Unibail-Rodamco-Westfield SE

Société Européenne

7, Place du Chancelier Adenauer

75016 Paris

Statutory auditors' report on the consolidated financial statements

For the year ended 31 December 2024

This is a translation into English of the statutory auditors' report on the financial statements of the Company issued in French and it is provided solely for the convenience of English-speaking users.

This statutory auditors' report includes information required by French law, such as information about the appointment of the statutory auditors or verification of the management report and other documents provided to shareholders.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

Deloitte & Associés
6, place de la Pyramide
92908 Paris-La-Défense

S.A.S. au capital de 2 188 160 €
572 028 041 R.C.S. Nanterre

Commissaire aux Comptes
Membre de la compagnie
régionale de Versailles et du Centre

KPMG S.A.
Tour Eqho
2 Avenue Gambetta
92400 Courbevoie

S.A. au capital de 5 497 100 €
775 726 417 R.C.S. Nanterre

Commissaire aux Comptes
Membre de la compagnie
régionale de Versailles et du Centre

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Statutory auditors' report on the consolidated financial statements

For the year ended 31 December 2024

To the Annual General Meeting of Unibail-Rodamco-Westfield SE,

Opinion

In compliance with the engagement entrusted to us by your annual general meeting, we have audited the accompanying consolidated financial statements of Unibail-Rodamco-Westfield SE for the year ended 31 December 2024.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at 31 December 2024 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

The audit opinion expressed above is consistent with our report to the Audit Committee.

Basis for Opinion

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report.

Independence

We conducted our audit engagement in compliance with independence requirements of the French Commercial Code (code de commerce) and the French Code of Ethics (code de déontologie) for statutory auditors, for the period from 1 January 2024 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No 537/2014.

Justification of Assessments - Key Audit Matters

In accordance with the requirements of Articles L.821-53 and R.821-180 of the French Commercial Code (code de commerce) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the consolidated financial statements.

Valuation of the investment property portfolio, including investment properties under construction, either held directly or within joint ventures (See notes 4.2.1, 4.2.2, 4.5.1, 5.1 and 5.5 to the consolidated financial statements)

<u>Risk identified</u>

The Group directly owns or owns via joint ventures a portfolio of properties, which includes shopping centres, offices and convention & exhibition sites. The fair value of this portfolio, excluding properties held for sale, as at 31 December 2024 is €43,772 Mn in the segment reporting information on a proportionate basis (under which the joint-controlled entities are accounted for on a proportionate basis instead of being accounted for using the equity method under IFRS) of which €36,709 Mn is directly held by consolidated companies and indirectly €7,063 Mn for the Group share by joint ventures. The Group also holds a portfolio of Investment Properties Under

Construction (“IPUC”), excluding properties held for sale, carried at cost amounting to €450 Mn. The total value of investment properties, excluding properties held for sale, represents 80% of the Group’s consolidated assets.

In accordance with the notes 4.2.1, 4.5.1 and 5.5 of the consolidated financial statements, the net balance of the valuation movement amounts to €(1,078) Mn in IFRS net income for the 2024 financial year (including €(1,084) Mn relating to investment properties) and to €(1,370) Mn in the consolidated result on a proportionate basis presented in the segment reporting (including €(1,376) Mn relating to investment properties held by consolidated companies and indirectly by joint ventures).

In accordance with note 5.1 of the consolidated financial statements, the fair value of the investment property portfolio of the Group is valued by independent external appraisers as at June 30 and December 31. The valuation of investment properties involves the use of different valuation methods using unobservable parameters in accordance with the requirements of IFRS 13 and IAS 40. Consequently, the valuation is highly dependent on estimates and assumptions and requires significant judgment from the management and external appraisers mandated by the Group.

The valuations account for the property-specific information including current tenancy agreements and rental income, performance indicators, business data, cash flow forecasts, vacancy, future income prospects and market conditions such as indexation, yields and estimated rental value and comparable market transactions, both rental and investment.

Regarding IPUC, the additional factors considered for their evaluation are the estimated delivery date, the projected development costs, and the inclusion of an exit capitalization rate and expected net rents.

The valuation of the investment property portfolio, including IPUC, is thus considered as a key audit matter due to the significance of the balance to the financial statements as a whole, combined with the level of judgment associated while determining the fair value.

<u>Our response</u>

- We have obtained an understanding of the evaluation process as well as the controls implemented by the Group for the evaluation of investment properties.
- We assessed the competence and independence of the external appraisers appointed by the Group.
- We inspected the valuation reports prepared by the external appraisers and evaluated the suitability of the valuation methodology applied by the external appraisers and the scope of the appraised assets.
- The audit team, with the involvement of our real estate valuation specialists, attended meetings with the management and the external appraisers during which the valuations and the key assumptions were discussed and challenged.

- We assessed how the appraisers have considered the impact of the current macroeconomic conditions and climate-related matters on valuation of the investment properties.
- We analysed, involving our real estate valuation specialists, assumptions such as indexation, yields, estimated rental value and valuation movement of properties across the portfolio on a year-on-year basis. We corroborate these assumptions with our understanding of their local market, external market data, published benchmarks and asset specific considerations.
- We verified, on a sample basis, the consistency of rents and capital expenditure used by the external experts for the evaluation of investment properties with lease agreements and budgets established by the management.
- For the most significant IPUC, we obtained external valuations prepared by independent external appraisers. We conducted similar procedures to those described above for investment properties at fair value with particular attention to the remaining costs to be incurred until the estimated delivery date. For IPUC at cost, we assessed project-related risks and reviewed the calculation of any impairment recorded for IPUC evaluated at cost, where applicable.
- On a sample basis, we reconciled the fair value of the investment property portfolio recognized in the consolidated financial statements with the valuations determined by external appraisers.
- Additionally, we considered the appropriateness of the disclosures in the consolidated financial statements in respect of investment properties.

Recoverable amount of intangible assets with an indefinite useful life and goodwill related to the Westfield acquisition (See notes 5.3 and 5.4 to the consolidated financial statements)

<u>Risk identified</u>

As at 31 December 2024, intangible assets and goodwill in relation to the acquisition of Westfield amount, to €672 Mn and €547 Mn, respectively.

Intangible assets with an indefinite useful life relate to the property business of Flagship centres in the United States and in the United-Kingdom and the Westfield trademark.

Intangible assets with an indefinite useful life and goodwill are subject to either annual impairment tests or tests performed when an impairment indicator is identified.

As mentioned in note 5.4 of the notes to the consolidated financial statements, goodwill has been allocated to geographical segments, which qualify as a Group of Cash Generating Units (“CGUs”). Each group of CGUs is the lowest level at which goodwill is monitored for internal management purposes. An impairment loss is recognised whenever the recoverable value of the Group of CGUs to which goodwill has been allocated is less than its carrying amount.

The recoverable value is determined on value in use based on the Discounted Cash Flows derived from the 5 year Business Plan (“5YBP”) approved by the Management Board and the Supervisory Board. The main assumptions related to the value in use of each group of Cash Generating Units are cash flow projections, Compound Annual Growth Rate (“CAGR”) of Net Rental Income, discount rates based on the weighted average cost of capital and long-term growth rates.

Intangible assets with an indefinite useful life are evaluated by independent appraisers using the discounted cash flow (DCF) methodology.

The recoverable amount of intangible assets with an indefinite useful life and goodwill related to the Westfield acquisition is therefore a key audit matter due to the level of judgment required by the management.

Our response

The audit team, with the involvement of our valuation specialists, analysed the methodology used for the impairment tests of the intangible assets with an indefinite useful life and the goodwill, and management’s key assumptions. Our audit procedures led us in particular to:

- Analyse the procedures implemented by the Group to determine the recoverable amount for group of CGUs and intangible assets with an indefinite useful life;
- Assess the identification of the Group of CGUs by management as regard to accounting standards;
- Obtain an understanding of the methodology applied by the management to perform the impairment tests;
- Attend meetings with our valuation specialists, management and management’s external appraiser and challenge the key parameters used to assess the valuation of intangible assets with an indefinite useful life;
- Corroborate the underlying figures used in the Business Plan approved by the Management Board and the Supervisory Board with the figures which are used as a basis for the cash-flow projections;
- Assess the relevance of the key assumptions used to determine the recoverable values, including CAGR of Net Rental Income, discount rates and Long-Term Growth Rate (“LTGR”), by evaluating their consistency with market information and sensitivity analysis resulting from variations in these assumptions;
- Examine the mathematical accuracy of the templates used for the calculation of the recoverable amount;
- Consider the appropriateness of the disclosures in the consolidated financial statements.

Accounting for financial debt and related derivative financial instruments (See notes 7.2.1, 7.2.2, 7.3.3, 7.3.5, 7.4 and 7.5 to the consolidated financial statements)

Risk identified

As at 31 December 2024, the financial debt of Unibail-Rodamco-Westfield stood at €27,560 Mn. It mainly includes bond issues and EMTN (Euro Medium Term Notes) for a principal amount of €22,369 Mn.

As mentioned in notes 7.4 and 7.5 to the consolidated financial statements, the Group uses derivative financial instruments, mainly interest rate swaps, caps and cross-currency swaps, to hedge its exposure to fluctuations in interest rates and/or currency exchange rates. These derivative financial instruments are not documented as hedging relationships and are recognized at fair value through profit or loss, they represent amounts of €251 Mn (assets) and €762 million (liabilities) on the balance sheet.

During 2024, the Group incurred €(466) Mn in net financial costs and the fair value adjustments of derivatives, debts and currency effects amounted to +€64 Mn.

The Group’s gearing, liquidity needs, financial covenants (please refer to note 7.3.5 to the consolidated financial statements) are calculated based on financial debt portfolio.

The accounting for financial debt and related derivatives financial instruments is considered as a key audit matter due to the significance of the balance to the financial statements as a whole and their impact on the calculation of financial covenants.

Our response

- We obtained an understanding of the procedures for the valuation and the accounting of the financial debt and related derivative financial instruments.
- We obtained and analysed loan contracts on a sample basis to understand their terms and conditions and how these characteristics were reflected in the consolidated financial statements. We also performed analytical procedures on the related financial expenses.
- On a sample basis, we performed direct confirmation procedures with banking counterparties to confirm the nominal amount of financial debts.
- We analysed the calculation of the financial ratios and assessed the appropriateness of the related disclosures as well as the adequacy of the presentation of financial debt in the statement of the financial position.
- On a sample basis, we obtained confirmation from the counterparties of the occurrence and terms of the derivative financial instruments. Similarly, for a sample of derivatives, we assessed the valuations

adopted by management by performing our own estimations with the support of our valuation specialists.

- Additionally, we considered the appropriateness of the information disclosed in the consolidated financial statements in respect of IFRS 7 "Financial Instruments: Disclosures" requirements.

Specific Verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations of the information pertaining to the Group presented in the management report of the Management Board.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

Other Legal and Regulatory Requirements

Format of presentation of the consolidated financial statements intended to be included in the annual financial report

We have also verified, in accordance with the professional standard applicable in France relating to the procedures performed by the statutory auditor relating to the annual and consolidated financial statements presented in the European single electronic format, that the presentation of the English translation, approved by the Management Board, of the consolidated financial statements intended to be included in the annual financial report mentioned in Article L.451-1-2, I of the French Monetary and Financial Code (code monétaire et financier), prepared under the responsibility of the chairman of the Management Board, complies with the single electronic format defined in the European Delegated Regulation No 2019/815 of 17 December 2018. As it relates to consolidated financial statements, our work includes verifying that the tagging of the English translation of these consolidated financial statements complies with the format defined in the above delegated regulation.

Based on the work we have performed, we conclude that the presentation of the English translation of the consolidated financial statements intended to be included in the annual financial report complies, in all material respects, with the European single electronic format.

We have no responsibility to verify that the English translation of the consolidated financial statements that will ultimately be included by your Company in the annual financial report filed with the AMF (Autorité des marchés financiers) is in agreement with that on which we have performed our work.

Appointment of the Statutory Auditors

We were appointed as statutory auditors of Unibail-Rodamco-Westfield SE by the Annual General Meeting held on 27 April 2011 for Deloitte & Associés and on 11 May 2023 for KPMG S.A.

As at 31 December 2024, Deloitte & Associés was in its 20th consecutive year of mandate, including three years since the evolution of the capital structure and governance of the Company in 2021, and KPMG S.A. in its 2nd year of mandate.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The consolidated financial statements were prepared by the Management Board.

Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Objectives and audit approach

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As specified in Article L.821-55 of the French Commercial Code (code de commerce), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the consolidated financial statements.
- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.
- Evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The statutory auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

Report to the Audit Committee

We submit a report to the Audit Committee which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of the current period and which are therefore the key audit matters, that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) N° 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L.821-27 to L.821-34 of the French Commercial Code (code de commerce) and in the French Code of Ethics (code de déontologie) for Statutory Auditors. Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Paris-La Défense, March 20, 2025

The Statutory Auditors

French original signed by

Deloitte & Associés		KPMG S.A.
Emmanuel Gadret	Sylvain Durafour	Régis Chemouny