



First quarter 2020

Highlights

249.90 MEUR

Fair value of the portfolio amounts to 249.90 MEUR on 31 March 2020. The fair value decreased slightly by 0.67% compared to 31 December 2019 (251.6 MEUR)

18.22 EUR

IFRS NAV per share of 17.92 EUR and **EPRA NAV** per share of 18.22 EUR on 31 March 2020. NAV remained stable compared to 31 December 2019 (resp. 17.90 EUR and 18.19 EUR)

48.92%

Debt ratio of 48,92% on 31 March 2020. The debt ratio remained stable compared to end of 2019 (48,73%)

96.19%

Occupancy rate of 96.19% on 31 March 2020, which decreased slightly compared to 31 December 2019 (97.32%)

1. Key figures

CONSOLIDATE KEY FIGURES

REAL ESTATE PORTFOLIO

		31/03/2020	31/12/2019
Fair value of investment properties including assets held for sale ¹	(KEUR)	249,904	251,654
Total gross surface area	(m ²)	84,054	84,054
Contractual Rents on an annual basis ²	(KEUR)	14,020	14,253
Estimated Rental Value of vacant premises	(KEUR)	1,159	840
Gross rental income ³		5.61%	5.66%
Occupancy rate ⁴		96.19%	97.32%

BALANCE SHEET

		31/03/2020	31/12/2019
Shareholders' equity (excl. minority interests)	(KEUR)	128,174	128,032
Debt ratio (RREC Act) ⁵		48.92%	48.73%

KEY FIGURES PER SHARE

		31/03/2020	31/12/2019
Number of shares outstanding at the end of the period		7,153,322	7,153,322
Closing price of the share at the end of the period	(EUR)	10.10	16.25
Market capitalization	(KEUR)	72,248	116,241
IFRS NAV per share ⁶	(EUR)	17.92	17.90
Premium/discount with regard to IFRS NAV13 (end of period)		-43.6%	-9.2%
EPRA NAV per share ⁷	(EUR)	18.22	18.19
Premium/discount with regard to EPRA NAV15 (end of period)		-44.6%	-10.7%

1 Fair Value of the real estate portfolio = The investment value as defined by an independent chartered surveyor, from which the transfer costs are deducted. The Fair Value is equivalent to the book value under IFR S.

2 Contractual Rents on an annual basis = The index-adjusted base rental prices as contractually set in the rental contract before the deduction of gratuities or other incentives allowed to the tenant.

3 Gross portfolio yield = (Contractual Rents on an annual basis) / (Fair Value of the real estate portfolio).

4 Occupancy rate = (Contractual Rents on an annual basis excluding rents on development properties) / (Contractual Rents on an annual basis plus the Estimated Rental Value of vacant spaces excluding vacant spaces of development properties)

5 Calculated according to the R.D. of 13 July 2014 pursuant to the Regulated Real Estate Companies Act of 12 May 2014

6 IFR S NAV per share = Net Asset Value per share according to IFR S.

7 EPRA NAV per share = Net Asset Value per share according to EPRA Best Practice Recommendations

2. Real estate report

The **Fair Value of the real estate portfolio** amounts to 249.90 MEUR on March 31, 2020 (compared to MEUR 251.65 on December 31, 2019), of which 87.79% of the properties belong to the core portfolio.

The decrease in the Fair Value of the real estate portfolio in the amount of 1.75 MEUR is the result of a decrease in the Belgian real estate portfolio of 1.96 MEUR or 0.88% on the one hand and an increase in the Dutch real estate portfolio of 0.21 MEUR or 0.78% on the other hand.

The **Annual Contractual Rents** amount to 14.02 MEUR on March 31, 2020 (compared to 14.25 MEUR on December 31, 2019). As stated in the 2019 annual report, contractual rents will decrease further in 2020 as a result of the entry into force of the joint ventures for the development projects in Antwerp and Leuven.

The gross rental yield of the portfolio is 5.61%..

The **Occupancy rate** of the portfolio, excluding redevelopment projects, stood at 96.19% on March 31, 2020 (compared to 97.32% on December 31, 2019). Since 1 May, the Casa group has rented the vacant location at 33 A. Buylstraat in Ostend, which will be included in the occupancy rate as of the second quarter.

3. Balance sheet

Shareholders' Equity (exclusive of minority interests) remains virtually stable at 128.74 MEUR (compared to 128.03 MEUR on 31 December 2019).

The **Debt Ratio** increases from 48.73% on December 31, 2019 to 48.92% on March 31, 2020 and is the result of drawing on existing lines of credit to strengthen the liquidity position proactively and prudently due to the short-term cash impact of the COVID-19 crisis. The company also has 59 MEUR unused confirmed credit lines, of which 20 MEUR to cover the current commercial paper program.

Taking into account the expected planned cash income from the start of the joint venture projects on the one hand, and the sale of a location in Wilrijk on the other, the company will have additional liquidity of EUR 25.6 million throughout 2020.

Consequently, Qrf is, from both a liquidity and a solvency perspective, armed enough to deal with this crisis, even if it lasts for a long time. The current situation underlines the importance of the actions taken since 2019.

IFRS NAV per share remains stable at 17.92 EUR as of March 31, 2020 (17.90 EUR as of December 31, 2019), as does **EPRA NAV per share** at 18.22 EUR (18.19 EUR as of December 31, 2019).

4. Outlook 2020

It is still too early to assess the impact of this crisis on the 2020 result. The Executive Management and the Board of Directors take into account various scenarios for the further spread or containment of this virus as well as any support measures issued by the authorities.

Qrf's total real estate portfolio comprises 116 real estate entities spread over 41 locations. Of these 116 entities, 86 are rented locations subject to government measures in Belgium or the Netherlands.

Since the start of government measures, Qrf has received notification from most of the affected tenants about unilateral claims for compensation as a result of the COVID-19 measures. These tenants represent 83% of the monthly rental income, or 850 KEUR per month.

From a legal point of view it is clear that the consequences of these government measures relate to the business risk of our tenants and not to that of Qrf as a landlord. However, Qrf will, on an individual basis, make proper arrangements with tenants regarding rental obligations due to the complete closure of stores imposed by the government.

The exploratory talks with affected tenants are constructive. It gives Qrf confidence in its tenants, the entrepreneurship of retailers and the importance of physical stores in the omni-channel approach to retail.

Caution regarding forward-looking statements

This press release contains forward-looking statements involving risks and uncertainties, including statements regarding Qrf City Retail's plans, targets, expectations and intentions. Readers are reminded that such forward-looking statements involve known and unknown risks and are subject to major corporate, economic and competitive uncertainties to a large extent outside the control of Qrf City Retail. Should one or more of these risks or uncertainties materialize, or should assumptions used prove incorrect, the final results could substantially vary from those anticipated, expected, estimated or projected. Qrf consequently assumes no responsibility for the accuracy of these forecasts.

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About Qrf:

Qrf is a listed Belgian REIT (BE-REIT) specializing in the niche market of inner-city properties in Belgium and the Netherlands. More specifically, the company focuses on the acquisition, development and leasing of retail, leisure and hotel real estate. On 31 March 2020, the portfolio consists of 41 shopping sites with a total Fair Value of 250 MEUR. Qrf has been listed on Euronext Brussels (QRF: BB) since December 2013. On 31 March 2020, the market capitalization is 72 MEUR.

www.qrf.be

