

Third quarter 2022



PRESS RELEASE

REGULATED INFORMATION
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230.95 MEUR

Fair Value of the real estate portfolio amounts to 206.05 MEUR at September 30, 2022. The slight decrease in fair value compared to December 31, 2021 (209.12 MEUR) is mainly the result of the properties sold in Oudenaarde, Nederstraat (1.58 MEUR) and Liège, Rue de la Cathédrale (1.1 MEUR). In addition, Qrf holds financial assets for 24.90 MEUR, which includes two redevelopment projects.

15.85 EUR

IFRS NAV per share of EUR 15.85 (compared to EUR 15.83 at the end of 2021), **IFRS NAV EPRA NTA** per share of EUR 15.06 (compared to EUR 15.83 at the end of 2021).

49.94%

Debt ratio of 49.94% as of September 30, 2022, down from December 31, 2021 (50,29%).

98.91%

Occupancy rate (excluding redevelopments) increases to 98.91% compared to December 31, 2021 (98.20%).

85.20%

Hedge ratio is equal to 85.20% at September 30, 2022. The company has MEUR 116.2 of financial debt, down from the situation at December 31, 2021 (MEUR 120.0). The average financing cost is 1.90% (vs. 1.74% at December 31, 2021).

Redevelopment Veldstraat 88, Ghent

After obtaining the environmental permit, renovation works were started in October for the property Veldstraat 88, Ghent. The new tenant, Nike, is expected to open in Q4 2023 at a contractual rent of 450 KEUR per year (3.5% of the current contractual rent).

0.80 EUR

Confirmation of **gross dividend expectation** of EUR 0.8 per share, with the intention of offering an optional dividend to shareholders for 2022 as well.

1 Key figures

CONSOLIDATED KEYFIGURES

REAL ESTATE PORTFOLIO

		30/09/2022	31/12/2021
Fair value of the real estate portfolio incl. assets held for sale ¹	(KEUR)	206,050	209,120
Total gross surface area	(m ²)	68,325	69,883
Contractual Rents on an annual basis ²	(KEUR)	12,816	12,380
Estimated Rental Value of vacant property	(KEUR)	688	774
Gross portfolio yield ³		6.24%	5.95%
Occupancy rate ⁴		98.91%	98.20%

BALANCE SHEET

		30/09/2022	31/12/2021
Shareholders' equity (excl. minority interests)	(KEUR)	120,169	116,326
Debt ratio (under the RREC Act) ⁵		49.94%	50.29%

KEY FIGURES PER SHARE

		30/09/2022	31/12/2021
Total number of shares outstanding at the end of period		7,582,737	7,346,676
Closing price of the share at the end of period		10.20	11.00
Market capitalisation	(KEUR)	77,344	80,813
IFRS NAV per share ⁶	(EUR)	15.85	15.83
Premium/discount to IFRS NAV (end of period)		-35.6%	-30.5%
EPRA NAV per share ⁷	(EUR)	15.06	15.83
Premium/discount to EPRA NAV (end of period)		-32.3%	-30.5%

1 Fair Value of the real estate portfolio = The investment value as defined by an independent chartered surveyor, from which the transfer costs are deducted. The Fair Value is equivalent to the book value under IFRS.

2 Contractual Rents on an annual basis = The index-adjusted base rental prices as contractually set in the rental contract before the deduction of gratuities or other incentives allowed to the tenant.

3 Gross portfolio yield = (Contractual Rents on an annual basis)/(Fair Value of the real estate portfolio).

4 Occupancy rate = (Contractual Rents on an annual basis excluding rents on development properties)/(Contractual Rents on an annual basis plus the Estimated Rental Value of vacant spaces excluding vacant spaces of development properties).

5 Calculated according to the R.D. of 13 July 2014 pursuant to the Regulated Real Estate Companies Act of 12 May 2014.

6 IFRS NAV per share = Net Asset Value per share according to IFRS.

7 EPRA NAV per share = Net Asset Value per share according to EPRA Best Practice Recommendations.

2 Real estate report

The **Fair Value of the real estate portfolio** is 206.1 MEUR at September 30, 2022 (compared to 209.1 MEUR at December 31, 2021). Two Non-Core properties located in Liège, Rue de la Cathédrale 79 (1.1 MEUR) and Oudenaarde, Nederstraat (1.58 MEUR) were sold this year. The valuation thus remains stable for the fifth consecutive quarter. The portfolio consists of 90.66% of Core locations and 9.34% of Non-Core locations.

In addition to the real estate portfolio, Qrf still holds the two participations (30% each) in the joint venture companies of the redevelopment of the Century Center in Antwerp and a building in the Bondgenotenlaan in Leuven. These interests are valued at EUR 24.90 MEUR as of September 30, 2022.

Annualized contractual rents are 12.82 MEUR (compared to 12.38 MEUR at December 31, 2021), the gross rental yield of the portfolio is 6.24%.

Finally, the occupancy rate increased further to 98.91% (compared to 98.20% at December 31, 2021).

3 Balance sheet

Shareholders' equity (excluding minority interests) amounted to 120.17 MEUR as of September 30, 2022, representing an increase of 3.30% compared to 31 December 2021 (116.33 MEUR).

This increase also had an impact on the debt ratio, which fell below 50% to 49.94% compared to 50.29% at December 31, 2021. The company has 37 MEUR of available credit lines, of which 10 MEUR is to cover the ongoing commercial paper program. **The hedge ratio**⁸ of Qrf is 85.20% at September 30, 2022

IFRS NAV per share is EUR 15.85 at September 30, 2022 (15.83 at December 31, 2021).

⁸ Hedge ratio = (nominal fixed-rate borrowings + notional rate of IRS and CAPs)/total borrowings.

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Outlook

Thanks to the recovery of the retail real estate market, following the period of restrictions on the opening of physical non-essential stores plagued by COVID-19 (2020-2021), 2022 will be a successful year for Qrf. The impact of indexations and new or renewed leases have a positive impact on net rental income, and despite rising interest rates, the average cost of financing remains low due to a high hedging ratio.

The gross dividend forecast of EUR 0.80 per share for fiscal year 2022 is confirmed, with the dividend to be proposed to the General Meeting as an optional dividend.

For 2023, the company takes into account expectations of a further increase in EURIBOR, which will have a direct impact on the company's financial costs. Thanks to an active hedging strategy, the expected impact for 2023 will remain manageable and the company maintains its ambition to pay a gross dividend of EUR 0.80 per share also for the 2023 financial year.

As during the COVID-19 period, the Company continues to evaluate different scenarios to protect shareholder value and manage the Company's resources with due diligence, in function of changing macroeconomic conditions, taking into account potential opportunities.

Caution about predictions

This press release contains forward-looking statements that involve risks and uncertainties, including statements about Qrf's plans, objectives, expectations and intentions. Readers are cautioned that such forward-looking statements involve known and unknown risks and are subject to significant business, economic and competitive uncertainties, many of which are beyond Qrf's control. If one or more of these risks or uncertainties should arise or if the basic assumptions used prove incorrect, the final results may deviate significantly from the predetermined expected, estimated or extrapolated results. As a result, Qrf does not assume any responsibility for the accuracy of these forecasts.

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About Qrf:

Qrf is a listed Belgian REIT (BE-REIT) specializing in the niche market of inner-city properties in Belgium and the Netherlands. More specifically, the company focuses on the acquisition, development and leasing of retail, leisure and hotel real estate. On 30 September 2022, the portfolio consists of 34 shopping sites with a total Fair Value of 206 MEUR. Qrf has been listed on Euronext Brussels (QRF:BB) since December 2013. On 30 September 2022, the market capitalization is 77.3 MEUR.

www.qrf.be