Wereldhave

Results

H1 2023

21 July 2023

better everyday life, better business

Wereldhave Full Service Centers contribute to a better everyday life for visitors and better business for our partners.

A one-stop location for groceries, shopping, leisure, relaxation, sports, health, work and other daily needs – all supported by smart concepts and digital services. By investing sustainably to meet the needs of customers and local areas, we enrich communities, while caring for the environment, and have a positive effect on the way people live, work and shop. Wereldhave Full Service Centers play a vital role in people's everyday lives in leading regional cities in the Netherlands, Belgium and France.

Key items

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

Summary

	H1 2023	H1 2022	Change
Key financial metrics (x € 1,000)			
Gross rental income	76,555	69,152	10.7%
Net rental income	62,901	56,031	12.3%
Direct result	43,200	39,395	9.7%
Indirect result	13,840	5,432	154.8%
Total result	57,040	44,827	27.2%
Per share items (€)			
Direct result	0.89	0.81	10.6%
Indirect result	0.40	0.03	1286.9%
Total result	1.29	0.84	54.5%
Total return based on EPRA NTA	1.28	0.72	77.8%
Dividend paid	1.16	1.10	5.5%

	30 Jun 2023	31 Dec 2022	Change
Key financial metrics (x € 1,000)			
Investment property	2,059,615	2,000,070	3.0%
Assets held for sale	1,673	688	143.1%
Net debt	899,415	842,449	6.8%
Equity attributable to shareholders	884,860	885,682	-0.1%
EPRA performance metrics			
EPRA EPS for H1 (€/share)	0.78	0.74	5.4%
EPRA NRV (€/share)	25.01	24.21	3.3%
EPRA NTA (€/share)	21.85	21.73	0.6%
EPRA NDV (€/share)	23.17	23.13	0.2%
EPRA LTV	49.6%	47.9%	1.7 pp
EPRA Vacancy rate	4.8%	4.2%	0.6 pp
EPRA Cost ratio (incl. direct vacancy costs) for H1	30.6%	28.9%	1.7 pp
EPRA Net Initial Yield	6.3%	6.4%	-0.1 pp
Other ratios			
Net LTV	43.9%	42.4%	1.5 pp
ICR	5.5x	5.9x	-0.4
IFRS NAV (€/share)	22.09	22.12	-0.1%
Number of ordinary shares in issue	40,270,921	40,270,921	0.0%
Number of ordinary shares for NAV	40,056,749	40,047,140	0.0%
Weighted avg. number of ordinary shares outstanding	40,050,697	40,071,882	-0.1%
Shopping Centers portfolio metrics			
Number of assets	22	22	0.0%
Surface owned (x 1,000m2)[1]	620	612	1.3%
LFL NRI growth	11.4%	9.1%	2.3 pp
Occupancy rate	95.8%	96.8%	-1.0 pp
Theoretical rent (€/m2)	242	237	2.1%
ERV (€/m2)	225	216	4.2%
Footfall growth for H1	9.3%	16.3%	-7.0 pp
Proportion of mixed-use Benelux (in m2)	13.3%	13.2%	0.1 pp
Customer satisfaction Benelux (NPS)	+25	+24	1

[1] *Excluding developments*

Message from our CEO

We have worked hard for a successful first half of 2023. First and foremost, from an operational perspective, like-for-like rents for the core portfolio increased by a stellar 10% – driven by full pass through of indexation. In our Dutch portfolio, we have signed several important strategic leases, such as a package deal with Intertoys, and a number of strategic leases in our Full Service Center development Vier Meren in Hoofddorp.

The Dutch leasing market is both bottoming out *and* polarizing. On one side, we have seen several new entrants in the Benelux market alongside existing strong brands that are expanding – whilst at the same time, some smaller bankruptcies have occurred as predicted. For Wereldhave, it is a positive trend that several tenants at lower OCRs are expanding whilst some strategic red flags in our rent roll have disappeared, creating space for our intended mixed-use increase.

The first half of 2023 was also marked by some important reorganizations in both the Netherlands and Belgium, which have reduced costs significantly and at the same time allow for an even more effective execution of our LifeCentral strategy. Direct genex is expected to land at € 10.9m for full-year 2023, representing a 7% yoy decline. In 2024 we expect further cost reductions as there will be a full-year impact of these savings.

Overall, LifeCentral is progressing well, despite some rise in construction prices, as higher than expected indexation and letting results offset. We are on time and on budget to deliver four Full Service Centers in H2 2023, which means that before year-end we will be more than half-way through our transformation program. With daily life retail now comprising c64% of our rent-roll, even if the European economy were to slide into a recession, our portfolio should show its resilience as it did during Covid-19.

Property valuations rose by c1% for the first-time since 2015. For most assets, increased ERV's (following indexation) more than offset yield softening (rising rates). However, as we predicted when we launched our strategy early 2020, completed Full Service Centers will enjoy yield compression because of the de-risking of their income profile. Full Service Center Presikhaaf in Arnhem saw its valuation increase by c10% and Full Service Center Sterrenburg in Dordrecht by c4%. As mentioned previously, footfall post completion at both centers has significantly surpassed our expectations.

Despite the increasing valuations, our Loan-to-Value (LTV) ratio has ticked up expectedly to c44% because of the annual dividend payment as well as front-loaded capex. We spent € 40m of capex in H1 2023 from an expected € 65m in 2023. We continue to focus on reducing our non-core capex investments as interest rates keep rising and the economic circumstances seem to be weakening. With limited capex in H2 2023 and retained earnings we expect the LTV ratio to decrease again.

We still aim to dispose of our two French assets in Bordeaux and Paris. Transaction volume was subdued in H1 2023, although the investment market in France seems to be slowly reopening. We will continue to search for the appropriate moment and buyer for these assets against the right price. This month we sign new unsecured US private placement debt (USPP), totaling USD 50m at market interest rate levels with a term of five years. The availability of this unsecured funding source, with its long-term maturities, is an excellent sign for Wereldhave after we restored our balance sheet and have delivered on our strategy since early 2020.

With these solid operational results, we can repeat our FY 2023 DRPS guidance of € 1.65-1.75. This is mainly driven by higher rent indexations and continued cost savings, offset by higher financing expenses driven by the current interest rate environment.

Matthijs Storm, CEO

Schiphol, 21 July 2023

Direct & Indirect result

(in € 1,000)	H1 2023 Direct result	H1 2023 Indirect result	H1 2022 Direct result	H1 2022 Indirect result
Gross rental income	76,555	-	69,152	-
Service costs charged	13,686	-	12,127	-
Total revenues	**90,241**	**-**	**81,280**	**-**
Service costs paid	-16,911	-	-15,198	-
Property expenses	-10,429	-	-10,051	-
Total expenses	**-27,340**	**-**	**-25,249**	**-**
Net rental income	**62,901**	**-**	**56,031**	**-**
Valuation results	-	19,380	-	4,506
Results on disposals	-	-16	-	-2,234
General costs	-5,953	-4,985	-5,641	-2,631
Other income and expense	3	-327	-	-386
Operational result	**56,951**	**14,051**	**50,390**	**-746**
Interest charges	-13,597	-	-10,964	-
Interest income	0	-	18	-
Net interest	**-13,597**	**-**	**-10,946**	**-**
Other financial income and expense	-	-212	-	6,132
Result before tax	**43,353**	**13,840**	**39,444**	**5,387**
Income tax	-153	-	-49	45
Result	**43,200**	**13,840**	**39,395**	**5,432**
Profit attributable to:				
Shareholders	35,757	15,805	32,368	1,152
Non-controlling interest	7,444	-1,965	7,026	4,280
Result	**43,200**	**13,840**	**39,395**	**5,432**
Result per share (€)	0.89	0.40	0.81	0.03

Direct result

Our direct result for H1 2023 totaled € 43.2m, representing a direct result per share (DRPS) of € 0.89. Gross rental income amounted to € 76.6m, up from € 69.2, driven by higher indexation. Service costs paid and property expenses were obviously impacted by inflation. Lower costs for doubtful debt limited the impact of inflation on property expenses.

Direct general costs amounted to € 6.0m, up from € 5.6m in H1 2022. Nevertheless, we expect to realize our planned cost savings, among others following the alignment of staff with the smaller asset base and our move to a more economical head office location.

Net interest expense increased to € 13.6m from € 11.0m in H1 2022 due to increased benchmark interest rates, impacting the cost of the variable rate debt portion of our debt, and higher net debt related to capital expenditure.

Indirect result

Our indirect result for H1 2023 amounted to € 13.8m, mainly due to the significant upward revaluation of € 19.4m in our property portfolio.

At 30 June 2023, our EPRA net tangible assets (NTA) stood at € 21.85 per share, an increase of 0.6% compared with six months previously. Our NTA benefited from our positive direct and indirect result, offset by the dividend of € 1.16 per share paid to shareholders in May 2023. Our total return for H1 2023 therefore came in at € 1.28 per share.

In H1 2023, the value of our properties increased by € 19.4m (equivalent to 1.0% of the portfolio's total like-for-like value), mainly driven by an increase in the passing rent component in the valuations. By the end of H1 2023, our portfolio's average EPRA Net Initial Yield (NIY) stood at 6.3%.

Underpinning our strategy, in our Full Service Centers we saw continuing yield compression.

Full Service Center Performance

In line with our LifeCentral strategy, we are continuing to transform our centers into Full Service Centers. Already five of our locations now qualify as Full Service Centers; six more are currently undergoing transformation work. We track the performance of our centers based on their transformation status: "Full Service Center" for those already transformed; "In Transformation" for those undergoing transformation work, and "Shopping Center" for our remaining locations. The results show significant positive performance for our Full Service Centers, especially on the leasing side, with new leases signed around previous rents, on top of indexation (MGR Uplift) and above the property's estimated rental value (ERV). Total property return from these five assets was 8.5% in H1 2023. We expect the centers' Net Promoter Score (NPS) – our main measure of customer loyalty – to outperform Shopping Centers, following the successful launch of new concepts (such as every.deli, health & well-being and eat&meet).

KPI Core portfolio	**Full Service Center**	**In Transformation**	**Shopping Center**
# Assets	5	6	6
Mixed Use Percentage	16%	16%	9%
MGR Uplift	-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[1]	8.5%	7.1%	8.6%

[1] According to MSCI definition, annualized

Operations

In H1 2023, we optimized the Wereldhave organizational structure to help achieve the objectives of the LifeCentral strategy more effectively, while delivering on cost-cutting commitments. In our new organizational structure, Wereldhave integrated the management for Wereldhave Holding and Wereldhave Netherlands, creating a new Executive Team and Management Team. As a result, we dissolved the separate Management Team for the Dutch market and will align overhead costs with the size of our portfolio. This, together with management changes at Wereldhave Belgium and despite the high inflationary environment, contributes to the targeted reduction of direct general expenses in 2023.
Elsewhere, our new state-of-the-art ERP system went live in H1 2023 and is already proving its value for our commercial, operational and financial processes, project management, and in facilitating our digital strategy.

Netherlands

The Sterrenburg Full Service Center in Dordrecht opened almost fully let, with a mixed-use percentage of around 20% and new tenants including Basic-Fit, Jumbo Foodmarkt, RegioBank and an every.deli fresh cluster with a variety of artisanal fresh food shops. From a sustainability perspective, the center is connected to district heating and no longer uses gas.

Our Full Service Center in Tilburg, delivered late 2022, is one of the largest recent inner-city redevelopment projects in the Netherlands. We were delighted to hear it was awarded the Kern 2023 annual development award – an acknowledgment of the joint effort between Wereldhave and the Municipality of Tilburg to create a vibrant, accessible and competitive city center.

Overall in the Netherlands, we signed 46 new leases, which were, on average, above market rent levels. In Q1 2023, New Yorker opened a store in City Center Tilburg, Action opened a brand new 1,050m^2 store in De Koperwiek, Capelle aan den Ijssel, while Nelson in Middenwaard doubled its floorspace and relocated to a prime location in the center. We also celebrated good progress on leasing the Vier Meren transformation with the signings of Nelson, Sketchers and Alexanderhoeve. In our Kronenburg center in Arnhem, we extended the lease for Albert Heijn XL by five years, which includes locations for Gall & Gall and Etos.

The Closet Sale – a concept allowing individuals to rent space for a day to sell clothes, accessories and home decorations – was rolled-out to six other centers, following its introduction in Cityplaza Nieuwegein in 2022. The Closet Sale has been very successful: available slots were fully booked, and the concept created a lot of footfall and positive publicity, supported by its sustainable and charitable nature.

Overall, occupancy in the Netherlands remained relatively stable at 95.6% and will soon benefit from a new lease signed by Action for our Pieter Vreedeplein center in Tilburg. Footfall in the Netherlands in Q2 2023 was 6.6% higher than in Q2 2022. Tenants reported 13% higher sales in H1 2023 when compared to H1 2022. The valuation result of the Dutch portfolio in H1 2023 was up +2.7%, mainly driven by higher rents.

Belgium

The good performances we saw in 2022 for leasing, operational and financial activities continued in 2023 in Belgium. Visitor numbers to the various shopping centers of our portfolio were 5.4% higher in Q2 2023 compared to the same period 2022, while tenants reported 10% higher sales in H1 2023 compared to H1 2022.

Leasing activity in H1 2023 resulted in 43 contracts signed: 34 for shopping centers and nine for office, signed at terms above both market value (ERV) and previous rent (MGR uplift). As previously reported, these leases included, among others, contracts with Basic-Fit, Rituals, Sports Direct, Loxam and Press Shop. We can now add, among others, a package deal with Calzedonia / Intimissimi for Nivelles Shopping and Shopping 1 in Genk and a relocation and extension with Rituals in Ring Shopping in Kortrijk. In addition, we are happy to confirm a new Basic-Fit opened this July in Les Bastions in Tournai opened – creating further impetus for customers to visit our center.

Overall, shopping center occupancy in Belgium went down by 50 bps in Q2 2023, whereas the office occupancy went up by 10 bps. The valuation result of the Belgian portfolio in H1 2023 was stable, the value of the office portfolio went up by 1%, mainly driven by higher rents.

France

Footfall in France was stable in H1 2023 compared to 2022, despite political protests and strikes throughout France in the early part of the year and construction works in Bordeaux. The construction works at the food & beverage project in Bordeaux have progressed well, with the first part opened while we signed the last leases at the targeted rent levels.
Riots across France in June did not affect our shopping centers.

Leasing activity was strong, with new contracts signed significantly above previous rents and above market rents. We could also celebrate the opening of new Adopt, Bouygues Télécom, Etam Lingerie and Normal stores at our Mériadeck center in Bordeaux.

Overall, occupancy in France went down, partly because of new units that have been delivered but that are not yet in use at our Mériadeck center in Bordeaux.

Occupancy rates

	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023
Belgium	97.0%	97.2%	97.7%	96.9%	96.4%
France	96.6%	97.2%	97.1%	96.6%	94.6%
Netherlands	95.0%	95.6%	96.1%	95.7%	95.6%
Shopping centers	**95.9%**	**96.4%**	**96.8%**	**96.2%**	**95.8%**
Offices (Belgium)	77.2%	82.4%	81.5%	86.1%	86.2%
Total portfolio	**94.7%**	**95.5%**	**95.8%**	**95.6%**	**95.2%**

Overview operational performance

	# of contracts	Leasing volume	ERV uplift	MGR uplift	Occupancy rate	LFL NRI growth
Shopping centers						
Belgium	34	4.9%	9.1%	1.4%	96.4%	7.9%
France	4	1.5%	11.0%	13.1%	94.6%	27.1%
Netherlands	46	5.9%	9.0%	-4.9%	95.6%	12.5%
Total	**84**	**5.1%**	**9.1%**	**-2.3%**	**95.8%**	**11.4%**

Change in visitors (yoy)

Shopping centers	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023
Belgium	19.5%	8.0%	7.7%	11.4%	5.4%
France	13.7%	8.4%	1.0%	-0.2%	0.4%
Netherlands	17.2%	2.9%	11.9%	15.5%	6.6%
Overall	**17.2%**	**4.9%**	**9.4%**	**12.4%**	**5.5%**

Portfolio, disposals & investments

Wereldhave's strategy is focused on anticipating long-term trends by transforming our locations into strong, future-proof Full Service Centers. To maximize long-term value creation for shareholders, we focus only on those centers that will deliver above market total returns. We call this our LifeCentral strategy, which will be rolled out at a controlled pace.

Net rental income

(x € 1,000)	H1 2023	H1 2022	Change
Belgium	25,336	23,334	8.6%
France	4,811	3,664	31.3%
Netherlands	31,019	27,085	14.5%
Total shopping centers	**61,167**	**54,083**	**13.1%**
Offices	1,734	1,948	-11.0%
Total	**62,901**	**56,031**	**12.3%**

Portfolio overview

	Number of assets	Surface owned[1]	Annualized gross rent[1,2]	Net value	Revaluation	EPRA NIY
Belgium	9	222.6	55.7	850.2	-0.4%	6.4%
France	2	44.1	11.3	178.8	-1.5%	4.7%
Netherlands	11	353.0	72.9	928.8	2.7%	6.3%
Total shopping centers	**22**	**619.7**	**139.9**	**1957.9**	**0.9%**	**6.2%**
Offices	2	62.5	8.3	101.7	1.0%	7.5%
Total	**24**	**682.2**	**148.2**	**2059.6**	**0.9%**	**6.3%**

[1] Excluding developments
[2] As per 30 June 2023, excluding parking income

Full Service Center transformations & development portfolio

Full Service Center transformations are done step-by-step. This agile approach keeps risks low during development. We currently have six ongoing transformations, of which we expect to complete four in H2 2023. These four transformations are reaching completion and are still within timelines and budget. The increase in the mixed use share, which was limited in H1, will be largely impacted in H2 by the completion of these four Full Service Centers.

Development pipeline

LifeCentral Developments (In €m)	Total investment	Actual costs to date	Estimated capex H2 2023	Estimated capex after 2023	Unlevered IRR	Pre-let rate	Planned Delivery
Committed							
Vier Meren	31	21	8	-	9%	83%	2023
De Koperwiek	16	13	3	-	7%	69%	2023
Kronenburg	21	1	1	19	7%	94%	2025
Other FSC transformations	13	7	4	2	>7%	N.A.	2023 & 2024
Total committed	**81**	**42**	**16**	**21**			

Equity & net asset value

As at 30 June 2023, shareholders' equity – including non-controlling interests – amounted to € 1,115.2m (compared with € 1,123.2m at 31 December 2022). The number of outstanding shares remained unchanged at 40,270,921 ordinary shares. A total of 214,172 treasury shares are held by the Company.

€ per share	30 June 2023	31 December 2022	Change
IFRS NAV	22.09	22.12	-0.1%
EPRA NRV	25.01	24.21	3.3%
EPRA NTA	21.85	21.73	0.6%
EPRA NDV	23.17	23.13	0.2%

Financing & capital allocation

At 30 June 2023, interest-bearing debt totaled € 918.9m, which together with a cash balance of € 19.5m resulted in a net debt position of € 899.4m. Undrawn borrowing capacity amounted to € 190m. Our net loan-to-value (LTV) ratio stood at 43.9% (compared with 42.4% at year-end 2022). Wereldhave's gross LTV stood at 44.9% at the end of H1 2023, well below our bank covenant limit of 60%. The entire debt portfolio is unencumbered.

After agreeing € 355m in refinancings with banks in 2022, we continued our funding activities in 2023. In July 2023, we reached agreement with an institution for new US Private Placement debt (USPP) totaling USD 50m with a term of five years, subject to documentation. The proceeds have been swapped into a competitive fixed € interest rate. Wereldhave has been very active on the USPP market since 2011, with the last placement in 2017.

Wereldhave's disciplined capital allocation framework is focused on maintaining a strong balance sheet, delivering outperforming long-term value growth for shareholders through its investments and returning appropriate dividends to shareholders. We keep targeting an LTV ratio of 35-40% after the full disposal of our French assets.

To ensure acceptable leverage and long-term growth, management's policy is to allocate the Company's recurring income partly to finance investments needed under its LifeCentral strategy and partly to dividends.

Strategic developments

Full Service Center Transformations

In line with our LifeCentral strategy, we continue to transform our centers into Full Service Centers. Five of our commercial centers already qualify as Full Service Centers. Six more are currently undergoing transformation work, including our Vier Meren center in Hoofddorp, De Koperwiek in Capelle aan den IJssel and Eggert Center in Purmerend – all projects that are well on track. Meanwhile, the pre-letting for the transformation projects is progressing, with a focus on food & beverage, leisure and fitness.

Our first Full Service Centers continued to perform well on their KPIs, including total return, NPS, leasing spread, footfall and occupancy. By the end of H1 2023, 13.3% of our core portfolio was devoted to mixed-use (versus 13.2% at year-end 2022). We are on track to achieve our long-term target of 20%.

Improving customer experience

We frequently gather and analyze customer feedback to improve our centers' performance. These insights influence our plans for improving the tenant mix, look and feel, public spaces, ambience, concepts and services and are used in the transformation plans for our Full Service Centers and business planning in general. Despite ongoing transformations, our NPS-score in H1 2023 remains stable when compared to H1 2022, while finalized Full Service Centers clearly outperform.

An essential factor in visitor satisfaction is our F&B offerings. Recently, we upgraded the food & beverage square in our Mériadeck center in Bordeaux. For our core markets, we have created an eat&meet cluster that offers a vibrant and green environment for visitors to meet with friends and family. We are in the final stages of development for eat&meet clusters in our Dutch centers in Purmerend and Capelle aan den IJssel. Additionally, we are installing new seating and green spaces in our centers to further enhance customer satisfaction.

Next to the improvement of our visitors' customer experience we are also focused on improving the tenant experience. To drive store footfall and sales, we supported more than 25 of our tenants with made-to-measure store opening activities and commercial support activities in H1 2023.

Environmental, Social & Governance (ESG)

We remain on track with our Better Tomorrow strategy, which consists of three pillars: Better Footprint, Better Nature and Better Living. Within the scope of the Better Footprint pillar, we have developed roadmaps that set out clear priorities to reduce our carbon footprint in alignment with 2030 SBTi targets and our Paris Proof Commitment for 2045. After developing roadmaps in 2022 for all our Dutch centers, we finalized roadmaps for our Belgian shopping centers in the first half of 2023. We will include Paris Proof measures in the annual business plan cycle per asset and integrate them into investment proposals of all our assets.

Several centers are undergoing transformation, creating opportunities to implement additional energy-saving measures and energy production projects. In the first half of 2023, as we finalized the re-development of Sterrenburg as a Full Service, we added Paris Proof roof isolation– topped off with a green roof with solar panels. This new setup keeps the roof operating at an optimum temperature, ensuring efficiency and delivering value for the building.

Alongside this, at the beginning of 2023, technical managers started to access insights generated by our newly developed smart energy system – which is operational in all our centers. The system alerts technical managers to abnormal energy or water use peaks, creating a short feedback loop and enabling them to detect and mitigate high or unnecessary usage or potential leaks.

Our Full Service Centers play a key role in local communities by providing access to services, creating a welcoming environment and offering spaces to host events. In March 2023 we hosted a fair at our Presikhaaf center, organized by children from a neighboring school, to collect funds for the earthquake victims in Turkey. At the beginning of July 2023, we signed a partnership with the Dutch Employee Insurance Agency (UWV) to organize more job markets. By combining the network and expertise of UWV with the facilities and strong local reach of our centers, we aim to support our tenants in attracting qualified personnel. The aim is to support job seekers, including those facing barriers to employment, in finding suitable opportunities and thus increase labor participation and social inclusion in the proximity of our Full Service centers.

Outlook

With rent indexation and cost-cutting measures on track, we maintain our 2023 direct result per share (DRPS) outlook of € 1.65-1.75, despite higher financing expenses.

Conference call / webcast

Wereldhave will host a webcast at 10.00 CET today to present its H1 2023 results. Access to the webcast will be available through https://www.wereldhave.com/investor-relations/conference-calls-webcasts/. Questions may be forwarded by e-mail to investor.relations@wereldhave.com prior to the webcast.

Condensed consolidated statement of financial position

(x € 1,000)	Note	30 June 2023	31 December 2022
Assets			
Non-current assets			
Investment property in operation		2,010,287	1,958,955
Lease incentives		5,372	4,949
Investment property under construction		43,956	36,166
Investment property	**5**	**2,059,615**	**2,000,070**
Property and equipment		1,265	1,650
Intangible assets		302	367
Derivative financial instruments		34,896	37,972
Other financial assets		2,742	2,798
Total non-current assets		**2,098,820**	**2,042,857**
Current assets			
Trade and other receivables		36,729	34,620
Tax receivables		708	3,815
Derivative financial instruments		2,118	1,722
Cash and cash equivalents		19,484	14,353
Total current assets		**59,039**	**54,510**
Investments held for sale		1,673	688
Total assets		**2,159,531**	**2,098,055**

(x € 1,000)	Note	30 June 2023	31 December 2022
Equity and Liabilities			
Equity			
Share capital		40,271	40,271
Share premium		1,711,033	1,711,033
Reserves		-866,444	-865,622
Attributable to shareholders		**884,860**	**885,682**
Non-controlling interest		230,387	237,561
Total equity		**1,115,247**	**1,123,243**
Non-current liabilities			
Interest-bearing liabilities	7	735,399	719,029
Derivative financial instruments		19,890	17,546
Other long-term liabilities		22,890	22,514
Total non-current liabilities		**778,179**	**759,089**
Current liabilities			
Trade payables		7,606	11,571
Tax payable		41	1,389
Interest-bearing liabilities	7	183,500	137,774
Other short-term liabilities		73,237	64,989
Derivative financial instruments		1,722	-
Total current liabilities		**266,105**	**215,723**
Total equity and liabilities		**2,159,531**	**2,098,055**

Condensed consolidated income statement

(x € 1,000)	Note	H1 2023	H1 2022
Gross rental income		76,555	69,152
Service costs charged		13,686	12,127
Total revenue		**90,241**	**81,280**
Service costs paid		-16,911	-15,198
Property expenses		-10,429	-10,051
Net rental income	**9**	**62,901**	**56,031**
Valuation results		19,380	4,506
Results on disposals		-16	-2,234
General costs		-10,939	-8,272
Other income and expense		-325	-386
Operating result		**71,001**	**49,644**
Interest charges		-13,597	-10,964
Interest income		-	18
Net interest		**-13,597**	**-10,946**
Other financial income and expense		-212	6,132
Result before tax		**57,193**	**44,830**
Income tax		-153	-3
Result for the year		**57,040**	**44,827**
Result attributable to:			
Shareholders		51,561	33,521
Non-controlling interest		5,479	11,306
Result for the year		**57,040**	**44,827**
Basic earnings per share (€)		1.29	0.84
Diluted earnings per share (€)		1.29	0.83

Condensed consolidated statement of comprehensive income

(x € 1,000)	H1 2023	H1 2022
Result	**57,040**	**44,827**
Items that may be recycled to the income statement subsequently		
Effective portion of change in fair value of cash flow hedges	-5,536	3,972
Changes in fair value of cost of hedging	-436	-1,067
Total comprehensive income	**51,068**	**47,732**
Attributable to:		
Shareholders	45,589	36,412
Non-controlling interest	5,479	11,320
	51,068	**47,732**

Condensed consolidated statement of changes in equity

	Attributable to shareholders							
(x € 1,000)	Share capital	Share premium	General reserve	Hedge reserve	Cost of hedging reserve	Total attributable to shareholders	Non-controlling interest	Total equity
Balance at 1 January 2022	**40,271**	**1,711,033**	**-885,891**	**-356**	**1,766**	**866,823**	**228,713**	**1,095,536**
Comprehensive income								
Result	-	-	33,521	-	-	33,521	11,306	44,827
Effective portion of change in fair value of cash flow hedges	-	-	-	3,958	-	3,958	14	3,972
Changes in fair value of cost of hedging	-	-	-		-1,067	-1,067	-	-1,067
Total comprehensive income	**-**	**-**	**33,521**	**3,958**	**-1,067**	**36,412**	**11,320**	**47,732**
Transactions with shareholders								
Shares for remuneration	-	-	-1,298	-	-	-1,298	-	-1,298
Share based payments	-	-	951	-	-	951	-	951
Dividend	-	-	-44,140	-	-	-44,140	-12,151	-56,291
Change non-controlling interest	-	-	435	-	-	435	1,975	2,410
Other	-	-	-	-	-	-	-	-
Balance at 30 June 2022	**40,271**	**1,711,033**	**-896,422**	**3,602**	**699**	**859,183**	**229,857**	**1,089,040**
Balance at 1 January 2023	**40,271**	**1,711,033**	**-871,726**	**5,137**	**967**	**885,682**	**237,561**	**1,123,243**
Comprehensive income								
Result	-	-	51,561	-	-	51,561	5,479	57,040
Effective portion of change in fair value of cash flow hedges	-	-	-	-5,536	-	-5,536	-	-5,536
Changes in fair value of cost of hedging	-	-	-		-436	-436	-	-436
Total comprehensive income	**-**	**-**	**51,561**	**-5,536**	**-436**	**45,589**	**5,479**	**51,068**
Transactions with shareholders								
Shares for remuneration	-	-	-709	-	-	-709	-	-709
Share based payments	-	-	752	-	-	752	-	752
Dividend	-	-	-46,455	-	-	-46,455	-12,652	-59,107
Change non-controlling interest	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Balance at 30 June 2023	**40,271**	**1,711,033**	**-866,576**	**-399**	**531**	**884,860**	**230,387**	**1,115,247**

Condensed consolidated cash flow statement

(x € 1,000)	H1 2023	H1 2022
Operating activities		
Result	**57,040**	**44,827**
Adjustments:		
Valuation results	-19,380	-4,506
Net interest	13,597	10,946
Other financial income and expense	212	-6,114
Results on disposals	16	2,234
Taxes	153	3
Amortization	735	716
Movements in working capital	6,260	-6,590
Cash flow generated from operations	**58,632**	**41,516**
Interest paid	-10,705	-8,885
Interest received	-	18
Income tax	-35	18
Cash flow from operating activities	**47,893**	**32,667**
Investment activities		
Proceeds from disposals direct investment properties	1,360	-
Proceeds from disposals indirect investment property	-	-838
Investments in investment property	-45,421	-14,129
Investments in equipment	-288	-25
Investments in financial assets	53	104
Investments in intangible assets	-	-30
Cash flow from investing activities	**-44,296**	**-14,918**
Financing activities		
Proceeds from interest bearing debts	82,907	39,900
Repayment interest bearing debts	-20,550	-
Movements in other long-term liabilities	-1,007	-899
Purchase of treasury shares	-709	-1,298
Transactions non-controlling interests	-	-
Dividend paid	-59,107	-53,935
Cash flow from financing activities	**1,534**	**-16,233**
Increase/decrease in cash and cash equivalents	5,131	1,517
Cash and cash equivalents at 1 January	14,353	26,769
Cash and cash equivalents at 30 June	**19,484**	**28,286**

Notes to the condensed consolidated interim financial statements

1 Reporting entity

Wereldhave N.V. (“the Company”) is an investment company which invests in real estate (shopping centers and offices). The property portfolio of Wereldhave N.V. and its subsidiaries (‘the Group’) is located in Belgium, France and the Netherlands. The Group is principally involved in leasing investment property under operating leases. The property management is performed by Group management companies. The Company is a limited liability company incorporated and domiciled in the Netherlands. The address of the Company’s registered office is Schiphol Boulevard 233, 1118 BH Schiphol. The shares of the Company are listed on the Euronext Stock Exchange in Amsterdam.

2 Tax status

Wereldhave N.V. has the tax status of an investment company (FBI status) in accordance with section 28 of the Dutch “Wet op de Vennootschapsbelasting 1969”. This status assumes that the Group is (almost) exclusively engaged in portfolio investment activities. As a consequence, corporation tax is due at a rate of 0% in the Netherlands, provided that certain conditions are met. The main conditions concern the requirement to distribute the taxable result as a dividend and restrictions with regard to the leverage. The taxable result of Wereldhave N.V. must be distributed as a dividend to its shareholders within eight months after the year during which the result was made. In general terms, the leverage restrictions imply that investments in real estate (including qualifying real estate companies) may only be financed through debt up to a maximum of 60% of their value. For investments in other assets the maximum level of debt allowed is only 20%. There is no requirement to include capital gains, arising from the disposal of investments, in the result to be distributed.

The subsidiaries in Belgium (OGVV status) and France (SIIC status) have a similar status. In Belgium the net value of one single asset may not exceed 20% of the total Belgian portfolio. Our largest asset in Belgium, Belle-Ile, is below this threshold of 20% at 30 June 2023.

3 Accounting policies

The principal accounting policies applied in the preparation of these condensed consolidated interim financial statements for the period ended 30 June 2023 are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

Statement of compliance
This condensed consolidated interim financial information for the six months ended 30 June 2023 has been prepared in accordance with IAS 34 Interim Financial Reporting. The condensed consolidated interim financial information should be read in conjunction with the financial statements for the year ended 31 December 2022, which were prepared in in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union (EU-IFRS) and with Part 9 of Book 2 of the Dutch Civil Code.

Income and cash flow statement
The Group presents a separate “statement of profit or loss” and “other comprehensive income”.

The Group reports cash flows from operating activities using the indirect method. Interest received and interest paid is presented within operating cash flows. The acquisitions of investment properties are disclosed as cash flows from investing activities as this most appropriately reflects the Group’s business activities

Preparation of the condensed consolidated interim financial statements
These condensed consolidated interim financial statements for the period ended 30 June 2023 have been prepared on a going concern basis, applying an historical cost convention, except for the measurement of investment property and derivative financial instruments that have been measured at fair value. The preparation of these condensed consolidated interim financial statements in conformity with EU-IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group’s accounting policies. Changes in assumptions may have a significant impact on

the condensed consolidated interim financial statements in the period the assumptions changed. Management believes that the underlying assumptions are appropriate.

Change in accounting policy and disclosures

New and amended standards adopted by the Group
Except as described below, the accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2022. As of 1 January 2023, the following standards became effective but did not have an impact on the condensed consolidated financial information:

- IFRS 17 Insurance Contracts
- Disclosure of Accounting Policies – Amendments to IAS 1 and IFRS Practice Statement 2
- Definition of Accounting Estimates – Amendments to IAS 8
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12

New standards and interpretations not yet adopted
A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 January 2023 and have not been applied in preparing the financial information:

- Lease liability in a Sale and Leaseback – Amendments to IFRS 16
- Classification of Liabilities as Current or Non-Current – Amendments to IAS 1
- Sale or contribution of assets between an investor and its associate or joint venture – Amendments to IFRS 10 and IAS 28

These amendments are not expected to have a significant impact on the Company's condensed consolidated financial information.

4 Segment information

Geographical segment information H1 2023

(x € 1,000)	Belgium	France	Netherlands	Headoffice	Total
Result					
Gross rental income	33,567	5,409	37,578	-	76,555
Service costs charged	5,138	2,029	6,519	-	13,686
Total revenue	**38,706**	**7,438**	**44,097**	**-**	**90,241**
Service costs paid	-7,571	-2,043	-7,297	-	-16,911
Property expenses	-4,065	-584	-5,781	-	-10,429
Net rental income	**27,070**	**4,811**	**31,019**	**-**	**62,901**
Valuation results	-2,775	-2,690	24,845	-	19,380
Results on disposals	-	-	-16	-	-16
General costs	-3,305	-259	-2,644	-4,731	-10,939
Other income and expense	-230	-	-78	-17	-325
Operating result	**20,761**	**1,862**	**53,126**	**-4,748**	**71,001**
Interest charges	-3,527	-4,575	-9,072	3,577	-13,597
Interest income	-	-	-	-	-
Other financial income and expense	-1,020	-	-	808	-212
Income tax	-25	-84	-44	-	-153
Result	**16,190**	**-2,796**	**44,009**	**-363**	**57,040**
Total assets					
Investment properties in operation	935,433	178,423	896,432	-	2,010,287
Investment properties under construction	14,318	-	29,639	-	43,956
Assets held for sale	-	-	1,673	-	1,673
Other segment assets	54,955	3,307	274,565	862,734	1,195,561
minus: intercompany	-	-	-	-1,091,947	-1,091,947
	1,004,706	**181,730**	**1,202,308**	**-229,213**	**2,159,531**
Investments	**6,071**	**6,122**	**30,183**	**-**	**42,376**
Gross rental income by type of property					
Shopping centers	29,990	5,409	37,578	-	72,978
Offices	3,577	-	-	-	3,577
	33,567	**5,409**	**37,578**	**-**	**76,555**

Geographical segment information H1 2022

(x € 1,000)	Belgium	France	Netherlands	Headoffice	Total
Result					
Gross rental income	29,882	5,435	33,835	-	69,152
Service costs charged	4,999	1,438	5,691	-	12,127
Total revenue	**34,881**	**6,873**	**39,526**	**-**	**81,280**
Service costs paid	-6,455	-2,229	-6,514	-	-15,198
Property expenses	-3,144	-980	-5,927	-	-10,051
Net rental income	**25,282**	**3,664**	**27,085**	**-**	**56,031**
Valuation results	3,119	-659	2,046	-	4,506
Results on disposals	-29	-2,182	-23	-	-2,234
General costs	-2,180	-58	-1,453	-4,581	-8,272
Other income and expense	-135	-68	-	-184	-386
Operating result	**26,057**	**696**	**27,655**	**-4,765**	**49,644**
Interest charges	-2,064	-4,343	-9,279	4,722	-10,964
Interest income	5	8	6	-	18
Other financial income and expense	9,281	-	-	-3,148	6,132
Income tax	-25	9	-33	45	-3
Result	**33,254**	**-3,630**	**18,349**	**-3,145**	**44,827**
Total assets					
Investment properties in operation	923,068	170,153	821,658	-	1,914,880
Investment properties under construction	14,169	-	24,217	-	38,386
Assets held for sale	2,325	-	3,200	-	5,525
Other segment assets	36,758	12,263	393,608	865,180	1,307,809
minus: intercompany	-214	-	-65,000	-1,126,283	-1,191,497
	976,106	**182,416**	**1,177,683**	**-261,103**	**2,075,102**
Investments	**9,808**	**1,825**	**3,543**	**-**	**15,176**
Gross rental income by type of property					
Shopping centers	27,207	5,435	33,835	-	66,477
Offices	2,675	-	-	-	2,675
	29,882	**5,435**	**33,835**	**-**	**69,152**

5 Investment property

(x € 1,000)	Investment property in operation	Lease incentives	Investment property under construction	Total Investment property
H1 2023				
Balance at 1 January	**1,958,955**	**4,949**	**36,166**	**2,000,070**
Purchases	2,875			2,875
Investments	31,710	-	7,790	39,500
From / to development properties	-	-	-	-
To / from investments held for sale	-1,673	-	-	-1,673
Disposals	-	-	-	-
Valuations	19,380	-	-	19,380
Other	-961	423	-	-538
Balance at 30 June	**2,010,287**	**5,372**	**43,956**	**2,059,615**
H1 2022				
Balance at 1 January	**1,907,015**	**5,738**	**26,587**	**1,939,340**
Purchases				-
Investments	4,925	-	10,251	15,176
From / to development properties	-1,548	-	1,548	-
To / from investments held for sale	-	-	-	-
Disposals	-20	-	-	-20
Valuations	4,508	-	-	4,508
Other	-	-1,084	-	-1,084
Balance at 30 June	**1,914,880**	**4,654**	**38,386**	**1,957,920**

Key assumptions relating to valuations:

	Belgium	France	Netherlands
30 June 2023			
Total market rent per sqm (€)	212	281	215
EPRA Net Initial Yield	6.5%	4.7%	6.3%
EPRA vacancy rate	5.1%	5.4%	4.4%
Average vacancy period (in months)	13	12	12
Bandwidth vacancy (in months)	9-18	9-15	9-18
31 December 2022			
Total market rent per sqm (€)	210	274	200
EPRA Net Initial Yield	6.3%	4.7%	6.9%
EPRA vacancy rate	4.8%	2.9%	3.9%
Average vacancy period (in months)	11	12	8
Bandwidth vacancy (in months)	6-18	9-15	0-16

6 Net asset value per share

The authorized capital comprises 75,000,000 million shares each with a nominal value of € 1. As at 30 June 2023, a total of 40,270,921 ordinary shares were issued.

	30 June 2023	31 December 2022
Equity available for shareholders (x € 1,000)	**884,860**	**885,682**
Number of ordinary shares issued	40,270,921	40,270,921
Treasury shares for remuneration	-214,172	-223,781
Number of ordinary shares for calculation net asset value	**40,056,749**	**40,047,140**
Net asset value per share (x € 1)	**22.09**	**22.12**

7 Interest bearing liabilities

(x € 1,000)	30 June 2023	31 December 2022
Long term		
Bank loans	276,888	259,880
Private placements	458,511	459,149
	735,399	**719,029**
Short term		
Bank loans	60,000	-
Private placements	77,500	78,024
Treasury notes	46,000	59,750
	183,500	**137,774**
Total interest bearing liabilities	**918,899**	**856,803**

(x € 1,000)	30 June 2023	30 June 2022
Balance at 1 January	**856,803**	**814,850**
New funding	82,850	39,900
Repayments	-20,550	-
Use of effective interest method	306	335
Exchange rate differences	-510	13,033
Balance at 30 June	**918,899**	**868,118**

The carrying amount and fair value of long term interest bearing debt is as follows:

	30 June 2023		31 December 2022	
(x € 1,000)	carrying amount	fair value	carrying amount	fair value
Bank loans and private placements	735,399	690,328	719,029	676,212
Total	**735,399**	**690,328**	**719,029**	**676,212**

8 Fair value measurement

(x € 1,000)	Total	Fair value measurement using: Quoted prices (Level 1)	Observable input (Level 2)	Unobservable input (Level 3)
30 June 2023				
Assets measured at fair value				
Investment property in operation	2,015,659	-	-	2,015,659
Investment property under construction	29,638	-	-	29,638
Investments held for sale	1,673	-	-	1,673
Financial assets				
Derivative financial instruments	37,014	-	37,014	-
Liabilities for which the fair value has been disclosed				
Interest bearing debt	873,828	-	873,828	-
Derivative financial instruments	21,612	-	21,612	-
31 December 2022				
Assets measured at fair value				
Investment property in operation	1,963,904	-	-	1,963,904
Investment property under construction	21,914	-	-	21,914
Investments held for sale	688	-	-	688
Financial assets				
Derivative financial instruments	39,694	-	39,694	-
Liabilities for which the fair value has been disclosed				
Interest bearing debt	813,986	-	813,986	-
Derivative financial instruments	17,546	-	17,546	-

9 Rental income by country

	Gross rental income		Property expenses, service costs and operating costs		Net rental income	
(x € 1,000)	**H1 2023**	**H1 2022**	**H1 2023**	**H1 2022**	**H1 2023**	**H1 2022**
Belgium	33,567	29,882	6,497	4,600	27,070	25,282
France	5,409	5,435	598	1,771	4,811	3,664
The Netherlands	37,578	33,835	6,558	6,750	31,019	27,085
Total	**76,555**	**69,152**	**13,654**	**13,121**	**62,901**	**56,031**

10 Related parties

The Board of Management, the Supervisory Board and subsidiaries of Wereldhave N.V. are considered to be related parties. The members of the Supervisory Board and of the Board of Management had no personal interest in any of the Company's investments during the year.

Related party transactions were made on terms equivalent to those that prevail in arm’s length transactions if such terms can be substantiated.

11 Events after balance sheet date

There are no events after balance sheet date.

12 Declaration of the Board of Management

The Board of management of Wereldhave N.V., consisting of Matthijs Storm and Dennis de Vreede, hereby declares that, to the best of their knowledge:

1. The condensed consolidated interim financial statement for the first half year of 2023 give a true and fair view of the assets, liabilities, financial position and result of Wereldhave N.V. and the companies included in the consolidation as a whole;

2. The condensed consolidated interim financial statement for the first half year of 2023 provide a true and fair view on the condition as at the balance sheet date and the course of business during the half year under review of Wereldhave N.V. and the related companies of which the data have been included in the financial statement, and the expected course of business, where, in as far as important interest do not oppose, particular attention is paid to the investments and the conditions of which the development of turnover and profitability depend; and

3. The condensed consolidated interim financial statement for the first half year of 2023 includes a true and fair review of the information required pursuant to section 5:25d, subsections 8 and 9 of the Dutch Financial Markets Supervision Act ("Wet op het financieel toezicht"). Wereldhave considers the market risk, liquidity risk and credit risk as financial risks. The market risk can be divided into interest risk and currency risk. Rapidly changing economic environments and uncertainty about the solidity of the euro(zone) may affect the market circumstances, and thus both the letting prospects as well as the market value of the properties. The continuation of the euro(zone) is assumed.

For further comments we refer to the Annual Report 2022. Our risks are monitored on a continuous basis.

Schiphol, 21 July 2023

Board of Management
Matthijs Storm, CEO
Dennis de Vreede, CFO

WERELDHAVE N.V.
WTC Schiphol, Tower A, 3rd floor
Schiphol Boulevard 233
1118 BH Schiphol
P.O. Box 75837, 1118 ZZ Schiphol
The Netherlands
T +31 20 702 78 00

www.wereldhave.com

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