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NZX Limited
WELLINGTON

Proposed Reverse Listing of Being AI Limited

The directors of Ascension Capital Limited (NZX: ACE) advise that ACE has reached conditional agreement to acquire several businesses to be collectively branded “Being AI” (**Being AI**), a diversified artificial intelligence services, development and investment business that has recently been launched, together with two developed business enterprises (**Transaction**).

The business assets being acquired

The principal business operations of Being AI comprise:

- **Being Consultants**
Being Consultants is an early-stage AI/EAT (“exponentially accelerating technologies”) consultancy business. Being Consultants partners with enterprises to strategically implement AI solutions that digitally transform business operations focused on increased automation, improved decision making, enhanced customer experiences and new intelligent products – ultimately driving higher revenue growth and higher margins through optimised workflows integrated across the organisation.
- **Being Ventures**
Being Ventures is a recently launched initiative with a focus on venture investment and acting as a transformation accelerator. Being Ventures identifies early-stage AI, Web3 and Advanced Technology startups pioneering disruptive solutions and provides the capital, scaling support and operations overhaul to lead thriving portfolio companies. Being Ventures also acquires traditional companies to implement cutting-edge EAT capabilities that turn businesses into agile industry leaders.
- **Being Labs**
Being Labs has been recently launched to serve as the research and development engine to advance AI technologies. Being Labs experiment with inventive applications of machine learning, neural networks and quantum computing to pioneer new AI prototypes and products. The Lab incubates solutions later commercialised into client offerings or new ventures.

Unifying Mission

Grounded in explainable and ethical AI, Being AI aims to expand possibilities for responsible artificial intelligence and bring those leading-edge capabilities to organisations seeking AI-fuelled competitive advantages and operational transformations.

- **Investee Portfolio Companies**

Send Global Limited and AGE Limited are the first two enterprises to be held within Being Ventures as investee portfolio companies. It is proposed that these enterprises would be enhanced through the introduction of a combination of Artificial Intelligence solutions, EAT together with traditional growth strategies and initiatives.

SendGlobal: Send Global’s expertise focuses specifically on physical distribution solutions domestically and internationally, including specialist file management solutions. SendGlobal’s business units provide specific industry expertise and services, to some of New Zealand’s largest corporate, Government and SME businesses across New Zealand. SendGlobal’s service offering and capabilities stretch across domestic and International markets, covering business mail distribution, data and mail preparation services (both physical and digital), fulfilment, courier and logistics, offsite facilities management, unique and bespoke filing solutions. SendGlobal’s growth path is focused on expanding its footprint in digital cloud-based filing solutions, courier, freight, logistics (3PL), transport sectors both domestically and in Australia.





The unaudited results of SendGlobal for the financial year ended 31 March 2023 comprise revenues of ~\$41.8 million, and normalised EBITDA of ~\$2.8 million. For the 6 month period ended 30 September 2023, unaudited normalised EBITDA was ~\$1.5 million.

AGE Limited (AGE): AGE operates an innovative school on the North shore of Auckland for children from year 1 to 13, and has been operating since 2018. AGE School provides a revolutionary approach to education. A place where care for each other, and the environment, goes hand-in-hand with learning that goes well beyond the national curriculum. AGE celebrates the individual in every student. AGE School's small size and teacher to pupil ratio means they can offer what other schools can't – personalised learning based on each child's interests. AGE School get to know each child and offer a high level of support to help them excel and thrive in their passions.

Combining the best of New Zealand's approach to education with the latest thinking from international education innovators, AGE's learning model is designed to let each child embrace who they truly are – not what traditional education thinks they should be. AGE School's learning coaches (teachers) team up with NZ innovators and inspirational business people to mentor students on projects that stretch them well beyond the four walls of a classroom. This helps students understand how important technology, entrepreneurial thinking, and creativity are in the world they're growing up in and gives their learning that much more meaning.

Being AI is fully committed to preserving Environmental, Social and Human Capital. With this in mind it will investigate becoming a B Corp and is in the process of obtaining WELL Certification <https://www.wellcertified.com/> for its Investee company AGE School.

The philosophy of Being AI

David McDonald, a co-founder of Being AI summarises the Being AI philosophy as follows:

The value proposition for Being AI is that it will become an investment ecosystem that thrives on the interconnectivity of innovation, transformation, and strategic investment.

“Being Labs Limited” will be our innovation hub, where cutting-edge AI solutions are born. We are fostering an environment where ideas can grow into technologies that will define the future of business operations. The technology we develop at Being Labs isn't locked away for internal use only; it's there to give our clients a competitive edge. We're in the business of making advanced AI technology work for everyone — taking the latest breakthroughs and turning them into real-world applications that drive business forward.

“Being Ventures Limited” acts as our investment arm, mirroring the investment bank's strategic financial investments but with a keener eye on companies ripe for AI integration and digital transformation. Like a careful gardener selecting the right plants for the garden, we select companies that, with the right technological enhancements, can grow to their full potential.

“Being Consultants Limited” is a cornerstone of our operations, equipped with a world-class AI team from our partnership with Futureverse, and ready to help businesses step confidently into a digital-first future. We're not just consultants; we're partners in transformation. Our team understands the challenges and opportunities that come with integrating AI into business operations. We work closely with our clients to provide tailored, practical AI solutions that propel them ahead of the curve, ensuring they're not only participants in the digital revolution but also leaders defining it.

We offer external businesses the chance to leverage this expertise and technology. It's about making the leap into a future where AI is not a buzzword, but a practical tool for efficiency and growth. With us, clients don't just get a service; they get a partner who's invested in bringing them to the forefront of the digital age.

In partnering with us, companies get more than just consulting — they get a pathway to transform and thrive in an increasingly connected and digital world.



The existing businesses in our ecosystem, Send Global and AGE, serve as proof of concept. They will be living, breathing examples of our ecosystem's effectiveness—businesses that have been transformed, optimized, and stand as testaments to the power of AI and digital acceleration.

We are more than an investment bank - we are a holistic ecosystem that cultivates growth at every stage—from seed to scale.

Transaction Structure

The Transaction agreed between the parties' values:

- The Being AI portfolio of early-stage and developed businesses at \$45 million on completion date, together with a further adjustment of that purchase price via an "earn in" mechanism of up to a maximum of \$35 million. The earn-in mechanism is linked to market performance of ACE's share price post completion; and
- the listed shell of ACE at ~\$1.7 million.

On completion of the Transaction:

- the vendors of the Being AI business assets would be issued 1,800,000,000 fully paid ordinary shares at an issue price of NZ\$0.025 per share as consideration for the purchase of the shares in the various Being AI businesses.
- It is anticipated that the majority of the indebtedness of ACE as at completion date would be capitalised into new ACE shares at an issue price of NZ\$0.025 per share.
- ACE would undertake a capital raising to raise new capital to fund the growth of the AI Consultancy, Ventures and Labs divisions. Due to the regulatory framework in New Zealand, the capital raising would be restricted to wholesale investors (as defined in the Financial Markets Conduct Act 2013).
- Share Option grants will be allocated for up to 132 million shares for current and future staff. The initial grants will be set at NZ\$0.025 per option.

Shareholder approval and timing

The Transaction is subject to approval by the shareholders of ACE under the NZX Listing Rules and the Takeovers Code. ACE expects to send information to shareholders before the end of February 2024, to enable them to vote on the Transaction at a shareholders' meeting in March 2024.

The information made available to shareholders will include a listing profile of **Being AI** and an independent adviser report prepared to comply with requirements of the Takeovers Code and Takeovers Panel's guidance.

Subject to the appropriate approvals, the completion date is expected to be within one week of the date of the shareholders meeting. At this time ACE would change its name to "**Being AI Limited**" and its ticker code to 'BAI'.

The Board of ACE, post completion of the Transaction, will consist of two founders of the various Being AI businesses – David McDonald and Katherine Allsopp-Smith (alternate Evan Christian). Sean Joyce, current director of the ACE will remain on the Board going forward. In addition, there will be two independent directors appointed.

About the Being AI founder directors:

David McDonald – David is a well-regarded participant in the AI, Web3, and digital transformation sectors, with over two decades of pioneering the tech landscape. He founded Altered State Machine (ASM), which achieved New Zealand's largest seed funding round, and making up the largest piece in the formation of Futureverse, a \$1 billion NZD 'Kiwi unicorn.' His patented AI technology a core component of the Futureverse's platform. Under David's leadership, the industry leading R&D department created groundbreaking projects like Jen ai, an AI music composer. David's vision extends to fostering global partnerships and collaborations, with ASM and Futureverse engaging with global brands such as Authentic Brands Group, Muhammad Ali Enterprises, FIFA, Snoop Dogg, and Warner Music. David's forward-thinking approach in transforming complex concepts into practical solutions positions him as a dynamic force in the tech industry, continually shaping the future of technology with innovative solutions.



Katherine Allsopp-Smith and Evan Christian – Evan Christian is a New Zealand born technology entrepreneur, recently known for his association with AGE School which he co-founded with his wife Katherine Allsopp-Smith in 2017. Christian is a Computer Science Graduate from Auckland University. Christian successfully founded and operated Transport Investments, one of New Zealand’s largest transport logistics companies, which was sold in 1996. He was a former director and shareholder of Tech Trans LLP (fintech sector), Abano Healthcare (aged care) and former listed technology companies Zintel Communications and Advantage Group, and United Electricity amongst others. Katherine is a Design graduate from Auckland University of Technology. Katherine and Evan are both actively involved with 2061.ai, AGE Foundation Charitable Trust, AGE School, SendGlobal, Wilshire Group and CM LLC.

Suspension of trading in ACE shares pending the release of the Notice of Meeting and Profile to the market

The Transaction constitutes a reverse listing which, in accordance with NZ RegCo’s usual practice, triggers a suspension of quotation of ACE shares.

ACE would plan to seek a release of the suspension once ACE has released the Notice of Meeting and Listing Profile relating to the Transaction to the market. This process is as contemplated by the NZ RegCo Guidance Notice on Reverse Listings, and is designed to ensure that the shares in an Issuer can only be traded where the market is fully informed about all material aspects of a potential acquisition, in the context of a reverse listing Transaction.

ENDS

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