HYPROP

2024 Integrated Annual Report

and Consolidated & Separate Financial Statements


TABLE BAY
MALL

Definitions

AFS	Annual Financial Statements
ARC	Audit and Risk Committee
AttAfrica	AttAfrica Ltd
Board	The Board of directors of Hyprop Investments Limited
CDP	Carbon Disclosure Project
CEO	Chief executive officer
CFO	Chief financial officer
CIO	Chief investment officer
Companies Act	The South African Companies Act 71 of 2008
Company/Hyprop	Hyprop Investments Ltd
Conditional shares	Conditional shares as defined in the LTIP rules
Covid-19	A novel strain of coronavirus that became a global pandemic in early 2020
CUP	The Group long-term employee incentive scheme/The conditional share plan which operated prior to the LTIP
Deferred awards	Deferred awards as defined in the LTIP rules
DCM	Debt Capital Market operated by the JSE
DRIP	Dividend reinvestment plan/alternative
EE	Eastern Europe
ECB	European Central Bank
ECL	Expected credit loss
ESG	Environmental, Social and Governance
FY2023	The financial year ended 30 June 2023
FY2024	The financial year ended 30 June 2024
GHG	Greenhouse gas
GLA	Gross lettable area
GRESB	Global Real Estate Sustainability Benchmark
Group	Hyprop Investments Ltd and its subsidiaries
Gruppo/Gruppo Investments	Gruppo Investment Nigeria Ltd (owner of Ikeja City Mall)
HYperformers	What we call our employees
Hyprop Foundation	Hyprop Foundation NPC
Hystead	Hystead Ltd (a UK registered company) in which the Group holds a 78.29% interest
IAR	Integrated Annual Report
ICR	Interest cover ratio
IFRS	International Financial Reporting Standards
Ikeja/Ikeja City Mall	Ikeja City Mall, the property owned by Gruppo
JSE	The JSE Limited
JSE Listing Requirements	The JSE Listings Requirements
King IV™	King IV Report on Corporate Governance for South Africa 2016
KPD	Key performance deliverable
LTI	Long-term incentive(s)
LTIP	The Long-term incentive plan approved by shareholders on 20 July 2022
LTPA	Long-term Performance Award(s) (including under the LTIP)
LTV	Loan to value ratio
MOI	Memorandum of Incorporation
NAV	Net asset value
NED	Non-executive directors
REIT	Real Estate Investment Trust
RemCo	Remuneration Committee
Restricted shares	Restricted shares as defined in the LTIP rules
SA	South Africa
SA REIT	The SA REIT Association, a representative umbrella body for South African REITs
Scope 1 emissions	Direct GHG emissions that occur from sources that are controlled or owned by Hyprop
Scope 2 emissions	Indirect GHG emissions associated with the purchase of electricity
Scope 3 emissions	All indirect emissions not included in Scope 2
SOKO/SOKO district	A marketplace operated by Rosebank Mall
SSA	Sub-Saharan Africa (other than SA)
STI	Short-term incentive(s)
TGP	Total Guaranteed Pay
WALE	Weighted average lease expiry period in years
WDP	Water Disclosure Project

See further definitions relating to the financial statements on page 254.

About our Integrated Annual Report

Our Integrated Annual Report is a communication tool for us to tell the encompassing story of how we create and deliver sustainable value to all our stakeholders and achieve our purpose.

It assesses the internal and external factors that impact the Group's value, covers our purpose and strategy, investment proposition and plans to create value over the short, medium and long-term, our material risks and how we manage them and provides our stakeholders with the information they need to help them make informed decisions. We report on our performance and governance over the past year, and our progress towards delivering the Group's strategic objectives.

Reporting scope and boundary
Hyprop is a retail focused REIT that creates spaces and connects people by owning and managing a portfolio of retail centres in mixed-use precincts in key economic nodes in South Africa and Eastern Europe.

Our reporting process is guided by relevant reporting standards, regulations, frameworks, institutions and best practices, including:

- International Integrated Reporting Council's Framework
- King IV™
- International Financial Reporting Standards
- South African Institute of Chartered Accountants
- Financial Reporting Standards Council
- JSE Listings Requirements
- Companies Act
- SA REIT Association Best Practice Recommendations

The content included in this report incorporates the progress of all our wholly owned SA and EE operations and the SSA operations which we jointly hold with Attacq Limited.

This IAR also contains a consolidated view of our environmental and social impact.

Our approach to double-materiality
Double materiality requires us to report on ESG-related performance and prospects that may impact our value as well as the economy, society and the environment.

Our **Golden Thread** connects our distinctive, differentiated centres within communities, linking tenants and shoppers to suppliers, investors and other stakeholders. This interconnectedness defines a shared daily reality for all those who live, work and shop within our communities.

Given the relationship and responsibilities this carries, we provide information we believe is relevant to assessing the financial position and performance of the Group and how we protect enterprise value, while we also report on how we seek to positively enhance our societal impact. A detailed report on our societal impact is contained in our ESG Report and ESG Data Pack which is published as a separate report and includes all our ESG-related data in an accessible format.

Material changes to the Group
There were no material changes to the Group or its operations in FY2024.

Assurance
Hyprop's external auditor, KPMG Inc., has audited the Consolidated and Separate Financial Statements for the year ended 30 June 2024.

KPMG's unqualified audit report is on page 116. The scope of the audit was limited to the information in the Consolidated and Separate Financial Statements on pages 118 to 243.

Forward-looking statements
This IAR contains forward-looking statements that, unless otherwise indicated, reflect our expectations at 30 June 2024. Actual results may differ materially from the Group's expectations if known and unknown risks or uncertainties affect the Group's business, or if estimates or assumptions prove inaccurate.

The Group cannot guarantee that any forward-looking statements will materialise and, accordingly, readers are cautioned not to place undue reliance on these statements. The Group assumes no obligation to update or revise any forward-looking statements if new information becomes available, other than as required by the JSE Listings Requirements.

Contact
We regard this report as a valuable opportunity to connect to and communicate with our stakeholders, and welcome any feedback or questions you may have. Please direct them to investorrelations@hyprop.co.za.

Board approval
The Board acknowledges its responsibility to ensure the integrity of this IAR. In the Board's opinion, it addresses the issues material to Hyprop's ability to create value and impact society, and fairly presents the integrated performance of Hyprop for the 2024 financial year.

The consolidated and separate financial statements included in this report were approved by the Board on 16 September 2024, and the balance of the IAR on 25 October 2024.

Spiro Noussis **Annabel Dallamore** **Loyiso Dotwana**

Kevin Ellerine **Richard Inskip** **Reeza Isaacs**

Zuleka Jasper **Thabo Mokgatlha** **Bernadette Mzobe**

Wilhelm Nauta **Brett Till** **Morné Wilken**

Hyprop at a glance

City Center one West Zagreb, Croatia

Our investment case

Who we are

- We are a retail-focused REIT operating in South Africa and Eastern Europe
- We create spaces and connect people
- We own and manage retail centres in mixed-use precincts, in key economic nodes in South Africa and Eastern Europe that benefit from geographic and economic growth.

What we do

- Our deep understanding of retail property ensures our centres remain relevant in an ever-changing environment
- Our sustainable yet simple business model, robust governance framework, and multi-skilled, diverse team of experts ensure we create long-term value for all our stakeholders.

How we do it

Our centres integrate three differentiating principles to offer stakeholders a unique experience. We:

- practice conscious retail to ensure we design for people, planet and profit
- create exceptional experiences across all customer touchpoints to excite and inspire our tenants and shoppers
- focus on our communities to keep us real and authentic.

Where we are

Eastern Europe

			The Mall	City Center one East	City Center one West	Skopje City Mall
Investment property	30%	Effective % ownership	100%	100%	100%	100%
Distributable income	36%	GLA (m²)	61 577	47 260	42 080	36 818
Total GLA	20%	Annual foot count	7.7m	6.3m	5.6m	7.7m

Sub-Saharan Africa

			Ikeja	Accra mall	Kumasi city mall	Westhills mall
Investment property	6%	Effective % economic interest	75%	47.0%*	98.0%*	58.8%*
Distributable income	(1%)	GLA (m²)	22 223	21 311	18 534	28 272
Total GLA	7%	Annual foot count	5.1m	5.5m	7.6m	4.7m

*AttAfrica's effective % economic interests in these assets. Hyprop has a 73.1% economic interest in AttAfrica

South Africa

			Canal Walk	Somerset Mall	CapeGate	Table Bay Mall
Investment property	64%	Effective % ownership	80%	100%	100%	100%
Distributable income	65%	GLA (m²)#	156 989	70 193	64 755	60 861
Total GLA	73%	Annual foot count	18.9m	9.3m	9.7m	5.4m

	Rosebank mall	Clearwater	The Glen	Woodlands	Hyde Park Corner
Effective % ownership	100%	100%	75.16%	100%	100%
GLA (m²)#	91 036	85 762	78 732	73 496	38 976
Annual foot count	12.0m	8.9m	10.6m	8.1m	3.5m

GLA includes retail and office where applicable

Our journey

of creating spaces and connecting people

1987
Hyprop was registered

1988
Listed on the JSE on 24 February 1988 with a portfolio comprising Hyde Park Corner, Boksburg Hypermarket and two office buildings with a total asset value of R94 million

2001
Acquired an undivided one-third share in The Glen for R95 million

2002
Acquired Rosebank Mall and adjacent Mall Offices valued at R320 million

Acquired an additional 16.77% interest in The Glen

2003
Acquired Western Cape's only super-regional shopping centre for R1.16 billion with Ellerine Bros

2004
Acquired an additional 25.05% interest in The Glen, increasing Hyprop's interest to 75.16%

2009
Hyde Park Corner underwent a refurbishment

Completed the extensions at Canal Walk and The Glen at a total cost of R479 million

2011
Acquired Attfund Retail (including CapeGate, Clearwater Mall and Woodlands) increasing the portfolio to 12 shopping centres and doubling the asset value to R20 billion

2012
Co-invested in Atterbury Africa - a property investment fund focused on investing in shopping centres in SSA

2013
Acquired 100% of Somerset Mall

JSE approved the application for REIT status

Our journey

2014

Developed West Hills Mall in Ghana

2015

Acquired 75% interest in Ikeja City Mall, Lagos Nigeria

Developed Accra Mall in Ghana

2016

Hystead (60% held by Hyprop) was incorporated in the United Kingdom and acquired shopping centres in Serbia, North Macedonia and Montenegro

2017

Hystead acquired The Mall in Bulgaria

Developed Kumasi City Mall in Ghana

2018

Hystead acquired a 90% interest in CCo East and West in Croatia

2020

COVID-19 pandemic

2021

SOKO District opened at Rosebank Mall - the first initiative in the non-tangible asset strategy

2022

Acquired four properties from Hystead (City Center one East and West, The Mall and Skopje City Mall)

2023

Key trading metrics exceed pre-Covid-19 levels

2024

Acquired Table Bay Mall

Agreements concluded for disposal of the SSA portfolio to Lango – implemented in September 2024

2024 Headlines

Hyprop exceeds guidance, delivers on strategic priorities and set for future growth.

Distributable income outperforms guidance

Strong operational performance by the SA and EE portfolios positively impacted the distributable income per share, ahead of the previous guidance

Distributable income of R1.41 billion in FY2024 and 370.4 cents per share

Final **dividend of 280 cents per share** declared for FY2024 in line with the dividend policy

Balance sheet strength supported by strong liquidity position

LTV ratio stable at 36.4% in June 2024 despite the debt funded acquisition of Table Bay Mall

Strong liquidity position with R803 million of cash and R2 billion of available bank facilities

€30 million (R600 million) **reduction in euro borrowings** in line with debt amortisation/reduction strategy

R500 million new capital raised through the FY2023 DRIP

Contraction of borrowing margins on new and refinanced facilities

80% of the Group's interest rate exposure is hedged

Repositioning strategy paying off

SA portfolio

Overall reversion rate significantly improved to **5.8%**

Tenants' turnover grew by **5.1%**

Trading density and foot count continued to improve

Low retail vacancy at **1.8%**

EE portfolio

Tenants' turnover increased by **10%**

Trading density grew by **8.9%**

Retail vacancies improved to an impressive **0.1%**

Step closer to SSA exit

Binding sale agreements signed in August 2024 for the disposal of the entire SSA portfolio and implemented in September 2024.

ESG initiatives on track

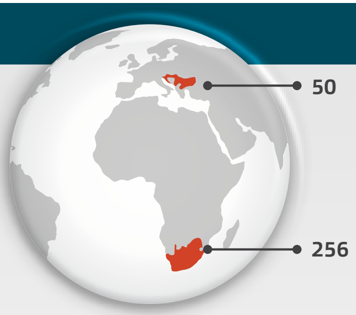
33% reduction in electricity purchased from councils/Eskom and **12% reduction in water consumption** since June 2019

The Hyprop Foundation and other CSI initiatives contributed a total of R6.0 million towards various projects and initiatives

Our stakeholders

Hyprop's stakeholders are at the heart of our strategic approach, from our HYperformers who execute our strategy to ensure the Group's business objectives are met to our local communities, retail partners and millions of shoppers who frequent our retail centres. We facilitate ongoing two-way communication because understanding our stakeholders' expectations is crucial to our success.

Employees



Employee demographics

South African	83%	
Non-South African	17%	
Male	40%	SA only
Female	60%	SA only
Black	59%	SA only
White	41%	SA only

Their needs and expectations

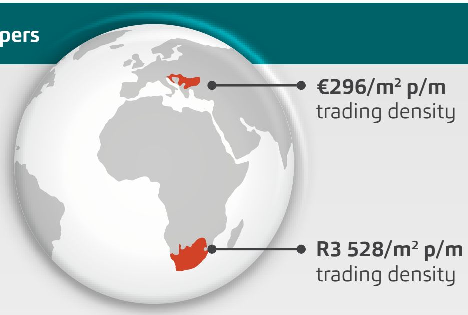
- Fair remuneration practices
- Training and development
- Job security
- Inclusivity and diversity
- Well-being

Engagements

- Training programmes to support goals
- Performance appraisal
- Coffee@Hyprop (Group-wide communication)
- HYperformer awards/recognition
- Culture survey
- LYRA (formerly known as ICAS) employee wellness programme
- Internal communications (mailers, Viva Engage)

Capitals HC IC

Tenants & shoppers



	Foot count	Number of centres
SA portfolio	86.4m	9
EE portfolio	27.3m	4
SSA portfolio	22.8m	4

Their needs and expectations

- Attracting and retaining shoppers and increasing foot count
- Improving the quality and sustainability of shopping centres
- Maintaining functional/operational centres
- Managing the cost of occupancy
- Monitoring and adapting to global retail trends and meeting shopper needs
- Mutually beneficial relationships

Engagements

- Marketing projects and engagements
- Optimising tenant mix
- Spent R369 million in SA and €3.5 million in EE on refurbishments and extensions, new tenants' incentives, new equipment and sustainable technologies
- CEO/Portfolio Executive meetings
- Letters from CEO/General Managers
- Quarterly updates

Capitals MC FC SC NC

Associations, compliance and regulatory bodies

South African Reserve Bank | Companies and Intellectual Property Commission | SAPOA | KING IV | Information Regulator (South Africa) | JSE | SA REIT Association | IASB | SARS

Their needs and expectations

- Compliance with regulations

Engagements

- Submission of all applicable statutory reports/returns
- Compliance with relevant acts and regulations
- Participation in professional bodies and industry organisations

Capitals FC IC MC HC

Our stakeholders

Continued

Funders and investors

Lenders

Standard Bank Group	14.3%
Nedbank	12.9%
RMB	13.1%
ABSA	3.3%
Erste Bank	17.5%
DSK/OTP Bank	9.5%
Komercijalna Bank	3.3%
DCM	26.1%

Shareholders

Mutual funds	4.9%
Retirement funds	4.7%
Banks/brokers	1.1%
Insurance companies	0.6%
Individuals	72.8%
Private companies	3.4%
Trusts	9.3%
Other	3.2%

Their needs and expectations

- Sustainable total returns
- Conservative balance sheet and debt management
- Strong governance
- Compliance with bank covenants
- Clear and transparent reporting
- Regular engagements

Engagements

- Roadshows and presentations to equity and debt investors
- Site visits
- Regular meetings with lenders
- Investor relations programme
- Six-monthly compliance certificates issued
- Improved disclosure in financial reporting

Capitals

FC IC SC

Suppliers

R'm spent

Municipal expenses & utilities	1 136
Security	93
Cleaning	97
Marketing	90
Maintenance	69
Air-conditioning	24
Insurance	39
Property management	30
Parking	21
Other expenses	111

Their needs and expectations

- Sustainable partnerships
- Clear and fair contracting terms
- Timely payments

Engagements

- Fair business practices and tender processes
- Efficient contract management
- Improved B-BBEE procurement profile
- Supporting B-BBEE enterprise development initiatives
- Supplier code of conduct

Capitals

FC HC

Environmental and social

FTSE4Good constituent

10th submission to CDP (climate change)

7th submission to WDP (water security)

Their needs and expectations

- Resource conservation
- Meaningful, safe and authentic shopping experiences
- Support communities around centres
- Uplift and empower youth, transfer skills

Engagements

- Education and corporate social investment projects
- Shopper surveys
- Multiple social touchpoints throughout the portfolio
- Creating spaces where people connect

Capitals

SC NC

Our purpose and priorities

In an ever-changing environment, our purpose is to create spaces that connect people.

Creating spaces

We continuously invest in our dominant retail centres to ensure their relevance through our repositioning strategies, expansion projects and by optimising their tenant mix.

Connecting people

Our retail centres bring people together in strategically located nodes that offer a tailored mix of retail, entertainment, commercial, wellness, e-commerce and social uses. Our safe spaces are the destinations of choice for many shoppers to meet and share experiences as families, friends and communities.

Our mission

Continually improve Hyprop's value proposition and deliver sustainable returns for all our stakeholders.

Strategic priorities to deliver our purpose

We are clear on the type of spaces we want to create, and where they should be. Our six strategic priorities support our purpose, strengthen our business and position us for sustainable growth.

- Drive the implementation of sustainable solutions to reduce the impact of the infrastructure challenges we face in South Africa
- Reposition the SA and EE portfolios to maintain their dominance and retain and grow market share
- Review the portfolios annually to evaluate the case for recycling assets and to consider new growth opportunities
- Remain focused on exiting the entire SSA portfolio
- Ensure our balance sheet is healthy and strong
- Develop non-tangible assets aligned to our tangible assets and/or the property sector

Sustainability

Our long-term sustainability depends on our ability to deliver our core purpose of creating spaces and connecting people in a commercially, environmentally and socially responsible way.

Our sustainability framework focuses on three goals:

- Create safe spaces that connect people.
- Partner for climate resilience.
- Facilitate inclusion across our value chain.

We have committed to five of the United Nations' 17 Sustainable Development Goals (SDGs). The SDGs 6, 7, 8, 11 and 12, provide the overarching framework to shape our sustainability strategies, goals, activities and reporting processes.

Further detail on our approach to sustainability can be found in the ESG section of this report, with ESG-related data presented in a stand-alone ESG Data Pack.

How purpose and sustainability work together

Purpose
Why we exist

Three big goals
How we focus

Aligned with the Global SDGs

Enablers

Our purpose

Create spaces and connect people

1 Create **safe spaces that connect people**

2 **Partner** for climate resilience

3 Facilitate **inclusion across our value chain**

Responsible - Health, safety and environmental management; Ethics; Stakeholder engagement; Transparency

All our stakeholders are increasingly interested in how we manage ESG risk. Our response to this responsibility is through our transparent engagement with all stakeholders.

Digital - Platform-enabled; Cybersecurity; Data privacy

We see the potential to tailor our response to ESG trends and pressures. Digital technology gives us the ability to monitor and measure our ESG impact and collaborate with our stakeholders to make a meaningful impact and mitigate our sustainability risks.

Innovative - Diverse; Learning and skills; Connected

We believe in an empowering culture where HYperformers are innovative in their approach to our sustainability impact.

Living **our values**

Collaboration
We encourage teamwork to achieve a common goal.

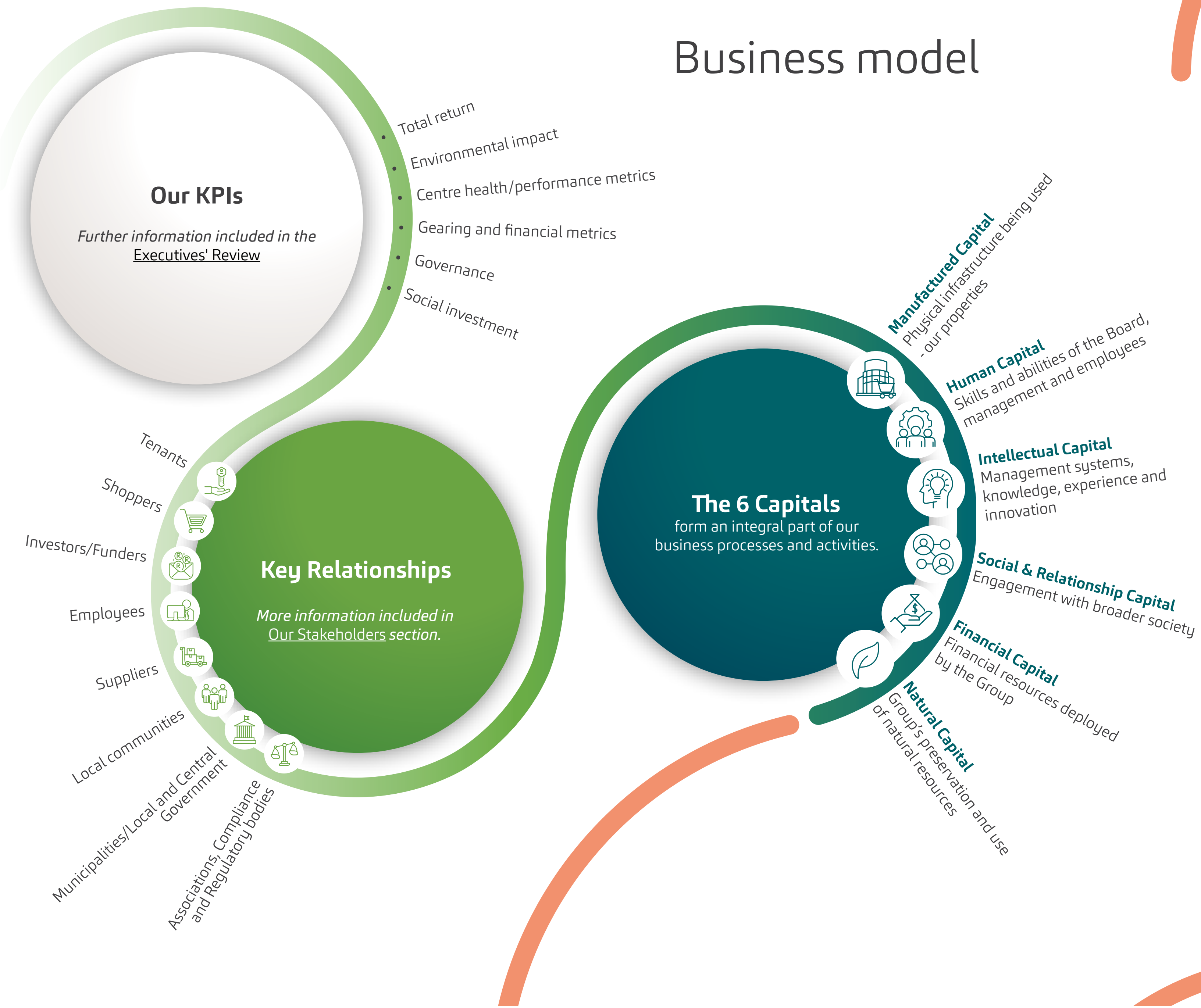
Execution
We make things happen.

Responsibility
We take responsibility for our actions.

Integrity
We are honest and treat everyone with respect and fairness.

Creativity
We find alternative solutions and create opportunities.

Business model



How we create value

Cost differentiators
- In-house capabilities: asset management, property management, technical
- Digital capability using technology to manage costs
- Alternative sources of supply (solar, grey water)

Key cost drivers

Capital
- Conversions, refurbishments, green energy/repurposing

Operational
- Municipal charges (rates, water, electricity), backup power, security, cleaning, repairs and maintenance
- Employee costs, IT, compliance, marketing, etc.

Funding
- Interest expense

Key resources
- Property portfolio
- Brand
- Leadership team
- Highly skilled, hands-on, decentralised teams
- Access to functional municipal services, e.g. energy, water, solid waste removal
- Trust
- Access to funding (equity and debt)

Key activities
- Managing (rental, leasing, maintenance, property and asset management)
- Acquisitions
- Refurbish/repurpose/recycle
- Enabling services
- Capital and risk management
- Portfolio reviews to ensure assets align with our strategy

Key revenue drivers
- Rental income
  - Base rental (contracted)
  - Turnover rental
  - Non-GLA income (advertising, marketing, parking, signage, etc.)
- Cost recoveries

Revenue differentiators
- Strongly positioned retail centres in mixed-use precincts
- Diversification - SA | EE

Risks & opportunities

Skopje City Mall Skopje, North Macedonia

View from the chief risk officer, Brett Till

Our approach to risk

Our approach to risk management is designed to drive sustainable growth and enhance stakeholder value by effectively monitoring and managing risk in line with King IV™ Principle 11 and industry best practice. This is achieved through a structured and ongoing risk management process that evaluates material issues and risks that could affect the Group's strategic objectives, supported by risk tools, within the risk management framework.

Risk governance

The Board's approach to risk governance supports the Group's strategic objectives. The Audit and Risk Committee plays a crucial role in overseeing risk management on behalf of the Board. This oversight includes a comprehensive review of the enterprise risk management process, covering strategic, financial, operational, information technology and regulatory compliance risks, along with the corresponding mitigation strategies.

The responsibility for monitoring and implementing risk management is assigned to the executive management and management teams of each portfolio/business unit. This is subject to a bi-annual top-down review by the portfolio risk committees to ensure comprehensive risk identification and rigorous mitigating actions.

Board

- Ultimate responsibility for risk governance.
- Determines the Group's risk appetite and tolerance level.
- Approves policies to manage risk.

Audit and Risk Committee

- Monitors risk exposure to ensure the nature and extent of significant risks are managed in line with our strategic objectives.
- Oversees risk management processes and monitors compliance with the risk management policy.
- Receives periodic and independent assurance on the effectiveness of risk management to ensure compliance with governance requirements and standards.
- Reviews procedures and controls to ensure the validity, accuracy and completeness of financial reporting and information.

Executive management

- The chief risk officer chairs portfolio risk committees for the Group's three operating portfolios and information technology.
- Responsible and accountable for implementing a risk management system.
- Identifies, assesses, measures, monitors and reports risks relative to the Group.
- Implements actions to mitigate identified risks.
- Reviews controls to safeguard assets and to ensure the validity, accuracy and completeness of financial information.

Divisional management

- Executes risk management at the portfolio/business unit level through the portfolio executive committees and centre management meetings.
- Risks and mitigating actions are monitored and discussed during monthly management meetings.
- Reports to portfolio risk committees bi-annually.
- Implements controls to safeguard assets and ensure the validity, accuracy and completeness of financial information.

Changes in the top 10 risks from FY2023 to FY2024

The changes in the material risks from FY2023 to FY2024 are indicated below.

Energy supply

Risk ranking 2023: 1 (2024: 5)

Energy supply in South Africa is still a concern, notwithstanding the respite in loadshedding. All of our SA centres have backup power in the event of a return of loadshedding.

Currency

Risk ranking 2023: 4 (2024: 4)

There were no changes to the currency risk ranking for the SA and EE portfolios in FY2024. Currency risk in Nigeria remained extremely high in FY2024, but has been mitigated through the disposal of the SSA portfolio post the FY2024 year end.

Interest rate

Risk ranking 2023: 6 (2024: 9)

The delay in the anticipated reduction in interest rates, expiry of historic cheap interest rate hedges and the need to fund capital expenditure will result in interest costs increasing in 2025. Interest rate risk should reduce in the medium term as the softening interest rate cycle gains momentum.

Pandemic

Risk ranking 2023: 9 (2024: not in top 10 risks)

Pandemic risk is no longer among the top 10 risks.

Property concentration

Risk ranking 2023: 2 (2024: 6)

The nature of our portfolio has not changed sufficiently to reduce this risk, however other risks have become greater than property concentration risk.

Credit

Risk ranking 2023: 5 (2024: 8)

Most tenants' businesses have recovered since the Covid-19 pandemic, with only a select few requiring ongoing assistance and a relative decrease in tenant credit risk.

Sovereign

Risk ranking 2023: 7 (2024: not in top 10 risks)

Sovereign risk is no longer among the top 10 risks.

Succession

Risk ranking 2023: 10 (2024: 10)

There are no changes to the succession risk ranking.

Inflation

Risk ranking 2023: 3 (2024: 7)

Inflation in SA remains a concern, particularly for energy costs, in the context of contractual rental escalation rates and the impact on tenants' total cost of occupancy.

Inflation in Europe has reduced from 2023 levels and the outlook is more stable. This will however impact indexation adjustments to rental income for the EE portfolio.

Inflation in Nigeria remained extremely high in conjunction with currency devaluation/volatility. This risk has been mitigated through the disposal of the SSA portfolio post the FY2024 year end.

Liquidity

Risk ranking 2023: 8 (2024: not in top 10 risks)

Liquidity risk is no longer among the top 10 risks due to the Group's available credit facilities and strong relationships with lenders, but remains on our risk radar.

New to top 10 risks in FY2024

Capital availability

Risk ranking 2024: 1

Access to capital at reasonable costs is necessary to fund the Group's growth, expansion and capital expenditure. Funding such projects via the equity markets has been costly given the significant discount at which Hyprop shares have traded relative to the Group's net asset value. While the Group has good access to debt funding, this is not a sustainable solution and will result in increased pressure on banking covenants if not monitored closely.

Deterioration of municipal services and public infrastructure

Risk ranking 2024: 2

As a result of the failure of municipalities to deliver basic services (particularly the security of supply of potable water), the deterioration in their administrative processes and ongoing above inflation increases in municipal charges, mainly in Gauteng, South Africa, this risk has been elevated and requires capital expenditure to be diverted away from income yielding projects to projects to ensure the sustainability of our centres.

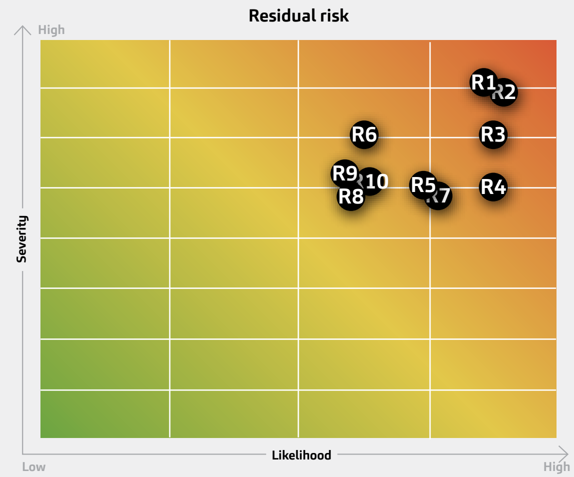
Delays in implementing the disposal of the SSA assets

Risk ranking 2024: 3

Although this risk was heightened during FY2024 due to the delays in implementation of the sale of the Nigerian assets to Actis and as a result of the deterioration of economic and trading conditions in Nigeria and Ghana, the risk has been fully mitigated following implementation of the disposal of the SSA portfolio to Lango post the FY2024 year end.

Top 10 risks in FY2024

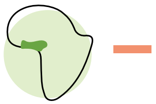
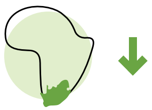
The risk heatmap sets out the top 10 material risks in FY2024 identified through our risk management process. The heatmap shows residual risk after considering mitigating factors/actions.

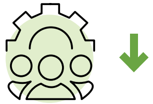
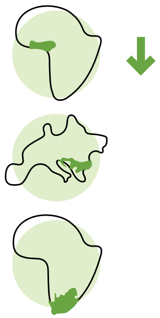
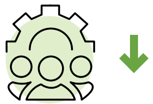


R1 Capital availability
R2 Deterioration of municipal services and public infrastructure
R3 Disposal of SSA assets
R4 Currency risk
R5 Energy supply risk
R6 Property concentration risk
R7 Inflation risk
R8 Credit risk
R9 Interest rate risk
R10 Succession risk

Detailed analysis of the Group's top 10 risks in FY2024

Key risk	Portfolio most affected and change in risk	Business impact	Our key responses
R1 Capital availability			
The risk of being unable to raise funding for the Group's growth, expansion, capital expenditure and operational requirements.	NEW	• Restricts growth opportunities. • Constraints on capital expenditure to maintain centres. • Greater use of borrowings impacts financial performance and puts pressure on borrowing covenants.	• Equity raised via DRIPs in previous financial years. • Dividend policy - retention of 25% of distributable income from the SA and EE portfolios. • Recycle assets. • Obtain shareholder approval to issue shares for cash as a fall-back. • Vendor placements for new acquisitions. • Prioritise capital expenditure in line with capital allocation framework. • Maintain strong relationships with multiple lenders and DCM investors to ensure access to debt funding and facilities. • Maintain sufficient cash and undrawn borrowing facilities, which were R1.975 billion at 30 June 2024.
R2 Deterioration of municipal services and public infrastructure			
Municipalities' inability to deliver critical services.	NEW	• Exposure to failing municipalities has increased the cost of securing basic services, impacting distributable income and property valuations. • Deterioration of areas around shopping centres deters shoppers, negatively impacting tenants' turnover and performance.	• Diversify asset exposure to different regions/countries. • Strategy favours growth in favourable regions – Eastern Europe and Western Cape in SA. • Support industry associations and City Improvement Districts (CIDS) to engage with local governments and councils to improve services and reduce costs, as well as maintain areas around our centres. • Implement water saving initiatives. • Secure at least 3 days of potable water backup at the Gauteng centres. • See energy supply risk.
R3 Disposal of SSA assets			
Delays in implementing the disposal of the SSA assets.	NEW	• Exposure to the in-country US dollar denominated debt in Nigeria. • Pressure on the Group's overall financial performance. • Increased support for AttAfrica and its subsidiaries by injecting capital and providing guarantees to AttAfrica's lenders amidst the difficult trading environment in Ghana.	• Concluded agreements with Lango Real Estate Limited for the disposal of Hyprop's interest in Ikeja City Mall in Nigeria and in Accra Mall, Kumasi City Mall and West Hills Mall in Ghana. • This risk has been fully mitigated following implementation of the disposal of the SSA portfolio to Lango post the FY2024 year end.

Key risk	Portfolio most affected and change in risk	Business impact	Our key responses
R4 Currency			
The risk of a change in exchange rates against your favour (Income statement).		• Volatility and declining distributions. • Inability to implement SSA exit strategy. • Exposure to foreign currency debt in Nigeria, Ghana and Eastern Europe. • Guarantees for hard currency debt secured against Rand denominated assets.	• This risk has been fully mitigated in relation to the SSA portfolio following implementation of the disposal of the SSA assets to Lango post the FY2024 year end. • Diversify portfolio across multiple currencies – exposure by currency at 30 June 2024: - Rand – 77% of net assets - Euro – 22% of net assets - Naira/cedi (dollar) – 1% of net assets. • Invest in countries with hard-currency (Croatia), or where local currency is pegged to hard-currency (Bulgaria). • Convert local currency to dollars and euros regularly (Bulgaria, North Macedonia, Ghana and Nigeria (if possible)) to avert liquidity issues. • Match/peg currency of borrowings, assets and income. • Ensure foreign subsidiaries are properly capitalised with sufficient equity - EE portfolio €222 million equity, SSA/Nigeria portfolio $61 million equity. • Amortise euro in-country debt and reduce the equity debt to lower the EE portfolio's LTV - €30 million reduction in FY2024. • Hedge foreign currency dividend and capital flows. • Monitor key financial metrics (LTV, ICR, distributable income, ROE) in each currency and sensitivity to currency volatility.
R5 Energy Suppply			
Shortage in the supply of energy		• Lack of power generation by Eskom, failure of municipal infrastructure or municipalities to deliver electricity to consumers, and higher levels of loadshedding. • Total grid collapse will be catastrophic, and the risk can't be mitigated except for a complete lockdown. • Also see deterioration of municipal services and public infrastructure risk.	• Full backup generator capacity installed at eight SA centres, with Table Bay Mall's backup generators to be installed by November 2024. - Upgrading diesel storage facilities at all SA centres to ensure seven days of diesel supply as a contingency against prolonged power outages. There are two centres outstanding and installation will occur once local fire authority approval is obtained. - Canal Walk participates in the City of Cape Town's energy curtailment programme to reduce energy consumption and avoid loadshedding. • Solar PV plants installed at Woodlands, Rosebank Mall, Hyde Park Corner, The Glen, Clearwater Mall and Table Bay Mall. • Application for solar plant at CapeGate was submitted to City of Cape Town for approval - outcome is anticipated in November 2024. • Reduce energy consumption by replacing old/inefficient equipment with more efficient modern systems (examples include lighting, HVAC and air conditioning systems). • Monitoring energy consumption with IOT.nxt system at Clearwater Mall to reduce energy consumption and improve efficiencies. • Business continuity plans were amended to cover i) electricity grid failure and ii) plans to cater for loadshedding stage 6 and above.

Key risk	Portfolio most affected and change in risk	Business impact	Our key responses
R6 Property Concentration			
The risk of investing in too narrow a selection of assets		• Failure to spread risk may reduce returns in sector downturn.	• The Group's emphasis in terms of composition of the property portfolio is on quality not quantity. • Diversify asset exposure to different regions/countries: SA comprises 64%, EE 31% and SSA 5% of the Group's investment property, by value. Western Cape comprises 56% of SA investment property and Gauteng 44% of SA investment property, by value. • Strategy favours growth in favourable regions – Eastern Europe and Western Cape. • Support industry associations and City Improvement Districts (CIDS) to engage with local governments and councils to improve services and reduce costs, as well as maintain areas around our centres. • Investigate corporate transactions to potentially diversify the asset class.
R7 Inflation			
The risk of an unmanageable increase in the general price level of goods and services		• Erosion of income and reduced property values • Breach of LTV and ICR covenants • Increase in tenants' cost of occupancy	• Monitor costs relative to budget and prior year, as well as long-term trends. • Conclude multi-year fixed price/escalation contracts where possible - security, cleaning, landscaping, electricity. • Cost reduction initiatives implemented (examples include installation of solar PV plants at the SA centres, water saving and waste reduction initiatives, use of technology to monitor building performance and improve operating efficiencies, replacement of old inefficient equipment to reduce operating costs). • Long-term incentives for employees to reduce cost to tenants and Group cost to income ratios. • Monitor cost recovery ratios and benchmark against industry standards. • Ongoing focus on growing rental income and reducing rent reversions.
R8 Credit			
The risk of liquidation or default by customers/clients		• Failure to recover amounts owing. • Negative impact of potential business rescue proceedings. • Loss of revenue and risk of finding replacement tenants.	• Monitor tenant concentration risk and diversify tenant base - largest tenant groups by GLA – SA: Woolworths 8.3%, EE: Interspar 7.2%, SSA/Nigeria: Shoprite 22%. • Monitor tenants' turnover monthly in all portfolios. • Monitor tenants' financial performance on an ongoing basis. Tenants' arrears are reviewed in monthly management meetings for each centre. • Deposits or guarantees obtained from tenants.

Key risk	Portfolio most affected and change in risk	Business impact	Our key responses
R9 Interest Rates			
The risk of a rise in interest rates.		• Reduced yields and distributable earnings. • Breach of ICR banking covenants. • Risk of interest rates remaining higher for longer.	• Interest rate hedging policy in place – minimum of 75% of interest rate exposure to be hedged: - 80% of rand interest rate exposure hedged - 75% of euro interest rate exposure hedged - 108% of US dollar interest rate exposure hedged at 30 June 2024. • Increased use of interest rate caps and collars to protect against increases in interest rates but allow participation in reduction in interest rates when the cycle turns. • Manage interest rate hedging profile independently of borrowings maturity profile but with regard to core borrowings. • Spread debt/hedge maturity profile to reduce the value of borrowings/hedges maturing in one year – maximum 30% of hedges in a year and 10% in a quarter. • Monitor interest rates weekly to forward hedge when opportunities arise. • Amortise borrowings – €10 million annual amortisation of EE portfolio borrowings and further €20 million reduction in equity debt in FY2024 . • Utilise revolving credit facilities to optimise the use of cash balances to reduce interest costs. • Monitor compliance with current and projected banking covenants.
R10 Succession			
Inadequate succession planning.		• Insufficient leadership pipeline resulting in limited innovation and growth of the Group. • Lack of key skills in the organisation.	• Succession plan for key roles reviewed annually by the Nomination Committee. • Collaborative culture facilitates knowledge sharing and transfer. • Staff training to develop the next generation of managers and leaders. The HYPerformer Leadership Program was launched in March 2024. • Identify key staff and use long-term incentives to retain staff.

Opportunities

Our risk management systems not only facilitate the identification and management of risks, but also assist the Group in identifying and considering opportunities as they arise.

The achievements of the last five years outlined in the Executives' review have substantially improved the performance of our portfolios and strengthened the balance sheet. These, combined with the reduction in the Group's overall risk profile following the disposal of the SSA investments, have created a positive outlook for the Group in which new opportunities for growth can be pursued. The acquisition of Table Bay Mall in the last quarter of FY2024 is the first of these opportunities to be implemented, and the Group is well positioned to pursue other such opportunities.

We have identified the following current opportunities to create long-term sustainable stakeholder value:

- The acquisition of Table Bay Mall has increased the Group's exposure and footprint in the Western Cape. Table Bay Mall is a unique opportunity and of strategic importance to the Group as it is in a relatively early stage of its life cycle with strong growth potential. This asset should improve prospects for growth in the SA portfolio.
- Our capital allocation framework continues to favour geographies that have sound economic and physical infrastructure with potential for growth and profitability, notably the Western Cape in South Africa and Eastern Europe. Opportunities to expand our operations in these regions are being explored, and include the recently approved project to expand Somerset Mall by 5 500m^2 which should be completed in 2026. Other projects are being evaluated.
- The improvements in our key trading metrics (tenants' turnover, effort ratio and foot count) and rent reversions (positive 5.8% for FY2024 compared to negative 7% for FY2023) present opportunities to grow our rental income. Vacancy levels in the portfolios remain low (SA 1.8% and EE 0.1% at 30 June 2024). Through effective asset management initiatives, we seek to proactively collaborate with tenants in order to meet our shoppers' needs and optimise our centres' performance.
- Given the inability of municipalities to deliver critical services in SA, initiatives to maintain at least three days' supply of potable water for our Gauteng centres are underway. This risk has refocussed our endeavors to reduce water and electricity consumption and find alternative renewable sources in line with our sustainability strategy.
- We conduct an annual evaluation of our portfolios to assess individual assets' alignment with the Group's strategy and to evaluate the case for recycling assets, as we explore new opportunities. By constantly reassessing our assets, we can make informed decisions that align with our strategy.
- Our sustainability strategy continues to focus on improving the use and management of electrical, water and waste resources, reducing our impact on the environment and improving the efficiency of our centres.

As a Group, we remain focused on creating sustainable value for all our stakeholders, diversifying our risk by allocating capital prudently and maintaining a robust balance sheet.

Clearwater Mall Johannesburg, South Africa

Emerging risks

Emerging risks are new or future risks with potential impacts that are not yet reliably known and implications are difficult to assess. We proactively evaluate emerging risks to determine the possible impact on the Group and our stakeholders, as outlined below:

Climate change and environmental

Failure to mitigate climate-related risks and inability to meet stakeholders' sustainability expectations.

The impacts of climate change, such as extreme weather events, rising sea levels, and resource scarcity, pose significant risks to businesses across all industries.

Business impact

- Increased cost of being socially responsible and adhering to climate regulations.
- Increased ESG reporting requirements.
- Reputational damage due to environmental impact concerns.
- Physical damage to assets and supply chain disruptions.
- Increased cost of insurance against such risks.

Our response

- Keep abreast of stakeholders' and market expectations and disclosure requirements.
  - We have analysed the IFRS S2 Climate-related disclosures and CSRD requirements in anticipation of enhancing our climate-related disclosures to align with IFRS S2 and international and local standards.
- We recognise that the natural resources, economic and social systems that support our society are all affected by climate change.
- Please refer to our ESG report for details on how we are addressing our impact on climate change.

Technological disruptions/ Adverse outcomes of AI technologies

Rapid technological advancements, including artificial intelligence, automation, and digital transformation, bring both opportunities and risks.

Business impact

- Product or service becoming obsolete and losing market share.
- Threat to business data and critical information technology systems.
- AI-generated misinformation and disinformation.
- Inefficient business processes.

Our response

- Implement security controls to protect Company information technology systems and data.
- Develop and enforce policies on the appropriate use of AI tools.
- Identify vulnerabilities and develop contingency plans to mitigate the effects of disruptive technologies.
- Ensure our centres remain relevant.
- Assess and update risk management strategies to address the evolving technology landscape.

Chairman's review

Canal Walk Cape Town, South Africa

Reflection on FY2024

It is my great pleasure to report on behalf of the Board that Hyprop delivered pleasing results in FY2024.

Looking back on the past year, which was a watershed year for us, it is clear that we have reached a turning point. The strategic priorities articulated in previous years have materialised through hard work, commitment, and remaining focused on our ultimate objectives. We are proud of the energy and enthusiasm shown by the teams at all our offices and centres.

One of the most significant developments during the year was increasing our exposure in the Western Cape through the acquisition of Table Bay Mall, and implementing the disposal of the SSA portfolio post year end, in September 2024. These fulfilled the strategic objective to focus the business in geographies that we want to be exposed to and own assets that align with our strategy.

This year, we delivered strong results, with the operational performance of our SA and EE portfolios positively impacting the distributable income per share. As a result, Hyprop outperformed its previous guidance and declared a dividend of 280 cents per share, without a DRIP – a first since the June 2019 year end.

The SA portfolio continued to deliver growth in key trading metrics. The overall reversion rate, which has been negative for the past few years, improved significantly to 5.8%, tenants' turnover grew by 5.1%, monthly trading density and foot count improved by 3.9% and 6.4%, respectively, while the retail vacancy remained low at 1.8%. The EE portfolio delivered stellar results, which can be attributed to the tenant mix optimisation initiatives and capital investment at the centres to maintain their dominance in their markets. Tenants' turnover increased by 10%, trading density grew by 8.9% and retail vacancies improved to an impressive 0.1%.

Optimism in South Africa

South Africa faces many challenges, particularly regarding the supply of electricity and water, and the quality of road networks and seaports, but the country is moving forward with optimism. The national election in May 2024 resulted in a successful transition of power to a Government of National Unity, where political parties of varying ideologies are working pragmatically and maturely to set South Africa on a new path. This has boosted business and consumer sentiment, along with the reduction or ending of loadshedding. Overall, South Africa, and Hyprop, are in a better place.

Consumers remain under pressure; however, as inflation subsides and interest rates go down, their disposable income will increase, and they should continue to recognise our superior tenant offerings and visit our shopping centres.

Better days in the EE

The macro-environment in Eastern Europe continues to improve. The region experienced a reasonable economic recovery in the first half of FY2024, supported by the ECB's 25 basis point rate cut in June 2024. As such, we expect a further gradual reduction in interest rates in the near to medium term.

We have seen a notable fall in inflation, a sharp rise in real wages, and a pleasing improvement in private consumption, which are all positive signals for the retail sector as well as shopping centre owners and managers like ourselves.

The retail property market in the region has experienced stable performance, despite online shopping being on the rise in some of the more developed countries, like Croatia. During the year, we saw great interest from international brands entering the market, further cementing the relevance of retail centres in the region. As such, our retail centres in Croatia, Bulgaria and North Macedonia have benefitted from being the location of choice for people to shop and connect, which is evident in our exceptional operational performance in FY2024.

Responsive Corporate Citizen

Given the challenges pertaining to the lack of service delivery in South Africa, demanding urgent attention from government and local councils, Hyprop has taken a proactive approach by investing significant capital expenditure to address these issues, particularly to ensure electricity and water security.

We have also focused our ESG commitments in a way that is commercially, environmentally and socially responsible.

During this year, we continued to invest in major solar plant projects to not only improve efficiencies in our energy consumption but also ensure that our centres remain sustainable. In Gauteng, we have explored storage solutions for potable water, which will be implemented in due course. By executing our sustainability initiatives to ensure business continuity we have also mitigated the risks of disruptions to supply and will prioritise our resources to stay ahead of the environmental needs.

Hyprop is proud of the level of involvement it receives from the communities in and around our South Africa and Eastern Europe centres. As a result, we continue to invest in these communities through the Hyprop Foundation and our centre-based initiatives. This helps us strengthen our market position by creating meaningful, sustainable impact and ultimately delivering long-term stakeholder value.

The Board

Over the past 18 months, Hyprop has refreshed its Board with existing members assuming new roles and the appointment of new non-executive directors, adding specialised skills and experience, particularly in retail, to the mix. It is exciting to be part of a Board that is diverse and transformed, and is willing to provide input, exchange ideas and bring fresh perspectives, which are beneficial to the business.

I am pleased with the Board's performance in terms of governance and its oversight of the Group's strategic direction and performance in FY2024. We have effectively balanced processes and committee operations with the need for efficiency and agility to provide real value to the Group and its shareholders. We are confident in our current Board composition, and any future changes will continue to prioritise value to the business.

During FY2024, we were delighted to welcome Reeza Isaacs to the Board. Reeza was previously CFO at Woolworths Holdings and is the second member of the Board, following Richard Inskip, with a retail background.

We believe that having retail expertise on the Board is important, and we look forward to the valuable contribution Reeza will bring to the Group.

Thabo Mokgatlha will be stepping down at the AGM in November 2024. He has served on the Board for ten years and has chaired the Audit and Risk Committee, providing an invaluable contribution to the Group. While we are sad to see Thabo leave us, we wish him well in his future endeavours.

Looking ahead

The outlook is more optimistic now than it was a year ago, thanks to both political and economic factors. Hyprop's focus on the Western Cape, one of the country's fastest-growing provinces, is expected to be beneficial, especially since the Company owns some of the region's top shopping centres.

We are particularly enthusiastic about Table Bay Mall, as it is an excellent asset with higher growth prospects compared to other assets in the province and will benefit from Hyprop's highly rated asset management team. Additionally, a significant extension is planned for Somerset Mall to maintain its relevance, and we are committed to retaining the dominant market positions of all our centres.

In Eastern Europe, we are well-positioned to take advantage of future growth opportunities that align with our diversification strategy and the quality and dominance of our current assets. While it makes sense to increase our exposure in geographies where we already have expertise and exposure, we remain open to evaluating opportunities across a broad spectrum.

Our plan is to continue increasing our exposure in the Western Cape and Eastern Europe, particularly in geographies we find attractive, while seeking to reduce our exposure in Gauteng. Our strategic focus will also include a combination of organic growth through centre extensions and capital expenditure on our existing portfolios.

As a Board, we are excited about Hyprop's growth prospects. Despite the challenges of tenant failures, the impact of Covid-19, riots in South Africa, and international geopolitical conflicts that negatively impacted inflation rates, over the last five years, Hyprop successfully took 100% control of the EE core portfolio and maintained a robust balance sheet while executing its repositioning strategy. For the first time in a while, we are in a strong position to pursue strategic priorities without being encumbered by past structural, financial, and asset issues.

Hyprop's value proposition remains compelling. Our ability to continually improve key trading metrics, prudent approach to capital allocation, and strategy focused on owning and managing dominant retail centres in mixed-use precincts in key economic nodes within South Africa and Eastern Europe positions us to deliver long-term value for all our stakeholders.

A team effort

Hyprop's achievements are the result of the diligent execution of plans by the executive management and all our team members. On behalf of the Board, I would like to express our gratitude to the entire Hyprop team for their hard work in ensuring that our retail centres operate optimally and profitably. We also appreciate the efforts made to seamlessly integrate our new asset, Table Bay Mall, into the Group, as well as the successful implementation of the disposal of the SSA portfolio. Additionally, we extend our thanks to our shareholders, funders/lenders, retail and service partners at centre level for their continuous engagement and support.

Finally, I'd like to thank my fellow Board members for their significant contribution in guiding Hyprop and ensuring that we meet the needs of our shareholders and all other stakeholders.

Spiro Nossis
Chairman

Table Bay Mall Cape Town, South Africa

Executives' review

The Mall Sofia, Bulgaria

2024 snapshot and headlines

Group

- Distributable income per share exceeds guidance – decreased by 8.6% to 370.4 cents/share
- Distributable income of R1.41 billion
- Final dividend of 280 cents per share
- R500 million new capital raised through the FY2023 DRIP
- Reduced Euro borrowings by €30 million in line with debt reduction strategy
- LTV remains stable at 36.4% despite the acquisition of Table Bay Mall
- Healthy liquidity position with R803 million of cash and R2 billion of available bank facilities

South Africa

- Weighted average reversions significantly improved to 5.8%
- Tenants' turnover increased by 5.1%
- Trading density up 3.9%
- Average foot count grew by 6.4%
- Retail vacancies 1.8%
- Successfully launched Checkers FreshX and Pick n Pay Hypermarket at Somerset Mall
- Opened WCellar as part of the Woolworths expansion and Burger King, Steers and Chicken Licken drive-thrus at Woodlands

Eastern Europe

- Tenants' turnover up 10%
- Trading density increased by 8.9%
- Average foot count grew by 1%
- Retail vacancy remains low at 0.1%
- Positive rent reversions of 3.7%
- Prominent brands such as H&M, Karl Lagerfeld and Lacoste launched at Skopje City Mall
- The Mall launched TEDI (flagship & top performing store) and the first JD Sports

Sub-Saharan Africa

- Signed binding legal agreements to sell the SSA portfolio to Lango in exchange for Lango shares
- Vacancy rate significantly reduced from 16.8% to 6.5%
- Signed 10-year leases with Melcom and Decathlon at all three Ghana assets

Non-tangible assets

- Split the SOKO business
  - SOKO District - internalised physical districts into Hyprop portfolio as a differentiator
  - NTER - technology platform and secure third-party users

Progress over the past 5 years

Five years ago, Hyprop's management team committed to achieving several strategic priorities. Since then, the Group has made good progress in executing these as detailed below:

Group

- Implemented the Hystead Liquidity Event
- Sold Atterbury Value Mart and two Delta centres in Serbia and Podgorica at market value
- Reduced LTV from the peak of 52% to 36.4%
- Settled dollar equity debt
- Reduced euro Equity debt from €403 million to €90 million
- BBBEEE non-complaint to Level 3
- Simplified structure
- Improved Hyprop credit rating

South Africa

- Increased exposure in the Western Cape – Table Bay Mall acquisition
- Opened Checkers FreshX at The Glen, Rosebank Mall, Woodlands and Somerset Mall
- Restroom upgrades at Canal Walk, Woodlands, CapeGate and The Glen
- Introduced The Fun Company at Woodlands and Freedom Adventure Park at Canal Walk
- Implement solar at all Gauteng centres and Table Bay Mall
- Implement the Golden Thread

Eastern Europe

- Two-year redevelopment project at Skopje City Mall
- The Mall in Sofia was increased to 61 577m² with hyper conversion
- Food court upgrades at The Mall, Skopje City Mall and City Center one West
- Leveraging SA expertise
- Securing rights for extensions for Croatia centres

Sub-Saharan Africa

- Protecting value – re-let space vacated by SA retailers
- Sold Manda Hill in Zambia and Achimota in Ghana at market value
- Signed sale agreements for the sale of the SSA portfolio to Lango, which was implemented post year end

Non-tangible assets

- NTER – good progress with software development and secured external users
- Roll-out further SOKO districts

Complete | Good progress and ongoing/maintaining | Slow/little progress

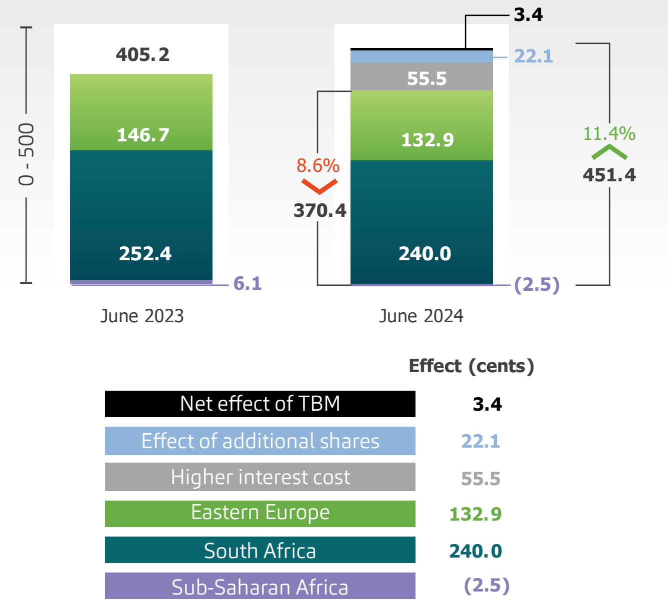
During FY2024, we acquired Table Bay Mall for R1.68 billion. The transaction is in line with our strategy to increase exposure to higher growth geographies, particularly in the Western Cape and Eastern Europe. Table Bay Mall is a unique opportunity for the Group as it is in a relatively early stage of its life cycle with strong growth potential. The centre has performed exceptionally well since acquisition. Its independent valuation at the end of June was R1.86 billion, which is ahead of the purchase price, affirming our view that this asset is of strategic importance to the Group and should improve prospects for growth in the SA portfolio.

Group financial performance

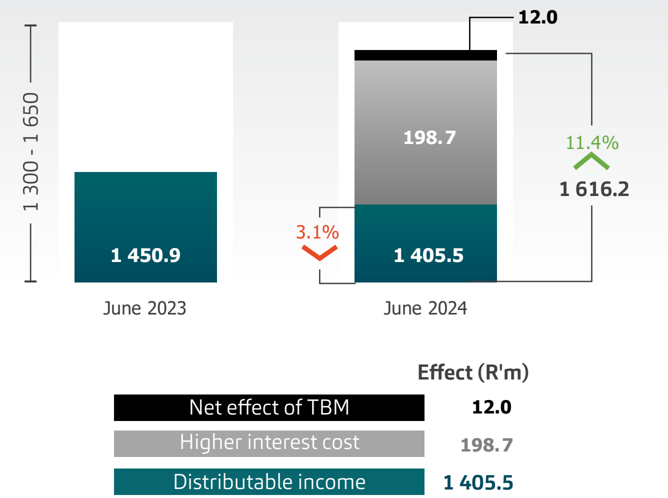
	June 2024 R'000	June 2023 R'000
Net income before value adjustments	**1 226 533**	**1 078 476**
Adjustments to calculate distributable income	**178 990**	**372 409**
Straight-line rental revenue accrual	67 964	100 380
Tax adjustments	(104 064)	(74 646)
Loss from equity accounted investments	78 057	150 694
Capital items for distribution purposes	91 666	163 295
Non-controlling interests	45 367	32 686
Distributable income	**1 405 523**	**1 450 885**
Weighted average number of shares for calculating distributable income per share	379 502 169	358 084 019
Distributable income per share (cents)	370.4	405.2
Dividend per share (cents)	280.0	299.3

Distributable income decreased by 3.1% from R1.45 billion in FY2023 to R1.41 billion in FY2024 while distributable income per share ("DIPS") reduced by 8.6% from 405.2 cents to 370.4 cents, following the increase in the weighted average number of shares in issue pursuant to the FY2023 DRIP.

Distributable income (cps)

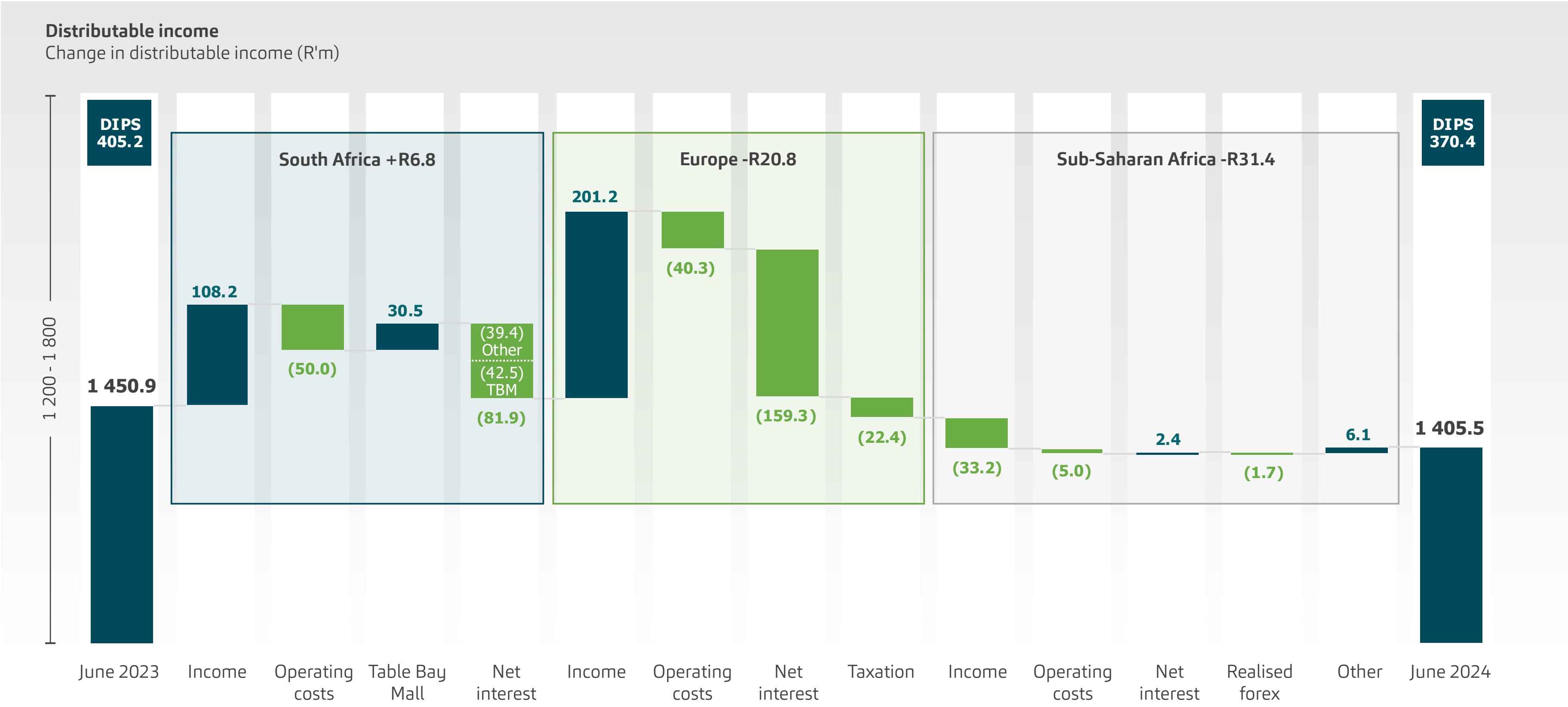


Distributable income (Group) (R'm)



The 8.6% decrease in DIPS is better than the guidance provided in September 2023 which was a 10%-15% reduction for FY2024. This guidance was mainly as a result of anticipated increases in interest costs and the FY2023 DRIP. The revised guidance provided in March 2024 of a 15%-20% reduction in DIPS was due to anticipated further foreign exchange losses in Nigeria and the impact of the acquisition of Table Bay Mall.

Distributable income before interest of the SA and EE portfolios exceeded expectations in March 2024 by circa R90 million, while the impact of the increase in interest costs was less than anticipated due to improved cash management, lower hedging costs and margins on refinanced borrowings, the impact of withholding the interim dividend and timing delays in capital projects. The impact of the Table Bay Mall acquisition and dilutive effect of the FY2023 DRIP were in line with our expectations. Actual realised foreign exchange losses incurred by Ikeja City Mall in the second half of the year were less than expected, however, operating income from Ikeja City Mall was below expectations due to the difficult trading conditions which were exacerbated by high inflation and the weakening naira.



The independent valuations of the SA and EE investment properties increased by R1.2 billion in aggregate. Ikeja City Mall's independent valuation decreased by $15 million to $113 million, however, the carrying value for accounting purposes was reduced by R775 million from June 2023 to R1.5 billion ($85 million) in line with the sales price agreed with Lango. The investment in AttAfrica was impaired to its fair value less costs to sell in terms of the agreed sale.

The LTV ratio was stable at 36.4% (2023: 36.3%) notwithstanding the decrease in the values of the SSA assets and the debt funded acquisition of Table Bay Mall. The interest cover ratio remains healthy at 2.5 times.

The FY2023 DRIP was supported by 68% of shareholders with the maximum R500 million of new equity raised and 20.8 million new shares being issued.

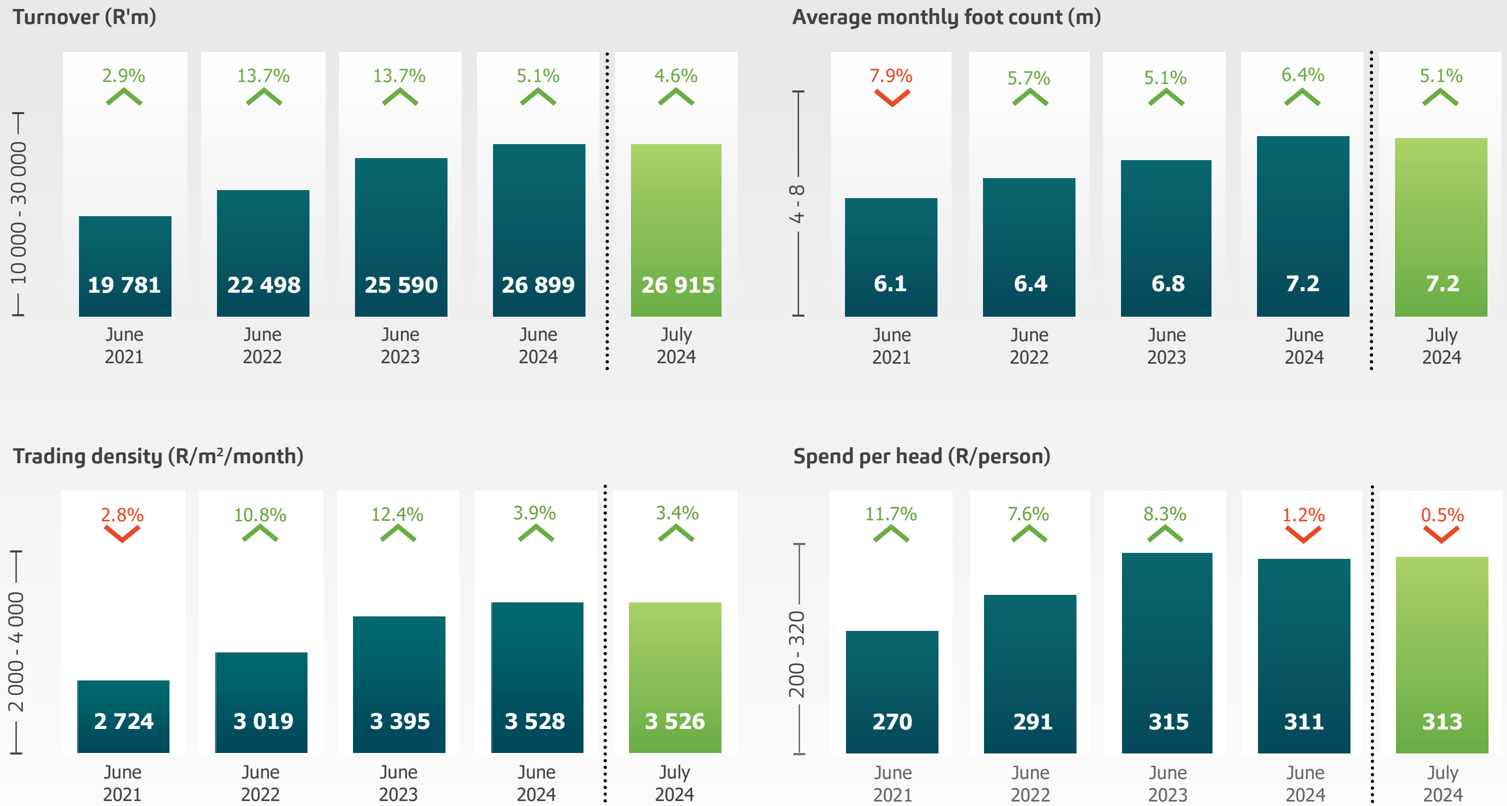
A final dividend of 280 cents per share was declared for FY2024 in line with the dividend policy to distribute 75% of the distributable income from the SA and EE portfolios.

South African portfolio

Investment property	**64%**
Distributable income	**65%**
Total GLA	**73%**

Operating performance
Our SA portfolio, comprising nine retail centres (four in the Western Cape and five in Gauteng) continued to deliver growth in key trading metrics (tenants' turnover, trading density and foot count), despite the challenging economic environment. The growth can be attributed to our ongoing repositioning initiatives and optimising our tenant mix. These have maintained the relevance of our centres and their appeal to both retailers and shoppers.

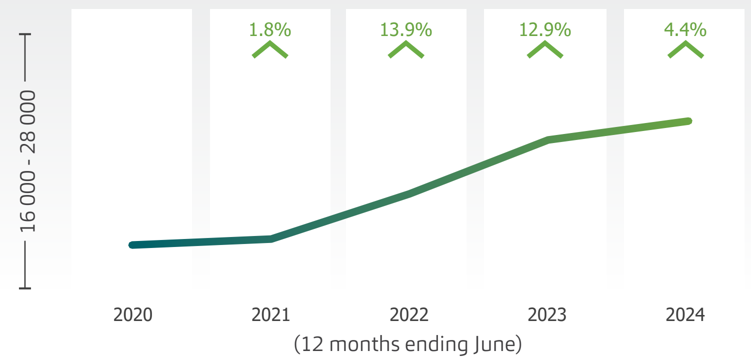
SA operations - rolling 12 months (incl. Table Bay Mall)



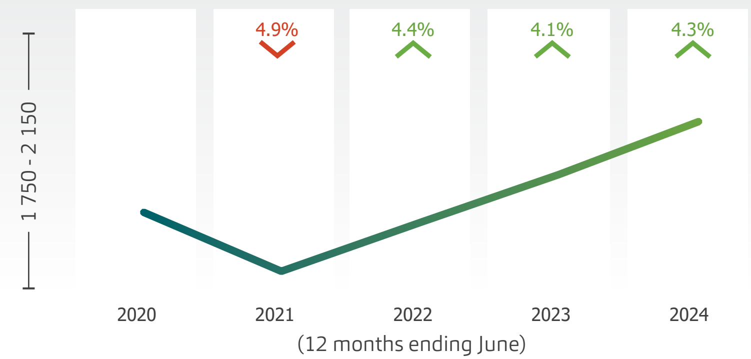
The 12 months ended July numbers show the growth on the corresponding prior year period.
Additional foot counters were installed at Canal Walk, CapeGate and Woodlands in 2023.

SA operations - 5 year trends (excl. Table Bay Mall)

Turnover (R'm)



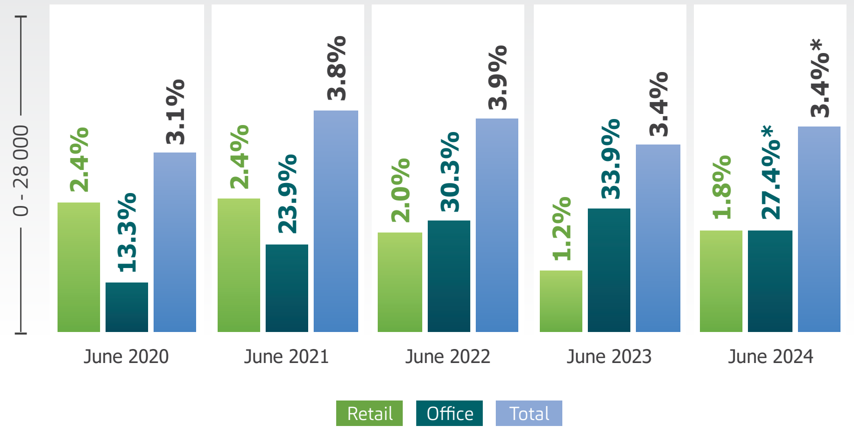
Rental income (R'm)



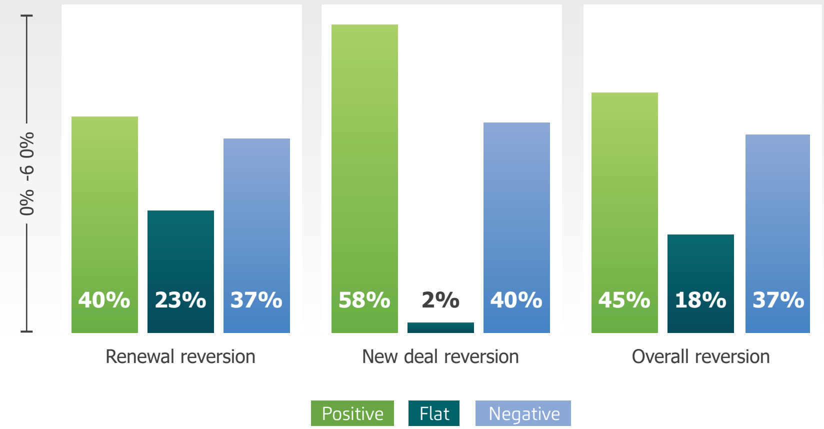
Hyprop share of property Portfolio

In FY2024, the overall rent reversion rate improved significantly to 5.8% from 3% at HY2024 and -7% at FY2023. Retail vacancies were contained at 1.8%, while office vacancies decreased from 33.9% to 27.4%. A key factor in the improvement of our office vacancies was Hyde Park Corner signing a 10-year lease with Workshop 17. The office vacancy rate includes 17 Baker Street, which was acquired for strategic reasons and moth-balled. Excluding 17 Baker Street, the June 2024 office vacancy reduces to 23.3%, while the total vacancy reduces to 3.1%.

Vacancy (m²)



Reversions (% of area)



* 17 Baker street which was acquired for strategic purposes, has now been moth-balled. Excluding this property the June 2024 office vacancy reduces to 23.3%, while the total vacancy reduces to 3.1%.

Western Cape

Canal Walk

For FY2024, tenants' turnover increased by 4.4% to R7.7 billion, trading density was up 3.4% and foot count grew by 10.1%. Canal Walk opened 20 new stores, which included a flagship Adidas, Calvin Klein Underwear, EA7 Emporio Armani, Burnt (high-end active wear), a Takealot Pickup Point, Freedom of Movement and Freedom Adventure Park, one of South Africa's largest all-in-one indoor adventure parks.

Some existing stores were relocated and upgraded to enhance the shopper experience. These include North Face, the only store in the Western Cape, and New Balance – which received a facelift in line with the latest international concept store standards. Forever New, Bride & Co., Eurosuit and Truworths were refurbished.

Somerset Mall

Somerset Mall remains fully let with high demand for space from retailers. Tenants' turnover was up 6% and foot count by 0.9%, while trading density increased by 4.3%.

During FY2024, Somerset Mall welcomed several new tenants, such as Checkers FreshX and Checkers Liquor, Romens, Free Bird, Samsonite and Hi-Tec. A key project, Cinema Connect, was completed, involving the refurbishment of the food offering that supports Ster-Kinekor. Since completing this project, the food court has experienced higher foot count and tenants' turnover.

The centre's two-year expansion project, which will add 5 400m^2 of GLA, improve the flow, and create a new food court was approved and scheduled to commence at the end of October 2024, subject to Council approvals.

CapeGate

CapeGate continues to benefit from its family focus and performed well in this period. Tenants' turnover was up 6.1%, foot count by 14.6%, while trading density increased by 5.2%.

The centre opened numerous new stores, and others were refreshed. New store openings include iStore, a Suzuki dealership, Nando's, Bagworld and Krispy Kreme. Stores that completed refurbishment projects were Ocean Basket, Clicks, Toys R Us, American Swiss and Hungry Lion.

Table Bay Mall

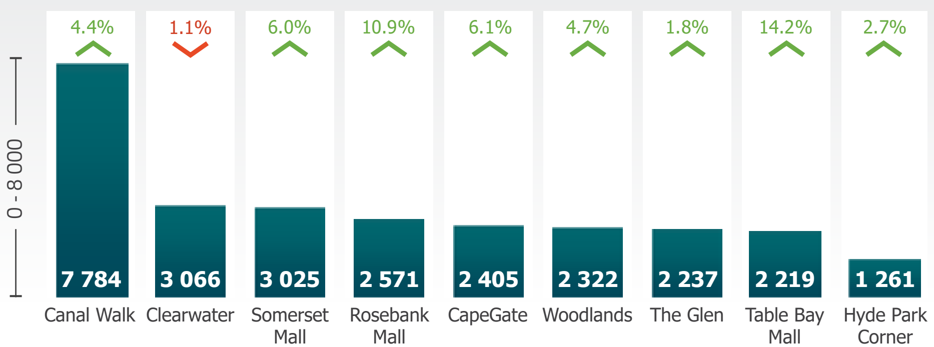
The recently acquired Table Bay Mall delivered strong operational results in line with our expectations. Tenants' turnover grew by 14.2% and trading density was up 11.6% confirming our view of its superior growth prospects.

The centre completed its solar PV project (total 4 383 kWp) and is installing additional generators to ensure uninterrupted power supply during trading hours.

Integrating Table Bay Mall into the Group is progressing well. The key focus areas are implementing the leasing strategy and repositioning initiatives to improve the tenant mix, and ensuring the team is adequately resourced. Skechers was welcomed as a new tenant post the acquisition.

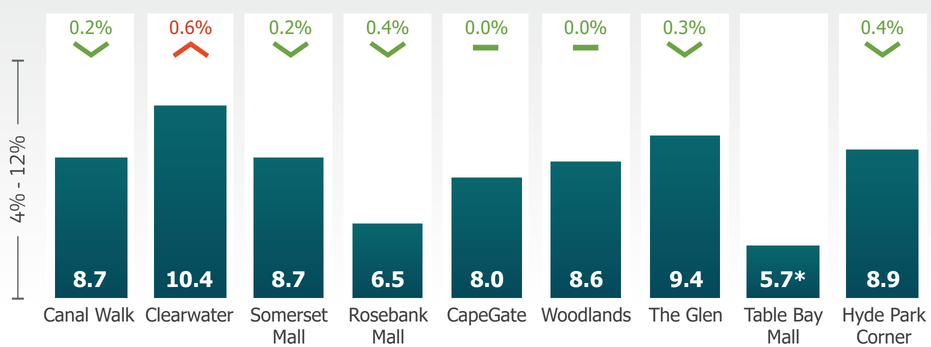
SA operations - 12 months ending 30 June 2024

Tenants' Turnover (R'm)



Including Table Bay Mall historically

Effort ratio (%)



Effort Ratio Calculation: (Basic Rent + Operating Cost + Rates + Marketing) ÷ (Turnover)
* Including Table Bay Mall April – June 2024

Gauteng

Rosebank Precinct

Rosebank Mall's tenants' turnover increased 10.9%, foot count by 8.5% and trading density by 8.3%, all reflecting the benefits of an improved tenant mix. Several new stores opened, while some relocated and were refurbished. The new store openings were Uniq Clothing, Toys R Us, The Crazy Store, Wimpy, The Bed Shop, Pyjama Shop and Edgars. Store relocations included Cell C, MTN, Telkom, Vodacom and Flight Centre.

In FY2024, the management of SOKO District was internalised and the Storage facility was successfully outsourced. The Mall Offices completed a R10 million upgrade.

Clearwater Mall

Clearwater Mall faced various challenges during the year. Tenants' turnover was marginally down by 1.1%, while trading density and foot count contracted by 0.2% and 2.5% respectively. Factors that contributed to the reductions are the underperformance of anchor tenants, a two-week power failure in November and the closure of Hendrik Potgieter Road to repair a sinkhole. The road is now open, performance of the anchor tenants is being addressed and foot count has started to improve.

The centre launched fifteen new stores, including Xpresso, Nominations, Sleepmasters, Jeep, Zorora Sofas, Nando's, Steve Madden and Under Armour. Several stores relocated to more favourable locations to enhance the centre's flow. These include Samsung, Capitec Bank, Absa, Standard Bank, Old Mutual, Rochester Furniture, Sissy Boy, Dynamic Vision and Crazy Store.

The revamped stores were Burger King, H&M, Cotton On, Wimpy, Mugg & Bean, Europa Art, Truworths and Inky Shop.

The Glen

The Glen Shopping Centre continues to maintain its dominance, despite competition in the area. There were small improvements in its key trading metrics, with tenants' turnover growing by 1.8%, trading density by 0.7% and foot count by 0.5%.

Arthur Ford, Pep Home, Uniq Clothing, 22 Jump Street, Faro, Colours of India and an Omoda/ Jaeco dealership opened during the year.

Woodlands

Woodlands' tenants' turnover rose by 4.7%, foot count by 20.6% (somewhat distorted as new counters were installed during the period) and trading density grew by 1.3%.

The centre welcomed several new stores in FY2024. Three were new drive-thrus for Steers, Burger King and Chicken Licken. Other newcomers were The Fun Company, WCellar, Yuppiechef, Krispy Kreme and an Ackermans Woman. Several stores were refurbished and relocated, including WCafe, Miladys, Queenspark, Mugg & Bean and Forever New.

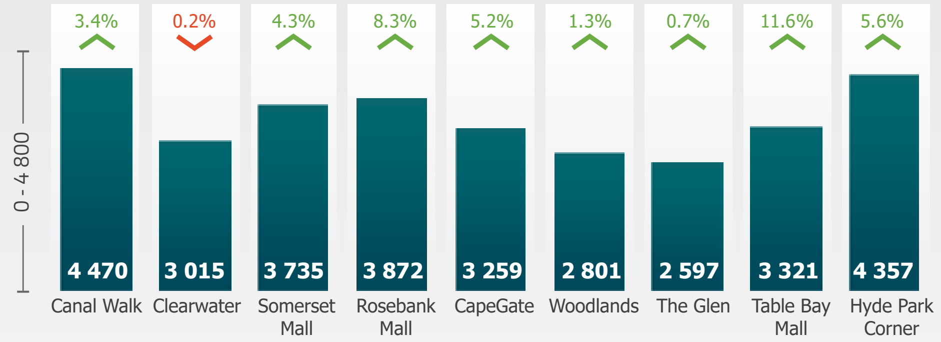
Hyde Park Corner

Tenants' turnover was up 2.7%, while foot count was marginally down by 0.5%. Trading density improved by 5.6%.

Two new stores, Flight Centre and Edgars Beauty, were launched at Hyde Park Corner. The renovation of the north office block and

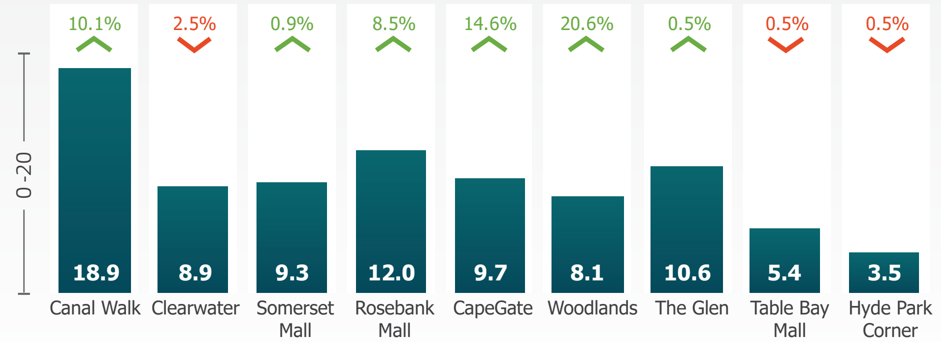
SA operations - 12 months ending 30 June 2024

Trading density (R/m²/month)



Including Table Bay Mall historically

Total foot count (m)



Including Table Bay Mall historically
Additional foot counters were installed at Canal Walk, CapeGate and Woodlands in 2023

The Forum are progressing well, with both Workshop 17 and The Forum anticipated to open in October 2024. We are confident that the new Workshop 17 offices will have a very positive impact on the overall trading of the centre.

Hyde Park Corner has reached an agreement with Pick n Pay to close its store, providing an opportunity to refresh this area of the centre and improve activity. Negotiations with a new food anchor are at an advanced stage.

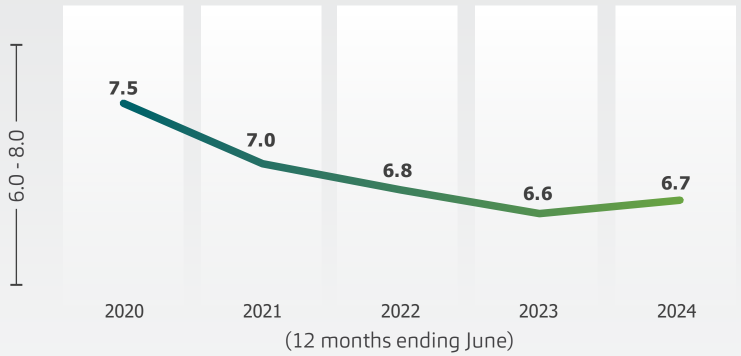
Financial performance

The financial results for Table Bay Mall have been included from April 2024 and are in line with our projections when the centre was acquired.

Excluding Table Bay Mall's contribution, rental and other lease income increased 4.2% as rent reversions turned positive, vacancies, particularly in the office portfolio, were reduced and turnover rentals increased 16.5%. Recoveries income was in line with FY2023 as recoveries of backup power costs reduced and electricity cost recoveries increased in line with changes in the respective costs.

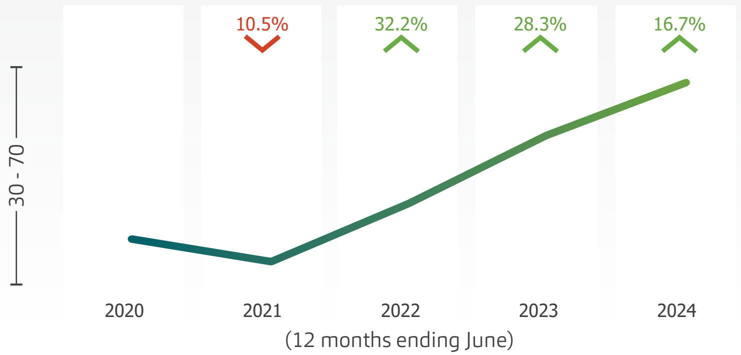
SA operations - 5 year trends (excl. Table Bay Mall)

Average portfolio escalation (%)



Average escalation of all leases excluding turnover-based leases

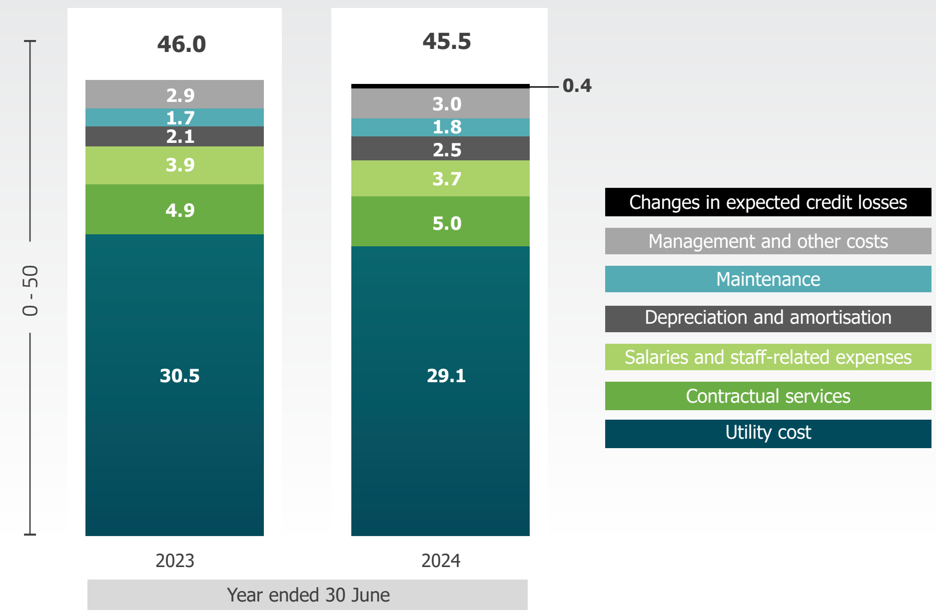
Turnover rent (R'm)



Hyprop share of property portfolio

Property expenses increased by 1.7%, aided by refunds received from municipal councils of circa R15 million and reductions in backup power costs due to lower levels of loadshedding in the last quarter of the financial year. The depreciation charge increased 24% to R75 million due to the compound effect of the ongoing capital expenditure programme and tenant installation allowances required to effect the repositioning strategy. The result was an increase in net property income of 7% to R1.63 billion, including Table Bay Mall and before the straight-line rental revenue accrual.

Cost to income (%)



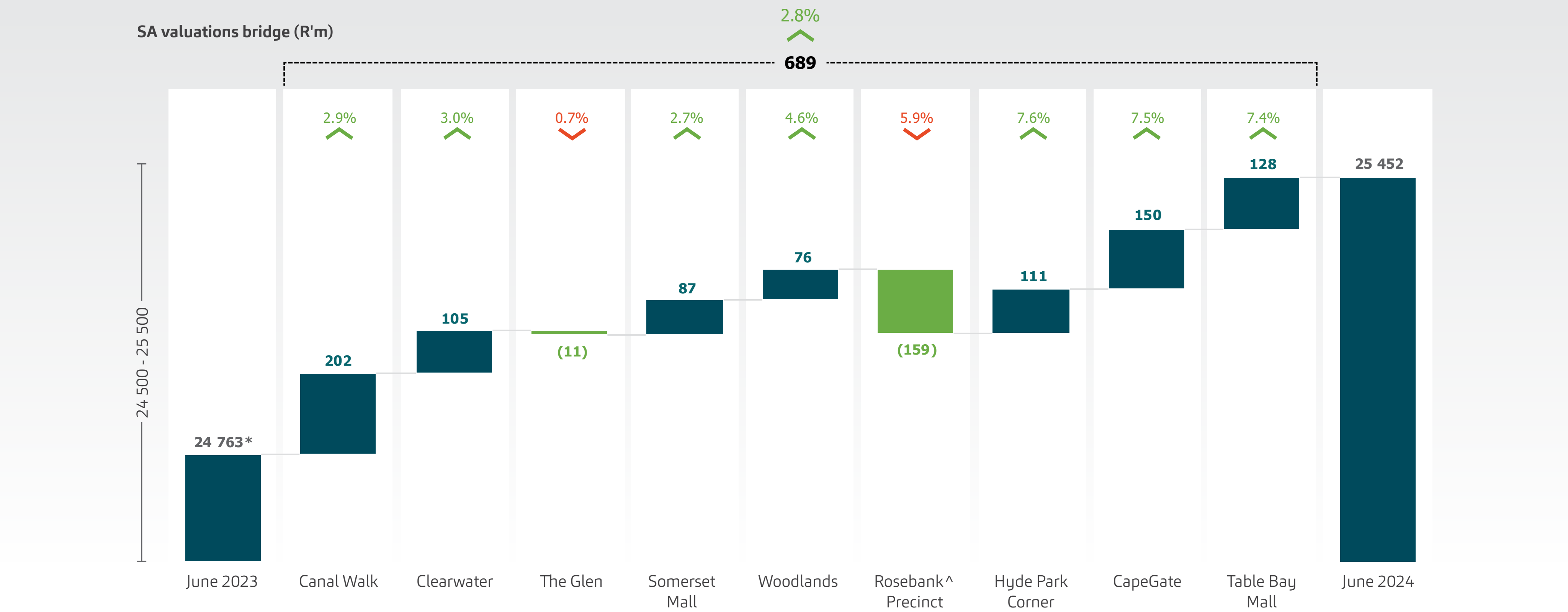
Other operating expenses increased from R113 million in FY2023 to R126 million mainly due to reversals of provisions for share-based payments in the prior year. Excluding the effect of this reversal, other operating expenses increased by 1.6%. The portfolio's cost to income ratio reduced from 46% in FY2023 to 45.5% in FY2024.

Net interest costs increased from R507 million in FY2023 to R589 million in FY2024, which includes the additional interest costs incurred for the acquisition of Table Bay Mall. The average effective cost of borrowings increased from 8.4% in FY2023 to 9.3% in FY2024.

The net result was an increase in distributable income from R904 million in FY2023 to R911 million.

Investment property valuations

The independent valuation of the SA property portfolio increased from R23.03 billion in June 2023 to R25.4 billion in June 2024, after the acquisition of Table Bay Mall for R1.68 billion (including the purchase price escalation and costs) largely as a result of improving net operating income. The capitalisation and discount rates were unchanged for most of the properties, other than Woodlands and Rosebank Mall which were increased by 0.25% by the independent valuers. The discount and capitalisation rates used by the valuer of Table Bay Mall are in line with other Group properties. The implied yield on the portfolio is 7.35% (June 2023: 7.3%).



^ Rosebank Precinct: Rosebank Mall, 17 Baker Street, The Mall Offices and Cradock Heights

* Includes the acquisition of Table Bay Mall

Capital expenditure

Capital expenditure for FY2024 was R369 million. Major projects undertaken during the year were the the Checkers FreshX, Cinema Connect, Pick n Pay upgrade and air conditioning projects at Somerset Mall, the drive-thrus, Woolworths expansion and The Fun Company at Woodlands, new escalator at Clearwater Mall, the new Adventure Park and additional generators at Canal Walk, new Suzuki dealership at CapeGate, the upgrade of the Rosebank Mall Offices, solar plant at Table Bay Mall and the Workshop 17 project at Hyde Park Corner.

R550 million has been approved for capital expenditure for FY2025. This includes projects with a total cost of R203 million that are already in progress, and an initial amount of R57 million for the Somerset Mall extension (with the major portion to be spent in FY2026).

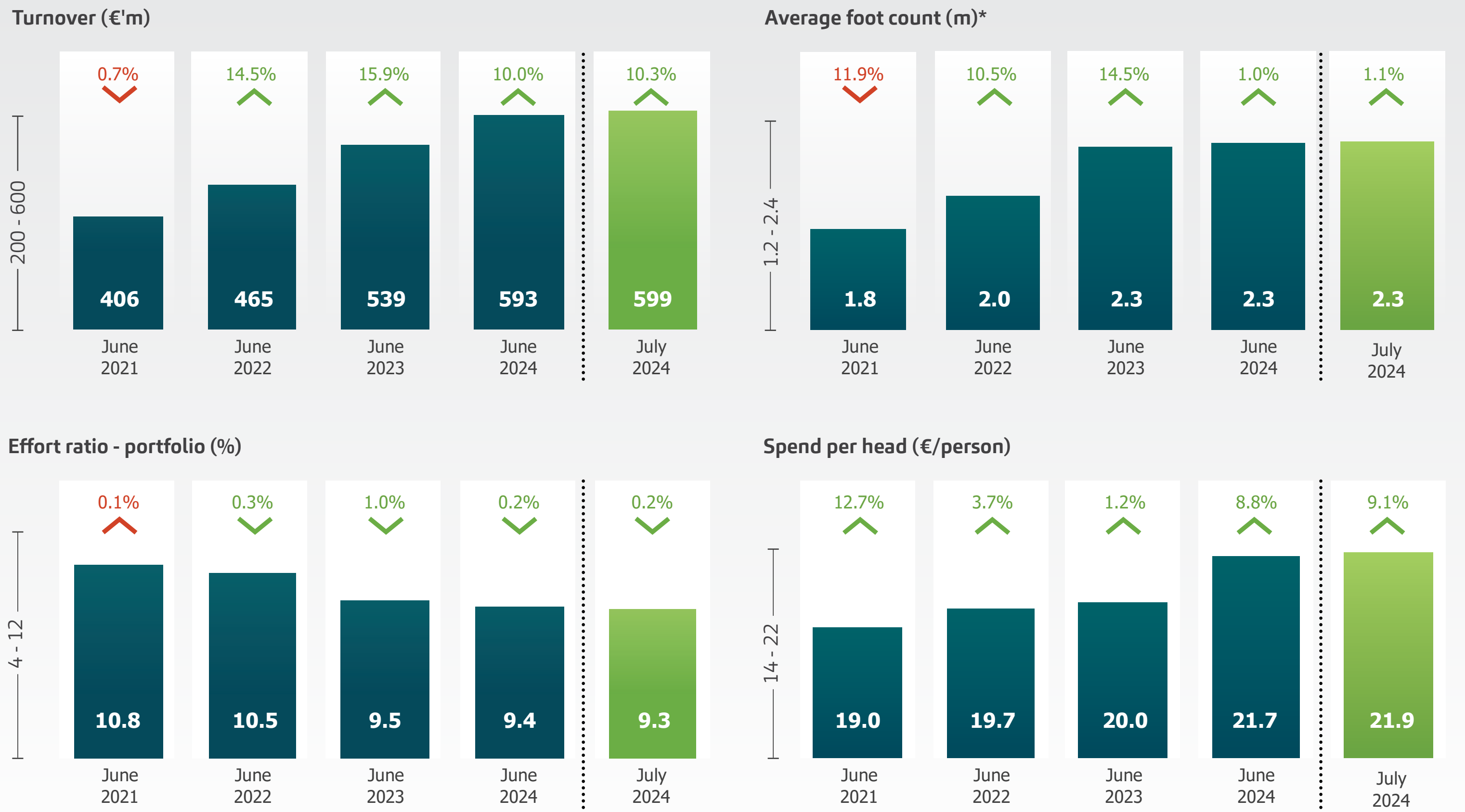
Eastern Europe portfolio

Investment property	30%
Distributable income	36%
Total GLA	20%

Operating performance
In FY2024, we continued to optimise the tenant mix and invested in projects and upgrades at the centres to maintain their dominant market positions.

The EE portfolio's operational results continued on their positive trajectory, as the centres benefited from the wage increases in Europe, as well as lower inflation and electricity prices across the region.

EE operations - rolling 12 months

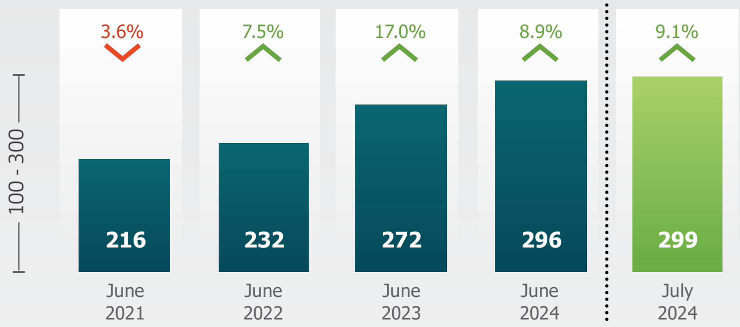


The 12 months ended July numbers show the growth on the corresponding prior year period.

* City Center one East & West Total foot count decreased due to non-working Sundays Trade Act, which allow retailers to operate only 16 Sundays per calendar year and they are not allowed to trade on public holidays.

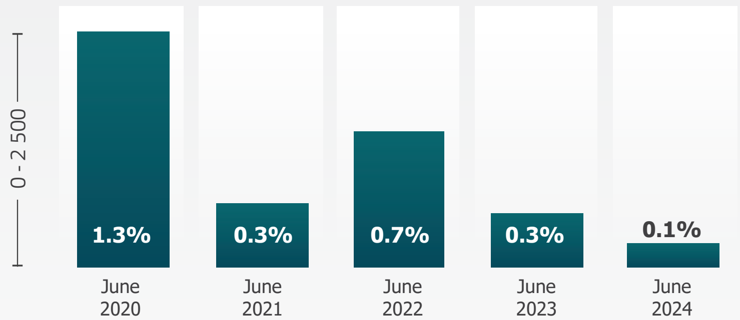
EE operations - rolling 12 months

Trading density (€/m²/month)

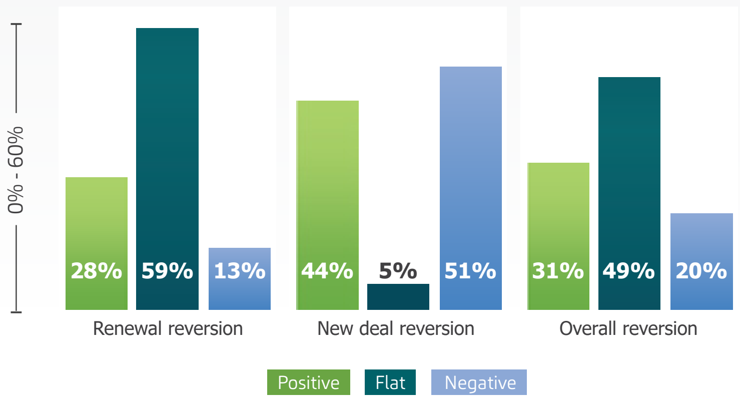


The 12 months ended July numbers show the growth on the corresponding prior year period.

Retail vacancy (m²) (% of total GLA)



Reversions (% of area)



Sofia, Bulgaria

The Mall

The Mall's position as one of Bulgaria's top three shopping centres will be further entrenched when the extension of Line 3 of Sofia's Metro and construction of a new station next to the centre are completed in 2026. Benefits are also anticipated from the upcoming residential projects in the surrounding area.

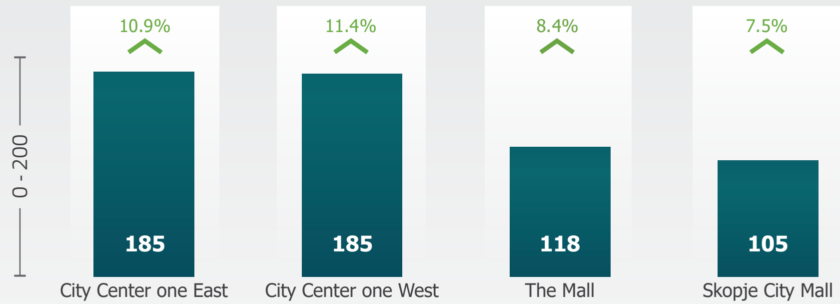
In FY2024, tenants' turnover grew by 8.4%, trading density by 4.1% and foot count increased by 5.4%.

The Mall welcomed a number of new tenants: TEDI (flagship and top-performing store in Bulgaria), the first Bulgarian store for JD Sports, H8S, My Silver, Zen Diamonds, Knigomania, Smoke, Casio shop and Carpisa bags. Several stores were refurbished, including Pet Mall, H&M (which introduced its HOME concept for the first time in Bulgaria), Playground, Capella Play, Guess, Teodor, Travex Gold and Exchange, and Subway.

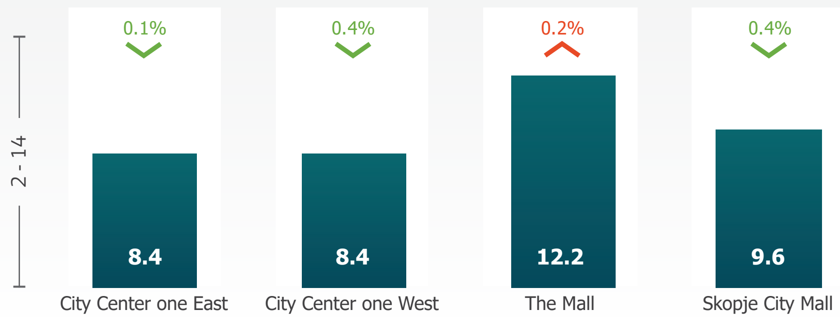
We completed a new staircase link from the centre into the new food court. This will create more activity in this part of the centre as well as improve access for the workers from the adjacent offices to the food court and should improve performance of the food court tenants.

EE operations - 12 months ending 30 June 2024

Turnover (€'m)



Effort ratio (%)



Zagreb, Croatia

City Center one East

New legislation was enacted in Croatia that limits shopping centres to trading on only 16 Sundays in a calendar year and prohibits trading on public holidays. Despite this, City Center one East's foot count only reduced by 2.1%, whilst tenants' turnover increase by 10.9% and trading density by 11%.

New tenants were added to the centre's mix: the.bank.of.gold, Zlatarna Dodić, Catch and Dune London. Tenants that completed full refurbishments include Calzedonia, KFC, OVS and Office shoes. Posteljina.hr relocated its store in the centre.

City Center one West

City Center one West continues to strengthen its market position. Tenants' turnover grew by 11.4%, trading density expanded by 12.2%, and foot count contracted by 3.8% due to the Sunday trading restrictions mentioned.

In FY2024, Skechers opened a new store, while after year end the centre introduced five new food operators as part of the extension and upgrade of the food court which is complete. Several stores were refurbished, including Europe 92, Tom Tailor, Tezenis, Lisca, Buzz, Torterie Macaron, Leggiero, Living Room, Swarovski and Ritual Hair&Shop.

Skopje, North Macedonia

Skopje City Mall

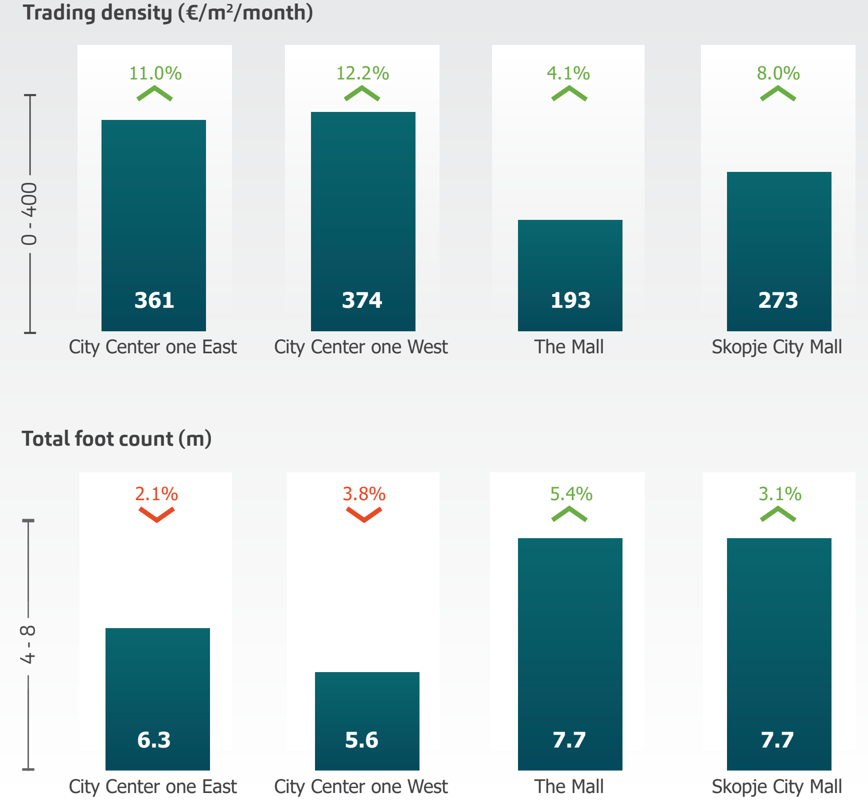
This was Skopje City Mall's most successful year since opening, despite heightened competition from new shopping centres opening in the city over the past three years.

The retail centre's tenants' turnover increased by 7.5% and trading density by 8% compared to the previous financial year. Foot count grew by 3.1%.

A number of prominent global brands opened in the centre, including H&M, and flagship mono-brand stores for Karl Lagerfeld and Lacoste.

A new project to centralise all the ATMs as well as Cineplexx's comprehensive upgrade have commenced and will be completed in FY2025.

EE operations - 12 months ending 30 June 2024

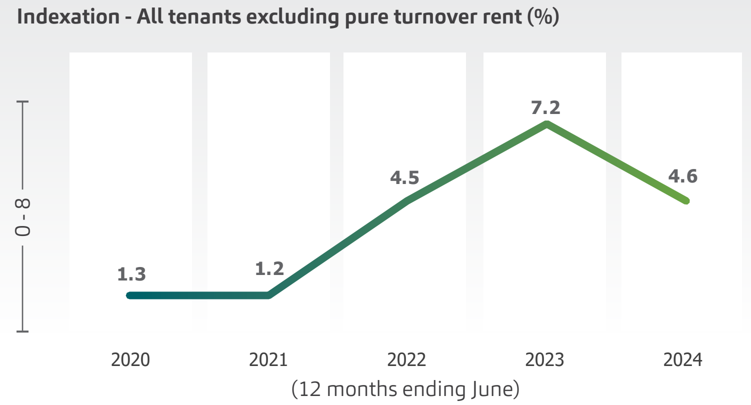


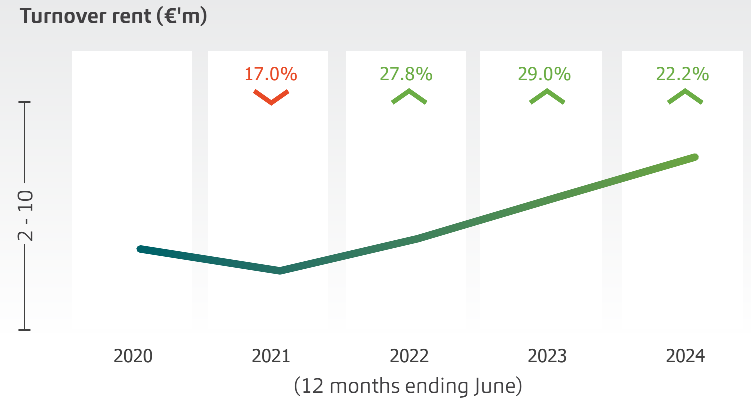
City Center one East & West Total foot count decreased due to non-working Sundays Trade Act, which allow retailers to operate only 16 Sundays per calendar year and they are not allowed to trade on public holidays.

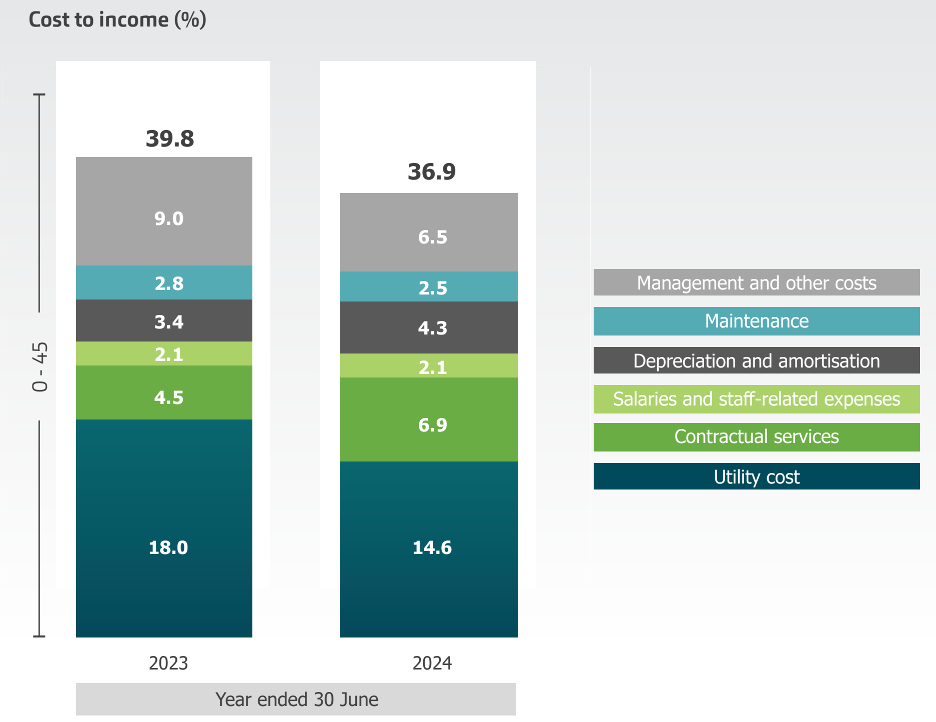
Financial performance

The portfolio produced excellent financial results. Operating income before the straight-line rental income accrual increased by 20% in rands and 9% in euros. Rental and other lease income increased by 9% in euros, while recovery income reduced in line with the reduction in energy costs. Property expenses were well controlled, reflecting an overall increase (excluding energy costs) of 6%, which was in line with average inflation in the region. The cost to income ratio reduced from 39.8% in FY2023 to 36.9% in FY2024.

EE operations - 5 year trends







Net interest costs increased to €17.6 million following the expiry of very favourable interest rate hedges at the end of FY2023 and the beginning of FY2024. The average cost of borrowings at 30 June 2024 was 4.9%.

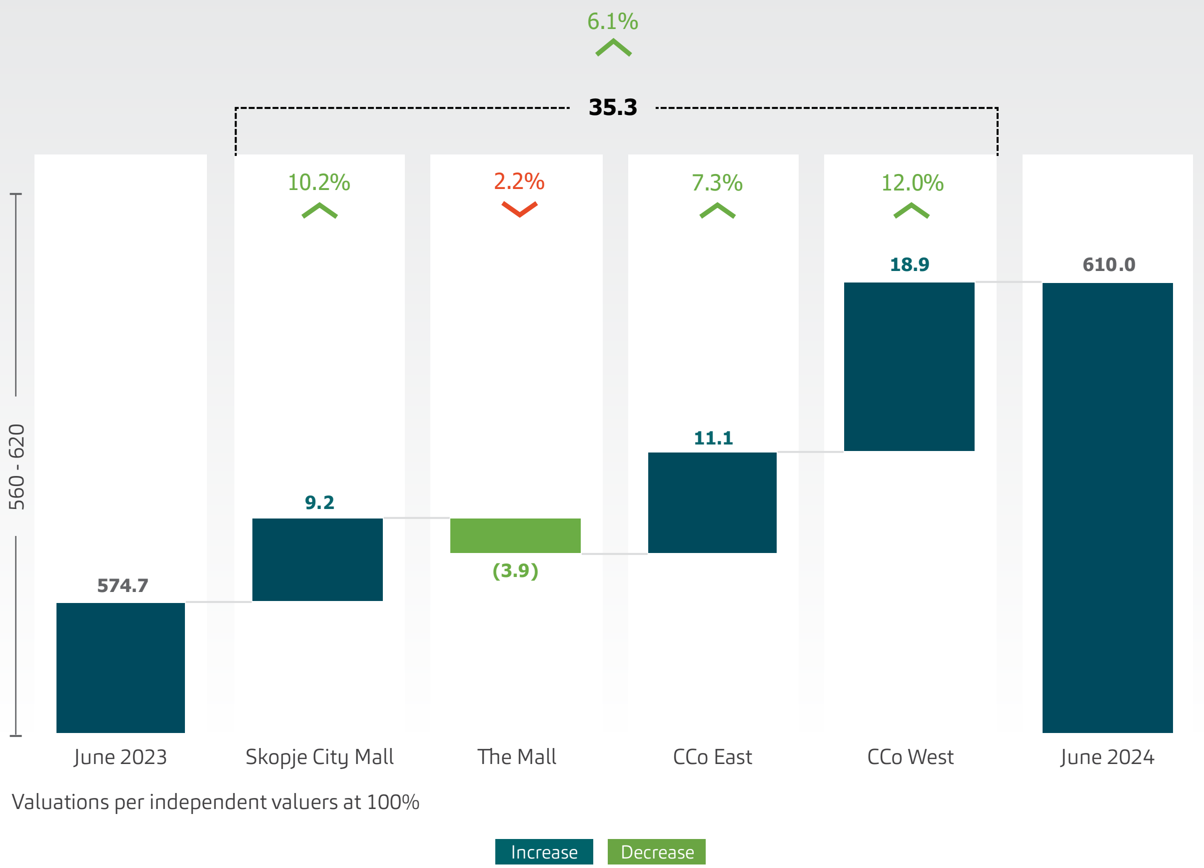
A dividend of €6.7 million was declared in June 2024 in accordance with the Group's dividend policy.

Investment property valuations

Cushman and Wakefield were appointed as a second independent valuer for the EE portfolio during the year and valued Skopje City Mall and City Center one West. The Mall and City Center one East were valued by CBRE.

The valuation of the EE portfolio increased from €574.7 million (R11.8 billion) in June 2023 to €610.0 million (R11.9 billion) in June 2024. Exit cap rates were increased by 35bps, other than for Skopje City Mall which decreased by 115bps reflecting the centres' resilience and positive outlook following the tenant changes outlined above, despite the growing competition in the city. The discount rates increased by 25 – 75bps. The increase in discount and cap rates follows the prolonged period of higher interest rates in the region. The implied yield on the portfolio is 8.3% (June 2023: 8.6%).

EE valuations bridge (€'m)



Valuations per independent valuers at 100%

Capital expenditure for the year was €3.5 million, including €1.2 million of tenant cash incentives relating mainly to new tenants at Skopje City Mall.

Sub-Saharan Africa portfolio (excl. SA)

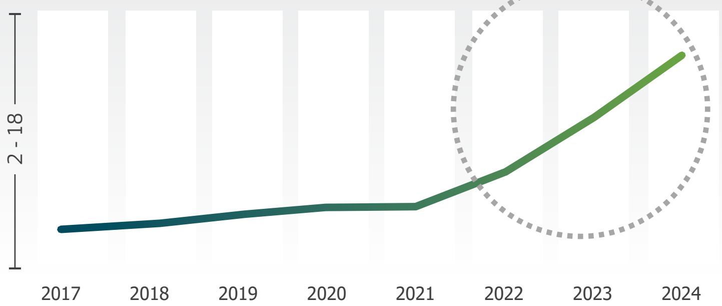
Investment property	6%
Distributable income	(1%)
Total GLA	7%

Progress on exit strategy
Binding legal agreements were signed on 7 August 2024 to sell Hyprop's SSA operations to Lango Real Estate Limited in exchange for Lango shares. The transaction, once concluded, will relieve Hyprop of all bank debt and guarantee commitments in relation to the SSA portfolio. The sale should improve liquidity of the SSA investment, strengthen the Group's balance sheet and overall risk profile and allow management to focus on the core portfolios in South Africa and Eastern Europe. The transactions were implemented post year end.

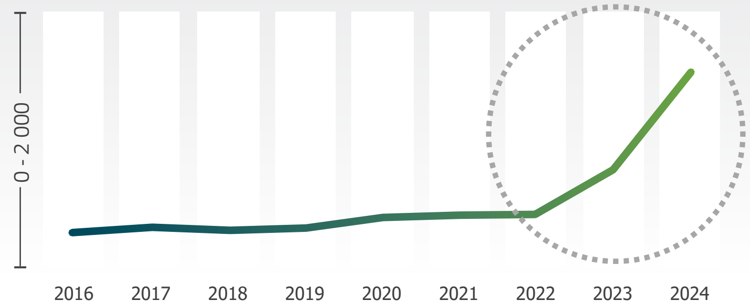
Operating performance
The key trading metrics for the SSA portfolio for the financial year ended June 2024 are presented in local currency and US dollar, with the latter impacted by the noticeable depreciation of the local currencies against the US dollar.

Macroeconomics as at 30 June

Cedi/USD

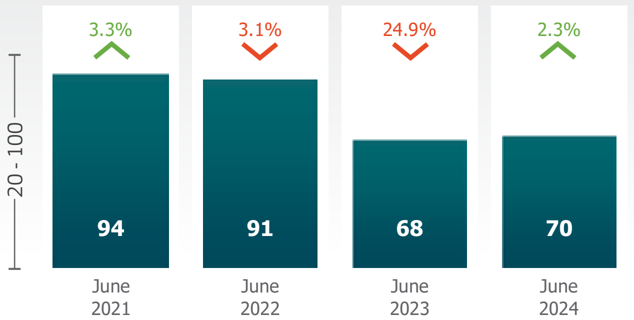


Naira/USD

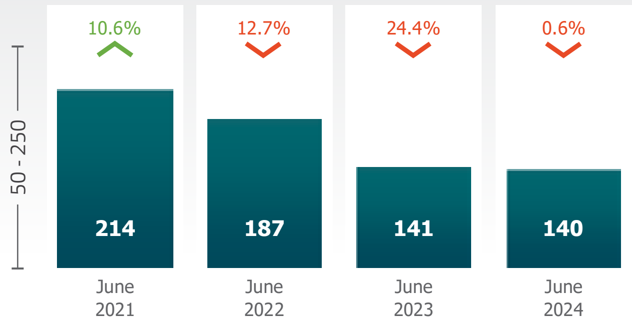


SSA trading overview - rolling 12 months

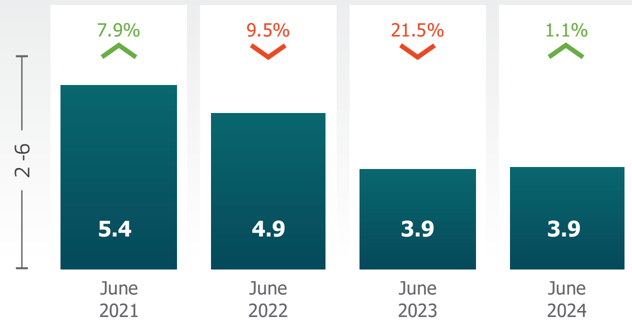
Turnover ($'m)



Trading density ($/m²/month)

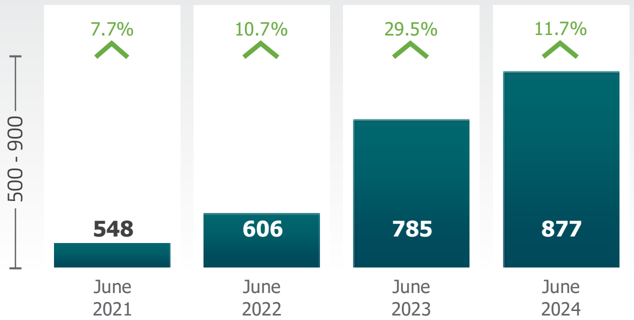


Spend per head ($/person)

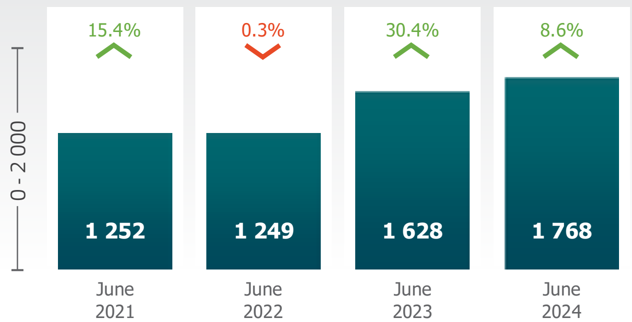


Excluding Ikeja City Mall

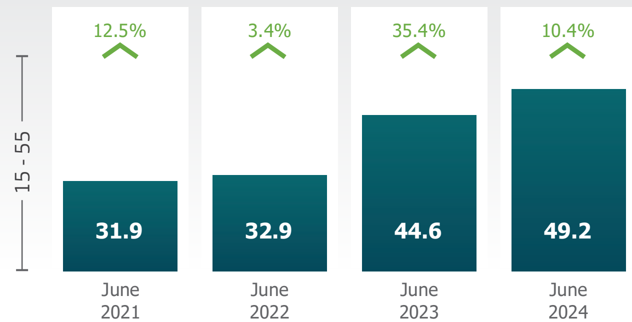
Turnover (Cedi 'm)



Trading density (Cedi/m²/month)



Spend per head (Cedi/person)



Excluding Ikeja City Mall

Lagos, Nigeria

Ikeja City Mall

Of the 468m² (2.1%) that was vacant at the end of FY2024, representing five stores, four have subsequently been taken up by new tenants, decreasing the centre's vacancy rate to less than 1%.

The foot count in Ikeja City Mall decreased by 1.5% year-on-year, which is an outstanding performance in the current economic climate.

AttAfrica portfolio, Ghana

Agreements for replacement tenants for the 13 164m² vacated by Game in December 2022 were concluded by signing 10-year leases with Melcom and Decathlon in all three of the Ghana centres.

West Hills Mall

A major local retailer, Melcom, opened one of its flagship stores on 6 000m² on 1 February 2024, which sparked interest among other international and local retailers. A lease was concluded with Decathlon on 675m², with an expected opening date of 1 October 2024.

The centre's vacancy rate more than halved year-on-year, from 32% to 15%. The conclusion of the Decathlon lease will reduce the vacancy rate by a further 2.4%.

Accra Mall

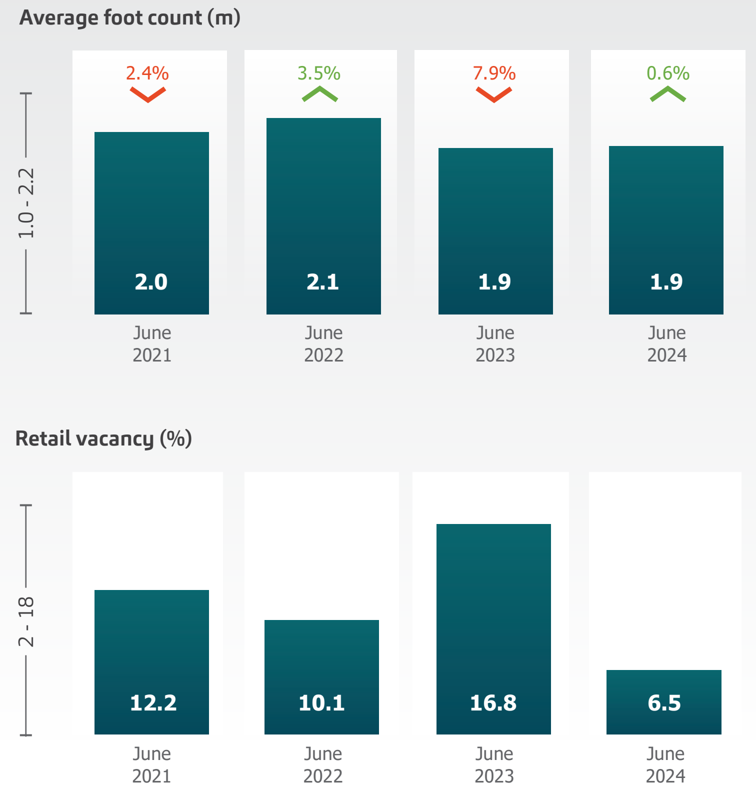
Orca Deco opened a temporary store in June 2023 in the premises previously occupied by Game. To mitigate tenant concentration risk, the space is currently being subdivided. Ten-year leases have been signed with Melcom and Decathlon on the subdivided ex-Game premises. Both Melcom and Decathlon will commence trading by December 2024.

Kumasi City Mall

A ten-year lease was concluded with Melcom on the entire 5 017m² previously occupied by Game. Decathlon has also signed a lease for 717m².

With Melcom currently fitting out, the vacancy rate reduced from 32.2% to 4.85% year-on-year. Decathlon is expected to open by January 2025, which will reduce the vacancy rate by a further 3.9%.

SSA trading overview - rolling 12 months



Financial performance
The economic conditions in west Africa, particularly in Nigeria, negatively impacted trading performance of the SSA portfolio. The financial results were also impacted by the weakening of the average rand/US dollar exchange rate from 2023 to 2024, despite the stronger year end rate.

Net operating income of Ikeja City Mall reduced in US dollars from 2023 due to the significant increases in rent when measured in local currency caused by the naira's deprecation. Interest costs on bank borrowings were slightly below the prior year due to the interest rate hedges being in place for the full year. Distributable income was further impacted by realised foreign exchange losses of R60 million – R26 million on conversion of naira to US dollars and R34 million related to concessions granted to tenants on conversion of rentals from naira to US dollars when paid. A further R92 million of unrealised foreign exchange losses were recognised on conversion of naira denominated monetary items to US dollars for financial reporting purposes.

Performance of the AttAfrica portfolio was positively impacted by the reduction in vacancies following Game's exit in December 2022, however, the independent valuation of the investment property portfolio decreased by $9 million, which contributed to the equity accounted loss of R78 million.

Ikeja City Mall and the investment in AttAfrica have been classified as assets held-for-sale and discontinued operations at 30 June 2024. As a result, the carrying value of the investment in AttAfrica has been impaired to its fair value less costs to sell in terms of the sale agreement with Lango, and the carrying value of Ikeja City Mall reduced as outlined below.

Investment property valuations
Ikeja City Mall was independently valued at $113 million in June 2024, a reduction of $15 million from June 2023 and reflects Ikeja's resilience despite the challenging Nigerian economic landscape.

The Group's accounting policy is to carry investment property held-for-sale at the lower of the independent valuation or the anticipated sales price. Accordingly, the carrying value of Ikeja City Mall has been reduced to R1.5 billion ($85 million) in line with the implied valuation based on the sale to Lango.

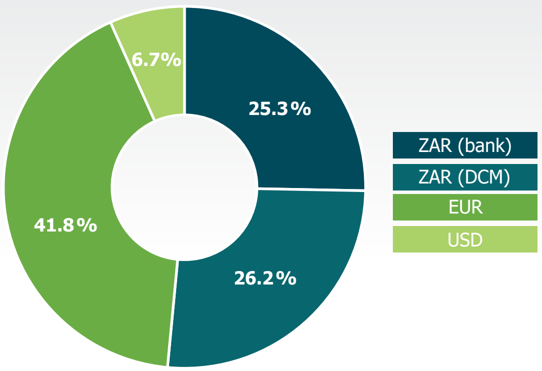
Non-tangible assets
Commercialisation of Nter, the technology platform emanating from the SOKO business, is progressing well. Since a successful pilot was run at Somerset Mall, other national companies have been onboarded to the platform, with additional large scale pilot projects anticipated to commence soon.


Canal Walk Cape Town, South Africa

Treasury and borrowings

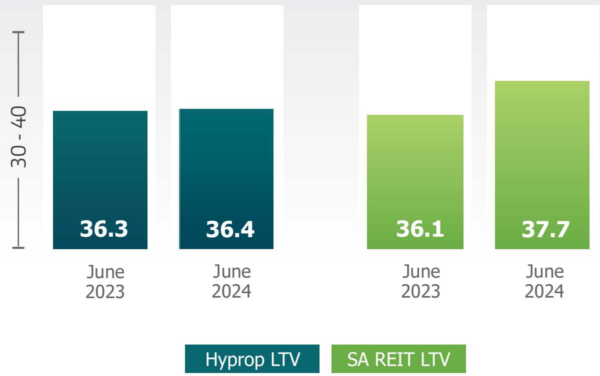
As a result of the increase in the values of the SA and EE investment properties, reduction in debt in the EE portfolio, the exclusion of subordinated borrowings (i.e. the Attacq Limited loan/equity relating to Gruppo) from the LTV calculation agreed with lenders and capital raised from the FY2023 DRIP, the LTV ratio was stable at 36.4%. The interest cover ratio reduced from 2.8 times to 2.5 times due to the increase in interest rates and the increase in rand borrowings. At 30 June 2024 80% of the Group's interest rate exposure on term borrowings was hedged, with circa 32% of hedges comprising interest rate caps and collars which should benefit the Group when interest rates start reducing.

Borrowings by currency

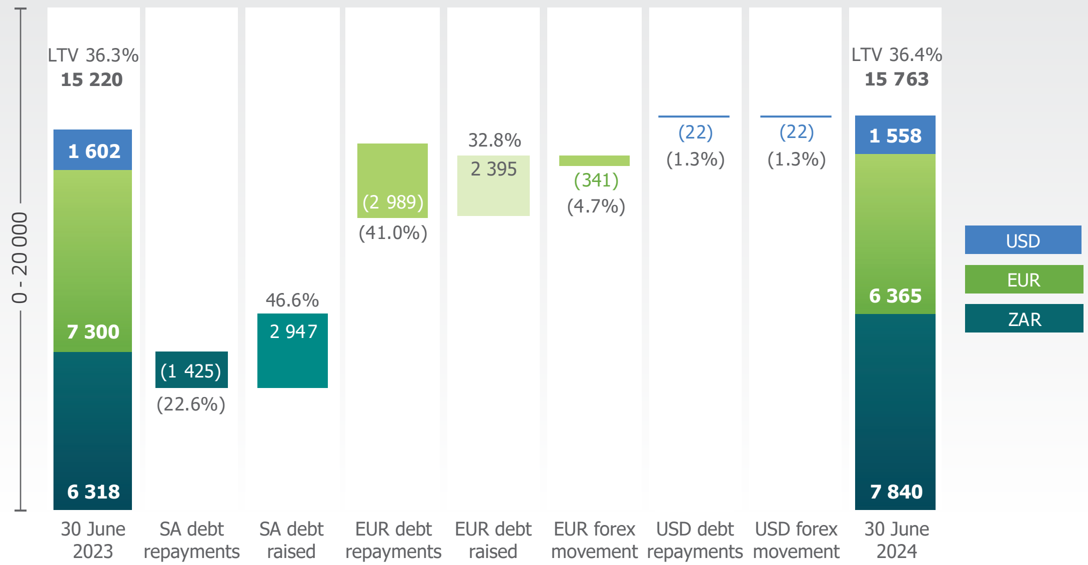


Interest cover ratio (ICR)

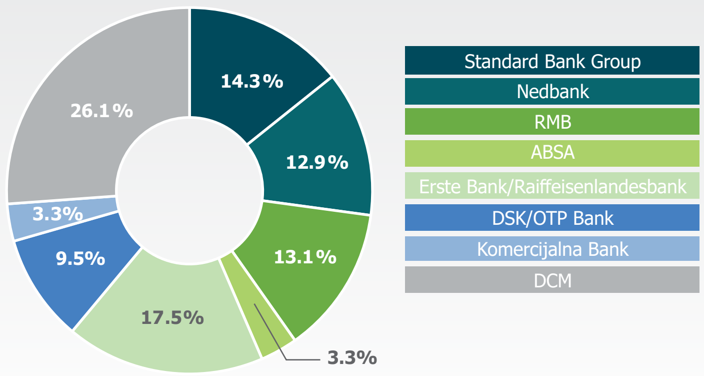
Loan to value (%)

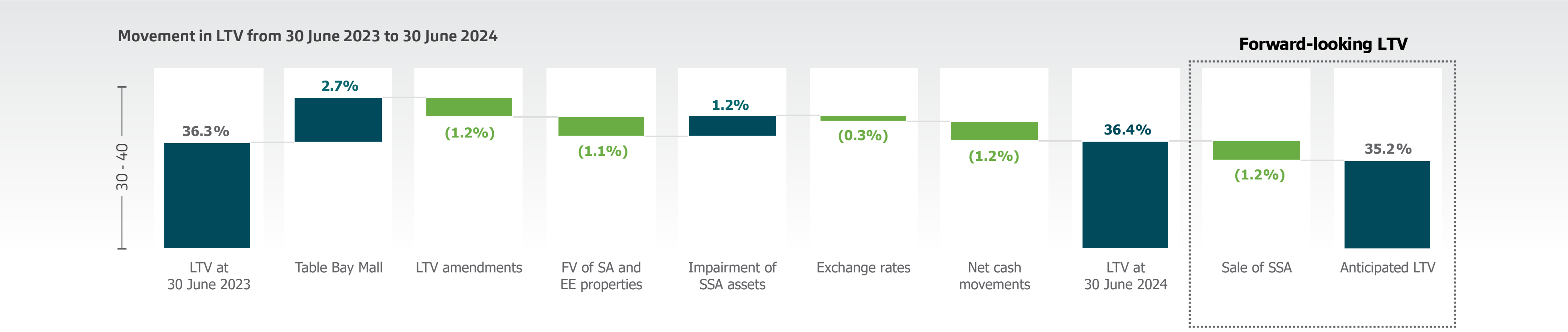


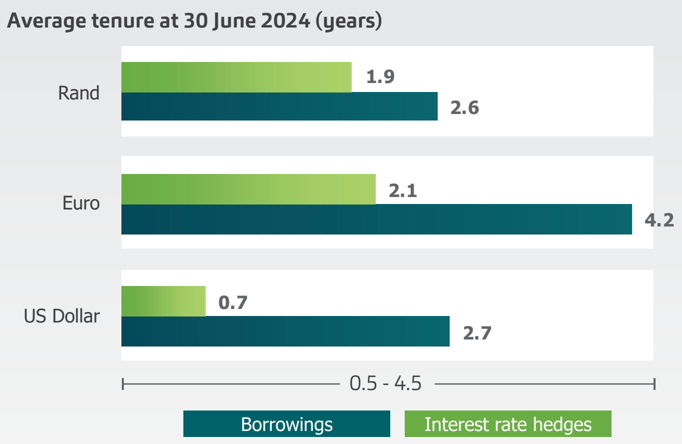
Debt exposure by currency (R'm)

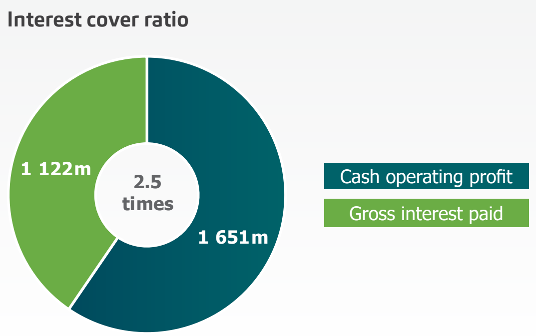


Borrowings by lender





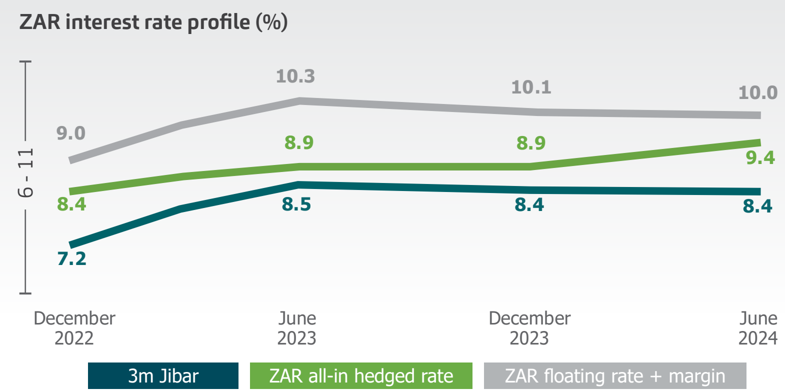




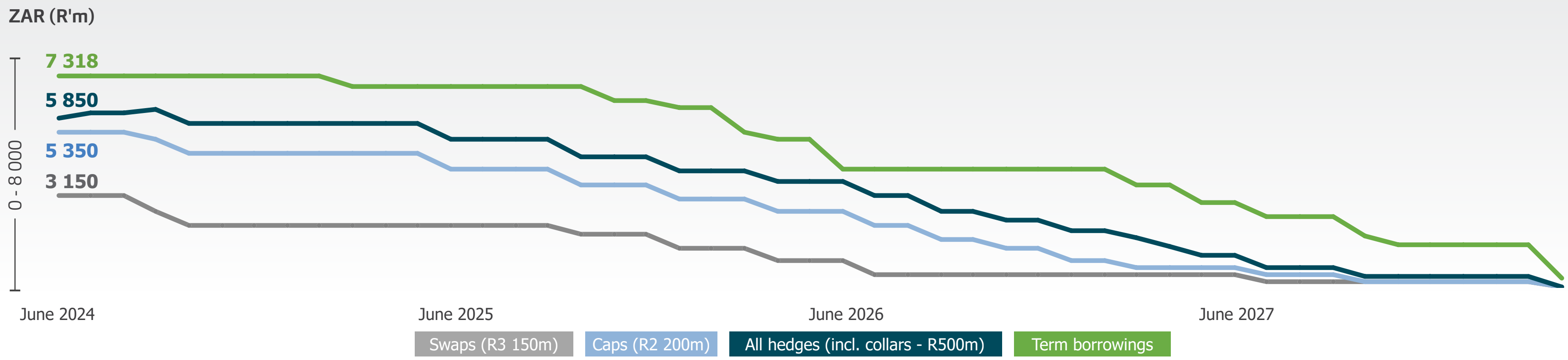
Rand borrowings

Rand borrowings increased by R1.5 billion, mainly due to R1.15 billion of new borrowings raised to settle the Table Bay Mall purchase price. R1.42 billion of term facilities and bonds issued under the Debt Capital Markets (DCM) Programme were refinanced at margins between 22 and 55 bps lower than the margins on the expiring debt.

The portfolio's average cost of funding (including hedges) increased from 8.9% at 30 June 2023 to 9.4% at 30 June 2024.



Interest rate hedges (includes forward starting hedges)



Euro borrowings

Euro bank borrowings reduced from €356 million (R6.9 billion) in June 2023 to €327 million (R6.4 billion) in June 2024.

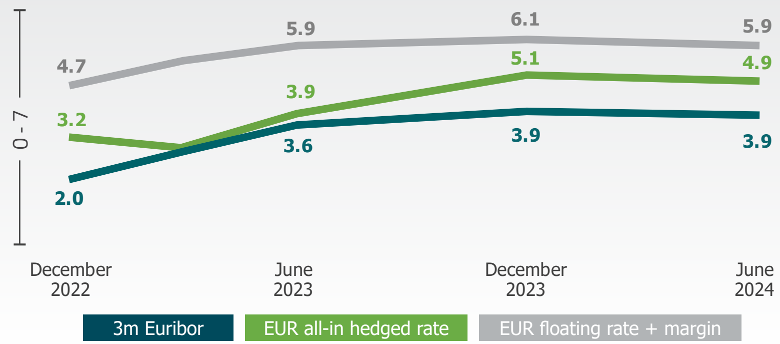
In July 2023 €110 million of the equity debt was refinanced in tranches for periods between 12 months and three years. The first expiring tranche of €20 million was settled in April 2024 from surplus cash and the portfolio secured a new €10 million revolving credit facility which is undrawn. The syndicated loan to Skopje City Mall originally due in 2031 was refinanced and extended to 2034 at a 1% lower margin.

The LTV of the EE portfolio reduced from 54.5% in June 2023 to 48.7% in June 2024. Euro borrowings will continue being reduced by amortising in-country loans and retaining distributable income in terms of the Group's dividend policy.

The portfolio's average cost of funding (including hedges) increased from 3.9% at 30 June 2023 (prior to the expiry of hedges with a notional principle of €238.4 million) to 4.9%, and is expected to stabilise at current levels.

LTV by portfolio (%)

EUR interest rate profile (%)



Interest rate hedges (includes forward starting hedges)

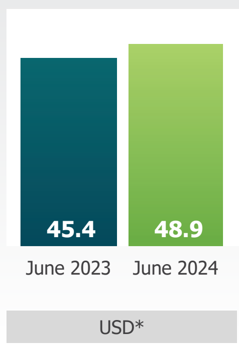
US dollar borrowings

The bank borrowings in Nigeria and the Ghanaian operating companies were successfully refinanced in June 2024 until February 2027. In September 2023 $6 million was advanced to AttAfrica to reduce the AttAfrica Group's bank borrowings and Hyprop has provided guarantees for its pro-rata portion of the interest payable (maximum exposure $6.2 million) and capital ($8.1 million) of the refinanced AttAfrica group loans. Hyprop will be released from these guarantees on implementation of the sale of AttAfrica to Lango.

The Group's consolidated US dollar bank borrowings comprise a $55.6 million (R1.0 billion) term loan advanced to Gruppo Investments in Nigeria which is secured against Ikeja City Mall.

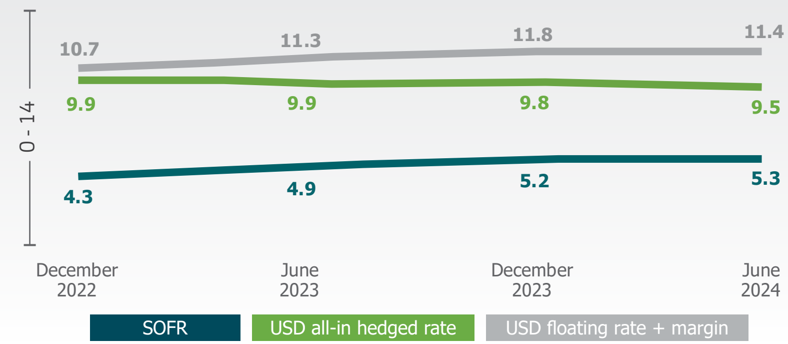
The portfolio's average cost of funding (including hedges) reduced to 9.5% (2023: 9.9%).

LTV by portfolio (%)



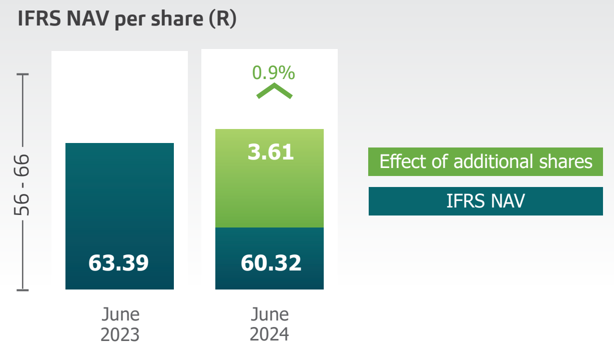
* Based on independent valuation of Ikeja City Mall and excluding shareholder loans

USD interest rate profile (%)



Net asset value

The Group's net asset value per share decreased by 4.8%, from R63.39 in June 2023 to R60.32 in June 2024 as a result of the increase in the number of shares in issue following the FY2023 DRIP.



Dividend policy

Our dividend policy as previously communicated remains unchanged:

- payment of an interim dividend equivalent to 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 75% of the Group's distributable income from the SA and EE portfolios.

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

The interim dividend for FY2024 was held over due to risks identified at the time of publishing our interim results. Several of these risks have been mitigated/reduced, or will be reduced though the sale of the SSA portfolio to Lango. The Board has therefore resolved to declare the full dividend of 280 cents per share (R1.065 billion in aggregate) for the year ended 30 June 2024, in line with the dividend policy.

Outlook and prospects

The Group's performance demonstrates its resilience, despite the macroeconomic challenges it has faced, including high unemployment and constrained disposable income in South Africa, as well as persistently high interest rates, globally.

In South Africa, the sentiment has improved with the newly constituted Government of National Unity ("GNU"). The more stable electricity supply has also had a positive impact on business confidence, retailers and consumers.

On a global level, markets are expecting interest rate cuts in the US to commence by the fourth quarter of the 2024 calendar year. This should encourage the South African Reserve Bank to cut rates and provide some relief to consumers.

Hyprop's strategy is unchanged, and we will continue pursuing the following six strategic initiatives:

1. Driving the implementation of sustainable solutions to reduce the impact of the infrastructure challenges we face in South Africa;
2. Repositioning the SA and EE portfolios to maintain their dominance and retain and grow market share;
3. Reviewing the portfolios annually to evaluate the case for recycling of assets and to consider new growth opportunities;
4. Remain focused on exiting SSA and executing the binding sale agreement which was implemented post year end;
5. Ensuring our balance sheet is robust;
6. Developing non-tangible assets aligned to our tangible assets and/or the property sector.

Capital will continue to be allocated in accordance with the Group's capital expenditure framework which prioritises projects to ensure the sustainability of our centres, projects in favoured jurisdictions (the Western Cape in SA and Eastern Europe) and yield enhancing projects (solar plants, tenant installation allowances and redevelopment projects).

Looking ahead

Group

- Guidance June 2024 – increase in distributable income/share of 4% to 7%
- Recycle at least one asset
- Secure new growth opportunities in Eastern Europe
- Maintain LTV and ICR

South Africa

- Secure PPAs for the following solar projects
  - CapeGate
  - Somerset Mall
  - Canal Walk
- Somerset Mall
  - Phase 2A extension - 25 months
  - Bathroom upgrade and centre retiling
- Hyde Park Corner
  - Complete the North Tower upgrade for Workshop 17
  - Complete the new events venue
- Right size and upgrade the following anchor tenants
  - Pick n Pay
  - Game
  - Edgars
  - Woolworths

Eastern Europe

- Secure extension rights at two centres
- Retiling at City Center one West
- Cineplexx upgrade at Skopje City Mall
- Installation of solar at the Croatia centres

Sub-Saharan Africa

- Implemented the Lango deal on 25 September 2024

Non-tangible assets

- Secure further clients for the NTER platform

Discernible green shoots in the global and domestic economies, combined with Hyprop's sustainable business model, strong balance sheet and prudent capital management, continuous investment in human capital, and environmental initiatives, should position the Group to deliver further growth and value for all our stakeholders over the long term.

The Group's outlook is positive, despite the difficult global economic environment and unique challenges in each of the regions in which we operate. We are optimistic that the peak of inflation and interest rates is near, however the Group's financial performance will still be negatively impacted in the short term by high interest costs.

In light of the above, Hyprop expects an increase in distributable income per share for the year ending 30 June 2025 of approximately 4% to 7% based on the following key assumptions:

- Forecast investment property income is based on contractual rental escalations, and market-related renewals;
- Appropriate allowances for vacancies and rent reversions have been incorporated;
- Interest costs are expected to remain elevated until the last quarter of 2024 and as the historic interest rate hedges mature;
- Maturing borrowings are refinanced at prevailing interest rates and margins;
- No further deterioration in the SA economy or loadshedding;
- No major economic, socio-political or other regional/global disruptions occur;
- No major corporate and tenant failures will occur;
- No corporate transactions occur, other than the disposal of the SSA portfolio before 31 December 2024;
- Exchange rates (which have not been hedged) remain in line with those for FY2024 and no material foreign exchange losses are incurred.

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.

Morné Wilken
Chief Executive Officer

Brett Till
Chief Financial Officer

Wilhelm Nauta
Chief Investment Officer

Rosebank Mall Johannesburg, South Africa

ESG report

The Mall Sofia, Bulgaria

Our environment

Clearwater Mall Johannesburg, South Africa

Our environment

We are experiencing increasingly erratic weather patterns around the world which are clear indicators of climate change. Other signs include rising temperatures (the average temperature at the earth's surface is just more than 1°C higher since the pre-industrial period), melting polar ice and glaciers (both at the North and South poles and in areas such as the Alps), rising sea levels and growing water security issues in various regions .

As this year's report was being written, Hurricane Milton was wreaking havoc in Florida, USA and the World Meteorological Organisation (WMO) warned ski resort owners that, as the world warms, the altitude at which temperatures allow for lasting snow cover will rise from around 850m above sea level today to 1 500m by 2060. These are just two examples of extreme weather patterns affecting many parts of the globe.

South Africa's electricity supply challenges have led to a rapid increase in solar plant installations, which has been beneficial in offsetting the impact of loadshedding and providing clean energy.

These global and domestic drivers provide the backdrop for our ongoing efforts to adapt and transform our centres, enhance tenant and customer experiences while advancing our sustainability goals.

Given the environmental challenges we face, Hyprop acknowledges its responsibility to mitigate its impact on climate change and reduce greenhouse gases in its sphere of operation. We report here and elsewhere on the progress we made in improving our energy, water and waste management.

Hyprop's sustainability journey

October 2012
First LED project with Eskom

July 2014
First CDP and GRESB submission

October 2014
First solar project:
Clearwater Mall 500 kWp

September 2015
Second solar project:
Phase 2 Clearwater Mall 1 000 kWp

October 2017
Third solar project:
Phase 3 Clearwater Mall 1 400 kWp

July 2018
First WDP submission

June 2020
First Green Building Certification:
Canal Walk (5-stars)

October 2020
Fourth solar project:
Phase 1 at 5 Gauteng centres 8 684 kWp

July 2022
Commitment to net zero waste by 2027

June 2023
- Fifth solar project: Phase 2 at 3 Gauteng centres 7 047 kWp
- First "green/sustainability" financing facility R200m

November 2023
Achieved milestone of 1 000 tonnes of organic waste diverted from landfill

March 2024
Sixth solar project approved:
Cape Gate (pending council approval)

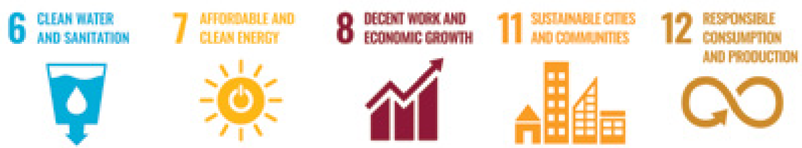
April 2024
Second "green/sustainability" financing facility secured, increasing total green/sustainability linked funding to over R1 billion

August 2024
Green Building Re-certification:
Canal Walk (5-stars)

Overarching environmental framework

We are committed to five of the United Nations' 17 Sustainable Development Goals (SDGs), which aim to provide 'a shared blueprint for peace and prosperity for people and the planet, now and into the future' and are directed towards building a socially, economically and environmentally sustainable future.

SDGs 6,7,8,11 and 12 are the most aligned with our brand and our business, and we look to these five goals to shape and report on our sustainability strategies, goals and activities.



We are committed to investing in multiple programmes to minimise the environmental impact of our centres, enhance their resilience to withstand future challenges and manage operating costs efficiently.

We use the UK Department of Environment, Food and Rural Affairs (DEFRA) emission factors and the revised reporting standard of the Greenhouse Gas Protocol to determine our Scope 1, 2 and 3 emissions.

Our direct impact is mainly Scope 1 (diesel consumed to generate electricity and fugitive air conditioning gas leaks) and Scope 2 (electricity consumed by the centres) emissions, which make up less than 25% of the total environmental impact from the centres. To reduce Scope 3 emissions, of which 77% is generated by tenants consuming electricity, collaboration with our tenants and customers is crucial.

Our Scope 1 emissions in South Africa and Nigeria significantly decreased in 2024 due to reduced generator usage (almost 50%) as loadshedding abated in South Africa from April 2024 and we switched to an alternate electricity supplier in Nigeria.

We reported last year that we had completed an in-depth double materiality analysis on the impact of all ESG factors for our SA portfolio and were awaiting completed BREEAM audits for the four EE centres. The BREEAM scores have been received. The Mall in Sofia, Bulgaria achieved a 'very-good' score, City Centre one West and City Centre one East achieved 'excellent' scores and Skopje City Mall achieved a 'very-good' score.

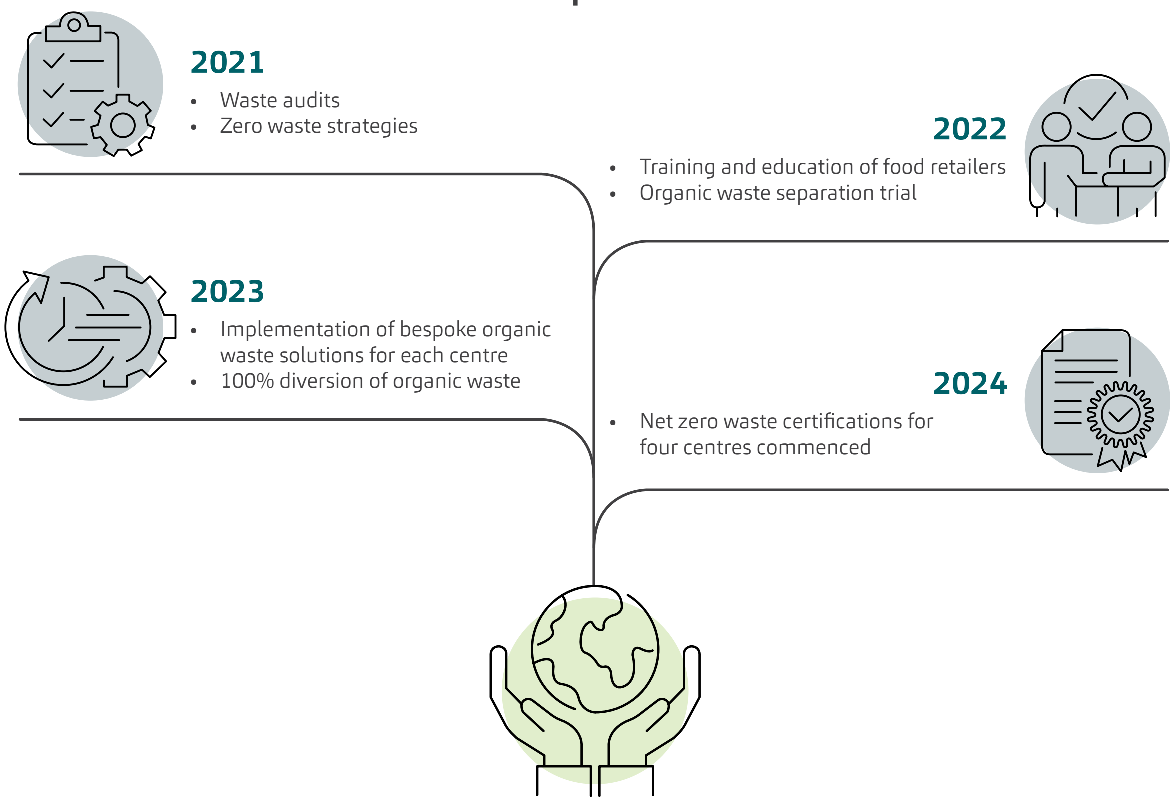
Waste

Waste management at Hyprop's SA centres is managed by Don't Waste. We have implemented strategies to enhance our recycling performance and achieve the associated environmental savings.

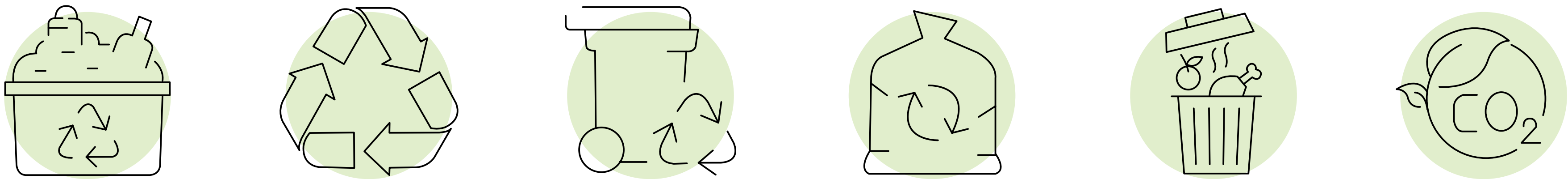
Our Group's Roadmap to Zero Waste is data-driven, intelligent, step-wise and iterative. The recycling measures in FY2024 for wet (organic) waste proved to be effective, with 807 tonnes of organic waste diverted. The actual recycling percentages exceeded the targets, demonstrating the effectiveness of our comprehensive waste minimisation strategy.

The performance across our SA centres gradually improved in FY2024 and supported the need for constant monitoring and evaluation as the baseline established in the previous year allowed for quick and decisive action.

The Roadmap to Zero Waste



Highlights of the period under review include:



Total waste generated	Recycling performance	Disposal weight	Recycling weight	Wet (food) waste	Carbon savings: Organic waste recycling
6 020t ↓	**81%** ↑	**1 903t** ↓	**3 835t** ↑	**807t**	**565 $MTCO_2e$**
172t (3%) down from FY2023	(by volume) 1% up from FY2023	**467t (20%) down** from FY2023	**236t (7%) up** from FY2023	separated and recycled	

SA portfolio

The data presented reflects the waste categories and waste performance of the portfolio managed by *Don't Waste* for the period July 2023 to June 2024.

Waste profile by weight

	FY2024	FY2023
E-waste	0%	0%
Tetrapack	0%	0%
General waste	32%	38%
Glass	4%	4%
Hazardous dry	0%	0%
Hazardous liquid	5%	3%
Organic waste	13%	12%
Paper	38%	35%
Plastic	7%	7%
Scrap metal	1%	1%

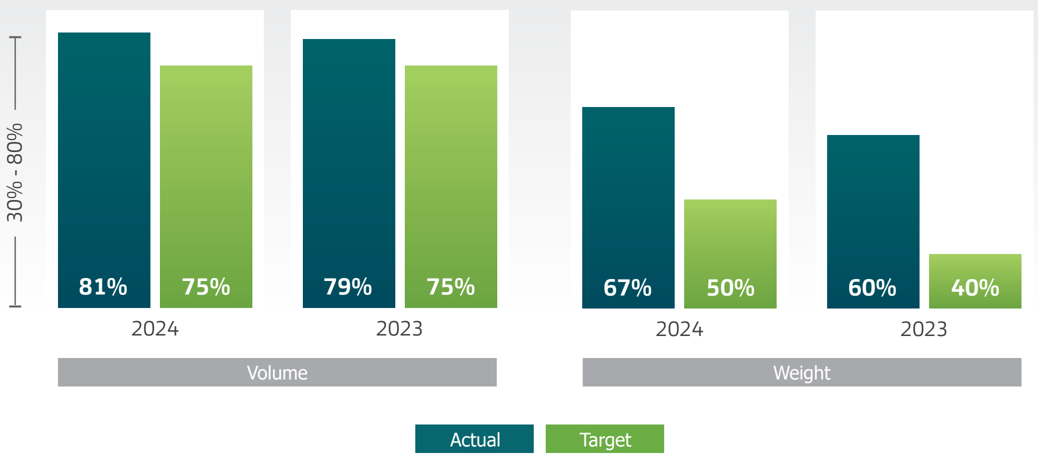
Waste profile by volume

	FY2024	FY2023
E-waste	0%	0%
Tetrapack	0%	0%
General waste	19%	20%
Glass	1%	1%
Hazardous dry	0%	0%
Hazardous liquid	0%	0%
Organic waste	2%	2%
Paper	49%	50%
Plastic	26%	25%
Scrap metal	3%	2%

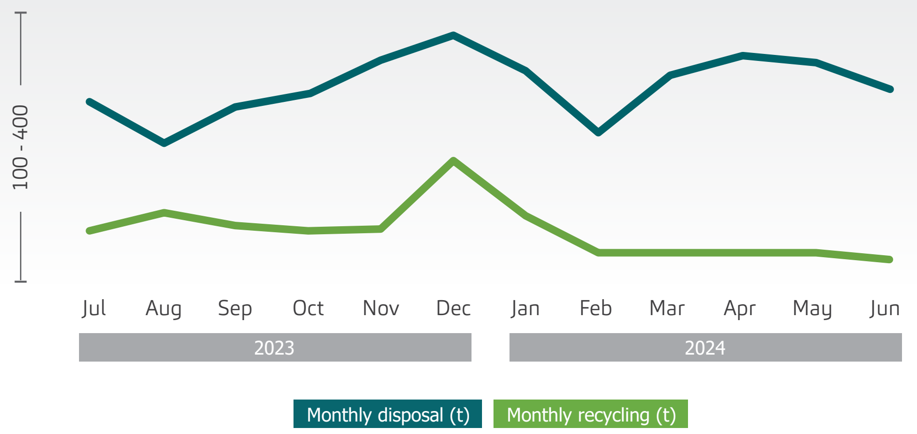
Waste volumes

	FY2024	FY2023	FY2022	FY2021	FY2020
Waste					
Total non-hazardous waste disposal (t)	1 903	2 369	3 317	3 326	3 472
Total hazardous waste disposal (t)	282	223	142	94	73
Total waste sent for recycling (t)	3 835	3 599	2 673	2 575	2 450
Recycling performance by weight incl. hazardous (%)	**67%**	**60%**	**45%**	**44%**	**41%**
Recycling					
Number of loads ordered	8 715	9 087	6 865	6 496	6 435
Quantity of units collected (no. of containers)	97 921	102 106	77 135	72 992	72 308
Recycled (m^3)	75 570	69 091	59 302	53 449	49 306
Recycled (Volume) %	**81%**	**79%**	**79%**	**78%**	**77%**

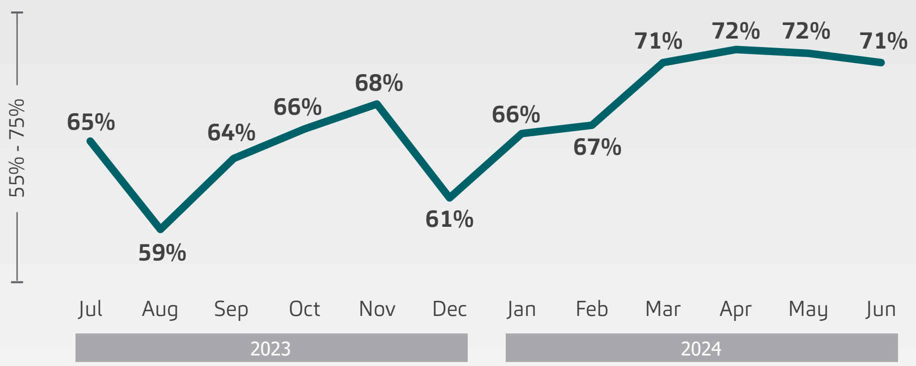
Actual recycling performance vs target



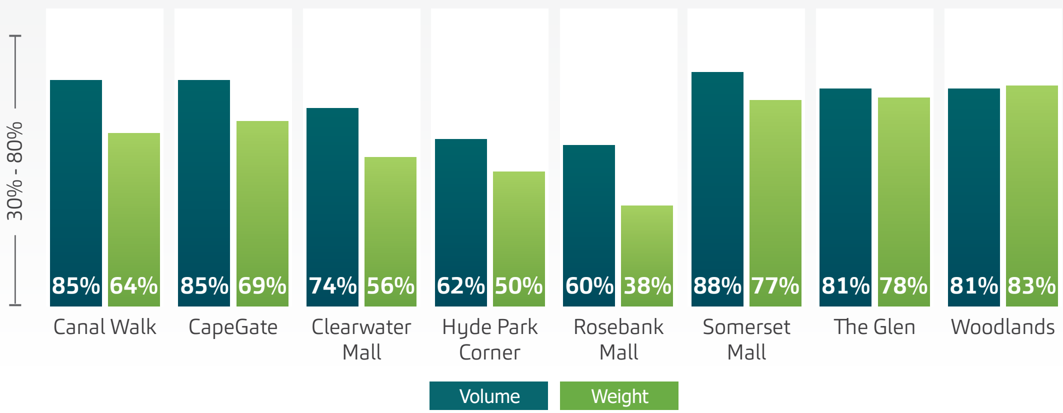
Monthly disposal vs recycling (t)



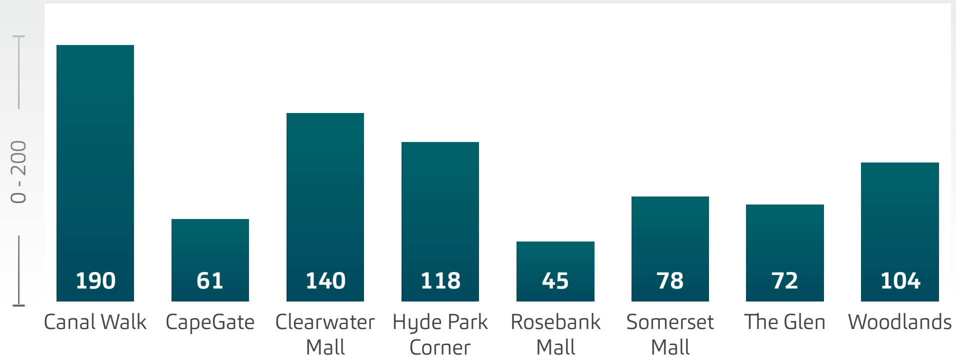
Monthly recycling performance by weight (excl. hazardous)



Actual recycling performance by volume and weight



Organic waste diverted by weight (t)



Prioritising organic (food) waste

Zero waste audits conducted in FY2022 indicated that Hyprop's portfolio produced a significant amount of organic (food) waste, which made up the bulk of the waste going to landfills.

As a result, we prioritised the separation and valorisation of organic waste from the food retailers across all centres in the portfolio.

During the zero-waste audit from 1 to 7 October 2021, a cumulative total of 65 tonnes/month of organic waste was separated from the general waste bins at the eight shopping centres. In FY2023, the average cumulative total of organic waste diverted from landfills was 60.25 tonnes/month. In FY2024, this average increased to 67 tonnes/month.

By separating organic waste at source and implementing recycling solutions, Hyprop has:

Saved over
565 tCO_2e
in carbon emissions

Improved Group recycling performance from
44% to 67%
(June 2021 to July 2024)

Achieved proactive compliance with the
Organic Waste Ban
in the Western Cape

The organic waste programme is still in operation and has surpassed the targets initially projected in 2021.

Next steps
In the next financial year, our main focus will be to obtain Net Zero Waste certifications awarded by the Green Building Council of South Africa (GBCSA) for Canal Walk , Woodlands, Somerset Mall and The Glen.

Net Zero Waste Certifications reward projects that go beyond the partial reductions in their environmental impacts and recognise initiatives taken to completely neutralise or positively address their carbon emissions, water consumption, solid waste to landfill and their negative ecological impacts.

These four centres were selected as they recycled an average of 70% and above (by weight) of their total waste generated over 12 consecutive months. The targeted certification will be Net Zero Waste-Level 2: Operational Waste.

GBCSA Certification Standard
Net Zero Waste - Operational Waste is achieved when it is demonstrated that 90% of waste is diverted from landfills over 12 consecutive months.
- 70% average diversion required on-site
- Minimum 90% diversion from landfill
- 12 months of data required

The differences between Net Zero Waste and Zero Waste to landfill are explained below:

Net Zero Waste
Net Zero Waste recognises that diverting all waste from landfills may not always be the most **environmentally friendly option.** It therefore allows a percentage of waste to be sent to landfill and offset.
- Allows for minimal disposal
- Waste offsets are allowed

VS

Zero Waste to Landfill
Zero Waste to Landfill involves diverting all waste generated from disposal, no matter the environmental or financial costs.
- 100% diversion from landfill
- No waste offsets

Energy
We conducted an American Society of Heating, Refrigerating and Air Conditioning Engineers (ASHRAE) audit (Levels 1 and 2) at all our centres in SA to determine energy intensity usage and establish a baseline for improving energy efficiency.

ASHRAE Level 1 assesses utility accounts and utilises a walk-through inspection of the centres to identify obvious energy issues, and Level 2 involves a more detailed analysis to provide further energy reduction recommendations.

Our SA centres have integrated their diesel generators with solar plants and secured bulk diesel storage tanks with a capacity for seven days to prepare for prolonged power outages. All the tanks, except for one centre which awaits final approval, have been installed.

Studies have shown that it can be more beneficial to enter into a Power Purchase Agreement (PPA) than to self-fund the energy projects. PPAs are being considered for solar projects at CapeGate and The Glen, and feasibility studies for solar PV systems at Canal Walk and Somerset Mall are underway.

A pilot dual fuel gas/diesel powered generator with battery storage for Rosebank Mall was approved, which should reduce the cost of electricity and allow us to use electricity produced by solar power during loadshedding.

We generated 14 163 538 kWhs from our solar PVs in FY2024, which equates to 7 698 tonnes of coal not burned, 20 112 000 ℓ of water saved by Eskom in the production of electricity, and 14 096 tonnes of carbon dioxide emissions avoided.

Our centres in SA and Nigeria (Ikeja City Mall) consumed significantly less energy in FY2024 compared to the previous year as large energy consuming systems, such as air conditioners, did not operate during loadshedding. Additionally, we achieved energy efficiency savings through various operational efficiencies and by replacing equipment with more efficient models.

Water
Water resource management is increasingly important in South Africa due to low rainfall and poor infrastructure planning and management which negatively impacts water provision to communities.

Hyprop is committed to improving the way we measure and monitor water consumption and consider water efficiency when purchasing toilets, urinals, taps and air-conditioning systems.

We have commissioned water audits at all our Gauteng centres to better understand how we source, use and dispose of water. The findings from these audits will be used to optimise the proposed potable water storage at the centres and to mitigate the failing water infrastructure in the province.

Water projects undertaken during the past year included:
- Converting the second last portion of the AC units from water cooled to air cooled and phasing out R 22 refrigerant gas which will be complete by December 2024.
- Due to problems associated with a dual shared sewer line at Canal Walk, it has been decided not to proceed with the recycling plant.

IOT.nxt smart building management
Clearwater Mall continues to use the IOT.NXT data to improve the operational energy and water use at the centre.

CDP and WDP
Hyprop received a C score (2023: B-) from CDP, a non-profit organisation that runs a global disclosure system for investors and other stakeholders to help manage environmental impacts.

Hyprop received a C (2023: B) for our WDP submission, which deals with climate change and water security, amongst other issues, and helps us identify ways to manage environmental risks and opportunities and provide feedback to the market on our plans and actions taken.

GRESB
We did not to make a submission to GRESB during the year under review as we believe the cost and time required would not be justified by the benefits. We will continue to explore other certifications which are aligned with our business objectives.

Looking ahead
Our energy, water and waste management programmes are important to our commitment to mitigating greenhouse gases and to building a climate-friendly world. We remain committed to investing in economically viable green projects that are aligned with the interests of our stakeholders, our brand and our strategy.

Our HYperformers

Canal Walk Cape Town, South Africa

Fostering an aspirational culture that supports our people and aligns with our strategy

As we continue our journey to build the aspirational culture we envision, the broader Hyprop leadership convened at the end of April 2024 and revisited the fundamental building blocks required to attain this goal. This resulted in a new culture statement:

Together, we make it happen!

Our culture statement describes the essence of the collective workforce and is testament to how we navigate and overcome complex and difficult challenges, remaining resilient and striving for optimal performance and results.

Our values are the foundation of our culture and help us fulfill our purpose. They define who we are and how we create spaces and connect people. The descriptors for each value amplify how the Company interprets the values so our people can better embrace them.

Collaboration

- We encourage teamwork to achieve a common goal.
- We advocate cooperation that fosters knowledge sharing to accomplish a common objective.
- We collaborate with purpose and with the appropriate people to enhance buy-in.
- We allow for healthy debate to foster open and honest conversations.
- We accept that a full consensus is not always possible.
- We contribute, work as a team and draw on each other's strengths.
- We continue to break down the silos between teams.

Execution

- We make things happen.
- We make prompt, responsible decisions and execute them.
- We ensure that standards and expectations are clear.
- We produce quality work that supports our strategy.
- We continually do our best, improve and strive for excellence.

Responsibility

- We take responsibility for our actions and results as a team.
- We are accountable for our business and our future.
- We are committed to the success of our business and stakeholders through our actions.
- We accept responsibility when things go wrong and take corrective action.
- We take collective responsibility for our decisions, and we stand together.

Integrity

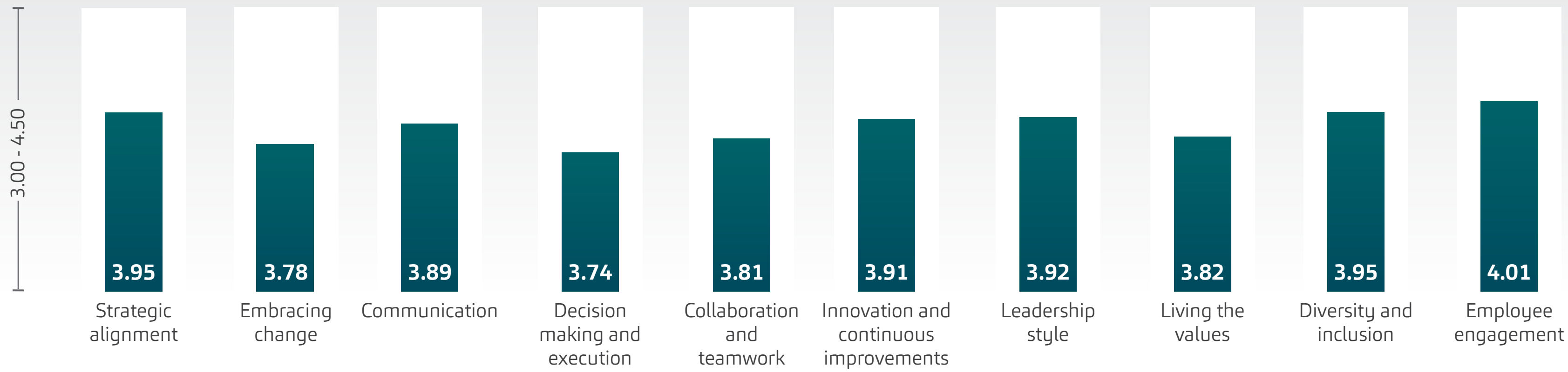
- We are honest and treat everyone with respect and fairness.
- We act with uncompromising honesty and integrity in everything we do.
- We do things the right way and act in the best interest of the Company.
- We consider our policies and procedures as guiding principles.
- If in doubt, we consult with our peers and colleagues.
- We support our decisions and execute accordingly.

Creativity

- We find alternative solutions for our challenges and create opportunities.
- We think differently to devise new learning opportunities.
- We embrace creativity at every level and encourage bold ideas.
- We encourage a creative environment to shape the future of the business.
- We allow for some margin for error and a tolerance for mistakes while we learn.
- We embrace diverse thinking.

The 2023 culture survey affirmed that the interventions we implemented to address our areas for development identified in the 2022 culture survey were successful. The dimensions measured are outlined in the table below with the 2023 culture survey results. The average score for 2023 was 3.87, up from 3.69 in 2022. The 2024 survey will be conducted in November 2024 and the results reported in the 2025 integrated annual report.

Overall average score per culture dimension (2023 survey)



The survey was rated on a five-point scale, with 1 being "strongly disagree" and 5 being "strongly agree".

Emanating from the April 2024 leadership offsite, we established our desired leadership DNA to outline our expectations of leaders in building an aspirational culture. The key theme that emerged was to 'lead by example' and we have adopted the servant leadership framework to bring this to life. The Leadership DNA comprises four key areas:

- Building trust
- Continuously improving Hyprop
- Getting things done
- Fostering 'one Hyprop'

In addition, the leadership team will continue to display the aspirational behaviours we expect from all our people, which include:

- Embrace change to achieve the desired results
- Effective internal communication
- Collaboration as teams to find solutions and make decisions
- Be decisive/deliberate - make and execute decisions
- Be courageously creative; we learn from our mistakes
- Execution and action
- Empowering and authentic leadership style

Initiatives, workshops and training programmes to achieve the desired transition are ongoing.

Our code of conduct and ethics (Code) applies to all our employees and ensures we conduct ourselves and our business in a professional and ethical manner. The Code is supported by a whistle-blowing and anti-corruption and bribery policy. The Code and policies are communicated to all employees and are available on our intranet.

We comply with employment laws and are committed to protecting human rights.

Programmes and policies to support our people

Our human capital policies ensure our people operate in an environment that supports their well-being, skills, knowledge, expertise, productivity, development, motivation and behaviour.

We have several initiatives in place to channel our people's strengths and capabilities so they can realise our strategy. These include:

- Our values and Code, which support a work culture which is transparent, respectful, non-exploitative, fair and dynamic. They also underpin a culture of open and constructive dialogue with management, involvement in decision-making, and safe working conditions.
- An enhanced HR information system, which empowers our people by providing them with better access to their personal information, such as payslips and IRP5s, as well as automating processes to eliminate delays in completing tasks. The platform is also available as a mobile app.
- A wellness programme in partnership with Lyra (formerly known as ICAS), which provides psycho-social, legal and financial support to employees and their families and supports our commitment to a healthy work-life integration.
- A learnership programme, which provides development opportunities for both entry-level employees and unemployed candidates. For unemployed candidates, this programme provides experience to support their entry into the job market. We supported/employed 30 (FY2023: 11) learners during FY2024 in our marketing and generic management learnership and the newly introduced maintenance learnership.
- A partnership with SAPOA, which provides bursaries to seven tertiary students studying real estate-related undergraduate and post-graduate programmes across various institutions. The seven students were hosted by some of our SA centres to provide them with a practical view of the business. Additionally, an eighth student was awarded a bursary as the winner of a competition, sponsored by The Glen Shopping Centre.

Activating the Golden Thread at our SA centres

Our Golden Thread connects brand, place and people and provides strategic direction to our purpose. It differentiates and unifies our centres to deliver a common customer-centric experience where people engage, connect and explore.

We facilitated a training programme, focused on customer service, to assist our SA employees and service partners (security, cleaning and parking) in bringing the Golden Thread to life. This programme will be implemented on an annual basis to reinforce the Golden Thread principles.

We continued to use the corporate social platform, Viva Engage (formerly known as Yammer), to channel the Golden Thread across our offices and centres. During FY2024 we provided customer service training to our employees. The training programme was well received and is already having a positive impact on our employees, tenants and customers.

Non-discrimination and harassment

Our employees and stakeholders are treated with dignity and respect. Discrimination and harassment in the workplace are not tolerated under any circumstances and disciplinary steps are taken where necessary.

Our revised Code incorporates good practice on the prevention and elimination of harassment in the workplace to ensure we remain compliant and abreast of industry developments and trends.

Grievances are dealt with timeously, sensitively and confidentially, and victimisation of a person who raises a grievance about discrimination or harassment is not tolerated.

No harassment-related grievances were raised during the past year, nor were any incidents of discrimination reported.

Employment equity

As a South African-based REIT, Hyprop is committed to the principles and objectives of the employment equity based legislation, many of which go beyond the need to redress disadvantages in employment experienced by designated groups in South Africa and are applicable to all of the Group's employees, whether in South Africa or abroad.

We want to achieve equity in the workplace by promoting equal opportunities and fair treatment for all employees and eliminating discrimination in any form.

Employment equity policy and plan

Hyprop has implemented a three-year Employment Equity Plan (October 2022 – September 2025) for its SA portfolio. The plan focuses on revising the requisite policies to support employment equity as well as the training and development, and succession planning of critical roles. The new plan is more appropriately aligned with the B-BBEE employment equity targets and supports that strategy. We also report on the pay ratios as stipulated by the EEA4 submission and conducted a pay equity exercise across employee levels, gender and race to identify and plan how we will address any inequality.

Considering the amendments to the Employment Equity Act (the EE Act), Hyprop will respond accordingly once the sectoral determination targets have been finalised along with the implementation of the amendments to the EE Act.

Broad-based black economic empowerment

We launched a focused B-BBEE plan four years ago and are pleased to report that after being non-compliant in 2020, we have made steady progress in improving our BEE rating to Level 3 in 2024.

Significant improvements have been made in increasing procurement from black-owned businesses, ownership, and enterprise development initiatives to support small and growing businesses.

Employee engagement

Two-way communication sits at the heart of our human capital engagement programme, which involves many channels:

Employee forums

Employees and leadership share ideas, ask questions and give feedback at employment equity forum meetings which are held quarterly in the SA portfolio. This forum will be consulted in relation to monitoring the employment equity plan.

Senior management of all portfolios engage with their respective teams on an ongoing basis via formal or informal platforms or via surveys such as the culture survey.

Employee self-service systems (ESS)

Employees can access their payslips, IRP5 and payroll information from the ESS. This system integrates with the payroll system and is used for other people practices such as performance reviews and leave applications. The HR system empowers employees by providing more access and functionality to drive empowerment and efficiency.

Employee communication

Employees access information via the intranet, e-mail, Viva Engage and Coffee@Hyprop sessions held every second month at which executive management engages and provides feedback to the Group. Content includes input from our management teams, highlighting achievements and celebrating wins, wellness matters, policy updates and information on a range of issues, including business changes, challenges and employee movement.

Coffee@Hyprop sessions also provide an opportunity for employees to nominate colleagues or teams for the "HYperformer award" to recognise those who have performed above and beyond what is expected from their normal role. Adjudication of the winners is done by a committee of employees representing different portfolios and regions across the Group.

Employee events

The year end functions celebrate long service and service excellence and are one of the ways we show our appreciation for the contribution made to Hyprop by our employees.

32 long service awards were given during FY2024 and eight Hyprop excellence awards were issued to teams or individuals who performed exceptionally to complete a project or independently took on an improvement initiative supported by the Group.

Building value for the future

Reaching our potential

Our people are integral to delivering a differentiated Hyprop experience to our tenants and their customers, and our revitalised HR capability provides the policies and processes to further empower our people.

Our vision for our people is to create "authentic and meaningful experiences" which include helping our employees "grow, learn and reach their full potential as HYperformers". We support their growth and development by creating an aspirational culture, building a strong governance framework and evolving our performance management, reward and recognition processes so that they are aligned with the business' objectives.

Talent acquisition

Hyprop continuously assesses its employees' skills and capabilities in the context of those required to achieve our strategy.

We have enhanced our recruitment practices by introducing psychometric assessments for senior and critical roles, and operational assessments, where applicable. This will support the recruitment of employees who are aligned with Hyprop's culture and possess the required skills for their roles.

Succession planning

Succession planning is important to risk management and growing our human capital. We have the expertise to cover key roles in the event of a sudden or unexpected departure, and we actively develop our people, including those from designated groups, for promotion.

We do this through coaching, mentorship and job-specific training, leadership training and development for senior management, technical and people skills training for management and junior management, and structured training for support staff.

Performance management meetings

The performance appraisal process is an opportunity for each manager and employee to reflect on the employee's performance over a period, review whether previously discussed performance expectations and goals have been met, discuss professional development opportunities, and identify opportunities to develop additional skills and knowledge to foster performance improvement and career growth.

Additionally, the performance appraisal supports recommended merit increases and/or other performance-based awards. Further details are contained in the remuneration report on pages 81 to 105.

Training and development

We train and develop our people to meet our business' requirements and transformation imperatives. We assess the Group's skills base to identify training needs, and individual needs are noted during employee reviews.

Training programmes are designed to enhance the Group's knowledge and skills base, enable employees to contribute to our growth, encourage further education to improve competencies and opportunities for promotion and support employment equity objectives. Formal training programmes were attended by 151 employees during FY2024.

In line with our objective of providing employees with opportunities to grow and develop their careers, nine employees were promoted to new roles and 15 employees were transferred between Group entities/centres.

To enhance the leadership capability of our senior management team, we introduced the inaugural HYperformer Leadership Program (HLP), providing 13 leaders with the opportunity to build their leadership capabilities in support of the aspirational culture. The HLP was customised to Hyprop's needs and covered twelve behavioural competencies and five technical competencies. The HLP will be facilitated annually and will be a precursor for a management development programme to be developed in due course. To support the HLP, two negotiation skill workshops were attended by 23 employees over the past year to build this critical capability amongst staff in key roles.

Our learnerships and trade qualifications are an important part of our employment equity plan and staff development initiatives. 36 (2023: 11) employees are currently enrolled in various degrees/diplomas and trade qualifications. Training focused on customer service and compliance courses to support business operations, alongside leadership initiatives that align with the Company's strategy.

A detailed training and development report can be found in the ESG Data Pack.

Health and safety

We strive to create a safe and healthy working environment for our people, with procedures to manage occupational incidents and compensation claims, in line with legislation.

Our health and safety programme is continuously reviewed and improved when required. The programme complies with statutory provisions for health, safety and environmental matters relevant to our stakeholders and is communicated to our employees so they can discharge their responsibilities. Training and resources empower employees to prevent accidents and preserve health, and each management team executes the health and safety programme on-site through its operations manager.

Health and safety consultants are appointed to represent Hyprop and monitor activities on-site. Scott Safe provides safety consultancy services to the SA portfolio and carries out a health and safety audit twice a year, in May and November. In EE, annual occupational health and safety training is provided to employees to meet local regulatory requirements.

On large and complex projects, the contractor has its own health and safety officer managing contractor teams and sub-contractors.

At Group level, the national facilities manager is responsible for bi-annual audit reports, drawing on submissions from each centre.

Hyprop Ethics Line

We are cogniscant that fraud will damage our brand and reputation, over and above any financial loss suffered, and we take firm action against any individual or group perpetrating fraud against the Group. We encourage employees to be vigilant and to report any suspicion of fraud via confidential channels of communication.

The Group expects employees to act with integrity, comply with financial regulations and report concerns as soon as any impropriety is suspected. We have implemented a whistle-blowing policy to support and guide employees.

All employees are made aware of the anonymous Hyprop Ethics Line, which is operated by an external service provider, Whistle Blowers Proprietary Limited, and reports to the Social and Ethics Committee.

Six incidents were reported during FY2024 (two of which did not relate to Hyprop) which management investigated, addressed and resolved.

Managing resources

The Head of Human Resources is responsible for employee relations, which are governed by an employee and disciplinary code of conduct, both of which are available on request, in hard copy at each management office and on the Group's intranet. The Code is also available on the website at Hyprop Investments - Governance, under the heading Code of Conduct and Ethics.

There were six disciplinary cases during FY2024, which resulted in the appropriate sanction.

Corporate Social Investment

The people who live and work around our centres are integral members of our community, just as much as the shoppers who frequent our centres. Our corporate social investment (CSI) commitment is to create sustainable social value for our communities through the Hyprop Foundation, which focuses on education and skills development, community upliftment and enterprise development, and other independent initiatives managed by our various centres.

During FY2024, the Hyprop Foundation and our centres launched various initiatives in order to enhance their community and social impact. Some of these initiatives, though not all, are highlighted in the CSI report.

Total contributions

Hyprop Group	Hyprop Foundation	SA centres	EE centres
R5.4 million	**R3.1 million**	**R1.6 million**	**R1.3 million**
Enterprise development loans			

Total - R11.4 million

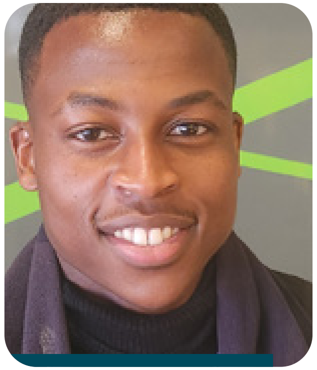
Education & skills development

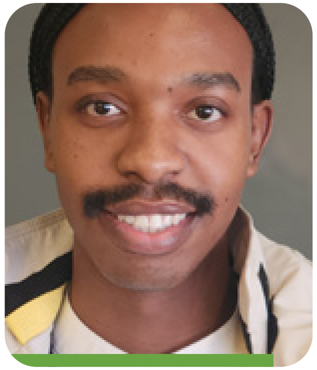
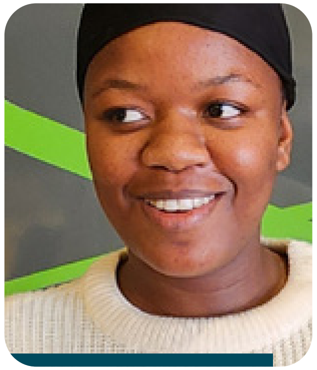
Tertiary bursaries

The Hyprop Foundation contributed R1 163 100 in FY2024 to support seven students enrolled in real estate-related graduate and postgraduate programmes at universities within the catchment areas of Hyprop shopping centres. This financial assistance covers tuition and accommodation fees, and the students receive monthly mental wellness guidance, along with coaching and vocational training. One student is studying at the University of Pretoria, two students at the University of Cape Town and four students at the Witwatersrand University in Johannesburg. We are proud to report a 100% pass rate for the 2023 academic year.

> *My experience with Hyprop Investments has been wonderful. Being associated with Hyprop has made a positive impact on my life. I had the opportunity to acquire vacation work experience at Canal Walk (July 2023) and at CapeGate (July 2024). My duty at Canal Walk and CapeGate was to assess the departments that run the shopping centre and then make a SWOT Analysis of the respective shopping centres. Being an intern at Hyprop has instilled punctuality and customer satisfaction in my mind. The experience was not only insightful and eye-opening, but it was also a glimpse into adulthood.*
>
> **Luthembe Maqeda UCT Student, 3rd year BSc Property Studies**

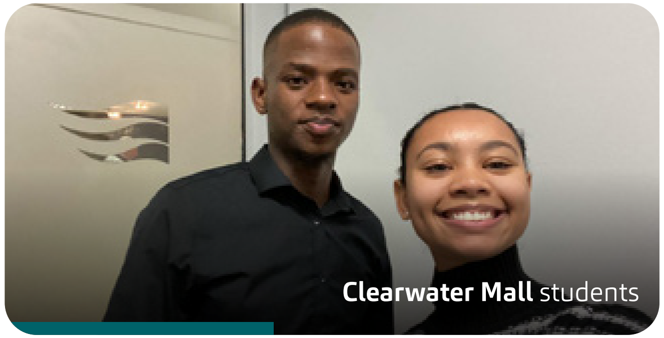
In addition to the seven students supported by the Hyprop Foundation, The Glen sponsors another student selected independently from their community. This student is fully part of our Student Bursary Programme, vocational work experience and life coaching sessions.



Avo financial training skills


CapeGate students


Clearwater Mall students

HUREKA (Croatian Association for Early Education)
City Center one contributed R29 205 for Marija Vaniš, a 10-month-old member of the Association, who was born with down syndrome and faces various health challenges. The contribution will help Marija to participate in a one-year programme Snažan start (Strong Start), which will provide her access to speech therapists, educational rehabilitators, psychologists and educators. The programme will also provide all the necessary work materials and several software solutions tailored to support her cognitive development based on her needs.

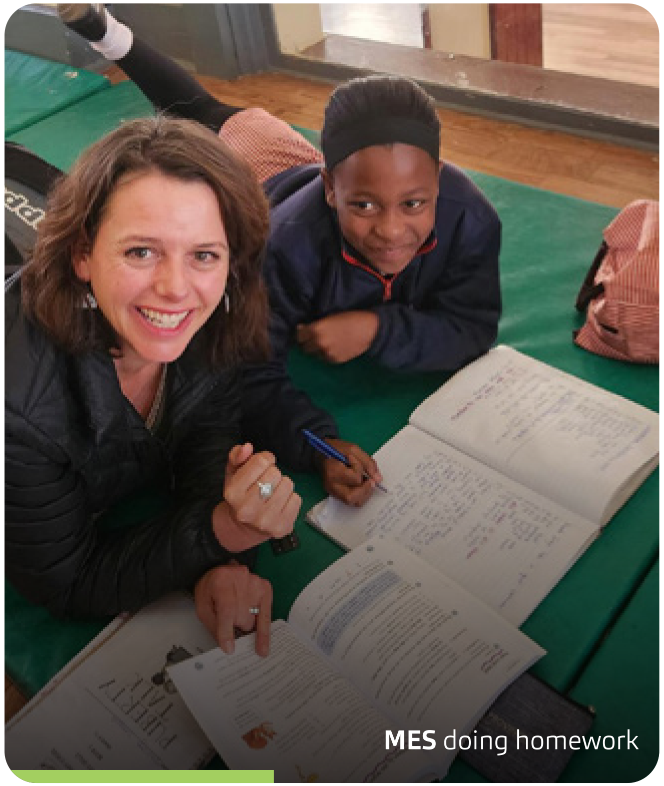
Hyprop employee bursaries
Hyprop Foundation contributed R520 980 to the education of 110 employees' children attending primary and high schools across South Africa in 2024.

Santa Shoebox Legacy Project
Santa Shoebox Legacy focuses on establishing new Early Childhood Development (ECD) centres and transforming existing ones in the communities around our shopping centres. Hyprop Foundation contributed R400 000 to this initiative to train teachers in the Western Cape and Gauteng. The initiative will help increase the school readiness of approximately 12 000 South African children.

Ante Kovačića Elementary School
Ante Kovačić Elementary School, located in a nearby neighbourhood, Špansko organised a school excursion at City Center one West. The school project focused on career exploration and involved just under 50 students and three teachers. The centre provided gift bags amounting to R23 300.

Numeric
The Hyprop Foundation has recently partnered with Numeric, an organisation dedicated to helping young South Africans excel in mathematics. Currently, only 3% of pupils who begin studying maths in school manage to complete it successfully at matric level. The Hyprop Foundation contributed R100 000 to Numeric and selected a school in the Western Cape, where we will monitor the progress of Grade 7 learners.

Pure Hope School
Many employees' children attend Pure Hope School in Pretoria, located next to Woodlands. The school has 330 primary school learners, and Hyprop Foundation matched the R10 000 donation made by Woodlands to the school. This funding was used to purchase stationary supplies for the students.



MES doing homework

City Center One East Handball Team

Community upliftment

Mould Empower Serve MES

We contributed R581 000 to MES, a not-for-profit organisation providing sustainable solutions to at risk individuals and families in the inner cities of Johannesburg and Cape Town.

Hyprop Foundation supports MES's after-school programme (ASP) in Johannesburg where 250 children attend extra classes and sports and arts activities, and receive daily meals. This initiative is vital for communities as it promotes a healthy holistic approach.

Other programmes operated by MES include the Joshuas Post-Matric-Programme, which helps young people gain life skills and leadership experience and the MES-Parow training centre in the Western Cape, which offers sewing classes and rehabilitation skills for homeless and abused women.

City Running Club: Promoting Health and Fitness

Skopje City Mall invested R292 050 in FY2024 to support the Skopje City Running Club, a free programme targeted at promoting health and fitness within the community through regular running programmes, workshops and events. The club fosters a supportive and active lifestyle and hosts thrice-weekly training sessions and monthly workshops.

Avocado Vision Training

Avocado Vision Training provides basic financial skills and support for small business startups. In 2024, we contributed R310 155 to this strategic development partner to help teach financial skills to the communities and small businesses in the primary catchment areas around our centres in Gauteng. A total of 316 people were trained in Johannesburg, while 131 people were trained in Pretoria, benefiting 447 families directly.

We have extended this partnership to 2026, with the goal to train 1000 families in our primary catchment areas.

Kids Handball Club Sloga

City Center one East provided financial support of R23 364 to the Kids Handball Club Sloga, a sports club located in a nearby area. The financial contribution went towards the purchase of new jerseys for the children in the club.

SPCA

The Hyprop Foundation raised R54 715 from two gift-wrapping stations at Rosebank Mall and donated the funds to the SPCA in Edenvale. Hyprop paid the trained female MES students and unemployed young women for their gift-wrapping services.

City Street Art - graffiti mural

City Center one East contributed R39 000 towards The City Street Art graffiti mural. This mural was portrayed on the walls of City Center one East parking area as part of the City Street Art project.

My Theater - City Theater: A Seasonal Celebration of Children's Theatre

In collaboration with Cineplexx, Skopje City Mall hosted the "My Theater - City Theater" programme, featuring cycles of children's theater performances. The proceeds generated from the plays were allocated to a humanitarian project, 'From child to child' and the centre's total contribution was R311 520.

Saving Water Project

The five Gauteng shopping centres will collectively invest R1 379 931 towards a 12-month water-saving project monitored by AquaIntell. We will provide training for our staff and tenants, while also raising awareness among shoppers about the importance of reducing water usage. Water consumption will be monitored and reported, allowing us to make the necessary changes to ensure we use our scarce water resources more efficiently.

Movember – Men's health campaign

Skopje City Mall hosted a barber show to celebrate "Movember" an initiative aimed at raising awareness about men's health issues and encouraging preventive health practices among men. The campaign focused on health checks, professional consultations, and the sharing of information and engagement. Skopje City Mall contributed R97 350 towards this project.

Out of the Closet II: recycling event

In November 2023, The Mall organised and contributed R256 000 towards an event in partnership with Texlife, a used clothing collection company, and the Bulgarian Red Cross. The event aimed to collect preloved clothes and textiles for those in need or for recycling purposes.

Real Christmas Tree Forest

During the holiday season, The Mall hosted and contributed R60 357 towards a magic forest event featuring real, sustainably grown Christmas trees from the only Christmas tree park in Sofia.

CHOC Childhood Cancer Foundation

Canal Walk's annual theatre production, Alice in Wonderland, raised R120 000 for the CHOC Childhood Cancer Foundation. This non-profit organisation supports the well-being of children and teenagers diagnosed with cancer or life-threatening blood disorders, along with their families.

Enterprise development

Farmers' Markets

From September 2023 to June 2024, The Mall hosted and organised a Farmers' Market in support of local businesses specialising in fresh produce such as meats, delicacies, oils and craft decorations. The Farmers' Market took place twice a month and The Mall contributed R19 471 towards social media advertising.

Entrepreneurship To The Point

As part of the Group's corporate social responsibility and BBBEE enterprise development initiatives, a loan of R4.2 million was advanced to Entrepreneurship To The Point (ETTP). ETTP supports SMME entrepreneurs by helping them build businesses through entrepreneurship, business networking and providing access to information and business resources.

Selling personalised hoodies and raised funds

MEGDANA Fest

In FY2024, The Mall hosted the second and third editions of the MEGDANA fest, a marketplace featuring selected Bulgarian designers and artists, offering fashion clothing, jewellery, accessories and cosmetics. Additionally, students from the National Acadamy had the opportunity to present their own collections at the fashion show during MEGDANA fest in November 2023. The Mall invested R255 000 towards the advertising for both events.

Christmas Charity Market

The Mall hosted a Christmas Charity Market in December 2023. The market involved more than ten NGOs who had stalls selling home-made clothing, accessories and products suitable for Christmas gifts. The Mall contributed R52 569 to support the promotion and organisation of the event.

New Year's Artisan and Food Bazaar: A Festive Mix of Tradition and Modernity

In December 2023, Skopje City Mall hosted and contributed R311 520 towards the New Year's Bazaar, featuring three consecutive events that showcased the talents of more than 90 participants, including rural women, young farmers, and people with disabilities. The Bazaar offered a festive and inclusive shopping experience that supports local communities, promoted cultural appreciation and encouraged economic empowerment during the New Year holidays.

SD DEVPOOL2

The Group has lent R1.2 million to SD DEVPOOL2 (Pty) Ltd. This entity works to strengthen the development ecosystem around SMMEs, particularly "Qualifying Small Enterprises" and "Exempt Micro Enterprises".

Governance

Clearwater Mall Johannesburg, South Africa

Our governance framework is aligned with King IV™, which advocates an outcomes-based approach to governance.

Our Board:

- is committed to upholding corporate governance practices that go beyond mere legislative and regulatory compliance;
- plays a vital role in establishing the Group's strategy, overseeing governance structures, monitoring risks and understanding the needs and expectations of all stakeholders; and
- ensures that the governance framework reflects our values of collaboration, execution, responsibility, accountability and integrity, thereby fostering stakeholder trust and confidence. When setting strategic objectives for the Group's sustainable success, value creation and societal impact are key considerations.

The Group is dedicated to enhancing its compliance and governance framework by adopting and regularly reviewing key policies to align with industry standards. Prioritising employee awareness and training to facilitate policy implementation underscores our commitment to improving governance structures, better equipping us to deliver our key strategic objectives.

Key Board activities

At the quarterly board meetings we address standard agenda items such as Group performance, key risks and priorities. The key matters considered and decided by the Board during FY2024 include:

- Approved the acquisition of Table Bay Mall
- Approved the sale of the entire SSA portfolio
- Considered the heightened business risks and decided not to pay an interim dividend until these risks subsided
- Approved the appointment of Reeza Isaacs as a non-executive director and a member of the Audit and Risk Committee
- Considered succession planning in respect of the Chairman, executives and key personnel
- Reviewed and approved various governance policies
- Considered the Group's borrowing facilities and approved new and re-financed facilities
- Approved the FY2024 annual dividend declaration

In the coming year, the Board will continue to support management with the appropriate allocation of capital and monitor Group initiatives to advance its strategy. The Board is satisfied it fulfilled its responsibilities in accordance with its charter for the year under review.

Ethical leadership

The Board ensures that the Group upholds high standards of corporate governance and ethical conduct, and conducts business in an honest, fair, legal and responsible manner. It delegates authority to the Social and Ethics Committee to oversee ethics management and combat fraud and corruption effectively.

All directors and employees, both individually and collectively, are expected to comply with the Group's Code of Conduct and Ethics, which emphasises integrity and respect.

We aim to work with suppliers and business partners who share our values. Our Supply Chain Code of Conduct expects our suppliers to, inter alia, provide safe working conditions and treat their employees fairly and respectfully, and maintain ethical business practices. Our Group has a formal Anti-Corruption and Bribery Policy and has zero tolerance for such practices.

Our Board

Independent non-executive Chairman

Spiro Noussis - 53

CA(SA)
4 years on the Board
Board meeting attendance: 5/5
Committee membership:
IN (Chair), RN (Nomination Chair)

Independent non-executive director

Annabel Dallamore - 37

BSc, Mechanical Engineering
5 years on the Board
Board meeting attendance: 5/5
Committee membership:
AR, RN

Independent non-executive director

Zuleka Jasper - 50

MCompt CA(SA)
6 years on the Board
Board meeting attendance: 5/5
Committee membership:
AR, SE

Independent non-executive director

Richard Inskip - 62

BCom
2 years on the Board
Board meeting attendance: 5/5
Committee membership:
RN (Remuneration Chair)

Independent non-executive director

Bernadette Mzobe - 45

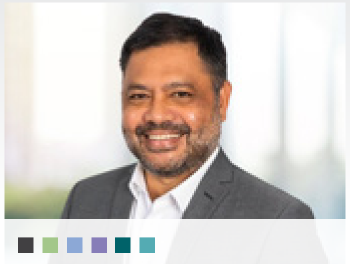
Bachelor of Commerce Accounting and Management
2.5 years on the Board
Board meeting attendance: 5/5
Committee membership:
SE (Chair), IN

Independent non-executive director

Loyiso Dotwana - 61

Pr.CPM, BSc Eng (Civil)
2.5 years on the Board
Board meeting attendance: 5/5
Committee membership:
IN, SE

Independent non-executive director



Reeza Isaacs - 55

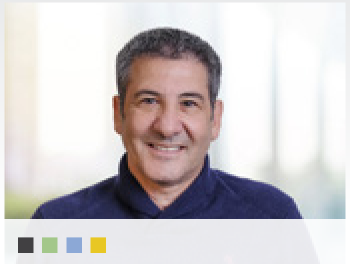
CA(SA)
Appointed April 2024
Board meeting attendance: 3/3
Committee membership:
AR

Independent non-executive director

Thabo Mokgatlha - 49

CA(SA)
11 years on the Board
Board meeting attendance: 5/5
Committee membership:
AR (Chair)

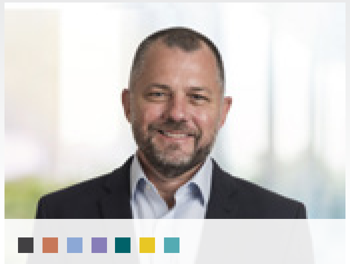
Non-executive director



Kevin Ellerine - 58

National Diploma in Company Admin
15 years on the Board
Board meeting attendance: 5/5
Committee membership:
IN

Executive director



Morné Wilken - 53
Chief Executive Officer

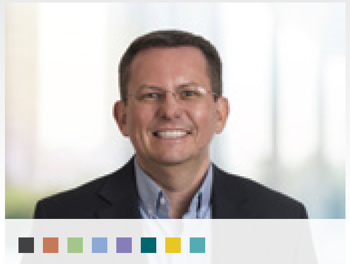
BEng (Honours)
6 years on the Board
Board meeting attendance: 5/5
Committee membership:
IN, SE *(stepped down on 17 September 2024)*

Executive director

Wilhelm Nauta - 53
Chief Investment Officer

CA(SA)
6 years on the Board
Board meeting attendance: 5/5
Committee membership:
IN

Executive director



Brett Till - 55
Chief Financial Officer

CA(SA)
6 years on the Board
Board meeting attendance: 5/5
Committee membership:
SE *(stepped down on 17 September 2024)*

AR Audit & Risk Committee | SE Social & Ethics Committee | RN Remuneration & Nomination Committee | IN Investment Committee | Full CVs available at www.hyprop.co.za | Committee memberships at 24 October 2024

Skills & experience:
Financial & accounting | Corporate Social Investment | Information technology/digital disruption | Leadership & governance | Risk | Legal & regulatory | Property investment & development | Strategy

Board appointment
The Board, supported by the Nomination Committee, appoints executive and non-executive directors in a formal and transparent manner, considering the skills and experience needed.

The Nomination Committee ensures that the Board members have the expertise, knowledge and experience required to oversee the Group's strategic direction and performance.

Our Board structure ensures that there is balance of power and that no single person has unchecked authority in Board discussions and decisions. There are distinct and separate roles for the Chairman and the Chief Executive Officer.

Shareholders confirm the appointment of new directors at the first AGM following their appointment. In terms of the Company's MOI, not less than one-third of the directors retire from office at each AGM. A retiring director may be re-elected if he/she is eligible and makes himself / herself available for re-election.

Annabel Dallamore, Loyiso Dotwana, Spiro Noussis and Wilhelm Nauta are retiring by rotation at the 2024 AGM and the Board has recommended their reappointment.

Board changes
Reeza Isaacs was appointed as an independent non-executive director and a member of the Audit and Risk Committee with effect from 2 April 2024.

Independence of directors
The Board, through the Nomination Committee, evaluated the independence of the non-executive directors and confirmed that the eight independent non-executive directors are considered independent in terms of the 2024 independence assessment.

Diversity and succession
The Group acknowledges that having a diverse Board brings many benefits, and views diversity as a crucial aspect that will help achieve strategic objectives and maintain a competitive edge. The Nomination Committee reviews the composition of the Board annually, taking into consideration the balance of skills, experience, background, culture, race, age and gender of Board members. The Nomination Committee also assess the progress made in promoting Board diversity.

When appointing new members to the Board, the Nomination Committee aims to ensure a meaningful combination of skills, diversity and experience.

The Nomination Committee also ensures that there are succession plans in place for the Board, CEO and executive directors, and reviews these plans annually.

Board and committee evaluations
The Board and its standing committees underwent formal evaluations of their performance against their respective mandates. The Board discussed a comprehensive summary of the evaluations, confirming that both the Board and its committees had performed well and fulfilled their responsibilities as outlined in their mandates and terms of reference. It was also noted that the Board members effectively carried out their governance roles, both collectively and individually. Areas for improvement identified included the need for training and succession planning for the Chairman, as well as succession plans for executives and key personnel. Steps have been taken to address these areas.

The Glen Johannesburg, South Africa

Board diversity

Gender and race

Male: 75%

Female: 25%

White: 67%

Black: 33%

Skills and experience

Digital disruption	9%
Financial acumen	24%
Leadership and governance	9%
Strategy	13%
Social responsibility	6%
Property investment and development	15%
Risk and compliance	13%
Legal and regulatory	11%

Field of knowledge

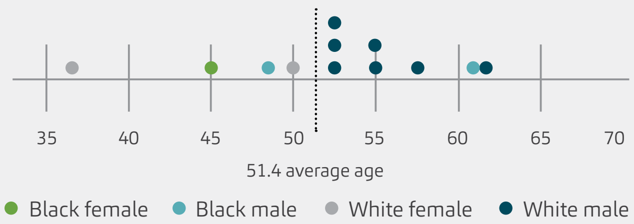
75%	Business/finance
25%	Engineers

Composition

67%	Independent non-executive directors
8%	Non-executive directors
25%	Executive directors

Tenure

1 year	8%
2-5 years	42%
6+ years	50%



Board induction and training

The Board has an induction programme to help new directors develop an understanding of the Group's key operations and strategic priorities. New directors are required to participate in the induction programme, facilitated by the company secretary. During the year under review, Reeza Isaacs participated in the induction programme.

A customised board training programme, developed in consultation with the chairman, board members and management aims to equip directors with knowledge on various aspects relevant to their roles, helping them fulfil their responsibilities with due care, skill, and diligence.

During the year under review, directors received insights/training in relation to:

- The South African macroeconomic environment
- Key drivers for centre performance
- The South African remuneration landscape
- European remuneration market practices
- Effective remuneration committees
- Amendments to the Companies Act
- CSRD overview
- Social and Ethics Committee responsibilities
- SACSC Conference attendance

Directors have access, following an approval process, to independent experts and other advisors for assistance in carrying out their duties.

Declaration and conflicts of interest

Directors must disclose any personal interests at least annually and inform the Board, through the company secretary, when any changes occur. Declaration of directors' interests is a standard agenda item at Board and committee meetings. Directors must promptly notify the Board of any conflicts or potential conflicts of interest related to specific business matters and must recuse themselves from discussions or decisions concerning such matters. No conflicts of interest arose during the year.

Other directorships in public companies held by the directors are disclosed in the ESG Data Pack.

Trading in securities

The Group has a Trading in Securities and Price-Sensitive Information Policy that regulates trading in securities by directors, the company secretary, prescribed officers, employees and other parties with comprehensive knowledge of the Group's affairs. The policy complies with the requirements of the Financial Markets Act, 19 of 2012 and the JSE Listings Requirements. The company secretary monitors compliance with this policy.

At 30 June 2024, the directors had interests in 15 264 031 Hyprop ordinary shares. Details of these interests are set out in the Directors' report on page 114.

Compliance with laws/regulations
The Board is committed to complying with the relevant laws and regulations in the jurisdictions where the Company operates.

Adhering to the Company's Memorandum of Incorporation (MOI) and all applicable legislation, including the Companies Act, regulations, standards and codes, is a fundamental part of the Group's culture. The Board entrusts the executive management with the responsibility for compliance and oversees this through the Audit and Risk Committee, which is mandated to oversee legal compliance across the Group.

The legal and compliance function evaluates the potential impact of proposed legislation and regulations and any other significant regulatory issues. These matters are brought to the attention of the Audit and Risk Committee if necessary.

During FY2024, no significant instances of non-compliance with the Company's MOI, applicable legislation, regulations, codes and standards were identified.

Our tax approach
We manage our tax affairs in a transparent and responsible manner. Tax compliance is managed by the Group's finance department and monitored by the Audit and Risk Committee. We cooperate with tax authorities in the jurisdictions in which we operate on tax-related issues. The details of taxes paid by the Group are outlined in Note D7 of the Annual Financial Statements.

Information and technology governance
The Group places great importance on information and technology in its operations and portfolios. The Board has entrusted the governance of information and technology to the Audit and Risk Committee, with support from the Information Technology Risk Committee.

In FY2024 our technology initiatives were aimed at improving the shopper experience and operational efficiency. These initiatives included implementing ticketless parking for seamless customer interactions, collecting data to gain insights into shopper behaviours and deploying computer-aided facility management systems to streamline operational workflows and optimise costs.

We bolstered our cybersecurity measures, updated IT policies and continued to develop and implement technology projects in line with our non-tangible asset strategy. We reviewed and tested disaster recovery and business continuity plans. Our external IT service providers adhere to robust governance standards and data protection regulations. Additionally, we made progress in standardising and integrating technology across our SA and EE portfolios, with the goal of streamlining operations and achieving cost efficiencies.

There is an ongoing focus on innovation to improve business processes, effectiveness and customer experience, while considering risks and opportunities.

Sustainability
We seek to generate lasting value for our stakeholders through our business model that aligns with the United Nations Sustainable Development Goals (UN SDGs). The Group's commitment and advancements towards the UN SDGs and our sustainability framework are detailed on page 12.

Combined assurance and internal controls
The Audit and Risk Committee oversees the effectiveness of combined assurance arrangements within the Group, based on the King IV™ recommendations. We use the four-lines-of-assurance approach to optimise our risk and assurance efforts. Assurance includes executive and senior management monitoring and oversight, internal audit, and the use of external assurance providers. The Audit and Risk Committee is satisfied with the Group's combined assurance model.

The internal auditors provide assurance on the effectiveness of the Group's internal controls and risk management processes to the Audit and Risk Committee.

Non-audit services
The Group has a policy in place to address the provision of non-audit services by external auditors. The Audit and Risk Committee pre-approves the provision of both audit and non-audit services by the Group's external auditors (KPMG) to ensure that these do not compromise the external auditor's independence and comply with legislation.

Relationships with stakeholders
We understand the importance of establishing and maintaining successful relationships with a wide range of stakeholders in order to align the Group's objectives with the needs, interests and expectations of our stakeholders.

In order to assist the Board in carrying out its governance responsibilities, the Social and Ethics Committee receives reports on stakeholder management across the Group. The Board is regularly updated on interactions with key stakeholders, such as shareholders, analysts and national tenants. A summary of our stakeholder engagement can be found on pages 9 to 10.

Investor relations
Hyprop is committed to providing accurate, transparent, comparable and balanced performance indicators and information. The Board is satisfied that all reports and information provided to stakeholders and the public comply with legal requirements and best practices, and meet the information needs of material stakeholders. The Group manages communications with its key financial audiences, including institutional shareholders, equity analysts and debt investors, through a dedicated investor relations department. We conducted several investor roadshows in FY2024 to engage in meaningful dialogue with our investors and other stakeholders, and we received valuable feedback.

Company Secretary
The company secretary is not a member of the Board. However, the directors have access to the company secretary when or where required. The Board is satisfied that the company secretary has the necessary competence, knowledge and experience to carry out the required duties and has maintained an arm's length relationship with all directors during FY2024.

Anti-competitive behaviour
Hyprop has not engaged in any anti-competitive behaviour or monopoly practices during FY2024.

Applying King IV™

Hyprop has provided a narrative-based report ("the King IV™ application register"), referencing each of the King IV™ principles and provides an explanation of the practices used to apply these principles. The Group's King IV™ application register can be viewed on the Group's website https://www.hyprop.co.za/pdf/investor/integrated-reports/2024/king-iv.pdf.

Board committees

In order to better serve the interests of our stakeholders, the Board delegates certain matters requiring particular time, attention and expertise to its committees. These committees provide independent oversight and specialist input.

There are five committees that assist the Board in fulfilling its duties and responsibilities, without reducing its accountability. Each committee has specific terms of reference that outline its role and responsibilities. All committees provide reports on key discussions and activities at each Board meeting.

The Board believes that its committees have effectively fulfilled their responsibilities, as defined in their respective terms of reference, during FY2024.

AR Audit and Risk Committee

The Audit and Risk Committee, in addition to its statutory duties in terms of the Companies Act, assists the Board by overseeing the effectiveness of assurance functions and services, the integrity of the annual financial statements, compliance and risk governance, information and technology governance, and the internal control environment.

Composition:

The composition of the Audit and Risk Committee and members' attendance at the meetings for the year are:

	2023			2024	
Members	**11 September**	**15 November**	**22 November**	**08 March**	**27 May**
Thabo Mokgatlha	√	√	√	√	√
Zuleka Jasper	√	√	√	√	√
Annabel Dallamore	√	√	√	√	√
Reeza Isaacs	n/a	n/a	n/a	n/a	√

Key focus areas during FY2024:

- Continued to monitor the overall risk profile of the Group's portfolios, particularly the risks relating to the SSA portfolio
- Approved the new interest rate hedging policy and monitored implementation thereof
- Considered the appointment of a new independent valuer for the EE portfolio and the rotation of the investment properties in the SA portfolio between the independent valuers
- Reviewed the JSE's annual proactive monitoring report, focusing on specific considerations in the preparation of financial statements
- Reviewed proposed amendments to the EE portfolio's delegation of authority framework and recommended the revised framework to the Board for approval
- Reviewed the results of the Independent Regulatory Board for Auditors' (IRBA's) inspection of the Group's external auditors
- Noted the ongoing coordination required from various assurance providers through the combined assurance processes.

The Committee is satisfied that it has fulfilled its mandate as set out in its terms of reference and work plan during FY2024, as required in terms of King IV™.

IC Investment Committee

The Investment Committee evaluates the Group's strategy and its execution, as well as opportunities for acquisitions, mergers, investments or disposals and provides recommendations to the Board as necessary.

Composition:
The composition of the Investment Committee and members' attendance at the meetings for the year are:

Key focus areas during FY2024:
- Reviewed the Company's strategy and capital allocation framework
- Recommended the acquisition of Table Bay Mall to the Board for approval
- Approved the Somerset Mall redevelopment project
- Recommended the sale of the SSA portfolio to Lango to the Board for approval
- Considered capital expenditure and investment opportunity proposals from management

The Committee is satisfied that it has fulfilled its mandate as set out in its terms of reference and work plan during FY2024, as required in terms of King IV™.

	2023				2024		
Members	**31 August**	**23 October**	**24 October**	**12 November**	**22 April**	**20 May**	**20 June**
Spiro Noussis	√	√	√	√	√	√	√
Kevin Ellerine	√	√	√	√	√	√	√
Bernadette Mzobe	√	√	√	√	√	√	√
Loyiso Dotwana	√	√	√	√	√	√	√
Morné Wilken	√	√	√	√	√	√	√
Wilhelm Nauta	√	√	√	√	√	√	√

SE Social and Ethics Committee

The Social and Ethics Committee is a statutory committee that oversees organisational ethics, social and economic development, good corporate citizenship, regulatory compliance, environment and health and safety matters, stakeholder engagement, as well as labour and employment issues.

Composition:
The composition of the Social and Ethics Committee and members' attendance at the meetings for the year are:

	2023	2024
Members	**15 November**	**23 May**
Bernadette Mzobe	√	√
Morné Wilken	√	√
Brett Till	√	√

Key focus areas during FY2024:
- Monitored feedback on the employee survey and the progress made towards changing the Group's corporate culture
- Considered the impact of the amended Property Sector Code
- Monitored our progress in terms of transformation, including employment equity and skills development
- Monitored progress against our environmental sustainability strategy
- Approved the amendments to our Study Leave Policy
- Received reports on the CSI initiatives undertaken by the Hyprop Foundation and centres in the SA and EE portfolios

The Committee is satisfied that it has fulfilled its mandate as set out in its terms of reference and work plan during FY2024, as required in terms of King IV™.

The chairperson of the Social and Ethics Committee will attend the Annual General Meeting to address any questions from shareholders related to the matters within its responsibility as outlined in the ESG report (as specified in Section 43(5)(c) of the Companies Act).

RC Remuneration Committee

The Remuneration Committee helps the Board ensure that remuneration policies and practices are in line with the Group's objectives for creating value and sustainable performance. It also ensures that remuneration is fair and competitive in order to attract and retain key talent and critical skills.

Composition:
The composition of the Remuneration Committee and members' attendance at the meetings for the year are:

	2023			2024
Members	**12 July**	**11 October**	**14 November**	**27 February**
Richard Inskip	√	√	√	√
Spiro Noussis	√	√	√	√
Annabel Dallamore	√	√	√	√

Key focus areas during FY2024:
- Considered the committee chairman's feedback from engagements with shareholders and investors in respect of the remuneration policy and implementation report
- Considered executive directors' remuneration
- Reviewed and approved the MSR policy
- Considered the balance between strategic, operational and financial measures when setting performance conditions for the Group's STIs and LTIs
- Approved a financial guardrail framework for remuneration costs
- Approved the revised peer group for remuneration benchmarking and performance measures
- Approved the STI payment principles for employees below management

The Committee is satisfied that it has fulfilled its mandate as set out in its terms of reference and work plan during FY2024, as required in terms of King IV™.

NC Nomination Committee

The Nomination Committee is responsible for assessing the Board's effectiveness and the performance of directors. It makes recommendations to the Board to ensure adequate succession planning and identifies the skills needed to support the Group in achieving its strategic priorities.

Composition:
The composition of the Nomination Committee and members' attendance at the meetings for the year are:

	2023		2024
Members	**11 October**	**14 November**	**27 February**
Spiro Noussis	√	√	√
Richard Inskip	√	√	√
Annabel Dallamore	√	√	√

Key focus areas during FY2024:
- Recommended the appointment of Reeza Isaacs as a non-executive director and a member of the Audit and Risk Committee
- Assessed the independence classification of non-executive directors
- Reviewed the director training programme
- Reviewed the Board skills matrix

The Committee is satisfied that it has fulfilled its mandate as set out in its terms of reference and work plan during FY2024, as required in terms of King IV™.

Remuneration report

CapeGate Cape Town, South Africa

This report is presented in three sections:

A

Report from the Chairman of the Remuneration Committee (RemCo)
The background and focus areas of RemCo that influenced the remuneration policy and remuneration outcomes in respect of the financial year.

B

Remuneration philosophy and policy
Our primary governance tool for the management of remuneration across the Group.

C

Remuneration Implementation report
The implementation and outcomes of the remuneration policy over the course of the financial year.

Report from the Chairman of RemCo

I am pleased to present Hyprop's remuneration report for FY2024.

FY2024 remained a challenging year with continued high unemployment in South Africa and subdued retail sales across many categories. However, a number of positive factors, including the current suspension of loadshedding since the end of March and the formation of a Government of National Unity following the South African elections held on 29 May, have led to an improving operational environment and a more positive outlook for investors. In Eastern Europe, the geopolitical tensions between Ukraine and Russia remain, creating uncertainty in the markets. Nevertheless, we have seen the stabilisation and improvement of inflation in the markets where we operate.

Our employees, collectively known as HYperformers, have remained resilient and motivated throughout the year and have continued to provide exceptional service to our tenants and shoppers in partnership with our service providers (cleaning, parking, landscaping and security). The Golden Thread and the Hyprop vision of creating a "great place to work" have cemented these relationships and the opportunity for the teams to provide a seamless experience to our customers.

RemCo is accountable to the Board for ensuring the remuneration policy and practices are aligned with Hyprop's vision and strategic objectives. Our approach is performance-based to ensure outcomes are fair, equitable and reasonable, while balancing the needs of all stakeholders. We review our remuneration structure regularly to ensure it is consistent with industry best practice and aim for a trusted and transparent relationship with stakeholders.

We recognise the importance of ensuring RemCo remains abreast of current remuneration practices applicable to the Group. RemCo engaged with an independent consultant to upskill the committee on European remuneration practices and benchmarks, enabling a review of the relevant components of the remuneration policy pertaining to the European teams who have now been integrated into the Group.

Progress during FY2024 and focus areas for FY2025
The key focus areas for the committee and the executive team tend to be multi-year in nature. Progress and future focus can be summarised as follows:

- In 2022 significant amendments were made to the remuneration policy, including implementing the LTIP. This was supported by the implementation of the Minimum Shareholding Requirement Policy and the revision of the Malus and Clawback Policy. RemCo continues to monitor the application of these policies to ensure that they meet the intended strategic outcomes.
- Our pay-for-performance philosophy is applied across the board to total remuneration, ensuring alignment with Hyprop's performance and shareholder value. The executive directors' (CEO, CFO, CIO) performance in particular was appraised in line with this and their annual remuneration was adjusted accordingly.
- Semigration from Gauteng to the Western Cape and emigration from South Africa continue to present key skills retention challenges. We continue to focus on retaining and attracting key talent while carefully managing costs.
- Remuneration for the Hyprop Europe team has been aligned to the Group policy and practices and the RemCo has been upskilled to understand European remuneration practices.
- Following input received from shareholders during our remuneration roadshow, the STI and LTI performance measures and targets for the FY2025 awards were aligned closer to the Group's strategic objectives. Performance measures for FY2025 STIs focus more on financial and operational metrics and less on strategic ones, with the performance measures for LTIs being focused predominantly on financial and strategic measures and less on operational ones.
- The list of peers utilised for performance comparison and benchmarking remuneration for FY2025 was revised and is disclosed in section C of the report.
- The remuneration policy will be updated to comply with the Companies Amendment Bill, once gazetted.

Remuneration consultants
In FY2024, PwC and 21 Century Proprietary Limited assisted RemCo in ensuring remuneration practices are fair and transparent, competitive and affordable. RemCo is satisfied that the remuneration consultants engaged were independent and objective.

Shareholder engagement

The Remuneration report aims to provide shareholders with sufficient information to assess the Group's remuneration policies and their implementation so that they can make informed decisions when voting on the remuneration-related resolutions proposed at the AGM, in terms of section 66(9) of the Companies Act and King IV™.

RemCo also engages with shareholders to discuss remuneration matters as and when needed. This took place most recently in February 2024 for introductory purposes and to attain general feedback regarding the policy and its implementation. There were no major concerns raised by shareholders regarding the policy and its implementation and, where applicable, we have addressed the feedback received by:

- Disclosing in Section C of the report the peers used for comparing performance and for benchmarking executive and non-executive directors' remuneration;
- Undertaking to disclose the WACC for the long-term incentive performance conditions in Section C of the report on future vesting of the relevant awards; and
- Appropriately balancing the executives' performance measures for STI and LTI across strategic, financial and operational metrics.

The applicable remuneration resolutions were approved by shareholders by the following majorities:

	2023	2022
Remuneration policy	81.1%	91.1%
Implementation report	90.7%	83.8%
Non-executive directors' fees	99.6%	99.8%

The following resolutions will be tabled for shareholder approval at the AGM on 28 November 2024, details of which can be found in the AGM notice which is available online at www.hyprop.co.za:

- Non-binding advisory vote on the remuneration policy (Section B of this report);
- Non-binding advisory vote on the implementation report (Section C of this report); and
- Binding vote on non-executive directors' fees.

Should either of the non-binding resolutions receive dissenting votes in excess of 25%, RemCo will embark on formal engagements with dissenting shareholders regarding their dissenting votes; address legitimate and reasonable objections raised; and if required, amend the remuneration policy or clarify and/or adjust the remuneration governance, processes or disclosure.

Composition of RemCo

RemCo comprises three independent non-executive directors. The CEO, CFO and Head of Human Resources attend meetings by invitation but are excluded from any deliberations pertaining to their own remuneration. Please refer to page 80 for details of members' attendance at RemCo meetings.

Confirmation by RemCo

RemCo confirms it is satisfied the remuneration policy and its implementation is fair, transparent and responsible, and compliant with appropriate legislation and recommended practices of King IV™. RemCo further confirms that it has executed its duties over the reporting period, according to its terms of reference and appropriate governance standards.

In closing

I extend my warmest gratitude to the executives and employees for their continual dedication to the Group, and to my colleagues on RemCo and the Board for their support.

Richard Inskip
Chairman of the Remuneration Committee

Canal Walk Cape Town, South Africa

B

Remuneration philosophy and policy

Overview and philosophy

Hyprop's remuneration policy adopts a total reward philosophy and promotes the delivery of our strategic objectives, encourages team and individual performance and rewards the role of employees and teams in building long-term sustainable value through fair and balanced remuneration.

The remuneration policy covers employees and non-executive directors. The principles of the Group's remuneration philosophy underpin our employment ethos, and include:

- aligning remuneration policies and practices with the Group's strategy and values;
- attracting, motivating and retaining talented employees to execute the business strategy; and
- aligning remuneration structures to the creation of shareholder value.

Fair and reasonable remuneration

In giving effect to the key principles RemCo seeks to:

- reward employees fairly, reasonably and responsibly for their contribution to achieving the Group's strategic objectives and operating and financial performance;
- identify, investigate and address any remuneration disparities related to, inter alia, race and gender, as soon as is practically possible from the discovery of such situations;
- ensure guaranteed pay is based on the principle of equal pay for work of equal value;
- ensure guaranteed pay for all employees is based on clear role descriptions, which are mapped and aligned to the actual jobs (the Paterson job grading system is applied, with six grades used to define our employee remuneration scales); and
- ensure non-executive directors' fees are fair, transparent, and responsible;
- ensure the executive directors', executive management and senior managements' remuneration is fair and responsible in the context of overall company remuneration (including considering the pay ratios between executives and other staff when determining annual salary increments);
- implement a training plan, considered critical to address skills gaps, remuneration disparities and employee motivation, to create an empowered work environment. This plan includes career mapping for employees across the Group and various training courses are offered.

RemCo regularly reviews the policy to ensure remuneration and employee reward practices remain competitive and fair.

Benchmarking

Competitive remuneration is integral to being an employer of choice.

RemCo sets the remuneration and the TGP of executives by reviewing peer group data of REITs and other property companies of a similar profile listed on the JSE, including total asset value, market capitalisation and revenue. TGP benchmarking for all other employees takes place annually, against median industry norms, and may be adjusted based on a significant shift of an employee's experience, qualifications, responsibilities, and performance. Variable remuneration is similarly benchmarked periodically.

Remuneration may exceed benchmarked median levels to attract, retain and motivate holders of specialised skills or for employment equity purposes. A remuneration adjustment may be considered if a survey indicates a job grouping is significantly out of line with the comparative benchmark.

Where needed, independent remuneration consultancies (PwC and 21 Century Proprietary Limited) provide market data to assist in remuneration decisions.

Attracting and retaining talent

Our success depends on attracting and retaining talented, experienced, and motivated individuals who will execute our business strategy to achieve our vision. We use both short-term and long-term incentives to achieve this and emphasise a pay for performance philosophy in all elements of remuneration (TGP, STI and LTI).

The dynamic between newly introduced talent and those who are deeply entrenched in the Group creates an environment for innovative thinking and solutions while building corporate intellectual capital. We welcome talented people who bring fresh ideas and increased capabilities. We also believe our low employee turnover of critical and specialised talent offers continuity and aligns performance with our long-term strategic objectives.

The Group strongly believes in continuously developing its employees to grow their careers but also aims for an appropriate balance between internal and external appointments.

Our human resources strategy enhances people practices, such as recruitment, onboarding, training, development and well-being, succession planning, remuneration, benefits, performance management and employee relations, that the Group requires to achieve its strategic goals.

Elements of remuneration

The key elements of our remuneration framework comprise TGP, cash and equity settled short-term and long-term incentives.

The Group's policy is to pay employees a TGP that is close to the median of comparable companies. In addition, the variable compensation elements are set to enable the overall compensation to move towards the upper quartile for outstanding performance.

Our remuneration structure is performance driven with TGP increases guided by individual and Group performance, and key short-term and long-term targets set annually. Greater emphasis is being placed on the ratio of TGP and STI costs to net property income and distributable income to further align employee reward with shareholder returns.

Elements of the current remuneration policy are outlined below:

Total guaranteed package (TGP)

Element	Details
Objectives	• Remunerate for individual skills at the prevailing market rate for the role. • Ensure our pay is performance driven. • Ensure our pay is competitive in the industry. • Attract people with the competencies to add value to our business.
Delivery	Monthly cash remuneration and benefit contributions.
Quantum	TGP is benchmarked against industry medians and may be adjusted based on a significant change in an employee's experience, qualifications, responsibilities, and performance. Remuneration may exceed benchmarked levels where required to attract and retain specialised skills or for employment equity purposes.
Salary increases and reviews	Increases and reviews, which take place in circa August of every year, are based on the Group's performance, prevailing/projected inflation, affordability and the performance of the individual employee. Above average increases may be given to high-performers. The increases are aligned to the financial year and effective 1 July. Employees who commence employment with the Group within the last 3 months of the financial year do not qualify for the annual review cycle related to that financial year.
Approval	TGP is approved annually by RemCo based on recommendations from the CEO and human resources department, following a moderated process with the relevant executive and senior management members.
Standard benefits	Standard benefits (subject to local labour laws and practice) which are part of TGP include: • Membership of a defined contribution pension fund with death, disability, education and funeral benefits; • Four months partially paid maternity leave (paid at 50% of TGP); • Ten days partially paid paternity leave (paid at 50% of TGP); • Annual leave: - 25 annual leave days for Executive Directors - 23 days for Executive and Senior Management - 20 days for Management and key individuals - 18 days for employees below management. • 16 days paid study leave for approved qualifications; • 3 days family responsibility leave per annum; and • 30 days sick leave over a 3-year period.

Short-term incentives (STI) in the form of cash and Deferred awards under the LTIP

Element	Details
Objectives	• Rewards the achievement of challenging financial, operational and strategic objectives aligned to Group, portfolio, divisional and centre KPDs. • Structured to reward collaborative performance across the Group and create a high-performance culture. • The business KPDs (Group, portfolio, divisional and centre) ensure that employees and teams focus on the key measures necessary to drive the Group's performance.
Eligibility	STI awards apply to all employee levels.
Operation	Annual performance bonus based on Company and individual performance. The STI policy is based on a bottom-up additive structure. The following formula is used to determine the STI: **Executive directors** STI = TGP X STI pay-out factor (based on the STI Percentages) x Weight of KPDs **Other employees** STI = TGP X STI pay-out factor (based on the STI Percentages for the overall weighted performance score)
Delivery	All STIs below a threshold quantum, as determined by RemCo, are settled in cash in October of each year. For STIs above a threshold quantum: **Employees in South Africa** - a portion of the STI is deferred in the form of Restricted shares in accordance with the LTIP, details of which are set out under the LTI section below. **Employees outside South Africa** - a portion of the STI is deferred and is cash settled, subject to increases/decreases based on performance. Deferred awards are settled to a participant immediately, but vest over three years - one third each year on the anniversary of the award date.
Approval	• STIs are awarded annually at RemCo's discretion. • KPDs are set in conjunction with executive directors and approved by RemCo. • The results of actual performance against the KPDs are reported to RemCo which approves final STI payments.
STI percentages	The STI percentage of TGP varies depending on employee grade and achieving threshold, target and stretch performance.
Performance measures	STIs are based on the contributions to the growth and development of the business (portfolio, divisional, centre and the Group as well as individual performance). The measures comprise the following: **Executive directors** 100% Executive director KPDs **Executive and senior management** 70-90% Blend of Group/divisional/portfolio KPDs 10-30% Individual performance appraisals **General managers** 60-70% Blend of centre KPDs and individual performance appraisals 15-25% Portfolio KPDs 15% Group KPDs **Other employees (below senior management):** • STI awards are determined at a target performance level as a percentage of TGP (with a threshold to stretch range in line with best practice). • KPDs and individual performance appraisal weightings are dependent on job grade and role. • Exceptional performance may be rewarded with higher incentives, after considering recommendations from executive/senior management and executive directors. • Individual performance appraisals are completed annually after performance discussions between employees and their manager. The appraisals assist the manager and employee to build on strengths and identify areas for improvement. All employees participate in the same appraisal process and similar rating criteria. This encourages equality and imposes standard measures of performance across the Group. Exceptional performance by executive directors, executive and senior management may be rewarded at RemCo's discretion.

Short-term incentives
continued

Element	Details
Key performance deliverables	**Selecting KPDs for the financial year:** KPDs comprise financial, operational and strategic measures. • Some (but not all) of the KPDs may be building blocks for applicable LTPAs. • Group, portfolio, centre and divisional KPDs are determined for each financial year. **Measuring KPDs** • STI computation is based on a combination of business KPDs (Group, divisional, portfolio and centre) and individual performance appraisals. Measurement of each KPD depends on whether it is quantifiable or subjective/discretionary. Quantifiable KPDs are assessed against the threshold, target and stretch parameters defined for such KPDs. Subjective/ discretionary KPDs are assessed against the following 5-point rating scale. **1:** Unsatisfactory **2:** Requires improvement **3:** Solid performance **4:** Exceeds expectations **5:** Exceptional • A 5-point rating scale is also used for individual performance appraisals. • Each KPD's outcome is weighted. • The weighting between the business KPDs and the individual performance appraisal is dependent on the employee's grade level. The more senior the employee the greater the weighting towards the business KPDs. • Progress in achieving KPD targets is continuously tracked, with final evaluations at the end of the financial year.
Conditions of payment	The payment of cash and/or vesting of Deferred awards are subject to the continued employment of the employee at the respective date of payment and vesting. Employees who commence their employment within the last 3 months of the financial year do not participate in the STI cycle related to that financial year. For employees who commence their employment within a financial year and before the last 3 months of the financial year, a pro-rata TGP is used to calculate the STI.

Long-term incentives (LTI) under the LTIP and other LTPAs

The LTIP, which replaced the CUP, was approved by shareholders on 20 July 2022 and applied from FY2023 to employees in South Africa. Salient features of the LTIP are set out below.

Details of pre-existing CUP awards are set out in Section C of the Remuneration Report. These awards will continue under the CUP rules, and we will report the outcomes of these awards as they reach their vesting dates.

Element	Details
Objectives	• Aligns the interests of employees with those of shareholders and the Group's long-term sustainability. • Incentivises performance against key measures aligned to the Group's strategy. • Attracts, motivates and retains executive directors, executive management, senior managers and employees with specific core, critical and/or strategic skills.
Nature and delivery	The LTIP is an equity settled share plan and provides for the award of LTPAs and Deferred awards under the STI. **LTPAs:** Eligible employees are allocated LTPAs of Conditional shares, based on a percentage of their TGP. The vesting of Conditional shares is subject to performance condition(s) measured over a performance period of no less than three years. The Conditional shares are settled to participants following the end of the performance period to the extent that the performance conditions have been met and any other conditions (includiing continued employment) have been fulfilled. **Deferred awards:** The Deferred awards apply to eligible employees earning an annual bonus above a threshold quantum, as determined by RemCo. Participants receive a portion of the annual bonus in Restricted shares of equivalent value and have shareholder rights (other than the right to sell the Restricted shares) during the employment period. **Restricted shares:** • are settled to a participant immediately, but will only become unrestricted upon vesting, which is subject to continued employment over a specified employment period; and • are not subject to performance conditions.
Eligibility	Eligibility for LTPAs is restricted to employees at Paterson Grade D and above (executive directors, executive management, senior management which includes general managers), as well as key individuals with critical and/or strategic skills. Employees are able to nominate a family company or family trust to accept the awards on their behalf.
Use of instrument	In line with the requirements of King IV™, annual awards will be consistent with the Company's remuneration policy to ensure market-related compensation to eligible employees. RemCo has the discretion to determine the quanta of awards, taking into account the seniority and performance of an employee, as well as their total guaranteed pay. Overall affordability will be considered in determining the value of awards to eligible employees.
Termination of employment	**Fault termination** If employment terminates by reason of resignation or dismissal, or any other reason not considered as a no fault termination, all unvested LTPAs and Deferred awards shall be forfeited upon the date of termination of employment. **No fault termination** If employment terminates by reason of retirement, death, disability, redundancy, transferring between companies in the Group or other circumstances as determined by RemCo, a portion of the LTPAs will be pro-rated and accelerated for vesting as at termination of employment. LTPAs are pro-rated for the time served between the award date and date of termination of service, and the extent to which performance conditions have been achieved. The portion of the award which does not vest is forfeited. Unvested Deferred awards/Restricted shares vest in full upon the date of termination of employment and are released to participants.
Performance conditions	The performance conditions applicable to LTPAs are set when awards are allocated (annually) for the ensuing performance period.

Long-term incentives
continued

Element	Details
Plan limits	**Company limit** The aggregate number of shares which may be allocated under the LTIP may not exceed 17 171 946 shares, which equates to 5% of the number of issued shares at the date of adoption of the LTIP. **Individual limit** The aggregate number of shares which may be allocated to any individual under the LTIP may not exceed 3 434 389 shares, which equates to 1% of the number of issued shares at the date of adoption of the LTIP.
Settlement	**Manner of settlement** The LTIP rules allow for settlement in either of the following ways: • through a market purchase of shares; and • the use of treasury shares.
Change of control	Should the Company undergo a change of control, unvested awards will be treated as follows: • Deferred awards and Restricted shares will vest in full and be released; and • LTPAs will vest, pro-rated for time served between the award date and the change of control date, taking into account the extent to which performance conditions have been met. Awards that do not vest will continue to be subject to their original terms unless RemCo, in its discretion, determines otherwise.

Full details of the LTIP are available on the Company's website www.hyprop.co.za.

For administrative and/or regulatory reasons it may not always be possible to apply the LTIP to eligible Group employees outside of SA, and a cash settled phantom share plan and Deferred awards, based on the same principles as the LTIP, were implemented for such employees, as follows:

Cash LTPAs
A cash settled phantom share plan, with a performance period of not less than three years. The award of phantom shares is subject to forfeiture if the performance conditions and the employment condition as specified in the award letter are not satisfied.

Cash Deferred awards
A cash settled incentive in terms of which a portion of awardees' annual bonus is deferred for a period of three years subject to the employment condition as specified in the award letter. The incentive amount increases/decreases based on performance and is payable in three equal tranches over the vesting period.

Other remuneration policies

Malus and clawback policy
The malus and clawback policy applies to all senior employees who are granted incentive awards (prior to 1 July 2022 only executive directors and prescribed officers). The provisions of the policy allow the Company to reduce or recoup STI or LTIP awards in the event of fraud or gross negligence by an employee ("trigger events" as defined). Malus applies before awards have vested or been paid to an employee whilst clawback applies for a period of three years from the date awards have vested or payment has been made to an employee.

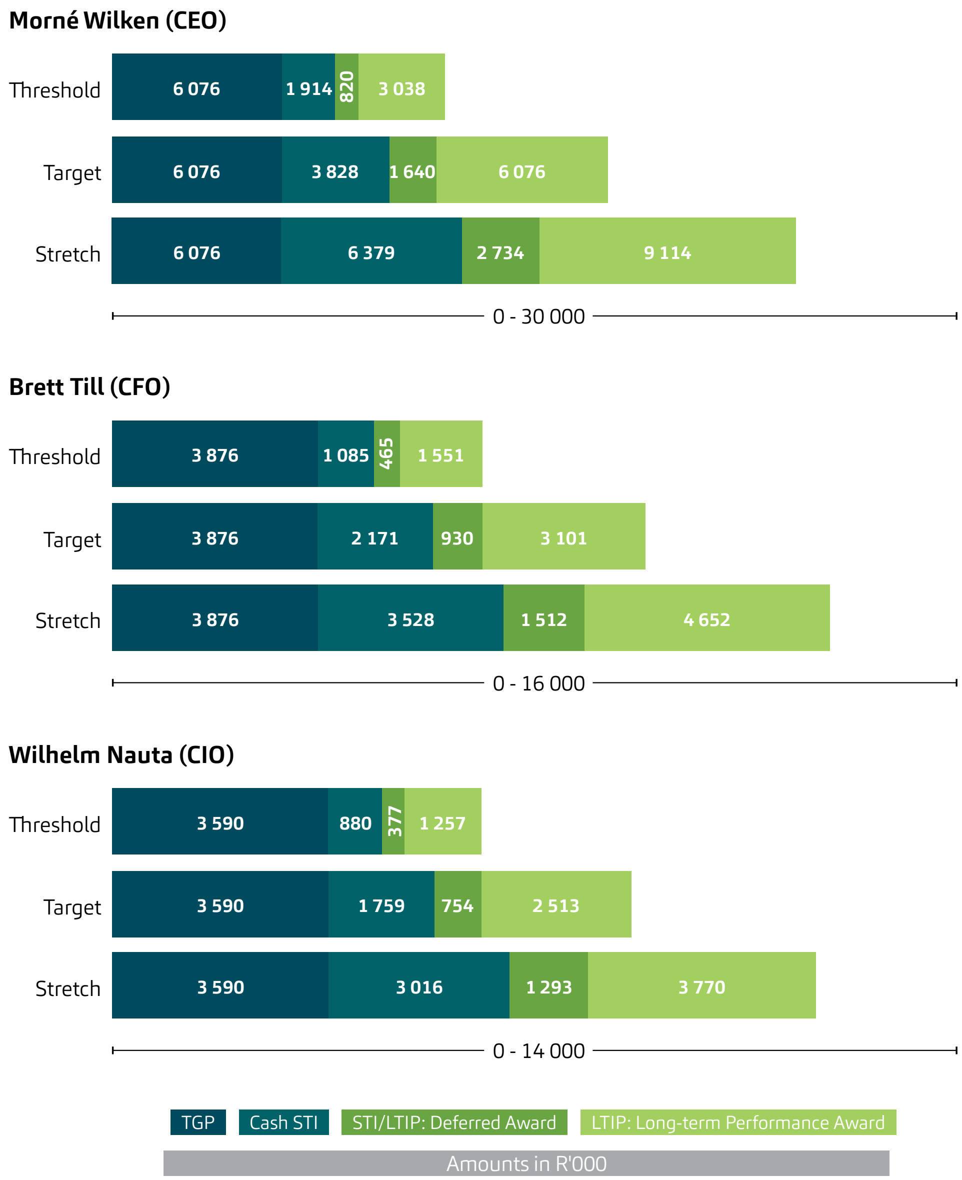
Minimum shareholding requirement policy
A minimum shareholding requirement policy is in place for executive directors and prescribed officers. The minimum shareholding requirement target (expressed as a number of shares) was determined at 200% of TGP for the CEO and 150% of TGP for other executive directors and prescribed officers on implementation of the minimum shareholding requirement in 2023. The target period to achieve the minimum shareholding requirement is seven years and is monitored on an annual basis by RemCo.

Linking remuneration to strategy and performance

The remuneration of Hyprop's employees, TGP, STIs and LTPAs, are tied to the Group's strategy and performance as detailed in the preceding tables .

Linking pay to performance

The following graphs illustrate the potential remuneration outcomes for executive directors at threshold, target and stretch levels (the latter solely for outstanding performance) for awards in the 2025 financial year comprising TGP, STI and LTPAs. In the event that the threshold level of performance is not achieved, only the TGP would be payable.



Non-executive directors' remuneration policy

Non-executive directors do not have employment contracts with the Company, nor do they participate in any of the Company's incentive plans. There are no contractual arrangements applicable to loss of office.

Non-executive directors are subject to retirement by rotation and may be re-elected by shareholders in accordance with the Company's MOI.

RemCo recommends the level of fees payable to non-executive directors to the Board for final approval by shareholders at the AGM. The fees are benchmarked at the median, against a peer group of JSE listed companies every two years, with CPI adjustments in alternate years.

Remuneration Implementation report

This report deals with the implementation of the Group's remuneration policy and the outcomes over the course of the financial year.

Retaining and attracting talent

Staff retention for 2024 was 88% (2023: 93%) with an average tenure of 8.4 years (2023: 8.7 years).

Retention by staff level - Group	2024	2023
Non-executive directors	100%	63%
Executive directors	100%	100%
Executive management	100%	100%
Senior management	96%	88%
Other employees	87%	93%
Total staff retained	**88%**	**93%**

Average tenure (years of service) by staff level - Group	2024	2023
Non-executive directors	6	5
Executive directors	6	5
Executive management	11	9
Senior management	10	9
Other employees	8	9
Total staff tenure	**8.4**	**8.7**

Total guaranteed package

TGP is the total cost of employment (CTC) package and includes base salary, travel allowance, retirement savings, death, disability and healthcare contributions.

2024 financial year

Salary increases

In determining the increase in TGP RemCo considered:

- the prevailing/projected inflation rate;
- the Group's performance and the affordability of the increased salary cost; and
- market benchmarking data.

South Africa

A CPI related increase was applied, effective 1 July 2023.

Eastern Europe

A CPI related increase, having regard to the continued prevailing high inflation rates at the time, was applied effective 1 July 2023 as follows:

- 4.75% baseline increase; and
- A temporary special monthly allowance of between 3.62% and 3.79% for the period July 2023 to June 2024, considering the average CPI per country. The temporary special allowance did not apply to the executive management team.

	South Africa		Eastern Europe	
Total guaranteed package increases applied	**2024**	**2023**	**2024**	**2023**
Executive directors	5.0%	5.5% - 6.0%	-	-
Executive management	4.0% - 6.0%	3.0% - 6.0%	0% - 1.5%	0% - 3.5%
Senior management	3.7% - 6.0%	6.0%	4.8%	3.5%
Other employees	3.7% - 6.0%	6.0%	4.8%	3.5%
CPI - South Africa*	4.7%	7.8%	-	-
CPI - Bulgaria*	-	-	8.5%	17.3%
CPI - North Macedonia*	-	-	8.4%	16.0%
CPI - Netherlands*	-	-	4.6%	10.3%
Minimum CTC - Lowest level of permanent employee (per annum)	R133 560	R129 958	R119 494	R117 601

* CPI reflects the indicator in July of each year.

Salary benchmarking

Adjustments to total guaranteed packages were considered and approved for internal promotions and appointments.

Total guaranteed package adjusted - Group (number of employees)	2024	2023
Executive directors	-	-
Executive management	-	-
Senior management	-	1
Other employees	15	22
Total	**15**	**23**

TGP paid

	South Africa			Eastern Europe		
Total guaranteed package paid	**2024 R'000**	**% change**	**2023 R'000**	**2024 R'000**	**% change**	**2023 R'000**
Executive directors	12 898	5.0%	12 284	-	-	-
Executive management	10 014	5.1%	9 528	12 579	10.0%	11 435
Senior management	34 910	10.4%	31 625	5 417	(26.97%)	7 417
Other employees	88 947	14.2%	77 919	19 560	9.53%	17 858
Total	**146 769**	**11.7%***	**131 356**	**37 556**	**2.30%**	**36 710**

* The 11.7% increase in the TGP is mainly attributable to the absorption of the SOKO business team and the Table Bay Mall property management team.

Defined contribution pension fund (SA employees - 100% contribution)

At 30 June 2024, 234 (2023: 216) employees were members of the pension fund and R18.4 million (2023: R16.8 million) was contributed to the pension fund during the year. In addition to retirement savings, the fund provides members with life, disability, education and funeral benefits.

Employees in Eastern Europe are entitled to post retirement benefits in accordance with local legislation, primarily through state funded benefit programs.

Parental leave

Hyprop offers four months partially paid maternity leave and 10 days partially paid paternity leave for employees in South Africa. A total of R123 431 (2023: R35 391) was paid to five (2023: three) employees who commenced their leave during the financial year and received a total of 347 days (2023: 245 days) partially paid maternity and paternity leave days.

Employees in Eastern Europe are entitled to parental leave benefits according to local legislation.

Total Guaranteed Package continued

2025 financial year

Salary increases

In determining the increases in TGP RemCo considered:

- the prevailing/projected inflation rate;
- the performance of the individual employee and the Group;
- the affordability of the increased salary cost; and
- employment cost guardrails approved by RemCo.

South Africa

The TGP will be increased by between 3.6% and 6% based on employees' performance (excluding the effect of promotions and other internal appointments), with effect from 1 July 2024.

Eastern Europe

To rebase the TGP due to the historic impact of hyperinflation, the temporary special monthly allowance was discontinued and absorbed into the TGP. A CPI related increase, effective 1 July 2024, of 5% was applied to the rebased TGP.

Short-term incentives

STIs are based on achieving KPDs and employees' individual performance appraisal scores. We measure performance against KPDs designed to direct performance to the achievement of the Group's strategic priorities.

2023 financial year (paid during FY2024)

STIs for FY2023 were paid in October 2023.

RemCo considered the outcome of the performance appraisals conducted and the June 2023 KPD scores when approving the STIs for FY2023.

	South Africa		Eastern Europe	
STIs paid for the year ended (R'000)	**2023**	**2022**	**2023**	**2022**
Executive directors	10 341	11 632	-	-
Executive management	3 862	4 400	3 441	3 162
Senior management	11 325	11 545	1 739	2 029
Other employees	10 046	10 277	2 986	1 983
Total	**35 574**	**37 854**	**8 166**	**7 175**

2024 financial year

Key performance deliverables

KPDs for FY2024 were approved by RemCo in July 2023. Actual performance is measured against targets on an ongoing basis with final outcomes communicated to management in September 2024. Where applicable, RemCo applied its discretion in awarding STIs for the executive directors and executive/senior management teams.

STIs in respect of 2024 will be paid in October 2024.

Executive directors' FY2024 KPD performance scores

KPD performance for the executive directors was reviewed against threshold, target and stretch performance levels. These levels were aligned to a 5-point rating scale (1 representing unsatisfactory performance and 5 representing exceptional performance) as follows:

- Threshold - 3 performance rating
- Target - 3.75 performance rating
- Stretch - 5 performance rating

STIs for the 2024 financial year were approved by RemCo based on the results set out in the table below.

	Performance target range			Weighting			Performance score		
2024 Key performance deliverables	**Threshold**	**Target**	**Stretch**	**CEO**	**CFO**	**CIO**	**CEO**	**CFO**	**CIO**
Group									
Growth in distributable income ("DI")/share. Base DI/Share = DI at 30 June 2023 ÷ Issued shares as at 30 June 2023	10% negative growth in DI/share	5% negative growth in DI/share	0% growth in DI/share	27.50%	27.50%	20.00%	3.21	3.21	3.21
Maintain the consolidated LTV	Below 42.5%	Below 40%	Below 37.5%	22.50%	22.50%	10.00%	5.00	5.00	5.00
Revise interest rate hedging policy and steps taken to implement policy	RemCo discretion				10.00%			4.00	
Growth and recycling strategy: Annual Portfolio review/ Recycling of non-core assets/Securing new growth opportunities (SA and Europe) in line with strategy/ Corporate transaction/Other ventures to create growth	Secured transaction, Board/IC approval and implementation started - at least 1 transaction	Secured transaction, Board/IC approval and implementation started - at least 2 transactions	Secured transaction, Board/IC approval and implementation started - at least 3 transactions	20.00%	15.00%	15.00%	3.00	3.00	3.00
Find Solution for Omni - Channel Strategy/Soko and Nika	Nika implemented and NTER secures additional users	Nika and NTER consolidated	Nika and NTER consolidated and profitable	2.50%			Below Threshold		
European portfolio									
Hystead liquidation and Hyprop Europe structure optimisation	n/a	Implemented	n/a		7.50%			3.75	
South African portfolio									
Redevelopment projects or repurpose space effectively	Completed feasibility, approved by the IC and project started - at least 1 project per region	Completed feasibility, approved by the IC and project started - at least 2 projects per region	Completed feasibility, approved by the IC and project started - at least 3 projects per region	17.50%	12.50%		4.00	4.00	
Sub-Saharan Africa portfolio									
Rent out Game space in Ghana	50% let	75% let	100% let			10.00%			4.00
Optimise SSA Capital Structure	n/a	Implemented	n/a		5.00%	10.00%		3.75	3.75
Securing US Dollars in Nigeria	50% of the in-country Naira	75% of the in-country Naira	100% of the in-country Naira			10.00%			3.75
Secure sales of the SSA assets OR reduce Hyprop exposure to the in-country debt	50% of the exposure	75% of the exposure	100% of the exposure	10.00%		25.00%	3.75		3.75
STI pay-out range									
CEO	45%	90%	150%						
Other executive directors	35% - 40%	70% - 80%	120% - 130%						
Total STI Pay-out (R)							4 945 312	2 938 763	2 247 441
Total STI Pay-out % of TGP							85%	80%	66%
Deferred Award (30% of STI) (R)							1 483 594	881 629	674 232
Cash STI (R)							3 461 718	2 057 134	1 573 209

Other employees - individual performance reviews

Individual performance reviews were conducted during July 2024. Discussions were structured to cover work goals achieved, training needs and job performance, and to set goals for the next 12 months. The performance of any employee that required improvement was addressed during the year through consultation, and if required, training.

		South Africa		Eastern Europe	
Individual performance appraisal categories - Group (% of employees)	**Performance review score**	**30 June 2024**	**30 June 2023**	**30 June 2024**	**30 June 2023**
Performance requires improvement	1 - 2.99	20%	21%	13%	25%
Performance consistently meets expectations	3 - 3.75	71%	70%	59%	48%
Performance exceeds expectations	3.76 - 5	9%	9%	28%	27%
		100%	**100%**	**100%**	**100%**

Deferred awards

South Africa

Where the FY2024 STI exceeds R1 million, 30% of the total STI will be deferred in the form of Restricted Shares in accordance with the LTIP. Deferred awards will vest one third each year on the anniversary of the award date.

Eastern Europe

Where the FY2024 STI exceeds R1 million equivalent, 30% of the total STI will be a cash settled Deferred award which is subject to increases/decreases based on performance. Deferred awards will vest one third each year on the anniversary of the award date.

Malus and clawback

No trigger events occurred or were discovered during the reporting period and no malus or clawback was applied to any STI awards.

2025 financial year

Key performance deliverables for STIs for the 2025 financial year have been approved by RemCo in the context of the Group strategy and the short-term priorities agreed with the executive directors, as set out in the table below:

	2025 Key performance deliverables	Type of measure	Performance target range: Threshold	Performance target range: Target	Performance target range: Stretch	Weighting: CEO	Weighting: CFO	Weighting: CIO	Weighting: SA Portfolio	Weighting: EE Portfolio
	Group									
1	Growth in distributable income ("DI")/share. Base DI/Share = DI at 30 June 2024 ÷ Issued shares as at 30 June 2024.	Financial	385 cents/share (4% growth)	396 cents/share (7% growth)	407 cents/share (10% growth)	20.00%	20.00%	17.50%	20.00%	25.00%
2	Interest cover ratio	Financial	More than 2.3 times	More than 2.4 times	More than 2.5 times	17.50%	20.00%	12.50%		
3	Achieve the following score in the 2024 B-BBEE verification for the Procurement element.	Operational	22 points	24 points	26 points				20.00%	
4	Recycle capital	Financial	Secured transaction, Board/IC approval and implementation started - equal to R0.75 billion in gross assets	Secured transaction, Board/IC approval and implementation started - equal to R1.5 billion in gross assets	Secured transaction, Board/IC approval and implementation started - equal to R2.5 billion in gross assets and at least two transactions	25.00%	25.00%	25.00%		
5	Unlock trapped capital in SSA/Lango	Strategic	Based on specific parameters agreed with RemCo but not published due to sensitivity			10.00%	10.00%	30.00%		
	South African portfolio									
6	Growth in tenants' turnover (Base: Year ended to 30 June 2024)	Operational	90% of CPI	120% of CPI	140% of CPI				20.00%	
7	Growth in foot count (Base: Year ended to 30 June 2024)	Operational	4% growth	6% growth	10% growth				20.00%	
8	Growth in gross rental income (sum of gross contractual rental income plus turnover rental plus non-lease revenue) excluding recoveries	Operational	Average escalation minus 2%	Average escalation	Average escalation plus 3%				20.00%	
9	Implement a three-year capital expenditure framework model	Operational	Framework designed and implemented at two SA sites	Framework implemented at five SA sites.	Framework implemented at nine SA sites.		12.50%			
10	Rectify/resolve/upgrade/replace/franchise or rightsize anchor tenant stores (based on specific tenants and stores agreed with RemCo but not published due to sensitivity)	Operational	Resolved and implemented on 50% of the stores	Resolved and implemented on 75% of the stores	Resolved and implemented on 100% of the stores	12.50%				
	European portfolio									
11	Growth in tenants' turnover (Base: Year ended to 30 June 2024)	Operational	90% of CPI	120% of CPI	140% of CPI					25.00%
12	Foot count (Base: Year ended to 30 June 2024)	Operational	0% growth	2% growth	4% growth					25.00%
13	Growth in gross rental income (sum of gross contractual rental income plus turnover rental plus non-lease revenue) excluding recoveries	Operational	3% growth	5% growth	7% growth					25.00%
14	Secure new growth opportunities in line with strategy	Strategic	Secured transaction, Board/IC approval and implementation started - gross assets of €35 million	Secured transaction, Board/IC approval and implementation started - gross assets of €55 million	Secured transaction, Board/IC approval and implementation started - gross assets of €75 million	15.00%	12.50%	15.00%		
	Sum of weighting					**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**

Appropriate KPDs aligned with Hyprop's strategy have been set for the executive and senior management teams for the year ending 30 June 2025, taking into account their roles and relevant short-term priorities.

Individual performance appraisals for the 2025 financial year will be completed by 31 July 2025. Payment of STIs will be reviewed and approved by RemCo, based on performance against the KPDs, taking into account market conditions and the performance of the Group for FY2025.

Long-term incentives

Awards issued in FY2024

Awards of 1 075 977 LTIP shares (944 963 LTPA and 131 014 Deferred shares) (Tranche 2) were approved by RemCo and made to 28 participants in December 2023. Awards of 263 808 phantom shares were approved by RemCo and made to employees in the EE portfolio in December 2023.

Shares vested and forfeited in FY2024

For the 1 July 2020 CUP Performance award (Tranche 10), 83.3% vested in October 2023 and 483 145 shares were transferred to the participants:

							Vesting	
No.	**Performance condition**	**Threshold**	**On-target**	**Stretch**	**Performance condition outcome score**	**Weighting**	**Vesting %**	**Weighted vesting %**
1	Share price performance relative to the peer group*	Hyprop's share price performance relative to peer group: 95%	Hyprop's share price performance relative to peer group: 105%	Hyprop's share price performance relative to peer group: 120%	More than 120%	40%	150%	60%
2	Growth in distribution per share relative to the peer group*	Hyprop's growth in distribution per share relative to peer group: 95%	Hyprop's growth in distribution per share relative to peer group: 102.5%	Hyprop's growth in distribution per share relative to peer group: 110%	Less than 95%	40%	0%	0%
3	Strategic Component	Rating (1 - 5)						
3.1	Implement long-term strategy for Eastern Europe		RemCo discretion		3.75	7.5%	100%	7.5%
3.2	Reduce the loan to value ratio to 37.5%	39%	37.5%	35%	4.35	7.5%	124%	9.3%
3.3	Implement the repositioning strategy for the South African portfolio		RemCo discretion		4.50	5%	130%	6.5%
	Total weighted vesting %							**83.3%**

* Peer group comprises Vukile, Growthpoint, Redefine and Equites.

The 1 July 2018 CUP Retention Award (Tranche 7) vested in September 2023 with 27 048 shares transferred to the participants.

For the 1 January 2021 CUP Performance award (Tranche 11), 81.7% vested in March 2024 and 10 541 shares were transferred to the participants:

							Vesting	
No.	**Performance condition**	**Threshold**	**On-target**	**Stretch**	**Performance condition outcome score**	**Weighting**	**Vesting %**	**Weighted vesting %**
1	Share price performance relative to the peer group*	Hyprop's share price performance relative to peer group: 95%	Hyprop's share price performance relative to peer group: 105%	Hyprop's share price performance relative to peer group: 120%	45.1%	40%	0%	0%
2	Growth in distribution per share relative to the peer group*	Hyprop's growth in distribution per share relative to peer group: 95%	Hyprop's growth in distribution per share relative to peer group: 102.5%	Hyprop's growth in distribution per share relative to peer group: 110%	155.5%	40%	150%	60%
3	Strategic Component	Rating (1 - 5)						
3.1	Implement long-term strategy for Eastern Europe		RemCo discretion		3.75	7.5%	100%	7.5%
3.2	Reduce the loan to value ratio to 37.5%	39%	37.5%	35%	3.80	7.5%	102%	7.5%
3.3	Implement the repositioning strategy for the South African portfolio		RemCo discretion		4.50	5%	130%	6.5%
	Total weighted vesting %							**81.7%**

* Peer group comprises Vukile, Growthpoint, Redefine and Equites.

The 1 January 2019 CUP Retention Award (Tranche 8) vested in March 2024 with 16 835 shares transferred to the participants.

Malus and clawback
No trigger events occurred or were discovered during the reporting period and no malus or clawback was applied to any LTIP awards.

Outstanding LTI shares awarded

Shares awarded under the CUP

	Award date	Fair value at grant date	Issued	Forfeited	Vested	Unvested
5 year Retention						
Tranche 9	1 July 2019	68.71	80 330	(10 460)	-	69 870
Tranche 10	1 July 2020	20.72	270 506	(21 924)	-	248 582
Tranche 11	1 January 2021	29.84	5 530	-	-	5 530
Total			**356 366**	**(32 384)**	**-**	**323 982**
4 year Performance						
Tranche 12	1 October 2021	28.30	265 766	(22 183)	-	243 583
Total			**265 766**	**(22 183)**	**-**	**243 583**
3 year Performance						
Tranche 12	1 October 2021	28.30	265 766	(22 184)	-	243 582
Total			**265 766**	**(22 184)**	**-**	**243 582**
Total CUP			**887 898**	**(76 751)**	**-**	**811 147**

Shares awarded under the LTIP

	Award date	Fair value at grant date	Issued	Forfeited	Vested	Unvested
Equity settled						
4 year Tranche 1	1 November 2022	36.49	324 375	(8 213)	-	316 162
3 year Tranche 1	1 November 2022	36.49	324 376	(8 214)	-	316 162
4 year Tranche 2	1 December 2023	26.94	472 481	-	-	472 481
3 year Tranche 2	1 December 2023	26.94	472 482	-	-	472 482
Total			**1 593 714**	**(16 427)**	**-**	**1 577 287**
Cash settled						
4 year Tranche 1	1 November 2022	36.49	88 749	(5 900)	-	82 849
3 year Tranche 1	1 November 2022	36.49	88 750	(5 900)	-	82 850
4 year Tranche 2	1 December 2023	26.94	131 904	-	-	131 904
3 year Tranche 2	1 December 2023	26.94	131 904	-	-	131 904
Total			**441 307**	**(11 800)**	**-**	**429 507**

Deferred Award - Restricted shares awarded

	Award date	Fair value at grant date	Issued	Forfeited	Vested	Unvested
3 year performance						
SA Tranche 1	1 November 2022	36.49	126 879	-	(42 293)	84 586
SA Tranche 2	1 December 2023	26.94	131 014	-	-	131 014
Total			**257 893**	**-**	**(42 293)**	**215 600**
Total LTIP			**2 292 914**	**(28 227)**	**(42 293)**	**2 222 394**
Total ALL awards			**3 180 812**	**(104 978)**	**(42 293)**	**3 033 541**

Movement in outstanding LTI shares awarded - Group

	Number of awards		Award market value R'000	
	2024	**2023**	**2024**	**2023**
Outstanding at the beginning of the year[2]	2 376 038	1 705 272	72 968	56 598
New awards granted	1 348 387	953 129	36 098	34 780
Vested[3]	(579 857)	(50 691)	(16 746)	(1 748)
Forfeited[1,4]	(111 027)	(231 672)	(3 415)	(7 747)
Change in market value			6 348	(8 915)
Outstanding at the end of the year[5]	**3 033 541**	**2 376 038**	**95 253**	**72 968**

[1] Vested awards under the CUP and LTP are settled by the transfer of Hyprop ordinary shares to the employees.
[2] Awards outstanding at the beginning of the year and awards forfeited are valued at the prior year closing share price of R30.71 on 30 June 2023 (2023: R33.19 on 30 June 2022).
[3] Awards granted during the year were valued at the 30 day VWAP on grant date of R26.94 (2023: R36.49).
[4] Three tranches of CUP/LTIP awards vested during the 2024 year at fair values of R33.36, R28.60 and R31.10 per share.
[5] Awards outstanding at the end of the year are valued at the closing share price of R31.40 (2023: R30.71).

LTPAs for the 2025 financial year

Details of the LTPAs to be made under the LTIP in November 2024, are set out below:

<table>
<tr><th>Element</th><th>Details</th></tr>
<tr><td>Quantum</td><td>Annual LTPAs are calculated with reference to:
• TGP of individual employees; and
• the 30-day volume weighted average share price of Hyprop shares on the award date.</td></tr>
<tr><td>Allocation percentages</td><td>The table below outlines the LTPA allocation per eligible employee level
<table><tr><th>Level of employee</th><th>Award allocation % of TGP</th></tr><tr><td>CEO</td><td>100%</td></tr><tr><td>Other executive directors</td><td>80%</td></tr><tr><td>Senior management and key individuals</td><td>40%</td></tr></table>RemCo may in its discretion exceed the above award allocation % of TGP.</td></tr>
<tr><td>Performance period, vesting period and shareholder rights</td><td>LTPAs will vest in two equal tranches on the third and fourth anniversaries of the award date.
The performance period is the first three years.
Participants are not entitled to any rights or dividends in and to the shares prior to the vesting/settlement of such shares.
<table><tr><th colspan="2">Percentage of awards which vest</th></tr><tr><td>Minimum threshold</td><td>50%, none vest below threshold</td></tr><tr><td>On target</td><td>100%</td></tr><tr><td>Stretch target</td><td>150%</td></tr></table>Linear vesting will apply for performance between "Threshold" and "On target" or between "On target" and "Stretch" performance. For example, where performance is exactly halfway between threshold and on target, the portion of performance shares that will vest will reflect a similar ratio, i.e. 75%.</td></tr>
<tr><td>Approval</td><td>All LTPAs are subject to RemCo's discretion and approval.</td></tr>
</table>

Performance conditions applicable to the 2025 LTPAs

KPD theme	Metric	Weighting	Below threshold (zero vesting)	Threshold 50% vesting	Target 100% vesting	Stretch 150% vesting
1. Total return (Strategic/financial)	Total return relative to peer group[1]	30%	Less than 85% of peer group average	@ 85% of peer group average	@110% of peer group average	@135% of peer group average
	Absolute return (WACC)[2]	15%	Less than 85% of WACC	@ 85% of WACC	@105% of WACC	@125% of WACC
2. Mall health - Growth in rental income (Operational)	SA portfolio	25%	Growth in rental income from FY2024 to FY2027 of less than 13%	Growth in rental income from FY2024 to FY2027 of 13%	Growth in rental income from FY2024 to FY2027 of 24%	Growth in rental income from FY2024 to FY2027 of 28%
	EE portfolio	15%	Growth in rental income from FY2024 to FY2027 of less than 85% of CPI	Growth in rental income from FY2024 to FY2027 of 85% of CPI	Growth in rental income from FY2024 to FY2027 of 100% of CPI	Growth in rental income from FY2024 to FY2027 of 105% of CPI
3. ESG (Strategic/operational)	BEE rating improvement	7.5%	B-BBEE rating above 3	B-BBEE rating of 3	B-BBEE rating of 2	B-BBEE rating of 1
	Reduction in water supplied by council (on a like-for-like basis)	7.5%	Less than 3% reduction in water usage from council/GLA compared with FY2024	3% Reduction in water usage from council/GLA compared with FY2024	5% Reduction in water usage from council/GLA compared with FY2024	8% Reduction in water usage from council/GLA compared with FY2024

1 The peer group has been revised as follows:
- Direct peers - Vukile and Resilient (60% weighting)
- Other peers - Attacq, Redefine and Growthpoint (40% weighting)

2 WACC is independently calculated by a major SA bank annually. The actual WACC used to assess performance will be published at the end of the vesting period.

Executive directors' remuneration

Amounts paid in FY2024/FY2023

	Morné Wilken CEO		Brett Till CFO		Wilhelm Nauta CIO		Total Executive directors	
R'000	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
Basic salary	5 278	5 031	3 331	3 170	3 150	2 998	11 759	11 199
Pension fund contributions	472	449	301	286	209	199	982	934
Other benefits	36	36	60	60	60	60	156	156
Performance bonus - cash	3 394	4 070	2 265	2 260	1 579	1 813	7 238	8 143
Performance bonus - total	4 849	5 814	3 236	3 228	2 256	2 590	10 341	11 632
Performance bonus - restricted shares	(1 455)	(1 744)	(971)	(968)	(677)	(777)	(3 103)	(3 489)
Vested shares	452	219	-	115	302	277	754	611
Total	**9 632**	**9 805**	**5 957**	**5 891**	**5 300**	**5 347**	**20 889**	**21 043**

Total guaranteed package

	30 June 2024	% change	30 June 2023
MC Wilken	5 786 376	5%	5 510 834
BC Till	3 691 821	5%	3 516 020
AW Nauta	3 419 513	5%	3 256 680
Total	**12 897 711**	**5%**	**12 283 534**

Short-term incentives

Performance against targets for the executive directors for FY2023 and FY2024 was reviewed against threshold, target and stretch performance levels and aligned to a 5-point rating scale as follows:

- Threshold – 3 performance rating
- Target – 3.75 performance rating
- Stretch – 5 performance rating

The STI is based on the following STI% pay-out range:

	% of TGP		
Employee level	**Threshold**	**Target**	**Stretch**
Chief Executive Officer	45%	90%	150%
Other executive directors	35% - 40%	70% - 80%	120% - 130%

FY2023 (paid in FY2024)

The results of the executive directors' performance against the FY2023 STI targets was set out in the FY2023 remuneration implementation report. The FY2023 STIs paid in October 2023 are included in the table above.

FY2024

The results of the executive directors' performance against the FY2024 STI targets are set out in the table on page 94. The FY2024 STIs will be paid in October 2024.

Long-term incentives

Details of the outstanding shares awarded to the executive directors in terms of the CUP and LTIP are as follows:

	Morné Wilken CEO		Brett Till CFO		Wilhelm Nauta CIO		Total	
	2024	2023	2024	2023	2024	2023	2024	2023
	Number of shares		Number of shares		Number of shares		Number of shares	
Number of shares outstanding								
Outstanding at the beginning of the year	419 841	263 200	248 243	166 612	220 211	159 271	888 295	589 083
New awards granted	258 528	190 271	140 434	99 259	109 731	80 514	508 693	370 044
Vested	(97 062)	(6 279)	(66 856)	(3 292)	(59 971)	(5 655)	(223 889)	(15 226)
Forfeited	(14 028)	(27 351)	(10 492)	(14 336)	(9 997)	(13 919)	(34 517)	(55 606)
Outstanding at the end of the year	**567 279**	**419 841**	**311 329**	**248 243**	**259 974**	**220 211**	**1 138 582**	**888 295**
Number of shares by award type								
CUP	134 413	229 570	80 482	148 984	76 828	139 697	291 723	518 251
LTPA	347 007	142 471	177 119	72 720	143 827	59 216	667 953	274 407
Sub-total	**481 420**	**372 041**	**257 601**	**221 704**	**220 655**	**198 913**	**959 676**	**792 658**
Restricted shares	85 859	47 800	53 728	26 539	39 319	21 298	178 906	95 637
Outstanding at the end of the year	**567 279**	**419 841**	**311 329**	**248 243**	**259 974**	**220 211**	**1 138 582**	**888 295**
Value of shares outstanding	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**
Outstanding at the beginning of the year[1]	12 892	8 735	7 623	5 531	6 763	5 288	27 278	19 554
New awards granted[2]	6 966	6 944	3 784	3 622	2 956	2 939	13 706	13 505
Vested	(2 800)	(219)	(1 924)	(115)	(1 728)	(195)	(6 452)	(529)
Forfeited	(431)	(908)	(322)	(476)	(307)	(462)	(1 060)	(1 846)
Change in market value	1 186	(1 660)	615	(939)	478	(807)	2 279	(3 406)
Outstanding at the end of the year[3]	**17 813**	**12 892**	**9 776**	**7 623**	**8 162**	**6 763**	**35 751**	**27 278**

[1] Shares outstanding at the beginning of the year and shares forfeited are valued at the closing share price of R30.71 on 30 June 2023 (2023: R33.19 on 30 June 2022).
[2] Shares awarded during the year are valued at the 30 day VWAP on grant date of R26.94 (2023: R36.49).
[3] Shares outstanding at the end of the year are valued at the closing share price of R31.40 (2023: R30.71).

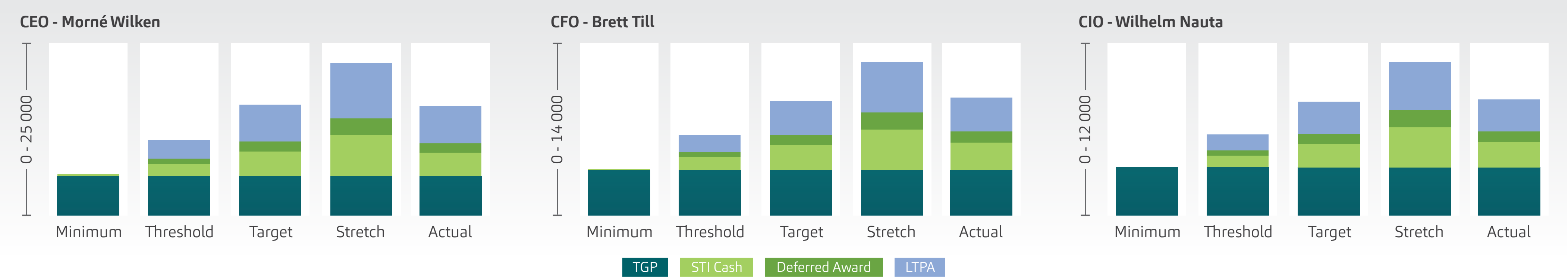
Total compensation ratio

The graphs below reflect the actual remuneration paid to the executive directors in/for FY2024, compared to their potential total remuneration, including TGP, STIs and LTIs.

Actual amounts comprise total guaranteed remuneration for FY2024, STIs (both cash and deferred) for FY2024 which will be paid in October 2024 and the value of LTIs (LTPA shares) awarded during FY2024.

Different scenarios are shown for the potential STI and LTI amounts, as follows:

- STI - value of potential incentives based on achieving the threshold, target or stretch criteria for FY2024 KPDs. Actual STIs for 2024 are determined in October 2024 and are allocated between the cash STI and Deferred awards.
- LTI - values are based on the number and value of LTPA shares awarded in December 2023, the potential number of shares which will vest on achieving threshold, target or stretch criteria, and the market price of Hyprop shares on the award date. The actual LTI amounts which vest will only be quantified at the end of the vesting periods.



Non-executive directors (fees)

2024 Financial year

Fees paid to the non-executive directors for FY2024 were approved by shareholders at the AGM held on 29 November 2023. Actual amounts paid to the non-executive directors for FY2024 were:

R'000	2024	2023
Independent non-executive directors	**5 384**	**6 158**
Spiro Noussis (Chairman)	1 256	1 133
Annabel Dallamore	725	628
Loyiso Dotwana	616	533
Richard Inskip	598	544
Reeza Isaacs *(Appointed with effect from 2 April 2024)*	147	-
Zuleka Jasper	596	568
Nonyameko Mandindi *(Resigned with effect from 5 December 2022)*	-	249
Thabo Mokgatlha	728	693
Bernadette Mzobe	718	620
Gavin Tipper *(Resigned with effect from 31 December 2022)*	-	709
Stewart Shaw-Taylor *(Retired with effect from 25 Novemnber 2022)*	-	481
Non-executive directors		
Kevin Ellerine	616	533
Total	**6 000**	**6 691**

2025 financial year

Non-executive directors' fees were benchmarked against a peer group of JSE listed REITs comprising Attacq, Equites, Fairvest, Fortress, Resilient, SA Corporate Real Estate and Vukile by PWC, the Company's independent remuneration advisors, who concluded that the fees payable to non-executive directors were in line with market, except for the chairperson of the Remuneration Committee, Remuneration Committee members and the chairperson of the Investment Committee.

Based on the results of the benchmarking, the Remuneration Committee proposed, which was supported by the Board, the following changes to the fees payable to the non-executive directors for FY2025:

- a general CPI increase of 5% in the fees payable to the non-executive directors for 2024/2025 in line with the general CPI increase in salaries approved by the Remuneration Committee for employees in South Africa;
- the separation of the fees payable to the Remuneration Committee and Nomination Committee chairpersons and members;
- an additional increase of 20% (i.e a total of 25% including the general CPI adjustment referred to above) in the fees payable to the Remuneration Committee chairperson (the additional 20% being equivalent to R23 184 per annum) and Remuneration Committee members (the additional 20% being equivalent to R12 811 per member per annum) to align these with the peer group;
- an additional increase of 5% (i.e a total of 10% including the general CPI adjustment referred to above) in the fees payable to the Investment Committee chairperson (the additional 5% being equivalent to R1 785 per meeting) to align these with the peer group;
- the Investment Committee chairperson and members be paid a fixed annual fee based on two scheduled meetings per annum, with a per meeting fee based on attendance at meetings thereafter due to the unpredictable number of meetings;
- an "Ad-hoc meeting fee" be paid to all board and committee members based on attendance at meetings should the actual number of meetings exceed the scheduled number of meetings per annum. The ad-hoc meeting fee will only apply from the second additional meeting per annum (other than for the Investment Committee meetings).

Based on the proposed fees below, the current composition of the Board and its subcommittees and the scheduled number of meetings, the estimated total fees payable to the non-executive directors (calculated on a like-for-like basis) in FY2025 will be R6.36 million (FY2024: R6.0 million), an increase of 6.1%.

The non-executive directors' fees set out below will be put to shareholders at the 2024 AGM for approval.

	2024		2025			
	Fixed annual fee (R)	Attendance fee per meeting (R)	Increase %)	Fixed annual fee (R)	Attendance fee per meeting (R)	No of scheduled meetings
Board of directors						
Chair	826 350		5.0%	867 668		4
Member	417 900		5.0%	438 795		4
Audit and Risk Committee						
Chair	309 750		5.0%	325 238		4
Member	178 500		5.0%	187 425		4
Attendee[1]		30 000	5.0%		31 500	
Remuneration Committee						
Chair	115 920		25.0%	144 900		2
Member	64 050		25.0%	80 063		2
Nomination Comittee						
Chair	115 920		5.0%	121 716		2
Member	64 050		5.0%	67 253		2
Social and Ethics Committee						
Chair	101 430		5.0%	106 502		2
Member	81 900		5.0%	85 995		2
Attendee[1]		30 000	5.0%		31 500	
Investment Committee						
Chair[2]	-	35 700	10.0%	78 540	39 270	2
Member[2]	-	28 350	5.0%	59 535	29 768	2
Ad hoc meeting fee (per meeting)[3]					31 500	

All fees are annual fees unless otherwise indicated.

1 The Audit and Risk Committee attendee fee and the Social and Ethics Committee attendee fee are per meeting fees and only applicable to the Board chairperson should he attend the meetings.

2 The Investment Committee chairperson and member annual fees cover the first two scheduled meetings per year. The Investment Committee per meeting fees only apply from the third meeting per year.

3 The ad-hoc meeting fee is a standard fee payable to board/committee chairs/members (besides the investment Committee members whose fees are currently based on meetings attended) and will be paid for additional meetings attended should the actual number of board/committee meetings exceed the annual scheduled number of meetings by more than 1 meeting per year.

Consolidated and Separate Financial Statements - Audited

For the year ended 30 June 2024

Registration number: 1987/005284/06

Contents

BASIS OF PREPARATION

The basis of preparation of these Consolidated and separate financial statements is detailed in note A1 - *Basis of preparation*.

The preparation of these Consolidated and separate financial statements has been supervised by: Brett Till CA(SA), CFO of the Group.

MATERIALITY STATEMENT

The Group has chosen to apply the principles of IFRS® Practice Statement 2 – *Making Materiality judgements* which guides preparers of financial statements in assessing materiality and applying judgement.

The Group has prepared a materiality statement which was approved by the audit and risk committee, covering both quantitative and qualitative factors such as new accounting standards; industry conditions; out of the norm events; and items regulated by statutory requirements. As such, we present only those items that are material to our business and operations.

APPROVAL OF THE ANNUAL FINANCIAL STATEMENTS

The Audited Consolidated and Separate Annual Financial Statements, set out on **pages 118** to 243, were approved by the Board of directors on 16 September 2024.

RESPONSIBILITY STATEMENT ON INTERNAL FINANCIAL CONTROLS

Each of the directors, whose names are stated below, hereby confirm that:

- the AFS set out on **pages 118** to 243, fairly present in all material respects the financial position, financial performance and cash flows of Hyprop in terms of IFRS® Accounting Standards;
- to the best of our knowledge and belief, no facts have been omitted or untrue statements made that would make the AFS false or misleading;
- internal financial controls have been put in place to ensure that material information relating to Hyprop and its consolidated subsidiaries has been provided to effectively prepare the financial statements of Hyprop;
- the internal financial controls are adequate and effective and can be relied upon in compiling the AFS, having fulfilled our role and function as executive directors with primary responsibility for implementation and execution of controls;
- where we are not satisfied, we have disclosed to the ARC and the auditors any deficiencies in design and operational effectiveness of the internal financial controls and taken steps to remedy the deficiencies; and
- we are not aware of any fraud involving directors.

MC Wilken
CEO

BC Till
CFO

Johannesburg
16 September 2024

DECLARATION BY THE COMPANY SECRETARY

I declare that, to the best of my knowledge, the Company has lodged with the Companies and Intellectual Property Commission, for the financial year ended 30 June 2024, all such returns as are required of a public company in terms of section 88 of the Companies Act of South Africa, as amended, and that all such returns are true, correct and up to date.

F Nkosi
Company secretary

Johannesburg
16 September 2024

Report of the Audit and Risk committee for the year ended 30 June 2024

Introduction

The audit and risk committee (the ARC) is pleased to submit its report for the year ended 30 June 2024, as required by section 94(7)(f) of the Companies Act of South Africa.

The primary role of the ARC is to assist the Board in monitoring risk and the Group's systems and processes to identify, assess and manage risks. The ARC also monitors the integrity of financial reporting systems, internal controls and the preparation and financial disclosures in the Group's annual financial statements (AFS).

Focus areas in 2024

Areas of focus included:

- **Global events**: Monitoring the potential impact on the Group of global political events, including national elections in South Africa, and the deteriorating economic conditions in Nigeria as a result of the significant devaluation of the Naira against the US Dollar and exchange rate volatility;
- **Borrowings and interest rate exposure**: Monitoring implementation of the revised interest rate hedging policy and compliance with banking covenants in the light of prevailing high interest rates, particularly in the SSA portfolio;
- **Risk management**: Monitoring the Group's risk management initiatives and identification of emerging or new risks affecting or likely to affect the Group; and
- **Financial reporting**: Monitoring changes to financial reporting requirements emanating from new accounting standards (particularly relating to sustainability reporting and materiality), the JSE Proactive Monitoring Panel's findings and feedback from investors and other users of the Group's financial statements.

Statutory duties

The ARC is governed by a formal charter that codifies its independent role and responsibilities in providing oversight and recommendations to the Board for consideration and final approval. These responsibilities include those recommended by the King IV Report on Corporate Governance™ (King IV) and:

- Overseeing integrated reporting, including consideration of significant judgements and reporting decisions;
- Monitoring compliance with the risk policy and procedures;
- Ensuring that a combined assurance model is applied to provide a coordinated approach to all assurance activities;
- Reviewing the expertise, resources and experience of the Company's finance function, and satisfying itself as to the suitability of the expertise and experience of the Chief Financial Officer;
- Overseeing internal audit, and in particular, the appointment and/or rotation of the internal audit service providers;
- Overseeing the external audit process and recommending the re-appointment of the external auditor; and
- Submitting any relevant matter concerning the Company's accounting policies, financial controls, records, reporting and risk management to the Board.

Functions

In addition to the above, the ARC covered matters relating to compliance, litigation, budgeting and forecasting, taxation and accounting policy choices, and supported the Board in the following areas:

- Reviewing the work of the internal auditors and approving the 3-year internal audit plans for the SA and EE portfolios;
- Monitoring established guidelines for the use of the external auditor for non-audit services to maintain independence;
- Monitoring compliance with Real Estate Investment Trust (REIT) requirements, in accordance with the JSE Listings Requirements, and confirming that the risk management policy, which prohibits the Company from entering into derivative transactions not in the ordinary course of business, has been complied with in all material respects;
- Considering significant technical accounting matters and management's proposed accounting treatment there-of;
- Reviewing the Company's annual assessment of whether it has any prescribed officers to ensure compliance with the Companies Act and the JSE Listings Requirements;
- Reviewing updates to various other policies within its mandate; and
- Considering improvements to the Group's financial reporting in line with the results of the JSE's proactive monitoring process and the Group's own internal objectives.

Composition and meetings

Details of the ARC members and their attendance at meetings during the year are set out in the Governance section of the Integrated Annual Report. All members of the ARC are independent non-executive directors in compliance with the Companies Act of South Africa and as recommended by King IV.

Reeza Isaacs was appointed to the Board and as a member of the ARC effective 2 April 2024.

The ARC met four times during the year. The external and internal auditors and executive management are invited to attend ARC meetings.

Significant financial statement reporting issues

A significant part of the financial reporting process includes making estimates and exercising judgement. The ARC reviewed and evaluated the main judgements, estimates and assumptions made by management and the conclusions drawn from the available information and evidence.

The ARC ensured that these matters were covered by the work of the external auditor.

Report of the Audit and Risk committee continued

The key issues involving estimates and judgements during the year are set out below:

Key issue	Judgement in financial reporting	Audit and Risk committee review	Conclusion
1. Valuation of investment properties	Investment property is the Group's most significant asset and is measured at fair value, with changes in fair value recognised in profit or loss. The Group uses independent valuers to value its investment properties. The valuation involves making significant judgements, especially regarding the current market conditions, discount and capitalisation rates, rental growth rates and vacancy levels. The key assumptions and estimations used to perform the independent investment property valuations are determined by the independent valuers.	Broll Valuation and Advisory Services, De Leeuw Group and Viking Valuation continued to serve as independent valuers for the SA portfolio. Cushman and Wakefield was appointed as an additional valuer for the EE portfolio alongside CBRE. Mills Fitchet continued to serve as the independent valuer for the SSA portfolio. The ARC considered the independence and qualifications of the appointed independent valuers, as well as the rotation of properties between the valuers in South Africa and Eastern Europe. The ARC reviewed the external valuations, including the manner in which the independent valuers took the prevailing economic circumstances into account in performing the valuations and the discount rates and reversionary capitalisation rates applied by the independent valuers. The ARC also reviewed the adequacy of the disclosures relating to investment properties included in the financial statements.	The ARC endorsed the independent valuations of the investment properties and the relevant disclosures in the financial statements.
2. Classification of Hyprop Ikeja, Gruppo and AttAfrica as assets held-for-sale	On 17 June 2024, Hyprop Mauritius (as one of the sellers) concluded a letter of intent with Lango Real Estate Limited (the Lango LOI) to dispose of its shares and shareholder claims in Hyprop Ikeja (which holds the Group's 75% interest in Gruppo) and AttAfrica (which holds the Group's interests in 3 Ghanaian shopping centres) (the Lango transaction). On 7 August 2024 sale and purchase agreements (the Lango SPAs) were signed by the parties to the Lango transaction, which, subject to fulfilment of their conditions precedent, are in process of being implemented. Judgements were applied in determining whether Hyprop Ikeja, Gruppo and AttAfrica should be classified as assets held-for-sale in accordance with IFRS 5 - *Non-current assets held for sale and discontinued operations.*	The ARC reviewed management's assessment of whether Hyprop Ikeja, Gruppo and AttAfrica should be classified as assets held for sale having regard to, inter alia: • The Group's stated strategy to exit its SSA investments; • Conclusion of the Lango LOI on 17 June 2024; • Conclusion of the Lango SPAs subsequent to 30 June 2024; • The conditions precedent to the Lango Transaction and the prospects of these being fulfilled; • The manner in which the purchase consideration will be settled. The ARC also reviewed the calculations of the "fair values less costs to sell" and the provisions relating to the Group's obligations and indemnities in terms of the Lango SPAs, as well as the adequacy of the relevant disclosures in the financial statements.	The ARC concurred with management's assessment that Hyprop Ikeja, Gruppo and AttAfrica should be classified as assets held-for-sale as a result of the conclusion of the Lango LOI and the Lango SPAs. The ARC endorsed the accounting treatment and disclosures relating to the assets and liabilities held- for-sale and the related provisions in the financial statements.

Report of the Audit and Risk committee continued

The ARC also considered:

- The Group's application of the principles of IFRS Practice Statement 2 – *Making materiality judgements,* and approved the materiality statement prepared by management;
- The accounting treatment of the co-owned assets and joint operations (Canal Walk and The Glen); and
- The accounting treatment of the acquisition of Table Bay Mall;
- The disclosure of the Group's borrowings and compliance with bank covenants; and
- The accounting treatment and disclosure relating to the financial guarantees provided to lenders in the EE and SSA portfolios.

Where appropriate, the ARC sought input and views from the external auditor and other experts.

Risk management and combined assurance framework

One of the ARC's primary responsibilities is to monitor compliance with the Group's risk policy and procedures, with support being provided by the Group's divisional and information technology risk committees.

The new risk management process implemented in 2023 was refined and expanded to include a broader combined assurance framework for key risks identified through the risk management tool used to assess the likelihood of occurrence, and quantify the potential severity, of operating, finance, information technology and governance risks common to the REIT industry. Based on the results of the individual portfolio and group risk assessments, the most significant risks to the Group were identified as:

- **Capital availability risk** – the inability to raise funding for capital and operational requirements or over-reliance on debt funding;
- **Deterioration in municipal services and infrastructure** – the inability of municipalities (mainly in South Africa) to deliver critical services resulting in landlords having to redirect capital from income producing projects to ensure sustainability of their assets (eg. back-up power and water security);
- **Delays in the disposal of the SSA portfolio** – the combined effects of the significant devaluation of the Nigerian and Ghanaian currencies against the US Dollar and impact on trading conditions in these countries for our tenants and the Group, and the consequential risk of exposure to the in-country bank borrowings and pressure on bank covenants in the SSA portfolio.

The ARC reviewed the Group risk matrices, management's mitigation actions, and the combined assurance dashboards. The ARC provided feedback on management's recommendations on actions to mitigate identified risks, and is satisfied that sound risk management practices are in place to mitigate identified risks.

The ARC receives feedback from management, the external auditor, internal audit and the Group's independent ethics reporting telephone line on any concerns, complaints or allegations relating to internal financial controls, the financial statements, violations of laws and questionable business, accounting or auditing practices and regulatory enquiries. No significant matters requiring the ARC's intervention were reported during the year.

Separate meetings are held with management, the external auditor and the internal auditor every quarter unless a greater frequency is requested.

Internal financial controls

In terms of the JSE Listings Requirements, the CEO and CFO are required to sign a responsibility statement on internal financial controls (see **page 107** of the AFS).

The ARC reviewed the basis on which the CEO and CFO concluded that the above statement can be signed in respect of the 2024 AFS.

The ARC is satisfied that the Company has established appropriate financial reporting procedures and controls (including information technology system controls), and that these procedures and controls are operating, as required by paragraph 3.84(g)(ii) of the JSE Listings Requirements.

Going concern, solvency and liquidity

The ARC reviewed the Company's solvency and liquidity assessments and confirmed to the Board that:

- The Company and the Group are solvent and have adequate resources to continue operating for the ensuing 12 months; and
- It is appropriate to adopt the going concern basis in preparing the Company and Group financial statements.

In assessing the Company and Group's ability to continue as going concerns, the ARC reviewed the Company and Group's budgets and cashflow forecasts, available cash balances, existing unutilised and available new borrowing facilities, and the Group's debt maturity profile.

External auditor

The ARC considered a report from KPMG motivating its independence and is satisfied with the external auditor's independence. The ARC is also satisfied with the terms, nature, scope (including reliance on the work of the auditors of subsidiaries and associates where appropriate) and proposed fee of the external auditor for the year ended 30 June 2024.

The ARC considered and is satisfied with the suitability of KPMG and the designated audit partner Akhin Lalloo in accordance with paragraphs 3.84(g)(iii) of the JSE Listings Requirements.

The ARC monitors the Group's policy on the provision of non-audit services by the Group's auditors and has noted the policy decision taken by KPMG not to provide non-audit services to its listed audit clients, other than where these services relate to an attest or similar function. Having regard to this policy, the ARC approved the following:

- The appointment of KPMG Nigeria to provide tax advisory services in relation to historic taxation matters to Gruppo Investments Nigeria Limited, a subsidiary of Hyprop, whose external auditor is Ernst & Young (Nigeria); and
- The appointment of KPMG to provide limited assurance reports relating to the registration of mortgage bonds as security for bank facilities and issuing bonds in terms of the Company's domestic medium term note programme.

Report of the Audit and Risk committee continued

Internal auditors

BDO is appointed as the internal auditor for the South African portfolio and Ernst & Young as the internal auditor for the European portfolio. Property management for the Sub-Saharan Africa portfolio is outsourced to a third party service provider and reliance is placed on their systems and processes. The ARC is satisfied with the terms, nature, scope and proposed fees of the internal auditors for the year ended 30 June 2024.

Chief Financial Officer and financial reporting

The consolidated and separate financial statements were audited in compliance with section 30 of the Companies Act of South Africa. Brett Till CA(SA), the Chief Financial Officer (CFO), is responsible for this set of financial statements and has supervised the preparation thereof. The ARC is satisfied that the CFO has the necessary expertise and experience to carry out his duties, as required by paragraph 3.84(g)(i) of the JSE Listings Requirements.

Recommendation of financial statements

The consolidated and separate financial statements are prepared by management, reviewed by the ARC and the Board and audited by the external auditor. The ARC has recommended the consolidated and separate financial statements to the Board for approval.

Thabo Mokgatlha
Audit committee chair

16 September 2024

Directors' report

The directors are pleased to present their report, which forms part of the consolidated annual financial statements for the year ended 30 June 2024 (AFS).

Responsibility statement

The directors are responsible for:

- the preparation and fair presentation of the consolidated and separate AFS of Hyprop, comprising the statements of financial position, the statements of profit or loss and other comprehensive income, changes in equity and cash flows, as well as the notes to the AFS, which include a summary of significant accounting policies and other explanatory notes, in accordance with IFRS® Accounting Standards, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, Financial Pronouncements as issued by the Financial Reporting Standards Council, the JSE Listings Requirements (collectively "JSE Listings Requirements") and the South African Companies Act;
- preparing the directors' report; and
- implementing internal controls as they determine necessary for preparing the consolidated AFS that are free from material misstatement, whether due to fraud or error, and for maintaining adequate accounting records and an effective system of risk management.

Introduction and overview

Hyprop is a South African based, retail-focused Real Estate Investment Trust (REIT) listed on the Johannesburg Stock Exchange (JSE), with a market capitalisation at 30 June 2024 of R11.9bn. The Group holds interests in a R45bn portfolio of shopping centres in South Africa (SA), Eastern Europe (EE) and Sub-Saharan Africa (SSA).

The SA portfolio includes super regional centre Canal Walk, large regional centres Clearwater, The Glen, Woodlands Boulevard, CapeGate, Somerset Mall, Rosebank Mall and Table Bay Mall, and small regional centre Hyde Park Corner.

The Group's EE portfolio comprises The Mall in Sofia, Bulgaria, City Center one East and City Center one West, both in Zagreb, Croatia, and Skopje City Mall in Skopje, North Macedonia.

The SSA portfolio includes interests in Ikeja City Mall in Lagos, Nigeria, Accra Mall and West Hills Mall in Accra, Ghana, and Kumasi City Mall in Kumasi, Ghana.

Strategy

The Group's purpose is focused towards creating spaces and connecting people. Hyprop achieves this by owning and managing dominant retail centres in mixed-use precincts in key economic nodes in South Africa and Eastern Europe, and developing non-tangible assets for the retail and property sectors.

The SA portfolio comprises 64% (based on investment property by value) of the Group's assets and 65% of distributable income, with 43% of the SA portfolio located in Gauteng and 57% in the Western Cape. The Group is exploring expansion opportunities outside South Africa, particularly in Eastern Europe, where the existing EE portfolio provides a strong base from which new investments can be pursued and managed.

Significant progress has been made towards the disposal of the Group's SSA investments. On 7 August 2024 agreements were signed with Lango Real Estate Limited to acquire the Group's interests in Nigeria and Ghana in exchange for new shares in Lango. The disposals should be implemented in the 2025 financial year.

The Group aims to generate a sustainable total return for shareholders through balanced growth in distributable income and net asset value, based on a robust balance sheet.

The impact of global and national events

The global economy continued its recovery in 2024, with several regions showing great resilience amid persistent global challenges, including conflicts, political uncertainty and persistent high interest rates. With key economic metrics in leading economies having stabilised, the prospects for interest rate cuts are growing, and when these happen, this should provide impetus for further sustained global growth.

Post the 2024 elections, South Africa is experiencing a wave of optimism which reflects a belief in South Africa's potential for growth and transformation in the coming years. The new government's promising policies aimed at addressing economic reform, improving infrastructure, enhancing energy security and reducing unemployment are garnering positive attention, however, delivery on these policies remains key. While certain challenges appear to be better managed (notably power shortages) others have emerged (service delivery by municipalities and security of water supply) requiring business to continue to divert capital away from new/expansionary opportunities to projects to ensure sustainability. Our strategy and capital allocation continue to favor those regions/areas which are better managed and offer better risk-adjusted returns.

Croatia, Bulgaria and North Macedonia experienced moderate economic growth in 2024. Croatia continues to benefit from its full admission to the European Union and adoption of the Euro as its currency in January 2023, with EU subsidies bolstering infrastructure and social programs. Bulgaria's adoption of the Euro as its currency is anticipated in 2025. Inflation in all 3 countries has returned to mid-single digits as energy prices reduced, however, significant increases in minimum wage levels have added to costs in many areas. The region continues to offer good risk-adjusted returns and the Group remains optimistic about the prospects for the EE portfolio.

Nigeria has experienced a volatile economic environment over the last few years, driven by the calamitous devaluation of the Naira against the US Dollar, spiraling inflation and soaring interest rates. These events have placed pressure on Nigerians' disposable incomes, impacting purchasing power and economic stability, with consequential effects for retailers and businesses generally. While Nigeria is making strides in reforming its economy, the operating environment is challenging and continues to pose risks to the sustained and stable growth the Group is seeking which underscores our strategy to exit the Group's SSA portfolio.

Subsidiaries, joint arrangements and joint ventures

Details of investments in subsidiaries, joint arrangements and joint ventures are included in notes E4 - *Investments in subsidiaries* and E5 - *Investments in joint arrangements and associates,* of the AFS.

There were no changes to the Group's material subsidiaries, joint arrangements and joint ventures during the year. Intermediate holding companies KH Retail and KH Holdco, both domiciled in the Netherlands, were merged into Balkan Retail.

Directors' report continued

Financial results

Details of the Group and Company's financial performance for the year ended 30 June 2024 are set out in the attached AFS.

The Group's net profit for the year was R755m (2023: R1 486m). The decrease in net profit is attributed to the impairments of the SSA investments. The results of Table Bay Mall have been included from 1 April 2024.

Distributable income for the year decreased to R1 405m from R1 451m in 2023 and distributable income per share decreased from 405.2 cents to 370.4 cents which was better than the guidance provided in March 2024 mainly due to the strong operational performance of the South Africa (SA) and Eastern Europe (EE) portfolios and lower than expected interest costs.

The main factors impacting the distributable income per share are:

- the increase in operating income of the SA and EE portfolios from 2023 by 7% and 21% respectively;
- the increase in interest costs following the expiry of interest rate hedges in July 2023;
- the acquisition of Table Bay Mall;
- the realised foreign exchange losses of R60m by Gruppo; and
- the effect of an additional 20.8m shares (equivalent to 5.79% of the number of shares in issue) issued in November 2023 pursuant to the DRIP offered to shareholders with the 2023 dividend.

Dividends

On 19 September 2023 the Board declared a dividend of 299.3 cents per share for the year ended 30 June 2023 (the 2023 dividend). Shareholders had the option to reinvest the 2023 dividend (the 2023 DRIP) in return for Hyprop shares, subject to a maximum reinvestment of R500m. The 2023 DRIP was supported by 68.5% of shareholders with R500 million of capital raised.

On 16 September 2024 the Board declared a dividend of 280.0 cents per share for the year ended 30 June 2024 (the 2024 dividend).

Directorate, directors' interests and company secretary

Directorate

Reeza Isaacs was appointed as an independent non-executive director on 2 April 2024.

The directors who served during the 2024 financial year are:

Independent non-executive directors		Non-executive directors	Executive directors
S Noussis (Chairman)	MRI Isaacs	KM Ellerine	MC Wilken (CEO)
AA Dallamore	Z Jasper		BC Till (CFO)
L Dotwana	TV Mokgatlha		AW Nauta (CIO)
RJD Inskip	BS Mzobe		

Directors' report continued

Directors' interests in shares of the Company

The interests of directors in the shares of the Company at 30 June 2024 were:

Number of shares	2024 Direct beneficial	2024 Indirect beneficial	2024 Total	2024 % held[3]	2023 Direct beneficial	2023 Indirect beneficial	2023 Total	2023 % held[3]
Independent non-executive directors								
Reeza Isaacs	13 300	-	**13 300**	**0.0**	-	-	**-**	**-**
Non-executive directors								
Kevin Ellerine[1]	-	13 745 320	**13 745 320**	**3.6**	-	3 000 000	**3 000 000**	**0.8**
Executive directors[2]								
Morné Wilken	648 408	125 235	**773 643**	**0.2**	419 841	91 447	**511 288**	**0.1**
Brett Till	384 916	6 745	**391 661**	**0.1**	248 243	6 215	**254 458**	**0.1**
Wilhelm Nauta	316 941	23 166	**340 107**	**0.1**	220 211	12 745	**232 956**	**0.1**
Total	**1 363 565**	**13 900 466**	**15 264 031**	**4.0**	**888 295**	**3 110 407**	**3 998 702**	**1.1**

[1] Exposure in terms of off-market derivative transactions (Long call 6 872 660 shares, short call 6 872 660 shares) at strike prices of R 31.48 and R47.22 respectively.
[2] Includes shares awarded under the CUP and LTIP.
[3] The % held is relative to the total issued share capital at 30 June.

There have been no changes to the above interests between 30 June 2024 and the date of this report.

Directors' interests in contracts

No material contracts in which directors had an interest were entered into during the year.

Company secretary

Fundiswa Nkosi served as the Company Secretary for the 2024 financial year.

The business and postal address of the Company Secretary and the Company's registered office are set out in note S4 - *Administration*, of the AFS.

Capital structure and borrowings

Share capital

Details of the Company's authorised and issued share capital are set out in note G1 - *Share capital and treasury shares*, of the AFS.

Pursuant to the 2023 DRIP, 20 832 563 new Hyprop shares were issued on 10 November 2023 at R24.00 per share.

There have been no changes to the authorised or issued share capital between 30 June 2024 and the date of this report.

Borrowings

The Company's borrowings are not limited by its Memorandum of Incorporation, however, in terms of the JSE Listings Requirements, a REIT's total consolidated liabilities may not exceed 60% of its consolidated gross asset value, as reflected in its latest published AFS or results. Should the 60% threshold be exceeded, the Company may lose its REIT status.

Details of the Group's borrowings are set out in note H1 - *Borrowings*, of the AFS. At 30 June 2024 the Group had unutilised Revolving credit facilities of R1 975m.

The Group's loan-to-value (LTV) and interest cover ratios are set out in note H4 - *Covenants and capital management*, of the AFS. The Group's LTV ratio was stable at 36.4% (2023: 36.3%) following the acquisition of Table Bay Mall and increase in the SA and EE portfolio investment property valuations. The interest cover ratio remains healthy at 2.5 times, notwithstanding the increase in interest costs for the year. The Company complied with all of its borrowing covenants at 30 June 2024.

Tax status

Hyprop is a REIT (Real Estate Investment Trust) in accordance with the South African Income Tax Act and in terms of the JSE Listings Requirements.

In terms of section 25BB of the Income Tax Act, a dividend paid/payable to Hyprop shareholders is deductible against Hyprop's taxable income. Dividends received by South African shareholders are free of dividend withholding tax.

All subsidiary companies are liable for taxation in accordance with the taxation laws in their jurisdiction of tax residence.

Acquisitions and disposals

Acquisition of Table Bay Mall

On 28 March 2024 Hyprop acquired Table Bay Mall located on Cape Town's west coast for a total purchase price of R1.7 billion. The acquisition was financed utilising R500 million of cash and R1.2 billion of new borrowings.

Directors' report continued

Ikeja City Mall

The classification of Gruppo as an asset held-for-sale dates back to June 2019 when the initial term sheet was signed with Actis (in June 2019) for the sale of the Group's 75% interest in Ikeja City Mall to two funds managed by the Actis Group (the Actis transaction). Despite several extensions of the long-stop date for implementation of the Actis transaction, in June 2024, following the expiry of the FCCPC (the Nigerian Federal Competition and Consumer Protection Commission) approval, the parties terminated their agreement.

Disposal of Gruppo/Hyprop Ikeja and AttAfrica to Lango Real Estate Limited

In June 2024, Hyprop Mauritius (as one of the sellers) concluded a letter of intent with Lango Real Estate Limited (Lango) to dispose of its shares and shareholder claims in Hyprop Ikeja Limited (which holds the Group's 75% interest in Gruppo) and AttAfrica (which holds the Group's interests in 3 Ghanaian shopping centres) (the Lango transaction).

On 7 August 2024 sale and purchase agreements (the SPAs) were signed by the parties to give effect to the Lango transaction, effectively disposing of the Group's SSA investments and investment property portfolio. The Lango transaction remains subject to the fulfilment of certain conditions precedent.

Special resolutions

Special resolutions were passed at the Company's annual general meeting held on 25 November 2023 relating to:

1. a general authority for the Company or any of its subsidiaries to acquire ordinary shares issued by the Company, in terms of sections 46 and 48 of the Companies Act of South Africa;
2. the Company providing direct or indirect financial assistance, as contemplated in section 45 of the Companies Act, to subsidiaries and/or any other company or corporation that is or becomes related or interrelated; and
3. approval of the fees payable by the Company to non-executive directors for their services as directors.

Administration and management

Property and asset management in Hyprop's SA operations are internalised. No property or asset management fees were paid to third parties in South Africa during the year.

Ikeja City Mall in Lagos, Nigeria is managed externally by Broll. The asset management for the SSA portfolio is done internally by the Group.

The Croatian properties, City Center one East and City Center one West are managed externally by CC Real, while the rest of the EE portfolio's property management is done internally. All asset management for the EE properties is done internally by the Group.

Audit and risk committee report

The report of the audit and risk committee is set out on **pages 108** to 111 of the AFS.

The committee has fulfilled its responsibilities during the year, including having satisfied itself as to the independence of the external auditor and their suitability for reappointment for the ensuing year.

Auditor

KPMG Inc., and the designated audit partner Akhin Lalloo, were reappointed as the independent external auditor for the 2024 financial year in accordance with section 90 of the Companies Act of South Africa at the annual general meeting held on 29 November 2023.

Going concern

The AFS are prepared on the basis of accounting policies applicable to a going concern. This basis takes into account that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities will occur in the ordinary course of business.

Details of the matters considered by the Board in assessing the Company and Group's ability to continue as going concerns are set out in note A4 - *Going concern*, of the AFS.

The Board considers that the Company and the Group have adequate resources to continue operating for the ensuing 12 months and that it is appropriate to adopt the going concern basis in preparing the consolidated and separate AFS.

Trading statements

Hyprop uses dividend per share as the relevant measure of its financial results for trading statement purposes.

Approval of the consolidated annual financial statements

The annual financial statements of Hyprop Investments Limited, as identified in the first paragraph, were approved by the Board of directors on 16 September 2024 and are signed on its behalf by:

S Noussis Chairman	**MC Wilken** Chief Executive Officer	**BC Till** Chief Financial Officer

Johannesburg,
16 September 2024

Independent auditor's report to the shareholders of Hyprop Investments Limited and its subsidaries

Report on the audit of the consolidated and separate financial statements

Opinion

We have audited the consolidated and separate financial statements of Hyprop Investments Limited and its subsidaries (the Group and Company) set out on pages 118 to 243 which comprise the statements of financial position at 30 June 2024, and the statements of profit or loss and other comprehensive income, statement of changes in equity and statements of cash flows for the year then ended, and notes to the consolidated and separate financial statements including material accounting policy information.

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of Hyprop Investments Limited at 30 June 2024, and its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards), JSE Listing requirements and the requirements of the Companies Act of South Africa.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated and separate financial statements section of our report. We are independent of the Group and Company in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Valuation of investment property - Group and Company

Refer to the key judgements and estimations note A2, Material policy choices A2.1 and Estimates, assumptions and judgements A2.2 and the investment property notes E1 to E1.10 and Assets and liabilities held-for-sale notes E6 to E6.5 to the consolidated and separate financial statements.

Key audit matter

The Group's and Company's most significant assets are its investment property portfolio. The portfolio comprises predominantly of retail shopping centers in South Africa, Sub-Saharan Africa and Eastern Europe. The current year investment property was categorised under continuing operations and held for sale.

Investment property is measured at fair value, with changes in fair value recognized in profit or loss. In respect of investment property held for sale the property is measured at the lower of an independent valuation and the anticipated sale price.

The Group and Company used external independent valuers to value the investment properties using the discounted cash flow model. The valuation process involves making significant assumptions and judgements; accordingly, investment property has been classified as level 3 in terms of the fair value hierarchy.

The valuation of the Group's and Company's investment property was determined to be a key audit matter in the current year due to:

- The magnitude of the investment property portfolio held by the Group and Company.
- The significant judgements and estimation required in determining the key inputs and assumptions which are estimated the cash flow assumptions, average market rental growth rates, vacancy levels, exit capitalization rates and discount rates used in the valuation process; and
- The significant audit effort required to evaluate the methodologies and assumptions applied by management.

How the matter was addressed in our audit

Our response to the key audit matter included performing the following audit procedures:

- Evaluating the professional competence and objectivity of the external independent valuers engaged by the Group and Company to determine the fair value of the properties through inspection of declarations and certifications with relevant professional bodies.
- Obtaining an understanding of the external independent valuation process and methodologies adopted, the significant assumptions used and critical judgements applied in the valuation process through inquiry with management and the external valuers and inspection of the valuation reports.
- Assessing and challenging the assumptions used and information provided to the external independent valuers by management to value the properties by performing the following procedures:
  - Assessing the reasonability of management's budgeting process by performing a retrospective review, which entails comparing prior year forecasted cashflows against current year actual results and following up and understanding any discrepancies noted.
  - Assessing the external independent valuers' year-on-year cash flow assumptions, including average market rental growth rates, vacancy levels, exit capitalization rates and discount rates by comparing it to the current economic outlook and available market information relating to such inputs.
- We evaluated a sample of investment properties and engaged our internal corporate finance specialist to assist in assessing the appropriateness of the external valuations performed. The specialist procedures included assessing the appropriateness of the valuation methodologies used by the external independent valuers based on their knowledge of the industry and challenging the inputs used against industry benchmarks.
- In respect of investment property held for sale, we evaluated whether the property met the criteria to be held for sale in terms of IFRS 5 and was measured at the lower of the independent valuation and the anticipated sale price by comparing the valuation amount, as evaluated above, against the sales price in the sales agreement.
- Assessed the adequacy and completeness of the Investment property disclosures in accordance with IAS 40, Investment Property and IFRS 13, Fair Value measurement as well as IFRS 5 non-current assets held for sale.

Independent auditor's report continued

Other information

The directors are responsible for the other information. The other information comprises the information included in the document titled "Hyprop Investments Limited and its subsidaries consolidated and separate Financial Statements for the year ended 30 June 2024", which includes the Directors' report, the Report of the audit and risk committee and the declaration from the company secretary as required by the Companies Act of South Africa which we obtained prior to the date of this report, and the 2024 Integrated Annual Report, which is expected to be made available to us after that date. The other information does not include the consolidated and separate financial statements and our auditor's report thereon.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not and will not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the consolidated and separate financial statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) ,JSE Listing requirements and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the Group and Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group and/or company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated and separate financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's and company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group and Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group and/or company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, we report that KPMG Inc. has been the auditor of Hyprop Investments Limited and its subsidaries for nine years.

KPMG Inc.
Per A Lalloo
Chartered Accountant (SA)
Registered Auditor
Director

16 September 2024

Statements of profit or loss for the year ended 30 June 2024

Rand thousands	Note	Continuing 2024	Discontinued 2024	GROUP 2024	Continuing 2023	Discontinued 2023	GROUP 2023	COMPANY 2024	COMPANY 2023
Revenue	D1.2	**4 484 813**	**251 540**	**4 736 353**	**4 077 577**	**296 363**	**4 373 940**	**2 939 204**	**2 736 775**
Lease revenue		3 395 299	220 203	**3 615 502**	3 033 827	231 301	**3 265 128**	2 008 461	1 865 472
Non-lease revenue		1 089 514	31 337	**1 120 851**	1 043 750	65 062	**1 108 812**	930 743	871 303
Changes in ECLs - trade receivables	N5.4.6	(11 945)	(14 581)	**(26 526)**	3 240	13 371	**16 611**	(12 346)	39
Property expenses	D4.1	(1 919 857)	(75 925)	**(1 995 782)**	(1 843 714)	(101 316)	**(1 945 030)**	(1 344 088)	(1 295 813)
Net property income		**2 553 011**	**161 034**	**2 714 045**	**2 237 103**	**208 418**	**2 445 521**	**1 582 770**	**1 441 001**
Other operating income	D2	8 925	-	**8 925**	13 508	-	**13 508**	2 743	7 411
Other operating expenses	D4.2	(171 422)	(343)	**(171 765)**	(152 582)	2 055	**(150 527)**	(125 669)	(113 896)
Net foreign exchange (losses)/ gains	D5	(357)	(152 947)	**(153 304)**	6 610	(231 479)	**(224 869)**	556	363
Operating income		**2 390 157**	**7 744**	**2 397 901**	**2 104 639**	**(21 006)**	**2 083 633**	**1 460 400**	**1 334 879**
Net interest	D6	(946 075)	(147 236)	**(1 093 311)**	(705 058)	(149 405)	**(854 463)**	(541 400)	(498 703)
Interest income		68 417	2 206	**70 623**	45 240	7 800	**53 040**	104 738	44 256
Interest expense		(1 014 492)	(149 442)	**(1 163 934)**	(750 298)	(157 205)	**(907 503)**	(646 138)	(542 959)
Net operating income		**1 444 082**	**(139 492)**	**1 304 590**	**1 399 581**	**(170 411)**	**1 229 170**	**919 000**	**836 176**
Dividend income	D3	-	-	**-**	-	-	**-**	130 680	151 871
Loss from equity accounted investments	E5.3.1	-	(78 057)	**(78 057)**	-	(150 694)	**(150 694)**	-	-
Net income before value adjustments		**1 444 082**	**(217 549)**	**1 226 533**	**1 399 581**	**(321 105)**	**1 078 476**	**1 049 680**	**988 047**
Changes in fair value		1 009 807	(785 774)	**224 033**	365 193	124 978	**490 171**	382 321	281 219
Investment property	E1.4.3	1 184 603	(775 486)	**409 117**	318 097	116 048	**434 145**	489 335	277 212
Derivatives	H2.3	(174 796)	(10 288)	**(185 084)**	47 096	8 930	**56 026**	(107 014)	4 007
Profit on disposal of investment property	E1.10	4 951	-	**4 951**	-	-	**-**	4 951	-
Changes in ECLs - loans receivable	F1.4.2	(3 804)	-	**(3 804)**	(2 767)	-	**(2 767)**	1 470 573	2 472
(Impairment)/reversal of impairment of investment in subsidiary	E7.4	-	-	**-**	-	-	**-**	(2 837 059)	208 149
Impairment of assets held-for-sale and discontinued operations	E6.5	-	(441 655)	**(441 655)**	-	-	**-**	(7 015)	-
Derecognition of financial guarantees	H3.5	-	-	**-**	-	-	**-**	44 963	-
PDI Transaction - additional purchase consideration	E7.4	-	-	**-**	(8 775)	-	**(8 775)**	-	-
Profit before taxation		**2 455 036**	**(1 444 978)**	**1 010 058**	**1 753 232**	**(196 127)**	**1 557 105**	**108 414**	**1 479 887**
Taxation	D7.3	(250 131)	(4 600)	**(254 731)**	(69 091)	(2 490)	**(71 581)**	(31 129)	(5 627)
Profit for the year		**2 204 905**	**(1 449 578)**	**755 327**	**1 684 141**	**(198 617)**	**1 485 524**	**77 285**	**1 474 260**
Profit for the year attributable to:									
Shareholders of the Company		2 208 439	(1 188 678)	**1 019 761**	1 678 483	(157 267)	**1 521 216**	77 285	1 474 260
Non-controlling interests		(3 534)	(260 900)	**(264 434)**	5 658	(41 350)	**(35 692)**	-	-
Profit for the year		**2 204 905**	**(1 449 578)**	**755 327**	**1 684 141**	**(198 617)**	**1 485 524**	**77 285**	**1 474 260**
Basic earnings per share (cents)	B3.3	594.0	(319.7)	**274.3**	476.5	(44.7)	**431.9**		
Diluted earnings per share (cents)	B3.3	592.2	(318.7)	**273.4**	474.8	(44.5)	**430.4**		

Change in presentation - the 2024 and 2023 Group Statements of profit or loss and Statements of other comprehensive income has been re-presented due to a discontinued operation.
See note E6 - *Assets held-for-sale and discontinued operations.*

Statements of other comprehensive income for the year ended 30 June 2024

Rand thousands	Continuing 2024	Discontinued 2024	GROUP 2024	Continuing 2023	Discontinued 2023	GROUP 2023	COMPANY 2024	COMPANY 2023
Profit for the year	**2 204 905**	**(1 449 578)**	**755 327**	**1 684 141**	**(198 617)**	**1 485 524**	**77 285**	**1 474 260**
Items that may be reclassified subsequently to profit or loss	**(232 084)**	**(29 758)**	**(261 842)**	**703 807**	**139 587**	**843 394**	**-**	**-**
Exchange differences on translation of foreign operations	(231 326)	(37 676)	**(269 002)**	704 545	157 401	**861 946**	-	-
Exchange differences on translation of foreign operations: non-controlling interest	(758)	7 918	**7 160**	(738)	(17 814)	**(18 552)**	-	-
Total comprehensive income for the year	**1 972 821**	**(1 479 336)**	**493 485**	**2 387 948**	**(59 030)**	**2 328 918**	**77 285**	**1 474 260**
Total comprehensive income/(loss) for the year attributable to:								
Shareholders of the Company	1 977 113	(1 226 354)	**750 759**	2 383 028	134	**2 383 162**	77 285	1 474 260
Non-controlling interests	(4 292)	(252 982)	**(257 274)**	4 920	(59 164)	**(54 244)**	-	-
Total comprehensive income for the year	**1 972 821**	**(1 479 336)**	**493 485**	**2 387 948**	**(59 030)**	**2 328 918**	**77 285**	**1 474 260**

Statements of financial position at 30 June 2024

Rand thousands	Note	GROUP 2024	GROUP 2023	COMPANY 2024	COMPANY 2023
ASSETS					
Non-current assets		**37 530 912**	**35 749 056**	**30 309 591**	**29 106 382**
Investment property	E1.3	35 915 989	33 446 043	24 595 097	22 272 372
Straight-line rental revenue accrual	E1.9	353 002	388 346	270 365	313 834
Property, plant and equipment	E2.2	1 059 472	982 745	582 280	438 445
Investments in subsidiaries	E4.1	-	-	4 753 455	5 933 771
Investments in joint ventures	E5.3.1	-	637 475	-	-
Loans receivable	F1.2	130 127	162 532	94 495	136 825
Intangible assets		58	59	-	-
Deferred taxation	I1.2	54	1 116	-	-
Derivatives	H2.2	72 210	130 740	13 899	11 135
Current assets		**1 106 697**	**1 491 959**	**592 667**	**722 036**
Loans receivable	F1.2	31 184	50 189	13 285	-
Taxation	I2.1	2 613	23 110	446	-
Trade and other receivables	F2.2.3	209 451	214 339	258 271	279 634
Derivatives	H2.2	81 152	157 241	21 418	73 558
Cash and cash equivalents	F3.2	782 297	1 047 080	299 247	368 844
Assets classified as held-for-sale and discontinued operations	E6.3.1	**1 981 268**	**2 629 682**	**-**	**-**
Total assets		**40 618 877**	**39 870 697**	**30 902 258**	**29 828 418**
EQUITY					
Stated capital	G1.2	11 431 606	10 904 343	11 470 476	10 970 921
Retained income		2 090 736	1 829 625	1 582 726	1 565 778
Other reserves	G2.2	9 371 059	9 965 751	8 333 168	9 349 443
Attributable to shareholders of the Company		**22 893 401**	**22 699 719**	**21 386 370**	**21 886 142**
Non-controlling interests		(389 725)	(130 637)	-	-
Total equity		**22 503 676**	**22 569 082**	**21 386 370**	**21 886 142**
LIABILITIES					
Non-current liabilities		**14 536 917**	**10 878 000**	**8 477 963**	**5 848 542**
Borrowings	H1.3	13 280 102	9 738 356	8 248 587	5 654 745
Derivatives	H2.2	27 510	14 795	12 708	6 562
Financial guarantees	H3.4	7 015	-	8 948	427
Share-based payment liability	L2.3	3 856	1 068	-	-
Provisions	I4.1	3 350	10 663	-	10 663
Deferred taxation	I1.2	1 215 084	1 113 118	207 720	176 145
Current liabilities		**1 984 570**	**4 744 812**	**1 037 925**	**2 093 734**
Borrowings	H1.3	936 674	3 894 580	347 982	1 424 965
Derivatives	H2.2	16 601	4 434	8 499	649
Financial guarantees	H3.4	-	-	283	44 536
Trade and other payables	I3.1	815 672	773 682	626 175	581 816
Provisions	I4.1	198 078	62 477	54 986	41 688
Taxation	I2.1	17 545	9 639	-	80
Liabilities associated with assets classified as held-for-sale and discontinued operations	E6.3.2	**1 593 714**	**1 678 803**	**-**	**-**
Total liabilities		**18 115 201**	**17 301 615**	**9 515 888**	**7 942 276**
Total equity and liabilities		**40 618 877**	**39 870 697**	**30 902 258**	**29 828 418**

Statements of changes in equity for the year ended 30 June 2024

GROUP *Rand thousands*	Note	Stated capital	Retained income	Other reserves	Subtotal	Non-controlling interests	Total equity
		Attributable to shareholders of the Company					
Balance at 30 June 2022		**10 399 277**	**1 629 595**	**8 785 101**	**20 813 973**	**(43 830)**	**20 770 143**
Total comprehensive income/(loss)		**-**	**1 521 216**	**861 946**	**2 383 162**	**(54 244)**	**2 328 918**
Profit/(loss) for the year		-	1 521 216	-	**1 521 216**	(35 692)	**1 485 524**
Other comprehensive income/(loss) for the year		-	-	861 946	**861 946**	(18 552)	**843 394**
Transactions with shareholders of the Company		**505 066**	**(1 321 186)**	**318 704**	**(497 416)**	**-**	**(497 416)**
Share-based awards vested		2 299	2 196	(4 495)	**-**	-	**-**
Share-based awards forfeited		-	-	(10 643)	**(10 643)**	-	**(10 643)**
Transfer of shares - LTIP	G1.2	5 726	(1 096)	-	**4 630**	-	**4 630**
Shares issued		497 041	-	-	**497 041**	-	**497 041**
Share-based payment expense		-	-	15 825	**15 825**	-	**15 825**
Dividends declared	B2	-	(1 004 269)	-	**(1 004 269)**	-	**(1 004 269)**
Net transfer to non-distributable reserves		-	(318 017)	318 017	**-**	-	**-**
Transactions with non-controlling interests		-	-	-	**-**	(32 563)	**(32 563)**
Balance at 30 June 2023		**10 904 343**	**1 829 625**	**9 965 751**	**22 699 719**	**(130 637)**	**22 569 082**
Total comprehensive income		**-**	**1 019 761**	**(269 002)**	**750 759**	**(257 274)**	**493 485**
Profit/(loss) for the year		-	1 019 761	-	**1 019 761**	(264 434)	**755 327**
Other comprehensive income/(loss) for the year		-	-	(269 002)	**(269 002)**	7 160	**(261 842)**
Transactions with shareholders of the Company		**527 263**	**(758 650)**	**(325 690)**	**(557 077)**	**-**	**(557 077)**
Share-based awards vested	G1.2	23 796	(8 679)	(15 117)	**-**	-	**-**
Share-based awards forfeited		-	-	(2 160)	**(2 160)**	-	**(2 160)**
Transfer of shares - LTIP	G1.2	5 903	(2 373)	-	**3 530**	-	**3 530**
Shares issued		497 564	-	-	**497 564**	-	**497 564**
Share-based payment expense		-	-	17 261	**17 261**	-	**17 261**
Dividends declared	B2	-	(1 073 272)	-	**(1 073 272)**	-	**(1 073 272)**
Net transfer to non-distributable reserves		-	325 674	(325 674)	**-**	-	**-**
Transactions with non-controlling interests		-	-	-	**-**	(1 814)	**(1 814)**
Balance at 30 June 2024		**11 431 606**	**2 090 736**	**9 371 059**	**22 893 401**	**(389 725)**	**22 503 676**
Note				G2.2			

Statements of changes in equity for the year ended 30 June 2024

COMPANY *Rand thousands*	Note	Stated capital	Retained income	Other reserves	Total equity
Balance at 30 June 2022		**10 471 387**	**1 500 718**	**8 945 285**	**20 917 390**
Total comprehensive income		**-**	**1 474 260**	**-**	**1 474 260**
Profit for the year		-	1 474 260	-	1 474 260
Transactions with shareholders of the Company		**499 534**	**(1 409 200)**	**404 158**	**(505 508)**
Share-based awards vested		-	2 748	(4 495)	(1 747)
Share-based awards forfeited		-	-	(10 643)	(10 643)
Shares issued	G1.2	499 534	-	-	499 534
Share-based payment expense		-	-	15 825	15 825
Dividends declared	B2	-	(1 008 477)	-	(1 008 477)
Net transfer to non-distributable reserves		-	(403 471)	403 471	-
Balance at 30 June 2023		**10 970 921**	**1 565 778**	**9 349 443**	**21 886 142**
Total comprehensive income		**-**	**77 285**	**-**	**77 285**
Profit for the year		-	77 285	-	77 285
Transactions with shareholders of the Company		**499 555**	**(60 337)**	**(1 016 275)**	**(577 057)**
Share-based awards vested		-	(414)	(15 117)	(15 531)
Share-based awards forfeited		-	-	(2 160)	(2 160)
Shares issued	G1.2	499 555	-	-	499 555
Share-based payment expense		-	-	17 261	17 261
Dividends declared	B2	-	(1 076 182)	-	(1 076 182)
Net transfer to non-distributable reserves		-	1 016 259	(1 016 259)	-
Balance at 30 June 2024		**11 470 476**	**1 582 726**	**8 333 168**	**21 386 370**
Note				G2.2	

Statements of cash flows for the year ended 30 June 2024

		GROUP		COMPANY	
Rand thousands	Note	2024	2023	2024	2023
Net cash flows from operating activities		**555 945**	**303 553**	**25 806**	**(16 407)**
Cash generated from operations	J1	2 775 861	2 437 584	1 620 623	1 469 544
Interest received	J2.5	68 606	51 781	103 591	36 568
Interest paid	J2.4	(1 140 295)	(881 765)	(622 146)	(513 834)
Taxation paid	J2.1	(74 955)	(154 227)	(80)	(208)
Cash flows from operating activities before dividends		**1 629 217**	**1 453 373**	**1 101 988**	**992 070**
Dividends paid	J2.3	(1 073 272)	(1 149 820)	(1 076 182)	(1 008 477)
Net cash flows from investing activities		**(2 196 700)**	**(571 393)**	**(1 875 541)**	**(231 643)**
Acquisition of investment property	E1.4.3	(1 683 093)	-	(1 683 093)	-
Additions to investment property	E1.4.3	(167 521)	(98 190)	(150 332)	(72 816)
Tenant cash incentives	E1.9	(29 545)	-	-	-
Additions to property, plant and equipment	E2.3	(244 293)	(190 902)	(218 563)	(163 558)
Additions to investment in joint venture	E5.3.1	(115 108)	(221 959)	-	-
Amounts paid - PDI Transaction	J2.6	-	(58 797)	-	-
Dividends received	J2.2	-	-	151 871	-
Loans receivable repaid	F1.4.1	48 412	3 805	33 169	15 022
Loans receivable advanced	F1.4.1	(5 552)	(5 350)	(8 593)	(10 291)
Net cash flows from financing activities		**1 341 192**	**(332 168)**	**1 780 138**	**186 260**
Borrowings repaid		(4 719 461)	(6 184 198)	(1 424 850)	(2 512 502)
Borrowings raised		5 609 557	5 371 615	2 945 000	2 432 158
Additions to investment in subsidiary[4]	E4.2	-	-	(195 925)	(230 730)
Capital reduction - NCI portion[2]		(1 814)	-	-	-
Derivatives purchased	H2.3	(44 654)	(16 626)	(43 642)	(2 200)
Shares purchased as treasury shares[3]	G1.2	(1 991)	(2 493)	-	-
Shares issued	G1.2	499 555	499 534	499 555	499 534
Net (decrease)/increase in cash and cash equivalents		**(299 563)**	**(600 008)**	**(69 597)**	**(61 790)**
Cash and cash equivalents at the beginning of the year		1 047 080	1 387 471	368 844	430 219
Exchange (losses)/gains on cash and cash equivalents		(98 545)	93 151	-	415
Decrease/(increase) in cash classified as held-for-sale[1]		133 325	166 466	-	-
Cash and cash equivalents at the end of the year	F3.2	**782 297**	**1 047 080**	**299 247**	**368 844**

[1] See note E6.4 - *Summarised statement of cashflows* for the impact of cashflows from discontinued operations.
[2] Capital reductions are reflected in the Statement of changes in equity under "Transactions with Non-controlling interests"
[3] Prior year disclosures have been updated to separate shares purchased as Treasury shares from the line "Shares issued"
[4] Prior year disclosures have been updated to present "Additions to investment in subsidiary" under financing activities from investing activities

Notes to the consolidated and separate financial statements

A Basis of preparation and critical judgements

A1 Basis of preparation

A1.1 Statement of compliance

Hyprop is incorporated in South Africa and is a listed REIT. The Company's registered office is 2nd floor Cradock Heights, 21 Cradock Avenue, Rosebank, Johannesburg, 2196. The Group owns and manages retail and office investment properties in South Africa, Eastern Europe and Sub-Saharan Africa.

These consolidated and separate financial statements have been prepared in accordance with IFRS® Accounting Standards (IFRS Accounting Standards) as issued by the International Accounting Standards Board (IASB), the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council, the JSE Listings Requirements (collectively "JSE Listings Requirements") and the South African Companies Act.

A1.2 Basis of preparation

The consolidated and separate financial statements have been prepared on the historical cost basis, except for the measurement of investment properties, investment property classified as held-for-sale and certain financial instruments, which are recorded at fair value, and incorporate the material accounting policies set out below and in the individual notes to the financial statements.

All accounting policies applied in the preparation of these consolidated and separate financial statements are consistent with those applied in the consolidated and separate financial statements for the year ended 30 June 2023, except as disclosed in note A3.1 – *New and amended IFRS accounting standards that have been adopted in the current year.*

The financial information presented in the consolidated and separate financial statements comprises that of the parent company, Hyprop Investments Ltd, together with its subsidiaries, including the proportionately consolidated results of joint operations and equity accounted results of joint ventures, presented as a single entity.

All values are presented in South African Rand, the functional currency of Hyprop, and are rounded to the nearest thousand Rand, unless indicated otherwise.

A1.3 Basis of consolidation

The consolidated financial statements incorporate the results of the Company and entities controlled and jointly-controlled by the Group. Control is achieved when the Group:

- Has power over the investee
- Is exposed, or has rights, to variable returns from its involvement with the investee
- Has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that one or more of the elements listed above have changed during the year.

A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

The consolidated financial statements incorporate the assets, liabilities, income, expenses and cash flows of the Group. The results of subsidiaries acquired or disposed during the year are included in the consolidated financial statements from the date of acquisition or up to the date of disposal, as applicable.

A change in the ownership interest in a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, with any resultant gain or loss recognised in profit or loss.

All intergroup transactions, unrealised profits and balances between Group entities are eliminated on consolidation.

A1.4 Non-controlling interest

Non-controlling interests are measured as the non-controlling shareholders' proportionate interest in the identifiable net assets of the relevant entity at the acquisition date, and are adjusted for the non-controlling shareholders' proportion of any subsequent profit or loss at each reporting date.

A2 Key judgements and estimates

A2.1 Material policy choices

The following accounting policy elections have been made by the Group (excluding elections applied as transitional arrangements on adoption of new or amended reporting standards):

Item	Option	Policy choice and impact	Note
Investment property	IAS 40: *Investment property* allows a choice between the fair value model and the cost model in recording investment property. The choice is made at a portfolio level.	The Group continues to apply the fair value model for all investment properties.	E1
Investments in subsidiaries, joint operations and joint ventures	In terms of IAS 27: *Consolidated and separate financial statements,* investments in subsidiaries, associates and joint arrangements can be accounted for in the separate financial statements either at: cost; or at fair value in accordance with IFRS 9: *Financial instruments;* or using the equity method as described in IAS 28: *Investments in associates and joint ventures.*	The Company has elected to recognise investments in subsidiaries and associates at cost in the separate financial statements. Joint operations (at both Group and Company levels) are accounted for using the proportionate share method. In addition, joint ventures are accounted for using the equity method in the consolidated financial statements.	E4, E5

Notes to the consolidated and separate financial statements continued

A Basis of preparation and critical judgements (continued)

A2 Key judgements and estimates (continued)

A2.2 Estimates, assumptions and judgements

Accounting policies for specific items in the financial statements are included in the relevant note to the financial statements.

Assumptions and estimates are an integral part of financial reporting and as such have an impact on the amounts reported for the Group's income, expenses, assets and liabilities. Judgement in these areas is based on historical experience and reasonable expectations relating to future events.

Estimates, assumptions and judgements are applied in the following significant areas:

Item	Nature of judgement or estimation	Note
Investment property valuations	The valuation of investment properties requires judgement in the determination of, inter alia, future cash flows, appropriate discount rates, rental growth rates, vacancy rates and capitalisation rates. The Group's policy is to obtain independent valuations of its investment properties and report investment properties at the lower of the independent value or a directors' valuation based on arms length bona fide commercial offers for specific properties. The key assumptions and estimations used to perform the independent investment property valuations are determined by the independent valuers.	E1
Interests in co-owned assets/ joint operations: *Canal Walk and The Glen*	Judgement is required to identify the relevant activities of the co-owned assets to determine whether the assets should be classified as joint operations or joint ventures. Interests in co-owned assets are categorised as interests in joint operations as there is shared control of the co-owned assets.	E5
Normal and Deferred taxation	The Group is subject to income tax in numerous jurisdictions. Judgement is required in determining tax liabilities as there are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Management has assessed the Group's tax obligations and the potential tax consequences arising from, inter alia, normal trading activities, interest and dividends paid by Group companies and the acquisition and disposal of assets during the year. The Group recognises liabilities for anticipated tax obligations based on estimates of the taxes that are likely to become due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. For this purpose, the carrying amount of investment property measured at fair value is presumed to be recovered through sale, and the Group has not rebutted this presumption.	D7, I1, I2

Notes to the consolidated and separate financial statements continued

A Basis of preparation and critical judgements (continued)

A2 Key judgements and estimates (continued)

A2.2 Estimates, assumptions and judgements (continued)

Item	Nature of judgement or estimation	Note
Classification as an Asset held-for-sale: *Gruppo, Hyprop Ikeja and AttAfrica*	On 9 November 2020 Hyprop announced that Hyprop Mauritius (as one of the sellers) had concluded an agreement to dispose of its 75% interest in Gruppo (the owner of Ikeja City Mall) to two new property funds managed by the Actis Group (the Ikeja-Actis transaction). A formal sale agreement (the Actis SPA) was signed in November 2020 and was subject to the fulfilment of certain conditions precedent, including the approval of the Nigerian Federal Competition and Consumer Protection Commission (FCCPC) (which was obtained) and certain fundraising requirements by the purchaser. Given the lack of US Dollar liquidity in Nigeria, and subsequent volatility of the Naira/US Dollar exchange rate, fulfilling this condition took longer than anticipated. Despite several extensions of the long-stop date for fulfilment of the conditions precedent and implementation of the Ikeja-Actis transaction, on 14 June 2024 the Actis SPA was terminated. On 17 June 2024, Hyprop Mauritius (as one of the sellers) concluded a letter of intent with Lango Real Estate Limited (the Lango LOI) to dispose of its shares and shareholder claims in Hyprop Ikeja Limited (which holds the Group's 75% interest in Gruppo) and AttAfrica (which holds the Group's interests in 3 Ghanaian shopping centres) (the Lango transaction). On 7 August 2024 sale and purchase agreements (the Lango SPAs) were signed by the parties to the Lango transaction, which, subject to fulfilment of their conditions precedent, are in process of being implemented. It remains Hyprop's intention to exit its Sub-Saharan African investments and the Lango transaction represents significant progress towards achieving this objective. As a result of the conclusion of the Lango LOI and the Lango SPAs, Gruppo continues to be designated as held-for-sale, and Hyprop Ikeja and the investment in AttAfrica have been classified as held-for-sale, at 30 June 2024. Gruppo, Hyprop Ikeja and AttAfrica are reported under the Sub-Saharan Africa segment.	E6

Notes to the consolidated and separate financial statements continued

A Basis of preparation and critical judgements (continued)

A3 Changes in accounting policies and disclosures

A3.1 New and amended IFRS accounting standards that have been adopted in the current year

IAS 1: Presentation of financial statements (Amendments regarding Disclosure of accounting policies) and IFRS practice statement 2: Making materiality judgements) *(both effective 1 January 2023)*

The Group has reviewed the materiality of its accounting policies in line with IAS 1 and the Practice Statement 2, with the aim of eradicating/ reducing the disclosure of immaterial accounting policies.

Critical judgements and estimates and other material accounting policies remain in these AFS, however, those judged immaterial or unnecessary have been removed.

IFRIC Agenda Decision: Disclosure of Revenues and Expenses for Reportable Segments (IFRS 8: Operating Segments) *(effective 29 July 2024)*

The Group has reviewed its segmental reporting with the IFRIC Agenda decision in mind, and has added the notes C4 - *Segmental analysis - Revenue* and C5 - *Segmental analysis - Reconciliation of cash generated from operations to distributable income.*

Other new/amended standards

The new/amended standards listed below had no material impact on the Group.

- IAS 12: *Income taxes* amendments related to deferred tax related to assets and liabilities arising from a single transaction *(effective 1 January 2023).*
- IAS 8: *Accounting policies, changes in accounting estimates and errors* amendments to the definition of accounting estimate *(effective 1 January 2023).*

A3.2 Standards issued but not yet effective

At the date of approval of these consolidated and separate financial statements, certain new accounting standards, amendments and interpretations to existing standards have been published but are not yet effective. These have not been early adopted by the Group.

Management anticipates that all of the pronouncements will be adopted in the Group's accounting policies for the first period beginning after the effective date of the pronouncements.

A3.2.1 Material impact

No standards were judged to have a potentially material impact on adoption.

A3.2.2 Immaterial impact

The following standards are not expected to have a material impact upon adoption.

- IFRS 16: *Leases* (Amendments regarding the Lease liability in a sale and leaseback) *(effective 1 January 2024).*
- IAS 1: *Presentation of financial statements* (Amendments regarding Non-current liabilities with covenants) *(effective 1 January 2024).*
- IAS 7: *Statement of Cash Flows* and IFRS 7: *Financial Instruments: Disclosures* (Amendments regarding supplier finance arrangements) *(effective 1 January 2024).*
- IAS 21: *The effects of changes in foreign exchange rates* (Amendments regarding the lack of exchangeability) *(effective 1 January 2025).*

A3.2.3 Impact yet to be assessed

The following standards have yet to be assessed.

- IFRS 7: *Financial Instruments: Disclosures* and IFRS 9: *Financial Instruments* (Amendments regarding the Classification and measurement requirements for financial instruments, Settlement by electronic payments, and other amendments) *(effective 1 January 2026).*
- IFRS 18: *Presentation and Disclosure in Financial Statements* (effective 1 January 2027).
- IFRS 19: *Subsidiaries without Public Accountability: Disclosures (effective 1 January 2027).*

Notes to the consolidated and separate financial statements continued

A Basis of preparation and critical judgements (continued)

A4 Going concern

The Company and Group financial statements are prepared on the basis of accounting policies applicable to a going concern. This basis assumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities will occur in the ordinary course of business.

In assessing the Company and Group's ability to continue as going concerns, the Board and the ARC have reviewed the Company and Group's budgets and cashflow forecasts, available cash balances, existing unutilised and available new borrowing facilities and the Group's debt maturity profile.

For the year ended 30 June 2024, the Company recorded a net profit for the year of R77m, and the Group R755m (continuing operations R2 205m) following the impairment of the investments in sub-Saharan Africa to their anticipated sales values less costs to sell in terms of the Lango transaction. The Group's net income before value adjustments for the year was R1 227m (2023: R1 078m) and cash generated by operations was R2 776m (2023: R2 438m). At 30 June 2024 the Group's net asset value was R22.9bn, the Group had cash balances of R803m (including assets held-for-sale) and available undrawn Rand and Euro facilities of R1 780m and €10m respectively, resulting in a strong liquidity.

At 30 June 2024 the Company's current liabilities exceeded its current assets by R445m and the Group's current liabilities exceeded its current assets by R878m (excluding assets and liabilities held-for-sale and discontinued operations) mainly due to borrowings which mature in less than one year (see note H1.3 - *Maturity profile*).

Short term borrowings comprise R348m and €29m (R572m) which are covered by the Group's available Rand and Euro revolving credit facilities, but should be settled through quarterly amortisation payments from cash generated from operations or refinanced closer to their maturity dates. In June 2024, all borrowings in the sub-Saharan Africa portfolio were refinanced until February 2027. These borrowings will be assumed by the buyer of the sub-Saharan Africa investments and the Group released from all guarantees provided to the lenders to the sub-Saharan Africa investments on implementation of the Lango Transaction.

Accordingly, the directors consider that the Company and the Group have adequate resources to continue operating for the ensuing 12 months and that it is appropriate to adopt the going concern basis in preparing the Company and Group financial statements.

Notes to the consolidated and separate financial statements continued

B Performance analyses

B1 Distributable income and dividend per share for the year

B1.1 Distributable income per share for the year *(Pro-forma information)*

	GROUP and COMPANY	
Cents per share	**2024**	**2023**
	370.4	**405.2**
Six months ended 31 December	176.1	203.4
Six months ended 30 June	194.3	201.8

B1.2 Dividend per share for the year

Year ended 30 June - final dividend declared after year end	280.0	299.3

No interim dividend was declared for the 2023 and 2024 financial years.

B2 Dividends declared during the year

Final dividend declared in respect of the year ended 30 June 2023 (30 June 2022)

	GROUP		COMPANY	
	2024	**2023**	**2024**	**2023**
Cents per share			299.3	293.6
Rand thousands[1]	1 073 272	1 004 269	1 076 182	1 008 477

[1] This amount is reflected in the statement of changes in equity

On 19 September 2023 it was announced that the Board had declared a distribution of 299.29970 cents per share for the year ended 30 June 2023. Shareholders were given the option to reinvest the dividend in return for Hyprop shares, subject to a maximum quantum of R500m in aggregate.

Shareholders holding 246 222 433 Hyprop shares (equivalent to 68.5% of the total number of issued Hyprop shares prior to the share reinvestment alternative) elected the share reinvestment alternative, resulting in the issue of 20 832 563 new Hyprop shares, and R500m of cash being retained by Hyprop as new equity. A cash dividend of R1 076m was paid and reinvestments totalling R500m were received.

Notes to the consolidated and separate financial statements continued

B Performance analyses (continued)

B3 Earnings per share

EPS is measured in accordance with IAS 33: *Earnings per Share* and HEPS is measured in accordance with SAICA Circular 1/2023 - *Headline Earnings*.

B3.1 Earnings reconciliation - basic to headline earnings

		GROUP	
Rand thousands	**Note**	**2024**	**2023**
Profit for the year attributable to shareholders of the Company (Basic earnings)		1 019 761	1 521 216
Headline earnings adjustments		**93 766**	**(133 892)**
Change in fair value of investment property		(341 153)	(325 649)
Non-controlling interests share of change in fair value of investment property		(195 574)	30 219
Impairment of assets held-for-sale and discontinued operations	E6.5	441 655	-
PDI Transaction - additional purchase consideration	E7.4.1	-	8 775
Loss from equity accounted investments	E5.3.1	78 057	150 694
Loss on PPE written off		102	2 069
Profit on disposal of investment property		(4 951)	-
Tax effects of above adjustments		115 630	-
Headline earnings		**1 113 527**	**1 387 324**

B3.2 Weighted average number of ordinary shares

Number of shares	**2024**	**2023**
Shares in issue at the beginning of the year	359 566 570	343 438 921
Effect of shares issued during the year	13 319 180	10 295 184
Effect of treasury shares held	(1 102 379)	(1 514 361)
Weighted average number of ordinary shares in issue	**371 783 371**	**352 219 744**
Effect of dilutive shares	1 168 241	1 253 125
Diluted weighted average number of ordinary shares in issue	**372 951 612**	**353 472 869**

B3.3 Earnings per share

Cents per share	**2024**	**2023**
Basic earnings per share (EPS) Basic earnings divided by the weighted average number of ordinary shares in issue.	274.3	431.9
Diluted earnings per share (DEPS) Basic earnings divided by the diluted weighted average number of ordinary shares in issue.	273.4	430.4
Headline earnings per share (HEPS) Headline earnings divided by the weighted average number of ordinary shares in issue.	299.5	393.9
Diluted headline earnings per share (DHEPS) Headline earnings divided by the diluted weighted average number of ordinary shares in issue.	298.6	392.5

Notes to the consolidated and separate financial statements continued

B Performance analyses (continued)

B4 Net asset values - Pro-forma information

B4.1 Net asset value/ Tangible net asset value per share

		GROUP	
Rand thousands	**Note**	**2024**	**2023**
Equity attributable to shareholders of the Company (NAV)		22 893 401	22 699 719
Adjusted for:			
Intangible assets		(58)	(59)
Net deferred taxation liability	I1.2	1 215 030	1 112 002
TNAV		**24 108 373**	**23 811 662**
Number of shares			
Number of ordinary shares in issue	G1.3	380 399 133	359 566 570
Treasury shares	G1.3	(896 964)	(1 482 551)
Net number of ordinary shares in issue		**379 502 169**	**358 084 019**
Rands per share			
NAV		60.32	63.39
TNAV		63.53	66.50

Notes to the consolidated and separate financial statements continued

C Segmental analysis

C1 Overview and definitions

The Group's identification of its segments and the measurement of segment results are based on the Group's internal management reporting used for day-to-day decision-making and reviewed by the Chief Executive Officer (who is the Group's chief operating decision maker) as well as any material items included in arriving at Profit for the year per the Group's materiality assessment. The segments have been identified according to their location. The primary measures of segment performance are net operating income and distributable income.

The segments are supported by the Group head office, which provides support in the areas of finance, treasury, legal, human resources, governance and compliance, risk management and information technology.

Assets (of any previous segment) that have been classified as held-for-sale according to IFRS 5: *Non-current assets held-for-sale and discontinued operations,* are reported under their geographic segments. There are two investments that are held-for-sale (2023: one property).

The Group comprises the following business segments and sectors:

Business Segment	Description and basis of segmentation	Sector
South Africa	The SA portfolio comprises all South African shopping malls and offices irrespective of size. There are nine properties in this segment (2023: eight). Included in this segment are the combined results of the various support services provided to the Group from South Africa including: Group finance, treasury, asset management and development, human resources, legal and compliance, information technology, investor relations, marketing and facilities management.	SA
Eastern Europe	The EE portfolio comprises retail shopping malls in Bulgaria, Croatia and North Macedonia, held through the Group's 100% subsidiary Hyprop Europe, as well as the regional finance, treasury and asset management support services for the EE portfolio. There are four properties in this segment (2023: four).	EE
Sub-Saharan Africa	The SSA portfolio comprises interests in four shopping centres in Nigeria and Ghana, held through Hyprop Mauritius, a wholly owned subsidiary, and AttAfrica, a joint venture, and the regional asset management services provided by WAAM. Ikeja City Mall in Nigeria and the investments in Hyprop Ikeja and AttAfrica are included in this segment and are classified as held-for-sale and discontinued operations in 2024 (2023: Only Ikeja City Mall was classified as held-for-sale).	SSA

Notes to the consolidated and separate financial statements continued

C Segmental analysis (continued)

C2 Segmental analysis – profit or loss

2024 *Rand thousands*	**SOUTH AFRICA**	**EASTERN EUROPE**	**SUB-SAHARAN AFRICA**	**GROUP**
Revenue	**2 940 228**	**1 544 585**	**251 540**	**4 736 353**
Lease revenue	2 008 461	1 386 838	220 203	**3 615 502**
Non-lease revenue	931 767	157 747	31 337	**1 120 851**
Changes in ECLs - trade receivables	(12 368)	423	(14 581)	**(26 526)**
Property expenses	(1 350 095)	(569 762)	(75 925)	**(1 995 782)**
Utilities	(869 092)	(225 165)	(42 225)	**(1 136 482)**
Contractual services	(149 839)	(107 209)	(2 292)	**(259 340)**
Salaries and staff-related expenses	(113 927)	(31 999)	(3 672)	**(149 598)**
Depreciation and amortisation	(73 080)	(66 568)	(3 599)	**(143 247)**
Maintenance	(52 789)	(37 808)	(1 977)	**(92 574)**
Management and other costs	(91 368)	(101 013)	(22 160)	**(214 541)**
Net property income	**1 577 765**	**975 246**	**161 034**	**2 714 045**
Other operating income	1 612	-	7 313	**8 925**
Other operating expenses	(125 581)	(37 179)	(9 005)	**(171 765)**
Salaries and staff-related expenses	(91 834)	(28 450)	(5 510)	**(125 794)**
Depreciation and amortisation	(1 654)	(6)	(35)	**(1 695)**
Management and other costs	(32 093)	(8 723)	(3 460)	**(44 276)**
Net foreign exchange (losses)/ gains	(2)	153	(153 455)	**(153 304)**
Operating income	**1 453 794**	**938 220**	**5 887**	**2 397 901**
Net interest	(589 063)	(357 207)	(147 041)	**(1 093 311)**
Interest income	57 414	10 808	2 401	**70 623**
Interest expense	(646 477)	(368 015)	(149 442)	**(1 163 934)**
Net operating income/(loss)	**864 731**	**581 013**	**(141 154)**	**1 304 590**
Loss from equity accounted investments	-	-	(78 057)	**(78 057)**
Net income/(loss) before value adjustments	**864 731**	**581 013**	**(219 211)**	**1 226 533**
Changes in fair value	382 321	627 486	(785 774)	**224 033**
Profit on disposal of investment property	4 951	-	-	**4 951**
Changes in ECLs - loans receivable	(2 036)	(1 768)	-	**(3 804)**
Impairment of assets held-for-sale and discontinued operations	-	-	(441 655)	**(441 655)**
Profit/(loss) before taxation	**1 249 967**	**1 206 731**	**(1 446 640)**	**1 010 058**
Taxation	(32 187)	(213 292)	(9 252)	**(254 731)**
Profit/(loss) for the year	**1 217 780**	**993 439**	**(1 455 892)**	**755 327**
Calculation of distributable income *(Pro-forma information)*				
Net income/(loss) before value adjustments	864 731	581 013	(219 211)	**1 226 533**
Adjusted for:	45 947	(76 687)	209 730	**178 990**
Straight-line rental revenue accrual	43 469	17 684	6 811	**67 964**
Tax adjustments	450	(95 267)	(9 247)	**(104 064)**
Loss from equity accounted investments	-	-	78 057	**78 057**
Capital items for distribution purposes	(614)	486	91 794	**91 666**
Non-controlling interests	2 642	410	42 315	**45 367**
Distributable income	**910 678**	**504 326**	**(9 481)**	**1 405 523**
% of Group	**65%**	**36%**	**(1%)**	

Notes to the consolidated and separate financial statements continued

C Segmental analysis (continued)

C2 Segmental analysis – profit or loss (continued)

2023 *Rand thousands*	**SOUTH AFRICA**	**EASTERN EUROPE**	**SUB-SAHARAN AFRICA**	**GROUP**
Revenue	**2 738 924**	**1 338 653**	**296 363**	**4 373 940**
Lease revenue	1 866 626	1 167 201	231 301	**3 265 128**
Non-lease revenue	872 298	171 452	65 062	**1 108 812**
Changes in ECLs - trade receivables	3	3 237	13 371	**16 611**
Property expenses	(1 305 024)	(538 690)	(101 316)	**(1 945 030)**
Utilities	(858 731)	(242 470)	(77 128)	**(1 178 329)**
Contractual services	(139 097)	(88 094)	(4 450)	**(231 641)**
Salaries and staff-related expenses	(116 836)	(28 702)	(6 183)	**(151 721)**
Depreciation and amortisation	(59 621)	(45 860)	(3 285)	**(108 766)**
Maintenance	(47 924)	(35 869)	(3 356)	**(87 149)**
Management and other costs	(82 815)	(97 695)	(6 914)	**(187 424)**
Net property income	**1 433 903**	**803 200**	**208 418**	**2 445 521**
Other operating income	5 962	-	7 546	**13 508**
Other operating expenses	(113 923)	(29 802)	(6 802)	**(150 527)**
Salaries and staff-related expenses	(79 218)	(25 104)	(5 732)	**(110 054)**
Depreciation and amortisation	(1 597)	-	(28)	**(1 625)**
Management and other costs	(33 108)	(4 698)	(1 042)	**(38 848)**
Net foreign exchange (losses)/ gains	385	2 836	(228 090)	**(224 869)**
Operating income	**1 326 327**	**776 234**	**(18 928)**	**2 083 633**
Net interest	(507 165)	(197 896)	(149 402)	**(854 463)**
Interest income	35 853	9 384	7 803	**53 040**
Interest expense	(543 018)	(207 280)	(157 205)	**(907 503)**
Net operating income/(loss)	**819 162**	**578 338**	**(168 330)**	**1 229 170**
Loss from equity accounted investments	-	-	(150 694)	**(150 694)**
Net income/(loss) before value adjustments	**819 162**	**578 338**	**(319 024)**	**1 078 476**
Changes in fair value	281 219	83 974	124 978	**490 171**
Changes in ECLs - loans receivable	(2 767)	-	-	**(2 767)**
PDI Transaction - additional purchase consideration	-	(8 775)	-	**(8 775)**
Profit/(loss) before taxation	**1 097 614**	**653 537**	**(194 046)**	**1 557 105**
Taxation	(5 463)	(64 276)	(1 842)	**(71 581)**
Profit/(loss) for the year	**1 092 151**	**589 261**	**(195 888)**	**1 485 524**
Calculation of distributable income *(Pro-forma information)*				
Net income/(loss) before value adjustments	819 162	578 338	(319 024)	**1 078 476**
Adjusted for:	84 646	(53 153)	340 916	**372 409**
Straight-line rental revenue accrual	82 822	22 386	(4 828)	**100 380**
Tax adjustments	55	(72 836)	(1 865)	**(74 646)**
Loss from equity accounted investments	-	-	150 694	**150 694**
Capital items for distribution purposes	(1 458)	(3 348)	168 101	**163 295**
Non-controlling interests	3 227	645	28 814	**32 686**
Distributable income	**903 808**	**525 185**	**21 892**	**1 450 885**
% of Group	**62%**	**36%**	**2%**	

Notes to the consolidated and separate financial statements continued

C Segmental analysis (continued)

C3 Segmental analysis – financial position

2024 *Rand thousands*	**SOUTH AFRICA**	**EASTERN EUROPE**	**SUB-SAHARAN AFRICA**	**GROUP**
Assets				
Non-current assets	25 525 117	12 005 752	43	**37 530 912**
Investment property	24 595 098	11 320 891	-	**35 915 989**
Straight-line rental revenue accrual	270 365	82 637	-	**353 002**
Property, plant and equipment	582 377	477 052	43	**1 059 472**
Loans receivable	63 324	66 803	-	**130 127**
Intangible assets	-	58	-	**58**
Deferred taxation	54	-	-	**54**
Derivatives	13 899	58 311	-	**72 210**
Current assets	468 821	628 217	9 659	**1 106 697**
Loans receivable	13 285	17 899	-	**31 184**
Taxation	446	2 153	14	**2 613**
Trade and other receivables	127 780	80 265	1 406	**209 451**
Derivatives	21 418	59 734	-	**81 152**
Cash and cash equivalents	305 892	468 166	8 239	**782 297**
Assets classified as held-for-sale and discontinued operations	-	-	1 981 268	**1 981 268**
Total assets	**25 993 938**	**12 633 969**	**1 990 970**	**40 618 877**
% of Group	**64%**	**31%**	**5%**	
Liabilities				
Non-current liabilities	7 707 890	6 822 049	6 978	**14 536 917**
Borrowings	7 487 462	5 792 640	-	**13 280 102**
Derivatives	12 708	14 802	-	**27 510**
Financial guarantees	-	-	7 015	**7 015**
Share-based payment liability	-	3 856	-	**3 856**
Provisions	-	3 350	-	**3 350**
Deferred taxation	207 720	1 007 401	(37)	**1 215 084**
Current liabilities	1 042 893	801 260	140 417	**1 984 570**
Borrowings	352 264	571 994	12 416	**936 674**
Derivatives	8 499	8 102	-	**16 601**
Trade and other payables	627 144	186 194	2 334	**815 672**
Provisions	54 986	19 320	123 772	**198 078**
Taxation	-	15 650	1 895	**17 545**
Liabilities associated with assets classified as held-for-sale and discontinued operations	-	-	1 593 714	**1 593 714**
Total liabilities	**8 750 783**	**7 623 309**	**1 741 109**	**18 115 201**
% of Group	**48%**	**42%**	**10%**	
Net asset value/equity	**17 243 155**	**5 010 660**	**249 861**	**22 503 676**
% of Group	**77%**	**22%**	**1%**	

Notes to the consolidated and separate financial statements continued

C Segmental analysis (continued)

C3 Segmental analysis – financial position (continued)

2023 *Rand thousands*	**SOUTH AFRICA**	**EASTERN EUROPE**	**SUB-SAHARAN AFRICA**	**GROUP**
Assets				
Non-current assets	23 109 743	11 996 642	642 671	**35 749 056**
Investment property	22 272 372	11 173 671	-	**33 446 043**
Straight-line rental revenue accrual	313 834	74 512	-	**388 346**
Property, plant and equipment	438 575	544 092	78	**982 745**
Investments in joint ventures	-	-	637 475	**637 475**
Loans receivable	72 711	89 821	-	**162 532**
Intangible assets	-	59	-	**59**
Deferred taxation	1 116	-	-	**1 116**
Derivatives	11 135	114 487	5 118	**130 740**
Current assets	575 553	876 936	39 470	**1 491 959**
Loans receivable	-	50 189	-	**50 189**
Taxation	-	23 110	-	**23 110**
Trade and other receivables	128 020	84 270	2 049	**214 339**
Derivatives	73 558	65 445	18 238	**157 241**
Cash and cash equivalents	373 975	653 922	19 183	**1 047 080**
Assets classified as held-for-sale	-	-	2 629 682	**2 629 682**
Total assets	**23 685 296**	**12 873 578**	**3 311 823**	**39 870 697**
% of Group	**60%**	**32%**	**8%**	
Liabilities				
Non-current liabilities	5 087 099	5 790 901	-	**10 878 000**
Borrowings	4 893 770	4 844 586	-	**9 738 356**
Derivatives	6 562	8 233	-	**14 795**
Share-based payment liability	-	1 068	-	**1 068**
Provisions	10 663	-	-	**10 663**
Deferred taxation	176 104	937 014	-	**1 113 118**
Current liabilities	2 051 710	2 679 104	13 998	**4 744 812**
Borrowings	1 426 534	2 455 108	12 938	**3 894 580**
Derivatives	649	3 785	-	**4 434**
Trade and other payables	582 760	189 954	968	**773 682**
Provisions	41 687	20 790	-	**62 477**
Taxation	80	9 467	92	**9 639**
Liabilities associated with assets classified as held-for-sale	-	-	1 678 803	**1 678 803**
Total liabilities	**7 138 809**	**8 470 005**	**1 692 801**	**17 301 615**
% of Group	**41%**	**49%**	**10%**	
Net asset value/equity	**16 546 487**	**4 403 573**	**1 619 022**	**22 569 082**
% of Group	**73%**	**20%**	**7%**	

Notes to the consolidated and separate financial statements continued

C Segmental analysis (continued)

C4 Segmental analysis – revenue

2024 *Rand thousands*	SOUTH AFRICA	EASTERN EUROPE	SUB-SAHARAN AFRICA	GROUP
Contractual rental revenue	**1 796 107**	**942 879**	**209 539**	**2 948 525**
Turnover rent	67 793	157 767	-	225 560
Operating cost recoveries	147 950	268 295	17 475	433 720
Marketing and promotions revenue - tenants	40 080	35 581	-	75 661
Rental and other lease revenue	**2 051 930**	**1 404 522**	**227 014**	**3 683 466**
Straight-line rental revenue accrual	(43 469)	(17 684)	(6 811)	(67 964)
Total Lease revenue	**2 008 461**	**1 386 838**	**220 203**	**3 615 502**
Municipal recoveries	730 670	103 829	24 021	858 520
Other recoveries	77 758	30 926	2 221	110 905
Recoveries revenue	**808 428**	**134 755**	**26 242**	**969 425**
Casual parking revenue	89 122	17 305	1 211	107 638
Marketing and promotions revenue	34 217	5 687	3 884	43 788
Total Non-lease revenue	**931 767**	**157 747**	**31 337**	**1 120 851**
Total Revenue	**2 940 228**	**1 544 585**	**251 540**	**4 736 353**

2023	SOUTH AFRICA	EASTERN EUROPE	SUB-SAHARAN AFRICA	GROUP
Gross contractual rental revenue	1 689 611	801 241	196 380	2 687 232
COVID-19 rent relief	15 857	-	-	15 857
Contractual rental revenue	**1 705 468**	**801 241**	**196 380**	**2 703 089**
Turnover rent	58 217	129 682	-	187 899
Operating cost recoveries	147 423	228 755	30 093	406 271
Marketing and promotions revenue - tenants	38 340	29 909	-	68 249
Rental and other lease revenue	**1 949 448**	**1 189 587**	**226 473**	**3 365 508**
Straight-line rental revenue accrual	(82 822)	(22 386)	4 828	(100 380)
Total Lease revenue	**1 866 626**	**1 167 201**	**231 301**	**3 265 128**
Municipal recoveries	654 843	107 307	53 943	816 093
Other recoveries	102 393	45 627	1 581	149 601
Recoveries revenue	**757 236**	**152 934**	**55 524**	**965 694**
Casual parking revenue	83 219	13 431	2 379	99 029
Marketing and promotions revenue	31 843	5 087	7 159	44 089
Total Non-lease revenue	**872 298**	**171 452**	**65 062**	**1 108 812**
Total Revenue	**2 738 924**	**1 338 653**	**296 363**	**4 373 940**

Notes to the consolidated and separate financial statements continued

C Segmental analysis (continued)

C5 Segmental analysis – reconciliation of cash generated from operations to distributable income

2024 *Rand thousands*	**SOUTH AFRICA**	**EASTERN EUROPE**	**SUB-SAHARAN AFRICA**	**GROUP**
Cash generated from operations	**1 615 845**	**1 038 983**	**121 033**	**2 775 861**
Working capital changes	(10 484)	(14 073)	1 233	**(23 324)**
Depreciation	(74 734)	(66 554)	(3 634)	**(144 922)**
Amortisation	-	(20)	-	**(20)**
Changes in ECLs - trade receivables	(12 368)	423	(14 581)	**(26 526)**
Straight-line rental revenue accrual	(43 469)	(17 684)	(6 811)	**(67 964)**
Other non-cash items	(20 996)	(2 369)	442	**(22 923)**
Net foreign exchange (losses)/ gains	-	(486)	(91 795)	**(92 281)**
Operating income	**1 453 794**	**938 220**	**5 887**	**2 397 901**
Net interest	(589 063)	(357 207)	(147 041)	**(1 093 311)**
Loss from equity accounted investments	-	-	(78 057)	**(78 057)**
Net income/(loss) before value adjustments	**864 731**	**581 013**	**(219 211)**	**1 226 533**
Adjusted for:	45 947	(76 687)	209 730	**178 990**
Straight-line rental revenue accrual	43 469	17 684	6 811	**67 964**
Tax adjustments	450	(95 267)	(9 247)	**(104 064)**
Loss from equity accounted investments	-	-	78 057	**78 057**
Capital items for distribution purposes	(614)	486	91 794	**91 666**
Non-controlling interests	2 642	410	42 315	**45 367**
Distributable income	**910 678**	**504 326**	**(9 481)**	**1 405 523**
% of Group	**65%**	**36%**	**(1%)**	

2023	**SOUTH AFRICA**	**EASTERN EUROPE**	**SUB-SAHARAN AFRICA**	**GROUP**
Cash generated from operations	1 465 056	819 242	153 286	**2 437 584**
Working capital changes	22 241	16 870	(19 874)	**19 237**
Depreciation and amortisation	(61 218)	(45 860)	(3 313)	**(110 391)**
Changes in ECLs - trade receivables	3	3 237	13 371	**16 611**
Straight-line rental revenue accrual	(82 822)	(22 386)	4 828	**(100 380)**
Other non-cash items	(17 318)	2 373	875	**(14 070)**
Net foreign exchange (losses)/ gains	385	2 758	(168 101)	**(164 958)**
Operating income	**1 326 327**	**776 234**	**(18 928)**	**2 083 633**
Net interest	(507 165)	(197 896)	(149 402)	**(854 463)**
Loss from equity accounted investments	-	-	(150 694)	**(150 694)**
Net income/(loss) before value adjustments	**819 162**	**578 338**	**(319 024)**	**1 078 476**
Adjusted for:	84 646	(53 153)	340 916	**372 409**
Straight-line rental revenue accrual	82 822	22 386	(4 828)	**100 380**
Tax adjustments	55	(72 836)	(1 865)	**(74 646)**
Loss from equity accounted investments	-	-	150 694	**150 694**
Capital items for distribution purposes	(1 458)	(3 348)	168 101	**163 295**
Non-controlling interests	3 227	645	28 814	**32 686**
Distributable income	**903 808**	**525 185**	**21 892**	**1 450 885**
% of Group	**62%**	**36%**	**2%**	

Notes to the consolidated and separate financial statements continued

D Profit or loss

D1 Revenue and minimum lease payments

D1.1 Revenue accounting policy

Revenue consists of:

Lease revenue – governed by IFRS 16: *Leases*

Lease revenue comprises contractual rental revenue (for retail, office, storage and parking space), contractual operating cost recoveries and contractual contributions towards marketing and promotions. Contractual rental revenue (including tenant parking revenue and contractual fixed operating cost recoveries) is recognised on a straight-line basis over the term of the lease.

Contingent rentals/turnover rentals (variable rentals based on the turnover achieved by a tenant) are included in revenue when the amounts can be reliably measured.

Non-lease revenue – governed by IFRS 15: *Revenue from contracts with customers*

Non-lease revenue comprises revenue from recoveries (primarily of utility costs), marketing, promotions and casual parking which is recognised when the service is rendered. Non-lease revenue represents the transaction price (i.e. the amount of the consideration which the entity expects to receive) for services provided, net of value added tax.

The Group retains primary responsibility for the provision of the services to tenants, and considers itself the principal supplier of such services in this respect. Accordingly, the Group maintains its recording of non-lease revenue on a gross basis.

Non-lease revenue is recognised on an accrual basis in line with the service being provided.

Performance obligations related to non-lease revenue: Recoveries		
a)	When the entity typically satisfies its performance obligations	Services are rendered during the month. Revenue is recognised over a period of time (the month in which the service is rendered).
b)	The significant payment terms	Payment from tenants is due on the 1st of each month.
c)	Variability of the consideration payable	Utility recoveries are charged either at a flat rate per unit, or at a variable rate per unit depending on time of use.
d)	The nature of the goods or services that the entity has undertaken/agreed to transfer	Services rendered include the provision of utilities, cleaning, security and marketing services for a calendar month.

Performance obligations related to non-lease revenue: Parking, Marketing and Promotions		
a)	When the entity typically satisfies its performance obligations	Services are rendered continuously in a given month. Revenue is recognised (for expediency) at the end of the month in which the service is rendered.
b)	The significant payment terms	Payment from customers is due immediately after parking usage. Payment for marketing and promotions revenue is agreed for each specific event, and may include payment of a deposit with the balance due within 30 days of the event's completion.
c)	Variability of the consideration payable	Parking revenue is charged at a flat rate per space based on the duration of usage. Marketing and promotions revenue is based on standard rates depending on the nature of the services provided (digital advertising, billboards, exhibitions, etc).
d)	The nature of the goods or services that the entity has undertaken/agreed to transfer	Services rendered include the provision of covered and open parking bays, indoor and outdoor advertising and events venues.

Notes to the consolidated and separate financial statements continued

D Profit or loss (continued)

D1 Revenue and minimum lease payments (continued)

D1.2 Revenue

		GROUP		COMPANY	
Rand thousands	**Note**	**2024**	**2023**	**2024**	**2023**
Gross contractual rental revenue		2 948 525	2 687 232	1 796 107	1 689 033
COVID-19 rent relief[1]		-	15 857	-	15 857
Contractual rental revenue		**2 948 525**	**2 703 089**	**1 796 107**	**1 704 890**
Turnover rent		225 560	187 899	67 793	57 641
Operating cost recoveries[2]		433 720	406 271	147 950	147 423
Marketing and promotions revenue - tenants		75 661	68 249	40 080	38 340
Rental and other lease revenue		**3 683 466**	**3 365 508**	**2 051 930**	**1 948 294**
Straight-line rental revenue accrual	E1.9	(67 964)	(100 380)	(43 469)	(82 822)
Total Lease revenue		**3 615 502**	**3 265 128**	**2 008 461**	**1 865 472**
Municipal recoveries		858 520	816 093	730 670	655 307
Other recoveries		110 905	149 601	76 734	100 937
Recoveries revenue		**969 425**	**965 694**	**807 404**	**756 244**
Casual parking revenue		107 638	99 029	89 122	83 216
Marketing and promotions revenue		43 788	44 089	34 217	31 843
Total Non-lease revenue		**1 120 851**	**1 108 812**	**930 743**	**871 303**
Total Revenue		**4 736 353**	**4 373 940**	**2 939 204**	**2 736 775**

[1] Rental discounts and deferrals granted to tenants due to COVID-19 lockdowns/restrictions. The recovery in 2023 arose from the proceeds of a Covid-19 related insurance claim and reversal of unutilised provisions for Covid-19 discounts.
[2] Operating cost recoveries comprise mainly fixed contractual amounts recovered from tenants in terms of the lease agreements. These are categorised as "lease revenue" in terms of IFRS 16: *Leases*.

D1.3 Minimum lease payments receivable

Minimum lease payments receivable comprise contractual rental revenue and contractual operating costs recoverable from tenants in terms of lease agreements.
The minimum lease payments receivable from tenants are classified into the following time periods:

Short-term (up to one year)	2 457 307	2 498 329	1 467 125	1 528 537
Medium-term (greater than one year and up to five years)	4 768 896	4 939 396	2 587 963	2 732 410
Long-term (greater than five years)	1 150 687	1 211 215	828 312	767 625
Total minimum lease payments receivable	**8 376 890**	**8 648 940**	**4 883 400**	**5 028 572**

Minimum lease payment are disclosed on an undiscounted basis and exclude assets held-for-sale and discontinued operations.
The prior year values in the table above have been reduced to exclude the co-owners' portion of the minimum lease payments receivable for Canal Walk and The Glen.

Notes to the consolidated and separate financial statements continued

D Profit or loss (continued)

D2 Other operating income

Other operating income comprises income earned from services rendered outside of the Group's primary Revenue-generating activities.

		GROUP		COMPANY	
Rand thousands	Note	2024	2023	2024	2023
Asset management fees		7 896	9 178	2 743	3 081
Other income		1 029	4 330	-	4 330
Other operating income		**8 925**	**13 508**	**2 743**	**7 411**

D3 Dividend income

Dividend income is recognised at fair value when a dividend has been declared (when Hyprop's right to receive the dividend has been established) in accordance with IFRS 9:5.7.1A.

Dividends received from European subsidiaries	-	-	130 680	151 871
Total	**-**	**-**	**130 680**	**151 871**

Notes to the consolidated and separate financial statements continued

D Profit or loss (continued)

D4 Expenses

D4.1 Property expenses

Rand thousands	Note	GROUP 2024	GROUP 2023	COMPANY 2024	COMPANY 2023
Utilities		**1 136 482**	**1 178 329**	**869 092**	**858 731**
Back up power		84 288	154 852	57 316	103 554
Power		516 481	506 523	328 838	286 596
Rates, taxes and levies		443 916	429 773	416 006	405 214
Refuse		39 873	34 689	20 770	18 174
Water and waste		47 887	46 811	42 125	39 512
Other utility expenses		4 037	5 681	4 037	5 681
Contractual services		**259 340**	**231 641**	**149 839**	**138 942**
Cleaning		96 793	84 002	50 495	47 071
Infrastructure maintenance		11 422	8 845	7 393	6 602
Landscaping		5 705	5 233	5 201	4 795
Parking management		21 387	19 242	19 808	17 716
Security		92 821	87 248	65 057	60 612
Other contractual services		31 212	27 071	1 885	2 146
Salaries and staff-related expenses		**149 598**	**151 721**	**108 852**	**108 969**
Bonuses		18 997	22 463	14 625	17 159
Recruitment costs and training		2 202	1 651	2 162	1 642
Salaries		125 185	122 656	89 379	85 915
Other staff costs		3 214	4 951	2 686	4 253
Depreciation and amortisation		**143 247**	**108 766**	**73 046**	**58 729**
Depreciation	E2.3	143 227	108 766	73 046	58 729
Amortisation		20	-	-	-
Maintenance		**92 574**	**87 149**	**52 789**	**47 924**
Air-conditioning		24 051	21 932	17 632	16 441
Other maintenance		68 523	65 217	35 157	31 483
Management and other costs		**214 541**	**187 424**	**90 470**	**82 518**
Audit fees – external	D4.3	4 545	4 727	1 980	1 853
Audit fees – internal		963	1 473	558	473
Computer expenses and licences		8 739	8 631	7 745	7 721
Insurance		34 091	24 822	13 264	11 096
Legal fees		8 074	6 787	3 684	1 942
Marketing		89 711	79 664	45 508	39 304
Professional fees		12 895	13 995	5 836	7 469
Property management costs		29 809	31 473	-	-
Reinstatement of premises		4 561	3 375	3 205	2 703
Other property costs		21 153	12 477	8 690	9 957
Property expenses		**1 995 782**	**1 945 030**	**1 344 088**	**1 295 813**

Notes to the consolidated and separate financial statements continued

D Profit or loss (continued)

D4 Expenses (continued)

D4.2 Other operating expenses

		GROUP		COMPANY	
Rand thousands	Note	2024	2023	2024	2023
Salaries and staff-related expenses		**125 794**	**110 054**	**91 834**	**79 218**
Bonuses		27 958	32 265	22 019	24 996
Recruitment costs and training		2 654	1 899	2 654	1 899
Salaries		70 730	64 085	50 935	46 019
Share-based payment expense	L2.4	18 055	6 153	15 100	5 185
Other staff costs		6 397	5 652	1 126	1 119
Depreciation and amortisation		**1 695**	**1 625**	**1 654**	**1 597**
Depreciation	E2.3	1 695	1 625	1 654	1 597
Management and other costs		**44 276**	**38 848**	**32 181**	**33 081**
Audit fees – external	D4.3	3 287	3 914	2 972	3 642
Audit fees – internal		241	342	241	342
Computer expenses and licences		2 007	2 041	1 951	1 997
Corporate social investment		1 909	2 478	2 546	2 477
Insurance		4 633	3 738	4 611	3 724
Investor relations and related costs		2 233	2 339	2 233	2 339
Legal fees		1 138	862	1 138	191
Non-executive directors' remuneration		6 000	6 442	6 000	6 442
Professional fees		5 412	1 816	1 790	561
Ratings and regulatory fees		3 394	3 612	3 394	3 612
Other		14 022	11 264	5 305	7 754
Other operating expenses		**171 765**	**150 527**	**125 669**	**113 896**

D4.3 Audit fees

Included in property - and other operating expenses in D4.1 and D4.2 are amounts paid to the external auditors of the Group (KPMG Inc. (Johannesburg) and their affiliates worldwide) and the external auditors of subsidiaries (other than KPMG) for services rendered as follows:

Group auditors *(KPMG and their affiliates)*	**7 038**	**7 920**	**5 015**	**5 645**
Audit fees	6 874	7 561	4 952	5 495
Professional fees *(other approved services)*	164	359	63	150
Other auditors	**1 097**	**1 547**	**-**	**-**
Audit fees	958	1 080	-	-
Professional fees *(other approved services)*	139	467	-	-
Total	**8 135**	**9 467**	**5 015**	**5 645**

Notes to the consolidated and separate financial statements continued

D Profit or loss (continued)

D4 Expenses (continued)

D4.4 Operating expense commitments

Group companies have entered into various service contracts for the cleaning, upkeep and general maintenance of their investment properties. The minimum payments under these service contracts are classified as follows:

	GROUP		COMPANY	
Rand thousands	**2024**	**2023**	**2024**	**2023**
Short-term (up to one year)	96 733	103 152	17 288	13 647

Minimum payments are disclosed on an undiscounted basis and exclude assets held-for-sale and discontinued operations. Contracts which can be terminated on one month's notice have been included for one month only.

D5 Net foreign exchange (losses)/gains

Foreign exchange gains	4 673	7 186	556	565
Foreign exchange losses	(157 977)	(232 055)	-	(202)
Net foreign exchange (losses)/gains	**(153 304)**	**(224 869)**	**556**	**363**
Realised net foreign exchange (losses)/gains	(61 023)	(60 493)	556	(20)
Unrealised net foreign exchange (losses)/gains	(92 281)	(164 376)	-	383
Net foreign exchange (losses)/gains	**(153 304)**	**(224 869)**	**556**	**363**

The realised foreign exchange losses arose mainly on conversion of Naira to US Dollars primarily to settle interest on bank borrowings and differences between the exchange rates used for invoicing US Dollar indexed rentals in Naira and the rates used for payments made by the tenants. Unrealised foreign exchange losses arose mainly on the translation of Naira monetary assets to US Dollars for financial reporting purposes.

D6 Interest

Interest income and interest expense are calculated using the effective interest rate method.
Interest income is recognised in profit and loss in accordance with IFRS 9: *Financial instruments*.
Interest expense comprises interest and other costs incurred in connection with borrowings and loans payable and is recognised in accordance with IAS 23: *Borrowing costs*.

Interest income	**70 623**	**53 040**	**104 738**	**44 256**
Bank balances and money market funds	57 206	36 657	49 528	28 194
Loans receivable - Related parties	-	203	47 561	9 266
Loans receivable - Other	13 417	16 180	7 649	6 796
Interest expense	**(1 163 934)**	**(907 503)**	**(646 138)**	**(542 959)**
Borrowings	(1 122 049)	(870 887)	(646 138)	(542 959)
Non-controlling shareholder loans	(41 885)	(36 616)	-	-
Net interest	**(1 093 311)**	**(854 463)**	**(541 400)**	**(498 703)**

Notes to the consolidated and separate financial statements continued

D Profit or loss (continued)

D7 Taxation

Group companies are subject to tax in accordance with the laws of their jurisdictions of incorporation/tax residence.
Hyprop is a REIT in terms of the South African Income Tax Act (the Income Tax Act) and the JSE Listings Requirements. In terms of section 25BB of the Income Tax Act, a qualifying distribution declared to Hyprop shareholders is deductible against Hyprop's taxable income. As a consequence of this deduction, Hyprop's South African taxable income and normal income taxation is usually reduced to nil.

D7.1 Tax rates used

The standard rates of income tax in the jurisdictions in which the Group operates are:

		Income Tax rates		Withholding Tax rates[1]	
Percentages	Note	2024	2023	2024	2023
South Africa		27	27	n/a	n/a
EE					
Croatia		18	18	n/a	n/a
Bulgaria		10	10	n/a	n/a
North Macedonia		10	10	n/a	n/a
Netherlands		25.8	25.8	n/a	n/a
United Kingdom	D7.2	25	25	n/a	n/a
SSA					
Nigeria		30	30	10	10
Mauritius		15	15	n/a	n/a

[1] Certain dividends and interest payments made by Group companies are subject to withholding taxes as indicated. Where standard withholding tax rates are reduced in terms of a double tax agreement, the applicable reduced rate is shown.

D7.2 Change in tax rate - United Kingdom

The UK corporate tax rate was increased from 19% to 25% (effective from 1 April 2023) and was applied prospectively from the effective date.

D7.3 Taxation expense

		GROUP		COMPANY	
Rand thousands	Note	2024	2023	2024	2023
Normal taxation		**100 694**	**27 211**	**-**	**-**
Current year		97 157	72 115	-	-
Prior years		3 537	(44 904)	-	-
Withholding taxes		3 815	3 362	-	-
Carbon taxation		(446)	80	(446)	80
Deferred taxation	I1.4	**150 668**	**40 928**	**31 575**	**5 547**
Current year		153 355	31 129	31 575	5 547
Prior years		(2 687)	-	-	-
Assessed loss utilised		-	9 799	-	-
Total taxation expense		**254 731**	**71 581**	**31 129**	**5 627**

Notes to the consolidated and separate financial statements continued

D Profit or loss (continued)

D7 Taxation (continued)

D7.4 Reconciliation of taxation expense

		GROUP		COMPANY	
Rand thousands	**Note**	**2024**	**2023**	**2024**	**2023**
Profit before tax		**1 010 058**	**1 557 105**	**108 414**	**1 479 887**
Notional taxation at standard income tax rate in each jurisdiction		66 377	299 180	29 272	399 569
Adjusted for:		**188 354**	**(227 599)**	**1 857**	**(393 942)**
REIT qualifying distribution		(251 883)	(277 835)	(251 883)	(277 835)
Permanent differences	D7.5	317 623	7 329	254 169	(116 187)
Normal taxation - prior year		3 537	(44 904)	-	-
Deferred taxation - prior year		(2 687)	-	-	-
Deferred taxation - Assessed loss utilised		-	9 799	-	-
Deferred tax asset not recognised	D7.6	91 415	42 430	-	-
Carbon tax		(446)	80	(446)	80
Taxation relating to CFC income		2 941	1 157	17	-
Taxable portion of foreign dividends		26 136	30 374	-	-
Withholding taxes		3 815	3 362	-	-
Currency translation differences		(2 097)	609	-	-
Total taxation expense		**254 731**	**71 581**	**31 129**	**5 627**
Effective tax rate		25.2%	4.6%	28.7%	0.4%

D7.5 Permanent differences

Changes in fair value: Investment property	100 525	(109 662)	(132 120)	(74 847)
Changes in fair value: Derivatives	29 692	(6 184)	28 894	(1 082)
Foreign exchange (gains) / losses	27 417	52 851	(220)	1 397
Derecognition of financial guarantees	-	-	(12 140)	-
Straight-line rental revenue accrual	13 679	23 958	11 737	22 362
Profit on disposal of investment property	(1 337)	-	(1 337)	-
Non-taxable dividend income	-	-	(9 148)	(10 631)
Changes in ECLs - loan receivable	549	747	(397 055)	(667)
Impairment of investment in subsidiary	-	-	766 006	(56 200)
Impairment of investment in joint ventures	119 247	-	1 894	-
PDI transaction - additional purchase consideration	-	1 419	-	-
Loss from equity accounted investments	21 075	40 687	-	-
Other	6 776	3 513	(2 342)	3 481
Total	**317 623**	**7 329**	**254 169**	**(116 187)**

D7.6 Deferred tax asset not recognised

Due to uncertainty that taxable profit will be available in future against which current deductible temporary differences may be utilised.

Assessed losses not recognised - EE	38 368	18 742	-	-
Assessed losses not recognised - SA	2 528	3 329	-	-
Assessed losses not recognised - SSA	50 519	20 359	-	-
Total	**91 415**	**42 430**	**-**	**-**

Notes to the consolidated and separate financial statements continued

E Property investments and related items

E1 Investment property

E1.1 Investment property accounting policy

Investment properties are properties held to earn rental revenue and/or for capital appreciation.

Income from investment property is recognised as revenue as set out in note D1 - *Revenue and minimum lease payments*.

Investment property is initially recognised at cost. Cost includes initial transaction costs, costs incurred subsequently to extend or refurbish investment property and the cost of any development rights.

Investment property is subsequently measured at fair value.

Gains or losses arising from changes in fair value, after deducting the straight-line rental revenue accrual, are included in net profit or loss (in the line Changes in fair value - investment property) for the period in which they arise. These gains or losses are transferred to non-distributable reserves in the statement of changes in equity.

The gain or loss arising on the disposal/derecognition of investment properties is calculated as the difference between the net disposal proceeds and the carrying amount of the investment property. Realised gains or losses are recognised in profit or loss for the year and transferred to/from non-distributable reserves in the statement of changes in equity.

E1.2 Investment property valuation

Valuations

The Group's policy is to obtain independent valuations of the investment properties and report investment properties at the lower of that value, or a directors' valuation based on arms-length bona fide commercial offers with respect to properties classified as held-for-sale. Investment properties are independently valued every six months.

Properties held-for-sale are measured at the anticipated sales proceeds less costs to sell see note E6.2.1 - *Held-for-sale status.*

Investment property fair value measurements are categorised as level 3 (refer to note M1.2 - *Measurement* for the definition of level 3).

The valuation methods applied by the independent valuers are the same as those applied in the prior year.

Methodology

Details of the valuation methodologies used to value investment property, as well as the significant unobservable inputs used, are set out in the table below:

Type	Valuation Methodology	Unobservable inputs	Inter-relationship between unobservable inputs and fair value measurement
Investment properties	**Discounted cash flow:** The valuation models calculate the present value of the future net cash flows expected to be generated by each investment property. The cash flow projections include specific estimates for five years (for SA and SSA) and ten years (for EE). The expected net cash flows are discounted using a risk adjusted discount rate as well as a risk adjusted capitalisation rate.	• Estimated cashflows at the end of the current leases • Vacancy levels • Discount rate • Exit capitalisation rate • Average market rental growth rate	The estimated fair value increases if: • Estimated rentals increase • Vacancy levels decline • Discount rates (market yields) decline • Exit capitalisation rates decline, or • Average market rental growth rates increases (and vice versa).
Investment properties – held-for-sale and discontinued operations	**Discounted cash flow**: Investment property held-for-sale is measured at fair value which, in instances where the property is already sold or is the subject of a binding sale agreement, but not yet transferred, is based on the independent valuation (discounted cashflows) or anticipated sale price net of costs to sell in terms of IFRS 5: *Non-current assets held for sale and discontinued operations.*	• Estimated cashflows at the end of the current leases • Vacancy levels • Discount rate • Exit capitalisation rate • Average market rental growth rate	The estimated fair value increases if: • Estimated rentals increase • Vacancy levels decline • Discount rates (market yields) decline • Exit capitalisation rates decline, or • Average market rental growth rates increase (and vice versa).

Notes to the consolidated and separate financial statements continued

E Property investments and related items (continued)

E1 Investment property (continued)

E1.2 Investment property valuation

Valuers

Valuations of the South African investment properties were performed by valuers registered in terms of section 19 of the Property Valuers Professional Act 47 of 2000. Valuations of the non-South African properties were performed by valuers who are members of the Royal Institute of Chartered Surveyors (RICS), as detailed below:

Company and lead valuer(s)	Qualification	Properties valued
Viking Valuation Trevor King Managing director	BSc Hons (Building Science, UCT), Dip Surveying (UK, Reading University), Professional Registered Valuer and member of SA Council for the Property Valuers Profession, Chartered Valuation Surveyor and Associate Member of the Royal Institute of Chartered Surveyors (MRICS).	Canal Walk and Somerset Mall *(Cape Town, South Africa)*, Woodlands Boulevard *(Pretoria, South Africa)* *(Retail and office)*
De Leeuw Group Pieter Venter and Gemma Moore Directors	MRICS SeniMRICS Senior Valuers, Registered RICS Valuers, Registered as Professional Valuers with the South African Council for Property Valuers Profession (SACPVP) in terms of section 20(2) a of the Property Valuers Profession Act, 2000.	Clearwater Mall, Hyde Park Corner, Rosebank Mall, Cradock Heights and 17 Baker Street (*Johannesburg, South Africa*) (*Retail and offices*)
Broll Valuation and Advisory Services Shawn Crous Director: Valuations	MRICS Senior Valuer, Chartered Valuation Surveyor, Registered RICS Valuer, Member of the South African Institute of Valuers (SAIV) and registered as a Professional Valuer with the South African Council for Property Valuers Profession (SACPVP) in terms of section 20(2) a of the Property Valuers Profession Act, 2000.	The Glen (Johannesburg, South Africa), CapeGate and Table Bay Mall *(Cape Town, South Africa) (Retail)*
CBRE Nebojša Nešovanović Senior Director, Head of Valuation Department SEE	Bachelor's and Master's degree from University of Belgrade respectively in Engineering and Transportation engineering. Member of the Royal Institute of Chartered Surveyors (MRICS).	The Mall (*Sofia, Bulgaria*), City Center one East (*Zagreb, Croatia*) (*Retail*)
Cushman and Wakefield Nenad Suzic Regional Director	MSc in Property Investment and Finance, Heriot-Watt University Edinburgh, BSc in Finance, Banking and Insurance, Belgrade University Faculty of Economics, Member of the Royal Institute of Chartered Surveyors (MRICS).	Skopje City Mall (*Skopje, North Macedonia*), City Center one West (*Zagreb, Croatia*) (*Retail*)
Mills Fitchet Thomas Bate Partner / member	BSc (Urban Land Economics) University of Westminster London, MSc (Reading University UK), Chartered Valuation Surveyor (RICS).	Ikeja City Mall *(Lagos, Nigeria)* *(Retail)*

Notes to the consolidated and separate financial statements continued

E Property investments and related items (continued)

E1 Investment property (continued)

E1.3 Net carrying value

E1.3.1 SA and EE

		GROUP		COMPANY	
Rand thousands	Note	2024	2023	2024	2023
Historical cost		24 722 517	23 446 928	14 097 915	12 264 526
Accumulated fair value movements		11 193 472	9 999 115	10 497 182	10 007 846
Total		**35 915 989**	**33 446 043**	**24 595 097**	**22 272 372**

E1.3.2 Assets held-for-sale

Historical cost		2 597 986	2 664 412	-	-
Accumulated fair value movements		(1 068 619)	(271 274)	-	-
Total	E6.3	**1 529 367**	**2 393 138**	**-**	**-**
Total investment property		**37 445 356**	**35 839 181**	**24 595 097**	**22 272 372**

E1.4 Reconciliations

E1.4.1 SA and EE

Investment property at the beginning of the year		33 446 043	31 143 460	22 272 372	21 924 452
Acquisitions		1 683 093	-	1 683 093	-
Capital expenditure		166 030	95 817	150 332	72 816
Scrapped/written off assets		(39)	(3 277)	-	(1 553)
Currency translation difference		(564 972)	1 929 271	-	-
Net change in fair value[1]		1 184 603	318 097	489 335	277 212
Change in fair value		1 123 450	212 889	445 866	194 390
Straight-line rental revenue accrual		61 153	105 208	43 469	82 822
Reclassification from / (to) PPE		1 231	(37 325)	(35)	(555)
Total		**35 915 989**	**33 446 043**	**24 595 097**	**22 272 372**

E1.4.2 Assets held-for-sale

Investment property at the beginning of the year		2 393 138	1 953 458	-	-
Capital expenditure		1 491	2 373	-	-
Currency translation difference		(89 776)	321 259	-	-
Net change in fair value[1]		(775 486)	116 048	-	-
Change in fair value		(782 297)	120 876	-	-
Straight-line rental revenue accrual		6 811	(4 828)	-	-
Total	E6.3	**1 529 367**	**2 393 138**	**-**	**-**

[1] The net change in fair value in the current and prior years is unrealised and is recorded in the Statement of profit or loss on the line "Changes in fair value: Investment property".

Notes to the consolidated and separate financial statements continued

E Property investments and related items (continued)

E1 Investment property (continued)

E1.4 Reconcilliations (continued)

E1.4.3 Total investment property

		GROUP		COMPANY	
Rand thousands	Note	2024	2023	2024	2023
Investment property at the beginning of the year		35 839 181	33 096 918	22 272 372	21 924 452
Acquisitions		1 683 093	-	1 683 093	-
Capital expenditure		167 521	98 190	150 332	72 816
Disposals / scrapped / written off assets		(39)	(3 277)	-	(1 553)
Currency translation difference		(654 748)	2 250 530	-	-
Net change in fair value[1]		409 117	434 145	489 335	277 212
Change in fair value		341 153	333 765	445 866	194 390
Straight-line rental revenue accrual		67 964	100 380	43 469	82 822
Reclassification from/ (to) PPE		1 231	(37 325)	(35)	(555)
Total investment property		**37 445 356**	**35 839 181**	**24 595 097**	**22 272 372**

[1] The net change in fair value in the current and prior years is unrealised and is recorded in the Statement of profit or loss on the line "Changes in fair value: Investment property".

E1.5 Reconciliation to independent valuation - SA and EE

Net carrying value of investment property[2]		35 915 989	33 446 043	24 595 097	22 272 372
Straight-line rental revenue accrual	E1.9	353 002	388 346	270 365	313 834
Property, plant and equipment	E2.3	1 059 472	982 745	582 280	438 445
Fair value relating to owner occupied building		11 034	14 719	11 034	14 719
Centre management assets		(7 244)	(7 269)	(7 244)	(7 269)
Independent valuation[2]		**37 332 253**	**34 824 584**	**25 451 532**	**23 032 101**

[2] Excludes property held-for-sale, refer to note E6 - *Assets and liabilities held-for-sale and discontinued operations.*

Refer note C – *Segmental analysis*, for a breakdown of investment property, revenue and expenses by segment.
Refer to note O5 - *Properties* for a list of the consolidated properties.

Notes to the consolidated and separate financial statements continued

E Property investments and related items (continued)

E1 Investment property (continued)

E1.6 Valuation assumptions

The property valuations, including the discount and capitalisation rates used in the property valuations, are dependent on a number of factors such as location, accessibility, layout and tenant mix, visitor communication, tenant performance, potential for improvement in passing rent in the future, lease covenants and unexpired lease period, operating cost recovery ratio's and the risks inherent in the property.

These factors are assessed for each individual property based on its specific circumstances by the independent property valuers.

The key assumptions used by the valuers in determining the fair values of the investment properties are in the following ranges:

SA	GROUP		COMPANY	
Percentages	**2024**	**2023**	**2024**	**2023**
Exit cap rates	6.8 to 10	6.8 to 9.3	6.8 to 10	6.8 to 9.3
Weighted average exit cap rates	7.7	7.5	7.7	7.5
Discount rates	12 to 14	12 to 13.8	12 to 14	12 to 13.8
Weighted average discount rate	12.2	12.2	12.2	12.2
Retail vacancy levels	0.0 to 4	0.0 to 3	0.0 to 4	0.0 to 3
Average market rental growth rate	5.1	4.8	5.1	4.8

The valuers have considered the specific circumstances of the individual properties, their historic and projected financial performance, changes in the factors noted above and key performance indicators of the properties in performing their valuations.

Improvements in forecast rental income based on the current positive rent reversions, operating cost efficiencies due to solar and other energy projects and reduction in vacancy rates, particularly for offices, contributed to the increase in the valuations.

The overall weighted average discount rate for the SA portfolio remained the same as 2023. The discount rates used in the valuations of two of the SA properties increased by 0.25% based on assessments by the newly appointed valuers of these properties, The discount rates for two office buildings reduced between 0.25% - 0.5%.

Exit capitalisation rates were unchanged from 2023 for all but three of the properties, where the exit capitalisation rates increased between 0.25% and 1.5% for similar reasons. The implied yield on the portfolio is 7.3% (2023: 7.3%).

Notes to the consolidated and separate financial statements continued

E Property investments and related items (continued)

E1 Investment property (continued)

E1.6 Valuation assumptions (continued)

EE	GROUP		COMPANY	
Percentages	2024	2023	2024	2023
Exit cap rates	7.75 to 8.5	7.4 to 9.7	n/a	n/a
Weighted average exit cap rates	7.9	7.8	n/a	n/a
Discount rates	9.5 to 11.5	9.3 to 11.3	n/a	n/a
Weighted average discount rate	10.1	9.6	n/a	n/a
Retail vacancy levels	0 to 1.5	0 to 1.5	n/a	n/a
Average market rental growth rate	1.5 to 2.1	1.7 to 2	n/a	n/a

Cushman and Wakefield were appointed as the independent valuer of Skopje City Mall and City Center one West in December 2023. CBRE valued The Mall, Sofia and City Center one East.

The increase in value of the portfolio follows the strong financial performance in 2024 and improvements in forecast net property income off this base.

The discount rates used in the valuations were increased by 0.25% for 3 properties due to the ongoing high interest rates, and inflationary pressure on wages and costs in general.

Exit capitalisation rates used for 3 of the properties were increased by 0.35%, while Skopje City Mall's capitalisation rate was reduced by 1.15% and reflects the valuer's opinion of the quality and resilience of SCM. The implied yield on the portfolio is 8.3% (2023: 8.6%).

Notes to the consolidated and separate financial statements continued

E Property investments and related items (continued)

E1 Investment property (continued)

E1.7 Valuation sensitivity

The valuations of the investment properties are sensitive to changes in the unobservable inputs used in the valuations. Changes to one unobservable input, while holding the other inputs constant, would have the following effects on the change in fair value of investment property in the statement of profit or loss.

		GROUP		COMPANY	
Rand thousands	% change both years	2024	2023	2024	2023
SA					
Increase in exit cap rates	0.25	(560 991)	(527 671)	(560 991)	(527 671)
Decrease in exit cap rates	0.25	599 230	564 542	599 230	564 542
Increase in discount rates	0.25	(240 396)	(218 099)	(240 396)	(218 099)
Decrease in discount rates	0.25	244 006	220 897	244 006	220 897
Increase in Retail vacancy levels	0.25	(57 519)	(46 517)	(57 519)	(46 517)
Decrease in Retail vacancy levels	0.25	57 933	47 940	57 933	47 940
Increase in average market rental growth rates	0.25	159 337	193 485	159 337	193 485
Decrease in average market rental growth rates	0.25	(157 715)	(191 922)	(157 715)	(191 922)
EE					
Increase in exit cap rates	0.25	(219 378)	(168 256)	n/a	n/a
Decrease in exit cap rates	0.25	231 992	180 567	n/a	n/a
Increase in discount rates	0.25	(129 398)	(184 671)	n/a	n/a
Decrease in discount rates	0.25	131 431	188 775	n/a	n/a
Increase in Retail vacancy levels	0.25	(23 983)	(16 415)	n/a	n/a
Increase in average market rental growth rates	1.0	136 468	227 761	n/a	n/a
Decrease in average market rental growth rates	1.0	(136 011)	(223 657)	n/a	n/a

Notes to the consolidated and separate financial statements continued

E Property investments and related items (continued)

E1 Investment property (continued)

E1.8 Mortgaged properties

First mortgage bonds have been registered over South African, European and Nigerian investment property as security for secured interest-bearing borrowings and for guarantees provided by Hyprop for certain of the interest bearing borrowings in the EE portfolio.

In the case of Standard Bank, Rand Merchant Bank and Nedbank, South African properties are mortgaged to secure a pool of borrowings. For further disclosure on the Group's borrowing covenants see note H4.1 - *External restrictions*.

	GROUP		COMPANY	
Rand thousands	**2024**	**2023**	**2024**	**2023**
Fair value of investment property	**38 880 319**	**37 246 935**	**25 451 532**	**23 032 110**
Less Fair value of investment property mortgaged as security[1]	(33 307 627)	(32 102 235)	(19 878 840)	(17 887 410)
Fair value of unencumbered investment property	**5 572 692**	**5 144 700**	**5 572 692**	**5 144 700**

[1] **2024**
The fair value of investment property mortgaged as security comprises Canal Walk (80%), The Glen (75.16%), CapeGate, Hyde Park Corner, Woodlands Boulevard, Clearwater Mall, Rosebank Mall, Skopje City Mall, The Mall, Sofia, City Center one East, City Center one West and Ikeja City Mall (held-for-sale and discontinued operations).

2023
The fair value of investment property mortgaged as security comprises Canal Walk (80%), The Glen (75.16%), CapeGate, Woodlands Boulevard, Clearwater Mall, Rosebank Mall, Skopje City Mall, The Mall, Sofia, City Center one East, City Center one West and Ikeja City Mall (held-for-sale).

E1.9 Straight-line rental revenue accrual

Balance at the beginning of the year	388 346	476 777	313 834	396 656
Currency translation difference	(3 736)	17 909	-	-
Tenant cash incentives	29 545	-	-	-
Reversal of straight-line rental revenue accrual	(67 964)	(100 380)	(43 469)	(82 822)
Reallocated from / (to) assets held-for-sale and discontinued operations	6 811	(5 960)	-	-
Balance at the end of the year	**353 002**	**388 346**	**270 365**	**313 834**

E1.10 Profit on disposal of investment property

Atterbury Value Mart	4 951	-	4 951	-

When Atterbury Value Mart was sold an amount of R5m was provided for a rental guarantee given to the buyer. The rental guarantee period expired during the 2024 financial year and the guarantee was never called / due / paid. The provision was derecognised in the 2024 financial year in the SOCI on the line "profit on disposal of investment property".

Notes to the consolidated and separate financial statements continued

E Property investments and related items (continued)

E2 Property, plant and equipment

E2.1 PPE accounting policy

Property, plant and equipment is carried at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is provided on all property, plant and equipment to write down the cost to the estimated residual value, in equal monthly instalments over the estimated useful lives of the assets, at the following rates in the current and prior years:

Building appurtenances (BA):	3 to 20 years
Tenant installations (TI):	period of the lease
Owner occupied building (OOB):	20 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if necessary. There were no adjustments to the above rates in the current and prior years.

E2.2 Net carrying value

	GROUP		COMPANY	
Rand thousands	2024	2023	2024	2023
Cost				
Building appurtenances	1 652 622	1 536 010	768 302	617 583
Tenant installations	555 668	496 792	235 909	168 258
Owner occupied building	17 845	17 810	17 845	17 810
Total cost	**2 226 135**	**2 050 612**	**1 022 056**	**803 651**
Accumulated depreciation				
Building appurtenances	(783 883)	(710 667)	(312 207)	(261 533)
Tenant installations	(378 471)	(353 780)	(123 260)	(100 254)
Owner occupied building	(4 309)	(3 420)	(4 309)	(3 419)
Total accumulated depreciation	**(1 166 663)**	**(1 067 867)**	**(439 776)**	**(365 206)**
Net carrying value				
Building appurtenances	868 739	825 343	456 095	356 050
Tenant installations	177 197	143 012	112 649	68 004
Owner occupied building	13 536	14 390	13 536	14 391
Total net carrying value	**1 059 472**	**982 745**	**582 280**	**438 445**

Notes to the consolidated and separate financial statements continued

E Property investments and related items (continued)

E2 Property, plant and equipment (continued)

E2.3 Movement reconciliation - net carrying value

GROUP *Rand thousands*	Note	Building appurtenances	Tenant installations	Owner occupied building	Total
Balance at 30 June 2022		**634 123**	**129 398**	**14 698**	**778 219**
Capital expenditure		156 932	33 970	-	**190 902**
Currency translation difference		78 493	12 458	-	**90 951**
Assets written off		(2 299)	-	-	**(2 299)**
Reclassified from investment properties		39 817	308	555	**40 680**
Classified as held-for-sale		(5 317)	-	-	**(5 317)**
Depreciation		(76 406)	(33 122)	(863)	**(110 391)**
Balance at 30 June 2023		**825 343**	**143 012**	**14 390**	**982 745**
Capital expenditure		166 904	77 389	-	**244 293**
Currency translation difference		(22 030)	(3 015)	-	**(25 045)**
Assets written off		(63)	-	-	**(63)**
Reclassified (to)/ from investment properties / intangible assets		(1 266)	-	35	**(1 231)**
Classified as held-for-sale and discontinued operations		3 695	-	-	**3 695**
Depreciation	D4.1/D4.2	(103 844)	(40 189)	(889)	**(144 922)**
Balance at 30 June 2024		**868 739**	**177 197**	**13 536**	**1 059 472**

COMPANY	Note	Building appurtenances	Tenant installations	Owner occupied building	Total
Balance at 30 June 2022		**257 662**	**62 296**	**14 699**	**334 657**
Capital expenditure		139 525	24 034	-	**163 559**
Reclassified from investment properties		-	-	555	**555**
Depreciation		(41 137)	(18 326)	(863)	**(60 326)**
Balance at 30 June 2023		**356 050**	**68 004**	**14 391**	**438 445**
Capital expenditure		150 913	67 650	-	**218 563**
Assets written off		(63)	-	-	**(63)**
Reclassified from investment properties		-	-	35	**35**
Depreciation	D4.1/D4.2	(50 805)	(23 005)	(890)	**(74 700)**
Balance at 30 June 2024		**456 095**	**112 649**	**13 536**	**582 280**

E3 Capital commitments

Details of approved capital expenditure for the year ended 30 June 2025 (30 June 2024) are set out below.

	GROUP		COMPANY	
Rand thousands	**2024**	**2023**	**2024**	**2023**
Approved and committed	219 054	142 441	202 695	137 907
Approved but not yet committed	356 348	372 275	347 305	362 093
Total capital commitments[1]	**575 402**	**514 716**	**550 000**	**500 000**

[1] These balances do not include the co-owners' portions of capital expenditure for Canal Walk and The Glen.

Capital commitments exclude held-for-sale properties.
The capital expenditure will be financed from available cash resources, cash generated by operations, banking facilities and debt capital market funding.

Notes to the consolidated and separate financial statements continued

E Property investments and related items (continued)

E4 Investments in subsidiaries

See note A2.1 - *Material policy choices* for further details on the Company's policy choice regarding investments in subsidiaries.

See note A1.3 - *Basis of consolidation* for further details on the Group's policy regarding the consolidation of subsidiaries.

The Group has four subsidiaries with externally held non-controlling interests. Hystead, Natalmahogany and WAAM are not considered significant based on their relative net asset values and therefore no summarised financial information is presented for them.

The summarised SFP for Gruppo is set out in note E6 - *Assets and liabilities held-for-sale and discontinued operations*, and the summarised statement of profit or loss and other comprehensive income for Gruppo is set out in note C2 - *Segmental analysis - Profit or loss - Sub-Saharan Africa*.

E4.1 Carrying value - Shares at cost less accumulated impairments

	COMPANY	
Rand thousands	**2024**	**2023**
SA	*	*
Hyprop Employee Incentive Scheme	*	*
Hyprop Foundation	*	*
Natalmahogany	25 000	25 000
less Accumulated impairments	(25 000)	(25 000)
EE	**3 322 235**	**3 320 019**
Hyprop Europe	2 892 026	2 889 810
Hyprop UK	430 209	430 209
SSA	**1 431 220**	**2 613 752**
African Land	758 264	758 264
Hyprop Mauritius	4 272 964	2 618 437
West Africa Asset Management	*	*
less Cumulative impairments	(3 600 008)	(762 949)
Total carrying value	**4 753 455**	**5 933 771**

* Amounts less than R1 000.

Notes to the consolidated and separate financial statements continued

E Property investments and related items (continued)

E4 Investments in subsidiaries (continued)

E4.2 Movement reconciliation

Rand thousands	Note	COMPANY 2024	2023
Net carrying value at the beginning of the year		5 933 771	5 494 892
SA			
Impairment[1] - Natalmahogany	E7.4.1	-	(1 383)
EE			
Financial guarantees recognised - Hyprop Europe	H3.3	2 216	-
Reversal of impairment[1] - Hyprop Europe	E7.4.2	-	209 532
SSA			
Subscription for shares in Hyprop Mauritius[2]		1 654 527	230 730
Impairment[1] - Hyprop Mauritius	E7.4.1	(2 837 059)	-
Total carrying value		**4 753 455**	**5 933 771**

[1] For further details on impairments see note E7 - *Impairments.*
[2] In December 2023 Hyprop subscribed for additional shares in Hyprop Mauritius for R116m. The proceeds were used to subscribe for additional shares in AttAfrica and reduce bank borrowings in the AttAfrica group. In June 2024 Hyprop subscribed for additional shares in Hyprop Mauritius for R1 538m. The proceeds were used to settle / capitalise the loans payable to Hyprop (see Note F1.3 - *Loan details*).

Notes to the consolidated and separate financial statements continued

E Property investments and related items (continued)

E5 Investments in joint arrangements and associates

E5.1 Joint arrangements and associates accounting policy

See note A2.1 - *Material policy choices* for further details on the Group's policy choices regarding joint arrangements.

E5.2 Joint operations

Financial results for the joint operations, Canal Walk and The Glen, are proportionately consolidated in the Company and Group's financial statements.

E5.2.1 Summary of audited financial information - Joint operations

A summary of the Group's proportionate share of the joint operations Canal Walk and The Glen, extracted from the audited financial information of the joint operations, is set out below.

	CANAL WALK		THE GLEN	
% interest held by Hyprop	**80%**	**80%**	**75.16%**	**75.16%**
Rand thousands	**2024**	**2023**	**2024**	**2023**
Revenue	767 770	729 677	248 946	241 734
Expenses	(307 077)	(301 505)	(125 082)	(126 340)
Depreciation	(16 575)	(11 639)	(9 415)	(8 507)
Other property expenses	(290 502)	(289 866)	(115 667)	(117 833)
Net property income	**460 693**	**428 172**	**123 864**	**115 394**

E5.3 Joint ventures and associates

AttAfrica is a joint venture that holds the Group's interests in three shopping centres in Ghana.

Coventurist forms part of the Group's non-tangible asset strategy and is the developer of the Nika digital gift card system. The cost of the shares in Coventurist is less than R1 000.

E5.3.1 Carrying value - Joint ventures

Rand thousands	**Note**	**AttAfrica Ltd**	**Total**
Balance at 30 June 2022		**566 210**	**566 210**
Additional / New shares at cost		221 959	221 959
Share of results after tax		(150 694)	(150 694)
Balance at 30 June 2023		**637 475**	**637 475**
Additional / New shares at cost		115 108	115 108
Share of results after tax		(78 057)	(78 057)
Financial guarantees recognised[1]	H3.5	7 015	7 015
Transfer to assets held-for-sale and discontinued operations	E6.3.1	(681 541)	(681 541)
Balance at 30 June 2024		**-**	**-**

[1] Impaired in the Company statement of profit or loss and other comprehensive income as part of the total impairment of assets held-for-sale and discontinued operations.

Notes to the consolidated and separate financial statements continued

E Property investments and related items (continued)

E5 Investments in joint arrangements and associates (continued)

E5.3 Joint ventures and associates (continued)

E5.3.2 Summary of audited financial information - Joint ventures and associates

The summarised audited financial information for significant joint ventures and associates is set out below. Coventurist is not considered a significant associate to the Group based on its relative net asset value.

Summarised SFP

Rand thousands	ATTAFRICA LTD GROUP 100% 2024	100% 2023
Non-current assets	**1 882 909**	**1 944 993**
Current assets	**190 839**	**189 107**
Cash and cash equivalents	68 058	90 327
Other current assets	122 781	98 780
Total assets	**2 073 748**	**2 134 100**
Non-current liabilities	**408 776**	**422 754**
Bank borrowings	404 940	418 769
Other non-current liabilities	3 836	3 985
Current liabilities	**87 460**	**81 538**
Total liabilities	**496 236**	**504 292**
Total net assets	**1 577 512**	**1 629 808**
Shareholders of AttAfrica Ltd	1 432 792	1 440 759
Non-controlling interests	144 720	189 049
Group's share of net asset value	73.1%	73.1%
Interest in joint venture	1 047 256	1 053 080
Currency translation and other differences	(365 715)	(415 605)
Total carrying value transferred to assets held-for-sale and discontinued operations	**681 541**	**637 475**
Converted to Rand at the year-end spot exchange rate (ZAR / USD1)	18.21	18.92

Notes to the consolidated and separate financial statements continued

E Property investments and related items (continued)

E5 Investments in joint arrangements and associates (continued)

E5.3 Joint ventures and associates (continued)

E5.3.2 Summary of audited financial information (continued)

Summarised SOCI

Rand thousands	ATTAFRICA LTD GROUP 100% 2024	100% 2023
Revenue	**169 970**	**202 037**
Expenses	**(75 452)**	**(60 928)**
Depreciation	(8 727)	(8 184)
Property expenses	(66 725)	(52 744)
Net property income	**94 518**	**141 109**
Other income	2 604	1 300
Other expenses	(57 951)	(68 426)
Operating income	**39 171**	**73 983**
Net interest	**(28 938)**	**(49 636)**
Interest expense	(28 938)	(49 636)
Net operating income	**10 233**	**24 347**
Change in fair value of investment property	(96 783)	(183 788)
Change in fair value of derivatives	(5 107)	1 200
Loss from equity accounted investments	(26 876)	(76 694)
Loss before taxation	**(118 533)**	**(234 935)**
Taxation	(19 766)	(1 734)
Net loss for the year	**(138 299)**	**(236 669)**
Total comprehensive loss attributable to:	**(138 299)**	**(236 669)**
Shareholders of AttAfrica Ltd	(106 751)	(206 170)
Non-controlling interest	(31 548)	(30 499)
Converted to Rand at the 12 month average exchange rate (ZAR/USD1)	18.72	17.77

E5.3.3 Loss from equity accounted investments

		GROUP 2024	2023
AttAfrica Ltd	73.1%	(78 057)	(150 694)
Total		**(78 057)**	**(150 694)**

Notes to the consolidated and separate financial statements continued

E Property investments and related items (continued)

E6 Assets and liabilities held-for-sale and discontinued operations

E6.1 Held-for-sale and discontinued operations accounting policy

E6.1.1 Held for sale

Investment properties classified as held-for-sale are carried at the lower of the independent valuation and the anticipated sales proceeds, net of costs to sell.

Other assets held-for-sale or disposal groups are carried their fair value less costs to sell.

E6.1.2 Discontinued operations

A discontinued operation is a component of the Group's business, the operations and cashflows of which can be distinguished from the rest of the Group and which:

- represents a separate major line of business or geographic area of operations;
- is part of a single co-ordinated plan to dispose of a separate major line of business or geographic area of operations; or
- is a subsidiary acquired exclusively with a view to resale.

Classification as a discontinued operation occurs at the earlier of disposal or when the operation meets the criteria to be classified as held-for-sale.

E6.2 Summary of disposal group and discontinued operation

E6.2.1 Held for sale status

On 9 November 2020 Hyprop announced that Hyprop Mauritius (as one of the sellers) had concluded an agreement to dispose of its 75% interest in Gruppo (the owner of Ikeja City Mall) to two new property funds managed by the Actis Group (the Ikeja-Actis transaction). A formal sale agreement (the Actis SPA) was signed in November 2020, which was subject to the fulfilment of certain conditions precedent, including the approval of the Nigerian Federal Competition and Consumer Protection Commission (FCCPC) (which was obtained) and certain fundraising requirements by the purchaser. Given the lack of US Dollar liquidity in Nigeria, and subsequent volatility of the Naira/US Dollar exchange rate, fulfilling this condition took longer than anticipated.

Despite several extensions of the long-stop date for fulfilment of the conditions precedent and implementation of the Ikeja-Actis transaction, on 14 June 2024 the Actis SPA was terminated.

On 17 June 2024, Hyprop Mauritius (as one of the sellers) concluded a letter of intent with Lango Real Estate Limited (the Lango LOI) to dispose of its shares and shareholder claims in Hyprop Ikeja Limited (which holds the Group's 75% interest in Gruppo) and AttAfrica (which holds the Group's interests in 3 Ghanaian shopping centres) (the Lango transaction). On 7 August 2024 sale and purchase agreements (the Lango SPAs) were signed by the parties to the Lango transaction, which, subject to fulfilment of their conditions precedent, are in process of being implemented.

The Hyprop Ikeja disposal and the AttAfrica disposal are two separate transactions and are not inter-dependent or inter-conditional.

The purchase prices payable to Hyprop Mauritius in terms of the Hyprop Ikeja disposal and the AttAfrica disposal are $24.1m (R439m based on the Rand/USD exchange rate at 30 June 2024) and $20.0m (R364m) respectively, and will be settled by the issue of class A shares in Lango (Consideration shares) to Hyprop Mauritius.

The Lango SPAs contain undertakings, warranties and indemnities which are normal for transactions of this nature. In this regard:

- In line with the requirements of existing agreements with other shareholders in the AttAfrica Group, and as a condition precedent to the AttAfrica disposal, Hyprop Mauritius has undertaken and is obliged to deposit $4.0m (R72.3m) in an escrow account for indemnities given to the buyer. Any portion of the escrow amount not used (which is currently indeterminable with any degree of certainty) will be refunded to Hyprop Mauritius at the end of 3 years; and
- Hyprop Mauritius has indemnified the buyer against potential liabilities for a maximum amount of $2.4m (R44m) to be settled in cash ($0.7m / R13m) and a claw-back of a portion of the Consideration shares ($1.7m / R31m).

Notes to the consolidated and separate financial statements continued

E Property investments and related items (continued)

E6 Assets and liabilities held-for-sale (continued)

E6.2 Summary of disposal group and discontinued operation (continued)

E6.2.1 Held for sale status (continued)

As a result of the conclusion of the Lango LOI and the Lango SPAs, Gruppo continues to be designated as held-for-sale, and Hyprop Ikeja and the investment in AttAfrica have been classified as held-for-sale, at 30 June 2024. The carrying values of these interests have been adjusted to the anticipated sales proceeds less costs to sell (including providing for the undertakings/ indemnities above - see note I4 - *Provisions*).

E6.2.2 Discontinued operation status

In the 2024 financial year, as detailed above, the assets classified as held-for-sale changed to include Gruppo, Hyprop Ikeja and AttAfrica (the disposal group). The disposal group represents almost the entire Sub-Saharan Africa segment (a geographic segment identified in C1 - *Overview and definitions*) and has been classified as a discontinued operation at 30 June 2024.

The Group has elected to present the Statements of- profit or loss and other comprehensive income for the 2024 and 2023 financial years in multiple columns reflecting the disposal group as discontinued operations and all other areas of the Group as continuing operations. The summarised SFP and cashflows for the discontinued operation are detailed in notes E6.3 - *Summarised SFP* and E6.4 - *Summarised statement of cashflows* below.

E6.3 Summarised SFP

Rand thousands	Note	GROUP 2024	GROUP 2023
Non-current assets		**1 911 832**	**2 422 555**
Investment property	E1.4.2	1 529 367	2 393 138
Straight-line rental revenue accrual		5 549	12 841
Investment in joint venture - AttAfrica	E6.3.1	363 659	-
Other non-current assets		13 257	16 576
Current assets		**69 436**	**207 127**
Cash and cash equivalents		20 698	154 023
Other current assets		48 738	53 104
Total assets classified as held-for-sale and discontinued operations		**1 981 268**	**2 629 682**
Non-current liabilities		**(1 545 817)**	**(1 587 897)**
Bank borrowings	H1.3	(1 013 640)	(1 075 460)
Other borrowings	H1.3	(532 177)	(512 437)
Current liabilities		**(47 897)**	**(90 906)**
Total liabilities associated with assets held-for-sale and discontinued operations		**(1 593 714)**	**(1 678 803)**
Net assets classified as held-for-sale and discontinued operations		**387 554**	**950 879**

Notes to the consolidated and separate financial statements continued

E Property investments and related items (continued)

E6 Assets and liabilities held-for-sale (continued)

E6.3 Summarised SFP (continued)

E6.3.1 Movement for the year – assets

		GROUP	
Rand thousands	**Note**	**2024**	**2023**
Balance at the beginning of the year		2 629 682	2 354 491
Investment in joint venture - AttAfrica		363 659	-
Transfer from investment in joint venture	E5.3.1	681 541	-
Provision - Escrow undertaking		72 255	-
Provision - indemnity		44 858	-
Impairment of shares in AttAfrica[1]	E6.5	(434 995)	-
Change in fair value of investment property - Gruppo	E1.4.2	(775 486)	-
(Decrease) / increase in other assets		(137 938)	(116 949)
Currency translation difference		(98 649)	392 140
Balance at the end of the year		**1 981 268**	**2 629 682**

[1] Includes an impairment of R7.0m relating to financial guarantees recognised by Hyprop. See note H3 - *Financial guarantees*.

E6.3.2 Movement for the year – liabilities

Balance at the beginning of the year	(1 678 803)	(1 479 032)
Decrease in liabilities	22 111	43 465
Currency translation difference	62 978	(243 236)
Balance at the end of the year	**(1 593 714)**	**(1 678 803)**
Net assets classified as held-for-sale and discontinued operations	**387 554**	**950 879**

E6.4 Summarised statement of cashflows

Net cash flows from operating activities	(26 852)	(29 231)
Net cash flows from investing activities	(1 492)	(5 733)
Net cash flows from financing activities	(21 475)	-
Net decrease in cash and cash equivalents	**(49 819)**	**(34 964)**
Cash and cash equivalents at the beginning of the year	154 023	320 489
Cash and cash equivalents reallocated to held-for-sale and discontinued operations	9 444	-
Exchange losses on cash and cash equivalents	(92 950)	(131 502)
Cash and cash equivalents at the end of the year	**20 698**	**154 023**

Notes to the consolidated and separate financial statements continued

E Property investments and related items (continued)

E6 Assets and liabilities held-for-sale (continued)

E6.5 Impairment of assets held-for-sale and discontinued operations

		GROUP		COMPANY	
Rand thousands	Note	2024	2023	2024	2023
Impairment of shares in AttAfrica[1]	E6.3.1	(434 995)	-	-	-
Provision - Costs to sell		(6 660)	-	-	-
Financial guarantees		-	-	(7 015)	-
Total		**(441 655)**	**-**	**(7 015)**	**-**

[1] Includes an impairment of R7.0m relating to financial guarantees recognised by Hyprop. See note H3 - *Financial guarantees*.

E7 Impairments

E7.1 Impairments accounting policy

The Group's non-financial assets, excluding Investment property, assets held-for-sale and discontinued operations and deferred tax assets, are assessed for impairment indicators, as well as changes in impairment indicators at each reporting date or whenever events or changes in circumstances indicate that the carrying value may not be recoverable or a previous impairment should be reversed in accordance with IAS 36: *Impairment of Assets*.

The assets being assessed for impairment mainly comprise shares in subsidiaries which are property investment holding companies. The recoverable amount of the shares is assessed based on the net asset value of the subsidiaries and the underlying investment properties.

E7.2 Summary of events / circumstances leading to impairment

E7.2.1 Subsidiaries - Hyprop Europe

No impairment or reversal of impairment was recorded in the 2024 financial year.

E7.2.2 Subsidiary - Hyprop Mauritius

The carrying value of the shares in Hyprop Mauritius was assessed for impairment based on the net asset value of Hyprop Mauritius, which was calculated having regard to the net asset values of Hyprop Mauritius' two investments - Gruppo (See notes E1 - *Investment property* and note E6 - *Assets and liabilities held-for-sale and discontinued operations*) and AttAfrica (See note E5 - *Investments in joint arrangements and associates* and note E6 - *Assets and liabilities held-for-sale and discontinued operations*). The carrying values of the investments in Gruppo and AttAfrica have been adjusted to the anticipated sales price less costs to sell in terms of the Lango transaction, with a consequential impairment of the carrying value of the shares in Hyprop Mauritius.

E7.3 Cash generating units

CGU	Segment	CGU composition
Natalmahogany	SA	The CGU includes Natalmahogany which operates NTER.
Hyprop Europe	EE	The CGU comprises the Hyprop Europe Group which is wholly-owned by Hyprop and holds the Group's Eastern European investment properties.
Hyprop Mauritius	SSA	The SSA portfolio comprises interests in four shopping centres in Nigeria and Ghana, held through Hyprop Mauritius, a wholly owned subsidiary, and AttAfrica, a joint venture.

Notes to the consolidated and separate financial statements continued

E Property investments and related items (continued)

E7 Impairments (continued)

E7.4 Remeasurement of assets

E7.4.1 Impairment

	GROUP		COMPANY	
Rand thousands	**2024**	**2023**	**2024**	**2023**
Investment in subsidiary	-	-	2 837 059	1 383
- Natalmahogany	-	-	-	1 383
- Hyprop Europe	-	-	2 837 059	-
PDI Transaction - additional purchase price	-	8 775	-	-
Total	**-**	**8 775**	**2 837 059**	**1 383**

E7.4.2 Reversal of impairment

Investment in subsidiary	-	-	-	(209 532)
- Hyprop Europe	-	-	-	(209 532)
Total	**-**	**-**	**-**	**(209 532)**
Total remeasurements	**-**	**8 775**	**2 837 059**	**(208 149)**

E7.5 Assumptions used for impairment calculations

Impairments and reversals of impairments were calculated using the assumptions below.

2024	Reported as	**Subsidiaries**
CGU		**Hyprop Mauritius**
Recoverable amount (higher of: FVLCTS (NAV based) / Value in use)	R'000	672 956
Level of assessment - *(Individual asset or CGU)*		CGU
Cost of investment/asset	R'000	4 272 964
Cumulative impairment	R'000	(3 600 008)
NAV in ZAR	R'000	672 956

2023	Reported as	**Investments in subsidiaries**	**Investments in subsidiaries**	**PDI Transaction - Additional purchase price**
CGU		**Natalmahogany**	**Hyprop Europe**	**Hyprop UK**
Recoverable amount (higher of: FVLCTS (NAV based) / Value in use)	R'000	-	3 684 347	27 237
Level of assessment - *(Individual asset or CGU)*		CGU	CGU	CGU
Cost of investment / asset	R'000	25 000	2 889 810	36 011
Cumulative impairment	R'000	(25 000)	-	(8 775)
NAV in local currency	LC'000	-	€ 179 467	€ 1 631
NAV in ZAR	R'000	-	3 684 347	27 237
Exchange rate - EUR/ZAR	R	-	20.52	16.70 / 20.52

Notes to the consolidated and separate financial statements continued

F Other assets

F1 Loans receivable

F1.1 Loans receivable accounting policy

Loans receivable are carried at amortised cost, less any accumulated expected credit losses. Interest earned on loans receivable is recognised on an accrual basis using the effective interest rate method, other than loans to Group companies which are credit impaired (stage 3 loans) where interest is only accrued on the net balance (i.e. the outstanding balance less credit impairments).

For further detail on the calculation of expected credit losses see note N5.3 - *Loans receivable*.

F1.2 Net carrying value

		GROUP		COMPANY	
Rand thousands	Note	2024	2023	2024	2023
Non-current		**130 127**	**162 532**	**94 495**	**136 825**
EUR loans receivable		66 803	89 822	-	-
ZAR loans receivable		63 324	72 710	94 495	136 825
Current		**31 184**	**50 189**	**13 285**	**-**
EUR loans receivable		17 899	50 189	-	-
ZAR loans receivable		13 285	-	13 285	-
Total loans receivable		**161 311**	**212 721**	**107 780**	**136 825**
Loans receivable - external					
Gross loans receivable		163 079	212 714	76 609	72 703
Cumulative expected credit losses		(1 768)	-	-	-
Net loans receivable - external		**161 311**	**212 714**	**76 609**	**72 703**
Loans receivable - related parties					
Gross loans receivable		4 803	2 774	72 043	1 575 566
Cumulative expected credit losses		(4 803)	(2 767)	(40 872)	(1 511 444)
Net loans receivable - related parties		**-**	**7**	**31 171**	**64 122**
Total loans receivable					
Gross loans receivable	F1.4.1	167 882	215 488	148 652	1 648 269
Cumulative expected credit losses	F1.4.2	(6 571)	(2 767)	(40 872)	(1 511 444)
Net loans receivable		**161 311**	**212 721**	**107 780**	**136 825**

Notes to the consolidated and separate financial statements continued

F Other assets (continued)

F1 Loans receivable (continued)

F1.3 Loan details[1]

Rand thousands	Security	Maturity date	Base currency	Nominal interest (%)	GROUP 2024	GROUP 2023	COMPANY 2024	COMPANY 2023
Hyprop Mauritius	Unsecured	12 months notice	ZAR	(2023: 7.68%)	**-**	**-**	**-**	**16 593**
Non-current					-	-	-	31 493
Cumulative ECLs					-	-	-	(14 900)
The Loan bore interest at rates agreed to from time to time and was settled from the proceeds of a subscription for new shares in Hyprop Mauritius - see note E4.2 - *Movement reconciliation*.								
Hyprop Mauritius	Unsecured	12 months notice	ZAR	variable	**-**	**-**	**-**	**125**
Non-current					-	-	-	1 463 972
Cumulative ECLs					-	-	-	(1 463 847)
The loan bore interest at rates agreed from time to time. Due to the financial difficulties faced by Hyprop Mauritius, including a decrease in the income received from its investments in AttAfrica and Gruppo, interest on the loans was suspended with effect from 16 October 2019. The loan was settled from the proceeds of a subscription for new shares in Hyprop Mauritius - see note E4.2 - *Movement reconciliation*.								
Hyprop Employee Incentive Scheme	Unsecured	12 months notice	ZAR	variable	**-**	**-**	**31 171**	**47 397**
Non-current					-	-	59 950	73 604
Cumulative ECLs					-	-	(28 779)	(26 207)
The loan bears interest at variable rates agreed from time to time and has no fixed repayment terms. The loan is repaid at each vesting date primarily through the transfer of Hyprop shares held by Hyprop Employee Incentive Scheme to Hyprop for delivery to employees under the CUP or LTIP. Hyprop has subordinated a portion of the loan in favour of the other creditors of Hyprop Employee Incentive Scheme and has agreed not to call for repayment of the loan for at least 12 months.								

[1] The loan terms detailed above apply to the 2024 and 2023 financial years.

Notes to the consolidated and separate financial statements continued

F Other assets (continued)

F1 Loans receivable (continued)

F1.3 Loan details[1] (continued)

Rand thousands	Security	Maturity date	Base currency	Nominal interest (%)	GROUP 2024	GROUP 2023	COMPANY 2024	COMPANY 2023
Balkans Real Estate	Secured	November 2028	EUR	6% until Nov 2023; 3% thereafter	**84 702**	**140 011**	**-**	**-**
Non-current					68 571	89 822	-	-
Current					17 899	50 189	-	-
Cumulative ECLs					(1 768)	-	-	-
The loan comprises the outstanding balance of the purchase price payable by Balkans Real Estate BV for the shares in Delta City 67 d.o.o (Delta City Belgrade), disposed in November 2021. The loan bore interest at 6% until November 2023 and 3% thereafter, with regular principal repayments commencing in November 2023. The loan is secured by a corporate guarantee from the parent company of Balkans Real Estate BV.								
Atterbury Mile	Secured	June 2027	ZAR	Prime +1.5 %				
Non-current					62 124	62 960	62 124	62 960
The loan comprises the outstanding balance of the purchase price payable by Atterbury Mile for its one third undivided share in Atterbury Value Mart disposed in July 2021. The loan is repayable over six years, and is secured by guarantees from Atterbury Mile's shareholders and a second mortgage bond over Atterbury Mile's undivided share in Atterbury Value Mart.								
ETTP	Unsecured	October 2024	ZAR	none				
Current					4 200	4 200	4 200	4 200
The loan was advanced as part of the Group's corporate social responsibility and BBBEE enterprise development initiatives. ETTP helps SMME entrepreneurs to build businesses through entrepreneurship, business networking and by providing access to information and business resources. The loan bears no interest and is repayable at the end of its 3 year term.								
SDEV	Unsecured	June 2027	ZAR	none				
Non-current					1 200	1 200	1 200	1 200
The loan was advanced as part of the Group's ESG and BBBEE enterprise development initiatives. SDEV contributes to the strengthening of the development ecosystem around SMMEs, particularly "Qualifying Small Enterprises" and "Exempt Micro Enterprises". The loan bears no interest and is repayable at the end of its 4 year term.								

[1] The loan terms detailed above apply to the 2024 and 2023 financial years.

Notes to the consolidated and separate financial statements continued

F Other assets (continued)
F1 Loans receivable (continued)
F1.3 Loan details[1] (continued)

Rand thousands	Security	Maturity date	Base currency	Nominal interest (%)	GROUP 2024	GROUP 2023	COMPANY 2024	COMPANY 2023
EmpiriQ	Unsecured	September 2024	ZAR	Prime				
Current					9 085	4 343	9 085	4 343
Coventurist	Unsecured	September 2024	ZAR	Prime	**-**	**7**	**-**	**7**
Current					4 803	2 774	4 803	2 774
Cumulative ECLs					(4 803)	(2 767)	(4 803)	(2 767)
Natalmahogany	Unsecured	On demand	ZAR	Prime +5%	**-**	**-**	**-**	**-**
Current					-	-	7 290	3 723
Cumulative ECLs					-	-	(7 290)	(3 723)
Total loans receivable					**161 311**	**212 721**	**107 780**	**136 825**

[1] The loan terms detailed above apply to the 2024 and 2023 financial years.

Notes to the consolidated and separate financial statements continued

F Other assets (continued)

F1 Loans receivable (continued)

F1.4 Movement reconciliations

F1.4.1 Gross loans receivable

	GROUP		COMPANY	
Rand thousands	2024	2023	2024	2023
Balance at the beginning of the year	215 488	222 547	1 648 269	1 649 909
Cash advances	5 552	5 350	8 593	10 291
Non-cash advances	-	-	1 490	1 814
Cash repayments	(48 412)	(3 805)	(33 169)	(15 022)
Non-cash repayments / amounts capitalised	-	(32 101)	(1 477 678)	(6 378)
Interest income accrued	7 649	6 999	55 210	16 063
Interest income received	(5 267)	(7 717)	(54 063)	(8 375)
Currency translation difference - unrealised	(7 128)	24 280	-	-
Currency translation difference - realised	-	(65)	-	(33)
Balance at the end of the year	**167 882**	**215 488**	**148 652**	**1 648 269**

F1.4.2 Expected credit losses

Balance at the beginning of the year	(2 767)	-	(1 511 444)	(1 513 916)
Expected credit losses raised during the year	(3 804)	(2 767)	(8 175)	(11 207)
Expected credit losses reversed during the year	-	-	1 478 747	13 679
Balance at the end of the year	**(6 571)**	**(2 767)**	**(40 872)**	**(1 511 444)**
Net loans receivable	**161 311**	**212 721**	**107 780**	**136 825**

Notes to the consolidated and separate financial statements continued

F Other assets (continued)

F1 Loans receivable (continued)

F2 Trade and other receivables

F2.1 Trade and other receivables accounting policy

Trade receivables are amounts payable by customers for services rendered in the ordinary course of business, are recognised in accordance with IFRS 9: *Financial Instruments* and IFRS 15: *Revenue from contracts with customers*, and measured initially at their transaction price as defined in IFRS 15 and subsequently at amortised cost in accordance with IFRS 9: *Financial Instruments*.

F2.2 Net carrying value

F2.2.1 Trade receivables

		GROUP		COMPANY	
Rand thousands	**Note**	**2024**	**2023**	**2024**	**2023**
Gross trade receivables		**176 474**	**231 104**	**120 673**	**123 366**
Rent and deposits receivable		111 862	160 199	56 061	52 461
Recoveries		64 612	70 905	64 612	70 905
Cumulative expected credit losses	N5.4.6	(39 031)	(80 195)	(33 279)	(33 349)
Total trade receivables		**137 443**	**150 909**	**87 394**	**90 017**

F2.2.2 Other receivables - financial instruments

Dividends	-	-	130 680	151 871
Interest receivable	273	-	-	-
Total other receivables - financial instruments	**273**	**-**	**130 680**	**151 871**

F2.2.3 Other receivables - non-financial instruments

Prepayments	30 487	25 578	5 890	6 595
Municipal deposits	9 789	1 582	9 692	1 485
Other receivables	31 459	36 270	24 615	29 666
Total other receivables - non-financial instruments	**71 735**	**63 430**	**40 197**	**37 746**
Total trade and other receivables	**209 451**	**214 339**	**258 271**	**279 634**

Notes to the consolidated and separate financial statements continued

F Other assets (continued)

F3 Cash and cash equivalents

F3.1 Cash and cash equivalents accounting policy

Cash and cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value. Cash and cash equivalents are measured at amortised cost. Interest earned on cash invested at financial institutions and in money market unit trusts is recognised on an accrual basis using the effective interest rate method.

Units held in money market unit trust funds are considered equivalent to cash because they are highly liquid (available on 24 hours notice) and have a fixed unit price (R1).

No bank borrowings were classified as cash, however, when bank accounts are overdrawn they remain classified as cash as they are regarded as balances that often fluctuate between being positive and overdrawn (as contemplated by IAS 7.8). The Group's cash and cash equivalents are held to meet the Group's short term commitments.

F3.2 Net carrying value

	GROUP		COMPANY	
Rand thousands	**2024**	**2023**	**2024**	**2023**
Cash held in call accounts[1]	34 725	37 633	34 725	37 633
Bank balances and cash	599 023	797 498	115 973	119 262
Units held in money market funds	148 549	211 949	148 549	211 949
Total cash and cash equivalents	**782 297**	**1 047 080**	**299 247**	**368 844**

[1] Cash held in call accounts as security for bank guarantees issued in favour of municipalities.
[2] At 30 June 2024 and 2023, there were no overdrawn bank accounts.

Notes to the consolidated and separate financial statements continued

G Equity and reserves

G1 Share capital and treasury shares

G1.1 Stated capital and treasury shares accounting policy

Stated capital

Ordinary shares are classified as equity. External costs directly attributable to the issue of new shares are shown as a deduction from equity.

Holders of the ordinary shares are entitled to dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company.

Treasury shares

Company shares held by the Company or a subsidiary are classified as treasury shares. These shares are carried at cost and deducted from equity.

Any subsequent gain or loss on the sale or cancellation of the Company's own equity instruments is recognised directly in retained income.

Distributions and unrealised gains/ losses on treasury shares are eliminated from Group profit or loss for the year.

G1.2 Stated Capital - Carrying value

	GROUP		COMPANY	
Rand thousands	2024	2023	2024	2023
Ordinary shares	**11 470 476**	**10 970 921**	**11 470 476**	**10 970 921**
Balance at the beginning of the year	10 970 921	10 471 387	10 970 921	10 471 387
Issued during the year[1]	499 555	499 534	499 555	499 534
Treasury shares	**(38 870)**	**(66 578)**	**-**	**-**
Balance at the beginning of the year	(66 578)	(72 110)	-	-
Purchased during the year[1]	(1 991)	(2 493)	-	-
Transferred to escrow (Restricted shares)	5 903	5 726	-	-
Sold / Vested during the year	23 796	2 299	-	-
Balance at the end of the year	**11 431 606**	**10 904 343**	**11 470 476**	**10 970 921**

G1.3 Stated capital

Number of shares				
Authorised				
500 000 000 no par value ordinary shares (2023: 500 000 000)				
Issued and fully paid up shares				
Ordinary shares	**380 399 133**	**359 566 570**	**380 399 133**	**359 566 570**
Number of shares at the beginning of the year	359 566 570	343 438 921	359 566 570	343 438 921
Issued during the year[1]	20 832 563	16 127 649	20 832 563	16 127 649
Treasury shares	**(896 964)**	**(1 482 551)**	**-**	**-**
Number of shares at the beginning of the year	(1 482 551)	(1 579 716)	-	-
Purchased during the year[1]	(82 994)	(80 405)	-	-
Transferred to escrow (Restricted shares)[2]	131 014	126 879	-	-
Sold / Vested during the year	537 567	50 691	-	-
Number of shares at the end of the year	**379 502 169**	**358 084 019**	**380 399 133**	**359 566 570**

[1] Shares issued during the year include 82 994 (2023: 80 405) Ordinary shares received by Hyprop Employee Incentive Scheme pursuant to the DRIP at a price of R24 (2023: R31) per share.

[2] Restricted shares comprise the LTIP deferred awards outlined in note L2 - *Long-term incentives*. The shares which are subject to LTIP restrictions are held in escrow until they are released to the relevant employee.

Notes to the consolidated and separate financial statements continued

G Equity and reserves (continued)

G2 Other reserves

G2.1 Other reserves accounting policy

Non-distributable reserves
Non-distributable reserves comprise reserves that are not distributable to shareholders of the Company, such as fair value adjustments on the revaluation of investment property, derivatives and financial assets, any impairment adjustments or accumulated expected credit losses, profits or losses on sale of assets, the straight-line rental income accrual and deferred taxation.

Currency translation reserve
The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to the Group's presentation currency (Rand) at the exchange rates at the reporting date. The income and expenses of foreign operations are translated to Rand at the dates of the transactions (an average rate for the year is used).

Foreign currency translation differences are recognised in other comprehensive income (OCI) and accumulated in the currency translation reserve, except to the extent that the translation difference is allocated to non-controlling interests (NCI).

Share based payments reserve
Transactions related to the Group's equity settled share-based payments are recorded in a separate share-based payment reserve.

G2.2 Carrying value

		GROUP		COMPANY	
Rand thousands	Note	2024	2023	2024	2023
Non-distributable reserves		8 697 343	9 023 002	8 299 422	9 315 680
Currency translation reserve		639 970	908 986	-	-
Share-based payments reserve	L2.3	33 746	33 763	33 746	33 763
Total other reserves		**9 371 059**	**9 965 751**	**8 333 168**	**9 349 443**

The net transfer from/to non-distributable reserves comprises changes in fair values of Investment property and derivatives, derecognition of financial guarantees, profit on disposal of investment property, impairments, and losses from equity accounted investments.

Notes to the consolidated and separate financial statements continued

H Funding and related items

H1 Borrowings

H1.1 Borrowings accounting policy

Interest-bearing borrowings are initially measured at fair value, net of transaction costs and are subsequently measured at amortised cost using the effective interest rate method in accordance with IFRS 9: *Financial instruments*.

H1.2 Carrying value

		GROUP		COMPANY	
Rand thousands	Note	2024	2023	2024	2023
Bank loans	H1.5	**11 234 608**	**11 613 392**	**3 856 334**	**3 238 238**
Secured		11 234 608	11 613 392	3 856 334	3 238 238
Debt capital market funding	H1.6	**3 979 110**	**3 080 497**	**3 979 110**	**3 080 497**
Secured		1 148 083	248 875	1 148 083	248 875
Unsecured		2 831 027	2 831 622	2 831 027	2 831 622
Non-controlling shareholder / Group company loans	H1.7	**548 875**	**526 944**	**761 125**	**760 975**
Unsecured		548 875	526 944	761 125	760 975
Total borrowings		**15 762 593**	**15 220 833**	**8 596 569**	**7 079 710**
Total secured		12 382 691	11 862 267	5 004 417	3 487 113
Total unsecured		3 379 902	3 358 566	3 592 152	3 592 597
Total borrowings		**15 762 593**	**15 220 833**	**8 596 569**	**7 079 710**

H1.3 Maturity profile

	Group 2024	Group 2023	Company 2024	Company 2023
Non-current	**13 280 102**	**9 738 356**	**8 248 587**	**5 654 745**
Bank loans	9 648 974	7 157 824	3 856 334	2 313 238
DCM funding	3 631 128	2 580 532	3 631 128	2 580 532
Non-controlling shareholder / Group company loans	-	-	761 125	760 975
Current	**936 674**	**3 894 580**	**347 982**	**1 424 965**
Bank loans	571 994	3 380 108	-	925 000
DCM funding	347 982	499 965	347 982	499 965
Non-controlling shareholder / Group company loans	16 698	14 507	-	-
Liabilities associated with non-current assets held-for-sale and discontinued operations	**1 545 817**	**1 587 897**	**-**	**-**
Bank loans	1 013 640	1 075 460	-	-
Non-controlling shareholder / Group company loans	532 177	512 437	-	-
Total borrowings	**15 762 593**	**15 220 833**	**8 596 569**	**7 079 710**

Notes to the consolidated and separate financial statements continued

H Funding and related items (continued)

H1 Borrowings (continued)

H1.4 Reconciliations

H1.4.1 Borrowings

	GROUP		COMPANY	
Rand thousands	2024	2023	2024	2023
Balance at the beginning of the year	13 632 936	13 083 803	7 079 710	7 156 425
Currency translation difference	(328 204)	1 389 554	-	-
New borrowings raised - cash	5 609 557	5 371 615	2 945 000	2 432 158
Net movement in raising fees	473	4 263	(3 291)	3 629
Repayments - cash	(4 697 986)	(6 184 198)	(1 424 850)	(2 512 502)
Repayments - non cash	-	(32 101)	-	-
Balance at the end of the year	**14 216 776**	**13 632 936**	**8 596 569**	**7 079 710**

H1.4.2 Liabilities associated with non-current assets held-for-sale and discontinued operations

Balance at the beginning of the year	1 587 897	1 404 220	-	-
Currency translation difference	(62 150)	228 051	-	-
Repayments - cash	(21 475)	-	-	-
Net interest accrued/(paid)	41 545	(44 374)	-	-
Balance at the end of the year	**1 545 817**	**1 587 897**	**-**	**-**
Total borrowings	**15 762 593**	**15 220 833**	**8 596 569**	**7 079 710**

Notes to the consolidated and separate financial statements continued

H Funding and related items (continued)

H1 Borrowings (continued)

H1.5 Bank loans

	Facility	Maturity date	Term	Nominal interest %	Interest rate 2024 %	Interest rate 2023 %	GROUP 2024 Rand thousands	GROUP 2023 Rand thousands	COMPANY 2024 Rand thousands	COMPANY 2023 Rand thousands
The Standard Bank of South Africa Ltd	R500m	Sep-27	3.8 years	3m Jibar + 1.55	9.90	-	499 133	-	499 133	-
The Standard Bank of South Africa Ltd	R425m	Mar-28	4.3 years	3m Jibar + 1.60	9.95	-	424 138	-	424 138	-
The Standard Bank of South Africa Ltd	R869m	Mar-26	4 years	3m Jibar + 1.89	10.24	10.38	867 414	867 946	867 414	867 946
The Standard Bank of South Africa Ltd[6]	€20m	Dec-24	1.5 years	6m Euribor + 1.59	5.45	-	389 521	-	-	-
Nedbank Ltd[2,7]	R500m	Dec-28	5 years	3m Jibar + 1.53	9.88	10.24	499 190	397 900	499 190	397 900
Nedbank Ltd[2]	R600m	Feb-26	4 years	3m Jibar + 1.80	10.15	10.29	19 125	-	19 125	-
Nedbank Ltd[7]	R500m	Jun-27	3.5 years	3m Jibar + 1.48	9.83	10.24	499 357	499 042	499 357	499 042
Nedbank Ltd	R550m	Feb-27	5 years	3m Jibar + 1.90	10.25	10.39	548 790	548 350	548 790	548 350
Nedbank Ltd[6]	€20m	Jul-25	2 years	6m Euribor + 1.75	5.61	-	389 522	-	-	-
Absa Bank Limited	R500m	Aug-26	3 years	3m Jibar + 1.55	9.90	-	499 187	-	499 187	-
Rand Merchant Bank/FirstRand Group[6]	€50m	Jul-26	3 years	6m Euribor + 2.3	6.16	-	973 805	-	-	-
RMB International (Mauritius) Ltd[1,6]	$56.5m	Feb-27	2 years	Sofr + 6.13 / Sofr + 6.39	11.46	11.29	1 013 640	1 075 460	-	-
DSK Bank EAD[3]	€75m	Dec-26	7 years	3m Euribor + 2.00	5.86	5.73	1 344 299	1 434 442	-	-
OTP Bank PLC[3]	€9m	Dec-26	7 years	3m Euribor + 2.40	6.26	6.00	95 550	102 464	-	-
Erste Group Bank AG[4]	€71.5m	Jun-30	7 years	3m Euribor + 2.40	6.26	6.00	1 336 775	1 466 817	-	-
Raiffeisenlandesbank Oberösterreich Aktiengesellschaft[4]	€71.5m	Jun-30	7 years	3m Euribor + 2.40	6.26	6.00	1 336 775	1 466 817	-	-
Komercijalna Banka AD Skopje[5]	€26.7m	Jan-34	10 years	6m Euribor + 1.0	4.86	-	498 387	-	-	-
The Standard Bank of South Africa Ltd	R925m	Jan-24	3.5 years	3m Jibar + 2.10	-	10.59	-	925 000	-	925 000
Komercijalna Banka AD Skopje[6]	€14.6m	Jun-31	10 years	6m Euribor + 2.0	-	5.90	-	211 777	-	-
NLB Banka AD Skopje[6]	€9m	Jun-31	10 years	6m Euribor + 2.0	-	5.90	-	129 803	-	-
Stopanska Banka AD Skopje[6]	€9m	Jun-31	10 years	6m Euribor + 2.0	-	5.90	-	129 803	-	-
Sparkasse Banka AD Skopje[6]	€7.4m	Jun-31	10 years	6m Euribor + 2.0	-	5.90	-	107 265	-	-
Rand Merchant Bank/FirstRand Group[6]	€109.7m	Jul-23	4 years	2.15	-	2.15	-	2 250 506	-	-
Total bank loans							**11 234 608**	**11 613 392**	**3 856 334**	**3 238 238**

[1] Loans disclosed under liabilities associated with assets held-for-sale and discontinued operations.
[2] Revolving credit facility.
[3] Repayable in quarterly instalments of €250 000 and a bullet payment on maturity.
[4] Repayable in quarterly instalments of €1 431 716 (2023: €1 431 716) in aggregate and a bullet payment on maturity.
[5] Repayable in 120 equal monthly instalments of €222 519.
[6] Secured by a guarantee from Hyprop or other Group Companies (See note H3 - *Financial guarantees*).
[7] Maturity date extended and margin reduced in the year.

All the Bank loans above are secured against investment property as set out in note E1.8 – *Mortgaged properties* and guarantees from Group Companies where indicated. Interest on all loans is paid monthly, quarterly or semi-annually as applicable. Capital is repayable on the loan maturity date unless otherwise indicated above.

Notes to the consolidated and separate financial statements continued

H Funding and related items (continued)

H1 Borrowings (continued)

H1.6 DCM funding

All DCM funding is Rand denominated, listed and unsecured unless otherwise indicated.

	Capital	Maturity date	Term	Nominal interest %	Interest rate 2024 %	Interest rate 2023 %	GROUP 2024 Rand thousands	GROUP 2023 Rand thousands	COMPANY 2024 Rand thousands	COMPANY 2023 Rand thousands
HILB09	R348m	Mar-25	7 years	3m Jibar + 1.90	10.25	10.39	347 982	347 957	347 982	347 957
HILB14	R200m	Oct-27	5 years	3m Jibar + 1.57	9.92	10.06	199 610	199 490	199 610	199 490
HILB15	R502m	Nov-25	3 years	3m Jibar + 1.53	9.88	10.02	501 888	501 805	501 888	501 805
HILB16	R283m	Nov-27	5 years	3m Jibar + 1.69	10.04	10.18	282 906	282 877	282 906	282 877
HILB17	R240m	Apr-26	3 years	3m Jibar + 1.43	9.78	9.92	239 930	239 890	239 930	239 890
HILB18	R760m	Apr-28	5 years	3m Jibar + 1.64	9.99	10.13	759 715	759 639	759 715	759 639
HILB19	R200m	Apr-27	3 years	3m Jibar + 1.20	9.55	-	199 718	-	199 718	-
HILB20	R300m	Apr-29	5 years	3m Jibar + 1.30	9.65	-	299 278	-	299 278	-
HIL04U (Unlisted & Secured)	R250m	Jan-26	3 years	3m Jibar + 1.66	10.01	10.15	249 296	248 875	249 296	248 875
HIL05U (Unlisted & Secured)	R500m	May-26	2 years	3m Jibar + 1.41	9.76	-	499 344	-	499 344	-
HIL06U (Unlisted & Secured)	R400m	Apr-27	3 years	3m Jibar + 1.45	9.80	-	399 443	-	399 443	-
Matured DCM funding							**-**	**499 964**	**-**	**499 964**
HILB11	R150m	Mar-24	5 years	3m Jibar + 1.75		10.24	-	149 989	-	149 989
HILB12	R350m	Mar-24	5 years	3m Jibar + 1.70		10.19	-	349 975	-	349 975
Total DCM funding							**3 979 110**	**3 080 497**	**3 979 110**	**3 080 497**

The Secured bonds above are secured against investment property as set out in note E1.8 – Mortgaged properties. Interest on all bonds is paid monthly, quarterly or semi-annually as applicable. Capital is repayable on the bond maturity date.

Notes to the consolidated and separate financial statements continued

H Funding and related items (continued)

H1 Borrowings (continued)

H1.7 Non-controlling shareholder / Group company loans

Non-controlling shareholder / Group company loans are unsecured.

				Interest rate		GROUP		COMPANY	
			Nominal interest	2024	2023	2024	2023	2024	2023
	Maturity date	Base currency	%	%	%	*Rand thousands*			
African Land (Pty) Ltd	12 months notice	ZAR	none	-	-	-	-	761 125	760 975
AttAfrica Ltd	on-demand	USD	none	-	-	12 416	12 938	-	-
EmpiriQ Technologies Proprietary Limited	on-demand	ZAR	none	-	-	4 282	1 569	-	-
AIH International Ltd[1]	Feb-28	USD	8.08 fixed rate	8.08	8.08	532 177	512 437	-	-
Total non-controlling shareholder / Group company loans						**548 875**	**526 944**	**761 125**	**760 975**
Total borrowings						**15 762 593**	**15 220 833**	**8 596 569**	**7 079 710**

[1] Loans disclosed under liabilities associated with assets held-for-sale and discontinued operations.

H1.8 Undrawn facilities

Revolving credit facilities	1 974 761	1 650 000	1 780 000	1 650 000
Term facilities	-	22 396	-	-
Total undrawn facilities	**1 974 761**	**1 672 396**	**1 780 000**	**1 650 000**

Notes to the consolidated and separate financial statements continued

H Funding and related items (continued)

H2 Derivatives

H2.1 Derivatives accounting policy

Derivatives are initially measured at fair value and are subsequently remeasured at fair value. Any directly attributable transaction costs are recognised in profit or loss as incurred.

Derivative instruments comprise Interest rate swaps, caps and collars to hedge interest rate exposure on borrowings. All hedges are economic hedges as the Group does not apply hedge accounting (as defined by IFRS 9: *Financial Instruments*).

Further disclosure on the designation of the Interest rate swaps/caps and their risk mitigation role is provided in note N3 - *Interest rate risk and sensitivity*.

For the fair value hierarchy refer to note M1.2 - *Measurement*.

H2.2 Maturity profile

	GROUP		COMPANY	
Rand thousands	**2024**	**2023**	**2024**	**2023**
Non-current assets	72 210	130 740	13 899	11 135
Current assets	93 620	157 241	21 418	73 558
Continuing operations	81 152	157 241	21 418	73 558
Held-for-sale and discontinued operations	12 468	-	-	-
Non-current liabilities	(27 510)	(14 795)	(12 708)	(6 562)
Current liabilities	(16 601)	(4 434)	(8 499)	(649)
Total derivatives	**121 719**	**268 752**	**14 110**	**77 482**

H2.3 Movement reconciliation

	GROUP 2024	GROUP 2023	COMPANY 2024	COMPANY 2023
Balance at the beginning of the year	268 752	174 504	77 482	71 275
Currency translation difference	(6 603)	21 596	-	-
Premium paid on new contracts entered into	44 654	16 626	43 642	2 200
Net change in fair value recognised in profit or loss	(185 084)	56 026	(107 014)	4 007
Balance at the end of the year	**121 719**	**268 752**	**14 110**	**77 482**

Notes to the consolidated and separate financial statements continued

H Funding and related items (continued)

H2 Derivatives (continued)

H2.4 Individual instruments

Counterparty bank	Nominal amount	Expiry date	Fixed rate payable (%)	Variable rate receivable (%)	GROUP 2024	GROUP 2023	COMPANY 2024	COMPANY 2023
					Rand thousands			
ABSA								
	R500m	Jun-26	8.69	3m Jibar	(7 570)	(3 098)	(7 570)	(3 098)
	R400m	Dec-26	cap at 7.85	3m Jibar	4 224	-	4 224	-
	R250m	Sep-27	cap at 7.91	3m Jibar	3 961	-	3 961	-
	R300m[1]	Oct-26	cap at 7.75	3m Jibar	2 578	-	2 578	-
Standard Bank								
	R300m	Sep-25	8.27	3m Jibar	(1 000)	-	(1 000)	-
	R400m	Mar-26	7.90	3m Jibar	37	-	37	-
	R200m	Mar-28	8.17	3m Jibar	(1 166)	-	(1 166)	-
	R250m	Sep-25	cap at 8.22	3m Jibar	422	-	422	-
	R200m	Mar-28	collar (7.25 - 7.75)	3m Jibar	2 800	-	2 800	-
	R300m	Mar-27	collar (7.25 - 7.75)	3m Jibar	2 493	-	2 493	-
	€20m	Jul-25	3.59	6m Euribor	(487)	-	-	-
	€25m[1]	Jul-26	2.58	3m Euribor	4 694	-	-	-
	€25m[1]	Jul-25	2.78	3m Euribor	2 941	-	-	-
Nedbank								
	R500m	Sep-24	5.61	3m Jibar	2 312	16 665	2 312	16 665
	R500m	Oct-24	5.71	3m Jibar	3 268	17 133	3 268	17 133
	R500m	Dec-25	8.65	3m Jibar	(4 921)	(2 090)	(4 921)	(2 090)
	R300m[1]	Apr-27	collar (7.25 - 8.25)	3m Jibar	1 116	-	1 116	-
	€20m	Jul-25	3.64	6m Euribor	(682)	-	-	-
RMB								
	R550m	Jun-25	cap at 7.35	3m Jibar	3 658	12 383	3 658	12 383
	R250m	Jun-27	8.785	3m Jibar	(5 989)	(2 023)	(5 989)	(2 023)
	R500m	Sep-26	cap at 7.79	3m Jibar	4 615	-	4 615	-
	R250m	Mar-27	cap at 7.73	3m Jibar	3 272	-	3 272	-
	$45m (100%: $60m)	Feb-25	collar (3 - 3.5)	Sofr	12 468	23 355	-	-
	€30m	Jan-28	3.21	6m Euribor	(6 057)	(1 088)	-	-
	€20m	Jan-29	3.14	6m Euribor	(5 161)	(1 600)	-	-
DSK Bank EAD								
	€40m	Dec-26	0.19	3m Euribor	53 058	86 200	-	-
	€27.7m	Dec-26	(0.02)	3m Euribor	35 894	59 157	-	-
	€13.3m	Dec-26	-	3m Euribor	18 829	30 384	-	-
Erste Group Bank AG								
	€20m[1]	Jun-27	2.77	3m Euribor	(974)	-	-	-
	€78m	Jun-25	3.87	3m Euribor	(6 914)	(5 138)	-	-
Matured derivatives					-	38 512	-	38 512
Total derivatives					**121 719**	**268 752**	**14 110**	**77 482**

[1] Forward starting hedge

Notes to the consolidated and separate financial statements continued

H Funding and related items (continued)

H2 Derivatives (continued)

H2.5 Valuation methodology

The following tables show the valuation technique used in measuring the Derivatives' level 2 fair values, as well as the significant unobservable inputs used:

Type	Valuation technique	Unobservable inputs	Change in input	Effect on estimated fair value
Derivatives - level 2	Market comparison: The valuation of the derivative instruments was determined by discounting the future cash flows using the Projected Jibar, Sofr or Euribor swap curves/ forward rate as applicable. Similar contracts are traded in active markets and the fair values are based on actual transactions in similar instruments.	Projected forward interest rate / swap curve	Increase	Increase asset / decrease liability

H2.6 Valuation assumptions – Unobservable inputs

The key assumptions used in determining the fair value of derivatives are in the following ranges:	GROUP 2024	GROUP 2023	COMPANY 2024	COMPANY 2023
Projected forward Jibar rate (%)	7.3 - 9.0	8.5 - 8.9	7.3 - 9.0	8.5 - 8.9
Projected forward Euribor rate (%)	2.5 - 3.9	2.6 - 3.6	n/a	n/a
Projected forward Sofr rate (%)	5.0 - 5.4	4.2 - 5.3	n/a	n/a

H2.7 Valuation sensitivity

The valuation of the derivatives is sensitive to changes in the unobservable inputs above. Changes to one unobservable input, while holding the other inputs constant would have the following effects on the carrying value of the derivatives on the SFP.

	2024 bps	2023 bps	GROUP 2024 Rand thousands	GROUP 2023 Rand thousands	COMPANY 2024 Rand thousands	COMPANY 2023 Rand thousands
Increase asset / (Increase liability)						
ZAR						
Increase in projected forward interest rate	25bps	25bps	13 830	15 827	13 830	15 827
Decrease in projected forward interest rate	25bps	25bps	(12 001)	(15 841)	(12 001)	(15 841)
EUR						
Increase in projected forward interest rate	25bps	25bps	29 477	28 739	n/a	n/a
Decrease in projected forward interest rate	25bps	25bps	(28 546)	(28 921)	n/a	n/a
USD						
Increase in projected forward interest rate	25bps	25 bps	1 280	3 078	n/a	n/a
Decrease in projected forward interest rate	25bps	25 bps	(1 269)	(3 067)	n/a	n/a

Notes to the consolidated and separate financial statements continued

H Funding and related items (continued)

H3 Financial guarantees

H3.1 Financial guarantees accounting policy

Financial guarantees are contracts that require the Group to make specified payments to reimburse the holder of the guarantee for a loss that it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

The Group's policy is to obtain independent valuations of the financial guarantees when a new guarantee is provided and report financial guarantees initially at fair value and subsequently at the higher of the loss allowance determined in accordance with IFRS 9: *Financial instruments* and the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of IFRS 15: *Revenue from contracts with customers.*

H3.2 Profile

Hyprop, Balkan Retail and Hyprop Mauritius have provided guarantees to banks that have provided funding to subsidiaries. Certain of the guarantees provided by Hyprop are secured by mortgage bonds over certain of the Group's investment properties as disclosed in note E1.8 – *Mortgaged properties*. Details of the secured loans are disclosed in note H1.5 - *Bank loans*.

H3.2.1 USD guarantees

2024

Hyprop has provided guarantees to RMB (Mauritius) for its pro-rata portion of the interest payable (maximum exposure USD6.2m) and capital (USD8.1m) on loans granted by RMB (Mauritius) to AttAfrica and its investments/subsidiaries.

2023 and 2024

Hyprop Mauritius had provided limited guarantees to RMB (Mauritius) for the interest payable under the USD denominated loan advanced to Gruppo. This financial guarantee liability is eliminated on consolidation as the underlying loan is reflected on the SFP.

H3.2.2 EUR guarantees

2024

Hyprop has provided guarantees to Nedbank, RMB and Standard Bank (South Africa) for term loans and revolving credit facilities of €100m in aggregate granted to Balkan Retail. The financial guarantee liabilities in respect of these facilities are eliminated on consolidation as the underlying loans are reflected on the SFP.

2023

Hyprop has provided guarantees to RMB for loan (€109.7m) and guarantee (€1.2m) facilities granted to Balkan Retail. Balkan Retail has provided a guarantee to 4 commercial banks in Skopje of €1.2m in aggregate for the interest payable under the Euro denominated loans advanced to SCM Retail. The financial guarantee liabilities in respect of these facilities are eliminated on consolidation as the underlying loans are reflected on the SFP.

H3.3 Carrying value

	GROUP		COMPANY	
Rand thousands	**2024**	**2023**	**2024**	**2023**
Guarantees in respect of EUR denominated loans/facilities	-	-	2 216	44 963
Guarantees in respect of USD denominated loans/facilities	7 015	-	7 015	-
Total financial guarantee liabilities	**7 015**	**-**	**9 231**	**44 963**

H3.4 Maturity profile

Non-current liabilities	7 015	-	8 948	427
Current liabilities	-	-	283	44 536
Total financial guarantee liabilities	**7 015**	**-**	**9 231**	**44 963**

Notes to the consolidated and separate financial statements continued

H Funding and related items (continued)

H3 Financial guarantees (continued)

H3.5 Movement reconciliation

	GROUP		COMPANY	
Rand thousands	2024	2023	2024	2023
Balance at the beginning of the year	-	-	44 963	44 963
New guarantees issued	7 015	-	9 231	-
Derecognition of guarantees cancelled/expired	-	-	(44 963)	-
Balance at the end of the year	**7 015**	**-**	**9 231**	**44 963**

H3.6 Exposure under financial guarantees

GROUP 2024	$'000	€'000	Rand equivalent R'000
Exposure under guarantees	**14 237**	**-**	**259 312**
Net assets of underlying subsidiaries which may mitigate exposure under guarantees	(78 665)	-	(1 432 792)
Net difference	**(64 428)**	**-**	**(1 173 480)**

COMPANY 2024			
Exposure under guarantees	**14 237**	**100 000**	**2 206 922**
Net assets of underlying subsidiaries which may mitigate exposure under guarantees	(78 665)	(248 285)	(6 268 415)
Net difference	**(64 428)**	**(148 285)**	**(4 061 493)**

COMPANY 2023			
Exposure under guarantees	**-**	**113 455**	**2 327 983**
Net assets of underlying subsidiaries which may mitigate exposure under guarantees	-	(179 467)	(3 682 491)
Net difference	**-**	**(66 012)**	**(1 354 508)**

Notes to the consolidated and separate financial statements continued

H Funding and related items (continued)

H3 Financial guarantees (continued)

H3.7 Valuation assumptions – Unobservable inputs

	GROUP & COMPANY	
	2024	2023
Risk-free rate	N/A	EUR ESTER
Data used for probability of default	Moody's Analytics RiskCalc and NAV breakup value	Publicly available IMF data and management input
Loss given default (%)	5% - 45.29% (including sovereign risk)	Between 5% and 14% for EUR guarantees
Credit rating (2024 includes sovereign credit rating)	Ba1 - Caa1	BB- to BBB

H3.8 Valuation sensitivity

The valuation of the financial guarantee liabilities is sensitive to changes to the unobservable inputs above. Changes in one unobservable input, while holding the other inputs constant would have the following effects on the carrying value of the financial guarantees on the SFP.

Increase / (Decrease) in financial liability	**COMPANY**	
Rand thousands	**2024**	**2023**
Change in credit rating		
One notch better credit risk	(2 715)	(16 665)
One notch worse credit risk	1 912	-

Notes to the consolidated and separate financial statements continued

H Funding and related items (continued)

H4 Covenants and capital management

H4.1 External restrictions

In terms of the Company's DCM Programme and the agreements between the Group and the financial institutions that have granted loans to the Group, the Group is required to maintain certain key financial ratios (covenants). If a covenant is breached on or before the reporting date, the affected borrowings should be classified as current if the Group does not have the right to defer settlement for at least 12 months after the reporting date.

The Group actively monitors and manages banking covenants to pre-empt any potential covenant breaches. There were no banking covenant breaches during the current or prior years.

Summarised below are the Group's key covenants and their status.

			GROUP			
Covenant	**Benchmark range**[1]	**Reported as**	**2024**	**Status**	**2023**	**Status**
Group LTV ratio	A maximum of 50% to 55%	Percentage	**36.3 - 38.1**	✔	35.0 - 38.4	✔
Secured asset / portfolio LTV ratio	A maximum of 60% to 70%	Percentage	**32.7 - 47.4**	✔	37.0 - 52.0	✔
Net asset value	A minimum of R7.5 bn	Rbn	**22.5**	✔	22.6	✔
Group interest cover ratio (EBITDA / interest expense)	A minimum of 1.75 to 2 times cover	Times	**2.5 - 2.7**	✔	2.8	✔
Secured asset / portfolio interest cover ratio	A minimum of 1.5 to 1.75 times cover	Times	**1.7 - 8.7**	✔	1.9 - 11.4	✔

[1] The ranges indicated apply to the 2023 and the 2024 financial years unless otherwise indicated.

			EE			
Covenant	**Benchmark range**	**Reported as**	**2024**	**Status**	**2023**	**Status**
Secured asset LTV ratio	A maximum of 50% (2023:60%)	Percentage	**40 - 43**	✔	31 - 46	✔
Debt Service Cover ratio 12m historic	A minimum of 1.1 to 1.3 (2023: 1.1 to 1.8)	Times	**1.51 - 4.0**	✔	1.5 - 3.26	✔
Debt Service Cover ratio 12m forward			**2.04 - 3.89**	✔	1.3 - 3.06	✔
Occupancy rate	Not less than 85% of GLA	Percentage	**n/a**	**n/a**	100	✔
Average monthly rent revenues 12m historic	Not less than €550 000	€	**n/a**	**n/a**	693 259	✔
Equity ratio (Equity to Total Assets)	Not less than 30%	Percentage	**n/a**	**n/a**	50	✔
Required cash reserve balances	A minimum of € 1.1m (2023: €1.2m)	€m	**n/a**	**n/a**	5.8	✔
Loan to capital ratio	Lower than 2.1	Times	**1.2**	✔	n/a	n/a

Notes to the consolidated and separate financial statements continued

H Funding and related items (continued)

H4 Covenants and capital management (continued)

H4.2 Other restrictions

Hyprop's capital management objective is to maintain a strong capital base to provide sustainable returns to shareholders over the long term. The Company's borrowings are not limited by its Memorandum of Incorporation however, in terms of paragraph 13.46(g)(ii) of the JSE Listings Requirements, a REIT's total consolidated liabilities may not exceed 60% of its consolidated gross asset value, as reflected in its latest published financial statements or results. Should the 60% threshold be exceeded, Hyprop may lose its REIT status under the JSE Listings Requirements.

Hyprop's (theoretical) unutilised borrowing capacity can be summarised as follows:

	GROUP	
Rand thousands	2024	2023
Total consolidated assets / gross asset value	**40 618 877**	**39 870 697**
60% of gross asset value	24 371 326	23 922 418
Total consolidated liabilities	(18 115 201)	(17 301 615)
Unutilised borrowing capacity	**6 256 125**	**6 620 803**
Ratio of Total consolidated liabilities to Gross asset value	45%	44%

Notes to the consolidated and separate financial statements continued

I Other liabilities

I1 Deferred taxation

I1.1 Deferred taxation accounting policy

Deferred tax is raised on differences between the carrying amount of an asset or liability in the statement of financial position and its tax bases in accordance with IAS 12: *Income Taxes*.

I1.2 Maturity profile

		GROUP		COMPANY	
Rand thousands	**Note**	**2024**	**2023**	**2024**	**2023**
Non-current assets		54	1 116	-	-
Non-current liabilities		(1 215 084)	(1 113 118)	(207 720)	(176 145)
Net deferred taxation liability		**(1 215 030)**	**(1 112 002)**	**(207 720)**	**(176 145)**

I1.3 Carrying value

Arising on:					
Investment property valuation		(663 823)	(548 194)	-	-
Depreciation / Wear and tear claims on investment property and property, plant and equipment		(547 178)	(485 545)	(214 352)	(182 777)
Wear and tear claims on intangible asset		-	1 027	-	-
Other temporary differences		(10 661)	(85 922)	-	-
Taxation loss carried forward		6 632	6 632	6 632	6 632
Net deferred taxation liability		**(1 215 030)**	**(1 112 002)**	**(207 720)**	**(176 145)**

I1.4 Movement reconciliation - net

Balance at the beginning of the year		(1 112 002)	(912 494)	(176 145)	(170 598)
Currency translation difference		47 640	(158 580)	-	-
Movement through profit or loss	D7.3	(150 668)	(40 928)	(31 575)	(5 547)
Fair value of investment property		(115 630)	(24 685)	-	-
Depreciation / Wear and tear claims on investment property and property, plant and equipment		(61 633)	(11 044)	(31 575)	(5 547)
Other		26 595	(5 199)	-	-
Net Balance at the end of the year		**(1 215 030)**	**(1 112 002)**	**(207 720)**	**(176 145)**

I1.5 Tax rates used for deferred tax balances

Percentages					
South Africa		27	27	27	27
Croatia		18	18		
Bulgaria		10	10		
North Macedonia		10	10		
Netherlands		25.8	25.8		
United Kingdom		25	25		

Notes to the consolidated and separate financial statements continued

I Other liabilities (continued)

I2 Taxation payable

I2.1 Carrying value

	GROUP		COMPANY	
Rand thousands	2024	2023	2024	2023
Current assets	(2 613)	(23 110)	(446)	-
Current liabilities	17 545	9 639	-	80
Net current (assets) / liabilities	**14 932**	**(13 471)**	**(446)**	**80**
SA	(446)	80	(446)	80
EE	13 497	(13 643)	-	-
SSA	1 881	92	-	-
Liabilities associated with non-current assets held-for-sale	**3 372**	**1 154**	**-**	**-**
Total taxation (receivable) / payable	**18 304**	**(12 317)**	**(446)**	**80**

I3 Trade and other payables

I3.1 Trade and other payables accounting policy

Trade and other payables are measured at amortised cost. Short-term payables are measured at the original invoice amount as the effect of discounting is immaterial.

I3.2 Trade and other payables - financial instruments

Trade payables and accrued expenses	134 764	184 911	95 219	125 899
Tenant deposits	145 523	130 837	95 913	80 663
Gift cards	88 674	66 408	48 085	39 634
Interest payable	115 339	70 122	96 707	69 424
Total trade and other payables - financial instruments	**484 300**	**452 278**	**335 924**	**315 620**

Notes to the consolidated and separate financial statements continued

I Other liabilities (continued)

I3 Trade and other payables (continued)

I3.3 Trade and other payables - non-financial instruments

	GROUP		COMPANY	
Rand thousands	2024	2023	2024	2023
Rent received in advance	65 724	85 687	65 101	84 128
Municipal accruals	191 916	143 619	185 060	136 409
Employee benefit accruals	10 051	9 968	10 051	9 968
Value added tax (VAT)	35 135	58 927	17 302	13 723
Other payables	28 546	23 203	12 737	21 968
Total trade and other payables - non-financial instruments	**331 372**	**321 404**	**290 251**	**266 196**
Total trade and other payables	**815 672**	**773 682**	**626 175**	**581 816**

I4 Provisions

Provisions are recognised and measured in accordance with IAS 37: *Provisions, Contingent Liabilities and Contingent Assets*.

Employee benefit provisions:

Short-term incentives

Bonus and other employee benefits provided for the financial year. Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Long-term incentives

South Africa -The balance includes a long-term incentive provision for a special bonus allocated in October 2021, which is subject to performance conditions and vests in October 2024. The bonus will be cash-settled and is included under current liabilities in the current year.

Eastern Europe - The balance includes a provision for a cash settled incentive in terms of which a portion of awardees' annual bonus is deferred for a performance period of 3 years.

Litigation provisions:

Provisions relating to litigation that is likely to result in an outflow, whose timing depends on the resolution of the litigation.

Warranty provisions:

Provisions relating to undertakings, warranties and indemnities given to purchasers of assets from the Group.

Notes to the consolidated and separate financial statements continued

I Other liabilities (continued)

I4 Provisions (continued)

I4.1 Carrying value

	GROUP		COMPANY	
Rand thousands	**2024**	**2023**	**2024**	**2023**
Non-current	**3 350**	**10 663**	**-**	**10 663**
Employee benefit provisions	3 350	10 663	-	10 663
Current	**198 078**	**62 477**	**54 986**	**41 688**
Employee benefit provisions	65 308	53 563	54 986	41 688
Litigation and warranty provisions	132 770	8 914	-	-
Total	**201 428**	**73 140**	**54 986**	**52 351**

I4.2 Reconciliation for each class of provision

GROUP ***Rand thousands***	**Employee benefit provisions**	**Litigation and other provisions**	**Total provisions**
Balance at 30 June 2022	**50 826**	**6 735**	**57 561**
New provisions raised	54 140	688	**54 828**
Utilised	(38 678)	-	**(38 678)**
Unutilised amounts reversed	(3 802)	-	**(3 802)**
Currency translation and other movements	1 740	1 491	**3 231**
Balance at 30 June 2023	**64 226**	**8 914**	**73 140**
New provisions raised[1]	56 368	124 298	**180 666**
Utilised	(43 544)	-	**(43 544)**
Unutilised amounts reversed	(7 774)	-	**(7 774)**
Currency translation and other movements	(618)	(442)	**(1 060)**
Balance at 30 June 2024	**68 658**	**132 770**	**201 428**

COMPANY			
Balance at 30 June 2022	**46 495**	**-**	**46 495**
New provisions raised	45 957	-	**45 957**
Utilised	(36 299)	-	**(36 299)**
Unutilised amounts reversed	(3 802)	-	**(3 802)**
Balance at 30 June 2023	**52 351**	**-**	**52 351**
New provisions raised	44 332	-	**44 332**
Utilised	(33 923)	-	**(33 923)**
Unutilised amounts reversed	(7 774)	-	**(7 774)**
Balance at 30 June 2024	**54 986**	**-**	**54 986**

[1]Included in New provisions raised is R117.1m for undertakings and indemnities relating to the sale of AttAfrica and R 6.6m of costs to sell Gruppo, Hyprop Ikeja and AttAfrica. See notes E6.3.1 - *Movement for the year: assets* and E6.5 - *Impairment of assets held-for-sale and discontinued operations.*

Notes to the consolidated and separate financial statements continued

J Cash flow information

J1 Cash generated from operations

		GROUP		COMPANY	
Rand thousands	Note	2024	2023	2024	2023
Operating income		**2 397 901**	**2 083 633**	**1 460 400**	**1 334 879**
Adjusted for		**354 636**	**373 188**	**149 820**	**158 616**
Straight-line rental revenue accrual	D1.2	67 964	100 380	43 469	82 822
Assets written off		102	5 576	63	1 553
Unrealised foreign exchange (gain) / loss	D5	92 281	164 376	-	(383)
Changes in ECLs - trade receivables	N5.4.6	26 526	(16 611)	12 346	(39)
Depreciation – PPE	E2.3	144 922	110 391	74 700	60 326
Amortisation	D4.1	20	-	-	-
Share-based payment expense	D4.2	18 055	6 153	15 100	5 185
Other non-cash items		4 766	2 923	4 142	9 152
Operating profit before working capital changes		**2 752 537**	**2 456 821**	**1 610 220**	**1 493 495**
Decrease/(increase) in working capital		**23 324**	**(19 237)**	**10 403**	**(23 951)**
(Increase) / Decrease in receivables		(16 499)	(11 959)	(12 174)	(42 180)
Increase / (Decrease) in payables		39 823	(7 278)	22 577	18 229
Cash generated from operations		**2 775 861**	**2 437 584**	**1 620 623**	**1 469 544**

J2 Other cash flow notes

J2.1 Taxation paid

Taxation receivable / (payable) at the beginning of the year		12 317	(107 396)	(80)	(208)
Currency translation difference		(1 513)	(3 861)	-	-
Charge for the year in profit or loss		(104 063)	(30 653)	446	(80)
Taxation payable / (receivable) at the end of the year	I2.1	18 304	(12 317)	(446)	80
Taxation paid		**(74 955)**	**(154 227)**	**(80)**	**(208)**

J2.2 Dividends received

Dividend receivable at the beginning of the year		-	-	151 871	-
Dividend income in profit or loss	D3	-	-	130 680	151 871
Dividend receivable at the end of the year	F2.2.2	-	-	(130 680)	(151 871)
Dividends received in cash		**-**	**-**	**151 871**	**-**

Notes to the consolidated and separate financial statements continued

J Cash flow information (continued)

J2 Other cash flow notes (continued)

J2.3 Dividends paid

		GROUP		COMPANY	
Rand thousands	**Note**	**2024**	**2023**	**2024**	**2023**
Dividends payable at the beginning of the year		-	(144 162)	-	-
Currency translation difference		-	(1 389)	-	-
Dividends declared during the year	B2	(1 073 272)	(1 004 269)	(1 076 182)	(1 008 477)
Dividends payable at the end of the year		-	-	-	-
Dividends paid in cash		**(1 073 272)**	**(1 149 820)**	**(1 076 182)**	**(1 008 477)**

J2.4 Interest paid

Interest payable at the beginning of the year[1]		(398 101)	(343 203)	(69 424)	(40 299)
Currency translation difference		265	(33 423)	-	-
Charge for the year in profit or loss	D6	(1 163 934)	(907 503)	(646 138)	(542 959)
Net movement in raising fees		(2 165)	4 263	(3 291)	-
Interest payable at the end of the year[1]		423 640	398 101	96 707	69 424
Interest paid in cash		**(1 140 295)**	**(881 765)**	**(622 146)**	**(513 834)**

[1] Includes accrued but unpaid interest on non-controlling shareholders' loans.

J2.5 Interest received

Interest receivable at the beginning of the year		1 951	886	51 713	44 025
Currency translation difference		(1 906)	308	-	-
Cession Balkan Retail NV		-	(502)	-	-
Impairment raised in prior years		-	-	(39 007)	-
Income for the year in profit or loss	D6	70 623	53 040	104 738	44 256
Interest receivable at the end of the year		(2 062)	(1 951)	(13 853)	(51 713)
Interest received in cash		**68 606**	**51 781**	**103 591**	**36 568**

Notes to the consolidated and separate financial statements continued

J Cash flow information (continued)

J2 Other cash flow notes (continued)

J2.6 Amounts paid - PDI Transaction

In the 2022 financial year the Group obtained a controlling stake in Hystead following the acquisition of an additional 18.29% interest in Hystead from PDI ("the PDI Transaction"). As part of the implementation of the PDI Transaction, in October 2022 Hystead distributed €7.4m to its shareholders as a capital reduction which resulted in a payment to PDI of R32.7m.

The following amounts were paid to PDI in terms of the PDI Transaction:	GROUP		COMPANY	
Rand thousands	**2024**	**2023**	**2024**	**2023**
Initial purchase price	-	(27 237)	-	-
Loan advanced / Capital reduction	-	(32 562)	-	-
Currency translation and other adjustments	-	1 002	-	-
Amounts paid - PDI Transaction	**-**	**(58 797)**	**-**	**-**

[1] Due to delays in obtaining certain regulatory approvals, the amount was initially advanced as a loan to PDI and subsequently set-off against the capital reduction.

J2.7 Change in presentation

The starting point for note J1 - *Cash generated from operations* has been changed in the current year from "Profit for the year attributable to shareholders of the Company" to "Operating income".

The change was made to reduce unnecessary repetition of items reflected in profit or loss and OCI and thus make the note more concise. Both years presented have been amended by removing the lines listed below.

Profit for the year attributable to shareholders of the Company	1 019 761	1 521 216	77 285	1 474 260
Adjusted for	**1 378 140**	**562 417**	**1 383 115**	**(139 381)**
Interest income	(70 623)	(53 040)	(104 738)	(44 256)
Interest expense	1 163 934	907 503	646 138	542 959
Dividend income	-	-	(130 680)	(151 871)
Loss from equity accounted investments	78 057	150 694	-	-
Changes in fair value: Investment property	(409 117)	(434 145)	(489 335)	(277 212)
Changes in fair value: Derivative instruments	185 084	(56 026)	107 014	(4 007)
Profit on disposal of investment property	(4 951)	-	(4 951)	-
Changes in ECLs - loans receivable	3 804	2 767	(1 470 573)	(2 472)
(Impairment) / reversal of impairment of investment in subsidiary	-	-	2 837 059	(208 149)
Impairment of assets held-for-sale and discontinued operations	441 655	-	7 015	-
Derecognition of financial guarantees	-	-	(44 963)	-
PDI Transaction - additional purchase consideration	-	8 775	-	-
Taxation	254 731	71 581	31 129	5 627
Non-controlling interests' share of profit for the year	(264 434)	(35 692)	-	-
Operating income	**2 397 901**	**2 083 633**	**1 460 400**	**1 334 879**

Notes to the consolidated and separate financial statements continued

K Related parties

Entities
Related entities are entities that are subsidiaries, joint ventures, or associates of the Group, or are controlled or jointly controlled by key management (as defined).

Key management
Key management of the Group (as contemplated IAS 24: *Related party disclosures*) comprises directors of Hyprop and includes close members of their families and entities controlled or jointly controlled by these individuals.

Prescribed officers
The Company assesses annually whether any employees should be designated as a prescribed officer (as contemplated by the South African Companies Act). Based on the latest assessment, the Group did not have any prescribed officers who are not also directors of the Company in the current or prior year.

Related-party transactions and balances – entities
Related party transactions constitute the transfer of resources, services or obligations between the Group and a party related to the Group, regardless of whether a price is charged.

Entities that are related parties and with whom the Group transacted during the year are listed below.

K1 Entities

Rand thousands		GROUP		COMPANY	
SA	**Note**	**2024**	**2023**	**2024**	**2023**
African Land - subsidiary					
Borrowings	H1.7	-	-	(761 125)	(760 975)
Hyprop Employee Incentive Scheme - subsidiary					
Loan receivable (net of cumulative ECLs)	F1.3	-	-	31 171	47 397
Interest received		-	-	5 402	5 988
Natalmahogany - subsidiary					
Interest received		-	-	678	734
Coventurist - associate					
Loan receivable (net of cumulative ECLs)	F1.3	-	7	-	7
Interest received		440	203	440	203
EE					
Hyprop UK - subsidiary					
Dividend income		-	-	13 765	-
Dividend receivable included in other receivables		-	-	13 765	-
Hyprop Europe - subsidiary					
Dividend income		-	-	116 915	151 871
Dividend receivable included in other receivables		-	-	116 915	151 871
Balkan Retail - subsidiary					
Financial guarantees given by Hyprop on behalf of Balkan Retail					
Loans / facilities guaranteed		-	-	1 947 610	2 327 983
Carrying value of financial guarantee liability	H3.3	-	-	2 216	44 963

Notes to the consolidated and separate financial statements continued

K Related parties (continued)

K1 Entities (continued)

Rand thousands		GROUP		COMPANY	
SSA	**Note**	**2024**	**2023**	**2024**	**2023**
Hyprop Mauritius - subsidiary					
Loans receivable		**-**	**-**	**-**	**16 718**
Loan balances		-	-	-	1 495 465
Cumulative ECLs		-	-	-	(1 478 747)
Interest received		-	-	41 481	2 341
Asset management fee income		-	-	606	572
WAAM - subsidiary					
Asset management fee income		-	-	525	877
AttAfrica – joint venture					
Borrowings	H1.7	12 416	12 938	-	-
Financial guarantees given by Hyprop on behalf of AttAfrica					
Loans/facilities guaranteed		259 312	-	259 312	-
Carrying value of financial guarantee liability	H3.3	7 015	-	7 015	-

K2 Directors' interests in Hyprop shares

	2024				2023			
Number of shares	**Direct beneficial**	**Indirect beneficial**	**Total**	**% held[3]**	**Direct beneficial**	**Indirect beneficial**	**Total**	**% held[3]**
Independent non-executives	13 300	-	**13 300**	**0.0**	-	-	-	-
Non-executives[1]	-	13 745 320	**13 745 320**	**3.6**	-	3 000 000	3 000 000	0.8
Executives[2]	1 350 265	155 146	**1 505 411**	**0.4**	888 295	110 407	998 702	0.3
Total	**1 363 565**	**13 900 466**	**15 264 031**	**4.0**	**888 295**	**3 110 407**	**3 998 702**	**1.1**

[1] Exposure in terms of off-market derivative transactions (Long call 6 872 660 shares, short call 6 872 660 shares) at strike prices of R 31.48 and R47.22 respectively.
[2] Includes shares awarded under the CUP and LTIP.
[3] The % held is relative to the total issued share capital at 30 June.

Notes to the consolidated and separate financial statements continued

L Remuneration

L1 Directors' remuneration

L1.1 Non-executive directors (fees)

	GROUP AND COMPANY	
Rand thousands	**2024**	**2023**
Independent non-executive directors	**5 384**	**6 158**
Spiro Noussis *(chairman)*	1 256	1 133
Annabel Dallamore	725	628
Loyiso Dotwana	616	533
Richard Inskip	598	544
Reeza Isaacs *(Appointed with effect from 2 April 2024)*	147	-
Zuleka Jasper	596	568
Nonyameko Mandindi *(Resigned with effect from 5 December 2022)*	-	249
Thabo Mokgatlha	728	693
Bernadette Mzobe	718	620
Gavin Tipper *(Resigned with effect from 31 December 2022)*	-	709
Stewart Shaw-Taylor *(Retired with effect from 25 November 2022)*	-	481
Non-executive directors		
Kevin Ellerine	616	533
Total non-executive directors	**6 000**	**6 691**

L1.2 Executive directors - cash remuneration

GROUP and COMPANY	Morné Wilken CEO		Brett Till CFO		Wilhelm Nauta CIO		Total Executive Directors	
Rand thousands	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
Basic salary	5 278	5 031	3 331	3 170	3 150	2 998	11 759	11 199
Pension Fund Contributions	472	449	301	286	209	199	982	934
Performance Bonus - cash[1]	3 394	4 070	2 265	2 260	1 579	1 813	7 238	8 143
Performance Bonus - total	4 849	5 814	3 236	3 228	2 256	2 590	10 341	11 632
Performance Bonus - restricted shares	(1 455)	(1 744)	(971)	(968)	(677)	(777)	(3 103)	(3 489)
Vested Shares	452	219	-	115	302	277	754	611
Other Benefits	36	36	60	60	60	60	156	156
Total executive directors	**9 632**	**9 805**	**5 957**	**5 891**	**5 300**	**5 347**	**20 889**	**21 043**
Total Directors' Remuneration							**26 889**	**27 734**

[1] Change in presentation - In 2023 the performance bonus-restricted shares were taken into account when determining the total remuneration of executive directors. In the current year this has been excluded to reflect only cash remuneration received in a given year. The change has been made to avoid the double-counting of the Restricted shares under Remuneration and Share-based payments.

Notes to the consolidated and separate financial statements continued

L Remuneration (continued)

L1 Directors' remuneration (continued)

L1.3 Executive directors - Share-based payments

L1.3.1 Reconciliation of number of shares outstanding for executive directors

GROUP and COMPANY	Morné Wilken CEO		Brett Till CFO		Wilhelm Nauta CIO		Total Executive Directors	
Number of shares	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
Outstanding at the beginning of the year	419 841	263 200	248 243	166 612	220 211	159 271	888 295	589 083
New awards granted	258 528	190 271	140 434	99 259	109 731	80 514	508 693	370 044
Vested	(97 062)	(6 279)	(66 856)	(3 292)	(59 971)	(5 655)	(223 889)	(15 226)
Forfeited	(14 028)	(27 351)	(10 492)	(14 336)	(9 997)	(13 919)	(34 517)	(55 606)
Outstanding at the end of the year	**567 279**	**419 841**	**311 329**	**248 243**	**259 974**	**220 211**	**1 138 582**	**888 295**
Number of shares by award type								
CUP	134 413	229 570	80 482	148 984	76 828	139 697	291 723	518 251
LTPA	347 007	142 471	177 119	72 720	143 827	59 216	667 953	274 407
Subtotal	**481 420**	**372 041**	**257 601**	**221 704**	**220 655**	**198 913**	**959 676**	**792 658**
Restricted shares	85 859	47 800	53 728	26 539	39 319	21 298	178 906	95 637
Outstanding at the end of the year	**567 279**	**419 841**	**311 329**	**248 243**	**259 974**	**220 211**	**1 138 582**	**888 295**

L1.3.2 Reconciliation of market value of shares outstanding for executive directors

Rand thousands								
Outstanding at the beginning of the year[1]	12 892	8 735	7 623	5 531	6 763	5 288	27 278	19 554
New awards granted[2]	6 966	6 944	3 784	3 622	2 956	2 939	13 706	13 505
Vested	(2 800)	(219)	(1 924)	(115)	(1 728)	(195)	(6 452)	(529)
Forfeited	(431)	(908)	(322)	(476)	(307)	(462)	(1 060)	(1 846)
Change in market value	1 186	(1 660)	615	(939)	478	(807)	2 279	(3 406)
Outstanding at the end of the year[3]	**17 813**	**12 892**	**9 776**	**7 623**	**8 162**	**6 763**	**35 751**	**27 278**

[1] Shares outstanding at the beginning of the year and shares forfeited are valued at the closing share price of R30.71 on 30 June 2023 (2022: R33.19 on 30 June 2022).
[2] Shares awarded during the year are valued at the 30 day VWAP on grant date of R26.94 (2023: R36.49).
[3] Shares outstanding at the end of the year are valued at the closing share price of R31.40 (2023: R30.71).

Notes to the consolidated and separate financial statements continued

L Remuneration (continued)

L1 Directors' remuneration (continued)

L1.3 Executive directors - Share-based payments (continued)

L1.3.3 Share-based payments expense

The following amounts were recorded in the statement of profit and loss with respect to share-based payments awarded to executive directors.

No incremental expense was incurred for Restricted shares awarded as they are settled on grant date (subject to vesting over 3 years).

	Gross expense		Forfeits		Net expense	
Rand thousands	2024	2023	2024	2023	2024	2023
Morné Wilken (CEO)	3 601	2 864	(304)	(1 879)	3 297	985
Brett Till (CFO)	1 903	1 671	(227)	(985)	1 676	686
Wilhelm Nauta (CIO)	1 592	1 490	(217)	(957)	1 375	533
Total	**7 096**	**6 025**	**(748)**	**(3 821)**	**6 348**	**2 204**

L2 Long-term incentives

L2.1 LTI accounting policy

Equity-settled incentives *(Share-based payments)*
The grant date fair value of equity-settled share-based payment arrangements awarded to employees is recognised as an expense, with a corresponding increase in equity (Share-based payments reserve), over the vesting period of the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met such that the amount ultimately recognised is based on the number of awards that meet the related service, market and non-market performance conditions at the vesting date.

Cash-settled incentives *(Share-based payments)*
The grant date fair value of cash-settled share-based payment arrangements is recognised as an expense, with a corresponding increase in Employee benefit provisions, over the vesting period (if any). The fair value is remeasured at least annually, with any changes in fair value recognised in profit or loss for the period.

Other cash-settled LTIs *(Non-share-based payments)*
Long-term cash settled incentives which are not share-based are expensed over their vesting period with a corresponding increase in Employee benefit provisions.

L2.2 Profile

Long-term performance awards (LTPAs) were previously granted in terms of the CUP, an equity-settled share plan approved by shareholders in 2013, which has reached the end of its life cycle. These awards will continue under the CUP rules, and the outcomes of these awards will be reported as they reach their vesting dates.

The CUP has been replaced by the LTIP, which was approved by shareholders on 20 July 2022 and applied from the 2023 financial year.

Notes to the consolidated and separate financial statements continued

LTIP

The LTIP consists of 2 elements which are share-based:

1. LTPAs *(Long-term performance awards)*
An equity-settled share plan, with a performance period of not less than 3 years. Conditional shares awarded are subject to forfeiture if the performance conditions and the employment condition specified in the award letter are not satisfied.

2. Deferred awards
South Africa - an equity-settled share plan where a percentage of the annual bonus, determined in accordance with the Company's remuneration policy, is awarded as Restricted Shares in lieu of paying the specified percentage of the annual bonus in cash, the vesting of which is subject to the employment condition.

In conjunction with implementation of the LTIP, a cash settled phantom share plan and deferred awards, based on the same principles as the LTIP, were implemented for Eligible Employees of the Group who are not employed in South Africa, as follows:

1. Cash LTPAs *(Long-term performance awards)*
A *cash settled* phantom share plan, with a performance period of not less than 3 years. Phantom shares awarded are subject to forfeiture if the performance conditions and the employment condition specified in the award letter are not satisfied.

2. Cash Deferred awards
A *cash settled* incentive in terms of which a percentage of the annual bonus is deferred for a performance period of 3 years. This incentive increases/decreases based on achievement of performance targets and is payable in 3 tranches over the vesting period, provided the awardee remains in the employ of the Group.

CUP

The CUP consists of two components – performance shares and retention shares. The allocation between performance and retention shares was 70:30 for all participants.

Awards under the CUP were made on an annual basis. No new awards were made in the current year. Awards are settled by the issue/transfer of Hyprop shares to qualifying employees. These are not new shares issued but rather shares acquired in the market and held by Hyprop Employee Incentive Scheme.

Performance shares
The performance conditions for shares allocated as performance shares are as follows:

40% Growth in distribution per share relative to the peer group.

40% Share price performance relative to the peer group.

20% A strategic component, which is determined by the remuneration committee in line with the prevailing circumstances and projects at the time of the award.

Each of the performance conditions is measured over a three-year performance period. Participants must be employed at the end of the vesting period for the award to vest.

Retention shares
Retention shares vest after five years, provided the participant is still employed by the Group.

Notes to the consolidated and separate financial statements continued

L Remuneration (continued)

L2 Long-term incentives (continued)

L2.3 Obligation carrying values

Rand thousands	Note	GROUP 2024	GROUP 2023	COMPANY 2024	COMPANY 2023
Share-based payments *(recorded in reserves)*	G2.2	**33 746**	**33 763**	**33 746**	**33 763**
CUP - equity-settled		18 198	29 276	18 198	29 276
LTPA - equity-settled		15 548	4 487	15 548	4 487
Share-based payments *(recorded in Share-based payment liabilities)*					
Cash LTPAs - Phantom share plan		3 856	1 068	-	-
Total share-based payment obligations	L2.6	**37 602**	**34 831**	**33 746**	**33 763**
Cash incentives *(recorded in Employee benefit provisions)*		**19 978**	**11 736**	**16 277**	**10 663**
Special bonus		16 277	10 663	16 277	10 663
Cash deferred awards		3 701	1 073	-	-
Total long-term incentive obligations		**57 580**	**46 567**	**50 023**	**44 426**

L2.4 Amounts recognised in profit or loss

	GROUP 2024	GROUP 2023	COMPANY 2024	COMPANY 2023
Expense arising from equity-settled share-based payments	15 100	5 182	15 100	5 182
Expense arising from cash-settled share-based payments	2 955	971	-	-
Total share-based payments expense	**18 055**	**6 153**	**15 100**	**5 182**

Notes to the consolidated and separate financial statements continued

L Remuneration (continued)

L2 Long-term incentives (continued)

L2.5 Total awards outstanding

The table below includes notional awards for cash-settled share-based payments

GROUP	*Number of awards*		*Award market value - Rand thousands*	
	2024	2023	2024	2023
Outstanding at the beginning of the year[2]	2 376 038	1 705 272	72 968	56 598
New awards granted[3]	1 348 387	953 129	36 098	34 780
Vested[1,4]	(579 857)	(50 691)	(16 746)	(1 748)
Forfeited[2]	(111 027)	(231 672)	(3 415)	(7 747)
Change in market value			6 348	(8 915)
Outstanding at the end of the year[5]	**3 033 541**	**2 376 038**	**95 253**	**72 968**

[1] Vested awards under the CUP and LTIP are settled by the transfer of Hyprop ordinary shares to the employees.
[2] Awards outstanding at the beginning of the year and awards forfeited are valued at the prior year closing share price of R30.71 on 30 June 2023 (2023: R33.19 on 30 June 2022).
[3] Awards granted during the year were valued at the 30 day VWAP on grant date of R26.94 (2023: R36.49).
[4] Three tranches of CUP/LTIP awards vested during the 2024 year at fair values of R33.36, R28.60 and R31.10 per share.
[5] Awards outstanding at the end of the year are valued at the closing share price of R31.40 (2023: R30.71).

	Number of shares by award type		*Weighted average remaining vesting period (years)*	
CUP *(Company)*	811 147	1 439 336	0.8	1.0
LTPA - equity-settled *(Company)*	1 577 287	632 324	2.5	2.9
LTPA - cash settled *(Group)*	429 507	177 499	2.5	2.9
Subtotal	**2 817 941**	**2 249 159**		
Restricted	215 600	126 879	1.2	1.4
Outstanding at the end of the year	**3 033 541**	**2 376 038**		

COMPANY	*Number of awards*		*Award market value - Rand thousands*	
Outstanding at the beginning of the year[2]	2 198 539	1 705 272	67 518	56 598
New awards granted[3]	1 084 579	775 630	28 990	28 304
Vested[1,4]	(579 857)	(50 691)	(16 746)	(1 748)
Forfeited[2]	(99 227)	(231 672)	(3 048)	(7 747)
Change in market value			5 053	(7 889)
Outstanding at the end of the year[5]	**2 604 034**	**2 198 539**	**81 767**	**67 518**

The prior year details for the Company have been amended to exclude awards granted to employees of the EE portfolio, which are included in the Group disclosures.

[1] Vested awards under the CUP and LTIP are settled by the transfer of Hyprop ordinary shares to the employees
[2] Awards outstanding at the beginning of the year and awards forfeited are valued at the prior year closing share price of R30.71 on 30 June 2023 (2023: R33.19 on 30 June 2022).
[3] Awards granted during the year were valued at the 30 day VWAP on grant date of R26.94 (2023: R36.49).
[4] Three tranches of CUP/LTIP awards vested during the 2024 year at fair values of R33.36, R28.60 and R31.10 per share.
[5] Awards outstanding at the end of the year are valued at the closing share price of R31.40 (2023: R30.71).

Notes to the consolidated and separate financial statements continued

L Remuneration (continued)

L2 Long-term incentives (continued)

L2.6 Share-based payment obligations

	GROUP		COMPANY	
Rand thousands	**2024**	**2023**	**2024**	**2023**
Balance at the beginning of the year	34 831	33 076	33 763	33 076
Currency translation difference	(167)	-	-	-
Release of reserve on vesting of awards	(15 117)	(4 495)	(15 117)	(4 495)
Share-based payment expense	20 340	16 893	17 261	15 825
Forfeitures	(2 285)	(10 643)	(2 161)	(10 643)
Balance at the end of the year	**37 602**	**34 831**	**33 746**	**33 763**

The prior year details for the Group have been amended to include awards granted to employees of the EE portfolio.

L2.7 Valuation methodology

The day-one fair value of the awards granted is determined based on the 30-day VWAP of Hyprop shares traded on the JSE ending on the grant date. The number of awards expected to vest is not adjusted for performance conditions measured relative to peer groups as it is not possible to reliably predict future relative performance.

L2.8 Number of securities that may be utilised for the Company's LTIP share scheme per the scheme rules

Number of securities		
Available at the beginning of the year	16 412 743	17 171 946
Awards granted during the year	(1 075 977)	(775 630)
Awards forfeited during the year	-	16 427
Available at the end of the year	**15 336 766**	**16 412 743**

The CUP scheme was discontinued and had 3 037 403 securities available for utilisation.

Notes to the consolidated and separate financial statements continued

M Financial instruments

M1 Financial instruments accounting policy

M1.1 Classification

Financial instruments are monetary contracts that give rise to a financial asset (a right to receive cash) of one entity, and a financial liability (an obligation to deliver cash) or own equity instrument of another entity.

Business model assessment

The Group makes an assessment of the business model objective for which a financial asset is held at a portfolio level, because this best reflects how the business is managed and how information is provided to management.

The information considered includes:

- The Group's strategic objectives for the portfolio of assets;
- How the performance of the portfolio is evaluated and reported to management;
- The risks that affect the performance of the portfolio; and
- The historic frequency, volume and timing of sales of financial assets, and the reasons for such sales.

Assessment of whether contractual cash flows are solely payments of principal and interest (SPPI)

For the purposes of this assessment "principal" is defined as the fair value of the financial asset on initial recognition. "Interest" is defined as consideration for the time value of money, the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. In making this assessment the Group considers:

- Contingent events that would change the amount or timing of cash flows;
- Terms that may adjust the contractual coupon rate, including variable features;
- Prepayment and extension features; and
- Terms that limit the Group's claim to cash flows from specific assets (e.g. non-recourse features).

Notes to the consolidated and separate financial statements continued

M Financial instruments (continued)

M1 Financial instruments accounting policy (continued)

M1.2 Measurement

Initial measurement	Subsequent measurement
Financial instruments which are categorised and designated at initial recognition as being at FVTPL are initially recognised at fair value. Transaction costs which are directly attributable to the acquisition or issue of these financial instruments are recognised immediately in profit or loss.	FVTPL
Financial instruments which are not carried at FVTPL are initially measured at fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial instruments.	Amortised Cost

Presentation - Offset
Financial assets and financial liabilities are offset and the net amount reported in the SFP when the Group has an enforceable right to set off the asset and liability, and intends to settle the asset and liability on a net basis or to realise the asset and settle the liability simultaneously.

Impairment
For details on the Group's assessment of expected credit losses, see note N5 - *Credit risk and sensitivity*

Derecognition of financial instruments
The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows from the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the entity is recognised as a separate asset or liability. The Group derecognises a financial liability when its contractual obligations are discharged, cancelled or expire.

Fair value hierarchy
Financial instruments carried at fair value are classified into 3 levels based on the lowest level of significant inputs to the overall valuation.

Level 1	Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. The Group has no level 1 financial instruments.
Level 2	Level 2 inputs are inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly. The Group has classified derivatives as level 2.
Level 3	Level 3 inputs are unobservable inputs. These are used to measure fair value to the extent that relevant observable inputs are not available, to cater for situations in which there is little, or no, market activity for the asset or liability at the measurement date. During the current and prior year, the Group had no level 3 financial instruments.

M1.3 Transfers between levels 2 and 3

There were no transfers of financial instruments in either direction between levels 2 or 3 during the current or prior years.

Notes to the consolidated and separate financial statements continued

M Financial instruments (continued)

M2 Measurement of financial instruments

The table below reflects the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy (where their measurement basis is fair value).

Fair values for financial assets and liabilities which are recorded at amortised cost are not disclosed where their carrying values approximate fair value. These are indicated with "CV≈FV"

		GROUP				
Rand thousands	Note	Carrying value 2024	Fair value 2024	Carrying value 2023	Fair value 2023	Fair value hierarchy of inputs
Financial assets measured at FVTPL						
Derivatives - non-current	H2.2	72 210	72 210	130 740	130 740	Level 2
Derivatives - current	H2.2	93 620	93 620	157 241	157 241	Level 2
Financial assets measured at Amortised cost						
Loans receivable - non-current	F1.2	130 127	119 881	162 532	149 222	n/a
Loans receivable - current	F1.2	31 184	CV≈FV	50 189	CV≈FV	n/a
Trade receivables		164 811	CV≈FV	233 977	CV≈FV	n/a
Other receivables *(financial instruments)*	F2.2.2	273	CV≈FV	-	-	n/a
Cash and cash equivalents		802 995	CV≈FV	1 201 103	CV≈FV	n/a
Financial liabilities measured at FVTPL						
Derivatives - non-current	H2.2	27 510	27 510	14 795	14 795	Level 2
Derivatives - current	H2.2	16 601	16 601	4 434	4 434	Level 2
Financial liabilities measured at Amortised cost						
Borrowings - non-current	H1.3	13 280 102	CV≈FV	9 738 356	CV≈FV	n/a
Borrowings - current		2 482 491	CV≈FV	5 482 477	CV≈FV	n/a
Trade and other payables *(financial instruments)*		532 200	CV≈FV	543 184	CV≈FV	n/a
Other financial liabilities						
Financial guarantees - non-current	H3.4	7 015	7 015	-	-	n/a

Notes to the consolidated and separate financial statements continued

M Financial instruments (continued)

M2 Measurement of financial instruments (continued)

Rand thousands	Note	COMPANY Carrying value 2024	Fair value 2024	Carrying value 2023	Fair value 2023	Fair value hierarchy of inputs
Financial assets measured at FVTPL						
Derivatives - non-current	H2.2	13 899	13 899	11 135	11 135	Level 2
Derivatives - current	H2.2	21 418	21 418	73 558	73 558	Level 2
Financial assets measured at Amortised cost						
Loans receivable - non-current	F1.2	94 495	84 038	136 825	123 211	n/a
Loans receivable - current	F1.2	13 285	CV≈FV	-	-	n/a
Trade receivables	F2.2.1	87 394	CV≈FV	90 017	CV≈FV	n/a
Other receivables *(financial instruments)*	F2.2.2	130 680	CV≈FV	151 871	CV≈FV	n/a
Cash and cash equivalents	F3.2	299 247	CV≈FV	368 844	CV≈FV	n/a
Financial liabilities measured at FVTPL						
Derivatives - non-current	H2.2	12 708	12 708	6 562	6 562	Level 2
Derivatives - current	H2.2	8 499	8 499	649	649	Level 2
Financial liabilities measured at Amortised cost						
Borrowings - non-current	H1.3	8 248 587	CV≈FV	5 654 745	CV≈FV	n/a
Borrowings - current	H1.3	347 982	CV≈FV	1 424 965	CV≈FV	n/a
Trade and other payables *(financial instruments)*	I3.2	335 924	CV≈FV	315 620	CV≈FV	n/a
Other financial liabilities						
Financial guarantees - non-current	H3.4	8 948	8 948	427	CV≈FV	n/a
Financial guarantees - current	H3.4	283	283	44 536	CV≈FV	n/a

[1] Balances in the tables above include assets held-for-sale where applicable and they are shown as current / short-term.

Notes to the consolidated and separate financial statements continued

N Financial risk management

N1 Risk management overview

The Group is exposed to the following risks relating to financial instruments:

Liquidity risk	See note N2 - *Liquidity risk and sensitivity*
Interest rate risk	See note N3 - *Interest rate risk and sensitivity*
Currency risk	See note N4 - *Currency risk and sensitivity*
Credit risk	See note N5 - *Credit risk and sensitivity*

The Board has overall responsibility for the establishment and oversight of the Group's risk management framework. The Board, assisted by the ARC, monitors the effectiveness of the internal control systems and other risk management procedures.

The ARC has an independent role, operating as an overseer and making recommendations to the Board for its consideration and final approval. The role of the ARC includes ensuring that an appropriate risk management policy, aligned with industry practice, is adopted and implemented. The ARC is assisted by management and outsourced internal audit service providers, both of which report to the ARC. The ARC reports on the findings of the internal auditors to the Board. For further detail on the role and mandate of the ARC, please refer to its charter on the Group's website and the report of the ARC attached to the financial statements.

The ARC does not assume the functions of management, which remain the responsibility of the executive directors, officers and other members of senior management.

Executive management is responsible for maintaining a risk register and identifying and monitoring the risks (including financial risks) which the Group faces, assessing the potential impact of such risks on the Group and their likelihood of occurring. The ARC, in conjunction with executive management, determines the Group's risk tolerance.

N2 Liquidity risk and sensitivity

N2.1 Risk and mitigation

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset, and includes liquidity risk (N2.2) and financing/refinancing risk (N2.3).

The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they fall due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Refinancing risk concentrations are monitored on an ongoing basis by Group treasury. The Group's cashflow requirements based on the expected rental income, operating expenses, capital expenditure requirements and debt settlements are projected 12 months in advance for each geographic segment.

Notes to the consolidated and separate financial statements continued

N Financial risk management (continued)

N2 Liquidity risk and sensitivity (continued)

N2.1 Risk and mitigation (continued)

Exposure		Mitigation
Liquidity	The risk that the Group will not be able to meet its financial obligations as they fall due. The Group is exposed to liquidity risk through its borrowings, cash and cash equivalents and loans receivable. See N2.2 - *Financial exposure - Liquidity*	**Risk is managed by:** • actively monitoring cash flow requirements and debt maturity profiles; • maintaining cash balances, unused revolving credit facilities, unused term loan facilities and access to debt capital markets to ensure future obligations can be met; • maintaining adequate borrowing capacity relative to maximum limits imposed by regulators and/or internally; • maintaining interest cover ratios and strong cash generated by operations to meet interest obligations; • settling interest payments at regular intervals (usually quarterly or six monthly); • adopting a pro-active approach to refinancing maturing borrowings well in advance of the maturity date; • maintaining strong relationships with multiple commercial banks and other lenders; • regular engagement with institutional bond investors; • managing debt maturity profiles to ensure a relatively constant level of loan maturities in each year; and • raising loans with terms that are generally between three and five years in duration.
Financing / Refinancing	The risk that the Group is unable to raise the required finance to meet its obligations or to refinance existing borrowings, including that the cost of borrowings becomes unaffordable. The Group is exposed to financing/refinancing risk through its borrowings. See N2.3 - *Financing / Refinancing*	

Notes to the consolidated and separate financial statements continued

N Financial risk management (continued)

N2 Liquidity risk and sensitivity (continued)

N2.2 Financial exposure - Liquidity

The following table summarises the maturity profiles and contractual cash flows of financial instruments at the reporting date. The contractual cash flow amounts are gross and undiscounted, and include contractual interest payments where applicable. The tables below exclude assets held-for-sale.

2024		GROUP					
Rand thousands	Note	Carrying value	Contractual cash flows	Due within 12 months	Due between 1 and 2 years	Due between 2 and 5 years	Due after 5 years
Non-derivative financial assets							
Loans receivable – non-current	F1.2	130 127	157 982	5 633	24 010	128 339	-
Loans receivable – current	F1.2	31 184	31 184	31 184	-	-	-
Trade receivables	F2.2.1	137 443	137 443	137 443	-	-	-
Other receivables *(financial instruments)*	F2.2.2	273	273	273	-	-	-
Cash and cash equivalents	F3.2	782 297	782 297	782 297	-	-	-
Total		**1 081 324**	**1 109 179**	**956 830**	**24 010**	**128 339**	**-**
Non-derivative financial liabilities							
Borrowings - non-current	H1.3	(13 280 102)	(18 055 055)	(1 226 570)	(4 057 264)	(10 008 517)	(2 762 704)
Borrowings - current	H1.3	(936 674)	(946 553)	(946 553)	-	-	-
Financial guarantees – non-current[1]	H3.4	(7 015)	(259 312)	(44 922)	(44 922)	(169 468)	-
Trade and other payables *(financial instruments)*	I3.2	(484 300)	(484 300)	(484 300)	-	-	-
Total		**(14 708 091)**	**(19 745 220)**	**(2 702 345)**	**(4 102 186)**	**(10 177 985)**	**(2 762 704)**
Derivative financial assets[2]							
Derivatives - non-current	H2.2	72 210	77 956	-	48 120	29 836	-
Derivatives - current	H2.2	81 152	82 958	82 958	-	-	-
Total		**153 362**	**160 914**	**82 958**	**48 120**	**29 836**	**-**
Derivative financial liabilities[2]							
Derivatives - non-current	H2.2	(27 510)	(30 573)	-	(16 163)	(14 410)	-
Derivatives - current	H2.2	(16 601)	(17 332)	(17 332)	-	-	-
Total		**(44 111)**	**(47 905)**	**(17 332)**	**(16 163)**	**(14 410)**	**-**
Net (liability) / asset exposure		**(13 517 516)**	**(18 523 032)**	**(1 679 889)**	**(4 046 219)**	**(10 034 220)**	**(2 762 704)**

[1] Financial guarantees - The outflows disclosed for the financial guarantees in the table represent the maximum potential outflow under the guarantees in the event of the borrowers defaulting on all their obligations under the guaranteed loans.
[2] Derivatives - The inflows/(outflows) disclosed in the above table represent the undiscounted contractual cash flows relating to derivative financial instruments held for risk management purposes. These derivative financial instruments are not usually closed out before contractual maturity. The disclosure shows net cash flow amounts for derivatives as they are settled on a net basis.

Notes to the consolidated and separate financial statements continued

N Financial risk management (continued)

N2 Liquidity risk and sensitivity (continued)

N2.2 Financial exposure - Liquidity (continued)

2023		GROUP					
Rand thousands	Note	Carrying value	Contractual cash flows	Due within 12 months	Due between 1 and 2 years	Due between 2 and 5 years	Due after 5 years
Non-derivative financial assets							
Loans receivable – non-current	F1.2	162 532	211 442	15 385	25 969	80 146	89 942
Loans receivable – current	F1.2	50 189	51 444	51 444	-	-	-
Trade receivables	F2.2.1	150 909	150 909	150 909	-	-	-
Cash and cash equivalents	F3.2	1 047 080	1 047 080	1 047 080	-	-	-
Total		**1 410 710**	**1 460 875**	**1 264 818**	**25 969**	**80 146**	**89 942**
Non-derivative financial liabilities							
Borrowings - non-current	H1.3	(9 738 356)	(14 222 879)	(625 972)	(3 172 240)	(6 473 676)	(3 950 991)
Borrowings - current	H1.3	(3 894 580)	(4 059 259)	(4 059 259)	-	-	-
Trade and other payables *(financial instruments)*	I3.2	(452 278)	(452 278)	(452 278)	-	-	-
Total		**(14 085 214)**	**(18 734 416)**	**(5 137 509)**	**(3 172 240)**	**(6 473 676)**	**(3 950 991)**
Derivative financial assets[2]							
Derivatives - non-current	H2.2	130 740	147 096	-	79 296	67 800	-
Derivatives - current	H2.2	157 241	163 514	163 514	-	-	-
Total		**287 981**	**310 610**	**163 514**	**79 296**	**67 800**	**-**
Derivative financial liabilities[2]							
Derivatives - non-current	H2.2	(14 795)	(24 508)	-	(9 377)	(14 087)	(1 044)
Derivatives - current	H2.2	(4 434)	(4 548)	(4 548)	-	-	-
Total		**(19 229)**	**(29 056)**	**(4 548)**	**(9 377)**	**(14 087)**	**(1 044)**
Net (liability) / asset exposure		**(12 405 752)**	**(16 991 987)**	**(3 713 725)**	**(3 076 352)**	**(6 339 817)**	**(3 862 093)**

[2] Derivatives - The inflows/(outflows) disclosed in the above table represent the undiscounted contractual cash flows relating to derivative financial instruments held for risk management purposes. These derivative financial instruments are not usually closed out before contractual maturity. The disclosure shows net cash flow amounts for derivatives as they are settled on a net basis.

Notes to the consolidated and separate financial statements continued

N Financial risk management (continued)

N2 Liquidity risk and sensitivity (continued)

N2.2 Financial exposure - Liquidity (continued)

2024		COMPANY				
Rand thousands	Note	Carrying value	Contractual cash flows	Due within 12 months	Due between 1 and 2 years	Due between 2 and 5 years
Non-derivative financial assets						
Loans receivable – non-current	F1.2	94 495	116 463	3 300	33 871	79 292
Loans receivable – current	F1.2	13 285	13 285	13 285	-	-
Trade receivables	F2.2.1	87 394	87 394	87 394	-	-
Other receivables *(financial instruments)*	F2.2.2	130 680	130 680	130 680	-	-
Cash and cash equivalents	F3.2	299 247	299 247	299 247	-	-
Total		**625 101**	**647 069**	**533 906**	**33 871**	**79 292**
Non-derivative financial liabilities						
Borrowings - non-current	H1.3	(8 248 587)	(9 577 919)	(744 399)	(3 047 085)	(5 786 435)
Borrowings - current	H1.3	(347 982)	(374 562)	(374 562)	-	-
Financial guarantees – non-current[1]	H3.4	(8 948)	(1 942 915)	(501 661)	(297 819)	(1 143 435)
Financial guarantees – current[1]	H3.4	(283)	(411 434)	(21 852)	(389 582)	-
Trade and other payables *(financial instruments)*	I3.2	(335 924)	(335 924)	(335 924)	-	-
Total		**(8 941 724)**	**(12 642 754)**	**(1 978 398)**	**(3 734 486)**	**(6 929 870)**
Derivative financial assets[2]						
Derivatives - non-current	H2.2	13 899	16 652	-	6 254	10 398
Derivatives - current	H2.2	21 418	22 019	22 019	-	-
Total		**35 317**	**38 671**	**22 019**	**6 254**	**10 398**
Derivative financial liabilities[2]						
Derivatives - non-current	H2.2	(12 708)	(14 490)	-	(12 156)	(2 334)
Derivatives - current	H2.2	(8 499)	(9 015)	(9 015)	-	-
Total		**(21 207)**	**(23 505)**	**(9 015)**	**(12 156)**	**(2 334)**
Net (liability) / asset exposure		**(8 302 513)**	**(11 980 519)**	**(1 431 488)**	**(3 706 517)**	**(6 842 514)**

[1] Financial guarantees - The outflows disclosed for the financial guarantees in the table represent the maximum potential outflow under the guarantees in the event of the borrowers defaulting on all their obligations under the guaranteed loans.
[2] Derivatives - The inflows/(outflows) disclosed in the above table represent the undiscounted contractual cash flows relating to derivative financial instruments held for risk management purposes. These derivative financial instruments are not usually closed out before contractual maturity. The disclosure shows net cash flow amounts for derivatives as they are settled on a net basis.

Notes to the consolidated and separate financial statements continued

N Financial risk management (continued)

N2 Liquidity risk and sensitivity (continued)

N2.2 Financial exposure - Liquidity (continued)

2023		COMPANY				
Rand thousands	Note	Carrying value	Contractual cash flows	Due within 12 months	Due between 1 and 2 years	Due between 2 and 5 years
Non-derivative financial assets						
Loans receivable – non-current	F1.2	136 825	171 765	10 731	88 972	72 062
Trade receivables	F2.2.1	90 017	90 017	90 017	-	-
Other receivables *(financial instruments)*	F2.2.2	151 871	151 871	151 871	-	-
Cash and cash equivalents	F3.2	368 844	368 844	368 844	-	-
Total		**747 557**	**782 497**	**621 463**	**88 972**	**72 062**
Non-derivative financial liabilities						
Borrowings - non-current	H1.3	(5 654 745)	(6 358 864)	(500 395)	(1 682 594)	(4 175 875)
Borrowings - current	H1.3	(1 424 965)	(1 510 819)	(1 510 819)	-	-
Financial guarantees – non-current[1]	H3.4	(427)	(26 066)	(640)	(640)	(24 786)
Financial guarantees – current[1]	H3.4	(44 536)	(2 250 898)	(2 250 898)	-	-
Trade and other payables *(financial instruments)*	I3.2	(315 620)	(315 620)	(315 620)	-	-
Total		**(7 440 293)**	**(10 462 267)**	**(4 578 372)**	**(1 683 234)**	**(4 200 661)**
Derivative financial assets[2]						
Derivatives - non-current	H2.2	11 135	11 242	-	11 242	-
Derivatives - current	H2.2	73 558	77 205	77 205	-	-
Total		**84 693**	**88 447**	**77 205**	**11 242**	**-**
Derivative financial liabilities[2]						
Derivatives - non-current	H2.2	(6 562)	(7 583)	-	(4 703)	(2 880)
Derivatives - current	H2.2	(649)	(672)	(672)	-	-
Total		**(7 211)**	**(8 255)**	**(672)**	**(4 703)**	**(2 880)**
Net (liability) / asset exposure		**(6 615 254)**	**(9 599 578)**	**(3 880 376)**	**(1 587 723)**	**(4 131 479)**

[1] Financial guarantees - The outflows disclosed for the financial guarantees in the table represent the maximum potential outflow under the guarantees in the event of the borrowers defaulting on all their obligations under the guaranteed loans.

[2] Derivatives - The inflows/(outflows) disclosed in the above table represent the undiscounted contractual cash flows relating to derivative financial instruments held for risk management purposes. These derivative financial instruments are not usually closed out before contractual maturity. The disclosure shows net cash flow amounts for derivatives as they are settled on a net basis.

Notes to the consolidated and separate financial statements continued

N Financial risk management (continued)

N2 Liquidity risk and sensitivity (continued)

N2.3 Financing / Refinancing

The Group regularly monitors the indicators below in managing the financing/refinancing element of its liquidity risk exposure.

N2.3.1 Available facilities / resources

	GROUP		COMPANY	
Rand thousands	2024	2023	2024	2023
Borrowing facilities				
Revolving credit facilities	1 974 761	1 650 000	1 780 000	1 650 000
Term loan facilities	-	22 396	-	-
Borrowing capacity under the Company's DCM programme[1]	1 020 890	1 919 503	1 020 890	1 919 503
Total unutilised borrowing capacity	**2 995 651**	**3 591 899**	**2 800 890**	**3 569 503**

[1] The Company's DCM programme has a maximum limit of R5bn.

Refer to note F3 - *Cash and cash equivalents* for further details on cash and cash equivalents at the reporting date.

N2.3.2 Weighted average term of borrowings

Years				
ZAR	2.64	2.59	2.64	2.59
EUR	4.15	4.21	-	-
USD	2.67	1.67	-	-
Portfolio weighted average	**3.23**	**3.25**	**2.64**	**2.59**

N2.3.3 Next major refinancing cycle

	Type of borrowing	Encumbrance	Financial year	Borrowing currency '000	ZAR Equivalent R'000
ZAR	Bonds	Unsecured	2025	R 348 000	348 000
EUR	Term loan	Guaranteed by Hyprop	2025	€ 20 000	389 522
EUR	Term loan	Guaranteed by Hyprop	2026	€ 20 000	389 522
ZAR	Bonds	Unsecured	2026	R 502 000	502 000
ZAR	Term loan	Secured	2026	R 869 000	869 000
ZAR	Bonds	Secured	2026	R 250 000	250 000
ZAR	Bonds	Unsecured	2026	R 240 000	240 000
ZAR	Bonds	Secured	2026	R 500 000	500 000
ZAR	RCF	Secured	2026	R 600 000	600 000
ZAR	RCF	Secured	2026	R 250 000	250 000
EUR	RCF	Guaranteed by Hyprop	2026	€ 10 000	194 761

Notes to the consolidated and separate financial statements continued

N Financial risk management (continued)

N3 Interest rate risk and sensitivity

N3.1 Risk and mitigation

Interest rate risk is the risk that the value of short-term investments and financial performance will be impacted as a result of fluctuations in interest rates.

Exposure	Mitigation
Fluctuations in interest rates impact the value of short-term investments, financing activities, the cost of borrowings, and interest income. The Group has significant exposure to interest rate risk through its loans receivable, borrowings, cash and cash equivalents and short-term investments.	• In terms of the Group's interest rate hedging policy at least 75% of interest rate exposure for borrowings is hedged. • The Board has approved the use of interest rate swaps, forward starting interest rate swaps, fixed rate loans, interest rate collars and interest rate caps to manage interest rate exposure. • Details of interest rate hedges are included in note H2 - *Derivatives.*

N3.1.1 Interest Rate Benchmark Reforms

A fundamental reform of major interest rate benchmarks is being undertaken globally, including the replacement of some interbank offered rates (IBORs) with alternative nearly risk-free rates (referred to as 'IBOR reform'). The Group's main IBOR exposures at 30 June relate to its derivatives and borrowing costs which are indexed to Jibar, Sofr or Euribor.

The South African Reserve Bank (SARB) is undertaking a process to replace Jibar with the new SA overnight index average (Zaronia) rate. Key dates are yet to be finalised by the SARB, however draft timetables indicate that the conversion to Zaronia may commence by Q4 of 2024, with the cessation of Jibar by 2026. The transition will have wide-ranging consequences across SA's financial system and could be disruptive as contracts linked to Jibar or prime will be switched to Zaronia. Industry workstreams are ongoing to address the risks associated with the conversion to Zaronia, including to avoid the transfer of economic value between parties on conversion and the calculation of a standard credit adjustment spread. The effect on financial instruments held by the Group remains uncertain and the Group will continue to monitor developments with its key lenders.

On 2 July 2019, the Financial Services and Markets Authority (FSMA) announced that EMMI can continue to publish the reformed Euribor, i.e., there is currently no need to replace Euribor with an alternative interest rate. It is still unclear whether Euribor will remain available permanently as market participants may gradually turn to products that are based on a risk-free rate such as the €STR. At present, it is assumed that the reformed Euribor will remain in existence until the end of 2025.

Interest rates on the Group's US Dollar denominated borrowings and interest rate hedges were changed from Libor referenced to Sofr referenced in 2023 as part of the IBOR reforms.

Notes to the consolidated and separate financial statements continued

N Financial risk management (continued)

N3 Interest rate risk and sensitivity (continued)

N3.1 Risk and mitigation (continued)

N3.1.2 Net exposure to benchmark interest rates

Rand thousands	Base Currency	GROUP 2024	GROUP 2023	COMPANY 2024	COMPANY 2023
Jibar exposure		**1 985 444**	**1 068 735**	**1 985 444**	**1 068 735**
Borrowings	ZAR	7 835 444	6 318 735	7 835 444	6 318 735
Derivatives - nominal amount[1]	ZAR	(5 850 000)	(5 250 000)	(5 850 000)	(5 250 000)
Euribor exposure		**1 605 064**	**1 796 927**	**-**	**-**
Borrowings	EUR	6 364 634	7 299 694	-	-
Derivatives - nominal amount[1]	EUR	(4 759 570)	(5 502 767)	-	-
Sofr exposure		**(79 187)**	**(23 140)**	**-**	**-**
Borrowings	USD	1 013 640	1 112 282	-	-
Derivatives - nominal amount[1]	USD	(1 092 827)	(1 135 422)	-	-

The Group does not apply hedge accounting for any of its derivatives.

[1] Exposure is as at 30 June and excludes forward starting hedges.

Notes to the consolidated and separate financial statements continued

N Financial risk management (continued)

N3 Interest rate risk and sensitivity (continued)

N3.2 Financial exposure - Interest rates

The interest rate exposure of the Group's short-term investments, cash and cash equivalents, loans receivable and interest-bearing borrowings as reported is as follows:

N3.2.1 Assets

		GROUP		COMPANY	
Rand thousands	**Note**	**2024**	**2023**	**2024**	**2023**
Cash and cash equivalents	F3.2	782 297	1 047 080	299 247	368 844
Loans receivable - non-current		128 927	157 132	62 124	131 425
Loans receivable - current		26 984	50 189	9 085	-
Total continuing operations		**938 208**	**1 254 401**	**370 456**	**500 269**
Cash and cash equivalents associated with non-current assets held-for-sale and discontinued operations	E6.4	20 698	154 023	-	-
Total assets		**958 906**	**1 408 424**	**370 456**	**500 269**

N3.2.2 Liabilities

		GROUP 2024	GROUP 2023	COMPANY 2024	COMPANY 2023
Borrowings - non-current	H1.3	13 280 102	9 738 356	8 248 587	5 654 745
Borrowings - current	H1.3	936 674	3 894 580	347 982	1 424 965
Total continuing operations		**14 216 776**	**13 632 936**	**8 596 569**	**7 079 710**
Borrowings associated with non-current assets held-for-sale and discontinued operations	H1.3	1 545 817	1 587 897	-	-
Total borrowings		**15 762 593**	**15 220 833**	**8 596 569**	**7 079 710**
Less interest free borrowings		(16 698)	(14 507)	(761 125)	(760 975)
Less Non-controlling shareholder loans	H1.7	(532 177)	(512 437)	-	-
Less revolving credit facilities drawn		(518 315)	(397 900)	(518 315)	(397 900)
Hedged interest rate exposure on Borrowings (B)		**14 695 403**	**14 295 989**	**7 317 129**	**5 920 835**
Third party loans with fixed interest rates		-	2 250 506	-	-
Nominal value of interest rate hedges[1] **(A)**		11 702 396	9 637 683	5 850 000	5 250 000
Interest rate swaps		7 909 569	7 652 261	3 150 000	4 400 000
Interest rate caps		2 200 000	1 985 422	2 200 000	850 000
Interest rate collars		1 592 827	-	500 000	-
Hedged interest rate exposure **A / B**		80%	83%	80%	89%

Included in interest expense is an amount of R154.5m received (2023: R62.7m paid) on interest rate hedges.

[1] Net exposure is as at 30 June and excludes forward starting hedges.

Notes to the consolidated and separate financial statements continued

N Financial risk management (continued)

N3 Interest rate risk and sensitivity (continued)

N3.2 Financial exposure - Interest rates (continued)

N3.2.3 Interest rate hedges

Summarised quantitative data on the Group's interest rate exposure at 30 June is set out below:

	Reported as	GROUP 2024	GROUP 2023
Proportion of borrowing costs which are hedged[1]			
ZAR borrowings	Percentage	80	89
EUR borrowings	Percentage	75	75
USD borrowings	Percentage	108	102
Cost of funding (excluding hedges)	Percentage	8.3	8.5
ZAR borrowings	Percentage	10.0	10.3
EUR borrowings	Percentage	5.9	5.9
USD borrowings	Percentage	11.4	11.3
Cost of funding (including hedges)	Percentage	7.4	6.5
ZAR borrowings	Percentage	9.4	8.9
EUR borrowings	Percentage	4.9	3.9
USD borrowings	Percentage	9.5	9.9
Average term of interest rate hedges	Years	1.9	1.9
ZAR borrowings	Years	1.9	1.5
EUR borrowings	Years	2.1	2.2
USD borrowings	Years	0.7	1.7
Interest cover ratio			
Interest cover ratio (gross)	Times	2.5	2.8
Interest cover ratio (net)	Times	2.6	2.9

[1] Nominal value of interest rate hedges and fixed rate loans as a percentage of outstanding capital as at 30 June (excluding forward starting hedges).

Notes to the consolidated and separate financial statements continued

N Financial risk management (continued)

N3 Interest rate risk and sensitivity (continued)

N3.3 Sensitivity

Based on the interest rate profile (fixed or variable) of the Group's borrowings and interest rate hedges at 30 June, an increase / decrease in an interest rate, while all other variables are held constant, would decrease/increase the Group's equity and profit for the year by the amounts detailed below:

				GROUP	
Effect on profit or loss and equity (net of tax)		2024	2023	2024	2023
		bps change		*Rand thousands*	
ZAR borrowings	Decrease	100 bps	100 bps	19 854	10 687
EUR borrowings	Decrease	100 bps	100 bps	16 051	17 969
USD borrowings	Decrease	100 bps	100 bps	-	-
ZAR borrowings	Increase	100 bps	100 bps	(19 854)	(10 687)
EUR borrowings	Increase	100 bps	100 bps	(16 051)	(17 969)
USD borrowings	Increase	100 bps	100 bps	-	-

The above calculations do not take into account the maturity profile of existing hedges and the effect of replacing expiring hedges at prevailing interest rates. See note H2.4 - *Individual instruments* for details of the interest rate hedges.

N4 Currency risk and sensitivity

N4.1 Risk and mitigation

The Group is exposed to currency risk as a result of differences between the transaction, functional/reporting and settlement currencies of Group companies, as follows:

Portfolio	Transaction currency	Functional / Local reporting currency	Group reporting currency
SA	Rand (ZAR)	Rand	Rand
EE	Euro (EUR), Macedonian Denar (MKD), Bulgarian Lev (BGN)	Euro	
SSA	Rand, US Dollar (USD), Nigerian Naira (NGN) and Ghanaian Cedi (GHS)	Rand, US Dollar	

Notes to the consolidated and separate financial statements continued

N Financial risk management (continued)

N4 Currency risk and sensitivity (continued)

N4.1 Risk and mitigation (continued)

Currency risk arises in the following circumstances:

Risk	Effect on the Group and mitigating actions
Transaction / functional / Group reporting currency	
The risk arising from changes in the exchange rate between the currency in which transactions, assets and liabilities are concluded / denominated and the functional/ reporting currency of Group companies and /or the Group. The Group is exposed to this risk in all portfolios where the transaction and functional currency of the Group company is not Rands, or assets and liabilities are denominated in a currency other than the functional currency of a Group company.	• This risk arises for financial reporting purposes only when the results of the Group's SSA and EE subsidiaries are converted from transaction currencies to US Dollars, Euros and / or Rands, resulting in the recognition of foreign currency gains / losses and foreign currency translation reserves. • As a result of the devaluation of the Nigerian Naira against the US Dollar from June 2023 to June 2024, unrealised foreign currency losses on translation of Gruppo's financial results to US Dollars of R 92.1m were recognised in the 2024 financial year. • This risk is mitigated by diversifying the Group's activities across various transaction/functional currencies. At 30 June 2024, the Group's net asset value was denominated 77% (2023: 73%) in Rands, 22% (2023: 20%) in Euros and 1% (2023: 7%) in US Dollars. • This risk cannot be hedged.

Notes to the consolidated and separate financial statements continued

N Financial risk management (continued)

N4 Currency risk and sensitivity (continued)

N4.1 Risk and mitigation (continued)

Risk	Effect on the Group and mitigating actions
Transaction / settlement currency The risk arising from changes in the exchange rate between the transaction currency and the currency in which income / expenses / assets / liabilities are settled. Examples include: • Guarantees provided by Hyprop for Euro / US Dollar denominated borrowings of subsidiaries in the EE and SSA portfolios, which guarantees are secured against Hyprop's Rand denominated investment properties; • Dividends received in Euros and US Dollars from subsidiaries in the EE and SSA portfolios; • Euro and US Dollar denominated borrowings in the EE and SSA portfolios where transaction currencies are Macedonian Denar, Bulgarian Lev and Nigerian Naira. • Companies in the EE and SSA portfolios receive their revenue either in Euro / US Dollars or the local currency equivalent of Euro / US Dollars, while their expenditure with local service providers is in local currency.	**GROUP / SA** • Hyprop has provided guarantees for loans and facilities of €100m (2023: €113.5m) to subsidiaries in the EE portfolio. These guarantees are secured against Hyprop's Rand denominated investment properties, exposing the Group to risk (including an increase in the LTV ratio) in times of Rand weakness. This risk is being mitigated by reducing the guaranteed Euro loans / facilities, with a further reduction of €10m in the current year. The risk is considered manageable at the current levels. • The Group has a formal foreign currency hedging policy in terms of which between 50% and 75% of known, or reasonably predictable, cash flow items can be hedged up to 12 months in advance using foreign exchange collars or forward exchange contracts. • In addition, Hyprop has provided guarantees for loans to AttAfrica and its subsidiaries with a maximum exposure of \$14.2m. Although the guarantees are not secured against Hyprop's assets, should the guarantees be called these will have to be settled from Rand facilities and cash resources, and converted to US Dollars at the prevailing exchange rate. **EE** • The exchange rates between the transaction currencies of companies in the EE portfolio and the Euro have historically been relatively stable; • The exchange rate of the Bulgarian Lev is pegged against the Euro; • Cash amounts are converted from transaction currencies to Euro on an ongoing basis to reduce the impact of exchange rate fluctuations; • Where possible, rentals payable by tenants are indexed to the Euro. **SSA** • The exchange rates between the transaction currencies of companies in the SSA portfolio and the US Dollar have historically been volatile and have depreciated against the US Dollar; • In June 2023 the Nigerian government announced changes to the exchange control regulations in Nigeria which resulted in a 80% devaluation of the Naira against the US Dollar from ₦418/\$ in June 2022 to ₦752/\$ in June 2023. • Further exchange control reforms were implemented during the 2024 financial year which increased the volatility of the NGN / USD exchange rate and a devaluation of the Naira to ₦1 621/\$ at its weakest in February 2024 and ₦1 514/\$ at 30 June 2024. • Where possible, rentals payable by tenants are indexed to the US Dollar, however, in periods of extreme exchange rate volatility it is not always possible to pass all currency indexation rental adjustments on to tenants. • In the 2024 financial year "concessions" were granted to tenants by allowing them to settle their US Dollar indexed rentals based on more favourable Naira / US Dollar exchange rates, which resulted in realised foreign exchange losses of R34.5m for the Group.

Notes to the consolidated and separate financial statements continued

N Financial risk management (continued)

N4 Currency risk and sensitivity (continued)

N4.1 Risk and mitigation (continued)

Risk	Effect on the Group and mitigating actions
Currency liquidity	
Risks arising from restrictions or inability to convert cash held in the transaction currency to the currency in which obligations must be settled, and / or default by a counterparty to a foreign exchange hedging transaction. Examples include: • converting Rands to US Dollars or Euros for investment in foreign subsidiaries; • converting Nigerian Naira to US Dollars in Gruppo; and • converting Macedonian Denar and Bulgarian Lev to Euros in the EE portfolio.	**GROUP** The Group's foreign currency hedging policy only permits foreign currency transactions, including hedges, to be concluded with reputable counterparties. **SA** • Liquidity in the South African foreign exchange market is good. • Subject to compliance with exchange control regulations, currently there are no impediments to converting Rands to US Dollars or Euros (or vice versa) when required. **EE** • Currently there are no impediments to converting transaction currencies to Euros when required. • Cash amounts are converted from transaction currencies to Euros on an ongoing basis to maintain Euro liquidity; • It is anticipated that Bulgaria will adopt the Euro as its currency in the short to medium-term. **SSA** • The availability of US Dollars in the Nigerian foreign exchange market and the overall liquidity improved during the 2024 financial year, but was accompanied by the significant devaluation of the Naira against the US Dollar. • Foreign exchange losses of $1.4m (R26.4m) were realised on converting Naira to US Dollars in 2024. • Further unrealised foreign exchange losses of $4.9m (R92m) were recognised on the conversion of Naira denominated monetary items to US Dollars (Gruppo's reporting currency) for financial reporting purposes.

Refer to note D5 - *Foreign exchange (losses) / gains* for details of the foreign exchange (losses)/gains recognised by the Group.

In addition to the above mentioned risk, the Group has an indirect exposure to the Ghanaian Cedi through its equity accounted joint venture, AttAfrica (whose transaction, functional and reporting currency is US Dollars).

The Ghanaian Cedi continued to weaken against the US Dollar during the 2024 financial year, declining from C11.0/$ in June 2023 to C14.59/$ in June 2024.

Notes to the consolidated and separate financial statements continued

N Financial risk management (continued)
N4 Currency risk and sensitivity (continued)
N4.1 Risk and mitigation (continued)

The following significant exchange rates were applied during the year:

	AVERAGE RATE		SPOT RATE	
	2024	**2023**	**2024**	**2023**
Rand/Euro[1]	20.24	18.60	19.48	20.52
Rand/ US Dollar[1]	18.72	17.77	18.21	18.92
Naira/US Dollar[1]	1 109.42	460.60	1 514.31	752.19
Bulgarian Lev/Euro	1.96	1.96	1.96	1.96
Macedonian Denar/Euro	61.54	61.68	61.54	61.68

[1] Average rates are for the 12 months ending 30 June in each year and Spot rates are at 30 June.

Exchange rates that affect the Group's performance but are not used in any consolidated results.

Cedi / US Dollar[1]	12.11	10.27	14.59	11.00

Notes to the consolidated and separate financial statements continued

N Financial risk management (continued)

N4 Currency risk and sensitivity (continued)

N4.2 Financial exposure - Currency

The transaction currency carrying values of the Group's financial assets and liabilities denominated in foreign currencies are as follows:

	GROUP			
2024	**Transaction currency carrying values[1]**			**Carrying value**
Amounts recognised on the SFP	**₦'000**	**$'000**	**€'000**	**R'000**
Loans receivable – non-current	-	-	3 430	66 803
Loans receivable – current	-	-	919	17 899
Trade and other receivables	-	-	4 482	87 299
Cash and cash equivalents	-	393	24 038	475 332
Other assets classified as held-for-sale	3 645 660	721	-	56 968
Asset exposure	**3 645 660**	**1 114**	**32 869**	**704 301**
Borrowings – non-current	-	-	(297 423)	(5 792 640)
Borrowings – current	-	-	(29 369)	(571 994)
Financial guarantees - non-current	-	(385)	-	(7 015)
Trade and other payables	-	-	(9 921)	(193 218)
Liabilities associated with assets classified as held-for-sale	(3 982 195)	(87 181)	-	(1 635 794)
Non-derivative liabilities exposure	**(3 982 195)**	**(87 566)**	**(336 713)**	**(8 200 661)**
Derivative financial assets	-	685	6 061	130 513
Derivative financial liabilities	-	-	(1 176)	(22 904)
Net asset / (liability) exposure	**(336 535)**	**(85 767)**	**(298 959)**	**(7 388 751)**
2023				
Amounts recognised on the SFP				
Loans receivable – non-current	-	-	4 377	89 821
Loans receivable – current	-	-	2 446	50 189
Trade and other receivables	-	*	4 107	84 279
Cash and cash equivalents	-	967	31 869	672 229
Assets classified as held-for-sale	6 040 763	4 498	-	207 127
Asset exposure	**6 040 763**	**5 465**	**42 799**	**1 103 645**
Borrowings – non-current	-	-	(236 102)	(4 844 586)
Borrowings – current	-	-	(119 650)	(2 455 108)
Trade and other payables	-	(9)	(8 899)	(182 763)
Liabilities associated with assets classified as held-for-sale	-	(88 714)	-	(1 678 803)
Non-derivative liabilities exposure	**-**	**(88 723)**	**(364 651)**	**(9 161 260)**
Derivative financial assets	-	1 234	8 769	203 288
Derivative financial liabilities	-	-	(586)	(12 018)
Net asset / (liability) exposure	**6 040 763**	**(82 024)**	**(313 669)**	**(7 866 345)**

* Value less than $1000

[1] Notwithstanding that the transaction currencies for the EE portfolio's operations in Bulgaria and North Macedonia are the Bulgarian Lev and the Macedonian Denar, balances denominated in these currencies are included in the Euro column above as the Bulgarian Lev has a fixed exchange rate with the Euro and the exchange rate of the Macedonian Denar against the Euro is virtually unchanged from 2023 to 2024.

Notes to the consolidated and separate financial statements continued

N Financial risk management (continued)

N4 Currency risk and sensitivity (continued)

N4.2 Financial exposure - Currency (continued)

	COMPANY				
	Transaction currency carrying value		Carrying value	Transaction currency carrying value	Carrying value
	2024	2024	2024	2023	2023
Amounts recognised on the SFP	**$'000**	**€'000**	**R'000**	**€'000**	**R'000**
Other receivables - Dividends	-	6 700	130 680	7 500	151 871
Asset exposure	**-**	**6 700**	**130 680**	**7 500**	**151 871**
Financial guarantees – non-current	(385)	(99)	(8 948)	(21)	(427)
Financial guarantees – current	-	(15)	(283)	(2 170)	(44 536)
Non-derivative liabilities exposure	**(385)**	**(114)**	**(9 231)**	**(2 191)**	**(44 963)**
Net asset exposure	**(385)**	**6 586**	**121 449**	**5 309**	**106 908**

Notes to the consolidated and separate financial statements continued

N Financial risk management (continued)

N4 Currency risk and sensitivity (continued)

N4.3 Sensitivity

The sensitivity analysis below shows the effect of a change in foreign currency exchange rates on equity (net of tax) and Profit or loss on the Group's Sub-Saharan African and European segmental profits as well as the effect of the Euro denominated dividend on the Company results.

SA portfolio
The sensitivity analysis includes the effect of changes in the Rand and US Dollar/Euro exchange rates for foreign currency denominated assets and liabilities of the companies whose reporting currency is Rand.

EE portfolio (Euro)
The EE portfolio reports to the Group in Euro. The sensitivity analysis includes the effect of changes in the Rand/Euro exchange rate for companies whose reporting currency is Euro.

While the Group is exposed to the Macedonian Denar and the Bulgarian Lev through its EE operations, no separate sensitivity analysis is included for changes in these exchange rates as the Bulgarian Lev has a fixed exchange rate with the Euro, and the Macedonian Denar exchange rate against the Euro is virtually unchanged from 2023 to 2024.

SSA portfolio (US Dollars)
Gruppo's transaction currency is Naira while Gruppo reports to the Group in US Dollars. The sensitivity analysis includes the effect of changes in the Rand/US Dollar exchange rate for Gruppo.

The pre-tax effect of changes to one of the exchange rates is summarised below. The analysis assumes that all other variables, in particular, interest rates, remain constant.

			GROUP		COMPANY	
			2024	2023	2024	2023
Effect on profit or loss and equity (net of tax)		**% change both years**	*Rand thousands*			
Value changes are reflected as increase in profit or equity (positive) and reduction in profit or equity (negative).						
Rand / Euro	Strengthening	10.0	(99 344)	(58 926)	(13 068)	(15 187)
Rand / US Dollar	Strengthening	10.0	145 589	19 589	n/a	n/a
Rand / Euro	Weakening	10.0	99 344	58 926	13 068	15 187
Rand / US Dollar	Weakening	10.0	(145 589)	(19 589)	n/a	n/a

The prior year sensitivity has been recalculated based on the current year methodology.

Notes to the consolidated and separate financial statements continued

N Financial risk management (continued)

N5 Credit risk and sensitivity

N5.1 Risk and mitigation

Credit risk is the risk of financial loss due to counterparties not meeting their contractual obligations when due.

The Group is exposed to credit risk due to its trade and other receivables, cash and cash equivalents, loans receivable and derivative instruments.

Exposure	Mitigation
Trade receivables	
The maximum exposure to credit risk in respect of trade receivables at the reporting date is the fair value of each class of receivable.	Save for national tenants, a deposit in the form of cash or a bank guarantee is obtained from tenants in terms of Hyprop's deposit policy. Furthermore, and only if required, a deed of suretyship may be obtained on behalf of a tenant.
Other receivables	
The maximum exposure to credit risk in respect of other receivables is the gross balance receivable.	Other receivables are generally small balances due from related parties, withholding tax and dividend receivables. Where significant (as sometimes is the case for dividends and withholding taxes) recovery is not in doubt as solvency and liquidity testing precedes the declaration of dividends, and offset is typically available for withholding taxes. Other balances with related parties are immaterial.
Loans receivable	
The maximum exposure to credit risk in respect of loans receivable at the reporting date is the fair value of each class of loan receivable.	The credit risk in respect of loans receivable is generally mitigated by agreements with the counterparty. These agreements contain terms which provide legal protection for the Group, including security over assets (or residual assets) of the borrower, as is normal in such agreements.
Cash and cash equivalents	
The maximum exposure to credit risk in respect of cash and cash equivalents is the outstanding balance on deposit with the respective financial institution.	Group companies manage their exposure to credit risk by placing funds with a range of leading banks and AA+ rated money market funds in the countries in which they operate. Exposure levels to each financial institution are monitored regularly.
Derivative instruments	
The maximum exposure to credit risk in respect of derivative instruments at the reporting date is the fair value of the derivative instruments.	Group companies manage their exposure to credit risk by transacting only with leading South African, European and Sub-Saharan African banks. Certain derivative instruments are governed by industry standard International Swap and Derivative Association (ISDA) agreements.

Expected credit losses
ECLs are a probability-weighted estimate of potential credit losses (i.e. the present value of all expected cash shortfalls) over the expected life of the financial instrument. The 3 parameters used to measure expected credit losses are the probability of default (PD), loss given default (LGD), and exposure at default (EAD).

Lifetime ECLs	The ECLs that result from all possible default events over the expected life of the financial instrument.
12 month ECLs	The ECLs that are possible within 12 months of the reporting date.

Notes to the consolidated and separate financial statements continued

N Financial risk management (continued)

N5 Credit risk and sensitivity (continued)

N5.2 Financial exposure - Credit

The Group considers its gross maximum credit risk exposure per asset class, without taking into account any collateral, financial guarantees or accumulated expected credit losses recognised, to be as follows:

		GROUP		COMPANY	
Rand thousands	Note	2024	2023	2024	2023
Gross loans receivable – external[1]	F1.2 / N5.3.2	163 079	212 714	76 609	72 703
Gross loans receivable – Related parties[1]	F1.2 /N5.3.2	4 803	2 774	72 043	1 575 566
Gross trade receivables	F2.2.1 / N5.4.3	176 474	231 104	120 673	123 366
Gross other receivables - financial instruments	F2.2.2	273	-	130 680	151 871
Cash and cash equivalents	F3.2	782 297	1 047 080	299 247	368 844
Cash and cash equivalents - held-for-sale and discontinued operations	E6.3	20 698	154 023	-	-
Derivative instruments – assets		153 362	287 981	35 317	84 693
Derivative instruments – assets - held-for-sale and discontinued operations	H2.2	12 468	-	-	-
		1 313 454	**1 935 676**	**734 569**	**2 377 043**

[1] For details of collateral held for loans receivable refer to note F1.3 - *Loan details.*

N5.3 Loans receivable

N5.3.1 Loans receivable: ECL - general approach

Loans receivable consist of vendor loan funding to purchasers of properties sold by the Group, loans to strategic partners for CSI, BBBEE and enterprise development initiatives, and loans to subsidiaries. All loans are measured at amortised cost and are subject to the general approach when calculating expected credit losses.

The Group has considered the debtors' performance of their loan obligations, current and projected financial performance, planned disposals of major assets and attendant costs, external debts, changes to the capital structure, market values of underlying assets and future cash flows as well as security held by the Group and current and expected economic conditions, as applicable, to calculate ECLs.

Assumptions applied to the recognition of ECLs and interest income at each stage of impairment of loans receivable:

Stage	Assumptions	ECLs	Recognition of interest
Stage 1	Loans whose credit risk is in line with the original expectation and whose contractual payments are up to date.	12 month ECL	Effective interest calculated on the gross carrying amount.
Stage 2 (not credit impaired)	Loans whose credit risk has increased significantly since initial recognition. A significant increase in credit risk is presumed if interest and / or principal payments are 30 days past due or a review of the debtors' financial information reveals deteriorating debt servicing capacity and / or NAV.	Lifetime ECL	Effective interest calculated on the gross carrying amount.
Stage 3 (Credit impaired)	Interest and / or principal payments are 60 days past due or a review of the debtors' financial information reveals deteriorating debt servicing capacity and / or NAV, and no agreement to remedy this has been reached between the parties.	Lifetime ECL	Effective interest calculated on the net carrying amount.
Write off	A loan in default is written off when there is no prospect of recovery of the amount and / or an agreement to this effect has been reached between the parties.	Loan is written off.	Accrual of interest is suspended. Any recovery of amounts due is recorded when received.

Notes to the consolidated and separate financial statements continued

N Financial risk management (continued)

N5 Credit risk and sensitivity (continued)

N5.3 Loans receivable (continued)

N5.3.2 Stages of impairment

GROUP	Stage of impairment	ECLs	Gross carrying amount	Accumulated ECLs	Net carrying amount
2024			*Rand thousands*		
Loans receivable – external			**163 079**	**(1 768)**	**161 311**
	Stage 1	12 month ECL	163 079	(1 768)	**161 311**
Loans receivable – Related parties			**4 803**	**(4 803)**	**-**
	Stage 3	Lifetime ECLs (credit impaired)	4 803	(4 803)	**-**
Total			**167 882**	**(6 571)**	**161 311**
2023					
Loans receivable – external	Stage 1	12 month ECL	212 714	-	**212 714**
Loans receivable – Related parties			**2 774**	**(2 767)**	**7**
	Stage 1	12 month ECL	-	-	**-**
	Stage 2	Lifetime ECLs (not credit impaired)	2 774	(2 767)	**7**
Total			**215 488**	**(2 767)**	**212 721**

ECL movement reconciliation by stage	Stage 1	Stage 2	Stage 3	Total
		Rand thousands		
Balance at 30 June 2022	-	-	-	**-**
Transfer to Stage 2 - Lifetime ECLs *(not credit impaired)*	-	(2 767)	-	**(2 767)**
Balance at 30 June 2023	**-**	**(2 767)**	**-**	**(2 767)**
Remeasurement of loss allowances	-	(2 036)	-	**(2 036)**
New impairments	(1 768)	-	-	**(1 768)**
Transfer to Stage 3 - Lifetime ECLs *(credit impaired)*	-	4 803	(4 803)	**-**
Balance at 30 June 2024	**(1 768)**	**-**	**(4 803)**	**(6 571)**

Notes to the consolidated and separate financial statements continued

N Financial risk management (continued)
N5 Credit risk and sensitivity (continued)
N5.3 Loans receivable (continued)
N5.3.2 Stages of impairment (continued)

COMPANY **2024**	**Stage of impairment**	**ECLs**	**Gross carrying amount**	**Accumulated ECLs**	**Net carrying amount**
				Rand thousands	
Loans receivable – external	Stage 1	12 month ECL	76 609	-	**76 609**
Loans receivable – Related parties			**72 043**	**(40 872)**	**31 171**
	Stage 2	Lifetime ECLs (not credit impaired)	59 950	(28 779)	**31 171**
	Stage 3	Lifetime ECLs (credit impaired)	12 093	(12 093)	**-**
Total			**148 652**	**(40 872)**	**107 780**
2023					
Loans receivable – external	Stage 1	12 month ECL	72 703	-	**72 703**
Loans receivable – Related parties			**1 575 566**	**(1 511 443)**	**64 123**
	Stage 2	Lifetime ECLs (not credit impaired)	80 101	(32 697)	**47 404**
	Stage 3	Lifetime ECLs (credit impaired)	1 495 465	(1 478 746)	**16 719**
Total			**1 648 269**	**(1 511 443)**	**136 826**

ECL movement reconciliation by stage	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
		Rand thousands		
Balance at 30 June 2022	-	(21 490)	(1 492 425)	**(1 513 915)**
Remeasurement of loss allowances	-	(4 717)	13 679	**8 962**
New impairments (Loans classified as Stage 2)	-	(6 490)	-	**(6 490)**
Balance at 30 June 2023	**-**	**(32 697)**	**(1 478 746)**	**(1 511 443)**
Loans settled	-	-	1 478 746	**1 478 746**
Remeasurement of loss allowances	-	(8 175)	-	**(8 175)**
Transfer to Stage 3 - Lifetime ECLs (credit impaired)	-	12 093	(12 093)	**-**
Balance at 30 June 2024	**-**	**(28 779)**	**(12 093)**	**(40 872)**

Notes to the consolidated and separate financial statements continued

N Financial risk management (continued)

N5 Credit risk and sensitivity (continued)

N5.3 Loans receivable (continued)

N5.3.3 Transfers between Stages of impairment

2024:
The loans receivable from Coventurist (R4.8m) and Natalmahogany (R7.3m) with a carrying value of R12.1m in aggregate were fully provided for and transferred to from Stage 2 to Stage 3, due to deterioration in their financial position and need for funding.

The ECL of R1.8m on the loan receivable from Balkan Real Estate relates to a claim by the borrower, but the loan remains in stage 1.

2023:
A loan with a gross carrying amount of R2 774 000 was transferred from stage 1 to stage 2 due to a deterioration in trading conditions. ECLs related to these loans were subsequently calculated at R2 767 000.

N5.4 Trade receivables

N5.4.1 Trade receivables: ECL - simplified approach

Trade receivables consist of lease receivables for rentals, deposits and recoveries due from tenants. They are measured at amortised cost and subject to the simplified approach when calculating expected credit losses.

The Group applies the simplified approach to determine the expected credit losses for trade receivables resulting in a calculation of lifetime expected credit losses. ECLs are calculated on an individual receivable level taking into account projected loss levels and economic factors affecting the particular mall or type of retailer. With respect to the European portfolio tenant deposits are taken into consideration when calculating the ECLs.

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, among others, insolvency or significant financial difficulties of the tenant, default on payment terms and vacation or abandonment of the leased premises. Impaired trade receivables are derecognised when all reasonable efforts to collect the amounts outstanding have failed and they are assessed as uncollectible.

Trade receivables are considered to be in default when the debtor is in breach of the terms of their lease.

N5.4.2 Total receivables by geographic segment

	GROUP		
	SA	EE	Total
2024	*Rand thousands*		
Gross trade receivables	122 223	54 251	**176 474**
Cumulative ECLs	(33 280)	(5 751)	**(39 031)**
Net carrying amount	**88 943**	**48 500**	**137 443**
2023			
Gross trade receivables	125 680	105 424	**231 104**
Cumulative ECLs	(33 415)	(46 780)	**(80 195)**
Net carrying amount	**92 265**	**58 644**	**150 909**

Notes to the consolidated and separate financial statements continued

N Financial risk management (continued)

N5 Credit risk and sensitivity (continued)

N5.4 Trade receivables (continued)

N5.4.3 Aged receivables and ECLs

2024	GROUP				
Rand thousands	Current	30 days	60 days	90+ days	Total
Gross trade receivables	126 324	14 973	7 487	27 690	**176 474**
Impaired	8 414	7 464	5 731	25 717	**47 326**
Not impaired	117 910	7 509	1 756	1 973	**129 148**
Cumulative ECLs	(5 642)	(3 924)	(4 862)	(24 603)	**(39 031)**
Net carrying amount	**120 682**	**11 049**	**2 625**	**3 087**	**137 443**
Impaired trade receivables as a % of Gross trade receivables	7%	50%	77%	93%	**27%**
2023					
Gross trade receivables	143 183	12 131	7 686	68 104	**231 104**
Impaired	11 130	7 369	5 333	65 009	**88 841**
Not impaired	132 053	4 762	2 353	3 095	**142 263**
Cumulative ECLs	(9 350)	(5 775)	(4 466)	(60 604)	**(80 195)**
Net carrying amount	**133 833**	**6 356**	**3 220**	**7 500**	**150 909**
Impaired trade receivables as a % of Gross trade receivables	8%	61%	69%	95%	**38%**

2024	COMPANY				
Gross trade receivables	82 117	8 680	6 942	22 934	**120 673**
Impaired	8 414	6 646	5 361	21 154	**41 575**
Not impaired	73 703	2 034	1 581	1 780	**79 098**
Cumulative ECLs	(5 642)	(3 106)	(4 492)	(20 039)	**(33 279)**
Net carrying amount	**76 475**	**5 574**	**2 450**	**2 895**	**87 394**
% of Gross trade receivables that are impaired	10%	77%	77%	92%	**34%**
2023					
Gross trade receivables	86 661	7 654	5 082	23 969	**123 366**
Impaired	10 364	6 241	4 268	21 062	**41 935**
Not impaired	76 297	1 413	814	2 907	**81 431**
Cumulative ECLs	(8 585)	(4 647)	(3 400)	(16 717)	**(33 349)**
Net carrying amount	**78 076**	**3 007**	**1 682**	**7 252**	**90 017**
% of Gross trade receivables that are impaired	12%	82%	84%	88%	**34%**

Notes to the consolidated and separate financial statements continued

N Financial risk management (continued)

N5 Credit risk and sensitivity (continued)

N5.4 Trade receivables (continued)

N5.4.5 Exposure and mitigating balances

		GROUP		COMPANY	
Rand thousands	Note	2024	2023	2024	2023
Maximum exposure		137 443	150 909	87 394	90 017
Gross trade receivables	F2.2.1	176 474	231 104	120 673	123 366
Cumulative ECLs	F2.2.1 / N5.4.6	(39 031)	(80 195)	(33 279)	(33 349)
Mitigating balances		579 906	579 025	265 513	254 909
Bank guarantees on behalf of tenants in favour of the Group		434 384	448 188	169 600	174 246
Tenant deposits held by the Group	I3.2	145 523	130 837	95 913	80 663

Excludes assets classified as held-for-sale

N5.4.6 ECL Movement for the year

	GROUP 2024	GROUP 2023	COMPANY 2024	COMPANY 2023
Balance at the beginning of the year	80 195	99 778	33 349	56 695
Changes in ECLs - trade receivables	26 526	(16 611)	12 346	(39)
Receivables written off during the year[1]	(64 758)	(11 612)	(12 416)	(23 307)
Currency translation difference	(2 932)	8 640	-	-
Balance at the end of the year	**39 031**	**80 195**	**33 279**	**33 349**

[1] Balances written off are no longer subject to enforcement activities

Notes to the consolidated and separate financial statements continued

N Financial risk management (continued)

N5 Credit risk and sensitivity (continued)

N5.5 Other receivables: ECL - general approach

Included in other receivables for the current year are prepayments and municipal deposits to which the Group has applied the general approach when calculating ECLs. The application of this approach on other receivables had an immaterial impact.

N5.6 Cash and cash equivalents

N5.6.1 Cash and cash equivalents: ECL - general approach

Cash and cash equivalents comprise cash deposits with leading banks and units held in money market funds in the jurisdictions in which the Group companies operate. Impairment losses on cash and cash equivalents are measured on a 12-month expected credit loss basis. No material ECLs are anticipated in respect of cash and cash equivalents given the credit ratings and/or financial position and standing of the counterparties.

The credit ratings for the counterparty financial institutions as well as the exposure concentration of cash and cash equivalents with each financial institution, are as follows:

N5.6.2 Exposure concentration

	Credit rating		GROUP		COMPANY	
	2024	2023	2024	2023	2024	2023
South Africa				*Percentages*		
ABSA Bank Ltd	Ba2	Ba2	51.2	66.8	51.2	66.4
Standard Bank Group	Baa3	Ba3	31.7	20.2	31.6	20.6
Nedbank Group	Baa3	Ba2	13.2	11.8	13.5	11.9
Rand Merchant Bank/FirstRand Group	Ba2	Ba2	1.3	1.2	1.1	1.1
Investec Ltd	Ba2	n/a	0.5	-	0.5	-
Other	n/a	n/a	2.1	0.0	2.1	0.0
Total Exposure - South Africa			**100.0**	**100.0**	**100.0**	**100.0**
South Africa - Carrying amounts by credit rating				*Rand thousands*		
Baa3			137 391	-	135 053	-
Ba2			162 090	298 263	157 783	293 132
Ba3			-	75 588	-	75 588
Other			6 411	124	6 411	124
Total Exposure - South Africa			**305 892**	**373 975**	**299 247**	**368 844**
Europe				*Percentages*		
DSK Bank	BBB-	BBB	21.3	24.7	n/a	n/a
Raiffeisen Bank Austria d.d.	Baa2	n/a	-	16.1	n/a	n/a
Erste Group Bank AG	A1	A2	26.6	6.6	n/a	n/a
Intesa Sanpaolo Luxembourg	BBB	BBB	18.2	5.4	n/a	n/a
Komercijalna Banka AD Skopje	Unrated	Unrated	17.2	18.2	n/a	n/a
Nedbank	BB-	n/a	0.0	-	n/a	n/a
Standard Bank Group	BB-	BB+	16.7	29.0	n/a	n/a
Total Exposure - Europe			**100.0**	**100.0**	**n/a**	**n/a**

Notes to the consolidated and separate financial statements continued

N Financial risk management (continued)
N5 Credit risk and sensitivity (continued)
N5.6 Cash and cash equivalents (continued)
N5.6.2 Exposure concentration (continued)

	GROUP 2024	GROUP 2023	COMPANY 2024	COMPANY 2023
Europe - Carrying amounts by credit rating	*Rand thousands*			
A1	124 497	43 277	n/a	n/a
BBB-	99 845	161 289	n/a	n/a
BBB	85 039	35 017	n/a	n/a
Baa2	-	104 967	n/a	n/a
BB-	78 488	189 591	n/a	n/a
Unrated	80 297	119 781	n/a	n/a
Total exposure - Europe	**468 166**	**653 922**	**n/a**	**n/a**

Sub-Saharan Africa	**Credit rating 2024**	**Credit rating 2023**	**2024**	**2023**	**2024**	**2023**
			Percentages			
Standard Bank Group	Ba3	Ba3	67.8	11.1	n/a	n/a
Stanbic IBTC	AA(NG)	AAA(NG)	12.6	9.3	n/a	n/a
RMB Nigeria	Aa-(NG)	Aa-	19.4	72.4	n/a	n/a
Zenith Bank PLC	Caa1	Caa1	0.2	7.2	n/a	n/a
Total exposure - Sub-Saharan Africa			**100.0**	**100.0**	**n/a**	**n/a**

Sub-Saharan Africa - Carrying amounts by credit rating		**2024**	**2023**	**2024**	**2023**
		Rand thousands			
AAA(NG)	Held-for-sale	-	16 023	n/a	n/a
AA(NG)	Held-for-sale	3 640	-	n/a	n/a
Aa-(NG)	Held-for-sale	5 624	-	n/a	n/a
Aa-	Held-for-sale	-	125 410	n/a	n/a
Ba2	Held-for-sale	11 386	-	n/a	n/a
Ba2		8 239	-	n/a	n/a
Ba3		-	19 183	n/a	n/a
Caa1	Held-for-sale	48	12 590	n/a	n/a
Total exposure - Sub-Saharan Africa		**28 937**	**173 206**	**n/a**	**n/a**

Notes to the consolidated and separate financial statements continued

O Other information

O1 Events after the reporting date

O1.1 Dividend declaration

On 16 September 2024 the Board resolved to declare a dividend for the year ended 30 June 2024 of 280.00000 cents per share.

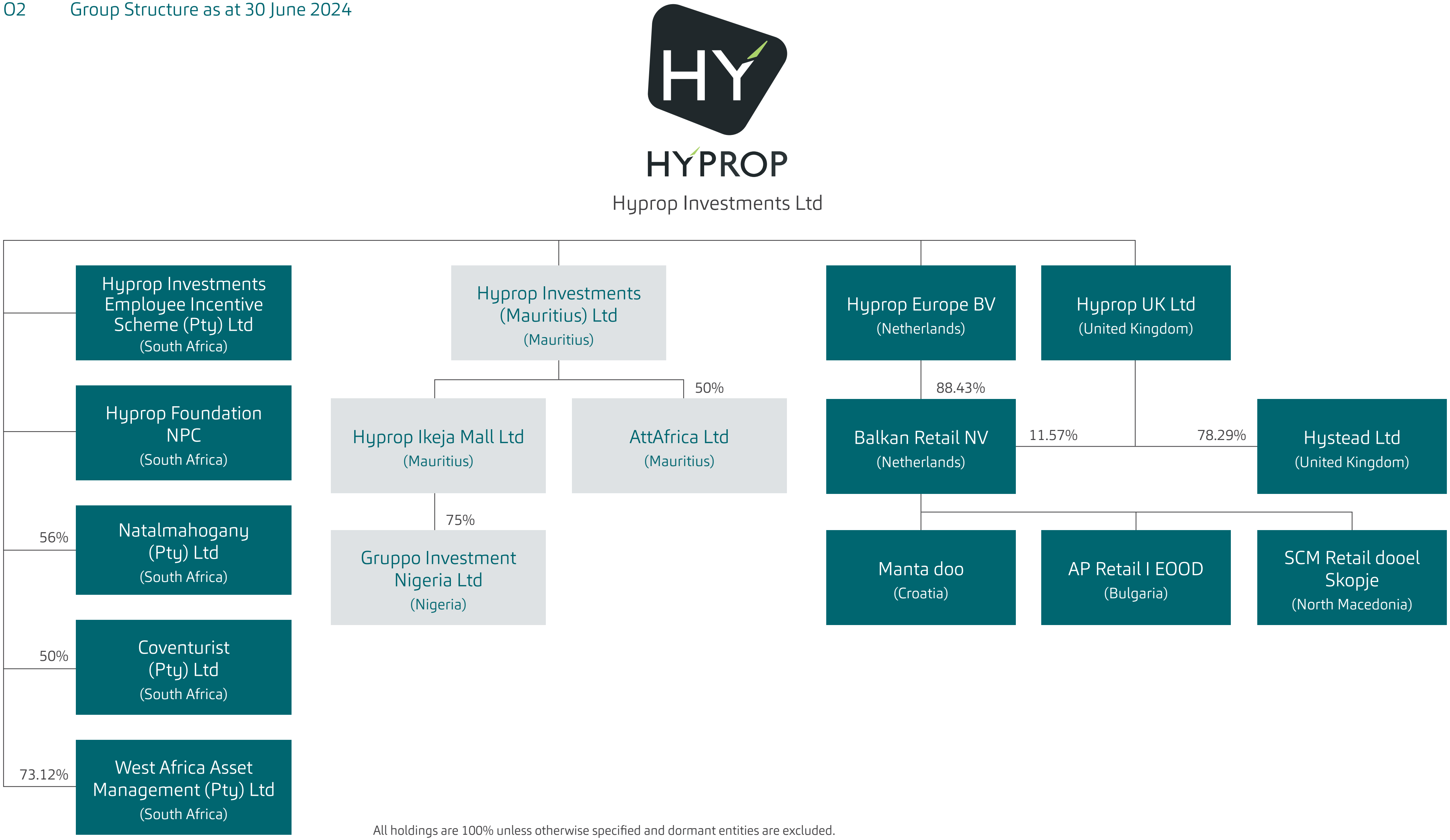
O1.2 Disposal of investments in Sub-Saharan Africa

On 7 August 2024 agreements were signed by Hyprop Mauritius (as one of the sellers) for the disposal of its shares in and claims against AttAfrica and Hyprop Ikeja to Lango Real Estate Limited. See note E6 - *Assets and liabilities Held-for-sale and discontinued operations* for further details.

Notes to the consolidated and separate financial statements continued

O Other information (continued)

O2 Group Structure as at 30 June 2024



All holdings are 100% unless otherwise specified and dormant entities are excluded.

Notes to the consolidated and separate financial statements continued

O Other information (continued)

03 Subsidiaries

The Group's direct and indirect holdings in subsidiaries are summarised below:

Name and Country of incorporation/ operation	Status	Nature of activities	2024 % held[1]	2023 % held[1]
Incorporated in South Africa				
Hyprop Investments Employee Incentive Scheme (Pty) Ltd	Active	Hedging the obligations arising from share awards made to employees.	100	100
Hyprop Foundation NPC	Active	Coordination of Hyprop's corporate social investment initiatives.	100	100
African Land Investments (Pty) Ltd	Dormant[2]	Dormant[2]	100	100
West Africa Asset Management (Pty) Ltd	Active	Asset management services for properties in Sub-Saharan Africa.	73.12	73.12
Natalmahogany (Pty) Ltd	Active	Developer and operator of NTER	56.04	56.04
PSV Investments (Pty) Ltd	Dormant[2]	Dormant[2]	100	n/a
Incorporated in the United Kingdom				
Hyprop UK Ltd	Active	Intermediate holding company	100	100
Hystead Ltd	Active	Intermediate holding company	78.29	78.29
Incorporated in the Netherlands				
Hyprop Europe BV	Active	Holding company for European subsidiaries	100	100
Balkan Retail NV	Active	Intermediate holding company	100	100
KH Retail BV	Deregistered	Intermediate holding company	n/a	100
KH Holdco BV	Deregistered	Intermediate holding company	n/a	100
Incorporated in North Macedonia				
SCM Retail dooel Skopje	Active	Owner of Skopje City Mall	100	100
Incorporated in Bulgaria				
AP Retail I EOOD	Active	Owner of The Mall, Sofia	100	100
Incorporated in Croatia				
Manta doo	Active	Owner of City Center one East and City Center one West	100	100
Incorporated in Mauritius				
Hyprop Investments (Mauritius) Ltd	Active	Indirect investment in and development of income-producing properties in Sub-Saharan Africa.	100	100
Hyprop Ikeja Mall Ltd	Active/Held-for-sale	Holding company for Gruppo.	100	100
Incorporated in Nigeria				
Gruppo Investment Nigeria Ltd	Active/Held-for-sale	Owner of Ikeja City Mall.	75	75

[1] Proportion of ownership interest and voting power held by the Group.
[2] Dormant company means a company that is not trading and has no income.

Notes to the consolidated and separate financial statements continued

O Other information (continued)

04 Joint arrangements and associates

The Group's direct and indirect holdings in joint arrangements and associates (and the resultant effective economic interests) are summarised below:
For a Group structure see note O2 - *Group structure*.

Name	Principal place of business	Partner/co-investor	2024 % held	2023 % held
Joint operations				
Canal Walk Shopping Centre	Cape Town, South Africa	Ellerine Brothers	80	80
The Glen Shopping Centre	Johannesburg, South Africa	Ellerine Brothers	75.16	75.16
Joint venture – held through Hyprop Mauritius				
AttAfrica Ltd	Mauritius	AIH International Ltd	50	50
Associates				
Coventurist (Pty) Ltd	South Africa	EmpiriQ	50	50

05 Properties

Properties in which the group has direct/indirect interests.

SOUTH AFRICA	% held
Canal Walk	80
The Glen	75.16
CapeGate	100
Clearwater Mall	100
Hyde Park Corner	100
Rosebank Mall	100
Somerset Mall	100
Table Bay Mall	100
Woodlands Boulevard	100
17 Baker Street[1]	100
Cradock Heights[1]	100

EUROPE	% held
City Center one East	100
City Center one West	100
Skopje City Mall	100
The Mall	100

SUB-SAHARAN AFRICA	% held
Ikeja City Mall[2]	75

[1] Stand-alone offices
[2] Held-for-sale

Notes to the consolidated and separate financial statements continued

P Property disclosures

P1 JSE property disclosures

P1.1 Detailed property disclosures

Listed companies that carry out property-related activities are subject to additional disclosure requirements relating to their property portfolio and financial information in terms of the JSE Listings Requirements. The tables below exclude properties classified as held-for-sale and disclosures for offices are for standalone offices only. Rental escalations relate to new leases and amendments made during the financial year.

					RETAIL				OFFICE				
GROUP 2024	**Location**	**Revenue attributable to the Group R'000**	**Total GLA m²**	**Rent R /m²**	**GLA m²**	**Vacancy m²**	**Vacancy %**	**Rental escalation %**	**GLA m²**	**Vacancy m²**	**Vacancy %**	**Rental escalation %**	**Average annualised property rental yield %**
Geographical profile													
South Africa		**2 982 548**	**720 800**	**272**	**675 581**	**12 386**	**1.8**	**6.6**	**45 219**	**12 384**	**27.4**	**6.8**	**8.1**
Gauteng		1 535 711	368 002	236	332 241	8 784	2.6	6.6	35 761	10 952	30.6	6.8	9.0
Western Cape		1 446 837	352 798	310	343 340	3 602	1.0	6.6	9 458	1 432	15.1	6.8	7.3
Sectoral profile													
Retail		**2 964 925**	**713 944**	**273**	**675 581**	**12 386**	**1.8**	**6.6**	**38 363**	**9 996**	**26.1**	**6.8**	**8.1**
Super regional													
Canal Walk	Cape Town		156 989	376	147 531				9 458				
Large regional													
Clearwater Mall	Johannesburg		85 762	289	85 762				-				
The Glen	Johannesburg		78 732	224	78 732				-				
Woodlands Boulevard	Pretoria		73 496	202	73 496				-				
CapeGate	Cape Town		64 755	262	64 755				-				
Somerset Mall	Somerset West		70 193	302	70 193				-				
Rosebank Mall	Johannesburg		84 180	233	65 944				18 236				
Table Bay Mall	Cape Town		60 861	200	60 861				-				
Regional													
Hyde Park Corner	Johannesburg		38 976	277	28 307				10 669				
Offices		**17 623**	**6 856**	**158**	**-**	**-**	**-**	**-**	**6 856**	**2 388**	**34.8**	**6.5**	**7.9**
Total South African portfolio		**2 982 548**	**720 800**	**272**	**675 581**	**12 386**	**1.8**	**6.6**	**45 219**	**12 384**	**27.4**	**6.8**	**8.1**
Geographical profile													
Europe		**1 386 814**	**187 730**	**519**	**187 730**	**248**	**0.1**	**Note 1**	**-**	**-**	**-**	**-**	**8.1**
Sectoral profile													
Retail		**1 386 814**	**187 730**	**519**	**187 730**	**248**	**0.1**	**Note 1**	**-**	**-**	**-**	**-**	**8.1**
City Center one East	Zagreb		47 260	704	47 260								
City Center one West	Zagreb		42 080	770	42 080								
The Mall	Sofia		61 577	479	61 577								
Skopje City Mall	Skopje		36 813	554	36 813								
Total European portfolio		**1 386 814**	**187 730**	**519**	**187 730**	**248**	**0.1**	**Note 1**	**-**	**-**	**-**	**-**	**8.1**
Total Group		**4 369 362**	**908 530**		**863 311**	**12 634**			**45 219**	**12 384**	**-**	**-**	

Note 1: The majority of contractual rentals are subject to annual/monthly indexation adjustments based on published indices. Certain indexation adjustments are subject to caps.

Notes to the consolidated and separate financial statements continued

P Property disclosures (continued)

P1 JSE property disclosures (continued)

P1.2 Tenant grading

Tenants in the portfolio are categorised by grade as follows:

A-grade: Large national tenants, large listed tenants and major franchises (including all national retailers and tenants in large listed groups).

B-grade: Smaller national and listed tenants, medium-sized franchises, medium to large retailers.

C-grade: Smaller line stores.

2024	Portfolio lease income[1,2] R'000	Lease revenue attributable to the Group R'000	Revenue contribution %	Rentable area (GLA) m²	GLA contribution %	Revenue per m² / month (Rands)[2]
South Africa						
A grade	1 231 375	1 131 852	55.7	488 870	70.2	221
B grade	571 358	520 071	25.8	123 200	17.7	399
C grade - (705 tenants)	408 944	367 961	18.5	83 960	12.1	424
Total	**2 211 677**	**2 019 885**	**100.0**	**696 030**	**100.0**	**277**
Europe						
A grade		599 540	43.2	116 860	62.2	428
B grade		611 264	44.1	59 087	31.5	862
C grade - (151 tenants)		176 034	12.7	11 783	6.3	1 245
Total		**1 386 838**	**100.0**	**187 730**	**100.0**	**616**
Total portfolio						
A grade		1 731 392	50.8	605 730	68.5	261
B grade		1 131 336	33.2	182 287	20.6	549
C grade - (856 tenants)		543 995	16.0	95 743	10.8	525
Total		**3 406 723**	**100.0**	**883 760**	**100.0**	**349**

[1] Portfolio lease income refers to the total lease income for the properties (notwithstanding that the Group may have a lower ownership percentage) and is used to calculate the Revenue contribution and Revenue per m².
[2] Only three months of revenue for Table Bay Mall included.

Notes to the consolidated and separate financial statements continued

P Property disclosures (continued)

P1 JSE property disclosures (continued)

P1.3 Lease expiry profiles

P1.3.1 Lease expiry profile by revenue (%)

2024	FY2025	FY2026	FY2027	FY2028	FY2029+
South Africa					
Retail	40.1	17.3	15.0	11.7	15.9
Offices	54.9	26.9	4.6	4.6	8.9
Total	**40.4**	**17.5**	**14.8**	**11.6**	**15.7**
Europe					
Retail	11.5	12.4	19.5	13.1	43.5

P1.3.2 Lease expiry profile by rentable area (%)

South Africa	**Vacancy**					
Retail	1.8	36.2	13.6	12.2	11.5	24.7
Offices	27.4	39.0	9.9	3.7	2.9	17.1
Total	**3.4**	**36.3**	**13.4**	**11.7**	**10.9**	**24.2**
Europe						
Retail	0.1	7.9	9.0	20.2	12.4	50.4

SA REIT disclosures - unaudited

Q Property Disclosures

Q2 SA REIT Ratios

The SA REIT RATIOs include the calculation of SA REIT Funds from Operations (FFO), Funds from operations per share (FFOPS) and other Pro-forma information (collectively referred to as "Pro-forma Financial Information"). Pro-forma Financial Information constitutes Pro-forma measures and is pro-forma financial information in terms of the JSE Listings Requirements.

Basis of preparation: Pro-forma Financial information
The Pro-forma Financial Information has been compiled to provide investors with performance metrics that are commonly used in the industry to enable direct comparison of South African Real Estate Investment Trusts. Due to its nature the Pro-forma Financial Information may not fairly present the results of operations of Hyprop Investments Ltd and the Group.

The Directors are responsible for compiling the Pro-forma Financial Information on the basis of the Applicable Criteria specified in the JSE Listings Requirements, including the JSE Guidance Letter: Presentation of pro forma financial information, dated 4 March 2010.

The independent reporting accountant's assurance report on the Pro-forma financial information is available on the Group's website at https://www.hyprop.co.za/results-center.php

SA REIT disclosures - unaudited continued

Q Property disclosures (continued)

Q2 SA REIT Ratios (continued)

Q2.1 SA REIT Funds from Operations per share

Rand thousands	Note	GROUP 2024	GROUP 2023
Profit for the year attributable to Shareholders of the Company		**1 019 761**	**1 521 216**
Adjusted for:			
Accounting / specific adjustments:		**254 994**	**(290 070)**
Changes in fair value - Investment property	E1.4.3	(409 117)	(434 145)
Amortisation of intangible assets	D4.1	20	-
Asset impairments / reversals of impairments		445 459	2 767
Deferred taxation expense	D7.3	150 668	40 928
Straight-line rental revenue accrual	D1.2	67 964	100 380
Adjustments arising from investing activities:		**(4 951)**	**5 576**
Gains or losses on disposal / scrapping of: - Investment property and PPE		(4 951)	5 576
Foreign exchange and hedging items:		**185 084**	**(56 026)**
Changes in fair value - Derivative instruments	H2.3	185 084	(56 026)
Other adjustments:		**(196 042)**	**39 013**
Non-controlling interests in respect of the above adjustments		(196 042)	30 238
PDI Transaction - additional purchase consideration		-	8 775
SA REIT FFO		**1 258 846**	**1 219 709**
Number of shares outstanding at end of period *(net of treasury shares)*		**379 502 169**	358 084 019
SA REIT FFO per share (cents)		**331.7**	**340.6**
Company-specific adjustments (cents per share)		**38.7**	**64.6**
Capital and other items		(0.2)	(11.5)
Unrealised foreign exchange losses		18.3	34.0
Equity accounted losses		20.6	42.1
Distributable income per share (cents)		**370.4**	**405.2**

SA REIT disclosures - unaudited continued

Q Property disclosures (continued)

Q2 SA REIT Ratios (continued)

Q2.2 SA REIT Net Asset Value

Rand thousands	Note	GROUP 2024	GROUP 2023
Reported NAV attributable to the parent		**22 893 401**	**22 699 719**
Adjustments:			
Dividend to be declared / reinvested		(1 062 606)	(1 071 744)
Total derivatives	H2.2	(121 719)	(268 752)
Goodwill and intangible assets		(58)	(59)
Net deferred taxation liability	I1.2	1 215 030	1 112 002
SA REIT NAV		**22 924 048**	**22 471 166**
Shares outstanding			
Number of shares in issue at period end *(net of treasury shares)*	G1.3	379 502 169	358 084 019
Effect of dilutive instruments	B3.2	1 168 241	1 253 125
Diluted number of shares outstanding		**380 670 410**	**359 337 144**
SA REIT NAV per share (R)		**60.22**	**62.54**

Q2.3 SA REIT loan-to-value

	Note	GROUP 2024	GROUP 2023
Total borrowings *(including held-for-sale)*	H1.2	15 762 593	15 220 834
Financial guarantees	H3.3	7 015	-
Less:			
Cash and cash equivalents *(including held-for-sale)*		(802 995)	(1 201 103)
Add / Less:			
Total derivatives *(including held-for-sale)*	H2.2	(121 719)	(268 753)
Net debt		**14 844 894**	**13 750 978**
Total assets – per SFP		40 618 877	39 870 697
Less:			
Cash and cash equivalents *(including held-for-sale)*		(802 995)	(1 201 103)
Derivative financial assets		(165 830)	(287 981)
Intangible assets		(58)	(59)
Trade and other receivables *(including held-for-sale)*		(245 722)	(267 443)
Carrying amount of property-related assets		**39 404 272**	**38 114 111**
SA REIT loan-to-value		**37.7%**	**36.1%**

See note H4 - *Covenants and capital management* for details of the Company's loan-to-value ratio, as calculated by the Group's major lenders, and compliance with banking covenants.

SA REIT disclosures - unaudited continued

Q Property disclosures (continued)

Q2 SA REIT Ratios (continued)

Q2.4 SA REIT cost-to-income ratio

Rand thousands	Note	GROUP 2024	GROUP 2023
Expenses			
Property expenses	D4.1	1 995 782	1 945 030
Other operating expenses	D4.2	171 765	150 527
Exclude:			
Depreciation expense in relation to PPE of an administrative nature	D4.2	(1 695)	(1 625)
Amortisation of intangibles	D4.1	(20)	-
Company Specific adjustments			
Changes in ECLs - trade receivables	N5.4.6	26 526	(16 611)
Operating costs		**2 192 358**	**2 077 321**
Rental income			
Rental and other lease revenue	D1.2	3 683 466	3 365 508
Recoveries revenue	D1.2	969 425	965 694
Gross rental income		**4 652 891**	**4 331 202**
SA REIT cost-to-income ratio		**47.1%**	**48.0%**

Q2.5 SA REIT administrative cost-to-income ratio

Expenses			
Other operating expenses	D4.2	171 765	150 527
Administrative costs		**171 765**	**150 527**
Rental income			
Rental and other lease revenue	D1.2	3 683 466	3 365 508
Recoveries revenue	D1.2	969 425	965 694
Gross rental income		**4 652 891**	**4 331 202**
SA REIT administrative cost-to-income ratio		**3.7%**	**3.5%**

Q2.6 SA REIT GLA vacancy rate - TOTAL[1]

GLA of vacant space(m^2)	25 485	23 199
GLA of total property portfolio(m^2)	930 753	868 278
SA REIT GLA vacancy rate	**2.7%**	**2.7%**

[1] The GLA and vacancy reported above relates to all consolidated properties of the Group including those held-for-sale.

SA REIT disclosures - unaudited continued

Q Property disclosures (continued)

Q2 SA REIT Ratios (continued)

Q2.7 SA REIT Cost of debt

Q2.7.1 Cost of debt - ZAR

	GROUP	
Percentage	2024	2023
Variable interest-rate borrowings		
Floating reference rate plus weighted average margin	10.0	10.3
Pre-adjusted weighted average cost of debt	**10.0**	**10.3**
Adjustments:		
Impact of interest rate derivatives	(0.5)	(1.6)
Amortised raising fees	0.1	0.2
All-in weighted average cost of debt	**9.4**	**8.9**

Q2.7.2 Cost of debt - EUR

Variable interest-rate borrowings		
Floating reference rate plus weighted average margin	5.9	5.9
Pre-adjusted weighted average cost of debt	**5.9**	**5.9**
Adjustments:		
Impact of interest rate derivatives	(1.0)	(2.0)
All-in weighted average cost of debt	**4.9**	**3.9**

Q2.7.3 Cost of debt - USD

Variable interest-rate borrowings		
Floating reference rate plus weighted average margin	11.4	11.3
Pre-adjusted weighted average cost of debt	**11.4**	**11.3**
Adjustments:		
Impact of interest rate derivatives	(1.9)	(1.4)
All-in weighted average cost of debt	**9.5**	**9.9**

Q2.8 Initial yield on property acquisitions

Net initial yield - Table Bay Mall	7.75	-

Additional information - unaudited

R1 Earnings reconciliations

R1.1 Reconciliation of net income before value adjustments to distributable income

Rand thousands	GROUP 2024	GROUP 2023
Net income before value adjustments	**1 226 533**	**1 078 476**
Adjustments to calculate distributable income	**178 990**	**372 409**
Straight-line rental revenue accrual	67 964	100 380
Taxation adjustments	(104 064)	(74 646)
Loss from equity accounted investments	78 057	150 694
Capital items for distribution purposes	91 666	163 295
Non-controlling interests	45 367	32 686
Distributable income	**1 405 523**	**1 450 885**
Weighted average number of shares for calculating distributable income per share	379 502 169	358 084 019
Distributable income per share (cents)	370.4	405.2
Dividend per share (cents)	280.0	299.3

Additional information - unaudited continued

R2 Five-year review

	GROUP				
Rand thousands	2024	2023	2022	2021	2020
Revenue	**4 736 353**	**4 373 940**	**3 120 763**	**2 781 339**	**3 102 342**
Changes in ECLs - trade receivables	(26 526)	16 611	(8 810)	(72 253)	(77 682)
Property expenses	(1 995 782)	(1 945 030)	(1 375 342)	(1 178 249)	(1 139 721)
Net property income	**2 714 045**	**2 445 521**	**1 736 611**	**1 530 837**	**1 884 939**
Other operating income	8 925	13 508	32 022	55 341	18 783
Other operating expenses	(171 765)	(150 527)	(132 266)	(122 718)	(89 130)
Net foreign exchange (losses) / gains	(153 304)	(224 869)	(21 109)	(51 778)	2 088
Operating income	**2 397 901**	**2 083 633**	**1 615 258**	**1 411 682**	**1 816 680**
Net interest	(1 093 311)	(854 463)	(493 887)	(521 971)	(548 395)
Interest income	70 623	53 040	74 207	26 842	88 997
Interest expense	(1 163 934)	(907 503)	(568 094)	(548 813)	(637 392)
Net operating income	**1 304 590**	**1 229 170**	**1 121 371**	**889 711**	**1 268 285**
Guarantee fee income	-	-	-	3 635	22 111
Dividends income	-	-	-	19 833	120 630
Loss from equity accounted investments	(78 057)	(150 694)	(68 209)	(4 016)	-
Net income before value adjustments	**1 226 533**	**1 078 476**	**1 053 162**	**909 163**	**1 411 026**
Changes in fair value	224 033	490 171	690 934	(1 661 020)	(4 620 263)
Investment property	409 117	434 145	459 403	(1 587 323)	(4 668 419)
Other investments	-	-	-	-	(45 172)
Financial asset - Hystead	-	-	(7 159)	(235 738)	314 528
Derivative instruments	(185 084)	56 026	238 690	162 041	(221 200)
Profit / (loss) on disposal of investment property	4 951	-	(1 135)	-	-
Changes in ECLs - loans receivable	(3 804)	(2 767)	-	-	(289 974)
Changes in ECLs - financial guarantees	-	-	-	16 665	(16 665)
Impairment of goodwill	-	-	(433 432)	-	-
Impairment of assets held-for-sale and discontinued operations	(441 655)	-	-	-	-
PDI Transaction - additional purchase consideration	-	(8 775)	-	-	-
Impairment of intangible assets	-	-	(16 197)	-	-
Derecognition of financial guarantees	-	-	65 865	-	-
Profit / (loss) before taxation	**1 010 058**	**1 557 105**	**1 359 197**	**(735 192)**	**(3 515 876)**
Taxation	(254 731)	(71 581)	(15 024)	(101 500)	(7 150)
Profit / (loss) for the year	**755 327**	**1 485 524**	**1 344 173**	**(836 692)**	**(3 523 026)**
Profit / (loss) for the year attributable to shareholders of the Company	1 019 761	1 521 216	1 345 164	(811 620)	(3 401 849)
Investment property at fair value *(excluding investment property held-for-sale and discontinued operations)*	37 332 253	34 824 584	32 393 622	22 091 100	24 665 964
Distributable income per share (cents)	370	405	343	337	493

Shareholders' information - unaudited as at 30 June 2024

S1 Shareholders analysis

S1.1 Shareholder spread

	Number of shareholdings	% of number of shareholdings	Number of shares	% of number of shares in issue
1 – 1 000 shares	3 347	52.3	874 533	0.2
1 001 – 10 000 shares	2 007	31.3	6 691 833	1.8
10 001 – 100 000 shares	695	10.8	22 632 523	5.9
100 001 – 1 000 000 shares	293	4.6	95 461 867	25.1
Over 1 000 000 shares	63	1.0	254 738 377	67.0
Total	**6 405**	**100.0**	**380 399 133**	**100.0**

S1.2 Distribution of shareholders

Banks/Brokers	68	1.1	35 204 768	9.3
Close Corporations	55	0.9	1 513 098	0.4
Endowment Funds	69	1.1	1 680 648	0.4
Individuals	4 661	72.8	11 793 223	3.1
Insurance Companies	40	0.6	12 398 750	3.3
Investment Companies	1	0.0	145 194	0.0
Medical Schemes	26	0.4	6 269 364	1.6
Mutual Funds	312	4.9	134 332 448	35.3
Nominees & Trusts	16	0.2	88 742	0.0
Other Corporations	32	0.5	522 244	0.1
Private Companies	219	3.4	10 233 520	2.7
Public Companies	4	0.1	11 674	0.0
Retirement Funds	303	4.7	157 402 114	41.4
Treasury - Hyprop Employee Incentive Scheme	1	0.0	896 964	0.2
Sovereign Wealth Funds	2	0.0	371 504	0.1
Trusts	596	9.3	7 534 878	2.0
Total	**6 405**	**100.0**	**380 399 133**	**100.0**

S1.3 Shareholder type

Non-public shareholders	6	0.10	83 731 355	21.9
Directors	4	0.06	168 446	0.0
Treasury - Hyprop Employee Incentive Scheme	1	0.02	896 964	0.2
Holdings of more than 10%	1	0.02	82 665 945	21.7
Public shareholders	6 399	99.90	296 667 778	78.1
Total	**6 405**	**100.0**	**380 399 133**	**100.0**

S1.4 Beneficial holdings greater than 5% of the issued shares

Government Employees Pension Fund	82 665 945	21.7
Allan Gray	20 848 283	5.5
Eskom Pension and Provident Fund	20 842 006	5.5
Total	**124 356 234**	**32.7**

Shareholders' information - unaudited as at 30 June 2024

S2 Shareholders' diary

	Provisional dates
Financial year end	June 2024
Publication of financial results[1]	September 2024
Annual report available to shareholders[1]	October 2024
Annual general meeting[1]	November 2024
Publication of interim results[1]	March 2025

[1] These dates are provisional and are subject to change.

S3 Distribution details

Cents per share	2024	2023
12 months ended 30 June	280.0	299.3
Total	**280.0**	**299.3**

The Board has approved and notice is hereby given of a final dividend of 280.00000 cents per share for the year ended 30 June 2024.

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

Last date to trade cum dividend	Tuesday, 8 October 2024
Shares trade ex dividend	Wednesday, 9 October 2024
Record date	Friday, 11 October 2024
Payment date	Monday, 14 October 2024

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, 9 October 2024 and Friday, 11 October 2024, 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, 14 October 2024. Certificated shareholders' dividend payments will be posted on or about Monday, 14 October 2024.

Ordinary shares of no par value in issue at 30 June 2024:	380 399 133
Income tax reference number of Hyprop Investments Limited:	94205177715

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.

Shareholders' information - unaudited as at 30 June 2024

S3 Distribution details (continued)

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 would be 224 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 abovementioned documents to be submitted before the dividend payment, if such documents have not already been submitted.

S4 Administration

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Rosebank
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Postal address
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Private Bag X9000
Saxonwold
2132

S5 Glossary

African Land	African Land Investments (Pty) Ltd
AFS	Annual financial statements
ARC	Audit and risk committee
AttAfrica	AttAfrica Ltd
AttAfrica SA	AttAfrica SA (Pty) Ltd
Board	The board of directors of Hyprop
CEO	The chief executive officer of Hyprop
CFC	Controlled Foreign Company, as defined in the South African Income Tax Act, No. 58 of 1962
CFO	The chief financial officer of Hyprop. This individual serves as the "executive financial director" as required by section 3.84(f) of the JSE Listings Requirements
Conditional shares	Conditional shares as defined in the LTIP rules
Company or Hyprop	Hyprop Investments Ltd
Covid-19	A novel strain of coronavirus that became a global pandemic in early 2020
CUP	The Group long-term employee incentive scheme/ The conditional share plan which was replaced by the LTIP from July 2022
DCM	The debt capital market (DCM) operated by the Johannesburg Stock Exchange
Deferred awards	Deferred awards as defined in the LTIP rules
ECL(s)	Expected credit losses
EE	Eastern Europe
EmpiriQ	EmpiriQ Technologies (Pty) Ltd, the co-investor in Natalmahogany
ETTP	Entrepreneurship To The Point
Euribor	The Euro Interbank Offered Rate, being the average interest rate at which a large panel of European banks borrow funds from one another
FVLCTS	Fair value less cost to sell
FVTPL	Fair value though profit or loss
FVTOCI	Fair value through other comprehensive income
GLA	Gross lettable area
Group	Hyprop Investments Ltd and its subsidiaries
Gruppo	Gruppo Investment Nigeria Ltd (owner of Ikeja City Mall)
Hyprop Europe	Hyprop Europe B.V. (a Netherlands registered company and holder of the Group's European investments)
Hyprop Europe Group	Hyprop Europe and its subsidiaries
Hyprop Foundation	Hyprop Foundation NPC
Hyprop Ikeja	Hyprop Ikeja Mall Ltd
Hyprop Mauritius	Hyprop Investments (Mauritius) Ltd
Hyprop Employee Incentive Scheme	Hyprop Investments Employee Incentive Scheme (Pty) Ltd
Hyprop UK	Hyprop UK Ltd (a UK registered company and the direct holding company of Hystead)

S5 Glossary continued

Hyprop UK Group	Hyprop UK Ltd and its subsidiary
Hystead	Hystead Ltd (a UK registered company)
IFRS	International Financial Reporting Standards
Ikeja or Ikeja City Mall	Ikeja City Mall, the property owned by Gruppo
Jibar	The Johannesburg Interbank Average Rate, the money market rate that is used in South Africa as a reference for setting the interest rate on loans
LTIP	The new long-term incentive plan approved by shareholders on 20 July 2022
LTPA	Long-term performance awards under the LTIP. These awards replaced the CUP awards from July 2022
LTV	Loan-to-value ratio
Natalmahogany	Natalmahogany (Pty) Ltd owner of the NTER software systems (previously SOKO district software systems)
NAV	Net asset value
NCI	Non-controlling interest
NTER	A digital leasing platform and software system developed by Natalmahogany and used to operate SOKO districts
OCI	Other comprehensive income
PDI	PDI Investment Holdings Ltd (and/or its successors in title Homestead Group Holdings Limited and AMZ Holdings), the non-controlling shareholder(s) in Hystead
REIT	Real estate investment trust
Restricted Shares	Restricted shares as defined in the LTIP rules
SA	South Africa
SAICA	South African Institute of Chartered Accountants
SA REIT	The SA REIT Association, a representative umbrella body for South African REITs
SA REIT FFO	*Funds from Operations* as defined by the SA REIT Association's best practice recommendations
SA REIT NAV	*Net asset value* as defined by the SA REIT Association's best practice recommendations
SCE	Statements of changes in equity
SCF	Statements of cash flows
SDEV	SD DEVPOOL2 (Pty) Ltd an entity engaged in BBBEE enterprise development
SFP	Statements of financial position
SOCI	Statements of profit or loss and other comprehensive income
Sofr	The Secured Overnight Financing Rate (SOFR), a benchmark interest rate for dollar-denominated derivatives and loans
SOKO district	A marketplace operated by Rosebank Mall
SSA	Sub-Saharan Africa (other than SA)
TNAV	Tangible net asset value
WAAM	West Africa Asset Management (Pty) Ltd
WALE	Weighted average lease expiry period in years

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