

Texaf

Occupancy back to near-100% in Q3, projects on track

Holdings and Investment Companies | Belgium

In Q3, TEXAF confirmed that the Q2 occupancy dip was temporary. Rental income rose 3.9% YoY to €8.0m, driven by indexation above 2%, residential occupancy back close to 100% and the letting of previously vacant warehouses. Over 9M, rental income was up only 0.4%, still held back by the weaker Q2. Quartier des Parcs remains on schedule and on budget, with first rental income expected in Q2 2027. At Jardins de Kinsuka, 13 of the 42 phase 1 villas are reserved with deposits, in line with the sales plan, and construction starts in Q4. Quarry revenue fell 12% to €1.3m due to a planned partial shutdown to install the new crusher and screen, though pricing remained firm (+19%). Silikin Village continued to grow, with management fees up 21%. This is a reassuring update that supports our view of a temporary Q2 dip. We maintain Accumulate.

More details:

- **Real Estate:** Q3 rental income rose 3.9% to €8.0m (9M: ~€23.6m, +0.4%). Growth came from indexation (>2%), residential occupancy recovering to near-100% (vs 96.2% average in H1) and new warehouse lettings. The weaker 9M figure reflects the Q2 occupancy dip, which now appears behind us. Quartier des Parcs (33 homes) remains on schedule and on budget, with first lettings in Q2 2027, adding a confirmed €2.6m in annual rental income.
- **Property Development:** Jardins de Kinsuka recorded 13 reservations, each backed by a deposit, out of the 42 villas in phase 1. This is in line with the planned sales schedule after the launch at end-June. Construction of the first houses starts in Q4 2026. We see this as an important first step in monetising the 87-hectare land bank, although execution in the DRC remains a key risk.
- **Quarry:** Carrigrès revenue fell 12% to €1.3m in Q3, as volumes dropped 26% during the planned partial shutdown to commission the new tertiary crusher and screen. The average selling price rose 19%, confirming the firmer commercial policy. Over 9M, revenue is still up 12% (~€3.4m). With the upgraded line in place, we expect volumes to recover from Q4. Valuation remains zero in our model.
- **Digital:** Silikin Village reported near-100% occupancy for private offices and rising occupancy for other workspace and shared premises. Management fees rose 21% to €0.35m. The hub continues to expand its ecosystem role through programmes such as xELLE (European Commission), BOFULUKI (with Enabel) and ECO IMPACT. No update was given on the data centre joint venture.
- **Our view:** A clean quarterly update with no surprises. The rebound in occupancy confirms our view that the Q2 dip was temporary, while both real estate projects are progressing as planned. The quarry shutdown is a short-term hit for a better-equipped line going forward. DRC risks (legislative, security, health) persist, but the investment case remains intact. We maintain our Accumulate rating and €51 target price.

Share Price: €35.4
Target Price: €51.0
Upside/Downside: 44.1%

Recommendation: Accumulate
Previous Recommendation: Accumulate

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Key Data

Bloomberg: TEXTF BB
Reuters: TEXTB.BR
URL: <https://www.texaf.be/>

Market Cap. (m): €129.8
Shares Out. (m): 3.7
Volume (Daily): 410
Price 12m Hi/Lo: 44.8 / 34.0

Performance	1m	3m	12m
Absolute (%)	-4.8	-14.9	0.0
Rel. BEL20	-9.0	-18.2	-18.2

Next Corporate Event

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Year To:	2022A	2023A	2024A	2025A
Sales & operating income	29.5	31.3	34.2	37.6
Profit/loss from operating activities	8.9	9.9	11.1	11.4
Net Profit (group share)	8.4	11.6	7.4	9.0
Diluted EPS	2.28	3.18	2.04	2.48
Dividend per share (€)	1.57	1.64	1.76	1.89
Dividend yield (%)	4.4	4.6	5.0	5.3
Net asset value per share (NAV)	61.23	59.61	62.66	64.04
P / NAV (%)	(45.13)	(44.64)	(47.34)	(48.47)
Cash & cash equivalents	5.5	8.6	10.3	4.8

Source: KBC Securities

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Price Chart



Source: Refinitiv Datastream

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This publication has been finalised on Oct 30 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	30.4	42.9
Accumulate	Expected total return (including dividends) between 0% and 15% over a 6-month period	35.7	36.6
Hold	Expected total return (including dividends) between -5% and 5% over a 6-month period	32.2	21.6
Reduce	Expected total return (including dividends) between -15% and 0% over a 6-month period	0.9	0.0
Sell	Expected total return (including dividends) of -10% or worse over a 6-month period	0.9	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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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
Texaf	Jun 3 2026	Accumulate	51.00

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