

## 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")

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### PLANNED SALE OF UK BROWNE JACOBSON PROPERTY

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#### 1. INTRODUCTION

The board of directors of Texton (the "Board") is pleased to advise shareholders that the Company is negotiating an agreement for the sale for its UK property located at Mowbray House, Nottingham, let to the law firm Browne Jacobson (the "Property" or the "Sale") to the University of Nottingham (the "Purchaser"). The sale is not yet contractually committed and remains subject to contract, final approvals and completion of due diligence. The transaction is expected to complete in October, whereby Texton will dispose of property to the Purchaser, for a price of £9.375 million (the "Offer Level").

#### 2. RATIONALE

The location is very attractive to the University, allowing future expansion of their city Centre presence and enhanced links with regional businesses. The Sale allows Texton to secure an attractive exit from the Property. The sale is in line with Texton's strategy to reduce its office exposure. Mowbray House is the last wholly owned UK Office property and the disposal will improve the weighted average lease expiry and income profile of the remaining UK portfolio.

#### 3. TERMS OF THE SALE

The Sale is expected to complete by the end of the October 2021. The Sale is subject to contract, final approvals, and completion of due diligence. Texton will inform the market once all remaining conditions have been met.

#### 4. FINANCIAL AND PROPERTY SPECIFIC INFORMATION

Details of the Property are as follows:

Location	Sector	GLA (m <sup>2</sup> )	Weighted average rental (£/m <sup>2</sup> ) p.a	Net rental income (£) PA	Book value (£ million)	Offer Level (£ million)
Mowbray House, Castle Meadow Road, Nottingham, NG2 1AB	Office	5,385	£65.2	£257,389 <sup>1</sup>	9.125 <sup>2</sup>	9.375 <sup>3,4</sup>

#### Notes:

1. Audited net rental income attributable to the Property for the twelve months ended 30 June 2021 was £257 389. The net rental income steps up to £868,875 per annum from 1 December 2021 and the purchaser will receive a rental top up from the date of transfer to 1 December 2021.

2. Audited book value as at the year ended 30 June 2021.
3. The Sale Proceeds in respect of the Property is considered its fair market value, as determined by the Board. The Board is not independent and are not registered as professional valuers or as professional associate valuers in terms of the Property Valuers Profession Act, No. 47 of 2000.
4. Costs of c.£160,000 will be incurred on associated legal, vendor survey and agent fees.
5. The financial information contained in this announcement has not been reviewed or reported on by a reporting accountant.

## **5. CATEGORISATION OF THE SALE**

The Sale is a category 2 transaction in terms of the JSE Listings Requirements and accordingly does not require approval by shareholders.

SANDTON

15 September 2021

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## **CORPORATE ADVISER AND SPONSOR TO TEXTON**

Investec Bank Limited