

Texaf

Solid start of the year with +4.4% revenue growth

Holdings and Investment Companies | Belgium

In 1Q26, TEXAF delivered a solid start to the year with group revenue up +4.4% despite an unstable geopolitical environment in the DRC whose operational impact remained limited so far. Real estate, the core driver, held steady at €7.7m thanks to rent indexation that offset a modest seasonal dip in occupancy. The quarry segment rebounded strongly with revenue up +49% to €1.1m after a weak comparable period. Digital continued to build momentum with service revenues +22% to €0.3m and high occupancy at Silikin Village. The newly created Property Development segment confirmed first home sales at Jardins de Kinsuka from 2Q26. TEXAF's euro-denominated rental model with high-quality tenants continues to demonstrate resilience, while the development pipeline supports longer-term growth. We maintain our BUY rating and €45.0 target price.

More details:

- Financial Performance:** Group revenues rose +4.4% in 1Q26. Real estate remained the dominant contributor, while quarry and digital showed clear positive momentum. The euro-based rental model and asset quality continue to provide a buffer against local volatility.
- Real Estate:** Rental income was stable at €7.7m versus 1Q25. Rent indexation fully compensated for a slightly lower occupancy rate (residential ~97.5% due to seasonal effects. Commercial was marginally below prior year following office renovations completed end-of-quarter). Construction of Quartier des Parcs (19 villas + 14 upscale apartments) progressed on schedule within the UTEXAFRICA concession. The first leases are expected end-Q1 2027, adding ~€2.3m in annual rental income. This project responds to sustained demand for premium supply.
- Quarry (Carrigrès):** Revenue increased +49% to €1.1m, recovering from a sharp -52% decline in 1Q25. Sales volumes rose +73% back to normalized Q1 2024 levels, although average selling prices remained under pressure (-14% vs Q1 2025). Activity has returned to a more typical run-rate.
- Digital:** Service revenues grew +22% to €0.3m, supported by strong appeal of Silikin Village. Private offices posted occupancy above 97%, fixed workstations nearly 100%, with meaningful gains in flexible spaces (>68%) and high utilization of meeting rooms (>72%) and the Event Room (>60%). New partnerships with ENABEL and the EU-backed "Xelle" female entrepreneurship venture builder further strengthen its role. The data centre focused on onboarding new clients and commercializing interconnection services.
- Property Development:** This new segment (effective 1 January 2026) centers on the ambitious Jardins de Kinsuka project along the Congo River. Infrastructure works advanced in 2025. The first phase will deliver 42 homes for sale, with marketing and sales commencing in 2Q26. The planned neighbourhood emphasizes sustainable design, security, and future on-site amenities.
- Outlook:** Real estate growth remains on track with new deliveries from the pipeline and continued high-quality demand. Quarry volumes have normalized, while digital is gaining traction as a regional entrepreneurship hub. Ongoing DRC risks (economic, regulatory, geopolitical) persist, but the group's resilient model, euro rents, and diversified asset base limit exposure.

Year To:	2021A	2022A	2023A	2024A
Sales & operating income	24.8	29.5	31.3	34.2
Profit/loss from operating activities	8.1	8.9	9.9	11.1
Net Profit (group share)	5.2	8.4	11.6	7.4
Diluted EPS	1.42	2.28	3.18	2.04
Dividend per share (€)	1.43	1.57	1.64	1.76
Dividend yield (%)	3.4	3.7	3.9	4.2
Net asset value per share (NAV)	62.82	61.23	59.01	60.92
P / NAV (%)	(48.42)	(45.13)	(44.08)	(45.83)
Cash & cash equivalents	5.9	5.5	8.6	10.3

Source: KBC Securities

<https://research.kbcsecurities.com>

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Share Price: €42.0
Target Price: €45.0
 Upside/Downside: 7.1%

Recommendation: Buy
 Previous Recommendation: Buy

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Key Data

Bloomberg: TEXF BB
 Reuters: TEXB.BR
 URL: <https://www.texaf.be/>

Market Cap. (m): €154.0
 Shares Out. (m): 3.7
 Volume (Daily): 452
 Price 12m Hi/Lo: 42.0 / 32.0

Performance	1m	3m	12m
Absolute (%)	6.1	14.8	30.4
Rel. BEL20	-2.9	13.4	4.7

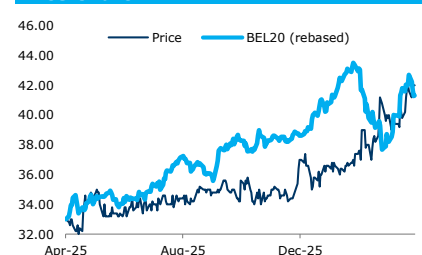
Next Corporate Event

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Price Chart



Source: Refinitiv Datastream

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This publication has been finalised on Apr 24 2026 .

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Stock Rating	Definition	% Of Cov Universe	% IB Client in Last Year
Buy	Expected total return (including dividends) of 10% or more over a 6-month period	34.5	48.8
Accumulate	Expected total return (including dividends) between 0% and 15% over a 6-month period	41.2	24.5
Hold	Expected total return (including dividends) between -5% and 5% over a 6-month period	23.5	10.7
Reduce	Expected total return (including dividends) between -15% and 0% over a 6-month period	0.0	0.0
Sell	Expected total return (including dividends) of -10% or worse over a 6-month period	0.8	0.0

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Business Description for: Texaf

Texaf is holding company headquartered in Brussels, Belgium - however, all of the company's businesses operate in Congo. Texaf has 3 business divisions namely 'Real Estate', 'Industry', and 'Digital'. The 'Real Estate' division is mainly engaged in developing and renting out residential units and business spaces, the 'Industry' division comprises a sandstone quarry, and the 'Digital' division is currently comprised of investments in Partech Africa Fund I and II.

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- B. This company owns more than 5.0% of its own shares

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Subject Company	Relevant disclosure(s) if any
Texaf	D,E

The price target for Texaf is based on the following parameters:

Texaf's equity story currently hinges on the performance of its 'Real Estate' division (95.0%+ of total portfolio) which currently is engaged in renting residential/office spaces in DRC. Texaf's high-quality residential/office space rental offering in Kinshasa is among only a hand-few and will continue to be in high demand with the expat community, government institutions and corporates, and international organisations looking for secure, modern, and high-quality accommodations/offices with access to several amenities. Also, Texaf's rental income is highly stable (80.0%+ coming from local/international organisations and corporates) and occupancy has averaged 97.0%+ over the last 5-year period. The sandstone quarry should benefit from the steady development of the DRC and opportunistic exploitation of fluctuations in prices. Added to this, the 'Digital' division has immense growth potential over the LT as Texaf has partnered with Partech (PE and VC firm) by committing capital - this opens up opportunities to co-invest in potential future African unicorns.

The risks which may impede the achievement of our price target for Texaf are:

- 1) Texaf's land bank has become the target of land grabbers (local politicians & elites) who might try to prevent development on the land.
- 2) Texaf might not be able to develop on its land bank due to not being able to find a suitable partner.
- 3) Downward revision of Texaf's real estate portfolio.
- 4) Texaf not being able to sell its undevelopable land or having to sell the land at a steep discount.

Below is an overview of the stock ratings and target price history in the last 12 months for the stock(s) described in this report. Rating and price history is delayed by 1 month.

Company	Date	Rating	Target Price
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