

Strong half year results lay foundation for continued growth

Headlines

Strong operational performance drives double digit increase in distributable income

- Distributable income up 14.5%, from R668 million in HY2024 to R765 million in HY2025
- 14.4% increase in distributable income per share, from 176.1 cents in HY2024 to 201.4 cents in HY2025
- Payout ratio increased and interim dividend of 113.43 cents per share declared
- On track to meet the upper end of the guidance range for FY2025

Solid balance sheet and liquidity position

- LTV ratio stable at 36.3%
- Interest cover ratio for HY2025 improved to 2.6 times
- Cash collections from tenants in the SA and EE portfolios of 99.8% and 100.8% of net billings for the period, respectively
- Strong liquidity position with R807 million of cash and R1.1 billion of available bank facilities as at 31 December 2024
- 85% of interest rate exposure hedged

Repositioning strategy strengthens portfolios’ dominance South Africa (“SA”) portfolio

- Tenants’ turnover increased by 4.9%, while trading density grew by 4.4%
- Weighted average rent reversion rate remains positive at 4.4%
- Somerset Mall’s expansion project is progressing on budget and within our anticipated timelines
- Checkers secured as the new anchor tenant at Hyde Park Corner and will launch its store in July 2025

Eastern Europe (“EE”) portfolio

- Tenants’ turnover increased by an impressive 8.8%, while trading density grew by 7.1%
- The vacancy rate remained exceptionally low at 0.2%
- City Center one West successfully completed its food court expansion and the Cineplexx at Skopje City Mall was upgraded

Sub-Saharan Africa (“SSA”) portfolio disposal

- Successfully sold the SSA portfolio in exchange for shares in Lango Real Estate Limited
- The Group was released from all guarantees and commitments provided to the SSA portfolio’s lenders

	Unaudited December 2024	Unaudited December 2023	% change	Audited June 2024
Net operating income (R'000)	800 671	613 482	30.5%	1 304 590
Headline earnings per share (cents)	138.1	111.3	24.1%	299.5
Basic earnings per share (cents)	274.7	52.1	427.3%	274.3
Distributable income per share (cents)	201.4	176.1	14.4%	370.4
Dividend per share (cents)	113.43000	-	100.0%	280.00000
Net asset value per share (Rands)	59.67	58.77	1.7%	60.32

Change of role of director

Richard Inskip, an independent non-executive director, was appointed as the lead independent director of the Board effective 13 March 2025.

Increase in dividend payout ratio

The Board has decided to increase the dividend payout ratio due to the significant progress made in achieving our strategic priorities, notably strengthening our balance sheet, repositioning both our SA and EE portfolios and the sale of the SSA portfolio, as follows:

- payment of an interim dividend equivalent to 95% (previously 90%) of the distributable income from the SA portfolio; and
- payment of a final dividend on finalisation of the Group’s annual audited results, so that the total distribution for the financial year (including the interim dividend) is equivalent to 80% (previously 75%) of the Group’s distributable income from the SA and EE portfolios.

The Board will continue to review the dividend payout ratio, with the intention of progressively increasing it over time. Any anticipated further increase in the dividend payout ratio for FY2026 will be communicated in due course.

The balance of the distributable income will be retained to manage borrowings and fund capital expenditure in the normal course.

Dividend declaration and settlement

The Board has approved and notice is hereby given of an interim dividend of 113.43000 cents per share for the six months ended 31 December 2024.

The dividend is payable to Hyprop shareholders in accordance with the timetable set out below:

Last date to trade cum dividend	Tuesday, 1 April 2025
Shares trade ex dividend	Wednesday, 2 April 2025
Record date	Friday, 4 April 2025
Payment date	Monday, 7 April 2025

The above dates and times are subject to change. Any changes will be released on SENS.

Share certificates may not be dematerialised or rematerialised between Wednesday, 2 April 2025 and Friday, 4 April 2025, both days inclusive.

In respect of dematerialised shareholders, the dividend will be transferred to the Central Securities Depository Participant (“CSDP”) accounts/broker accounts on Monday, 7 April 2025. Certificated shareholders’ dividend payments will be posted on or about Monday, 7 April 2025.

Ordinary shares of no par value in issue at 31 December 2024:	380 399 133
Income tax reference number of Hyprop Investments Limited:	9425177715

Shareholders are advised that the dividend meets the requirements of a “qualifying distribution” for the purposes of section 25BB of the Income Tax Act, No 58 of 1962 (Income Tax Act). The dividends on the shares will be taxable dividends for South African tax purposes in terms of section 25BB of the Income Tax Act.

Tax implications for SA resident shareholders

Dividends received by or accrued to SA tax residents must be included in the gross income of such shareholders and will not be exempt from income tax in terms of the exclusion to the general dividend exemption contained in section 10(1)(k)(i)(aa) of the Income Tax Act because they are dividends distributed by a REIT. These dividends are, however, exempt from dividend withholding tax (dividend tax) in the hands of SA resident shareholders, provided that the SA resident shareholders

have provided to the CSDP or broker, as the case may be, in respect of uncertificated shares, or the Company, in respect of certificated shares, a DTD(EX) form (dividend tax: declaration and undertaking to be made by the beneficial owner of a share) to prove their status as SA residents. If resident shareholders have not submitted the above-mentioned documentation to confirm their status as SA residents, they are advised to contact their CSDP or broker, as the case may be, to arrange for the documents to be submitted before the dividend payment.

Tax implications for non-resident shareholders

Dividends received by non-resident shareholders from a REIT will not be taxable as income and instead will be treated as ordinary dividends, which are exempt from income tax in terms of the general dividend exemption section 10(1)(k) of the Income Tax Act. Any dividend received by a non-resident from a REIT is 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 SA and the country of residence of the non-resident shareholder. Assuming dividend tax will be withheld at a rate of 20%, the net amount due to non-resident shareholders is 90.74400 cents per share. A reduced dividend withholding tax rate in terms of the applicable DTA may only be relied on if the non-resident shareholder has provided the following forms to their CSDP or broker, as the case may be, in respect of uncertificated shares, or the Company, in respect of certificated shares:

- A declaration that the dividend is subject to a reduced rate as a result of the application of the DTA;
- A written undertaking to inform the CSDP, broker or the Company, as the case may be, should the circumstances affecting the reduced rate change or the beneficial owner cease to be the beneficial owner, both in the form prescribed by the Commissioner of the South African Revenue Service.

If applicable, non-resident shareholders are advised to contact the CSDP, broker or the Company to arrange for the above-mentioned documents to be submitted before the dividend payment, if such documents have not already been submitted.

Outlook and prospects

The Group’s performance continues to demonstrate its resilience, despite the pressures experienced within the South African retail property market and ongoing global disruptions. Financial markets are now expecting fewer rate cuts in South Africa, with a revised forecast of just one 25bps cut in 2025. This, along with changing consumer spending patterns and the potential resumption of loadshedding, may present further challenges. However, as a result of the robustness of our centres in South Africa which are located in key economic nodes and supported by more resilient, higher LSM shoppers, as well as our strong retail property expertise, we are well-positioned to maintain our growth trajectory.

On a global perspective, uncertainty remains notwithstanding that the geopolitical tensions in the Middle East have eased. The Russia and Ukraine conflict continues and the US Administration’s potential changes to import

tariffs may escalate global trade tensions, bringing economic uncertainty. The likelihood of further interest rate cuts in Europe remains and will support our diversification strategy to invest further in the region.

Our strategy remains consistent, and the exit of our direct investments in Nigeria and Ghana marks another step toward completing the key priorities outlined in 2018. While we continue to develop our non-tangible assets, this initiative is relatively small and is no longer a key priority for the Group. We will continue pursuing the following five strategic initiatives:

- Drive new and organic growth opportunities in our focus areas
- Ongoing repositioning of the SA and EE portfolios to maintain their dominance and retain and grow market share
- Annual reviews of the portfolios to ensure we retain the right properties and/or recycle capital where appropriate

- Implement sustainable solutions to reduce the impact of the infrastructure challenges we face in South Africa
- Ensure our balance sheet is robust

In light of the Group’s pleasing operational performance which it anticipates continuing for the remainder of the financial year, Hyprop expects to meet the upper end of the guidance range of a 4% to 7% increase in distributable income per share for the year ending 30 June 2025.

Shareholders should note that the guidance above is subject to change, certain assumptions may not materialise, plans may change, and unanticipated events and circumstances may affect the Group strategy or the actions it takes.

The guidance has not been reviewed or reported on by the Company’s auditors.

13 March 2025

This announcement is the responsibility of the directors and is only a summary of the information contained in the condensed consolidated interim results for the six months ended 31 December 2024 (“HY2025”) and does not contain full or complete details. The HY2025 results have been released on SENS and are available on the JSE website at <https://senspdf.jse.co.za/documents/2025/jse/isse/HYPE/HY2025.pdf> and on the Company website at <https://www.hyprop.co.za/results/interims-2025/pdf/booklet.pdf>. Copies of the full announcement may also be requested by emailing Boitumelo Nkambule at boitumelo@hyprop.co.za. Any investment decisions by investors and/or shareholders should be based on the HY2025 results published on SENS and the Company’s website as a whole.

Corporate information

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