, representing:

- 53.01% of the Company's total ordinary shares on issue
- 51.80% of the Company's total shares on issue (ordinary shares and restricted shares)
- 52.41% of the Company's total voting rights.

The trustees of the Hull Family Trust are Simon Hull and David Cox.

Mr Hull is the founder of the Company and is a director of Accordant.

The beneficiaries of the Hull Family Trust are Simon Hull and his children.

Hull Associates

Peter Hull (deceased) and Antoinette Edmonds are Accordant's eighth largest shareholder, holding 372,696 ordinary shares, representing:

- 1.09% of the Company's total ordinary shares on issue
- 1.06% of the Company's total shares on issue
- 1.07% of the Company's total voting rights.

Antoinette Edmonds is a relative of Simon Hull.

We refer to Antoinette Edmonds as the **Associated Shareholder**.

We refer to the Hull Family Trust and Antoinette Edmonds collectively as the **Hull Associates**.

1.3 Rights Issue

Accordant is looking to raise up to approximately \$6.7 million of fresh equity through the issue of up to 44,574,312 new fully paid ordinary shares (the **New Shares**) at an issue price of \$0.15 per share (the **Issue Price**) by way of a 1.269 for 1 pro rata renounceable rights offer of New Shares (the **Rights Issue**).

The Rights Issue is to be made to eligible shareholders in New Zealand only (the **Eligible Shareholders**).

The minimum amount that must be raised in order for the Rights Issue to proceed is \$5.0 million (the **Minimum Amount**), representing 33,333,334 New Shares.

If the Minimum Amount is not achieved, the Rights Issue will be withdrawn in full.

Hull Allotment

The Hull Family Trust has confirmed to Accordant that it will subscribe for a minimum of \$3.25 million worth of New Shares (21,666,667 New Shares) (the **Minimum Hull Subscription**) of its pro rata entitlement under the Rights Issue (23,088,944 New Shares).

The Minimum Hull Subscription represents:

- 93.84% of the Hull Family Trust's pro rata entitlement
- 65% of the Minimum Amount.

We refer to the issue of New Shares to the Hull Family Trust under the Rights Issue as the **Hull Allotment**.

The Hull Allotment is conditional on shareholder approval.

In order to ensure that the Minimum Amount is raised, Accordant is seeking shareholder approval for the issue of up to 31,431,983 New Shares to the Hull Family Trust (the **Maximum Hull Subscription**).

The Maximum Hull Subscription represents:

- an investment of approximately \$4.7 million
- 136.13% of the Hull Family's Trust's pro rata entitlement
- 94.3% of the Minimum Amount.

The Maximum Hull Subscription, together with other committed subscriptions, will ensure that the Minimum Amount will be met.

We note that the Hull Family Trust has made no commitment to Accordant that it will subscribe for the Maximum Hull Subscription.

We understand that the Associated Shareholder has made no commitment to Accordant that she will subscribe for her entitlement under the Rights Issue.

Shortfall Facility and Related Parties Allotments

Eligible Shareholders who take up their rights in full will be entitled to apply for additional New Shares under a shortfall facility (the **Shortfall Facility**) in relation to rights that are not validly exercised, including rights attributable to ineligible shareholders which have not been exercised by the closing date (the **Shortfall Shares**).

Third party investors approved by the Accordant board of directors (the **Board**) may also apply for Shortfall Shares (the **Shortfall Investors**).

Accordant will also permit certain directors and senior managers of the Company (the **Related Parties**) to potentially apply for any remaining Shortfall Shares (the **Remaining Shortfall Shares**) if needed in order for the Rights Issue to reach the Minimum Amount and thereafter to accommodate subscriptions by Accordant's chief executive officer and chief financial officer for approximately \$110,000 of Shortfall Shares (the **Committed CEO CFO Subscription**).

The Related Parties are:

- the Hull Family Trust
- Simon Bennett (the Company's independent chair)
- Nick Simcock (an independent director of Accordant)
- Richard Stone (an independent director of Accordant)
- Bella Takiari-Brame (an independent director of Accordant)
- Jason Cherrington (the Company's chief executive officer)
- Rod Hyde (the Company's chief financial officer)

and entities or trusts controlled by them.

For the sake of completeness, we note that the Associated Shareholder is not deemed to be a Related Party.

We refer to the issue of Remaining Shortfall Shares to the Related Parties under the Rights Issue as the **Related Parties Allotments**.

1.4 Impact on Control of Voting Rights

The Hull Family Trust currently controls 52.41% of the Company's voting rights and the Hull Associates collectively control 53.48% of the Company's voting rights.

The Company's shareholders not associated with the Hull Family Trust (the **Non-Hull-associated Shareholders**) currently collectively hold 47.14% of the Company's total shares on issue (including restricted shares), representing 46.52% of the Company's voting rights.

Minimum Hull Subscription Scenario

In order for the Rights Issue to Proceed, Accordant must raise the Minimum Amount of \$5.0 million through the issue of 33,333,334 New Shares.

If the Hull Family Trust subscribes for 21,666,667 New Shares (ie the Minimum Hull Subscription), the Associated Shareholder does not take up any of her entitlements and the Non-Hull-associated Shareholders subscribe for 11,666,667 New Shares so that the Minimum Amount is met, Accordant will issue 33,333,334 New Shares (the **Minimum Hull Subscription Scenario**).

Impact of the Hull Allotment on Voting Rights Levels – Minimum Hull Subscription Scenario					
	Current		New Shares No. of Shares	Post the Rights Issue	
	No. of Voting Rights	%		No. of Voting Rights	%
Hull Family Trust	18,194,598	52.41%	21,666,667 ¹	39,861,265	58.57%
Associated Shareholder	372,696	1.07%	- ²	372,696	0.55%
Non-Hull-associated Shareholders	16,151,439	46.52%	11,666,667 ³	27,818,106	40.88%
Total	34,718,733	100.00%	33,333,334	68,052,067	100.00%

1 Minimum Hull Subscription
2 Associated Shareholder subscribes for no New Shares
3 Non-Hull-associated Shareholders subscribe for 11,666,667 New Shares so that the Minimum Amount is met

Under this hypothetical scenario:

- the Rights Issue will raise \$5.0 million
- the Hull Family Trust will control 58.57% of the voting rights of the Company
- the Hull Associates will collectively control 59.12% of the voting rights of the Company
- the Non-Hull-associated Shareholders will collectively control 40.88% of the Company's voting rights.

Pro Rata Scenario

If all of the Company's shareholders (ie the Hull Family Trust, the Associated Shareholder and the Non-Hull-associated Shareholders) fully subscribe for their pro rata entitlements under the Rights Issue, Accordant will issue 44,574,312 New Shares and each shareholder's shareholding level and control of voting rights will remain relatively the same as immediately prior to the Rights Issue (the **Pro Rata Scenario**).

Impact of the Hull Allotment on Voting Rights Levels – Pro Rata Scenario					
	Current		New Shares No. of Shares	Post the Rights Issue	
	No. of Voting Rights	%		No. of Voting Rights	%
Hull Family Trust	18,194,598	52.41%	23,088,944 ¹	41,283,542	52.06%
Associated Shareholder	372,696	1.07%	472,951 ¹	845,647	1.07%
Non-Hull-associated Shareholders	16,151,439	46.52%	21,012,417 ¹	37,163,856	46.87%
Total	34,718,733	100.00%	44,574,312	79,293,045	100.00%

1 Every shareholder subscribes for their pro rata entitlement

Under this scenario, the Rights Issue will raise approximately \$6.7 million and all shareholders will (by and large) maintain their current levels of control of voting rights in the Company.

The very minor difference is due to the 406,809 ordinary shares held by Accordant as treasury stock do not confer voting rights but technically are entitled to subscribe for New Shares (and therefore those New Shares are included in the number of New Shares subscribed for by the Non-Hull-associated Shareholders in the scenario).

Maximum Hull Subscription Scenario

In the extreme scenario of the Hull Family Trust subscribing for 31,431,983 New Shares (ie the Maximum Hull Subscription), the Associated Shareholder does not take up any of her entitlements and the Non-Hull-associated Shareholders subscribing for 1,901,351 New Shares so that the Minimum Amount is met, Accordant will issue 33,333,334 New Shares (the **Maximum Hull Subscription Scenario**).

Impact of the Hull Allotment on Voting Rights Levels – Maximum Hull Subscription Scenario					
	Current		New Shares No. of Shares	Post the Rights Issue	
	No. of Voting Rights	%		No. of Voting Rights	%
The Hull Family Trust	18,194,598	52.41%	31,431,983 ¹	49,626,581	72.92%
Associated Shareholder	372,696	1.07%	- ²	372,696	0.55%
Non-Hull-associated Shareholders	16,151,439	46.52%	1,901,351 ³	18,052,790	26.53%
Total	34,718,733	100.00%	33,333,334	68,052,067	100.00%

1 Hull Family Trust subscribes for the maximum number of New Shares for which shareholder approval is sought
2 Associated Shareholder subscribes for no New Shares
3 Non-Hull-associated Shareholders subscribe for 1,901,351 New Shares so that the Minimum Amount is met

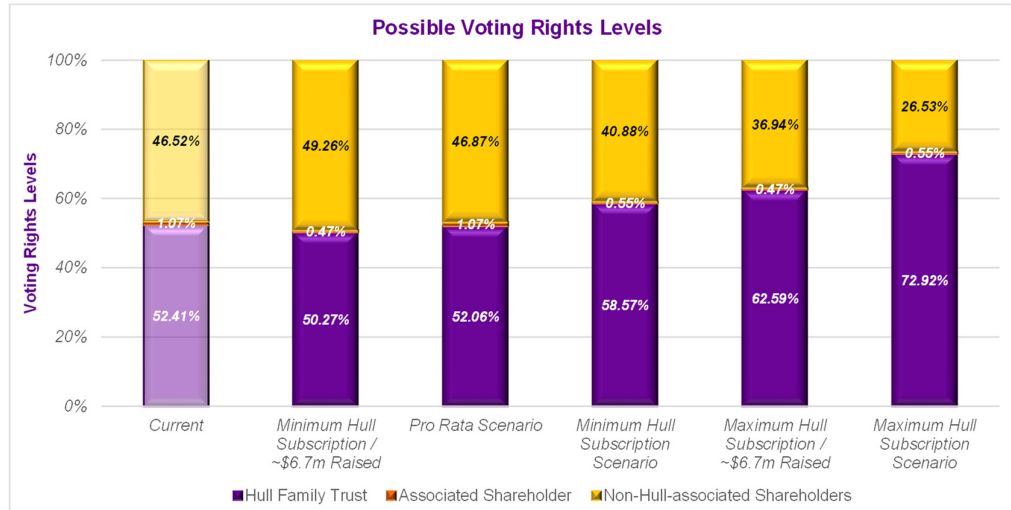
Under this hypothetical scenario:

- the Rights Issue will raise \$5.0 million
- the Hull Family Trust will control 72.92% of the voting rights in the Company
- the Hull Associates will collectively control 73.47% of the voting rights in the Company
- the Non-Hull-associated Shareholders will collectively control 26.53% of the Company's voting rights.

Possible Voting Rights Levels

The graph that follows sets out the range of possible voting rights levels for the Hull Family Trust, the Associated Shareholder and the Non-Hull-associated Shareholders, based on:

- whether the Rights Issue raises the Minimum Amount or the full amount of approximately \$6.7 million
- the level of subscription by the Hull Family Trust
- the overall level of subscription by the Company's shareholders.



This shows that following the Hull Allotment:

- the Hull Family Trust’s control of voting rights will be between 50.27% and 72.92%, compared with 52.41% at present
- the Associated Shareholder’s control of voting rights will be between 0.47% and 1.07%, compared with 1.07% at present
- the Hull Associates’ collective control of the voting rights will be between 50.74% and 73.47%, compared with 53.48% at present
- the Non-Hull-associated Shareholders will collectively control between 26.53% and 49.26% of the Company’s voting rights, compared with 46.52% at present.

Any subscription by the Non-Hull-associated Shareholders for their entitlements under the Rights Issue will have the effect of reducing the Hull Family Trust’s control of voting rights arising from the Hull Allotment.

1.5 Summary of Opinion

Takeovers Code

Our evaluation of the merits of the Hull Allotment as required under the Takeovers Code (the **Code**) is set out in section 2.

In our opinion, after having regard to all relevant factors, the positive aspects of the Hull Allotment outweigh the negative aspects from the perspective of the Non-Hull-associated Shareholders.

NZX Listing Rules

Our evaluation of the fairness of the Related Parties Allotments as required under the NZX Listing Rules (the **Listing Rules**) is set out in section 3.

In our opinion, after having regard to all relevant factors, the terms and conditions of the Related Parties Allotments are fair to the Company’s shareholders not associated with the Related Parties (the **Non-Related Parties-associated Shareholders**).

1.6 Special Meeting

The Company's shareholders will vote at the Company's special meeting of shareholders on 16 April 2026 on 2 resolutions:

- resolution 1 – the issue of up to 31,431,983 New Shares to the Hull Family Trust under the Hull Allotment (the **Hull Resolution**)
- resolution 2 – the issue of New Shares to one or more of the Related Parties up to the number of Remaining Shortfall Shares required to meet the Minimum Amount and thereafter to accommodate the Committed CEO CFO Subscription under the Related Parties Allotments (the **Related Parties Resolution**).

The Hull Resolution and the Related Parties Resolution are both ordinary resolutions which are passed by a simple majority of votes of those shareholders entitled to vote and who vote on the resolution.

The trustees of the Hull Family Trust and their associates (as defined in the Code) are not permitted to vote on the Hull Resolution.

The Related Parties and their Associated Shareholders (as defined in the Listing Rules) are not permitted to vote on the Related Parties Resolution.

The Related Parties Resolution is dependent upon the Hull Resolution being approved. If the Hull Resolution is not approved, then the Rights Issue cannot proceed and therefore the Related Parties Resolution will not be put forward to be voted on at the special meeting of shareholders.

1.7 Regulatory Requirements

Takeovers Code

Accordant is a *code company* as defined in section 2A of the Takeovers Act 1993 (as its shares are listed on the NZX Main Board) and is subject to the provisions of the Code.

Rule 6 of the Code prohibits:

- a person who holds or controls no voting rights or less than 20% of the voting rights in a code company from holding or controlling an increased percentage of the voting rights in the code company unless, after that event, that person and that person's associates hold or control in total not more than 20% of the voting rights in the code company
- a person who holds or controls 20% or more of the voting rights in a code company from holding or controlling an increased percentage of the voting rights in the code company

unless done in compliance with exceptions to this fundamental rule.

One of the exceptions, set out in Rule 7(d) of the Code, enables a person to become a holder or controller of an increased percentage of voting rights by an allotment of voting securities in the code company if the allotment is approved by an ordinary resolution of the code company (on which neither that person, nor any of its associates, may vote).

If the Hull Family Trust is issued the maximum number of New Shares under the Hull Allotment, the Hull Family Trust will increase its control of the voting rights in Accordant from 52.41% to up to 72.92% (depending on the number of New Shares that the Hull Family Trust, the Associated Shareholder and the Non-Hull-associated Shareholders subscribe for under the Rights Issue).

Accordingly, in accordance with the Code, the Non-Hull-associated Shareholders will vote at the Company's special meeting on the Hull Resolution.

Rule 18 of the Code requires the directors of a code company to obtain an Independent Adviser's Report on the merits of an allotment under Rule 7(d).

This Independent Adviser's Report is to be included in, or accompany, the notice of meeting pursuant to Rule 16(h).

NZX Listing Rules

Listing Rule 5.2.1 stipulates that an Issuer must not enter into a Material Transaction if a Related Party is a party to the Material Transaction or to one of a related series of transactions of which the Material Transaction forms part unless the Material Transaction is approved by way of an ordinary resolution from shareholders not associated with the Related Party.

The Shortfall Facility may be a Material Transaction depending on the number of Remaining Shortfall Shares available under it as they may be worth more than 10% of Accordant's average market capitalisation (being approximately \$1 million). If this occurs and all Shortfall Shares are not allocated to the initial Shortfall Facility subscribers, the Related Parties may participate in the Shortfall Facility for any Remaining Shortfall Shares, if needed to meet the Minimum Amount and thereafter to accommodate the Committed CEO CFO Subscription.

The Related Parties' participation would require shareholders' approval under the Listing Rule 5.2.1. So as to maximise the likelihood that the Minimum Amount is reached, the Board considers it prudent to seek this approval.

Accordingly, in accordance with the Listing Rules, the Non-Related Parties-associated Shareholders will vote at the Company's special meeting on the Related Parties Resolution.

Listing Rule 7.8.8 (b) requires an Appraisal Report to be prepared where a meeting will consider a resolution required by Listing Rule 5.2.1.

1.8 Purpose of the Report

The Company's directors not associated with the Hull Family Trust, being Simon Bennett, Nick Simcock, Richard Stone and Bella Takiari-Brame (the **Non-associated Directors**) have engaged Simmons Corporate Finance Limited (**Simmons Corporate Finance**) to prepare an Independent Adviser's Report on the merits of the Hull Allotment in accordance with Rule 18 of the Code.

Simmons Corporate Finance was approved by the Takeovers Panel on 22 January 2026 to prepare the Independent Adviser's Report.

The Non-associated Directors have also engaged Simmons Corporate Finance to prepare an Appraisal Report on the fairness of the Related Parties Allotments in accordance with Listing Rule 7.8.8 (b).

Simmons Corporate Finance was approved by NZ RegCo on 11 February 2026 to prepare the Appraisal Report.

Simmons Corporate Finance issues this Independent Adviser's Report and Appraisal Report to the Non-associated Directors for the benefit of:

- the Non-Hull-associated Shareholders to assist them in forming their own opinion on whether to vote for or against the Hull Resolution
- the Non-Related Parties-associated Shareholders to assist them in forming their own opinion on whether to vote for or against the Related Parties Resolution.

This Independent Adviser's Report and Appraisal Report is not to be used for any other purpose without our prior written consent.

2. Evaluation of the Merits of the Rights Issue (Including the Hull Allotment)

2.1 Basis of Evaluation

Rule 18 of the Code requires an evaluation of the merits of the Hull Allotment, having regard to the interests of the Non-Hull-associated Shareholders.

There is no legal definition of the term *merits* in either the Code or in any statute dealing with securities or commercial law in New Zealand.

In the absence of an explicit definition of *merits*, guidance can be taken from:

- the Takeovers Panel *Guidance Note on Independent Advisers* dated 1 November 2023
- definitions designed to address similar issues within New Zealand regulations which are relevant to the proposed transaction
- overseas precedents
- the ordinary meaning of the term *merits*.

The Hull Allotment is a function of the Rights Issue. Therefore, when assessing the merits of the Hull Allotment, we are of the view that an assessment of the merits of the Rights Issue also needs to be undertaken.

We are of the view that an assessment of the merits of the Rights Issue (including the Hull Allotment) should focus on:

- the rationale for the Rights Issue
- the terms and conditions of the Rights Issue
- the impact of the Rights Issue on Accordant's financial position
- the impact of the Rights Issue on the control of the Company
- the dilutionary impact of the Rights Issue
- the impact of the Rights Issue on Accordant's share price
- the benefits and disadvantages to the Non-Hull-associated Shareholders and the Hull Family Trust of the Rights Issue
- the likelihood of the Hull Resolution being approved
- the implications if the Hull Resolution is not approved.

Our opinion should be considered as a whole. Selecting portions of the evaluation without considering all the factors and analyses together could create a misleading view of the process underlying the opinion.

2.2 Summary of the Evaluation of the Merits of the Rights Issue (Including the Hull Allotment)

Our evaluation of the merits of the Rights Issue (including the Hull Allotment) is set out in detail in sections 2.3 to 2.14.

The Rights Issue will provide between \$5.0 million and approximately \$6.7 million of equity funding to Accordant, which the Board considers sufficient to reduce its bank borrowings to a more manageable and sustainable level.

The Hull Family Trust currently holds 53.01% of the Company's ordinary shares and controls 52.41% of the Company's voting rights. Following the Hull Allotment, the Hull Family Trust will control between 50.27% and 72.92% of the Company's voting rights (depending on how many New Shares it and the Associated Shareholder and the Non-Hull-associated Shareholders subscribe for under the Rights Issue).

In summary, the key positive aspects of the Rights Issue (including the Hull Allotment) are:

- the rationale for the Rights Issue is sound. The Rights Issue will provide between \$5.0 million and approximately \$6.7 million of fresh equity for the Company, allowing Accordant to reduce its borrowings from ASB Bank Limited (**ASB**) and to benefit from more favourable banking covenants
- the terms of the Rights Issue are reasonable:
 - all Eligible Shareholders are able to subscribe for their pro rata entitlement of the 44,574,312 New Shares
 - Eligible Shareholders who subscribe for their full entitlement will also have the opportunity to apply for additional Shortfall Shares
 - the Issue Price of \$0.15 per New Share is at a significant discount to the Company's current share price. The discount is at the upper end of what is typically observed in the market
 - the rights are renounceable, allowing those Eligible Shareholders who do not wish to take up their entitlements the opportunity to sell those rights. The rights will be quoted on the NZX Main Board
 - the Rights Issue is not being underwritten, but the Minimum Hull Subscription of \$3.25 million effectively underwrites 65% of the Minimum Amount at no cost to Accordant
- the Rights Issue will have a positive impact on the Company's financial position, raising up to approximately \$6.7 million of fresh equity which will be applied to reduce Accordant's ASB borrowings
- the Hull Allotment provides certainty that at least \$3.25 million will be raised under the Rights Issue if the Minimum Amount is met, representing 65% of the Minimum Account. The Hull Allotment also signals the Hull Family Trust's continued confidence in the future prospects of Accordant. Without the Hull Family Trust's commitment, the Board is not confident that the Minimum Amount can be met.

In summary, the key negative aspects of the Rights Issue (including the Hull Allotment) are:

- the Rights Issue is priced at a deep discount to the current share price. This will likely result in the Company's share price reducing after the Rights Issue. Non-Hull-associated Shareholders who do not take up their entitlements and do not sell their rights will potentially see a dilution in the value of their investment in the Company
- the Hull Family Trust's control of voting rights will be between 50.27% and 72.92% following the Hull Allotment, potentially increasing its ability to influence the outcome of shareholder voting to some degree
- the dilutionary impact of the Hull Allotment on Non-Hull-associated Shareholders not participating in the Rights Issue will result in their proportionate shareholdings in the Company reducing by between 49% and 56% following the Rights Issue (depending on how many New Shares are subscribed for). However, Non-Hull-associated Shareholders who are Eligible Shareholders have the opportunity to eliminate the dilutionary impact of the Hull Allotment by taking up their entitlements to the Rights Issue. Furthermore, Eligible Shareholders who take up their rights in full will have the opportunity to increase their shareholding in the Company by subscribing for Shortfall Shares
- the attraction of Accordant as a takeover target may diminish to a minor degree.

The Hull Allotment is unlikely to have any significant impact in the near term on the liquidity of Accordant's shares as trading in the Company's shares is extremely thin.

If the Hull Resolution is not approved, the Hull Allotment cannot proceed and therefore the Rights Issue will not proceed. Accordant will retain its current high level of bank debt and the associated interest cost burden. This would trigger an event of review under the Company's facility with ASB which could result in adverse effects on Accordant's financial position and financial performance.

There are a number of positive and negative features associated with the Rights Issue and the Hull Allotment. In our view, when the Non-Hull-associated Shareholders are evaluating the merits of the Rights Issue and the Hull Allotment, they need to carefully consider whether the negative aspects of the Rights Issue, (including the potential increase in the level of voting control that the Hull Family Trust may hold over the Company and the dilutionary impact of the Hull Allotment), could justify voting against the Hull Resolution with the outcome that the Rights Issue will not proceed and therefore Accordant will retain its current high level of bank debt and the associated interest cost burden.

In our opinion, after having regard to all relevant factors, the positive aspects of the Rights Issue (including the Hull Allotment) outweigh the negative aspects from the perspective of the Non-Hull-associated Shareholders.

2.3 Rationale for the Rights Issue

The Rights Issue will raise between \$5.0 million and approximately \$6.7 million of fresh equity for Accordant.

The Board has advised that the need for the capital is to reduce its ASB borrowings and thereby benefit from more favourable banking covenants.

Accordant had cash and cash equivalents of approximately \$1.1 million and ASB borrowings of \$28.0 million as at 30 September 2025. The Board expects that the Company will have approximately \$1.4 million of cash and \$32.0 million of ASB borrowings as at 31 March 2026.

Section 4.6 sets out an overview of Accordant's recent financial performance, which has deteriorated over the last 3 and a half years. This has resulted in the Company carrying higher debt levels than the Board considers to be optimal.

As a result, the Board has recently reviewed debt reduction options based upon improved trading and undertaking a capital raising. The Board engaged external advisers to assist it to consider all relevant options.

The Board considered a range of options to raise capital, reducing debt and / or refinancing Accordant's debt facilities, including debt reduction from ongoing trading and asset sales.

Despite the Board's expectations of improved financial performance for the Company in the next 2 years (based on the wider economic and labour market outlook and is discussed in detail in section 4 of the notice of special meeting), the Board considered that it would be prudent to immediately strengthen Accordant's capital structure, given that the pace of a wider economic recovery is out of Accordant's full control.

Accordingly, the Board assessed the possibilities for capital raising structures with its advisers, favouring pro rata structures. The conclusion of that process was to pursue a pro rata renounceable rights offer allowing all New Zealand shareholders to participate.

In selecting this structure, the Board had regard to the availability or otherwise of significant shareholder and third party support. The Hull Family Trust – Accordant's largest shareholder – confirmed its support for the Rights Issue to the Board.

The ASB facility matures in April 2027. In view of the Rights Offer, we understand that Accordant has agreed an amendment to its facility agreement with ASB to provide for more favourable covenants and an extension to April 2028, conditional on the Rights Offer successfully completing and debt to ASB being reduced by at least the Minimum Amount.

Under the amended facility, Accordant will need to agree with ASB any dividend payment while the EBITDA to net debt ratio is greater than 2.5x.

The Board is of the view that the revised covenants will provide the Company appropriate headroom as trading steadily improves in line with the Board's expectations as to economic recovery.

Conclusion

We consider the rationale for the Rights Issue to be sound. It will provide between \$5.0 million and approximately \$6.7 million of much needed fresh equity to be applied to reducing Accordant's ASB borrowings and lead to more favourable banking covenants.

2.4 Terms of the Rights Issue

Key Terms of the Rights Issue

The terms of the Rights Issue are set out in the *Renounceable Rights Offer* document which will be dated 30 March 2026 (the **Rights Issue Document**) and are summarised below:

- the Rights Issue entails the issue of up to 44,574,312 New Shares issued at \$0.15 per New Share to raise up to approximately \$6.7 million of fresh equity
- shareholders have the right to subscribe for their pro rata entitlement of the 44,574,312 New Shares on a 1.269 for 1 basis
- Eligible Shareholders who subscribe for their full pro rata entitlement also have the opportunity to apply for Shortfall Shares
- the rights are renounceable, meaning shareholders may sell or transfer any of their rights
- the rights will be quoted on the NZX Main Board
- the Rights Issue will not be underwritten
- the Rights Issue is conditional on Accordant obtaining any required approvals of its shareholders (including approval of the Hull Allotment under the Code). However, the Rights Issue is not conditional on the Related Parties Resolution being approved.

The Rights Issue will only proceed if:

- the Hull Resolution is approved, and
- the Company receives the Minimum Amount of \$5.0 million.

Size of the Rights Issue

We are advised by the Board that the size of the Rights Issue was largely based on discussions with the Hull Family Trust, which was willing to commit \$3.25 million to the capital raising on the proviso that its shareholding level was not diluted below a majority shareholding level. Therefore the Board set the amount of capital to be raised at the maximum which could be raised in light of the Hull Family Trust's commitment, so as to reduce debt as much as possible and stipulating that a minimum of \$5.0 million of capital must be raised.

Eligibility to Participate

Only existing shareholders who are resident in New Zealand may take up their rights entitlement.

Existing shareholders who are resident overseas are not eligible to take up their rights entitlement.

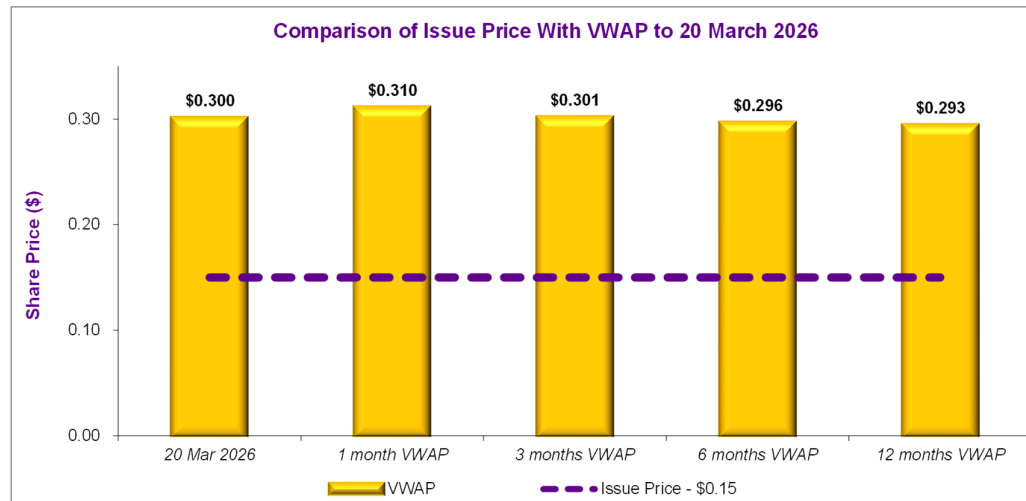
Accordant will make reasonable arrangements and attempts to sell the rights attributable to ineligible shareholders and pay the proceeds (less transaction costs) to the ineligible shareholders on a pro rata basis.

Issue Price

The Issue Price is \$0.15 per New Share, payable by direct debit upon application.

A summary of Accordant’s daily closing share price and monthly volumes of shares traded on the NZX Main Board from 3 January 2024 is set out in section 4.9.

The Company’s shares have traded between \$0.25 and \$0.38 over the past year at a volume weighted average share price (**VWAP**) of \$0.29.



Source: NZX Company Research

The Issue Price is at a deep discount to the prevailing share price prior to the formulation of the structure of the Rights Issue. The Board set the Issue Price at \$0.15 in conjunction with advice from its adviser, taking into account the circumstances of the capital raising, market evidence of other rights issues and the Company’s recent share trading prices.

The Issue Price of \$0.15 per share represents a discount of between 49% and 52% to the Company’s VWAP measured over various timeframes over the past year.

These levels of discount are at the upper end of the range of discounts observed for rights issues in New Zealand.

Based on Accordant’s one month VWAP up to 20 March 2026 of \$0.31 and a 1.269 for 1 rights offer at an Issue Price of \$0.15, the theoretical ex-rights price (**TERP**) is \$0.22 ($[\$0.31 \times 1 + \$0.15 \times 1.269] \div [1+1.269]$).

The Issue Price represents a discount of 32% to the TERP.

When rights issues are priced at a discount to the prevailing share price, this results in a transfer of value from shareholders who do not participate in the rights issue to shareholders who take up their entitlements.

All shareholders (including the Hull Family Trust) will subscribe for New Shares under the Rights Issue at the same price. Accordingly, the Hull Allotment will not give rise to any value transfers from the participating Non-Hull-associated Shareholders to the Hull Family Trust.

However, any Non-Hull-associated Shareholder who does not participate in the Rights Issue (by either subscribing for their entitlement of New Shares or by selling their rights) will suffer a value transfer to those shareholders who do participate in the Rights Issue.

Subscription for Shortfall Shares

Eligible Shareholders who take up their entitlements in full also have the opportunity to apply for Shortfall Shares above their pro rata entitlement.

To improve the likelihood that the full amount of the Rights Issue (and at least the Minimum Amount) is raised, approved Shortfall Investors (being persons approved by the Board and from whom the Board has sought or approved investment) may also apply for Shortfall Shares.

If there are Shortfall Shares remaining after satisfying applications from Eligible Shareholders and approved Shortfall Investors, the Related Parties may apply for and be issued Remaining Shortfall Shares, but only if needed to reach the Minimum Amount and thereafter to accommodate the Committed CEO CFO Subscription.

The Hull Family Trust is a Related Party and may subscribe for Remaining Shortfall Shares but will only be allocated Remaining Shortfall Shares if any remain after allocation to other Related Parties and if needed to reach the Minimum Amount.

Rights are Renounceable and will be Quoted on the NZX Main Board

The Rights Offer is renounceable, which means that Eligible Shareholders who do not wish to accept part or all of their entitlement may sell those rights.

The Company will apply to NZX to have the rights quoted on the NZX Main Board between 17 April 2026 and 30 April 2026. Depending upon the demand for the rights, Non-Hull-associated Shareholders not wishing to take up their entitlements may be able to sell part or all of their rights if there is a buyer for those rights.

Based on Accordant's one month VWAP up to 20 March 2026 of \$0.31 and the Issue Price of \$0.15, the theoretical value of each right is \$0.07 ($[\$0.31 - \$0.15] / [1.269 + 1]$).

No Underwrite

The Rights Issue is not being underwritten.

We are advised by the Board that given the size of Rights Issue, it determined that it would be difficult to secure an underwriter at a reasonable cost.

In general terms, the greater the discount of the subscription price for the new shares under a rights issue to the current share price, the lower the risk of the rights issue being under subscribed.

A discounted subscription price does not necessarily guarantee the full take-up of a rights issue. Other factors that impact on the likely level of subscription under a rights issue include the demand for the shares (ie liquidity and spread of shareholders), the quantum of the required investments and the general state of the equity markets.

The Hull Family Trust's commitment to the Minimum Hull Subscription of \$3.25 million effectively underwrites 65% of the Minimum Amount of \$5.0 million at no cost to Accordant.

Furthermore, the Shortfall Facility provides the opportunity for Eligible Shareholders, approved Shortfall Investors and the Related Parties to subscribe for Shortfall Shares to ensure the Minimum Amount is met.

Given the commitment by the Hull Family Trust to subscribe for at least \$3.25 million of New Shares and the significant discount of the Issue Price to Accordant's current share price, we consider the Board's decision to not underwrite the Rights Issue to be reasonable.

Conclusion

In our view, the terms of the Rights Issue are fair, from a financial point of view, to the Non-Hull-associated Shareholders:

- all Eligible Shareholders are able to subscribe for their pro rata entitlement
- Eligible Shareholders who subscribe for their full entitlement will also have the opportunity to apply for additional Shortfall Shares
- the Issue Price of \$0.15 per New Share is at a significant discount to the Company's current share price
- the rights are renounceable, allowing those Eligible Shareholders who do not wish to take up their entitlements to sell those rights
- the rights will be quoted on the NZX Main Board
- the Minimum Hull Subscription effectively underwrites 65% of the Minimum Amount at no cost to the Company.

2.5 Alternatives to the Rights Issue

As discussed in section 2.3, the Board, along with its external advisers, considered a number of alternative forms of capital raising and concluded that the Rights Issue was in the best interests of the Company's shareholders.

As an alternative to the Rights Issue, Accordant could have considered alternative forms of raising capital including:

- making a series of share placements to certain shareholders or other investors
- issuing convertible notes (CNs)
- the sale of assets
- seeking alternative debt funding.

We are advised by the Board that the alternative capital raising options were discounted in favour of the Rights Issue as they did not provide certainty that the required level of capital would be raised and / or were not deemed to be as equitable for the Company's shareholders.

We are of the view that the alternative funding sources are not realistic alternatives at this point in time. The approximately \$6.7 million of capital to be raised under the Rights Issue represents approximately 66% of Accordant's current market capitalisation. Such a proportionately large capital raising is unlikely to be successful via a placement of shares to a party other than the Company's major shareholders. Given the nature of the Company's asset base, we do not consider that it could realise any level of significant capital from the sale of assets in the current economic environment. Accordant's current earnings levels restrict the Company from accessing additional external debt funding on commercially viable terms.

2.6 Impact on Financial Position

A summary of Accordant's recent financial position is set out in section 4.7.

For illustrative purposes, the table below shows Accordant's financial position assuming approximately \$6.7 million is raised from the Rights Issue on 30 September 2025.

Illustrative Financial Impact of the Rights Issue			
	As at 30 Sep 25 \$000	Rights Issue \$000	Post the Rights Issue \$000
Current assets	16,326	-	16,326
Non current assets	56,374	-	56,374
Total assets	72,700		72,700
Current liabilities	(16,452)	-	(16,452)
Non current liabilities	(37,376)	6,686 ¹	(30,690)
Total liabilities	(53,828)	6,686	(47,142)
Total equity	18,872	6,686	25,558
No. of shares (000)	35,126	44,574 ¹	79,700
Net assets per share	\$0.537	\$0.150	\$0.321
Net tangible assets (NTA) per share	(\$0.746)	\$0.150	(\$0.245)

¹ Assumes the maximum approximately \$6.7 million is raised under the Rights Issue through the issue of 44,574,312 New Shares

Source: Accordant interim report for the 6 months ended 30 September 2025 (the 2026 interim report)

The illustrative financial position shows that following the Rights Issue, Accordant's total equity would increase by approximately \$6.7 million from \$18.9 million to \$25.6 million.

Net assets per share would decrease by 40% from \$0.54 to \$0.32 per share and NTA per share would improve from negative \$0.75 per share to negative \$0.25 per share (due to the Issue Price being \$0.15 per share).

2.7 Impact on Control

Share Capital and Shareholders

Accordant currently has 34,325,542 ordinary shares on issue held by 611 shareholders.

The Company also has 800,000 restricted shares on issue.

The names, number of shares and percentage holding of the Company's 10 largest shareholders as at 13 March 2026 are set out in section 4.5.

Accordant currently has 2 shareholders holding more than 5% of the Company's ordinary shares:

- the Hull Family Trust – 53.01%
- Masfen Securities Limited (**Masfen**) – 7.01%.

The 10 largest shareholders collectively hold 74.61% of the Company's ordinary shares, representing 72.59% of the Company's voting rights.

Shareholding Voting

The Hull Family Trust currently controls 52.41% of the voting rights in the Company, which means that it can singlehandedly pass or block ordinary resolutions (which require the approval of more than 50% of the votes cast by shareholders) and singlehandedly block special resolutions (which require the approval of 75% of the votes cast by shareholders).

The Hull Family Trust's control of voting rights following the Hull Allotment will be between 50.27% and 72.92% (depending on the number of New Shares that it and the Non-Hull-associated Shareholders subscribe for).

An increase of up to 20.51% in the Hull Family Trust's control of voting rights to a maximum level of 72.92% under the Hull Allotment will not increase the Hull Family Trust's ability to influence shareholding voting to any significant degree. The Hull Family Trust will still be able to singlehandedly pass or block ordinary resolutions but technically it still will not be able to singlehandedly pass special resolutions (unless a portion of voting rights are not voted).

We consider the likelihood of the Hull Family Trust controlling 72.92% of the Company's voting rights following the Hull Allotment to be remote as it only arises if:

- the Hull Family Trust subscribes for the Maximum Hull Subscription of approximately \$4.7 million (which is 136% of the Hull Family Trust's pro rata entitlement and therefore will require the Hull Family Trust to participate heavily in the Shortfall Facility), and
- the Associated Shareholder does not take up any of her entitlements, and
- the Non-Hull-associated Shareholders collectively subscribe for only approximately \$0.3 million of New Shares (which is only 9% of their pro rata entitlements).

The Board has also stated that it does not consider it likely that the Hull Family Trust will obtain a voting rights control level close to the maximum level of 72.92%.

The ability for any shareholder to influence the outcome of voting on the Company's ordinary resolutions or special resolutions may be reduced by external factors such as the Company's constitution, the Code, the Listing Rules and the Companies Act 1993.

Ability to Creep

The Hull Family Trust currently has the ability to utilise the *creep provisions* of Rule 7(e) of the Code.

The *creep provisions* enable individual shareholders that hold or control more than 50% and less than 90% of the voting rights in a code company to increase its control percentage by up to a further 5% per annum without the need for shareholder approval.

Following the Hull Allotment and the Rights Issue, the Hull Family Trust will continue to have the ability to utilise the *creep provisions*, but not until 12 months after the Hull Allotment (assuming its control of voting rights increases by more than 5% under the Hull Allotment).

We note for the sake of completeness that in the remote possibility of the Hull Family Trust controlling 72.92% of the Company's voting rights following the Hull Allotment, it could utilise the *creep provisions* from 12 months thereafter to increase its control of voting rights to beyond the 75% level.

Board Control

As set out in section 4.4, the Company currently has 5 directors, of whom one (Simon Hull) is deemed to be an associate of the Hull Family Trust.

We are advised by the Board that the Hull Allotment will not change the composition of the Board.

Operations

We are advised by the Board that the Hull Family Trust's influence over Accordant's operations is predominantly through its Board representation and that the Hull Allotment will not change the Hull Family Trust's level of influence over the Company's operations.

2.8 Dilutionary Impact

The Rights Issue will result in the shareholdings of Non-Hull-associated Shareholders who do not participate in the Rights Issue being diluted by between 49% and 56%:

- 49.0% if the Minimum Amount is raised
- 56.2% if the maximum amount of approximately \$6.7 million is raised.

However, Non-Hull-associated Shareholders who take up their pro rata entitlements will eliminate any dilutionary impact of the Rights Issue and the Hull Allotment on their shareholding levels.

Furthermore, Non-Hull-associated Shareholders who are Eligible Shareholders and who have taken up their entitlements in full will have the opportunity to increase their shareholding in the Company by subscribing for Shortfall Shares.

2.9 Impact on Share Price and Liquidity

Share Price

A summary of Accordant's closing share price since 3 January 2024 is set out in section 4.9.

Given that the Issue Price of \$0.15 is at a 50% discount to the current market price, the Company's share price will likely drop immediately after the Rights Issue.

As set out in section 2.4, the TERP is \$0.22.

Liquidity

The analysis in section 4.9 shows that Accordant's shares are extremely thinly traded on the NZX Main Board, with only 5.4% of the shares being traded in the past year.

The Hull Allotment is unlikely to improve the liquidity of the Company's shares in the near term unless the Hull Family Trust decides to sell some of the ordinary shares that they subscribe for, which may result in increased trading in the Company's shares, thereby possibly improving liquidity.

2.10 Key Benefits to the Hull Family Trust

The Hull Allotment provides the Hull Family Trust with the opportunity to increase its control of voting rights in Accordant from 52.41% to up to 72.92%.

2.11 Disadvantages to the Hull Family Trust

Exposure to Business Risks

The key issues and risks that are likely to impact upon the business operations of Accordant are summarised in section 4.3. As the Hull Family Trust's ownership in Accordant increase, so does its exposure to these risks.

Significant Financial Commitment

The market value of the Hull Family Trust's holding of ordinary shares was approximately \$5.5 million as at 20 March 2026.

The Hull Family Trust will subscribe for at least \$3.25 million and potentially approximately \$4.7 million of New Shares under the Hull Allotment. This will increase the Hull Family Trust's level of investment in Accordant by between 60% to 86%.

2.12 Other Issues

Equal Opportunity to Participate

The Rights Issue is a 1.269 for 1 pro rata offer to all shareholders who are residents in New Zealand. Those Eligible Shareholders have the opportunity to take up their entitlement to acquire New Shares on the same terms as the Hull Family Trust.

Furthermore, Eligible Shareholders who have taken up their entitlement in full will have the opportunity to increase their shareholding in the Company by subscribing for Shortfall Shares.

Benefits to Accordant of the Hull Family Trust as a Cornerstone Shareholder

The Hull Allotment will consolidate the Hull Family Trust's position as an important cornerstone strategic investor in the Company, further signalling its confidence in the future prospects of Accordant.

Non-Hull-associated Shareholders Approval is Required

Pursuant to the Code, the Non-Hull-associated Shareholders must approve by ordinary resolution the Hull Allotment.

The Hull Allotment will not proceed unless the Hull Resolution is approved.

May Reduce the Likelihood of a Takeover Offer to a Minor Degree

Following the Hull Allotment, the Hull Family Trust will not be able to increase the level of its shareholding unless it complies with the provisions of the Code. It will only be able to acquire more shares in the Company if:

- it does so in accordance with the *creep provisions*
- it makes a full or partial takeover offer
- it enters into an approved scheme of arrangement with Accordant

- the acquisition is approved by way of an ordinary resolution of the Company's shareholders excluding the Hull Family Trust and its associates
- the Company makes an allotment of shares which is approved by way of an ordinary resolution of the Company's shareholders excluding the Hull Family Trust and its associates
- the Company undertakes a share buyback that is approved by the Company's shareholders and the Hull Family Trust and its associates do not accept the offer of the buyback.

The Hull Allotment may reduce the likelihood of a takeover offer for the Company from the Hull Family Trust to some degree as it may consider that it has sufficient control over the Company. However, arguably this situation already exists and therefore may not have any influence over the Hull Family Trust's future intentions in respect of a potential takeover offer.

It is possible that if the Hull Family Trust did make a takeover offer for further shares in the Company, it may offer a control premium that is lower than would otherwise be expected as it may value its offer on the basis that it already had significant control of the Company and hence does not need to pay a control premium of any significance.

The change in the Hull Family Trust's control of voting rights to between 50.27% and 72.92% is unlikely to reduce the attraction of Accordant as a takeover target to other parties, as any bidder looking to fully or partially take over the Company would need to ensure that the Hull Family Trust would accept its offer irrespective of whether it controlled 50.27% or 72.92% of the Company's voting rights.

2.13 Likelihood of the Hull Resolution Being Approved

The trustees of the Hull Family Trust and their associates (as defined in the Code) are not permitted to vote on the Hull Resolution. Accordingly, the outcome of the Hull Resolution will be determined by the voting of the Non-Hull-associated Shareholders, who collectively control 47.59% of the Company's voting rights.

The Non-associated Directors have unanimously recommended the approval of the Hull Resolution.

The Company's top 10 shareholders after the Hull Associates collectively control 22.25% of the Company's voting rights (representing 46.52% of the maximum number of shares that can vote on the Hull Resolution) and will therefore significantly influence the outcome of the voting on the Hull Resolution if they vote.

We are not aware of how these major shareholders will vote in respect of the resolution.

2.14 Implications of the Hull Resolution not Being Approved

If the Hull Resolution is not approved, then completion of the Hull Allotment will not occur and the Rights Issue will not proceed. Consequently, Accordant will retain its current levels of debt and associated interest cost burden.

The Board has stated that while ASB has been supportive over many years (and especially the last 2 years of difficult trading), there is no guarantee that this will continue indefinitely. If the Rights Issue does not proceed, it would trigger an event of review under Accordant's facility with ASB and depending on the action taken by ASB, this could result in significant adverse effects on the Company's financial position and financial performance.

The Board has stated that an event of review process would involve discussing with ASB alternative methods of reducing debt, which could include refinancing or repayment options such as more expensive debt, asset sales that would likely be distressed or an alternative capital raising on less advantageous terms for shareholders. ASB would also be entitled to take action to accelerate the enforcement of its rights and seek more forceful means to secure repayment of the debt owed.

As discussed in section 2.5, we consider alternative capital raising options for Accordant to be limited if a comparable amount of capital needs to be raised within a relatively short timeframe.

2.15 Voting For or Against the Hull Resolution

Voting for or against the Hull Resolution is a matter for individual shareholders based on their own views as to value and future market conditions, risk profile and other factors. Shareholders will need to consider these consequences and consult their own professional adviser if appropriate.

3. Evaluation of the Fairness of the Related Parties Allotments

3.1 Basis of Evaluation

Listing Rule 7.10.2 requires an Appraisal Report to consider whether the terms and conditions of the Related Parties Allotments are *fair* to the Company's shareholders.

There is no legal definition of the term *fair* in either the Listing Rules or in any statute dealing with securities or commercial law in New Zealand.

In our opinion, the Related Parties Allotments will be fair to the Non-Related Parties-associated Shareholders if:

- they are likely to be at least no worse off if the Related Parties Allotments proceed than if they do not. In other words, we consider that the Related Parties Allotments will be fair if there is no value transfer from the Non-Related Parties-associated Shareholders to the Related Parties, and
- the Related Parties have not used undue influence or personal connections to achieve a favourable outcome for themselves, and
- the terms and conditions of the Related Parties Allotments are in line with market terms and conditions.

A transfer of value from the Non-Related Parties-associated Shareholders to the Related Parties may occur if the Related Parties Allotments are undertaken on financial terms favourable to the Related Parties, thereby providing the Related Parties with an economic benefit that the Non-Related Parties-associated Shareholders cannot participate in.

We have evaluated the fairness of the Related Parties Allotments by reference to:

- the rationale for the Related Parties Allotments
- the terms and conditions of the Related Parties Allotments
- the impact of the Related Parties Allotments on the financial position of Accordant
- the benefits and disadvantages to the Non-Related Parties-associated Shareholders of the Related Parties Allotments
- the benefits and disadvantages to the Related Parties of the Related Parties Allotments
- the implications if the Related Parties Resolution is not approved.

Our opinion should be considered as a whole. Selecting portions of the evaluation without considering all the factors and analyses together could create a misleading view of the process underlying the opinion.

3.2 Evaluation of the Fairness of the Related Parties Allotments

In our opinion, after having regard to all relevant factors, the terms and conditions of the Related Parties Allotments are fair to the Non-Related Parties-associated Shareholders.

The basis for our opinion is set out in sections 3.3 to 3.11.

3.3 Rationale for the Related Parties Allotments

In our view, the rationale for the Related Parties Allotments is sound. The Related Parties Allotments will only occur if needed to ensure that the Minimum Amount is met, thereby enabling the Rights Issue to proceed and thereafter to accommodate the Committed CEO CFO Subscription.

As discussed in section 2.4, Eligible Shareholders who take up their entitlements in full also have the opportunity to apply for Shortfall Shares above their pro rata entitlement.

To improve the likelihood that the full amount of the Rights Issue (and at least the Minimum Amount) is raised, approved Shortfall Investors may also apply for Shortfall Shares.

It is only if there are Shortfall Shares remaining after satisfying applications from Eligible Shareholders and approved Shortfall Investors that the Related Parties may apply for and be issued Remaining Shortfall Shares. However, the Related Parties will only be issued such number of Remaining Shortfall Shares so as to reach the Minimum Amount and thereafter to accommodate the Committed CEO CFO Subscription.

3.4 Terms of the Related Parties Allotments

If the Related Parties are offered the opportunity to subscribe for Remaining Shortfall Shares, they will subscribe for such shares on the same terms as all Non-Related Parties-associated Shareholders have subscribed for New Shares under the Rights Issue.

Accordingly, the Related Parties Allotments will not give rise to any transfer of value from the Non-Related Parties-associated Shareholders to the Related Parties.

3.5 Impact on Accordant's Financial Position

As discussed in section 2.6, the Rights Issue will have a positive impact on the Company's financial position, raising up to approximately \$6.7 million of fresh equity which will be applied to reduce Accordant's ASB borrowings.

3.6 Alternatives to the Related Parties Allotments

The Related Parties will only be offered the opportunity to subscribe for Remaining Shortfall Shares if Accordant needs to reach the Minimum Amount and thereafter to accommodate the Committed CEO CFO Subscription.

In the absence of the Related Parties Allotments, if the Company still needed to reach the Minimum Amount, it would need to revert back to the Hull Family Trust so as to meet the Minimum Amount and ensure that the Rights Issue proceeds.

3.7 Main Advantage to the Non-Related Parties-associated Shareholders of the Related Parties Allotments

The main advantage of the Related Parties Allotments to the Non-Related Parties-associated Shareholders is that it increases the likelihood of the Minimum Amount being met, thus increasing the likelihood of the Rights Issue proceeding.

3.8 Main Disadvantage to the Non-Hull-associated Shareholders of the Related Parties Allotments

We are of the view that there are no disadvantages of the Related Parties Allotments to the Non-Related Parties-associated Shareholders as the Related Parties Allotments will only occur if there are Remaining Shortfall Shares and these need to be issued to meet the Minimum Amount and thereafter to accommodate the Committed CEO CFO Subscription.

3.9 Advantages and Disadvantages to the Related Parties of the Related Parties Allotments

The main advantage of the Related Parties Allotments to the Related Parties is that it offers them the opportunity to participate in the Rights Issue on the same terms as the Non-Related Parties-associated Shareholders (to the extent that they may subscribe for Remaining Shortfall Shares).

We are of the view that there are no disadvantages of the Related Parties Allotments to the Related Parties.

3.10 Likelihood of the Related Parties Resolution Being Approved

The Related Parties and their Associated Shareholders (as defined in the Listing Rules) are not permitted to vote on the Related Parties Resolution.

Accordingly, the outcome of the Related Parties Resolution will be determined by the voting of the Non-Related Parties-associated Shareholders.

The Board has unanimously recommended that shareholders vote in favour of the Related Parties Resolution.

3.11 Implications if the Related Parties Resolution is not Approved

If the Related Parties Resolution is not approved, then the Rights Offer may still proceed but the Related Parties will not be able to participate in the Shortfall Facility.

This may result in the Minimum Amount not being raised, which would result in the Rights Offer being withdrawn, with the same consequential impact as discussed in section 2.14.

3.12 Voting For or Against the Related Parties Resolution

Voting for or against the Related Parties Resolution is a matter for individual shareholders based on their own views as to value and future market conditions, risk profile and other factors. Non-Related Parties-associated Shareholders will need to consider these consequences and consult their own professional adviser if appropriate.

4. Profile of Accordant Group Limited

4.1 Background

Simon Hull established the Allied Work Force (**AWF**) business in 1988.

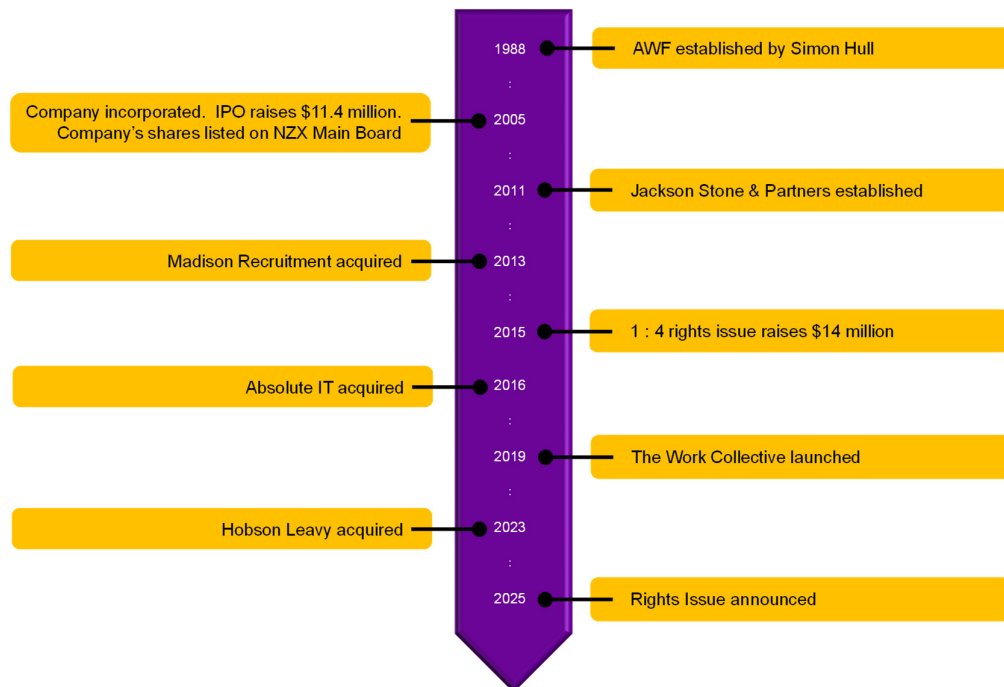
Accordant was incorporated on 4 February 2005 as Allied Work Force Group Limited.

The Company's shares were listed on the NZX Main Board on 6 July 2005 following the closing of its initial public offer (**IPO**) where the Company issued 7,600,000 ordinary shares at \$1.50 per share, raising \$11.4 million.

The Company changed its name to:

- AWF Group Limited on 23 March 2011
- AWF Madison Group Limited on 5 June 2015
- Accordant Group Limited on 19 October 2020.

Accordant's key events are summarised below.

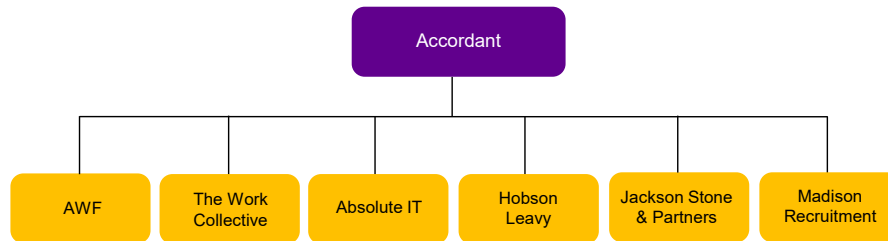


4.2 Nature of Operations

Accordant is New Zealand's leading recruitment and resourcing company, with capability spanning all aspects of executive, commercial and industrial recruitment services including permanent, temporary and contractor assignments.

In addition, The Work Collective is Accordant's social impact initiative, which helps people facing barriers to employment find meaningful work.

Accordant has 6 trading entities:



AWF was established in 1988 by Simon Hull as a blue collar temporary labour provider. AWF predominantly supplies temporary staff to industry in a wide range of sectors across New Zealand through a network of over 20 branches.

The Work Collective was launched in 2019. It is an employment initiative that delivers social impact through connecting employers, employment support organisations and Accordant's businesses with candidates who face barriers to employment, providing them access to meaningful work opportunities.

Absolute IT was founded in 2000 and was acquired by Accordant in 2016. It is a specialist information and communication technology (**ICT**) recruitment company providing permanent and contractor recruitment services.

Hobson Leavy was founded in 2006 and was acquired by Accordant in 2023. It is a retained executive search firm with an extensive track record in both the public and private sectors.

Jackson Stone & Partners was established in 2011. It specialises in executive search, recruitment and top-level contracting assignments.

Madison Recruitment was established in 1998 and was acquired by Accordant in 2013. It delivers temporary and permanent staffing solutions to the public and private sectors.

4.3 Key Issues Affecting Accordant

The main industry and specific business factors and risks that Accordant faces include:

- the Company's operations are closely linked to New Zealand's economic cycle. A deterioration in economic conditions may result in reduced demand for labour and adversely impact the Company's financial performance
- key customers may elect to reduce their reliance on the use of AWF's on-hire labour and instead source their own casual or permanent employees
- a significant decline in the number of crew available to work for AWF could have an adverse effect on the Company's ability to fill a job with an appropriate person and / or in the timeframe required
- changes in regulations or legislation (particularly those relating to labour relations, health and safety in the workplace and employment) may have a direct bearing on the Company
- Accordant may not be able to compete successfully against its current and any future competitors
- deterioration in relationships with the Company's key customers may have an adverse effect on the Company's financial performance

- the loss of, or failure to attract key personnel who Accordant is dependent upon, may adversely affect the Company’s operations
- the inability to adequately fund the Company’s operations may cause it to adopt alternative funding options or a modified growth strategy.

4.4 Directors and Senior Management

The directors of Accordant are:

- Simon Bennett, independent chair
- Simon Hull, non-executive director, associated with the Hull Family Trust
- Nick Simcock, independent director
- Richard Stone, independent director
- Bella Takiari-Brame, non-executive director.

The Company’s senior management team comprises:

- Jason Cherrington, chief executive officer
- Rod Hyde, chief financial officer.

4.5 Capital Structure and Shareholders

Accordant currently has 34,325,542 ordinary shares on issue held by 611 shareholders.

The names, number of shares and percentage holding of the 10 largest shareholders as at 13 March 2026 are set out below.

Accordant’s 10 Largest Shareholders		
Shareholder	No. of Ordinary Shares Held	%
Hull Family Trust	18,194,598	53.01%
Masfen	2,404,592	7.01%
MA Janssen Limited	1,109,264	3.23%
New Zealand Depository Nominee	993,643	2.89%
New Zealand Central Securities Depository Limited	986,561	2.87%
Ian Douglas and Anna Douglas	487,634	1.42%
Accordant	406,809	1.19%
Peter Hull and Antoinette Edmonds	372,696	1.09%
Wynn’s Armour and Jocelyn Dutton	354,703	1.03%
Ross Keenan	300,000	0.87%
Subtotal	25,610,500	74.61%
Others (601 shareholders)	8,715,042	25.39%
Total	<u>34,325,542</u>	<u>100.00%</u>

Source: NZX Company Research

Accordant holds the 406,809 ordinary shares as treasury stock.

In addition to the 34,325,542 ordinary shares on issue, Accordant has 800,000 restricted shares on issue under its employee share plan. The restricted shares confer voting rights.

4.6 Financial Performance

A summary of Accordant's recent financial performance is set out below.

Summary of Accordant Financial Performance				
	Year to 31 Mar 23 (Audited) \$000	Year to 31 Mar 24 (Audited) \$000	Year to 31 Mar 25 (Audited) \$000	6 Mths to 30 Sep 25 (Unaudited) \$000
Revenue from contracts with customers	227,371	212,385	165,237	82,029
Investment revenue	65	114	68	38
Fair value gain on contingent consideration	-	1,865	992	-
Direct costs	(2,186)	(2,271)	(1,226)	(752)
Employee benefits expense	(119,883)	(120,314)	(108,207)	(51,122)
Contractor costs	(86,503)	(73,342)	(45,363)	(24,342)
Depreciation and amortisation	(4,628)	(4,947)	(4,645)	(2,045)
Impairment of goodwill / right of use assets	(109)	(11,000)	-	-
Other operating expenses	(8,988)	(9,852)	(8,132)	(3,887)
Finance costs	(2,062)	(2,791)	(3,021)	(1,488)
Profit / (loss) before income tax	3,077	(10,153)	(4,297)	(1,569)
Income tax (expense) / benefit	(1,100)	145	1,417	447
Profit / (loss) after income tax	1,977	(10,008)	(2,880)	(1,122)

Source: Accordant annual reports and 2026 interim report

The Company's financial performance between the 2023 financial year and the first half of the 2026 financial year has fluctuated significantly.

Accordant's revenue has decreased over the period, largely reflecting a prolonged recessionary environment, elevated interest rates, rising business costs and a decline in hiring demand contributing to high levels of unemployment in New Zealand.

Approximately 43% of revenue is derived from "blue collar" operations (AWF and The Work Collective) and 57% from "white collar" operations (Absolute IT, Hobson Leavy, Jackson Stone & Partners and Madison Recruitment).

The reduced revenue levels have led Accordant to reduce its operational costs, right size the business wherever possible and focus in areas of the market that have been more resilient. However, high unemployment levels and a slow economic recovery have limited the benefits of the Company's cost saving initiatives.

A net loss of \$10.0 million was recorded in the 2024 financial year, largely due to a \$11.0 million impairment of the carrying value of goodwill for AWF and Madison Recruitment.

4.7 Financial Position

A summary of Accordant's recent financial position is set out below.

Summary of Accordant Financial Position				
	As at 31 Mar 23 (Audited) \$000	As at 31 Mar 24 (Audited) \$000	As at 31 Mar 25 (Audited) \$000	As at 30 Sep 25 (Unaudited) \$000
Current assets	25,946	23,129	20,500	16,326
Non current assets	68,933	55,084	52,683	56,374
Total assets	<u>94,879</u>	<u>78,213</u>	<u>73,183</u>	<u>72,700</u>
Current liabilities	(25,842)	(21,334)	(16,863)	(16,452)
Non current liabilities	(34,451)	(34,244)	(36,374)	(37,376)
Total liabilities	<u>(60,293)</u>	<u>(55,578)</u>	<u>(53,237)</u>	<u>(53,828)</u>
Total equity	<u>34,586</u>	<u>22,635</u>	<u>19,946</u>	<u>18,872</u>

Source: Accordant annual reports and 2026 interim report

The Company's current assets consist mainly of trade and other receivables, which amounted to \$15.0 million as at 30 September 2025.

Non current assets as at 30 September 2025 consisted mainly of:

- intangible assets: \$45.1 million (mainly goodwill and brands)
- right of use assets: \$10.0 million (mainly premises leases).

The Company's current liabilities consist mainly of trade and other payables, which amounted to \$14.1 million as at 30 September 2025.

Non current liabilities as at 30 September 2025 consisted mainly of:

- ASB borrowings: \$28.0 million
- lease liabilities: \$8.4 million.

Shareholders' equity of \$18.9 million as at 30 September 2025 consisted of:

- \$30.9 million of issued share capital
- treasury shares of negative \$0.6 million
- negative \$11.9 million of accumulated losses
- reserves of \$0.5 million.

4.8 Cash Flows

A summary of Accordant's recent cash flows is set out below.

Summary of Accordant Cash Flows				
	Year to 31 Mar 23 (Audited) \$000	Year to 31 Mar 24 (Audited) \$000	Year to 31 Mar 25 (Audited) \$000	6 Mths to 30 Sep 25 (Unaudited) \$000
Net cash inflow / (outflow) from operating activities	4,715	2,314	(648)	2,545
Net cash (outflow) from investing activities	(6,439)	(230)	(108)	(68)
Net cash inflow / (outflow) from financing activities	(1,294)	(1,946)	1,642	(4,397)
Net increase / (decrease) in cash held	(3,018)	138	886	(1,920)
Opening cash balance	4,972	1,954	2,092	2,978
Closing cash balance	<u>1,954</u>	<u>2,092</u>	<u>2,978</u>	<u>1,058</u>

Source: Accordant annual reports and 2026 interim report

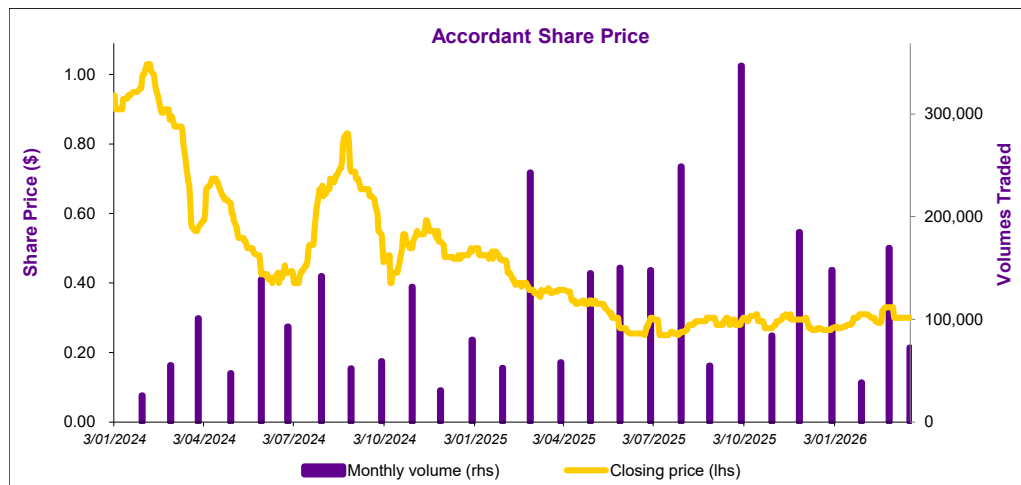
Investing cash flows in 2023 included \$5.75 million paid in respect of the acquisition of Hobson Leavy.

Financing cash flows have included:

- net \$5.0 million draw down of ASB borrowings and \$4.3 million of dividends paid in the 2023 financial year
- net \$3.0 million draw down of ASB borrowings and \$2.2 million of dividends paid in the 2024 financial year
- \$4.5 million draw down of ASB borrowings in the 2025 financial year
- \$3.0 million repayment of ASB borrowings in the first half of the 2026 financial year.

4.9 Share Price History

Set out below is a summary of Accordant's daily closing share price and monthly volumes of shares traded from 3 January 2024 to 20 March 2026.



Source: NZX Company Research

Accordant's shares have traded between \$0.25 (between 24 June and 18 July 2025) and \$1.03 (on 5, 7 and 8 February 2024) at a VWAP of \$0.39.

An analysis of VWAP, traded volumes and liquidity (measured as traded volumes as a percentage of shares outstanding) up to 20 March 2026 is set out below.

Accordant Share Trading up to 20 March 2026					
Period	Low \$	High \$	VWAP \$	Volume Traded (000)	Liquidity
1 month	0.300	0.330	0.310	109	0.3%
3 months	0.265	0.330	0.301	336	1.0%
6 months	0.265	0.330	0.296	739	2.2%
12 months	0.250	0.380	0.293	1,825	5.4%

Source: NZX Company Research

Over the last 12 months, only 5.4% of Accordant's shares have traded on 203 days between \$0.25 and \$0.38 at a VWAP of \$0.29. The shares last traded on 19 March 2026 at \$0.30.

5. Sources of Information, Reliance on Information, Disclaimer and Indemnity

5.1 Sources of Information

The statements and opinions expressed in this report are based on the following main sources of information:

- the draft notice of special meeting
- the draft Rights Issue Document
- the Accordant annual reports for the years ended 31 March, 2023 to 2025
- the Accordant 2026 interim report
- data in respect of Accordant from NZX Company Research and S&P Capital IQ.
- publicly available information regarding Accordant.

During the course of preparing this report, we have had discussions with and / or received information from the Non-associated Directors and Accordant's legal and financial advisers.

The Non-associated Directors have confirmed that we have been provided for the purpose of this Independent Adviser's Report and Appraisal Report with all information relevant to the Rights Issue, the Hull Allotment and the Related Parties Allotments that is known to them and that all the factual information provided by Company contained in this report is true and accurate in all material respects and is not misleading by reason of omission or otherwise.

Including this confirmation, we have obtained all the information that we believe is necessary for the purpose of preparing this Independent Adviser's Report and Appraisal Report.

In our opinion, the information set out in this Independent Adviser's Report and Appraisal Report is sufficient to enable the Non-associated Directors and the Company's shareholders to understand all the relevant factors and to make an informed decision in respect of the Hull Allotment and the Related Parties Allotments.

5.2 Reliance on Information

In preparing this report we have relied upon and assumed, without independent verification, the accuracy and completeness of all information that was available from public sources and all information that was furnished to us by Accordant and its advisers.

We have evaluated that information through analysis, enquiry and examination for the purposes of preparing this report but we have not verified the accuracy or completeness of any such information or conducted an appraisal of any assets. We have not carried out any form of due diligence or audit on the accounting or other records of Accordant. We do not warrant that our enquiries would reveal any matter which an audit, due diligence review or extensive examination might disclose.

5.3 Disclaimer

We have prepared this report with care and diligence and the statements in the report are given in good faith and in the belief, on reasonable grounds, that such statements are not false or misleading. However, in no way do we guarantee or otherwise warrant that any forecasts of future profits, cash flows or financial position of Accordant will be achieved. Forecasts are inherently uncertain. They are predictions of future events that cannot be assured. They are based upon assumptions, many of which are beyond the control of Accordant and its Board and management team. Actual results will vary from the forecasts and these variations may be significantly more or less favourable.

We assume no responsibility arising in any way whatsoever for errors or omissions (including responsibility to any person for negligence) for the preparation of the report to the extent that such errors or omissions result from our reasonable reliance on information provided by others or assumptions disclosed in the report or assumptions reasonably taken as implicit.

Our evaluation has been arrived at based on economic, exchange rate, market and other conditions prevailing at the date of this report. Such conditions may change significantly over relatively short periods of time. We have no obligation or undertaking to advise any person of any change in circumstances which comes to our attention after the date of this report or to review, revise or update this report.

We have had no involvement in the preparation of the notice of special meeting issued by Accordant and have not verified or approved the contents of the notice of special meeting. We do not accept any responsibility for the contents of the notice of special meeting except for this report.

5.4 Indemnity

Accordant has agreed that, to the extent permitted by law, it will indemnify Simmons Corporate Finance and its directors and employees in respect of any liability suffered or incurred as a result of or in connection with the preparation of this report. This indemnity does not apply in respect of any negligence, wilful misconduct or breach of law. Accordant has also agreed to indemnify Simmons Corporate Finance and its directors and employees for time incurred and any costs in relation to any inquiry or proceeding initiated by any person. Where Simmons Corporate Finance or its directors and employees are found liable for or guilty of negligence, wilful misconduct or breach of law, Simmons Corporate Finance shall reimburse such costs.

6. Qualifications and Expertise, Independence, Declarations and Consents

6.1 Qualifications and Expertise

Simmons Corporate Finance is a New Zealand owned specialist corporate finance advisory practice. It advises on mergers and acquisitions, prepares independent expert's reports and provides valuation advice.

The person in the company responsible for issuing this report is Peter Simmons, B.Com, DipBus (Finance), INFINZ (Cert).

Simmons Corporate Finance and Mr Simmons have significant experience in the independent investigation of transactions and issuing opinions on the merits and fairness of the terms and financial conditions of the transactions.

6.2 Independence

Simmons Corporate Finance does not have at the date of this report, and has not had, any shareholding in or other relationship with Accordant or the Hull Family Trust or the Related Parties or any conflicts of interest that could affect our ability to provide an unbiased opinion in relation to the Hull Allotment or the Related Parties Allotments.

Simmons Corporate Finance has not had any part in the formulation of the Rights Issue or the Hull Allotment or the Related Parties Allotments or any aspects thereof. Our sole involvement has been the preparation of this report.

Simmons Corporate Finance will receive a fixed fee for the preparation of this report. This fee is not contingent on the conclusions of this report or the outcome of the voting on the Hull Resolution or the Related Parties Resolution. We will receive no other benefit from the preparation of this report.

6.3 Declarations

An advance draft of this report was provided to the Non-associated Directors for their comments as to factual accuracy of the contents of the report. Changes made to the report as a result of the circulation of the draft have not changed the methodology or our conclusions.

Our terms of reference for this engagement did not contain any term which materially restricted the scope of the report.

6.4 Consents

We consent to the issuing of this report in the form and context in which it is to be included in the notice of special meeting to be sent to Accordant's shareholders. Neither the whole nor any part of this report, nor any reference thereto may be included in any other document without our prior written consent as to the form and context in which it appears.



Peter Simmons
Director

Simmons Corporate Finance Limited
23 March 2026