

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

The definitions and interpretations commencing on page 5 apply to this cover page.

ACTION REQUIRED BY SHAREHOLDERS

1. If you are in any doubt as to what action to take in relation to this Circular, please consult your CSDP, Broker, banker, attorney, accountant, or other professional advisor immediately.
2. If you have disposed of all your Shares in Texton, please forward this Circular to the purchaser of such Shares or to the CSDP, Broker, banker or other agent through whom the disposal was effected.
3. Shareholders are referred to page 2 of this Circular, which sets out the action required by them.

Texton does not accept responsibility, and will not be held liable, for any action of, or omission by, any CSDP or Broker including, without limitation, any failure on the part of the CSDP or Broker of any Shareholder to notify such Shareholder of the General Meeting, notice of which is contained in and forms part of, this Circular.

TEXTON

PROPERTY FUND

TEXTON PROPERTY FUND LIMITED

Granted REIT status by the JSE
(Incorporated in the Republic of South Africa)
(Registration number 2005/019302/06)
JSE share code: TEX
ISIN: ZAE000190542

CIRCULAR TO SHAREHOLDERS

relating to:

- the adoption of a new memorandum of incorporation;

and incorporating:

- a notice of general meeting; and
 - a Form of Proxy (blue) for purposes of the Certificated Shareholders and Dematerialised Shareholders who have selected Own-name Registration only.
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Date of issue: Tuesday, 29 June 2021

This Circular is available in English only. Copies may be obtained during normal business hours from the registered office of Texton, whose address is set out in the "Corporate Information" section of this Circular from, Tuesday, 29 June 2021 until Tuesday, 27 July 2021 (both days inclusive). A copy of this Circular will also be available on Texton's website (www.texton.co.za) from Tuesday, 29 June 2021

CORPORATE INFORMATION

Company Secretary and Registered Office

Block D, Vunani Office Park
151 Katherine Street
Sandton
2031
(PO Box 653129, Benmore, 2010)

Date and Place of Incorporation: 6 June 2005,
South Africa

Company Secretary

Motif Capital Partners
173 Oxford Road
Rosebank
2196

Legal advisor to Texton

Cliffe Dekker Hofmeyr Inc
11 Buitengracht Street
Cape Town
Western Cape
8001
(PO Box 695, Cape Town, 8000)

Sponsor

Investec Bank Limited
(Registration number 1969/004763/06)
2nd Floor, 100 Grayston Drive
Sandown
Sandton, 2196
(PO Box 785700, Sandton, 2146)

Transfer secretaries

Computershare Investor Services
Registration number 2004/003647/07
Rosebank Towers
15 Biermann Avenue
Rosebank, 2196

Postal:

Private Bag X9000
Saxonwold, 2132
or

Email:

proxy@computershare.co.za

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ACTION REQUIRED BY SHAREHOLDERS

The definitions and interpretations commencing on page 5 apply to this “Action required by Shareholders” section.

This Circular is important and requires your immediate attention. Please take careful note of the following provisions regarding the action required by Shareholders. If you are in any doubt as to what actions to take, please consult your CSDP, Broker, banker, attorney, accountant, or other professional advisor immediately.

If you have disposed of all of your Shares in Texton, please forward this Circular to the purchaser of such Shares or to the CSDP, Broker, banker or other agent through whom the disposal was effected.

The General Meeting will be held at 13:00 entirely via a remote interactive electronic platform, Microsoft Teams, on Tuesday, 27 July 2021 in which General Meeting Shareholders will be requested to consider and, if deemed fit, to pass, with or without modification, the Resolutions set out in the Notice of General Meeting attached to this Circular.

Shareholders who have dematerialised their Shares, other than those Shareholders who have dematerialised their Shares with own name registration, should contact their CSDP or broker in the manner and time stipulated in the agreement entered into between them and their CSDP or broker:

- to furnish them with their voting instructions; or
- in the event that they wish to attend the General Meeting, to obtain the necessary letter of representation to do so.

Shareholders wishing to participate electronically in the General Meeting are required to deliver written notice to the Company at Block D, Vunani Office Park , 151 Katherine Street, Sandton (marked for the attention of the chief financial officer), by no later than 13:00 on Friday 16 July 2021, that they wish to participate via electronic communication at the General Meeting (“the electronic notice”).

In order for the electronic notice to be valid, it must contain:

- if the Shareholder is an individual, a certified copy of his/her identity document and/or passport;
- if the Shareholder is not an individual, a certified copy of a resolution by the relevant entity and a certified copy of the identity documents and/or passports of the persons who passed the relevant resolution. The relevant resolution must set out who from the relevant entity is authorised to represent the relevant entity at the General Meeting via electronic communication; and
- a valid email address and/or facsimile number (“the contact address/number”).

The Company shall use its reasonable endeavours to notify a Shareholder at its contact address/number who has delivered a valid electronic notice of the relevant details through which the Shareholder can participate via electronic participation.

PROXIES

A Shareholder entitled to attend and vote at the General Meeting is entitled to appoint one or more proxies to attend, participate in and vote at the meeting in the place of the Shareholder. A proxy need not also be a Shareholder of the Company.

Shareholders who have not dematerialised their Shares or who have dematerialised their Shares with own name registration, and who are entitled to attend and vote at the General Meeting, are entitled to appoint one or more proxies to attend, speak and vote in their stead. A proxy need not be a Shareholder. It is requested that, for ease of administration, proxy forms be forwarded so as to reach the transfer secretaries no later than 13:00 on Friday, 23 July 2021.

The forms of proxy should be lodged at:

Address:

Computershare Investor Services Proprietary Limited
Rosebank Towers
15 Biermann Avenue
Rosebank 2196

Postal:

Private Bag X9000
Saxonwold, 2132
or

Email:

proxy@computershare.co.za

so as to be received by not later than 48 hours prior to the meeting for administrative purposes. Any forms of proxy not lodged by this time may still be lodged by email to proxy@computershare.co.za prior to the commencement of the General Meeting.

If Shareholders who have not dematerialised their Shares or who have dematerialised their Shares with own name registration, and who are entitled to attend and vote at the General Meeting, do not deliver proxy forms to the transfer secretaries by 13:00 on Friday, 23 July 2021, Shareholders will nevertheless at any time prior to the commencement of the voting on the resolutions at the General Meeting be entitled to lodge the form of proxy in respect of the General Meeting, in accordance with the instructions therein with the chairperson of the General Meeting. Proxy forms must only be completed by Shareholders who have not dematerialised their Shares or who have dematerialised their Shares with own name registration.

Texton does not accept responsibility, and will not be held liable, under any applicable law or otherwise, for:

- any action of, or omission by, the Transfer Secretaries; or
- any loss, damage, cost, expense, or liability arising in any way directly or indirectly from the use of the platform or electronic facilities including, without limitation, any malfunctioning, delay or other total or partial failure thereof.

SALIENT DATES AND TIMES

The definitions and interpretations commencing on page 5 apply to these salient dates and times.

Salient dates and times	2021
Notice record date, being the date on which a Shareholder must be registered in the Register in order to be eligible to receive the circular	Friday, 18 June
Circular posted to Shareholders and announcement released on SENS	Tuesday, 29 June
Last day to trade in Texton shares in order to be recorded in the Register to participate in and vote at the General Meeting	Tuesday, 13 July
Record date to be eligible to participate in and vote at the General Meeting	Friday, 16 July
For administrative reasons to ensure an orderly arrangement of affairs on the day, Forms of Proxy (blue) in respect of the General Meeting may be emailed to proxy@computershare.co.za or received via post by 13:00 on	Friday, 23 July
Form of Proxy (blue) in respect of the General Meeting to be emailed to the chairperson of the General Meeting at any time prior to the commencement of the voting	Tuesday, 27 July
General Meeting to be held at 13:00	Tuesday, 27 July
Results of the General Meeting published on SENS on	Tuesday, 27 July

Notes:

1. All dates and times indicated above are South African Standard Time.
2. The above dates and times are subject to amendment at the discretion of Texton. Any such amendment will be released on SENS.

DEFINITIONS AND INTERPRETATIONS

In this Circular, unless the context indicates otherwise, reference to the singular shall include the plural and *vice versa*, words denoting one gender include the others, words and expressions denoting natural persons include juristic persons and associations of persons and the words and expressions in the first column have the meanings stated opposite them in the second column.

“Board” or “Directors”	the directors of Texton from time to time, comprising, as at the Last Practicable Date, those persons whose names appear on page 7 of this Circular;
“Broker”	any person registered as a “broking member (equities)” in accordance with the provisions of the Financial Markets Act;
“Business Day”	any day, other than a Saturday, Sunday, or public holiday in South Africa;
“Certificated Shareholders”	Shareholders who hold Certificated Shares;
“Certificated Shares”	Shares which have not yet been Dematerialised, title to which is represented by a share certificate or other physical Documents of Title;
“Circular”	this bound document, dated Tuesday, 29 June 2021, including the annexures and notice of General Meeting attached hereto;
“Companies Act”	the Companies Act No. 71 of 2008, as amended, of South Africa;
“CSDP”	a central securities depository participant registered in terms of the Financial Markets Act, with whom a beneficial holder of shares holds a dematerialised share account;
“Dematerialised Shareholders”	those Shareholders who hold Dematerialised Shares;
“Dematerialised Shares”	Shares which have been incorporated into the Strate system and which are no longer evidenced by share certificates or other physical Documents of Title;
“Documents of Title”	share certificates, certified transfer deeds, balance receipts or any other documents of title to Certificated Shares acceptable to Texton;
“Financial Markets Act”	the Financial Markets Act No. 19 of 2012, as amended, of South Africa;
“Form of Proxy”	for purposes of the General Meeting, the form of proxy (blue) for use only by Certificated Shareholders and Own-name Registered Dematerialised Shareholders;
“General Meeting”	the General Meeting of Shareholders to be held entirely via a remote interactive electronic platform, Microsoft Teams, on Tuesday, 27 July 2021 at 13:00, or any other adjourned or postponed time determined in accordance with the provisions of subsections 64(4) or 64(11)(a)(i) of the Companies Act, to consider and, if deemed fit, pass, with or without modification, the Resolutions set out in the notice of General Meeting which forms part of this Circular;
“JSE”	JSE Limited, a public company duly incorporated and registered in accordance with the company laws of South Africa, with registration number 2005/022939/06, which is licensed as an exchange in terms of the Financial Markets Act, or the securities exchange operated by the JSE Limited, as the context requires;
“Last Practicable Date”	the last practicable date before finalisation of this Circular, which date was Tuesday, 22 June 2021;
“Listings Requirements”	the JSE Limited Listings Requirements, as amended from time to time;
“MOI”	the current memorandum of incorporation of Texton, incorporated in December 2013;
“new MOI”	the proposed new MOI, incorporating the changes as set out Annexure 1 which will be tabled at the General Meeting for Shareholder approval;
“Own-name Registration” or “Own-name Registered”	Shareholders who hold Dematerialised Shares that are recorded by the CSDP on the sub-register kept by that CSDP in the name of such Shareholder;
“Rand” or “R”	South African Rand;

“Register”	the register of Certificated Shareholders maintained by the Transfer Secretaries and the sub-register of Dematerialised Shareholders maintained by the relevant CSDPs;
“REIT”	real estate investment trust, which is defined in the Listings Requirements as an applicant issuer which receives a REIT status in terms of the Listings Requirements;
“SENS”	the Stock Exchange News Service of the JSE;
“Shareholders”	the registered holders of Texton Shares;
“Shares”	ordinary shares of no par value in the issued share capital of Texton, which are listed on the JSE;
“South Africa”	the Republic of South Africa;
“Strate”	Strate Proprietary Limited (registration number 1998/022242/07), a private company duly incorporated and registered under the company laws of South Africa, being a licensed central securities depository in terms of section 1 of the Financial Markets Act and the entity that manages the electronic custody, clearing and settlement environment for all share transactions concluded on the JSE and off-market, and in terms of which transactions in securities are settled and transfers of ownership in securities are recorded electronically;
“Texton” or “the Company”	Texton Property Fund Limited, registration number 2005/019302/06, a public company registered and incorporated with limited liability according to the laws of South Africa; and
“Transfer Secretaries”	Computershare Investor Services Proprietary Limited, registration number 2004/003647/07, a private company registered and incorporated with limited liability according to the laws of South Africa and the transfer secretaries of Texton.

TEXTON

PROPERTY FUND

TEXTON PROPERTY FUND LIMITED

Granted REIT status by the JSE
(Incorporated in the Republic of South Africa)
(Registration number 2005/019302/06)

JSE share code: TEX
ISIN: ZAE000190542
("Texton" or the "Company")

DIRECTORS

Executive

HSP Welleman (Chief executive officer)
PM Hack (Chief financial officer)

Non-executive

MJA Golding (Non-executive chairman)
JR Macey (Lead independent non-executive)
AJ Hannington (Independent non-executive)
S Thomas (Independent non-executive)
RA Franco (Non-executive)
WC van der Vent (Independent non-executive)

CIRCULAR TO SHAREHOLDERS

1. RATIONALE FOR THE PROPOSED ADOPTION OF THE NEW MOI

- 1.1 Shareholders are referred to the Texton circular dated 12 December 2013, which contains information relating to the adoption of the Company's current MOI. When considering that the adoption of the current MOI took place in 2013 and the review that the Company is undertaking of its investment strategy referred to in 1.2 below, and the *ad-hoc* reviews of the MOI that the Company has undertaken, it has become necessary to replace the current MOI with a JSE compliant MOI that is more aligned with current industry best practice and market standards. The Board has accordingly resolved to propose to Shareholders, that the current MOI be updated in its entirety with a new MOI.
- 1.2 Texton is in the process of undergoing a review of its investment and capital allocation requirements and the legislative and operating model under which it operate. The review takes into account both the existing portfolio requirements and the requirements to participate in investment opportunities that are presenting itself as the global real estate market continues to evolve post the current Covid-19 pandemic. In order to provide the Company with a stable capital base that ensures long term sustainability and to maximise value creation for Shareholders, the Company and its Board need the ability to make decisions regarding the investment and capital allocation mandate that it considers to be in the best interests of the Company and its stakeholders. The new MOI removes the existing obligations on Texton to retain its REIT status, which allows for Texton to continue to responsibly invest and allocate capital in attractive real estate investments.
- 1.3 The new MOI complies with the requirements set out in the Companies Act and Listings Requirements. Furthermore, it provides the Board with a more relevant framework for the Company to be governed in a sustainable manner in which all stakeholders' duties, rights and responsibilities are protected in terms of its governing frameworks, the Companies Act and the Listings Requirements.

2. SALIENT FEATURES OF THE NEW MOI

- 2.1 The new MOI has been approved by the JSE. The new MOI is also required to be approved by Shareholders as set out in the special resolution included in the notice of General Meeting. The new MOI is available for inspection as set out in paragraph 6 and the salient features of the new MOI are summarised in **Annexure 1**.
- 2.2 The salient features of the new MOI, as set out in Annexure 1 is not intended to be an exhaustive summary of the new MOI and should be read in conjunction with the full MOI, which will be available for inspection on Texton's website and at the registered office of Texton during business hours from the date of issue of this Circular until the date of the General Meeting.

3. DIRECTORS' OPINION

The Board is of the opinion that the adoption of the new MOI is in the best interests of the Company and its Shareholders.

4. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors, whose names are listed on page 7 of this Circular, collectively and individually accept full responsibility for the accuracy of the information given in this Circular 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 this Circular contains all information required by law and the Listings Requirements.

5. PROFESSIONAL ADVISORS CONSENTS

Each of the professional advisors, whose names appear on the inside front cover of this Circular, have consented in writing to act in the capacities stated and to the inclusion of their names and, where applicable, to the inclusion of their reports in this Circular in the form and context in which they appear and have not withdrawn their consent prior to the publication of this Circular.

6. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents, or copies thereof, will be available on request to the company secretary and will be available for inspection at Texton's registered office during normal business hours at joel@motif.co.za or on the Company's website at www.texton.co.za from Tuesday, 29 June 2021 until Tuesday, 27 July 2021 (both days inclusive):

- the existing MOI of the Company.
- the new MOI of the Company.
- salient features of the new MOI **Annexure 1**.
- each of the consent letters referred to in paragraph 5 above; and
- a copy of this Circular and all annexures hereto.

Signed at Sandton on behalf of the Board on 17 June 2021

Pinny Hack
Chief Financial Officer

SALIENT FEATURES OF THE NEW MOI

All sections referred to in this summary refer to sections of the Companies Act

Issue of shares and variations of rights

The Company is authorised to issue 2 000 000 000 ordinary Shares, of the same class, each of which ranks *pari passu* in respect of all rights and entitles the holder to vote on any matter to be decided by the Shareholders, participate proportionately in any distribution made by the Company; and receive proportionately the new assets of the Company. The Company may only issue Shares in accordance with the Companies Act and Listings Requirements.

Authority for the creation and authorisation of any class of shares; the subdivision or consolidation of shares; amendments to the numbers of authorised shares of any class, the conversion of one class of shares into one or more other classes of shares, variations to the preferences, rights, limitations and other terms associated with any class of shares and to change the name of the Company, as set out in the MOI, may only be obtained by way of a special resolution for the amendment of the MOI approved by Shareholders at a general meeting and in accordance with the Listings Requirements.

The Board may only issue Shares if such Shares have first be offered to existing ordinary Shareholders in proportion to their shareholding on such terms and in accordance with such procedures as the Board may determine, unless the relevant issue of Share:

- is a scrip dividend or is issued in terms capitalisation issue, dividend reinvestment plan or similar mechanism;
- is for the acquisition of assets, is a vendor consideration placing related to an acquisition of assets, or is an issue for the purposes of an amalgamation or merger;
- is an issue pursuant to options or conversion rights;
- is an issue in terms of an approved share incentive scheme;
- is an issue of shares for cash (as contemplated in the Listings Requirements) which complies with the Listings Requirements;
- otherwise falls within a category in respect of which it is not, in terms of the Listings Requirements, a requirement for the relevant ordinary shares to be so offered to existing Shareholders; or
- is otherwise undertaken in accordance with an authority approved by ordinary shareholders in general meeting,

provided that if any entitlement to a fraction of a Share arises, all allocations of securities will be rounded down to the nearest whole number resulting in allocations of whole securities and a cash payment for the fraction (calculated in accordance with the Listings Requirements). After the expiration of the time within which an offer may be accepted, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the Shares offered, the Directors may, subject to the provisions of the MOI, issue such Shares in such manner as they consider most beneficial to the Company.

Notwithstanding the above, the Shareholders may at a general meeting authorise the Directors to issue Shares of the Company at any time and/or grant options to subscribe for Shares as the Directors in their discretion think fit, provided that such transaction(s) has/have been approved by the JSE, if so required under the Listings Requirements, and comply with the Listings Requirements.

Except to the extent provided in the MOI, no Shareholder shall have any pre-emptive or other similar preferential right to be offered or to subscribe for any additional shares issued by the Company.

The Directors may exclude, qualify or limit the participation of any Shareholders or category of Shareholders in a rights offer, claw-back offer, capitalisation issue, scrip dividend, dividend reinvestment plan, distribution in specie or any similar corporate action, if and to the extent that they consider it necessary or expedient to do so because of legal impediments or compliance with the laws or the requirements of any regulatory body of any territory, that may be applicable to such corporate action. In the case of any such exclusion, qualification or limitation the Directors shall, to the extent reasonably practicable, implement alternative measures in order to mitigate any resultant adverse consequences for the Shareholders concerned.

SHARE WARRANTS

Subject to the provisions of the Companies Act, the Listings Requirements and any other provisions of the MOI, the Company may issue Share warrants. For this purpose, the Directors may issue warrants in respect of fully paid-up Shares, stating that the bearer is entitled to the Shares therein specified; and provide for the payment, by coupons or otherwise, of future dividends on the Shares included in such warrants.

DEBT INSTRUMENTS

The Board may authorise the Company to issue secured or unsecured debt instruments as set out in section 43(2), but no special privileges associated with any such debt instruments as contemplated in section 43(3) may be granted.

CAPITALISATION ISSUE

The Board shall have the power and authority to:

- approve the issuing of any authorised Shares as capitalisation Shares;
- issue Shares of one class as capitalisation Shares in respect of Shares of another class; and
- resolve to permit Shareholders to elect to receive a cash payment in lieu of a capitalisation Share,

provided that such issue is effected in accordance with the requirements of section 47 and has been approved by the JSE to the extent required under the Listings Requirements and that the Listings Requirements have otherwise been complied with.

FINANCIAL ASSISTANCE

The Board may authorise the Company to provide financial assistance by way of loan, guarantee, the provision of security or otherwise to any person for the purpose of, or in connection with, the subscription of any option, or any Securities, issued or to be issued by the Company or a related or inter-related company, or for the purchase of any such Securities, as set out in (and in accordance with) section 44, and the authority of the Board in this regard is not limited or restricted by the MOI.

ACQUISITION BY THE COMPANY OF ITS OWN SHARES

The Company may only acquire its own shares in accordance with, and subject to, the Listings Requirements, the provisions of section 48 and provided that the Shareholders have adopted a resolution at a general meeting authorising such an acquisition.

The Board may determine that any subsidiary(ies) may acquire the Company shares, however, not more than 10% (ten percent), in aggregate, of the number of issued shares of any class may be held by, or for the benefit of, all of the subsidiaries of the Company, taken together.

ODD-LOT OFFERS

The Company shall be entitled to implement an odd-lot offer in accordance with the MOI, if approved by the Shareholders in general meeting and in accordance with the restrictions and procedures imposed by the Listings Requirements.

If, upon implementation of any odd-lot offer made by the Company, there are holders of Shares holding in aggregate less than 100 Shares, or such other number of shares as determined by the JSE as amounting to an odd-lot ("**Odd-Lots**") in the Company ("**Odd-Lot Holders**"), then the Company shall, save in respect of Odd-Lot holders who have elected to retain their Odd-Lots in the Company cause the Odd-Lots to be sold in such manner as the Directors may direct; and procure that the proceeds of such sales are paid to such Odd-Lot Holders.

RECORD DATE

The MOI requires the Board to determine the record dates to ascertain participation and rights of Shareholders and such record dates shall be as required by the Listings Requirements, for as long as the Listings Requirements apply to the Company.

Shareholders' meetings

Calling of Shareholders' meetings

The Board, or any prescribed officer of the Company authorised by the Board, is entitled to call a Shareholders' meeting at any time.

Subject to the provisions of section 60 dealing with the passing of resolutions of Shareholders otherwise than at a meeting of Shareholders, the Company shall hold a Shareholders' meeting:

- at any time that the Board is required by the Companies Act, the Listings Requirements or the MOI to refer a matter to Shareholders for decision;
- whenever required in terms of the Companies Act to fill a vacancy on the Board; or when required by any provision of the Memorandum of Incorporation; or
- when required by any other provision of the MOI.

Annual general meeting

In addition to other meetings of the Company that may be convened from time to time, the Company shall convene an annual general meeting of its Shareholders once in each calendar year, but no more than 15 months after the date of the previous annual general meeting.

Location of and notices of meetings

The Board may determine the location of any Shareholders' meeting, and the Company may hold any such meeting in South Africa or in any foreign country. Every Shareholder's meeting shall be reasonably accessible within South Africa for electronic participation by Shareholders.

All meetings (whether called for the passing of special or ordinary resolutions) shall be called on not less than 15 business days' notice.

Quorum and adjournment of meetings

The quorum for a Shareholders' meeting to begin or for a matter to be considered shall be at three Shareholders entitled to attend and vote, are present at the meeting. In addition, a Shareholders' meeting may begin when sufficient persons are present at the meeting to exercise at least 25% of the voting rights that are entitled to be exercised in respect of any matter to be decided at the meeting, in terms of section 64(1) and the Listings Requirements. The quorum requirements must be complied with throughout a meeting.

Shareholders' meeting by electronic communication

Subject to the provisions of the Listings Requirements, the Company may conduct a Shareholders' meeting entirely by Electronic Communication or provide for participation in a meeting by electronic communication, as set out in section 63, and the power of the Company to do so is not limited or restricted by the MOI.

Votes of Shareholders

Subject to any special rights or restrictions as to voting attached to any Shares by or in accordance with the MOI, at a meeting of the Company:

- every person present and entitled to exercise voting rights shall be entitled to one vote on a show of hands, irrespective of the number of voting rights that person would otherwise be entitled to exercise;
- on a poll any person who is present at the meeting, whether as a Shareholder or as proxy for a Shareholder, has the number of votes determined in accordance with the voting rights associated with the Securities held by that Shareholder; and
- the holders of Securities other than ordinary Shares shall not be entitled to vote on any resolution at a meeting of Shareholders, except as specifically provided for in the MOI.

Shareholders' resolutions

For an ordinary resolution to be approved it must be supported by more than 50% of the voting rights of Shareholders exercised on the resolution, as provided in section 65(7). Notwithstanding anything to the contrary contained in the MOI, to the extent that the Listings Requirements require a higher percentage in respect of any particular ordinary resolution, the Company shall not implement such ordinary resolution unless the Company has obtained the support of the applicable percentage prescribed in terms of the Listings Requirements.

For a special resolution to be approved it must be supported by the holders of at least 75% (seventy-five percent) of the voting rights exercised on the resolution, as provided in section 65(9).

No matters, except those matters set out in section 65(11), any other matter required by the Companies Act, the Listings Requirements, or by the MOI to be resolved by means of a special resolution, require a special resolution adopted at a Shareholders' meeting of the Company.

Shareholders' acting other than at a meeting

The following may not be held by means of a written resolution contemplated in terms of section 60 of the Companies Act:

- any Shareholder meetings that are called for in terms of the Listings Requirements, which Shareholder meetings must be held "in person";
- the passing of an ordinary resolution of the Shareholders to elect Directors; or
- any annual general meeting of the Company,

Composition and powers of the Board of Directors

Number of Directors

In addition to the minimum number of Directors, if any, that the Company must have to satisfy any requirement in terms of the Companies Act to appoint an audit committee and a social and ethics committee, the Board must comprise at least 4 Directors and the Shareholders shall be entitled, by ordinary resolution, to determine such maximum number of Directors as they from time to time shall consider appropriate.

Election, resignation and retirement of Directors

The election of any Directors and alternate Directors is required to be conducted in accordance with the provisions of the Companies Act. There are no general qualifications prescribed by the Company for a person to serve as a Director or an alternate Director in addition to the requirements of the Companies Act.

No Director shall be appointed for life or for an indefinite period. One third of all Directors shall retire from office at each annual general meeting provided that if a Director is appointed as managing Director or as an employee of the Company in any other capacity, he or she shall not, while he or she continues to hold that position or office, be subject to retirement by rotation and he or she shall not, in such case, be taken into account in determining the rotation or retirement of Directors. The Directors so to retire at each annual general meeting shall firstly be those who have been longest in office since their last election, but as between persons who were elected as Directors on the same day, those to retire shall, unless they otherwise agree among themselves, be determined by lot. Retiring Directors shall be eligible for re-election.

Powers of the Board

The Board has the authority to exercise all the powers and perform any of the functions of the Company. The Board has the power to fill any vacancy on the Board on a temporary basis, as set out in section 68(3), provided that such appointment must be confirmed by the Shareholders at the next annual general meeting of the Company.

Directors' meetings

The Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit. The Directors may elect a chairperson and a deputy chairperson and determine the period for which each is to hold office. In addition to the provisions of section 73(1), any Director shall at any time be entitled to call a meeting of the Directors. The quorum requirement for a Directors' meeting (including an adjourned meeting) to begin, the voting rights at such a meeting, and the requirements for approval of a resolution at such a meeting are as set out in section 73(5), subject only to in the case of a tied vote: the chairperson may not cast a deciding vote in addition to any deliberative vote; and the matter being voted on fails.

Directors' compensation and financial assistance

The Company may pay remuneration to the Directors for their services as Directors in accordance with a special resolution approved by the Shareholders within the previous 2 years, as set out in section 66(8) and (9), and the power of the Company in this regard is not limited or restricted by the MOI.

Any Director who: serves on any executive or other committee; devotes special attention to the business of the Company; goes or resides outside South Africa for the purpose of the Company; or otherwise performs or binds himself to perform services which, in the opinion of the Directors, are outside the scope of the ordinary duties of a Director, may be paid such extra remuneration or allowances in addition to or in substitution of the remuneration to which he may be entitled as a Director, as a disinterested quorum of the Directors may from time to time determine.

The Board may, as contemplated in and subject to the requirements of section 45, authorise the Company to provide financial assistance to a Director, prescribed officer or other person referred to in section 45(2), and the power of the Board in this regard is not limited or restricted by the MOI.

Indemnification of Directors

The Company may:

- advance expenses to a Director or directly or indirectly indemnify a Director in respect of the defence of legal proceedings, as set out in section 78(4);
- indemnify a Director in respect of liability as set out in section 78(5); and/or
- purchase insurance to protect the Company or a Director as set out in section 78(7).

BORROWING POWERS

Subject to the other provisions of the MOI, the Directors may from time to time borrow for the purposes of the Company such sums as they think fit; and secure the payment or repayment of any such sums, or any other sum, as they think fit, whether by the creation and issue of securities, mortgage or charge upon all or any of the property or assets of the Company.

ANNUAL FINANCIAL STATEMENTS

The Company shall keep all such accurate and complete accounting records, in English, as are necessary to enable the Company to satisfy its statutory obligations and its obligations set out in the MOI.

The annual financial statements of the Company must be prepared and audited in accordance with the provisions of section 30.

A copy of the annual financial statements must be delivered to Shareholders at least 15 business days before the date of the annual general meeting of the Company at which such annual financial statements will be considered.

DISTRIBUTIONS

Subject to the provisions of the Companies Act, in particular section 46, the Company shall be entitled to make a distribution if such distribution is pursuant to an existing legal obligation of the Company or a court order or is authorised by resolution of the Board in accordance with the Listings Requirements, provided that if such distribution is a repayment of capital, the Company shall not be entitled to make such distribution on the basis that it may be called up again.

Without detracting from the ability of the Company to issue capitalisation Shares, any distribution may be paid wholly or in part:

- by the distribution of specific assets; or
- by the issue of Shares, debentures or securities of the Company or of any other company; or
- in cash; or
- in any other way which the Directors or the Company in general meeting may at the time of declaring the distribution determine.

In the case of any corporate action (including any capitalisation issue, scrip dividend, dividend reinvestment plan, distribution in specie or any similar corporate action) undertaken by the Company in terms whereof Shareholders are afforded an election between more than one alternatives (including but not limited to a cash alternative), the Directors may determine that, in the absence of an election by a Shareholder, a particular alternative (which does not have to be a cash alternative) will be applicable to such Shareholder. Where one of the alternatives is a cash alternative, the authority of the Board to determine that in the absence of an election a non-cash alternative shall apply, may from time to time be excluded or qualified by an ordinary resolution adopted by Shareholders.

PAYMENT OF COMMISSION

The Company may pay a commission at a rate not exceeding 10% of the issue price of a Share to any person in consideration of his subscribing or agreeing to subscribe, whether absolutely or conditionally, for any Shares of the Company or for procuring or agreeing to procure, whether absolutely or conditionally, subscriptions for any Shares of the Company.

NOTICES

All notices shall be given by the Company to each Shareholder who has elected to receive such notices and simultaneously to the Issuer Regulations Division of the JSE, and shall be given in writing in any manner authorised by the Listings Requirements and/or the Act, as may be applicable. All notices shall, in addition to the above, be released through SENS provided that, in the event that the Shares or other Securities of the Company are not listed on the JSE, all the provisions of the MOI relating to the publication of notices via SENS shall no longer apply and such notices shall thereafter only be published in accordance with the provisions of the Companies Act.

AMENDMENT OF THE MOI

Subject to the provisions of the MOI, the MOI may only be amended by way of a special resolution of the ordinary Shareholders in accordance with section 16(1)(c), except if such amendment is in compliance with a court order as contemplated in sections 16(1)(a) and 16(4).

An amendment of the MOI will take effect from the later of the date on, and time at, which the Companies and Intellectual Property Commission (“CIPC”) accepts the filing of the notice of amendment contemplated in section 16(7); and the date, if any, set out in the said notice of amendment, save in the case of an amendment that changes the name of the Company, which will take effect from the date set out in the amended registration certificate issued by the CIPC.

COMPANY RULES

The Board is prohibited from making, amending or repealing any rules as contemplated in section 15(3) and the Board's capacity to make such rules is hereby excluded.

TEXTON

PROPERTY FUND

TEXTON PROPERTY FUND LIMITED

Granted REIT status by the JSE
(Incorporated in the Republic of South Africa)
(Registration number 2005/019302/06)

JSE share code: TEX
ISIN: ZAE000190542
("Texton" or the "Company")

NOTICE OF GENERAL MEETING

All terms defined in the Circular to which this Notice of General Meeting is attached, shall bear the same meanings where used in this Notice of General Meeting.

NOTICE IS HEREBY GIVEN that a General Meeting of Shareholders will be held entirely via a remote interactive electronic platform, Microsoft Teams, on Tuesday, 27 July 2021 at 13:00, or any other adjourned or postponed time determined in accordance with the provisions of subsections 64(4) or 64(11)(a)(i) of the Companies Act, to consider and, if deemed fit, pass, with or without modification, the Resolutions set out hereunder.

SPECIAL RESOLUTION NUMBER 1 – ADOPTION OF NEW MOI

"Resolved that in terms of sections 16(1)(c) and 16(5)(a) of the Companies Act, the substitution of the existing MOI of the Company with a new MOI, which has the salient features included in Annexure 1 of the Circular and the full version of which can be accessed on Texton's website or inspected at the registered office of the Company, which complies with the requirements of the Companies Act and Schedule 10 of the Listing Requirements, and which has been approved by the JSE, be and is hereby approved."

Explanatory note

The reason for this special resolution is to adopt a new MOI which complies with the Companies Act and the Listings Requirements. The effect of this special resolution will be to adopt a new MOI.

The percentage of voting rights required for this special resolution to be adopted is at least 75% of the voting rights exercised on that resolution. Notwithstanding the aforesaid, such resolution shall be adopted as soon as the voting rights exercised in favour thereof equal at least 75% of all voting rights that may be exercised on such resolution.

ORDINARY RESOLUTION 1 – GENERAL AUTHORITY

"Resolved that any director of the Company be and is hereby authorised and empowered to do all such things, sign all such documents and take all such actions as may be necessary for or incidental to the validation and implementation of the special resolution above."

Explanatory Note

The percentage of voting rights required for this ordinary resolution to be adopted is more than 50% of the voting rights exercised on that resolution. Notwithstanding the aforesaid, such resolution shall be adopted as soon as the voting rights exercised in favour thereof exceed 50% of all voting rights that may be exercised on such resolution.

VOTING AND PROXIES

In accordance with clause 23.17 of the Company's existing MOI, at any General Meeting a resolution put to vote shall be decided by a poll in accordance with the provisions of the Companies Act and the Company's MOI. On a poll, every Shareholder present (i.e. in attendance for the electronic General Meeting) in person or represented by proxy and entitled to vote shall be entitled to one vote for every share held or represented by that Shareholder. The Shareholder entitled to more than one vote need not, if he/she votes, use all of his/her votes, or cast all the votes he/she uses in the same way.

Shareholders who have dematerialised their Shares, other than those Shareholders who have dematerialised their Shares with own name registration, should contact their CSDP or broker in the manner and time stipulated in the agreement entered into between them and their CSDP or broker:

- to furnish them with their voting instructions; or
- in the event that they wish to attend the General Meeting, to obtain the necessary letter of representation to do so.

Shareholders wishing to participate electronically in the General Meeting are required to deliver written notice to the Company at Block D, Vunani Office Park, 151 Katherine Street, Sandton (marked for the attention of the chief financial officer), by no later than 13:00 on Friday, 16 July 2021, that they wish to participate via electronic communication at the General Meeting (“the electronic notice”).

In order for the electronic notice to be valid, it must contain:

- if the Shareholder is an individual, a certified copy of his/her identity document and/or passport;
- if the Shareholder is not an individual, a certified copy of a resolution by the relevant entity and a certified copy of the identity documents and/or passports of the persons who passed the relevant resolution;
- the relevant resolution must set out who from the relevant entity is authorised to represent the relevant entity at the General Meeting via electronic communication;
- a valid email address and/or facsimile number (“the contact address/number”).

The Company shall use its reasonable endeavours to notify a Shareholder at its contact address/number who has delivered a valid electronic notice of the relevant details through which the Shareholder can participate via electronic participation.

PROXIES

A Shareholder entitled to attend and vote at the General Meeting is entitled to appoint one or more proxies to attend, participate in and vote at the meeting in the place of the Shareholder. A proxy need not also be a Shareholder of the Company.

Shareholders who have not dematerialised their Shares or who have dematerialised their Shares with own name registration, and who are entitled to attend and vote at the General Meeting, are entitled to appoint one or more proxies to attend, speak and vote in their stead. A proxy need not be a Shareholder. It is requested that, for ease of administration, proxy forms be forwarded so as to reach the transfer secretaries no later than 13:00 on Friday, 23 July 2021. If Shareholders who have not dematerialised their Shares or who have dematerialised their Shares with own name registration, and who are entitled to attend and vote at the General Meeting, do not deliver proxy forms to the transfer secretaries by 13:00 on Friday, 23 July 2021, Shareholders will nevertheless at any time prior to the commencement of the voting on the Resolutions at the General Meeting be entitled to lodge the form of proxy in respect of the General Meeting, in accordance with the instructions therein with the chairperson of the General Meeting. Proxy forms must only be completed by Shareholders who have not dematerialised their shares or who have dematerialised their Shares with own name registration.

By order of the Board

Texton Property Fund Limited

Pinny Hack

Chief Financial Officer

(Being duly authorised hereto to sign this Circular for and on behalf of each and every Director in accordance with a round robin resolution of the Board signed by each and every Director).

17 June 2021

Registered office

Block D, Vunani Office Park
151 Katherine Street
Sandton
2031

TEXTON

PROPERTY FUND

TEXTON PROPERTY FUND LIMITED

Granted REIT status by the JSE
(Incorporated in the Republic of South Africa)
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JSE share code: TEX | ISIN: ZAE000190542
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FORM OF PROXY (blue) – FOR USE BY CERTIFICATED AND OWN-NAME REGISTERED DEMATERIALISED SHAREHOLDERS ONLY

All terms defined in the Circular, to which this Form of Proxy is attached, shall bear the same meanings when used in this Form of Proxy.

For use only by Shareholders holding Certificated Shares, nominee companies of CSDPs, Brokers' nominee companies and Own name Registered Dematerialised Shareholders at the General Meeting to be held on Tuesday, 27 July 2021 via MS Teams to consider and, if deemed fit, pass, with or without modification, the Resolutions set out hereunder.

Dematerialised Shareholders who are not Own-name Registered Dematerialised Shareholders must not complete this Form of Proxy and must provide their CSDP or Broker with their voting instructions, except for Own-name Registered Dematerialised Shareholders recorded in the sub-register through a CSDP or Broker, which Shareholders must complete this Form of Proxy and lodge it with their CSDP or Broker in terms of the custody agreement entered into between them and their CSDP or Broker. Dematerialised Shareholders who are not Own-name Registered Dematerialised Shareholders wishing to attend and/or participate in the General Meeting must inform their CSDP or Broker of such intention and request their CSDP or Broker to issue them with the necessary letter of representation to attend and/or participate.

I/We (Full name in print)

of (address)

Telephone: (work) area code ()

Telephone: (home) area code ()

Cell phone number:

E-mail address:

being the holder of

Shares in Texton, hereby appoint:

1. or failing him/her

2. or failing him/her

3. the chairperson of the General Meeting,

as my/our proxy to attend, speak and vote for me/us at the General Meeting for purposes of considering and, if deemed fit, passing, with or without modification, the Resolutions to be proposed thereat and at any adjournment thereof and to vote for and/or against the Resolutions and/or abstain from voting in respect of the Shares registered in my/our name(s), in accordance with the following instruction (see notes):

	Number of Shares		
	For	Against	Abstain
SPECIAL RESOLUTION NUMBER 1 Adoption of new MOI			
ORDINARY RESOLUTION NUMBER 1 General Authority			

Please indicate your voting instruction by way of inserting the number of Shares or by a cross in the space provided should you wish all your Shares to be voted.

Signed at _____ on this _____ day of _____ 2021

Signature(s)

Assisted by (where applicable) (state capacity and full name)

Each Shareholder is entitled to appoint one or more proxy(ies) (who need not be Shareholder(s) of Texton) to attend and/or participate and vote in his/her stead at the General Meeting.

Please read the notes on the reverse side hereof.

NOTES:

1. A Shareholder holding Dematerialised Shares by Own-name Registration, or who holds Shares that are not dematerialised, is entitled to appoint any individual (including an individual who is not a Shareholder) as a proxy to participate in, and speak and vote at, a Shareholders meeting on behalf of the Shareholder. Such Shareholder may insert the name of a proxy or the names of two alternative proxies of the Shareholder's choice in the space provided, with or without deleting 'the Chairperson of the General Meeting', provided that any such deletion must be signed in full by the Shareholder. The person whose name stands first on the form of proxy and who is present at the General Meeting will be entitled to act as proxy to the exclusion of those whose names follow. Should a proxy not be specified, this will be exercised by the Chairperson of the General Meeting. A proxy need not be a Shareholder of the Company.
2. All Resolutions put to the vote shall be decided by way of a poll. A Shareholder is entitled on a poll, to 1 (one) vote per Share held. A Shareholder's instructions to the proxy must be indicated by inserting the relevant number of votes exercisable by the Shareholder in the appropriate box(es). An 'X' in the appropriate box indicates the maximum number of votes exercisable by that Shareholder. Failure to comply with the above will result in the proxy not being authorised to vote or to abstain from voting at the General Meeting in respect of the Shareholder's votes, except in the case where the Chairperson of the General Meeting is the proxy. A Shareholder or his/her proxy is not obliged to use all the votes exercisable by the Shareholder, or to cast all those votes exercised in the same way, but the total of the votes cast and in respect whereof abstention is recorded may not exceed the total of the votes exercisable by the Shareholder.
3. A proxy appointment must be in writing, dated and signed by the relevant Shareholder.
4. Any alteration or correction made to this form of proxy must be signed in full and not initialled by the signatory.
5. Documentary evidence establishing the authority of a person signing the form of proxy in a representative capacity must be attached to this form, unless previously recorded by the Company or waived by the Chairperson of the General Meeting.
6. A minor must be assisted by his/her parent/guardian and the relevant documentary evidence establishing his/her legal capacity must be attached to this form of proxy unless previously recorded by the Company or waived by the Chairperson of the General Meeting.
7. When there are joint holders of Shares, any one holder may sign the form of proxy.
8. The Chairperson of the General Meeting may reject or accept any form of proxy which is completed and/or received other than in compliance with these notes.
9. A proxy may not delegate his/her authority to act on behalf of the Shareholder, to another person other than the Chairperson of the General Meeting.
10. The appointment of a proxy or proxies:
 - a. is suspended at any time to the extent that the Shareholder chooses to act directly and in person in the exercise of any rights as a Shareholder;
 - b. is revocable in which case the Shareholder may revoke the proxy appointment by:
 - i. cancelling it in writing or making a later inconsistent appointment of a proxy; and
 - ii. delivering a copy of the revocation instrument to the proxy and to the Company.
11. Should the instrument appointing a proxy or proxies have been delivered to the Company, as long as the appointment remains in effect, any notice that is required by the Companies Act or the MOI to be delivered by such Company to the Shareholder, must be delivered by such Company to:
 - a. the Shareholder; or
 - b. the proxy or proxies, if the Shareholder has directed the Company to do so in writing and has paid any reasonable fee charged by the Company for doing so.
12. The proxy appointment remains valid only until the end of the relevant meeting at which it was intended to be used, unless revoked as contemplated in section 58(5) of the Companies Act.
13. It is requested that this form of proxy should be completed and returned to or emailed to the chairperson to proxy@computershare.co.za of the General Meeting so as to reach them, for administrative purposes only, by not later than 13:00 on Friday, 23 July 2021, alternatively to be emailed to the Chairperson of the General Meeting prior to its commencement via email, proxy@computershare.co.za on Tuesday, 27 July 2021 at 13:00.

TEXTON
PROPERTY FUND