

CORPORATE FINANCE (PTY) LTD

26 May 2020

5.8(c) The Directors
Value Logistics Limited
5.8(b) 49 Brewery Street
Isando
Kempton Park
1600

Dear Sirs,

5.8(a) **INDEPENDENT FAIRNESS OPINION IN RESPECT OF THE SMALL RELATED PARTY TRANSACTION BETWEEN VALUE LOGISTICS LIMITED (“THE COMPANY”/ “VALUE”) LEASING A PORTION OF A PROPERTY FROM AN ENTITY INDIRECTLY CONTROLLED BY THE COMPANY’S CHIEF EXECUTIVE OFFICER (“CEO”)**

5.8(f) **INTRODUCTION**

5.8(d) We have been appointed by the Board of Directors to advise the shareholders of Value whether, in our opinion, the rental paid by Value to 471 Church Street (Pty) Ltd (“471 Church Street”) (indirectly controlled by Value’s CEO through his family Trust) in respect of the property situated at Erf 285, Crown Extension 8, Johannesburg for the lease period 1 March 2020 to 28 February 2021 (“the transaction”) is fair to the shareholders of Value.

5.8(e) The CEO of Value is an indirect shareholder of 471 Church Street and accordingly the acquisition is classified as a small related party transaction in terms of section 10.7 of the Listings Requirements.

5.8(f) **EXPLANATION OF THE TERM ‘FAIR’**

Fairness

5.8(g) The term ‘fairness’ is defined in Schedule 5 of the JSE Listings Requirements as being primarily based on quantitative issues. Therefore, the transaction would be considered fair to the Value shareholders if the total rental expense is equal to or less than an arm’s length market related rental. Consideration was also given to potential costs to the business if the operations were to be relocated to new premises.

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5.8(f)

ASSUMPTIONS

We arrived at our opinion based on the following assumptions:

- Current economic, regulatory and market conditions will not change materially;
- That reliance can be placed on the lease agreement;
- That reliance can be placed on the independent valuation signed 16 March 2020, performed by PropValAssist Valuers of the open market value of Erf 285, Crown Extension 8, Johannesburg; and
- Where relevant, representations made by management and/or directors were corroborated to source documents prepared by third parties, independent analytical procedures performed by us and by examining and analysing external factors that influence the business.

5.8(f)

SOURCES OF INFORMATION

In the course of our analysis, we relied upon financial and other information, including financial information obtained from management together with industry related and other information available in the public domain. Our conclusion is dependent on such information being accurate in all material respects.

5.8(h)

The principle sources of information used in formulating our opinion regarding the transaction include:

- Corroborating source documentation as provided by management;
- Signed lease agreement entered into between Value and 471 Church Street;
- Independent valuation performed by PropValAssist Valuers of the open market value of Erf 285, Crown Extension 8, Johannesburg;
- Information and assumptions made available by and from discussions held with independent executive directors of Value in terms of the rationale for the transaction; and
- Publicly available information relating to Value and other competitors in the sector that we deemed to be relevant, including company announcements.

We obtained the information through:

- Conducting interviews with management, directors and senior staff members;
- Obtaining corroborating evidence from third parties such as property experts; and
- Extracting information from the internet and the press.

CORPORATE FINANCE (PTY) LTD

- 5.8(j) We satisfied ourselves as to the appropriateness and reasonableness of the information with reference to:
- Review of the independent valuation performed by PropValAssist Valuers of the open market value of Erf 285, Crown Extension 8, Johannesburg;
 - A review of the qualifications of the valuer, the valuation methodology utilised and the reasonableness of assumptions utilised in the independent property valuation. We confirm that we are satisfied with the methodology and assumptions utilised in this valuation of the property;
 - Understanding the industry in which the company operates; and
 - Assessing whether replies from management on certain issues were corroborated by third parties and documentary evidence.

LIMITING CONDITIONS AND RELATED PARTY RELATIONSHIPS

- 5.8(f) We have relied upon the accuracy of information provided to us or otherwise reviewed by us, for the purposes of this opinion, whether in writing or obtained through discussion with the management of Value. We express no opinion on this information.

- 5.8(l) There were no limiting conditions, or any restrictions of scope imposed by the client whilst this opinion was being prepared.

Our opinion is based on current economic, regulatory, market as well as other conditions. Subsequent developments may affect this opinion, which we are under no obligation to update, review or re-affirm.

This letter and opinion is provided solely for the benefit of the shareholders of Value in connection with and for the purposes of their consideration of the transaction.

- 5.8(m) There is no relationship between Mazars Corporate Finance (Pty) Ltd ("MCF") and any other parties involved in this transaction. MCF has no shares in Value or any other party involved in the transaction. MCF's fees are not payable in shares.

- 5.8(p) Each shareholder's individual decision may be influenced by such shareholder's particular circumstances and accordingly each shareholder should consult an independent advisor if in any doubt as to the merits or otherwise of the transaction.

5.8(f) **PROCEDURES**

- 5.8(o) In order to assess the fairness of the terms and conditions relating to the transaction, we have performed, amongst others, the following procedures:

- Reviewed the lease agreement with 471 Church Street;
- Considered information made available by and from discussions held with the directors and management of Value;
- Considered the rationale for the transaction;
- Reviewed and utilised the independent valuation performed by PropValAssist Valuers of the open market value of Erf 285, Crown Extension 8, Johannesburg;
- Quantitatively compared the rental expense per square meter as per the lease agreement to the arm's length market related rental provided in the independent valuation report;
- Reviewed the independent valuation report to confirm that comparable properties were in a similar area as well as of similar size, grade and type;
- Relied on PropValAssist Valuers' conclusion that the rental is considered market related;
- Considered the impact of Covid-19 on the independent property valuation and comparable properties within the market; and

CORPORATE FINANCE (PTY) LTD

- Consideration was also given to potential costs to the business if the operations were to be relocated to new premises.

We believe the above procedures commercially justify the conclusion outlined below.

CONFIRMATION OF PERFORMANCE OF VALUATION AND VALUATION METHODOLOGY

5.8(f)

5.8(n)

We confirm that we have assessed the fairness of the transaction by comparison of the lease expenses paid to the market related rent as quoted by the independent valuator. We have placed reliance on the independent valuation performed by PropValAssist Valuers of the open market value of Erf 285, Crown Extension 8, Johannesburg. We have placed reliance on PropValAssist Valuers' conclusion that the rental is considered market related.

5.8(i)

Key value drivers to the assessment of fairness are as follows (as included in the independent valuation report):

Internal:

- Fair market values of the lease expense;
- Square meters per the lease agreement; and
- Duration of lease period.

External:

- Stability of the economy and other macroeconomic factors; and
- Both long term and short term inflation rates.

The fairness assessment involved corroboration analyses on the key value drivers.

Our procedures and enquiries did not constitute an audit in terms of International Standards on Auditing. Accordingly, we cannot express any opinion on the financial data or other information used in arriving at our opinion.

5.8(f)

OPINION

5.8(q)

Our opinion is based upon the market, regulatory and trading conditions as they currently exist and can only be evaluated at the date of this letter. It should be understood that subsequent developments may affect our opinion, which we are under no obligation to update, revise or re-affirm.

5.8(k)

We have considered the terms and conditions of the transaction, and based upon, and subject to the foregoing, we are of the opinion that the lease terms are [fair] to the shareholders of Value.

5.8(f)

CORPORATE FINANCE (PTY) LTD**CONSENT**

We hereby consent to this letter laying open for inspection to the shareholders of Value in terms of the JSE Listing Requirements.

Yours faithfully



5.8(r)

Anoop Ninan
Director
Mazars Corporate Finance (Pty) Ltd
PO Box 6697
Johannesburg
2193

CORPORATE FINANCE (PTY) LTD

26 May 2020

5.8(c) The Directors
Value Logistics Limited
5.8(b) 49 Brewery Street
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Dear Sirs,

5.8(a) **INDEPENDENT FAIRNESS OPINION IN RESPECT OF THE SMALL RELATED PARTY TRANSACTION BETWEEN VALUE LOGISTICS LIMITED (“THE COMPANY”/ “VALUE”) LEASING A PORTION OF A PROPERTY FROM AN ENTITY INDIRECTLY CONTROLLED BY THE COMPANY’S CHIEF EXECUTIVE OFFICER (“CEO”)**

5.8(f) **INTRODUCTION**

5.8(d) We have been appointed by the Board of Directors to advise the shareholders of Value whether, in our opinion, the rental paid by Value to Lougot Property Investments (Pty) Ltd (“Lougot Property”) (indirectly controlled by Value’s CEO through his family Trust) in respect of the property situated at Erf 37487, Kraaifontein, Western Cape for the lease period 1 March 2020 to 31 March 2020 (“the transaction”) is fair to the shareholders of Value.

5.8(e) The CEO of Value is an indirect shareholder of Lougot Property and accordingly the acquisition is classified as a small related party transaction in terms of section 10.7 of the Listings Requirements.

5.8(f) **EXPLANATION OF THE TERM ‘FAIR’**

Fairness

5.8(g) The term 'fairness' is defined in Schedule 5 of the JSE Listings Requirements as being primarily based on quantitative issues. Therefore, the transaction would be considered fair to the Value shareholders if the total rental expense is equal to or less than an arm’s length market related rental. Consideration was also given to potential costs to the business if the operations were to be relocated to new premises.

CORPORATE FINANCE (PTY) LTD

5.8(f)

ASSUMPTIONS

We arrived at our opinion based on the following assumptions:

- Current economic, regulatory and market conditions will not change materially;
- That reliance can be placed on the lease agreement;
- That reliance can be placed on the independent valuation signed 30 September 2019, performed by PropValAssist Valuers of the open market value of Erf 37487, Kraaifontein, Western Cape; and
- Where relevant, representations made by management and/or directors were corroborated to source documents prepared by third parties, independent analytical procedures performed by us and by examining and analysing external factors that influence the business.

5.8(f)

SOURCES OF INFORMATION

In the course of our analysis, we relied upon financial and other information, including financial information obtained from management together with industry related and other information available in the public domain. Our conclusion is dependent on such information being accurate in all material respects.

5.8(h)

The principle sources of information used in formulating our opinion regarding the transaction include:

- Corroborating source documentation as provided by management;
- Signed lease agreement entered into between Value and Lougot Property;
- Independent valuation performed by PropValAssist Valuers of the open market value of Erf 37487, Kraaifontein, Western Cape;
- Information and assumptions made available by and from discussions held with independent executive directors of Value in terms of the rationale for the transaction; and
- Publicly available information relating to Value and other competitors in the sector that we deemed to be relevant, including company announcements.

We obtained the information through:

- Conducting interviews with management, directors and senior staff members;
- Obtaining corroborating evidence from third parties such as property experts; and
- Extracting information from the internet and the press.

CORPORATE FINANCE (PTY) LTD

- 5.8(j) We satisfied ourselves as to the appropriateness and reasonableness of the information with reference to:
- Review of the independent valuation performed by PropValAssist Valuers of the open market value of Erf 37487, Kraaifontein, Western Cape;
 - A review of the qualifications of the valuer, the valuation methodology utilised and the reasonableness of assumptions utilised in the independent property valuation. We confirm that we are satisfied with the methodology and assumptions utilised in this valuation of the property;
 - Understanding the industry in which the company operates; and
 - Assessing whether replies from management on certain issues were corroborated by third parties and documentary evidence.

LIMITING CONDITIONS AND RELATED PARTY RELATIONSHIPS

- 5.8(f) We have relied upon the accuracy of information provided to us or otherwise reviewed by us, for the purposes of this opinion, whether in writing or obtained through discussion with the management of Value. We express no opinion on this information.

- 5.8(l) There were no limiting conditions, or any restrictions of scope imposed by the client whilst this opinion was being prepared.

Our opinion is based on current economic, regulatory, market as well as other conditions. Subsequent developments may affect this opinion, which we are under no obligation to update, review or re-affirm.

This letter and opinion is provided solely for the benefit of the shareholders of Value in connection with and for the purposes of their consideration of the transaction.

- 5.8(m) There is no relationship between Mazars Corporate Finance (Pty) Ltd ("MCF") and any other parties involved in this transaction. MCF has no shares in Value or any other party involved in the transaction. MCF's fees are not payable in shares.

- 5.8(p) Each shareholder's individual decision may be influenced by such shareholder's particular circumstances and accordingly each shareholder should consult an independent advisor if in any doubt as to the merits or otherwise of the transaction.

5.8(f) **PROCEDURES**

- 5.8(o) In order to assess the fairness of the terms and conditions relating to the transaction, we have performed, amongst others, the following procedures:

- Reviewed the lease agreement with Lougot Property;
- Considered information made available by and from discussions held with the directors and management of Value;
- Considered the rationale for the transaction;
- Reviewed and utilised the independent valuation performed by PropValAssist Valuers of the open market value of Erf 37487, Kraaifontein, Western Cape;
- Quantitatively compared the rental expense per square meter as per the lease agreement to the arm's length market related rental provided in the independent valuation report;
- Reviewed the independent valuation report to confirm that comparable properties were in a similar area as well as of similar size, grade and type;
- Relied on PropValAssist Valuers' conclusion that the rental is considered market related;
- Considered the impact of Covid-19 on the independent property valuation and comparable properties within the market; and

CORPORATE FINANCE (PTY) LTD

- Consideration was also given to potential costs to the business if the operations were to be relocated to new premises.

We believe the above procedures commercially justify the conclusion outlined below.

5.8(f) CONFIRMATION OF PERFORMANCE OF VALUATION AND VALUATION METHODOLOGY

5.8(n) We confirm that we have assessed the fairness of the transaction by comparison of the lease expenses paid to the market related rent as quoted by the independent valuator. We have placed reliance on the independent valuation performed by PropValAssist Valuers of the open market value of Erf 37487, Kraaifontein, Western Cape. We have placed reliance on PropValAssist Valuers' conclusion that the rental is considered market related.

5.8(i) Key value drivers to the assessment of fairness are as follows (as included in the independent valuation report):

Internal:

- Fair market values of the lease expense;
- Square meters per the lease agreement; and
- Duration of lease period.

External:

- Stability of the economy and other macroeconomic factors; and
- Both long term and short term inflation rates.

The fairness assessment involved corroboration analyses on the key value drivers.

Our procedures and enquiries did not constitute an audit in terms of International Standards on Auditing. Accordingly, we cannot express any opinion on the financial data or other information used in arriving at our opinion.

5.8(f) OPINION

5.8(q) Our opinion is based upon the market, regulatory and trading conditions as they currently exist and can only be evaluated at the date of this letter. It should be understood that subsequent developments may affect our opinion, which we are under no obligation to update, revise or re-affirm.

5.8(k) We have considered the terms and conditions of the transaction, and based upon, and subject to the foregoing, we are of the opinion that the lease terms are [fair] to the shareholders of Value.

5.8(f)



CORPORATE FINANCE (PTY) LTD

CONSENT

We hereby consent to this letter laying open for inspection to the shareholders of Value in terms of the JSE Listing Requirements.

Yours faithfully

A handwritten signature in black ink, appearing to be 'Anoop Ninan'.

5.8(r)

Anoop Ninan
Director
Mazars Corporate Finance (Pty) Ltd
PO Box 6697
Johannesburg
2193

CORPORATE FINANCE (PTY) LTD

26 May 2020

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Value Logistics Limited
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Dear Sirs,

5.8(a) **INDEPENDENT FAIRNESS OPINION IN RESPECT OF THE SMALL RELATED PARTY TRANSACTION BETWEEN VALUE LOGISTICS LIMITED (“THE COMPANY”/ “VALUE”) LEASING A PORTION OF A PROPERTY FROM AN ENTITY INDIRECTLY CONTROLLED BY THE COMPANY’S CHIEF EXECUTIVE OFFICER (“CEO”)**

5.8(f) **INTRODUCTION**

5.8(d) We have been appointed by the Board of Directors to advise the shareholders of Value whether, in our opinion, the rental paid by Value to Lougot Property 180 (Pty) Ltd (“Lougot Property”) (indirectly controlled by Value’s CEO through his family Trust) in respect of the property situated at Erf 6192 and Erf 13547, Pietersburg Extension 17, Polokwane for the lease period 1 April 2020 to 31 March 2025 (“the transaction”) is fair to the shareholders of Value.

5.8(e) The CEO of Value is an indirect shareholder of Lougot Property and accordingly the acquisition is classified as a small related party transaction in terms of section 10.7 of the Listings Requirements.

5.8(f) **EXPLANATION OF THE TERM ‘FAIR’**

Fairness

5.8(g) The term 'fairness' is defined in Schedule 5 of the JSE Listings Requirements as being primarily based on quantitative issues. Therefore, the transaction would be considered fair to the Value shareholders if the total rental expense is equal to or less than an arm’s length market related rental. Consideration was also given to potential costs to the business if the operations were to be relocated to new premises.

CORPORATE FINANCE (PTY) LTD

5.8(f)

ASSUMPTIONS

We arrived at our opinion based on the following assumptions:

- Current economic, regulatory and market conditions will not change materially;
- That reliance can be placed on the lease agreement;
- That reliance can be placed on the independent valuation signed 27 January 2020, performed by PropValAssist Valuers of the open market value of Erf 6192 and Erf 13547, Pietersburg Extension 17, Polokwane; and
- Where relevant, representations made by management and/or directors were corroborated to source documents prepared by third parties, independent analytical procedures performed by us and by examining and analysing external factors that influence the business.

5.8(f)

SOURCES OF INFORMATION

In the course of our analysis, we relied upon financial and other information, including financial information obtained from management together with industry related and other information available in the public domain. Our conclusion is dependent on such information being accurate in all material respects.

5.8(h)

The principle sources of information used in formulating our opinion regarding the transaction include:

- Corroborating source documentation as provided by management;
- Signed lease agreement entered into between Value and Lougot Property;
- Independent valuation performed by PropValAssist Valuers of the open market value of Erf 6192 and Erf 13547, Pietersburg Extension 17, Polokwane;
- Information and assumptions made available by and from discussions held with independent executive directors of Value in terms of the rationale for the transaction; and
- Publicly available information relating to Value and other competitors in the sector that we deemed to be relevant, including company announcements.

We obtained the information through:

- Conducting interviews with management, directors and senior staff members;
- Obtaining corroborating evidence from third parties such as property experts; and
- Extracting information from the internet and the press.

5.8(j)

We satisfied ourselves as to the appropriateness and reasonableness of the information with reference to:

- Review of the independent valuation performed by PropValAssist Valuers of the open market value of Erf 6192 and Erf 13547, Pietersburg Extension 17, Polokwane;
- A review of the qualifications of the valuer, the valuation methodology utilised and the reasonableness of assumptions utilised in the independent property valuation. We confirm that we are satisfied with the methodology and assumptions utilised in this valuation of the property;
- Understanding the industry in which the company operates; and
- Assessing whether replies from management on certain issues were corroborated by third parties and documentary evidence.

LIMITING CONDITIONS AND RELATED PARTY RELATIONSHIPS

5.8(f)

We have relied upon the accuracy of information provided to us or otherwise reviewed by us, for the purposes of this opinion, whether in writing or obtained through discussion with the management of Value. We express no opinion on this information.

CORPORATE FINANCE (PTY) LTD

5.8(l) There were no limiting conditions, or any restrictions of scope imposed by the client whilst this opinion was being prepared.

Our opinion is based on current economic, regulatory, market as well as other conditions. Subsequent developments may affect this opinion, which we are under no obligation to update, review or re-affirm.

This letter and opinion is provided solely for the benefit of the shareholders of Value in connection with and for the purposes of their consideration of the transaction.

5.8(m) There is no relationship between Mazars Corporate Finance (Pty) Ltd (“MCF”) and any other parties involved in this transaction. MCF has no shares in Value or any other party involved in the transaction. MCF’s fees are not payable in shares.

5.8(p) Each shareholder’s individual decision may be influenced by such shareholder’s particular circumstances and accordingly each shareholder should consult an independent advisor if in any doubt as to the merits or otherwise of the transaction.

5.8(f) **PROCEDURES**

5.8(o) In order to assess the fairness of the terms and conditions relating to the transaction, we have performed, amongst others, the following procedures:

- Reviewed the lease agreement with Lougot Property;
- Considered information made available by and from discussions held with the directors and management of Value;
- Considered the rationale for the transaction;
- Reviewed and utilised the independent valuation performed by PropValAssist Valuers of the open market value of Erf 6192 and Erf 13547, Pietersburg Extension 17, Polokwane; and
- Quantitatively compared the rental expense per square meter as per the lease agreement to the arm’s length market related rental provided in the independent valuation report;
- Reviewed the independent valuation report to confirm that comparable properties were in a similar area as well as of similar size, grade and type;
- Relied on PropValAssist Valuers’ conclusion that the rental is considered market related;
- Considered the impact of Covid-19 on the independent property valuation and comparable properties within the market; and
- Consideration was also given to potential costs to the business if the operations were to be relocated to new premises.

We believe the above procedures commercially justify the conclusion outlined below.

5.8(f) **CONFIRMATION OF PERFORMANCE OF VALUATION AND VALUATION METHODOLOGY**

5.8(n) We confirm that we have assessed the fairness of the transaction by comparison of the lease expenses paid to the market related rent as quoted by the independent valuator. We have placed reliance on the independent valuation performed by PropValAssist Valuers of the open market value of Erf 6192 and Erf 13547, Pietersburg Extension 17, Polokwane. We have placed reliance on PropValAssist Valuers’ conclusion that the rental is considered market related.

CORPORATE FINANCE (PTY) LTD

5.8(i) Key value drivers to the assessment of fairness are as follows (as included in the independent valuation report):

Internal:

- Fair market values of the lease expense;
- Square meters per the lease agreement; and
- Duration of lease period.

External:

- Stability of the economy and other macroeconomic factors; and
- Both long term and short term inflation rates.

The fairness assessment involved corroboration analyses on the key value drivers.

Our procedures and enquiries did not constitute an audit in terms of International Standards on Auditing. Accordingly, we cannot express any opinion on the financial data or other information used in arriving at our opinion.

5.8(f) **OPINION**

5.8(q) Our opinion is based upon the market, regulatory and trading conditions as they currently exist and can only be evaluated at the date of this letter. It should be understood that subsequent developments may affect our opinion, which we are under no obligation to update, revise or re-affirm.

5.8(k) We have considered the terms and conditions of the transaction, and based upon, and subject to the foregoing, we are of the opinion that the lease terms are [fair] to the shareholders of Value.

5.8(f)

CORPORATE FINANCE (PTY) LTD

CONSENT

We hereby consent to this letter laying open for inspection to the shareholders of Value in terms of the JSE Listing Requirements.

Yours faithfully

A handwritten signature in black ink, appearing to be 'Anoop Ninan'.

5.8(r)

Anoop Ninan
Director
Mazars Corporate Finance (Pty) Ltd
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26 May 2020

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Dear Sirs,

5.8(a) **INDEPENDENT FAIRNESS OPINION IN RESPECT OF THE SMALL RELATED PARTY TRANSACTION BETWEEN VALUE LOGISTICS LIMITED (“THE COMPANY”/ “VALUE”) LEASING A PORTION OF A PROPERTY FROM AN ENTITY INDIRECTLY CONTROLLED BY THE COMPANY’S CHIEF EXECUTIVE OFFICER (“CEO”)**

5.8(f) **INTRODUCTION**

5.8(d) We have been appointed by the Board of Directors to advise the shareholders of Value whether, in our opinion, the rental paid by Value to Future Indefinite Investments 180 (Pty) Ltd (“Future Indefinite”) (indirectly controlled by Value’s CEO through his family Trust) in respect of the property situated at Portion 96 of farm Rietfontein 63, IR, Ekurhuleni for the lease period 1 March 2020 to 28 February 2021 (“the transaction”) is fair to the shareholders of Value.

5.8(e) The CEO of Value is an indirect shareholder of Future Indefinite and accordingly the acquisition is classified as a small related party transaction in terms of section 10.7 of the Listings Requirements.

5.8(f) **EXPLANATION OF THE TERM ‘FAIR’**

Fairness

5.8(g) The term 'fairness' is defined in Schedule 5 of the JSE Listings Requirements as being primarily based on quantitative issues. Therefore, the transaction would be considered fair to the Value shareholders if the total rental expense is equal to or less than an arm’s length market related rental. Consideration was also given to potential costs to the business if the operations were to be relocated to new premises.

CORPORATE FINANCE (PTY) LTD

5.8(f)

ASSUMPTIONS

We arrived at our opinion based on the following assumptions:

- Current economic, regulatory and market conditions will not change materially;
- That reliance can be placed on the lease agreement;
- That reliance can be placed on the independent valuation signed 4 March 2020, performed by PropValAssist Valuers of the open market value of Portion 96 of farm Rietfontein 63, IR, Ekurhuleni; and
- Where relevant, representations made by management and/or directors were corroborated to source documents prepared by third parties, independent analytical procedures performed by us and by examining and analysing external factors that influence the business.

5.8(f)

SOURCES OF INFORMATION

In the course of our analysis, we relied upon financial and other information, including financial information obtained from management together with industry related and other information available in the public domain. Our conclusion is dependent on such information being accurate in all material respects.

5.8(h)

The principle sources of information used in formulating our opinion regarding the transaction include:

- Corroborating source documentation as provided by management;
- Signed lease agreement entered into between Value and Future Indefinite;
- Independent valuation performed by PropValAssist Valuers of the open market value of Portion 96 of farm Rietfontein 63, IR, Ekurhuleni;
- Information and assumptions made available by and from discussions held with independent executive directors of Value in terms of the rationale for the transaction; and
- Publicly available information relating to Value and other competitors in the sector that we deemed to be relevant, including company announcements.

We obtained the information through:

- Conducting interviews with management, directors and senior staff members;
- Obtaining corroborating evidence from third parties such as property experts; and
- Extracting information from the internet and the press.

CORPORATE FINANCE (PTY) LTD

- 5.8(j) We satisfied ourselves as to the appropriateness and reasonableness of the information with reference to:
- Review of the independent valuation performed by PropValAssist Valuers of the open market value of Portion 96 of farm Rietfontein 63, IR, Ekurhuleni;
 - A review of the qualifications of the valuer, the valuation methodology utilised and the reasonableness of assumptions utilised in the independent property valuation. We confirm that we are satisfied with the methodology and assumptions utilised in this valuation of the property;
 - Understanding the industry in which the company operates; and
 - Assessing whether replies from management on certain issues were corroborated by third parties and documentary evidence.

LIMITING CONDITIONS AND RELATED PARTY RELATIONSHIPS

5.8(f) We have relied upon the accuracy of information provided to us or otherwise reviewed by us, for the purposes of this opinion, whether in writing or obtained through discussion with the management of Value. We express no opinion on this information.

5.8(l) There were no limiting conditions, or any restrictions of scope imposed by the client whilst this opinion was being prepared.

Our opinion is based on current economic, regulatory, market as well as other conditions. Subsequent developments may affect this opinion, which we are under no obligation to update, review or re-affirm.

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5.8(m) There is no relationship between Mazars Corporate Finance (Pty) Ltd ("MCF") and any other parties involved in this transaction. MCF has no shares in Value or any other party involved in the transaction. MCF's fees are not payable in shares.

5.8(p) Each shareholder's individual decision may be influenced by such shareholder's particular circumstances and accordingly each shareholder should consult an independent advisor if in any doubt as to the merits or otherwise of the transaction.

5.8(f) PROCEDURES

5.8(o) In order to assess the fairness of the terms and conditions relating to the transaction, we have performed, amongst others, the following procedures:

- Reviewed the lease agreement with Future Indefinite;
- Considered information made available by and from discussions held with the directors and management of Value;
- Considered the rationale for the transaction;
- Reviewed and utilised the independent valuation performed by PropValAssist Valuers of the open market value of Portion 96 of farm Rietfontein 63, IR, Ekurhuleni;
- Quantitatively compared the rental expense per square meter as per the lease agreement to the arm's length market related rental provided in the independent valuation report;
- Reviewed the independent valuation report to confirm that comparable properties were in a similar area as well as of similar size, grade and type;
- Relied on PropValAssist Valuers' conclusion that the rental is considered market related;
- Considered the impact of Covid-19 on the independent property valuation and comparable properties within the market; and

CORPORATE FINANCE (PTY) LTD

- Consideration was also given to potential costs to the business if the operations were to be relocated to new premises.

We believe the above procedures commercially justify the conclusion outlined below.

5.8(f) CONFIRMATION OF PERFORMANCE OF VALUATION AND VALUATION METHODOLOGY

5.8(n) We confirm that we have assessed the fairness of the transaction by comparison of the lease expenses paid to the market related rent as quoted by the independent valuator. We have placed reliance on the independent valuation performed by PropValAssist Valuers of the open market value of Portion 96 of farm Rietfontein 63, IR, Ekurhuleni. We have placed reliance on PropValAssist Valuers' conclusion that the rental is considered market related.

5.8(i) Key value drivers to the assessment of fairness are as follows (as included in the independent valuation report):

Internal:

- Fair market values of the lease expense;
- Square meters per the lease agreement; and
- Duration of lease period.

External:

- Stability of the economy and other macroeconomic factors; and
- Both long term and short term inflation rates.

The fairness assessment involved corroboration analyses on the key value drivers.

Our procedures and enquiries did not constitute an audit in terms of International Standards on Auditing. Accordingly, we cannot express any opinion on the financial data or other information used in arriving at our opinion.

5.8(f) OPINION

5.8(q) Our opinion is based upon the market, regulatory and trading conditions as they currently exist and can only be evaluated at the date of this letter. It should be understood that subsequent developments may affect our opinion, which we are under no obligation to update, revise or re-affirm.

5.8(k) We have considered the terms and conditions of the transaction, and based upon, and subject to the foregoing, we are of the opinion that the lease terms are [fair] to the shareholders of Value.

5.8(f)

CORPORATE FINANCE (PTY) LTD

CONSENT

We hereby consent to this letter laying open for inspection to the shareholders of Value in terms of the JSE Listing Requirements.

Yours faithfully

A handwritten signature in black ink, appearing to be 'Anoop Ninan'.

5.8(r)

Anoop Ninan
Director
Mazars Corporate Finance (Pty) Ltd
PO Box 6697
Johannesburg
2193

CORPORATE FINANCE (PTY) LTD

26 May 2020

5.8(c) The Directors
Value Logistics Limited
5.8(b) 49 Brewery Street
Isando
Kempton Park
1600

Dear Sirs,

5.8(f) **INDEPENDENT FAIRNESS OPINION IN RESPECT OF THE SMALL RELATED PARTY TRANSACTION BETWEEN VALUE LOGISTICS LIMITED (“THE COMPANY”/ “VALUE”) LEASING A PORTION OF A PROPERTY FROM AN ENTITY INDIRECTLY CONTROLLED BY THE COMPANY’S CHIEF EXECUTIVE OFFICER (“CEO”)**
INTRODUCTION

5.8(d) We have been appointed by the Board of Directors to advise the shareholders of Value whether, in our opinion, the rental paid by Value to Future Indefinite Investments 180 (Pty) Ltd (“Future Indefinite”) (indirectly controlled by Value’s CEO through his family Trust) in respect of the property situated at Portion 14 of Erf 1250, Clayville Extension 14, Johannesburg for the lease period 1 March 2020 to 31 March 2020 (“the transaction”) is fair to the shareholders of Value.

5.8(e) The CEO of Value is an indirect shareholder of Future Indefinite and accordingly the acquisition is classified as a small related party transaction in terms of section 10.7 of the Listings Requirements.

5.8(f) **EXPLANATION OF THE TERM ‘FAIR’**

Fairness

5.8(g) The term ‘fairness’ is defined in Schedule 5 of the JSE Listings Requirements as being primarily based on quantitative issues. Therefore, the transaction would be considered fair to the Value shareholders if the total rental expense is equal to or less than an arm’s length market related rental. Consideration was also given to potential costs to the business if the operations were to be relocated to new premises.

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5.8(f)

ASSUMPTIONS

We arrived at our opinion based on the following assumptions:

- Current economic, regulatory and market conditions will not change materially;
- That reliance can be placed on the lease agreement;
- That reliance can be placed on the independent valuation signed 25 January 2020, performed by PropValAssist Valuers of the open market value of Portion 14 of Erf 1250, Clayville Extension 14, Johannesburg; and
- Where relevant, representations made by management and/or directors were corroborated to source documents prepared by third parties, independent analytical procedures performed by us and by examining and analysing external factors that influence the business.

5.8(f)

SOURCES OF INFORMATION

In the course of our analysis, we relied upon financial and other information, including financial information obtained from management together with industry related and other information available in the public domain. Our conclusion is dependent on such information being accurate in all material respects.

5.8(h)

The principle sources of information used in formulating our opinion regarding the transaction include:

- Corroborating source documentation as provided by management;
- Signed lease agreement entered into between Value and Future Indefinite;
- Independent valuation performed by PropValAssist Valuers of the open market value of Portion 14 of Erf 1250, Clayville Extension 14, Johannesburg;
- Information and assumptions made available by and from discussions held with independent executive directors of Value in terms of the rationale for the transaction; and
- Publicly available information relating to Value and other competitors in the sector that we deemed to be relevant, including company announcements.

We obtained the information through:

- Conducting interviews with management, directors and senior staff members;
- Obtaining corroborating evidence from third parties such as property experts; and
- Extracting information from the internet and the press.

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- 5.8(j) We satisfied ourselves as to the appropriateness and reasonableness of the information with reference to:
- Review of the independent valuation performed by PropValAssist Valuers of the open market value of Portion 14 of Erf 1250, Clayville Extension 14, Johannesburg;
 - A review of the qualifications of the valuer, the valuation methodology utilised and the reasonableness of assumptions utilised in the independent property valuation. We confirm that we are satisfied with the methodology and assumptions utilised in this valuation of the property;
 - Understanding the industry in which the company operates; and
 - Assessing whether replies from management on certain issues were corroborated by third parties and documentary evidence.

LIMITING CONDITIONS AND RELATED PARTY RELATIONSHIPS

5.8(f) We have relied upon the accuracy of information provided to us or otherwise reviewed by us, for the purposes of this opinion, whether in writing or obtained through discussion with the management of Value. We express no opinion on this information.

5.8(l) There were no limiting conditions, or any restrictions of scope imposed by the client whilst this opinion was being prepared.

Our opinion is based on current economic, regulatory, market as well as other conditions. Subsequent developments may affect this opinion, which we are under no obligation to update, review or re-affirm.

This letter and opinion is provided solely for the benefit of the shareholders of Value in connection with and for the purposes of their consideration of the transaction.

5.8(m) There is no relationship between Mazars Corporate Finance (Pty) Ltd ("MCF") and any other parties involved in this transaction. MCF has no shares in Value or any other party involved in the transaction. MCF's fees are not payable in shares.

5.8(p) Each shareholder's individual decision may be influenced by such shareholder's particular circumstances and accordingly each shareholder should consult an independent advisor if in any doubt as to the merits or otherwise of the transaction.

5.8(f) PROCEDURES

5.8(o) In order to assess the fairness of the terms and conditions relating to the transaction, we have performed, amongst others, the following procedures:

- Reviewed the lease agreement with Future Indefinit;
- Considered information made available by and from discussions held with the directors and management of Value;
- Considered the rationale for the transaction;
- Reviewed and utilised the independent valuation performed by PropValAssist Valuers of the open market value of Portion 14 of Erf 1250, Clayville Extension 14, Johannesburg;
- Quantitatively compared the rental expense per square meter as per the lease agreement to the arm's length market related rental provided in the independent valuation report;
- Reviewed the independent valuation report to confirm that comparable properties were in a similar area as well as of similar size, grade and type;
- Relied on PropValAssist Valuers' conclusion that the rental is considered market related;
- Considered the impact of Covid-19 on the independent property valuation and comparable properties within the market; and

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- Consideration was also given to potential costs to the business if the operations were to be relocated to new premises.

We believe the above procedures commercially justify the conclusion outlined below.

5.8(f) CONFIRMATION OF PERFORMANCE OF VALUATION AND VALUATION METHODOLOGY

5.8(n) We confirm that we have assessed the fairness of the transaction by comparison of the lease expenses paid to the market related rent as quoted by the independent valuator. We have placed reliance on the independent valuation performed by PropValAssist Valuers of the open market value of Portion 14 of Erf 1250, Clayville Extension 14, Johannesburg. We have placed reliance on PropValAssist Valuers' conclusion that the rental is considered market related.

5.8(i) Key value drivers to the assessment of fairness are as follows (as included in the independent valuation report):

Internal:

- Fair market values of the lease expense;
- Square meters per the lease agreement; and
- Duration of lease period.

External:

- Stability of the economy and other macroeconomic factors; and
- Both long term and short term inflation rates.

The fairness assessment involved corroboration analyses on the key value drivers.

Our procedures and enquiries did not constitute an audit in terms of International Standards on Auditing. Accordingly, we cannot express any opinion on the financial data or other information used in arriving at our opinion.

5.8(f) OPINION

5.8(q) Our opinion is based upon the market, regulatory and trading conditions as they currently exist and can only be evaluated at the date of this letter. It should be understood that subsequent developments may affect our opinion, which we are under no obligation to update, revise or re-affirm.

5.8(k) We have considered the terms and conditions of the transaction, and based upon, and subject to the foregoing, we are of the opinion that the lease terms are [fair] to the shareholders of Value.

5.8(f)

CORPORATE FINANCE (PTY) LTD

CONSENT

We hereby consent to this letter laying open for inspection to the shareholders of Value in terms of the JSE Listing Requirements.

Yours faithfully

A handwritten signature in black ink, appearing to be 'Anoop Ninan'.

5.8(r)

Anoop Ninan
Director
Mazars Corporate Finance (Pty) Ltd
PO Box 6697
Johannesburg
2193

CORPORATE FINANCE (PTY) LTD

26 May 2020

5.8(c) The Directors
Value Logistics Limited
5.8(b) 49 Brewery Street
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1600

Dear Sirs,

5.8(a) **INDEPENDENT FAIRNESS OPINION IN RESPECT OF THE SMALL RELATED PARTY TRANSACTION BETWEEN VALUE LOGISTICS LIMITED (“THE COMPANY”/ “VALUE”) LEASING A PORTION OF A PROPERTY FROM AN ENTITY INDIRECTLY CONTROLLED BY THE COMPANY’S CHIEF EXECUTIVE OFFICER (“CEO”)**

5.8(f) **INTRODUCTION**

5.8(d) We have been appointed by the Board of Directors to advise the shareholders of Value whether, in our opinion, the rental paid by Value to Logout Property Investments (Pty) Ltd (“Logout Property”) (indirectly controlled by Value’s CEO through his family Trust) in respect of the property situated at Holding No 230, Estoire Settlement, Bloemfontein, Free State for the lease period 1 June 2020 to 31 May 2025 (“the transaction”) is fair to the shareholders of Value.

5.8(e) The CEO of Value is an indirect shareholder of Logout Property and accordingly the acquisition is classified as a small related party transaction in terms of section 10.7 of the Listings Requirements.

5.8(f) **EXPLANATION OF THE TERM ‘FAIR’**

Fairness

5.8(g) The term 'fairness' is defined in Schedule 5 of the JSE Listings Requirements as being primarily based on quantitative issues. Therefore, the transaction would be considered fair to the Value shareholders if the total rental expense is equal to or less than an arm’s length market related rental. Consideration was also given to potential costs to the business if the operations were to be relocated to new premises.

CORPORATE FINANCE (PTY) LTD

5.8(f)

ASSUMPTIONS

We arrived at our opinion based on the following assumptions:

- Current economic, regulatory and market conditions will not change materially;
- That reliance can be placed on the lease agreement;
- That reliance can be placed on the independent valuation signed 16 March 2020, performed by PropValAssist Valuers of the open market value of Holding No 230, Estoire Settlement, Bloemfontein, Free State; and
- Where relevant, representations made by management and/or directors were corroborated to source documents prepared by third parties, independent analytical procedures performed by us and by examining and analysing external factors that influence the business.

5.8(f)

SOURCES OF INFORMATION

In the course of our analysis, we relied upon financial and other information, including financial information obtained from management together with industry related and other information available in the public domain. Our conclusion is dependent on such information being accurate in all material respects.

5.8(h)

The principle sources of information used in formulating our opinion regarding the transaction include:

- Corroborating source documentation as provided by management;
- Signed lease agreement entered into between Value and Logout Property;
- Independent valuation performed by PropValAssist Valuers of the open market value of Holding No 230, Estoire Settlement, Bloemfontein, Free State;
- Information and assumptions made available by and from discussions held with independent executive directors of Value in terms of the rationale for the transaction; and
- Publicly available information relating to Value and other competitors in the sector that we deemed to be relevant, including company announcements.

We obtained the information through:

- Conducting interviews with management, directors and senior staff members;
- Obtaining corroborating evidence from third parties such as property experts; and
- Extracting information from the internet and the press.

CORPORATE FINANCE (PTY) LTD

- 5.8(j) We satisfied ourselves as to the appropriateness and reasonableness of the information with reference to:
- Review of the independent valuation performed by PropValAssist Valuers of the open market value of Holding No 230, Estoire Settlement, Bloemfontein, Free State;
 - A review of the qualifications of the valuer, the valuation methodology utilised, and the reasonableness of assumptions utilised in the independent property valuation. We confirm that we are satisfied with the methodology and assumptions utilised in this valuation of the property;
 - Understanding the industry in which the company operates; and
 - Assessing whether replies from management on certain issues were corroborated by third parties and documentary evidence.

LIMITING CONDITIONS AND RELATED PARTY RELATIONSHIPS

- 5.8(f) We have relied upon the accuracy of information provided to us or otherwise reviewed by us, for the purposes of this opinion, whether in writing or obtained through discussion with the management of Value. We express no opinion on this information.

- 5.8(l) There were no limiting conditions, or any restrictions of scope imposed by the client whilst this opinion was being prepared.

Our opinion is based on current economic, regulatory, market as well as other conditions. Subsequent developments may affect this opinion, which we are under no obligation to update, review or re-affirm.

This letter and opinion are provided solely for the benefit of the shareholders of Value in connection with and for the purposes of their consideration of the transaction.

- 5.8(m) There is no relationship between Mazars Corporate Finance (Pty) Ltd ("MCF") and any other parties involved in this transaction. MCF has no shares in Value or any other party involved in the transaction. MCF's fees are not payable in shares.

- 5.8(p) Each shareholder's individual decision may be influenced by such shareholder's particular circumstances and accordingly each shareholder should consult an independent advisor if in any doubt as to the merits or otherwise of the transaction.

5.8(f) PROCEDURES

- 5.8(o) In order to assess the fairness of the terms and conditions relating to the transaction, we have performed, amongst others, the following procedures:

- Reviewed the lease agreement with Logout Property;
- Considered information made available by and from discussions held with the directors and management of Value;
- Considered the rationale for the transaction;
- Reviewed and utilised the independent valuation performed by PropValAssist Valuers of the open market value of Holding No 230, Estoire Settlement, Bloemfontein, Free State;
- Quantitatively compared the rental expense per square meter as per the lease agreement to the arm's length market related rental provided in the independent valuation report;
- Reviewed the independent valuation report to confirm that comparable properties were in a similar area as well as of similar size, grade and type;
- Relied on PropValAssist Valuers' conclusion that the rental is considered market related;
- Considered the impact of Covid-19 on the independent property valuation and comparable properties within the market; and

CORPORATE FINANCE (PTY) LTD

- Consideration was also given to potential costs to the business if the operations were to be relocated to new premises.

We believe the above procedures commercially justify the conclusion outlined below.

5.8(f) CONFIRMATION OF PERFORMANCE OF VALUATION AND VALUATION METHODOLOGY

5.8(n) We confirm that we have assessed the fairness of the transaction by comparison of the lease expenses paid to the market related rent as quoted by the independent valuator. We have placed reliance on the independent valuation performed by PropValAssist Valuers of the open market value of Holding No 230, Estoire Settlement, Bloemfontein, Free State. We have placed reliance on PropValAssist Valuers' conclusion that the rental is considered market related.

5.8(i) Key value drivers to the assessment of fairness are as follows (as included in the independent valuation report):

Internal:

- Fair market values of the lease expense;
- Square meters per the lease agreement; and
- Duration of lease period.

External:

- Stability of the economy and other macroeconomic factors; and
- Both long term and short-term inflation rates.

The fairness assessment involved corroboration analyses on the key value drivers.

Our procedures and enquiries did not constitute an audit in terms of International Standards on Auditing. Accordingly, we cannot express any opinion on the financial data or other information used in arriving at our opinion.

5.8(f) OPINION

5.8(q) Our opinion is based upon the market, regulatory and trading conditions as they currently exist and can only be evaluated at the date of this letter. It should be understood that subsequent developments may affect our opinion, which we are under no obligation to update, revise or re-affirm.

5.8(k) We have considered the terms and conditions of the transaction, and based upon, and subject to the foregoing, we are of the opinion that the lease terms are [fair] to the shareholders of Value.

5.8(f)

CORPORATE FINANCE (PTY) LTD

CONSENT

We hereby consent to this letter laying open for inspection to the shareholders of Value in terms of the JSE Listing Requirements.

Yours faithfully

A handwritten signature in black ink, appearing to be 'Anoop Ninan'.

5.8(r)

Anoop Ninan
Director
Mazars Corporate Finance (Pty) Ltd
PO Box 6697
Johannesburg
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