



HALF-YEARLY FINANCIAL REPORT 2022

29 July – 7:40
Regulated information

Summary first half year 2022

3.68 MEUR

EPRA profit for H1 2022 rises by 13.70% compared with H1 2021 to 3.68 MEUR.

EPRA earnings per share amount to 0.50 EUR, an increase of 10.65%.

14.97 EUR

EPRA NTA per share amounts to 14.97 EUR (decrease of 5.43% compared to 31 December 2021), IFRS NAV to 15.42 EUR (decrease of 2.61% compared to 31 December 2021).

50,22%

Stable **debt ratio** of 50.22% (compared to 50.29% on 31 December 2021).

233.13 MEUR

Fair value of the portfolio as at 30 June 2022 of 205.54 MEUR, of which 186.36 MEUR (90.67%) in Core locations and 19.18 MEUR (9.33%) in Non-Core locations. Over the past four quarters, the Fair Value of the portfolio has remained constant on a like-for-like basis. In addition, Qrf holds 25.41 MEUR as **financial participations** in joint ventures for redevelopments in Antwerp and Leuven and 2.18 MEUR as assets held for sale.

98.90%

Occupancy rate of 98.90%, compared to 98.20% on 31 December 2021.

Redevelopment Veldstraat 88, Ghent

Qrf has concluded a lease agreement with Nike, for the location Veldstraat 88, Gent, starting Q4 2023 at a contractual rent of 450 KEUR per year, being 3.45% of the total current contractual rent.

Interest cover

As of 30 June 2022, Qrf has financial debts of 119 MEUR. The average financing cost is 1.53% (compared to 1.74% at the end of 2021). Today, Qrf has a interest coverage ratio of 83.19% of the total debt position.

0.80 EUR

Qrf confirms the **gross dividend forecast** of at least 0.80 EUR per share for 2022.

Qrf will offer this dividend to the shareholders as an optional dividend.

Summary

first half year 2022

During the first half of the year, Qrf again made steps in the consistent implementation of its strategy: important leases were concluded or renewed; the Non-Core portfolio was further reduced; the company's balance sheet, despite difficult market conditions, was supported by a successful optional dividend; and important steps were made in the development projects:

Start of redevelopment Veldstraat 88 in Ghent

In the first half of the year, Qrf concluded a binding rental agreement with Nike, for the Veldstraat 88 location starting in Q4 2023 at a contractual rent of 450 KEUR per year. In parallel, an environmental permit was submitted that allows the necessary interventions to meet the contemporary expectations of a retailer.

Renewal of 6.9% of the Contractual Rents resulting in a stable valuation in the first half of the year

In the first six months of the year 20 lease renewals were concluded for a total of 859 KEUR of contractual rent (6.9% of the total contractual rent). In addition, two new leases took effect for a total annual rent collection of 59 KEUR and two leases were not renewed for an annual rent collection of 28 KEUR.

Although rentals as of the first half of the year are limited to 6.9% of the total Contractual Rents, Qrf has entered into significant relettings and new contracts in recent months that will only come into effect in the second half of the year or next year.

Further reduction of Non-Core portfolio with divestment of three properties above Fair Value

In the first quarter, a previously announced sale of a Non-Core property in Liège, Rue de la Cathédrale 79-83 was completed for a net amount of 1.06 MEUR. This sale resulted at the end of 2021 in a capital gain of 0.06 MEUR (+6.00%) compared to the most recent Fair Value.

In addition, during the first half of the year Qrf concluded a binding sales agreement for two Non-Core properties for a total net proceeds of 2.18 MEUR. It concerns the properties Nederstraat 43,45 in Oudenaarde (realisation end Q3) and Graaf Van Egmontstraat 10, Mechelen (realisation end Q4). These sales will be realised with a capital gain of 0.22 MEUR (+11.22%) compared to the most recent Fair Value established by the appraiser.

The continued focus on the sale of Non-Core properties is an essential part of the real estate portfolio's reorientation towards more institutional real estate with stable locations and properties.

Joint Ventures

The redevelopment of the Century Center in Antwerp (joint venture Qrf 30%, Baltisse 70%) is in the construction phase, with the various subprojects to be delivered in the period 2023-2024. Constructive talks are underway for both the remaining lettable office and retail surfaces.

The redevelopment at Bondgenotenlaan in Leuven (joint venture Qrf 30%, Dyls 70%) is also in the construction phase. The sale of the individual student rooms and studios was started in the spring and is going according to expectations.

For the joint venture development projects, Qrf expects a higher annual return upon realisation of the development and exit compared to the existing rental yield of the property portfolio. However, this effect will only become apparent in cash terms upon exit. Throughout the development, part of the expected surplus value will be included in the results.

During the development phase of these projects, Qrf's annual EPRA result is realised with only 85% of the property-related assets, the so-called yielding assets. Only upon completion of the projects under development, or upon sale as regards the participations in the joint ventures, will these contribute to the EPRA result.

If the full proceeds of the realisation of the current value of the participations in joint ventures were to be used to repay financial debt, the like-for-like financial debt would drop from 119 MEUR to 94 MEUR, which has a favourable effect on the debt ratio, as well as a positive effect on the annual interest costs. The impact on the EPRA result under this conservative scenario amounts to 0.05 EUR per share, per annum.

If the full proceeds from the realisation of the current value of the participations in joint ventures were to be used to invest in real estate assets, a positive annual effect of 0.16 EUR per share is expected.

If necessary, Qrf has the option of using the proceeds of the joint ventures as from 2024. The choice will partly depend on the evolution of the interest cost and offers the company a fundamental protection against rising interest costs.

Renovation of Shopping Mosan (Huy)

For its suburban retail park in Huy (Shopping Mosan, 7.3% of the total Contractual Rent), Qrf has launched a renovation project. The retail park was developed in 2010 and is in need of a refreshment in order to benefit from its competitive location. The works are expected to be completed by spring 2023. These renovation plans have been enthusiastically received by the various tenants on the site.

Strengthening of equity through the optional dividend

The shareholders of Qrf opted for 57.8% of their shares for a contribution of dividend rights in exchange for new shares. This results in a strengthening of the equity (capital and share premium) of 2.38 MEUR by issuing 236,061 new shares. This brings the total number of Qrf shares to 7,582,737. The remaining dividend rights were paid in cash for a net amount of 1.73 MEUR.

Consolidated key figures

The first half of 2022 covers the period from 1 January 2022 to 30 June 2022.

CONSOLIDATED KEY FIGURES

REAL ESTATE PORTFOLIO

		30/06/2022	31/12/2021
Fair Value of investment properties including assets held for sale ¹	(KEUR)	207,724	209,120
Total gross surface area	(m ²)	68,325	69,883
Contractual Rents on an annual basis ²	(KEUR)	12,456	12,380
Estimated Rental Value of vacant premises	(KEUR)	685	774
Gross rental income ³		6.06%	5.95%
Occupancy rate ⁴		98.90%	98.20%

BALANCE SHEET

		30/06/2022	31/12/2021
Shareholders' equity (excl. minority interests)	(KEUR)	116,930	116,326
Debt ratio (RREC Law) ⁵		50.22%	50.29%

PROFIT AND LOSS ACCOUNT

		30/06/2022	30/06/2021
Net rental income	(KEUR)	6,123	5,458
Operating result before result on the portfolio	(KEUR)	4,651	4,347
Operating margin ⁶		75.96%	79.63%
Portfolio result (including share of joint ventures)	(KEUR)	-2,320	-6,504
Financial result	(KEUR)	1,706	-727
Taxes	(KEUR)	90	358
Net result (group share)	(KEUR)	4,126	-2,526
Adjustment for portfolio result (including share of joint ventures)	(KEUR)	2,320	6,503
Adjustment for changes in the Fair Value of the financial assets and liabilities (non-effective portion of interest rate hedges)	(KEUR)	-2,655	-344
Adjustment for deferred taxes relating to EPRA adjustments		-115	-400
EPRA earnings ⁷	(KEUR)	3,677	3,234

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 recent contract before the deduction of gratuities or other incentives allowed to the tenants.

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)/(Contractual rents on an annual basis including the Estimated Rental Value of vacant property).

5 Calculated in accordance with the Royal Decree of 13 July 2014 implementing the Regulated Real Estate Companies Act of 12 May 2014.

6 Operating margin = Operating result before the result on the portfolio / (Net rental income).

7 EPRA earnings = Net result (group share) excluding the portfolio result and changes in the Fair Value of the non-effective interest rate hedges. This term is used in accordance with the *Best Practice Recommendations* of the EPRA.

CONSOLIDATED KEY FIGURES

KEY FIGURES PER SHARE		30/06/2022	30/06/2021
Number of shares outstanding at the end of the period		7,582,737	7,346,676
Weighted average number of shares ⁸		7,371,594	7,173,619
Net result per share	(EUR)	0.56	-0.35
EPRA earnings per share	(EUR)	0.50	0.45
Closing price of the share at the end of the financial year	(EUR)	10.50	12.15
IFRS NAV per share ⁹	(EUR)	15.42	15.17
Premium/discount with regard to IFRS NAV ¹⁰ (end of period)		-31.91%	-19.91%
EPRA NTA per share ¹¹	(EUR)	14.97	15.34
Premium/discount with regard to EPRA NAV ¹² (end of period)		-29.86%	-20.79%

8 Shares are counted *pro-rata temporis* from the time of issue. The time of issue differs in this case from the time of profit sharing.

9 IFRS NAV per share = *Net Asset Value* per share according to IFRS.

10 Premium/Discount relative to IFRS NAV = [(Closing share price at the end of the period / (IFRS NAV per share at the end the period) - 1].

11 EPRA NTA per share = *Net Tangible Assets* according to EPRA *Best Practices Recommendations*.

12 Premium/Discount relative to EPRA NAV = [(Closing share price at the end of the period / (EPRA NAV per share at the end of the period) - 1].

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Ghent
Lange Munt 61-63
Belgium

1 Notes to the consolidated results for the first half of 2022

1.1 RESULTS

The **net rental result** as at 30 June 2022 rose to 6.12 MEUR compared to 5.46 MEUR (30 June 2021).

This increase is mainly due to the absence of the COVID-19 impact realised in 2021 (0.58 MEUR), the net impact of divestments (0.03 MEUR), and the like-for-like evolution in rental income (-0.05 MEUR).

The **operating result before result on portfolio** amounts to 4.65 MEUR for the first half of 2022, an increase of 7.01% compared to the first half of 2021 (4.35 MEUR). The **operating margin** fell to 75.96%.

The **portfolio result (incl. share of joint ventures)** for the first half of 2022 amounts to -2.32 MEUR and consists of:

- a positive **result on the sale of investment properties in the amount of** 0.22 MEUR realised on the sale of the properties located in Mechelen, Graaf van Egmontstraat 10 and in Oudenaarde, Nederstraat 43/45; and
- a negative revaluation of the **real estate value of the joint ventures amounting** to 1.51 MEUR as a result of the increased construction costs of the respective projects; and
- negative **changes in the Fair Value of the investment properties** for an amount of 0.56 MEUR. These negative variations are due to a positive evolution of the Fair Value of the existing portfolio in Belgium (+0.15 MEUR) and a negative evolution of the Fair Value of the existing portfolio in the Netherlands (-0.71 MEUR); and finally
- the write-off of the capitalised costs incurred to support the various investment properties (0.47 MEUR).

The **financial result** amounts to 1.71 MEUR for the first half of 2022. The main components of the financial result are:

- **net interest expenses** which slightly decreased to 0.85 MEUR in the first half of 2022. Qrf's **average cost of funding** was 1.53% in the first half of 2022 (compared to 1.82% in the first half of 2021);
- a positive **variation in the Fair Value of financial assets and liabilities** of 2.66 MEUR as a result of the revaluation of interest rate hedges.

Taxes contributed 0.09 MEUR to the result in the first half of 2022, mainly as a result of the movement in the temporary difference between the Fair Value and tax value of properties in the Netherlands (0.40 MEUR).

The **Net Income (Group share)** amounted to 4.13 MEUR, or 0.56 EUR per share.

After adjustment for the portfolio result (including share of joint ventures) and the variation in the Fair Value of financial assets and liabilities and the deferred taxes in relation to EPRA adjustments, Qrf registers an **EPRA result** for the first half year of 2022 of 3.68 MEUR, or an increase of 13.70% in comparison with the first half year of 2021 (3.23 MEUR). The **EPRA result per share** amounts to 0.50 EUR.

1.2 BALANCE SHEET

The **Fair Value of the investment properties** amounts to 205.54 MEUR on 30 June 2022 (compared to 208.06 MEUR on 31 December 2021):

- a write-down of 0.56 MEUR was recorded in the first half of the year¹;
- the investment properties located in Mechelen, Graaf van Egmontstraat 10 and in Oudenaarde Nederstraat 43/45 for a total amount of 2.18 MEUR are included in the assets available for sale. A definitive sales agreement has been concluded for both properties; the actual sales will follow in the second half of the year. For both projects together, a capital gain of 0.22 MEUR has been recognised with regard to the valuation as at 31 December 2021;

resulting in the Fair Value of the portfolio amounting to 205.54 MEUR as at 30 June 2022.

The **Gross Rental Yield** of the portfolio remained stable at 6.06% compared to the end of 2021.

The **Group's equity** (IFRS), i.e. excluding minority interests, remained virtually stable at 116.93 MEUR as at 30 June 2022 (compared to 116.33 MEUR as at 31 December 2021).

¹ Including the write-off of capitalised costs, the write-off amounts to MEUR 1.03.

IFRS NAV per share decreases by 2.59% from 15.83 EUR on 31 December 2021 to 15.42 EUR on 30 June 2022. **EPRA NTA per share** decreases by 5.43% from 15.83 EUR to 14.97 EUR over the same period.

At 50.22%, the **debt ratio** remained virtually stable compared to 31 December 2021 (50.29%).

1.3 FINANCIAL STRUCTURE

1.3.1 Composition of debts

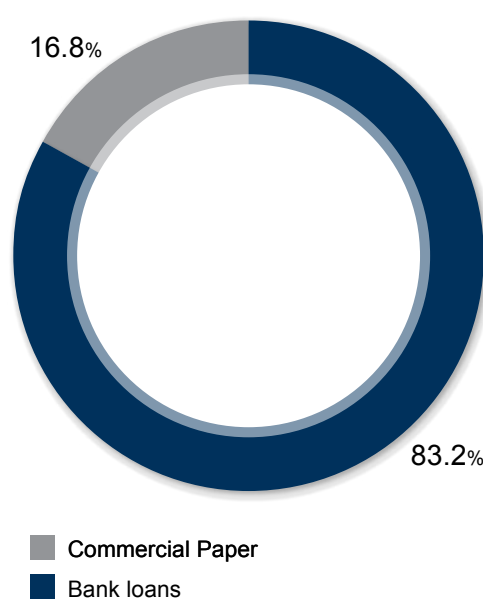
On 30 June 2022, Qrf has 119 MEUR of financial debts, which consist of:

- **Bilateral credit lines** drawn for an amount of 99 MEUR. The drawn bilateral credit lines are concluded with 7 different financial institutions with well spread maturity dates between 2022 and 2027. The weighted average remaining maturity is 2.8 years.
- **Commercial Paper** for an amount of 20 MEUR. The full amount of outstanding commercial paper is covered by available long-term credit lines (back-up lines).

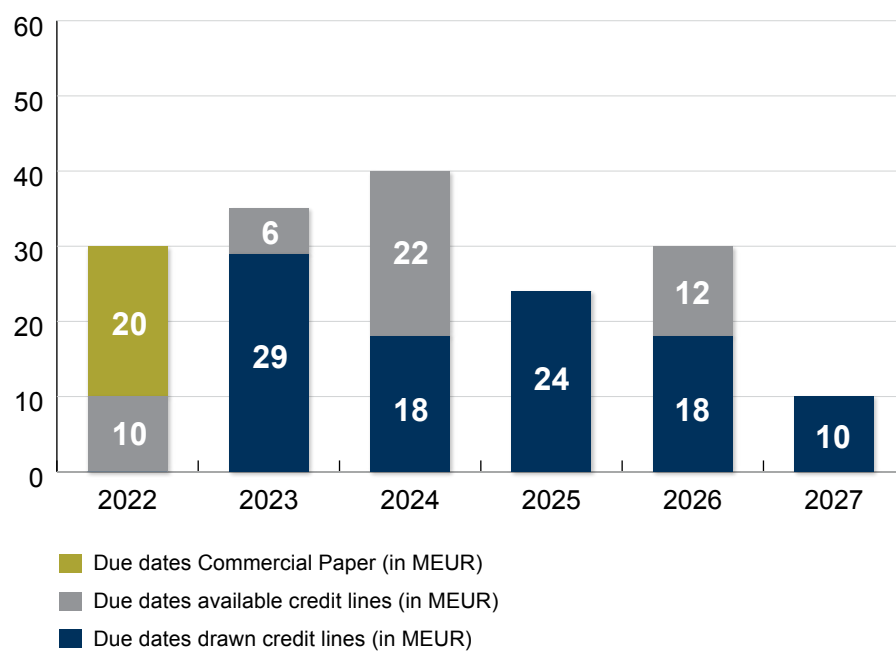
Qrf had 149 MEUR in credit lines available on 30 June 2022. The undrawn part of the available credit lines amounts to 58 MEUR, of which 10 MEUR is to cover the commercial paper program.

The Average Financing Cost is 1.53% in the first half of 2022 (compared to 1.74% in 2021). As of 30 June 2022, 83.19% of the debt is fixed-rate primarily as a result of following an active hedging strategy.

GRAPH 1 COMPOSITION OF FINANCIAL DEBTS AS AT 30 JUNE 2022



GRAPH 2 MATURITIES OF DRAWN AND UNDRAWN CREDIT LINES AND COMMERCIAL PAPER AT 30 JUNE 2022 (IN MEUR)



2 Transactions and achievements

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Zwolle
Diezerstraat 60
The Netherlands

2 Transactions and achievements

2.1 ACQUISITIONS, DIVESTMENTS AND OTHER ACTIVITIES

2.1.1 Acquisitions and divestments

During the first half of the year, Qrf concluded a binding sales agreement for two Non-Core investment properties for a total net proceeds of 2.18 MEUR. It concerns the properties Nederstraat 43, 45 in Oudenaarde (realisation end Q3) and Graaf Van Egmontstraat 10, Mechelen (realisation end Q4). These sales will be realised with a capital gain of 0.22 MEUR (+11.22%) compared to the most recent Fair Value established by the appraiser. Furthermore, a previously announced sale of a Non-Core investment property in Liege, Rue de la Cathédrale 79-83 was completed in Q1 for a net amount of 1.06 MEUR. This sale resulted at the end of 2021 in a capital gain of 0.06 MEUR (+6.00%) compared to the most recent Fair Value.

During the first half of the year, Qrf did not realise any acquisitions.

2.1.2 Redevelopments

Qrf has two participations in joint venture companies for the redevelopment of inner-city mixed-use projects in Antwerp (Century Center) and Leuven (Bondgenotenlaan). For both development projects, Qrf cooperates with a specialist developer and holds 30% of the shares in the respective joint ventures for a value of 25.41 MEUR.

It should be taken into account that the redevelopment of locations ensures that in the interim period until completion, limited rental income is realised in the joint ventures. In the short term, this has a negative effect on the EPRA result, but in the medium term it creates substantial shareholder value.

Qrf expects an annual return (IRR) on both projects that is higher than the existing rental return. However, as it concerns development projects in joint ventures, this annual return will not be reflected in the EPRA figures during the years of development, and the return will be realised upon sale of both projects.

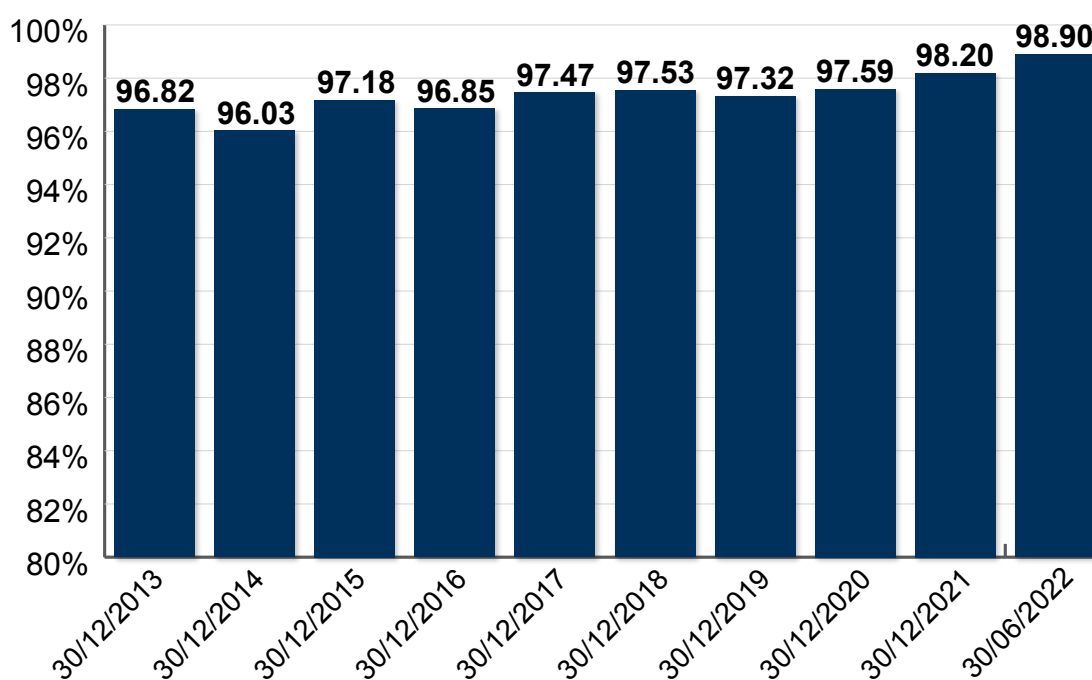
Both projects are obviously subject to the rising cost of construction materials. That is why this increase has already been taken into account in the valuation of these joint venture projects for the first half of 2022. For both projects, however, Qrf is convinced that it will achieve the internal return forecast thanks to the quality of the projects at the time of sale.

2.1.3 Rental activities

Within its portfolio of 33 sites leased to around 100 tenants, Qrf managed to maintain its high Occupancy Rate in the first half of 2022. On 30 June 2022, the portfolio occupancy rate¹ was 98.90% (compared to 98.20% on 31 December 2021).

In the first six months of the year 20 lease renewals were concluded for a total of 859 KEUR of contractual rent (6.9% of the total contractual rent). In addition, two new leases took effect for a total annual rent collection of 59 KEUR and two leases were not renewed for an annual rent collection of 28 KEUR.

GRAPH 1 EVOLUTION OCCUPANCY RATE



2.2 OUTLOOK 2022

Based on the result achieved in the first half of the year and the lease renewals already completed, Qrf confirms a dividend forecast for the 2022 financial year of 0.80 EUR per share. Qrf will propose this dividend in the form of an optional dividend.

¹ Occupancy Rate = (Annualised Contractual Rents) / (Annualised Contractual Rents increased by the Estimated Rental Value of vacant space). The occupancy rate is calculated starting in 2018 excluding the two development projects (Leuven and Century Center).

3 Qrf on the stock exchange

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America Today 43rd



Den Bosch

Hinthamerstraat 41-45

The Netherlands

3 Qrf on the stock exchange

3.1 THE QRF SHARE

Qrf offers private and institutional investors the opportunity to access a wide range of real estate assets in a diversified manner, without having to worry about the management, which is carried out by professional teams.

Qrf share (Euronext Brussels: QRF, ISIN code BE0974272040) has been listed on the continuous market of Euronext Brussels since 18 December 2013. Qrf is part of the Bel Small index.

On 30 June 2022, the capital of Qrf was represented by 7,582,737 fully paid-up shares. Each of these shares confers one voting right at the General Meeting. The shares have no nominal value. Neither Qrf nor any of its subsidiaries hold any shares of Qrf.

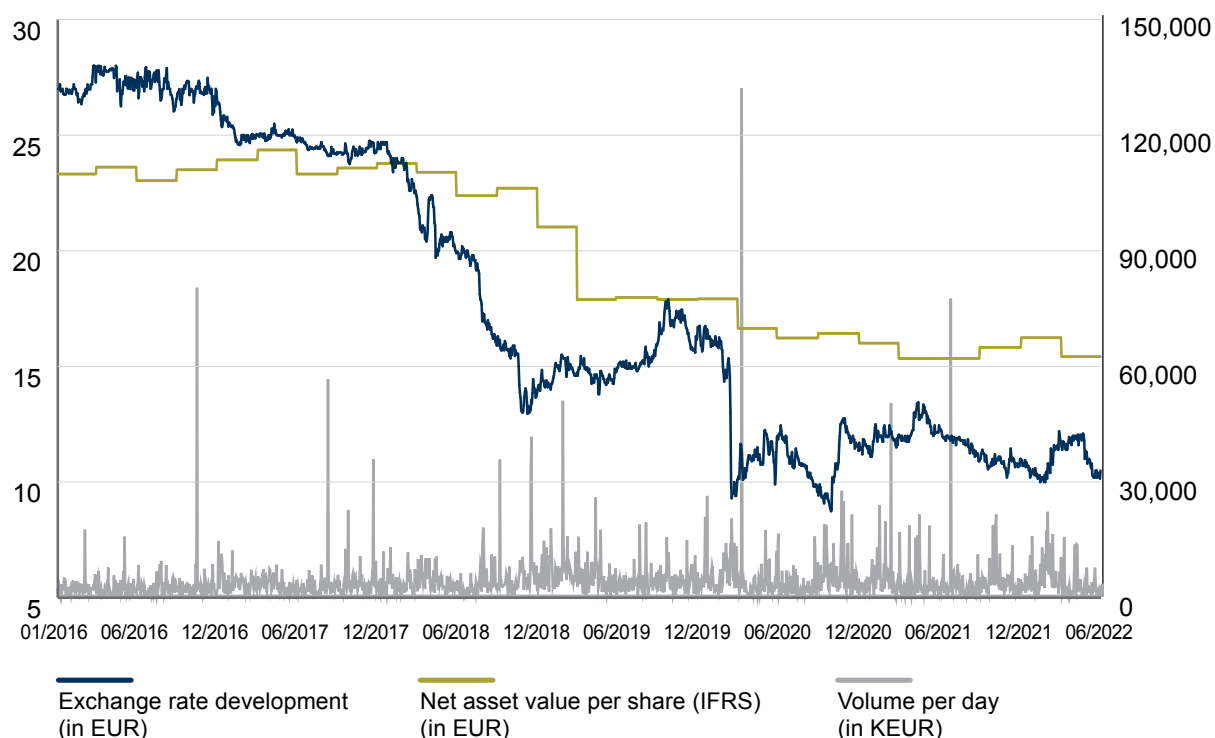


3.2 SHARE PRICE EVOLUTION AND VOLUME TRADED

TABLE 1 OVERVIEW OF THE EVOLUTION OF THE QRF SHARE

	30/06/2022	30/06/2021
Number of shares in issue at the end of the financial year	7,582,737	7,346,676
Registered shares	3,090,488	2,972,473
Dematerialised shares	4,492,249	4,374,203
Market capitalisation at the end of the financial year (in EUR)	79,618,739	89,262,113
Free float ¹	45.0%	62.5%
Share price (in EUR)		
Highest	12.20	13.80
Lowest	10.00	11.00
At the end of the period	10.50	12.15
Average	11.01	12.07
Volume (in number of shares)		
Average daily volume	3,811	4,277

GRAPH 1 EVOLUTION OF THE QRF SHARE PRICE



¹ Free float = $\frac{[(\text{Number of shares at year-end}) - (\text{Total number of shares held by parties that have made themselves known through a transparency declaration in accordance with the Act of 2 May 2007})]}{[\text{Number of shares at year-end}]}$.

3.3 SHAREHOLDING

As at 30 June 2022, Qrf had 7,582,737 outstanding shares. Based on the transparency notifications received by Qrf, the shareholder structure is as follows:

TABLE 2 QRF SHAREHOLDER STRUCTURE ON 30 JUNE 2022

SHAREHOLDERS	SHARES	PERCENTAGE
Etienne Kaesteker	367,573	4.8%
KBC Asset Management	391,218	5.2%
Quintet Private Bank	550,579	7.3%
AXA SA	633,680	8.4%
Family Vanmoerkerke	2,237,649	29.5%
Free float	3,402,038	44.8%
TOTAL	7,582,737	100.0%

3.4 FINANCIAL CALENDAR FOR 2022 AND 2023

TABLE 3 FINANCIAL CALENDAR QRF

	DATE
Publication update 3rd quarter 2022	28/10/2022
Publication press release annual results 2022	24/02/2023
Publication update 1st quarter 2023	28/04/2023
General Meeting of Shareholders	16/05/2023
Publication of half-yearly results and half-yearly report 2023	27/07/2023
Publication update 3rd quarter 2023	27/10/2023

For possible changes to the agenda, please refer to the “financial calendar” on the website <http://www.qrf.be>. Any changes will also be announced by press release.



4 Property report

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Hasselt

Demerstraat 21-25

Belgium

4 Property report

4.1 DISCUSSION OF THE CONSOLIDATED PROPERTY PORTFOLIO ON 30 JUNE 2022

On 30 June 2022, the consolidated property portfolio comprised 33 sites with a total gross area of 68,325 m² and a Fair Value of 205.54 MEUR. The portfolio generates 12.46 MEUR Contractual Rents on an annual basis, of which 11.10 MEUR in Belgium and 1.36 MEUR in the Netherlands.

Expressed in Fair Value, on 30 June 2022 90% of the portfolio was located in Belgium and 10% in the Netherlands.

The Gross Rental Yield based on the Contractual Rents is 6.06% as at 30 June 2022.

The portfolio is divided into a Core and Non-Core portfolio, based on the attractiveness of the city (demographics, tourism, etc.), the positioning within the shopping area and the quality of the property for tenants.

TABLE 1 SUMMARY CORE AND NON-CORE PORTFOLIO

PORTFOLIO	NUMBER OF SITES	FV 30/06/2022	ERV 30/06/2022	CONTRACTUAL RENTALS	GROSS RENTAL YIELD BASED ON CONTRACTUAL RENTS
Core	26	186,360,000	9,751,581	11,095,848	5.95%
Non-Core	7	19,180,000	1,248,650	1,359,867	7.09%
TOTAL	33	205,540,000	11,000,213	12,455,715	6.06%

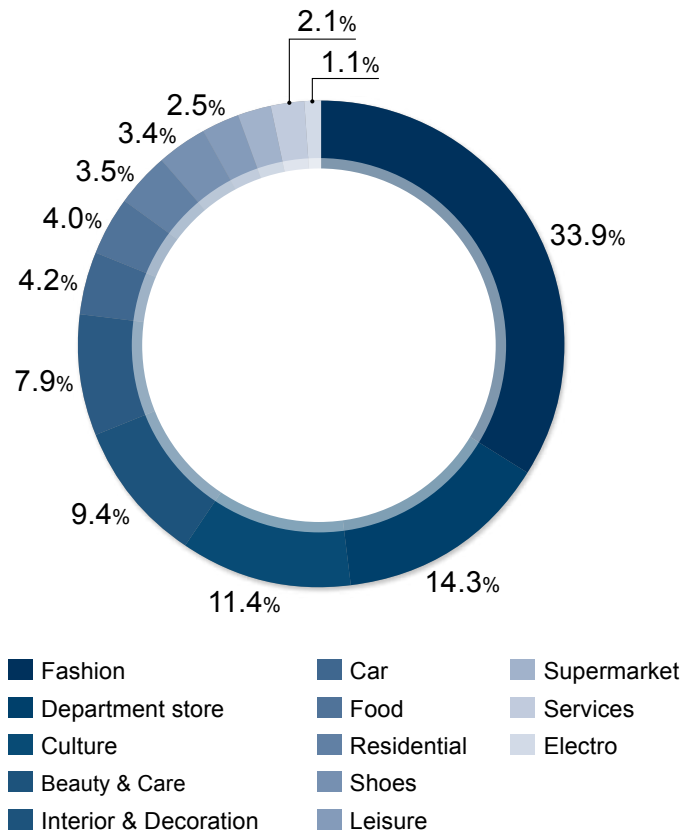
TABLE 2 OVERVIEW CORE AND NON-CORE PORTFOLIO PER LOCATION

CORE PORTFOLIO	NON-CORE PORTFOLIO
Aalst - Nieuwstraat 29 - 31 – 33	Dendermonde - Oude Vest 19-37
Antwerp - Kammenstraat 34	Liège - Rue de la Cathédrale 87-93
Antwerp - Meir 107	Mechelen - Graaf van Egmontstraat 10 (1)
Antwerp - Meirbrug 2 / Schoenmarkt 22	Namur - Rue de Fer 10
Antwerp - Schuttershofstraat 53	Ostend - Kapellestraat 105
Antwerp - Wiegstraat 4	Oudenaarde - Nederstraat 43/45 (1)
Antwerp - Wiegstraat 6	Sint-Truiden - Luikerstraat 49-51
Boncelles - Route du Condroz 42-44	Tongeren - Maastrichterstraat 20a-20b
Ghent - Langemunt 61-63	Ukkel - Alsebergsesteenweg 767
Hasselt - Demerstraat 21-25	
Hasselt - Koning Albertstraat 48-50	
Huy - Shopping Mosan	
Mechelen - Bruul 15	
Ostend - Adolf Buylstraat 1A	
Ostend - Adolf Buylstraat 33	
Ostend - Adolf Buylstraat 42	
Ostend - Adolf Buylstraat 44	
Ostend - Kapellestraat 65	
Wilrijk - Boomsesteenweg 894-898	
Den Bosch - Hinthamerstraat 41-45 (NL)	
Enschede - Kalandersstraat 2-4 9 (NL)	
Maastricht - Grote Staat 58 (NL)	
Nijmegen - Broerstraat 49 (NL)	
Zwolle - Diezerstraat 60 (NL)	
Bruges - Predikherenrei 4	
Ghent - Veldstraat 88	

(1) As of 30 June 2022, these investment properties are held as Assets held for sale. Purchase/sale agreements have been entered into and the final sales will be completed later in 2022.

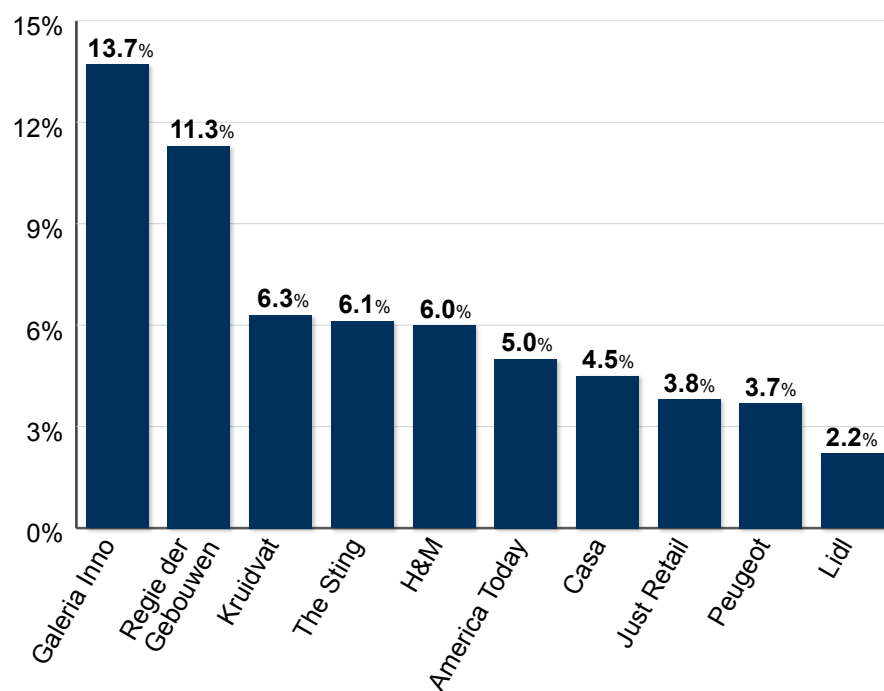
As illustrated in the figure below, the Fashion sector accounts for 34.4% of the total Contractual Rentals on an annual basis. This sector is followed by Department Stores with 14.3% and Culture with 11.4%.

GRAPH 1 SECTOR DISTRIBUTION OF THE PROPERTY PORTFOLIO AS AT 30 JUNE 2022
(EXPRESSED AS AN ANNUAL PERCENTAGE OF CONTRACTUAL RENTS)



The chart below shows the annualised Contractual Rentals broken down by Qrf's main customers.

GRAPH 2 DISTRIBUTION OF THE PROPERTY PORTFOLIO BY TENANTS AS AT 30 JUNE 2022 (EXPRESSED AS AN ANNUAL PERCENTAGE OF CONTRACTUAL RENTS)



Qrf's 10 major tenants together represent 63% of the total Contractual Rentals on an annual basis.

4.2 CONCLUSIONS OF THE PROPERTY EXPERT

Qrf's property portfolio is valued by Cushman & Wakefield.

We are honoured to submit to you our estimate of the Fair Value of Qrf's property portfolio as at 30 June 2022.

After a careful analysis of the market and taking into account the assumptions we have made, we can report the following:

Fair Market Value (rounded), net of transaction costs:

TOTAL	BELGIUM	THE NETHERLANDS
205,540,000 EUR	184,190,000 EUR	21,350,000 EUR

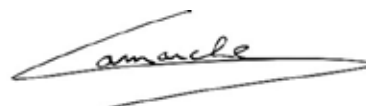
Yours sincerely,

For the part of the property portfolio located in Belgium

Benoit Duysters
Valuer
Valuation & Advisory



Gregory Lamarche MRICS
Associate
Valuation & Advisory



For the part of the real estate portfolio located in the Netherlands

Cushman & Wakefield V.O.F.



Ronald H.J. van der Zalm MRICS RT
Associate
Valuation & Advisory



5 Consolidated condensed financial statements for the first half of 2022

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Ostend
Adolf Buylstraat
Belgium

5 Consolidated condensed financial statements for the first half of 2022

5.1 CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

A. CONSOLIDATED INCOME STATEMENT

FIGURES IN THOUSANDS OF EUR

	Note	30/06/2022	30/06/2021
(+) I. Rental income		6,048	5,547
(+) II. Writeback of leased payments sold and discounted		0	0
(+/-) III. Rental charges		75	-88
NET RENTAL INCOME	3	6,123	5,458
(+) IV. Recovery of property charges		0	0
(+) "V. Recovery of rental charges and taxes normally payable by tenants on let properties"		244	184
(-) "VI. Costs payable by the tenants and borne by the owner on the rental damage and refurbishment at end of lease"		0	0
(-) VII. Rental charges and taxes normally payable by tenants on let properties		-311	-263
(+/-) VIII. Other rental related income and charges		0	0
PROPERTY RESULT	3	6,056	5,378
(-) IX. Technical costs		-169	-112
(-) X. Commercial costs		-33	-48
(-) XI. Charges and taxes of unlet properties		-28	-20
(-) XII. Property management costs		-118	-84
PROPERTY CHARGES	3	-349	-264
PROPERTY OPERATING RESULT		5,707	5,114
(-) XIV. General company expenses		-1,056	-844
(+/-) XV. Other operating income and charges		0	77
OPERATING RESULT BEFORE PORTFOLIO RESULT		4,651	4,347
(+/-) XVI. Result on disposals of investment properties		224	-183
(+/-) XVIII. Changes in Fair Value of investment properties		-1,033	-6,321
PORTFOLIO RESULT	4	-809	-6,504
OPERATING RESULT		3,842	-2,157
(+) XX. Financial income		5	6
(-) XXI. Net interest charges		-845	-1,038
(-) XXII. Other financial charges		-110	-39
(+/-) XXIII. Changes in Fair Value of financial assets and liabilities		2,655	344
FINANCIAL RESULT	4	1,706	-727
(+/-) XXIV. Share in the profit or loss of associates and joint ventures		-1,511	0

PROFIT BEFORE TAXES		4,037	-2,883
(+/-) XXV. Corporate tax		90	358
(+/-) XXVI. Exit tax		0	0
TAXES		90	358
NET PROFIT		4,126	-2,526
Attributable to:			
Shareholders of the group		4,126	-2,526
Minority interests		0	0
Components of net result - Shareholders of the group:			
NET RESULT (GROUP SHARE)		4,126	-2,526
Result on the portfolio		809	6,504
Earnings from associates and joint ventures	13	1,511	0
Changes in the Fair Value of financial assets and liabilities		-2,655	-344
Result on the realisation of shares in real estate companies		0	0
Deferred taxes relating to EPRA changes		-115	-400
EPRA EARNINGS*		3,677	3,234

*The EPRA earnings consist of the Net result (group share) exclusive of the portfolio, the changes in the Fair Value of the non-effective.

B. STATEMENT OF COMPREHENSIVE INCOME

Figures in thousands of EUR

	Note	30/06/2022	30/06/2021
I. NET PROFIT		4,126	-2,526
II. OTHER COMPREHENSIVE INCOME RECYCLABLE UNDER THE INCOME STATEMENT		0	0
(+/-) "B. Changes in the effective part of Fair Value of authorized cash flow hedging instruments as defined under IFRS"		0	0
COMPREHENSIVE INCOME		4,126	-2,526
Attributable to:			
Shareholders of the group		4,126	-2,526
Minority interests		0	0

5.2 EARNINGS PER SHARE

FIGURES IN THOUSANDS OF EUR

	Note	30/06/2022	30/06/2021
Number of ordinary shares in circulation at the end of the financial year		7,582,737	7,346,676
Weighted average number of shares during the financial year		7,371,594	7,173,619
NET EARNINGS PER ORDINARY SHARE - GROUP SHARE (in EUR)		0.56	-0.35
DILUTED NET EARNINGS PER SHARE - GROUP SHARE (in EUR)		0.56	-0.35

5.3 CONDENSED CONSOLIDATED BALANCE SHEET

FIGURES IN THOUSANDS OF EUR	Note	30/06/2022	31/12/2021
ASSETS			
I. FIXED ASSETS		234,363	236,377
B Intangible fixed assets		49	64
C Investment properties	6	205,540	208,060
D Other tangible fixed assets		6	12
E Non-current financial assets		1,933	10 (*)
H Deferred taxes - assets		1,424	1,310 (*)
I Investments in associated companies and joint ventures equity method		25,410	26,921 (*)
II. CURRENT ASSETS		4,832	3,584
A Assets held for sale	6	2,184	1,060
D Trade receivables		1,349	1,116
E Tax receivables and other current assets		331	418 (*)
F Cash and cash equivalents		721	883
G Deferred charges and accrued income		247	107
TOTAL ASSETS		239,195	239,961
FIGURES IN THOUSANDS OF EUR	Note	30/06/2022	31/12/2021
LIABILITIES			
EQUITY		116,930	116,326
I. Equity attributable to the shareholders of the parent company		116,930	116,326
A Capital	7	7,166	6,954
a. Issued capital		7,583	7,347
b. Costs for capital increase		-417	-393
B Issue premiums		154,091	151,948
C Reserves		-48,453	-44,903
D Net result for the financial year		4,126	2,327
II. Minority interests		0	0
OBLIGATIONS		122,264	123,634
I. Non-current liabilities		99,025	71,761
B Non-current financial debts	8	98,949	70,930
C Other non-current financial liabilities		76	831
II. Current liabilities		23,239	51,873
B Current financial debts	8	20,000	49,000
D Trade debts and other current debts		1,099	457
b. Other		1,099	457
E Other current liabilities		65	185
F Accrued charges and deferred income		2,075	2,231
TOTAL EQUITY AND LIABILITIES		239,195	239,960

(*) Comparative figures 31/12/2021 represented with respect to annual report 2021

5.4 CONSOLIDATED CASH FLOW STATEMENT

FIGURES IN THOUSANDS OF EUR

	Note	30/06/2022	30/06/2021
CASH AND CASH EQUIVALENTS OPENING BALANCE SHEET		883	1,727
1. Cashflow from operating activities		3,775	2,822
Net result		4,126	-2,525
Non-paid interest and bank charges 301 321		325	283
Adaptation of the result for non-cash flow transactions		-293	6,786
- Depreciation on capitalized financing charges		19	0
- Depreciation on intangible and other tangible fixed assets		23	-2
- Result from the sale of investment properties		-224	170
- Increase / decrease of receivable invoices (+/-)		0	132
- Changes in Fair Value of investment properties and project developments	4	1,033	6,321
- Changes in Fair Value of financial assets and liabilities	5	-2,655	165
- Share of result of associated companies and joint ventures		1,511	0
Changes in working capital requirements:		-383	-1,722
Movement of assets:		-400	-594
- Trade receivables		-233	-506
- Tax receivables and other current assets		-27	-69
- Deferred charges and accrued income		-140	-18
Movement of liabilities:		17	-1,129
- Other non-current liabilities		-24	-40
- Trade debts and other current debts		791	107
- Other current liabilities (incl. tax debt)		-120	-679
- Deferred charges and accrued income		-631	-517
2. Cash flow resulting from investment activities		585	211
Purchase of intangible and other tangible fixed assets		-3	-78
Investments in existing properties		-473	-361
Receipts from the disposal of investment properties		1,060	650
3. Cash flow from financing activities		-4,522	-3,110
Loan repayment		-19,000	0
Loan acquisition		18,000	402
Costs for capital increase		-24	-62
Dividends paid		-3,498	-3,449
Transaction fees paid		0	0
CASH AND CASH EQUIVALENTS CLOSING BALANCE		721	1,650

5.5 CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FIGURES IN THOUSANDS OF EUR	Capital	Cost of capital increase	Issue premiums	Reserves	Net result of the financial year	Minority interests	Equity
BALANCE SHEET ON 31 DECEMBER 2021	7,347	-393	151,948	-44,904	2,327	-	116,326
Appropriation of result 2021	236	-	2,143	-3,549	-2,327	-	-3,498
Transfer of portfolio result to reserves				-4,870	4,870		-
Transfer of operating result to reserves				-135	135		-
Transfer of changes in Fair Value of financial instruments				862	-862		-
Transfer of share of profit of associates and joint ventures				593	-593		-
Dividend for financial year 2021	236		2,143		-5,877		-3,498
Net result 2022					4,126		4,126
Other elements recognized in the comprehensive result							
Costs capital increase (CP 8)		-24					-24
BALANCE SHEET ON 30 JUNE 2022	7,583	-417	154,091	-48,453	4,126	-	116,930

FIGURES IN THOUSANDS OF EUR	Capital	Cost of capital increase	Issue premiums	Reserves	Net result of the financial year	Minority interests	Equity
BALANCE SHEET ON 31 DECEMBER 2020	7,153	-331	149,867	-33,870	-5,314	-	117,506
Appropriation of result 2020	194	-	2,081	-11,036	5,314	-	-3,448
Transfer of portfolio result to reserves				-12,964	12,964		-
Transfer of operating result to reserves				1,586	-1,586		-
Transfer of changes in Fair Value of financial instruments				342	-342		-
Dividend for financial year 2020	194		2,081		-5,723		-3,448
Net result 2021					-2,525		-2,525
Other elements recognized in the comprehensive result							
Costs capital increase (CP 7)		-62					-62
BALANCE SHEET ON 30 JUNE 2021	7,347	-393	151,948	-44,905	-2,525	-	111,471

5.6 DETAIL OF THE CONSOLIDATED RESERVES

FIGURES IN THOUSANDS OF EUR	Legal reserve	Reserve for the balance of changes in Fair Value of properties	Reserve for the balance of changes in Fair Value of authorized hedge instruments which are subject to a hedge accounting as defined in IFRS	Reserve for the balance of changes in Fair Value of authorized hedge instruments which are not subject to a hedge accounting as defined in IFRS	Available reserve: reserve for foreseeable losses	Unavailable reserve: reserve for the share of profit of associated companies and joint ventures	Results carried forward from previous financial years	Total reserves
BALANCE SHEET ON 31 DECEMBER 2021	-	-47,689	-	-1,101	14	-	3,873	-44,903
Processing of net result 2021		-4,870	0	862	0	593	-135	-3,549
Transfer of portfolio result to reserves		-4,870						-4,870
Transfer reserves of sold properties								0
Transfer of operating result to reserves							-135	-135
Transfer of changes in Fair Value of financial instruments				862				862
Transfer of result of joint ventures to reserves						593		593
Other elements recognized in the comprehensive result								
Other								0
BALANCE SHEET ON 30 JUNE 2022	-	-52,559	-	- 293	14	593	3,738	-48,453

5.7 EXPLANATORY NOTES

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NOTE 1. ACCOUNTING POLICIES

N 1.1 GENERAL

The financial reporting of Qrf is prepared in accordance with IFRS as approved within the European Union and in accordance with the provisions of the RREC Act.

This interim financial information for the period ended 30 June 2022 has been prepared in accordance with IAS 34, "Interim Financial Reporting". This interim financial report should be read in conjunction with the financial statements for the year ended 31 December 2021. Qrf did not incorporate any new IFRS standards or interpretations into its accounting policies during the first half of 2022 and the accounting policies applied for the preparation of the interim financial statements are identical to those applied for the financial year ended 31 December 2021.

No statutory half-yearly financial report is prepared as at 30 June. The statutory financial statements are only prepared at year-end.

NOTE 2. SEGMENT INFORMATION

30/06/2022				
FIGURES IN THOUSANDS OF EUR	BELGIUM	NETHERLANDS	Non-attributed amounts	TOTAL
NET RENTAL INCOME	5,400	723	0	6,123
RECOVERY PROPERTY CHARGES	-18	-49	0	-67
PROPERTY RESULT	5,382	674	0	6,056
PROPERTY CHARGES	-307	-42	0	-349
OPERATING PROPERTY RESULT	5,075	632	0	5,707
(-) General company expenses	0	0	-1,056	-1,056
(+/-) Other operating income and charges	0	0	0	0
OPERATING RESULT BEFORE THE RESULT ON THE PORTFOLIO	5,075	632	-1,056	4,651
(+/-) Result on disposals of investment properties	224	0	0	224
(+/-) Changes in Fair Value of investment properties	-308	-725	0	-1,033
OPERATING RESULT	4,991	-93	-1,056	3,842
FINANCIAL RESULT	0	0	1,706	1,706
Share of equity accounted investees	-1,511	0	0	-1,511
RESULT BEFORE TAXES	3,480	-93	650	4,037
TAXES	-5	95		90
NET RESULT	3,475	2	650	4,126
MINORITY INTERESTS	0	0	0	0
NET RESULT - GROUP SHARE	3,475	2	650	4,126

30/06/2022

FIGURES IN THOUSANDS OF EUR	BELGIUM	NETHERLANDS	Non-attributed amounts	TOTAL
ASSETS				
Investment properties	184,190	21,350	0	205,540
Other assets	25,410	0	8,245	33,655
TOTAL ASSETS	209,600	21,350	8,245	239,195
LIABILITIES				
EQUITY	0	0	116,930	116,930
Group equity	0	0	116,930	116,930
Minority interests	0	0	0	0
LIABILITIES	0	0	122,264	122,264
TOTAL EQUITY AND LIABILITIES	0	0	239,195	239,195

30/06/2021

FIGURES IN THOUSANDS OF EUR	BELGIUM	NETHERLANDS	Non-attributed amounts	TOTAL
NET RENTAL INCOME				
PROPERTY RESULT	4,836	542	0	5,378
PROPERTY CHARGES	-233	-31	0	-264
OPERATING PROPERTY RESULT	4,603	511	0	5,114
(-) General company expenses	-47	-8	-789	-844
(+/-) Other operating income and charges	0	0	77	77
OPERATING RESULT BEFORE THE RESULT ON THE PORTFOLIO	4,556	503	-712	4,347
(+/-) Result on disposals of investment properties	-183	0	0	-183
(+/-) Changes in Fair Value of investment properties	-4,576	-1,745	0	-6,321
(+/-) Other portfolio result	0	0	0	0
OPERATING RESULT	-203	-1,242	-712	-2,157
FINANCIAL RESULT	0	0	-727	-727
(+/-) Share of result of associated companies and joint ventures	0	0	0	0
RESULT BEFORE TAXES	-203	-1,242	-1,439	-2,883
TAXES	0	0	358	358
NET RESULT	-203	-1,242	-1,081	-2,525
MINORITY INTERESTS	0	0	0	0
NET RESULT - GROUP SHARE	-203	-1,242	-1,081	-2,525

30/12/2021				
FIGURES IN THOUSANDS OF EUR	BELGIUM	NETHERLANDS	Non-attributed amounts	TOTAL
ASSETS				
Investment properties	186,000	22,060	0	208,060
Other assets	26,931	0	4,970	31,901
TOTAL ASSETS	212,931	22,060	4,970	239,961
LIABILITIES				
EQUITY	0	0	116,326	116,326
Group equity	0	0	116,326	116,326
Minority interests	0	0	0	0
LIABILITIES	0	0	123,635	123,635
TOTAL EQUITY AND LIABILITIES	0	0	239,961	239,961

The Board of Directors is the decision-making body and the body that measures the performance of the various segments. The Board of Directors looks at the results on a geographical level.

NOTE 3. PROPERTY AND OPERATING RESULT BEFORE RESULT ON PORTFOLIO

FIGURES IN THOUSANDS OF EUR	30/06/2022	30/06/2021
(+) I. Rental income	6,048	5,547
- <i>Rent</i>	6,048	5,547
- <i>Guaranteed income</i>	0	0
(+) II. Writeback of leased payments sold and discounted	0	0
(+/-) III. Rental related expenses	75	-89
- <i>Write-downs on trade receivables</i>	-663	-160
- <i>Reversals of write-downs on trade receivables</i>	738	71
NET RENTAL INCOME	6,123	5,458
(+) IV. Recovery of property charges	0	0
(+) V. Recovery of rental charges and taxes normally paid by tenants on let properties	244	184
- <i>Rebilling of rental charges borne by the owner</i>	55	199
- <i>Rebilling of advance levies and taxies on let properties</i>	189	-15
(-) VI. Costs payable by the tenants and borne by the owner on the rental damage and refurbishment at end of lease	0	0
(-) VII. Rental charges and taxes normally paid by tenants on let properties	-311	-263
- <i>Rental charges borne by the owner</i>	-141	-199
- <i>Advance levies and charges on let properties</i>	-170	-64
(+/-) VIII. Other rental related income and expenses	0	0
PROPERTY RESULT	6,056	5,379

The increase in the net rental result as per 30 June 2022 compared to 30 June 2021 is mainly due to the increase in rental income, mainly as a result of indexations of lease contracts. Furthermore, as at 30 June 2021, there was still a significant impact from the discounts granted to tenants as a result of the COVID-19 pandemic.

FIGURES IN THOUSANDS OF EUR	30/06/2022	30/06/2021
(-) IX. Technical costs	-169	-112
(-) X. Commercial costs	-33	-48
(-) XI. Charges and taxes of unlet properties	-28	-20
(-) XII. Property management costs	-118	-84
PROPERTY CHARGES	-349	-264
PROPERTY OPERATING RESULT	5,707	5,114
(-) XIV. General company expenses	-1,056	-844
(+/-) XV. Other operating income and charges	0	77
OPERATING RESULT BEFORE PORTFOLIO RESULT	4,651	4,347

The increase in real estate costs is mainly the result of the increase in Technical costs (+57 KEUR) and in Property Management costs (+84 KEUR). The increase in technical costs is explained by the repairs to buildings and a settlement of historical costs, while the increase in administrative costs is mainly due to the depreciation of the ERP package implemented in 2021.

The increase in General expenses of the company (+214 KEUR) is mainly explained by the reversal of a provision in 2021 (68 KEUR), the increase in personnel costs and temporary staff (+72 KEUR) and extra financial advice (+25 KEUR).

The present value of future Rental Income up to the first expiry date of the leases has the following collection periods

FIGURES IN THOUSANDS OF EUR	30/06/2022	30/06/2021
OVERVIEW OF THE CONTRACTUAL RENT TO INITIAL MATURITY		
Within a year	11,967	12,030
Between one and two years	9,803	5,567
Between two and three years	5,420	3,078
Between three and four years	1,971	1,119
Between four and five years	1,542	876
More than five years	14,419	21,193
TOTAL	45,122	43,863

In Belgium, most Qrf leases are commercial leases for a period of 9 years, in principle cancellable by the lessee at the end of the third and sixth year subject to 6 months' notice before the expiry date.

In the Netherlands, most Qrf leases are commercial leases for a period of 5 years, which may contractually provide an option to renew on the part of the lessee for a period of 5 or 10 years, with an option to terminate on the part of the lessee at the end of the first period, as well as at the end of each subsequent period.

In order to guarantee compliance with the obligations imposed on the tenant by the agreement, the tenant, both in Belgium and in the Netherlands, must in principle provide a rental guarantee, usually in the form of a bank guarantee worth three to six months' rent.

Rents are usually paid monthly (sometimes quarterly) in advance and are usually indexed annually on the due date. Taxes and fees (including property tax) and common costs are in principle borne by the tenant.

At the start of the agreement, an inventory of premises is drawn up between the parties by an independent expert. At the end of the agreement, the tenant must return the rented premises in the condition described in the inventory upon entry, subject to normal wear and tear. The tenant may not transfer the lease agreement or sublet the premises in whole or in part without the prior written consent of the lessor. The tenant is obliged to register the agreement at his expense.

NOTE 4. PORTFOLIO RESULT

FIGURES IN THOUSANDS OF EUR	30/06/2022	30/06/2021
(+/-) XVI. Result on disposals of investment properties	224	-183
- Net sales of properties (selling price - transaction costs)	2,184	637
- Asset value of the sold properties	-1,960	-820
(+/-) XVII. Result on disposals of other non-financial assets		0
(+/-) XVIII. Changes in Fair Value of investment properties	-1,033	-6,321
- Positive changes in Fair Value of investment properties	1,350	960
- Negative changes in Fair Value of investment properties	-2,383	-7,281
(+/-) XIX. Other portfolio result	0	0
PORTFOLIO RESULT	-809	-6,504

The variations in the Fair Value of investment properties are the result, on the one hand, of the variations resulting from the independent valuation by the property expert (-560 KEUR), and on the other hand, from the downward revaluation of Capex (-473 KEUR). The variations can be split geographically between those in Belgium (-308 KEUR) and those in the Netherlands (-725 KEUR).

NOTE 5. FINANCIAL RESULT

FIGURES IN THOUSANDS OF EUR	30/06/2022	30/06/2021
(+) XX. Financial income	5	6
- Compensation for damages	5	6
(-) XXI. Net interest charges	-845	-1,038
- Nominal interest charges on loans	-613	-740
- Costs of permitted hedging instruments	-232	-298
- Other interest charges	0	0
(-) XXII. Other financial charges	-110	-39
- Bank charges and other commissions	-110	-39
(+/-) XXIII. Changes in Fair Value of financial assets and liabilities	2,655	339
- Authorized hedging instruments subject to hedge accounting as defined IFRS	0	0
- Authorized hedging instruments that are not subject to hedge accounting as defined in IFRS	2,655	339
FINANCIAL RESULT	1,706	-732

Qrf is exposed to possible increases in its financial costs that may be caused by a rise in interest rates. In order to limit this risk, Qrf has partly converted the floating interest rates into fixed interest rates by means of Interest Rate Swaps. The maturity of these financial instruments is aligned with the maturity of Qrf's loans. If interest rates fall sharply in the long term, the market value of these Interest Rate Swaps can become strongly negative.

The derivatives currently used by Qrf no longer qualify as cash flow hedges. The changes in the Fair Value of the derivatives that do not qualify as cash flow hedges are immediately recognised in the result.

The financing cost for the first half of 2022 was 1.53% including credit margins and the cost of hedging instruments. As at 30 June 2022, 83.19% of the debt drawn down had a fixed interest rate, including by using Interest Rate Swaps as hedging instruments.

NOTE 6. INVESTMENT PROPERTY

FIGURES IN THOUSANDS OF EUR	30/06/2022	31/12/2021
INVESTMENT TABLE		
Balance at the beginning of the financial year	208,060	208,430
Acquisition by purchase or contribution of investment companies	0	9,000
Other elements recognized in the result	0	-586
Book value of sold investment properties	0	-1,570
Transfer to assets held for sale	-1,960	-1,060
Capitalized expenditures (Capex)	473	513
Change in Fair Value of investment properties	-1,033	-6,667
Balance at end of period	205,540	208,060

During the first half of the year, Qrf concluded a binding sales agreement for two Non-Core properties. The book value of these properties (Graaf van Egmontstraat 10, Mechelen and Nederstraat 43,45, Oudenaarde) was transferred to the Assets held for sale.

NOTE 7. CAPITAL

FIGURES IN THOUSANDS OF EUR		Capital movement	Total outstanding capital	Issue premiums	Costs of capital increase	Number of shares issued	Total number of shares
CAPITAL							
Date	Transaction						
03/09/2013	Establishment	62	62			1,230	1,230
27/11/2013	Split existing shares (1 against 2)	0	62			1,230	2,460
27/11/2013	Cash deposit	1,139	1,200			45,540	48,000
18/12/2013	Input Lowlands	5,243	6,443			209,711	257,711
18/12/2013	IPO and first listing on Euronext Brussels	75,380	81,823			3,015,200	3,272,911
18/12/2013	Capital reduction to cover future losses	-5,734	76,089			0	3,272,911
BALANCE SHEET ON 30 DECEMBER 2013			76,089				3,272,911
BALANCE SHEET ON 30 DECEMBER 2014			76,089				3,272,911
Date	Transaction						
24/06/2015	Capital increase contribution in kind	4,490	80,579	238	-20	193,097	3,466,008
08/12/2015	Capital increase contribution in kind	14,733	95,312	608	-8	633,680	4,099,688
09/12/2015	Contribution company TT Center plus	8,913	104,225	37	-5	383,363	4,483,051
BALANCE SHEET ON 30 DECEMBER 2015			104,225	883	-32		4,483,051
Date	Transaction						
01/01/2016	Capital increase contribution in kind (relating to financial year 2015)		104,225		-23		4,483,051
30/06/2016	Capital increase contribution in kind	7,567	111,792	371	-27	325,466	4,808,517
21/12/2016	Capital increase contribution in kind	7,470	119,262	206	-28	321,285	5,129,802
BALANCE SHEET ON 30 DECEMBER 2016			119,262	1,459	-111		5,129,802
Date	Transaction						
01/01/2017	Capital increase contribution in kind (relating to financial year 2016)		119,262		-14		5,129,802
25/09/2017	Capital increase contribution in kind	12,462	131,724	38	-27	536,020	5,665,822
BALANCE SHEET ON 31 DECEMBER 2017			131,724	1,496	-152		5,665,822
BALANCE SHEET ON 31 DECEMBER 2018			131,724	1,496	-152		5,665,822
Date	Transaction						
09/01/2019	Capital reduction due to change in fractional value per share	-126,058	5,666	126,058			5,665,822
29/01/2019	Capital increase by contribution in kind	1,488	7,153	22,313	-179	1,487,500	7,153,322
BALANCE SHEET ON 31 DECEMBER 2019			7,153	149,867	-331		7,153,322
BALANCE SHEET ON 31 DECEMBER 2020			7,153	149,867	-331		7,153,322
Date	Transaction						
11/06/2021	Capital increase through optional dividend coupon 7	193	7,347	2,080	-62	193,354	7,346,676
BALANCE SHEET ON 31 DECEMBER 2021			7,347	151,948	-393		7,346,676
Date	Transaction						
10/06/2022	Capital increase through optional dividend coupon 8	236	7,583	2,143	-24	236,061	7,582,737
BALANCE SHEET ON 31 JUNE 2022			7,583	154,091	-417		7,582,737

No capital operations took place in the financial years 2014, 2018 and 2020.

NOTE 8. FINANCIAL DEBTS

FIGURES IN THOUSANDS OF EUR	30/06/2022	31/12/2021
FINANCIAL DEBTS		
I. B. Non-current financial debts	98,949	70,930
- Credit institutions	99,000	71,000
- Cost of borrowings	-51	-70
II. B. Current financial debts	20,000	49,000
- Credit institutions	20,000	49,000
- Cost of borrowings	0	0
TOTAL	118,949	119,930

FIGURES IN THOUSANDS OF EUR	30/06/2022	31/12/2021
BREAKDOWN BY MATURITY OF NON-CURRENT FINANCIAL DEBTS		
Between one and two years	47,000	29,000
Between two and five years	52,000	42,000
More than five years	0	0
TOTAL	99,000	71,000

FIGURES IN THOUSANDS OF EUR	30/06/2022	31/12/2021
UNDRAWN CREDIT LINES		
Payable within one year	10,000	12,000
Payable after one year	40,000	58,000
TOTAL	50,000	70,000

FIGURES IN THOUSANDS OF EUR	30/06/2022	31/12/2021
ESTIMATED FUTURE INTEREST CHARGES ON BORROWINGS		
Within one year	1,472	1,294
Between one and five years	2,566	2,960
More than five years	0	0
TOTAL	4,038	4,254

The estimation of future interest expenses takes into account the financial debts recorded as at 30 June 2022, interest coverage in accordance with the current contracts and applicable margin over the fixed interest rate.

NOTE 9. FINANCIAL ASSETS AND LIABILITIES

FIGURES IN THOUSANDS OF EUR	Category	30/06/2022 Asset value	30/06/2022 Fair Value	Level
STATEMENT OF FINANCIAL ASSETS AND LIABILITIES				
ASSETS				
Financial fixed assets	A	1,933	1,933	Level 2
Current financial assets				
Receivables > 1 year towards associated companies and joint ventures	B	1,373	1,373	Niveau 2
Trade receivables	B	1,349	1,349	Level 2
Tax receivables and other current assets	B	331	331	Level 2
Cash and cash equivalents	C	721	721	Level 1
TOTAL FINANCIAL ASSETS		4,333	4,333	
LIABILITIES				
Non-current financial liabilities				
Non-current financial debts	B	98,949	98,949	Level 2
Other non-current financial liabilities				
Other non-current financial liabilities	A	76	76	Level 2
Current financial liabilities				
Trade debts and other current debts	B	1,099	1,099	Level 2
Other current liabilities	B	65	65	Level 2
Current financial debts	B	20,000	20,000	Level 2
TOTAL FINANCIAL LIABILITIES		120,189	120,189	

FIGURES IN THOUSANDS OF EUR	Category	31/12/2021 Asset value	31/12/2021 Fair Value	Level
STATEMENT OF FINANCIAL ASSETS AND LIABILITIES				
ASSETS				
Financial fixed assets	A	10	10	Level 2
Current financial assets				
Receivables > 1 year towards associated companies and joint ventures	B	1,373	1,373	Niveau 2
Trade receivables	B	1,116	1,116	Level 2
Tax receivables and other current assets	B	418	418	Level 2
Cash and cash equivalents	C	883	883	Level 1
TOTAL FINANCIAL ASSETS		2,426	2,426	
LIABILITIES				
Non-current financial liabilities				
Non-current financial debts	B	70,930	70,930	Level 2
Other non-current financial liabilities				
Other non-current financial liabilities	A	831	831	Level 2
Current financial liabilities				
Trade debts and other current debts	B	457	457	Level 2
Other current liabilities	B	185	185	Level 2
Current financial debts	B	49,000	49,000	Level 2
TOTAL FINANCIAL LIABILITIES		121,403	121,403	

The categories correspond to the following financial instruments:

- A. Assets or liabilities held at Fair Value (hedging instruments).
- B. Financial assets or liabilities (including receivables and loans) held to maturity at amortised cost.
- C. Investments held to maturity at amortised cost.

All the Group's financial instruments correspond to levels 1 and 2 of the Fair Value hierarchy. The valuation at Fair Value is done on a regular basis.

Level 1 in the Fair Value hierarchy holds cash and cash equivalents.

Level 2 in the hierarchy of fair values concerns other financial assets and liabilities for which the Fair Value is based on other information that can be determined, directly or indirectly, for the assets or liabilities in question. The valuation techniques concerning the Fair Value of the financial instruments of level 2 are as follows:

- The heading "financial fixed assets" concerns Interest Rate Swaps (IRS) whose Fair Value is determined using interest rates applicable on active markets, generally provided by financial institutions.
- The Fair Value of the other financial assets and liabilities in level 2 is almost equal to their carrying amount: either because they have a short-term maturity (such as trade receivables and payables) or because they bear a variable interest rate.

NOTE 10. DEBT RATIO

FIGURES IN THOUSANDS OF EUR	30/06/2022	31/12/2021
Liabilities	122,264	123,635
- Adjustments	-2,151	-2,963
Debt burden pursuant to Article 13 of the RREC Royal Decree	120,113	120,672
Total assets	239,195	239,961
Debt ratio	50.22%	50.29%

The debt burden, as referred to in Art. 13 of the RREC-RD, amounts to 120.11 MEUR on 30 June 2022. The debt ratio on 30 June 2022 is 50.22%.

The Debt Ratio is calculated as the ratio of the debt burden (i.e. liabilities excluding provisions, accruals and other long term/short term financial liabilities, such as mainly the negative changes in the Fair Value of the hedging instruments) to the total assets.

Qrf must permanently comply with the financial ratios as imposed by the RREC Law. Unless it is the result of a variation in the Fair Value of the assets, the Debt Ratio of a Qrf may not exceed 65% of the assets, less the permitted hedging instruments, in accordance with Article 45 of the RREC Law. If Qrf's Debt Ratio were to exceed 50%, it must take a number of steps, including preparing a financial plan in which it describes the measures that will be taken to prevent the Debt Ratio from rising above 65%. The annual financial costs associated with the indebtedness of a RREC and its subsidiaries may not exceed 80% of Qrf's consolidated net operating result at any time. In addition, in certain financing agreements with financial institutions, a covenant has been agreed that Qrf's Debt Ratio may not exceed 60%.

The Debt ratio is 50.22% on 30 June 2022. Pursuant to Article 24 of the RREC-RD, the public RREC must draw up a financial plan with an implementation schedule when its consolidated Debt ratio exceeds 50% of the consolidated assets. The financial plan shall describe the measures that will be taken in order to prevent the consolidated Debt Ratio from exceeding 65% of the consolidated assets. The financial plan shall be the subject of a special report by the Statutory Auditor certifying that he has checked the manner in which it was drawn up, in particular with regard to its economic bases, and that the figures it contains are in agreement with those of the accounts of the public RREC. The general guidelines of the financial plan shall be included in the annual and half-yearly financial reports. The annual and half-yearly financial reports shall describe and justify how the financial plan has been implemented over the relevant period and how the public RREC will implement it in the future.

N 10.1 HISTORICAL EVOLUTION OF THE DEBT RATIO

Qrf's Debt Ratio as at 30 June 2022 was 50.22% and thus exceeded the 50% threshold. At the end of the 2019, 2020 and 2021 financial years, the Debt Ratio was 48.73%, 48.79% and 50.29% respectively.

N 10.2 SHORT-TERM DEBT RATIO EVOLUTION

N 10.3 SHORT-TERM DEBT RATIO EVOLUTION

The following assumptions are taken into account when preparing the projection of the Debt ratio as at 30 June 2022:

- The changes in the portfolio have been taken into account in the calculation of the short-term debt ratio, taking into account the already planned (dis)investments. After the balance sheet date, the sales will be finalised for a net income of 2.18 MEUR for the two properties included in Assets held for sale (Mechelen, Graaf van Egmontstraat and Oudenaarde, Nederstraat). These properties were already held at June 30 at the same value under Assets held for sale, i.e. no capital gain or loss was factored into this financial plan;

- The profit reserve takes into account the expected profit for the second half of 2022 and the first half of 2023 and the dividend payment (incl. estimate of subscription of optional dividend) for the financial year 2022. For the estimate of the dividend option, the same percentage was used as the actual subscription for the dividend option for the 2021 financial year (57.8%).

Taking these assumptions into account, the Debt Ratio on 30 June 2023 would be 48.18%.

N 10.4 LONG-TERM DEBT RATIO EVOLUTION

The Board of Directors aims for a maximum debt ratio of 55% in the long term and considers this optimal for the shareholders of the RREC in terms of return and EPRA result per share. For each investment, the impact on the Debt Ratio is examined and possibly not retained if this investment would negatively influence the Debt Ratio. Based on the current Debt ratio of 50.22%, Qrf has an investment potential of 56.50 MEUR without exceeding a Debt ratio of 60% and an investment potential of 98.00 MEUR without exceeding a Debt ratio of 65%.

N 10.5 DECISION

Qrf is therefore of the opinion that the Debt Ratio will not exceed 65% and that no additional measures need to be taken at present in function of the prevailing economic and real estate trends, the planned investments and the expected evolution of the equity of the RREC. Should certain events require an adjustment of the policy of the RREC, this will be done without delay and the shareholders of the RREC will be informed in the periodic reporting of the RREC.

NOTE 11. SCOPE OF CONSOLIDATION

As of 30 June 2022, the consolidation perimeter consists of Qrf and its Perimeter Companies:

- 100% RIGS NV;
- 100% RAB Invest NV;
- 100% Qrf Nederland BV;
- 30% Ardeno BV;
- 30% Pelican BV;
- 30% Bond 58 BV.

Except for Ardeno BV, Pelican BV and Bond 58 BV, which are accounted for using the equity method, the other companies are fully consolidated.

NOTE 12. OFF BALANCE SHEET RIGHTS AND OBLIGATIONS

N 12.1 COURT AND ARBITRATION PROCEEDINGS

Qrf has several debt collection procedures running, which may have a limited impact on the figures. In addition, Qrf is involved in a number of legal proceedings. These disputes include disagreements in the context of a rent renewal application to which the tenant is entitled in accordance with Article 13 of the Commercial Tenancy Act, the collection of rent arrears and the declaration of claims following the bankruptcy of some former tenants.

N 12.2 RENTAL GUARANTEES

No rental guarantees have been issued to Qrf during 2022.

NOTE 13. RELATED PARTY TRANSACTIONS RELATED TO THE INCOME STATEMENT

FIGURES IN THOUSANDS OF EUR

TRANSACTIONS WITH RELATED PARTIES	30/06/2022			
	Single Director	Executive management	Board of Directors and committees	Joint Ventures
ASSETS				
Participation in affiliated undertakings - Ardeno				14,434
Participation in affiliated undertakings - Pelican				5,246
Participation in affiliated undertakings - Bond 58				4,357
Long-term receivables - Ardeno				903
Long-term receivables - Pelican				470
Interest receivable - Ardeno				21
Interest receivable - Pelican				9
LIABILITIES				
Invoices to be received	241			
REVENUE				
Interest from loans - Ardeno				9
Interest from loans - Pelican				5
COSTS				
Fees Executive management				
- Fixed fee (Short term)		232		
- Variable remuneration (Short term)		53		
- Post-employment benefits		0		
- Other long-term employee benefits		0		
- Severance payments		0		
- Share-based payments		0		
Compensation Single Director	103			
Operating expenses Single Director	25			
Remuneration of the Board of Directors and committees			38	

FIGURES IN THOUSANDS OF EUR

31/12/2021

TRANSACTIONS WITH RELATED PARTIES				
	Single Director	Executive management	Board of Directors and committees	Joint Ventures
ASSETS				
Participation in affiliated undertakings - Ardeno				13,622
Participation in affiliated undertakings - Pelican				7,051
Participation in affiliated undertakings - Bond 58				4,874
Long-term receivables - Ardeno				903
Long-term receivables - Pelican				470
Interest receivable - Ardeno				12
Interest receivable - Pelican				4
LIABILITIES				
Invoices to be received	187			

FIGURES IN THOUSANDS OF EUR

30/06/2021

TRANSACTIONS WITH RELATED PARTIES				
	Single Director	Executive management	Board of Directors and committees	Joint Ventures
REVENUE				
Interest from loans - Ardeno				4
Interest from loans - Pelican				1
COSTS				
Fees Executive management				
- Fixed fee (Short term)		223		
- Variable remuneration (Short term)		64		
- Post-employment benefits		0		
- Other long-term employee benefits		0		
- Severance payments		0		
- Share-based payments		0		
Compensation Single Director	136			
Operating expenses Single Director	4			
Remuneration of the Board of Directors and committees			38	

The decrease in total Participations in associated companies compared to 31 December 2021 (-1,511 KEUR) is recognised as the Result in the share of associated companies and joint ventures. The joint venture projects are subject to the rising cost of construction materials, which had an impact on the valuation as at 30 June 2022. For both projects, however, Qrf is convinced that it will meet the internal return expectations thanks to the quality of the projects at the time of sale.

NOTE 14. EVENTS AFTER THE CUT-OFF DATE

There were no events after the balance sheet date with a significant impact on the interim report.

5.8 REPORT OF THE STATUTORY AUDITOR



Verslag van de commissaris aan de raad van bestuur van QRF NV omtrent de beoordeling van de tussentijdse verkorte geconsolideerde financiële informatie over de periode van 6 maanden afgesloten op 30 juni 2022

Inleiding

Wij hebben de beoordeling uitgevoerd van de bijgevoegde verkorte geconsolideerde balans van QRF NV per 30 juni 2022, alsmede van de verkorte geconsolideerde winst- en verliesrekening, het overzicht van het globaal resultaat, de verkorte geconsolideerde staat van de bewegingen in het eigen vermogen en het verkorte geconsolideerde kasstroomoverzicht over de periode van 6 maanden die op die datum is beëindigd, evenals van de toelichtingen ("de tussentijdse verkorte geconsolideerde financiële informatie"). De raad van bestuur is verantwoordelijk voor het opstellen en het weergeven van de tussentijdse verkorte geconsolideerde financiële informatie in overeenstemming met IAS 34 "Tussentijdse Financiële Verslaggeving" zoals goedgekeurd door de Europese Unie. Het is onze verantwoordelijkheid een conclusie te formuleren bij de tussentijdse verkorte geconsolideerde financiële informatie op basis van onze beoordeling.

Reikwijdte van een beoordeling

We hebben onze beoordeling uitgevoerd overeenkomstig ISRE 2410, "Beoordeling van tussentijdse financiële informatie, uitgevoerd door de onafhankelijke auditor van de entiteit". Een beoordeling van tussentijdse financiële informatie bestaat uit het vragen van inlichtingen, hoofdzakelijk aan financiële en boekhoudkundige verantwoordelijken, en het uitvoeren van cijferanalyses en andere beoordelingsprocedures. De reikwijdte van een beoordeling is aanzienlijk geringer dan die van een controle uitgevoerd in overeenstemming met de Internationale Controlestandaarden (ISA). Om die reden stelt de beoordeling ons niet in staat de zekerheid te verkrijgen dat wij kennis hebben van alle aangelegenheden van materieel belang die naar aanleiding van een controle mogelijk worden geïdentificeerd. Bijgevolg brengen wij dan ook geen controle-oordeel tot uitdrukking.



Verslag van de commissaris aan de raad van bestuur van QRF NV omtrent de beoordeling van de tussentijdse verkorte geconsolideerde financiële informatie over de periode van 6 maanden afgesloten op 30 juni 2022

Conclusie

Op basis van onze beoordeling is niets onder onze aandacht gekomen dat ons er toe aanzet van mening te zijn dat de bijgevoegde tussentijdse verkorte geconsolideerde financiële informatie over de periode van 6 maanden afgesloten op 30 juni 2022 niet in alle van materieel belang zijnde opzichten is opgesteld in overeenstemming met IAS 34 "Tussentijdse Financiële Verslaggeving" zoals goedgekeurd door de Europese Unie.

Antwerpen, 27 juli 2022

KPMG Bedrijfsrevisoren
Commissaris
vertegenwoordigd door

Filip De Bock
Bedrijfsrevisor

6 EPRA & APM

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6 EPRA & APM

6.1 EPRA - KEY PERFORMANCE INDICATORS

EPRA, the European Public Real Estate Association, is a non-profit organisation that represents listed real estate companies in Europe. EPRA represents 450 billion real estate assets. EPRA publishes recommendations for the determination of key performance indicators for listed real estate companies. The publication of this data is not required by the regulations on public RRECs.

These figures were not audited by the Statutory Auditor.

TABLE	EPRA - INDICATORS	EPRA DEFINITIONS		30/06/2022	31/12/2021
1	EPRA earnings	Result from operating activities	(EUR/share)	3,677	3,234 ¹
2	EPRA NTA	The net asset value in a business model with long-term investment properties.	(EUR/share)	14.97	15.83
	EPRA NDV	The net asset value in the scenario of a sale of the assets of the company.	(EUR/share)	15.42	15.83
	EPRA NRV	The net asset value that would be required to reconstitute the company.	(EUR/share)	15.85	16.77
3	EPRA NNAV	The EPRA Net Asset Value, adjusted to include the Fair Value of financial instruments, debt and deferred taxes.	(EUR/share)	15.41	15.83
4	EPRA NIY	Annualized gross rental income, based on cash rents at the balance sheet date, excluding non-recoverable property expenses, divided by the market value of the property, including estimated acquisition costs.		5.3%	5.3%
	EPRA "topped-up" NIY	The EPRA NIY, adjusted to take into account the expiry of rent-free periods (or other non-lapsed allowances such as rent-free periods and stepped rents).		5.3%	5.4%
5	EPRA vacancy rate	The Estimated Rental Value of vacant spaces, divided by the estimated rental value of the entire portfolio.		6.1%	6.8%
6	EPRA cost ratio (including direct vacancy costs)	Administrative and operational costs (including direct vacancy costs) divided by gross rental income.		22.9%	21.3%
	EPRA cost ratio (excluding direct vacancy costs)	Administrative and operational costs (excluding direct vacancy costs) divided by gross rental income.		22.4%	20.9%
7	EPRA CAPEX	Overview of the CAPEX of the Group and the JV's		2,416	11,883

¹ EPRA Result as at 30 June 2021

6.1.1 EPRA resultaat

Definition: Net income (Group share) mainly excluding portfolio result and the changes in Fair Value of non-effective interest rate hedges. This term is used in accordance with the EPRA Best Practices Recommendations.

Objective: This APM measures the underlying operational performance of the company.

Reconciliation:

FIGURES IN THOUSANDS OF EUR	30/06/2022	30/06/2021
IFRS result (shareholders of the real group)	4,126	-2,526
(i) Changes in the value of investment property	809	6,321
(ii) Result in share of associates and joint ventures	1,511	0
(iii) Profit or loss on disposal of investment property	0	183
(iv) Changes in the Fair Value of Financial Instruments	-2,655	-344
(v) Deferred tax in respect of EPRA amendments	-115	-400
EPRA result	3,677	3,234
Weighted average number of shares	7,371,594	7,173,619
EPRA result per share (in EUR)	0.50	0.45

6.1.2 EPRA NAV

Net Asset Value according to EPRA Best Practices Recommendations.

Definition:

- EPRA NRV is the net asset value that would be required to reconstitute the company.
- EPRA NTA is the net asset value in a business model with long-term investment properties.
- EPRA NDV is the net asset value in the scenario of a sale of the Company's assets.

Objective: This APM shows the Net Asset Value of the company under different scenarios.

Reconciliation:

FIGURES IN THOUSANDS OF EUR	30/06/2022		
	EPRA NRV	EPRA NTA	EPRA NDV
IFRS NAV	116,930	116,930	116,930
IFRS NAV/share (in EUR)	15.42	15.42	15.42
Diluted NAV at Fair Value	116,930	116,930	116,930
Exclude:			
(v) Deferred taxes related to the revaluation of investment properties	-1,424	-1,424	
(vi) Fair Value of financial Instruments	-1,924	-1,924	
(vii.b) Intangible assets according to the IFRS balance sheet		-49	
Subtotal	113,583	113,533	116,930
Includes:			
(xi) Real estate transfer tax	6,625		
NAV	120,208	113,533	116,930
Number of shares	7,582,737	7,582,737	7,582,737
NAV/share (in EUR)	15.85	14.97	15.42

31/12/2021

FIGURES IN THOUSANDS OF EUR

	EPRA NRV	EPRA NTA	EPRA NDV
IFRS NAV	116,326	116,326	116,326
IFRS NAV/share (in EUR)	15.83	15.83	15.83
Diluted NAV at Fair Value	116,326	116,326	116,326
Exclude:			
(v) Deferred taxes related to the revaluation of investment properties	-682	-682	
(vi) Fair Value of financial Instruments	732	732	
(vii.b) Intangible assets according to the IFRS balance sheet		-64	
Subtotal	116,375	116,311	116,326
Includes:			
(xi) Real estate transfer tax	6857		
NAV	123,232	116,311	116,326
Number of shares	7,346,676	7,346,676	7,346,676
NAV/share (in EUR)	16.77	15.83	15.83

6.1.3 EPRA NNAV

Definition: EPRA NAV adjusted to Fair Value values of financial instruments, debt and deferred taxes.

Reconciliation:

FIGURES IN THOUSANDS OF EUR

	30/06/2022	31/12/2021
EPRA NAV	113,533	116,376
(i) Fair Value of financial instruments	1,924	-732
(ii) Fair Value revaluations of fixed rate financings	0	0
(iii) Deferred taxes	1,424	682
Minority interests relating to deferred tax	0	0
EPRA NNAV	116,881	116,326
Number of shares	7,582,737	7,346,676
EPRA NNAV per share (in EUR)	15.41	15.83

6.1.4 EPRA NIY en EPRA topped-up NIY

Definition:

- EPRA NIY: Annualised gross rental income, based on cash rents at the balance sheet date, excluding non-recoverable property costs, divided by the market value of the property, including estimated acquisition costs.
- EPRA topped-up NIY: The EPRA NIY, adjusted to take into account the expiry of rent-free periods (or other non-lapsed allowances such as rent-free periods and stepped rents).

Objective: This APM measures the underlying operating results of the company, excluding the result arising from fluctuations in the value of assets or liabilities and capital gains or losses realised on the disposal of investment properties.

Reconciliation:

FIGURES IN THOUSANDS OF EUR	30/06/2022	31/12/2021
Investment property	205,540	208,060
Assets held for sale	2,184	1,060
Project developments	-	-
Estimated transaction costs for the hypothetical disposal of investment properties	5,637	5,637
Investment value of the property portfolio available for lease	213,361	214,757
Annualized gross rental income	12,096	12,002
Property costs	-698	-653
Annualized net rental income	11,398	11,350
Notional amount at expiry of rent-free period	-	335
Adjusted annualized net rental income	11,398	11,685
EPRA NIY	5.3%	5.3%
EPRA topped-up NIY	5.3%	5.4%

6.1.5 EPRA vacancy rate

Definition: The estimated rental value of vacant spaces divided by the estimated rental value of the entire portfolio.

Objective: A “pure” (%) measure of the property space that is vacant, based on ERV.

Reconciliation:

FIGURES IN THOUSANDS OF EUR	30/06/2022	31/12/2021
Estimated rental value of vacant premises	685	774
Estimated rental value of the entire portfolio	11,156	11,329
EPRA vacancy rate	6.1%	6.8%

6.1.6 EPRA cost ratio

Definition: Administrative and operational costs (including direct vacancy costs) divided by gross rental income.

Objective: A key measure of changes in a company's operating costs.

Reconciliation:

FIGURES IN THOUSANDS OF EUR	30/06/2022	30/06/2021
Including		
(i) Operating expenses (property expenses and overheads) as in the IFRS income statement	1,405	1,108
Other operating income/transactions, intended to cover general expenses, excluding profit margin	-	77
Exclusive (if included in the above)	1,405	1,185
(vi) Depreciation	-23	-4
EPRA costs (including direct vacancy costs)	1,382	1,181
(ix) Direct vacancy costs	-28	-20
EPRA costs (excluding direct vacancy costs)	1,354	1,162
(x) Gross rental income less rent payable on leased land	6,048	5,547
Gross rental income	6,048	5,547
EPRA cost ratio (including direct vacancy costs)	22.85%	21.29%
EPRA cost ratio (excluding direct vacancy costs)	22.39%	20.94%

6.1.7 EPRA Capex

30/06/2022			
FIGURES IN THOUSANDS OF EUR			
	Group (exc. JV's)	JV's (proportionate share)	Total Group
Acquisitions			
Development		1,943	1,943
Investment properties			
- Incremental lettable space			
- No incremental lettable space	473		473
- Tenant incentives			
- Other material non-allocated types of expenditure			
Capitalised interest			
TOTAL CAPEX	473	1,943	2,416
Conversion from accrual to cash basis			
TOTAL CAPEX ON CASH BASIS	473	1,943	2,416

31/12/2021			
FIGURES IN THOUSANDS OF EUR			
	Group (exc. JV's)	JV's (proportionate share)	Total Group
Acquisitions	9,170		9,170
Development		2,200	2,200
Investment properties			
- Incremental lettable space			
- No incremental lettable space	338		338
- Tenant incentives	175		175
- Other material non-allocated types of expenditure			
Capitalised interest			
TOTAL CAPEX	9,683	2,200	11,883
Conversion from accrual to cash basis			
TOTAL CAPEX ON CASH BASIS	9,683	2,200	11,883

6.2 APM - ALTERNATIVE PERFORMANCE MEASURES

The *European Securities and Markets Authority* (ESMA) has issued guidelines applicable from 3 July 2016 for the use and explanation of alternative performance measures.

Alternative performance measures are measures that Qrf uses in the presentation of its results that are not defined by law or by the *International Financial Reporting Standards* (IFRS).

Below is an overview of the alternative performance measures used in this annual financial report, with their definition, objective and reconciliation.

6.2.1 Average cost of finance

Definition: This is the average cost of financial debts. It is calculated by dividing the "Net interest cost" on an annual basis by the average amount of outstanding financial debt during the period.

Objective: The Company's activities are partly financed by taking on debt. This APM measures the average financing cost associated with these debts.

Reconciliation:

FIGURES IN THOUSANDS OF EUR	30/06/2022	30/06/2021
XXI. Net interest cost²	915	1,038
Average weighted amount of financial debt outstanding during the period	59,710	56,977
Average cost of finance	1.53%	1.82%

6.2.2 Operating margin

Definition: This alternative performance measure measures the operating profitability of the Company as a percentage of the Rental Income and is calculated by dividing the "Operating result before result on portfolio" by the "Net rental result".

Objective: This APM measures the operational profitability of the Company.

Reconciliation:

FIGURES IN THOUSANDS OF EUR	30/06/2022	30/06/2021
Operating result before result on portfolio	4,651	4,347
Net rental result	6,123	5,458
Operating margin	76.0%	79.6%

² Net interest cost excluding amortisation of costs linked to set up of new loans (38.283 EUR in 2021).

7 Lexicon



Mechelen

Bruul 15 - Botermarkt 1

Belgium

7 Lexicon

Acquisition cost

This refers to the value of the property at the time of purchase. If transfer costs have been paid, these are included in the Acquisition Value.

AIFMD

Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers and amending Directives 2003/41/EC and 2009/65/EC and Regulations (EC) No 1060/2009 and (EU) No 1095/2010.

Benefit rate

The ratio of gross dividend per share divided by EPRA earnings per share.

Board of Directors

The Board of Directors of the Sole Executive.

CEO

Chief Executive Officer.

CFO

Chief Financial Officer.

Companies Code (W.Venn)

Companies and Associations Code of 23 March 2019, B.S. 4 April 2019 as amended.

Contractual Rents

The indexed base rents as contractually stipulated in the leases before deduction of gratuities or other benefits granted to the tenants.

Core Portfolio

The Core Portfolio contains the locations within Qrf's property portfolio that meet various criteria, such as: the attractiveness of the city (demographics, tourism, etc), the positioning within the shopping area and the quality of the property for retailers. In addition, the Core Portfolio contains properties earmarked for redevelopment.

Cushman & Wakefield Belgium

Cushman & Wakefield NV, a limited liability company under Belgian law, with registered office at Kunstlaan 56, 1000 Brussels, Belgium, registered with the Kruispuntbank van Ondernemingen under company number BE 0422.118.165.

Cushman & Wakefield Netherlands

The civil company under Dutch law Cushman & Wakefield BV, with registered office at Gustav Mahlerlaan 362, 1082 ME Amsterdam, the Netherlands, registered with the Chamber of Commerce under number KvK 33154480, acting through its Belgian office located at Koningsstraat 97 (fourth floor), 1000 Brussels, Belgium, registered with the Kruispuntbank der Ondernemingen under company number BE 0418.915.383.

Debt ratio

The Debt Ratio is calculated as the ratio of the liabilities (excluding provisions, accruals and deferred income and other long/short term financial liabilities, i.e. the negative variations in the Fair Value of the hedging instruments) to the total assets. The calculation method of the debt ratio is in accordance with Article 13, §1, 2°, of the RREC-RD.

EMIR

Regulation (EU) No 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories.

Estimated Rental Value ("ERV")

This is the estimated annualised rental value used by the Property Surveyor in the valuation reports.

Euronext Brussels

The regulated market of Euronext Brussels SA/NV.

Euronext Brussels SA

The limited liability company under Belgian law Euronext Brussels NV, with registered office at Markiesstraat 1 box 1, 1000 Brussels, registered with the Crossroads Bank of Enterprises under the enterprise number BTW BE 0242.100.122 (RPR Brussels, Clerk of the Dutch Language Court of Commerce Brussels), the Belgian market company that operates Euronext Brussels.

Fair Value

The amount for which a building can be traded between knowledgeable, willing parties in an independent transaction. From the seller's point of view, it should be understood after deduction of transfer taxes or registration fees.

Group

Qrf and its Perimeter Companies.

IASB

International Accounting Standards Board.

IFRIC

International Financial Reporting Interpretations Committee.

IFRS

International Financial Reporting Standards, the accounting standard according to which RRECs are required to report, based on Article 28 of the RREC Act.

IFRS NAV per share

Net Asset Value or Net Asset Value per share according to IFRS. This value corresponds to the net value per share as referred to in Article 2, 23° of the RREC Act.

Investment value or Gross Market Value or Value Not Specified

This value is equal to the amount at which a building could be exchanged between well-informed parties, consenting and acting in conditions of normal competition. The market value includes any registration duties and notary fees or VAT (when it concerns a purchase subject to VAT).

KPMG

The private limited liability company KPMG Bedrijfsrevisoren, with registered offices at Brussels National Airport 1K, 1930 Zaventem, registered with the Crossroads Bank for Enterprises under the enterprise number BTW BE 0419.122.548 (RPR Brussels, Registry of the Brussels Commercial Court).

Market value

The market value is the estimated amount for which a property can be sold on the value date by a willing seller to a willing buyer in a market-based transaction, after proper marketing, where the parties have acted knowledgeably, carefully and without coercion.

Net Market Value or Value for Purchaser

The Investment Value less the registration duties and notary fees or VAT.

Non-Core Portfolio

The Non-Core Portfolio contains the sites within Qrf's property portfolio that do not meet the predefined criteria of the Core Portfolio.

Occupancy rate

The ratio of the Contractual Rents on an annual basis to the Contractual Rents on an annual basis plus the Estimated Rents on an annual basis of the vacant spaces.

Perimeter company

The company in which the RREC directly or indirectly holds more than 25% of the shares (including its subsidiaries as defined in Article 6, 2°, of the Belgian Companies Code).

Property expert

Cushman & Wakefield.

Qrf Management NV

The public limited company under Belgian law Qrf Management NV, with registered office at Oud Vliegveld 12, 8400 Oostende, registered with the Kruispuntbank van Ondernemingen under company number BTW BE 0537.925.079.

Qrf Netherlands BV

The private company with limited liability under Dutch law Qrf Nederland BV, with registered office at Emmalaan 25, 1075 AT, Amsterdam, the Netherlands, registered with the Chamber of Commerce under number 68633181.

Qrf or the Company

The limited liability company under Belgian law Qrf, a public Regulated Real Estate Company under Belgian law, with registered office at Gaston Crommenlaan 8, 9050 Ghent, registered with the Kruispuntbank van Ondernemingen under company number BTW BE 0537.979.024.

Quares Property & Facility Management BV

The private company with limited liability under Dutch law Quares Property Management BV, with registered office at Emmalaan 25, 1075 AT, Amsterdam, the Netherlands, registered at the Chamber of Commerce with KVK-number 34351584.

Rental income

The arithmetic sum of the rental income, after rental discounts, actually or contractually invoiced by Qrf, over the period of (part of) a financial year.

RREC

Regulated Real Estate Company, which is a company incorporated for an unlimited period and exclusively engaged in an activity consisting of making real estate available to users, either directly or through a company in which it holds a stake, and, where applicable, owning real estate, licensed as such by the FSMA and governed by the TSO Law and the TSO Decree.

RREC Law

Law of 12 May 2014 on regulated real estate companies.

RREC-RD

The Royal Decree of 13 July 2014 on regulated real estate companies.

Shares

The shares, dematerialised or registered, without nominal value with voting rights that represent the capital and have been issued by Qrf.

Sole Director

Qrf Management NV.

Statutory Auditor

The Statutory Auditor of Qrf, i.e. KPMG Bedrijfsrevisoren represented by Mr Filip De Bock.

Transfer fees / Mutation rights

The transfer of ownership of a property is, in principle, subject to the collection by the State of transaction fees, which constitute the bulk of the transaction costs. The amount of these duties depends on the method of transfer, the capacity of the purchaser and the geographical location of the property.



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