

Acsion Limited

Incorporated in the Republic of South Africa
 (Registration number 2014/182931/06)
 Share code: ACS
 ISIN: ZAE000198289
 (“Acsion” or the “Company”)

Short-Form Announcement: Abridged audited consolidated financial results for the year ended 28 February 2021, distribution of integrated report and details of the annual general meeting

Further to Acsion’s reviewed summarised provisional consolidated results for the year ended 28 February 2021 (“**reviewed results**”), published on SENS on 1 June 2021, the Group’s and Company’s audited annual financial statements for the year ended 28 February 2021 have been published on the Company’s website and contain changes to the reviewed results. This has necessitated the release of the abridged audited consolidated financial results for the year ended 28 February 2021 (“**abridged audited financial results**”).

	Audited	Audited	Movement
	2021	2020	
	R’000	R’000	
Revenue (millions)	R697.3	R687.0	1.5% increase
Headline earnings per share (cents)	71.32	65.61	8.7% increase
Earnings per share (cents)	6.01	123.40	95.1% decrease
Net asset value per share (cents)	1 795.40	1 789.43	0.3% increase

No dividends were declared for both the 2021 and 2020 financial years.

The auditors, RSM South Africa Incorporated, have issued an unmodified audit opinion. The audit opinion, containing key audit matters, together with the annual financial statements are available on the Company’s website at <https://www.acsionsa.co.za/results.htm>

Distribution of integrated report

The integrated report, containing the audited annual financial statements and the notice of annual general meeting, has been distributed to shareholders today and is also available on the Company’s website at https://www.acsionsa.co.za/integrated_reports.htm.

Detailed explanation of changes

The following table highlights the changes between the reviewed results and the abridged audited financial results:

Summarised consolidated statement of profit and loss and other comprehensive income for the year ended 28 February 2021

	Reviewed	Audited	Movement
	2021	2021	2021
	R’ 000	R’000	R’ 000
Revenue from tenants and customers	697 310	697 309	(1)
Other operating income	348	1 877	1 529
Expected credit loss allowance	---	(71 952)	(71 952)
Operating expenses	(304 503)	(327 655)	(23 152)
Operating profit	393 155	299 579	(93 576)
Finance costs	(44 682)	(38 405)	6 277

Investment income	13 863	7 586	(6 277)
Foreign exchange gains	14 641	14 641	---
Fair value changes	(181 259)	(181 259)	---
Profit before taxation	195 718	102 142	(93 596)
Taxation	(43 401)	(34 457)	8 944
Profit for the year	152 317	67 685	(84 632)
Other comprehensive income			
Losses attributable to owner occupied hotel property revaluations	(122 084)	(28 508)	93 576
Taxation attributable to revaluation changes	34 184	25 240	(8 944)
Foreign exchange gains from translation differences attributable to foreign operations	1 790	1 790	---
Net other comprehensive income	(86 110)	(1 478)	84 632
Total comprehensive income for the year	66 207	66 207	---
Profit for the year is attributable to:			
Parent company shareholders	108 263	23 631	(84 632)
Non-controlling interests	44 054	44 054	---
Total profit for the year	152 317	67 685	(84 632)
Comprehensive income for the year is attributable to:			
Parent company shareholders	22 153	22 153	---
Non-controlling interests	44 054	44 054	---
Total comprehensive income for the year	66 207	66 207	---
Weighted average number of shares (Million)	393.3	393.3	---
Basic earnings per share (cents)	27.52	6.01	(21.51)
Diluted earnings per share (cents)	27.52	6.01	(21.51)

In addition, the statement of financial position and statement of changes in equity has also been affected by the aforementioned changes to the statement of profit and loss and other comprehensive income as follows:

1. Statement of financial position – the decrease in total profit of R84 632 000 has led to a decrease in retained income of R84 641 000 and an increase in reserves of R84 632 000, the net effect being a decrease in total equity balance to R7 165 706 000 from R7 165 720 000 and an increase in total liabilities to R2 663 460 000 from R2 663 449 000.
2. Statement of changes in equity - reserves have now increased by R84 632 000 and retained income has decreased by R84 641 000. The total reserves and retained income balances are now R18 461 000 and R3 074 942 000 respectively. Equity attributable to parent shareholders is now R7 060 621 000 and total equity is now R7 165 720 000.

The reasons for the above changes are the following:

1. The owner-occupied hotel devaluation for the current year was in excess of past revaluation profit amounts recognised in Other Comprehensive Income. This impairment resulted in negative equity values which is now recognised in profit or loss of R93 million and a tax reduction of R8.9 million.
2. Expected credit loss allowance of R72 million was taken out of Operating Expenses in line with IFRS required disclosure as a separate item on the face of the Statement of Profit or Loss.
3. The remainder relates to allocation matters finalised during the finalisation of the audit, mostly between investment income and finance costs and an expense item offsetting against other income of R1.5 million.

Annual general meeting (“AGM”)

The AGM of Acision shareholders will be held at 09:00 on Thursday, 19 August 2021 at the Acision Offices, 1st Floor, Mall@Reds, Cnr Rooihuiskraal and Hendrik Verwoerd Drives, Rooihuiskraal ext. 15, Centurion, to transact the business as stated in the notice of AGM forming part of the integrated report.

As a result of the COVID-19 outbreak and guidance from authorities regarding social distancing, shareholders are encouraged to participate electronically in the AGM. Full details of electronic participation are set out in the notice of AGM.

The salient dates for the AGM are as follows:

	2021
Record date for receipt of notice of AGM purposes	Friday, 25 June
Notice of AGM distributed on	Thursday, 1 July
Last date to trade for voting purposes at the AGM	Tuesday, 10 August
Record date for voting purposes at the AGM	Friday, 13 August
Last day to lodge forms of proxy for the AGM at 09:00	Tuesday, 17 August
GM held at 09:00	Thursday, 19 August
Results of AGM released on SENS by	Friday, 20 August

Short form announcement

This short form announcement is the responsibility of the directors. It is only a summary of the information contained in the full announcement and does not contain full or complete details and was released on SENS on 30 June 2021. The full announcement can be found on the Company’s website (<https://www.acsionsa.co.za/sens.php>) and on the JSE’s website at <https://senspdf.jse.co.za/documents/2021/jse/isse/ACSE/AY2021.pdf>.

Any investment decision should be based on the consideration of the full announcement published on the JSE’s website and on the company’s website, as a whole.

The full announcement is available for inspection, at no charge, at the registered office of Acision at Mall@Reds Shopping Centre, Corner Hendrik Verwoerd and Rooihuiskraal Drive, Rooihuiskraal Ext 15, Centurion, from 08:00 to 17:00 on business days or Copies of the full announcement are available on request by emailing sandarie@acsionsa.co.za.

1 July 2021

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