TEXTON PROPERTY FUND LIMITED
A REIT, listed on the JSE Limited, Main Board - General Segment
(Incorporated in the Republic of South Africa)
(Registration number 2005/019302/06)
JSE share code: TEX ISIN: ZAE000190542
("Texton" or the "Company" or the "Group")

DECLARATION OF SPECIAL DIVIDEND AND RETURN OF CONTRIBUTED TAX CAPITAL

1. DECLARATION OF CASH DIVIDEND

Shareholders are referred to the condensed consolidated unaudited interim results for the six months ended 31 December 2024 released on 10 March 2025 on SENS, in terms of which the Board of directors of Texton ("**the Board**") had elected not to pay an interim dividend for the six months ended 31 December 2024.

The Board of Texton has subsequently declared a special gross dividend of 20.13 cents per ordinary share (out of income reserves from the 2025 financial year profits of the Company), subject to the required South African Reserve Bank approval being obtained for the declaration of the Special Dividend and the Return of CTC (as defined below).
("**Special Dividend**")

Declaration date:	Tuesday, 22 April 2025
Finalisation date anticipated to be on:	Monday, 12 May 2025
Last day to trade cum dividend:	Tuesday, 20 May 2025
Trading ex-dividend commences:	Wednesday, 21 May 2025
Record date:	Friday, 23 May 2025
Payment date:	Monday, 26 May 2025

Share certificates may not be dematerialised or rematerialised between Wednesday, 21 May 2025 and Friday, 23 May 2025, both days inclusive.

Tax Treatment of Special Cash Dividend

As the Company is a REIT, shareholders are advised that the Special Dividend will constitute a "dividend" in terms of the Income Tax Act (Act 58 of 1962), as amended, ("Income Tax Act") and a "qualifying distribution" in terms of section 25BB of the Income Tax Act.

SA tax residents

The dividend received by or accrued to SA tax residents must be included in the gross income of such shareholders and will not be exempt from income tax (in terms of the exception to the general dividend exemption, contained in paragraph (aa) of section 10(1)(k)(i) of the Income Tax Act) because it is a dividend distributed by a REIT. The dividend is exempt from dividend withholding tax in the hands of SA tax resident shareholders, provided that the SA resident shareholders provide the following forms to the Central Securities Depository Participant ("CSDP") or broker in respect of uncertificated shares, or to the Company, in respect of certificated shares:

- a declaration that the dividend is exempt from dividend tax

- a written undertaking to inform the CSDP, broker or the Company should the circumstances affecting the exemption change or the beneficial owner ceases to be the beneficial owner, both in the form prescribed by the Commissioner of the South African Revenue Service. Shareholders are advised to contact their CSDP, broker or the Company to arrange for the above-mentioned documents to be submitted prior to payment of the dividend if such documents have not already been submitted.

Non-resident shareholders

Dividends received by non-resident shareholders should not be subject to income tax in South Africa and instead should be treated as an ordinary dividend which is exempt from income tax in terms of the general dividend exemption in section 10(1)(k)(i) of the Income Tax Act. Dividends received by a non-resident from a REIT will be subject to dividend withholding tax at 20%, unless the rate is reduced in terms of any applicable agreement for the avoidance of double taxation ("DTA") between South Africa and the country of residence of the shareholder concerned. Assuming dividend withholding tax will be withheld at a rate of 20%, the net dividend amount due to non-resident shareholders is 16.104 cents per share. A reduced dividend withholding rate in terms of the applicable DTA may only be relied on if the non-resident shareholder has provided the following form to their CSDP or broker in respect of uncertificated shares, or to the Company in respect of certificated shares:

- a declaration that the dividend is subject to a reduced rate as a result of the application of DTA; and
- a written undertaking to inform the CSDP, broker or the Company should the circumstances affecting the reduced rate change or if the beneficial owner ceases to be the beneficial owner,

both in the form prescribed by the Commissioner of the South African Revenue Service. Non-resident shareholders are advised to contact their CSDP, broker or the Company to arrange for the above-mentioned documents to be submitted prior to payment of the dividend if such documents have not already been submitted.

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2. DECLARATION OF RETURN OF CONTRIBUTED TAX CAPITAL

In addition to the declaration of the Special Cash Dividend, the Board has considered that it has excess cash available in the business and accordingly, the Board is therefore pleased to announce that it has approved and declared a further distribution which will result in a capital reduction of the "contributed tax capital" (as such term is defined in the Income Tax Act) of the Company of 79.87 cents per ordinary share ("**Return of CTC**"), subject to the required South African Reserve Bank approval being obtained for the declaration of the Special Dividend and the Return of CTC ("**Condition**").

The salient dates of this Return of CTC are as set out below, on the basis that the Condition has been fulfilled by Monday, 12 May 2025:

Declaration date:	Tuesday, 22 April 2025
Finalisation date anticipated to be on:	Monday, 12 May 2025
Last day to trade cum dividend:	Tuesday, 20 May 2025
Trading ex-dividend commences:	Wednesday, 21 May 2025
Record date:	Friday, 23 May 2025
Payment date:	Monday, 26 May 2025

Share certificates may not be dematerialised or rematerialised between Wednesday, 21 May and Friday 23 May 2025, both days inclusive.

To the extent that the Condition is not fulfilled by Monday, 12 May 2025, a further announcement will be released by the Company to inform shareholders thereof and to provide an updated timetable in respect of the payment of the Special Dividend and the Return of CTC.

Tax treatment of the Return of CTC

The Return of CTC of 79.87 cents per share should constitute a "return of capital" as defined in section 1 of the Income Tax Act. The return of capital by way of a reduction of the CTC of the Company should not constitute a "dividend" as defined in the Income Tax Act and should therefore not be subject to dividends tax.

South African resident shareholders who hold their shares as capital assets will be required in terms of paragraph 76B of the Eighth Schedule to the Income Tax Act to reduce the base cost of their Texton shares with the amount of CTC returned. If the amount of CTC returned exceeds the base cost of the Texton shares in the hands of a particular shareholder, the excess will constitute a capital gain in the hands of the shareholder. Texton shareholders who hold their shares as trading stock should obtain advice on the correct tax treatment of the Return of CTC. The South African tax consequences for non-South African resident Texton shareholders in respect of the Return of CTC is fact dependent and depends on the extent of their shareholding and activities in South Africa – such shareholders should obtain advice on the correct tax treatment of the Return of CTC.

The information provided in this announcement is generic in nature and does not constitute tax advice. Shareholders are advised to obtain appropriate advice from their professional advisers in this regard.

The number of ordinary shares in issue at the declaration date is 330 059 664 and the income tax registration number of the Company is 9353785158.

Sandton
22 April 2025

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