2021 CONSOLIDATED INTERIM RESULTS

for the period ended
30 September 2021

ACCELERATE
PROPERTY FUND

Contents

OPERATING LANDSCAPE
And immediate focus areas

Market
trends and COVID-19 impact

1 Increased economic activity after COVID-19

- Hard and adjusted lockdown restrictions have eased
- Increased consumer sentiment aligning to global recovery
- Europe: resilient footfall getting back to pre-COVID-19 levels

2 Retail property showing signs of recovery

- Increased consumer sentiment driven by vaccination roll-out
- Footfall and trading densities have increased
- Restaurants recovering following limited operating hours, and liquor sale bans

3 Changing property landscape

- Experiential retail shopping coming to the fore
- Alternative asset classes such as self-storage, student accommodation and medical
- Deteriorating municipal services and above inflation cost increases

COVID-19 IMPACT ON PROPERTY SECTOR

- Increased retail and office vacancies
- Withdrawal of international retailers from South Africa
- rental concessions to specific tenants
- Property valuations affected by uncertainty
- Liquidity pressures and increased funding costs
- Increased levels of unemployment

OUR RESPONSE

- Treasury and liquidity management
- Diversify revenue streams
- Reduce and manage costs
- Identify new long-term tenant relationships
- Support and retain existing tenants
- Optimise tenant mix
- Repurpose rental space
- Adding storage and residential as new subsectors to our asset class offering

Market trends and COVID-19 impact (continued)

ACCELERATE
PROPERTY FUND

RECOVERY OF THE SOUTH AFRICAN ECONOMY FOLLOWING THE COVID-19 PANDEMIC.

1,2%
Q2 2021
real GDP growth

0,0%
Increase in interest rates to Sept 2021 (SARB)

0,5%
Growth in household spending in 2021 Q2

Rental relief
Significantly reduced

13,4% increase
South African listed property sector's index return since 1 April 2021

Source: StatsSA, Company data, JSE

EFFECT ON THE PORTFOLIO

- Fourways Mall has gained traction with the public as customers are increasing the frequency of their visits
- Rental relief has significantly reduced as retailers and restaurants are able to trade with little-to-no restrictions
- Regional and neighborhood centres continue to show improved trading
- Many tenants trading at pre-COVID-19 levels
- Office occupancy remains under pressure

Immediate Focus

The interim period ended 30 September 2021 has been one of further consolidation for the Fund. The Fund's approach to COVID-19 has been clear, structured and well executed. We remain focused on the long-term sustainability of the Fund and its tenants.

TO THIS END, THE FUND HAS FOCUSED ON:

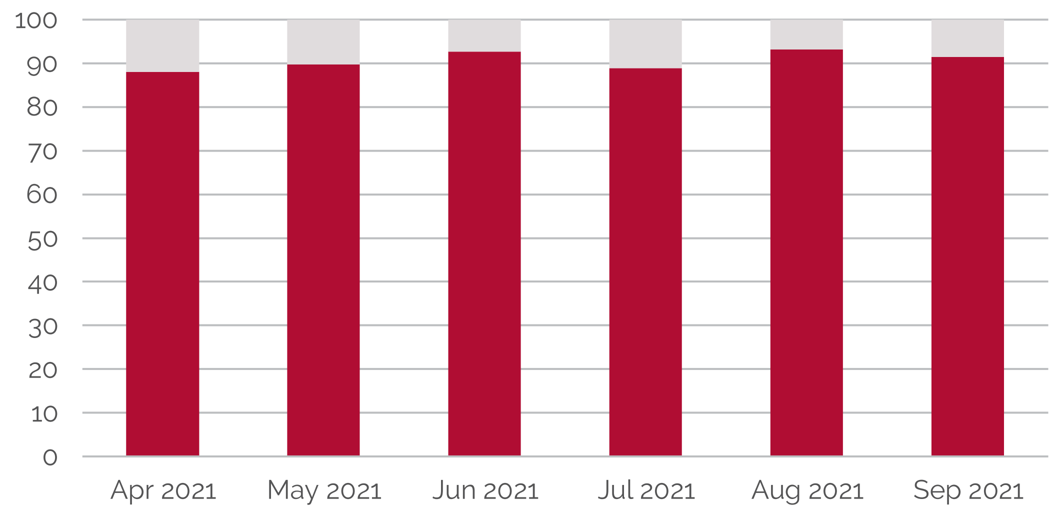
- Refinance debt expiries
- Improving liquidity
- Ensuring the long-term sustainability of tenants
- Extending current and entering into new longer-term leases when granting COVID-19 assistance
- Rebalancing the tenant mix
- Right sizing tenant boxes
- Exploring alternative uses for space
- Cutting costs

IMPACT

R11 million
(30 Sept 2020: R 100 million)
COVID-19 relief
granted for the period

WALE
5,9 years

Rental recoveries as a %
of normalised invoiced income



FINANCIAL Performance

Consolidated statement of financial position

	30 September 2021 (R'000)	31 March 2021 (R'000)
ASSETS		
Non-current assets	**10 332 445**	**11 791 005**
Investment property	10 199 681	11 633 782
Derivatives	12 997	36 341
Right-of-use asset	119 553	120 676
Equipment	214	206
Current assets	**719 246**	**644 256**
Trade and other receivables	697 366	597 462
Derivatives	–	21 332
Cash and cash equivalents	21 880	25 462
Investment property held for sale	**1 563 985**	**127 714**
Fair value of investment property assets	1 563 985	127 714
Total assets	**12 615 676**	**12 562 975**
EQUITY AND LIABILITIES		
Shareholders' interest	**5 940 371**	**6 019 511**
Share capital	4 939 713	4 937 567
Other reserves	93 967	131 493
Minority interest	19 551	27 150
Retained earnings	887 140	923 301
Total equity	**5 940 371**	**6 019 511**
Non-current liabilities	**4 449 049**	**4 450 495**
Long-term borrowings	4 295 938	4 249 916
Lease hold liability	116 230	116 854
Derivatives	36 881	83 725
Current liabilities	**2 226 256**	**2 092 969**
Trade and other payables	527 951	221 804
Derivatives	53 969	89 653
Lease hold liability	5 942	5 943
Short-term portion of long-term borrowings	1 638 394	1 775 569
Total equity and liabilities	**12 615 676**	**12 562 975**

HIGH-LEVEL OVERVIEW OF POSITION

- Total fair value adjustment to Investment Properties of approximately R 1,6 billion since March 2020
- Right of use asset relates to land-leases assets in Austria and Slovakia
- R226 million of debt refinanced post-year-end
- Trade and other payables will reduce by R 300 million upon equity settlement of the Fourways Mall Rebuilt claim

Consolidated statement of profit or loss

	For the period ended 30 September 2021 (R'000)	For the period ended 30 September 2020 (R'000)
Revenue, excl. straight-line rental revenue adjustment	**513 210**	**511 648**
COVID-19 rental assistance	(11 233)	(100 086)
Straight-line rental revenue adjustment	55 112	4 350
Revenue	**557 089**	**415 912**
Property expenses	(168 396)	(159 148)
Net property income	**388 693**	**256 764**
Other operating expenses	(21 980)	(24 941)
Operating profit	**366 713**	**231 823**
Fair value adjustments	(262 985)	(72 786)
Other income	557	2 330
Unrealised gains	47 819	302
Expected credit loss provision	(14 526)	(11 136)
Expected credit loss provision related to COVID-19	–	(33 405)
Finance income	20 659	24 415
Profit before long-term debt interest and taxation	**158 237**	**141 543**
Long-term debt interest	(193 715)	(205 323)
Loss before taxation	**(35 478)**	**(63 780)**
Taxation	–	–
Loss after taxation	**(35 478)**	**(63 780)**
Attributable to equity holders of the holding company	**(36 161)**	**(64 461)**
Attributable to minority interest	**683**	**681**

HIGH-LEVEL OVERVIEW OF PERFORMANCE

- R11,2 million of COVID-19 assistance granted
- Property expenses increased due to increased utility consumption vs the hard COVID-19 lockdown in 2020
- Cost reduction of R4 million in other operating expenses
- Fair value adjustments:
  - R300 million write down in investment properties
  - R38 million positive revaluation on swaps
- Reduction in debt interest due to the reduction in interest rates as well as out of the money swaps expiring

Debt facilities (overall fund level)

TOTAL DEBT
R5,9 billion
(March 2021: R6,0 billion)

WEIGHTED AVERAGE DEBT TERM*
1,6 years
(March 2021: 1,8 years)

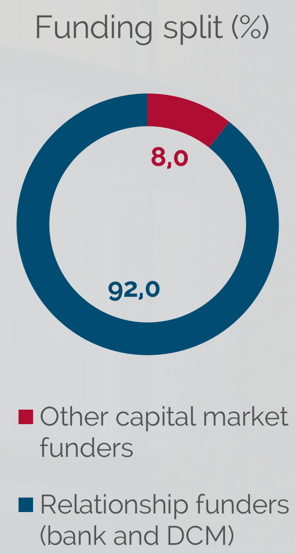
DEBT HEDGED
86,3%
(March 2021: 81,4%)

LTV**
47,8%
(March 2021: 48,5%)

WEIGHTED AVERAGE SWAP TERM
2,2 years
(March 2021: 2,2 years)

BLENDED INTEREST RATE***
7,4%
(March 2021: 7,4%)

INTEREST COVER RATIO
2,0x
(March 2021: 2,0x)



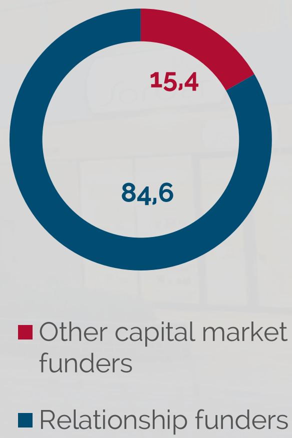
* *APF's main funders have agreed in principle to roll all of their debt expiring up to 30 September 2022 for a minimum of 18 months. These extensions will decrease the short-term portion of debt from R1,6 billion to R367,5 million.*
** *Takes into account receivables from vendors.*
*** *Includes the effect of interest rate swaps.*

Debt facilities (security SPV 1 – Accelerate listed debt SPV)

TOTAL DEBT	WEIGHTED AVERAGE DEBT TERM*	DEBT HEDGED	LTV
R3,2 billion (March 2021: R3,3 billion)	**1,5 years** (March 2021: 1,8 years)	**81,0%** (March 2021: 84,0%)	**44,9%** (March 2021: 46,1%)

WEIGHTED AVERAGE SWAP TERM	BLENDED INTEREST RATE**	INTEREST COVER RATIO
2,2 years (March 2021: 2,2 years)	**8,0%** (March 2021: 7,8%)	**2,0x** (March 2021: 2,2x)

Funding split (%)



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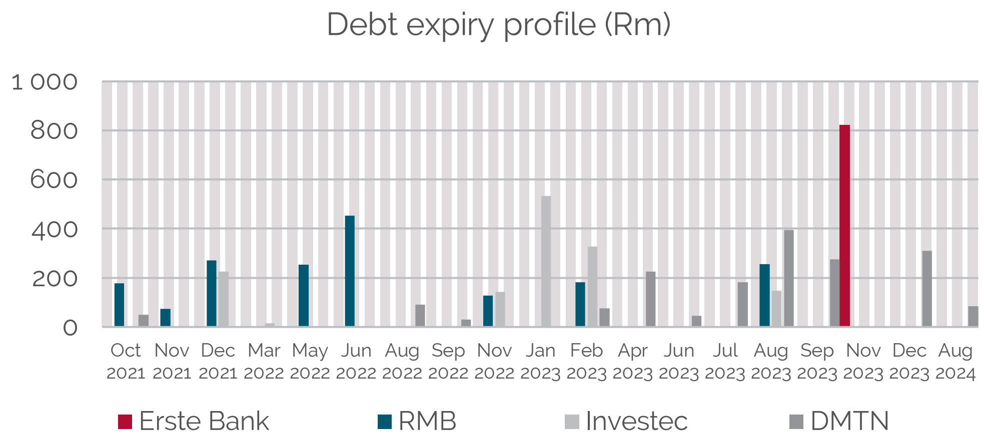
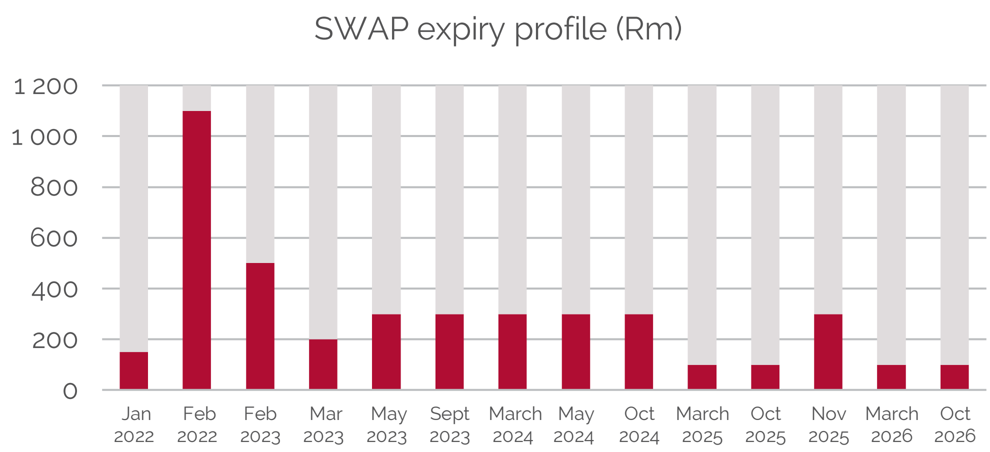
** Includes the effect of interest rate swaps.

Long-term debt

KEY TAKE AWAYS

- ✓ All expiries post-period end have been refinanced
- ✓ R1,3 billion of capital market debt refinanced during the period
- ✓ Overall cost of funding 7,4%
- ✓ **Interest rate swaps rolling off to March 2022 replaced at current market rates have a positive ICR impact of 0,2x**





Covenant changes

TEMPORARY COVENANT CHANGES NEGOTIATED AND APPROVED

The changes are as follows:

Measurement period ending	Existing covenant	30 September 2020	31 March 2021	30 September 2021	31 March 2022
LTV ratio					
Fund level	**50,0%**	55,0%	55,0%	55,0%	50,0%
Special purpose vehicle (SPV) 1	**45,0%**	55,0%	55,0%	50,0%	45,0%
ICR					
Fund level	**2,0x**	1,8x	1,8x	1,8x	2,0x
SPV 1	**2,0x**	1,8x	1,8x	1,8x	2,0x

- Changes formally approved by DCM investors on all notes on 28 September 2020
- APF to approach its major funders to extend the current covenant relief to 30 September 2022

OPERATING Performance

Leasing –
Lease expiry profile and escalations

KEY TAKE AWAYS

- ✓ Lease expiry profile one of the best in the market
- ✓ Downward pressure on contractual escalations expected to ease off

WALE (OVERALL)

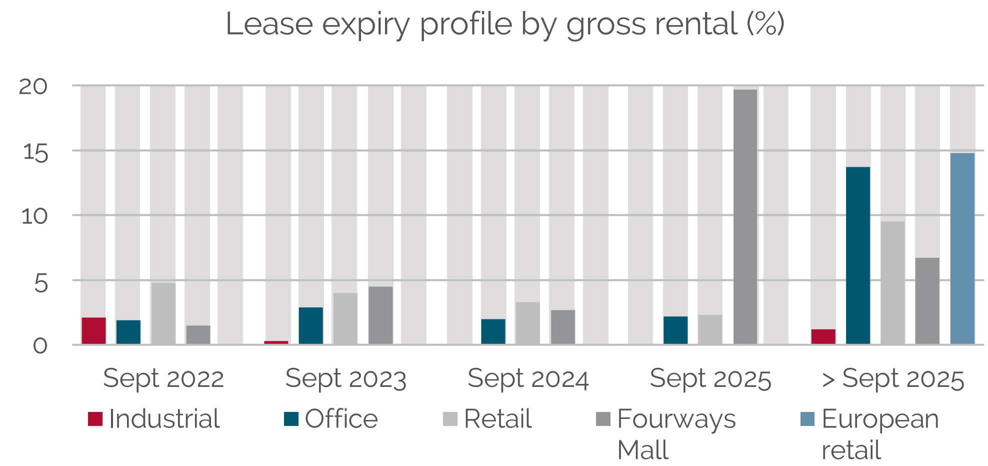
5,9 years
(March 2021: 6,1 years)

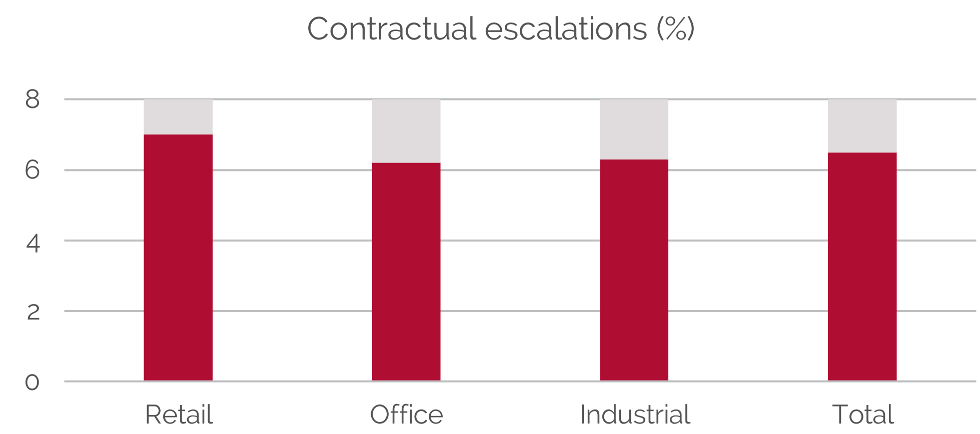
WALE (EUROPE)

12,0 years
(March 2021: 12,5 years)

RENTAL ESCALATIONS

6,5%
6,2% including offshore portfolio





Leasing – Tenant retention and rental reversions

KEY TAKE AWAYS

- ✓ Overall rental reversion marginally negative
- ✓ Lower tenant retention due to loss of large industrial tenant

TENANT RETENTION

79,2%
by GLA
(March 2021: 86,7%)

WEIGHTED AVERAGE RENTAL REVERSIONS

(1%)

Tenant arrears (R'000)	120+ days	90 days	60 days	30 days	Total
30 September 2021	37 551	4 591	5 459	6 305	53 906

Rental reversions	Expired (m²)	Renewals (m²)	Expired rental (R/m²)	New rental (R/m²)	Rental reversion (%)
Office	2 109	1 813	190,4	176,6	(13,8)
Retail	9 076	8 379	228,1	236,9	8,8
Industrial	8 156	5 130	35,1	26,8	(8,3%)

Vacancy profile

KEY TAKE AWAYS

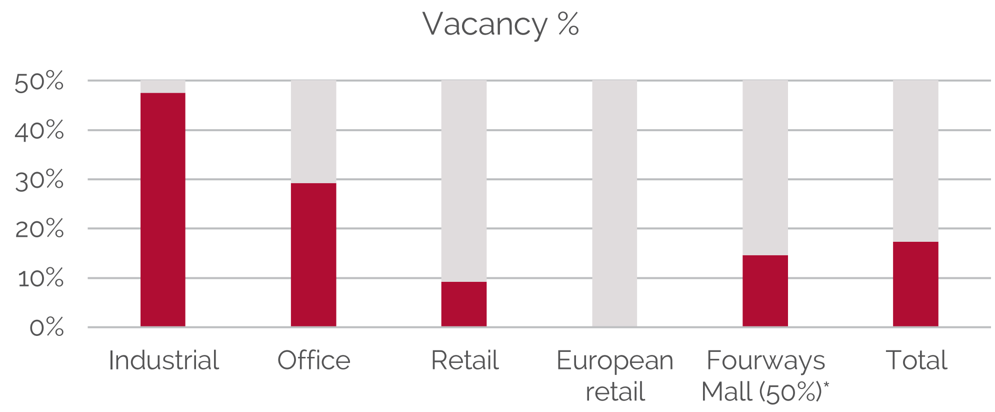
- ✓ Office vacancies relates predominantly to B- and C-grade office space
- ✓ Industrial vacancy increased due to a fully let Industrial property being sold
- ✓ Offshore portfolio at 0% vacancy

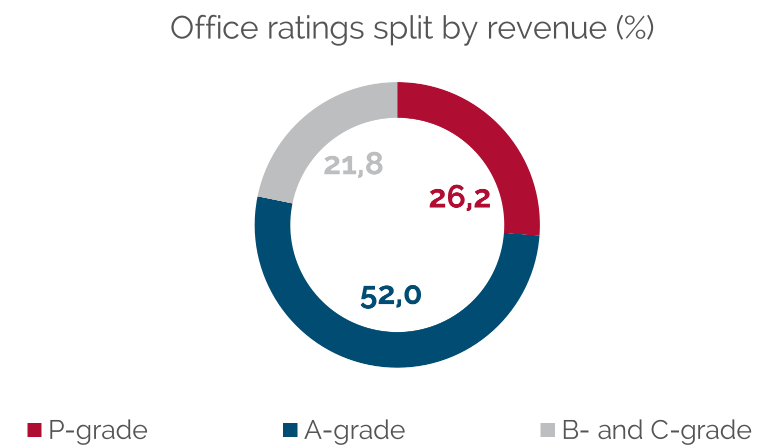
VACANCIES

17,3%**
by GLA

9,5%
by revenue

** 15,2% when taking into account space covered by the Fourways Mall headlease.





* Approximately 10% of this vacancy is covered by the Fourways Mall headlease expiring in November 2024.

PORTFOLIO Performance

Portfolio overview

	GLA	Value	Revenue
Retail	51,9%	61,7%	59,2%
Office	26,9%	23,7%	24,5%
Industrial	7,6%	1,4%	3,5%
European retail	13,6%	13,2%	12,8%

Office portfolio

Our P-grade and A-grade offices are situated in strategic nodes in Sandton and Fourways in Gauteng, and on the Foreshore in the Western Cape.

PERFORMANCE OVERVIEW

- Quality office portfolio in prime locations
- 78,2% A- and P-grade
- P-grade and A-grade continue to perform well
- Vacancies predominantly in B- and C-grade offices (lower rate per m² properties) – many of these properties are currently held for sale/redevelopment
- Vacancies have been reduced in the B-grade space in the Cape Town Foreshore

FOCUS AREAS

- Attracting and retaining quality tenants
- Tailored upgrades and enhancements to existing assets
- Reduce existing vacancies/repurpose space
- Disposal of non-core assts

Properties:
16
(2020: 16)

GLA
129 298 m²

Property value
R2,8 billion

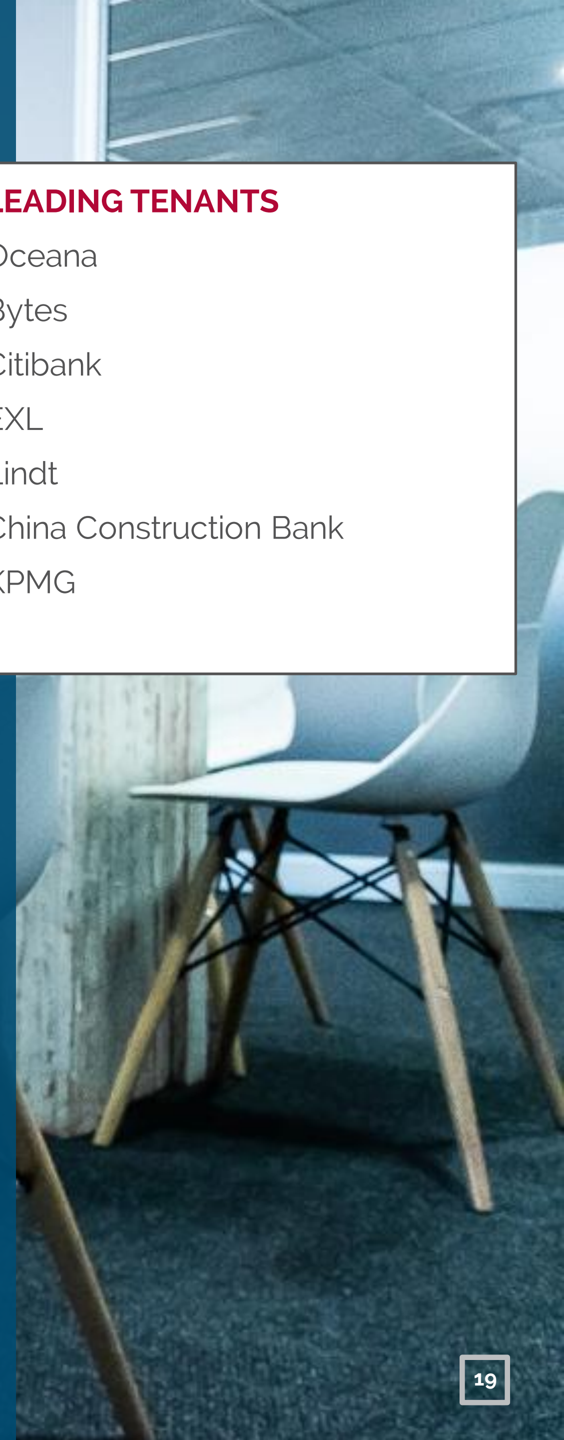
Vacancy by GLA
29,2%

Vacancy by revenue
11,0%

WA:LE (years)
6,1

LEADING TENANTS

Oceana
Bytes
Citibank
EXL
Lindt
China Construction Bank
KPMG



South African
Retail portfolio overview

Our retail portfolio includes a diverse selection of malls and shopping centres, differentiated through our shoppertainment offering.

PERFORMANCE OVERVIEW

- Regional and super-regional trading figures consistently improving
- Trading at regional and neighborhood centres at pre-COVID-19 levels
- Ster Kinekor business rescue not yet concluded. The Fund's exposure to Ster Kinekor is 1,3% of GLA and 0,6% by rental income

FOCUS AREAS

- Tenant retention and reducing vacancies while ensuring an optimal tenant mix
- Improve quality and sustainability of our portfolio
- Adding storage as a new asset class
- Disposing of non-core assets

Properties:
15

Vacancy by GLA
11,1%*

GLA
250 645 m²

Property value
R7,3 billion

* *7,1% when taking into account vacancies covered by the Fourways Mall headlease.*

Retail
Fourways Mall Super-regional

A landmark super-regional shopping centre at the heart of our Fourways node.

REBUILT CLAIM

- The rebuilt claim relating to the Fourways Mall equalisation in 2019 has been finalised between the owners without cash outflow from the Fund

PERFORMANCE OVERVIEW

- The Mall has shown a consistent increase in trading and foot traffic
- We remain positive on the long-term outlook for the Mall considering its location in the highly densified Fourways node as well as its unique offering including its shoppertainment strategy
- The global Kidzania events-based business was adversely impacted by COVID-19. The owners and the franchisor remain committed to bringing this unique offering to Fourways
- Tenants in process of opening including limited to House & Home, Pep Home, Factorie and PQ among others

INSURANCE CLAIM

- Insurance policy covers loss of income due to COVID-19. Negotiations underway to obtain payout. Legal action may be required

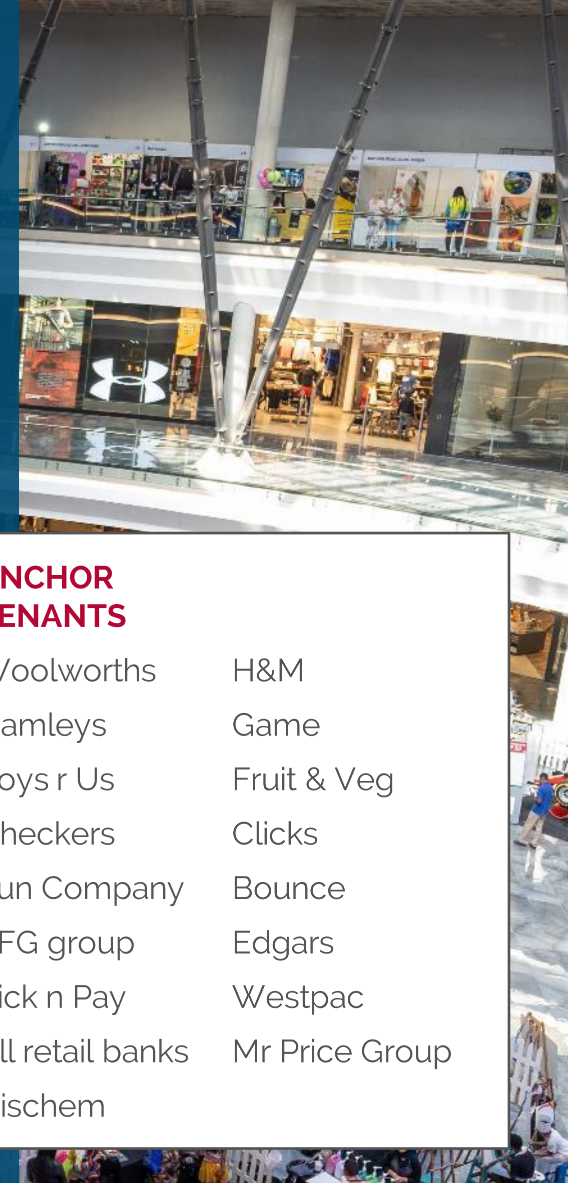
Tenants
340

GLA
89 619 m²
(APF 50%)

Fair value
R4 676 272 616
(APF 50%)**

Vacancy
14,6%*

* *Approximately 4,6% when taking into account vacancies covered by the Fourways Mall headlease.*
** *Includes bulk of R 148 million.*



ANCHOR TENANTS

Woolworths	H&M
Hamleys	Game
Toys r Us	Fruit & Veg
Checkers	Clicks
Fun Company	Bounce
TFG group	Edgars
Pick n Pay	Westpac
All retail banks	Mr Price Group
Dischem	

FOURWAYS MALL

Retail
Cedar Square

A lifestyle and family centre

VALUE PROPOSITION

- Located in the densely populated Fourways node
- Open layout preferred in COVID-19 world
- Family, lifestyle, shopping and entertainment

PERFORMANCE OVERVIEW

- Trading density returned to pre-COVID-19 levels
- Double digit turnover growth YTD 2021 vs 2020
- Supermarkets and health offerings trading exceptionally well
- Lease terms extended with COVID-19 relief granted
- Restaurant trading figures improving significantly post-COVID-19 third wave
- Storage offering doubled due to demand

FOCUS AREAS

- Increasing the entertainment offerings
- Converting to solar

* *Includes bulk of R242 million.*

Stores
81

GLA
44 418 m²

Fair value
R849 240 799*

Vacancy
8,0%

ANCHOR TENANTS

Pick n Pay
Clicks
Builders warehouse
Baby City
Virgin Active
Woolworths
Smoke Daddys

CEDAR SQUARE

Retail
Eden Meander

A multi-tenanted lifestyle shopping centre serving the residential hub of George in the Western Cape.

VALUE PROPOSITION

- Popular location on route to Knysna and across from the Garden Route Mall
- Fast growing residential node
- Accelerate also owns bulk for future development

PERFORMANCE OVERVIEW

- Trading densities well above pre-COVID-19 levels
- Clicks secured to reduce vacancy to almost zero

FOCUS AREAS

- Ensuring optimal tenant mix
- Activating all areas in the centre with the strategic placement of anchor tenants
- APF exploring expanding footprint in this node

Stores
46

GLA
30 817 m²

Fair value
R490 504 500*

Vacancy
0,2%

ANCHOR TENANTS

@Home
Checkers
Pick 'n Pay Clothing
Sportsmans Warehouse
Mr Tekkie
Builders Warehouse

Eden Meander Lifestyle Centre

* *Includes bulk of R29 million.*

European retail

Our European portfolio has remained resilient throughout the pandemic and delivered solid returns.

PERFORMANCE OVERVIEW

- The portfolio was externally valued at €89,05 million in June 2021
- As communicated to the market APF has signed a sale agreement to dispose of the portfolio to increase liquidity and reduce debt levels
- More details will be made available via SENS as appropriate
- This will reduce the overall LTV level of the Fund to approximately 42%

Properties
nine

100%
occupied by
nine
big box OBI stores

GLA
65 893 m²

Property value
R1,6 billion

OUTLOOK


citi
PROUD WINNERS OF EM
FINANCE'S
BEST SYNDICATED LOAN
OUSE IN AFRICA
citi
citi
citi

Outlook

We believe the impact of COVID-19 going forward is starting to dissipate. While the portfolio continues to recover in terms of trading and foot count, we believe that it will be another 12 to 18 months before these settle at pre-COVID-19 levels. The underperforming economy also continues to persist as a risk with consumer spending.

The Fourways node is strong and resilient and this has been evidenced with the positive trading seen at our smaller centres. We believe that this positive trading will soon include the much bigger retail destinations such as the Fourways Mall super regional shopping centre.

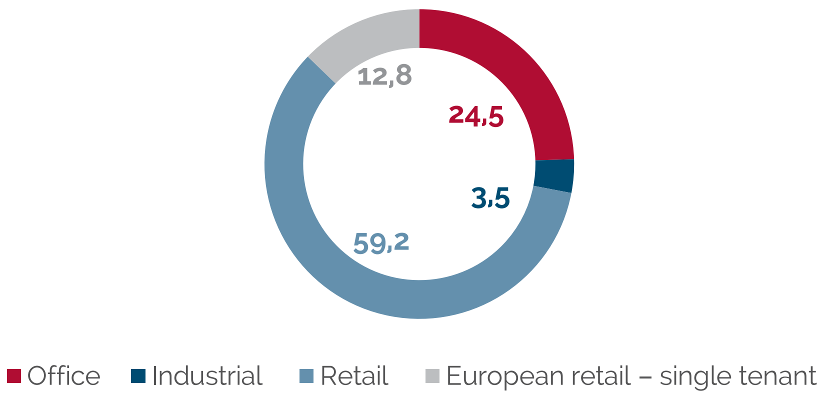
The Fund has not declared a distribution for the six months ended 30 September 2021; however, depending on its financial position and liquidity, the Fund will look to commence payment of distributions for the year ending 31 March 2022.

ANNEXURES

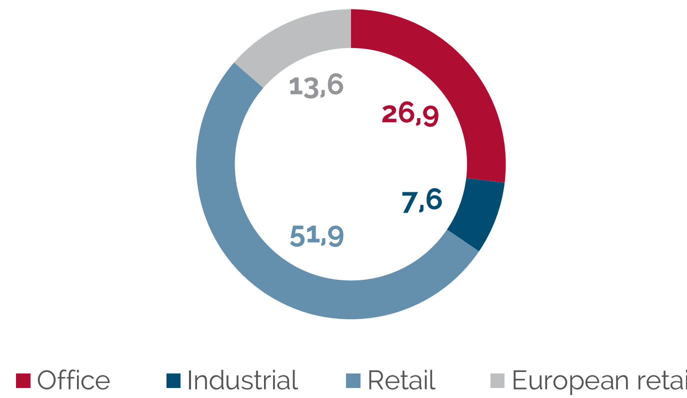
Property portfolio summary

SECTOR AND GEOGRAPHIC SUMMARY

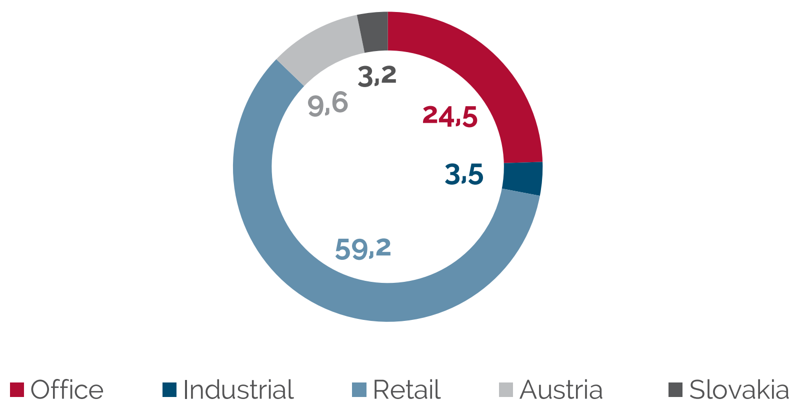
Sector profile by revenue (%)



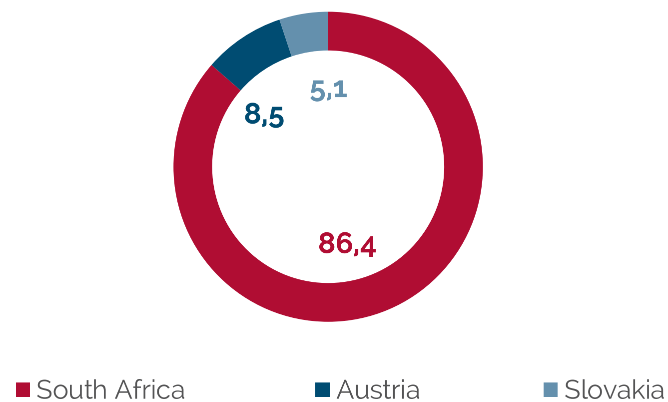
Sector profile by GLA (%)



Geographic profile by revenue (%)



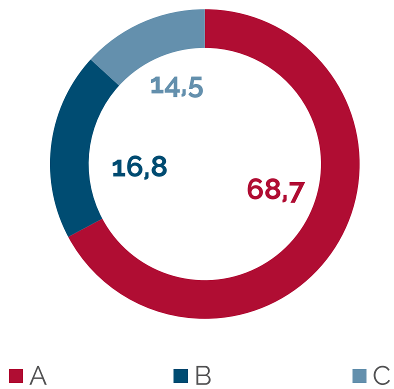
Geographic profile by GLA (%)



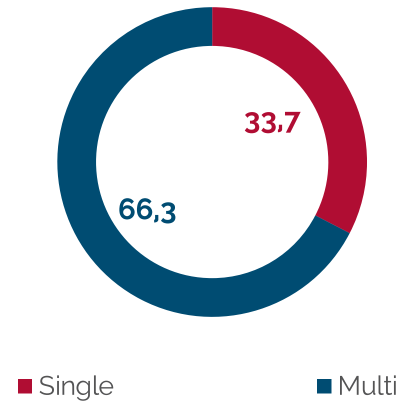
Property portfolio summary continued

TENANT PROFILE

Tenant profile by GLA (%)



Single vs multi-tenanted by GLA (%)



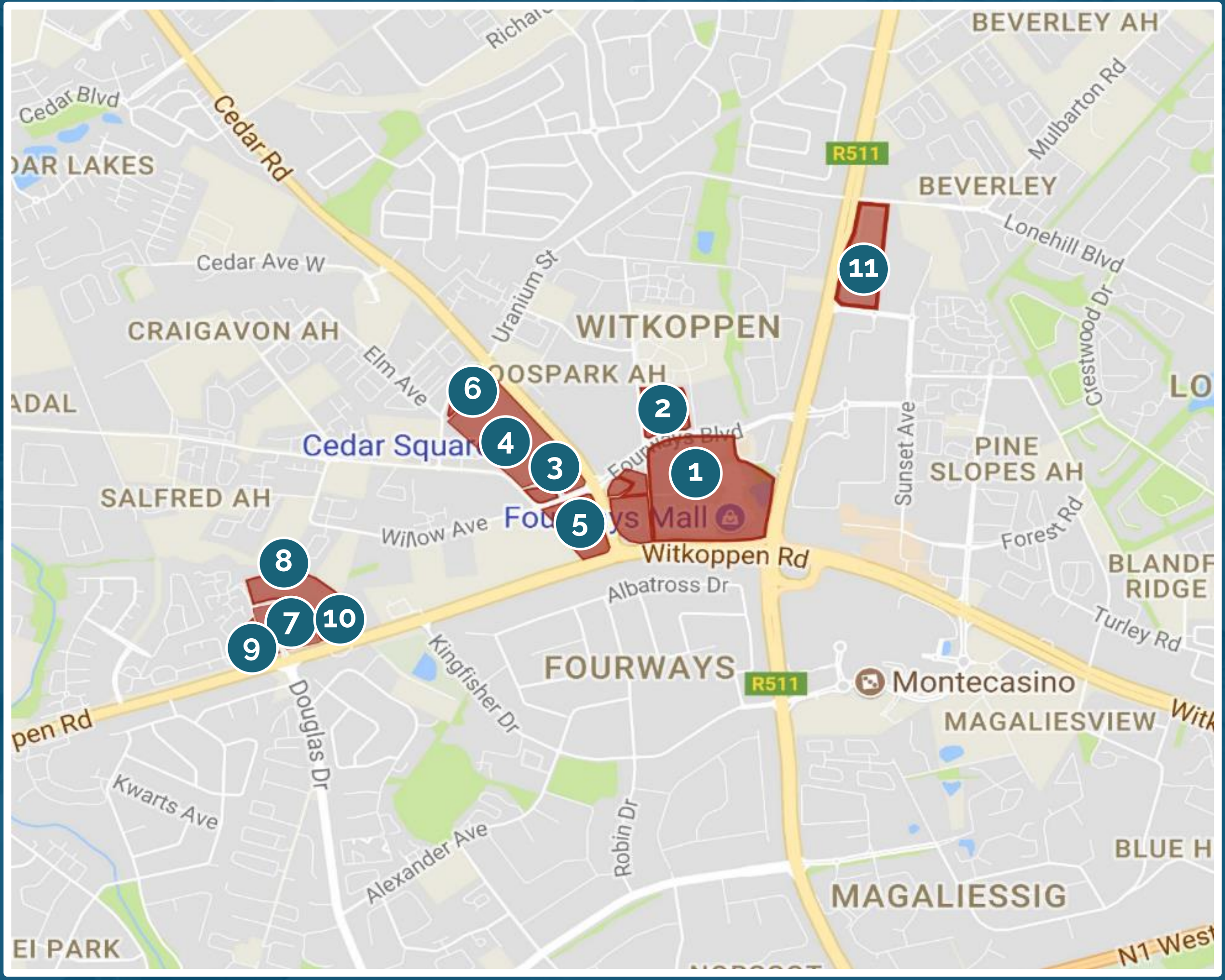
A: Large national tenants, large listed tenants and major franchises, including Absa Bank, Capitec Bank, Dis-Chem, Edcon, FNB, Foschini, Jet Stores, KPMG, Massmart, Medscheme, Nedbank, OBI, OK Furnishers, Pepkor, Pick n Pay, Shoprite, Standard Bank, Woolworths

B: National tenants, listed tenants, franchises and medium to large professional firms, including Fishmonger, KFC, Mugg & Bean, Nando's, Spur, Steers, Wimpy

C: Other

Our Fourways exposure

OUR FOURWAYS FOOTPRINT



PROPERTIES

1. Fourways Mall
2. Leroy Merlin (not owned by APF)
3. Cedar and BMW bulk
4. Cedar Square Shopping Centre
5. BMW Fourways
6. Valleyview Centre
7. The Buzz Shopping Centre
8. The Buzz bulk
9. Waterford
10. FORD Fourways
11. The Leaping Frog

THANK YOU

INVESTOR RELATIONS

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