

HYPROP INVESTMENTS LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 1987/005284/06)

JSE share code: HYP ISIN: ZAE000190724

JSE bond issuer code: HYPI

(Approved as a REIT by the JSE)

(“Hyprop” or “the Company”)



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ANNOUNCEMENT OF DIVIDEND REINVESTMENT PRICE AND CONFIRMATION OF FINALISATION INFORMATION

Shareholders are referred to the SENS announcement published on Thursday, 30 September 2021, as well as the circular issued to Hyprop shareholders on the same date (“**the circular**”), advising Hyprop shareholders that a dividend of 336.52921 cents per share would be paid to shareholders, for the year ended 30 June 2021, from the Company’s distributable earnings (“**cash dividend**”), and that shareholders will be entitled, in respect of all or part of their shareholdings, to elect to reinvest the cash dividend in return for additional Hyprop shares through a dividend reinvestment plan (“**share reinvestment alternative**”), failing which, they will receive the cash dividend of 336.52921 cents per share.

The Hyprop directors who hold interests in Hyprop shares have indicated that they will elect the share reinvestment alternative in respect of such interests.

Reinvestment price

Shareholders are advised that the price per share, as determined on Monday, 11 October 2021, applicable to Hyprop shareholders electing the share reinvestment alternative and recorded in the register on Friday, 22 October 2021 (i.e., the “**record date**”) is R 25.50 per share (the “**reinvestment price**”). The reinvestment price equates to a discount to the traded price less the cash dividend (the “**clean price**”) of Hyprop shares on the JSE prior to the finalisation date, as follows:

Measure	Traded price (R)	Clean price (R)	Reinvestment price % discount
10-day volume weighted average price	32.32615	28.96085	11.95%
15-day volume weighted average price	31.84935	28.48406	10.48%

The ratio of the number of shares to which a shareholder is entitled pursuant to the share reinvestment alternative for every 100 shares held on the record date is as follows:

June 2021 Distribution	
South African resident shareholders exempt from dividends tax	13.19722
Non-resident shareholders subject to dividend tax at 20%	10.55778

Trading in the Strate environment does not permit fractions and fractional entitlements. Where a shareholder’s entitlement to the shares in relation to the share reinvestment alternative, calculated with reference to the above share ratios, gives rise to an entitlement to a fraction of a new share, such fraction will be rounded down to the nearest whole number with the balance of the cash dividend being retained by the shareholders.

Dividend withholding tax (“dividend tax”) implications

Dividend tax implications for South African resident shareholders

Dividends received from a Real Estate Investment Trust (“**REIT**”) are exempt from dividend tax in the hands of South African resident shareholders provided that the shareholders have provided the requisite declaration as to residence as detailed in paragraph 5 of the circular. South African resident shareholders, who have submitted the requisite documentation and are exempt from dividend tax, will accordingly receive a net dividend of 336.52921 cents per share in respect of the cash dividend.

Dividend tax implications for non-resident shareholders

Dividends received from a REIT by a non-resident shareholder will be subject to dividend 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 non-resident shareholder. A reduced dividend withholding tax rate in terms of the applicable DTA may only be relied upon if the non-resident shareholder has provided the requisite documentation as detailed in paragraph 5 of the circular. Non-resident shareholders who have submitted the requisite documentation, and assuming that a dividend tax rate of 20% is applicable, will accordingly receive a net dividend of 269.22337 cents per share.

The cash dividend or share reinvestment alternative may have tax implications for resident as well as non-resident shareholders. Shareholders are therefore encouraged to consult their tax and/or professional advisors should they be in any doubt as to the appropriate action to take.

Illustrative example on the application of rounding and the impact of dividend tax

The application of the rounding principle of rounding down to the nearest whole number and the impact of dividend tax on shareholders has been illustrated by way of the examples below.

	South African resident shareholders exempt from dividend tax	Non-resident shareholders subject to dividend tax at 20%
Dividend per share (cents)	336.52921	336.52921
Dividend tax per share (cents)	-	67.30584
Total net dividend per share (cents)	336.52921	269.22337
Number of shares held	100	100
Reinvestment price (R)	25.50	25.50
Total amount available for reinvestment (R)	336.52921	269.22337
Number of shares entitled to in terms of the dividend reinvestment alternative	13.19722	10.55778
Rounded number of shares issued in terms of dividend reinvestment alternative	13	10
Total amount payable for shares acquired in terms of the dividend reinvestment alternative (R)	331.50000	255.00000
Balance of distribution paid to shareholder (R)	5.02921	14.22337

Trading of Hyprop shares

Shareholders are advised that, in terms of the published timetable, the last date to trade to participate in the cash dividend or the share reinvestment alternative is Tuesday, 19 October 2021 and the shares will trade *ex-dividend* on Wednesday, 20 October 2021.

Shareholders are further reminded that **the default alternative is to retain the cash dividend of 336.52921 cents per share that will be paid to those shareholders not electing to participate in the share reinvestment alternative. The last day to submit the form of election to participate in the share reinvestment alternative is 12:00 (South African time) on Friday, 22 October 2021.** No action is required if you wish to receive the cash dividend.

Shareholders electing the share reinvestment alternative are once again alerted to the fact that the new shares will be listed on LDT + 3 and that these new shares can only be traded on LDT + 3 being Friday, 22 October 2021, due to the fact that settlement of the shares will be three days after the record date, being Wednesday, 27 October 2021, which differs from the conventional one day after record date settlement process.

The salient dates, timetable and all other information relating to the dividend (including the tax implications) and share reinvestment alternative (including the form of election) are disclosed in the circular and announcement published on 30 September 2021.

Disclaimer

This announcement does not constitute or form part of an offer to sell securities, or the solicitation of any offer to buy or subscribe for any securities, to or from any person in the United States (or to, or for the account or benefit of, any such person or any U.S. person, as defined in Regulation S under the U.S. Securities Act) or in any other jurisdiction in which, or to or from any other person to or from whom, such offer or solicitation is unlawful. The securities referred to in this announcement have not been and will not be registered under the U.S. Securities Act, and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons absent registration with the United States Securities and Exchange Commission or an exemption from registration. There will be no public offer of the securities in the United States.

12 October 2021

Corporate advisor and sponsor

