

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to the action you should take, please consult your Central Securities Depository Participant (“CSDP”), stockbroker, banker, legal adviser, accountant or other professional adviser immediately.



HYPROP INVESTMENTS LIMITED
(Incorporated in the Republic of South Africa)
(Registration number 1987/005284/06)
JSE share code: HYP ISIN: ZAE000190724
JSE bond issuer code: HYPI
(Approved as a REIT by the JSE)
 (“**Hyprop**” or the “**Company**”)

Directors

Gavin Tipper (*Independent non-executive chairman*)
Morné Wilken (*Chief executive officer*)
Wilhelm Nauta (*Chief investment officer*)
Brett Till (*Chief financial officer*)
Annabel Dallamore (*Independent non-executive director*)
Loyiso Dotwana (*Independent non-executive director*)
Kevin Ellerine (*Non-executive director*)
Zuleka Jasper (*Independent non-executive director*)
Nonyameko Mandindi (*Independent non-executive director*)
Thabo Mokgatlha (*Independent non-executive director*)
Bernadette Mzobe (*Independent non-executive director*)
Spiros Noussis (*Independent non-executive director*)
Stewart Shaw-Taylor (*Independent non-executive director*)

NOTICE OF A GENERAL MEETING OF HYPROP SHAREHOLDERS

Notice of a general meeting relating to the adoption of the Hyprop Long-Term Incentive Plan and enclosing:

- a notice of a general meeting of Hyprop shareholders; and
- a form of proxy to attend and vote at the general meeting of Hyprop shareholders, for use only by certificated shareholders or dematerialised shareholders who have elected own-name registration.

Sponsor

JAVACAPITAL

Date of issue: Tuesday, 21 June 2022

This notice is only available in English and is available on the Hyprop website at <https://www.hyprop.co.za/pdf/governance/NoticeLTIP.pdf> from Tuesday, 21 June 2022. Copies of this notice may be obtained at the Company’s registered office, 2nd Floor, Cradock Heights, 21 Cradock Avenue, Rosebank, 2196 during normal business hours from the date of issue of this notice up to and including the date of the general meeting.

CORPORATE INFORMATION

Registered office of the Company

Hyprop Investments Limited
(Registration number 1987/005284/06)
2nd Floor, Cradock Heights
21 Cradock Avenue
Rosebank, 2196
Johannesburg
(PO Box 52509, Saxonwold, 2132)

Sponsor

Java Capital Trustees and Sponsors Proprietary Limited
(Registration number 2006/005780/07)
6th Floor, 1 Park Lane
Wierda Valley
Sandton, 2196
(PO Box 522606, Saxonwold, 2132)

Company secretary

Fundiswa Nkosi
2nd Floor, Cradock Heights
21 Cradock Avenue
Rosebank, 2196
Johannesburg
(PO Box 52509, Saxonwold, 2132)

Transfer secretaries

Computershare Investor Services Proprietary Limited
(Registration number 2004/003647/07)
Rosebank Towers
15 Biermann Avenue
Rosebank, 2196
(Private Bag X9000, Saxonwold, 2132)

1. NOTICE OF A GENERAL MEETING

Notice is hereby given that a general meeting of Hyprop shareholders will be held by way of electronic participation in accordance with the provisions of section 63(2) of the Companies Act 71 of 2008 (“**the Companies Act**”) and the JSE Listings Requirements, as read with the Company’s memorandum of incorporation (“**MOI**”), on Wednesday, 20 July 2022 at 10:00 am for the purpose of considering, and, if deemed fit, passing with or without modification, the resolutions set out hereunder.

2. INTRODUCTION

Hyprop intends to introduce a new Long-Term Incentive Plan (the “**LTIP**”). This will replace the current long-term incentive plan (the Conditional Unit Plan (“**CUP**”)), which is approaching the end of its life cycle, subject to pre-existing CUP awards continuing under the CUP rules.

The purpose of the LTIP is to align the interests of the LTIP participants and the shareholders of the Company and to recognise the contributions made by the LTIP participants to the growth of the Company. The LTIP further aims to attract and retain suitably skilled employees and motivate participants to remain in the employ of the Company.

The LTIP comprises two instruments, namely restricted shares and conditional shares, which can be awarded in the following ways:

- Deferred awards are awarded as restricted shares. The value of the deferred award will be determined as a percentage of the annual bonus, in accordance with the Company’s remuneration policy, based on performance in the previous financial year. The vesting of the deferred award will be subject to the employment condition; and
- Long-term performance awards are awarded as conditional shares. The vesting of the long-term performance awards will be subject to the achievement of certain performance conditions and the employment condition.

The aggregate number of Hyprop shares which may be settled in respect of the LTIP, collectively to all participants, will not exceed 5% of the number of issued Hyprop shares as at 30 June 2022. The maximum number of Hyprop shares which may be settled and vested to any individual participant will not exceed 1% of the number of issued Hyprop shares as at 30 June 2022.

The settlement of awards made under the LTIP will be through a market purchase of Hyprop shares and/or the use of treasury shares.

If approved by Hyprop shareholders, the LTIP will govern all awards made after 20 July 2022.

The JSE Listings Requirements require that a Schedule 14 share incentive plan be approved by a 75% majority of shareholders present or represented at a general meeting voting in favour thereof. Accordingly, Hyprop shareholders will be requested to consider and approve the resolutions necessary to adopt the LTIP as set out in this notice of the general meeting. The LTIP has been approved by the JSE in terms of Schedule 14 of the JSE Listings Requirements.

It is important to note that Hyprop shareholders will be voting to approve the LTIP (details of which are outlined in Part A of the salient features of the LTIP in Annexure A of this notice of general meeting) at the general meeting and not the proposed 2023 Financial Year Award parameters (details of which are outlined in Part B of the salient features of the LTIP in Annexure A of this notice of general meeting). The details of the LTIP implementation will be published in Hyprop’s integrated report and the respective remuneration report will be open to a non-binding vote at the Company’s annual general meeting.

Accordingly, the following resolutions will be proposed at the general meeting:

1. ORDINARY RESOLUTION NUMBER 1: ADOPTION OF THE HYPROP LONG-TERM INCENTIVE PLAN

“Resolved that the Hyprop Long-Term Incentive Plan (“**LTIP**”), as set out in Annexure A of the notice of general meeting and the complete document recording the terms of the LTIP having been made available to Hyprop shareholders and tabled at this meeting, be and is hereby approved.”

2. ORDINARY RESOLUTION NUMBER 2: AUTHORITY

“Resolved that any director of the Company be and is hereby authorised to sign all such documents and do all such things as may be necessary for, or incidental to, the implementation of ordinary resolution number 1.”

3. SALIENT DATES AND TIMES

The salient dates and times in respect of the general meeting will be as follows:

	2022
Record date to receive the notice of general meeting	Friday, 10 June
Notice of general meeting of shareholders issued	Tuesday, 21 June
Last day to trade in order to be eligible to participate in and vote at the general meeting	Tuesday, 12 July
Voting record date	Friday, 15 July
Last day to lodge forms of proxy for the general meeting with transfer secretaries, by 10:00 am (forms of proxy not lodged with the transfer secretaries in time may be handed to the chairperson of the general meeting immediately before the commencement thereof)	Monday, 18 July
General meeting held at 10:00 am	Wednesday, 20 July
Results of the general meeting released on SENS	Wednesday, 20 July

Notes:

1. All dates and times in this notice are local dates and times in South Africa and are subject to change. Any changes will be released on SENS.
2. Hyprop shareholders should note that as transactions in Hyprop shares are settled in the electronic settlement system used by Strate, settlement of trades takes place three business days after such trade. Therefore, Hyprop shareholders who acquire Hyprop shares after close of trade on Tuesday, 12 July 2022 will not be eligible to vote at the general meeting.
3. No dematerialisation and rematerialisation of Hyprop shares may take place between Wednesday, 13 July 2022 and Friday, 15 July 2022, both days inclusive.

VOTING AND QUORUM

The quorum requirement for the general meeting to begin or for a matter to be considered at the general meeting is at least three Hyprop shareholders present in person or represented by proxy. In addition:

- the general meeting may not begin until sufficient persons are present in person or represented by proxy to exercise, in aggregate, at least 25% of the voting rights that are entitled to be exercised in respect of at least one matter to be decided at the general meeting; and
- a matter to be decided at the general meeting may not begin to be considered unless sufficient persons are present in person or represented by proxy to exercise, in aggregate, at least 25% of all of the voting rights that are entitled to be exercised in respect of that matter at the time the matter is called on the agenda.

Every Hyprop shareholder present in person or represented by proxy and entitled to exercise voting rights at the general meeting shall be entitled to vote on a show of hands, irrespective of the number of voting rights that a Hyprop shareholder would otherwise be entitled to exercise. On a poll, any person who is present at the general meeting, whether as a Hyprop shareholder or as proxy for a Hyprop shareholder, has the number of votes determined in accordance with the voting rights associated with the shares held by that shareholder.

GENERAL INSTRUCTIONS

Hyprop shareholders who are entitled to attend, speak and vote at the general meeting are encouraged to do so.

Electronic participation

As set out above, the general meeting will be conducted entirely by electronic communication, as permitted by the Companies Act and the Company's MOI. To participate in the general meeting via electronic communication, shareholders or their duly appointed proxies must register online using the online registration portal at www.meetnow.global/za or apply to Computershare, by delivering the duly completed form to: Rosebank Towers, First Floor, 15 Biermann Avenue, Rosebank 2196, or posting it to Private Bag X9000, Saxonwold, 2132 (at the risk of the Hyprop shareholder), or by email to proxy@computershare.co.za so as to be received by Computershare by no later than 10:00 am on Monday, 18 July 2022.

Proxies and authority for representatives to act

A Hyprop shareholder holding certificated Hyprop shares who cannot attend the general meeting or who wishes to be represented thereat is entitled to appoint a proxy or proxies to attend and act in his/her stead. A proxy need not be a member of the Company. For the convenience of Hyprop shareholders, a form of proxy is attached hereto. Forms of proxy may also be obtained on request from Hyprop's registered office or from the transfer secretaries, Computershare.

The attached form of proxy is only to be completed by:

- certificated shareholders; or
- own-name shareholders,

who cannot attend the general meeting but wish to be represented thereat.

All other beneficial owners who have dematerialised their Hyprop shares through a CSDP or broker without own name registration, and who wish to attend the general meeting, must instruct their CSDP or broker to provide them with the necessary letter of representation, or they must provide the CSDP or broker with their voting instructions in terms of the relevant custody agreement entered into between them and the CSDP or broker. These Hyprop shareholders must not use a form of proxy.

Forms of proxy should be delivered to the transfer secretaries, Computershare, Rosebank Towers, 15 Biermann Avenue, Rosebank, Johannesburg, 2196 or posted to Private Bag X9000, Saxonwold, 2132 or by email to proxy@computershare.co.za, to arrive no later than 10:00 am on Monday, 18 July 2022. Forms of proxy not delivered to the transfer secretaries in time may be handed to the chairperson of the general meeting before the commencement thereof.

Hyprop does not accept responsibility and will not be held liable for any failure on the part of the CSDP or broker of a dematerialised Hyprop shareholder to notify such Hyprop shareholders of the general meeting or any business to be conducted thereat.

GENERAL NOTES

Hyprop shareholders who are companies or other body corporates may, by resolution of their directors or other governing body, authorise any person to act as their representatives at the general meeting.

The chairperson of the general meeting will require that all resolutions put to a vote shall be decided by way of a poll.

By order of the board of directors

Hyprop Investments Limited

17 June 2022

Registered office

2nd Floor, Cradock Heights

21 Cradock Avenue

Rosebank, 2196

Johannesburg

SALIENT FEATURES OF THE HYPROP LONG-TERM INCENTIVE PLAN

INTRODUCTION

The Company intends to introduce a new long-term incentive share plan, the LTIP. This will replace the current long-term incentive plan (the Conditional Unit Plan (“CUP”)), which is approaching the end of its life cycle, subject to pre-existing CUP awards continuing under the CUP rules.

The LTIP has been designed according to leading corporate governance principles and best practice adopted by real estate investment trusts and includes:

- a mandatory Annual Bonus deferral by way of Deferred Awards, for annual bonuses in excess of a set threshold;
- elimination of the retention Shares currently provided for by the CUP;
- the application of Performance Conditions to all Long-Term Performance Awards as a condition of Vesting;
- an aggregate total and Participant limit for Awards of 5% and 1%, respectively, of the number of issued Hyprop shares as at 30 June 2022; and
- all Awards are subject to Malus and clawback.

Part A of this document outlines the principal terms of the LTIP, being a summary of the complete document recording the terms of the LTIP (a copy of which is available on the Company’s website at <https://www.hyprop.co.za/pdf/governance/RulesLTIP.pdf> (“the LTIP Rules”), to enable Hyprop shareholders to consider the proposed resolution to approve the adoption of the LTIP. Part B of the document outlines the proposed 2023 Financial Year Award parameters.

The capitalised terms used throughout this document bear the meanings assigned to them in the LTIP Rules and are defined below. Unless inconsistent with the context, an expression which denotes one gender includes the other gender, a natural person includes a juristic person and vice versa, the singular includes the plural and vice versa and the expressions set out in the first column bear the meaning assigned to them in the second column:

Term	Definition as per the LTIP Rules
1. “Annual Bonus”	means the pre-tax annual performance bonus to which a Participant may become entitled in any particular Financial Year under the Company’s remuneration policy;
2. “Auditors”	means the auditors of the Company from time to time;
3. “Award”	means the award of either a (i) Deferred Award and/or (ii) Long-Term Performance Award under these Rules (read together with the Company’s remuneration policy), and “Awards” and “Awarded” will bear a similar meaning;
4. “Award Date”	means the date specified by the Committee to be the effective date of the Award, as specified in the Award Letter;
5. “Award Letter”	means a letter containing details of the Award, as specified in the LTIP Rules;
6. “Board”	means the board of directors of the Company from time to time;
7. “Change of Control”	means where a person (or persons acting together in concert), who did not have Control of the Company, through a transaction or series of transactions, acquires Control of the Company;
8. “Change of Control Date”	means the date on which the Change of Control of the Company becomes effective;
9. “Committee”	means the Remuneration Committee of the Company as appointed by the Board from time to time, the members of which do not hold any executive office in a Group Entity, and which is responsible for the governance of the LTIP;
10. “Companies Act”	means the Companies Act 71 of 2008 as amended and any re-enactment or replacement thereof;
11. “Company”	means Hyprop Investments Limited, a public company registered and incorporated with limited liability under the laws of South Africa, with registration number 1987/005284/06;

Term	Definition as per the LTIP Rules
12. “ Conditional Shares ”	means rights to take ownership of Shares on a future Vesting Date, subject to the fulfilment of the Performance Conditions and the Employment Condition, by virtue of a Long-Term Performance Award;
13. “ Control ”	means circumstances, as contemplated in International Financial Reporting Standard 10 and as validated by the Auditors, as and when required, where an investor has all three of the following elements: (i) power over the Company; (ii) exposure or rights to variable returns from its involvement in the Company; and (iii) the ability to use its power over the Company to affect the amount of the investor’s returns;
14. “ Corporate Action ”	means an event carried out by the Company that affects the Shares of the Company (including, but not limited to, a Rights Issue, a capitalisation issue (as contemplated in section 47 of the Companies Act), a sub-division, a consolidation, making distributions including distributions <i>in specie</i> or payment in terms of section 46 of the Companies Act (other than a dividend paid in the ordinary course of business out of distributable reserves));
15. “ Date of Termination of Employment ”	means the date on which the cessation of permanent employment or the office of a Participant with any Employer Company, takes effect;
16. “ Death ”	means an event where the Participant’s employment with the Company or an Employer Company is terminated due to the Participant’s death prior to the Vesting Date of an Award;
17. “ Deferred Award ”	means a percentage of the Annual Bonus, determined in accordance with the Company’s remuneration policy, that 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;
18. “ Disability ”	means ill-health, injury, permanent physical or mental disability or incapacity of a Participant, such that the Participant becomes permanently incapacitated and thereby unable to perform the functions which he is required to perform in the ordinary course of his employment with the Company or an Employer Company;
19. “ Dismissed ”	means an event where the Participant ceases to be an Employee of an Employer Company due to his abscondment from an Employer Company or as a result of being lawfully dismissed from the employ of an Employer Company in compliance with the provisions of the LRA, prior to the Vesting Date of an Award, and “Dismissal” will bear a similar meaning;
20. “ Employee ”	means any person holding permanent salaried employment or office with any Employer Company at a Paterson Grade D and above, as well as key individuals with critical and/or strategic skills, but excluding any non-executive director of the Group;
21. “ Employer Company ”	means any company in the Group which employs an Employee;
22. “ Employment Condition ”	means the condition of continued employment with any Employer Company for the duration of the Employment Period;
23. “ Employment Period ”	means the period or periods (i.e. if tranche Vesting is applied, more than one period will apply) commencing on the Award Date and ending on the date or dates specified in the Award Letter during which the Participant is required to fulfil the Employment Condition which will be a period of no less than 3 (three) years for Long-term Performance Awards and a period of no less than 1 (one) year for Deferred Awards;
24. “ Family Company ”	shall mean any company, the entire issued share capital of which is held and beneficially owned by any of an Employee, his lawful spouse, his lawful issue (including adopted children) and/or his Family Trust;
25. “ Family Trust ”	shall mean a trust constituted solely for the benefit of any one Employee, his lawful spouse and/or his lawful issue (including adopted children);
26. “ Fault Termination ”	means where a Participant’s employment is terminated by reason of Resignation or Dismissal;

Term	Definition as per the LTIP Rules
27. “Financial Year”	means the financial year of the Company which runs from 1 July of each year, until changed, from which date the new period will apply;
28. “Group”	means collectively, individually or separately, the Company, its Subsidiaries and entities or associates identified as such by the Directors and “Group Entity” means any/all of them;
29. “JSE”	means the exchange operated by the JSE Limited (registration number 2005/022939/06), a public company duly registered and incorporated with limited liability in accordance with the company laws of South Africa, licensed as an exchange under the Financial Markets Act 19 of 2012, as amended and any re-enactment or replacement thereof;
30. “JSE Listings Requirements”	means the listings requirements as amended from time to time by the JSE, whether by way of practice note or otherwise;
31. “Long-term Performance Award”	means an Award of Conditional Shares, which is subject to forfeiture if the Performance Conditions and the Employment Condition as specified in the Award Letter are not satisfied;
32. “LRA”	means the Labour Relations Act 66 of 1995, as amended and any re-enactment or replacement thereof;
33. “Malus”	means the reduction (in part or in full) of a Participant’s Award due to the discovery of a Trigger Event before the Vesting Date;
34. “Malus and Clawback Policy”	means the Company’s policy on malus and clawback, as amended from time to time;
35. “No Fault Termination”	means where a Participant’s employment terminates, subject to the Committee determining otherwise in its absolute discretion, for any one of the following reasons, Retirement; Redundancy; Disability; Death; a Participant’s employment with an Employer Company transferring to any third party pursuant to section 197 of the LRA; or, at the discretion of the Committee, any other circumstances not listed above, which are not designated as a Fault Termination;
36. “Participant”	means an Employee to whom an Award has been made in terms of this LTIP and who is deemed to have accepted the Award in terms of the LTIP Rules, and includes a Family Company, Family Trust, and/or the appointed executor, representative or curator of such Employee’s estate where appropriate;
37. “Performance Conditions”	means the conditions of Vesting of a Long-Term Performance Award, as set out in the Award Letter;
38. “Performance Period”	means the period over which a Performance Condition is to be satisfied, which shall not be less than 3 (three) years in duration, which may be aligned with the Financial Year of the Company, as set out in the Award Letter;
39. “Redundancy”	means where a Participant’s employment with the Company or an Employer Company is terminated for operational requirements, as contemplated in the LRA, prior to the Vesting Date of the Award;
40. “Resign”	means where a Participant voluntarily ceases his employment with the Company or an Employer Company, and “Resignation” will bear a similar meaning;
41. “Restricted Shares”	means Shares, Awarded and immediately Settled to a Participant after the Award Date by virtue of a Deferred Award, registered in the name of or for the benefit of the Participant, and subject to the Employment Condition for Vesting;
42. “Retirement”	means leaving the Company or Employer Company’s employment after reaching the normal retirement age, as determined by the Company;
43. “Rights Issue”	means the offer of any securities of the Company to all ordinary shareholders of the Company pro rata to their holdings at the record date (whether or not renounceable);
44. “Rules” or “LTIP Rules”	means the document governing the LTIP, as amended from time to time;

Term	Definition as per the LTIP Rules
45. “Settlement”	means the delivery of the required number of Shares to a Participant in accordance with the Settlement methods stipulated, following (i) the Award Date of Restricted Shares and (ii) the Vesting Date of Conditional Shares and “Settle” and “Settled” will bear a corresponding meaning;
46. “Share”	means an ordinary share in the Company;
47. “Trigger Event”	means a Trigger Event as defined in the Malus and Clawback Policy that may, if discovered before the Vesting Date, result in Malus;
48. “Unbundling”	means any transaction in terms of which the equity shares in a company (the “Unbundled Company”), held by another company (the “Unbundling Company”), are distributed by the Unbundling Company, to its shareholders, in proportion to their shareholdings in the Unbundling Company;
49. “Vest”	means the event when the Award to a Participant is no longer subject to potential forfeiture as determined according to the LTIP Rules and “Vesting” and “Vested” will be construed accordingly; and
50. “Vesting Date”	means the date on which Vesting occurs.

PART A: PRINCIPAL TERMS OF THE LTIP

The LTIP consists of two Award types:

- Deferred Awards (consisting of Restricted Shares Awarded in lieu of a portion of Annual Bonuses, calculated above a set threshold); and
- Long-Term Performance Awards (consisting of Conditional Shares).

Deferred Awards

- Eligible Employees earning an Annual Bonus above a threshold quantum, as determined by the Committee, will receive a portion of the Annual Bonus in Restricted Shares of equivalent value.
- Restricted Shares will be Settled to a Participant immediately, but will only become unrestricted upon Vesting, which will be subject to continued employment over a specified Employment Period.
- The Participant will have shareholder rights in respect of Restricted Shares, other than the right to sell the Restricted Shares during the Employment Period.

Long-Term Performance Awards

- Eligible Employees will be allocated Awards of Conditional Shares, based on a percentage of their total guaranteed pay.
- The Vesting of Conditional Shares will be subject to Performance Condition(s) measured over a Performance Period of no less than three years.
- The Conditional Shares will be Settled to Participants following the end of the Employment Period to the extent that the performance conditions have been met and any other conditions have been fulfilled.

Eligibility

Eligibility for Deferred and Long-Term Performance Awards will be restricted to employees at Paterson Grade D and above, as well as to key individuals with critical and/or strategic skills. Employees will be able to nominate a Family Company or Family Trust to accept the Awards on their behalf.

Use of instruments

Annual Awards will be made in terms of the Company's remuneration policy to ensure market-related compensation to eligible Employees. The Committee will have 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.

Performance Condition(s)

The Performance Conditions applicable to Long-Term Performance Awards will be set on an annual basis, for the ensuing Performance period, at the time that Awards are made. The initial Long-Term Performance Awards (that is, the 2023 Financial Year Awards) will be made in or around October 2022, after the expiry of the 30 June 2022 year-end closed period.

Manner of Settlement

The LTIP Rules allow for Settlement in either of the following ways:

- through a market purchase of Shares; and/or
- the use of treasury Shares.

Limits and adjustments

The LTIP Awards in terms of this scheme will be limited to an aggregate of 17 171 946 (seventeen million, one hundred and seventy-one thousand, nine hundred and forty-six) Shares ("**the Company share limit**"), representing 5% of the number of issued Hyprop Shares as at 30 June 2022. Hyprop Shares used to Settle the LTIP Awards, whether purchased in the market or held in treasury, will be taken into account in assessing the Company share limit.

The aggregate number of Hyprop Shares that may be Settled to any individual participant is 3 434 389 (three million, four hundred and thirty-four thousand, three hundred and eighty-nine) Shares ("**the Individual share limit**"), representing 1% of the number of issued Hyprop Shares as at 30 June 2022.

Forfeited Awards will be excluded when calculating the Company and Individual share limits. The Committee will, where required and subject to independent confirmation, adjust the Company share limit and may adjust the Individual share limit (without the prior approval of shareholders of the Company in a general meeting), to take account of a Corporate Action, Unbundling or other event affecting the Shares of the Company. Any adjustment to the Individual share limit will be made to ensure equity for LTIP Participants and any adjustment to the Company share limit should ensure that the revised limit represents the same proportion of the number of issued Hyprop Shares as before the occurrence of such events.

The auditors, or other independent advisors acceptable to the JSE, shall confirm to the JSE in writing that any adjustments to the Company and Individual share limits referred to above, have been properly calculated on a reasonable and equitable basis in accordance with the Rules of the LTIP, and will be reported in the Company's financial statements for the year in which the adjustments are made.

The issue of Hyprop Shares as consideration for an acquisition, an issue of Hyprop Shares for cash or by way of a vendor placing or a dividend reinvestment plan, will not be regarded as circumstances that require an adjustment to the Company and Individual share limits.

A dividend paid in the ordinary course of business out of distributable reserves will not be regarded as a circumstance that allows for any adjustment to Awards.

Termination of employment and unVested Awards

Fault Terminations

Participants who Resign or are lawfully Dismissed, including for abscondment or misconduct, in compliance with the provisions of the LRA, will be classified as Fault Terminations.

These participants will forfeit all unVested Deferred Awards and Long-Term Performance Awards upon the Date of Termination of Employment, and no consideration shall be payable to them pursuant to the Rules.

No Fault Terminations

Participants whose employment is terminated due to Retirement, Death, Redundancy, Disability, the sale of an Employer Company or in any other circumstances not listed above and which are not designated as Fault Terminations, in the discretion of the Committee, will be classified as No Fault Terminations, and unVested Awards shall be accelerated for Vesting as follows:

- Deferred Awards will Vest in full and be released, as the Participants have previously earned the deferred Annual Bonus; and
- Long-Term Performance Awards will Vest, pro-rated for time served between the Award Date and the Date of Termination of Employment, taking into account the extent to which Performance Conditions have been achieved.

A Participant will not be treated as ceasing to be an Employee of an Employer Company if, on the same date on which he/she ceases to be an Employee of an Employer Company, he/she is employed by another Employer Company.

Change of Control

Should the Company undergo a Change of Control, unVested Awards shall be treated as follows:

- Deferred Awards will Vest in full and be released; and
- Long-Term Performance Awards 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 the Committee, in its discretion, determines otherwise.

In the event of an internal reconstruction of the Company or similar event which is not a Change of Control, or in the case of any other event that may affect the Awards, including the Company's Shares ceasing to be listed on the JSE, the Committee may act to protect the interests of Participants and ensure that they are not in a worse economic position than before the event.

Malus and clawback

Malus shall apply to all Awards. The application of Malus in response to a Trigger Event occurring or being discovered will allow the Company, through the Committee, to reduce unVested Awards in whole or in part.

Clawback will apply following the Vesting Date of an Award, in terms of the Company's Malus and Clawback Policy.

Amendments

The Committee may alter or vary the Rules of the LTIP as it deems reasonable, subject to applicable law and the JSE Listings Requirements. The following matters may not be amended without the prior approval of the JSE, and Hyprop shareholders, by way of an ordinary resolution requiring a 75% level of approval:

- the category of persons eligible for participation in the LTIP;
- the number of Shares that may be utilised for the purpose of the LTIP;
- individual limits on benefits or maximum entitlements;
- the basis upon which LTIP Awards are made (i.e., Deferred Awards being made as a deferral of a portion of an Annual Bonus, and Long-Term Performance Awards being subject to the achievement of Performance Condition(s));
- the amount payable upon the Award, Settlement or Vesting of an Award;
- the voting, dividend, transfer and other rights attached to LTIP Awards, including those arising on a liquidation of the Company;
- the principles applicable to the adjustment of Awards in the event of a Corporate Action or Unbundling by the Company;
- the procedure to be adopted in respect of the Vesting of Conditional Shares and Restricted Shares in the event of a Change of Control; and
- the procedure to be adopted in respect of the Vesting of Awards in the event of termination of employment.

General

The LTIP Rules are available for inspection from Tuesday, 21 June 2022 at the Company's registered office, Johannesburg, South Africa. The LTIP Rules will also be available on Hyprop's website at <https://www.hyprop.co.za/pdf/governance/RulesLTIP.pdf>.

In terms of the JSE Listings Requirements, the passing of ordinary resolution number 1 to adopt the LTIP will require the approval of 75% of the voting rights exercised on the resolution.

PART B: PROPOSED 2023 FINANCIAL YEAR AWARD PARAMETERS

Deferred Awards

Eligibility

The Awards will apply to Employees who earn an Annual Bonus above a threshold.

Threshold for Restricted Shares

Where an eligible Employee earns an Annual Bonus above a threshold of R1 000 000 (one million Rand), 30% of the Annual Bonus shall be deferred into Restricted Shares.

Vesting profile

Deferred Awards will Vest and be released in tranches of one third on each anniversary of the Award Date, over three years.

Long-Term Performance Awards

Eligibility

The Awards will be restricted to Employees at Paterson Grade D and above, as well as key individuals with critical and/or strategic skills.

Award allocation percentage ranges

The Committee determined the Award allocation percentage ranges based on market benchmark data presented by independent consultants. The Award allocation percentage ranges are illustrated in the table below:

Proposed Long-Term Performance Award allocation

Employee level	% of total guaranteed pay
CEO	100%
Other Executive Directors	70–80%
Executive Management	35–55%
Senior Management and Key Individuals	20–40%

Vesting profile

Long-Term Performance Awards will Vest and be Settled in two equal tranches on the third and fourth anniversaries of the Award Date, subject to Performance Conditions being met.

Performance Period

The Performance Period will be a three-year period.

Performance Conditions

The Performance Conditions will be a combination of what is set out in the table below:

Performance Condition Category	Performance Condition	Performance Condition Descriptor
Financial	Total return	Relative and absolute total return.
Non-financial	Mall health measures	Footcount, trading density, effort/rent ratios and tenant turnover growth (or similar measures promoting mall health).
ESG (“Environmental, Social and Governance”)	Environmental, social and/or governance measures	Relevant ESG measures supporting the business strategy.
Strategic	Strategic measures	Relevant strategic measures supporting the business strategy.

The final Performance Conditions and weightings will, in line with current practice, be disclosed in the Company's 2022 Financial Year remuneration report.

Vesting levels

Each Performance Condition will have a Vesting level assigned, being threshold (50% Vesting), target (100% Vesting) and stretch (150% Vesting).

Minimum shareholding requirement

The Company will introduce a minimum shareholding requirement policy which will apply to Executive Directors and Prescribed Officers to reinforce the alignment of management and shareholder interests, details of which will be contained in the remuneration report.



HYPROP INVESTMENTS LIMITED
(Incorporated in the Republic of South Africa)
(Registration number 1987/005284/06)
JSE share code: HYP ISIN: ZAE000190724
JSE bond issuer code: HYPI
(Approved as a REIT by the JSE)
("Hyprop" or the "Company")

PARTICIPATION IN THE GENERAL MEETING VIA ELECTRONIC COMMUNICATION

Hyprop shareholders or their duly appointed proxy(ies) who wish to participate in the general meeting via electronic communication ("participants") must either register online using the online registration portal at www.meetnow.global/za or apply to Computershare, by delivering the duly completed form to: Rosebank Towers, First Floor, 15 Biermann Avenue, Rosebank 2196, or posting it to Private Bag X9000, Saxonwold, 2132 (at the risk of the Participant), or by email to proxy@computershare.co.za so as to be received by Computershare by no later than 10:00 am on Monday, 18 July 2022.

Important notice

- The Company shall, by no later than 5:00 pm on Tuesday, 19 July 2022, notify participants that have delivered valid notices in the form of this form, by email of the relevant details through which participants can participate electronically.
- The cut-off time to participate in the general meeting via electronic communication will be at 8:00 am on Wednesday, 20 July 2022.

APPLICATION FORM

Full name of participant:

ID number:

Email address:

Cell number:

Telephone number (code):

(number):

Name of CSDP or broker (if shares are held in dematerialised format):

Contact number of CSDP/broker:

Contact person of CSDP/broker:

Number of share certificate (if applicable):

Signature:

Date:

TERMS AND CONDITIONS FOR PARTICIPATION IN THE GENERAL MEETING VIA ELECTRONIC COMMUNICATION

1. The cost of electronic participation in the general meeting is for the expense of the participant and will be billed separately by the participant's own service provider.
2. The participant acknowledges that the electronic communication services are provided by a third party and indemnifies Hyprop Investments Limited against any loss, injury, damage, penalty or claim arising in any way from the use or possession of the electronic services, whether or not the problem is caused by any act or omission on the part of the participant or anyone else. In particular, but not exclusively, the participant acknowledges that he/she will have no claim against the Company, whether for consequential damages or otherwise, arising from the use of the electronic services or any defect in it or from total or partial failure of the electronic services and connections linking the participant via the electronic services to the general meeting.
3. The application to participate in the general meeting electronically will only be deemed successful if this application form has been completed fully and signed by the participant.

Participant's name:

Signature:

Date:



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FORM OF PROXY

THIS FORM OF PROXY IS ONLY FOR USE BY:

- certificated shareholders; and
- own-name dematerialised shareholders.

For completion by the aforesaid registered Hyprop shareholders who are unable to attend the general meeting, which will be held by way of electronic participation in accordance with the provisions of section 63(2) of the Companies Act 71 of 2008 and the JSE Listings Requirements, as read with the Company's MOI, on Wednesday, 20 July 2022 at 10:00 am.

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.

Name of beneficial shareholder

Name of registered shareholder

Email address

Telephone number

Cell phone number

being the holder of ordinary shares in the Company, hereby appoint:

1. _____ or failing him/her

2. _____ of failing him/her

3. the chairperson of the general meeting

as my/our proxy to attend and act for me/us on my/our behalf at the general meeting of the shareholders for purpose of considering and, if deemed fit, passing, with or without modification, the resolutions to be proposed thereat, and at each postponement or adjournment thereof, and to vote for and/or against such resolutions, and or abstain from voting, in respect of the shares registered in my/our name/s:

	Number of votes		
	For	Against	Abstain
Ordinary resolution number 1 – Adoption of the Hyprop Long-Term Incentive Plan			
Ordinary resolution number 2 – Authority			

Please indicate with an “X” in the appropriate spaces above how you wish your votes to be cast. Unless this is done the proxy will vote as he/she thinks fit.

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

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

Forms of proxy are requested to be delivered to the transfer secretaries, Computershare Investor Services Proprietary Limited, Rosebank Towers, 15 Biermann Avenue, Rosebank, Johannesburg 2196 or posted to Private Bag X9000, Saxonwold, 2132 or by email to proxy@computershare.co.za, to arrive no later than 10:00 am on Monday, 18 July 2022. Any shareholder who completes and lodges a form of proxy will nevertheless be entitled to attend, speak and vote in person at the general meeting should the shareholder decide to do so.

Signed at _____ on _____ 2022

Signature _____

Assisted by me (where applicable) _____

Please read notes on the reverse side hereof

NOTES TO THE FORM OF PROXY:

1. Only Hyprop shareholders who are registered in the register of the Company under their own name on the voting record date may complete a form of proxy or attend the general meeting. This includes certificated Hyprop shareholders or own-name dematerialised Hyprop shareholders. A proxy need not be a Hyprop shareholder.
2. Certificated Hyprop shareholders wishing to attend the general meeting have to ensure beforehand with the transfer secretaries that their shares are registered in their own name.
3. Beneficial Hyprop 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 vote at the general meeting.
4. Dematerialised Hyprop shareholders who have not elected own-name registration in the register of the Company through a CSDP and who wish to attend the general meeting, must instruct the CSDP or broker to provide them with the necessary letter of representation to attend.
5. Dematerialised Hyprop shareholders who have not elected own-name registration in the register of the Company through a CSDP and who are unable to attend, but wish to vote at the general meeting, must timeously provide their CSDP or broker with their voting instructions in terms of the custody agreement entered into between that Shareholder and the CSDP or broker.
6. A Hyprop shareholder may insert the name of a proxy or the names of two or more alternative proxies of the shareholder's choice in the space, with or without deleting "the chairperson of the general meeting". The person whose name stands first on the form of proxy and who is present at the general meeting will be entitled to act as proxy to the exclusion of those whose names follow.
7. The completion and lodging of this form of proxy will not preclude the relevant shareholder from attending the general meeting and speaking and voting in person thereat to the exclusion of any proxy appointed, should such Shareholder wish to do so. In addition to the foregoing, a shareholder may revoke the proxy appointment by:
 - 7.1 cancelling it in writing, or making a later inconsistent appointment of a proxy; and
 - 7.2 delivering a copy of the revocation instrument to the proxy, and to the Company.
8. 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 the date:
 - 8.1 stated in the revocation instrument, if any; or
 - 8.2 upon which the revocation instrument is delivered to the proxy and the Company as required in section 58(4)(c)(ii) of the Companies Act.
9. Should the instrument appointing a proxy or proxies have been delivered to the transfer secretaries, as long as that appointment remains in effect, any notice that is required by the Companies Act or the MOI to be delivered by the Company to the shareholder must be delivered to:
 - 9.1 the shareholder; or
 - 9.2 the proxy or proxies if the shareholder has in writing directed the Company to do so and has paid any reasonable fee charged by the Company for doing so.
10. A proxy is entitled to exercise, or abstain from exercising, any voting right of the relevant shareholder without direction, except to the extent that the MOI or the instrument appointing the proxy provide otherwise.
11. If the 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 appointing a proxy:
 - 11.1 such invitation must be sent to every shareholder who is entitled to receive notice of the meeting at which the proxy is intended to be exercised;
 - 11.2 the Company must not require that the proxy appointment be made irrevocable; and
 - 11.3 the proxy appointment remains valid only until the end of the relevant meeting at which it was intended to be used, unless revoked as contemplated in section 58(5) of the Companies Act.
12. Any alteration or correction made to this form of proxy must be initialled by the signatory/ies. A deletion of any printed matter and the completion of any blank space(s) need not be signed or initialled.

13. Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity must be attached to this form unless previously recorded by the transfer secretaries or waived by the chairperson of the general meeting.
14. A minor must be assisted by his/her parent/guardian unless the relevant documents establishing his/her legal capacity are produced or have been registered by the transfer secretaries.
15. A company holding shares in the Company that wishes to attend and participate at the general meeting should ensure that a resolution authorising a representative to act is passed by its directors. Resolutions authorising representatives in terms of section 57(5) of the Companies Act must be lodged with the transfer secretaries prior to the general meeting.
16. Where there are joint holders of shares any one of such persons may vote at any meeting in respect of such shares as if he were solely entitled thereto; but if more than one of such joint holders wishes to be present or represented at the general meeting, that one of the said persons whose name appears first in the Register or his proxy, as the case may be, shall alone be entitled to vote in respect thereof.
17. The chairperson of the general meeting may reject or accept any proxy which is completed and/or received other than in accordance with the instructions, provided that he shall not accept a proxy unless he is satisfied as to the matter in which a shareholder wishes to vote.
18. A proxy may not delegate his/her authority to act on behalf of the shareholder, to another person.
19. A shareholder's instruction to the proxy must be indicated by the insertion of the relevant number of shares to be voted on behalf of that shareholder in the appropriate space provided. Failure to comply with the above will be deemed to authorise the chairperson of the general meeting, if the chairperson is the authorised proxy, to vote in favour of the resolutions at the general meeting or other proxy to vote or to abstain from voting at the general meeting as he/she deems fit, in respect of the shares concerned. A shareholder or the proxy is not obliged to use all of the votes exercisable by the Shareholder or the proxy, but the total of votes cast in respect whereof abstention is recorded may not exceed the total of the votes exercisable by the shareholder or the proxy.
20. Forms of proxy are requested to be delivered to the transfer secretaries, Computershare Investor Services Proprietary Limited, Rosebank Towers, 15 Biermann Avenue, Rosebank, Johannesburg 2196 (Private Bag X9000, Saxonwold, 2132) or by email to proxy@computershare.co.za, to arrive no later than 10:00 am on Monday, 18 July 2022. Forms of proxy not delivered with the transfer secretaries in time may be handed to the chairperson of the general meeting prior to the commencement of the general meeting. Any shareholder who completes and lodges a form of proxy will nevertheless be entitled to attend, speak and vote in person at the general meeting should the shareholder decide to do so.
21. This form of proxy may be used at any adjournment or postponement of the general meeting, including any postponement due to a lack of quorum, unless withdrawn by the shareholder.
22. The foregoing notes include a summary of the relevant provisions of section 58 of the Companies Act, as required in terms of that section.

