

# Company presentation

August 2021



# Agenda

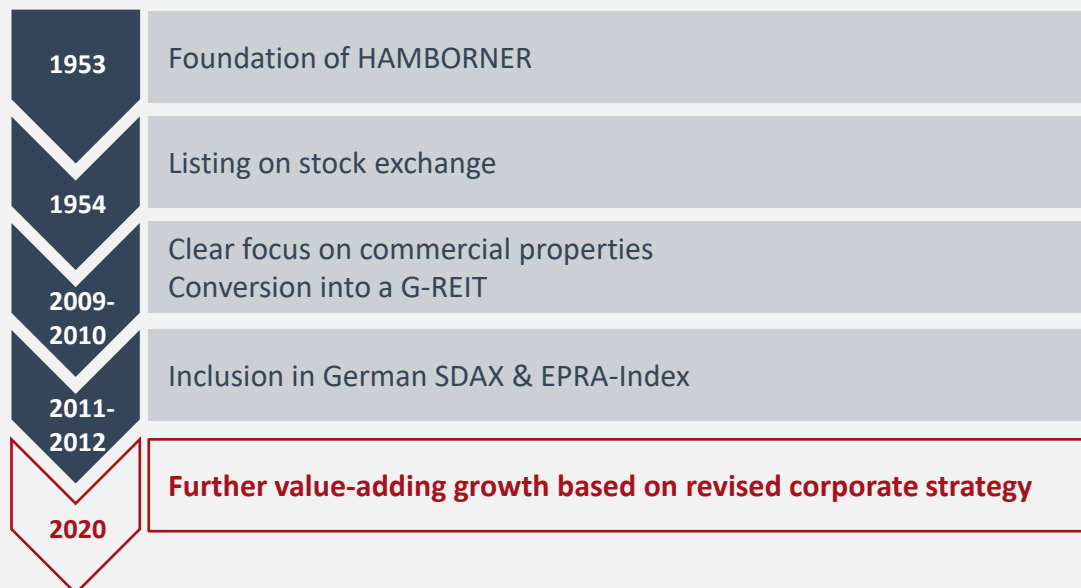
- 1. HAMBORNER at a glance**
- 2. Portfolio Overview**
- 3. Asset Management**
- 4. Financials**
- 5. ESG Strategy**
- 6. Appendix**



# 1. HAMBORNER at a glance



## History



## Portfolio Data *(as of 30 June 2021)*

Portfolio volume	€1,549m
Number of assets	69
WALT	6.2 years
Occupancy rate (EPRA)	98.3%

## Company profile

- Public commercial property company
- Profitable and diversified German-wide property portfolio
- Two-pillar portfolio structure with focus on food-anchored retail and office properties
- Stable and predictable cash flows
- Lean and efficient corporate structure
- Strong internal asset and property management
- Sustainable and attractive dividend policy

## Key Financials *(as of 30 June 2021)*

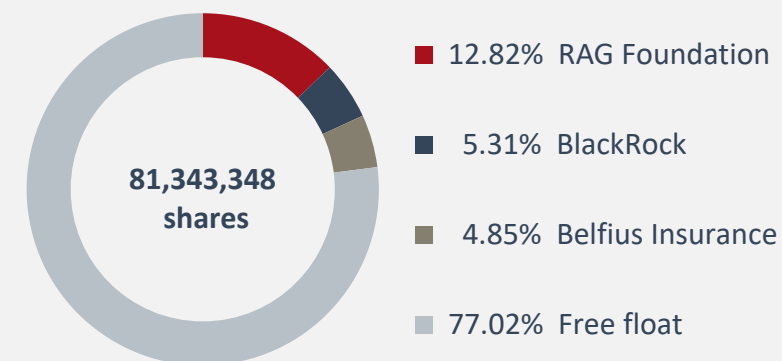
FFO yield 2021e <sup>(1)</sup>	7.0%
NAV per share	€11.02
REIT equity ratio	57.5%
LTV	44.6%

(1) Based on current mid-point guidance range for full-year 2021 and share price as of 30 June 2021

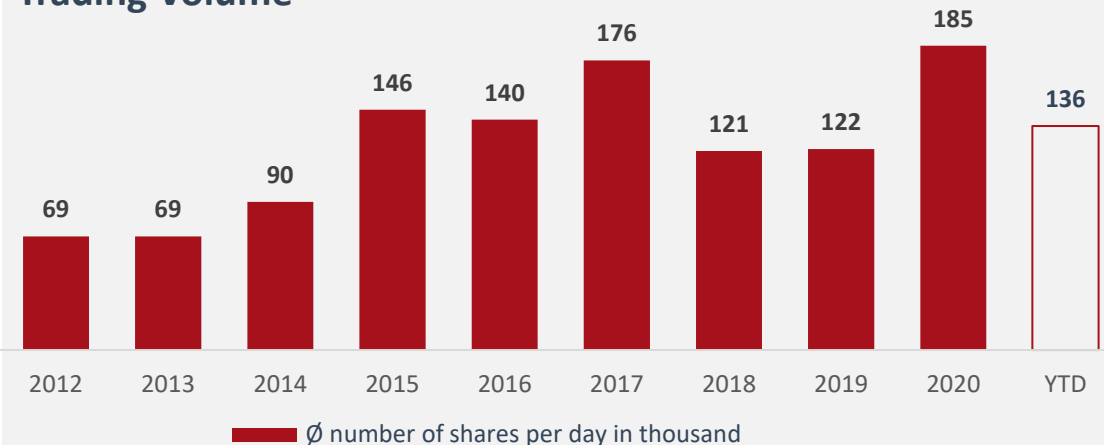
## The HAMBORNER Share

Current share price	€9.28 (as of 30 July 2021)
Market capitalisation	€755m (as of 30 July 2021)
WKN/ISIN	A3H2333 / DE000A3H2333
Ticker symbol	HABA
Class of shares	Registered Share
Exchange segment	Prime Standard
Indices	SDAX, EPRA, RX REIT

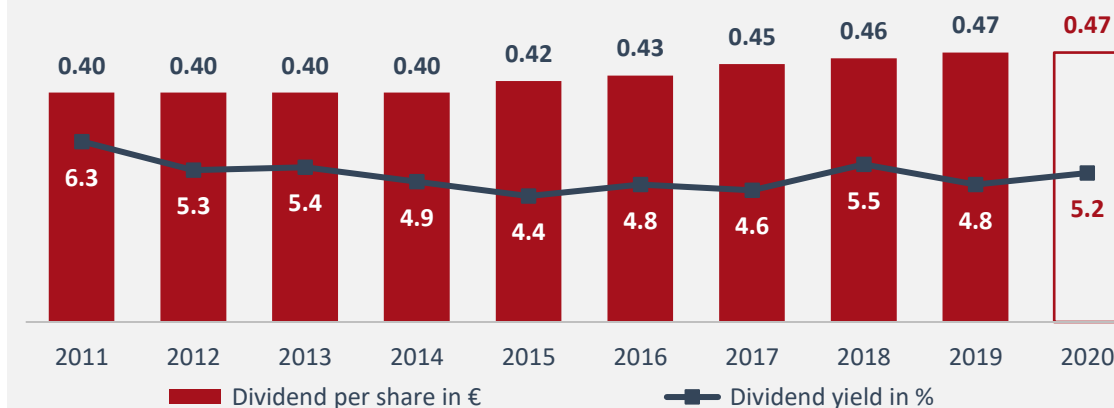
## Shareholder structure



## Trading Volume



## Dividend per Share and Dividend Yield





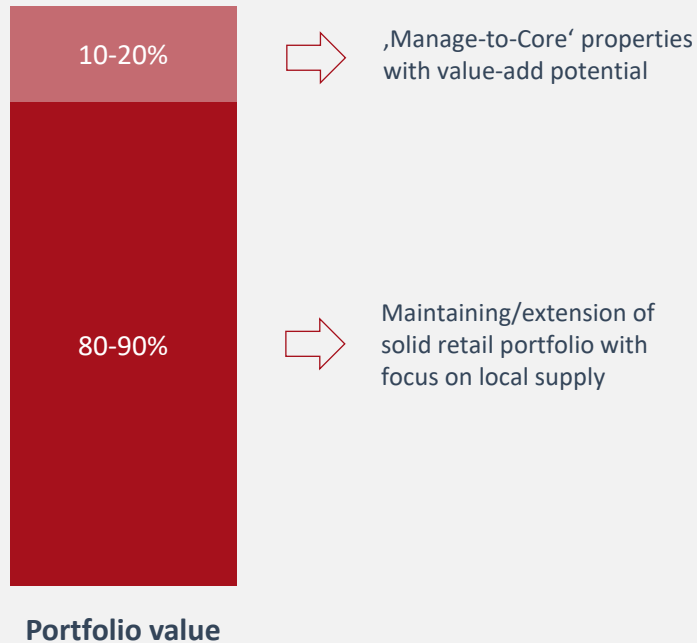
## 2. Portfolio Overview



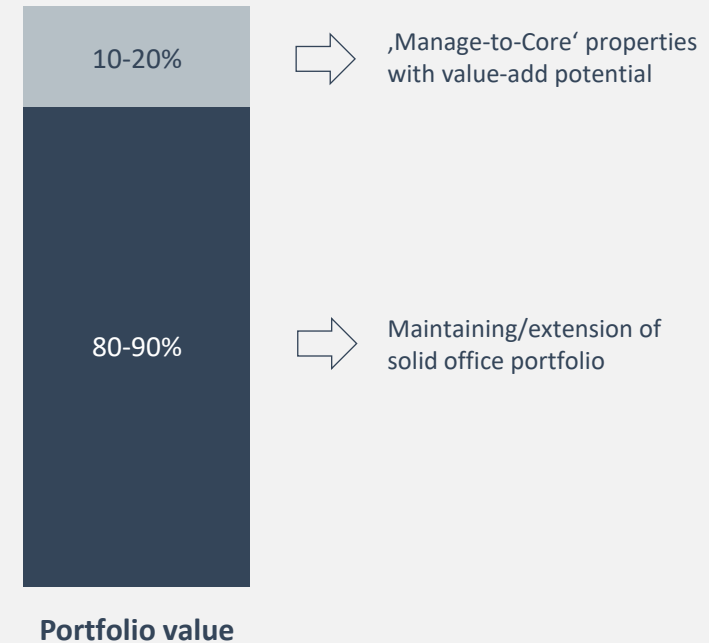


# Portfolio Strategy – Target Structure

## Retail Portfolio



## Office Portfolio



- ➔ Two-pillar portfolio structure with focus on food-anchored retail and office assets with Core characteristics
- ➔ Gradual addition of selected Manage-to-Core properties with value-add potential
- ➔ Continuous asset rotation as part of active portfolio management approach



# Portfolio Management Approach

Asset classes	<ul style="list-style-type: none"><li>▪ Retail</li><li>▪ Office</li></ul>
Risk profile	<ul style="list-style-type: none"><li>▪ Core</li><li>▪ Manage-to-Core</li></ul>
Lot size	<ul style="list-style-type: none"><li>▪ &gt; €10m (retail)</li><li>▪ &gt; €20m (office)</li></ul>
	<ul style="list-style-type: none"><li>▪ Focus on core investments</li><li>▪ Addition of selected Manage-to-Core properties with larger asset management need (refurbishment, reletting, repositioning etc.)</li><li>▪ Realization of value potential within existing portfolio (incl. selective development activity)</li><li>▪ If applicable, participation in investment partnerships (co-investments, joint ventures)</li></ul>
Portfolio management approach	<ul style="list-style-type: none"><li>▪ Active portfolio management approach ('buy-hold-sell')</li><li>▪ Constant portfolio streamlining in line with strategic parameters</li><li>▪ Interlocking of performance indicators from capital market and property perspective</li><li>▪ Investments following defined sustainability strategy</li></ul>



	Retail	Office	Total Portfolio <sup>(1)</sup>	Portfolio share High-Street
Number of properties	43	26	69	8
Fair value	€868.1m	€681.2m	€1,549.4m	€105.3m
Leased area	399,091 m <sup>2</sup>	215,596 m <sup>2</sup>	614,686 m <sup>2</sup>	49,879 m <sup>2</sup>
Annualized rent	€51.1m	€33.2m	€84.2m	€7.4m
Annualized rental yield	5.9%	4.9%	5.4%	7.0%
EPRA vacancy rate	1.8%	1.5%	1.7%	7.6%
WALT	7.0 years	5.1 years	6.2 years	4.6 years
Like for like development 30 June 2021 to 30 June 2020 <sup>(2)</sup>				
Rents	-0.6%-points	+3.1%-points	+0.8%-points	-6.3%-points
EPRA vacancy rate	+0.1%-points	-0.2%-points	0.0%-points	+1.7%-points
WALT	-0.5 years	+0.5 years	-0.1 years	0.0 years

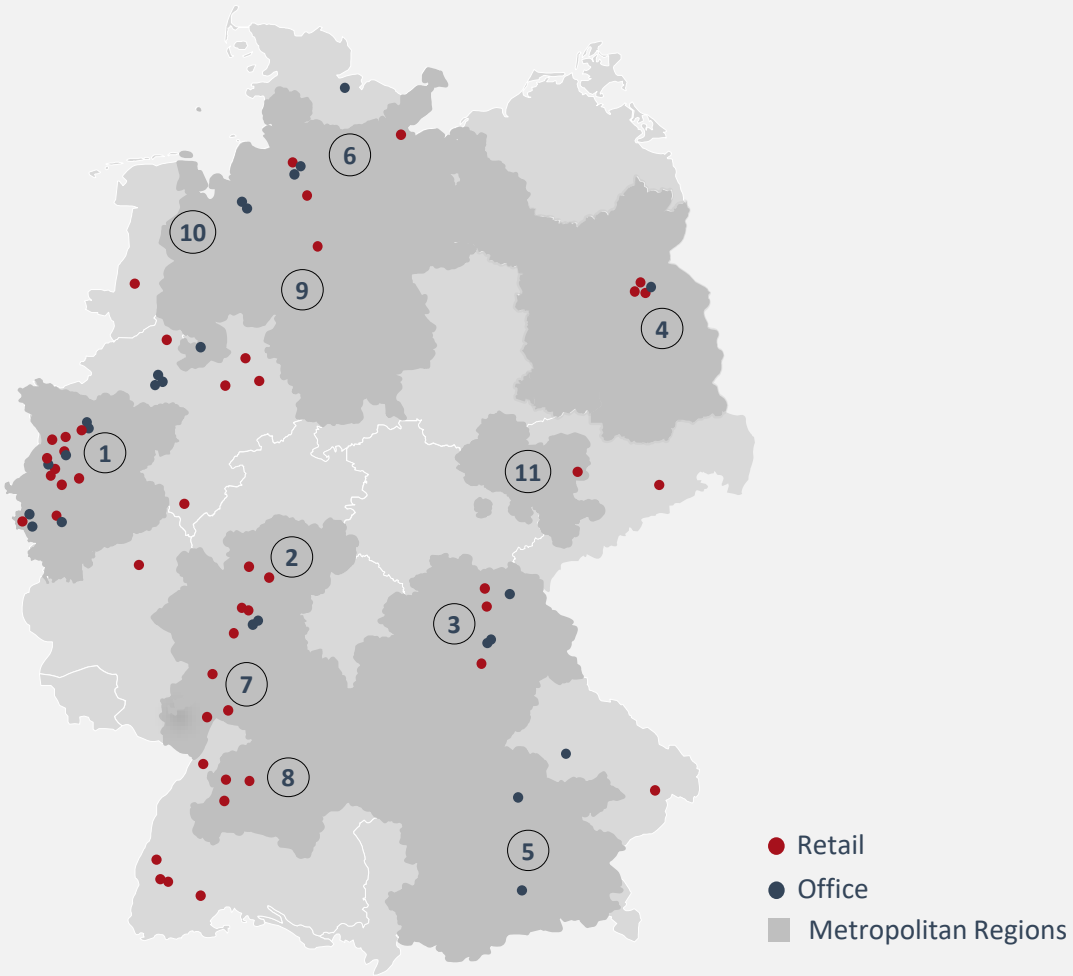
(1) Including two sold High-Street properties (fair value: €23.1m) and one retail property (fair value: €3.1m) with expected/carried out transfer of ownership in Q3 2021

(2) Excluding acquisitions/disposals in 2020 and 2021

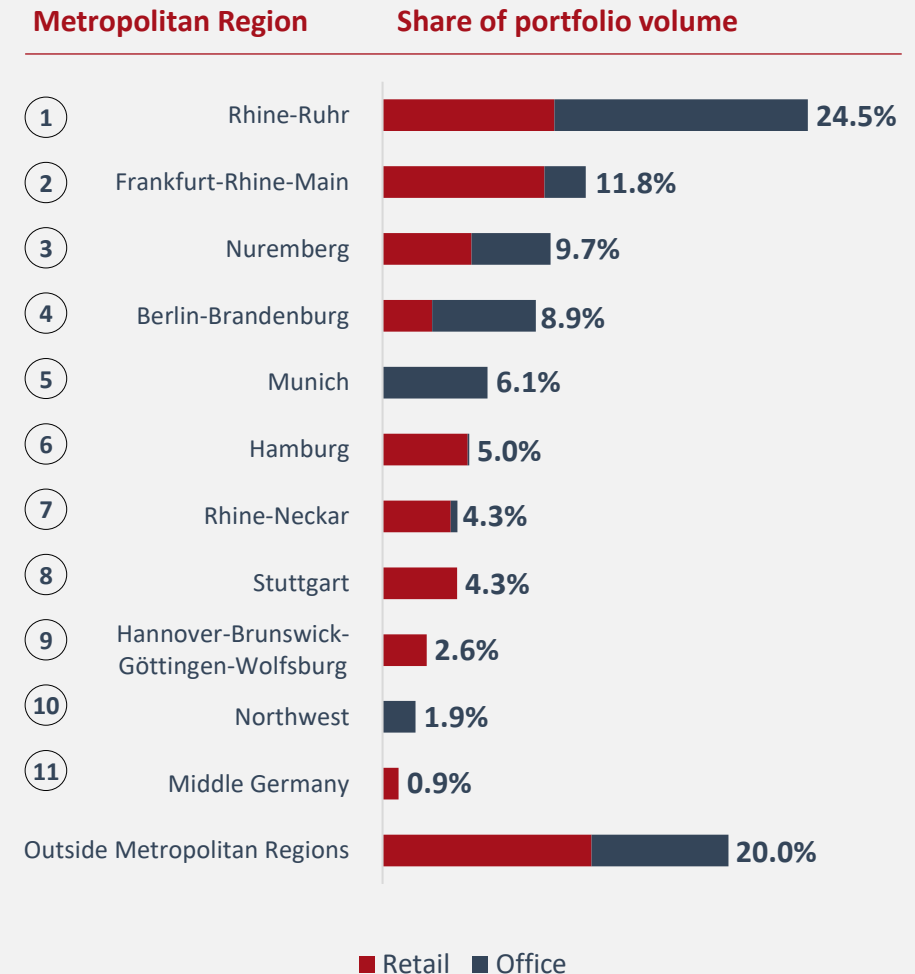


# Geographical Portfolio Structure

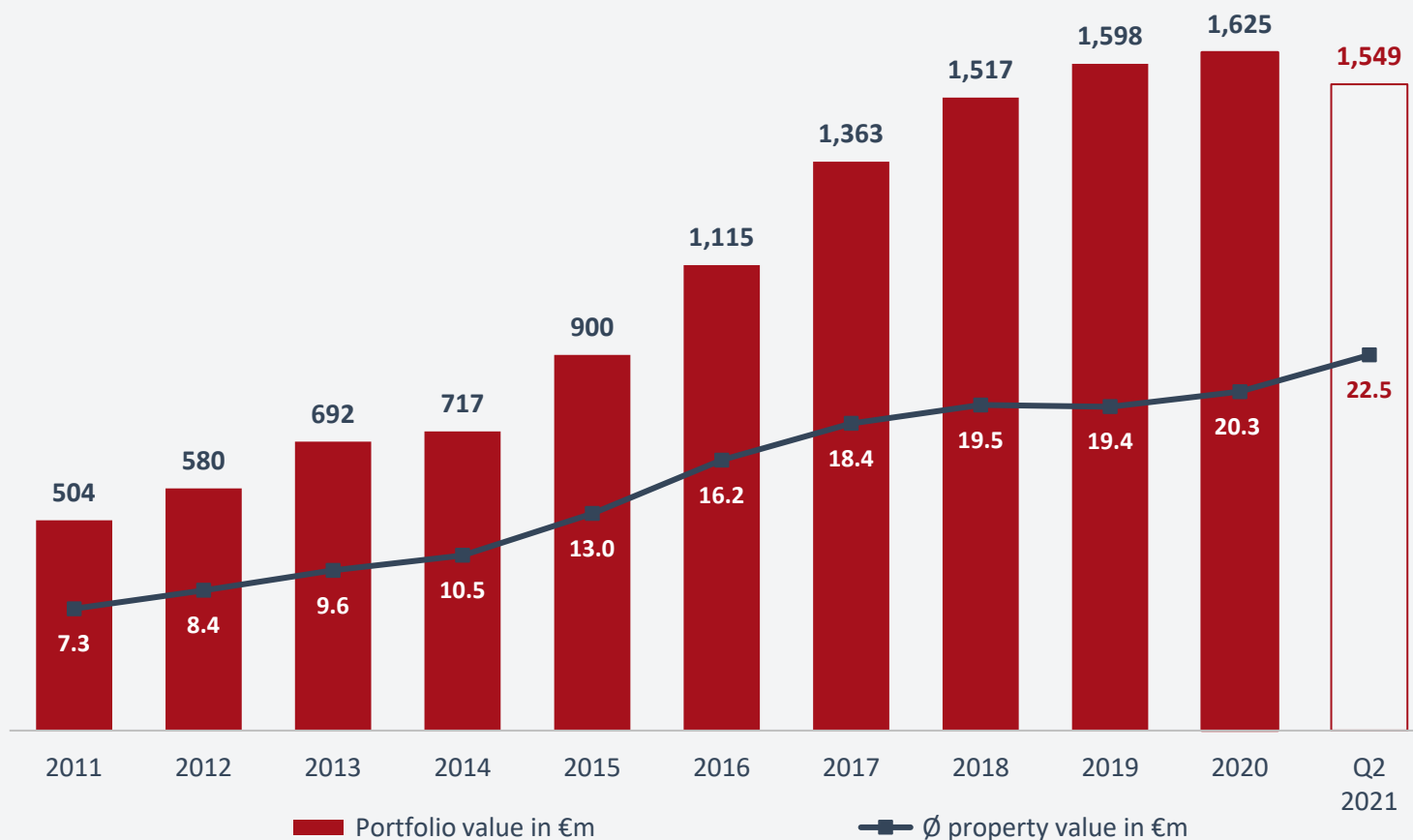
## Geographical Focus (Metropolitan Regions)



## Portfolio by Metropolitan Regions



## Portfolio value and average property value



## Comments

- Continuous value-adding portfolio growth since conversion into a G-REIT in 2010
- Average annual **growth rate** of **12.4%** over the last ten years
- **Average property value** of **€22.5m** allows cost-effective portfolio and asset management
- **Operating cost ratio** at **8.3%** in H1 2021
- Expected further increase of average value due to recent disposals of smaller non-strategic assets
- Combination of two-pillar portfolio strategy and investment focus on metropolitan regions forms the basis for future value-adding growth



# Investments 2021

## Mainz



Office (Single-Tenant)

## Münster



Office (Multi-Tenant)

## Stuttgart



Office (Multi-Tenant)

Asset type	Office (Single-Tenant)	Office (Multi-Tenant)	Office (Multi-Tenant)
Investment approach	'Manage-to-Core'	'Core'	'Manage-to-Core'
Year of construction	1994	2021	1991
Leased area	7,700 m <sup>2</sup>	6,300 m <sup>2</sup>	5,930 m <sup>2</sup>
Remaining lease term	2.7 years <sup>(1)</sup>	7.5 years <sup>(2)</sup>	2.4 years <sup>(2)</sup>
Occupancy rate	100%	100%	93% <sup>(2)</sup>
Annual rental income	€1.3m	€1.1m	n/a
Purchase price	€18.6m	€23.9m	n/a
Gross initial yield	7.0%	4.5%	5.1%
Transfer of possession	29 March 2021	Q4 2021/Q1 2022e	Q3 2021e

(1) As of 30 June 2020

(2) As of date of signing





# Disposals 2021

## Bad Homburg



## Bad Homburg



## Langenfeld

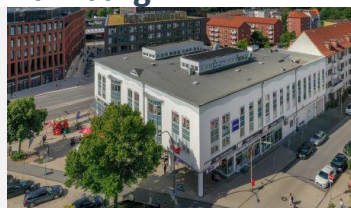


## Offenburg



Asset type	High-street	High-street	High-street retail	High-street retail
Selling price	€11.2m	€15.9m	€14.8m	€8.5m
Annual rental income	€0.67m	€0.82m	€1.07m	€0.55m
WALT	6.6 years <sup>(1)</sup>	4.2 years <sup>(1)</sup>	3.7 years <sup>(2)</sup>	3.7 years <sup>(2)</sup>
Transfer of possession	1 April 2021	1 May 2021	Q3 2021e	Q3 2021e

## Hamburg



## Fürth



## Villingen-Schwenningen



Asset type	Retail	Retail	Retail
Selling price	€10.9m	€27.9m	€3.1m
Annual rental income	€0.43m	€1.72m	€0.25m
WALT	5.8 years <sup>(1)</sup>	7.5 years <sup>(1)</sup>	4.5 years <sup>(1)</sup>
Transfer of possession	1 May 2021	5 May 2021	1 July 2021

(1) As of date of transfer of possession

(2) As of 30 June 2021



# Strategic disposal programme | Active portfolio management

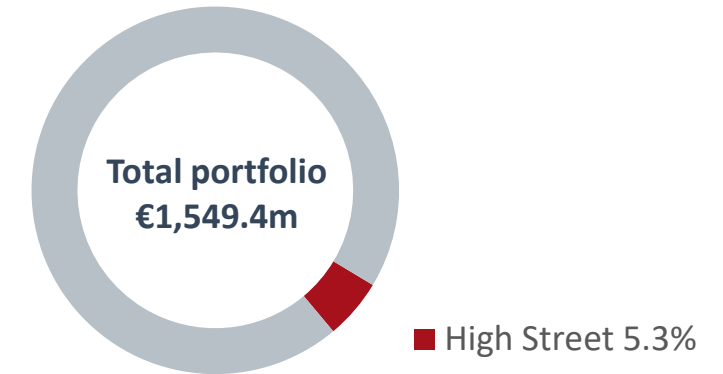
## Disposals since strategy update H1 2020<sup>(1)</sup> (as of 29 July 2021)

	Total	Thereof High-Street
No. of assets	18	15
Sales volume	€151.4m	€109.5m
Fair value gain	4.4%	3.4%
Book value gain	43.1%	53.1%
Annualised rent	€9.5m	€7.1m



- ➔ Disposals (predominantly High-Street assets) in line with HAMBORNER's overall strategy and proactive portfolio management approach
- ➔ Sales realized above latest fair value and significantly above book value
- ➔ Streamlined portfolio further improves operational efficiency (average asset size: € 22.5m - YOY +13%) and maintenance profile

## Residual High-Street portfolio<sup>(2)</sup> (as of 29 July 2021)



### Residual High-Street portfolio<sup>(2)</sup>

No. of assets	6
Fair value	€82.2m

- ➔ Gradual disposal of five remaining High-Street assets
- ➔ Lübeck property categorized as Manage-to-Core – intended medium-term divestment after successful repositioning

(1) Including two sold High-Street properties (fair value: €23.1m) and one retail property (fair value: €3.1m) with expected/carried out transfer of ownership in Q3 2021

(2) Excluding two sold High-Street properties (fair value: €23.1m) with expected transfer of ownership in Q3 2021

### 3. Asset Management



Retail property 'Rondo Steinheim' Hanau





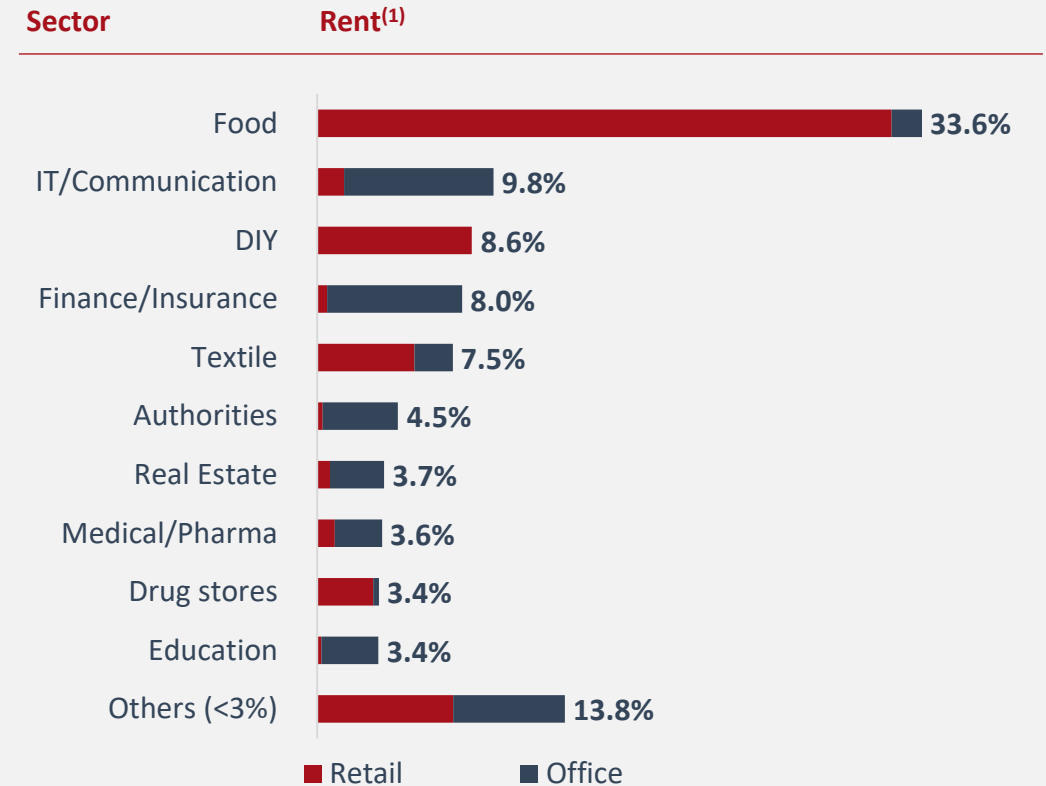
## Tenant base

### Top-10 tenants (as of 30 June 2021)

Tenant	Sector	Rent <sup>(1)</sup>
EDEKA	Food retail	11.5%
Kaufland	Food retail	5.8%
REWE	Food retail	5.7%
Real	Food retail	5.7%
OBI	DIY	5.2%
Jobcenter	Agency of unemployment	3.3%
Barmer	Insurance	2.4%
Globus	DIY	2.2%
Netcologne	IT/Communication	2.2%
ALDI	Food retail	1.6%
<b>Total</b>		<b>45.5%</b>

(1) % of annualized rents (including rent guarantees)

### Sector distribution (as of 30 June 2021)



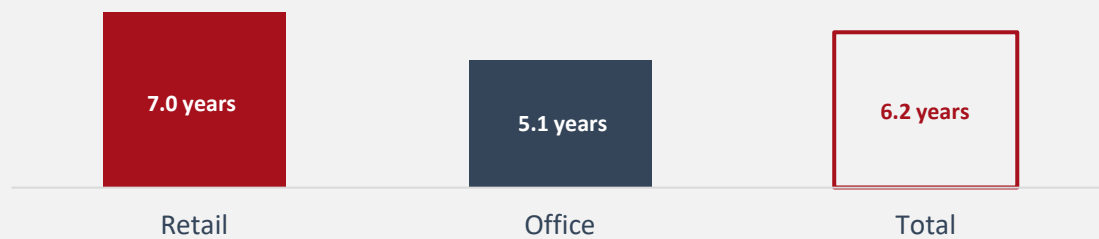
- ➔ HAMBORNER's tenant profile further strengthened by increased food (YoY +120 bps) and reduced textile exposure (YoY -190 bps)
- ➔ TOP-10 tenants grasps only market leading food and DIY retailers as well as high-worthiness corporate and public tenants





## Lease contracts

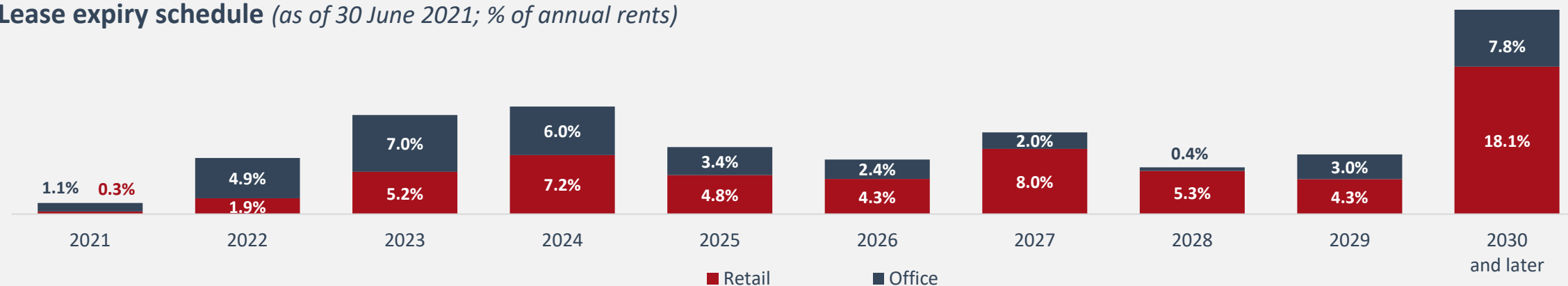
### Weighted average lease expiry (as of 30 June 2021)



### Letting result (H1 2021)



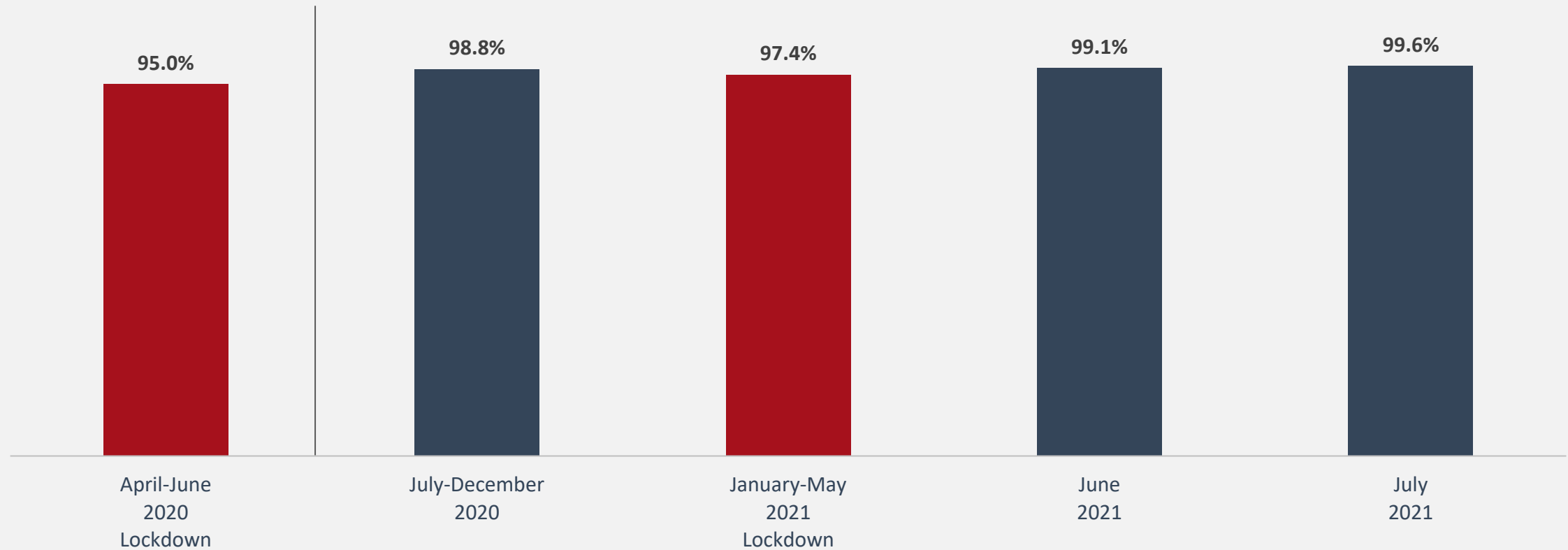
### Lease expiry schedule (as of 30 June 2021; % of annual rents)



- ➡ Total WALT remains at comfortable level of 6.2 years
- ➡ Very limited amount of expiring leases in remaining time 2021 – next larger letting volumes from 2023 onwards



## Rent collection rates *(as of 23 August 2021)*



- ➡ Despite challenging market conditions high rent collection rates during various lockdown phases
- ➡ Fast re-incent to normal levels once retail business free from major opening restrictions

## 4. Financials





## Key figures H1 2021

Key figures	H1 2021	H1 2020	Change
<b>Profit and loss statement</b>			
Income from rents and leases	€42.9m	€43.9m	-2.1%
Operating result	€19.7m	-€0,8m	n/a
Profit for the period	€45.1m	-€8.5m	n/a
<b>Key KPIs</b>			
Funds from Operations (FFO)	€28.4m	€27.0m	+5.1%
Funds from Operations (FFO) per share	€0.35	€0.34	+2.9%
Key figures	30 June 2021	31 December 2020	Change
<b>Financial KPIs</b>			
REIT equity ratio	57.5%	54.5%	+3.0%-points
Loan to Value (LTV)	44.6%	44.5%	+0.1%-points
<b>EPRA metrics</b>			
EPRA Net Asset Value (NAV) per share	€11.02	€11.05	-0.3%
EPRA Net Tangible Assets (NTA) per share	€11.02	€11.05	-0.3%



## Funds from operations (FFO)

	in k€	H1 2021	H1 2020	Change
1	Income from rents and leases	42,928	43,868	-2.1%
	Income from passed on costs	7,183	6,985	+2.8%
	Operating expenses	-9,867	-9,619	+2.6%
	Maintenance expenses	-2,208	-2,604	-15.2%
	<b>Net rental income</b>	<b>38,036</b>	<b>38,630</b>	<b>-1.5%</b>
2	Administrative expenses	-930	-631	+47.4%
	Personnel expenses	-2,653	-2,576	+3.0%
3	Other operating income	2,844	1,032	n/a
4	Other operating expenses	-1,785	-1,652	+8.1%
	Interest expenses	-7,139	-7,802	-8.5%
	<b>FFO</b>	<b>28,373</b>	<b>27,001</b>	<b>+5.1%</b>
	- Capex	-1,073	-651	+64.82%
	<b>AFFO</b>	<b>27,300</b>	<b>26,350</b>	<b>+3.6%</b>
	<i>FFO per share in €<sup>(1)</sup></i>	<i>0.35</i>	<i>0.34</i>	<i>+2.9%</i>
	<i>AFFO per share in €<sup>(1)</sup></i>	<i>0.34</i>	<i>0.33</i>	<i>+3.0%</i>

Comments	
1	Decline in rental income mainly due to property disposals (-€2.1m) and pandemic-related risk provisioning (-€0.5m); in contrast, rental income increases by €1.9m due to property additions
2	Increase results from higher expenses for cash deposits as well as from postponement of previous year's AGM to Q4 2020
3	Increase mainly relates to compensation payment of €2.2m in connection with early termination of rental agreement;
	FFO adjustment due to impairment reversal for Gießen property (-€2.1m)
4	Includes pandemic-related impairment of receivables in an amount of €1.1m

(1) Based on number of shares at the end of the respective reporting period; increased number of shares due to scrip dividend offer in Q4 2020 and Q2 2021

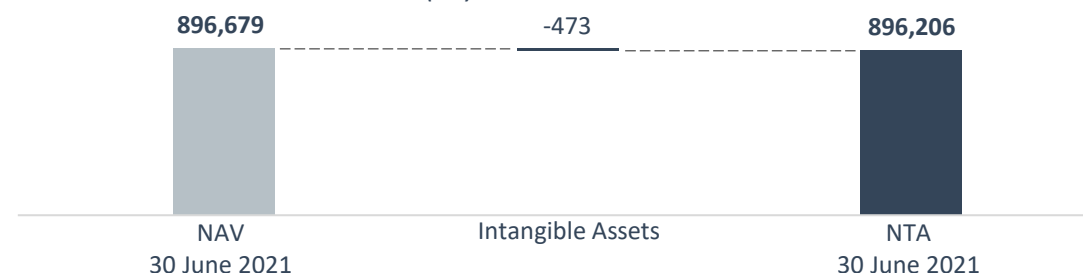


# EPRA Net Asset Value (NAV) & Net Tangible Assets (NTA)

in k€	30 June 2021	31 Dec 2020
1 Long-term assets	1,148,590	1,200,826
2 Short-term assets	155,963	64,958
3 Non-current liabilities and provisions	-726,852	-685,431
Current liabilities	-89,178	-105,598
<b>Balance sheet NAV</b>	<b>488,523</b>	<b>474,755</b>
+ Hidden reserves investment property	405,981	397,114
4 + Hidden reserves assets held for sale	2,175	18,852
<b>Net Asset Value (NAV)</b>	<b>896,679</b>	<b>890,721</b>
<b>NAV per share in €</b>	<b>11.02</b>	<b>11.05</b>
Intangible Assets	-473	-499
<b>Net Tangible Assets (NTA)</b>	<b>896,206</b>	<b>890,222</b>
<b>NTA per share in €</b>	<b>11.02</b>	<b>11.05</b>

Comments	
1	Decrease in long-term assets mainly related to property disposals
2	Increase in short-term assets mainly related to higher liquidity position
3	Non-current liabilities and provisions increase due to additional financing related to newly acquired assets
4	Decrease relates to transfer of ownership of sold assets during H1 2021

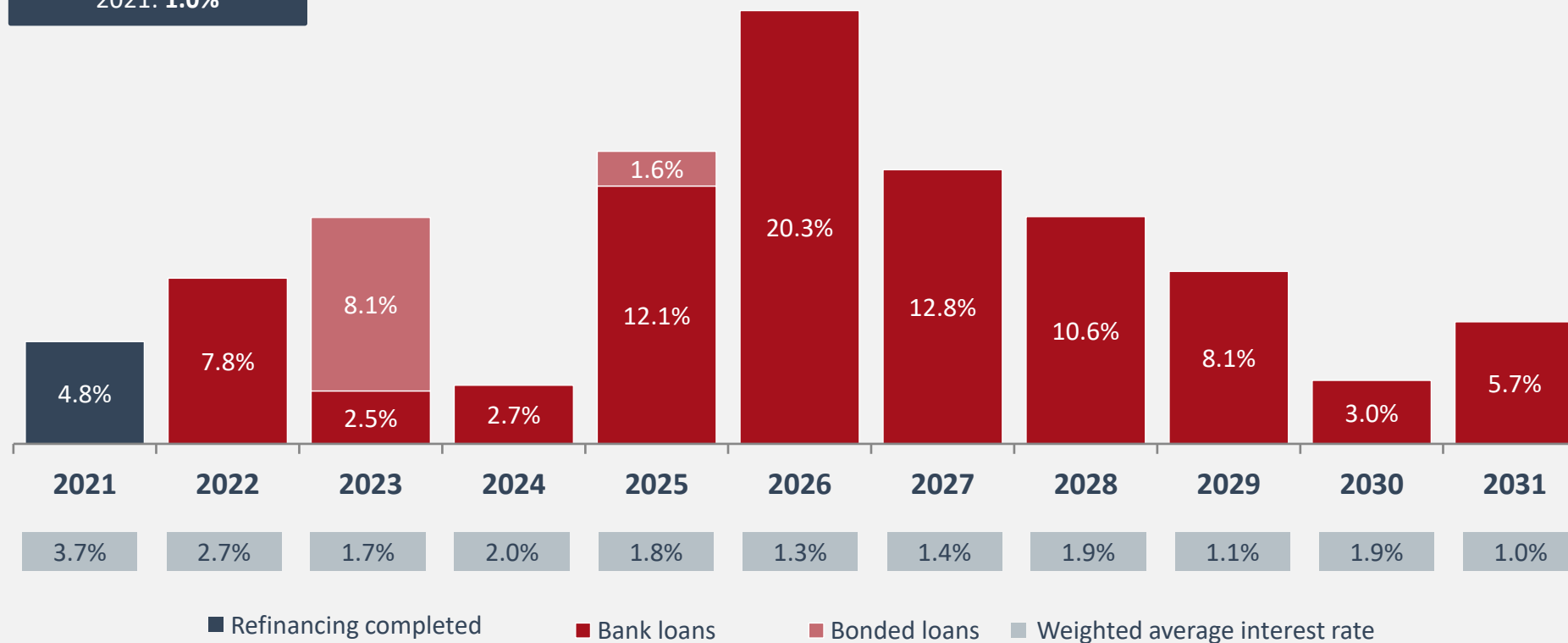
## NAV to NTA reconciliation (k€)





## Expiration of financial liabilities (as of 30 June 2021)

Ø Refinancing interest rate  
2021: 1.0%



**57.5%**  
REIT Equity ratio

**44.6%**  
LTV

**€770.0m**  
Financial liabilities<sup>(1)</sup>

**1.71%**  
Ø cost of debt<sup>(1)</sup>

**5.1 years**  
Ø maturity of debt<sup>(1)</sup>

**9.5x**  
EBITDA/  
Interest coverage

(1) As of 30 June 2021 (includes loans concluded but not yet utilized)

## Guidance Update 2021

- Rental income: €82 - 86m → **€83 - 85m**
- FFO: €45 - 50m → **€48 - 50m**
- NAV per share still expected to reach previous year's level



## 5. ESG Strategy



Nachhaltiges Gebäude  
DGNB Zertifikat in Platin



Office property Neu-Isenburg



## Strategic development and guidelines

- Integration of sustainability/ESG criteria into overall strategy
- Definition of achievable goals taking into account feasibility and (cost) efficiency
- Implementation of strategic sustainability programme
- Planning and controlling of sustainability activities by internal sustainability committee
- Continuous expansion of sustainability management
- Intensification of dialogue with relevant stakeholders about key sustainability/ESG topics and integration of lessons learned in the further development of the (sustainability/ESG) strategy
- Continuous performance measurement for sustainability/ESG management activities and permanent reporting

## Key Action Areas



Focus on business-relevant topics and selected effective measures to optimize ESG performance



## Corporate Governance and Dialogue

- Further development of ESG-related governance structures
- Expansion of sustainability management and strategic controlling of sustainability performance
- Systematic stakeholder management and intensification of stakeholder dialogue
- Further development of risk management incl. ESG risks

## Portfolio Quality and Optimisation

- Systematic review of ESG criteria as part of acquisitions
- Technical portfolio optimisation
- Conclusion of further green leases

## Environmental Management and Climate Protection

- Environmental management and CO<sub>2</sub> accounting at head office
- Environmental accounting and reduction in CO<sub>2</sub> emissions throughout the property portfolio
- Systematic review of environmental standards in upstream and downstream processes

## Employee Development

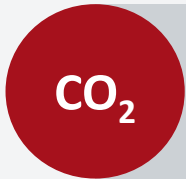
- Development and implementation of training programme
- Expansion of health management and workplace safety measures
- Promotion of diversity and equal opportunity
- Flexibilization of working models
- Ensuring social standards in upstream & downstream processes

## Medium-Term Goals



### **Green leases**

Increased conclusion rate for green leases



### **Carbon Emissions**

Streamlining of environmental footprint and reduction in CO<sub>2</sub> emissions



### **ESG criteria**

Systematic review of ESG criteria within the framework of property acquisition

## Main topics 2021

- Definition of clear responsibilities in the key action areas
- Intensification of dialogue with tenants (with a focus on recording climate-related and environmental data)
- Optimization of data management
- Revision and active marketing of green leases
- Environmental management and CO<sub>2</sub> accounting (Scope 1-3) at the head office in Duisburg
- Employee advancement through targeted training measures and the introduction of flexible and efficient working models








## 6. Appendix





## Top-10 properties (1/2)

	Munich	Cologne	Mannheim	Berlin	Karlsruhe
					
Asset type	Office	Office	Retail	Office	Retail
Year of acquisition	2013	2017	2016	2013	2012
Purchase price	€40.1m	€48.9m	€80.0m	€33.0m	€37.0m
Fair value <sup>(1)</sup>	€79.0m	€76.5m	€76.4m	€70.8m	€52.8m
Annual rental income	€2.6m	€2.9m	€4.2m	€2.5m	€2.7m
WALT <sup>(1)</sup>	3.3 years	9.9 years	4.5 years	3.1 years	13.5 years
Main tenants	Estée Lauder, Giorgio Armani	NetCologne, Instone Real Estate	Real	Schneider Electric, BLS Energieplan	Edeka, BrandMaker

(1) As of 30 June 2021



## Top-10 properties (2/2)

	Darmstadt	Hallstadt	Hanau	Aachen	Celle
					
Asset type	Retail/Office	Retail	Retail	Office	Retail
Year of acquisition	2018	2017	2017	2020	2015
Purchase price	€42.8m	€41.4m	€37.5m	€37.4m	€35.2m
Fair value <sup>(1)</sup>	€45.9m	€44.5m	€42.4m	€40.9m	€39.6m
Annual rental income	€2.7m	€2.4m	€2.0m	€2.0m	€2.3m
WALT <sup>(1)</sup>	4.4 years	5.5 years	11.2 years	9.9 years	7.5 years
Main tenants	Rewe	Müller, tegut	Rewe, Aldi	AOK, Barmer	Real, Tedox

(1) As of 30 June 2021

<b>Interim statement Q3 2021</b>	9 November 2021
<b>Preliminary figures 2021</b>	8 February 2022
<b>Annual report 2021</b>	17 March 2022
<b>Quarterly financial statement Q1 2022</b>	26 April 2022
<b>Annual General Meeting 2022</b>	28 April 2022





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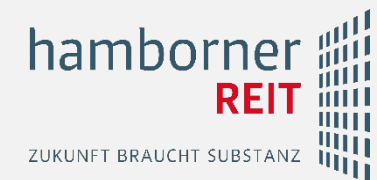
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