



A LEADING PORTFOLIO



NOTICE OF ANNUAL
GENERAL MEETING
for the year ended 31 March

2015

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LETTER TO SHAREHOLDERS

Dear shareholder

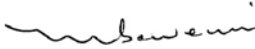
On behalf of the board of directors (board), you are invited to attend the second annual general meeting (AGM) of Accelerate Property Fund Ltd (Accelerate) to be held at Cedar Square Shopping Centre, Management Office, 1st Floor, Cnr Willow Avenue and Cedar Road, Fourways, Johannesburg on Monday, 27 July 2015 at 10:00.

You are encouraged to attend and vote at the AGM as this is your opportunity to meet and question members of the board regarding Accelerate's performance for the year ended 31 March 2015.

The detailed notice of the AGM and supporting documentation is attached hereto. The notice is accompanied by explanatory notes setting out the reasons and the effects of all the proposed ordinary and special resolutions contained in the notice of AGM. The full integrated report is available on the company's website at www.acceleratepf.co.za.

If you are not able to attend the AGM, you are able to vote by proxy in accordance with the instructions on the AGM notice and form of proxy.

Yours sincerely



Mr Tito Titus Mboweni
*Accelerate Property Fund
Chairman*

19 June 2015

NOTICE OF ANNUAL GENERAL MEETING

ACCELERATE PROPERTY FUND LIMITED
(Incorporated in the Republic of South Africa)
(Registration No 2005/015057/06)
JSE code: APF ISIN code: ZAE000185815

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to the action you should take, please consult your Central Securities Depository Participant (CSDP), broker, banker, legal advisor, accountant or other professional advisor immediately.

Notice is hereby given that the second AGM of shareholders of Accelerate Property Fund Ltd (Accelerate or the company) will be held at Accelerate's registered office, in the main boardroom, Cedar Square Shopping Centre, Management Office, 1st Floor, Cnr Willow Avenue and Cedar Road, Fourways, Johannesburg on Monday, 27 July 2015 at 10:00 (AGM notice) to deal with the business as set out below and to consider and if deemed fit, to pass, with or without modification, the ordinary and special resolutions as set out in this notice.

Accelerate shareholders are advised that they or their proxies may participate in (but not vote at) this AGM by way of telephone conference and if they wish to do so:

- must contact the company secretary, **iThemba Governance & Statutory Solutions (Pty) Ltd** by email: joanne@ithembaonline.co.za before 10:00 on Friday, 24 July 2015 to receive dial-in instructions for the conference call;
- will be required to provide reasonably satisfactory identification, as described below; and
- will be billed separately by their own telephone service providers for their telephone call to participate in the AGM.

Please note that while it is possible to participate in the AGM through this medium, there is no facility for electronic voting and accordingly, Accelerate shareholders are required to submit their forms of proxy to the transfer secretaries, as described below.

Kindly note that in terms of section 63(1) of the Companies Act, 71 of 2008 as amended (Companies Act) participants in the AGM (including Accelerate shareholders and their proxies) are required to provide reasonably satisfactory identification before being entitled to attend or participate in the AGM via telephone conference. Forms of identification include valid identity documents, driver's licence and passports.

Important dates and times

Important dates to note:

	Date
Record date for receipt of notice of AGM	Friday, 19 June 2015
Integrated annual report posted on www.acceleratepf.co.za	Friday, 26 June 2015
Post AGM notice and summarised AFS	Friday, 26 June 2015
Last day to trade in order to be eligible to participate in and vote at the AGM	Friday, 10 July 2015
Record date to determine which Accelerate shareholders are entitled to participate in and vote at the AGM	Friday, 17 July 2015
Last day to lodge forms of proxy for the AGM	Friday, 24 July 2015
AGM to be held at 10:00 on	Monday, 27 July 2015
Results of AGM released on SENS on	Monday, 27 July 2015

Presentation of annual financial statements

Simultaneously with the posting of this notice of the AGM, the full annual financial statements and integrated report of Accelerate have been published on the company's website at www.acceleratepf.co.za and are also available at the registered office of Accelerate and on request from the company secretary.

The audited annual financial statements of the company for the year ended 31 March 2015, including the directors' report, the independent auditor's report and the report of the audit and risk committee are to be presented as required in terms of section 30(3)(d) of the Companies Act.

Report from the social and ethics committee

In accordance with Companies Regulation 43(5)(c), the chairman of the social and ethics committee, or in her absence, any member of the social and ethics committee, will present the committee's report to shareholders at the AGM.

Ordinary resolutions

Each of the ordinary resolutions 1 to 7 requires the support of a simple majority (that is, 50% + 1) of the votes exercised in respect of each resolution in order to be adopted.

Ordinary resolution no. 1.1 – 1.2: Election of directors

In accordance with the company's memorandum of incorporation (MOI), one third of the non-executive directors must retire from office at the AGM and may, if eligible and willing, offer themselves for re-election. Mr Timothy J Fearnhead and Ms Kolosa Madikizela will be retiring from office at the AGM and have confirmed their willingness to continue to serve as members of the board. Brief resumes details of these two directors and the remaining members of the board are contained on pages 17 to 18 of this AGM notice.

Ordinary resolution 1.1

"Resolved that Ms Kolosa Madikizela be and is hereby re-elected as a director of the company."

Ordinary resolution 1.2

"Resolved that Mr Timothy J Fearnhead be and is hereby re-elected as a director of the company."

Ordinary resolution no. 2.1 – 2.3: Election of the audit and risk committee members

In terms of section 94(2) of the Companies Act, a public company must at each AGM elect an audit committee comprising at least three members who are independent non-executive directors and who meet the criteria of section 94(4) of the Companies Act. Regulation 42 to the Companies Act specifies that one third of the members of the audit committee must have appropriate academic qualifications or experience in the areas listed in the Regulation.

The board is satisfied that the proposed members of the audit and risk committee meet all relevant statutory requirements, including being independent non-executive directors as defined by The King Code on Corporate Governance for South Africa, 2009 (King III).

Brief resumes of the independent non-executive directors offering themselves for election as members of the audit and risk committee of the company are contained on pages 17 to 18 of this AGM notice.

Ordinary resolution 2.1

"Resolved that Mr Timothy J Fearnhead be and is hereby elected as a member and chairman of the audit and risk committee."

Ordinary resolution 2.2

"Resolved that Dr Gert C Cruywagen be and is hereby elected as a member of the audit and risk committee."

Ordinary resolution 2.3

"Resolved that Ms Kolosa Madikizela be and is hereby elected as a member of the audit and risk committee."

"Subject to re-election as a director pursuant to ordinary resolution 1.1 above."

Ordinary resolution no. 3: Appointment of external auditor

Ernst & Young has indicated its willingness to continue in office and the audit and risk committee has recommended that shareholders approve the re-appointment of Ernst & Young as the company's auditors.

"Resolved that, upon the recommendation of the audit and risk committee of Accelerate, Ernst & Young, represented by Rosanne de Lange as the audit partner, be and is hereby appointed as the independent registered auditor of the company (to report on the financial year ending 31 March 2016) meeting the requirements of section 90(2) of the Companies Act, until the conclusion of the next AGM."

Ordinary resolution no. 4: Non-binding advisory vote on the company's remuneration philosophy

King III recommends that the remuneration philosophy of the company be submitted to shareholders for consideration and for an advisory, non-binding vote to provide shareholders with an opportunity to indicate should they not be in support of the material provisions of the remuneration philosophy and policy of the company. Shareholders are referred to the remuneration philosophy as set out on pages 21 to 24 of the notice of the AGM.

"Resolved, by way of a non-binding advisory vote, that the remuneration philosophy of the company be and is hereby approved."

Ordinary resolution no. 5: To place the unissued authorised ordinary shares of the company under the control of the directors

In terms of the company's MOI, shareholders of Accelerate must approve the placement of the unissued authorised ordinary shares of no par value (ordinary shares) under the control of the directors.

Note: No issue will be made that could effectively transfer control of the company without the prior approval of shareholders at a general meeting.

"Resolved that the unissued authorised ordinary shares of no par value in the company be and are hereby placed under the control and authority of the directors of the company who are authorised (subject to provisions of the Companies Act, the company's MOI and the JSE Listings Requirements), until the next AGM, provided that it shall not extend beyond 15 months from the date of passing this resolution, to allot or issue any such shares at their discretion.

NOTICE OF ANNUAL GENERAL MEETING CONTINUED

provided that in all instances (save in respect of an offer of unissued shares to existing shareholders pro rata to their shareholdings), the following requirements are complied with:

- The number of shares that may be allotted or issued in aggregate, is limited to 10% of the company's issued shares at the date of passing of this resolution;
- The maximum discount permitted will be 5% of the weighted average traded price of the shares in question, measured over the three business days prior to the date of each issue of new shares or the three business days prior to the date the directors resolve to issue such new shares or the 30 business days prior to the date the directors resolve to issue such new shares.

Ordinary resolution no. 6: Specific authority to issue shares to afford shareholders distribution re-investment alternatives

"Resolved that, subject to the provisions of the Companies Act and the JSE Listings Requirements, the directors be and are hereby authorised, by way of a specific standing authority to issue ordinary shares as and when they deem appropriate, for the exclusive purpose of affording shareholders of Accelerate opportunities from time to time to elect to re-invest their distributions in new ordinary shares of the company."

Ordinary resolution no. 7: Signing authority

"Resolved that any director of the company be and is hereby authorised to sign all such documents and do all such things as may be necessary for or incidental to the implementation of those ordinary and special resolutions to be proposed and duly passed at this AGM."

Special resolutions

Each of the special resolutions 1 to 3 requires a minimum of 75% majority of the votes exercised in its favour in order for the resolution to be adopted.

Special resolution no. 1.1 – 1.6: Non-executive directors' fees

In terms of section 66(8) and 66(9) of the Companies Act, companies may pay remuneration to directors for their services as directors unless otherwise provided by the MOI and an approval of shareholders by way of a special resolution. Executive directors are not specifically remunerated for their services as directors but as employees of the company and as such, the resolutions as included in the notice requests approval of the remuneration paid to non-executive directors for their services as directors of the company.

Special resolution no. 1.1

"Resolved that, the company be and is hereby authorised to pay the pro rata amount of R538 538 to Mr Tito T Mboweni in respect of his services as a director and chairman of the board, as contemplated in section 66(8) and 66(9) of the Companies Act, with effect from 1 April 2015 until 31 July 2015 whereafter his remuneration will increase to R1 643 424 until 31 July 2016 unless rescinded or amended by shareholders by way of a special resolution."

Special resolution no. 1.2

"Resolved that, the company be and is hereby authorised to pay the pro rata amount of R177 151 to Dr Gert C Cruywagen in respect of his services as a director of the board, as contemplated in section 66(8) and 66(9) of the Companies Act, with effect from 1 April 2015 until 31 July 2015 whereafter his remuneration will increase to R540 600 until 31 July 2016 unless rescinded or amended by shareholders by way of a special resolution."

Special resolution no. 1.3

"Resolved that, the company be and is hereby authorised to pay the pro rata amount of R106 290 to Mr John RP Doidge in respect of his services as a director of the board, as contemplated in section 66(8) and 66(9) of the Companies Act, with effect from 1 April 2015 until 31 July 2015 whereafter his remuneration will increase to R337 080 until 31 July 2016 unless rescinded or amended by shareholders by way of a special resolution."

Special resolution no. 1.4

"Resolved that, the company be and is hereby authorised to pay the pro rata amount of R124 005 to Mr Timothy J Fearnhead in respect of his services as a director of the board, as contemplated in section 66(8) and 66(9) of the Companies Act, with effect from 1 April 2015 until 31 July 2015 whereafter his remuneration will increase to R385 840 until 31 July 2016 unless rescinded or amended by shareholders by way of a special resolution."

Special resolution no. 1.5

"Resolved that, the company be and is hereby authorised to pay the pro rata amount of R106 290 to Ms Kolosa Madikizela in respect of her services as a director of the board, as contemplated in section 66(8) and 66(9) of the Companies Act, with effect from 1 April 2015 until 31 July 2015 whereafter her remuneration will increase to R337 080 until 31 July 2016 unless rescinded or amended by shareholders by way of a special resolution."

Special resolution no. 1.6

"Resolved that, the company be and is hereby authorised to pay the pro rata amount of R106 290 to Prof Francois Viruly in respect of his services as a director of the board, as contemplated in section 66(8) and 66(9) of the Companies Act, with effect from 1 April 2015 until 31 July 2015 whereafter it will increase to R337 080 until 31 July 2016 unless rescinded or amended by shareholders by way of a special resolution."

Special resolution no. 2: Financial assistance to purchase or subscribe for securities and financial assistance to related or inter-related company or corporation

"Resolved that:

- (i) for purposes of section 44 of the Companies Act, the directors of the company, at any time and from time to time during the period of two years commencing on the date of this special resolution, be and are hereby authorised (subject to compliance with the requirements of the company's constitutional documents and the Companies Act, each as presently constituted and as amended from time to time), to grant financial assistance, as contemplated in section 44 of the Companies Act, to any person or entity for the purpose of, or in connection with, the subscription of any securities issued or to be issued by the company or a related or inter-related company, or for the purpose of any securities of the company or a related or inter-related company, on such terms and condition as the directors of the company deems fit; and
- (ii) for the purposes of section 45 of the Companies Act, the directors of the company, at any time and from time to time during the period of two years commencing on the date of this special resolution, be and are hereby authorised (subject to compliance with the requirements of the company's constitutional documents and the Companies Act, each as presently constituted and as amended from time to time) to grant direct or indirect financial assistance, as contemplated in section 45 of the Companies Act, to a related or inter-related (as defined in section 1 of the Companies Act) company or corporation or to a member of a related or inter-related corporation or to a person related to any such company or corporation on such terms and conditions as the directors of the company deems fit."

Reason for and effect of this special resolution: To the extent necessary under section 44 and 45 of the Companies Act, to authorise the directors of the company to provide financial assistance as contemplated under section 44 of the Companies Act in connection with the issuance of any securities issued or to be issued by the company or any related or inter-related company and to authorise the directors of the company to provide financial assistance as contemplated under section 45 of the Companies Act to a related or inter-related (as defined in section 1 of the Companies Act) company or corporation or to a member of a related or inter-related corporation or to a person related to any such company or corporation.

The board will not authorise any financial assistance in terms of section 44 or 45 above unless it has considered and is satisfied that:

- (i) considering all reasonably foreseeable financial circumstances of the company at that time, the company will, immediately after providing the financial assistance to related or inter-related companies, satisfy the solvency and liquidity test as required in terms of the Companies Act;
- (ii) The terms under which any financial assistance is proposed to be given are fair and reasonable to the company; and
- (iii) Any conditions or restrictions in respect of the granting of any financial assistance as set out in the company's MOI have been met.

Special resolution no. 3: Authority to repurchase ordinary shares

"Resolved that the company be and is hereby authorised, by way of a general approval, to acquire ordinary shares issued by the company, in terms of the Companies Act, the company's MOI and the JSE Listings Requirements, being that:

- any such acquisition of ordinary shares shall be implemented on the open order book of the JSE and without any prior arrangement;
- this general authority shall be valid until the company's next AGM, provided that it shall not extend beyond 15 months from the date of this special resolution;
- an announcement will be published as soon as the company or any of its subsidiaries has acquired ordinary shares constituting, on a cumulative basis, 3% of the number of ordinary shares in issue prior to the acquisition pursuant to which the aforesaid 3% threshold is reached, and for each 3% in aggregate acquired thereafter, containing full details of such acquisitions;
- acquisitions of ordinary shares in aggregate in any one financial year may not exceed 20% of the company's ordinary shares in issue as at the date of passing of this special resolution or 10% of the company's ordinary shares in issue in the case of an acquisition of ordinary shares in the company by a subsidiary of the company;

NOTICE OF ANNUAL GENERAL MEETING CONTINUED

- in determining the price at which ordinary shares issued by the company are acquired by it or any of its subsidiaries in terms of this general authority, the maximum premium at which such ordinary shares may be acquired will be 10% of the weighted average of the market value at which such ordinary shares are traded on the JSE over the five business days immediately preceding the date of repurchase of such ordinary shares;
- the company is duly authorised by its MOI to acquire ordinary shares it has issued;
- at any point in time, the company may only appoint one agent to effect any repurchase of ordinary shares on the company's behalf;
- the board authorises the acquisition, the company passes the solvency and liquidity test and that, from the time that test is done, there are no material changes to the financial position of the company;
- the company shall remain in compliance with the minimum shareholder spread requirements of the JSE; and
- the company and/or its subsidiaries do not repurchase any shares during a prohibited period in accordance with the JSE Listings Requirements, unless they have in place a repurchase programme in terms of which the dates and quantities of securities to be traded during the relevant period are fixed and full details of the programme have been disclosed in an announcement on the JSE's Stock Exchange News Service, (SENS) prior to the commencement of the prohibited period."

Reason for and effect of this special resolution

To permit the company or any of its subsidiaries, by way of a general approval, to acquire ordinary shares in the company as and when suitable opportunities to do so arise.

Note: although no acquisition of ordinary shares is contemplated at the time of this notice, the directors, having considered the effects of an acquisition of the maximum number of ordinary shares in terms of the foregoing general authority, are of the opinion that for a period of 12 months after the date of this notice of AGM:

- the company will be able, in the ordinary course of business, to pay its debts;
- the assets of the company, fairly valued in accordance with International Financial Reporting Standards (IFRS), will exceed the liabilities of the company; and
- the company's ordinary share capital, reserves and working capital will be adequate for ordinary business purposes.

The following additional information, which appears in this AGM notice, is provided in terms of section 11.26 of the JSE Listings Requirements, for purposes of the general authority:

- Major shareholders – page 20.
- Share capital of the company – page 27.

Directors' responsibility statement

The directors, whose names appear on pages 17 to 18 of this AGM notice, collectively and individually accept full responsibility for the accuracy of the information pertaining to this special resolution and certify that, to the best of their knowledge and belief, there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that the special resolution contains all information.

Material changes

Other than the facts and developments reported on in the annual financial statements, there have been no material changes in the affairs or financial position of the company and its subsidiaries since the date of signature of the audit report and up to the date of this notice of AGM.

Intentions

The directors have no specific intention, at present, for the company to acquire any of its ordinary shares but consider that such a general authority should be put in place should an opportunity present itself to do so during the year which is in the best interests of the company and its shareholders.

Voting and proxies:

1. A shareholder entitled to attend and vote at the AGM is entitled to appoint one or more proxies to attend and vote in his/her stead. A proxy need not be a shareholder of the company. Notwithstanding the appointment of a proxy by a shareholder who is a natural person, such member may attend the AGM in person and vote thereat, to the exclusion of the appointed proxy.
2. A form of proxy is attached to this AGM notice. Additional forms of proxy are obtainable from the company's share transfer secretaries, Computershare Investor Services (Pty) Ltd, or may be reproduced by photocopying the form of proxy provided.
3. The record date for the meeting in terms of section 62(3)(a) of the Companies Act, shall be Friday, 17 July 2015.
4. All forms of proxy or other instruments of authority must be deposited with the transfer secretaries, Computershare Investor Services (Pty) Ltd, Ground Floor, 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107) so as to be received not less than 24 hours before the appointed time for the holding of the meeting (excluding Saturdays, Sundays and public holidays).
5. If you are a certificated Accelerate shareholder or an own name dematerialised Accelerate shareholder and are unable to attend the AGM of Accelerate shareholders to be held at Accelerate's registered offices, in the main boardroom, Cedar Square Shopping Centre, Management Office, 1st Floor, Cnr Willow Avenue and Cedar Road, Fourways, Johannesburg on Monday, 27 July 2015 at 10:00, but wish to be represented thereat, you are required to complete the form of proxy attached hereto in accordance with the instructions therein and return it to the transfer secretaries, Computershare Investor Services (Pty) Ltd, Ground Floor, 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107, fax: 011 688 5238) so as to be received by no later than 10:00 on Friday, 24 July 2015.
6. If you are a beneficial owner of dematerialised Accelerate ordinary shares and are not an own name dematerialised Accelerate shareholder, then you may instruct your CSDP or broker as to how you wish to cast your vote at the AGM in order for them to vote in accordance with your instructions.
7. If you are a beneficial owner of dematerialised Accelerate ordinary shares and wish to attend the Accelerate AGM in person, please request your CSDP or broker to issue the necessary letter of representation to you. This must be done in terms of the agreement entered into between the dematerialised Accelerate shareholder (who is not an own name dematerialised Accelerate shareholder) and the CSDP or broker.

By order of the board



iThemba Governance & Statutory Solutions (Pty) Ltd

Secretaries

per: JR Matisonn

Company secretary

19 June 2015

Computershare Investor Services (Pty) Ltd

Transfer secretaries

ANNEXURE 1

CONDENSED FINANCIAL STATEMENTS

Statement of comprehensive income for the year ended 31 March 2015

	2015 R'000	2014 R'000
Revenue excluding straight-line rental revenue adjustment	699 696	204 844
Straight-line rental revenue adjustment	49 116	16 457
Revenue	748 812	221 301
Other income	465	48
Operating expenses	(36 317)	(8 354)
Property expenses	(205 750)	(65 697)
Operating profit (loss)	507 210	147 298
Finance income	12 743	1 607
Fair value adjustments	381 008	455 391
Gain on non-current assets held for sale or disposal groups	12 104	-
Finance costs	(172 016)	(51 485)
Profit (loss) before taxation and other comprehensive income	741 049	552 811
Taxation	-	-
Profit after tax	-	-
Other comprehensive income	-	-
Total comprehensive income attributable to equity holders	741 049	552 811
Earnings per share		
Per share information		
Basic earnings per share (including bulk ceded shares) (cents)	112.49	287.10
Diluted earnings per share (including bulk ceded shares) (cents)	111.25	269.00
	2015 R'000	2014 R'000
Distributable earnings		
Profit after taxation attributable to equity holders	741 049	552 811
Less: straight-line rental revenue adjustment	(49 116)	(16 457)
Less: fair value adjustments on investment property	(381 008)	(455 391)
Less: capital profit sale of Willows shopping centre	(12 104)	-
Plus: antecedent distribution Checkers acquisition	4 200	-
Distributable earnings	303 021	80 963

**Statement of financial position
as at 31 March 2015**

	2015 R'000	2014 R'000
Assets		
Non-current assets		
Investment property	6 803 437	6 096 790
Property, plant and equipment	234	89
Derivative financial assets	71 153	131 709
	6 874 824	6 228 588
Current assets		
Current tax receivable	15	-
Trade and other receivables	170 644	119 051
Cash and cash equivalents	58 817	57 643
	229 476	176 694
Non-current assets held for sale	28 420	66 866
Total assets	7 132 720	6 472 148
Equity and liabilities		
Equity		
Ordinary share capital	3 422 723	3 117 914
Retained income	1 174 197	654 047
Other reserves	7 223	-
	4 604 143	3 771 961
Liabilities		
Non-current liabilities		
Contingent compensation to vendor	46 236	209 784
Long-term borrowings	2 155 158	2 030 276
	2 201 394	2 240 060
Current liabilities		
Trade and other payables	88 327	101 843
Current portion of long-term debt	238 856	358 284
	327 183	460 127
Total liabilities	2 528 577	2 700 187
Total equity and liabilities	7 132 720	6 472 148

ANNEXURE 1 CONTINUED

CONDENSED FINANCIAL STATEMENTS CONTINUED

Statement of changes in equity for the year ended 31 March 2015

	Other reserves R'000	Share capital R'000	Retained income R'000	Total equity R'000
Balance at 01 April 2013	-	-	(12)	(12)
Total comprehensive income attributable to equity holders	-	-	552 811	552 811
Issue of shares	-	3 117 914	-	3 117 914
Retained earnings on listing	-	-	101 248	101 248
Total contributions by and distributions to owners of company recognised directly in equity	-	3 117 914	101 248	3 219 162
Balance at 01 April 2014	-	3 117 914	654 047	3 771 961
Total comprehensive income attributable to equity holders	-	-	741 049	741 049
Issue of shares	-	304 809	-	304 809
Distribution paid	-	-	(220 899)	(220 899)
Other reserves	3 023	-	-	3 023
Distribution reserve	4 200	-	-	4 200
Total contributions by and distributions to owners of company recognised directly in equity	7 223	304 809	(220 899)	91 133
Balance at 31 March 2015	7 223	3 422 723	1 174 197	4 604 143

Statement of cash flows for the year ended 31 March 2015

	2015 R'000	2014 R'000
Cash flows from operating activities		
Cash generated from operations	395 970	113 626
Finance income	12 743	1 607
Tax paid	(15)	-
Net cash from operating activities	408 698	115 233
Cash flows from investing activities		
Purchase of property, plant and equipment	(184)	(94)
Purchase of investment property	(244 080)	(5 512 474)
Contingent purchase	(163 548)	-
Proceeds from disposal of investment property	78 740	-
Net cash from investing activities	(329 072)	(5 512 568)
Cash flows from financing activities		
Proceeds on share issue	304 809	3 117 914
Long-term borrowings raised	740 998	2 388 560
Long-term borrowings repaid	(735 544)	-
Finance costs	(172 016)	(51 485)
Adjustment: opening retained earnings	-	(11)
Distribution paid	(220 899)	-
Antecedent distribution arising on new share issuance	4 200	-
Net cash from financing activities	(78 452)	5 454 978
Total cash movement for the year	1 174	57 643
Cash at the beginning of the year	57 643	-
Total cash at end of the year	58 817	57 643

Condensed segmental analysis

Management considers that segmental analysis is best achieved by aggregating properties into office, industrial, retail and specialised segments. There are no sales between segments.

For the year ended 31 March 2015	Office R'000	Industrial R'000	Retail R'000	Specialised R'000	Total R'000
Statement of comprehensive income 2015					
Revenue, excluding straight-line rental revenue adjustment	109 308	19 962	549 534	20 892	699 696
Straight-line rental adjustment	7 864	586	36 872	3 794	49 116
Property expenses	(37 380)	(4 128)	(162 285)	(1 957)	(205 750)
Segment operating profit	79 792	16 420	424 121	22 729	543 062
Fair value adjustments on investment property	64 698	20 889	327 137	28 841	441 565
Segment profit	144 490	37 309	751 258	51 570	984 627
Other operating expenses					(36 317)
Other income					12 569
Fair value gain on financial instruments					(60 557)
Finance income					12 743
Long-term debt interest					(172 016)
Profit before tax					741 049
Statement of financial position extracts at 31 March 2015					
Assets					
Investment property balance 1 April 2014	798 291	112 011	4 984 736	268 618	6 163 656
Acquisitions	-	149 388	-	-	149 388
Capitalised costs	50 475	-	44 217	-	94 692
Disposals/classified as held for sale	(28 420)	-	(66 560)	-	(94 980)
Investment property held for sale	28 420	-	-	-	28 420
Straight-line rental revenue adjustment	7 864	586	36 873	3 793	49 116
Fair value adjustments	64 698	20 889	327 137	28 841	441 565
Segment assets at 31 March 2015	921 328	282 874	5 326 403	301 252	6 831 857
Other assets not managed on a segmental basis					
Derivative financial instruments					71 153
Equipment					234
Current assets					229 476
Total assets					7 132 720

ANNEXURE 1 CONTINUED

CONDENSED FINANCIAL STATEMENTS CONTINUED

For the year ended 31 March 2015	Gauteng R'000	Western Cape R'000	KwaZulu- Natal R'000	Limpopo R'000	Total R'000
Statement of comprehensive income 2015					
Revenue, excluding straight-line rental revenue adjustment	599 320	83 863	7 599	8 914	699 696
Straight-line rental adjustment	42 339	5 241	359	1 177	49 116
Property expenses	(180 686)	(22 434)	(1 559)	(1 071)	(205 750)
Segment operating profit	460 973	66 670	6 399	9 020	543 062
Fair value adjustments on investment property	391 100	45 393	6 547	(1 475)	441 565
Segment profit	852 073	112 063	12 946	7 545	984 627
Other operating expenses					(36 317)
Other income					12 569
Fair value gain on financial instruments					(60 557)
Finance income					12 743
Long-term debt interest					(172 016)
Profit before tax					741 049
Statement of financial position extracts at 31 March 2015					
Investment property balance 1 April 2014	5 499 394	609 856	53 586	820	6 163 656
Acquisitions	-	149 388	-	-	149 388
Capitalised costs	5 251	45 224	-	44 217	94 692
Disposals/classified as held for sale	(66 560)	(28 420)	-	-	(94 980)
Investment property held for sale	-	28 420	-	-	28 420
Straight-line rental revenue adjustment	42 340	5 241	359	1 176	49 116
Fair value adjustments	391 100	45 393	6 547	(1 475)	441 565
Investment property at 31 March 2015	5 871 524	855 102	60 492	44 739	6 831 857
Other assets not managed on a segmental basis					
Derivative financial instruments					71 153
Equipment					234
Current assets					229 476
Total assets					7 132 720

Distributable earnings reconciliation

	2015 R'000	2014 R'000
Distributable earnings	303 021	80 963
Less: Interim distribution	141 555	-
Final distribution	161 466	80 963
Shares qualifying for distribution		
Number of shares at year end	691 423 255	638 916 916
Less: Bulk ceded shares to Accelerate	(51 070 184)	(51 070 184)
Shares qualifying for distribution	640 353 071	587 846 732
Distribution per share		
Final distribution per share (cents)	25,21490	13,77289
Interim distribution per share made (cents)	23,99368	-
Total distribution per share for the year (cents)	49,20858	13,77289

Earnings per share

	2015 R'000	2014 R'000
Basic earnings per share (EPS) amounts are calculated by dividing profit for the year attributable to ordinary equity holders of Accelerate by the weighted average number of ordinary shares outstanding during the year.		
Reconciliation of basic/diluted earnings to headline earnings		
Profit after tax attributable to equity holders	741 049	552 811
Fair value adjustment excluding straight-lining	(381 008)	(455 390)
Applicable taxation	-	-
Headline profit attributable to shareholders	360 041	97 421
Basic earnings per share (cents)*	112,49	287,50
Diluted earnings per share (cents)*	111,25	269,00
Headline earnings per share (cents)	54,65	50,59
Diluted headline earnings per share (cents)	54,05	47,41
Shares in issue at the end of the year	691 423 255	638 916 916
Weighted average number of shares in issue	658 789 533	192 550 303
Shares subject to the deferred acquisition costs	6 849 747	42 988 555
Shares subject to conditional share plan	447 872	-
Weighted average number of deferred shares	7 297 619	12 955 455
Total diluted weighted average number of shares in issue	666 087 152	205 505 758

* Basic earnings and diluted earnings are based on the same revenue figures but differ as a result of the use of the weighted average number of shares in issue for the year.

ANNEXURE 1 CONTINUED

CONDENSED FINANCIAL STATEMENTS CONTINUED

Notes to the financial statements

Corporate information

The condensed financial statements of Accelerate for the year ended 31 March 2015 were authorised for issue in accordance with a resolution of the directors passed on 19 June 2015. Accelerate is a public company incorporated and domiciled in South Africa whose shares are publicly traded on the JSE. The registered office is located at Cedar Square Shopping Centre, corner Cedar Road and Willow Avenue. The principal activities of Accelerate are acquisition, development and leasing of properties. The functional and presentation currency of Accelerate is South African rand thousands (R'000).

Basis of preparation

These condensed financial statements for the year ended 31 March 2015 are prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards (IFRS), contains the minimum information required by IAS 34: Interim Financial Reporting, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, the Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council, the requirements of the Companies Act, 71 of 2008, as amended (Companies Act) and the JSE Listings Requirements.

The accounting policies applied in the preparation of these condensed financial statements are in terms of IFRS and are consistent with those applied in the previous financial period, except for the new and amended IFRSs that became effective during the 31 March 2015 reporting period. None of which had any material impact on Accelerate's financial result.

These condensed financial statements have been prepared under the historical cost convention except for investment properties which are measured at fair value and certain financial instruments which are measured at either fair value or amortised cost.

The fair value of investment properties is determined by directors with reference to market-related information while other financial liabilities are valued with reference to market-related information and valuations as appropriate.

These condensed financial statements were prepared under the supervision of Mr Dimitri Kyriakides (CA)SA in his capacity as chief financial officer.

Business combinations

Acquisitions in 2014

On 12 December 2013, Accelerate acquired a property portfolio consisting of 51 properties during the listing on the JSE. The portfolio consists of retail, office, industrial and specialised buildings let under operating leases and the acquisition was made to give Accelerate access to those assets. The existing strategic management function and associated processes were acquired with the property and, as such, the directors consider this transaction to constitute the acquisition of a business, rather than that of an asset. The fair value of the identifiable assets and liabilities as at the date of acquisition was:

Fair value recognised at acquisition	2015	2014
Investment property	-	5 651 258 000
Derivative financial instruments	-	101 249 000
Gain on bargain purchase from derivative financial instrument obtained for no consideration	-	(101 249 000)
Purchase consideration transferred	-	5 651 258 000

The purchase consideration was settled in cash for R5 441 474 071 on the acquisition date and R209 784 554 in contingent purchase consideration. The incidental costs incurred in connection with the acquisition were carried by the Fourways Precinct (Pty) Ltd in accordance with the sales agreement.

Contingent purchase consideration

As part of the sale and purchase agreement, an amount of contingent purchase consideration has been agreed with the seller in accordance with the conditional deferred payment agreement. In accordance with this agreement, Accelerate will provide the seller with additional purchase consideration for any lettable vacant space excluded from the purchase consideration which is let within the first three years. This payment will be settled by Accelerate through the issue of additional shares in Accelerate in future when certain conditions have been met. As at the acquisition date, the fair value of the contingent purchase consideration was estimated at R209 784 554. During the year ending 31 March 2015 a portion of the vacant lettable space has been let in compliance with the conditions laid down in the agreement. As a result of this an amount R163 548 205 in shares was issued in terms of the contingent purchase consideration. The remaining contingent purchase consideration at 31 March 2015 is R46 235 795. This is a level 3 measurement in the fair value measurement hierarchy as at 31 March 2015. The fair value was determined using a discounted cash-flow (DCF) analysis using the significant unobservable valuation inputs, as provided below:

Inputs

	Range
Estimated rental value (ERV) per square metre	R45,36 – R133,38
Vacancy assumptions	5% – 10%
Equivalent yield	8,5% – 21,8%

Significant increases/(decreases) in the ERV (per sqm p.a.) and rental growth p.a. in isolation would result in a significantly higher/(lower) fair value measurement. Significant increases (decreases) in the long-term vacancy rate and discount rate (and exit or yield) in isolation would result in a significantly lower (higher) fair value measurement. Generally, a change in the assumption made for the ERV (per sqm p.a.) is accompanied by:

- a similar change in the rent growth p.a. and discount rate (and exit yield); and/or
- an opposite change in the long-term vacancy rate.

A reconciliation of fair value measurement of the contingent purchase consideration liability is provided below:

	2015	2014
Contingent purchase consideration		
Opening balance	209 784 000	-
Liability arising on business combination	-	209 784 000
Reduction due to vacancies filled	(163 548 205)	-
	46 236 795	209 784 000

The contingent purchase consideration is a mechanism used to shift the risk of vacant space from purchaser (Accelerate) to the various selling entities. The manner in which additional shares are issued to Fourways Precinct is unlikely to have a dilutive effect on yield.

Fair value of financial assets and liabilities

The table below sets out Accelerate's accounting classification of each class of financial asset and liability and their fair values at 31 March 2015.

	Carried at fair value R'000	Amortised cost [#] R'000	Total R'000
Financial assets			
Derivative financial assets*	71 153	-	71 153
Trade and other receivables	-	170 644	170 644
Cash and cash equivalents	-	58 817	58 817
Total financial assets	71 153	229 461	300 614
Financial liabilities			
Long-term interest-bearing borrowings	-	(2 155 158)	(2 155 158)
Trade and other payables	-	(88 327)	(88 327)
Current portion of long-term debt	-	(238 856)	(238 856)
Total liabilities	-	(2 482 341)	(2 482 341)

* The values of the derivative financial asset shown at fair value are based on inputs other than quoted prices that are observable in the market for the assets and liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices) – level 2.

[#] The carrying value of financial assets and liabilities carried at amortised cost is considered to approximate the fair value of those financial assets and liabilities. There have been no significant changes in valuation techniques or transfers between fair value hierarchy levels as this is the company's first year of operation.

ANNEXURE 1 CONTINUED

CONDENSED FINANCIAL STATEMENTS CONTINUED

Related parties

Relationships

M Georgiou (100% shareholder of Fourways Precinct (Pty) Ltd and Accelerate Property Management Company (Pty) Ltd) and A Costa are directors of both Accelerate Property Fund Ltd and Accelerate Property Management company (Pty) Ltd, both directors' full remuneration is paid by Accelerate. Please refer to the executive directors' remuneration note for further details.

	2015 R'000	2014 R'000
Related-party balances		
Property acquisitions		
Fourways Precinct (Pty) Ltd	-	3 715 049
Number of properties	-	11
GLA/(sqm)	-	175 132
Contingent purchase (note 1.12)		
Fourways Precinct (Pty) Ltd	46 236	209 784
Vacancy guarantee		
Fourways Precinct (Pty) Ltd (included in Trade receivables)	7 748	2 716
Related-party transactions		
Interest charged on outstanding amounts		
Interest owed by Fourways Precinct (Pty) Ltd	1 967	861
Accelerate Property Management		
Fourways Precinct (Pty) Ltd	3 885	1 158
Accelerate Property Management Company (Pty) Ltd (APMC)	2 648	1 148

Capital commitments

As per Accelerate's budgeting process, R60,5 million was allocated to Accelerate's planned capital expenditure and working capital requirements. As such, Accelerate views this amount as authorised and not contracted.

Subsequent events

Non-adjusting events after year-end

On 14 May 2015 Accelerate acquired a portfolio of 6 A grade office properties occupied by KPMG Inc. and KPMG Services (Pty) Ltd (collectively, KPMG) through the purchase of the entire issued ordinary share capital of Parktown Crescent Properties (Pty) Ltd (PCP) and 30% of the issued ordinary share capital of Wanooka Properties (Pty) Ltd (Wanooka), representing the remaining shares in Wanooka not already owned by PCP from current and retired KPMG partners.

The shareholding was acquired for a purchase consideration of R850 000 000. The portfolio will yield a total net rental of R64 500 000 per year in terms of a 15 year triple net lease with KPMG, escalating at 8% per annum for the first 12 years of the lease. In year 13 the rentals will revert to market related rentals less 10% and will continue to escalate at 8% for year 14 and 15.

Their acquisition was fully debt funded at a weighted average cost of funding of Jibar plus 164 basis points.

Auditor's review

Ernst & Young Inc, Accelerate's independent auditors, have reviewed these condensed financial statements and have expressed an unmodified review conclusion on these condensed financial statements, which are available for inspection at the company's registered office.

The review report does not necessarily report on all of the information contained in these condensed financial statements. Shareholders are therefore advised that, in order to obtain a full understanding of the nature of the auditor's engagement, they should obtain a copy of the auditor's report together with the accompanying financial information from the company's registered office.

Directors' responsibility statement

The directors of Accelerate assume full responsibility for the preparation of the condensed financial statements and has been correctly extracted from the underlying annual financial statements.

ANNEXURE 2

BOARD OF DIRECTORS

Mr Tito Titus Mboweni (56)

*Chairman, Independent non-executive director
BA, MA*

Mr Mboweni served as the Minister of Labour in the first post-apartheid government led by President Nelson Mandela from 1994 until 1998. At the time he was a member of the ANC's national executive committee (NEC) and convener of the NEC's subcommittee on economic transformation (the economic transformation committee or ETC). The ETC was responsible for developing the ANC's economic policy positions. Mr Mboweni became a member of the ANC's NEC again in January 2013, and sits on several subcommittees including the ETC, social transformation, finance and fundraising, and the Free State province subcommittees.

Mr Mboweni was appointed as advisor to Mr Chris Stals, governor of the South African Reserve Bank, from 1998 to 1999. In August 1999, he was appointed as governor of the South African Reserve Bank and retired in November 2009.

Mr Mboweni is an international advisor to Goldman Sachs International and was non-executive chairman of AngloGold Ashanti Ltd from 1 June 2011 to 17 February 2014. He is the non-executive chairman of Nampak Ltd and SocOil Holdings Ltd and a non-executive director of Discovery Ltd. Mr Mboweni is a trustee of the Nelson Mandela Children's Hospital Trust and chairman of the trust's fundraising committee. He is also a trustee of the Thabo Mbeki Foundation and holds a number of honorary qualifications and academic positions.

Mr Mboweni was appointed as non-executive chairman to the board of directors of the company (the board) on 1 June 2013.

Dr Gert Cruywagen (59)

*Lead independent director
MBS, PMD, PhD, FIRM(SA)*

Dr Cruywagen is a member of the King committee on corporate governance and the convener of its risk work group. He is the director of risk for the Tsogo Sun Group and an independent non-executive director of Denel SOC Ltd. He is the chairman of Denel Aerostructures SOC Ltd and chairman of the City of Johannesburg's group risk governance committee.

Dr Cruywagen holds fellowships, memberships and honorary memberships of a number of local and international risk management institutes and was voted South Africa's "Risk Manager of the Year" for 2002 and 2009.

Dr Cruywagen was appointed to the board on 1 June 2013.

Mr John Doidge (66)

*Independent non-executive director
BProc, attorney of the High Court of South Africa.*

Mr Doidge is an admitted attorney who has specialised in the law and practice of trusts, and has 30 years' experience in this field. He is a former general manager of Syfrets Trust, where he spent 15 years. Mr Doidge was responsible for establishing Maitland Trust in South Africa in the late '90s and he started what is now TMF Corporate Services (South Africa) (Pty) Ltd in 2003.

Mr Doidge has been involved in securitisation in South Africa since 2001 and has extensive experience in a wide variety of structured finance matters, and is a former chairman of the Association of Trust Companies in South Africa and founding member of the South African Securitisation Forum.

Over the last 12 years, Mr Doidge has served on a number of boards, many of which have listed notes or investment products. The listed notes pertain to securitisation and the listed investments to directorships of Satrix and DB X-Tracker Funds. He is the former chairman of Alexander Forbes Preference Share Investments Ltd, a company that was listed on the JSE.

Mr Doidge was appointed to the board on 1 June 2013.

Mr Tim Fearnhead (67)

*Independent non-executive director
CTA (Wits), CA (SA), Diploma in Advanced Banking (UJ)*

Mr Fearnhead is a chartered accountant and was a partner at Deloitte for 21 years. He joined Nedbank Ltd in 1997, where he held a number of senior financial management positions.

Mr Fearnhead retired from Nedbank in 2006 and is currently an independent consultant and financial trainer. He holds a number of non-executive board and committee positions and in addition is a trustee on numerous trusts. He consults regularly with clients on investment and estate planning.

Mr Fearnhead was appointed to the board on 1 June 2013.

Ms Kolosa Madikizela (35)

*Independent non-executive director
Master of Technology Degree in Construction Management*

Ms Madikizela was the general manager for engineering, projects and proposals at Aveng Water part of the Aveng Group. Ms Madikizela worked for blue-chip companies such as Shell South Africa and Life Healthcare Group in the facilities management, engineering and project management disciplines and was the chief executive officer of Nexus Facilities Management Company (Pty) Ltd with Neotel as their major client. Ms Madikizela is currently the Cape regional manager for Pragma.

Ms Madikizela was appointed to the board on 1 June 2013.

ANNEXURE 2 CONTINUED

BOARD OF DIRECTORS CONTINUED

Prof Francois Viruly (54)

Independent non-executive director

MA in Development Economics, BA (Hons) in Economics, BA (Economics and Industrial Sociology)

Prof Viruly is a property economist with over 20 years' experience in the analysis of the South African property market. He lectures in urban economics, property development and portfolio management at the University of Cape Town's School of Construction Economics and Management.

Prof Viruly held the position of chief economist at the Chamber of Mines and was head of research at JHI Professional Services and more recently Head of School of the School of Construction Economics and Management at the University of Witwatersrand. He is presently an Associate Professor at the University of Cape Town (UCT).

He is a fellow of the Royal Institute of Chartered Surveyors (RICS) and chairs the University of Cape Town senate ethics in research committee. He also acts as an expert witness in property-related cases. Prof Viruly has undertaken extensive research into the South African property cycle, the drivers of the South African property market and the relationship between urban economics and property markets.

Prof Viruly was appointed to the board on 1 April 2014.

Mr Michael Georgiou (45)

Chief executive officer

Mr Georgiou owns one of the largest private property portfolios in South Africa.

In a property career spanning over 20 years, he has successfully acquired and/or developed over 100 properties including the following prominent properties: Fourways Mall Shopping Centre; Cedar Square, Fourways (award-nominated); Loch Logan Waterfront Shopping Centre, Bloemfontein (award-nominated); Windmill Casino Hotel and Retail Complex; the Fort Drury Complex and the Sediba Building for Department of Public Works; College Acre Development for Liberty Holdings Ltd and First National Bank, a division of the First Rand Group.

Mr Georgiou has a wealth of property knowledge and is respected as a market leader by his peers within the property industry.

Mr Georgiou was appointed to the board on 1 January 2013.

Mr Andrew Costa (44)

Chief operating officer

BCom, LLB

Before his appointment to the board, Mr Costa spent nine years at the corporate and investment banking division of Standard Bank Group Ltd, where he was a director and head of debt capital markets.

Mr Costa has been involved in local and international transactions issuing vanilla bonds, high-yield bonds, convertible bonds, bank and insurance capital, preference shares and hybrid capital transactions. His Clients have included among others, the Republic of South Africa, Anglo American plc, Barlworld Ltd, SAB Miller plc, the Goldman Sachs Group, Inc., Standard Bank Ltd and Hyprop Investments Ltd.

Mr Costa was a member of Standard Bank's focus team that advised on the Municipal Finance Management Act, 56 of 2003, the Public Finance Management Act, 1 of 1999, and the JSE Debt Listings Requirements. In addition, he was a member of the Debt Issuers Association and an approved JSE debt sponsor.

Prior to this, Mr Costa was a director in the corporate law department of attorneys Cliffe Dekker Inc. and specialised in mergers and acquisitions, corporate restructurings and competition law.

Mr Costa was appointed to the board on 1 April 2013.

Mr Dimitri Kyriakides (60)

Chief financial officer

CA(SA)

Mr Kyriakides qualified as a CA(SA) in 1981 after serving articles with Coopers & Lybrand, now known as PricewaterhouseCoopers.

Mr Kyriakides then joined Pick n Pay Stores Ltd as chief regional accountant for the Pretoria hypermarkets. In 1986, he joined a firm of chartered accountants in Pretoria as an audit partner.

In 1989, Mr Kyriakides moved to Johannesburg as an audit partner at Myers Tennier & Co and in 1995, he purchased an interest in a manufacturing concern, which he managed, and eventually disposed of in 2006.

In 2009, Mr Kyriakides was appointed by the Georgiou family to assist with the management and administration of its Johannesburg-based properties. During this time, he gained valuable experience and expertise in all facets of the commercial property industry, from property administration to maintenance, leasing, selling and buying of properties, and property development.

Mr Kyriakides was appointed to the board on 1 January 2013.

Mr John Paterson (41)

Executive director

BA, LLB, LLM

Mr Paterson is an admitted attorney having served his articles at Webber Wentzel Bowers. Prior to joining the banking industry, he was an associate director at Fitch Ratings and was responsible for rating over R25 billion of debt funding in the South African capital markets.

Mr Paterson joined Investec Ltd (Investec) in 2005, where he was the head of debt capital markets and was a member of Investec's strategic asset liability committee. Mr Paterson was responsible for raising in excess of R10 billion of debt against Investec's various property portfolios and he oversaw a capital markets debt portfolio of approximately R20 billion. He was part of the team that was responsible for a number of securitisation, commercial paper and bond transactions for corporates including listed property counters.

Mr Paterson left Investec to establish an independent debt advisory business focusing on, among others, funding structures for the commercial property sector. He brings a wealth of banking, rating advisory and capital markets experience to Accelerate.

Mr Paterson was appointed to the board on 1 January 2013.

ANNEXURE 3

EXECUTIVE MANAGEMENT

Mr Michael Georgiou
Chief executive officer

Mr Andrew Costa
Chief operating officer
BCom, LLB

Mr Dimitri Kyriakides
Chief financial officer
CA(SA)

Mr John Paterson
Executive director
BA, LLB, LLM

ANNEXURE 4

SHAREHOLDERS' ANALYSIS

	Number of shareholdings	%	Number of shares	%
Shareholder spread				
1 – 100 shares	37	5,84	1 791	0,00
101 – 1 000 shares	66	10,41	34 411	0,00
1 001 – 50 000 shares	236	37,22	3 623 447	0,52
50 001 – 100 000 shares	69	10,88	5 442 209	0,79
100 001 – 10 000 000 shares	211	33,28	200 881 362	29,05
More than 10 000 000 shares	15	2,37	481 440 035	69,63
Totals	634	100,00	691 423 255	100,00
Distribution of shareholders				
Banks	6	0,95	1 113 579	0,16
Close corporations	1	0,16	22 000	0,00
Endowment funds	49	7,73	6 382 993	0,92
Individuals	265	41,80	2 542 963	0,37
Insurance companies	17	2,68	16 499 704	2,39
Investment companies	6	0,95	384 623	0,06
Medical schemes	8	1,26	1 814 049	0,26
Mutual funds	102	16,09	282 734 583	40,89
Nominees	2	0,32	222 603	0,03
Private companies	16	2,52	215 877 154	31,22
Public companies	2	0,32	394 720	0,06
Retirement funds	119	18,77	120 094 244	17,37
Trusts	41	6,47	43 340 040	6,27
Totals	634	100,00	691 423 255	100,00
Public/non-public shareholders				
Non-public shareholders	2	1,26	256 063 772	37,03
Directors of the company	2	1,26	256 063 772	37,03
Public shareholders	626	98,74	435 359 483	62,97
Totals	628	100,00	691 423 255	100,00

ANNEXURE 5

REMUNERATION REVIEW

Dear shareholder

The board of Accelerate Property Fund Ltd and the remuneration committee is pleased to submit its remuneration report for the year ended 31 March 2015. Subsequent to the listing, PwC were engaged as an independent advisor to undertake an in-depth benchmarking exercise for the executive directors, as a result of which appropriate short term and long-term incentives were introduced.

The targets of the short- and long-term incentives were set with the dual purpose of being sufficiently stretching, so that superior performance is required for payout of any short-term incentive, and for vesting of long-term awards as well as driving the appropriate long-term behaviour in executives to align the executives with stakeholders in the company.

Accelerate finds itself in one of the biggest sectors, by number of competitors, on the JSE. As a result there is a need to attract and retain high quality professionals from a limited pool.

The remuneration of executive directors has been designed to support an entrepreneurial spirit appropriate to a newly listed company, through the investment in a high calibre of employees who have the experience and ability to drive the performance of the company in a limited resource environment.

Further, we have endeavoured to ensure that appropriate safeguards are built into the remuneration structures to ensure that behaviour which exposes you to unnecessary risk is not encouraged.

The company believes that its remuneration policy plays an essential role in realising business strategy and therefore should be competitive and appropriate for the market in which Accelerate operates.

The remuneration committee

Membership

The remuneration committee (the committee) consists of three independent non-executive directors. At 31 March 2015, the committee comprised the following members:

- Mr JRP Doidge (chairman)
- Mr TJ Fearnhead, non-executive director
- Mr TT Mboweni, non-executive director

Terms of reference

The committee operates according to formal terms of reference that are delegated to it by the board and represent the scope of its responsibilities. The committee confirms that it has discharged the functions and complied with its terms of reference for the year ended 31 March 2015. The terms of reference can be found on www.acceleratepf.co.za

Key activities and recommendations

During the year under review, the committee met on 15 June 2014 and 24 March 2015

The key activities and recommendations of the committee during 2015 included, inter alia, the following:

- benchmarking of executive directors' remuneration;
- approval of a remuneration philosophy.

Remuneration philosophy and elements of pay

Elements of pay

Fixed remuneration and benefits

Total guaranteed package (TGP): Accelerate follows a TGP approach to structure remuneration for employees.

The TGP is the total benefit to the individual, as well as the total cost to the organisation. Guaranteed remuneration reflects the employee's role and job worth within Accelerate and is payable for doing the expected day-to-day job requirements, and forms the basis of the company's ability to attract and retain the required skills.

At present, Accelerate's TGP approach is not structured to include any benefits to staff members.

Variable remuneration

Short-term incentive (STI): Employees are eligible for an annual STI, which is calculated on an additive basis, and will be based on both personal and business scores, determined with reference to the financial performance of the company and the achievement of personal key performance indicators.

ANNEXURE 5 CONTINUED

REMUNERATION REVIEW CONTINUED

Indicator	Weighting
Business/financial indicator* Achievement of financial metrics, including: <ul style="list-style-type: none"> • Loan to value ratio • Debt expiry profile • Interest rate hedging • Hedging expiry profile • Debt rating Achievement of operational metrics, including: <ul style="list-style-type: none"> • Property cost to income ratio • Vacancies • Operating expense ratio • Arrears (as percentage of collectibles) * Subject to adjustments approved by the committee. Such adjustments would be for instances such as acquisitions, disposals and redevelopments, during the performance period.	70%
Personal indicator Achievement of personal KPIs, including: <ul style="list-style-type: none"> • Key executive responsibilities • Compliance with industry best standards • Development of people/culture/values • Industry perception For the business/financial indicators the vesting levels for threshold, target and stretch levels of performance are as follows:	30%

Performance level	Achievement level (% of target distributions)	% of on-target STI
Threshold	< 95%	0%
Target	100%	100%
Stretch	105%	≥200%

Long-term incentives (LTI):

A conditional share plan (CSP) was concluded in the year under review.

Regular, annual awards of conditional shares are made in terms of the CSP on a consistent basis to ensure long-term shareholder value creation. The CSP provides executives and selected senior management of Accelerate Property Management Company (Pty) Ltd with the opportunity to receive shares in the company, thereby aligning their interests with those of shareholders.

Vesting of the conditional shares is subject to continued employment and appropriate stretching performance conditions. The performance conditions are measured over a three-year period, in line with the financial year-end of the company.

The purpose and features of the CSP are detailed as follows:

1. Purpose

The primary intent is to provide an opportunity to executives and senior management to receive shares in the company, thereby aligning their interests with those of shareholders. This is done through the award of conditional shares.

2. Operation

The vesting of the conditional shares is subject to continued employment (employment condition) and appropriate stretching performance conditions (performance condition(s)). The performance conditions are measured over a three-year period, in line with the financial year-end of the company.

Regular, annual awards of performance units are made in terms of the CSP on a consistent basis to ensure long-term shareholder value creation.

3. Participants

Selected senior employees of the company and Accelerate Property Management Company (Pty) Ltd are eligible to participate, at the discretion of the remuneration committee.

4. Performance period

The performance conditions are measured over a three-year period, in line with the financial year-end of the company.

5. Maximum value of award
The maximum annual face value of the LTI is based on market benchmarks following a review of the appropriate comparator group.
6. Plan limits
The aggregate number of shares which may be allocated under the CSP is subject to an overall limit of 5% of the issued share capital, and an individual limit of 1,5% of the issued share capital of the company.
7. Performance conditions
The performance conditions are objective and include one or more of the following:
 - Growth in dividend per share (internal benchmark, and peer group comparison if possible)
 - Outperformance relative to SA All Board Index (ALBI)
 - Outperformance relative to Listed Property Index (SAPI)

Non-executive directors' fees

The non-executive directors do not participate in any short-term or long-term incentives, and do not have contracts of employment with the company. Their fees are reviewed by the company annually, and submitted to shareholders for approval on an annual basis.

Non-executive directors' fees reflect the directors' role and membership of the board and its subcommittees.

The committee recommends the non-executive director fee structure to the board for approval. The non-executive directors base fees were agreed pre-listing and the company is committed to ensuring they come into line with market norm in the medium term. In this regard, the committee rely on benchmark studies by its independent advisers. The company currently uses the small cap financial services sector as a guideline in this regard.

2015 fees

The resolutions relating to non-executive directors' fees for the 2015 financial year can be found on page 4 of the notice of annual general meeting (AGM).

2014 fees

The non-executive directors' fees for the 2014 year were as follows:

TT Mboweni	R1 580 800
GC Cruywagen	R520 000
TJ Fearnhead	R364 000
JRP Doidge	R316 500
K Madikizela	R312 000
F Viruly	R312 000

Executive directors' remuneration

Regarding fixed pay, the annual review process is used to determine where an employee's pay is in relation to the market and to make necessary adjustments in line with the pay philosophy. The annual review will take place in March each year, with increases effective on 1 July. Based on the annual review, a recommendation is made to the committee for approval of the mandate for annual increases.

2014 remuneration

The executive directors' TGP and STI remuneration for the 2014 financial year is set out in the table below.

	TGP	STI
M Georgiou	Nil	Nil
A Costa	R2 375 000	750 154
D Kyriakides	R1 875 000	469 718
JRJ Paterson	R1 850 000	650 128

ANNEXURE 5 CONTINUED

REMUNERATION REVIEW CONTINUED

Share options awarded at 31 March 2015, which only vest on the below dates, once the vesting conditions have been met, are as follows:

	Performance shares	Retention shares	Vesting date	
	Number of shares	Number of shares	Number of shares vesting 11 Aug 2017	Number of shares vesting 11 Aug 2018
Director A Costa	1 710 199	530 574	1 243 781 252 118	466 418 278 456
D Kyriakides	462 531	66 322	404 229 31 515	58 302 34 807
J Paterson	855 100	265 258	621 891 126 029	233 209 139 229
	3 027 830	862 154	2 679 563	1 210 421

The maximum number of shares which may be allocated under the CSP shall not exceed 31 945 846 shares, which represents approximately 5% of the number of issued Shares as at the date of approval of the CSP by shareholders.

Our employees

At Accelerate Property Fund we recognise that our employees are key to our success. We value them and take care to select the right kind of people to work with us, namely people who are passionate about the property industry.

At Accelerate, our people drive the day-to-day success of our business, providing their professional expertise in the many facets of our business. Be it sourcing, developing, leasing or managing our property portfolio, or working with our tenants, suppliers and corporate partners, our people are at the forefront of everything we do. We seek to conduct our business in an open, honest and transparent way.

Our overall philosophy around our employees incorporates all the relevant elements of ensuring that our employees are empowered to carry out their duties and responsibilities, in an environment where they can excel and are rewarded appropriately according to their performance.

High-performance culture

We encourage a high-performance culture at Accelerate. This culture filters through from management to each individual employee.

To maintain this culture, we will provide our employees with the necessary tools to reach their goals, from a personal and professional perspective.

Annual performance review: Employees at Accelerate have set key performance indicators that they will be measured against on an annual basis. The aim of the annual performance review is to ensure that employees attain their goals, Accelerate's strategic objectives are met, and achievements are recognised. Employees are encouraged to discuss their training needs during their performance review meetings.

John Doidge

Chairman of remuneration committee

19 June 2015

ANNEXURE 6

MATERIAL CHANGE STATEMENT

The directors of Accelerate report that there have been no material changes in the affairs, financial or trading position of Accelerate since 31 March 2015 to 19 June 2015, other than those disclosed in the integrated report, which is available on the website, www.acceleratepf.co.za, or can be requested from the company secretary.

ANNEXURE 7

DIRECTORS' INTEREST IN SHARES

Directors' indirect interest in the shares of the company 31 March 2015

40 924 783 shares	5,92%	Michael Family Trust
215 138 989 shares	31,12%	Fourways Precinct (Pty) Ltd
256 063 772	37,04%	

Directors' indirect interest in the shares of the company 31 March 2014

38 378 658 shares	6,00%	Michael Family Trust
215 138 989 shares	33,67%	Fourways Precinct (Pty) Ltd
253 517 647	39,67%	

Michael Family Trust is the 100% shareholder of Fourways Precinct (Pty) Ltd Mr M Georgiou is a beneficiary of the Michael Family Trust

ANNEXURE 8 SHARE CAPITAL

	2015	2014
Ordinary share capital Authorised		
Ordinary shares of no par value	5 000 000 000	5 000 000 000
Reconciliation of number of shares issued:		
Reported as at 1 April 2014	638 916 916	–
Issue of shares – ordinary shares at an average of R5,80 per share	52 506 339	638 916 916
	691 423 255	638 916 916

The unissued authorised ordinary shares of no par value (ordinary shares) in the company are under the control and authority of the directors of the company who are authorised to allot and issue any such shares at their discretion, subject at all times to the provisions of the Companies Act, the company's MOI 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, 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; and
- 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 each issue of new shares or the 30 business days prior to the date the directors resolve to issue such new shares.

CORPORATE INFORMATION

Accelerate Property Fund Limited

(Incorporated in the Republic of South Africa)
(Registration number 2005/015057/06)
Share code: APF ISIN: ZAE000185815

Registered office and business address

Cedar Square Shopping Centre, Management Office, 1st Floor, Cnr Willow Ave and Cedar Rd
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Tel: 010 001 0790
Web: www.acceleratepf.co.za

Investor relations

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Morné Reinders and Louise Fortuin
Tel: 011 447 3030
Email: accelerate@instinctif.com

Company secretary

Joanne Matisonn
iThemba Governance and Statutory Solutions (Pty) Ltd
Monument Office Park, Block 5, Suite 202, 79 Steenbok Avenue, Monument Park
Tel: 086 111 1010
Email: joanne@ithembaonline.co.za

Transfer secretaries

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70 Marshall Street, Johannesburg, 2001
PO Box 61051, Marshalltown, 2107, South Africa
Tel: 011 370 5000
Email: proxy@computershare.co.za
Fax: 011 688 2238

Sponsor

KPMG Services (Pty) Ltd
(Registration number 1999/012876/07)
KPMG Crescent, 85 Empire Road, Parktown, Johannesburg, 2193
Private Bag 9, Parkview, 2122

Auditors

Ernst & Young Incorporated
102 Rivonia Road, Sandton, Johannesburg, 2149
Tel: 011 772 3000

Internal Auditors

LateganMashego Auditors (Pty) Ltd
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Registered address: 11 Boca Walk, Highveld, Centurion, 0157
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www.acceleratepf.co.za