

09 March 2023
Hammerson Plc
Kings Place
90 York Way
London
N1 9GE

Dear Members of the Board,

OVERVIEW OF VALUATION REPORTS PROVIDED BY HAMMERSON'S EXTERNAL VALUERS

SCOPE OF INSTRUCTIONS

In accordance with your instructions, Cushman & Wakefield Debenham Tie Leung Limited (C&W DTL) & Cushman & Wakefield LLP (C&W LLP), Jones Lang LaSalle Limited (JLL), Jones Lang LaSalle Expertises SAS and CBRE Limited (CBRE) (the "Valuation Firms" and each a "Valuation Firm") have undertaken valuations of the various freehold and leasehold property interests as at 31 December 2022 (the "Valuation Date") either held directly by Hammerson plc (the "Company"), held in a joint venture where the Company holds a share ("Joint Ventures"), or held by Associates (defined as those entities over which the Company or any of its subsidiaries is in a position to exercise significant influence, but not control or joint control) for inclusion in the Company's financial statements as referred to in our valuation reports dated January 2023 (the "Reports"). This Overview ("Overview") has been prepared for inclusion on the Company's website and for reference in the 2022 Annual Report and is subject to the engagement terms agreed between the respective Valuation Firms and the Company. Each statement and confirmation provided by each Valuation Firm is given on a several basis and no Valuation Firm shall be liable for any acts or omissions of the other Valuation Firms, either in respect of the content of this Overview or the respective Reports carried out by each Valuation Firm.

On 1 September 2015, C&W DTL and C&W LLP combined under the common brand of Cushman & Wakefield. Notwithstanding this branding, the underlying legal entities have not changed.

This Overview has separated the reported valuations undertaken by C&W DTL, C&W LLP, JLL and CBRE below.

INSPECTIONS

Properties have been subject to inspections in accordance with our respective instructions, the majority of which were inspected during 2022.

DATE OF VALUATION

The Valuation Date is 31 December 2022.

BASIS OF VALUATION AND ASSUMPTIONS

We confirm that the valuations have been prepared in accordance with the RICS Valuation – Global Standards which incorporate the International Valuation Standards ("IVS") and the RICS UK Valuation Standards (the "RICS Red Book") edition current at the Valuation Date. It follows that the valuations are compliant with International Valuation Standards.

Each Valuation Firm confirms that it has assessed the Fair Value IFRS of the properties in accordance with VPS4.Item 7 of the RICS Red Book. Under these provisions, the term "Fair Value" means the definition adopted by the International Accounting Standards Board ("IASB") in IFRS 13 namely, "The price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date".

We have made various assumptions as to tenure, letting, taxation, town planning and the condition and repair of buildings and sites including ground contamination. A full explanation of the assumptions (“Assumptions”) made in our valuations and details of the sources of information are contained within our Reports.

We can confirm that we have prepared our valuations as External Valuers as defined in the RICS Red Book.

DISCLOSURES

In accordance with PS 2.5 and UKVS 4, we are required to make certain disclosures in connection with this valuation instruction and our relationship with the Company.

Christian Luft and Claire Macken (JLL) have been signatory for UK Shopping Centres Report since March 2020. JLL has been carrying out this instruction since March 2020.

Arabella Edwards and Paul Cooper (JLL) have been the signatory for the French Portfolio Valuation Report since March 2020. JLL has been carrying out this instruction since March 2020.

Peter Stoughton-Harris and Andrew Davie (CBRE) have been signatories for UK Shopping Centres Report since March 2020 and June 2021 respectively. CBRE has been carrying out this instruction since March 2020.

For C&W DTL, Anne Burnett has been signatory for the UK Shopping Centre Brent Cross Shopping Centre Report since 2018. Johanna Gill has been the signatory for the Irish Portfolio Valuation Reports since 2016. C&W DTL has been carrying out these instructions for the Company since 2000 and 2016 respectively.

Richard Ching (C&W LLP) has been signatory for the Outlet Valuation Report since 2014. C&W LLP has been carrying out this valuation instruction since 2012.

JLL, C&W DTL, C&W LLP and CBRE have been undertaking various instructions for the Company for a number of years and each Valuation Firm confirms separately that that it has current, anticipated and previous recent involvement with certain of the properties. Each Valuation Firm confirms that this factor has been discussed with the Company who has agreed for JLL, C&W DTL, C&W LLP and CBRE to act in such capacities.

Each Valuation Firm confirms that its financial year end is 31 December 2022. Each Valuation Firm confirms that the proportion of fees payable by the Company in the financial year to 2022 was less than 5% of combined group turnover. Each Firm anticipates that the proportion of fees payable by the Company in the financial year to 31 December 2023 will remain at less than 5% of group turnover.

Each Valuation Firm confirms that the value of each of the properties valued by it has been assessed in accordance with the relevant parts of RICS Valuation – Global Standards. Each Valuation Firm confirms that such valuations were reported on the basis of Fair Value IFRS and that its opinion of the Fair Value of each of the properties valued by it has been primarily derived adopting the income approach and using the analysis of comparable recent market transactions on arm’s length terms.

TAXATION

Each Valuation Firm confirms that it has not made any adjustment to reflect any liability to taxation that may arise on disposal, nor for any costs associated with disposal incurred by the owner and that no allowance has been made to reflect any liability to repay any government or other grants, taxation allowance or lottery funding that may arise on disposal. Each Valuation Firm has made a deduction to reflect a purchaser’s acquisition costs. The valuation represents the figure that would appear in a hypothetical contract of sale at the Valuation Date.

FLOOR AREAS

The Company has provided each Valuation Firm with the floor areas of the properties that are relevant to each Valuation Firm's valuations. As instructed, each Valuation Firm has relied on these areas and has not checked them on site. Each Valuation Firm has made an Assumption that the floor areas supplied to it have been calculated in accordance with the RICS Code of Measuring Practice, relevant at the Valuation Date.

INFORMATION

Each Valuation Firm has read all the leases and related documents provided to it by the Company and their various legal advisers. Each Valuation Firm has made an Assumption that copies of all relevant documents have been sent to it and that they are complete and up to date. Where leases have not been provided, each Valuation Firm has relied on tenancy information provided by the Company.

Certain properties were subject to works of repair, refurbishment or construction as at 31 December 2022 and in these cases the Company has advised each Valuation Firm of the amount of the outstanding costs, which have been incorporated into each Valuation Firm's valuations.

MARKET CONDITIONS EXPLANATORY NOTE: CONFLICT IN UKRAINE

As at the date of valuation and at the time this report was drafted, the long term impacts of the war in Ukraine and its wider long-term repercussions were unknown. However, it is recognised that the conflict has contributed to significant cost inflation and supply chain delays, particularly within Europe.

Meaningful sanctions have been imposed against Russia and their allies and there remains a potential risk that the war could escalate and directly involve NATO countries.

At the same time, the wider global economy is facing a number of additional negative factors as it emerges from COVID that have contributed to significant cost inflation and have caused interest and bond rates to increase.

The market can be described as functioning, but there is evidence that transaction activity and the sentiment of buyers or sellers is changing in a number of markets and property sectors. There is a general perception of a changing real estate market and there is a risk that continued volatility coupled with rising interest rates will have a direct impact on pricing.

For the avoidance of doubt, due to the functioning nature of the market, our valuation is NOT reported as being subject to 'material valuation uncertainty' as defined by VPS 3 and VPGA 10 of the RICS Valuation – Global Standards.

This explanatory note has been included to ensure transparency and to provide further insight as to the market context under which the valuation opinion was prepared. In recognition of the potential for market conditions to move rapidly, especially if the situation in Ukraine escalates, we highlight the importance of the valuation date and advise you to keep the valuation under short term review.

JOINT VALUES AND INDIRECT INVESTMENT STRUCTURES

Where a property is owned through a Joint Venture, an Associate, an indirect investment structure or a joint tenancy in a trust for sale, the Valuation represents the relevant apportioned percentage of ownership of the value of the whole property, assuming full management control. The Valuation therefore may not represent the value of the interests in the indirect investment structure through which the property is held. The Valuation does not necessarily represent the 'Fair Value' in accordance with IFRS 13 or FRS102 of the interests in the indirect investment structure through which the property is held.

VALUES

Having regard to the foregoing, each Valuation Firm is of the opinion that the aggregate of the Fair Values, of the freehold and long leasehold property interests which were valued by each Valuation Firm individually and owned by the Company and the Company's shares of the freehold and leasehold interests held by the various Joint Ventures and Associates valued by C&W DTL, C&W LLP, JLL and CBRE as at the Valuation Date and subject to the Assumptions and comments in our Reports were as follows:

Valuer	Properties held in:	Reported	Joint	Associates	Total
		group companies (note 3B) £m	ventures (note 13C) £m	(note 14D) £m	£m
CBRE	UK Shopping centres	64.4	372.4	-	436.8
Cushman & Wakefield	UK & Ireland Shopping centres, Retail parks, Premium outlets	220.6	705.5	1866.7	2792.8
Jones Lang LaSalle	UK & French shopping Centres	1176.0	542.1	102.9	1821.0
Directors valuation	Directors valuation	-	-	20.3	20.3
Total property holding		1461.0	1620.0	1989.9	5070.9

A breakdown of the freehold, part freehold and part long leasehold and long leasehold values is included in each Valuation Firm's Reports. A long lease is one with an unexpired term in excess of 50 years.

CONFIDENTIALITY AND PUBLICATION

The contents of this Overview are confidential to the Company for the specific purpose to which it refers and are for its use only subject at all times to the engagement terms agreed between the respective Valuation Firm and the Company. Consequently, and in accordance with current practice, no responsibility is accepted to any other party in respect of the whole or any part of the contents of our Reports or this Overview. Before each Valuation Firm's Reports or this Overview, or any part thereof, are reproduced or referred to, in any document, circular or statement, and before their contents, or any part thereof, are disclosed orally or otherwise to a third party, the written approval as to the form and context of such publication or disclosure must first be obtained from the relevant Valuation Firm. For the avoidance of doubt such approval is required whether or not a Valuation Firm is referred to by name and whether or not the contents of that Valuation Firm's Reports or this Overview are combined with others. In signing this Overview, each valuer does so on its behalf for its own valuation work only. Any liability arising under or in connection with this Overview shall be on a several basis and nothing contained herein shall be intended to, or shall be deemed to, establish any partnership or joint venture between the parties, nor constitute either party the agent of the other for any purpose.

Yours faithfully



Christian Luft MRICS
Executive Director, EMEA Head of Retail
Valuation Advisory
For and on behalf of Jones Lang LaSalle Limited

Yours faithfully



Peter Stoughton-Harris MRICS
Executive Director,
For and on behalf of CBRE Limited

Yours faithfully



Anne Burnett MRICS
Partner, Retail Valuation & Advisory
For and on behalf of Cushman & Wakefield