

Update on the current impact of COVID-19

COVID-19 is having an unprecedented impact on the world economy. Our prime concern as a company is the safety of our employees and their families as well as our tenants, suppliers and all visitors.

As a real estate fund with a focus on inner-city leisure, catering and retail real estate, the tenants of Qrf are subject to the restrictions imposed by the government in Belgium and the Netherlands in the fight to contain the further spread of COVID-19:

- In Belgium, all non-essential and food retail has been closed since 18 March 2020, with the exception of take-away or home delivery options. The Belgian real estate portfolio currently accounts for 89% of the total rental income;
- In the Netherlands, which accounts for 11% of the real estate portfolio, no general restrictions have been placed on shops until further notice, but eating venues are closed. Various retailers have nonetheless taken proactive measures and have closed their shops.

From a legal perspective, it is clear that the consequences of these government measures pertain to the business risk of our tenants as merchants and not to that of Qrf as lessor of real estate.

Qrf nonetheless already showed in 2019 that it is close to its tenants and wants to cooperate as partners. The entire Qrf team is therefore ready to find, together with its tenants, balanced solutions to make sure that both parties can weather the crisis.

It is too early to assess the impact of this crisis on the result of 2020. The executive management and the Board of Directors take due account of different scenarios for the further spread or containment of this virus as well as possible support measures enacted by the government.

Qrf took several measures last year to increase the stability of the company, its liquidity and balance sheet. These measures ensure sufficient access to liquidity even under the current circumstances. As published in the Annual Results FY 2019, the company had €64 million in unused credit facilities, while the debt ratio amounted to 48.73% on 31 December 2019.

In addition, the company expects, as already announced, a positive cash impact of €20 million in 2020 thanks to the launch of the joint-venture projects and €5.6 million due to the sale of a site in Wilrijk. The point of departure today is that the released resources will be used to reduce the debt further.

Qrf is consequently sufficiently armed in terms of liquidity and solvency to face this crisis even if it persists for a long time. Next Qrf is adopting an opportunistic stance on the market as a potential buyer of interesting real estate positions that can strengthen the portfolio at a later stage.

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About Qrf City Retail:

Qrf City Retail is a listed Belgian REIT (BE-REIT) specializing in the niche market of acquisition, development and leasing of inner city retail properties in Belgium and the Netherlands. More specifically, the company focuses on the acquisition, development and leasing of inner-city leisure, hotel and catering and retail real estate. On 31 December 2019, the real estate portfolio consisted of 41 retail properties with a total Fair Value of 252 MEUR. Qrf City Retail has been listed on Euronext Brussels (QRF:BB) since December 2013.



Qrf City Retail won the EPRA Gold Award for Financial reporting for its Annual Report 2018. EPRA, the European Public Real Estate Association, is the voice of the European listed real estate sector. It represents EUR 450 billion in immovable assets (www.epra.com)