



# Results

H1 2023

21 July 2023

Wereldhave

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# Key Messages

- LFL net rental growth core portfolio 10% driven by full pass through of indexation
- Dutch assets revalued by +3%, lifted by outperformance of completed Full Service Centers
- Slight increase in LTV after dividend and front-loaded capex; reduction in H2
- Reorganization completed, enabling more effective execution of LifeCentral strategy and cost savings
- Benelux tenant sales +11.5% versus 2022
- FY 2023 DRPS outlook maintained at € 1.65-1.75

# Highlights H1 2023

Total result up more than 50% compared to H1 2022

	H1 2022	H1 2023	Change
Direct result per share (€)	0.81	0.89	0.08
Indirect result per share (€)	0.03	0.40	0.37
Total result per share (€)	0.84	1.29	0.45

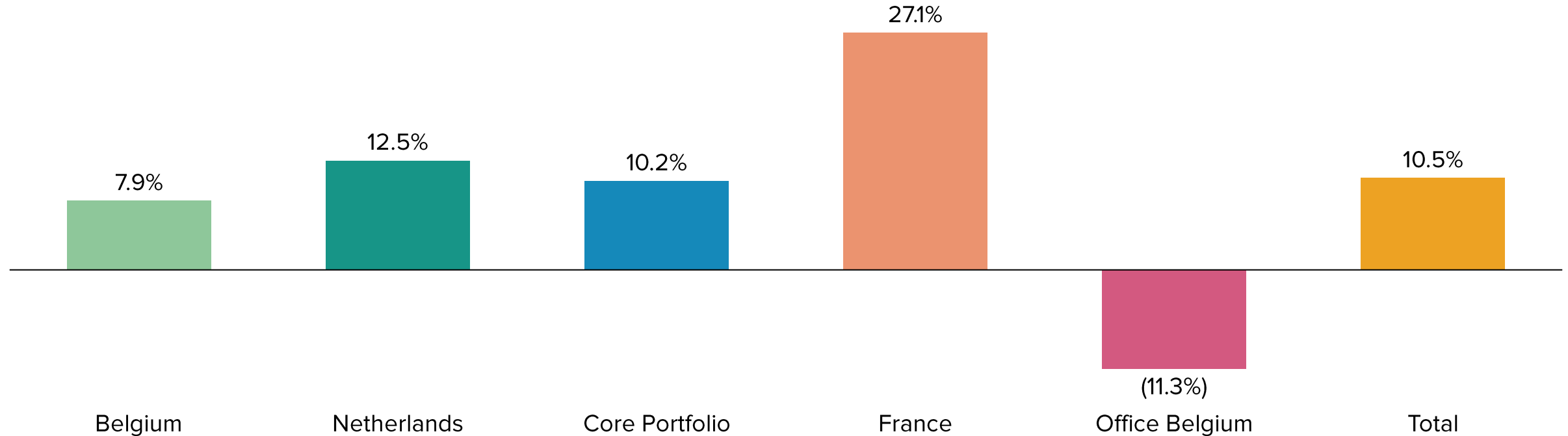
	FY 2022	H1 2023	Change
EPRA NTA per share (€)	21.73	21.85	0.12
Net LTV	42.4%	43.9%	1.5pp
NPS (Benelux)	+24	+25	1
Proportion of mixed-use Benelux (in m <sup>2</sup> )	13.2%	13.3%	0.1pp

# Highlights H1 2023

LFL NRI growth driven by indexation, lower energy costs and sales-based rents

## Like-for-Like Net Rental Income Growth

H1 2023 vs. H1 2022; %



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# Operations H1 2023

ERVs remain conservative; leasing +9%

Country	# of Contracts <sup>1)</sup>	Leasing Volume <sup>2)</sup>	MGR Uplift <sup>3)</sup>	vs ERV	Occupancy Rate
Belgium	34	4.9%	1.4%	9.1%	96.4%
Netherlands	46	5.9%	(4.9%)	9.0%	95.6%
<b>Core Portfolio</b>	<b>80</b>	<b>5.4%</b>	<b>(2.4%)</b>	<b>9.0%</b>	<b>96.0%</b>
France	4	1.5%	13.1%	11.0%	94.6%
<b>Total</b>	<b>84</b>	<b>5.1%</b>	<b>(2.3%)</b>	<b>9.1%</b>	<b>95.8%</b>

# Continued strong FSC performance

Four assets will be completed as FSC in H2

KPI	Full Service Center	In Transformation	Shopping Center
# Assets	5	6	6
Mixed Use Percentage	16%	16%	9%
MGR Uplift <sup>1)</sup>	(0.4%)	(6.2%)	(0.7%)
MGR vs. ERV	+10.4%	+8.4%	+7.3%
Tenant Sales vs. 2022	+12.4%	+10.2%	+12.1%
Footfall vs. 2019	+22.6%	(5.5%)	(2.3%)
Direct Result	6.4%	6.2%	6.9%
Valuation Result	2.1%	0.9%	1.7%
Total Property Return <sup>2)</sup>	8.5%	7.1%	8.6%

Note: core portfolio only

1) On top of indexation

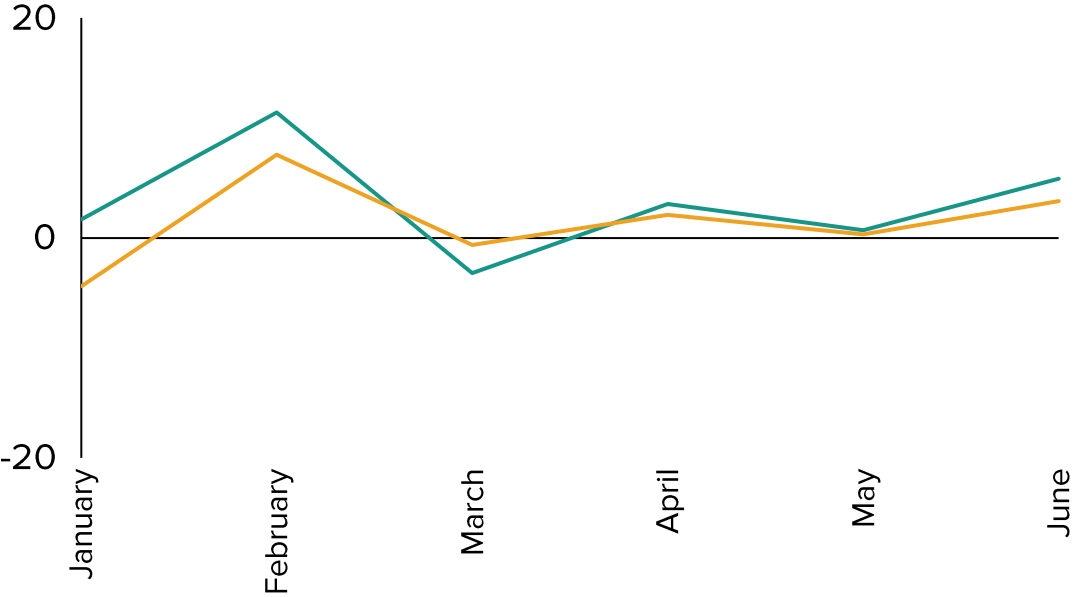
2) According to MSCI definition, annualized



# Footfall continuous to improve

Footfall growth vs. same period 2019: Belgium

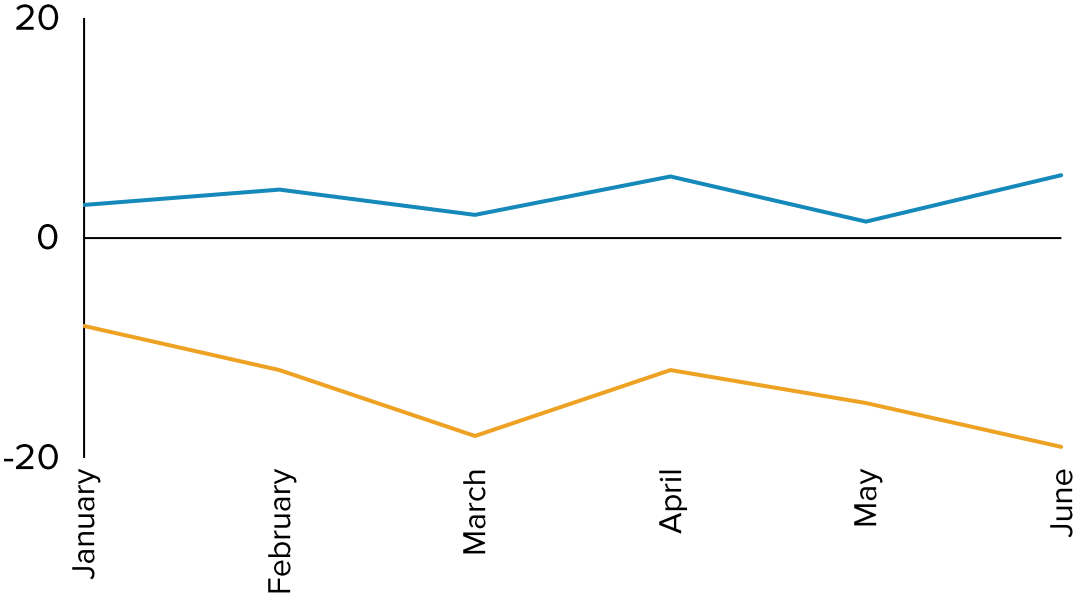
H1 2023; %



— Wereldhave Belgium  
— Belgium SC Market

Footfall growth vs. same period 2019: Netherlands

H1 2023; %



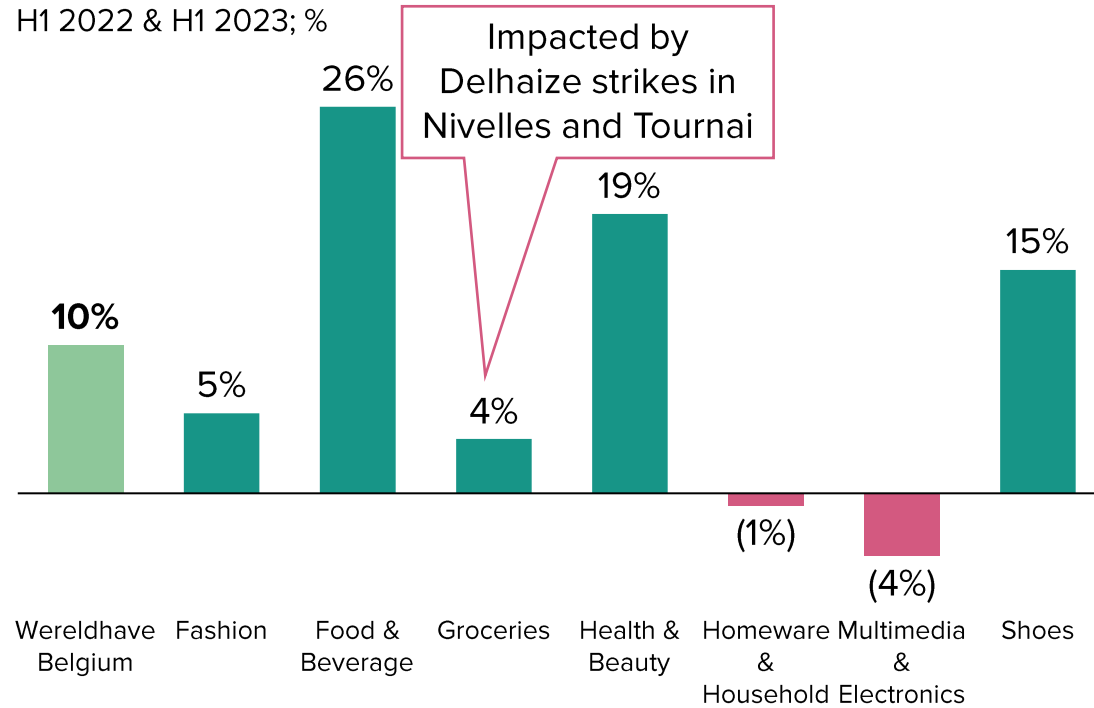
— Wereldhave NL  
— NL Retail Market

# Tenant Sales

11.5% increase in tenant sales versus 2022<sup>1)</sup>

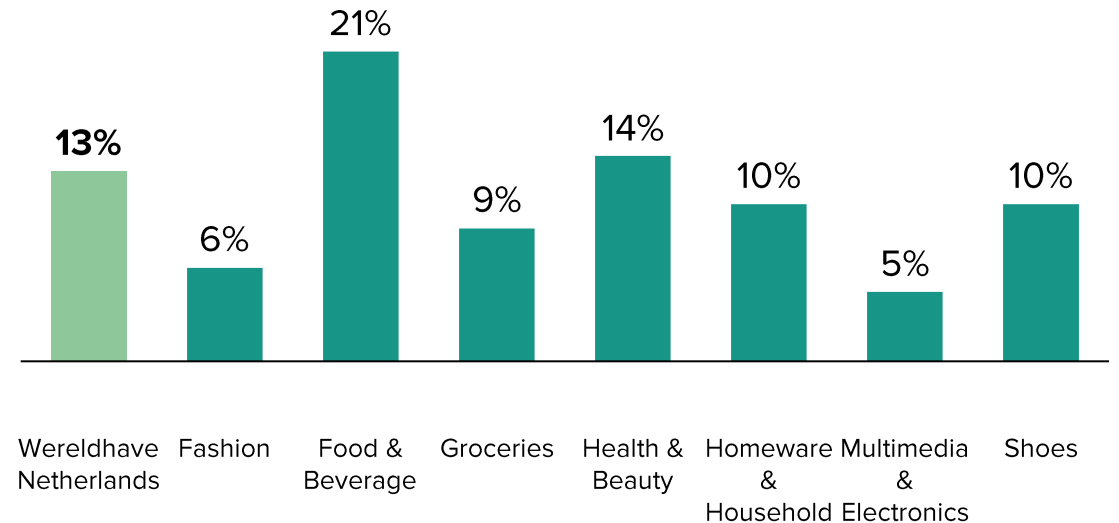
## Tenant sales 2023 vs. 2022: Belgium<sup>2)</sup>

H1 2022 & H1 2023; %



## Tenant sales 2023 vs. 2022: Netherlands<sup>3)</sup>

H1 2022 & H1 2023; %



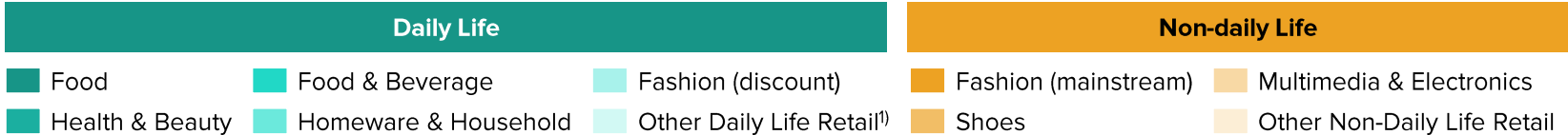
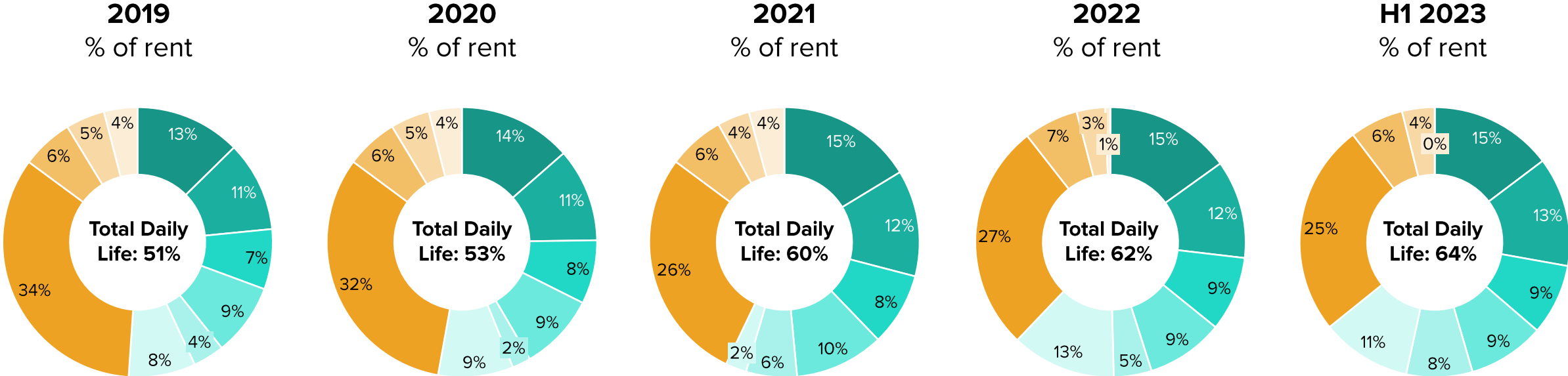
1) Rent based weighted average Wereldhave Belgium and Wereldhave Netherlands

2) Belgium tenant sales numbers based on 55% of rental value (sales data received at time of publication)

3) Netherlands tenant sales numbers based on 38% of rental value (sales data received at time of publication)

Source: Tenant sales data; Wereldhave

# LifeCentral Strategy makes WH more resilient in an uncertain macro environment



11 <sup>1)</sup> Includes amongst others Sport, Fitness, Personal Care, Services, Leisure, Serving the community



# Benelux update

## Belgium

- 34 Retail deals signed, 9.1% above ERV and 1.4% above previous rent on average, for example:
  - Tournai - Shopping Bastions: Basic-Fit
  - Ring Kortrijk: Casa, Rituals, Press Shop, Bubble Bar, Claire's
  - Genk - Shopping 1: Sports Direct, Dunkin Donuts, Calzedonia/Intimissimi
- 9 deals in Offices (19.3% above ERV and 11.5% above previous rent) with a.o. Eriks, Liberty Mutual, Loxam
- Footfall increased +8.3% vs. H1 2022
- EPRA Occupancy shopping centers at 96.4% end of Q2-2023

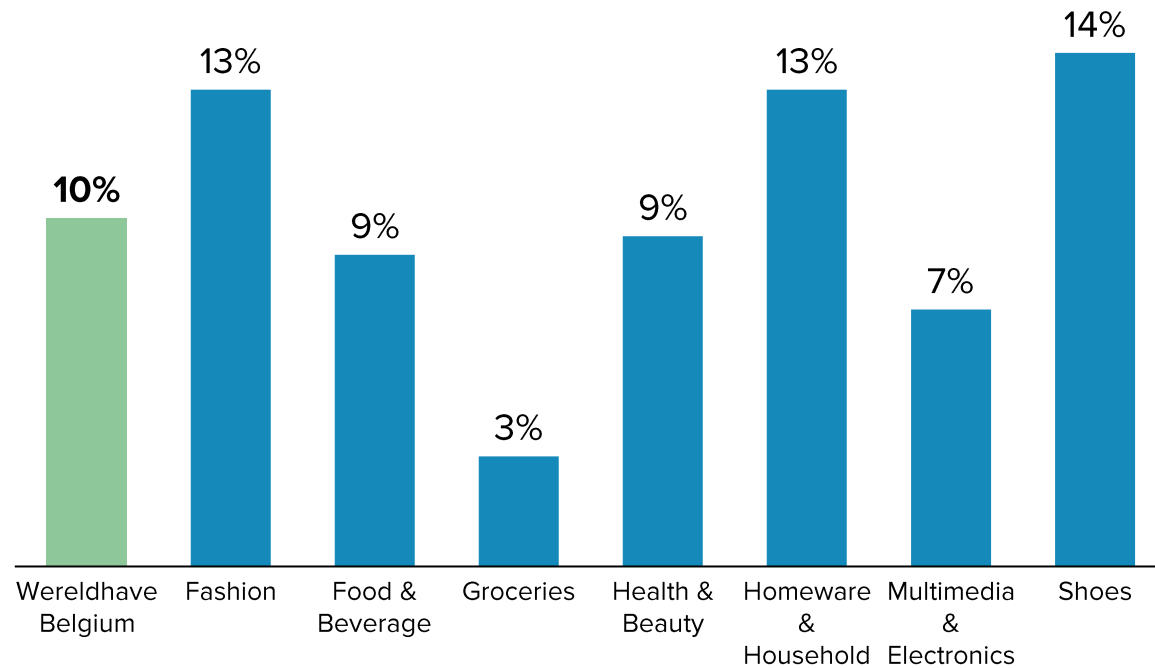
## Netherlands

- 46 retail deals signed, 9.0% above ERV and 4.9% under previous rent on average. For example:
  - Hoofddorp - Vier Meren: Nelson, Skechers, Alexanderhoeve and Simon Levelt
  - Tilburg - Pieter Vreedeplein: Action, Renewal: Sissy-Boy, Sacha and Pandora
  - Arnhem - Kronenburg: package deal Ahold (Albert Heijn, Etos, Gall&Gall) and signed 11 leasing deals as part of FSC transformation, incl. new Jumbo
- Footfall increased 11.6% vs. H1 2022
- EPRA Occupancy shopping centers stable at 95.6% end of Q2-2023

# OCRs NL stable due to rising sales and rent levels, both driven by inflation, OCRs BE slight increase

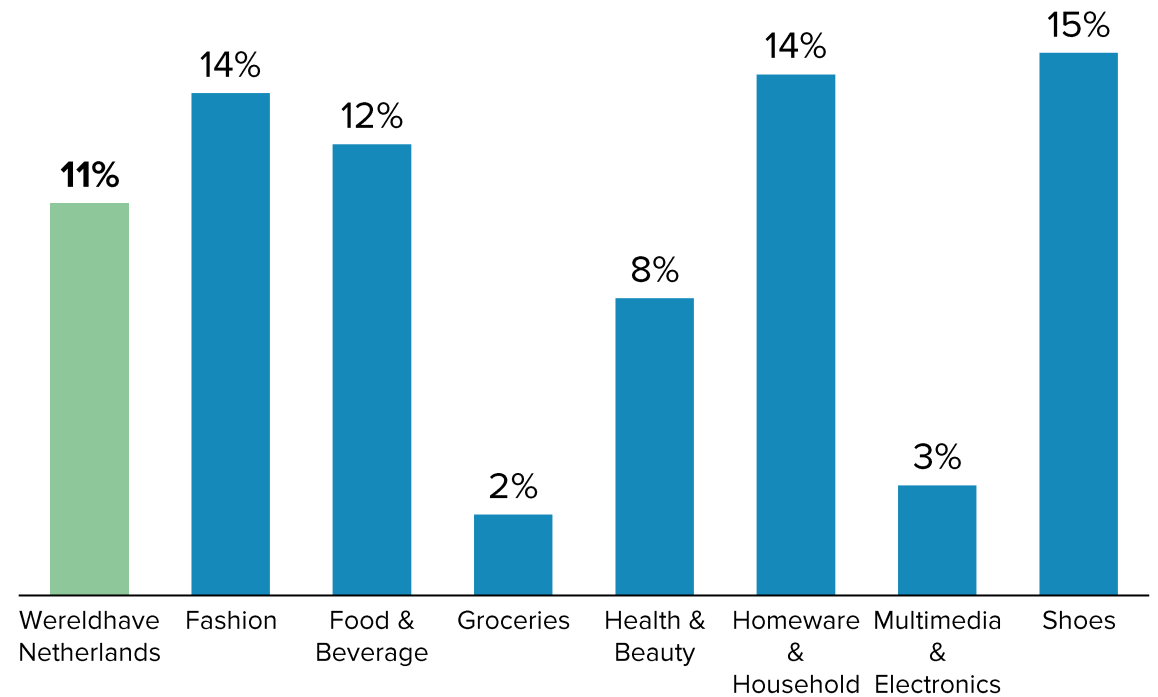
OCR Wereldhave Belgium<sup>1)</sup>

H1 2023, LTM; %



OCR Wereldhave NL<sup>2)</sup>

H1 2023, LTM; %



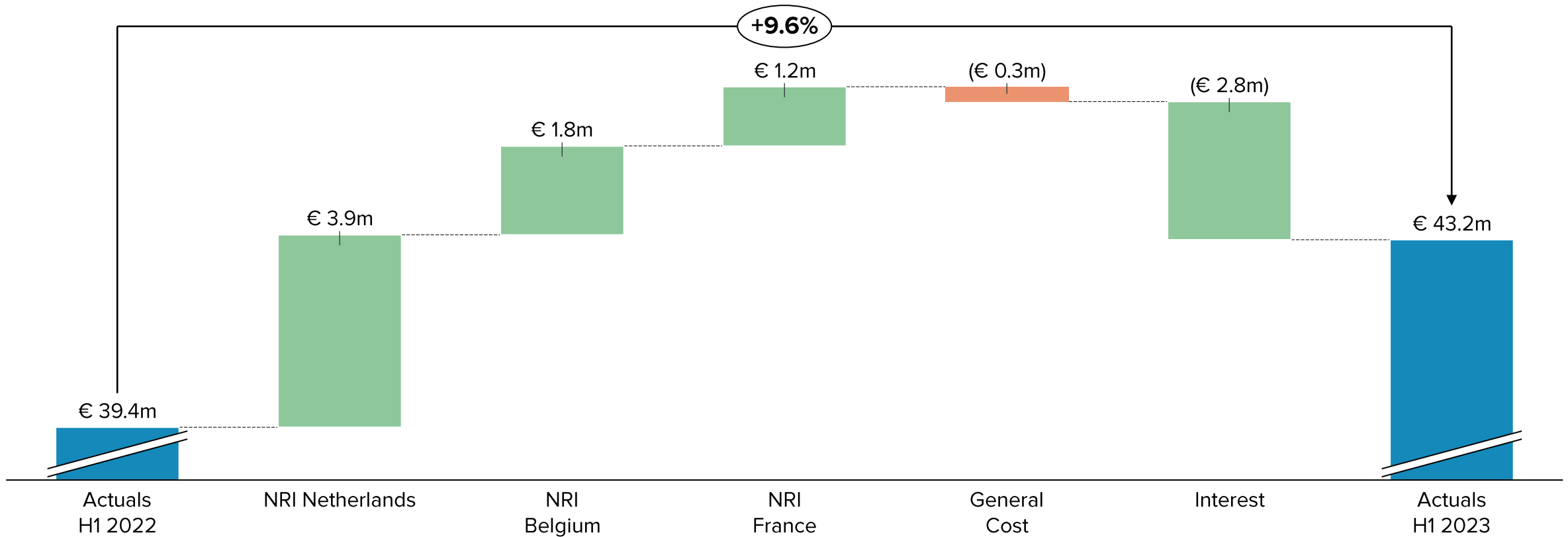
1) Belgium OCRs calculated with tenant sales numbers based on 55% of rental value (sales data received at time of publication)

2) Netherlands OCRs calculated with tenant sales numbers based on 38% of rental value (sales data received at time of publication)

Source: Tenant turnover data, Wereldhave

# Direct result

## 10% increase in Direct Result



# Majority of planned cost savings realized and efficiency of organization further improved

## Cost savings program

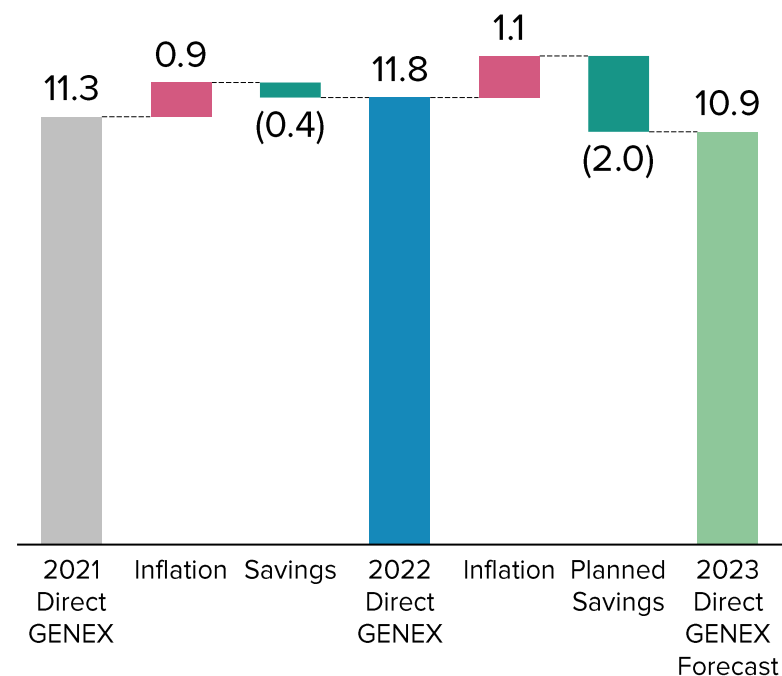
- Wereldhave staff aligned with smaller asset base
- Wereldhave head office moved to a cheaper location

## More efficient organization

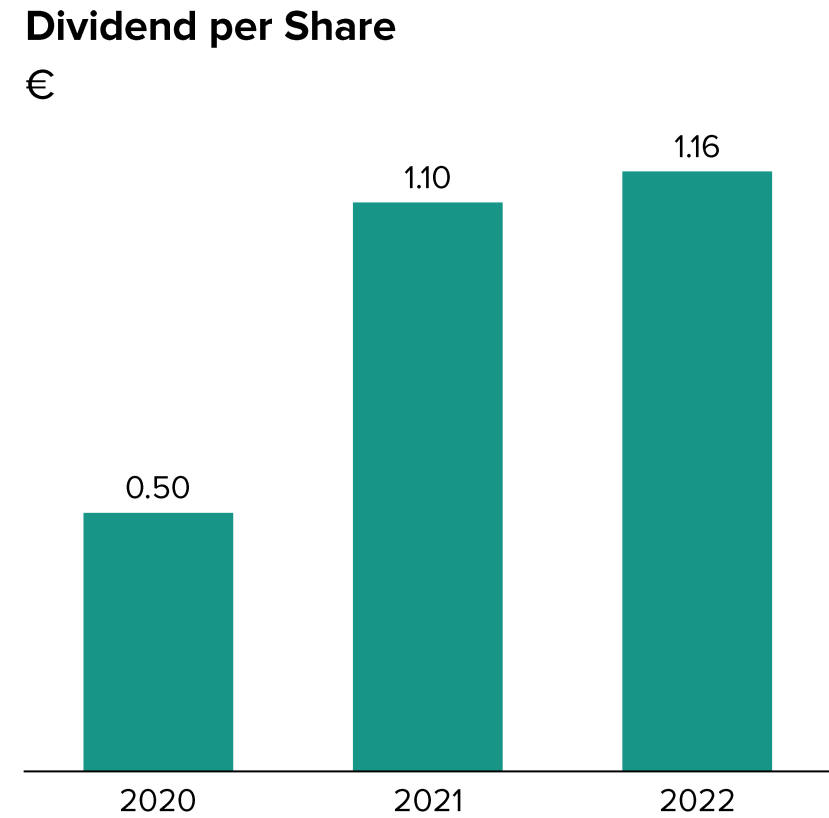
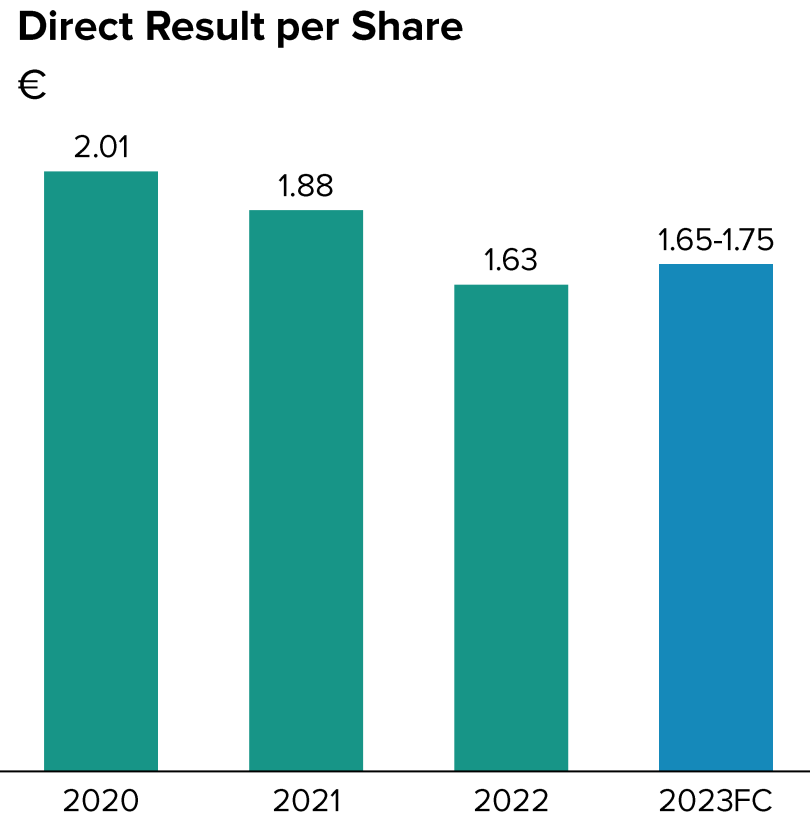
- Wereldhave Holding and Wereldhave NL integrated
- Business Unit structure in Wereldhave NL removed
- More efficient finance organization structure
- Customer Experience team restructured

## Direct GENEX

€ m



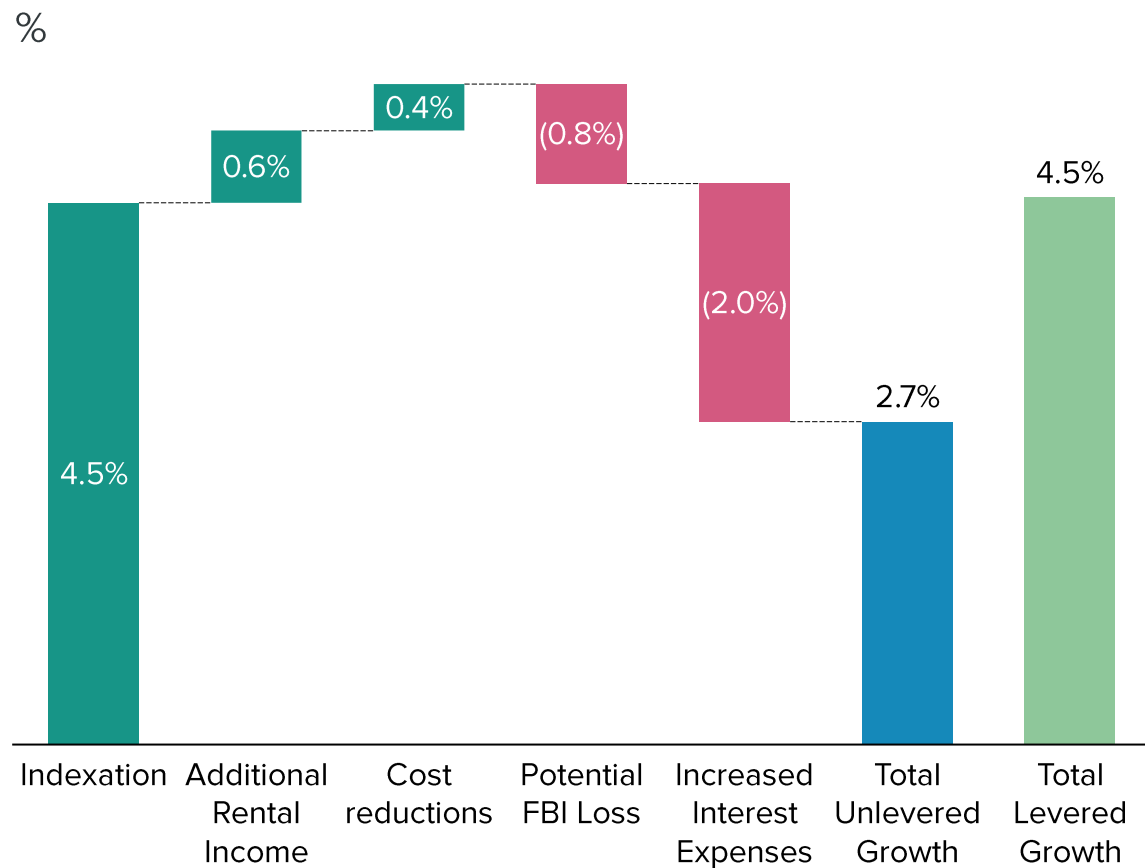
# Outlook 2023 DRPS at € 1.65 – 1.75 re-confirmed





# DRPS Growth 2023 – 2027: Higher indexation, but also higher financing costs

## Expected average annual DRPS Growth 2023 – 2027



- The 2023 – 2027 growth comes from multiple drivers
  - Leasing contracts indexed annually with inflation, we use 4.5% in our forecasts
  - Additional rental income mainly driven by the expectation that completed Full Service Centers are expected to generate higher rental growth than traditional shopping centers
  - Cost reduction program will continue in 2023 and 2024
- The potential loss of the FBI status might have a negative impact on the 2025 DRPS
- Until 2027 we have a total debt expiry of over € 500m and we expect significant increase in interest rates
- Potential income from new business models, which were not allowed under FBI status, not included (e.g. managing for third parties)
- Potential additional growth drivers like acquisitions, potential extensions and residential developments are not yet included

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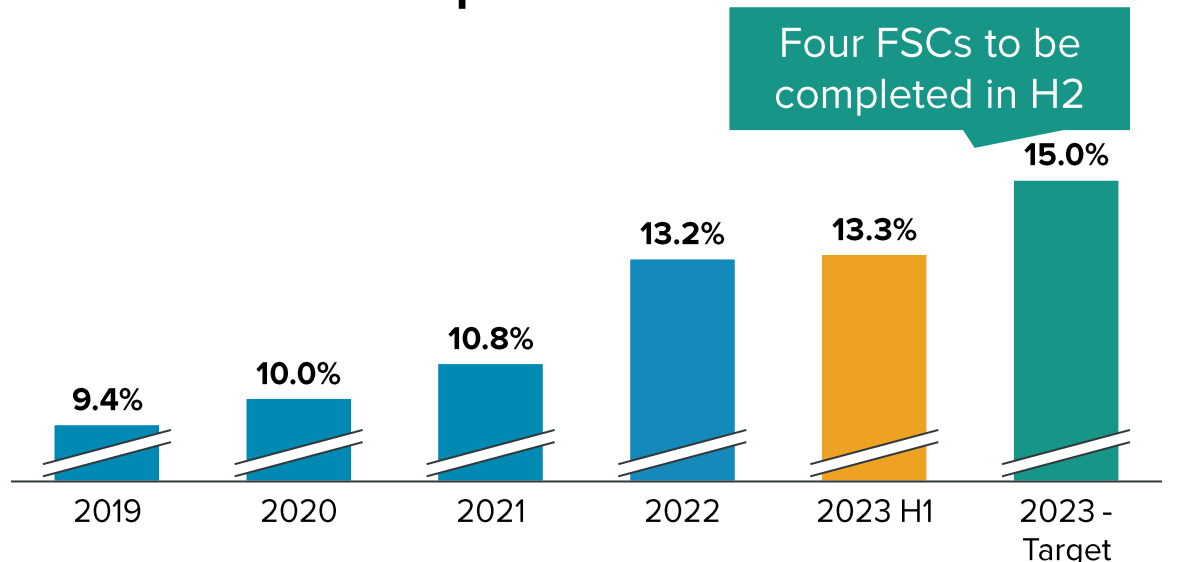




# LifeCentral progress H1 2023

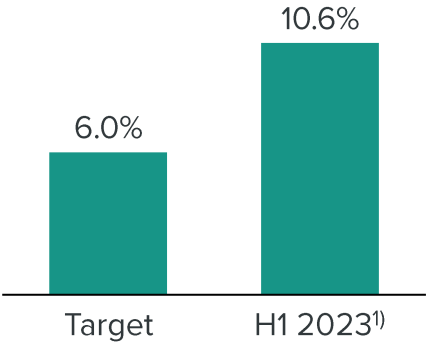
- Four ongoing transformations reaching completion, still within timelines and budget
- Organization further streamlined to execute LifeCentral more effectively across both countries
- Customer Experience restructured after completion of elements like Every.deli, The Point and Eat&meet, which are now ready for further roll-out

## Mixed Use Development 2019-2023

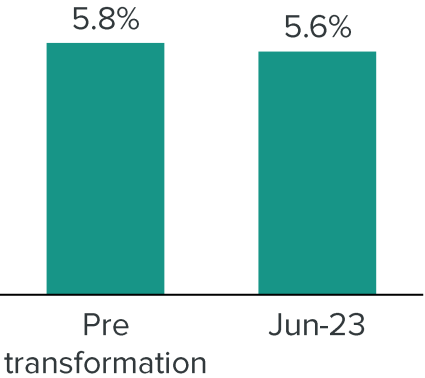


# FSC Sterrenburg already delivering, further increase on key KPIs expected

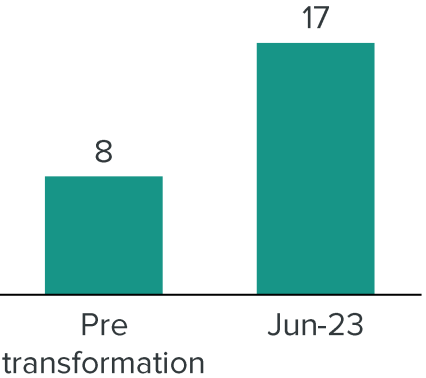
**Total Return**  
%



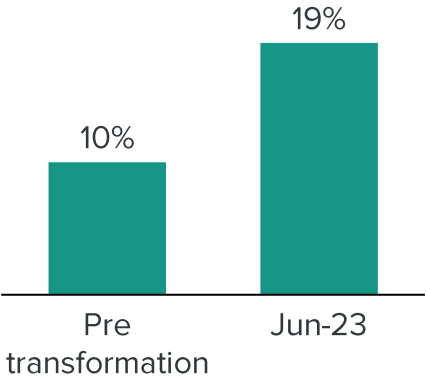
**Yield**  
%, Net



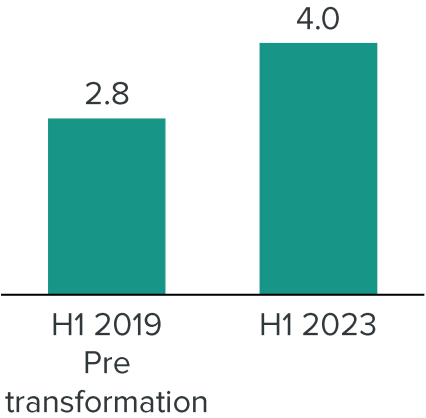
**NPS**



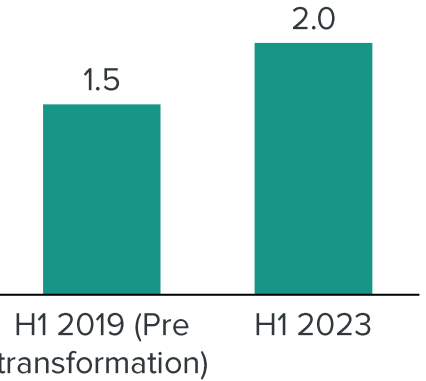
**Mixed Use**  
% of floor space



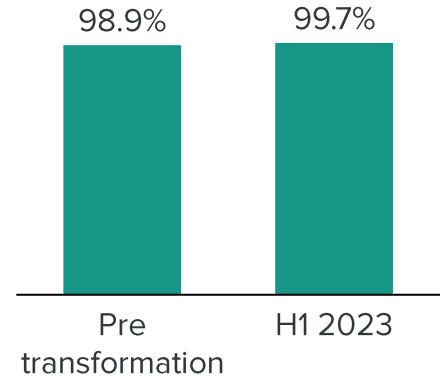
**GRI Annualized**  
€ m



**Footfall**  
m, half year



**Occupancy**  
%



<sup>1)</sup> Direct Return annualized

# FSC Presikhaaf delivers according to our expected FSC business model from the LifeCentral strategy

## FSC Business Model from the LifeCentral Strategy

Strategic implications

### Underwriting the FSC business model

Current situation	Full Service Centers
Current ERV (€ Mn) ① 7.0	Current ERV (€ Mn) ① 6.70
Discount rate ② 6.25%	Discount rate ② 5.50%
Long-term rental growth ③ 0.00%	Long-term rental growth ③ 1.00%
CAPEX (€ Mn) 0.0	CAPEX (€ Mn) 18.0
Residual asset value 112	Residual asset value 163
<b>Unlevered IRR 5.60%</b>	<b>Unlevered IRR 6.91%</b>

*Illustrative example*

**Rationale**

- Adjusted ERVs: New uses generate lower rents
- Discount rate goes down due to sustainable and lower-risk ERV
- Long-term rental growth goes up from 0.00% to 1.00% due to:
  - Restored retail balance
  - Increased scarcity of retail space
  - Increased footfall, dwell time and / or basket size by adding new uses and better balancing the customer needs

Partial conversion to residential can unlock additional value

24 Wereldhave

Only maintenance CAPEX

## FSC Presikhaaf Business Model

More rental uplift, but less yield compression than predicted

Pre-Transformation situation		FSC Presikhaaf	
GRI (€ m)	3.6	GRI (€ m)	4.7
Discount rate	5.9%	Discount rate	5.7%
Long-term rental growth	0.0%	Long-term rental growth	1.0%
CAPEX (€ m)	5	CAPEX (€ m)	25
Residual net asset value (10yrs, € m)	56	Residual net asset value (10yrs, € m)	95
<b>Unlevered IRR</b>	<b>5.1%</b>	<b>Unlevered IRR</b>	<b>8.2%</b>

# FSC Transformation Vier Meren, Hoofddorp

*A Full Service Center with the right retail balance and extensive mixed use offering, focused on F&B and Leisure*

- Main construction works finalized 1 May 2023
  - New entrance opened
  - Majority of units delivered and some tenants already opened
- Full opening planned for end of September 2023
- Transformation will be completed within budget
- Nelson, Skechers and Simon Levelt recently signed as new tenants
- New (international) retailers have entered the Hoofddorp market in our Full Service Center
- Pre-let percentage currently at 83% - multiple tenants, both traditional retail and mixed use, close to signing



# FSC Transformation De Koperwiek, Capelle a/d IJssel

*A Full Service Center with a broad convenience offering, combined with extensive F&B offering and a gym*

Work-in-progress:

- Extension to implement our F&B cluster concept Eat&meet – delivery planned for second half of September 2023 and opening planned for end of November 2023
- Leasing with focus on F&B ongoing and current pre-let percentage of the extension is 69%
- Feasibility study on adding residential still ongoing

Key items already realized:

- Implementation of our fresh cluster concept Every.deli, including the extension of Jumbo | 2021
- Interior refurbishment | 2019 - 2020



# FSC Transformation Eggert Center, Purmerend

*A Full Service Center in the inner city with a good retail mix combined with a fresh cluster, F&B and a gym*

## Key items transformation

- Full renovation of the first floor:
  - F&B cluster according to our Eat&meet concept
  - New Play & Relax and Public Seating, combined with terraces from the F&B cluster (new F&B tenant Bagels & Beans)
  - New C&A, which occupies multiple units that were vacant for years
  - All in addition of the existing retail tenants and the Basic Fit gym
- Implementation of Parking concept including all deferred maintenance and improved operating management model of the parking
- Implementation of Fresh cluster on the ground floor with three new tenants (Kippie opened, in negotiation with bakery and Branderij Joost)
- Addition of second supermarket: Jumbo





# FSC Transformation Genk Shopping 1, Genk

*A Full Service Center with a strong retail mix, combined with extensive F&B offering and a gym*

Key items already realized:

- F&B cluster according to our Eat&meet concept with seven F&B tenants opened in H1 2023
- Large The Point service hub opened end of 2021
- Large Gym on the first floor

Key items transformation

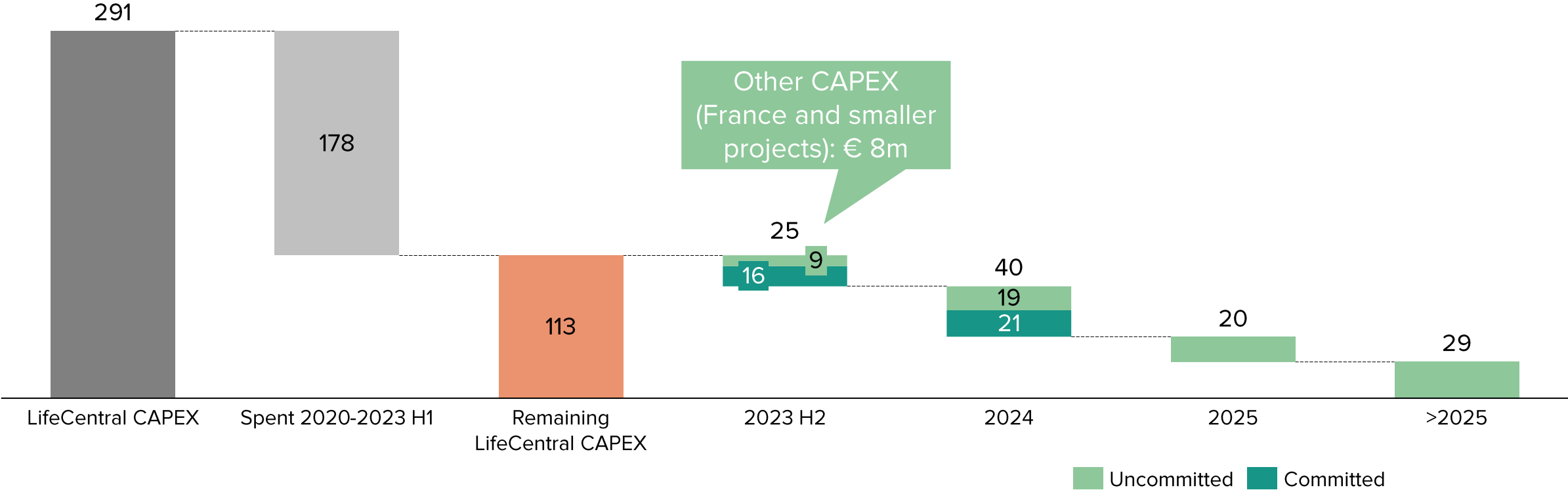
- Mixed use share will increase to 25%
- New C&A, according to latest concept (first in Belgium)
- Car park fully renovated and improved, incl EV fast chargers
- Full Customer Journey implementation: Play & Relax, toilets, wayfinding, public seating, fragrance



# LifeCentral CAPEX program on track

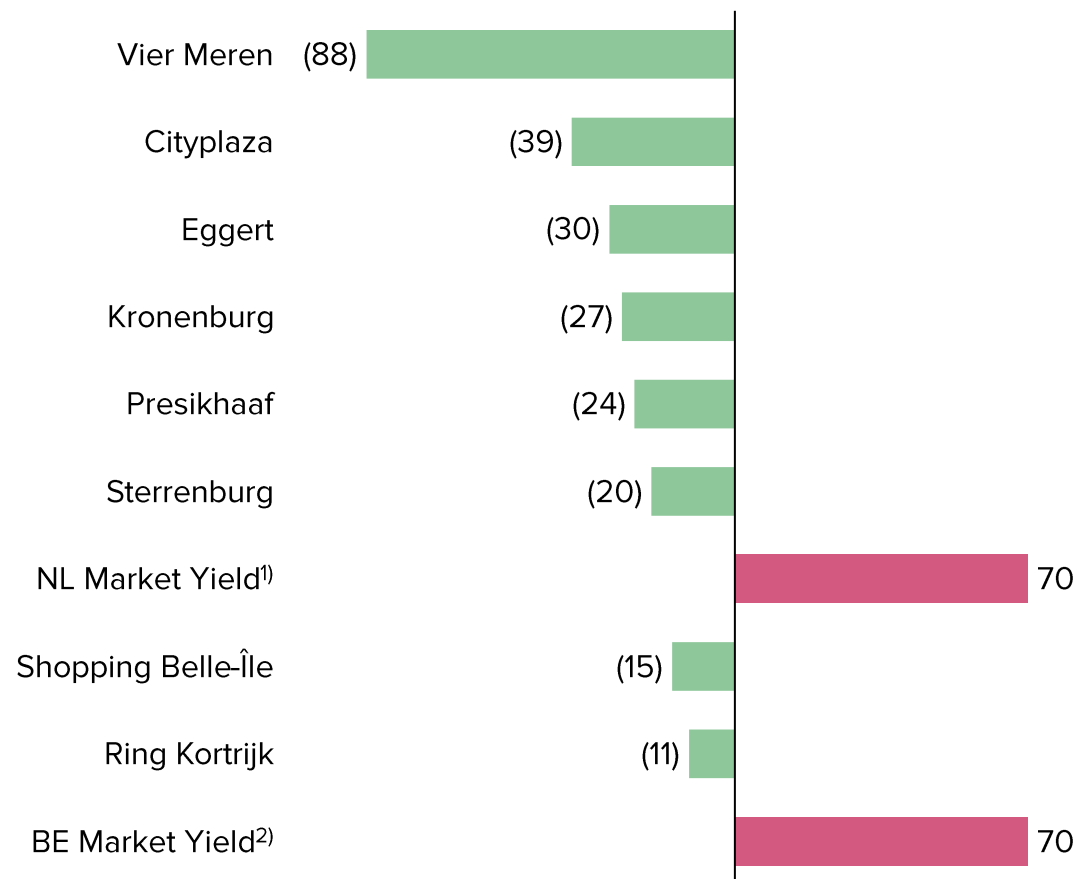
**Total LifeCentral investments<sup>1)</sup> in NL and BE, excl. FR**  
 € m, 2020-2025+

Investments only done in NL & BE assets with IRRs above threshold of 7.0%



# Continued evidence for FSC yield compression

Yield compression since start of FSC Transformation  
bps



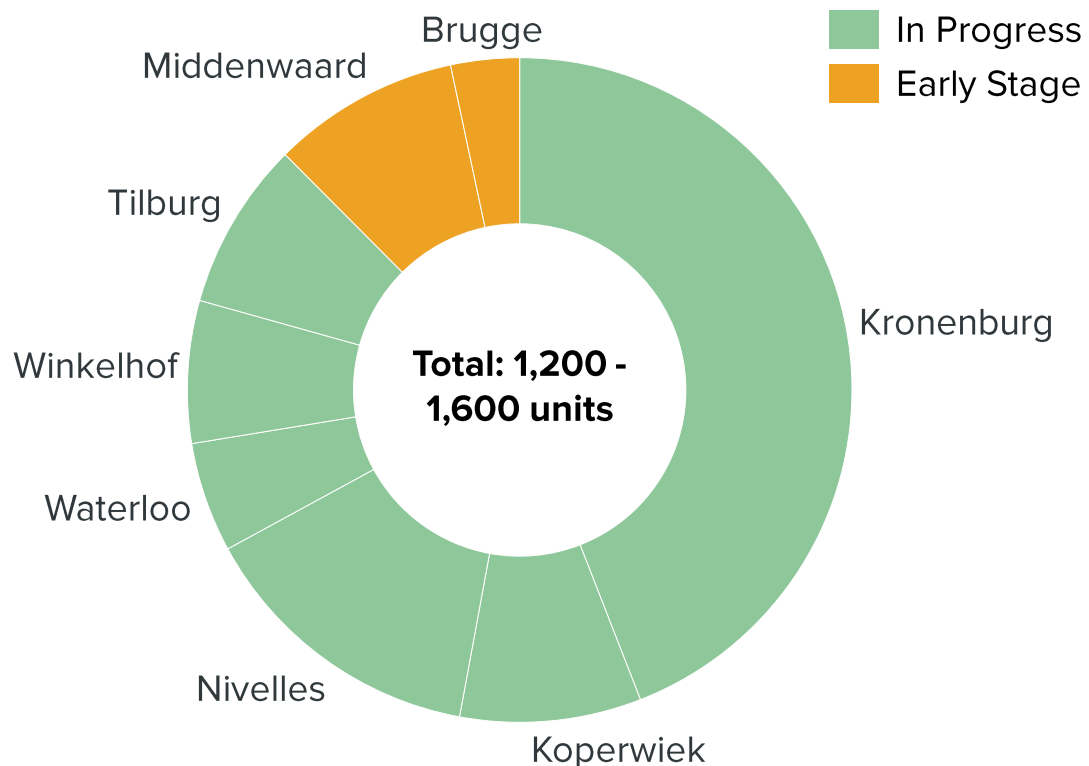
1) NL Market Yield: Prime net initial yield Shopping Centers Q2 2023 vs. Q4 2020; source: JLL

2) BE Market Yield: Prime yield Shopping Centers Q2 2023 vs. Q3 2020; source: CBRE



# Delay and expected decrease in residential profits due to current macro environment

Development of residential units  
# Units



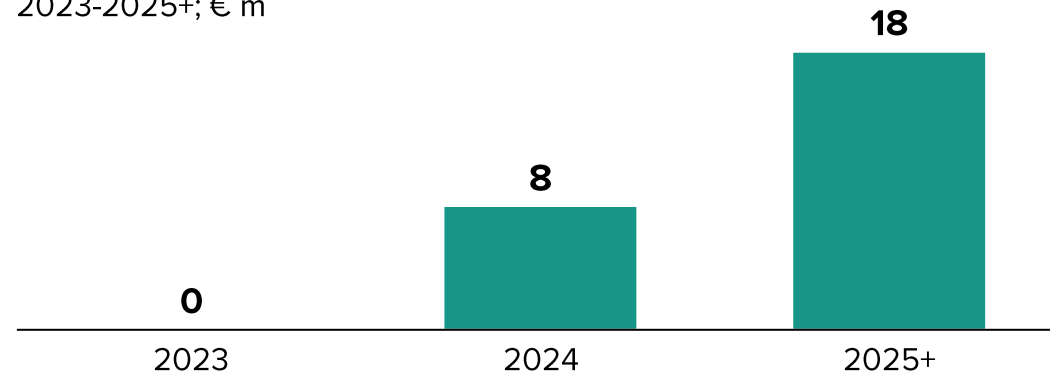
## Residential profit reduced to € 0.50-0.80/share

The macro environment has, for now, delayed the expected residential profits and decreased the overall residential opportunity in our Benelux portfolio.

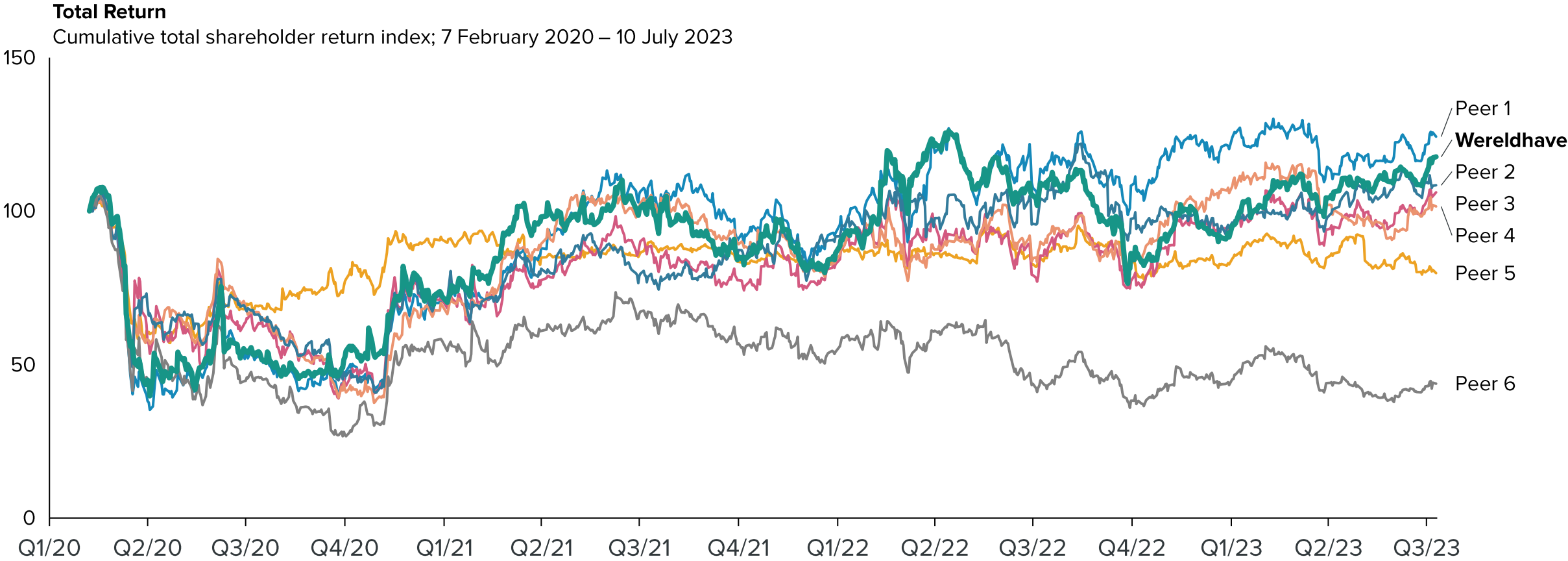
We are now working on the residential opportunity on 8 locations in several stages of the development.

Deal signed with Amvest for 156 units in Kronenburg.

Expected Gains  
2023-2025+; € m



# Relative performance since LifeCentral launch



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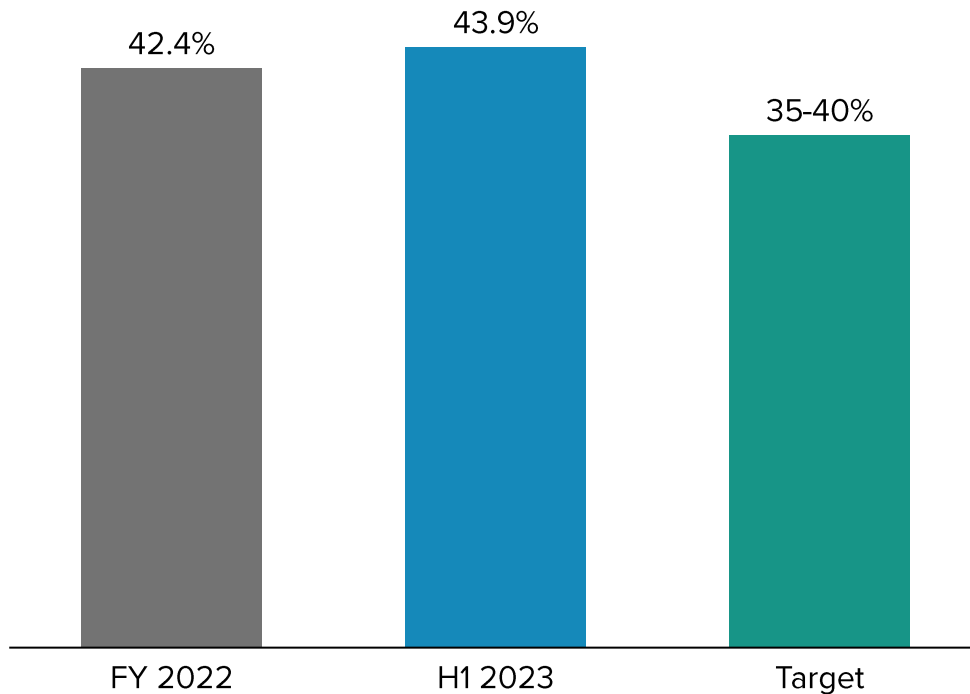


# Positive re-valuations for the first time since 2015

Country	Value (€ m)		Revaluation H1 2023		EPRA NIY (%)	
	FY 2022	H1 2023	€ m	%	FY 2022	H1 2023
Belgium	849	850	(3.8)	(0.4%)	6.2%	6.4%
Netherlands	876	929	24.8	2.7%	6.9%	6.3%
<b>Core Portfolio</b>	<b>1,725</b>	<b>1,779</b>	<b>21.0</b>	<b>1.2%</b>	<b>6.6%<sup>1)</sup></b>	<b>6.3%<sup>1)</sup></b>
France	175	179	(2.7)	(1.5%)	4.7%	4.7%
Offices Belgium	100	102	1.1	1.0%	6.9%	7.5%
<b>Total</b>	<b>2,000</b>	<b>2,060</b>	<b>19.4</b>	<b>0.9%</b>	<b>6.4%<sup>1)</sup></b>	<b>6.3%<sup>1)</sup></b>

# Net LTV Target

## Net LTV



## LTV increased to 43.9% in H1 2023

- Dividend paid of € 1.16 per share
- Significant part of 2023 CAPEX spent in H1

## LTV will reduce in H2 2023<sup>1)</sup>

- CAPEX spending in H2 will be limited
- Retained earnings
- Non-core asset in Tilburg sold above book value

## Final steps to reach the LTV target of 35-40%

- Last two French disposals and smaller non-core assets
- Completion LifeCentral CAPEX program
- Positive free cash flow as of 2025
- Equity backed acquisitions

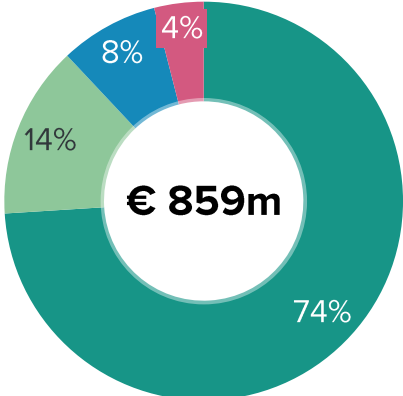


# Debt profile

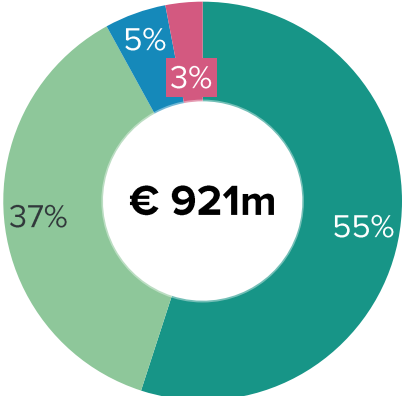
	Q4 2022	Q2 2023	Covenants	Comments
Interest bearing debt <sup>1)</sup> (€)	859m	921m		Debt increased following FSC capital expenditure and dividend payments
Average cost of debt	2.5%	3.0%		Cost of debt increased following refinancings at higher spreads, and risen benchmark rates
Undrawn committed (€)	266m	190m		Net LTV increased following FSC capital expenditure and dividend payments
Cash position (€)	14m	19m		
Fixed vs floating debt	82% / 18%	80% / 20 %		Including macro-hedges
Net LTV	42.4%	43.9%		Net LTV increased following FSC capital expenditure and dividend payments
Gross LTV	43.1%	44.9%	≤ 60%	
ICR	5.9x	5.5x	> 2.5x	
Solvency	53.5%	51.6%	> 40%	
Debt maturity (years)	3.5	3.0		Including undrawn facilities the maturity is 3.2 years

# First new USPP debt since 2017

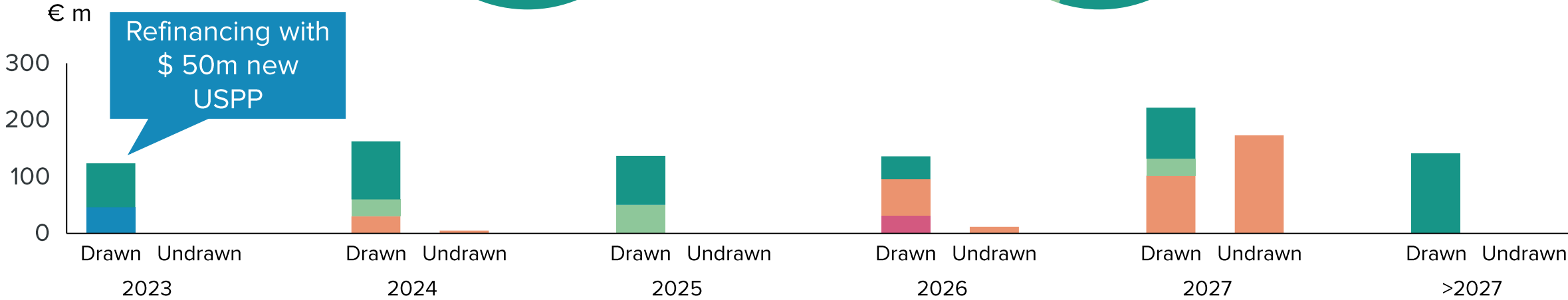
Q4 2022



Q2 2023



- USPP
- Bank loans (incl. RCF)
- Commercial Paper
- Bonds



- USPP
- Bank Loans
- RCF
- Commercial Paper
- Bonds

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# Management Agenda

Focus on	Target 2022-2024	Current Status
Focus on earnings & dividend growth	4-6% CAGR as of 2023	4-6% average growth as of 2023
Focus on Total Return	Exceed 8% annualized Total Return (Levered)	H1 2023: 9.9%
Successful FSC transformation	Transformed 9 assets to FSC and started 4 additional transformations	Five transformations completed, six ongoing – four to be delivered in H2 2023
ESG	Maintain GRESB 5 star rating	Rating confirmed in 2022, industry leader
NPS	Increase NPS to 31	H1 2023 NPS 25 (24)
Phase out France	Dispose last two French assets	On track (2023, 2024)
Last phase of balance sheet de-risking	Reduce LTV to 35-40%	Slight increase in H1 will be offset by limited CAPEX spending in H2

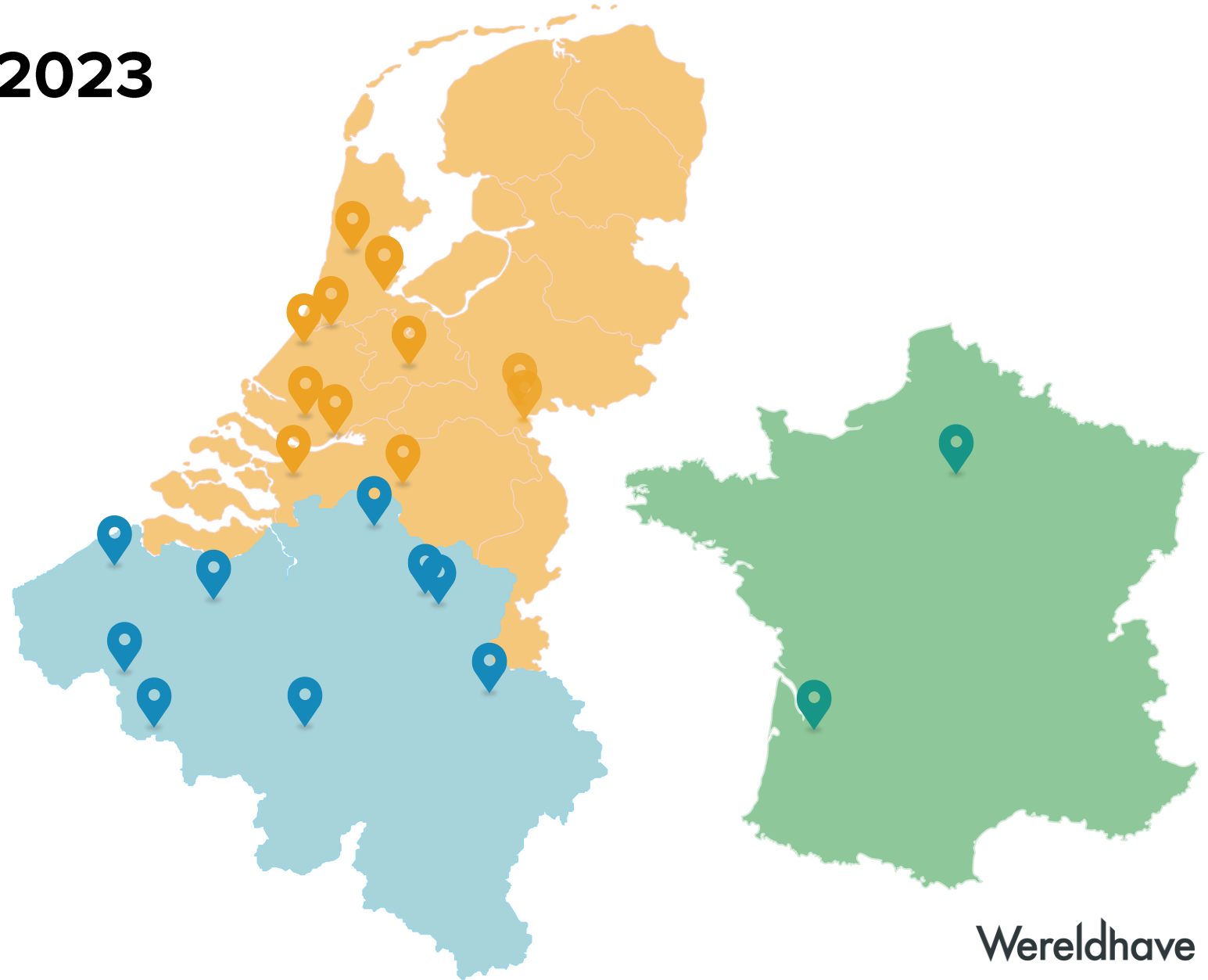
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# Company Profile June 2023

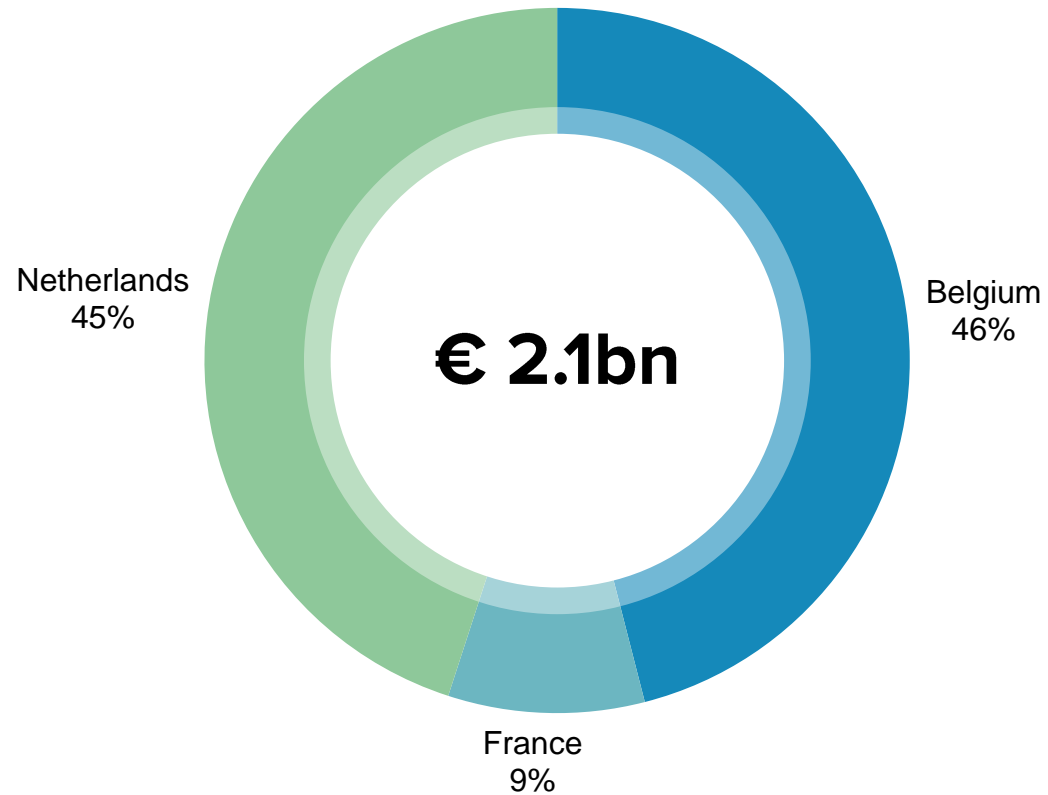
Key Facts	
Number of retail assets	22
Average size	28,200 m <sup>2</sup>
Number of shopping center visitors (H1 2023)	43.8 m
Net loan-to-value ratio	43.9 %
Occupancy shopping centers	95.8 %
EPRA NIY shopping centers	6.2 %
WALT <sup>1)</sup>	5.1 years
Development pipeline <sup>2)</sup>	€ 37 m



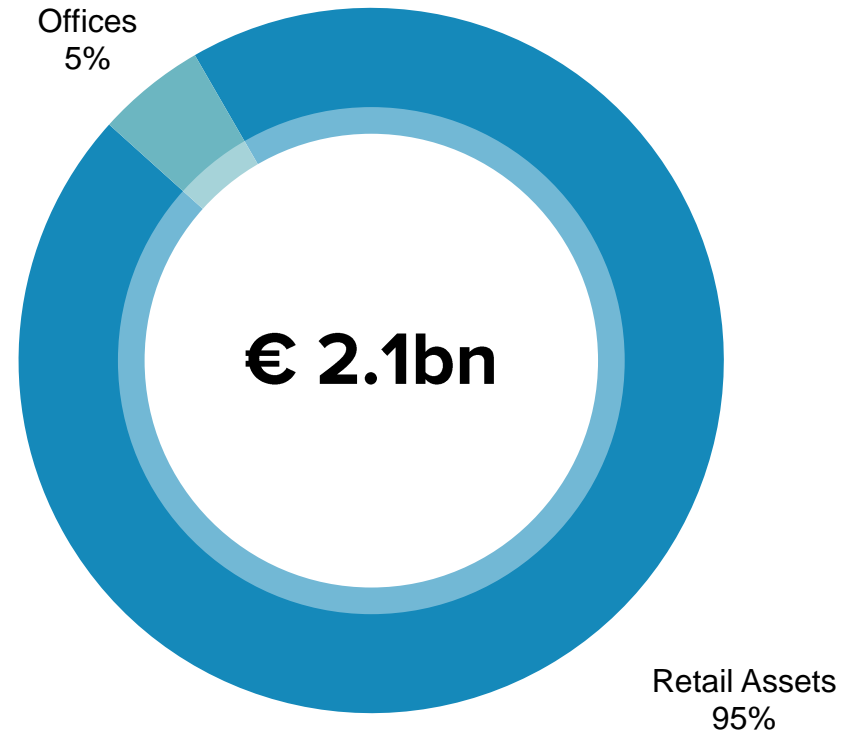
38 1) Lease end date of shopping centers. Indefinite contracts counted as 1 year lease term  
2) Future capex of total committed projects (excl. France)

# Company Profile June 2023

Portfolio Breakdown by value



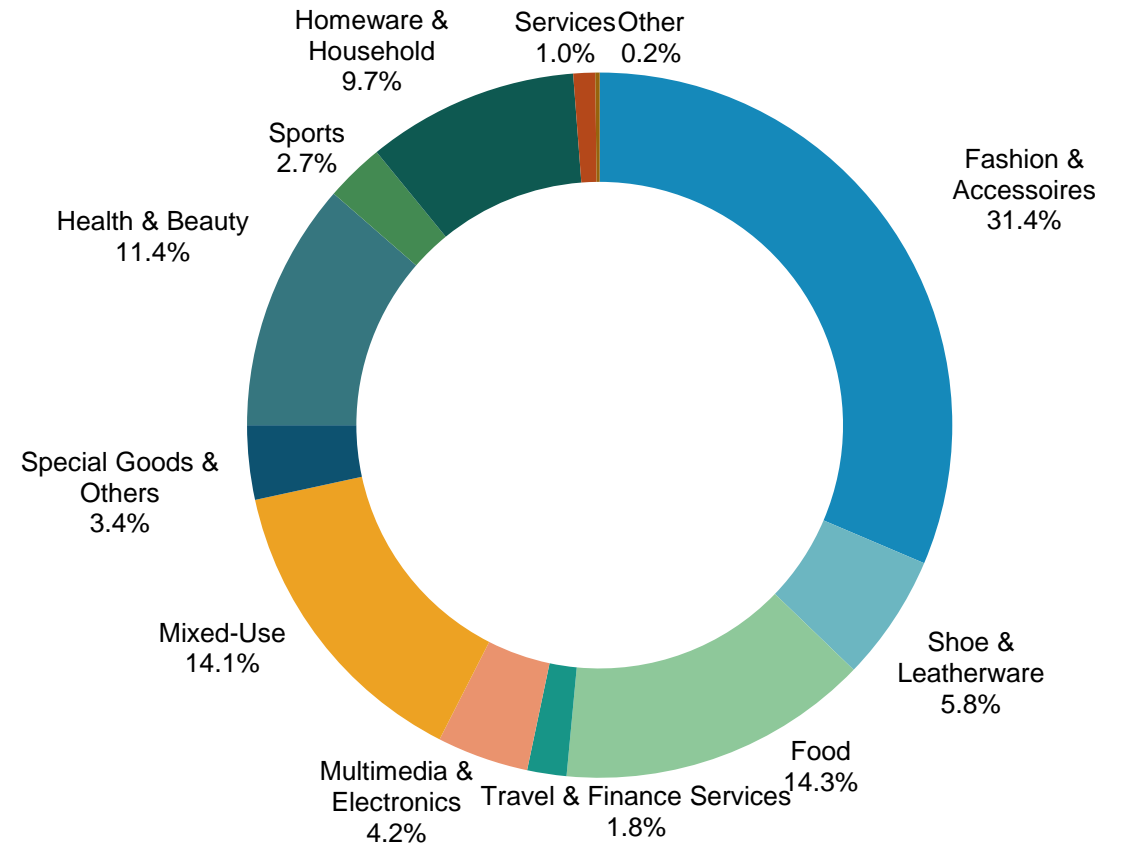
Portfolio Breakdown by value



# Tenant mix core portfolio

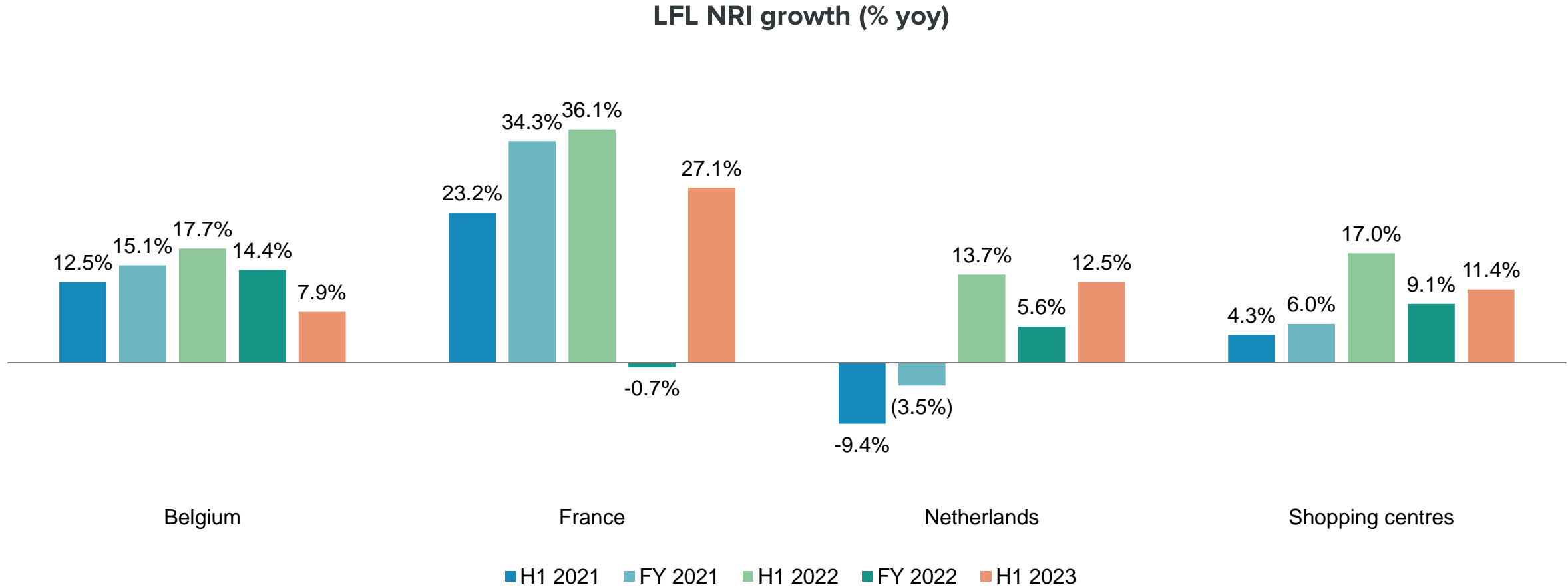
Top 10 Tenants	% of annualized rent
Ahold Delhaize	6.1 %
Jumbo Group	4.2 %
C&A	3.4 %
A.S. Watson Group	3.0 %
Carrefour	2.3 %
Mirage Retail Group (Blokker)	2.1 %
H&M	1.8 %
Bestseller	1.7 %
The Sting	1.7 %
A.F. Mulliez (Decathlon, Kiabi)	1.4 %
<b>Total top 10</b>	<b>27.7 %</b>

Annualized contract rent by category



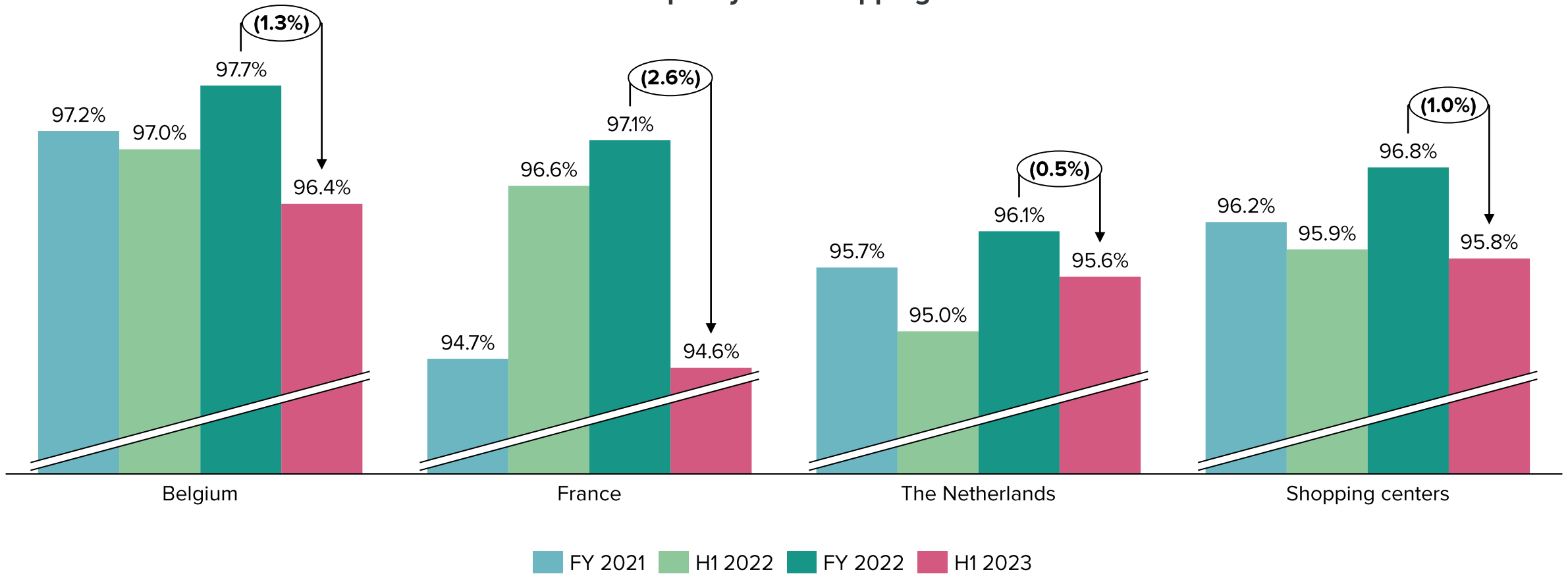


# Like-for-like NRI growth



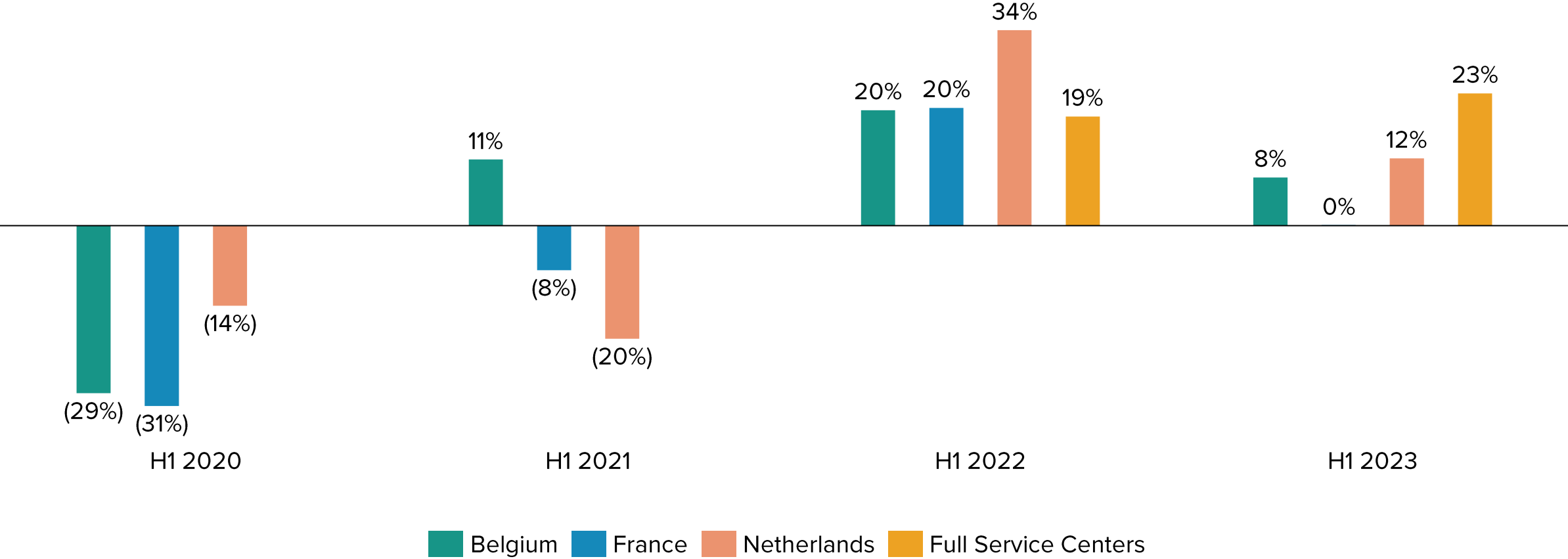
# Occupancy rates

## EPRA Occupancy rate Shopping Centers



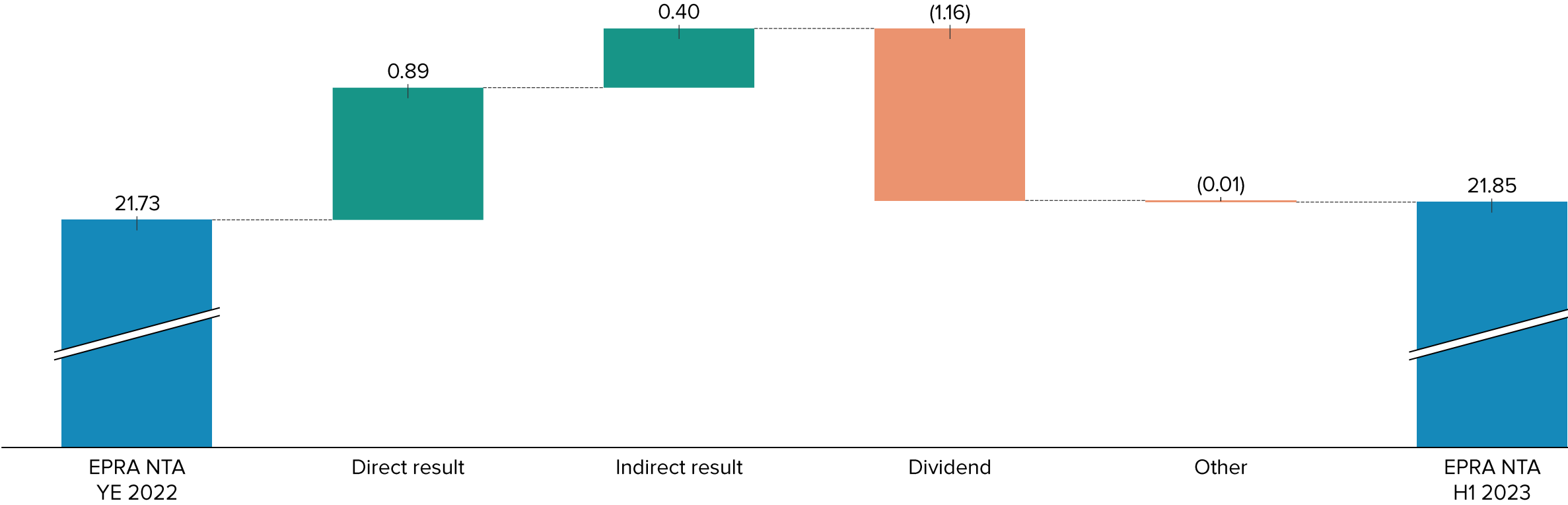
# Footfall

Change in visitors versus the same period previous year (%)

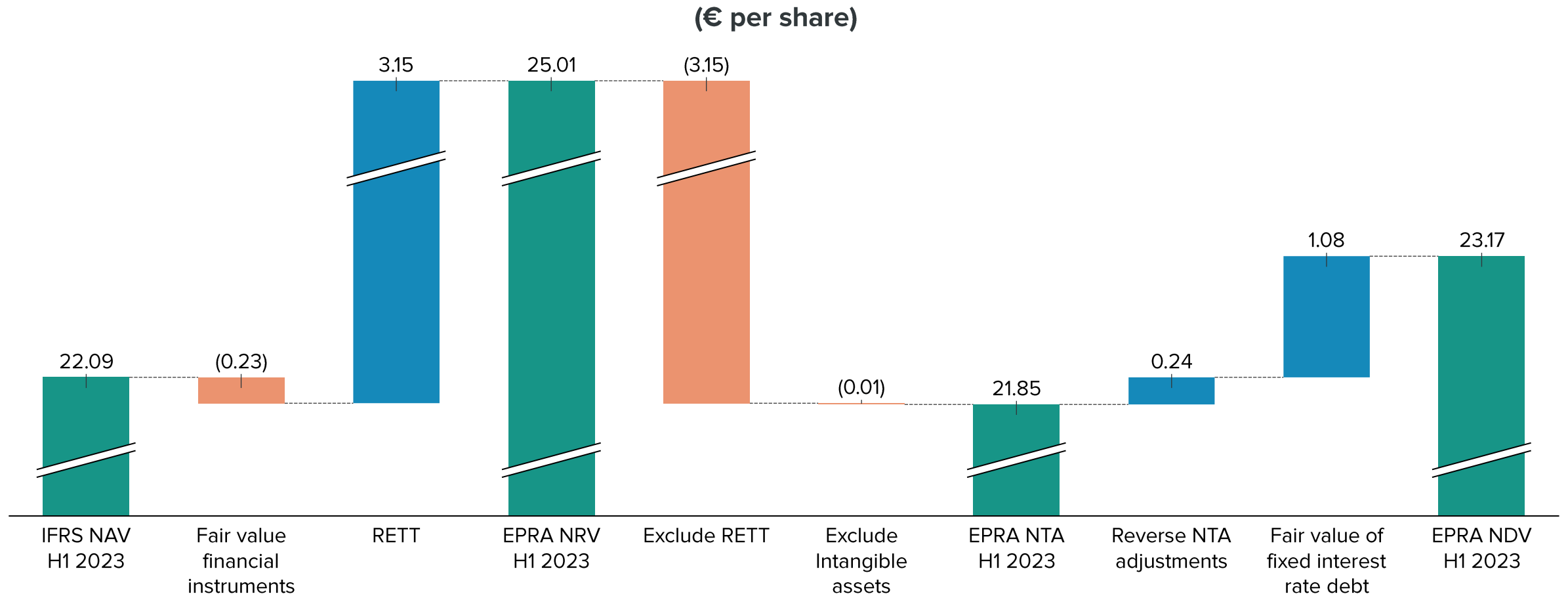


# EPRA NTA

EPRA NTA Bridge: YE 2022 to H1 2023 (€ per share)



# Reconciliation of EPRA value metrics H1 2023





**better everyday life, better business**

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