ACCELERATE PROPERTY FUND LIMITED
(Incorporated in the Republic of South Africa)
(Registration No 2005/015057/06)
JSE code: APF ISIN code: ZAE000185815
Bond company code: APFE
LEI: 378900D514788C447E45
(REIT status approved)
("Accelerate" or "the Company" or "the Fund" or "the Group")

SHORT-FORM ANNOUNCEMENT
CONDENSED ANNUAL RESULTS FOR THE YEAR ENDED 31 MARCH 2025,
EXTENSION FOR ISSUING THE PORTSIDE DISPOSAL CIRCULAR AND WITHDRAWAL OF CAUTIONARY

FINANCIAL SNAPSHOT

	31 Mar 2025	31 Mar 2024	Year-on-year movement	% change year-on-year
Rental income including recoveries (R'000)	824 036	873 615	(49 579)	(5,7%)
Net property income excl. straight-line (R'000)	494 737	539 699	(44 962)	(8,3%)
Fair value adjustments (R'000)	(318 945)	(396 338)	77 393	19,5%
Expected credit loss (ECL)(R'000)	(1 046 461)	(158 093)	(888 368)	561,9%
Loss after taxation (R'000)	(1 269 635)	(624 738)	(644 897)	103,2%
Net finance cost (R'000)	(272 019)	(471 220)	199 201	(42,3%)
SA REIT Funds from operations per share (cents)	(3,97)	(0,72)	(3,25)	(451,4%)
Investment property at fair value (including assets held for sale) (R'000)	7 749 795	8 655 377	(905 582)	(10,5%)
SA REIT Net Asset Value ("NAV") per share (R)*	2,03	3,65	(1,62)	(44,3%)
Basic and diluted loss per share (cents)	(74,29)	(48.21)	(26,1)	54,1%
Basic and diluted headline loss per share (cents)	(58,24)	(20.34)	(37,9)	186,4%

* During the year 500 000 000 additional shares were issued that was partially responsible for the decrease in NAV per share by an amount of 91c per share.

THE FINANCIAL YEAR IN REVIEW
The country faces a complex array of geopolitical and economic headwinds, shaped by domestic challenges and global developments.

Domestic challenges include infrastructure deficiencies with aging coal-fired power plants and underinvestment continue to hamper economic growth. Public debt has risen to over 75% of GDP, limiting investment in critical sectors and increasing unemployment continues to hamper growth.

Strained US relations following the enactment of South Africa's Expropriation Act continues to increase tensions, which include significant increases in trade tariffs on exports to the US. Sluggish global growth and geopolitical tensions, such as the conflicts in Ukraine and the Middle East, pose further risks to South Africa's export driven sectors.

Despite the challenges listed above, the formation of a Government of National Unity has improved investor confidence, GDP growth is projected to accelerate to 1,5% in 2025 supported by stabilising electricity supply. Inflation has moderated, providing room for potential monetary easing to support growth.

This environment forces us to rethink how we effectively allocate capital, while operating in an environment of higher operating costs and a very competitive rental market.

Despite this, the Group continues to focus on achieving its strategic objectives. Optimisation of our balance sheet through disposals remains a key strategic focus to address the reduction of debt and the concomitant reduction of SA REIT LTV.

During the year under review, we successfully disposed of eight assets with a combined GLA of 63,284m² for a cumulative amount of R694,0 million (net of selling costs).

After the reporting date, Erf 7 Roggebaai and 1 Charles Crescent were transferred with a combined GLA of 15,547m². The net proceeds from the disposal of these assets of R62,4 million (net of commission) were used to settle debt. Sale agreements for a further four properties were concluded to the value of R688,5 million with a GLA of 41,719m² and a combined vacancy of 28,8%.

We are pleased to have achieved an average collection rate of 98,9% in a tough economic environment for our tenants.

We thank our Board and teams for their support, dedication and commitment during the year.

RELATED PARTY DEBT IMPAIRMENT

In July 2024, the Company and Mr Georgiou (on behalf of the Related Parties) signed a Settlement Agreement which would have resulted in the settlement of amounts due from various entities to the Company. Firstly, the debt from the various entities would have been ceded and assigned to Azrapart whereafter, the amount of Azrapart's claim would be set off against the debt due to the Company. Thereafter, further assets (in the form of bulk and parking) would have been acquired from Azrapart with the termination amounts for the property management companies (FWP and APMC) also being set-off against the debt due to the Company.

The Settlement Agreement would have resulted in a net settlement of amounts due and payable with no outflow of cash for the Accelerate.

The Settlement Agreement however lapsed during November 2024 as certain suspensive conditions were not met. Management redrafted a New Settlement Agreement on substantially the same basis as the previous Settlement Agreement for signature as both parties were keen to conclude the transaction. As at the date of this report, Mr Georgiou (on behalf of the Related Parties) has not signed the New Settlement Agreement. The Company therefore presented these financial statements on the basis that the New Settlement Agreement has not been concluded and the balance due from the Related Parties was impaired.

Preliminary legal advice suggests that the Company's claims against the Related Parties are unlikely to have prescribed. However, certain aspects of the legal position remain under consideration.

FINANCIAL RESULTS

Rental income decreased by R37,3 million from R646,5 million to R609,2 million. Disposals accounted for R50,7 million of the decrease with the Fourways Mall headlease (the "Headlease") having a positive impact of R61,8 million. The remainder of the decrease is largely due to reversions in rental income in Fourways Mall.

Property expenses decreased by R4,6 million from R333,9 million to R329,3 million. The main contributor to property operating expenses relates to utility costs, which decreased by 11,2% mainly as a result of the disposals. Rates and taxes however increased by R13,3 million.

Other operating costs/administrative expenses decreased by 13,5%. This is largely due to decreased staff costs, however, legal fees increased following the conclusion of sale agreements, related circulars, redrafting of related party agreements and the restructured finance agreements.

Fair value adjustments to investment property reduced from R354,8 million to R274,3 million reflecting the stability in the asset base whereas the derivative had a negative fair value adjustment of R44,7 million compared to a similar adjustment of R41,5 million in the prior year.

Expected credit losses ("ECL") allowance increased significantly due to the impairment of the Related Party balance of R970,7 million. The ECL allowance relating to trade receivables increased by R28,3 million due to additional impairments, predominantly at Fourways Mall.

Finance costs are 34,1% lower than in the prior financial year. This decrease is mainly due to the disposal of 9 & 10 Charles Crescent, Brooklyn Place, Eden Meander, 89 and 99-101 Hertzog Boulevard, Voortrekker Street and Cherry Lane, which unlocked proceeds of R694,0 million utilised to reduce interest-bearing borrowings.

The prior year included interest on the Claim from Azrapart of R71,1 million pursuant to the signing of the Settlement Agreement in July 2024. Due to the lapsing of the July 2024 Settlement Agreement, and as a result of the failure to conclude a New Settlement Agreement with the Related Parties, this interest cost was reversed in the financial period.

Interest rates decreased slightly during the reporting period. A cap was put in place early during the financial year, capping the interest rates at 7,75%. This allowed the Fund to lock in decreasing interest rates whilst having an effective interest hedge in place. The Group entered into an additional R500 million swap in August 2024, effective for two years at a rate of 7,39%.

Subsequent to year-end (April 2025) an additional R2,0 billion swap was entered into at 7,38% for two years while the R1,5 billion cap came to an end in April 2025.

CAPITAL PROJECTS

Capital expenditure continues to be a strategic objective for the Group. During the year, R110,4 million (31 March 2024: R38,2 million) was spent on properties which includes investment properties and non-current assets held-for-sale. This was funded from available funds from facilities as well as specific facilities put in place for Fourways Mall.

LETTING

Vacancies have decreased during the year from 21,1% as at 31 March 2024 to 19,4% at year end. Vacancies of 76 106m² on 1 April 2024 reduced by 25 841m² following the disposal of eight properties, whilst vacancies in Fourways Mall decreased from 19,0% to 13,7% following an aggressive drive to attract new tenants.

The weighted average rental across the portfolio decreased to R184,7/m² from R207,8/m² in the prior financial year due to reversions which were marginally offset by contractual escalations.

FUNDING

At year-end, all facilities and notes were extended for a period of 24 months to 31 March 2027. The extension of the facilities are dependent on certain milestones being achieved, being the implementation of a fully underwritten rights offer of R100 million (concluded in July 2025), the conclusion of a new Settlement Agreement with the Related Party, the formal implementation and re-signing of the Asset, Property and Development Agreement with Flanagan and Gerard and Luvon and the disposal of earmarked assets.

The lower interest rate cycle positively impacted the Group’s weighted average cost of funding which decreased from 11,48% as at 31 March 2024 to 10,89% as at 31 March 2025. The Group’s Interest Cover Ratio ("ICR") reduced to 1,2 times cover, compared to the 1,7 times cover in the prior year. The ICR was adjusted with the interest income that was raised pursuant to the lapsing of the July 2024 Settlement Agreement to give effect to the Agreements from which the Related Party debt arose. The Related Party debt has now been impaired and therefore the interest that was raised and reversed on the Related Party balances was removed from the calculation of the ICR.

The swaps had a positive impact on net finance costs. Management implemented an interest rate cap during the year which matures in April 2025 as well as an additional swap post year-end of R2,0 billion for two years at 7,38%.

Finance costs on interest bearing borrowings were R434,4 million for the year compared to R542,7 million in the prior year. Swap interest received reduced from R61,6 million to R55,4 million due to the reduction in interest rates during the period. Other interest in the prior year consisted of R71,1 million interest raised on the Claim from Azrapart following the signing of the July 2024 Settlement Agreement. This amount has been reversed in the current year as the Agreement lapsed and a New Settlement Agreement was not concluded with the Related Parties.

The SA REIT LTV has decreased from 50,3% as at 31 March 2024 to 48,3% as at 31 March 2025. This is mainly a function of the disposals and is expected to improve as the disposal programme continues to progress.

DIVIDEND

Accelerate’s SA REIT Funds from Operations (“SA REIT FFO”) per share amount to a loss of 3,97 cents for the year ended 31 March 2025 compared to a loss of 0,72 cents as at 31 March 2024. The increase in loss per share is mainly attributable to reduced revenue following the removal of the Headlease income on the Related Party transactions, increased operating expense and high interest expense. In performing the Solvency and Liquidity test conducted in terms of section 46 of the Companies Act, which takes into consideration the working capital cash flow forecast, expected working capital requirements and capital expenditure requirements, the Board resolved not to declare a dividend for the year ended 31 March 2025 (31 March 2024: Nil).

EVENTS AFTER THE REPORTING PERIOD

As part of the Group’s disposal strategy, Erf 7 Roggebaai and 1 Charles Crescent transferred post year-end on

19 May 2025 and 23 May 2025 respectively. Additional assets have been identified as held for sale with significant progress being made on the assets earmarked for disposal.

On 25 July 2025, the Company successfully raised R100,0 million through a fully underwritten rights offer.

AUDITOR'S REVIEW

This short-form announcement, although extracted from audited information, is not audited. The auditors, PricewaterhouseCoopers Incorporated ("PWC") have issued their unmodified opinion on the audited consolidated financial statements (including key audit matters) for the year ended 31 March 2025 and a copy of their audit, together with the underlying audited consolidated and separate financial statements are available for inspection at the Company's registered address and on the Company's website at:
http://www.acceleratepf.co.za/investorcentre/#Financials

EXTENSION FOR ISSUING THE PORTSIDE DISPOSAL CIRCULAR

Shareholders and noteholders are referred to the announcements released on SENS on 2 April 2025 and 7 July 2025 regarding the disposal by Accelerate of its proportionate ownership in Portside Office Tower, which constitutes a category 1 transaction in terms of section 9.20(b) of the JSE Listings Requirements (the "Portside Transaction"), and are advised that the JSE has granted Accelerate an extension for the issuing of the circular for the Portside Transaction until 31 August 2025.

WITHDRAWAL OF CAUTIONARY

Shareholders and noteholders are referred to the cautionary announcement released on SENS on 21 July 2025 and are advised that following the publication of Accelerate’s audited annual financial statements for the year ended 31 March 2025, the cautionary announcement has been withdrawn and caution is no longer required to be exercised when dealing in Accelerate’s securities.

GENERAL

This short-form announcement is the responsibility of the directors of Accelerate. It is a summary/extract of the information as set out in the full announcement. Investors and shareholders should base their investment decisions on the Annual Financial Statements published on the Company’s website at:
http://www.acceleratepf.co.za/ investorcentre/#Financials
and on SENS at https://senspdf.jse.co.za/documents/2025/jse/isse/apf/FY2025.pdf

Copies of the full announcement may also be requested from the registered office of Accelerate and the Company's sponsor at no charge during office hours.

Johannesburg
8 August 2025

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