

Wereldhave  
BELGIUM

R I N G

Trading update

30 September 2024

better everyday life, better business

**Wereldhave Belgium Full Service Centers  
contribute to a better everyday life for visitors  
and better business for our partners.**

A one-stop location for groceries, shopping, leisure, relaxation, sports, health, work and other daily needs – all supported by smart concepts and digital services. By investing sustainably to meet the needs of customers and local areas, we enrich communities, while caring for the environment, and have a positive effect on the way people live, work and shop.

Wereldhave Belgium Full Service Centers play a vital role in people's everyday lives in leading regional cities in Belgium.

## Results on 30 September 2024

**Solid operational performance despite some bankruptcies leading to maintaining the indication of the expected net result for 2024**

- Increase in net rental income by 5% to € 48M (€ 45.8M at 30 September 2023);
- Increase of the net result from core activities per share of 0.5% to € 3.53 at 30 September 2024 (€ 3.51 at 30 September 2023);
- Increase of the fair value of the investment property portfolio (+4.6% compared to 31 December 2023);
- Increase in net asset value per share to € 81.46 (+4.3% vs. 2023: € 78.07);
- Quasi-stable EPRA occupancy rate with a slight decrease of 0.3% to 95.8% for the entire portfolio (96.1% at 31 December 2023) despite the bankruptcy of a few tenants;
- Improved debt ratio to 28.8% at 30 September 2024 (29.6% at 31 December 2023);
- Outlook of net result from core activities maintained between € 4.80 - € 4.90 per share.

## Key Figures

(x € 1,000)	30 September 2024	30 September 2023
<b>Results</b>		
Net rental income	48,045	45,755
<b>Net result</b>	<b>66,559</b>	<b>24,002</b>
Net result from core activities <sup>1</sup>	31,388	31,230
Net result from non-core activities <sup>2</sup>	35,171	-7,229
Profit per share (x € 1)	7.49	2.70
Net result from core activities per share (x € 1)	3.53	3.51
Average number of shares (#)	8,886,001	8,886,001

(x € 1,000)	30 September 2024	31 December 2023
<b>Balance sheet</b>		
Properties available for lease <sup>3</sup>	988,821	938,028
Development projects	6,965	14,335
<b>Total investment properties</b>	<b>995,785</b>	<b>952,362</b>
Shareholders' equity	723,825 <sup>5</sup>	693,698 <sup>4</sup>
Net asset value per share (x € 1)	81.46 <sup>5</sup>	78.07 <sup>4</sup>
Consolidated debt ratio	28.8%	29.6%
Share price (x € 1)	49.60	48.30
Number of shares (#)	8,886,001	8,886,001

<sup>1</sup>The net result from core activities is the operating result before the portfolio result minus the financial result and taxation, and excluding variations in the fair value of financial derivatives (that are not treated as hedge accounting in accordance with IFRS 9) and other non-distributable items on the basis of the company financial statements of Wereldhave Belgium.

<sup>2</sup>The result from non-core activities (portfolio result) comprises the result on sale of property investments, the variations in the fair value of property investments, the other portfolio result, the variations in the fair value of financial assets and liabilities and taxes on capital gain latencies and the exit taxes paid.

<sup>3</sup>Fair value has been computed after deduction of the transaction costs (2.5%) incurred at the sales process. The independent valuation expert has carried out the valuation in conformity with 'International Valuation Standards' and 'European Valuation Standards'.

<sup>4</sup>Before profit distribution and before dividend payment.

<sup>5</sup>Before profit distribution financial year 2024 and after dividend payment financial year 2023.

## Solid operational performance despite some bankruptcies leading to maintaining the indication of the expected net result for 2024

Operating results for the third quarter of 2024 are in line with the good results of previous quarters with another strong growth in footfall (+4.0% compared to the third quarter 2023). Last summer's poor weather is probably one of the reasons for this increase. In particular, Ring Shopping in Kortrijk and Shopping 1 in Genk continue to perform very well with a growth of more than 10% compared to 2019. The fact that the Company has invested in these assets over the last few years to transform them into a Full Service Center, which is now translating into the rising visitors numbers, is not unrelated to this.

Furthermore, operational activities have shown nice dynamism during the past summer. For instance, the opening of the new (relocated and enlarged) 'The Point' in Shopping Nivelles received large media coverage as well as success with the public with a growth in visitors numbers of more than 24% (compared to the same period last year). This strategy is now being duplicated in Shopping Les Bastions where a relocation and expansion of 'The Point' will take place in the first quarter 2025. All the Company's teams in the shopping centers have also recorded excellent results in terms of specialty leasing, pop-up rentals and successful animations, which increasingly contribute to the Company's financial results and enhance the appeal of its assets with the public. For example, 'Eco-Days' were organised in all the Company's shopping centers to raise visitors' awareness of sustainability issues. In its office portfolio, the Company opened its complex of shared meeting rooms at The Sage Antwerp and developed an on-site office for its team, all to better welcome and serve its tenants. Moreover, the dynamism of the Company's operational teams was recognised by the market through the All for Earth - Medium Shopping Centers Marketing Award of the Belgium Luxembourg Council of Shopping and Retail Centers that Shopping 1 Genk won with an inspiring project of collection and redistribution of second-hand clothes.

In terms of commercialisation of its assets, the Company has signed 11 leases and lease renewals for a total area of 6,244 sqm in the last three months. This is in line with the results of the same period last year.

In the third quarter, the Company's retail portfolio of 2024 was also marked by the opening of quality shops that offer added value to visitors. New shopnames such as Douglas, Courir, Galler, Unisson, Pulpe and Prego have opened or will soon open their doors in the Company's assets. The arrival of a major retailer such as Douglas, which has opened a medium-sized shop at Stadsplein in Genk, with great success and media attention, underlines the attractiveness of this location. This attractiveness was further enhanced by the completion of the first phase of renovation works. The arrival of Pulpe in Ring Shopping in Kortrijk completes the catering offer of the Company's 'Eat&Meet' concept, which is now 100% let. Together with the new adjacent outdoor square (where entertainment events take place), this will strengthen that part of the shopping center. Furthermore, the arrival of Unisson (hearing aids) further expands Shopping Nivelles' service offering. The above developments are in line with the Company's Life Central strategy, which is being steadily implemented. Thanks to this strong performance, the retail portfolio occupancy rate rose to 97.5% (+0.9% compared to the second quarter). This showed that despite some bankruptcies during the previous quarters, retailers maintained their confidence in the quality of the Company's portfolio.

With regard to the office portfolio, the signing of a long-term lease with Rhenus Logistics (for an area of 2,500 sqm) in The Sage Antwerp (replacing a tenant in liquidation) confirms the continued interest of leading market players in the Company's office assets. With the conclusion of new agreements during the past quarter, the office complex 'The Sage Antwerp' maintains an occupancy rate of almost 97% and increased the occupancy rate of the entire office portfolio to 85.8% (+1.8% vs. the second quarter).

During the past quarter, the Company also took significant steps regarding sustainability. For instance, the Company has defined its strategy around Electric Vehicle (EV) chargers (both slow and fast chargers) based on an extensive and thorough market survey. Its implementation is scheduled for the fourth quarter of this year. In Ring Shopping in Kortrijk, the first phase of the renovation works of the roofs was also completed, enabling the installation of 800 solar panels in the near future. Furthermore, the renovation works of the 14 air groups in Shopping Belle-Ile are on schedule with completion scheduled for the first quarter of 2025. These investments will reduce operational costs and would also bring an attractive payback period.

The above shows that despite the continued high interest charges and some bankruptcies, the Company's good quarterly operating results translated into its financial results. This ensures that, in contrast to the third quarter of last year, the Executive Board is able to maintain its indication of the expected net result from core activities of the Company at the previously communicated range of € 4.80 to € 4.90 per share.

Nicolas Rosiers  
Deputy CEO

Matthijs Storm  
CEO

# Operational activities

## Result of the quarter

The net rental income for the first nine months of this year amounted to € 48.0M, or an increase of 5% compared to the same period in 2023 (€ 45.8M as per 30 September 2023). The net rental income increased by € 2.3M which was mainly due to the decrease in bad debt provisions (- € 1.7M) included under the heading 'Rental-related expenses'. Rental income and more specifically variable rental income (+ € 0.6M) increased compared to the first nine months of 2023 despite the impact of several bankruptcies and the sale of the shopping complex 'De Box' in Ghent in December 2023.

The net result from core activities for the first nine months of the year increased from € 31.2M at 30 September 2023 to € 31.4M at 30 September 2024.

## Properties available for lease

The fair value of the properties available for lease portfolio amounted to € 988.8M at 30 September 2024, which is a nice increase compared to the value of € 938.0M at 31 December 2023. Without taking into account the investments in this portfolio during this period, the property values increased by 4.9% compared to the values on 31 December 2023. As reported in recent years, rents within the Company's portfolio reached levels quasi always above market rents (ERV's), which is now reflected in higher valuations.

As of 30 September 2024, the EPRA occupancy rate for the retail portfolio was 97.5%, compared with 98.2% on 31 December 2023. This slight decrease is the joint effect of several bankruptcies and less pop-up activities (which are traditionally signed for the end-of-year period).

The EPRA occupancy rate of the office portfolio increased from 84.7% at 31 December 2023 to 85.8% on 30 September 2024.

## Development projects

The fair value of the development projects decreased over the first nine months of 2024 compared to 31 December 2023 and amounted to € 7.0M on 30 September 2024 (€ 14.3M on 31 December 2023) due to a write-down of the costs of previous variants of the Liège and Waterloo development projects.

During the first half of 2024, the Company continued preparing the second phase of works at the De Mael site in Bruges. Vlabotex vzw started soil decontamination works in April 2024. These soil decontamination works were completed during the past quarter. Furthermore, during the third quarter, the Company took the necessary steps to obtain the necessary permit for the adaptation of the entrance to the Delhaize supermarket and the construction of outdoor terraces for the catering business at Shopping Nivelles. The deliverance of this permit is expected in the first quarter of 2025.

## Shareholders' equity and net asset value

Shareholders' equity amounted to € 723.8M as per 30 September 2024 (€ 693.7M as per 31 December 2023).

The net asset value per share (total shareholders' equity / number of shares), after dividend distribution of the previous financial year and including profit from the last three quarters, amounted to € 81.46 on 30 September 2024 (€ 78.07 at 31 December 2023).

## Financial structure and liquidity

The Company has a solid balance sheet structure, with a debt ratio of 28.8% at 30 September 2024 (29.6% on 31 December 2023).

The financing structure of the Company is thus very strong as per 30 September 2024, both with regard to the availability of committed credit lines (€ 65.5M taking into account 100% coverage of the outstanding commercial paper by a back-up line with Wereldhave NV) and the diversification of its financing sources (62.0% bank financing, 26.6% commercial paper and 11.4% bond financing).

During the third quarter, the Company conducted negotiations with ING to extend the € 50M term loan maturing on 30 June 2025. Hence, the Company received written confirmation that ING's credit committee agrees to replace this term loan at the end of November 2024 with 2 new term loans of € 40M each with a maturity of 4 and 5 years respectively.

The average interest rate on outstanding loans was 2.70% for the first nine months of 2024 (2.76% for the year 2023).

## Outlook

In the press release of 9 February 2024, the Company announced that for the year 2024 it expected to achieve a net result from core activities between € 4.80 and € 4.90 per share. With the press releases of 23 April 2024 and 19 July 2024, notwithstanding the current economic context, the Company confirmed this indication of the expected net result. Taking into account all elements of this press release, this can be reconfirmed.

Given the uncertainties arising from the (inter)national context (high interest rates, market conditions, bankruptcies, geopolitical situation, inflation, etc.) and their possible impact on the economy in general and the activities of the Company's tenants in particular, this range should be considered with caution.

However, the Company will keep the market informed of the evolution of the situation and of the impact that the evolution of the above circumstances would have on this indication of result.

Vilvoorde, 25 October 2024

Wereldhave Belgium SA

## Financial calendar

Press release annual results 2024 (before opening of the stock market)	Tuesday 11 February 2025
Annual financial report 2024	Friday 7 March 2025
General Meeting of Shareholders	Wednesday 9 April 2025
Ex-dividend date (ex coupon)	Tuesday 15 April 2025
Dividend record date	Wednesday 16 April 2025
Dividend 2024 payment	Monday 28 April 2025
Press release Q1 2025 (before opening of the stock market)	Thursday 17 April 2025
Press release Q2 2025 (before opening of the stock market)	Friday 18 July 2025
Press release Q3 2025 (before opening of the stock market)	Friday 31 October 2025

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