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TO THE NATIONAL SECURITIES MARKET COMMISSION

MERLIN Properties, SOCIMI, S.A. ("MERLIN"), in compliance with the applicable legislation, hereby notifies the following

RELEVANT INFORMATION

MERLIN will hold a conference call with analysts and institutional investors on Tuesday, **February 28th, 2023, at 3 p.m. Madrid/CET time**, which can be followed online, through audio conference, with the following link:

Webcast: <https://streamstudio.world-television.com/1364-2525-34360/en>

Dial-in: <https://aiti.capitalaudiohub.com/merlin/reg.html>

Attached you will find the press release and supporting documentation for the presentation that is also available on MERLIN's corporate website.

Madrid, February 27th, 2023

An excellent year for MERLIN, consolidating in full its post-Covid recovery

- Gross rents: € 452.8 million (+7.9%)
 - EBITDA: € 334.7 million (+14.7%)
 - Operating profit (FFO): € 290.5 million (+6.4%)
 - Gross asset value (GAV): € 11,317 million (-1.5% LfL)
 - Net asset value (NTA) per share: € 15.67 (-2.7%)
-
- FFO exceeds € 290 million (equivalent to € 0.62 per share) exceeding the revisited guidance for 2022.
 - Strong growth in all key financial and operating metrics such as occupancy (95.1% +60 bps vs. 2021), like-for-like rents (+7.3% vs. 2021) or FFO (+6.4% vs. 2021).
 - The net asset value according to EPRA recommendations ("EPRA NTA") is € 15.67 per share after the distribution of € 1.20 per share in cash during the period.
 - Strong deleveraging in the period: debt reduced by 651 bps to 32.7%.

Madrid, February 27th. - MERLIN Properties closed 2022 with total revenues of € 460.7 million (including gross rents of € 452.8 million), EBITDA of €334.7 million and operating profit of € 290.5 million (€ 0.62 per share).

Gross asset value stands at € 11,317 million, absorbing a significant yield expansion (+44 bps) with moderate impact on valuations (-1.5% LfL vs. 2021) thanks to an extraordinary operating performance based on rental growth and higher occupancy rates. Net asset value amounted to € 7,363 million (€ 15.67 per share), down 2.7% vs. 2021.

After the distribution to shareholders of € 561 million or € 1.20 per share, the leverage ratio ("LTV") stands at 32.7% (vs. 39.2% in 2021), with a liquidity position of € 1,856 million and with the average debt maturity of 4.9 years. In addition, more than € 2.0 billion of debt has been repaid and 100% of existing bonds have been converted into green bonds. The € 743 million bond maturing in April 2023 has been refinanced at a very attractive cost (MS + 126 bps), extending the average maturity of the debt to 5.8 years and with no maturities until May 2025.

Offices

- Business performance

Significant increase in like-for-like rents (+6.0%) thanks to higher occupancy (+245 bps vs. 2021), inflation indexation and higher rents after renovations. The occupancy guidance given to the market at the beginning of the year (91.5%) was beaten, reaching 92.5%.

- Landmark Plan

The only pending project is the refurbishment of Plaza Ruiz Picasso 11, which will be delivered at the end of the year and is practically fully pre-let to best-in-class tenants at maximum market rents.

Logistics

- Business performance

Excellent performance of the logistics portfolio in the year, with like-for-like rental growth of +8.6% thanks to occupancy, inflation indexation and increased rents after renovations. Very interesting year in terms of commercialization with more than 294,000 sqm signed. Virtually full occupancy in both MERLIN (97.0%) and ZAL Port (99.7%).

- Best Plan II & III

The development of the Best II and III plans continues, having delivered three projects this year with more than 115,000 sqm and 100% leased. The company has more than 550,000 sqm of land for development, which allows MERLIN to accompany its tenants in their future expansion phases.

Shopping centers

- Business performance

Shopping center occupancy (95.0%) continues to increase (+73 bps in 2021). Solid operating performance of the portfolio with tenant sales above pre-Covid levels (+2.7%), December footfall exceed 2019 figure (+0.3%) and effort ratio at historic lows (11.8%).

Mega Plan (Data Centers)

The Bilbao-Arasur, Madrid-Getafe and Barcelona PLZF projects are progressing well and are scheduled to be delivered in the second half of the year with 3 MW available in each of them.

Asset value of the portfolio

MERLIN's Gross Asset Value ("GAV") amounts to € 11,317 million as of December 31, 2022, based on valuations by Savills, CBRE and JLL. Slight decline in valuations (-1.5% LfL) thanks to an excellent operating performance that has largely absorbed the yield expansion.

Investment and divestment activity

In terms of investment activity during the year, the acquisition of two prime office buildings for € 131.5 million stands out. These assets are Liberdade 195, a 16,510 sqm building on Lisbon's most exclusive street, and a 3,665 sqm building in AZCA adjacent to our Plaza Ruiz Picasso 11 development.

In terms of divestment activity, the most significant transaction was the sale of the BBVA portfolio for € 1,987 million. This portfolio generated € 83.6 million in gross annual rents, and it was sold to the tenant at a 17.1% premium over valuation. In addition, during 2022, the Group sold other assets for a total of € 112.6 million at a premium over GAV of 8.7%, including four office buildings (33,783 sqm).

Sustainability

In terms of sustainability, MERLIN's strong year has been endorsed with sustainability ratings, since it has improved its score with respect to 2021 in all indexes (GRESB, CDP, S&P Global, Sustainalytics, Bloomberg and Vigeo Eiris). Two milestones that are worth highlighting: MERLIN's inclusion in one of the world's most prestigious sustainability ratings, the Dow Jones Sustainability Index, for the second year in a row, and the major improvement in the Sustainalytics rating, which places MERLIN in the top 1% of the world's best-rated companies.

Outlook for 2023

In the absence of macroeconomic externalities, the three main asset classes (offices, logistics and shopping centers) are expected to maintain the occupancy levels, while rents will continue to benefit from inflation as leases are indexed to CPI.

Estimated FFO for 2023 is € 0.58 per share. The final dividend, additional to the interim dividend of € 0.20 per share paid in December 2022, will be proposed by the Board of Directors in the foreseeable future, subject to AGM approval and distributable in May 2023.

About MERLIN Properties

MERLIN Properties SOCIMI, S.A. (MC:MRL) is the largest real estate company trading on the Spanish Stock Exchange. Specialized in the acquisition and management of commercial property in the Iberian region. MERLIN Properties mainly invests in offices, shopping centers and logistics facilities, within the Core and Core Plus segments, forming part of the benchmark IBEX-35, Euro STOXX 600, FTSE EPRA/NAREIT Global Real Estate, GPR Global Index, GPR-250 Index, MSCI Small Caps indices and DJSI.

Please visit www.merlinproperties.com to learn more about the company.

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FY22 RESULTS PRESENTATION

28 FEBRUARY 2023

MERLIN
PROPERTIES

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ISMAEL CLEMENTE
CEO



MIGUEL OLLERO
COO

- FY22 Financial results
- Offices
- Logistics
- Shopping centers
- Valuation and debt position
- Sustainability
- Value creation
- Digital Infrastructure Plan
- Closing remarks & Outlook



Operating performance

- **Outstanding performance in all three asset categories** with outstanding LfL rental growth (+7.3%) and occupancy at 95.1% (+60 bps vs. FY21)
- **Offices** delivering excellent operating behaviour: +6.0% LfL rental growth, +5.8% release spread and 92.5% occupancy
- Strong dynamics in **logistics** (+8.6% LfL) fueled by indexation and reversionary potential captured (+7.9%). Virtual full occupancy (97.0%)
- Solid operations in **shopping centers**, with +7.5% LfL growth, +5.2% release spread and 95.0% occupancy. Sales already at pre-covid levels (+2.7% vs. FY19) and OCR at historical low (11.8%)

Financial performance

- **€ 0.62 FFO per share** (+6.4% YoY) beating guidance
- **Slight decline in valuation** across the board (-1.5%), with yield expansion (+44 bps) partially netted off by rental uplift
- Strong financial situation: **32.7% LTV (-651 bps vs. FY21)**, 100% interest rate fixed, 98% unsecured debt and 100% of outstanding bonds requalified as green
- 2023 bond maturity refinanced (€ 743m) at a compelling cost (126 bps spread). No maturities in the horizon until May 2025
- Total shareholder return of **+4.7%**, having distributed € 1.20 p.s. of dividend in the period

Value creation

- **€ 2.1bn BBVA portfolio disposal** at a 17.1% premium to GAV
- **€ 113m non-core disposals** at an 8.7% premium to GAV
- **Landmark plan:** Plaza Ruiz Picasso to be delivered before year-end, virtually fully-let to best-in-class tenants at top rents
- **Mega:** Bilbao-Arasur, Madrid-Getafe and Barcelona PLZF works on track. All three assets will be delivered in H2 2023



FY22 FINANCIAL RESULTS

FY22 Financial results



FFO OF € 0.62 PER SHARE, EXCEEDING GUIDANCE

(€ million)	FY22	FY21 restated ⁽¹⁾	YoY
Gross rents	452.8	419.7	+7.9%
Gross rents after incentives	428.2	377.1	+13.5%
Net rents ⁽²⁾	378.9	328.4	+15.4%
EBITDA ⁽³⁾	334.7	291.8	+14.7%
Margin	73.9%	69.5%	
FFO ⁽⁴⁾	290.5	273.0	+6.4%
Margin	64.1%	65.1%	
AFFO	271.2	258.0	+5.1%
IFRS net profit	263.1	512.2	(48.6%)
EPRA NTA	7,362.9	7,304.2	
(€ per share)			
FFO	0.62	0.58	+6.4%
AFFO	0.58	0.55	+5.1%
EPS	0.56	1.09	(48.6%)
EPRA NTA	15.67	16.11	(2.7%)

⁽¹⁾ As a result of the reclassification of Net Leases as discontinued operations, income from Net Leases is only considered in Net earnings, FFO and AFFO metrics. PF metrics have been added for ease of comparison

⁽²⁾ Net of incentives

⁽³⁾ Excludes non-overhead costs items (€ 2.4m) plus LTIP accrual (€ 4.0m)

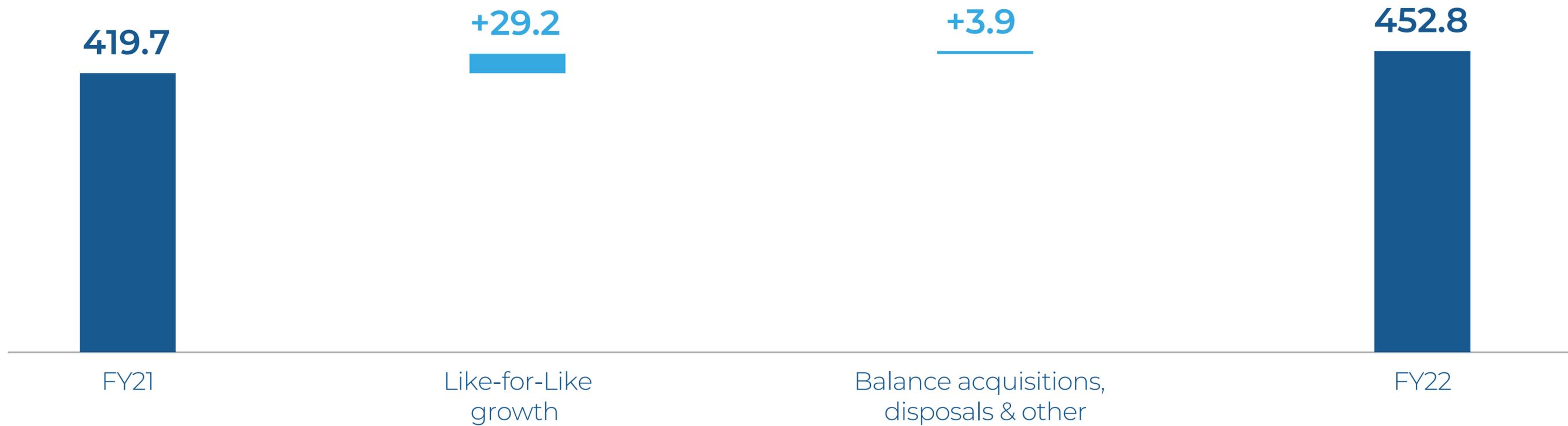
⁽⁴⁾ FFO equals EBITDA less net interest payments, less minorities, less recurring income taxes plus share in earnings of equity method

APM: definitions and reconciliation of APMs to the latest audited financial accounts can be found on page 55 of <https://www.merlinproperties.com/wp-content/uploads/2023/02/Results-report-FY22.pdf>



OUTSTANDING LFL GROWTH IN THE PERIOD (+7.3%)

(€m)

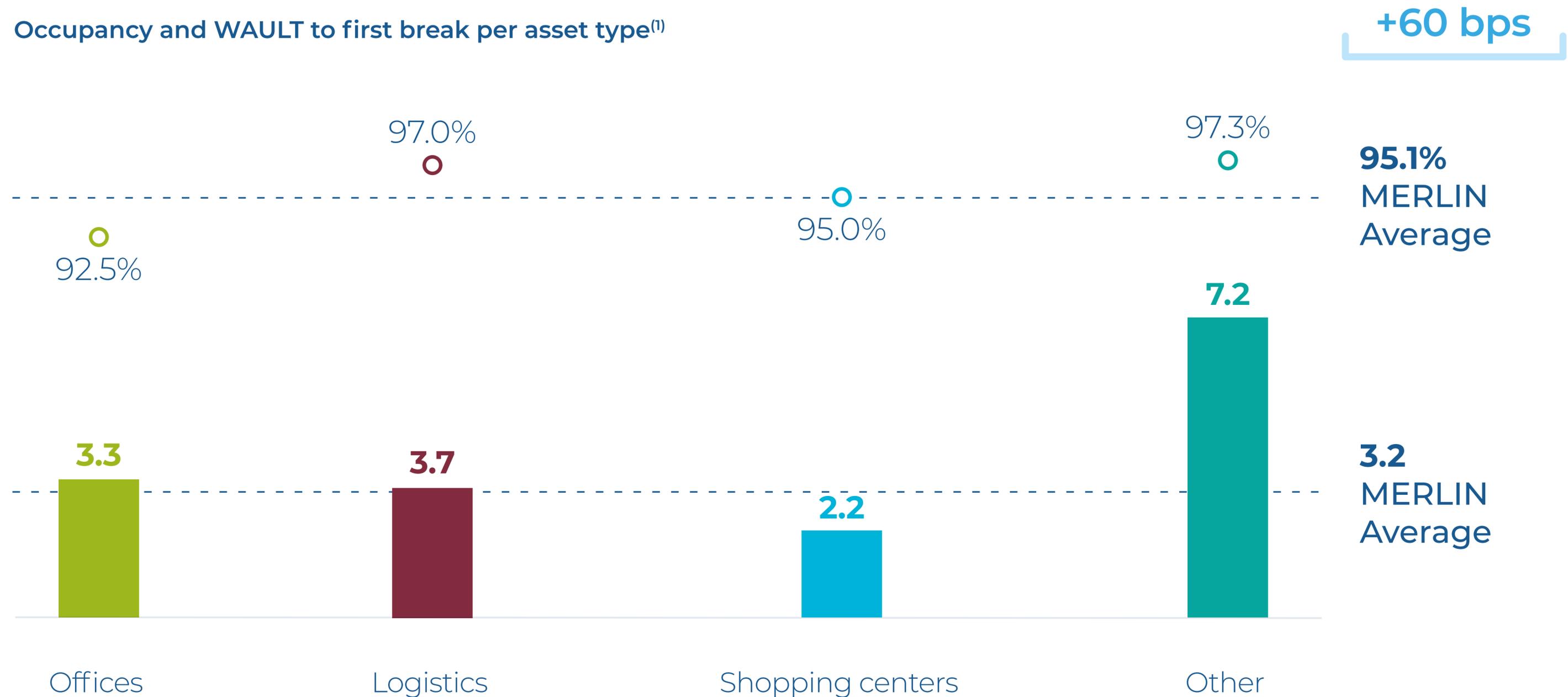


⁽¹⁾ Portfolio in operation for FY21 (€ 397.8m of GRI) and for FY22 (€ 427.0m of GRI)



OVERALL OCCUPANCY +60 BPS VS FY21

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



Source: Company

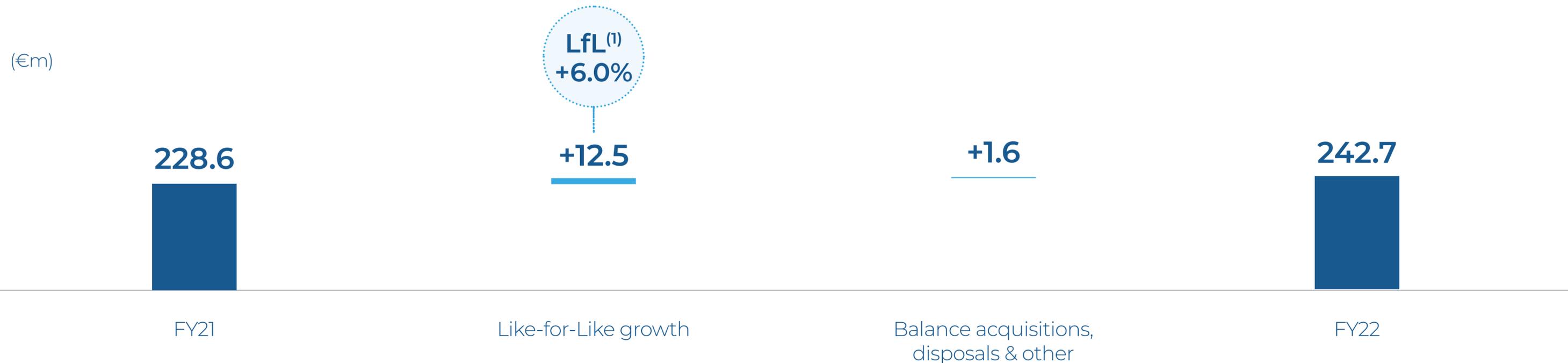
⁽¹⁾ WAULT by rents means the weighted average unexpired lease term to first break, calculated as of 30th December 2022



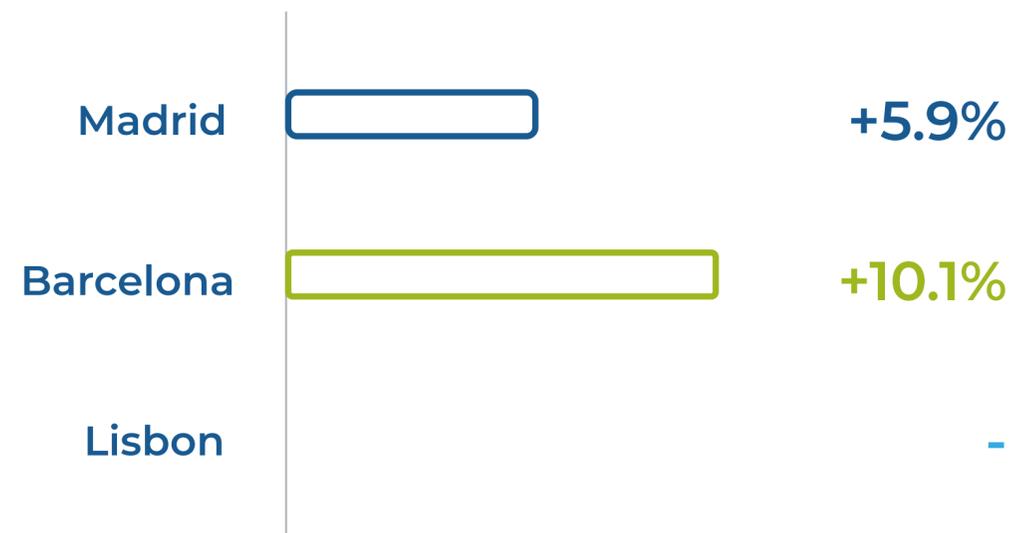
OFFICES



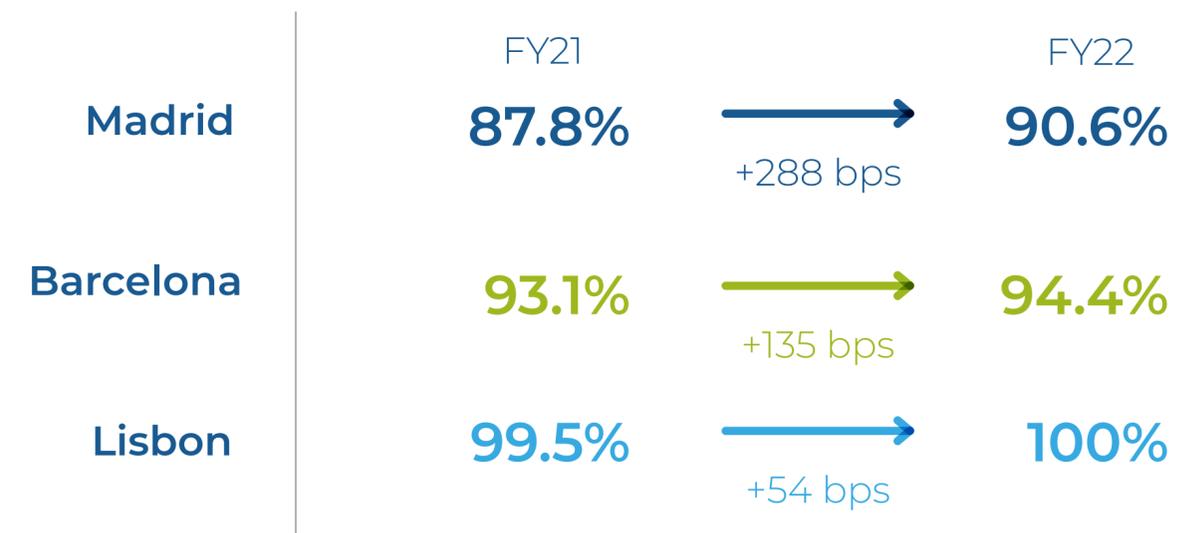
LFL RENT INCREASE (+6.0%) AND RELEASE SPREAD (+5.8%)



LfL growth by area



Occupancy by area



⁽¹⁾ Portfolio in operation for FY21 (€ 209.1 m of GRI) and for FY22 (€ 221.6m of GRI)





5 NEW SPACES OPENED IN THE YEAR INCREASING LOOM'S FOOTPRINT BY 54%

KPIs

: 26,028 sqm

: 2,639 desks

: 83% occupancy

: 12 spaces

New openings 2022



Atica exp. 155 desks



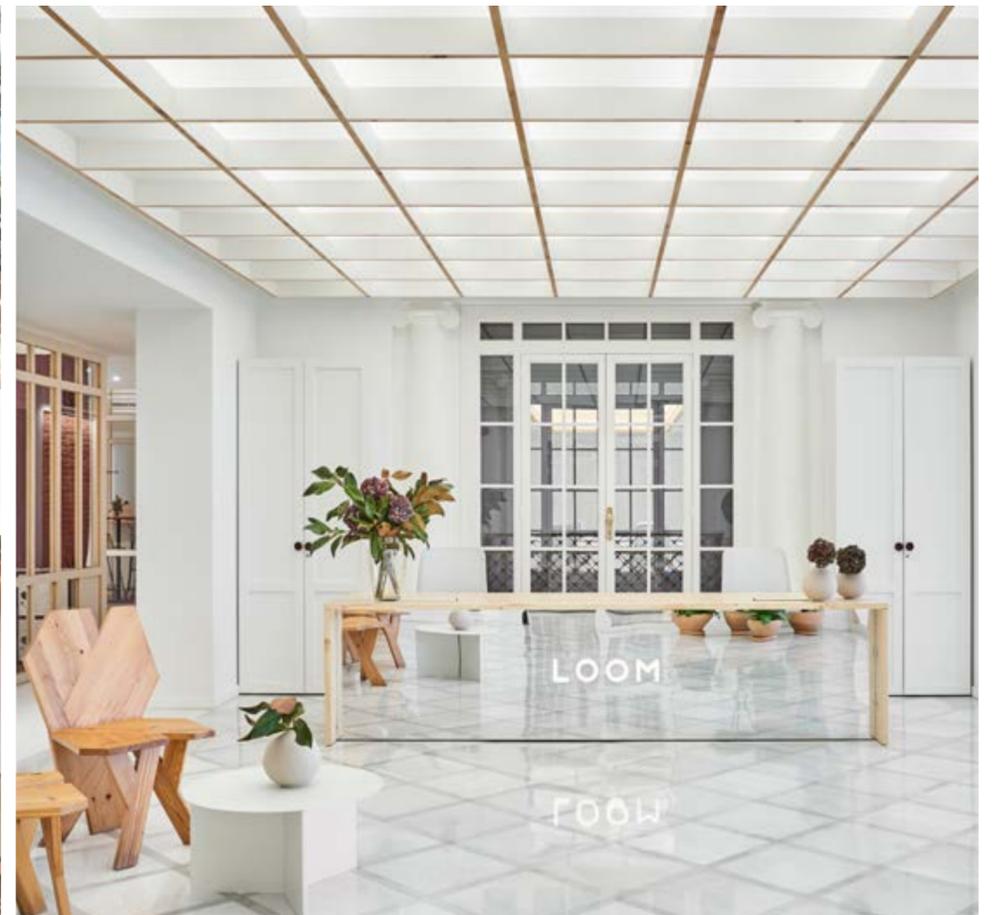
Torre Glòries exp. 87 desks



Castellana 93 exp. 69 desks



Ferreteria 22@ 222 desks



Plaza Cataluña 9 248 desks



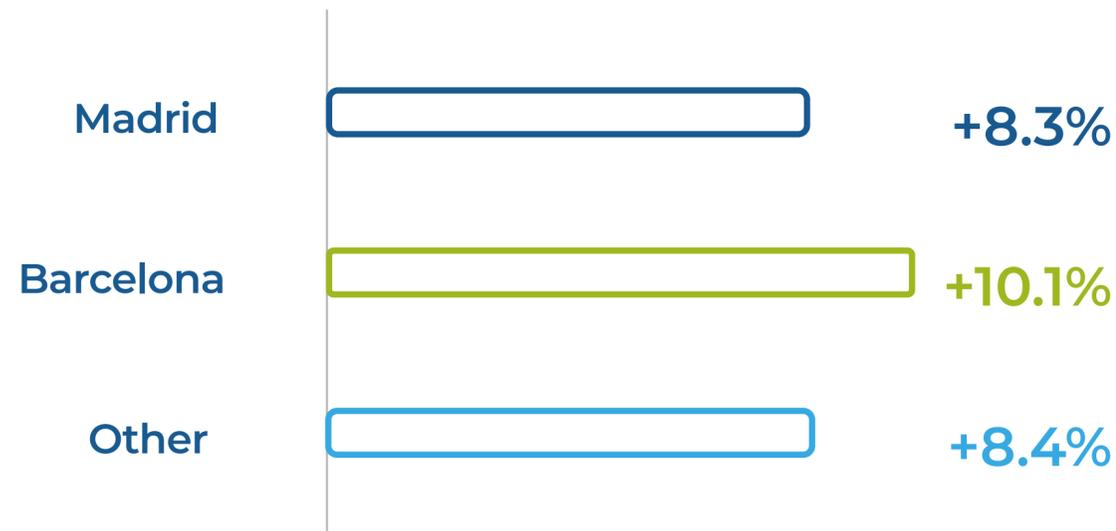
LOGISTICS



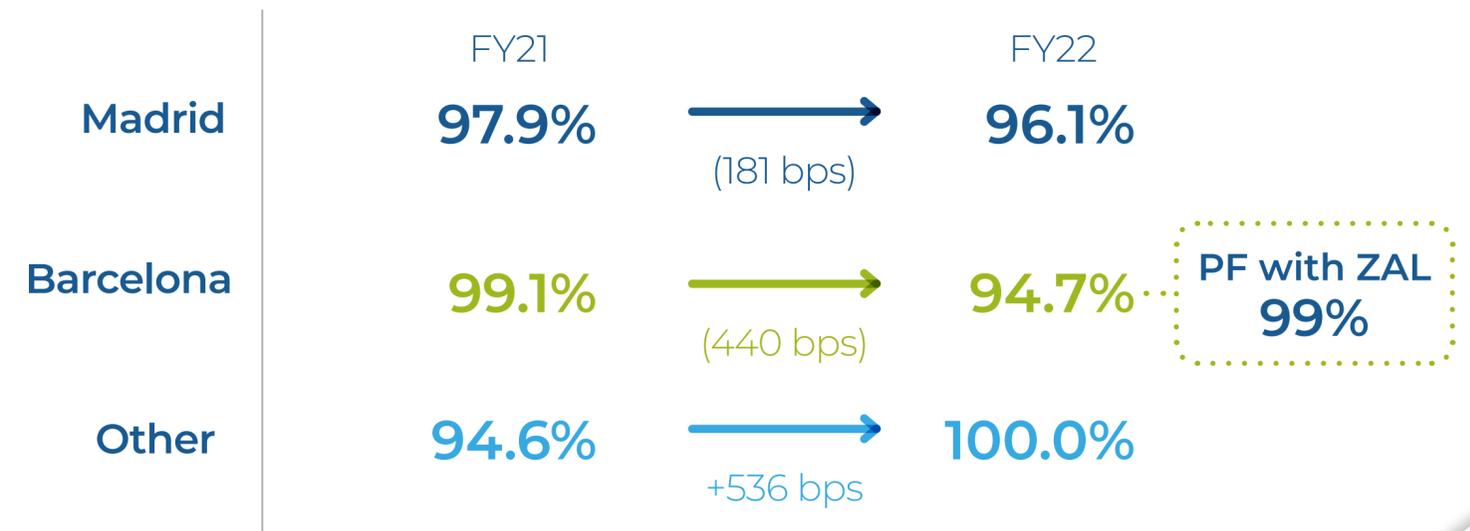
VIRTUAL FULL OCCUPANCY COUPLED WITH RENTAL GROWTH RESULT IN OUTSTANDING LFL GROWTH (+8.6%)



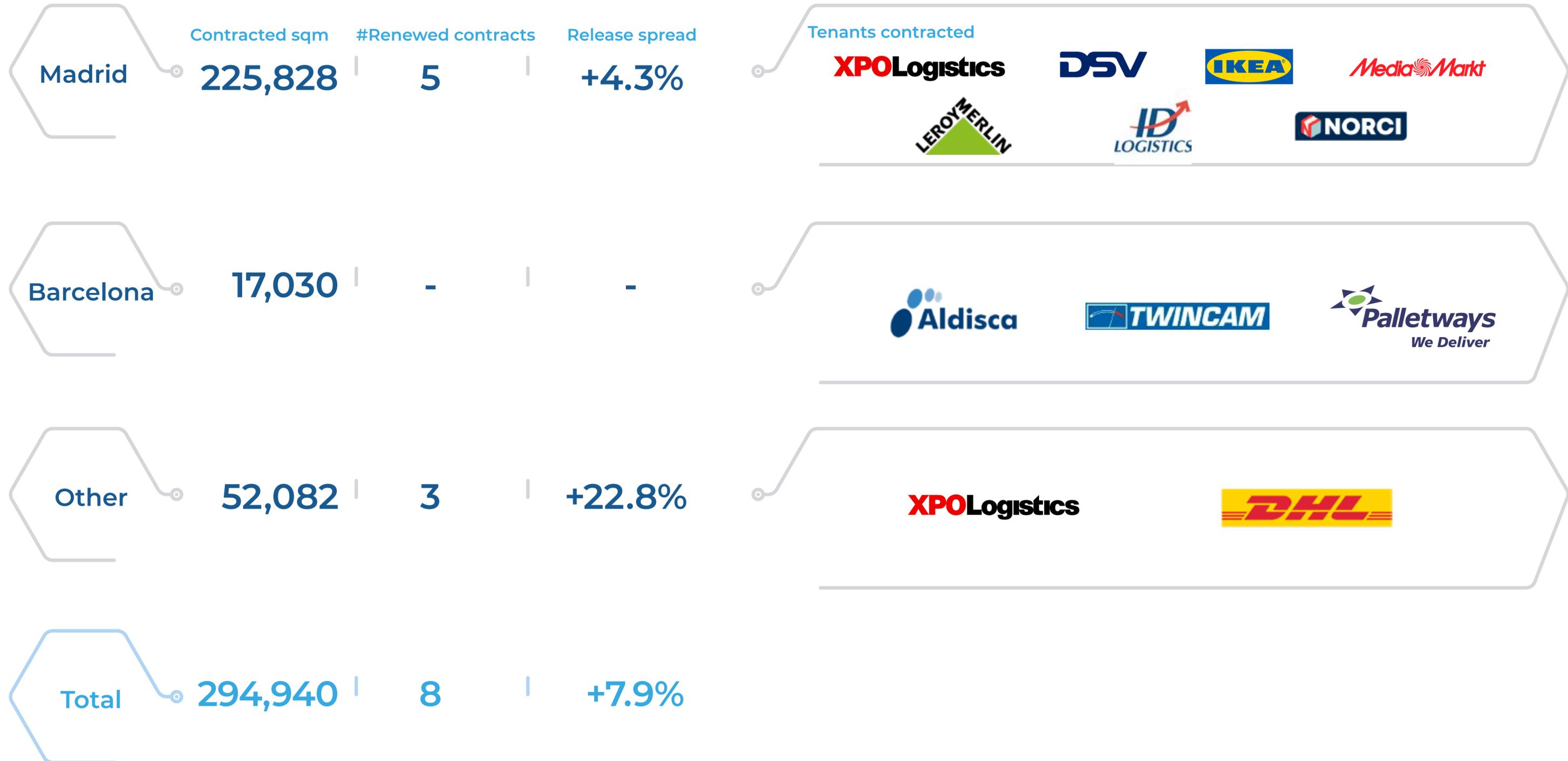
LfL growth by location



Occupancy by area



⁽¹⁾ Portfolio in operation for FY21 (€ 63.8 m of GRI) and for FY22 (€ 69.3m of GRI)





EXTRAORDINARY PERFORMANCE: FULL OCCUPANCY AND DOUBLE DIGIT FFO INCREASE (+14.9 YoY)



Stock
736,217 sqm
 Third parties stock
 (ground leases)
183,252 sqm
 Stock under management
919,636 sqm

Contracted sqm
161,163

Occupancy by area
 FY21 **91.3%**

Release spread
(4.3%)

+842 →

contracts
33

FY22 **99.7%**

KUEHNE+NAGEL

MAERSK

NAEKO LOGISTICS

grupo CTC

€m	FY22	FY21	YoY
Gross rents	72.0	63.0	+14.2%
Net rents	71.3	58.2	+22.4%
EBITDA	67.2	55.7	+20.6%
FFO ⁽¹⁾	39.5	34.4	+14.9%

⁽¹⁾ After deducting leasehold concession charge

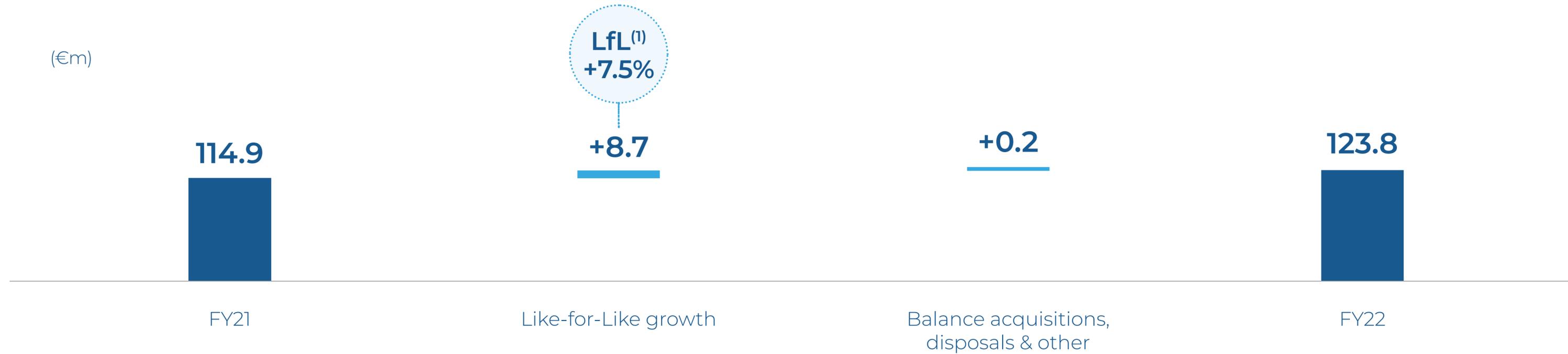
ALMADA FORUM

SHOPPING CENTERS

COMPUTER MERREAU MMZU MMREU MMZU



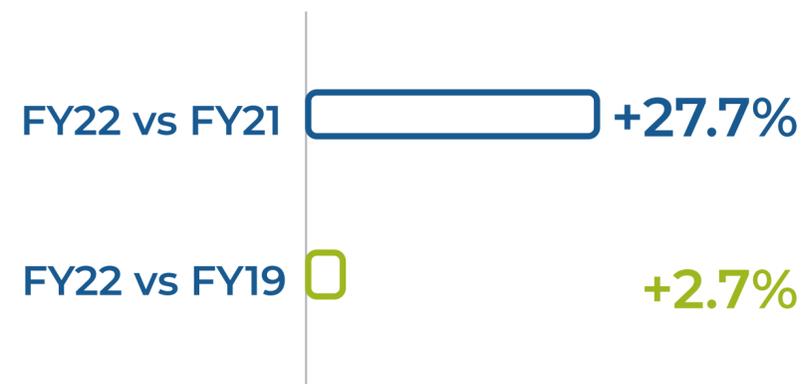
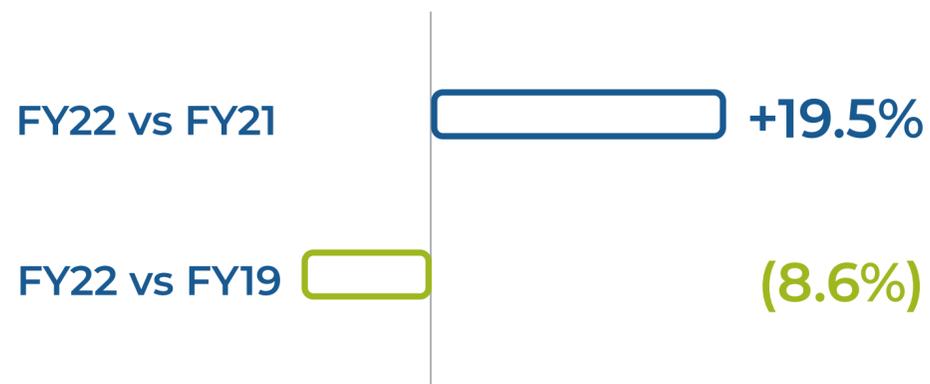
TENANT SALES SURPASSING PRE-COVID LEVELS WHILE MAINTAINING HISTORICALLY LOW OCR AT 11.8%



Footfall evolution

Tenant sales evolution

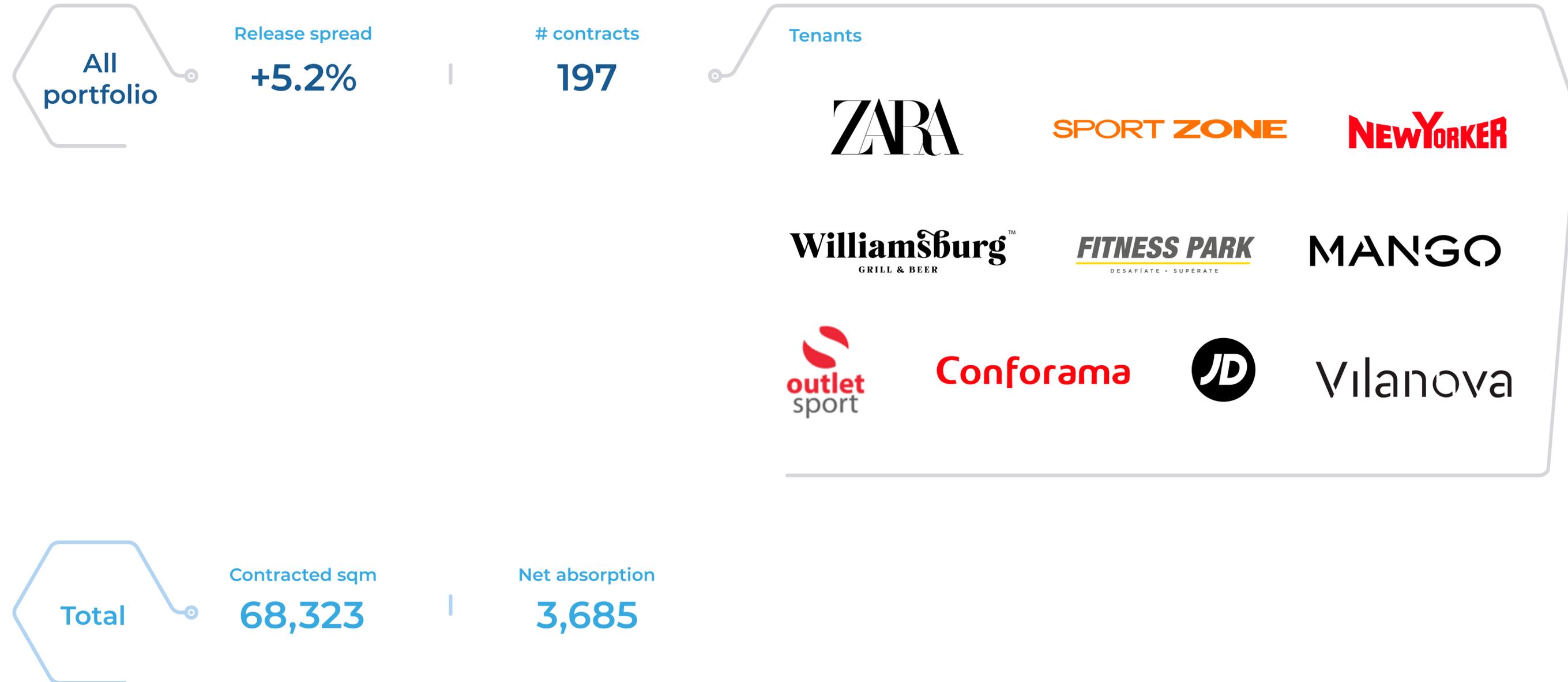
OCR evolution

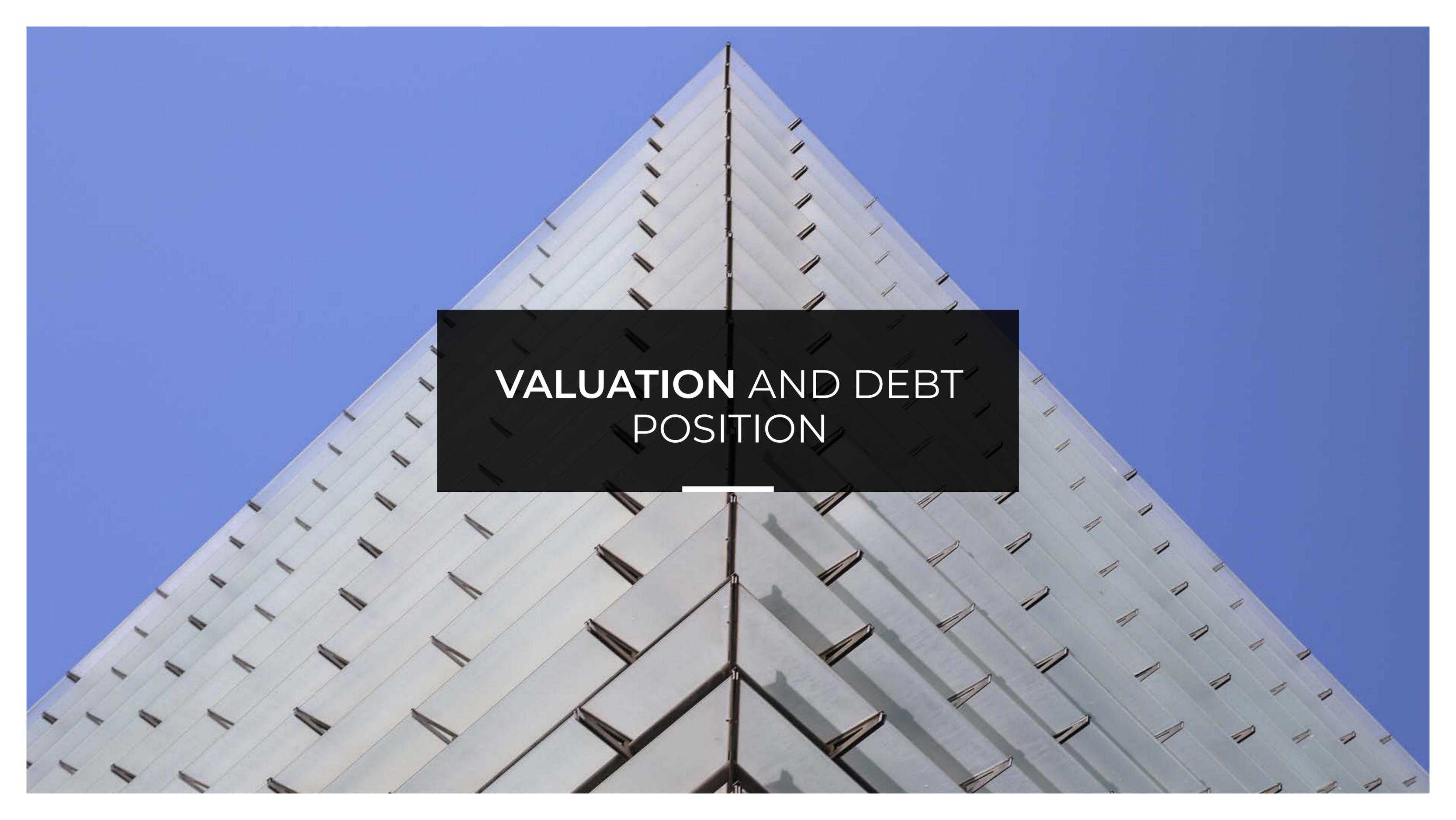


⁽¹⁾ Portfolio in operation for FY21 (€ 114.9m of GRI) and for FY22 (€ 123.6m of GRI)



OCCUPANCY AT RECORD-HIGH LEVELS

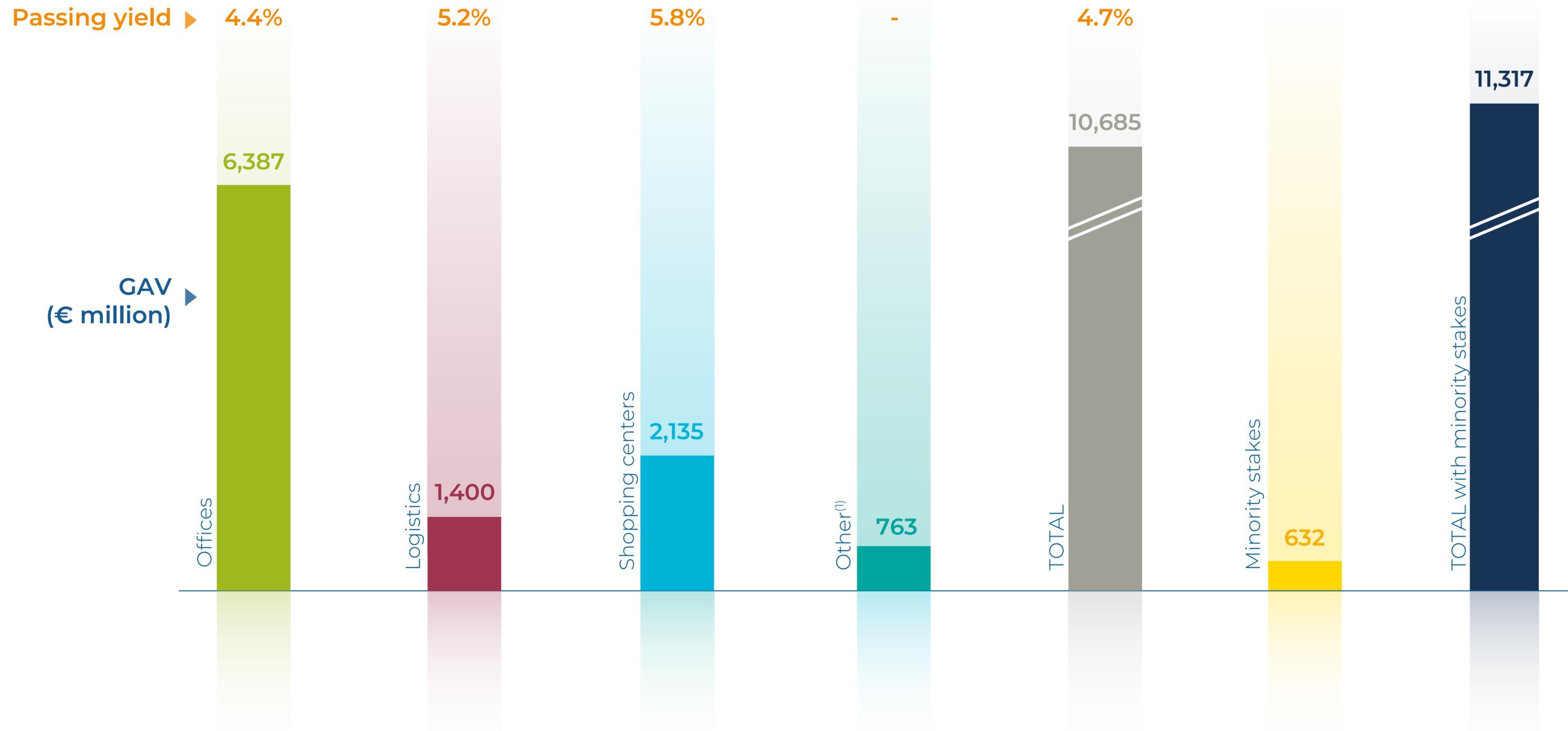




VALUATION AND DEBT POSITION



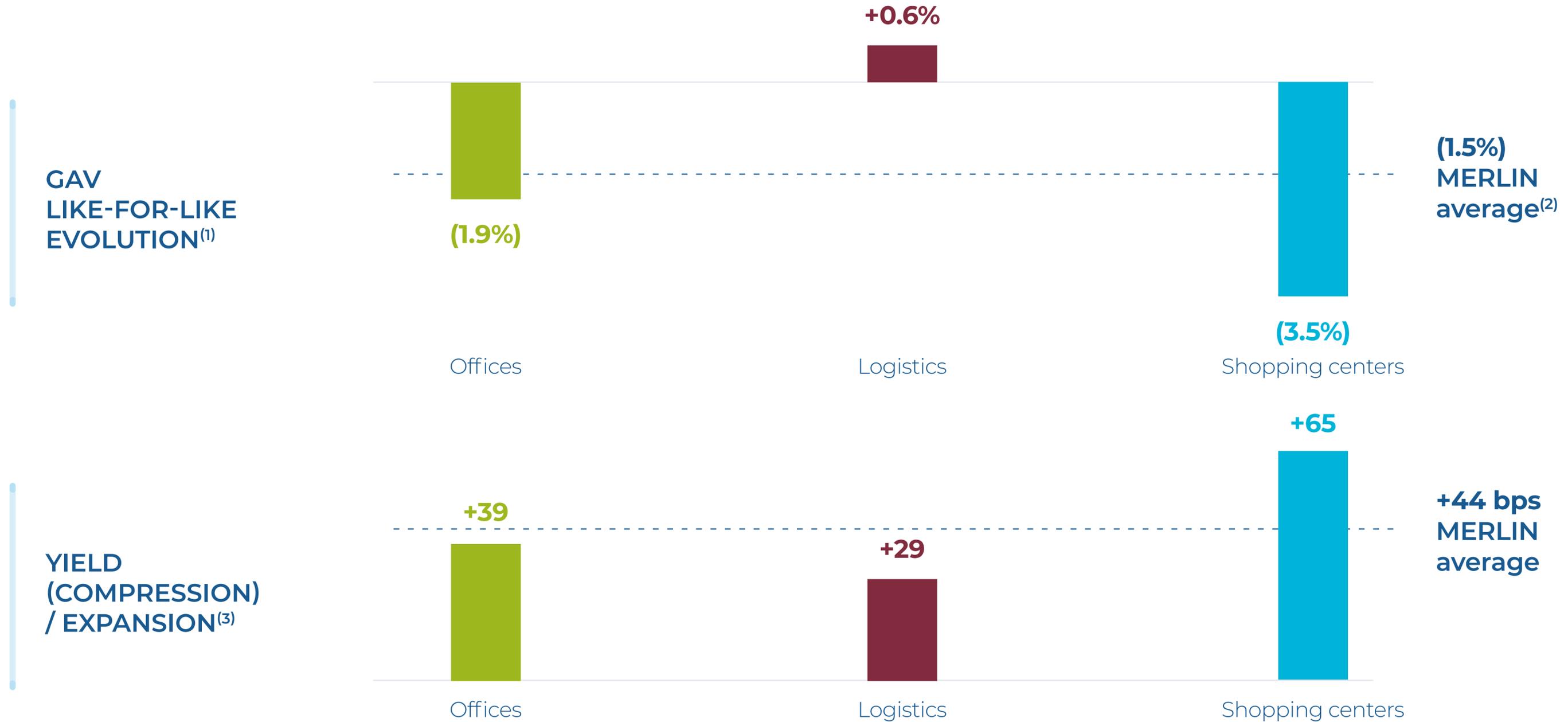
SLIGHT DECLINE IN VALUATION ACROSS THE BOARD (-1.5% LFL), WITH ONLY LOGISTICS IN POSITIVE GROUND



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



FIRST WAVE OF CYCLICAL YIELD EXPANSION (+44 BPS) ABSORBED DURING THE PERIOD WITH MODERATE IMPACT ON VALUATION



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

⁽²⁾ Including equity method

⁽³⁾ Based on passing rent


STRONG EFFORTS IN TERMS OF LTV REDUCTION (-651 BPS VS FY21)

	31/12/2022	31/12/2021
Net debt	€ 3,792m	€ 5,247m
LTV	32.7%	39.2%
Average cost (spot)	1.98% (2.00%)	2.07% (1.76%)
Fixed rate debt	99.6%	100%
Average maturity (years)	4.9 (5.8 yrs PF)	5.3
Liquidity ⁽¹⁾ (€ million)	1,856	1,811

S&P Global

Rating

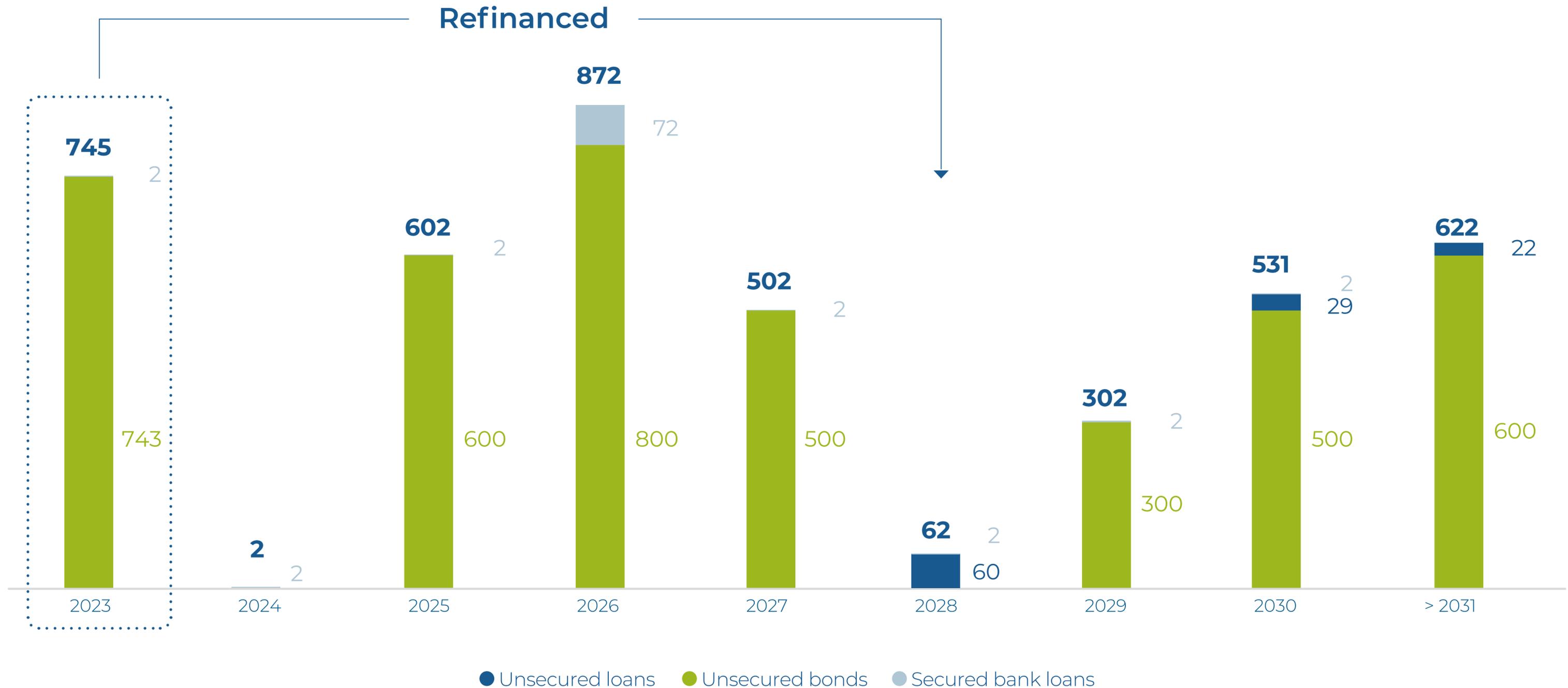
BBB

Outlook

Positive
MOODY'S
Baa2
Positive
⁽¹⁾ Includes cash (€ 429.3m), treasury stock (€ 17.2m) and undrawn credit facilities (€ 809.2m) in FY22



2023 MATURITY (€ 744.5M) **REFINANCED AT A COMPELLING COST** (MS +126 BPS). NO FURTHER MATURITIES UNTIL MAY 2025



A photograph of a modern glass skyscraper with a landscaped courtyard in the foreground. The courtyard features several concrete benches, a gravel path, and various trees and shrubs. A large black rectangular box with a white grid pattern is overlaid on the center of the image, containing the word "SUSTAINABILITY" in white capital letters.

SUSTAINABILITY



INTENSE YEAR IN TERMS OF ESG INITIATIVES



Launch and implementation of our **Pathway to Net Zero**

- 1. **Reducing** operational carbon (scope 1+2)
- 2. **Reducing** embodied carbon (offices & logistics developments)
- 3. **Reducing** scope 3 emissions
- 4. **Offsetting** unavoidable emissions

Continued certification program in all three asset classes

Successful requalification of all our **outstanding bonds into green**

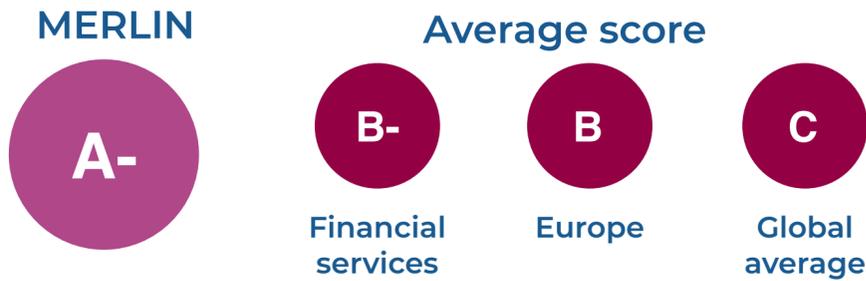


OUTSTANDING YEAR IN TERMS OF SCORINGS AND ACCOLADES



Dow Jones Sustainability Indexes

Inclusion for 2nd year in a row



7,2 Top 1% (negligible risk)



G R E S B

79% Average peers: 68%



70% Average sector: 68%



#1 IBEX-35



VALUE CREATION



EXCELLENT TIMING

BBVA portfolio disposal



Transformational event for the company executed in 1H22 (@17.1% premium to GAV), which has implied

Strong LTV reduction

(-651 bps vs FY21)

Rating perspective upgrade

S&P Global **MOODY'S**
From Stable to **Positive**

Extraordinary dividend

(€ 0.75 p.s.) paid in August

Non-core disposals

€ 113m divested in the period

at a 8.7% premium





Cabanillas Park I J

- **Last available landplot** in Cabanillas Park I
- **100% let** to DSV

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



Global Transport and Logistics



Cabanillas Park II A

- **First warehouse** in our Cabanillas Park II development
- **100% let** to Logista

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





VIRTUALLY FULLY LET TO TIER-1 TENANTS AT TOP RENTS



GLA
36,899 sqm
After Refurbishment
5,323 sqm created

Capex
€ 70.6m

Incremental rents
€ 7.2m

Delivery
2023

Yield on cost
10.2%



DIGITAL INFRASTRUCTURE
PLAN (MEGA)



Bilbao-Arasur

Madrid - Getafe

Barcelona - PLZF

1st module MW

3

3

3

% Pre-let

66%

53%

20%

Status

Construction nearing completion

Works on track

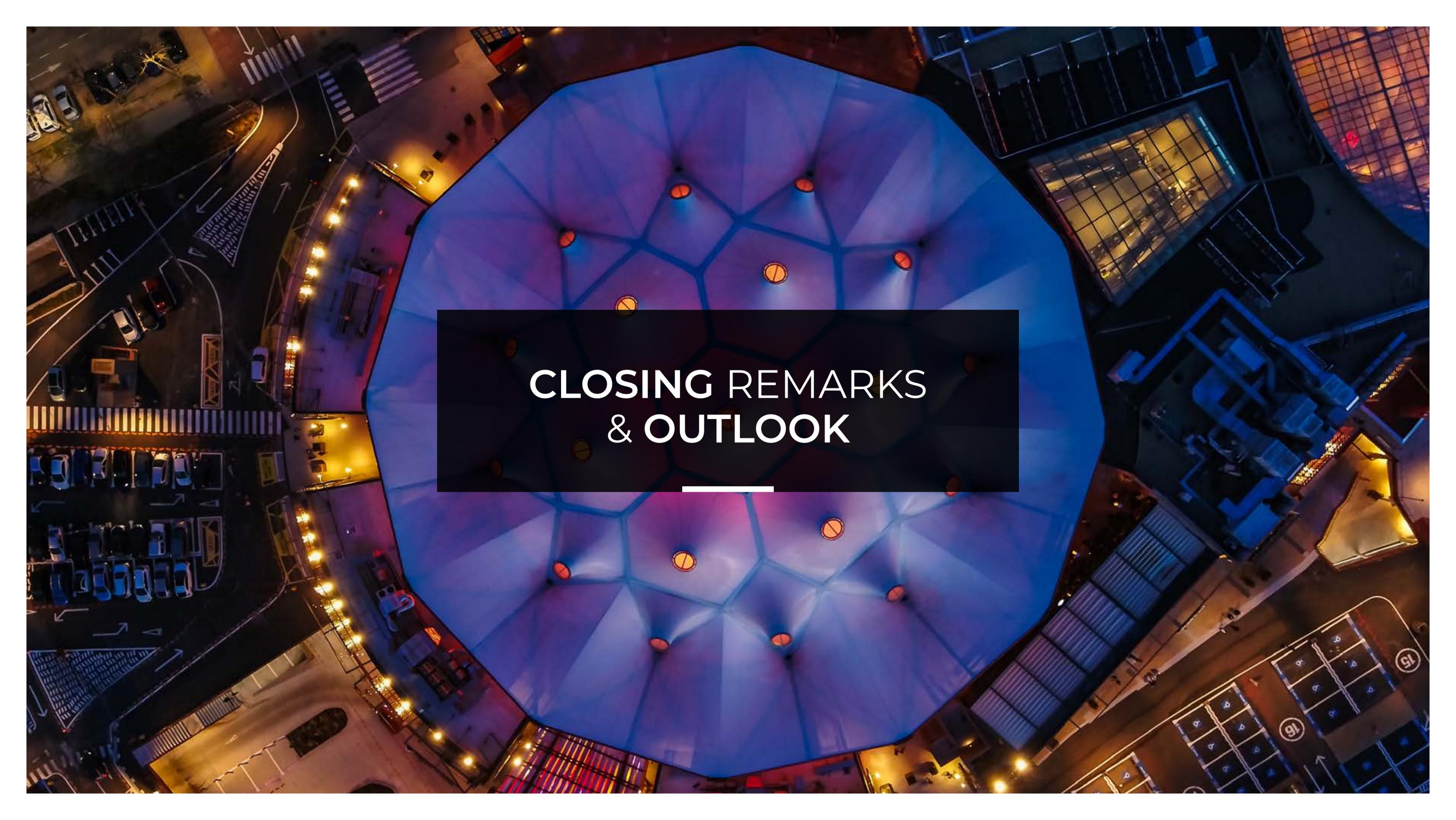
Works on track

Delivery

3Q

4Q

4Q



**CLOSING REMARKS
& OUTLOOK**



Operations

- MERLIN has delivered a **strong performance in all key financial and operating metrics** (LfL rental growth, occupancy, release spread and FFO generation)
- Occupancy at an **all-times high across the board**

Value creation

- **€ 2.1bn of BBVA portfolio disposal** at a 17.1% premium to GAV
- Only building remaining in Landmark Plan **practically fully let**
- Works in **Mega Plan** progressing well with early access for tenants in April

Outlook

- **Transitional year for MERLIN** after the BBVA disposal with all upcoming deliveries expected for year-end
- Amidst the exponential rise of interest rates, uneventful years for MERLIN debt with no maturities until May 2025
- **Estimated FFO for 2023 will be € 0.58 p.s.**
- 2022 final dividend will be decided by the Board of Directors subject to 2023 AGM approval
- Further decline in valuations is anticipated across the portfolio, to be partially offset by extra income generation



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