IMPORTANT NOTE TO USERS:

The audit opinion reproduced here as a standalone document has been extracted from the CA Sales Holdings Limited Consolidated and Separate Annual Financial Statements for the year ended 31 December 2021 (the "AFS"). The AFS include the consolidated and separate financial statements to which this audit opinion refers. Accordingly, this audit opinion should be read together with the AFS, which are available from the CA Sales Holdings Limited's physical address.

Independent auditor's report

To the Shareholders of CA Sales Holdings Limited

Report on the audit of the consolidated and separate financial statements

Our opinion

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of CA Sales Holding Limited (the Company) and its subsidiaries (together the Group) as at 31 December 2021, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa.

What we have audited

CA Sales Holding Limited's consolidated and separate financial statements set out on pages 13 to 67 comprise:

- the consolidated and separate statements of financial position as at 31 December 2021;
- the consolidated and separate statements of comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated and separate financial statements* section of our report.

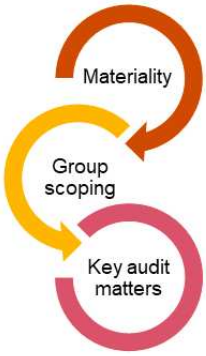
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the Independent Regulatory Board for Auditors' *Code of Professional Conduct for Registered Auditors* (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)*.

Our audit approach

Overview

	**Overall group materiality** • Overall group materiality: *R64.2 million,* which represents *0.8%* of *revenue from contracts with customers.*
	Group audit scope *Our scoping assessment identified only one financially significant component in the Group. We also included six other components in the scope of our group audit, based on indicators such as the contribution to consolidated revenue, consolidated profit before tax, consolidated total assets and consolidated total liabilities.*
	Key audit matters • *Impairment assessment of goodwill*

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the consolidated and separate financial statements. In particular, we considered where the directors made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall group materiality for the consolidated financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Overall group materiality	*R64.2 million*
How we determined it	*0.8% of total consolidated revenue from contracts with customers.*
Rationale for the materiality benchmark applied	*We chose total consolidated revenue from contracts with customers as the benchmark because, in our view, it is the benchmark against which the performance of the Group is most commonly measured by users as the nature of*

	the Group's business entails high sales volumes with low profit margins. We chose 0.8% in the current year due the consolidated financial statements being widely distributed and the fact that the Group has significant external borrowings.

How we tailored our group audit scope

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

Our scoping assessment included consideration of the financial significance of the Group's components as well as the sufficiency of work planned to be performed over material financial statement line items. We identified only one financially significant component in the Group. We also included six other components in the scope of our group audit, based on indicators such as the contribution to consolidated revenue, consolidated profit before tax, consolidated total assets and consolidated total liabilities. The remainder of the components were considered to be insignificant to the Group individually and in aggregate.

For the financially significant component and for the in scope components, we performed full scope audits. Analytical review procedures were performed over the remaining components that were considered to be insignificant. This, together with additional procedures performed at the group level, including testing of consolidation journals and intercompany eliminations, gave us sufficient and appropriate audit evidence to form an opinion on the consolidated financial statements as a whole.

In establishing the overall approach to the group audit, we determined the extent of the work that needed to be performed by us, as the group engagement team and by component auditors operating under our instruction, in order to issue our audit opinion on the consolidated financial statements of the Group. Where the work was performed by component auditors, we determined the level of involvement necessary in the audit work at those components to be able to conclude whether sufficient appropriate audit evidence has been obtained as a basis for our opinion on the consolidated financial statements as a whole.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	***How our audit addressed the key audit matter***
Impairment assessment of goodwill *Refer to the following notes to the consolidated financial statements for detail:* ● *Note 1: Accounting policies - Intangible assets, Goodwill; and*	*Our audit addressed the key audit matter as follows:* ● *Through discussions with management we obtained an understanding of the processes and procedures applied by management in making their impairment assessment of goodwill, which included:*

• *Note 4: Intangible assets.* *International Accounting Standard 36 - Impairment of Assets requires goodwill to be tested annually for impairment, or more frequently if impairment indicators are identified. At year end, the Group's total goodwill balance amounted to R472.6 million, after an impairment of R7.4 million recognised in the current year in respect of the Expo Africa and Promex cash generating units ("CGUs").* *Management applied the fair value less costs of disposal ("FVLCD") method to determine the recoverable amount of each CGU to which goodwill has been allocated. In determining the FVLCD of the respective CGUs, management prepares post-tax cash flow projections based on financial budgets approved by management, and makes key assumptions which include future revenue growth rates, gross margins, the long-term growth rates and the post-tax discount rates.* *In determining the FVLCD, management has also considered the impact of the COVID-19 pandemic on the Group's cashflow projections and gross margins.* *We considered the impairment assessment of goodwill to be a matter of most significance to the current year audit due to the following:* • *The judgement applied by management in determining the key assumptions used in their FVLCD calculation; and* • *The magnitude of the carrying value of goodwill recognised in relation to the consolidated financial statements.*	• *an understanding of the process followed in determining cash-flow projections, including management's considerations of the COVID-19 impact on these cash flow projections; and* • *the determination of the key assumptions applied in their FVLCD calculation.* • *We compared the process followed by management in determining these cash flow forecasts to the Group's past practice and we noted no inconsistencies.* • *We challenged and tested the reasonability of the key assumptions used by management in their calculations, which included future revenue growth rates, gross margin, long-term growth rate and the post-tax discount rate. This was done by comparing these key assumptions to industry benchmarks. Based on our work performed, we accepted management's key assumptions.* • *We agreed the cash flows projections used in management's FVLCD calculation to management approved financial budgets, with no material exceptions noted.* • *We considered the reasonableness of management's budgeting process by comparing the 2021 actual results to the prior year cash flow projections for 2021. Where variances were noted, we followed up with management and evaluated the reasonability of the variances. We did not note any aspect in this regard which required further consideration.* • *We performed sensitivity assessments on the forecasted impacts of COVID-19 to assess the reasonability of management's COVID-19 adjusted forecasts. We did not note any aspect in this regard which required further consideration.* • *Making use of our internal valuation expertise, we assessed the appropriateness and reasonability of the post-tax discount rate of the respective CGUs used in the FVLCD calculation by independently calculating the discount rate, taking into account independently obtained data. We found that the discount rates used by management fell within an acceptable range.*

	● *We compared the long-term growth rates used by management to economic and industry growth rates, as well as to the actual growth achieved from 2018 to 2021 in each CGU. We found the long-term growth rates to be within an acceptable range.* ● *We tested the mathematical accuracy of management's valuation model and compared the valuation methodology applied by management to the 2020 valuation model for consistency. No material differences or inconsistencies were noted.* ● *We performed independent sensitivity calculations on the impairment assessments in order to determine the degree by which the key assumptions needed to change in order to trigger any additional impairments. We discussed these with management and considered the likelihood of such changes occurring. Whilst our independently determined key assumptions were different from those applied by management, the impact of these differences was found to be immaterial to the impairment assessment.*

Separate financial statements

We have determined that there are no key audit matters in respect of the separate financial statements

Other information

The directors are responsible for the other information. The other information comprises the information included in the document titled "*Annual Financial Statements for year ended 2021*", which includes the Directors' Report, the Report of the Audit and Risk Committee and the Certificate by the Company Secretary as required by the Companies Act of South Africa, which we obtained prior to the date of this auditor's report, and the other sections of the document titled "*CA Sales Holdings Limited Annual Report 2021*", which is expected to be made available to us after that date. The other information does not include the consolidated or the separate financial statements and our auditor's report thereon.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not and will not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the consolidated and separate financial statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the Group and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group and/or the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated and separate financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and / or Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, we report that PricewaterhouseCoopers Inc. has been the auditor of CA Sales Holdings Limited for 9 years.

PricewaterhouseCoopers Inc

PricewaterhouseCoopers Inc.
Director: TJ Howatt
Registered Auditor
Johannesburg
16 March 2022