Office property ‚EUREF-Campus' Berlin

hamborner REIT
ZUKUNFT BRAUCHT SUBSTANZ

Conference Call
Preliminary Results 2023

Niclas Karoff

8 February 2024

Preliminary key figures 2023

€91.1m
Rental income[1]

€54.7m
FFO

€0.67
FFO per share

€10.02
NAV per share

2.8%
EPRA vacancy rate

6.4 years
WALT

55.1%
REIT equity ratio

43.5%
LTV

10.1x
Net debt / EBITDA[2]

[1] Affected by P&L reclassifications; includes tenant prepayments for property taxes and insurance (previously reported under 'income from incidental costs passed on to tenants')
[2] Net financial debt (average last five quarters) in relation to EBITDA adjusted by result from sales (last twelve months)

Portfolio development

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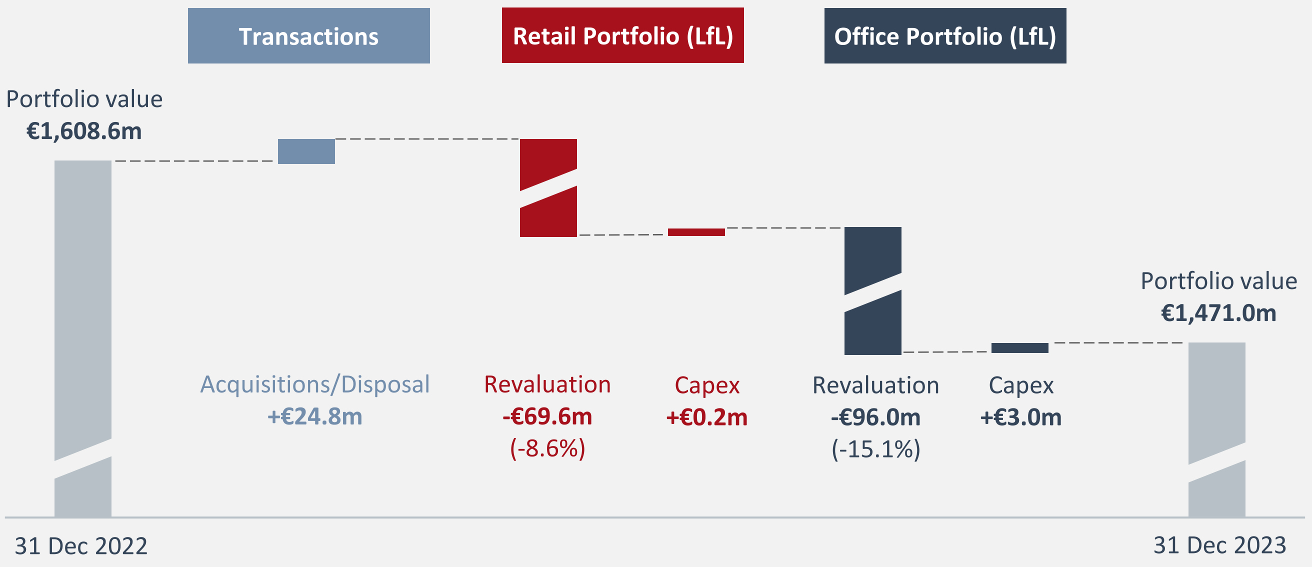
Portfolio development full-year 2023



Comments

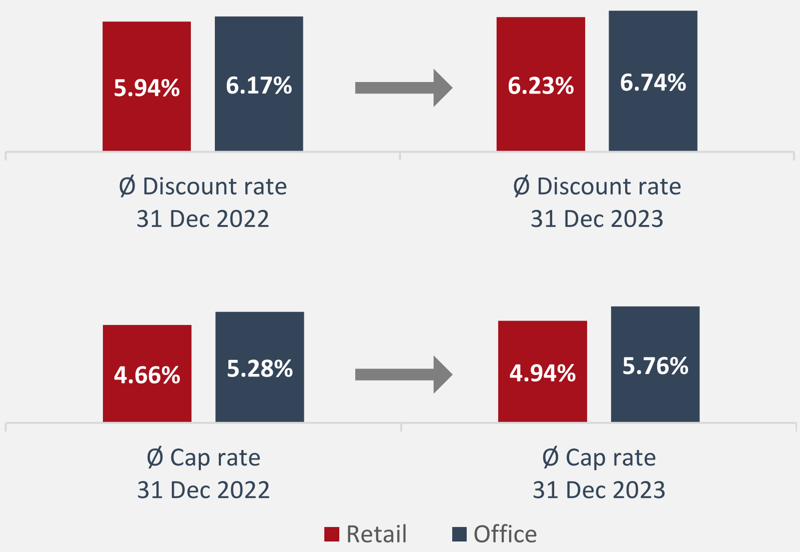
- Value development influenced by property transactions (+€24.8m) and -10.5% decrease of like-for-like portfolio value (-€169.6m)
- Decline in total value due to negative development of the retail (-8,6%) and office portfolio (-15,1%)

Main influencing valuation factors

+ High portfolio / asset quality
+ Solid tenant structure
+ Consistently stable cash flows
+ Indexation effects

- Development of interest rate level
- Increasing discount rates / cap rates
- Yield expansion

Discount/Cap rate development



Preliminary portfolio key metrics as of 31 December 2023

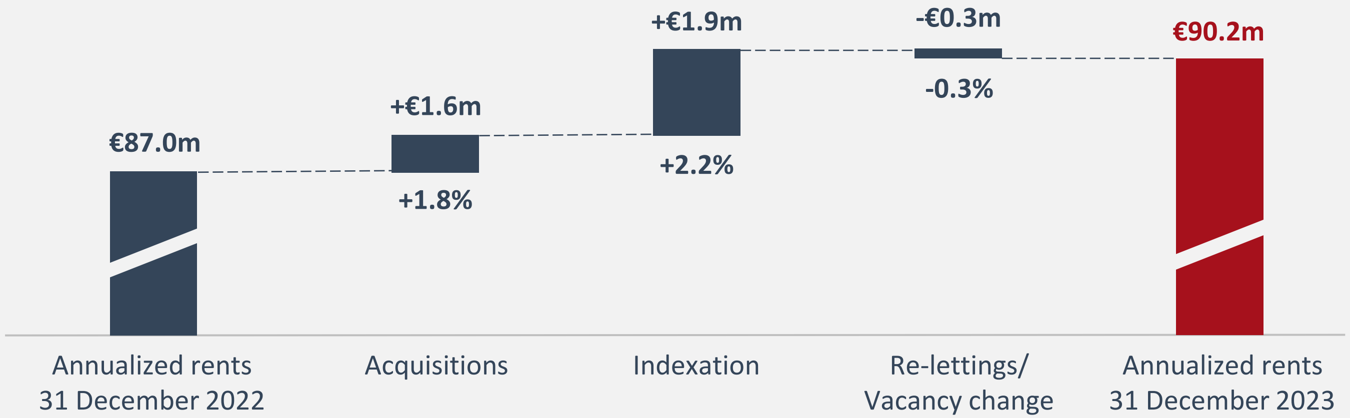
	Asset class		Total portfolio	Investment approach			
	Retail	Office	Split	Core	%	Manage-to-Core[1]	%
Number of properties	39	28	**67**	64	*95.5%*	3	4.5%
Fair Value	€836.5m	€634.5m	**€1,471.0m**	€1,425.8m	*96.9%*	€45.2m	*3.1%*
Leased area	393,234 m²	229,698 m²	**622,932 m²**	596,326 m²	*95.7%*	26,606 m²	*4.3%*
Annualized rent	€51.5m	€38.7m	**€90.2m**	€86.8m	*96.2%*	€3.4m	*3.8%*
Annualized rental yield	6.2%	6.1%	**6.1%**	6.1%		7.5%	
EPRA vacancy rate	1.6%	4.3%	**2.8%**	1.3%		29.6%	
WALT	7.6 years	4.8 years	**6.4 years**	6.5 years		3.5 years	
Like for like development 31 December 2023 to 31 December 2022							
Rents	+2.4%-pts.	+1.2%-pts.	**+1.9%-pts.**	+2.6%-pts.		-14.5%-pts.	
EPRA vacancy rate	+0.1%-pts.	+2.0%-pts.	**+0.9%-pts.**	+0.3%-pts.		+13.1%-pts.	
WALT	+0.0 years	-0.2 years	**-0.1 years**	-0.2 years		+0.3 years	

- **Stable development of portfolio KPIs, incl. WALT (6.4 years) and EPRA vacancy rate (2.8%)**
- **Slight increase in rental yields as a result of portfolio revaluations**

[1] Manage-to-Core portfolio includes office properties in Stuttgart and Bremen (Herrmann-Köhl-Strasse) as well as retail property in Lübeck

Rent development

Development of annualized rents (year-on-year)



Rent development like-for-like (year-on-year)[1]

	Asset class		Total portfolio	Investment approach	
	Retail	Office	Split	Core	Manage-to-Core
Total rents	**+2.4%-pts.**	**+1.2%-pts.**	**+1.9%-pts.**	**+2.6%-pts.**	**-14.5%-pts.**
Indexation effects	*+2.1%-pts.*	*+2.2%-pts.*	*+2.2%-pts.*	*+2.1%-pts.*	*+3.3%-pts.*
Follow-up Leases / Step rents	*-0.3%-pts.*	*0.0%-pts.*	*-0.2%-pts.*	*-0.2%-pts.*	*-0.3%-pts.*
Vacancy changes	*+0.6%-pts.*	*-0.9%-pts.*	*-0.1%-pts.*	*+0.8%-pts.*	*-17.5%-pts.*

[1] 31 December 2023 to 31 December 2022; acquisitions and disposals excluded; rounding differences possible

Funds from operations (FFO) | Preliminary figures

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	in k€	2023	2022	Change
1	**Income from rents and leases[1]**	**91,069**	87,060	**+4.6%**
	Income from passed on costs[1]	13,492	12,174	+10.8%
	Operating expenses	-20,224	-18,185	+11.2%
2	Maintenance expenses	-8,360	-9,038	-7.5%
	Net rental income	**75,977**	**72,011**	**+5.5%**
	Administrative expenses[1]	-1,616	-1,722	-6.2%
3	Personnel expenses[1]	-6,444	-6,176	+4.3%
	Other operating income	1,759	1,895	-7.2%
	Other operating expenses	-2,709	-2,653	+2.1%
4	Interest expenses	-14,098	-13,017	+8.3%
5	Interest income	1,792	641	n/a
	FFO	**54,661**	**50,979**	**+7.2%**
6	Capex	**-3,188**	-1,104	n/a
	AFFO	**51,473**	**49,875**	**+3.2%**
	FFO per share in €	***0.67***	***0.63***	***+7.2%***
	AFFO per share in €	***0.63***	***0.61***	***+3.2%***

Comments

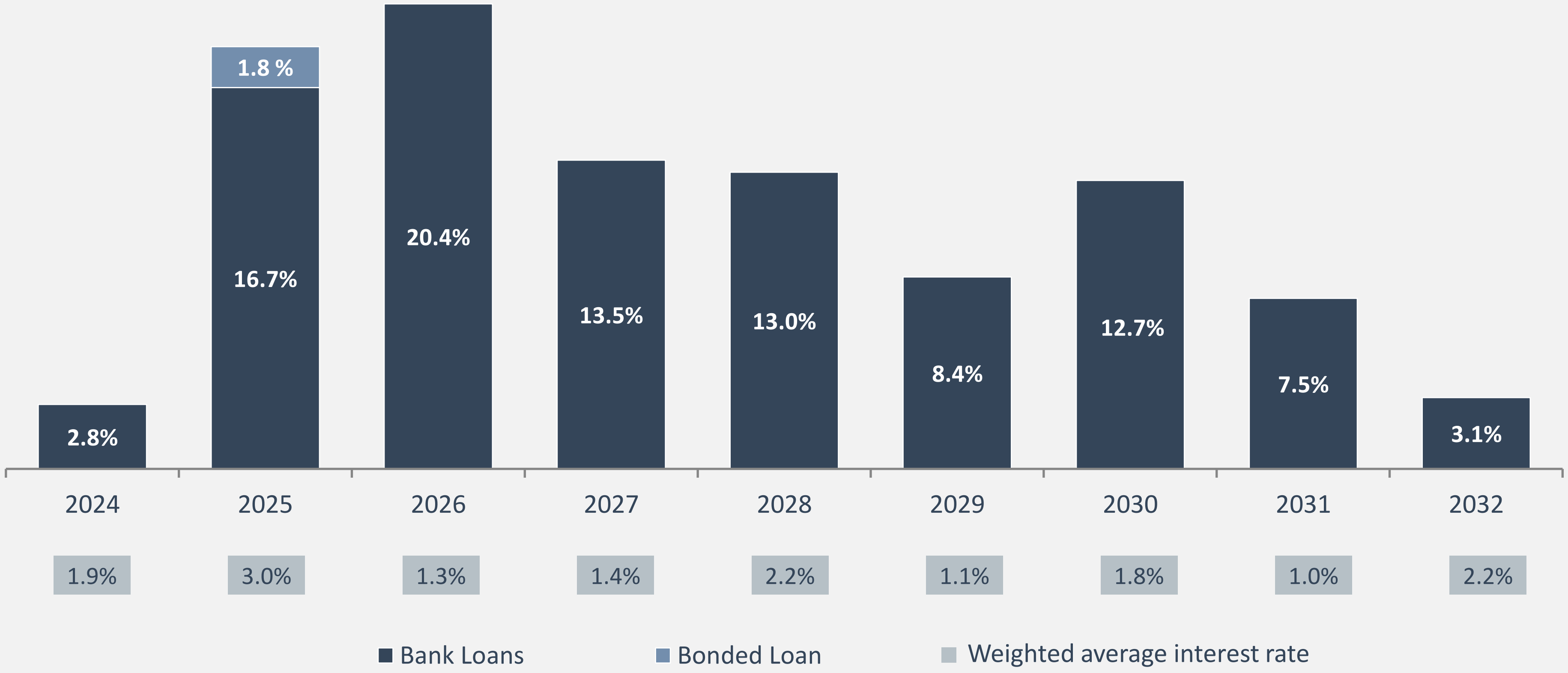
1. Increase in income from rents and leases mainly due to property additions and indexation effects

   Pro rata Inclusion of tenant prepayments for ground taxes and property insurance previously recognized under income from passed on costs (+€2.2m in 2023 / +€2.1m in 2022)
2. Lower than expected maintenance expenses due to postponement of measures to 2024
3. Inclusion of supervisory board remuneration previously recognized under administrative expenses (2022 and 2023)
4. Increase due to additional interest expenses for loans refinanced in 2022 and 2023
5. Interest income mainly results from investment of liquid funds in overnight and fixed-term deposit accounts
6. Increase mainly results from measures implemented in connection with the reletting of Mainz property

[1] Affected by P&L reclassifications as part of preparation of 2023 financial statement

Financial situation

Expiration of financial liabilities *(as of 31 December 2023)*



55.1%
REIT equity ratio

43.5%
LTV

10.1x
Net debt/EBITDA[1]

5.5x
EBITDA/Interest coverage

€702.1m
Financial liabilities[2]

1.8%
Ø Cost of debt

4.1 years
Ø Maturity of debt

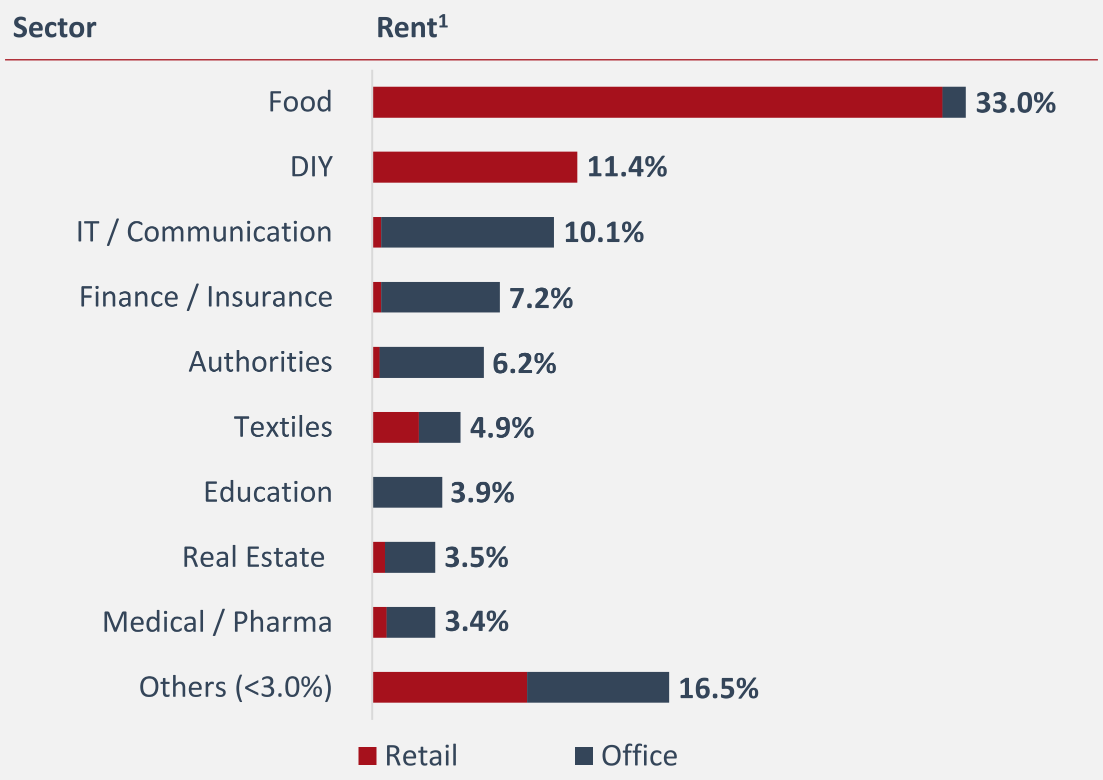
[1] Net financial debt (average last five quarters) in relation to EBITDA adjusted by result from sales (last twelve months)
[2] As of 31 December 2023 (incl. loans concluded but not yet utilized)

Tenant base

Top-10 tenants *(as of 31 December 2023)*

Tenant	Sector	Rent[1]
EDEKA Group	Food retail	13.3%
Kaufland Group	Food retail	7.1%
REWE Group	Food retail / DIY	6.9%
OBI	DIY	6.6%
Globus	Food retail / DIY	4.3%
Agency of unemployment	Authorities	3.1%
Barmer	Finance / Insurance	2.6%
Netcologne	IT / Communication	2.0%
ALDI	Food retail	1.9%
City of Mainz	Authorities	1.8%
Total		**49.7%**

Sector distribution *(as of 31 December 2023)*



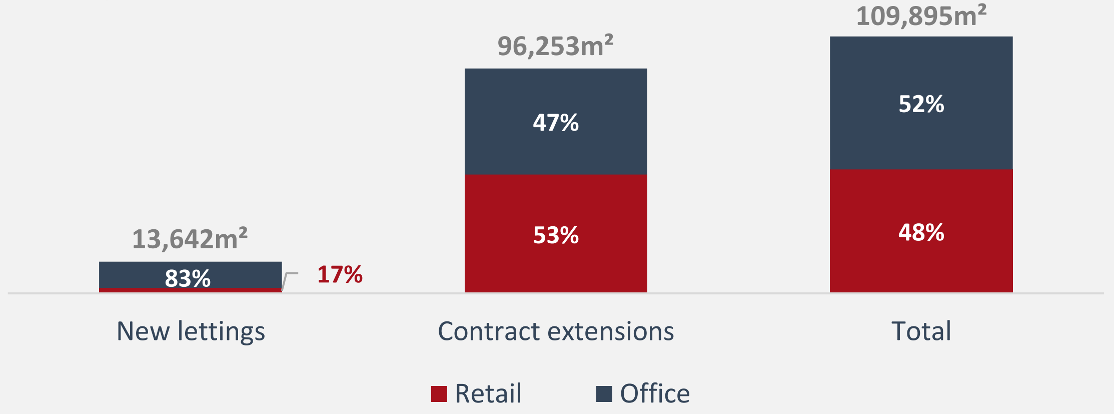
- **City of Mainz took place in list of top-10 tenants following the transfer of lease areas in manage-to-core property in Mainz**
- **Further increase in share of food retail sector as a result of transfer of ownership of two acquired retail properties in July 2023**

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

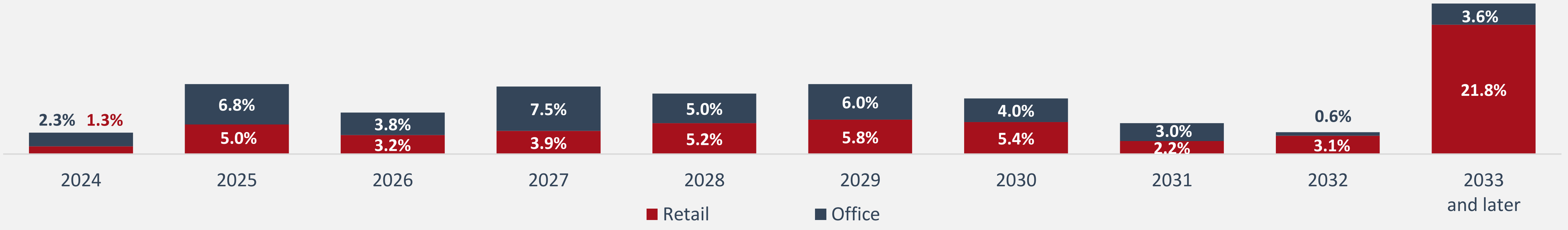
Leasing situation

Weighted average lease expiry *(as of 31 December 2023)*

Letting result 2023



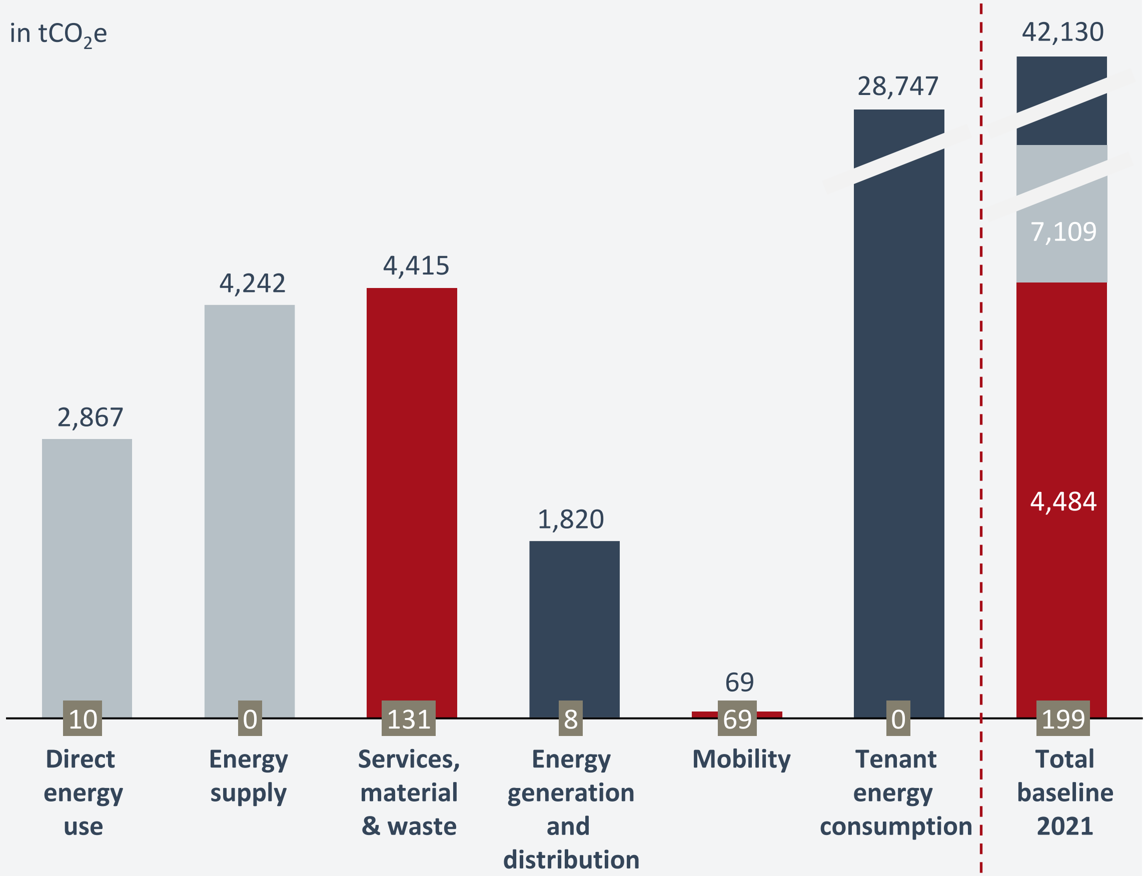
Lease expiry schedule *(as of 31 December 2023; in % of annual rents)*



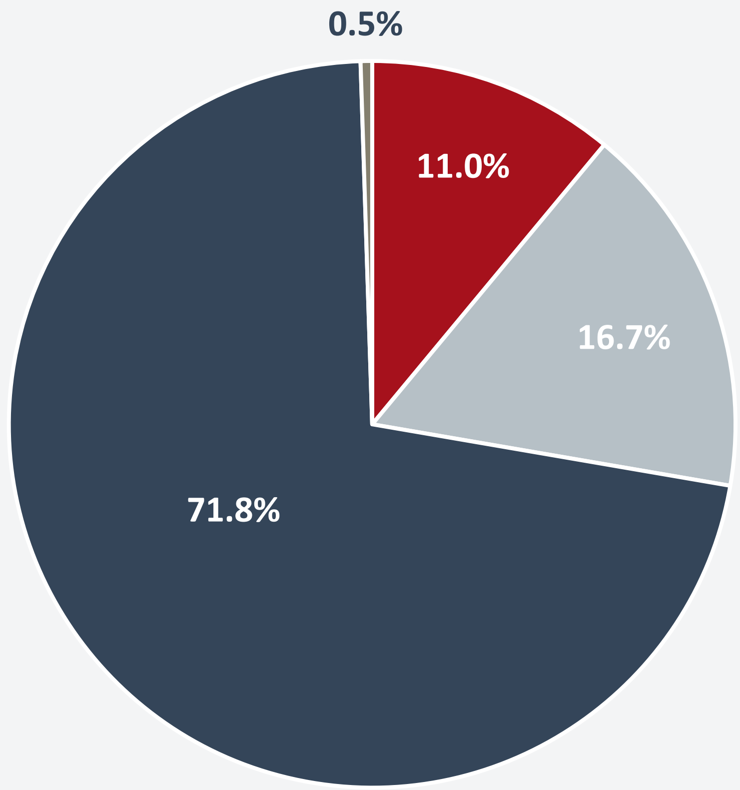
- Continued good letting success with a total volume of around 110,000m² – WALT remains at consistently high level of 6.4 years
- Enhanced balance in lease expiry schedule due to letting successes in 2023 – only 3.6% of rental income up for renewal in 2024

Decarbonisation strategy | CO_2e-balance at portfolio and management level

CO_2e-balance for base year 2021



Share of emission sources in the CO_2e-balance



Emission source tenant energy purchase | Emission source energy purchase HAMBORNER | Other emission sources | Administrative activities

➡ **Focus on energy-related emissions, which account for 88.5% of company-wide emissions**

Decarbonisation strategy | Decarbonisation target and milestones

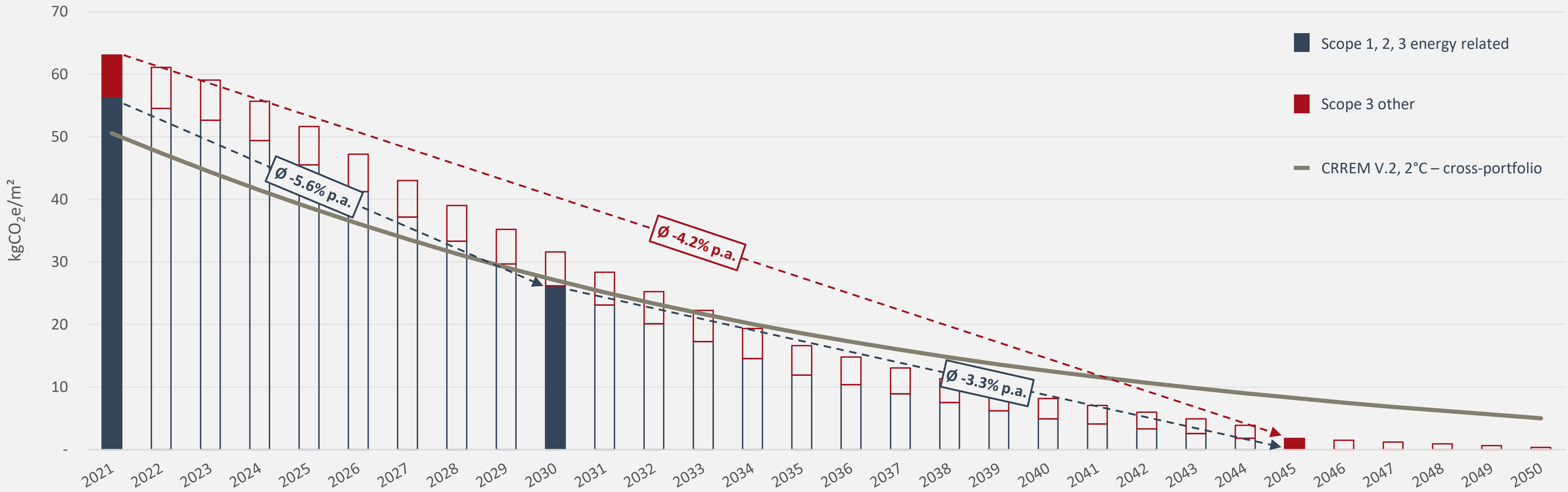
Level	Scope	Target 2030	Target 2045
Portfolio	Energy related[1]	**-50.0% to 28.2 $kgCO_2e/m^2$** Reduction of energy related emissions	**Net Zero** Greenhouse gas emissions
Corporate	Total balance		

- The Net Zero targets are associated with a small amount of unavoidable residual emissions, which are to be compensated via carbon offsets
- The achievement of targets is subject to premises, regarding e.g. emission reduction in energy sector, increase of data quality and cooperation of business partners

[1] Energy related emissions include Scope 1, Scope 2, Scope 3.3 and Scope 3.13 emissions

Decarbonisation strategy | Decarbonisation pathway

Milestones along CRREM decarbonisation pathway[1]



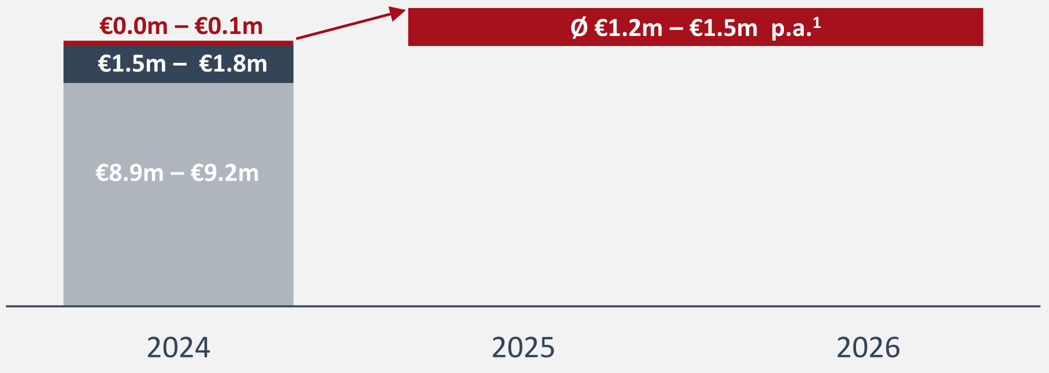
BASE YEAR 2021	56.4 $kgCO_2e/m^2$	-50%	TARGET 2030	28.2 $kgCO_2 e/m^2$
BASE YEAR 2021	62.9 $kgCO_2e/m^2$	-97%	TARGET 2045[2]	1.8 $kgCO_2 e/m^2$

[1] CRREM (Carbon Risk Real Estate Monitor) decarbonisation pathway is based on most recent version of CRREM (V.2) and in line with the 2 °C target
[2] Net zero emissions are achieved by compensation of residual emissions

Decarbonisation strategy | Areas of action and cost indication

Cost indication for property and building maintenance

Maintenance expenses



Capex

Measures exclusively for decarbonisation

Measures exclusively for maintenance

Maintenance measures with decarbonisation component

Areas of action to reduce emissions

- Modernisation of technical building systems
- Expansion of onsite renewable energy production
- Decarbonisation of energy supply
- Optimisation of technical building systems operation
- Consideration of ESG criteria in transaction strategy
- Further improvement of data quality
- Intensified tenant dialogue

[1] Cost indications for 2025 and 2026 excluding tenant improvements

Outlook

Dividend

€0.48 per share

Dividend proposal

~72%

Resultant FFO payout ratio

Guidance 2024

€91.0m – €92.5m

Rental income

€49.0m – €50.5m

FFO

Main influencing factors

+ Stable and reliable **cashflows**
+ **Property additions** 2023
+ Further **indexation effects**

- **Uncertainties** on letting markets
- **Maintenance expenses** (incl. cost shifting from 2023)
- **Operating expenses** (incl. implementation of **strategic projects**)
- **Personnel costs**

Contact

hamborner REIT
ZUKUNFT BRAUCHT SUBSTANZ

Niclas Karoff
CEO/CFO

E-Mail: n.karoff@hamborner.de

Sarah Verheyen
COO/CIO

E-Mail: s.verheyen@hamborner.de

Christoph Heitmann
Head of Investor Relations, Financing & Corporate Communications

E-Mail: c.heitmann@hamborner.de

HAMBORNER REIT AG
www.hamborner.de
info@ir.hamborner.de
+49 (0)203/54405-32