

Were you here?

Results H1 2021

27 July 2021

USPP Investors

Highlights H1 2021

	H1 2020	H1 2021	Change
Direct result per share (€)	0.97	0.93	(0.04)
Indirect result per share (€)	(3.73)	(1.79)	1.94
Total result per share (€)	(2.76)	(0.86)	1.90

	FY 2020	H1 2021	Change
EPRA NTA per share (€)	27.74	26.33	(1.41)
Net LTV	46.7%	46.1%	-0.6pp
NPS (Benelux)	+4	+16	+12
Proportion of mixed-use Benelux (in m ²)	10.0%	10.3%	+0.3pp

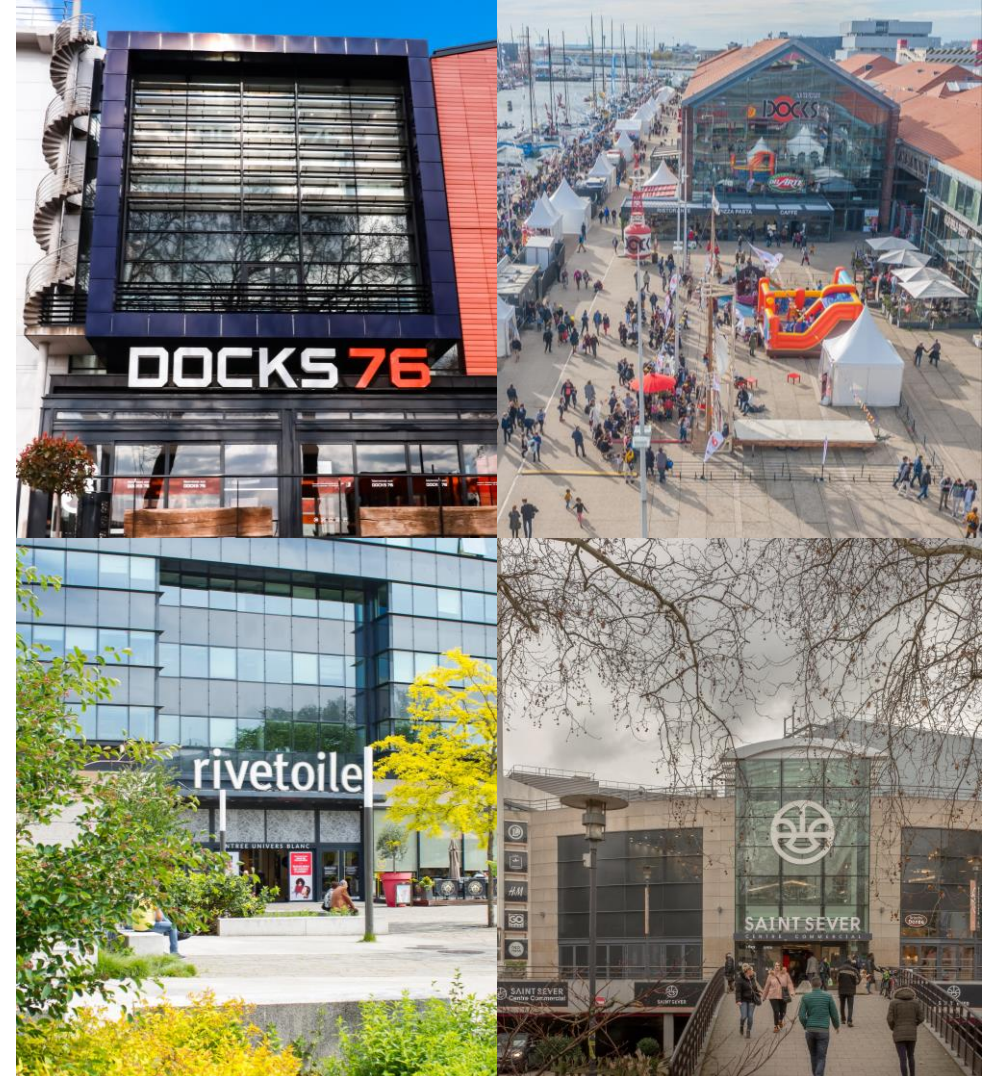
Highlights H1 2021

Like-for-like NRI growth positive despite Covid-19 related store closures, lower sales-based rents and variable parking income in the Shopping Centers, and departures in our Belgium Offices

Net Rental Income (€ m)	H1 2020	H1 2021	Growth	LFL Growth
Belgium	17.7	19.8	12.2%	12.5%
France	10.1	13.2	29.9%	23.2%
Netherlands	32.5	26.1	(19.7%)	(9.4%)
Shopping centers	60.3	59.1	(2.0%)	4.3%
Offices Belgium	3.3	2.4	(25.7%)	(25.5%)
Total	63.6	61.5	(3.2%)	2.5%

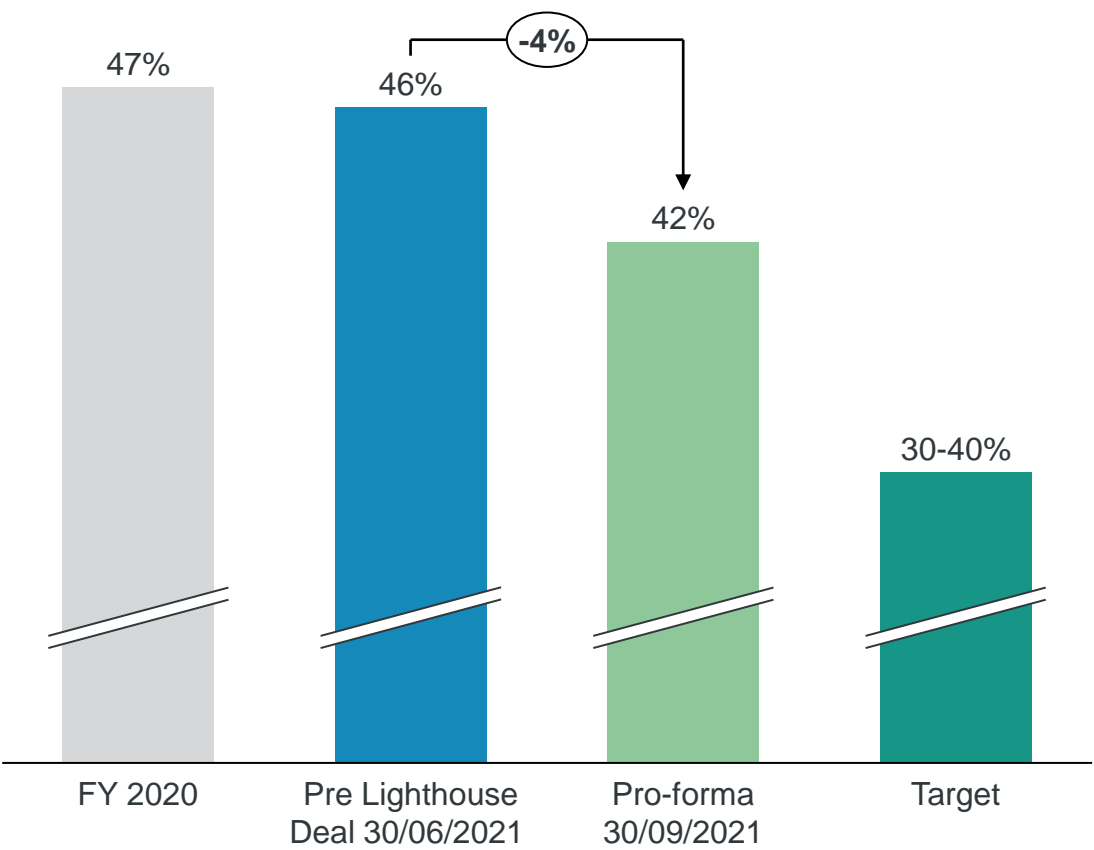
Key terms French transaction

- Assets sold: Docks 76 (Rouen)
Docks Vauban (Le Havre)
Rivetoile (Strasbourg)
Saint Sever (Rouen)
- Gross Proceeds: € 305m, including estimated CAPEX of € 5m (implied net yield¹) of 7.5%)
- Buyer: Lighthouse Capital Limited
- SPA Signing: 26 July 2021
- Closing Date: 30 September 2021
- Transaction: Share deal
- Conditions: No rental guarantee provided, no CAPEX obligations, no vendor loan provided
- Transaction Costs: c. € 4m
- Annual Cost Savings: To start as per 2022
- Use of Proceeds: Repayment of debt, LifeCentral investments

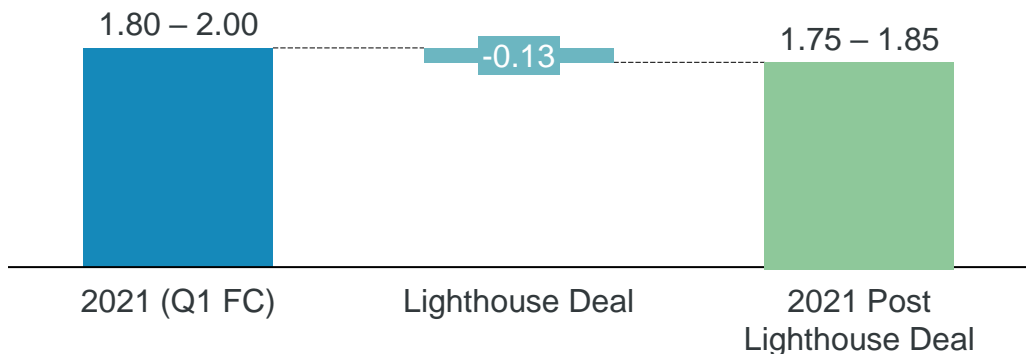


Financial Impact French transaction

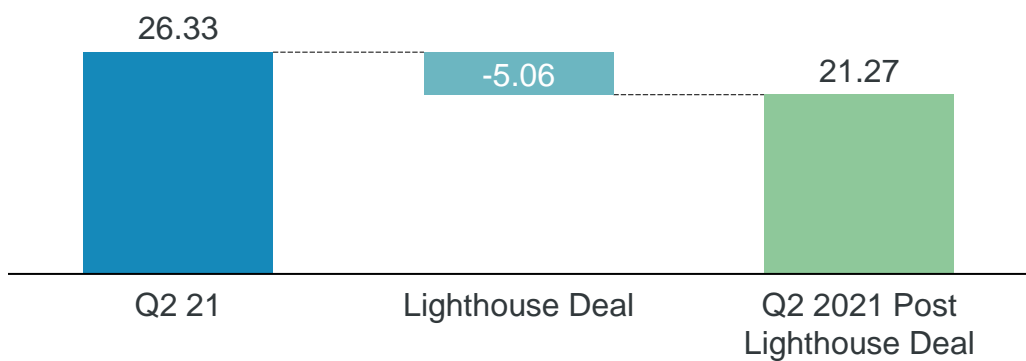
LTV
%



DRPS Full Year Outlook
€



EPRA NTA per Share
€

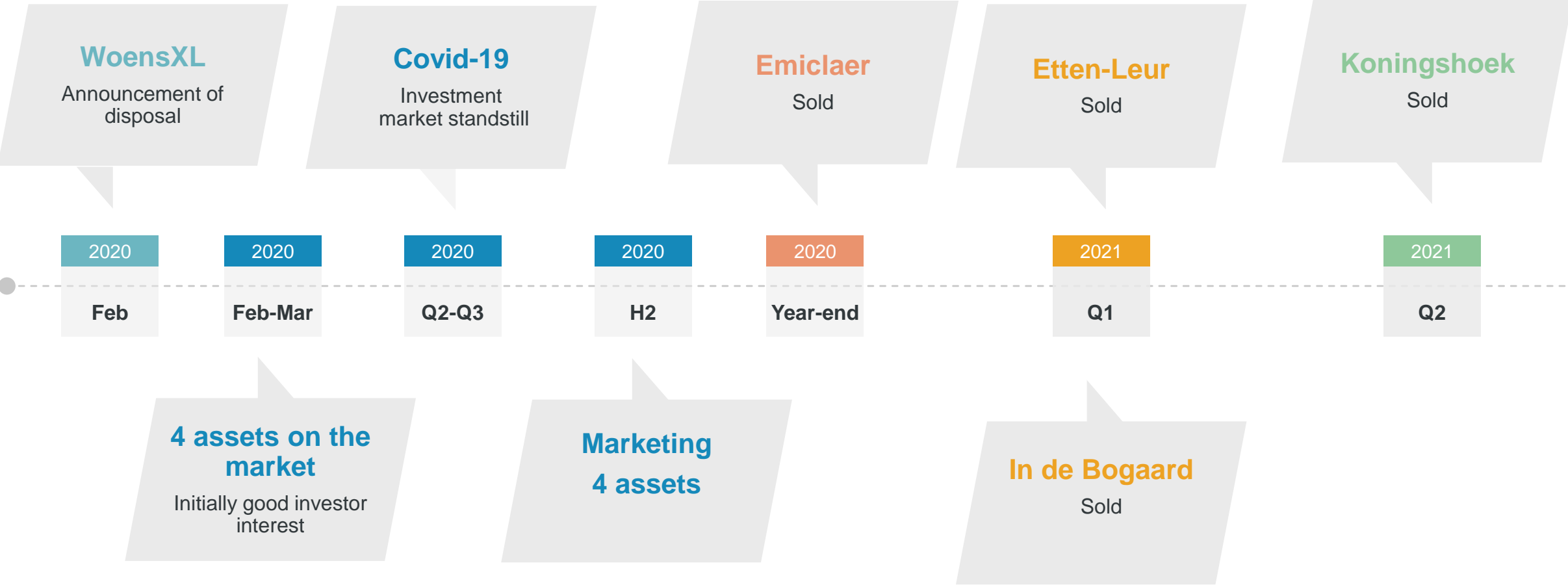


French transaction will trigger mandatory USPP prepayment offer

Mandatory prepayments upon disposals to USPP holders (currently € 625m USPP outstanding):

- 365 day rolling cumulative disposals up to **20% of consolidated total assets do not trigger prepayments**
- Any **excess of the above should be partially offered to be repaid to USPP investors**, based on relative share of USPP in total debt:
 - The disposal of the first 4 French assets in Q3 2021 leads to estimated mandatory offer to prepay USPP of **€ 59m**
 - Mandatory prepayment offers may be reduced with disposal proceeds reinvested in the business within 12 months prior or following disposal

Disposal Program Benelux finalized



Disposals accelerate several of our key strategic objectives

Focus on	Target 2020-2022
Phase out France ¹	4 out of 6 assets sold
Divestment program NL / BE	Completed
Restructuring balance sheet	LTV decreased by 4%-points after French transaction
Create FSC concepts	FSC concepts, for e.g. entertainment, F&B and fashion, completed and implemented in converted assets
Successful FSC conversions	Converted 4 assets to FSC according to our KPIs and started 6 additional asset transformations
Deliver digital tools	Launch at least 5 digital tools
Right skill organization for future	Get Customer Experience and Digital Transformation teams fully running
Corporate social responsibility	Maintain GRESB 5 star rating and complete a 2 degrees roadmap for each transformation

Operations H1 2021

High contract volume in H1, positive MGR uplift in Belgium & France and three large package deals in The Netherlands with anchor tenants

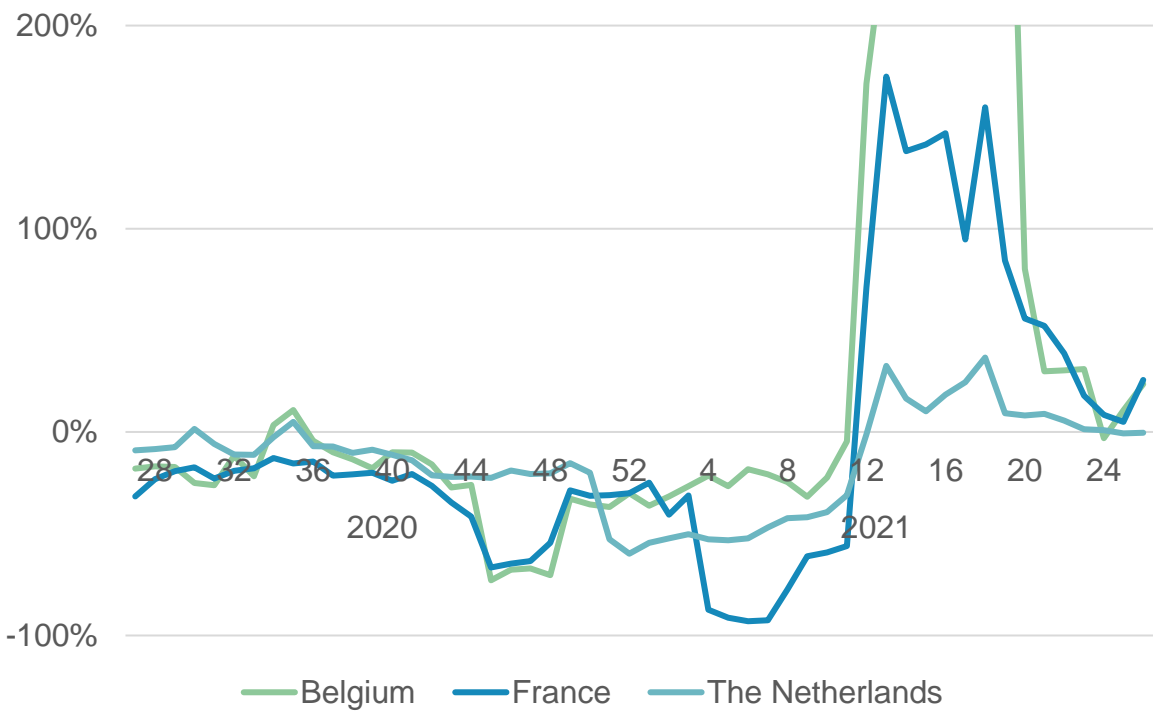
Country	# of Contracts ¹⁾	Leasing Volume ²⁾	MGR Uplift	vs ERV	Occupancy Rate
Belgium	39	6.0%	1.8%	5.2%	96.2%
France	32	9.2%	5.2%	0.6%	93.5%
Netherlands	42	2.6%	(9.0%)	8.9%	94.9%
Shopping centers	113	5.5%	0.0%	3.8%	94.9%

9 ¹⁾ New leases and renewals; excluding other commercial activities such as temporary leases, pop-up contracts and COVID-related discounts
²⁾ As % of the annualized contract rent excluding discounts (MGR)

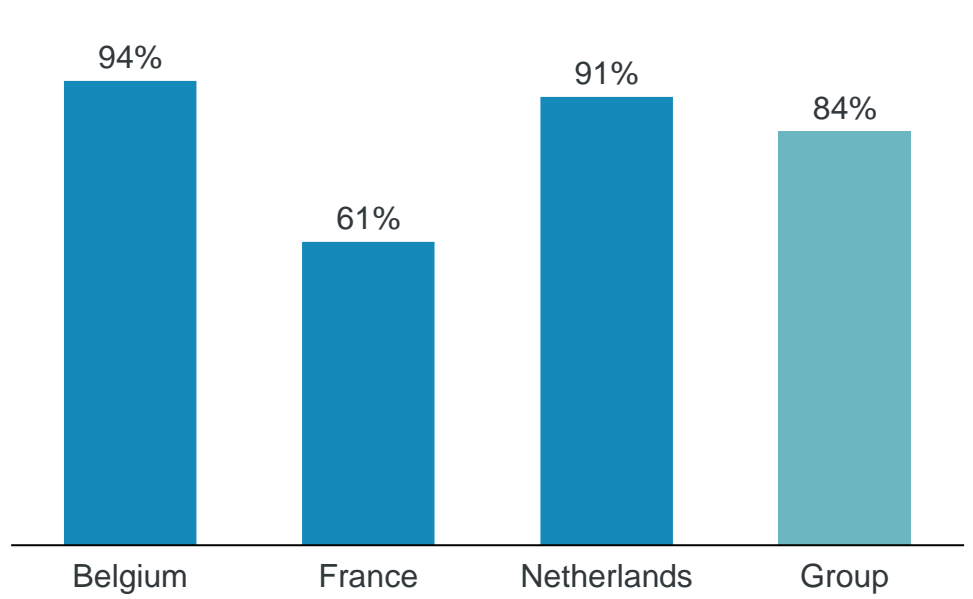
Strong rent collection in Belgium and NL; France awaiting approval of government support scheme

Footfall shows sharp rebound in Belgium and France after store reopenings in Q2

Footfall growth versus same period last year, last 52 weeks



Rent collection rates H1 2021¹⁾

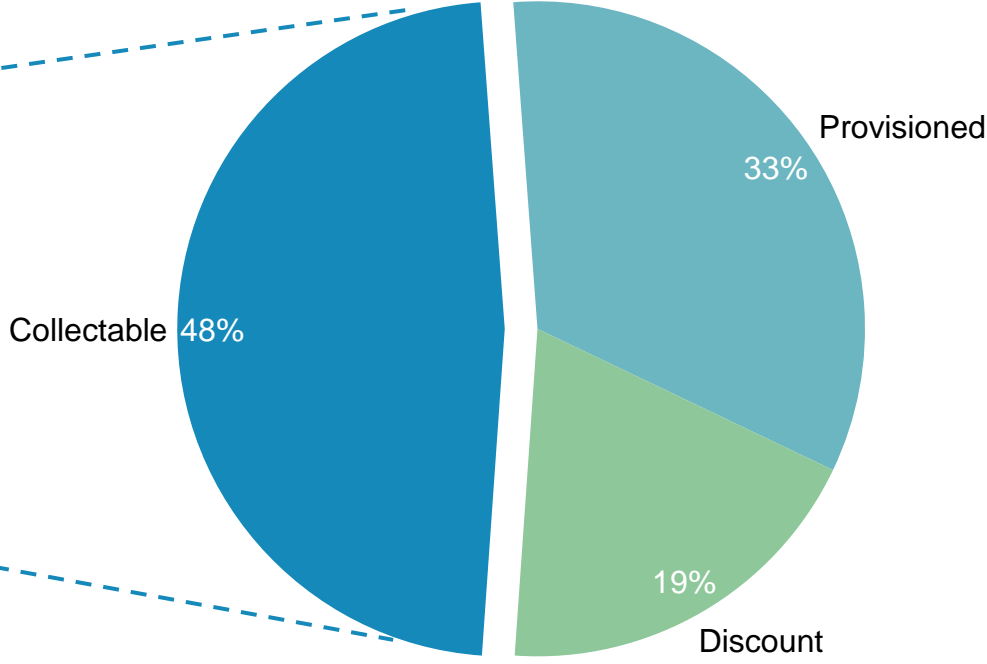
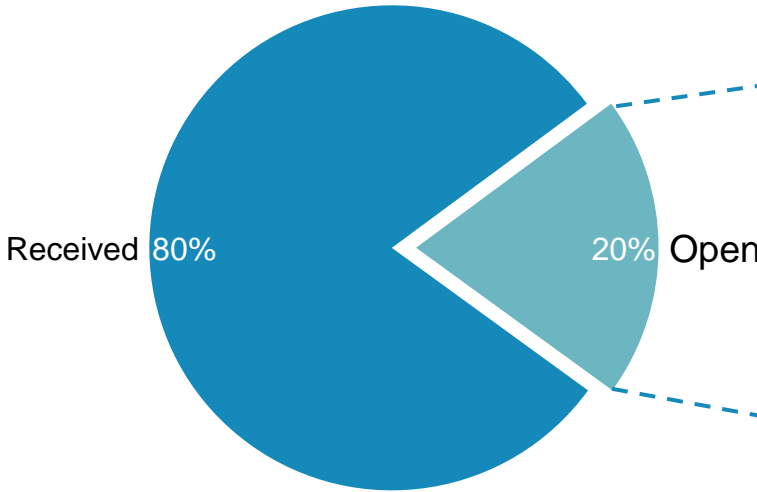


1) As of 20 July 2021. Collection rate of invoiced rents adjusted for tenant arrangements

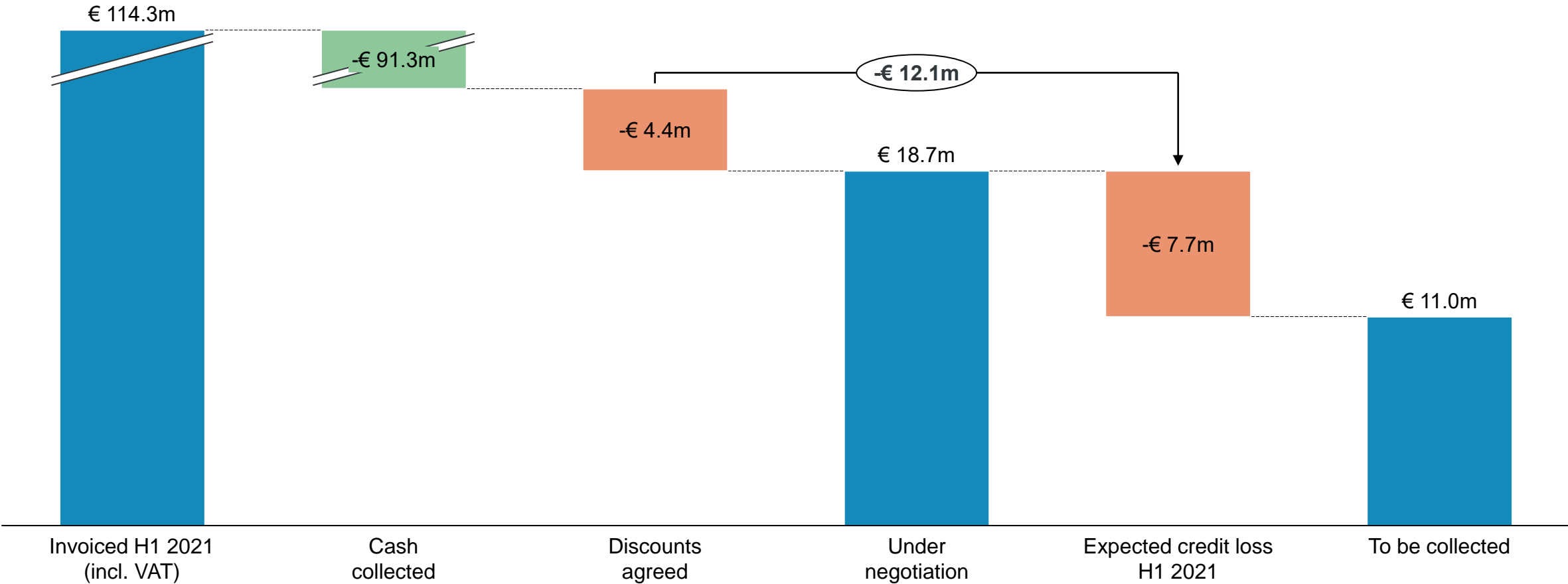
Rent collection for H1 2021 rents

Invoiced rent for H1 2021

Breakdown open payments

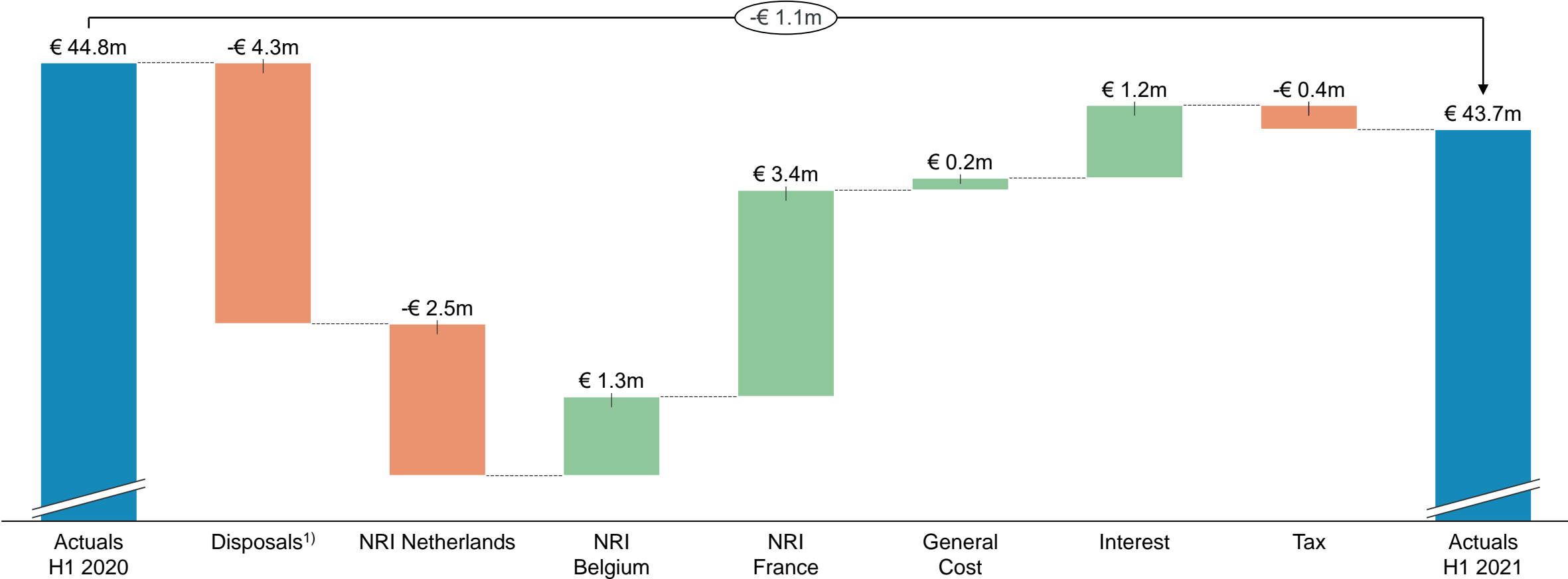


Rent collection & assessment of Covid-19



Direct result: impacted by disposals

Lower sales based rents and variable parking income due to Covid-19 in France and Netherlands, offset in France by lower doubtful debt provisions compared to H1 2020



1) In de Bogaard, Koningshoek, WoensXL, Emiclaer and Ettten-Leur in the Netherlands and Les Passages in France



Cost efficiency

Cost Reduction Opportunities

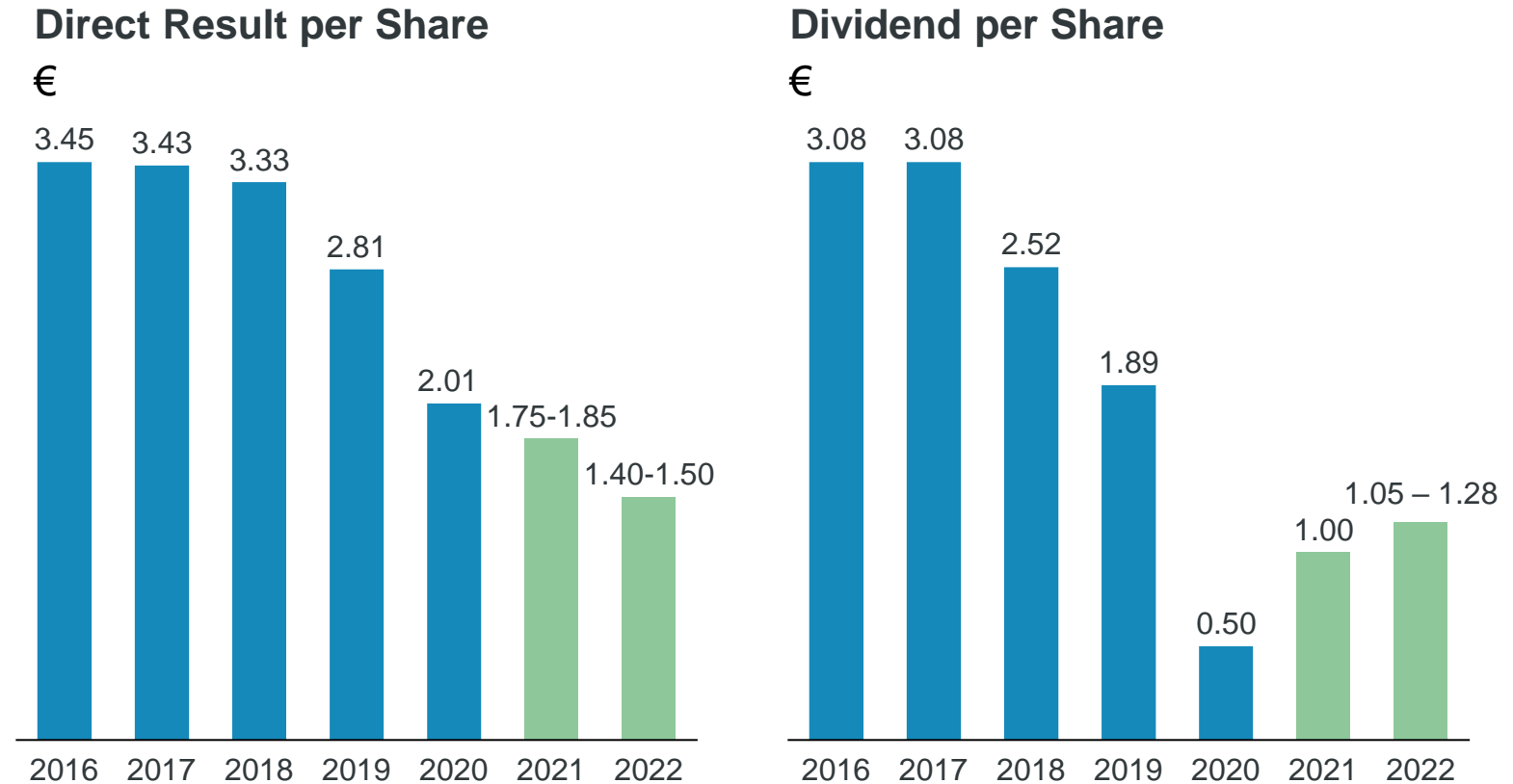
Status

Phase-out France	Four assets sold, annual general cost savings to be implemented in Q1 2022
Changing Headquarters (€ 400k)	Starting 2022 / 2023
LifeCentral phase 2 (growth phase) should result in lower cost ratio by realising operational synergies	Screening first acquisitions

Outlook 2021

Outlook for 2021 direct result per share will come out at € 1.75 – 1.85, lower than previous guidance due to -€ 0.13 disposals impact

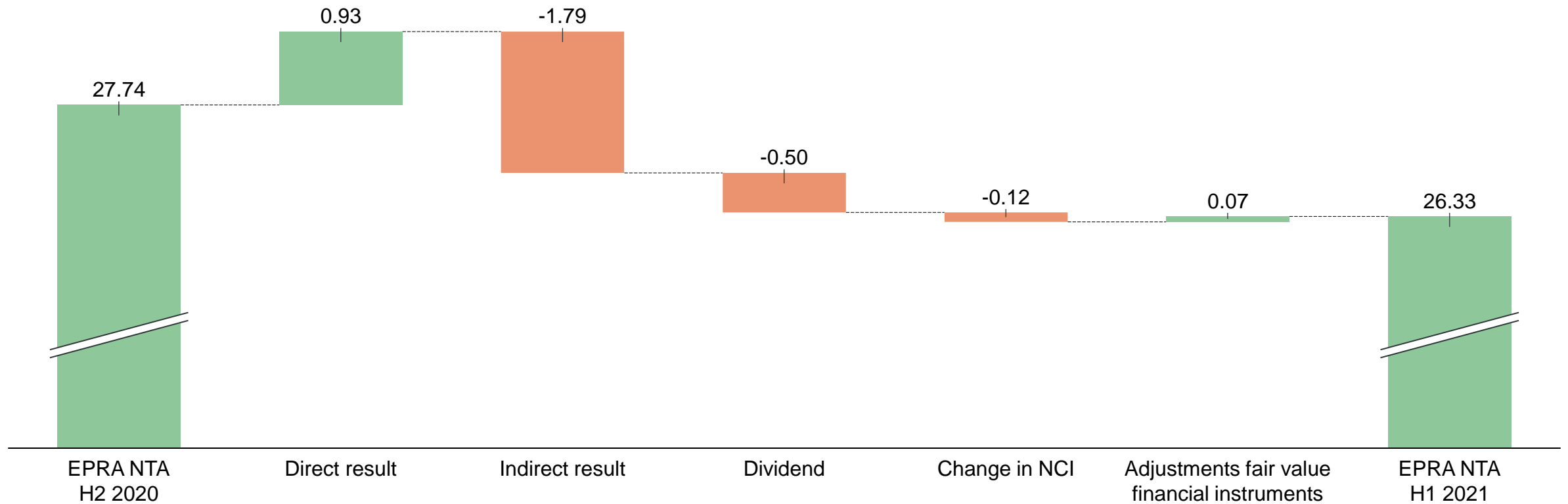
- Without the disposal impact, our guidance would have increased to **higher end of previous bandwidth**
- Assumed **no further lockdowns** during the remainder of the year and including **completed Dutch and announced French disposals**
- Trough DRPS 2022: € 1.40-1.50
- Dividend 2021
 - At least € 1.00 per share
 - Thereafter 75-85% of DRPS



EPRA NTA

EPRA NTA declined mainly due to Dutch transfer tax increase (one-off) and realized loss on two Dutch disposals

EPRA NTA Bridge: YE 2020 to H1 2021 (€ per share)



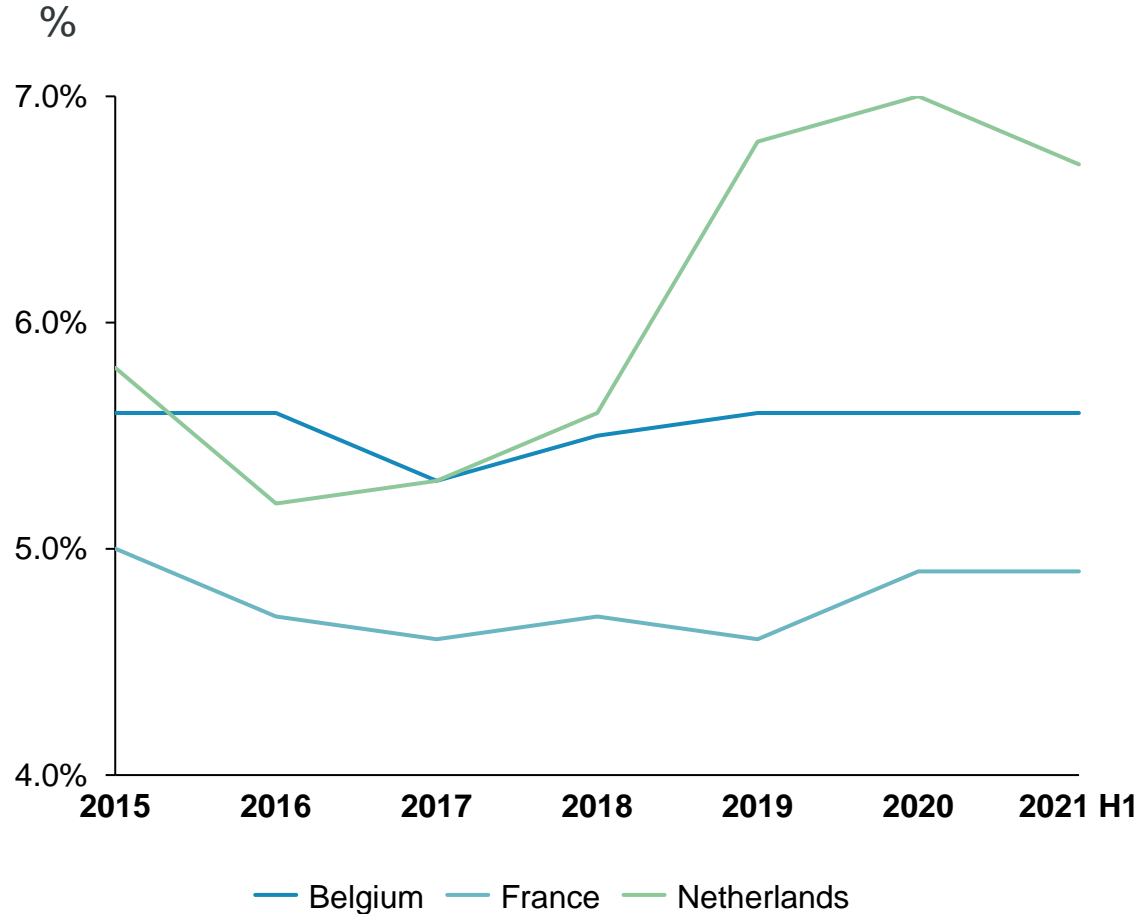
Revaluations

Negative revaluations mainly due to the increase in real estate transfer tax in The Netherlands; EPRA NIY declines as a result of yield compression at five assets

	Value (€ m)		Revaluation 2021 H1		EPRA NIY (%)	
	2020 H2	2021 H1	€ m	%	2020 H2	2021 H1
Belgium	830	826	(6.1)	(0.7%)	5.6%	5.6%
France	691	679	(17.5)	(2.5%)	4.9%	4.9%
Netherlands	966	840	(32.4)	(3.7%)	7.0%	6.7%
Shopping centers¹⁾	2,487	2,346	(56.0)	(2.3%)	5.9%	5.8%
Offices	91	90	(1.3)	(1.4%)	6.8%	6.4%
Total portfolio	2,578	2,436	(57.2)	(2.3%)	6.0%	5.8%

Valuations are stabilizing

EPRA NIY Wereldhave Shopping Centers



- Finally overall portfolio yield stability due to stronger investment market
- In Belgium the yield remains stable and has been so since H1 2019
- In The Netherlands
 - The yield is decreasing for the first time since H1 2017 and stable on a like-for-like basis
 - Majority of negative valuation changes caused by increase in transfer tax
 - Smaller assets stable and larger assets slight decrease in valuations
 - Rebound in investment market volumes

Yield Compression after LifeCentral Transformations

As presented in our 2020 Strategic Review...

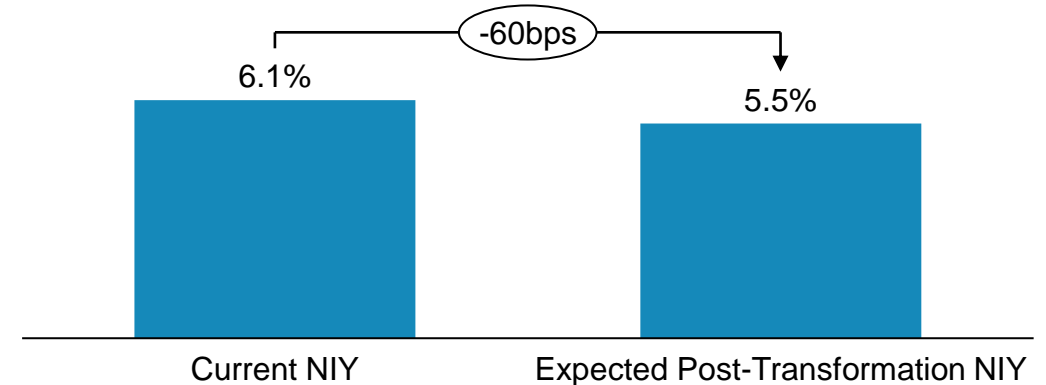
We believe FSCs should trade at lower cap rates than traditional shopping centers

Characteristic FSC	Impact
Serving multiple customer needs in one location	Meeting more demands results in higher basket per visit / higher spending per person
Diversified tenant mix	Less dependency on declining traditional retail
Synergy between different uses	Higher turnover, rent levels & occupancy rates
Other uses potentially have larger catchment areas	Higher footfall
Other uses provide multiple reasons to visit	Sustainable footfall
Other uses will increase "operating hours" of the asset	Higher footfall and higher dwell time ¹⁾

Lower risk

1. Source: ICSC research: Food-Beverage-Study-UK

... we expect yield compression in our portfolio¹⁾



- Our belief is that transforming our assets to Full Service Centers will lead to yield compression
- As we expect rent levels to stabilize or increase after transformation, the lower yields will lead to higher values of the assets
- As part of our LifeCentral strategy, we expect to invest € 90-110m of non-yielding CAPEX in five years
- These investments are more than compensated by the expected € 180-220m value increase coming from yield compression

First pieces of evidence for FSC yield compression

- Ongoing transformations are providing the first results:
 - NIY Ring Shopping Kortrijk down by 27bps after start of FSC Transformation Phase 1
 - NIY Shopping Belle-Île down by 10bps after finalization FSC Transformation Phase 1
 - Remainder of expected yield compression to come from Phase 2 of FSC Transformations
- In 2022 we expect to finalize the FSC transformations of Presikhaaf, Sterrenburg and Tilburg and yield compression accordingly





Capital allocation

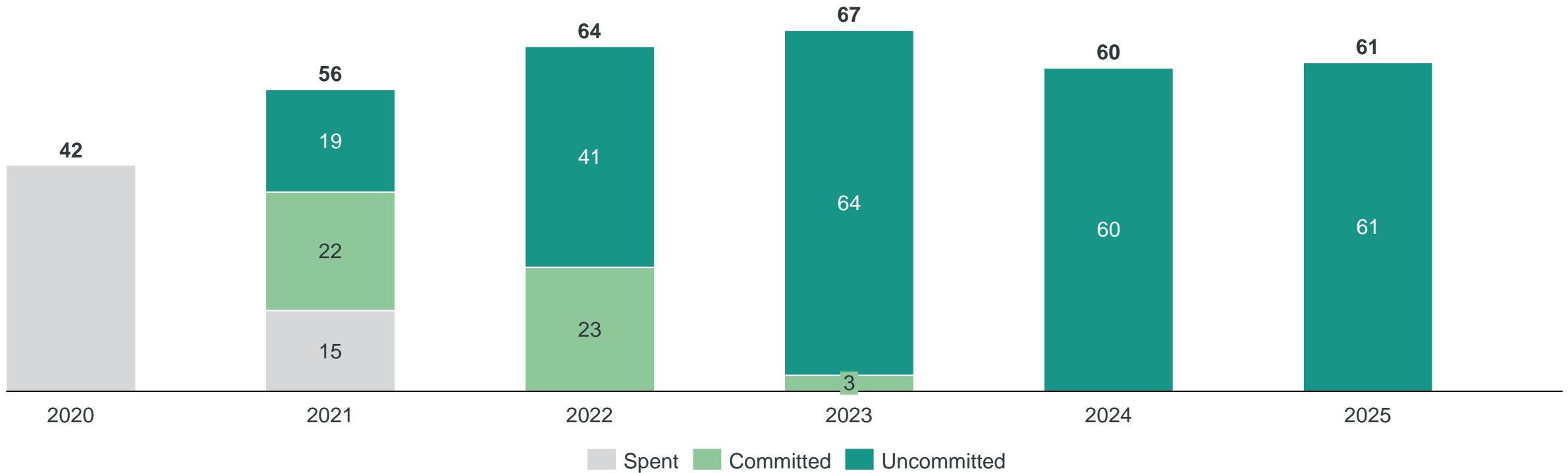
- Building a rock-solid, efficient balance sheet
 - Target 30-40% LTV per year end 2022
 - Disposing assets
- LifeCentral: Investing in a future-proof portfolio
 - Long-term value creation for shareholders
 - Transformation towards Full Service Centers
 - >6% unlevered IRR
- Dividend
 - Meeting requirements fiscal regime
 - Balancing with capex and targeted LTV
 - 2020: € 0.50 per share
 - 2021: minimum € 1.00 per share
 - 2022: aim to return to 75-85% of DRPS



LifeCentral CAPEX

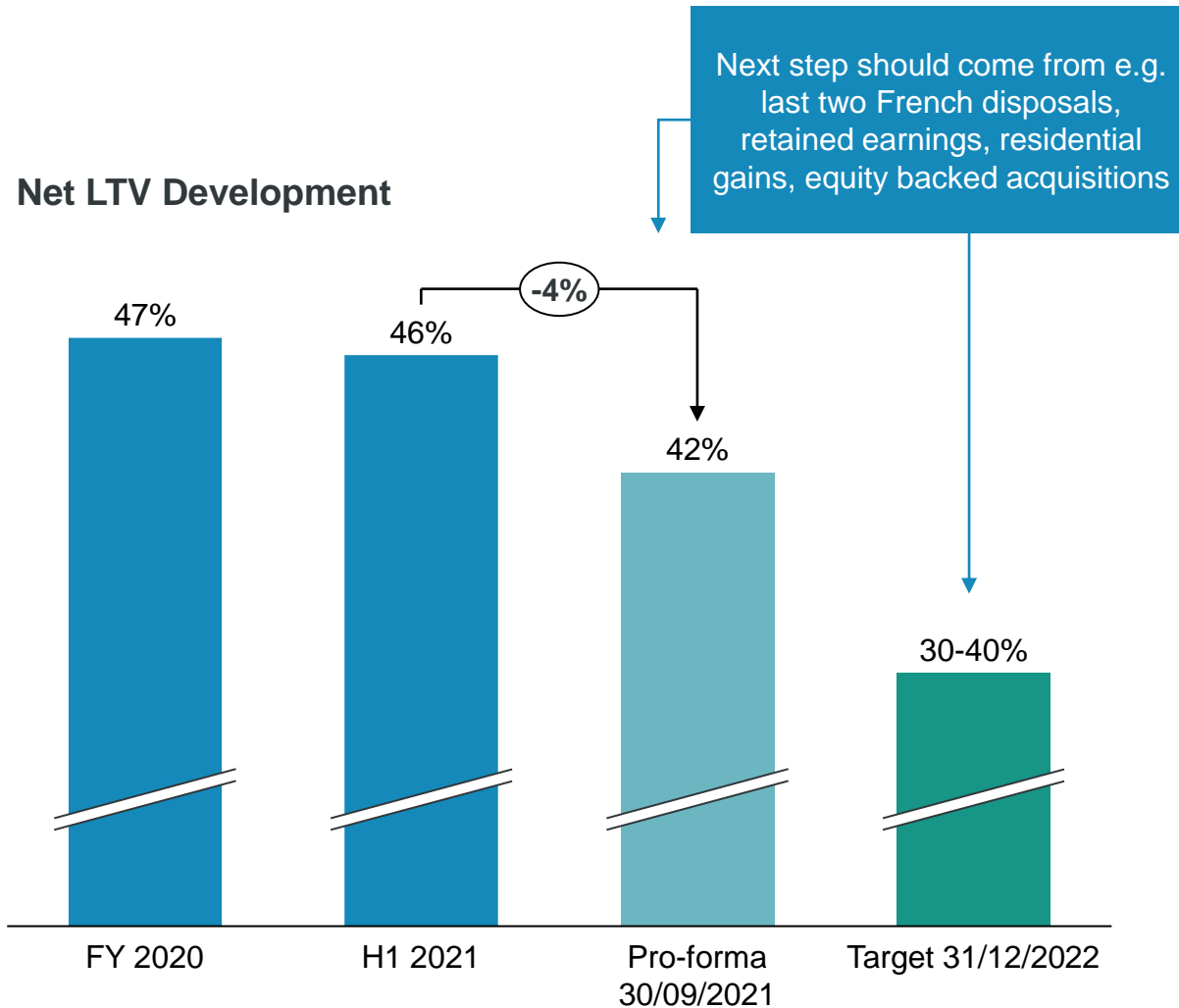
Total LifeCentral investments¹⁾ in NL and BE, excl. FR
€ m, 2020-2025

Investments only done in
NL & BE assets with IRRs
above threshold of 6.0%



LTV Development

Net LTV Development



Why we target an LTV of 30-40%

- Improves our credit profile and provides sustainable access to credit
- Reduces our vulnerability to revaluations
- Allows for selective LifeCentral transformations and other investments in the portfolio
- Allows us to execute our dividend policy in a sustainable way
- Makes the company more attractive and accessible to a wider pool of institutional investors, thereby increasing liquidity of the share for all investors

Debt Profile

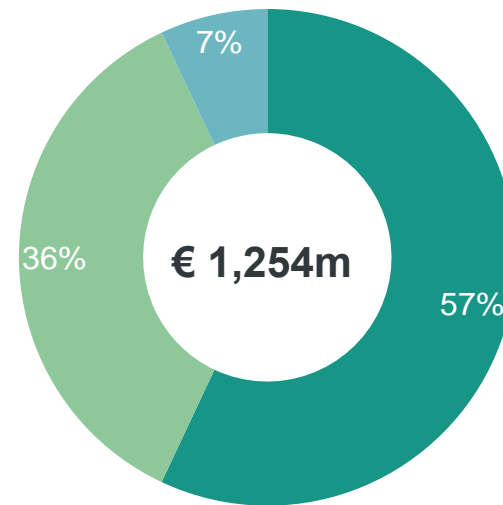
	Q4 2020	Q2 2021	Covenants	Policy
Interest bearing debt ¹⁾ (€)	1,254m	1,122m		
Average cost of debt	1.9%	1.9%		
Undrawn committed (€)	306m	271m		
Cash position (€)	67m	14m		
Fixed vs floating debt	69% / 31%	66% / 34%		min. 50% fixed
Gross LTV ²⁾	50.9%	50.0%	≤ 60%	
Net LTV	46.7%	46.1%		30% - 40%
ICR	5.3x	5.5x	>2.0x	
Solvency	48.7%	50.1%	>40%	
Debt maturity (years)	3.4	3.7		

Debt Mix

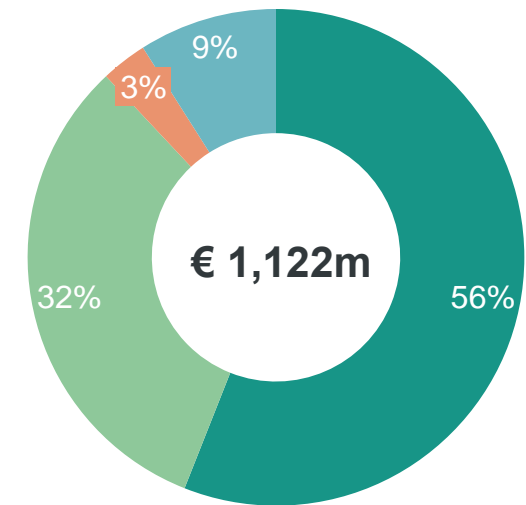
€ 202m in new financing and refinancing arranged in H1 2021

- The Green Revolving Credit Facility with ABN AMRO was amended and extended. The amount was reinstated at € 120m and the term was extended to 1 July 2024
- Wereldhave Belgium
 - Successfully issued € 32m in green bonds with a term of 5 years
 - Refinanced a € 50m term loan from ING Bank. The new maturity date is 30 June 2025
 - Commercial Paper program expanded from € 100m to € 150m

Q4 2020



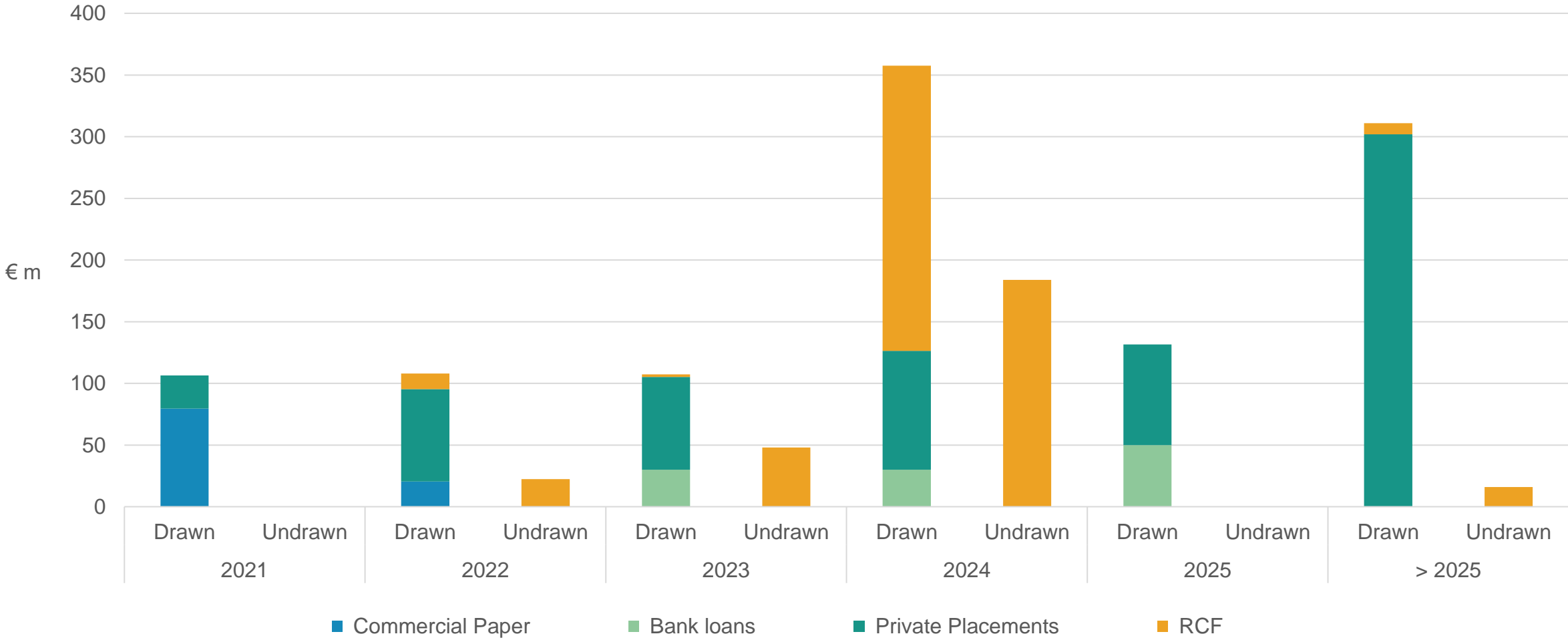
Q2 2021

















■ USPP ■ Bank loans (incl. RCF) ■ Bonds ■ Treasury notes

Debt Expiry Profile

Post French transaction, our available liquidity covers debt maturities until Q1 2024



We will deliver on our ambitions

Focus on	Target 2020-2022	Progress	
		02/21	07/21
Phase out France ¹⁾	Phase out France		
Divestment program NL / BE	Dispose assets with book value of € 225m - € 275m		
Restructuring balance sheet	Lower LTV to 30-40%		
Create FSC concepts	FSC concepts, for e.g. entertainment, F&B and fashion, completed and implemented in converted assets		
Successful FSC conversions	Converted 4 assets to FSC according to our KPIs and started 6 additional asset transformations		
Deliver digital tools	Launch at least 5 digital tools		
Right skill organization for future	Get Customer Experience and Digital Transformation teams fully running		
Corporate social responsibility	Maintain GRESB 5 star rating and complete a 2 degrees roadmap for each transformation	