TEXTON

PROPERTY FUND

REVIEWED PROVISIONAL CONDENSED FINANCIAL RESULTS

FOR THE YEAR ENDED 30 JUNE 2019

MACRO AND MARKET INFLUENCES

TEXTON PROPERTY FUND

Civil unrest	Burgeoning debt	Slow economic growth	Eskom	Political concerns
Land expropriation	High unemployment	Global trade wars	Brexit	Nationalisation

PROPERTY MARKET

TEXTON
PROPERTY FUND

1. Oversupply

2. Vacancies

3. Rental reversions

4. Decreasing property values

VALUATION MOVEMENTS

TEXTON PROPERTY FUND

SOUTH AFRICA	Value 2019 R'000	Value 2018 R'000	% movement
Office	1 976 000	2 407 700	(17,9)
Retail	371 700	461 500	(19,5)
Industrial	226 800	283 150	(19,9)
	2 574 500	**3 152 350**	**(18.3)**

UNITED KINGDOM (Wholly-owned)	Value 2019 £'000	Value 2018 £'000	% movement
Office	8 720	8 500	2,6
Retail	13 825	17 110	(19,2)
Industrial	35 900	34 875	2,9
	58 445	**60 485**	**(3,4)**

BROAD STREET MALL	Value 2019 £'000	Value 2018 £'000	% movement
Retail & Office	64 790	66 000	(1,8)

KEY METRICS AS AT 30 JUNE 2019

TEXTON PROPERTY FUND

LIKE-ON-LIKE HELD PORTFOLIO VALUE

R4,154 billion

(Jun 2018: R4,785 billion)

↓ **13,2%**

PORTFOLIO VALUE

R4,400 billion

(Jun 2018: R5,403 billion)

↓ **18,6%**

NET ASSET VALUE

607,89 cents per share

(Jun 2018: 655,15 cents per share)

↓ **7,2%**

LIKE-ON-LIKE GROSS PROPERTY INCOME

R374,9 million

(Jun 2018: R387,2 million)

↓ **3,2%**

GROSS PROPERTY INCOME

R558,0 million

(Jun 2018: R581,2 million)

↓ **4,0%**

NET PROPERTY INCOME

R363,7 million

(Jun 2018: R416,9 million)

↓ **12,8%**

PROPERTY
EXPENSE RATIOS

TEXTON
PROPERTY FUND

Gross property cost to income ratio: **34,4%**
(2018: 29,6%)
↑ **4,8%**

Net property cost to income ratio: **20,4%**
(2018: 14,6%)
↑ **5,8%**

	2019	2018
Electricity recovery	109,8%	104,0%
Water recovery	81,7%	96,5%
Refuse recovery	81,8%	75,5%
Sewer recovery	90,8%	104,0%
Rates recovery	53,5%	67,3%

KEY METRICS AS AT 30 JUNE 2019

TEXTON PROPERTY FUND

GLA*

376 054m² (55 properties)**

(Jun 2018: 385 042m² (49 properties))

↓ **2,3%**

NUMBER OF TENANTS

377 tenants

(2018: 405 tenants)

↓ **6,9%**

VACANCIES

9,2%

(Jun 2018: 7,9%) ↑ **1,3%**

(Dec 2018: 10,5%) ↓ **1,3%**

LTV RATIO

47,7%

(Jun 2018: 42,7%***)

↑ **5,0%**

*** Excluding PIC Put Option*

INTEREST COVER RATIO

3,8 times

(Jun 2018: 5,5 times)

↓ **30,9%**

DEBT EXPIRY PROFILE

1,4 years weighted average

(Jun 2018: 2,0 years weighted average)

↓ **30,0%**

** Including Texton's 50% interest in Broad Street Mall*

*** All buildings at Greenstone Hill Office Park have been reflected separately at 30 June 2019 thus increasing the number of buildings owned at Greenstone Hill Office Park to 12 from four in the previous years. Toolquip Selby was split into two properties namely 28 Press Avenue and 42 Press Avenue. Three properties were disposed of during the year.*

KEY METRICS AS AT 30 JUNE 2019

TEXTON PROPERTY FUND

TENANT RETENTION

	GLA m²	GLA %	No of tenants	No of tenants %
Retained	62 224	80,8	56	76,7
Monthly	4 128	5,4	5	6,9
Vacated	10 622	13,8	12	16,4
	76 974	100,00	73	100,0

RETENTION ANALYSIS

	GLA m²	GLA %	No of tenants	No of tenants %
Office	39 912	60,2	32	52,4
Retail	11 087	16,7	19	31,2
Industrial	15 353	23,1	10	16,4
	66 352	100,0	61	100,0

NEW DEALS (SOUTH AFRICA)

	GLA m²	GLA %	No of tenants	No of tenants %
Office	5 510	19,3	30	63,8
Retail	228	0,8	4	8,5
Industrial	22 862	79,9	13	27,6
	28 600	100,0	47	100,0

LEASE EXPIRY PROFILE

4,36 years WALT

(Jun 2018: 4,27 years)

↑ **2,1%**

SHARE PERFORMANCE

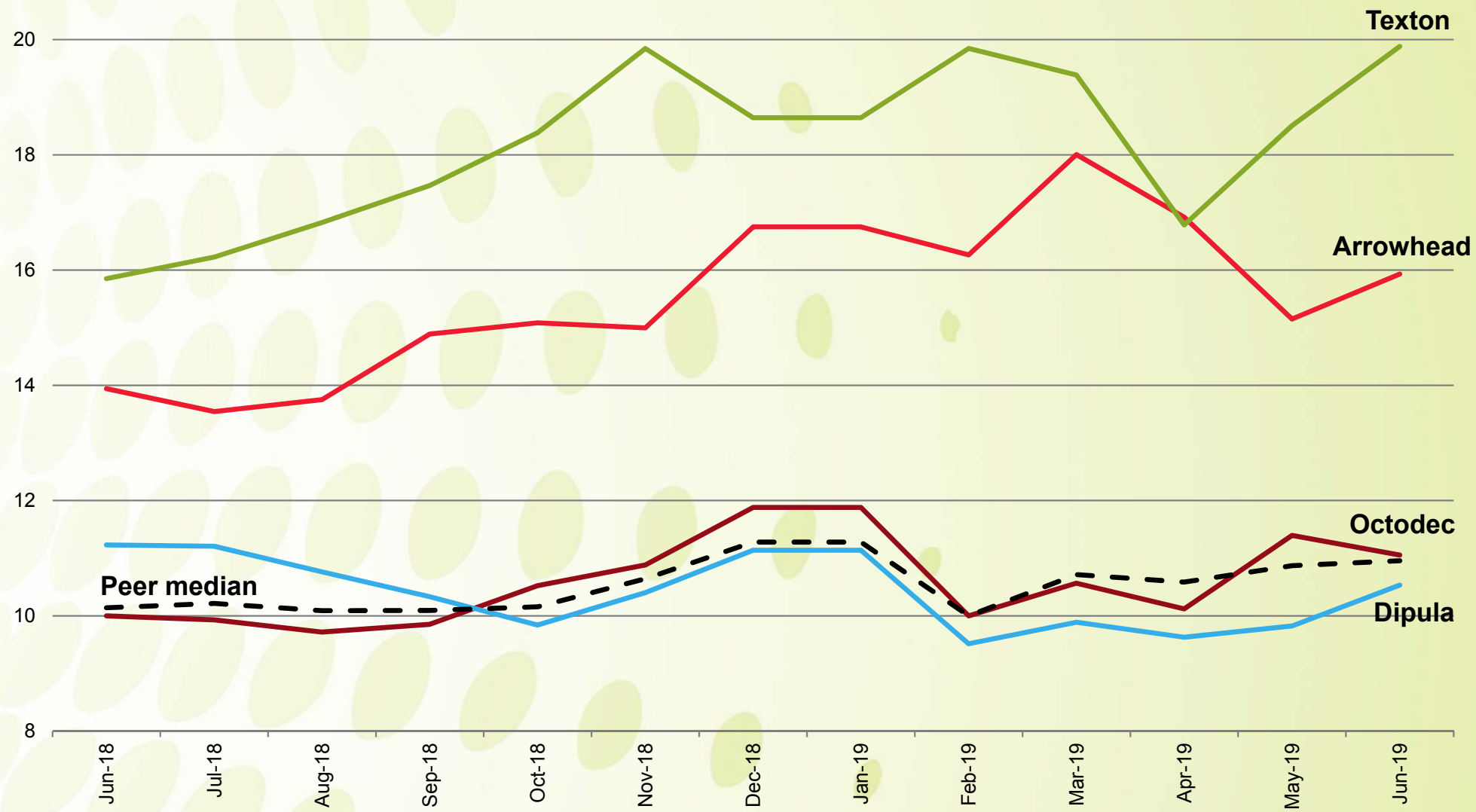
TEXTON
PROPERTY FUND

SHARE VS NAV

TEXTON PROPERTY FUND

DIVIDEND
YIELD REIT SECTOR

TEXTON
PROPERTY FUND



DISTRIBUTION
PER SHARE

TEXTON
PROPERTY FUND

	Total		
	Interim	Final	Full year
2019	36,18	35,19	**71,37**
2018	47,95	41,36	**89,31**
Variance (cents)	(11,77)	(6,17)	**(17,94)**
Variance (%)	(24,5)	(14,9)	**(20,1)**

** The forecast distribution for the 2020 financial year is expected to be approximately 20% lower than 2019*

FINANCIAL SUMMARY

INCOME
STATEMENT (EXTRACTS)

TEXTON PROPERTY FUND

	30 Jun 2019 R'000	30 Jun 2018 R'000	% change
Investment property income	558 025	581 192	(4,0)
Straight lining	(2 360)	7 721	(130,6)
Property expenses	(191 929)	(171 925)	11,6
Net property income	**363 736**	416 988	(12,8)
Other income	11 000	478	2 201,3
Administrative expenses	(34 223)	(28 270)	21,1
Loss from joint venture	(1 158)	(29 438)	(96,1)
Foreign exchange (losses)/gains	(505)	17 304	(102,9)
Asset management fees	-	(6 139)	(100,0)
Operating profit	**338 850**	370 923	(8,6)
Finance income	90 535	84 713	(6,9)
Finance costs	(184 198)	(167 016)	10,3
Fair value adjustments	(699 524)	(208 423)	235,6
Loss on disposal of subsidiary	(9 041)	-	(100,00)
Impairment of investment in joint venture	(30 418)	(150)	20 178,7
Capital items	(14 350)	(3 806)	277,0
PIC Put option recognition adjustment	-	(13 603)	(100,0)
Cancellation of asset management contract	-	(180 102)	(100,0)
Loss before income tax	**(508 146)**	(117 464)	332,6
Taxation	(29 792)	611	4 975,9
Loss for the period	**(537 938)**	(116 853)	360,4

NET PROPERTY INCOME
PER GEOGRAPHIC SEGMENT

TEXTON
PROPERTY FUND

	South Africa			United Kingdom*			Total		
	Jun 2019 R'000	Jun 2018 R'000	% change	Jun 2019 R'000	Jun 2018 R'000	% change	Jun 2019 R'000	Jun 2018 R'000	% change
Contractual rental revenue	**349 469**	363 674	(3,9)	**110 427**	115 599	(4,5)	**459 896**	479 273	(4,0)
Recoveries	**98 129**	101 919	(3,7)	**-**	-	-	**98 129**	101 919	(3,7)
Investment property income	**447 598**	465 593	(3,9)	**110 427**	115 599	(4,5)	**558 025**	581 192	(4,0)
Property expenses	**(187 048)**	(166 335)	12,5	**(4 881)**	(5 590)	(12,5)	**(191 929)**	(171 925)	11,6
Net property income	**260 550**	299 258	(12,9)	**105 546**	110 009	(4,1)	**366 096**	409 267	(10,5)
Gross expense ratio	**41,8%**	35,7%		**4,4%**	4,8%		**34,4%**	29,6%	

DISTRIBUTABLE EARNINGS

TEXTON PROPERTY FUND

	30 Jun 2019 R'000	30 June 2018 R'000	% change
Revenue	**558 025**	581 192	(4,0)
Property expenses	**(191 929)**	(171 925)	11,6
Loss from Joint Venture	**(1 158)**	(29 438)	(96,1)
Non-cash items included in loss from joint venture	**11 166**	44 740	(75,0)
Other income	**11 000**	478	2 201,3
Administrative expenses	**(34 223)**	(28 270)	21,1
Asset management fees	**-**	(6 139)	(100,0)
Net finance costs	**(93 663)**	(82 303)	(13,8)
- Finance income	**90 535**	84 713	6,9
- Finance cost	**(184 198)**	(167 016)	10,3
Taxation*	**(18 131)**	(7 039)	157,6
Distribution of foreign exchange gain	**8 272**	10 604	(22,0)
Dividends on treasury shares	**19 036**	23 982	(20,6)
Total distributable income	**268 395**	335 882	(20,1)
Number of shares	**376 066 766**	376 066 766	
Distributable earnings per share	**71,37**	89,31	(20,0)

** Taxation excludes CGT paid on the disposal of properties and tax pre-acquisition profits of subsidiaries*

BALANCE SHEET (EXTRACTS)

TEXTON PROPERTY FUND

	30 Jun 2019 R'000	30 June 2018 R'000	% change
Assets			
Non-current assets	**3 578 646**	4 856 752	(26,3)
Investment property	3 291 916	4 534 810	(27,4)
Property, plant and equipment	1 911	1 851	3,2
Tenant installation	11 448	11 908	(3,9)
Investment in joint venture	206 094	223 184	(7,7)
Other financial assets	57 488**	32 600	76,3
Other non-current assets	9 789	19 370	(49,5)
Restricted cash	-	33 029	(100,0)
Current assets	**911 438**	458 857	98,6
Trade and other receivables	43 920	56 169	(21,8)
Non-current assets classified as held for sale	529 523	272 156	94,6
Other financial assets	-**	6 692	(100,0)
Income tax receivable	1 228	13 745	(91,1)
Restricted cash	12 782	16 427	(22,2)
Cash and cash equivalents	323 985	93 668	245,9
Total assets	**4 490 084**	5 315 609	(15,5)
Equity	**2 123 952**	2 289 068	(7,2)
Liabilities	**2 366 132**	3 026 541	(21,8)
Non-current liabilities	**545 930**	384 987	41,8
Other financial liabilities	535 301	374 289	43,0
Lease liability	3 326	3 395	(2,0)
Deferred tax	7 303	7 303	-
Current liabilities	**1 820 202**	2 641 554	(31,1)
Current portion of other financial liabilities	1 720 475	1 898 441	(9,4)
Income tax payable	9 409	-	100,0
PIC Put option liability	-	642 570	(100,0)
Trade and other payables	90 318	100 543	(10,2)
Total equity and liabilities	**4 490 084**	5 315 609	(15,5)

** Currency Put Options were realised during the year and cross-currency swaps were revalued based on bank valuations*

DEBT
MATURITY PROFILE

TEXTON
PROPERTY FUND

	South Africa		United Kingdom		Total	
Facility expiry profile	Value R'000	% expiring	Value R'000	% expiring	Value R'000	% expiring
2020	**371 882**	28,9	**236 117**	24,7	**607 999**	27,1
2021	**915 434**	71,1	**179 361**	18,8	**1 094 795**	48,9
2022	**-**		**538 862**	56,5	**538 862**	24,0
Total	**1 287 316**	100,0	**954 340**	100,0	**2 241 656**	100,0

CURRENCY DERIVATIVES

TEXTON PROPERTY FUND

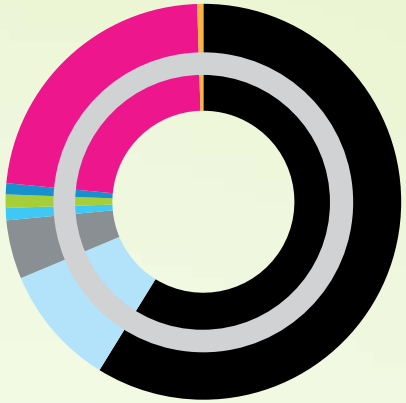
Cross currency interest rate swap **Expiry**	R'000	GBP'000
02 Sep 2021 – Investec	**600 000**	30 801
27 Jan 2022 – Investec	**128 547**	7 710

PROPERTY PORTFOLIO

CONSOLIDATED PORTFOLIO AT A GLANCE

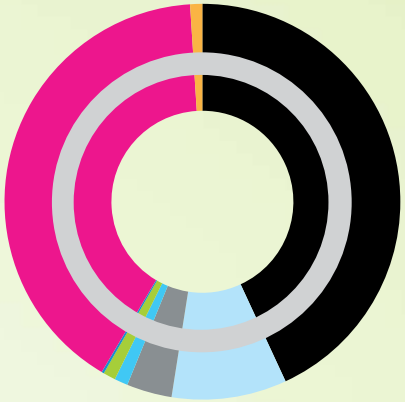
TEXTON PROPERTY FUND

Geographical spread by GLA



Gauteng	58,8%
Western Cape	9,9%
KwaZulu-Natal	4,8%
North West	1,0%
Eastern Cape	1,1%
Free State	0,9%
England	23,0%
Wales	0,5%

Geographical spread by value



Gauteng	43,1%
Western Cape	9,4%
KwaZulu-Natal	3,7%
Free State	1,1%
Eastern Cape	1,0%
North West	0,2%
England	40,5%
Wales	1,0%

Sector split by GLA

Retail	14,8%
Office	52,8%
Industrial	32,4%

Sector split by value

Retail	23,9%
Office	56,4%
Industrial	19,7%

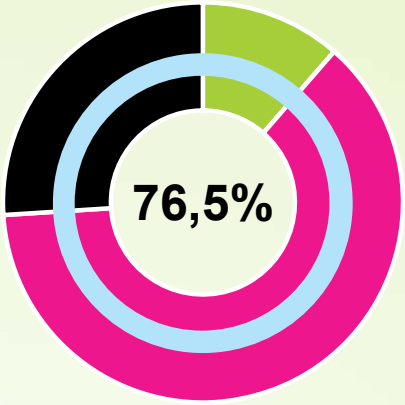
	Jun 2019	Jun 2018
Property portfolio value*	**R4 400 billion**	R 5,403 billion
Number of properties	**55**	49
Number of tenants	**377**	405
Total GLA (m²)	**376 054m²**	385 042m²
Vacancy (%)	**9,2%**	7,9%
Vacancy (m²)	**34 516m²**	**30 296m²**

** Includes Broad Street Mall*

PORTFOLIO
AT A GLANCE

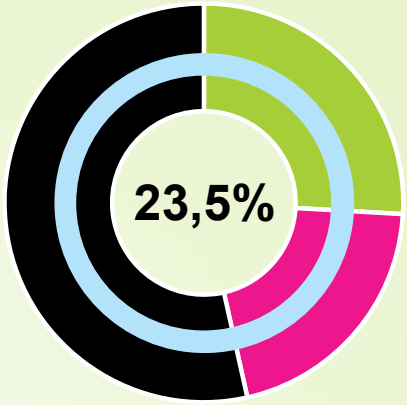
TEXTON
PROPERTY FUND

Sector spread by GLA



Retail	11,4%
Office	62,6%
Industrial	26,0%

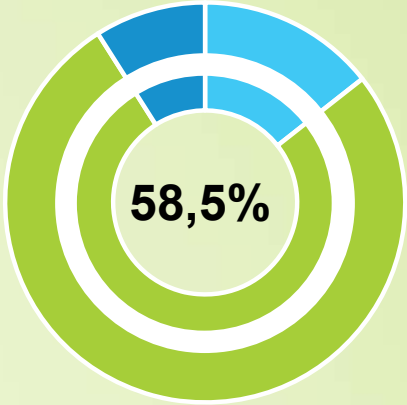
South Africa



Retail	25,9%
Office	20,6%
Industrial	53,5%

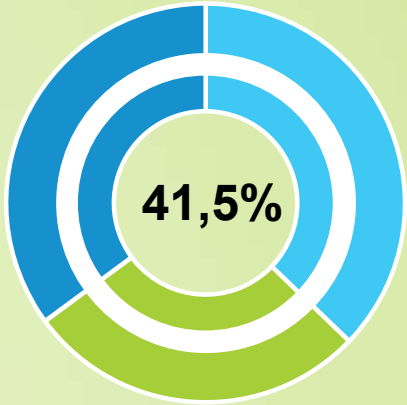
United Kingdom

Sector spread by value



Retail	14,4%
Office	76,6%
Industrial	9,0%

South Africa



Retail	37,2%
Office	27,7%
Industrial	35,1%

United Kingdom

SECTORAL ANALYSIS BY GLA*

TEXTON PROPERTY FUND

	South Africa		United Kingdom		Total		
	30 Jun 2019 m^2	30 Jun 2018 m^2	30 Jun 2019 m^2	30 Jun 2018 m^2	30 Jun 2019 m^2	30 Jun 2018 m^2	% change
Office	**180 203**	185 330	**18 177***	19 879	**198 380**	205 209	(3,3)
Retail	**32 856**	30 399	**22 851***	27 126	**55 707**	57 525	(3,2)
Industrial	**74 684**	75 025	**47 283**	47 283	**121 967**	122 308	(0,3)
Total	**287 743**	290 754	**88 311**	94 288	**376 054**	385 042	(2,3)

** BSM offices (Quadrant House and Fountain House) moved from Retail to Office*

SECTORAL ANALYSIS BY VALUE*

TEXTON PROPERTY FUND

	South Africa		United Kingdom		Total		
	30 Jun 2019 R'000	30 Jun 2018 R'000	30 Jun 2019 R'000	30 Jun 2018 R'000	30 Jun 2019 R'000	30 Jun 2018 R'000	% change
Office	**1 976 000**	2 460 900	**505 384***	660 245	**2 334 520**	3 121 145	(25,2)
Retail	**371 700**	461 500	**678 933***	906 254	**1 197 497**	1 367 754	(12,5)
Industrial	**226 800**	283 150	**641 413**	630 850	**868 213**	914 000	(5,0)
Total	**2 574 500**	3 205 550	**1 825 730**	2 197 349	**4 400 230**	5 402 899	(18,6)

** BSM offices (Quadrant House and Fountain House) moved from Retail to Office*

SECTORAL
ANALYSIS BY NUMBER*

TEXTON
PROPERTY FUND

	South Africa		United Kingdom		Total		
	30 Jun 2019**	30 Jun 2018	30 Jun 2019	30 Jun 2018	30 Jun 2019	30 Jun 2018	% change
Office	**37**	31	**3**	3	**39**	34	14,7
Retail	**3**	3	**4**	4	**7**	7	-
Industrial	**5**	4	**4**	4	**9**	8	12,5
Total	**45**	38	**11**	11	**55**	49	12,2

** Including Texton's 50% interest in Broad Street Mall*
*** All buildings at Greenstone Hill Office Park have been reflected separately at 30 June 2019 thus increasing the number of buildings owned at Greenstone Hill Office Park to 12 from four in the previous years. Toolquip Selby was split into two properties namely 28 Press Avenue and 42 Press Avenue. Three properties were disposed of during the year.*

LEASE EXPIRY PROFILE*

TEXTON PROPERTY FUND

	South Africa		United Kingdom		Total	
	GLA %	Revenue %	GLA %	Revenue %	GLA %	Revenue %
Vacant	10,8	-	3,9	-	9,2	-
June 2020	25,4	33,1	1,1	1,5	19,7	23,2
June 2021	18,2	20,9	4,2	5,1	14,9	15,9
June 2022	12,4	15,4	6,7	11,5	11,1	14,2
June 2023	14,9	11,0	1,2	2,3	11,7	8,3
June 2024	6,0	6,4	1,5	3,4	5,0	5,4
>June 2024	12,3	13,2	81,4	76,2	28,4	33,0
Total	100,0	100,0	100,0	100,0	100,0	100,0

** Including Texton's 50% interest in Broad Street Mall*

VACANCY PROFILE*

TEXTON PROPERTY FUND

	South Africa		United Kingdom		Total	
	GLA m^2	Vacancy %	GLA m^2	Vacancy %	GLA m^2	Vacancy %
Office	22 002	12,2	958	5,3	22 960	11,6
Retail	3 531	10,7	2 445	10,7	5 976	10,7
Industrial	5 580	7,5	-	-	5 580	4,6
Total	31 113	10,8	3 403	3,9	34 516	9,2

** Including Texton's 50% interest in Broad Street Mall*

TOP 10 PROPERTIES

TEXTON PROPERTY FUND

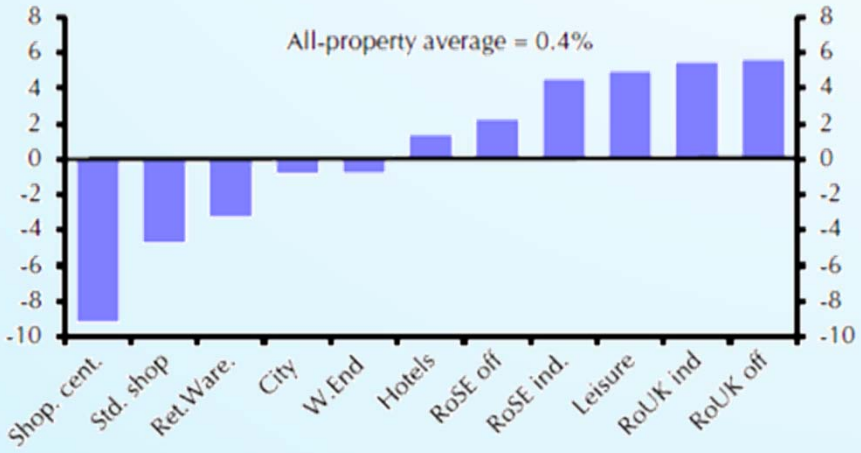
Property name	Sector	GLA m²	% of total	Value R'000	% of total
Broad Street Mall	Retail	**18 354**	4,9	**578 790**	13,2
DHL, Doncaster	Industrial	**25 294**	6,7	**324 280**	7,4
Foretrust	Office	**26 780**	7,1	**300 000**	6,8
Bryanston Gate Office Park	Office	**16 651**	4,4	**187 000**	4,2
Caterpillar	Industrial	**10 117**	2,7	**164 016**	3,7
Browne Jacobson, Nottingham	Office	**5 360**	1,4	**155 797**	3,5
Golddurb	Retail	**13 640**	3,6	**137 000**	3,1
Hermanstad Business Park	Industrial	**43 988**	11,7	**134 000**	3,1
Wellington	Office	**10 019**	2,7	**133 000**	3,0
B & Q Camborne	Retail	**4 465**	1,2	**132 213**	3,0
		174 668	46,4	**2 246 096**	51,0
Tesco, Newcastle	Office	**9 323**	2,5	**202 723**	4,6

UNITED KINGDOM

UNITED KINGDOM
MARKET OVERVIEW

TEXTON
PROPERTY FUND

- Economic background still dominated by Brexit
- UK GDP contracted by 0,2% in Q2 2019
- Capital Economics forecasting 0,4% All Property Total Return in 2019



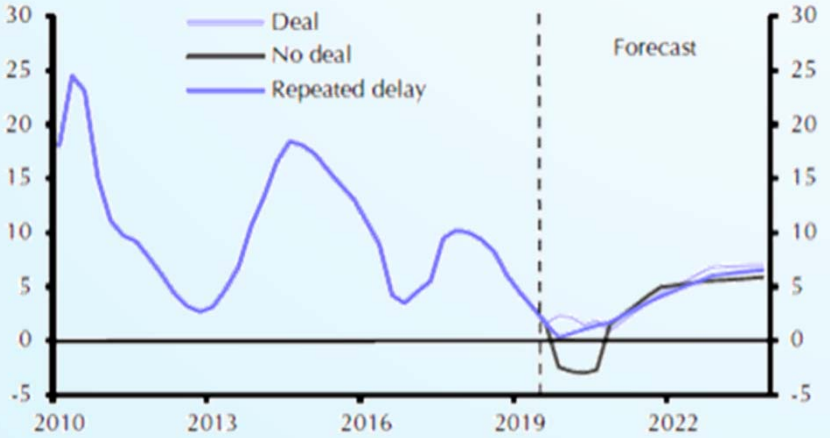
Forecast for Total Returns in 2019

Source: Capital Economics

UNITED KINGDOM
MARKET OVERVIEW

TEXTON
PROPERTY FUND

- £8,8 billion UK commercial property investment volume in Q2 2019, six year low
- Overseas investors were the only net buyers in Q2, UK Institutions were net sellers by £831m
- Total Returns Forecast driven by Brexit outcome, upward gradient from 2021



Sources: Property Archive, Colliers, LSH, Refinitiv, MSCI, Capital Economics

Total Returns Scenario (% p.a.)

Source: Capital Economics

UNITED KINGDOM
BROAD STREET MALL

TEXTON
PROPERTY FUND

Hotel development:

- 25-year lease signed with Premier Inn for a 101-bedroom hotel
- Currently under offer to a UK institution, at a 4,2% forward funding yield

New key tenants:

- Iceland opened in June 2019, exceeding trading targets
- Poundland successfully anchoring the western Mall

UNITED KINGDOM
BROAD STREET MALL

TEXTON
PROPERTY FUND

4 key leasing initiatives:

- Cinema/Queens Walk
- Quadrant House
- Food hall
- Entrance unit

Resulting in:

- £1.29m (35,8%) increase in NOI
- Vacancies decrease from 18,9% to 4,8%

UNITED KINGDOM
BROAD STREET MALL

TEXTON
PROPERTY FUND

- Residential rights
  - › Planning application outcome anticipated in December 2019
  - › Reading ranked 8th best build-to-rent location in the UK
  - › Valuation reflecting additional £6m of value (9,4% increase) on grant of rights
- May 2020 refinancing and future disposal key priorities
- JV partner alignment

VALUATION
MOVEMENT BROAD STREET MALL

TEXTON PROPERTY FUND

- £1.5m uplift on Residential and further £6.08m post planning
- Net Negative Movement of 7.1% on Shopping Centre
- Aggregate Value of Offices up 3.8%
- Residual hotel value impacted by cost increases

Component	Jun 2019 £'000	Jun 2018 £'000	Variance £'000	Variance %	Capex £'000	Capex %	Planning gain £'000	Variance post planning %
Shopping Centre	43 000	44 425	(1 425)	(3,2)	1 738	(7,1)	-	(7,1)
Quadrant House Offices	2 200	1 500	700	46,7	9	46,1	-	46,1
Fountain House Offices	14 240	14 325	(85)	(0,6)	1	(0,6)	-	(0,6)
Hotel & South Court	1 640	3 550	(1 910)	(53,8)	240	(60,6)	330	(51,3)
Residential	3 710	2 200	1 510	68,6	802	3,2	6 080	308,6
Total	**64 790**	**66 000**	**(1 210)**	**(1,8)**	**2 790**	**(6,1)**	**6 410**	**3,7**

THE WAY FORWARD

WATCHLIST ITEMS

TEXTON PROPERTY FUND

Edcon

Debt refinancing

Brexit

Tenant relationships

Increasing municipal costs

SOUTH AFRICA
PROPERTIES HELD FOR SALE

TEXTON PROPERTY FUND

	Value at Jun 2019 R'000	GLA m²	Sector
Under offer			
Standard Bank Springs	16 400	1 916	Office
Standard Bank Ladysmith	10 500	1 994	Office
Standard Bank Harrismith	8 900	1 086	Office
Standard Bank Stanger	7 500	1 253	Office
	43 300	**6 249**	
Available for sale			
Wale Street Chambers	62 500	6 982	Office
Lion Roars	43 500	4 027	Office
Rynlal	43 000	5 882	Office
Alrode Industrial Park	39 400	16 557	Industrial
42 Press Avenue	33 000	6 462	Industrial
66 Wierda Road East	25 900	1 806	Office
St George's Mall	13 200	1 236	Office
54 Bompas	12 100	750	Office
89 Ridder Street	10 900	3 720	Industrial
	283 500	47 422	
	326 800	**53 671**	

KEY
PRIORITY AREAS

TEXTON
PROPERTY FUND

Sell properties

BROAD ST. MALL READING

Treasury management

Tenant retention

Vacancy reduction

ASSET MANAGEMENT
INITIATIVES

TEXTON
PROPERTY FUND

Kempstar Mall

Bryanston Gate Office Park

Woodmead Commercial Park

Roof-top Solar

Investment Place

Stand-by generators

TEXTON

PROPERTY FUND

QUESTIONS?

TEXTON

PROPERTY FUND

ANNEXURES

VALUATION
MOVEMENT SOUTH AFRICA

TEXTON PROPERTY FUND

	Value 2019 R'000	Value 2018 R'000	Movement R'000	Movement %	Sector
Foretrust	300 000	330 000	(30 000)	(9.1)	Office
Bryanston Gate Office Park	187 000	248 000	(61 000)	(24.6)	Office
Golddurb*	137 000	177 500	(40 500)	(22.8)	Retail
151 Katherine Street*	127 500	165 000	(37 500)	(22.7)	Office
Hermanstad	134 000	145 000	(11 000)	(7.6)	Industrial
Wellington Road	133 000	158 000	(25 000)	(15.8)	Office
Belvedere Place	126 000	144 300	(18 300)	(12.7)	Office
12 Laub Street	125 000	163 000	(38 000)	(23.3)	Office
Kempstar Mall *(N1)	123 000	132 000	(9 000)	(6.8)	Retail
Woodmead Commercial Park	111 700	152 000	(40 300)	(26.5)	Retail
The Grid	95 500	110 000	(14 500)	(13.2)	Office
Investment Place	80 000	108 600	(28 600)	(26.3)	Office
377 Rivonia Boulevard	63 600	93 500	(29 900)	(32.0)	Office
Wale Street Chambers	62 500	71 000	(8 500)	(12.0)	Office
Scott Street	55 800	74 000	(18 200)	(24.6)	Office
1 Osborne Lane	54 100	67 000	(12 900)	(19.3)	Office
Quintiles	48 100	52 000	(3 900)	(7.5)	Office
Greenstone Hill Office Park Building 11	46 400	-	46 400)	100.0	Office
Lion Roars	43 500	50 600	(7 100)	(14.0)	Office
Rynlal	43 000	45 000	(2 000)	(4.4)	Office
Alrode Industrial Park	39 400	60 000	(20 600)	(34.3)	Industrial
14 Loop Street	37 000	30 500	6 500	21.3	Office
Greenstone Hill Office Park Building 10	36 000	-	36 000	100.0	Office

VALUATION
MOVEMENT SOUTH AFRICA

TEXTON PROPERTY FUND

	Value 2019 R'000	Value 2018 R'000	Movement R'000	Movement %	Sector
42 Press Avenue	33 000	66 400	(33 400)	(50.3)	Industrial
Greenstone Hill Office Park Building 2	32 000	48 900	(16 900)	(34.6)	Office
35 Morsim Road	31 500	41 000	(9 500)	(23.2)	Office
Greenstone Hill Office Park Building 12	30 900	-	30 900	100.0	Office
Greenstone Hill Office Park Building 4	30 000	-	30 000	100.0	Office
66 Wierda Road East	25 900	32 500	(6 600)	(20.3)	Office
Greenstone Hill Office Park Building 9	21 300	27 300	(6 000)	(22.0)	Office
Standard Bank Springs	16 400	17 500	(1 100)	(6.3)	Office
Greenstone Hill Office Park Building 13	14 600	-	14 600	100.0	Office
370 Rivonia Boulevard	14 000	20 000	(6 000)	(30.0)	Office
St Georges Mall	13 200	13 200	-	-	Office
54 Bompas	12 100	13 700	- 1 600	(11.7)	Office
Greenstone Hill Office Park Building 15	11 400	-	11 400	100.0	Office
Greenstone Hill Office Park Building 14	11 300	-	11 300	100.0	Office
89 Ridder Road	10 900	11 750	(850)	(7.2)	Industrial
Standard Bank Ladysmith	10 500	15 600	(5 100)	(32.7)	Office
Greenstone Hill Office Park Building 5	10 400	-	(10 400)	100.0	Office
28 Press Avenue	9 500	-	(9 500)	100.0	Industrial
Standard Bank Harrismith	8 900	10 500	(1 600)	(15.2)	Office
Greenstone Hill Office Park Building 6	8 100	8 200	(100)	(1.2)	Office
Standard Bank Stanger	7 500	7 500	-	-	Office
Greenstone Hill Office Park Restaurant and Coffee Shop	2 000	241 300	(239 300	(99.2)	Office
	2 574 500	**3 152 350**	**(577 850)**	**(18.3)**	

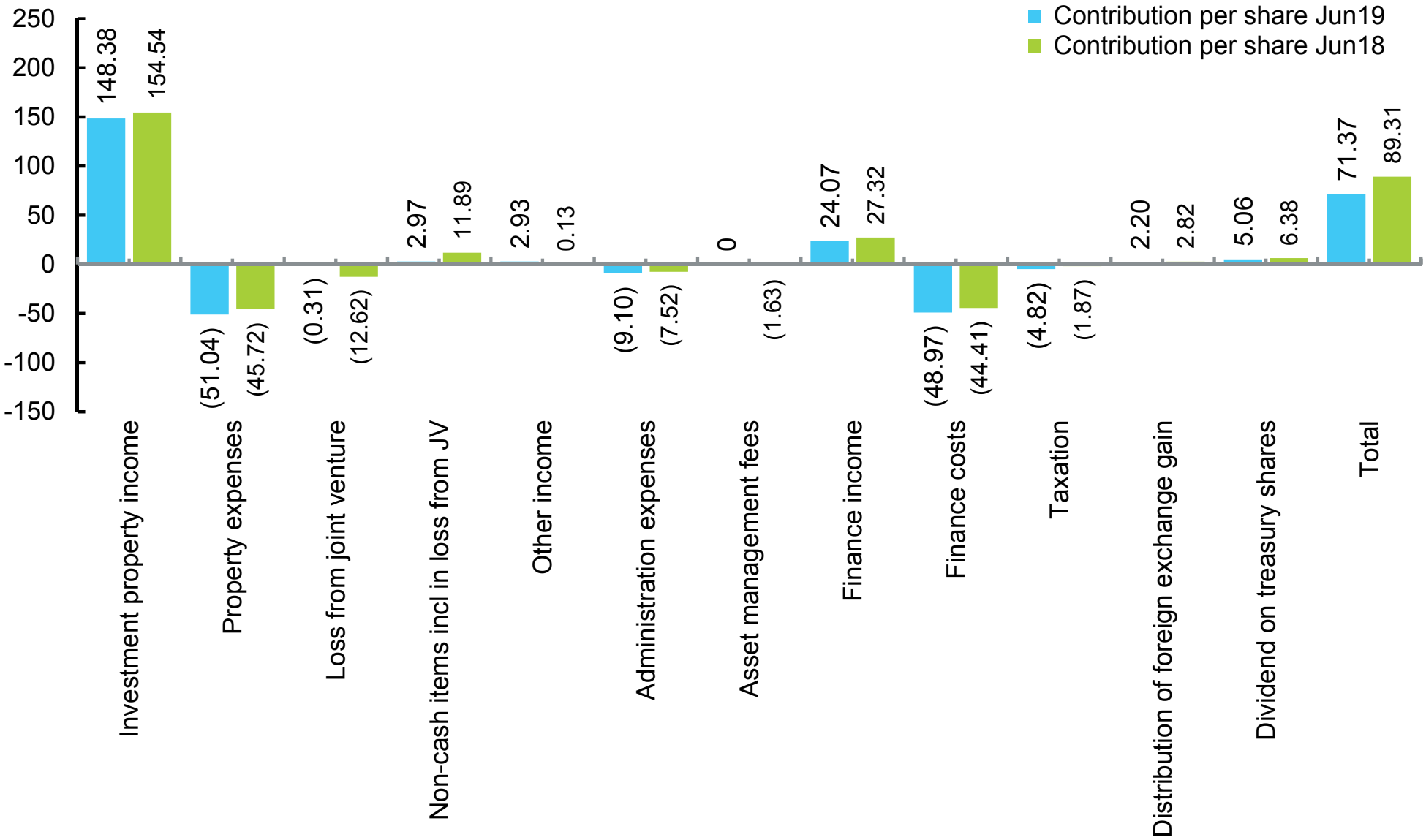
VALUATION
MOVEMENT UNITED KINGDOM

TEXTON PROPERTY FUND

Wholly-owned

	Value 2019 £'000	Value 2018 £R'000	Movement £'000	Movement %	Sector
DHL, Doncaster	18 150	18 200	(50)	(0.3)	Industrial
Caterpillar, Peterlee	9 180	7 600	1 580	20.8	Industrial
Browne Jacobson, Nottingham	8 720	8 500	220	2.6	Office
B&Q, Camborne	7 400	9 450	(2 050)	(21.7)	Retail
Coveris, Gainsborough	6 770	7 500	(730)	(9.7)	Industrial
Lower Parliament Street, Nottingham	4 000	4 800	(800)	(16.7)	Retail
Dunelm, Carmarthen	2 425	2 860	(435)	(15.2)	Retail
Booker, Burton on Trent	1 800	1 575	225	14.3	Industrial
	58 445	**60 485**	(2 040)	(3.4)	

DIVIDEND
DISTRIBUTION ANALYSIS



MANAGEMENT ACCOUNTS CONSOLIDATED STATEMENT OF FINANCIAL POSITION

TEXTON PROPERTY FUND

	as at 30 June 2019				as at 30 June 2018			
	Per AFS R'000	Inclusion of 50% BSM R'000	Removal of 50% BSM R'000	Total R'000	Per AFS R'000	Inclusion of 50% BSM R'000	Removal of 50% BSM R'000	Total R'000
Assets								
Non-current assets	**3 578 646**	**579 876**	**(206 094)**	**3 952 428**	**4 856 752**	**569 217**	**(223 184)**	**5 202 784**
Investment property	3 291 916	578 790		3 870 706	4 534 810	568 190		5 103 000
Property, plant and equipment	1 911	1 086		2 997	1 851	1 027		2 878
Tenant installation	11 448	-		11 448	11 908	-		11 908
Investment in joint venture	206 094	-	(206 094)	-	223 184	-	(223 184)	-
Other non-current assets	9 789	-		9 789	19 370	-		19 370
Other financial assets*	57 488	-		57 488	32 600	-		32 600
Restricted cash	-	-		-	33 029	-		33 029
Current assets	**911 438**	**39 883**	**-**	**951 321**	**458 857**	**30 756**	**-**	**489 613**
Restricted cash	12 782	-		12 782	16 427	-		16 427
Trade and other receivables	43 920	16 858		60 778	56 169	16 639		72 808
Non-current assets classified as held for sale	529 523	-		529 523	272 156	-		272 156
Other financial assets	-	-		-	6 692	-		6 692
Income tax receivable	1 228	-		1 228	13 745	-		13 745
Cash and cash equivalents	323 985	23 025		347 010	93 668	14 117		107 785
Total assets	**4 490 084**	**619 759**	**(206 094)**	**4 903 749**	**5 315 609**	**599 972**	**(223 184)**	**5 692 397**

** Currency Put Options were realised during the year and cross-currency swaps were revalued based on bank valuations*

MANAGEMENT ACCOUNTS CONSOLIDATED STATEMENT OF FINANCIAL POSITION

TEXTON PROPERTY FUND

	as at 30 June 2019				as at 30 June 2018			
	Per AFS R'000	Inclusion of 50% BSM R'000	Removal of 50% BSM R'000	Total R'000	Per AFS R'000	Inclusion of 50% BSM R'000	Removal of 50% BSM R'000	Total R'000
Equity and liabilities								
Equity	**2 123 952**	**(99 541)**	**(51 303)**	**1 973 108**	**2 289 068**	**(54 846)**	**52 011**	**2 286 233**
Stated capital	2 842 473	3 440	(119)	2 845 794	2 257 206	119	(119)	2 257 206
Retained earnings	(504 642)	(67 062)	(51 184)	(622 888)	246 816	(41 747)	52 130	257 199
Foreign currency translation reserve	(213 879)	(35 919)		(249 798)	(214 954)	(13 218)		(228 172)
Liabilities	**2 366 132**	**719 300**	**(154 791)**	**2 930 641**	**3 026 541**	**654 818**	**(275 195)**	**3 406 164**
Non-current liabilities	**545 930**	**698 271**	**(154 791)**	**1 089 410**	**384 987**	**643 016**	**(275 195)**	**752 808**
Other financial liabilities	535 301	698 271	(154 791)	1 078 781	374 289	643 016	(275 195)	742 110
Lease liability	3 326	-		3 326	3 395	-		3 395
Deferred tax	7 303	-		7 303	7 303	-		7 303
Current liabilities	**1 820 202**	**21 029**	**-**	**1 841 231**	**2 641 554**	**11 802**	**-**	**2 653 356**
Other financial liabilities	1 720 475	-		1 720 475	1 898 441	-		1 898 441
PIC PUT option	-	-		-	642 570			642 570
Income tax payable	9 409	151		9 560	-			-
Trade and other payables	90 318	20 878		111 196	100 543	11 802		112 345
Total equity and liabilities	**4 490 084**	**619 759**	**(206 094)**	**4 903 749**	**5 315 609**	**599 972**	**(223 184)**	**5 692 397**

MANAGEMENT ACCOUNTS CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

TEXTON PROPERTY FUND

	as at 30 June 2019				as at 30 June 2018			
	Per AFS R'000	Inclusion of 50% BSM R'000	Removal of 50% BSM R'000	Management accounts R'000	Per AFS R'000	Inclusion of 50% BSM R'000	Removal of 50% BSM R'000	Management accounts R'000
Investment property income	558 025	41 603		599 628	581 192	41 343	-	622 535
Straight line rental adjustment	(2 360)	-		(2 360)	7 721	-	-	7 721
Revenue	555 665	41 603	-	597 268	588 913	41 343	-	630 256
Property expenses	(191 929)	(15 071)		(207 000)	(171 925)	(11 538)	-	(183 463)
Net property income	363 736	26 532	-	390 268	416 988	29 805	-	446 793
Other income	11 000	688		11 688	478	-	-	478
Administrative expenses	(34 223)	(39)		(34 262)	(28 270)	-	-	(28 270)
Loss from joint venture	(1 158)	-	1 158	-	(29 438)	-	29 438	-
Foreign exchange (losses)/gains	(505)	-	-	(505)	17 304	-	-	17 304
Asset management fees	-	-	-	-	(6 139)	-	-	(6 139)
Operating profit	**338 850**	**27 181**	**1 158**	**367 189**	**370 923**	**29 805**	**47 452**	**430 163**
Finance income	90 535	-	-	90 535	84 713	-	-	84 713
Finance costs	(184 198)	(15 282)	-	(199 480)	(167 016)	(13 572)	29 438	(180 588)
Impairment of loans	(30 418)	-	-	(30 418)	(150)	-	-	(150)
Fair value adjustments	(708 565)	(340)	(11 166)	(720 071)	(208 423)	(42 862)	-	(251 285)
Capital items	(14 350)	-	-	(14 350)	(3 806)	-	-	(3 806)
PIC Put Option recognition adjustment	-	-	-	-	(13 603)	-	-	(13 603)
Cancellation of asset management contract	-	-	-	-	(180 102)	-	-	(180 102)
Profit before tax	**(508 146)**	**11 559**	**(10 008)**	**(506 595)**	(117 464)	(26 629)	29 438	(114 655)
Taxation expense	(29 792)	(1 551)	-	(31 343)	611	(2 809)	-	(2 198)
Profit for the year	**(537 938)**	**10 008**	**(10 008)**	**(537 938)**	(116 853)	(29 438)	29 438	(116 853)

FUNDING
REVIEW LOAN FACILITIES

TEXTON PROPERTY FUND

South Africa				
Funder	**Facility (R'000)**	**Drawdown (R'000)**	**Maturity date**	**Interest rate**
Standard Bank	200 000	199 309	Jan 2020	8,917%
Standard Bank	175 000	172 574	Mar 2020	8,905%
Standard Bank	200 000	200 000	Nov 2020	8,867%
Standard Bank	85 326	85 326	Aug 2020	8,767%
Standard Bank	140 000	140 000	Aug 2020	10,250%
Standard Bank	296 440	290 227	Aug 2020	8,650%
Investec	149 378	149 378	May 2021	9,650%
Standard Bank	50 502	50 502	Jun 2021	9,067%
	1 296 646	**1 287 316**		

United Kingdom				
Funder	**Facility (GBP'000)**	**Drawdown (GBP'000)**	**Maturity date**	**Interest rate**
Santander	378	378	Feb 2020	3,655%
Santander	378	378	Feb 2020	3,611%
Santander	2 973	2 973	Feb 2020	3,611%
Santander	1 507	1 507	Feb 2020	3,611%
Santander*	7 875	7 875	Feb 2020	3,610%
Investec	10 000	10 000	May 2021	4,398%
HSBC	4 200	4 200	Aug 2021	2,802%
HSBC	10 200	10 200	Aug 2021	2,802%
HSBC	5 910	5 910	Aug 2021	2,802%
HSBC	5 122	5 122	Aug 2021	2,802%
HSBC	4 520	4 520	Aug 2021	2,802%
	53 063	**53 063**		

FUNDING
REVIEW INTEREST RATE SWAPS

TEXTON PROPERTY FUND

South Africa			
Funder	**Nominal amount (R'000)**	**Maturity date**	**Interest rate**
Standard Bank	225 000	May 2020	7,270%
Standard Bank	200 000	Nov 2020	7,190%
Standard Bank	225 000	May 2021	7,400%
Standard Bank	270 000	Jun 2021	7,820%
Investec	200 000	Feb 2022	7,310%
Investec	100 000	May 2023	7,230%
Investec*	100 000	May 2023	7,390%
	1 320 000		

United Kingdom			
Funder	**Drawdown (GBP'000)**	**Maturity date**	**Interest rate**
HSBC	10 200	Aug 2021	0,495%
HSBC	4 200	Aug 2021	0,495%
HSBC	5 051	Aug 2021	1,282%
HSBC	4 458	Aug 2021	1,282%
HSBC	5 910	Aug 2021	0,495%
	29 819		

** 2 year forward, effective 24 May 2021*