

Wereldhave
BELGIUM

Trading update 31 March 2022

Make every day count

Wereldhave Full Service Centers contribute to a more joyful and comfortable everyday life.

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

Results on 31 March 2022

Further recovery compared to the previous financial year

- **Net result from core activities: € 10.18M (31 March 2021: € 9.96M);**
- **Net asset value per share: € 78.93 (31 December 2021: € 77.19);**
- **Debt ratio of 27.3% (31 December 2021: 28.2%);**
- **EPRA occupancy rate total portfolio: 91.8% (31 December 2021: 93.9%);**
- **EPRA occupancy rate retail portfolio: 96.1% (31 December 2021: 97.2%);**
- **Fair value of the investment properties portfolio: € 929,5M (31 December 2021: € 926M);**
- **Increase of the indication of net result of core activities to € 4.80 - € 4.90 per share (previously € 4.70 - € 4.80).**

Key Figures

(x € 1,000)	31 March 2022	31 March 2021
Results		
Net rental income	13,681	12,463
Net result	15,134	5,214
Net result from core activities ¹	10,179	9,957
Net result from non-core activities ²	4,955	-4,743
Profit per share (x € 1)	1.74	0.63
Net result from core activities per share (x € 1)	1.17	1.20
Average number of shares (#)	8,692,063	8,319,287
(x € 1,000)	31 March 2022	31 December 2021
Balance sheet		
Properties available for lease ³	915,231	912,491
Development projects	14,301	13,514
Total investment properties	929,532	926,005
Shareholders' equity ⁴	686,051	670,897
Net asset value per share (x € 1) ⁴	78.93	77.19
Consolidated debt ratio	27.3%	28.2%
Share price (x € 1)	60.70	49.30
Number of shares (#)	8,692,063	8,692,063

¹The 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.

²The 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.

³Fair 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'.

⁴Before profit distribution and dividend payment.

Further recovery despite a contrasting context between the lifting of health measures and the impact of the international geopolitical situation

After a positive conclusion of the year 2021 regarding visitor numbers and purchase levels in the Company's shopping centres and shopping complexes, this trend continued in early 2022. In the first quarter of 2022, the number of visitors in the Company's five shopping centres increased by more than 17.27% compared with the same period in 2021 (-8.14% compared with 2019). This good performance should be seen in the context of the lifting of several Covid-19 health measures and the transition to code orange in February and especially to code yellow in early March. The latter had the biggest impact as it meant the end of wearing mouth masks in shopping centres and shopping complexes, but also the end of the "Covid Safe Ticket" in all F&B businesses. The abolition of this measure has had a real impact on customer enthusiasm, on the number of visitors and also on the turnover figures of the various F&B businesses of the portfolio.

On the other hand, since 24 February the Company is facing the consequences of the war in Ukraine and the resulting international geopolitical situation. The impact thereof is not yet visible but could possibly affect consumers' buying behaviour and therefore the turnover of the Company's tenants. In order to support them, the Company decided to anticipate and address the increase in energy costs by implementing an "Energy Savings Plan" to reduce gas and electricity consumption, thereby limiting its impact on common charges without affecting the comfort and experience of the customers.

Despite these circumstances, the Company continued to lease its retail spaces by entering into new lease agreements or lease renewals.

During the first quarter of 2022 the letting activities within the Company's portfolio continued to show the same dynamism as that of the year 2021 with the signing of 28 leases and lease renewals (19 in the first quarter of 2021) at conditions on average above market value (+13%). Some of the new tenants in the Company's portfolio were Intersport, Ken Shoe Fashion, Chick & Cheez, O'Tacos, Hairdis etc. The signing of Intersport also means that the Retail Park in Tournai is again fully let. With the signing of the lease contracts with Chick & Cheez and O'Tacos in Shopping 1 Genk, the Company launches its new "Food.Break" concept.

Furthermore, during the past quarter, the Company further promoted its concept "The Sage" in its office parks and succeeded in (re)letting 3,894 m².

Despite this strong commercial activity, the occupancy rate of both portfolios of the Company decreased slightly compared to 31 December 2021. This decrease is mainly due, on the one hand, to a more limited pop-up activity in the Company's retail portfolio, which is usual at the end of the first quarter of the year compared to that of the last months of the year (which is the best commercial period), and on the other hand, to the expected departure of some tenants in the office portfolio. However, the leasing dynamics observed in the first quarter suggested that this percentage is likely to increase in the course of the year.

Operational activities

Result of the quarter

Rental income for the first quarter of 2022 amounted to € 13.7M, an increase of 9.6% compared to the same period in 2021 (€ 12.5M as per 31 March 2021). This increase is due to the targeted closures by sector throughout the first quarter in 2021 and the higher portfolio occupancy rate in the first quarter of 2022.

The net result of the core activities for the first quarter of the year increased slightly from € 10M at 31 March 2021 to € 10.2M at 31 March 2022.

Properties available for lease

The fair value of the portfolio of properties available for lease amounted to € 915.2M at 31 March 2022, which is € 2.7M higher than the € 912.5M at 31 December 2021. Without taking into account the investments in the portfolio during this period, the property values increased by 0.03% (€ 0.3M) compared to the values on 31 December 2021, in other words, the property values remained almost constant.

It should be noted that, on 31 March 2022, as at the end of last year, the weight of the value of the Belle-Île shopping centre within the Company's portfolio remained above the regulatory threshold of 20% (20.2%), and consequently the FSMA's derogation remained applicable. The application of this derogation implies, in addition to certain reporting obligations to the FSMA, the limitation of the Company's debt ratio to 33%; this ratio amounted to 27.3% on 31 March 2022, which is in line with this requirement.

As of 31 March 2022, the EPRA occupancy rate for the retail portfolio was 96.1%, compared with 97.2% on 31 December 2021. This decrease is due to a more limited pop-up activity during the first quarter of 2022, which is usual compared to what is observed for the last quarter of the year.

The EPRA occupancy rate of the office portfolio decreased from 76% at 31 December 2021 to 68.8% on 31 March 2022 due to the departure of a number of tenants in the Antwerp offices.

Development projects

The fair value of the development projects increased in the first quarter of 2022 compared to 31 December 2021 and amounted to € 14.3M on 31 March 2022 (€ 13.5M on 31 December 2021), due to investments in the shopping centre Belle-Île in Liège.

In the first quarter of 2022, the execution of the renovation project of the facades, entrances and outdoor terraces as well as the "rebranding" of the Ring Shopping Centre in Kortrijk (€ 11.7M) continued. Completion is scheduled for the second half of 2022. In addition, the Company continued its multi-year programme to modernise and rebrand its office parks in Vilvoorde and Berchem (€ 8.7M). For the past quarter, this included the renovation of the entrances and the entrance areas of the various buildings on both sites.

Shareholders' equity and net asset value

Shareholders' equity amounted to € 686.1M as per 31 March 2022 (€ 670.9M as per 31 December 2021). This increase is solely due to the generated results of the first quarter.

The net asset value per share (total shareholders' equity / number of shares), before dividend distribution of the previous financial year and including profit of the current financial year, amounted to € 78.93 on 31 March 2022 (€ 77.19 at 31 December 2021).

Financial structure and liquidity

The Company has a solid balance sheet structure, with a debt ratio of 27.3% at 31 March 2022 (28.2% on 31 December 2021).

In the past quarter, the Company did not close any new financings due to the successful financing operations in 2021.

The financing structure of the Company is thus very strong as per 31 March 2022, both with regard to the availability of committed credit lines (€ 189M taking into account 100% coverage of the outstanding commercial paper) and the diversification of its financing sources (44% bank financing, 43% commercial paper and 13% bond financing).

The average financing cost in the first quarter of 2022 was 1.39%, as in the financial year 2021, due to the fact that no new refinancing took place.



Figure 1 - Ring Kortrijk - BLSC "Art for all" award

General meeting and dividend payment 2021

On 14 March 2022, the General Meeting of Shareholders was convened on 13 April 2022 to express its opinion on the statutory and consolidated financial statements for the year ended 31 December 2021, including the appropriation of the result.

A dividend of € 4.10 per share (€ 2.87 net) was proposed for financial year 2021, representing 91% of the net distributable result of financial year 2021.

The General Meeting of Shareholders was also requested to extend the mandate of Ms. Brigitte Boone, which expired on the date of the Meeting, by four years.

The General Meeting of Shareholders was held on the aforementioned date and all proposals made during the meeting were approved quasi-unanimously. The Company would like to take this opportunity to thank its Shareholders once again for their continued trust and interest in its activities and results.

As announced today in a separate press release, the Company offers its Shareholders the choice of receiving their dividend in cash or in shares. The result of this transaction will be announced at the end of the subscription period, while the dividend will be effectively paid (in cash and/or in shares) on 9 May 2022.

Wereldhave NV and Wereldhave International NV, which together hold 65.9% of the shares of the Company on the date of publication, have indicated that they will opt for a stock dividend for a substantial part of their participation, which will largely contribute to the success of the transaction and will allow the Company to further strengthen its balance sheet.

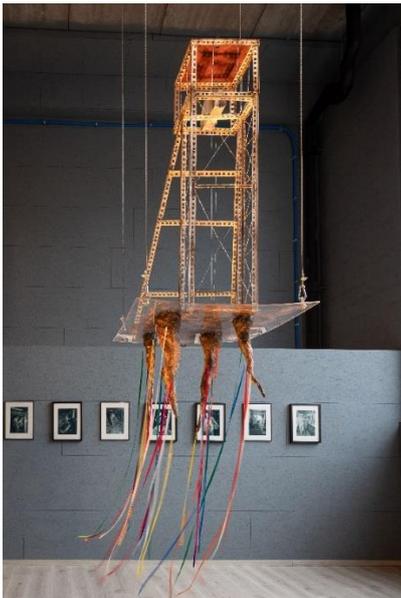


Figure 2 - Shopping 1 Genk - BLSC "Art for All" award

Forecasts

In the press release of 8 February 2022, the Company announced that it expected to achieve a net result of core activities between € 4.70 and € 4.80 per share for the year 2022, but that this target should however be viewed with caution, given the then increasingly limited but still persistent uncertainties regarding the health context. However, taking into account a higher than expected indexation, the Company can increase this indication by € 0.10 to a net result of core activities between € 4.80 and € 4.90 per share.

Since these uncertainties as well as the consequences of the war in Ukraine (increased energy and construction prices, inflation, etc.) are still applicable and may impact the development of the economic activity in general and that of the Company's tenants in particular, the Company assumes that this range should still be viewed with caution. Moreover, this indication of net result of core activities will have to be adjusted in accordance with the results of the optional dividend.

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

The Board of Directors of Wereldhave Belgium NV

Financial calendar for 2022

Ex-dividend date	Thursday 14 April 2022
Dividend record date	Tuesday 19 April 2022
Dividend 2021 payment	Monday 9 May 2022
Press release Q2 2022 (after stock market close)	Tuesday 19 July 2022
Press release Q3 2022 (after stock market close)	Tuesday 25 October 2022

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Figure 3 - Shopping Belle-Île – BLSC “Art for All” award

