



2024

Accelerate Property Fund

Integrated Report

Restructuring for **resilience**



Welcome to our **2024 Report**

Welcome to the Accelerate Property Fund Limited (Accelerate, APF, Company, or Fund) 2024 Integrated Report (IR). This report covers the period from 1 April 2023 to 31 March 2024, offering transparency and accountability. It outlines the Fund's purpose, performance and governance, focusing on the core portfolio, property fundamentals and long-term sustainability.

APF is dedicated to creating long-term value through governance excellence, responsible business practices, sustainable returns, efficiency measures, our commitment to employee wellbeing, community engagement and environmental stewardship.



For details on how this report was compiled and approved, please refer to pages 8 to 10.



Restructuring for **resilience.**

This theme underscores Accelerate's commitment to building resilience through strategic restructuring and outlines the vision for the next decade. It explores how our restructuring efforts contribute to Accelerate's ability to navigate challenges effectively while harnessing new opportunities to enable long-term value creation.



ACCELERATE PROPERTY FUND INTEGRATED REPORT 2024

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Performance

snapshot



Financial capital

- Investment property portfolio (including held-for-sale) valued at **R8,7 billion** (2023: R9,2 billion)
- Net asset value (NAV) per share **R3,65** (2023: R4,13)
- Sale of non-core assets to the value of **R202,0 million** (2023: R146,0 million) for reinvestment into core portfolio/repayment of debt
- Loan-to-value (LTV) ratio is **49,7%** (2023: 47,2%)
- Total debt **R4,4 billion** (2023: R4,5 billion)
- Interest cover ratio (ICR) ratio **1,7 times** (2023: 1,8 times)
- Undrawn facilities of approximately **R32,1 million** (2023: R218,0 million)



Manufactured capital

- Total Fund gross lettable area (GLA) **361 364m²** (2023: 380 363m²)
- Contractual escalation **7,4%** (2023: 7,6%)
- Weighted average lease expiry (WALE) **3,2 years** (2023: 3,3 years)



Intellectual capital

- Property management expertise retained **86,1%** tenants
- Vacancies increased from 18,3% in 2023 to **21,1%** in 2024. Post 31 March 2024 vacancies will decrease to 15,5% due to the effect of unconditional disposals



Human capital

- **R50,7 million** remuneration paid (2023: R31,5 million). Provided employment stability to 53 employees, including external management companies
- **Initiated** programmes and mentorships relating to future skills



Social and relationship capital

- **R149,2 million** total procurement spend (2023: R166,0 million)
- **R1,3 million** total corporate social investment (CSI) spend



Natural capital

- Energy usage: **10,885 kWh per m²** (2023: 11,191 kWh per m²)
- Water usage: **0,056 kl per m²** (2023: 0,074 kl per m²)

Key focus areas in

2024

To ensure long-term sustainability, our leadership team placed particular focus on:

Strengthening the management team



*Chairman's review,
from page 38*

Restructuring the Fund



*Joint CEOs' review,
from page 42*

Balance sheet management



*CFO's review,
from page 46*

Sustainability in action



From page 105 to 119

About this report

Scope and boundary

Our Integrated Report is our primary communication to stakeholders, it offers a transparent and balanced review of Accelerate's (Group (including subsidiaries) and Company) financial and non-financial performance from 1 April 2023 to 31 March 2024. Material events until the Board approval date in July 2024 are included.

The report shares our business strategy, activities and the preservation of long-term value for financial capital providers and other stakeholders. Transparency is emphasised by reflecting both created and eroded value, disclosing information that significantly affects value creation in the short, medium and long term. The reporting boundary spans risks, opportunities and outcomes.

Our material themes	(Pages 28 - 35)
Our strategy	(Pages 60 - 67)
Our business model	(Pages 68 - 69)
Our stakeholder engagement	(Pages 70 - 73)
Our corporate governance	(Pages 121 - 153)
Our remuneration report	(Pages 154 - 177)

Time frames

We use the following general classifications when making time-frame references in this report:

Short term: The next 12 months

Medium term: 12 months to three years

Long term: Three years to 10 years

Reporting approach to materiality

We focus on reporting on significant risks, opportunities and challenges impacting our stakeholders. This report is essential for current and potential investors, enabling them to evaluate APF's ability to generate and sustain enterprise value.

We prioritise material matters crucial to value creation and preservation across the short, medium and long term while addressing potential value-eroding factors. Our materiality determination process, aligned with integrated thinking principles, incorporates the concept of double materiality. The resulting report offers a balanced mix of information for a thorough assessment of APF's performance, risks, opportunities and challenges, focusing on material aspects across different time frames while addressing potential value-eroding factors.

Reporting frameworks

In compiling this report, we considered local and international guidelines, including the following:

- IFRS Accounting Standards
- Johannesburg Stock Exchange Limited (JSE) Listings and Debt Listings Requirements
- King IV* Report on Corporate Governance for South Africa 2016 (King IV™)
- South African Companies Act 71 of 2008 (Companies Act)
- The voluntary JSE Sustainability and Climate Change Disclosure Guidance (JSE Sustainability Disclosure Guidance)

Assurance

We use a combined assurance model to ensure the integrity of information for internal decision-making and the credibility of our reporting.

The Audit and Risk Committee oversees Accelerate's internal control environment, monitoring the execution of our combined assurance plan and reporting to the Board quarterly and shareholders annually in our Annual Financial Statements. The consolidated annual financial statements, prepared in accordance with IFRS Accounting Standards, undergo external audit by PricewaterhouseCoopers Incorporated.

We utilise the three lines of defence model, integrating management and Board oversight, risk management and independent assurance. Continuous efforts are made to enhance the integration and alignment of assurance processes, optimising governance oversight and risk management while increasing collaboration between internal and external auditors. The independent auditor's report can be found on pages 202 to 208.

Supplementary information

The content of this report is supplemented by the following additional information and is available online at www.acceleratepf.co.za:

- Capital market information
- King IV™ application register
- Latest financial results, including our interim and annual financial results presentations
- Portfolio information
- Shareholder information including Stock Exchange News Service (SENS) announcements, AGM information and circulars

Forward-looking statements

This report contains certain forward-looking information with respect to Accelerate. While these statements represent our judgements and future expectations when preparing this report, several risks, uncertainties and other important factors could cause actual results to differ materially from our expectations. These include factors that could adversely affect our business and financial performance. Words such as "believe", "anticipate", "intend", "seek", "will", "plan", "could", "may", "endeavour", "project" or similar expressions are intended to identify such forward-looking statements but are not the exclusive means of identifying such statements.

By their nature, such forward-looking statements and forecasts involve risk and uncertainty as they relate to events and depend on circumstances that occur in the future. There are various factors that could cause actual results or developments to differ materially from those expressed or implied by these forward-looking statements. Consequently, all forward-looking statements have not been reviewed or reported on by the Group's external auditors.

About this report *(cont.)*

Stakeholder feedback

We have engaged the services of Articulate Capital Partners to coordinate our investor relations. Please send any feedback on reporting content or requests for copies to:

Articulate Capital Partners

Attention: Morné Reinders

Tel: 082 480 4541

Email: morne@articulatepartners.com

Responsibility statement and review

The Board collectively acknowledges its responsibility for the integrity of this report, and recognises its duty to ensure the integrity and completeness of this report, stating that it comprehensively addresses material matters and offers a balanced view of Accelerate's strategic direction for value creation and preservation.

This report, prepared under senior management's supervision, was reviewed and recommended by the Audit and Risk Committee before approval by the Board.

The Board is satisfied that the assurance in place supports an adequate and effective control environment for internal decision-making, and confirms disclosure of all reliable information with no legal prohibitions and approved the report on 31 July 2024.

The Board has unanimously approved the 2024 Integrated Report for publication.



Mr TT Mboweni

Chairman

31 July 2024



Mr Abri Schneider

Joint Chief Executive Officer

31 July 2024



Mr Dawid Wandrag

Joint Chief Executive Officer

31 July 2024

Navigating our report

How to navigate this report

These icons are applied throughout the report to improve usability and demonstrate integration:

Our capitals



Financial capital



Manufactured capital



Intellectual capital



Human capital



Social and relationship capital



Natural capital

Sustainability icons



Our tenants



Our people



Our suppliers



Our local communities



Our environment

Material matters icons



The uncertain macroeconomic, social and political environment



Business sustainability



Uncertain property market/infrastructure fundamentals



The changing work environment



Changing consumer preferences and the rise of new asset classes



ESG and climate change impact

Strategic pillar icons



Enhancing returns on our assets



Growing the quality of our core portfolio



Optimising our balance sheet



Delivering value to stakeholders



Our Company

Overview

OUR COMPANY OVERVIEW

Who we are

Accelerate Property Fund is a South African Real Estate Investment Trust (REIT) listed on the JSE Limited. As a JSE-listed REIT, Accelerate has a property portfolio primarily consisting of retail and commercial assets. The fundamental objective of the Fund is to build a robust foundation for the future. By concentrating on our property fundamentals, we aim to establish a resilient and sustainable investment vehicle.

Our purpose

Creating positive socio-economic value through sound property fundamentals.

We actively work towards cultivating sustainable and thriving environments within our properties. This commitment extends beyond contributing solely to the economic success of stakeholders; it is deeply rooted in enhancing the overall wellbeing of individuals and communities.

Through the integration of robust property fundamentals, our aim is to actively contribute to the enrichment of the social fabric and material prosperity of those who interact within our spaces. This approach reflects a profound understanding of the significant impact that well-designed and sustainable properties can have on local communities and the broader socio-economic landscape, thereby fostering positive and lasting contributions to the communities we serve.



Fourways Mall

Our values

Together, these values shape the organisational culture, fostering an environment characterised by ethical conduct, proficiency, collaboration and a relentless commitment to achieving tangible results.



Integrity

Integrity involves upholding strong moral and ethical principles, acting with honesty and sincerity, and consistently adhering to a code of moral conduct in all actions and decisions.



Trust

Trust is about establishing and maintaining confidence and reliance in relationships grounded on a foundation of integrity and honesty, creating a sense of assurance and credibility.



Honesty

Honesty entails openness and truthfulness in communication and behaviour, ensuring that information is presented accurately and without deception.



Competence

Competence is the possession of the necessary skills, knowledge and proficiency to perform tasks effectively and achieve desired outcomes.



Cooperation

Cooperation emphasises working collaboratively with others, fostering teamwork and leveraging collective strengths to achieve common goals and objectives. The commitment to focus on execution involves demonstrating a dedicated and resolute approach to translating plans and strategies into tangible and successful outcomes through decisive and effective actions.

What we do



Invest

We invest in key strategic nodes by acquiring high-quality assets with strong property fundamentals.



Develop

Redevelop and upgrade our properties to maintain and enhance their value.



Manage

We are committed to effective property management, ensuring well-maintained buildings and delivering excellent customer service to create optimal environments for our tenants and stakeholders. Our goal is to meet tenants' expectations by providing safe, well-maintained buildings and delivering exceptional levels of customer service.



Recycle

We employ a capital reinvestment strategy, using funds from non-core asset sales to enhance our portfolio quality and invest in high-performing ventures. The recycled capital is utilised to reduce debt and strengthen our balance sheet or reinvested in core assets, ultimately enhancing the overall value of our portfolio.

OUR COMPANY OVERVIEW

Who we are *(cont.)***How we create value**

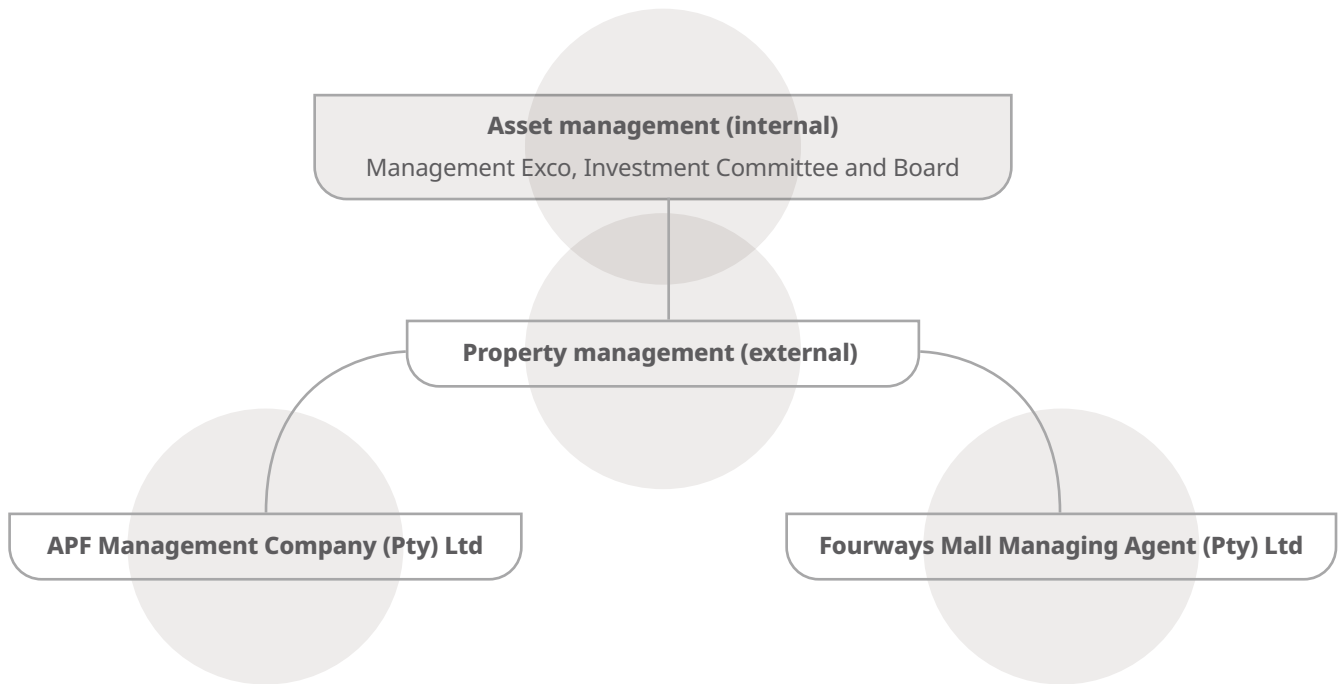
We channel our skills and abilities into innovative and efficient outcomes for our tenants and communities.

Financial management	Prudently managing financial fundamentals to deliver on our strategy.	 See our CFO's review from page 46.	 Optimising our balance sheet
Asset management function	Optimising our portfolio through disposing of identified assets and continuing sweating of existing assets.	 See our portfolio from page 83.	 Growing the quality of our core portfolio
Property management functions	Ensuring our buildings are maintained and managed to the highest standards, aiming for operational efficiencies to preserve natural capital.	 See sustainability in action from page 105.	 Enhancing returns on our assets
Relationship management	Creating and maintaining inclusive and mutually beneficial relationships with all stakeholders.	 See our stakeholder engagements from page 70.	 Delivering value to stakeholders

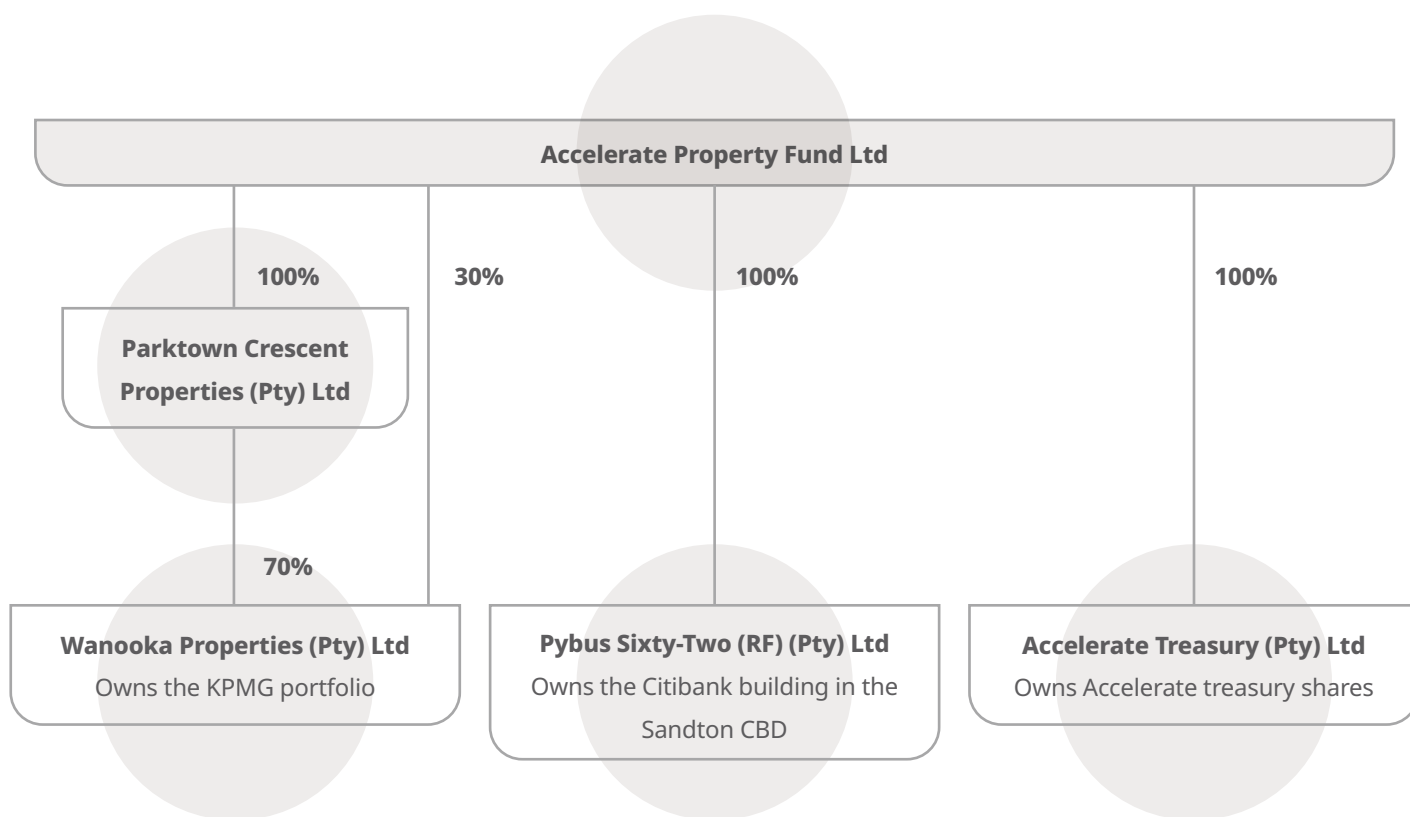
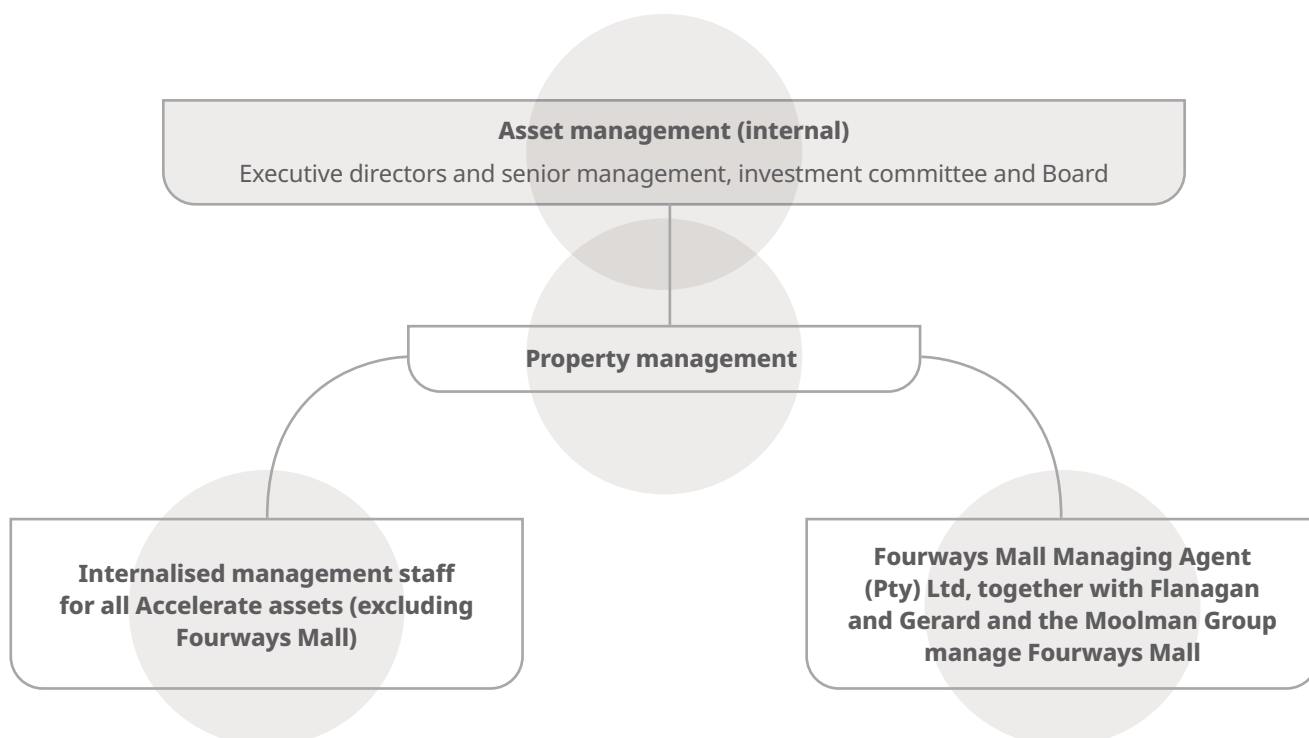


How we operate

Our Board is responsible for the overall direction, strategy and supervision of the company. Day-to-day management is delegated to executive directors who, together with specific senior management members, are responsible for the asset management function which in turn, directs our property management function.



OUR COMPANY OVERVIEW

Who we are *(cont.)***Our group structure****New management structure following conclusion of the related party settlement**



OUR COMPANY OVERVIEW

Why invest in Accelerate

What differentiates us

- Focused on property fundamentals.
- Nodal diversification.
- Investment in strategic economic hubs.
- Mutual value creation partner.
- Skilled property management team.
- Meeting the needs of the communities in which we operate.

Our strategy

Strengthening our financial position	Our strategy focuses on recycling our capital and strengthening our financial position to position ourselves for future growth.
Nodal strategy	Our nodal strategy enables us to mitigate market risks and capitalise on areas where we already have a strong presence. By focusing on key economic hubs, characterised by quality assets, reliable tenants and excellent transport access, we position ourselves to leverage our existing portfolio effectively. Our nodes are strategically located in high LSM areas, which offer further growth densification potential. We reinforce these nodes through strategic redevelopment spending and capital expenditure on existing properties. This proven approach enhances our ability to benefit from economies of scale and ensures resilience in our portfolio. Additionally, our nodal strategy allows us to optimise tenant mix and diversify offerings within these nodes. This flexibility enables us to identify the right space for every tenant, contributing to the overall success and adaptability of our portfolio.
Portfolio optimisation strategy	We prioritise portfolio optimisation by enhancing the quality of our portfolio through the disposal of non-core assets, reducing gearing and reinvesting in our core assets.
Shoppertainment strategy	Our shoppertainment strategy plays a crucial role in diversifying our retail properties and enhancing the overall retail experience for customers.

Review our strategy from page 60 to 67.

Our strategic direction

We are streamlining and consolidating our core portfolio with a strong focus on property fundamentals, until such time as macroeconomic conditions permit future growth, redevelopment and acquisition opportunities. This prudent approach provides a solid foundation for the long term.

Asset value: R8,7 billion (2023: R9,2 billion)	Our key properties
Our premium retail collection features the iconic Fourways Mall super-regional shopping centre. Our appointment of Flanagan and Gerard and the Moolman Group as the Asset and Property Manager, being independent retail experts with a proven track record, positions us strategically to concentrate on realising our vision for the completed development and improve the offering in Fourways Mall. In our A-grade office portfolio, we offer superior spaces in prime locations, implementing tailored upgrades and enhancements as needed. Currently, 63,0% of our tenants fall under the A-grade classification based on revenue, with the Top 10 properties accounting for 92,7% (FY2023: 88.9%). The remaining 7,3% (FY2023: 11.1%) constitutes the balance of our property portfolio.	• Fourways Mall • Cedar Square Shopping Centre • KPMG Crescent • Portside • Citibank • The Buzz Shopping Centre • BMW Fourways • Oceana House • Bosveld Bela-Bela • Thomas Patullo For more information on our top properties by value and by GLA (Gross Lettable Area) including our strategic focus areas, please refer to our portfolio from page 83.

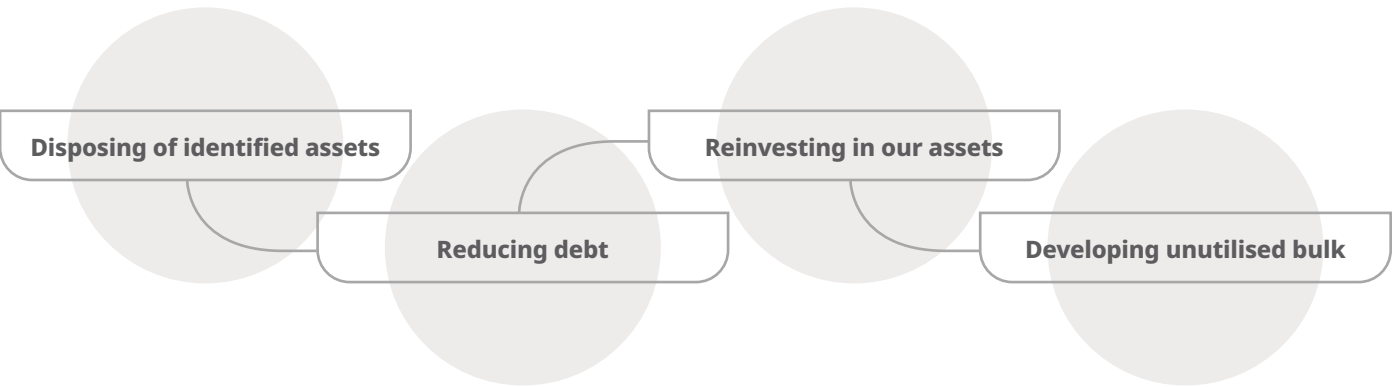
Resetting for the future

We prioritise portfolio optimisation by enhancing the quality of our portfolio through the disposal of certain assets, reducing gearing and reinvesting in our remaining assets. Through this approach, we are positioned to leverage future opportunities for developing surplus bulk and repurposing spaces in line with changing tenant needs and evolving trends.

OUR COMPANY OVERVIEW

Why invest in Accelerate *(cont.)*

Portfolio optimisation



Refocusing on our strengths

Investments in strategic economic hubs	Our properties are located in economically active areas across South Africa with reliable tenants and good transport access.
Mutual value creation partner and skilled property management teams.	Our dedicated management teams, with their collective experience in finance, property, retail and our operating environment, deliver mutual value for the company, our investors and our tenants.
Meeting the needs of communities in which we operate.	We strengthen the communities in which we operate through redevelopment spend and capital expenditure on existing properties, ensuring quality spaces for tenants, shoppers and visitors.







Business

Context

BUSINESS CONTEXT

Operating environment

Amid continuous socio-economic challenges, our focus has been on strengthening property fundamentals by streamlining the portfolio, fortifying financial foundations and optimising long-term income streams.

The year has been marked by significant geopolitical and economic headwinds. In South Africa, the macroeconomic environment presents a mix of positive and negative factors. There is rebounded economic activity but persistent challenges such as high inflation, consistently high interest rates, growing unemployment and political uncertainty. The ongoing energy crisis and logistical constraints continue to hinder economic activity, with the South African Reserve Bank projecting modest GDP growth of 1.2% for 2025.

High inflation, driven by fuel and food prices, poses further challenges for consumers. The South African property sector's performance, influenced by economic uncertainties, political tensions and various challenges, signals ongoing uncertainties with no immediate relief. Assessing the sector's overall performance requires considering persistent headwinds, including floods, the pandemic, riots, inflation, and high interest rates. Despite improved business confidence, the sector remains impacted by macroeconomic concerns. In response, landlords are implementing solar power and focusing on property fundamentals, aiming to enhance returns in the medium to long term. This environment necessitates rethinking how we allocate capital effectively while operating with higher costs and facing a very competitive rental market.





BUSINESS CONTEXT

Material matters and focus areas

We identify material matters that could potentially impact our ability to create value in the short, medium and long term. These matters inform and influence our risk and opportunity management.

Materiality determination process

To effectively fulfil our strategic objectives, we systematically evaluate our material matters stemming from both our external and internal operating risks and opportunities.

Our exco team, with the support of an independent reporting consultant, meticulously identified material matters, adhering to the principles of double materiality. This involved assessing the impact of these matters not only on our enterprise value (inward-focused financial materiality) but also on the broader economies, societies, communities, and the environment (outward-focused impact materiality).

Material matters

The uncertain macroeconomic, social, and political environment



The changing work environment



Business sustainability



Changing consumer preferences and the rise of new asset classes



Uncertain property market/ infrastructure fundamentals



ESG and climate change impact.

Impact

Increasing importance



Decreasing importance



No movement

Financial materiality Focused on enterprise value creation	Major			Business sustainability		The uncertain macroeconomic, social and political environment
	Significant		Changing consumer preferences and the rise of new asset classes		Uncertain property market/ infrastructure fundamentals	
	Substantial		The changing work environment			
	Moderate					
	Negligible					ESG and climate change impact
		Negligible	Moderate	Substantial	Significant	Major
Impact materiality Considering key stakeholder interests						



Fourways Mall

BUSINESS CONTEXT

Material matters and focus areas (cont.)**The uncertain macroeconomic, social, and political environment**

Y-O-Y change	▲ Increasing importance
Context	• Weak economic fundamentals dampen business and consumer confidence. • Global economic challenges. • External economic conditions influencing returns and property values. • Escalation in inflation and interest rates. • Dampened business and consumer confidence influenced by slow economic recovery and policy uncertainties. • Shifting consumer preferences and decreasing disposable income. • Sporadic political unrest and uncertainty. • Changes in the political landscape or government policies causing difficulties for Accelerate and tenants. • High unemployment rate. • Reduced confidence affecting affordability and living costs. • Challenges in meeting and maintaining infrastructural and energy demands.
Impact on Accelerate	• Challenged value creation potential due to the current asset mix. • Impact of the uncertain economic and political environment on value creation potential. • Adverse changes in the macroeconomic environment may limit Accelerate's asset valuation growth due to depressed income levels. • Changes in consumers' disposable income may impact trading densities. • Heightened cost of occupancy could decrease tenant demand for space. • Unsustainable municipal increases pose a threat to business sustainability.
Key focus areas	• Build resilience by responding effectively to tenant, employee and community needs. • Proactive and conservative treasury management to improve liquidity • Strengthening the balance sheet to lower LTV levels. • Continued disposal of non-core assets and reinvestment into our core portfolio. • Development of unutilised bulk. • Focus on property fundamentals across the business. • Heightened focus on income generation and portfolio diversification. • Maximise performance from the existing asset base.
Stakeholders with an interest in this matter	• Providers of financial capital. • Tenants. • Customers. • Industry bodies.
Time frames	Medium-term.
Capitals impacted	• Weak economic fundamentals dampen business and consumer confidence. • Global economic challenges. • External economic conditions influencing returns and property values. • Escalation in inflation and interest rates. • Dampened business and consumer confidence.



Business sustainability

Y-O-Y change	= No movement
Context	• The challenging operating environment. • Increased competition for quality tenants due to trading and economic pressures. • Increased scrutiny on economic, social and ethical governance factors, and the South African energy crisis. • Tenant operating sustainability and the ability to collect rentals due. • The highly competitive landscape continues to exert pressure on demand.
Key focus areas	• Execution of the restructure plan. • Disposal of identified assets thereby resetting the business for future growth. • Improving of liquidity through income generation and diversification, cost management and optimisation and reduction of interest margins. • Continued focus on property fundamentals. • Engage and collaborate proactively with tenants. • Explore opportunities to differentiate our existing offering, such as increasing our experiential offering. • Optimise tenant mix. • Focus on tenant retention strategy. • Adapt tenant mix to meet consumer demand. • Supplement with alternative energy sources. • The development of skills. • Ensuring responsible corporate citizenship. • Enhance our ESG strategy.
Stakeholders with an interest in this matter	• Providers of financial capital. • Tenants. • Our people. • Customers. • Communities. • Suppliers.
Time frames	Medium to Long term.
Capitals impacted	• Social and relationship capital. • Financial capital.

BUSINESS CONTEXT

Material matters and focus areas *(cont.)***Uncertain property market/infrastructure fundamentals**

Y-O-Y change	= No movement
Context	• Trading and economic pressure. • Increased competition for quality tenants. • Poor municipal service delivery. • Loadshedding impedes growth, increases the operating costs of property owners, and places pressure on tenant affordability. • Demand for new space is saturated.
Key focus areas	• Reducing vacancy levels and retaining high-quality tenants. • Optimising our tenant mix. • Proactive engagement and collaboration with tenants. • Managing variable costs and maintaining cost control. • Encouraging trading growth at our retail centres through repositioning our offerings.
Stakeholders with an interest in this matter	• Providers of financial capital. • Tenants. • Our people. • Customers. • Communities. • Suppliers.
Time frames	Medium to Long term.
Capitals impacted	• Social and relationship capital. • Financial capital.



The changing work environment

Y-O-Y change	== No movement
Context	• Hybrid office working and flexible working spaces. • Remote and onsite working arrangements. • Increased digital reliance.
Key focus areas	• Selling B- and C-grade office space. • Enhancing and refurbishing our A-grade office space. • Exploring partnerships for developing surplus bulk. • Exploring in-mall shared office space.
Stakeholders with an interest in this matter	• Our people. • Tenants. • Customers. • Suppliers and service providers.
Time frames	Long term term.
Capitals impacted	• Manufactured capital. • Social and relationship capital.

BUSINESS CONTEXT

Material matters and focus areas *(cont.)***Changing consumer preferences and the rise of new asset classes**

Y-O-Y change	▲ Increasing importance
Context	• Shifting consumer behavioural changes. • Enhanced technological innovation and rise of e-commerce. • Increased demand for self-storage. • Businesses downscaling their physical space requirements. • Consumers changing their lifestyle habits or emigrating. • Changing demand for physical shops due to increased online shopping and the trend for smaller format stores. • National strikes and social unrest pose a threat to the trading environment.
Key focus areas	• Enhance the overall tenant experience. • Focus on customer experience to attract shoppers. • Future proofing our malls and strengthening the relevance of Fourways Mall as a shopping destination of choice. • Improve the experiences of customers and tenants. • Increase shopper dwell time. • Promote adaptability in the business model. • Seeking to repurpose or redevelop space. • Understand and respond to changing consumer needs and habits.
Stakeholders with an interest in this matter	• Our people. • Tenants. • Customers. • Suppliers and service providers.
Time frames	Medium term.
Capitals impacted	• Manufactured capital. • Social and relationship capital.



ESG and climate change impact

Y-O-Y change	▲ Increasing importance
Context	- Increasing demand for transparent ESG information. - Increased climate related events and disasters due to climate change.
Impact on Accelerate	- Enhancing our understanding of ESG to support our sustainability journey as we aim to increase our positive impact. - Incorporate ESG factors into our decision making - Improving electricity and water consumption practices. - Decreasing our carbon footprint. - Reducing our waste footprint. - Managing both the direct and indirect impacts. - Focusing on our business activities that may impact the environment and society in which we operate.
Key focus areas	- Implementation of a strategy to guide our focus on ESG. - Enhancement of the green characteristics of our portfolio. - Improvement in our diversion from landfill rate. - Increased solar investment to immediately fulfil our ESG initiatives. - Pursuit of rainwater harvesting opportunities. - Reduction of our carbon footprint. - Targeting a 5% reduction in energy and water usage.
Stakeholders with an interest in this matter	- Providers of financial capital. - Our people. - Tenants. - Customers.
Time frames	Medium to Long term.
Capitals impacted	- Natural capital. - Social and relationship capital.





Leadership Review

LEADERSHIP REVIEW

Chairperson's review

Despite external and internal challenges faced by the property sector and Accelerate specifically, I am pleased to present this Integrated Report to shareholders. I remain confident that through the collective efforts of the Board, subcommittees and the Executive team, we have established a solid and resilient foundation for future growth, emphasising the importance of harnessing mutual capability to address challenges and harness opportunities.

Introduction

In this integrated annual report, we present the journey of Accelerate Property Fund Limited over the past twelve months.

Year in review

Two common themes for the financial year under review were change and consolidation, as Accelerate repositions itself for growth. During the year under review, the Board of Directors of Accelerate ("the Board") introduced far-reaching measures, the impact of which will only fully materialise over future reporting periods.

This year of significant change included the appointment of a new executive leadership team, with Messrs Abri Schneider and Dawid Wandrag taking the helm as joint CEOs from 1 April 2023. Following the retirement of Mr Dimitri Kyriakides as Chief Financial Officer, Mr Pieter Grobler acted as interim CFO until the appointment of Ms Marelise de Lange to the position from 1 August 2023.

In the spirit of continued auditor independence, the Group also rotated from Ernst & Young Incorporated to PricewaterhouseCoopers Incorporated as auditor from 1 September 2023.

In addition to these far-reaching management and oversight changes, Accelerate continued to roll out its capital recycling programme aimed at

improving its interest cover ratio ("ICR") and loan to value ("LTV") closer to the industry benchmarks. During the reporting year, Accelerate successfully disposed of assets for an aggregate amount of R563.0 million (net of commission) that were used to settle debt. These disposals were at or close to book value.

To further address balance sheet constraints, the Group successfully raised R200 million by way of a Rights Offer that concluded post year-end. The proceeds from the capital raise was applied to debt reduction.

Moreover, Accelerate bolstered its strategy to reposition its largest asset, Fourways Mall, in which it holds a 50% interest, with the appointment of Flanagan and Gerard and the Moolman Group as Asset and Property Manager for five years commencing January 2024.

Operating environment

The operating environment during the year under review remained challenging as political, economic, and financial developments on a global, continental, and domestic scale played an important role in how businesses had to adapt and function.

Global disruptions

The most significant political event impacting world economics were the Russia-Ukraine conflict that affected especially global commodity markets.

For South Africa, this conflict has placed the country in a difficult situation as Russia remains an important political ally. Yet at the same time, countries imposing sanctions on Russia are also impacting domestic sectors and business in South Africa. The second world event is the ongoing conflict in the Gaza Strip that has attracted a significant amount of international media and human rights attention.

Shift in international politics

The US elections will be very important in the coming financial year as they will significantly influence global policy. South Africa will no doubt be impacted by whatever political decisions are made, which will influence how businesses operate in one way or another.

Political shifts in Europe and the UK could also hold far-reaching trade implications for Africa. Recent elections in the European parliament produced an unexpected outcome with the centre-right seemingly gaining significant ground. How this will impact policy towards Africa and South Africa in particular remains unknown, but what is certain is that a major shift has occurred in Europe which warrants scrutiny, given the continent's strong trade links with SA.

Equally, as an important trading partner of South Africa, the political shift in UK politics to a centre/centre-left party must be watched closely.

Policy formation following shifts in African politics

Political developments in Africa that warrants scrutiny include developments in Francophone Africa where governments changed either by the ballot or by the gun, often driven by a groundswell of younger voters. These major winds of change in central and west Africa could impact how the rest of the world views the continent and on policy decisions.

LEADERSHIP REVIEW

Chairperson's review (cont.)**SA's Government of National Unity**

On the domestic front, the national election on 29 May 2024 was preceded by a significant speculation on the possible outcome and policy impact, that hampered any significant business decisions.

Although the Government of National Unity is still in its infancy, business remains cautiously optimistic. Although no significant changes in monetary and fiscal policy are expected, there is hope for renewed energy in infrastructure spend and governance. The new government appears to be driving renewable energy in a big way, which also calls into question Accelerate's agenda for renewable energy.

Growth forecasts and higher for longer interest rates

According to a July 2024 update by the International Monetary Fund ("IMF") (World Economic Outlook Update July 2024), global growth is projected to be in line with the April 2024 World Economic Outlook ("WEO") forecast, at 3.2 percent in 2024 and 3.3 percent in 2025.

According to the report, services inflation is holding up progress on disinflation, which is complicating monetary policy normalization. Upside risks to inflation have thus increased, raising the prospect of higher for even longer interest rates, in the context of escalating trade tensions and increased policy uncertainty.

The IMF believes that after four turbulent years, the outlook for sub-Saharan Africa is gradually improving. Growth will rise from 3.4 percent in 2023 to 3.7 percent in 2024, with nearly two-thirds of countries anticipating higher growth.

Data from the July 2024 World Economic Outlook Update puts South Africa's projected GDP for 2024 at 0.9 percent, up from 0.7% in 2023.

Domestic inflation expectations and interest rates

The South African Reserve Bank (SARB) has revised its projection for headline consumer price inflation this year to 4.9%, down from 5.1% in May, and expects it to temporarily dip below the 4.5% midpoint in the coming quarters, primarily due to fluctuations in fuel and food prices.

However, Governor Lesetja Kganyago noted that recent survey results indicate average inflation expectations of 5% for next year and 4.9% for the following year, which remains higher than SARB's target of 4.5% and above the bank's own inflation forecasts. This suggests continued challenges in meeting inflation objectives.

The year saw significant volatility in interest rates, impacting business strategies and growth. Political uncertainty further exacerbated these economic conditions.

Operating performance

Notwithstanding an operating environment characterised by higher operating costs and a very competitive rental market, the Group continued to deliver on its strategic objectives, including optimising its balance sheet through disposals. The executive leadership reports elaborate on this in more detail.

The continued support of our funders remains critical to achieving our strategic objectives and repositioning Accelerate for growth. I am therefore happy to report that our engagements with the banks and capital markets remain healthy but commercially driven.

Changes to the board

Post year-end, Mr Dawid Wandrag indicated his decision to retire as Joint Chief Executive Officer and director of Accelerate with effect from 31 August 2024 due to his impending emigration from South Africa. In addition, Mr Wandrag has served as a member of the company's investment committee since 1 May 2019, which he will also retire from with effect from 31 August 2024.

On behalf of the board, I would like to thank Mr Wandrag for his dedication, diligence and commitment during his tenure, and wish him well for the future.

Mr Abri Schneider, who has served as Joint Chief Executive Officer of Accelerate alongside Mr Wandrag since 1 April 2023, was appointed by the board on 24 July 2024 as the company's Chief Executive Officer with effect from 1 September 2024.

Sustainability

Despite the Group's focus on cost containment, it remains cognisant of the importance of investing in future talent and the communities it serves. To this extent, Accelerate continued to make a contribution to the workplace in line with the developmental needs of the country through bursaries. Several community drives in support of various charities were successfully held by various shopping centres within the portfolio. More details are available in the Social and Ethics Report.

Looking forward

As mentioned at the outset of my report, the 2024 financial year was one of consolidation, with the benefits of many of these initiatives expected to flow to the bottom line in future reporting periods. Accelerate's key focus areas for the 2025 financial year remain the ongoing disposals of non-core assets to further reduce debt, improve ICR and reduce LTV, as well as cost containment and revenue enhancement despite economic challenges and market volatility.

In addition, the Group will seek shareholders' approval to execute related party settlement agreements that will further simplify the balance sheet.

Appreciation

I would like to thank our shareholders, noteholders and financiers for their continued support of Accelerate, despite tough headwinds. Moreover, I wish to thank my fellow board members and the executive leadership team for their commitment to repositioning the Group for growth.



Mr TT Mboweni

Chairman of the Accelerate Board of Directors

31 July 2024

LEADERSHIP REVIEW

Joint CEOs' review

Our commitment to our people extends beyond conventional practices by placing great emphasis on attracting top talent, diversity, equity and inclusion, as well as prioritising human rights.

Introduction

As highlighted in the Chairman's report, this past financial year was one of consolidation, where we implemented a series of initiatives that will see Accelerate reduce the debt on its balance sheet to more sustainable levels.

The Group remains in the midst of a restructure, having disposed of some assets, including a reluctant sale of Eden Meander, to right-size its balance sheet. In addition, we successfully concluded a R200 million Rights Offer post year-end with capital raised going towards debt reduction.

We also laid the keystone that will further simplify the business as far as related party settlements are concerned, without any cash outflow from the Fund.

Most importantly, we took decisive action on the repositioning of Fourways Mall, the largest asset in our portfolio, with the appointment of Flanagan & Gerard and Moolman Group as the Asset and Property Managers of the mall in January this year. Since financial results present a retrospective view by nature, many of these initiatives will filter into the financial statements in future financial years.

Operating environment

The Chairman's overview unpacked the global and domestic macro-economic environment in detail. From an operational perspective, retailers remain under pressure, with especially some food anchors facing significant headwinds for a variety of reasons.

The slow-down in new store openings by most food anchors impacted on overall demand for space, as most retailers commit on the back of the security of a strong food anchor that will draw feet to a mall.

Accelerate currently has four Pick n Pay stores in its portfolio, with a combined GLA of 11,595m². All the stores are corporate stores.

Our exposure to the West Pack Lifestyle (Pty) Limited group, which is currently in business rescue, is limited to one store of approximately 1 500m² at Fourways Mall.

Notwithstanding the low economic growth impacting our tenants, we are pleased to have achieved an average collection rate of 99% across the portfolio.

Vacancies increased from 18.3% as at 31 March 2023 to 21.1% at financial year end. Disposals during the current year, reduced vacancies by 17.917m² but were not enough to offset the impact of lease terminations, resulting in an additional 1.082m² of vacancy. The weighted average rental across the portfolio decreased to R203.9/m² from R207.8/m² in the prior financial year due to reversions which were marginally offset by contractual escalations.

Operational performance

Rental income dropped by R27.6 million, from R674.1 million to R646.5 million, primarily due to a 17.3% decrease in retail rental. Property expenses decreased slightly by R1.9 million, from R335.8 million to R333.9 million, despite a 7.9% increase in utility costs. Other operating costs rose by 16.5%, mainly due to higher staff costs from severance packages and increased professional fees related to transactions and disposals.

Fair value adjustments for investment property decreased significantly from R809.2 million to R354.8 million, reflecting asset base stability. Derivative fair value adjustments were negative at R41.5 million, compared to a positive R64.6 million last year, due to higher interest rates.

Expected credit losses increased significantly due to bad debt write-offs and higher provisions, especially in Fourways Mall. Finance costs rose by 42.2%, driven by prior and current year interest accruals totalling R84.7 million, and a R71.1 million claim to a related party. The increase in interest rates was partially mitigated by the effective swap book.

During the year, debt was reduced by R202.0 million following the disposal of Ford Fourways and the Leaping Frog Shopping Centre.

Higher for longer interest rates and funder support

The current uncommon higher-for-longer interest rate environment, combined with low economic growth and ongoing restructuring within the Group, has led to unusually high funding margins and cost of debt. We anticipate a future period where the cost of capital will normalise.

Continuous engagement with the Group's funders has allowed us to improve the terms of our debt portfolio. Our main funders remain supportive of our strategy, and post the financial year-end, Rand Merchant Bank extended R1.1 billion of facilities to 31 March 2025, and Sanlam (Sanfin and SIM) extended R302.0 million to 30 August 2024. Additionally, RMB extended a further R230.0 million to 31 May 2025. We are continuously working on extending these facilities to achieve even longer expiry terms on the back of our capital recycling and repositioning of Fourways Mall initiatives.

LEADERSHIP REVIEW

Joint CEOs' review *(cont.)*

The increase in interest rates has significantly impacted the Group's weighted average cost of funding, rising from 10.45% as of 31 March 2023 to 11.48% as of 31 March 2024. Despite this, the Group's interest cover ratio (ICR) remained at 1.7 times, consistent with the prior year. The impact of increased finance costs was partially offset by proceeds from disposals and the positive effects of interest rate swaps.

Finance costs totalled R569.4 million for the year, compared to R400.4 million in the prior year. The SA REIT loan-to-value ratio (LTV) increased from 48.2% as of 31 March 2023 to 50.3% as of 31 March 2024, primarily due to a reduction in the fair value of the portfolio by R354.8 million. This ratio is expected to improve as the disposal program continues to progress. Over time funding costs will be more market-related for a company of our size.

The head lease and related party income on Fourways Mall expired in April 2024 and the Group expects a resultant impact on earnings and consequently the ICR in the short term.

Fourways Mall proposition

The repositioning of Fourways Mall is by no stretch of the imagination a quick fix. The mall is large, and the repositioning a costly exercise, requiring an initial R400 million (of which Accelerate will contribute R200 million) in capex to bring the mall up to standard.

To ensure the best chance of success, we engaged Flanagan & Gerard as well as Moolman Group as independent asset managers, bringing a wealth of knowledge and experience.

At the time of writing, several initiatives were underway to improve the ambiance and functionality of the mall, including signage and wayfinding, parking access, lighting, and waterproofing.

The investment case for Fourways Mall remains strong, with high LSM primary and secondary catchment areas. Leasing negotiations with numerous new tenants were at various levels of conclusion at the time of writing, with expectations of introducing several new offerings and brands to the mall before the Christmas trading period.

Sustainability

A substantial portion of the R400 million capex on Fourways Mall has been allocated to the implementation of a meaningful 6 MW rooftop solar solution. The objective is to reduce Accelerate's carbon footprint whilst minimising reliance on the grid. More importantly, however, this initiative will shield tenants from above-inflationary increases in electricity costs, making them more sustainable. A similar initiative is planned at Cedar Square.

Related party settlement

As mentioned earlier in this report, as of 1 April 2024, all related parties impacting the Group have been resolved, subject to shareholder and funder approval. In terms of the Settlement Agreement, there will be no cash outflow for Accelerate.

The main impact of the related party settlement is expected to impact the 2025 financial year numbers, but not in the 2026 financial year going forward.

Outlook

The year under review has been pivotal for Accelerate. An improvement in the local economy and lower interest rates will fast-track its turnaround.

Post the restructuring, our main priority will be to normalise the cost of funding to levels associated with a company of Accelerate's size. Our objective remains to unlock growth through focusing on asset management and re-investment into existing assets, as opposed to acquisitions.

Fourways Mall will remain pivotal in this regard, with potential to develop the remaining bulk into assets supportive of increasing footfall at the mall.

Conclusion and thanks

Notwithstanding the macro-economic and operational challenges, the executive management team remains committed to the Group's capital recycling programme as well as optimising all assets within the portfolio, especially the repositioning of Fourways Mall.

Mr Dawid Wandrag has indicated that he will be retiring as Joint CEO with effect from 31 August 2024 due to his imminent emigration. As joint CEO, I wish to thank Mr Wandrag on behalf of the executive team for his guidance and input during a transformative period in the Group's evolution.

We furthermore thank the board for their counsel and our funders and shareholders for their ongoing support. Lastly, we wish to acknowledge the efforts of all staff members who went the extra mile this past financial year.



Mr Abri Schneider

Joint Chief Executive Officer

31 July 2024



Mr Dawid Wandrag

Joint Chief Executive Officer

31 July 2024

LEADERSHIP REVIEW

CFO's review



Accelerate's prudent financial management, strict control over expenditures and strategic capital allocation ensure stability and position the Fund for future opportunities. The Group remains committed to its strategic objectives, focusing on optimising the balance sheet through disposals to reduce debt and SA REIT LTV.

Vacancies increased to

21,1%

from 18,3% in 2023

Group financial snapshot

	2024	2023	Year-on-year movement	% change year-on-year
Property information				
Number of properties	27	29	(2)	(6,9%)
Gross lettable area (GLA) m ²	361 364	380 363	(18 999)	(5,0%)
Vacancy % (excl. headlease)	21,1	18,3	2,8	15,2%
Investment property (R'000)	7 661 844	8 909 411	(1 247 567)	(14,0%)
Non-current assets held-for-sale (R'000)	993 533	292 400	701 133	239,8%
Total property portfolio (R'000)	8 655 377	9 201 811	(546 434)	(5,9%)
Rental income including recoveries (R'000)	873 615	880 426	(6 811)	(0,8%)
Net property income excl. straight-line (R'000)	539 699	544 578	(4 879)	(0,9%)
Market information				
Number of shares in issue ('000)	1 340 324	1 340 324	-	-
Treasury shares ('000)	44 456	44 456	-	-
Shares in issue net of treasury shares	1 295 868	1 295 868	-	-
Closing share price (cents)	48,0	95,0	(47,0)	(11,6%)
Financial information				
Rental income incl. recoveries (R'000)	873 615	880 426	(6 811)	(0,8%)
Net property income (excl. straight-line) (R'000)	539 699	544 578	(4 879)	(0,9%)
Loss after taxation (R'000)	(624 738)	(594 263)	(30 475)	5,1%
Fair value adjustment (R'000)	(396 338)	(744 584)	348 246	(46,8%)
SA REIT Funds from operations per share (cents)	(0,72)	10,72	(11,44)	(106,7%)
SA REIT Net Asset Value ("NAV") per share (R)	3,65	4,13	(0,5)	(11,6%)

The year in review

Despite this, the Group continues to focus on achieving its strategic objectives. Optimisation of our Balance Sheet through disposals is a key strategic focus to address the reduction of debt, the concomitant reduction of SA REIT LTV and the improvement of ICR.

Weighted average lease expiry

3,2 years

(2023: 3,3 years)

SA REIT Cost-to-income ratio:

47,3%

up from 45,9% in 2023

We successfully disposed of two assets with a combined GLA of 17 917m² for a cumulative amount of R202,0 million (net of selling costs). After the reporting date we have transferred Eden Meander, Brooklyn Place, 9 and 10 Charles Crescent with a combined GLA of 40,935m². The proceeds from the disposal of these assets of R563,0 million (net of commission) were used to settle debt. Sale agreements for a further 3 properties were concluded to the value of R176,0 million with a GLA of 44,153m² and a combined vacancy of 64,7%. We are pleased to have achieved an average collection rate of 99% in a tough economic environment for our tenants.

Financial results

Rental income decreased by R27,6 million from R674,1 million to R646,5 million, largely driven by a 17,3% average decrease in retail rental.

Property expenses decreased by R1,9 million from R335,8 million to R333,9 million. The main contributor to property operating expenses relates to utility costs (including rates and taxes), which increased by 7,9%. Other operating costs/administrative costs increased by 16,5%. This is largely due to the increased staff costs resulting from severance packages paid to exiting directors and increased professional fees to finalise the related party transaction, rights offer and disposal circulars.

Fair value adjustments relating to investment property reduced significantly from R809,2 million to R354,8 million due to the stability in the asset base whereas the derivative had a negative fair value adjustment of R41,5 million compared to the positive adjustment of R64,6 million in the prior year due to increased interest rates moving the swap curve.

LEADERSHIP REVIEW

CFO's review (cont.)

Expected credit losses increased significantly due to bad debt write-offs and increased provisions especially in Fourways Mall. Finance costs are 42,2% higher than in the prior financial year. The increase is due to a R37,5 million interest accrual that related to the prior year, a current year accrual of R47,2 million and R71,1 million as a result of the rebuilt claim to the related party. The impact of the increased interest rates is also felt however shielded by the effective swap book in place. During the year debt to the extent of R202,0 million was reduced following the disposal of Ford Fourways and the Leaping Frog Shopping Centre.

Focus on strengthening Accelerate's financial position

Accelerate strategically navigated the financial period with a multifaceted approach with the aim of achieving several key targets. These objectives included enhancing revenue streams from core assets, executing efficient disposal of identified buildings, managing and reducing finance costs, extending the tenor of debt, minimising administration costs and implementing effective cash flow management. By aligning these strategies, Accelerate demonstrated a comprehensive and proactive financial plan geared towards optimising performance and positioning the Fund for sustained success in the future.

Property portfolio

At year-end the portfolio consisted of 27 properties with a total value of R8,7 billion (Investment property including non-current assets held-for-sale) and a gross lettable area of 361,364m². The group embarked on a strategy to reduce debt which included the raising of R200,0 million capital through a fully underwritten rights offer combined with an increased number of assets moving to held-for-sale.

Sale of non-core assets to reduce debt and re-invest in our core portfolio

The following property disposals have been concluded by 31 March 2024:

Property	R'000
Ford Fourways	77 000
The Laeping Frog	125 000
Total	202 000

After year-end, the following properties were transferred

Property	Net proceeds – R'000	Date of transfer
9 Charles Crescent	12 000	3 May 2024
10 Charles Cresent	13 000	3 May 2024
Brooklyn Place	18 400	9 May 2024
Eden Meander Shopping Centre	520 000	18 June 2024
Total	563 400	

The following property negotiations are in process/concluded:

Property	Classification	Value (R'000)	Status
Pri-movie Park	Commercial	64 045	Sale agreement concluded
1 Charles Crescent	Commercial	50 615	Sale agreement concluded
610 Voortrekker Road	Commercial	1 000	Sale agreement concluded
Cherry Lane	Retail	60 000	Sale agreement concluded
Total		175 660	

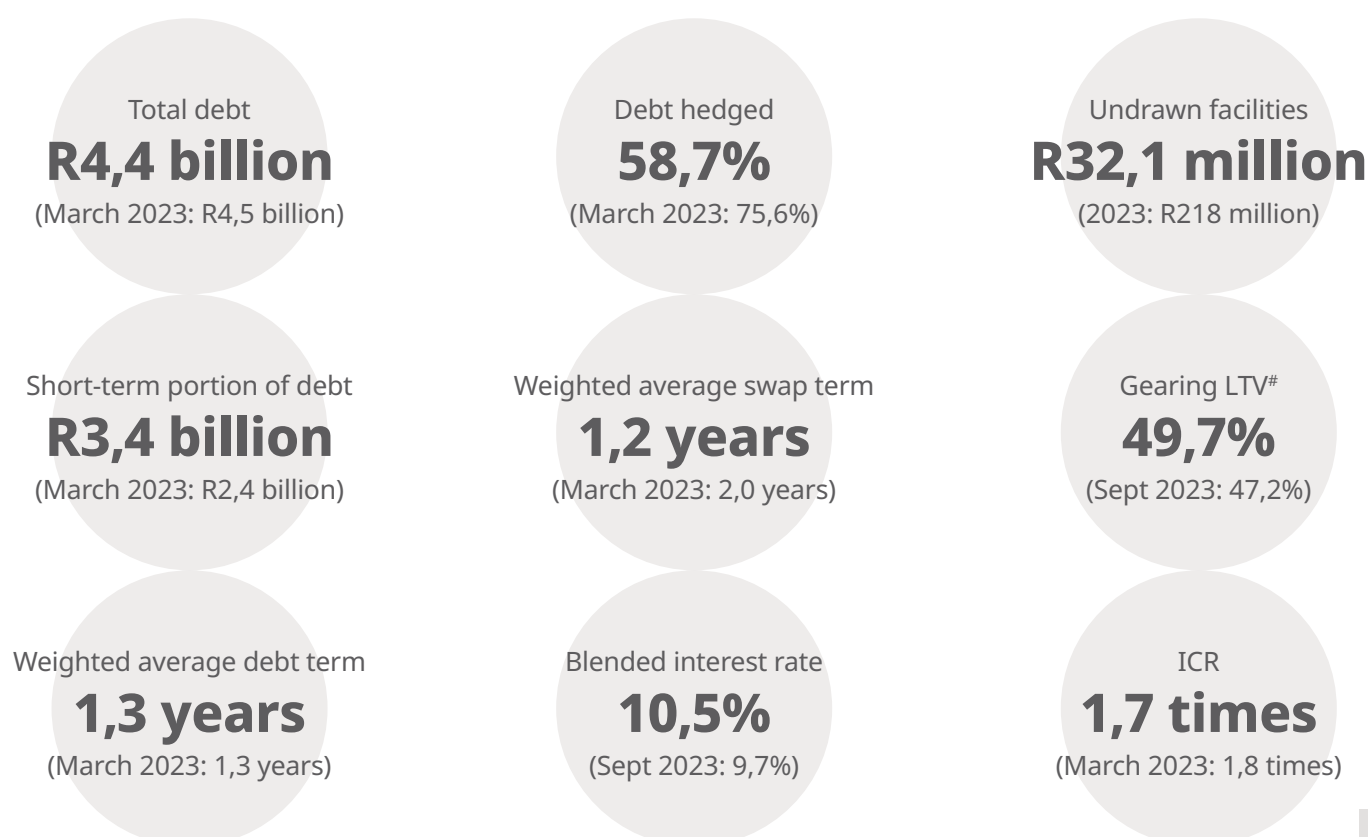
Capital projects

Capital expenditure continues to be a strategic objective of the Group. During the year, R38,2 million (31 March 2023: R47,0 million) was spent on properties which includes Investment properties and non-current assets held-for-sale. This was funded from available funds from our facilities.

Letting

Vacancies have increased during the year from 18,3% as at 31 March 2023 to 21,1% at year end. Disposals during the current year, reduced vacancies by 17,917m². There was however a negative result in overall vacancies due to lease terminations resulting in an additional 1,082m² of vacancy. The weighted average rental across the portfolio decreased to R203,9/m² from R207,8/m² in the prior financial year due to reversions which was marginally offset by contractual escalations.

Treasury snapshot



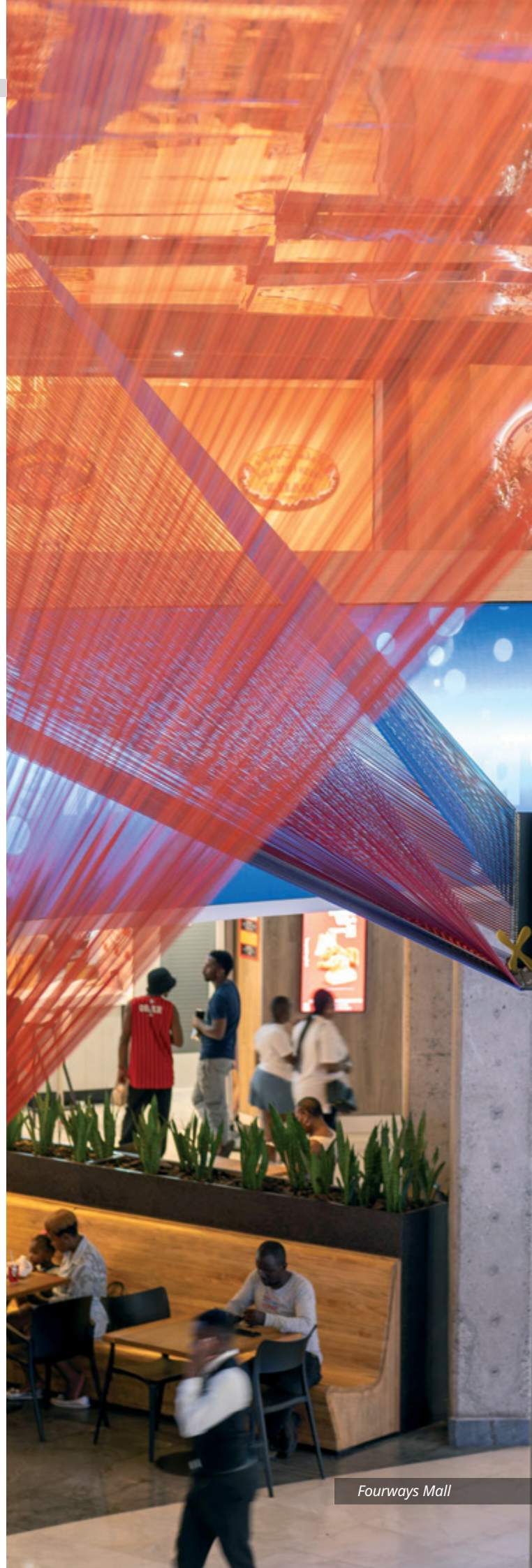
LEADERSHIP REVIEW

CFO's review *(cont.)*

As of the current reporting period, Accelerate demonstrates a sound financial position with total debt being at R4,4 billion, a decrease from R4,5 billion in March 2023. Debt hedged is 58,7%, indicating a stable risk management approach. At 31 March 2023 75,6% of debt was hedged. Undrawn facilities are at R32,1 million being a notable decrease from R218 million in 2023. The decrease is due to the facility being reduced and future equity proceeds being paid to Accelerate. The short-term portion of debt is R3,4 billion, reflecting an increase from R2,4 billion in March 2023. After year-end facilities with RMB was extended to 31 March 2025.

The weighted average swap term is 1,2 years, down from 2,0 years in March 2023 due to limited additional swaps taken. The covenant LTV ratio is 49,7%, showing a slight increase from 47,2% in September 2023. The weighted average debt term has remained at 1,3 years in line with 1,3 years in March 2023.

The blended interest rate is recorded at 10,5%, indicating an increase from 9,7% in September 2023. The ICR is at 1,7 times at 31 March 2024, compared to 1,8 times reported in March 2023 representing a slight decline. These financial metrics collectively demonstrate Accelerate's commitment to managing our debt profile, optimising interest rates and maintaining a robust financial position.



Sale of non-core assets to reduce debt and re-invest in our core portfolio

Diversification of funding	Improving credit metrics and rating	Restructuring debt
We aim to create a well-balanced pool of suitable funders to manage prudential exposure limits, promote competitive pricing, build robust liquidity buffers and enhance funding flexibility. In pursuit of this goal, our funding base has been broadened to encompass seven core funders. This expansion strengthens our financial foundation and positions us for greater adaptability and resilience in managing our funding requirements.	To enhance revenue, we are strategically disposing of identified assets and allocating the proceeds to reducing debt. This approach is part of our comprehensive strategy to manage costs while maintaining appropriate loan-to-value (LTV) and interest cover ratio (ICR) levels. In the current financial period, we successfully generated R202,0 million from the sale of assets (2023: R146 million), with an additional R563,4 million after year-end and another R175,7 million in the pipeline. To address the challenges posed by increased interest rates, the Fund obtained approval from its funders to temporarily reduce overall ICR covenant levels to 1,7 times until the reporting period ending on 31 March 2024. In ongoing negotiations with funders, we seek an extension of this covenant relief for a minimum of two additional periods. This request is driven by the progress achieved in reducing debt and improving revenue streams, which have been offset by a 425 basis-points increase in interest rates since February 2022. Despite these challenges, the Fund remains within the agreed LTV covenant levels, demonstrating prudent financial management and resilience.	We actively communicate with funders to address our cost of funding and debt expiry profile, aiming to extend maturities, reduce overall funding costs and mitigate concentration risks associated with debt expiry. 75,8% of the Fund's debt is set to expire by 31 March 2025. This concentration is a result of shorter-term refinancing. Our ongoing engagement with funders is geared towards strategically managing this concentration risk and optimising our debt portfolio for long-term sustainability.

LEADERSHIP REVIEW

CFO's review (cont.)**Funding**

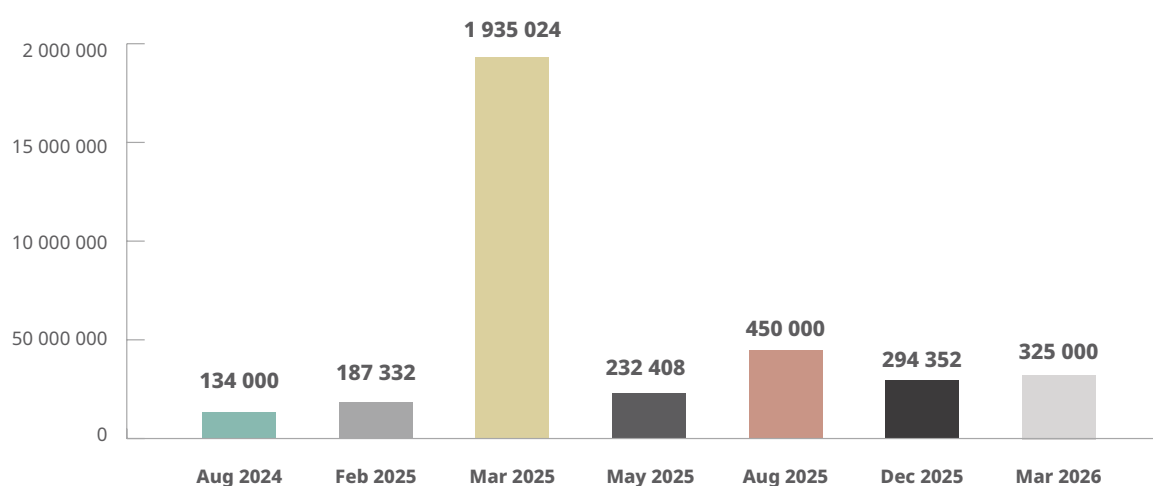
The extension of the Group's debt facilities continues to be top of mind and a priority. Continuous engagement with the Group's funders allows us improvement in the term of the debt portfolio. After year-end Rand Merchant Bank with an exposure of R1,1 billion and Sanlam (Sanfin and SIM) with an exposure of R302,0 million agreed to extend their various facilities/debt notes to 31 March 2025 and 30 August 2024 respectively. A further R230,0 million was extended by RMB to 31 May 2025. We are continuously working on moving the term of the facilities to an even longer expiry term.

The increase in interest rates has significantly impacted the Group's weighted average cost of funding which increased from 10,45% as at 31 March 2023 to 11,48% as at 31 March 2024. The Group's interest cover ratio ("ICR") decreased slightly to 1,7 times from 1,8 time at 31 March 2023. The impact of the increased finance costs was partially offset by the proceeds from disposals and a positive impact from the interest rate swaps.

Finance costs were R569,4 million for the year compared to R400,4 million in the prior year. The covenant has increased from 47,2% as at 31 March 2023 to 49,7% as at 31 March 2024. This is mainly a function fair value adjustment leading to a reduction in the value of the portfolio by R354,8 million. This is expected to improve as the disposal programme continues to progress.

Debt expiry profile

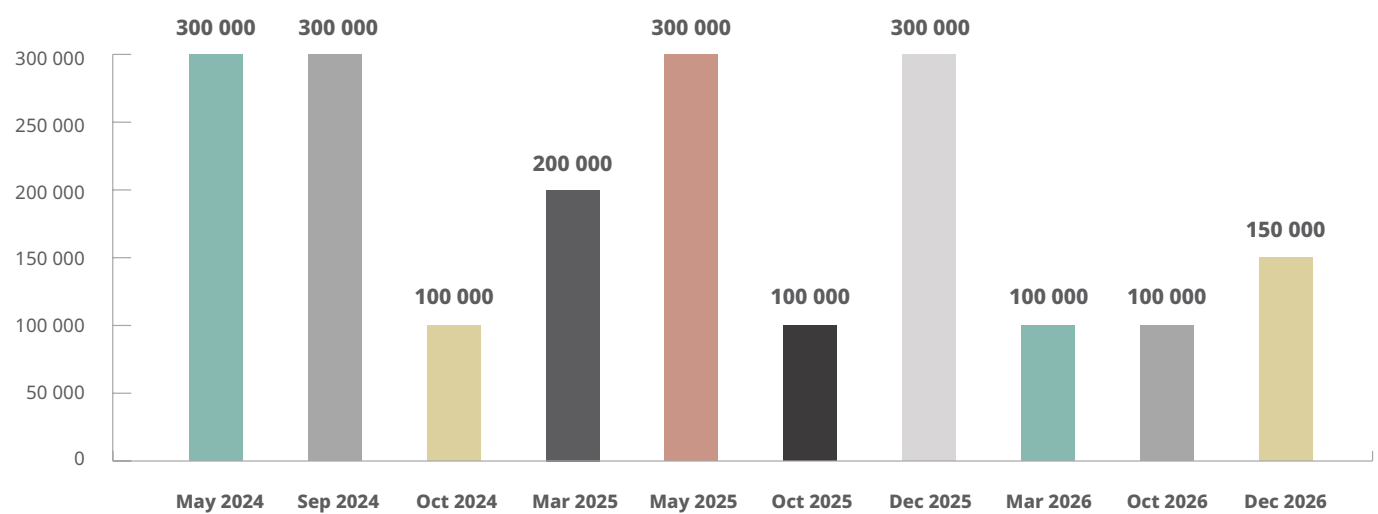
A significant portion, 75,8%, of Accelerate's total debt is set to expire by 31 March 2025. This concentration is a result of joint refinancing arrangements made between Accelerate and the main funders. Notably, the remaining balance of expiring debt is primarily held by key relationship funders, and active efforts are underway to term out this debt, showcasing Accelerate's strategic approach to managing its debt profile and maintaining strong relationships with key funders.

Debt expiry profile (R'000)

Swap expiry profile

The Fund prudently manages its swap expiry profile, ensuring a well-spread distribution. In light of the prevailing outlook on interest rates, Accelerate has the intention to maintain its existing hedging levels in line with its debt reduction strategy. The strategy involves systematically replacing swaps as they reach their expiration, reflecting a proactive approach to risk management and aligning with the Fund's financial goals in the current market conditions. After year-end the swap book was terminated and replaced with a cap of R1,5 billion for 1 year. Further swaps are assessed for future risk management.

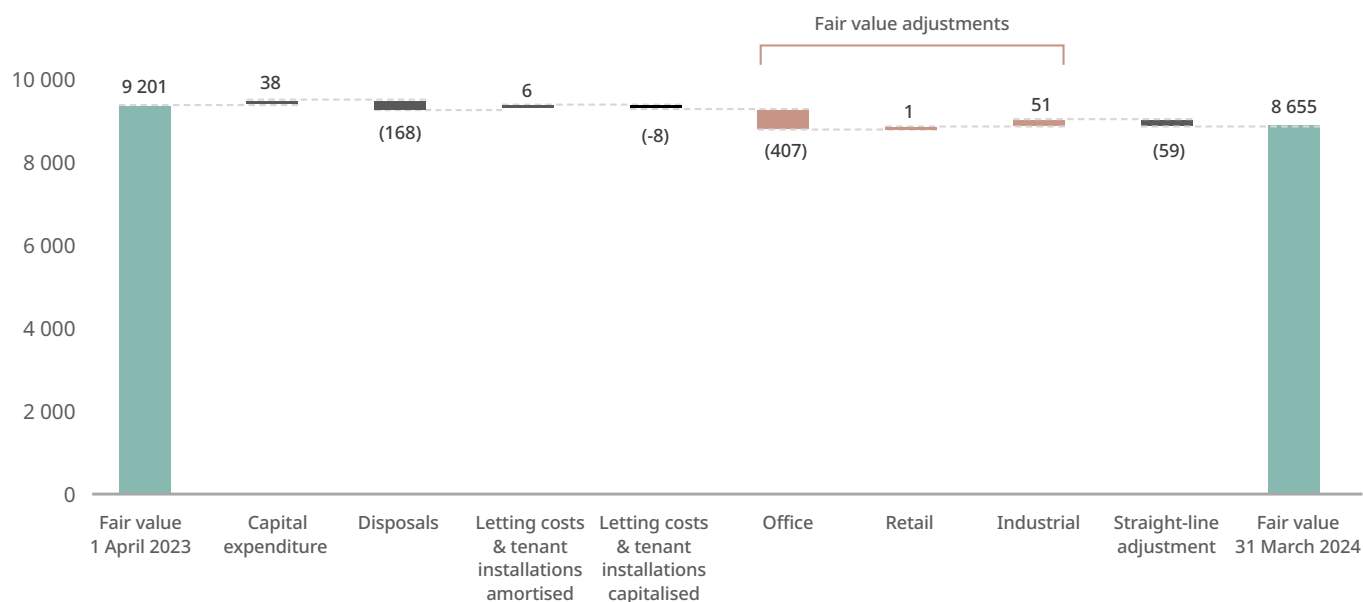
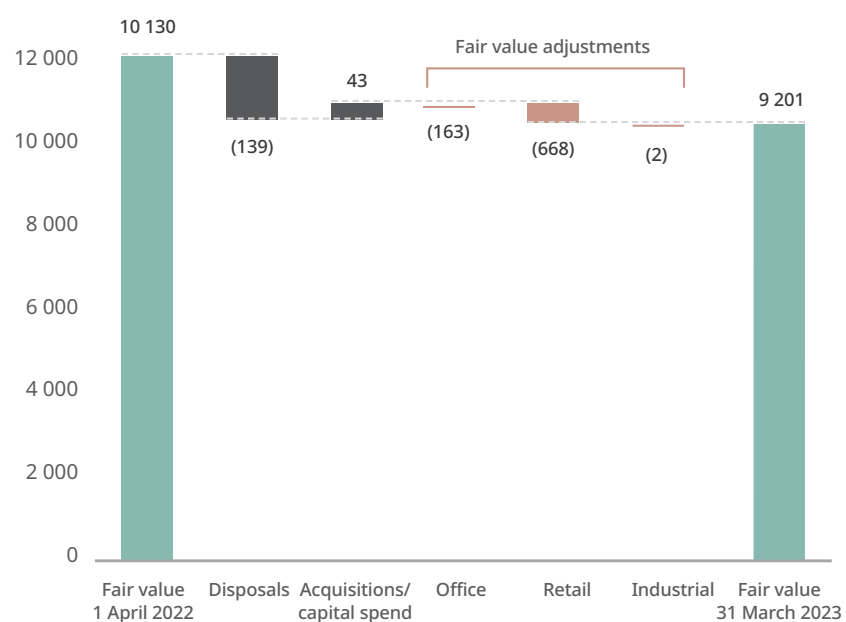
Swap expiry profile (R'000)



LEADERSHIP REVIEW

CFO's review (cont.)**Property valuations bridge (including held-for-sale) 2024 (R'm)**

Please see tables below for the breakdown of movement in property values.

**Property valuation bridge 2023 (R'm)**

Dividend

Accelerate's SA REIT Funds from Operations ("SA REIT FFO") per share amount to a loss of 0,72 cents for the year ended 31 March 2024. The SA REIT FFO was not calculated in the prior year. A recalculated SA REIT FFO for 2023 amounted to 10,72 cents per share. The reduction is mainly attributable to increased operating expense and significantly higher 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 2024 (31 March 2023: Nil).

Going concern

The Board has carried out a thorough review of the going concern assessment of the Group and Company, as disclosed in the going concern note in the financial statements. Having considered the solvency and liquidity, scenario analysis, the business plans and the key assumptions utilised, the Board concluded that the Group is in a sound financial position to meet its foreseeable cash requirements and accordingly is able to continue trading as a going concern (refer note 36 of the consolidated and separate financial statements).

Events after the reporting period

The Group's funders continue to support the fund with its strategy to improve the Balance Sheet and in particular Fourways Mall to achieve its full potential. After the reporting date, Accelerate extended R1,1 billion of its facilities with RMB to 31 March 2025 with a further R230,0 million extended to 31 May 2025. Sanlam (SanFin and SIM) extended R302,0 million to 30 August 2024. Management is continuously working on improving the terms of our debt to extend for even longer periods.

The Fund appointed Flanagan and Gerard together with the Moolman Group as the Asset and Property Manager of the Mall with effect from 1 February 2024. The impact of this positive change is already visible. Investec and RMB committed to provide Accelerate's portion of R200,0 million of a total R400,0 million of capex that will be spent on the mall.

As part of the Group's disposal strategy, Eden Meander Shopping Centre transferred on 18 June 2024 following a successful Competition Commission and shareholder approval. More assets have been identified as held for sale with significant progress being made on the assets earmarked for disposal.

On 15 August 2023, the Board approved a R300,0 million rights offer to raise funds to reduce debt in the 2024/2025 financial year. A R200,0 million, fully underwritten, rights offer was undertaken and opened on 27 May 2024. The proceeds of the rights offer were used to reduce debt.

LEADERSHIP REVIEW

CFO's review *(cont.)***Key focus areas for FY2025**

- Reduce debt from the proceeds of the planned R300,0 million rights offer.
- Disposing of identified assets to further reduce debt, improve ICR and reduce LTV.
- Executing related party settlement agreements.
- Ensuring the Group's ongoing financial soundness and sustainability through cost containment and revenue enhancement amid economic challenges and market volatility.
- Managing liquidity and improving LTV and ICR levels, with a strong emphasis on Interest Cover Ratios due to rising interest rates and associated risks.
- Ensuring realistic and cautious property valuations in an oversupplied real estate market.
- Continuously monitoring the Group's compliance with REIT requirements as per JSE Listings Requirements


Marelise de Lange*Chief Financial Officer*

31 July 2024









Business Drivers

BUSINESS DRIVERS

Our strategy

In navigating our transitional phase, Accelerate recognised the critical importance of a comprehensive evaluation of our strategic direction to pave the way for future growth.

Our short-term strategy is dedicated to fortifying our property fundamentals and laying the groundwork for enduring sustainability. This strategic focus encompasses key objectives, including a meticulous assessment of our property portfolio, prioritising asset quality enhancement through renovations and tenant-centric improvements, operational efficiency optimisation through streamlined processes and proactive risk mitigation and compliance measures. Additionally, we remain committed to investing in sustainable initiatives, fostering stakeholder engagement and communication, and forging long-term strategic partnerships. By concentrating on these initiatives, we are poised to establish a robust foundation, ensuring sustained growth and resilience in the dynamic real estate market, reflecting our dedication to long-term success and value creation.



Fourways Mall

Resetting our business for future growth

We employed a thorough three-step methodology to establish our strategic short-term direction.

Guiding principles

The guiding principles for decision-making in the Fund revolve around the following key principles:

Emphasise property fundamentals	We base decisions on a thorough understanding of property fundamentals, considering factors such as location, demand and market trends.
Enhance cash flow	We prioritise decisions that positively impact cash flow, implementing strategic measures to ensure financial stability and growth.
Concentrate on operational efficiencies	We make decisions that focus on operational efficiencies and effective execution, streamlining processes for optimal performance.
Ensure independence as a commercial entity	Base decisions on the principle of ensuring that the Fund operates as an independent commercial entity, corporatising all aspects of the company for efficiency and autonomy.
Prioritise sale of non-core properties	The sale of non-core properties enables us to align the portfolio with our strategic objectives to maximise returns.
Establish and maintain supplier credibility	The goal is to make decisions that strengthen relationships with suppliers, emphasising reliability, trust and credibility in all transactions.
Prioritise people and positive culture	Make decisions that prioritise the wellbeing and growth of employees with the expectation that a positive organisational culture will naturally follow.
Foster transparency and communication	We strive for transparency in all dealings and enhance communication with stakeholders, ensuring clear and open lines of dialogue.
Safeguard independence of Fourways Mall management	Take measures to preserve the independence of the management function, ensuring its autonomy for effective management.

These principles collectively provide a comprehensive framework for decision-making that is grounded in sound property management practices, financial prudence, stakeholder engagement, operational excellence and a commitment to employee wellbeing and corporate independence. Regular adherence to these principles will contribute to the long-term success and sustainability of the Fund.

BUSINESS DRIVERS

Our strategy *(cont.)****Analysis of the Fund's performance***

A thorough evaluation of our business performance since 2020 provides valuable insights, revealing both areas of concern and noteworthy accomplishments. This comprehensive analysis enables us to identify key areas requiring attention while acknowledging and leveraging successful endeavours. By understanding the nuanced dynamics of our performance, we are better equipped to strategise for the future, ensuring a proactive and informed approach to sustained success.

Analysis	Description	Strategic actions taken/lessons learnt in 2023
Debt covenant challenges	Accelerate faced challenges related to debt covenants which required strategic measures.	The Fund implemented strategic measures to secure debt relief and maintain financial stability.
Financial pressure and refinancing complexity	Navigating the pressures from funders and the complexities related to debt refinancing.	These pressures highlighted the need for a resilient financial strategy for the Fund to navigate these challenges.
Related-party transaction delays	The Fund observed delays in settling transactions with related parties.	As a result, the Fund initiated a thorough review of all transactional processes and timelines to address and rectify delays.
Conflict of interest management	Accelerate has actively addressed the complexities of managing conflicts of interest, emphasising the importance of maintaining ethical standards and clear governance protocols.	The Board emphasises the importance of maintaining ethical standards and maintaining clear governance protocols.
Historical delays in project execution	Experienced historical delays in project delivery and execution.	Prompted a re-evaluation of project management processes and timelines to enhance efficiency.
Dormant bulk utilisation	Presence of dormant bulk poses a potential opportunity for the Fund to leverage.	This highlights the need for strategic bulk redevelopment or sale for optimal resource utilisation.
Non-core asset performance	Non-core assets with low-income yields have been identified for sale. Our goal is to strengthen our balance sheet and enhance the overall portfolio performance.	Strategic divestment strategy implemented.
Alignment of goals and executive remuneration	The misalignment between Fund goals and executive remuneration has been identified, signalling the importance of aligning incentives with overall KPIs to ensure sustained success.	Signalled the importance of aligning incentives with overall corporate objectives for sustained success.

Analysis	Description	Strategic actions taken/lessons learnt in 2023
Fourways Mall post-pandemic performance	The performance of Fourways Mall showed improvement, reflecting resilience and adaptability in response to changing market conditions.	Appointment of Flanagan and Gerard and the Moolman group, independent retail experts, to Asset and Property management the mall.
Appointment of new CFO	Accelerate appointed a new CFO. Marelise de Lange is an experienced professional with extensive finance, leadership and property skills. This is seen as a positive development for the Fund, given the critical role a CFO plays in managing finances, investment strategies and risk management.	Our new CFO's transition has been facilitated through an onboarding process, ensuring an effective integration into our Fund. The CFO, is working to align financial strategies with our broader business objectives, aiming to maximise synergy between financial management and company goals. Measurable performance goals have been set for the CFO and regular reviews will be conducted to assess progress and maintain alignment with our strategic direction.

Addressing these aspects is crucial for navigating current operating challenges, optimising opportunities and ensuring sustained growth and stability.

BUSINESS DRIVERS

Our strategy *(cont.)****Our action plan for medium- to long-term success***

To address identified operational challenges and leverage opportunities, we present a set of clear and measurable actions:

Link executive performance to approved KPIs	• Develop and communicate clear KPIs aligned with company goals. • Establish a performance evaluation system linking executive remuneration to the achievement of approved KPIs. • Regularly review and adjust KPIs to ensure relevance and alignment with business objectives.
Refresh strategic view across portfolio	• Conduct a comprehensive portfolio analysis to identify underperforming assets and areas for improvement. • Engage key stakeholders in a strategic planning session to refresh and align the Fund's vision. • Implement adjustments to the portfolio based on the revised strategic outlook.
Roll out solar solutions across retail properties	• Conduct a feasibility study to assess the viability and benefits of solar solutions. • Develop and execute a phased plan for the implementation of solar solutions across retail properties. • Monitor and measure energy cost savings and environmental impact post-implementation.
Implement company-wide human resources (HR) project and employee communication plan	• Launch a company-wide HR project focusing on employee engagement, talent development and retention. • Develop and implement a robust employee communication plan to enhance transparency and foster a positive workplace culture. • Establish metrics to measure improvements in employee satisfaction and communication effectiveness.
Stringent working capital and expense management	• Conduct a detailed review of working capital and expenses to identify cost-saving opportunities. • Implement cost control measures and monitor adherence to budgets. • Establish a regular reporting mechanism to track working capital and expense performance.
Detailed, yield-driven capital expenditure rollout plan	• Evaluate capital expenditure opportunities based on potential yield and strategic importance. • Develop a detailed capital expenditure rollout plan, prioritising projects with the highest potential returns. • Regularly assess and adjust the plan based on performance metrics and market conditions.
Proactive treasury management	• Implement proactive treasury management practices to optimise cash flow and liquidity. • Monitor and manage interest rate risks and currency exposures. • Establish a contingency plan to mitigate potential financial risks.

Strategic pillars

The execution of our strategy is driven by our strategic pillars, which are the critical levers that affect our ability to create value in the short, medium and long-term.



For more information on the positioning of our properties and strategy per sector, please see our portfolio and sector review from page 83.



Enhancing returns on our assets

Our objectives

- Extract maximum value from our existing bulk by redeveloping and upgrading properties to enhance their value.
- Maximise return on assets by optimising rental returns, rebalancing tenant mix, managing costs and diversifying our offering.

Our priorities

- Disposing of non-core assets.
- Reinvesting in core assets.
- Solar power investment and initiatives.
- Redeveloping existing bulk.
- Diversifying and maximising revenue streams.



Growing the quality of our core portfolio

Our objectives

- Invest in quality property assets.
- Improve the quality of our existing core asset base.
- Concentrate on existing strategic economic hubs and sound property fundamentals.
- Leverage our core portfolio and unutilised bulk to expand our offering.

Our priorities

- 63,9% of tenants qualified as A-grade by revenue (listed or large national tenants).
- Unlocking further potential from Fourways Mall by repositioning our offering.
- A focused income-driven capital rollout plan.
- Increasing available capital reserves through non-core property sales.

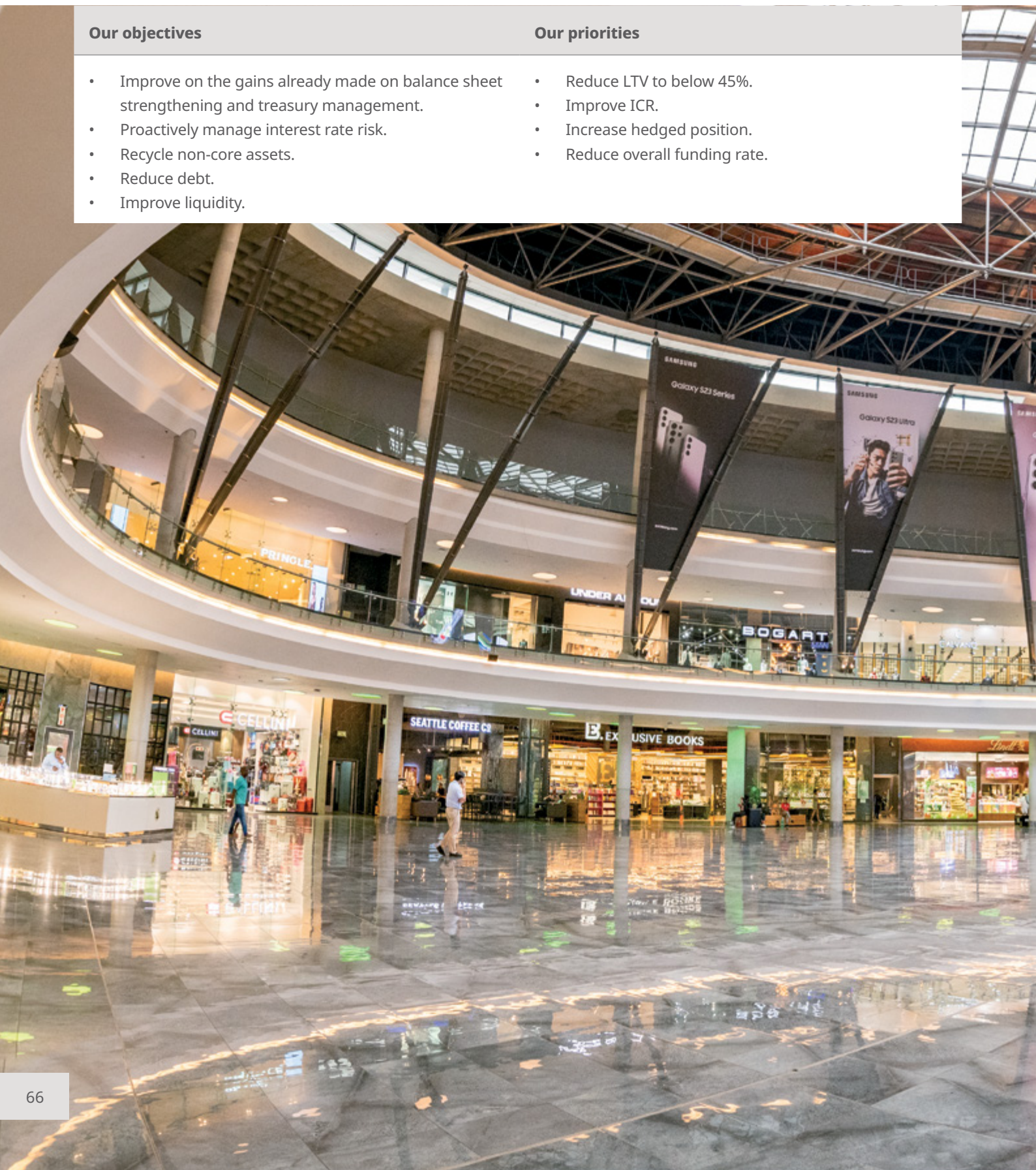
BUSINESS DRIVERS

Our strategy *(cont.)***Optimising our balance sheet****Our objectives**

- Improve on the gains already made on balance sheet strengthening and treasury management.
- Proactively manage interest rate risk.
- Recycle non-core assets.
- Reduce debt.
- Improve liquidity.

Our priorities

- Reduce LTV to below 45%.
- Improve ICR.
- Increase hedged position.
- Reduce overall funding rate.





Delivering value to stakeholders

Our objectives

- Invest in long-term quality and sustainability.
- Maintain tight control of property expenses and cost of occupancy.
- Understand our tenants' expectations and support them during difficult economic times.
- Innovation and execution.
- Explore partnerships for growth.

Our priorities

- Unlocking the value of the completed Fourways Mall development.
- Maximising yield on core properties.
- Extracting maximum value from unutilised bulk.
- Effectively managing costs.
- Recommencing the consistent payment of distributions.



Fourways Mall

BUSINESS DRIVERS

Our business model

Inputs

**Financial capital**

Our funds are derived from rental income, equity and debt funding and proceeds from property disposals.

- R4,4 billion debt funding
- R202,0 million raised through property disposals

Challenges in raising financial capital include economic pressure, poor returns on investments and subdued growth prospects in the country.

**Manufactured capital**

Our property portfolio makes up the manufactured capital that enables us to generate revenue by renting space in our properties.

- Properties (including held-for-sale) valued at R 8,7 billion (FY2023: R9,2 billion)
- Total GLA 361 364 m² (FY2022: 380 363 m²).

Challenges include tenant retention under adverse economic conditions with increasing property costs.

**Intellectual capital**

Our intangible assets include the balanced and diverse experience of our management team, skilled Board and governance structures, our strategy and tenant management processes, and our brand and marketing efforts.

- New 12-month strategic focus on property fundamentals and execution
- Appointment of an independent retail expert to manage Fourways mall.

Challenges include scarcity of skills in the property sector, changing consumer behaviours, evolving workplace environments and rapidly evolving technology.

**Human capital**

We depend on our employees and property management companies for their competency, capability, experience and motivation.

- Developed 61 employees (including external property management staff)
- Ethical culture and values

Challenges include developing and retaining skilled employees and providing adequate incentives and rewards that align with the interests of employees and the company during times of transition.

**Social and relationship capital**

We uphold our social licence to operate by maintaining relationships with local communities, suppliers, tenants, shoppers and government.

Challenges include the increasing needs of communities affected by global and national socio-economic difficulties.

**Natural capital**

Our business relies on adequate supplies of natural resources such as water, electricity and land.

Challenges include the global impacts of climate change, scarcity of natural resources and constraints in delivery by service providers.

To deliver quality properties

We create positive socio-economic value through sound property fundamentals and aim to build a solid foundation for sustainable growth.

Recycle capital

Acquiring high-quality properties with long-term leases and strong tenants, disposing of non-core assets and re-investing capital in our core portfolio.



Growing the quality of our core portfolio

Develop

Redeveloping existing properties to enhance their value.

Lease and manage

Actively managing our portfolio to deliver on tenants' expectations, enhance efficiency and maximise returns.

Sell

Disposing of identified properties to enhance the value of our portfolio.

We sell assets that have reached the end of their investment cycle and recycle the capital into opportunities that have better long-term capital growth prospects once all other alternative uses for the property have been exhausted.

Outputs

We deliver 27 quality properties for our tenants, shoppers and visitors in the communities in which we operate.

Outcomes



Financial capital

Generated revenue of R 819,5 million (FY2023: R 856,5 million)

- LTV 49,7%
- ICR 1,7 times
- R32,1 million of undrawn debt.

We continue to focus on rebalancing our portfolio. This helps us maintain stability in the short to medium term to ensure sustainable returns in the future. We ensure continued access to financial capital by prudently managing our financial fundamentals and delivering on our strategy.



Manufactured capital

- Retained 86% tenants
- Vacancies increased from 18,3% to 21,1% mainly in Fourways Mall

Our leading property professionals ensure our buildings are maintained and managed to the highest standards. We continuously seek to optimise our portfolio through active asset management, including delivering on developments and refurbishments.



Intellectual capital

- Diagnosis of the Fund and resetting for the future strategy
- Corporatising all aspects of our business
- Management, tenant and leasing focus on Fourways Mall



Human capital

- Two appointments and one resignation
- Focus on formalising our HR strategy and policies.

Our investment in developing future skills and mentorship of future leaders ensures resilience as we evolve our culture.



Social and relationship capital

We are committed to creating and maintaining inclusive and mutually beneficial relationships with all stakeholders.

Our investment in education increases employment opportunities for young people and we build sustainable relationships with local institutions to improve facilities and social welfare.



Natural capital

- Renewable energy: solar implementation and rollout underway.

The scarcity of water and electricity continues to enhance the business case for resource-efficient buildings and an investment in solar energy.

BUSINESS DRIVERS

Stakeholder engagement

We remain committed to understanding our stakeholders and creating lasting value for them. Our goal is to address real concerns and improve our stakeholder engagement practices whenever opportunities arise for enhancements.

Fostering meaningful stakeholder connections is considered crucial for Accelerate’s commitment to sustainability and value creation. We prioritise transparent, consistent and timely communication, valuing insights from our diverse stakeholders to shape our strategic direction, prioritise concerns and make informed decisions on resource allocation.

The responsibility for identifying key stakeholders and developing a comprehensive engagement strategy rests with our Exco and Board. This approach ensures that our engagement efforts align strategically with stakeholder values and expectations.

	Low	Medium	High
Accelerate’s impact on stakeholders	Regulatory and industry authorities	Investors and providers of financial capital Community	Employees Tenants Suppliers
Stakeholders’ influence on Accelerate		Community Regulatory and industry authorities	Tenants Investors and providers of financial capital Suppliers Employees

Quality of stakeholder relationships



Positive



Challenging



Stable

 Tenants	Our focus is on providing high-quality spaces that meet the business requirements of our tenants, all while maintaining market-related rental rates. As an ethical business partner, we actively support our tenants in their endeavours by offering well-managed, secure and modern commercial spaces that are appealing to shoppers and visitors.
Quality of relationship	
Methods of engagement	To foster enduring relationships, we engage with our tenants through in-person interactions and online communication, aiming to strengthen our connections and better cater to their needs.
Key topics in 2024	We extended further assistance to our tenants in light of the challenging economic conditions, aiming to safeguard their long-term viability as tenants.

 Investors and providers of financial capital	We prioritise transparent communication and responsible capital management for our investors and funding partners. Regular engagement with investors helps build trust and garner support while establishing relationships with new funding partners diversifies our funding sources.
Quality of relationship	
Methods of engagement	Proactively communicating our intentions, we conduct one-on-one meetings with executive management and utilise various channels such as SENS announcements, webcasts and presentations. Additionally, our annual AGM, pre-close statements, and Integrated Reports offer comprehensive information for an accurate assessment of our performance and prospects.
Key topics in 2024	Reduction of debt and continued extension of facilities with improvement of metrics such as LTV and ICR.

BUSINESS DRIVERS

Stakeholder engagement *(cont.)*

 Employees	We prioritise the wellbeing and professional growth of our employees, emphasising job security, fair remuneration and career development opportunities. Motivating our employees is a priority and is achieved through effective internal communications and a proactive approach to addressing their concerns. By actively listening to our workforce, we ensure job satisfaction and create a positive work environment conducive to their success and fulfilment.
Quality of relationship	
Methods of engagement	Our commitment to transparent communication persisted through regular announcements and updates, ensuring that everyone remained well-informed. Our management teams continued to stress their approachability, actively promoting open communication to address any concerns within Accelerate. This dedication to transparency and accessibility reflects our ongoing efforts to nurture a supportive and collaborative work culture during this period of change. Additionally, to promote continuous improvement, we have established open channels of communication, including regular one-on-one interactions between employees and line managers. Comprehensive performance reviews are conducted to provide constructive feedback and identify training opportunities, further enhancing skills development for our workforce. This commitment underscores our focus on employee growth and organisational excellence.
Key topics in 2024	Amid our management team transition, we prioritise a people-first approach, aspiring to cultivate a culture of mutual support in the pursuit of excellence.

 Suppliers	Our suppliers require efficient contract management, timeous payment terms and opportunities for business growth. We form mutually beneficial relationships with our suppliers by ensuring quality service delivery through service-level agreements and tenant feedback.
Quality of relationship	
Methods of engagement	We maintain transparency in our tender and procurement processes, creating opportunities for small enterprises that contribute to the local economy.
Key topics in 2024	Streamlining of supplier database.

 Community	The communities within our operational scope demand safe and appealing properties that contribute to the upliftment of the area. Additionally, there is a need for business opportunities for small enterprises and support for vulnerable members, such as unemployed youth, and educational initiatives. Our efforts include creating bursary opportunities and supporting job creation, underscoring our commitment to fostering positive impacts and community development.
Quality of relationship	
Methods of engagement	To address these needs, we actively engage with community groups and non-profit organisations, aiming to comprehend their requirements.
Key topics in 2024	We persist in our outreach efforts, maintaining bursary and scholarship programmes. This year, our positive impact extended through a contribution to a non-profit organisation in Kya Sands which serves as a support centre for children, youth and women in informal settlements.

 Regulatory and industry authorities	We prioritise compliance with mandatory laws and standards and actively engage with regulatory and industry authorities. This collaborative effort enhances our understanding and application of governance best practices, supporting value creation, fortifying our governance framework, ensuring compliance and addressing related party matters effectively.
Quality of relationship	
Methods of engagement	Continued interaction with regulators, REIT Association and SAPOA to remain informed of regulatory and industry changes and enhancements.
Key topics in 2024	Our primary focus was on reinforcing governance, streamlining operations, corporatising all aspects of our business and ensuring compliance with the latest regulatory updates.

BUSINESS DRIVERS

Our risks and opportunities

Our integrated approach to risk and opportunity management

We conduct a rigorous and inclusive material risk and opportunity review process to strengthen our strategic direction and operational practices.

Our system of internal controls is designed to provide reasonable assurance as to the integrity and reliability of our financial statements and is intended to safeguard accountability. The controls are also designed to minimise significant potential loss and liability while ensuring we comply with all applicable laws and regulations.

The Board reviews and monitors the effectiveness of our internal control systems, assisted by the audit and risk committee.

Management is accountable for developing a culture of performance monitoring and compliance throughout the Fund.

Our **internal audit** partners assist us with risk oversight.

Risk appetite and tolerance

Our risk appetite reflects a balanced approach to risk management. It enables the Fund's ability to take calculated risks in our pursuit of long-term value creation. Material risks are frequently reviewed, challenged and prioritised by executive management. Management formulates strategic plans to mitigate these risks. These plans are then reviewed and recommended by the audit and risk committee to the Board for approval. This process determines the residual risks to be assessed and thereby determines our risk appetite.

Our risk matrix guides the Fund. Where a risk remains residually high, the activity giving rise to the risk is closely monitored by management. These risks are identified in terms of their probability and potential impact on the Fund. Each risk is mapped to the strategic objective that it could impact.



Key risks and opportunities

We systematically identify and assesses key risks, assigning ratings based on the probability of these risks impacting our capacity to create value and successfully achieve our strategic thrusts. This process enables us to prioritise risk management efforts and enhance our ability to meet strategic goals.

- ▲ 1. Solvency and liquidity risk
- ▲ 2. Strategy execution risks
- ▲ 3. Related party and conflicts of interest
- ▼ 4. Concentration risk
- ▲ 5. Global and local Geopolitical risk
- ▲ 6. Economic and financial risk
- ◄ 7. Governance risk
- ◄ 8. IT and cyber security risk
- ◄ 9. Damage to property and other physical assets
- ▼ 10. Black swan events



BUSINESS DRIVERS

Our risks and opportunities (cont.)

The table below illustrates the top strategic risks, incorporating both inherent and residual risk ratings.

Residual risk rating reflects the remaining risk exposure after the implementation of all identified mitigation actions. The current residual risk ratings are influenced by external factors beyond Exco's control, emphasising the impact of these elements on the overall risk assessment.

Risk rank	Risk description	Root cause	Risk impact/Consequences	Inherent rating
1	Solvency and liquidity risk Inability to meet debt obligations and invest capital in properties due to cashflow constraints and ability to raise additional funding.	- Breach of covenants with lenders or note holders. - Credit rating of business downgraded leading to increased interest costs and reduced terms of funding. - High vacancy rate.	- Difficulty in refinancing short-term debt for longer periods. - Inability to raise additional capital for capex purposes. - Business growth is stunted due to the inability to raise funding for investments.	Extreme
2	Strategy execution risk - Unable to execute on property disposals and the implementation of a rights issue to reduce overall debt levels. - Lack of resources to execute on strategy. - Adverse impact of LTV and ICR.	- Vacant assets impacting LTV, ICR and income/cash levels. - Less than optimal functioning of Fourways Mall.	- Increased LTV. - Reduced ICR levels. - Adverse effect on valuations and NAV. - Inability to sustain current debt levels.	High
3	Related party matters and conflict of interests The risk that the Fund fails to identify and prevent conflict of interest and resolve those that have arisen.	Significant unresolved related party balances leading to conflicts of interest.	- Negative reputational impact and the residual downgrading of the fund's ratings by agencies and analysts. - Increased levels of liability exposure for all the directors and officers. - Loss of investor confidence (debt and equity).	High
4	Concentration risk Geographic and sectorial concentration of properties resulting in higher exposure to risks within current portfolio areas and locations.	- Increased competition for tenants within the same geographical location (i.e. Fourways). - Risk of tenants cannibalising themselves by competing to be in all assets in the same area leading to reduced profitability levels of tenants that adversely impact the rentals chargeable to tenants.	Erosion of income and reduced property value.	High

Control description	Residual rating	Action plans	Responsible	Status
- Regular cash flow planning is done to ensure adequate liquidity. - Covenants are monitored and reported on regularly. - Key relationships are maintained with lenders and noteholders.	High priority	- Execution of restructure plans, in respect of implementation of the rights offer and the disposal of identified assets. - Effective implementation of asset and property management for Fourways Mall to ensure increased performance. - Continued interaction with lenders and noteholders.	Executive directors and Board	Existing
- Clearly formalised strategic parameters. - Strategy communicated. - Enhanced focus on execution of disposal of identified assets and implementation of the rights offer. - Implementation of an independent expert to manage Fourways Mall.	High priority	- Effective implementation of the disposals and rights offer managed by the Executive directors. - Continued communication with all stakeholders.	Executive directors and Board	Existing
- Appropriate constitution of the Board and distribution of function, duty and role. - Formal frequent and regular declarations by the Board, executives and management. - Resolution of existing related party matters.	High priority	- Implementation of the related party settlement transaction resulting in no exposure remaining. - Continued monitoring of declarations of interest.	Executive directors and Board	Existing
- Development of additional local nodes. - Skilled employees deployed to ensure current nodes become and remain successful.	Moderate priority	- Effective management of tenants between properties within Fourways. - Continued collaboration with the newly appointed asset and property manager for Fourways Mall.	Exco	In progress

BUSINESS DRIVERS

Our risks and opportunities (cont.)

Risk rank	Risk description	Root cause	Risk impact/Consequences	Inherent rating
5	Global and local Geopolitical risk Political instability in the country	- Change in government leadership. - Lack of service delivery. - Uncertainty in policy. - Low economic growth. - High unemployment levels. - Currency volatility. - Rising liquidity pressures. - Rising social unrest. - Increased administered costs and inflation impede growth and investment.	- Property valuations decrease thereby negatively impacting net asset value and LTV. - Loss of investor confidence in the business negatively impacting share price.	High
6	Economic and financial risk Political instability in the country.	- Impacts of the 2024 elections - Downgrading of South Africa's sovereign rating.	- Funding concerns resulting in rising interest rates. - Insufficient supply capacity of utility suppliers. - Political instability. - Poor maintenance in local municipalities not maintaining or upgrading infrastructure to required levels to support economic growth.	High
7	Governance risk - Requisite policies, rules and/or procedures to direct and control all activities within the organisation. - Tone from the top. - Culture of the organisation.	- Failure to subscribe to codes of conduct and value system within the organisation. - Ineffective Board structure. - Lack of training and keeping pace with governance updates and best practice.	- Reputational damage and loss of trust by stakeholders. - Breach of compliance with legislation resulting in the imposition of penalties and fines. - Ineffective risk management. - Increased regulator/government oversight. - Increases the risk that material errors (unintentional mistakes) and irregularities (intentional improprieties) could occur and go undetected.	Moderate
8	IT and cyber security risk Information security and cybercrime.	- Inadequate firewall protection and monitoring thereof. - Outdated IT equipment and software. - Poor data management and privacy standards.	- Loss of data results in business disruption and could expose the company to lawsuits i.e. POPI Act. - Heightened risk of cybercrime such as hacking, phishing, waling, and ransomware.	High

	Control description	Residual rating	Action plans	Responsible	Status
	Monitoring local and global conditions, including economic conditions and sector-specific regional and global political events.	Moderate priority	Continued stakeholder engagement.	Executive directors and Board	Existing
	- Hedging interest rates using interest rate contracts. - Reducing the impact of diminishing infrastructure by installing alternative measures i.e. water tanks, solar and generators. - Effective negotiation of costs with service providers on an annual or more regular basis. (security, hygiene, maintenance).	Moderate priority	Strong cash flow management to preserve liquidity.	Executive directors and Board	Existing
		Low priority	Continuous governance monitoring.	Executive directors and Board	Existing
	- Enhanced data governance and security practices. - Proactive management and monitoring of system breaches. - Cloud computing ensures a high level of data security which is constantly evolving. - Comprehensive business continuity and disaster recovery plan. - Appropriate and adequate cyber insurance programme and policy.	Moderate priority	Phishing is monitored regularly and firewalls are upgraded.	Executive directors, management and Board	Existing

BUSINESS DRIVERS

Our risks and opportunities (cont.)

Risk rank	Risk description	Root cause	Risk impact/Consequences	Inherent rating
9	Damage to property and other physical assets Damage to property following unrest.	- Civil unrest or terrorist attacks. - Rising crime and vandalism. - Violent strikes relating to service delivery. - Lack of a defined security monitoring and management programme. - Climate change. - Maintenance deficiencies. - OHS compliance.	- Increased operational costs to strengthen security. - Damage to assets and business interruption to tenants. - Increased cost of insurance and limited insurer participation. - Damage causing non-compliance with OHS requirements. - Reduced pool of quality tenants.	High
10	Black swan events Unpredictable event that is extremely rare with a severe impact and widespread consequences.	Black swan events cause catastrophic damage to an economy by negatively impacting markets, properties and investments.	- Global recession, reduced revenues, increased vacancy. - Increase in arrears. - Reduced valuations due to lower revenue and increased capitalisation and discount rates.	High



Control description	Residual rating	Action plans	Responsible	Status
- Outsourced security providers are utilised and increased in unrest situations. - Fully comprehensive insurance assessment performed annually and ensure adequate cover of the portfolio. - Effective business continuity management programmes relating to buildings where employees are situated. - OHS compliance.	Moderate priority	Additional compliance CAPEX spent to ensure properties remain compliant and safe.	Executive directors, management and Board	Existing
Clauses in agreements that provide adequate cover.	Low priority		Board	Existing

The Buzz Shopping Centre





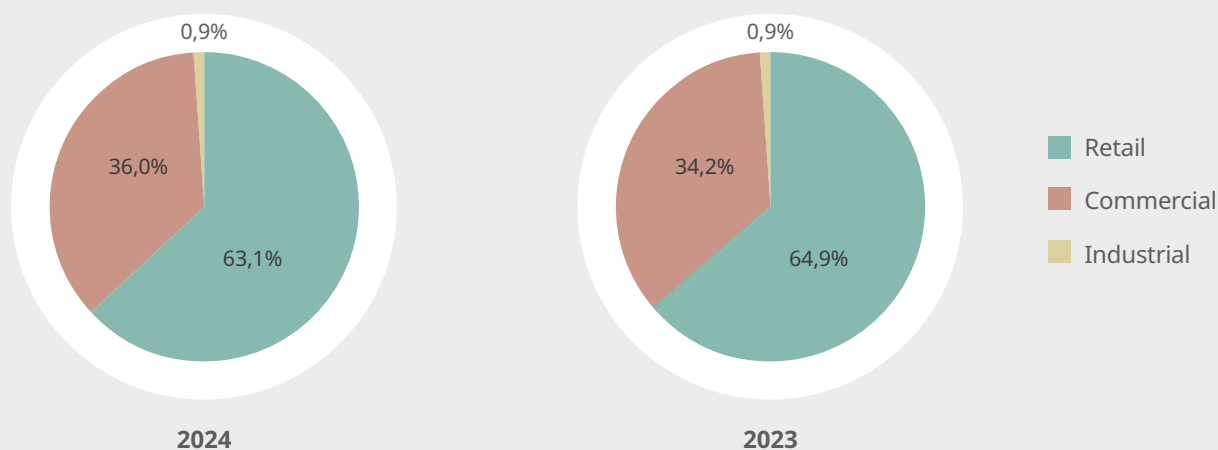
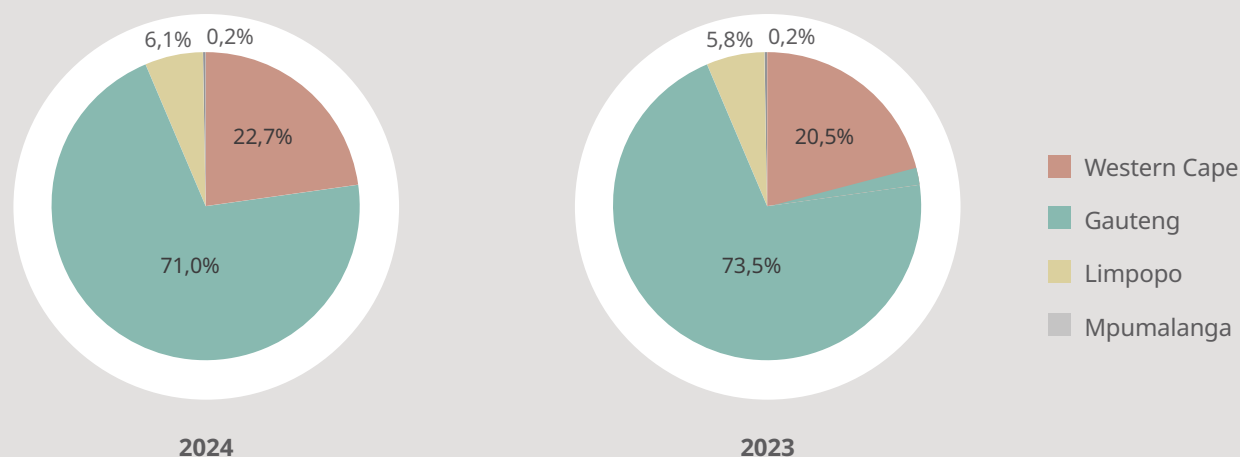


Our Portfolio

OUR PORTFOLIO

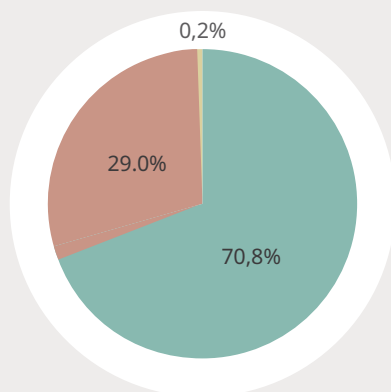
Our portfolio

Accelerate is presently undergoing a restructuring phase, strategically realigning the Fund for future growth. This entails a R300 million rights issue and the divestment of around R993 million worth of assets (currently held for sale) to alleviate debt burdens and enhance credit metrics. Following the restructuring, a premium retail-oriented portfolio will persist, with management concentrating on optimising the value of core assets while transforming dormant holdings into revenue-generating assets.

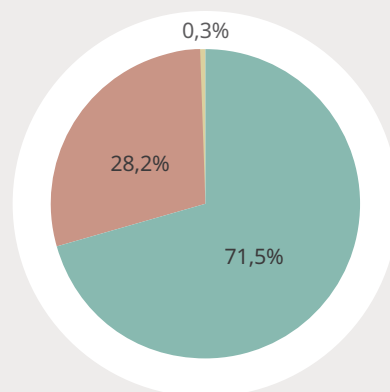
Sectoral overview by GLA**Geographical overview by GLA**



Sectoral overview by value



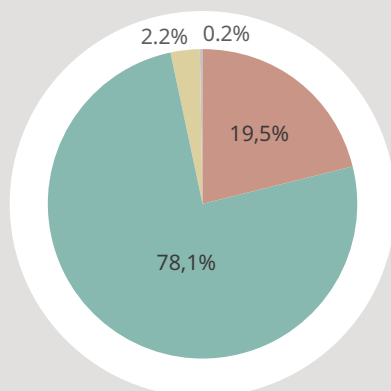
2024



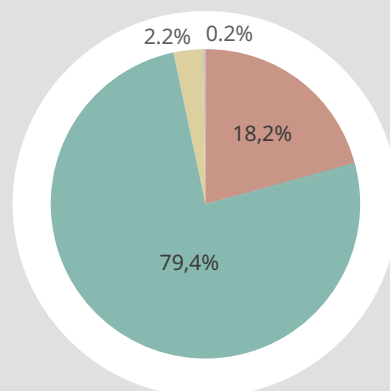
2023

- Retail
- Commercial
- Industrial

Geographical overview by value



2024



2023

- Western Cape
- Gauteng
- Limpopo
- Mpumalanga

OUR PORTFOLIO

Our portfolio *(cont.)***Top 10 properties**

	Fourways Mall	Cedar Square
	Fourways Mall stands as a super-regional shopping centre in the Fourways area and provides an integrated shoppertainment experience. The Fund holds a 50% ownership stake in this prestigious property. To maximise the potential of this asset, Accelerate has appointed Flanagan and Gerard, a reputable and independent retail expert, to undertake the property and asset management functions effective from 1 February 2024.	Cedar Square is a lifestyle and family centre located in the Fourways area. It boasts a strategic tenant mix focused on convenience-led lifestyle offerings. Positioned as a daytime and evening entertainment destination, this centre caters to the preferences of couples and families.
Property type	Super-regional retail	Regional retail
Region	Gauteng	Gauteng
Fair value	R3,9 billion (2023: R4.0 billion)	R885,3 million (2023: R842 million)
GLA	88 785m ²	44 210m ²
Vacancies*	19,08%	6,4%
Ownership	50%	100%



KPMG Crescent	Portside	Eden Meander
The KPMG head offices are conveniently situated in Parktown, near the M1 highway and the City of Johannesburg. The property benefits from its proximity to major transport routes including the Rea Vaya bus rapid transit system.	Portside is strategically located and capitalises on the breathtaking panoramic views of Table Mountain and the Atlantic Ocean. It seamlessly complements the natural beauty of the Mother City.	Eden Meander is a multi-tenanted lifestyle shopping centre situated near the residential hub of George in the Western Cape. As at 31 March 2024 Eden Meander is held for sale. The asset is being disposed of at a yield of 7,5%.
A-grade office	P-grade office	Regional retail
Gauteng	Western Cape	Western Cape
R685,5 million (2023: R693 million)	R655,3 million (2023: R720 million)	R520 million (2023: R522 million)
20 096m ²	25 253m ²	30 055m ²
0%	0,7%	2,5%
100%	100%	100%
		

OUR PORTFOLIO

Our portfolio *(cont.)*

Top 10 properties *(cont.)*

	Citibank	The Buzz Shopping Centre
	Adjacent to Nelson Mandela Square, this property offers convenient access within walking distance from the Sandton Gautrain station and the Sandton Convention Centre.	The Buzz Shopping Centre in Fourways has recently undergone a minor revamp, leading to a significant reduction in vacancies, nearly reaching zero.
Property type	A-grade office	Regional retail
Region	Gauteng	Gauteng
Fair value	R469,3 million (2023: R492 million)	R271,3 million (2023: R283 million)
GLA	12 432m ²	21 017m ²
Vacancies*	18,5%	8,3%
Ownership	100%	100%



BMW Fourways	Oceana House	Bosveld Mall, Bela-Bela
BMW Fourways is a distinctive property situated in Fourways. This high-quality asset contributes to the notable presence of 'other' convenience retail options in the area.	Oceana House, located on the Foreshore between Cape Town city centre and the Port of Cape Town, serves as a prime office location and is occupied by the Oceana Group.	Situated in the heart of Bela-Bela, this centre serves as the primary convenience shopping destination.
Significant 'other' convenience retail presence in the Fourways node.	Development opportunity	Regional retail
Gauteng	Western Cape	Limpopo
R251,3 million (2023: R291 million)	R171,9 million (2023: R168 million)	R120,3 million (2023: R132 million)
7 857m ²	7 254m ²	15 991m ²
0%	0,4%	10,1%
100%	100%	100%



OUR PORTFOLIO

Sectoral overview

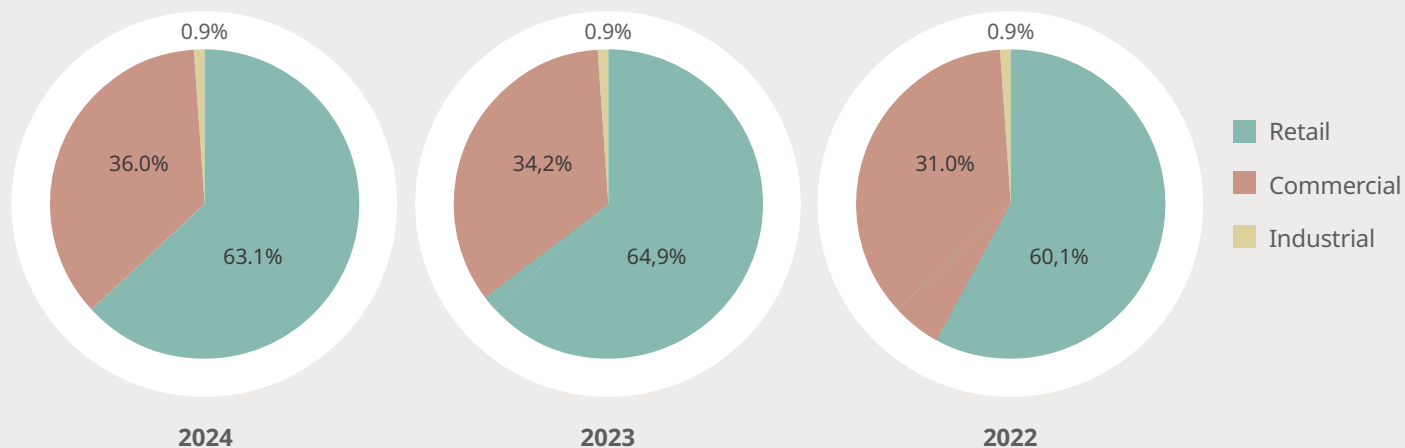
Our focused portfolio consists of high-quality commercial properties strategically positioned in economically active areas. It predominantly includes retail and office spaces.

Sectoral summary

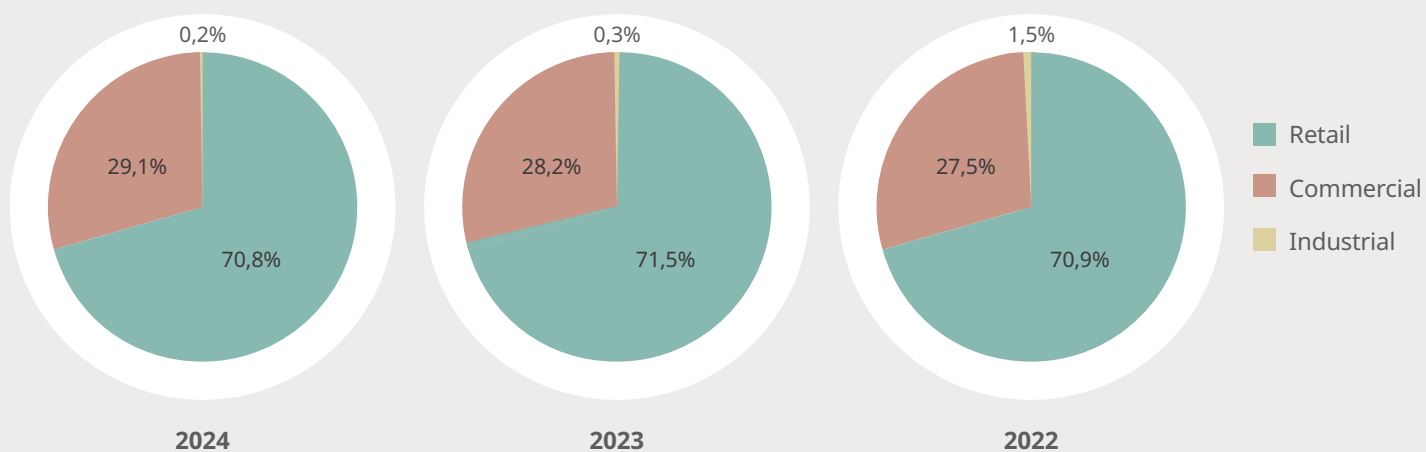
		Total	Retail	Office	Industrial
Number of properties	2024	27	11	15	1
	2023	29	13	15	1
Average escalation (%)	2024	7,4	7,2	7,9	-
	2023	7,6	7,6	7,7	6,6
Weighted average lease period (years)	2024	3,2	3,1	3,3	-
	2023	3,3	2,5	4,3	-



Sectoral profile by GLA



Sectoral profile by value



BMW Fourways



OUR PORTFOLIO

Retail

Our retail portfolio includes a diverse selection of shopping centres.

68,7% of revenue

(2023: 67,3%)

Building	Type	Region	GLA m ²	Gross rental per m ²	Fair value 31 March 2024 (R)	Value of bulk included in fair value (R)
Fourways Mall	Retail	Gauteng	88 785	223	3 946 635 858	190 810 000
Cedar Square Shopping Centre	Retail	Gauteng	44 210	156	885 273 065	182 012 000
Eden Meander	Retail	Western Cape	30 055	189	520 000 000	-
The Buzz Shopping Centre	Retail	Gauteng	14 148	189	271 394 171	60 324 000
BMW Fourways	Retail	Gauteng	7 857	172	251 257 500	51 200 000
Bela Bela	Retail	Limpopo	15 991	104	120 272 887	
Waterford	Retail	Gauteng	6 869	150	62 241 730	-
Cherry Lane	Retail	Gauteng	11 429	132	60 000 000	-
Edgars Polokwane	Retail	Limpopo	4 500	101	42 600 000	-
Valleyview Centre	Retail	Gauteng	2 012	142	27 100 000	-
Beacon Isle	Retail	Gauteng	2 080	183	25 400 000	-
			227 935		6 212 175 210	514 712 299

11 properties
(2023: 13)

227 935m² GLA
(2023: 246 935m²)

Fair value
R6,2 billion
(2023: R6,5 billion)



Fourways Mall

OUR PORTFOLIO

Retail *(cont.)***Fourways Mall**

Anchor tenants	
Woolworths	African Bank
Hamleys	Dis-Chem
Toys R Us	HandM
Checkers	Game
Fun Company	Food Lover's Market
TFG Group	Clicks
Pick n Pay	Bounce
Absa	Edgars
FNB	West Pack
Nedbank	Mr Price Group
Standard Bank	House and Home
I-Store	Capitec Bank

Fourways Mall stands as an iconic super-regional shopping centre, serving as a flagship property for Accelerate, strategically located in the densely populated, high LSM Fourways node. Despite the challenges posed by COVID-19, the Mall has demonstrated double-digit trading growth (albeit from a lower base), with year-on-year trading density increasing by 5.7% to an average of R2 215 per m² over a 12-month rolling period.

However, it's evident that Fourways Mall is currently trading below its potential compared to other super-regional shopping centres. Recognising its undeniable growth prospects and prime location, Accelerate, as a co-owner of Fourways Mall, has thus enlisted the expertise of Flanagan and Gerard, leading retail specialists in the South African property market, to oversee asset and property management. The immediate focus is to enhance the overall shopper experience at the Mall, which includes improving way-finding, optimising shop sizes, relocating tenants to more optimal spaces and refining the tenant mix. Additionally, the implementation of cost-saving initiatives such as solar energy will be prioritised. To execute these initiatives effectively, a minimum spend of R400 million in capital expenditure will be allocated to Fourways Mall over the next 12 to 18 months. The collaboration with Flanagan and Gerard represents an exciting new partnership, and we anticipate unlocking the full potential of Fourways Mall soon.

Number of stores	422 stores
Differentiation	Family focus, diverse tenant mix and offering, caters for a wide range of LSM shoppers.
COVID-19 loss of income insurance claim	Court case against insurers for loss of income during Covid awarded in favour of Accelerate. Insurers successfully filed for leave to appeal the decision.
Focus areas	• Improved wayfinding. • Enhancing the overall shopping experience with a family focus. • Implementing solar projects. • Adapting to changing consumer behaviour. • Exploring alternative uses for space. • Expanding the restaurant offering. • Continued focus on catering for the entire LSM spectrum.



OUR PORTFOLIO

Retail (cont.)

Cedar Square

Anchor tenants	
Pick n Pay	Virgin Active
Clicks	Woolworths
Builders Warehouse	Smoke Daddy's
Baby City	Yamakado

Cedar Square, located in the Fourways area, complements the Fourways Mall offering. The densely populated locality has notably benefitted from the rise of remote work trends. In response to this and to address the challenges of loadshedding, we have commenced a solar implementation project at Cedar Square to be completed by June 2024 to support tenants during power outages and to lower the overall cost of occupancy.

Number of stores	81 stores
Differentiation	Cedar Square offers an open-air, family-friendly environment featuring a wide range of fashion and dining options. Anchored by prominent national tenants, it provides a diverse and dynamic shopping and culinary experience for visitors of all ages.
Focus areas	• Increase entertainment offerings. • Seek alternative uses for space. • The development of underutilised space within Cedar Square, such as the bank area. • Enhancing the overall shopper experience and ambiance of Cedar Square is a top priority.



Cedar Square Shopping Centre

Eden Meander

Anchor tenants	
@Home	Mr Tekkie
Checkers	Builders Warehouse
Pick n Pay Clothing	Clicks
Sportsmans Warehouse	

Eden Meander is a multi-tenanted lifestyle shopping centre situated near the residential hub of George in the Western Cape. Positioned enroute to Knysna, and across from the Garden Route Mall, it enjoys popularity due to its strategic location. Situated in a rapidly growing residential area with available bulk for future development, Eden Meander has experienced consistent double-digit growth in trading densities and turnover figures year-on-year. The centre also benefits from robust seasonal trade, particularly in the vibrant George area.

This centre is held for sale at 31 March 2024. The decision to sell Eden Meander was primarily influenced by its sales yield of 7,5%, which resulted in meaningful ICR and LTV improvement.



Eden Meander Lifestyle Centre

Retail sector year in review

Performance overview	• In-force rental escalations of 7,2% (2023:7,6%). • WALE of 3,1 years.
Priorities	• Disposal of non-core assets. • Reinvestment in core portfolio through a detailed and focused capital rollout plan. • Development of unutilised bulk.

OUR PORTFOLIO

Office

A significant portion, 86.5% of our office portfolio comprises P-grade and A-grade offices. They are strategically located in Sandton, Gauteng and the Western Cape.

31,3% of revenue

(2023: 32,6%)

Building	Type	Region	GLA m ²	Gross rental per m ²	Fair value 31 March 2024 (R)	Value of bulk included in fair value (R)
KPMG Crescent	Office	Gauteng	20 096	364	685 548 388	-
Portside	Office	Western Cape	25 253	199	655 260 000	-
CITI bank	Office	Gauteng	12 432	215	469 260 000	200 000 000
Oceana House	Office	Western Cape	7 254	166	171 852 897	-
73 Hertzog & Erf 7 Roggebaai	Office	Western Cape	5 470	150	104 331 000	25 540 000
Thomas Patullo Building	Office	Western Cape	6 084	151	83 705 415	-
Pri-movie Park	Office	Gauteng	17 177	40	73 500 000	-
99 - 101 Hertzog Boulevard	Office	Western Cape	3 620	-	47 545 420	-
1 Charles Crescent	Office	Gauteng	15 547	-	57 582 535	-
KPMG Polokwane	Office	Limpopo	1 481	309	30 200 000	-
Mustek (89 Hertzog Boulevard)	Office	Western Cape	4 500	115	34 996 791	-
Brooklyn Place	Office	Gauteng	3 239	129	18 000 000	-
KPMG Sekunda	Office	Mpumalanga	830	251	12 000 000	-
9 Charles Crescent	Office	Gauteng	4 298	-	12 000 000	-
ABSA Brakpan	Office	Gauteng	2 800	43	1 000 000	-
			130 085		2 431 241 967	233 200 000

15 properties
(2023: 15)

130 085m² GLA
(2023: 130 085m²)

Fair value
R2,4 billion
(2023: R2,6 billion)



KPMG Crescent

Office sector year in review

Performance overview	• In-force rental escalations 7,9% (2023:7,7%). • WALE: 3,3 years.
Priorities	• Focus on tenant quality • Locking in long-term sustainable revenue streams • Disposing of B- and C-grade office space. • Post the disposal of B and C grade office properties held for sale, the office vacancy by GLA will decrease from 31% to 14,6%.

OUR PORTFOLIO

Industrial

We own one industrial property in Johannesburg.

0,0% of revenue
(2023: 0,9%)

1 property
(2023: 1)

3 343m² GLA
(2023: 3 343m²)

**Fair value
R13 million**
(2023: R25 million)

Building	Type	Region	GLA m ²	Gross rental per m ²	Fair value 31 March 2024 (R)	Value of bulk included in fair value (R)
10 Charles Crescent	Industrial	Gauteng	3 343	-	13 000 000	-
			3 343		13 000 000	-

*Charles Crescent properties*

Industrial sector future focus

The fund is disposing of its last industrial asset and do not intend investing in the industrial sector in the short to medium term.

OUR PORTFOLIO

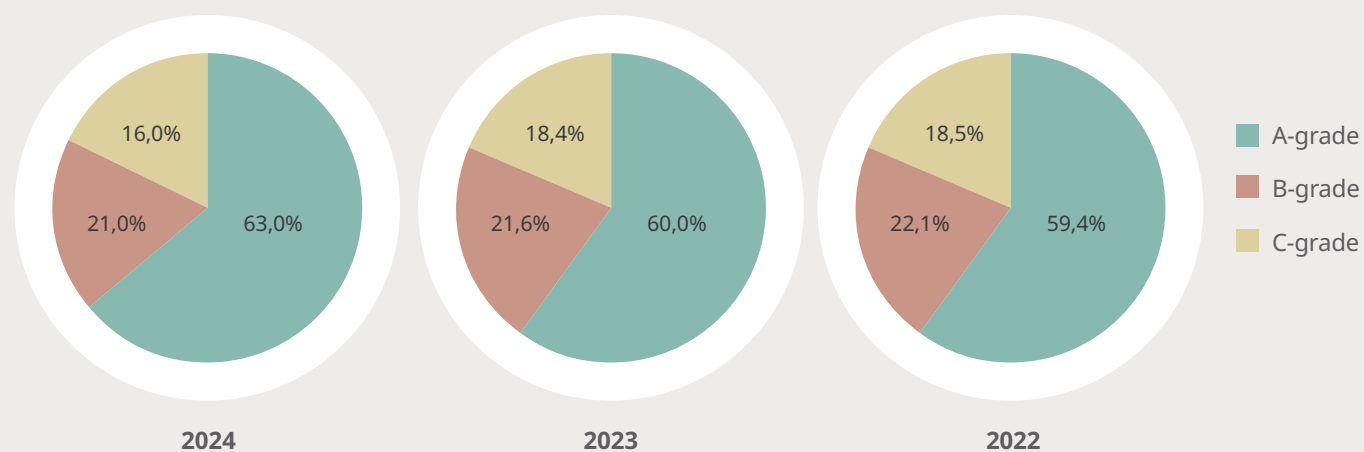
Operational review

Tenants and leasing

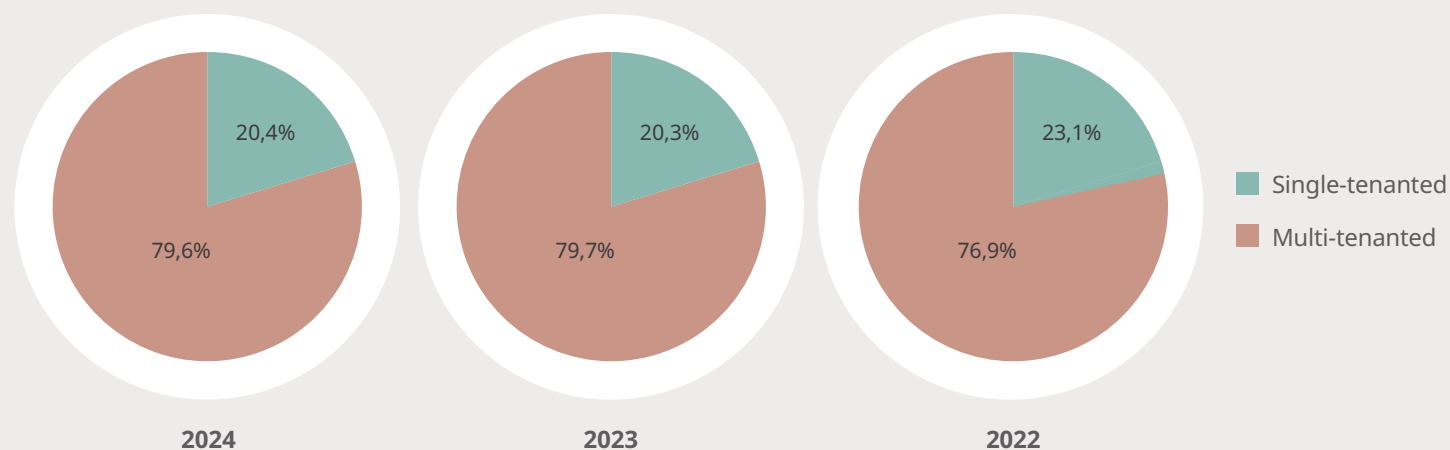
Tenant profile

- **A-grade:** Large national tenants, large, listed tenants and major franchises.
- **B-grade:** National tenants, listed tenants, franchises and medium to large professional firms.
- **C-grade:** Other, smaller non-listed and non-franchised businesses, mainly owner-operated.

Tenant profile by GLA



Single vs multi-tenant by GLA



Leasing

Our weighted average lease expiry (WALE) by gross rental remains defensive at 3,3 years.

Lease expiry by revenue (%)

By revenue	Mar 25	Mar 26	Mar 27	Mar 28	> Mar 28	Total
Industrial	0,0%	0,4%	0,0%	0,0%	0,3%	0,7%
Commercial	1,0%	3,2%	4,3%	4,4%	18,8%	31,8%
Retail	2,2%	4,3%	7,8%	4,0%	13,5%	31,8%
Fourways Mall	2,5%	12,6%	4,2%	2,3%	14,1%	35,7%
Total	5,7%	20,6%	16,2%	10,7%	46,7%	100,0%

By GLA	Mar 25	Mar 26	Mar 27	Mar 28	> Mar 28	Total
Industrial	0,0%	1,4%	0,0%	0,0%	1,3%	2,7%
Commercial	1,3%	4,3%	4,6%	6,8%	14,9%	31,8%
Retail	2,4%	5,1%	11,7%	7,9%	13,3%	40,4%
Fourways Mall	1,9%	5,9%	2,6%	0,9%	13,8%	25,0%
Total	5,6%	16,7%	18,9%	15,5%	43,3%	100,0%

Contractual escalations

Contractual escalations of 7,4% have been successfully achieved through proactive leasing and relationship management, demonstrating a stable trend compared to the 7,6% recorded in 2023.

Vacancies

Vacancies were effectively reduced through a targeted leasing strategy and the sale of vacant non-core properties.

Actual vacancy profile per sector as of 31 March 2024

		Total	Retail	Office*	Industrial
2024	Vacancy %	20,8	13,8	30,8	100,0
2023	Vacancy %	16,4	7,5	31,0	100,0
2022	Vacancy %	21,2	8,9	31,6	64,6

* Post the disposal of properties held for sale, the office vacancy by GLA will decrease from 31% to 14,6% and the overall vacancy from 20,8% to 15,3%.



Sustainability in **Action**

SUSTAINABILITY IN ACTION

Our approach to sustainability

At Accelerate we see sustainability as a balance between business stability, social wellbeing and environmental stewardship. By integrating these aspects into our operations, we create value for society and the planet. We understand that embracing sustainability is both a moral duty and a strategic advantage for long-term success in a changing world.

Our sustainability strategy guides our interactions with tenants, shoppers, suppliers and society, emphasising the building of trust, reducing environmental impact, promoting community prosperity and fostering meaningful social engagement throughout our entire value chain. Our sustainability objectives include mindful environmental practices, meaningful stakeholder engagement and a commitment to reduce, reuse and recycle.

We aim to establish environmentally and socially sustainable spaces by investing in renewable energy and water-efficiency projects, implementing responsible policies and reducing waste-to-landfill.

We integrate our societal role into our business model, regularly assessing the impact of our actions on stakeholders. We support local communities, comply with B-BBEE policies and prioritise an inclusive work environment and employee wellbeing. Stakeholders trust us to conduct business responsibly, invest in sustainable assets, implement environmental initiatives, understand social impacts, strengthen governance and foster transparent engagement for lasting value.

Sustainability governance	On the governance front, we maintain ethical business practices, integrate ESG considerations into our strategy and actively identify and mitigate associated risks. Emphasising transparency in our sustainability practices, we aim to enhance accountability and contribute to a sustainable business environment. Governance is led by the Board and the Social, Ethics and Transformation Committee oversees sustainability matters. The CEO, CFO and Exco handle day-to-day operations, regularly reporting on environmental KPIs. Committed to improving sustainability reporting, our goal is to align it with relevant local and international standards for our business.	
ESG Strategy	Approach	Our ESG strategy is guided by the United Nations Sustainable Development Goals (SDGs), which provide a comprehensive framework for our sustainability objectives and establish high-level goals for integrating ESG considerations into our investment processes, daily operations and engagements with stakeholders. This strategy applies to all the properties and promotes applicable practices across our value chain.
	Objectives	The objectives of our strategy are to: • Integrate ESG into our day-to-day business operations and decision-making processes across the life cycle of our properties. • Pursue opportunities to address societal challenges through business innovation and collaboration. • Foster the development of sustainable partnerships within our value chain.

United Nations Sustainable Development Goals

To formalise our commitment to the SDGs, we have strategically identified eight SDGs with the most significant impact where Accelerate can make meaningful contributions. This selection, endorsed by our Board, serves as the cornerstone of our long-term value creation strategy and guides our short- to medium-term initiatives within our sustainability vision.

By addressing these SDGs, we can effectively contribute towards crucial societal needs such as sustainable cities, quality education and gender equality. The SDGs to which we believe we can contribute the most are:

SDGs		The purpose of the goal	Further reading
	Good health and wellbeing	Promoting wellbeing aligns with our commitment to ensuring healthy lives for all. We prioritise the wellbeing of our employees, working to create a secure and supportive work environment.	Read pages 108 to 113 for more information.
	Quality education	As part of our commitment to inclusive and equitable quality education and lifelong learning opportunities for all, Accelerate invests in staff training and development in addition to our Bursary programme.	Read pages 112 to 114 for more information
	Gender equality	Accelerate believes in gender equality and empowering all women and girls within the workplace.	Read pages 109 to 110 for more information
	Clean water and sanitation	To ensure the availability and sustainable management of water and sanitation for all.	Read pages 118 to 119 for more information
	Clean and affordable energy	Ensuring access to affordable, reliable, sustainable energy is a priority for Accelerate. We have implemented solar PV installations at one property. The effect of the installation will be measured in the 2025 financial year.	Read pages 116 to 117 for more information.
	Decent work and economic growth (employees)	We are committed to a supportive and inclusive work environment, investing in development, fair wages, and health and safety. These efforts enhance employee satisfaction and retention, contributing to broader economic stability and growth in our communities.	Read pages 108 to 113 for more information.
	Sustainable cities	To contribute to making cities and human settlements inclusive, safe and sustainable, we actively embrace social inclusion and address community concerns and challenges. Our efforts include R887 178 invested in ongoing Corporate Social Investment (CSI) initiatives.	Read page 113 for more information.
	Responsible consumption and production	In our commitment to ensuring sustainable consumption and production patterns, we are implementing various measures. This includes collaborating with recycling partners and establishing a measurement system to track our environmental impact. Additionally, we are adopting energy-efficient lighting solutions and implementing water-saving initiatives which are all aimed at promoting responsible resource usage.	Read pages 116 to 119 for more information.

SUSTAINABILITY IN ACTION

Sustainable social impact**Our people**

Our employees are central to our growth and success, serving as invaluable assets essential for cultivating a high-performance culture. We recognise the link between our success and the skills we attract and retain.

Cultivating a high-performance culture hinges on the recruitment of individuals who grasp our purpose, vision and values. We aim to be an employer of choice, emphasising sustainability, social responsibility and continuous learning. Our talent management practices enable the recruitment of individuals with the requisite experience, skills and capabilities. We emphasise ethical conduct and teamwork as fundamental to achieving and upholding our high-performance corporate culture.

To support our people, we've adopted a diversity and inclusion policy, offer competitive remuneration and promote expertise through training and mentorship. This empowers our employees to create sustained value for stakeholders, guided by our purpose and corporate values.

Ethical culture

Ethical conduct is deeply ingrained in our leadership and culture and we are committed to values such as integrity, honesty and trust. We expect all employees to embrace these principles:



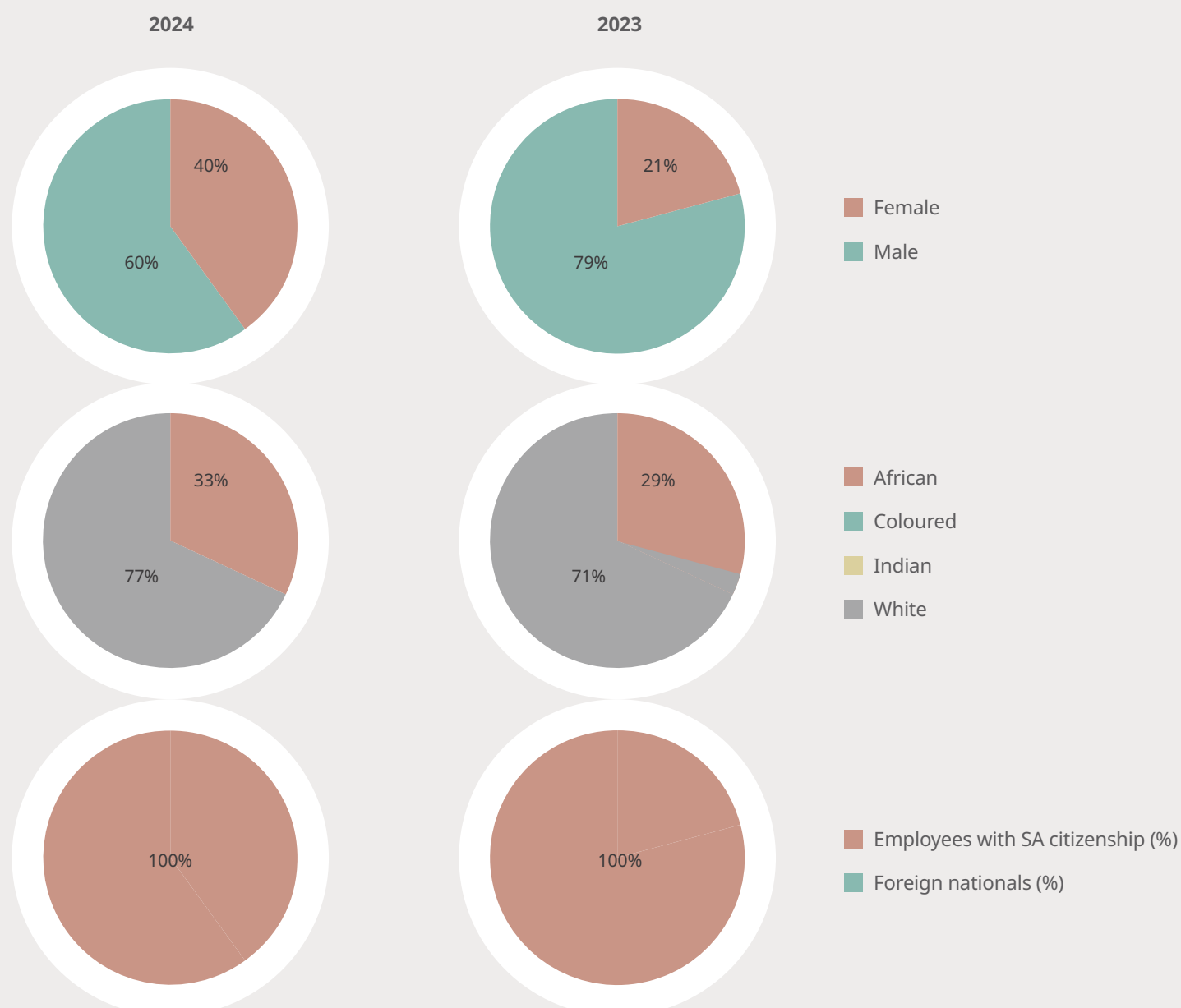
Our Code of Ethics stands as a guiding framework and emphasises our dedication to human rights and the seamless integration of sustainability in our daily operations.

To encourage openness, we adopt an open-door approach, ensuring that every employee can comfortably report instances of unethical behaviour. Supported by a well-defined disciplinary code, our Exco addresses reported ethics incidents. In cases where unethical behaviour is identified, thorough investigations are conducted and corrective actions are promptly implemented – these measures uphold our commitment to integrity and accountability.

Employee profile

	2024	2023
Total permanent employees (Fund only)	9	8
Percentage of employees of permanent employees (%)	100%	100%
Percentage of employees of contract and casual employees (%)	0%	0%
Average age (years)	47	47
Percentage of employees belonging to a trade union (%)	0%	0%
Percentage of employees covered by collective bargaining agreements (%)	0%	0%

Workforce composition



Employees with disabilities: 2024 = 0%; 2023 = 0%

SUSTAINABILITY IN ACTION

Sustainable social impact *(cont.)***Employment equity**

The Fund adheres to B-BBEE legislative requirements and is actively formulating a plan with specific targets to address the amended scorecard, with implementation to be completed in 2024.

Upholding inclusivity and equal opportunities, our HR strategy aligns with the Employment Equity Act, emphasising a diverse and equitable workplace. We prioritise diversity across all racial and gender groups, encouraging representation at all levels, including leadership roles.

Our commitment includes prioritising employment equity, skills development and preferential procurement to drive transformation objectives and foster an inclusive and diverse work environment.

Occupational level	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management	2	–	–	5	1	–	–	1	9*
Senior management	–	–	–	1	–	–	–	2	3
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	1	–	–	1	–	–	–	1	3
Total permanent	3	–	–	7	1	–	–	4	15

* Top management represent the Board of directors.

Employee turnover

Our top priority is the wellbeing of our people and to achieve this, we are committed to creating a fair, safe and engaging work environment. While recognising the importance of low turnover for business continuity, we also value the fresh insights and perspectives that new hires can bring to Accelerate. Thus we strive to strike a balance between retaining experienced talent and embracing the potential for innovation and growth through new appointments.

	2024	2023
Internal placements	0	0
New appointments	2	2
Dismissals	0	0
Resignations	1	4
Retirements	0	1
Total permanent employee turnover	7%	41%

Remuneration and performance

Our primary goal is to foster growth and learning in our team, empowering employees to thrive, maximise their performance and contribute value to stakeholders. This involves talent identification, addressing skills gaps and implementing effective performance management strategies. We recognise the close link between employee performance and our corporate culture and aim for a holistic environment aligned with our values and strategic goals.

In alignment with our commitment to corporatise all aspects of our business, Accelerate formalised and implemented our HR strategy and policy in 2024. As part of this initiative, we embedded strategic performance objectives for key employment positions, measuring performance against key performance indicators (KPIs). Employees undergo assessments based on these KPIs with reviews that identify potential opportunities for career growth and succession planning. In addition, executive remuneration was linked to performance through mutually agreed-upon KPIs.

For rewarding and remunerating employees, we employ a system that leverages individual performance outcomes for overall business success. Our goal is to ensure that employees thrive while meeting stakeholder needs through equitable and competitive performance-related remuneration and benefits. In 2024, Accelerate allocated R45,3 million to salaries and employee benefits (2023: R27,1 million).

Competitive compensation packages and flexible work arrangements, including remote work options upon request, are offered to support a healthy work-life balance.

Succession planning

Our succession strategy aligns our workforce with short-term and long-term objectives, placing emphasis on talent attraction, acquisition and career development.

Our succession plan involves identifying potential successors, providing training and development opportunities, open communication with employees and their managers, and enabling knowledge transfer for continuity during personnel changes. The goal is to cultivate and expand our talent pool and nurture emerging leaders to establish a robust leadership pipeline. This approach will enable Accelerate to remain well-prepared for the future and to adapt to evolving demands.

SUSTAINABILITY IN ACTION

Sustainable social impact *(cont.)***Attracting and retaining our top talent**

Accelerate is dedicated to attracting and retaining top talent through a range of benefits and programmes that prioritise employee wellbeing, career development and skills enhancement. Encouraging employees to take on new roles and responsibilities for career advancement through internal promotions and transfers is integral to our succession planning and crucial for overall success at Accelerate.

We attract and retain high-quality talent by investing in skills development. Our training initiatives include on-the-job training, promoting mentorship by pairing less-experienced employees with experienced counterparts for skills transfer. Participation in seminars, conferences, webinars and workshops is actively encouraged to enhance capabilities.

We regularly provide skills development and training for our employees, emphasising the building of capabilities that align with our strategy and promote sustainability. Employee training needs are identified during regular employee reviews and the collective skills base is assessed annually to pinpoint skills gaps and development areas. Additionally, employees are urged to pursue further formal educational qualifications and training courses relevant to our business and industry.

	2024	2023
Total number of employees trained (including internal and external training interventions)	11	16
Employee training spend (R)	116,186	53,940
Bursary spend	324,060	584,119
Internship programme	0	0

In 2024, substantial investments were directed towards diverse training programmes and courses for our employees. These encompassed:

- A SACSC property management course for two employees.
- PPRA NQF4 training for two employees.
- A facilities management course through Get Smarter and UCT for one employee.
- A corporate finance course for one employee.
- MDA property management software refresher courses for three employees.
- Attendance of three management company employees at the SACSC congress.
- Attendance of three top-level management employees at the SAPOA conference.

Beyond these initiatives, we have implemented specific programmes dedicated to future skills development, ensuring that our team possesses the necessary skills and knowledge to support our long-term business goals.

Employee health and safety

Creating an empowering working environment for employees remains a top priority for the Fund. We prioritise a safe and secure working environment with established HR procedures to manage occupational incidents and process compensation claims in accordance with legislation. There were two reported injuries and medical treatment cases attended to and resolved during the financial year.

Beyond physical safety, we recognise the importance of employee wellness and morale. In 2024, our focus was on providing employees with support and resources to navigate change effectively. Open communication channels ensure that employees remain informed and engaged during periods of transition.

We believe in a culture of transparency and collaboration and encourage employees to share ideas and provide feedback to enhance the Fund and their wellbeing.



Our local communities

We are dedicated to building sustainable relationships with the communities around our properties to foster meaningful social change.

Our corporate social investment (CSI) strategy is focused on creating sustainable solutions, including tailored interventions for community needs, fostering inclusive and socially responsible values, generating socio-economic benefits for communities around our properties, supporting skills development and promoting community wellbeing.

Operating on a demand-driven model, our CSI strategy involves communities expressing their specific needs which enable us to respond with tailored solutions that address long-term community requirements. This approach strengthens community relationships and delivers measurable socio-economic benefits over the long-term. In selecting CSI activities, we considered Accelerate’s business priorities to ensure alignment with our overarching Fund goals.

Total CSI investment: R0,9 million		
Bursary programme R324 060	Outreach programme R447 931	Upskilling of employees R115 186

Guided by fundamental principles, our commitment to respecting human rights in communities is unwavering. We adhere to relevant legislation and hold in high regard the cultural values of the communities where we operate. Prioritising the welfare, safety and environmental preservation of communities surrounding our properties is an integral part of our approach. In addition, we actively engage in proactive measures, seeking opportunities to identify and address the interests and concerns of these communities. This commitment fosters a mutually beneficial relationship built on open communication and collaboration which ensure that our operations contribute positively to the wellbeing of the communities we serve.

SUSTAINABILITY IN ACTION

Sustainable social impact *(cont.)****Our bursary fund***

Our bursary fund aims to provide financial assistance to students demonstrating academic potential and financial need for tertiary education. Our selection process prioritises candidates with a strong academic record and a commitment to studies. The criteria encompass helping previously disadvantaged individuals, financial need and potential societal contributions. The ultimate goal is to support students in their academic pursuits, help them achieve their career goals, provide opportunities for experience and exposure in their fields, and potentially hire them as interns or full-time employees in the future.

Our contribution to a non-profit organisation in Kya Sands

Accelerate Property Fund proudly partners with P and D Projects, a local non-profit drive empowering children. Our ongoing collaboration ensures at least 50 learners receive daily nutritious meals, supporting their wellbeing and academic success.

Beyond basic needs, we invested R80,000 in equipment for P and D's U11-U17 soccer teams, fostering teamwork and community. PCHS, a P and D support centre, exemplifies the impact. Our monthly food donations contribute to a nurturing environment for learning.

Further strengthening the bond, a former P and D student, now a tutor, recently graduated with a BCom Accounting degree thanks to our bursary programme. This success story highlights the transformative power of investing in education. Accelerate remains committed to this impactful partnership, creating a lasting positive change for P and D's youth and their communities.

*The Buzz Shopping Centre*



Our tenants

We firmly believe that actively promoting our tenants' businesses and collaborating with them during challenging economic cycles can contribute to their success and foster a more sustainable business environment for all stakeholders.

Accelerate is committed to boosting our tenants' businesses by increasing their visibility and driving foot traffic to our shopping centres. Our initiatives include hiring professional photographers to showcase tenants' stores and products, creating advertisements published on our social media platforms, regularly sharing tenant offers through community groups like "I love Fourways" to reach a wider audience, and offering our shopping centre common areas for tenants to set up kiosks, engage with shoppers and promote their businesses. As part of our sustainability commitment, we meticulously track and report on the effectiveness of these initiatives to ensure their positive impact on tenant success and overall business sustainability.

In 2024, amid the challenging economic climate, we extended rental concessions to assist tenants facing difficulties to provide temporary relief. We collaborated closely with tenants approaching lease renewals, finding mutually beneficial solutions to ensure business continuity. In some cases, we offered below-market rental rates to support struggling businesses and to maintain their viability as long-term tenants.



Our suppliers

Accelerate actively contributes to local economic growth by creating opportunities for small businesses by engaging suppliers for projects such as refurbishments, security, upgrades, communications and maintenance on our properties.

We follow a diligent and ethical sourcing process with a focus on transparency in all tender procedures. We insist that suppliers adhere to our Code of Ethics, which promotes the values of honesty, integrity and trust. Service Level Agreements guide suppliers to maintain service quality and our efficient payment processes ensure timely payments.

Ensuring human rights compliance among our suppliers is a key aspect of our commitment to ethical practices. We actively encourage our suppliers to adhere to our established policies and guidelines regarding social responsibility, labour standards and human rights. In addition, we prioritise transparency and accountability by promptly reporting any instances of human rights violations within our value chain. This approach underscores our dedication to fostering responsible and ethical business relationships throughout our supply network.

To prioritise the safety of our properties, shoppers and visitors, we implement measures to prevent fire, water and hazardous material damage. We also emphasise environmentally friendly practices in our properties and require all suppliers to use eco-friendly building methods and materials. Cleaning companies are instructed to use environmentally safe cleaning products and we collaborate with suppliers for the retrofitting of LED lights to enhance energy efficiency.

SUSTAINABILITY IN ACTION

Environmental stewardship



Our asset portfolio is comprised of properties over which we have varying degrees of ownership and control. Three assets are “triple net leases”, these assets’ daily operations are managed by our tenants, including the maintenance, utilities etc. This is monitored by us.

Our environmental strategy has catered for the varying degree of controls. For our fully owned assets, we are prioritising the consolidation of environmental data as well as the implementation of environmental actions.

All of the information pertaining to Accelerate’s electricity, water, waste, diesel and carbon consumption is reported on a like-for-like basis (i.e. Reported consumption includes only the properties in our current portfolio, all historic data from assets that have been disposed of have been removed from this data set).



Our environment

Our commitment to environmental stewardship drives us to address climate change responsibly. We strive to deepen our understanding of its impact on our business and work to mitigate our contributions to it.

Recognising our role in the built environment, we prioritise efficient management of electricity, water and waste. Collaborating with tenants, our people and service providers, we aim to reduce our environmental impact collectively. Our focus areas include energy efficiency, water conservation, waste management and biodiversity. To achieve these goals, we engage stakeholders transparently, raise awareness and encourage responsible behaviours. Through active collaboration, we are dedicated to minimising our environmental footprint and transitioning towards a low-carbon economy. This commitment to environmental stewardship has been a continuous journey over the past three years.

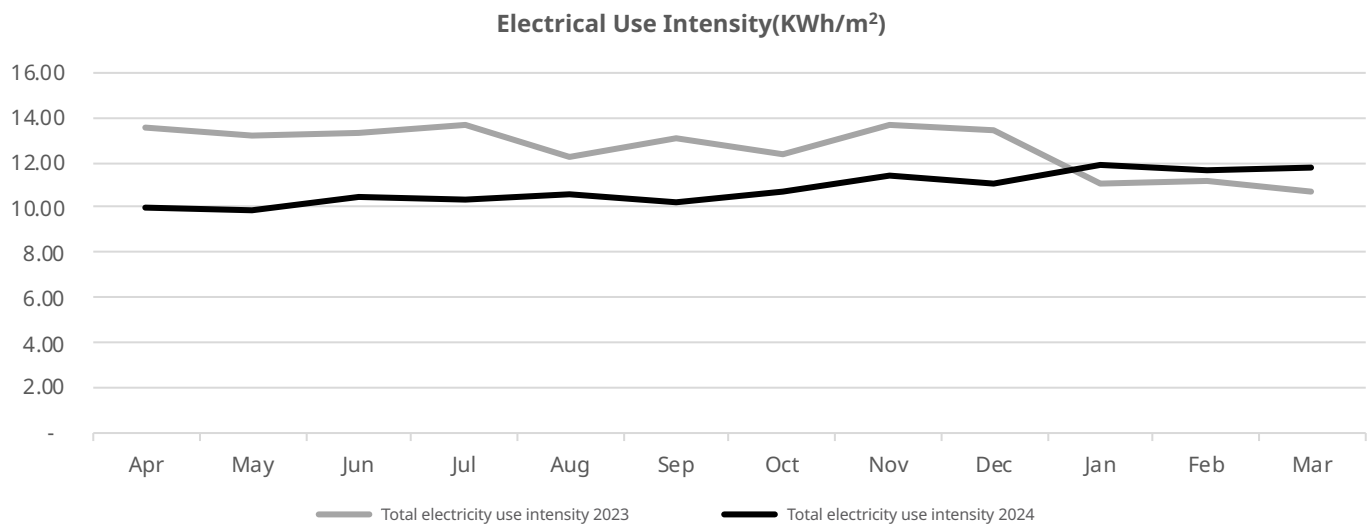
	2024	2023	2022
▼ Average energy use intensity (kWh/m²)	130 kWh per m²	151 kWh per m²	162 kWh per m²
▼ Average water use intensity (kL/m²)	0.676kl per m²	0.892 kl per m²	1.042 kl per m²
▲ Waste recycling efforts	21 302 tons per month	20 232 tons per month	20 906 tons per month

Green Buildings

Our Portside property is rated by the Green Building Council of South Africa as one of the country’s five-star green tall buildings.

Affordable and clean energy

Electricity use



Accelerate's total electrical consumption decreased by 5.8%, from 32,284MW in 2023 to 30,412MW in 2024. Additionally, electricity use intensity declined by 15.8% year-on-year, from 12.55 kWh/m² in 2023 to 10.84 kWh/m² in 2024. It's important to note that these reductions were primarily influenced by loadshedding.

Renewable energy: Solar photovoltaic (PV) implementation

Our pilot solar solution at Cedar Square aims to decrease reliance on the energy grid and enhance risk management during load shedding. This approach ensures a more stable energy supply and reduces dependence on the national grid and municipalities. We are investigating additional solar projects that align with our commitment to transitioning to clean energy and lowering occupancy costs.

Loadshedding

In response to increased loadshedding, we've strategically invested in generators at key locations:

- At Cedar Square, tenants have the option to use the generator as a supplementary supply during loadshedding.
- At the Citibank building in Sandton, KPMG Crescent and the Brooklyn Place shopping centre, all tenants are connected to generators.
- Bela-Bela, Cherry Lane, Eden Meander, Fourways Mall and Portside shopping centres have generator backups for the use by tenants and in all common areas.

We are also exploring other back-up energy solutions and alternatives like battery storage and gas generators in response to increased loadshedding.

SUSTAINABILITY IN ACTION

Environmental stewardship (cont.)

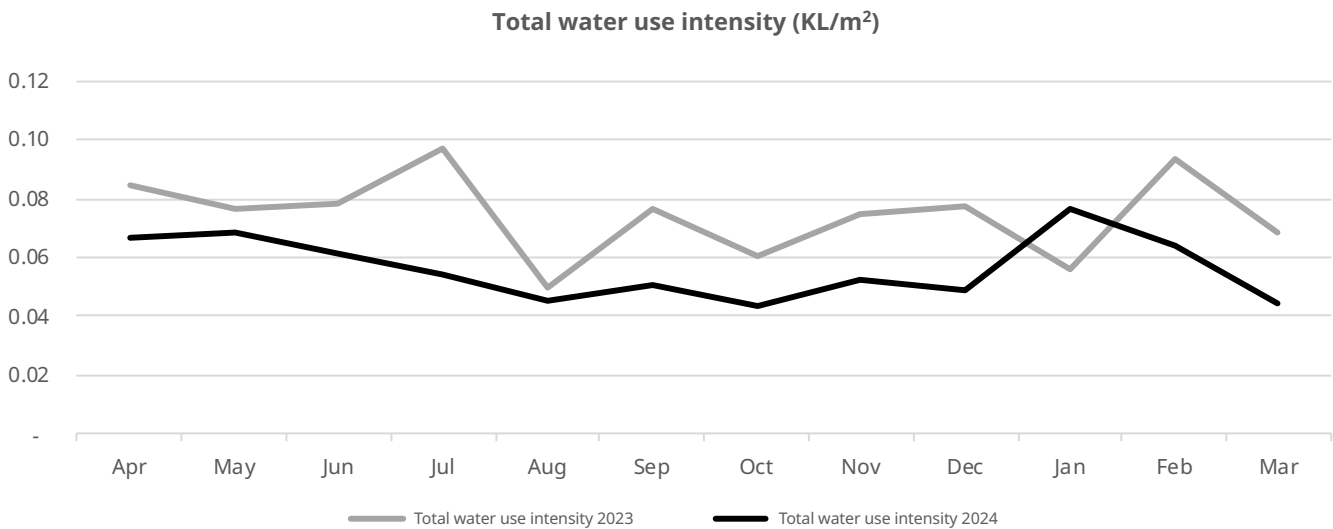
Clean water and sanitation

Recognising the vital role of water conservation in South Africa’s socio-economic development, Accelerate is dedicated to minimising the demand for potable water by using smart solar water meters across the portfolio to measure consumption and detect leaks.

To enhance water efficiency, Accelerate has implemented various measures which include the introduction of waterless urinals, the installation of a bathroom tap system to limit water dispensing, the replacement of water-based cooling systems with more efficient alternatives, the implementation of water usage loggers, optimised irrigation systems and water-wise landscaping practices. These are all aimed at reducing water consumption further.

To address water quality and pollution concerns, Accelerate employs environmentally friendly cleaning products and provides guidance to tenants on proper hazardous material disposal. Considering South Africa’s water scarcity, we landscape our gardens with water-wise plants and are exploring greywater harvesting solutions. We have also installed water storage tanks in properties with an irregular water supply to reinforce our commitment to responsible water management and sustainability.

Water use



Accelerate's total water consumption decreased by 20.8%, from 190,939 KL in 2023 to 158,002 in 2024. Moreover, water use intensity decreased by 31.9%, from 0.07 KL/m² in 2023 to 0.06 KL/m² in 2024. These reductions signify a positive trend in water conservation efforts within our operations.

Accelerate is dedicated to a sustainable future through a transition to clean energy and reducing our reliance on fossil fuels. This objective focuses on increased energy efficiency, consumption reduction and cost-effective alternative energy inputs to prevent waste. This involves initiatives that include setting energy targets, monitoring projects, analysing our energy mix and standardising reporting.

The transition to LED lighting in retail centres, offices and industrial portfolios is progressing well. Smart meters provide real-time insights into consumption patterns and there are plans in place to replace all outdated meters and integrate them with asset management software.

Effective waste management

We have implemented various initiatives to reduce our impact on landfills and to enhance waste recycling efforts. These include separating waste into recyclable and non-recyclable categories, reducing overall waste and promoting a paperless business environment. These measures contribute to a responsible and eco-friendly waste management system and limit the potential for pollution. Accelerate also collaborates with waste management companies for on-site and off-site recycling, installing visible recycling bins at centres and providing paper recycling bins in corporate offices.



Governance

GOVERNANCE

Governance framework**Our approach to governance**

Effective governance at Accelerate safeguards stakeholders from value erosion through careful resource allocation, risk-balancing and the promotion of ethical leadership.

The Board serves as the custodian of corporate governance, overseeing strategic planning and endorsing governance processes and policies. In this role, the Board fosters accountability, provides oversight, offers insightful perspectives and guides Accelerate's strategic path. Both the Board and Exco actively contribute to enhancing the Fund's value across the short, medium and long terms, instilling confidence among shareholders and creating value for crucial stakeholders.

The Board conducts its meetings in accordance with its charter, which is shaped by the Companies Act, the JSE Listings and Debt Listings Requirements, King IV™ and other relevant legislation and regulations. The Board Charter details guidelines for the Board's composition, meeting frequency and the roles and responsibilities of directors and the Board collectively. This charter undergoes an annual review. To ensure comprehensive coverage of the Board's duties, an annual work plan guides meeting agendas.

The Board Charter is reviewed and approved annually and outlines the Board's role, powers and responsibilities. This charter differentiates the roles of the Chairman, the lead independent director, CEO and CFO. The Board is satisfied it has fulfilled its responsibilities in accordance with the charter during the reviewed year, reinforcing a commitment to governance excellence. These responsibilities are discharged in accordance with the Board's charter, which includes:

- Effectively delegating the management of the group to a strong management team.
- Collaboratively setting Fund strategy and planning in consultation with the Exco team and monitoring the implementation thereof.
- Ensuring the Fund's compliance with all applicable laws, regulations, codes and best practices.
- Monitoring risk management for the Fund and responding to developments in this regard.
- Overseeing disclosures to enable stakeholders to effectively assess the performance of the Fund.
- Overseeing the effectiveness of the information and communication technologies management.
- Protecting the interests of stakeholders through proper disclosure and market conduct, effective governance, redress mechanisms and respect for the rights and expectations of all stakeholders.
- Regularly reviewing and approving Board policies as scheduled or as necessary.

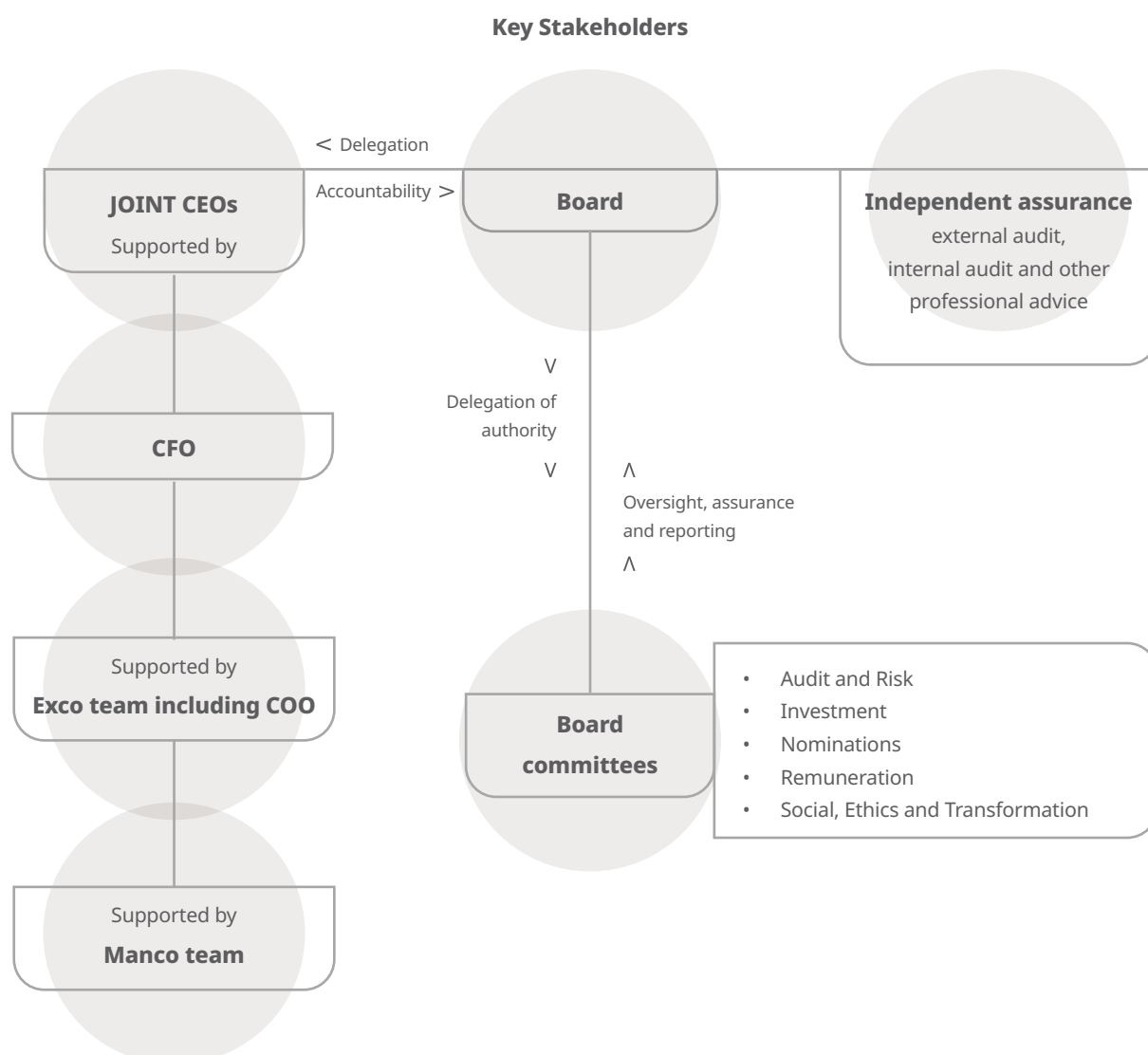
Delegation of Authority Framework

Accelerate operates under a unitary Board structure where Board committees are strategically aligned with each committee's mandate, capitalising on members' expertise and experience. This structure facilitates an efficient flow of information from the Board and its committees through the CEOs, CFO and the executive team, ensuring accountability to shareholders.

The Board conducts an annual review of its Delegation of Authority Framework (illustrated below) and is satisfied with the clarity of roles and the effective exercise of authority and responsibilities among the Board, its committees and Exco. This framework, which is tailored to meet the Fund's unique needs, ensures compliance with relevant legislation, regulations and codes. It supports the ethical application of Accelerate's strategy through processes, business activities and policies.

The composition of Board committees undergoes continuous monitoring and review to ensure an alignment with objectives. The Board has established five committees: the Audit and Risk Committee, Investment Committee, Remuneration Committee, Nominations Committee and the Social, Ethics and Transformation Committee – each with approved terms of reference. While the committees bear specific responsibilities, ultimate accountability rests with the Board.

Exco is held accountable for strategy implementation and ethical leadership with annual performance assessments detailed in the remuneration implementation report. This commitment to accountability strengthens the overall governance framework at Accelerate.



GOVERNANCE

Our leadership**Board of directors**

Our Board consists of skilled and experienced individuals with extensive backgrounds in property, business management and corporate governance, and forms the foundation of our value-creation strategy. Devoted to driving our purpose, the unitary Board structure is meticulously designed to prevent any single director from unduly influencing decisions which ensures a balanced distribution of power.

Directors with diverse backgrounds and a wealth of experience contribute to the decision-making process, enriching it with various skills, knowledge, qualifications and independence.

Detailed biographies of our leadership team can be found at <https://www.acceleratepf.co.za/about/governance/#Team>.

Executive Directors

**Mr Dawid J Wandrag (72)**

Committees: **I**

Joint CEO

Appointed: 1 May 2019

Qualifications: BCom (Accounting)

Expertise: Acquisitions, disposals, finance, property development, property management, audit, banking, corporate governance, insurance, risk management, capital markets, legal, compliance, and IT

Mr Wandrag retired after a 35-year career in the South African banking sector, and was part of the team tasked with establishing RMB Private Bank. Mr Wandrag also held leadership positions in many of South Africa's leading financial institutions during his career. His special interest in real estate, new developments and redevelopments saw him gain experience in financial modelling and analysis, development and construction, funding and debt structures. Leadership roles include Head of Credit Risk, Valuations, Legal Risk and Recoveries at Rand Merchant Bank, Chairman of the Group Wealth Committee, and the Group Property Finance Credit Committee at the FirstRand Group, among others.

Committees

- AR** Audit and risk committee
- I** Investment committee
- N** Nominations committee
- R** Remuneration committee
- SET** Social, ethics and transformation committee
- Committee chair



Mr Abri M Schneider (56)

Joint CEO

Appointed: 23 March 2023

Qualifications: CA(SA), BCom LLB

Expertise: Property finance, acquisitions, property development and flexible space offerings

Mr Schneider worked at the IDC, Gensec Bank and the FirstRand Group, where he headed up FNB Corporate Property Finance. He spent the last 15 years building various businesses in the Storage and Serviced Office Industries, with a particular focus on flexible space offerings.



Ms Marelise de Lange (52)

Committees: SET

CFO

Appointed: 1 August 2023

Qualifications: CA(SA), BCom (Law)

Expertise: Finance, capital markets, risk management, acquisitions, disposals, insurance, corporate governance, remuneration, compliance and IT

Ms de Lange has more than 29 years of operational and financial experience in the financial and listed property sectors. She began her career at Absa Bank in the specialised and structured finance divisions, following which she was the Financial Director of International Housing Solutions and the Group Financial Manager of Vunani Limited. Ms de Lange was subsequently the Financial Director of Texton Property Fund Limited, and the Chief Financial Officer of Rebosis Property Fund Limited and Delta Property Fund Limited.

GOVERNANCE

Our leadership *(cont.)***Board of directors** *(cont.)*

Non-executive directors

**Committees**

- AR** Audit and risk committee
- I** Investment committee
- N** Nominations committee
- R** Remuneration committee
- SET** Social, ethics and transformation committee
- Committee chair

Mr TT Mboweni (65)

Committees: **N** **R**

Independent director and Chairman

Appointed: 1 February 2022

Qualifications: BA, MA

Expertise: Banking, finance, economics, remuneration and corporate governance

Mr Mboweni has diverse experience, having served in the South African Government as the Minister of Finance and Governor of the South African Reserve Bank. Mr Mboweni is an international advisor to Goldman Sachs International. He is a non-executive director of Discovery Ltd, Chairman of the Board of Discovery Life Limited and non-executive deputy chairman of South Africa Zijin Platinum (Pty) Ltd. Mr Mboweni is the chairman of the Board of the African Centre for Economic Transformation and a trustee of the African Union Peace Fund. He is also a member of the Council of Advisors of the Thabo Mbeki Foundation and holds a number of honorary qualifications and academic positions.


Mr Derick (JF) van der Merwe (70)
Committees: AR I N R
Lead independent director
Appointed: 1 February 2021

Qualifications: BCompt (Hons), CA(SA), ACIOB

Expertise: Audit, accounting, corporate governance, finance, property management, property development and risk management

Mr van der Merwe is a Chartered Accountant (SA) and also a past member of IEASA and the Chartered Institute of Building., and past president of the South African Chapter of FIABCI (the International Real Estate Federation). Mr van der Merwe had a 44-year career in property, which included managing the planning and development of the V&A Waterfront, and holding various executive roles culminating in Chief Executive Officer of the V&A Waterfront. Mr van der Merwe has continued consulting to the property industry since 2008, both locally and internationally, and has extensive experience serving on boards, audit and risk committees and finance committees.


Dr Kolosa Madikizela (44)
Committees: AR I N SET
Independent director
Appointed: 1 June 2013

Qualifications: Doctor of Philosophy (PhD)

Qualifications: Construction Economics and Management

Expertise: Property development and property management

Dr Madikizela has a PhD in Construction Economics and Management from the University of Cape Town. Dr Madikizela was most recently the Managing Director of Pragma Africa, an engineering organisation specialising in physical asset management. Dr Madikizela's 17-year career spans across the construction, property development and engineering sectors where she has occupied Senior Management, Executive Management and CEO level positions at various multinational organisations, including Pragma Global, Aurecon Group, Shell SA, The Life Healthcare Group, The Aveng Group and Nexus Facilities Management Company.

GOVERNANCE

Our leadership *(cont.)***Board of directors** *(cont.)*

Non-executive directors

**Committees**

- AR** Audit and risk committee
- I** Investment committee
- N** Nominations committee
- R** Remuneration committee
- SET** Social, ethics and transformation committee
- Committee chair

Mr Abel M Mawela (62)

Committees: **AR** **I** **R** **SET**

Independent director

Appointed: 1 May 2019

Qualifications: MBA, BCom (Hons)

Expertise: Finance, audit, corporate governance, insurance, risk management, compliance and accounting

Mr Mawela is the Managing Director of Molodi Consulting Services, and has held various leadership and financial oversight roles in private and public sector organisations. A member of the Chartered Institute of Government Finance, Audit and Risk Officers and the Institute of Directors of Southern Africa, Mr Mawela has extensive experience in corporate governance, including board memberships and audit, risk and finance committee roles in organisations as diverse as the Export Credit Insurance Corporation (ECIC), the Gautrain Management Agency (GMA), the Automotive Industry Development Corporation (AIDC) and The South African Board for Sheriffs, among others.


Mr James WA Templeton (51)
Committees: AR I

Non-executive director
Appointed: 1 February 2022

Qualifications: BCom (Hons), Chartered Financial Analyst

Expertise: Equity analyst, trading, treasury and property fund management

Mr Templeton is the Chief Executive Officer of Castleview Property Fund Ltd (appointed on 6 July 2017), and was the Chief Executive Officer of Emira Property Fund Ltd from 2004 to 2015. Mr Templeton was an Equities Analyst at Barnard Jacobs Mellet from 1996 to 2003 where he covered various sectors including real estate, construction and diversified industrial holdings.


Mr Michael N Georgiou (54)
Committees: I

Non-executive director
Appointed: 1 January 2013

Expertise: Acquisitions, disposals, finance, property development and property management

Mr Georgiou owns one of the largest private property portfolios in South Africa. In a property career spanning 20 years, he has successfully acquired and/or developed over 100 properties, including prominent properties such as Fourways Mall Shopping Centre; Cedar Square, Fourways (award-nominated); Loch Logan Waterfront Shopping Centre, Bloemfontein (award-nominated); Windmill Casino Hotel and Retail Complex; the Fort Drury Complex and Sediba Building for Department of Public Works; and College Acre Development for Liberty Holdings Ltd and First National Bank, a division of the FirstRand Group. Mr Georgiou has a wealth of property knowledge and is respected as a market leader by his peers in the property industry.

GOVERNANCE

Our leadership *(cont.)****Appointments and resignations*****Appointments**

- Mr Abri Schneider and Mr Dawid Wandrag were appointed as joint CEOs effective 1 April 2023.
- Ms Marelise de Lange was appointed as CFO from 1 August 2023.

Company Secretary

The Company Secretary, Ms Margi Pinto (FCG), provides guidance on corporate governance, ethics, legislative and compliance matters in assisting the collective Board and individual directors to discharge their duties. She further co-ordinates the functioning of the Board and its committees, and attends all Board and Board committee meetings.

The Company Secretary reports to the Board through its Chairman on all statutory duties and functions performed in connection with the Board.

The Board annually considers the skills, knowledge and experience of the Company Secretary as part of the Board's evaluation process, and confirms that Ms Pinto has the competence, qualifications and experience to effectively fulfil her duties. She is not a member of the Board, and has maintained an arm's-length relationship with the Board and its members.

Board composition

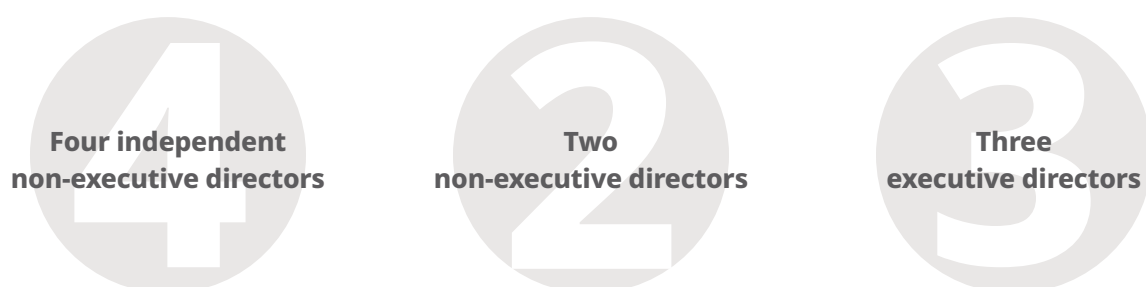
The Board is content that its composition achieves the right balance of knowledge, skills, experience, diversity and independence, which is essential for the objective and effective discharge of its governance role. As outlined in the Board's Charter, a distinct division of responsibilities ensures that executives manage the company's operations, while the Board's leadership is separate and prevents any individual from having unchecked decision-making powers.

	Number	Percentage %
Number of Board members	9	100
Board members who are non-executive	6	67
Board members who are deemed independent	4	43
Board members who are women	2	22
Average age of directors (in years)	59	59
Average Board tenure (in years)	4,8	-

Independence

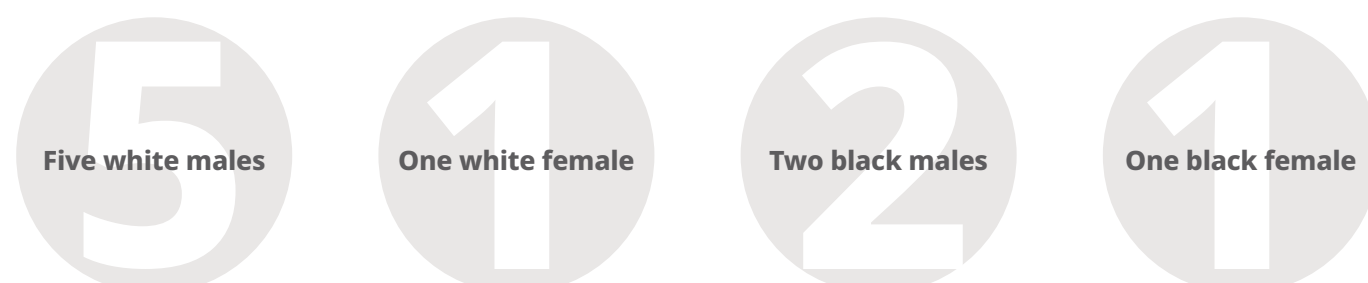
The Board's composition is structured to maintain a balanced distribution of power and prevents any single director from exerting undue influence on processes and decision-making.

The Chairman is independent and in his absence, a lead independent director takes charge. With four of the six non executive Board members being independent, there is a reinforced balance and independent judgement in decision-making. This composition ensures diverse perspectives, including those from an executive standpoint, and fosters constructive debates which enhance the effectiveness of the decision-making process.

**Board diversity**

When appointing new members to the Board, both the Nominations Committee and the Board thoroughly assess candidates in accordance with the Fund's nominations policy for the promotion of the diversity attributes of gender, race, culture, age, fields of knowledge, skills and experience at Board level.

A comprehensive review of the qualifications, experience, disciplines, and the gender, race, culture and age diversity of the directors, as outlined in this report, confirms that the directors fulfil the criteria necessary to effectively discharge their fiduciary duties and meet the standards of care, skill and diligence.

Board demographics

GOVERNANCE

Our leadership *(cont.)***Tenure**

All newly appointed directors must retire at the first Annual General Meeting (AGM) following their appointment. Re-election is possible, subject to eligibility and availability, and is determined by shareholder approval. Additionally, all non-executive directors are subject to retirement by rotation, with one-third standing for re-election by shareholders at every AGM. This rotation practice aligns with the company's MoI and Board Charter.



The average Board tenure of non-executive directors is four years.

Balance of skills and experience

The Board conducts an annual assessment of its size, diversity, demographics and skills requirements as part of the evaluation of the Board and directors' performance. The Fund's nominations policy outlines a formal selection process for the appointment of new directors. This process evaluates candidates for their relevant knowledge, skills, experience and independence of mind relevant to Accelerate's business and risk profiles. The nominations committee and Board further consider the company's policy on broad diversity at board level as part of this process.

In compliance with the JSE Debt Listings Requirements, our nominations policy is available on our website at [<https://www.acceleratepf.co.za/investorcentre/>].

The Board confirms that no amendments were made to the nominations policy during the year under review.

Expertise (number of directors)	
Audit	4
Acquisitions	4
Banking/finance/investment banking	8
Capital markets	3
Compliance	3
Corporate governance and remuneration	5
Disposals	3
IT	2
Insurance and risk management	4
Legal	2
Property economics/development/management	8

Fund management

Our Exco team

Our Exco team boasts over 200 years of combined experience in the finance, legal, retail and property sectors. Each team member leads with proficiency and contributes to the cultivation of a collaborative culture. This approach ensures that Accelerate consistently delivers a renowned property experience.

Accelerate Property Fund

EXCO

Dawid Wandrag	Joint CEO
Abri Schneider	Joint CEO
Marelise de Lange	CFO
Pieter Grobler	COO
Leon Louw	CEO – APF Management Company (Pty) Ltd

Exco Meeting Attendees

Mike Pienaar	CEO – Fourways Mall Managing Agent (Pty) Ltd
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MANAGEMENT

Sandarie Le Roux	Head of Finance
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GOVERNANCE

Our leadership (cont.)

Our management team

APF Management Company	
Leon Louw	CEO
Angelique Grigoratos	Head of legal
Fourways Mall Managing Agent	
Mike Pienaar	CEO
Flanagan & Gerard and the Moolman Group – Asset and Property Managers of the Fourways Mall	

Refer to pages 17 and 18 for the operational structure.





GOVERNANCE

How we are governed

Creating value through good governance

The Board recognises the integral connection between the Fund's value creation process and our core purpose, risks, opportunities, strategy, business model, performance and sustainable development. Consequently, sound corporate governance practices are woven into our values, culture and processes. Our internal controls play a crucial role in fostering the awareness of risk, compliance and good governance throughout the business. This approach ensures a holistic and integrated perspective on value creation within the Fund.

Commitment to the King IV™ principles and outcomes

The Board remains committed to fulfilling its primary governance roles and responsibilities. It acknowledges that the execution of these responsibilities, guided by the application of King IV™ principles and outcomes, enables the Board to assess and review performance in an informed manner.

For more detailed information, please refer to our King IV™ register available on our website at [<https://www.acceleratepf.co.za/investorcentre/#KingIV>].

Our governance practices and processes have yielded the following outcomes:

Ethical culture	Good performance	Effective control	Legitimacy
Our business approach is anchored in an ethical culture, emphasising a commitment to conduct ourselves ethically in all aspects of our operations. This commitment aligns with our values outlined in our Board Charter and Code of Ethics.	Our strategy is designed to ensure strong performance across the short-, medium-, and long-term horizons. Performance is linked to our immediate financial results and the long-term growth prospects of the business. This approach underscores our commitment to delivering value consistently over time.	While the Board has ultimate responsibility to shareholders, our governance structures are designed to facilitate an effective delegation of responsibilities. This approach ensures sustainable delivery and operational efficiency in the Fund.	We are committed to conducting our business with integrity and diligence. As a responsible corporate citizen, we actively seek to contribute to the growth of the communities in which we operate.

Ethical culture

The Board is dedicated to leading ethically and effectively, ensuring that its actions reflect these principles. It bears ultimate responsibility for the ethical conduct of the Group and regularly assesses the relevance and effectiveness of governance structures in achieving their objectives.

The Social, Ethics and Transformation Committee, aligned with King IV™, plays a pivotal role in ethics management and fosters an ethical culture throughout the Group. The Fund's values, including integrity, trust and honesty, are embedded in our Code of Ethics, which extends its expectations of ethical conduct to suppliers, customers and other stakeholders in the value chain.

Accelerate employs an ethics matrix to monitor ethical conduct, and reviews reports of significant cases of misconduct and whistleblowing activities in each meeting of the Social, Ethics and Transformation Committee. The committee also undertakes a triennial review of the Code of Ethics policy to ensure its alignment with ethical standards. No ethics breaches were reported in the year under review.

The Board upholds human rights protection as per the South African Constitution and Bill of Rights, confirming Accelerate's adherence to the 10 principles of the United Nations Global Compact.

Accelerate has implemented a whistleblowing policy, ensuring that concerns related to malpractice can be raised without fear of victimisation or reprisal. To facilitate reporting in accordance with the Protected Disclosures Act, 2000, Accelerate has established an anonymous reporting facility. This system is managed by an independent third party and emphasises our commitment to providing a secure and confidential channel for employees to raise concerns about potential wrongdoing within the Group.

Whistleblowing hotline and contact details:

Tel: +27 31 308 4664

Email: acceleratepf@whistleblowing.co.za

Conflicts of interest

Accelerate is committed to ensuring compliance with statutory and best-practice requirements which aims to safeguard the Fund and individuals from any appearance of impropriety. The Conflicts of Interest policy provides guidance to directors and senior management on how to recognise and declare perceived and actual conflicts.

The policy addresses statutory provisions outlined in Section 75 of the Companies Act, as well as the JSE Listings Requirements and JSE Debt Listings Requirements concerning conflicts of interest and related party transactions. It also offers guidance on when to declare any gifts or hospitality received by a director or member of senior management in connection with their role in the company. The policy is reviewed on an annual basis, demonstrating the Board's commitment to upholding and implementing ethical conduct.

GOVERNANCE

How we are governed (cont.)

In adherence to the JSE Debt Listings Requirements, the Conflicts of Interest policy, and the register of directors' and officers' interests in contracts, are accessible on the company's website at [<https://www.acceleratepf.co.za/investorcentre/#Policies>].

To maintain transparency, Board members and meeting attendees are required to disclose their personal financial interests at every Board and Board committee meeting they attend. In addition, Board members formally declare their personal financial interests in writing biannually. These measures reinforce the commitment to managing conflicts of interest effectively and ethically within Accelerate.

A culture of compliance

The Board places great emphasis on ensuring compliance within the regulatory and governance environment. Policies and processes are established by the Board and its committees to guarantee adherence to all applicable laws, regulations and governance codes and standards.

Accelerate's ethical values are embedded in various policies, including the Code of Ethics, Conflicts of Interest, Whistleblowing and POPI policies, as well as other governance policies. Compliance is an integral aspect of the Fund's strategy and a Legislative and Regulatory Compliance Framework detailing all aspects of compliance applicable to the Group is adhered to.

During the reviewed year, no penalties, sanctions or fines were imposed on the Fund or any of our directors for contraventions or non-compliance with statutory obligations.

The Board confirms that Accelerate complied with all applicable legislation, codes and regulations. This includes the Companies Act, the JSE Listings Requirements, the JSE Debt Listings Requirements, the Income Tax Act, REIT legislation and King IV™.

The Audit and Risk Committee conducts a triennial review of the legislative and regulatory compliance framework pertinent to the Fund's performance and operations, which is subsequently reviewed and approved by the Board. Regular policy reviews occur, specifically when new legislation or amendments to existing legislation come into effect.

The Board oversees processes to ensure that each business area and employee of the Fund are accountable for adhering to sound corporate governance principles in their interactions with management, shareholders and other stakeholders. This approach emphasises a commitment to compliance, governance and ethical conduct throughout the business.

Dealings in Fund shares

In accordance with company policy and the JSE Listings Requirements, directors of the Fund, along with directors' associates, senior management and the Company Secretary, must seek prior written clearance from the Chairman or the CEOs before engaging in any transactions involving Accelerate shares, whether directly or indirectly. All directors have provided a signed letter of undertaking to affirm their commitment to adhere to this requirement.

Closed periods are enforced on directors, employees and their associates concerning interim and annual financial results, and occasionally in connection with specific corporate actions.

Each share holds the right to one vote, and there are no non-voting shares, excluding treasury shares held by the company. This framework emphasises transparency and ethical conduct in dealings with Accelerate shares and ensures fair and equitable voting rights for all shareholders.

Board assessment outcomes

The Board has an evaluations policy in place, which delineates the procedures for assessing the performance of the Board as a whole, the Chairman, individual directors and Board committees. The Board is satisfied with its execution of responsibilities under the evaluations policy.

A formal internal online evaluation of the Board, its committees, the Chairman and individual directors took place in 2024. The Chairman is content with the assessment results and affirms that both the Board and its committees are operating effectively. This systematic evaluation process is integral to continuous efforts which are aimed at ensuring the Board's efficiency and effectiveness in fulfilling its duties.

The evaluation process included an assessment of the independence of non-executive Board members. Dr Madikizela is the only non-executive director serving on the Board for more than nine years. The Board determined that independent non-executive directors remain independent with no compromise in objective judgement or introduction of bias in decision-making.

Succession planning

Comprehensive succession planning is established for both the Board and the Chairman. Oversight of executive and non-executive director succession planning is managed by the Nominations and Remuneration committees. The Board has specific succession plans in place for the CEOs and CFO, while the CEOs have also developed a succession plan for executive management and key senior management positions. This strategic approach ensures a well-prepared and seamless transition for leadership roles in the Fund.

Director development

Directors have access to professional development as needed and/or requested, ensuring they remain well-versed in the nature of their responsibilities and obligations as directors of the Fund, particularly in accordance with the JSE Listings Requirements and the JSE Debt Listings Requirements. Accelerate's commitment to ongoing education and awareness contributes to the directors' effectiveness in fulfilling their roles and staying current with relevant regulatory standards.

Ongoing training extends to Board members, executives, senior management and employees. This commitment to continuous learning ensures that key personnel stay informed and updated on relevant industry requirements and standards.

GOVERNANCE

How we are governed (cont.)**Board meetings**

During the reviewed year, the Board conducted eleven meetings, including four quarterly meetings, one strategy meeting and six ad-hoc meetings to address special business. The frequency of meetings is deemed appropriate for the optimal functioning of the Board.

Board and committee meeting attendance is detailed below and on pages 142 and 143.

Director/officer	
TT Mboweni	10/11
M de Lange ¹	8/8
MN Georgiou	9/11
K Madikizela	11/11
AM Mawela	11/11
AM Schneider	10/11
JWA Templeton	11/11
JF van der Merwe	11/11
DJ Wandrag ³	10/11
Permanent invitees:	
PA Grobler (COO) ²	
M Pinto (Company Secretary)	

¹ Appointed as CFO on 1 August 2023.

² Appointed as COO on 1 August 2023.

³ Will retire on 31 August 2024.





GOVERNANCE

Board committees

The Board is supported by its Audit and Risk, Investment, Nominations, Remuneration and Social, Ethics and Transformation committees. These committees, to which the Board delegates authority, contribute to effective and efficient decision-making. The Board acknowledges its ultimate accountability for the Fund's affairs and functions. Directors are appointed to committees based on their specialised skills, qualifications and experience.

Each committee reports its activities and recommendations to the Board during the meeting following a committee session. All non-executive directors have the right to attend all committee meetings. The Board is satisfied that all committees fulfilled their responsibilities in line with their terms of reference. This collaborative structure enhances governance and ensures a comprehensive oversight of the Fund's diverse functions.

	Audit and Risk Committee	Remuneration Committee
Committees	The committee oversees risk management, the internal control environment and information and communication technology (ICT) to align with the Fund's strategic objectives and ensure the integrity of financial reporting. Independent non-executive directors: - JF van der Merwe* (5/5) - K Madikizela (4/5)¹ - AM Mawela (5/5) Non-executive director: - JWA Templeton (5/5) Permanent invitees: - Joint CEOs - CFO - COO - Internal auditors - External auditors - Company Secretary	The committee oversees the design and implementation of fair and responsible reward policies aligned to the company's remuneration strategy. These policies aim to attract, retain and motivate employees and non-executive directors, aligning their efforts with the company's strategic objectives. Independent non-executive directors: - AM Mawela* (2/2) - TT Mboweni (1/2) - JF van der Merwe (2/2) Permanent invitees: - Joint CEOs - CFO - Company Secretary
Strategic alignment	 Optimising our balance sheet	 Enhancing returns on our assets  Optimising our balance sheet
Independence of committee	75% independent	100% independent
Number of meetings	5 meetings	2 meetings
Further detail	Page 182 to 189	Page 154 to 177

* Chairman.

¹ Meetings were re-scheduled from their original dates and Dr Madikizela was unable to attend due to scheduling conflicts.

² Meetings were scheduled on short notice and Dr Madikizela was unable to attend as she was out of town.

³ Appointed as a member of SET with effect from 21 November 2023.

⁴ Resigned with effect from 31 July 2023.

	Nominations Committee	Social, Ethics and Transformation Committee	Investment Committee
Committees	The committee assists the Board in ensuring that an accountable and transparent process is followed in the appointment of directors to establish an optimally diverse board and committee composition, in line with the company's nominations policy. Independent non-executive directors: • TT Mboweni* (4/4) • K Madikizela (2/4)² • JF van der Merwe (4/4) Permanent invitee: • Joint CEOs • CFO • Company Secretary	The committee has statutory responsibilities in accordance with the Companies Act and oversees organisational ethics, corporate citizenship and ESG. It reports to shareholders at the AGM. Independent non-executive directors: • K Madikizela* (3/3) • AM Mawela (3/3) Executive director: • M de Lange (2/2)³ Senior management: • S Steyn (Head of finance) (1/1)⁴ Permanent invitee: • Corporate Finance Analyst • CEO of APF Management Company • Group marketing head • External consultant: Employment equity, skills development and B-BBEE matters • Company Secretary	The committee examines proposed investments, potential acquisitions and disposals, and capital projects above executive management's authority levels prior to recommendation to the Board. The committee further approves acquisitions and disposals, and capex projects within its delegation of authority. Independent non-executive directors: • JF van der Merwe* (4/4) • K Madikizela (3/4)¹ • AM Mawela (4/4) Non-executive directors: • MN Georgiou (4/4) • JWA Templeton (4/4) Executive director: • DJ Wandrag (4/4) Permanent invitees: • Joint CEOs • CFO • CEO of APF Management Company • CEO of Fourways Mall Managing Agent • Corporate Finance Analyst • Company Secretary
Strategic alignment	 Delivering value to stakeholders	 Delivering value to stakeholders	 Delivering value to stakeholders  Optimising our balance sheet  Growing the quality of our core portfolio
Independence of committee	100% independent	67% independent	50% independent
Number of meetings	4 meetings	3 meetings	4 meetings
Further detail	Page 146	Page 152 to 153	Page 148

GOVERNANCE

Board committees (cont.)**Remuneration Committee**

The committee is satisfied that the remuneration policy and strategy are aligned with the Fund's strategic objectives and effectively support the recruitment and retention of key talent.

The committee is satisfied that it has fulfilled its responsibilities as outlined in its terms of reference for the year under review.

Key focus areas and achievements 2024	Looking ahead
• Finalised executive contracts for the Joint Chief Executive Officers. • Assessed the performance of the Joint Chief Executive Officers and recommended incentives to the Board, for approval. • Reviewed KPIs and scorecards for the executive directors. • Reviewed and recommended executive remuneration to the Board for approval, and non-executive remuneration for Board and shareholder approval. • Reviewed a payment to the Lead Independent Director for ad-hoc work relating to the Fourways Mall, and recommended same for Board approval. • Oversaw the alignment of remuneration policy and practices to market through the crafting of new remuneration, short-term incentive (STI), long-term incentive (LTI) and NED remuneration policies, for approval by the Board. • Established metrics for STI and LTI awards. • Reviewed the remuneration report for inclusion in the Integrated Report. • Reviewed succession plans for executive directors and senior management. • Assessed the committee's performance against its terms of reference. • Updated its terms of reference and annual work plan, which were subsequently approved by the Board.	• Implementation of new remuneration and NED remuneration policies. • Implementation of revised STI and LTI schemes.

Audit and Risk Committee

The committee is satisfied with the overall control environment, including the controls underpinning the financial statements for the year ended 31 March 2024, as confirmed by both internal and external auditors. The committee and Board are satisfied that there is sufficient segregation between the external and internal audit functions which ensures that the independence of both auditors remains uncompromised. The committee confirms the fulfilment of its responsibilities in line with its terms of reference for the year under review.

Key focus areas and achievements 2024	Looking ahead
- Continued to revise and update the company's risk management strategies. - Regularly monitored the Fund's debt programme. - Confirmed the Fund's ongoing REIT status. - Considered and was satisfied that the CFO is appropriately qualified and has the necessary expertise and experience to carry out her duties, supported by an able and professionally qualified team in finance and treasury. - Established that Accelerate has appropriate financial reporting procedures in place in terms of paragraph 3.84(g)(ii), which are operating effectively. Such procedures extend across all entities included in the consolidated group IFRS financial statements to ensure that the company has access to all financial information required to allow it to effectively prepare and report on its financial statements. - Oversaw the rotation of the company's external auditor from Ernst & Young Inc. to PricewaterhouseCoopers Incorporated. with effect from 1 September 2023. - Requested from PricewaterhouseCoopers Incorporated ("PWC") the information contained in JSE Listings Requirements and JSE Debt Listings Requirements (paragraph 7.3(e)(ii)) to assess suitability for the appointment of PWC and the designated individual partner. - Ensured that the appointment of the auditor was presented and included as a resolution at the 2023 AGM. - Reviewed and confirmed the effectiveness and independence of the internal auditors. - Reviewed and approved the company's treasury guidelines, disaster recovery plan and procedures, and fixed assets policy. - Reviewed and recommended the company's policy for the governance of risk, information technology usage policy and delegations of authority framework, King IV™ register and integrated report to the Board, for approval. - Reviewed the JSE's report on proactive monitoring of financial statements in 2023, and monitored changes to the JSE Debt and Listings Requirements. - Reviewed reports in respect of ongoing material legal matters. - Reviewed the company's insurance coverage programme and the renewal of cover. - Oversaw strategic alignment between ICT and the company's strategy. - Reviewed internal audit reports on ICT including risks, controls, system integrity and user password changes. - Monitored ICT operational and capital expenditure budgets, as well as resources, against the overall budget. - Assessed the performance of the committee against its terms of reference. - Reviewed and recommended the committee's terms of reference and work plan to the Board, which were approved. - Executed all other statutory duties for this committee as prescribed by the Companies Act.	- Recovering long-outstanding related party debts. - Implementing ongoing risk management. - Improving the Fund's LTV and ICR ratios to be within sound covenant and governance levels. - Establishing sufficient finance and funding facilities to place Accelerate in a position to respond to opportunities or difficulties. - Ensuring that adequate cash flow management strategies are in place for the ongoing liquidity of the Fund. - Monitoring debt covenant compliance. - Strengthening the Fund's ICT environment. - Implementation of the fully underwritten rights offer of R300.0 million (R100,0 million is intended for later in the 2025 financial year). - Disposal of identified assets to reduce debt and improve LTV and ICR levels. - Implementation of the related party settlement agreements. - The Group's ongoing financial soundness and sustainability (cost containment, revenue strength, etc) amid extreme economic challenges and market volatility. - Ongoing Liquidity management. - With a very strong focus on Interest Cover Ratio's (ICR) in light of the steady rising of interest rates environment and the risks and consequences this brings about. - Ensuring realistic and cautious valuations on properties amongst an oversupplied real estate market. - Monitoring compliance by the Group with the REIT requirements as contained in the JSE Listings Requirements on a continual basis.

GOVERNANCE

Board committees (cont.)**Nominations Committee**

The committee oversees and makes recommendations on the composition of the Board, its committees and the appointment of new non-executive directors.

The committee is satisfied that it has fulfilled its responsibilities in accordance with its terms of reference for the year under review.

Key focus areas and achievements 2024	Looking ahead
• Sourced, reviewed and recommended candidates to the Board for the appointment of a new CFO, leading to the appointment of Marelise de Lange effective from 1 August 2023, in accordance with the company's nominations policy. • Considered the appointment of other NEDs to the Board. • Reviewed management proposals for the revision of the composition of Board committees. • Recommended the re-election by rotation of AM Mawela and JWA Templeton to the Board, for recommendation to shareholders at the 2024 AGM. • Recommended the re-election of JF van der Merwe, K Madikizela, AM Mawela and JWA Templeton as members of the Audit and Risk Committee to the Board, for recommendation to shareholders at the 2024 AGM. • Reviewed and recommended the company's nominations policy to the Board, for approval. • Assessed the performance of the committee against its terms of reference. • Reviewed and recommended the committee's terms of reference and work plan to the Board for approval.	• Overseeing changes to the composition of the Board and its committees in response to the restructuring plan, if required. • Reviewing succession planning for the Board and Board Chairman.

Social, Ethics and Transformation committee

The committee oversees Accelerate's activities according to its mandate. It focuses on:

- Social and economic development.
- Good corporate citizenship.
- Consumer relationships.
- Commitment to transformation.
- Health and public safety.
- Labour and employment issues.
- Ethics monitoring.
- Environmental issues.

The committee is satisfied that it has fulfilled its responsibilities in accordance with its terms of reference for the year under review. Refer to our Social, Ethics and Transformation Report, pages 152 to 153.

Key focus areas and achievements 2024	Looking ahead
• Provided oversight of the company's corporate social responsibility (CSR) activities and partnerships, and monitored CSR expenditure against the 2024 budget. • Monitored the performance and support of the company's bursary programme beneficiaries. • Tracked progress and explored opportunities in respect of employment equity and B-BBEE targets. • Reviewed the company's progress against the United Nations Sustainable Development Goals. • Received reports on the impact of the company's activities on the environment, including incident reports relating to public safety. • Reviewed reports on the company's consumer relationships, including the company's advertising, public relations and compliance with consumer protection laws. • Reviewed and confirmed that no cases of misconduct, fraud or dishonesty occurred. • Reviewed reports on whistleblowing activities. • Monitored the company's ethical performance against its code of ethics and ethics matrix. • Reviewed ESG metrics, and considered ESG goals and targets in response to ongoing regulatory developments. • Reviewed and recommended the company's ESG policy and framework, bursary programme and social responsibility policies to the Board, for approval. • Assessed the committee's performance against its terms of reference. • Recommended the committee's terms of reference and work plan to the Board, which were subsequently approved. • Ensured compliance with all statutory obligations prescribed by the Companies Regulations, 2011.	• Progressing the development of the company's ESG strategy. • Continuing to focus assistance on communities surrounding the company's main area of business and expanding beyond that, where possible. • Finalising the workplace skills plan and annual training report to be completed before the end of April 2024. • Improving the company's B-BBEE compliance. • Monitoring any potential labour and employment implications of the company's restructuring plan.

GOVERNANCE

Board committees (cont.)**Investment Committee**

The committee evaluates and approves acquisitions and disposals within its designated authority. It further reviews and makes recommendations to the Board on acquisitions and disposals above its authority, for consideration by the Board. The committee confirms that it has fulfilled its responsibilities as outlined in its terms of reference for the year under review.

Key focus areas and achievements 2024	Looking ahead
- Reviewed and made recommendations to the Audit and Risk Committee regarding property valuations. - Monitored property maintenance and capital expenditure against budget. - Reviewed and approved property and associated deals proposed by management recommending those outside of the committee's authority to the Board. - Reviewed and approved property disposals proposed by management in line with the company's strategy, and proposed disposals exceeding the committee's authority to the Board. - Monitored progress with the implementation of the company's restructuring plan, including the finalisation of the related party set-off agreement, the rights issue to be underwritten by The iGroup and the appointment of new property and asset managers for the Fourways Mall. - Received property management updates from the managers of the company's property portfolio, including the Fourways Mall. - Reviewed progress regarding the implementation and roll-out of the company's solar power programme. - Discussed the company's property strategy relating to potential future developments and acquisitions. - Conducted an assessment of the committee's performance against its terms of reference. - Recommended the committee's terms of reference and work plan for approval by the Board, both of which were subsequently approved.	- Monitoring ICRs relative to disposals. - Monitoring debt covenant compliance. - Overseeing vacancies and leasing activities. - Monitoring the activation of dead bulk and buildings across the company's property portfolio. - Monitoring the improvement of trading densities and leasing activities at the Fourways Mall.

Integrated risk management

The Audit and Risk Committee holds overall responsibility for overseeing Accelerate's risk management performance and conducts assessments of Accelerate's risk register at quarterly meetings. Key risks and opportunities are identified by the committee, evaluating their potential impact on earnings sustainability and the company's capacity to create value for stakeholders.

The Board reviews its risk tolerance and appetite limits annually based on the recommendations of the Audit and Risk Committee. The committee assesses APF's risk tolerance by identifying main business risks, factors influencing them, tolerance limits, mitigation actions and the potential impact on APF if a specific risk level is breached.

For more detailed information on our risk management process, matrix and top risks, please refer to pages 74 to 81.

Internal audit

The internal audit function at APF utilises a risk-based methodology overseen by the Audit and Risk Committee to identify significant business risks. LateganMashego Audit and Advisory (Pty) Ltd serves as the internal auditor for APF and conducts an annual assessment of the company's governance, risk management and financial control processes. The findings are submitted to the Audit and Risk Committee for review and recommendation to the Board. The Board relies on this assurance for fulfilling its risk-related financial reporting obligations and both the Board and the Audit and Risk Committee are content with the adequacy and effectiveness of the internal audit arrangements.

The Audit and Risk Committee is assured that internal controls are well-designed and operational. Additionally, the committee is confident in the continued independence of LateganMashego from APF. The Board expresses satisfaction with the effectiveness of the company's risk management processes and internal control systems.

Assurance

The Board, with the assistance of the Audit and Risk Committee, oversees the assurance services and functions that support the integrity of:

- Information used for internal decision-making by management, the Board and its committees
- External reports

The Board and the Audit and Risk Committee are content that the company has instituted sound financial reporting procedures that are operational and effective. Based on the committee's recommendation, the Board reviews and affirms the company's going concern status during the preparation of financial statements at interim reporting periods and year-end. The going concern statement incorporates considerations of profitability, budgets, profit forecasts, resources, solvency and liquidity requirements in line with the Companies Act. The Board is confident that the company will continue as a going concern into the foreseeable future and that the annual financial statements are prepared accordingly.

The Board is assured that there are no known events or conditions that may pose significant doubt about the company's ability to operate as a going concern. The robustness of the financial statements, accounting policies and information in the Integrated Report is ensured through a thorough integrated process, subject to review by management and the Audit and Risk Committee before presentation to the Board. The Board is satisfied that both internal and external audits contribute appropriate and effective assurance regarding the control environment, risk management and the reliability of financial statements.

The Audit and Risk Committee confirms its satisfaction with the independence of the external auditor, PWC, and asserts that the provision of non-audit services by PWC does not compromise its independence. The committee also expresses contentment with the quality of the external audit, supported by the results articulated in the accreditation pack issued by the Independent Regulatory Board for Auditors.

GOVERNANCE

Stakeholder relationships

The Board recognises that APF's reputation is intricately tied to stakeholders' perceptions and is dedicated to fostering inclusive, transparent and mutually beneficial relationships through continuous dialogue and communication. Stakeholder engagement is targeted at addressing the most pertinent concerns affecting stakeholders and is guided by APF's Stakeholder Engagement Policy. To enhance investor relations, APF has enlisted the support of Articulate Capital Partners.



A significant portion of APF's CSI budget is directed at providing tertiary-level bursaries to students from previously disadvantaged backgrounds which aligns with the commitment to improving lives in the communities where the company operates. Other CSI initiatives are tailored to benefit the communities in Fourways, the primary area of business operations.

Looking forward, APF aims to collaborate with tenants to ensure their sustainability within its buildings. The company puts great emphasis on minimising its environmental footprint and addressing the challenges posed by planned electricity outages. Regular reviews of activities are conducted to strengthen stakeholder engagement programmes.

For detailed information on the company's commitment to stakeholders, refer to the Stakeholder Engagement Report on pages 70 and 73.

*Fourways Mall*

GOVERNANCE

Social, ethics and transformation committee report

Role and mandate

The Social, Ethics and Transformation Committee, in compliance with the Companies Act, holds statutory responsibilities. It actively oversees organisational ethics, corporate citizenship and transformation initiatives within APF. The committee monitors the company's activities according to its mandate. The committee's chairperson provides reports on the committee's activities and discussions to each Board meeting. Furthermore, a comprehensive overview of the committee's activities is presented to shareholders during the company's annual general meeting (AGM). This transparent reporting mechanism ensures accountability and alignment with regulatory requirements.

Committee composition

The committee comprises two independent non-executive directors and one executive director. For detailed profiles of the committee members, please refer to pages 124 to 129. Information regarding the number of meetings held during the year, attendance records and standing invitees is available on pages 142 and 143 of our governance report. In addition, invitations to attend committee meetings are extended to senior executives and professional advisers, as required.

Committee performance

The committee conducts an annual performance assessment to evaluate its effectiveness in fulfilling its mandate and continually strives to enhance its contribution to the Board. The assessment for 2024 utilised an internal online questionnaire and was independently completed by each committee member. The favourable results of the assessment affirm that the committee operates cohesively and effectively with no identified areas of concern.



Activities and areas of focus during the year

The committee carried out its duties by:

- Overseeing APF's ethical culture, including reviewing whistleblowing activities.
- Reviewing the performance and wellbeing of students supported by the company's bursary programme.
- Reviewing metrics related to the ongoing training and development of employees.
- Monitoring progress against targets in the company's employment equity plan.
- Monitoring progress and plans for ESG projects and proposals.
- Approving various Corporate Social Investment (CSI) proposals within the allocated budget for FY2024.

For more information on Accelerate's specific progress areas and performance during the year, please refer to Sustainability in Action, from page 105 to 119.

Looking ahead

We intend to enhance our commitment to sustainability, aligning with the JSE Sustainability guidelines, with a particular focus on ESG aspects. Our short-term goals include maintaining our attention in communities around our primary business area and potentially expanding beyond. In addition, we will sustain our efforts to monitor and support the performance and wellbeing of students in our bursary programme. We will provide oversight of ongoing activities contributing to the company's B-BBEE accreditation level. In the medium term, we aim to set benchmarks for calculating greenhouse gas (GHG) emissions and offer more detailed reporting on climate-related metrics.



Dr Kolosa Madikizela

Social, Ethics and Transformation Committee Chairperson

31 July 2024



Cedar Square Shopping Centre

GOVERNANCE

Remuneration report

The remuneration committee (the “committee”) is pleased to present Accelerate’s remuneration report for the year ended 31 March 2024. This report aligns with best practice, considering King IV™ and the JSE Listing Requirements.

The Remuneration Committee’s mandate is to ensure that Accelerate’s remuneration policy and decisions support the achievement of the Group’s strategic objectives, promoting fairness, transparency and responsibility while encouraging individual performance. In line with this mandate, the committee elected to conduct a comprehensive review of various components of Accelerate’s executive directors’ and staff remuneration. Further information on this is included in the background statement and policy. The committee remains committed to maintaining a strong and healthy relationship with Accelerate’s shareholders and other stakeholders, which are built on trust and a clear understanding of the remuneration policy and its implementation. The committee is satisfied that it has fulfilled its responsibilities in accordance with its mandate for the year ended 31 March 2024.

This report outlines Accelerate’s remuneration policy and its implementation thereof for executive directors and non-executive directors (“NED”) remuneration for the 2024 financial year (to 31 March 2024). The report is divided into three parts:

- Part 1:** A report from the chairman of the Remuneration Committee and a background statement providing context to the company’s remuneration policy and performance.
- Part 2:** An overview of the approved remuneration policy.
- Part 3:** The implementation and outcomes of the remuneration policy during the year ended 31 March 2024, including disclosure on payments made to executive directors and NEDs during the financial year.

Part 1: Report from the chairman of the Remuneration Committee**Background statement**

The financial year posed challenges for all stakeholders including shareholders, executives, and employees, who worked diligently to address the socio-economic difficulties affecting the sector and tenants. Despite these challenges, Accelerate remained steadfast in executing its business strategy.

The challenging economic conditions influenced remuneration decisions and outcomes as will be elaborated later in this report. Notwithstanding the tough trading environment, key performance achievements during the year included:

- Successful implementation of R200,0 million fully underwritten rights offer with proceeds settled against debt after year-end.
- Extend R1,1 billion and R230,0 million of RMB debt to 31 March 2025 and 31 May 2025 respectively, Sanlam (Sanfin and SIM) notes to the extent of R302,0 million extended to 30 August 2024.
- Reduction of total debt from R4,5 billion to R4,4 billion through property sales totalling R202,0 million.
- Disposals of an additional R563,0 million after year-end (May and June 2024) which reduced debt.
- Signing additional property sales worth R175,7 million.
- Successful negotiation of ICR and LTV covenant relief with funders to 31 March 2024.
- Conclusion of related party settlement agreements to resolve balances due to Accelerate.

Given the challenging and uncertain macroeconomic environment, the effective realisation of our business strategy remains crucial. The committee recognises the importance of ensuring that our remuneration structures align with our objectives of attracting, motivating, retaining, and rewarding high-calibre employees. Therefore, the committee chose to conduct a comprehensive review of the components of Accelerate's executive directors' remuneration and policies, aiming to ensure alignment with strategic objectives and adherence to best practice principles. A comprehensive review of the Short-Term Incentive Plan ("STIP") and Long-Term Incentive Plan ("LTIP") were undertaken and changes were made.

In determining executive remuneration, careful consideration is given to rewarding high levels of performance and effective decision-making for the long-term sustainability of the company. This approach seeks to align the interests of executive directors with those of shareholders and other stakeholders. The committee works to incorporate appropriate safeguards into remuneration structures, discouraging behaviour that might expose the group or shareholders to inappropriate and excessive risk-taking and ensuring that the interests of the Fund take precedence.

Focus areas during the year

During the year ended 31 March 2024 the committee:

- Carefully considered shareholder feedback after the 2023 AGM and responded as necessary
- Reviewed the current remuneration policy.
- Reviewed the peer group for benchmarking purposes.
- Reviewed the current pay mix for executive directors.
- Reviewed the current scorecards for the executive directors.
- Benchmarked the STIP and LTIP against disclosed industry peers.
- Benchmarked the Total Guaranteed Packages ("TGP") of executive directors against disclosed industry peers.
- Reviewed and amended the STIP and LTIP.
- Reviewed the NED Policy.
- Reviewed the Malus and Clawback Policy.
- Reviewed executive directors' total remuneration and approved salary increases after considering the Company and individual performance.
- Reviewed non-executive directors' remuneration (to be approved by shareholders).
- Reviewed and approved for the year ended 31 March 2024 remuneration report.

Decisions made:

- Amended the Remuneration Policy.
- Amended the industry peer group.
- Drafted new scorecards for the company and executive directors to better align with the strategy.
- Amended the NED Policy.
- Amended the Malus and Clawback Policy.
- Redesigned the STIP and LTIP.
- Introduced a voluntary shareholding for the LTIP participants.

GOVERNANCE

Remuneration report *(cont.)***Voting outcomes and shareholder engagement**

At the 2023 AGM, we received an 89,49% approval for the remuneration policy and the implementation report. While we received the required level of support in both votes, as stipulated by King IV™ and the JSE Listings Requirements, we remain open to engaging with any dissenting shareholders who may have concerns. As part of our ongoing commitment, we will take proactive measures to address shareholder feedback that raises valid concerns, a practice we have consistently followed in recent years.

Remuneration-related voting results for prior years are illustrated below (with rounded percentages reflecting “votes for”):

	2023	2022
Remuneration Policy	89,49%	99,88%
Implementation Report	89,49%	99,75%
NED fees	88,33%	98,39%
Average Board tenure (in years)	4,8	4,8

Changes of executives

The 2024 financial year will be remembered as a year in which a significant change in Accelerate's executives was made:

- Abri Schneider was appointed as joint CEO on 1 April 2023 and elected to the Board on 23 March 2023.
- Marelise de Lange was appointed as CFO at the end of March 2023 and elected to the Board on the 1 August 2023.

Future areas of focus

- During FY2025, the committee plans to focus on:
- Embedding the changes to the remuneration policy to ensure alignment with strategic objectives.
- Implement the newly approved STIP and LTIP.
- Monitor and ensure that Accelerate's remuneration policy and practices remain aligned to the market.
- Continue to proactively engage with shareholders.
- Continue to ensure that ESG measures are appropriately developed and implemented.



Remuneration consultants

The committee engaged the services of Khokhela Remuneration Advisors as remuneration consultants during the year. The committee is satisfied that the consultants were independent and objective in providing the relevant services.

Compliance

The committee is dedicated to upholding a robust and constructive relationship with Accelerate's shareholders and other stakeholders, which is grounded in trust and a comprehensive understanding of our remuneration policy and its execution. The committee affirms its contentment that it discharged its obligations in line with its mandate (i.e., its terms of reference) for the financial year. In addition, it asserts that there were no deviations from the remuneration policy during the reporting period, except for the absence of Long-Term Incentive (LTI) awards, and that the remuneration policy successfully accomplished its defined objectives.

Approval

The committee submitted this remuneration report to the Board for approval on 24 July 2024. The company is dedicated to enhancing its remuneration practices and anticipates receiving your endorsement for the remuneration policy and implementation report at the AGM on 9 September 2024.

Signed on behalf of the Board



Mr Abel Mawela

Chairman of the Remuneration Committee

31 July 2024

The Buzz Shopping Centre



GOVERNANCE

Remuneration report *(cont.)***Part 2: Main overview of the remuneration policy**

The remuneration policy is subject to an advisory vote by shareholders at the forthcoming AGM to be held 9 September 2024.

The remuneration policy is applicable to all permanent employees of the company. In Part 2, we have outlined the remuneration elements and design principles that are applicable to executive directors and at a high level, to other employees.

Remuneration governance

The committee is appointed by the Board and its terms of reference outline the responsibilities delegated to it. This encompasses the review and decision-making on the remuneration policy and its implementation. The composition of the committee, which consists of independent non-executive directors (NEDs), is detailed on page 142. The committee provides reports on its activities during Board meetings subsequent to committee sessions. Additionally, the chairman of the committee is present at the Annual General Meeting (AGM) to address shareholder queries in the committee's areas of responsibility.

The committee, appointed by the board, has been granted the authority to review and make decisions regarding Accelerate's remuneration policy and its implementation. Governed by its formally adopted terms of reference, the committee's responsibilities include:

- **Policy Development and Approval:** Crafting, reviewing, and endorsing the remuneration policy for both employees and executive directors, ensuring alignment with Accelerate's strategic goals.
- **Fair Remuneration Practices:** Assisting the board in ensuring the executive directors receive fair and responsible remuneration, consistent with the remuneration framework for all Accelerate employees.
- **Remuneration Structure:** Ensuring the mix of fixed and variable pay, encompassing cash, shares, and other elements, supports the company's strategic objectives and does not encourage unreasonable risk.
- **Incentive Schemes:** Evaluating and authorising the Short-Term Incentive (STI) and Long-Term Incentive (LTI) awards for executive directors and staff.
- **Increases:** Approving the base salary and salary increments for executive directors, as well as endorsing salary increases for all employees within Accelerate.
- **Performance Metrics:** Confirming the accuracy of performance metrics related to the vesting of STI and LTI awards.
- **Executive Performance Review:** Assessing executive directors' performance to determine appropriate remuneration levels.
- **Non-Executive Fees:** Recommending the fees for non-executive directors to the Board for ratification and submission to the shareholders at the AGM for approval.
- **Remuneration Reporting:** Supervising the preparation of a remuneration report that is clear, concise, and transparent.
- **Stakeholder Engagement:** Ensuring the remuneration policy and implementation report are subjected to two non-binding advisory votes by shareholders and engaging with shareholders and other stakeholders regarding Accelerate's remuneration.

Key principles of remuneration

The remuneration policy is underpinned by key principles that reflect the company's approach to rewarding employees. These principles serve as the foundation for the remuneration framework and guide the allocation of rewards. The key principles include:

- Designing remuneration structures to align with the business strategy in the short and medium term, emphasising long-term sustainability.
- Avoiding exposure of shareholders to unreasonable financial risk through remuneration structures.
- Ensuring close alignment and transparency of remuneration policies with the agreed company strategy, subject to regular reviews considering changes in business strategy.
- Encouraging employee actions in the best interests of the company while delivering the business strategy.
- Setting competitive total rewards in the market, comprising Total Guaranteed Package (TGP), Short-Term Incentive Plan (STIP) and Long-Term Incentive Plan (LTIP).
- Affordability of total remuneration, with a focus on the aggregate impact on the company's finances, capital, investment needs, and distributions to shareholders.
- Promoting risk management and discouraging behaviour contrary to the company's risk management strategy.
- Ensuring transparency and simplicity in remuneration policy design and application.
- Utilising effective performance management to optimise employee performance, support ongoing development and growth.
- Equity in remuneration, balancing internal and external equity considerations.
- Aligning total guaranteed package (TGP) with job requirements and individual employee competence.
- Strongly linking variable remuneration to performance, business strategy deliverance and long-term benefits for the company.
- Compliance with applicable laws and regulatory codes.
- Providing rewards that attract, motivate, and retain skilled employees and executives.
- Collaborating with the Social, Ethics and Transformation Committee to consider Environmental, Social and Governance (ESG) factors and align remuneration structures with evolving ESG requirements.

Fair and responsible remuneration

The cornerstone of Accelerate's success lies in the passion and dedication demonstrated by its employees. The company's performance culture is upheld through an annual review of employee performance against Key Performance Indicators (KPIs). This comprehensive evaluation ensures alignment with the company's strategic objectives and the attainment of individual goals. The assessment encompasses performance related to Short-Term Incentive (STI) and Long-Term Incentive (LTI) awards, which are designed to foster ambitious performance while maintaining vigilance against undue risk-taking. Employees are conscious of their significance to the company, appreciating the value placed on ongoing training, professional development, and guidance on career paths. This holistic approach to performance management underscores Accelerate's commitment to nurturing a workforce that not only meets current objectives, but also evolves and grows with the company's future aspirations.

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Remuneration report *(cont.)***Elements of remuneration**

The table below sets out a summary of Accelerate's elements of remuneration:

	Detail	Description	Objective
Pay Mix	Pay Mix	Defines the contributions of the different components of remuneration towards the total remuneration package of executives	Ensure alignment to industry norms
Fixed remuneration	Total Guaranteed Package (TGP)	Total Guaranteed Package (TGP) which includes associated benefits	Attraction and Retention
Variable Remuneration	Short-Term Incentive Plan (STIP)	Annual incentive scheme (STI) Rewards individual performance Rewards company performance STI Calculations are expressed as a percentage of TGP	Attraction and motivation and performance
	Long-Term Incentive Plan (LTIP)	Conditional Performance Unit (CPU) Plan Allocation is calculated as a percentage of TGP Rewards both individual and company performance Participants are encouraged to hold 25% of their TGP on a voluntarily basis in Accelerate shares	Retention and Long-term Sustainability



Eligibility	How is pay level set	FY2024 policy changes
Executives	The approved pay mix for the CEO: TGP 35% On-Target STI – 30% On-Target LTI – 35% CFO: TGP 38% On-Target STI – 24% On-Target LTI – 28%	Not previously provided
All employees	Market benchmarking for executive directors against a peer group and by job grade for other roles Individual performance is used to position the pay relative to the benchmarks	No changes
All employees The extent of participation is dependent on the classification of employees and their ability to influence the outcome of the business as a whole	Distributable Earnings used to fund the incentive and modified by: • Loan-to-value ratio • Interest Cover Ratio (ICR) • Net Fund expense ratio • Debt rating Individual performance also impacts the incentive. Below are the On-Target Incentives: CEO – 85% CFO – 70%	Was a bottom-up additive scheme
Executives (CEO, CFO)	Allocation, subject to: • Growth in NAV • Growth in Distributable Earnings (DE) • ESG measures The following are the allocations for On-Target performance as a percentage of TGP: CEO – 90% CFO – 80%	Changed from a Conditional Share Plan (CSP) to a Conditional Performance Plan (CPP) No retention awards. These have been removed from the LTIP Policy and Rules



BMW Fourways

GOVERNANCE

Remuneration report *(cont.)****Fixed remuneration and benefits***

Accelerate embraces a Total Guaranteed Package (TGP) framework for its structured remuneration. The TGP is inclusive of both a cash salary and associated benefits. This approach is deemed suitable for accurately valuing employees' contributions in the company and ensures that the TGP aligns with the expected role responsibilities.

The TGP model is designed to attract, motivate, and retain high-calibre skills by providing a comprehensive remuneration structure. APF places significant value on high-performing employees and endeavours to remunerate them in a manner that not only acknowledges their immediate contributions, but also encourages decision-making that aligns with the long-term interests of the company.

Benchmarking and position in the market

Accelerate conducts regular reviews of all remuneration aspects and compares them against relevant market and peer data to ensure that the company remains competitive in the market. The remuneration for executive directors and non-executive directors (NEDs) is subject to benchmarking performed by an independent service provider.

Benchmarking at Accelerate is executed against an appropriate peer group comprising comparable companies. Considering the challenging business environment, the company's strategic goals and the recognition of Accelerate's growth, the benchmarking process aims to align the remuneration of executive directors and senior management within the median to upper quartile range of the comparator group. This strategic approach seeks to attract, retain and motivate highly skilled individuals possessing the necessary expertise to fulfil their responsibilities effectively.

The following peer group was used for benchmarking purposes.

Peer Group	
Delta Property Fund Limited	Octodec Limited
Dipula Income Fund Limited	SA Corporate Real Estate Limited
Emira Property Fund Limited	Safari Investments SA Limited
Fairvest Property Holdings Limited	Spear REIT Limited
Heriot REIT Limited	Stor-Age Property REIT Limited
Oasis Crescent Property Fund Limited	Texton Property Fund Limited

Annual review process

The annual review process at Accelerate evaluates employee remuneration against market standards and the company's performance. This assessment ensures that adjustments, in accordance with the remuneration policy, are implemented where they are deemed necessary. The annual review kicks off in March, with any rate changes taking effect on 1 July. This systematic approach allows Accelerate to align its remuneration practices with market trends and company performance, fostering fairness and competitiveness in employee remuneration.

Annual adjustments

Accelerate employs a comprehensive approach in determining annual adjustments and considers various factors to ensure fairness and competitiveness. The considerations include employee performance, the Consumer Price Index (CPI), affordability, the company's financial standing, market trends and the relative market position of the employee population.

The following guidelines govern adjustments:

- **Cost of living adjustments:** Reflects the current CPI and considers external factors like market pressures and the overall business environment.
- **Market adjustment and/or parity increases:** Addresses internal inequalities by providing additional remuneration to employees who excel but are remunerated below market standards.
- **Rewarding and retaining top talent:** Incentivises and retains high-performing individuals in areas with scarce skills.

By adhering to these guidelines, Accelerate aims to ensure that annual adjustments are not only fair but are also aligned with market dynamics and the company's strategic objectives.

Variable Remuneration

The variable pay structures implemented by Accelerate emphasise the "pay-for-performance" philosophy and motivate employees to strive for ambitious performance targets and subsequently, increasing their variable pay outcomes. Through this approach, the remuneration policy reinforces the connection between remuneration outcomes and the achievement of the company's strategic goals.

Accelerate's remuneration policy strategically aligns with the achievement of company objectives through two performance-oriented plans:

Short-Term Incentive Plan (STIP)

This plan is crafted to instil a performance-driven culture and provides employees with incentives based on predetermined short-term targets. The aim is to reward individuals for meeting specific, short-term performance goals. The STI Plan has undergone a comprehensive review in collaboration with independent advisors. The short-term incentive plan (STIP) is an additive annual incentive scheme. A portion of the incentive is dependent on the company performance and the balance is dependent on individual performance. The company performance is determined by the Distributable Earnings and modified by performance achieved for critical objectives. The modifiers are Loan-to-value ratio (LTV), Interest Cover Ratio (ICR), Net Fund expense ratio and Debt Rating. The Individual performance is assessed using scorecards. The two components (company and individual) after applying their weightings, are added together.

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Remuneration report *(cont.)***Long-Term Incentive Plan (LTIP)**

The LTI plan has been reviewed to ensure it effectively attracts, retains and rewards participants. The LTIP is a Conditional Performance Plan (CPP). The CPP uses units which mimic Accelerate shares. The units constitute the right to the value of a Share at vesting. Units are granted annually to qualifying participants. At vesting, after deduction of the tax, 50% of the remaining value is settled in cash and the balance (50%) will be kept in Accelerate shares on a voluntary basis by the participants. The participants will on a voluntary basis keep at least 25% of their annual allocation in company shares free of any restrictions. This plan encourages participants to contribute to the long-term sustainability and success of the company. It also aligns key employees with the interests of shareholders and other stakeholders.

As the CPP is a non-dilutive long-term incentive scheme, it does not require a separate resolution for shareholders' approval. It is explained below and is part of the Policy. No units were awarded for the 2024 financial year.

The essential features of the Conditional Performance Plan, which will be implemented in the 2025 financial year, are detailed below:

Structure	The LTIP is a Conditional Performance Plan (CPP). The Units constitute the right to the value of a Share on vesting. Units are granted annually and are subject to performance conditions upon vesting. Settlement is in cash. Dividend equivalents are settled in proportion to the number of units vesting.
Instrument	Units which constitute a conditional right to the value of a share at vesting. No voting rights are attached to the Units.
Purpose	The purpose of the CPP is to deliver Units which mimic Accelerate shares to eligible employees to align their interests with those of shareholders and other stakeholders, through performance measures which are aligned to long-term shareholder value creation.
Participants	At the committee's discretion, executive directors and selected employees of the company are identified for participation in the scheme.
Performance and vesting periods	Three years, aligned to the company's financial year-end.
Value of award	The value of the award is determined by the level in the company and the TGP. The value of the award is based on market benchmarks obtained from independent experts and other factors the committee considers relevant in terms of the Remuneration Policy.
Plan limits and shareholder dilution	CPP awards are settled exclusively through cash mitigating any dilution concerns. At vesting, after deduction of taxes, 50% of the value is settled in cash, while the remaining 50% is voluntarily retained in APF shares by participants. Participants are encouraged to retain at least 25% of their annual allocation in company shares without restrictions.
Performance conditions	The committee will determine the performance conditions on an annual basis for each award taking into consideration the operating environment and Accelerate's business strategy. Each performance measure will have a threshold, target, and stretch measures attached. Linear interpolation is applied, resulting in vesting on a sliding scale depending on the level of achievement. Further details are disclosed below.

The measures for the LTIP and STIP are outlined in the table below:

Measures	LTIP	STIP
	CPU 3-year performance vesting	Individual Incentive = (CPF x Weighting % x TI) + (IPF x Weighting % x TI)
	LTIP Measures	Company Performance (CPF) Individual Scorecard (IPF)
Financial performance		
Growth in NAV per share	Growth in NAV per share	Growth in distributable income ("funded")
Distributable income/share	Growth in distributable income per share	
Growth in share price	Growth in share price	
Growth in dividends	Growth in distributable income	
Risk/balance sheet management		
Loan-to-value ratio		Loan-to-value ratio
Interest cover ratio		Interest cover ratio
Net Fund expense ratio		Net fund expense ratio
Debt rating		Debt rating
Operational performance		
Vacancies		Vacancies
Tenant arrears and write-offs		Tenant arrears and write-offs
WALE		WALE (Weighted average lease expiry)
Strategic priorities		
Assets disposals		Disposals of per plan by March 2025.
Re-capitalisation		Rights offer R200 million May/ June 2024.
Fourways Mall Outsourcing		Asset management and Property management for Fourways Mall
ESG		
Solar		Solar
ESG		ESG
IAR		IAR

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Remuneration report *(cont.)*

The scorecards for the CEO and CFO are included below with their respective weightings.

CEO SCORECARD				
Key performance area	Objectives	Description of requirements	Key performance indicator	Weighting
STRATEGIC	Keep the strategy alive and aligned to market changes and shareholders' interests.	Feedback to Board on the strategy implementation and updates on the markets and other key factors.	Success on strategy implementation by end of the year. Objectives achieved properly and on time.	10,00%
	Ensure that investors, shareholders, potential investors, creditors, and media are regularly briefed on the Fund's progress.	Feedback to Board on meetings, investors views and perception of media reports. Market perception surveys.	Quality of feedback (Board subjective opinions based on their feedback to the CEO during the year).	5,00%
	Optimise the performance and sustainability of Fourways Mall.	Sign and implement Fourways Mall Asset and Property Management agreement and develop 1 to 3 years and beyond plan for the Mall in partnership with Flanagan and Gerard and the Moolman Group.	Improvement in Fourways Mall returns and quality of the plan and Board acceptance	10,00%
	Ensure that Accelerate's property portfolio is aligned to the strategy.	Continue to seek and investigate opportunities to improve the Accelerate portfolio.	Improvement in the portfolio.	10,00%
	Total weighting			35,00%
FINANCIAL	Ensure finances are restructured to align with funder requirements, funders covenants, JSE REIT requirements and strategic plan.	Rights issue success on time and value underwritten.	Time frame and success of subscription.	5,00%
		Disposals as per plan and price vs book value required by March 2025.	Time frame and values achieved.	5,00%
		Agreement with funders for longer-term loans at improved rates.	Length of agreements and rates.	5,00%
		Assist and monitor achievement of restructure of finance and values in favour of APF and on time.	Time frame and values achieved.	5,00%
		Vacancies.	Achieve or exceed budget.	5,00%
		Net property expense: revenue ratio.	Achieve or exceed budget.	5,00%
	Total weighting			30,00%

CEO SCORECARD				
Key performance area	Objectives	Description of requirements	Key performance indicator	Weighting
OPERATIONS	Oversee the performance of the operations and projects.	Oversee Flanagan and Gerard and the Moolman Group's performance in line with Agreement for Fourways Mall.	Successful implementation against plan	5,00%
		Monitor capex for APF property improvements and R&M.	Successful implementation against plan	5,00%
		Occupational certificates for properties.	Successful implementation against plan	5,00%
	Total weighting			15,00%
PEOPLE	Develop a plan to ensure the right people are employed in the right jobs and the EVP (employee value proposition) is maximised	Culture Survey to establish employee culture baseline & implement framework to improve culture.	Ensure actions to be developed in FY2025 are delivered.	5,00%
		Ensure the company is structured correctly and the right skills and talent are employed with a succession plan.	Ensure that the HR policy and strategy are developed and approved.	5,00%
	Total weighting			10,00%
ESG	Develop an integrated ESG strategy that aligns to the company strategy.	Ensure that the most appropriate ESG strategy is developed, approved and implementation scheduled.	Board approval and implementation progress in line with plan.	5,00%
		Solar – Fourways Mall and Cedar Square	Successful Implementation as per plan.	5,00%
	Total weighting			10,00%
Overall weighting			100,00%	

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Remuneration report (cont.)

CFO SCORECARD				
Key performance area	Objectives	Description of requirements	Key performance indicator	Weighting
STRATEGIC	Keep the strategy alive and aligned to market changes and shareholders' interests.	Feedback to Board on the strategy implementation and updates on the markets and other key factors.	Success on strategy implementation by end of the year. Objectives achieved properly and on time.	7,50%
	Ensure that investors, shareholders, potential investors, creditors, and media are regularly briefed on the Fund's progress.	Feedback to Board on meetings, investors views and perception of media reports. Market perception surveys.	Quality of feedback (Board subjective opinions based on their feedback to the CEO during the year).	10,00%
	Optimise the performance and sustainability of Fourways Mall.	Sign and implement Fourways Mall Asset and Property Management agreement and develop 1 to 3 years and beyond plan for the Mall in partnership with Flanagan and Gerard and the Moolman Group.	Improvement in Fourways Mall returns and quality of the plan and Board acceptance	2,50%
	Ensure that Accelerate's property portfolio is aligned to the strategy.	Continue to seek and investigate opportunities to improve the Accelerate portfolio.	Improvement in the portfolio.	5,00%
	Total weighting			25,00%
FINANCIAL	Ensure finances are restructured to align with funder requirements, funders covenants, JSE REIT requirements and strategic plan.	Rights issue success on time and value underwritten.	Time frame and success of subscription.	7,50%
		Disposals as per plan and price vs book value required by March 2025.	Time frame and values achieved.	5,00%
		Agreement with funders for longer-term loans at improved rates.	Length of agreements and rates.	7,50%
		Assist and monitor achievement of restructure of finance and values in favour of APF and on time.	Time frame and values achieved.	7,50%
		Vacancies.	Achieve or exceed budget.	2,50%
		Net property expense: revenue ratio.	Achieve or exceed budget.	2,50%
	Total weighting			35,00%

CEO SCORECARD				
Key performance area	Objectives	Description of requirements	Key performance indicator	Weighting
OPERATIONS	Oversee the performance of the operations and projects.	Oversee Flanagan and Gerard and the Moolman Group's performance in line with Agreement for Fourways Mall.	Successful implementation against plan	7,50%
		Monitor capex for APF property improvements and R&M.	Successful implementation against plan	7,50%
		Occupational certificates for properties.	Successful implementation against plan	5,00%
	Total weighting			20,00%
PEOPLE	Develop a plan to ensure the right people are employed in the right jobs and the EVP (employee value proposition) is maximised	Culture Survey to establish employee culture baseline & implement framework to improve culture.	Ensure actions to be developed in FY2025 are delivered.	5,00%
		Ensure the company is structured correctly and the right skills and talent are employed with a succession plan.	Ensure that the HR policy and strategy are developed and approved.	5,00%
	Total weighting			10,00%
ESG	Develop an integrated ESG strategy that aligns to the company strategy.	Ensure that the most appropriate ESG strategy is developed, approved and implementation scheduled.	Board approval and implementation progress in line with plan.	5,00%
		Solar – Fourways Mall and Cedar Square	Successful Implementation as per plan.	5,00%
	Total weighting			10,00%
Overall weighting			100,00%	

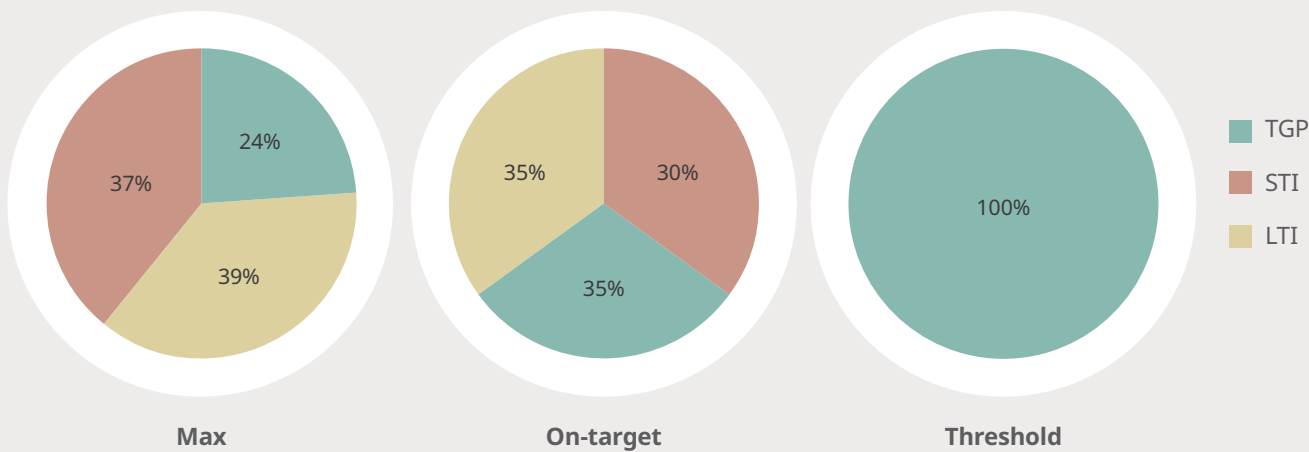
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Remuneration report (cont.)

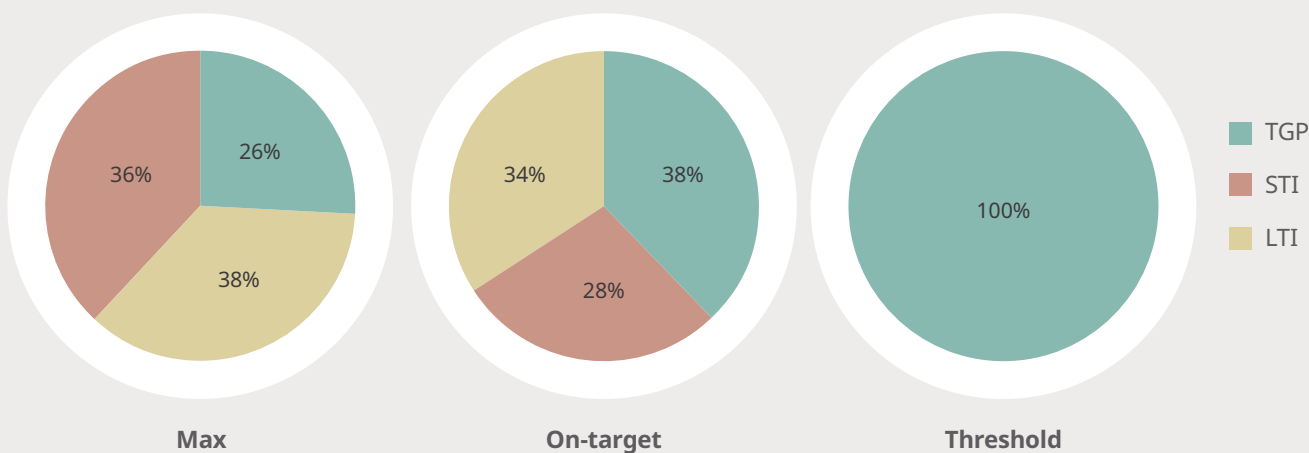
Illustrative potential pay mix for FY2025

Executive remuneration comprises Total Guaranteed Package (TGP), Short-Term Incentive Plan (STIP), and Long-Term Incentive Plan (LTIP). The STIP and LTIP components are more heavily weighted for Executive Directors compared to other employees, reflecting the executive director’s direct line of sight and influence on the company. The remuneration for general staff consists of TGP and STIP only.

CEO pay mix



CFO pay mix



Executive director service agreements

Executive directors hold permanent contracts of employment and are subject to a termination notice period of a minimum of two to three months. Accelerate does not grant sign-on awards to any executive directors or other employees upon employment by the company. Certain executive director's service agreements previously contained provisions linked to a payment equal to a five-year annual package where there is control/change of control resulting in the termination of employment, without valid reason. No executive director's service agreements currently or going forward includes this clause.

Malus and clawback policy

The malus and clawback policy has been reviewed and amended in collaboration with independent advisors in line with best practice principles and has been approved by the Board. The committee may, at its discretion, apply malus and/or clawback mechanisms to the STI and LTI awards where a trigger event as provided for in the policy has occurred. Malus is applied to reduce awards between the start of a performance period and payment (in the case of an STI) or settlement (in the case of an LTI), whereas clawback is applicable to recoup portions of awards for a period of up to three years post-payment or post-settlement, respectively.

The malus and clawback policy is available on request.

Cedar Square Shopping Centre



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Remuneration report *(cont.)****Non-executive director fees***

The NED section in the remuneration policy has been reviewed and a separate policy has been drafted for the NEDs which received approval by the Board. NED fees reflect the directors' roles and membership of the Board and its committees. Currently, the fees comprise an aggregate Board base fee plus additional fees for membership per committee. In the committee's view, the fees paid to NEDs are sufficient to attract Board members with the appropriate level of skill and expertise. NEDs do not hold contracts of employment with the company, and they do not take part in the STIP or the LTIP. NED fees are reviewed annually and submitted to shareholders for approval.



Fourways Mall

The proposed fees FY2025 to be approved by shareholders at the AGM to be held on the 9 September 2024 are tabled below:

	Approved Fees 1 April 2023 - 31 March 2024 ¹	Proposed Fees 1 April 2024 - 31 March 2025 ²	Percentage Increase
Board Chairman (All inclusive)	R1 430 000	R1 507 200	5,4%
Lead Independent Director	R135 200	R142 500	5,4%
Board Member	R384 400	R405 550	5,4%
Audit & Risk Committee Chairman	R166 400	R175 350	5,4%
Audit & Risk Committee Member	R88 400	R93 150	5,4%
Remuneration Committee Chairman	R93 600	R98 650	5,4%
Remuneration Committee Member	R52 000	R54 800	5,4%
Social, Ethics & Transformation Committee Chairman	R93 600	R98 650	5,4%
Social, Ethics & Transformation Committee Member	R62 400	R65 750	5,4%
Investment Committee Chairman	R109 200	R115 050	5,4%
Investment Committee Member	R72 800	R76 700	5,4%
Nominations Committee Chairman	R78 000	R82 200	5,4%
Nominations Committee Member	R52 000	R54 800	5,4%

Notes:

1. Approved at the 2023 AGM

2. Proposed adjustment to fees to be approved by shareholders at the forthcoming AGM.

The total fees paid to Non-executive directors during FY2024 are included in the implementation report below.

Non-binding vote on remuneration policy

The remuneration policy, as set out in Part 2 of this report, will be tabled for a separate non-binding advisory vote at the forthcoming AGM.

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Remuneration report (cont.)**Part 3: Implementation report*****Compliance with the remuneration policy***

The committee is satisfied that all remuneration practices during FY2024 complied with the company's remuneration policy without deviation. Further details are provided below.

Total Guaranteed Package adjustments

No TGP increases or adjustments were made to any of the executive directors for the year ended 31 March 2024.

Remuneration outcomes

The table below sets out the 31 March 2024 remuneration outcomes for Executive directors. The previous year's comparative figures are also provided:

31 March 2024	TGP R'000	STI¹ R'000	LTI² R'000	Total remuneration R'000
Mr Abri Schneider ³	3 867	3 000	-	6 867
Mr Dawid Wandrag	3 870	3 000	-	6 870
Ms Marelise de Lange ⁴	2 431	-	-	2 431
	10 168	6 000	-	16 168
31 March 2023				
Mr Dawid Wandrag	3 800	-	-	3 800
Mr Michael Georgiou ⁵	1 769	-	-	1 769
Mr Andrew Costa ⁶	4 651	-	-	4 651
Mr Dimitri Kyriakides ⁷	3 438	-	-	3 438
	13 658	-	-	13 658

1. No STI's were paid for the year ending 31 March 2023.

2. No LTI's were paid or awarded for 31 March 2023 or 31 March 2024.

3. Mr Abri Schneider was appointed as an executive director on 1 April 2023.

4. Ms Marelise de Lange was appointed as an executive director on 1 August 2023.

5. Mr Michael Georgiou stepped down as an executive director on 7 November 2022 and assumed a non-executive director role.

6. Resigned on 31 March 2023.

7. Retired on 31 March 2023.

Variable remuneration

For 31 March 2024, variable remuneration outcomes were as follows:

- **STI outcomes**

There were short term incentives awarded to Mr Dawid Wandrag and Mr Abri Schneider of R3,0 million each.

- **LTI awards and outcomes**

There were no LTI allocations made during the year ending 31 March 2024.

Non-executive director remuneration

The fees paid to non-executive directors for the year ended 31 March 2024 are reflected in the table below, as approved by the committee and the Board under the authority granted by shareholders at the AGM held on 1 September 2023.

Non-executive director fees are paid monthly in arrears from 1 April to 31 March for their services as Board members and their respective Board committee memberships.

The resolutions relating to non-executive director fees for year to 31 March 2025 can be found in the Notice of AGM.

	31 March 2024	31 March 2023
	R'000	R'000
Mr Tito Mboweni	1 560	1 452
Mr Derick van der Merwe ¹	1 069	887
Dr Kolosa Madikizela	762	595
Mr Abel Maela	743	605
Mr Michael Georgiou	641	218
Mr James Templeton	590	525
Mr Tim Fearnhead ²	-	208
	5 365	4 490

1. The remuneration paid to Mr Derick van der Merwe includes consulting fees of R170,000 relating to Fourways Mall.

2. Resigned on 3 August 2022.

Non-binding vote on implementation report

The implementation report, as set out in Part 3 of this report, will be tabled for a separate non-binding advisory vote at the AGM.

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Remuneration report (cont.)**Executive directors' performance scorecards**

Scorecard – CEO (for the year 1 April 2023 to 31 March 2024)					
Performance Condition	Threshold (75%)	Target (100%)	Stretch (125%)	Weighting CEO	Outcome CEO
Strategic Objectives					
1. Settlement Agreement completed/ Headlease and outstanding related party matters resolution	Terms agreed with related party	Agreement signed with related party	Circular submitted to the JSE	11.0%	8.8%
2. Implementation of refinance plan with funders	Refinance for an average of 12 months	Refinance for an average of 18 months	Refinance for an average of 24 months	12.5%	9.4%
3. Disposal of assets agreed with the Board	75% of agreed disposal assets on time and per agreed values	100% of agreed disposal assets on time and per agreed values	125% of agreed disposal assets on time and per agreed values	12.5%	15.6%
4. Insurance claim focus	Court proceedings well progressed	Court proceedings and court date set	Positive ruling obtained	15.0%	18.8%
5. Retention of REIT status	Meeting of requirements to retain status apart from dividend payment	Retain REIT status	Retain REIT status and pay dividends as envisaged	6.5%	6.5%
6. Covenant relief in light of restructure plan	Relief to Sep 2023	Relief to Mar 2024	Relief to Sep 2024	5.0%	5.0%
7. ESG project in line with framework	One project in process of implementation	One project committed and one project implemented	Two projects committed and two projects implemented	5.0%	3.8%
8. Rights issue to be implemented	R200 million implemented at 31 March 2024	R300 million implemented by 31 March 2024	R300 million implemented by 29 February 2024	10.0%	7.5%
9. Measures taken to improve Fourways Mall performance	Appointment of an independent asset and property management company and MoU signed	Appointment of an independent asset and property management company and Agreements signed	Agreements signed. Improvement of performance by 2.5%.	12.5%	9.4%
10. Net operating income management	Operating profit below budget by 2%	Operating profit in line with budget	Operating profit greater than budget by 5%	10.0%	0.0%
Total weighting				100.0%	84.6%

Scorecard – CFO (for the year 1 April 2023 to 31 March 2024)					
Performance Condition	Threshold (75%)	Target (100%)	Stretch (125%)	Weighting CFO	Outcome CFO
Strategic Objectives					
1. Settlement Agreement completed/ Headlease and outstanding related party matters resolution	Terms agreed with related party	Agreement signed with related party	Circular submitted to the JSE	11,0%	8,8%
2. Implementation of refinance plan with funders	Refinance for an average of 12 months	Refinance for an average of 18 months	Refinance for an average of 24 months	10,0%	7,5%
3. Disposal of assets agreed with the Board	75% of agreed disposal assets on time and per agreed values	100% of agreed disposal assets on time and per agreed values	125% of agreed disposal assets on time and per agreed values	7,5%	9,4%
4. Insurance claim focus	Court proceedings well progressed	Court proceedings and court date set	Positive ruling obtained	6,5%	8,1%
5. Retention of REIT status	Meeting of requirements to retain status apart from dividend payment	Retain REIT status	Retain REIT status and pay dividends as envisaged	10,0%	10,0%
6. Covenant relief in light of restructure plan	Relief to Sep 2023	Relief to Mar 2024	Relief to Sep 2024	5,0%	5,0%
7. ESG project in line with framework	One project in process of implementation	One project committed and one project implemented	Two projects committed and two projects implemented	5,0%	3,8%
8. Rights issue to be implemented	R200 million implemented at 31 March 2024	R300 million implemented by 31 March 2024	R300 million implemented by 29 February 2024	10,0%	7,5%
9. Measures taken to improve Fourways Mall performance	Appointment of an independent asset and property management company and MoU signed	Appointment of an independent asset and property management company and Agreements signed	Agreements signed. Improvement of performance by 2.5%.	10,0%	7,5%
10. Net operating income management	Operating profit below budget by 2%	Operating profit in line with budget	Operating profit greater than budget by 5%	15,0%	0,0%
11. Resolution of long outstanding internal audit matters raised	Resolution of 10% of outstanding matters	Resolution of 30% of long outstanding matters being resolved	Resolution of 50% of long outstanding matters being resolved	10,0%	12,5%
Total weighting				100,0%	80,0%

The above scorecards were used to determine performance against set targets. No decision was made prior to the release of this report regarding any incentive payments for executives.



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Report of the Audit and Risk Committee

The audit and risk committee (the committee) is pleased to submit its report for the year ended 31 March 2024, as required by section 94(7)(f) of the Companies Act. This report is based on the requirements of the Companies Act, King IV™, the JSE Listings Requirements and the JSE Debt Listings Requirements.

Role and mandate

The committee's role and responsibilities include its statutory duties as per the Companies Act, and regulating its affairs as set out in its Terms of Reference, which are reviewed and approved by the Board on an annual basis.

During the year, the audit and risk committee's Terms of Reference was reviewed by the committee and the Board, in terms of King IV™ requirements, among others. The committee has assessed the compliance with its charter and is satisfied that it has discharged its responsibilities as stated in the terms of reference, a copy of which may be found on the website.

The committee's role is to assist the Board in fulfilling its oversight responsibilities, particularly with regard to the integrity of the Group's financial statements, and the effectiveness of the systems of internal control, financial reporting and procedures, and risk management.

The committee is also responsible for assessing the effectiveness of the internal audit service provided by LateganMashego Audit and Advisory (Pty) Ltd ("LateganMashego"), the qualifications, expertise and experience of the chief financial officer, the appropriate resourcing, skills and effectiveness of the finance function, and the independence and effectiveness of the Group's external auditor.

Committee composition

The committee comprises three independent non-executive directors and one non-executive director all of whom satisfy the requirements to serve as members of an audit committee, as defined by section 94(5) of the Companies Act read with clause 42 of the Companies Regulations, 2011.

The members are:

Director	Period served
Mr Derick (JF) van der Merwe B Compt (Hons) CA (SA) <i>Independent non-executive (chairman)</i>	1 February 2021 - current
Mr Abel Mawela BCom (Hons) MBA <i>Independent non-executive</i>	1 May 2019 – current
Dr Kolosa Madikizela PhD Construction Economics and Management <i>Independent non-executive</i>	1 June 2013 - current
Mr James (JWA) Templeton BCom (Hons), CFA Charterholder <i>Non-executive</i>	1 February 2022 - current

The chairman of the committee reports to the Board on the committee's activities and all matters discussed, highlighting key issues requiring action, and providing recommendations for consideration.

The external auditors and internal audit service providers are standing invitees to the committee's meetings, as are the chairman of the Board, chief executive officer, chief operating officer, chief financial officer and the head of treasury and finance. Invitations to attend committee meetings are also extended to senior executives and professional advisers, as required. Directors of the Board who are not members of the committee have the right of attendance at all committee meetings.

Committee meetings

The committee met five times during the year.

The committee acts as audit and risk committee for the subsidiaries of the company and has performed the functions required under the Companies Act on behalf of those subsidiaries.

The number of meetings held during the year and attendance thereat was as follows:

Member	Meetings and attendance
Mr Derick van der Merwe	5/5
Mr Abel Mawela	5/5
Dr Kolosa Madikizela	4/5
Mr James Templeton	5/5

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Report of the Audit and Risk Committee *(cont.)***Review of interim and integrated annual reports:**

The committee reviewed the interim and integrated annual reports, culminating in a recommendation to the Board to adopt them. In conducting its review, the committee took appropriate steps to ensure that the annual financial statements were prepared in accordance with IFRS Accounting Standards ("IFRS") and in the manner required by the Companies Act. The accounting policies were assessed for appropriateness in relation to the current business environment and industry specific requirements. The committee has reviewed the disclosures in the integrated annual report and is satisfied that it is reliable and does not conflict with the annual financial statements.

The committee considered the need for assurance of the integrated annual report and decided not to obtain independent assurance at this time.

The committee has considered the JSE proactive monitoring reports and the impact thereof on the annual financial statements. The committee advised and updated on issues ranging from accounting standards to published financial information. In accordance with International Standards on Auditing, independent auditor's reports are required to incorporate the reporting of key audit matters. When reviewing the external audit plan for the financial year ended 31 March 2024, the committee considered a preliminary view by the external auditors of key audit matters that might arise during the course of the audit, which in their judgement, were of significance to the audit of the annual financial statements. The committee concluded that it had adequately considered the key audit matters as reported in the independent auditor's report.

Activities and areas of focus during the year

The committee carried out its duties by reviewing the following on a quarterly basis:

- Financial management reports
- Key financial, property and operational information and performance indicators including treasury metrics against guidelines and policies
- Reports and financial information from subsidiaries and associated companies
- Internal audit reports
- External audit reports
- Key audit matters
- Risk registers
- Tax governance and compliance
- Legal reports
- Nomination and recommendation of external auditors for re-appointment as external auditor of the Group under section 90 of the Companies Act; a registered auditor who, in the opinion of the committee, is independent
- Information technology feedback received from the management and internal audit pertaining specifically to matters relating to financial reporting
- Received and dealt appropriately with any concerns or complaints, whether from within or outside the Company, or on its own initiative, in relation to the matters as set out in the Companies Act
- Made submissions to the Board on any matter concerning the Company's accounting policies, financial controls, records and reporting
- Reviewed the effectiveness of the internal financial controls

- Considered matters relating to the reports received through the Group's ethics line
- Monitored compliance with REIT requirements, in accordance with the JSE Listings Requirements
- Property valuations
- Findings reports received from the JSE as part of the JSE's annual proactive monitoring programme

Key focus areas considered by the committee in the current financial year included:

- Updating and monitoring key operational risks
- The recoverability of related party receivables and settlement of related party matters
- Monitoring the company's effort to comply with LTV and ICR covenants
- Regularly monitored the company's debt programme
- Creation of liquid cash buffers in undrawn facilities
- The spreading of lender exposure to reduce key funder dependency
- Regulatory compliance
- Closely monitoring ongoing compliance by the Group with the REIT requirements as contained in the JSE Listings Requirements

Regulatory compliance

The committee has complied with all the applicable regulatory and legal responsibilities.

External audit

Based on processes followed by the committee and assurances received from the external auditor, nothing has come to our attention regarding the independence of the external auditor. The committee has requested that the auditor provide it with any decision letters and explanations issued by IRBA or any other regulator and any summaries relating to monitoring procedures and deficiencies issued by the audit firm's quality control reviewers.

The committee requested from PricewaterhouseCoopers Incorporated ("PWC") the information contained in JSE Listings Requirements and JSE Debt Listings Requirements (paragraph 7.3(e)(ii)) to assess suitability for the appointment of PWC and the designated individual partner. The committee follows a comprehensive process to discuss and assess all audit findings. PWC was appointed as the external auditor of the Group effective 1 September 2023 following a tender process for mandatory firm rotation in which Ernst & Young Incorporated was replaced. The engagement partner is Ms. Julianie Basson. The committee noted the following matters set out in the independent auditor's report, which were carefully considered by the committee:

- The valuation of investment property has been identified as a key audit matter for the 31 March 2024 reporting period.

Internal audit

The committee oversees the internal audit function which is performed by LateganMashego. The committee approved a revised three-year rolling internal audit plan with an enhanced focus on key risk areas identified by the Group during a risk assessment process. The internal auditor is invited to participate in all the Audit Committee meetings, as well as participate in the annual detailed risk workshop that the committee holds.

Consolidated and Separate Audited Annual Financial Statements

Report of the Audit and Risk Committee *(cont.)****Finance function***

The committee has reviewed the consolidated and separate financial statements of the Group and Company and is satisfied that they comply with IFRS Accounting Standards. The committee and the Board are satisfied that Ms Marelise de Lange, the Chief Financial Officer, has the appropriate expertise and experience to meet her responsibilities in that position as required by the JSE. The committee is further satisfied with the expertise and adequacy of resources within the finance function and the experience of the senior financial team during the financial year. In making these assessments, the committee has obtained feedback from the external auditor

Going concern

The committee reviewed the going concern assessment of the Group and Company, as disclosed in the going concern note in the financial statements and concurred with management's assessment that the financial statements for the Group and Company be prepared on the going concern basis. The committee considered the following aspects in reviewing the going concern assessment:

- The liquidity and solvency tests as required by the Companies Act
- That the Company and Group is able to generate sufficient cash flows to meet its obligations for the following 12 months
- That the forecast cash flow projections for the 2024/2025 financial year are based on a detailed assessment and with reasonable assumptions applied
- That management has engaged in consultations with the principal senior funders of the Group particularly with regard to interest-bearing borrowings and facilities with a short tenure resulting in the majority of facilities renewed for 12 months
- The Group and Company reported a net loss of R624,7 million and R687,7 million for the 2024 year, respectively. This loss is mainly attributed to the revaluation of investment property to its fair values and increased expected credit loss allowances during the year resulting from long overdue debtors
- This position deteriorated from the prior year with a net loss of R594,3 million and R595,2 million for Group and Company respectively
- The Group and Company's total assets of R9,7 billion and R10,3 billion exceed the total liabilities by R4,7 billion and R4,7 billion at 31 March 2024, respectively
- The Group had a covenant loan-to-value ratio of 49,7% in comparison to 47,2% in the prior year. This current year's ratio does not exceed the covenant set by the lenders of 50,0%. The Group's interest cover ratio of 1,7 times is in line with that of the prior year of 1,7 times and in line with the covenant set by the funders at 1,7 times for year-end
- The Group's and Company's current liabilities of R3,9 billion and R4,5 billion respectively, exceeded its current assets (including non-current assets held-for-sale) by R1,9 billion and R2,5 billion respectively. This is mainly due to the structural tenure of the Group's funding facilities and as such the ability of the Group and Company to meet its obligations to lenders in the short term (through repayment of capital) will be constrained. Management has engaged with lenders in this regard and the following actions have been agreed:
 - The Group is committed to reduce its debt exposure to levels being an LTV of below 50% by raising R200.0 million through a fully underwritten rights offer which successfully concluded on 11 June 2024
 - Disposing of assets that reduce the overall liquidity of the Fund are carefully selected that will lead to overall positive changes in the fundamental metrics to further reduce the LTV below 45,0% and retain ICR covenants of 1,7 times
 - The funders remain supportive of the business and is confirmed through the continued renewal of short-term facilities with the renewal of the facilities for a further 12 months to 31 March 2025

- The appointment of Flanagan and Gerard and the Moolman Group, well known and respected retail experts, to asset and property manage Fourways mall to improve the overall fundamentals of the mall including the cashflow of the mall and reduce vacancies
- The resolution of the related party matters including the balances due to and from the Group which was concluded subsequent to year-end
- A strategic plan to support the above initiatives and increased disposal plan.

The Company's cash flow is carefully monitored to ensure the optimal use of available cash. The committee and the directors have satisfied themselves that the Group continues to enjoy the support of its funders and thus is expected to have adequate resources to continue its operations in the foreseeable future and meet its obligations as they fall due. Facilities are renewed on a rolling basis as they reach maturity. The committee recognises the uncertainty relating to the sale of disposal assets given the difficult economic environment and based on the successful disposal of six assets during the last financial year to date of this report, the committee is of the opinion that the Group and Company remains a going concern.

Significant financial and reporting matters

As part of its role in assessing the integrity of the Group's external reporting, the committee has continued to pay particular attention to the key areas of management's judgement underpinning the annual financial statements.

The Group has considered a number of significant issues during the year. The issues and how they were addressed by the Group are detailed below.

Related party transactions

The committee placed significant emphasis on reviewing and resolving related party transactions.

The committee is pleased to report that the company has reached agreement with Azrapart Proprietary Limited, the Michael Georgiou Family Trust, and Fourways Precinct Proprietary Limited on all related party matters. Refer to note 29 of the consolidated and separate annual financial statements for full disclosure of the transaction.

Contingent liabilities

The committee considered the contingent liabilities and is satisfied that they have received proper consideration.

Valuations

The committee reviewed management's valuation process. It also relied significantly on external valuations of its property investments to determine the need to impair, challenging key assumptions in those judgements and is satisfied that the valuations are fair and reasonable to place the value on the properties as reflected in the Annual Financial Statements ("AFS") in the context of the existing economy.

Loan-to-value (LTV) and interest cover (ICR)

The committee reviewed the steps taken by the Group to comply with the covenant requirements of the funders. It is satisfied that the Group took all steps reasonably possible to maintain LTV and ICR levels within the covenants, with particular reference to an aggressive disposal drive in a very difficult market.

Consolidated and Separate Audited Annual Financial Statements

Report of the Audit and Risk Committee *(cont.)****REIT status***

The committee considered the impact of the variables impacting our REIT status and was satisfied that sufficient steps and measures are being taken to protect the status of the company as a REIT.

Liquidity

With strained revenues impacting on cash flows, including debt settlements with non-cash assets, the committee considered that impact on the Group and the steps and measures being taken to protect cash flow, liquidity and solvency.

Risk management

During the year management reviewed the risk policy, which assists the committee in meeting its duty to ensure appropriate risk management processes are in place. In addition, the following risk assessment actions were taken by the committee:

- Continuous review of key risks with findings reported to the Board
- Confirmation that the risk policy is widely distributed throughout the Group, and management provided assurance that risk management is integrated into the daily activities of the Group
- Ensured that the combined assurance model was appropriate to address all the significant risks facing the Group

Internal controls

The committee's review of the forementioned information, together with the committee's ongoing interaction with ex officio attendees of its meetings, collectively enable the committee to conclude that the systems of internal financial control have been designed appropriately and operated effectively during the year under review.

Statutory duties and terms of reference

The committee is satisfied:

Furthermore, the committee is satisfied:

- with the independence of the external auditor;
- with the terms, nature, scope, quality and proposed fee of the external auditor for the financial year ended 31 March 2024;
- with the consolidated and separate financial statements and the accounting policies implemented, as well as the significant matters considered in the preparation thereof and have recommended the consolidated and separate financial statements for approval to the Board;
- with the Group continuing as a going concern;
- that it has considered the findings of the JSE's report on proactive monitoring of financial statements;
- that the Group's Chief Financial Officer was appropriately qualified and had the necessary expertise and experience to carry out her duties;
- that the finance department was appropriately staffed and qualified during the financial year;
- with the independence and effectiveness of the internal audit function;
- with the effectiveness of collaboration between the external auditor and internal auditor;
- with the integrity of the integrated annual report of the prior year and that it addresses all material issues and fairly presents the integrated performance of the organisation.

Concerns or complaints received from within or from outside the organisation relating to accounting practices and the internal audit of the Group, the content or auditing of the Group's financial statements, the internal financial controls of the Group, or any related matters were considered and dealt with accordingly.

The committee is satisfied that it has performed all of its statutory duties, as well as its duties under its terms of reference, for the reporting period.

Committee performance

The committee assesses its performance on an annual basis to determine whether or not it has delivered on its mandate, and continuously enhances its contribution to the Board. The assessment takes the form of a questionnaire, which is independently completed by each member of the committee. The composition of the self-assessment questionnaire, as well as the consolidation of the results and feedback to committee members, was the responsibility of the company secretary.

Key focus areas for 2024/2025

The committee's key focus areas for the 2025 financial year include the following:

- Implementation of the fully underwritten rights offer of R300.0 million (R100,0 million is intended for later in the 2025 financial year)
- Disposal of identified assets to reduce debt and improve LTV and ICR levels
- Implementation of the related party settlement agreements
- The Group's ongoing financial soundness and sustainability (cost containment, revenue strength, etc) amid extreme economic challenges and market volatility
- Ongoing Liquidity management
- With a very strong focus on Interest Cover Ratio's (ICR) in light of the steady rising of interest rates environment and the risks and consequences this brings about
- Ensuring realistic and cautious valuations on properties amongst an oversupplied real estate market
- Monitoring compliance by the Group with the REIT requirements as contained in the JSE Listings Requirements on a continual basis

Approval

The committee reviewed the company's annual financial statements for the year ended 31 March 2024 and recommended them to the Board for approval on 18 July 2024, which was granted on 18 July 2024.

On behalf of the audit and risk committee



Mr Derick van der Merwe

Audit and risk committee chairman

18 July 2024

Consolidated and Separate Audited Annual Financial Statements

Directors', Responsibilities and Approval

In terms of the Companies Act of South Africa (Act 71 of 2008) (Companies Act), as amended, the directors are required to maintain adequate accounting records and are responsible for the content and integrity of the audited consolidated and separate financial statements and related financial information included in this report. It is their responsibility to ensure that the audited consolidated and separate financial statements fairly present the state of affairs of Accelerate Property Fund Limited ("Accelerate") and its subsidiaries ("the Group" and "the Company") at the end of the financial year and the results of its operations and cash flows for the year then ended, in conformity with IFRS Accounting Standards ("IFRS").

The consolidated and separate financial statements are prepared in accordance with IFRS Accounting Standards, the South African Institute of Chartered Accountants ("SAICA") Financial Reporting Guides as issued by the Accounting Practices Committee, Financial Pronouncements as issued by the Financial Reporting Standards Council and the Companies Act applicable to companies reporting in terms of IFRS Accounting Standards, the JSE Listings Requirements and the JSE Debt Listings Requirements and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the Group and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the board sets standards for internal control aimed at reducing the risk of error or loss in a cost-effective manner.

The standards include the proper delegation of responsibility within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the Group and all employees are required to maintain the highest ethical standards in ensuring the Group's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the Group is on identifying, assessing, managing and monitoring all known forms of risk across the Group. While operating risk cannot be fully eliminated, the Group endeavours to minimise it by ensuring the appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.



The directors are satisfied that the Company has complied with the provisions of the Companies Act relating to its incorporation and is operating in conformity with its Memorandum of Incorporation ("MoI").

The directors are of the opinion, based on the information and explanations given by management that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the audited consolidated and separate financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The directors have reviewed the Group's cash flow forecast for the period to 31 March 2025 and, in light of this review and the current financial position, they are satisfied that the Group has or has access to adequate resources and will negotiate to replace any expiring facilities in order to continue in operational existence for the foreseeable future.

The external auditor is responsible for independently auditing and reporting on the consolidated and separate financial statements. The consolidated and separate financial statements have been examined by the Group's external auditor and its report is presented on pages 202 to 208.

The audited consolidated and separate financial statements set out on pages 210 to 289, which have been prepared on the going concern basis, were approved by the board on 18 July 2024 and were signed on its behalf by:



Mr Tito Mboweni

Chairman



Mr Abri Schneider

Joint chief executive officer



Mr Dawid Wandrag

Joint chief executive officer

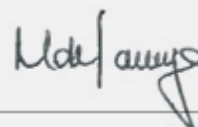


Consolidated and Separate Audited Annual Financial Statements

CEO and CFO Responsibility Statement

The directors, whose names are stated below, hereby confirm that:

- a) The consolidated and separate annual financial statements set out on pages 210 to 289, fairly present in all material respects the consolidated and separate financial position, financial performance and cash flows of Accelerate Property Fund Limited and its consolidated subsidiaries in terms of IFRS Accounting Standards ("IFRS").
- b) To the best of our knowledge and belief, no facts have been omitted or untrue statements made that would make the consolidated and Company annual financial statements false or misleading.
- c) Internal financial controls have been put in place to ensure that material information relating to Accelerate Property Fund Limited, and its consolidated subsidiaries have been provided to effectively prepare the consolidated and Company annual financial statements of Accelerate Property Fund Limited.
- d) The internal financial controls are adequate and effective and can be relied upon in compiling the consolidated and Company annual financial statements, having fulfilled our role and function as executive directors with primary responsibility for implementation and execution of controls.
- e) Where we are not satisfied, we have disclosed to the Audit, Risk and Compliance Committee and the auditor the deficiencies in design and operational effectiveness of the internal financial controls and have taken steps to remedy the deficiencies; and
- f) We are not aware of any fraud involving directors.

**Mr Abri Schneider***Joint chief executive officer***Mr Dawid Wandrag***Joint chief executive officer***Ms Marelise de Lange***Chief financial officer*

Company Secretary's Certification

In terms of Section 88(2)(e) of the Companies Act 71 of 2008, as amended (the Act), I certify that the Accelerate Group has lodged with the Commissioner all such returns as are required of a public company in terms of the Companies Act and that, to the best of my knowledge and belief, all such returns are true, correct and up to date.



Ms Margi (MMC) Pinto

Company secretary



Consolidated and Separate Audited Annual Financial Statements

Directors' report

The directors take pleasure in submitting their report on the consolidated and separate audited annual financial statements of Accelerate Property Fund Limited for the year ended 31 March 2024.

Main business and operations

Accelerate is a listed REIT. As a REIT, the Company derives rental income from investments in retail and commercial properties. The Group has 27 properties valued at R8,7 billion (investment properties including non-current assets held-for-sale) situated in four provinces throughout South Africa. Four assets are held indirectly through wholly owned subsidiaries.

Accelerate's primary focus is long-term investment in quality rental income-generating properties situated in strategic nodes.

Governance

The Board remains aligned with the King IV™ recommendations and as previously reported continues to embed the six capitals (financial, manufactured, human, intellectual, natural and social and relationship) into the organisation's activities.

The year in review

The year has seen significant geopolitical and economic headwinds. The war in Ukraine has exerted upward pressure on energy and food prices worldwide spurring global inflation and abruptly interrupting an already lacklustre post-COVID financial recovery. Global growth forecasts continue to revert downward, more so for emerging markets. Continued loadshedding, high cost of energy, rising overall costs coupled with low economic growth, illiquid financial markets, and higher interest rates will continue to put the Fund under pressure. 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 is a key strategic focus to address the reduction of debt and the concomitant reduction of SA REIT Loan to value ("LTV"). We successfully disposed of two assets with a combined GLA of 17,917m² for a cumulative amount of R202,0 million (net of selling costs). After the reporting date we have transferred Eden Meander, Brooklyn Place, 9 and 10 Charles Crescent with a combined GLA of 40,935m². The proceeds from the disposal of these assets of R563,0 million (net of commission) were used to settle debt. Sale agreements for a further 3 properties were concluded to the value of R176,0 million with a GLA of 44,153m² and a combined vacancy of 64,7%.

We are pleased to have achieved an average collection rate of 99% in a tough economic environment for our tenants. We thank our board and teams for their support, dedication and commitment during the year.

Financial results

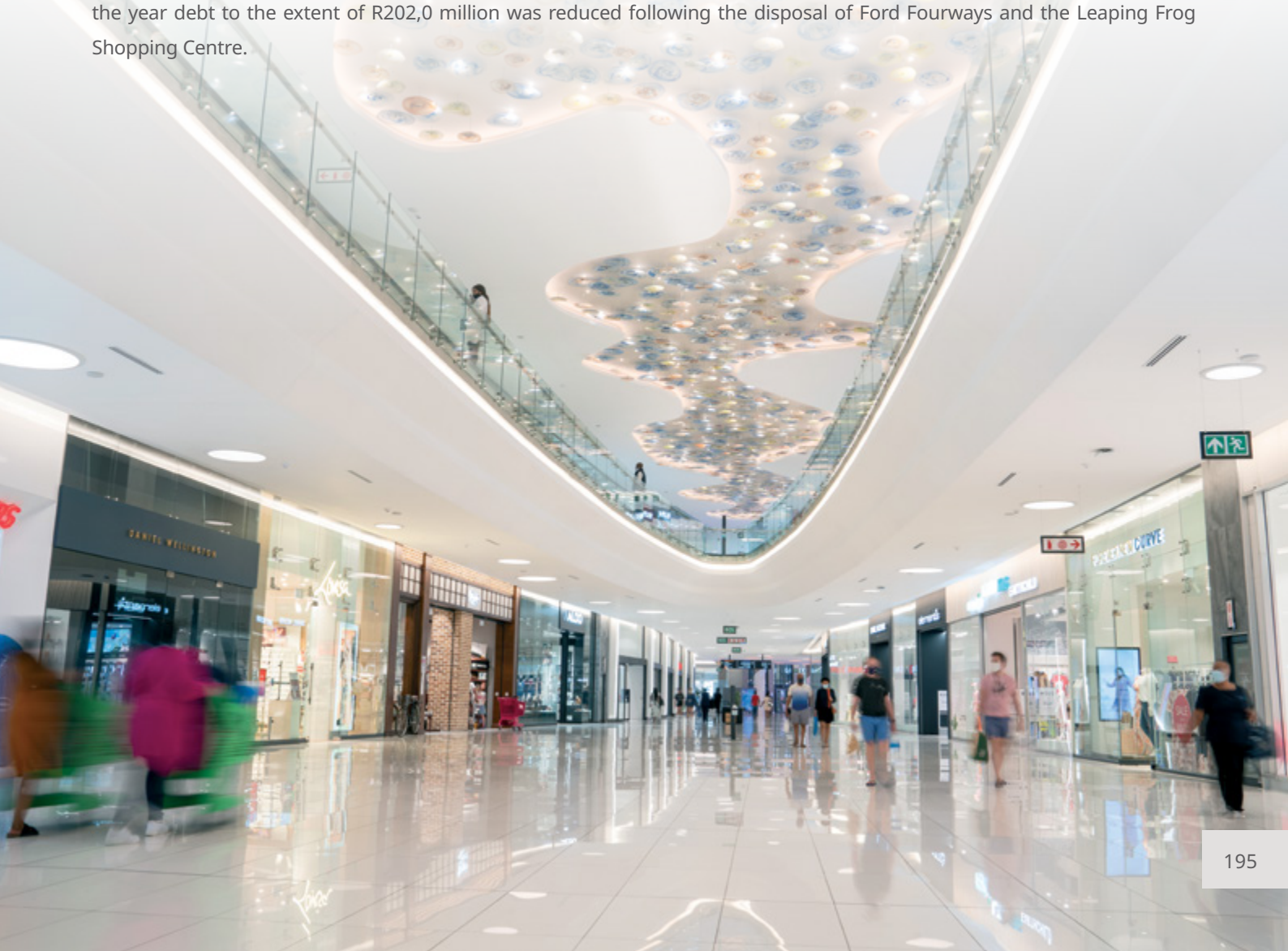
Rental income decreased by R27,6 million from R674,1 million to R646,5 million, largely driven by a 17,3% decrease in retail rental.

Property expenses decreased by R1,9 million from R335,8 million to R333,9 million. The main contributor to property operating expenses relates to utility costs (including rates and taxes), which increased by 7,9%. Other operating costs/administrative costs increased by 16,5%. This is largely due to the increased staff costs resulting from severance packages paid to exiting directors and increased professional fees to finalise the related party transaction, rights offer and disposal circulars.

Fair value adjustments relating to investment property reduced significantly from R809,2 million to R354,8 million due to the stability in the asset base whereas the derivative had a negative fair value adjustment of R41,5 million compared to the positive adjustment of R64,6 million in the prior year due to increased interest rates moving the swap curve.

Expected credit losses increased significantly due to bad debt write-offs and increased provisions especially in Fourways Mall.

Finance costs are 42,2% higher than in the prior financial year. The increase is due to a R37,5 million interest accrual that related to the prior year, a current year accrual of R47,2 million and R71,1 million as a result of the rebuilt claim to the related party. The impact of the increased interest rates is also felt however shielded by the effective swap book in place. During the year debt to the extent of R202,0 million was reduced following the disposal of Ford Fourways and the Leaping Frog Shopping Centre.

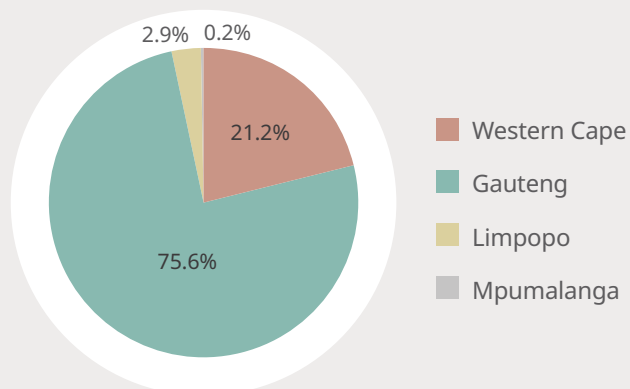
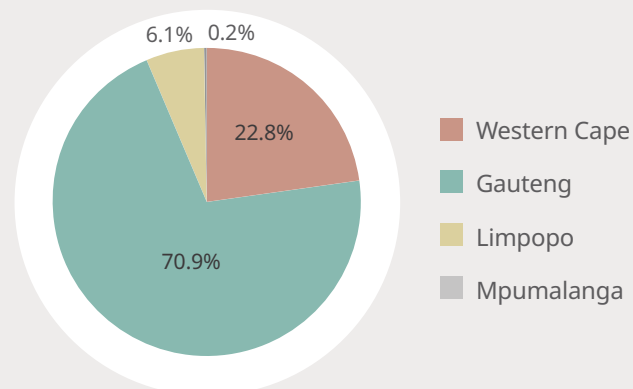
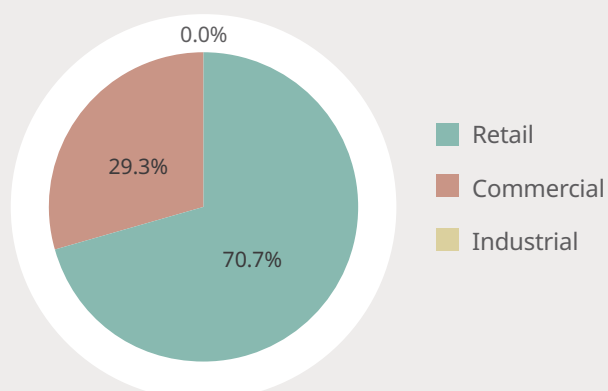
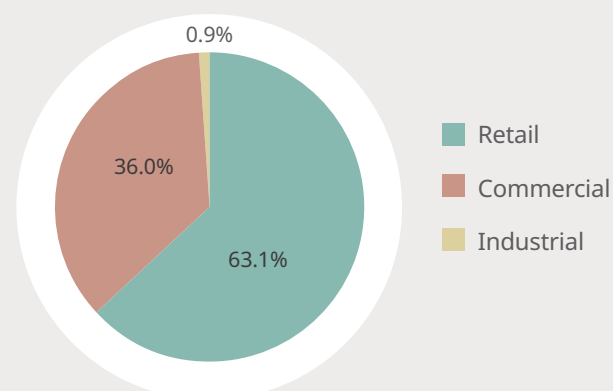


Consolidated and Separate Audited Annual Financial Statements

Directors' report *(cont.)***Property portfolio**

At year-end the portfolio consisted of 27 properties with a total value of R8,7 billion (Investment property including non-current assets held-for-sale) and a gross lettable area of 361,364m². The group embarked on a strategy to reduce debt which included the raising of R300,0 million capital through a fully underwritten rights offer combined with an increased number of assets moving to held-for-sale.

The segmental and geographic breakdown of the portfolio at the reporting date was as follows:

Geographical profile by revenue**Geographical profile by GLA****Sectoral profile by revenue****Sectoral profile by GLA**

Capital Projects

Capital expenditure continues to be a strategic objective of the Group. During the year, R38,2 million (31 March 2023: R47,0 million) was spent on properties which includes Investment properties and non-current assets held-for-sale. This was funded from available funds from our facilities.

Letting

Vacancies have increased during the year from 18,3% as at 31 March 2023 to 21,1% at year end. Disposals during the current year, reduced vacancies by 17,917m². There was however a negative result in overall vacancies due to lease terminations resulting in an additional 1,082m² of vacancy. The weighted average rental across the portfolio decreased to R203,9/m² from R207,8/m² in the prior financial year due to reversions which was marginally offset by contractual escalations.

Funding

The extension of the Group's debt facilities continues to be top of mind and a priority. Continuous engagement with the Group's funders allows us improvement in the term of the debt portfolio. After year-end Rand Merchant Bank (R1,1 billion) and Sanlam (Sanfin and SIM) (R302,0 million) agreed to extend their various facilities/debt notes to 31 March 2025 and 30 August 2024 respectively. A further R230,0 million was extended by RMB to 31 May 2025. We are continuously working on moving the term of the facilities to an even longer expiry term.

The increase in interest rates has significantly impacted the Group's weighted average cost of funding which increased from 10,45% as at 31 March 2023 to 11,48% as at 31 March 2024. The Group's interest cover ratio ("ICR") remained at 1,7 times as per the prior year. The impact of the increased finance costs was partially offset by the proceeds from disposals and a positive impact from the interest rate swaps.

Finance costs were R569,4 million for the year compared to R400,4 million in the prior year. The SA REIT LTV has increased from 48,2% as at 31 March 2023 to 50,3% as at 31 March 2024. This is mainly a function of the reduction in fair value of the portfolio by R354,8 million. This 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 0,72 cents for the year ended 31 March 2024. The SA REIT FFO was not calculated in the prior year. A recalculated SA REIT FFO for 2023 amounted to 10,72 cents per share. The reduction is mainly attributable to increased operating expense and significantly higher 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 2024 (31 March 2023: Nil).

Consolidated and Separate Audited Annual Financial Statements

Directors' report (cont.)**Directorate**

At the date of this report, Accelerate has a unitary Board consisting of nine directors in total, three Executive Directors and six non- executive directors, four of whom are independent.

The Board composition is as follows:

Executive directors	Date of appointment
Mr Dawid (DJ) Wandrag (Joint Chief Executive)	01 May 2019
Mr Abri (AM) Schneider (Joint Chief Executive)	23 March 2023
Ms Marelise de Lange (Chief Financial Officer)	01 August 2023

Non-executive directors	Date of appointment
Mr Tito (TT) Mboweni* (Chairman)	01 February 2022
Mr Derick (JF) van der Merwe* (Lead Independent)	1 February 2021
Dr Kolosa Madikizela*	01 June 2013
Mr Abel Mawela*	01 May 2019
Mr Michael (MN) Georgiou	01 January 2013
Mr James (JWA) Templeton	01 February 2022

* Independent

The interest of the directors in the shares of the Company at the date of this report is as follows:

	31 March 2024			31 March 2023		
	Direct beneficial holding	Indirect beneficial holding	Total	Direct beneficial holding	Indirect beneficial holding	Total
Executive directors						
Mr DJ Wandrag	11 232 260	829 047	12 061 307	11 232 260	829 047	12 061 307
Mr A Costa#	-	-	-	10 433 763	-	10 433 763
Mr D Kyriakides^	-	-	-	1 343 127	-	1 343 127
	11 232 260	829 047	12 061 307	23 009 150	829 047	23 838 197
Non-executive directors						
Mr MN Georgiou \$	2 864 254	386 093 150	388 957 404	-	390 407 518*	390 407 518*
	2 864 254	386 093 150	388 957 404	-	390 407 518	390 407 518

Resigned 31 March 2023

^ Retired 31 March 2023

\$ Pledged as security to Mr Georgiou's funders.

* The balance included 1,451,114 owned by Ms A Savva-Georgiou whereas the current year balance excludes the shares held by Ms A Savva-Georgiou.

The following changes to director's holdings in shares of the Company took place between the end of the financial year and the date of this report:

	31 March 2024 changes			Balance at the date of this report		
	Direct beneficial holding	Indirect beneficial holding	Total	Direct beneficial holding	Indirect beneficial holding	Total
Non-executive directors						
Mr MN Georgiou	-	(107 472 854)	(107 472 854)	2 864 254	278 620 296	281 484 550
	-	(107 472 854)	(107 472 854)	2 864 254	278 620 296	281 484 550

The above change resulted from a funder exercising its security rights in terms of an existing lending agreement.

Directors' emoluments and service contracts

The Executive Directors have service contracts with the Company which include a two to three-month notice period. The non-executive directors sign a formal letter of appointment on acceptance of their Board position. All the directors' emoluments are disclosed in note 21 of the Consolidated and Separate Annual Financial Statements.

Directors' interests in contracts

Property management

Since listing, property management services have been provided by Accelerate Property Management Company Proprietary Limited ("APMC") for the Accelerate Portfolio and by Fourways Precinct Proprietary Limited ("FWP") for Fourways Mall. A management fee is payable to APMC and FWP by Accelerate equal to 3.0% of monthly billings to tenants. Since June 2022, the Agreements were altered to amend the fee to equal the cost of the salaries of the staff performing the management services. These companies (APMC and FWP) are owned by Mr MN Georgiou.

Financial snapshot

	31 Mar 2024	31 Mar 2023	Year-on-year movement	% change year-on-year
Rental income including recoveries (R'000)	873 615	880 426	(6 811)	(0,8%)
Net property income excl. straight-line (R'000)	539 699	544 578	(4 879)	(0,9%)
Fair value adjustments	(396 338)	(744 584)	348 246	(46,8%)
Loss after taxation	(624 738)	(594 263)	(30 475)	5,1%
SA REIT Funds from operations per share (cents)	(0,72)	10,72	(11,44)	(106,7%)
Investment property at fair value (including held for sale) (R'000)	8 655 377	9 201 811	(546 434)	(5,9%)
SA REIT Net Asset Value ("NAV") per share (R)	3,65	4,13	(0,5)	(11,6%)

The above table indicate summarised relevant information relating to the Group.

The prior year SA REIT disclosure was recalculated as it was not previously presented.

Consolidated and Separate Audited Annual Financial Statements

Directors' report *(cont.)***Insurance claim**

During the Covid-19 pandemic in 2020 Accelerate suffered substantial losses as a result of business interruption caused by Covid-19.

Accelerate had, prior to the pandemic, obtained insurance against such losses (with an indemnity period of three years) and consequently submitted a claim against its insurers. The insurers however refused to indemnify the losses and legal action was instituted, which remains pending.

The insurers raised various defences as a basis for their refusal to indemnify. In order to expedite the finalisation of the litigation it was agreed that certain defences would be separated out and determined first. On 3 May 2024 Judgement was handed down on the separated issues – the Court found in favour of Accelerate on all three issues, and determined that:

- The contract of insurance consists of the policy in its final form as pleaded by the plaintiffs;
- The contract of insurance does not stand to be rectified as pleaded by the first to fifth defendants;
- The dispute regarding the premium is decided in favour of the plaintiffs and the defence pleaded by the first to fourth defendants, fails;
- All costs associated with the determination of the separated issues are to be paid by the first to fifth defendants, jointly and severally, the one paying the other to be absolved, which costs include the costs of two counsel.

All of the defendants have filed applications for leave to appeal the order. The application for leave to appeal will be heard on 18 July 2024.

Share capital

The authorised and issued share capital are as follows:

	Number of shares	
	31 Mar 2024	31 Mar 2023
Authorised	5 000 000 000	5 000 000 000
Issued	1 340 323 952	1 340 323 952

Post year-end, R200,0 million was raised through a fully underwritten rights offer. As a result the number of shares in issue increased to 1,840,323,952. The number of treasury shares remained at 44,455,554.

Refer to Appendix A to the financial information for the detailed shareholder analysis.

Registered address and country of incorporation

The Company is incorporated in the Republic of South Africa. The registered address of the company is as follows:

Cedar Square Shopping Centre Management Office
 2nd Floor, Corner Willow Avenue and Cedar Road
 Fourways 2055
 South Africa
 Tel: +27 (0)10 001 0790
 Web: www.acceleratepf.co.za

Events after the reporting period

The Group's funders continue to support the fund with its strategy to improve the Balance Sheet and in particular Fourways Mall to achieve its full potential. After the reporting date, Accelerate extended R1,1 billion of its facilities with RMB to 31 March 2025 with a further R230,0 million extended to 31 May 2025. Sanlam (SanFin and SIM) extended R302,0 million to 30 August 2024. Management is continuously working on improving the terms of our debt to extend for even longer periods.

As a result, the fund appointed Flanagan and Gerard together with the Moolman Group as the Asset and Property Manager of the Mall with effect from 1 February 2024. The impact of this positive change is already visible. Investec and RMB committed to provide Accelerate's portion of R200,0 million of a total R400,0 million of capex that will be spent on the mall.

As part of the Group's disposal strategy, Eden Meander Shopping Centre transferred on 18 June 2024 following a successful Competition Commission and shareholder approval. More assets have been identified as held for sale with significant progress being made on the assets earmarked for disposal.

On 15 August 2023, the board approved the rights offer to raise funds to reduce debt. A R200,0 million, fully underwritten, rights offer was undertaken and opened on 27 May 2024. The proceeds of the rights offer was used to reduce debt.

Going concern

The Board has carried out a thorough review of the going concern assessment of the Group and Company, as disclosed in the going concern note in the financial statements. Having considered the solvency and liquidity, scenario analysis, the business plans and the key assumptions utilised, the Board concluded that the Group is in a sound financial position to meet its foreseeable cash requirements and accordingly is able to continue trading as a going concern (refer note 36 of the consolidated and separate financial statements).

Company secretary and registered office

On 1 May 2020, Ms Margi Pinto was appointed as the Company Secretary. The address of the Company Secretary is that of the Company's registered office, which is Cedar Square Shopping Centre, 2nd Floor Management offices, Corner Cedar and Willow roads, Fourways.

Special resolutions

No additional special resolutions were passed during 2024 financial year other than those passed at the AGM held on 01 September 2023. Subsequent to year-end, shareholders voted in favour of a resolution issuing 30% of the Company's share in issue pursuant to the rights offer mentioned above.

Preparation of financial statements

The consolidated and separate financial statements have been audited in compliance with section 30(ii) (a) of the Companies Act of South Africa and the Company's Memorandum of Incorporation and were prepared under the supervision of the CFO, Ms M de Lange CA(SA).

Consolidated and Separate Audited Annual Financial Statements

Independent Auditor's Report*Independent auditor's report*

To the Shareholders of Accelerate Property Fund Limited

Report on the audit of the consolidated and separate financial statements

Our opinion

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of Accelerate Property Fund Limited (the Company) and its subsidiaries (together the Group) as at 31 March 2024, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with IFRS Accounting Standards and the requirements of the Companies Act of South Africa.

What we have audited

Accelerate Property Fund Limited's consolidated and separate financial statements set out on pages 210 to 289 comprise:

- the consolidated and separate statements of financial position as at 31 March 2024;
- the consolidated and separate statements of comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes to the financial statements, including material accounting policy information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated and separate financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the Independent Regulatory Board for Auditors' *Code of Professional Conduct for Registered Auditors* (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)*.

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Private Bag X36, Sunninghill 2157, South Africa
T: +27 (0) 11 797 4000, F: +27 (0) 11 209 5800, www.pwc.co.za

Chief Executive Officer: L S Machaba
The Company's principal place of business is at 4 Lisbon Lane, Waterfall City, Jukskei View, where a list of directors' names is available for inspection.
Reg. no. 1998/012055/21, VAT reg.no. 4950174682.



Our audit approach

Overview

	Overall group materiality R97.5 million which represents 1% of consolidated total assets.
	The Group consists of five components of which full scope audits were performed on all five components.
	Key audit matters Valuation of Investment Properties (applicable to both group and separate financial statements).

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the consolidated and separate financial statements. In particular, we considered where the directors made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall group materiality for the consolidated financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

<i>Overall group materiality</i>	R97.5 million
<i>How we determined it</i>	1% of consolidated total assets
<i>Rationale for the materiality benchmark applied</i>	We chose consolidated total assets as the benchmark because, in our view, it is the key benchmark against which the performance of the group, which is a real estate investment group, is most commonly measured by users of the financial statements.

Consolidated and Separate Audited Annual Financial Statements

Independent Auditor's Report (cont.)

Although the entity is profit-orientated, strategic focus is to deliver long-term shareholder returns through the acquisition and development of investment property. We chose 1% based on our professional judgement and after consideration of the range of quantitative materiality thresholds that we would typically apply when using total assets to compute materiality. The benchmark of 1% is consistent with quantitative materiality thresholds used for entities in this sector.

How we tailored our group audit scope

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

The group owns properties within their strategic nodes mainly in Fourways and Western Cape (South Africa). Work performed includes procedures on three property companies, treasury (which holds treasury shares of the holding company) and an investment entity. We have not involved components auditors for the purpose of the group audit. Audits of components were carried out by the group engagement team.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Valuation of Investment Properties This key audit matter is applicable to both the consolidated and separate financial statements. Refer to the following accounting policies and notes to the consolidated and separate financial statements: - Note 1.3 Significant judgement and source of estimation uncertainty; - Note 1.4 Investment properties; - Note 2 Investment properties; - Note 3 Straight-line rental income accrual; - Note 12 Non-current assets held for sale and	Our audit addressed the key audit matter as follows: - We obtained an understanding of the approaches followed by management and the independent valuers for the valuation of the Group and Company's investment properties through discussions with both management and the independent valuers. This included familiarising ourselves with the process around preparing the budgets that drive the cash flows used in the valuations and the manner in which these were shared with the external valuers. We tested controls in relation to the setting and approval of budgets used in the valuations and obtained confirmation of board approval of the valuations obtained. - We evaluated the competence, capabilities, and objectivity of the external valuers through inspection of their qualifications and their affiliation.



- Note 35 Fair value hierarchy.

The Group and Company's investment properties comprise of properties in the retail, commercial and industrial sectors, with a total carrying of investment property amount of R 7.7 billion and 6.5 billion and a related fair value loss of R0.3 billion and R0.3 billion for the group and company respectively for the year ended 31 March 2024. The carrying amount of the Non-current assets held for sale amounts to R1.0 billion for both group and company.

The investment properties are stated at their respective fair values based on a combination of external valuations performed by independent valuers and internal valuations performed by management.

It is the policy of the Group and Company to obtain external valuations for all investment properties on a three year rotational basis. At year end a portion of the investment properties' fair values were determined by independent valuers using the discounted cash flow and comparable sale method of valuation and the remaining portfolio by management using the market capitalisation, discounted cash flow, highest and best valuation and comparable sale method.

Judgement is applied in determining the unobservable inputs used which includes forecasted rental income, rental growth rates, long term vacancy rate and capitalisation rates. Note 2: Investment Property and 12: Non current assets held- for- sale sets out these unobservable inputs.

We considered the valuation of investment properties to be a matter of most significance to our current year audit due to the following:

- Inherent subjectivity of the key assumptions that underpin the valuations of investment properties; and
 - The magnitude of the balance of the investment properties recorded in the consolidated and separate statements of financial position, as well as the changes in fair value relating to the property portfolio recorded in the
- We obtained an understanding of, and tested the relevant controls relating to the valuation of investment properties, which included controls in relation to the entering and amending of leases in support of contractual rental income which forms the basis for the cash flows used in the valuation models.
 - We performed the following procedures on a sample of the investment properties (determined by applying a predetermined risk criteria), in order to assess the acceptability of the valuation approach as well as the reasonableness of the inputs into the valuation:
 - We inspected the valuation reports from external valuers and management valuations workbook and assessed whether the valuation approach for each of these properties was in accordance with IFRS Accounting Standards and suitable for use in determining the fair value for the purpose of the consolidated and separate financial statements.
 - We assessed the reasonableness of the cash flows of each of these properties used by the valuers in the discounted cash flow models. This involved:
 - Agreeing the current year rental income, related property expenses, vacancies adjustments and planned capital expenditure used in the model to the actual results for the year ended 31 March 2024; and
 - Assessing the assumptions used in the preparation of the forecasted cash flows against market information and other supporting information.
 - Making use of our internal valuation experts that performed valuations on a sample of the higher risk properties, we evaluated the significant assumptions, including discount rates and exit capitalisation rates, against appropriate market information in order to assess whether they were within a reasonable

Consolidated and Separate Audited Annual Financial Statements

Independent Auditor's Report *(cont.)*

consolidated and separate statements of profit or loss and other comprehensive income.

range for the respective market, sector and asset class.

- Based on the outcome of the evaluation of the significant assumptions (as noted above) we assessed the reasonability of the fair value of the sample of investment properties.
- Our audit procedures found management's valuation to be reasonable.
- In respect of vacant land and bulk, we recalculated, on a sample basis, the value of the land based on comparable market data and comparable listed sales prices. Our audit procedures on the above did not identify any material differences.

Other information

The directors are responsible for the other information. The other information comprises the information included in the document titled "2024 Consolidated and Separate Annual Financial Statements, Accelerate Property Fund", which includes the Directors' Report, Report of the Audit and Risk Committee and the Company Secretary's Certification as required by the Companies Act of South Africa, which we obtained prior to the date of this auditor's report, and the document titled "Accelerate Property Fund Limited Integrated Report 2024", which is expected to be made available to us after that date. The other information does not include the consolidated or the separate financial statements and our auditor's report thereon.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not and will not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the consolidated and separate financial statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with IFRS Accounting Standards and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is



necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the Group and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group and/or the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated and separate financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and / or Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Consolidated and Separate Audited Annual Financial Statements

Independent Auditor's Report *(cont.)*

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, we report that PricewaterhouseCoopers Inc. has been the auditor of Accelerate Property Fund Limited for 1 year.

PricewaterhouseCoopers Inc.

PricewaterhouseCoopers Inc.
Director: J Basson
Registered Auditor
Johannesburg, South Africa
18 July 2024



Consolidated and Separate Audited Annual Financial Statements

Statement of Financial Position*as at 31 March 2024*

	Notes	GROUP		COMPANY	
		31 Mar 2024 R'000	31 Mar 2023 R'000	31 Mar 2024 R'000	31 Mar 2023 R'000
ASSETS					
Non-current assets					
Investment property	2	7 661 844	8 909 411	6 464 836	7 668 726
Property, plant and equipment	4	308	272	271	259
Right-of-use asset	5	560	810	560	810
Investment in subsidiaries	6	-	-	806 977	866 476
Loans to group companies	7	-	-	966 018	807 847
Derivative financial instruments	9	38 975	36 682	38 975	36 682
Non-current assets		7 701 687	8 947 175	8 277 637	9 380 800
CURRENT ASSETS					
Derivative financial instruments	9	7 776	52 855	7 776	52 855
Trade and other receivables	10	1 020 931	1 011 337	1 023 378	1 117 448
Loans to group companies	7	-	-	-	9 814
Cash and cash equivalents	11	21 950	38 916	19 944	34 441
Current assets		1 050 657	1 103 108	1 051 098	1 214 558
Non-current assets held for sale	12	993 533	292 400	993 533	292 400
Total assets		9 745 877	10 342 683	10 322 268	10 887 758
Equity and liabilities					
Capital and reserves					
Share capital	13	5 186 274	5 186 274	5 431 206	5 431 206
Other reserves		-	(3 282)	-	-
Retained (loss)/income		(454 479)	170 259	(709 401)	(21 739)
Total equity		4 731 795	5 353 251	4 721 805	5 409 467

	Notes	GROUP		COMPANY	
		31 Mar 2024 R'000	31 Mar 2023 R'000	31 Mar 2024 R'000	31 Mar 2023 R'000
Liabilities					
Non-current liabilities					
Derivative financial instruments	9	-	1 714	-	1 714
Lease liability	14	328	559	328	559
Interest bearing borrowings	15	1 069 352	2 059 866	1 069 352	2 059 866
Loans due to group companies	7	-	-	-	1 450
Non-current liabilities		1 069 680	2 062 139	1 069 680	2 063 589
Current liabilities					
Derivative financial instruments	9	1 969	1 506	1 969	1 506
Lease liability	14	277	372	277	372
Interest bearing borrowings	15	3 355 188	2 416 167	3 355 188	2 416 167
Loans due to group companies	7	-	-	597 453	512 445
Trade and other payables	16	586 968	509 248	575 896	484 212
Current liabilities		3 944 402	2 927 293	4 530 783	3 414 702
Total liabilities		5 014 082	4 989 432	5 600 463	5 478 291
Total equity and liabilities		9 745 877	10 342 683	10 322 268	10 887 758

Consolidated and Separate Audited Annual Financial Statements

Statement of Comprehensive Income*for the year ended 31 March 2024*

	Notes	GROUP		COMPANY	
		31 Mar 2024 R'000	31 Mar 2023 R'000	31 Mar 2024 R'000	31 Mar 2023 R'000
Continuing operations					
Rental income	17	646 464	674 085	533 107	572 389
Recoveries	17	227 151	206 341	213 948	194 719
Straight-line effect of leases	17	(54 149)	(23 950)	(36 249)	(16 527)
Revenue		819 466	856 476	710 806	750 581
Property expenses	18	(333 916)	(335 848)	(313 583)	(310 284)
Net property income		485 550	520 628	397 223	440 297
Other (expenses)/income	19	(4 859)	1 809	(5 572)	50 957
Operating expenses	20	(79 778)	(68 502)	(78 601)	(79 844)
Expected credit losses (ECL)	10, 7	(158 093)	20 967	(195 048)	32 136
Foreign currency adjustments		-	7 660	1 450	6 210
Profit from operations		242 820	482 562	119 452	449 756
Fair value adjustments	23	(396 338)	(744 584)	(413 446)	(771 857)
Net finance costs		(471 220)	(332 241)	(393 668)	(273 068)
Financing cost	24	(569 412)	(400 389)	(569 395)	(374 816)
Financing income		98 192	68 148	175 727	101 748
Loss before taxation		(624 738)	(594 263)	(687 662)	(595 169)
Taxation		-	-	-	-
Loss after taxation		(624 738)	(594 263)	(687 662)	(595 169)
Discontinued operations					
Loss from discontinued operations		-	(7 079)	-	-
Loss for the year		-	(7 079)	-	-

The net property income sub-total was added to indicate the income earned directly from all property assets and rental income was disaggregated to separately disclose rental income and recoveries while Covid-19 rental relief have been disclosed in the note 17.

	Note	GROUP		COMPANY	
		31 Mar 2024 R'000	31 Mar 2023 R'000	31 Mar 2024 R'000	31 Mar 2023 R'000
Other comprehensive income:					
Items that may be reclassified to profit or loss in subsequent periods:					
Exchange differences on translating foreign operations		-	(3 972)	-	-
Transfer FCTR to profit or loss		3 282	-	-	-
Total comprehensive loss		(621 456)	(605 314)	(687 662)	(595 169)
Loss attributable to:					
Shareholders of the parent		(624 738)	(601 342)	(687 662)	(595 169)
Non-controlling interest		-	-	-	-
		(624 738)	(601 342)	(687 662)	(595 169)
Total comprehensive loss attributable to:					
Shareholders of the parent		(621 456)	(605 314)	(687 662)	(595 169)
Non-controlling interest		-	-	-	-
		(621 456)	(605 314)	(687 662)	(595 169)
Earnings per share	29				
Basic loss per share (cents)		(48.21)	(52.27)		
Diluted loss per share (cents)		(48.21)	(52.27)		

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Consolidated Statement of Changes in Equity*for the year ended 31 March 2024*

GROUP	Share capital R'000	Foreign currency translation reserve R'000	Share incentive reserve R'000	Retained income R'000	Total attributable to equity holders R'000	Non-controlling interest R'000	Total equity R'000
Balance at 1 April 2022	4 948 866	690	13 131	985 285	5 947 972	-	5 947 972
Total comprehensive loss for the year	-	(3 972)	-	(601 342)	(605 314)	-	(605 314)
Loss for the year	-	-	-	(601 342)	(601 342)	-	(601 342)
Other comprehensive loss	-	(3 972)	-	-	(3 972)	-	(3 972)
Issue of shares in terms of conditional share plan	17 131	-	(17 131)	-	-	-	-
Conditional share plan reserve	-	-	4 000	-	4 000	-	4 000
Distribution paid – cash	-	-	-	(38 157)	(38 157)	-	(38 157)
Issue of shares – DRIP*	175 527	-	-	(175 527)	-	-	-
Issue of shares – rights issue	44 750	-	-	-	44 750	-	44 750
Total contributions by and distributions to owners of the company recognised directly in equity	237 408	-	(13 131)	(213 684)	10 593	-	10 593
Balance at 31 March 2023	5 186 274	(3 282)	-	170 259	5 353 251	-	5 353 251
Total comprehensive loss for the year	-	3 282	-	(624 738)	(621 456)	-	(621 456)
Loss for the year	-	3 282	-	(624 738)	(621 456)	-	(621 456)
Balance at 31 March 2024	5 186 274	-	-	(454 479)	4 731 795	-	4 731 795

Note/s

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COMPANY	Share capital R'000	Share incentive reserve R'000	Retained income R'000	Total equity R'000
Balance at 1 April 2022	5 193 781	13 147	787 115	5 994 043
Total comprehensive loss for the year	-	-	(595 169)	(595 169)
Loss for the year	-	-	(595 169)	(595 169)
Issue of shares in terms of conditional share plan	17 147	(17 147)	-	-
Conditional share plan reserve	-	4 000	-	4 000
Distribution paid – cash	-	-	(38 157)	(38 157)
Issue of shares – DRIP*	175 528	-	(175 528)	-
Issue of shares – rights issue	44 750	-	-	44 750
Total contributions by and distributions to owners of the company recognised directly in equity	237 425	(13 147)	(213 685)	10 593
Balance at 31 March 2023	5 431 206	-	(21 739)	5 409 467
Total comprehensive loss for the year	-	-	(687 662)	(687 662)
Loss for the year	-	-	(687 662)	(687 662)
Balance at 31 March 2024	5 431 206	-	(709 401)	4 721 805

Note/s

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Consolidated and Separate Audited Annual Financial Statements

Consolidated Statement of Cash Flows*for the year ended 31 March 2024*

	Note	GROUP		COMPANY	
		31 Mar 2024 R'000	31 Mar 2023 R'000	31 Mar 2024 R'000	Restated# 31 Mar 2023 R'000
Cash flows from operating activities					
Cash generated from operations	26	374 783	419 812	286 077	308 627
Finance income received		7 859	2 526	7 615	2 022
Dividends received		1 704	-	1 704	-
Distributions paid		-	(38 157)	-	(38 157)
Net cash from operating activities		384 346	384 181	295 396	272 492
Cash flows from investing activities					
Purchase of property, plant and equipment		(194)	(68)	(159)	(53)
Purchase of investment property		-	(34 344)	-	(34 527)
Capital expenditure on investment property		(38 235)	-	(25 537)	-
Proceeds from disposal of investment property and assets held-for-sale*		97 754	146 700	97 754	146 700
Loans advanced to group companies		-	-	(6 593)	(6 207)
Net cash from investing activities		59 325	112 288	65 465	105 913
Cash flows from financing activities					
Proceeds on share issue		-	44 750	-	44 750
Finance costs paid		(436 288)	(442 719)	(436 288)	(425 830)
Borrowings raised		1 442 998	810 000	1 442 998	810 000
Borrowings repaid*		(1 467 206)	(917 648)	(1 467 206)	(917 648)
Loans received from group companies		-	-	85 279	98 710
Capital payment on lease liabilities		(141)	(349)	(141)	(349)
Net cash from financing activities		(460 637)	(505 966)	(375 358)	(390 367)
Total cash movement for the year		(16 966)	(9 497)	(14 497)	(11 962)
Cash at the beginning of the year		38 916	47 868	34 441	46 403
Effect of exchange rate movement on cash balances		-	545	-	-
Total cash at end of the year		21 950	38 916	19 944	34 441

Refer to note 27 for the details relating to the restatement.

* Proceeds from disposal of properties are mainly paid directly into the facilities with a portion settled to Accelerate. Only amounts received in cash by Accelerate are reflected on the statement of cash flows.

Segmental Analysis

For investment property, financial information is provided on a property-by-property basis to members of executive management, which collectively comprise the chief operating decision maker. The individual properties are aggregated into reportable segments with similar economic characteristics such as nature of the property and the occupier market it serves. Management considers that this is best achieved by aggregating properties into commercial, industrial, retail and European retail.

Consequently, the company is considered to have three (previously four) reportable operating segments, as follows:

- Commercial segment: acquires, develops and leases offices.
- Industrial segment: acquires, develops and leases warehouses and factories.
- Retail segment: acquires, develops and leases shopping malls, community centres as well as retail centres.
- European single tenant segment acquires, develops and leases single tenant space backed by long-term leases (discontinued).

Group administrative costs, profit/loss on disposal of investment property, finance revenue, finance costs, income taxes and segment liabilities are not reported to the members of executive management on a segmented basis. There are no sales between segments.

Finance cost is not disclosed on a segmental basis as Accelerates funding is secured on an overall portfolio basis and not per segment. Accelerate does not have any major customers that contribute 10% or more to revenue.



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Segmental Analysis *(cont.)*

For the year ending 31 March 2024 GROUP	Continued operations*			
Statement of Comprehensive Income	Commercial R'000	Industrial R'000	Retail R'000	Total R'000
Rental income	202 925	2 007	441 532	646 464
Recoveries	61 441	60	165 650	227 151
Straight-line effect of leases	(19 879)	-	(34 270)	(54 149)
Revenue	244 487	2 067	572 912	819 466
Property expense	(94 806)	(697)	(238 413)	(333 916)
Net property income	149 681	1 370	334 499	485 550
Other (expenses)	-	-	-	(4 859)
Operating expenses	-	-	-	(79 778)
Expected credit losses (ECL)	(530)	(676)	(156 887)	(158 093)
Profit from operations	149 151	694	175 596	242 820
Fair value adjustments - properties	(407 570)	51 296	1 469	(354 805)
Fair value adjustments - derivatives	-	-	-	(41 533)
Net finance costs	-	-	-	(471 220)
Financing cost	-	-	-	(569 412)
Financing income	-	-	-	98 192
(Loss)/profit before taxation	(258 419)	51 990	177 065	(624 738)
Taxation				-
(Loss)/profit after taxation	(258 419)	51 990	177 065	(624 738)
Statement of Financial Position				
Assets				
Investment property	2 107 827	-	5 554 017	7 661 844
Non-current assets held-for-sale	332 533	13 000	648 000	993 533
Other assets				1 090 500
Total Assets	2 440 360	13 000	6 202 017	9 745 877
Total liabilities	-	-	-	(5 014 125)

* Items that are not allocated per segment is reflected under the total column and not separately disclosed.

For the year ending 31 March 2023 GROUP	Discontinued operations	Continued operations*				Total
Statement of Comprehensive Income	Europe R'000	Commercial R'000	Industrial R'000	Retail R'000	Total R'000	R'000
Rental income (incl Covid assistance)	-	193 766	6 099	474 220	674 085	674 085
Recoveries	-	46 435	134	159 772	206 341	206 341
Straight-line effect of leases	-	(7 423)	-	(16 527)	(23 950)	(23 950)
Revenue	-	232 778	6 233	617 465	856 476	856 476
Property expense	-	(78 266)	(10 402)	(247 180)	(335 848)	(335 848)
Net property income	-	154 512	(4 169)	370 285	520 628	520 628
Other income	-	-	-	-	1 809	1 809
Operating expenses	-	-	-	-	(68 502)	(68 502)
Operating profit	-	154 512	(4 169)	370 285	453 935	446 856
Fair value adjustments - properties	-	(154 922)	(9 627)	(644 634)	(809 183)	(809 183)
Fair value adjustments - derivatives	-	-	-	-	64 599	64 599
Expected credit losses (ECL)	-	7 553	3 911	21 502	32 966	32 966
Expected credit losses (ECL)	-	-	-	-	(11 999)	(11 999)
Foreign currency adjustments	-	-	-	-	7 660	7 660
Net finance costs	-	-	-	-	(332 241)	(332 241)
Financing cost	-	-	-	-	(400 389)	(400 389)
Financing income	-	-	-	-	68 148	68 148
Profit/(loss) before taxation	-	7 143	981	(260 169)	(594 263)	(601 342)
Taxation	-	-	-	-	-	-
Profit/(loss) after taxation	-	7 143	981	(260 169)	(594 263)	(601 342)
Statement of Financial Position						
Assets						
Investment property		2 616 387	24 504	6 268 520	8 909 411	8 909 411
Non-current assets held-for-sale		25 400		267 000	292 400	292 400
Other assets					1 140 872	1 140 872
Total Assets		2 641 787	24 504	6 535 520	10 342 683	10 342 683
Total liabilities					(4 989 432)	(4 989 432)

* Items that are not allocated per segment is reflected under the total column and not separately disclosed.

Consolidated and Separate Audited Annual Financial Statements

Accounting Policies

1.1 Presentation of consolidated and separate financial statements

The consolidated and separate financial statements are prepared in accordance with IFRS Accounting Standards ("IFRS") and the IFRIC interpretations which are set by the International Accounting Standards Board ("IASB") and the IFRS Standard Interpretations Committee of the IASB. The consolidated and separate financial statements comply with the Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council, the JSE Listings Requirements, JSE Debt Listings Requirements and the requirements of the Companies Act of South Africa.

The financial statements are prepared on the historic cost basis, except for investment property, investments in subsidiaries and certain financial instruments which are carried at fair value and incorporate the principal accounting policies set out below.

The accounting policies are consistent with those applied in the prior year. The financial statements are prepared on a going concern basis. They are presented in rand and all values are rounded to the nearest thousand (R'000) except where otherwise indicated.

1.2 Basis of consolidation

Subsidiaries

The consolidated and separate financial statements incorporate the annual financial statements of the Company and all entities which are controlled by the Company.

The Company controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The results of the subsidiaries are included in the consolidated financial statements from the effective date of acquisition to the effective date of disposal. On acquisition, the Group recognises the subsidiary's identifiable assets, liabilities and contingent liabilities at fair value.

	Subsidiaries (including special purpose vehicles)	Subsidiaries (including special purpose vehicles)
% ownership interest	Greater than 50%	Proportionate share of assets and liabilities
Nature of relationship with Accelerate	Subsidiaries are entities over which Accelerate exercises control. The subsidiaries' financial results are included in the consolidated financial statements of Accelerate from the date Accelerate obtains control until the date that control ceases.	A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement.

Determining control

An investor controls an investee if and only if the investor has all of the following elements:

- Power over the investee, i.e., the investor has existing rights that give it the ability to direct the relevant activities (the activities that significantly affect the investee's returns).
- Exposure, or rights, to variable returns from its involvement with the investee.
- The ability to use its power over the investee to affect the amount of the investor's returns.

	Consolidation	Joint operations
Initial and subsequent recognition in the consolidated financial statements	Greater than 50%	Proportionate share of assets and liabilities
Nature of relationship with Accelerate	100% of the assets, liabilities, income, expenses, and cash flows of a subsidiary is accounted for on a line-by-line basis in the financial statements from the date Accelerate obtains control until the date that control ceases. Identifiable assets acquired and the liabilities assumed are measured initially at their acquisition date fair values. The non-controlling interest is measured at their proportionate share of the minority shareholders identifiable assets at the date of acquisition. Subsequently the portion of the profit or loss is recognised in the statement of profit or loss and other comprehensive income and transferred to a non-distributable reserve.	Accelerate recognises the assets and liabilities, including its share of any assets held jointly and liabilities incurred jointly, the share of the revenue from the sale of the output by the joint operations and the expenses, including its share of any expenses incurred jointly.
Intercompany transactions	All intra-Group transactions, balances and unrealised gains and losses are eliminated on consolidation.	Unrealised gains and losses with the joint operation are eliminated to the extent of Accelerate's interest in the joint operation. Unrealised losses are eliminated to the extent that there is no evidence of impairment.

Investment in subsidiaries in the separate financial statements

In the Company's separate financial statements, investments in subsidiaries are carried at fair value through profit and loss. On disposal of investment in subsidiaries the difference between disposal proceeds and the fair value of the investments are recognised in profit or loss.

Joint arrangements

A joint arrangement is an arrangement of which two or more parties have joint control. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. A joint arrangement is either a joint operation or a joint venture.

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement.

Accelerate owns 50% of the undivided share in Fourways Mall from 29 November 2019 and accounts for it as a joint operation.

Consolidated and Separate Audited Annual Financial Statements

Accounting Policies *(cont.)***Joint operation**

The company recognises the following in relation to its interests in a joint operation:

- Its assets, including its share of any assets held jointly;
- Its liabilities, including its share of any liabilities incurred jointly;
- Its revenue from the sale of its share of the output arising from the joint operation;
- Its share of the revenue from the sale of the output by the joint operation; and its expenses, including its share of any expenses incurred jointly.

1.3 Significant judgements and sources of estimation uncertainty

The preparation of consolidated and separate audited annual financial statements in conformity with IFRS Accounting Standards requires management, from time to time, to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. These estimates and associated assumptions are based on experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Significant judgements include:

Judgements and other estimates

In the process of applying the accounting policies, management has made the following judgements and estimates, which have the most significant effect on the amounts recognised in the consolidated financial statements.

Valuation of property

The fair value of investment property and non-current assets held-for-sale is determined by real estate valuation experts and management using recognised valuation techniques and the principles of IFRS 13. The significant methods and assumptions used by valuers in estimating the fair value of investment property are set out in the investment property note 2 and non-current assets held-for-sale note 12.

In terms of IFRS 5, certain investment properties are classified as held-for-sale based on management's judgement in assessing the conditions applicable in classifying an asset as held-for-sale.

IFRS 16

In cases where Accelerate is the lessee significant judgement is applied in determining the incremental borrowing rate used to determine the present value of the right-of-use asset as well as the lease liability for IFRS 16 purposes at the date of initial recognition.

Acquisition of investment properties: asset acquisition or business combination

IFRS 3 Business Combinations defines a business as 'an integrated set of activities and assets that is capable of being conducted and managed for the purpose of providing a return in the form of dividends, lower costs, or other economic benefits.

When Accelerate acquires subsidiaries that own real estate, Accelerate considers whether each acquisition represents the acquisitions of a business or the acquisition of an asset. Accelerate accounts for an acquisition as a business combination where an integrated set of activities and assets, including property, is acquired. More specifically, consideration is given to the extent to which significant processes are acquired and, in particular, the extent of services provided by the subsidiary.

Indicators of business combinations	Not necessarily indicators of business combinations on their own
Substantive processes and/or services acquired/provided: • Lease management. • Management of common areas to promote increased footfall. • Selection of tenants. • Investment decisions. • Marketing decisions.	Administrative processes and/or ancillary services acquired/provided: • Security. • Cleaning. • Rent invoicing and collection. • Caretaker.

In line with the above the acquisition of Fourways Mall in November 2019 was not regarded as a business combination due to the following.

- In the case of Fourways Mall, the asset management is done on a 50/50 decision-making basis (in-line with the ownership percentage) by the two owners of Fourways Mall. This input is applied by The Group as the 50% owner of Fourways Mall and is not an input that was acquired. This input is applied by the same unaltered management team of the Group prior to the Fourways Mall equalisation.
- The property management of Fourways Mall, as is the case with all investment properties owned by Accelerate, is provided by a third-party property management company and was not acquired with the property.

1.4 Investment property

Investment property (land and buildings) held either to earn rental income or for capital appreciation is recognised as an asset when, and only when, it is probable that the future economic benefits that are associated with the investment property will flow to the enterprise, and the cost of the investment property can be measured reliably.

Investment property is initially recognised at cost. Transaction costs are included in the initial measurement. Transaction costs include transfer costs, professional fees for legal services and initial leasing commissions to bring the property to the condition necessary for it to be capable of operating.

Costs include costs incurred initially and costs incurred subsequently to add to, or to replace a part of, or service a property. If a replacement part is recognised in the carrying amount of the investment property, the carrying amount of the replaced part is derecognised. Maintenance and repairs which neither materially add to the value of the properties do not prolong their useful lives are charges to the Statement of Comprehensive Income.

Investment property is subsequently measured at fair value in accordance with IAS 40.

Consolidated and Separate Audited Annual Financial Statements

Accounting Policies *(cont.)*

Transfers are made from investment property when, and only when, there is a change in use, evidenced by commencement of owner occupation or commencement of development with a view to a sale.

Investment property is derecognised when it has been disposed of or permanently withdrawn from use and no future economic benefit is expected. The difference between the net disposal proceeds and the carrying amount of the asset would result in either gains or losses on the retirement or disposal of investment property. Any gains or losses are recognised in profit or loss in the year of retirement or disposal.

Fair value

A gain or loss arising from a change in fair value is included in net profit or loss for the period in which it arises.

1.5 Property, plant and equipment

Property, plant and equipment are tangible assets which the Group holds for its own use or for rental to others and which are expected to be used for more than one year.

An item of property, plant and equipment is recognised as an asset when it is probable that future economic benefits associated with the item will flow to the Group, and the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost. Cost includes all of the expenditure which is directly attributable to the acquisition or construction of the asset, including the capitalisation of borrowing costs on qualifying assets where appropriate.

Subsequent measurement is at cost less accumulated depreciation and accumulated impairment losses.

Expenditure incurred subsequently for major services, additions to or replacements of parts of property, plant and equipment are capitalised if it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost can be measured reliably. Day-to-day servicing costs are included in profit or loss in the year in which they are incurred.

Depreciation of an asset commences when the asset is available for use as intended by management. Depreciation is charged to write-off the asset's carrying amount over its estimated useful life to its estimated residual value, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the Group. Leased assets are depreciated in a consistent manner over the shorter of their expected useful lives or the lease term. Depreciation is not charged to an asset if its estimated residual value exceeds or is equal to its carrying amount. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale or derecognised.

The estimated useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation method	Average useful life
Furniture and fixtures	Straight-line	6 years
Office equipment	Straight-line	5 years
Generator and other	Straight-line	5 years
IT equipment	Straight-line	5 years

The residual value, useful life and depreciation method of each asset is reviewed at the end of each reporting period. If the expectations differ from previous estimates, the change is accounted for as a change in accounting estimate.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciation charge for each year is recognised in profit or loss unless it is included in the carrying amount of another asset.

Impairment tests are performed on property, plant and equipment when there is an indicator that they may be impaired. When the carrying amount of an item of property, plant and equipment is assessed to be higher than the estimated recoverable amount, an impairment loss is recognised immediately in profit or loss to bring the carrying amount in line with the recoverable amount.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its continued use or disposal. Any gain or loss arising from the derecognition of an item of property, plant and equipment, determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item, is included in profit or loss when the item is derecognised.

1.6 Non-current assets held-for-sale

Non-current assets are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable, and the asset is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Consolidated and Separate Audited Annual Financial Statements

Accounting Policies *(cont.)*

Non-current assets held-for-sale comprise solely of investment properties and therefore are excluded from the measurement scope of IFRS 5 – Non-Current Assets Held for Sale and Discontinued Operations and continue to be measured according to IAS 40 fair value model with gains/losses recognised in the Statement of Comprehensive Income.

In terms of IFRS 5, the movement of investment properties to non-current assets held-for-sale are based on management's judgement in assessing the conditions applicable in classifying an asset as held-for-sale.

Non-current assets held for sale are presented separately from other assets in the Statement of Financial Position.

1.7 Financial instruments

Financial instruments held by the company are classified in accordance with the provisions of IFRS 9 Financial Instruments.

Accounting for financial assets**Classification**

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and Accelerate's business model for managing them. Except for trade receivables that do not contain a significant financing component, or for which Accelerate has applied the practical expedient Accelerate initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss less transaction costs. As Accelerate's rent and other trade receivables do not contain a significant financing component, they are measured at the lease income determined under IFRS 16. Refer to the accounting policies on revenues.

For a financial asset to be classified and measured at amortised cost, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

Accelerate's business model for managing financial assets refers to how it manages its financial assets to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Accelerate classifies its Derivative financial instruments at fair value through profit or loss and its rent and other trade receivables and cash and short-term deposits at amortised cost.

Recognition and measurement Initial recognition and measurement

Accelerate initially measures a financial asset at its fair value or, in the case of a financial asset not at fair value through profit or loss, transaction costs.

Subsequent measurement

For purposes of subsequent measurement, Accelerate's financial assets are classified in two categories:

- Financial assets at fair value through profit or loss (derivative financial instruments).
- Financial assets measured at amortised cost (rent, trade and other receivables, loans receivables and cash and short-term deposits).

Financial assets at amortised cost

For purposes of subsequent measurement, Accelerate measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows.
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Since Accelerate's financial assets (rent and other trade receivables, cash and short-term deposits) meet these conditions, they are subsequently measured at amortised cost.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

This category includes derivative instruments which Accelerate had not irrevocably elected to classify at fair value through other comprehensive income.

Impairment of financial assets

Further disclosures relating to impairment of financial assets are also provided in the following notes:

- Trade and other receivables.
- Financial instruments risk management objectives and policies Note 32.

Accelerate recognises an allowance for expected credit losses (ECL's) for all receivables held by Accelerate. ECL's are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that Accelerate

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Accounting Policies *(cont.)*

expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held, deposits on hand and bank guarantees or other credit enhancements that are integral to the contractual terms.

For rent and other trade receivables, Accelerate applies a simplified approach in calculating ECL's. Therefore, Accelerate does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECL's at each reporting date (i.e., a loss allowance for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default).

Accelerate considers a financial asset to be in default when contractual payments are 90 days past due and legal processes have commenced. However, in certain cases, Accelerate may also consider a financial asset to be in default when internal or external information indicates that Accelerate is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by Accelerate. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Derecognition

A financial asset is primarily derecognised when:

- The rights to receive cash flows from the asset have expired; or
- Accelerate has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
 - (a) Accelerate has transferred substantially all the risks and rewards of the asset, or
 - (b) Accelerate has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

When Accelerate has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, Accelerate continues to recognise the transferred asset to the extent of its continuing involvement. In that case, Accelerate also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that Accelerate has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that Accelerate could be required to repay.

Accounting for financial liabilities

Recognition and measurement Initial recognition and measurement

Accelerate's financial liabilities comprise interest-bearing loans and borrowings, derivative financial instruments and trade and other payables.

All financial liabilities are recognised initially at fair value and, in the case of all financial liabilities except derivative financial instruments, net of directly attributable transaction costs.

Subsequent measurement

For purposes of subsequent measurement, all financial liabilities, except derivative financial instruments, are subsequently measured at amortised cost using the effective interest rate ("EIR") method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

For more information on the interest-bearing loans and borrowings, refer to Note 15.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

Loans and borrowings

All loans and borrowings are initially recognised at fair value less directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method.

Trade and other payables

Financial liabilities included in trade and other payables are recognised initially at fair value and subsequently at amortised cost. The fair value of a non-interest-bearing liability is its discounted repayment amount. If the due date of the liability is less than one year, discounting is ignored.

1.8 Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component, on the basis of their relative stand-alone prices.

Company as lessee

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost (which is equal to the lease liability adjusted for upfront deposits) and increased with initial direct costs incurred and the amount of any provision recognised where the Group is contractually required to dismantle, remove or restore the leased asset. The Group applies the cost model subsequent to the initial measurement of the right-of-use asset. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

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Accounting Policies *(cont.)*

The lease liability is initially measured at the present value of the remaining lease payments on the commencement date, discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be determined, the lessee uses the lessee's incremental borrowing rate. The lease liabilities were discounted at the incremental borrowing rate as at 1 April 2021. The discount rate used was prime + 7.12%. To calculate the incremental borrowing rate, reference interest rates were derived based on Accelerate's cost of debt. The lease liability is subsequently increased by interest cost on the lease liability and decreased by lease payments made.

Lease payments included in the measurement of the lease liability comprise the following: fixed payments; variable lease payments that depend on an index or a rate; amounts payable under a residual value guarantee; and the exercise price under a purchase option that the Group is certain to exercise.

Consolidated statement of cash flows The Group has classified:

- Cash payments for the principal portion of lease payments as financing activities.
- Cash payments for the interest portion as finance activities consistent with the presentation of interest payments chosen by the Group.

Accelerate as lessor – operating leases

Operating lease income is recognised as income on a straight-line basis over the lease term.

Initial direct costs incurred in negotiating and arranging operating leases are added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as the lease income.

Income for leases is disclosed under revenue in profit or loss.

The Group may reduce past lease payments that are recognised as a lease receivable in an operating lease. For these instances there is an accounting policy choice of either:

- 1) An extinguishment of the operating lease receivable and the derecognition requirements of IFRS 9 apply, or
- 2) Lease modification under IFRS 16 where the Group accounts for a modification to an operating lease as a new lease from the effective date of the modification, considering any prepaid or accrued lease payments relating to the original lease as part of the lease payments for the new lease.

The Group has elected to apply the lease modification under IFRS 16. As a result, the amount granted as relief is accounted for as a lease incentive in terms of the new lease agreement. This incentive is recognised as a reduction to lease income over the lease term.

1.9 Employee benefits***Short-term employee benefits***

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

The expected cost of profit sharing and bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

1.10 Provisions and contingencies

Provisions are recognised when:

- The company has a present obligation as a result of a past event;
- It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation;
- A reliable estimate can be made of the obligation.

The amount of a provision is the present value of the expenditure expected to be required to settle the obligation.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement shall be recognised when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation. The reimbursement shall be treated as a separate asset. The amount recognised for the reimbursement shall not exceed the amount of the provision.

Provisions are not recognised for future operating losses.

If an entity has a contract that is onerous, the present obligation under the contract shall be recognised and measured as a provision.

A constructive obligation to restructure arises only when an entity:

- Has a detailed formal plan for the restructuring, identifying at least:
 - the business or part of a business concerned;
 - the principal locations affected;
 - the location, function, and approximate number of employees who will be compensated for terminating their services;
 - the expenditures that will be undertaken;
 - when the plan will be implemented.
- Has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it.

After their initial recognition contingent liabilities recognised in business combinations that are recognised separately are subsequently measured at the higher of:

- The amount that would be recognised as a provision;
- The amount initially recognised less cumulative amortisation.

Contingent assets and contingent liabilities are not recognised.

Consolidated and Separate Audited Annual Financial Statements

Accounting Policies *(cont.)***1.11 Revenue*****Rental income***

Accelerate is the lessor in operating leases. Rental income arising from operating leases of investment property is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of comprehensive income due to its operating nature, except for contingent rental income which is recognised when it arises. Initial direct costs incurred in negotiating and arranging an operating lease are recognised as an expense over the lease term on the same basis as the lease income.

Amounts received from tenants to terminate leases or to compensate for dilapidations are recognised in the statement of comprehensive income when the right to receive them arises.

Rental income does not fall within the scope of IFRS 15, Revenue from contracts with customers, but is accounted for in terms of IFRS 16, Leases.

Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which Accelerate expects to be entitled in exchange for those services.

Service and management charges and other such receipts are included in revenue gross of the related costs, as the directors consider that Accelerate acts as principal in this respect. It is accounted for as a single performance obligation based on the actual provision of utilities services to the customer.

Revenue from service charges, management charges and other expenses recoverable from tenants is recognised over time when the customer receives the benefit of the related service.

Recoveries

Recovering operating costs, such as utilities from tenants.

Utility recoveries are recognised over the period for which the services are rendered. The Group acts as a principal on its own account when recovering operating costs, such as utilities, from tenants.

Casual parking, non-GLA income and lease cancellation fees

Casual parking income is recognised over the period for which the services are rendered. Non-GLA income, like advertising, promotion and exhibition income, and lease cancellation fees are contingent and are recorded in the period in which they are earned.

1.12 Other accounting policies

Property acquisitions and business combinations

Where property is acquired, via corporate acquisitions or otherwise, management considers the substance of the assets and activities of the acquired entity in determining whether the acquisition represents the acquisition of a business as per IFRS 3. Where such acquisitions are not judged to be acquisitions of a business, they are not treated as business combinations. Rather, the cost to acquire the corporate entity is allocated between the identifiable assets and liabilities of the entity based on their relative fair values at the acquisition date. Accordingly, no goodwill or additional deferred taxation arises. Otherwise, acquisitions are accounted for as business combinations.

Investment property acquisitions which do not meet the definition of a business as defined in IFRS 3 are recognised and measured in accordance with IAS 40.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are initially recorded at fair value and subsequently recorded at amortised cost.

Bank overdraft and borrowings

Bank overdrafts and borrowings are initially measured at fair value less directly attributable transaction costs and are subsequently measured at amortised cost using the effective interest rate method.

Tenant deposits

Tenant deposit liabilities are initially recognised at fair value and subsequently measured at amortised cost where the effect of discounting is material. Any difference between the initial fair value and the nominal amount is included as a component of operating lease income and recognised on a straight-line basis over the lease term.

Finance income

Finance income is recognised as it accrues using the effective interest rate (EIR) method. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability. Finance income is included in finance income in the statement of comprehensive income.

Taxes

Accelerate converted to a Real Estate Investment Trust (REIT) on listing. As a result, section 25BB of the Income Tax Act applies to qualifying REIT income and expenses. The legislation provides that capital gains on sale of investment properties are not taxable and previous building allowances claimed will be recouped at 27%. All rental income and dividends from property subsidiaries will be taxed at 27% and any qualifying distribution paid from these taxable profits will be deductible at 27%. Should the entities' assets be sold, or the entity wound up, there could be a tax liability to the value of the recoupments previously claimed.

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Accounting Policies *(cont.)*

Accelerate is of the view that the provisions of IAS 12 Income Taxes regarding different tax rates for distributed and undistributed profits are intended to apply where the only significant factor determining the differential tax rate is the retention or distribution of profit. This view is applied given that this would reflect the economic reality of Accelerate as being tax neutral and would not result in deferred taxation being raised at each reporting date merely to be reversed after the end of the reporting date when distributions are declared to shareholders.

The entity can choose to operate within one of two tax regimes, either a 'full tax' regime by not distributing rental income and dividends from property subsidiaries to shareholders or a 'no tax' regime by distributing rental income and dividends from property subsidiaries to shareholders, rather than operating in a single tax regime with a dual tax rate, depending on whether profits are retained or distributed. Accordingly, the measurement of deferred tax assets and liabilities takes into account expected future distributions. This results in no deferred tax being recognised by Accelerate on REIT assets and liabilities.

REIT legislation is currently being revised to clarify the legislation where difficulties have been noted in practice.

Current taxes are recognised as income or expense and included in profit or loss for the period, except to the extent that the tax arises from:

- A transaction or event which is recognised, in the same or different period, to other comprehensive income; or
- A business combination.

Current tax and deferred taxes are charged or credited to other comprehensive income if the tax relates to items that are credited or charged, in the same or different period, to other comprehensive income.

Current tax and deferred taxes are charged or credited directly to equity if the tax relates to items that are credited or charged, in the same or different period, directly to equity.

Current income tax

Current tax liabilities/(assets) for the current and prior periods are measured at the amount expected to be paid to/(recovered from) the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Accelerate is registered as a REIT, and as such will only pay tax on profits not distributed to shareholders.

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

Share capital

Ordinary shares are classified as equity. Accelerate shares held by Accelerate Treasury Proprietary Limited are classified as treasury shares on consolidation and presented as a deduction from equity and these shares are held at cost.

Fair value measurements

Accelerate measures certain financial instruments such as derivatives, and non-financial assets such as investment property, at fair value at the end of each reporting period. Also, fair values of financial instruments measured at amortised cost are disclosed in the financial statements when the carrying values are not determined to approximate fair value.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability. Accelerate must be able to access the principal or the most advantageous market at the measurement date.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

Accelerate uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs significant to the fair value measurement as a whole. Assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, Accelerate determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. Accelerate uses a variety of methods and makes assumptions that are based on market conditions existing at the end of each reporting period. Quoted market prices or dealer quotes for similar instruments are used for long-term debt. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments. The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows.

The fair value of investment property is determined by using valuation techniques. Accelerate uses a variety of methods and makes assumptions that are based on market conditions existing at the end of each reporting period and highest and best use depending on valuation outcome. Techniques include discounted cash flows and capitalisation rate methods.

The carrying value of trade receivables and payables approximate their fair values.

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Accounting Policies *(cont.)*

The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to Accelerate for similar financial instruments. Accelerate's own non-performance risk is considered.

1.13 Standards and interpretation not effective as at 31 March 2024

The Group applies all applicable IFRS Accounting Standards as issued by the International Accounting Standards Board in preparation of the financial statements. Consequently, all IFRS Accounting Standards that were effective at the date of issuing these financial statements, and are relevant to the Group's operations, have been applied.

New standards and interpretations adopted by the Group

During the current financial year, the below standards and interpretations were adopted by the Group.

- Definition of material – amendment to IAS 1: Presentation of Financial Statements and IAS 8: Accounting Policies, Changes in Accounting Estimates and Errors.
- COVID-19-related rent concessions
 - amendment to IFRS 16: Leases. Interest rate benchmark interbank offered rate ("IBOR") reform (phase 2)
 - amendments to IFRS 9: Financial Instruments, IAS 39: Financial Instruments: Recognition and Measurement and
 - IFRS 7: Financial Instruments: Disclosure, IFRS 16: Leases. As at yearend, there have been no liabilities affected by the transition.



At the date of authorisation of these financial statements, the following applicable standards were in issue but not yet effective

IFRS	Description	Effective date	Impact on financial statements
Amendment to IFRS 16 – Leases on sale and leaseback	These amendments include requirements for sale and leaseback transactions in IFRS 16 to explain how an entity accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or rate are most likely to be impacted.	Annual periods beginning on or after 1 January 2024	Not expected to materially impact the group
Amendment to IAS 1 – Non-current liabilities with covenants	These amendments clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability. The amendments also aim to improve information an entity provides related to liabilities subject to these conditions.	Annual periods beginning on or after 1 January 2024	Expected to enhance the group's current disclosure
Amendment to IAS 7 and IFRS 7 - Supplier finance	These amendments require disclosures to enhance the transparency of supplier finance arrangements and their effects on an entity's liabilities, cash flows and exposure to liquidity risk.	Annual periods beginning on or after 1 January 2024	Not expected to materially impact the group
Amendment to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments	These amendments: - clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system; - clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion; - add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets); and - make updates to the disclosures for equity instruments designated at Fair Value through Other Comprehensive Income (FVOCI).	Annual periods beginning on or after 1 January 2026 (early adoption is available)	Expected to enhance the groups group's disclosure
IFRS 18 Presentation and Disclosure in Financial Statements	This is the new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss. The key new concepts introduced in IFRS 18 relate to: - the structure of the statement of profit or loss; - required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and - enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.	Annual periods beginning on or after 1 January 2027	Management is assessing the impact.

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Notes to the Annual Financial Statements*for the year ended 31 March 2024***2. Investment Property**

	Notes	GROUP		COMPANY	
		31 Mar 2024 R'000	31 Mar 2023 R'000	31 Mar 2024 R'000	31 Mar 2023 R'000
Carrying amount					
Cost		8 236 601	9 443 839	7 338 159	8 545 397
Additional costs since acquisition		1 199 606	1 280 691	1 151 841	1 242 190
Fair value adjustment		(1 969 772)	(2 079 600)	(2 142 830)	(2 287 698)
		7 466 435	8 644 930	6 347 170	7 499 889
Movement for the year					
Balance at the beginning of the year		8 644 930	9 695 504	7 499 889	8 478 132
Fair value adjustments	23	(291 350)	(809 183)	(253 725)	(737 518)
Capital expenditure		29 915	47 010	17 217	58 116
Disposals		-	(146 700)	-	(146 700)
Letting cost and tenant installations capitalised		6 293	3 699	6 307	(6 741)
Letting cost and tenant installations amortised		(7 819)	-	(6 984)	-
Investment property transferred to held-for-sale	12	(915 534)	(145 400)	(915 534)	(145 400)
Balance at the end of the year		7 466 435	8 644 930	6 347 170	7 499 889
Reconciliation to valuation:					
Fair value of investment property		7 466 435	8 644 930	6 347 170	7 499 889
Straight-line rental income accrual		195 409	264 481	117 666	168 837
Valuation at the end of the year		7 661 844	8 909 411	6 464 836	7 668 726

The following investment properties have been encumbered as security for interest bearing borrowings (refer note 15) as follows:

Notes	GROUP		COMPANY	
	31 Mar 2024 R'000	31 Mar 2023 R'000	31 Mar 2024 R'000	31 Mar 2023 R'000
Security SPV 1				
Investment property pledged as security	5 689 304	6 887 680	5 810 695	6 138 895
Investment property held-for-sale pledged as security	352 142	292 400	352 142	292 400
Facilities	(2 983 052)	(2 997 084)	(2 983 052)	(2 997 084)
Ashburton	(39 797)	(39 797)	(39 797)	(39 797)
Domestic Medium-Term Notes (DMTN)	(1 846 919)	(2 041 888)	(1 846 919)	(2 041 888)
Investec	(344 261)	(342 079)	(344 261)	(342 079)
NinetyOne	(297 344)	(245 000)	(297 344)	(245 000)
Rand Merchant Bank	(454 731)	(328 320)	(454 731)	(328 320)
Investec security SPV				
Investment property pledged as security	727 748	521 697	-	521 697
Investment property held-for-sale pledged as security	520 000	-	520 000	-
Facilities with Investec	(523 739)	(534 137)	(523 739)	(534 137)
Rand Merchant Bank security SPV				
Investment property pledged as security	1 244 792	1 500 034	654 141	1 008 134
Investment property held-for-sale pledged as security	121 391	-	121 391	-
Facilities with RMB	(822 649)	(850 854)	(822 649)	(850 854)
Total				
Investment property pledged as security	7 661 844	8 909 411	6 464 836	7 668 726
Investment property held-for-sale pledged as security	993 533	292 400	993 533	292 400
Facilities with all funders	(4 329 440)	(4 382 075)	(4 329 440)	(4 382 075)

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Notes to the Annual Financial Statements *(cont.)**for the year ended 31 March 2024*

The entire portfolio is valued by management at the end of each reporting period.

It is the policy of Accelerate to have every property valued by an external valuer on a three-year rotational basis as required by the JSE Listings Requirements. This means that each property Accelerate holds is externally valued at least every three years. Each year the directors appoint an external valuer who is responsible for the external valuations of property for the annual financial statements. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. In addition, the directors are responsible for Accelerate's internal property valuations.

The external valuations were performed by Real Insight, Mr Theuns Behrens, an independent accredited valuer with a recognised and relevant professional qualification (NDip (Prop Val), Professional Associate Valuer (without restrictions)) and with recent experience in the locations and categories of the investment property being valued.

The internal valuations were performed by the directors. The valuation models applied are in accordance with those recommended by the International Valuation Standards Committee and are consistent with the principles in IFRS 13. Internal methods are aligned with those used by external valuers.

Investment property is leased to tenants on an operating lease basis for a fixed term period with fixed annual escalations and subject to fair value assessment on an annual basis. The Group provided the valuers with property and other information required in the valuation of the properties. Among other inputs, the independent valuers applied current market-related assumptions to the risks in rental streams of properties. The valuations performed by the external valuer as well as those performed internally are then reviewed by management and presented at various forums within the Group. The Investment Committee, a sub-committee of the Board of directors, recommend the valuations to the Board who then provide final approval.



DCF Method

Under the DCF method, a property's fair value is estimated using explicit assumptions regarding the benefits and costs of ownership over the asset's life including an exit or terminal value. The DCF method involves the projection of a series of cash flows on a real property interest. To this projected cash flow series, an appropriate, market-derived discount rate is applied to establish the present value of the cash inflows associated with the property. The duration of the cash flow and the specific timing of inflows and outflows are determined by events such as rent reviews, lease renewal and related lease up periods, re-letting, redevelopment or refurbishment. The appropriate duration is typically driven by market behaviour that is a characteristic of the class of property. In the case of investment properties, periodic cash flow is typically estimated as gross income less vacancy, non-recoverable expenses, collection losses, lease incentives, maintenance cost, agent and commission costs and other operating and management expenses. The series of periodic net cash inflows, along with an estimate of the terminal value anticipated at the end of the projection period, is then discounted at the appropriate rate.

Income capitalisation method

Under the cap rate method, a property's fair value is estimated based on the normalised and market related net operating income generated by the property, which is divided by the capitalisation rate. The difference between gross and net rental income includes the same expense categories as those for the DCF method with the exception that certain expenses are not measured over time, but included on the basis of a time weighted average, such as the average lease costs.

Mills Fitchet and DJB Hoffman valued the properties in the prior year where the current external valuer was Real Insight. Management rotates valuation expert at least every five years.

The valuations were performed using the discounted cash flow and income capitalisation methodology. These methods are based on open market values with consideration given to future earnings potential and applying an appropriate discount rate to the property.

For all investment property that is measured at fair value, the current use of the property is considered the highest and best use.



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Notes to the Annual Financial Statements (cont.)

for the year ended 31 March 2024

At year-end, the key assumptions and unobservable inputs used in determining fair value were in the following ranges for the Group's portfolio of properties:

	GROUP		COMPANY	
	31 Mar 2024 R'000	31 Mar 2023 R'000	31 Mar 2024 R'000	31 Mar 2023 R'000
All sectors				
Number of properties	13	29	10	25
Weighted average expected rental value per m ²	R264,98	R207,74	R267,15	R203,18
Rental/m ² range	R60 – R280	R60 – R370	R60 – R280	R60 – R370
Weighted average rental growth per annum	5,87%	5%	6%	5%
Rental growth range	4% - 6%	4% - 6%	4% - 6%	4% - 6%
Weighted average long-term vacancy rate	3,74%	3,80%	4,07%	4%
Long-term vacancy rate range	0% - 5%	0% - 15%	0% - 5%	0% - 15%
Weighted average capitalisation rate	7,7%	7,70%	7,60%	7,60%
Capitalisation rate range	7% - 10%	7% - 12%	7% - 10%	7% - 12%
Commercial				
Number of properties	6	15	3	11
Weighted average expected rental value per m ²	R250,87	R177,84	R250,87	R149,96
Rental/m ² range	R60 – R251	R60 – R239	R60 – R251	R60 – R239
Weighted average rental growth per annum	4%	5%	4%	5%
Rental growth range	4% - 6%	4% - 6%	4% - 6%	4% - 6%
Weighted average long-term vacancy rate	0,35%	2,20%	0,60%	2,40%
Long-term vacancy rate range	0% - 5%	0% - 15%	0% - 5%	0% - 15%
Weighted average capitalisation rate	7,87%	8,10%	7,33%	7,90%
Capitalisation rate range	7% - 10%	7% - 12%	7% - 10%	7% - 12%
Retail				
Number of properties	7	13	7	13
Weighted average expected rental value per m ²	R270,64	R230,13	R270,64	R230,13
Rental/m ² range	R104 – R280	R112 – R370	R104 – R280	R112 – R370
Weighted average rental growth per annum	5,89%	5%	5,89%	5%
Rental growth range	4% - 6%	4% - 6%	4% - 6%	4% - 6%
Weighted average long-term vacancy rate	4,74%	5%	4,74%	2,40%
Long-term vacancy rate range	0% - 5%	0% - 10%	0% - 5%	0% - 10%
Weighted average capitalisation rate	7,60%	7,60%	7,60%	7,80%
Capitalisation rate range	7,25% - 10%	7% - 12%	7,25% - 10%	7% - 12%
Industrial				
Number of properties	-	1	-	1
Weighted average expected rental value per m ²	-	R85,50	-	R85,50
Rental/m ² range	-	R85,50	-	R85,50
Weighted average rental growth per annum	-	5%	-	5%
Rental growth range	-	5%	-	5%
Weighted average long-term vacancy rate	-	5%	-	5%
Long-term vacancy rate range	-	5%	-	5%
Weighted average capitalisation rate	-	10%	-	10%
Capitalisation rate range	-	10%	-	10%

An increase in the weighted average rental per m² as well as the change in the rental/m² range relates mainly to the move in assets to held-for-sale.

The fair value adjustments on investment property (refer to note 23), which are excluded from the calculation of SA REIT funds from operations, are included in profit and loss and categorised as level 3 under the fair value hierarchy (refer to note 35) based on the inputs to the valuation technique used. Capital commitments are set out in note 28.

The valuations of the investment properties are sensitive to changes in the unobservable inputs used in such valuations. Changes to one of the unobservable inputs, while holding the other inputs constant, would have the following effects on the fair value of investment property and fair value adjustment in profit or loss:

	% change	GROUP		COMPANY	
		31 Mar 2024 R'000	31 Mar 2023 R'000	31 Mar 2024 R'000	31 Mar 2023 R'000
Increase in market capitalisation rate	0.50	(408 007)	(511 764)	(368 213)	(452 766)
Retail	0.50	(312 590)	(370 414)	(312 590)	(370 414)
Commercial	0.50	(95 417)	(140 183)	(55 623)	(81 186)
Industrial	0.50	n/a	(1 167)	n/a	(1 166)
Decrease in market capitalisation rate	0.50	464 591	583 074	419 955	516 544
Retail	0.50	356 618	423 134	356 618	423 133
Commercial	0.50	107 973	158 650	63 338	92 121
Industrial	0.50	n/a	1 290	n/a	1 290
Increase in market vacancy rate	0.50	(51 584)	(62 975)	(47 900)	(56 546)
Retail	0.50	(40 329)	(45 519)	(40 329)	(45 519)
Commercial	0.50	(11 255)	(17 270)	(7 571)	(10 841)
Industrial	0.50	n/a	(186)	n/a	(186)
Decrease in market vacancy rate	0.50	51 584	62 975	47 900	56 546
Retail	0.50	40 329	45 519	40 329	45 519
Commercial	0.50	11 255	17 270	7 571	10 841
Industrial	0.50	n/a	186	n/a	186
Increase in gross income	1.00	99 262	122 992	91 890	123 701
Retail	1.00	76 833	88 867	76 833	88 867
Commercial	1.00	22 429	33 772	15 057	34 481
Industrial	1.00	n/a	353	n/a	353
Decrease in gross income	1.00	(99 262)	(122 992)	(91 890)	(123 701)
Retail	1.00	(76 833)	(88 867)	(76 833)	(88 867)
Commercial	1.00	(22 429)	(33 772)	(15 057)	(34 481)
Industrial	1.00	n/a	(353)	n/a	(353)
Increase in property expenses	1.00	(35 696)	(41 230)	(35 601)	(39 028)
Retail	1.00	(29 677)	(31 436)	(29 677)	(31 436)
Commercial	1.00	(6 019)	(9 686)	(5 924)	(7 484)
Industrial	1.00	n/a	(108)	n/a	(108)
Decrease in property expenses	1.00	35 696	41 230	35 601	39 028
Retail	1.00	29 677	31 436	29 677	31 436
Commercial	1.00	6 019	9 686	5 924	7 484
Industrial	1.00	n/a	108	n/a	108

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Notes to the Annual Financial Statements (cont.)

for the year ended 31 March 2024

3. Straight-Line Rental Income Accrual

	GROUP		COMPANY	
Investment property	31 Mar 2024 R'000	31 Mar 2023 R'000	31 Mar 2024 R'000	31 Mar 2023 R'000
Balance at the beginning of the year	264 481	291 526	168 837	189 830
Straight-line rental income accrual for the year	(56 202)	(23 950)	(38 301)	(17 898)
Investment property	(56 202)	(23 950)	(38 301)	(17 898)
Transfer to non-current assets held-for-sale	(12 870)	(3 095)	(12 870)	(3 095)
Balance at the end of the year	195 409	264 481	117 666	168 837
Non-current assets held for sale				
Balance at the beginning of the year	3 095	-	3 095	-
Straight-line rental income accrual for the year	2 053	-	2 053	-
Straight-line on disposal	(4 819)	-	(4 819)	-
Transfer from investment property	12 870	3 095	12 870	3 095
Balance at the end of the year	13 199	3 095	13 199	3 094

During the prior financial year, the full straight-line rental adjustment was reflected as part of Investment Property and not allocated to non-current assets held-for-sale.

4. Property, Plant and Equipment

GROUP 31 March 2024	Furniture and fittings R'000	Office equipment R'000	IT equipment R'000	Generator and other R'000	Total R'000
Cost	567	89	906	175	1 737
Accumulated depreciation	(553)	(35)	(736)	(105)	(1 429)
Carrying amount	14	54	170	70	308
Movement for the year:					
Balance at the beginning of the year	23	1	143	105	272
Additions	-	58	135	-	193
Depreciation	(9)	(5)	(108)	(35)	(157)
Balance at the end of the year	14	54	170	70	308
31 March 2023					
Cost	567	31	771	175	1 544
Accumulated depreciation	(544)	(30)	(628)	(70)	(1 272)
Carrying amount	23	1	143	105	272
Movement for the year:					
Balance at the beginning of the year	41	3	146	140	330
Additions	-	-	68	-	68
Depreciation	(18)	(2)	(71)	(35)	(126)
Balance at the end of the year	23	1	143	105	272

Consolidated and Separate Audited Annual Financial Statements

Notes to the Annual Financial Statements (cont.)

for the year ended 31 March 2024

4. Property, Plant and Equipment (cont.)

COMPANY 31 March 2024	Furniture and fittings R'000	Office equipment R'000	IT equipment R'000	Generator and other R'000	Total R'000
Cost	567	89	857	175	1 688
Accumulated depreciation	(553)	(35)	(724)	(105)	(1 417)
Carrying amount	14	54	133	70	271
Movement for the year:					
Balance at the beginning of the year	23	-	131	105	259
Additions	-	59	101	-	160
Depreciation	(9)	(5)	(99)	(35)	(148)
Balance at the end of the year	14	54	133	70	271
31 March 2023					
Cost	567	31	756	175	1 529
Accumulated depreciation	(544)	(31)	(625)	(70)	(1 270)
Carrying amount	23	-	131	105	259
Movement for the year:					
Balance at the beginning of the year	41	3	146	140	330
Additions	-	-	53	-	53
Depreciation	(18)	(3)	(68)	(35)	(124)
Balance at the end of the year	23	-	131	105	259

5. Right-Of-Use Asset

	GROUP		COMPANY	
	31 Mar 2024 R'000	31 Mar 2023 R'000	31 Mar 2024 R'000	31 Mar 2023 R'000
Cost	1 246	1 246	1 246	1 246
Accumulated depreciation	(686)	(436)	(686)	(436)
Carrying amount	560	810	560	810
Movement for the year:				
Balance at the beginning of the year	810	1 059	810	1 059
Depreciation	(250)	(249)	(250)	(249)
Balance at the end of the year	560	810	560	810

The right-of-use asset relates to CCTV cameras for Cedar Square Shopping Centre.

6. Investment In Subsidiaries

	SHAREHOLDING		CARRYING AMOUNT	
	31 Mar 2024 %	31 Mar 2023 %	31 Mar 2024 R'000	31 Mar 2023 R'000
Accelerate Property Fund B.V*	-	100	-	4 753
Accelerate Treasury Proprietary Limited	100	100	-	-
Parktown Crescent Properties Proprietary Limited	100	100	544 387	552 896
Pybus Sixty-Two (RF) Proprietary Limited	100	100	95 007	141 243
Wanooka Properties Proprietary Limited	30	30	167 583	167 584
			806 977	866 476

*Disposal in 2023.

All shareholdings above are direct shareholdings in the subsidiaries.

Parktown Crescent Properties Proprietary Limited ("PCP") owns 70% of Wanooka Properties Proprietary Limited ("Wanooka"). Therefore, Wanooka is a wholly owned subsidiary.

The fair value of the investment in subsidiaries is based on the net asset value of the subsidiary and is classified as level 3 in the fair value hierarchy. The net asset value of the subsidiaries approximate fair value. The key inputs in the valuation of the subsidiary are the underlying properties in the subsidiaries which drive the value of the entity. These underlying investment properties are measured at fair value. Refer to note 2 for the key inputs which derive the level 3 fair values for investment in subsidiaries. Accelerate Treasury's net asset value is driven by the share price of Accelerate Property Fund Limited. Parktown Crescent Properties' value is based on its investment in Wanooka. Only Pybus Sixty-Two (RF) Proprietary Limited ("Pybus") and Wanooka hold investment properties which drive their valuation. Both Pybus and Wanooka hold properties in the commercial segment (refer note 2 above).

Sensitivity analysis to significant changes in unobservable inputs within level 3 of the hierarchy

The significant unobservable inputs used in the fair value measurement categorised within level 3 of the fair value hierarchy of the entity's investment in subsidiaries are driven by the investment property and are as follows:

- Rental per m²
- Capitalisation rate
- Vacancy rate and
- Discount rate

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Notes to the Annual Financial Statements (cont.)

for the year ended 31 March 2024

6. Investment In Subsidiaries (cont.)

Changes to one of the unobservable inputs, while holding the other inputs constant, would have the following effects on the fair value of investment property and fair value adjustment in profit or loss:

	50 Bps Increase in capitalisation rate		50 Bps Decrease in capitalisation rate	
	31 Mar 2024 R'000	31 Mar 2023 R'000	31 Mar 2024 R'000	31 Mar 2023 R'000
Parktown Crescent Properties Proprietary Limited	(26 660)	(2 048)	63 985	2 289
Pybus Sixty-Two (RF) Proprietary Limited	(23 463)	(17 488)	23 463	19 820
Wanooka Properties Proprietary Limited	(11 425)	(878)	27 422	981
	5% Increase in Accelerate share price		5% Decrease in Accelerate share price	
	31 Mar 2024 R'000	31 Mar 2023 R'000	31 Mar 2024 R'000	31 Mar 2023 R'000
Accelerate Treasury Proprietary Limited	1 067	2 112	(1 067)	(2 112)

7. Loans Due To/(From) Subsidiaries

Subsidiaries	COMPANY	
	31 Mar 2024 R'000	Restated* 31 Mar 2023 R'000
Accelerate Property Fund B.V	-	(1 450)
Accelerate Treasury Proprietary Limited	21 079	(1 721)
Carrying value	308 597	308 279*
Expected credit loss allowance	(287 518)	(310 000)*
Parktown Crescent Properties Proprietary Limited	79 522	31 820
Carrying value - receivable	79 657	34 026
Carrying value - payable	-	(2 206)
Expected credit loss allowance	(135)	-
Pybus Sixty-Two (RF) Proprietary Limited	366 670	341 197
Carrying value	366 870	342 088
Expected credit loss allowance	(200)	(891)
Wanooka Properties Proprietary Limited	(98 706)	(66 080)
Carrying value - receivable	498 747	442 438
Carrying value - payable	(597 453)	(508 518)
Total carrying value of loans	656 418	614 657
Total expected credit loss allowance	(287 853)	(310 891)
	368 565	303 766
Non-current assets	966 018	807 847
Current assets	-	9 814
Non-current liabilities	-	(1 450)
Current liabilities	(597 453)	(512 445)
	368 565	303 766

* Previously disclosed incorrectly as a net amount of R1,721 million. This has been updated to show the correct gross amounts of R308,279 million and R310, 000 million.

Reconciliation of loan to/(from) subsidiaries	Loans to subsidiaries		Loans from subsidiaries	
	31 Mar 2024 R'000	31 Mar 2023 R'000	31 Mar 2024 R'000	31 Mar 2023 R'000
Balance at the beginning of the year	815 940	746 062	(512 174)	(413 464)
Cash flows				
Advance to/(received from) subsidiary	6 593	6 207	(85 279)	(98 710)
Non-cash				
Dividends settled	50 410	-	-	-
ECL Allowance current year	23 038	(11 031)	-	-
Accrued interest	70 037	74 702	-	-
Balance at the end of the year	966 018	815 940	(597 453)	(512 174)

The loans to subsidiaries bear interest at a rate of 10.45% (2023: 11.25%) per annum linked to JIBAR paid by the holding company to its lenders.

The loan to Accelerate Treasury Proprietary Limited ("APF Treasury") bears no interest (2023: 0%) per annum. The loan is subordinated until APF Treasury meets solvency and liquidity requirements and are able to repay the loan in the normal course of business. These loans have no fixed repayment terms and are repayable on demand. No expected credit loss was created for Wanooka Properties as the receivable less payable creates a net payable.

The dividend of R50,4 million was reflected as a receivable in the prior financial year and settled against the loan to subsidiaries in the current financial year.

8. Joint Operation

Accelerate owns 50% of Fourways Mall through an undivided share. Investment property relating to the Fourways mall retail site recognised in the financial statements of Accelerate amounts to R3,9 billion (2023: R4.01 billion) (included in the investment property balance). Accelerate's proportional share of the revenue and expenses flowing from the joint operation are recognised on a line-by-line basis. The remaining 50% of Fourways Mall is owned by Azrapart Proprietary Limited, a related party as it is indirectly owned by Accelerate director and shareholder, Mr MN Georgiou.

The following joint operations are material to the company:

	Ownership %	
	31 Mar 2024 %	31 Mar 2023 %
Fourways Mall	50	50

Summarised financial information for the 50% portion of Accelerate

	GROUP		COMPANY	
	31 Mar 2024 R'000	31 Mar 2023 R'000	31 Mar 2024 R'000	31 Mar 2023 R'000
Rental income (including recoveries)	295 118	330 246	295 118	330 246
Property expenses	(48 103)	(88 255)	(48 103)	(88 255)
Net property income	247 015	241 991	247 015	241 991
Investment property value	3 946 636	4 017 488	3 946 636	4 017 488
Trade and other receivables	612 194	554 116	612 194	554 116
Cash and cash equivalents	1 479	-	1 479	-

The investment property value is included in note 2.

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Notes to the Annual Financial Statements (cont.)

for the year ended 31 March 2024

9. Derivative Financial Instruments

	GROUP		COMPANY	
	31 Mar 2024 R'000	31 Mar 2023 R'000	31 Mar 2024 R'000	31 Mar 2023 R'000
Interest rate swaps	44 782	86 317	44 782	86 317
Non-current assets	38 975	36 682	38 975	36 682
Current assets	7 776	52 855	7 776	52 855
Non-current liabilities	-	(1 714)	-	(1 714)
Current liabilities	(1 969)	(1 506)	(1 969)	(1 506)
	44 782	86 317	44 782	86 317

Interest rate swap – future cash flows are discounted using the Johannesburg Interbank Agreed Rate ("JIBAR") swap curve.

The South African Reserve Bank ("SARB") has indicated their intention to move away from JIBAR and to create an alternative reference rate for South Africa. In November 2023, SARB designated the South African Rand Overnight Index Average ("ZARONIA") as the successor rate to replace JIBAR. The observation period for ZARONIA ended on 3 November 2023 and SARB has indicated that market participants may use the published ZARONIA as a reference rate in pricing financial contracts going forward. SARB has indicated that the transition from JIBAR to ZARONIA is a multi-year initiative and has indicated as a target the cessation of JIBAR before the end of 2026. Accordingly, there is still uncertainty surrounding the timing and manner in which the transition would occur. Thus the impact of the ZARONIA transition on Accelerate cannot be quantified as yet.

	Nominal interest rate %	Maturity	GROUP		COMPANY	
			31 Mar 2024 R'000	31 Mar 2023 R'000	31 Mar 2024 R'000	31 Mar 2023 R'000
Rand Merchant Bank	4.25%	02 Sep 23	-	300 000	-	300 000
Rand Merchant Bank	5.05%	19 Mar 24	-	300 000	-	300 000
Rand Merchant Bank	5.07%	28 May 24	300 000	300 000	300 000	300 000
Rand Merchant Bank	8.38%	08 Sep 24	300 000	-	300 000	-
Rand Merchant Bank	7.50%	12 Oct 24	100 000	-	100 000	-
Rand Merchant Bank	5.66%	12 Oct 24	100 000	100 000	100 000	100 000
Investec Bank	5.93%	21 Oct 24	-	200 000	-	200 000
Investec Bank	7.81%	04 Nov 24	-	200 000	-	200 000
Rand Merchant Bank	7.89%	03 Mar 25	200 000	200 000	200 000	200 000
Rand Merchant Bank	5.57%	19 Mar 25	100 000	100 000	100 000	100 000
Rand Merchant Bank	7.74%	28 May 25	300 000	300 000	300 000	300 000
Rand Merchant Bank	6.03%	12 Oct 25	100 000	100 000	100 000	100 000
Rand Merchant Bank	5.18%	11 Dec 25	300 000	300 000	300 000	300 000
Rand Merchant Bank	6.09%	17 Dec 25	150 000	150 000	150 000	150 000
Investec Bank	7.43%	23 Jan 26	-	500 000	-	500 000
Rand Merchant Bank	6.08%	26 Mar 26	100 000	100 000	100 000	100 000
Rand Merchant Bank	6.27%	12 Oct 26	100 000	100 000	100 000	100 000
Rand Merchant Bank	6.36%	17 Dec 26	150 000	150 000	150 000	150 000
			2 300 000	3 400 000	2 300 000	3 400 000

10. Trade And Other Receivables

Trade and other receivables consist of:	GROUP		COMPANY	
	31 Mar 2024 R'000	31 Mar 2023 R'000	31 Mar 2024 R'000	31 Mar 2023 R'000
Trade receivables at amortised cost	176 263	221 326	178 946	277 476
Trade receivables	241 276	293 963	243 959	352 479
Expected credit loss allowance	(65 013)	(72 637)	(65 013)	(75 003)
Headlease	398 008	237 916	398 008	237 916
Municipal deposits	21 480	20 890	21 460	20 877
Dividend receivable	-	-	-	50 410
Accrued recoveries	21 735	140 690	21 585	140 342
Vendor loans at amortised cost	-	57 920	-	57 920
Vendor loans	59 489	57 920	59 489	57 920
Expected credit loss allowance	(59 489)	-	(59 489)	-
Other receivables at amortised cost	-	3 503	-	3 565
Other receivables	-	15 501	-	15 563
Expected credit loss allowance	-	(11 998)	-	(11 998)
Prepayments	1 714	311	1 648	160
Related party receivable	401 731	328 781	401 731	328 782
	1 020 931	1 011 337	1 023 378	1 117 448
Categorisation of trade and other receivables				
At amortised cost	1 019 217	1 011 026	1 021 730	1 117 288
Non-financial instruments	1 714	311	1 648	160
	1 020 931	1 011 337	1 023 378	1 117 448
Movement in expected credit loss allowance				
Balance at the beginning of the year	(84 635)	(105 602)	(87 001)	(108 106)
(Increase)/decrease in allowance	(39 867)	20 967	(37 501)	21 105
Balance at the end of the year	(124 502)	(84 635)	(124 502)	(87 001)

Trade receivables have been assessed for recoverability in terms of IFRS 9 simplified approach. For a REIT, as rental is due at the beginning of the month, only arrears remain owing at the end of a month. As a result, rental debtors are generally relatively small amounts compared to the other balance sheet items. The debtors are categorised by Accelerate as National Retailers and other SMME Debtors. There are relatively few National Retail tenants, and it is possible to measure the risk of a small number of large exposures based on ratings or the Moody's RiskCalc model. For the Other SMME debtors there are a relatively large number of small debtors making it difficult to apply external models. It is thus necessary to apply judgmental techniques. In normal circumstances, a judgmental approach introduces a higher margin of error than use of a model. However, the relatively low asset size means that this does not result in a significant risk of a material misstatement of the risk.

Accelerate assessed the possibility and probability of the recoverability of the net receivable of R428,6 million (being the receivables including the headlease less the payable due). It was concluded based on the Memorandum of Agreement between the parties, signed before year-end and subsequently finalised in a Settlement Agreement after the reporting period, that the recoverability is probable taking into consideration that the balance is settled through the acquisition of assets and further payments due to the related party. Refer to note 29 for the details of the transaction.

During the current period, non-performing trade receivables amounting to R118,2 million (2023: nil) were written off. Bad debts written off relates to balances where Accelerate is pursuing tenants legally and the tenants previously vacated the premises. In these instances all options have been exhausted and there is no reasonable expectation of recovering the amounts in their entirety or a portion thereof.

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Notes to the Annual Financial Statements (cont.)

for the year ended 31 March 2024

Expected credit losses per Statement of Comprehensive Income:	GROUP		COMPANY	
	31 Mar 2024 R'000	31 Mar 2023 R'000	31 Mar 2024 R'000	31 Mar 2023 R'000
Movement consists of:				
Movement in loans to subsidiaries ECL allowance (note 7)	-	-	23 038	11 031
Movement in trade receivable ECL allowance	7 624	20 967	9 990	21 105
Movement in vendor loan ECL allowance	(59 489)	-	(59 489)	-
Movement in other receivable ECL allowance	11 998	-	11 998	-
Bad debts written off and other Covid adjustments	(118 226)	-	(118 594)	-
Other	-	-	(61 991)	-
	(158 093)	20 967	(195 048)	32 136

11. Cash and Cash Equivalents

Cash and cash equivalents consist of:

Bank balances	21 950	38 916	19 944	34 441
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Surplus cash is placed on call account at an interest rate of 6.65% (2023: 8.2%). At 31 March 2024, Accelerate had undrawn debt facilities of R32,1 million (2023: R218 million). The RMB facility T reduced by R56,0 million during the year which resulted in the available undrawn amount being cancelled, apart from R32,1 million remaining available. Cash balances of R1.4 million (2023: R2.3 million) are encumbered due to bank guarantees lodged for municipal and other deposits. First national Bank has a Baa2 long-term issuer rating.

12. Non-Current Assets Held-For-Sale

Cost	1 141 565	289 305	1 141 565	289 305
Additional costs since acquisition	96 499	-	96 499	-
Fair value adjustment	(257 730)	-	(257 730)	-
Carrying amount	980 334	289 305	980 334	289 305
Movement for the year				
Balance at the beginning of the year	289 305	147 000	289 305	147 000
Fair value adjustments	(63 455)	-	(63 455)	-
Capital expenditure	8 320	-	8 320	-
Disposals	(168 954)	-	(168 954)	-
Letting costs and tenant installations capitalised	9	-	9	-
Letting costs and tenant installations amortised	(425)	-	(425)	-
Investment property transferred to held-for-sale	915 534	142 305	915 534	142 305
Balance at the end of the year	980 334	289 305	980 334	289 305
Reconciliation to valuation:				
Fair value of non-current assets held-for-sale	980 334	289 305	980 334	289 305
Straight-line rental income accrual	13 199	3 095	13 199	3 095
Valuation at the end of the year	993 533	292 400	993 533	292 400

The following properties have been classified as non-current assets held-for-sale.

31 Mar 2024 Building	Sector	GLA (m²)	Location	Value R'000
9 Charles Crescent	Commercial	4 298	GP	12 000
10 Charles Crescent	Industrial	3 343	GP	13 000
610 Voortrekker Road (ABSA Brakpan)	Commercial	2 800	GP	1 000
Brooklyn Place	Commercial	3 239	GP	18 000
Eden Meander Lifestyle Centre	Retail	30 055	WC	520 000
1 Charles Crescent	Commercial	15 547	GP	50 615
Cherry Lane	Retail	11 429	GP	60 000
Pri-movie Park	Commercial	17 177	GP	64 045
Beacon Isle	Retail	2 080	GP	25 400
Edgars Polokwane	Retail	4 500	LP	42 600
89 Hertzog Boulevard	Commercial	4 500	WC	34 997
73 Hertzog Boulevard	Commercial	5 470	WC	78 791
Erf 7 Roggebaai	Retail	-	WC	25 540
99 - 101 Hertzog Boulevard	Commercial	3 620	WC	47 545
108 058				993 533

31 Mar 2023				
Ford Fourways	Retail	6 763	GP	77 000
The Leaping Frog	Retail	11 154	GP	125 000
Brooklyn Place	Commercial	3 239	GP	25 400
Cherry Lane	Retail	11 429	GP	65 000
32 585				292 400

The following properties were disposed of during the financial year and proceeds of R202.0 million were used to settle interest bearing borrowings.

Ford Fourways	Retail	6 763	GP	77 000
The Leaping Frog	Retail	11 154	GP	125 000
17 917				202 000

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Notes to the Annual Financial Statements (cont.)*for the year ended 31 March 2024***12. Non-Current Assets Held-For-Sale (cont.)**

At the reporting date, the key assumptions and unobservable inputs used in determining fair value were in the following ranges for the Group's non-current assets held-for-sale:

	GROUP		COMPANY	
	31 Mar 2024 R'000	31 Mar 2023 R'000	31 Mar 2024 R'000	31 Mar 2023 R'000
All sectors				
Number of properties	14	4	14	4
Weighted average expected rental value per m ²	R131,92	*	R131,92	*
Rental / m ² range	R60 - R180	*	R60 - R180	*
Weighted average rental growth per annum	4,00%	*	4,00%	*
Rental growth range	4.0% - 4,5%	*	4.0% - 4,5%	*
Weighted average long-term vacancy rate	9,14%	*	9,14%	*
Long-term vacancy rate range	0% - 35%	*	0% - 35%	*
Weighted average capitalisation rate	10,14%	*	10,14%	*
Capitalisation rate range	10% - 12%	*	10% - 12%	*
Commercial				
Number of properties	8	1	8	1
Weighted average expected rental value per m ²	R129,13	*	R129,13	*
Rental / m ² range	R60 - R161	*	R60 - R161	*
Weighted average rental growth per annum	4,00%	*	4,00%	*
Rental growth range	4.0% - 4,5%	*	4.0% - 4,5%	*
Weighted average long-term vacancy rate	6,88%	*	6,88%	*
Long-term vacancy rate range	0% - 35%	*	0% - 35%	*
Weighted average capitalisation rate	10,08%	*	10,08%	*
Capitalisation rate range	10% - 12%	*	10% - 12%	*
Retail				
Number of properties	5	3	5	3
Weighted average expected rental value per m ²	R134,45	*	R134,45	*
Rental / m ² range	R75 - R180	*	R75 - R180	*
Weighted average rental growth per annum	4,00%	*	4,00%	*
Rental growth range	4.0% - 4,5%	*	4.0% - 4,5%	*
Weighted average long-term vacancy rate	11,01%	*	11,01%	*
Long-term vacancy rate range	0% - 15%	*	0% - 15%	*
Weighted average capitalisation rate	10,21%	*	10,21%	*
Capitalisation rate range	10% - 10,5%	*	10% - 10,5%	*
Industrial				
Number of properties	1	-	1	-
Weighted average expected rental value per m ²	*	-	*	-
Weighted average rental growth per annum	*	-	*	-
Weighted average long-term vacancy rate	*	-	*	-
Weighted average capitalisation rate	*	-	*	-

* At year-end, Sale Agreements were concluded for Brooklyn Place, Pri-movie Park, 1, 9 and 10 Charles Crescent and Eden Meander. The values attributed to those assets are the sales prices less cost to sell and resultantly do not form part of the above averages and sensitivities. The assets for the prior year included The Leaping Frog, Cherry Lane, Ford Fourways and Brooklyn Place.

The investment properties classified as held-for-sale are properties that the directors have decided will be recovered through sale rather than through continuing use. Disposal proceeds will be applied against debt settlement and capital investment into the core portfolio.

Non-current assets held-for-sale have been pledged as security for interest-bearing borrowings per note 2 and were fair valued at financial year-end in terms of IAS 40. The fair value adjustments on investment property, which are excluded from the calculation of distributable earnings, are included in profit and loss and categorised as level 3 under the fair value hierarchy in note 35 based on the inputs to the valuation technique used.

The directors are committed to the disposal of non-current assets held-for-sale and envisage conclusion of sale agreements within 12 months following financial year-end. The requirements of IFRS 5 have been met in appropriately classifying these assets as held-for-sale.

	% change	GROUP		COMPANY	
		31 Mar 2024 R'000	31 Mar 2023 R'000	31 Mar 2024 R'000	31 Mar 2023 R'000
Increase in market capitalisation rate	0.50	(13 647)	Note 1	(13 647)	Note 1
Retail	0.50	(5 978)		(5 978)	
Office	0.50	(7 669)		(7 669)	
Industrial	0.50	n/a		n/a	
Decrease in market capitalisation rate	0.50	15 064	Note 1	15 064	Note 1
Retail	0.50	6 594		6 594	
Office	0.50	8 470		8 470	
Industrial	0.50	n/a		n/a	
Increase in market vacancy rate	0.50	(2 958)	Note 1	(2 958)	Note 1
Retail	0.50	(1 606)		(1 606)	
Office	0.50	(1 352)		(1 352)	
Industrial	0.50	n/a		n/a	
Decrease in market vacancy rate	0.50	2 958	Note 1	2 958	Note 1
Retail	0.50	1 606		1 606	
Office	0.50	1 352		1 352	
Industrial	0.50	n/a		n/a	
Increase in gross income	1.00	5 377	Note 1	5 377	Note 1
Retail	1.00	2 859		2 859	
Office	1.00	2 518		2 518	
Industrial	1.00	n/a		n/a	
Decrease in gross income	1.00	(5 377)	Note 1	(5 377)	Note 1
Retail	1.00	(2 859)		(2 859)	
Office	1.00	(2 518)		(2 518)	
Industrial	1.00	n/a		n/a	
Increase in property expenses	1.00	(2 474)	Note 1	(2 474)	Note 1
Retail	1.00	(1 579)		(1 579)	
Office	1.00	(895)		(895)	
Industrial	1.00	n/a		n/a	
Decrease in property expenses	1.00	2 474	Note 1	2 474	Note 1
Retail	1.00	1 579		1 579	
Office	1.00	895		895	
Industrial	1.00	n/a		n/a	

* Note 1: At year-end, the values were determined with reference to sales price less cost to sell. Therefore no sensitivities were relevant.

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Notes to the Annual Financial Statements (cont.)

for the year ended 31 March 2024

13. Share Capital

	GROUP		COMPANY	
	31 Mar 2024 R'000	31 Mar 2023 R'000	31 Mar 2024 R'000	31 Mar 2023 R'000
Authorised				
5 000 000 000 ordinary shares of no-par value (2023: 5 000 000 000 ordinary shares of no par value)				
Issued				
1 340 323 952 ordinary shares of no par value (2023: 1 340 323 952 ordinary shares of no par value)	5 186 274	5 186 274	5 431 206	5 431 206

The unissued authorised ordinary shares of no-par value in the company are under the control and authority of the directors of the company who are authorised to allot or issue any such shares at their discretion, subject at all times to the provisions of the Companies Act, the company's Memorandum of Incorporation and the JSE Listings Requirements, provided that:

- Such authority to allot and issue new shares is limited to vendor settlements only.
- The number of shares that may be issued (under general authority), in aggregate in any one financial year, is limited to 10% of the total number of shares in issue at the beginning of each financial year, any other issuances require specific authority.
- The maximum discount permitted, in respect of vendor settlement, will be 5% of the average trade price of the shares in question, measured over the 30 business days prior to the date of issue.

Movement in number of shares in issue

Balance at the beginning of the year	1 340 323 952	1 002 245 195	1 340 323 952	1 002 245 195*
Shares issued in terms of the share incentive scheme	-	13 823 078	-	13 823 078
Shares issued in terms of the dividend re-investment	-	252 827 108	-	252 827 108
Rights issue	-	71 428 571	-	71 428 571
Balance at the end of the year	1 340 323 952	1 340 323 952	1 340 323 952	1 340 323 952
Less treasury shares	(44 455 554)	(44 455 554)	-	-
	1 295 868 398	1 295 868 398	1 340 323 952	1 340 323 952

* The opening balance for the Company includes 540 634 shares that were repurchased in 2018 and not disclosed correctly in the opening balance. This does not impact the opening balance for Group.

Post year-end 500,000,000 additional shares were issued pursuant to rights offer.

14. Lease Liabilities

	GROUP		COMPANY	
	31 Mar 2024 R'000	31 Mar 2023 R'000	31 Mar 2024 R'000	31 Mar 2023 R'000
Lease liability	605	931	605	931
Carrying amount	605	931	605	931
Non-current liabilities	328	559	328	559
Current liabilities	277	372	277	372
	605	931	605	931
Movement for the year:				
Balance at the beginning of the year	931	1 059	931	1 111
Accrued interest	141	169	141	169
Repayment of lease liability	(467)	(297)	(467)	(349)
Capital	(141)	(169)	(141)	(169)
Interest	(326)	(128)	(326)	(180)
Balance at the end of the year	605	931	605	931

The Group leases CCTV security equipment at Cedar Square Shopping Centre.

Lease liabilities have been measured at the present value of the lease payments discounted using the Group's incremental borrowing rate. The Group amortises lease liabilities over the remaining lease term by recognising an interest expense in the statement of profit or loss and repayment of capital in the statement of cash flows. The Group is not potentially exposed to future cash outflows not reflected in the measurement of the lease liability.

Lease maturity analysis

Lease payments payable as lessee				
Year one	372	464	372	464
Year two	351	372	351	372
Year three	-	351	-	351
Year four	-	-	-	-
Year five	-	-	-	-
Later than five years	-	-	-	-
	723	1 187	723	1 187

Consolidated and Separate Audited Annual Financial Statements

Notes to the Annual Financial Statements (cont.)

for the year ended 31 March 2024

15. Interest-Bearing Borrowings

	GROUP		COMPANY	
	31 Mar 2024 R'000	31 Mar 2023 R'000	31 Mar 2024 R'000	31 Mar 2023 R'000
Ashburton	39 797	39 797	39 797	39 797
Domestic Medium-Term Notes (DMTN)	1 846 919	2 041 888	1 846 919	2 041 888
Investec	868 000	876 216	868 000	876 216
NinetyOne	297 344	245 000	297 344	245 000
Rand Merchant Bank	1 376 883	1 286 008	1 376 883	1 286 008
Debt structuring fees	(4 403)	(12 876)	(4 403)	(12 876)
	4 424 540	4 476 033	4 424 540	4 476 033
Non-current liabilities	1 069 352	2 059 866	1 069 352	2 059 866
Current liabilities	3 355 188	2 416 167	3 355 188	2 416 167
	4 424 540	4 476 033	4 424 540	4 476 033

Movement in interest-bearing borrowings

Balance at the beginning of the year	4 476 033	4 574 248	4 476 033	4 574 248
Borrowings raised	1 442 998	810 000	1 442 998	810 000
Borrowings repaid - cash	(1 467 206)	(917 648)	(1 467 206)	(917 648)
Borrowings repaid - non-cash*	(82 996)	-	(82 996)	-
Accrued interest	47 238	-	47 238	-
Debt fees raised/non-cash	8 473	9 433	8 473	9 433
Balance at the end of the year	4 424 540	4 476 033	4 424 540	4 476 033

* Representing amounts paid by transferring attorneys directly to lenders for disposals.

The details of facilities are as follows:

Facility	Interest rate %	Maturity date	GROUP		COMPANY	
			31 Mar 2024 R'000	31 Mar 2023 R'000	31 Mar 2024 R'000	31 Mar 2023 R'000
SIM APF 07U	3m JIBAR + 3,00%	06 May 24	54 000	-	54 000	-
RMB facility O	Prime	30 May 24	182 408	182 407	182 408	182 407
RMB facility J	3m JIBAR + 3,00%	30 May 24	50 000	50 000	50 000	50 000
SIM APF 08U	3m JIBAR + 3,00%	06 Aug 24	53 000	-	53 000	-
Taquanta APF16	3m JIBAR + 3,00%	07 Aug 24	134 000	134 000	134 000	134 000
RMB share loan	Prime	01 Sep 24	98 458	106 833	98 458	106 833
Sanfin APF 09U	3m JIBAR + 2,25%	15 Sep 24	54 000	-	54 000	-
SIM APF 10U	3m JIBAR + 3,00%	06 Nov 24	54 000	-	54 000	-
SIM APF 11U	3m JIBAR + 3,00%	06 Feb 25	54 000	-	54 000	-
Sanfin APF 12U	3m JIBAR + 2,75%	15 Feb 25	220 000	-	220 000	-
Investec facility Y	3m JIBAR + 2,45%	28 Feb 25	40 540	66 605	40 540	66 605
Investec facility DD	Prime	28 Feb 25	87 490	87 500	87 490	87 500
Investec facility BB	Prime	28 Feb 25	59 303	60 000	59 303	60 000
Investec facility V	3m JIBAR + 3,00%	11 Mar 25	154 139	153 396	154 139	153 396
Taquanta APF 13U	3m JIBAR + 3,00%	22 Mar 25	225 000	-	225 000	-
Sanfin/SIM APF 14U	3m JIBAR + 3,00%	22 Mar 25	179 423	-	179 423	-
Ashburton facility HH	3m JIBAR + 3,00%	31 Mar 24	39 797	39 797	39 797	39 797
RMB facility HH	3m JIBAR + 3,00%	31 Mar 24	1 648	3 332	1 648	3 332
RMB facility EE	3m JIBAR + 3,00%	31 Mar 24	115 806	115 806	115 806	115 806
RMB facility AC	3m JIBAR + 3,00%	31 Mar 24	118 579	140 649	118 579	140 649
RMB facility I	3m JIBAR + 3,00%	31 Mar 24	453 825	458 004	453 825	458 004
RMB facility M	3m JIBAR + 3,00%	31 Mar 24	112 247	112 247	112 247	112 247
RMB facility CC	3m JIBAR + 3,25%	31 Mar 24	71 529	87 500	71 529	87 500
RMB facility N	3m JIBAR + 3,25%	31 Mar 24	16 495	16 495	16 495	16 495
RMB facility T	Prime	31 Mar 24	142 574	12 732	142 574	12 732
Investec facility 009	Prime – 0,25%	31 Mar 25	387 927	392 629	395 207	392 629
Investec facility 010	Prime – 0,25%	31 Mar 25	126 165	116 088	118 885	116 088
Prescient APF18	3m JIBAR + 3,00%	22 Aug 25	450 000	450 000	450 000	450 000
NinetyOne facility GG	3m JIBAR + 4,00%	08 Dec 25	294 352	245 000	294 352	245 000
Prescient APF19	3m JIBAR + 2,75%	02 Mar 26	325 000	325 000	325 000	325 000
Sanfin APF 15U	3m JIBAR + 4,00%	24 Apr 24	16 000	-	16 000	-
Sanfin APF 16U	3m JIBAR + 5,00%	24 Apr 24	10 000	-	10 000	-
DMTN - APF 02U	3m JIBAR + 3,00%	11 Apr 23	-	28 199	-	28 199
DMTN - APF 03U	3m JIBAR + 3,00%	11 Apr 23	-	22 567	-	22 567
Subtotal			4 381 705	3 406 786	4 381 705	3 406 786

Consolidated and Separate Audited Annual Financial Statements

Notes to the Annual Financial Statements (cont.)

for the year ended 31 March 2024

15. Interest-Bearing Borrowings (cont.)

			GROUP		COMPANY	
			31 Mar 2024 R'000	31 Mar 2023 R'000	31 Mar 2024 R'000	31 Mar 2023 R'000
Subtotal			4 381 705	3 406 786	4 381 705	3 406 786
DMTN - APF 04U	3m JIBAR + 3,00%	Aug 23	-	374 000	-	374 000
DMTN - APF 05U	3m JIBAR + 3,00%	Dec 23	-	274 400	-	274 400
DMTN - APF7	3m JIBAR + 2,10%	Jun 23	-	17 907	-	17 907
DMTN - APF9	3m JIBAR + 2,08%	Jul 23	-	165 815	-	165 815
DMTN - APF14	3m JIBAR + 3,50%	Sep 23	-	250 000	-	250 000
Accrued interest*			47 238	-	47 238	-
Debt structuring fees			(4 403)	(12 875)	(4 403)	(12 875)
Total			4 424 540	4 476 033	4 424 540	4 476 033

* During the prior financial year, accrued interest was disclosed as part of trade and other payables.

Subsequent to year-end, the RMB facilities expiring March 2024 were renewed to 31 March 2025, the May 2024 facilities to 30 May 2025 and R302 million of the Sanlam facilities to 30 Aug 2024.

Carrying value approximates the fair value of borrowings. Interest payments are made as they fall due and capital repayments are only made as per the maturity dates above or extended on the appropriate date. Interest rates on these loans are market related and at arm's length with third party lenders.

16. Trade and other Payables**Trade and other payables consist of:**

Trade payables	23 658	30 697	22 859	39 668
Related party payable	371 063	300 000	371 063	300 000
Value added tax	40 673	41 166	39 276	40 059
Revenue received in advance	37 263	32 172	29 358	23 932
Deposits	28 492	30 956	27 572	30 035
Accrual for general expenses	65 401	70 732	65 353	50 514
Other payables	20 418	3 525	20 414	4
	586 968	509 248	575 896	484 212

Trade and other payables are settled within 30 days of invoice date. Carrying value approximated the fair value of trade and other payables due to the short-term nature of payables. The related party payable will be settled as indicated through the related party settlement agreement by setting -off the payable indicated above against the receivables per note 29.

17. Revenue

Revenue consists of:	GROUP		COMPANY	
	31 Mar 2024 R'000	31 Mar 2023 R'000	31 Mar 2024 R'000	31 Mar 2023 R'000
Rental income consist of:				
Commercial	174 321	167 119	66 093	67 612
Retail	393 564	475 674	393 564	477 454
Industrial	2 007	6 089	2 007	6 089
Other rental	37 671	13 973	36 925	13 957
	607 563	662 855	498 589	565 112
Parking	35 191	25 152	30 808	21 199
Sundry income	4 546	1 426	4 546	1 426
Rental income before Covid-19 relief	647 300	689 433	533 943	587 737
Covid-19 rental relief #	(836)	(15 348)	(836)	(15 348)
Rental income	646 464	674 085	533 107	572 389
Recoveries	227 151	206 341	213 948	194 719
Utilities and rates	166 304	158 617	158 371	151 920
Generator fuel and costs	9 121	7 076	7 261	5 389
Other	51 726	40 648	48 316	37 410
Straight-line rental income adjustment	(54 149)	(23 950)	(36 249)	(16 527)
Revenue	819 466	856 476	710 806	750 581

COVID-19 rental relief relates to the reduction of past lease payments that were recognised as a lease receivable in an operating lease. This was accounted for as a lease modification (see note 1.9).

Rental income comprises gross rental income and recoveries from tenants net of value added tax. Other rental income includes marketing and related income. Recoveries includes recoveries for utility charges, marketing expenses, insurance expenses and operating cost expenses.

Lease maturity analysis

Lease payments receivable as lessor				
Year one	465 186	753 249	431 480	290 926
Year two	465 507	155 162	330 628	195 829
Year three	369 738	155 269	245 869	150 057
Year four	316 193	123 325	180 118	111 589
Year five	271 576	105 466	132 371	81 747
Later than five years	649 427	412 304	590 104	206 152
	2 537 627	1 704 775	1 910 570	1 036 300

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Notes to the Annual Financial Statements (cont.)

for the year ended 31 March 2024

18. Property Expenses

Property expenses consist of:	GROUP		COMPANY	
	31 Mar 2024 R'000	31 Mar 2023 R'000	31 Mar 2024 R'000	31 Mar 2023 R'000
Utilities	(144 051)	(102 733)	(138 520)	(100 396)
Rates and taxes	(40 680)	(69 236)	(36 507)	(65 125)
Other municipal expenses	(12 313)	(10 581)	(12 118)	(10 399)
Cleaning	(14 659)	(14 203)	(14 010)	(13 687)
Security	(33 271)	(35 096)	(32 099)	(33 953)
Insurance	(13 550)	(13 172)	(13 271)	(12 810)
Repairs and maintenance	(15 379)	(16 685)	(14 030)	(15 431)
Property management fees	(16 308)	(19 824)	(12 974)	(16 431)
Generator fuel	(6 875)	(9 708)	(4 614)	(8 367)
Other property expenses	(36 830)	(44 610)	(35 440)	(33 685)
Property expenses	(333 916)	(335 848)	(313 583)	(310 284)
Less: recoveries	227 151	206 341	213 948	194 719
Net property expenses	(106 765)	(129 507)	(99 635)	(115 565)

19. Other Expenses/Income**Other income/expenses consist of:**

Other (expenses)/income	(177)	1 809	(890)	547
Loss on disposal of assets (cost of disposal)	(6 386)	-	(6 386)	-
Dividend income (subsidiaries)	-	-	-	50 410
Dividend income (Accelerate Europe)	1 704	-	1 704	-
	(4 859)	1 809	(5 572)	50 957

20. Operating Expenses

Notes	GROUP		COMPANY	
	31 Mar 2024 R'000	31 Mar 2023 R'000	31 Mar 2024 R'000	31 Mar 2023 R'000
Salaries and other Staff costs	(29 161)	(13 427)	(29 161)	(13 434)
Director remuneration	21 (21 533)	(18 148)	(21 533)	(18 148)
Audit fees	(9 716)	(4 282)	(9 344)	(4 282)
Internal audit	(877)	(839)	(877)	(839)
External audit – Ernst & Young Inc	(5 088)	(3 443)	(5 088)	(3 443)
External audit – PricewaterhouseCoopers Inc	(3 751)	-	(3 379)	-
Licences	(1 191)	(1 010)	(1 191)	(1 010)
Bank charges	(198)	(261)	(176)	(246)
Subscriptions	(1 354)	(1 558)	(1 354)	(1 553)
Professional fees	(15 030)	(13 031)	(14 357)	(13 418)
Corporate social investment	(462)	(136)	(462)	(136)
Depreciation of property, plant and equipment	(407)	(376)	(398)	(373)
Other operating expenses	(726)	(16 273)	(625)	(27 244)
	(79 778)	(68 502)	(78 601)	(79 844)

Audit fees include an accrual for the current year fees as well as overruns relating to the prior year. The prior year audit fees did not include an accrual. No non-audit services were provided during the year by the auditors.

21. Director Remuneration

Director remuneration consist of:

Executive director remuneration				
Mr Abri Schneider	6 867	-	6 867	-
Mr Dawid Wandrag	6 870	3 800	6 870	3 800
Ms Marelise de Lange	2 431	-	2 431	-
Mr Michael Georgiou	-	1 769	-	1 769
Mr Andrew Costa	-	4 651	-	4 651
Mr Dimitri Kyriakides	-	3 438	-	3 438
	16 168	13 658	16 168	13 658
Non-executive director remuneration				
Mr Tito Mboweni	1 560	1 452	1 560	1 452
Mr Derick van der Merwe*	1 069	887	1 069	887
Dr Kolosa Madikizela	762	595	762	595
Mr Abel Mawela	743	605	743	605
Mr Michael Georgiou	641	218	641	218
Mr James Templeton	590	525	590	525
Mr Tim Fearnhead	-	208	-	208
	5 365	4 490	5 365	4 490
Total director remuneration	21 533	18 148	21 533	18 148

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Notes to the Annual Financial Statements (cont.)

for the year ended 31 March 2024

21. Director Remuneration (cont.)

Director remuneration consist of:	GROUP		COMPANY	
	31 Mar 2024 R'000	31 Mar 2023 R'000	31 Mar 2024 R'000	31 Mar 2023 R'000
Prescribed officer				
Mr Abri Schneider	-	3 358	-	3 358
Mr Pieter Grobler	3 443	2 862	3 443	2 862
31 Mar 2024				
Executive director remuneration	Salary	STI	LTI	Total
Mr Abri Schneider	3 867	3 000	-	6 867
Mr Dawid Wandrag	3 870	3 000	-	6 870
Ms Marelise de Lange	2 431	-	-	2 431
	10 168	6 000	-	16 168
31 Mar 2023				
Executive director remuneration	Salary	STI[#]	LTI[^]	Total
Mr Dawid Wandrag	3 800	-	-	3 800
Mr Michael Georgiou	1 769	-	-	1 769
Mr Andrew Costa	4 651	-	-	4 651
Mr Dimitri Kyriakides	3 438	-	-	3 438
	13 658	-	-	13 658

No short-term incentive ("STI") payments were awarded for year ended 31 March 2023.

[^] No long-term incentives ("LTI") were awarded for year ended 31 March 2023.

* The remuneration paid to Mr Derick van der Merwe includes consulting fees of R170,000 relating to Fourways Mall. Director changes:

Non-executive director remuneration represents the fees paid for rendering services.

Mr Abri Schneider and Mr Dawid Wandrag were appointed the Interim Joint Chief Executive Officers on 7 November 2022. At the same time Mr Michael Georgiou stepped down as the Chief Executive Officer and assumed a non-executive role. The Interim Joint Chief Executive positions were made permanent positions on 1 April 2023 at which time Mr Abri Schneider was appointed as a executive director to the Board.

Ms Marelise de Lange was appointed as the Chief Financial Officer on 1 August 2023 to succeed Mr Dimitri Kyriakides, who retired as the CFO on 31 March 2023. Marelise was appointed as a member of the Social, Ethics and Transformation committee of Accelerate with effect from 21 November 2023, to fill a vacancy on the committee.

Mr Andrew Costa resigned on 31 March 2023 and Mr Dimitri Kyriakides retired on 31 March 2023. Mr Tim Fearnhead resigned on 1 February 2022.

Mr Pieter Grobler form part of the executive committee and meet the definition of a 'prescribed officer' in terms of the Companies Act. Mr Pieter Grobler was appointed debt officer on 30 October 2020, the chief audit executive on 25 November 2020 and the interim chief financial officer from 1 April 2023 to 31 July 2023 until the appointment of the permanent Chief Financial Officer.

22. Conditional Share Plan

No shares were allocated during the 2024 or 2023 financial years.

The Long-Term Incentive Plan ("LTI") has been reviewed to ensure it effectively attracts, retains and rewards participants. The LTIP is a Conditional Performance Unit Plan ("CPUP"). The CPUP uses units which mimic the Company's shares. The units constitute the right to the value of a Share at vesting. Units are granted annually to qualifying participants. At vesting (after three years), after deduction of the tax, 50% of the remaining value is settled in cash and the balance (50%) will be kept in shares on a voluntary basis by the participants. The participants will on a voluntary basis keep at least 25% of their annual allocation in company shares free of any restrictions. This plan encourages participants to contribute to the long-term sustainability and success of the company. It also aligns key employees with the interests of shareholders and other stakeholders.

As the CPUP is a non-dilutive long-term incentive scheme, it does not require a separate resolution for shareholders' approval. No units were awarded during the year.

23. Fair Value Adjustments

Fair value adjustments consist of adjustments to:	GROUP		COMPANY	
	31 Mar 2024 R'000	31 Mar 2023 R'000	31 Mar 2024 R'000	31 Mar 2023 R'000
Investment property including held for sale	(354 805)	(809 183)	(317 167)	(737 518)
Derivatives	(41 533)	64 599	(41 533)	64 599
Investment in subsidiaries	-	-	(54 746)	(98 938)
	(396 338)	(744 584)	(413 446)	(771 857)

24. Finance Costs

Finance costs consist of:

Interest-bearing borrowings	(542 662)	(388 162)	(542 662)	(362 607)
Interest - swaps	61 624	(11 752)	61 624	(11 752)
Interest - other	(79 211)	(475)	(79 194)	(457)
Debt structuring fees amortised	(9 163)	-	(9 163)	-
	(569 412)	(400 389)	(569 395)	(374 816)

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Notes to the Annual Financial Statements (cont.)

for the year ended 31 March 2024

25. Taxation

	GROUP		COMPANY	
	31 Mar 2024 R'000	31 Mar 2023 R'000	31 Mar 2024 R'000	31 Mar 2023 R'000
Income tax expense				
Reconciliation of tax expense				
Applicable tax rate	27.0%	28.0%	27.0%	28.0%
Accounting loss before tax	(624 738)	(594 263)	(687 662)	(595 169)
Tax at the applicable tax rate	(168 679)	(166 394)	(185 669)	(166 647)
Tax effect of adjustments on taxable income				
Movement in accruals/provisions	(1 457)	(1 339)	4 007	(808)
Fair value adjustments	107 011	208 484	111 630	216 120
Straight-line rental adjustment	14 620	6 706	9 787	4 628
Prepaid expenses	379	(312)	402	(292)
Income received in advance	1 375	1 497	1 465	(808)
Foreign exchange	-	(2 145)	(392)	(1 739)
Debt structuring fees	2 474	-	2 474	-
Letting commission and tenant installation amortised	528	(1 036)	299	1 887
Assessed loss	43 749	(45 461)	55 996	(52 342)
	-	-	-	-

In South Africa, capital gains taxation is not applicable on the sale of investment property and shares in a REIT or property company, in terms of Section 25BB of the Income Tax Act applicable to REITs. Consequently, no deferred tax was raised on the fair value adjustments recognised in respect of investment property. Allowances relating to immovable property can no longer be claimed by a REIT and if a REIT sells immovable property, any allowances claimed on properties prior to becoming a REIT will be recouped.

26. Cash Generated From Operations

	GROUP		COMPANY	
	31 Mar 2024 R'000	31 Mar 2023 R'000	31 Mar 2024 R'000	Restated* 31 Mar 2023 R'000
Loss before tax	(624 738)	(594 263)	(687 662)	(595 169)
Loss from discontinued operations	-	(7 079)	-	-
Loss before tax	(624 738)	(601 342)	(687 662)	(595 169)
Adjustments for:				
Depreciation	407	249	398	249
Straight-line effect of leases	54 149	23 950	36 249	16 527
Dividend income	(1 704)	-	(1 704)	(50 410)
Fair value adjustments	396 338	744 584	413 446	771 857
Financing cost	569 412	400 388	569 395	374 816
Financing income	(98 192)	(68 148)	(175 727)	(101 747)
Expected credit losses (ECL)	158 093	14 792	195 048	(17 344)
Tax penalty	66	-	-	-
Unrealised (losses) / gains	6 386	(7 660)	6 386	(6 210)
Tenant installation and lease commission amortisation	11 051	8 219	10 212	7 040
Debt structuring fee amortisation	9 163	9 670	9 163	9 670
Operating profit before working capital changes	480 431	524 703	375 204	409 278
Working capital changes				
(Increase)/decrease in trade and other receivables	(85 709)	(84 432)	(68 113)	(149 911)
(Decrease)/increase in trade and other payables	(19 939)	(20 459)	(21 013)	49 260
Cash generated from operations	374 783	419 812	286 078	308 627

* Refer note 27.

27. Restatement of Cashflow Statement

	COMPANY			
	As previously stated R'000	Note 1 correction R'000	Note 2 correction R'000	Restated R'000
Cash flows from investing activities				
Loans advanced to group companies	(125 392)	-	119 185	(6 207)
Loans repaid by group companies	188 724	(188 724)	-	-
Cash flows from financing activities				
Loans received from group companies	-	188 724	(90 014)	98 710
Cash flows from operating activities				
Cash generated from operations	337 798	-	(29 171)	308 627
	401 130	-	-	401 130

Note 1

In the 2023 period, the cash flows relating to loans from group companies was incorrectly shown as investing activities instead of financing activities. The comparative information has been restated to correctly classify these cash flows as financing activities.

Note 2

The cash flows from both financing and investing activities have been recalculated by management in the current year including all adjustment for non-cash flow items. The 2023 balances have been adjusted to reflect the correct numbers.

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Notes to the Annual Financial Statements (cont.)

for the year ended 31 March 2024

28. Capital Commitments

	GROUP		COMPANY	
	31 Mar 2024 R'000	31 Mar 2023 R'000	31 Mar 2024 R'000	Restated 31 Mar 2023 R'000
Approved and committed	30 733	-	30 733	-
Approved but not yet committed	353 193	151 340	336 213	151 340
	383 926	151 340	366 946	151 340

29. Related Parties

Parties are considered related if one party has the ability to exercise control or significant influence over the other party in making financial or operational decisions. All transactions with related parties are at arm's length.

Relationships	Entity/person
Subsidiaries	Accelerate Treasury Proprietary Limited
	Parktown Crescent Properties Proprietary Limited
	Pybus Sixty-Two (RF) Proprietary Limited
	Wanooka Properties Proprietary Limited
Board of directors	Mr Abri Schneider (Joint Chief Executive Officer)
	Mr Dawid Wandrag (Joint Chief Executive Officer)
	Ms Marelise de Lange (Chief Financial Officer)
	Mr Tito Mboweni* (Chairman)
	Mr Derick van der Merwe* (Lead Independent)
	Dr Kolosa Madikizela*
	Mr Abel Mawela*
	Mr Michael Georgiou*
Other related parties	Mr James Templeton*
	Mr MN Georgiou (a non-executive director) related companies include:
	Michael Family Trust
	Fourways Precinct Proprietary Limited
	Azrapart Proprietary Limited
	Accelerate Property Management Company Proprietary Limited
	Fourways Mall Managing Agent Proprietary Limited

* Non-executive directors

Related party balances and transactions consist of:	GROUP		COMPANY	
	31 Mar 2024 R'000	31 Mar 2023 R'000	31 Mar 2024 R'000	31 Mar 2023 R'000
Accelerate Treasury Proprietary Limited				
Loan receivable	-	-	308 597	308 279
Parktown Crescent Properties Proprietary Limited				
Dividend received	-	-	-	40 000
Rental income	-	-	-	14
Loan receivable	-	-	79 657	31 820
Pybus Sixty-Two (RF) Proprietary Limited				
Loan receivable	-	-	366 870	342 088
Interest income	-	-	32 067	25 550
Wanooka Properties Proprietary Limited				
Loan payable	-	-	(98 706)	(66 080)
Dividend received	-	-	-	10 410
Interest income	-	-	37 970	49 153
Fourways Precinct Proprietary Limited				
Loan account receivable	13 854	12 305	13 854	12 305
Vacancy guarantee receivable	15 210	13 478	15 210	13 478
Development guarantee receivable	207 237	183 629	207 237	183 629
Fourways Mall headlease receivable	398 008	237 916	398 008	237 916
Interest income	71 683	29 089	71 683	29 089
Headlease rental income	80 932	71 260	80 932	71 260
Azrapart Proprietary Limited				
Receivable in respect of Fourways Mall TI	506	-	506	-
Overpayment of distributions – Fourways Mall	30 400	-	30 400	-
Rebuild claim payable	(371 063)	(300 000)	(371 063)	(300 000)
Michael Family Trust				
Loan receivable	134 524	119 370	134 524	119 370
Interest income	15 154	10 471	15 154	10 471
Accelerate Property Fund Management Company Proprietary Limited				
Management fees paid	-	3 900	-	3 900
Fourways Mall managing agent				
Tenant receivable	-	876	-	876
Expense recovery	-	-	-	69
Management fees paid	(15 107)	(3 543)	(11 772)	(3 543)

Interest on outstanding balances is charged at market related interest rates.

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Notes to the Annual Financial Statements (cont.)

for the year ended 31 March 2024

29. Related Parties (cont.)

The following factors are considered when assessing the recoverability of related party balances due:

- Historical receipts and reduction of the related party balances outstanding;
- The nature and timing of current and potential future related party transactions;
- The financial ability of the related parties to settle their obligations on the future considering their cash flow, net asset value and security provided;
- The actual or expected operating results of the borrower; and
- Significant changes in external market factors.

Subsequent to year-end, Accelerate entered into a settlement Agreement with Mr Georgiou to set-off all balances due to and from one another. The transaction result in no cash outflow from Accelerate and entail the following salient features:

- All balances due to Accelerate (amounting to R799,2 million) will no longer attract interest from 1 April 2024.
- The rebuilt claim of R300,0 million have been amended to include compensation for the time value of money due to effluxion of time (amounting to R71,1 million) and set-off against the amounts due to Accelerate.
- Accelerate will acquire the economic interest in 1 414 parking bays for an amount of R241,5 million, 9 325,5m² of Bulk for an amount of R74,7 million and cancel the existing management agreements with Accelerate and Fourways Mall for a consideration of R59,2 million and R50,2 million respectively for APMC and Fourways Precinct. The assets being acquired approximate the fair value. There will be no cash outflow from Accelerate for the acquisition but the amounts due will be settled through setting off the amount payable against the remaining amount due to Accelerate (being R799,2 million less R371,1 million). The purchase price of the assets acquired together with the cancellation payments will be set-off against the remaining outstanding balance due to Accelerate.

30. Earnings and Headline Earnings

	GROUP	
	31 Mar 2024 R'000	31 Mar 2023 R'000
Total operations		
Loss attributable to owners of the parent	(624 738)	(601 314)
Change in fair value of investment properties	425 868	809 183
Loss on disposal of assets	6 386	-
Headline earnings attributable to owners of the parent	(192 484)	207 869
Continued operations		
Loss attributable to owners of the parent	(624 738)	(594 263)
Change in fair value of investment properties	425 868	809 183
Loss on disposal of assets	6 386	-
Headline earnings attributable to owners of the parent	(192 484)	214 920
Discontinued operations		
Loss attributable to owners of the parent	-	(7 079)
Headline earnings attributable to owners of the parent	-	(7 079)
Shares in issue at the end of the year	1 295 868 398	1 295 868 398
Number of shares in issue	1 295 868 398	1 295 868 398
Weighted average number of shares in issue	1 295 868 398	1 150 435 595

30. Earnings and Headline Earnings (cont.)

	GROUP	
	31 Mar 2024 R'000	31 Mar 2023 R'000
Basic and diluted loss and headline earnings per share (cents)		
Total operations		
Basic and diluted loss per share	(48,21)	(52,27)
Basic and diluted headline earnings per share	(20,34)	18,07
Continued operations		
Basic and diluted loss per share	(48,21)	(52,89)
Basic and diluted headline earnings per share	(20,34)	17,45
Discontinued operations		
Basic and diluted loss per share	-	(0,62)
Basic and diluted headline earnings per share	-	(0,62)

The Group has no dilutionary instruments in issue. No shares were issued during the year.

31. Reconciliation of Liabilities arising from Financing Activities

31 Mar 2024	GROUP			COMPANY			
	Interest bearing borrowings	Lease liabilities	Total	Interest bearing borrowings	Lease liabilities	Loans from subsidiaries	Total
Balance at the beginning of the year	4 476 033	931	4 476 964	4 476 033	931	512 174	4 989 138
Cash flows							
Repayment	(1 467 206)	(141)	(1 467 347)	(1 467 206)	(141)	-	(1 467 347)
Proceeds	1 442 998	-	1 442 998	1 442 998	-	85 279	1 528 277
Non-cash							
Debt fees raised	8 473	-	8 473	-	-	-	8 473
Repayment*	(82 996)	-	(82 996)	(82 996)	-	-	(82 996)
Accrued interest	47 238	141	47 379	47 238	141	-	47 379
Balance at the end of the year	4 424 540	931	4 425 471	4 424 540	931	597 453	5 022 924
31 Mar 2023							
Balance at the beginning of the year	4 574 248	1 059	4 575 307	4 574 248	1 059	413 464	4 988 771
Cash flows							
Repayment	(917 648)	(169)	(917 817)	(917 648)	(169)	98 710	(917 817)
Proceeds	810 000	-	810 000	810 000	-	-	908 710
Non-cash							
Debt fees raised	9 433	-	9 433	9 433	-	-	9 433
Accrued interest	-	169	-	-	169	-	169
Balance at the end of the year	4 476 033	1 059	4 476 923	4 476 033	1 059	512 174	4 989 266

* Relates to cash proceeds on disposals and paid directly to facilities via the transferring attorneys.

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Notes to the Annual Financial Statements *(cont.)**for the year ended 31 March 2024***32. Financial Risk Management**

The Board of directors has overall responsibility for the establishment and oversight of the risk management framework. The Audit and Risk Committee reviews management's compliance with the Group's risk policies and procedures and assesses the adequacy of the risk management framework. The committee reports regularly to the Board of directors.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

The Audit and Risk Committee oversees how management monitors compliance with the risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Audit and Risk Committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit and Risk Committee.

The Group has exposure to liquidity, market and credit risk from its use of financial instruments, which consist primarily of deposits with banks, interest-bearing liabilities, derivatives, trade and other receivables and trade and other payables.

Liquidity Risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group mitigates its liquidity risk by effectively managing its working capital, capital expenditure and cash flows. The financing resources comprise a mixture of cash generated from operations and long and short-term borrowings. Committed borrowing facilities are available for meeting liquidity requirements and the Company manages the liquidity risk through an ongoing review of commitments and credit facilities. Facilities are extended when they become due for maturity and when assets are disposed of, the facilities are repaid. Cash flow forecasts and budgets are prepared and adequate utilised borrowing facilities, disclosed in note 15, are monitored.



The maturity profile of the contractual cash flows of financial liabilities, and financial assets held to mitigate the risk, are presented in the following table. The cash flows are undiscounted contractual amounts.

The RMB facility T reduced by R56,0 million during the year which resulted in the available undrawn amount being cancelled, apart from R32,1 million remaining available.

GROUP 31 Mar 2024	Interest rate %^	Less than one year R'000	One to five years R'000	More than five years R'000	Total R'000
Financial assets					
Trade and other receivables	-	1 020 931	-	-	1 020 931
Derivative financial instruments	6,35%	7 776	38 975	-	46 751
Cash and cash equivalents	6,65%	21 950	-	-	21 950
		1 050 657	38 975	-	1 089 632
Financial liabilities					
Interest-bearing borrowings*	11,48%	3 740 364	1 192 114	-	4 932 477
Derivative financial instruments	6.35%	1 969	-	-	1 969
Lease liabilities		277	469	-	746
Trade and other payables #	-	509 032	-	-	509 032
		4 251 642	1 192 583	-	5 444 224

* Represents undiscounted future settlement of capital and interest.

Excludes income received in advance and VAT.

^ Weighted average effective interest rate.

GROUP 31 Mar 2023					
Financial assets					
Trade and other receivables	-	1 011 337	-	-	1 011 337
Derivative financial instruments	6.35%	52 855	36 682	-	89 537
Cash and cash equivalents	-	38 916	-	-	38 916
		1 103 108	36 682	-	1 139 790
Financial liabilities					
Interest-bearing borrowings*	10.50%	2 545 125	2 575 013	-	5 120 138
Derivative financial instruments	6.35%	1 506	1 714	-	3 220
Trade and other payables #	-	435 910	-	-	435 910
		2 982 541	2 576 727	-	5 559 268

* Represents undiscounted future settlement of capital and interest. A limited interest accrual was made in the prior year with R37,5 million being corrected in the current year that related to the prior year.

Excludes income received in advance and VAT receivable.

^ Weighted average effective interest rate.

Consolidated and Separate Audited Annual Financial Statements

Notes to the Annual Financial Statements (cont.)

for the year ended 31 March 2024

32. Financial Risk Management**Liquidity Risk** (cont.)

COMPANY 31 Mar 2024	Interest rate %^	Less than one year R'000	One to five years R'000	More than five years R'000	Total R'000
Financial assets					
Trade and other receivables	-	1 023 378	-	-	1 023 378
Derivative financial instruments	6,35%	7 776	38 975	-	46 751
Loans to subsidiaries	-	-	966 018	-	966 018
Cash and cash equivalents	6,65%	19 944	-	-	19 944
		1 051 098	1 004 993	-	2 056 091
Financial liabilities					
Interest-bearing borrowings*	11,48%	3 740 364	1 192 114	-	4 932 478
Loans to subsidiaries	-	597 453	-	-	597 453
Trade and other payables #	6,65%	507 262	-	-	507 262
		4 845 079	1 192 114	-	6 037 193

* Represents undiscounted future settlement of capital and interest.

Excludes income received in advance and VAT.

^ Weighted average effective interest rate.

**COMPANY
31 Mar 2023**

Financial assets					
Trade and other receivables	-	1 117 448	-	-	1 117 448
Derivative financial instruments	-	52 855	36 682	-	89 537
Loans to subsidiaries	-	-	966 018	-	966 018
Cash and cash equivalents	-	34 441	-	-	34 441
	-	1 204 744	1 002 700	-	2 207 444
Financial liabilities					
Interest-bearing borrowings*	-	2 545 125	2 575 013	-	5 120 138
Derivative financial instruments	-	1 506	1 714	-	3 220
Loans from subsidiaries	-	597 453	-	-	597 453
Trade and other payables #	-	420 221	-	-	420 221
	-	3 564 305	2 576 727	-	6 141 032

* Represents undiscounted future settlement of capital and interest.

Excludes income received in advance and VAT liability.

^ Weighted average effective interest rate.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Interest rate risk

The Group is exposed to interest rate risk through its variable rate cash balances, receivables and interest-bearing borrowings. The Group reduces its exposure to changes in interest rates by fixing interest rates in respect of its local borrowings. This is achieved by entering into swap agreements to receive variable and pay fixed interest rates. At year-end, interest rates for the Group, was hedged at a level of 58.7% (2023: 75.6%) of total borrowings. Refer to note 9 for disclosure regarding interest rate swaps.

The all-in weighted average cost of interest-bearing borrowings for the Group (including derivatives) is 10.45% (2023: 9.66%).

	% change	GROUP		COMPANY	
		31 Mar 2024 R'000	31 Mar 2023 R'000	31 Mar 2024 R'000	31 Mar 2023 R'000
Increase in interest rate	1,00	(44 245)	(44 760)	(44 245)	(44 760)
Decrease in interest rate	(1,00)	44 245	47 760	44 245	44 760
Increase in swap fair value	0,25	112	216	112	216
Decrease in swap fair value	(0,25)	(112)	(216)	(112)	(216)

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from loans to related parties, trade receivables, cash and cash equivalents, loans to subsidiaries and derivatives. There is no significant concentration of credit risk as exposure is spread over a large number of counterparties. The only concentration of credit risk relates to the related party group.

The Company's maximum exposure to credit risk by class of financial asset is as follows:

Financial instruments				
At amortised cost	1 020 931	1 011 337	1 023 378	1 117 448
Trade and other receivables	1 145 433	1 095 972	1 147 880	1 204 449
ECL allowance	(124 502)	(84 635)	(124 502)	(87 001)
	-	-	966 018	815 940
Loans due from subsidiaries	-	-	1 253 871	1 126 831
ECL allowance	-	-	(287 853)	(310 891)
Related party receivables	799 739	566 698	799 739	566 698
Cash and cash equivalents	21 950	38 916	19 944	34 441
At fair value				
Derivative financial instruments	46 571	89 537	46 571	89 537

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Notes to the Annual Financial Statements (cont.)

for the year ended 31 March 2024

32. Financial Risk Management**Credit risk management****Related party receivables and Headlease due from related party**

No expected credit loss allowance is provided for against the related party receivables and the headlease due from the related party due to entering into a related party settlement agreement in which the balances due from the related party will be set-off against the rebuilt claim by the related party (which will increase due to the effluxion of time) and the acquisition of the economic interest in the parking bays and bulk. The property management agreements with the related party will also be cancelled with amounts due to the related party. The net result of the set-off/ settlement agreement will result in no cash outflow from the Group or Company to the related party. The net receivable from the related party of R799,7 million less the payable of R371,1 million will be offset. The acquisition and cancellation (refer above) will result in R428,6 million due to the related party which will result in a full sett-off.

Loans and other receivables

The credit risk attached to loans due from subsidiaries, loans due from related parties, and other receivables were assessed in terms of the general approach per IFRS 9.

The Group assesses on a forward-looking basis the expected credit losses associated with loans and other receivable carried at amortised cost. This entails the assessment of credit risk since initial recognition, probability of default (PD), loss given default (LGD) and exposure at default (EAD) [i.e., $PD \times LGD \times EAD = ECL$].

Forward-looking information on macro-economic factors affecting the ability of the clients to settle the receivable include

- changes in economic, regulatory, technological and environmental factors (such as industry outlook, GDP, employment and politics); and
- external market indicators.

The credit risk is measured by assessing the status of performance during the financial year i.e., performing (stage 1) – loans whose credit risk is in line with original expectations; underperforming (stage 2) – loans for which a significant increase in credit risk has occurred compared to original expectations i.e., a significant increase in credit risk is presumed if interest and/or principal payment past due and the entity is not displaying obvious signs of distress; and non-performing (stage 3) – interest and/or principal repayments are past due or it becomes probable a customer will enter business rescue or bankruptcy. The entity therefore displays obvious signs of distress. This assessment summarises the credit risk and how the expected credit loss (ECL) provision is determined for each of those categories.

Loans and other receivables are segmented into counterparty type (i.e. income generating property entity, property management, corporate, contractual property income) which assists with risk assessment. The probability of a loan defaulting has been determined using historical data up to 36 months from inception together with other pertinent information that is available. A summary of the assumptions underpinning the Group's expected credit loss model is as follows:

Category	Definition of category	Recognition of ECL provision
Performing (Stage 1)	Loans whose credit risk is in line with original expectations.	12-month expected credit losses. Where the expected lifetime of an asset is less than 12 months, expected losses are measured at its expected lifetime (stage 1).
Underperforming (Stage 2)	Loans for which a significant increase in credit risk has occurred compared to original expectations; a significant increase in credit risk is presumed if interest and/or principal payments are past due and not displaying obvious signs of distress.	Lifetime expected losses (stage 2).
Non-performing (Stage 3)	Interest and/or principal repayments are past due or it becomes probable a customer will enter business rescue or bankruptcy. There are obvious signs of distress.	Lifetime expected losses (stage 3)

Loans due from subsidiaries and loans receivable

There is a significant increase in the credit risk (stage 3) associated with Accelerate Treasury Proprietary Limited. There is no a significant increase in credit risk associated with Parktown Crescent Properties Proprietary Limited, Wanooka Properties Proprietary Limited or Pybus Sixty-Two (RF) Proprietary Limited as the assets held by Wanooka and Pybus holds income generating assets with low vacancies. Accelerate Treasury holds shares in Accelerate Property Fund Limited (as treasury shares). As the loan is subordinated until liquidity and solvency is reached, the loan has been classified as stage 3. No expected credit loss was created for Wanooka Properties as the receivable less payable creates a net payable.

The Company raised an ECL provision based on the assessment below.

On 31 March 2024, the exposure to credit risk for loans due from connected parties by counterparty was as follows:

The following table presents an analysis of the credit quality of loans due from subsidiaries. It indicates whether assets were subject to a 12-month ECL or lifetime ECL allowance and, in the latter case, whether they were credit-impaired.

Company	31 Mar 2024			31 Mar 2023		
	Loan balance R'000	12-month ECL R'000	Lifetime ECL R'000	Loan balance R'000	12-month ECL R'000	Lifetime ECL R'000
Accelerate Treasury Proprietary Limited	308 597	-	(287 518)	308 279	-	(310 000)
Parktown Crescent Properties Proprietary Limited	79 657	(135)	-	31 820	-	-
Pybus Sixty-Two (RF) Proprietary Limited	366 870	(200)	-	342 088	(891)	-
Wanooka Properties Proprietary Limited	498 747	-	-	442 438	-	-
Gross carrying amount	1 253 871	(335)	(287 518)	1 126 831	(891)	(310 000)
Loss allowance	(287 853)			(310 891)		
Carrying amount	966 018			815 940		

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Notes to the Annual Financial Statements (cont.)

for the year ended 31 March 2024

32. Financial Risk Management**Credit risk management****Loans due from subsidiaries and loans receivable (cont.)**

The following table provides an explanation of how significant changes in the gross carrying amount of financial instruments during the period contributed to changes in loss allowance.

31 Mar 2024					
R'000	Opening balance	Stage 1	Stage 2	Stage 3	Closing balance
Increase/(decrease) in loans advanced for the year					
Accelerate Treasury Proprietary Limited	308 279	-	-	318	308 597
Parktown Crescent Properties Proprietary Limited	34 026	45 631	-	-	79 657
Pybus Sixty-Two (RF) Proprietary Limited	342 088	24 782	-	-	366 870
Wanooka Properties Proprietary Limited [^]	442 438	56 309	-	-	498 747
31 Mar 2023					
Increase/(decrease) in loans advanced for the year					
Accelerate Treasury Proprietary Limited	48 694	-	-	259 585	308 279
Parktown Crescent Properties Proprietary Limited	(2 184)	36 210	-	-	34 026
Pybus Sixty-Two (RF) Proprietary Limited	336 911	5 177	-	-	342 088
Wanooka Properties Proprietary Limited [^]	396 344	46 094	-	-	442 438

[^] Wanooka is not impaired due to a net payable to Accelerate

The Company raised an ECL provision based on the assessment below:

31 Mar 2024						
Counterparty R'000	Location	Performance category	Gross carrying amount R'000	Probability of default (PD)	Loss given default (LGD)	Expected credit loss (ECL)
Parktown Crescent Properties Proprietary Limited	South Africa	Performing	79 657	46,31%	0,37%	0,17%
Pybus Sixty-Two (RF) Proprietary Limited	South Africa	Performing	366 870	1,20%	5,00%	0,06%

The Treasury loan has been specifically impaired to the entity's underlying net asset value which is linked to the shares held in Accelerate.

Expected credit loss allowance R'000	Performing	Under-performing	Non-performing	Total
Balance at the beginning of the year	(891)	-	(310 000)	(310 891)
Current year ECL provision	556	-	22 482	23 038
Balance at the end of the year	(335)	-	(287 518)	(287 853)

No information was provided for the prior financial year.

Trade receivables

Credit risk arises from the risk that a tenant may default or not meet its obligations timeously. Management has established a credit policy under which each new tenant is analysed individually for creditworthiness before the Group's standard payment terms and conditions are offered, which include in certain cases the provision of a deposit. The financial position of the tenants is monitored on an ongoing basis. Allowance is made for specific doubtful debts and credit risk is therefore limited to the carrying amount of the financial assets at financial year-end. There have been no significant changes in the credit risk management policies and processes since the prior reporting period.

Trade receivables have been assessed for recoverability in terms of IFRS 9 simplified approach. For a REIT, as rental is due at the beginning of the month, only arrears remain owing at the end of a month. As a result, rental debtors are generally relatively small amounts compared to the other balance sheet items. The debtors are categorised by Accelerate as National Retailers and other SMME Debtors. There are relatively few National Retail tenants, and it is possible to measure the risk of a small number of large exposures based on ratings or the Moody's RiskCalc model. For the Other SMME debtors there are a relatively large number of small debtors making it difficult to apply external models. It is thus necessary to apply judgmental techniques. In normal circumstances, a judgmental approach introduces a higher margin of error than use of a model. However, the relatively low asset size means that this does not result in a significant risk of a material misstatement of the risk.

The table below emphasises the overall aging and not necessarily the split between National and small to medium enterprises. National tenants have low level of arrears compared to small to medium enterprises.

GROUP

31 Mar 2024	Current	30 days	60 days	Over 90 days	Total
Gross trade receivables (R'000)*	78 627	-	106 933	55 716	241 276
Expected loss %	6,51%	0,00%	5,08%	97,76%	
Expected credit loss (R'000)	(5 116)	-	(5 427)	(54 470)	(65 013)
Net trade receivables (R'000)	73 511	-	101 506	1 246	176 263

* The Gross trade receivables exclude credit balances and VAT. Deposits received from tenants were appropriated.

Information relating to the trade receivable and ECL aging was not provided for the prior year.

COMPANY

31 Mar 2024	Current	30 days	60 days	Over 90 days	Total
Gross trade receivables (R'000)*	81 499	-	106 744	55 716	243 959
Expected loss %	6,17%	0,00%	5,00%	98,09%	
Expected credit loss (R'000)	(5 031)	-	(5 332)	(54 650)	(65 013)
Net trade receivables (R'000)	76 468	-	101 412	1 066	178 946

* The Gross trade receivables exclude credit balances and VAT. Deposits received from tenants were appropriated.

Information relating to the trade receivable and ECL aging was not provided for the prior year.

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Notes to the Annual Financial Statements (cont.)

for the year ended 31 March 2024

32. Financial Risk Management**Credit risk management****Trade receivables (cont.)**

Information relating to the trade receivable and ECL aging was not provided for the prior year.

At 31 March 2024 the credit risk exposure for the trade receivables per sectoral profile is as follows:

31 Mar 2024 Tenant type	GROUP		COMPANY	
	Carrying amount R'000	ECL R'000	Carrying amount R'000	ECL R'000
National retailers	2 114	(222)	2 114	(222)
Small to medium enterprises	239 132	(64 791)	241 815	(64 791)
	241 246	(65 013)	243 959	(65 013)



33. Financial Instruments By Category

The accounting policies for financial instruments have been applied to the line items below:

GROUP	31 Mar 2024		
	At amortised cost R'000	At fair value through profit or loss R'000	Total R'000
Financial assets			
Trade and other receivables	1 020 931	-	1 020 931
Derivative financial instruments	-	46 751	46 751
Cash and cash equivalents	21 950	-	21 950
	1 042 881	46 751	1 089 632
Financial liabilities			
Interest bearing borrowings	4 424 540	-	4 424 540
Derivative financial instruments	-	1 969	1 969
Trade and other payables#	549 705	-	549 705
	4 974 245	1 969	4 976 214
COMPANY			
Trade and other receivables	1 023 378	-	1 023 378
Derivative financial instruments	-	46 751	46 751
Investment in subsidiaries	-	806 977	806 977
Loans to subsidiaries	966 018	-	966 018
Cash and cash equivalents	19 944	-	19 944
	2 009 340	853 728	2 863 068
Financial liabilities			
Interest bearing borrowings	4 424 540	-	4 424 540
Loans from subsidiaries	597 453	-	597 453
Derivative financial instruments	-	1 969	1 969
Trade and other payables#	546 538	-	546 538
	5 568 531	1 969	5 570 500

Excludes income received in advance and VAT receivable.

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Notes to the Annual Financial Statements (cont.)

for the year ended 31 March 2024

33. Financial Instruments By Category (cont.)

The accounting policies for financial instruments have been applied to the line items below:

		31 Mar 2023	
GROUP	At amortised cost R'000	At fair value through profit or loss R'000	Total R'000
Financial assets			
Trade and other receivables (excl VAT)	1 011 337	-	1 011 337
Derivative financial instruments	-	89 537	89 537
Cash and cash equivalents	38 916	-	38 916
	1 050 253	89 537	1 139 790
Financial liabilities			
Interest bearing borrowings	4 476 033	-	4 476 033
Derivative financial instruments	-	3 220	3 220
Trade and other payables#	477 076	-	477 076
	4 953 109	3 220	4 956 329
COMPANY			
Trade and other receivables (excl VAT)	1 117 448	-	1 117 448
Derivative financial instruments	-	89 537	89 537
Investment in subsidiaries	-	866 476	866 476
Loans to subsidiaries	809 600	-	809 600
Cash and cash equivalents	34 441	-	34 441
	1 961 489	956 013	2 917 502
Financial liabilities			
Interest bearing borrowings	4 476 033	-	4 476 033
Derivative financial instruments	-	88	88
Loans from subsidiaries	513 895	-	513 895
Trade and other payables#	460 280	-	460 280
	5 450 208	88	5 450 296

Excludes income received in advance and VAT receivable.

34. Financial Covenants

The Group's objective when managing capital (which includes share capital, borrowings, working capital and cash and cash equivalents) is to maintain a flexible capital structure that reduces the cost of capital to an acceptable level of risk and to safeguard the Group's ability to continue as a going concern while taking advantage of strategic opportunities in order to maximise stakeholder returns sustainably. In order to effectively manage the capital structure, the Group may adjust the amount of dividends paid to shareholders, issue new shares or sell assets to reduce debt.

	Notes	GROUP		COMPANY	
		31 Mar 2024 R'000	31 Mar 2023 R'000	31 Mar 2024 R'000	31 Mar 2023 R'000
Gross debt*		4 368 828	4 466 600	4 368 828	4 466 600
Less: derivative financial instruments	9	(44 782)	(86 317)	(44 782)	(86 317)
Less: cash and cash equivalents	11	(21 950)	(38 916)	(19 944)	(34 441)
Net debt	A	4 302 096	4 341 367	4 304 102	4 345 842
Investment property	2	7 661 844	8 909 411	6 464 836	7 668 726
Non-current assets held-for-sale	12	993 532	292 400	993 533	292 400
Carrying amount of property assets	B	8 655 376	9 201 811	7 458 369	7 961 126
Covenant loan to value %	A/B	49,7%	47,2%	57,7%	54,6%

* Gross debt excludes accrued interest and debt structuring fees.

The above calculation is performed and compared to the covenants set by the funders (50%) and differ from the SA REIT Loan-to-value due to the exclusion of derivatives. Refer page 290 for the SA REIT Loan-to-value.

The group have 3 security SPV's in which the bonds relating to the facilities are register over the assets. The covenants are managed on SPV level as well as overall group level. The covenant levels are as follows:

31 March 2024	Portfolio	Security SPV 1	Investec security SPV	Rand Merchant Bank security SPV
Covenant requirements				
Loan-to-value requirement	50,0%	50,0%	N/A	55,0%
Interest cover ratio requirement	1,7 times	1,7 times	2,0 times	1,5 times
Covenant results				
Loan-to-value result	49.7%	47,8%	N/A	58,6%
Interest cover ratio result	1.7 times	1,7 times	2,1 times	1,5 times

The LTV of the RMB security SPV is in breach at year end and communicated to the funder. The breach has been remedied post year-end with the conclusion of the right-offer and disposal of Eden Meander, 9 and 10 Charles Crescent and Brooklyn place.

The Group LTV and RMB SPV post the disposals are 45,0% and 46,8% respectively.

35. Fair Value Hierarchy

IFRS 13 requires that an entity disclose, for each class of financial instrument and investment property measured at fair value, the level in the fair value hierarchy into which the fair value measurements are categorised in their entirety.

The fair value hierarchy reflects the significance of the inputs used in making fair value measurements.

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety shall be determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety.

The fair value hierarchy has the following levels:

- Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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Notes to the Annual Financial Statements (cont.)

for the year ended 31 March 2024

35. Fair Value Hierarchy (cont.)

31 Mar 2024

GROUP	Note/s	Level 1 R'000	Level 2 R'000	Level 3 R'000	Fair value R'000
Assets					
Investment property	2	-	-	7 661 844	7 661 844
Derivative financial instruments	9	-	46 751	-	46 751
Non-current assets held-for-sale	12	-	-	993 533	993 533
		-	46 751	8 655 377	8 702 128
Liabilities					
Derivative financial instruments	9	-	1 969	-	1 969
		-	1 969	-	1 969

Level 3 reconciliation	Balance at the beginning of the year R'000	Additions R'000	Disposals R'000	Transfer to non-current assets held-for-sale R'000	Profit or loss for the year R'000	Balance at the end of the year R'000
Investment property	8 909 411	29 915	-	(915 534)	(361 948)	7 661 844
Non-current assets held-for-sale	292 400	8 320	(168 954)	915 534	(53 767)	993 533
	9 201 811	38 235	(168 954)	-	(415 715)	8 655 377

31 Mar 2023

GROUP	Note/s	Level 1 R'000	Level 2 R'000	Level 3 R'000	Fair value R'000
Assets					
Investment property	2	-	-	8 909 411	8 909 411
Derivative financial instruments	9	-	89 537	-	89 537
Non-current assets held-for-sale	12	-	-	292 400	292 400
		-	89 537	9 201 811	9 291 348
Liabilities					
Derivative financial instruments	9	-	3 220	-	3 220
		-	3 220	-	3 220

Level 3 reconciliation	Balance at the beginning of the year R'000	Additions R'000	Disposals R'000	Transfer to non-current assets held-for-sale	Profit or loss for the year R'000	Balance at the end of the year R'000
Investment property	9 694 133	47 010	(146 700)	(144 029)	(541 003)	8 909 411
Non-current assets held-for-sale	128 277	-	-	144 029	20 094	292 400
	9 822 410	47 010	(146 700)	-	(520 909)	9 201 811

There have been no transfers between level 1, level 2 and level 3 during the year.

31 Mar 2024

COMPANY	Note/s	Level 1 R'000	Level 2 R'000	Level 3 R'000	Fair value R'000
Assets					
Investment property	2	-	-	6 464 836	6 464 836
Derivative financial instruments	9	-	46 751	-	46 751
Investment in subsidiaries	5	-	-	806 977	806 977
Non-current assets held-for-sale	12	-	-	993 533	993 533
		-	46 751	8 265 346	8 312 097
Liabilities					
Derivative financial instruments	9	-	1 969	-	1 969
		-	1 969	-	1 969

Level 3 reconciliation	Balance at the beginning of the year R'000	Additions R'000	Disposals R'000	Transfer to non-current assets held-for-sale R'000	Profit or loss for the year R'000	Balance at the end of the year R'000
Investment property	7 668 726	17 217	-	(915 534)	(305 573)	6 464 836
Non-current assets held-for-sale	292 400	8 320	(168 954)	915 534	(53 767)	993 533
Investment in subsidiaries	866 476	-	(4 753)	-	(54 746)	806 977
	8 827 602	25 537	(173 707)	-	(414 086)	8 265 346

31 Mar 2023

COMPANY	Note/s	Level 1 R'000	Level 2 R'000	Level 3 R'000	Fair value R'000
Assets					
Investment property	2	-	-	7 668 726	7 668 726
Derivative financial instruments	9	-	89 537	-	89 537
Investment in subsidiaries	6	-	-	866 476	866 476
Non-current assets held-for-sale	12	-	-	292 400	292 400
		-	89 537	8 827 602	8 917 139
Liabilities					
Derivative financial instruments	9	-	3 220	-	3 220
	9	-	3 220	-	3 220

Level 3 reconciliation	Balance at the beginning of the year R'000	Additions R'000	Disposals R'000	Transfer to non-current assets held-for-sale	Profit or loss for the year R'000	Balance at the end of the year R'000
Investment property	8 473 665	58 117	(146 700)	(142 305)	(574 051)	7 668 726
Non-current assets held-for-sale	147 000	-	-	142 305	3 095	292 400
Investment in subsidiaries	965 414	-	(5 763)	-	(93 175)	866 476
	9 586 079	58 117	(152 463)	-	(664 131)	8 827 602

There have been no transfers between level 1, level 2 and level 3 during the year.

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Notes to the Annual Financial Statements *(cont.)**for the year ended 31 March 2024***36. Going Concern**

The preparation of financial statements in accordance with IFRS Accounting Standards requires, based on the Conceptual Framework of IFRS Accounting Standards, that the financial statements be prepared on the underlying assumption that the entity ("entity" being the Company and the Group) is a going concern. This assumption presumes that an entity will continue in operation in the foreseeable future or, if that presumption is not valid, disclosure and a different basis of reporting are required. The Board of directors ("Board") believes that as of the date of this report, this presumption is still appropriate and accordingly the financial statements have been prepared on the going concern basis. The Board has based this assumption on the considerations more fully explained throughout this note.

Ability of the Company and Group to continue as a going concern

IAS 1 Preparation of Financial Statements requires management to make an assessment of the Company and Group's ability to continue as a going concern. In conducting this assessment, management has taken into consideration the following factors:

- The Group and Company reported a net loss of R624,7 million and R687,7 million for the 2024 reporting period, respectively. This loss is mainly attributed to the revaluation of investment property to its fair values and increased expected credit losses. The position deteriorated from the prior year's net loss of R594,3 million and R595,2 million for the Group and the Company respectively.
- The Group and Company's total assets of R9,7 billion and R10,3 billion (2023: R10,3 billion and R10,9 billion respectively) exceed the total liabilities by R4,7 billion and R4,7 billion as at 31 March 2024, respectively (2023: R5,4 billion and R5,4 billion respectively).
- The Group had a covenant LTV ratio of 49,7% in comparison to 47,2% in the prior year. This ratio does not exceed the covenant set by the lenders of 50,0%. The Group had an interest cover ratio of 1,7 times in comparison to 1,7 times in the prior year. The Group interest cover ratio is in line with the covenants set by the lenders of 1,7 times.
- The Group's and Company's current liabilities of R3,9 billion and R4,5 billion respectively (2023: R2,9 billion and R3,4 billion respectively), exceeded its current assets (including non-current assets held-for-sale) by R1,9 billion and R2,5 billion respectively as at 31 March 2024 (2023: R1,5 billion and R1,9 billion respectively). This is mainly due to the structural tenure of the Group's funding facilities. Management has engaged with lenders in this regard and the following actions have been agreed:
 - The Group will reduce its debt exposure to levels being an LTV of below 45% by disposing of assets that are non-core. The non-core portfolio has been increased to expedite and facilitate the reduction of debt.
 - The implementation of a fully underwritten R200,0 million rights offer to reduce debt, which was successfully concluded on 11 June 2024.
 - The funders remain supportive of the business and is confirmed through the continued renewal of short-term facilities and the recent extension for 12-months by its largest lender being RMB.
 - The expedited filling of vacancies in Fourways Mall and the implementation of an Asset and Property Management Agreement with Flanagan and Gerard and the Moolman Group to have the Mall independently managed by retail expert with extensive experience. The implementation of a R200,0 million capex program to attract and retain tenants and make the Mall the destination of choice for shoppers. A total of R400,0 million is planned capex for the Mall between both partners.

- The resolution of the related party balances due to and from the related party.
- A strategic plan to support the above initiatives and increased disposal plan.

Solvency

At 31 March 2024, independent valuations of the investment property portfolio indicate that their fair values exceed the external debt of the Group. The covenant LTV ratio of 49,7% indicates that should the Group needs to increase its disposal programme and dispose of properties to lower its external debt levels; the quantum of required disposals is considered achievable in the current market conditions.

Liquidity

In assessing the Group's liquidity, management prepared a cash flow forecast up until 31 March 2026, taking into consideration its restructure plan and other initiatives which indicate that the Group will have sufficient cash resources for the foreseeable future which is defined as 12 months from the date of publishing these financial statements. Operational cash flows are strong and evident from the cash flow statement.

Cash flows and liquidity are monitored on a daily basis by management with oversight from the Board. Management has considered a number of estimates, judgements and assumptions in performing the liquidity assessments, the most significant of which are listed and expanded upon below:

- Continued positive engagement and support from the Group's lenders including amending and extending repayment terms of facilities beyond scheduled maturity dates.
- The Investec facilities and RMB facilities matures in March 2025 with R230,0 million of RMB facilities extended to May 2025. The Prescient notes are the longest dated notes expiring in August 2025 and March 2026 respectively. The facility with Ninety-One similarly expires in December 2025.
- Lenders agreed to extend facilities for an even longer period following the successful implementation of the restructure plan which in turn will improve the ICR over the longer term and an LTV of below 45%.
- The reduction in debt through the sale of properties. These have been earmarked as indicated in note 15.
- The reduction of vacancies in Fourways Mall through the implementation of the Asset and Property management function to below existing levels.
- The reduction of debt through the fully underwritten R200,0 million rights issue which was successfully concluded on 11 June 2024.

Conclusion

The Board is of the view that given the significant headroom in the fair value of the assets over the fair value of the liabilities of R4,8 billion for the Group and R4,8 billion for the Company, the Group and Company remain solvent as at 31 March 2024 and at the date of this report.

The ability of the Group to repay debt as it becomes due is dependent on the timing and quantum of cash flows from operations according to forecasts prepared by management, including scenario analyses, the ability to realise cash through

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Notes to the Annual Financial Statements *(cont.)**for the year ended 31 March 2024***36. Going Concern** *(cont.)*

the sale of properties identified as held-for-sale to the business and the ability to extend loan facilities beyond scheduled maturity dates.

The Board has no intention to cease trading, curtail operations or liquidate properties in excess of those already earmarked for sale, other than the orderly disposals that may be necessary to reduce debt. The Board remains focused on and committed to the operations of the Group and Company and the repayment of debt.

The Board acknowledges the uncertainty related to the sale of disposal assets and the extension of facilities by external lenders. These uncertain events or conditions may affect the execution of the business plans of the Group and Company should the facilities not be extended beyond 31 March 2025 or as they become due and therefore, it may be unable to realise its assets and discharge its liabilities in the normal course of business. Post year-end, Eden Meander, 9 & 10 Charles Crescent and Brooklyn Place transferred with proceeds of R563,0 million being settled against debt. This is a positive indicator of management's ability to execute on disposals despite a tough economic climate.

Notwithstanding the acknowledgement of these uncertain events and having considered the validity of the principal assumptions set out above including continued support from the Group's principal financiers, the Board has concluded that the Company and Group are able to discharge liabilities in the normal course of business and is therefore of the opinion that the going concern assumption is appropriate in the preparation of the financial statements.

37. Events after the Reporting Period

The Group's funders continue to support the fund with its strategy to improve the Balance Sheet and in particular Fourways Mall to achieve its full potential. After the reporting date, Accelerate extended R1,1 billion of its facilities with RMB to 31 March 2025 and R230,0 million to 31 May 2025. Sanlam (SanFin and SIM) extended R302,0 million to 30 August 2024. Management is continuously working on improving the terms of our debt to extend for even longer periods.

As a result, the fund appointed Flanagan and Gerard together with the Moolman Group as the Asset and Property Manager of the Mall. The impact of this positive change is already visible. Investec and RMB committed to provide Accelerate R200,0 million of a total R400,0 million of capex that will be spent on the mall.

As part of the Group's disposal strategy, Eden Meander Shopping Centre transferred on 18 June 2024 following a successful Competition Commission and shareholder approval. More assets have been identified as held for sale with significant progress being made on the assets earmarked for disposal.

On 15 August 2023, the board approved a rights offer to raise funds to reduce debt. A R200 million, fully underwritten, rights offer was undertaken which opened on 27 May 2024 and closed on 5 June 2024. The rights offer resulted in R200,0 million being raised and settled against debt. The largest shareholder in the fund, being K2016336084, increased their shareholding from 32,1% to 46.7% (net of treasury shares).

As referred to in note 29, a settlement transaction was concluded with the related party. The balances due to and from Fourways Precinct and the Michael Family Trust are ceded to Azrapart resulting in all balances due from Azrapart to be R799,7 million. Accelerate in turn owes Azrapart R371,1 million to Azrapart. The R371,1 million due to Azrapart will be set-off against the R799,7 million due to Accelerate resulting in a net amount of R428,6 million. Accelerate will acquire the economic interest in 1,414 parking bays and 9,325 m² of bulk from Azrapart and also cancel the property management agreements with APMC and FWP in the amount of R428,6 million. The purchase price of the assets together with the cancellation payments will be set-off against the remaining outstanding balance due to Accelerate.



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Appendix A**REIT Disclosures**

The second edition of the SA REIT Association's best practice recommendations was issued in November 2019 and is effective for reporting periods commencing on or after 1 January 2020.

The information set out below includes the calculation of SA REIT Funds from Operations (FFO), Funds from operations per share (FFOPS) and other non-IFRS information (collectively referred to as "Non-IFRS Financial Information"). Non-IFRS Financial Information constitutes non-IFRS measures and is pro forma financial information in terms of the JSE Listings Requirements.

Basis of preparation: Non-IFRS Financial information

The Non-IFRS Financial Information has been compiled to provide investors with performance metrics that are commonly used in the industry to enable direct comparison of South African Real Estate Investment Trusts. Due to its nature the Non-IFRS Financial Information may not fairly present the results of operations of the Group and Company.

The Directors are responsible for compiling the Non-IFRS Financial Information on the basis of the Applicable Criteria specified in the JSE Listings Requirements, including the JSE Guidance Letter: Presentation of pro forma financial information, dated 4 March 2010.

SA Reit Loan-To-Value

	GROUP	
	31 Mar 2024 R'000	31 Mar 2023 R'000
Gross debt	4 424 540	4 476 033
(Less)/add:		
Cash and cash equivalents	(21 950)	(38 915)
Derivative financial instruments	(44 782)	(3 220)
Net debt	4 357 808	4 433 898
Total asset per statement of financial position	9 745 876	10 340 470
Less:		
Cash and cash equivalents	(21 950)	(38 915)
Derivative financial instruments	(44 782)	(89 536)
Trade and other receivables	(1 020 931)	(1 009 059)
Carrying amount of property-related assets	8 658 213	9 202 960
SA REIT LTV (%)	50,3%	48,2%

SA REIT Funds from Operations (SA REIT FFO)

		GROUP	
		31 Mar 2024 R'000	31 Mar 2023 R'000
Profit or loss per IFRS Accounting Standards Statement of Comprehensive Income	A	(624 737)	(601 342)
Adjusted for:			
Accounting/specific adjustments:			
Fair value adjustments loss/(gain) to:		396 338	744 584
Investment property		354 805	809 183
Debt and equity instruments held at fair value through profit or loss		41 533	(64 599)
Depreciation of property, plant and equipment and right of use asset		407	375
Asset impairments (excluding goodwill) and reversals of impairment		158 093	(20 967)
Straight-lining operating lease adjustment		54 149	23 950
Accounting/specific adjustments	B	608 987	747 942
Adjustments arising from investing activities:			
Gains or losses on disposal of:			
Investment property and property, plant and equipment		6 386	-
Adjustments arising from investing activities	C	6 386	-
Foreign exchange and hedging items			
Unrealised foreign currency loss		-	(7 660)
Foreign exchange and hedging	D	-	(7 660)
SA REIT FUNDS FROM OPERATION (A + B + C + D)		(9 365)	138 940
Number of shares in issue ('000)		1 295 868	1 295 868
SA REIT funds from operations per share (cents)		(0,72)	10,72

SA REIT Net Asset Value Per Share (SA REIT NAV)

Reported NAV attributable to the parent	4 731 797	5 353 403
SA REIT NAV:	4 731 797	5 353 403
Shares outstanding		
Number of shares in issue at period end (net of treasury shares) ('000)	1 295 868	1 295 868
Effect of dilutive instruments (options, convertibles and equity interests)	-	-
Dilutive number of shares in issue	1 295 868	1 295 868
SA REIT NAV per share (R)	3,65	4,13

Consolidated and Separate Audited Annual Financial Statements

Appendix A (cont.)**SA REIT GLA Vacancy Rate**

	GROUP	
	31 Mar 2024 R'000	31 Mar 2023 R'000
GLA of vacant space	76 106	69 558
GLA of property portfolio	361 364	380 363
SA REIT GLA vacancy rate (%)	21.1%	18.3%

SA REIT Cost-To-Income Ratio

Expenses		
Property expenses per IFRS income statement	333 916	336 554
Other expenses per IFRS income statement	79 778	67 799
Exclude:		
Depreciation of property, plant and equipment	(407)	(375)
Administrative costs	413 287	403 978
Rental income		
Contractual rental income per IFRS Accounting Standards income statement (excluding straight-lining)	646 464	674 084
Utility and operating recoveries per IFRS Accounting Standards income statement	227 151	206 341
Gross rental income	873 615	880 425
SA REIT cost-to-income ratio (%)	47,3%	45.9%

SA REIT Administrative Cost-To-Income Ratio

Expenses		
Other expenses per IFRS Accounting Standards income statement	79 778	67 799
Exclude:		
Depreciation of property, plant and equipment	(407)	(375)
Administrative costs	79 371	67 424
Rental income		
Contractual rental income per IFRS Accounting Standards income statement (excluding straight-lining)	646 464	674 084
Utility and operating recoveries per IFRS Accounting Standards income statement	227 151	206 341
Gross rental income	873 615	880 425
SA REIT administrative cost-to-income ratio (%)	9,1%	7,7%

Cost of Debt

	GROUP	
	31 Mar 2024 %	31 Mar 2023 %
<i>Variable interest-rate borrowings</i>		
Floating reference rate plus weighted average margin		
<i>Fixed interest-rate borrowings</i>		
Weighted average fixed rate	11,48	10,45
Adjustments:		
Impact of interest rate derivatives	(1,0)	(1,0)
All-in weighted average cost of debt	10,48	9,45



Consolidated and Separate Audited Annual Financial Statements

Appendix B**Analysis of Ordinary Shareholders**

Shareholder spread	Number of shareholdings	%	Number of shares	%
1 - 100 shares	20 050	80.50	312 761	0.02
101 - 1000 shares	2 798	11.23	889 589	0.07
1001 - 50 000 shares	1 816	7.29	15 988 498	1.19
50 001 - 100 000 shares	73	0.29	5 087 042	0.38
100 001 - 10 000 000 shares	152	0.61	129 553 943	9.67
More than 10 000 000 shares	19	0.08	1 188 492 119	88.67
	24 908	100.00	1 340 323 952	100.00

Distribution of shareholders

Banks/Brokers	16	0.06	92 193 480	6.88
Close Corporations	15	0.06	6 055 652	0.45
Endowment Funds	4	0.02	3 207 683	0.24
Individuals	24 645	98.94	86 236 958	6.43
Investment Companies	2	0.01	280 448	0.02
Mutual Funds	6	0.02	111 715 276	8.33
Other Corporations	13	0.05	23 712	0.00
Private Companies	71	0.29	934 665 233	69.73
Public Companies	3	0.01	408 359	0.03
Retirement Funds	3	0.01	1 069 163	0.08
Treasury Stock	3	0.01	44 829 030	3.34
Trusts	127	0.51	59 638 958	4.45
	24 908	100.00	1 340 323 952	100.00

Public/ Non-public shareholders	Number of shareholdings	%	Number of shares	%
Non - Public Shareholders	16	0.06	447 298 855	33.37
Directors of the company	13	0.05	402 469 825	30.03
Treasury Stock	3	0.01	44 829 030	3.34
Public Shareholders	24 892	99.94	893 025 097	66.63
	24 908	100.00	1 340 323 952	100.00

Beneficial shareholders holding 2% or more

K2016336084 (South Africa) (Pty) Ltd	416 383 467	31.07
Georgiou, M	390 408 518	29.13
Golden Brics Investments SA (Pty) Ltd	81 438 831	6.08
Nedbank Group	74 234 882	5.54
Zarclear Holdings	55 734 253	4.16
Accelerate Treasury (Pty) Ltd	44 829 030	3.34
Merchant West Investments	34 710 052	2.59
Peresec Prime Brokers	34 453 083	2.57
Blue Horseshoe Investments	29 700 000	2.22
Knoxco 9 Properties (Pty) Ltd	28 908 160	2.16
Treasury Stock	416 383 467	31.07
Trusts	390 408 518	29.13
	1 190 800 276	88.86

Consolidated and Separate Audited Annual Financial Statements

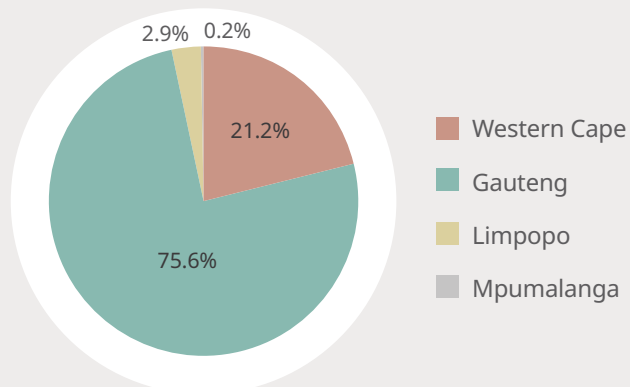
Appendix C

Property Information

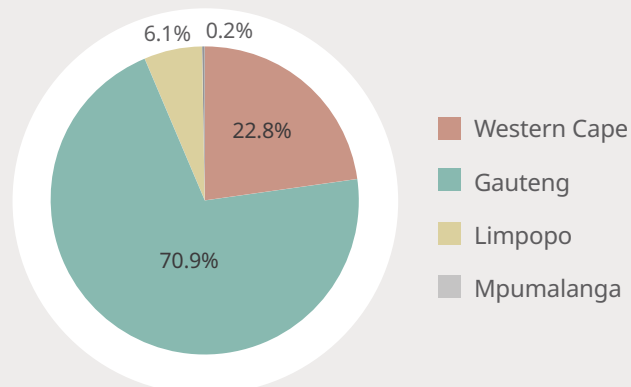
Building	Region	Sector	GLA m ²	Gross rental per m ²	Fair value 31 March 2024 R'000	Value of bulk included in fair value R'000
Retail						
Fourways Mall (50%)	Gauteng	Retail	88 785	223	3 946 636	190 810
Cedar Square Shopping Centre	Gauteng	Retail	44 210	156	885 273	182 012
Eden Meander	Western Cape	Retail	30 055	189	520 000	
BMW Fourways	Gauteng	Retail	7 857	172	251 258	51 200
The Buzz Shopping Centre & Vacant Land	Gauteng	Retail	14 148	189	271 394	60 324
Bela-Bela	Limpopo	Retail	15 991	104	120 273	–
Waterford	Gauteng	Retail	6 869	150	62 242	–
Cherry Lane	Gauteng	Retail	11 429	132	60 000	–
Edgars Polokwane	Limpopo	Retail	4 500	101	42 600	–
Valleyview Centre	Gauteng	Retail	2 012	142	27 100	–
Beacon Isle	Gauteng	Retail	2 080	183	25 400	–
Total			227 936		6 212 176	484 346
Commercial						
Portside	Western Cape	Commercial	25 253	199	655 260	–
KPMG Crescent	Gauteng	Commercial	20 096	364	685 548	–
CITI bank	Gauteng	Commercial	12 431	215	469 260	200 000
Oceana House	Western Cape	Commercial	7 254	166	171 853	–
73 Hertzog & Erf 7 Roggebaai	Western Cape	Commercial	5 470	150	104 331	25 540
Pri-movie Park	Gauteng	Commercial	17 177	40	73 500	–
Thomas Pattullo Building	Western Cape	Commercial	6 084	151	83 705	–
1 Charles Crescent	Gauteng	Commercial	15 547	–	57 583	–
99 – 101 Hertzog Boulevard	Western Cape	Commercial	3 620	–	47 545	–
Mustek (89 Hertzog Boulevard)	Western Cape	Commercial	4 500	115	34 997	–
KPMG Polokwane	Limpopo	Commercial	1 481	309	30 200	–
9 Charles Crescent	Gauteng	Commercial	4 298	–	12 000	–
Brooklyn Place	Gauteng	Commercial	3 239	129	18 000	–
KPMG Secunda	Mpumalanga	Commercial	830	251	12 000	–
ABSA Brakpan	Gauteng	Commercial	2 800	43	1 000	–
Total			130 084		2 456 782	494 800
Industrial						
10 Charles Crescent	Gauteng	Industrial	3 343	–	13 000	–
Total			3 344		13 000	
Total			361 364		8 681 958	979 146

Geographical and sectorial profile

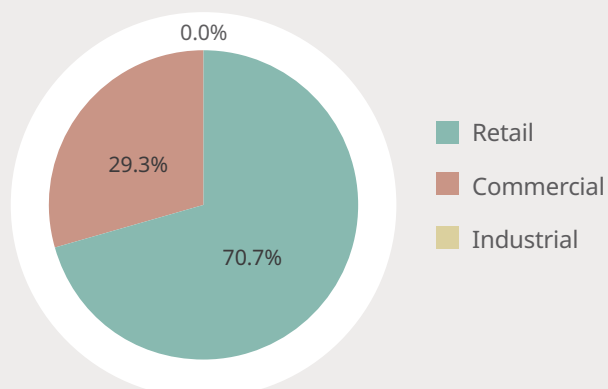
Geographical profile by revenue



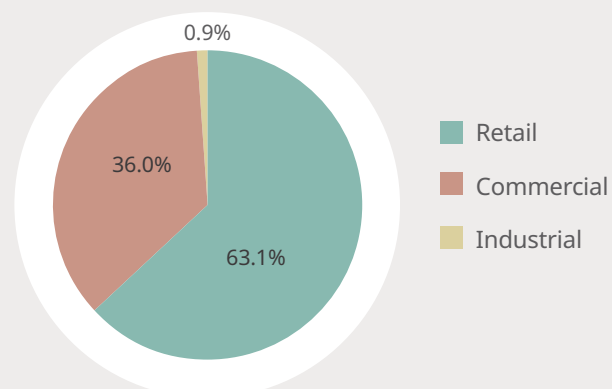
Geographical profile by GLA



Sectoral profile by revenue



Sectoral profile by GLA

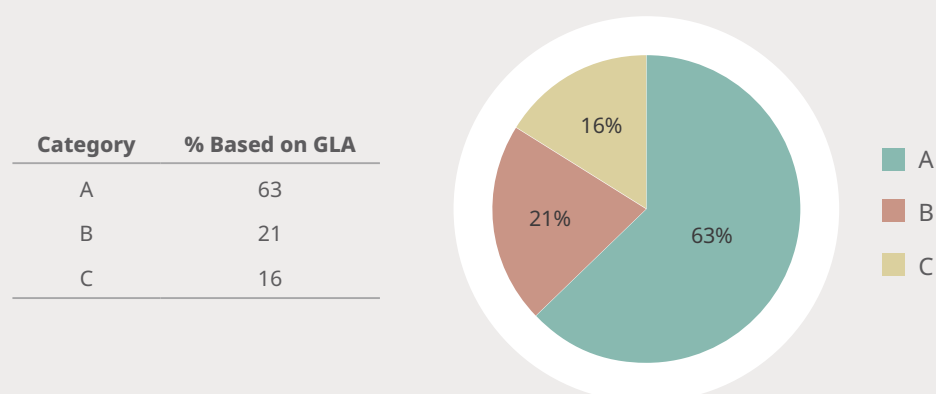


Consolidated and Separate Audited Annual Financial Statements

Appendix C *(cont.)***Tenant profile**

Tenants are classified as follows:

- A: Large national tenants, large listed tenants and major franchises.
- B: National tenants, listed tenants, franchises and medium to large professional firms.
- C: Other, small non-listed and non-franchised businesses, mainly owner operated.

**Vacancy profile**

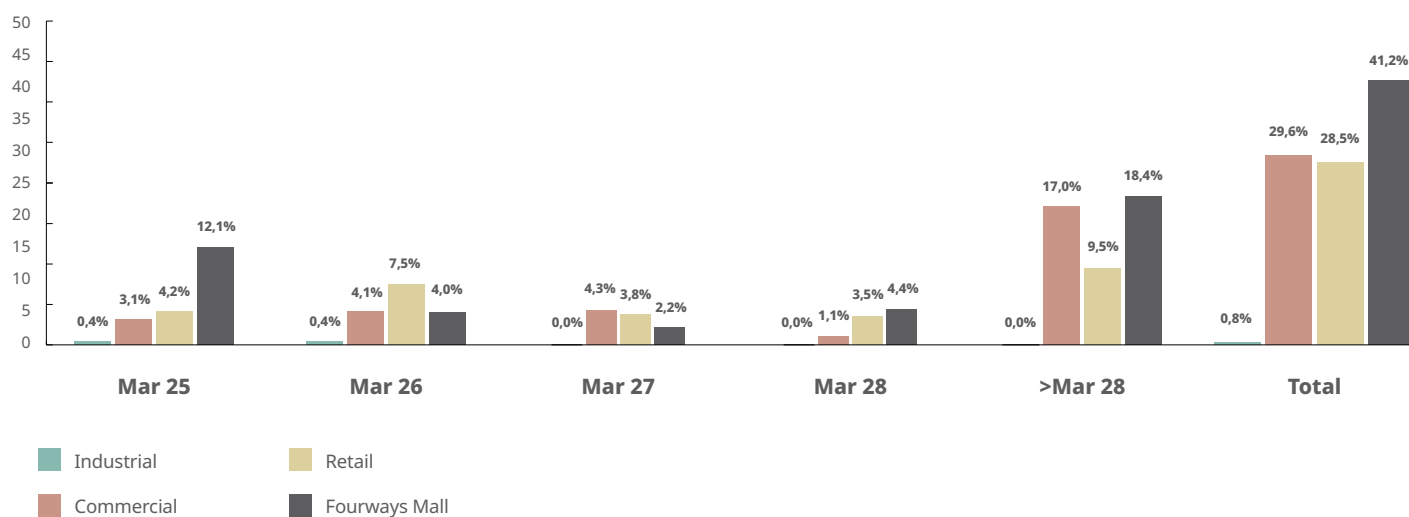
Vacancy profile per sector:

Category	Total	Retail	Commercial	Industrial
2024	21,1%	13,9%	31,6%	100%
2023	18,2%	10,4%	31,1%	100%

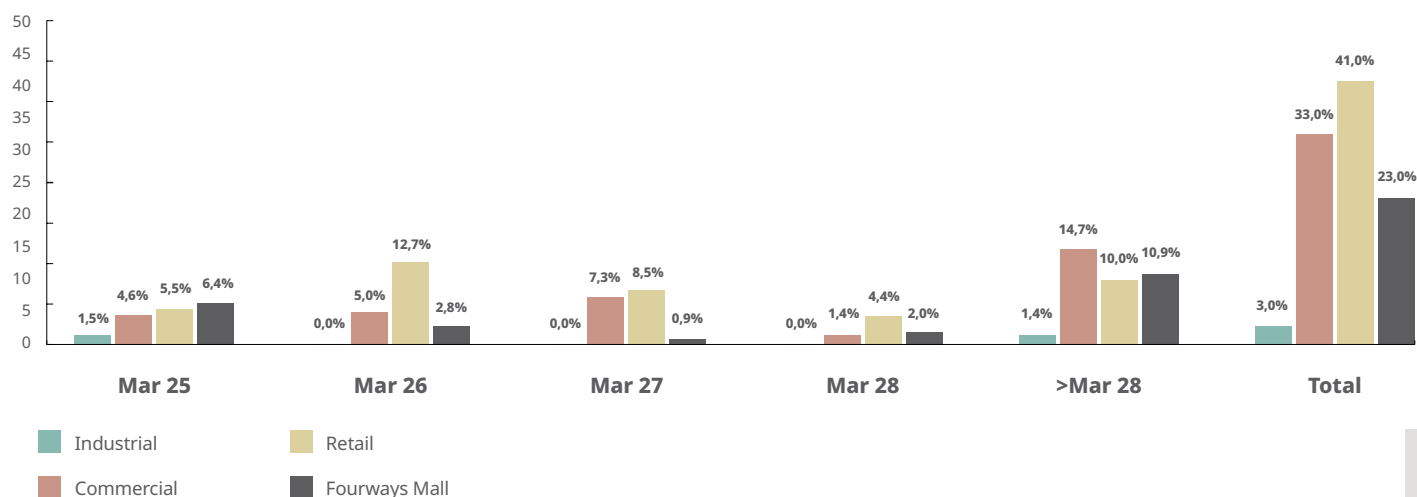
The above vacancy percentages represent the vacant space per sector excluding the effect of the Fourways Mall headlease.

Lease expiry profile

By revenue	Mar 25	Mar 26	Mar 27	Mar 28	> Mar 28	Total
Industrial	0,4%	0,4%	0,0%	0,0%	0,0%	0,8%
Commercial	3,1%	4,1%	4,3%	1,1%	17,0%	29,6%
Retail	4,2%	7,5%	3,8%	3,5%	9,5%	28,5%
Fourways Mall	12,1%	4,0%	2,2%	4,4%	18,4%	41,1%
Total	19,8%	16,0%	10,3%	9,1%	44,9%	100%



By GLA	Mar 25	Mar 26	Mar 27	Mar 28	> Mar 28	Total
Industrial	1,5%	0,0%	0,0%	0,0%	1,4%	2,9%
Commercial	4,6%	5,0%	7,3%	1,4%	14,7%	33,0%
Retail	5,5%	12,7%	8,5%	4,4%	10,0%	41,1%
Fourways Mall	6,4%	2,8%	0,9%	2,0%	10,9%	23,0%
Total	18,0%	20,5%	16,7%	7,8%	37,0%	100,0%



Consolidated and Separate Audited Annual Financial Statements

Appendix C *(cont.)***Average annualised property yield**

Weighted average yield	Group		Company	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
All sectors	7,72%	7,70%	7,62%	7,60%
Commercial	8,10%	8,10%	7,71%	7,90%
Retail	7,60%	7,60%	7,60%	7,80%
Industrial	n/a	n/a	n/a	n/a







Notice of Annual General

Meeting

For the year ended 31 March 2024

NOTICE OF ANNUAL GENERAL MEETING FOR THE YEAR ENDED 31 MARCH 2024

Dear Shareholder,

On behalf of the Board of Directors, we are pleased to invite you to attend the eleventh Annual General Meeting (AGM) of Accelerate Property Fund Ltd. The AGM is scheduled to take place at Cedar Square Shopping Centre, Management Office, 1st Floor, Cnr Willow Avenue and Cedar Road, Fourways, Johannesburg on Monday, 9 September 2024 at 10:00.

Enclosed with this letter, you will find the detailed notice of the AGM including explanatory notes that outline the reasons for the meeting and the implications of the proposed resolutions.

Should you not be able to attend the AGM, you may vote by proxy. All the information necessary to make informed decisions and instructions on how to vote by proxy are provided in this notice.

Thank you for your continued support.

Sincerely,



Mr TT Mboweni

Accelerate Property Fund Ltd

31 July 2024

Notice of Annual General Meeting for the year ended 31 March 2024

Accelerate Property Fund Ltd

(Incorporated in the Republic of South Africa)

(Registration No 2005/015057/06)

JSE code: APF

ISIN code: SAE000185815

Bond Company code: APFE

LEI: 378900D514788C447E45

(REIT status approved)

Notice is hereby given that the eleventh annual general meeting (AGM) of shareholders of Accelerate Property Fund Ltd (Accelerate or the company) will be held in the main boardroom at Accelerate's registered office, Cedar Square Shopping Centre, Management Office, 1st Floor, Cnr Willow Avenue and Cedar Road, Fourways, Johannesburg on Monday, 9 September 2024 at 10:00 (AGM notice).

Purpose of the meeting

The purpose of the meeting is to:

- Present the consolidated audited annual financial statements and integrated report of Accelerate for the year ended 31 March 2024, including the directors' report, the Audit and Risk Committee report, and the independent auditor's report, as required by section 30(3)(d) of the Companies Act, 71 of 2008, as amended (the Companies Act).
- Provide a report to shareholders from the social, ethics, and transformation committee of the company for the year ended 31 March 2024 on matters within its mandate in accordance with Regulation 43(5)(c) of the Companies Act Regulations.
- Consider, and if deemed fit, pass, with or without modification, the ordinary and special resolutions outlined in this AGM notice.
- Consider any matters raised by shareholders during the meeting.

Attendance, voting and proxies

Dematerialised shares in own name or certificated shareholder

If you are a registered shareholder who has not dematerialised your shares or has dematerialised your shares with own name registration as of the record date for attending and voting at the AGM, you may attend the meeting in person. Alternatively, you may appoint one or more proxies, who need not be shareholders of the company, to represent you at the AGM. If you wish to appoint a proxy, please complete the attached form of proxy and deliver it in accordance with the instructions provided. Alternatively, you may hand the proxy to the chairman of the AGM or to the transfer secretaries in attendance at the AGM, at any time prior to the commencement of the AGM, or prior to voting on any resolutions proposed at the AGM. Any shareholder who completes and lodges a form of proxy will nevertheless be entitled to attend and vote in person at the AGM should the shareholder subsequently decide to do so.

NOTICE OF ANNUAL GENERAL MEETING FOR THE YEAR ENDED 31 MARCH 2024

Dematerialised shares without own name

If you are a beneficial shareholder and not a registered shareholder (i.e. a shareholder who has dematerialised your shares without own name registration) as of the record date and you wish to attend and vote at the AGM of the company, you have the following options:

- *Attend the AGM:* You are required to obtain a letter of representation from your Central Securities Depository Participant (CSDP) or broker to represent the registered holder in respect of your shares.
- *Vote but not attend the AGM:* Contact the registered holder in respect of your shares through your CSDP or broker and provide them with your voting instructions, and complete the attached form of proxy.

If you are uncertain about the appropriate course of action, please seek immediate guidance from your CSDP, broker, banker, legal advisor, accountant, or other professional advisor.

Telephonic and video participation

Accelerate shareholders are advised that they or their proxies may participate in (but not vote at) this AGM by telephone and video conference. If they wish to do so, they must:

- contact the company secretary, Margi Pinto, via email at margi@acceleratepf.co.za before 10:00 on Friday, 6 September 2024, to receive dial-in instructions for the conference call.
- Provide reasonable satisfactory identification, as described below.
- Be aware that they will be billed separately by their own telephone service provider for their participation in the AGM.

Please note that, while electronic participation in the AGM is available, there is no provision for electronic voting. Accordingly, shareholders are reminded to submit their forms of proxy to the transfer secretaries, as outlined above.

Proof of identification required

Please note that in terms of section 63(1) of the Companies Act, any shareholder or proxy who intends to attend or participate in the AGM is required to provide reasonably satisfactory identification before or at the meeting. This requirement applies to participants joining via telephone conference as well. Acceptable forms of identification include a green barcoded identification document or smart ID card issued by the South African Department of Home Affairs, a driver's license, or a valid passport. These forms of identification will be deemed sufficient for entry to the AGM.

Quorum

The quorum for the AGM and for considering the resolutions to be proposed at the AGM is three shareholders of the company, personally present or represented by proxy (if the shareholder is a body corporate, the representative of the body corporate) and entitled to vote at the meeting. In addition, a quorum comprises 25% of all voting rights entitled to be exercised by shareholders in respect of the resolutions to be proposed at the meeting.

Important dates and times

Important dates to note	Date
Integrated report and AGM notice made available on www.acceleratepf.co.za	Wednesday, 31 July 2024
Record date for receipt of AGM notice	Friday, 2 August 2024
Distribution of integrated report, annual financial statements and notice of AGM	Thursday, 8 August 2024
Last day to trade in order to be eligible to participate in and vote at the AGM	Tuesday, 27 August 2024
Record date to determine which Accelerate shareholders are entitled to participate in and vote at the AGM	Friday, 30 August 2024
Last day to lodge forms of proxy for the AGM at 10:00	Friday, 6 September 2024
AGM to be held at 10:00	Monday, 9 September 2024
Results of AGM released on the Stock Exchange News Service	Tuesday, 10 September 2024

Presentation of annual financial statements

The annual financial statements of Accelerate for the year ended 31 March 2024, including the directors' report, the audit and risk committee report, and the independent auditor's report, were approved by the Board on 18 July 2024, and are presented to shareholders in accordance with section 30(3)(d) of the Companies Act.

Note: the full consolidated annual financial statements and integrated report of Accelerate have been published on the company's website (www.acceleratepf.co.za) and are also available on request from the company secretary at the registered office of Accelerate, on request.

Ordinary resolutions

Ordinary resolutions 1 to 3 and 5 to 8 require the support of at least 50% plus 1 vote of the total voting rights exercised on the resolutions. Ordinary resolution number 4 requires 75% approval of the voting rights exercised, in order to be adopted.

Ordinary resolution number 1: Re-election of directors

In accordance with the company's Memorandum of Incorporation (MoI), one-third of the non-executive directors must retire from office at each AGM and may, if eligible and willing, offer themselves for re-election.

Mr AM Mawela and Mr JWA Templeton will retire at the upcoming AGM, are eligible for re-election, and have confirmed their willingness to continue serving as directors on the Board.

Brief résumés of these directors and the remaining members of the Board are detailed on page 124 to 129.

Ordinary resolution number 1.1

"Resolved that Mr AM Mawela be and is hereby re-elected as an independent non-executive director of the Company."

Ordinary resolution number 1.2

"Resolved that Mr JWA Templeton be and is hereby re-elected as a non-executive director of the Company."

NOTICE OF ANNUAL GENERAL MEETING FOR THE YEAR ENDED 31 MARCH 2024

Ordinary resolution number 2: Election of the audit and risk committee members

In terms of section 94(2) of the Companies Act, a public company must elect an audit committee comprising at least three members who are independent non-executive directors and who meet the criteria of section 94(4) of the Companies Act at each AGM. Regulation 42 to the Companies Act requires that one-third of the audit committee members possess appropriate academic qualifications or experience in the areas specified by this Regulation.

Based on the recommendations of the nominations committee, the Board is satisfied that the proposed members of the audit and risk committee meet all relevant statutory requirements, and that three of the four proposed members are independent non-executive directors as defined in paragraph 28 of the King Report on Corporate Governance™ for South Africa, 2016 (King IV™).

Brief résumés of the non-executive directors standing for election as members of the audit and risk committee are provided on page 124 to 129. ³⁰⁷

The resolutions pertaining to the election of the audit and risk committee members will be voted on individually.

The Board recommends that, subject to the passing of ordinary resolution 1 on page 307, the audit and risk committee comprising non-executive directors in terms of section 94(4) of the Companies Act, as set out below, be elected by way of separate resolutions to hold office until the conclusion of the next AGM.

Ordinary resolution number 2.1

"Resolved that Mr JF (Derick) van der Merwe (chairman) be and is hereby elected as an independent non-executive member of the audit and risk committee."

Ordinary resolution number 2.2

"Resolved that Dr K Madikizela be and is hereby elected as an independent non-executive member of the audit and risk committee."

Ordinary resolution number 2.3

"Resolved that Mr AM Mawela be and is hereby elected as an independent non-executive member of the audit and risk committee."

Ordinary resolution number 2.4

"Resolved that Mr JWA Templeton be and is hereby elected as a non-executive member of the audit and risk committee."

Ordinary resolution number 3: Appointment of independent external auditor

The company's board has nominated the appointment of PricewaterhouseCoopers Incorporated (PwC) as the company's independent auditor, represented by Ms Julianie Basson, to hold office until the conclusion of the next AGM. In addition, the company's audit and risk committee has considered the suitability of PwC as independent auditor and Ms Julianie Basson as the designated audit partner, following receipt of the information detailed in paragraph 22.15(h) of the JSE Listings Requirements. Furthermore, in terms of paragraph 3.86 of the JSE Listings Requirements, the audit and risk committee has considered and satisfied itself that PwC and the reporting accountant are accredited on the JSE list of auditors and accounting specialists, and the aforementioned designated audit partner does not appear on the JSE list of disqualified individual auditors.

Note: the 2024 audit is the first financial year that Ms Julianie Basson served as the designated audit partner for the company.

"Resolved that, as nominated by the company's board, PricewaterhouseCoopers Incorporated represented by Ms Julianie Basson as the audit partner, be and are hereby appointed as the independent registered auditor to perform the functions of an auditor and to report on the outcome of the audit for the financial year ending 31 March 2025, until the conclusion of the next AGM."

Ordinary resolution number 4: Non-binding advisory vote on the company's remuneration policy and implementation report

The JSE Listings Requirements require the company to submit its remuneration policy and implementation report every year to shareholders for consideration, to provide shareholders with an opportunity to express their views on the remuneration policy adopted by the company and the manner in which it has been implemented.

Ordinary resolutions 4.1 and 4.2 are advisory votes and accordingly, failure to pass these resolutions will not have any legal consequences relating to existing remuneration arrangements. However, the board will take the outcomes of these votes into consideration when considering amendments to the company's remuneration policy.

Shareholders are referred to the remuneration report as set out on pages 154 to 177.

If either the remuneration policy or the implementation thereof or both are voted against by 25% or more of the votes exercised at the AGM, the company will, in its voting results announcement, as required by the JSE Listings Requirements, extend an invitation to dissenting shareholders to engage with the company. The company will provide a report back on the outcome thereof in the 2025 integrated report, if applicable.

Ordinary resolution 4.1

"Resolved that the remuneration policy on pages 158 to 173 be and is hereby endorsed by way of a non-binding advisory vote, in compliance with section 3.84(j) of the JSE Listings Requirements.

Ordinary resolution 4.2

"Resolved that the remuneration implementation report on pages 174 to 177 be and is hereby endorsed by way of a non-binding advisory vote, as required by 3.84(j) of the JSE Listings Requirements."

NOTICE OF ANNUAL GENERAL MEETING FOR THE YEAR ENDED 31 MARCH 2024

Ordinary resolution number 5: To place the unissued authorised ordinary shares of the company under the control of the directors

In terms of the Companies Act, the JSE listings requirements and the Company's MoI, shareholders of Accelerate must approve the placement of the unissued authorised ordinary shares under the control of the directors.

Note: no issue will be made that could effectively transfer control of the Company without the prior approval of shareholders at a general meeting.

"Resolved that the unissued authorised ordinary shares of no par value in the company be and are hereby placed under the control and authority of the directors of the company who are authorised (subject to the relevant provisions of the Companies Act, the Company's MoI, and the JSE Listings Requirements) until the next AGM, provided that it shall not extend beyond 15 months from the date of passing this resolution, to issue and allot any such shares at their discretion, provided that in all instances (save in respect of an offer of unissued shares to existing shareholders pro rata to their shareholdings), the following requirements are complied with:

- The number of shares that may be issued and allotted in aggregate is limited to 10% (currently representing 179 549 492 shares) of the Company's issued shares at the date of posting the AGM notice.
- The maximum discount permitted will be 5% of the weighted average traded price of the shares in question, measured over the three business days prior to the date of each issue of new shares or the three business days prior to the date the directors resolve to issue such new shares or the 30 business days prior to the date the directors resolve to issue such new shares".

Ordinary resolution number 6: Specific authority to issue shares to afford shareholders distribution reinvestment alternatives

"Resolved that, subject to the provisions of the Companies Act and the JSE Listings Requirements, the directors be and are hereby authorised, by way of a specific standing authority, to issue ordinary shares of no par value (ordinary shares) as and when they deem appropriate, for the exclusive purpose of affording shareholders of Accelerate opportunities, from time to time, to elect to reinvest their distributions in new ordinary shares of the company."

Ordinary resolution number 7: General but restricted authority to issue ordinary shares for cash

To grant the directors of Accelerate, subject to the JSE Listings Requirements, a general authority to allot and issue ordinary shares and dispose of ordinary shares held as treasury shares by subsidiaries of the company as an "issue for cash" as defined in the JSE Listings Requirements as and when suitable opportunities arise and on such terms and conditions as they deem fit.

"Resolved that, subject to the provisions of the Companies Act, the company's MoI and the Listings Requirements, the directors are hereby authorised by way of a general authority to issue ordinary shares of no par value for cash as and when opportunities arise, for which purpose such ordinary shares are hereby placed under the control of the directors on the following bases:

- This authority will be valid until the next AGM, provided that it shall not extend beyond fifteen months from the date of passing of this resolution.
- The shares that are subject to the issue for cash must be of a class already in issue or, where this is not the case, must be

limited to such shares or rights as are convertible into a class already in issue.

- A SENS announcement giving full details, including the impact on net asset value and earnings per share, will be published at the time of any issue representing, on a cumulative basis within one financial year, 5% or more of the number of ordinary shares in issue prior to such issue.
- Issues in aggregate in any one financial year, including instruments that are or may be compulsorily convertible into shares of any class, will not exceed 89 774 746 ordinary shares which represents 5% of the number of shares in issue (excluding treasury shares) as at the date of this AGM, being 1 795 494 922 ordinary shares.
- In the event of a subdivision or consolidation of shares while this authority remains in place, this authority shall be adjusted accordingly to represent the same allocation ratio.
- In determining the price at which an issue of ordinary shares may be made in terms of this authority, the maximum discount permitted will be 5% of the weighted average traded price attributable to the ordinary shares in question, measured over the 30 business days prior to the date on which the price of such issue is agreed between the company and the subscribers for the shares to be issued or, in the case of instruments that are or may be compulsorily convertible into shares of any class, the date on which any such instruments are issued, adjusted for any cum distribution portion, if applicable.
- That issues of shares in the company shall be made to public shareholders as defined in the JSE Listings Requirements only and not to related parties.
- Related parties, as defined by the JSE Listings Requirements, may participate in a general issue of shares for cash through a bookbuild process. Related parties may only participate with a maximum bid price at which they are prepared to take up shares or at book close price. In the event of a maximum bid price and the book closes at a higher price, the relevant party will be “out of the book” and not allocated shares.
- Equity securities must be allocated equitably “in the book” through the bookbuild process and the measures to be applied must be disclosed in the SENS announcement launching the bookbuild.
- Notwithstanding the company’s MoI, in terms of the Listings Requirements, at least 75% of the votes held by shareholders present or represented by proxy at the meeting need to be cast in favour of this resolution in order to give effect thereto.”

Note: the aggregate number of shares that may be issued in ordinary resolutions number 5 and 7 combined will not exceed 10% or 179 549 492 of ordinary shares in the issued share capital of the company (excluding treasury shares) as at the date of the notice of this AGM

Ordinary resolution number 8: Report of the social, ethics and transformation committee

In accordance with Regulation 43(5)(c) of the Companies Act, the chairperson of the social, ethics and transformation committee, or in her absence, any member of the social, ethics and transformation committee, will be available to verbally report on and take questions from shareholders at the AGM on matters within its mandate. The report of the social, ethics and transformation committee can be found on pages 152 and 153.

“Resolved that the report of the social, ethics and transformation committee for the financial year ended 31 March 2024 be and is hereby received and accepted.”

NOTICE OF ANNUAL GENERAL MEETING FOR THE YEAR ENDED 31 MARCH 2024

Special resolutions

Special resolutions 1 to 3 necessitate approval from at least 75% of the voting rights exercised on each resolution for adoption.

Special resolution number 1: Non-executive directors' fees

In accordance with sections 66(8) and 66(9) of the Companies Act, companies may remunerate their directors for their services as directors unless otherwise provided by the MoI, subject to approval by a special resolution of shareholders. Executive directors are not specifically remunerated for their services as directors, but as employees of the company and as such, the resolution seeks approval for the remuneration paid to non-executive directors for their services as directors of the company.

Reason for and effect of this special resolution: to authorise the payment of non-executive directors' fees for the year ended 31 March 2024.

"Resolved that, in terms of section 66(9) of the Companies Act and on the recommendation of the remuneration committee, the company be and is hereby authorised to remunerate its non-executive directors for their services as directors, each by way of a separate vote, to take effect from 1 April 2024 to 31 March 2025 (the conclusion of the financial year end) as set out below:

	Proposed 2024/2025 retainer		2023/2024 Retainer	
	Chairman	Member	Chairman	Member
Board	1,507,200	405,550	1,430,000	384,800
Lead independent director	–	142,500	–	135,200
Audit and risk committee	173,350	93,150	166,400	88,400
Remuneration committee	115,050	76,700	93,600	52,000
Nominations committee	82,200	54,800	78,000	52,000
Social, ethics and transformation committee	98,650	54,800	93,600	62,400
Investment committee	98,650	65,750	109,200	72,800



NOTICE OF ANNUAL GENERAL MEETING FOR THE YEAR ENDED 31 MARCH 2024

Special resolution number 2: Financial assistance to related or inter-related companies or corporations

“Resolved that, to the extent required by section 45 of the Companies Act, the board of directors of the company may, subject to compliance with the requirements of the company’s MoI, the Companies Act and the JSE Listings Requirements, each as presently constituted and as amended from time to time, authorise the company to provide direct or indirect financial assistance in terms of section 45 of the Companies Act by way of loans, guarantees, the provision of security or otherwise, to any of its present or future subsidiaries and/or any other companies or corporations that are or become related or inter-related (as defined in the Companies Act) to the company or any of its subsidiaries for any purpose or in connection with any matter, such authority to remain in place for two years from the date of passing of this resolution.”

Reason for and effect of this special resolution: to grant the board of directors the authority to authorise the company to provide financial assistance as contemplated in section 45 of the Companies Act to its related or inter-related companies or corporations.

The resolution is intended mainly to enable the company to provide inter-company loans and guarantees within the Group. The board will not authorise any financial assistance in terms of section 45 of the Companies Act unless it has considered all reasonably foreseeable financial circumstances of the company at that time and is satisfied that:

- (i) the company will, immediately after providing the financial assistance to related or inter-related companies or corporations, satisfy the solvency and liquidity test as required in terms of the Companies Act,
- (ii) the terms under which any financial assistance is proposed to be given are fair and reasonable, and in the best interests of the company, and
- (iii) any conditions or restrictions in respect of the granting of any financial assistance as set out in the company’s MoI have been met.

Special resolution number 3: Authority to repurchase ordinary shares

“Resolved that the company be and is hereby authorised, by way of a general approval, to acquire ordinary shares issued by the company, in accordance with the companies Act, the company’s MoI, and the JSE Listings Requirements, with the following conditions:

- Any such acquisition of ordinary shares shall be implemented through the order book operated by the JSE and without any prior understanding or arrangement.
- This general authority shall be valid until the company’s next AGM, provided that it shall not extend beyond fifteen months from the date of this special resolution.
- An announcement will be published as soon as the company or any of its subsidiaries acquiring ordinary shares constituting, on a cumulative basis, 3% of the number of ordinary shares in issue prior to the acquisition, pursuant to which the aforesaid 3% threshold is reached, and for each 3% acquired thereafter, containing full details of such acquisitions.
- Acquisitions of ordinary shares in aggregate in any one financial year may not exceed 20% of the company’s ordinary shares in issue as at the date of passing of this special resolution, or 10% of the company’s ordinary shares in issue in the case of an acquisition of ordinary shares in the company by a subsidiary of the company.
- In determining the price at which ordinary shares issued by the company are acquired by it or any of its subsidiaries in terms of this general authority, the maximum premium at which such ordinary shares may be acquired will be 10% of the weighted average of the market value at which such ordinary shares are traded on the JSE over the five business days immediately preceding the date of repurchase of such ordinary shares.

- The company is duly authorised by its MoI to acquire ordinary shares it has issued.
- At any given time, the company may only appoint one agent to effect any repurchase of ordinary shares on behalf of the company.
- The board authorises the acquisition, the company passes the solvency and liquidity test, and that, from the time that test is done, there are no material changes to the financial position of the company and the group.
- The company shall remain in compliance with the minimum shareholder spread requirements of the JSE.
- The company and/or its subsidiaries do not repurchase any shares during a prohibited period in accordance with the JSE Listings Requirements, unless the company has in place a repurchase programme where the dates and quantities of the securities to be traded during the relevant period are fixed (not subject to any variation) and have been submitted to the JSE in writing prior to the commencement of the prohibited period. The company must instruct an independent third party, which makes its investment decisions in relation to the company's securities independently of, and uninfluenced by, the issuer, prior to the commencement of the prohibited period to execute the repurchase programme submitted to the JSE".

Reason for and effect of this special resolution: to permit the company or any of its subsidiaries, by way of a general approval, to acquire ordinary shares in the company as and when suitable opportunities to do so arise.

Note: the directors, having considered the effects of an acquisition of the maximum number of ordinary shares in terms of the foregoing general authority and the current share price and yield, are of the opinion that for a period of twelve months after the date of this AGM notice:

- The company will be able, in the ordinary course of business, to pay its debts.
- The assets of the company, fairly valued in accordance with International Financial Reporting Standards (IFRS), will exceed the liabilities of the company.
- The company's share capital, reserves and working capital will be adequate for ordinary business purposes.

The following additional information is provided in terms of section 11.26 of the JSE Listings Requirements, for purposes of the general authority:

Major shareholders – page 295

Share capital of the Company – page 256

Directors' responsibility statement

The directors, whose names appear on pages 124 to 129, collectively and individually accept full responsibility for the accuracy of the information pertaining to this special resolution. They certify that, to the best of their knowledge and belief, there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable inquiries to ascertain such facts have been made. Furthermore, they affirm that the special resolution contains all information required by the JSE Listings Requirements.

NOTICE OF ANNUAL GENERAL MEETING FOR THE YEAR ENDED 31 MARCH 2024

Material changes

Other than the facts and developments reported on in the annual financial statements, there have been no material changes in the financial or trading position of the company and its subsidiaries since the financial year ended 31 March 2024 and up to the date of this AGM notice.

Intentions

The directors have no specific intention, at present, for the company to acquire any of its ordinary shares, but consider that such a general authority should be put in place should an opportunity present itself to do so during the year which is in the best interests of the company and its shareholders.

Voting and proxies

1. A shareholder entitled to attend and vote at the AGM is entitled to appoint one or more proxies to attend and vote in his/her stead. A proxy need not be a shareholder of the company.
2. Notwithstanding the appointment of a proxy by a shareholder who is a natural person, such member may attend the AGM in person and vote thereat, to the exclusion of the appointed proxy.
3. A form of proxy is attached to this AGM notice. Additional forms of proxy may be obtained from the company's share transfer secretaries, Computershare Investor Services (Pty) Ltd, or may be reproduced by photocopying the form of proxy provided.
4. The record date for the meeting in terms of section 62(3)(a) of the Companies Act, shall be on Friday, 30 August 2024.
5. If you are a certificated Accelerate shareholder or an own name dematerialised Accelerate shareholder and are unable to attend the AGM of Accelerate shareholders to be held at Accelerate's registered office, in the main Boardroom, Cedar Square Shopping Centre, Management Office, 1st Floor, Cnr Willow Avenue and Cedar Road, Fourways, Johannesburg on Monday, 9 September 2024 at 10:00, but wish to be represented thereat, you are required to complete the form of proxy attached hereto in accordance with the instructions therein and return it to the transfer secretaries, Computershare Investor Services (Pty) Ltd, Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196 (Private Bag X9000, Saxonwold, 2132) so as to be received by no later than 10:00 on Friday, 6 September 2024 for administrative purposes or thereafter to the chairman by no later than the commencement of the meeting, being 10:00 on Monday, 9 September 2024.
6. If you are a beneficial owner of dematerialised Accelerate ordinary shares and are not an own name dematerialised Accelerate shareholder, then you may instruct your CSDP or broker as to how you wish to cast your vote at the AGM in order for them to vote in accordance with your instructions.
7. If you are a beneficial owner of dematerialised Accelerate ordinary shares and wish to attend the Accelerate AGM in person, please request your CSDP or broker to issue the necessary letter of representation to you. This must be done in terms of the agreement entered into between the dematerialised Accelerate shareholder (who is not an own name dematerialised Accelerate shareholder) and the CSDP or broker.

By order of the Board



Ms Margi Pinto

Company secretary

31 July 2024

Computershare Investor Services (Pty) Ltd
Transfer secretaries

FORM OF PROXY

Accelerate Property Fund Ltd (Accelerate or the company)
Incorporated in the Republic of South Africa Registration number 2005/015057/06
Share code: APF ISIN: ZAE000185815

Bond company code: APFE
LEI: 378900D514788C447E45

FORM OF PROXY FOR THE ELEVENTH ANNUAL GENERAL MEETING (AGM) TO BE HELD AT ACCELERATE'S REGISTERED OFFICE IN THE MAIN BOARDROOM, CEDAR SQUARE SHOPPING CENTRE, MANAGEMENT OFFICE, 1ST FLOOR, CNR WILLOW AVENUE AND CEDAR ROAD, FOURWAYS, JOHANNESBURG ON MONDAY, 9 SEPTEMBER 2024 AT 10:00.

THIS FORM OF PROXY IS FOR THE USE OF CERTIFICATED ORDINARY SHAREHOLDERS AND DEMATERIALISED ORDINARY SHAREHOLDERS WITH OWN NAME REGISTRATION ONLY.

Holders of dematerialised ordinary shares other than own name registration must inform their Central Securities Depository Participant (CSDP) or broker of their intention to attend the AGM and request their CSDP or broker to issue them with the necessary authorisation to attend the AGM in person or provide their CSDP or broker with their voting instructions should they not wish to attend the AGM in person but wish to be represented thereat.

I/we _____ (Please print in block letters)

of (address) _____

being the registered shareholder(s) of _____ ordinary shares in the capital of the company do hereby appoint

1. _____ or failing him/her

2. _____ or failing him/her

3. the chairman of the meeting;

as my/our proxy to act for me/us and on my/our behalf at the AGM of the company which will be held on Monday, 9 September 2024 at 10:00 and at any adjournment thereof for the purpose of considering and, if deemed fit, passing, with or without modification, the resolutions to be proposed at the meeting, and to vote on the resolutions in respect of the ordinary shares registered in my/our name(s) as follows:

Voting instructions		Number of shares		
		For	Against	Abstain
Ordinary resolutions				
1.	Re-election of directors to retire at this AGM			
1.1	Mr AM Mawela			
1.2	Mr JWA Templeton			
2.	Election of the Audit and Risk Committee members			
2.1	Mr JF (Derick) van der Merwe (chairman)			
2.2	Dr K Madikizela			
2.3	Mr AM Mawela			
2.4	Mr JWA Templeton			
3.	Appointment of PricewaterhouseCoopers Inc as independent external auditor			
4.	Non-binding advisory vote on the company's remuneration policy and implementation report			
4.1	Remuneration policy			
4.2	Remuneration implementation report			
5.	To place the unissued authorised ordinary shares of the company under the control of the directors			
6.	Specific authority to issue shares to afford shareholders distribution reinvestment alternatives			
7.	General but restricted authority to issue ordinary shares for cash			
8.	To receive and accept the report of the Social, Ethics and Transformation Committee			
Special resolutions				
1.	Approval of Non-Executive Directors' fees			
1.1	Board chairman			
1.2	Board member			
1.3	Lead Independent Director			
1.4	Audit and Risk Committee chairman			
1.5	Audit and Risk Committee member			
1.6	Remuneration Committee chairman			
1.7	Remuneration Committee member			
1.8	Nominations Committee chairman			
1.9	Nominations Committee member			
1.10	Social, Ethics and Transformation Committee chairman			
1.11	Social, Ethics and Transformation Committee member			
1.12	Investment Committee chairman			
1.13	Investment Committee member			
2.	Financial assistance to related or inter-related companies or corporations			
3.	Authority to repurchase ordinary shares			

Please indicate with an 'X' in the appropriate spaces provided above how you wish your vote to be cast. If no indication is given, the proxy will be entitled to vote or abstain as he/she deems fit.

Signed at: _____ on _____ 2024

Signature _____

Assisted by (where applicable) _____

Name and capacity _____ Signature _____ Date _____

NOTICE OF ANNUAL GENERAL MEETING FOR THE YEAR ENDED 31 MARCH 2024

NOTES TO THE FORM OF PROXY AND SUMMARY OF APPLICABLE RIGHTS ESTABLISHED BY SECTION 58 OF THE COMPANIES ACT, 71 OF 2008, AS AMENDED (THE COMPANIES ACT)

1. An ordinary shareholder holding dematerialised shares by own name registration, or who holds shares that are not dematerialised, is entitled to appoint any individual (including an individual who is not a shareholder) as a proxy to participate in and speak and vote at a shareholders meeting on behalf of the shareholder. Such ordinary shareholder may insert the name of a proxy or the names of two alternative proxies of the ordinary shareholder's choice in the space provided, with or without deleting the "chairman of the AGM", provided that any such deletion must be signed in full by the shareholder.
2. The person whose name stands first on the form of proxy and who is present at the AGM will be entitled to act as proxy to the exclusion of those whose names follow. Should a proxy not be specified, this will be exercised by the chairman of the AGM. A proxy need not be a shareholder of the company.
3. All resolutions put to the vote shall be decided by way of a poll. An ordinary shareholder is entitled, on a poll, to 1 (one) vote per ordinary share held.
4. An ordinary shareholder's instructions to the proxy must be indicated by inserting the relevant number of votes exercisable by the ordinary shareholder in the appropriate box(es). An 'X' in the appropriate box indicates the maximum number of votes exercisable by that shareholder. Failure to comply with the above will result in the proxy not being authorised to vote or to abstain from voting at the AGM in respect of the shareholder's votes, except in the case where the chairman of the AGM is the proxy. An ordinary shareholder or his/her proxy is not obliged to use all the votes exercisable by the ordinary shareholder, or to cast all those votes exercised in the same way, but the total of the votes cast and in respect whereof abstention is recorded may not exceed the total of the votes exercisable by the ordinary shareholder.
5. A proxy appointment must be in writing, dated and signed by the relevant shareholder.
6. Any alteration or correction made to this form of proxy must be signed in full and not initialled by the signatory.
7. Documentary evidence establishing the authority of a person signing the form of proxy in a representative capacity must be attached to this form, unless previously recorded by the company or waived by the chairman of the AGM.
8. A minor must be assisted by his/her parent/guardian and the relevant documentary evidence establishing his/her legal capacity must be attached to this form of proxy unless previously recorded by the company or waived by the chairman of the AGM.
9. When there are joint holders of shares, any one holder may sign the form of proxy.
10. The chairman of the AGM may reject or accept any form of proxy which is completed and/or received other than in compliance with these notes. A proxy may not delegate his/her authority to act on behalf of the shareholder to another person other than the chairman of the AGM.
11. The appointment of a proxy or proxies:
 - 11.1 Is suspended at any time to the extent that the shareholder chooses to act directly and in person in the exercise of any rights as a shareholder
 - 11.2 Is revocable, in which case the shareholder may revoke the proxy appointment by:
 - 11.2.1 Cancelling it in writing or making a later inconsistent appointment of a proxy
 - 11.2.2 Delivering a copy of the revocation instrument to the proxy and to the company
12. Should the instrument appointing a proxy or proxies have been delivered to the company, as long as the appointment remains in effect, any notice that is required by the Companies Act or the company's Memorandum of Incorporation to be delivered by such company to the shareholder, must be delivered by such company to:
 - 12.1 The shareholder, or
 - 12.2 The proxy or proxies, if the shareholder has directed the company to do so in writing and has paid any reasonable fee charged by the company for doing so
13. The proxy appointment remains valid only until the end of the relevant meeting at which it was intended to be used, unless revoked as contemplated in section 58(5) of the Companies Act.
14. It is requested that this form of proxy should be completed and returned to the company's transfer secretaries, Computershare Investor Services (Pty) Ltd, Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196 or PO Box 61051, Marshalltown, 2107, email: proxy@computershare.co.za so as to reach them by no later than 10:00 on Friday, 6 September 2024, for administrative purposes or thereafter to the company by no later than the commencement of the meeting, being 10:00 on Monday, 9 September 2024.

ADDITIONAL FORMS OF PROXY ARE AVAILABLE FROM THE TRANSFER SECRETARIES ON REQUEST.



Corporate information

Accelerate Property Fund Ltd	Incorporated in the Republic of South Africa) (Registration number 2005/015057/06) Share code: APF ISIN: ZAE000185815 Bond company code: APFE (Approved as a REIT by the JSE)
Holding company	Accelerate Property Fund Ltd incorporated in South Africa
Nature of business and principal activities	Property letting
Registered office and business address	Cedar Square Shopping Centre Management Office, 1st Floor, Corner Willow Avenue and Cedar Road, Fourways 2055, South Africa Tel: +27 (0)11 465 6925 Web: acceleratepf.co.za
Directors	TT Mboweni (Chairman) JF van der Merwe (Lead Independent) DJ Wandrag (Joint Chief Executive Officer) AM Schneider (Joint Chief Executive Officer) M de Lange (Chief Financial Officer) MN Georgiou K Madikizela AM Mawela JWA Templeton
Contact details	Joint CEO: Abri Schneider Email: abri@acceleratepf.co.za Tel: +27 (0)83 456 1229 Joint CEO: Dawid Wandrag Email: dawidw@acceleratepf.co.za CFO: Marelise de Lange Email: marelise@acceleratepf.co.za Tel: +27 (0)82 853 6518

Company secretary	Margi Pinto Email: margi@acceleratepf.co.za Tel: +27 (0)11 465 6925
Investor relations	Articulate Capital Partners Morné Reinders Email: morne@articulatepartners.com Tel: +27 (0)82 480 4541
Transfer secretaries	Computershare Investor Services (Pty) Ltd Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196, South Africa Private Bag X9000, Saxonwold 2132, South Africa Tel: + 27 (0)11 370 5000 Email: proxy@computershare.co.za Fax: +27 (0)11 688 2238
Equity sponsor	The Standard Bank of South Africa Ltd (Registration number 1962/000738/06) 30 Baker Street, Rosebank 2196, South Africa PO Box 61344, Marshalltown 2107, South Africa Tel: +27 (0)11 721 6125
Debt sponsor	Rand Merchant Bank, a division of FirstRand Bank Ltd (Registration number 1929/001225/06) 1 Merchant Place, Corner Rivonia Road and Fredman Drive, Sandton 2196, South Africa PO Box 786273, Sandton 2146, South Africa Tel: +27 (0)11 282 8000
Auditors	PricewaterhouseCoopers Inc. Chartered Accountants (SA) Registered Auditors 4 Lisbon Lane, Waterfall City, Jukskey View, 2090, South Africa Tel: +27 (0)11 772 3000
Internal auditors	LateganMashego Audit and Advisory (Pty) Ltd (Registration number 2001/107847/07) 11 Boca Walk, Highveld, Centurion 0157, South Africa Email: lindie@lateganmashego.co.za Tel: +27 (0)82 898 7644/(0)83 609 1159



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info@acceleratepf.co.za

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