

ACCELERATE PROPERTY FUND LIMITED  
(Incorporated in the Republic of South Africa)  
(Registration number: 2005/015057/06)  
Share code: APF ISIN: ZAE000185815  
Bond company code: APFE  
("Accelerate", "APF" or the "Company")

## THE DISPOSAL BY ACCELERATE OF CHERRYLANE SHOPPING CENTRE

### 1. INTRODUCTION

Shareholders and noteholders are advised that Accelerate ("**Seller**") has entered into a sale of letting enterprise agreement (the "**Agreement**") with Phakathi Lam Projects (Pty) Limited ("**Purchaser**") on 13 March 2023 to dispose of Erf 437 Nieuw Muckleneuk Township, Pretoria ("**Cherrylane**" or the "**Property**") (the "**Transaction**")

The Purchaser is beneficially held by Curtley Titus (50%) and Jeff Qolani (50%).

The Purchaser is not a related party to Accelerate as defined in the Listings Requirements of the JSE Limited.

### 2. THE PROPERTY

The Property, a retail building located at 471 Fehrson Street, Muckleneuk Township, Pretoria forms part of Accelerate's retail portfolio and was acquired by Accelerate on or about 11 December 2013.

As at 31 January 2023, the Property was valued at R 70,071,181.00 and is being sold for a maximum cash consideration of R65 000 000.00 (Sixty-five million Rand) at a yield of 6.1%.

### 3. APPLICATION OF THE SALE PROCEEDS

It is the intention of Accelerate to apply the full proceeds to the reduction of debt and/or capital reinvestment into its core property portfolio.

### 4. RATIONALE FOR THE TRANSACTION AND UPDATE ON BALANCE SHEET OPTIMISATION STRATEGY

This decision was made as part of our ongoing efforts to review our assets and ensure that they align with our current business strategy and growth plans.

While this decision was not taken lightly, we believe that it is in the best interest of the Company and its shareholders.

### 5. KEY TRANSACTION TERMS

The effective date for the Transaction will be the date on which the last of the conditions precedent are fulfilled or waived, as the case may be, which is expected to be in May 2023.

### 6. CONDITIONS PRECEDENT

- A 60 days due diligences from date of signature of the purchase agreement; and
- a further 30 days after that for the purchaser to obtain loan funding.

## 7. INFORMATION RELATING TO THE PROPERTY

The details of the Property including location, gross lettable area (“GLA”), net rent, remaining lease term and independent valuation are as follows:

Property / Tenant	Location	GLA (m <sup>2</sup> )	Net rent per m <sup>2</sup> *	Net Operating income	Disposal Price	Remaining lease term (WALE)(years)	Last valuation (ZAR) **	Effective date of the valuation
Cherry lane	471 Fehrson Street, Muckleneuk, Pretoria 0001	11,541 m <sup>2</sup>	R32,1 per m2	R 4 445 593.20	R65 000 000	0.96 years	R70,071,181	31 March 2022

\* The weighted average net rent per m2 (also the profit attributable to the net assets of Cherry Lane), billed to the tenant as at the date of signature of the sale agreement.

\*\* Directors valuation as at 31 March 2022 (which the Company is satisfied with) based on cash flows and forward net income achieved by the Property at valuation date.

\*\*\* The net operating income in respect of the Property has been extracted from the Company’s unreviewed interim financial results for the six months ended, 30 September 2022 which were prepared in terms of International Financial Reporting Standards.

## 8. WARRANTIES

The Seller has provided warranties and indemnities to the Purchaser that are standard for a transaction of this nature.

## 9. CATEGORISATION OF THE TRANSACTION

In terms of the Listings Requirements of the JSE Limited, the Transaction is classified as a Category 2 transaction for Accelerate and does not require shareholder approval.

### Johannesburg

15 March 2023

### Equity Sponsor

The Standard Bank of South Africa Limited

### Debt Sponsor

Rand Merchant Bank (a division of FirstRand Bank Limited)

## CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

Certain statements in this announcement may be considered forward-looking. Although APF believes that the expectations reflected in any such forward-looking statements relating to the Transaction are reasonable. The information has not been reviewed or reported on by the reporting accountants and auditors and no assurance can be given by APF that such expectations will prove to be correct. APF does not undertake any obligation to publicly update or revise any of the information given in this announcement that may be deemed to be forward-looking.