

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” or “the Group”)



OPERATIONAL TRADING UPDATE – FESTIVE SEASON

Hyprop’s retail centres traded well over the festive season and the majority of the centres demonstrated improvements in tenant turnover and trading density, particularly in the South Africa (SA) and Eastern Europe (EE) portfolios. The Group’s repositioning strategy and focus on maintaining its centres’ relevance through their offerings and appealing tenant mixes continued yielding positive results.

The pleasing improvement is supportive of the presumption that shoppers who frequent Hyprop’s centres are more resilient, despite the macroeconomic challenges, especially in South Africa.

SOUTH AFRICA PORTFOLIO

The SA portfolio experienced satisfactory growth in tenant turnover, trading density and foot count. Trading during November has normalised, as retailers and shoppers have become savvier about Black Friday deals. The December trading performance reflects pleasing growth year-on-year.

SA portfolio key trading metrics for the period:

Trading Metric	Year	November	December
Tenant Turnover (R'000)	2022	2 148 135	3 009 882
	2023	2 217 926	3 252 867
Variance % 2023 vs 2022		3.2%	8.1%
Trading Density (R)	2022	3 716	5 186
	2023	3 826	5 573
Variance % 2023 vs 2022		3.0%	7.5%
Foot count ('000)	2022	6 641	8 535
	2023	6 909	8 886
Variance % 2023 vs 2022		4.0%	4.1%

EASTERN EUROPE PORTFOLIO

The EE portfolio delivered a strong operational performance during November and December 2023. The growth can be attributed to inflation, improved macroeconomics and higher disposable incomes, as well as the centres’ successful repositioning strategies.

Tenant turnover and trading density experienced double-digit growth, notwithstanding the static foot count.

EE portfolio key trading metrics for the period:

Trading Metric	Year	November	December
Tenant Turnover (€'000)	2022	48 242	61 168
	2023	56 326	70 465
Variance % 2023 vs 2022		16.8%	15.2%
Trading Density (€)	2022	293	371
	2023	339	422
Variance % 2023 vs 2022		15.7%	13.7%

Foot count ('000)	2022	2 359	2 796
	2023	2 422	2 724
Variance % 2023 vs 2022		2.7%	-2.6%

SUB-SAHARAN AFRICA (SSA) PORTFOLIO

The tenant turnover and trading density figures below are for October and November. Not all December tenant turnovers were available at the time of reporting.

Turnover in the three Ghana centres reduced in local currency, due to Game Ghana being included in 2022 for all three centres. Game's replacement tenant at Accra Mall (Orca Deco) started trading in 2023, while the replacement tenant at West Hills Mall (Melcom) starts trading on 1 February 2024. A lease has been signed with Decathlon for half of the ex-Game space at Kumasi City Mall.

Turnover in USD showed an increase, due to the partial recovery of the local currency against the USD from the months in 2022 when the sovereign default in Ghana was first announced. Trading density growth was positive in both local currency and USD, other than for trading density in local currency in November. The foot count held up, despite the closure of Game Ghana.

SSA portfolio key trading metrics for the period:

Trading Metric	Year	October	November	December
Tenant Turnover (GHC'000)	2022	59 550	91 264	96 267
	2023	61 322	78 798	*
Variance % 2023 vs 2022		3.0%	-13.7%	*
Tenant Turnover (US'000)	2022	4 820	6 263	8 239
	2023	5 189	6 556	*
Variance % 2023 vs 2022		7.7%	4.7%	*
Trading Density (GHC)	2022	1 376	1 967	2 481
	2023	1 579	1 950	*
Variance % 2023 vs 2022		14.8%	-0.9%	*
Trading Density (USD)	2022	115	135	212
	2023	134	162	*
Variance % 2023 vs 2022		16.4%	20.2%	*
Foot count (Ikeja incl.) ('000)	2022	2 000	1 835	2 641
	2023	1 866	1 875	2 814
Variance % 2023 vs 2022		-6.7%	2.2%	6.5%

*December 2023 tenant turnover and trading density data are not yet available.

Hyprop's interim results for the six months ended 31 December 2023 are scheduled to be released on 13 March 2024.

31 January 2024

Sponsor

