

## THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

The definitions and interpretations commencing on page 5 of this Circular apply throughout, including this cover page.

If you are in any doubt as to the action you should take, please consult your CSDP, broker, banker, legal advisor, accountant or other professional advisor immediately. If you have disposed of all your Shares in Texton, then this Circular should be handed to the purchaser of such Shares or to the broker, CSDP, banker or other agent through whom the disposal was effected. Texton does not accept responsibility and will not be held liable for any failure on the part of the CSDP or broker of a Dematerialised Shareholder to notify such Shareholder of the details of this Circular.

Texton Shareholders are referred to page 4 of this Circular, which sets out the detailed action required of them in respect of this Circular.

**The Rights Offer is a rights offer as contemplated in Section 96(1)(d) of the Companies Act and will not constitute an “offer to the public”, as envisaged in Chapter 4 of the Companies Act and, accordingly: (i) this Circular does not, nor does it intend to, constitute a “registered prospectus”, as contemplated in Chapter 4 of the Companies Act, and (ii) no prospectus has been filed with the Companies and Intellectual Property Commission (“CIPC”) in respect of the Rights Offer. As a result, except to the extent prescribed in the Companies Act, this Circular does not comply with the substance and form requirements for a prospectus set out in the Companies Act and the South African Companies Regulations of 2011, and has not been approved by, and/or registered with, the CIPC, or any other South African authority, save for the JSE. The Circular has been submitted to the Financial Surveillance Department of the South African Reserve Bank (“SARB”) as part of the exchange control approval process, but not separately approved by SARB. Should any person who is not a Qualifying Shareholder receive this Circular, they should not, and will not be entitled to, subscribe for any Rights Offer Shares or otherwise act thereon.**

The Rights Offer does not constitute an offer in any jurisdiction in which it is illegal to make such an offer and this Circular and Form of Instruction should not be forwarded or transmitted to any person in any territory other than where it is lawful to make such an offer. No action has been taken by Texton to obtain any approval, authorization or exemption to permit the issue of the Rights Offer Shares or the possession or distribution of this Circular (or any other publicity material relating to the Rights Offer Shares) in any jurisdiction other than South Africa. **Foreign Shareholders should refer to paragraph 9 of this Circular for further details in this regard.**

The Rights Offer Shares, upon their issue, will rank *pari passu* with all other Shares of the same class. There are no conversion or redemption provisions relating to the Rights Offer Shares. The allocation of Rights Offer Shares will be such that only whole numbers of Rights Offer Shares will be issued and Shareholders will be entitled to rounded numbers of Rights Offer Shares based on the conventional rounding principle (as set out in Annexure 2 to this Circular).

The Underwriters are acting exclusively as the underwriters of the Rights Offer and will not regard any person (whether or not a recipient of this Circular) as a client in relation to the Rights Offer and will not be responsible to anyone for providing the protections afforded to clients or for providing advice in relation to the Rights Offer or any other matter referred to in this Circular. The Underwriters accept no responsibility whatsoever and make no warranty, express or implied, for the contents of this Circular, or any other documentation relating to the Rights Offer, including its currency, accuracy, reliability, timeliness, continued availability, correctness, completeness or verification or for any other statement made or purported to be made by it, its affiliates, officers, employees or advisers, or on its behalf, in connection with Texton or the Rights Offer (“**Information**”), and the Underwriters, accordingly, disclaim to the maximum extent permitted by applicable law all and any responsibility or liability, whether arising in delict, contract or otherwise and whether arising as a result of any omission from, or inadequacy or inaccuracy in, the Information or the distribution, responsibility or possession or use of the Information in or from any jurisdiction which they might otherwise have in respect of this Circular or any statement.

Texton Shareholders will **not** have the right to apply for any excess Rights Offer Shares not taken up by other Shareholders.

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# 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

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## CIRCULAR TO TEXTON SHAREHOLDERS

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### relating to:

- a partially underwritten non-renounceable Rights Offer to Texton Shareholders of a total of 38 636 364 Rights Offer Shares at a Subscription Price of R2.20000 (220 cents) per share, in the ratio of 14.88474 Rights Offer Shares for every 100 Texton Shares held on Friday, 29 December 2023. To the extent not underwritten, the Rights Offer is supported by the supportive shareholders;

### and enclosing:

- a Form of Instruction for Texton Shareholders (for use by Certificated Shareholders only).
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**Rights Offer opens at 09:00 on**

**Tuesday, 2 January 2024**

**Rights Offer closes at 12:00 on**

**Friday, 5 January 2024**

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Transaction sponsor



Legal advisor



Date of issue: Thursday, 21 December 2023

This Circular is only available in English. Copies of this Circular may be obtained on the Company's website [www.texton.co.za](http://www.texton.co.za) at the registered office of the Company and the Transfer Secretaries at the addresses set out in the “Corporate Information” section of the Circular from Thursday, 21 December 2023 to Friday, 5 January 2024.



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## CORPORATE INFORMATION PAGE

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### Directors and prescribed officers

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

### Transaction Sponsor

Investec Bank Limited  
(Registration number 1969/004763/06)  
100 Grayston Drive  
Sandton  
Johannesburg, 2196  
(PO Box 785700, Sandton, 2196, South Africa)

### Company Secretary

Fernridge Office Park  
1st Floor, Block 4  
5 Hunter Street  
Randburg  
2194

### Registered office of the Company

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

Date of incorporation: 6 June 2005  
Place of incorporation: South Africa

### Legal advisor

Solaris Law Proprietary Limited  
(Registration number 2019/334232/07)  
3<sup>rd</sup> Floor, The Hudson  
30 Hudson Street  
De Waterkant  
Cape Town, 8001

### Transfer Secretaries

Computershare Investor Services Proprietary Limited  
(Registration number 2004/003647/07)  
Rosebank Towers, 15 Biermann Avenue,  
Johannesburg, 2196  
(Private Bag X9000, Saxonwold, 2132)

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## IMPORTANT DATES AND TIMES

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2023/2024

Declaration date announcement released on SENS on	Thursday, 14 December
Finalisation date announcement released on SENS by 11:00 on	Monday, 18 December
Publication of the Rights Offer Circular on the website of Texton	Thursday, 21 December
Last day to trade in Texton Shares in order to participate in the Rights Offer	Friday, 22 December
Texton Shares commence trading on the JSE ex-Rights Offer entitlement	Wednesday, 27 December
Nil paid Letters of Allocation listed and suspended from trading under code TEXN and ISIN ZAE000330840	Wednesday, 27 December
Rights Offer Circular and Form of Instruction distributed to Certificated Shareholders	Thursday, 28 December
Record Date for determination of Shareholders entitled to participate in the Rights Offer	Friday, 29 December
<b>Rights Offer opens at 09:00</b> and Non-renounceable Letters of Allocation issued and credited to Shareholders' accounts	<b>Tuesday, 2 January</b>
Rights Offer Circular distributed to those Dematerialised Shareholders who have elected to receive documents in hard copy	Tuesday, 2 January
Last day to trade in respect of the take-up (no trading permitted in the Form of Instruction in respect of the Letters of Allocation which is issued for processing purposes only)	Tuesday, 2 January
Payment made and Form of Instruction lodged by Certificated Shareholders wishing to exercise all or part of their entitlement to the Transfer Secretaries by 12:00	Friday, 5 January
<b>Rights Offer closes at 12:00 on</b>	<b>Friday, 5 January</b>
Record date for take-up in terms of the Rights Offer	Friday, 5 January
Listing of Rights Offer Shares at the commencement of business on	Monday, 8 January
Rights Offer Shares issued	Monday, 8 January
CSDP or Broker accounts in respect of Qualifying Shareholders holding Dematerialised Shares will be updated with Rights Offer Shares and debited with any payments due on	Monday, 8 January
Rights Offer Shares issued and posted to Qualifying Shareholders holding Certificated Shares	Monday, 8 January
Results of Rights Offer announced on SENS	Monday, 8 January

### Notes:

1. All references to dates and times are to local dates and times in South Africa.
2. Dematerialised Shareholders are required to inform their CSDP or broker of their instructions in terms of the Rights Offer in the manner and time stipulated in the agreement governing the relationship between the Shareholder and their CSDP or broker.
3. Share certificates may not be dematerialised or rematerialised between Wednesday, 27 December 2023 and Friday, 29 December 2023, both days inclusive.
4. Dematerialised Shareholders will have their accounts at their CSDP or broker automatically credited with their rights and Certificated Shareholders will have their rights credited to their accounts at the Transfer Secretaries.
5. CSDPs effect payment in respect of Dematerialised Shareholders on a delivery-versus-payment method.

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## **ACTION REQUIRED BY SHAREHOLDERS**

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The definitions and interpretations commencing on page 5 of this Circular apply to this section.

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

As the Rights Offer is non-renounceable, Qualifying Shareholders will not be allowed to renounce their Rights and will not have the option to offer, sell, transfer, or deliver Rights in any way or form. Qualifying Shareholders will be the only persons able to take up or exercise their Rights, in part or in full. If the Rights are not taken up or exercised, the Rights will be deemed to have been declined and the Rights Offer entitlements will lapse.

### **ACTION REQUIRED BY QUALIFYING SHAREHOLDERS WHO HOLD DEMATERIALISED SHARES**

If you hold Texton Shares in dematerialised form (including where you have elected own-name registration) you will not receive a printed Form of Instruction.

Your CSDP or broker will contact you to ascertain:

- whether you wish to follow all or some of your rights in terms of the Rights Offer and in respect of how many Rights Offer Shares;
- whether you wish for your rights in respect of the Rights Offer to lapse.

Your CSDP or broker will credit your account with the number of rights to which you are entitled in terms of the Rights Offer. If you do not hear from your CSDP or broker, you should contact them and furnish them with your instructions. If your CSDP or broker does not obtain instructions from you, they are obliged to act in terms of the custody agreement entered into between you and them.

CSDPs effect payment in respect of Qualifying Shareholders who have Dematerialised their Ordinary Shares on a delivery versus payment basis. You must ensure that you have sufficient funds in your account to settle the aggregate Rights Offer payable in respect of the Rights Offer Shares for which you wish to subscribe.

Texton does not accept responsibility and will not be held liable for any failure on the part of the CSDP or broker of a Dematerialised Shareholder to notify such Shareholder of the details of this Circular.

### **ACTION REQUIRED BY QUALIFYING SHAREHOLDERS WHO HOLD CERTIFICATED SHARES**

A Form of Instruction for completion by Qualifying Shareholders who hold Certificated Shares is enclosed with this Circular and the relevant procedure for participation in the Rights Offer is set out below.

If you hold your Texton Shares in certificated form and you wish to subscribe for some or all of the Rights Offer Shares allocated to you, you must complete the Form of Instruction enclosed herewith in accordance with the instructions contained therein and lodge it, together with payment for the amount due in respect thereof, with the Transfer Secretaries, whose details are set out on the inside front cover of this Circular, by no later than 12:00 on Friday, 5 January 2024.

If you intend to allow your rights to lapse, you need not take any action.

### **ACTION REQUIRED IF YOU HAVE DISPOSED OF YOUR SHARES**

If you have disposed of your Texton Shares, please forward this Circular to the purchaser of such Shares or to the broker or agent through whom the disposal was effected.

**Note:**

**If you are in any doubt as to the action you should take, please consult your CSDP, broker, banker, legal advisor, accountant or other professional advisor immediately.**

**Texton does not accept responsibility and will not be held liable for any failure on the part of the CSDP or broker of a Dematerialised Shareholder to notify such Shareholder of the Rights Offer.**

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## DEFINITIONS AND INTERPRETATIONS

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In this Circular and the annexures hereto, unless a contrary intention is indicated, an expression which denotes a gender includes the other genders, a natural person includes a juristic person and vice versa, the singular includes the plural and vice versa, and the expressions set out in the first column bear the meanings assigned to them in the second column.

<b>“Act” or “Companies Act”</b>	the Companies Act, No. 71 of 2008, as amended from time to time, including the Companies Regulations 2011;
<b>“Authorised Dealer”</b>	a person authorised by the Financial Surveillance Department of the South African Reserve Bank to deal in foreign exchange;
<b>“Available Shares”</b>	the Rights Offer Shares not subscribed for pursuant to the Rights Offer;
<b>“Board” or “Directors”</b>	the board of directors of Texton, as set out on page 9 of this Circular;
<b>“Broker”</b>	any person registered as a broking member (equities) in terms of the rules of the JSE made in accordance with the provisions of the Financial Markets Act;
<b>“Business Day”</b>	any day other than a Saturday, Sunday or official public holiday in South Africa;
<b>“Certificated Shareholders”</b>	holders of Certificated Shares;
<b>“Certificated Shares”</b>	Shares represented by share certificates or other written instruments, which have not been surrendered for Dematerialisation in terms of the requirements of Strate;
<b>“Circular”</b>	this circular to Shareholders, and all documents and Annexes bound herein, dated Thursday, 21 December 2023;
<b>“Common Monetary Area”</b>	collectively, South Africa, the Republic of Namibia and the Kingdoms of Lesotho and eSwatini;
<b>“CSDP”</b>	a “participant” as defined in the Financial Markets Act, being a person that holds in custody and administers securities or an interest in securities and that has been accepted by a central securities depository as a participant in terms of section 31 of the Financial Markets Act;
<b>“Dematerialisation” or “Dematerialised”</b>	the process whereby Certificated Shares are converted to an electronic form as uncertificated shares and recorded in the Sub-Register of shares maintained by a CSDP;
<b>“Dematerialised Shareholders”</b>	all registered holders of Dematerialised Shares;
<b>“Dematerialised Shares”</b>	Shares that have been dematerialised through a Broker or CSDP and are recorded in an uncertificated securities register forming part of Texton’s securities register;
<b>“Documents of Title”</b>	share certificates and/or certified transfer deeds and/or balance receipts or any other approved documents of title in respect of Texton Shares;
<b>“EFT”</b>	electronic funds transfer;
<b>“Emigrant”</b>	an emigrant from South Africa whose address is outside the Common Monetary Area;
<b>“Exchange Control Regulations”</b>	the Exchange Control Regulations of South Africa issued under the Currency and Exchanges Act, No 9 of 1933, as amended;
<b>“Financial Markets Act”</b>	the Financial Markets Act, No. 19 of 2012, as amended;
<b>“Foreign Shareholders”</b>	Shareholders that are registered in a jurisdiction outside of South Africa, or who are resident, domiciled or located in, or who are citizens of, a jurisdiction other than South Africa;

<b>“Form of Instruction”</b>	the form of instruction in respect of Certificated Shareholders to subscribe for Rights Offer Shares and on which Certificated Shareholders should indicate whether they wish to take up some or all of their rights, which form is enclosed with this Circular;
<b>“Group”</b>	Texton and its subsidiaries;
<b>“Investec” or “Transaction sponsor”</b>	Investec Bank Limited (Registration number 1969/004763/06), a limited liability public company duly incorporated in South Africa, acting through its Corporate Finance division;
<b>“JSE”</b>	either JSE Limited (Registration number 2005/022939/06), a public company duly incorporated in accordance with the laws of South Africa and licensed as an exchange under the Financial Markets Act, or the securities exchange operated by JSE Limited, depending on context;
<b>“Last Practicable Date”</b>	the last practicable date prior to finalisation of this Circular, being Thursday, 14 December 2023;
<b>“Letter of Allocation”</b>	a non-renounceable (nil paid) letter of allocation in electronic form relating to the Rights Offer;
<b>“Listings Requirements”</b>	the JSE Limited Listings Requirements, as amended from time to time;
<b>“MOI”</b>	the Memorandum of Incorporation of Texton;
<b>“Non-qualifying Shareholder”</b>	any Shareholder which has its registered address in any jurisdiction in which it would be unlawful to make the Rights Offer in respect of that Shareholder or would require Texton to comply with any governmental or other consent or any registration, filing or other formality for that Shareholder to lawfully follow its Rights with which Texton has not complied with;
<b>“Oak Tech Maximum Amount”</b>	an amount of R17,812,424;
<b>“Oak Tech Underwritten Shares”</b>	the maximum number of Available Shares underwritten by Oak Tech in terms of the Underwriting Agreement, being 8,096,556 Available Shares at an aggregate Rights Offer Issue Price equal to the Oak Tech Maximum Amount;
<b>“Oak Tech”</b>	Oak Tech Properties Proprietary Limited, registration number 2020/695335/07, a private company duly incorporated in accordance with the laws of the Republic of South Africa;
<b>“Own-name Registration”</b>	in respect of Dematerialised Shareholders, that they have instructed their CSDP to hold their Shares in their own name on the uncertificated securities registers of Texton;
<b>“Qualifying Shareholders” or “Texton Shareholders”</b>	a registered holder of Ordinary Shares on the Register of Texton as at 17:00 on the Record Date for the Rights Offer, excluding the treasury shares and which is not a Non-qualifying Shareholder;
<b>“Rand” or “R”</b>	the South African Rand, the lawful currency of South Africa;
<b>“Ratio of Entitlement”</b>	the number of Rights Offer Shares to which Shareholders are entitled to subscribe for in terms of the Rights Offer, being 14.88474 Ordinary Shares for every 100 Ordinary Shares held on the Record Date for the Rights Offer; and/or such proportionate lower number of Ordinary Shares in respect of a holding of less than 100 Ordinary Shares held on the Record Date for the Rights Offer as set out in Annexure 2;
<b>“Record Date”</b>	the record date for determining the persons to whom the Rights Offer Shares will be issued, being Friday, 5 January 2024;
<b>“Register”</b>	the register of Shareholders maintained by the Transfer Secretaries, including the Sub-Registers;
<b>“Rex Trueform Maximum Amount”</b>	an amount of R9,665,962;



<b>“Rex Trueform Underwritten Shares”</b>	the maximum number of Available Shares underwritten by Rex Trueform in terms of the Underwriting Agreement, being 4,393,619 Available Shares at an aggregate Rights Offer Issue Price equal to the Rex Trueform Maximum Amount;
<b>“Rex Trueform”</b>	Rex Trueform Group Limited, registration number 1937/009839/06, a public company duly incorporated in accordance with the laws of the Republic of South Africa;
<b>“Rights Offer Quantum”</b>	an amount not exceeding R85 million;
<b>“Rights Offer Issue Price”</b>	the price per new Ordinary Share to be offered to Shareholders in terms of the Rights Offer, being R2.20000 (220 cents) per Rights Offer Share;
<b>“Rights Offer Shares”</b>	38 636 364 Texton Shares to be issued pursuant to the Rights Offer;
<b>“Rights Offer”</b>	the partially underwritten non-renounceable rights offer by Texton to Shareholders to subscribe for 38,636,364 Rights Offer Shares at an issue price of R2.20000 per Rights Offer Share, in the ratio of 14.88474 for every 100 Texton Shares held by them on the Initial Record Date;
<b>“Rights”</b>	the entitlement to subscribe for Ordinary Shares pursuant to the Rights Offer;
<b>“Securities Transfer Tax”</b>	Securities Transfer Tax in terms of the Securities Transfer Tax Act, No. 25 of 2007, as amended;
<b>“SENS”</b>	the Stock Exchange News Service, being the news service operated by the JSE;
<b>“Shareholders”</b>	holders of Ordinary Shares;
<b>“Shares” or “Texton Shares” or “Ordinary Shares”</b>	ordinary shares of no par value in the issued share capital of Texton;
<b>“South Africa” or “SA”</b>	the Republic of South Africa;
<b>“Strate”</b>	Strate Proprietary Limited (registration number 1998/022242/07), a private company duly registered and incorporated in accordance with the company laws of South Africa, and which is a registered central securities depository responsible for the electronic settlement system used by the JSE;
<b>“Sub-Register”</b>	the list of Shareholders maintained by a CSDP and forming part of the Register;
<b>“Subsidiaries”</b>	has the meaning given to that term in the Companies Act;
<b>“Supportive Shareholders Commitment Value”</b>	the aggregate subscription price payable by the Supportive Shareholders for the Rights Offer Shares to be issued to them in terms of the Rights Offer at the Rights Offer Price, being R57,521,614;
<b>“Supportive Shareholders”</b>	entities who are either the registered and beneficial owners of Texton Shares, or holders of discretionary mandates as investment managers for clients who are beneficial owners of Texton Shares, who have provided written irrevocable undertakings to follow, or procure that their clients follow, their rights in terms of the Rights Offer, as detailed in the table set out in paragraph 3.3;
<b>“Texton” or “the Company”</b>	Texton Property Fund Ltd (Registration number 2005/019302/06), a public company incorporated in accordance with laws of the South Africa. Texton is a diversified property investment fund focusing on office, retail, industrial, and corporate assets;
<b>“Trading Day”</b>	a day in which the exchange operated by the JSE is open for the buying and selling of securities;
<b>“Transfer Secretaries”</b>	Computershare Investor Services (Pty) Ltd (Registration number 2004/003647/07), a private company incorporated in accordance with the laws of South Africa, full details of which are set out in the “Corporate Information” Section;
<b>“treasury shares”</b>	31 853 013 Texton Shares held as treasury shares by a Subsidiary of Texton;

<b>“Underwriters”</b>	Rex Trueform and Oak Tech, further details of which are included in Annexure 3;
<b>“Underwriting Agreement”</b>	the underwriting agreement entered into on 24 November 2023 between Texton and the Underwriters in terms of which the Underwriters agreed to underwrite the Rights Offer up to the Underwritten Shares Value, details of which are contained in paragraph 4 of this Circular;
<b>“Underwriting Fee”</b>	an amount of R274 784 (being 1% of the Underwritten Shares Value) payable by Texton to the Underwriters, in the proportions specified in the Underwriting Agreement, for providing the underwriting commitment;
<b>“Underwritten Shares Value”</b>	an amount of R27 478 386, being the maximum aggregate subscription amount payable by the Underwriters in terms of the Underwriting Agreement, and which, together with the Supportive Shareholders Commitment Value, total the Rights Offer Quantum;
<b>“VAT”</b>	value added taxation, in terms of the Value Added Tax Act, No 89 of 1991, as amended; and
<b>“VWAP”</b>	volume weighted average share price

# 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

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#### DIRECTORS

##### Executive

HSP Welleman (Chief executive 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)

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## CIRCULAR TO TEXTON SHAREHOLDERS

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### 1. INTRODUCTION

In an announcement released on SENS on 25 May 2023, Texton indicated to Shareholders that the Company may consider launching a rights offer in order to provide additional capital and resources to Texton to implement its current strategies.

The purpose of this Circular is to advise Shareholders of the terms and conditions of the Rights Offer and to provide Shareholders with instructions on participating in the Rights Offer.

### 2. BACKGROUND AND RATIONALE FOR THE RIGHTS OFFER

#### 2.1 Rationale for the Rights Offer and utilisation of the Rights Offer proceeds

Having considered the capital allocation requirements, the Rights Offer will assist the Group to strengthen the balance sheet. The funds raised will be utilised to:

- manage and reduce Texton's current debt levels following the share buy-back earlier this calendar year, which will mitigate elevated interest costs in the current high-interest rate environment, ensuring a stable financial structure;
- support the ongoing rollout of capital expenditure projects within Texton's South African portfolio, in line with Texton's small and midsize enterprise ("**SME**") strategy. This investment will bolster Texton's position and capitalise on the growth opportunities in the local market;
- further fund Texton's capital allocation towards the offshore deployment strategy.

### 3. PARTICULARS OF THE RIGHTS OFFER

#### 3.1 Terms of the Rights Offer

Texton is seeking to raise the Rights Offer Quantum through an offer of the Rights Offer Shares.

In terms of the Rights Offer:

- Shareholders will be offered 14.88474 Rights Offer Shares for every 100 Texton Shares held by them on the Record Date;
- the Rights Offer Issue Price will be R2.20000 per Rights Offer Share and no minimum subscription is applicable;

- the Rights Offer is partially underwritten, and to the extent not underwritten, supported by the Supportive Shareholders; and
- the Rights Offer will not allow for excess applications and is non-renounceable.

The Rights Offer will open at 09:00 on Tuesday, 2 January 2024 and will close at 12:00 on Friday, 5 January 2024.

The Rights Offer is not conditional on any minimum subscription being obtained.

### 3.2 Rights Offer Issue Price

The Rights Offer Issue Price of R2.20000 per Rights Offer Share represents a 10% discount to the 30 Trading Day VWAP of Texton Shares on the JSE at the close of business on Thursday, 23 November 2023, being the day immediately preceding the date on which the Company determined the Rights Offer Issue Price.

Qualifying Shareholders recorded on the Register of Texton at the close of business on Friday, 29 December 2023 will be entitled to participate in the Rights Offer.

The Rights Offer shares will, upon allotment and issue, rank *pari passu* with all other existing Ordinary Shares in terms of both voting rights and dividends.

### 3.3 Shareholder support

As at the Last Practicable Date, the following Supportive Shareholders have provided written irrevocable undertakings to follow, or procure or advise that their clients follow, their rights in terms of the Rights Offer:

<b>Name of Shareholder</b>	<b>Number of Shares held in Texton before the Rights Offer</b>	<b>Number of Rights Offer Shares in the ratio of 14.88474 for every 100 Texton Shares held</b>	<b>Percentage of total Rights Offer Shares %</b>
Geomer Investments Proprietary Limited	929 200	138 309	0.36
Oak Tech Trading Proprietary Limited	84 619 266	12 595 358	32.60
Rex Trueform	4 406 989	655 969	1.70
Oak Tech Properties Limited	35 605 597	5 299 801	13.72
Kloof Capital South Africa Proprietary Limited	41 092 769	6 116 552	15.83
KCSA Investments Proprietary Limited	4 828 077	718 647	1.86
Wheatfield Estate Foundation Trust	2 175 771	323 858	0.84
Bronwyn Elaine Keene-Young	2 000 000	297 695	0.77
<b>Total</b>	<b>175 657 669</b>	<b>26 146 188</b>	<b>67.67%</b>

No fee will be payable to the Supportive Shareholders for providing their written indications of support.

### 3.4 Entitlement

Shareholders will receive the right to subscribe for 14.88474 Rights Offer Shares for every 100 Texton Shares held on the Record Date being Friday, 29 December 2023.

The table of entitlement illustrating the number of Rights Offer Shares to which Qualifying Shareholders will be entitled is set out in **Annexure 2** to this Circular.

The allocation of Rights Offer Shares will be such that Shareholders will not be allocated a fraction of a Rights Offer Share and as such any entitlement to receive a fraction of a Rights Offer Share which:

- is less than one-half of a Rights Offer Share, will be rounded down to the nearest whole number; and
- is equal to or greater than one-half of a Rights Offer Share but less than a whole Rights Offer Share, will be rounded up to the nearest whole number.

Certificated Shareholders will have their rights credited to an account held by the Transfer Secretaries on their behalf. The enclosed Form of Instruction reflects the number of Rights Offer Shares for which the Certificated Shareholder is entitled to subscribe. The procedure to be followed by Certificated Shareholders for the acceptance of their rights is reflected on the Form of Instruction.

Dematerialised Shareholders will have their rights to subscribe for Rights Offer Shares credited in electronic form to their account held with their appointed CSDP or Broker. The CSDP or Broker will advise Dematerialised Shareholders of the procedure to be followed and the timing for the acceptance or lapsing of such rights.

**The Letters of Allocation to which the Form of Instruction relates are not negotiable and may not be traded on the JSE.**

### 3.5 Excess applications

Shareholders will not have the right to apply for any excess Rights Offer Shares not taken up by other Shareholders.

## 4. UNDERWRITING

The Rights Offer is partially underwritten by the Underwriters up to a maximum value of R27 478 386, being the Rights Offer Quantum of R85 million less the Supportive Shareholders Commitment Value. The underwritten Rights Offer Shares equates to a maximum of 12 490 175 Rights Offer Shares.

In terms of the Underwriting Agreement, an underwriting fee equal to 1% of the Underwritten Shares Value is payable by the Company to the Underwriters, in the proportions as set out in the Underwriting Agreement, which fee equates to R274 784. For further details on the Underwriters, please refer to Annexure 3. The independent non-executive directors of Texton have confirmed that the underwriting fee is not greater than current market-related rates.

The Board has made due and careful enquiry to confirm that the Underwriters can meet their underwriting commitments in terms of the Underwriting Agreement.

The Underwriting Agreement must become unconditional by not later than 16:30 on the day prior to the finalisation date being Tuesday, 17 December 2023, in order for the Underwriters to be bound to meet their underwriting commitments. The Underwriters are existing shareholders of Texton, as set out in paragraph 3.3 above. In addition, the Underwriters are associates of three of the directors of Texton, being Messrs MJA Golding, RA Franco and JR Macey who recused themselves from all board resolutions related to the Rights Offer.

## 5. PROCEDURES

### 5.1 Acceptance of Rights

- 5.1.1 If you are a Qualifying Shareholder holding Certificated Shares and wish to subscribe for all or part of your entitlement in terms of the enclosed Form of Instruction, you must complete the enclosed Form of Instruction in accordance with the instructions contained therein and lodge it together with payment of the subscription price with the Transfer Secretaries at the addresses set out on the Corporate Information Page of this Circular, so as to be received by the Transfer Secretaries by no later than 12:00 on Friday, 5 January 2024. Once received by the Transfer Secretaries, the acceptance is irrevocable and may not be withdrawn.
- 5.1.2 If payment is not received on or before 12:00 on Friday, 5 January 2024, the day of the closing of the Rights Offer, the Qualifying Shareholder will be deemed to have declined the Rights Offer and to subscribe for Rights Offer Shares pursuant to the Rights Offer.
- 5.1.3 Qualifying Shareholders are advised to deliver their completed Forms of Instruction together with their proof of EFT payment and EFT swift reference number by electronic mail, by hand or by courier, where possible to the Transfer Secretaries as set out in the enclosed Form of Instruction and in accordance with the provisions of the section of this Circular titled "Action Required by Shareholders".
- 5.1.4 If you are a Qualifying Shareholder and have Dematerialised your Ordinary Shares you will not receive a printed Form of Instruction. You should receive notification from your CSDP or Broker regarding the Rights to which you are entitled in terms of the Rights Offer.
- 5.1.5 If you are a Qualifying Shareholder holding Dematerialised Shares and wish to follow your Rights in respect of the Rights Offer, you are required to notify your duly appointed CSDP or Broker of your acceptance of the Rights Offer in the manner and time stipulated in the custody agreement governing the relationship between yourself and your CSDP or Broker.

## 5.2 **Payment to Certificated Shareholders**

- 5.2.1 A duly completed Form of Instruction must be lodged by Certificated Shareholders by no later than 12:00 on Friday, 5 January 2024, in accordance with the instructions contained in the Form of Instruction and clearly marked "**Texton – Rights Offer**".
- 5.2.2 Payment for the Rights Offer Shares subscribed for: (i) must be made in full by EFT into the Designated Bank Account, details of which are available from the Transfer Secretaries on request by contacting the Transfer Secretaries' call centre for corporate actions on +27 (0)11 370 5000 and, in South Africa only, on +27 (0)86 1100 634; (ii) must be paid in Rands; and (iii) proof of EFT payment must be lodged, posted or e-mailed, as the case may be, together with the completed Form of Instruction, as follows:
- |   |   |
|---|---|
| <i>By hand or courier to:</i>                           | <i>By post to:</i>                                      |
| <b>Texton Transfer Secretaries</b>                      | <b>Texton Transfer Secretaries</b>                      |
| c/o Computershare Investor Services Proprietary Limited | c/o Computershare Investor Services Proprietary Limited |
| First Floor   | Private Bag X3000                                       |
| Rosebank Towers   | Saxonwold, Johannesburg, 2132                           |
| 15 Biermann Avenue                                      | <i>By email to:</i>                                     |
| Rosebank, Johannesburg, South Africa, 2196              | corporate.events@computershare.co.za                    |
- 5.2.3 The Transfer Secretaries will not be responsible for any loss and/or damages whatsoever in relation to or arising from the late or non-receipt of emailed election forms or owing to Forms of Instruction being forwarded to any email address other than those provided above. Forms of Instruction shall be deemed to be received on the date reflected in the Transfer Secretaries' electronic systems. Notwithstanding anything to the contrary, it is the Shareholder's responsibility to ensure that their Form of Instruction is received by the Transfer Secretaries.
- 5.2.4 The above is in respect of the subscription for Rights Offer Shares only.

## 5.3 **Payment to Dematerialised Shareholders**

- 5.3.1 Payment will be effected on the Shareholder's behalf in Rand by the CSDP or Broker. The CSDP or Broker will make payment in respect of Qualifying Shareholders holding Dematerialised Shares on a delivery versus payment basis.

## 6. **STATEMENT AS TO LISTING ON THE JSE**

The JSE has granted the listing for the Rights Offer Shares from the commencement of business on Monday, 8 January 2024.

## 7. **SOUTH AFRICAN LAW**

All transactions arising from the provisions of this Circular and the Form of Instruction shall be governed by and be subject to the law of South Africa.

## 8. **EXCHANGE CONTROL REGULATIONS**

- 8.1 In terms of the Exchange Control Regulations, non-residents of the Common Monetary Area will be allowed to:
- 8.1.1 take up rights allocated in terms of the Rights Offer; and
  - 8.1.2 subscribe for new Rights Offer Shares,
- provided that payment is received in foreign currency or in Rand from a Non-resident Rand account in the name of the non-resident and/or Rand from a vostro account held in the books of the Authorised Dealer.
- 8.2 All applications by non-residents for the above purposes must be made through an Authorised Dealer. Shares subsequently re-materialised and issued in certificated form, will be endorsed "Non-Resident".
- 8.2.1 Where a Right in terms of the Rights Offer falls due to a former resident of the Common Monetary Area, which Right is based on Shares controlled in terms of the Exchange Control Regulations, only funds in the emigrant's capital account may be used to take up this Right. In addition, such funds may also be used to subscribe for new Rights Offer Shares.

- 8.2.2 Applications by emigrants to use funds in their capital account for the above purposes must be made through the Authorised Dealer controlling their remaining assets. Any Shares issued pursuant to the use of funds in the emigrant's capital account will be credited to their share accounts at the CSDP controlling their remaining portfolio.
- 8.3 The following summary is intended only as a guide and is, therefore, not comprehensive. If Shareholders are in any doubt as to the appropriate course of action, they are advised to consult their professional advisor:
- 8.3.1 Pursuant to the Exchange Control Regulations and upon specific approval of the South African Reserve Bank, non-residents, excluding former residents, of the Common Monetary Area will be allowed to take up Rights allocated to them in terms of the Rights Offer.
- 8.3.2 All applications by non-residents for the above purposes must be made through an Authorised Dealer. Electronic statements issued in terms of Strate and any share certificates issued pursuant to such applications will be endorsed "non-resident".
- 8.3.3 Where a Right in terms of the Rights Offer becomes due to a former resident of the Common Monetary Area, which Right is based on Ordinary Shares blocked in terms of the Exchange Control Regulations, then only emigrant blocked funds may be used to take up the Rights allocated to them in terms of the Rights Offer.
- 8.3.4 All applications by emigrants using blocked funds for the above purposes must be made through the Authorised Dealer in South Africa controlling their blocked assets. Share certificates issued to such emigrants will be endorsed "non-resident" and placed under the control of the Authorised Dealer through whom the payment was made. Electronic statements issued in terms of Strate and any Rights Offer Share certificates issued pursuant to blocked Rand transactions will be endorsed "non-resident" and placed under the control of the Authorised Dealer through whom the payment was made.
- 8.3.5 New Ordinary Share certificates issued pursuant to the Rights Offer to an emigrant will be endorsed "non-resident" and forwarded to the address of the relevant Authorised Dealer controlling such emigrant's blocked assets for control in terms of the Exchange Control Regulations. Where the emigrant's Ordinary Shares are in Dematerialised form with a CSDP or Broker, the electronic statement issued in terms of Strate will be despatched by the CSDP or the Broker to the address of the emigrant in the records of the CSDP or the Broker.

## 9. FOREIGN SHAREHOLDERS

### 9.1 Introduction

Foreign Shareholders may be affected by the Rights Offer, having regard to prevailing laws in their relevant jurisdictions. Such foreign Shareholders should inform themselves about and observe any applicable legal requirements of such jurisdiction in relation to all aspects of this Circular that may affect them, including the Rights Offer. It is the responsibility of each foreign Shareholder to satisfy himself as to the full observation of the laws and regulatory requirements of the relevant foreign jurisdiction in connection with the Rights Offer, including the obtaining of any governmental, exchange or other consents or the making of any filing which may be required, the compliance with other necessary formalities and the payment of any issue, transfer or other taxes or other requisite payments due in such jurisdiction. The Rights Offer is governed by the law of South Africa and is subject to applicable laws and regulations, including the Exchange Control Regulations.

To the extent that foreign Shareholders are not entitled to participate in the Rights Offer, such foreign Shareholders should not take up their Rights Offer entitlement and should allow their Rights in terms of the Rights Offer to lapse. Dematerialised foreign Shareholders that are not entitled to participate in the Rights Offer should not instruct their CSDPs or brokers to follow their Rights and should allow their Rights in terms of the Rights Offer to lapse. Certificated foreign Shareholders that are not entitled to participate in the Rights Offer should not instruct the Transfer Secretaries to follow their Rights and should allow their Rights in terms of the Rights Offer to lapse.

The Letters of Allocation and the Rights Offer Shares may not be offered, sold, taken up, exercised, resold, renounced, transferred or delivered, directly or indirectly, within Australia, Canada, Hong Kong or Japan.

## 9.2 **Affected foreign Shareholders**

Any Shareholder who is in doubt as to his position with respect to the Rights Offer in any jurisdiction, including, without limitation, his tax status, should consult an appropriate independent professional adviser in the relevant jurisdiction without delay. Foreign Shareholders are reminded that they may dispose of their Texton Shares on or prior to the last day to trade, in which case they will not participate in the Rights Offer.

Foreign Shareholders accordingly must take their own advice on whether they are entitled, after the Rights Offer, to continue to beneficially hold any Texton Shares distributed to them and take the appropriate action in accordance with that advice.

## 9.3 **European Economic Area and United Kingdom**

In relation to each member state of the European Economic Area and the United Kingdom (each a "**Relevant State**"), with effect from and including the date of this Circular, no Rights Offer Shares have been offered pursuant to the Rights Offer to the public in that Relevant State. The offer of Rights Offer Shares and Letters of Allocation which are the subject of the Rights Offer contemplated by this Circular may not be made to the public in that Relevant State except that an offer to the public in that Relevant State of any Rights Offer Shares or Letters of Allocation may be made at any time under the following exemptions under the Prospectus Regulation:

- (A) to any legal entity which is a qualified investor as defined under the Prospectus Regulation;
- (B) to fewer than 150 natural or legal persons (other than qualified investors as defined under the Prospectus Regulation), as permitted under the Prospectus Regulation; or
- (C) in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Rights Offer Shares or Letters of Allocation shall require the Company to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression an "offer to the public" (and similar expressions) in relation to any Rights Offer Shares or Letters of Allocation in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the Rights Offer and any Rights Offer Shares and Letters of Allocation to be offered so as to enable an investor to decide to purchase or subscribe for any Rights Offer Shares or Letters of Allocation, and the expression "Prospectus Regulation" means Regulation (EU) 2017/1129.

Any person located in any Relevant State that exercises their rights under the Rights Offer by subscribing for all or some of their Rights Offer Shares to which they are entitled, will be deemed to represent, warrant, agree and confirm that they are a qualified investor as defined under the Prospectus Regulation.

In the case of any Rights Offer Shares being offered to a financial intermediary as that term is used in Article 5(1) of the Prospectus Regulation, such financial intermediary will be deemed to have represented, acknowledged and agreed that the Rights Offer Shares acquired by it in the Rights Offer have not been acquired on a non-discretionary basis on behalf of, nor have they been acquired with a view to their offer to persons in a Relevant State in circumstances which may give rise to an offer of any Rights Offer Shares to the public other than their offer in a Relevant State to qualified investors as defined under the Prospectus Regulation.

The Company and its affiliates and others will rely upon the truth and accuracy of the foregoing representation, warranty, acknowledgement and agreement.

## 9.4 **Note to UK Shareholders**

In the United Kingdom, this Circular is only being distributed and communicated to and any investment or investment activity to which this Circular relates is available only to, and will be engaged in only with, persons: (i) having professional experience in matters relating to investments who fall within the definition of "investment professionals" in Article 19(5) of the Financial Services and Markets Act, 2000 (Financial Promotion) Order 2005 (the "**Order**"); or (ii) who are high net worth entities falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as "**Relevant Persons**"). Persons who are not Relevant Persons should not take any action on the basis of this Circular and should not act or rely on it.



## 9.5 Note to US Shareholders

This Circular and the Rights Offer Shares have not been approved or disapproved by the US Securities and Exchange Commission (“SEC”). Neither the SEC nor any US federal or state securities commission or regulatory authority has passed comment or opinion upon the accuracy or adequacy of this Circular or endorsed the merits of the Rights Offer. Any representation to the contrary is a criminal offence in the US.

Shareholders who are citizens or residents of the US are advised that the Rights Offer Shares have not been and will not be registered under the US Securities Act, or under any securities laws of any state or other jurisdiction of the United States and may not be offered, sold, taken up, exercised, resold, renounced, transferred or delivered, directly or indirectly, within the United States except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and applicable state and other securities laws of the United States. There will be no public offer of the Letters of Allocation and the Rights Offer Shares in the United States.

In the United States, only persons that are qualified institutional buyers (“QIBs”) may exercise their Rights Offer Shares by way of a private placement under Section 4(a)(2) of the US Securities Act. This Circular does not constitute nor will it constitute an offer or an invitation to apply for, or an offer or an invitation to acquire, any Rights Offer Shares in the United States. Subject to certain exceptions, this Circular will not be sent to any Shareholder in, or with a registered address in, the United States. Any person in the United States acquiring Rights Offer Shares must execute and deliver to the Company a US Investment Letter satisfactory to the Company to the effect that such person and any account for which it is acquiring the Rights Offer Shares is a QIB and satisfies certain other requirements. Subject to certain exceptions, this Circular and any other materials relating to the Rights Offer may not be sent to any Shareholder in, or with a registered address in, the United States.

Subject to certain exceptions, any person who acquires Rights Offer Shares will be deemed to have declared, warranted and agreed, by accepting delivery of this Circular, exercising their rights or accepting delivery of the Rights Offer Shares that it is not, and that at the time of acquiring the Rights Offer Shares it will not be, in the United States or acting on behalf of, or for the account or benefit of, a person on a non-discretionary basis in the United States or any state of the United States.

In addition, until 40 days after the commencement of the Rights Offer, an offer, sale or transfer of the Rights Offer Shares within the United States by a Dealer (whether or not participating in the Rights Offer) may violate the registration requirements of the US Securities Act.

A discussion of the material US federal income tax consequences that may be relevant to US Holders (as defined in the relevant annexure) is set out in Annexure 4 of this Circular.

## 10. JURISDICTION

The distribution of this Circular and/or accompanying documents and/or the rights to subscribe for Rights Offer Shares in jurisdictions other than South Africa may be restricted by law and failure to comply with any of those restrictions may constitute a violation of the laws of any such jurisdiction in which it is illegal to make such an offer. In such circumstances, this Circular and the Form of Instruction are sent for information purposes only.

## 11. TAX CONSEQUENCES OF THE RIGHTS OFFER

Securities Transfer Tax will not be levied on the Rights Offer Shares issued in terms of the Rights Offer. Shareholders are advised to consult their tax and financial advisors regarding any taxation implications pertaining to them regarding the acceptance of their Rights in terms of the Rights Offer.

## 12. NATURE OF BUSINESS AND PROSPECTS OF THE COMPANY

### 12.1 Nature of business

Texton is a JSE-listed real estate investment trust (“REIT”) that offers shareholders access to global direct and indirect real estate investments, which aim to deliver sustainable, risk-adjusted returns. Its direct property portfolio is valued at R2,2 billion as at 30 June 2023 (June 2022: R2,6 billion) and the international property investment portfolio amounts to R598,6 million (June 2022: R485,1 million). Texton is focused on robust and disciplined capital allocation. Texton is strategically reinvesting heavily into its direct property investments which are located in centralised nodes in both SA and the United Kingdom (“UK”) and deploying capital into high quality property investments in developed markets with best-in-class asset managers.

## 12.2 Prospects

Texton remains well positioned to deliver on its strategy of being highly disciplined in its two-pronged capital approach:

- Deploying capital into its existing SA direct property investments to reposition and repurpose these assets in line with its SME strategy;
- Deploying capital into developed markets with a strong bias to using a partner-based investment strategy which, in time, will provide Texton shareholders with an offshore portfolio investment offering rewarding returns over the long term.

The SA macroeconomic environment remains very pessimistic, with increasing inflation, rising borrowing costs and a power utility provider that is currently unable to provide stable and consistent electricity to the country. Texton has chosen to reposition its office portfolio by making its assets fit for use by SMEs who are the lifeblood of the SA economy. The SME strategy also encompasses the repurposing of large office space left vacant by corporates by repositioning these assets as “hubs” for SMEs to thrive in. The UK direct property investments have proven significantly resilient and provide Texton with consistent and predictable rental income. These assets do not require any major capital expenditure and the leases all contain upward-only increases, which make these assets uniquely positioned to take advantage of the current higher inflation in the UK when the next rental review takes place. The offshore investments continue to perform in line with expectations which provides the Group with a strong currency hedge against a depreciating Rand.

As a result of the above, and the additional capital raised in the Rights Offer, the Board is of the view that the prospects of Texton are favourable.

## 13. INFORMATION RELATING TO DIRECTORS AND MANAGEMENT

### 13.1 Details of directors and executive management

The Directors' details are set out below:

<b>Name</b>	<b>Function within the group</b>
<b>MJA Golding</b>	<b>Non-executive chairman</b> <b>Committees:</b> Nominations and remuneration committee, social and ethics committee, capital and investment committee
<b>AJ Hannington</b>	<b>Independent non-executive</b> <b>Committees:</b> Audit and risk committee, nominations and remuneration committee (chairperson), social and ethics committee
<b>JR Macey</b>	<b>Lead independent non-executive</b> <b>Committees:</b> Audit and risk committee (chairperson), nominations and remuneration committee, capital and investment committee
<b>S Thomas</b>	<b>Independent non-executive</b> <b>Committees:</b> Audit and risk committee, social and ethics committee (chairperson) and governance, board and committee experience
<b>RA Franco</b>	<b>Non-executive</b> <b>Committees:</b> Capital and investment committee
<b>WC van der Vent</b>	<b>Independent non-executive</b> <b>Committees:</b> Capital and investment committee (chairperson)
<b>HSP Welleman</b>	<b>Chief executive officer</b>

All Directors are South African citizens.

**Business address** of all directors in respect of Texton related matters: Texton, Block D, Vunani Office Park, 151 Katherine Street, Sandton, 2031.

All of the Directors have completed director's declarations in terms of Schedule 13 of the Listings Requirements relating to the appointment of new directors, copies of which are available for inspection in terms of paragraph 21 of this Circular.

### 13.2 Director's emoluments

As at the Last Practicable Date, there were no outstanding loans granted by any member of the Group to any Director, nor by any Director to any member of the Group.

There were no guarantees which had been provided by any member of the Group for the benefit of any Director, or by any Director for the benefit of any member of the Group, outstanding.

Other than the Underwriters, the Directors, including any director who has resigned from the Company in the last 18 months, had no material beneficial interest, whether direct or indirect, in any transaction effected by the Company during the current or immediately preceding financial year or in an earlier year and which remains in any respect outstanding or underperformed.

There will be no variation in the remuneration receivable by any of the Directors as a consequence of the Rights Offer.

The executive director has concluded a service contract on terms and conditions that are standard for such appointments, the detail of which is available for inspection in terms of paragraph 21 of the Circular. Shareholders approved the fees payable to non-executive Directors at the Company's annual general meeting of Shareholders held on 29 November 2023.

### 13.3 Directors' and prescribed officers' beneficial holdings

The table below sets out the direct and indirect beneficial holdings of shares by the Directors (and their associates) in the share capital of the Company as at the Last Practical Date.

Director	Total before the transaction Number of Ordinary Shares			Total after the transaction Number of Ordinary Shares		
	Indirect	Direct	% Holding	Indirect	Direct	% Holding
MJA Golding	51 876 785	–	17.80	59 598 510	–	18.06
JR Macey	41 925	–	0.01	48 165	–	0.01
RA Franco	119 605 113	–	41.04	137 408 023	–	41.63
<b>Total</b>	<b>171 523 823</b>	<b>–</b>	<b>58.86</b>	<b>197 054 699</b>	<b>–</b>	<b>59.70</b>

There are no material provisions of an abnormal nature in respect of the Directors' service contracts which require specific disclosure and no service contracts have been entered into or have been amended in the six months before the Last Practicable Date.

In the six months preceding the date of the Rights Offer and ending on the Last Practical Date, none of the Directors have traded in Texton.

### 13.4 Directors' and prescribed officers' intentions in relation to the Rights Offer

The following Directors (or where applicable, their associates) have indicated their intentions to follow their entitlements to Rights Offer Shares as below.

Name of Director/prescribed officer	Number of shares held	Entitlement to be taken up
MJA Golding	51 876 785	7 721 725
RA Franco	119 605 113	17 802 911
JR Macey	41 925	6 240
<b>Total</b>	<b>171 523 823</b>	<b>25 530 876</b>

Save for the above, no other directors, company secretary, or prescribed officers have indicated their intentions to follow their entitlements to Rights Offer Shares.

The Board granted the Directors clearance to exercise their Rights in terms of Texton's policy on trading. The Company Secretary provided each of the directors set out above with clearance to deal in securities in Texton in accordance with paragraph 3.66 of the Listings Requirements for purposes of exercising their rights under the Rights Offer.

Each Director's decision to follow his/her Rights was communicated to the Board outside of a closed period of the Company, as contemplated in the Listings Requirements.

### 13.5 Director's responsibility statement

The Directors collectively and individually, accept full responsibility for the accuracy of the information given and certify that to the best of their knowledge and belief there are no facts which have been omitted that would make any statement false or misleading and that all reasonable enquiries to ascertain such facts have been made and that the Circular contains all information required by law and the Listings Requirements.

### 14. SHARE CAPITAL

The authorised and issued share capital of the Texton at the Last Practical Date before the Rights Offer is as follows:

<b>Authorised</b>	<b>R'000</b>
2 000 000 000 ordinary shares of no par value	
<b>Issued</b>	
291 423 300 ordinary shares of no par value	2,630,454
31 853 013 treasury shares of no par value	188,062

The authorised and issued share capital of the Texton after the Rights Offer is expected to be as follows:

<b>Authorised</b>	<b>R'000</b>
2 000 000 000 ordinary shares of no par value	
<b>Issued</b>	
330 059 664 ordinary shares of no par value	2,715,454
31 853 013 treasury shares of no par value	188,062

The unissued shares are under the control of the Directors subject to the provisions of the Companies Act and the JSE Listings Requirements.

### 15. CATEGORY 2 TRANSACTIONS

There were no category 2 transactions concluded by Texton in the last 12 months and not notified to shareholders by way of a circular.

### 16. PRICE AND VOLUME HISTORY OF TEXTON

The Share price and volume history of Texton Shares in the 12 months preceding the date of issue of the Circular and in the 30 days preceding the Last Practicable Date, are set out in Annexure I.

### 17. EXPENSES OF THE RIGHTS OFFER

The following expenses and provisions are expected or have been provided for by the Company in connection with the Rights Offer and will be settled out of the proceeds of the Rights Offer. All costs are stated exclusive of VAT:

<b>Description</b>	<b>Payable to</b>	<b>Estimated amount (excluding VAT) R'000</b>
Transaction Sponsor	Investec	750
South African Legal Advisor to Texton	Solaris Law	200
Underwriting fees	Rex Trueform:	178
	Oak Tech:	97
JSE documentation	JSE	39
JSE listing fee	JSE	123
Printing and publication	Ince	50
<b>Estimated Total Costs</b>		<b>1 437</b>

## 18. **CONSENTS**

The Transaction Sponsor, Underwriter and the Legal Advisor to Texton have consented in writing, and have not withdrawn their consent, to their names being included in the Circular in the form and context in which they are included.

## 19. **SPONSOR UNDERTAKING**

Shareholders are advised that Investec has been appointed as Transaction Sponsor in relation to the Rights Offer.

In its capacity as Transaction Sponsor, Investec has confirmed to the JSE and Texton that there is no matter that would impact on its ability to exercise reasonable care and judgement to achieve and maintain independence and objectivity in professional dealings in relation to Texton, and that would impact on its ability to act within the Code of Conduct as set out in the Listings Requirements.

## 20. **DOCUMENTS AND CONSENTS AVAILABLE FOR INSPECTION**

The following documents, or copies thereof, will be available for inspection at the registered office of Texton during normal office hours from Thursday, 21 December 2023 to Friday, 5 January 2024 or will be available electronically on request by emailing: [w.somerville@mweb.co.za](mailto:w.somerville@mweb.co.za):

- the signed consent letters of the parties referred to in paragraph 18;
- the signed Underwriting Agreement;
- sworn affidavit by Underwriters;
- the irrevocable undertakings by the Supportive Shareholders referred to in paragraph 3.3;
- a signed copy of this Circular including the Form of Instruction;
- the audited annual financial statements of the Company for the three years ended 30 June 2023, 30 June 2022 and 30 June 2021;
- a copy of the MOI of Texton and each of the major subsidiaries; and
- summary of the service agreement with executive director and schedule 13 of the Directors.

## 21. **DOCUMENTS INCORPORATED BY REFERENCE**

Information relating to Texton's material risks and material loans is set out in the Group's integrated annual report for the year ended 30 June 2023 ("IAR") as further referenced below:

<b>Information</b>	<b>Website link</b>	<b>Reference</b>
Material loans	<a href="https://texton.co.za/reports-publications/">https://texton.co.za/reports-publications/</a>	Page 22 of the IAR
Material risks	<a href="https://texton.co.za/reports-publications/">https://texton.co.za/reports-publications/</a>	Page 23 – 29 of the IAR
Board of directors	<a href="https://texton.co.za/reports-publications/">https://texton.co.za/reports-publications/</a>	Page 56 – 57 of the IAR

By order and on behalf of the Board of Texton Property Fund Limited.

**HSP Welleman**

Chief executive officer

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**PRICE AND VOLUME HISTORY OF TEXTON SHARES ON THE JSE**


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<b>Period</b>	<b>High (cents)</b>	<b>Low (cents)</b>	<b>Close (cents)</b>	<b>Volume</b>	<b>Value (R)</b>
<b>Monthly</b>					
<b>2023</b>					
January	241	237	240	44,317	10,143,181
February	216	211	213	166,640	33,995,962
March	235	228	230	73,495	17,710,213
April	270	261	266	47,914	11,510,644
May	245	242	243	80,411	19,820,166
June	241	240	241	25,260	6,080,376
July	236	232	233	5,615,209	1,208,946,608
August	240	238	239	54,980	13,178,645
September	243	242	243	41,476	9,735,005
October	263	261	263	76,081	19,109,386
November	243	240	243	26,344	6,314,391
December					
<b>Daily</b>					
2-Nov	260	260	260	–	–
3-Nov	260	260	260	–	–
6-Nov	231	231	231	40,000	9,240,000
7-Nov	232	232	232	40,187	9,323,384
8-Nov	231	231	231	150	34,650
9-Nov	231	231	231	–	–
10-Nov	231	231	231	–	–
13-Nov	250	250	250	30,000	7,500,000
14-Nov	250	232	250	43,266	10,796,110
15-Nov	250	231	250	40,376	9,557,428
16-Nov	245	233	245	16,024	3,889,736
17-Nov	245	245	245	–	–
20-Nov	245	245	245	–	–
21-Nov	233	233	233	746	173,818
22-Nov	233	233	233	–	–
23-Nov	233	233	233	–	–
24-Nov	233	233	233	–	–
27-Nov	258	257	258	30,867	7,940,419
28-Nov	262	236	257	118,120	29,814,270
29-Nov	255	255	255	25,000	6,375,000
30-Nov	267	267	267	27,000	7,209,000
1-Dec	270	270	270	1,285	346,950
4-Dec	270	270	270	48,715	13,153,050
5-Dec	246	246	246	162	39,852
6-Dec	246	236	236	76,006	18,098,180
7-Dec	258	240	258	115,611	28,254,470
8-Dec	258	258	258	–	–
11-Dec	264	264	264	319	84,216
12-Dec	264	264	264	–	–
13-Dec	264	264	264	–	–

Source: Bloomberg

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**TABLE OF ENTITLEMENT**


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No fractions of Rights Offer Shares will be issued to Shareholders and the Rights Offer Shares will be issued based on the rounding principle (up or down, as the case may be). The table of entitlement of Shareholders to receive Rights Offer Shares is set out below.

<b>Number of existing shares held</b>	<b>Number of Rights Offer Shares to which a Qualifying Shareholder is entitled</b>	<b>Rounded number of Rights Offer Shares to which a Qualifying Shareholder is entitled</b>	<b>Number of existing shares held</b>	<b>Number of Rights Offer Shares to which a Qualifying Shareholder is entitled</b>	<b>Rounded number of Rights Offer Shares to which a Qualifying Shareholder is entitled</b>
1	0.14885	0	61	9.07969	9
2	0.29769	0	62	9.22854	9
3	0.44654	0	63	9.37739	9
4	0.59539	1	64	9.52623	10
5	0.74424	1	65	9.67508	10
6	0.89308	1	66	9.82393	10
7	1.04193	1	67	9.97278	10
8	1.19078	1	68	10.12162	10
9	1.33963	1	69	10.27047	10
10	1.48847	1	70	10.41932	10
11	1.63732	2	71	10.56817	11
12	1.78617	2	72	10.71701	11
13	1.93502	2	73	10.86586	11
14	2.08386	2	74	11.01471	11
15	2.23271	2	75	11.16356	11
16	2.38156	2	76	11.31240	11
17	2.53041	3	77	11.46125	11
18	2.67925	3	78	11.61010	12
19	2.82810	3	79	11.75894	12
20	2.97695	3	80	11.90779	12
21	3.12580	3	81	12.05664	12
22	3.27464	3	82	12.20549	12
23	3.42349	3	83	12.35433	12
24	3.57234	4	84	12.50318	13
25	3.72119	4	85	12.65203	13
26	3.87003	4	86	12.80088	13
27	4.01888	4	87	12.94972	13
28	4.16773	4	88	13.09857	13
29	4.31657	4	89	13.24742	13
30	4.46542	4	90	13.39627	13
31	4.61427	5	91	13.54511	14
32	4.76312	5	92	13.69396	14
33	4.91196	5	93	13.84281	14
34	5.06081	5	94	13.99166	14
35	5.20966	5	95	14.14050	14
36	5.35851	5	96	14.28935	14
37	5.50735	6	97	14.43820	14
38	5.65620	6	98	14.58705	15
39	5.80505	6	99	14.73589	15

<b>Number of existing shares held</b>	<b>Number of Rights Offer Shares to which a Qualifying Shareholder is entitled</b>	<b>Rounded number of Rights Offer Shares to which a Qualifying Shareholder is entitled</b>
40	5.95390	6
41	6.10274	6
42	6.25159	6
43	6.40044	6
44	6.54929	7
45	6.69813	7
46	6.84698	7
47	6.99583	7
48	7.14468	7
49	7.29352	7
50	7.44237	7
51	7.59122	8
52	7.74007	8
53	7.88891	8
54	8.03776	8
55	8.18661	8
56	8.33545	8
57	8.48430	8
58	8.63315	9
59	8.78200	9
60	8.93084	9

<b>Number of existing shares held</b>	<b>Number of Rights Offer Shares to which a Qualifying Shareholder is entitled</b>	<b>Rounded number of Rights Offer Shares to which a Qualifying Shareholder is entitled</b>
100	14.88474	15
125	18.60593	19
150	22.32711	22
175	26.04830	26
200	29.76948	30
500	74.42370	74
1,000	148.84741	149
10,000	1488.47405	1,488



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## INFORMATION ON THE UNDERWRITERS

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The Rights Offer is underwritten by Rex Trueform Group Limited and Oak Tech Properties Proprietary Limited. Details pertaining to the Underwriters as required by the Listings Requirements are set out below.

<b>Full legal and entity name:</b>	<b>Oak Tech Properties Proprietary Limited</b>
Directors:	Trevor Graeme Morris, Mark Robert Whitehead, Robert Aaron Franco
Company secretary:	MGI Bass Gordon
Date and place of incorporation:	Incorporated on 2020-09-03 in South Africa
Registration number:	2020/695335/07
Registered office:	Windermere House, Portswood Ridge, Portswood Road Waterfront, Western Cape, 8001
Auditors:	MGI Bass Gordon
Bankers:	Investec Bank Limited
Authorised share capital:	1 000 ordinary no par value shares
Issued share capital:	1 000 ordinary no par value shares

<b>Full legal and entity name:</b>	<b>Rex Trueform Group Limited</b>
Directors:	Marcel Johnathan Anthony Golding, Patrick Martin Naylor, Hugh Bevis Roberts, Luntu Keabetswe Sebatane, Catherine Louise Lloyd, Damien Franklin, Masedi Ramsey Molosiwa
Company secretary:	Anita Gihwala
Date and place of incorporation:	Incorporated on 1937-06-21 in South Africa
Registration number:	1937/009839/06
Registered office:	236 Victoria Road, Salt River, 7925
Auditors:	PWC
Bankers:	Standard Bank Limited and Nedbank Limited
Authorised share capital:	Ordinary Shares: 26 000 000 "N" Ordinary Shares: 120 000 000 Preference Shares: 140 000
Issued share capital:	Ordinary Shares: 3 763 017 "N" Ordinary Shares: 17 927 644 Preference Shares: 140 000

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## THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

The "Definitions and Interpretations" commencing on page 5 of this Circular apply throughout this Form of Instruction, including this cover page.

This Form of Instruction applies in respect of a non-renounceable (nil paid) Letter of Allocation. If you are in any doubt as to what action to take, please consult your CSDP, Broker, banker, attorney, accountant or other professional advisor immediately.

Texton has issued all Letters of Allocation in Dematerialised form and the electronic record for Certificated Shareholders is being maintained by its Transfer Secretaries. This enables Certificated Shareholders to enjoy the same rights and opportunities with respect to the Form of Instruction as Dematerialised Shareholders.

Should you wish to exercise all or some of your Rights, you must complete this Form of Instruction and return it to the Transfer Secretaries at either of the addresses set out below. Excess applications will not be allowed in respect of Rights Offer Shares.

Each alteration to this Form of Instruction must be signed in full and not merely initialed.

**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

A partially underwritten and supported non-renounceable Rights Offer to Qualifying Shareholders in respect of 38 636 364 Ordinary Shares at an issue price of R2.20000 per Rights Offer Share, in the ratio of 14.88474 Rights Offer Shares for every 100 Ordinary Shares held at the close of trade on Friday, 29 December 2023.

**FORM OF INSTRUCTION IN RESPECT OF A LETTER OF ALLOCATION  
("FORM OF INSTRUCTION")**

**Issued only to holders of certificated Ordinary Shares**

**2023/2024**

Declaration date announcement released on SENS on	Thursday, 14 December
Finalisation date announcement released on SENS by 11:00 on	Monday, 18 December
Publication of the Rights Offer Circular on the website of Texton	Thursday, 21 December
Last day to trade in Texton Shares in order to participate in the Rights Offer	Friday, 22 December
Texton Shares commence trading on the JSE ex-Rights Offer entitlement	Wednesday, 27 December
Nil paid Letters of Allocation listed and suspended from trading under code TEXN and ISIN ZAE000330346	Wednesday, 27 December
Rights Offer Circular and Form of Instruction distributed to Certificated Shareholders	Thursday, 28 December
Record Date for determination of Shareholders entitled to participate in the Rights Offer	Friday, 29 December
<b>Rights Offer opens at 09:00</b> and Non-renounceable Letters of Allocation issued and credited to Shareholders' accounts	<b>Tuesday, 2 January</b>
Rights Offer Circular distributed to those Dematerialised Shareholders who have elected to receive documents in hard copy	Tuesday, 2 January
Last day to trade in respect of the take-up (no trading permitted in the Form of Instruction in respect of the Letters of Allocation which is issued for processing purposes only)	Tuesday, 2 January
Payment made and Form of Instruction lodged by Certificated Shareholders wishing to exercise all or part of their entitlement to the Transfer Secretaries by 12:00	Friday, 5 January
<b>Rights Offer closes at 12:00 on</b>	<b>Friday, 5 January</b>
Record date for take-up in terms of the Rights Offer	Friday, 5 January
Listing of Rights Offer Shares at the commencement of business on	Monday, 8 January
Rights Offer Shares issued	Monday, 8 January
CSDP or Broker accounts in respect of Qualifying Shareholders holding Dematerialised Shares will be updated with Rights Offer Shares and debited with any payments due on	Monday, 8 January
Rights Offer Shares issued and posted to Qualifying Shareholders holding Certificated Shares	Monday, 8 January
Results of Rights Offer announced on SENS	Monday, 8 January

**Notes:**

- All references to dates and times are to local dates and times in South Africa.
- Dematerialised Shareholders are required to inform their CSDP or broker of their instructions in terms of the Rights Offer in the manner and time stipulated in the agreement governing the relationship between the Shareholder and their CSDP or broker.
- Share certificates may not be dematerialised or rematerialised between Wednesday, 27 December 2023 and Friday, 29 December 2023, both days inclusive.
- Dematerialised Shareholders will have their accounts at their CSDP or broker automatically credited with their rights and Certificated Shareholders will have their rights credited to their accounts at the Transfer Secretaries.
- CSDPs effect payment in respect of Dematerialised Shareholders on a delivery-versus-payment method.

**THIS FORM IS TO BE COMPLETED IN ITS ENTIRETY AND RETURNED TO THE TRANSFER SECRETARIES**

**Transfer Secretaries**

Computershare Investor Services Proprietary Limited  
 1st Floor, Rosebank Towers, 15 Biermann Avenue  
 Rosebank, Johannesburg, 2196  
 (Private Bag X3000, Saxonwold, Johannesburg, 2132)

Name and address of Shareholder	Account number
(1)	Enquiries in connection with this Letter of Allocation should be addressed to the Transfer Secretaries, quoting the account number below:

Number of Shares deemed to be registered in your name at the close of business on the Record Date:	Number of Rights Offer Shares to which you are deemed to be entitled in terms of the Rights Offer:	Amount payable for the maximum number of Rights Offer Shares at R2.20 per Rights Offer Share:  R <b>(4) = (3) × R2.20</b>
Acceptance of Rights Offer Shares: <i>(the same or lesser number of Rights Offer Shares as the number in Block (3) of this form of instruction may be accepted)</i>	Number of Rights Offer Shares subscribed for:	Total amount due at R2.20 per Rights Offer Share:  R <b>(6) = (5) × R2.20</b>

Applicant's telephone number (office hours) \_\_\_\_\_

Cellphone number \_\_\_\_\_

Facsimile number \_\_\_\_\_ Email address \_\_\_\_\_

Signature \_\_\_\_\_ Date \_\_\_\_\_

**GENERAL INSTRUCTIONS AND CONDITIONS**

- a) **Married persons:** Married persons wishing to exercise their rights must comply with the provisions of the Matrimonial Property Act (No. 88 of 1984) or the Civil Union Act (Act No. 17 of 2006) or customary law or the applicable matrimonial law, and proof of such person's capacity to exercise such rights may be required by the Transfer Secretary.
- b) **Powers of attorney:** If this form is signed under a power of attorney, then the original, or certified copy thereof, must be sent to the transfer secretaries for noting unless it has already been noted by Texton or the Transfer Secretary.
- c) **Companies, close corporations or other incorporated entities:** A company or close corporation wishing to exercise its rights must send the original or certified copy of the directors' or members' resolution authorising the exercise of such rights to the Transfer Secretaries for noting.
- d) **Stamp of broking member of the JSE:** If any signature to Form B is confirmed by the stamp of a broking member of the JSE then (a), (b) or (c) above, as the case may be, will not apply.
- e) **Deceased estates and trusts:** Rights Offer Shares will not be allotted in the name of an estate or a trust. Therefore, where the right to the Rights Offer Shares has accrued to the estate of a deceased holder or a trust, the executor or administrator or trustee (as the case may be) must complete Form B in his/her representative capacity and Form C must be completed by the person in whose name the Rights Offer Shares are to be allotted without any reference to the estate or the trust.
- f) **Joint holders:** Where applicable, all joint holders of Letters of Allocation must sign.
- g) **Receipts and documents:** No receipts will be given for completed Letters of Allocation and remittances. Original documents accompanying applications will be returned by the Transfer Secretary in due course, at the risk of the applicant.
- h) **Share certificates:** Texton uses the "certified transfer deeds and other temporary documents of title" procedure approved by the JSE and, therefore, will issue only one "block" share certificate for the Rights Offer Shares allotted by it to each acceptor of the offer.

Dear Shareholder

## 1. THE RIGHTS OFFER

1.1 Shareholders recorded in the Register of the Company at the close of trade on Friday, 29 December 2023, are offered, on the terms and conditions stated in the Circular dated Thursday, 21 December 2023 (which shall, if in conflict with the information set out below, take precedence) Rights to subscribe for Rights Offer Shares at a subscription price of R2.20 per Rights Offer Share ration the basis of 14.88474 Rights Offer Shares for every 100 Texton Shares held on the Record Date.

## 2. ALLOCATION (REFER TO THE FORM ATTACHED)

2.1 The Rights Offer Shares stated in Block (3) have been provisionally allocated for issue at a subscription price of R2.20 per Rights Offer Share to the Shareholder whose name is stated in Block (1).

## 3. ACCEPTANCE AND PAYMENT

3.1 If you wish to accept the Rights Offer you must complete Blocks (5) and (6) above.

3.2 If you are the person(s) in whose name(s) this Form of Instruction was issued and wish to subscribe for all the Rights Offer Shares allocated to you, complete the applicable blocks as stated above. Form B and Form C of this Form of Instruction need not be completed.

3.4 Payment of the Rand value of the subscription price may be made in full by electronic funds transfer ("EFT") into the Designated Bank Account, details of which are available from the Transfer Secretaries on request by contacting the Transfer Secretaries' call centre for corporate actions on +27 (0)11 370 5000 and, in South Africa only, on +27 (0)86 1100 634.

3.5 If you wish to subscribe for Rights Offer Shares, a properly completed Form of Instruction, together with a proof of EFT payment (in accordance with 3.4 above) must be lodged, posted or e-mailed, as the case may be, together with the completed Form of Instruction to the Transfer Secretaries, so as to be received by no later than Friday, 5 January 2024.

3.6 Such payment, when the EFT cleared into the designated bank account, will constitute acceptance of the Rights Offer upon the terms and conditions set out in the accompanying Circular and in this Form of Instruction.

3.7 No acknowledgement of receipt will be given for an EFT received in accordance with the Rights Offer.

3.8 If this Form of Instruction and the EFT proof of payment are not received as set out above, then the Rights Offer will be deemed to have been declined and the right to subscribe for the Rights Offer Shares offered to the addressee will lapse.

## 4. EXCESS APPLICATIONS

Excess Rights Offer Shares will not be permitted.

## 5. EXCHANGE CONTROL REGULATIONS

5.1 Pursuant to the Exchange Control Regulations of South Africa and upon specific approval of SARB, non-residents, excluding former residents, of the Common Monetary Area will be allowed to:

- take up rights allocated to them in terms of the Rights Offer;
- provided payment is received either through normal banking channels from abroad or from a non-resident account.

5.2 All applications by non-residents for the above purposes must be made through an Authorised Dealer in foreign exchange. Electronic statements issued in terms of Strate and any Ordinary Share certificates issued pursuant to such applications will be endorsed "non-resident".

5.3 Where a right in terms of the Rights Offer becomes due to a former resident of the Common Monetary Area, which

right is based on Ordinary Shares blocked in terms of the Exchange Control Regulations of South Africa, then only emigrant blocked funds may be used to take up the rights allocated to them in terms of the Rights Offer.

5.4 Any Qualifying Shareholder resident outside the Common Monetary Area who receives this Circular and Form of Instruction should obtain advice as to whether any governmental and/or other legal consent is required and/or any other formality must be observed to enable a subscription to be made in terms of such Form of Instruction.

5.5 All applications by emigrants using blocked funds for the above purposes must be made through the Authorised Dealer in South Africa controlling their blocked assets. Share certificates issued to such emigrants will be endorsed "non-resident" and placed under the control of the Authorised Dealer in foreign exchange through whom the payment was made. Electronic statements issued in terms of Strate and any Rights Offer Share certificates issued pursuant to blocked Rand transactions will be endorsed "non-resident" and placed under the control of the Authorised Dealer through whom the payment was made.

5.6 New Ordinary Share certificates issued pursuant to the Rights Offer to an emigrant will be endorsed "non-resident" and forwarded to the address of the relevant Authorised Dealer controlling such emigrant's blocked assets for control in terms of the Exchange Control Regulations of South Africa. Where the emigrant's Ordinary Shares are in dematerialised form with a CSDP or Broker, the electronic statement issued in terms of Strate will be despatched by the CSDP or Broker to the address of the emigrant in the records of the CSDP or Broker.

## 6. FOREIGN SHAREHOLDERS

6.1 Foreign Shareholders may be affected by the Rights Offer, having regard to prevailing laws in their relevant jurisdictions.

6.2 Such foreign Shareholders should inform themselves about and observe any applicable legal requirements of such jurisdiction in relation to all aspects of this Circular that may affect them, including the Rights Offer.

6.3 It is the responsibility of each foreign Shareholder to satisfy himself as to the full observation of the laws and regulatory requirements of the relevant foreign jurisdiction in connection with the Rights Offer; including the obtaining of any governmental, exchange or other consents or the making of any filing which may be required, the compliance with other necessary formalities and the payment of any issue, transfer or other taxes or other requisite payments due in such jurisdiction.

6.4 The Rights Offer is governed by the law of South Africa and is subject to applicable laws and regulations, including the Exchange Control Regulations.

## 7. JSE LISTING

The JSE has granted a listing for 38 636 364 Rights Offer Shares with effect from the commencement of trading on Monday, 8 January 2024.

## 8. DOCUMENTS OF TITLE

8.1 Share certificates to be issued to Qualifying Certificated Shareholders in respect of those Rights Offer Shares to which they have validly subscribed, will be posted to persons entitled thereto, by registered post, at the risk of the recipient, on or about Monday, 8 January 2024.

By order of the Board

TEXTON PROPERTY FUND LIMITED

Johannesburg  
Thursday, 14 December 2023

**FORM A: REGISTRATION APPLICATION FORM (to be accompanied by proof of EFT payment)**

This form is to be completed in respect of the person(s) in whose name(s) the Rights Offer shares are to be allotted.

**THIS FORM OF INSTRUCTION IS NOT NEGOTIABLE.**

To the Directors,

**TEXTON PROPERTY FUND LIMITED**

I/We hereby request you to allot the Rights Offer Shares comprised in this Form of Instruction and as indicated in Blocks (5), (6) and (7) hereof in the following name(s) upon the conditions set out in the accompanying circular; dated Thursday, 21 December 2023 and subject to the Memorandum of Incorporation of Texton.

I/We authorise you to place such name(s) on the register of Texton shareholder in respect thereof.

Surname(s) or name of company \_\_\_\_\_

Mr/Mrs/Miss/Ms \_\_\_\_\_

First names in full \_\_\_\_\_

Postal address (preferably a PO Box address) \_\_\_\_\_

Postal code \_\_\_\_\_

Telephone number (office hours) \_\_\_\_\_

Cellphone number \_\_\_\_\_

Facsimile number \_\_\_\_\_

Email address \_\_\_\_\_

Signed \_\_\_\_\_

Signature(s) \_\_\_\_\_

Date \_\_\_\_\_ 2024 \_\_\_\_\_

Assisted by me \_\_\_\_\_ (where applicable) (all joint holders must sign)

**FORM B: POSTAL INSTRUCTIONS (to be completed only if you require an Ordinary Share certificate)**

Certificated Shareholders accepting all the rights allocated to them in terms of the Rights Offer will receive their Rights Offer Shares in certificated form, which will not be good for delivery until they have been Dematerialised.

Certificated Shareholders should complete the section below.

Kindly post the relevant share certificate to the following address by registered post:

Name \_\_\_\_\_

Address \_\_\_\_\_ Postal code \_\_\_\_\_

Stamp of selling broker  
(if any) or stamp or  
name and address of  
lodging agent

(If no specific instructions are given here, the Certificated Shares will be forwarded to the address as shown on the second page of this Form of Instruction.)

A Shareholder wishing to collect his/her/their new share certificate from the Transfer Secretary must tick this block:

In order to comply with the requirements of the Financial Intelligence Centre Act, 2001 (No. 38 of 2001), the Transfer Secretaries will be unable to record any change of address mandated unless the following documentation is received from the relevant Shareholder:

- an original certified copy of your identity document;
- an original certified copy of a document issued by the South African Revenue Services to verify your tax number; if you do not have a tax number; please submit a letter stating this and have the letter signed by a Commissioner of Oaths; and
- an original or original certified copy of a service (or utility) bill to verify your residential address.

(If no specific instructions are given here, the certificated Ordinary Shares will be forwarded to the address as shown in Block (1) of page of the Form of Instruction).

FOR INFORMATION ONLY

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## FORM OF INVESTOR LETTER

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**NOTE TO QIBS: IN ORDER TO BE ENTITLED TO EXERCISE YOUR RIGHTS, QIBS MUST EXECUTE AND RETURN THIS INVESTOR LETTER TO THEIR FINANCIAL INTERMEDIARY, TOGETHER WITH A DULY COMPLETED FORM OF INSTRUCTION, PRIOR TO OR ON FRIDAY, 5 JANUARY 2024. COPIES OF SUCH DOCUMENTS MUST ALSO BE SENT TO TEXTON IN CARE OF THE COMPANY SECRETARY BY SUCH TIME.**

### Letterhead of Qualified Institutional Buyer in the United States

Texton Limited

Attention: Company Secretary

Email: w.somerville@mweb.co.za

Ladies and Gentlemen:

This letter relates to the proposed issue of new Ordinary Shares (the "**New Ordinary Shares**") and the non-renounceable (nil paid) letters of allocation for processing purposes, to subscribe for the New Ordinary Shares (the "**LAs**") by way of rights to Ordinary Shareholders (the "**Rights Offer**") by Texton Property Fund Limited (the "**Company**") as described in the rights offer circular, dated Thursday, 21 December 2023 (the "**Rights Offer Circular**"). Unless otherwise stated, or the context otherwise requires, capitalised terms in this letter shall have the same meaning as is given to them in the Rights Offer Circular.

In connection with our exercise of the LAs and contemplated subscription for the New Ordinary Shares as set forth above, we hereby represent, acknowledge and agree that:

We are a "qualified institutional buyer" ("**QIB**") as defined in Rule 144A under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**"), and, if we are subscribing for the New Ordinary Shares as a fiduciary or an agent for one or more investor accounts, each owner of such account is a QIB, we have full investment discretion with respect to each such account, and we have the full power and authority to make the acknowledgements, representations and agreements herein on behalf of each owner of each such account.

We are subscribing for the New Ordinary Shares for our own account, or for the account or accounts of QIBs, in each case, for investment purposes, and not with a view to any distribution (within the meaning of the U.S. federal securities laws) of the New Ordinary Shares or the LAs.

We acknowledge that the Company is not a reporting company under the Securities Exchange Act of 1934 (the "**Exchange Act**"). We have received a copy of the Rights Offer Circular. We acknowledge that neither the Company nor any of its affiliates nor any other person (including the advisors listed in the "*Corporate Information and Advisors*" section of the Circular) has made any representations, express or implied, to us with respect to the Company, the Rights Offer, the LAs and New Ordinary Shares or the accuracy, completeness or adequacy of any financial or other information concerning the Company, the Rights Offer, or the LAs and New Ordinary Shares, other than (in the case of the Company and its affiliates only) the information contained or incorporated by reference in the Rights Offer Circular. We will carefully read and review a copy of the Rights Offer Circular upon its delivery to us. We have had access to and are relying exclusively on, such financial and other information (including the business, financial condition, prospects, creditworthiness, status and affairs of the Company) concerning the Company and the LAs and New Ordinary Shares including, without limitation, the information noted above, as we have deemed necessary in connection with our own investment decision to exercise our Rights and/or take up the New Ordinary Shares. We acknowledge that our investment decision is based upon our own judgment, due diligence and analysis and not upon any view expressed or information provided by or on behalf of the advisors listed in the "*Corporate Information and Advisors*" section of the Circular or their respective affiliates. We acknowledge that we have not relied on any information contained in any research reports prepared by the advisors listed in the "*Corporate Information and Advisors*" section of the Circular or any of their respective affiliates. We understand that the Rights Offer Circular has been prepared in accordance with South African format, style and content requirements, particularly the listings requirements of the exchange operated by JSE Limited ("**JSE**"), which differ from US format, style and content requirements. In particular, but without limitation, the financial information contained in the Rights Offer Circular has been prepared in accordance with International Financial Reporting Standards and thus may not be comparable to financial statements of US companies prepared in accordance with US generally accepted accounting principles. We understand that there may be certain consequences under United States and other tax laws resulting from an investment in the LAs and the New Ordinary Shares and we have made such investigation and have consulted our own independent advisers or otherwise have satisfied ourselves concerning, without limitation, the effects of United States federal, state and local income tax laws and foreign tax laws, generally, and the Securities Act, specifically.

We understand, and each beneficial owner has been advised, that the LAs and the New Ordinary Shares have not been and will not be registered under the U.S. Securities Act or any other applicable U.S. state securities laws, and are being offered and issued or sold to us (or such beneficial owner) in a transaction not involving a public offering in the United States within the meaning of the U.S. Securities Act, that is exempt from the registration requirements of the U.S. Securities Act.

We understand that the LAs and the New Ordinary Shares are "**restricted securities**" within the meaning of Rule 144(a)(3) under the U.S. Securities Act and may not be deposited into any unrestricted depositary receipt facility, including the current American depositary share ("**ADS**") facility maintained by The Bank of New York Mellon, unless at the time of deposit such LAs and New Ordinary Shares are no longer "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act.

We are not subscribing for the New Ordinary Shares as a result of any general solicitation or general advertising within the meaning of Rule 502 under the U.S. Securities Act, including advertisements, articles, notices, or other communications published in any newspaper, magazine or similar media or broadcast over radio or television; or any seminar or meeting whose attendees have been invited by general solicitation or general advertising within the meaning of Rule 502 under the U.S. Securities Act.

We have received and read a copy of the Rights Offer Circular, including the documents incorporated by reference therein. We have not relied on financial or other information supplied to us by any person other than information contained in, or incorporated by reference in, the Rights Offer Circular. We have made our own assessment concerning the relevant tax, legal and other economic considerations relevant to our investment in the LAs and the New Ordinary Shares.

We have such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of an investment in the New Ordinary Shares, and we have the financial ability to bear the economic risk of investment in the New Ordinary Shares.

We agree that if we wish to reoffer, resell, pledge or otherwise transfer any of the LAs or the New Ordinary Shares, we will not do so except in accordance with any applicable U.S. federal and state securities laws, and we certify that either:

We will transfer the LAs and the New Ordinary Shares in an offshore transaction in accordance with Rule 903 or 904 of Regulation S under the U.S. Securities Act (a "**Regulation S Transaction**"); or

We understand and acknowledge that the Company shall have no obligation to recognise any offer, sale, pledge or other transfer made other than in compliance with the restrictions on transfer set forth above and described herein.

We acknowledge that the Company, its financial advisers, and their respective affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations, warranties and agreements. We understand that the Company is relying on this letter in order to comply with the U.S. Securities Act and other U.S. state securities laws. We irrevocably authorise any account operator, which includes any nominee, custodian or other financial intermediary through which we hold our LAs and shares in the Company, to provide the Company with a copy of this letter and such information regarding our identity and holding of shares in the Company (including pertinent account information and details of our identity and contact information) as is necessary or appropriate to facilitate our exercise of the LAs. We also irrevocably authorise the Company to produce this letter or a copy hereof to any interested party in any administrative or legal proceeding or official inquiry with respect to the matters set forth herein.

If any of the representations or warranties contained in this letter shall at any time become untrue, we agree immediately to notify the addressee hereof in writing. We also agree that we may not cancel, terminate or revoke this letter.

We understand that this letter is not a confirmation of a sale of New Ordinary Shares or the terms thereof, and that any such confirmation will be sent to us separately.

The terms and provisions of this letter shall inure to the benefit of the Company and the advisors listed in the "*Corporate Information and Advisors*" section of the Circular and their respective successors and permitted assigns, and the terms and provisions hereof shall be binding on our permitted successors in title, permitted assigns and permitted transferees.

We agree to hold the Rights Offer Circular and any form of instruction with respect to the Rights (the "**Form of Instruction**") we have received or will receive in confidence, it being understood that they are solely for our use and we confirm that we have not and will not duplicate, distribute, forward, transfer or otherwise transmit the Rights Offer Circular, the Form of Instruction or any other presentational or other materials concerning the Rights Offer (including electronic copies thereof) to any persons within the United States.

We understand that this letter is required in connection with the laws of the United States and shall be governed by and construed in accordance with the laws of the State of New York without giving effect to its choice of law principles.

The Company and its financial advisers shall be entitled to rely on this letter (and, if this letter is delivered to our custodian or nominee, to delivery of a copy of this letter on its request) and we irrevocably authorise you to produce this letter or a copy hereof to any interested party in any administrative or legal proceeding or official inquiry with respect to the matters covered hereby.

By: \_\_\_\_\_ (authorised signature)

Name: \_\_\_\_\_

Title: \_\_\_\_\_ + \_\_\_\_\_

Address: \_\_\_\_\_

Number of Ordinary Shares to be subscribed for: \_\_\_\_\_

To facilitate identification, please provide the following details, which must all be validated by your CSDP in South Africa:

\* All fields must be completed in full.

Number of Texton Shares held: \_\_\_\_\_

Name of Custodian: \_\_\_\_\_

Account Number held at Custodian: \_\_\_\_\_

CSDP Name: \_\_\_\_\_

Account Number at CSDP: \_\_\_\_\_

CSDP Account Number at Strate (CSA): \_\_\_\_\_







