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

CONSTRUCTION CONTRACT CONSTITUTING A SMALL RELATED PARTY TRANSACTION

1. Introduction

Shareholders are advised that on 16 February 2023, Nabuvax Proprietary Limited ("**Nabuvax**"), a wholly owned subsidiary of Acsion and the owner of the Mall@55, concluded a construction contract with K. Anastasi Projects Proprietary Limited ("**KAP**") appointing KAP as its principal contractor to build an extension of approximately 9,571m² to the Mall@55 for a cash amount of R99 575 515, inclusive of a contingency allowance, as set out in paragraph 3.1 below ("**Construction Contract**").

KAP, which trades in the construction sector, is beneficially owned by the chief executive officer of Acsion, Mr Kiriakos Anastasiadis, and his family through a trust structure and therefore the Construction Contract is deemed a small related party transaction in terms of the Listings Requirements of the JSE Limited ("**JSE**").

2. Rationale

Mall@55 is a convenience shopping centre located in Monavoni, Gauteng with direct access from the R55 which connects Sandton and Pretoria. Anchored by seven national retailers, Mall@55 provides a convenience retail offering including groceries, homeware and lifestyle, a medical centre, gym and other services.

The expansion of Mall@55 aligns with the Group's long-term strategic objective of delivering Net Asset Value through the execution of its long-term expansion and development plans.

KAP was appointed as principal contractor on the basis of a market related price for the works, its long-standing reputation in the construction industry and track record of successfully executing projects of a similar size and nature.

Pursuant to the Construction Contract, as principal contractor on the project KAP will be responsible for planning, leading and executing the general building works as well as overseeing and managing other direct contractors/subcontractors of the project.

3. Construction Contract

3.1 Contract Value and settlement

The value of the Construction Contract, of R99 575 515, including the contingency allowance ("**Contract Value**"), will be settled by way of cash payments by Nabuvax of such amounts as certified in the monthly interim payment certificates issued by the professional quantity surveying firm which has been appointed as the principal agent in terms of the Construction Contract, within 14 calendar days of the date of presentation thereof.

3.2 Fairness Opinion

In terms of paragraph 10.7 of the Listings Requirements, the Construction Contract is deemed a small related party transaction and accordingly, the board of directors of the Company

(“**Board**”) is required to provide the JSE with written confirmation prepared in accordance with Schedule 5 thereof (“**Fairness Opinion**”), obtained from an independent professional expert acceptable to the JSE, confirming that the terms of the Construction Contract are fair insofar as shareholders are concerned.

In compliance with paragraph 10.7(b) of the Listings Requirements, Merchantec Proprietary Limited has been appointed as the independent professional expert to provide it with the Fairness Opinion.

As the JSE may, in accordance with Schedule 5, waive the requirement for a valuation in relation to related party agreements (other than disposals and acquisitions) on the basis that the subject matter of such agreement cannot be valued, the independent professional expert will discuss the basis of the Fairness Opinion with the JSE to determine whether a valuation is indeed required.

The Fairness Opinion will be submitted to the JSE for review, whereafter it will lie for inspection at Acsion’s registered office, Anaprop Offices, Mall@Reds Cnr Hendrik Verwoerd Drive and Rooihuiskraal Drive, Centurion, 0157, and will be made available on request from the Company Secretary by emailing michael@mwrk.co.za, for a period of 28 days from the date of issue.

Shareholders will be kept informed in this regard.

Johannesburg
17 February 2023

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Merchantec Capital