

TEXTON PROPERTY FUND LIMITED
Granted REIT status by the JSE
Incorporated in the Republic of South Africa
(Registration number 2005/019302/06)
Share code: TEX ISIN: ZAE000190542
("Texton" or "the Company")

TRADING STATEMENT

On 15 April 2020 Texton released a SENS announcement wherein it withdrew its FY2020 dividend guidance. Further business updates and the Impact of COVID-19 were provided via SENS on 19 May 2020 and 26 June 2020.

Texton uses Distribution Per Share (DPS) as its relevant measure for financial performance and reporting purposes. Historically Texton's policy has been to declare and pay out 100% of Distributable Income Per Share (DIPS) as DPS.

In terms of paragraph 3.4(b)(vii) of the JSE Listings Requirements, property entities which have adopted distribution per share as their financial results measurement for trading statement purposes, are required to publish a trading statement as soon as they are satisfied that a reasonable degree of certainty exists that the financial results to be reported upon next will differ by at least 15% from the financial results of the previous corresponding period.

Texton is in the process of finalising its annual results. Texton anticipates Distributable Income for the year ended 30 June 2020 to decrease by 54.0% to 60.0% compared to that of the year ended 30 June 2019.

The Board remains focussed on liquidity and balance sheet management at this time as it deliberates all options available to preserve the Company's financial strength, to enable it to deal with the challenges presented by the COVID-19 global pandemic. As part of these deliberations, the Board is reconsidering the Company's historic policy of paying out 100% of DIPS. Any change to the pay-out ratio policy could further impact DPS for FY2020.

The dividend pay-out ratio and deliberations relating to the payment of a dividend will be made at the Board meeting on 16 September 2020.

Texton is awaiting feedback from the JSE and National Treasury on any potential amendments or temporary rulings applicable to the REIT sector, following the broad industry consultation process currently underway.

Texton will release the year end results to the market on 23 September 2020 via SENS.

The contents of this announcement and the financial information on which it has been based have not been reviewed, audited or reported on by the Company's auditors.

Johannesburg

10 September 2020

Sponsor

Investec Bank Limited