

## 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 Monday, 16 October 2023, as well as the circular issued to Hyprop shareholders on the same date (“**the circular**”), advising Hyprop shareholders that a dividend of 299.29970 cents per share (“**cash dividend**”), for the year ended 30 June 2023, would be paid to shareholders who 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 alternative which is limited to a maximum quantum of R500 million in aggregate (“**dividend reinvestment alternative**”).

The dividend reinvestment alternative is being offered on the basis that should shareholders elect to reinvest the cash dividend in terms of the dividend reinvestment alternative such that the total aggregate value of such dividend reinvestments exceeds R500 million, the dividend reinvestment elections will be reduced equitably for all shareholders as further detailed in the circular. Should shareholders not elect the dividend reinvestment alternative, they will receive the cash dividend of 299.29970 cents per share.

The Hyprop directors who hold interests (other than derivative interests) in Hyprop shares have indicated that they will elect the dividend reinvestment alternative in respect of such interests.

### Reinvestment price

Shareholders are advised that the price per share, as determined on Monday, 23 October 2023, applicable to Hyprop shareholders electing the dividend reinvestment alternative and recorded in the register on Friday, 3 November 2023 (i.e., the “**record date**”) is R24.00 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
7-day volume weighted average price	28.90936	25.91636	7.4%
15-day volume weighted average price	30.35319	27.36019	12.3%

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

	June 2023 Distribution
South African resident shareholders exempt from dividends tax	12.47082
Non-resident shareholders subject to dividend tax at 20%	9.97666

Trading in the Strate environment does not permit fractions and fractional entitlements. Where a shareholder’s entitlement to the shares in relation to the dividend 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 dividends withholding 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 dividends withholding tax, will accordingly receive a net dividend of 299.29970 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 dividends 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 non-resident shareholder. A reduced dividends 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 dividends withholding tax rate of 20% is applicable, will accordingly receive a net dividend of 239.43976 cents per share.

The cash dividend or dividend 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 is illustrated by way of the examples below.

	<b>South African resident shareholders exempt from dividend tax</b>	<b>Non-resident shareholders subject to dividend tax at 20%</b>
Dividend per share (cents)	299.29970	299.29970
Dividend tax per share (cents)	-	(59.85994)
<b>Total net dividend per share (cents)</b>	<b>299.29970</b>	<b>239.43976</b>
Number of shares held	100	100
Reinvestment price (R)	24.00	24.00
<b>Total amount available for reinvestment per 100 shares (R)</b>	<b>299.29970</b>	<b>239.43976</b>
Number of shares entitled to in terms of the dividend reinvestment alternative	12.47082	9.97666
Rounded number of shares issued in terms of the dividend reinvestment alternative	12.00	9.00
Total amount payable for shares acquired in terms of the dividend reinvestment alternative (R)	288.00000	216.00000
Balance of distribution paid to shareholder (R)	11.29970	23.43976

### **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 dividend reinvestment alternative is Tuesday, 31 October 2023 and the shares will trade *ex-dividend* on Wednesday, 1 November 2023.

**Shareholders are further reminded that the default alternative is to retain the cash dividend of 299.29970 cents per share that will be paid to those shareholders not electing to participate in the dividend reinvestment alternative. The**

**last day to submit the form of election to participate in the dividend reinvestment alternative is 12:00 (South African time) on Friday, 3 November 2023.** No action is required if you wish to receive the cash dividend.

**Shareholders electing the dividend reinvestment alternative are alerted to the fact that the new shares will be listed on Friday, 10 November 2023 and that these new shares can only be traded from Friday, 10 November 2023 due to the fact that settlement of the shares will differ from the conventional dividend reinvestment process due to the possible *pro rata* reduction.**

The salient dates, timetable and all other information relating to the dividend (including the tax implications) and dividend reinvestment alternative (including the form of election) are disclosed in the circular and the announcement published on Monday, 16 October 2023.

#### **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.

24 October 2023

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**Corporate advisor and sponsor**

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