

A LA COMISIÓN NACIONAL DEL MERCADO DE VALORES

MERLIN Properties, SOCIMI, S.A. (“MERLIN”), en cumplimiento de lo dispuesto por la normativa de aplicación, comunica la siguiente

INFORMACIÓN RELEVANTE

MERLIN celebrará un *Conference Call* con analistas e inversores institucionales, el jueves 24 de febrero de 2022, a las 15 horas de Madrid/CET, que podrá seguirse en tiempo real, vía audio-conferencia, a través del siguiente *link* y con los siguientes códigos de acceso:

Webex Link:

<https://merlinproperties.webex.com/merlinproperties/j.php?MTID=mac8fe25377d89a4c2bd8cd9cf90d1070>

Número evento: 7744548

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Adjunto se remite la nota de prensa y la documentación soporte a la presentación, que están igualmente disponibles a través de la página web corporativa de MERLIN (www.merlinproperties.com)

Madrid, 23 de febrero de 2022.

MERLIN Properties SOCIMI, S.A.

MERLIN Properties consolida su recuperación con sólidos resultados

- Rentas brutas: € 505,3 millones (+0,4%)
- EBITDA: € 377,2 millones (+3,2%)
- Valor bruto de los activos: € 13.041 millones (+2,0% LfL)
- Valor neto de los activos por acción: € 16,11 (+4,2%)
- Beneficio operativo ("FFO"): € 273,0 millones (+4,1%)

- El beneficio operativo supera los € 273 millones (equivalente a € 58 céntimos por acción), superando la indicación dada al mercado al inicio del período (€ 56 céntimos por acción).
- Crecimiento en todas las métricas financieras y operativas clave tales como ocupación (94,5% +21 pbs vs. 2020), rentas *like-for-like* (+0,2 vs. 2020) o beneficio operativo (+4,1% vs. 2020).
- El valor neto de los activos según recomendaciones EPRA ("EPRA NTA") se sitúa en € 16,11 por acción, con un crecimiento del 4,2% respecto al año pasado.
- Endeudamiento del 39,2%, que supone una reducción respecto a 2020 (39,9%) pese a la distribución a los accionistas de €210 millones o €45 céntimos por acción en el ejercicio.

Madrid, 23 de febrero.- MERLIN Properties ha cerrado el ejercicio 2021 con unos ingresos totales de € 512,1 millones (incluyendo rentas brutas de € 505,3 millones), un EBITDA de € 377,2 millones y un beneficio operativo de € 273,0 millones (€ 58 céntimos por acción). Los incentivos Covid han alcanzado €24,9 millones en el ejercicio, de los cuales únicamente €1,2 millones se han producido en el cuarto trimestre.

El valor bruto de los activos se sitúa en € 13.041 millones (+2,0% LfL vs 2020), siendo logística la categoría que más crece (+14,5% LfL). Oficinas y net leases se mantienen en línea con el año anterior y centros comerciales sufre un ligero ajuste del -1,6% LfL. El valor neto de los activos asciende a € 7.567 millones (€ 16,11 por acción), con un incremento del 4,2% vs 2020.

Tras la distribución a los accionistas de €210 millones o €45 céntimos por acción, el nivel de endeudamiento ("LTV") se sitúa en 39,2% (vs 39,9% en 2020), con una posición de liquidez de € 1.811 millones y con el vencimiento medio de la deuda en 5.3 años. Se ha repagado anticipadamente el bono de €548,3 millones con vencimiento en 2022 y cupón del 2.375%.

Oficinas

- Evolución del negocio

Las rentas like-for-like (-1,2%) mejoran en comparación con el 6M21 (-2,9%) y con el 9M21 (-2.1%), gracias a la estabilización de la ocupación. Se ha batido la indicación de ocupación dada al mercado a principios del ejercicio (89,1%-89,6%), situándose ésta en 90,1%. Se prevé que esta senda alcista en términos de ocupación continúe durante 2022, con un aumento de otros 150 pbs (91,5%).

- Plan Landmark I

El plan Landmark está a punto de concluir tras la entrega de Castellana 85 en Madrid y Monumental en Lisboa, al 100% ocupados. Gracias a este plan de creación de valor, se han generado ya más de €20 millones de rentas adicionales y se ha creado valor por importe de €475 millones. Únicamente queda pendiente la reforma de Plaza Ruiz Picasso, en el corazón de AZCA, proyecto de gran envergadura, cuya entrega está prevista para finales de 2023.

Logística

- Evolución del negocio

El mercado logístico continúa experimentando un importante empuje de la mano del crecimiento de la venta on-line. Las rentas like-for-like siguen incrementando (+1,6% vs. 2020) gracias al aumento de la ocupación y con un release spread del 4,0%. Año muy interesante en cuanto a comercialización con más de 240.000 m² firmados. La ocupación se sitúa en máximos históricos, y continúa creciendo en 2022 tras haber firmado 16.100 m² con Leroy Merlin en A4-Getafe (CLA).

- Plan Best II & III

Se han firmado en el ejercicio dos proyectos llave en mano por más de 90.000 m² que se entregarán a mediados de 2022. Además, con la entrega de 95.987 m² a Decathlon y 8.168 m² a Maersk, concluye el desarrollo del banco de suelo de ZAL Port. MERLIN ha sido capaz de desarrollar de cero una cartera de activos logísticos únicos, en unas ubicaciones privilegiadas y a precios muy atractivos, gracias a su política de adquisición selectiva de suelo en fases tempranas del ciclo.

Centros comerciales

- Evolución del negocio

La ocupación en centros comerciales (94,2%) supera los niveles prepandemia. La política comercial y el intenso esfuerzo comercializador han dado sus frutos con 33.600 m² firmados en el ejercicio. Las ventas y afluencias continúan recuperándose. La tasa de esfuerzo se sitúa en 12,1%, comparado con 12,9% en 2020 y 12,6% en 2019.

La política comercial finalizó en junio del 2021 y ha supuesto €24,9m de incentivos en el período, contabilizados como gasto íntegro en 2021 es decir, no linealizado.

- Plan Flagship

Finalización del plan Flagship con la entrega de Porto Pi en Mallorca y Saler en Valencia. Flagship ha supuesto la reforma de más de 230.000 m² para adaptarse a las nuevas tendencias, a los nuevos formatos comerciales y a las exigencias del mercado post Covid.

Plan Mega (Data Centers)

El desarrollo del plan Mega está a punto de comenzar, con un fuerte interés comercial por parte de posibles inquilinos. La licencia del primer módulo del data center ubicado en el País Vasco ya se ha concedido y la Compañía está en negociaciones avanzadas para alquilar el 67% del activo.

Valor de la cartera de activos

El valor bruto de los activos (“Gross Asset Value” o “GAV”) de MERLIN asciende a € 13.041 millones a 31 de diciembre de 2021, según las tasaciones realizadas por Savills, CBRE y JLL, frente a los € 12.811 millones de hace un año. Por categorías de activos, oficinas y *net leases* se han mantenido relativamente planos, los centros comerciales han sufrido una ligera caída y la logística, aupada por el mercado y el excelente rendimiento de la cartera, ha subido un 14,5%.

Por lo que respecta al valor neto de activos, éste asciende a € 7.567 millones, equivalentes a € 16,11 de EPRA NTA por acción, con un incremento del 4,2% sobre 2020 (€ 15,46 por acción). La tasa de rentabilidad para el accionista en el ejercicio se sitúa en el 7,1% (vs 1,4% en 2020).

Dentro de su política de rotación de activos non-core, MERLIN ha realizado desinversiones por importe de € 238 millones con una prima media sobre la tasación de activos del 5,4%.

Sostenibilidad

MERLIN ha obtenido una muy buena puntuación en la edición 2021 de GRESB (81 sobre 100) y Carbon Disclosure Project (B). Además, continúa la progresión en el programa de certificación de la cartera, habiendo obtenido 26 nuevas certificaciones LEED/BREEAM en 2021, lo que eleva el porcentaje de edificios certificados a más del 91% y hace factible llegar al ambicioso objetivo del 99% en 2022 que establecimos hace años. Cabe destacar la inclusión de MERLIN Properties en el Dow Jones Sustainability Index Europe, única compañía del sector inmobiliario español que forma parte de este selecto índice.

Perspectivas para 2022

La Compañía espera continuar, en 2022, con la misma senda alcista. En oficinas, se prevé una subida de la ocupación de 150 pbs para situarse cerca de niveles pre Covid a finales de 2022 (91,5%) y en centros comerciales se espera aumentar la ocupación hasta el 94,5%. Además, la Compañía se va a ver beneficiada por el aumento de la inflación.

La Compañía ha indicado al mercado su estimación de beneficio operativo para el ejercicio 2022 en €64 céntimos por acción, en ausencia de nuevos repuntes de la pandemia. Además, se contempla un dividendo mínimo de € 25 céntimos con cargo al ejercicio 2021 (sujetos a aprobación por la JGA y distribuibles en mayo) y se recomendará al Consejo distribuir un dividendo a cuenta de €20 céntimos en el segundo semestre de 2022.

Acerca de MERLIN Properties

MERLIN Properties SOCIMI, S.A. (MC:MRL) es una de las mayores compañías inmobiliarias cotizadas en la Bolsa española. Está especializada en la adquisición y gestión de activos terciarios en la península ibérica, invirtiendo principalmente en oficinas, centros comerciales y plataformas logísticas en los segmentos Core y Core Plus. MERLIN Properties forma parte de los índices de referencia IBEX 35, Euro STOXX 600, FTSE EPRA/NAREIT Global Real Estate Index, GPR Global Index, GPR-250 Index, MSCI Small Caps y DJSI.

Visite www.merlinproperties.com para obtener más información sobre la compañía.

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FY21 **Results** Presentation

24 February 2022





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ISMAEL CLEMENTE
CEO



MIGUEL OLLERO
COO



Financial performance

- **€ 0.58 FFO per share**, +3.9% increase compared to FY20, exceeding guidance (€ 0.56 ps)
- **GAV growth driven by logistics** (+14.5% LfL)
- Deleveraging continues with **LTV at 39.2%** (vs 39.9% FY20)
- Total shareholder return +7.1% (vs 1.4% in FY20)

Operating performance

- Occupancy growth in all asset categories, **with recovery in Offices in 2H21** (+97 bps vs. 6M21)
- **Good performance in Logistics**, with +1.6% LfL growth, +4.0% release spread and virtually full occupancy
- Despite Omicron, since November **footfall and sales continue recovering in retail**
- Good operating performance in retail, with +5.8% release spread, 94.2% occupancy and 33,600 sqm let in the year

Value creation

- **€ 238m disposals** at a 5.4% premium to GAV
- **Landmark plan:** Castellana 85 and Monumental have been delivered in 2021, **100% occupied**
- **Flagship plan** for retail **completed** after delivering Saler and Porto Pi
- **Best II & III logistics developments continue progressing** having secured ca. 90k sqm of pre-lets in the period. **Completion of the development of ZAL Port**, with the delivery of +100k sqm in 2021
- **Mega: first licence obtained** in Basque Country for the Digital Infrastructure Plan. In the process of obtaining the licenses for the other 3 sites by year-end





FY21 **Financial** results

FFO of € 0.58 per share, exceeding 2021 guidance (€ 0.56 per share)

(€ million)	FY21	FY20	YoY
Gross rents	505.3	503.4	+0.4%
Gross rents after incentives	462.5	441.1	+4.9%
Net rents⁽¹⁾	413.8	393.9	+5.1%
EBITDA⁽²⁾	377.2	365.4	+3.2%
FFO⁽³⁾	273.0	262.4	+4.1%
AFFO	258.0	247.6	+4.2%
IFRS net profit	512.2	56.4	n.m.
EPRA NTA	7,567.5	7,264.7	+4.2%
(€ per share)			
FFO	0.58	0.56	+4.1%
AFFO	0.55	0.53	+4.2%
EPS	1.09	0.12	n.m.
EPRA NTA	16.11	15.46	+4.2%

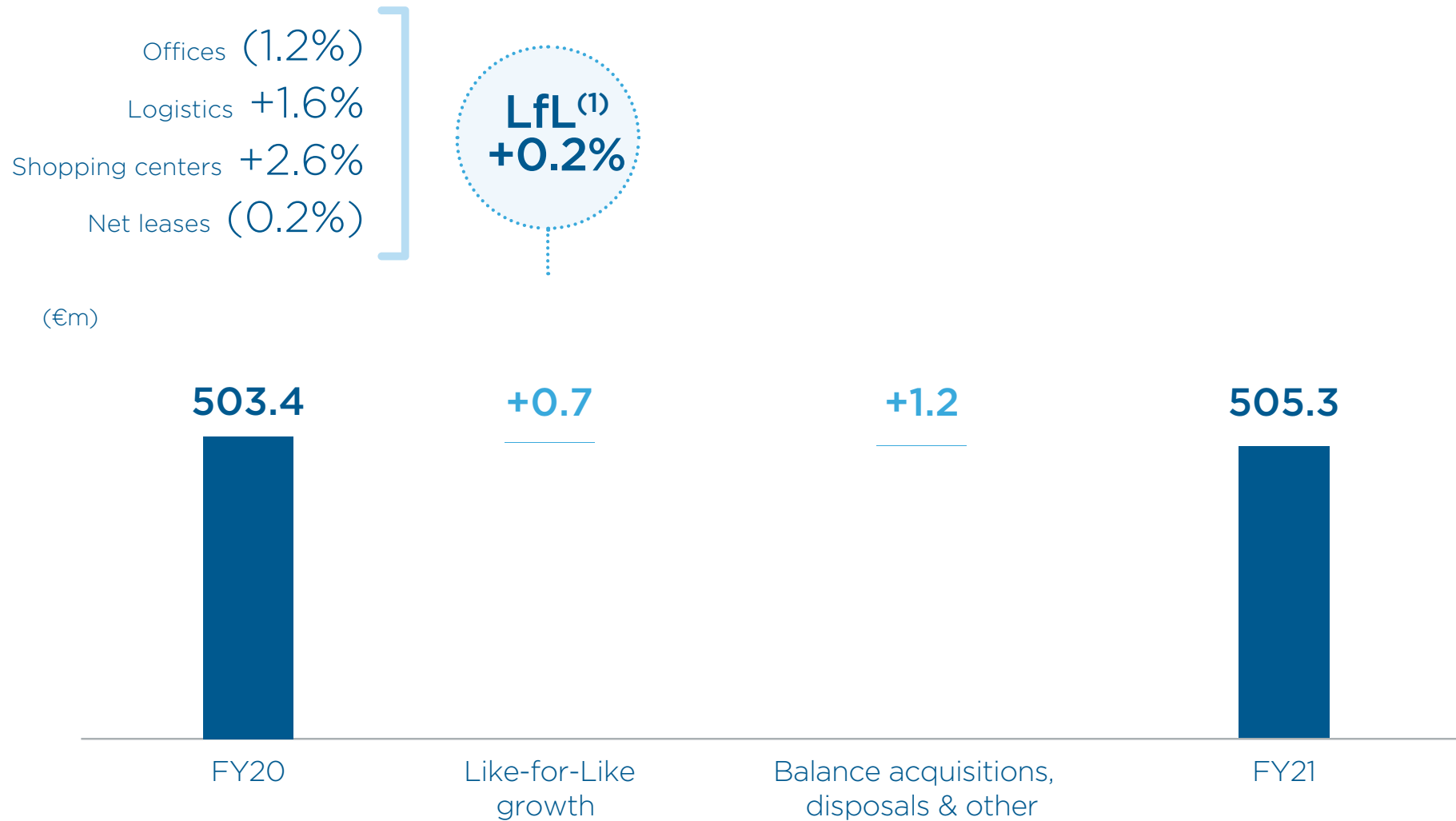
APM: definitions and reconciliation of APMs to the latest audited financial accounts can be found on page 53 of www.merlinproperties.com/wp-content/uploads/2022/02/Results-report-FY21.pdf

⁽¹⁾ Net of incentives

⁽²⁾ Excludes non-overhead costs items (€ 2.6m) plus LTIP accrual (€ 11.5m)

⁽³⁾ FFO equals EBITDA less net interest payments, less minorities, less recurring income taxes plus share in earnings of equity method

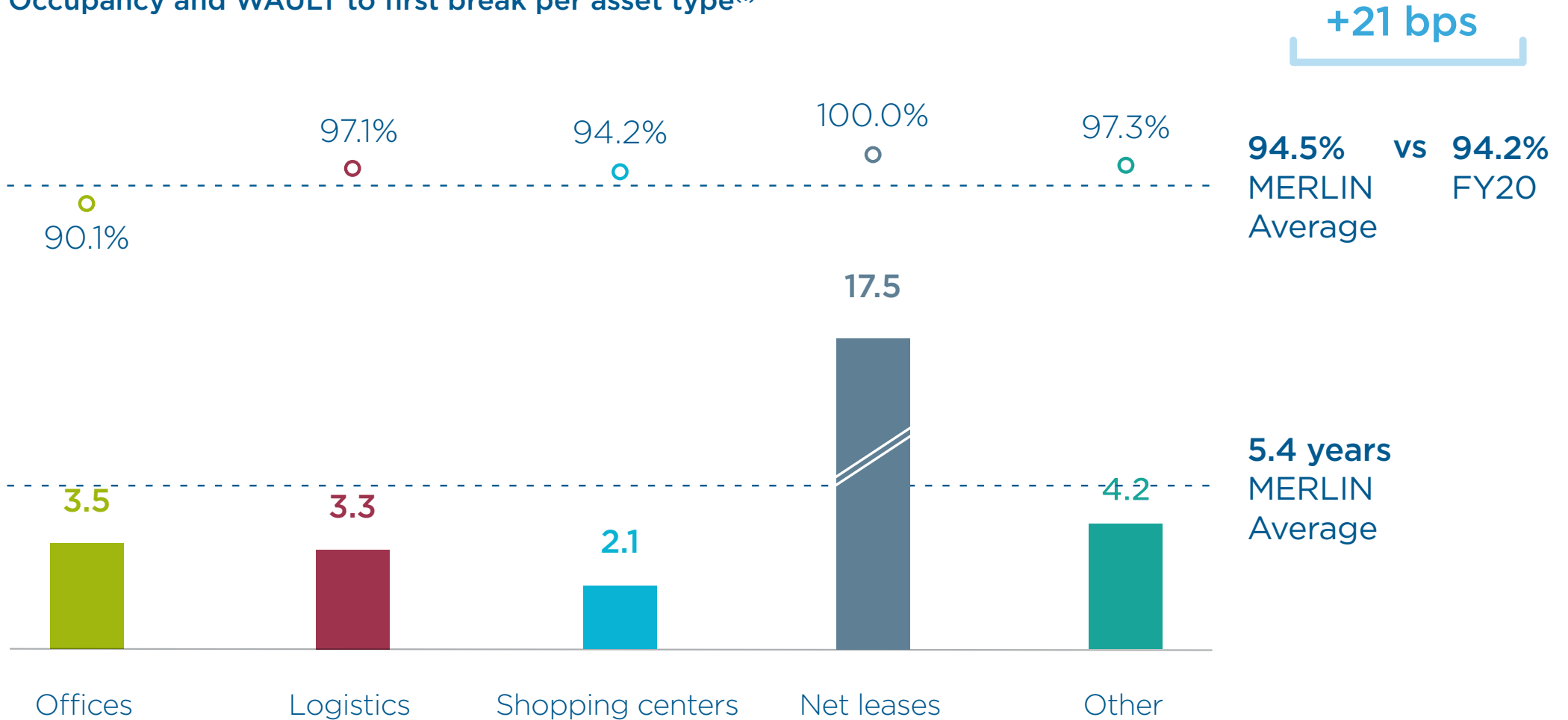
+0.2% LfL growth despite a difficult 1H21 in offices



⁽¹⁾ Portfolio in operation for FY20 (€ 481.4 m of GRI) and for FY21 (€ 482.1m of GRI)

Overall occupancy +132 bps since its trough in 3M21 with 3 consecutive quarters up

Occupancy and WAULT to first break per asset type⁽¹⁾



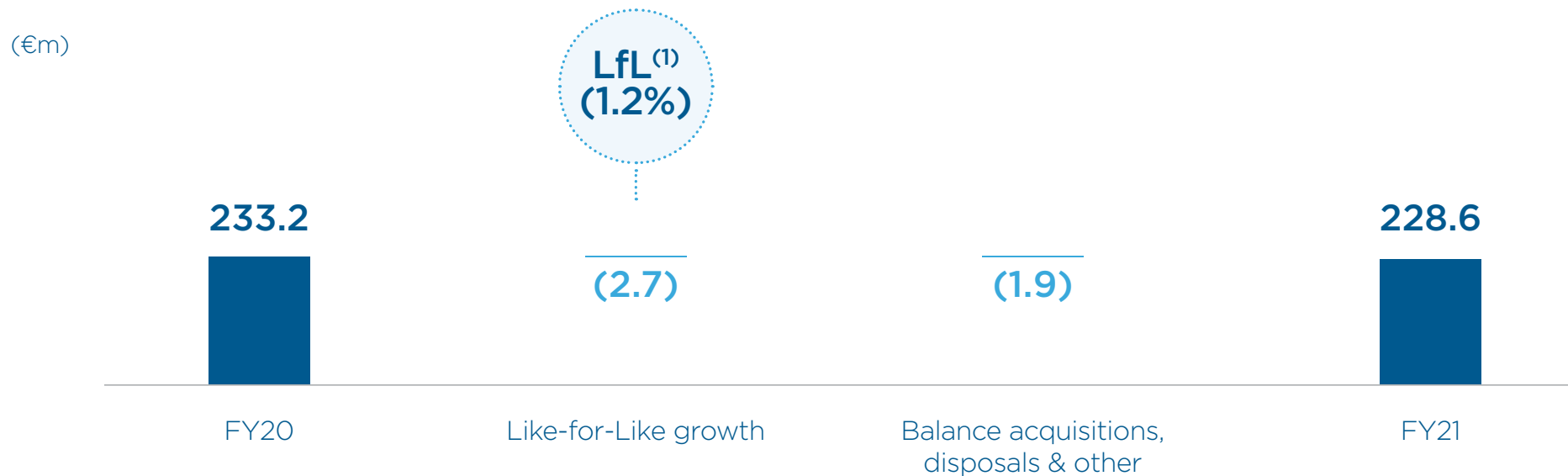
Source: Company

⁽¹⁾ WAULT by rents means the weighted average unexpired lease term to first break, calculated as of 31st December 2021



Offices

LfL rental decline stabilizing (1.2%), improving vs 6M21 (2.9%) and 9M21 (2.1%)



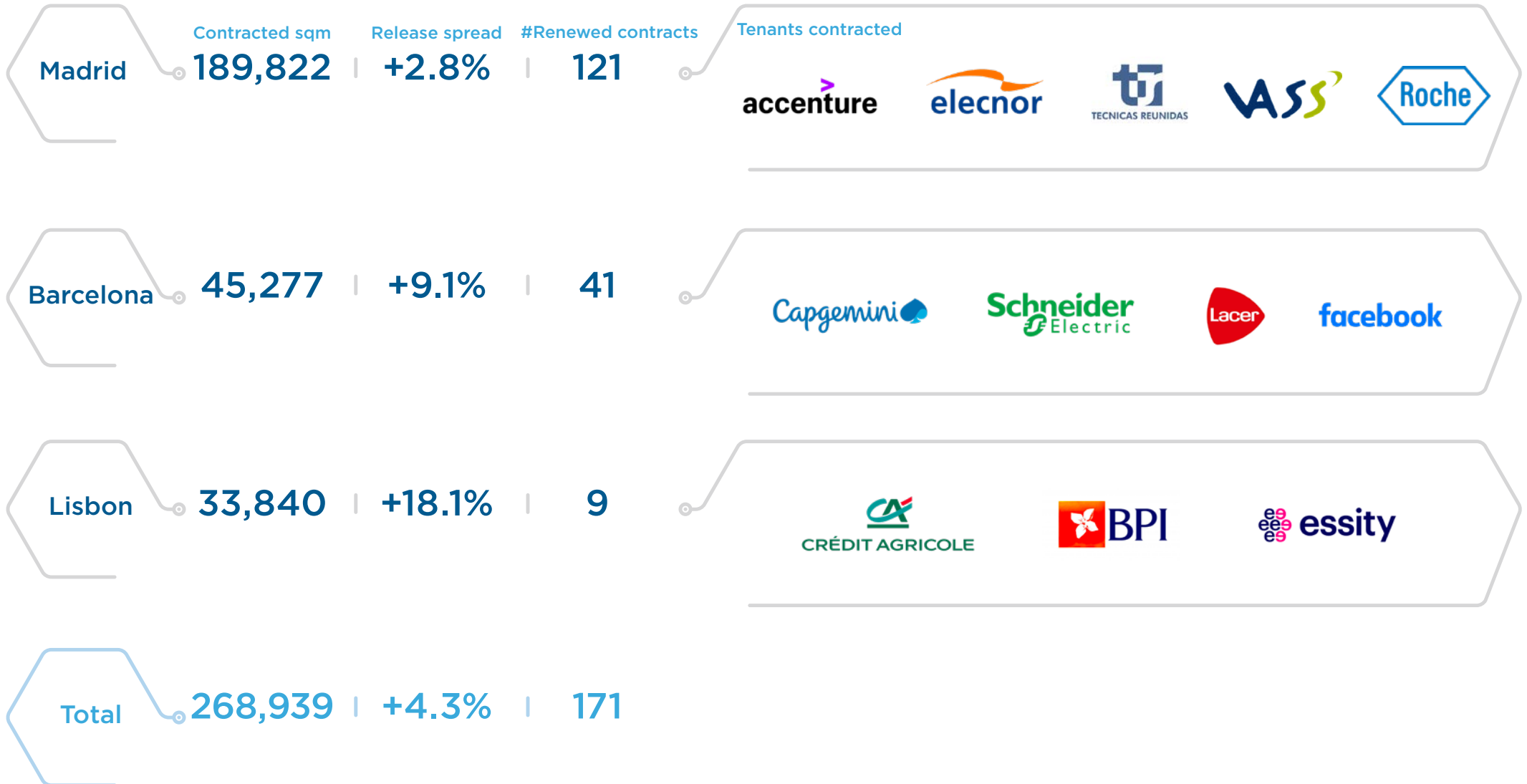
LfL growth by area

Occupancy by area

	LfL growth by area		Occupancy by area	
			FY20	FY21
Madrid	(2.4%)		89.5%	87.8% (174 bps)
Barcelona	+0.3%		92.6%	93.1% +47 bps
Lisbon	+4.4%		100.0%	99.5% (54 bps)

⁽¹⁾ Portfolio in operation for FY20 (€ 218.1 m of GRI) and for FY21 (€ 215.4m of GRI)

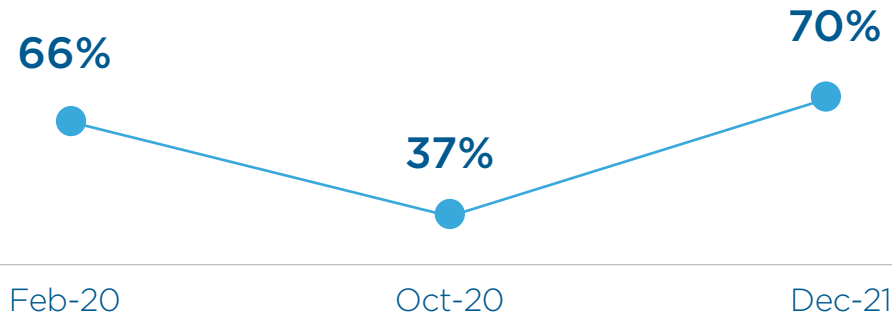
MERLIN continues capturing the reversionary potential in the portfolio with **+4.3% release spread**



Sharp occupancy growth on the back of the return to the office. +52% footprint in 2022

Occupancy

KPIs



- : 18,000 sqm
- : 1,877 desks
- : 70% occupancy
- : 10 spaces

New openings 2022 **967 desks (+52% increase in footprint)**



Castellana 85
196 desks



Castellana 93 exp.
70 desks



Atica exp.
147 desks



Torre Glòries exp.
87 desks



Plaza Cataluña 9
250 desks

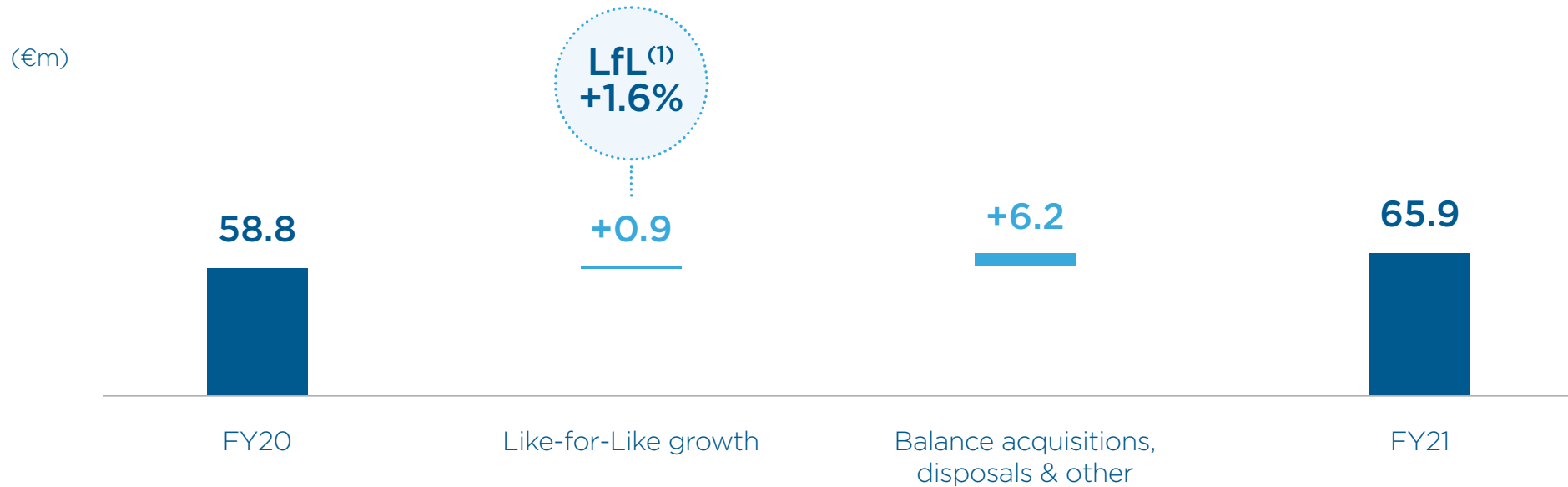


Ferreteria 22@
217 desks

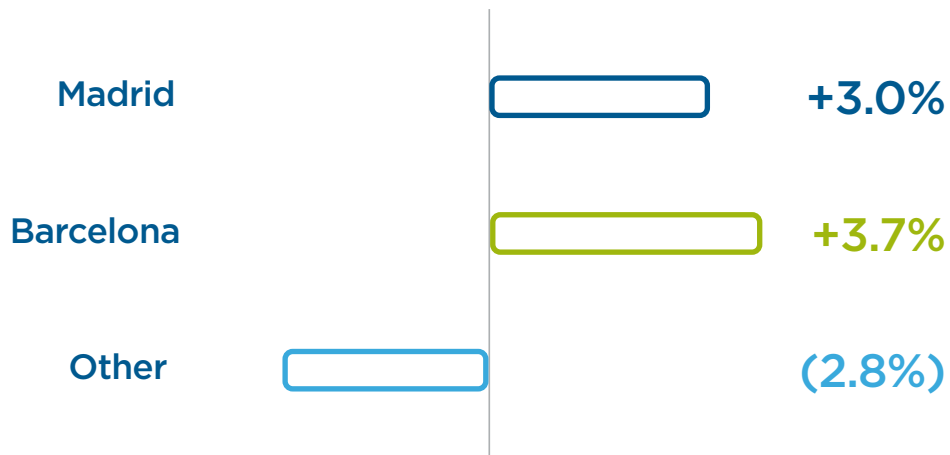


Logistics

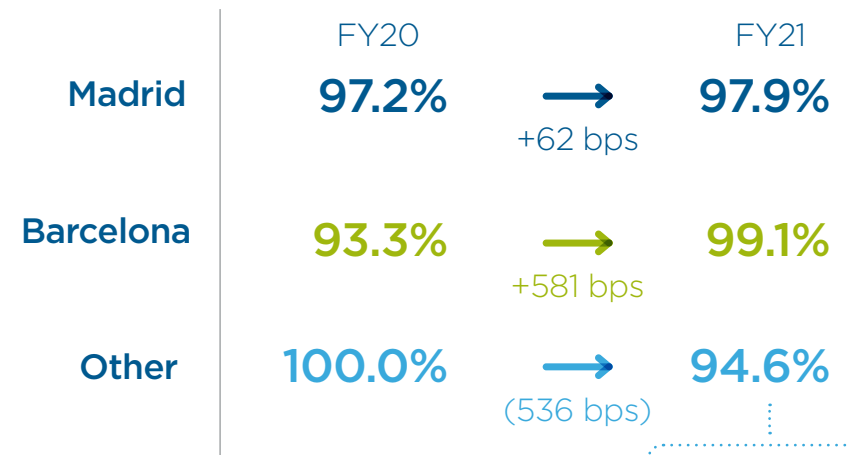
Logistics continues delivering good performance both organic (LfL +1.6%) and through developments



LfL growth by location



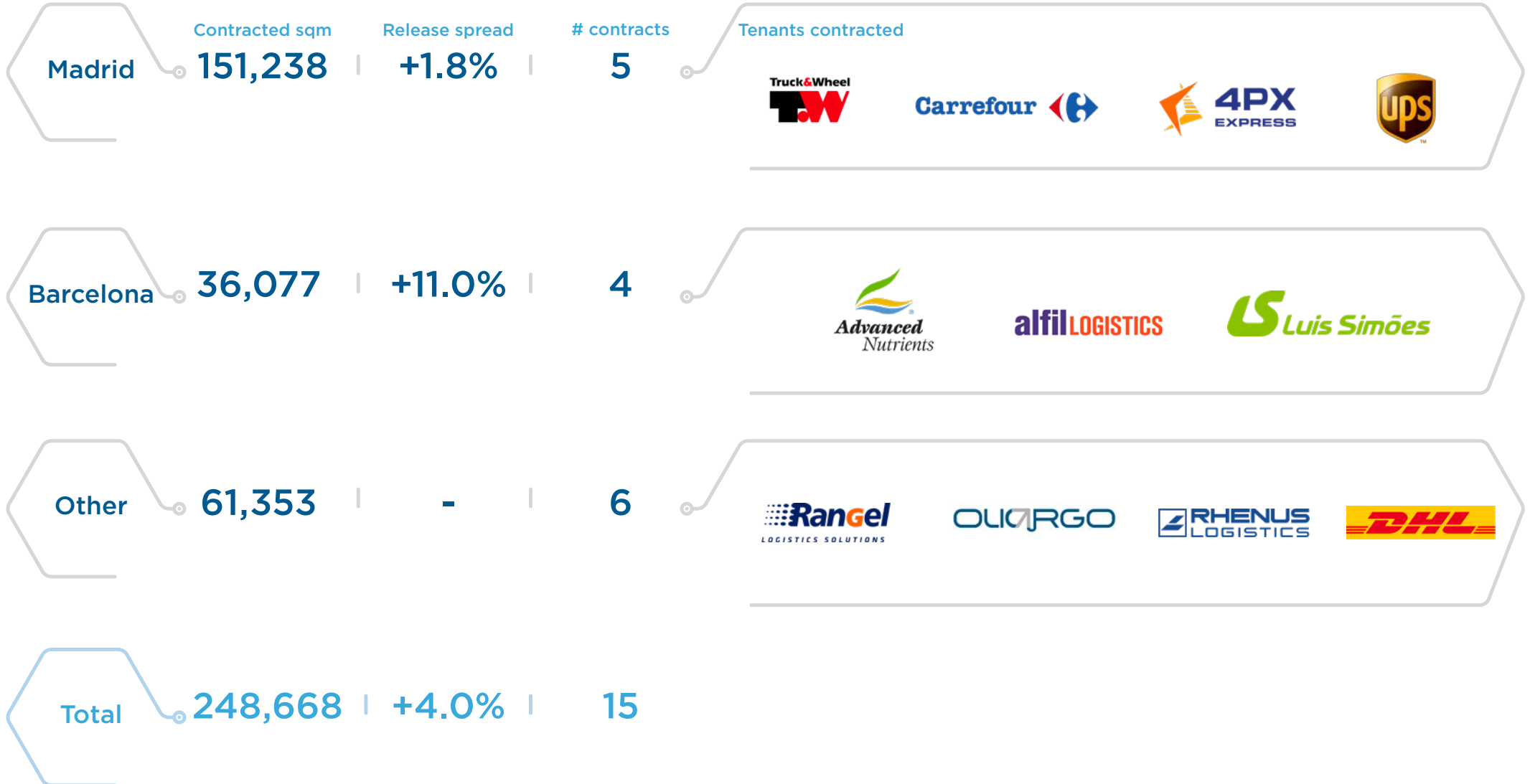
Occupancy by area



Exit of Imaginarium Zaragoza Plaza I

⁽¹⁾ Portfolio in operation for FY20 (€ 55.0 m of GRI) and for FY21 (€ 55.9m of GRI)

+4.0% Release spread



Double digit FFO increase (+17.5% vs FY20), after completing +100k sqm development in 2021



Stock **736,384 sqm**

Third parties stock **183,252 sqm**

Stock under management **919,636 sqm**

WIP program finalised after delivering **301,970 sqm** since 2017

Contracted sqm
268,290

Release spread
+1.4%

contracts
37

Tenants

Occupancy by area
FY20 **97.6%** — (628) → FY21 **91.3%⁽¹⁾**

€m	FY21	FY20	YoY
Gross rents	63.0	56.2	+12.1%
Net rents	58.2	50.8	+14.6%
EBITDA	55.7	49.2	+13.2%
FFO⁽²⁾	34.4	29.3	+17.5%

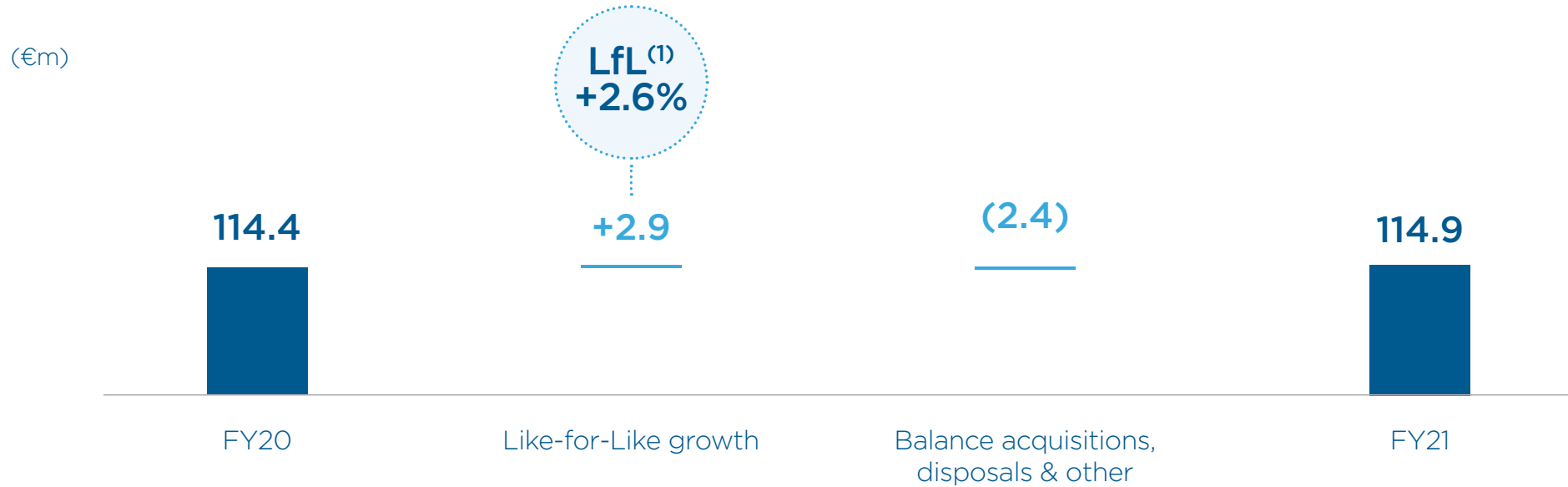
⁽¹⁾ 1 warehouse (48,423 sqm, 658 bps of the stock) vacated in 4Q21 and relet to Lidl in January 2022

⁽²⁾ After deducting leasehold concession charge



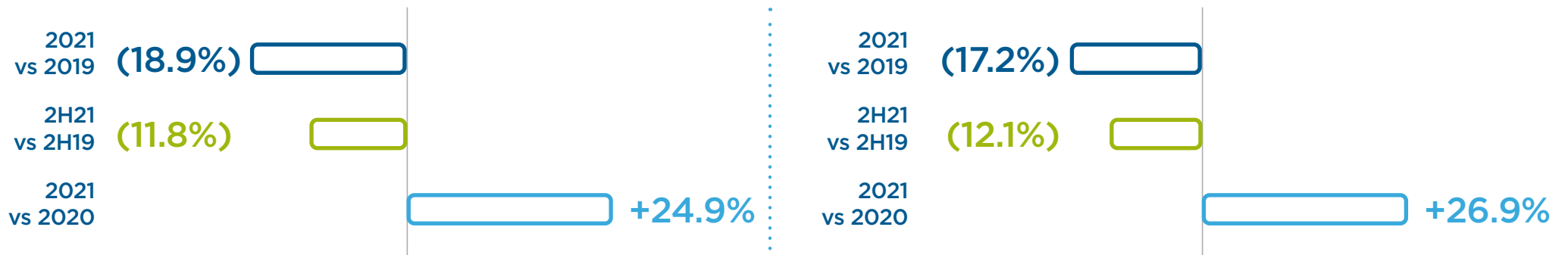
Shopping centers

Footfall and tenant sales recovering, maintaining OCR at 12.1% (vs 12.9% in 2020 and 12.6% in 2019)



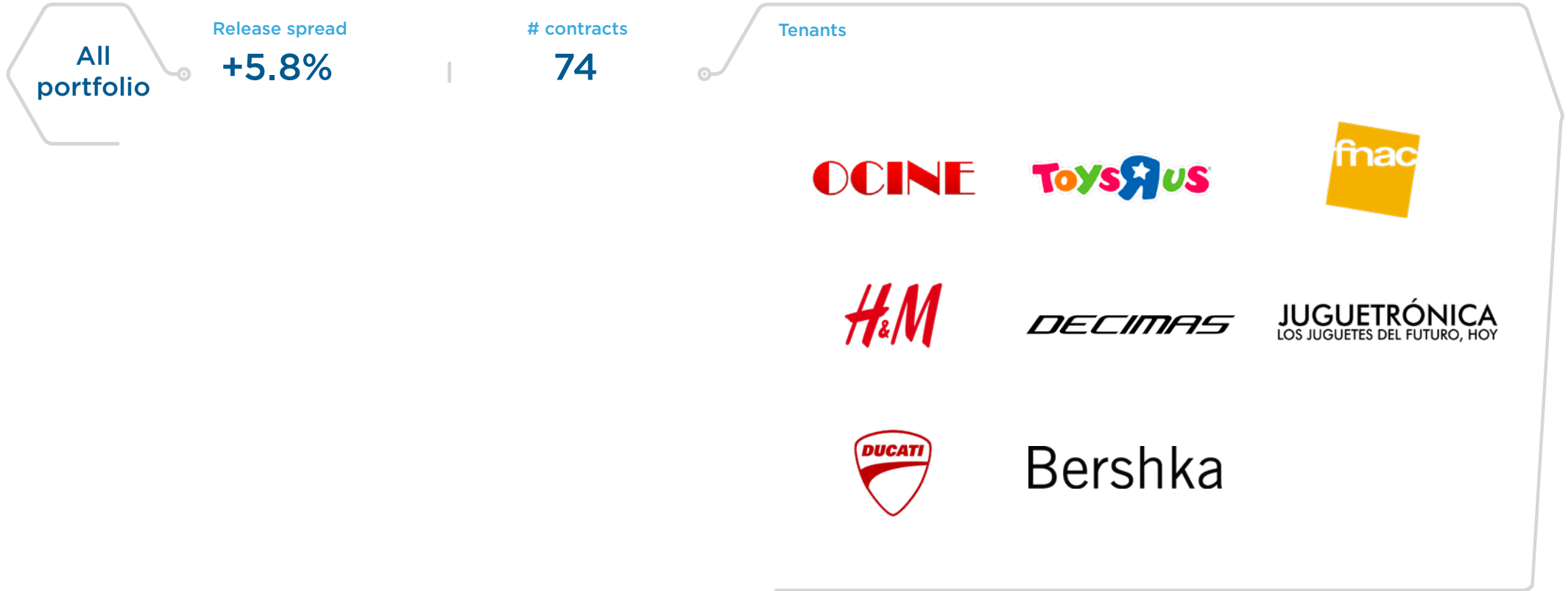
Footfall evolution

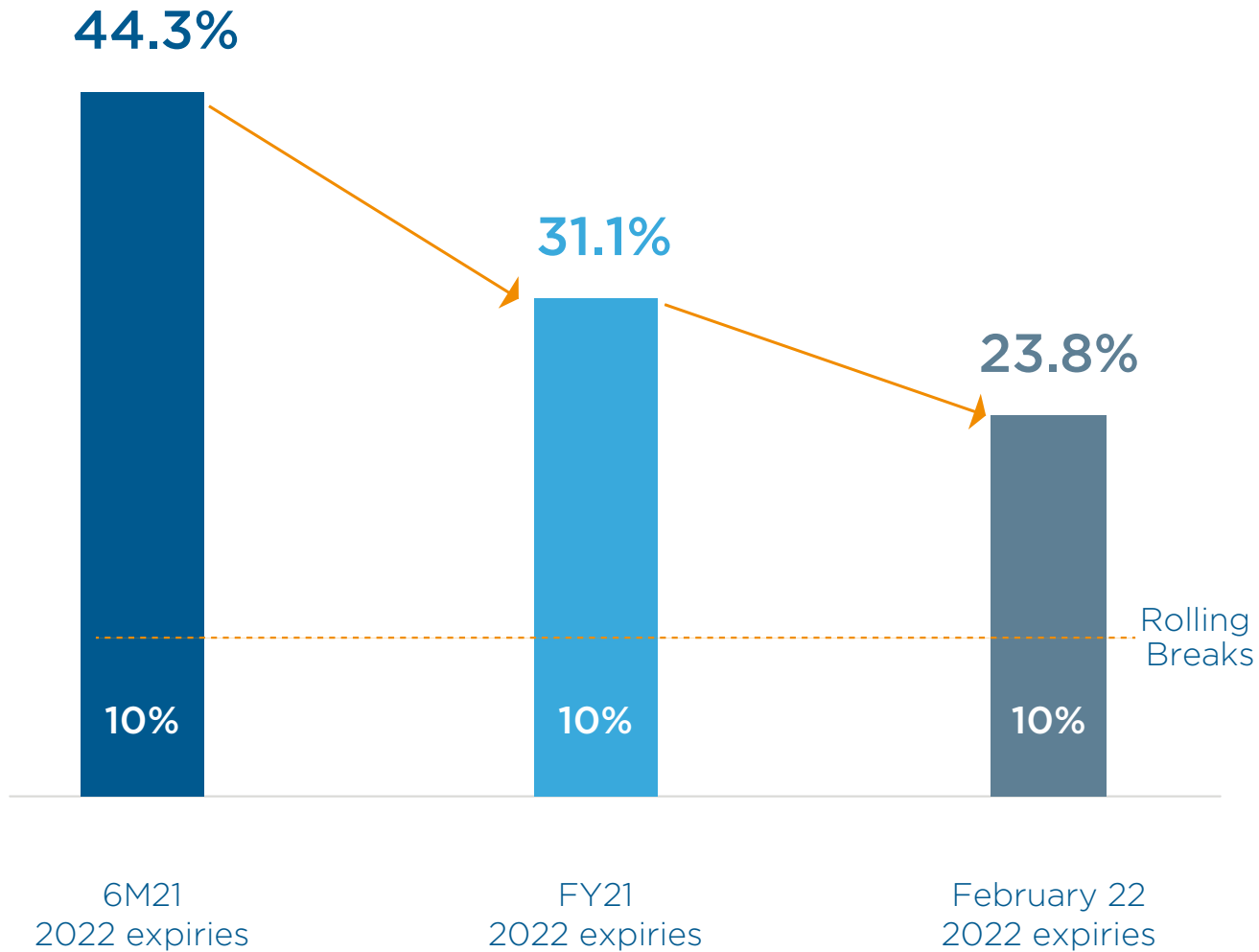
Tenant sales evolution



⁽¹⁾ Portfolio in operation for FY20 (€ 55.0m of GRI) and for FY21 (€ 55.9m of GRI)

Occupancy above pre-Covid levels (94.2%) due to commercial policy and Flagship plan deliveries



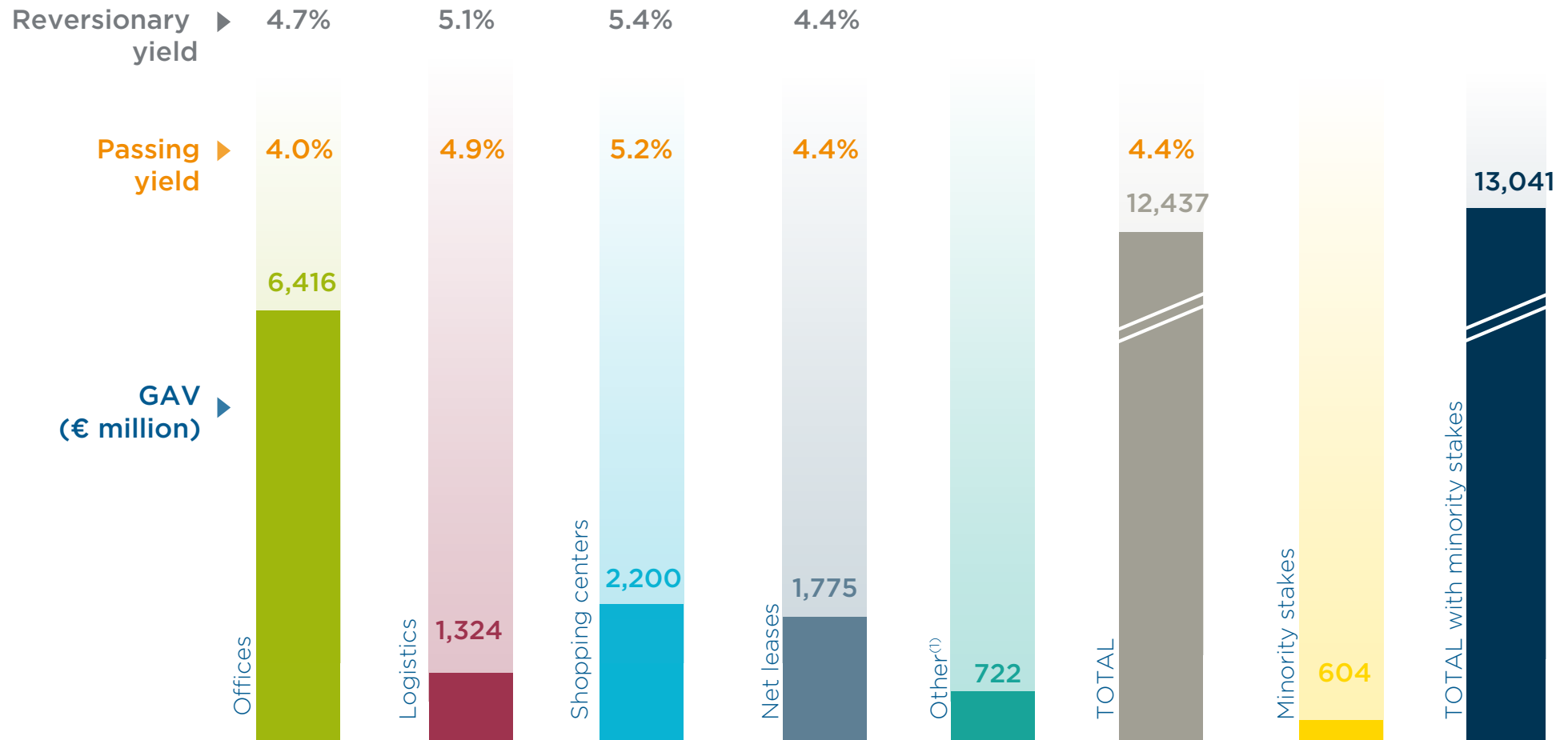


- ⋮ **33,600 sqm** let in 2021, a record-high figure for the company
- ⋮ Occupancy stands at **94.2%**, exceeding pre-Covid levels
- ⋮ Rolling breaks associated to anchor tenants, **with low exit risk**



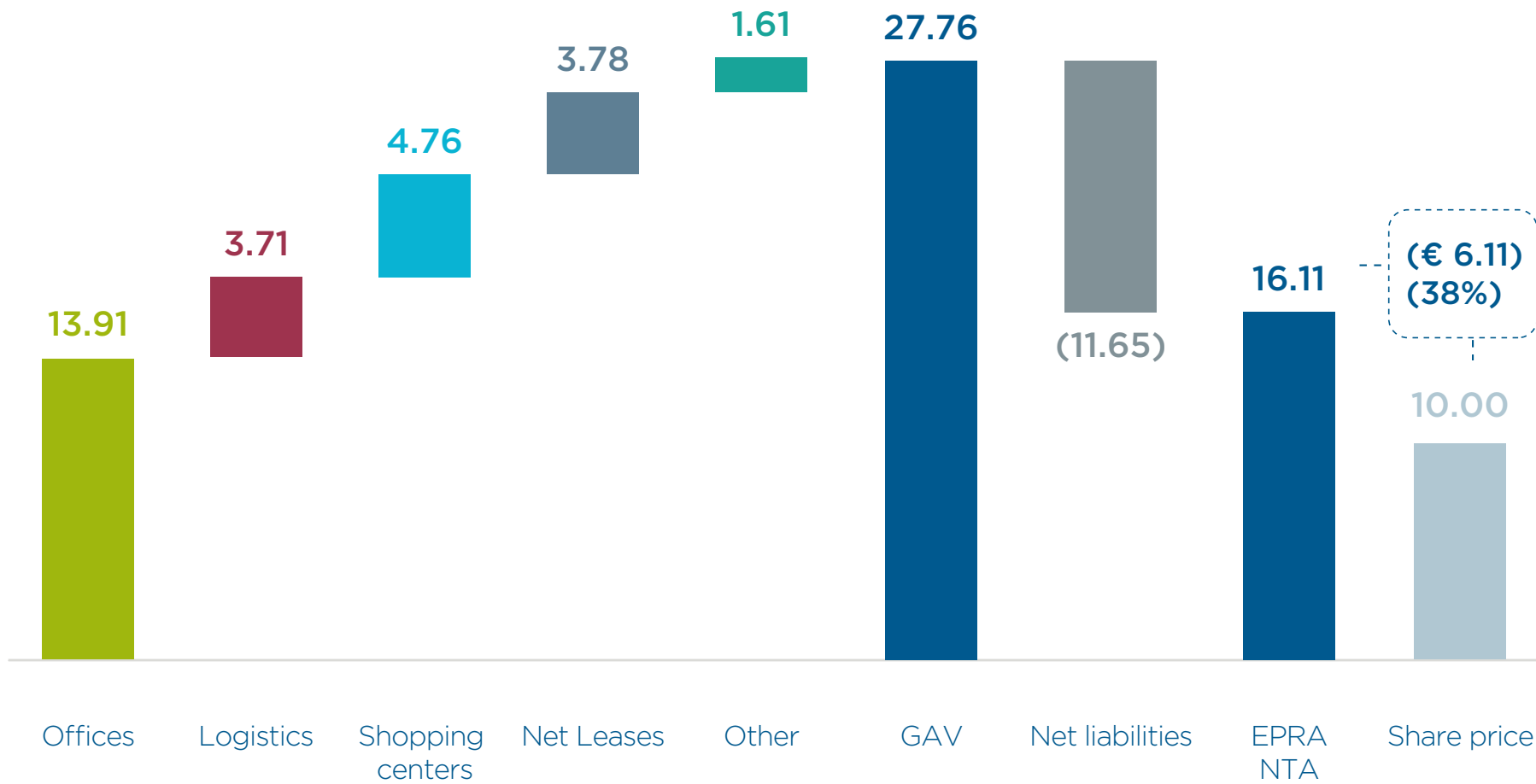
Valuation and debt position

Logistics is driving the revaluation of the overall portfolio



⁽¹⁾ Other includes WIP, hotels, non-core land and miscellaneous

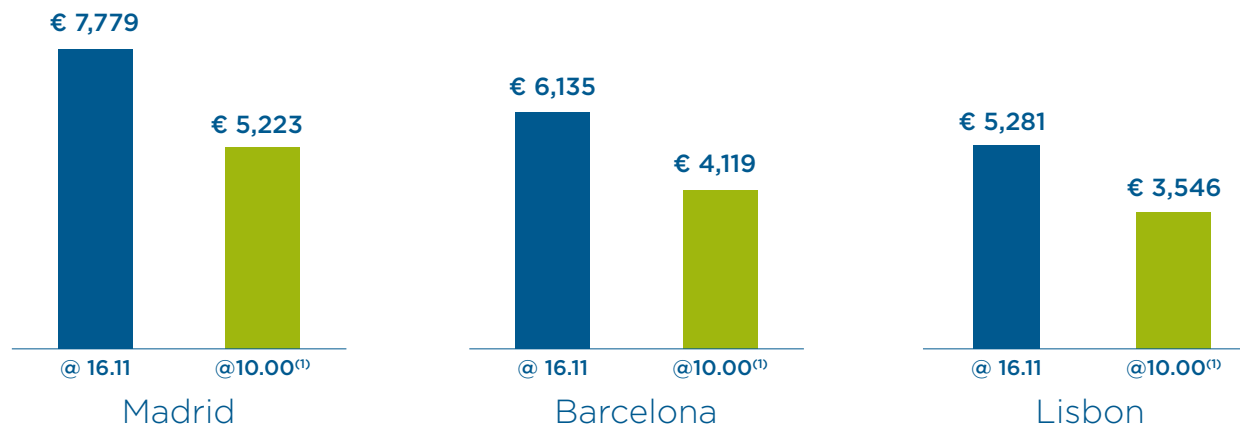
Book value
(€ per share)





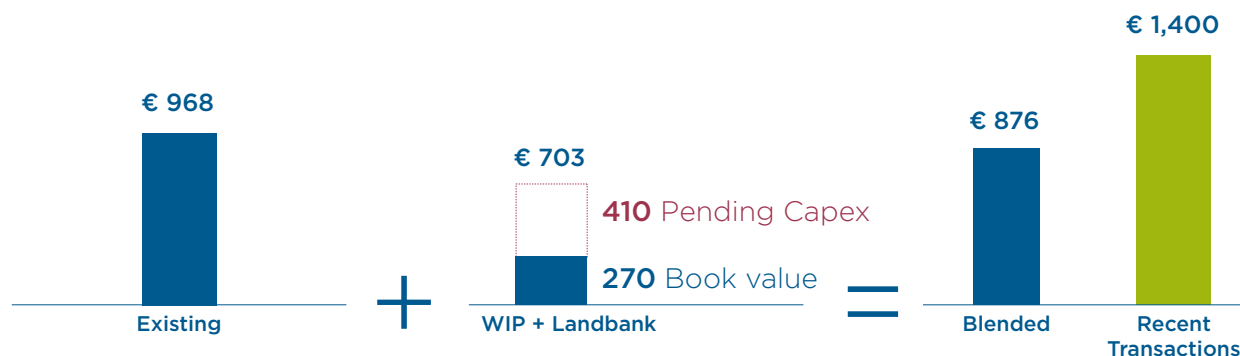
Offices

Prime + CBD
(€/sqm)



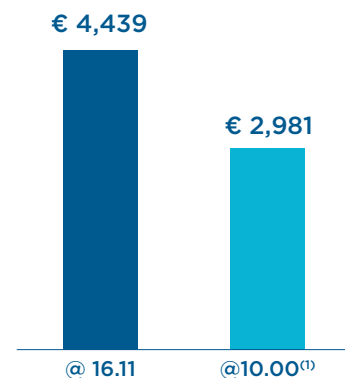
Logistics

(€/sqm)



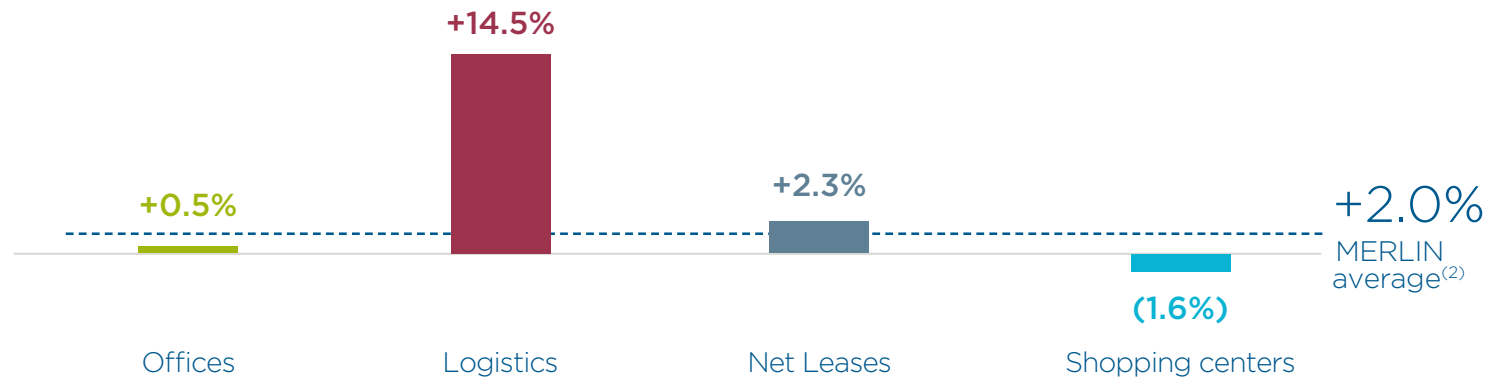
Shopping centers

(€/sqm)



⁽¹⁾ Assuming that the discount to NTA (38% or € 2.9bn) is applied linearly to offices and shopping centers, implying a 33% discount over GAV. Assuming no discount for other asset classes (logistics, net leases and other)

GAV LIKE-FOR-LIKE EVOLUTION⁽¹⁾



YIELD (COMPRESSION) / EXPANSION⁽³⁾



⁽¹⁾ GAV of WIP projects included under its respective asset class for LfL purposes

⁽²⁾ Including equity method

⁽³⁾ Based on exit yields

Strong financial profile with decreasing LTV combined with low & fix interest cost.
Moody's improving the **outlook to stable**

	31/12/2021	31/12/2020
Net debt	€ 5,247m	€ 5,268m
LTV	39.2%	39.9%
Average cost (spot)	2.07% (1.76%)	2.12% (1.80%)
Fixed rate debt	100.0%	99.8%
Average maturity (years)	5.3	6.0
Liquidity⁽¹⁾ (€ million)	1,811	1,253

2022 bond repaid with available cash

S&P Global

Rating

BBB

Outlook

Stable

MOODY'S

Baa2

Stable

Source: Company

⁽¹⁾ Includes available cash plus pending receivable of Silicius, treasury stock and undrawn credit facilities (€ 831m RCF and EIB loan) in FY21 and available cash plus pending receivable of Juno, Silicius, treasury stock and undrawn credit facilities (€ 786m RCF and EIB loan) in FY20

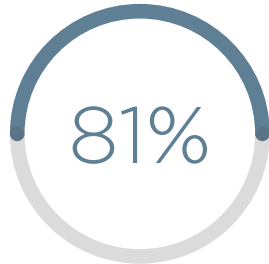


Sustainability

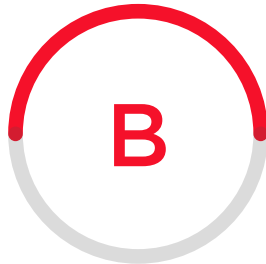
Strong progress in the year

Scorings

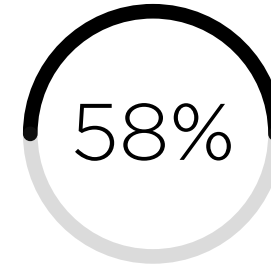
Real Estate



Climate change



General



Certifications

Sustainability



Quality



Dow Jones Sustainability Indexes

MERLIN has been included in the Dow Jones Sustainability European Index

MERLIN will launch its Pathway to net zero in 2Q22. Throughout the year, the Company has been working on a bottom-up analysis to shape and define the Pathway

The backbone of our strategy



Sustainable assets



Wellbeing of people



Reshaping cities

Pillars

1

Reducing operational carbon (scope 1+2)

2

Reducing embodied carbon (offices & logistics developments)

3

Reducing scope 3 emissions

4

Offsetting unavoidable emissions

SBTi aligned



Value **creation**

€ 238m of divestments executed to fund Capex plans at a 5.4% premium to latest GAV



Offices

Sale of **1 office building** in Madrid



Logistics

Disposal of **4 logistics warehouses**, 2 in Madrid, 1 in Zaragoza and 1 in Barcelona



Net Leases

Sale of **32 supermarkets** and **1 BBVA branch**

Other

Sale of stake in **Aedas**



Castellana 85

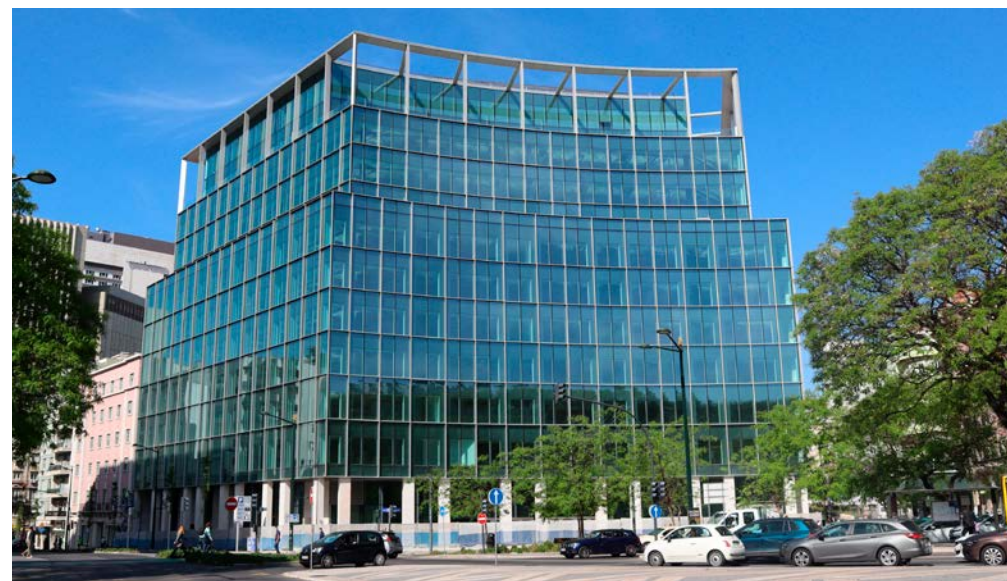
- **Full refurbishment of the asset**, located in the heart of Azca, the best business area in **Madrid Prime CBD**
- C85 hosts the HQ of **Accenture, Elecnor and Teka**

GLA **16,474 sqm**
 Total Capex **€ 34.8m**
 Yield on cost **8.1%**
Delivered

 **accenture**

 **elecnor**

LOOM



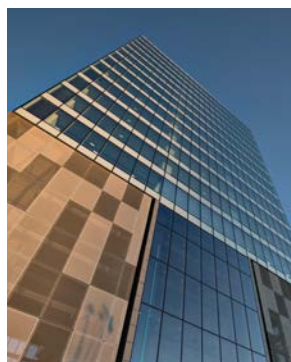
Monumental

- **Full refurbishment of the building**, located in Duque de Saldanha, one of the most emblematic squares in the city at the core of **Lisbon's Prime CBD area**
- 10-year term lease agreement with **BPI HQ**

GLA **25,358 sqm**
 Total Capex **€ 34.8m**
 Yield on cost **9.4%**
Delivered



Despite Covid, Landmark I has been a clear commercial and financial success



Torre Chamartín



Torre Glóries



Marqués de Pombal 3



Diagonal 605



Castellana 85



Monumental



Plaza Ruiz Picasso (WIP)

- >€ 20m of incremental rents already captured⁽¹⁾
- € 475m of value created⁽²⁾ (€ 1.01 per share)
- All delivered assets are 100% let except for Diagonal 605 (94%)
- Outstanding **tenant base**
- € 175m of contracted rents (Wault 5 years)
- Plaza Ruiz Picasso to be delivered in late 2023. Letting discussions underway

Main tenants



⁽¹⁾ Not including Plaza Ruiz Picasso, Torre Glories observatory deck or the vacant space

⁽²⁾ FY21 appraisal - pre Landmark I appraisal (FY17) - any capex incurred during the period. Not including rents collected during the period



P.E. Churruca

- **Progressive refurbishment of the business park** to transform it into one of the largest urban campus in Spain
- **Long term lease with Cunef**, for 100% of the asset

GLA 17,841 sqm
Delivery 2022-2026



P.E. Cerro Gamos 1

- **Full refurbishment of the business park**, located in Pozuelo
- **Long term lease with Fujitsu** to become their HQ in Madrid

GLA 4,338 sqm
Delivery 2024



Zal Port WIP⁽¹⁾

- ZAL Port has completed its development program with the **delivery of 2 turn-key projects** in 2021
- 100% let to **Decathlon and Maersk**



GLA **104,155 sqm**
 ERV **€ 5.7m⁽²⁾**
 Yield on cost **9.7%⁽²⁾**



Lisbon Park

- Phased project located in the **north of Lisbon**
- Phase I (**Lisbon Park A**) has **already been delivered and is fully let**



GLA **44,973 sqm**
 ERV **€ 2.1m**
 Yield on cost **7.1%**



A2 Cabanillas Park I-J

- **Last available plot in Cabanillas Park I.** Upon delivery in 2022 the complex will comprise 316k sqm of state-of-the-art warehouses
- 100% pre-let to **DSV**



GLA **44,858 sqm**
 ERV **€ 1.9m**
 Yield on cost **7.0%**



A2 Cabanillas Park II

- **First warehouse in our Cabanillas Park II development**
- Turnkey project with **Logista**



GLA **47,403 sqm**
 ERV **€ 2.1m**
 Yield on cost **8.1%**

⁽¹⁾ MERLIN owns a 48.5% stake in Cilsa (ZAL Port)

⁽²⁾ Post canon

⁽³⁾ 93.348 sqm if the preferential right is exercised

MERLIN has built a **unique portfolio** after securing the best locations at compelling **land prices** ahead of the logistics boom



A4 Pinto II B



A2 Cabanillas III



A4 Seseña



A2 Cabanillas F



A2 San Fernando II



A2 Azuqueca II



Valencia Ribarroja



Lisboa Park A



Sevilla ZAL



ZAL Port Extension

- € 17m of incremental rents already captured (+€ 28m⁽¹⁾ in ZAL Port)
- € 257m of value created⁽²⁾ (€ 0.55 per share)
- All delivered assets are **100% let**
- Unmatched **tenant base**
- € 80m of contracted rents (+€ 189m⁽³⁾ in ZAL Port)
- On going developments and the landbank will continue **fuelling GRI growth and value creation**

⁽¹⁾ Pre-canon, € 17m post-canon

⁽²⁾ FY21 appraisal - pre Landmark I appraisal (FY17) - any capex incurred during the period.

Not including rents collected during the period

⁽³⁾ Post-canon

Note: MERLIN owns a 48.5% of ZAL Port (Cilsa)

Main tenants



Flagship Plan is now **complete**

Saler

- The refurbishment has consolidated Saler, facing the City of Arts and Sciences, as the **leading urban mall** in Valencia
- Anchor tenants **upsizing and upscaling** units

GLA **29,286 sqm**
 (inc. additional GLA)
 Cost **€ 37.8m**
 (inc. units acquired)
 Yield on cost **5.7%**

MANGO PULL&BEAR



Porto Pi

- **Full refurbishment** of the shopping center
- The asset enjoys now **outstanding exterior terraces** overlooking the Mediterranean sea

GLA **32,963 sqm**
 (inc. additional GLA)
 Cost **€ 43.7m**
 (inc. units acquired)
 Yield on cost **4.1%**



Flagship plan has provided MERLIN's portfolio with an **outstanding capacity to face market headwinds**



- Over 230,000 sqm refurbished to adapt to new trends, commercial formats and post covid market demands

- Strong operating performance

- The historical landmark Callao has finally received the refurbishment license. The asset will be transformed into a high street retail complex with fine dining areas

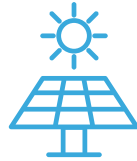


Digital Infrastructure Plan (Mega)

Industry-leading performance at all edged data centers



Zero water cooling
(WUE of 0 liters/kWh)
estimated to save 23 million liters of water per MW of critical load compared with the global average of 1.8 WUE



100% renewable energy via new contracted solar
development in Spain for carbon neutral operations



Leading energy efficiency with **1.15 annualized PUE**



Densities to 40 kW per cabinet provide flexibility to accommodate rapidly evolving business needs



Built-in resiliency with advanced microgrid capability with two hours of on-site battery storage



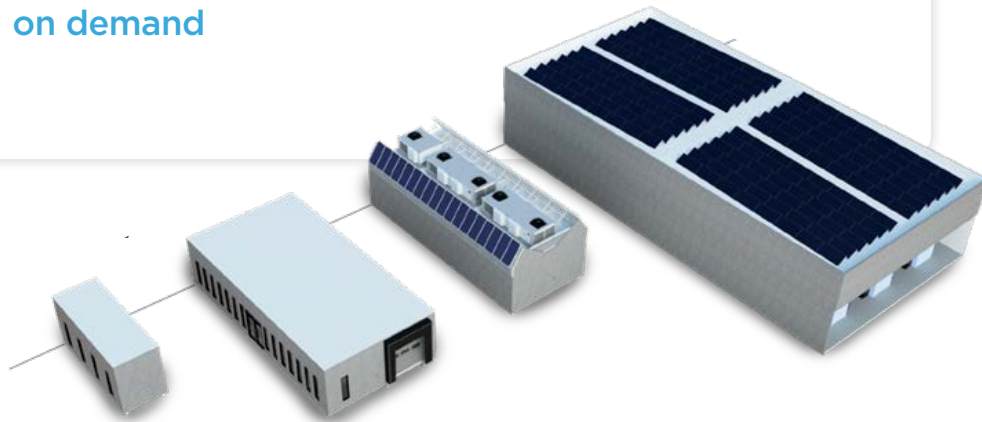
Continuous systems monitoring and secure DCIM controls platform covering all mechanical and power systems

99.9999%

Estimated “six nines” of **availability**

The modular platform adapts to local market needs over time

Fully modularized systems enable sustainable edge data centers on demand



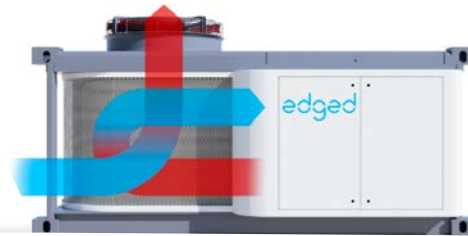
EV fleet charging

- Leverages data center power infrastructure
- Integrated solar and battery storage
- Reconfigurable on demand



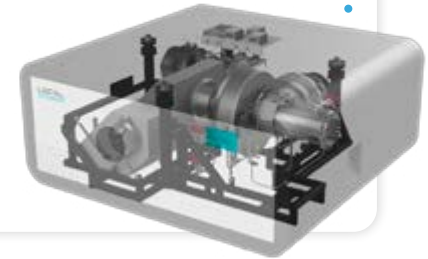
Zero Water cooling

- Modular dry chillers support 50 kW/rack
- No water, WUE 0.00



Microturbine Generator

- Provides low carbon, ultra-clean baseload power 24/7
- 99% lower NOx emissions
- Flexible fuel sources (H2, HDRD, NG)



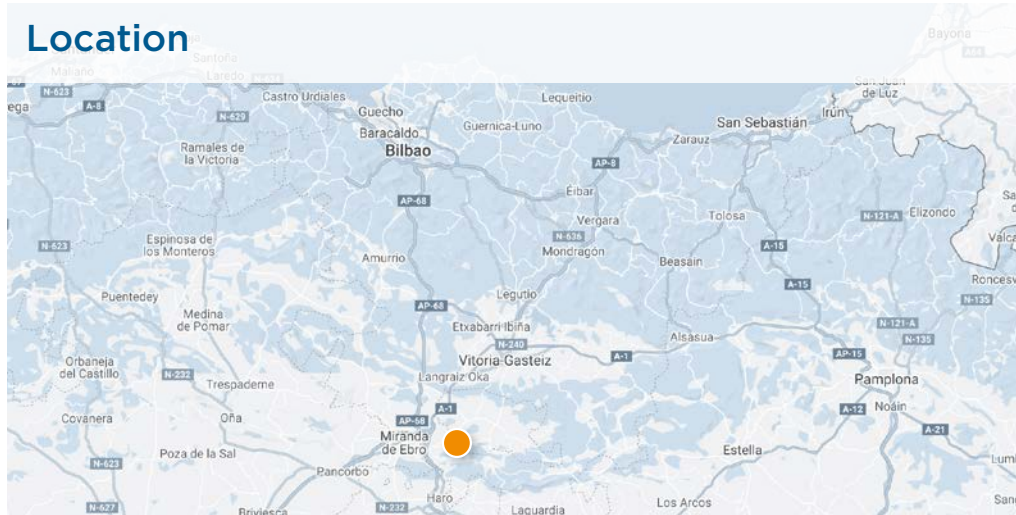
Modular microgrid

- GridBock plug and play energy router provides UPS and grid control, with expandable energy storage and simple solar integration



License for Phase I (3MW) granted with advanced negotiations for leasings, representing 66% of the asset

Location



Render



100 MW
critical power

17,600 sqm

2-4 hour
battery storage

2Q 2023
First Delivery



Layout



EV Charging Station

4 strategic locations in the Iberian Peninsula to develop state-of-the-art data centers

Hyperscale

Wholesale colocation



Basque Country - Álava
Total GLA 23,153 - 102,466 sqm
Capacity 22 - 100 MW

License received



Barcelona - PLZF
Total GLA 22,131
Capacity 16 MW

License expected by 2Q



Lisbon - VFX
Total GLA 32.982 - 74.555 sqm
Capacity 24 - 100 MW

License expected by 4Q



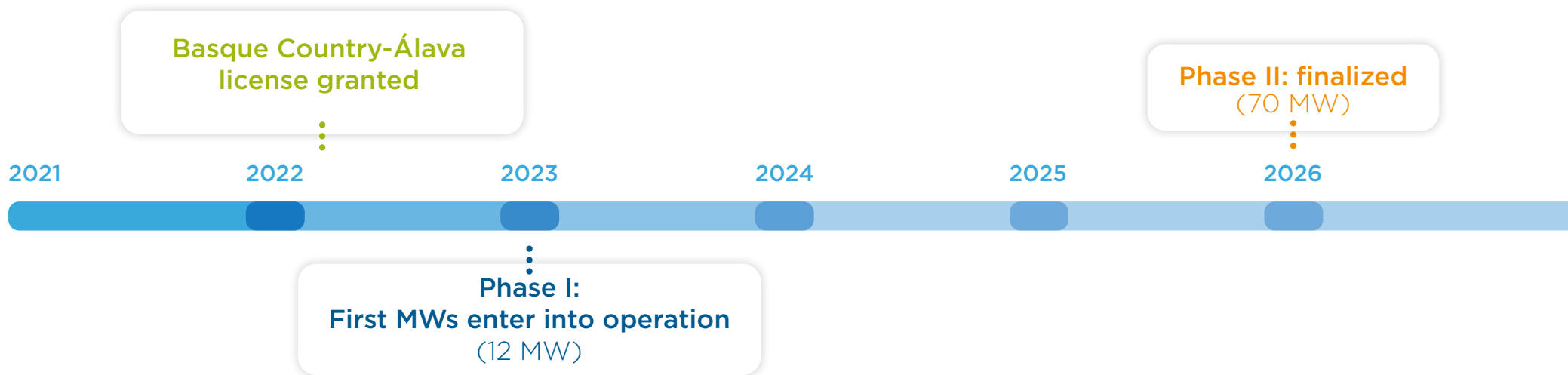
Madrid - Getafe
Total GLA 22,508
Capacity 20 MW

License expected by 3Q

Low latency

Proximity to infrastructures

Power supply



Investment and returns until 2025

Phase I - Deployment	Phase II - Expansion	Phase III - On demand
<ul style="list-style-type: none"> Sqm built: 44,639 MWs installed: 12 MW Capex: € 147m⁽¹⁾ GRI: € 14m 	<ul style="list-style-type: none"> New sqm built: 32,000 MWs installed: 58 MW Capex: € 428m⁽¹⁾ GRI: € 59m 	<ul style="list-style-type: none"> Maximum capacity installed in Basque Country - Álava and Lisboa - VFX 150 MW

Compelling stabilized low double digit YoC of +11.2%⁽²⁾

⁽¹⁾ Excluding land cost

⁽²⁾ Including land cost



Outlook 2022



- Energy and resources **100% focused** on the operation
- No guidance to be provided on **price or time**



- BBVA does **not execute** its preferential right



After the BBVA disposal, the Company will focus its efforts in executing the strategy conveyed to the market. With the proceeds, key pillars of growth are:

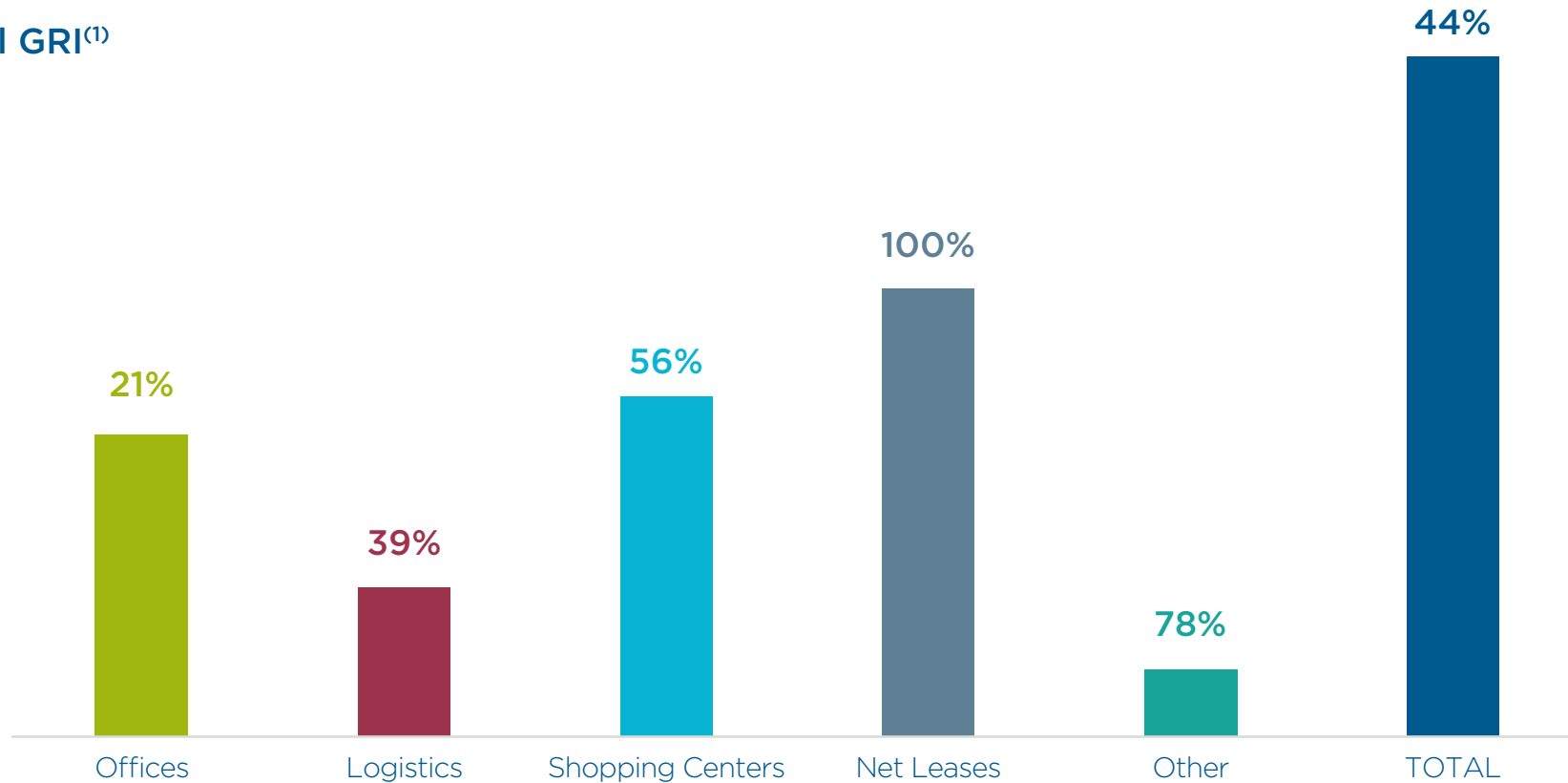
- **Deleveraging**
 - 32% LTV post disposal
 - Target LTV = 35% - 36%
- **Data Centers** → Acceleration of Phase I & II
- **Logistics** → Ramp-up of Best II & III plans
- **Share buyback** → If excess of cash, a potential share buyback could be contemplated

An extraordinary dividend will be distributed, in order to comply with the SOCIMI regime (50% of capital gains according to Spanish GAAP)

The Company will benefit from inflation tailwinds, after having secured in January a 5.5% GRI increase



% annual GRI⁽¹⁾



⁽¹⁾ Passing gross rents as of 31/12/2021



	 Offices	 Shopping centers
2021	90.1%	94.2%
2022 guidance	91.5%	94.5%



2019 baseline	2020	2021	2022
€ 0.67 p.s. 100%	€ 0.56 p.s. 84%	€ 0.58 p.s. 87%	€ 0.64 ps 95%

- **Final 2021 recommended dividend:** minimum € 0.25 p.s to be distributed in 2022 (subject to AGM approval) on top of the € 0.15 p.s. interim dividend distributed in December 2021
- **Total 2022 recommended dividend:** minimum € 0.20 p.s. interim + € 0.25 p.s. final dividend subject to 2023 AGM approval



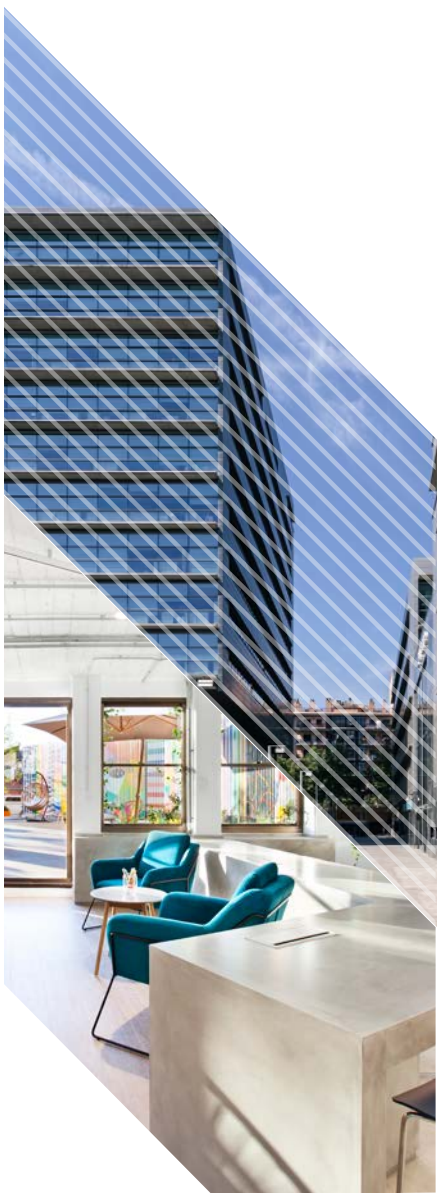
Closing remarks

Operations

- **MERLIN has improved all key financial and operating metrics** (occupancy, LfL rental growth and FFO generation)
- **Third consecutive quarter with overall occupancy increase**, recovering 132 bps since trough of the Covid-19 crisis (3M21)
- **Inflation favoring financials:** 44% of rents inflated in January at a 5.5% average uplift (+12m of additional rents), including BBVA portfolio with its HICP multiplier
- **FFO** (€ 0.58 per share) **exceeding the guidance** provided to the market (€ 0.56 per share)
- **Logistics continue enjoying strong tailwinds**
- **Office occupancy is recovering** while **shopping centers have closed 2021 with high occupancy**, proving that outstanding relationships with our tenants and strategic capex on assets can offset market headwinds

Value creation

- The **successful completion of Landmark and Flagship** have resulted in a superior quality portfolio in offices and retail, stronger tenant roster and compelling **value created to shareholders**
- **Landmark I, Flagship, Best II & III and ZAL Port** extension have generated **€ 764m in value to date (€ 1.63 per share)**. Including the WIP projects, they represent 23% (€ 3.0bn) of MERLIN's GAV
- The works of the **Mega plan (Data Centers) are about to start**, with strong commercial interest from potential tenants





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