
SMALL RELATED PARTY TRANSACTION

1. Introduction

Shareholders are advised that Octodec and City Property Administration Proprietary Limited (“CPA”) have concluded agreements to renew the leases (the “lease agreements”) of certain properties owned by wholly-owned subsidiaries of Octodec and rented by CPA (the “properties”).

2. Details of the lease agreements

In terms of the lease agreements, Octodec will lease the areas specified below to CPA for a period of five years and two months, commencing on 1 July 2023 and expiring on 31 August 2028, in order to align it with the expiry date of the current asset management agreement with CPA:

Property name / leased premises	Gross lettable area	Monthly rental amount
CPA Place, 97 Marshall Street, Marshalltown, Johannesburg	1 252m ² and 31 parking bays	R180 800
CPA House, 101 Du Toit Street, Pretoria	6 208m ² and 64 parking bays	R603 345
Jardown 1, 377 Johannes Ramokhoase Street, Pretoria	679m ² and 121 parking bays	R86 905
Jardown 2, 384 Madiba Street, Pretoria	35 parking bays	R21 250
Bosch Building, 363-365 Johannes Ramokhoase Street, Pretoria	84 parking bays	R51 550
Total monthly rental amount		R943 850

The lease agreements are subject to the following additional terms and conditions:

- monthly rentals will be escalated at the Consumer Price Index as agreed between the parties in May of each year of the lease period;
- CPA will be liable for its *pro rata* portion of increases in assessment rates;
- the tenant in both CPA Place and CPA House will receive two months’ rental in lieu of costs incurred by the tenant for carrying out tenant installations at the premises;
- on expiry of the lease agreements, CPA will return the properties in the same condition as at 1 July 2023, subject to fair wear and tear; and
- CPA may terminate the lease agreements should the asset management agreement between CPA and Octodec be terminated.

3. Small related party transaction

CPA and Octodec are related parties due to the fact that Jeffrey Wapnick and Sharon Wapnick are directors of Octodec and City Property and members of the Wapnick family are material shareholders of both companies. In terms of section 10 of the JSE Listings Requirements, the signature of the lease agreements constitutes a small related party transaction. Accordingly, BDO Corporate Finance Inc., an independent expert acceptable to the JSE, has been appointed to provide a fairness opinion in this regard.

A further announcement will be published on the finalisation of the independent expert’s fairness opinion in respect of the lease agreements.

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