

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

Dividend Declaration
Dividend No. 140

5 August 2021

The Board of Directors of the Company has proposed an interim dividend of 0.2 pence per ordinary share ("**Share**") for the period ending 31 December 2021 (the "**Interim 2021 Dividend**"). The Board also intends to offer shareholders an Enhanced Scrip Dividend Alternative of 2 pence per share (the "**Enhanced Scrip Dividend Alternative**"). The Enhanced Scrip Dividend Alternative is subject to shareholder approval at a General Meeting of the Company, the details of which will be announced in due course.

The Board of Directors of the Company has agreed a timetable for the payment of the Interim 2021 Dividend and the Enhanced Scrip Dividend Alternative, which is set out at the end of this announcement.

Both the Interim 2021 Dividend and the Enhanced Scrip Dividend Alternative will be paid as a non-Property Income Distribution ("**non-PID**") and treated as an ordinary UK company dividend.

Shareholders who elect to participate in the Enhanced Scrip Dividend Alternative will, in respect of the Interim 2021 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 (expected to be on or around Friday, 29 October 2021). The Company intends to announce the scrip reference share price to the London Stock Exchange ("**LSE**"), Euronext Dublin and to the Johannesburg Stock Exchange ("**JSE**") on SENS on or around Monday, 27 September 2021.

Further details of the Enhanced Scrip Dividend Alternative, including how shareholders can elect to participate, will be circulated to shareholders in due course. 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 2021 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 their own beneficial holdings.

The Board retains the discretion to withdraw or modify the terms of the Enhanced Scrip Dividend Alternative and the Interim 2021 Dividend at any time, because there are certain situations in which the Board may decide that it is no longer appropriate to pay

the Interim 2021 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 2021 Dividend and 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 Property Income Distribution ("**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. The Company offered an Enhanced Scrip Dividend Alternative for the interim 2020 and final 2020 dividends. Both were designated as a PID and were sufficient to enable the Company to meet its REIT PID obligations. It is therefore not proposed that the Interim 2021 Dividend is paid as a PID and instead as an ordinary UK company dividend.

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 ongoing 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 SIIC distribution obligations.

In order to encourage shareholders to elect for the Enhanced Scrip Dividend Alternative and assist the Company in meeting its 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 2021 Dividend. Both the cash Interim 2021 Dividend and the value of Shares issued pursuant to the Enhanced Scrip Dividend Alternative will be designated as a SIIC distribution and will contribute to the satisfaction of the Company's SIIC distribution requirement.

Expected Timetable of Events

	2021
1. Dividend declaration announcement released	Thursday, 5 August
2. Scrip reference share price calculation dates	Friday, 17 September – Thursday, 23 September
3. Currency conversion date	Thursday, 23 September

4. Currency conversion and scrip reference share price announcement released by 11.00 a.m. (SA time)	Monday, 27 September
5. Date on which shareholders must be recorded on the South Africa (" SA ") Register to receive the Circular	Friday, 1 October
6. Last day to effect removal of Shares between the United Kingdom (" UK ") and SA Registers	Friday, 1 October
7. Posting of the Circular and announcement on Johannesburg Stock Exchange (" JSE "), the London Stock Exchange (" LSE ") and Euronext Dublin	Monday, 11 October
8. Last day to trade on the JSE to qualify for the dividend	Tuesday, 26 October
9. Ex-dividend on the JSE from commencement of trading on	Wednesday, 27 October
10. Last day to trade on the LSE and on Euronext Dublin to qualify for the dividend	Wednesday, 27 October
11. Ex-dividend on the LSE and on Euronext Dublin from the commencement of trading on	Thursday, 28 October
12. Fraction reference price announcement released by 11.00 a.m. (SA time)	Thursday, 28 October
13. Record date (applicable to both the UK principal register and the SA branch register)	Friday, 29 October
14. Removal of Shares between the UK and SA registers permissible from	Monday, 1 November
15. Last day to trade in the Company's Shares in order to be recorded as a shareholder ahead of the Voting Record Date (SA)	Tuesday, 16 November
16. Last day for receipt of dividend mandates by Central Securities Depository Participants (" CSDPs ") and Enhanced Scrip Dividend Alternative elections by SA Transfer Secretaries	Tuesday, 16 November
17. Last date for UK registrar to receive Forms of Election from shareholders on the UK register holding certificated Shares electing to receive the Enhanced Scrip Dividend Alternative	Wednesday, 17 November
18. Last date for shareholders on the UK register holding uncertificated Shares on CREST to elect to receive the Enhanced Scrip Dividend Alternative	Wednesday, 17 November
19. Voting Record Date for the General Meeting (SA)	Friday, 19 November
20. Voting Record Date for the General Meeting (UK and Republic of Ireland " ROI ")	Tuesday, 23 November
21. General Meeting	9:00 a.m. (London time) and 10:00 a.m. (South African Standard Time) on Thursday, 25 November
22. Dividend Payment Date (UK and ROI)	Tuesday, 7 December

Expected date of issue, admission and first day of dealings in the New Shares on the LSE and Euronext Dublin	
23. Dividend Payment Date (SA) CSDP accounts credited on the SA Register Expected date of issue, admission and first day of dealings in the New Shares on the JSE	Tuesday, 7 December

Notes:

1. The scrip share reference price is calculated by taking the average of the middle market quotations for Shares on the LSE (for shareholders on the UK register) or the JSE (for shareholders on the SA register) for the last five dealing days ending on the Currency Conversion Date less the gross value of the cash dividend per Share.
2. For shareholders on the UK Register, entitlements to fractions of New Shares will be paid based on the value of the Enhanced Scrip Dividend Alternative.
3. The cash fraction reference price for shareholders on the SA register is determined by taking the volume weighted traded price on the JSE on the date at which the Shares begin trading on the JSE ex the cash dividend or Enhanced Scrip Dividend Alternative, discounted by 10%.
4. The removal of Shares to and from the UK principal register and the SA branch register will not be permitted between Wednesday, 27 October 2021 to Friday, 29 October 2021, both dates inclusive.
5. Shareholders registered on the SA branch register should note that, in accordance with the requirements of Strate, no dematerialisation or rematerialisation of Shares will be possible from the following dates: Wednesday, 27 October 2021 to Friday, 29 October 2021, both dates inclusive.
6. The interim dividend should be regarded as a 'foreign dividend' for SA income tax and dividends tax purposes.
7. Shareholders registered on the SA branch register will be paid in SA Rand.
8. Cash dividends will constitute foreign dividends for South African tax purposes. Cash dividends will be exempt from income tax in South Africa but will constitute a dividend for South African Dividends Tax purposes to the extent that it is declared in respect of a share listed on the JSE. South African Dividends Tax at the rate of 20% will be withheld from such cash dividends paid to individuals. Cash dividends paid to corporates, retirement funds and public benefit organisations qualify for an exemption from Dividends Tax provided the required declaration to qualify for the exemption has been submitted by the requisite date.

Shares issued in terms of the Enhanced Scrip Dividend Alternative will not constitute a foreign dividend for South African tax purposes and will not trigger any income tax nor Dividends Tax consequences. New shares which are acquired under the Enhanced Scrip Dividend Alternative will be treated as having been acquired for nil consideration. Any residual cash payments to account for fractional share payments will be exempt from income tax but will be subject to South African Dividends Tax at a rate of 20% if paid to individuals. Cash payments made to corporates, retirement funds and public benefit organisations qualify for an exemption from Dividends Tax provided the required declaration to qualify for the exemption has been submitted by the requisite date.

9. As the Company is offering the Enhanced Scrip Dividend Alternative for the Interim 2021 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.
10. Please note that all previously completed forms of election or other forms of instruction in respect of earlier scrip dividend schemes (including the December 2020 interim dividend and May 2021 final dividend) have been cancelled. Any shareholder wishing to participate in the Enhanced Scrip Dividend Alternative must therefore complete a new Form of Election or elect to participate in the Enhanced Scrip Dividend Alternative.
11. As at Thursday, 5 August 2021, being the declaration date of the Interim 2021 Dividend, the Company had a total of 4,203,744,238 ordinary Shares in issue. There are no Shares held in treasury.
12. The cash element of the Interim 2021 Dividend will be paid out of the Company's UK distributable reserves. It is intended that the nominal value of the New Shares issued to shareholders who validly elect to participate in the Enhanced Scrip Dividend Alternative will be paid up using reserves from the Company's share premium account.
13. The dates above are subject to change. Any changes made will be communicated as soon as practicably possible.

For further information contact:

Julia Crane
Deputy Company Secretary
Tel: +44 (0)20 7887 1000

Hammerson has its primary listing on the London Stock Exchange and secondary inward listings on the Johannesburg Stock Exchange and Euronext Dublin.

Sponsor: Investec Bank Limited

