

ACCELERATE PROPERTY FUND LIMITED

(Incorporated in the Republic of South Africa)

(Registration number: 2005/015057/06) Share code:

LEI: 378900D514788C447E45

APF ISIN: ZAE000185815

Bond company code: APFE

("Accelerate", "APF" or the "Company")

(Approved as a REIT by the JSE)

THE DISPOSAL BY ACCELERATE OF THE PRI-MOVIE PARK BUILDING AND THE 1 CHARLES CRESCENT BUILDING

1. INTRODUCTION

Shareholders and noteholders are **advised that** Accelerate ("**Seller**") has entered into a sale of letting enterprise agreement (the "**Transaction**") with Micawber 832 (Pty) Limited ("**Purchaser**"), represented by Justin Blend to dispose of Erf 224/2-IR,678/42-IR, 715/42-IR, 72,73,74 Eastgate Extension 4 ("**Pri-movie Park**") and Erf 265 Eastgate Extension 4 ("**1 Charles Crescent**") (the "**Properties**") respectively.

The ultimate beneficial shareholders of the Purchaser are:

- The Efogen Trust - Justin Blend Family;
- The Lawson Trust - Nicholas Katsapas Family;
- The LAJOAL Investment Trust - Grant Friedman Family; and
- The NFD Trust - Gregory Blend Family.

None of these beneficial shareholders are 'related parties' in terms of the JSE Limited ("JSE") Listings Requirements.

2. THE PROPERTIES

Pri-movie Park and 1 Charles Crescent form part of Accelerate's office portfolio and were acquired by Accelerate on or about 11 December 2013.

Pri-movie Park is an office building with a warehouse component located at 185 Katherine Street, Eastgate. As of 31 March 2023, the Property was valued at R101,699,461 (One hundred and one million, six hundred and ninety-nine thousand, four hundred and sixty-one Rand).

1 Charles Crescent is an office building located at 1 Charles Crescent, Eastgate. As of 31 March 2023, the Property was valued at R63,525,456 (Sixty-three million, five hundred and twenty-five thousand, four hundred and fifty-six Rand).

The combined purchase price to be paid for both Properties is R117,000,000 (One hundred and seventeen million Rand).

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

The Properties have experienced high vacancies, as at the Transaction date, the buildings are 40.9% and 100.0% vacant respectively and require significant capital outlay. The office component of Pri-movie Park is 65.0% vacant.

Due to the ongoing drive to reduce debt and improve key treasury metrics, as well as the positive income accretion of the disposal due to high vacancy levels, the decision was taken to dispose of the properties. This decision was made as part of our ongoing efforts to review our assets and while this decision was not taken lightly, we believe it is in the Company's and its shareholders' best interest.

5. KEY TRANSACTION TERMS

The effective date for the Transaction will be the date on which the ownership of the Properties transfers into the name of the purchaser.

A non-refundable deposit pertaining to Pri-movie Park in the sum of R15,000,000 (Fifteen million Rand) shall be paid into the conveyancer's account.

6. CONDITIONS PRECEDENT

The Purchaser shall, within 120 days from the date of signature of the sale agreement (on condition that the Seller has signed the required resolutions required for the re-zoning of the premises), secure payment of at least 80% of the purchase price. The balance of the purchase price shall be paid upon transfer of the Properties.

7. INFORMATION RELATING TO THE PROPERTY:

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

Property/ Tenant	Pri-movie Park	1 Charles Crescent
Location	Erf 224/2-IR,678/42-IR, 715/42-IR, 72,73,74 Eastgate Extension 4	Erf 265 Eastgate Extension 4, Gauteng
GLA (m²)	17,177m ²	15,547m ²
Net rent per m² *	R12.85/m ²	Vacant
Vacancy	40.9%	100%
Net operating income/(loss)**	R 540 254.50	(R1,773,416.50)
Remaining lease term (WALE)(years)	0,46 years	0 years (vacant)
Last valuation (ZAR) ***	R101,699,461	R63,525,456
Effective date of valuation	31 March 2023	31 March 2023

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

** The net operating income in respect of the Properties has been extracted from the Company's annual financial statements as of 31 March 2023 which were prepared in terms of International Financial Reporting Standards.

*** Directors valuation as of 31 March 2023 (which the Company is satisfied with) based on cash flows and forward net income achieved/achievable by the Properties at valuation date.

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, the Transaction is classified as a Category 2 transaction for Accelerate and does not require shareholder approval.

Johannesburg

18 October 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 statement 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.