

ACCELERATE PROPERTY FUND LIMITED

(Incorporated in the Republic of South Africa)

Registration Number: 2005/015057/06

Share Code: APF ISIN: ZAE000185815

Bond code: APFE

LEI: 378900D514788C447E45

(Listed in the General Segment)

(Approved as a REIT by the JSE)

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



VOLUNTARY OPERATIONAL UPDATE FOR THE FINANCIAL YEAR ENDING 31 MARCH 2026

CLOSED PERIOD

Shareholders are advised that the Company's closed period in respect of the financial year ending 31 March 2026 ("the financial results" or "the year under review") will commence on 1 April 2026 and is expected to remain in place until the publication of the financial results on SENS, anticipated on or about Friday, 31 July 2026.

INTRODUCTION

Accelerate has been undergoing a comprehensive restructuring process since June 2024, with a clear focus on repositioning the Fund for improved sustainability and long-term value creation. This has included, inter alia, a board-approved R300 million rights offer (of which a R200 million rights offer was concluded in the 2024 financial year, and a further R100 million rights offer during the year under review) together with the disposal of approximately R1,7 billion (comprising R800 million in the year under review and R908.5 million in the 2024 financial year) of assets to reduce debt levels. This brings the total quantum of capital raised and realised through these initiatives to R2,0 billion. Similarly, debt to the extent of approximately R1,9 billion was reduced through these initiatives.

Over the past six months, Accelerate has continued to focus on its restructure, with efforts and capital allocation directed towards:

- The upgrade and continued improved trading of Fourways Mall ("The Mall" or "Fourways");
- The disposal of properties;
- The reduction of vacancies; and
- Finalising outstanding related party matters,

all aimed at improving profitability and strengthening the Fund's interest cover ratio ("ICR") and improving governance.

Following completion of this restructuring, the Fund will comprise a more financially stable, focused, and premium retail-oriented portfolio.

FOURWAYS MALL

A central component of this strategy has been the targeted capital investment into Fourways Mall. Approximately R346 million (Accelerate's portion being R173 million) has been deployed since Flanagan & Gerard and Moolman Group assumed the role as property and asset managers, to reposition the Mall and materially enhance its retail, leisure and dining offering.

This investment is translating into improved operating metrics and tenant demand. Vacancy has reduced to 9,4% as at 28 February 2026 from 16,1% in the prior year, supported by a broadened tenant mix

including Planet Fitness, Total Ninja, Spur, and Nando's. Based on leases concluded and those in advanced stages, vacancy is expected to reduce further to approximately 5% by September 2026.

Trading performance continues to strengthen, with average trading density increasing by 8,6% year-on-year for the rolling 12 months to February 2026, alongside a 20% increase in footfall year-on-year over the November 2025 to February 2026 period.

The 6,3MW solar installation remains in progress, with commissioning now anticipated in the third quarter of 2026 following standard regulatory and approval processes.

An exciting key focus for the 2026 year is the improvement of the dining and food offering at Fourways, expected to be completed in September 2026 at a yield enhancing capital investment of approximately R100 million (Accelerate's portion being R50 million).

"The View," situated on the corner of Witkoppen and Cedar Roads has been identified as the dining hub given it's on grade parking and accessibility from Cedar Road via a slipway, or from Witkoppen road via the flyover.

The tenant mix has been curated to enhance dwell time and broaden the Mall's trading profile, with a strong emphasis on established, high-quality brands. Confirmed tenants include Tashas, marking its entry into the Fourways node, The Pantry, offering a full-service premium grocery and dining experience, Fournos Bakery, Nonna's Italian Grill and a Clay Café concept focused on experiential dining.

These are complemented by Mangwanani Spa, Popsicle Nails and The Piercery, reinforcing the lifestyle and wellness positioning of the precinct.

PROPERTY DISPOSALS

The disposal programme remains a key lever in improving the Fund's capital structure, with a direct and positive impact on covenants through debt reduction and portfolio optimisation.

Properties transferred since 1 April 2025:

- 1 Charles Crescent – R41,6 million
- Vacant Erf 7 Roggebaai – R22,8 million
- Portside Tower – R580,0 million
- 185 Katherine Street – R73,5 million
- 73 Hertog Boulevard – R77,9 million

Total transferred: R795,8 million

Unconditional disposals expected to transfer post year-end:

- The Buzz and Waterford – R215,0 million
- Beacon Isle and Valleyview – R35,0 million
- Bosveld Bela Bela – R88,0 million
- Vacant land behind The Buzz – R40,0 million

Total unconditional disposals: R378,0 million

These disposals, both completed and pending transfer, represent a meaningful step in reducing leverage and are expected to contribute positively to the Fund's covenants as proceeds are applied towards debt reduction.

VACANCIES AND LEASING

Portfolio vacancy has reduced to 9,2% from 17,6% at 31 March 2025, driven by improved occupancy across core retail assets and the disposal of vacant, non-core properties.

The weighted average lease expiry profile is currently 3,7 years, with all material expiries over the next 12 months either concluded or at an advanced stage of renewal.

Oceana Group has advised that it will vacate Oceana House (6,049 m²) located in the Cape Town Foreshore area, on expiry of its lease on 30 June 2026. Management has commenced a targeted re-letting process, with broker engagement and tenant discussions underway.

The lease with KPMG across KPMG Crescent, KPMG Polokwane and KPMG Secunda, which runs to 31 August 2029, includes a reversion to market clause effective 31 August 2026. This is a 15-year lease, and the current contractual rental is materially above prevailing market levels.

Engagement with KPMG is underway to agree the reversionary rental, which will align the lease to market parameters from the effective date.

Absent successful re-letting, the vacancy of Oceana House would increase the Fund's overall vacancy rate by approximately 2.6% and reduce operating income until the space is re-let. In respect of KPMG, the reversion to market-related rental levels from 31 August 2026 is expected to result in a reduction in contractual rental income, with a corresponding negative impact on operating income given the current above-market rental profile.

RELATED PARTY MATTERS

During the year, management focussed on finalising all outstanding related party matters. The related party receivables were impaired in the prior financial year and formally written off during the current year.

Notwithstanding the write-off, the Company continues to pursue recovery of amounts due through the relevant legal and commercial processes. Remaining outstanding related party matters are being finalised.

Management continues to focus on finalising the outstanding related party matters that remain.

SETTLEMENT OF INSURANCE CLAIM

As announced on 23 September 2025, the Company concluded a settlement agreement in respect of the business interruption insurance claim arising from the Covid-19 pandemic for an amount of R82,5 million (excluding VAT), representing Accelerate's 50% share. The settlement follows consideration of legal advice and is aligned with the Company's capital management and restructuring objectives.

CHANGES TO THE BOARD OF DIRECTORS

During the year under review, Mr James Templeton was appointed as Chairman of the Board with effect from 13 June 2025, after having served as Interim Chairman.

Mr Derick van der Merwe resigned as a director and member of the relevant board committees with effect from 11 July 2025.

Mr Donovan Pydigadu was appointed as the Lead Independent non-executive director effective 1 September 2025.

Mr MN Georgiou retired by rotation at the Company's annual general meeting and was not re-elected by shareholders. Accordingly, he ceased to be a director with effect from the conclusion of the AGM.

OUTLOOK

The Fund's restructuring process is ongoing with the focus on execution, which will result in a streamlined portfolio and a clearer capital allocation framework.

The combination of targeted capital investment into Fourways Mall, sustained leasing momentum, and the continued execution of the disposal programme is expected to support improved earnings quality and a strengthening of the Fund's ICR.

Notwithstanding the above, the impact of Oceana House and KPMG (refer above) is expected to place pressure on earnings and, in turn, the Fund's interest cover ratio. As a result, the Fund has engaged with its debt funders to obtain covenant relief where required.

In this context, and subject to ongoing performance and balance sheet considerations, the Fund does not currently expect to be in a position to declare a dividend in the near term.

Management remains focused on consolidating these gains, enhancing the performance of core assets and embedding a more resilient and sustainable operating platform, aligned with the strategic repositioning outlined at the outset of this update.

The financial information on which this pre-close statement is based has not been reviewed or reported on by the Company's external auditors and is the responsibility of the directors.

Fourways
27 March 2026

Equity and Debt Sponsor

