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presentation

KBC'S real estate conference

23<sup>rd</sup> march 2023

# s p e a k e r s

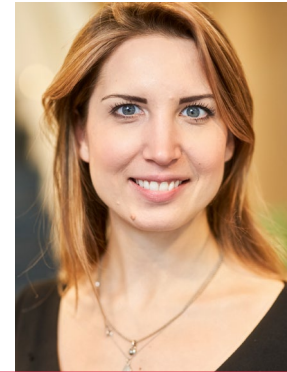
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↑ **Vincent H. Querton**  
Chief Executive Officer



↑ **Cédric Biquet**  
Chief Financial Officer



↑ **Aurore Anbergen**  
Head of IR, Marketing  
& Communication

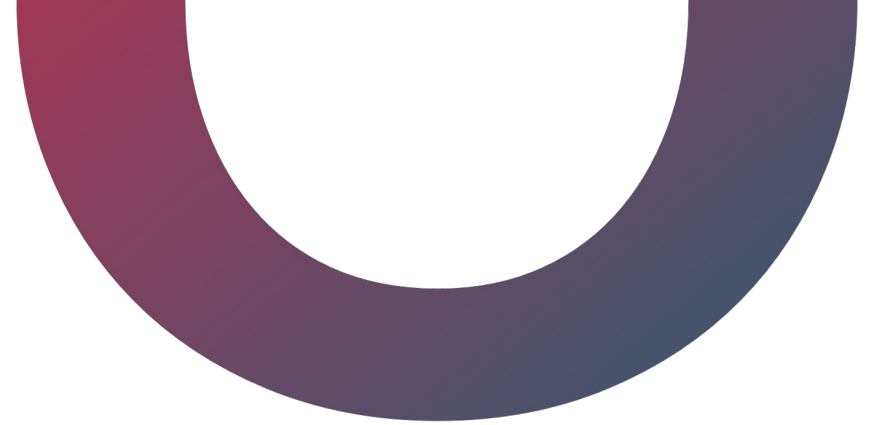
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f i n a n c i a l

m a r k e t s



### Take-up

- Activity remains dynamic in 2021/2022 and in particular for the retail warehousing sub-sector
- ↳ Activity is increasing in all sectors, but particularly in city-centres

### Retail prime rents

- Increasing with the strongest evolution observed for the retail warehousing sub-sector

### Retail prime yields

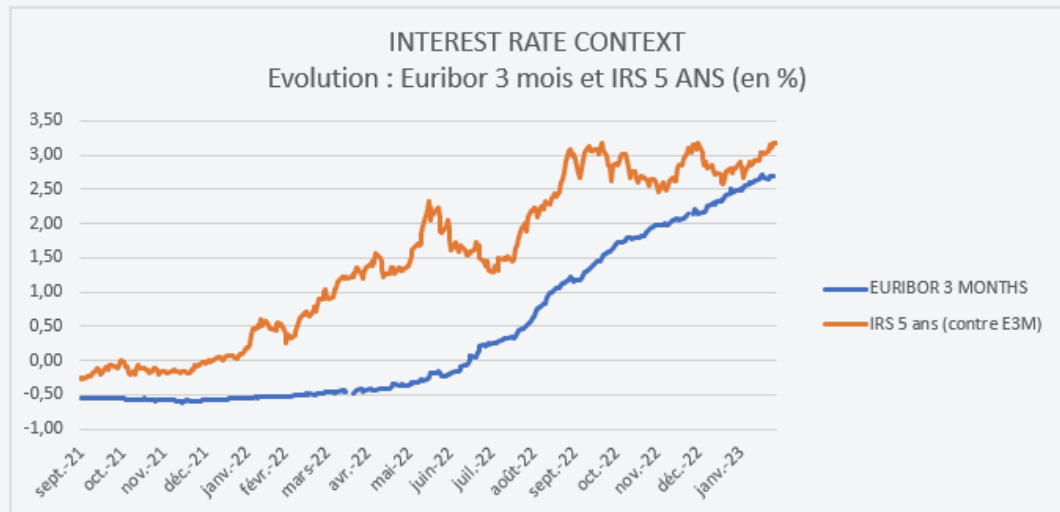
- Stabilization for the retail warehousing sub-sector
- ↳ No major corrections observed in Q1 for Ascencio.

### Investment volumes

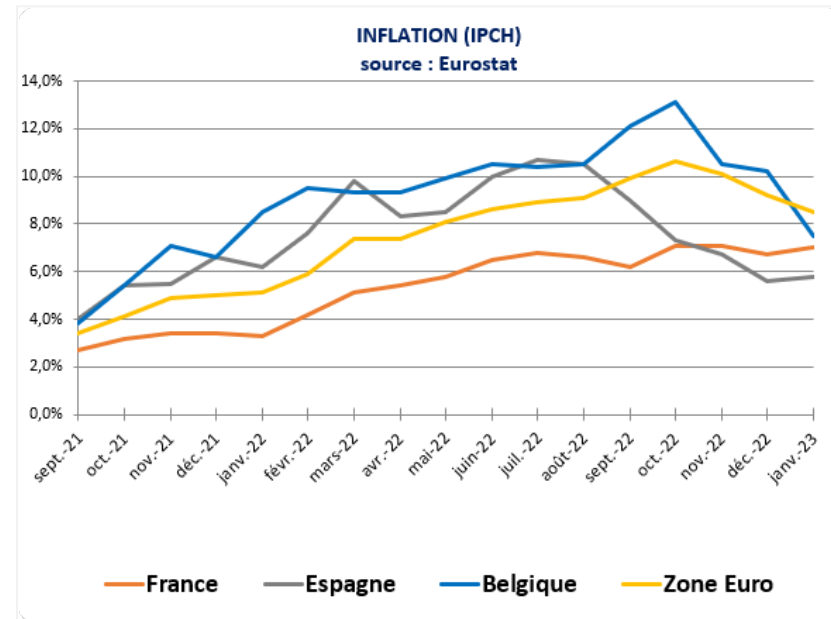
- Exceeding pre-covid levels
- ↳ Slowing in the pace of transactions

f i n a n c i a l \_\_\_\_\_  
\_\_\_\_\_ m a r k e t s

## Interest rates context



## Inflation



## Stock market context



a c t i v i t y

s u m m a r y







20

NEW LEASES SIGNED  
(& 12 SHORT TERM LEASES)

18

LEASES RENEWED



Rental levels on average  
above ERV's (6%) and  
above passing rents (3%)



Occupancy rate

EPRA occupancy rate (%)	30-09-22	30-09-21	Δ
Belgium	96,1%	94,3%	1,8%
France	98,3%	99,6%	-1,3%
Spain	83,5%	82,8%	0,7%
<b>TOTAL</b>	<b>96,5%</b>	<b>96,0%</b>	<b>0,5%</b>

Takeover

of SA Mestdagh by the Les Mousquetaires Group (Intermarché)



Investments & developments

- Completion of the Messancy façade renovation program
- Fitting out works for new tenants
- Start of extension works of a supermarket in Ottignies



Completion of the disposal  
Of the St Niklaas retail property



2

NEW LEASES SIGNED  
(& 3 SHORT TERM LEASES)

5

LEASES RENEWED



Rental levels on average  
above or in line with ERV's  
and passing rents



### Occupancy rate

EPRA occupancy rate (%)	31-12-2022	30-09-2022	Δ
Belgium	96,2%	96,1%	0,1%
France	98,9%	98,3%	0,6%
Spain	84,2%	83,5%	0,7%
<b>TOTAL</b>	<b>96,9%</b>	<b>96,5%</b>	<b>0,4%</b>



### Investments & developments

- Pursue of the extensions works of the supermarket in Ottignies (Belgium)
- Pursue of the renovations works of the roof of the supermarket in Aix-En-Provence (France)

## — Portfolio

30-09-22	% total fair value	Fair value (€000) (30/09/2022)	Gross yield (%) (30/09/2022)	Average rent (€/sqm) (30/09/2022)	Fair value (€000) (30/09/2021)	Gross yield (%) (30/09/2021)	Average rent (€/sqm) (30/09/2021)
BELGIUM	53%	393.826	6,95%	100	384.011	6,62%	96
FRANCE	43%	313.936	5,92%	139	300.790	6,13%	134
SPAIN	4%	30.850	5,16%	197	28.800	6,58%	160
<b>TOTAL PROPERTIES AVAILABLE FOR RENT</b>	<b>100%</b>	<b>738.612</b>	<b>6,43%</b>	<b>115</b>	<b>713.601</b>	<b>6,40%</b>	<b>109</b>
Development projects		320			0		
<b>TOTAL INVESTMENT PROPERTIES</b>		<b>738.933</b>			<b>713.601</b>		

→ Positive **revaluations** of the investment property portfolio : **+3,3% (€23,8 million)**

→ **Investments** : **€1,5 million**



### Update Q1 2022/2023

- Fair value : €744,6 million
- Gross yield : 6,47%
- Positive revaluations : +0,7% (€5,2 million)

## Environment

- Labelling
- Decision-making criteria
- Database & management platform
- Optimising energy performance
- Photovoltaic panels
- Charging stations
- Supplier & tenants charters

## Social

- Training
- Internal satisfaction survey
- Positive office
- Telework policy
- Mobility
- Social & philanthropic policy



## Governance

- Governance structure
- Remuneration policy
- Communication of ESG standards



### ASCENCIO'S ESG STRATEGY

#### Update Q1 2022/2023

- **Environment** : installation of 6 new charging stations in Gosselies (Belgium)
- **Social** : Actions to support the sport.
- **Housing**



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## Diversification of debt & refinancing

- 3 new bank credit lines for a total of €45 million
- First bond issue of €25 million
- Hedge restructuring

## Spanish REIT status

- Option to adopt the Socimi status for Ascencio Iberia as from fiscal year 2021-2022



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**Hedge ratio  
95,5%**

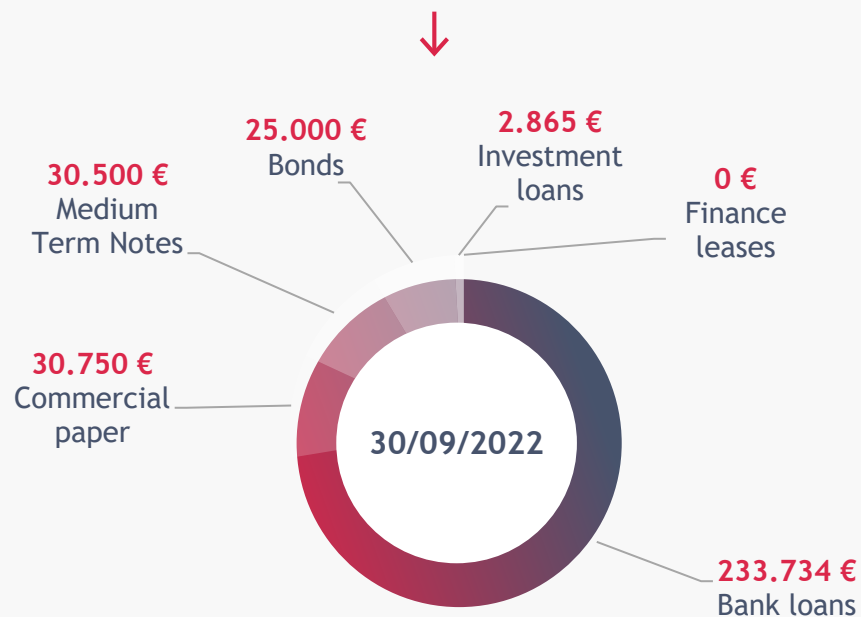
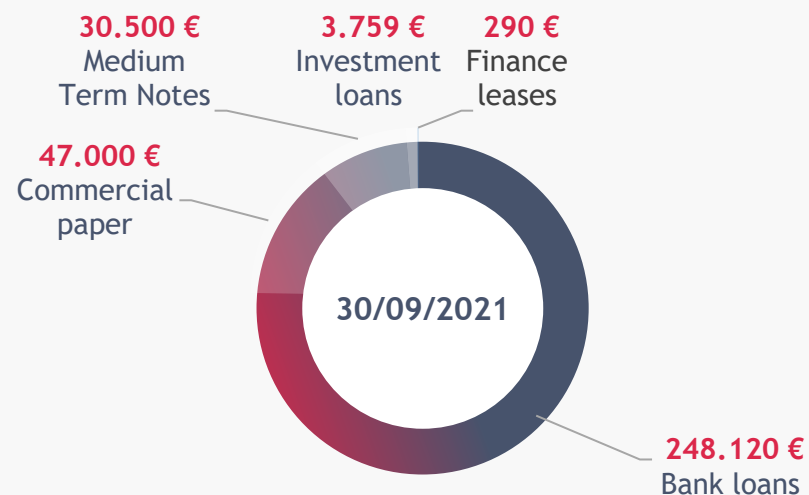
### Financial debt structure

	30-09-22	30-09-21
Total debt (million €)	326,7	333,9
Average duration (year)	3,33	3,71
Average cost of debt	1,80%	1,81%
EPRA LTV	44,4%	47,1%
Available financing (million)	78,0	43,0

### Update Q1 2022/2023

- Average debt duration : 3,1 year
- Average cost of debt : 1,87%
- EPRA LTV : 42,9%

**Hedge ratio  
91,8%**







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**E a r n i n g s**

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EPRA earnings :  
increase of 10,5 %



**MAIN IMPACTS**

- Increase of rental revenues of 3,4% (Like-for-Like : +2,4%)
- Doubtful debts/ Covid discounts – positive impact in 2021/2022
- Stability of real estate charges, overheads & financial result

**CONCLUSION**

EPRA Earnings of €33,8 million (5,12 € per share) at 30/09/2022

compared to €30,6 million (4,63 € per share) at 30/09/2021

**Update Q1 2022/2023**

EPRA Earnings : increase of 5,8%

- Increase of rental income of 5,1%  
(Like-for-Like : +4,8%)
- Covid discounts : no impact anymore
- Stability of financial results



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Net results :  
increase of 98,6%

→ **MAIN IMPACTS**

- Revaluation of real estate portfolio (+ €23,8 million)
- Revaluation of hedging instruments portfolio (+ €38,5 million)
- Revaluation of deferred tax liabilities (- €4,9 million)

**CONCLUSION**

Net results of €90,7 million (13,74 € per share) at 30/09/2022  
compared to €45,7 million (6,92 € per share) at 30/09/2021

Net results : increase of 18,8%

**Update Q1 2022/2023**

- Revaluation of real estate portfolio (+ €5,2 million)
- Revaluation of hedging instruments portfolio (+ €0,1 million)

profit &  
loss account  
at 30 / 09 / 2022

CONSOLIDATED RESULTS (€000S)	30/09/2022	30/09/2021
<b>RENTAL INCOME</b>	<b>47.849</b>	<b>46.285</b>
Rental related charges	1.395	-1.371
Taxes and charges not recovered	-377	-130
<b>PROPERTY RESULT</b>	<b>48.867</b>	<b>44.785</b>
Property charges	-4.004	-3.479
Corporate overheads	-4.481	-4.057
Other income and operating costs	-1	-12
<b>OPERATING RESULT BEFORE RESULT ON PORTFOLIO</b>	<b>40.381</b>	<b>37.236</b>
<i>Operating margin (*)</i>	<b>84,4%</b>	<b>80,4%</b>
Financial income	134	0
Net interest charges	-5.710	-5.881
Other financial charges	-554	-427
Taxes	-477	-372

CONSOLIDATED RESULTS (€000S)	30/09/2022	30/09/2021
<b>EPRA EARNINGS</b>	<b>33.773</b>	<b>30.555</b>
Net gains and losses on disposals of investment properties	-159	0
Change in the fair value of investment properties	23.800	9.835
Change in fair value of financial assets and liabilities	38.135	5.704
Deferred tax	-4.896	-443
<b>NET RESULT</b>	<b>90.653</b>	<b>45.652</b>
<b>Earnings per share (EPS) (euros)</b>	<b>5,12</b>	<b>4,63</b>
<b>Net result per share (euros)</b>	<b>13,74</b>	<b>6,92</b>
<b>Number of shares</b>	<b>6.595.985</b>	<b>6.595.985</b>

**Update Q1 2022/2023**

- **EPRA earnings** : €8,6 million compared to €8,2 million at 31/12/21  
- €1,31 per share compared to €1,24 per share at 31/12/2021)
- **Net result** : €13,9 million compared to €11,7 million at 31/12/21  
- €2,11 per share compared to €1,77 per share at 31/12/21

# c o n s o l i d a t e d

## b a l a n c e s h e e t

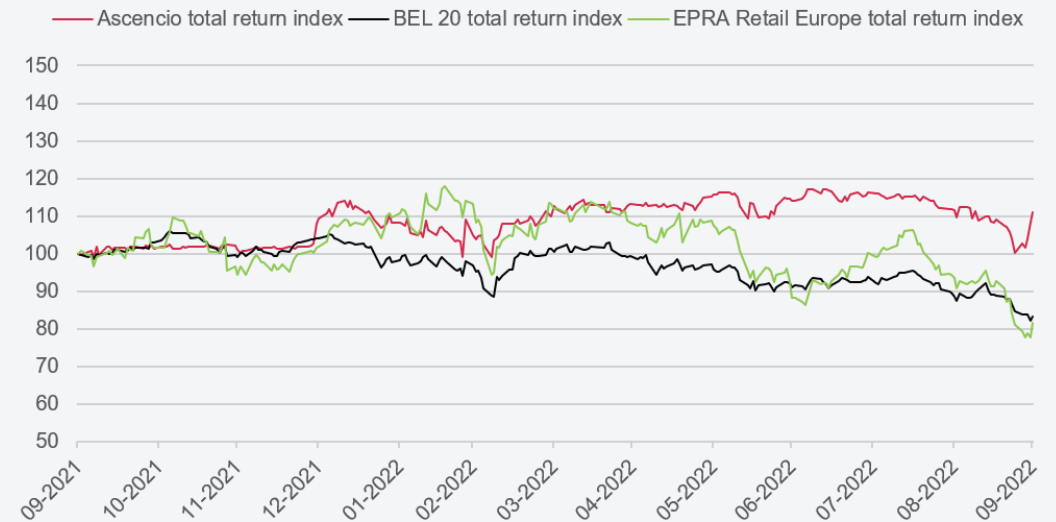
CONSOLIDATED BALANCE SHEET (€000s)	30-09-22	30-09-21
<b>ASSETS</b>	<b>783.312</b>	<b>728.076</b>
Intangible assets	24	0
Investment properties	738.933	713.601
Other non-current assets	31.549	1.400
Assets held for sale	0	1.360
Current financial assets	885	0
Trade receivables	4.956	5.773
Cash and cash equivalents	4.356	3.707
Other current assets	2.611	2.236
<b>EQUITY AND LIABILITIES</b>	<b>783.312</b>	<b>728.076</b>
Equity	437.011	370.353
Non-current financial debts	268.677	278.822
Other non-current liabilities	2.476	10.275
Deferred tax	6.170	1.275
Current financial debts	58.038	55.060
Other current liabilities	10.939	12.291
<b>DEBT RATIO (1)</b>	<b>44,9%</b>	<b>47,6%</b>

(1) Calculated in accordance with the Royal Decree of 13 July 2014, as amended by the Royal Decree of 23 April 2018, on B-REITs.

Update Q1 2022/2023	31-12-22	30-09-22	30-09-21
<b>Total balance sheet (MEUR)</b>	<b>785,3</b>	<b>783,3</b>	<b>728,1</b>
<b>Total portfolio (MEUR)</b>	<b>744,6</b>	<b>738,9</b>	<b>713,6</b>
<b>Total equity (MEUR)</b>	<b>450,9</b>	<b>437,0</b>	<b>370,4</b>
<b>EPRA NTA (EUR/share)</b>	<b>€64,45</b>	<b>€62,35</b>	<b>€57,37</b>
<b>Total debt (MEUR)</b>	<b>317,7</b>	<b>326,7</b>	<b>333,9</b>
<b>Debt Ratio (%)</b>	<b>43,1%</b>	<b>44,9%</b>	<b>47,6%</b>

# share price & dividend policy

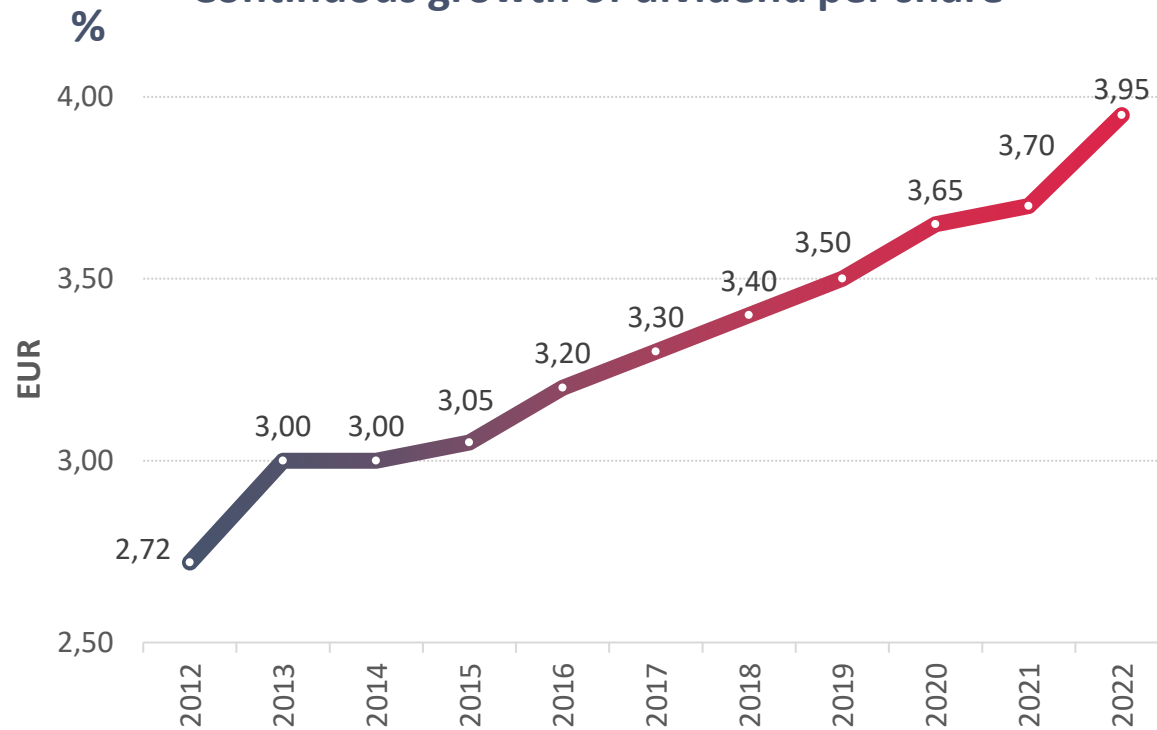
	31-12-22	30-09-22	30-09-21
Closing Price	€52,50	€50,70	€49,10
Premium/discount (IFRS NAV)	-24,6%	-23,5%	-12,3%
Market cap (millions EUR)	346,3	334,4	323,9



s h a r e p r i c e

& d i v i d e n d p o l i c y

Continuous growth of dividend per share



Pay-out ratio  
76,8%

Dividend Yield  
7,8%

# o u t l o o k

c o n f i r m a t i o n o f \_\_\_\_\_  
\_\_\_\_\_ a s c e n c i o ' s  
s t r a t e g y

# o u t l o o k

— Proactive management of portfolio and clients

— Strong balance sheet allowing external growth

— ESG strategy implementation

# Q & A







# a p p e n d i x



who

we are



a n i n v e s t o r i n \_\_\_\_\_  
\_\_\_\_\_ f o o d a n c h o r e d &  
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— A hybrid portfolio

- Supermarkets (40% of total rental income)
- Retail parks



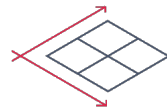
At 30/09/2022



**104**  
BUILDINGS



**€47,8 million**  
ANNUAL RENTAL INCOME



**448,300 m<sup>2</sup>**  
TOTAL AREA

**€739 million**  
TOTAL PORTFOLIO VALUE

## — Supermarkets



STRATEGIC  
LOCATIONS



MEETING CONSUMERS'  
PRIMARY NEEDS



LIMITED IMPACT  
OF E-COMMERCE

## — Retail parks



OPEN AIR  
SHOPPING



GOOD CONVERSION  
RATE



RETAIL MIX



ACCESSIBILITY AND  
AMPLE FREE PARKING

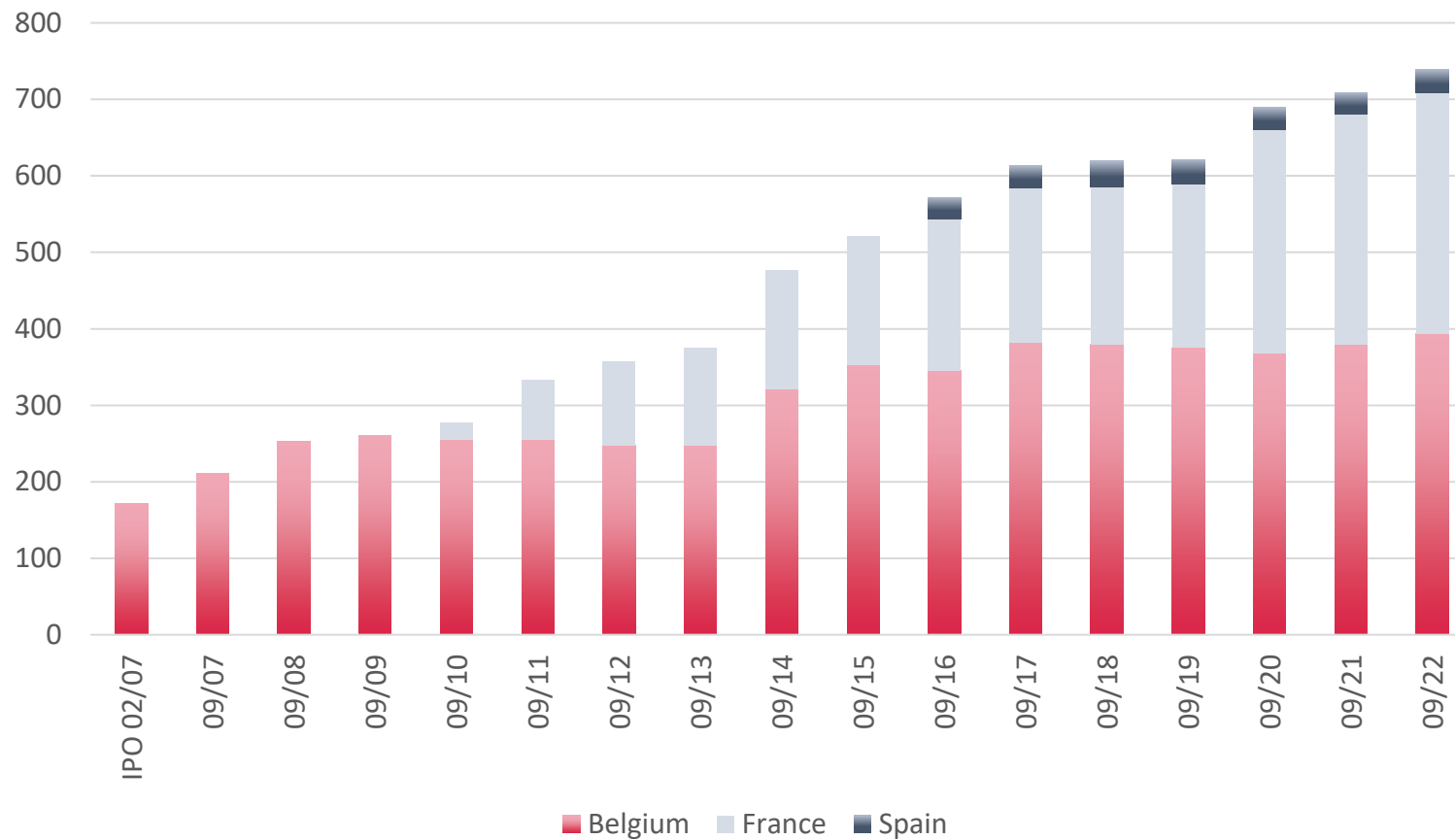


GOOD RENTAL TO  
REVENUE RATIO FOR  
RETAILERS



SIZE AND FLEXIBILITY  
OF RETAIL SPACES  
(OMNISCANALITY)

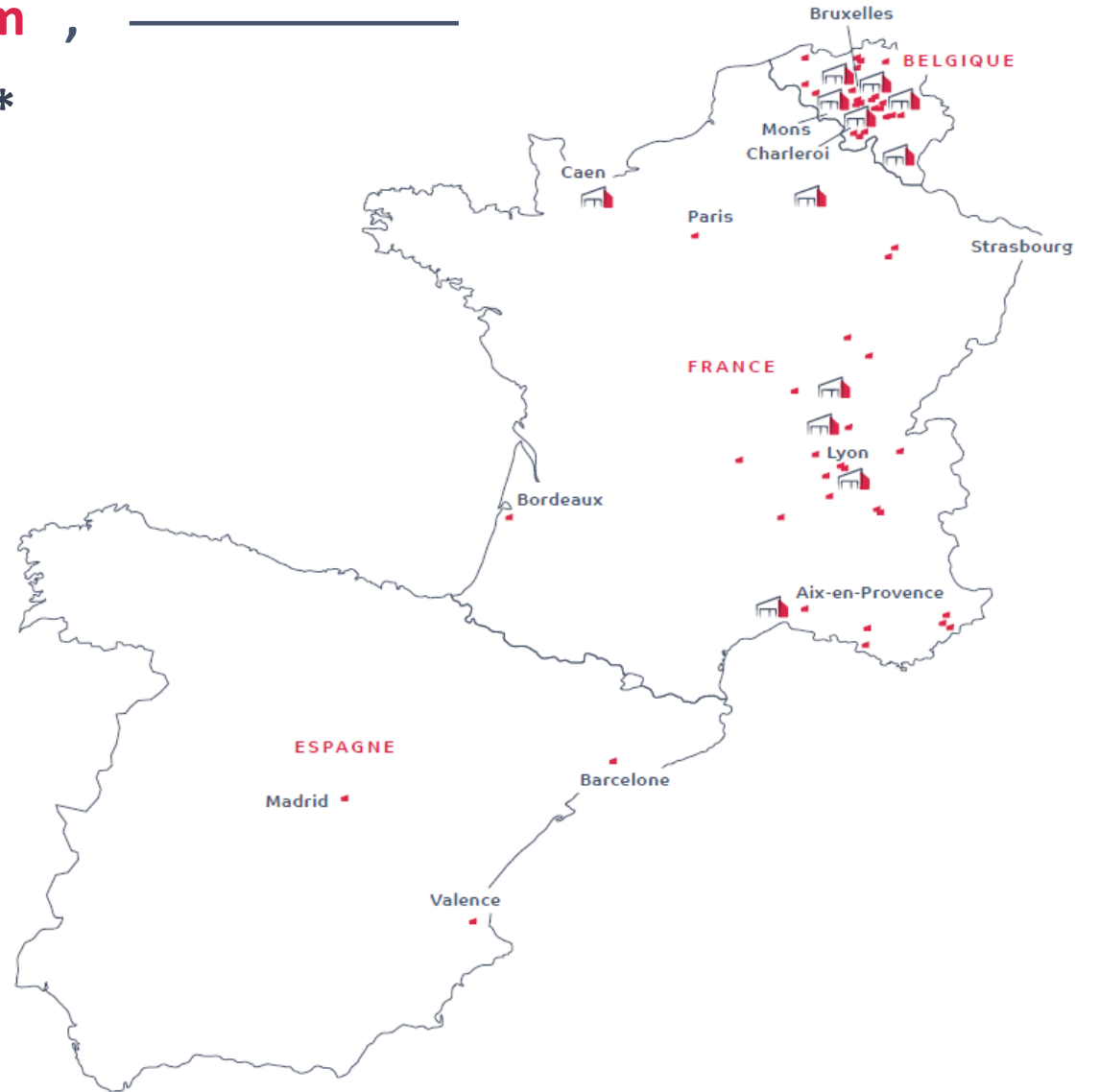
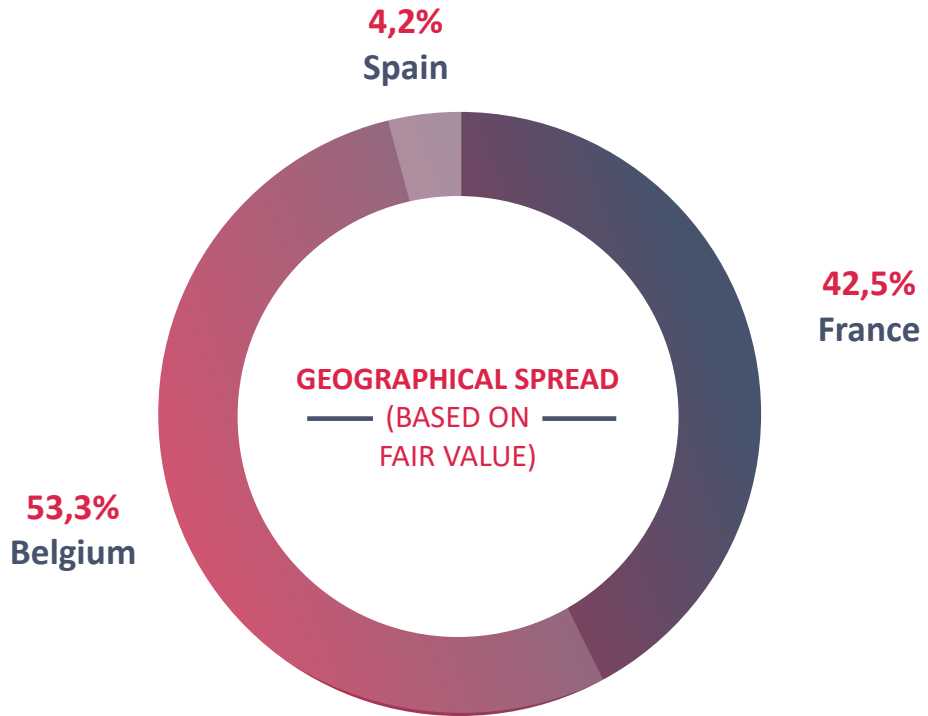
## — Growth of the portfolio



**€739 million**  
**Fair value at**  
**30 sept 2022**

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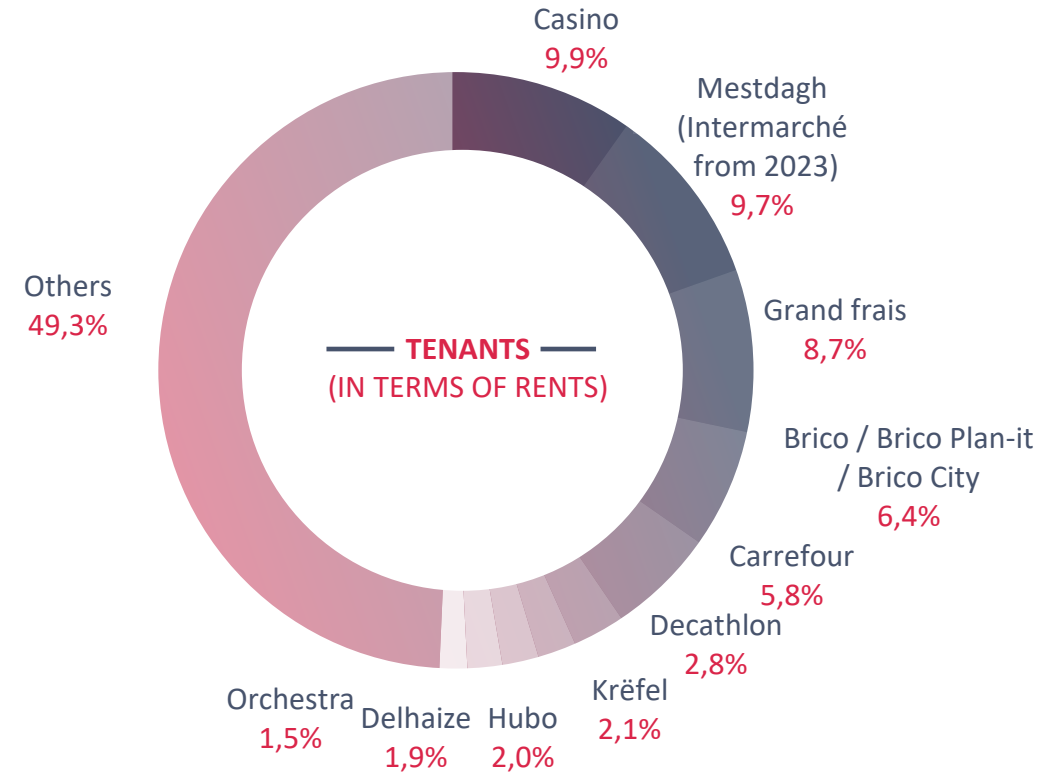
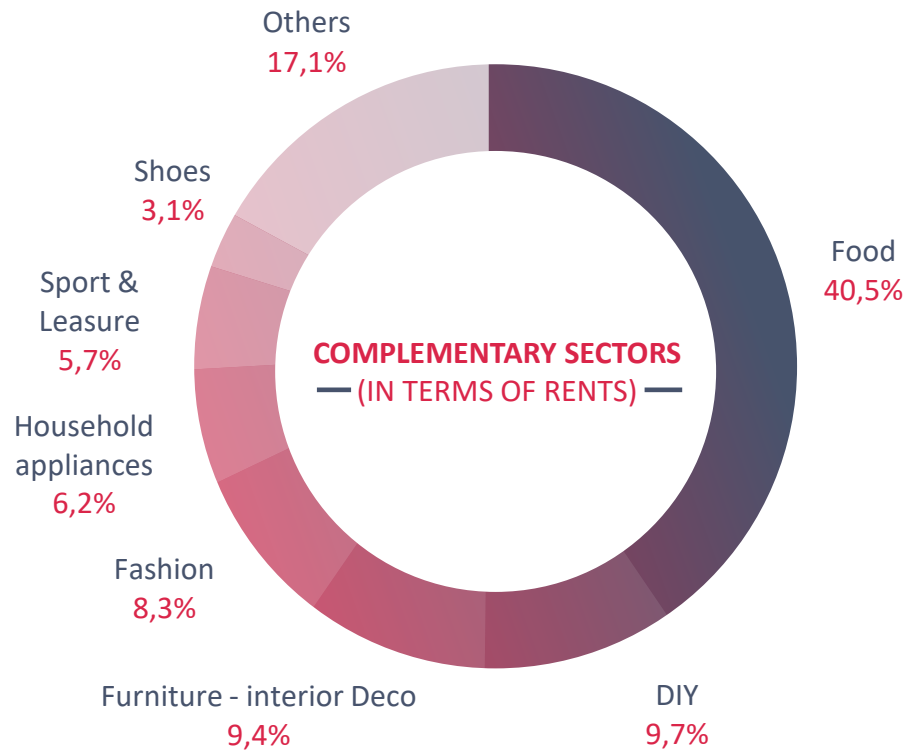
f r a n c e & s p a i n \*



\*As of 30/09/2022

# diversification of tenants

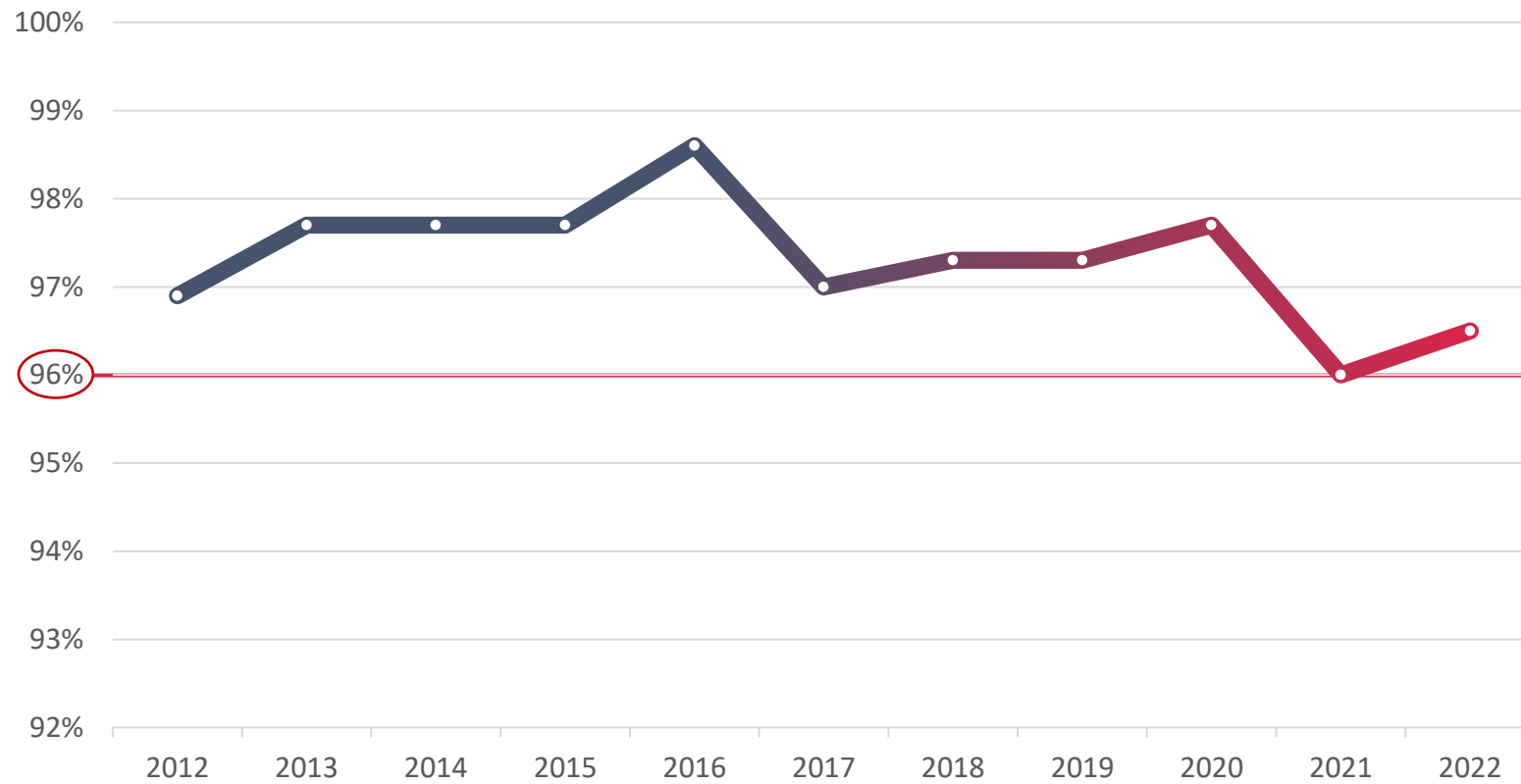
## & retail sectors\*



+/- 250 tenants

\*As of 30/09/2022

## — Evolution of occupancy rate



96.5%  
at 30.09.22



**SIR**  
(Belgium)

- Risk diversification (20%)
- Limitation of debt (65%)
- Obligation of distribution (80%)
- Tax transparency
- Control by the FSMA
- Free float (min 30%)



# s t a t u s

## SIIC (France)

- No limitation of debt
- Tax transparency
- Obligation of distribution:
  - 95% of net rental income
  - 70% of capital gains
  - 100% dividend from subsidiaries
- 5% withholding tax on profits according to BE-FR directive



**SOCIMI**  
(Spain)

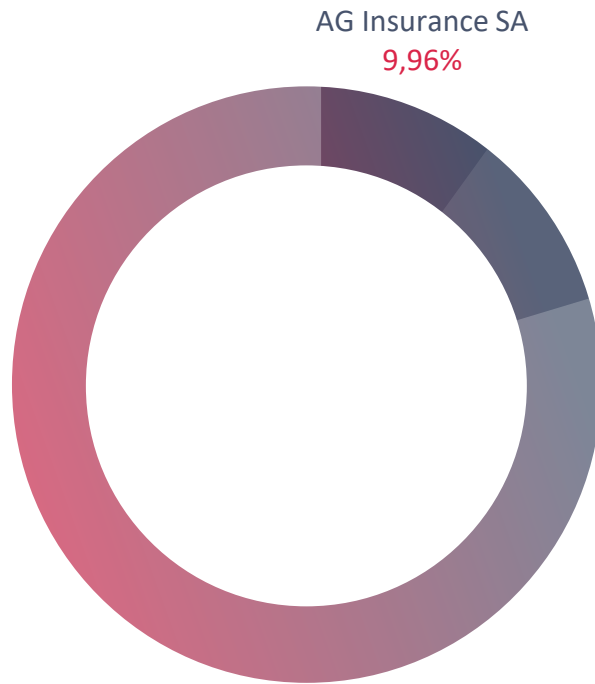
- Identification of shareholder's structure (>95%)
- At least 80% of eligible assets
- At least 80% of rental income
- No diversification limitation
- Holding period of at least 3 years
- No minimum obligation of distribution but special tax on undistributed profits
- No withholding tax on profits according to BE-SP directive



s h a r e h o l d i n g

s t r u c t u r e

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Listed on Euronext  
Brussels since  
2007





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