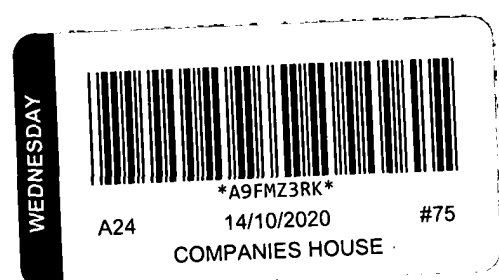


Registered number: 01414189

GROSVENOR ESTATE HOLDINGS
(an unlimited company having share capital)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019



GROSVENOR ESTATE HOLDINGS

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GROSVENOR ESTATE HOLDINGS

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2019

INTRODUCTION

The directors present their Annual Report on the affairs of Grosvenor Estate Holdings (the "Company") together with the audited financial statements and auditor's report for the year ended 31 December 2019.

BUSINESS REVIEW AND FUTURE DEVELOPMENTS

The principal activity of the Company during the year was to provide management and administration of the holding company activities and to act as an intermediate holding company for investments.

The Company has net assets of £1,836,368,000 (2018: £1,640,663,000) and is in a net current asset position of £43,679,000 (2018: liability position of £96,847,000) as at 31 December 2019. The company made £243,849,000 (2018: £42,197,000) of profit during the year.

The directors do not anticipate any significant change in the activity of the Company and its profitability. The directors expect the general level of activity to remain consistent with 2019 in the forthcoming year. This is consistent with the long-term strategy of the company.

The Company is incorporated in the United Kingdom and the registered office is 70 Grosvenor Street, London, W1K 3JP.

GOING CONCERN

The Company is in a net asset and net current asset position and is profit making as at 31 December 2019.

After making enquiries the directors have a reasonable expectation that the Company has adequate resources for the foreseeable future and for a minimum period of 12 months from the date of signing the financial statements. Accordingly, they continue to adopt the going concern basis in preparing the Company's financial statements.

Grosvenor Group Limited (the "Group") saw no discernible impact on operations arising from the UK's exit from the European Union (the "EU") on 31 January 2020. During 2020, the Group will review the potential for operational or financial impacts arising from the negotiation of the future trading arrangement between the UK and the EU. Business commitments will be managed dependent on the developing views of the likely outcome of the negotiations. Any related increase or decrease in profitability in the next 12 months is not expected to impact the long-term strategy or going concern position of the Company.

Since the year end, the outbreak of the COVID-19 virus has given rise to material economic and financial uncertainties. The Group is continuing to monitor developments of the COVID-19 virus and the associated near-term uncertainty on the global economy outlook to understand the potential impact for the underlying property businesses and its tenants. The Directors have considered the going concern assumption for the Company in light of these developments and as part of the Group level assessment on the Group's cash flow forecasts for the period ending 31 December 2021, considered the possible impact of COVID-19, for example on rental income, as well as stressed assumptions on the availability of finance and property valuations. On the basis of the Group's continued forecast liquidity, and its support for the company, the Directors still consider it appropriate to prepare the accounts on a going concern basis.

GROSVENOR ESTATE HOLDINGS

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

PRINCIPAL RISKS AND UNCERTAINTIES

The management of the business and the execution of the Company's strategy are subject to a number of risks. The key business risks and uncertainties affecting the Company arise from the financing of its investments, including interest rate volatility on external debt.

The Company is financed by equity, intra group loans and external debt.

The Company is a subsidiary of Grosvenor Group Limited. The Group co-ordinates its cash flows, liquidity position and borrowing facilities on a group basis and further disclosures relating to these matters are included in the annual report of the Group.

STATEMENT OF COMPLIANCE WITH SECTION 172 OF COMPANIES ACT 2006

Throughout the year the directors have performed their duty to promote the success of the company under section 172, taking consideration of:

- issues, factors and stakeholders relevant in complying with section 172(1)(a) to (f)
- main methods used to engage with stakeholders and to understand the issues to which they must have regard and
- the effect of such issues on the company's decisions and strategies during the financial year and in the long term.

The Grosvenor Group has evolved over 340 years since the Grosvenor family's first association with property in London. As a result of this heritage, the Board takes decisions for the long term and seeks to apply the highest levels of corporate conduct. The Board and the Group's Shareholder judge the success of the business based on the positive impact on the communities that we operate in whilst being mindful of the needs of future generations.

In order to protect and strengthen the long standing business reputation, enhance the brand and maintain a reputation for high standards of business conduct, the Group operates as a values led business, promoting our values of integrity, respect and trust all of the time with all our stakeholder community including employees, customers, partners, suppliers, funders, wider society and the Shareholder.

The Group seeks to optimise social and commercial outcomes for every investment and sets itself challenging environmental targets; aiming to enhance its reputation for social responsibility. To deliver its purpose effectively the Group, through its subsidiaries, implements an approach called Living Cities which combines a far-sighted, international perspective, with an intimate local knowledge of markets and communities:

- The Group seeks to learn from the past, in acting upon evidence-based research and in adopting a far-sighted perspective that responds to the socio-economic and demographic changes, environmental risks and disruptive technologies that pose significant urban challenges.
- Local expertise is promoted to foster a deep appreciation and understanding of local markets and the needs of local communities, working with them to implement bespoke and innovative solutions that are commercially successful and responsive to unique local circumstances.
- In implementing its activities, directly or in partnership with like-minded co-investment partners, the Group seeks to capture, distil and share knowledge, investing in its people to bring an international perspective which encourages innovation.

The Group's purpose is to improve properties and places to deliver lasting commercial and social benefit, with the community and environment forming the two key elements of social benefit as defined by our Shareholder. Consequently, building and maintaining effective stakeholder relationships is key to the success of the business. The Group's commitment to the World Green Building Council, included a pledge to be net zero carbon in our operations by 2030 (within our directly owned and managed portfolio) and wholly net carbon zero by 2050 across all properties. The Group actively engages with its stakeholders on this commitment.

Further detail on the Group's purpose and relationships with stakeholders is contained in the Strategic Report of

GROSVENOR ESTATE HOLDINGS

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

the Grosvenor Limited Group Report and Accounts for the year ended 31 December 2019.

The Directors recognise the importance of good communications and relations with the Group's employees and place considerable value on informing them on matters affecting them. Each part of the Group maintains employee relations appropriate to its own needs and environment.

The Group gives full and fair consideration to applications by disabled persons for employment. It aims to build a diverse workforce, reflecting the communities in which it operates in order to ensure the businesses' success. Doing so will require attracting the best people from as wide a pool as possible and retaining them within an inclusive culture.

The GGL subsidiary, Grosvenor Estate Management Limited, employs the UK staff of Grosvenor Britain & Ireland, Grosvenor Europe and the Grosvenor Holding Company. Employees are provided with information on matters of interest and concern to them, including the financial and economic factors affecting the performance of the business, through a range of channels, ranging from face to face briefings on business performance and key issues from senior management, to regular news updates via various digital means. During the year formal employee opinion surveys have been conducted both at the Group and Operating Company level. The senior management of each business area has reviewed the results from this and established plans to improve employee engagement.

Grosvenor does not operate any employee share schemes, but it encourages employees' involvement through its bonus schemes and short and long-term incentive plans, which are linked to the performance of the business. Directors have engaged with employees through informal meetings with individuals and small groups, as well as through the normal management and governance processes. In taking decisions, the Directors seek to ensure the long-term financial success of the business and recognise the clear link between this and employees' interests.

KEY PERFORMANCE INDICATORS

The directors of the Group manage its group operations on a divisional basis. For this reason, the Company's directors believe that further key financial and non-financial performance indicators for the Company are not necessary or appropriate for an understanding of the development, performance or position of the business of the Company. The performance of the Group, which includes the Company, is discussed in the directors' report in the annual report of that Company which does not form part of this report.

This report was approved by the board and signed on its behalf by:



.....
S McConnell
Secretary

Date: 21 April 2020

GROSVENOR ESTATE HOLDINGS

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2019

The directors present their Annual Report and financial statements for the year ended 31 December 2019.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £243,849,000 (2018: £42,197,000).

There were £47,000,000 of dividends paid in the year under review (2018: £125,399,000).

DIRECTORS

The directors who served during the year and to the date of this report, except as noted, were:

T L Budden
S J Moore
M R Preston
N R Scarles (resigned 31 May 2019)
C J Jukes (resigned 27 September 2019)
R A J Marshall
P S Vernon
R R Davis (appointed 1 June 2019)
D C Lee (appointed 27 September 2019)

FUTURE DEVELOPMENTS

The directors do not anticipate any significant change in the activity of the Company and its profitability.

The directors have prepared the financial statements on the going concern basis. Refer to the Strategic Report for further information.

MATTERS COVERED IN THE STRATEGIC REPORT

As permitted by Paragraph 1A of Schedule 7 to the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, certain matters which are required to be disclosed in the Directors' Report have been omitted as they are included in the Strategic Report on page 1 to 3. These matters relate to the business review, principal risks and uncertainties and financial key performance indicators.

Engagement with employees:

This is covered by the Section 172(1) Statement in the Strategic Report on page 2.

Engagement with suppliers and customers:

This is covered by the Section 172(1) Statement in the Strategic Report on page 2.

GROSVENOR ESTATE HOLDINGS

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019**

DISCLOSURE OF INFORMATION TO AUDITOR

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

POST BALANCE SHEET EVENTS

Since the year end, the outbreak of the COVID-19 virus has given rise to material economic and financial uncertainties. This is considered to be a non-adjusting post balance sheet event for the Company. The impact has been considered by the Directors as set out in the Strategic Report on page 1 to 3.

AUDITOR

The auditor, Deloitte LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf by:



.....
S McConnell
Secretary

Date: 21 April 2020

GROSVENOR ESTATE HOLDINGS

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2019

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'. 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 these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 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 to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

GROSVENOR ESTATE HOLDINGS

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GROSVENOR ESTATE HOLDINGS

Report on the audit of the financial statements

OPINION

In our opinion the financial statements of Grosvenor Estate Holdings (the "Company"):

- give a true and fair view of the state of the Company's affairs as at 31 December 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the income statement;
- the statement of comprehensive income;
- the balance sheet;
- the statement of changes in equity; and
- the related notes 1 to 23.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice)

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's (the "FRC's") Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

We are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

OTHER INFORMATION

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's Report thereon. Our opinion on the

GROSVENOR ESTATE HOLDINGS

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GROSVENOR ESTATE HOLDINGS (CONTINUED)

financial statements does not cover the information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in respect of these matters.

RESPONSIBILITIES OF DIRECTORS

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. The description forms part of our Auditor's Report.

GROSVENOR ESTATE HOLDINGS

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GROSVENOR ESTATE HOLDINGS (CONTINUED)

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Strategic Report and the Directors' Report.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

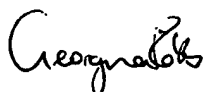
Under the Companies Act 2006 we are required to report in respect of the following matters, if in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

USE OF OUR REPORT

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Georgina Robb FCA (Senior Statutory Auditor)

For and on behalf of
Deloitte LLP

Statutory Auditor

London
United Kingdom

21 April 2020

GROSVENOR ESTATE HOLDINGS

**INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2019**

		2019	2018
		£000	£000
Other income		94	189
		<hr/>	<hr/>
Gross profit		94	189
Administrative expenses		(24,837)	(23,342)
		<hr/>	<hr/>
Operating loss	4	(24,743)	(23,153)
Income from shares in group undertakings	7	288,392	140,426
Impairment of investments	12	(29,492)	(75,069)
Interest receivable	8	4,866	5,209
Interest payable and similar charges	9	(3,250)	(5,055)
Fair value movements		363	(2,285)
		<hr/>	<hr/>
Profit before taxation		236,136	40,073
Tax on profit	10	7,713	2,124
		<hr/>	<hr/>
Profit for the financial year attributable to owners of the company		243,849	42,197
		<hr/> <hr/>	<hr/> <hr/>

All activities in the current year and prior year are derived from continuing operations.

The notes on pages 14 to 44 form part of these financial statements.

GROSVENOR ESTATE HOLDINGS

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2019

	Note	2019 £000	2018 £000
Profit for the financial year		243,849	42,197
Actuarial (loss)/gain on defined benefit schemes	19	(1,378)	3,115
Tax relating to components of other comprehensive income		234	(530)
Other comprehensive income net of taxation		(1,144)	2,585
Total comprehensive income for the year		242,705	44,782

The notes on pages 14 to 44 form part of these financial statements.

GROSVENOR ESTATE HOLDINGS
REGISTERED NUMBER: 01414189

BALANCE SHEET
AS AT 31 DECEMBER 2019

	Note	2019 £000	2018 £000
Fixed assets			
Tangible assets	11	9,902	11,789
Investments	12	1,795,241	1,740,250
		<u>1,805,143</u>	<u>1,752,039</u>
Current assets			
Debtors	13	175,157	335,714
Cash at bank and in hand		133,771	54,222
		<u>308,928</u>	<u>389,936</u>
Creditors: Amounts falling due within one year	14	(265,249)	(486,783)
Net current assets/(liabilities)		<u>43,679</u>	<u>(96,847)</u>
Total assets less current liabilities		<u>1,848,822</u>	<u>1,655,192</u>
Creditors: Amounts falling due after more than one year	15	(1,397)	(1,115)
Deferred taxation	16	341	(4,733)
Net assets excluding pension liability		<u>1,847,766</u>	<u>1,649,344</u>
Pension liability	19	(11,398)	(8,681)
Net assets		<u><u>1,836,368</u></u>	<u><u>1,640,663</u></u>
Capital and reserves			
Called up share capital	18	59,906	59,906
Share premium account	20	173,940	173,940
Other reserves	20	9,595	9,595
Profit and loss account	20	1,592,927	1,397,222
Total equity		<u><u>1,836,368</u></u>	<u><u>1,640,663</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 21 April 2020.

.....
T L Budden
 Director

.....
D C Lee
 Director

The notes on pages 14 to 44 form part of these financial statements.

GROSVENOR ESTATE HOLDINGS

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Called up share capital £000	Share premium account £000	Other reserves £000	Non distributable reserves £000	Total equity £000
At 1 January 2019	59,906	173,940	9,595	1,397,222	1,640,663
Profit for the year	-	-	-	243,849	243,849
Actuarial losses on pension scheme	-	-	-	(1,378)	(1,378)
Deferred tax movements	-	-	-	234	234
Dividends paid	-	-	-	(47,000)	(47,000)
At 31 December 2019	59,906	173,940	9,595	1,592,927	1,836,368

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Called up share capital £000	Share premium account £000	Other reserves £000	Non distributable reserves £000	Total equity £000
At 1 January 2018	59,906	173,940	9,595	1,477,839	1,721,280
Profit for the year	-	-	-	42,197	42,197
Actuarial gains on pension scheme	-	-	-	3,115	3,115
Deferred tax movements	-	-	-	(530)	(530)
Dividends paid	-	-	-	(125,399)	(125,399)
At 31 December 2018	59,906	173,940	9,595	1,397,222	1,640,663

The notes on pages 14 to 44 form part of these financial statements.

GROSVENOR ESTATE HOLDINGS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

1. General information

Grosvenor Estate Holdings ('the Company') is an unlimited company having share capital, incorporated in the United Kingdom under the Companies Act 2006 and is registered in England and Wales. The address of the Company's registered office is shown on page 1.

The financial statements have been presented in Pound Sterling as this is the currency of the primary economic environment in which the Company operates and is rounded to the nearest thousand pounds.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost basis and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' ("FRS101") and the Companies Act 2006.

These financial statements are separate financial statements. The company is exempt from the preparation and delivery of consolidated financial statements, because it is included in the group accounts of Grosvenor Group Limited (the Group). The accounts of the Group are available to the public and can be obtained as set out in note 22.

The financial statements have been prepared under the historic cost basis, except for the revaluation of certain assets and liabilities that are restated at revalued amounts or for values at the end of each reporting period.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (see note 3).

The following accounting policies have been applied:

GROSVENOR ESTATE HOLDINGS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

2. ACCOUNTING POLICIES (continued)

2.2 FINANCIAL REPORTING STANDARD 101 - REDUCED DISCLOSURE EXEMPTIONS

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement
- the requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers
- the requirements of paragraph 52, the second sentence of paragraph 89, and paragraphs 90, 91 and 93 of IFRS 16 Leases. The requirements of paragraph 58 of IFRS 16, provided that the disclosure of details in indebtedness relating to amounts payable after 5 years required by company law is presented separately for lease liabilities and other liabilities, and in total
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
 - paragraph 79(a)(iv) of IAS 1;
 - paragraph 73(e) of IAS 16 Property, Plant and Equipment;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member
- the requirements of paragraphs 130(f)(ii), 130(f)(iii), 134(d)-134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets.

Where required, equivalent disclosures are given in the group accounts of Grosvenor Group Limited. The group accounts of Grosvenor Group Limited are available to the public and can be obtained as set out in note 21.

2.3 CHANGES IN ACCOUNTING POLICY

(i) New standards, interpretations and amendments effective from 1 January 2019

The Company has applied IFRS 16 'Leases' which has a mandatory effective date of 1 January 2019.

In accordance with the transitional provisions in IFRS 16, the new rule has been adopted cumulatively using the modified retrospective approach.

The Company has assessed the impact and required disclosures which arise as a result of IFRS 16 and concluded that there are no adjustments required to be made to the Company's financial statements as a result of the adoption of IFRS 16.

GROSVENOR ESTATE HOLDINGS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

2. ACCOUNTING POLICIES (continued)

2.4 GOING CONCERN

The Strategic Report on page 1 describes the going concern basis of preparation of the financial statements.

2.5 TANGIBLE FIXED ASSETS

Tangible fixed assets, other than investment properties, are stated at cost less accumulated depreciation and impairment losses. Land and buildings are stated at fair value, with valuation gains and losses recognised in equity.

Depreciation is charged to the Income Statement so as to allocate the cost of assets and major components over their estimated useful lives, using the straight-line method.

Depreciation rate ranges applied as follows:

Fixtures & Fittings:	12.50% - 33.3%
Motor vehicles:	25%
Computer systems:	25 - 33.3%

The assets' useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

2.6 INVESTMENTS

Investments held as fixed assets, including subsidiaries, Joint Ventures and Associates are stated at cost less provision for impairment.

2.7 DEBTORS

Trade receivables, loans, contract assets and other receivables are measured at amortised cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Financial assets are assessed for indicators of impairment at each balance sheet date.

The Company assesses on a forward looking basis the expected credit losses associated with its financial assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Company applied the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

GROSVENOR ESTATE HOLDINGS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

2. ACCOUNTING POLICIES (continued)

2.8 CASH AND CASH EQUIVALENTS

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.9 FINANCIAL INSTRUMENTS

Derivative financial instruments utilised by the Company are interest rate swaps and forward exchange contracts against known transactions. The Company does not enter into derivative contracts for solely speculative purposes. Instruments are used for hedging purposes to alter the risk profile of an existing underlying exposure of the Company in line with its risk management policies. Amounts payable or receivable in respect of interest rate swaps are recognised as adjustments to interest expense over the period of the contracts.

Changes in the fair value of derivative financial instruments that are designated and effective as hedges of future cash flows are recognised directly in equity and the ineffective portion is recognised immediately in the income statement. If the cash flow hedge of a firm commitment or forecasted transaction results in the recognition of an asset or a liability then, at the time the asset or liability is recognised, the associated gains or losses on the derivative that had previously been recognised in equity are included in the initial measurement of the asset or liability.

Changes in the fair value of derivative financial instruments that do not qualify for hedge accounting are recognised in the income statement as they arise.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, exercised, or no longer qualifies for hedge accounting. At that time, any cumulative gain or loss on the hedging instrument recognised in equity is retained in equity until the forecasted transaction occurs.

If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in equity is transferred to net profit or loss for the period.

Derivatives embedded in other financial instruments or other host contracts are treated as separate derivatives when their risks and characteristics are not closely related to those of host contracts and the host contracts are not carried at fair value, with gains or losses reported in the income statement.

2.10 CREDITORS

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

GROSVENOR ESTATE HOLDINGS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

2. ACCOUNTING POLICIES (continued)

2.11 FOREIGN CURRENCY TRANSLATION

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Income Statement except when deferred in other comprehensive income as qualifying cash flow hedges.

2.12 PENSIONS

Defined contribution plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Income statement when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

Defined benefit plan

The Company operates a defined benefit plan for certain employees. A defined benefit plan defines the pension benefit that the employee will receive on retirement, usually dependent upon several factors including but not limited to age, length of service and remuneration. A defined benefit plan is a pension plan that is not a defined contribution plan.

The liability recognised in the Balance sheet in respect of the defined benefit plan is the present value of the defined benefit obligation at the end of the balance sheet date less the fair value of plan assets at the balance sheet date (if any) out of which the obligations are to be settled.

The defined benefit obligation is calculated using the projected unit credit method. The company engages independent actuaries to calculate the obligation at least every three years. The present value is determined by discounting the estimated future payments using market yields on high quality corporate bonds that are denominated in sterling and that have terms approximating to the estimated period of the future payments ('discount rate').

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income. These amounts together with the return on plan assets, less amounts included in net interest, are disclosed as 'Remeasurement of

GROSVENOR ESTATE HOLDINGS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

2. ACCOUNTING POLICIES (continued)

net defined benefit liability'.

The cost of the defined benefit plan, recognised in profit or loss as employee costs, except where included in the cost of an asset, comprises:

- a) the increase in net pension benefit liability arising from employee service during the period; and
- b) the cost of plan introductions, benefit changes, curtailments and settlements.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is recognised in profit or loss as a 'finance expense'.

2.13 FINANCE COSTS

Finance costs are charged to the Income Statement over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.14 DIVIDENDS

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

2.15 INTEREST RECEIVABLE

Interest income is recognised in the Income Statement using the effective interest method.

2.16 PROVISIONS FOR LIABILITIES

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Income Statement in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

GROSVENOR ESTATE HOLDINGS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

2. ACCOUNTING POLICIES (continued)

2.17 CURRENT AND DEFERRED TAXATION

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

GROSVENOR ESTATE HOLDINGS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, which are described in note 2, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and 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 current and future periods

3.1 Significant judgements in applying the company's accounting policies

In the opinion of the directors, there have not been any critical judgements made.

3.2 Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below:

(i) Defined benefit pension schemes

The net balance sheet deficit and the expected annual charge in respect of defined benefit pension plans is determined according to estimates carried out by actuaries on the basis of assumptions adopted by the Board. The key assumptions underlying these calculations are set out in the Retirement Benefit Schemes note.

(ii) Taxation

The Company applies judgement in the application of taxation regulations and makes estimates in calculating current income tax and deferred tax assets and liabilities, including the likely availability of future taxable profits against which deferred tax assets can be utilised.

(iii) Impairment of investments

Determining whether the company's investments in subsidiaries have been impaired requires estimations of the value in use of each investment. COVID-19 and the associated near-term economic uncertainty creates greater uncertainty in the estimation of these investment values and the underlying properties held in these investment companies.

(iv) Recoverability of debtor balances

Debtor balances, including intercompany balances, are reviewed annually to ensure that the counterparty is capable of repaying the balance when required. The credit quality of the counterparty is considered adequate and as such no provision has been made at 31 December 2019.

GROSVENOR ESTATE HOLDINGS

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

4. OPERATING LOSS

The operating loss is stated after charging/(crediting):

	2019	2018
	£000	£000
Depreciation of tangible fixed assets	4,727	3,472
Foreign exchange loss / (gain) on loan activities	(6,201)	(4,509)
Foreign exchange loss on hedging activities	3,592	3,713
Defined contribution pension cost	945	672
Defined benefit pension cost	2,089	2,189
	<hr/>	<hr/>

5. AUDITOR'S REMUNERATION

	2019	2018
	£000	£000
Fees for the audit of the Company	4	4
Fees for the audit of fellow group companies	219	196
	<hr/>	<hr/>
	223	200
	<hr/>	<hr/>

The company has taken advantage of the exemption not to disclose amounts paid for non audit services as these are disclosed in the group accounts of the parent company.

GROSVENOR ESTATE HOLDINGS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

6. EMPLOYEES

Staff costs were as follows:

	2019 £000	2018 £000
Wages and salaries	19,063	13,080
Social security costs	2,666	1,575
Cost of defined benefit scheme	2,089	2,189
Cost of defined contribution scheme	945	672
	<u>24,763</u>	<u>17,516</u>

All employees are based in the United Kingdom.

The cost of the employees, who were employed by Grosvenor Estate Management Limited, were borne by the Company.

No fees or other emoluments were paid to the directors of the Company during either the current or the preceding year in respect of their services to the Company. The directors are paid by Grosvenor Estate Management Limited.

The average monthly number of employees, including the directors, during the year was as follows:

	2019 No.	2018 No.
Management and administration	<u>72</u>	<u>68</u>

7. INCOME FROM SHARES IN GROUP UNDERTAKINGS

	2019 £000	2018 £000
Income from shares in group undertakings	288,392	140,426
	<u>288,392</u>	<u>140,426</u>

GROSVENOR ESTATE HOLDINGS

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

8. INTEREST RECEIVABLE

	2019	2018
	£000	£000
Interest receivable from group companies	3,924	3,253
Other interest receivable	942	1,956
	<u>4,866</u>	<u>5,209</u>

9. INTEREST PAYABLE AND SIMILAR CHARGES

	2019	2018
	£000	£000
Commitment fees and similar finance costs payable	1,714	1,635
Loans from group undertakings	22	1,966
Other interest payable	1,514	1,454
	<u>3,250</u>	<u>5,055</u>

10. TAXATION

	2019	2018
	£000	£000
Corporation tax		
Current tax on profits for the year	(2,569)	(9,772)
Adjustments in respect of previous periods	(304)	(361)
Total current tax charge	<u>(2,873)</u>	<u>(10,133)</u>
Deferred tax		
Origination and reversal of timing differences	(5,160)	7,494
Changes to tax rates	104	95
Adjustment for prior years	216	420
Total deferred tax	<u>(4,840)</u>	<u>8,009</u>
TAX ON PROFIT	<u>(7,713)</u>	<u>(2,124)</u>

GROSVENOR ESTATE HOLDINGS

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

10. TAXATION (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2018: lower than) the standard rate of corporation tax in the UK of 19% (2018: 19%). The differences are explained below:

	2019 £000	2018 £000
Profit on ordinary activities before tax	236,136	40,073
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018: 19%)	44,866	7,844
Effects of:		
Expenses not deductible for tax purposes	5,604	14,512
Effect of tax rate change on deferred tax	104	95
Provisions for uncertain tax provisions	(4,172)	1,684
Group relief surrendered for no consideration	1	363
Adjustments in respect of prior years	(88)	59
Other items attracting no tax relief or liability	(54,028)	(26,681)
Total tax credit for the year	(7,713)	(2,124)

Factors that may affect future tax charges

A current tax rate of 19%, being the UK corporation tax rate throughout the period, has been applied to the year ended 31 December 2019.

A deferred tax rate of 17% has been applied to opening balances and movements in deferred tax in the year ended 31 December 2019.

GROSVENOR ESTATE HOLDINGS

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

11. TANGIBLE FIXED ASSETS

	Motor vehicles £000	Fixtures and fittings £000	Office equipment £000	Computer systems £000	Total £000
Cost or valuation					
At 1 January 2019	76	15	171	27,586	27,848
Additions	-	-	-	2,840	2,840
At 31 December 2019	76	15	171	30,426	30,688
Depreciation					
At 1 January 2019	52	15	171	15,821	16,059
Charge for the year on owned assets	19	-	-	4,708	4,727
At 31 December 2019	71	15	171	20,529	20,786
Net book value					
At 31 December 2019	5	-	-	9,897	9,902
At 31 December 2018	24	-	-	11,765	11,789

GROSVENOR ESTATE HOLDINGS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

12. FIXED ASSET INVESTMENTS

	Investments in subsidiary companies £000
Cost or valuation	
At 1 January 2019	1,748,459
Additions	84,483
At 31 December 2019	<u>1,832,942</u>
Impairment	
At 1 January 2019	8,209
Impairment	29,492
At 31 December 2019	<u>37,701</u>
Net book value	
At 31 December 2019	<u>1,795,241</u>
At 31 December 2018	<u>1,740,250</u>

During the year, the Company made an investment in Grosvenor Europe Limited of £84,483,277 (2018: £34,948,111). The Company also impaired its investment in Grosvenor Europe Limited by £29,492,183 (2018: £Nil) during the year.

In 2018, the Company fully impaired its investment in Grosvenor Group Finance Company Limited of £75,069,126 following the distribution to the Company of its remaining assets. This impairment was reflected as a permanent impairment to cost in 2018.

The subsidiaries of the Company are listed in note 23 of these financial statements.

GROSVENOR ESTATE HOLDINGS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

13. DEBTORS: Amounts falling due within one year

	2019 £000	2018 £000
Trade debtors	1,931	1,485
Amounts owed by group undertakings	169,151	265,965
Other debtors	2,700	66,503
Prepayments and accrued income	1,375	1,761
	<u>175,157</u>	<u>335,714</u>

All amounts are unsecured and repayable on demand.

Interest bearing amounts owed by group undertakings in 2019 include:

- a US \$23,766,124 (£17,919,116) (2018: US \$26,919,124 (£21,119,664)) loan to Grosvenor Investments North America Inc. which carries interest at 3 month USD LIBOR plus a margin of 2%.
- a US \$54,000,000 (£40,717,770) (2018: \$54,000,000 (£42,366,233)) loan to Grosvenor Americas Limited which carries interest at 3 month USD LIBOR.

The remaining amounts owed to group undertakings are non-interest bearing.

14. CREDITORS: Amounts falling due within one year

	2019 £000	2018 £000
Trade creditors	109	242
Amounts owed to group undertakings	240,813	463,378
Corporation tax	52	-
Other creditors	14,500	15,854
Accruals and deferred income	9,775	7,309
	<u>265,249</u>	<u>486,783</u>

All amounts are unsecured and repayable on demand.

Amounts owed to group undertakings in 2019 include:

- a Euro €205,230,000 (£173,747,037) loan from Grosvenor ECO Limited which carries interest at 3 month LIBOR (2018: €154,906,071 (£139,172,608)).

The remaining amounts owed to group undertakings are non-interest bearing.

GROSVENOR ESTATE HOLDINGS

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

15. CREDITORS: Amounts falling due after more than one year

	2019	2018
	£000	£000
Other creditors	1,397	1,115
	<u>1,397</u>	<u>1,115</u>

16. DEFERRED TAXATION

	2019
	£000
At beginning of year	(4,733)
Charged to income statement	4,839
Charged to comprehensive income	234
At end of year	<u>340</u>

The deferred tax balance is made up as follows:

	2019	2018
	£000	£000
Other property, plant and equipment	396	(8)
Provision for uncertain tax provisions	(4,228)	(8,400)
Other items (incl. employee benefits)	4,173	3,675
	<u>341</u>	<u>(4,733)</u>
Comprising:		
Liability	341	(4,733)
	<u>341</u>	<u>(4,733)</u>

GROSVENOR ESTATE HOLDINGS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

17. FINANCIAL INSTRUMENTS

The Company has taken out a number of foreign exchange currency swaps to fix exchange rates on loans to and from fellow subsidiaries. The fair value of these swaps at 31 December 2019 is a liability of £3,316,498 (2018: £2,324,962), disclosed within Other Creditors.

The total mark to market in the Profit and Loss Account including swaps that have matured during the year is a profit of £305,000 (2018: loss of £5,973,158) of which £33,245 (2018: loss of £3,712,951) is recognised as foreign exchange loss in operating profit and a gain of £338,245 (2018: loss of £2,260,207) which is recognised in fair value adjustments.

18. SHARE CAPITAL

	2019 £000	2018 £000
AUTHORISED		
8,000,000 Ordinary shares of £1 each	8,000	8,000
64,000,000 Non Voting Ordinary shares of £1 each	64,000	64,000
8,000,000 12% Non Cumulative Irredeemable Preference shares of £1 each	8,000	8,000
	<u>80,000</u>	<u>80,000</u>
ALLOTTED, CALLED UP AND FULLY PAID		
5,990,524 Ordinary shares of £1 each	5,991	5,991
47,924,192 Non Voting Ordinary shares of £1 each	47,924	47,924
5,990,524 12% Non Cumulative Irredeemable Preference shares of £1 each	5,991	5,991
	<u>59,906</u>	<u>59,906</u>

Profits determined by the Directors as available for distribution are to be applied first in paying a fixed non-cumulative dividend of 12% per annum on the amounts paid up on the preference shares. The balance of profits available for distribution are payable to the holders of the ordinary shares and non-voting ordinary shares in proportion to the amounts paid up on their shares.

On a return of the Company's assets to Shareholders, the assets are to be applied first in repaying to the holders of the preference shares the amounts paid up on their shares. The balance of the assets is payable to the holders of the ordinary shares and non-voting ordinary shares in proportion to the amounts paid up on their shares.

As regards to voting, only the ordinary shares shall entitle the holders to vote. One vote is allocated for each fully paid ordinary share held.

GROSVENOR ESTATE HOLDINGS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

19. RETIREMENT BENEFIT SCHEMES

Defined contribution schemes

The Company participates in defined contribution retirement benefit schemes. The company contributes a percentage of salary into the defined contribution scheme to fund the benefits. The assets of the schemes are held separately from those of the Grosvenor Group, in funds under the control of independent pension providers. The only obligation of the Company with respect to the defined contribution schemes is to make the specified contributions.

Defined benefit schemes

The Company, along with other companies in the Grosvenor Group, participates in the Grosvenor Pension Plan (the "Plan"), a defined benefit scheme which has sections where benefits are based on service and average or final salary. The Plan is approved by Her Majesty's Revenue and Customs for tax purposes, and is operated separately from the Grosvenor Group and managed by an independent set of Trustees. The Trustees are responsible for payment of the benefits and management of the Plan's assets. The Plan is subject to UK regulations, which require the Grosvenor Group and Trustees to agree a funding strategy and Schedule of Contributions for the Plan.

The Company accounts for its proportionate share of defined benefit obligations, plan assets and costs of the schemes.

The principal section of the scheme, which is not used for new staff, provides a defined benefit pension up to an upper earnings limit; above this limit the company contributes between 25% and 30% of that tranche of salary into a personal defined contribution scheme. Some members accrue benefits on historical scales which provide pensions based on full salary.

New employers earning up to an upper limit are entitled to join a new section of the Plan. Employees earning above this limit are entered into a personal defined contribution scheme.

Independent qualified actuaries complete valuations of the schemes at least every three years and, in accordance with their recommendations, annual contributions are paid to the schemes so as to secure the benefits set out in the rules. The most recently completed triennial valuation was carried out at 31 December 2017.

In addition to the defined benefit scheme set out above, the Company also participates in an unfunded defined benefit scheme to satisfy pension commitments not catered for by the funded schemes.

As with the vast majority of similar arrangements, the Grosvenor Group incurs a high degree of risk relating to the defined benefit plan. These risks include investment risks and demographic risks, such as the risk of members living longer than expected. The plan holds a large proportion of its assets in equity investments. Strong future equity returns would be expected to reduce the company's future cash contributions (and vice versa). If the contributions currently agreed are insufficient to pay the benefits due, the Company may need to make further contributions to the Plan.

The amounts recognised in the Profit and Loss Account in respect of defined benefit schemes are as follows:

GROSVENOR ESTATE HOLDINGS

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

	2019	2018
	£000	£000
Current service cost	1,773	1,924
Past service cost	44	33
Net interest cost	272	232
	<u>2,089</u>	<u>2,189</u>

The amounts included in Comprehensive Income in respect of defined benefit schemes are as follows:

	2019	2018
	£000	£000
Experience on benefit obligations	188	(253)
Changes in financial assumptions	(1,080)	6,112
Changes in demographic assumptions	-	(99)
	<u>(892)</u>	<u>5,760</u>
Defined benefit scheme assets actuarial gain	3,320	(2,645)
Change in scheme apportionment	138	-
	<u>2,566</u>	<u>3,115</u>

Movements in the present value of defined benefit obligations were:

	2019	2018
	£000	£000
At 1 January	39,624	43,322
Current service cost	1,773	1,924
Past service cost	44	33
Interest cost	1,163	1,013
Actuarial return due to changes in financial assumptions	4,837	(5,760)
Benefits paid	(1,033)	(908)
At 31 December	<u>46,408</u>	<u>39,624</u>

GROSVENOR ESTATE HOLDINGS

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

Movements in the fair value of scheme assets were:

	2019 £000	2018 £000
At 1 January	30,943	33,000
Opening adjustment - new allocation	138	-
Interest on plan assets	891	781
Actual return on plan assets less interest on plan assets	3,320	(2,645)
Regular contributions by the employer	481	445
Benefits paid	(762)	(638)
At 31 December	35,011	30,943

Movements in the net defined benefit obligations were:

	2019 £000	2018 £000
At 1 January	(8,681)	(10,322)
Expense/(income) charged to profit and loss	(2,089)	(2,189)
Amount recognised outside of profit and loss	(1,378)	3,115
Benefit payments	270	270
Employer contributions	480	445
At 31 December	(11,398)	(8,681)

Analysis of the scheme assets:

	2019 £000	2018 £000
Equities	27,498	23,969
Corporate bonds	4,088	3,817
Multi-asset credit funds	2,895	2,772
Other	530	385
At 31 December	35,011	30,943

The plan does not invest directly in property occupied by the Group or in financial securities issued by the Group.

The plan's assets are invested in a diversified range of asset classes as set out in this note. These assets include liability matching assets and annuity policies purchased by the Trustees which aim to match the benefits to be paid to some members from the plan and therefore remove the investment, inflation and demographic risks in relation to those liabilities.

GROSVENOR ESTATE HOLDINGS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

The Company operates a Defined Benefit Pension Scheme.

Analysis of net pension scheme liability:

	2019 £000	2018 £000
Fair value of plan assets	35,010	30,943
Present value of plan liabilities	(46,408)	(39,624)
Net pension scheme liability	(11,398)	(8,681)

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	2019 %	2018 %
Discount rate	2.11	2.91
Expected return on scheme assets at	2.95	3.21
Expected rate of salary increases	3.60	3.90
Expected rate of future pension increases	2.95	3.21

The assumed life expectancy of a 65 year old male today is 24.5 years (2018: 24.4 years) and a 65 year old female today is 26.2 years (2018: 26.1 years).

The assumed life expectancy of a 65 year old male in 20 years is 26.2 years (2018: 26.1 years) and a 65 year old female in 20 years in 27.7 years (2018: 27.6 years).

GROSVENOR ESTATE HOLDINGS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

The sensitivity to the assumptions above of the total defined benefit obligation and approximate income statement expense is set out as follows:

	Total defined benefit obligation £000	<i>Approx expense in 2019 £000</i>
Increase in discount rate by 0.25%	(2,482)	(45)
Increase in inflation rate by 0.25%	2,581	47
Increase in life expectancy by 1 year at 65	1,674	30
	<hr/> <hr/>	<hr/> <hr/>

The calculations in this section have been carried out using the same method and data as the Group's pensions and accounting figures with each assumption adjusted as shown above. Each assumption has been varied individually and a combination of changes in assumptions could produce a different result.

20. RESERVES

Share premium account

Share premium is the excess consideration received, over par value, for ordinary shares in the company.

Other reserves

Other reserves arose in 2014 due to a Group reorganisation whereby the company received the entire share capital of Grosvenor Investments North America Inc., a fellow group undertaking, by way of a dividend from its wholly owned subsidiary, Grosvenor Overseas Holdings Limited. This dividend was treated as an unrealised profit in other reserves, in accordance with TECH 02/10.

Profit and loss account

The reserve contains the balance of retained earnings to carry forward. Dividends are paid from this reserve.

GROSVENOR ESTATE HOLDINGS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

21. RELATED PARTY TRANSACTIONS

The Company has taken advantage of the disclosure exemptions under FRS 101 relating to IAS 24 Related Party Disclosures and does not disclose related party transactions with Grosvenor Group Limited or wholly owned fellow subsidiaries of Grosvenor Group Limited, which would otherwise qualify as related parties.

During 2019, the company entered into the following transactions with other related parties:

	2019 £000	2018 £000
Management and administration fee from the Grosvenor Trusts	(2,089)	(1,628)
	<u>(2,089)</u>	<u>(1,628)</u>

At the end of the year, the following amounts were due from/(to) related parties:

Amounts due from the Grosvenor Trusts	<u>522</u>	<u>407</u>
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22. CONTROLLING PARTY

The Company's ultimate parent undertaking is Grosvenor Group Limited a company incorporated in the United Kingdom under the Companies Act 2006 and registered in England and Wales which is wholly owned by trusts on behalf of the Grosvenor family, headed by the 7th Duke of Westminster.

The ultimate parent undertaking heads the largest and smallest group of undertakings of which the company is a member and for which Group accounts are prepared. Grosvenor Group Limited is the immediate parent Company.

Copies of the consolidated financial statements of Grosvenor Group Limited can be obtained from Companies House, 3 Crown Way, Maindy, Cardiff, CF14 3UZ.

The address of the registered office of Grosvenor Group Limited is 70 Grosvenor Street, London, W1K 3JP.

GROSVENOR ESTATE HOLDINGS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

23. INVESTMENTS IN SUBSIDIARY UNDERTAKINGS, ASSOCIATED UNDERTAKINGS AND SIGNIFICANT HOLDINGS

At 31 December 2019, Grosvenor Estate Holdings had investments in a number of subsidiary and joint venture entities, the details of which are listed below. The investment in each entity is 100% unless otherwise stated.

Direct holdings

The following companies are directly held:

United Kingdom

Registered office: 70 Grosvenor Street, London W1K 3JP

110 Park Street Limited

Grosvenor Estate International Developments

Grosvenor Estate International Properties

Grosvenor Estate Investment Management Limited

Grosvenor European Properties Limited

Grosvenor Europe Limited

Grosvenor Garden Leisure Limited

Grosvenor Group Management Services Ltd (formerly Grosvenor Sixty Nine Ltd)

Grosvenor International Investments Limited

Grosvenor Limited

Grosvenor Overseas Holdings Limited

Grosvenor Sports Club Limited

Grosvenor Westminster Holdings Limited

Indirect holdings

The following companies are indirectly held:

United Kingdom

Registered office: 70 Grosvenor Street, London W1K 3JP

1-5 GP Management Limited

20 Balderton Street Project 1 Limited – 50% ownership

29-37 Davies Street Limited

32-42 BPR Limited

64/70 South Audley Street Limited

65 Davies Street Development Limited

65 Davies Street Investment Limited

7 Green Street Limited – 33.3% ownership

Alpha Place Developments LLP

Bankside 4 Limited

Barton Oxford LLP – 50% ownership

Barton Park Estate Management Company - 100%

Belgrave House Developments Limited

Belgravia Leases Limited

Cambridge Retail Investment Limited

Coton Park Consortium Limited – 50% ownership-6

Coton Park Limited

Drummond Road Limited

Due West Investments Limited

Eaton Square Properties Limited

GROSVENOR ESTATE HOLDINGS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

Fountain North Limited- 1
Four Ashes Limited – 40% ownership-4
Fournier Securities Limited
GC Bankside LLP – 50% ownership-3
GCH Investments (1) Limited
GCH Investments (2) Limited
GCH Investments LLP
GEB2 Limited
GFAL Limited
Gio Investments Limited
Grosvenor Alpha Place LLP
Grosvenor Americas Holdings Limited
Grosvenor Americas Investments Limited
Grosvenor Asset Management Limited
Grosvenor Basingstoke Management Limited
Grosvenor Basingstoke Properties Limited
Grosvenor Commercial Properties
Grosvenor Continental Europe Holdings Limited
Grosvenor Developments (GB) Limited
Grosvenor Developments (UK) Limited
Grosvenor Eighty Five Limited
Grosvenor Eighty Four Limited
Grosvenor Eighty Three Limited
Grosvenor Estate Belgravia
Grosvenor Estate Management Limited
Grosvenor Estates Limited
Grosvenor Europe LP Limited
Grosvenor Europe Investments Limited
Grosvenor Fund Management Limited
Grosvenor Fund Management UK Limited
Grosvenor International Fund Management Limited
Grosvenor International Investments (Finance) Limited
Grosvenor Investment Management Limited
Grosvenor Investments Limited
Grosvenor Keysign Limited
Grosvenor Liverpool Fund - 10% ownership
Grosvenor Liverpool Limited
Grosvenor Liverpool Residential Fund - 10% effective interest
Grosvenor London Office Fund - 12.673% ownership
Grosvenor Mayfair Properties Limited
Grosvenor Policy Management Limited
Grosvenor Properties
Grosvenor Property Advisers Limited
Grosvenor Property Asset Management Limited
Grosvenor Property Developments Limited
Grosvenor Property Group Limited
Grosvenor Quarryvale Limited
Grosvenor Realty Investments Limited
Grosvenor Residential GP Limited
Grosvenor Seventy Five Limited - 9% ownership
Grosvenor Stow Limited – 50% ownership
Grosvenor Stow Projects 2 Limited – 50% ownership
Grosvenor Stow Projects Limited – 50% ownership
Grosvenor ECO Limited
Grosvenor UK Finance plc
Grosvenor UK Properties Limited

GROSVENOR ESTATE HOLDINGS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

Grosvenor West End Properties
Halkin Street LLP – 50% ownership
IO Investment 2 LLP – 27.2% effective interest-5
IO Investments LLP – 96.2% ownership-5
IOG2LLP – 99.2% ownership-5
Liffey Valley Limited
Liverpool One Management Company Limited – 50% ownership
Liverpool One Residential GP Limited
Liverpool Property Investments Limited
Liverpool PSDA Limited
Liverpool Site 11 Hotel Limited
Liverpool Site 12 Limited
London Leasehold Flats Limited
London Leasehold Properties Limited
Mayfair Leasehold Properties Limited
Montrose Place Development Limited
Montrose Place LLP - 50% ownership
Old Broad Street Properties Limited
Quarryvale Two Limited
Retail Centres V (Sweden) Limited Partnership - 10% ownership
Retail Centres V (Sweden) LP Ltd
Southwark GP 1 Limited
Southwark GP 2 Limited
Southwark GP Nominee 1 Limited
Southwark GP Nominee 2 Limited
Southwark Holding LP
Southwark LP
Southwark Real Estate Investments Limited- 2
Talbot General Partner Limited
Trumpington Meadows Land Company Limited – 50% ownership
UNHEM Construction Limited
Urban Neighbourhood Holdings Limited
Urban Neighbourhoods Limited
Urban Retail V (UK) General Partner Limited - 9.09% effective interest
Urban Retail V (UK) Limited Partnership - 9.09% effective interest

Registered address: 1 50 Lothian Road, Festival Square, Edinburgh EH3 9WJ; 2 240 Blackfriars Road, London SW1 8NW; 3 The Pavilion, 118 Southwark Street London SE1 0SW; 4 4th Floor 7/10 Chandos Street, Cavendish Square London W1G 9DQ; 5 9-10 Carolos Place London W1K 3AT; 6 Temple House 20 Holywell Row, London EC2A 4XH

Australia

Registered office: Level 38, Tower 3, 300 Barangaroo Avenue, Sydney

Grosvenor Australasia Investments Pty Ltd

Registered address: Level 29, 20 Bond Street, Sydney NSW 2000

Bermuda

Registered office: Canon's Court, 22 Victoria Street, Hamilton, Bermuda

British Virgin Islands

Registered office: PO Box 957, Offshore Incorporations Centre, Road Town, Tortola

Acute Choice Limited Seatonmere Limited

Golden Eternal Limited Texton Investments Limited

GROSVENOR ESTATE HOLDINGS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

First Globe Limited (50% ownership)

Sea Meadow House Blackburn Highway PO Box 116 Road Town, Tortola
Bonrite Limited - 30% ownership

PO Box 957, Offshore Incorporations Centre, Road Town, Tortola
Eagle Wonder Limited -- 20% owned

PO Box 957, Offshore Incorporations Centre, Road Town, Tortola
Spring Plus Limited (BVI) -- 50% owned

Canada
Registered office: 2000-1040 West Georgia

1300 Marine Drive Holdings Ltd
1300 Marine Drive LP
Brentwood BT Development Limited
Edgemont Village GP Limited
Edgemont Village Limited Partnership - 0.01% ownership
Edgemont Village Parking Limited
Greensoil Building Innovation Fund (International) LP - 90% ownership
Grosvenor 5th Avenue Holdings Limited
Grosvenor Americas Corporation
Grosvenor Beltline Holdings II Limited
Grosvenor Beltline Holdings III Limited
Grosvenor Beltline Holdings Limited
Grosvenor Brentwood Development Limited
Grosvenor Canada Limited
Grosvenor Capital Corporation
Grosvenor Development Corporation
Grosvenor Eighty Seven Limited
Grosvenor Eighty Six LLP
Grosvenor International Investments (Canada) Limited
Grosvenor Oak Street Holdings Limited
Grosvenor Pacific Development Limited
Grosvenor Properties (2008) Limited
Grosvenor True North Services Canada
Grosvenor True North Services Management Canada
Grosvenor Village GP Limited
Grosvenor Village Limited Partnership
Hornby BT Holdings Ltd
Marine Drive BT Holdings Limited
Marine Drive WV Development Limited
Pacific BT Holdings Limited
Rosemary GP Limited
Transca (Polaris) LP
True North GP Limited
Registered address: 900 Waterfront, Vancouver
Grosvenor Rempel East Clayton Development Ltd 2
Rise BT Holdings Ltd 1 – 65% owned
Registered address: 1200 Waterfront, Vancouver
True North Residential One LP
West 15 Ventures Ltd – 50% owned
Edgemont Village BT Ltd
Grosvenor Village Holdings LP

GROSVENOR ESTATE HOLDINGS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

Cayman Islands

Registered office: PO Box 309, Ugland House, Grand Cayman, KY-1104

Grosvenor Park Partners Limited – 63.2652% ownership
Grosvenor Vega Fund Management Ltd – 75% ownership
Grosvenor Vega GP Ltd

China

Registered office: Unit 602-603, No. 233, Taicang Road, Huangpu District, Shanghai

Grosvenor Management Consulting (Shanghai) Limited

France

Registered office: 69 Boulevard Haussman 75008 Paris

Grosvenor Continental Europe SAS

Hong Kong

Registered office: Suite 3505 Jardine House, One Connaught Place, Central

Fortune Joy Properties Limited
GDPHK Holdings Limited - 50% ownership
Global Trinity Limited
Grosvenor Asia Pacific Limited
Grosvenor Fund Management Hong Kong Limited
Grosvenor Hong Kong Limited
Grosvenor Limited
Majesty International Limited
Regal Way International Limited
Unity Asian Development Limited – 60% owned
30th Floor Asia Orient Tower Town Place 33 Lockhart Road Wanchai
Lucky New Investment Limited
3108 Bank of America Tower, 12 Harcourt Road, Central
Imperial Time Limited
30th Floor Asia Orient Tower Town Place 33 Lockhart Road Wanchai
Paramount Shine Limited- 50% owned
21st Floor, Edinburgh Tower, The Landmark, 15 Queen's Road Central
Richly Leader Ltd -- 50% owned

Ireland

Registered office: 21 Lavitts Quay, Cork

Barkhill Limited - 50% ownership
Dietacaron Limited - 50% ownership
Dutywell Trading Limited - 50% ownership
Everuton Limited - 50% ownership

Isle of Man

Registered office: 2nd floor, St Georges Court, Upper Church St, Douglas IM1 1EE

Grosvenor Belgravia Investment Limited

Italy

Registered office: Corso Garibaldi, Giuseppe 86, CAP 20121 Milano

Japan

GROSVENOR ESTATE HOLDINGS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

Registered office: 1-12-32 Akasaka, Mnato-ku, Tokyo

Azabu Tokutei Mokuteki Kaisya – 50% owned
GDP1 Tokutei Mokuteki Kaisya – 38% owned
GDP2 Investment Business Limited Partnership – 38% owned
GDP2 Tokutei Mokuteki Kaisya – 38% owned
GOP3 Tokutei Mokuteki Kaisya
GPT Tokutei Mokuteki Kaisya – 48% owned
Grosvenor Limited Japan branch

Jersey

Registered address: 22 Grenville St, St Helier, Jersey JE4 8PX

Grosvenor Management Jersey Limited

Luxembourg

Registered office: 46a Avenue John F Kennedy, L1855 Luxembourg

GERP Luxembourg SARL – 5% ownership
GFM (CE) S.A.
GFRI 2007
GFRI 2010
Grosvenor Continental Europe Holdings Sarl
Grosvenor First European Property Investments SA
Grosvenor French Retail Investments SA - 11.1% ownership
Grosvenor International SARL
Grosvenor Investments Portugal SARL
Grosvenor Retail European Properties II Sarl - 13.95% ownership
Grosvenor Retail European Properties SA - 13.95% ownership
Urban Retail V (Europe) Sarl – 0.05% ownership

Portugal

Lugar do Espido, Via Norte, Apartado 1197, 4471-909 Maia

Sonae Sierra SGPS SA (Portugal) – 30% owned

Spain

Registered office: Paseo de la Castellana 60, Oficina Planta 2 Centro 28046 Madrid

Grosvenor Fund Management Spain SL

Jorge J.53 SL – 50% ownership
Modesto L.26 Investment SL – 50% ownership
Urban Value Add I (Spain) SL – 50% ownership

Sweden

Registered office: Smalandsгатan 10, 4tr, 11146 Stockholm

GERP Balsta Centrum AB – 5% ownership
GERP Burlov AB – 5% ownership
GERP Haninge Centrum AB – 5% ownership
GERP Sverige AB – 5% ownership
GERP Vasby Centrum AB – 5% ownership
Grosvenor Fund Management Sweden AB

United States of America

Registered office: One California Street, Suite 2500 San Francisco, CA 94111

GROSVENOR ESTATE HOLDINGS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

1500 K Street LLC – 20% ownership
1645 Pacific Homes LLC
180 Post Street LLC – 50% ownership
185 Post Street LLC – 50% ownership
1900 Duke Street LP – 1% ownership
240 Stockton LLC
251 Post Street LLC – 50% ownership
306 Rodeo Drive LLC – 50% ownership
394 Pacific, LLC
3800 California Street, LLC
5520 Wisconsin LLC-1
701 North Michigan Avenue LLC – 20% ownership
720 Battery LLC
875 California II LLC
875 California LLC
Atlantic Freeholds – 50% ownership
Ballpark Hotel LLC-1
Ballpark Residential LLC– 50% ownership-1
Ballpark Square LLC – 99.4% ownership-1
Ballpark Square REA Manager Inc.
Chelsea at Juanita Village LP -1
CP6WW LLC
Crossings II LLC - 99% ownership-1
Crossings, LLC - 99% ownership-1
District Property Holdings LLC
Eckington Residential LLC
Fair Oaks Polo Drive II, LLC - 19.8% ownership-1
Fair Oaks Polo Drive, LLC - 19.8% ownership-1
FCB Silver Spring LLC
Fenton Street Apartments LLC -1
Frontier Drive Metro Centre LP – 50% ownership -1
GFM Equity Advisors Inc.
GFM Healthcare Advisors LLC
GP Warehouse Investment Member One LLC -3
Grosvenor Americas Joint Ventures LLC
Grosvenor Americas LLC
Grosvenor Americas Partners
Grosvenor Americas USA Inc
Grosvenor Basingstoke Management Limited
Grosvenor California Limited
Grosvenor Capco Limited
Grosvenor Financial California LLC
Grosvenor Financial Inc -1
Grosvenor GP Limited LLC
Grosvenor International (Nevada) Limited
Grosvenor International (Westcoast Freeholds) Limited
Grosvenor Investments North America Inc
Grosvenor Maple Leaf Ventures II LP – 20% ownership-1
Grosvenor Maple Leaf Ventures III LP – 20% ownership
Grosvenor Maple Leaf Ventures IV LP – 20% ownership
Grosvenor Maple Leaf Ventures LP – 20% ownership
Grosvenor Maple Leaf Ventures V LP – 20% ownership
Grosvenor Maple Leaf Ventures VI LP – 20% ownership
Grosvenor Maple Leaf Ventures VII LP – 20% ownership
Grosvenor Maple Leaf Ventures VIII LP – 20% ownership

GROSVENOR ESTATE HOLDINGS

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

Grosvenor Residential GP Limited LLC
Grosvenor Urban Maryland LLC -1
Grosvenor Urban Retail LP – 25% ownership -1
Grosvenor USA Limited
Hamilton Marketplace LLC
High Street Real Estate Fund IV Inc – 7.1% ownership-4
High Street Real Estate Fund V Inc – 15% ownership-4
HS/GP Warehouse Investment Company LLP – 57.5% ownership-4
ML7 Residential II, LLC - 19.8% ownership
ML7 Residential, LLC - 19.8% ownership
Rice Lake Square LLC – 25% ownership-1
Stockdale Parking, LLC – 90% ownership-5
True North California, LLC
True North US, Inc -1
Urban Retail LLC

Registered address: 1 1701 Pennsylvania Avenue Suite 450, Washington; 2 2620 Third Avenue Suite 100, Seattle, WA 98121; 3 2 Commerce Square, 2001 Market Street, Suite 200 Philadelphia PA 19103; 4 53 State Street, 38th Floor Boston MA 02109; 5 10850 Wilshire Boulevard, Suite 1050, Los Angeles, California 90024