2024

Consolidated and Separate

Annual Financial Statements

Restructuring for **resilience**

ACCELERATE

PROPERTY FUND

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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) *Independent non-executive (chairperson)*	1 February 2021 - current
Mr Abel Mawela BCom (Hons) MBA *Independent non-executive*	1 May 2019 – current
Dr Kolosa Madikizela PhD Construction Economics and Management Independent non-executive	1 June 2013 - current
Mr James (JWA) Templeton BCom (Hons), CFA Charterholder *Non-executive*	1 February 2022 - current

The chairperson 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 chairperson 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

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 31st 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. Julanie 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.

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.

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 chairperson
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 26 to 32.

The audited consolidated and separate financial statements set out on pages 34 to 113, 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 34 to 113, 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

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 Cresent 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 increased 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

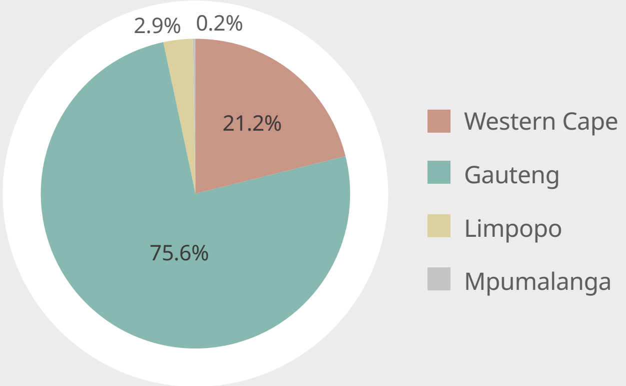
Directors' report *(cont.)*

Property portfolio

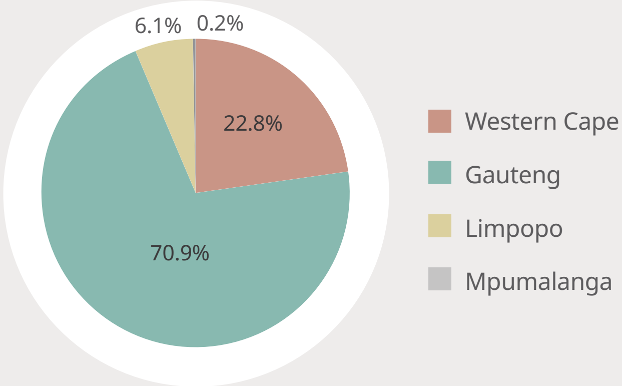
At year-end the portfolio consisted of 27 properties with a total value of R8,7 billion (Investment property including non-current assets held-for-sale) and a gross lettable area of 361,364m^2. The group embarked on a strategy to reduce debt which included the raising of R300,0 million capital through 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:

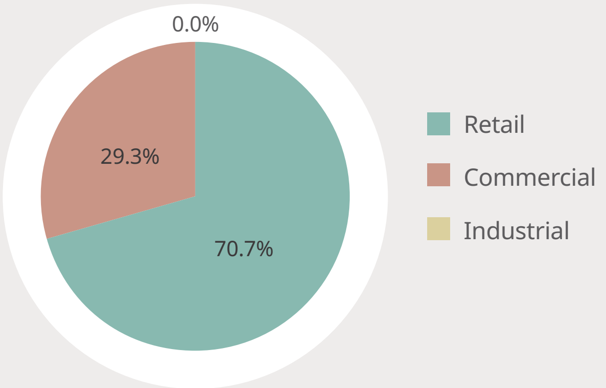
Geographical profile by revenue



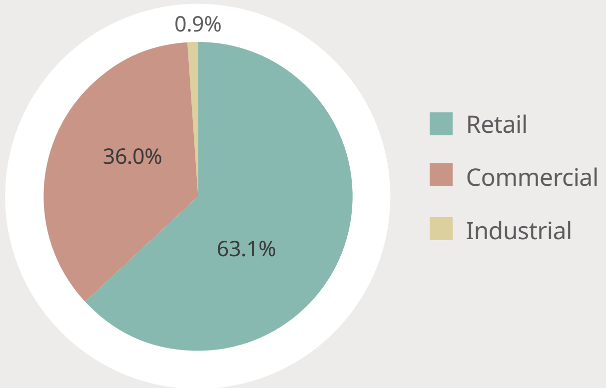
Geographical profile by GLA



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.

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

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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 34 to 113 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)*.

PricewaterhouseCoopers Inc., 4 Lisbon Lane, Waterfall City, Jukskei View 2090
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.

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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.

Overall group materiality	R97.5 million
How we determined it	1% of consolidated total assets
Rationale for the materiality benchmark applied	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.

Independent Auditor's Report *(cont.)*

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	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.

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• 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

Independent Auditor's Report *(cont.)*

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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.

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 31 Mar 2024 R'000	GROUP 31 Mar 2023 R'000	COMPANY 31 Mar 2024 R'000	COMPANY 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**

		GROUP		COMPANY	
	Notes	**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 31 Mar 2024 R'000	GROUP 31 Mar 2023 R'000	COMPANY 31 Mar 2024 R'000	COMPANY 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.

		GROUP		COMPANY	
	Note	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)		

Consolidated and Separate Audited Annual Financial Statements

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	13						

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	13			

Consolidated and Separate Audited Annual Financial Statements

Consolidated Statement of Cash Flows

for the year ended 31 March 2024

		GROUP		COMPANY	
	Note	**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.

Consolidated and Separate Audited Annual Financial Statements

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.*

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.

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.

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.

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

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.

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.

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 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

		GROUP		COMPANY	
	Notes	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:

		GROUP		COMPANY	
	Notes	**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 m²	R264,98	R207,74	R267,15	R203,18
Rental/m² 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 m²	R250,87	R177,84	R250,87	R149,96
Rental/m² 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 m²	R270,64	R230,13	R270,64	R230,13
Rental/m² 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 m²	-	R85,50	-	R85,50
Rental/m² 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:

		GROUP		COMPANY	
	% change	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 m^2
- 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**	
Accelerate Treasury Proprietary Limited	1 067	2 112	(1 067)	(2 112)

7. Loans Due To/(From) Subsidiaries

	COMPANY	
Subsidiaries	**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.

			GROUP		COMPANY	
	Nominal interest rate %	**Maturity**	**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

	GROUP		COMPANY	
Trade and other receivables consist of:	**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

	GROUP		COMPANY	
Expected credit losses per Statement of Comprehensive Income:	**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

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 (m^2)**	**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 m²	R131,92	*	R131,92	*
Rental / m² 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 m²	R129,13	*	R129,13	*
Rental / m² 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 m²	R134,45	*	R134,45	*
Rental / m² 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 m²	*	-	*	-
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.

		GROUP		COMPANY	
	% change	**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.*

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:

			GROUP		COMPANY	
Facility	**Interest rate %**	**Maturity date**	**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

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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

	GROUP		COMPANY	
Revenue consists of:	**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

	GROUP		COMPANY	
Property expenses consist of:	**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

		GROUP		COMPANY	
	Notes	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 31 Mar 2024 R'000	GROUP 31 Mar 2023 R'000	COMPANY 31 Mar 2024 R'000	COMPANY 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 renumeration 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

	GROUP		COMPANY	
Fair value adjustments consist of adjustments to:	**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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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* Mr James Templeton*
Other related parties	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*

	GROUP		COMPANY	
Related party balances and transactions consist of:	**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.

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, 9 325,5m^2 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	
Total operations	**31 Mar 2024 R'000**	**31 Mar 2023 R'000**
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.)*

Basic and diluted loss and headline earnings per share (cents)	GROUP 31 Mar 2024 R'000	31 Mar 2023 R'000
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

	GROUP			COMPANY			
31 Mar 2024	**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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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.*

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%).

		GROUP		COMPANY	
	% change	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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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 x LGD x 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.

	31 Mar 2024			31 Mar 2023		
Company	**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**		

Notes to the Annual Financial Statements *(cont.)*

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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.

R'000	Opening balance	Stage 1	Stage 2	Stage 3	Closing balance
			31 Mar 2024		
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.

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:

	GROUP		COMPANY	
31 Mar 2024 Tenant type	**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:

	31 Mar 2024		
GROUP	**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.

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.

		GROUP		COMPANY	
	Notes	**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 114 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.

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

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 %
Variable interest-rate borrowings		
Floating reference rate plus weighted average margin		
Fixed interest-rate borrowings		
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

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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

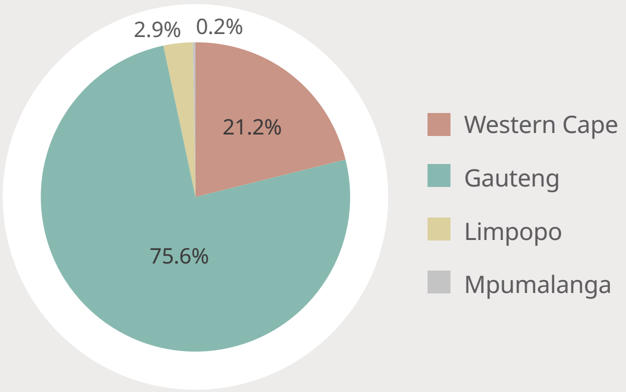
Appendix C

Property Information

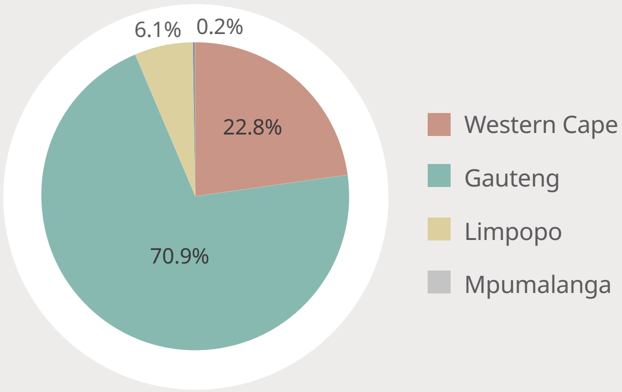
Building	Region	Sector	GLA m²	Gross rental per m²	Fair value 31 March 2024 R'000	Value of bulk included in fair value R'000
Retail						
Fourways Mall (50%)	Gauteng	Retail	88 785	223	3 946 636	190 810
Cedar Square Shopping Centre	Gauteng	Retail	44 210	156	885 273	182 012
Eden Meander	Western Cape	Retail	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		469 260	469 260
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

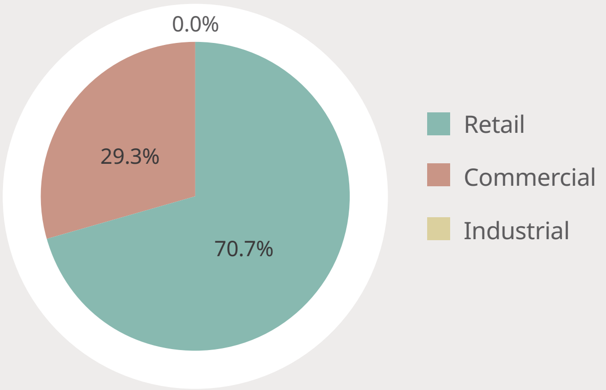
Geographical profile by revenue



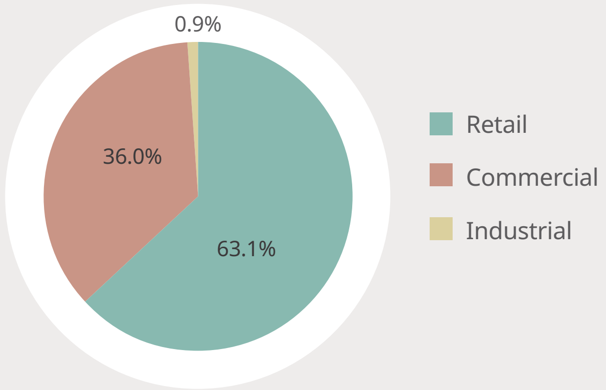
Geographical profile by GLA



Sectoral profile by revenue



Sectoral profile by GLA



Consolidated and Separate Audited Annual Financial Statements

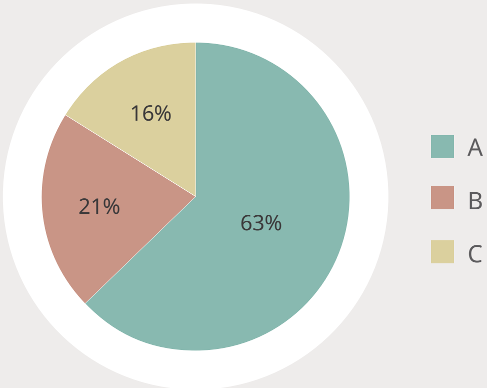
Appendix C *(cont.)*

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.

Category	% Based on GLA
A	63
B	21
C	16



Vacancy profile

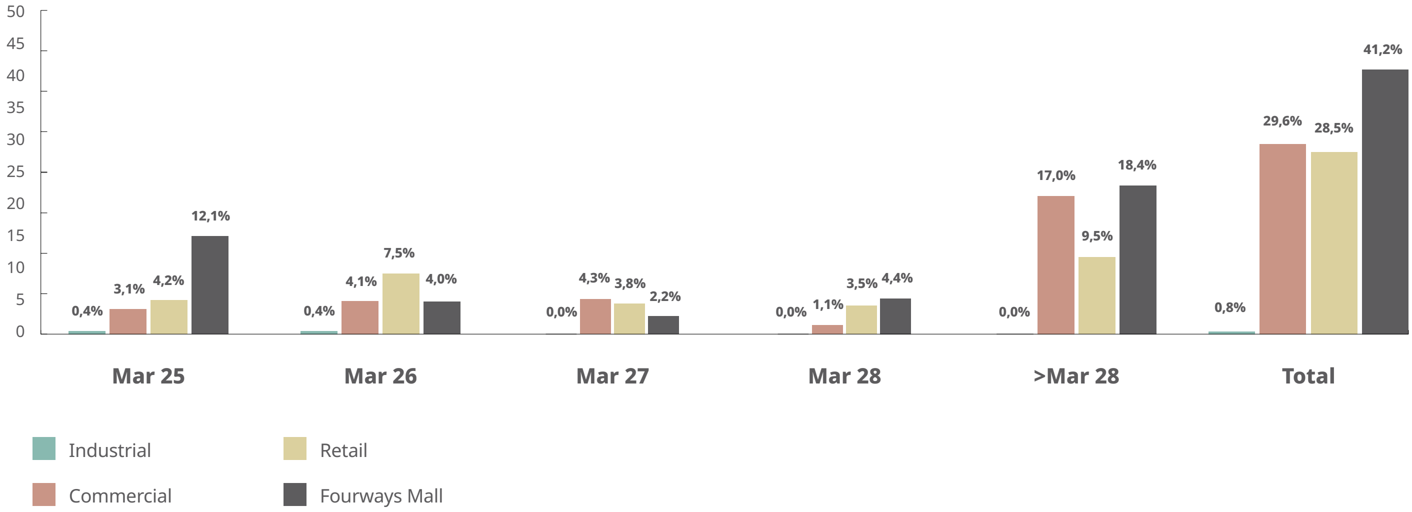
Vacancy profile per sector:

Category	Total	Retail	Commercial	Industrial
2024	**21,1%**	13,9%	31,6%	100%
2023	**18,2%**	10,4%	31,1%	100%

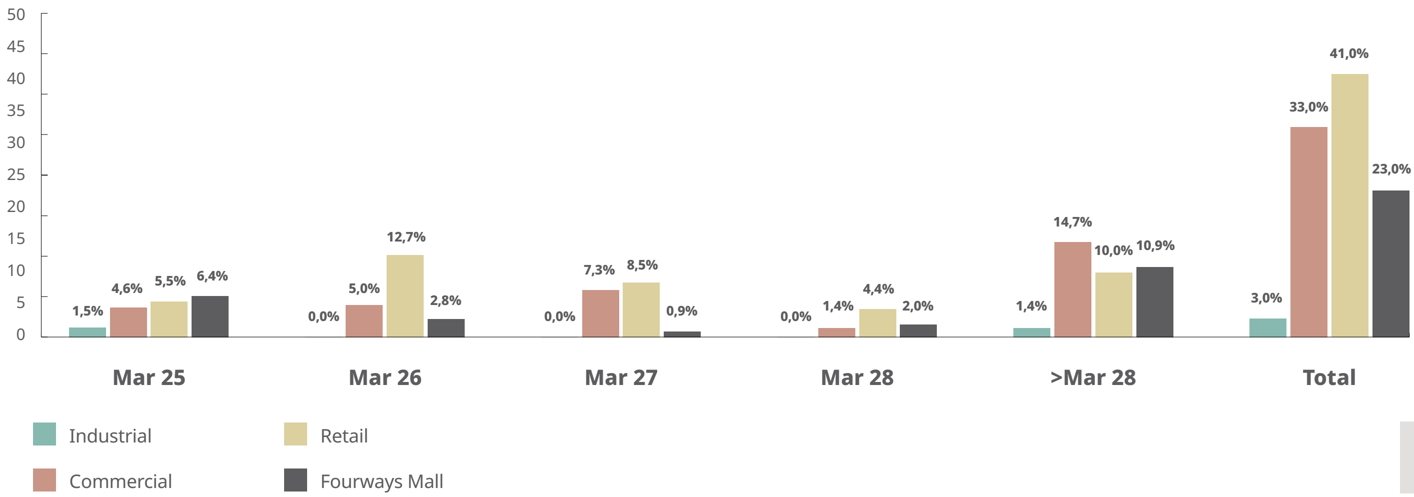
The above vacancy percentages represent the vacant space per sector excluding the effect of the Fourways Mall headlease.

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%**



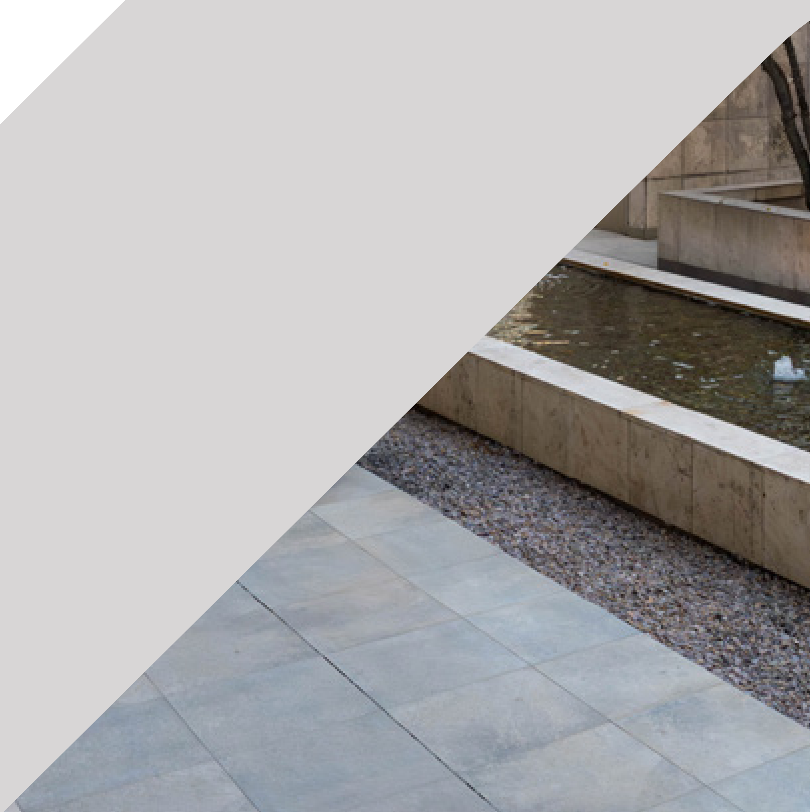
By GLA	Mar 25	Mar 26	Mar 27	Mar 28	> Mar 28	Total
Industrial	1,5%	0,0%	0,0%	0,0%	1,4%	2,9%
Commercial	4,6%	5,0%	7,3%	1,4%	14,7%	33,0%
Retail	5,5%	12,7%	8,5%	4,4%	10,0%	41,1%
Fourways Mall	6,4%	2,8%	0,9%	2,0%	10,9%	23,0%
Total	**18,0%**	**20,5%**	**16,7%**	**7,8%**	**37,0%**	**100,0%**



Appendix C *(cont.)*

Average annualised property yield

	Group		Company	
Weighted average yield	**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



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