

TEXTON PROPERTY FUND LIMITED
Granted REIT status by the JSE
(Incorporated in the Republic of South Africa)
(Registration number 2005/019302/06)
JSE share code: TEX ISIN: ZAE000190542
(“Texton” or the “Company”)

PARTIAL SALE OF INVESTMENT INTO BLACKSTONE REAL ESTATE INCOME TRUST iCAPITAL OFFSHORE ACCESS FUND SPC

1. INTRODUCTION

During the 2023 financial year, the Company’s United Kingdom based subsidiary, Texton Property Investments UK Limited (“TPI”) acquired a total of 9,559.6383 Class I shares of Blackstone Real Estate Income Trust iCapital Offshore Access Fund SPC (the “Access Fund”). The directors of Texton (the “Board”) wishes to inform shareholders that TPI has partially sold down its investment in the Access Fund through a redemption of 4,614.1917 shares on an effective trade date of 30 June 2024 (the “Disposal”).

2. RATIONALE

TPI invested in the Access Fund, which is managed by iCapital Advisors, LLC (the Investment Manager) and invests substantially all of its assets in the Blackstone Real Estate Income Trust, Inc., a non-listed, perpetual-life real estate investment trust that invests primarily in stabilized, income-generating U.S. commercial real estate, and to a lesser extent, in real estate debt investments. None of the beneficial owners of the Access Fund are related parties to Texton as defined in the JSE Listings Requirements.

At the time of investing, the Access Fund met several strategic and investment goals for TPI, in line with group’s strategy to increase its offshore property exposure. The investment has continued to provide TPI with current income in the form of regular, stable cash distributions, achieving an attractive yield on the investment. In addition to providing monthly distributions, the Access Fund provides TPI with optionality to exit the fund through a share repurchase plan (subject to certain limitations of the terms and conditions of the share repurchase plan). Given the distributions and returns achieved to date, TPI decided to redeem a portion of the current investment and partially realise these returns. The redemption proceeds from the Disposal will be recycled in line with the group’s offshore investment strategy.

3. TERMS OF THE SALE

The redemption of the shares in the Access Fund and the payment thereof does not have any conditionality. TPI has been informed that the full redemption request was confirmed and will be duly processed. Based on the 31 May 2024 valuation of the fund, the number of shares that will be sold is 4,614.1917.

4. FINANCIAL INFORMATION

The shares have been redeemed at a ZAR value of R110 291 394, compared to the average acquisition price of R91 968 760. Together with the total monthly distributions that were received on the redeemed shares during the hold period, the investment has yielded an approximate total holding period return of 31.05%.

5. CATEGORISATION OF THE SALE

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

SANDTON
03 July 2024

CORPORATE ADVISER AND SPONSOR TO TEXTON
Investec Bank Limited