Balance sheet strengthened and see-through LTV ratio reduced from 41.4% at 30 June 2020 to 38.8% at 31 December 2020:
- Reduction of R942 million in interest bearing debt, including $117 million of US Dollar equity debt
- All US Dollar equity debt ($289 million) settled over the last 18 months
- Retention of R777 million from 2020 distributions, post 31 December 2020

Diluted distributable income of 161 cents per share.

Covid-19 impact reduced distributable income by R244 million, equivalent to 83 cents per share
- R112 million in rental discounts granted to tenants
- R113 million reduction in dividends from Hystead
- R19 million reduction in parking income in South Africa

<table>
<thead>
<tr>
<th></th>
<th>Unaudited 6 months</th>
<th>Unaudited 6 months</th>
<th>Audited 12 months</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>December 2020</td>
<td>December 2019</td>
<td>June 2020</td>
</tr>
<tr>
<td>Net operating income (R'000)</td>
<td>408 234</td>
<td>679 116</td>
<td>1 268 285</td>
</tr>
<tr>
<td>Headline earnings per share (cents)</td>
<td>114.6</td>
<td>329.9</td>
<td>410.7</td>
</tr>
<tr>
<td>Basic loss per share (cents)</td>
<td>(42.9)</td>
<td>(109.5)</td>
<td>(1 332.4)</td>
</tr>
<tr>
<td>Distributable income per share (cents)</td>
<td>186.1</td>
<td>335.6</td>
<td>493.4</td>
</tr>
<tr>
<td>Diluted distributable income per share (cents)</td>
<td>160.6</td>
<td>335.6</td>
<td>493.4</td>
</tr>
<tr>
<td>Net asset value per share (Rand)</td>
<td>74.48</td>
<td>91.07</td>
<td>76.09</td>
</tr>
</tbody>
</table>

Hyprop is a retail-focused REIT listed on the JSE. The Company currently has interests in a R45.4 billion portfolio of shopping centres in South Africa, Eastern Europe and sub-Saharan Africa.

DIVIDEND DECLARATION

Given the ongoing uncertainty related to Covid-19 and Hyprop's established objectives to reduce debt and strengthen the balance sheet, the Board considers it prudent to defer any decision on the declaration of a dividend to shareholders until publication of Hyprop's annual results in September 2021.

OUTLOOK AND PROSPECTS

In the short-term Hyprop will continue to focus on preserving cash and strengthening the balance sheet through the following:

1. Utilising dividends declared by Hystead to reduce Euro dominated debt;
2. Disposing of the S-SA assets in line with the exit strategy and applying the net proceeds to settle debt;
3. Limiting capital expenditure to projects that are already committed and those that are a necessity;
4. Implementing the disposal of Atterbury Value Mart; and
5. Recycling assets that do not accord with the long-term strategy.
On a longer-term basis, the Company will continue to reposition the SA portfolio, increase the dominance of the properties in the European portfolio, and pursue the non-tangible asset strategy.

The Hyprop team is committed to creating long-term sustainable value for all stakeholders, having regard to prevailing market conditions and industry risks. We remain focused on our purpose of creating safe environments and opportunities for people to connect and have authentic and meaningful experiences.

A third Covid-19 wave remains a risk, as do the long-term effects of the pandemic on an underperforming local economy. We anticipate further negative rent reversions and increases in costs, particularly administered costs such as municipal and utility charges, at rates exceeding CPI. Consumer spending is expected to remain under pressure and consumer behaviour will continue to evolve. We believe that our strategy and positioning will enable Hyprop to successfully navigate these challenges.

BASIS OF PREPARATION

The condensed consolidated financial statements for the six months ended 31 December 2020 were prepared in accordance with the JSE Listings Requirements for condensed consolidated results, the requirements of the Companies Act of South Africa and International Financial Reporting Standards (IFRS) (including specifically the SAICA Financial Reporting Guide as issued by the Accounting Practices Committee and Financial Pronouncements as issued by the Financial Reporting Standards Council and IAS 34 Interim financial reporting).

All amendments to standards that are applicable to Hyprop for its financial year beginning 1 July 2020 have been considered. The accounting policies applied in these condensed consolidated financial statements are the same as those applied in the Group’s consolidated financial statements for the year ended 30 June 2020.

1 March 2021

Corporate information

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This short-form announcement is the responsibility of the directors and is only a summary of the information contained in the full announcement. The full announcement is available on the JSE website https://senspdf.jse.co.za/documents/2021/jse/isse/HYPE/HY2021.pdf and on the Company website at http://www.hyprop.co.za/results/interims-2021/pdf/booklet.pdf. Copies of the full announcement may also be requested by emailing Lizelle du Toit at lizelle@hyprop.co.za or at the Company’s registered office or at the office of the sponsor, at no charge, during office hours from Monday, 1 March 2021 to Friday, 5 March 2021. Any investment decision should be based on the full announcement published on the Company’s website.