

HYPROP INVESTMENTS LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 1987/005284/06)

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(Approved as a REIT by the JSE)

(“Hyprop” or the “Company” or the “Group”)



ACQUISITION OF GALLERIA BURGAS

1. INTRODUCTION

The Company is pleased to announce that the Group has agreed to acquire Galleria Burgas, a prime shopping centre located on the east coast of Bulgaria (the “**GB Acquisition**”).

2. RATIONALE

The GB Acquisition aligns with Hyprop’s strategy to increase its exposure to Eastern Europe. The Group believes this region will generate superior risk-adjusted returns over the medium to long term and will leverage Hyprop Europe’s proven, decade-long track record of operating retail properties in Eastern Europe, including Bulgaria.

Bulgaria is a country with an improving macro environment and strong consumer spending capacity, particularly following the adoption of the Euro as its currency in January 2026, which is expected to improve the country’s tourism and investment appeal. In recent years, Bulgaria has reported growing personal consumption, supported by real income growth and decreasing unemployment.

Galleria Burgas is located in the coastal town of Burgas, the fourth largest city in Bulgaria. The city has around 200 000 inhabitants and another 200 000 in the greater area. Burgas is a major industrial and tourist centre, with one of Bulgaria’s largest ports and is a popular summer resort destination, housing more than double its permanent population during the summer months. Burgas registered more than 15% growth in personal income in both 2023 and 2024.

3. PROPERTY INFORMATION

Galleria Burgas, built in 2012, has a GLA of 36 700 m² and underwent an extensive interior renovation in 2024 to modernise the centre.

The centre has an excellent tenant mix that Hyprop knows well, including Inditex brands (Zara, Massimo Dutti, Oysho, Bershka), H&M, New Yorker, LPP brands (Reserved, Cropp and House), Deichman, Sport Vision, Intersport, Terranova, Calliope and Cinema City.

Drawing on its asset management expertise, Hyprop has identified several asset management initiatives to further enhance Galleria Burgas’ tenant mix in the short to medium term. These initiatives include optimising current tenant space, expanding others, and introducing new brands.

4. KEY TERMS

In terms of the GB Acquisition, Balkan Retail NV, a wholly owned subsidiary of the Company, will acquire all the shares in Galleria Burgas EAD (“**Propco**”), which owns Galleria Burgas, from MAS Property Holding S.R.L. (the “**Seller**”), a company registered in Romania and a wholly owned subsidiary of MAS PLC (“**MAS**”), a property investor and operator listed on the JSE.

The transaction value of the property is €122.2 million, before adjustments for working capital and net debt. The senior debt in Propco, which is expected to be €73.3 million on closing, will be taken over as part of the transaction, resulting in a net purchase price and equity funding required for the GB Acquisition of circa €53.5 million, including estimated adjustments for working capital of €4.6 million.

The GB Acquisition is subject to conditions precedent as are normal for such transactions, which include approval from Propco’s senior lender, release of all senior debt cross-guarantees between Propco and other MAS Group entities and approval from the Bulgarian Commission for Protection of Competition.

5. FINANCIAL EFFECTS

The GB Acquisition will be funded from the Group's available cash resources bolstered by the R1.2 billion of capital raised in 2025 through accelerated bookbuilds and the sale of a 50% undivided share in Woodlands Boulevard (the "**Woodlands Disposal**") for approximately R824 million.

The GB Acquisition will be accretive to Hyprop's distributable income per share on an annualised basis.

At 31 December 2025, the Group's loan-to-value ratio ("LTV") was 31% and reduced below 30% following the Woodlands Disposal. Following the implementation of the GB Acquisition and assuming €73.3 million of debt funding in PropCo, the Group's LTV is expected to increase to 33.5%, which remains well below the Group's maximum target LTV of 40%. Additionally, Hyprop Europe's LTV will increase from 41.2% (at 31 December 2025) to 43.4%.

The impact on the Group's net asset value per share and interest cover ratio is marginal.

6. CATEGORISATION OF THE TRANSACTION

The transaction is not categorisable in terms of the JSE Listings Requirements, and the disclosures provided in this announcement are voluntary and for information purposes only.

22 May 2026

Sponsor

