



INTERIM STATEMENT OF THE STATUTORY MANAGER THIRD QUARTER OF FINANCIAL YEAR 2020-2021



Regulated information

5 August 2021 - Embargoed until 5.40 p.m.

EPRA EARNINGS UP BY 7.6% AFTER COVID IMPACT PROSPECTS OF A DIVIDEND AT LEAST COMPARABLE TO LAST YEAR'S

OPERATING RESULTS

- **Rental income:** €34.64 million, up by 5.2% (before COVID impact)
- **COVID impact:** €1.33 million (3.8% of rental income) for the first nine months of the financial year
- **EPRA Earnings:** €22.44 million, up by 7.6% (after impact of COVID)

EARNINGS PER SHARE

- **EPRA Earnings:** €3.40 per share, compared with €3.16 per share at 30 June 2020
- **EPRA NAV:** €55.20 per share, compared with €54.95 per share at 30 September 2020

PROPERTY PORTFOLIO

- **Value of the portfolio (excluding IFRS 16):** €703 million, up by €12.6 million compared with 30/09/2020 as a result of the investments made during the first nine months (+€9.3 million) and the increase in value resulting from the expert valuations (+€3.3 million)
- **Out-of-town retail portfolio, resilient, defensive and performing well:**
 - 41% of rentals from the food sector
 - 10% of rentals from DIY
 - 9% of rentals from home/deco
- **Occupancy rate:** 96.4% (compared with 97.7% at 30/09/2020)

FINANCIAL STRUCTURE

- **Debt ratio¹:** 49.0% at 30 June 2021
- **Low average cost of debt:** 1.84% (stable compared with 30/09/2020)

¹ Debt ratio calculated in accordance with the Royal Decree of 28 April 2018 on Regulated Real Estate Companies.

Summary of activity

Results for the first 9 months of the 2020/2021 financial year show a significant increase (+5.2%) in rental income, before taking account of the impact of the COVID-19 health crisis.

This good progress is the result of the acquisition, on 6 March 2020, of 5 properties in the food sector in the Southeast of France for an amount of €85 million, leased in their entirety to the Casino Group and generating annual rental income of €4.6 million, as well as the acquisition, on 15 March 2021, of a retail complex in Couillet (Belgium) for an amount of €6.38 million.

Thanks to these acquisitions the share of the food sector has been strengthened, and now accounts for 41% of current rentals of Ascencio's portfolio.

The beginning of the financial year was marked by a second period of closure of non-essential stores in Belgium (from 1 November to 13 December 2020) and in France (from 1 to 27 November 2020). The consequences of this second lockdown were however more limited than those of the first one since a larger number of businesses were considered essential and were therefore allowed to remain open, but also because of the speed with which our retail tenants developed their omnichannel offerings. At 30 June 2021, based on the status of negotiations, a large part of which had been finalised, partial cancellations of rentals resulting from store closures amounted to €726,000.

The 3rd quarter of the financial year was also marked by a third period of closure of non-essential stores in Belgium and in Spain (April/May/June 2021) as well as in France (April/May 2021). At 30 June 2021, Ascencio conservatively estimated the partial cancellations of rentals resulting from the closure of stores in the third wave at €787,000.

By 30 June 2021, Ascencio had reached agreement with all of its Spanish tenants. In the case of Belgium, agreements had been signed with 100% of its tenants for the first and second waves of mandatory closure and with 80% of them for the third wave. In France, Ascencio had reached agreement with nearly 96% of tenants for the first wave, nearly 80% for the second wave, and is awaiting official confirmation of the government aid measures announced before initiating negotiations on the third wave.

At 30 June 2021 Ascencio estimated the impact of the COVID-19 crisis on its rental income for the first nine months of the financial year at €1.33 million (3.8% of rental income) corresponding to partial cancellations of rentals.

This pandemic has demonstrated the resilience of retail parks and boosted the performance of the food sector. Retail parks have proven the shopping format most favoured by consumers. Thanks to their large open-air spaces and ease of access by car, they have provided reassurance to fearful consumers. Furthermore, the larger shopping areas have also enabled retailers to adapt more easily to social distancing measures. Lastly the retail park format is also particularly well suited to click & collect, and to returns, which are made directly to points of sale, thus allowing retailers to roll out their omnichannel offerings there with ease.

Property portfolio at 30 June 2021

Changes in the portfolio since 30/09/2020

At 30 June 2021 the fair value of the property portfolio (excluding IFRS 16) stood at €703.1 million, compared with €690.5 million at 30 September 2020.

(€000s)	30/06/2021	30/09/2020
BALANCE AT THE BEGINNING OF THE FINANCIAL YEAR (EXCLUDING IFRS 16)	690,481	622,894
Acquisitions	9,314	88,106
Disposals	0	0
Transfer from assets held for sale	0	0
Change in fair value	3,306	-20,520
BALANCE AT THE END OF THE FINANCIAL YEAR (EXCLUDING IFRS 16)	703,100	690,481
IFRS 16 - Right-of-use of land	7,099	7,159
TOTAL INVESTMENT PROPERTIES	710,199	697,639

Investments during the first 9 months:

On 15 March 2021 Ascencio paid €6.38 million to acquire a retail complex consisting of a supermarket and four small adjacent retail units, thus completing its control of the properties at its Couillet Bellefleur site (Belgium).

The supermarket, operated by Carrefour Market by Groupe Mestdagh, has for many years turned in excellent operating performances and has a well-established property location. The investment was made at market value as determined by the appraisal expert.



During the quarter, Ascencio also completed construction of a new 1,504 m² unit for Maisons du Monde in its Les Portes du Sud retail park in Chalon-sur-Saône (France). The new store opened its doors at the end of June 2021.



Ascencio completed as well the extension of Auto 5's establishment in Jemappes, Belgium and split the retail unit occupied by Décathlon in Châtelineau (Belgium) in order to accommodate a Cultura store.



Apart from the above-mentioned investments, Ascencio signed a commercial lease with the 4MURS brand, which opened a store in the Les Portes du Sud retail park in Chalon-sur-Saône (France).

Also, work on remodelling the façade of the Messancy (Belgium) retail park is scheduled to start in August 2021.



Occupancy rate

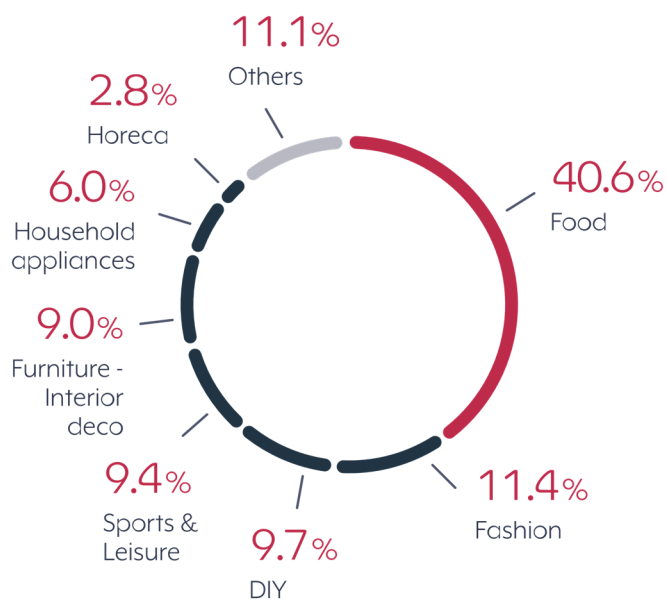
At 30 June 2021 the occupancy rate of the portfolio stood at 96.4%.

Geographical distribution

At 30 June 2021, the breakdown of the portfolio among the 3 countries in which Ascencio operates is as follows:

COUNTRY	Investment value (€000S)	Fair value (€000S) (%)	Contractual rents (€000S)	Occupancy rate (%)	Gross yield (%)
Belgium	387,723	378,266 53.8%	25,638	95.0%	6.61%
France	315,612	296,034 42.1%	19,513	99.6%	6.18%
Spain	29,770	28,800 4.1%	1,538	83.1%	5.17%
TOTAL	733,105	703,100 100%	46,689	98.0%	6.37%

Breakdown of rental income by sectors (annualised):



Consolidated results for the first 9 months and the 3rd quarter of financial year 2020/2021

CONSOLIDATED RESULTS (€000S)	30/06/2021	30/06/2020
RENTAL INCOME	34,639	32,926
Charges linked to letting	-1,328	-2,409
<i>Write-downs on trade receivables</i>	-12	-362
<i>Cancellation of COVID 19 rents</i>	-1,316	-2,047
Charges not recovered	-17	-56
PROPERTY RESULT	33,294	30,461
Property charges	-2,684	-2,214
Corporate overheads	-3,096	-2,991
Other operating costs	2	10
OPERATING RESULT BEFORE RESULT ON PORTFOLIO	27,517	25,267
Operating margin (*)	79.4%	76.7%
Financial income	0	-
Net interest charges	-4,379	-3,823
Other financial charges	-316	-247
Taxes	-383	-353
EPRA EARNINGS	22,438	20,844
Net gains and losses on sales of investment property	-	-41
Changes in the fair value of investment property	3,306	-19,177
Other portfolio result	-	-
Portfolio result	3,306	-19,219
Changes in fair value of financial assets and liabilities	4,337	412
Deferred tax	-170	135
Taxes on net gains and losses on disposals	0	0
Exit Tax	0	0
NET RESULT	29,911	2,172
EPRA Earnings per share (euros)	3.40	3.16
Earnings per share (EPS) (euros)	4.53	0.33
Total number of shares issued	6,595,985	6,595,985

(*) Alternative Performance Measure (APM). See pages 10 to 14.

Mainly due to the effect of the acquisition of five Casino supermarkets on 6 March 2020, **rental income** was up by 5.2% at €34.64 million, compared with €32.93 million for the first 9 months of the previous financial year.

The following table shows **rental income by country**:

RENTAL INCOME (€000S)	30/06/2021		30/06/2020	
Belgium	18,747	54%	19,228	58%
France	14,423	42%	12,232	37%
Spain	1,469	4%	1,465	4%
TOTAL	34,639	100%	32,926	100%

After taking account of the rental cancellations linked to COVID-19 (€1.3 million) and write-downs on trade receivables (€12,000), **property result** amounted to **€33.3 million** (up by 9.3% compared to 30 June 2020).

After deduction of property charges and corporate overheads, the **operating result before result on portfolio** was €27.5 million (€25.3 million at 30 June 2020), i.e. an increase of 8.9%.

Net interest charges, including the cash flows generated by interest rate hedging instruments, amounted to €4.38 million. The increase (of €0.6 million) compared with the same period of the previous financial year was due to the financing by debt of the acquisition of the 5 Casino supermarkets.

The **average cost of debt**² (including margins and the cost of hedging instruments) was 1.84% (stable compared with 30 June 2020).

Thanks to the interest rate hedging policy put in place, the Group's **hedging ratio**³ is currently 84% and based on the current level of debt it will be above 70% for the next 4 financial years.

After deduction of the tax charge on results of the French and Spanish assets, **EPRA Earnings** amounted to €22.44 million at 30 June 2021, which was 7.6% more than at 30 June 2020.

EPRA Earnings per share came to €3.40 (€3.16 for the 9 months to 30 June 2020), up by 7.6%.

Non-monetary items in the P&L amounted to:

- +€4.34 million increase in the fair value of interest rate hedging instruments;
- +€3.31 million representing the change in fair value of investment property;
- -€0.17 million of deferred taxation (5% withheld at source) of unrealised capital gains on the French assets.

The value of the property portfolio at 30 June 2021 was up by €3.3 million, mainly as a result of the growing market appetite for food assets, as well as the acknowledged resilience of retail parks.

After taking account of these non-monetary items, **net result** at 30 June 2021 came to €29.9 million as against €2.17 million at 30 June 2020.⁴

² Alternative Performance Measure (APM). See pages 10 to 14.

³ Hedging ratio = (Fixed rate debt + Notional amount of interest rate hedging instruments) / Total financial debt.

⁴ Results for the nine months to 30 June 2020 were affected by non-monetary items mainly linked to the decrease in value of Ascencio's properties established by the appraisal experts at the beginning of the pandemic.

Consolidated balance sheet at 30 June 2021

CONSOLIDATED BALANCE SHEET (€000S)	30/06/2021	30/09/2020
ASSETS	727,735	713,716
Investment properties	710,199	697,639
Other non-current financial assets	2,342	1,506
Assets held for sale	0	0
Trade receivables	2,889	7,441
Cash and cash equivalents	4,728	4,710
Other current financial assets	7,576	2,420
EQUITY AND LIABILITIES	727,735	713,716
Equity	354,963	349,130
Non-current financial debts	292,643	293,738
Other non-current financial liabilities	11,306	14,656
Deferred taxes	1,002	832
Current financial debts	55,111	42,494
Other current liabilities	12,709	12,866

Net asset value (NAV) per share

(€000S)	30/06/2021	30/09/2020
Total number of shares	6,595,985	6,595,985
NAV IFRS	53.82	52.93
NAV EPRA	55.20	54.95

Outlook

While the impact of COVID-19 has been only too real in the first nine months of the 2020/2021 financial year and will continue to be so for the rest of the financial year, the positive performance of its portfolio provides Ascencio with reassurance as to the soundness of its investment policy and strategy.

The vaccination campaigns under way should bring about some improvement in the retail sector.

The pandemic has certainly accelerated the development of the omnichannel approach among Ascencio's tenants and has also highlighted the out-of-town retail segment as being particularly well suited to the flexibility required by the omnicanality. Ascencio will continue to capitalise on the excellent relations it entertains with all its retailers.

These winning features, and the prospect of an economic recovery, should favour the growth of this retail segment and continue to attract the attention of the financial sector.

In view of the good results for the first nine months and the performance of its portfolio, barring any major unforeseen circumstances Ascencio expects to be able to distribute a dividend at least comparable with that of the previous financial year.

Financial calendar

Press release on results for the year to 30 September 2021	25 November 2021
Ordinary general meeting of shareholders	31 January 2022

For any additional information:

Vincent H. QUERTON

Chief Executive Officer
Tel. +32 (0) 71.91.95.00
vincent.querton@ascencio.be

Aurore ANBERGEN

Head of IR, marketing & communication
Tel. +32 (0) 71.91.95.23
aurore.anbergen@ascencio.be

Valentin LEBRUN

Financial Controller
Tel. +32 (0) 71.91.95.00
valentin.lebrun@ascencio.be

RECONCILIATION OF ALTERNATIVE PERFORMANCE MEASURES (APMS)

Following the coming into force of the ESMA (European Securities and Markets Authority) Guidelines on Alternative Performance Measures (APMs), APMs used in this press release are identified by an asterisk (*). The definition of the APMs and the use made of them can be found at the end of the 2019/2020 Annual Report, which is available on Ascencio's website (www.ascencio.be).

Operating margin

		30/06/2021	30/06/2020
Operating result before result on portfolio (€000S)	= A	27,517	25,267
Rental income (€000S)	= B	34,639	32,926
OPERATING MARGIN	= A / B	79.4%	76.7%

Average cost of debt

		30/06/2021	30/06/2020
Net interest charges (heading XXI) (€000S)		4,293	3,736
Commissions on undrawn balances under credit facilities		271	184
Opening commission and charges for credit facilities		39	20
Change in fair value of caps		0	0
TOTAL COST OF FINANCIAL DEBTS	= A	4,602	3,939
WEIGHTED AVERAGE DEBT FOR THE PERIOD	= B	333,112	285,660
AVERAGE COST OF DEBT	= (A x 4/3) / B	1.84%	1.84%

Hedging ratio

(€000S)		30/06/2021	30/09/2020
Fixed-rate financial debts		96,775	87,029
Variable-rate financial debts converted into fixed-rate debts by means of IRS		180,500	180,500
Variable-rate financial debts converted into capped-rate debts by means of caps.		10,000	0
TOTAL FIXED RATE OR CAPPED FINANCIAL DEBTS	= A	287,275	267,529
TOTAL VARIABLE RATE FINANCIAL DEBTS		53,304	61,498
TOTAL FINANCIAL DEBTS	= B	340,579	329,027

HEDGING RATIO = A / B **84.3%** **81.3%**

EPRA

EPRA (the European Public Real Estate Association) is the voice of Europe's publicly traded real estate sector, representing more than 280 members and over €670 billion in real estate assets. EPRA publishes recommendations for defining the main performance indicators applicable to listed real-estate companies. These recommendations are included in the report entitled "EPRA Reporting: Best Practices Recommendations Guidelines" ("EPRA Best Practices"). This report is available on the EPRA website (www.epra.com).

Ascencio subscribes to this move to standardise financial reporting with a view to improving the quality and the comparability of the information for investors.

EPRA KEY PERFORMANCE INDICATORS

		30/06/2021	30/09/2020
EPRA NRV (000 EUR)	The EPRA NRV assumes that entities never sell assets and provide an estimation of the value required to rebuild the entity.	383,321	391,816
EPRA NRV per share (000 EUR)		58.11	59.40
EPRA NTA (000 EUR)	The EPRA NTA assumes that entities buy and sell assets, thereby crystallising certain levels of unavoidable deferred tax.	353,316	362,445
EPRA NTA per share (000 EUR)		53.57	54.95
EPRA NDV (000 EUR)	The EPRA NDV represents the value accruing to the company's shareholders under an asset disposal scenario, resulting in the settlement of deferred taxes, the liquidation of financial instruments and the recognition of other liabilities for their maximum amount, net of any resulting tax.	342,674	347,657
EPRA NDV per share (000 EUR)		51.95	52.71
EPRA Vacancy Rate	Estimated Market Rental Value (ERV) of vacant space divided by ERV of the whole portfolio.	3.77%	2.48%

		30/06/2021	30/06/2020
EPRA Earnings (000 EUR)	Earnings from operational activities.	22,438	20,844
EPRA Earnings per share (EUR)		3.40	3.16
EPRA Cost Ratio (including direct vacancy costs)	Administrative & operating costs (including costs of direct vacancy) divided by gross rental income.	20.56%	23.26%
EPRA Cost Ratio (excluding direct vacancy costs)	Administrative & operating costs (excluding costs of direct vacancy) divided by gross rental income.	19.62%	22.27%

EPRA EARNINGS

(€000s)	30/06/2021	30/06/2020
EARNINGS (OWNERS OF THE PARENT) PER IFRS INCOME STATEMENT	29,911	2,172
ADJUSTMENTS TO CALCULATE EPRA EARNINGS	-7,473	18,672
(i) Change in value of investment properties, development properties held for investment and other interests	-3,306	19,177
(ii) Profits or losses on disposal of investment properties, development properties held for investment and other interests	0	41
(iii) Profits or losses on disposal of trading properties including impairment charges in respect of trading properties	0	0
(iv) Tax on profits or losses on disposals	0	0
(v) Negative Goodwill / Goodwill impairment	0	0
(vi) Change in fair value of financial instruments and associated close-out costs	-4,337	-412
(vii) Acquisition costs on share deals and non-controlling joint venture interests (IFRS 3)	0	0
(viii) Deferred tax in respect of EPRA adjustments	170	-135
(ix) Adjustments (i) to (viii) above in respect of joint ventures	0	0
(x) Non-controlling interests in respect of the above	0	0
EPRA EARNINGS (OWNERS OF THE PARENT)	22,438	20,844
Number of shares	6,595,985	6,595,985
EPRA EARNINGS PER SHARE (EPRA EPS - €/SHARE)	3.40	3.16

EPRA NET ASSET VALUE (NAV)

In October 2019 EPRA published new Best Practice Recommendations (BPRs) applicable to financial years starting on or after 1 January 2020. The indicators EPRA NAV and EPRA NNAV were replaced by three new indicators: EPRA Net Reinstatement Value (NRV), EPRA Net Tangible Assets (NTA) and EPRA Net Disposal Value (NDV).

- EPRA NRV aims to represent the value required to reconstruct the entity and assumes that no sale of assets has taken place;
- EPRA NTA aims to reflect the tangible assets of a company and assumes that the entities acquire and dispose of assets thus causing certain levels of unavoidable deferred taxation to crystallise. ;
- EPRA NDV seeks to represent shareholder value in the context of a sale of the assets of the business leading to the settlement of deferred taxes, the liquidation of financial instruments and certain other adjustments are calculated in full measurement of the liabilities, net of any taxation that might be applicable.

In order to provide comparability and continuity with the data published last year, the old EPRA NAV and EPRA NAVVV indices calculated in accordance with the BPR Guidelines of November 2016 will always be proposed during financial year 2020/2021 alongside the three new indicators calculated in accordance with the BPR Guidelines of October 2019.

30/06/2021					
(€000s)	EPRA NRV	EPRA NTA	EPRA NDV	EPRA NAV	EPRA NNNAV
Equity attributable to owners of the parent in IFRS	344,169	344,169	344,169	344,169	344,169
Include/exclude :					
(i) Hybrid instruments	0	0	0	0	0
Diluted NAV at Fair Value	344,169	344,169	344,169	344,169	344,169
Exclude :					
(v) Deferred taxes in relation to fair value gains of IP	1,002	1,002		1,002	
(vi) Fair value of financial instruments	8,146	8,146		8,146	
Include :					
(ix) Fair value of fixed interest rate debt			-1,495		-1,495
(xi) Real estate transfer tax	30,005	0			
EPRA NAV	383,321	353,316	342,674	353,316	342,674
Fully diluted number of shares	6,595,985	6,595,985	6,595,985	6,595,985	6,595,985
EPRA NAV PER SHARE (€/SHARE)	58.11	53.57	51.95	53.57	51.95

30/09/2020					
(€000s)	EPRA NRV	EPRA NTA	EPRA NDV	EPRA NAV	EPRA NNNAV
Equity attributable to owners of the parent in IFRS	349,130	349,130	349,130	349,130	349,130
Include/exclude :					
(i) Hybrid instruments	0	0	0	0	0
Diluted NAV at Fair Value	349,130	349,130	349,130	349,130	349,130
Exclude :					
(v) Deferred taxes in relation to fair value gains of IP	832	832		832	
(vi) Fair value of financial instruments	12,483	12,483		12,483	
Include :					
(ix) Fair value of fixed interest rate debt			-1,473		-1,473
(xi) Real estate transfer tax	29,371	0			
EPRA NAV	391,816	362,445	347,657	362,445	347,657
Fully diluted number of shares	6,595,985	6,595,985	6,595,985	6,595,985	6,595,985
EPRA NAV PER SHARE (€/SHARE)	59.40	54.95	52.71	54.95	52.71

EPRA VACANCY RATE

(€000s)	30/06/2021			
	Belgium	France	Spain	TOTAL
Estimated rental value (ERV) of vacant space	1,355	70	312	1,737
Estimated rental value (ERV) of total portfolio	25,229	19,035	1,812	46,076
EPRA VACANCY RATE (%)	5.37%	0.37%	17.23%	3.77%

(€000s)	30/09/2020			
	Belgium	France	Spain	TOTAL
Estimated rental value (ERV) of vacant space	976	157	0	1,132
Estimated rental value (ERV) of total portfolio	24,884	18,995	1,784	45,664
EPRA VACANCY RATE (%)	3.92%	0.82%	0.00%	2.48%

EPRA COST RATIOS

(€000s)	30/06/2021	30/06/2020
ADMINISTRATIVE/OPERATING EXPENSE LINE PER IFRS STATEMENT	-7,122	-7,659
Rental-related charges	-1,328	-2,409
Recovery of property charges	0	0
Rental charges and taxes normally paid by tenants on let properties	-50	-61
Other revenue and expenditure relating to rental	33	5
Technical costs	-675	-330
Commercial costs	-123	-171
Charges and taxes on unlet properties	-327	-328
Property management costs	-1,369	-1,162
Other property charges	-190	-222
Corporate overheads	-3,096	-2,991
Other operating income and charges	2	10
EPRA COSTS (INCLUDING DIRECT VACANCY COSTS)	-7,122	-7,659
Charges and taxes on unlet properties	327	328
EPRA COSTS (EXCLUDING DIRECT VACANCY COSTS)	-6,795	-7,331
GROSS RENTAL INCOME	34,639	32,926
EPRA COST RATIO (INCLUDING DIRECT VACANCY COSTS) (%)	20.56%	23.26%
EPRA COST RATIO (EXCLUDING DIRECT VACANCY COSTS) (%)	19.62%	22.27%