

Hammerson plc
(Incorporated in England and Wales)
(Company number 360632)
LSE share code: HMSO JSE share code: HMN
ISIN: GB00BK7YQK64
("Hammerson" or "the Company")

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FOR IMMEDIATE RELEASE

Hammerson plc ("Hammerson" or the "Group" or the "Company")

Interim 2020 Dividend and Enhanced Scrip Dividend Alternative

11 November 2020

The Board of Hammerson plc announces that it intends to pay Shareholders an interim dividend of 0.2 pence per share (the "**Interim 2020 Dividend**"). As stated in the Prospectus published on 6 August 2020, taking a prudent approach to liquidity and preservation of capital, the Board intends to offer Shareholders an enhanced scrip dividend alternative of 2 pence per share (the "**Enhanced Scrip Dividend Alternative**").

Shareholders who elect to participate in the Enhanced Scrip Dividend Alternative will, in respect of the Interim 2020 Dividend receive such number of new fully paid shares (the "**New Shares**") as is equal to 2 pence divided by the Scrip Reference Share Price, for each Share held on the Dividend Record Date. The Scrip Reference Share Price will be announced to the London Stock Exchange and to the JSE on SENS on 17 November 2020.

Shareholders should consider their own individual circumstances before making an election to receive the Enhanced Scrip Dividend Alternative, and are recommended to seek their own independent financial advice. However, given the significant difference in value between the cash Interim 2020 Dividend and the Enhanced Scrip Dividend Alternative, the Board considers that for most Shareholders it will be in their interests to elect to receive the Enhanced Scrip Dividend Alternative, as each Director intends to do in respect of his or her own beneficial holdings.

The Enhanced Scrip Dividend Alternative is conditional on the approval of Shareholders. A circular will today be posted to Shareholders to convene a General Meeting of the Company to be held on at 9:00 a.m. (London time) and 11:00 a.m. (South African Standard Time) on 4 December 2020 to approve amendments to the Articles of Association of the Company to allow the Directors to offer Shareholders an enhanced scrip dividend and to approve the terms of the Enhanced Scrip Dividend Alternative.

The circular also summarises how Shareholders can elect to receive the Enhanced Scrip Dividend Alternative. The circular, together with a guide containing the terms and conditions of the Enhanced Scrip Dividend Alternative (the "**Guide**"), is also available on the Company's website, <https://www.hammerson.com/investors/shareholder-information/>. The circular will also be submitted to the Financial Conduct Authority via the National Storage Mechanism and will be available for viewing shortly at <https://data.fca.org.uk/#/nsm/nationalstoragemechanism>.

The timetable for the payment of the Interim 2020 Dividend and the Enhanced Scrip Dividend Alternative is set out at the end of this announcement. **The deadline by which shareholders can elect to participate in the Enhanced Scrip Dividend Alternative is 4 December 2020.**

The Board retains the discretion to withdraw or modify the terms of the Enhanced Scrip Dividend Alternative and the Interim 2020 Dividend, because there are certain situations in which the Board may decide that it is no longer appropriate to pay the Interim 2020 Dividend and to offer the Enhanced Scrip Dividend Alternative, or it may not be permissible for the Company to do so.

Background to and reasons for the Interim 2020 Dividend and the Enhanced Scrip Dividend Alternative

As a UK Real Estate Investment Trust (“REIT”), the Company is obliged to distribute 90% of its tax-exempt income to Shareholders in the form of a PID each year. If the Company did not satisfy its PID obligations by the deadline, it could lose its REIT status, which would cause the Group to be liable to pay UK corporation tax on UK property income and capital gains.

Additionally, as a French Société d’Investissement Immobilier Cotée (“SIIC”), the Company is obliged to distribute exempt property income and capital gains. Failure to satisfy the SIIC distribution requirement would lead to the Group losing its SIIC status and cause the Group to be liable to pay corporation tax in France on its French property income and capital gains (including the gain on the disposal of Italie Deux).

The Enhanced Scrip Dividend Alternative assists the Company in meeting its REIT PID and SIIC distribution obligations whilst retaining cash for future operating and capital expenses. In light of the ongoing COVID-19 pandemic and its effects on the retail sector, the Board considers that the Enhanced Scrip Dividend Alternative is the most prudent way for the Company to seek to meet its REIT PID and SIIC distribution obligations.

In order to encourage Shareholders to elect for the Enhanced Scrip Dividend Alternative and assist the Company in meeting its REIT PID and SIIC distribution obligations, Shareholders electing to receive the Enhanced Scrip Dividend Alternative will be entitled to receive New Shares with a significantly greater value than the cash Interim 2020 Dividend. Both the cash Interim 2020 Dividend and the value of Shares issued pursuant to the Enhanced Scrip Dividend Alternative will be designated as a PID and a SIIC distribution and will contribute to the satisfaction of the Company’s REIT PID obligation and SIIC distribution requirement.

General Meeting Arrangements

In response to the COVID-19 pandemic, the UK Government has introduced a number of measures in England aimed at controlling the spread of the virus (the “Measures”). On 26 June 2020, the UK Government enacted the 2020 Act, which introduces flexible arrangements to allow UK companies to hold general meetings. The Board has been closely monitoring the ongoing impact of COVID-19 in the United Kingdom, and has carefully considered the Measures, the 2020 Act and public health guidance. The Board has therefore decided to convene the General Meeting electronically in accordance with the provisions of the 2020 Act. Shareholders should therefore vote by way of proxy in advance of the General Meeting. To be valid, the Form of Proxy must be lodged with the Company’s Registrar by not later than 9:00 a.m. (London time) and 11:00 a.m. (South African Standard Time) on 2 December 2020.

Shareholders who wish to put a question to the Board relating to the business to be conducted at the General Meeting should email investorrelations@hammerson.com in advance of the General Meeting by 9:00 a.m. (London time) on 30 November 2020 and the Company will endeavour to respond on <https://www.hammerson.com/investors/shareholder-information/general-meeting/> in advance of the proxy voting deadline on 2 December 2020 at 9:00 a.m. (London time) and 11:00 a.m. (South African Standard Time). Where questions are received after 9:00 a.m. (London time) on 30 November 2020 the Company will respond as soon as practicable.

Expected Timetable of Events

EVENT	DATE
Date on which Shareholders must be recorded on the South Africa Register to receive the Circular	6 November 2020

Scrip Reference Share Price calculation dates (UK and South Africa)	10 November to 16 November 2020 (inclusive)
Posting of the Circular and announcement on SENS (declaration announcement)	11 November 2020
Currency conversion announced on SENS (Sterling/Rand) (Finalisation announcement)	By 11:00 a.m. (South African Standard Time) on 17 November 2020
Scrip Reference Share Price announcement date	By 9:00 a.m. (London time) and 11:00 a.m. (South African Standard Time) on 17 November 2020
Last day to trade cum dividend (South Africa)	17 November 2020
Last day to trade cum dividend (UK)	18 November 2020
Ex-dividend Date (South Africa)	18 November 2020
Ex-dividend Date (UK)	19 November 2020
Dividend Record Date (UK and South Africa)	5:30 p.m. (London time) or 5:00pm (South African Standard Time) on 20 November 2020
Latest time and date for receipt of Forms of Proxy (UK and South Africa)	9:00 a.m. (London time) or 11:00 a.m. (South African Standard Time) on 2 December 2020
Voting Record Date for General Meeting (UK and South Africa)	5:30 p.m. (London time) or 7:30pm (South African Standard Time) on 2 December 2020
General Meeting	9:00 a.m. (London time) and 11:00 a.m. (South African Standard Time) on 4 December 2020
Last date for Shareholders on the South Africa Register to elect to receive the Enhanced Scrip Dividend Alternative	12:00 p.m. (South African Standard Time) on 4 December 2020
Last date for Link Asset Services to receive Forms of Election from Shareholders on the UK Register holding certificated Shares electing to receive the Enhanced Scrip Dividend Alternative	5:00 p.m. (London time) on 4 December 2020
Last date for Shareholders on the UK Register holding uncertificated Shares on CREST to elect to receive the Enhanced Scrip Dividend Alternative	5:00 p.m. (London time) on 4 December 2020
Dividend Payment Date (UK) Expected date of issue, admission and first day of dealings in the New Shares on the London Stock Exchange	18 December 2020
Dividend Payment Date (South Africa) CSDP accounts credited on the South Africa Register	18 December 2020

Expected date of issue, admission and first day of dealings in the New Shares on the JSE	
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Notes:

1. Transfers of shares between the UK Register and the South Africa Register will not be permitted between 18 November 2020 and the close of business on 20 November 2020, both dates inclusive.
2. Shareholders registered on the South Africa Register should note that, in accordance with the requirements of Strate, no dematerialisation or rematerialisation of shares will be possible from 18 November 2020 to 20 November 2020, both dates inclusive.
3. The Interim 2020 Dividend should be regarded as a 'foreign dividend' for South Africa income tax and dividends tax purposes.
4. Shareholders registered on the South Africa register will be paid in Rand.
5. South Africa dividends tax, at the rate of 20% will apply to cash PIDs and dividends payable by the Company unless the beneficial owner of the dividend is exempt from South Africa dividends tax (e.g. if it is a South African resident company). Under the double tax agreement between the UK and South Africa, the maximum tax payable in the UK is 15%. South African resident shareholders are therefore entitled to claim the excess of 5% from HMRC. As South Africa shareholders are entitled to reclaim this excess from HMRC, the maximum rebate allowable in respect of the UK withholding tax against the South Africa dividends tax is 15%, which means that the regulated intermediary (i.e. CSDP or broker) will have to withhold a further 5% from the dividend in South Africa to bring the total dividends tax to 20%. In summary, therefore, 20% will be withheld in the UK, a further 5% will be withheld in South Africa (where appropriate), but South African resident shareholders will be entitled to claim back 5% from HMRC, which will bring the overall total to 20%.
6. As the Company is offering the Enhanced Scrip Dividend Alternative for the Interim 2020 Dividend, it intends to suspend the Dividend Reinvestment Plan ("**DRIP**"). Participation in the DRIP does not confer automatic participation in the Enhanced Scrip Dividend Alternative and so participants in the DRIP who wish to receive the Enhanced Scrip Dividend Alternative will need to elect to participate in the Enhanced Scrip Dividend Alternative by the applicable election process described above.
7. As at 10 November 2020 (being the latest practicable date prior to publication of this announcement), the Company's issued share capital consists of 3,831,468,050 shares. The Company does not hold any shares in treasury. Therefore the total voting rights in the Company are 3,831,468,050.

The dates above are subject to change. Any changes made will be communicated as soon as practicably possible. The definitions referenced in this announcement have the same meaning as given in the Circular, unless otherwise stated.

Hammerson has its primary listing on the London Stock Exchange and a secondary inward listing on the Johannesburg Stock Exchange.

Sponsor:

Investec Bank Limited

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*The New Shares have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**US Securities Act**”), or with any securities regulatory authority or under the relevant laws of any state or other jurisdiction of the United States, and may not be offered, sold, taken up, exercised, resold, pledged, renounced, transferred or delivered, directly or indirectly, into or within the United States, except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States. There has been and will be no public offering of the New Shares in the United States.*

The release, publication or distribution of this announcement in jurisdictions outside the United Kingdom may be restricted by law and, therefore, persons into whose possession this announcement comes should inform themselves about, and observe, such restrictions. Any failure to comply which such restrictions may constitute a violation of the securities law of any such jurisdiction.