

# Company presentation

May 2022



# Agenda

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



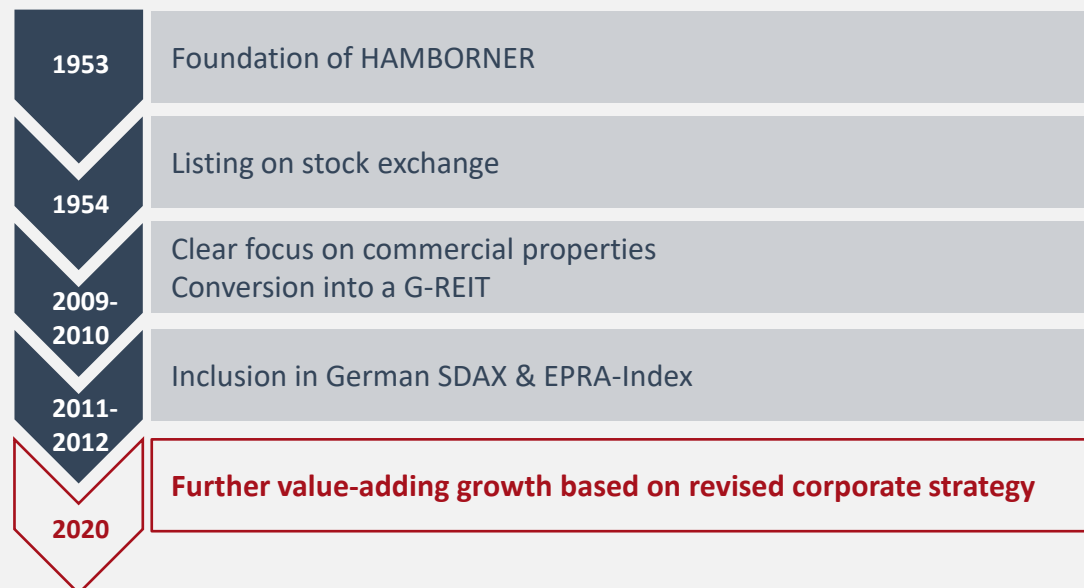
# 1. HAMBORNER at a glance





# Company profile

## History



## Portfolio Data (as of 31 March 2022)

Portfolio volume	€1,621m
Number of assets	68
WALT	6.1 years
Occupancy rate (EPRA)	97.7%

## 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 31 March 2022)

FFO yield 2022e <sup>(1)</sup>	6,2%
NAV per share	€12.23
REIT equity ratio	60.8%
LTV	41.1%

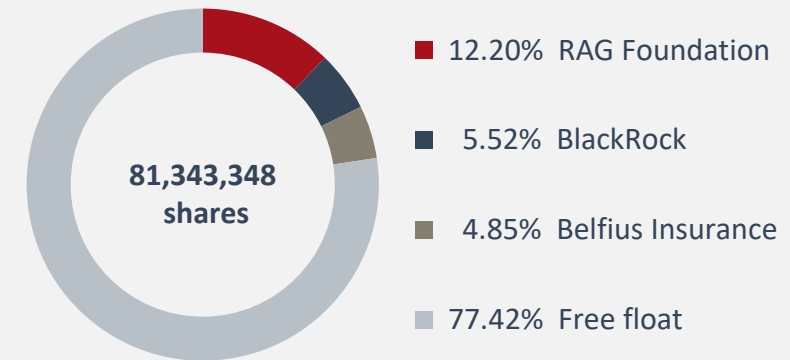
(1) Based on mid-point of current FFO guidance range for full-year 2022 and share price as of 31 March 2022



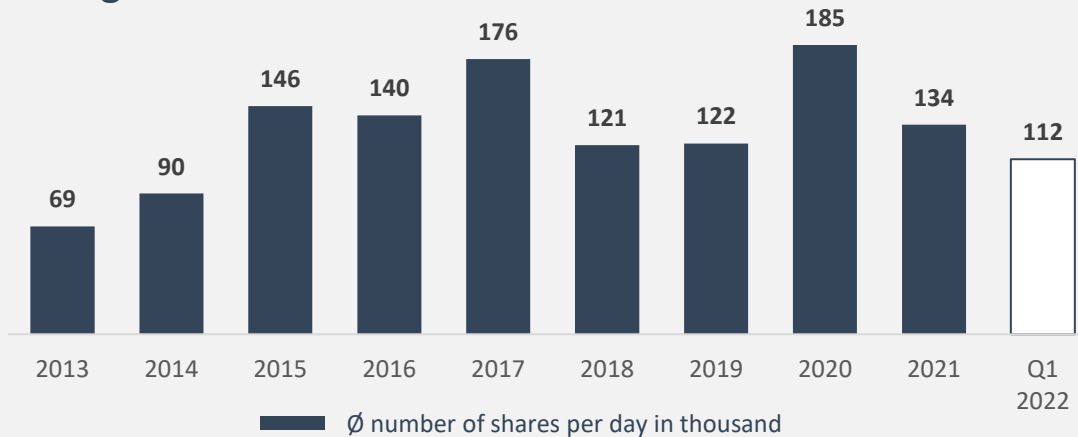
## The HAMBORNER Share

Current share price	€8.87 (as of 30 April 2022)
Market capitalisation	€722m (as of 30 April 2022)
WKN/ISIN	A3H2333 / DE000A3H2333
Ticker symbol	HABA
Class of shares	Registered Share
Exchange segment	Prime Standard
Indices	SDAX, EPRA, RX REIT

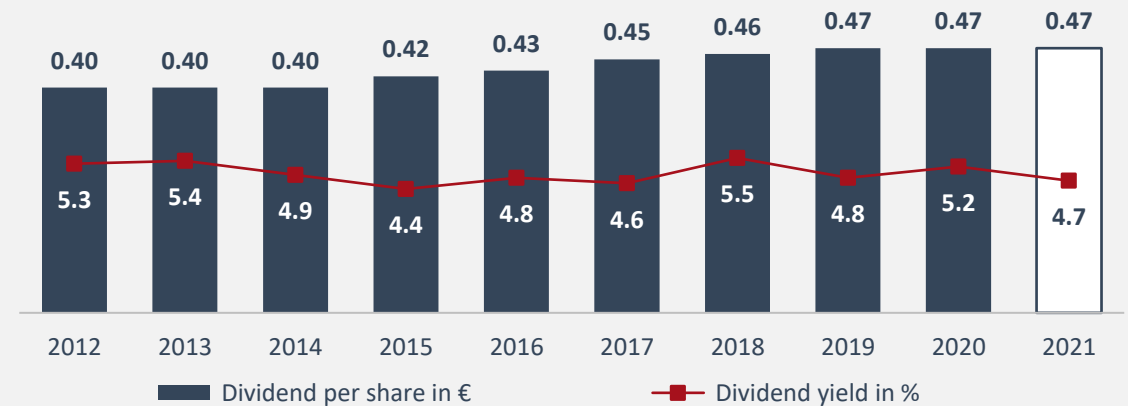
## Shareholder structure



## Trading Volume



## Dividend per Share and Dividend Yield





## 2. Portfolio Overview

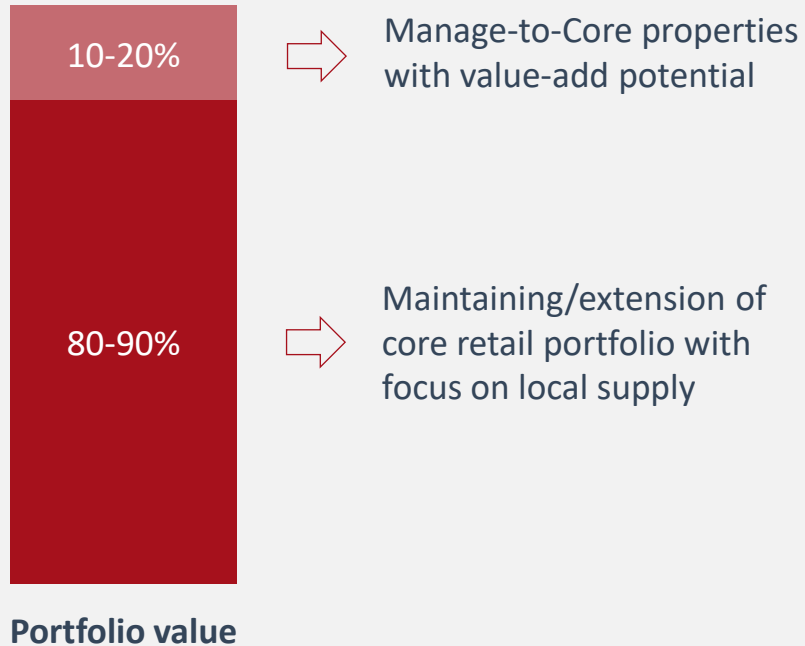


Office property Münster

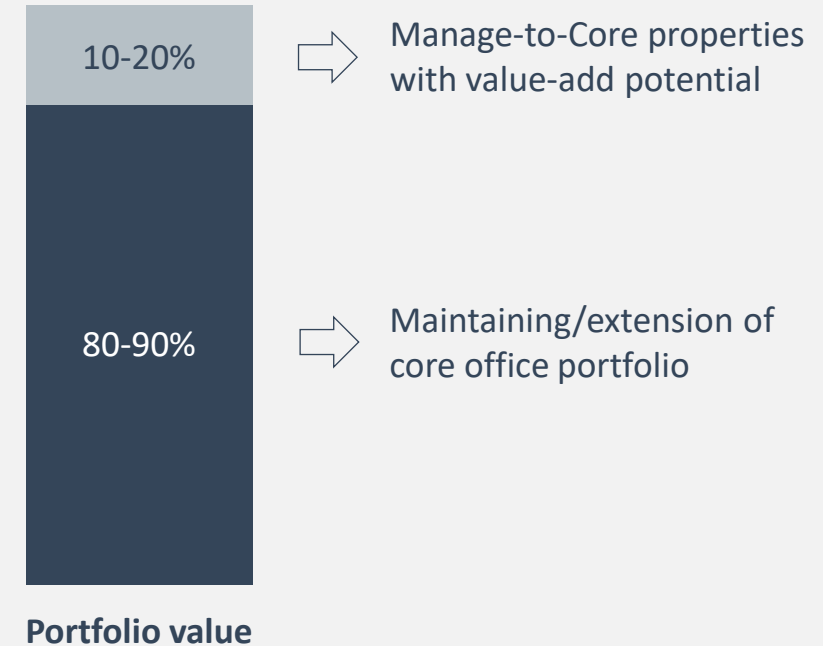


# Portfolio Strategy – Target Structure

## 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



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





## Portfolio key metrics as of 31 March 2022

	Retail	Office	Total Portfolio <sup>(1)</sup>	Core	Manage-to-Core <sup>(2)</sup>
Number of properties	40	28	68	65	3
Fair Value	€872.0m	€749.0m	€1,621.1m	€1,548.2m	€72.9m
Leased area	375,431 m <sup>2</sup>	229,647 m <sup>2</sup>	605,078 m <sup>2</sup>	577,879 m <sup>2</sup>	27,198 m <sup>2</sup>
Annualized rent	€47.1m	€36.1m	€83.2m	€78.5m	€4.6m
Annualized rental yield	5.4%	4.8%	5.1%	5.1%	6.3%
EPRA vacancy rate	2.1%	2.7%	2.3%	1.6%	13.0%
WALT	6.9 years	5.1 years	6.1 years	6.3 years	3.3 years
Like for like development 31 March 2022 to 31 March 2021 <sup>(3)</sup>					
Rents	-1.4%-points	+2.7%-points	+0.3%-points		
EPRA vacancy rate	+0.7%-points	+0.9%-points	+0.8%-points		
WALT	-0.7 years	+0.3 years	-0.3 years		

(1) Including sold high-street property in Siegen (transfer of ownership on 1 April 2022) / Excluding acquisition of DIY store in Kempten (transfer of ownership on 22 April 2022)

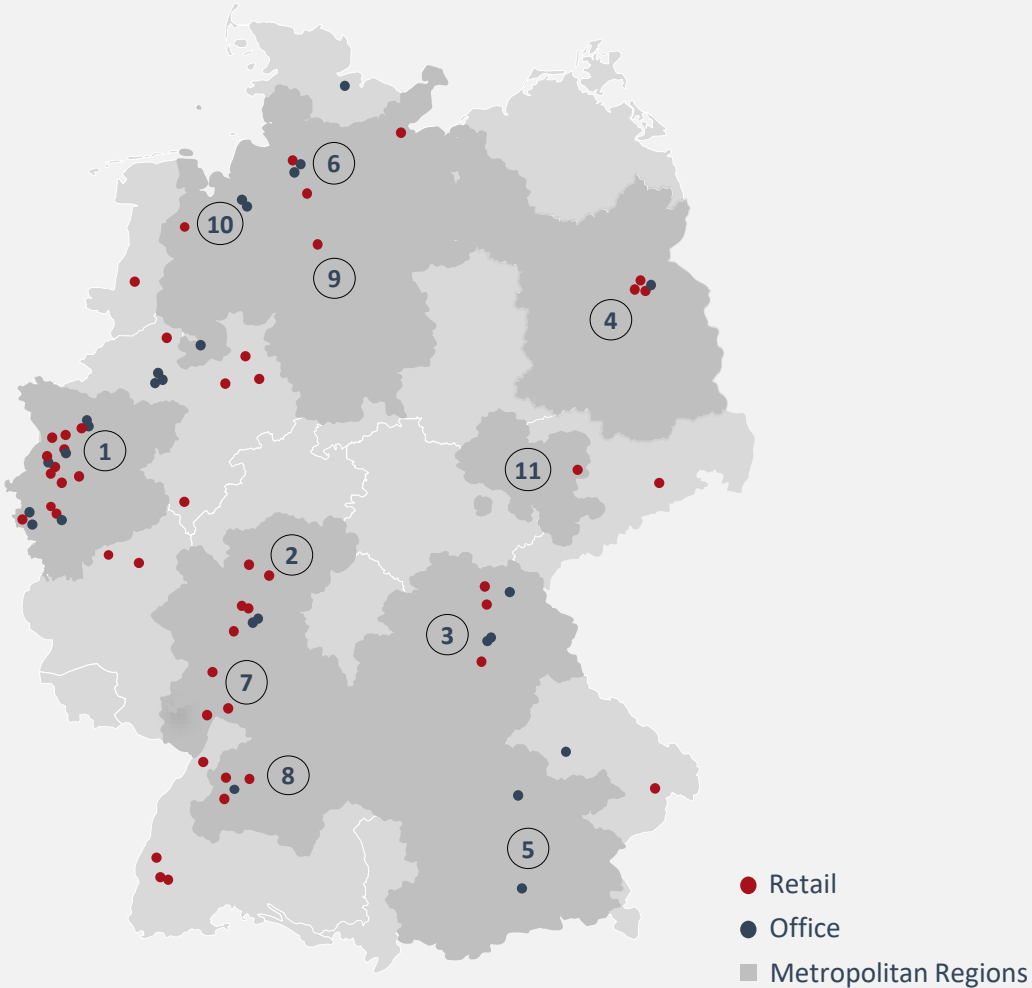
(2) Office properties in Mainz and Stuttgart as well as retail property in Lübeck

(3) Excluding acquisitions and disposals in 2021 and 2022

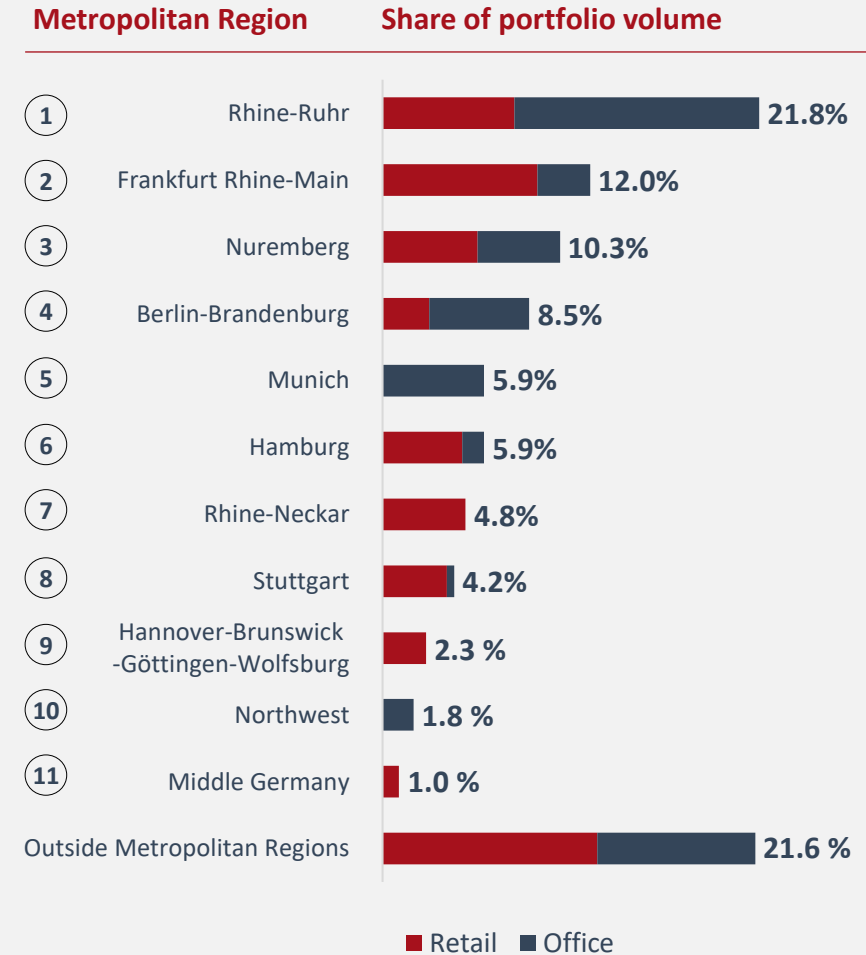


# Geographical Portfolio Structure

## Geographical Focus (Metropolitan Regions in Germany)

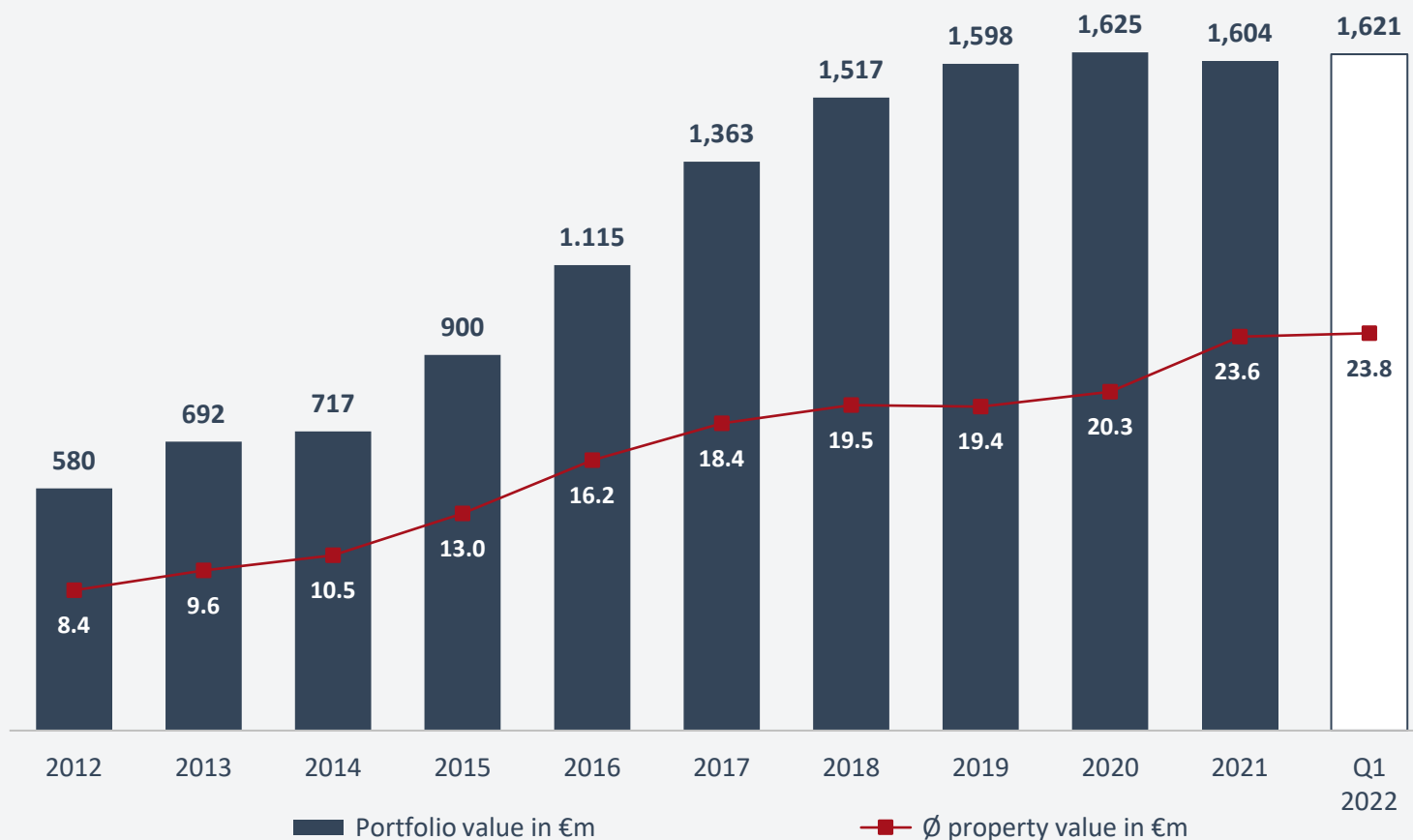


## Portfolio by Metropolitan Regions





## 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 **12.3%** over the last ten years
- **Average property value** of **€23.8m** allows cost-effective portfolio and asset management
- **Operating cost ratio** at **9.3%** in Q1 2022
- 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	7,748 m <sup>2</sup>	5,929 m <sup>2</sup>	6,328 m <sup>2</sup>	10,660 m <sup>2</sup>
Remaining lease term	2.2 years <sup>(1)</sup>	2.1 years <sup>(1)</sup>	8.7 years <sup>(1)</sup>	11.0 years <sup>(2)</sup>
Occupancy rate	100%	93%	100% <sup>(3)</sup>	100%
Annual rental income	€1.3m	€0.9m	€1.1m	€1.3m
Purchase price	€18.6m	€18.2m	€23.9m	€18.8m
Gross initial yield	6.6%	4.6%	4.4%	5.6% <sup>(4)</sup>
Transfer of possession	29 March 2021	3 September 2021	17 December 2021	15 March 2022

(1) As of 31 December 2021

(2) As of date of transfer of ownership

(3) Including rent guarantees

(4) Calculation includes annual ground rent





## Recent acquisition

### Kempten



(1) As of 31 December 2021

### Key Data

Asset type	Retail (DIY)
Investment approach	Core
Year of construction	2011
Leased area	17,400 m <sup>2</sup>
Remaining lease term	11.0 years <sup>(1)</sup>
Occupancy rate	100%
Annual rental income	€1.5m
Purchase price	€29.8m
Gross initial yield	5.1%
Transfer of possession	22 April 2022





## Transactions since strategy update in July 2020<sup>(1)</sup>

### Portfolio as of 30 June 2020

Assets	83
Portfolio Volume	€1,631m
Ø value per asset	€19.9m
Ø age of asset	26.6 years

**21**

Disposals

**+3.5%**

Ø premium to fair value

**€194.6m**

Total sales volume

### Portfolio as of 31 March 2022

Assets	68
Portfolio Volume	€1,640.3m
Ø value per asset	€24.1m (+21%)
Ø age of asset	18.4 years (-31%)

**6**

Acquisitions

**5.6%**

gross initial yield

**€123.1m**

Total acquisition volume

(1) Calculation based on signed and closed transactions (incl. revaluation effects)



### 3. Asset Management



Retail property 'Rondo Steinheim' Hanau



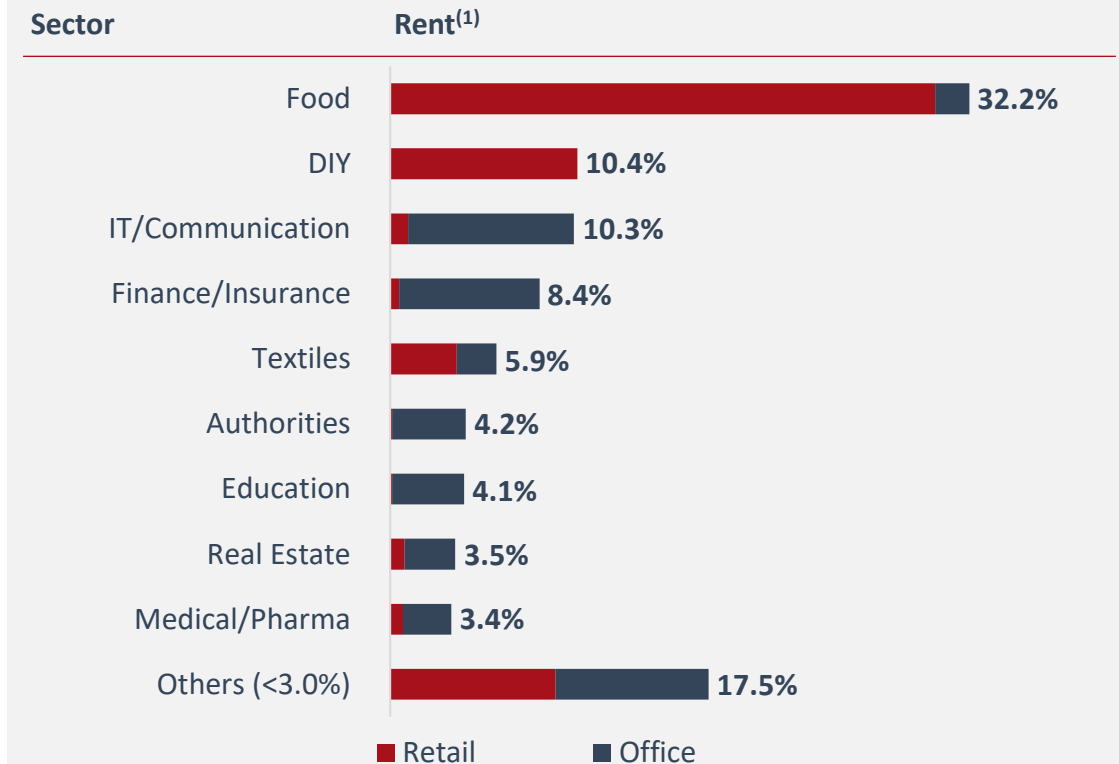
## Tenant base

### Top-10 tenants (as of 31 March 2022)

Tenant	Sector	Rent <sup>(1)</sup>
EDEKA	Food retail	11.9%
Kaufland	Food retail	7.6%
OBI	DIY	7.0%
REWE	Food retail	5.8%
Jobcenter	Agency of unemployment	3.4%
Barmer	Insurance	2.6%
Globus	DIY	2.2%
Netcologne	IT / Communication	2.2%
Real	Food retail	1.9%
ALDI	Food retail	1.7%
<b>Total</b>		<b>46.0%</b>

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

### Sector distribution (as of 31 March 2022)



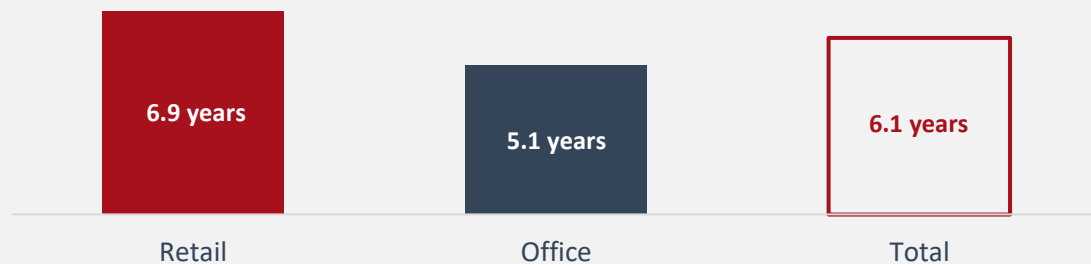
- ➔ Increase of DIY exposure due to transfer of ownership of large-scale retail property in Freiburg (+140 bps YTD)
- ➔ Corresponding increase in share of tenant OBI to 7.0%



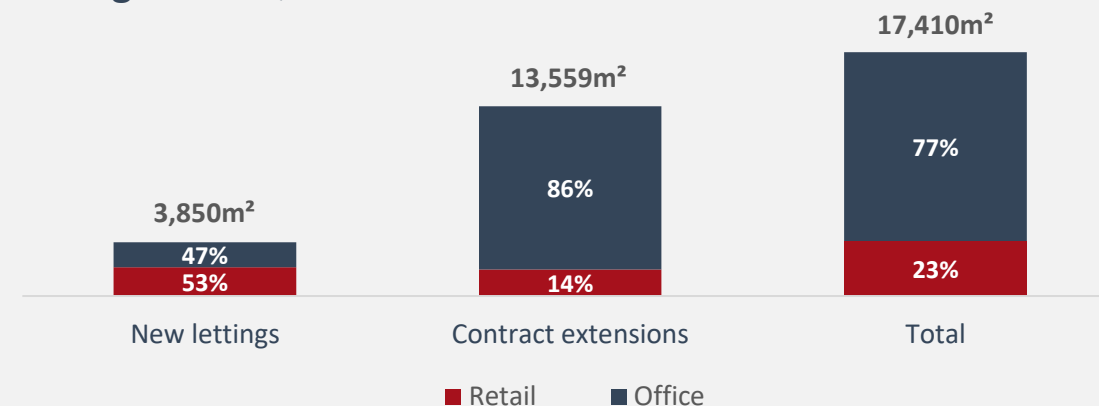


## Lease contracts

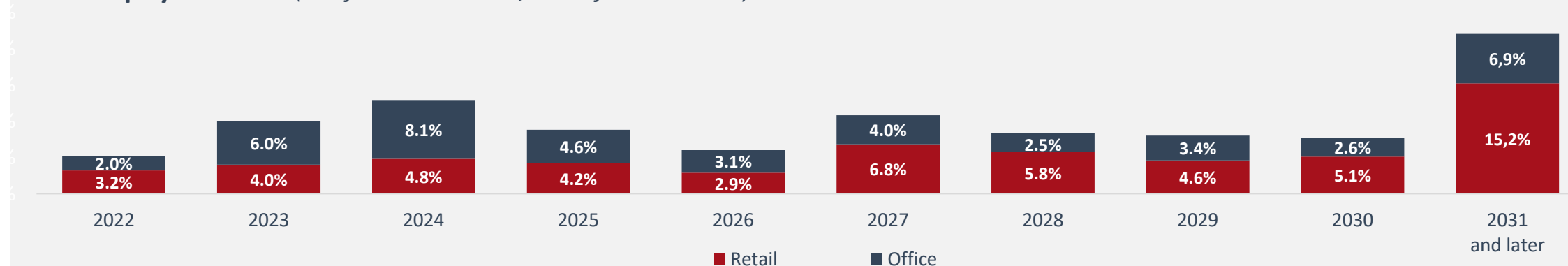
### Weighted average lease expiry (as of 31 March 2022)



### Letting result Q1 2022



### Lease expiry schedule (as of 31 March 2022; in % of annual rents)



- ➔ Total WALT remains at comfortable level of 6.1 years
- ➔ Limited amount of expiring leases in 2022 – next larger letting volumes from 2023 onwards

## 4. Financials



Office property/Medical center Regensburg

Key figures	31 March 2022	31 March 2021	Change
<b>Profit and loss statement</b>			
Income from rents and leases	€20.8m	€21.8m	-4.4%
Operating result	€5.3m	€7.3m	-27.8%
Profit for the period	€2.1m	€10.4m	-79.9%
<b>Key KPIs</b>			
Funds from Operations (FFO)	€11.0m	€12.7m	-13.0%
Funds from Operations (FFO) per share	€0.14	€0.16	-12.5%
Key figures	31 March 2022	31 December 2021	Change
<b>Financial KPIs</b>			
REIT equity ratio	60.8%	61.0%	-0.2%-points
Loan to Value (LTV)	41.1%	41.3%	-0.2%-points
<b>EPRA metrics</b>			
EPRA Net Asset Value (NAV) per share	€12.23	€12.11	+1.0%
EPRA Net Tangible Assets (NTA) per share	€12.23	€12.10	+1.0%



## Funds from operations (FFO)

	in k€	Q1 2022	Q1 2021	Change
1	Income from rents and leases	20,849	21,810	-4.4%
	Income from passed on costs	3,421	3,707	-7.7%
	Operating expenses	-5,628	-5,674	-0.8%
2	Maintenance expenses	-1,853	-983	+88.5%
	Net rental income	16,789	18,860	-11.0%
3	Administrative expenses	-551	-379	+45.4%
	Personnel expenses	-1,392	-1,412	-1.4%
4	Other operating income	191	503	-62.0%
5	Other operating expenses	-826	-1,249	-33.9%
6	Interest expenses	-3,166	-3,621	-12.6%
	FFO	11,045	12,702	-13.0%
	- Capex	-202	-297	-32.0%
	AFFO	10,843	12,405	-12.6%
	FFO per share in € <sup>(1)</sup>	0.14	0.16	-13.9%
	AFFO per share in € <sup>(1)</sup>	0.13	0.15	-13.4%

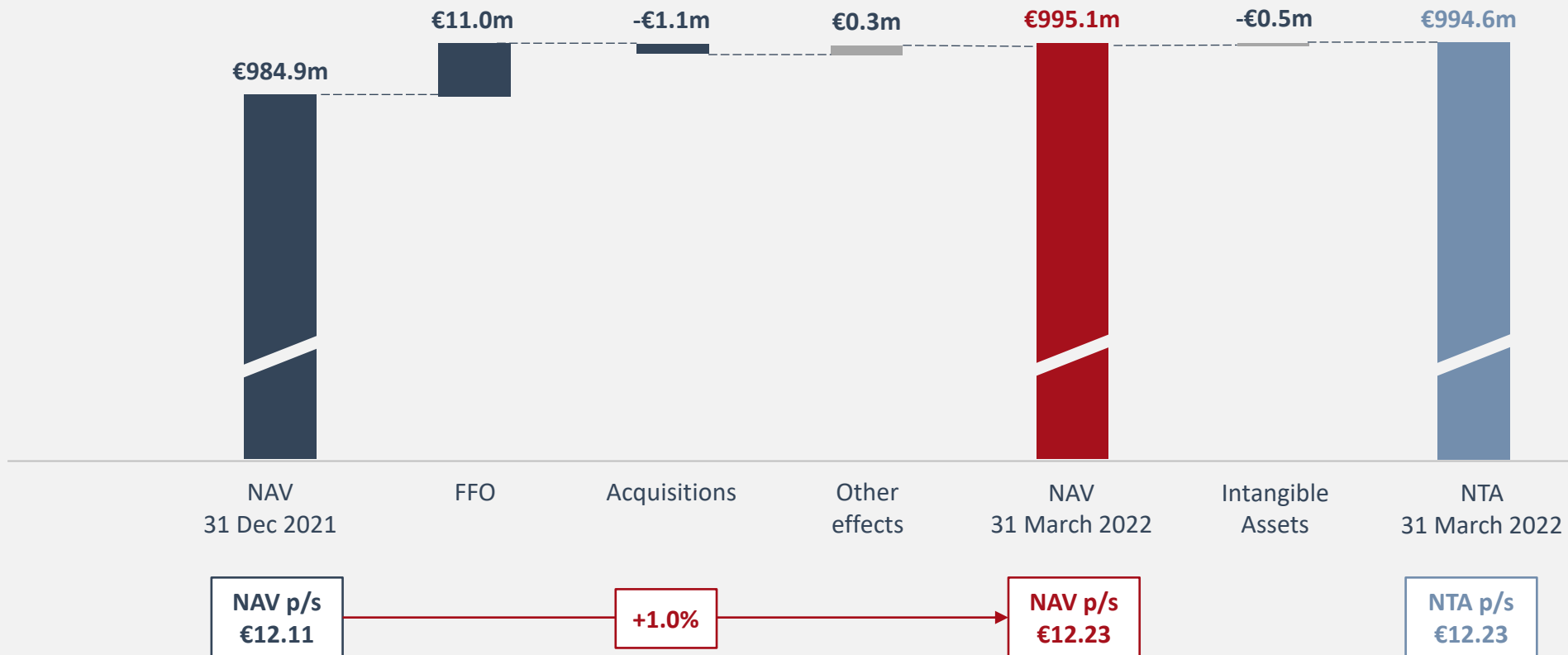
	Comments
1	Decline in rental income mainly due to property disposals (€-2.2m). Rent decrease partly offset by portfolio additions (€+0.8m). Positive effect from reduction of pandemic related rent deferrals (€+0.4m)
2	Expenses relate to minor ongoing maintenance and various smaller planned measures
3	Increase mainly results from higher expenses for cash deposits (€+0.1m)
4	Income primarily stems from reversal of provisions (€+0.1m)
5	Decrease mainly due to lower write-downs and amortization on trade receivables (€-0.8m)
6	Decline resulted from scheduled repayments and loan expiries (€-0.4m)

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





## NAV development 2022



➡ Positive NAV development mainly driven by stable earnings situation

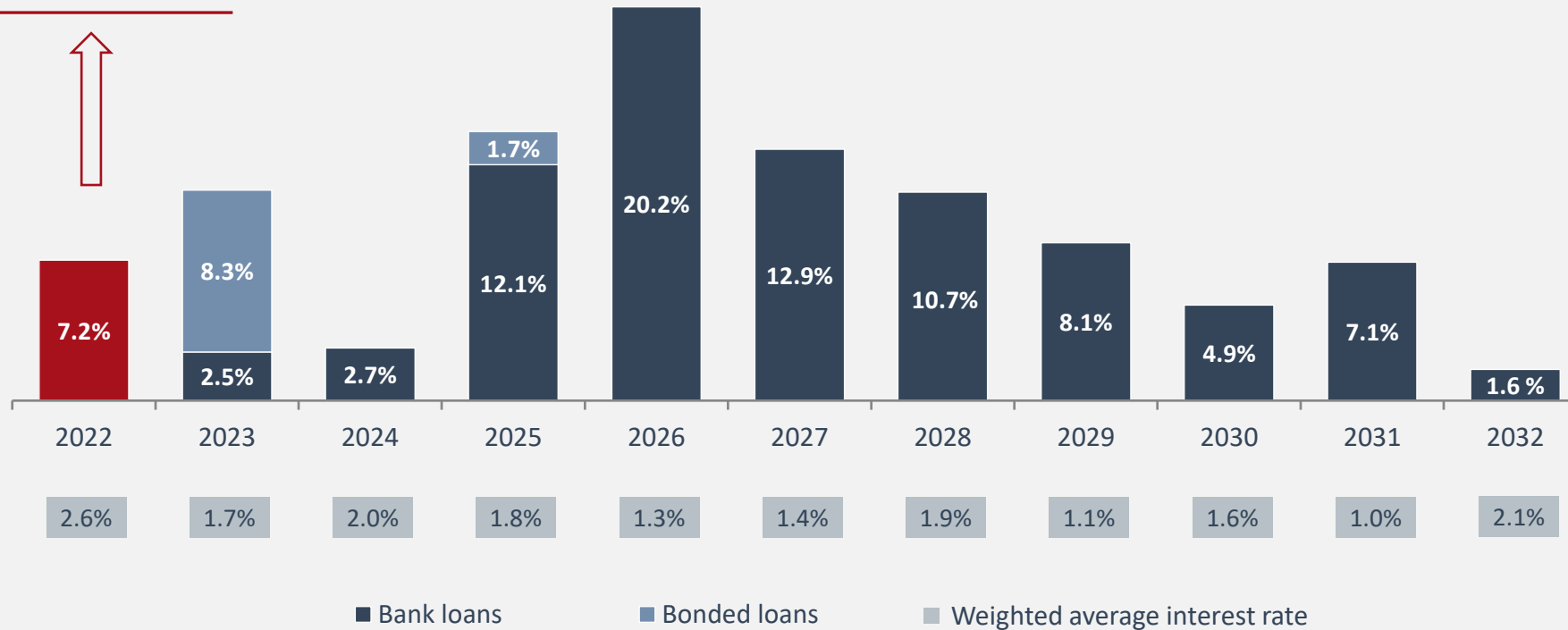


# Financial situation

## Expiration of financial liabilities (as of 31 March 2022)

Refinancing 2022  
completed

Ø interest rate: 1.6%  
Ø maturity: 6.3 years



**60.8%**

REIT Equity ratio

**41.1%**

LTV

**€749.5m**

Financial liabilities<sup>(1)</sup>

**1.60%**

Ø Cost of debt<sup>(1)</sup>

**5.0 years**

Ø maturity of debt<sup>(1)</sup>

**4.5x**

EBITDA/Interest coverage

(1) As of 31 March 2022 (incl. loans concluded but not yet utilized)

## Guidance 2022

**€84.0 – 86.0m**

Rental income

---

**€46.5m – €50.5m**

FFO

---

**~Previous year's level**

NAV per share

---

## Mid-term outlook

**~€2.0bn**

Target portfolio size

---

**~€100.0m**

Ø annual acquisition volume

---

## 5. Sustainability / ESG



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:**



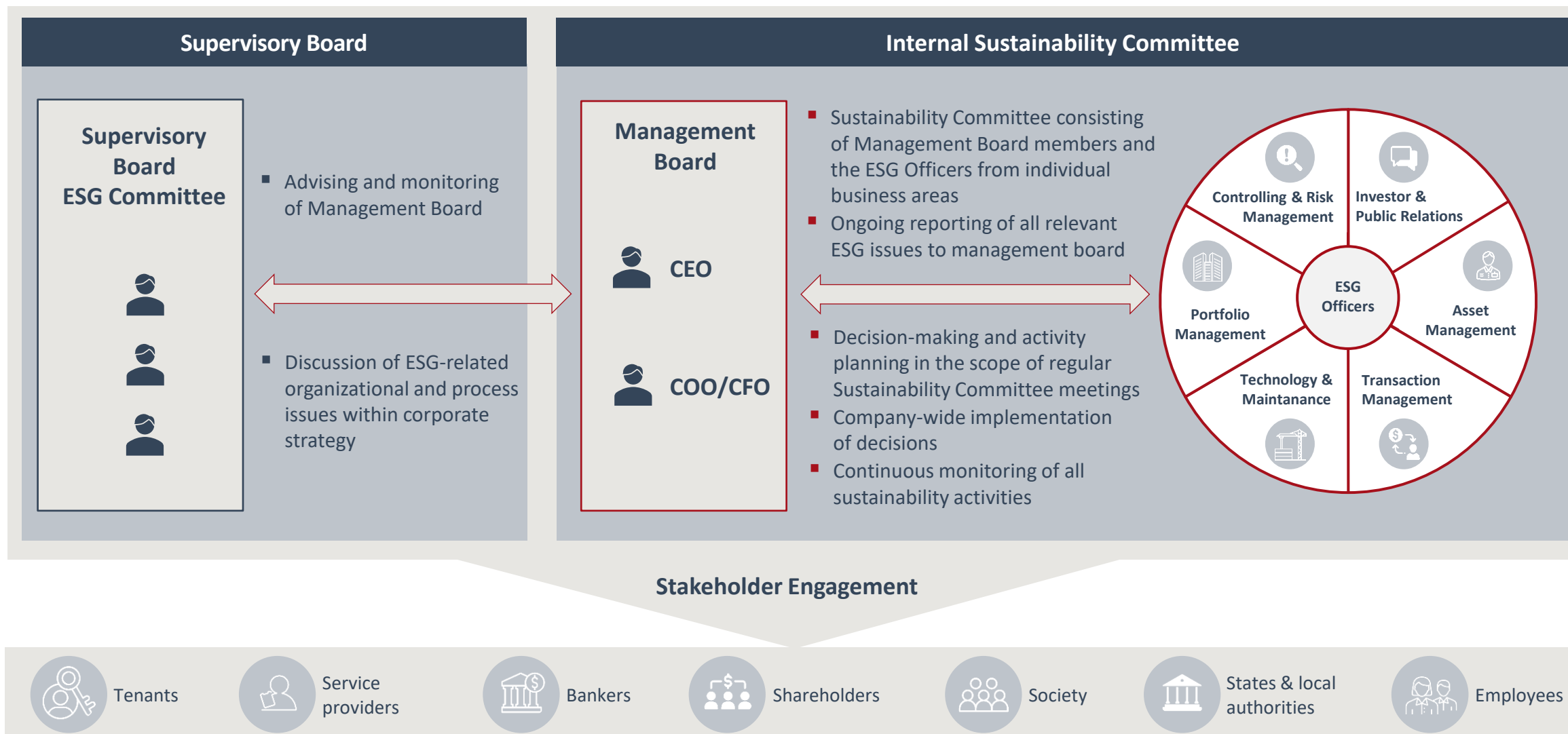
- Increase substantially the share of renewable energy
- Double the global rate of improvement in energy efficiency



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











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

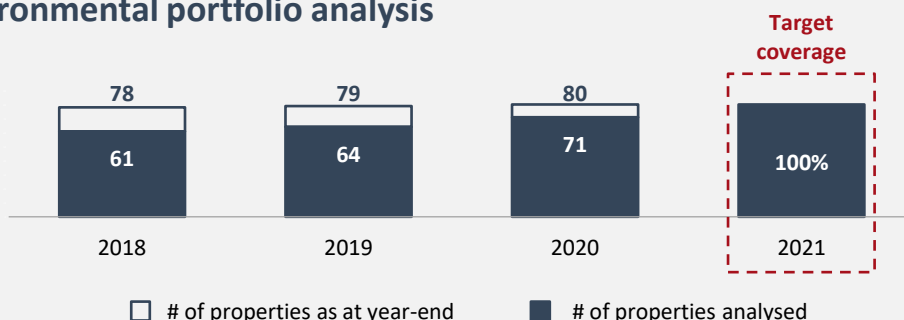




# Environmental Sustainability


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


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

## Key social KPIs 2020

Employee satisfaction rate

82%

CPD hours per employee

+55%

Employee fluctuation rate<sup>(2)</sup>

8%

Average years of service

9.2 years

Employee injury rate<sup>(2)</sup>

0%

Employee sickness rate<sup>(2)</sup>

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	Berlin	Cologne	Mannheim	Karlsruhe
					
Asset type	Office	Office	Office	Retail	Retail
Year of acquisition	2013	2013	2017	2016	2012
Purchase price	€40.2m	€33.0m	€48.9m	€80.0m	€37.0m
Fair value <sup>(1)</sup>	€80.1m	€77.1m	€76.9m	€76.9m	€56.0m
Annual rents	€2.6m	€2.5m	€2.9m	€4.0m	€2.7m
WALT <sup>(1)</sup>	5.5 years	2.8 years	9.0 years	2.4 years	12.9 years
Main tenants	Estée Lauder, Giorgio Armani	Schneider Electric, BLS Energieplan	NetCologne, Instone Real Estate	Real	Edeka, BrandMaker

(1) As of 31 March 2022



## Top-10 properties (2/2)

	Hanau	Hallstadt	Aachen	Celle	Erlangen
					
Asset type	Retail	Retail	Office	Retail	Office
Year of acquisition	2017	2017	2020	2015	2011
Purchase price	€37.5m	€40.4m	€37.4m	€35.2m	€27.9m
Fair value <sup>(1)</sup>	€46.7m	€43.9m	€41.6m	€40.9m	€38.0m
Annual rents	€2.0m	€2.5m	€2.0m	€2.0m	€2.1m
WALT <sup>(1)</sup>	10.4 years	4.9 years	9.6 years	9.6 years	3.0 years
Main tenants	Rewe, Aldi	tegut, Müller	AOK, Barmer	Kaufland, Tedi	Nutricia, Siemens Healthcare

(1) As of 31 March 2022

<b>Half-year financial report 2022</b>	9 August 2022
<b>Quarterly financial statement Q3 2022</b>	10 November 2022
<b>Preliminary figures for the 2022 financial year</b>	9 February 2023
<b>Annual Report 2022</b>	16 March 2023
<b>Quarterly financial statement Q1 2023</b>	25 April 2023
<b>Annual General Meeting 2023</b>	27 April 2023





## Contact

### Niclas Karoff

CEO

**Mail:** n.karoff@hamborner.de



### Hans Richard Schmitz

COO/CFO

**Mail:** h.schmitz@hamborner.de



### Christoph Heitmann

Head of Investor Relations &  
Public Relations

**Mail:** c.heitmann@hamborner.de

**Phone:** +49 (0)203/54405-32



### HAMBORNER REIT AG

**Web:** [www.hamborner.de/en](http://www.hamborner.de/en)



**Mail:** info@ir.hamborner.de

**Phone:** +49 (0)203/54405-32





This presentation has been prepared and/or issued by HAMBORNER REIT AG (hereinafter "HAMBORNER") solely for information purposes. This presentation may contain statements, assumptions, opinions and predictions about the anticipated future development of HAMBORNER ("forward-looking statements") that reproduce various assumptions regarding, e.g., results derived from HAMBORNER's current business or from publicly available sources that have not been subject to an independent audit or in-depth evaluation by HAMBORNER and that may turn out to be incorrect at a later stage. All forward-looking statements express current expectations based on the current business plan and various other assumptions and therefore come with risks and uncertainties that are not insignificant. All forward-looking statements should therefore not be taken as a guarantee for future performance or results and, furthermore, do not necessarily constitute exact indicators that the forecast results will be achieved. All forward-looking statements relate solely to the day on which this presentation was issued to its recipients. It is the responsibility of the recipients of this presentation to conduct a more detailed analysis of the validity of forward-looking statements and the underlying assumptions. HAMBORNER accepts no responsibility for any direct or indirect damages or losses or subsequent damages or losses, as well as penalties that the recipients may incur by using the presentation, its contents and, in particular, all forward-looking statements or in any other way, as far as this is legally permissible. HAMBORNER does not provide any guarantees or assurances (either explicitly or implicitly) in respect of the information contained in this presentation. HAMBORNER is not obliged to update or correct the information, forward-looking statements or conclusions drawn in this presentation or to include subsequent events or circumstances or to report inaccuracies that become known after the date of this presentation.