

ACCELERATE PROPERTY FUND LIMITED

(Incorporated in the Republic of South Africa)

Registration Number: 2005/015057/06

LEI: 378900D514788C447E45

Share Code: APF ISIN: ZAE000185815

Bond code: APFE

("the **Company**" or "**APF**")

(Approved as a REIT by the JSE)

UPDATE ON THE RELATED PARTY SETTLEMENT AGREEMENT AND 31 MARCH 2025 ANNUAL FINANCIAL RESULTS

1. INTRODUCTION

1.1 Shareholders of APF ("**Shareholders**") are referred to the announcement published on the Stock Exchange News Service ("**SENS**") on 27 November 2024 wherein Shareholders were advised that the composite settlement agreement ("**Settlement Agreement**") entered into between APF and:

- Azrapart Proprietary Limited, the developer of the Fourways Mall Shopping Centre (the "**Mall**");
- Accelerate Property Management Company Proprietary Limited, the manager of the properties solely owned by APF being its properties other than the Mall;
- Fourways Mall Managing Agent Proprietary Limited;
- Fourways Precinct Proprietary Limited, the former manager of the Mall;
- the Trustees for the time being of the Michael Family Trust; and
- Mr Michael Nicolas Georgiou,
(collectively, the "**Related Parties**")

had lapsed due to the suspensive conditions not being fulfilled in the requisite timeframe. Shareholders were further advised that APF would engage with the Related Parties in order to conclude a new agreement on the same or substantially the same terms as the Settlement Agreement ("**New Agreement**"). For further details, Shareholders are referred to page 23 ('Related Parties') and page 26 ('Transactions in progress' under 'Subsequent Event') of APF's unaudited interim consolidated condensed financial results for the six months ended 30 September 2024 ("**2024 Interim Results**").

- 1.2 Shareholders are hereby advised that, although both parties have indicated their willingness to sign the New Agreement, the New Agreement has not yet been concluded as of today, 11 July 2025, and that negotiations with the Related Parties are ongoing. Should the New Agreement be concluded, then the salient considerations outlined in paragraph 4 (“**Successful Agreement**”) below will apply. However, should the New Agreement not be concluded, then the salient considerations outlined in paragraph 5 (“**Unsuccessful Agreement**”) below will apply. As the outcome is uncertain at this stage, Shareholders are encouraged to have regard to the considerations applicable under both scenarios.

2. RIGHTS OFFER OF R100 000 000

- 2.1 APF remains committed to restructuring its operations with a continued focus on improving the Mall as APF’s largest asset. The opening of the rights offer on Monday, 14 July 2025 (“**Rights Offer**”) is an important step towards the completion of these restructuring efforts, the proceeds of which will be utilised for improvements of the Mall and working capital needs of APF. This adds to the R200 000 000 raised by APF in a rights offer in June 2024.
- 2.2 Irrespective of whether the New Agreement is concluded between APF and the Related Parties, the Rights Offer will proceed as detailed in APF's announcement published on the SENS on 30 May 2025 (“**Declaration Announcement**”).
- 2.3 K2016336084 (South Africa) Proprietary Limited (registration number 2016/336084/07) (“**Underwriter**”) has reaffirmed its commitment to underwrite the Rights Offer, in accordance with the terms of the underwriting agreement as noted in the Declaration Announcement.
- 2.4 Investec Bank Limited (registration number 1969/004763/06) (“**Committed Subscriber**”) has also reaffirmed its commitment to subscribe for 31 000 000 (thirty-one million) shares to be issued pursuant to the Rights Offer, as noted in the Declaration Announcement.
- 2.5 Therefore, as between the Underwriter and the Committed Subscriber, the total commitment for the Rights Offer shares remains at R100 000 000 (one hundred million Rand).

3. 31 MARCH 2025 ANNUAL FINANCIAL RESULTS

- 3.1 Shareholders are advised that, irrespective of whether the New Agreement is concluded between APF and the Related Parties, the 31 March 2025 Annual Financial Results (“**Financial Results**”) are expected to be published by 31 July 2025 as required in terms of the

Johannesburg Stock Exchange (“JSE”) listings requirements (“**Listings Requirements**”) applicable to the General Segment.

- 3.2 APF is currently in a closed trading period until the publication of the Financial Results and therefore, per the Listings Requirements, directors of APF (“**Directors**”) are prohibited from trading APF shares and the purchase and/or sale of nil paid letters pursuant to the Rights Offer. However, Directors are permitted, in terms of the Listings Requirements, to follow their entitlements under the Rights Offer.

4. SUCCESSFUL AGREEMENT

If APF and the Related Parties conclude the New Agreement, then the following salient considerations would apply:

- 4.1 As previously communicated in the announcement published on the SENS on 27 November 2024, it is anticipated that the New Agreement will be concluded on the same or substantially the same terms as the (lapsed) Settlement Agreement.
- 4.2 Consistent with the position contemplated in the 2024 Interim Results, the New Agreement will lead to balances due to and from the Related Parties being offset to R0, resulting in no cash outflow for APF.
- 4.3 A related party circular will be published in due course containing the salient details of the New Agreement and will convene a general meeting at which APF Shareholders will consider and, if deemed fit, approve the New Agreement.

5. UNSUCCESSFUL AGREEMENT

If APF and the Related Parties do not conclude the New Agreement, then the following salient considerations would apply:

- 5.1 APF has assessed the recoverability of the respective amounts receivable from the Related Parties, totalling approximately R800 million (“**Related Party Receivables**”). In APF’s assessment, the recoverability of the Related Party Receivables is contingent upon the conclusion of the New Agreement.
- 5.2 Accordingly, and as the New Agreement has not been concluded, APF may likely determine that there is no reasonable prospect of recovering the Related Party Receivables and, therefore, the Related Party Receivables could be fully impaired in the Financial Results.
- 5.3 The Financial Results will include the appropriate disclosures regarding the impairment of the Related Party Receivables and the final quantum thereof.

5.4 If the New Agreement is not concluded, the APF board will take legal advice with respect to the ongoing validity and quantum of the claims which are the subject of the Settlement Agreement, including the Rebuilt Claim (as described in paragraph 3 of APF's announcement published on the SENS on 8 July 2024). APF will also consider all available remedies to seek the recovery of the amounts due by the Related Parties to APF.

Shareholders are cautioned that the above considerations have not been finally settled, are not exhaustive and the extent of their application is uncertain at this stage and subject to further APF board deliberations and interactions with APF's auditors.

APF will keep Shareholders informed should there be any further developments in respect of the New Agreement.

Fourways

11 July 2025

Corporate Advisor and Transaction Sponsor: Bravura Capital (Pty) Limited

Legal Advisor: Webber Wentzel