Wereldhave

Q1 2025

Trading update 17 April 2025

better everyday life, better business

Key messages

Quarterly direct result per share (DRPS) € 0.44, +7% compared to previous year

Successful completion of Knauf shopping center acquisitions in Luxembourg

Continued improvement in Dutch leasing market with flat leasing spreads; all former Blokker units re-leased

Daily life retail accounts for around 70% of revenue, providing resilience in current uncertain economic environment

Ongoing FSC transformations progressing according to plan and within budget

Confirming guidance FY 2025 DRPS: in higher end of € 1.70-1.80 range

Message from our CEO

During the first quarter of 2025 we saw continued improvement in retail rental markets across our portfolio with sequential improvement in the Netherlands. In our full-year 2024 results press release in February, we reported that four out of seven former Blokker locations were leased. We are happy to report that all seven locations are now under lease. The same applies for Casa, a recent smaller bankruptcy, where we quickly re-leased all three locations, thereby generating a +26% leasing spread. Overall, in Q1, the leasing spread for the Netherlands was flat which represents an improvement in comparison with prior years. Footfall increased by 3% during Q1, which is a slower increase versus last year due to calendar effects and weather conditions. Our direct result per share increased by +7% yoy, driven by operational improvements and our Luxembourg acquisitions, despite Dutch taxes that we pay due to the loss of Dutch REIT regime.

Soon after the publication of our full-year 2024 results in February, we announced the acquisition (together with Wereldhave Belgium) of two shopping centers in Luxembourg. We are pleased to report that the related sale of € 35m in newly issued shares was more than six times oversubscribed, which underlined the investor confidence in the placement. In addition, we successfully integrated the asset management operations of both centers and have observed that retailer demand for both centers is high, with several new tenant discussions ongoing.

This year we will deliver Full Service Centers in Kronenburg Arnhem (Phase 1) and Nivelles. Both development schemes are almost fully let and with the work progressing on budget and on time. The redevelopment of our retail park in Bruges is also progressing well. In our Paris shopping center Côté Seine we celebrated the opening of six newly developed kiosks, all leased and with a 25% yield on cost. The project has improved the income profile of the asset while also improving visibility on the first floor.

For the remainder of the year, our priorities are to close our first Dutch joint venture and to sell our second Dutch asset, as previously announced. We are on track to execute both of these projects. Looking ahead, we continue to explore other joint venture projects in the Netherlands and potential acquisitions in Belgium, with yields significantly above the yields at which we dispose of assets. We will continue to closely monitor our loan-to-value ratio on the balance sheet, aiming for a level below 40%.

Global markets are attempting to gauge the uncertain impact of the global trade tariff situation. While the situation remains unclear, a slowdown in economic growth, inflation and interest rates appears inevitable. Regardless as to whether a recession impacts our business directly or not, this market backdrop underpins the necessity for increasing resilience in our revenue profile. Daily life retail (convenience, non-discretionary) accounts for approximately 70% of our revenues and has proven to be the most resilient source of income – for instance during Covid. Meanwhile, lower interest rates will benefit our earnings.

We continue to expect our direct result per share to reach the higher end of the € 1.70-1.80 range for the full year 2025.

Matthijs Storm, CEO

Amsterdam, 17 April 2025

Summary

Key IFRS financial measures (x € 1,000 unless otherwise stated)	Q1 2025	Q1 2024	Change
Gross rental income	45,634	41,899	8.9%
Net rental income	37,014	33,837	9.4%
Result	20,030	57,419	-65.1%
Basic earnings per share (in €)	0.36	0.94	-61.7%
Weighted average number of ordinary shares outstanding	44,772,425	43,652,348	2.6%
	31 Mar 2025	31 Dec 2024	Change
Investment property	2,440,928	2,252,391	8.4%
Cash and cash equivalents	20,719	18,316	13.1%
Interest-bearing liabilities	1,078,011	953,142	13.1%
Equity attributable to shareholders	1,076,741	1,021,916	5.4%

EPRA and other performance measures (x € 1,000 unless otherwise stated)	Q1 2025	Q1 2024	Change
Direct result	23,748	21,437	10.8%
Indirect result	-3,718	35,982	-110.3%
Direct result per share (€)	0.44	0.41	7.3%
Indirect result per share (€)	-0.08	0.53	-115.1%
Total return based on EPRA net tangible assets per share (€)	0.02	0.94	-97.9%
Dividend per share (€)	-	-	-
Interest coverage ratio	4.1x	4.2x	-2.4%
EPRA earnings per share (€)	0.41	0.39	5.1%
EPRA cost ratio including direct vacancy costs (%)	23.4%	24.3%	-0.9 pp
	31 Mar 2025	31 Dec 2024	Change
Net debt	1,057,292	934,826	13.1%
Net loan-to-value (%)	44.0%	41.8%	2.2 pp
EPRA loan-to-value (%)	47.4%	46.8%	0.6 pp
IFRS net asset value per share (€)	23.50	23.43	0.3%
EPRA net tangible assets per share (€)	23.45	23.43	0.1%
EPRA net reinstatement value per share (€)	26.90	26.74	0.6%
EPRA net disposal value per share (€)	23.51	23.51	0.0%
Number of ordinary shares in issue	46,082,967	43,876,129	5.0%
Number of ordinary shares for net asset value	45,826,803	43,619,965	5.1%
EPRA vacancy rate total portfolio (%)	4.2%	3.4%	0.8 pp
Shopping Centers portfolio metrics	31 Mar 2025	31 Dec 2024	Change
Like-for-like net rental income growth (%)	6.4%	3.9%	2.5 pp
Occupancy rate	96.5%	97.3%	-0.8 pp
Footfall growth	1.4%	5.5%	-4.1 pp
Proportion of mixed-use Benelux (in m2)	15.2%	14.7%	0.5 pp

Operations

A key highlight of the first quarter of 2025 was marked by the acquisition of two shopping centers in Luxembourg. Wereldhave Belgium acquired Knauf Shopping Pommerloch and Wereldhave N.V. acquired Knauf Shopping Schmiede.
In addition, our operational teams remained very active in their respective markets and saw positive momentum.
While the real estate sector is not directly impacted by the recently introduced increased import duties, the secondary effects of the ongoing international trade tensions remain to be seen.

Netherlands

We saw encouraging signs of renewed optimism in the market, which was reflected in a growing demand for retail space across our Dutch centers. There was good progress on the re-letting of the former Blokker units, with all seven locations now leased to new business partners. The successful opening of Sahan Supermarket in De Roselaar (Roosendaal) has contributed to a double-digit increase in footfall for the center since its launch in February. Key leasing highlights in Q1 2025 include our signing of the first Miniso variety store for our Full Service Center Vier Meren, the renewal and expansion of America Today in Vier Meren, and the lease agreement with premium electronics retailer Amac for City-Center Tilburg.

In Q1 2025, 43 new contracts were signed with tenants, at an average of 9.7% above market rent (ERV), with footfall 3.0% higher compared to the same period in 2024.

On 1 April 2025, we completed the previously announced disposal of Winkelhof shopping center in Leiderdorp to a Dutch investor around book value.

On 14 April 2025, we acquired three retail units at Pieter Vreedeplein in Tilburg (The Netherlands) with a total gross leasable area of 2,756 m^2. With the newly acquired units leased to mixed-use tenants, the acquisition will further strengthen the successful Full Service Center in the heart of the city. The purchase price amounted to € 5.4m, including transaction costs, reflecting a net initial yield of 11% – well above Wereldhave's current internal threshold. The transaction was settled in 313,700 newly issued shares, issued at market value, underlining investor confidence.

Belgium

We see strong demand for retail space in Belgium, with encouraging commercial results in recent months. Although there have been a number of bankruptcies over the past year, particularly in Liège, the resulting vacant properties have mostly been re-let to attractive new tenants.

Notable developments in our portfolio include the new tenants Maison123 and Cabaïa, together with the relocation and expansion of Jack & Jones. In our Full Service Center Les Bastions in Tournai, Levi's signed a new lease, further strengthening the 'Self-Expression' category in our tenant mix. In Shopping 1 in Genk, New Yorker expanded its presence, and several promising deals are currently in the pipeline, underlining the resilience and appeal of our Belgian offering.

In Q1 2025, 19 new contracts were signed with tenants, at an average of 2.3% above market rent (ERV) and 3.0% above previous rent (MGR).

At almost 99%, the occupancy rate in our shopping centers remained consistently high.

Luxembourg

The acquisition, on 13 February 2025 of two key centers in Luxembourg – Knauf Shopping Pommerloch and Knauf Shopping Schmiede – marks a significant milestone in the growth phase of our LifeCentral strategy. Following the acquisition, we successfully onboarded the local teams to ensure a smooth integration into our operations. Together, we are working on value creation opportunities and the Full Service Center transformation potential of the centers. Commercial negotiations are ongoing with both existing and potential new tenants for the centers, leveraging the strong relations we enjoy with our valued key accounts across the portfolio.

France

Following recent developments and asset enhancements, we observed a renewed momentum in leasing activity and commercial interest in our French centers. At Côté Seine (Paris), Jack & Jones signed for a 300 m^2 unit on the ground floor, strategically positioned in front of the new New Yorker store that is set to open in June. In Mériadeck (Bordeaux), online fashion retailer SMTZ has chosen our center for its second physical store after a successful French market debut in Strasbourg.

Leasing momentum remains strong for both centers, fueled by initiatives such as the change in hypermarket and the opening of six new kiosks in Côté Seine – fully let to four F&B partners (Subway, Yogurt Factory, Home Donuts and 100 Sushi) and two service shops (including for telecom products). Mériadeck is also seeing increased activity following recent tenant mix improvements including Normal, Adopt, Etam, and the F&B square which opened in 2023.

Occupancy rates

	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q1 2025
Belgium	97.1%	96.6%	97.5%	99.0%	98.6%
Luxembourg[1]	n.a.	n.a.	n.a.	n.a.	95.2%
Netherlands	95.3%	95.2%	95.4%	96.2%	95.1%
Core portfolio	**96.0%**	**95.8%**	**96.3%**	**97.3%**	**96.4%**
France	94.6%	94.6%	95.3%	96.9%	96.9%
Shopping centers	**95.9%**	**95.7%**	**96.2%**	**97.3%**	**96.5%**
Offices (Belgium)	85.5%	84.0%	85.8%	85.4%	85.4%
Total portfolio	**95.3%**	**94.9%**	**95.6%**	**96.6%**	**95.8%**

[1] Excluding rental guarantees

Overview operational performance

	# of contracts	Leasing volume	MGR vs. ERV	MGR uplift	Occupancy rate	LFL NRI growth
Shopping centers						
Belgium	19	4.3%	2.3%	3.0%	98.6%	7.7%
Luxembourg	-	-	-	-	95.2%	n.a
Netherlands	43	3.4%	9.7%	0.0%	95.1%	8.4%
Core portfolio	**62**	**3.4%**	**6.2%**	**1.3%**	**96.4%**	**8.1%**
France	1	1.1%	-19.3%	0.0%	96.9%	-15.3%
Total	**63**	**3.3%**	**5.4%**	**1.3%**	**96.5%**	**6.4%**

Change in visitors (yoy comparison of quarterly figures)

Shopping centers	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q1 2025
Belgium	4.4%	4.5%	3.0%	4.0%	-0.2%
Luxembourg	n.a.	n.a.	n.a.	n.a.	-1.0%
Netherlands	6.6%	4.2%	6.3%	5.0%	3.0%
Core portfolio	**5.4%**	**4.3%**	**5.5%**	**4.7%**	**2.0%**
France	10.0%	5.0%	6.7%	9.9%	-2.5%
Overall	**6.5%**	**4.4%**	**5.6%**	**5.4%**	**1.4%**

Strategic developments

Full Service Center transformations

In line with our LifeCentral strategy, we are continuing to transform our centers into Full Service Centers. Nine of our commercial centers now qualify as Full Service Centers (FSCs). Meanwhile we have invested approximately 80% of our planned LifeCentral capital expenditure.

This year, we will deliver Full Service Centers Kronenburg in Arnhem (Phase 1) and Shopping Nivelles in Nivelles. This keeps us on track to transform 13 of our 17 traditional shopping centers from our core portfolio into Full Service Centers by 2026. Full Service Centers represent our new concept for retail real estate, where daily life shops providing consumers with basic needs are combined with 'mixed-use' tenants, including restaurants, healthcare, gyms and cinemas. The mix of shopping and leisure caters to visitors' everyday life and as a result, builds resilience into our centers in the event that the economy worsens and consumers move away from purchases deemed to be non-essential, such as fashion items. Our LifeCentral strategy is the bedrock of our future and we aim to occupy at least 18% of the floorspace of our centers with mixed-use tenants.

Our delivered FSCs continue to perform well against their KPIs, including total return, leasing spread, footfall and occupancy.

Improving customer experience

In Q1 2025, we launched new, mobile-optimized websites for all centers in Belgium and the Netherlands on a shared platform, which ensures consistent quality while also benefiting from economies of scale.

At the same time, we are continuing to improve the Customer Journey in all our centers. A recent highlight is the official opening of the fully renewed *the point* at Les Bastions in Tournai, Belgium. At Shopping Nivelles, the transformation works include upgrades of the parking facilities, outdoor play & relax areas, public seating, and an outdoor eat&meet zone. In Kronenburg, Arnhem, both the indoor and outdoor eat&meet areas are in the final stages of development.

Environmental, Social & Governance (ESG)

Wereldhave is committed to sustainability, and has set out a roadmap to 2030 under its environmental, social and governance (ESG) program A Better Tomorrow.

A Better Tomorrow

Our ESG program ‘A Better Tomorrow’ was developed to provide a roadmap from 2020 to 2030, with intermediate targets for 2025. It aligns with the Sustainable Development Goals (SDGs) relevant to Wereldhave and includes elements from leading ESG benchmarks such as GRESB and BREEAM. The program is based on three focus areas, each with clear ambitions:

- Better Footprint – reduce carbon emissions by 30% by 2030 for all m^2 under Wereldhave's operational control (SBTi approved) and become Paris Proof by 2045 (DGBC approved)
- Better Nature – 100% of assets to have action plans to mitigate the physical effects of climate change and double the surface area of vegetation roofs and green spaces
- Better Living – contribute at least 1% of net rental income to socio-economic and social inclusion initiatives, and aim for zero safety incidents at Wereldhave centers

The EU Omnibus package

Wereldhave prepared for reporting in line with the Corporate Sustainability Reporting Directive (CSRD) and the EU Taxonomy.

On 26 February 2025, the European Commission launched its Omnibus sustainability rules simplification package. The Omnibus package proposes amendments to several directives and regulations. These include the CSRD and the EU Taxonomy for sustainable activities. The Omnibus package is expected to impact Wereldhave’s scope and timeline toward the implementation of CSRD and EU Taxonomy. Wereldhave is closely monitoring developments regarding the adoption of this package and may adjust its approach to implementation of CSRD and EU Taxonomy accordingly.
The EU Omnibus package does not affect Wereldhave’s ESG ambitions as defined in its A Better Tomorrow program.

Outlook

We maintain our direct result per share forecast of € 1.70-1.80 which we, due to the accretive acquisition in Luxembourg in February 2025, expect to reach the higher end of this range.

Glossary of terms

This glossary includes definitions of measures used in our reporting. We use a variety of financial and non-financial measures to assess and explain our performance. A number of the financial measures used, including net debt, direct result, direct result per share and the measures in accordance with the industry best practices as published by the European Public Real Estate Association (EPRA), are not defined under International Financial Reporting Standards (IFRS), and are therefore considered alternative performance measures (APMs). APMs are not considered superior to the relevant IFRS measures, rather management uses them alongside IFRS measures to monitor the Company's financial performance as they help illustrate the performance and position of the Company. These measures are determined on a consistent and comparable basis with our latest published annual report, unless otherwise stated.

Customer satisfaction Benelux (Net Promoter Score) is calculated as the 1-year moving average Net Promoter Score (NPS), measured over the entire portfolio of continued operating shopping centers in the Benelux. Continued operating shopping centers exclude developments and refurbishments.

Direct result is based on the EPRA earnings, which further excludes project related or other expenditures that are not considered by management to be part of the operational performance of the Company.

Direct result per share (DRPS) is calculated by dividing Direct result attributable to shareholders by the weighted average number of shares.

EPRA cost ratio including direct vacancy costs takes total property expenses, net service charges and general costs, divided by gross rental income from the IFRS income statement. The gross rental income and total costs are adjusted in case of income that is specifically intended to cover overhead expenses.

EPRA earnings is a measure of operational performance and the extent to which dividend payments to shareholders are underpinned by income generated from operational activities. The measure is based on the result from the IFRS income statement attributable to shareholders excluding valuation results, results on disposals, and the fair value of changes of financial instruments.

EPRA earnings per share is calculated by dividing EPRA earnings by the weighted average number of shares.

EPRA loan-to-value (EPRA LTV) is based on net debt divided by net assets as defined by EPRA, and based on a proportional consolidation of non-controlling interests.

EPRA net disposal value (EPRA NDV) takes IFRS NAV including the fair value of the interest-bearing liabilities attributable to shareholders.

EPRA net Initial yield (EPRA NIY) is calculated using the annualized rental income based on cash rents passing at the balance sheet date, less non-recoverable property operating expenses, divided by the market value of the property, including estimated purchasers' cost on the basis of the valuation reports from appraisers at reporting date.

EPRA net reinstatement value (EPRA NRV) takes IFRS NAV, excluding the fair value of financial instruments and deferred tax liabilities, and including real estate transfer tax of the investment portfolio attributable to shareholders.

EPRA net tangible assets (EPRA NTA) takes IFRS NAV excluding intangible assets, the fair value of financial instruments, and 50% of the value of the deferred tax liabilities attributable to shareholders.

EPRA vacancy rate is the estimated rental value of vacant units as a percentage of the total estimated rental value of the portfolio, excluding development units, units under offer or occupied by the Group.

Estimated rental value (ERV) is the Company's external appraisers' opinion at valuation date of the market rent that could reasonably be expected to be obtained on new letting or renewal of the unit or property.

Footfall is the number of visitors in our shopping centers during the period.

Footfall growth is the change in footfall calculated as the footfall in current period divided by the footfall in the same period last year.

Gross loan-to-value (Gross LTV) is calculated based on the loan covenants and excludes the cash and cash equivalents compared with the Net LTV.

IFRS Net asset value per share (IFRS NAV) is equity attributable to shareholders divided by the total number of ordinary shares for net asset value.

Indirect result includes the items that are excluded from the IFRS income statement for the determination of the EPRA earnings, as well as further exclusions made as part of the determination of the Direct result.

Indirect result per share is calculated by dividing Indirect result attributable to shareholders by the weighted average number of shares.

Interest coverage ratio is the ratio of net rental income and the interest expense on interest-bearing liabilities (excluding amortized costs) as included in net interest in the income statement. The calculation is based on the loan covenants included in our financing agreements.

Like-for-like net rental income growth is the change in net rental income of the portfolio that has been consistently in operation during the two full reporting periods. This excludes acquisitions, disposals and developments.

MGR vs ERV is the percentage change calculated as the MGR on new or renewed contracts signed divided by the applicable ERV during the period.

MGR Uplift is the percentage change in MGR from renewed lease agreements signed during the reporting period compared with the MGR before the renewal.

Minimum guaranteed rent (MGR) on reporting date based on the lease agreements in place.

Net debt is the sum of the non-current and current interest-bearing liabilities, less cash and cash equivalents.

Net loan-to-value (Net LTV) is the ratio of net debt, including the value of the foreign exchange derivatives, to the aggregate value of investment properties, including assets held for sale, as well as property leased out under finance lease, less the present value of future ground rent payments.

Number of ordinary shares for net asset value is the total number of ordinary shares in issue, less the treasury shares held by the Company at the end of the period.

Occupancy rate is calculated as 100%, less the EPRA vacancy rate.

Occupancy cost ratio (OCR) is the total cost of occupation, which is calculated by taking rent, service charges and marketing contributions divided by the retail sales obtained from the tenant.

Proportion of mixed-use Benelux is the percentage of square meters devoted to tenants that operate in branches that are considered mixed-use in comparison with the total available square meters in our Benelux shopping centers.

Solvency is calculated as the total equity, less intangible assets and provisions for deferred tax assets divided by total assets per balance sheet, less intangible assets.

Retail sales are the sales figures provided by our tenants from our shopping center portfolio.

Tenant satisfaction is measured through tenant surveys, which provide a score for customer satisfaction on a defined scale.

Total property return is a measure of the unlevered return of our investment portfolio and is calculated as the change in fair value, less any investments made, plus net rental income, expressed as a percentage of fair value at beginning of period, plus the investments made during the period concerned, excluding land.

Total return based on EPRA net tangible assets per share is calculated as the total of the dividend paid per share and the change in EPRA NTA per share compared with the prior period.

Total shareholder return is a performance measure of the Company's share price over time. It is calculated as the share price movement from the beginning of a defined period to the end of the defined period plus dividends paid, divided by the average share price in the three months preceding the start of the defined period.

Weighted average number of shares includes the weighted average of the number of ordinary shares outstanding during the period (excluding treasury shares).

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