



Integrated Annual Report 2024

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Highlights

Revenue (R'000)

△ 21%

to R1 433 337 (2023: R1 185 404)

Earnings per share

△ 17%

to 270 cents (2023: 231 cents)

Headline earnings per share

▽ -11%

to 107 cents (2023: 120 cents)

Net asset value per share

△ 11%

to 2 662 cents (2023: 2 391 cents)

Loan-to-value

10%

Interest cover ratio

10x

New developments

South Africa: 2

International: 1

Total gross lettable area

377 467m²

South African retail

258 683m²

South African mixed-use

71 038m²

International retail

41 754m²

South African light industrial

5 992m²

About this report

This is the tenth integrated annual report of **Acsion Limited** (“Acsion”, “the company”, “group”). Acsion is listed on the Johannesburg Stock Exchange (“JSE”) in the Real Estate Investment and Services sector as a property development company. The share code is “ACS”.

Scope and boundaries

This report covers the reporting period from 1 March 2023 to 29 February 2024 and provides the reader with an overview of the business since the previous financial year. The report is produced by Acsion Limited. Most of the properties are individually held in separate companies that are subsidiaries of the company and are all managed internally by the group.

Frameworks applied

This integrated report has been compiled in line with the guidelines, frameworks and regulations as detailed below:

- International Integrated Reporting Council’s (“IIRC”) Integrated Reporting Framework
- South African Companies Act 71 of 2008 (as amended) and its supporting Regulations
- JSE Listings Requirements
- IFRS Accounting Standards (“Accounting Standards”)
- King IV Report on Corporate Governance for South Africa 2016 (King IV™)*

Board responsibility and approval of the integrated annual report

The board of directors acknowledges its responsibility to ensure the integrity of the integrated annual report as required by the IIRC’s Integrated Reporting Framework.

The board has accordingly applied its mind to the preparation and presentation of this report and believes that it is a balanced and fair representation of the performance of the group.

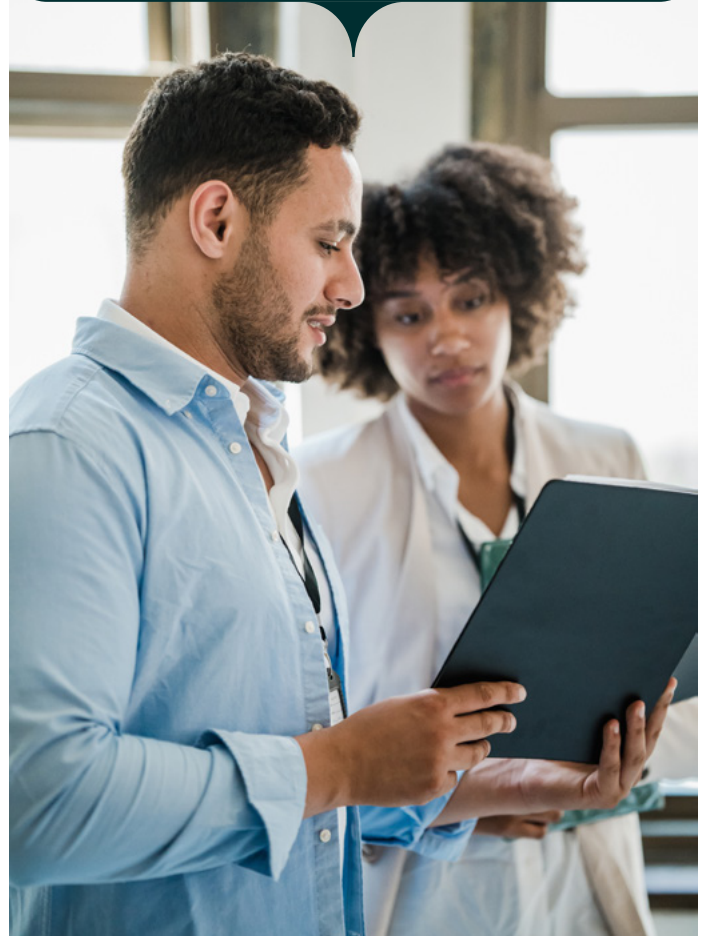
Forward-looking statements

This report contains forward-looking statements. There are a number of risks, uncertainties and other factors that are associated with these forward-looking statements where actual results and developments could materially differ from those that are presented in this report.

We used words such as “believe”, “anticipate”, “intend”, “seek”, “endeavour”, “will”, “plan”, “project”, “could”, “may”, “estimate”, “expect”, “forecast”, “envision” and other similar expressions which are intended to identify these forward-looking statements, but are not exclusive means for identifying such statements.

The name **Acsion** is a combination of the **Greek word “ἄξιον”** – loosely translated as “worth it” and “action” – to **act quickly and make things happen**.

This set of results demonstrates that the company **delivers on main strategy of continued NAV growth** – hence the slogan “**Acsion in action**”.



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About this report **continued**

Investors and stakeholders are cautioned not to place undue reliance on the forward-looking statements contained herein, as they have not been assured by Acision's independent external auditor.

Materiality

The matters addressed in this report are considered by the board and Executive Committee to be material in quantitative and qualitative terms. As the readers of this report are primarily investors and providers of capital, more focus has been placed on these items than some of the other capitals referred to in the Integrated Reporting Framework issued by the IIRC in 2021. However, this report also addresses potential information needs of other stakeholders.

Who we are

Acision is a **property manager, real estate developer and owner**. Acision is differentiated from Real Estate Investment Trusts ("REITs") in the listed property sector as it focuses on the delivery of superior net asset value ("NAV") growth. NAV growth drivers include **enhancing existing properties**, completing the identified development pipeline and obtaining additional future development opportunities.

What we do

Our investment portfolio consists of **eight well-established, strategically located retail properties, a light industrial property and a mixed-use development, all located in South Africa, as well as an international retail property situated in Cyprus**. Acision unlocks development profits and then generates annuity income and further capital growth for its shareholders through the active and continued management of its developed property portfolio generating rental income. In pursuit of our strategic objective of maximising NAV, the group expanded into hospitality and ancillary services operations in its mixed-use developments.

Acision leverages its stable income stream and **strong financial position to obtain funding for pipeline developments** with the potential to generate above-market returns.

Our values

Ethics is the cornerstone of the company's business and an unequivocal commitment to our **ethical values**, such as **fairness, transparency and integrity** underpins all facets of our company's operations.

About us

Strategy

Acsion Limited is an experienced, specialist property developer and property holding company with in-house property and asset management functions.

We are the only JSE-listed company dedicated to property development and reaping the rewards of our own developments as a landlord.

Long-term strategic goal

Drive net asset value and income growth for shareholders

Strategy to achieve this

New and existing pipeline developments

- 1 Source and secure new property opportunities with potential to deliver required returns.
- 2 Assess the commercial viability of newly identified as well as existing pipeline developments.
- 3 Acquire or lease strategically located land identified to meet feasibility requirements for future development.
- 4 Develop property using "value engineering principles."

Developed properties

- 1 Manage developed property portfolio and hospitality operations internally to generate annuity income and further capital growth over the long-term.
- 2 Expand existing developments based on feasibility studies and demand.
- 3 Renovate developed properties when required to protect property value.

The long-term strategy of Acsion is to drive NAV (capital) and income growth for our shareholders by identifying and investing in value-creating development opportunities, and subsequently leasing and managing such properties over the property life cycle, or where a value creation opportunity exists, selling the development opportunities or the developed properties.

Acsion is well positioned to meet these objectives given the quality of the completed developed investment properties and project pipeline, the extensive experience of the internal property development, asset management and property management teams, as well as strong, long-standing relationships with major national retailers, banks, franchises, municipalities and land owners. Access to future development opportunities will also contribute to Acsion's income and capital growth in the medium term which opportunities, given our track record, are anticipated to continue to deliver further capital growth to shareholders.

As part of our strategy to bolster the defensive quality of our portfolio, Acsion has implemented measures to diversify into the mixed-use property assets through the completion of Acsiopolis@Sandton and commencing the development of the properties located in Franschhoek and Cape Town in the Western Cape and Pilea in Greece. Geographic diversification outside South Africa will be continued in partnership with experienced and reputable local partners to pursue international property development opportunities.

About us continued

Holding company



AcSION Limited:
Board of directors
Corporate governance
custodianship

Ownership

Board of directors

Delegation
of authority*

Property-owning
subsidiaries

Management
and reporting

Governed by the board
Listed on the JSE in 2014

* Delegation of authority is a formal document, which sets out the limits of transacting powers and persons with such powers.



Anaprop Property Management
was formed in 2004

Anaprop develops and manages the properties owned by AcSION, it also operates the hospitality operations within the mixed-use properties.

Anaprop's approach to property development is underpinned by a commitment to create appropriate and affordable developments, which are characterised by cost-effective, aesthetically pleasing designs which cater to the local catchment market needs.

Developed properties

Mall@Carnival
Regional shopping centre

Value (R'000)
R2 673 807

Metropolis Mall
International regional shopping centre

Value (R'000)
R4 044 404

Mall@Reds
Regional shopping centre

Value (R'000)
R1 363 614

Mall@Emba
Community shopping centre

Value (R'000)
R803 468

Mall@Moutsiya
Community shopping centre

Value (R'000)
R304 414

Mall@Lebo
Small regional shopping centre

Value (R'000)
R682 596

Mall@Mfula
Community shopping centre

Value (R'000)
R371 360

Mall@55
Convenience shopping centre

Value (R'000)
R617 899

Moreleta Square
Neighbourhood shopping centre

Value (R'000)
R182 431

Simarilo Rainbow
Light industrial South Africa

Value (R'000)
R61 636

Acsiopolis@Sandton
Mixed-use

Value (R'000)
R1 017 024

Services include:

1 Asset management

- Market research, analysis and strategic planning
- Site evaluation and feasibility studies
- Conceptualisation, layout and design functionality
- Leasing and strategic leasing plan
- Development facilitation
- Identification and assessment of property location
- Securing property rights
- Networking with national tenants

2 Property management

- Leasing
- Facilities management
- Retail management and consulting
- Retail leasing of new developments and upgrades
- Marketing and promotions
- Rental invoicing and collection

3 Development project management

- Appointment and co-ordination of professional team
- Tenant co-ordination and administration
- Appointment of contractors
- Project management to completion and commissioning

4 Hospitality operations

- Hotel room bookings
- Food and beverage sales
- Conferencing and functions

Key milestones *

1995

Kiriakos Anastasiadis completes his first commercial property development.

1997

Acsion opens Phase 1 of Simarlo Rainbow.

1999

Moreleta Square Phase 1 opens.

2003

Mall@Reds Phases 1 and 2 open.

2004

Anaprop Property Management is established.

2005

Mall@Reds Phase 3 opens.
Mall@Carnival Phase 1 opens.

2007

Mall@Reds Phase 4 opens.
Mall@Emba Phase 1 opens.

2009

Mall@Reds Phase 5 opens.

2011

Mall@Carnival Phase 2 opens.

2012

Mall@Emba Phase 2 opens.

2013

Mall@Reds Phase 6 opens.

2014

Listing on the JSE.
Mall@Lebo opens.
Purchase of Acsiopolis land parcel.

2015

Mall@Carnival Phase 3 opens.
First investment in solar photovoltaic (PV) plant.

2017

Mall@Moutsiya and Mall@Mfula open.
Concludes lease of land in Larnaca, Cyprus for first international development.
Construction of Acsiopolis commences.

2018

Mall@55 opens.

2019

Obtain permit to develop land in Larnaca, Cyprus.

2020

Development in Larnaca, Cyprus, reaches 45% completion.
Development of Acsiopolis reaches 80% completion.

2022

Acsiopolis@Sandton is completed and the phased opening of the hotel commences.

2023

Metropolis Mall@Larnaca opens.
Mall@55 Phase 2 is completed.

2024

Acquisition of 45 300m² unoccupied factory on 12.6ha of land in Pilea Greece. Commencement of phase 1 of the mixed-use development by converting the factory into a 43 000m² retail shopping centre.

Acquisition of Erf 73153 in the Cape Town City bowl and commencement to develop Acsiopolis Cape Town, a mixed-use building consisting of 505 hotel rooms, 270 residential apartments and 4 000m² of retail space.

Acquisition of Brasserie Farm in Franschhoek Western Cape and commencement to develop 69 hotel rooms thereon.



* In terms of financial reporting years.

Property portfolio

Completed developments



Mall@Reds

GLA
55 155m²

Location
Centurion, Gauteng

Category
Regional shopping centre

- Established regional shopping centre
- On a main arterial route
- Dense, fast-growing high-income residential area
- Strongly underpinned by 93% national tenant base



Mall@Emba

GLA
24 606m²

Location
eMbalenhle, Mpumalanga

Category
Community shopping centre

- Only formal retail offering in its primary catchment area with approximately 300 000 residents
- The primary employer in the area is Sasol
- Located adjacent to main taxi rank and transport node



Metropolis Mall@Larnaca

GLA
41 754m²

Location
Larnaca, Cyprus

Category
International regional shopping centre

- An enclosed, single-level, climate-controlled shopping and lifestyle centre servicing the greater Larnaca and surrounding areas
- Primary catchment area of approximately 150 000 people
- Has over 100 shops and 1 400 parking bays
- Underpinned by leading international and local fashion brands, as well as grocery, homeware, accessories, services, restaurant and entertainment offerings



Acsiopolis@Sandton

GLA
71 038m²

Location
Sandton, Gauteng

Category
Mixed-use

- In the heart of Sandton's densely populated, high-income residential Benmore node and in close proximity to South Africa's "golden mile", the Sandton financial district
- 20-storey mixed-use development
- 531 short-stay units/hotel rooms
- 509 residential apartments
- 10 600m² retail and commercial space



SimarIo Rainbow

GLA
5 992m²

Location
Centurion, Gauteng

Category
Light industrial complex

- Close proximity to N14 highway and Hendrik Verwoerd Drive
- Each unit comprises office space with an adjoining workshop and storage area



Mall & Trade@55

GLA
25 643m²

Location
Centurion, Gauteng

Category
Convenience shopping centre

- Convenience/Lifestyle centre accessible from the N14 and R55 highways
- Strategically located at the intersection of the R55 and Marais Road, in the centre of its primary and secondary catchment areas, which are experiencing strong residential growth
- Underpinned by a strong national tenant base, offering a variety of food- and service-related outlets

Property portfolio continued

Completed developments



Mall@Carnival

GLA
88 492m²

Location
Ekurhuleni, Gauteng

Category
Regional shopping centre

- Well-located regional mall on N17 highway, positioned opposite Carnival City
- Primary catchment area of approximately 100 000 middle- to upper-income households
- Strongly underpinned by 96% national tenant base



Mall@Lebo

GLA
23 549m²

Location
Lebowakgomo, Limpopo

Category
Small regional shopping centre

- Only major retail offering within a 50km radius
- Caters for approximately 300 000 residents in its primary catchment area
- Strongly underpinned by national tenants with long-lease expiry profile



Moreleta Square

GLA
8 548m²

Location
Pretoria, Gauteng

Category
Neighbourhood shopping centre

- Well-established community shopping centre in the Moreleta Park node
- Long-lease expiry underpinned by national tenant base



Mall@Moutsiya

GLA
14 703m²

Location
Walkraal, Limpopo

Category
Community shopping centre

- Highly visible and easily accessible location with direct thoroughfare onto the Moloto Road, a major regional arterial road through the Elias Motsoaledi municipality in Limpopo
- Primary catchment market consists of approximately 136 000 people and secondary catchment market consists of approximately 396 000 people
- The development comprises a retail offering as well as a petrol station



Mall@Mphahlele

GLA
17 987m²


Location
eMkhondo (Piet Retief), Mpumalanga

Category
Community shopping centre

- Ideally located in the central business district (CBD) of eMkhondo
- The CBD is the primary catchment area and the secondary catchment areas are Retiefville, Kempville, Harmony Park and Ethandakhukanya
- Highly visible from the N2 highway
- Exposure to high traffic volumes, with many of the residents of the secondary catchment areas travelling via the N2 to the eMkhondo CBD

Future developments

Hey Joe Brewing Co.




Location
Brasserie Farm, Western Cape

Category
Hospitality

- Nestled in the Franschhoek Valley only one hour's drive from Cape Town
- Offering a venue for a variety of events
- A working brewery with an on-site restaurant providing a unique beer and food experience

Acsiopolis Thessaloniki




Location
Pilea, Thessaloniki, Greece

Category
Mixed-use

- Acscion has recently acquired an asset in Thessalonica, Greece, a project that entails the redevelopment of an existing industrial building located on approximately 12.6ha of land into a mixed-use development comprising offices, residential apartments and a retail component

Acsiopolis@Cape Town




Location
Western Cape, South Africa

Category
Mixed-use hospitality

- In line with two of the key drivers of the Cape Town economy being tourism and business services, the Acscion group has continued its strategic expansion in the South African market with the acquisition of a building in the Cape Town CBD
- Planning has begun on the project with the intention to build a mixed-use development comprising short-stay units, residential apartments, and events and conferencing facilities

The **Acscion group** is engaged in all facets of **property management and development** consolidated into **one listed entity** and managed by **Anaprop**, our in-house property management company.

Moutsiya Gardens




Land size
40ha

Location
Walkraal, Limpopo

Category
Residential units

- Plans to build up to 551 residential units for sale in support of the shortage of affordable housing in the Moutsiya area
- All services, including water, sewerage and electricity already secured
- Sale and development will be done in phases

Trade@55



GLA
10 000m²

Location
Centurion, Gauteng

- Located on an extremely busy arterial route accessible from the N14 freeway and the R55
- Rights have been obtained for specialised commercial and retail
- Offering could include retail vehicle showrooms and big box value offering

Investment and growth strategy

Acsion is well positioned to meet its strategic objectives given the quality of the completed developed investment properties and communicated pipeline, the extensive experience of the internal property development, asset management and property management teams, as well as strong, long-standing relationships with major national retailers, banks, franchises, municipalities and land owners.

Access to future development opportunities will also contribute to Acsion's income and capital growth in the medium term, which opportunities, given Acsion's track record, are anticipated to continue to deliver further capital growth to shareholders. At any one time, Acsion is reviewing an average of between 20 to 30 development opportunities at various stages of maturity.

As part of its strategy to bolster the defensive quality of its portfolio, Acsion has implemented measures to diversify into the mixed-use property assets through the development of Acsiopolis@Sandton. Geographic diversification outside South Africa is continuing in partnership with experienced and reputable local partners with the successful bid at auction of the unoccupied factory in Pilea, Greece.

Acsion offers its shareholders access to superior annual NAV growth.

It is envisaged that the strategy will provide investors with NAV uplift that is largely uncorrelated to the growth of traditional REITs due to our experienced management team via:

- The ownership and development of commercially viable property projects in a cost-efficient manner, with a targeted first-year development yield in excess of 15%.
- The ownership, leasing as well as property and asset management of developed properties for rental income.
- The sourcing, assessment and, if commercially viable, acquisition and ownership of strategic land opportunities for further development.
- Solar energy expansion to the four largest buildings, as well as future developments that will allow such technology.
- The further expansion of developed investment properties.
- To a lesser extent, the acquisition of existing yield-producing property assets for renovation or repurpose or, if additional bulk exists, further development.

In some cases, and in order to maximise value for Acsion and our shareholders, some property developments may be undertaken for sale.

This strategy is underpinned by the identification of land opportunities for development, and the subsequent development, tenancing and ownership of Acsion's entire developed investment properties.

The group's strength lies in its ability to leverage off in-house planning, development, project and construction management, cost management, value engineering and an internal leasing function to maximise cost efficiencies and maintain a hands-on approach to the entire development and property management process. These functions are often outsourced by other property developers.

Acsion's strategy

to achieve the above objectives is set out below:

1

The rollout and unlocking

of the development pipeline over the medium term

2

Sourcing and securing

new developments that form part of future development opportunities

3

Delivering rental income and capital growth

through continued ownership and management of existing developed investment properties and associated contractual rental escalations

4

Operating hospitality sectors

within the mixed-use developments to further increase the property yield

The **long-term strategy** of Acsion is to drive NAV (capital) and income **growth for its shareholders**, by identifying and investing in **value-creating development opportunities**, and subsequently leasing and managing such properties over the property life cycle, or where a **value-creation opportunity** exists, selling the development opportunities or the developed properties.

Value creation



Financial capital

How we manage and utilise our financial capital is fundamental to our ability to continuously increase the NAV for our shareholders and at the same time ensure sustained value is created for all other stakeholders.

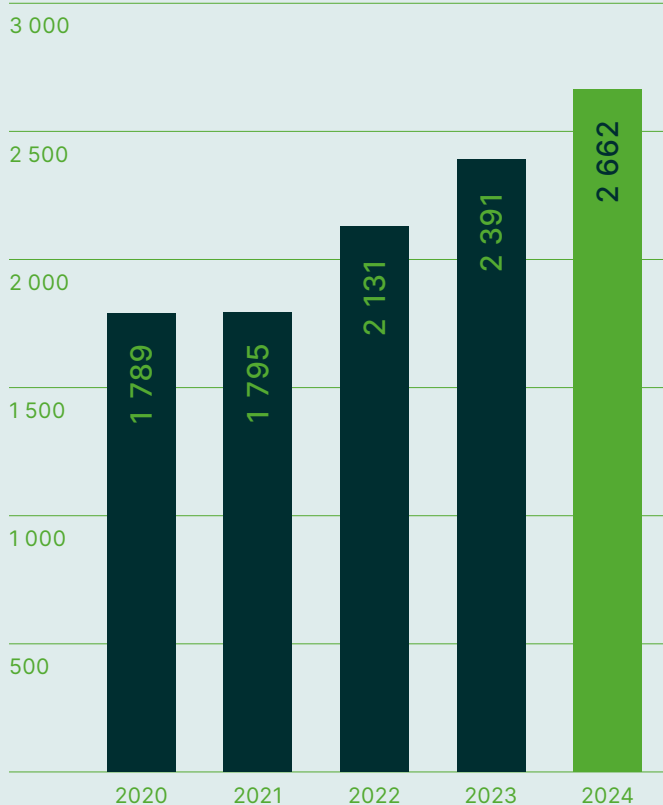
Inputs and business activities

In the current uncertain economic climate, we continue to focus on a strong statement of financial position and financial resilience by maintaining a loan-to-value (“LTV”) ratio of below the self-imposed 45% and hold a sufficient liquidity buffer. Liquidity risk is managed through the proactive renegotiation of debt maturities, actively monitoring forecast and actual cash flows, and ensuring that an optimal funding plan is in place for each new development or acquisition. The current low gearing places the group in a strong position to raise external debt to fund future developments or acquisitions. Debt facilities have successfully been renegotiated and the maturity profile extended by three years to the 2028 financial year.

Funds available to us for utilisation through investment in/development of property assets consist of:

Equity	R10 246 million
Debt facilities	R1 043 million
Unused debt facilities	R257 million

NAV per share (cents)



Key outputs

Cash generated from operating activities

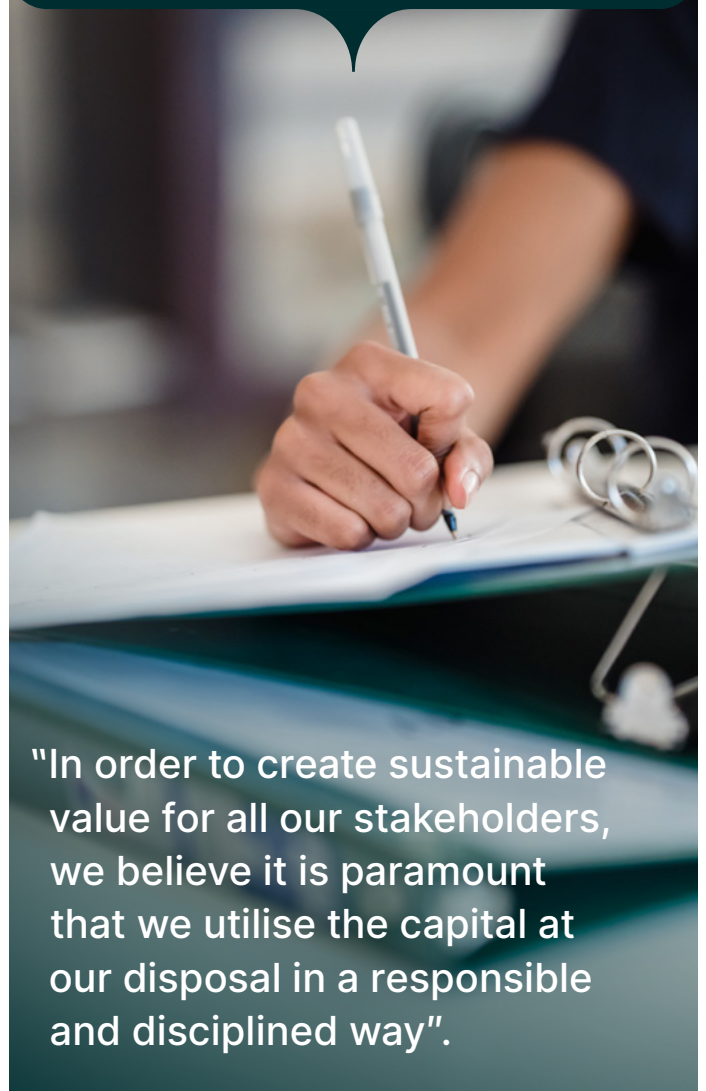
R701m

Loan-to-value

10%

Interest cover ratio

10 times



"In order to create sustainable value for all our stakeholders, we believe it is paramount that we utilise the capital at our disposal in a responsible and disciplined way".

Manufactured capital

Our manufactured capital represents the utilisation of our financial capital in the form of our completed property developments, which can be broken down into:

Completed South African retail and light industrial properties

9

Completed international retail asset

1

Completed South African mixed-use asset

1

Mixed-use assets under development

3

Inputs and business activities

Overview	GLA (m ²)	Metropolitan (m ²)	Rural (m ²)	Vacancy (%)
South African retail	258 683	177 838	80 845	8
South African light industrial	5 992	5 992	—	4
International retail	41 754	41 754	—	1
South African mixed-use	71 038	71 038	—	49

Development profits are realised through our in-house development arm to the benefit of the shareholders, and these profits enable us to ensure our existing portfolio continuously improves and remains relevant by implementing yield-enhancing projects in the form of upgrades and refurbishments.

Property development costs incurred

R391m

Plant and equipment acquired

R74m

Property portfolio fair value (developed property)

R13bn

Property portfolio fair value (under development)

R365m

New developments

Acsiopolis@Cape Town
505 hotel rooms, 270 residential apartments and 4 000m² retail space

Brasserie Farm (Franschhoek)
69 hotel rooms

Acsiopolis Thessaloniki (Pilea, Greece)
43 000m² shopping centre

Weighted average rental per m² rentable area per sector

Metropolitan retail

△ R192

(2023: R184)

Residential

△ R198

(2023: R177)

Rural retail

△ R198

(2023: R183)

International

△ €23

(2023: €21)

Light industrial

▽ R88

(2023: R90)

Lease expiry profile, based on existing leases, by rentable area per sector

%	2024	2025	2026	2027	Post 2027
Light industrial	80	15	5	0	0
Metropolitan retail	29	15	21	20	15
International retail	1	6	3	49	41
Rural retail	19	37	7	16	21
Metropolitan residential	100	0	0	0	0

Lease expiry information

Lease expiry profile based on existing leases, by revenue per sector:

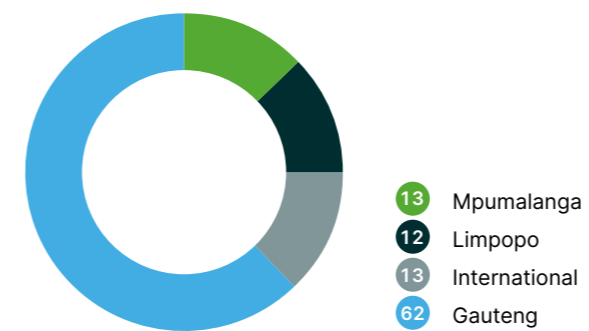
Property	2025 (%)	2026 (%)	2027 (%)	2028 (%)	Post 2028 (%)
Metropolitan — retail	31	19	25	11	14
Rural — retail	47	12	19	13	9
International — retail — €	1	14	54	10	21
Light industrial	30	19	51	0	0
Metropolitan — mixed-use	78	9	0	8	5

Average rental per m²

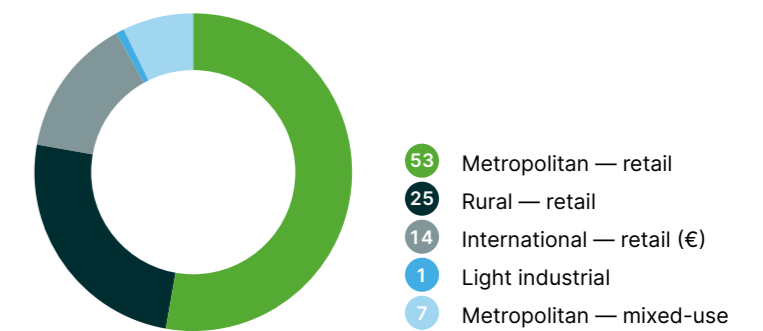
R	2024	2023	2024	2023
@Sandton Apartments	198	177	Mall@Lebo	206 189
@Sandton Retail	180	—	Mall@Mfula	196 173
Metropolis Mall@Larnaca (€)	23	21	Mall@Moutsiya	165 152
Mall@55 and Trade@55	189	174	Mall@Reds	182 182
Mall@Carnival	203	189	Moreleta Square	149 152
Mall@Emba	213	202	Simarlo Rainbow	88 90

Key outputs

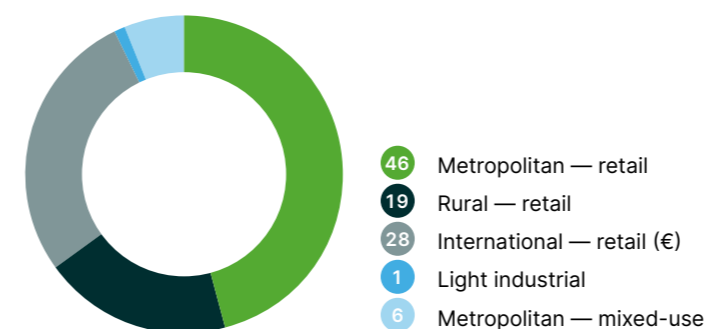
Occupied GLA — Geographical (%)



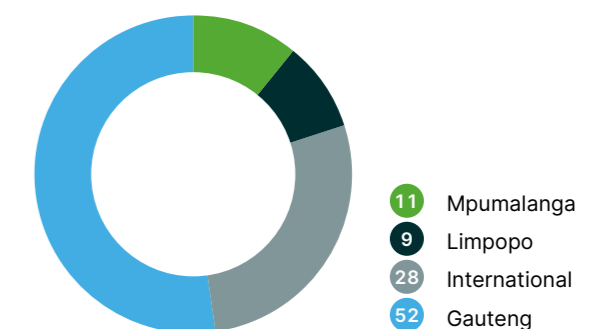
Occupied GLA — Sector (%)



Sector profile by revenue (%)



Geographical profile by revenue (%)

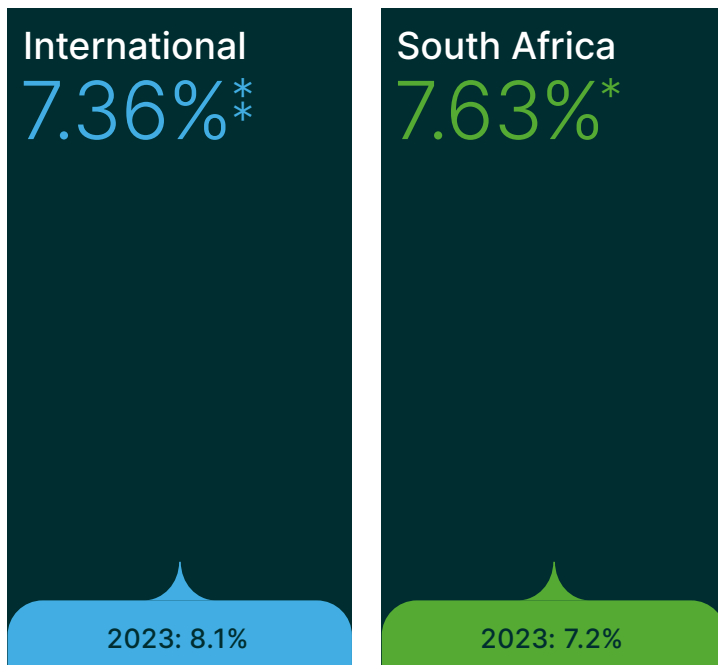


Value creation continued

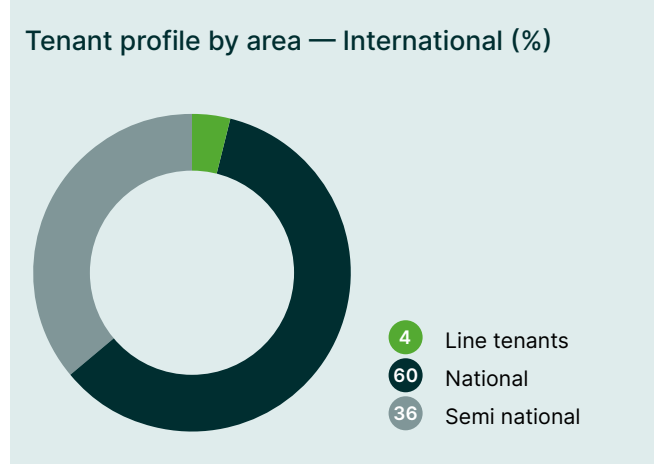
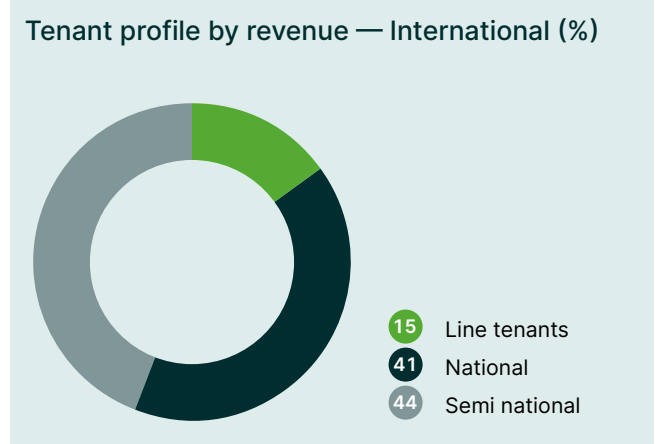
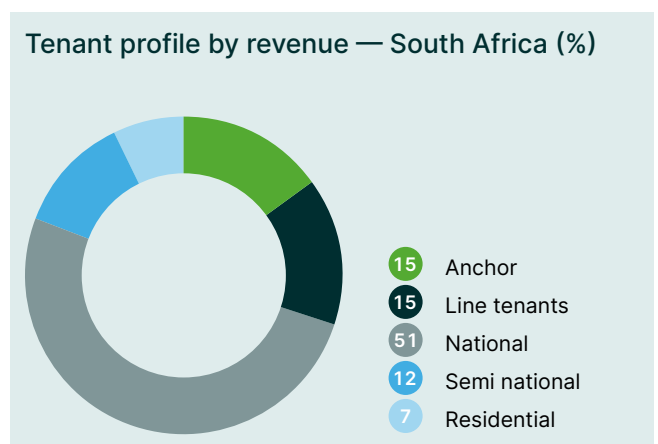
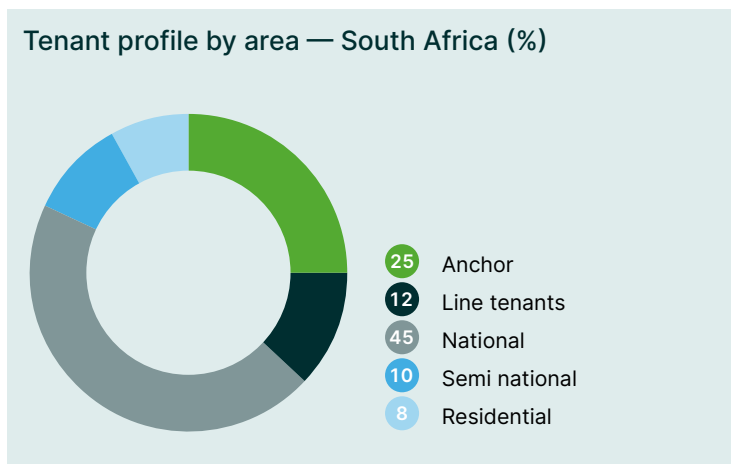


Manufactured capital continued

Average annualised property yield



* Includes Acsiopolis@Sandton which became fully operational in December 2022.
 † Calculated in Euros.



Escalation specific information

Based on existing leases:

Property	Occupied GLA (%)	Occupied GLA (m ²)	Weighted average gross rental per sqm (weighting on occupied)	Weighted average rental escalation by rentable area per sector (%)
Metropolitan — retail	52	161 682	R234.87	3.18
Rural — retail	25	76 015	R208.95	3.84
International — retail — €	14	41 701	€23.97	3.04
Light industrial	2	4 886	R112.07	5.47
Metropolitan — mixed-use	8	22 239	R220.80	2.33

Value creation continued



Human capital

Inputs and business activities

Our team

Southern Palace Investments 108 Proprietary Limited (t/a Anaprop Property Management) is the internal management company that oversees the major areas of Acsion's business property management function including leasing, finance, operations and marketing, asset management and developments, as well as the hotel operations with a total employee count of 373 as at year-end. We believe that our employees are the catalyst of our success. With their dedication, knowledge and skills, we are able to quickly adapt to an ever-changing environment and ensure the business remains sustainable in the future.

Attracting, retaining and developing appropriately skilled employees who are passionate about the industry and committed to Acsion's values and culture is fundamental to Acsion's future success.

↪ The remuneration policy was finalised and is detailed on page 28.

Training and development

The company believes in a culture of innovation and continuous improvement. We develop our employees to give them the skills required for internal promotion to senior positions. A formal training and development policy is in place where the company will assist with the costs of meaningful further education to develop those that wish to study and grow their skills and knowledge of the industries we partake in.

Key outputs

The company is managed by an experienced, well-rounded, professional and committed management team with a balance of skills, experience and energy consisting of:

- a fully resourced internal team with an in-depth knowledge of all aspects of property development across its life cycle, including the identification and securing of large development opportunities, design, project management, capital raising, "value engineering", leasing, asset management and property management of its developed assets to deliver superior development returns without compromising on quality and functionality;
- a proven track record of identifying and implementing value-enhancing property development opportunities, having developed all of the completed investment properties in-house;

- long-standing relationships and support from banks, tenants (major national retailers and franchises), municipalities and land owners;
- a reputation in the industry for its ability to develop quality properties in a cost-effective manner, while subscribing to standards of sustainable development and construction practice; and
- a track record of successful developments in both metropolitan and rural growth areas as well as international developments.

	2024	2023
Number of employees	373	412
Female employees (%)	48	55
Average age (years)	39	37
Average tenure	26 months	16 months

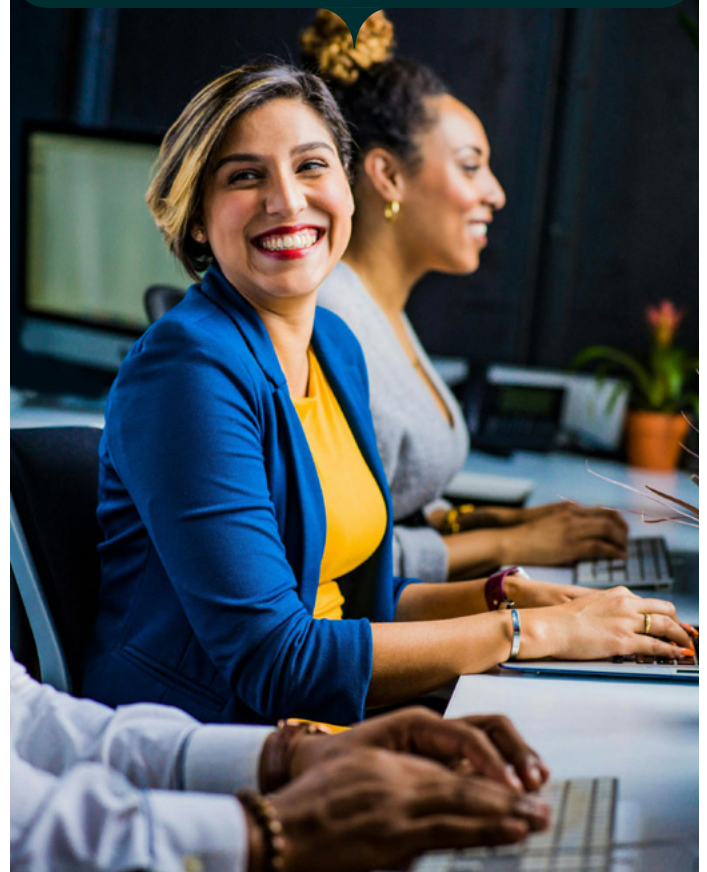
Training and development spend (R'000)

R914

(2023: R348)

Year-on-year increase

163%



Value creation continued



Social and relationship capital

Our stakeholders are broadly defined as those people or organisations that are impacted by or that impact Acision as a business.

Inputs and business activities

We do not operate in isolation and unfortunately South Africa's slow economic growth and increasing inequality present challenges that ultimately impact our operating environment. We see social and relationship capital as the integral link between our property assets and the broader societies in which we operate. Symbiotic relationships functioning effectively as ecosystems is the key denominator.

Corporate social responsibility

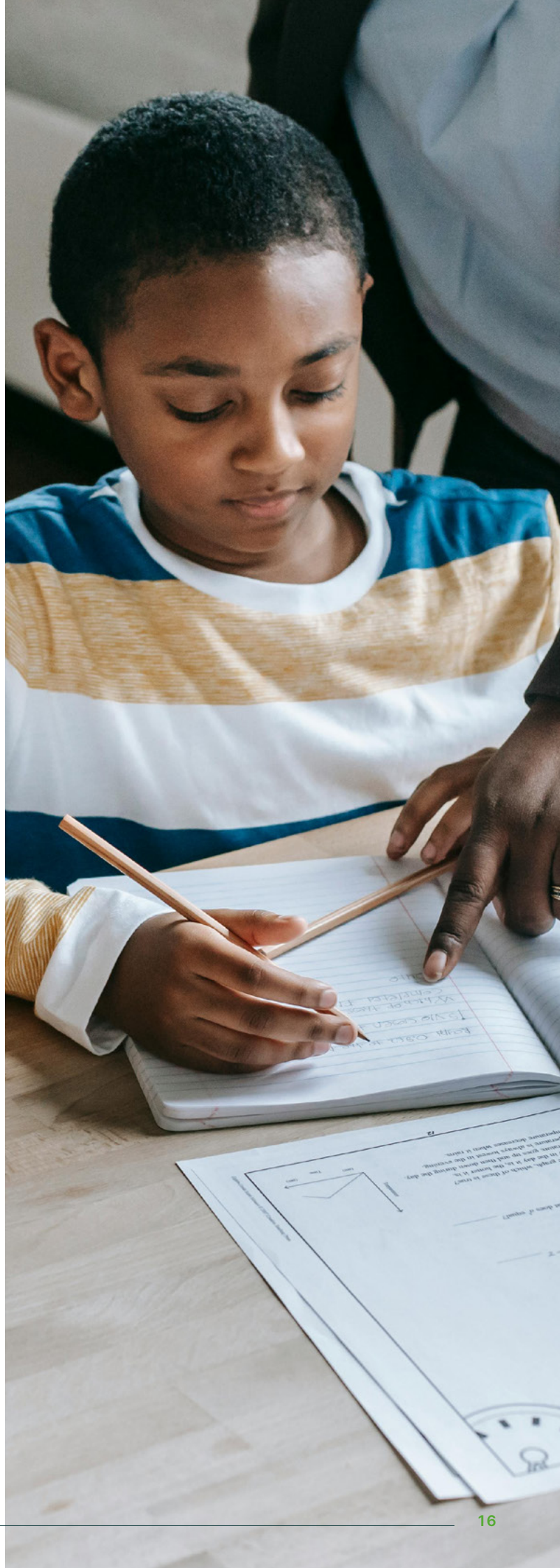
As a retail property owner, one of the most effective ways Acision helps make a difference is to provide worthy causes with a platform from which to launch our campaigns to thousands of visitors. To this end, the company continues to make available free space to our enterprise development suppliers. We believe in assisting entrepreneurs and focus on providing space to market their start-up businesses.

During the past financial year, the Acision group set out to engage with our respective communities by becoming actively involved in corporate social activities, utilising company resources to benefit and empower communities, mainly by means of education initiatives. These projects are aimed at improving educational outcomes in select communities around Acision's retail assets. Acision believes in focusing mainly on the care of children and education.

Key outputs

Acision has created formal communication channels through which stakeholders can engage to understand the changing needs and continue to create value.

	2024	2023
Number of bursaries awarded	8	7
Number of schoolchildren assisted with school funding	19	18





Intellectual capital

We believe that sustainable economic value is not generated solely by our property assets, but also by how we manage these assets to create and extract value for all stakeholders.

Inputs and business activities

Our intellectual capital is made up of:

- The way we do business through effective property management function performed by Anaprop and by leveraging technology and innovation.
- Agile asset management to ensure our strategy can be redirected if required and then effectively executed.
- Our ability to adapt quickly to ever-changing environments.

The Acision brand

It will be part of Acision's aim in the years ahead to build our brand by giving useful timely information to the market so that our stakeholders learn more about our business and understand our differentiators.

Key outputs

The management company also holds the trademarks for "Mall@" and "@Sandton", which it has used extensively throughout the portfolio so that customers and tenants can identify with the group.

The company employs a specialist property software package and numerous application programming interfaces ("APIs") that integrate the accounting, customer relationship management ("CRM"), facilities management and budgeting processes. In this way, it has integrated many of their internal processes, as well as automated many manual processes to ensure consistency and accuracy in reporting.

Value engineering

The company has consistently used the term "value engineering", which is a methodology of looking at every part of the development life cycle and analysing it to ensure that the best possible solution is found. This is specifically utilised in the design process where the development designs are reconfigured continuously until a solution can be found that gives the lowest possible cost without compromising quality or any engineering aspects. "Value engineering" does not only apply to this aspect of the process, but to raising finance, tenant installation solutions, etc.

The property and asset management functions are also performed in-house by the management company (Anaprop Property Management), so that it can build good client relations with tenants, shoppers, suppliers and other stakeholders. This also allows it to manage costs more effectively.

Value creation continued



Natural capital

Natural capital consists of environmental resources we use to create value.

Inputs and business activities

The board of directors is ultimately responsible for matters surrounding sustainability and acknowledges its responsibility to manage the impact that it has on the environment around it. Acision aims to improve the sustainability of our properties by investigating new technologies and solutions to reduce energy and water consumption. The Social and Ethics Committee has been delegated the responsibility of overseeing and giving guidance in this area.

Over the last few years, utility costs have continued to escalate faster than inflation. This has put significant pressure on the tenants, which had a direct impact on rentals. As owners, Acision understands the importance of assisting tenants in finding solutions to these escalating costs and ensuring reliable supply of utilities.

Water is fast becoming a scarce resource and we recognise the importance of responsible consumption to ensure a lasting supply.

Green considerations are always included in the design and construction of new buildings where they make commercial sense.

The following are incorporated generally across the portfolio:

- The use of a building management system to control electricity usage effectively.
- Value engineering heating, ventilation and air conditioning (“HVAC”) designs and the use of natural ventilation as far as possible.
- The use of natural lighting as far as possible and, where not possible, ensuring the use of energy-efficient light fittings.
- The installation of “dry-gardens” to all landscaped areas, which require very little water.

Key outputs

- All buildings over 20 000m² have on-site waste sorting and recycling.
- Our installed photovoltaic (“PV”) capacity across the South African portfolio generated 10.2 million kWh of energy during the year, contributing to our objective of reducing our carbon emissions.
- The waste water recovery plant at the Acsiopolis@Sandton produced in total 37 680kl during the financial year, an average of 3 140kl per month, an improvement from the 1 828kl produced per month in the previous year.



Future initiatives

Continued area of focus is investment in renewable sources of energy to mitigate energy shortages and allow for operational cost efficiencies. The planned R340 million investment to increase our current generation capacity from 11mWp to 20mWp over the next 12 months supported by 20mWh battery storage is progressing within budget and the project completion timeline of 28 February 2025.

The group continues to investigate water saving initiatives similar to its waste water recovery plant at the Acsiopolis@Sandton. The group has also committed to solar expansions over the next year in its international portfolio to the value of €2 million.

Chairperson's review



Hector Zarca
Chairperson

"The group's performance for the 2024 financial year is most satisfactory given the tough economic conditions that the group operated in".

Net asset value per share

2 662c up 11%

Revenue from operations

R1.4bn up 21%

Earnings per share

270c up 17%

Overview

The group's performance for the 2024 financial year is most satisfactory given the tough economic conditions that the group operated in during the year under review.

The group's net asset value increased by 11% to 2 662 cents per share and revenue from operations increased by 21% to R1.4 billion. Earnings per share increased by 17% to 270 cents per share.

Economic environment and the group's performance

Due to uncertain economic conditions, the persistence of high interest rates in place to combat stubborn, sticky inflation rates which has directly impacting negatively on consumer spending, the retail, residential and industrial property market has remained fairly stagnant during the year under review. Consequently, the South African retail property portfolio, represented by a high proportion of A-grade tenants, has been reluctant to commit to longer term leases resulting in the weighted average lease expiry ("WALE") period of 2.33 years. This, however, is in contrast to the overseas retail property portfolio's WALE of 6.33 years with close to 100% occupancy. It is pleasing to note, too, that the 16% growth in property revenue is partly as a consequence of the fully phased-in operations of the mixed-use property Acsiopolis@Sandton which increased income by 203% to R65.7 million. The other large contributor to the 16% growth in property revenue is the continued exceptional performance of the Metropolis Mall in Cyprus which generated 28% of the property revenue in 2024. The@Sandton Hotel, located within the Acsiopolis@Sandton is also fully operational and hospitality revenue increased by 92% to R152 million in 2024.

Notwithstanding the fact that the country has, to current date, experienced 100 or so days free of loadshedding, the group is continuing with its strategy of investing in renewable sources of energy to mitigate the crippling effects of disruptions to energy supply which were relentless in the 2024 financial year. The group is planning to increase its generation capacity by 9mWp from 11mWp to 20mWp in the 2025 financial year.

Corporate governance

The Acision group has continued to adhere, in all material respects, to the Companies Act, the JSE Listings Requirements, with the exception of the delayed reporting matter as referenced in the Audit and Risk Committee report, the Memorandum of Incorporation ("MOI") and King IV during the 2024 financial year.

There have been no changes to the composition of the board nor to any of the board appointed Committees during the year under review.

Dividends

The company declared a final dividend (No 7) of 16 cents per share on 11 July 2024. This, coupled with the interim dividend declared (No 6) of 16.4 cents per share on 29 November 2023 brought the total dividends declared for the 2024 financial year to 32.4 cents per share.

Future prospects

Most economists are forecasting the commencement of a downward interest rate cycle with effect from the end of the third quarter of 2024. This will be bringing welcome relief to the battered South African consumer, albeit small initially. With the concomitant increase in consumer spending which the lowering of interest rates brings, South African business, in all sectors of the economy, will benefit hugely. Acision Limited is no exception. The group is well placed to benefit from higher occupancy rates for @Sandton Hotel as well as improved lease renewals at more favourable escalation rates in respect of all the retail properties going forward.

Moreover, good progress is being made in terms of the group's diversification strategy with the acquisition of three properties mentioned in my review of last year. These properties are in different phases of development and, once completed, will be operating in the hospitality, mixed-use, and retail sectors. These three developments are very exciting and are forecast to add significantly to the group's net asset value as well as revenue.

Lastly, the group's strategy of investing in renewable energy mentioned earlier is not to be underestimated in view of the operational efficiency of the group going forward.

Appreciation

On behalf of the board of directors, I would like to thank:

- Our employees, management and Exco for their continued commitment and efforts during the year under review.
- Fellow board members for their continued commitment and tireless efforts during the year under review.

The board of directors will continually evaluate the trajectory of the group in accordance with its defined strategy and will make any necessary modifications or additions considered necessary in light of any opportunities that present themselves in order to maximise group revenue and net asset value.

Hector Zarca
Chairperson of the board

CEO's review



Kiriakos Anastasiadis
Chief Executive Officer

"Acsion is focusing on areas within its portfolio to better enhance the return potential of every asset".

Operating profit

R1.070bn up 18%

Cash generated from operating activities

R701m up 17%

Net asset value per share

up 11%

The group

The Acsion group is a specialist property developer and owner with a full development team and a significant development focus. Acsion continues to achieve superior returns by focusing on sustainable long-term capital ("NAV") growth.

NAV growth drivers include enhancing existing properties, completing the identified development pipeline and acquiring additional future development opportunities.

A growth story

It is approximately nine years since Acsion listed in the JSE. During this period the NAV increased from 1 018 cents to 2 662 cents at the end of 2024 financial year, an increase of 161%.

If the NAV is measured in accordance with the SA REIT principles, it amounts to an increase of 218% from 947 cents per share in 2015 to 3 012 cents in 2024.

Following our **value engineering** approach for our projects and avoiding **financial engineering** Acsion achieved a remarkable result.

Green value commitment

Acsion continues with its drive for the generation and storage of renewable energy and water recycling. We base this not only on financial aspects but also on our social obligations.

Operating environment and prospects

The South African economy is still weak as a result of no service delivery, deteriorating infrastructure, corruption, criminality and uncertainty in the international economy. The high inflation rate and the consequent high interest rates are not helping the situation.

Acsion is focusing on areas within its portfolio to better enhance the return potential of every asset.

Our policy of diversifying our portfolio internationally is bearing results. This policy will be followed in the future with further developments in Cyprus and Greece.

The retail property environment was weak in the past year but indications are that this is ending, bringing hope to the sector. Our diversification into mixed-use developments is progressing with the new developments in the Western Cape.

The group has a strong base from which to fund further expansion and to maintain its strong operational performance.

Financial performance

During the financial year the group recorded a 21% increase in revenue to R1.433 billion (2023: R1.185 billion). Profit for the year increased 18% to R1.070 billion as a result of the stronger performance from the Metropolis and the benefits of the stronger Euro. The cash generated from operating activities increased 17% to R701 million (2023: R594 million) highlighting the quality of the group's property portfolio and its exposure to international assets.

The group steadily continues to grow its NAV and managed an 11% increase to 2 662 cents per share (2023: 2 391 cents per share).

Loan-to-value remains very conservative at 10%, well within the self-imposed limit of 45%. The low debt levels and Acsion's diversified asset portfolio provide opportunities to finance the planned development pipeline.

Liquidity of the Acsion share

The share price continues to trade at a significant discount to the NAV and the group is aware that this is much more a function of liquidity of the share than it is related to the performance of the group.

The tradability of the share price is evaluated regularly by the board and the executives. Mechanisms and strategies have been debated to better align the share price with the tangible NAV of the underlying properties.

The listed company continues to see considerable value in its own shares and will continue to repurchase shares in the open market.

Appreciation

My thanks to the Board, staff, tenants, customers, suppliers and shareholders for their commitment and support.

We are excited about the future and the continuation of our growth story.

Kiriakos Anastasiadis
Chief Executive Officer

The board of directors and its duties and responsibilities

During the year under review, the board of directors comprised six directors, three of whom are independent non-executive directors, one of whom is a non-executive director with a very small interest in the ownership of the company and two executive directors, being the chief executive officer and the chief financial officer.

The board has delegated certain of its responsibilities to the Audit and Risk Committee, Remuneration Committee and Social and Ethics Committee. The functions of the Nominations Committee have been absorbed by the board of directors.

The board members are the custodians of governance within the group. The board is constituted in terms of the company's MOI and in line with King IV. Rotation of board members is governed by the MOI. Succession planning of board members are considered on a continuous basis and the board is in the process of formulating a succession plan for the group CEO. Currently there is no contractual term or notice period in place for the position of CEO. The board's functions include:

- assuming responsibility for strategy, business performance, stakeholder interest management and corporate citizenship practices;
- assessing, monitoring and approving board committee reports and work;
- ensuring compliance with the JSE Listings Requirements;
- establishing and monitoring social investment and group ethics;
- establishing and monitoring remuneration policies and their implementation and deciding upon executive and non-executive director remuneration together with monitoring human resource management;
- establishing, governing and monitoring finance activities and internal controls, including assuming responsibility for external and internal auditing and risk management;
- assessing and monitoring executive performance;
- taking responsibility for compliance with laws and regulations;
- obtaining professional advice from independent experts as and when required;
- approving new investment decisions which exceed a threshold established in terms of the group's delegation of authority;
- driving all governance issues at Acision;
- approving executive director appointments and delegating duties and responsibilities to them to ensure appropriate role clarity and authority; and
- evaluating both executive and non-executive directors and collective board performance using appropriate tools to do so and exploring potential improvements;

The board and all the committees have adopted charters and policies and direct their activities to meet the goals and objectives set out in the foregoing documents.

As the Chairperson of the board and the majority of the board members are independent, the need for a lead independent director is not considered necessary. The composition of the board of directors and board committees during the year and as at the date of this report are:



Hector Zarca (64) ●
 Independent Non-executive Chairperson

Qualifications
 BCom, BAcc, CA(SA)

Date of appointment
 1 July 2022

Hector completed his articles and passed his Board Examinations in 1985 whereafter he joined the South African Revenue Service on a four-year contract. In 1989, Hector commenced his banking career by joining the Project Finance Division of Standard Bank. His last position at Standard Bank was as Chief Financial Officer of the Commercial Banking Division of the Bank in 1996.

His banking career spanned a period of 21 years, the last nine years of which was as the Chief Executive Officer (CEO) of the then Bank of Athens.

He retired from banking in 2010 to embark on his career in residential property development, investment and letting. He currently manages his own residential property portfolio and other investments.

Hector joined the Board of Acision Limited on 1 July 2022 as an Independent Non-executive Director and Chairperson of the Board. He is also a member of the Remuneration Committee.



Kiriakos Anastasiadis (70) ●
 Director and Chief Executive Officer

Qualifications
 Pr Eng, MSc Eng (Structural)

Date of appointment
 17 September 2014

Kiriakos is the founder of Acision Limited and started the first development that forms part of the Group now known as Acision approximately 21 years ago.

He holds a Master's degree in BSc Structural Engineering and is a registered professional engineer with the Engineering Council of South Africa (ECSA) and has over 40 years' construction and property development experience.



Chris Van Rensburg (45) ●
 Chief Financial Officer

Qualifications
 BCompt, BCompt Honours (Accounting), CA(SA)

Date of appointment
 1 November 2021

Chris holds a BCompt degree and qualified as a chartered accountant in 2006. He is a member of the South African Institute of Chartered Accountants (SAICA).

He joined Acision in November 2021 from an institutionally backed real estate investment business focused on affordable markets, where he served as the Chief Financial Officer. Prior to that he spent two years in the Cayman Islands whereafter he returned to South Africa and gained experience in the construction and insurance industries.



Leora Osrin-Karp (48)
Independent Non-executive Director

Qualifications
BProc, LLB

Date of appointment
1 July 2022

Leora has 25 years of legal, commercial, corporate and property experience.

She has held various senior or executive positions in a number of sectors, including supply chain, telecommunications, mining and property.

She was appointed to Acsion's Board on 1 July 2022 as an Independent, Non-executive Director and is a member of the Audit and Risk, and Social and Ethics committees.



Marianne Kok (52)
Independent Non-executive Director

Qualifications
BCom, BCom Honours (Accounting), MCom, CA(SA)

Date of appointment
1 September 2021

Marianne is a Lecturer at Wits University's School of Accountancy. She holds a Master's degree in Accountancy from Wits. Her research interests include auditing, corporate governance, financial reporting and integrated reporting.

She started her career as an academic article clerk at KPMG followed by 12 years' post-article experience in the South African banking sector as Head of Internal Audit and later as Chief Financial Officer at the then South African Bank of Athens.

She was appointed to Acsion's Board on 1 September 2021 as a Non-executive Director and is currently the Chairperson of the Audit and Risk Committee.



Dr P. David Sekete (69)
Non-executive Director

Qualifications
BSc, MBChB, MSc (Med)

Date of appointment
17 September 2014

Dr P David Sekete is a medical practitioner with 34 years' experience in this field.

He has held various directorships at subsidiary level of the listed Acsion entity over the past 17 years. Prior to this, he was, and in some instances remains, a director at several companies, including Meditech, Buhle Waste, Liseko Healthtek and Razorite Healthcare (RH) and Rehabilitation Fund, managing a budget of R2.5 billion used for developing hospitals.

He is a member of the Health Professions Council of South Africa (HPCSA) and the South African Medical Association (SAMA).



Michael Reynolds (62)
Company Secretary

Qualifications
BCom, BCom Honours, CA(SA), BA C.IFRS, RA(SA)

Date of appointment
4 December 2014

Michael was the Group's audit partner at MWRK Auditors Inc. between 2005 and 2012. He completed his articles at Deloitte & Touche in 1986 after which he joined the South African Revenue Services (SARS) for five years before leaving as a Deputy Director to start his own practice with a partner.

He spent six years in public practice, followed by eight years in commerce.

Michael and his consortium partners listed a building facility management Group on the JSE where he served as Financial Director and Managing Director in the late 1990s. This was followed by a financial directorship at Command Holdings Limited and a Chief Financial Officer appointment at RMB Properties before he returned to public practice where he has been engaged for the past 20 years.

Governance continued

Board and board committee meeting attendance

Board member	Board of directors		Audit and Risk Committee		Remuneration Committee		Social and Ethics Committee	
	Total	Present	Total	Present	Total	Present	Total	Present
Hector Zarca	9	9	—	—	3	3	—	—
David Sekete	9	8	6	5	3	3	2	2
Marianne Kok	9	9	6	6	3	3	—	—
Leora Osrin-Karp	9	9	6	6	3	3	2	2
Kiriakos Anastasiadis	9	9	—	—	—	—	2	2
Chris van Rensburg	9	9	—	—	—	—	—	—

Directors who resigned or retired

There were no resignations or retirements of directors during the year under review.

Appointment of new directors

There were no new appointments of directors during the year under review.

Non-executive directors

- Mr Hector Zarca (Chairperson)
- Dr David Sekete
- Ms Marianne Kok
- Ms Leora Osrin-Karp

↪ The duties and functions of the non-executive directors are set out above on page 21.

Executive directors

- Mr Kiriakos Anastasiadis (Chief Executive Officer)
- Mr Chris van Rensburg (Chief Financial Officer)

The Chief Executive Officer assumes overall responsibility for:

- strategy with input from directors and key managers;
- the maintenance and growth of profits, while being mindful of corporate citizen responsibilities;
- ensuring the decisions of the board are implemented;
- serving the needs of all stakeholders;
- managing the group;
- overseeing and monitoring the performance of principal officers and key managers;
- ensuring the group's human capital is maintained in all respects; and
- protecting and using the group's assets to the advantage.

The Chief Financial Officer is responsible for:

- financial management;
- implementing and maintaining financial systems to record and manage all financial transactions;
- assuming primary responsibility for accurate and effective financial reporting;
- preparing financial reports required for external audit and for monthly and quarterly management reviews;
- ensuring internal controls are implemented effectively;
- monitoring internal controls;
- taking corrective action when internal controls fail or are breached;
- providing the executives with timely and accurate information required for them to perform their functions effectively;
- ensuring compliance with laws and regulations; and
- providing the non-executive directors with financial information they need to ensure they fulfil their duties.

Company Secretary

- Michael Reynolds (Secretary) appointed 1 December 2014

Prescribed officers

- Antonios Kyriazis (Chief Operating Officer) appointed 1 March 2018
- Astrino Nicoloudakis (Chief Investment Officer) appointed 1 November 2015 and resigned on 31 May 2024
- Yanni Anastasiadis (Development Director) appointed 1 October 2005
- Dimitri Thomas (International Operations Director) appointed 1 April 2004

Other key managers

- Nomfundo Khumalo (Human Resources Manager) appointed 1 January 2019

Business management is entrusted to the executive directors of Southern Palace Investments 108 Proprietary Limited, generally known as "Anaprop" and the prescribed officers of the group. Management is invited to Acscion board and board committee meetings to ensure there is no disjunction between execution of governance principles and policy and the setting and monitoring thereof.

Governance continued

The executive directors, prescribed officers and key managers include people with academic qualifications and extensive experience in finance, accounting, electrical and civil engineering, construction and property management, and hospitality.

Report on committee and board of directors' performance

The board of directors is satisfied with the performance of the board and the board committees when measured against their goals and purposes. A self-assessment was carried out by all the directors in the 2024 financial year and were collated and reviewed.

Black economic empowerment

The board of directors confirms that board representation of its black South African directors is 16.67%. Its compliance with the BEE codes has been actively pursued during the year under review by the retail property and tourism management together with the Human Resources Manager, Ms Nomfundo Khumalo.

The group's B-BBEE scorecard is available for inspection on the company's website: www.acsionsa.co.za and comparison with the previous B-BBEE scorecard will demonstrate progress made.

Company Secretary

In accordance with the updated JSE Listings Requirements, the board of directors reports that it has satisfied itself that the Company Secretary, Mr Michael Reynolds, a chartered accountant with prior JSE-listed company experience as an executive and non-executive Director and sound knowledge of Acision Limited, having acted as former external audit director to the group's current subsidiaries, has adequate qualifications and experience to fulfil the requirements of a Company Secretary appointment to Acision Limited.

All directors have unfettered and direct access to the Company Secretary for such purposes as they may deem necessary and likewise have the same access to all documentation and employees as they deem fit to perform their duties in compliance with all applicable laws and regulations.

Diversification

Gender and race diversification is addressed through the company's gender and diversity policy, with an understanding of the prevailing employment equity policy. The board currently comprises of 33% women and 17% black male members. Adequate gender diversification at board level has been achieved, but racial diversification remains inadequate. Racial diversification remains a key area of focus, both at board and executive management levels. The board strives, to the extent practically possible, to improve its representation from time to time at board level, but the size of the board and the lean executive management team has made it challenging to achieve an optimal balance.

The board will continue to discuss and annually agree upon measurable targets to achieve greater racial and gender diversity.

King IV compliance

Acision strives to comply with the 16 principles and 208 practices set out in the King IV Report with the intention of achieving best governance practices.

Executive power is limited by board oversight, a delegation of authority adopted by the board of directors, and a governance framework together with core processes which accord with charters and derivative policies and policy implementation. Implementation practices are continually monitored for efficacy.

The board has assessed that both it and its committees have complied with their purposes and ancillary functions set out above and that these purposes and ancillary functions enable the board to confirm that Acision Limited has complied in all material aspects with the King IV corporate governance recommendations.



Michael Reynolds

BCom, BCom Honours, CA(SA), RA(SA),
BA (Sociology), C.IFRS, MDPB-BBEE

Company Secretary

Audit and Risk Committee

Members

Marianne Kok (Chairperson)

David Sekete

Leora Osrin-Karp

Acsion's Audit and Risk Committee ("ARC") operates within a defined charter which incorporates the requirements of the Companies Act 71 of 2008, the King IV Code of Governance Principles ("King IV") and Acsion's Memorandum of Incorporation.

The ARC aims to ensure the integrity of both our financial and non-financial information through a combination of monitoring and oversight of executive and senior management as well as the use of internal audit and external assurance providers. At present we do not obtain external assurance over our integrated report.

Composition

The ARC consists of the following non-executive directors, two of whom are independent and the remaining member has only a very small share in the company:

- Mrs Marianne Kok (Chairperson)
- Ms Leora Osrin-Karp
- Dr David Sekete

There have been no changes in membership during the period under review.

The members of ARC have appropriate financial, finance and business experience by virtue of their qualifications or fields of expertise. Membership of the ARC is recommended by the board of directors for approval at the annual general meeting as and when applicable.

Executive directors, chief operating officer(s), head of internal and Acsion's external audit engagement partner are invited to participate in all meeting proceedings. Quorum requirements (majority of members) have been achieved at all meetings conducted during the period under review.

Execution of our roles and responsibilities

The following table demonstrates our efforts to address our responsibilities as set out in the ARC charter. This charter is reviewed and approved annually by the board of directors.

Area of focus	Execution
Governance	
Monitoring of conflicts of interest and independence of director's and or prescribed officers	Standard agenda item on our fixed quarterly meetings. Any changes are recorded in the ARC minutes. If there are any discussion points which may result in a conflict of interest, the relevant party is excused from the discussion.
Monitoring of compliance to laws and regulations (including JSE circulars or reports)	Quarterly submission of any relevant circulars to group directors and annual distribution of the JSE monitoring report. Limits relating to related parties' transactions are monitored by management and reported to the ARC.
Review of the group's risk register and implementation of an enterprise risk framework	The risk register is reviewed on a quarterly basis. The implementation of an enterprise risk framework is ongoing with limited progress made since the last report.
Monitoring of significant legal or litigation matters	Quarterly feedback on material legal or litigation matters are provided by the executive management.
Review of solvency and liquidity status of the group	Solvency and liquidity status of the group is reviewed on a quarterly basis.
Review and recommend to the board interim and period end financial statements, including the integrated report	Both interim and period end financial statements, including the integrated report, are reviewed and recommended to the board of directors for approval.
Review the company's internal control and reporting structures	Detailed reporting structures are reviewed by the board of directors and the remuneration committee where dual membership to the ARC is in place. During the period under review the group's delegation of authority was updated and approved.

Audit and Risk Committee continued

Area of focus	Execution
Review selected accounting policies and practices as and when required	The group has not had any changes in accounting policies for the period under review.
Approval of any non-assurance services required by the company or any of its subsidiary companies	Discussed and approved at ARC as and when the need arises. Specifically secretarial services by the group's Company Secretary. Non-assurance services approved during the year included the preparation of separate financial statements for subsidiaries and assistance in the group finance division. Non-assurance services offered by the group's external auditor are prohibited.
Monitoring of ethical business practices	A whistleblowing structure is in place supported by quarterly reporting to ARC.
Annual evaluation of each member of the ARC's performance	Annual evaluation of each member of the ARC's performance has not taken place due to the size of Acision's board. An annual internal board assessment took place in November 2023 (refer to the Governance section of the integrated report on page 24, for further information).
Regular feedback provided to the board of directors	Formal feedback is provided on a quarterly basis to the board of directors by the chairperson of the ARC.
Administrative issues to support effective execution of the ARC, e.g. <ul style="list-style-type: none"> — suitability of agenda items to ensure relevant discussions — minutes of meetings 	A draft agenda is circulated to all members and invitees and agenda is confirmed at the beginning of each meeting. Meetings are recorded and opposing opinions are fully recorded.
Finance and systems of internal control	
Evaluation of the effectiveness of the finance function and the CFO	Quarterly feedback from the CFO in terms of staffing and issues experienced within the group's finance function. Annual meeting between the external audit engagement partner and the members of the ARC to evaluate the effectiveness of the finance function and CFO.
Adherence to new developments in terms of financial reporting	Amendments and/or new International Financial Reporting Standards and the impact thereof is discussed as and when required.
Review of deficiencies in systems of internal control	Internal audit reports are circulated to members of ARC and significant deficiencies are discussed and remedial action plans devised by management are reviewed.
External audit provider(s)	
Appointment of an external audit firm	During September 2023 the audit for the group was placed on tender and BDO South Africa Inc. was appointed in October 2023. The component auditor for the group's Cyprus-based operation remained with PKF Savvides & Co Ltd.
Consider the independence of the firm and the allocated audit team to identify any potential threats	Independence and potential conflict between the external audit service provider and the group was considered. No issues were noted.
Review of audit fees and any amendments to proposed audit fees	Full presentation of fees and amendments to fees were tabled at the ARC.

Audit and Risk Committee continued

Area of focus	Execution
Review proposed audit approach, assessment of significant risks at the commencement of the audit	A full presentation by the external audit service provider was made in February 2024 and the members concurred with their assessment of significant risks. A comprehensive timeline was agreed to between the group's finance function and the external audit service provider.
Review and discuss the findings resulting from the external audit	A full presentation of significant deficiencies in control was tabled and discussed at the ARC supported with corrective action and completion dates.
Discuss audit differences and the impact on proposed financial statements	Detailed discussion as to the nature of audit differences prior to the approval of the period end financial statements took place in July 2024.
Review of the independent auditor's report with specific reference to key audit matters and any regulatory implications	Tabled and accepted at the August 2024 ARC meeting.
Internal audit	
Selection and appointment of the Head of Internal Audit	Not applicable for the period under review.
Review staffing arrangement and collective knowledge set of the function as a whole in order to meet the needs of the group	Annual review of the staffing arrangements of the internal audit.
Annual approval of the proposed internal audit plan	Head of Internal Audit proposed plan was tabled, discussed and approved in February 2024. The internal audit plan is risk based and includes reviews of both financial and non-financial processes.
Review and follow up of reports issued by internal audit	Internal audit reports are circulated to all members of the ARC. Significant issues are discussed at quarterly meetings. The Head of Internal Audit reports on resolution of previous reported items on a quarterly basis.



Marianne Kok

Chairperson

Audit and Risk Committee

Remuneration Committee

Members

Leora Osrin-Karp (Chairperson)

Hector Zarca

David Sekete

Marianne Kok

Other regular attendees by invitation:

Chief Executive Officer, Head of Human Resources and Chief Operating Officer

The company is committed to continue **engaging shareholders** on its remuneration policy.

At the AGM held on 7 August 2023, shareholders considered the remuneration policy and implementation report in respect of the 2023 financial year. We are pleased to report that both the remuneration policy and the implementation report were approved. We engaged with those minority shareholders that did not support the aforementioned with a view to understanding their concerns.

In accordance with the JSE Listings Requirements and King IV, the remuneration policy and the implementation report will again be put to non-binding advisory shareholder votes at the upcoming AGM. In the event that either the remuneration policy or the implementation report, or both, are voted against by shareholders exercising 25% or more of the voting rights, Acision will invite such dissenting shareholders, in its voting results announcement, to engage with the company, also providing details and timing of such engagement.

Overview of the remuneration policy

Policy goal 1

To attract talented people to join Acision

The group's policy is, firstly, **to attract talented people at all levels of its organisation**, especially at leadership levels. Remuneration is one of the most important attractions to candidates seeking new career and work opportunities. As such, the group endeavours to offer market-related remuneration where the assessment of the market remuneration is based on skill, qualifications, experience and the geographic area where the person is being employed.

Market-related remuneration is currently determined by reviewing online resources, consideration of inputs from the group Human Resources Manager, discussions with management, an understanding of particular candidate's specific experience, the prevailing market conditions (per sector) and feedback from job applicants. Adjustments to remuneration offers are permitted within agreed parameters set by the Executives, but this has in certain instances, led to delays in recruitment.

Recruitment has been challenging, owing in part to a shortage of skills in South Africa and the fierce competition to attract and retain suitable talent, which have resulted in an increased cost of employment. The committee will focus greater attention on remuneration as a recruitment tool in the year ahead.

Background statement

The employment landscape in South Africa has been challenging, with high interest rates causing financial pressure across the board. Competition for resources has been fierce, often driving up the cost of employment, in many instances beyond the parameters that have been budgeted. Against this background, the Remuneration Committee, whose members are all non-executive directors, are responsible for:

- reviewing and recommending the group's overarching remuneration philosophy and remuneration policy applicable across the group as a whole, in a manner that is fair and responsible, so as to promote the achievement of the groups strategic objectives, in all jurisdictions in which it operates;
- making recommendations to the board in respect of remuneration of the executive directors, executive committee members and prescribed officers;
- making recommendations in respect of fees payable to non-executive directors; and
- reporting on remuneration policies and implementation in terms of the Companies Act, Accounting Standards, JSE Listings Requirements and King IV.

No external consultants were utilised in the year under review. The CEO and other executives may attend meetings of the Remuneration Committee by invitation, but do not participate in discussions regarding their own remuneration and benefits and do not have a vote. The CEO's inputs regarding the performance of the executives during the current year were considered and relied upon to guide decisions pertaining to remuneration within the context of the operating environments, both locally and abroad.

Value Engineering continues to play an important role in all aspects of the business, including recruitment and remuneration practices. These principles are under review and, to the extent that they may have contributed towards a lack of sufficiently qualified resources in certain areas, will, if necessary, be updated with proposed amendments (to policy and/or implementation).

Remuneration Committee *continued*

Policy goal 2

To create diversity in the workplace

In hiring talented people, **the group seeks to create age, ethnic and gender diversity within its ranks**. The group's employee profile has seen some significant changes, most notably in its newer operations in the hospitality sector. The stability of the core workforce and slower pace of transformation thereof can be attributed to historic practices, and loyal, long serving employees who remain committed to their positions. The group's recruitment and transformation policy continues to rank talent and skill as a first priority, but then favours underrepresented groups to achieve designated diversity goals and to comply with employment equity laws, in jurisdictions where this is applicable.

In seeking to achieve diversity and promote upliftment, and in the interests of reducing inequality, the company also considers potential when recruiting. Learners are taken on and are continually assessed with a view to identifying potential for future employment within the group.

Overall, the group has made positive progress in implementing this policy goal.

Policy goal 3

To retain talented people within the Acsion group

The retention of talent in a competitive environment where there is a national shortage of skills is key to the success of the group. **This policy is focused on retaining top performing employees, whilst balancing staff turnover to ensure retention of institutional knowledge**. Innovation is encouraged to prevent stagnation and to this end bursaries are made available to qualifying staff members to enable them to pursue academic qualifications that will benefit the group in the long term, with a concomitant commitment to remain with the group for an agreed period once the qualifications are achieved.

Internally formulated key performance indicators ("KPIs") are used to measure performance of employees and remuneration is based on the outcomes of the KPIs to ensure performance measurement objectivity. KPIs are reviewed and adjusted annually. The committee will be reviewing the mechanisms used to retain its top employees with a view to making recommendations to the executives, if necessary.

Policy goal 4

Independent and responsible decision making

In keeping with the group's value engineering policy, all remuneration is based on cost to company, with the exception of bursaries offered to employees earning less than a board designated threshold. An **optional** group retirement fund, administered by Momentum and inclusive of defined death, funeral and disability benefits, was introduced. Unfortunately, there was limited take up, notwithstanding a low barrier to entry (contributions commence at 2.5%).

The group does not provide any health benefits (medical aid).

Employees are able to make informed decisions that are aligned with their own needs and goals.

Policy goal 5

Board oversight

The board of directors retains oversight of the group's remuneration philosophy, policy and implementation.

Policy implementation

Directors' remuneration

Non-executive directors

Fees paid to non-executive directors were reviewed by the Remuneration Committee to ensure that the remuneration is market related, fair and appropriate. Factors that were considered included market and sector norms, peer-benchmarking, inflation, the responsibilities of the non-executive directors, time commitments to fulfil their roles (when viewed against the backdrop of the corporate actions that were underway), and the variable workload associated with their memberships of the various Board committees.

The aforementioned factors were all considered within the context of the group's value engineering principles. After much debate, the Remuneration Committee made a unanimous recommendation to the board, proposing a conservative increase for consideration and approval by the shareholders at the AGM. Refer to Special resolution 1 set out in the enclosed notice of the annual general meeting.

Executive directors

There are two executive directors in the full time employ of the company. There have been no significant changes to the remuneration of either of the executive directors, save for minor annual salary adjustments that were approved by the remuneration committee. Neither the CFO nor the CEO receive any fees for attending board or board committee meetings.

Remuneration Committee **continued**

There are currently no short-, medium- or long-term incentives and no retention schemes in place for the executive directors, who are appointed on a cost to company basis with no benefits. No bonus payments were made in the year under review.

Remuneration of senior Executive Committee members

The senior executive committee members (“Exco members”) are responsible, in collaboration with the executive directors, for the day-to-day management and operation of the business of the group. All Exco members are employed by the group on a full-time basis and are paid on a cost to company basis.

Remuneration of all Exco members (excluding the CEO) is determined by the CEO in consultation with the Remuneration Committee.

There are no short-, medium- or long-term incentives and no employee retention schemes in place. There are no longer any incentive opportunities linked to wealth participation as was the case in prior years. The impact of the lack of incentives is under consideration by the committee, and recommendations will be forthcoming once the group's differentiating factors have been considered.

The remuneration of directors of subsidiaries is determined by the shareholder(s) of those subsidiaries.

Employee remuneration

Employees, other than directors and senior executive managers, are remunerated in accordance with policy goal 1 above. Annual increments are granted on employment anniversaries and are based on the prevailing inflation rate and performance measured against agreed performance indicators. During the year under review, all staff, other than directors and Exco members, received on average a 5% increase. Bonuses are based on KPIs when available and a management-compiled scale in all other cases. Staff were paid annual cash bonuses in December 2023 of R1.4 million in aggregate.

Employees in foreign-based operations

The group has a preference for recruiting employees' resident in countries where the group operates, as they are most familiar with in-country legislation, practices and operations. Such employees are then inducted and trained in the Acision philosophy, policies and procedures.

Foreign based employees are all paid in the local currency (Euros). As market remuneration is determined with reference to conditions applicable in the specific country, there is no currency indexing in determining remuneration or fringe benefit modification between countries, save for those required by in-country legislation. Market-related remuneration reviews have to date been determined with reference to online resources in the applicable country, through real time experience by management of current market conditions, and by modification of remuneration offers in response to feedback from job applicants.

Tracking remuneration policy success

The group's inability to attract and retain sufficient employees with the requisite specialised knowledge, skills and experience in certain key areas of the business is a key focus area in the current year. The issue is receiving attention and to the extent that this may be attributed to either the group's remuneration policies and/or their implementation. Recommendations will be made for changes to either or both components. Accordingly, the committee is of the opinion that the group's remuneration policy was adequate, whilst acknowledging that potential changes to the implementation will likely have a positive effect on the business going forward.

The committee is satisfied that it has discharged its various responsibilities for the current financial year.

Remuneration paid to directors and prescribed officers

→ Please refer to page 91 of the integrated report for the full disclosure of remuneration paid to directors and prescribed officers.



Leora Osrin-Karp

Chairperson

Remuneration Committee

Social and Ethics Committee

Members

David Sekete (Chairperson)

Kiriakos Anastasiadis

Leora Osrin-Karp

Other regular attendees by invitation:

Group Human Resources executive
and group Chief Operating Officer



Purpose and ancillary functions

The committee's purpose, as set out in the Companies Act 71 of 2008, as amended, and expanded upon by the board of directors is to establish policies and procedures for the undermentioned activities of the group and to monitor their implementation. These activities are those pertaining to:

- Ethics and integrity within the group and in interactions with outside stakeholders
- Fairness and transparency protocols
- Corporate citizenship and its components
- Maintaining independence of the directors by delegating group responsibilities of the board to individual directors or prescribed officers to ensure accountability
- Maintaining a balance of power between executive and non-executive directors and between individual directors
- Establishing and improving the group's contribution to black economic empowerment ("BEE")
- Establishing and improving the group's gender diversity in employment and management appointment practices
- Establishing and improving the group's social responsibility programs including, but not exclusively, bursaries, learnerships, school outreach programs and community welfare, especially where the community forms part of the group's clientele
- Managing corporate social investment ("CSI")
- Monitoring the environmental impact of the group's activities and suggesting improvements and/or asking management to any remedial action needed

Activities

The committee met twice during the financial year under review to fulfil its purposes and reports on the results of its activities below.

The committee approved its corporate citizenship policy during the year under review and following on from this appointed a consultant to help drive improvement in the group's BEE to enhance opportunities for black South Africans.

The 2023/2024 budget for the group spend on bursaries for employees, learnerships, skills training both statutory and voluntary, school funding and assistance and contributions to the Solve4X programme was R1 834 187 of which 88% was disbursed. The group is proud of the support it gives to its staff and their children in the form of bursaries, the Solve4X programme which took place at the Mall@Emba and its learnerships. The group also supported a number of charities with mall space including CANSA, SNBS and Santa Shoe Box.

The group has allocated similar amounts of spending on the upliftment and support for its employees and corporate social investment.

Ethics

The committee has oversight of group ethics and has updated its ethics policies during the year under review. Ethics training at Acsiopolis is planned for the 2024/2025 financial year and policies are distributed widely amongst all staff. The group also operates a whistleblower hotline which is monitored by the audit and risk committee and not by employees.

The committee is satisfied that there has been no material breach of the code of conduct and ethics, and no material reports on the hotline.

The group is also committed to honesty and integrity and in this regard takes immediate action against staff members committing fraud or theft or found to have treated other employees or patrons in a manner which breaches Acision's code of conduct.

Social and Ethics Committee *continued*



Sustainable development

The group has engaged in substantial solar power generation projects benefiting not only the environment but also contributing to profitability. The solar power facilities installed have also contributed to demand reduction on the national grid contributing in a small way to a stabilisation of demand for electricity essential for the country's development.

Water facilities are a new focus for the group which is developing its own water recycling and storage facilities.

The repair, renovation and litter control projects at all the malls owned and operated by Acision's subsidiaries contribute to the aesthetics of the environment, particularly in rural areas and evidence shows that this encourages development in surrounding areas to the benefit of local communities.

Stakeholder engagement

The committee is committed to ensuring open and fair communication with all its stakeholders, including its employees, tenants and patrons, suppliers and its shareholders. There have been no reported instances of a breach of our communication policy by management or the directors during the year under review.

An executive committee meets weekly to manage operations. These weekly meetings are used to filter information up to management from staff on the ground and down from management to staff. Workspaces outside of hospitality operations are open plan and regular divisional staff meetings are held to communicate policy and discuss operational issues. In the case of the hospitality industry divisional meetings are held almost daily as this is critical to managing the operation.

Tenant meetings are held at regular intervals to assist tenants and to allow tenants to report their issues with their operating spaces so attention can be given to these matters.

The group has long-term relationships with its suppliers, especially in rural areas where we operate, and this ensure high quality delivery of goods and services. Price and BEE criteria are used alongside quality in the procurement processes, and the group engages with its suppliers on these issues. On-site suppliers are also given the opportunity to give feedback on matters needing attention.

The communities surrounding the group's malls are supported as part of its CSI. This is done through the Solve4X programme, sponsorships, employment of people who reside locally and through using local suppliers in our procurement.

Finally, the group also adheres to all JSE regulations in terms of communications with its shareholders ensuring they are kept up to date on developments which may effect the share price at all times.

David Sekete

Chairperson

Social and Ethics Committee

King IV application register

Principle	Compliance reporting
1 The governing body should lead ethically and effectively	Acsion developed a robust set of ethical standards that is displayed by its board of directors and filters down to the group. Information pertaining to ethical standards is available and communicated to all level of our employees. The board continuously monitors the declaration of interests in other entities pertaining to its board members. The company's code of conduct forms part of all employees' employment contracts.
2 The governing body should govern the ethics of the organisation in a way that supports the establishment of an ethical culture	Ethical procedures have been established throughout the group. The Executive Committee adheres to these principles and key members attend Social and Ethics Committee meetings. The group has a developed whistle-blowing policy in place which is continuously monitored.
3 Responsible corporate citizenship	The group adopted a corporate citizen charter which is published on its website, and it seeks to manage its operations in accordance therewith. The Social and Ethics Committee oversees community programmes, B-BBEE progress, gender diversity and community outreaches. B-BBEE progress has been prioritised for the forthcoming year to ensure a faster attainment of contributor status which has not yet been achieved. The group actively strives to investigate alternative opportunities to improve its corporate citizen profile.
4 The governing body should appreciate that the organisation's core purpose, its risks, opportunities, strategy, business model, performance and sustainable development are all inseparable elements of the value-creation process	Acsion's value engineering process was established upon founding of the companies which were combined to form the group in 2004 and this core principle matches the fourth King IV principle. The board approves and monitors the implementation of business plans and policies in accordance with the company's strategy. The group is actively investigating alternative courses of diversification in order to be sustainable and relevant in the areas that it has operations.
5 The governing body should ensure that reports issued by the organisation enable stakeholders to make informed assessments of the organisation's performance and its short, medium and long-term prospects	Acsion has identified its material external and internal stakeholders. Communications to stakeholders are vetted by the board of directors, and if need be, legal advice is obtained. Annual and interim financial statements are issued to the public every six months and where trading updates are necessary they are issued on SENS. Furthermore, the group internal audit function follows a risk based approach to the execution of their duties.
6 The board is the custodian of good governance	The board of directors complies with most of the suggested board appointed committees as required by either the Companies Act or King IV. Quarterly feedback is provided to the board of directors as to the performance and execution of each committee's roles, responsibilities and findings.
7 Board composition should be constituted as recommended in the King IV report	The board of directors and its sub-committees comply with Companies Act regulations and the recommended practices by King IV. Diversity and balance of skills are carefully assessed in terms of membership of both the board and the sub-committees.
8 Effective board structures and delegation of authority should be in place	Governance is functionally structured, integrated and managed in accordance with a delegation of authority.

King IV application register **continued**

Principle	Compliance reporting
9 The board must conduct performance evaluations	Director self-assessments and board performance assessments were internally conducted in the year since the last integrated report. The general outcome of the self-assessment was acceptable to the board of directors. Minor housekeeping issues were identified that will be addressed in the 2024 financial year.
10 The relationship between the board and management must be balanced to ensure policy and oversight are effectively separated from executive action and that no one director has unfettered executive power	The board has assumed this responsibility as it has absorbed the functions of the Nominations Committee as the group has a limited number of directors. The board and executive are segregated to ensure proper independent director oversight but the executives including principal officers and two key managers attend board committee meetings to ensure the board has broad enough insight into operations to limit executive power.
11 Risk must be properly governed	The board takes ultimate responsibility for the management and governance of risk. The Audit and Risk Committee oversees the duties and reporting of the risk officer and the risk register. This function has been extended in the current year to create a pervasive risk management process throughout the group. The group continues to embark on an entity-wide risk management framework.
12 Technology and information governance best practice is required	Technology is managed by a dedicated, experienced official with almost two decades experience with the group and a strong ethical record. IT infrastructure, controls and management are currently being reviewed with a view to upgrading them to better serve the group.
13 Compliance must be governed	The group complies with laws and regulations and its internally established policies. Compliance is governed at various levels, for example the executive committee, internal audit and board appointed sub-committees. The group has engaged a registered third-party tax practitioner to ensure tax compliance and an independent Company Secretary to monitor governance and compliance with laws and regulations and reporting thereof.
14 Remuneration must be governed to ensure it meets the standards of fairness, equity, and transparency in compliance with laws and regulations	Remuneration for employees and directors are debated and agreed upon by the Remuneration Committee. Market-related data, employee performance and compliance to current laws and regulations are meticulously taken into account.
15 Assurance services must be facilitated and monitored to ensure monitoring and management of risks, line and supervisory functions, the control environment, reporting and compliance	The Audit and Risk Committee comprising non-executive directors, of which the majority are independent, carried out all these functions as detailed in the audit and risk responsibilities itemised in the corporate governance report. Clear guidance is documented in this committee's terms of reference and tabled for discussion on a quarterly basis. Combined assurance aims to align assurance processes between internal audit and other assurance providers to deliver deeper insights on governance, risk, and control management to senior management and the Audit and Risk Committee.
16 Policies and policy implementation must follow a stakeholder inclusive approach	The board has adopted charters for each organisational element which take account of all stakeholders' needs, with consequential policies and action. The board strives to apply a stakeholder centric approach and to provide stakeholders with relevant information that is accurate, complete and timely.

Material risks and opportunities

Enterprise risk management

Although risks and opportunities have always been managed within the business, it is now required, as part of the JSE Listings Requirements, that this process is formally bedded down with effective tools being used to actively track and manage specific and enterprise-wide risk.

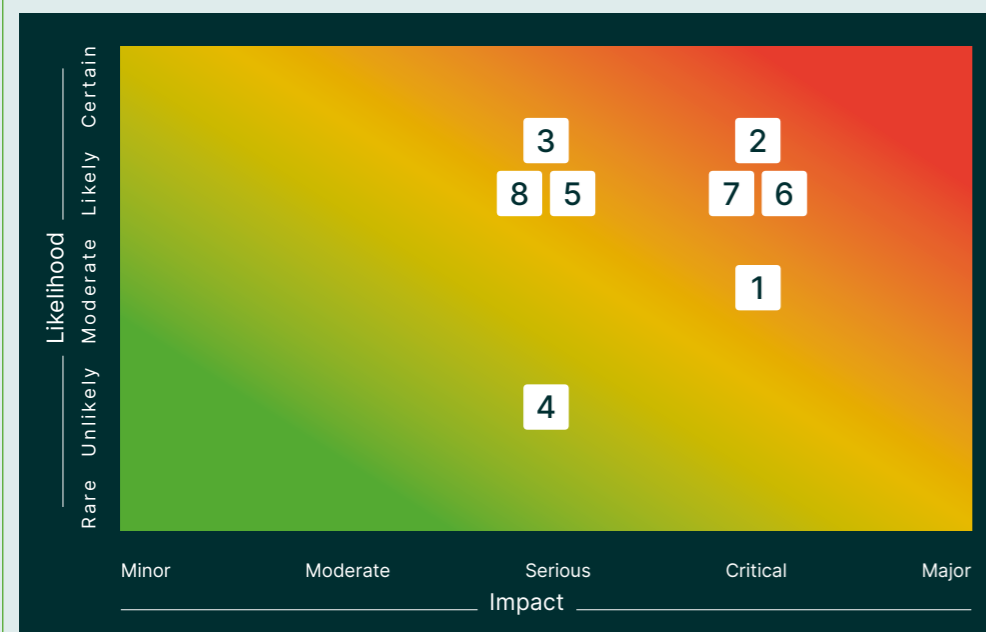
The responsibility of overseeing risk has been delegated to the Audit and Risk Committee, a subcommittee of the board. The board believes that the most efficient and effective way for Acision to manage risk is for the Executive Committee to manage it in conjunction with mitigation plans. Antonios Kyriazis is the Risk Officer responsible for maintaining the risk register. This register is reviewed quarterly during the year by the Audit and Risk Committee, together with monthly reviews by the Executive Committee so that the risks identified are sufficiently managed and mitigated to the satisfaction of the board and executives.

Acision is committed to addressing and dealing with risk in a proactive way. To this end, our long-established internal audit division provides assurance around the control environment and in the process also assists in identifying risks. The Audit and Risk Committee has to ensure that a combined assurance model is effectively implemented. The Head of Internal Audit reports to the Audit and Risk Committee.

Information technology ("IT") governance is also an area of responsibility for the board according to King IV. The group has commenced with forming a separate IT steering committee which reports to the Audit and Risk Committee. Internal audit is tasked with IT performance testing and reviewing of IT governance as well as making size and complexity appropriate recommendations for the improvement of the environment. The IT environment includes:

- MS Windows operating system;
- Various software packages for the Acsiopolis@Sandton hospitality and ancillary operations, specialist property management application software ("MDA") that includes customer relationship management ("CRM") finance modules; and
- Payroll software ("Sage VIP").

Under the oversight of the Audit and Risk Committee the group has continued with the implementation of an enterprise risk management framework encompassing both strategic and operational aspects of the group which was commenced last year. This is a progressive undertaking that will shift the risk management focus to an objective based approach allowing for enhanced decision making at all levels of the group.



Specific increases in risks and management responses in the current year

Macro-economic risks

The sharp deterioration in the macroeconomic environment in the 2024 financial year has significantly elevated operational and financial risks, necessitating a heightened focus on financial resilience and strategic adaptability and operational agility.

Security risks

The sharp increase in violent crime and organised criminal activity has escalated security risks to a high-impact level. While robust security measures are in place, the company is implementing enhanced physical security, advanced surveillance, comprehensive employee training, and crisis management protocols.

General risk identification, mitigating factors and opportunities

▲ Increase from 2023 ▼ Decrease from 2023 ■ Equal to 2023

Risks	Possible impact	Mitigating factors and opportunities	Risk	Opportunity
1 Macro-economic	<ul style="list-style-type: none"> — Increases in inflation and interest rates have had an adverse effect on consumer spending and downward pressure on rentals. — The high unemployment rate coupled with political instability may lead to social unrest and a reoccurrence of large-scale civil disorder. — The low growth and high interest rate environment is indicative of "stagflation" that may lead to delays in the collection of rentals and a rise in tenant insolvencies. — The rising cost of debt is placing upward pressure on real yields, with the potential to impact equity returns. Rising costs can also reduce net operating income and impact the ability for loan interest to be serviced. — For assets requiring capital expenditure, rising construction costs may impair our ability to fund a development to completion. 	<ul style="list-style-type: none"> — Gearing levels are well below our peer group of JSE-listed property funds. — Staying consistent with our value engineering approach and prudent financial stewardship. — Proactive management of our portfolio by our experienced leasing and operations teams. — Nurturing good relationships with current and future tenant bases. — Industrial and both regional and continental geographic diversification. — Ensuring positive relationships are maintained with local communities. — Maintaining and enhancing adequate insurance cover including SASRIA cover. — Continuously monitoring and assessing risks and liaising with the appropriate authorities. — Implementation of effective cost controls, supply chain management and long-term financial planning. — Fixed price building contracts and appropriate contingencies to be put in place to mitigate against construction cost rises. 	▲	■
2 Administered prices	<ul style="list-style-type: none"> — Aggressive increases in municipal costs, especially rates. — Rise in fuel prices with resultant knock-on effects on the provision of goods and services. — Unsustainable increase in the price of basic utilities such as electricity and water. — Cost of occupancy could become uncontrollable with more financial pressure on landlords and tenants. — Landlord's inability to pass on additional costs, diluting net operating income and ultimately property values. 	<ul style="list-style-type: none"> — Ensure efficient cost recovery. — Monitor and react to unsustainable increases in municipal valuations. — Continue monitoring and managing operational costs and implement efficiency measures. — Leverage technology to manage demand and supply of utilities. — Ensure progress is made on solar PV-based energy solutions. 	▲	■
3 Public infrastructure	<ul style="list-style-type: none"> — Continuing deterioration of economic infrastructure and weakened service delivery capabilities from municipalities and state-owned enterprises. — Insufficient public funding and capacity to address backlogs in repairs and maintenance of infrastructure. — Inefficient administrative processes leading to inordinate delays in resolving matters with municipalities. — There are clear indications of a growing ecosystem of organised crime whose members actively go about sabotaging critical infrastructure to benefit from this. 	<ul style="list-style-type: none"> — Ramp up installation and expansion of solar PV, battery energy storage system, and water treatment plants where feasible. — Review and update Disaster Management and Business Continuity Plans to mitigate against local and/or wider grid collapse. — Participation in initiatives to contribute to the improvement of infrastructure. — Innovative interventions to manage consumption. — Active monitoring and management of municipal administration matters. — Establish a clear policy for reporting suspicious activity and cooperating with law enforcement agencies. 	▲	▼

Material risks and opportunities *continued*

▲ Increase from 2023 ▼ Decrease from 2023 ■ Equal to 2023

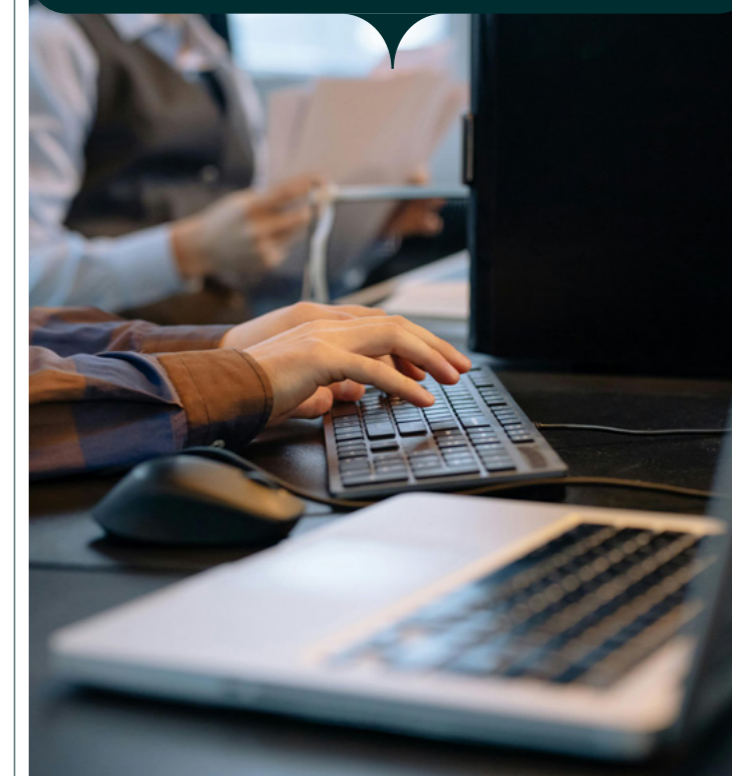
Risks	Possible impact	Mitigating factors and opportunities	Risk	Opportunity
4 Diversification	<ul style="list-style-type: none"> — Diversification of the portfolio has been initiated with the completion of the new developments. — Cost of finance remains expensive as a result of the SA Reserve Bank keeping interest rates high to combat rising inflation. — International developments or acquisitions may be impacted by volatile geopolitical developments which could lead to potential investments being less attractive. — New investments in new jurisdictions such as the one in Greece can create regulatory, currency and operational risks that may lead to higher-than-anticipated costs and reputational damage. 	<ul style="list-style-type: none"> — Current gearing levels allow us to access potential large headroom borrowing facilities when required at reasonable interest rates. — Continued focus on unlocking opportunities only where there is real uplift within the existing portfolio and optimising return on investment. — Material increase in NAV due to completed developments in mixed-use asset and overseas asset ensures strong position to face potential headwinds. — Experienced executive team to continue investigating opportunities to diversify across market sectors, asset classes and geographies. — Compliance based on sound legal advice, careful management of foreign currency transactions, and identification of suitable personnel to set up operational systems and processes that are managed and monitored by head office. — Cultural risks in understanding business practices and communication risks are strongly mitigated by the experience in Cyprus and the familiarity of key executives with the new environment. 	■	▲
5 Sustainable use of natural resources	<ul style="list-style-type: none"> — The effects of climate change may negatively impact on the resilience of our assets. — Increasing social and regulatory pressure to minimise our environmental impact. — Mounting demands for ESG reporting by a wide range of role players. — The introduction of environmental, social and governance ("ESG") reporting framework into our business model and operations. 	<ul style="list-style-type: none"> — Increase investment in green energy through expansion of solar PV and battery energy storage capacity. — Apply learnings from pilot battery energy storage system project to the South African portfolio in order to assist demand and reduce dependency on the grid. — Explore wheeling arrangement of green power and use of land adjacent to our developments. — Active management of water usage including installation of water treatment plants where feasible. 	▲	▲
6 Data and systems security	<ul style="list-style-type: none"> — Growing sophistication and frequency of cybersecurity attacks and breaches. — Reputational damage as a result of information theft of third parties or data protection breaches. — Disruption in business operations and financial loss due to ransomware and malware attacks, or system breakdowns. 	<ul style="list-style-type: none"> — Continuous investment in systems, software and implementation of best practices. — IT review of systems, policies and technologies is underway that will provide key areas of focus for improvement. — Disaster recovery plan in place and introduction of a business continuity programme in cases of attack or breach. — Leverage the investment in systems and software to utilise data to analyse relevant trends, enhance operations and provide value to stakeholders. 	▲	■
7 Security	<ul style="list-style-type: none"> — South African crime statistics reveal a disturbing trend in the increase in the crime rate and particularly violent crime. This fact makes our SA assets susceptible to physical security risks such as theft, burglary, armed robbery, vandalism, and damage to property. — South Africa has experienced a rise in organised criminal activity including kidnapping, extortion from, among others, "construction mafia" groups and targeted killings. Organised crime groups may try to extort property companies for protection money, demanding payment in exchange for not harming the company's assets or personnel. 	<ul style="list-style-type: none"> — Establish robust security measures, including physical security, cybersecurity measures, IT system security audits, third party IT risk management, advanced security technology, block chain technology and behavioural analytics to assist with security measures and employee training to detect and prevent organised crime activity. — Periodic review of security measures including CCTV systems, security company protocols, proper lighting in all areas, and staff training on security and emergency procedures. — The company works closely with the local community around the malls, including the police and other security agencies, to address any security concerns in the area, insofar as is possible. — The company works with local law enforcement agencies to gather intelligence on organised criminal networks operating in the area, insofar as is possible. This can help identify potential threats and enable the company to take proactive measures to prevent criminal activity. — The company collaborates with other businesses in the area to share information and resources on security threats and measures. This helps create a more secure environment for all businesses in the area. 	▲	■
8 Compliance with laws and regulations	<ul style="list-style-type: none"> — There are 25 Legislative Acts which have a major impact on business operations and many more which have a lesser impact. — Non-compliance results in both financial and reputational damage harming the business as a whole. — A lack of compliance with laws and regulations affecting stakeholders can cause serious damage as the company is a JSE listed entity and is engaged in an industry that is heavily exposed to public opinion. 	<ul style="list-style-type: none"> — The company outsources compliance to best-of-breed experts when insourcing is not cost effective and employs insourced expertise when value engineering demonstrates the cost-to-benefit ratio is better. — The company has strong non-executive directors to oversee compliance amongst its other duties. — The group's corporate culture is strongly invested in community engagement as it affects spending at its malls impacting on rental revenues. 	▲	▼

Acision is committed to addressing and dealing with risk in a proactive way.

To this end, an internal audit division has been established to provide assurance around the control environment and in the process also assist in identifying risks.

Information Technology ("IT") governance is also an area of responsibility for the board according to King IV.

Internal audit is tasked with performance testing around IT governance and making size and complexity appropriate recommendation.



Audited Consolidated and Separate Financial Statements

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Report from the Audit and Risk Committee

for the year ended 29 February 2024

The Acision group's Audit and Risk Committee ("the committee") is pleased to present its report for the financial year ended 29 February 2024 to the shareholders of Acision. The committee is established as a statutory board committee in terms of section 94(2) of the Companies Act, 71 of 2008 ("the Companies Act"). The committee discharged its responsibilities as mandated by the board of Acision ("the board") in its terms of reference, which are informed by the Companies Act, the King IV Report on Corporate Governance for South Africa ("King IV") and the JSE Limited ("JSE") Listings Requirements.

Committee composition, attendance and assessment

Mandatory quarterly meetings are scheduled, and ad hoc meetings are convened as and when necessary. Committee meetings held during the year and the attendance of these meetings are recorded below:

Composition of the committee

Member and appointment date	Meetings						
	29 May 2023	14 Jun 2023	5 Jul 2023	31 Aug 2023	23 Nov 2023	27 Nov 2023	22 Feb 2024
Marianne Kok (Chair) — 1 Sep 2021	✓	✓	✓	✓	✓	✓	✓
Leora Osrin-Karp — 1 Jul 2022	✓	✓	✓	✓	✓	✓	✓
Dr David Sekete — 11 Aug 2020	✓	✓	✓	✓	✓	✓	✓

The Chief Executive Officer, Chief Financial Officer, Chief Operations Officer(s), Risk Manager, Head of Internal Audit and external auditors attend the committee meetings by invitation. Any other Director is entitled to participate in the meetings of the committee as an invitee. During the financial year the Chairperson of the board, Hector Zarca, attended all committee meetings. The Company Secretary acts as secretary to the committee meetings.

All committee members are non-executive directors, as required by the Companies Act.

Committee responsibilities

The committee oversees the group's financial reporting, audit and assurance functions and risk governance matters. This report details how the committee met its obligations, statutory and otherwise, as set out in its terms of reference, during the year under review. The committee is satisfied that it executed its responsibilities in compliance with its terms of reference for the year under review.

Committee focus areas for FY2024

The following were the committee's focus areas during the year under review:

- The committee continued to gain a better understanding of the group's control environment, systems and processes regarding key financial systems and risks. Specific focus was placed on the group's hospitality segment.
- Continuous review of the stability and skill set of the group's finance function.
- Regular review of critical core enterprise risks, namely strategic, operational, financial, legal and compliance and reputational risks.
- Appointment of a new assurance services provider. BDO South Africa Inc. ("BDO") replaced PKF Octagon Inc. in October 2023 as the group's external auditor. PKF Cyprus will continue to audit the group's Cypriot investment.

Financial reporting and going concern

During the financial year, the committee reviewed the group's interim and annual financial statements, which included the review of significant accounting policies, key accounting matters, areas of significant judgement, material assumptions and estimates adopted by management.

The committee recommended all these sets of financial statements to the board for approval, with specific reference to the going concern assumption. The committee considered the solvency and liquidity tests supporting proposed dividend distribution, before recommending these to the board for approval.

Report from the Audit and Risk Committee

for the year ended 29 February 2024 continued

Key audit matters reported by the external auditors

The committee considered the following aspect:

Valuation of investment property

At year-end, the committee considered management's proposals in respect of assumptions and judgements applied in the determination of the fair value of the group's investment properties. Note 3 of the consolidated annual financial statements provides information in this regard.

External audit

The committee evaluated the performance and independence of the external auditor, BDO and the engagement partner, Sergio Vittone. The Independent Regulatory board for Auditors' inspection findings at a firm and partner level and other relevant information, as required by paragraph 3.84(g)(ii) of the JSE Listings Requirements, were considered in support of this. The external auditor's independence is further governed by a non-assurance service policy which disallows certain services and implements an approval framework and maximum levels for permissible non-audit services.

The committee approved the terms of the BDO audit engagement letter, audit plan and budgeted audit fees for the 2024 financial year. Audit fees and non-audit services are disclosed in note 22 of the consolidated annual financial statements.

There is a direct line of communication between the Chair of the committee and the external auditor. In addition, a private session was held between the committee and external audit, without management being present.

2024 Integrated report

The committee is tasked with the oversight role of overseeing the preparation of this report and considered the content, preparation and assurance processes in respect of the integrity of the report. The other board committees also provided oversight of the content related to their respective terms of reference. The committee recommended the 2024 Integrated Report for approval by the board.

Combined assurance

The committee oversees combined assurance and ensures a combined assurance model is applied to provide a co-ordinated approach to all assurance activities in the group. The combined assurance framework established co-ordinated assurance activities between the lines of assurance across the group, including risk management. This is an ongoing area of focus in order to achieve greater effectiveness and efficiency going forward.

Internal audit and internal financial controls

The committee is responsible for overseeing the assessment of the adequacy and effectiveness of internal control systems, including internal financial controls, and for considering the significant findings of any internal investigations into control weaknesses, fraud or misconduct and management's responses to them.

The group has an established internal audit function and quarterly oversight of reports issued, approval of annual internal audit plans based on the group's risk profile was approved by the committee. The Head of Internal Audit reports to the chair of this committee.

The committee, through various management and assurance processes, obtained confirmation that the effectiveness of systems of internal control and risk management are being maintained and that there were no material breakdowns in the functioning of the internal financial control systems during the year.

Risk and compliance governance and combined assurance

The board has delegated the responsibility to oversee the implementation of an effective governance, risk, legal and compliance frameworks and processes to the committee. The board is ultimately responsible for ensuring group management maintains an effective risk governance and management process. The committee assisted the board in discharging its duties relating to governance of risk. The committee oversees the implementation of a group-based risk framework, policies and processes. This included setting risk appetite limits and considering risk identification and mitigation activities, including emerging risks and risk reporting.

Report from the Audit and Risk Committee

for the year ended 29 February 2024 continued

Ethics and compliance

The group's compliance framework is updated annually when legislative changes occur or when otherwise necessary. The Social and Ethics Committee ("SEC") oversees various related social and ethics matters. The committee considered reports on matters from management to the SEC or this committee to gain an understanding of fraud and related issues that might impact the accuracy of financial reporting and the effectiveness of internal controls.

Reportable Irregularity ("RI")

On 19 July 2024 the group's external auditor submitted its first report to the Independent Regulatory Board for Auditors regarding the late publication of the group's consolidated financial statements. This RI was raised in terms of paragraph 3.15 and paragraph 3.16 of the JSE Listings Requirements, whereby the group had not published its financial results within three months after year-end nor its integrated annual report within four months after year-end.

Annual confirmations and assessments

As part of its annual obligations, the committee raised concerns regarding the appropriateness of financial reporting procedures and whether these procedures support the timely preparation of the group's annual financial statements. These delays experienced were a culmination of unexpected staff movements and additional support was provided. However these measures were not successfully executed. Restructuring of the internal controls over financial reporting have commenced.

The committee is satisfied with the following:

- The skills and experience of the CFO, Chris Jansen van Rensburg.
- The adequacy and effectiveness of internal controls, with the exception of the procedures in place to support the timely preparation of the annual financial statements.
- The adequacy and effectiveness of internal controls over financial reporting to ensure material information is reported in accordance with the IFRS Accounting Standards and that no material information is omitted.
- External audit quality and auditor independence.
- Compliance with related matters regarding the JSE Listings Requirements and the JSE's 2022 and 2023 Proactive Monitoring Reports.

Future focus areas

- Skills and staffing requirements of the finance function including the effectiveness of the process flow of financial information.
- Review the group's IT governance arrangements, execution and progress of technology strategy and focussing on key risks and mitigation.



Marianne Kok

Chairperson

Audit and Risk Committee

29 August 2024

Directors' responsibilities and approval

for the year ended 29 February 2024

In terms of the Companies Act of South Africa 71 of 2008 ("the Companies Act"), as amended, the directors are required to maintain adequate accounting records and are responsible for the content and integrity of the audited consolidated and separate financial statements and related financial information included in this report. It is their responsibility to ensure that the audited consolidated and separate financial statements fairly present the state of affairs of Acision Limited ("Acision") and its subsidiaries ("the group" and "the company") as at the end of the financial year and the results of its operations and cash flows for the year then ended, in conformity with IFRS Accounting Standards ("Accounting Standards").

The consolidated and separate financial statements are prepared in accordance with the IFRS Accounting Standards ("Accounting Standards") and IFRIC Interpretations adopted by the Independent Accounting Standards Board, the SA financial reporting requirements and the requirements of the Companies Act and the JSE Listings Requirements and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the group and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the board sets standards for internal control aimed at reducing the risk of error or loss in a cost-effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the group and all employees are required to maintain the highest ethical standards in ensuring the group's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the group is on identifying, assessing, managing and monitoring all known forms of risk across the group. While operating risk cannot be fully eliminated, the group endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors are satisfied that the company has complied with the provisions of the Companies Act relating to its incorporation and is operating in conformity with its Memorandum of Incorporation ("MOI").

The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the consolidated and separate financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss. The directors have anticipated delays in the finalisation of the annual financial results. These delays have been a culmination of unexpected staff movements and additional support was provided. However these measures were not successfully executed. Restructuring of the internal controls over financial reporting have commenced.

The directors have reviewed the group's cash flow forecast for the year ahead and, in light of this review and the current financial position, they are satisfied that the group has or had access to adequate resources and will negotiate to replace any expiring facilities in order to continue in operational existence for the foreseeable future.

The external auditor is responsible for independently auditing and reporting on the consolidated and separate financial statements. The consolidated and separate financial statements have been examined by the group's external auditor and its report is presented on pages 48 to 51.

The consolidated and separate financial statements set out on pages 52 to 101, which have been prepared on the going concern basis, were approved by the board on 29 August 2024 and were signed on its behalf by:



H Zarca
Chairperson



K Anastasiadis
Chief Executive Officer

Chief Executive Officer and Chief Financial Officer's responsibility statement

for the year ended 29 February 2024

Each of the directors, whose names are stated below, hereby confirm that:

- the annual financial statements set out on pages 52 to 101, fairly present in all material respects the financial position, financial performance and cash flows of the issuer in terms of the Accounting Standards;
- to the best of our knowledge and belief, no facts have been omitted, or untrue statements made that would make the annual financial statements false or misleading;
- internal financial controls have been put in place to ensure that material information relating to the issuer and its consolidated subsidiaries have been provided to effectively prepare the annual financial statements of the issuer; and
- the internal financial controls are adequate and effective and can be relied upon in compiling the annual financial statements, having fulfilled our role and function as executive directors with primary responsibility for implementation and execution controls;
- where we are not satisfied, we have disclosed to the Audit and Risk Committee and the auditor any deficiencies in design and operational effectiveness of the internal financial controls and have remediated any deficiencies; and
- we are not aware of any fraud involving directors.



K Anastasiadis

Chief Executive Officer



CRJ van Rensburg

Chief Financial Officer

Company Secretary's confirmation

for the year ended 29 February 2024

In terms of section 88(2)(e) of the South African Companies Act, as amended, I certify that the group has lodged with the Companies and Intellectual Properties Commission all such returns as are required of a public company in terms of the Companies Act and that all such returns are true, correct and up to date.



Michael Reynolds

BCom (Wits), BCom Hons (Wits), CA(SA), BA (Unisa), C.IFRS (Wits), MDPB-BBEE (Unisa), RA(SA)

Company Secretary

Directors' report

for the year ended 29 February 2024

To the shareholders of AcSION

We have pleasure in presenting the separate and consolidated annual financial statements of AcSION and its subsidiaries for the year ended 29 February 2024.

1. Nature of business

AcSION is an investment entity incorporated in South Africa with interests in the property holding and development industry. The company's trade is limited to investment activities and all of its operating activities are undertaken through its principal subsidiaries. The majority of the group's property portfolio is centred in Gauteng, Limpopo and Mpumalanga. The group has one retail property situated in Cyprus (Metropolis Mall). Over the last few years, the group diversified its property portfolio and operations by expanding into the hospitality and tourism sector. AcSION@Sandton was the first venture and we are pleased to report that this venture is performing satisfactorily in light of the economic challenges facing South Africa.

During the year the group acquired investment opportunities in the South African Western Cape province and mainland Greece.

2. Review of financial results and activities

Revenue from direct property operations increased 16% (2024: R1.28 billion; 2023: R1.11 billion) while total revenue for the group increased 21% (2024: R1.433 billion 2023: R1.185 billion) as a result of the improved contribution from the hospitality operations. Revenue from the international operations increased 15% due to the stronger Euro against the Rand. 28% (2023: 28%) of the property revenue was generated internationally. Revenue from the South African property operations increased 16% from the prior year (2024: R923 million; 2023: R795 million) which is attributable to the improved performance of AcSION@Sandton (2024: R65.75 million; 2023: R21.68 million) and the additional of 11 000m² GLA at the Mall@55.

Operating expenses increased 49% due to the contribution of the residential portfolio of AcSION@Sandton, specifically the increase in depreciation of the equipment and furniture and fittings of the furnished apartments and municipal costs that were not fully recoverable from tenants. As the occupancy of the property continues to improve, so will the recovery of these expenses. Mindful management of expenses was exercised. However, some expenses are not within management's control, for example, rates and taxes and utility charges.

Profit after tax for the year increased 18% from R907 million to R1.07 billion. Headline earnings decreased to 107 cents per share (2023: 120 cents per share), representing an 11% decrease (2023: 14% increase). Net asset value ("NAV") increased 11% to 2 662 cents per share (2023: 2 391 cents per share). The increase is largely attributed to the financial performance of Metropolis Mall in Cyprus on the back of a stronger Euro against the Rand.

The Company uses NAV per share as its key performance measure for JSE Trading Statement purposes.

3. Stated capital

'000	Number of shares issued			
	2024		2023	
Authorised	10 000 000		10 000 000	

R'000	Rand value of shares issued		Number of shares issued	
	2024	2023	2024	2023
Total number of shares issued	3 979 956	3 979 956	394 960	394 960
Less: Treasury shares held by subsidiaries	(46 211)	(45 853)	(10 002)	(9 944)
	3 933 745	3 934 103	384 958	385 016

Refer to note 13 for details of the movement in issued share capital.

Directors' report

for the year ended 29 February 2024 continued

4. Authority to buy back shares

At the last Annual General Meeting ("AGM") held on 7 August 2023, shareholders gave the company or any of its subsidiaries a general approval in terms of section 48 of the South African Companies Act 71 of 2008, by way of special resolution, for the acquisition of its own shares. As this general approval remains valid only until the next AGM, the shareholders will be asked at the next AGM to consider a special resolution to renew this general authority until the next AGM.

A total of 58 407 (2023: 23 754) shares were repurchased at an average price of R6.12 (2023: R5.11) per share during the current year in terms of this authority, bringing the total treasury shares held to 10 002 472 (2023: 9 944 065).

5. Dividend distributions

On 11 July 2024, the Board of directors declared a final cash gross dividend (No 7) of 16 cents per ordinary share, payable out of income reserves to all shareholders of AcSION Limited.

The total gross dividend (no 6 and no 7) per share relating to the financial year ended 29 February 2024 therefore amounts to 32.4 cents, compared to 36 cents for the year ended 28 February 2023.

The dividend per share is calculated based on 394 959 976 shares in issue as at the date of the dividend declaration and therefore amounts to R63 193 596 in aggregate.

The net dividend amount, excluding South African dividend tax of 20%, which equates to 3.2 cents, is 12.80 cents per share for those shareholders that are not exempt from dividend tax.

AcSION's income tax reference number is 9794017161.

In compliance with the requirements of Strate, the company determined the following salient dates for the payment of the final dividend:

Last day to trade cum dividend	Tuesday, 30 July 2024
Shares commence trading ex dividend	Wednesday, 31 July 2024
Record date	Friday, 2 August 2024
Payment date	Monday, 5 August 2024

Shares may not be rematerialised or dematerialised between Wednesday, 31 July 2024 and Friday, 2 August 2024, both days inclusive.

6. Directorate

The directors in office during the year were:

Directors	Office	Designation	Nationality
PD Sekete	Social and Ethics Committee Chair, Remuneration Committee member, Audit and Risk Committee member	Non-executive director	South African
M Kok	Audit and Risk Committee Chair and Remuneration Committee member	Independent non-executive director	South African
H Zarca	Chairperson, Remuneration Committee member	Independent non-executive director	South African
L Osrin-Karp	Remuneration Committee Chair Social and Ethics Committee member and Audit and Risk Committee member	Independent non-executive director	South African
K Anastasiadis	Chief Executive Officer	Executive	Greek
CRJ van Rensburg	Chief Financial Officer	Executive	South African

There were no changes to the board of directors during the year.

Directors' report

for the year ended 29 February 2024 continued

7. Directors' interests in shares

As at 29 February 2024, the directors of the Company held direct and indirect beneficial interests in 76.10% (2023: 75.66% of its issued ordinary shares, as set out below:

Issued	2024		2023	
	Indirect no. of shares	%	Indirect no. of shares	%
K Anastasiadis	300 034 701	75.97	298 321 701	75.53
PD Sekete	523 995	0.13	523 995	0.13

Changes to the directors' interests in shares were communicated via SENS on 29 January 2024 and 20 December 2023. There have been no changes to beneficial interests between the end of the reporting period and the date of this report.

Refer to Appendix A to the financial statements for the detailed shareholder analysis.

8. Directors' interests in transactions

Substantial related party contracts entered into by the group, are discussed and approved in principle at board level without attendance of the relevant related director.

K Anastasi Project Proprietary Limited continued with construction work at Mall@55 to the value of R18.6 million (2023: R66 million). The contract was concluded in the prior year to build an extension of approximately 9 571m² to the Mall@55 for a cash amount of R99.58 million, inclusive of a contingency allowance. Remedial and construction work of Acsiopolis@Sandton continued and construction cost of approximately R0.67 million (2023: R199 million) was incurred. Refer to note 12 of the Directors' report for the litigation statement. Note 32 to the financial statements provides further detail regarding transactions with related parties.

9. Directors' emoluments

Refer to note 31 to the financial statements.

10. Events after the reporting period

Refer to note 38 to the financial statement for disclosure regarding events after the reporting period. The directors are not aware of any other matters or circumstances since the end of the financial year and up to the date of this report, which require adjustments to or disclosure in the financial statements.

11. Going concern

The consolidated and separate financial statements have been prepared on the basis of accounting policies applicable to going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business. The directors believe that the group has adequate financial resources to continue in operation for the foreseeable future and accordingly the financial statements have been prepared on the going concern basis.

While the group's current liabilities exceed current assets because of maturing facilities at the reporting date, refinancing of the loans expiring in May 2024 has been credit approved by the existing lenders at more favourable terms. At the reporting date, the group had R11.8 billion of unencumbered property which can be utilised to obtain secured property finance or to refinance the term loan expiring in February 2025.

The directors have satisfied themselves that the group and company are in a sound financial position and that it will have access to sufficient borrowing facilities to meet its foreseeable cash requirements. The directors are not aware of any new material changes that may adversely impact the group and company. The directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the group and company.

Directors' report

for the year ended 29 February 2024 continued

12. Litigation statement

The group is currently engaged in legal proceedings involving the initial construction contractor relating to the construction of Acsiopolis@Sandton in 2020 and an insurance claim relating to business interruption losses incurred as a result of the COVID-19 pandemic.

13. Promotion of Access to Information Act

There were no requests for information lodged with the Company in terms of the Promotion of Access to Information Act, 2 of 2000.

14. Auditor

BDO South Africa Inc has been appointed as auditor of the group for the 2024 financial year with effect from 4 October 2023, replacing PKF Octagon Inc, who was not reappointed at the AGM held on 7 August 2023.

15. Secretary

The Company Secretary is Michael Reynolds of MWRK Accountants and Auditors Incorporated.

Business address:

19 Edward Street
Westdene
Benoni
1501

16. Registered and postal address

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and Rooihuiskraal Drive
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0157

Postal address:

PO Box 569
Wierda Park
0149

Independent auditor's report

To the shareholders of Acsion Limited

Report on the audit of the consolidated and separate financial statements

Opinion

We have audited the consolidated and separate financial statements of Acsion Limited (the group and company) set out on pages 52 to 101, which comprise the consolidated and separate statements of financial position as at 29 February 2024, and the consolidated and separate statements of profit or loss and other comprehensive income, consolidated and separate statements of changes in equity and the consolidated and separate statements of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including material accounting policy information.

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of Acsion Limited as at 29 February 2024, and its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act of South Africa.

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 Consolidated and Separate Financial Statements* section of our report. We are independent of the group and company 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)*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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. We did not identify any key audit matters in relation to the separate financial statements. 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.



Independent auditor's report

To the shareholders of Acision Limited continued

Key audit matter

How our audit addressed the key audit matter

Valuation of properties (consolidated financial statements)

The valuations of investment property held at fair value, and land and buildings valued using the revaluation model (included in property, plant and equipment), are performed by external independent valuers and management, and are based mainly on discounted cash flow models.

Significant judgements and estimates are required in determining discount and capitalisation rates used within these valuations.

Note 3 (Investment property) and Note 4 (Property, Plant & Equipment) to the consolidated financial statements sets out the most significant inputs and assumptions into the valuations. These include vacancy percentages, discount rates, exit capitalisation rates, revenue escalation rates and expense escalation rates.

The valuation of investment property and land and buildings are considered a matter of most significance to our current year audit of the consolidated financial statements, due to the significant judgements and estimates associated with determining fair values of the properties, the sensitivity of the valuations to changes in assumptions and the magnitude of the balances.

We performed the following procedures, amongst others:

- assessed the design and tested the implementation of the relevant controls over the valuation process, which includes the review and approval of valuations by the board of directors;
- evaluated the capabilities, competency, and objectivity of the external independent valuers. This included assessing professional qualifications and registrations;
- through discussions with the external independent valuers, obtained an understanding of the external valuers' work performed, which included the valuation methodology adopted, the significant assumptions used, and critical judgement areas applied, such as discount and capitalisation rates;
- making use of our internal valuation expertise, and assessing relevant market information, we assessed whether the valuation methodology was appropriate, we compared the significant assumptions and judgements used by the external independent valuers to historical inputs and relevant market data, where available, to assess its reasonability, and we investigated unexpected movements. Based on our work performed, we noted no aspects in this regard which required further consideration;
- for all property valuation calculations, we verified the mathematical accuracy of the models applied and evaluated the reasonability of the inputs. On a sample basis within each property valuation calculation, we assessed the reasonability of management's forecast against the lease agreements and expense contracts, and assessed reasonableness of the growth rates used against relevant market related data; and
- evaluated the adequacy of the disclosure in the consolidated financial statements, including the disclosure of the significant inputs and sensitivities, against the requirements of IFRS Accounting Standards.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the document titled "Acision Limited Integrated Annual Report for the year ended 29 February 2024", which includes the Directors' Report, Report from the Audit and Risk Committee and the Company Secretary's confirmation as required by the Companies Act of South Africa. The other information does not include the consolidated and 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 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 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 obtained, 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.

Independent auditor's report

To the shareholders of AcSION Limited continued

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 IFRS Accounting Standards as issued by the International Accounting Standards Board 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's 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 the 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.



Independent auditor's report

To the shareholders of AcSION Limited continued

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 BDO South Africa Incorporated has been the auditor of AcSION Limited for one year.

In accordance with our responsibilities in terms of sections 44(2) and 44(3) of the Auditing Profession Act, we report that we have identified a reportable irregularity in terms of the Auditing Profession Act. We have reported such matter to the Independent Regulatory Board for Auditors. The matter pertaining to the reportable irregularity relates to the entity not having released their results announcement relating to the condensed financial statements within three months after the financial year end, as well as not having releasing their consolidated and separate financial statements within four months after the financial year end as required in terms of Paragraphs 3.15 and 3.16 of the JSE Listings Requirements.



BDO South Africa Incorporated

Registered Auditors

Sergio Vittone

Director

Registered Auditor

30 August 2024

Wanderers Office Park

52 Corlett Drive

Illovo, 2196

Statement of financial position

as at 29 February 2024

R'000	Notes	Group		Company	
		2024	2023	2024	2023
Assets					
Non-current assets					
Investment property	3	12 487 222	11 083 750	—	—
Operating lease asset	3	166 203	167 984	—	—
Property, plant and equipment	4	813 787	932 060	—	—
Goodwill	5	625 464	625 464	—	—
Intangible assets	6	165	165	—	—
Investment in subsidiaries	7	—	—	3 142 248	3 247 999
Other financial assets	8	6 290	527	—	—
Deferred tax assets	14	247	37 465	247	17 107
		14 099 378	12 847 415	3 142 495	3 265 106
Current assets					
Operating lease asset	3	26 573	—	—	—
Inventories	10	55 414	46 072	—	—
Current tax asset	26	12 299	21 039	19	—
Loans to group companies	9	—	—	161 268	126 524
Trade and other receivables	11	40 848	30 133	8	1
Other financial assets	8	—	190 504	—	—
Cash and cash equivalents	12	520 171	231 976	25 506	23 422
		655 305	519 724	186 801	149 947
Total assets		14 754 683	13 367 139	3 329 296	3 415 053
Equity and liabilities					
Equity attributable to owners of the company					
Stated capital	13	3 933 745	3 934 103	3 979 956	3 979 956
Reserves		409 866	274 367	—	—
Retained earnings/(accumulated deficit)		5 903 220	4 995 583	(732 209)	(609 488)
Shareholders' equity		10 246 831	9 204 053	3 247 747	3 370 468
Non-controlling interests		233 638	184 575	—	—
Total equity		10 480 469	9 388 628	3 247 747	3 370 468
Liabilities					
Non-current liabilities					
Deferred tax liabilities	14	2 034 619	1 785 237	—	—
Lease liabilities	15	793 291	700 409	—	—
Borrowings	16	336 380	1 136 893	—	—
Trade and other payables	19	14 003	13 166	—	—
		3 178 293	3 635 705	—	—
Current liabilities					
Lease liabilities	15	—	5 342	—	—
Borrowings	16	706 422	5 404	—	—
Loans from group companies	9	—	—	80 679	42 842
Loans from shareholders	17	4 674	4 426	—	—
Provisions	18	10 002	10 145	—	—
Current tax liability	26	11 220	9 780	—	—
Trade and other payables	19	363 603	307 709	870	1 743
		1 095 921	342 806	81 549	44 585
Total liabilities		4 274 214	3 978 511	81 549	44 585
Total equity and liabilities		14 754 683	13 367 139	3 329 296	3 415 053

Statement of profit or loss and other comprehensive income

for the year ended 29 February 2024

R'000	Notes	Group		Company	
		2024	2023	2024	2023
Operating revenues					
Contractual rental revenue and recoveries		1 260 955	1 081 798	—	—
Straight-lining of rental revenue adjustment		20 094	24 131	—	—
Revenue from direct property operations		1 281 049	1 105 929	—	—
Revenue from hospitality operations		152 017	79 227	—	—
Dividend income		—	—	135 866	142 186
Management fee income		271	248	6 864	9 260
Revenue	20	1 433 337	1 185 404	142 730	151 446
Other income	21	73 726	12 435	—	—
Fair value adjustments	3	751 870	491 622	—	—
Impairment losses on trade receivables	11	(24 708)	(23 939)	—	—
Operating expenses	22	(713 930)	(478 992)	(114 829)	(217 999)
Operating profit/(loss)		1 520 295	1 186 530	27 901	(66 553)
Finance costs	23	(129 160)	(95 307)	—	—
Foreign exchange gains		41 418	9 770	—	—
Investment Income	24	14 689	4 940	2 104	1 385
Profit/(loss) before tax		1 447 242	1 105 933	30 005	(65 168)
Tax	25	(377 252)	(199 144)	(16 860)	(1 756)
Profit/(loss) for the year		1 069 990	906 789	13 145	(66 924)
Other comprehensive income					
Items that may be reclassified to profit or loss					
Foreign exchange translation gains on foreign operations		154 638	260 168	—	—
Total comprehensive profit/(loss) for the year		1 224 628	1 166 957	13 145	(66 924)
Profit/(loss) attribution:					
Shareholders of the company		1 040 066	888 888	13 145	(66 924)
Non-controlling interests		29 924	17 901	—	—
Comprehensive profit/(loss) attribution:					
Shareholders of the company		1 175 565	1 136 128	13 145	(66 924)
Non-controlling interests		49 063	30 829	—	—
Earnings per share					
Basic earnings per share (cents)		270.16	230.87	—	—
Diluted earnings per share (cents)		270.16	230.87	—	—

Statement of changes in equity

for the year ended 29 February 2024

R'000	Stated capital	Treasury shares	Total stated capital	Retained earnings	Foreign currency translation reserve*	Total equity attributable to ordinary shareholders	Non-controlling interest	Total equity
Group								
Balance at 28 February 2022	3 979 956	(45 732)	3 934 224	4 245 301	27 127	8 206 652	153 746	8 360 398
Total comprehensive income for the year	—	—	—	888 888	247 240	1 136 128	30 829	1 166 957
Profit for the year	—	—	—	888 888	—	888 888	17 901	906 789
Other comprehensive income	—	—	—	—	247 240	247 240	12 928	260 168
Dividends declared	—	—	—	(138 606)	—	(138 606)	—	(138 606)
Treasury shares acquired	—	(121)	(121)	—	—	(121)	—	(121)
Balance at 28 February 2023	3 979 956	(45 853)	3 934 103	4 995 583	274 367	9 204 053	184 575	9 388 628
Total comprehensive income for the year	—	—	—	1 040 066	135 499	1 175 565	49 063	1 224 628
Profit for the year	—	—	—	1 040 066	—	1 040 066	29 924	1 069 990
Other comprehensive income	—	—	—	—	135 499	135 499	19 139	154 638
Dividends declared	—	—	—	(132 429)	—	(132 429)	—	(132 429)
Treasury shares acquired	—	(358)	(358)	—	—	(358)	—	(358)
Balance at 29 February 2024	3 979 956	(46 211)	3 933 745	5 903 220	409 866	10 246 831	233 638	10 480 469
Company								
Balance at 28 February 2022	3 979 956	—	3 979 956	(400 378)	—	3 579 578	—	3 579 578
Total comprehensive loss for the year	—	—	—	(66 924)	—	(66 924)	—	(66 924)
Loss for the year	—	—	—	(66 924)	—	(66 924)	—	(66 924)
Other comprehensive income for the year	—	—	—	—	—	—	—	—
Dividends declared	—	—	—	(142 186)	—	(142 186)	—	(142 186)
Balance at 28 February 2023	3 979 956	—	3 979 956	(609 488)	—	3 370 468	—	3 370 468
Total comprehensive income for the year	—	—	—	13 145	—	13 145	—	13 145
Profit for the year	—	—	—	13 145	—	13 145	—	13 145
Other comprehensive income for the year	—	—	—	—	—	—	—	—
Dividends declared	—	—	—	(135 866)	—	(135 866)	—	(135 866)
Balance at 29 February 2024	3 979 956	—	3 979 956	(732 209)	—	3 247 747	—	3 247 747

* The foreign currency translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

Statement of cash flows

for the year ended 29 February 2024

R'000	Notes	Group		Company	
		2024	2023	2024	2023
Cash flows from operating activities					
Cash generated from/(used in) operations	28	875 651	754 123	(2 904)	2 550
Dividends received		—	—	135 866	—
Investment income received	24	13 949	4 940	2 104	1 385
Finance costs	28.1	(103 630)	(78 288)	—	—
Tax paid	26	(84 847)	(86 420)	(19)	—
Net cash from operating activities		701 123	594 355	135 047	3 935
Cash flows from investing activities					
Purchase of property, plant and equipment	28.2	(46 446)	(241 529)	—	—
Additions to investment in subsidiaries	27	(34 934)	—	(190)	—
Investment property development cost	28.3	(132 586)	(137 895)	—	—
Loans to group companies acquired	27	—	—	(34 744)	—
Proceeds of insurance claim		26 087	—	—	—
Proceeds from divestment of other financial assets		—	422	—	—
Additions to other financial assets	28.4	(5 519)	(197 436)	—	—
Net cash used in investing activities		(193 398)	(576 438)	(34 934)	—
Cash flows from financing activities					
Treasury shares purchased	13	(358)	(121)	—	—
Borrowings raised	28.5	456 454	553 700	—	—
Borrowings repaid	28.5	(557 477)	(496 524)	—	—
Loans from group companies raised/(repaid)	28.6	—	—	37 837	(2 651)
Lease liability repaid	15	—	(9 136)	—	—
Dividends paid	30	(132 429)	(138 606)	(135 866)	—
Net cash (used in)/from financing activities		(233 810)	(90 687)	(98 029)	(2 651)
Net changes in cash and cash equivalents		273 915	(72 770)	2 084	1 284
Cash and cash equivalents at the beginning of the year		231 976	286 388	23 422	22 138
Effect of exchange rates on foreign cash balances		14 280	18 358	—	—
Cash and cash equivalents at the end of the year		520 171	231 976	25 506	23 422

Notes to the financial statements

for the year ended 29 February 2024

Corporate information

Acsion Limited, a public company, is incorporated and domiciled in South Africa. Its subsidiaries are based in South Africa, Cyprus and Greece. The company's consolidated and separate annual financial statements for the year ending 29 February 2024 were approved by the directors on 29 August 2024.

1. Material accounting policies

The material accounting policies applied in the preparation of these consolidated and separate financial statements are set out below.

The accounting policies applied for the 2024 consolidated and separate financial statements are consistent with those applied in the prior period by Acsion Limited and its subsidiaries.

The consolidated and separate financial statements present the consolidated financial position and changes therein, operating results and cash flow information of the company and its subsidiaries. The statement of cash flows is prepared in accordance with the indirect method.

1.1 Statement of compliance

The financial statements of Acsion and its subsidiaries are prepared in accordance with the framework concepts, measurement and recognition requirements of IFRS Accounting Standards ("Accounting Standards") and IFRIC Interpretations adopted by the Independent Accounting Standards Board, the SA financial reporting requirements, the Listings Requirements of the JSE Limited, and the requirements of the Companies Act of South Africa, as amended. These standards guide the presentation and disclosure requirements for companies reporting under the Accounting Standards.

1.2 Basis of measurement

The financial statements are generally based on historical cost, except where specified otherwise. They are presented in South African Rands (ZAR), the group's functional and presentation currency, with amounts rounded to the nearest thousand (R'000). The financial statements are prepared on the assumption that the company will continue to operate as a going concern.

1.3 Consolidation

The consolidated financial statements include the financial results of Acsion and its subsidiaries up to 29 February 2024.

- **Business combinations:** The group accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the group.
- **Subsidiaries:** Subsidiaries are entities controlled by Acsion. Control is determined by the group's exposure to variable returns from the entity and the ability to influence those returns. Subsidiaries' results are included from when control is obtained until it ceases. In separate financial statements, investments in subsidiaries are recorded at cost, less any impairment losses.
- **Non-controlling interests:** These are measured based on their share of the subsidiary's net assets at the acquisition date and are adjusted proportionately for profits and losses. Transactions with non-controlling interests that do not result in loss of control are recorded directly in equity.
- **Goodwill:** Goodwill arises from the acquisition of subsidiaries and represents the excess of the consideration paid over the fair value of the acquired net assets. Goodwill is not amortised but is tested for impairment annually or more frequently if there are indicators of potential impairment. Any impairment losses are not reversed.
- **Transactions eliminated on consolidation:** Intragroup balances and any unrealised gains or losses from intragroup transactions (except for foreign currency transaction gains or losses) are eliminated in the consolidation process.

Notes to the financial statements

for the year ended 29 February 2024 continued

1. Material accounting policies continued

1.4 Significant judgements and sources of estimation uncertainty

The preparation of financial statements in conformity with IFRS Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying amounts of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are reflected below:

→ Investment property and owner occupied hotel

The investment property and owner occupied hotel are not traded in an active market as such the fair value is determined by using valuation techniques.

In determining the value of these properties, various assumptions and judgements are made. Refer to accounting policies 1.6 and 1.7 and notes 3 and 4 to the financial statements for further information.

→ Goodwill

The annual assessment whether goodwill is impaired requires an estimation of the value in use of the cash-generation unit ("CGU") to which the goodwill has been allocated.

The value in use is calculated as the net present value of estimated future cash flow projections derived from the CGU, discounted at an appropriate discount rate. To calculate the net present value of the future cash flows, assumptions need to be made regarding uncertain matters such as the directors' expectation of the future cash flows and the appropriate long term growth rate that would reflect the risks involved. Refer to note 5 for information of the unobservable inputs used.

→ Business combinations

Where the group obtains control of entities that own investment properties, or when the group acquires properties, an evaluation is performed as to whether the group has de facto control over an investee and if such acquisitions (note 7) should be accounted for as business combinations or acquisitions in terms of IAS 40 Investment Properties.

Management concluded that the acquisition of Hey Joe Proprietary Limited met the definition of a business combination (note 7 and note 27) but the acquisitions of the properties in Pilea, Greece and Cape Town City Centre were not business combinations and need to be accounted for in terms of IAS 40 (note 1.6 and note 3).

→ Expected credit losses

Management performs expected credit loss ("ECL") calculations at each reporting period by estimating the probability of default and loss given default. Refer to note 11 for the key assumptions used in the ECL calculations.

1.5 Fair value measurement

"Fair value" represents the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. The measurement considers the principal or most advantageous market for the asset or liability and the highest and best use of a non-financial asset by market participants. Fair value measurements use valuation techniques that maximise observable inputs and minimise unobservable inputs, categorised into three levels:

→ **Level 1:** Based on quoted prices in active markets for identical assets or liabilities.

→ **Level 2:** Based on observable inputs other than quoted prices.

→ **Level 3:** Based on unobservable inputs. For assets and liabilities measured at fair value on a recurring basis, the group reassesses the categorisation within the fair value hierarchy at the end of each reporting period.

Notes to the financial statements

for the year ended 29 February 2024 continued

1. Material accounting policies continued

1.6 Investment property

Investment property includes land and buildings and undeveloped land held to earn rental income, for capital appreciation, or both, and is not intended for sale in the ordinary course of business or administrative use. The cost of investment property comprises the purchase price and directly attributable expenses. Subsequent costs are capitalised if they meet the criteria for investment property; otherwise, they are expensed in the period incurred. After initial recognition, investment properties are measured at fair value. Significant properties are valued externally on an annual basis, all other properties are valued on a rotational basis either externally or by the directors. Changes in fair value are included in profit or loss for the period. When acquiring investment property, the group assesses whether the acquisition meets the definition of a business as per IFRS 3, considering whether there is an integrated set of activities capable of generating income or other services. If an integrated set of activities is identified, the acquisition is treated as a business combination; otherwise, it is considered an asset purchase under IAS 40. Investment properties are maintained and upgraded to preserve or improve their capital value, with costs not materially adding value expensed as incurred. Properties under redevelopment for continued use as investment properties are temporarily classified as investment property under development until the project is completed.

Investment property under development

Property under construction or development for future use as investment property is classified as investment property under development. It is measured at fair value if determinable; otherwise it is measured at cost until the construction is completed or fair value becomes reliably measurable, whichever occurs earlier. Borrowing costs directly attributable to the construction are capitalised, commencing when preparatory activities are in progress and expenditure and borrowing costs are being incurred.

1.7 Property, plant, and equipment

Initial measurement: Property, plant, and equipment (PPE) are initially measured at cost, which includes all expenditure directly attributable to the acquisition or construction, including capitalised borrowing costs. Investment property occupied by the group is classified as owner-occupied and disclosed as PPE, measured at revalued amounts, which is fair value at the revaluation date, less subsequent depreciation and impairment, using the revaluation model. Assets transferred from investment property are measured at fair value at the transfer date.

Subsequent measurement: Subsequent expenditure for significant services, additions, or replacements is capitalised if it likely provides future economic benefits and can be reliably measured. Routine servicing costs are expensed in the period incurred. Depreciation begins when the asset is available for use, writing off the asset's cost over its useful life to its residual value, reflecting the pattern of economic benefits consumption. Depreciation ceases when the asset is held for sale or derecognised.

Depreciation methods and useful lives:

→ Hotel:	Straight line	20 years
→ Leased property installations:	Straight line	3 – 10 years (lease period)
→ Plant and equipment:	Straight line	5 – 6 years
→ Furniture and fixtures:	Straight line	5 – 6 years
→ Investment property, equipment, and fixtures:	Straight line	5 – 6 years

Residual values, useful lives, and depreciation methods are reviewed annually, and changes are accounted for as changes in accounting estimates. Depreciation charges are recognised in profit or loss unless included in another asset's carrying amount. Impairment tests are conducted when there are indications of impairment, recognising losses to align carrying amounts with recoverable amounts. Under the revaluation model, assets are revalued regularly to reflect fair value, and increases or decreases in value are recognised in other comprehensive income or profit or loss respectively, depending on whether they reverse previous revaluation gains or losses.

Owner-occupied property is measured at fair value less accumulated depreciation and accumulated impairment losses recognised after the date of revaluation. Valuations are performed with sufficient frequency to ensure that the carrying amount of a revalued asset does not differ materially from its fair value. A revaluation surplus is recognised in other comprehensive income and presented in the "revaluation reserve" in equity. However, to the extent that it reverses a revaluation deficit of the same asset previously recognised in profit or loss, the increase is recognised in profit or loss. A revaluation deficit is recognised in profit or loss, except to the extent that it offsets an existing surplus on the same asset recognised in the revaluation reserve.

Notes to the financial statements

for the year ended 29 February 2024 continued

1. Material accounting policies continued

Derecognition and Disposal: PPE is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses from derecognition are calculated as the difference between net disposal proceeds and the carrying amount and are included in profit or loss.

1.8 Financial instruments

Financial instruments encompass cash and cash equivalents, trade and other receivables, other financial assets, trade and other payables, other financial liabilities, group company loans, and bank and other borrowings. Initially, they are measured at fair value, including directly attributable transaction costs.

Financial assets

Classification, initial recognition, and subsequent measurement: Trade receivables are initially recognised upon origination. All other financial assets are recognised when the group becomes party to the contractual provisions.

Reclassification of financial assets occurs only if the group's business model for managing them changes. The group's financial assets are measured at amortised cost. Cash and cash equivalents include cash balances, call deposits, and short-term investments convertible to known amounts of cash with insignificant risk of value changes.

Subsequent to initial recognition, financial instruments are measured at amortised cost if they are held to collect contractual cash flows and the terms result in cash flows that are solely payments of principal and interest. These are measured using the effective interest rate method, with the amortised cost reduced by impairment losses. Interest income and impairments are recognised in profit or loss.

Impairment of financial assets and lease receivables: The group recognises a loss allowance for expected credit losses (ECL) on investments in debt instruments measured at amortised cost, lease receivables, and trade receivables. ECLs are updated at each reporting date to reflect changes in credit risk since initial recognition. ECLs are a probability-weighted estimate of credit losses, measured as the present value of cash shortfalls, discounted at the effective interest rate of the asset or receivable.

The group recognises lifetime ECL for trade and lease receivables using a provision matrix based on historical credit loss experience, adjusted for specific factors, economic conditions, and current and forecasted conditions. For other financial instruments, lifetime ECL is recognised if credit risk has significantly increased since initial recognition; otherwise, a 12-month ECL is recognised.

Credit risk assessment considers various factors such as significant deterioration in credit ratings, adverse changes in economic conditions, and the debtor's ability to meet obligations. The group presumes significant credit risk increase if payments are over 90 days past due unless there is evidence to the contrary. Intergroup financial assets are considered low risk if the related company can settle the balance, has no default history, and shows no increased credit risk.

The group regularly reviews and adjusts the criteria for identifying significant increases in credit risk. Default events include breaches of financial covenants or information indicating the debtor is unlikely to pay in full. ECL measurement involves the probability of default, loss given default, and exposure at default.

Derecognition: A financial asset is derecognised when the contractual rights to cash flows expire or are transferred, with any gain or loss recognised in profit or loss.

Financial liabilities

Classification, initial recognition, and subsequent measurement: The group recognises financial liabilities when it becomes party to the contractual provisions. Liabilities are classified at amortised cost or fair value through profit or loss, with the latter including held-for-trading liabilities, derivatives, or designated liabilities. These are initially measured at fair value, with net gains, losses, and interest expenses recognised in profit or loss. Other liabilities are measured at amortised cost using the effective interest method, with interest expenses recognised in profit or loss. The group's liabilities are measured at amortised cost.

Loans and borrowings are initially recognised at fair value, less directly attributable transaction costs, and subsequently measured at amortised cost using the effective interest method. Trade and other payables are initially recognised at fair value and subsequently measured at amortised cost.

Notes to the financial statements

for the year ended 29 February 2024 continued

1. Material accounting policies continued

Derecognition: The group derecognises a financial liability when contractual obligations are discharged, cancelled, or expired. The difference between the carrying amount and consideration paid is recognised in profit or loss.

Offsetting: Financial assets and liabilities are offset and presented net in the statement of financial position when there is a legally enforceable right to offset and an intention to settle on a net basis or simultaneously.

1.9 Impairment of non-financial assets

The carrying amounts of non-financial assets, excluding investment property and deferred tax assets, are reviewed annually for impairment indicators. An impairment loss is recognised if the carrying amount exceeds the recoverable amount, determined as the higher of fair value less costs to sell and value in use.

1.10 Tax

Income tax comprises current and deferred tax. They are recognised in profit or loss unless they relate to items recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable on taxable income for the year, using rates enacted or substantively enacted at the reporting date, including adjustments for prior years.

Deferred tax is recognised for temporary differences between asset and liability carrying amounts and their tax bases, excluding differences from initial recognition not part of a business combination and not affecting accounting or taxable profit, investments in subsidiaries, associates, and joint arrangements where reversal timing is probable, and goodwill initial recognition. Deferred tax assets are recognised if future taxable profits are probable. They are reviewed annually and reduced if realisation of benefits is no longer probable.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax assets and liabilities, and they relate to the same tax authority and entity or intend to settle on a net basis. Deferred tax measurement reflects expected tax rates on temporary differences reversal and assumes recovery through sale for investment property unless rebutted.

1.11 Inventories

Inventories are carried at the lower of cost and net realisable value.

Properties intended for sale during development are classified as inventory. This classification remains until the property is either sold or its purpose changes to investment property.

Hospitality stock is valued at the weighted average cost. Provision is made for slow-moving goods and obsolete materials are written off.

1.12 Leases

As lessor

When the group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the group considers certain indicators such as whether or not the lease is for the major part of the economic life of the asset.

If an arrangement contains lease and non-lease components, then the group applies IFRS 15 to allocate the consideration in the contract.

The group recognises loss allowances for ECLs on lease receivables in terms of IFRS 9, which are included as part of trade and other receivables.

The group recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of "revenue" irrespective of the fact that income is charged based on contractual terms.

Notes to the financial statements

for the year ended 29 February 2024 continued

1. Material accounting policies continued

As lessee

The group leases land in Cyprus (refer note 15).

The group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently measured at fair value in accordance with IAS 40 and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the group's incremental borrowing rate. Generally, the group uses its incremental borrowing rate as the discount rate. The group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise:

- fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate at the commencement date; and
- the exercise price under a purchase option that the group is reasonably certain to exercise and lease payments in an optional renewal period if the group is reasonably certain to exercise an extension option.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate or if the group changes its assessment of whether it will exercise a purchase or extension option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recognised in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

1.13 Revenue

Revenue from lease agreements

Rental revenue from investment property is recognised in profit or loss on a straight-line basis over the term of the lease. The difference between the contractual cash flows and the straight-lining revenue is recognised as an operating lease asset/liability.

The recovery of expenses represents the recovery of costs by the group for the provision of services and are recognised over the period for which the services are rendered.

Revenue from hospitality operations

The group operates a hotel business and provides hotel rooms to guests. Together with the provision of accommodation, the group also earns revenue from conferencing and the sales of food and beverages and other auxiliary services. Revenue from these contracts with customers is recognised when control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the group expects to be entitled in exchange for those goods or services.

Revenue from hotel rooms is recognised over time due to the nature of accommodation being consumed by customers over a period of time. The customer simultaneously receives and consumes the benefits provided as provision of a room is made to the customer.

Food and beverage revenue is recognised at a point in time.

Revenue from conferencing is recognised over time as the customer receives and consumes the economic benefits.

Notes to the financial statements

for the year ended 29 February 2024 continued

1. Material accounting policies continued

The group has concluded that it is generally the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer. The group does not have significant accounting judgements, estimates and assumptions relating to revenue from hospitality operations as it is all based on standalone selling prices and pre-determined settlement dates to its revenue performance obligations.

Dividend income

Company dividend income is recognised in profit or loss on the date the company's right to receive payment is established and recognised in the statement of cash flows as part of cash flows from operating activities.

1.14 Dividends paid

Dividends to equity holders are recognised directly in equity on the date it is declared.

1.15 Employee benefits

The cost of all short-term employee benefits is recognised during the period in which the employee provides the related service on an undiscounted basis. The group does not provide any retirement or post-retirement benefits.

1.16 Investment income and finance cost

Investment income, including interest on funds invested and loans advanced, is recognised as it accrues. Finance costs, comprising interest on borrowings, are calculated using the effective interest method.

1.17 Foreign currency

Foreign currency transactions

Transactions in currencies other than the group's functional currency are recognised at exchange rates prevailing on transaction dates. At reporting dates, monetary items in foreign currencies are translated at current exchange rates, with exchange differences recognised in profit or loss. Non-monetary item exchange differences are transferred to the foreign currency translation reserve.

Foreign operations

Assets and liabilities of foreign operations are translated to the group's presentation currency at the reporting date's exchange rates, and income and expenses at average exchange rates for the period, with exchange differences recognised in other comprehensive income.

1.18 Earnings per share

Basic earnings per share are calculated by dividing the profit attributable to equity holders by the weighted average number of shares in issue, adjusted for treasury shares. Headline earnings per share are similarly calculated but use headline earnings as defined by SAICA Circular 1/2023. Diluted earnings per share adjust the weighted number of shares for potential conversions.

1.19 Stated capital

Ordinary shares are classified as equity, with incremental costs of new shares shown in equity net of tax. Treasury shares, acquired through repurchase, are presented as a deduction from total equity. Dividends on treasury shares are eliminated on consolidation.

1.20 Segmental reporting

The group presents operating segments based on internal information provided to the Executive Management Committee (Exco). The group has three main reportable segments: South African property operations, South African hospitality operations, and international property operations. Operating results are reviewed by management to allocate resources and assess performance.

Notes to the financial statements

for the year ended 29 February 2024 continued

2. New standards and interpretations

2.1 Standards and interpretations effective and adopted in the current year

In the current year, the company has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations. Where they did not have a material effect on the company's consolidated financial statements it was not detailed further.

IAS 1 Presentation of financial statements and IFRS Practice statement 2 (Amendment — Disclosure of accounting policies)

IAS 8 Accounting policies, changes in accounting estimates and errors (Amendment — Definition of accounting estimate)

IAS 12 Income taxes (Amendment — Deferred tax relating to assets and liabilities arising from a single transaction)

2.2 Standards and interpretations not yet effective

The group has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the group's accounting periods beginning on or after 1 January 2024 or later periods. None of these standards, amendments and interpretations are expected to have a material impact on the results of the group.

IFRS 16: Leases

Amendments to clarify how a seller-lessee subsequently measures sale and leaseback transactions. Effective annual periods beginning on or after 1 January 2024.

IFRS 7 Financial instruments: Disclosures and IAS 7 Statement of cash flows

Amendments to supplier finance arrangements. Effective annual periods beginning on or after 1 January 2025.

IFRS 18 Presentation and disclosure in financial statements

Effective annual periods beginning on or after 1 January 2027.

IAS 1: Presentation of Financial Statements

Amendments regarding the classification of liabilities as current or non-current and amendments regarding the classification of debt with covenants. Effective annual periods beginning on or after 1 January 2024.

IAS 21: The effect of changes in foreign exchange rates

Amendments regarding the lack of exchangeability. Effective annual periods beginning on or after 1 January 2025.

Johannesburg Interbank Average Rate ("JIBAR") reform initiative

The South African Reserve Bank ("SARB") has indicated their intention to move away from JIBAR and to create an alternative reference rate for South Africa, the South African Rand Overnight Index Average ("ZARONIA") has been designated as the successor rate. The SARB has indicated that the transition from JIBAR to ZARONIA is a multi-year initiative and has not yet communicated a cessation date for JIBAR.

The use of an alternative reference rate is not expected to have a material impact on the group's assessment of interest rate risks.

Management will monitor the progress of the anticipated JIBAR reform and will consider the impact on the annual financial statements in due course.

Notes to the financial statements

for the year ended 29 February 2024 continued

3. Investment property

R'000	Group	
	2024	2023
Investment property at fair value	12 487 222	11 083 750
Operating lease asset — non-current	166 203	167 984
Operating lease asset — current	26 573	—
	12 679 998	11 251 734

Investment properties are fair valued annually. Significant properties are valued externally on an annual basis, all other properties are valued externally on a rotational basis. At least one-third of the properties are valued externally and the balance of the properties are valued by the directors annually. A property will be externally valued at least once every three years. The investment properties under development that were acquired during the year are measured at the cost price which the directors consider to be the fair value at the time.

The effective date of the valuations was 29 February 2024 (2023: 28 February 2023).

All investment properties of the group are considered to be level 3 on the fair value hierarchy as per IFRS 13.

Independent valuers

The group employed the services of the following professional valuers that have recent experience in valuing the category of investment property being valued and are not related to the group:

Name	Qualification
Ms N Azeredo — Quadrant Properties (Pty) Ltd	Professional valuer registered in accordance with section 20(2)(a) of the Property Valuers Professional Act 47 of 2000 Member of the SA Institute of Valuers under registration number 7283/4
Mr N Booysen — Metro Urban Valuers (Pty) Ltd	Professional valuer registered in accordance with section 20(2)(a) of the Property Valuers Professional Act 47 of 2000 Member of the SA Institute of Valuers under registration number 6299/6 Associate of the Royal Institute of Chartered Surveyors
Mr H Timotheou — Timotheou Property Consultants LLC	Member of the Royal Institute of Chartered Surveyors and the Technical Chamber of Cyprus
Ms A De Wet — Amanda De Wet Consultants and Investors CC	Professional valuer registered in accordance with section 20(2)(a) of the Property Valuers Professional Act 47 of 2000 Member of the SA Institute of Valuers under registration number 5524
Mr P Parfitt — Quadrant Properties (Pty) Ltd	Professional valuer registered in accordance with section 20(2)(a) of the Property Valuers Professional Act 47 of 2000 Member of the SA institute of valuers under registration number 2712/2

R'000	Group	
	2024	2023
Net carrying value		
Acquisition cost	3 814 099	3 464 532
Capital cost since acquisition	2 759 903	2 667 661
Right of use asset	767 869	687 619
Cumulative fair value adjustments	5 700 672	4 819 259
Transfer to owner occupied property, plant and equipment	(555 321)	(555 321)
Balance at the end of the year	12 487 222	11 083 750

Notes to the financial statements

for the year ended 29 February 2024 continued

3. Investment property continued

Summary of property descriptions

R'000	Gross lettable area (m ²)	2024	2023
Completed developments			
<i>Light industrial centres (South Africa)</i>			
Simarilo Rainbow Sectional titles 352/99, 497/99 and 752/28 constituting 27 units on 6.9 hectares	5 992	61 636 ⁴	47 358 ¹
South African retail			
<i>Metropolitan retail (South Africa)</i>			
Moreleta Square Erf 6301, 6302 of Farm Garsfontein 374 Moreleta Park Ext. 32 Pretoria	8 548	182 431 ⁴	168 979 ¹
Mall @ Reds Erf 1089 Rooihuiskraal Extension 15 Centurion Gauteng	55 155	1 363 614 ²	1 506 072 ¹
Mall @ Carnival Erf 3080 Dalpark Extension 5 Brakpan Gauteng	88 492	2 673 807 ¹	2 599 819 ⁵
Mall & Trade @ 55 Portion 165 of the Farm Brakfontein and portions 0 and 1 of Acsionville 784 with Erf 1885, 1886 and 1901 of Heuweloord Extension 18 and 19 Monavoni Gauteng	25 643	617 899 ⁴	498 493 ¹
	177 838	4 837 751	4 773 363
<i>Rural retail (South Africa)</i>			
Mall @ Emba Erf 2, 3 and 7 Embalenhle 7 and Erf 27777 Embalenhle Extension 13 Secunda	24 606	803 468 ⁴	700 403 ⁴
Mall @ Lebo Erf 31, 32 and 33 Lebowakgomo-BA-Township Thabamooop Limpopo district	23 549	682 596 ⁴	611 545 ⁵
Mall @ Mfula Portion 126 of Farm 149 and Erf 2686 of Piet Retief Mpumalanga	17 987	371 360 ⁴	365 506 ⁵
Mall @ Moutsiya Portion 6 of the Farm Walkraal Sekhukhune district Limpopo	14 703	304 414 ⁴	266 173 ⁴
	80 845	2 161 838	1 943 627
Mixed-use residential apartments and retail units			
Acsiopolis@Sandton Portion 1 of Erf 266 Benmore Gardens 5 Benmore Road Sandton	71 038	1 017 024 ¹	1 020 327 ⁶
Metropolitan retail (international)			
Metropolis Mall 99 year land lease from Cypriot Orthodox Church and mall development	41 754	4 044 404 ³	3 299 075 ³
	377 467	12 122 653	11 083 750
Under development			
Acsiopolis Thessaloniki, Pilea Greece (ha)	12.6	212 110	—
Acsiopolis Cape Town, Erf173153, Cape Town City Centre, Western Cape	3 073	95 796	—
Brasserie Farm, R45 Main Road, Franschhoek, Western Cape (ha)	5.65	56 663	—
		364 569	—

Valuation techniques

- * 1. Ms N Azeredo's valuation using the discounted cash flow methodology.
- * 2. Mr N Booysen's valuation using the discounted cash flow methodology.
- * 3. Mr H Timotheou's valuation using the discounted cash flow and comparable methodologies.
- * 4. Directors' valuation using the discounted cash flow methodology.
- * 5. Mrs A de Wet's valuation using the opportunity cash flow method. This is a combination of capitalisation and discounted cash flow.
- * 6. Mrs A de Wet's valuation using the residual valuation method for the residential apartments — and opportunity cash flow for the retail component.

Change in valuation technique

The valuation methodology to value Acsiopolis@Sandton residential apartments was changed from residual sales to the discounted cash flow valuation method. The discounted cash flow methodology is considered to be less speculative and reflects the group's intention over the medium term to realise the future benefits in the form of rental income instead of sales.

The group also considered it necessary to change the methodology to value the Mall@Carnival, the Mall@Lebo and the Mall@Mfula from the opportunity cash flow method used in the prior year to discounted cash flow method. Management considers the discounted cash flow methodology to be more appropriate to the current volatile market conditions and shorter term lease periods experienced in South Africa compared to internationally.

Notes to the financial statements

for the year ended 29 February 2024 continued

3. Investment property continued

R'000	COMPLETED DEVELOPMENTS					UNDER DEVELOPMENT				
	Light industrial 5 992m ²	Metropolitan retail 177 838m ²	Rural retail 80 845m ²	Mixed-use 71 038m ²	International retail 41 754m ²	Total 377 467m ²	Mixed-use: Western Cape	International mixed-use: Acsiopolis Thessaloniki	Total	Total
2024										
Net carrying value										
Acquisition cost	32 112	2 700 657	689 233	42 530	—	3 464 532	147 182	202 385	349 567	3 814 099
Capital cost since acquisition	853	415 921	226 194	1 243 677	858 256	2 744 901	5 277	9 725	15 002	2 759 903
Right of use asset	—	—	—	—	767 869	767 869	—	—	—	767 869
Cumulative fair value adjustments	28 671	1 721 173	1 246 411	286 138	2 418 279	5 700 672	—	—	—	5 700 672
Transfer to property, plant and equipment	—	—	—	(555 321)	—	(555 321)	—	—	—	(555 321)
Balance at the end of the year	61 636	4 837 751	2 161 838	1 017 024	4 044 404	12 122 653	152 459	212 110	364 569	12 487 222
Reconciliation of investment property										
Investment property at the beginning of the year	47 358	4 773 363	1 943 627	1 020 327	3 299 075	11 083 750	—	—	—	11 083 750
Additions	—	19 738	746	2 559	3 049	26 092	152 459	212 110	364 569	390 661
Right of use asset movement	—	—	—	—	80 250	80 250	—	—	—	80 250
Foreign currency impact	—	—	—	—	180 691	180 691	—	—	—	180 691
Fair value adjustments	14 278	44 650	217 465	(5 862)	481 339	751 870	—	—	—	751 870
Balance at the end of the year	61 636	4 837 751	2 161 838	1 017 024	4 044 404	12 122 653	152 459	212 110	364 569	12 487 222
2023										
Net carrying value										
Acquisition cost	32 112	2 700 657	689 233	42 530	—	3 464 532	—	—	—	3 464 532
Capital cost since acquisition	853	396 183	225 448	1 241 118	804 059	2 667 661	—	—	—	2 667 661
Right of use asset	—	—	—	—	687 619	687 619	—	—	—	687 619
Cumulative fair value adjustments	14 393	1 676 523	1 028 946	292 000	1 807 397	4 819 259	—	—	—	4 819 259
Transfer to property, plant and equipment	—	—	—	(555 321)	—	(555 321)	—	—	—	(555 321)
Balance at the end of the year	47 358	4 773 363	1 943 627	1 020 327	3 299 075	11 083 750	—	—	—	11 083 750
Reconciliation of investment property										
Investment property at the beginning of the year	46 213	4 618 985	1 851 430	892 445	2 542 446	9 951 519	—	—	—	9 951 519
Additions	—	90 399	6 288	35 716	6 181	138 584	—	—	—	138 584
Right of use asset movement	—	—	—	—	133 097	133 097	—	—	—	133 097
Foreign currency impact	—	—	—	—	368 928	368 928	—	—	—	368 928
Fair value adjustments	1 145	63 979	85 909	92 166	248 423	491 622	—	—	—	491 622
Balance at the end of the year	47 358	4 773 363	1 943 627	1 020 327	3 299 075	11 083 750	—	—	—	11 083 750

Notes to the financial statements

for the year ended 29 February 2024 continued

3. Investment property continued

Unobservable inputs used for valuations

%	Light industrial	Metropolitan retail	Rural retail	Mixed-use ¹	International retail
2024					
Vacancy percentage	9.67 ²	4.30 – 7.45 ³	1.76 – 8.14 ⁴	15.00 – 2.00 ⁵	2.00
Discount rate	14.25	13.00 – 13.75	13.10	14.00	10.25
Exit capitalisation rate	10.15	7.75 – 10.00	9.25	9.25	7.00
Revenue escalation rate	4.5 – 7.22	4.30 – 7.45	3.57 – 8.97	7.06	3.00
2023					
Vacancy percentage	15.65	0.96 – 7.93	0.00 – 5.00	—	2.00
Discount rate	15.25	12.50 – 15.25	12.50 – 13.30	13.00	10.25
Exit capitalisation rate	10.25	8.00 – 10.25	8.60 – 9.40	10.50	7.25
Revenue escalation rate	6.79	7.50 – 8.84	4.70 – 8.00	7.00	3.00
Apartment selling price per m ² (R)				37 500*	

1. Significant changes in the unobservable inputs used for the valuation of the mixed-use property are the result of the change in valuation technique. Refer to change in valuation technique on page 65.

2. Significant increase in the vacancy rate relates to Moreleta Square where a higher rate of 5.65% (2023: 0.96%) was used to reflect sustainable performance based on historical and future leases.

3. Significant change in the vacancy rate used is due to improvement in the actual occupancy of the light industrial property portfolio.

4. Significant increases in the vacancy rates relate to Mall@Lebo: 1.76% (2023: 0%) and Mall@Mfula 8.14% (2023: 5.00%). The rates increased to reflect sustainable performance based on historical and future leases.

5. Retail vacancy rate used in year 1: 7% decreasing to 3% in year 2 and 2% from year 3 onwards.

Residential vacancy rate used in year 1: 15% decreasing to 10% in year 2, 7% in year 3 and 5% from year 4 onwards.

* Furnished apartments.

Sensitivity analysis

	Light industrial	Metropolitan retail	Rural retail	Mixed-use	International retail
2024					
Capitalisation rate increase of 25 basis points	—	—	—	—	(69 620)
Capitalisation rate decrease of 25 basis points	—	—	—	—	74 451
Discount rate increase of 25 basis points	—	—	—	—	(59 387)
Discount rate decrease of 25 basis points	—	—	—	—	60 626
Capitalisation rate increase of 50 basis points	(1 824)	(187 880)	(73 440)	35 349	—
Capitalisation rate decrease of 50 basis points	2 013	211 833	81 834	39 389	—
Discount rate increase of 50 basis points	(1 075)	(91 045)	(39 193)	(19 035)	—
Discount rate decrease of 50 basis points	1 102	84 425	40 182	19 502	—
Rental increase of 250 basis points	4 840	332 484	169 318	(180 662)	—
Rental decrease of 250 basis points	(4 538)	(309 841)	(158 569)	(44 153)	—
Vacancy increase of 500 basis points	(3 470)	(364 626)	(114 518)	(99 375)	—
Vacancy decrease of 500 basis points	(3 469)	306 954	93 972	98 834	—
2023					
Capitalisation rate increase of 25 basis points	—	—	—	—	(52 944)
Capitalisation rate decrease of 25 basis points	—	—	—	—	60 355
Discount rate increase of 25 basis points	—	—	—	—	(47 983)
Discount rate decrease of 25 basis points	—	—	—	—	50 003
Capitalisation rate increase of 50 basis points	(1 407)	(232 428)	(88 036)	N/A	—
Capitalisation rate decrease of 50 basis points	1 551	260 582	91 377	N/A	—
Discount rate increase of 50 basis points	(848)	(41 359)	(20 277)	N/A	—
Discount rate decrease of 50 basis points	869	41 359	12 162	N/A	—
Capitalisation rate increase of 100 basis points	—	—	—	(15 371)	—
Capitalisation rate decrease of 100 basis points	—	—	—	18 389	—
Discount rate increase of 100 basis points	—	—	—	(14 293)	—
Discount rate decrease of 100 basis points	—	—	—	11 405	—

Notes to the financial statements

for the year ended 29 February 2024 continued

3. Investment property continued

Reconciliation of significant components of investment property to property valuations

R'000	COMPLETED DEVELOPMENTS						UNDER DEVELOPMENT			Total
	Light industrial	Metropolitan retail	Rural retail	Mixed-use	International retail	Total	Mixed-use: Western Cape	International mixed-use: Acsiopolis Thessaloniki	Total	
2024										
Investment property (Note 3)	61 636	4 837 751	2 161 838	1 017 024	4 044 404	12 122 653	152 459	212 110	364 569	12 487 222
Tenant installations (Note 4)	—	20 045	11 371	905	—	32 321	—	—	—	32 321
Owner occupied hotel (Note 4)	—	—	—	625 862	—	625 862	—	—	—	625 862
Investment property fixtures, plant and equipment (Note 4)	—	7 654	5 833	15 188	—	28 675	—	—	—	28 675
Operating lease assets (current and non-current)	158	86 436	26 096	1 652	78 434	192 776	—	—	—	192 776
Amount as per valuation	61 794	4 951 886	2 205 138	1 660 631	4 122 838	13 002 287	152 459	212 110	364 569	13 366 856
2023										
Investment property (Note 3)	47 358	4 773 363	1 943 627	1 020 327	3 299 075	11 083 750	—	—	—	11 083 750
Tenant installations (Note 4)	—	25 834	15 644	255	—	41 733	—	—	—	41 733
Owner occupied hotel (Note 4)	—	—	—	686 395	—	686 395	—	—	—	686 395
Investment property fixtures, plant and equipment (Note 4)	—	13 943	9 784	16 691	2 452	42 870	—	—	—	42 870
Equipment furniture and fittings (Note 4)	—	—	—	150 543 ¹	—	150 543	—	—	—	150 543
Operating lease assets (current and non-current)	144	67 310	25 876	751	73 903	167 984	—	—	—	167 984
Amount as per valuation	47 502	4 880 450	1 994 931	1 874 962	3 375 430	12 173 275	—	—	—	12 173 275

1. Equipment and furniture and fittings included because property was valued on the residual valuation method based on furnished apartments.

Notes to the financial statements

for the year ended 29 February 2024 continued

4. Property, plant and equipment

R'000	Owner occupied hotel	Plant and equipment	Furniture and fittings	Tenant installations	Investment property fixtures, plant and equipment	Total
Group						
2024						
Carrying value at the beginning of the year:						
Cost/revalued amount	719 498	163 766	173 044	259 968	88 278	1 404 554
Accumulated depreciation and impairment	(33 102)	(132 604)	(43 145)	(218 235)	(45 408)	(472 494)
	686 396	31 162	129 899	41 733	42 870	932 060
Additions	1 556	60 865	9 804	1 800	—	74 025
Revaluation	(25 882)	—	—	—	—	(25 882)
Reclassification	—	27 679	(25 343)	117	(2 453)	—
Depreciation	(36 208)	(32 894)	(67 164)	(11 324)	(11 742)	(159 332)
Foreign currency impact	—	43	163	—	—	206
Disposals @ cost	(170)	(13 446)	(52 484)	(154)	—	(66 254)
Disposals' depreciation	170	11 382	47 263	149	—	58 964
Carrying value at the end of the year	625 862	84 791	42 138	32 321	28 675	813 787
Carrying value at year-end comprises:						
Cost/revalued amount	720 884	238 907	105 184	261 731	85 825	1 412 531
Accumulated depreciation and impairment	(95 022)	(154 116)	(63 046)	(229 410)	(57 150)	(598 744)
	625 862	84 791	42 138	32 321	28 675	813 787
2023						
Carrying value at the beginning of the year:						
Cost/revalued amount	582 884	137 022	63 086	255 370	67 330	1 105 692
Accumulated depreciation and impairment	—	(110 013)	(20 859)	(205 255)	(32 810)	(368 937)
	582 884	27 009	42 227	50 115	34 520	736 755
Additions	79 163	28 851	108 257	4 598	20 660	241 529
Revaluation	57 451	—	—	—	—	57 451
Reclassification	—	(1 613)	1 613	—	—	—
Depreciation	(33 102)	(22 787)	(22 286)	(12 980)	(12 598)	(103 753)
Foreign currency impact	—	(298)	88	—	288	78
Carrying value at the end of the year	686 396	31 162	129 899	41 733	42 870	932 060
Carrying value at year-end comprises:						
Cost/revalued amount	719 498	163 766	173 044	259 968	88 278	1 404 554
Accumulated depreciation and impairment	(33 102)	(132 604)	(43 145)	(218 235)	(45 408)	(472 494)
	686 396	31 162	129 899	41 733	42 870	932 060

Notes to the financial statements

for the year ended 29 February 2024 continued

4. Property, plant and equipment continued

R'000	Cost	Revaluation	Depreciation	Carrying amount
Reconciliation of owner occupied hotel				
At transfer date	555 321 *	—	—	555 321
2019	17 366	30 347	—	603 034
2020	(8 930)	(1 839)	—	592 265
2021	51 330	(122 083)	—	521 512
2022	66 670	(5 298)	—	582 884
2023	79 163	57 451	(33 102)	686 396
2024	1 556	(25 882)	(36 208)	625 862
Total	762 476	(67 304)	(69 310)	625 862

* This portion of the mixed-use property was transferred to property, plant and equipment at fair value on 30 November 2018. In the prior year the cost at date of transfer of R247 154 and revaluation amount of R308 167 were separately disclosed. Management considered it more accurate to disclose the fair value at date of transfer instead to conform with the accounting policy of property, plant and equipment.

The owner occupied asset is the hotel portion of the mixed-use asset Acciopolis@Sandton. The group operates the property as a hotel, together with the operations that are ancillary to the hotel.

Valuation technique

The discounted cash flow method was used by Ms N Azeredo to value the owner occupied hotel. In the prior year, a residual valuation method was used by Mrs A de Wet, being the best use for this property at the time.

The effective date of the revaluation was 29 February 2024 (2023: 28 February 2023).

The owner occupied property is classified as level 3 on the fair value hierarchy as per IFRS 13.

Change in valuation technique

The methodology to value the owner occupied hotel was changed from residual sales to the discounted cash flow valuation method. The discounted cash flow methodology is considered to be less speculative and reflects the group's intention over the long term to realise the future benefits by operating the hotel.

The following unobservable inputs were used by the valuer in estimating the fair value:

%	2024	2023
Revenue escalation rate	7.06	7.00
Exit capitalisation rate	9.25	10.50
Discount rate	14.00	13.00
Apartment selling price per m ² (R)	N/A	37 500
Hotel vacancy rate	35.00	N/A
Retail vacancy rate	7.00 – 2.00¹	N/A

1. Retail vacancy rate used in year 1: 7% decreasing to 3% in year 2 and 2% from year 3 onwards.

Notes to the financial statements

for the year ended 29 February 2024 continued

4. Property, plant and equipment continued

Sensitivity analysis

	2024	2023
Capitalisation rate increase of 50 basis points	(21 497)	N/A
Capitalisation rate decrease of 50 basis points	23 954	N/A
Discount rate increase of 50 basis points	(11 576)	N/A
Discount rate decrease of 50 basis points	11 860	N/A
Rental increase of 250 basis points	5 743	N/A
Rental decrease of 250 basis points	(7 097)	N/A
Hotel vacancy increase of 500 basis points	(38 734)	N/A
Hotel vacancy decrease of 500 basis points	34 734	N/A
Retail vacancy increase of 500 basis points	(37 580)	N/A
Retail vacancy decrease of 500 basis points	37 376	N/A
Capitalisation rate increase of 100 basis points	N/A	(12 525)
Capitalisation rate decrease of 100 basis points	N/A	14 983
Discount rate increase of 100 basis points	N/A	(9 067)
Discount rate decrease of 100 basis points	N/A	7 235
An increase in the selling price to R40 000 per m ² (2022: R40 000 per m ²)	N/A	41 781

5. Goodwill

R'000	Group	
	2024	2023
Cost	625 464	625 464
Accumulated impairments	—	—
Carrying value at the end of the year	625 464	625 464

Goodwill originated during the formation of the Acision group and represents a premium paid to internalise the property management, asset management and property development functions within the group to secure shareholders' participation in the development profits arising from the development opportunities.

For the purposes of performing the impairment test, the goodwill is allocated to the property and asset management and development unit ("Anaprop") which is the smallest cash-generating unit ("CGU") expected to benefit from the acquisition which gave rise to the goodwill. The recoverable amount of the CGU is determined on a value in use basis and this is compared to the carrying value of the CGU, including the goodwill. To the extent that the recoverable value is less than the carrying value of the CGU, goodwill is impaired. Management makes assumptions regarding certain pipeline developments to anticipate the impact it will have on the future cash flows of the CGU.

Value in use was determined using a discounted cash flow ("DCF") model which used budgets and forecasts for five years, and a perpetuity value which is discounted to present value.

Notes to the financial statements

for the year ended 29 February 2024 continued

5. Goodwill continued

Some of the parameters utilised in the impairment testing of goodwill include the following:

Unobservable inputs used for valuation

	2024	2023
Contractual fee income rate	7.50%	7.50%
Pre-tax discount rate	17.70%	15.14%
Euro exchange rate	R20.84	R19.59
Exit capitalisation rate	9.81%	10.14%
Growth rate — South Africa	5.00%	5.00%
Growth rate — Europe	1.00%	1.00%
Forecast period used to calculate recoverable value in years	5	5

The amount by which the value in use of Anaprop exceeded its carrying value, including goodwill, as of 29 February 2024 was approximately R12.8 million (2023: R10.191 million).

Goodwill sensitivity analysis

A change in the following significant inputs would result in the recoverable amount of the goodwill being equal to its carrying value.

%	2024	2023
Pre-tax discount rate	16.75	15.30
Euro exchange rate	R17.35	—
Exit capitalisation rate	10.13	10.39
Growth rate — South Africa	3.64	4.07
Growth rate — Europe	(1.03)	(0.63)

6. Intangible assets

R'000	Group	
	2024	2023
Carrying value at beginning of the year:		
Cost	370 944	370 944
Accumulated impairments	(370 779)	(370 779)
Carrying value at the end of the year	165	165

The intangible development project asset comprises the development rights for the Mall@Maputo (Mozambique) acquired at formation of the group.

Notes to the financial statements

for the year ended 29 February 2024 continued

7. Investment in subsidiaries

The following table lists the entities which are controlled by the group, either directly or indirectly:

Subsidiary name	Held by	% Voting power 2024	% Voting power 2023	Company	
				Carrying amount 2024	Carrying amount 2023
Bengavista Proprietary Limited	Acsion Limited	100.00	100.00	14 341	14 341
Bengavox Proprietary Limited	Acsion Limited	100.00	100.00	*	*
DAJM Property Investment Proprietary Limited	Acsion Limited	100.00	100.00	28 673	28 673
Daybreak Properties 3 Proprietary Limited	Acsion Limited	100.00	100.00	18 132	18 132
Double Ring Trading 62 Proprietary Limited	Acsion Limited	100.00	100.00	316 850	316 850
Fortuvox Proprietary Limited	Acsion Limited	100.00	100.00	199 835	199 835
Golden Falls Trading 125 Proprietary Limited	Acsion Limited	100.00	100.00	1 298 863	1 298 863
Hey Joe Proprietary Limited	Acsion Limited	100.00	—	190	—
Lomastep Proprietary Limited	Acsion Limited	100.00	100.00	209 827	209 827
Nabuvax Proprietary Limited	Acsion Limited	100.00	100.00	117 728	117 728
Nungu Trading 516 Proprietary Limited	Acsion Limited	100.00	100.00	146 084	146 084
Ornelia Developments Limited	Zudorex Proprietary Limited	100.00	100.00	*	*
ProcCorp 160 Proprietary Limited	Acsion Limited	100.00	100.00	604 428	604 428
Rubensmen Proprietary Limited	Acsion Limited	100.00	100.00	113 186	113 186
Silvercrest Trading 124 Proprietary Limited	Southern Palace Investments 108 Proprietary Limited	100.00	—	*	*
Southern Palace Investments 108 Proprietary Limited	Acsion Limited	100.00	100.00	820 441	820 441
Sunorro Limited	Ornelia Developments Limited	100.00	100.00	*	*
Zarafusion Proprietary Limited	Acsion Limited	55.00	55.00	*	*
Zudorex Proprietary Limited	Acsion Limited	100.00	100.00	*	*
Zudonetix Proprietary Limited	Acsion Limited	100.00	100.00	*	*
Zudorex Cyprus Limited (Cyprus)	Ornelia Developments Limited	95.50	95.50	*	*
				3 888 578	3 888 388
Impairment of Fortuvox Proprietary Limited				(199 835)	(199 835)
Impairment of Bengavista Proprietary Limited				(2 727)	(2 727)
Impairment of Southern Palace Investments 108 Proprietary Limited				(333 941)	(228 000)
Impairment of Lomastep Proprietary Limited				(209 827)	(209 827)
				3 142 248	3 247 999

* Value of investment is below R1 000.

The impairment of the investment in Southern Palace Investments 108 Proprietary Limited at year-end is due to the recoverable value being less than the carrying value of the investment. The recoverable amount of the investment is determined on a value in use basis. The value in use is determined using a discounted cash flow ("DCF") model which uses budgets and forecasts for five years and a perpetuity value discounted to present value.

Notes to the financial statements

for the year ended 29 February 2024 continued

7. Investment in subsidiaries continued

Some of the parameters in the impairment testing include the following:

Unobservable inputs

%	Company	
	2024	2023
Contractual fee income rate	7.50	7.50
Pre-tax discount rate	20.60	15.14
Exit capitalisation rate	11.11	10.14
Growth rate	5.00	5.00
Forecast period used to calculate recoverable value in years	5	5

The impairment of the investment in Southern Palace Investments 108 Proprietary Limited in 2023 was the result of property and asset management functions of the international property operations not being performed by the entity, (though this function is still performed within the Acsion group) and thus the future associated revenue was no longer receivable.

The impairment of the investment in Lomastep Proprietary Limited in 2023 was due to the sale of the Acsiopolis@Sandton property to Proc Corp 160 Proprietary Limited, resulting in the unlikelihood that the full value of the investment would be recovered.

The impairment of the investment in Fortovox Proprietary Limited in 2021 was due to the impairment of the intangible asset owned by the company. (Refer to note 6).

The impairment of the investment in Bengavista Proprietary Limited in 2021 was due to the revaluation of the Hyde Park Terrace development, owned by the company, prior to reclassification to inventory. (Refer to note 10).

The principal business activity of all subsidiaries is the development of property and the direct or indirect investment in real estate. Below are summarised extracts from the financial statements of the subsidiary with significant non-controlling interests. The financial performance of Zudolex Cyprus Limited, the owner of the Metropolis Mall in Larnaca, Cyprus, is the main contributor to the foreign property operations disclosed in the segmental reporting note. Refer to note 37 for indication of the subsidiary's financial results.

Zarafusion Proprietary Limited

Summarised statement of profit or loss and other comprehensive income

R'000	2024	2023
Revenue from direct property operations	51 017	46 381
Other income	13	1 249
Fair value adjustments/(impairments)	5 853	(10 462)
Impairment losses on trade receivables	(288)	(2 907)
Operating expenses	(26 418)	(21 662)
Operating profit	30 177	12 599
Finance costs	(11 051)	(10 040)
Profit before tax	19 126	2 559
Tax	(4 848)	(921)
Profit for the year	14 278	1 638
Profit/(loss) attribution:		
Shareholders of the company	7 853	901
Non-controlling interests	6 425	737

Notes to the financial statements

for the year ended 29 February 2024 continued

7. Investment in subsidiaries continued

Summarised statement of financial position as at 29 February 2024

R'000	2024	2023
Non-current assets	389 937	386 111
Current assets	1 567	759
	391 504	386 870
Equity	133 204	125 351
Non-controlling interest	109 044	102 619
Non-current liabilities	66 886	62 432
Current liabilities	82 370	96 468
	391 504	386 870

Zarafusion Proprietary Limited is the owner of Mall@Mfula (note 3).

Information for 2024 was extracted from the management accounts of Zarafusion Proprietary Limited for February 2024 as the financial statements have not yet been finalised.

The board is satisfied with the accuracy of the information reflected in the management accounts.

8. Other financial assets

R'000	Group		Company	
	2024	2023	2024	2023
Balance at beginning of the year	191 031	699	—	—
Foreign currency impact	13 215	—	—	—
Guarantee deposit utilised/refunded	(203 475)	(422)	—	—
Guarantee deposits advanced	5 519	190 754	—	—
Guarantees issued at the end of the year	6 290	191 031	—	—
Non-current assets	6 290	527	—	—
Current assets	—	190 504	—	—

Guarantee deposits disclosed as non-current assets relate to cash deposits required by municipalities for utility consumption.

Guarantee deposits disclosed as current assets in 2023 related to cash deposits advanced for the acquisition of the investment property under development, Acsiopolis Thessaloniki, situated in Pilea, Greece (note 3). The property was transferred on 19 April 2024.

Notes to the financial statements

for the year ended 29 February 2024 continued

9. Loans to/(from) group companies

R'000	Company	
	2024	2023
Subsidiaries:		
The borrowers and their indebtedness are:		
Southern Palace Investments 108 Proprietary Limited	(80 679)	(42 842)
Daybreak Properties 3 Proprietary Limited	11 438	11 438
Golden Falls Trading 125 Proprietary Limited	8 425	8 425
Hey Joe Proprietary Limited	34 744	—
Lomastep Proprietary Limited	10 140	10 140
Nungu Trading 516 Proprietary Limited	102 784	102 784
Zarafusion Proprietary Limited	619	619
Zudorex Proprietary Limited	3 258	3 258
	90 729	93 822
Impairment of loan to Lomastep Proprietary Limited	(10 140)	(10 140)
	80 589	83 682
Security applicable to the above loans	None	
Terms		
Interest rate	Interest free	
Repayment terms	No fix terms of repayment. Repayable on demand	
Loan repayment terms may be renegotiated to earlier or later times. All repayments are subject to borrower solvency and liquidity tests.		
Current liabilities	(80 679)	(42 842)
Current assets	161 268	126 524
	80 589	83 682

Management has performed an ECL assessment on the loans to group companies considering the underlying net asset value of the respective subsidiaries which includes investment property at fair value. Where there is insufficient value within the underlying subsidiaries to support the loans provided, an ECL allowance is recognised.

In the prior year the loan to Lomastep Proprietary Limited was impaired due to the sale of the Acsiopolis@Sandton property to Proc Corp 160 Proprietary Limited, resulting in the unlikelihood that the full value of the loan would be recovered.

10. Inventories

R'000	Group	
	2024	2023
Hospitality stock	15 034	6 480
Residential units held by Bengavista Proprietary Limited	40 380	39 592
	55 414	46 072

Hyde Park Terrace, a high-end residential development of units ranging from 350m² to 568m² under roof, is situated in Hyde Park, Sandton, approximately 500m away from Hyde Park shopping centre. The development currently consists of five completed houses (2023: five) and six vacant stands (2023: six) and is owned by Bengavista Proprietary Limited, a subsidiary of the group (note 7).

The directors assessed the net realisable value of the inventories at year-end and are satisfied that the units are carried at the lower of cost or net realisable value.

Notes to the financial statements

for the year ended 29 February 2024 continued

11. Trade and other receivables

R'000	Group	
	2024	2023
Financial instruments		
Trade receivables	54 790	59 352
Trade receivables' expected credit loss	(26 730)	(39 879)
Trade receivables at amortised cost	28 060	19 473
Interest receivable	785	—
Sundry receivables	168	186
Non-financial instruments		
Prepayments	9 168	6 579
Value added tax	2 667	3 895
Total trade and other receivables	40 848	30 133
The maturity profile of trade receivables:		
Now due	13 775	8 678
30 to 59 days past due	3 824	8 052
60 to 89 days past due	4 108	2 084
90 days and more past due	33 083	40 538
	54 790	59 352
The maturity profile of expected credit losses:		
Now due	608	650
30 to 59 days past due	685	3 315
60 to 89 days past due	1 730	1 378
90 days and more past due	23 707	34 536
	26 730	39 879
Reconciliation of credit loss allowance		
Balance at the beginning of the year	39 879	30 973
Loss allowance raised in the current year	24 708	23 939
Amounts utilised	(37 857)	(15 033)
	26 730	39 879
Basis of expected credit loss calculation	IFRS 9 simplified approach on life time provisions based on historical payments of tenants and the historical credit losses experienced	
Key macroeconomic factors considered	Gross domestic product; unemployment rate; inflation rate	
Interest receivable at annual rates:		
Non-trade and other receivables	None	
Trade receivables	Prime rate+2% on invoices 7 days or more past due	

As at 29 February 2024, the group's overdue trade and other receivables of R28 060 (2023: R19 473) was past due but not impaired.

Notes to the financial statements

for the year ended 29 February 2024 continued

12. Cash and cash equivalents

R'000	Currency: exchange rate		Group		Company	
	2024	2023	2024	2023	2024	2023
Foreign bank deposits	Euros: 20.84	Euros: 19.59	420 137	156 040	—	—
Local bank balances	Rands	Rands	100 034	75 844	25 506	23 422
Local cash on hand	Rands	Rands	—	92	—	—
	—	—	520 171	231 976	25 506	23 422
Restricted cash			23 071	21 892	23 071	21 892
Interest due: cash held in call accounts	South African Rand balances		Prime rate less 2.7% to 3.7%		Prime rate less 2.7% to 3.7%	
Interest due: cash held in fixed deposits	Foreign currency balances		3.9%	—	—	—

Restricted cash and cash equivalents consist of guarantees issued in the ordinary course of business to local municipalities and Eskom for utility consumption and to the lessor of the land lease in Cyprus a payment guarantee for the monthly rental charges.

13. Stated capital

	Group		Company	
	2024	2023	2024	2023
Authorised ('000)				
Ordinary shares of no par value	10 000 000	10 000 000	10 000 000	10 000 000
Reconciliation of number of shares issued ('000)				
Balance at the beginning of the year	385 016	385 040	394 960	394 960
Shares purchased by subsidiaries	(58)	(24)	—	—
Balance at the end of the year	384 958	385 016	394 960	394 960
Summary of shares issued ('000)				
Total number of shares issued	394 960	394 960	394 960	394 960
Less: Treasury shares held by subsidiaries	(10 002)	(9 944)	—	—
	384 958	385 016	394 960	394 960
Reconciliation of Rand value of shares issued (R'000)				
Balance at the beginning of the year	3 934 103	3 934 224	3 979 956	3 979 956
Shares purchased by subsidiaries	(358)	(121)	—	—
Share capital at the end of the year	3 933 745	3 934 103	3 979 956	3 979 956
Summary of shares issued (R'000)				
Total number of shares issued	3 979 956	3 979 956	3 979 956	3 979 956
Less: Treasury shares held by subsidiaries	(46 211)	(45 853)	—	—
	3 933 745	3 934 103	3 979 956	3 979 956

The group's treasury shares are held by Southern Palace Investments 108 Proprietary Limited.

The treasury share transactions were executed in terms of the general authority granted by shareholders at the AGM.

Notes to the financial statements

for the year ended 29 February 2024 continued

14. Deferred tax

R'000	Group		Company	
	2024	2023	2024	2023
Reconciliation of net deferred tax liability				
Balance at the beginning of the year	1 747 772	1 574 817	(17 107)	(18 863)
Movements in deferred taxation were:				
Acquisition of subsidiary	251	—	—	—
Assessed loss changes	8 282	5 914	24	859
Expected credit loss allowance and prepayments	1 253	5 007	—	—
Income received in advance	(4 577)	25 724	—	—
Investment in subsidiary impairment	—	—	16 839	633
Leave pay accrual movement	86	(114)	(3)	264
Investment property fair value adjustments	330 422	139 456	—	—
Operating lease adjustments	15 274	(10 741)	—	—
Property, plant and equipment allowances	43 485	13 208	—	—
Right of use liability	(99 161)	—	—	—
Unrealised foreign exchange gain	(8 715)	(5 499)	—	—
Balance at the end of the year	2 034 372	1 747 772	(247)	(17 107)
Net deferred tax liability				
Deferred tax is attributable to the temporary differences between the accounting and tax bases of:				
Investment/owner occupied property	1 901 830	1 583 824	—	—
Operating lease liability	42 127	26 870	—	—
Property, plant and equipment	225 754	174 543	—	—
Unrealised foreign exchange gain	9 838	—	—	—
Assessed losses	(36 699)	(31 421)	207	231
Expected credit loss allowance and prepayments	(4 289)	(5 510)	—	—
Lease liability	(99 161)	—	—	—
Leave pay accrual	(420)	(503)	40	37
Income received in advance	(4 608)	(31)	—	—
Investment in subsidiary impairment	—	—	—	16 839
	2 034 372	1 747 772	247	17 107
The deferred taxation balance comprises:				
Deferred tax assets	247	37 465	247	17 107
Deferred tax liabilities	(2 034 619)	(1 785 237)	—	—
	(2 034 372)	(1 747 772)	247	17 107

Notes to the financial statements

for the year ended 29 February 2024 continued

15. Lease liabilities

R'000	Group	
	2024	2023
Balance at the beginning of the year	705 751	501 970
Variable lease payments adjustment *	36 529	133 097
Interest calculated at the average Euro to Rand exchange rate for the year	17 082	12 611
Repayments calculated at the average Euro to Rand exchange rate for the year	(11 122)	(9 136)
	748 240	638 542
Foreign currency impact during the year	45 051	67 209
	793 291	705 751
Amount repayable within 12 months reflected in current liabilities		(5 342)
	793 291	700 409
The lessor and indebtedness to it are:		
Orthodox Church of Cyprus for a Euro denominated land lease on which the Mall@Larnaca has been developed for a period of 33 years with two 33 year renewal options (99 year lease)	793 291	705 751
Euro to Rand foreign exchange conversion rate	R20.84	R19.59
Annual escalations	Cypriot inflation with: minimum = 1% maximum = 4%	
Periodic escalations in addition to annual escalations	2.6% of the land value 13 years after commencement on 01/01/2019 and renewal dates	
Value of land at inception of the lease	€19 600	€19 600
The right-of-use asset is accounted for as investment properties (note 3).		
The undiscounted lease liability cash repayments are:		
Within 1 year	11 800	10 421
2 to 5 years inclusive	48 997	43 271
6 to 10 years inclusive	64 528	57 842
11 to 15 years inclusive	69 515	62 312
16 to 20 years inclusive	74 888	67 128
21 to 25 years inclusive	80 675	72 316
26 to 30 years inclusive	86 910	77 905
31 to 35 years inclusive	93 627	83 926
36 to 40 years inclusive	100 863	90 412
41 to 50 years inclusive	225 713	202 326
51 to 60 years inclusive	261 950	234 808
61 to 70 years inclusive	304 003	272 504
71 to 80 years inclusive	352 808	316 252
81 to 90 years inclusive	409 448	367 023
91 to 99 years inclusive	220 800	197 921
	2 406 525	2 156 367

* The adjustment relates to the increase of the Cyprus inflation rate. As a result of the change in the rate, the amount has been reassessed in accordance with IFRS 16.

Notes to the financial statements

for the year ended 29 February 2024 continued

16. Borrowings

R'000	Group	
	2024	2023
Held at amortised cost		
<i>Split between non-current and current portions</i>		
Non-current liabilities	336 380	1 136 893
Current liabilities	706 422	5 404
Balance at the end of the year	1 042 802	1 142 297
Golden Falls 125 Proprietary Limited — Rand denominated		
R300 million revolving credit facility with Standard Bank repayable on 26 May 2024, bearing quarterly interest at the three-month JIBAR rate plus 2.02%. *	100 228	201 223
R300 million term loan facility with Standard Bank repayable on 26 May 2024, bearing quarterly interest at the 3-month JIBAR rate 2.15%. *	300 086	300 000
R300 million term loan facility with Standard Bank repayable on 24 February 2025, bearing quarterly interest at the 3-month JIBAR rate 1.96%. *	300 085	300 000
R400 million term loan facility with Standard Bank repayable on 7 March 2025, bearing quarterly interest at the 3-month JIBAR rate plus 1.96%. *	342 403	341 074
Total	1 042 802	1 142 297
Borrowing agreements covenant triggers		
Corporate loan to value covenant (%)	45	45
Corporate loan to value achieved (%)	14	16
Interest ratio cover goal	2	2
Interest ratio cover achieved	10	10

* These loans are secured in the amount of R1.3 billion over Mall@Carnival (refer to note 3).

17. Loans from shareholders

R'000	Group	
	2024	2023
I Anastasiadis Euro denominated loan to Zudolex Proprietary Limited	1 042	980
RA Dlamini loan to Zarafusion Proprietary Limited	506	506
AN Kyriazis Euro denominated loan to Zudolex Proprietary Limited	1 042	980
A Nicoloudakis Euro denominated loan to Zudolex Cyprus Limited	1 042	980
D Thomas Euro denominated loan to Zudolex Cyprus Limited	1 042	980
	4 674	4 426
Terms		
Interest rate	Interest free	
RA Dlamini loan repayment terms	Once other group loans are settled	
Other shareholder loan repayment terms	No fixed terms of repayment	
Security applicable to the above loans	None	

Notes to the financial statements

for the year ended 29 February 2024 continued

18. Provisions

R'000	Group	
	2024	2023
Provision for mall marketing expenses	10 002	10 145
The provision movement during the year was:		
Balance at the beginning of the year	10 145	7 532
Marketing funds used	(4 883)	(2 025)
Marketing funds collected from tenants	4 740	4 638
Balance at the end of the year	10 002	10 145

In terms of the lease agreements the group has with its tenants, some tenants are required to contribute to a marketing fund to market the property in which the tenant is a lessee. The group has an obligation to only spend these funds on the marketing of the property.

19. Trade and other payables

R'000	Group		Company	
	2024	2023	2024	2023
Financial instruments				
Accrued expenses	29 025	27 624	—	88
Interest payable	18 042	—	—	—
Other payables	1 555	122	171	180
Trade payables	140 218	144 225	452	762
Tenant deposits	110 866	90 587	—	—
Non-financial instruments				
Value added tax	29 055	19 313	101	576
Accrued leave pay	2 341	2 062	146	137
Income received in advance	46 504	36 942	—	—
	377 606	320 875	870	1 743
Split between non-current and current portions				
Non-current trade and other payables	14 003	13 166	—	—
Current trade and other payables	363 603	307 709	870	1 743
Balance at the end of the year	377 606	320 875	870	1 743
Supplier interest charges	None except by agreement		None except by agreement	
Supplier repayment terms	30 days except by agreement		30 days except by agreement	

Income received in advance comprises of a current and non-current portion.

The amortisation of income received in advance is recognised as revenue in the statement of comprehensive income over the respective lease agreement period. The recognition is based on the proportionate amount earned over the next 12 months relative to the total period of the agreement. The current portion is the amount to be amortised over the short-term lease period (i.e. the next 12 months) and the non-current portion is the amount to be amortised over the long-term lease period of each individual lease agreement.

The carrying amount of trade and other payables approximates fair value.

Notes to the financial statements

for the year ended 29 February 2024 continued

20. Revenue

R'000	Group		Company	
	2024	2023	2024	2023
Contractual rental revenue and recoveries	1 260 955	1 081 798	—	—
— Rental income on investment property	965 447	799 568	—	—
— Tenant recoveries	288 880	276 915	—	—
— Deferred lease income	6 628	5 315	—	—
Straight-lining of rental revenue adjustment	20 094	24 131	—	—
Revenue from hospitality operations	152 017	79 227	—	—
— Food and beverage recognised at a point in time	51 841	27 772	—	—
— Rooms revenue recognised over time	86 077	41 084	—	—
— Conference revenue recognised over time	14 099	10 371	—	—
Dividend income from group companies	—	—	135 866	142 186
Management fee income	271	248	6 864	9 260
	1 433 337	1 185 404	142 730	151 446

21. Other income

R'000	Group	
	2024	2023
Administration fees	187	223
Bad debt recovered	76	9 638
Other income	4 033	2 574
Insurance claims	26 185	—
Bargain purchase gain (Note 27)	43 245	—
	73 726	12 435

Notes to the financial statements

for the year ended 29 February 2024 continued

22. Operating expenses

The profit from operations is stated after taking into account the following expenses:

R'000	Notes	Group		Company	
		2024	2023	2024	2023
Independent auditor remuneration:					
— Audit fees for the current year		2 534	1 933	1 080	624
Consulting and professional services					
— Fees for consulting and professional services		6 312	4 297		120
— Accounting and secretarial services		835	733	376	452
		7 147	5 030	376	572
Property taxes and utility expenses		269 347	244 466	—	—
Hotel operational expenses		61 530	55 015	—	—
Property operational expenses					
— Cleaning		19 283	15 114	—	—
— Security		19 759	17 582	—	—
— Repairs and maintenance		34 739	22 232	—	—
		73 781	54 928	—	—
Depreciation, amortisation and impairment					
— Depreciation	4	159 332	103 753	—	—
— Revaluation of owner occupied property plant and equipment	4	25 882	(57 451)	—	—
— Impairment of investments in subsidiaries		—	—	105 941	201 400
— Impairment of loans to group companies		—	—	—	10 140
		185 214	46 302	105 941	211 540
Short-term employee benefits					
— Salaries, wages, directors fees, bonuses and other benefits		74 260	46 119	5 574	4 198
— Study fees		914	330	—	—
		75 174	46 449	5 574	4 198

23. Finance costs

R'000	Group	
	2024	2023
Financial institution interest	110 906	82 015
Lease liability interest	17 082	12 611
Trade and other payables	1 172	681
	129 160	95 307

24. Investment income

R'000	Group		Company	
	2024	2023	2024	2023
Financial institution interest income	14 689	4 940	2 104	1 385
	14 689	4 940	2 104	1 385

Notes to the financial statements

for the year ended 29 February 2024 continued

26. Current tax asset/liability

R'000	Notes	Group		Company	
		2024	2023	2024	2023
Amount receivable/(due) at the beginning of the year (net)		11 259	(9 894)	—	—
Income tax for the year	25	(96 695)	(67 374)	—	—
Forex impact		1 668	2 107	—	—
Amount (receivable)/due at the end of the year (net)		(1 079)	(11 259)	(19)	—
Tax paid		(84 847)	(86 420)	(19)	—
The amounts (receivable)/due at year-end constitute:					
Current tax asset		12 299	21 039	19	—
Current tax liability		(11 220)	(9 780)	—	—
		1 079	11 259	19	—

27. Acquisition of subsidiary (business combinations)

On 24 May 2023, Acscion acquired 100% of the share capital of Hey Joe Proprietary Limited, a company incorporated in South Africa, with hospitality operations and property assets located in Franschhoek, Western Cape. The property is earmarked for development during the 2025 financial year and accounted for as property under development in note 3.

Management determined that the acquired entity should be accounted for as a business in accordance with IFRS 3.

Details of the assets and liabilities acquired and the bargain purchase gain arising are as follows:

R'000	Group
	2024
Attributed fair value	
Investment property	54 600
Plant and equipment	23 407
Deferred tax asset	14 492
Inventories	1 126
Trade and other receivables	200
Bank and cash	66
Deferred tax liability	(14 742)
Trade and other payables	(904)
Bargain purchase gain	(43 245)
Total purchase consideration	35 000
Equity (Note 7)	190
Intergroup shareholder loan account	34 810
Less: cash and cash equivalents of subsidiary acquired	(66)
Net outflow of cash and cash equivalents on acquisition	34 934

The bargain purchase gain resulted from the group acquiring the net assets of the company valued at R43.435 million for R190 000.

Since acquisition, Hey Joe Proprietary Limited has contributed R4.48 million to group revenue and a loss of R1.592 million to group profit. If the acquisition had occurred on 1 March 2023, group revenue would have been R1.44 billion and group profit for the year would have been R1.067 billion.

Notes to the financial statements

for the year ended 29 February 2024 continued

28. Reconciliation of profit before tax to cash movement arising from operations

R'000	Group		Company	
	2024	2023	2024	2023
Profit before taxation	1 447 242	1 105 933	30 005	(65 168)
Adjustments for non-cash flow items:				
Bargain purchase gain	(43 245)	—	—	—
Deferred lease income	(6 628)	(5 315)	—	—
Depreciation	159 332	103 753	—	—
Fair value changes to investment property	(751 870)	(491 622)	—	—
Foreign exchange gains	(41 418)	(9 770)	—	—
Revaluation of property, plant and equipment	25 882	(57 451)	—	—
Impairment of investments in subsidiaries (Note 7)	—	—	105 941	201 400
Impairment of loans to group companies (Note 9)	—	—	—	10 140
Profit on disposal of property, plant and equipment	35	—	—	—
Provision movement	(143)	2 613	—	—
Straight-lining of rental revenue adjustment	(20 094)	(24 131)	—	—
Adjustments for separately disclosed cash flow items:				
Finance costs	129 160	95 307	—	—
Dividend income	—	—	(135 866)	(142 186)
Insurance proceeds — investment property	(26 087)	—	—	—
Investment income	(14 689)	(4 940)	(2 104)	(1 385)
	857 477	714 377	(2 024)	2 801
Working capital changes:				
Cash utilised to build inventory levels	(8 267)	(6 480)	—	—
Cash utilised to fund increased trade and other receivables	(12 812)	—	(7)	(1)
Cash generated from reduced trade and other receivables	—	163	—	—
Cash utilised to reduce trade and other payables	—	—	(873)	(250)
Cash generated by increasing trade and other payables	39 253	46 063	—	—
	875 651	754 123	(2 904)	2 550

28.1 Reconciliation of finance costs paid

R'000	Group	
	2024	2023
Finance costs accrued at the beginning of the year	5 404	996
Finance costs	129 160	82 696 ¹
Finance costs accrued	(30 934)²	(5 404)
Finance costs paid	103 630	78 288

1. Exclude finance costs of lease liability because it is separately disclosed in the statement of cash flows.

2. Finance costs accrued consists of amounts capitalised against borrowings (note 16), lease liabilities (note 15) and trade payables (note 19).

Notes to the financial statements

for the year ended 29 February 2024 continued

28. Reconciliation of profit before tax to cash movement arising from operations continued

28.2 Reconciliation of cash paid in respect of the purchase of property plant and equipment

R'000	Notes	Group	
		2024	2023
Property, plant and equipment acquired	4	(74 025)	(241 529)
Property, plant and equipment acquired through business combination	27	23 407	—
Property, plant and equipment acquired payable at year-end		4 172	—
		(46 446)	(241 529)

28.3 Reconciliation of cash paid in respect of the purchase of investment property

R'000	Notes	Group	
		2024	2023
Investment property acquired	3	(390 661)	(138 584)
Investment property acquired through business combination	27	54 600	—
Guarantee deposit utilised	8	203 475	—
Investment property acquired payable at year-end		—	689
		(132 586)	(137 895)

28.4 Reconciliation of other financial assets (acquired)/disposed from investing activities

R'000		Group	
		2024	2023
Issued guarantees outstanding at the beginning of the year		(191 031)	(699)
Guarantee deposits paid		(5 519)	(197 436)
Guarantee deposits utilised/refunded		203 475	422
Guarantee deposit offset against trade and other payables		—	6 682
Foreign currency impact on guarantees issued/paid during the year		(13 215)	—
Guarantees issued at the end of the year		(6 290)	(191 031)

28.5 Reconciliation of borrowings (paid)/raised from financing activities

R'000		Group	
		2024	2023
Amount due at the beginning of the year		1 142 297	1 079 717
Proceeds from borrowings		456 454	553 700
Repayment from borrowings		(557 477)	(496 524)
Accrued interest		1 528	5 404
Amount due at the end of the year		1 042 802	1 142 297

28.6 Reconciliation of loans from group companies raised/(repaid)

R'000		Company	
		2024	2023
Loans from group companies due beginning of the year		(42 842)	(234 680)
Amounts set-off against group company loans		—	189 187
Loans from group companies due at the end of the year		80 679	42 842
Loans from group companies raised/(repaid)		37 837	(2 651)

Notes to the financial statements

for the year ended 29 February 2024 continued

29. Earnings, headline earnings and net asset value per share

R'000	Group	
	2024	2023
Basic earnings and earnings per share		
Basic earnings per share is determined by dividing profit or loss attributable to the ordinary shareholders of the parent by the weighted average number of ordinary shares outstanding during the year		
Reconciliation of profit for the year to basic earnings		
Profit for the year	1 069 990	906 789
Adjusted for earnings attributable to non-controlling interests	(29 924)	(17 901)
Basic earnings	1 040 066	888 888
Weighted average number of shares in issue	384 984	385 023
Earnings per share in cents ¹	270.16	230.87
Diluted earnings per share in cents ²	270.16	230.87
Headline earnings and diluted headline earnings per share		
Reconciliation between earnings and headline earnings		
Basic earnings	1 040 066	888 888
Gain recognised from bargain purchase	(43 245)	—
Fair value adjustments	(751 870)	(491 622)
Tax attributable to fair value adjustments	154 696	102 358
Non-controlling interest relating to fair value adjustments	15 279	4 965
Revaluation — owner occupied property	25 882	(57 451)
Tax attributable to impairment loss — owner occupied property	(6 988)	16 086
Insurance proceeds for damaged investment property claim	(26 087)	—
Tax attributable to insurance proceeds — investment property	5 635	—
Headline earnings	413 368 ³	463 224
Weighted average number of shares in issue	384 984	385 023
Headline earnings per share (cents)	107	120
Diluted headline earnings per share (cents) ²	107	120
Net asset value (NAV)		
NAV attributable to ordinary shareholders	10 246 831	9 204 053
Number of shares in issue (excluding treasury shares)	384 958	385 016
NAV per share (cents) ⁴	2 662	2 391
NAV attributable to ordinary shareholders	10 246 831	9 204 053
Net deferred tax liability	2 034 372	1 747 772
Goodwill and intangible assets	(625 299)	(625 299)
Dividend to be declared	(61 593)	(71 093)
SA REIT NAV	11 594 311	10 255 433
SA REIT NAV per share (cents) ⁵	3 012	2 664

1. Earnings per share are from continuing operations. There are no discontinued operations.

2. Diluted earnings and headline earnings per share are equal to undiluted earnings and headline earnings per share because there are no dilutive ordinary shares in issue or options thereon.

3. Headline earnings was understated in the reviewed financial statements issued on 12 July 2024, by R37.788 million wherein the impairment loss on owner occupied property was not taken into account in accordance with Circular 1/2023. A correcting announcement was released on SENS on 25 July 2024.

4. NAV is the value of the total assets (non-current assets plus current assets) minus total liabilities (non-current liabilities plus current liabilities). Assets include financial assets and liabilities include financial liabilities. NAV per share is determined by dividing the total NAV by the total number of shares outstanding as at year-end.

5. SA REIT NAV is a measure that is specific to South African Real Estate Investment Trusts and is not required in terms of IFRS or the JSE Listings Requirements. SA REIT NAV per share is determined by including dividends to be declared and excluding items that are intangible by nature and unlikely to be realised in the ordinary course of the group's business.

Notes to the financial statements

for the year ended 29 February 2024 continued

30. Dividends paid per share

R'000	Group		Company	
	2024	2023	2024	2023
Number of shares in issue	384 958	385 016	394 960	394 960
Interim dividend declared	63 134	69 303	64 773	71 093
Final dividend paid in respect of prior financial year	69 295	69 303	71 093	71 093
Gross value of dividend in Rands declared and paid during the period	132 429	138 606	135 866	142 186
Gross dividend per share declared during the year ¹	33	36	34	36
Net dividend per share after deducting 20% dividend tax	27	29	28	29

1. A final dividend of 16 cents (2023: 18 cents) per share was declared after the year-end and was therefore not provided for in the Financial Statements. The final dividend is subject to dividend tax.

Notes to the financial statements

for the year ended 29 February 2024 continued

31. Directors and prescribed officers' emoluments

R'000	Relationship	Fees	Salary	Travel allowance	Short-term incentive bonus	Total
2024						
Directors						
Mr H Zarca	Non-executive Chairman	243	—	—	—	243
Mrs M Kok	Independent non-executive	243	—	—	—	243
Mrs L Osrin-Karp	Independent non-executive	243	—	—	—	243
Dr PD Sekete	Non-executive	243	—	—	—	243
Mr K Anastasiadis	Chief executive officer	—	2 780	120	—	2 900
Mr CR Jansen van Rensburg	Chief financial officer	—	1 336	134	—	1 470
		972	4 116	254	—	5 342
Prescribed officers						
Mr I Anastasiadis	Development director	—	1 454	—	—	1 454
Mr AN Kyriazis	Chief operating officer	—	1 459	—	97	1 556
Mr A Nicoloudakis	Chief investment officer	—	1 391	—	—	1 391
Ms NN Khumalo	Group human resources officer	—	915	—	—	915
Mr D Thomas	International operations director	—	1 454	—	122	1 576
		—	6 673	—	219	6 892
2023						
Directors						
Mr H Zarca ¹	Non-executive Chairman	154	—	—	—	154
Mrs M Kok	Independent non-executive	232	—	—	—	232
Mrs L Osrin-Karp ¹	Independent non-executive	154	—	—	—	154
Dr PD Sekete	Non-executive	232	—	—	—	232
Mr TB Jali (former) ²	Non-executive Chairman	49	—	—	—	49
Mr K Anastasiadis	Chief executive officer	—	2 780	120	—	2 900
Mr CR Jansen van Rensburg	Chief financial officer	—	1 295	128	117	1 540
		821	4 075	248	117	5 261
Prescribed officers						
Mr I Anastasiadis	Development director	—	1 385	—	116	1 501
Mr AN Kyriazis	Chief operating officer	—	1 389	—	116	1 505
Mr A Nicoloudakis	Chief investment officer	—	1 346	—	116	1 462
Mr D Thomas	International operations director	—	1 385	—	116	1 501
		—	5 505	—	464	5 969

1. Appointed 1 July 2022.

2. Resigned 22 May 2022.

The directors' emoluments were paid by AcSION Limited. Directors' compensation for the group and the company were the same.

The prescribed officers' emoluments were paid by Southern Palace 108 Proprietary Limited.

Notes to the financial statements

for the year ended 29 February 2024 continued

32. Related parties and related party transactions

Subsidiaries in the group

Refer to note 7

Directors

Name

H Zarca

M Kok

L Osrin-Karp

PD Sekete

K Anastasiadis

CR Jansen van Rensburg

Directors and prescribed officers with direct and indirect interests

Name	Related party name	Nature of relationship
K Anastasiadis	Fortutrax Proprietary Limited	75.97% shareholding in Acsion Limited
PD Sekete	Doctor Sekete Family Trust	0.13% shareholding in Acsion Limited
I Anastasiadis	I. Anastasiadis (direct shareholding)	1% shareholding in Zudolex Cyprus Limited
AN Kyriazis	Three Five Theda Proprietary Limited	1% shareholding in Zudolex Cyprus Limited
A Nicoloudakis	Astridonia Limited	1% shareholding in Zudolex Cyprus Limited
D Thomas	Johnas Investments Limited	1% shareholding in Zudolex Cyprus Limited

Other related parties (interest held by director)

Name	Related party name
K Anastasiadis	Sapfo Proprietary Limited
K Anastasiadis	K Anastasi Projects Proprietary Limited

Notes to the financial statements

for the year ended 29 February 2024 continued

32. Related parties and related party transactions continued

R'000	Group		Company	
	2024	2023	2024	2023
Related party balances				
Loans to/(from) related parties				
Subsidiary companies	—	—	Note 9	Note 9
I Anastasiadis	(1 042)	(980)	—	—
RA Dlamini	(506)	(506)	—	—
AN Kyriazis	(1 042)	(980)	—	—
A Nicoloudakis	(1 042)	(980)	—	—
D Thomas	(1 042)	(980)	—	—
Amounts included in trade receivables				
K Anastasi Projects Proprietary Limited	—	1 036	—	—
Sapfo Proprietary Limited	34	11	—	—
Amounts included in trade payables				
H Zarca	(61)	(58)	(61)	(58)
M Kok	(61)	(58)	(61)	(58)
L Osrin-Karp	(146)	(154)	(146)	(154)
PD Sekete	(61)	(119)	(61)	(119)
K Anastasi Projects Proprietary Limited	(3 548)	(3 846)	—	—
Dividends received				
DAJM Property Investment Proprietary Limited	—	—	11 530	8 489
Double Ring Trading 62 Proprietary Limited	—	—	64 447	101 031
Nungu Trading 516 Proprietary Limited	—	—	9 356	—
Golden Falls Trading 125 Proprietary Limited	—	—	7 500	—
Rubensmen Proprietary Limited	—	—	43 033	32 666
Rental income/management fee received				
K Anastasi Projects Proprietary Limited	—	901	—	—
Southern Palace Investments 108 Proprietary Limited	—	—	6 864	9 260
Collection and letting commission				
Sapfo Proprietary Limited	209	192	—	—
Purchases from related parties				
K. Anastasi Projects Proprietary Limited				
Mall@55: phase II expansion	18 565	66 074	—	—
Acsiopolis@Sandton remedial and construction work	671	198 724	—	—
Various small works	1 553	—	—	—

Notes to the financial statements

for the year ended 29 February 2024 continued

33. Capital commitments

R'000	Group	
	2024	2023
Approved commitment for maintenance (approximate)	31 000	12 430
Approved commitment for solar expansion — South Africa (approximate)	339 676	150 000
Approved commitment for solar expansion — International (approximate)	41 676	—
Approved commitments for new developments — South Africa	100 000	176 475
Approved commitments for new developments — International	312 573	9 514
	824 925	348 419

Capital commitments will be funded by a combination of the cash on hand, the refinanced borrowings and profits. Refer to note 35 for information on the group's liquidity.

34. Financial instruments

Assets and liabilities are carried at either cost or fair value depending on various factors detailed in the IFRS Accounting Standards. These factors include management discretion in some cases. In order to interpret these financial statements in a meaningful manner, the carrying value of the financial assets and financial liabilities are categorised in accordance with the relevant accounting policies below:

R'000	Accounting methodology	Group		Company	
		2024	2023	2024	2023
Non-current assets					
Other financial assets	Financial asset: Amortised cost	6 290	527	—	—
Current assets					
Loans to group companies	Financial asset: Amortised cost			161 268	126 524
Trade and other receivables	Financial asset: Amortised cost	29 013	19 659	—	—
Cash and cash equivalents	Financial asset: Amortised cost	520 171	231 976	25 506	23 422
Non-current liabilities					
Borrowings	Financial liability: Amortised cost	336 380	1 136 893	—	—
Current liabilities					
Loans from shareholders	Financial liability: Amortised cost	4 674	4 426	—	—
Loans from group companies	Financial liability: Amortised cost	—	—	80 679	42 842
Borrowings	Financial liability: Amortised cost	706 422	5 404	—	—
Trade and other payables	Financial liability: Amortised cost	299 706	262 558 ¹	623	1 030 ¹

1. Trade and other payables classified as financial instruments, as disclosed in this note, has been amended. The trade and other payables in the prior year included Accrued leave pay.

Notes to the financial statements

for the year ended 29 February 2024 continued

35. Risk management and analysis

The directors have analysed risks to the value of assets, liabilities and future profitability using judgements and estimates. These risks and the quantum where relevant are set out below.

Capital risk management

The group's objectives when managing capital are to safeguard its ability to continue as a going concern in order to provide returns for shareholder and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The capital structure of the group consists of debt, which includes the borrowings disclosed in notes 16 and 17; cash and cash equivalents as disclosed in note 12, and, equity as disclosed in the statement of financial position.

The group monitors capital on the basis of the ratios below:

R'000	Group	
	2024	2023
Interest-bearing liabilities and lease due	1 836 093	1 848 048
Ordinary shareholders' equity and shareholder borrowings	10 251 505	9 208 479
Assets related to property investments	13 598 770	12 472 921
Gearing ratio (maximum target 50%) (%)	18	20
Loan to value ratio (maximum target 45%) (%) *	10	13

* Calculated in accordance with SA REIT best practice recommendation.

Financial risk management and analysis

Financial risk arises from the group's exposure to financial instruments and comprises credit risk, market risk (interest rate risk, foreign currency risk) and liquidity risk.

The board has overall responsibility for the establishment and oversight of the group's risk management framework. The board has delegated the responsibility for developing and monitoring the group's risk management policies to the Audit and Risk Committee.

The committee reports to the board on its activities. The Audit and Risk Committee oversees how management monitors compliance with the group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the group.

The group's risk management policies are established to identify and analyse the risks faced by the group, to set appropriate risk limits and controls and to monitor risks and adherence to limits.

Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the group's activities.

Credit risk

Credit risk is the risk of loss that may occur from the failure of any party to abide by the terms and conditions of any financial contract, in principal, the failure to make required payments due to an entity.

Credit risk arises on cash equivalents (note 12), loans to group companies (note 9), other financial assets/cash deposits (note 8) and trade debtors (note 11). The group only deposits cash with major banks with high quality credit ratings and limits exposure to any one institution. A significant portion of bank balances are with Nedbank, Standard Bank of South Africa and the Bank of Cyprus.

Trade receivables comprise a widespread customer base. Management evaluates credit risk relating to defaulting customers on an ongoing basis. If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating of the credit quality of the customer, taking into account its financial position, past experience and other factors are taken into account.

The fair value of cash deposits, cash and cash equivalents and trade debtors as at 29 February 2024 and the prior year approximate the carrying value.

Notes to the financial statements

for the year ended 29 February 2024 continued

35. Risk management and analysis continued

R'000	Group		Company	
	2024	2023	2024	2023
Credit risk exposure of other financial assets	6 290	527	—	—
	Low risk as held with blue chip banks			
Credit risk exposure on loans to group companies	—	—	171 408	136,664
Loan impairment	—	—	(10 140)	(10 140)
	—	—	161 268	126 524
			Low risk as loans are with highly solvent companies with relative no increase in credit risk since recognition	
Credit risk exposure on trade receivables	54 790	59 352	8	1
Credit loss allowance	(26 730)	(39 879)	—	—
	28 060	19 473	8	1
	Tenant is credit vetted and other transactions are prepaid			
Credit risk exposure of cash and cash equivalents	520 171	231 976	25 506	23 422
	Low as held with banks with credit ratings of Ba2 and Ba3 Moody's ratings		Low as held with banks with credit ratings of Ba2 and Ba3 Moody's ratings	
Foreign exchange rate risk				
The group is exposed to foreign currency risk through foreign investment property assets and an associated lease liability denominated in foreign currencies (notes 15 and 17).				
The foreign currency in which the group deals primarily is Euros.				
Rand/Euro average exchange rate for the year	20.24	17.43	—	—
Rand/Euro exchange rate at year-end	20.84	19.59	—	—
Foreign financial assets and liabilities do not represent an exchange rate as they are not due for repatriation.				
Cash and cash equivalents				
Euro based cash and cash equivalents	420 137	156 026	—	—
Impact of 10% movement in exchange rate on other comprehensive income (if the Rand weakens against the Euro) or other comprehensive loss (if the Rand strengthens against the Euro)	42 014	15 603	—	—
Rand value of foreign held investment property which covers risk	4 256 514	3 299 075	—	—
Rand value of other financial asset denominated in Euros	5 865	190 613	—	—
Rand value of lease liabilities denominated in Euros	793 291	705 751	—	—
Rand value of borrowings denominated in Euros	—	—	—	—
Impact of 10% movement in exchange rate on other comprehensive income (if the Rand strengthens against the Euro) or other comprehensive loss (if the Rand weakens against the Euro).	79 329	70 575	—	—
Rand value of Euro denominated guarantee issued to land owner	10 680	10 040	—	—

Notes to the financial statements

for the year ended 29 February 2024 continued

35. Risk management and analysis continued

R'000	Group		Company	
	2024	2023	2024	2023
Interest rate risk				
The group's interest rate risk arises from long-term variable rate cash balances and interest bearing borrowings. Borrowings issued at variable rates expose the group to cash flow interest rate risk. Borrowings issued at fixed rates expose the group to fair value interest rate risk. Group policy is not to fix any of its interest rates on long-term borrowings at this stage.				
Interest-bearing borrowings	1 836 093	1 848 048	—	—
Interest rate change of 0.5% on borrowings	9 180	9 240	—	—
Interest earning assets	520 171	231 890	—	—
Interest rate change of 0.5% on investment income	2 601	1 159	—	—
Liquidity risk				
The group's risk relates to the possible inability to meet short-term financial obligations. The group manages liquidity risk through an ongoing review of future commitments and credit facilities and ensures it has adequate funds available and pursues to borrow at lower cost for longer terms. The maturity profile of financial liabilities is closely reviewed and the decision to settle or refinance is made well in advance.				
Solvency				
Capital and retained profits	10 480 469	9 388 628	3 370 527	3 370 468
Subordinated borrowings	—	—	—	—
Solvency buffer	10 480 469	9 388 628	3 370 527	3 370 468
Liquidity				
Net current assets	(467 189)	176 918	105 252	105 362
Deferred payables	4 674	4 426	80 679	42 842
Borrowing facilities	1 350 000	1 350 000	—	—
Borrowings	(1 042 802)	(1 142 297)	—	—
Liquidity excess/(shortfall) before operating cash flows	(155 317)	389 047	185 931	148 204
Impact of refinancing the borrowing facilities maturing within 12 months	706 422	—	—	—
Capital commitments	(824 925)	(348 419)	—	—
Past cash flow coverage over a year	701 123	594 355	135 047	3 935
Liquidity buffer expected	427 303	634 983	320 978	152 139

The table below analyses the group's financial liabilities into relevant maturity groupings. This is based on the remaining period at the statement of financial position's date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

R'000	Maturity period	Group		Company	
		2024	2023	2024	2023
Financial liability					
Borrowings	Less than 1 year	776 411	108 477 ²	—	—
Trade payables	Less than 1 year	299 706	262 558	623	1 030
		1 076 117	371 035	623	1 030
Borrowings	2 to 5 years	343 081 ¹	1 192 528 ²	—	—

1. Full amount of R343 081 is due in year 2.

2. Amount restated from the prior year to allow for the undiscounted adjustments. R851 102 is due in year 2 and R341 426 is due in year 3.

Notes to the financial statements

for the year ended 29 February 2024 continued

36. Contingencies

Contingent liabilities

The group had no contingent liabilities at year-end of which management were aware other than those forming part of note 33.

Contingent assets

The various group companies have contingent assets in the form of guarantees provided by tenants that total R47.526 million (2023: R42.169 million).

Operating lease income represents contractual rental received by the group from its properties. Expected undiscounted contractual inflows based on current rental contracts:

R'000	2024			2023		
	Contractual lease cash inflows	Straight line escalation revenues	Net future lease cash inflows	Contractual lease cash inflows	Straight line escalation revenues	Net future lease cash inflows
Minimum contracted lease inflows profile						
Amounts due within 1 year	840 864	(26 012)	814 852	503 466	(1 107)	502 359
Year 2	692 271	(46 562)	645 709	448 098	(24 781)	423 317
Year 3	466 239	(42 509)	423 730	406 593	(40 271)	366 322
Year 4	244 554	(25 016)	219 538	274 336	(34 010)	240 326
Year 5	134 084	(15 802)	118 282	143 350	(19 400)	123 950
Amounts due after 5 years	284 951	(36 875)	248 076	103 655	(22 682)	80 973
Total	2 662 963	(192 776)	2 470 187	1 879 498	(142 251)	1 737 247

The directors have no reason to expect there will be any material change in operating cash flows.

Notes to the financial statements

for the year ended 29 February 2024 continued

37. Segmental analysis

The group's investment portfolio is currently heavily weighted toward retail. The group has three main reportable segments, namely:

- South African property operations;
- South African hospitality operations; and
- International property operations.

The South African hospitality operation is an additional operating segment that came about with the opening of the hotel and ancillary operations within the Acsiopolis@Sandton mixed-use property.

From a South African geographical perspective, five developed properties are situated within the borders of Gauteng, two in Limpopo and two in Mpumalanga. All the South African investment properties are within a 450 km radius of one another.

An operating segment's operating results are reviewed regularly by management to make decisions about resources to be allocated to the segment and assess its performance.

R'000	Group — 2024					Group — 2023				
	International property operations	South African property operations	South African hospitality operations	South African combined operations	Total	International property operations	South African property operations	South African hospitality operations	South African combined operations	Total
Operating revenues										
Contractual rental revenue and recoveries	358 155	1 004 991	—	1 004 991	1 363 146	247 674	834 124	—	834 124	1 081 798
Inter-segmental contractual rental revenue and recoveries	—	(102 191)	—	(102 191)	(102 191)	—	—	—	—	—
	358 155	902 800	—	902 800	1 260 955	247 674	834 124	—	834 124	1 081 798
Straight-lining of rental revenue adjustment	(166)	20 260	—	20 260	20 094	63 342	(39 211)	—	(39 211)	24 131
Revenue from direct property operations	357 989	923 060	—	923 060	1 281 049	311 016	794 913	—	794 913	1 105 929
Revenue from hospitality operations	—	—	152 017	152 017	152 017	—	—	79 227	79 227	79 227
— Food and beverage recognised at a point in time	—	—	51 841	51 841	51 841	—	—	27 772	27 772	27 772
— Rooms revenue recognised over time	—	—	86 077	86 077	86 077	—	—	41 084	41 084	41 084
— Conference revenue recognised over time	—	—	14 099	14 099	14 099	—	—	10 371	10 371	10 371
Management fee income	—	271	—	271	271	—	248	—	248	248
Revenue	357 989	923 331	152 017	1 075 348	1 433 337	311 016	795 161	79 227	874 388	1 185 404
Other income	1 020	71 840	866	72 706	73 726	1	12 434	—	12 434	12 435
Fair value adjustments	481 768	270 102	—	270 102	751 870	248 415	243 207	—	243 207	491 622
Impairment losses on trade receivables	—	(24 708)	—	(24 708)	(24 708)	(1 102)	(22 837)	—	(22 837)	(23 939)
Operating expenses	(84 253)	(469 885)	(159 792)	(629 677)	(713 930)	(75 245)	(308 445)	(95 302)	(403 747)	(478 992)
Operating profit/(loss)	756 524	770 680	(6 909)	763 771	1 520 295	483 085	719 520	(16 075)	703 445	1 186 530
Other income and expenditure										
Investment income	2 880	11 248	561	11 809	14 689	—	4 940	—	4 940	4 940
Finance costs	(34 336)	(94 758)	(66)	(94 824)	(129 160)	(12 611)	(82 696)	—	(82 696)	(95 307)
Foreign exchange gains/(losses)	18 599	22 819	—	22 819	41 418	36 209	(26 439)	—	(26 439)	9 770
Profit before taxation	743 667	709 989	(6 414)	703 575	1 447 242	506 683	615 325	(16 075)	599 250	1 105 933
Tax	(196 870)	(180 382)	—	(180 382)	(377 252)	(57 901)	(141 243)	(260)	(141 503)	(199 404)
Profit for the year	546 797	529 607	(6 414)	523 193	1 069 990	448 782	474 082	(16 335)	457 747	906 529

Notes to the financial statements

for the year ended 29 February 2024 continued

37. Segmental analysis continued

R'000	Group — 2024					Group — 2023				
	International property operations	South African property operations	South African hospitality operations	South African combined operations	Total	International property operations	South African property operations	South African hospitality operations	South African combined operations	Total
ASSETS										
Non-current assets										
Investment property	4 256 514	8 230 708	—	8 230 708	12 487 222	3 299 075	7 784 674	—	7 784 674	11 083 749
Operating lease asset	63 929	102 274	—	102 274	166 203	73 903	94 081	—	94 081	167 984
Property, plant and equipment	5 409	122 498	685 880	808 378	813 787	4 303	235 162	692 595	927 757	932 060
Goodwill	—	625 464	—	625 464	625 464	—	625 464	—	625 464	625 464
Intangible assets	—	165	—	165	165	—	165	—	165	165
Other financial assets	5 865	425	—	425	6 290	332	195	—	195	527
Deferred tax assets	—	247	—	247	247	—	37 465	—	37 465	37 465
Current assets										
Operating lease asset	14 505	12 068	—	12 068	26 573	—	—	—	—	—
Inventories	—	40 380	15 034	55 414	55 414	—	39 687	6 385	46 072	46 072
Current tax asset	—	12 299	—	12 299	12 299	—	21 039	—	21 039	21 039
Group company loans	—	699 569	(699 569)	—	—	—	—	—	—	—
Trade and other receivables	1 386	32 064	7 398	39 462	40 848	2 409	26 304	1 420	27 724	30 133
Other financial assets	—	—	—	—	—	190 504	—	—	—	190 504
Cash and cash equivalents	16 336	499 178	4 657	503 835	520 171	50 333	178 759	2 884	181 643	231 976
	4 363 944	10 377 339	13 400	10 390 739	14 754 683	3 620 859	9 042 995	703 284	9 746 279	13 367 138
Equity and liabilities										
Capital, reserves and non-controlling interests										
	2 496 014	7 974 794	9 661	7 984 455	10 480 469	1 807 974	7 564 570	16 075	7 580 645	9 388 619
Non-current liabilities										
Deferred tax liabilities	539 746	1 504 049	(9 176)	1 494 873	2 034 619	353 535	1 426 386	5 316	1 431 702	1 785 237
Lease liabilities	793 291	—	—	—	793 291	700 409	—	—	—	700 409
Bank and other borrowings	—	336 380	—	336 380	336 380	—	1 136 893	—	1 136 893	1 136 893
Trade and other payables	14 003	—	—	—	14 003	13 166	—	—	—	13 166
Current liabilities										
Lease liabilities	—	—	—	—	—	5 342	—	—	—	5 342
Bank and other borrowings	—	706 422	—	706 422	706 422	—	5 404	—	5 404	5 404
Shareholder borrowings	4 168	506	—	506	4 674	1 960	2 466	—	2 466	4 426
Group company loans	338 713	(338 713)	—	(338 713)	—	590 552	(1 248 590)	658 038	(590 552)	—
Provisions	—	10 002	—	10 002	10 002	—	10 145	—	10 145	10 145
Taxation	3 307	7 913	—	7 913	11 220	1 643	8 137	—	8 137	9 780
Trade and other payables	174 702	175 986	12 915	188 901	363 603	146 278	132 268	29 171	161 439	307 717
Total liabilities										
Total equity and liabilities	4 363 944	10 377 339	13 400	10 390 739	14 754 683	3 620 859	9 037 679	708 600	9 746 279	13 367 138

Notes to the financial statements

for the year ended 29 February 2024 continued

38. Events after the reporting period

Dividend declared

On 11 July 2024, the board of directors declared a final cash gross dividend (No. 7) of 16 cents per ordinary share, payable out of income reserves to all shareholders of Acsion Limited.

The dividend per share is calculated based on 394 959 976 shares in issue as at the date of the dividend declaration and therefore amounts to R63 193 596 in aggregate.

The net dividend amount, excluding South African dividend tax of 20%, which equates to 3.2 cents, is 12.80 cents per share for those shareholders that are not exempt from dividend tax.

Acsion's income tax reference number is 9794017161.

In compliance with the requirements of Strate, the company determined the following salient dates for the payment of the final dividend:

Last day to trade cum dividend	Tuesday, 30 July 2024
Shares commence trading ex dividend	Wednesday, 31 July 2024
Record date	Friday, 2 August 2024
Payment date	Monday, 5 August 2024

Shares may not be rematerialised or dematerialised between Wednesday, 31 July 2024 and Friday, 2 August 2024, both days inclusive.

Acquisition of minority shareholding

The group accepted an offer to acquire the outstanding 45% minority shareholding in Zarafusion Proprietary Limited, owner of Mall@Mfula on 21 May 2024 for R75 million.

Refinancing of borrowings

The group refinanced the revolving credit facility and term loan that expired in May 2024 repayable in 36 months, bearing quarterly interest at the three month JIBAR rate plus 1.69% and the three month JIBAR plus 1.79% respectively. (Refer note 16).

39. Going concern

The consolidated and separate annual financial statements have been prepared on the basis of accounting policies applicable to the going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The directors believe that the group has adequate financial resources to continue in operation for the foreseeable future and accordingly the consolidated and separate annual financial statements have been prepared on the going concern basis.

While the group's current liabilities exceed current assets because of maturing facilities at the reporting date, refinancing of the loans expiring in May has been credit approved by the existing lenders at more favourable terms. At the reporting date, the group had R11.8 billion of unencumbered property which can be utilised to obtain secured property finance or to refinance the term loan expiring in February 2025.

The directors have satisfied themselves that the group is in a sound financial position and that it will have access to sufficient borrowing facilities to meet its foreseeable cash requirements. The directors are not aware of any new material changes that may adversely impact the group. The directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the group.

Appendix A

for the year ended 29 February 2024

Company:	AcSION Limited
Register date:	24 February 2024
Issued share capital:	394 959 976

Shareholder information

Shareholders holding 2% or more

Holding name	Beneficiary	No. of shares	%
Fortutrax Proprietary Limited	Executive director	300 034 701	75.97
Papas Trust	Public	19 443 628	4.92
Koukoudis, C	Public	15 030 220	3.81
Thomas, D	Prescribed officer	11 133 894	2.82
Southern Palace Investments 108 Proprietary Limited	Treasury shares	10 002 472	2.53

Shareholder spread

	No. of shareholdings	%	No. of shares	%
1 – 1 000 shares	6 384	98.52	81 850	0.02
1 001 – 10 000 shares	49	0.76	172 507	0.04
10 001 – 100 000 shares	16	0.24	519 688	0.13
100 001 – 1 000 000 shares	16	0.25	5 667 617	1.44
1 000 001 shares and over	15	0.23	388 518 314	98.37
Totals	6 480	100.00	394 959 976	100.00

Distribution of shareholders

	No. of shareholdings	%	No. of shares	%
Close corporations	2	0.03	27 572	0.007
Individuals	6 446	99.48	51 920 760	13.146
Private companies	23	0.35	313 800 859	79.451
Trusts	9	0.14	29 210 785	7.396
Totals	6 480	100.00	394 959 976	100.000

Shareholder type

	No. of shareholdings	%	No. of shares	%
Non-public shareholders	10	0.15	319 450 857	80.88
Directors of the company	2	0.03	300 558 696	76.10
Officers of the company	8	0.12	18 892 161	4.78
Public shareholders	6 470	99.85	75 509 119	19.12
Totals	6 480	100.00	394 959 976	100.00

Notice of the annual general meeting

for the year ended 29 February 2024

Acsion Limited

(Incorporated in the Republic of South Africa) (Registration number: 2014/182931/06)

JSE share code: ACS

(Approved as a Real Estate Holdings and Development Company by the JSE)

("Acsion" or "the company")

Notice is hereby given that the Annual General Meeting (hereafter "AGM") of shareholders of Acsion will be held at the @Sandton Hotel, 5 Benmore Rd, Benmore Gardens, Johannesburg, 2196, on Monday, 7 October 2024 at 10:00 to consider and if deemed fit to pass with or without modification the resolutions set out in this notice.

Important dates to note

Record date for receipt of notice purposes	Friday, 23 August 2024
Integrated report to be posted on	Friday, 30 August 2024
Last day to trade to be eligible to vote at the AGM	Monday, 23 September 2024
Record date for voting purposes (voting record date)	Friday, 27 September 2024
Last day to lodge forms of proxy for the AGM	by 10:00 on Friday, 4 October 2024
AGM	Monday, 7 October 2024
Results of AGM released on SENS on or before	Tuesday, 8 October 2024

In terms of section 62(3)(e) of the Companies Act, 2008 (Act 71 of 2008), as amended ("Companies Act"): A shareholder who is entitled to attend and vote at the AGM is entitled to appoint a proxy or two or more proxies to attend, participate in and vote at the meeting in the place of the shareholder, by completing the form of proxy in accordance with the instructions set out therein. A proxy need not be a shareholder of the company.

Kindly note that meeting participants (including proxies) are required to provide reasonably satisfactory identification before being entitled to attend or participate in a meeting. In this regard, all shareholders recorded in the register of the company on the voting record date will be required to provide identification to the Chairperson of the AGM (forms of identification include valid identity documents, driving licences and passports).

Quorum

A quorum for the purposes of considering the resolutions shall consist of at least three shareholders of the company personally present (or represented) and entitled to vote at the AGM and comprise a minimum of 25% of all the voting rights that are entitled to be exercised by a shareholder in respect of each matter to be decided at the AGM.

The date on which shareholders must be recorded as such in the register maintained by the transfer secretaries, Computershare Investor Services Proprietary Limited, Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196, (Private Bag X9000, Saxonwold, South Africa, 2132), for the purposes of being entitled to attend, participate in and vote at the AGM, is Friday, 27 September 2024. Accordingly, the last day to trade is Monday, 23 September 2024.

Majorities required to pass resolutions

In order for ordinary resolutions to be adopted, the support of more than 50% of the total number of votes exercisable by shareholders, present in person or by proxy, is required to pass the resolution. The exception is Ordinary Resolution 8 which requires a majority of at least 75% of the shareholders present in person or by proxy and entitled to vote at the Annual General Meeting.

In order for special resolutions to be adopted, the support of at least 75% of the total number of votes exercisable by shareholders, present in person or by proxy, is required to pass the resolution.

All reference to votes exercisable shall mean one vote per share owned by a shareholder, hence all voting is by poll as set out in paragraph 13.1.2 of the company's MOI.

Notice of the annual general meeting

for the year ended 29 February 2024 continued

Ordinary Resolution 1: Adoption of the Annual Financial Statements

It is resolved that the Annual Financial Statements of the company for the year ended 29 February 2024, including the Directors' report, be and are hereby received and adopted.

Ordinary Resolution 2: Adoption of the Audit and Risk Committee report

It is resolved that the report of the Audit and Risk Committee for the year ended 29 February 2024, be and is hereby received and adopted.

Ordinary Resolution 3: Re-election of directors

It is resolved that the following director of the company retires by rotation in terms of the company's MOI and who, being eligible, has offered herself for re-election, is re-elected:

3.1 Leora Osrin-Karp as independent non-executive director

A brief biography of the director standing for re-election is set out on page 22 of the integrated annual report.

Ordinary Resolution 4: Appointment and reappointment of members of the Audit and Risk Committee

It is resolved that the members of the company's Audit and Risk Committee set out below be and are hereby reappointed, each by way of a separate vote, with effect from the end of this AGM in terms of section 94 (2) of the Companies Act. The membership as proposed by the nominations committee is as follows:

4.1 Marianne Kok (Chairperson)

4.2 David Sekete

4.3 Leora Osrin-Karp

All nominees are non-executive directors. A brief biography of each director is available on page 22 of the integrated annual report. The Board is satisfied that the proposals set out in this resolution will ensure that the Audit and Risk Committee is constituted according to the provisions of the Companies Act in particular section 94 (4) and 94(5), the requirements of the JSE Listing Requirements and the recommended practices in King IV.

Ordinary Resolution 5: Appointment of auditor

It is resolved that the company appoint BDO South Africa Inc. to serve as auditor of the company from the conclusion of this AGM until the conclusion of the next AGM.

The Audit and Risk Committee has recommended BDO South Africa Inc. for appointment as independent auditor of the company, pursuant to section 90(2)(c) of the Companies Act, and further confirms that its appointment, together with the engagement audit partner, Sergio Vittone, is in accordance with paragraph 3.84(g)(ii) of the JSE Listings Requirements.

Ordinary Resolution 6: Specific authority to issue shares pursuant to a reinvestment of dividends

It is resolved that, subject to the provisions of the Companies Act, the company's MOI and the JSE Listings Requirements, the directors be and are hereby authorised by way of a specific standing authority to issue ordinary shares of no-par value (new shares), as and when they deem appropriate, for the exclusive purpose of affording shareholders opportunities from time to time to elect to reinvest their dividends in new shares of the company pursuant to a dividend reinvestment option.

Notice of the annual general meeting

for the year ended 29 February 2024 continued

Ordinary Resolution 7: Signature of documents

It is resolved that any director of the company or the Company Secretary be and are hereby authorised to sign all such documentation and do all such things as may be necessary for or incidental to the implementation of ordinary and special resolutions passed at this AGM.

Ordinary Resolution 8: General authority to issue shares for cash

It is resolved that, subject to the restrictions set out below and subject to the provisions of the Companies Act and the JSE Listings Requirements, the directors of the company be and are hereby authorised, until this authority lapses at the next AGM of the company, provided that this authority shall not extend beyond 15 months, to allot and issue shares of the company for cash on the following basis:

- a) The allotment and issue of shares for cash shall be made only to persons qualifying as public shareholders, as defined in paragraphs 4.25 to 4.27 of the JSE Listings Requirements, and not subject to the following, to related parties:
 - related parties may participate in general issue for shares through a bookbuild process provided related parties only participate within a maximum bid price at which they are prepared to take-up shares or at book close price.
 - In the event of a maximum bid price and the book closes at a higher price, the relevant related party will be “out of the book” and not be allocated shares; and
 - equity securities must be allocated equitably “in the book” through the bookbuild process and the measure to be applied must be disclosed in the SENS announcement launching the bookbuild.
- b) The total aggregate number of shares which may be issued for cash in terms of this authority may not exceed 57 743 626 shares, being 15% of the company's issued shares as at the date of notice of this AGM. Accordingly, any shares issued under this authority prior to this resolution lapsing shall be deducted from the 57 743 626 shares the company is authorised to issue in terms of this authority for the purpose of determining the remaining number of shares that may be issued in terms of this authority.
- c) In the event of a subdivision or consolidation of shares prior to this authority lapsing, the existing authority shall be adjusted accordingly to represent the same allocation ratio.
- d) The maximum discount at which shares may be issued is 10% of the weighted average trade price of such shares measured over the 30 business days prior to the date that the price of the issue is agreed between the company and the party/parties subscribing for the shares.
- e) After the company has issued shares for cash which represent, on a cumulative basis, within the period that this authority is valid, 5% or more of the number of shares in issue prior to that issue, the company shall publish an announcement containing full details of the issue, including the number of shares issued, the average discount to the weighted average trade price of the shares over the 30 business days prior to the date that the issue is agreed in writing and an explanation, including supporting documentation (if any), of the intended use of the funds.
- f) The securities which are the subject of the issue for cash must be of a class already in issue, or where this is not the case, must be limited to such securities or rights that are convertible into a class already in issue;
- g) Whenever the company wishes to use repurchased shares, held in treasury by a subsidiary of the company, such use must comply with the Listings Requirements as if such use was a fresh issue of ordinary shares.

In terms of the JSE Listings Requirements, in order for this ordinary resolution to be adopted, the support of over 75% of the total number of votes exercisable by shareholders, present in person or by proxy, is required.

Notice of the annual general meeting

for the year ended 29 February 2024 continued

Advisory Vote 1:

Advisory endorsement of remuneration policy

To endorse through a non-binding advisory, vote the company's remuneration policy (excluding the remuneration of non-executive directors for their services as directors and members of the board committees), as set out in the Remuneration Committee report contained in the Annual Financial Statements. In accordance with the principles of King IV, an advisory vote is hereby put to shareholders for the endorsement of Acision's group remuneration policy. As the votes on this resolution are advisory, the results will not be binding on the board of directors.

Should more than 25% of the votes on a poll be cast against this advisory vote, the company shall invite the dissenting shareholders to engage with the Remuneration Committee on the matter within three months. In the event that the dissenting shareholders are dissatisfied with the outcome of the engagement with the Remuneration Committee, the board of directors shall engage with the dissenting shareholders within three months of the aforementioned unsuccessful engagement with the Remuneration Committee. The board of directors shall at a minimum take cognisance of the outcome of the vote when considering its remuneration policy in future and, where deemed fit, incorporate amendments to the policy. The invitation to dissenting shareholders will be communicated in the voting results announcement.

Advisory Vote 2:

Advisory endorsement of remuneration policy implementation

To endorse through a non-binding advisory vote the company's remuneration policy implementation (excluding the remuneration of non-executive directors for their services as directors and members of the board committees), as set out in the Remuneration Committee report contained in the Annual Financial Statements. In accordance with the principles of King IV, an advisory vote is hereby put to shareholders for the endorsement of Acision's group remuneration policy implementation. As the votes on this resolution are advisory, the results will not be binding on the board of directors.

Should more than 25% of the votes on a poll be cast against this advisory vote, the company shall invite the dissenting shareholders to engage with the Remuneration Committee on the matter within three months. In the event that the dissenting shareholders are dissatisfied with the outcome of the engagement with the Remuneration Committee, the board of directors shall engage with the dissenting shareholders within three months of the aforementioned unsuccessful engagement with the Remuneration Committee. The board of directors shall at a minimum take cognisance of the outcome of the vote when considering its remuneration policy implementation in future and where deemed fit incorporate amendments to policy implementation.

Special Resolution 1:

Approval of 2025 fees payable to non-executive directors

Resolved, as a special resolution, that the fees payable by the company to non-executive directors for their services as directors (in terms of section 66 of the Companies Act) be and are hereby approved by the passing of this resolution for the 2025 financial year, as follows:

Proposed 2025 fee

R	Proposed 2025 fee
Hector Zarca	257 686
Marianne Kok	257 686
Leora Osrin-Karp	257 686
David Sekete	257 686

Reason for and effect of Special Resolution 1

The reason for Special Resolution 1 is to obtain shareholder approval by way of special resolution in accordance with section 66(9) of the Companies Act for the payment by the company of remuneration to each of the non-executive directors of the company for each non-executive director's services as a non-executive director for the ensuing financial year in the amounts set out under Special Resolution 1.

Notice of the annual general meeting

for the year ended 29 February 2024 continued

Special Resolution 2: Share repurchase

It is resolved that the company or any of its subsidiaries be and are hereby authorised by way of a renewable general approval to acquire ordinary shares issued by the company, in terms of sections 46 and 48 read with sections 114 and 115 of the Companies Act, and in terms of the JSE Listings Requirements (5.72), being that:

- a) Any acquisition of shares shall be implemented through the order book of the JSE and without prior arrangement between the company and the counterparty (reported trades are prohibited);
- b) This general authority shall be valid until the company's next AGM, provided that it shall not extend beyond 15 months from the date of passing this special resolution;
- c) The company (or any subsidiary) is duly authorised by its MOI to do so;
- d) Acquisition of shares in the aggregate in any one financial year may not exceed 20% (or 10% where the acquisitions are effected by a subsidiary) of the company's issued ordinary share capital as at the date of passing this special resolution;
- e) In determining the price at which shares issued by the company are acquired by it or any of its subsidiaries in terms of this general authority, the maximum premium at which such shares may be acquired will be 10% of the weighted average of the market value on the JSE over the five trading days immediately preceding the date on which the repurchase of such shares is effected (the JSE will be consulted for a ruling if the securities have not trade in such five-day business day period);
- f) At any point in time the company (or any subsidiary) may appoint only one agent to effect repurchase on its behalf;
- g) Neither the company nor its subsidiaries may acquire ordinary shares during a prohibited period, as defined in paragraph 3.67 of the Listings Requirements, unless:
 - the company had a repurchase programme in place and the programme has been submitted to the JSE prior to the prohibited period commencing;
 - only one independent third party has been instructed to execute the repurchase programme prior to the prohibited period commencing;
 - the repurchase programme includes the name and date of appointment of the independent third party instructed to execute the repurchase programme, the commencement and termination date of the repurchase programme and the fixed number of securities to be traded during the period;
- h) An announcement will be published as soon as the company or any of its subsidiaries have repurchased shares constituting, on a cumulative basis, 3% of the number of shares in issue prior to the repurchase pursuant to which the aforesaid threshold is reached, and for each 3% in aggregate repurchased thereafter, containing full details of such repurchases; and
- i) The board of directors of the company must resolve that the repurchase is authorised, the company and its subsidiaries have passed the solvency and liquidity test, as set out in section 4 of the Companies Act, and since that test was performed, there have been no material changes to the financial position of the group.

In accordance with the JSE Listings Requirements, the directors record that although there is no immediate intention to affect a repurchase of the shares of the company, the directors will utilise this general authority to repurchase shares as and when suitable opportunities present themselves, which may require expeditious and immediate action.

At the time that the contemplated repurchase is to take place, the board will ensure that, after considering the maximum number of shares that may be repurchased and the price at which the repurchases may take place pursuant to the repurchase general authority, for a period of 12 months after the date of notice of this AGM:

- i. the company and the group will, in the ordinary course of business, be able to pay its debts;
- ii. the consolidated assets of the company and the group, fairly valued in accordance with International Financial Reporting Standards, will exceed the consolidated liabilities of the company and the group, fairly valued in accordance with International Financial Reporting Standards; and
- iii. the company and group's share capital, reserves and working capital will be adequate for ordinary business purposes.

Notice of the annual general meeting

for the year ended 29 February 2024 continued

The following additional information, some of which may appear elsewhere in the integrated annual report of which this notice of the AGM forms part, is provided in terms of paragraph 11.26 of the JSE Listings Requirements for purposes of this general authority:

- Major beneficial shareholders page 102
- Capital structure of the company page 78

Reason for and effect of Special Resolution 2

The reason for Special Resolution 2 is to permit the company or any of its subsidiaries, by way of a general approval to repurchase ordinary shares by the company as and when suitable opportunities to do so arise.

Directors' responsibility statement as it pertains to this Special Resolution 2

The directors whose names appear on page 21 and 22 of the integrated annual report, collectively and individually accept full responsibility for the accuracy of the information pertaining to this special resolution and certify that, to the best of their knowledge and belief, there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that the special resolution contains all information required by the Companies Act and the JSE Listings Requirements.

Material changes as it pertains to this Special Resolution 2

Other than the facts and developments reported on in the integrated annual report of which this notice forms part, there have been no material changes in the financial position of the company and its subsidiaries since the date of signature of the audit report to the date of this notice of the AGM.

Special Resolution 3:

Financial assistance to subsidiaries and other related and inter-related parties in terms of Sections 44 and 45 of the Companies Act

It is resolved that, to the extent required by section 45 of the Companies Act, the board of directors of the company may, subject to compliance with the requirements of the company's MOI, the Companies Act and the JSE Listings Requirements, each as presently constituted and as amended from time to time, authorise the company to provide direct or indirect financial assistance as contemplated in section 45 of the Companies Act by way of loans, guarantees, the provision of security or otherwise, to any of its present or future subsidiaries and/or any other company or corporation that is or becomes related or inter related (as defined in the Companies Act) to the company for any purpose or in connection with any matter, such authority to endure for two years after the adoption of this Special Resolution 3 or until its renewal, whichever is the earliest, and further provided that in as much as the company's provision of financial assistance to its subsidiaries will at any and all times be in excess of one tenth of 1% of the company's net worth, the company hereby undertakes to provide notice to its shareholders of that fact.

This Special Resolution deliberately excludes from its scope any reference to "any person" (as provided for in section 44 of the Companies Act) and also excludes from its ambit "Directors and officers" (as provided for in section 45 of the Companies Act).

Reasons for and effect of Special Resolution 3

The company would like the ability to provide financial assistance in appropriate circumstances and if the need arises, in accordance with section 45 of the Companies Act. This authority is necessary for the company to provide financial assistance in appropriate circumstances in terms of the Companies Act. The company will, however, require the special resolution referred to above to be adopted, provided that the board of directors of the company is satisfied that the terms under which the financial assistance is proposed to be given are fair and reasonable to the company and, immediately after providing the financial assistance, the company would satisfy the solvency and liquidity test contemplated in the Companies Act. In the circumstances and in order to, inter alia, ensure that the company's subsidiaries and other related and inter-related companies have access to financing and/or financial backing from the company (as opposed to banks), it is necessary to obtain the approval of shareholders, as set out in Special Resolution 3. Therefore, the reason for and effect of Special Resolution 3 is to permit the company to provide direct or indirect financial assistance (within the meaning attributed to that term in section 45 of the Companies Act) to the entities referred to in Special Resolution 3 above. Without this resolution the company will not be able to undertake its normal day-to-day business and financing operations within the group.

Notice of the annual general meeting

for the year ended 29 February 2024 continued

Notice in terms of section 45(5) of the Companies Act in respect of Special Resolution 3

Notice is hereby given to shareholders of the company in terms of section 45(5) of the Companies Act of a resolution adopted by the board authorising the company to provide such direct or indirect financial assistance as specified in the special resolution above:

- a) By the time that this notice of AGM is delivered to shareholders of the company, the board will have adopted a resolution (section 45 board resolution) authorising the company to provide, at any time and from time to time during the period of 2 (two) years commencing on the date on which the special resolution is adopted, any direct or indirect financial assistance as contemplated in section 45 of the Companies Act to any 1 (one) or more related or inter-related companies or corporations of the company and/or to any 1 (one) or more members of any such related or inter-related company or corporation and/or to any 1 (one) or more persons related to any such company or corporation;
- b) The section 45 board resolution will be effective only if and to the extent that Special Resolution 3 is adopted by the shareholders of the company, and the provision of any such direct or indirect financial assistance by the company, pursuant to any such resolution, will always be subject to the board being satisfied that (i) immediately after providing such financial assistance, the company will satisfy the solvency and liquidity test as referred to in section 45(3)(b)(i) of the Companies Act, and that (ii) the terms under which such financial assistance is to be given are fair and reasonable to the company as referred to in section 45(3)(b)(ii) of the Companies Act; and
- c) In as much as the section 45 board resolution contemplates that such financial assistance will in the aggregate exceed one-tenth of 1% of the company's net worth at the date of adoption of such resolution, the company hereby provides notice of the section 45 board resolution to shareholders of the company.

Special Resolution 4:

Authority to issue shares to directors who elect dividend reinvestment options

It is resolved that, subject to the provisions of the Companies Act, the company's MOI and the JSE Listings Requirements, the directors be and are hereby authorised by way of a specific standing authority to issue ordinary shares of no par value, as and when they deem appropriate, for the exclusive purpose of affording shareholders, who are also persons as contemplated in section 41(1) of the Companies Act, opportunities from time to time to elect to reinvest their dividend in new shares of the company pursuant to a dividend reinvestment option.

Reasons for and effect of Special Resolution 4

The reason for and effect of Special Resolution 4 is to permit the directors of the company to participate in dividend reinvestment options.

Electronic participation

The company has made provision for a shareholder or their proxies to participate electronically in the AGM by way of telephone conferencing. Should you wish to participate in the AGM by telephone conference call as aforesaid, you, or your proxy, will be required to advise the company thereof by no later than 10:00 on Thursday, 5 September 2024, by submitting by email to the company secretary at michael@mwrk.co.za, for the attention of Michael Reynolds, relevant contact details, including an email address, cellular number and landline, as well as full details of the Acision shareholders title to securities issued by the company and proof of identity, in the form of copies of identity documents and share certificate/s (in the case of certificated shares) and (in the case of dematerialised shares) written confirmation from the shareholders' Central Securities Depository Participant ("CSDP") confirming that shareholders' title to the dematerialised shares upon receipt of the required information, the Acision shareholder concerned will be provided with a secure code and instructions to access the electronic communication during the AGM. Shareholders must note that access to the electronic communication will be at the expense of the shareholders who wish to utilise the facility.

Shareholders and their appointed proxies attending by conference call must note that they will not be able to cast their votes during the AGM through this medium. Such shareholders, should they wish to have their vote counted at the AGM, must, to the extent applicable, (i) complete the form of proxy, or (ii) contact their CSDP or broker, in both instances, as set out above.

Form of proxy

for the year ended 29 February 2024

AcSION Limited

(Incorporated in the Republic of South Africa) (Registration number: 2014/182931/06)

JSE share code: ACS

(Approved as a Real Estate Holdings and Development Company by the JSE)

("AcSION" or "the company")

Where appropriate and applicable, the terms defined in the notice of the AGM to which this form of proxy is attached and forms part of bear the meanings in this form of proxy.

This proxy is for use by shareholders of the company holding certificated and/or dematerialised shareholders who have elected 'own name' registration, nominee companies of Central Securities Depository Participants ("CSDP") and brokers' nominee companies, registered as such at the close of business on Friday, 27 September 2024, or any postponement or adjournment thereof.

If you are a dematerialised shareholder, other than with 'own name' registration, do not use this form. Dematerialised shareholders, other than with 'own name' registration, should provide instruction to their appointed CSDP or broker in the form as stipulated in the agreement entered into between the shareholder and the CSDP or broker.

I/We (BLOCK LETTERS PLEASE) _____

Of (ADDRESS) _____

Being the holder/s of _____ AcSION shares hereby appoint

1. _____ or failing him/her

2. _____ or failing him/her

3. the Chairperson of the AGM

as my/our proxy to attend and speak and to vote on my/our behalf at the AGM and at any adjournment or postponement thereof for the purpose of considering and, if deemed fit, passing, with or without modification, the resolutions to be proposed at the AGM and to vote on the resolution in respect of the ordinary shares registered in my/our name(s).

Mark "for", "against", or "abstain" as required. If no options are marked, the proxy will be entitled to vote as he/she thinks fit.

		Number of votes*		
		For	Against	Abstain
Ordinary Resolution 1	Adoption of the Annual Financial Statements			
Ordinary Resolution 2	Adoption of the Audit and Risk Committee report			
Ordinary Resolution 3	Re-election of L Osrin-Karp as director			
Ordinary Resolution 4	Reappointment of members of the Audit and Risk Committee			
Ordinary Resolution 4.1	Reappointment of M Kok as Chairperson and as a member of the Audit and Risk Committee			
Ordinary Resolution 4.2	Reappointment of PD Sekete as a member of the Audit and Risk Committee			
Ordinary Resolution 4.3	Reappointment of L Osrin-Karp as a member of the Audit and Risk Committee			
Ordinary Resolution 5	Appointment of auditor			
Ordinary Resolution 6	Specific authority to issue shares pursuant to a reinvestment of dividends			
Ordinary Resolution 7	Signature of documents			
Ordinary Resolution 8	General authority to issue shares for cash			
Advisory Vote 1	Advisory endorsement of remuneration policy			
Advisory Vote 2	Advisory endorsement of remuneration policy implementation			
Special Resolution 1	Approval of 2025 fees payable to non-executive directors			
Special Resolution 2	Share repurchase			
Special Resolution 3	Financial assistance to related and inter-related parties			
Special Resolution 4	Authority to issue shares to directors who elect dividend reinvestment options			

* One vote per share held by AcSION shareholders recorded in the register on the voting record.

Signed this _____ day of _____ 2024

Signature _____

Assisted by me (where applicable) _____

State capacity and full name _____

Notes to the form of proxy

for the year ended 29 February 2024

A shareholder of the company entitled to attend and vote at the AGM is entitled to appoint one or more proxies (who need not be a shareholder of the company) to attend, vote and speak in his/her stead.

On a show of hands, every shareholder of the company present in person or represented by proxy shall have one vote only. On a poll, every shareholder of the company present in person or represented by proxy shall have one vote for every share held in the company by such shareholder.

A form of proxy is attached for the convenience of any shareholder holding certificated shares who cannot attend the AGM but who wishes to be represented there. Forms of proxy may also be obtained on request from the company's registered office. The completed form of proxy must be deposited at or posted to the office of the transfer secretaries, Computershare Investor Services Proprietary Limited, Ground Floor, Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196 (Private Bag X9000, Saxonwold, South Africa, 2132), or emailed to proxy@computershare.co.za, be received not later than 10:00 on Friday, 4 October 2024. Forms of proxy may also be handed in to the Chairperson of the AGM at any time prior to the commencement of the AGM. Any shareholder who completes and lodges a form of proxy will nevertheless be entitled to attend and vote in person at the AGM should the shareholder subsequently decide to do so.

Shareholders who have already dematerialised their shares through a CSDP or broker and who wish to attend the AGM must instruct their CSDP or broker to issue them with the necessary letter of representation to attend.

Dematerialised shareholders, who have elected own name registration in the sub register through a CSDP and who are unable to attend but who wish to vote at the AGM must complete and return the attached form of proxy and lodge it with the transfer secretaries, Computershare Investor Services Proprietary Limited, Private Bag X9000, Saxonwold, South Africa, 2132, to be received no later than 10:00 on Friday, 4 October 2024.

All beneficial owners whose shares have been dematerialised through a CSDP or broker other than with own name registration, must provide the CSDP or broker with their voting instructions in terms of their custody agreement should they wish to vote at the AGM. Alternatively, they may request the CSDP or broker to provide them with a letter of representation, in terms of their custody agreements, should they wish to attend the AGM. Such shareholder must not complete the attached form of proxy.

In terms of section 63(1) meeting participants will be required to provide identification to the reasonable satisfaction of the Chairperson of the AGM and the Chairperson must be reasonably satisfied that the right of any person to participate in and vote (whether as a shareholder or as a proxy for a shareholder) has been satisfied.

Acsion does not accept responsibility and will not be held liable for any failure on the part of the CSDP or broker of a dematerialised shareholder to notify such shareholder of the AGM or any business to be conducted thereat.

By order of the board

Michael Reynolds for

MWRK Accountants and Auditors Inc.

MWRK Company Secretary

Registered office

Acsion Limited

Mall@Reds

1st Floor

Corner Rooihuiskraal and Hendrik Verwoerd Drives

Rooihuiskraal Ext 15

Centurion

0157

Transfer secretaries

Computershare Investor Services Proprietary Limited

Rosebank Towers

15 Biermann Avenue

Rosebank

2196

Corporate information

Registered office

Acsion Limited
Mall @ Reds
1st Floor
Corner Rooihuiskraal and Hendrik Verwoerd Drives
Rooihuiskraal Ext 15
Centurion, 0157

Registration number: 2014/182931/06

JSE share code: ACS

ISIN: ZAE000198289

Telephone: 012 656 8957

Transfer secretaries

Computershare Investor Services Proprietary Limited
Rosebank Towers, 15 Biermann Avenue
Rosebank, 2196

Telephone: 011 370 5000

Sponsor

Merchantec Capital
13th Floor, Illovo Point, 68 Melville Road
Illovo, Sandton, 2196

Telephone: 011 325 6363

Auditor

BDO South Africa Incorporated
Wanderers Office Park, 52 Corlett Drive
Illovo, Sandton, 2196

Telephone: 011 488 1700

Company secretary

M Reynolds
MWRK Accountants and Auditors Incorporated
19 Edward Street
Westdene
Benoni, 1501

Telephone: 011 421 9284

Corporate adviser

Merchantec Capital
13th Floor, Illovo Point, 68 Melville Road
Illovo, Sandton, 2196

Telephone: 011 325 6363

Country of incorporation and domicile

South Africa

Nature of business and principal activities

Property holding and development

Directors

K Anastasiadis (Executive director)

D Sekete (Non-executive director)

C Jansen van Rensburg (Executive director)

M Kok (Independent non-executive director)

H Zarca (Chairperson and independent non-executive director)

L Osrin-Karp (Independent non-executive director)