

Registered Number: 00666151

**HAMMERSON INTERNATIONAL HOLDINGS LIMITED**

**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**

Year ended 31 December 2021

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## **HAMMERSON INTERNATIONAL HOLDINGS LIMITED**

### **DIRECTORS' REPORT**

Year ended 31 December 2021

#### **Principal activities and future developments**

The principal activity of Hammerson International Holdings Limited (the "Company") is investment in property-owning and group financing subsidiaries. The Directors do not anticipate any significant change in the principal activity in the foreseeable future.

Further information relating to the business, its key risks and prospects is provided in the Strategic Report on pages 4 and 5.

#### **Results and dividends**

The loss for the year after tax was £34,373,000 (2020: £14,424,000 profit). Dividends of £600,000,000 (2020: £nil) were paid during the year to the immediate parent company.

As at 31 December 2021, the Company had net current liabilities of £1,615,102,000 (2020: £982,005,000) and net assets of £486,318,000 (2020: £1,312,368,000).

#### **Directors**

- a) Mr J.A. Lenton and Mr M.R. Bourgeois resigned as Directors of the Company on 26 April 2021 and 11 November 2021 respectively.
- b) Mr G. Peureux, Mr H.H. Raja and Mr R.G. Shaw were appointed as Directors of the Company on 9 April 2021, 26 April 2021 and 11 November 2021 respectively and were in office at the date of approval of this report.
- c) In accordance with the Articles of Association of the Company, the Directors are not required to retire by rotation.
- d) No Director has any interests in contracts entered by the Company.

#### **Secretary**

Hammerson Company Secretarial Limited acted as Secretary of the Company throughout the year.

#### **Going concern**

The Directors have considered the use of the going concern basis in the preparation of the financial statements considering the net current liability position on the balance sheet as at 31 December 2021.

Having received a letter of support from Hammerson plc, its ultimate parent company, which states the intent to provide the necessary financial support to the Company for at least 12 months from the date of signing of these financial statements, they concluded that the going concern basis of preparation was appropriate.

#### **Indemnity**

The Company's ultimate parent company, Hammerson plc, has made qualifying third-party indemnity provisions for the benefit of the Company's Directors which were in place throughout the year, and which remain in place at the date of this report.

## **HAMMERSON INTERNATIONAL HOLDINGS LIMITED**

### **DIRECTORS' REPORT (CONTINUED)**

Year ended 31 December 2021

#### **Statement of Directors' responsibilities in respect of the financial statements**

The Directors are responsible for preparing the Annual Report and the Financial Statements in accordance with applicable law and regulation.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

#### **Statement in respect of stakeholder engagement**

The Directors have determined that the Company and its related undertakings' key stakeholders are its: members; occupiers; consumers; and communities. How the Directors engage with these stakeholders is summarised below:

##### *Members*

The key areas of interest for the members are the current and future financial performance of the Company's property interests. The focus in 2021 has been the continued impact of the pandemic on the business and the Directors have worked closely with the members to ensure alignment when supporting occupiers through rent concessions and restructuring. The asset manager provides the Directors with a quarterly update with comparisons of actual results to budget and to highlight other areas including sales and footfall, sustainability, customer experience and innovation. The Directors consider the views of each member as part of the decision-making process about future strategy and direction.

##### *Occupiers*

The Company's relationships with its retailers, F&B, and leisure occupiers are important to the Company's long-term success. Since the onset of the pandemic, the Directors have continued to support occupiers and the asset manager reports on the performance of occupiers which are discussed at the Directors' board meetings. There is a targeted program of engagement for future occupiers, with a brand experience survey conducted of occupiers to gather feedback on their satisfaction, to help drive stronger, mutually beneficial relationships.

##### *Consumers*

Offering an engaging experience is crucial for the future of physical retail. The Directors continue to receive both quantitative and qualitative insights from the asset manager to understand consumer needs, which inform decisions on curating a vibrant destination for shopping, leisure, and socialising and to inform investment decisions and identify revenue drivers. Investment is directed to optimising space and occupier mix and improving customer facilities.

## HAMMERSON INTERNATIONAL HOLDINGS LIMITED

### DIRECTORS' REPORT (CONTINUED)

Year ended 31 December 2021

#### **Statement in respect of stakeholder engagement (continued)**

##### *Communities*

The Company's assets make important social and economic contributions to its community. The pandemic has challenged families, businesses, and community groups to an extent no one could have foreseen. The Directors ensure that through the asset management team, strong links are developed with local stakeholders to identify local needs. Community projects focus on four areas: employment and skills; local investment and enterprise; health and wellbeing; and young people.

Sustainability and climate change increasingly play an important role in investment decisions. The Directors have taken appropriate action to reduce landlord and occupier carbon emissions and water usage and have adopted a waste management strategy.

By order of the Board



**R.G. Shaw**

Director

14 November 2022

# HAMMERSON INTERNATIONAL HOLDINGS LIMITED

## STRATEGIC REPORT

Year ended 31 December 2021

### Review of the business

#### *Performance during the year*

The Company has interests in a significant number of property-owning subsidiary undertakings and joint ventures, which were affected by the restrictions imposed to tackle the Covid-19 pandemic during further periods of national lockdown, with all non-essential retail closed until April 2021 and May 2021 for the UK and Ireland respectively. As those restrictions began to be eased in Q2 2021, people were able to get out and footfall levels increased significantly compared with 2020, although they have yet to return to pre-pandemic levels.

During the year the Company increased its investments in group entities by £17,528,000 owing to the recapitalisation of the Hammerson ICAV. The Company incurred revaluation losses of £97,730,000 in the year largely owing to declining values of properties held by group entities owned by the Company. The Company's loss for the year is solely from net finance costs, which includes £27,354,000 of foreign exchange losses on the retranslation of monetary items. In 2020 the Company had net finance income which included £22,989,000 of foreign exchange gains on the retranslation of monetary items.

#### *Future prospects*

All Covid-19 restrictions were lifted in Q2 2021, with occupiers now operating without constraints. Coupled with the successful roll-out of a vaccination program, customer activity, trading conditions, rent collections, and market sentiment have improved.

A slow but steady recovery of net rental income levels for the Company's subsidiary undertakings and joint ventures is anticipated over the course of 2022, with leasing volumes and collections returning to pre-pandemic levels from 2023. The Directors also expect valuation capitalisation yields to remain stable.

The Directors do not anticipate any significant change in the Company's principal activity in the foreseeable future.

### Key performance indicators

The Directors consider the following measures to be the key performance indicators for the Company: investment income and net asset value.

The Company had no investment income during the current or preceding year. At 31 December 2022, the Company had net assets of £486,318,000 (2021: £1,312,368,000). The decrease of £826,050,000 in net assets in the year is summarised as follows:

	<b>Decrease in net assets</b>
<b>Income statement items (see page 6):</b>	<b>£'000</b>
Net finance costs <sup>1</sup>	(34,373)
<b>Equity items (see pages 6 and 8):</b>	
Revaluation losses on investments <sup>2</sup>	(97,730)
Foreign exchange losses on investments in group entities <sup>3</sup>	(93,947)
Dividends	(600,000)
<b>Net decrease in net assets</b>	<b>(826,050)</b>

(1) Comprises foreign exchange losses on retranslation of monetary items and interest payable to the ultimate parent company, less interest receivable from subsidiaries. See note 3; (2) Revaluation losses on investments are mainly a result of declining property values in subsidiaries. See note 5; (3) Comprises foreign exchange losses on investments in subsidiaries. See note 5.

## HAMMERSON INTERNATIONAL HOLDINGS LIMITED

### STRATEGIC REPORT (CONTINUED)

Year ended 31 December 2021

#### Principal risks

##### *Overview*

As the restrictions from the pandemic were lifted during Q2 2021, the Company's property interests opened with only minimal restrictions and business optimism grew. The optimism was evident from the increase in footfall and sales and an improvement in cash collections. Property valuations started to stabilise in the latter part of 2021 as the demand for new leases and lease renewals started to grow.

##### *Short term*

The retail market has seen signs of recovery following the easing of restrictions. The key short-term risks facing the Company and its subsidiaries relate to the collection of arrears arising from the Covid-19 pandemic and the ability of occupiers to recover their trade to pre-pandemic levels. The rent moratorium in the UK resulted in a significant number of occupiers withholding lease payments, however this expired in March 2022, which should now enable landlords to enforce rent collection.

##### *Longer-term*

The key ongoing and longer-term risks facing the Company relate to the value of its investments in property owning group entities. The key performance indicators for those entities are net rental income and property values, and the key risks they face relate to tenant exposure and the strength of the UK and Irish property markets; the latter being impacted by increased online penetration and tenant failures. Tenants' covenants are monitored at the start of leasing agreements and on an on-going basis to minimise the risk of default. The Directors monitor the UK and Irish property markets through the analysis of market forecasts and the performance of the property assets is compared against target returns. The Company has a risk forum for managing the key development risks. The current challenges on the business presented by the Covid-19 pandemic have accentuated the significance of monitoring changes in tenants' covenants and the UK and Irish property markets.

Further risks are discussed in the Annual Report of the ultimate controlling party, Hammerson plc, which does not form part of this report.

#### Reporting on section 172 of the Companies Act 2006

The Directors continue to have regard to the interests of key stakeholders of the Company and those of its related undertakings, including the impact of its activities on the community, environment, and the Company's reputation, when making decisions. The Directors, acting fairly between members, and acting in good faith, consider what is most likely to promote the success of the Company for its members in the long term. For more information on the Hammerson Group's engagement with stakeholders, please see the Hammerson plc annual report and financial statements for the year ended 31 December 2021, which can be obtained as described in note 14.

Signed on behalf of the Board of Directors



**R.G. Shaw**

Director

14 November 2022

# HAMMERSON INTERNATIONAL HOLDINGS LIMITED

## INCOME STATEMENT

For the year ended 31 December 2021

	Note	2021 £'000	2020 £'000
Net finance (costs)/income	3	<u>(34,373)</u>	<u>14,424</u>
<b>(Loss)/Profit on ordinary activities before taxation</b>		<b>(34,373)</b>	<b>14,424</b>
Taxation	4(a)	<u>-</u>	<u>-</u>
<b>(Loss)/Profit for the financial year</b>		<b><u>(34,373)</u></b>	<b><u>14,424</u></b>

## STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2021

		2021 £'000	2020 £'000
(Loss)/Profit for the financial year		<b>(34,373)</b>	<b>14,424</b>
<b>Items that may subsequently be recycled through the income statement</b>			
Unrealised revaluation loss on investments	5	<b>(97,730)</b>	<b>(1,095,039)</b>
Foreign exchange translation differences on net investment in subsidiaries	5	<u><b>(93,947)</b></u>	<u><b>80,078</b></u>
Total recognised losses for the year		<b><u>(226,050)</u></b>	<b><u>(1,000,537)</u></b>

All amounts relate to continuing activities.

# HAMMERSON INTERNATIONAL HOLDINGS LIMITED

## BALANCE SHEET As at 31 December 2021

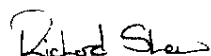
	Note	2021 £'000	2020 £'000
<b>Non-current assets</b>			
Investments	5	1,835,791	2,009,940
Receivables	6	265,629	284,433
		<b>2,101,420</b>	<b>2,294,373</b>
<b>Current assets</b>			
Receivables	7	34	50
<b>Current liabilities</b>			
Payables	8	(1,615,136)	(982,055)
<b>Net current liabilities</b>		<b>(1,615,102)</b>	<b>(982,005)</b>
<b>Total assets less current liabilities</b>		<b>486,318</b>	<b>1,312,368</b>
<b>Net assets</b>		<b>486,318</b>	<b>1,312,368</b>
<b>Capital and reserves</b>			
Called up share capital	9	41,390	941,390
Other reserves	10	(20,829)	(20,829)
Revaluation reserve	10	(1,000,282)	(902,552)
Retained earnings	10	1,466,039	1,294,359
<b>Total equity</b>		<b>486,318</b>	<b>1,312,368</b>

For the year ended 31 December 2021, the Company was entitled to exemption from audit under s479A of the Companies Act 2006 relating to subsidiary companies.

Directors' responsibilities in respect of audit exemption:

- the members have not required the Company to obtain an audit of its financial statements for the year in question in accordance with s476 of the Companies Act 2006
- the Directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statement.

These financial statements were authorised for issue by the Board of Directors on 14 November 2022 and were signed on its behalf.



**R.G. Shaw**

Director

Registered Number: 00666151



# HAMMERSON INTERNATIONAL HOLDINGS LIMITED

## STATEMENT OF CHANGES IN EQUITY For the year ended 31 December 2021

	Called up share capital £'000	Other reserves £'000	Revaluation reserve £'000	Retained earnings £'000	Total equity £'000
At 1 January 2020	941,390	(20,829)	192,487	1,199,857	2,312,905
Profit and other comprehensive (losses) for the year	-	-	(1,095,039)	94,502	(1,000,537)
At 31 December 2020	941,390	(20,829)	(902,552)	1,294,359	1,312,368
Share capital reduction (note 9)	(900,000)	-	-	900,000	-
Dividends	-	-	-	(600,000)	(600,000)
Loss and other comprehensive losses for the year	-	-	(97,730)	(128,320)	(226,050)
At 31 December 2021	<b>41,390</b>	<b>(20,829)</b>	<b>(1,000,282)</b>	<b>1,466,039</b>	<b>486,318</b>

# HAMMERSON INTERNATIONAL HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2021

### 1. ACCOUNTING POLICIES

The following principal accounting policies have been applied consistently throughout the current and preceding year, unless otherwise stated.

#### (a) Basis of accounting

There were no new accounting standards, amendments, or interpretations, which were effective for the Company for the first time during the financial year which have had a material impact on the Company's financial statements for the year ended 31 December 2021.

#### *Basis of preparation*

Hammerson International Holdings Limited is a private company limited by shares and incorporated in the United Kingdom under the Companies Act 2006. The nature of the Company's operations and its principal activities are set out on pages 1 and 5. The address of the registered office is Kings Place, 90 York Way, London, N1 9GE.

These financial statements were prepared in accordance with the Companies Act 2006 and Financial Reporting Standard 101 *Reduced Disclosure Framework* ("FRS 101") as issued by the Financial Reporting Council.

The presentation currency used is sterling and amounts have been presented in round thousands ("£000s"). The financial statements have been prepared on a historical cost basis, except for investments which are held at fair value with changes through other comprehensive income. Revaluation movements are included within equity in the revaluation reserve. The Directors determine the valuations with reference to the net asset values of the entities, which are principally based on the valuation of investment and development properties either held by the subsidiary or its fellow group undertakings.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 1(j).

#### *Disclosure exemptions adopted*

In preparing these financial statements the Company has taken advantage of all disclosure exemptions conferred by FRS 101.

- IFRS 7, 'Financial Instruments; Disclosures';
- Paragraphs 91 to 99 of IFRS 13 'Fair value measurement' disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities';
- Paragraph 38 of IAS1, 'Presentation of financial statements' – comparative information in respect of:
  - paragraph 79(a)(iv) of IAS 1;
  - paragraph 73(e) of IAS 16, 'Property, plant and equipment'; and
  - paragraph 118(e) of IAS 38, 'Intangible assets' (reconciliations between the carrying amount at the beginning and end of the period);
- The following paragraphs of IAS 1, 'Presentation of financial statements':
  - 10(d) (statement of cash flows);
  - 16 (statement of compliance with all IFRS);
  - 38A (requirements for minimum of two primary statements, including cash flow statements);
  - 38B-D (additional comparative information)
  - 111 (cash flow statement information); and
  - 134 – 136 (capital management disclosures);

# HAMMERSON INTERNATIONAL HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Year ended 31 December 2021

### 1. ACCOUNTING POLICIES (CONTINUED)

#### (a) Basis of accounting (continued)

*Disclosure exemptions adopted (continued)*

- IAS 7, 'Statement of cash flows';
- Paragraphs 30 and 31 of IAS 8 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not applied a new IFRS what has been issued but is not yet effective);
- Paragraph 17 of IAS 24, 'Related party disclosures' (key management compensation); and
- The requirements in IAS 24, 'Related party disclosures', to disclose related party transactions entered into between two or more members of a group.

The above disclosure exemptions have been adopted because equivalent disclosures are included in the consolidated financial statements of Hammerson plc into which the Company is consolidated. In addition, the Company is a wholly owned subsidiary of its ultimate parent, Hammerson plc, and is therefore exempt by virtue of section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements. These are separate financial statements. The financial statements of Hammerson plc can be obtained as described in note 14.

#### (b) Going concern

The Company has no external borrowings or debt covenants, however as at 31 December 2021 it had net current liabilities and is reliant on the continued support of its ultimate parent company, Hammerson plc, to be able to meet its liabilities as they fall due. These liabilities relate primarily to amounts due to Hammerson plc. The Directors consider that the Company is an integral part of Hammerson plc's structure and strategy and this is evidenced by a letter of support received from Hammerson plc, which states its intent to provide the necessary financial support to ensure that the Company is a going concern for the foreseeable future, being a period of at least 12 months from the date of signing of these financial statements.

After making enquiries and taking account of the factors noted above, the Directors have a reasonable expectation that the Company will have access to adequate resources to continue in existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

#### (c) Net finance costs

Net finance costs include interest payable on borrowings, interest payable to related party undertakings and foreign exchange differences on retranslation of monetary items, net of interest receivable on funds invested. For further information on foreign exchange differences, refer to note 1(e) below.

#### (d) Investment income

Investment income represents the Company's dividends and share of distributions receivable from its interests in group entities.

#### (e) Foreign currencies

Investments in shares of overseas subsidiary companies, which are stated at valuation, and all other foreign currency balances have been translated at the rates ruling at the year end. The principal relevant rates used for currency translations are as follows:

		2021	2020
Euro	£1 = EUR	1.191	1.117

Differences arising from the translation of investments in overseas subsidiaries are included in other comprehensive income whereas differences resulting from the translation of foreign currency denominated monetary items are included in net finance costs in the income statement.

## HAMMERSON INTERNATIONAL HOLDINGS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) Year ended 31 December 2021

#### 1. ACCOUNTING POLICIES (CONTINUED)

##### (f) Taxation

Current tax is the expected tax payable on the taxable income for the year, using tax rates applicable at the balance sheet date, together with any adjustment in respect of previous years.

Deferred tax is provided in respect of all taxable temporary timing differences that may give rise to an obligation to pay more or less tax in the future. Deferred tax assets are only recognised to the extent that it is probable that taxable profits will be available.

##### (g) Investments

Shares in group companies are held at fair value determined annually by the Directors, having regard to the underlying value of the net assets of those subsidiaries. Changes in fair value are recognised in the revaluation reserve.

##### (h) Loans receivable

Loans receivable are financial assets which are initially measured at fair value, plus acquisition costs and are subsequently measured at amortised cost, using the effective interest method, less any impairment.

##### (i) Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at transaction price (including transaction costs). Financial assets, including intercompany loans, are subsequently carried at amortised cost using the effective interest method, less loss allowance. Financial liabilities are subsequently carried at amortised cost using the effective interest method.

Financial assets and liabilities are only offset in the balance sheet when, and only when there exists a legally enforceable right to set off the recognised amounts and the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when: a) the contractual rights to the cash flows from the financial asset expire or are settled; b) the Company transfers to another party substantially all the risks and rewards of ownership of the financial asset; or c) the Company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party. Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

##### (j) Critical accounting policies and estimation uncertainties

In the application of the Company's accounting policies, the Directors are required to make judgements, estimates and assumptions about the carrying value of assets and liabilities. The estimates and associated assumptions are based on historical experience and other factors that are relevant. Actual results may differ from those estimates. Estimates and the underlying assumptions are reviewed on an ongoing basis.

Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both the current and future periods.

## HAMMERSON INTERNATIONAL HOLDINGS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Year ended 31 December 2021

#### 1. ACCOUNTING POLICIES (CONTINUED)

##### (j) Critical accounting policies and estimation uncertainties (continued)

The Company's critical judgements and area of estimation uncertainty is in respect of shares in group entities. The Company has interests in group entities which are carried in the balance sheet at valuation, valued by the Directors based upon the net assets of the entities. The principal assets of these entities are investment properties which are valued six-monthly by professionally qualified external valuers. The Directors must ensure that they are satisfied that the Company's investment in the group entities is appropriate for the financial statements. The basis of valuation of the group entities' investment properties is set out in the notes to the financial statements of those entities for the year ended 31 December 2021.

As the Company only holds investment properties indirectly through its subsidiaries and other related undertakings, the following information is in respect of those property-owning entities, which, as mentioned above, impacts the valuation of the Company's investments.

##### *Valuation backdrop*

The valuation of the Company's properties, which are carried in the balance sheet at fair value, is the most material area of estimation due to its inherent subjectivity, reliance on assumptions and sensitivity to market fluctuations.

During the first half of 2021, the retail investment market continued to be adversely impacted by the closure of non-essential shops, compounding the recent structural changes, and accelerating the shift online. The second half of 2021 saw a noticeable improvement in investment sentiment and transaction activity. Areas of estimate highlighted in the external valuer's valuation report included estimation of market rents based on an increased level of activity, the consideration of appropriate levels of void costs and rent-free periods, the impact of extension of the rent moratorium in the UK and the basis of yield assumptions recognising the selective return of investor appetite towards the retail sector. The key inputs into the valuation continue to be yields (nominal equivalent yield) and market rental income (ERV).

The external valuer's report also included an explanatory note, in accordance with RICS guidance, outlining the ongoing impact Covid-19 continues to have on global real estate markets. The guidance states that property markets are mostly functioning again, with transaction levels and sufficient other relevant evidence available on which to base opinions of value.

##### *Valuation methodology*

Investment properties, excluding properties held for development, are valued by adopting the 'investment method' of valuation. This approach involves applying capitalisation yields to estimated future rental income streams reflecting contracted income reverting to ERV with appropriate adjustments for income voids arising from vacancies, lease expiries or rent-free periods. These capitalisation yields and future income streams are derived from comparable property and leasing transactions and are key inputs to the valuations. Where comparable evidence of yield movement is lacking, valuers are reliant on sentiment or the movement of less comparable assets.

At 31 December 2021, the valuers had removed most of the specific Covid-19 allowances included at the prior year end. Other factors that are considered include, but are not limited to, the location and physical attributes of the property, tenure, tenancy details, lease expiry profile, rent collection, local taxes, structural and environmental conditions. With regards to the latter factor, the valuers made no explicit adjustment to their valuation as at 31 December 2021 in respect of environmental, social and governance ('ESG') matters. However, both the Directors and the valuers anticipate that ESG will have a greater influence on valuations in the future as investment markets place a greater emphasis on this topic and valuers comply with the RICS Guidance Note Sustainability and ESG in Commercial Property Valuation, which took effect from 31 January 2022.

## HAMMERSON INTERNATIONAL HOLDINGS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Year ended 31 December 2021

#### 1. ACCOUNTING POLICIES (CONTINUED)

##### (j) Critical accounting policies and estimation uncertainties (continued)

###### *Valuation methodology (continued)*

In the case of on-site developments, the approach applied is the 'residual method' of valuation, which is the investment method of valuation as described above with a deduction for all costs necessary to complete the development, together with a further allowance for remaining risk and developers' profit. Properties held for future development are valued using the highest and best use method, by adopting the higher of the residual method of valuation allowing for all associated risks, and the investment method of valuation for the existing asset.

The Directors have satisfied themselves that the valuation process is sufficiently rigorous and supports the carrying value of the properties owned by the Company's subsidiaries and other related undertakings which are included in their financial statements.

#### 2. OPERATING PROFIT

The average number of employees during the year was nil (2020: nil).

The Directors did not receive any remuneration for their services from the Company in the year (2020: £nil), having been paid by other group undertakings. It is deemed impractical to allocate their remuneration between group undertakings for the purposes of disclosure.

These financial statements are presented unaudited, therefore fees for the audit of the Company for the current year were £nil. In the preceding financial year another group company paid the auditors' fees of £8,710 for the audit of the Company's financial statements.

#### 3. NET FINANCE (COSTS)/INCOME

	2021 £'000	2020 £'000
Interest payable to ultimate parent company	(20,497)	(19,690)
Exchange losses	(27,354)	-
Finance costs	(47,851)	(19,690)
Interest receivable from subsidiary undertakings	13,478	11,125
Exchange gains	-	22,989
Finance income	13,478	34,114
Net finance (costs)/income	(34,373)	14,424

#### 4. TAXATION

##### (a) Tax charge

	2021 £'000	2020 £'000
UK corporation tax	-	-

##### (b) Factors affecting total tax charge

The tax assessed on the loss before tax for the current and preceding year is different from the standard rate of corporation tax of 19% (2020: 19%). The differences are reconciled on the following page:

# HAMMERSON INTERNATIONAL HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Year ended 31 December 2021

### 4. TAXATION (CONTINUED)

#### (b) Factors affecting total tax charge (continued)

	2021 £'000	2020 £'000
(Loss)/Profit on ordinary activities before taxation	<u>(34,373)</u>	<u>14,424</u>
(Loss)/Profit at UK corporation tax rate of 19% (2020: 19%)	<u>(6,531)</u>	<u>2,741</u>
Effects of:		
Tax losses surrendered/(received) as group relief	<u>6,531</u>	<u>(2,741)</u>
Total tax charge for the year	<u>-</u>	<u>-</u>

#### (c) Unrecognised deferred tax

At 31 December 2021, the Company had approximately £54,000,000 (2020: £50,000,000) of tax losses available for carry-forward against future taxable profits. No deferred tax has been recognised in relation to these losses, reflecting uncertainty over the availability of future suitable profits against which the losses can be utilised.

### 5. INVESTMENTS

	Shares in group entities at valuation £'000
At 1 January 2020	3,021,949
Additions at cost	2,952
Exchange translation gain	80,078
Revaluation loss	<u>(1,095,039)</u>
At 31 December 2020/1 January 2021	2,009,940
Additions at cost	17,528
Exchange translation loss	(93,947)
Revaluation loss	<u>(97,730)</u>
At 31 December 2021	<u>1,835,791</u>

Additions during the year comprise further investments in the Hammerson ICAV. Investments in subsidiaries are stated at valuations determined annually by the Directors based on the underlying value of the net assets of those subsidiaries. In the opinion of the Directors, the aggregate value at 31 December 2021 of shares in subsidiary undertakings is not less than the aggregate at which they are stated in the financial statements. At 31 December 2021, the historical cost of investments in group undertakings was £2,836,042,000 (2020: £2,912,461,000).

The Company's subsidiaries and other related undertakings at 31 December 2021 are listed in note 11. These entities are engaged directly, or indirectly through their subsidiaries or related undertakings, in property ownership (investment, development or trading), group financing activities or are dormant.

# HAMMERSON INTERNATIONAL HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Year ended 31 December 2021

### 6. RECEIVABLES: NON-CURRENT ASSETS

	2021 £'000	2020 £'000
Loans receivable	<u>265,629</u>	<u>284,433</u>

The above loans are receivable from The Hammerson ICAV and include cumulative interest. At 31 December 2021, €293,834,000 (£246,712,000), (2020: €293,834,000 (£263,056,000)) of principal was outstanding on the loans. Interest is charged at a fixed rate of 4% per annum, and the loans mature in December 2023. All amounts are unsecured.

### 7. RECEIVABLES: CURRENT ASSETS

	2021 £'000	2020 £'000
Other receivables	<u>34</u>	<u>50</u>

### 8. PAYABLES: CURRENT LIABILITIES

	2021 £'000	2020 £'000
Amounts owed to ultimate parent company	1,614,125	980,988
Amounts owed to subsidiary undertakings	378	403
Amounts owed to fellow group undertakings	590	629
Other payables	<u>43</u>	<u>35</u>
	<u>1,615,136</u>	<u>982,055</u>

Amounts owed to the ultimate parent company are repayable on demand and bear interest at variable rates which have historically been based on LIBOR. With effect from 1 January 2022, LIBOR was replaced with SONIA (Sterling Overnight Index Average). Amounts owed to subsidiary undertakings and fellow group undertakings are repayable on demand and are non-interest bearing. All amounts are unsecured.

### 9. CALLED UP SHARE CAPITAL

	2021 £'000	2020 £'000
<b>Allotted, called up and fully paid:</b>		
41,389,999 (2020: 941,389,999) ordinary shares of £1 each	<u>41,390</u>	<u>941,390</u>

On 16 December 2021, the Company cancelled 900,000,000 ordinary shares of £1 each and transferred £9,000,000 to retained earnings, primarily to facilitate payments to the ultimate parent company.

### 10. RESERVES

<u>Reserve</u>	<u>Description and purpose</u>
Other reserves	Other non-distributable reserve movements
Revaluation reserve	Revaluation movements on other fixed asset investments
Retained earnings	The cumulative profits and losses less any dividends paid



## HAMMERSON INTERNATIONAL HOLDINGS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Year ended 31 December 2021

#### 11. SUBSIDIARIES AND OTHER RELATED UNDERTAKINGS

The Company's subsidiaries and other related undertakings at 31 December 2021 are set out below:

##### Direct subsidiaries

Unless otherwise shown, the Company has a 100% interest in the ordinary share capital of the following entities, which are registered/operate in the countries as shown:

	<i>Country of registration or operation</i>
Hammerson Europe B.V.	Netherlands <sup>1</sup>
Hammerson Ireland Investments Limited	Ireland <sup>2</sup>
Hammerson LLC	U.S.A. <sup>3</sup>
Hammerson UK Properties Limited <sup>4</sup>	England & Wales <sup>5</sup>
The Hammerson ICAV	Ireland <sup>6</sup>

Registered offices: (1) Spoorsing, 2871 TT, Schoonhoven, Netherlands; (2) Riverside One, Sir John Rogerson's Quay, Dublin 2, Ireland, D02 X576, Ireland; (3) 2711 Centerville Road Suite 400, Wilmington 19808, United States; (4) Changed company name from Hammerson UK Properties Plc on 12 May 2022 (5) Kings Place, 90 York Way, London, N1 9GE; (6) 1-2 Victoria Buildings, Haddington Road, Dublin 4, Ireland.

##### Directly held joint venture entities

	<i>Country of registration or operation</i>	<i>Class of share held</i>	<i>Ownership %</i>
Triskelion Property Holding Designated Activity Company	Ireland <sup>1</sup>	Ordinary	50

Registered office: (1) Riverside One, Sir John Rogerson's Quay, Dublin 2, Ireland, D02 X576, Ireland

##### Indirect subsidiaries and other wholly owned entities

Unless otherwise shown the Company has an indirect 100% interest in the ordinary share capital of the following entities, which are registered/operate in the countries as shown:

##### England & Wales

Registered office: Kings Place, 90 York Way, London, N1 9GE

280 Bishopsgate Investments Limited	Hammerson (VIA GP) Limited
Governeffect Limited	Hammerson (Victoria Gate) Limited
Hammerson (Brent Cross) Limited	Hammerson (Victoria Investments) Limited
Hammerson (Brent South) Limited	Hammerson (Victoria Quarter) Limited
Hammerson (Bristol Investments) Limited	Hammerson (Watermark) Limited
Hammerson (Bristol) Limited	Hammerson (Whitgift) Limited
Hammerson (Cardiff) Limited	Hammerson Birmingham Properties Limited
Hammerson (Coventry) Limited	Hammerson Bull Ring Limited
Hammerson (Cramlington I) Limited	Hammerson Bull Ring 2 Limited <sup>2</sup>
Hammerson (Cricklewood) Limited	Hammerson Croydon (GP1) Limited
Hammerson (Croydon) Limited	Hammerson Croydon (GP2) Limited
Hammerson (Exeter II) Limited	Hammerson Investments (No 12) Limited
Hammerson (Folkestone) Limited	Hammerson Investments (No.16) Limited
Hammerson (Leeds Developments) Limited	Hammerson Investments (No.23) Limited
Hammerson (Leeds GP) Limited	Hammerson Investments (No.36) Limited
Hammerson (Leeds Investments) Limited <sup>1</sup>	Hammerson Investments (No.37) Limited
Hammerson (Leeds) Limited <sup>1</sup>	Hammerson Investments Limited
Hammerson (Leicester GP) Limited	Hammerson Junction (No 3) Limited
Hammerson (Milton Keynes) Limited	Hammerson Junction (No 4) Limited
Hammerson (Moor House) Properties Limited	Hammerson Martineau Galleries Limited
Hammerson (Newcastle) Limited	Hammerson MGLP 2 Limited
Hammerson (Newtownabbey) Limited	Hammerson MGLP Limited
Hammerson (Oldbury) Limited	Hammerson Moor House (LP) Limited
Hammerson (Renfrew) Limited	Hammerson Operations Limited
Hammerson (Telford) Limited	Hammerson Oracle Investments Limited
Hammerson (Value Retail Investments) Limited	Hammerson Oracle Properties Limited

# HAMMERSON INTERNATIONAL HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Year ended 31 December 2021

### 11. SUBSIDIARIES AND OTHER RELATED UNDERTAKINGS (CONTINUED)

#### Indirect subsidiaries and other wholly owned entities (continued)

##### England & Wales

Registered office: Kings Place, 90 York Way, London, N1 9GE

Hammerson Project Management Limited	RT Group Developments Limited
Hammerson Renewable Energy Limited	RT Group Property Investments Limited
Hammerson Retail Parks Holdings Limited	SEVCO 5025 Limited
Hammerson Sheffield (NRQ) Limited	Spitalfields Developments Limited
Hammerson Shelf Co 11 Limited	Spitalfields Holdings Limited <sup>5</sup>
Hammerson Shelf Co 12 Limited	The Junction (General Partner) Limited
Hammerson Shelf Co 13 Limited	The Junction (Thurrock Shareholder GP) Limited
Hammerson Shelf Co 14 Limited	The Junction Limited Partnership <sup>3</sup>
Hammerson Wrekin LLP <sup>3</sup>	The Junction Thurrock (General Partner) Limited
Junction Nominee 1 Limited	The Junction Thurrock Limited Partnership <sup>3</sup>
Junction Nominee 2 Limited	The Martineau Galleries Limited Partnership <sup>3</sup>
Leeds (GP1) Limited	Thurrock Shares 1 Limited
Leeds (GP2) Limited	Thurrock Shares 2 Limited
LWP Limited Partnership <sup>3</sup>	Victoria Quarter (Lux) <sup>6</sup>
Martineau Galleries (GP) Limited	West Quay (No.1) Limited
Martineau Galleries No. 1 Limited	West Quay (No.2) Limited
Martineau Galleries No. 2 Limited	West Quay Shopping Centre Limited
Precis (1474) Limited <sup>4</sup>	

(1) Entities sold on 25 February 2022, see note 15; (2) previously Hammerson Shelf Co 10 Limited until 30 June 2022; (3) No share issue for Limited Partnerships; (4) Ordinary & deferred shares; (5) Ordinary & preference shares; (6) Registered office: 1 rue Jean Piret, L-2350, Luxembourg.

	<i>Country of registration or operation</i>
Abbey Retail Park Limited	Northern Ireland <sup>1</sup>
BFN10 GmbH	Germany <sup>2</sup>
Dublin Central GP Limited	Ireland <sup>3</sup>
Dublin Central Limited Partnership <sup>8</sup>	Ireland <sup>3</sup>
Dundrum R&O Park Management Limited	Ireland <sup>3</sup>
Dundrum Town Centre Management Limited	Ireland <sup>3</sup>
Dundrum Village Management Company Limited	Ireland <sup>3</sup>
Hammerson (Silverburn) Limited	Isle of Man <sup>4</sup>
Hammerson Birmingham Investments Limited	Jersey <sup>5</sup>
Hammerson Bull Ring (Jersey) Limited	Jersey <sup>5</sup>
Hammerson Croydon Investments Limited	Jersey <sup>6</sup>
Hammerson Highcross Investments Limited	Jersey <sup>6</sup>
Hammerson Junction (No 1) Limited	Jersey <sup>6</sup>
Hammerson Junction (No 2) Limited	Jersey <sup>6</sup>
Hammerson Operations (Ireland) Limited	Ireland <sup>3</sup>
Hammerson VIA (Jersey) Limited	Jersey <sup>6</sup>
Hammerson Victoria Quarter Unit Trust <sup>9, 10</sup>	Jersey <sup>6</sup>
Hammerson VRC (Jersey) Limited	Jersey <sup>6</sup>
Hammerson Whitgift Investments Limited	Jersey <sup>6</sup>
Monesan Limited	Northern Ireland <sup>1</sup>
The Junction Thurrock Unit Trust <sup>9</sup>	Jersey <sup>6</sup>
The Junction Unit Trust <sup>9</sup>	Jersey <sup>6</sup>
Union Square Developments Limited	Scotland <sup>7</sup>

Registered offices: (1) 50 Bedford Street, Belfast, BT2 7FW; (2) c/o Forum Steglitz, Schloßstraße 1, 12163 Berlin; (3) Riverside One, Sir John Rogerson's Quay, Dublin 2, D02 X576 Ireland; (4) First Names House, Victoria Road, Douglas, IM2 4DF; (5) 44 Esplanade, St. Helier, Jersey JE4 9WG; (6) 47 Esplanade, St. Helier, Jersey, JE1 0BD; (7) 1 West Regent Street, Glasgow, G2 1AP; (8) No shares in issue for Limited Partnerships; (9) No shares in issue for Unit Trusts. The registered office address is that of the appropriate trustee; (10) Sold on 25 February 2022.

# HAMMERSON INTERNATIONAL HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Year ended 31 December 2021

### 11. SUBSIDIARIES AND OTHER RELATED UNDERTAKINGS (CONTINUED)

#### Indirectly held joint venture entities

	<i>Country of registration or operation</i>	<i>Class of share held</i>	<i>Ownership %</i>
Bishopsgate Goodsyards Regeneration Limited	England & Wales <sup>1</sup>	Ordinary	50
Brent Cross Partnership	England & Wales <sup>1</sup>	N/A <sup>7</sup>	41
Bristol Alliance (GP) Limited	England & Wales <sup>1</sup>	Ordinary	50
Bristol Alliance Limited Partnership	England & Wales <sup>1</sup>	N/A <sup>7</sup>	50
Bristol Alliance Nominee No.1 Limited	England & Wales <sup>1</sup>	Ordinary	50
Bristol Alliance Nominee No.2 Limited	England & Wales <sup>1</sup>	Ordinary	50
BRLP Rotunda Limited	England & Wales <sup>1</sup>	Ordinary	50
Bull Ring (GP) Limited	England & Wales <sup>1</sup>	Ordinary	50
Bull Ring (GP2) Limited	England & Wales <sup>1</sup>	Ordinary	50
Bull Ring Joint Venture Unit Trust <sup>8</sup>	Jersey <sup>6</sup>	N/A <sup>7</sup>	50
Bull Ring No. 1 Limited	England & Wales <sup>1</sup>	Ordinary	50
Bull Ring No. 2 Limited	England & Wales <sup>1</sup>	Ordinary	50
Croydon (GP1) Limited	England & Wales <sup>1</sup>	Ordinary	50
Croydon (GP2) Limited	England & Wales <sup>1</sup>	Ordinary	50
Croydon Car Park Limited	England & Wales <sup>1</sup>	Ordinary	50
Croydon Jersey Unit Trust	Jersey <sup>5</sup>	N/A <sup>7</sup>	50
Croydon Limited Partnership	England & Wales <sup>1</sup>	N/A <sup>7</sup>	50
Croydon Management Services Limited	England & Wales <sup>1</sup>	Ordinary	50
Croydon Property Investments Limited	England & Wales <sup>1</sup>	Ordinary	50
Dundrum Car Park GP Limited	Ireland <sup>3</sup>	Ordinary	50
Dundrum Car Park Limited Partnership	Ireland <sup>3</sup>	N/A <sup>7</sup>	50
Dundrum Retail GP Designated Activity Company	Ireland <sup>3</sup>	Ordinary	50
Dundrum Retail Limited Partnership	Ireland <sup>3</sup>	N/A <sup>7</sup>	50
Grand Central (GP) Limited	England & Wales <sup>1</sup>	Ordinary	50
Grand Central Limited Partnership	England & Wales <sup>1</sup>	N/A <sup>7</sup>	50
Grand Central No 1 Limited	England & Wales <sup>1</sup>	Ordinary	50
Grand Central No 2 Limited	England & Wales <sup>1</sup>	Ordinary	50
Grand Central Unit Trust	Jersey <sup>6</sup>	N/A <sup>7</sup>	50
Highcross (GP) Limited	England & Wales <sup>1</sup>	Ordinary	50
Highcross (No.1) Limited	Jersey <sup>5</sup>	Ordinary	50
Highcross (No.2) Limited	Jersey <sup>5</sup>	Ordinary	50
Highcross Leicester (GP) Limited	England & Wales <sup>1</sup>	Ordinary	50
Highcross Leicester Holdings Limited	England & Wales <sup>1</sup>	Ordinary	50
Highcross Leicester Limited	Jersey <sup>5</sup>	Ordinary	50
Highcross Leicester Limited Partnership	England & Wales <sup>1</sup>	N/A <sup>7</sup>	50
Highcross Residential (Nominees 1) Limited	England & Wales <sup>1</sup>	Ordinary	50
Highcross Residential (Nominees 2) Limited	England & Wales <sup>1</sup>	Ordinary	50
Highcross Residential Properties Limited	England & Wales <sup>1</sup>	Ordinary	50
Highcross Shopping Centre Limited	England & Wales <sup>1</sup>	Ordinary	50
Oracle Nominees (No.1) Limited	England & Wales <sup>1</sup>	Ordinary	50
Oracle Nominees (No.2) Limited	England & Wales <sup>1</sup>	Ordinary	50
Oracle Nominees Limited	England & Wales <sup>1</sup>	Ordinary	50
Oracle Shopping Centre Limited	England & Wales <sup>1</sup>	Ordinary	50
Reading Residential Properties Limited	England & Wales <sup>1</sup>	Ordinary	50
Retail Property Holdings (SE) Limited <sup>9</sup>	Guernsey <sup>2</sup>	Ordinary	50
Retail Property Holdings Limited <sup>9</sup>	Isle of Man <sup>4</sup>	Ordinary	50
Silverburn Investment Advisor Limited	England & Wales <sup>1</sup>	Ordinary	50
Silverburn Unit Trust <sup>9</sup>	Jersey <sup>5</sup>	N/A <sup>7</sup>	50
The Bull Ring Limited Partnership	England & Wales <sup>1</sup>	N/A <sup>7</sup>	50
The Highcross Limited Partnership	England & Wales <sup>1</sup>	N/A <sup>7</sup>	50

# HAMMERSON INTERNATIONAL HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Year ended 31 December 2021

### 11. SUBSIDIARIES AND OTHER RELATED UNDERTAKINGS (CONTINUED)

#### Indirectly held joint venture entities (continued)

	<i>Country of registration or operation</i>	<i>Class of share held</i>	<i>Ownership %</i>
The Oracle Limited Partnership	England & Wales <sup>1</sup>	N/A <sup>7</sup>	50
The West Quay Limited Partnership	England & Wales <sup>1</sup>	N/A <sup>7</sup>	50
Whitgift Limited Partnership	England & Wales <sup>1</sup>	N/A <sup>7</sup>	50

Registered offices: (1) Kings Place, 90 York Way, London, N1 9GE; (2) Fiman House, St. George's Place, St. Peter Port, Guernsey, GY1 2BH; (3) Riverside One, Sir John Rogerson's Quay, Dublin 2, D02 X576, Ireland; (4) First Names House, Victoria Road, Douglas, Isle of Man, IM2 4DF; (5) 47 Esplanade, St. Helier, Jersey, JE1 0BD; (6) 44 Esplanade, St. Helier, Jersey, JE4 9WG; (7) No shares in issue for Limited Partnerships or Unit Trusts; (8) The unit trust was terminated on 21 July 2022; (9) 50% holding in entities sold on 16 March 2022, see note 15.

#### Indirectly held associate entities

	<i>Country of registration or operation</i>	<i>Class of share held</i>	<i>Ownership %</i>
Bicester Investors II Limited Partnership	Bermuda <sup>1</sup>	N/A	25
Bicester Investors Limited Partnership	Bermuda <sup>1</sup>	N/A	25
Hammerson (Euston Square) Limited	UK <sup>2</sup>	N/A	25 <sup>7</sup>
Master Holding BV	Netherlands <sup>3</sup>	Ordinary	44
Value Retail Investors II Limited Partnership	Bermuda <sup>1</sup>	N/A	89
Value Retail Investors III Limited Partnership	Bermuda <sup>1</sup>	N/A	50
Value Retail Investors Limited Partnership	Bermuda <sup>1</sup>	N/A	79
Value Retail PLC	UK <sup>4</sup>	Ordinary	24
VR European Holdings BV	Netherlands <sup>3</sup>	Ordinary	25
VR Franconia GmbH	Germany <sup>5</sup>	Ordinary	66
VR Ireland BV	Netherlands <sup>3</sup>	Ordinary	57
VR La Vallee BV	Netherlands <sup>3</sup>	Ordinary	28
VR Maasmechelen Tourist Outlets Comm. VA	Belgium <sup>6</sup>	B-shares	29

Registered offices: (1) Victoria Place, 31 Victoria Street, Hamilton, HM10, Bermuda; (2) Kings Place, 90 York Way, London, N1 9GE; (3) TMF, Luna Arena, Herikerbergweg 238, 1101 CM Amsterdam, Netherlands; (4) 19 Berkley Street, London, W1J 8ED; (5) Almosenberg, 97877, Wertheim, Germany; (6) Zetellan 100, 3630 Maasmechelen, Belgium; (7) Remaining 75% share is held by a fellow group undertaking, Westchester Holdings Limited.

### 12. ADVANCES, CREDIT AND GUARANTEES

The Company did not grant any credits, advances, or guarantees of any kind to its Directors during the current or preceding financial year.

### 13. RELATED PARTY DISCLOSURE

Other than disclosed in notes 2, 3, 5, 6, and 8 there were no material related party transactions during the current or preceding financial year.

### 14. ULTIMATE PARENT COMPANY AND CONTROLLING PARTY

At 31 December 2021, the Company's immediate and ultimate parent company and controlling party was Hammerson plc, which is registered in England and Wales and is the largest and smallest group to consolidate these financial statements.

The consolidated financial statements of Hammerson plc are available from that company's registered office, Kings Place, 90 York Way, London, N1 9GE.

## HAMMERSON INTERNATIONAL HOLDINGS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Year ended 31 December 2021

#### 15. POST BALANCE SHEET EVENTS

In February 2022, the Company's 100% owned subsidiary, Hammerson UK Properties Limited (formerly Hammerson UK Properties plc) disposed of its investment in the following entities:

- Hammerson (Leeds) Limited;
- Hammerson (Leeds Investments) Limited; and
- Hammerson Victoria Quarter Unit Trust

The net proceeds on the sale of the above entities were circa £62,500,000, representing a profit of circa £17,400,000 on the carrying value of these entities at the date of sale. This profit will be recognised in the financial statements of Hammerson UK Properties Limited in 2022.

In March 2022, the Company's indirect subsidiary, Hammerson (Silverburn) Limited (a 100% owned subsidiary of Hammerson UK Properties Limited) disposed of its 50% holding in the following entities:

- Retail Property Holdings (SE) Limited;
- Retail Property Holdings Limited; and
- Silverburn Unit Trust

The net proceeds on the sale of the above investments were circa £68,000,000, which was equivalent to the carrying value of these entities at 31 December 2021. This disposal will be recognised in the financial statements of Hammerson (Silverburn) Limited in 2022.

In June 2022, the Company subscribed for €50 million of additional capital in its wholly owned subsidiary 'The Hammerson ICAV', via the repayment of existing shareholder debt. The effect of this transaction is an increase in the cost of investments in subsidiaries and a reduction in loans receivable, which will be recognised in the financial statements of the Company in 2022.