



# Transition year with strong operating results

**Annual results 2023** | February 22, 2024 | 6.00 p.m.  
Regulated information

# Highlights

MEUR **14.16**

**Net rental income** of MEUR 14.16 (+13.04% vs. 2022) driven by active portfolio management, strict debt collection management and long-term relationships with tenants.

EUR **15.09** per share

**EPRA NTA per share** is EUR 15.09 (down -3.58% from December 31, 2022), IFRS NAV per share is EUR 15.25 (down -7.74% from December 31, 2022).

EUR **1.00**

**EPRA-profit** increased by 3.07% to MEUR 7.68 in 2023 (up from MEUR 7.45 in 2022). EPRA earnings per share remained stable at EUR 1.00

EUR **0.80**

Proposed stable **gross dividend** of EUR 0.80 per share, representing a payout percentage of EPRA earnings of 81.28% and a gross dividend yield of 7.92% at the closing price of EUR 10.10.

**52.19%**

**Debt ratio** of 52.19% at the end of 2023 (compared to 53.64% at the end of 2022). Nominal debt was reduced during 2023 in the amount of MEUR 11.75.

**2.78%**

The **Average Interest Rate** in 2023 was 2.78% (compared to 1.75% in 2022). The increase in the average financing cost is mainly the result of the purchase of Korenmarkt 1, Ghent at the end of 2022. The coverage ratio of total financial debt at the end of 2023 is 89.25%. The average maturity of the hedging instruments is 3.7 years.

MEUR **248.27**

**Fair Value of the real estate portfolio** of 218.36 MEUR. In addition, Qrf holds a financial participation amounting to 23.87 MEUR in a redevelopment project for the Century Center in Antwerp and holds 6.05 MEUR as Assets held for sale

**99.24%**

**Occupancy rate** (excluding redevelopment) of 99.24% (up from 99.35% in 2022).

## Outlook

**Gross dividend forecast** of at least EUR 0.80 per share

# 1 Commercial results

## 1.1 FOCUS ON LONG-TERM PARTNERSHIP WITH TENANTS

The **Net rental result** for the year 2023 amounts to MEUR 14.16, an increase of 13.04% or MEUR 1.63 compared to 2022. This significant increase is due to the investment in Korenmarkt 1, Ghent at the end of 2022 (MEUR + 1.74) and to the indexations of current leases (MEUR +0.75); partially offset by the negative impact of renegotiated contracts (MEUR -0.40), realized divestments (MEUR -0.35) and vacancies (MEUR -0.11).

The continued focus on renewing existing leases continued to be a priority for the Company in 2023. The result is a 1.31% increase in 2023 comparable rents compared to 2022. However, excluding the substantial rent discount granted to Inno as of August 2023, comparable rents are 4.10% higher than in 2022.

In line with the market rent assessed by the independent valuer, the rent for the real estate in Hasselt, leased to Inno, was renegotiated to a Contractual Rent of MEUR 1.1 per year as of August 2023 (up from MEUR 1.7 as of December 31, 2022).

The occupancy rate ended 2023 at 99.24%, which is in line with the reported occupancy rate at the end of 2022 (99.35%).

## 1.2 CONSISTENT AND CRITICAL ASSET ROTATION

Qrf has a **diversified, commercial real estate portfolio in Belgium and the Netherlands**. Total real estate-related assets amount to MEUR 248.27.

Inner-city retail property in Belgium	139,717,502 €	56.28%
Participation redevelopment Century Center	23,865,464 €	9.61%
State Archives, Bruges	22,400,000 €	9.02%
Peripheral retail property in Belgium	20,550,000 €	8.28%
Inner-city retail in the Netherlands	20,250,000 €	8.16%
Redevelopment Veldstraat	15,439,049 €	6.22%
Assets held for sale in 2024	6,050,000 €	2.43%
<b>TOTAL</b>	<b>248,272,015 €</b>	<b>100%</b>

Through 2023, Qrf has sold four non-strategic sites for a total value of MEUR 12.79, representing a capital gain of MEUR 0.22 or 1.72% on the last known Fair Value. With the sales in Liège, Dendermonde, Namur and Bonnelles<sup>1</sup>, Qrf is continuing its asset rotation strategy.

In addition, in February 2023, Qrf completed the sale of its participation (30%) in the joint venture for the redevelopment of the Bondgenotenlaan 58 site in Leuven with Dyls NV, the former majority shareholder in the joint venture. Qrf transferred its participation for an amount of MEUR 6.44, which represented a nominal capital gain<sup>2</sup> on the last reported financial participation of MEUR 2.99 (or 86% above book value). Relative to the initial investment amount, a nominal capital gain of MEUR 1.88 was realized, constituting a net annual return of 12.5%.

1 The retail park located in Bonnelles is held as Assets held for sale at year-end.

2 This capital gain was recognized in the income statement for fiscal year 2022.



### 1.3 GREENING OF THE REAL ESTATE PORTFOLIO

In early 2023, Qrf began the first phase of greening its real estate portfolio.

During 2023, KEUR 300 was invested in the installation of solar panels. A total of 6 sites, in phases, will be equipped with solar panels, accounting for a total of 1,858 solar panels. The total generating capacity of the facilities combined is 680 MWh/year, which is comparable to supplying power to 195 private households on an annual basis. At the end of 2023, the Company therefore has a sustainable relationship with 3 commercial tenants on the use of the generated power, as well as the office under construction at Veldstraat, Ghent is supplied with green power via the 176 solar panels on the flat roof.

Regardless of the evolution of energy prices, Qrf will offer the generated power to the tenants of the relevant properties. The Company is convinced that this optimally combines the objectives of sustainability with the commercial objectives of Qrf and its tenants, as well as the long-term relationship between both. Qrf will therefore continue to work on 'Project solar', and is currently investigating, in consultation with the tenants, which subsequent locations will be equipped with solar power installations.

For 2024, Qrf expects this project to contribute KEUR 50 in revenue, which should reach KEUR 100 per year by the realization of all identified sites, which would mean EUR 0.015 per EPRA share.

*The solar panels on the building Korenmarkt 1, Ghent:*



## 2 Financing

During 2023, the Company refinanced MEUR 35 credit lines maturing during 2023 until 2028 (MEUR 20), 2029 (MEUR 10) and 2030 (MEUR 5). In addition, the Company has already extended to 2029 (MEUR 10) one credit line maturing in 2024 and concluded one additional additional credit line to 2029 (MEUR 10).

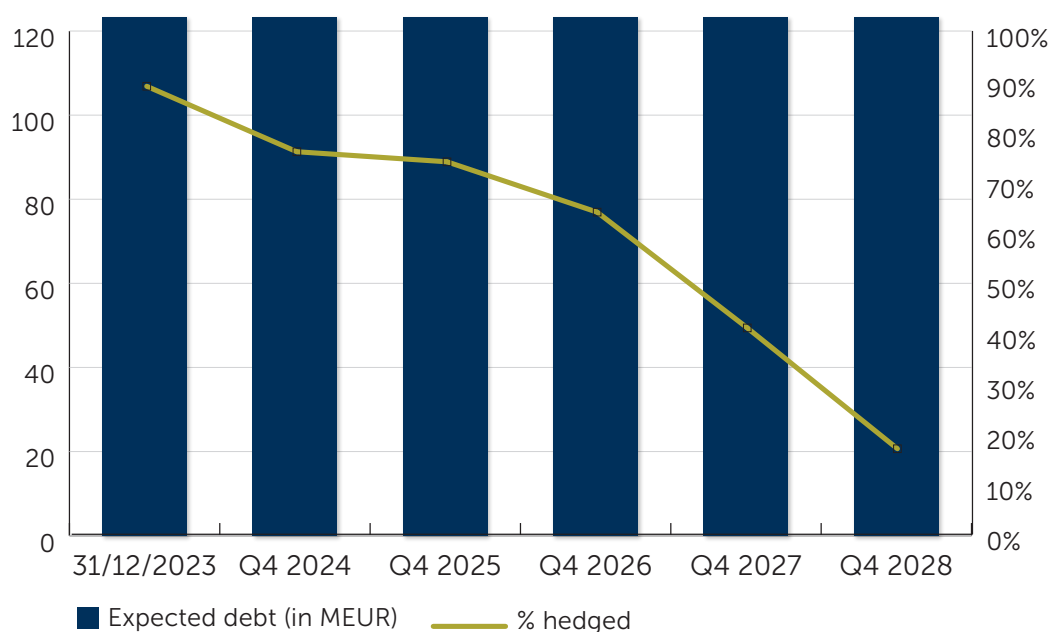
As a result, at December 31, 2023, the Company had MEUR 159 of credit lines with seven different financial institutions, with staggered maturity dates over the period 2024 to 2030, of which the undrawn portion amounted to MEUR 36.75.

Thanks to the existing credit lines and taking into account the nominal debt level as of December 31, 2023 (MEUR 123.25), the Company is not forced to renew expiring credits in the next 18 months.

Thanks to an active hedging strategy, financial debt as of December 31, 2023 consist of 89.25% fixed-rate or variable-rate debt contracted that is fixed by hedging and 10.75% variable-rate debt contracted.

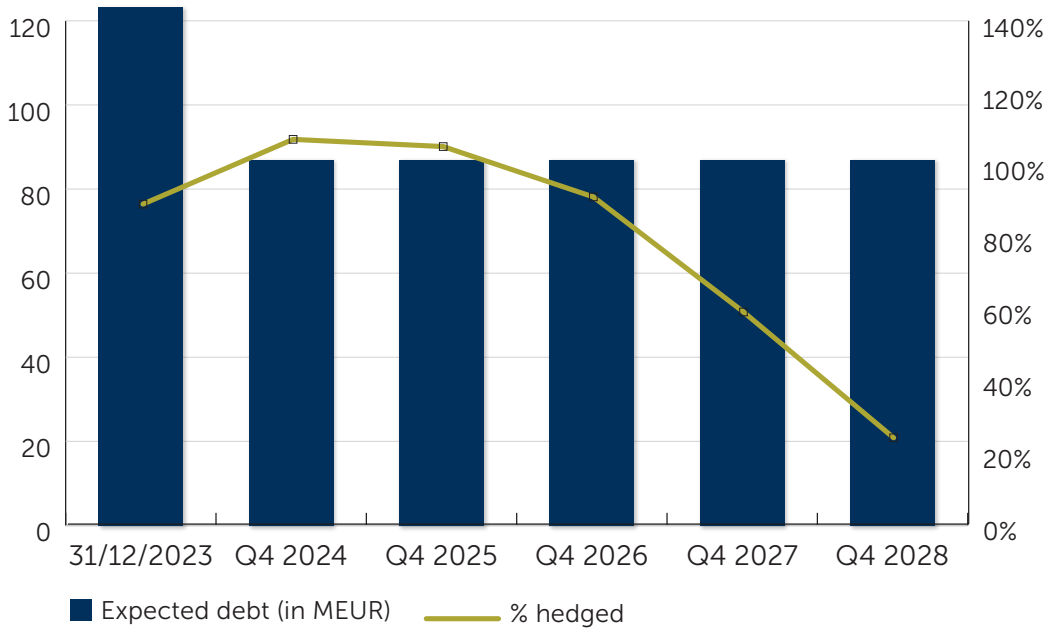
If financial debt were to remain constant at MEUR 123.25, the expected average coverage ratio falls from 89% in 2023 to 17% in 2028.

**Overview of debt and coverage ratio at constant debt**



Thanks to the sales of Pelican, Boncelles and the Dutch portfolio after year-end (see 3.5), financial debt will be further reduced through 2024. This debt reduction increases the expected average hedge ratio and, assuming constant debt, results in an average hedge ratio of 100% until mid-2027.

Overview of debt and hedging ratio taking into account known sales



# 3 Financial results

## 3.1 CONSOLIDATED KEY FIGURES 2023

Fiscal year 2023 covers the period from January 1, 2023 to December 31, 2023.

### CONSOLIDATED KEY FIGURES

REAL ESTATE PORTFOLIO		31/12/2023	31/12/2022
Fair Value of investment properties including assets held for sale <sup>1 2 3</sup>	(KEUR)	224,406	233,254
Total gross surface area	(m <sup>2</sup> )	77,436	80,338
Contractual Rents on an annual basis <sup>4</sup>	(KEUR)	14,092	14,777
Estimated rental value of vacant premises	(KEUR)	104	643
Gross rental yield <sup>5</sup>	(KEUR)	6.43%	6.34%
Occupancy rate <sup>6</sup>		99.24%	99.35%

BALANCE SHEET		31/12/2023	31/12/2022
Shareholders' Equity (excluding minority interests)	(KEUR)	118,899	125,380
Debt ratio (RREC Law) <sup>7</sup>		52.19%	53.64%

PROFIT AND LOSS STATEMENT		31/12/2023	31/12/2022
Net rental income	(KEUR)	14,164	12,530
Operating result before result on portfolio	(KEUR)	11,529	9,731
Operating margin <sup>8</sup>		81.4%	77.7%
Portfolio result (including share of joint ventures)	(KEUR)	-4,656	-972
Financial result	(KEUR)	-7,833	3,876
Taxes	(KEUR)	-1,495	-38
Net result (Group share)	(KEUR)	-2,455	12,598
Adjustment for portfolio result (including share of joint ventures)	(KEUR)	4,656	972
Adjustment for changes in Fair Value of financial assets and liabilities (ineffective part of interest rate hedges)	(KEUR)	4,066	-6,023
Adjustment for result on realisation of shares in real estate companies	(KEUR)	0	0
Adjustment for deferred taxes in respect of EPRA adjustments	(KEUR)	1,409	-99
EPRA result <sup>9</sup>	(KEUR)	7,676	7,447

- 1 Fair Value of the investment properties is the investment value as determined by an independent real estate expert, from which the transaction costs have been deducted. The Fair Value corresponds to the book value under IFRS.
- 2 As of 31/12/2022: excluding MEUR 6.4 held as Assets held for sale related to the participation in the Bond 58 joint venture.
- 3 Including the right of use on a long-term lease in Ghent, Korenmarkt as defined under IFRS16.
- 4 Contractual Rents on an annual basis = The indexed base rents as contractually stipulated in the rental agreements before deduction of gratuities or other benefits granted to the tenants.
- 5 Gross rental yield = (Annualised contractual rents)/Fair Value of investment properties).
- 6 Occupancy rate = (Annualised Contractual Rents excluding development properties) / (Annualised Contractual Rents plus the Estimated Rental Value of vacant space, excluding development properties).
- 7 Calculated according to the R.D. of July 13, 2014 in implementation of the Law of 12 May 2014 on Regulated Real Estate Companies.
- 8 Operating margin = (Operating result before result on portfolio)/(Net rental result)
- 9 The EPRA result is the Net result (group share) excluding the portfolio result and the changes in the Fair Value of the non-effective interest rate hedges. This term is used in accordance with the EPRA Best Practices Recommendations.



## CONSOLIDATED KEY FIGURES

KEY FIGURES PER SHARE		31/12/2023	31/12/2022
Number of shares outstanding at end of the financial year		7,798,886	7,582,737
Weighted average number of shares <sup>10</sup>		7,704,136	7,479,258
Net result per share	(EUR)	-0.32	1.68
EPRA result per share	(EUR)	1.00	1.00
Closing price of the share at the end of the financial year	(EUR)	10.10	9.14
IFRS NAV per share <sup>11</sup>	(EUR)	15.25	16.53
Premium/discount versus IFRS NAV <sup>12</sup> (end of the financial year)		-33.8%	-44.7%
EPRA NTA per share <sup>13</sup>	(EUR)	15.09	15.65
Premium/discount with regard to EPRA NAV <sup>14</sup> (end of the financial year)		-33.1%	-41.6%

## 3.2 RESULTS

The **Net rental result** amounts to MEUR 14.16, an increase of 13.04% or MEUR 1.63 compared to 2022 (MEUR 12.53 in 2022). This increase is due to the investment in Korenmarkt 1, Ghent at the end of 2022 (MEUR +1.74) and to the indexations of current leases (MEUR +0.75); partially offset by the negative impact of renegotiated contracts (MEUR -0.40), disinvestments realized (MEUR -0.35) and vacancy (MEUR -0.11).

In line with the evolution in the net rental result, the **property result** increases by 13.59% to MEUR 14.10 (MEUR 12.42 in 2022). The **operating result before the portfolio result** is MEUR 11.53, up 18.47% compared to 2022 (MEUR 9.73).

The **portfolio result (including the share of joint ventures)** in 2023 amounts to MEUR -4.66 (vs. MEUR -0.97 in 2022) and is the result of the capitalizations of investments on the properties in the portfolio (MEUR -1.78), of the negative variations in the Fair Value of the investment properties based on the estimates of the Property Expert (MEUR -7.78), of the positive result on sales of investment properties (MEUR +0.22) and of the variations in the share of joint venture companies (MEUR +4.68). The activations of investments on existing properties mainly relate to the properties in Huy, Shopping Mosan (MEUR -0.55) and Ghent, Korenmarkt (MEUR -0.69). The negative variations in the Fair Value of investment properties are mainly due to an increase in the capitalization rates used by the Property Expert, as a result of increased interest rates. The positive variation in the share of joint ventures stems, on the one hand, from the fact that these projects were almost completely finished by December 31, 2023, and, on the other hand, from the concluded leases that are consistently higher than market rents.

The **financial result** amounts to MEUR -7.83 in 2023 (compared to MEUR 3.88 in 2022). The variation in the Fair Value of the authorized hedging instruments amounts to MEUR -4.07 (vs. MEUR +6.02 in 2022). The net interest cost is MEUR 3.67 (vs. MEUR 1.99 in 2022). The average interest cost increases from 1.75% in 2022 to 2.78% in 2023. The increase in net interest expense is explained, on the one hand, by the purchase of Korenmarkt 1, Ghent at the end of 2022. This MEUR 21.0 purchase was fully financed by drawing on the existing credit lines and was fully hedged at the end of November 2022 for a period of 10 years by the purchase of an Interest Rate Swap at 2.79%. The financing cost for this purchase, including margin for the lender, therefore amounts to 4.02%. Furthermore, net interest charges also increased due to the application of IFRS 16 to a right of use linked to the property at Korenmarkt 1, Ghent.

10 Shares are counted *pro rata temporis* from the moment of issue. The moment of issue may differ from the moment of profit sharing.

11 IFRS NAV per share = Net Asset Value or Net Asset Value per share according to IFRS.

12 Premium/discount to IFRS NAV = [(Closing share price at end of period) / (IFRS NAV per share at end of period) - 1].

13 EPRA NTA per share = *Net Tangible Assets* or Net Asset Value per share according to EPRA Best Practices Recommendations.

14 Premium/discount to EPRA NAV = [(Final period share price) / (EPRA NAV per share at end of period) - 1].



The increase in **Taxes** (MEUR -1.50 in 2023) is mainly the result of the reversal of deferred tax assets in view of the sale of the portfolio in the Netherlands (see 3.5 Events after the balance sheet date).

The **Net income (Group share)** decreased from MEUR 12.59 in 2022 to MEUR -2.45 in 2023, or from EUR 1.68 per share in 2022 to EUR -0.32 per share in 2023.

After adjusting for the portfolio result (including the share of joint ventures) of MEUR 4.66, for the variations in the Fair Value of financial assets and liabilities (MEUR 4.07) and for the taxes expended relating to EPRA corrections (MEUR 1.41), Qrf records an increase in the **EPRA result** of 3.07% to MEUR 7.68 in 2023 (compared to MEUR 7.45 in 2022). This increase is mainly due to the increase in the net rental result and ongoing cost control.

**EPRA earnings per share** remain stable at EUR 1.00 in 2023 (up from EUR 1.00 in 2022).

The Board of Directors of the Sole Director proposes a gross dividend of EUR 0.80 per share (MEUR 6.24) to the General Shareholders' Meeting. This reflects a distribution rate of the EPRA result of 81.28%.

### 3.3 BALANCE SHEET

On December 31, 2023, the **Fair Value of the investment properties**<sup>15</sup> is MEUR 218.36, compared to MEUR 233.25 on December 31, 2022, a decrease of MEUR 14.90 or 6.39%:

- » the impact of the estimation by the Property Expert on the Fair Value of the investment properties amounted to MEUR -7.78. In addition, capitalized investments of MEUR 1.76 on the various properties were written down;
- » the value of the Veldstraat redevelopment project, Ghent increased by MEUR 5.49, mainly because of CAPEX, compared to December 31, 2022;
- » through 2023, the real estate portfolio was reduced with the sales of the properties in Dendermonde (MEUR -3.16), Liège (MEUR -1.03) and Namur (MEUR -2.61);
- » furthermore, a binding sale agreement was concluded for the property in Bonnelles, Route du Condroz 42-44, the most recent Fair Value amounted to MEUR 5.73;
- » for the above sales together, a capital gain of MEUR 0.22 was recorded with respect to the last Fair Value;

making the Fair Value of the portfolio MEUR 218.36 as of December 31, 2023.

Overall, the portfolio is valued by the Property Expert at a gross rental rate of 6.43%. The portfolio includes 30 properties as of December 31, 2023.

In addition to real estate investments, Qrf holds significant financial positions in joint venture partnerships. The participation for the redevelopment of the Century Center in Antwerp amounts to MEUR 23.87<sup>16</sup> as of December 31, 2023. Furthermore, the Company holds MEUR 6.05 as Assets held for sale (Bonnelles).

**Group Equity** decreased by 5.17% from MEUR 125.38 at December 31, 2022 to MEUR 118.90 at December 31, 2023.

**EPRA NTA** per share decreased 3.58% from EUR 15.65 at December 31, 2022 to EUR 15.09 at December 31, 2023. **IFRS NAV** per share decreased 7.74% from EUR 16.53 to EUR 15.25 over the same period.

<sup>15</sup> Excluding Assets held for sale

<sup>16</sup> Participations of 30% in the project company Ardeno BV and of 30% in the project company Pelican BV together with long-term receivables of MEUR 0.62.

The **Debt ratio** decreased to 52.19% at December 31, 2023 (compared to 53.64% at December 31, 2022). Taking into account the debt reduction resulting from the sale of the Boncelles property and the sales of Pelican and the portfolio in the Netherlands (see 3.5 Events after the balance sheet date), the Debt Ratio is expected to decrease to 43.32%.

### 3.4 FUNDING STRUCTURE

As of December 31, 2023, Qrf has MEUR 123.25 of financial debt<sup>17</sup> consisting of:

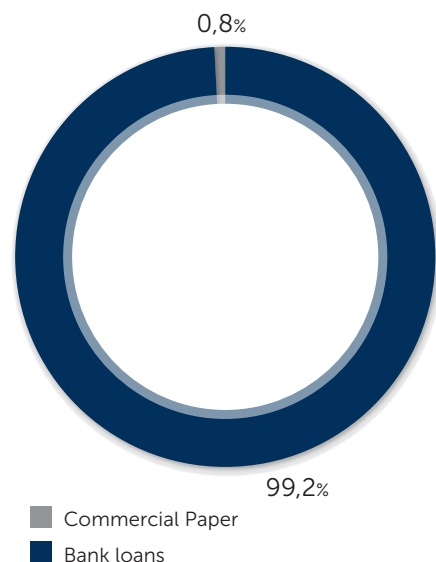
- » bilateral credit lines drawn for an amount of MEUR 122.25. The bilateral credit lines drawn were concluded with 7 different financial institutions with well-spaced maturities between 2024 and 2030. The weighted average remaining maturity of these drawn credit lines is 2.7 years;
- » Commercial Paper (treasury bills) in the amount of MEUR 1.00. The full amount of outstanding short-term treasury bills is covered by available long-term credit lines (back-up lines).

Qrf has MEUR 159 of credit lines at December 31, 2023, of which 1 credit line of MEUR 10 serves exclusively to cover the issued Commercial Paper. The undrawn portion of the available credit lines amounts to MEUR 36.75 at December 31, 2023.

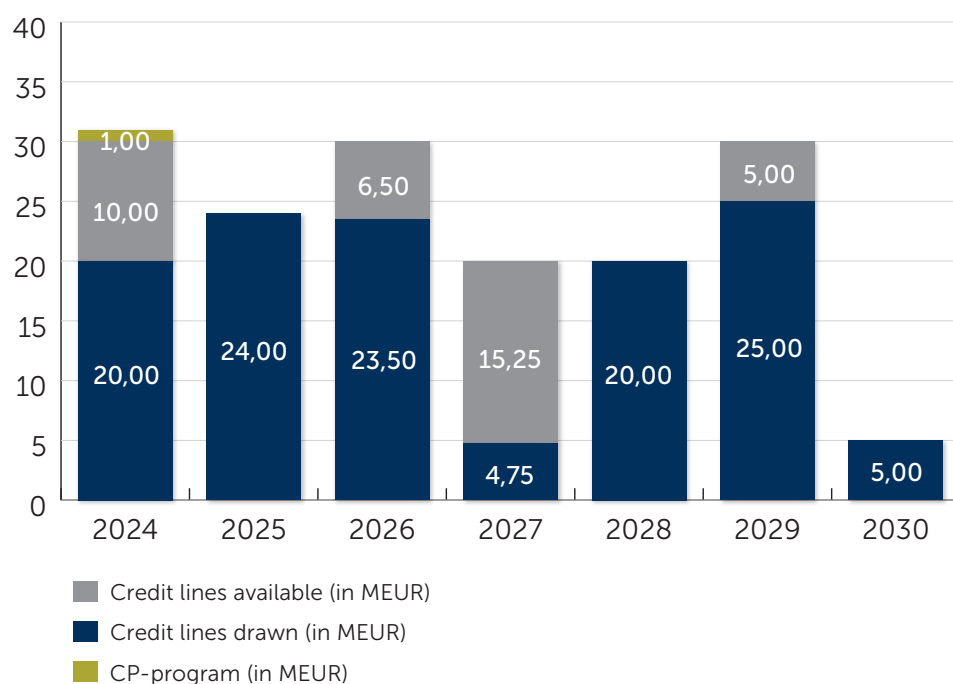
During 2023, the Company refinanced MEUR 35 lines of credit that would expire during 2023 until 2028 (MEUR 20), 2029 (MEUR 10) and 2030 (MEUR 5). In addition, the Company has already extended one line of credit due to mature in 2024 until 2029 (MEUR 10) and concluded one additional additional line of credit until 2029 (MEUR 10).

The Average Borrowing Cost is 2.78% in 2023 (up from 1.75% in 2022) and has increased on the one hand due to the purchase of Korenmarkt 1, Gent at the end of 2022; on the other hand due to the impact of increased market interest rates on the unhedged portion of debt.

At December 31, 2023, the composition of financial debt is as follows:



<sup>17</sup> Excluding the right to use part of the premises in the Korenmarkt, Ghent as provided in IFRS 16.



At December 31, 2023, 89.25% of the financial debt (total of credit lines drawn and commercial paper outstanding) consists of fixed-rate debt, including through the use of Interest Rate Swaps as a hedging instrument. The fixed rate debt has a weighted average remaining maturity of 3.7 years.

The total value of hedges at closing date was positive for an amount of MEUR 1.23, down from the position at 31 December 2022 (MEUR 5.29), due among other things to the expiration of hedging instruments in 2023 amounting to MEUR 35.00. The Executive Management of Qrf points out that through an active hedging strategy it wishes to maximally protect the Company against a possible interest rate fluctuation. To this end, two new forward hedging contracts were concluded in 2023 for a total amount of MEUR 20.

### 3.5 EVENTS AFTER THE BALANCE SHEET DATE

On February 22, Qrf formalized several realizations that fundamentally lower the Company's risk profile, making Qrf a best-in-class inner-city real estate investor.

At December 31, 2023, the debt ratio is 52.19% (compared to 53.64% at December 31, 2022), the EPRA result is MEUR 7.68 (compared to MEUR 7.45 in 2022) and the EPRA NTA per share is EUR 15.09 (compared to EUR 15.65 at December 31, 2022).

Thanks to realizations within the existing real estate portfolio, a decrease in the debt ratio is expected from 52.19% to 43.32%<sup>18</sup>, combined with an increase in the net asset value per share (EPRA NTA) by EUR 0.49 to EUR 15.58 per share. These realizations, thanks to the reduction in the debt ratio and corresponding expected interest cost, have no direct negative impact on the expected EPRA earnings per share for 2024.

In addition, Qrf has only limited future investment obligations (MEUR 5.4 for the further completion of the Veldstraat 88 development project, Ghent) and the Company also has MEUR 24 of investment capacity to respond to market opportunities in order to achieve a debt ratio of up to 50%.

<sup>18</sup> Under equal valuation of the property portfolio after realizations

## OVERVIEW OF REALIZATIONS

### Century Center, Antwerp: Sale of Pelican and long term rental Ardeno

First, Qrf, together with joint-venture partner Baltisse, is realizing the sale of the entire new construction project within the Pelican sub-area, as well as the open public parking garage operated by Q-Park (Parking Century Center) and 53 private parking spaces through a transfer of the shares in the project company, subject to the suspensive condition of provisional completion. At closing, expected at the end of March 2024, Qrf will receive MEUR 10.60<sup>19</sup>.

With the sale, Qrf realizes a capital gain of MEUR 4.36 (+72.86%) on the last known Fair Value (MEUR 5.98), and a capital gain of MEUR 3.80 on the initial contribution value of MEUR 6.54 (+58.06%).

Since the establishment of the project company, Qrf has generated an annual rate of return (IRR) of 15.13% with Pelican.

Secondly, an important long-term lease was concluded for the Ardeno sub-area (the former Century Center) for the lease of 4,711 m<sup>2</sup> of office space on market terms. Extensive talks are also in progress on the leasing of the remaining retail units (1,220 m<sup>2</sup>).

As the completion took place at the beginning of 2024, the joint venture company Ardeno will contribute to the EPRA result from 2024. The positive impact on the EPRA result for 2024 is estimated at a minimum of EUR 0.05 per share.

The valuation of Qrf's stake (30%) in the company Ardeno at the end of 2023 is MEUR 17.62.

### Sale of the real estate portfolio in the Netherlands

Qrf sold the entire real estate portfolio in the Netherlands on February 22, 2024. The Fair Value of the property portfolio was estimated at MEUR 20.25 as of December 31, 2023, and the Contractual Rent was MEUR 1.41. Given the small size of the portfolio and the higher fixed costs associated with managing the portfolio, the net margin of the properties was lower compared to the Belgian property portfolio.

Qrf realizes a value in line with the most recent Fair Value with the sale and will use the proceeds for further debt reduction.

## OVERVIEW OF SOLD PROPERTIES

Den Bosch - Hinthamerstraat 41-45

Enschede - Kalandersstraat 2-4 9

Maastricht - Grote Staat 58

Nijmegen - Broerstraat 49

Zwolle - Diezerstraat 60

### Opportunistic sale of out-of-town retail cluster in Boncelles

Qrf has entered into a binding sales agreement for the sale of four out-of-town retail units in Boncelles. The most recent Fair Value of the property before the sale was MEUR 5.73 and the realized net sales proceeds amounted to MEUR 6.00 (+4.71% compared to the Fair Value).

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<sup>19</sup> Based on the provisional price calculation and including a receivable of 0.28 MEUR against the project company

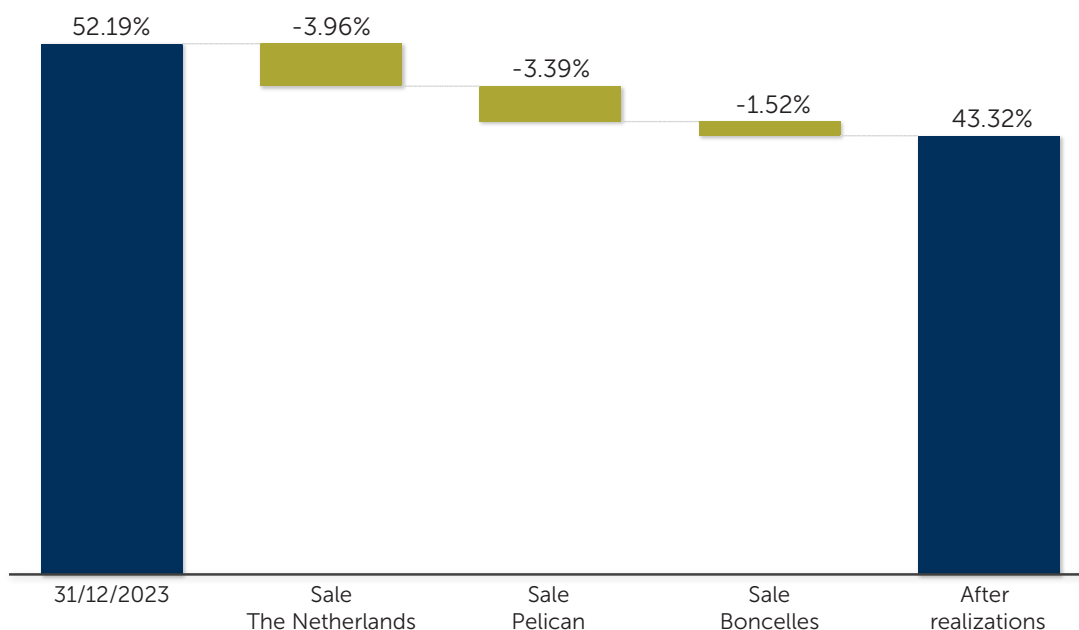


## IMPACT OF REALIZATIONS

The strength of the realizations lies in their collective impact and the potential for Qrf to move quickly in the coming months and years when potential market opportunities arise within its positioning as an inner-city commercial real estate investor.

### Debt ratio falls 9%

With these realizations, the Company expects the debt ratio to decrease by 8.86% to 43.32%.



### EPRA NTA increases by EUR 0.49 per share

The realizations have a positive effect on the net asset value per share of EUR 0.49.

### Limited impact on EPRA result (like-for-like)

The impact of the sales of Pelican, Boncelles and the real estate portfolio in the Netherlands will not have a direct impact on the expected EPRA result in 2024, due to the decrease in expected interest costs and since Pelican was only delivered in 2024, and therefore did not contribute in the past to the EPRA result. Moreover, thanks to the completion of the Ardeno sub-area, an additional positive impact of at least EUR 0.05 per share is expected.

### High hedging ratio and predictability of financial costs

The lower debt ratio and the lower nominal debt level, after these realizations, at constant debt, provides an average hedge ratio of 100% until mid-2027. Thanks to this hedging position, the impact of increased interest rates on the average financial cost remains limited and increases the predictability of future cash flows.

## 4 Outlook

Qrf will propose to the General Meeting a gross dividend of EUR 0.80 per share and maintain its medium-term dividend policy of at least EUR 0.80 per share by 2024.

## 5 Financial calender

	Datum
Publication of quarterly update Q1	25/04/2024
General meeting of shareholders	21/05/2024
Dividend (ex date)	24/05/2024
Dividend (record date)	27/05/2024
Dividend (payment date)	28/05/2024
Publication of half-yearly results and half-yearly report	22/08/2024
Publication of Q3 quarterly update	24/10/2024

All publications are scheduled after-hours.

# Annex 1: Financial overview

## I. STATEMENT OF CONSOLIDATED RESULTS

### A. CONSOLIDATED INCOME STATEMENT

FIGURES IN THOUSANDS OF EUR

	31/12/2023	31/12/2022
(+) I. Rental income	13,962	12,331
(+) II. Writeback of leased payments sold and discounted	0	0
(+/-) III. Rental charges	202	199
<b>NET RENTAL INCOME</b>	<b>14,164</b>	<b>12,530</b>
(+) IV. Recovery of property charges	0	0
(+) V. Recovery of rental charges and taxes normally payable by tenants on let properties	1,104	877
(-) 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	-1,165	-991
(+/-) VIII. Other rental related income and charges	0	0
<b>PROPERTY RESULT</b>	<b>14,103</b>	<b>12,416</b>
(-) IX. Technical costs	-193	-247
(-) X. Commercial costs	-60	-180
(-) XI. Charges and taxes of unlet properties	-78	-85
(-) XII. Property management costs	-251	-211
(-) XIII. Other property charges	0	0
<b>PROPERTY CHARGES</b>	<b>-582</b>	<b>-723</b>
<b>PROPERTY OPERATING RESULT</b>	<b>13,521</b>	<b>11,693</b>
(-) XIV. General company expenses	-1,992	-1,962
(+/-) XV. Other operating income and charges	0	0
<b>OPERATING RESULT BEFORE PORTFOLIO RESULT</b>	<b>11,529</b>	<b>9,731</b>
(+/-) XVI. Result on disposals of investment properties	216	222
(+/-) XVII. Result on disposals of other non-financial assets	0	0
(+/-) XVIII. Changes in Fair Value of investment properties	-9,553	-1,534
(+/-) XIX. Other portfolio result	0	0
<b>PORTFOLIO RESULT</b>	<b>-9,337</b>	<b>-1,312</b>



<b>OPERATING RESULT</b>	<b>2,191</b>	<b>8,419</b>
(+) XX. Financial income	0	9
(-) XXI. Net interest charges	-3,667	-1,992
(-) XXII. Other financial charges	-101	-164
(+/-) XXIII. Changes in Fair Value of financial assets and liabilities	-4,066	6,023
<b>FINANCIAL RESULT</b>	<b>-7,833</b>	<b>3,876</b>
(+) XXIV. Share in the profit or loss of associates and joint ventures	4,681	340
<b>PROFIT BEFORE TAXES</b>	<b>-961</b>	<b>12,635</b>
(+/-) XXV. Corporate tax	-1,495	-38
(+/-) XXVI. Exit tax	0	0
<b>TAXES</b>	<b>-1,495</b>	<b>-38</b>
<b>NET PROFIT</b>	<b>-2,455</b>	<b>12,598</b>
Attributable to:		
Shareholders of the group	-2,455	12,598
Minority interests	0	0
Components of net result - Shareholders of the group:		
<b>NET RESULT (GROUP SHARE)</b>	<b>-2,455</b>	<b>12,598</b>
Result on the portfolio (including share in joint ventures)	9,337	1,312
Results in the share of associates and joint ventures	-4,681	-340
Changes in the Fair Value of financial assets and liabilities	4,066	-6,023
Result on the realisation of shares in real estate companies	0	0
Deferred taxes relating to EPRA changes	1,409	-99
<b>EPRA EARNINGS*</b>	<b>7,676</b>	<b>7,447</b>

\*The EPRA earnings consist of the Net result (group share) exclusive of the portfolio, the changes in the Fair Value of the non-effective interest hedges, and deferred taxes relating to EPRA changes.

## B. STATEMENT OF COMPREHENSIVE INCOME

FIGURES IN THOUSANDS OF EUR

	31/12/2023	31/12/2022
<b>I. NET PROFIT</b>	<b>-2,455</b>	<b>12,598</b>
<b>II. OTHER COMPREHENSIVE INCOME RECYCLABLE UNDER THE INCOME STATEMENT</b>	<b>0</b>	<b>0</b>
(+/-) B. Changes in the effective part of Fair Value of authorized cash flow hedging instruments as defined under IFRS	0	0
<b>COMPREHENSIVE INCOME</b>	<b>-2,455</b>	<b>12,598</b>
Attributable to:		
Shareholders of the group	-2,455	12,598
Minority interests	0	0

## II. EARNINGS PER SHARE

FIGURES IN THOUSANDS OF EUR

	31/12/2023	31/12/2022
Number of ordinary shares in circulation at the end of the financial year	7,798,886	7,582,737
Weighted average number of shares during the financial year	7,704,136	7,479,258
<b>NET EARNINGS PER ORDINARY SHARE - GROUP SHARE (in EUR)</b>	<b>-0.32</b>	<b>1.68</b>
<b>DILUTED NET EARNINGS PER SHARE - GROUP SHARE (in EUR)</b>	<b>-0.32</b>	<b>1.68</b>

### III. CONSOLIDATED BALANCE SHEET

FIGURES IN THOUSANDS OF EUR

	31/12/2023	31/12/2022
<b>ASSETS</b>		
<b>I. FIXED ASSETS</b>	<b>243,971</b>	<b>258,706</b>
B Intangible fixed assets	3	35
C Investment properties	218,356	233,254
D Other tangible fixed assets	18	12
E Non-current financial assets	2,352	5,434
H Deferred taxes - assets	0	1,409
I Investments in associates and joint ventures equity change	23,242	18,561
<b>II. CURRENT ASSETS</b>	<b>8,722</b>	<b>10,296</b>
A Assets held for sale	6,050	6,440
B Current financial assets	391	490
D Trade receivables	1,273	1,168
E Tax receivables and other current assets	165	215
F Cash and cash equivalents	473	1,728
G Deferred charges and accrued income	369	254
<b>TOTAL ASSETS</b>	<b>252,694</b>	<b>269,002</b>

FIGURES IN THOUSANDS OF EUR

	31/12/2023	31/12/2022
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>	<b>118,899</b>	<b>125,380</b>
<b>I. Equity attributable to the shareholders of the parent company</b>	<b>118,899</b>	<b>125,380</b>
A Capital	7,343	7,144
a. Issued capital	7,799	7,583
b. Costs for capital increase	-456	-438
B Issue premiums	155,933	154,091
C Reserves	-41,921	-48,453
D Net result for the financial year	-2,455	12,598
<b>II. Minority interests</b>	<b>0</b>	<b>0</b>
<b>LIABILITIES</b>	<b>133,795</b>	<b>143,622</b>
<b>I. Non-current liabilities</b>	<b>108,227</b>	<b>101,732</b>
B Non-current financial debts	107,126	101,609
a. Borrowings	102,188	96,950
b. Financial leasing	4,937	4,659
C Other non-current financial liabilities	958	80
E Other non-current liabilities	143	42
F Deferred taxes - liabilities	0	0
<b>II. Current liabilities</b>	<b>25,568</b>	<b>41,890</b>
B Current financial debts	21,387	38,362
a. Borrowings	21,000	38,000
b. Financial leasing	387	362
C Other current financial liabilities	0	0
D Trade debts and other current debts	2,064	1,385
a. Exit tax	0	0
b. Other	2,064	1,385
E Other current liabilities	65	65
F Accrued charges and deferred income	2,051	2,078
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>252,694</b>	<b>269,002</b>



#### IV. CONSOLIDATED CASH FLOW STATEMENT

FIGURES IN THOUSANDS OF EUR

	31/12/2023	31/12/2022
<b>CASH AND CASH EQUIVALENTS OPENING BALANCE SHEET</b>	<b>1,728</b>	<b>883</b>
<b>1. Cashflow from operating activities</b>	<b>11,186</b>	<b>10,482</b>
Net result	-2,455	12,598
Non-paid interest and bank charges	160	285
Interest expense paid	3,648	1,953
Adaptation of the result for non-cash flow transactions	10,066	-5,654
- Depreciation on capitalized financing charges	9	39
- Depreciation on intangible and other tangible fixed assets	27	37
- Variations in deferred tax assets and liabilities	1,409	-99
- Result from the sale of investment properties	-216	-224
- Reversal of impairment losses on trade receivable	-202	-577
- Changes in Fair Value of investment properties and project developments	9,554	1,533
- Changes in Fair Value of financial assets and liabilities	4,066	-6,022
- Provisions LTI plan	101	0
- Revaluation gains on financial fixed assets	-4,681	-340
Changes in working capital requirements:	-233	1,301
Movement of assets:	30	1,588
- Trade receivables	97	578
- Tax receivables and other current assets	41	1,090
- Deferred charges and accrued income	-108	-80
Movement of liabilities:	-263	-288
- Other current financial liabilities	-25	23
- Trade debts and other current debts	-46	58
- Other current liabilities (incl. tax debt)	3	242
- Deferred charges and accrued income	-194	-612
<b>2. Cash flow resulting from investment activities</b>	<b>7,003</b>	<b>-19,121</b>
Purchase of intangible and other tangible fixed assets	0	-8
Purchases of shares of real estate companies	0	-22,105
Cash in acquired real estate companies	0	1,332
Funding of non-fully controlled entities	0	750
Purchase of properties	0	0
Investments in existing properties	-5,986	-2,242
Capitalized finance costs	-219	-92
Receipts from the disposal of investment properties	13,208	3,244
<b>3. Cash flow from financing activities</b>	<b>-19,444</b>	<b>9,484</b>
Loan repayment	-83,020	-42,700
Loan acquisition	71,250	57,700
Costs for capital increase	-18	-45
Interest payments on loans	-3,648	-1,953
Dividends paid	-4,008	-3,498
Transaction costs paid	0	-20
<b>CASH AND CASH EQUIVALENTS CLOSING BALANCE</b>	<b>473</b>	<b>1,728</b>