

Accent Group Limited (ASX: AX1)
ASX Announcement
22 June 2026

REJECT Frasers' Unsolicited On-Market Takeover Offer

Further to its announcement on 15 June 2026, Accent Group Limited (**Accent** or the **Company**) provides the following initial response to the unsolicited, highly opportunistic, on-market takeover offer by Frasers Group plc (**Frasers** or the **Bidder**), to acquire all Accent shares that Frasers and its associates do not already own for A\$0.65 cash per Accent share (the **Offer**).

Independent Board Committee

Following receipt of the Offer, the Accent Board established an Independent Board Committee (**IBC**), comprising all Accent directors other than Dave Forsey, to consider and respond to the Offer. Mr. Forsey is Frasers' nominee on the Accent Board and an executive of Frasers and accordingly has a conflict of interest in relation to the Offer.

IBC Recommends Shareholders REJECT the Offer

The IBC of Accent, together with its advisers, has considered the Offer and unanimously recommends that shareholders **REJECT** the Offer.

To **REJECT** Frasers' Offer simply **TAKE NO ACTION** and do not sell your Accent shares into Frasers' on-market bid. Shareholders who sell into the Offer will cease to hold those shares and will not participate in any future upside from Accent's strategy, any increase in Frasers' Offer Price, or any superior proposal that may emerge.

In forming this view, the IBC has had regard to the following:

- **The Offer represents no premium:** The Offer Price of A\$0.65 is equal to the last closing price of Accent's shares before the Offer was announced and below Friday's closing price of A\$0.74.
- **The Offer Price is materially inadequate:** The Offer Price is materially inadequate and does not appropriately reflect Accent's strategic position, medium-term growth potential or the benefits expected from Accent's 2030 Strategic Growth Plan announced on 13 May 2026, targeting at least \$1.9 billion in sales, 9% EBIT margin and ~950 stores by 2030.
- **The timing is highly opportunistic:** The Offer is opportunistically timed during a period of cyclical weakness in the discretionary consumer retail sector, as reflected in market-wide share price declines over the past 12 months. Importantly, the Offer Price does not factor in the upside benefits of the initiatives within Accent's 2030 Strategic Growth Plan that are in the process of being implemented and are yet to be realised.
- **The Offer Price is materially lower than prices Frasers has paid for Accent shares:** Frasers is proposing that Accent shareholders sell their shares at a price materially below prices at which Frasers has previously acquired Accent shares, including the A\$1.718 per share paid under the subscription agreement in May 2025

and the average price of over A\$0.92 per share paid for on-market purchases in February 2026.

- **Frasers is seeking control without paying a control premium:** Frasers' Bidder's Statement makes clear that its objectives include increasing its holding and securing additional Board representation and influence over Accent. In addition, Frasers states that it "does not expect to achieve more than 90% and in such a case is comfortable with a shareholding of less than 90% if it achieves representation on the Accent Board proportionate to its ownership and is able to effect the changes it considers necessary". In the IBC's view, the Offer is an attempt to move towards control of Accent without offering shareholders any premium for that control.
- **Frasers is seeking to increase its exposure to and control of Accent's Sports Direct business:** Sports Direct ANZ is a key strategic asset of Accent and a core driver of the Company's value opportunity. As the global operator of the Sports Direct brand and Accent's strategic partner, Frasers is uniquely positioned to understand the medium-term strategic value and earnings potential of the Australian business. In the IBC's opinion, Frasers is seeking to acquire this exposure from Accent shareholders without paying an appropriate premium.
- **Shareholders will lose exposure to any future price increases:** Given the Offer is an on-market bid, shareholders who sell their Accent shares to Frasers will not be able to withdraw that sale and will not receive the benefit of any increase in the Offer Price or any superior proposal that may emerge.

Further detail on the IBC's reasons for its recommendation will be set out in Accent's Target Statement.

Response to Frasers' Assertions

Frasers, in its Bidder's Statement, has made a number of assertions in relation to the Board and management of the Company, including in relation to capital management policies, governance, the ongoing relationship with Frasers and financial and operational performance of the Company, with which the IBC disagrees.

While further details will be provided in the Target's Statement, the IBC notes that:

- In relation to the Sports Direct roll-out:
 - Accent rejects any allegation that it has not complied with its obligations in relation to the Sports Direct roll-out.
 - Frasers has been directly involved in the Sports Direct roll-out process from the outset. At no time before lodging the Bidder's Statement did Frasers raise with Accent any allegation that Accent had failed to use all reasonable commercial endeavours in relation to the roll-out.
- In relation to communications with Frasers in its capacity as a shareholder of Accent, the IBC notes that Frasers has made a limited number of requests and suggestions on matters including capital management, Board composition and management. Those matters were considered by the Board. The Board's role is to act in the interests of Accent shareholders as a whole, not in the interests of Frasers as a single shareholder.

Next Steps

The IBC unanimously recommends you **REJECT** the Offer from Frasers.

To **REJECT** Frasers' Offer simply **TAKE NO ACTION** and do not sell your Accent shares into Frasers' on-market bid.

Accent will set out the detailed reasons for its recommendation to **REJECT** the Offer in its Target's Statement, which will be sent to shareholders in accordance with the Corporations Act.

Accent will keep shareholders informed in accordance with its continuous disclosure obligations.

The IBC has appointed Luminis Partners as Financial Adviser and Arnold Bloch Leibler as Legal Adviser in relation to the Offer.

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The release of this announcement was authorised by the Independent Board Committee of Accent Group Limited.