

Company presentation

November 2021



Agenda

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

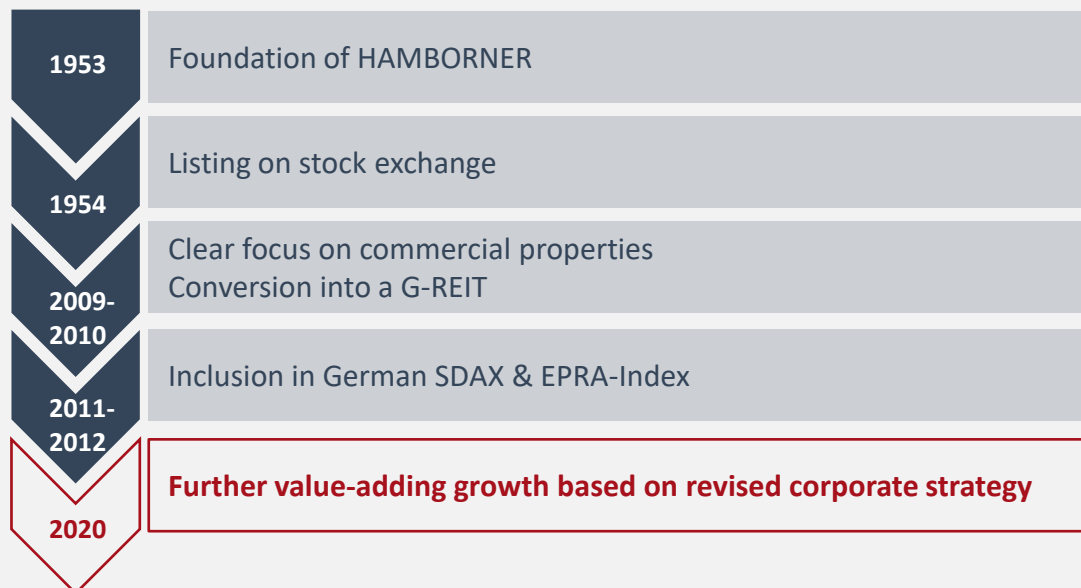
1. HAMBORNER at a glance





Company profile

History



Portfolio Data (as of 30 September 2021)

Portfolio volume	€1,544m
Number of assets	67
WALT	6.1 years
Occupancy rate (EPRA)	98.2 %

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 September 2021)

FFO yield 2021e ⁽¹⁾	6.9 %
NAV per share	€11.21
REIT equity ratio	58.6 %
LTV	43.5 %

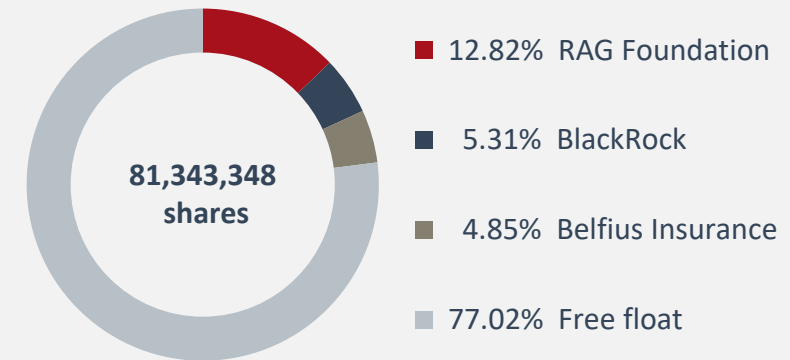
(1) Based on current mid-point guidance range for full-year 2021 and share price as of 30 September 2021



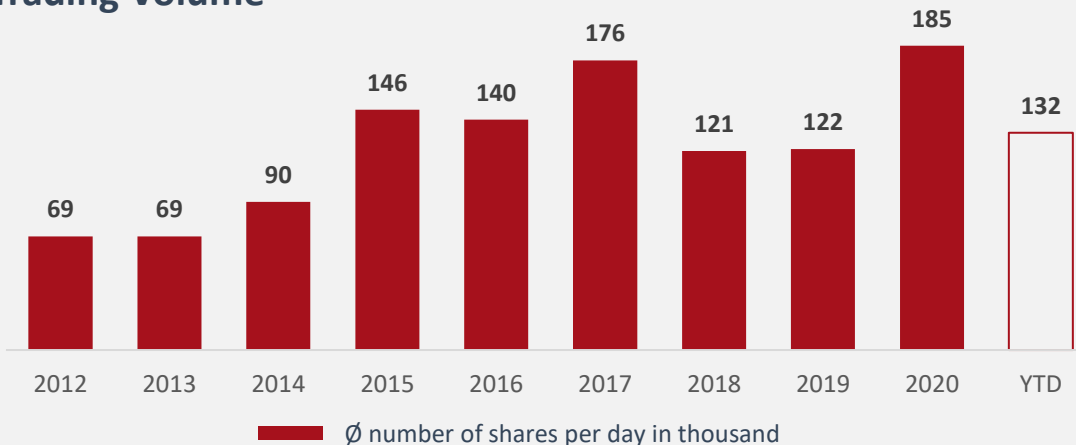
The HAMBORNER Share

Current share price	€9.70 (as of 31 October 2021)
Market capitalisation	€790m (as of 31 October 2021)
WKN/ISIN	A3H2333 / DE000A3H2333
Ticker symbol	HABA
Class of shares	Registered Share
Exchange segment	Prime Standard
Indices	SDAX, EPRA, RX REIT

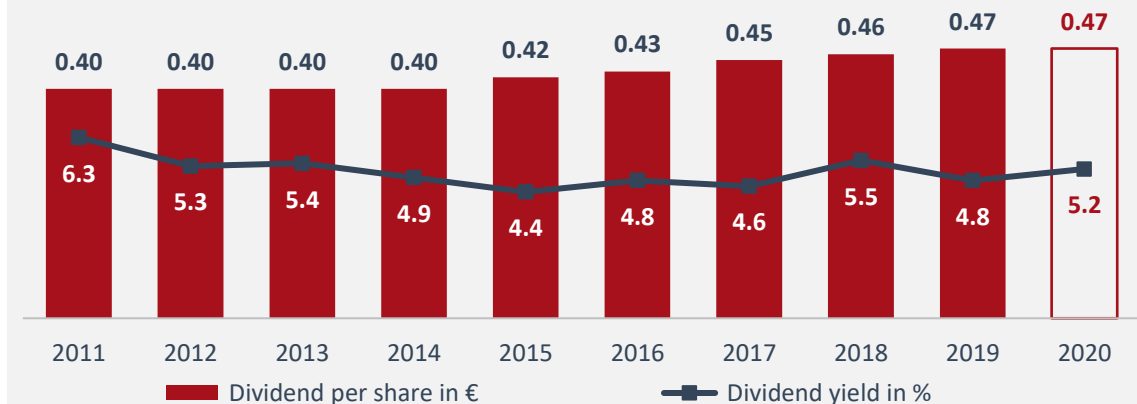
Shareholder structure



Trading Volume



Dividend per Share and Dividend Yield



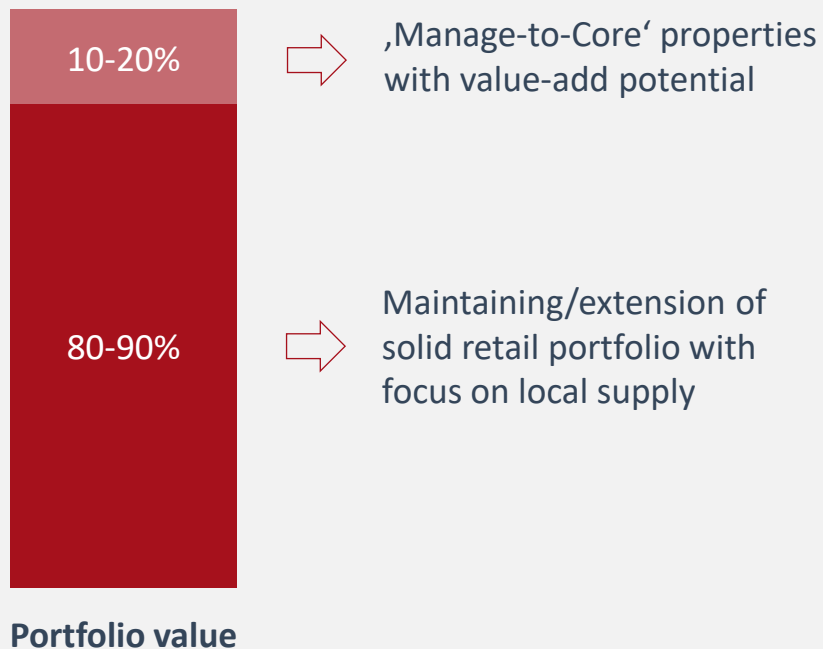
2. Portfolio Overview



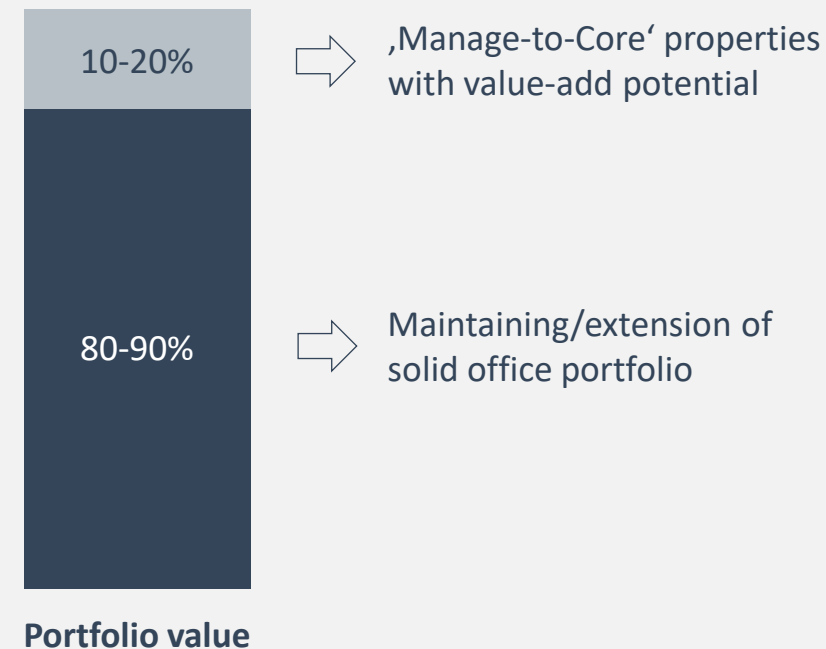
Office property Münster



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



Portfolio Metrics

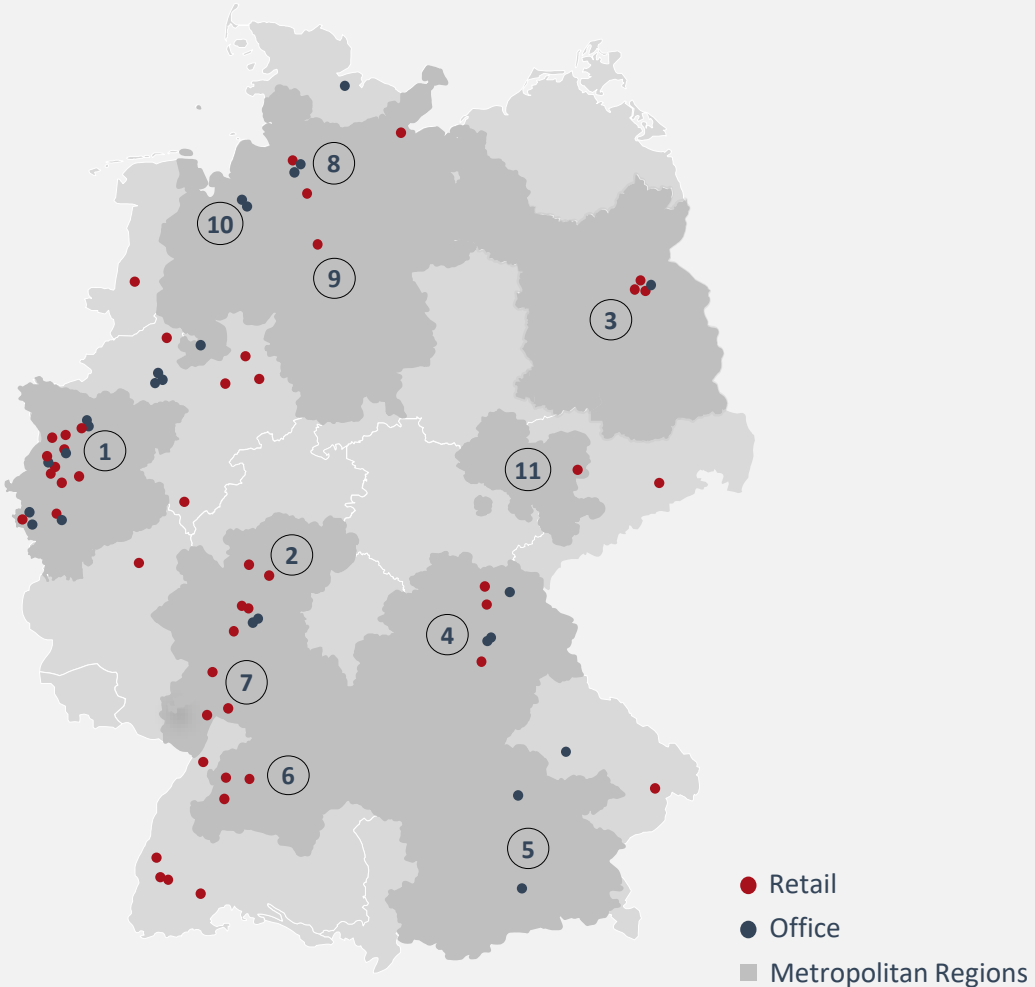
	Retail	Office	Total Portfolio ⁽¹⁾	Portfolio share high-street ⁽¹⁾
Number of properties	41	26	67	6
Fair value	€862.9m	€681.2m	€1,544.1m	€82.2m
Leased area	385,328 m ²	215,689 m ²	601,016 m ²	38,520 m ²
Annualized rent	€50.0m	€33.6m	€83.6m	€5.7m
Annualized rental yield	5.8%	4.9%	5.4 %	10.9%
EPRA vacancy rate	2.1%	1.4%	1.8 %	10.2%
WALT	6.9 years	4.9 years	6.1 years	4.7 years
Like for like development 30 September 2021 to 30 September 2020 ⁽²⁾				
Rents	+1.6%-points	+3.4%-points	+2.3%-points	-1.0%-points
EPRA vacancy rate	+0.1%-points	+0.4%-points	+0.2%-points	+2.2%-points
WALT	-0.5 years	+0.4 years	-0.1 years	-0.3 years

(1) Including sold high-street property in Dortmund with carried out transfer of ownership at 1. October 2021 (2) Excluding acquisitions and disposals in 2020 and 2021

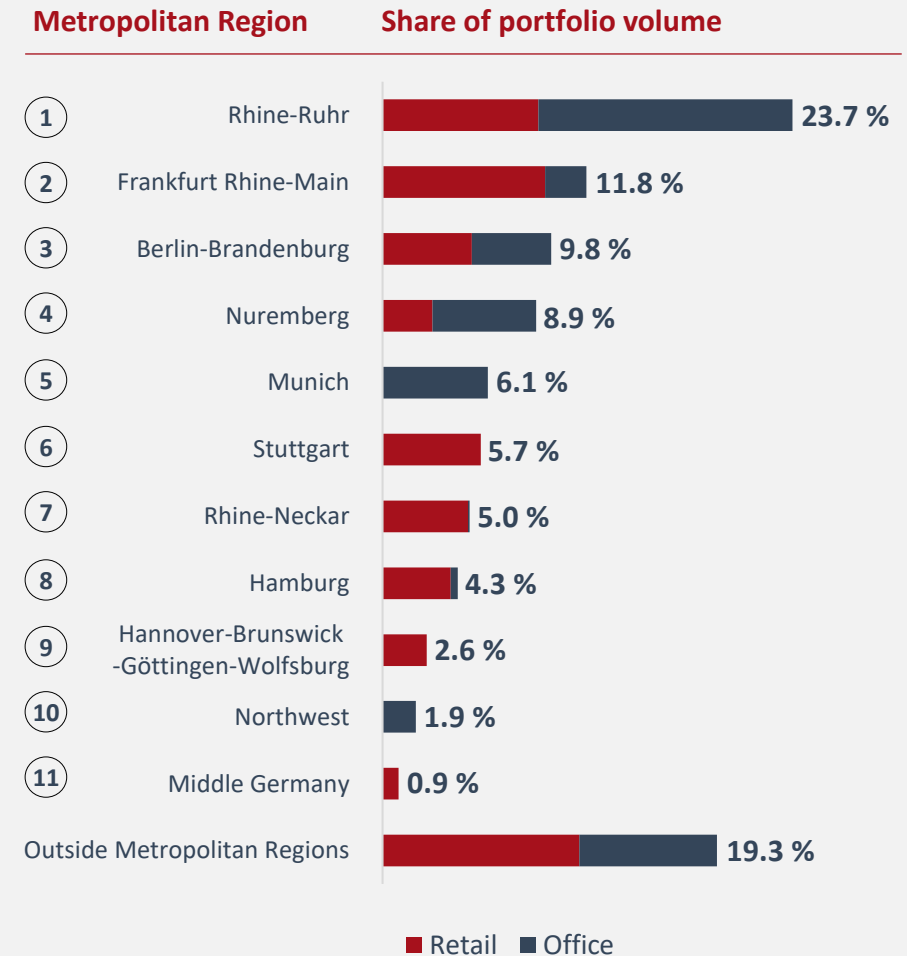


Geographical Portfolio Structure

Geographical Focus (Metropolitan Regions in Germany)

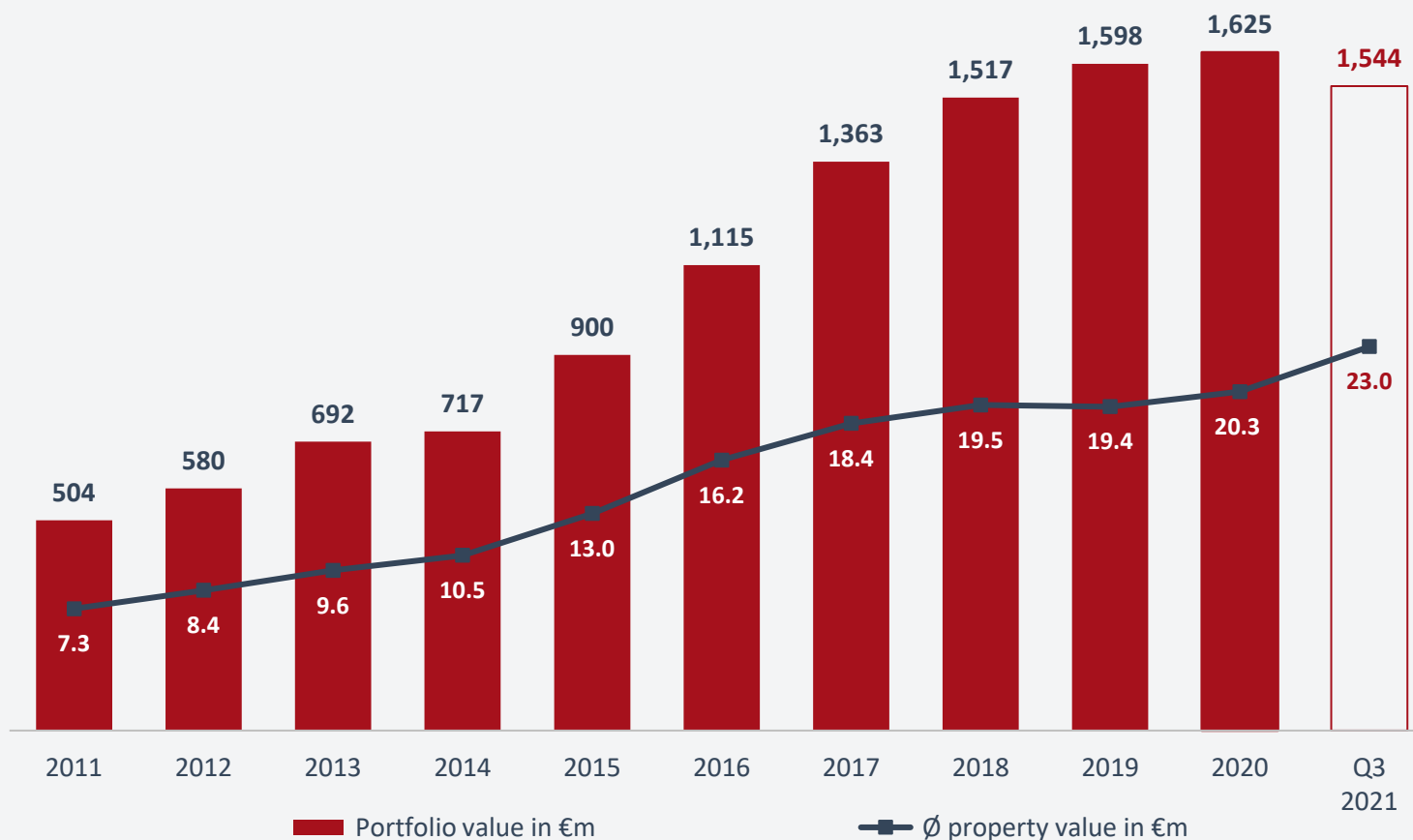


Portfolio by Metropolitan Regions





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 **€23.0m** allows cost-effective portfolio and asset management
- **Operating cost ratio** at **8.8%** in 9M 2021
- Expected further increase of average value due to intended disposal of remaining 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



Stuttgart



Münster



Freiburg



Asset type	Office (Single-tenant)	Office (Multi-tenant)	Office (Multi-tenant)	Retail (Single-tenant)
Investment approach	‘Manage-to-core’	‘Manage-to-core’	‘Core’	‘Core’
Year of construction	1994	1991	2021	2018
Leased area	7,700 m ²	5,930 m ²	6,300 m ²	10,660 m ²
Remaining lease term	2.4 years ⁽¹⁾	2.4 years ⁽¹⁾	7.5 years ⁽²⁾	12.0 years ⁽²⁾
Occupancy rate	100%	93%	100% ⁽³⁾	100%
Annual rental income	€1.3m	n/a	€1.1m	€1.1m
Purchase price	€18.6m	n/a	€23.9m	€18.9m
Gross initial yield	7.0%	5.1%	4.5%	5.6%
Transfer of possession	29 March 2021	3 September 2021	Q4 2021/Q1 2022e	Q1 2022e

(1) As of 30 September 2021

(2) As of date of signing

(3) Including rent guarantees



Strategic disposal programme | Active portfolio management

Recent Disposal

Property	Dortmund
Sales price	€29.5m
Annual rents	€1.7m
Latest fair value	€29.5m



Divestments since strategy update H1 2020

	Total	Thereof High-Street
No. of assets	19	16
Sales volume	€180.9m	€139.0m
Fair value gain	3.7%	2.7%
Book value gain	33.7%	37.6%
Annualised rent	€11.1m	€8.7m

- ➔ Disposals (predominantly High-Street assets) in line with HAMBORNERs 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: € 23.0m - YOY +15.6%) and maintenance profile

Residual High-Street portfolio



- Held for short-term disposal (1.2%)
- Manage-to-core property Lübeck (2.2%)

No. of assets	5
Total fair value	€52.8m

- ➔ Intended short-term disposal of four residual high-street assets in Siegen, Lemgo, Gütersloh and Herford
- ➔ Largest remaining property (Lübeck) categorized as 'manage-to-core' – intended medium-term divestment after successful repositioning

3. Asset Management



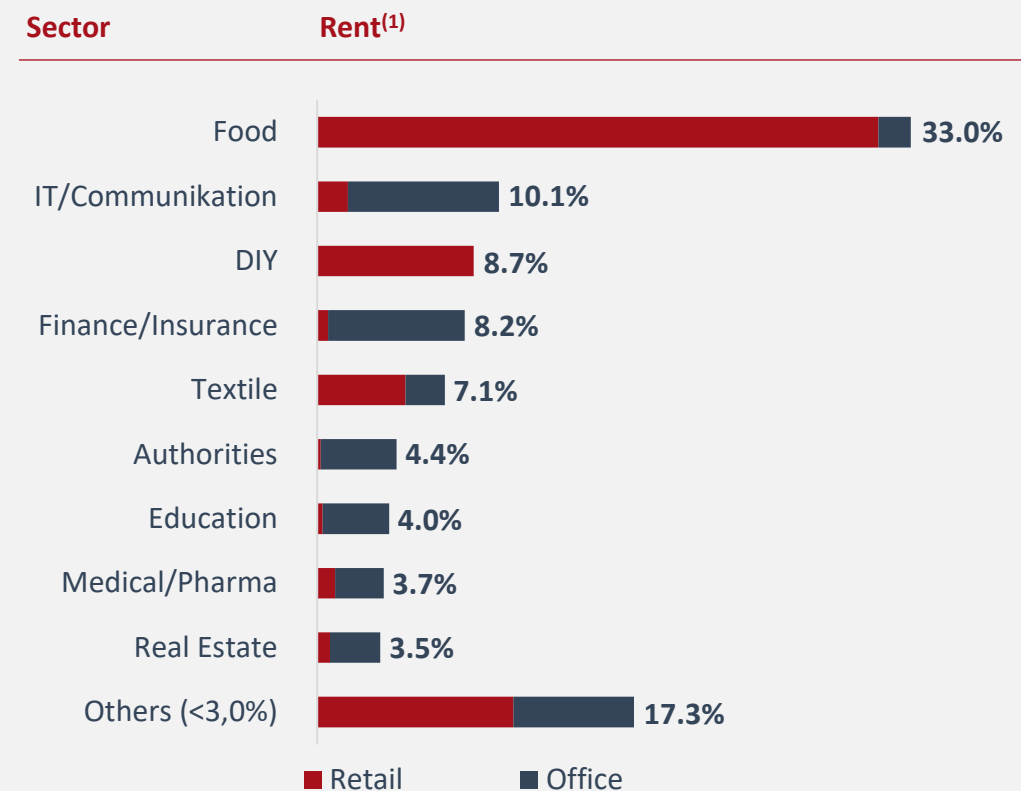
Retail property 'Rondo Steinheim' Hanau

Top-10 tenants (as of 30 September 2021)

Tenant	Sector	Rent ⁽¹⁾
EDEKA	Food retail	11,5%
Kaufland	Food retail	6,9%
REWE	Food retail	5,7%
OBI	DIY	5,3%
Real	Food retail	3,7%
Bundesagentur für Arbeit	Agency of unemployment	3,3%
Barmer	Insurance	2,5%
Globus	DIY	2,2%
NetCologne	IT / Communication	2,2%
ALDI	Food retail	1,7%
Total		44,9%

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

Sector distribution (as of 30 September 2021)

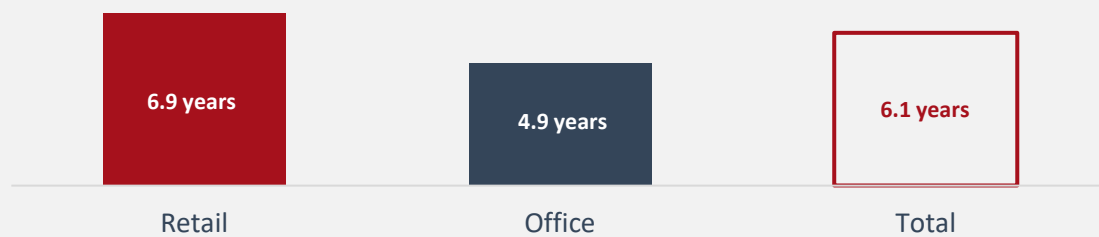


- ➡ Further diversification of tenant profile including reduction of textile exposure (YoY -170 bps)
- ➡ TOP-10 tenants include solely market leading food and DIY retailers as well as high-worthiness corporate and public tenants



Lease contracts

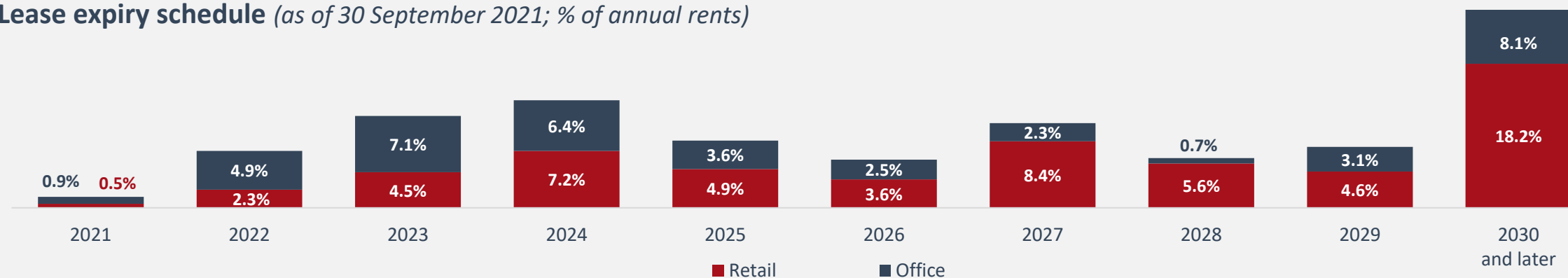
Weighted average lease expiry (as of 30 September 2021)



Letting result (9M 2021)



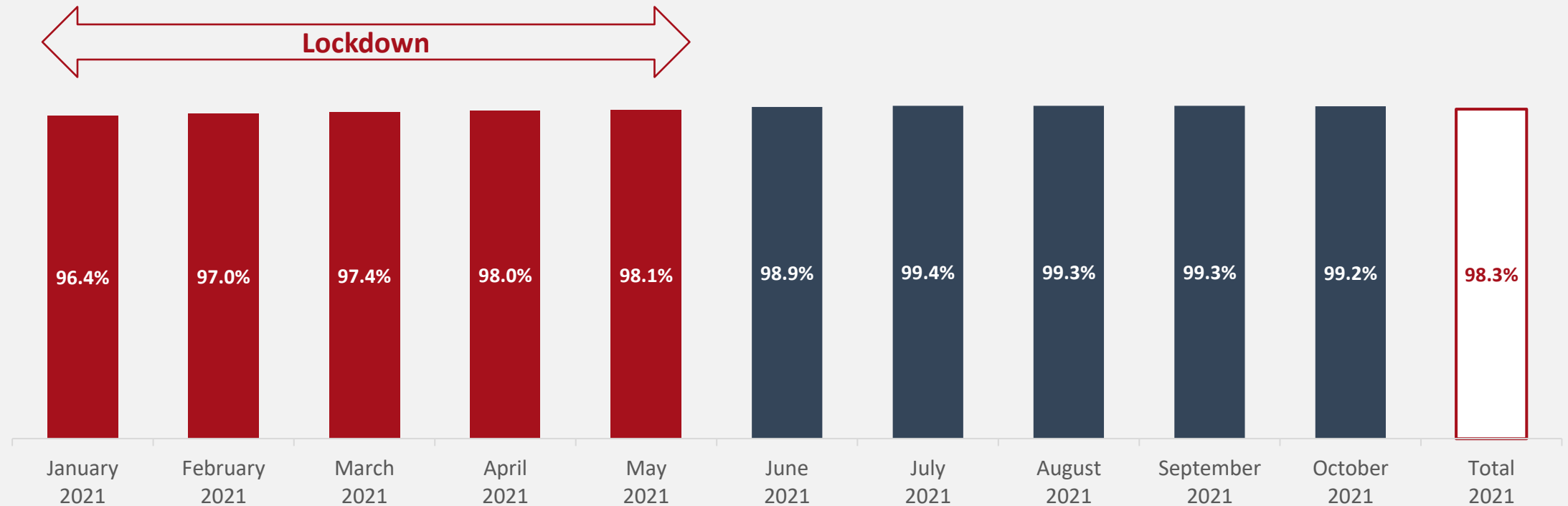
Lease expiry schedule (as of 30 September 2021; % of annual rents)



- ➡ Total WALT remains at comfortable level of 6.1 years
- ➡ Limited amount of further expiring leases in 2021 – next larger letting volumes from 2023 onwards



Rent collection rates⁽¹⁾ (as of 5 November 2021)



(1) Including ancillary costs and VAT

- ➡ Despite lockdown phase with far-reaching opening restrictions consistently high rent collection rates in 2021
- ➡ Average rent collection rate at 98.3%

4. Financials



Office property/Medical center Regensburg



Key figures 9M 2021

Key figures	9M 2021	9M 2020	Change
Profit and loss statement			
Income from rents and leases	€63.9m	€66.2m	-3.5%
Operating result	€27.9m	€9.0m	n/a
Profit for the period	€53.8m	€0.1m	n/a
Key KPIs			
Funds from Operations (FFO)	€42.3m	€42.3m	-0.1%
Funds from Operations (FFO) per share	€0.52	€0.53	-2.1%
Key figures	30 September 2021	31 December 2020	Change
Financial KPIs			
REIT equity ratio	58.6%	54.5%	+4.1%-points
Loan to Value (LTV)	43.5%	44.5%	-1.0%-points
EPRA metrics			
EPRA Net Asset Value (NAV) per share	€11.21	€11.05	+1.4%
EPRA Net Tangible Assets (NTA) per share	€11.21	€11.05	+1.4%



Funds from operations (FFO)

	in k€	9M 2021	9M 2020	Change
1	Income from rents and leases	63,912	66,207	-3.5%
	Income from passed on costs	10,732	10,654	+0.7%
	Operating expenses	-13,738	-13,705	+0.2%
2	Maintenance expenses	-3,476	-3,421	+1.6%
	Net rental income	57,430	59,735	-3.9%
3	Administrative expenses	-1,502	-956	+57.1%
	Personnel expenses	-4,139	-3,882	+6.6%
4	Other operating income	3,043	1,232	n/a
5	Other operating expenses	-1,909	-2,154	-11.4%
	Interest expenses	-10,613	-11,637	-8.8%
	FFO	42,310	42,338	-0.1%
	- Capex	-1,057	-783	+35.0%
	AFFO	41,253	41,555	-0.7%
	FFO per share in €⁽¹⁾	0.52	0.53	-2.1%
	AFFO per share in €⁽¹⁾	0.51	0.52	-2.7%

	Comments
1	Decline in rental income mainly due to property disposals (€-4.3m) and pandemic-related risk provisioning (€-0.5m); Rent decrease partly offset by portfolio additions (€+2.5m)
2	Lower than expected costs essentially related to postponement of maintenance measures in connection with follow-on leases for REAL locations
3	Increase mainly results from higher expenses for cash deposits and from postponement of previous year's AGM to Q4 2020
4	Includes compensation payment of €+2.2m in connection with early termination of rental agreement; FFO adjustment due to impairment reversal for Gießen property (€-2.1m)
5	Includes pandemic-related rent reductions in an amount of €0.9m

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



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

in k€	30 September 2021	31 December 2020
1 Long-term assets	1,124,121	1,200,826
2 Short-term assets	201,451	64,958
3 Non-current liabilities and provisions	-724,205	-685,431
Current liabilities	-104,137	-105,598
Balance sheet NAV	497,230	474,755
+ Hidden reserves investment property	414,970	396,875
+ Hidden reserves assets held for sale	0	18,852
4 Net Asset Value (NAV)	912,200	890,721
NAV per share in €	11.21	11.05
Intangible Assets	-470	-499
Net Tangible Assets (NTA)	911,730	890,222
NTA per share in €	11.21	11.05

NAV to NTA reconciliation (k€)



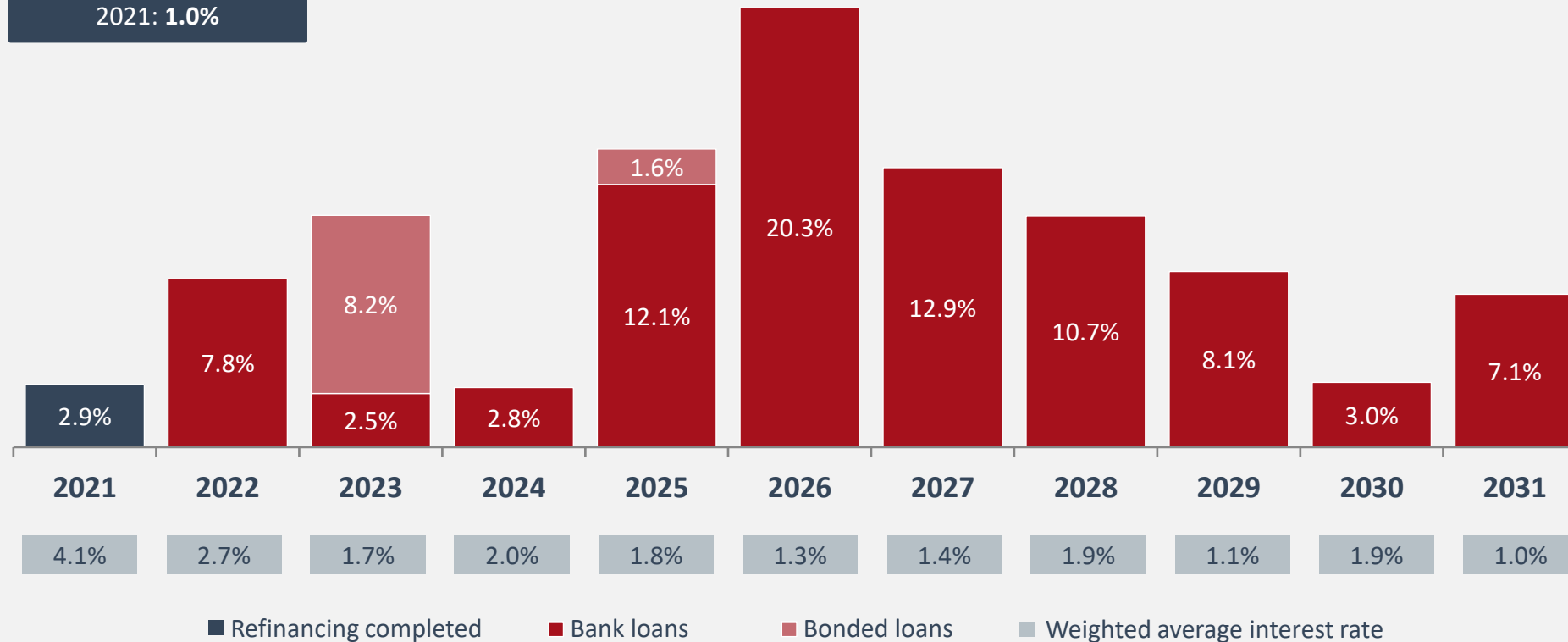
Comments	
1	Decrease in long-term assets mainly related to property disposals
2	Increase in short-term assets mainly related to higher liquidity position
3	Non-current liabilities and provisions increase due to additional financing related to newly acquired assets
4	Decrease relates to transfer of ownership of remaining sold assets during Q1-Q3 2021



Financial situation

Expiration of financial liabilities (as of 30 September 2021)

Ø Refinancing interest rate
2021: 1.0%



58.6%
REIT Equity ratio

43.5%
LTV

€760.3m
Financial liabilities⁽¹⁾

1.68%
Ø cost of debt⁽¹⁾

5.0 years
Ø maturity of debt⁽¹⁾

8.8x
EBITDA/
Interest coverage

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

Guidance Update 2021

- Rental income: Confirmation of guidance range of **€83 - 85m**
- FFO: €48 - 50m  **€52 - 53m**
- NAV per share expected to reach slightly higher level compared to year-end 2020 (€11.05)

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
- Implementation of strategic sustainability programme
- Planning and controlling of sustainability activities by internal sustainability committee
- 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
- Definition of short, mid and long-term targets based on ESG KPIs, taking into account feasibility and (cost) efficiency
- 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

HAMBORNER supports the United Nations Sustainable Development Goals. Mid-term targets by 2030 are set to:



- Increase substantially the share of renewable energy
- Double the global rate of improvement in energy efficiency



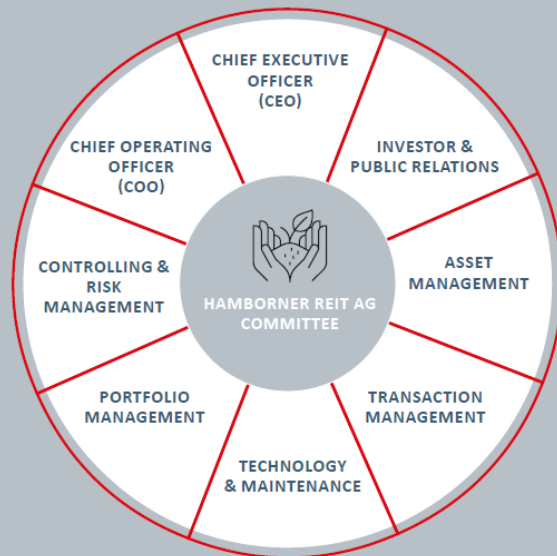
- Integrate climate change measures into national policies, strategies and planning



- Encourage and promote effective public, public-private and civil society partnerships



Sustainability Management System



- Sustainability Management Programme is implemented to incentivize a proactive participation in ESG management
- Sustainability Committee consisting of Management Board members and the ESG Officers from individual business areas
- Management of internal departmental sustainability activities, monitoring of necessary data management and optimization of cross-departmental processes

Management Board

CEO

COO/CFO

- Ongoing reporting of all relevant ESG issues to management board
- Decision-making and activity planning in the scope of regular Sustainability Committee meetings



- Company-wide implementation of decisions
- Continuous monitoring of all sustainability activities

Internal participation:

ESG officers from relevant business areas



Investor & Public Relations



Asset Management



Transaction Management



Technology & Maintenance



Portfolio Management



Controlling & risk Management

External participation:

Stakeholders and partners of HAMBORNER



Tenants



Bankers



Society



Employees



Service providers





Shareholders



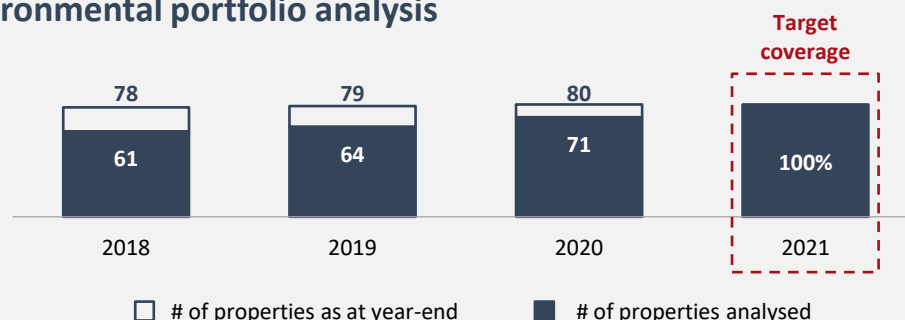
States & local authorities



Environmental Sustainability


Key Action Area	Progress 2020/2021	Status ⁽¹⁾	Next steps / short- to medium-term targets
 Environmental Management & Climate Protection	<ul style="list-style-type: none"> Data management optimisation and database expansion 	Ongoing	<ul style="list-style-type: none"> Ongoing systematization of recording and analysis of ESG data
	<ul style="list-style-type: none"> Creation of detailed report on carbon footprint for headquarters and carbon emissions in connection with operating activities there Compensating for emissions caused by investing in a certified climate protection project and achieving climate neutrality 	100%	<ul style="list-style-type: none"> Implementation of identified measures for further reducing carbon emissions at headquarters
	<ul style="list-style-type: none"> Preparations for setting up full carbon footprint reporting throughout the property portfolio 	20%	<ul style="list-style-type: none"> Full recording of consumption data (energy, water, waste) and calculation of resulting carbon emissions (using digital measurement infrastructure in the medium term)
	<ul style="list-style-type: none"> Improved ecological portfolio performance figures 	Ongoing	<ul style="list-style-type: none"> Definition of additional environmental KPIs and deriving specific decarbonization targets
 Portfolio Quality & Optimisation	<ul style="list-style-type: none"> Systematic review of ESG criteria within the framework of property acquisitions and project developments 	80%	<ul style="list-style-type: none"> Application and ongoing enhancement of drawn up catalogue of criteria from December 2021 onwards
	<ul style="list-style-type: none"> Modernisation and energy efficiency measures 	Ongoing	<ul style="list-style-type: none"> Implementation of necessary measures to raise environmental and efficiency standards of buildings


Environmental portfolio analysis



➔ Ongoing expansion of data monitoring with full portfolio coverage and intended carbon footprint reporting for 2021 reporting year

Development of key environmental portfolio figures 2020


Heating energy consumption
-4.8%
like-for-like




Electricity consumption
-6.9%
like-for-like


Water consumption
-15.0%
like-for-like

➔ Continuous reduction of energy and water consumption by selected portfolio modernization and further energy efficiency improvements



Employee development & Governance

Key action area	Progress 2020/2021	Status ⁽¹⁾	Next steps / short- to medium-term targets
 Employee development	<ul style="list-style-type: none"> Enhanced flexibility of working model 	100%	<ul style="list-style-type: none"> Review and implementation of further measures to enhance employer attractiveness
	<ul style="list-style-type: none"> Implementation of employee development programme and increase in average training hours per employee to 17 (+55% YoY) 	57%	<ul style="list-style-type: none"> Active training measures and increase in average hours of training per employee to at least 30 by 2025
	<ul style="list-style-type: none"> Employee satisfaction rate of 82 % 	96%	<ul style="list-style-type: none"> Increase in satisfaction rate to at least 85% by 2023
	<ul style="list-style-type: none"> Implementation of occupational health and safety concept 	100%	<ul style="list-style-type: none"> Maintaining high standards through regular review and preventive measures
 Corporate governance & dialogue	<ul style="list-style-type: none"> Ongoing development of corporate governance standards in line with ESG criteria 	Ongoing	<ul style="list-style-type: none"> Implementation of ESG criteria in risk management system Revision and active marketing of green leases
	<ul style="list-style-type: none"> Implementation and publication of codes of conduct for employees and business partners 	100%	<ul style="list-style-type: none"> Possibly formulation of other or more detailed codes, basic declarations and guidelines depending on stakeholder requirements
	<ul style="list-style-type: none"> Intensification of dialogue with ESG rating agencies 	Ongoing	<ul style="list-style-type: none"> Continuous improvement of rating results
	<ul style="list-style-type: none"> Increased transparency and reporting standards 	Ongoing	<ul style="list-style-type: none"> Closer adherence to EPRA Sustainability Best Practices (sBPR) (possibly separate sBPR report)

Key social KPIs 2020

Employee satisfaction rate

82%

CPD hours per employee

+55%

Employee fluctuation rate⁽²⁾

8%

Average years of service

9.2 years

Employee injury rate⁽²⁾

0%

Employee sickness rate⁽²⁾

3%

➔ Continuation of employee development programme to further enhance employee satisfaction and employer attractiveness






➔ Ongoing optimization of governance standards in line with ESG strategy as well as regulatory and market requirements

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	€40.2m	€48.9m	€80.0m	€33.0m	€37.0m
Fair value⁽¹⁾	€79.0m	€76.5m	€76.4m	€70.8m	€52.8m
Annual rents	€2.6m	€2.9m	€4.2m	€2.5m	€2.7m
WALT⁽¹⁾	3.1	9.7	4.4	3	13.3
Main tenants	Estée Lauder, Giorgio Armani	NetCologne, Instone Real Estate	Real	Schneider Electric, BLS Energieplan	Edeka, BrandMaker

(1) As of 30 September 2021



Top-10 properties (2/2)

Darmstadt



Hallstadt



Hanau



Aachen



Celle



Asset type	Retail	Retail	Retail	Office	Retail
Year of acquisition	2018	2017	2017	2020	2015
Purchase price	€42.8m	€40.4m	€37.5m	€37.4m	€35.2m
Fair value ⁽¹⁾	€45.9m	€44.5m	€42.4m	€40.9m	€39.6m
Annual rents	2.5m	2.4m	€2.0m	€2.0m	€1.9m
WALT ⁽¹⁾	4.2	5.3	11	10.1	9.9
Main tenants	Rewe	Müller, tegut	Rewe, Aldi	AOK, Barmer	Kaufland, Tedox

(1) As of 30 September 2021

Preliminary figures 2021	8 February 2022
Annual report 2021	17 March 2022
Quarterly financial statement Q1 2022	26 April 2022
Annual General Meeting 2022	28 April 2022
Half-year financial report 2022	9 August 2022
Quarterly financial statement Q3 2022	10 November 2022



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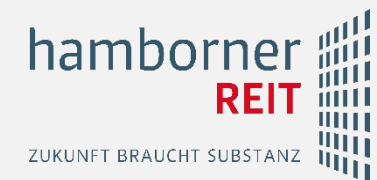
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