



Notice of annual general meeting 2014

To be held on 25 November 2014



# Notice of annual general meeting

## HYPROP INVESTMENTS LIMITED

(Incorporated in the Republic of South Africa)  
 (Registration number 1987/005284/06)  
 JSE share code: HYP ISIN: ZAE000190724  
 (Approved as a REIT by the JSE)  
 ("Hyprop" or "the company")

Notice is hereby given that an annual general meeting of shareholders will be held at the offices of Hyprop, 2nd Floor, Cradock Heights, 21 Cradock Avenue, Rosebank, at 10:00 on Tuesday, 25 November 2014 (the "annual general meeting" or "AGM"), for the purposes of:

- A considering and adopting the directors' report, the annual financial statements and the audit committee report of the company for the year ended 30 June 2014, contained in the integrated report of the company for the same period (the "integrated report"). An electronic copy of the integrated report is available on the company's website, [www.hyprop.co.za](http://www.hyprop.co.za);
- B transacting any other business as may be transacted at an annual general meeting of shareholders of a company including the re-appointment of the auditors and re-election of retiring directors; and
- C considering and, if deemed fit, adopting with or without modification, the shareholder special and ordinary resolutions set out below.

### Important dates to note

	2014
Record date for receipt of notice purposes	Friday, 17 October
Last day to trade in order to be eligible to participate in and vote at the annual general meeting	Friday, 7 November
Record date for voting purposes ("voting record date")	Friday, 14 November
Last day to lodge forms of proxy by 10:00 on	Friday, 21 November
Annual general meeting held at 10:00 on	Tuesday, 25 November
Results of AGM released on SENS	Tuesday, 25 November

In terms of section 62(3)(e) of the Companies Act, 71 of 2008 (the "Companies Act" or "Act"):

- A shareholder who is entitled to attend and vote at the annual general meeting is entitled to appoint a proxy or two or more proxies to attend and participate in and vote at the annual general meeting in the place of the shareholder, by completing the form of proxy in accordance with the instructions set out therein
- A proxy need not be a shareholder of the company.

Kindly note that meeting participants (including proxies) are required to provide reasonably satisfactory identification before being entitled to attend or participate in a meeting. In this regard, all shareholders recorded in the registers of the company on the voting record date will be required to provide identification satisfactory to the chairman of the annual general meeting. Forms of identification include valid identity documents, driver's licences and passports.

### ORDINARY RESOLUTION NUMBER 1: ADOPTION OF ANNUAL FINANCIAL STATEMENTS

"Resolved that the annual financial statements of the company for the year ended 30 June 2014, including the directors' report and the report of the audit committee, be and are received and adopted."

In order for ordinary resolution number 1 to be adopted, the support of more than 50% of the total number of votes exercisable by shareholders, present in person or by proxy, is required.

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## **ORDINARY RESOLUTION NUMBER 2: RE-ELECTION OF L COHEN AS DIRECTOR**

“Resolved that Laurence Cohen, who retires in terms of the company’s memorandum of incorporation and who, being eligible, offers himself for re-election, be re-elected as an executive director of the company.”

A brief curriculum vitae is set out below:

Laurence joined the group in 2003 as financial director of Hyprop management company, after spending three years in Grant Thornton’s corporate finance division. He has been involved extensively in various aspects of the group during his tenure with the company. Laurence also chairs the accounting and JSE committee of the SA REIT Association, and serves on its executive committee.

In order for ordinary resolution number 2 to be adopted, the support of more than 50% of the total number of votes exercisable by shareholders, present in person or by proxy, is required.

## **ORDINARY RESOLUTION NUMBER 3: RE-ELECTION OF K ELLERINE AS DIRECTOR**

“Resolved that Kevin Ellerine, who retires in terms of the company’s memorandum of incorporation and who, being eligible, offers himself for re-election, be re-elected as a non-executive director of the company.”

A brief curriculum vitae is set out below:

Kevin joined the family business, Ellerine Holdings, in 1991 as merchandise manager. In 1993 he became property manager of Ellerine Bros (Proprietary) Limited, and was appointed managing director of the property division in 2000 where he remains today. He sits on the boards of all property and private equity companies in which Ellerine Bros is invested.

In order for ordinary resolution number 3 to be adopted, the support of more than 50% of the total number of votes exercisable by shareholders, present in person or by proxy, is required.

## **ORDINARY RESOLUTION NUMBER 4: RE-ELECTION OF S SHAW-TAYLOR AS DIRECTOR**

“Resolved that Stewart Shaw-Taylor, who retires in terms of the company’s memorandum of incorporation and who, being eligible, offers himself for re-election, be re-elected as a non-executive director of the company.”

A brief curriculum vitae is set out below:

Stewart has over 30 years’ experience in investment banking and real estate. He is currently head of CIB Real Estate Investments, Standard Bank Group. He is responsible for the real estate, equity-related activities undertaken by Standard Bank’s corporate investment banking division.

In order for ordinary resolution number 4 to be adopted, the support of more than 50% of the total number of votes exercisable by shareholders, present in person or by proxy, is required.

## **ORDINARY RESOLUTION NUMBER 5: RE-ELECTION OF G TIPPER AS DIRECTOR**

“Resolved that Gavin Tipper, who retires in terms of the company’s memorandum of incorporation and who, being eligible, offers himself for re-election, be re-elected as an independent non-executive director of the company.”

A brief curriculum vitae is set out below:

Gavin has been involved in the financial services industry for over 20 years, and was formerly an executive director of Coronation Investments and Trading Limited and a technical partner at KPMG South Africa. He is a director of a number of listed companies.

In order for ordinary resolution number 5 to be adopted, the support of more than 50% of the total number of votes exercisable by shareholders, present in person or by proxy, is required.

## **ORDINARY RESOLUTION NUMBER 6: RE-APPOINTMENT OF MEMBERS OF THE AUDIT COMMITTEE**

“Resolved that the members of the company’s audit committee set out below be and are hereby re-appointed, each by way of a separate vote, with effect from the end of this annual general meeting, in terms of section 94(2) of the Companies Act. The membership as proposed by the remuneration and nomination committee is:

- 6.1 Lindie Engelbrecht (Chairperson);
- 6.2 Gavin Tipper, whose dual role as chairman of the board of directors and member of the audit committee is hereby specifically approved; and
- 6.3 Thabo Mokgatla,

all of whom are independent non-executive directors.”

Brief curricula vitae of each of the above audit committee members is set out below, with the exception of G Tipper which is included in ordinary resolution number 5.

Lindie Engelbrecht is a former technical director at KPMG and director of governance and sustainability services at Ernst & Young. She previously served as chief executive officer of the Institute of Directors. Lindie is a member of the King Committee on Corporate Governance and has advised, consulted and presented to boards in the public and private sectors on corporate, legal and governance matters.

Thabo Mokgatla began his career as a senior lecturer in accounting and taxation at the University of the North West. He subsequently worked as finance manager of the North West Parks Board, centre manager in the Rustenburg office of the auditor-general and finance manager of Royal Bafokeng Administration. He serves on the boards of a number of listed companies.

In order for ordinary resolution numbers 6.1, 6.2 and 6.3 to be adopted, the support of more than 50% of the total number of votes exercisable by shareholders, present in person or by proxy, is required.

#### **ORDINARY RESOLUTION NUMBER 7: RE-APPOINTMENT OF AUDITORS**

“Resolved that Grant Thornton, together with VR de Villiers, be and are hereby re-appointed as the auditors of the company from the conclusion of this annual general meeting.”

The audit committee has nominated for appointment as auditors of the company under section 90 of the Companies Act, Grant Thornton and VR de Villiers.

In order for ordinary resolution number 7 to be adopted, the support of more than 50% of the total number of votes exercisable by shareholders, present in person or by proxy, is required.

#### **ORDINARY RESOLUTION NUMBER 8: CONTROL OVER UNISSUED SHARES**

“Resolved that, subject to the provisions of the company’s memorandum of incorporation, the Companies Act and the JSE Listings Requirements, the authorised but unissued shares of the company be and are hereby placed under the control of the directors of the company with the authority to allot and issue all or part thereof in their discretion to fund the acquisition of property assets, provided that the number of shares which may be allotted and issued under this authority does not exceed 5% of the company’s issued share capital as at the date of the passing of this resolution and provided that the maximum discount at which such shares may be issued in terms of this authority is 5% of the weighted average traded price of such shares measured over the 30 business days prior to the date that the price of the issue is agreed between the company and the party subscribing for shares, adjusted for a dividend where the ex date in respect of the dividend occurs during the 30-day period in question.”

In order for ordinary resolution number 8 to be adopted, the support of more than 50% of the total number of votes exercisable by shareholders, present in person or by proxy, is required.

#### **ORDINARY RESOLUTION NUMBER 9: GENERAL AUTHORITY TO ISSUE SHARES FOR CASH**

“Resolved that, subject to the restrictions set out below, the directors be and are hereby authorised, pursuant, inter alia, to the company’s memorandum of incorporation and subject to the provisions of the Companies Act and the JSE Listings Requirements, until this authority lapses which shall be at the next annual general meeting or 15 months from the date hereof, whichever is the earliest, to allot and issue shares of the company for cash on the following basis:

1. The allotment and issue of shares must be made to persons qualifying as public shareholders and not to related parties, as defined in the JSE Listings Requirements
2. The shares which are the subject of the issue for cash must be of a class already in issue or, where this is not the case, must be limited to such shares or rights that are convertible into a class already in issue
3. The total aggregate number of shares which may be issued for cash in terms of this authority may not exceed 7 297 683 shares, being 3% of the company’s issued shares as at the date of notice of this annual general meeting. Accordingly, any shares issued under this authority prior to this authority lapsing shall be deducted from the 7 297 683 shares the company is authorised to issue in terms of this authority for the purpose of determining the remaining number of shares that may be issued in terms of this authority
4. In the event of a subdivision or consolidation of shares prior to this authority lapsing, the existing authority shall be adjusted accordingly to represent the same allocation ratio

## Notice of annual general meeting continued

5. The maximum discount at which the shares may be issued is 5% of the weighted average traded price of such shares measured over the 30 business days prior to the date that the price of the issue is agreed between the company and the party subscribing for the shares.”

In terms of the JSE Listings Requirements, in order for ordinary resolution number 9 to be adopted, the support of at least 75% of the total number of votes exercisable by shareholders, present in person or by proxy, is required to pass this resolution.

### **ORDINARY RESOLUTION NUMBER 10: APPROVAL OF REMUNERATION POLICY**

“Resolved that, in accordance with the principles of the King III report on governance and through a non-binding advisory vote, the company’s remuneration policy and the implementation thereof, as further detailed on pages 70 and 71 of the integrated report, is approved.”

In order for ordinary resolution number 10 to be adopted, the support of more than 50% of the total number of votes exercisable by shareholders, present in person or by proxy, is required.

### **SPECIAL RESOLUTION NUMBER 1: SHARE REPURCHASES**

“Resolved that the company or any of its subsidiaries be and are hereby authorised by way of a general authority to acquire ordinary shares issued by the company, in terms of sections 46 and 48 of the Companies Act, and subject to the following provisions of the JSE Listings Requirements:

1. Any acquisition of shares shall be implemented through the order book of the JSE and without prior arrangement.
2. This general authority shall be valid until the company’s next annual general meeting, provided that it shall not extend beyond 15 months from the date of passing this special resolution.
3. The company (or any subsidiary) is duly authorised by its memorandum of incorporation to do so.
4. Acquisitions of shares in the aggregate in any one financial year may not exceed 20% (or 10% where the acquisitions are effected by a subsidiary) of the company’s issued ordinary share capital as at the date of passing this special resolution.
5. In determining the price at which shares issued by the company are acquired by it or any of its subsidiaries in terms of this general authority, the maximum premium at which such shares may be acquired will be 10% of the weighted average of the market value on the JSE over the five business days immediately preceding the repurchase of such shares.
6. At any point in time the company (or any subsidiary) may appoint only one agent to effect repurchases on its behalf.
7. Repurchases may not take place during a prohibited period (as defined in paragraph 3.67 of the JSE Listings Requirements) unless a repurchase programme is in place (where the dates and quantities of shares to be repurchased during the prohibited period are fixed) and full details thereof have been announced on SENS prior to commencement of the prohibited period.
8. An announcement will be published as soon as the company or any of its subsidiaries have acquired shares constituting, on a cumulative basis, 3% of the number of shares in issue prior to the granting of the repurchase authority and pursuant to which the aforesaid threshold is reached, and for each 3% in aggregate acquired thereafter, containing full details of such repurchases.
9. The board of directors of the company must resolve that the repurchase is authorised, the company and its subsidiaries have passed the solvency and liquidity test, as set out in section 4 of the Companies Act, and since that test was performed, there have been no material changes to the financial position of the group.”

In accordance with the JSE Listings Requirements the directors record that although there is no immediate intention to effect a repurchase of the shares of the company, the directors will utilise this general authority to repurchase shares as and when suitable opportunities present themselves (including, inter alia, for purposes of settling awards pursuant to the employee incentive scheme), which may require expeditious and immediate action.

The directors undertake that, after considering the maximum number of shares that may be repurchased and the price at which the repurchases may take place pursuant to the general authority, for a period of 12 months after the date of notice of this annual general meeting:

- The company and the group will, in the ordinary course of business, be able to pay their debts
- The consolidated assets of the company and the group, fairly valued in accordance with International Financial Reporting Standards, will exceed the consolidated liabilities of the company and the group, fairly valued in accordance with International Financial Reporting Standards
- The company’s and the group’s share capital, reserves and working capital will be adequate for ordinary business purposes.

The following additional information, some of which may appear elsewhere in the integrated report, is provided in terms of paragraph 11.26 of the JSE Listings Requirements for purposes of this general authority:

- Directors and management – pages 59 to 61
- Directors' interests in shares – page 76
- Major beneficial unitholders – page 77 and 140
- Capital structure of the company – page 112.

#### **Litigation statement**

In terms of paragraph 11.26 of the JSE Listings Requirements, save as disclosed in the integrated report, the directors, whose names appear on pages 59 and 60 of the integrated report, are not aware of any legal or arbitration proceedings, including proceedings that are pending or threatened, that may have or have had in the recent past (being at least the previous 12 months) a material effect on the company's financial position.

#### **Directors' responsibility statement**

The directors, whose names appear on pages 59 and 60 of the integrated report, collectively and individually accept full responsibility for the accuracy of the information pertaining to this special resolution and certify that, to the best of their knowledge and belief, there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that the special resolution contains all information required by the Companies Act and the JSE Listings Requirements.

#### **Material changes**

Other than the facts and developments reported on in the integrated report, there have been no material changes in the affairs or financial position of the company and its subsidiaries since the date of signature of the audit report for the financial year ended 30 June 2014 and up to the date of this notice.

In order for special resolution number 1 to be adopted, the support of at least 75% of the total number of votes exercisable by shareholders, present in person or by proxy, is required.

#### **Reason for and effect of special resolution number 1**

The reason for special resolution number 1 is to afford the directors of the company (or a subsidiary of the company) general authority to effect a repurchase of the company's shares on the JSE. The effect of the resolution will be that the directors will have the authority, subject to the JSE Listings Requirements and the Companies Act, to effect repurchases of the company's shares on the JSE.

#### **SPECIAL RESOLUTION NUMBER 2: FINANCIAL ASSISTANCE TO RELATED AND INTER-RELATED PARTIES**

"Resolved that to the extent required by the Companies Act, the board of directors of the company may, subject to compliance with the requirements of the company's memorandum of incorporation, the Companies Act and the JSE Listings Requirements, authorise the company to provide direct or indirect financial assistance, as contemplated in section 45 of the Companies Act, by way of loans, guarantees, the provision of security or otherwise, to any of its present or future subsidiaries and/or any other company or corporation that is or becomes related or inter-related (as defined in the Companies Act) to the company for any purpose or in connection with any matter, such authority to endure for a period of not more than two years, and further provided that inasmuch as the company's provision of financial assistance to its subsidiaries will at any and all times be in excess of one-tenth of 1% of the company's net worth, the company hereby provides notice to its shareholders of that fact."

In order for special resolution number 2 to be adopted, the support of at least 75% of the total number of votes exercisable by shareholders, present in person or by proxy, is required.

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## Reasons for and effect of special resolution number 2

The company would like the ability to provide financial assistance, in appropriate circumstances and if the need arises, in accordance with section 45 of the Companies Act. Under the Companies Act, the company will, however, require the special resolution referred to above to be adopted, provided that the board of directors of the company are satisfied that the terms under which the financial assistance is proposed to be given are fair and reasonable to the company and, immediately after providing the financial assistance, the company would satisfy the solvency and liquidity tests contemplated in the Companies Act. In the circumstances and in order to, inter alia, ensure that the company's subsidiaries and other related and inter-related companies and corporations have access to financing and/or financial backing from the company (as opposed to banks), it is necessary to obtain the approval of shareholders, as set out in special resolution number 2. Therefore, the reason for, and effect of, special resolution number 2 is to permit the company to provide direct or indirect financial assistance (within the meaning attributed to that term in section 45 of the Companies Act) to the entities referred to in special resolution number 2 above.

## Notice in terms of section 45(5) of the Companies Act in respect of special resolution number 2

Notice is hereby given to shareholders of the company in terms of section 45(5) of the Companies Act of a resolution adopted by the board authorising the company to provide such direct or indirect financial assistance as specified in the special resolution above:

- a) By the time that this notice of annual general meeting is delivered to shareholders of the company, the board will have adopted a resolution ("section 45 board resolution") authorising the company to provide, at any time and from time to time during the period of two years commencing on the date on which the special resolution is adopted, any direct or indirect financial assistance as contemplated in section 45 of the Companies Act to any of its present or future subsidiaries and/or any other company or corporation that is or becomes related or inter-related (as defined in the Companies Act) to the company.
- b) The section 45 board resolution will be effective only if and to the extent that the special resolution under the heading "special resolution number 2" is adopted by the shareholders of the company, and the provision of any such direct or indirect financial assistance by the company, pursuant to such resolution, will always be subject to the board being satisfied that (i) immediately after providing such financial assistance, the company will satisfy the solvency and liquidity tests as referred to in section 45(3)(b)(i) of the Companies Act, and that (ii) the terms under which such financial assistance is to be given are fair and reasonable to the company as referred to in section 45(3)(b)(ii) of the Companies Act.
- c) In as much as the section 45 board resolution contemplates that such financial assistance will in the aggregate exceed one-tenth of 1% of the company's net worth at the date of adoption of such resolution, the company hereby provides notice of the section 45 board resolution to shareholders of the company.

## SPECIAL RESOLUTION NUMBER 3: APPROVAL OF NON-EXECUTIVE DIRECTORS' FEES

To consider and, if deemed fit, to pass with or without modification, the following special resolutions by way of separate resolutions:

- 3.1 "Resolved, as a special resolution, that the fees payable by the company to non-executive directors for their services as directors (in terms of section 66 of the Companies Act) be and are hereby approved for a period of two years from the passing of this resolution or until such fees are revised by further resolution of shareholders, whichever is the earliest, as follows:

	2015	2014
Board chairman	<b>R350 000</b>	R285 000
Non-executive directors	<b>R270 000</b>	R183 000
Audit committee chairman	<b>R140 000</b>	R136 500
Audit committee member	<b>R120 000</b>	R14 000
Remuneration and nomination committee member	<b>R55 000</b>	R40 000
Risk committee member	<b>R55 000</b>	R40 000
Social and ethics committee member	<b>R55 000</b>	R40 000
Investment committee member (per meeting)	<b>R7 000</b>	R5 000

- 3.2 Resolved as a special resolution that an annual increase not exceeding inflation (as measured by the Consumer Price Index (CPI)) of the fees payable by the company to non-executive directors for their services as non-executive directors be and is hereby approved for a period of two years from the passing of this resolution or until its renewal, whichever is the earliest."

In order for special resolutions numbers 3.1 and 3.2 to be adopted, the support of at least 75% of the total number of votes exercisable by shareholders, present in person or by proxy, is required.

### **Reason for and effect of special resolution number 3.1**

The reason for and effect of special resolution number 3.1 is to pre-approve the remuneration and fees payable to the non-executive directors in the amounts set out under special resolution number 3.1, as required in terms of sections 66(8) and (9) of the Companies Act.

Non-executive fees were last adjusted in December 2012.

In order to ensure that the level of non-executive fees paid by Hyprop is aligned with the fees paid by its comparable peer group companies, taking into account the relative size and complexity of Hyprop, and that of the companies in the peer group, an external benchmarking exercise was performed.

The proposed fees for the 2015 financial year, which will be effective from the date of approval, reflect an inflationary adjustment for the 18-month period from December 2012 and the adjustments required as a result of the benchmarking exercise.

Non-executive fees will be externally benchmarked every two years.

### **Reason for and effect of special resolution number 3.2**

As the proposed fees for the 2015 financial year were determined on the basis of an external benchmarking exercise, the proposed increase for the 2016 financial year is limited to an inflationary (CPI-based) adjustment.

## **ORDINARY RESOLUTION NUMBER 11 – SIGNATURE OF DOCUMENTATION**

“Resolved that any director of the company or the company secretary be and is hereby authorised to sign all such documentation and do all such things as may be necessary for or incidental to the implementation of ordinary resolution numbers 1, 2, 3, 4, 5, 6, 7, 8, 9 and 10 and special resolution numbers 1, 2 and 3 subject to such resolutions being passed by the shareholders in accordance with and subject to the terms thereof.”

In order for ordinary resolution number 11 to be adopted, the support of more than 50% of the total number of votes exercisable by shareholders, present in person or by proxy, is required to pass this resolution.

### **Quorum**

A quorum for the purposes of considering the resolutions above shall consist of three shareholders of the company personally present or represented by proxy (and if the shareholder is a body corporate, the representative of the body corporate) and entitled to vote at the annual general meeting. In addition, a quorum shall comprise 25% of all voting rights entitled to be exercised by shareholders in respect of the resolutions above.

The date on which shareholders must be recorded as such in the register maintained by the transfer secretaries, Computershare Investor Services (Proprietary) Limited (Ground Floor, 70 Marshall Street, Johannesburg), for the purposes of being entitled to attend, participate in and vote at the annual general meeting is Friday, 14 November 2014.

### **Voting and proxies**

A shareholder of the company entitled to attend and vote at the annual general meeting is entitled to appoint one or more proxies (who need not be a shareholder of the company) to attend, vote and speak in his/her stead.

On a show of hands, every shareholder of the company present in person or represented by proxy shall have one vote only. On a poll, every shareholder of the company present in person or represented by proxy shall have one vote for every share held in the company by such shareholder.

A form of proxy is attached for the convenience of any shareholder holding certificated shares who cannot attend the annual general meeting but who wishes to be represented thereat. Forms of proxy may also be obtained on request from the company's registered office. The completed form of proxy must be deposited at or posted to the office of the transfer secretaries, Computershare Investor Services (Proprietary) Limited, Ground Floor, 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107), to be received by not later than 10:00 on Friday, 21 November 2014. Any shareholder who completes and lodges a form of proxy will nevertheless be entitled to attend and vote in person at the annual general meeting should the shareholder subsequently decide to do so.

Attached to the proxy form is an extract of section 58 of the Companies Act, to which shareholders are referred.

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Shareholders who have already dematerialised their shares through a Central Securities Depository Participant (CSDP) or broker and who wish to attend the annual general meeting must instruct their CSDP or broker to issue them with the necessary letter of representation to attend.

Dematerialised shareholders, who have elected "own-name" registration in the sub-register through a CSDP and who are unable to attend but who wish to vote at the annual general meeting must complete and return the attached form of proxy and lodge it with the transfer secretaries, Computershare Investor Services (Proprietary) Limited, PO Box 61051, Marshalltown, 2107, to be received by no later than 10:00 on Friday, 21 November 2014.

All beneficial owners whose shares have been dematerialised through a CSDP or broker other than with "own-name" registration, must provide the CSDP or broker with their voting instructions in terms of their custody agreement should they wish to vote at the annual general meeting. Alternatively, they may request the CSDP or broker to provide them with a letter of representation, in terms of their custody agreements, should they wish to attend the annual general meeting. Such shareholder must not complete the attached form of proxy.

In terms of section 63(l) meeting participants will be required to provide identification to the reasonable satisfaction of the chairman of the annual general meeting and the chairman must be reasonably satisfied that the right of any person to participate in and vote (whether as a shareholder or as a proxy for a shareholder) has been reasonably satisfied.

## **Electronic participation**

Shareholders or their proxies may participate in the meeting by way of telephone conference call. Shareholders or their proxies who wish to participate in the annual general meeting via the teleconference facility will be required to advise the company thereof by no later than 10:00 on Tuesday, 18 November 2014 by submitting, by email to the company secretary at [neville.toerien@computershare.co.za](mailto:neville.toerien@computershare.co.za), or by fax to be faxed to +27 11 688 5279, for the attention of Neville Toerien, relevant contact details including email address, cellular number and landline, as well as full details of the shareholder's title to the shares issued by the company and proof of identity, in the form of copies of identity documents and share certificates (in the case of certificated shareholders), and (in the case of dematerialised shareholders) written confirmation from the shareholder's CSDP confirming the shareholder's title to the dematerialised shares. Upon receipt of the required information, the shareholder concerned will be provided with a secure code and instructions to access the electronic communication during the annual general meeting.

Shareholders who wish to participate in the annual general meeting by way of telephone conference call must note that they will not be able to vote during the annual general meeting. Such shareholders, should they wish to have their vote counted at the annual general meeting, must, to the extent applicable (i) complete the form of proxy; or (ii) contact their CSDP or broker, in both instances, as set out above.

## **Company secretary**

CIS Company Secretaries (Proprietary) Limited

## **Registered office of the company**

2nd Floor, Cradock Heights  
21 Cradock Avenue, Rosebank, 2196

## **Transfer secretaries**

Computershare Investor Services (Proprietary) Limited  
Ground Floor, 70 Marshall Street  
Johannesburg, 2001

# Form of proxy

## HYPROP INVESTMENTS LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 1987/005284/06)

JSE share code: HYP ZAE000190724

(Approved as a REIT by the JSE)

("Hyprop" or "the company")

Where appropriate and applicable the terms defined in the notice of annual general meeting to which this form of proxy is attached and forms part of bear the same meanings in this form of proxy.

For use by shareholders of the company holding certificated shares and/or dematerialised shareholders who have elected "own-name" registration, nominee companies of Central Securities Depository Participant's (CSDP) and brokers' nominee companies, registered as such at the close of business on Friday, 14 November 2014 (the "voting record date"), at the annual general meeting to be held at the offices of Hyprop, 2nd Floor, Cradock Heights, 21 Cradock Avenue, Rosebank, at 10:00 on Tuesday, 25 November 2014 (the "annual general meeting") or any postponement or adjournment thereof.

If you are a dematerialised shareholder, other than with "own-name" registration, do not use this form. Dematerialised shareholders, other than with "own-name" registration, should provide instructions to their appointed CSDP or broker in the form as stipulated in the agreement entered into between the shareholder and the CSDP or broker.

I/We (full names in block letters please) \_\_\_\_\_

of (address) \_\_\_\_\_

being the holder/s of \_\_\_\_\_ shares hereby appoint:

1. \_\_\_\_\_ or failing him/her,

2. \_\_\_\_\_ or failing him/her,

3. the chairman of the annual general meeting, as my/our proxy to attend and speak and to vote for me/us and on my/our behalf at the annual general meeting and at any adjournment or postponement thereof, for the purpose of considering and, if deemed fit, passing, with or without modification, the resolutions to be proposed at the annual general meeting, and to vote on the resolutions in respect of the ordinary shares registered in my/our name(s), in the following manner:

	Number of votes		
	Shares		
	*For	*Against	*Abstain
Ordinary resolution number 1: Adoption of annual financial statements			
Ordinary resolution number 2: Re-election of L Cohen as director			
Ordinary resolution number 3: Re-election of K Ellerine as director			
Ordinary resolution number 4: Re-election of S Shaw-Taylor as director			
Ordinary resolution number 5: Re-election of G Tipper as director			
Ordinary resolution number 6: Re-appointment of the members of the audit committee:			
6.1 Lindie Engelbrecht (Chairperson)			
6.2 Gavin Tipper			
6.3 Thabo Mokgatla			
Ordinary resolution number 7: Re-appointment of auditors			
Ordinary resolution number 8: Control over unissued shares			
Ordinary resolution number 9: General authority to issue shares for cash			
Ordinary resolution number 10: Approval of remuneration policy			
Special resolution number 1: Share repurchases			
Special resolution number 2: Financial assistance to related and inter-related parties			
Special resolution number 3: Approval of non-executive directors' fees			
Special resolution number 3.1: Fees payable to non-executive directors			
Special resolution number 3.2: Annual increase not exceeding inflation (as measured by CPI) for a period of two years			
Ordinary resolution number 11: Signature of documentation			

\* One vote per share held by shareholders recorded in the register on the voting record date.

\* Mark "For", "Against" or "Abstain" as required. If no options are marked the proxy will be entitled to vote as he/she thinks fit.

Unless otherwise instructed, my/our proxy may vote or abstain from voting as he/she thinks fit.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2014

Signature

Assisted by me (where applicable) \_\_\_\_\_ (State capacity and full name)

A shareholder entitled to attend and vote at the annual general meeting is entitled to appoint a proxy to attend, vote and speak in his/her stead. A proxy need not be a member of the company. Each shareholder is entitled to appoint one or more proxies to attend, speak and, on a poll, vote in place of that shareholder at the annual general meeting.

Forms of proxy must be deposited at Computershare Investor Services (Proprietary) Limited, Ground Floor, 70 Marshall Street, Johannesburg, or posted to PO Box 61051, Marshalltown, 2107, so as to arrive by no later than 10:00 on Friday, 21 November 2014.

Please read the notes on the reverse side hereof

## Notes to the form of proxy

1. This form of proxy is only to be completed by those ordinary shareholders who are:
  - a) Holding ordinary shares in certificated form; or
  - b) Recorded in the sub-register in electronic form in their "own name";

on the date on which shareholders must be recorded as such in the register maintained by the transfer secretaries, Computershare Investor Services (Proprietary) Limited, in order to vote at the annual general meeting being Tuesday, 25 November 2014, and who wish to appoint another person to represent them at the annual general meeting.

2. Certificated shareholders wishing to attend the annual general meeting have to ensure beforehand with the transfer secretaries of the company (being Computershare Investor Services (Proprietary) Limited) that their shares are registered in their name.
3. Beneficial shareholders whose shares are not registered in their "own name", but in the name of another, for example, a nominee, may not complete a proxy form, unless a form of proxy is issued to them by a registered shareholder, and they should contact the registered shareholder for assistance in issuing instructions on voting their shares, or obtaining a proxy to attend, speak and, on a poll, vote at the annual general meeting.
4. A shareholder may insert the name of a proxy or the names of two alternative proxies of the shareholder's choice in the space, with or without deleting "the chairman of the annual general meeting". The person whose name stands first on the form of proxy and who is present at the annual general meeting will be entitled to act as proxy to the exclusion of those whose names follow.
5. A shareholder's instructions to the proxy must be indicated by means of a tick or a cross in the appropriate box provided. However, if you wish to cast your votes in respect of a lesser number of shares than you own in the company, insert the number of shares in respect of which you desire to vote. If (i) a shareholder fails to comply with the above; or (ii) gives contrary instructions in relation to any matter; or any additional resolution(s) which are properly put before the meeting; or (iii) the resolution listed in the proxy form is modified or amended, the shareholder will be deemed to authorise the chairman of the annual general meeting, if the chairman is the authorised proxy, to vote in favour of the resolutions at the annual general meeting, or any other proxy to vote or to abstain from voting at the annual general meeting as he/she deems fit, in respect of all the shareholder's votes exercisable thereat. If, however, the shareholder has provided further written instructions which accompany this form of proxy and which indicate how the proxy should vote or abstain from voting in any of the circumstances referred to in (i) to (iii) above, then the proxy shall comply with those instructions.
6. The forms of proxy should be lodged at Computershare Investor Services (Proprietary) Limited, Ground Floor, 70 Marshall Street, Johannesburg, 2001, or posted to PO Box 61051, Marshalltown, 2107, so as to be received by not later than 10:00 on Friday, 21 November 2014.
7. The completion and lodgement of this form of proxy will not preclude the relevant shareholder from attending the annual general meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof, should such shareholder wish to do so. In addition to the foregoing, a shareholder may revoke the proxy appointment by (i) cancelling it in writing, or making a later inconsistent appointment of a proxy; and (ii) delivering a copy of the revocation instrument to the proxy, and to the company. The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy's authority to act on behalf of the shareholder as at the later of the date stated in the revocation instrument, if any; or the date on which the revocation instrument was delivered in the required manner.
8. The chairman of the annual general meeting may reject or accept any form of proxy which is completed and/or received, other than in compliance with these notes provided that, in respect of acceptances, he is satisfied as to the manner in which the shareholder(s) concerned wish(es) to vote.
9. Any alteration to this form of proxy, other than a deletion of alternatives, must be initialled by the signatory/ies.

10. Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity must be attached to this form of proxy unless previously recorded by the company or Computershare Investor Services (Proprietary) Limited or waived by the chairman of the annual general meeting.
11. A minor must be assisted by his/her parent or guardian unless the relevant documents establishing his/her legal capacity are produced or have been registered by Computershare Investor Services (Proprietary) Limited.
12. Where there are joint holders of shares:
  - 12.1 Any one holder may sign the form of proxy
  - 12.2 The vote of the senior (for that purpose seniority will be determined by the order in which the names of shareholders appear in the register of members) who tenders a vote (whether in person or by proxy) will be accepted to the exclusion of the vote(s) of the other joint holder(s) of shares.
13. If duly authorised, companies and other corporate bodies who are shareholders of the company having shares registered in their own name may, instead of completing this form of proxy, appoint a representative to represent them and exercise all of their rights at the meeting by giving written notice of the appointment of that representative. This notice will not be effective at the annual general meeting unless it is accompanied by a duly certified copy of the resolution or other authority in terms of which that representative is appointed and is received at Computershare Investor Services (Proprietary) Limited, at Ground Floor, Marshall Street, Johannesburg, to reach the company by no later than 10:00 on Friday, 21 November 2014.
14. This form of proxy may be used at any adjournment or postponement of the annual general meeting, including any postponement due to a lack of quorum, unless withdrawn by the shareholder.
15. The foregoing notes contain a summary of the relevant provisions of section 58 of the Companies Act, 2008 (the "Companies Act"), as required in terms of that section. In addition, an extract from the Companies Act reflecting the provisions of section 58 of the Companies Act, is set out below.

#### **Extract from the Companies Act**

##### **"58. Shareholder right to be represented by proxy**

- (1) At any time, a shareholder of a company may appoint any individual, including an individual who is not a shareholder of that company, as a proxy to –
  - (a) participate in, and speak and vote at, a shareholders' meeting on behalf of the shareholder; or
  - (b) give or withhold written consent on behalf of the shareholder to a decision contemplated in section 60.
- (2) A proxy appointment –
  - (a) must be in writing, dated and signed by the shareholder; and
  - (b) remains valid for –
    - (i) one year after the date on which it was signed; or
    - (ii) any longer or shorter period expressly set out in the appointment, unless it is revoked in a manner contemplated in subsection (4)(c), or expires earlier as contemplated in subsection (8)(d).
- (3) Except to the extent that the Memorandum of Incorporation of a company provides otherwise –
  - (a) a shareholder of that company may appoint two or more persons concurrently as proxies, and may appoint more than one proxy to exercise voting rights attached to different securities held by the shareholder;
  - (b) a proxy may delegate the proxy's authority to act on behalf of the shareholder to another person, subject to any restriction set out in the instrument appointing the proxy; and
  - (c) a copy of the instrument appointing a proxy must be delivered to the company, or to any other person on behalf of the company, before the proxy exercises any rights of the shareholder at a shareholders' meeting.

## Notes to the form of proxy continued

- (4) Irrespective of the form of instrument used to appoint a proxy –
  - (a) the appointment is suspended at any time and to the extent that the shareholder chooses to act directly and in person in the exercise of any rights as a shareholder;
  - (b) the appointment is revocable unless the proxy appointment expressly states otherwise; and
  - (c) if the appointment is revocable, a shareholder may revoke the proxy appointment by –
    - (i) cancelling it in writing, or making a later inconsistent appointment of a proxy; and
    - (ii) delivering a copy of the revocation instrument to the proxy, and to the company.
- (5) The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy's authority to act on behalf of the shareholder as of the later of –
  - (a) the date stated in the revocation instrument, if any; or
  - (b) the date on which the revocation instrument was delivered as required in subsection (4)(c)(ii).
- (6) If the instrument appointing a proxy or proxies has been delivered to a company, as long as that appointment remains in effect, any notice that is required by this Act or the company's Memorandum of Incorporation to be delivered by the company to the shareholder must be delivered by the company to –
  - (a) the shareholder; or
  - (b) the proxy or proxies, if the shareholder has –
    - (i) directed the company to do so, in writing; and
    - (ii) paid any reasonable fee charged by the company for doing so.
- (7) A proxy is entitled to exercise, or abstain from exercising, any voting right of the shareholder without direction, except to the extent that the Memorandum of Incorporation, or the instrument appointing the proxy, provides otherwise.
- (8) If a company issues an invitation to shareholders to appoint one or more persons named by the company as a proxy, or supplies a form of instrument for appointing a proxy –
  - (a) the invitation must be sent to every shareholder who is entitled to notice of the meeting at which the proxy is intended to be exercised;
  - (b) the invitation, or form of instrument supplied by the company for the purpose of appointing a proxy, must –
    - (i) bear a reasonably prominent summary of the rights established by this section;
    - (ii) contain adequate blank space, immediately preceding the name or names of any person or persons named in it, to enable a shareholder to write in the name and, if so desired, an alternative name of a proxy chosen by the shareholder; and
    - (iii) provide adequate space for the shareholder to indicate whether the appointed proxy is to vote in favour of or against any resolution or resolutions to be put at the meeting, or is to abstain from voting;
  - (c) the company must not require that the proxy appointment be made irrevocable; and
  - (d) the proxy appointment remains valid only until the end of the meeting at which it was intended to be used, subject to subsection (5).
- (9) Subsection (8)(b) and (d) do not apply if the company merely supplies a generally available standard form of proxy appointment on request by a shareholder."





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