

Half-yearly financial report of Ascencio SA

— RESULTS AT 31 MARCH 2023

EPRA EARNINGS UP & STRONG PERFORMANCE OF THE REAL ESTATE PORTFOLIO

OPERATING RESULTS

- **RENTAL INCOME:** €25.1 million, up by 6.1% compared with the €23.6 million at 31/03/2022
- **EPRA OCCUPANCY RATE:** 97.2%, up from the 96.5% at 30/09/2022
- **EPRA EARNINGS:** €17.5 million, up by 7.8% compared with €16.2 million at 31/03/2022
- **EPRA EARNINGS PER SHARE:** €2.65 as against €2.46 at 31/03/2022
- **NET RESULT:** €22.2 million compared with €44.0 million at 31/03/2022, the decrease being due to the difference in positive revaluations compared to 31/03/2022 (+€5.0 million against +€28.2 million)

BALANCE SHEET INFORMATION

- **FAIR VALUE OF THE PORTFOLIO:** €748.6 million compared with €738.9 million at 30/09/2022
- **EPRA DEBT RATIO :** 45.3% compared with 44.4% at 30/09/2022
- **EPRA NTA PER SHARE:** €62.18 as against €62.35 at 30/09/2022

REGULATED INFORMATION
25 May 2023
Under embargo until 5.40 p.m.

97.2%
**EPRA OCCUPANCY
RATE**

6.63%
**GROSS YIELD OF THE
PORTFOLIO**

+1.0%
**CHANGE IN FAIR
VALUE OF THE
PORTFOLIO**

Change of legal form
**ASCENCIO SCA BECOMES
ASCENCIO SA**



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1. MANAGEMENT REPORT

GENERAL CONTEXT

The macroeconomic context over the past six months has been characterised by particularly high inflation, peaking in October 2022 at levels not seen since the mid-1970s. To curb this phenomenon, central banks adopted a restrictive monetary policy from the second half of 2022 onwards by raising interest rates at a sustained pace. This policy has begun to have an effect, with inflation gradually falling to more moderate levels, although still above target, at the cost of reduced access to liquidity on the market.

The commercial property market for supermarkets and out-of-town retail parks has been generally positive since the beginning of 2022, in terms of both take-up and volumes invested.

Occupancy has increased significantly in volume, not only compared with the COVID-19 period but also compared with previous years, reaching record levels in Belgium and Spain.

Investment volumes have been stable or higher than in recent years, depending on the country, with a very good first half of 2022, the retail parks segment standing out in particular and having seen record levels of investment, despite international economic instability. However, from the third quarter of 2022 onwards, and even more so since the beginning of 2023, a slowdown in investment volumes has been observed in reaction to the context of significantly higher interest rates.

Inflation has had a significant impact on rentals due to their automatic indexation at very high levels since the end of 2022. Excluding indexation, average rents have remained generally stable in the out-of-town retail segment.

A context of rising interest rates generates negative pressure on property yields. In recent months, however, yields have remained relatively stable for both supermarkets and out-of-town retail parks, mainly in Belgium and France. This stability is explained on the one hand by the resilience of this type of real estate and on the other hand by its traditionally high yields benefiting from a larger differential compared to the increasing level of financing costs.

1.1. SUMMARY OF ACTIVITY DURING THE FIRST HALF OF THE FINANCIAL YEAR

OPERATIONAL ACTIVITY

Ascencio saw dynamic rental activity, concluding 27 transactions (3 new commercial leases, 14 commercial lease renewals and 10 short-term leases), for a total of around 12,000 m², i.e. approximately 3% of the total surface of its property portfolio. The rent levels obtained for the commercial leases signed are approximately 9% above the estimated rental value and 2% above the previous rents for the areas concerned.

These commercial leases relate to the following buildings:

- in Belgium:
 - in Couillet, "Bellefleur": 3 lease renewals (Orchestra, Leonidas and Di Vincenzo Coiffure);
 - at Papeteries de Genval: 1 new lease (Tenshi restaurant) and 2 lease renewals (Planet Coiffure and Les Bourgeoises);
 - in Laeken: 1 new lease (Tanger Markt food retailer);
 - in Loverval: 1 lease renewal (Literie Prestige);
 - in Morlanwelz: 1 lease renewal (Kruidvat);
 - in Uccle: 1 lease renewal (Les Chouchoux).
- in France:
 - in Rots: 2 lease renewals (Norauto and Réauté Chocolat) ;
 - in Saint-Aunès: 1 new lease (GrandVision), 4 lease renewals (Chaussea, Burger King and the 2 leases of Orchestra).

The 10 short-term leases mentioned above were signed by Ascencio mainly to maintain occupancy flexibility in buildings involved in renovation or redevelopment projects.

This significant operational activity has resulted in an increase in the EPRA occupancy rate of the consolidated portfolio from 96.5% at 30 September 2022 to 97.2% at 31 March 2023.

In terms of investments, Ascencio finalised the extension works (+670 m²) of its supermarket in Ottignies (Belgium), which was delivered on time in January 2023 and allowed the start of the new lease with Intermarché.



In addition, the Company incurred capital expenditure on re-development and sub-division of units linked to the marketing of vacant space (in Belgium at Laeken, Uccle, Hannut and in France at Chanas).

ESG POLICY

As part of the implementation of its ESG policy, Ascencio has taken a series of initiatives over the past six months, mainly taking the form of the following actions:

At the environmental level:

- Tenant consumption data collection programme: in France, Ascencio has access to almost 90% of its retailers' consumption data. This collection has also started in Belgium where almost 50% of the data collection mandates have been obtained. In the future, these mandates will be integrated directly into the lease contracts concluded with future tenants.
- Optimising energy performance: Ascencio
 - o started the renovation of the roofs of two commercial units in its retail park Orchidée Plaza in Hannut (Belgium);
 - o completed the renovation of the roof of its supermarket in Aix-en-Provence (France), allowing for an energy optimisation of the building envelope by almost 19%.
- Charging stations: Ascencio has entered into discussions to conclude partnerships for the large-scale installation of charging stations within its French and Belgian portfolios. It has also installed new charging stations at its headquarters in Gosselies (Belgium) for the benefit of both its employees and tenants.
- Labelling: the Company is continuing the process of labelling 3 of its retail parks ("Bellefleur" in Couillet, "Les Papeteries de Genval" in Genval and le "Parc des Drapeaux" in Rots) with a view to obtaining BREEAM certification.

At the social level:

- Training: Ascencio develops its training programme for its teams (Ascencio Academy and "buddy system");
- Positive office: Ascencio has decided on a new office layout and started to prepare it;
- Mobility: 50% of Ascencio's car fleet is now made up of hybrid or electric vehicles;
- Social and philanthropic policy: the Company participated in various sporting events.

FINANCIAL ACTIVITY

Ascencio continued the refinancing of maturing credit lines by concluding two new RCF ("Revolving Credit Facility") bank lines for a total amount of €20 million, with respective durations of 7 and 8 years, at financial conditions globally in line with previous refinancing. In addition, several refinancing discussions are under way with various banks and are expected to be concluded by the end of the current financial year. Given the current market conditions, Ascencio is focusing on refinancing with its banking partners rather than the currently less favourable institutional markets. However, Ascencio still aims to continue to diversify its sources of financing, in particular by further tapping the bond markets as initiated last year.

Ascencio had available at 31 March 2023 a total amount of around €54 million under its financing lines, enabling it to finance its operating needs and the investments to be made within its portfolio, but also to have sufficient financial capacity to participate in the financing of any investment transactions that might present themselves. At 31 March 2023, the average duration of the Company's debt was 3.1 years, compared with 3.3 years at 30 September 2022.

Since Ascencio has a strong hedging structure for the next few years and market conditions are not favourable, the Company has not made any changes to its portfolio of hedging instruments in the past six months. However, the Company has put in place regular monitoring of the evolution of the interest rate environment in order to be able to extend the hedging of its debt to the years 2027 and beyond when conditions allow. At 31 March 2023, the hedging ratio was 84.8%, above the minimum targets set by the Company.

1.2. CONDENSED CONSOLIDATED RESULTS AT 31 MARCH 2023

CONSOLIDATED RESULTS (€000S)	31/03/2023	31/03/2022
Rental income	25,066	23,627
Rental-related charges	-155	413
Recovery of property charges	469	341
Taxes and charges not recovered	-44	-18
Other revenue and expenditure relating to rental	176	-99
Property result	25,511	24,263
Property charges	-2,312	-2,174
Corporate overheads	-2,326	-2,189
Other income and operating costs	1	0
Operating result before result on portfolio	20,875	19,900
<i>Operating margin (*)</i>	83.3%	84.2%
Financial income	1,061	0
Net interest charges	-3,950	-2,950
Other financial charges	-332	-246
Taxes	-174	-485
EPRA Earnings	17,480	16,220
Net gains and losses on sales of investment property	0	-159
Net capital gains realized on the sale of financial assets and liabilities	0	10
Changes in the fair value of investment property	7,438	12,318
Changes in fair value of financial assets and liabilities	-2,413	15,908
Deferred tax	-266	-336
NET RESULT	22,238	43,961
EPRA Earnings per share (euros)	2.65	2.46
Earnings per share (EPS) (euros)	3.37	6.66
Number of shares	6,595,985	6,595,985

(*) Alternative Performance Measure (APM). See page 30.

Rental income for the first half of the financial year amounted to €25.07 million, up by 6.1% on the first half of the financial year 2021/2022.

The following table shows **rental income by country**:

RENTAL INCOME (€000S)	31/03/2023		31/03/2022	
Belgium	14,126	56%	12,819	54%
France	10,091	41%	9,813	42%
Spain	849	3%	995	4%
TOTAL	25,066	100%	23,627	100%

Revenue growth was driven by dynamic rental activity, mainly in Belgium (+10%), where the impact of high inflation, combined with an increase in EPRA occupancy rate, was most pronounced. A similar progression was also achieved in France (+3%), albeit less significant due to a lower inflationary effect and a slight decrease in occupancy over the period. Spanish revenues were adversely affected by the lack of rent on the vacant space in Valencia.

Rental-related charges, mainly consisting of revaluations of trade receivables, showed a negative total in the past six months (-€0.2 million) compared with a positive total of €0.4 million in the comparable period of the previous year. This positive total was related to the numerous reversals of provisions for bad debts that had been recorded in the COVID period and which were not ultimately materialized.

As a result of these various elements, the **property result** reached €25.51 million at 31 March 2023, an increase of 5.0% compared with the same period of the previous financial year.

After deducting property charges and general expenses, which were relatively stable compared with the figures at 31 March 2022, the **operating result before result on portfolio** was €20.88 million (against €19.90 million). The operating margin came to 83.3%.

As regards the financial result, **interest charges** increased significantly to €3.95 million at 31 March 2023, compared with €2.95 million at 31 March 2022. This 34% impact is due to the significant increase in interest rates over the past year. However, this impact is fully offset by the **financial income** (€1.1 million) generated by the hedging instruments held by the Company, which are fully effective, illustrating the effectiveness of the hedging policy implemented by Ascencio.

In the first half of 2023, the Company's average debt stood at €326.6 million compared with €333.5 million in the same period of the previous financial year and its average financing cost¹ was 1.90% (as against 1.85%).

The **tax** charge decreased significantly due to the effect of the SOCIMI regime for which Ascencio's Spanish subsidiary opted since the previous financial year but which was not yet reflected in its accounts at 31 March 2022. The tax charge of the French entity remained stable.

Based on these results, **EPRA Earnings** at 31 March 2023 amounted to €17.48 million, an increase of 7.8% compared to 31 March 2022. **EPRA Earnings per share** were therefore €2.65, up from €2.46 in the first half of the previous financial year.

The **change in the fair value of the investment property portfolio** continued its positive trend, increasing by 1.0% (+€7.4 million) compared with 1.8% (+€12.3 million) for the comparable period. **Changes in the fair value of financial assets and liabilities** (which only include changes in the value of hedging instruments) decreased slightly (-€2.4 million), whereas they had been significantly positive (+€15.9 million) during the comparative period. Finally, **deferred tax liabilities** continued to increase due to the positive evolution in the value of the assets.

Taking into account these revaluations, the impact of which is significantly less favourable than in the previous financial year, consolidated **net income** for the first half of the year amounted to €22.24 million, down significantly on the €43.96 million at 31 March 2022.

¹ Alternative Performance Measure (APM). See page 30.

1.3. CONDENSED CONSOLIDATED BALANCE SHEET AT 31 MARCH 2023

CONSOLIDATED BALANCE SHEET (€000S)	31/03/2023	30/09/2022
ASSETS	792,526	783,312
Intangible assets	30	24
Investment properties	748,587	738,933
Other tangible assets	41	35
Other non-current financial assets	28,659	31,514
Current financial assets	1,331	885
Trade receivables	3,087	4,956
Cash and cash equivalents	2,948	4,356
Other current financial assets	7,845	2,611
EQUITY AND LIABILITIES	792,526	783,312
Equity	433,195	437,011
Non-current financial debts	236,374	268,677
Other non-current financial liabilities	2,821	2,476
Deferred taxes	6,437	6,170
Current financial debts	101,950	58,038
Other current liabilities	11,750	10,939
Liabilities	359,332	346,301

ASSETS

The portfolio of **investment property** accounts for 95% of the Company's assets. Its total fair value (including investments and development projects) amounted to €748.6 million at 31 March 2023, compared with €738.9 million at 30 September 2022. It should be noted that, in accordance with IFRS 16, this heading includes the rights of use held by the Company in the form of leasehold, for a value of €4.4 million.

Other non-current assets mainly consist of the hedging instruments with positive valuations and maturities of more than one year (€28.2 million), while current financial assets include those instruments with positive valuations and maturities of less than one year (€1.3 million).

The balance of **trade receivables** at 31 March 2023 was €3.1 million, significantly lower than the balance at the end of the previous financial year. This decrease is mainly due to the timing of invoicing property taxes and load statements to tenants, just before the annual accounting close on 30 September.

The balance of **cash and cash equivalents** is down due to even more careful management of this item in sight of the increased cost of liquidity in recent months.

Other current assets increased significantly due to the application of IFRIC 21, which requires the full amount of taxes and tax rebates to be recognised in the half-yearly accounts on an annual basis. This increase is offset by an equivalent increase in other current liabilities.

EQUITY AND LIABILITIES

At 31 March 2023, total **equity** was €433.2 million, down slightly from the €437.0 million recorded at 30 September 2022. This decrease is linked to the dividend distribution of €26.1 million in February 2023, which was not fully compensated by the €22.2 million result generated in the period. On this basis, the IFRS Net Asset Value per share was €65.68 (as against €66.25 at 30 September 2022), while the EPRA NTA per share was €62.18, compared with €62.35 at 30 September 2022.

On the liabilities side, **financial debts (non-current and current)** amounted to €338.3 million, compared with €326.7 million at 30 September 2022.

The increase in financial debts is due to the payment of the previous financial year's dividend in February 2023, partly offset by the positive net cash generated in the first six months of the financial year.

Financial debts are divided into different types of financing:

(€000S)	31/03/2023	30/09/2022
Bank borrowing	228,720	233,734
Commercial paper	47,250	30,750
Medium Term Note	30,500	30,500
Bond issues	25,000	25,000
Investment credits	2,461	2,865
Lease debts (IFRS 16)	4,392	3,867
Total financial debts	338,324	326,716

The past half year was marked by the conclusion of two new bank financing lines for a total amount of €20 million in the form of RCFs with durations of 7 and 8 years. The conclusion of these credit lines, on financial conditions globally in line with the last refinancing transactions carried out, illustrates Ascencio's ability to obtain financing from banking partners who have confidence in Ascencio's business model and the intrinsic quality of its real estate portfolio.

At 31 March 2023 and taking into account the need to keep lines available to cover the full amount of the commercial paper issued, Ascencio had credit lines available for use amounting to €53.7 million. The total of the financing lines maturing in the next 12 months currently amounts to €70.0 million (of which €54.0 million actually drawn down at the closing date), spread over several banking partners and the institutional market.

These financial debts also include the debt recorded under IFRS 16, representing the net present value of the rental charges owed by Ascencio as lessee according to the leasehold contracts for the Gerval, Châtelineau and Hannut properties. This debt is subject to periodic revaluation at the time of the annual indexation of these charges.

Other non-current financial liabilities and **deferred taxes** remained relatively stable. These consist respectively of rental guarantees received from tenants and the deferred tax balance provisioned on the tax latencies existing in the French portfolio and in the Spanish portfolio for the period prior to its option for the SOCIMI regime.

Current financial debts consist mainly of €34 million of bank debt, €20 million of MTNs (Medium Term Notes) and €47.25 million of commercial papers with the common characteristic of maturing within the next 12 months. These debts are the subject of particular attention and are already partly in the process of refinancing.

The EPRA consolidated debt ratio is 45.3% at 31 March 2023, slightly up compared to the 44.4% at 30 September 2022.

1.4. THE PROPERTY PORTFOLIO

Ascencio holds a portfolio of 104 properties located in Belgium, France and Spain, with a fair value of €748.6 million (including development projects in progress and rights of use under IFRS 16), up by 1.0% compared with its fair value at 30 September 2022.

The following table shows the main characteristics of the investment property portfolio with the geographical breakdown:

COUNTRY	Investment value (€000S)	Juste valeur ((€000S) (%)	Contractual rents (€000S)	EPRA occupancy rate (%)	Gross yield (%)
Belgium	413,233	403,261 53.9%	29,103	96.8%	7.12%
France	336,921	315,276 42.1%	20,633	98.9%	6.12%
Spain	31,060	30,050 4.0%	1,751	84.0%	5.64%
TOTAL	781,215	748,587 100.0%	51,487	97.2%	6.63%

The fair value of investment properties has shown great resilience since the beginning of the financial year, in a context of rising interest rates which is normally unfavourable for property valuations. Although the capitalisation rates used in these valuations have not fallen as they did in the first half of the previous financial year, they have remained relatively stable since the beginning of the current financial year, being adjusted upwards only marginally in some specific cases. In the current context, this stability is quite remarkable and has not been the case for other real estate sectors, operating on the basis of lower yields, for which the capitalisation rates applied have been subject to negative corrections. The slight increase in the fair value of Ascencio's portfolio is more related to its rental component, which has been indexed significantly over the past year.

Taking into account this significant indexation of contractual rentals and the slight increase in the fair value of the portfolio, the gross yield of the portfolio amounts to 6.63% at 31 March 2023, compared with 6.43% at 30 September 2022.

INVESTMENTS IN THE FIRST HALF OF THE YEAR

The investments made within the portfolio mainly concern the finalisation of the extension programme for the Ottignies supermarket (€1.1 million disbursed in 2022/2023 of a total budget of €1.5 million), for which the works have been delivered and for which the new lease with Intermarché started in January 2023. Apart from this extension, the Company made investments amounting to €0.6 million, mainly in Belgium in the "L'Orchidée Plaza" retail park in Hannut, and in Laeken, Uccle and Gosselies, in order to renovate surfaces for new tenants.

DIVESTMENTS DURING THE PERIOD

Ascencio did not make any divestment within its portfolio during the past six months.

EPRA OCCUPANCY RATE

At 31 March 2023, the EPRA occupancy rate was 97.2%, up from 96.5% at 30 September 2022. Looking at this overall development by country, the following trends can be observed:

1. in Belgium: 96.8% at 31 March 2023, compared to 96.1% at 30 September 2022. This increase in the EPRA occupancy rate is mainly attributable to the positive net impact of new lettings in Hannut, Laeken and Genval, and departures in Leuze and Messancy.
2. in France: 98.9% at 31 March 2023, compared with 98.3% at 30 September 2022. This increase is exclusively related to the start of the new lease with Sport 2000 in Chanas; the only remaining vacant surfaces are in Bourgoin-Jallieu and Saint Aunès for which the marketing process has been initiated.
3. in Spain: 84.0% at 31 March 2023, compared with 83.5% at 30 September 2022. The situation remained unchanged during the half-year under review, with the only vacant space being in the Valencia building. This space is currently being marketed and several discussions are under way with prospective tenants which give hope that occupancy will resume in the coming months.

1.5. CONSOLIDATED DATA PER SHARE

NUMBER OF SHARES	31/03/2023	31/03/2022	30/09/2022
Weighted average number of shares	6,595,985	6,595,985	6,595,985
Total number of shares issued	6,595,985	6,595,985	6,595,985
RESULT PER SHARE (euros)			
EPRA Earnings	2.65	2.46	5.12
Earnings (EPS)	3.37	6.66	13.74
NAV IFRS per share (euros)			
Net asset value (NAV) IFRS (€000S)	433,195	390,319	437,011
NAV IFRS per share (euros)	65.68	59.18	66.25
Restatements:			
Deferred tax (€000S)	6,437	1,611	6,170
Fair value of financial instruments (IRS & CAP) (€000S)	-29,514	-9,576	-31,928
EPRA NTA (€000S)	410,118	382,353	411,254
EPRA NTA per share (euros)	62.18	57.97	62.35

1.6. CORPORATE GOVERNANCE

At the Extraordinary General Meeting of 17 February 2023, Ascencio SCA, a corporate partnership limited by shares, was transformed into a public limited company, now called Ascencio SA, whose sole statutory manager is the legal entity Ascencio Management SA (formerly Ascencio SA, the Statutory Manager of the limited partnership). This transformation was carried out with a view to adapting the Company's structure and Articles of Association to the applicable legal provisions, namely the Law of 22 October 2017 on regulated real estate companies and the requirements of the new Companies and Associations Code.

1.7. SIGNIFICANT EVENTS AND TRANSACTIONS AFTER 31 MARCH 2023

There have been no significant events or transactions after the closing of the past six-months that could have an impact on the financial statements presented in this report.

1.8. MAIN RISKS AND UNCERTAINTIES

The fundamental specific risks facing the Company remain those described in the "Risk Factors" section of the 2021-2022 Annual Report. Ascencio takes care to apply the measures and procedures it has established in order to anticipate and control them.

However, it is necessary to add that the current macroeconomic context, still marked by the geopolitical conflict between Russia and Ukraine, and the resulting financial context (high inflation and interest rates, shrinking liquidity) continue to generate uncertainty and volatility in the markets. At the date of this report, these uncertainties have not to the best of our knowledge resulted in any additional material impacts that are not reflected in the Company's results to the end of the reporting period.

1.9. OUTLOOK

In this context characterised by high inflation and interest rates, Ascencio intends to continue its efforts of good management of its portfolio with its tenant-clients by anticipating their needs as well as in the execution of its environmental policy.

On the other hand, Ascencio pays particular attention to preserving a solid balance sheet structure and securing its sources of liquidity. In particular, the Company proactively manages its financing maturities, analyses potential crystallisations of value and adopts a sharp stance as to the analysis and valuation of new investment opportunities.

Finally, given the good results of the first half of the year and barring any substantial deterioration in the macroeconomic context which would significantly affect the Company's results, Ascencio considers that it should be able to distribute a dividend for the current financial year that is at least in line with the previous financial year's.



2. PROPERTY EXPERTS' REPORT

2.1. PROPERTY EXPERTS

The quarterly valuation of the portfolio was entrusted to the following experts:

- Jones Lang LaSalle (Brussels), represented by Mr Roderick Scrivener MRICS;
- Cushman & Wakefield (Brussels), represented by Mr. Ardalan Azari;
- CBRE (Brussels), represented by Mr Pieter Paepen MRICS;
- Cushman & Wakefield (Neuilly-sur-Seine, France), represented by Ms Valérie Parmentier MRICS;
- Jones Lang LaSalle Expertises (Paris, France), represented by Mr Pierre-Jean Poli REV;
- CBRE (Paris, France), represented by Ms Béatrice Rousseau MRICS;
- Cushman & Wakefield (Madrid, Spain), represented by Mr Tony Loughran MRICS.

They will establish the fair value of Ascencio SA's assets on a quarterly basis until the end of the 2023/2024 financial year.

2.2. EXPERTS' REPORT



Brussels, 31 March 2023

Dear Sir, Dear Madam,

In accordance to the article 47 of the law of 12 May 2014 on the Belgian Real Estate Investment Trusts (SIR/GVV), you asked Jones Lang LaSalle, CBRE and Cushman & Wakefield to value the buildings situated in Belgium, France and Spain and belonging to the BE-REIT.

Our mission has been realized in complete independence.

In accordance with established practice, our mission has been realized based on the information communicated by Ascencio regarding rental condition, charges and taxes carried by the lessor, work to be realized, as well as all other elements that might influence the value of the buildings. We suppose this information to be exact and complete. As stated explicitly in our valuation reports, this does not include in any way the valuation of structural and technical quality of the building, nor an analysis of the presence of any harmful material. These elements are known by Ascencio, that manages its portfolio in a professional manner and carries a technical and juridical due diligence before the acquisition of each building.

Every building has been visited by the experts. They work with different software, such as Circle Investment Valuer, Argus Enterprise or Microsoft Excel.

The investment value can be defined as the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

The experts have adopted two different methods: the « Term and Reversion » method and the « Hardcore » method. Besides, they also did a control in terms of price per m².

According to the « Term and Reversion » method, the capitalization of the revenues considers the actual revenue until the end of the current contract, and then takes the estimated rental value in perpetuity. According to the « Hardcore » method, the estimated rental value is capitalized in perpetuity before looking at adjustments that consider surfaces that are rented below or above their rental value, void, etc.

The yield, used for both methods, represents the expected yield for investors for this kind of properties. It reflects the intrinsic risks of the good and the sector (future void, credit risk, maintenance obligations, etc.). To determine this yield, experts based themselves on the most comparable transactions and current transactions in their investment department.

When there are unusual factors or specific factors applicable to a property, corrections will be applied (important renovations, non-recoverable costs...).

The sale of a property is in theory subjected to transaction costs. This amount depends among others on the method of transfer, the type of buyer and the geographic location of the property. This amount is known once the sale is closed. In Belgium, as independent real estate experts we can admit that based on a representative sample of transactions in the market between 2002 and 2005 (and recently revised for the period 2013-2016), the weighted average of the costs (average of the transaction costs) was 2,5% (for goods with a net value superior to 2.500.000 EUR).

The Belgian properties are considered as a portfolio.

The transaction costs for buildings located in France is 1,8% when the building is less than 5 years old and between 6,9% and 7,5%, depending on the department, in all other cases.

Based on the remarks in previous paragraphs, we confirm that the **rounded investment value** of the real estate portfolio of Ascencio on 31 March 2023 amounts to :

776.815.000 EUR
(Seven hundred seventy-six million eight hundred fifteen thousand euro)

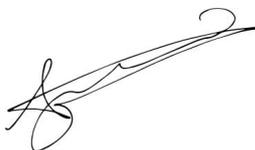
This amount takes into account the value attributed to the buildings valued by the companies CBRE, Jones Lang LaSalle and Cushman & Wakefield in the 3 countries where Ascencio is present.

After deduction of respectively 2,5% for buildings located in Belgium (average rate of transaction costs defined by the experts of the BE-REITS), 1,8%/6,9%-7,5% for building located in France and 2,9%/3,4%/3,9% for buildings located in Spain, as transaction cost on the investment value, we obtain a **rounded Fair Value** of Ascencio's real estate assets as of 31 March 2023 at :

744.187.000 EUR
(Seven hundred forty-four million one hundred eighty-seven thousand euro)

This amount takes into account the value attributed to the buildings valued by the companies CBRE, Jones Lang LaSalle and Cushman & Wakefield in the 3 countries where Ascencio is present.

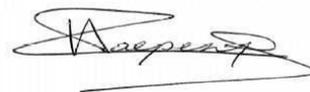
We stay at your entire disposition if any questions about the report would remain. In the meantime, we offer you our kind salutations.



Ardalan Azari
Partner
Cushman & Wakefield Belgium



Roderick Scrivener MRICS
Co-Head of Valuation
Jones Lang LaSalle Belgium



Pieter Paepen MRICS
Senior Director Valuation
CBRE Belgium



Valérie Parmentier MRICS
Directrice
Cushman & Wakefield France



Tony Loughran MRICS
Partner – Head of Valuation
Cushman & Wakefield Spain



Pierre-Jean Poli REV
Director
Jones Lang LaSalle France



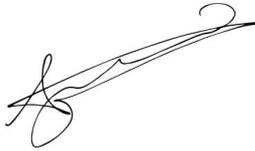
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Béatrice Rousseau MRICS
Director
CBRE France

Important: please read next page "Market conditions explanatory note: Conflict in Ukraine".

Opinion of Cushman & Wakefield

Cushman & Wakefield estimates, for its part of Ascencio's real estate portfolio valued at 31 March 2023, the investment value at 260.113.982 EUR and the fair value (transaction costs deducted) at 248.574.203 EUR.



Ardalan Azari
Partner
Cushman & Wakefield Belgium



Valérie Parmentier MRICS
Directrice
Cushman & Wakefield France



Tony Loughran MRICS
Partner – Head of Valuation
Cushman & Wakefield Spain

Opinion of Jones Lang LaSalle

Jones Lang LaSalle estimates, for its part of Ascencio's real estate portfolio valued at 31 March 2023, the investment value at 200.055.914 EUR and the fair value (transaction costs deducted) at 190.038.209 EUR.



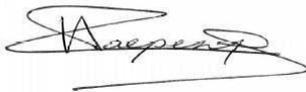
Roderick Scrivener MRICS
Co-Head of Valuation
Jones Lang LaSalle Belgium



Pierre-Jean Poli REV
Director
Jones Lang LaSalle France

Opinion of CBRE

CBRE estimates, for its part of Ascencio's real estate portfolio valued at 31 March 2023, the investment value at 316.645.000 EUR and the fair value (transaction costs deducted) at 305.575.000 EUR.



Pieter Paepen MRICS
Senior Director Valuation
CBRE Belgium



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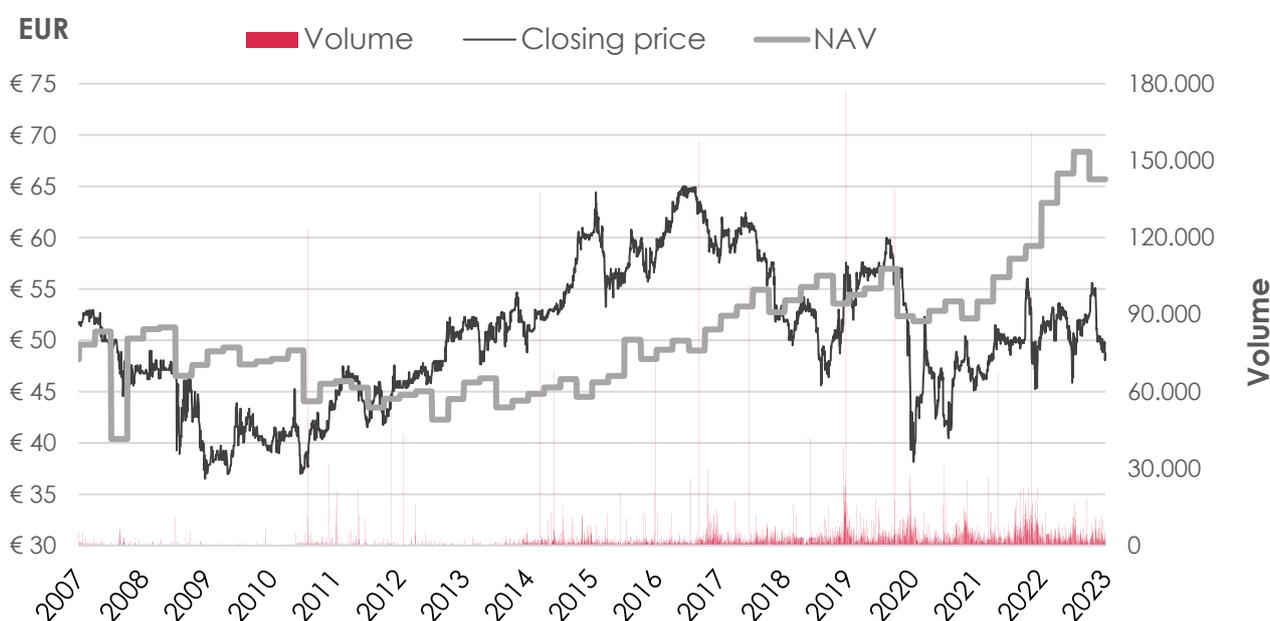
MARKET CONDITIONS EXPLANATORY NOTE: CONFLICT IN UKRAINE

Despite the initial recovery of the economy from the pandemic, Belgium is currently experiencing heightened uncertainty due to the wider global impacts from the war in Ukraine, with inflation having increased significantly. We have noticed in Belgium, as in other European countries, an increase in interest rates resulting in higher borrowing costs.

These factors are impacting on growth and consumer confidence. In recognition of the potential for market conditions to move rapidly in response to wider political and economic changes, we highlight the importance of the valuation date as it is important to understand the market context under which the valuation opinion was prepared.

3. ASCENCIO ON THE STOCK EXCHANGE

3.1. TRENDS IN CLOSING PRICE AND NET ASSET VALUE



Ascencio's stock is listed on the Brussels Euronext continuous market. It forms part of the BEL Mid Index². The Company informs that its mnemonic code ("ticker") on Euronext Brussels is "ASCE" (previously "ASC") since 13 February 2023.

Ascencio is also included in the FTSE EPRA NAREIT Developed Europe Real Estate Index.

At 31 March 2023, the stock price recorded at the close of the markets was €48.70 (compared with €50.70 at 30 September 2022). At that date Ascencio stock was thus trading at a 21.7% discount relative to its EPRA NTA.

3.2. DIVIDEND for the financial year 2021/2022

The General Meeting of 31 January 2023 approved the appropriation of profit as proposed by the Board of Directors. Consequently, the meeting resolved to allocate a gross dividend of €3.95 per share for the financial year ended 30 September 2022. This dividend (coupon No. 20) was paid on 9 February 2023.

3.3. SHAREHOLDING OF ASCENCIO SA

SHAREHOLDER	Number of shares	Percentage held
Carl, Eric, John Mestdagh en Fidagh SA	684,578	10.38%
AG Finance SA	344,671	5.22%
Free float	5,566,736	84.40%
TOTAL	6,595,985	100.00%

² The BEL Mid index is made up of stocks not included in the BEL20 index, having a higher free float market capitalisation than the level of the BEL20 index multiplied by €55,000 and a free-float velocity of at least 15%.

4. CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

4.1. CONSOLIDATED BALANCE SHEET AT 31 MARCH 2023

CONSOLIDATED BALANCE SHEET (€000S)	31/03/2023	30/09/2022
ASSET		
I NON-CURRENT ASSETS		
B Intangible assets	30	24
C Investment porperties	748,587	738,933
D Other tangible assets	41	35
E Non-current financial assets	28,659	31,514
TOTAL NON-CURRENT ASSETS	777,316	770,505
II CURRENT ASSETS		
B Current financial assets	1,331	885
D Trade receivables	3,087	4,956
E Tax receivables and other current assets	2,621	2,294
F Cash and cash equivalents	2,948	4,356
G Deferred charges and accrued income	5,224	317
TOTAL CURRENT ASSETS	15,210	12,807
TOTAL ASSETS	792,526	783,312

CONSOLIDATED BALANCE SHEET (€000S)		31/03/2023	30/09/2022
EQUITY			
I	EQUITY ATTRIBUTABLE TO THE SHAREHOLDERS OF THE PARENT COMPANY	433,195	437,011
A	Capital	38,659	38,659
B	Share premium account	253,353	253,353
C	Reserves	118,945	54,346
	b. Reserve for changes in fair value of properties	63,696	39,896
	c. Reserve for estimated transaction costs resulting from hypothetical disposal of investment properties	-9,923	-9,923
	e. Reserve for changes in fair value of authorised hedging instruments to which IFRS hedge accounting is not applied	29,697	-4,483
	m. Other reserves	35,475	28,856
D	Net result for the financial year	22,238	90,653
TOTAL EQUITY		433,195	437,011
LIABILITIES			
I	NON-CURRENT LIABILITIES	245,632	277,323
B	Non-current financial debts	236,374	268,677
	a. Credit institutions	196,531	209,355
	c. Other	35,500	55,500
	d. IFRS 16	4,343	3,822
C	Other non-current financial liabilities	2,821	2,476
F	Deferred tax liabilities	6,437	6,170
	b. Other	6,437	6,170
II	CURRENT LIABILITIES	113,700	68,978
B	Current financial debts	101,950	58,038
	a. Credit institutions	34,651	27,243
	c. Other	67,250	30,750
	d. IFRS 16	49	45
D	Trade debts and other current debts	5,465	8,045
	b. Other	5,465	8,045
F	Accrued charges and deferred income	6,284	2,894
TOTAL LIABILITIES		359,332	346,301
TOTAL EQUITY AND LIABILITIES		792,526	783,312

4.2. CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME AT 31 MARCH 2023

CONSOLIDATED NET RESULT (€000S)		31/03/2023	31/03/2022
I	Rental income	25,066	23,627
III	Rental-related charges	-155	413
NET RENTAL RESULT		24,911	24,040
IV	Recovery of property charges	469	341
V	Recovery of rental charges and taxes normally paid by tenants on let properties	6,416	5,713
VII	Rental charges and taxes normally paid by tenants on let properties	-6,460	-5,732
VIII	Other revenue and charges for letting	176	-99
PROPERTY RESULT		25,511	24,263
IX	Technical costs	-644	-445
X	Commercial costs	-202	-331
XI	Rental charges and taxes on unlet properties	-143	-321
XII	Property management costs	-1,268	-1,038
XIII	Other property charges	-55	-39
PROPERTY CHARGES		-2,312	-2,174
PROPERTY OPERATING RESULT		23,200	22,089
XIV	Corporate overheads	-2,326	-2,189
XV	Other operating income and charges	1	0
OPERATING RESULT BEFORE RESULT ON PORTFOLIO		20,875	19,900
XVI	Net gains and losses on disposals of investment properties	0	-159
XVIII	Changes in the fair value of investment properties	7,438	12,318
OPERATING RESULT		28,313	32,060
XX	Financial income	1,061	10
XXI	Net interest charges	-3,950	-2,950
XXII	Other financial charges	-332	-246
XXIII	Changes in fair value of financial assets and liabilities	-2,413	15,908
FINANCIAL RESULT		-5,635	12,722
PRE-TAX RESULT		22,678	44,782
XXV	Corporate tax	-440	-821
TAXES		-440	-821
NET RESULT		22,238	43,961
NET RESULT PER SHARE (€)		3.37	6.66

STATEMENT OF COMPREHENSIVE INCOME (€000S)		31/03/2023	31/03/2022
I	NET RESULT	22,238	43,961
II	OTHER COMPREHENSIVE INCOME RECYCLABLE UNDER THE INCOME STATEMENT	0	303
B.	Other comprehensive income of the year, net of tax	0	303
TOTAL COMPREHENSIVE INCOME OF THE YEAR		22,238	44,264



4.3 CONSOLIDATED CASH FLOW STATEMENT AT 31 MARCH 2023

CONSOLIDATED STATEMENT OF CASH FLOW (€000S)	31/03/2023	31/03/2022
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR	4,356	3,707
Net result for the financial year	22,238	43,961
Financial result	3,221	3,186
Net capital gains or losses realised on disposal of assets	0	159
Income tax expense (- tax income)	174	485
Income statement items without treasury impact	-4,611	-28,039
+/- Changes in the fair value of investment properties	-7,438	-12,318
+/- Change in non-current financial assets	-4	-5
+/- Change in non-current financial liabilities	2,413	-15,908
+/- Change in non-current deferred tax liabilities	266	336
+ Depreciation	12	17
+ Reductions in value	140	-161
Changes in working capital requirement	-2,522	-1,497
+/- Changes in trade receivables	1,728	3,913
+/- Changes in tax receivables and other current assets	-327	-435
+/- Changes in deferred charges and accrued income	-4,906	-4,379
+/- Changes in trade debts and other current debts	-2,407	-4,037
+/- Changes in accrued charges and deferred income	3,390	3,441
Taxes paid	-347	-397
NET CASH FLOW FROM OPERATING ACTIVITIES	18,153	17,858
- Projects in course of development	-1,043	-47
- Other investments	-619	-817
- Acquisition of intangible assets	-6	-64
- Acquisition of tangible assets	-18	-8
+ Disposals of investment properties	0	1,309
+ Disposals of financial liabilities	0	-447
NET CASH FLOW FROM INVESTMENT ACTIVITIES	-1,686	-74
Net change in financial liabilities	11,037	10,740
Reimbursement of financial debts IFRS 16	-28	0
Other changes in financial assets and liabilities	346	-162
Gross dividend paid	-26,054	-24,405
Finance charges paid	-3,176	-3,159
NET CASH FLOW FROM FINANCING ACTIVITIES	-17,875	-16,986
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	2,948	4,504

4.3. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AT 31 MARCH 2023

(€000S)	Reserves*						Result for the financial year	Total equity
	Capital	Share premium account	C.b.	C.c.	C.e.	C.m.		
BALANCE AT 30/09/2021	38,659	253,353	26,791	10,031	12,491	28,419	45,652	370,353
Distribution of dividends							-24,405	-24,405
Appropriation to reserves			9,835		5,704	5,708	-21,247	0
Net result							43,961	43,961
Other elements recognised in the global result				107				107
Reclassification of reserves			2,942		866	-3,808		0
Adjustment to reserves			303			0		303
BALANCE AT 31/03/2022	38,659	253,353	39,872	-9,924	-5,922	30,319	43,961	390,319
Distribution of dividends							0	0
Appropriation to reserves			25		-864	839	0	0
Net result							46,692	46,692
Reclassification of reserves			0		2,302	-2,302		0
BALANCE AT 30/09/2022	38,659	253,353	39,897	-9,924	-4,483	28,856	90,653	437,011

(€000S)	Reserves*						Result for the financial year	Total equity
	Capital	Share premium account	C.b.	C.c.	C.e.	C.m.		
BALANCE AT 30/09/2022	38,659	253,353	39,897	-9,924	-4,483	28,856	90,653	437,011
Distribution of dividends							-26,054	-26,054
Appropriation to reserves			23,800		38,135	2,665	-64,599	0
Net result							22,238	22,238
Reclassification of reserves			0		-3,955	3,955		0
BALANCE AT 31/03/2023	38,659	253,353	63,697	-9,924	29,696	35,476	22,238	433,195

* Reserves:

C.b.: Reserve for balance of changes in fair value of properties

C.c.: Reserve for estimated transfer costs and duties arising on hypothetical disposal of investment property

C.e.: Reserve for changes in fair value of authorised hedging instruments to which IFRS hedge accounting is not applied

C.m.: Other reserves

4.4. SEGMENT INFORMATION AT 31 MARCH 2023

The breakdown of the income statement by country is as follows:

(€000s)	Belgium		France		Spain		Total	
	31/03/2023	31/03/2022	31/03/2023	31/03/2022	31/03/2023	31/03/2022	31/03/2023	31/03/2022
Rental income	14,126	12,819	10,091	9,813	849	995	25,066	23,627
Rental-related charges	-34	-1	-121	429	0	-15	-155	413
NET RENTAL RESULT	14,092	12,818	9,971	10,242	849	980	24,911	24,040
Recovery of property charges	398	266	72	75	-1	0	469	341
Recovery of rental charges and taxes normally paid by tenants on let properties	3,608	2,968	2,713	2,619	94	126	6,416	5,713
Rental charges and taxes normally paid by tenants on let properties	-3,656	-2,977	-2,710	-2,631	-94	-124	-6,460	-5,732
Other revenue and rental-related charges	93	-99	82	0	0	0	176	-99
PROPERTY RESULT	14,536	12,977	10,128	10,305	848	982	25,511	24,263
Technical costs	-597	-385	-47	-60	0	0	-644	-445
Commercial costs	-150	-276	-52	-55	0	0	-202	-331
Rental charges and taxes on unlet properties	-76	-302	-16	-19	-51	0	-143	-321
Property management costs	-843	-700	-418	-338	-6	0	-1,268	-1,038
Other property charges	-48	0	-5	-39	-2	0	-55	-39
PROPERTY CHARGES	-1,715	-1,663	-539	-510	-58	0	-2,312	-2,174
PROPERTY OPERATING RESULT	12,821	11,313	9,589	9,794	789	982	23,200	22,089
Corporate overheads	-2,045	-1,936	-263	-219	-17	-34	-2,325	-2,189
OPERATING RESULT BEFORE RESULT ON PORTFOLIO	10,776	9,377	9,326	9,575	772	948	20,875	19,900
Net gains and losses on disposals of investment properties	0	-159	0	0	0	0	0	-159
Change in the fair value of investment properties	6,911	3,382	1,327	7,386	-800	1,550	7,438	12,318
OPERATING RESULT	17,687	12,601	10,653	16,961	-28	2,498	28,313	32,060
Financial income	1,061	10	0	0	0	0	1,061	10
Interest charges	-3,712	-2,664	-238	-286	0	0	-3,950	-2,950
Other financial charges	-303	-229	-28	-16	-1	0	-332	-246
Change in fair value of financial assets and liabilities	-2,413	15,908	0	0	0	0	-2,413	15,908
FINANCIAL RESULT	-5,368	13,025	-267	-303	-1	0	-5,635	12,722
RESULT BEFORE TAX	12,320	25,626	10,387	16,659	-28	2,498	22,678	44,782
Taxes	0	0	-440	-523	0	-298	-440	-821
NET RESULT	12,320	25,626	9,947	16,136	-28	2,199	22,238	43,961

This segmentation is consistent with the Group's organisation and the Company's internal reporting to management.

4.5. NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 General information and accounting methods

General information

Ascencio SA (hereinafter "Ascencio SA" or "the Company") is a Public Regulated Real Estate Company (*Société Immobilière Réglementée Publique* or "SIRP", hereinafter referred to in the English translation as a "public B-REIT" (Belgian real estate investment trust)) incorporated under Belgian law. Its financial year runs from 01st October to 30 September. The Company's condensed consolidated financial statements to 31 March 2023 cover the period from 01 October 2022 to 31 March 2023. They were approved by the Board of Directors of the statutory manager on 22 May 2023.

All amounts are expressed in thousands of euros unless otherwise stated.

Basis of preparation and accounting methods

The consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) and the interpretations of the International Financial Reporting Standards Interpretations Committee (IFRS IC, formerly IFRIC) as published and effective at 31 March 2023 and adopted by the European Union.

The consolidated financial statements have also been prepared in accordance with the provisions of the Royal Decree of 13 July 2014 as amended by the Royal Decree of 28 April 2018 on regulated property companies.

The bases of preparation and accounting methods are identical to those set out in the Annual Report for 2021/2022 (pages 167 to 174).

Valuation of investment properties and methods applied by the experts (Jones Lang LaSalle - Cushman & Wakefield - CBRE)

Given that the mandates of the independent property experts expired on 30 September 2021 and in accordance with the principle of rotating experts every three years to ensure their independence, Ascencio re-evaluated the appraisal structure of its portfolio and granted new mandates to the same companies, JLL, Cushman & Wakefield and CBRE, making sure that the persons responsible for the appraisals had been changed within these companies. The mandates with the experts JLL, Cushman & Wakefield and CBRE were concluded after 30 September 2021 for a period of three years and will therefore expire at the end of the portfolio valuation on 30 September 2024.

The valuation method applied by the property experts remains the same and is explained in detail on pages 118 to 120 of the Annual Report 2021/2022.

At 31 March 2023, the valuation of the buildings is not subject to "significant valuation uncertainty" as was the case at the time of the COVID-19 health crisis. However, the experts would like to point out that, given the current uncertainty in the macroeconomic and financial context, it is important to consider the date at which the valuations were made.

NOTE 2 Investment property

(€000s)	31/03/2023	30/09/2022
Properties available for rental	748,587	738,612
Development projects	0	320
BALANCE AT THE END OF THE FINANCIAL YEAR	748,587	738,933

Investment properties includes:

- properties available for rent, including rights of use on land held by the Company and recognised under IFRS 16 (see point 1 hereunder).
- development projects (see point 2 hereunder). Development projects are works in progress of an investment nature on various properties. Projects in course of development do not form part of the EPRA occupancy rate calculation.

1. Investment properties available for rent

(€000s)	31/03/2023	30/09/2022
BALANCE AT BEGINNING OF THE FINANCIAL YEAR	738,612	713,601
Investments	619	1,092
Transfer from the development projects account	1,364	0
Change in fair value	7,992	23,919
BALANCE AT THE END OF THE FINANCIAL YEAR	748,587	738,612

Changes in the fair value of investment properties available for rent reflect the investments and divestments made during the financial year as well as the change in fair value of the properties that has taken place during the period.

Investments and divestments during the financial year are described above in section 2.4. of the interim management report.

2. Development projects

(€000s)	31/03/2023	30/09/2022
BALANCE AT BEGINNING OF THE FINANCIAL YEAR	320	0
Investments	1,043	439
Transfer to investment properties	-1,364	0
Change in fair value	0	-119
BALANCE AT THE END OF THE FINANCIAL YEAR	0	320

The heading development projects recorded the investments made in the framework of the extension programme of the building housing the Intermarché food store in Ottignies. These works, which had begun in the previous financial year, continued during the past 6 months and were finally delivered and accepted in January 2023. Since acceptance has been given and the new lease with Intermarché has effectively started, the value of this project has been transferred to 'properties available for rent', where the rest of the fair value of the Ottignies building is. At 31 March 2023, there are no more ongoing renovation programmes that meet the criteria for development projects.

NOTE 3 Financial debts

(€000S)	31/03/2023	30/09/2022
Non-current financial debt	236,374	268,677
- Credit institutions	196,531	209,355
- Other	35,500	55,500
- IFRS 16	4,343	3,822
Current financial debt	101,950	58,038
- Credit institutions	34,651	27,243
- Other	67,250	30,750
- IFRS 16	49	45
TOTAL	338,324	326,716

The average cost of debt and the structure of financial debts are described above in point 2.3. of this report.

As mentioned above, Ascencio continued its refinancing programme during the past 6 months, with the extension of two bank credit lines for a total amount of €20 million.

At 31 March 2023, the breakdown of financial debt is 69% bank borrowing, 17% bond debt (including medium term notes) and 14% commercial paper debt. The Company, at this date, has €114.0 million in undrawn credit lines, compared with €109.0 million at 30 September 2022.

NOTE 4 Financial instruments

At 31 March 2023, 68.5% of the Company's debt was at floating rates (compared with 58.4% at 30 September 2022). In order to limit the interest rate risk associated with this type of financing, the Company has put in place an interest rate hedging policy.

At the date of this half-yearly financial report, hedging consisted of 33 Interest Rate Swap (IRS) contracts for a total notional amount of €463 million, of which €178 million were effective at 31 March 2023 and €285 million will be effective at a later date. (against respectively 38 contracts for a total amount of €533 million, of which €178 million effective at 30 September 2022).

Ascencio does not apply hedge accounting to the financial hedging instruments that it holds. Therefore, these instruments are considered as instruments held for trading under IFRS, and changes in their market value are directly and fully recognised in profit and loss.

The market value of derivative financial instruments is advised at each balance sheet date by the financial institutions from which these instruments have been acquired.

At 31 March 2023, taking into account these hedging instruments and the total fixed rate debt of €105.4 million, the Company's hedging ratio is 84.8% (compared with 95.5% at 30 September 2022).

4.6. STATUTORY AUDITOR'S REPORT

Report on review of the consolidated interim financial information of Ascencio SA at 31 March 2023

In the context of our appointment as the company's statutory auditor, we report to you on the consolidated interim financial information. This consolidated interim financial information comprises the consolidated condensed statement of financial position, the consolidated condensed income statement, the consolidated condensed statement of comprehensive income, the consolidated condensed statement of cash flows and the consolidated condensed statement of changes in equity for the period of six months then ended as at 31 March 2023, as well as selective notes 1 to 4.

Report on the consolidated interim financial information

We have reviewed the consolidated interim financial information of Ascencio SA ("the company") and its subsidiaries (jointly "the group"), prepared in accordance with International Financial Reporting Standard IAS 34 - Interim Financial Reporting as adopted by the European Union.

The consolidated condensed statement of financial position shows total assets of 792 526 (000) EUR and the consolidated condensed income statement shows a consolidated profit for the period then ended of 22 238 (000) EUR.

The manager of the company is responsible for the preparation and fair presentation of the consolidated interim financial information in accordance with IAS 34 - Interim Financial Reporting as adopted by the European Union. Our responsibility is to express a conclusion on this consolidated interim financial information based on our review.

Scope of review

We conducted our review of the consolidated interim financial information in accordance with International Standard on Review Engagements (ISRE) 2410 - Review of interim financial information performed by the independent auditor of the entity. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit performed in accordance with the International Standards on Auditing (ISA) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the consolidated interim financial information.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the consolidated interim financial information of Ascencio SA has not been prepared, in all material respects, in accordance with International Financial Reporting Standard IAS 34 - Interim Financial Reporting as adopted by the European Union.

Signed at Zaventem.

The statutory auditor

**Deloitte Bedrijfsrevisoren/Réviseurs
d'Entreprises BV/SRL**
Represented by Rik Neckebroeck

**Deloitte Bedrijfsrevisoren/Réviseurs
d'Entreprises BV/SRL**
Represented by Benjamin Henrion

5. DECLARATION BY RESPONSIBLE PERSONS

The board of directors³ of Ascencio SA hereby declares that to the best of its knowledge:

- the condensed financial statements, prepared in accordance with applicable accounting standards, give a true and fair view of the assets, financial position and results of the Company and of the companies included in the consolidation;
- the interim management report contains a true account of the significant events and main transactions between related parties that have taken place in the first six months of the financial year and their effect on the condensed statements, as well as a description of the main risks and uncertainties for the remaining months of the financial year.

6. INFORMATION ON FORWARD-LOOKING STATEMENTS

This interim financial report contains forward-looking information based on the Company's estimates and projections and its reasonable expectations in respect of external events and factors. By its very nature, such forward-looking information carries with it risks and uncertainties that could lead to results, the financial situation, performance and actual achievements diverging. Given these factors of uncertainty, statements about the future cannot be guaranteed.

7. FINANCIAL CALENDAR

Interim statement at 30 June 2023	17 August 2023 (5.40 p.m.)
Press release on annual results at 30 September 2023	23 November 2023 (5.40 p.m.)
Ordinary General Meeting of Shareholders	31 January 2024 (2.30 p.m.)

8. FACT SHEET

Company name	Ascencio SA
Status	Public Regulated Real Estate Company (SIRP) ("B-REIT")
Address	Avenue Jean Mermoz 1 Building H Box 4 6041 Gosselies, Belgium
Telephone	+32 (71) 91 95 00
E-mail	info@ascencio.be
Website	www.ascencio.be
Company Register:	Charleroi
Company number	BE 0881 334 476
Date of foundation	10 May 2006
Approval as a SIR (real estate investment fund).	28 October 2014
Duration	Indefinite
Statutory Auditor	DELOITTE Réviseurs d'entreprise Represented by Rik Neckebroeck
Property experts	Jones Lang Lasalle Cushman & Wakefield CBRE
Closing of the financial year	30 September
Share capital	€39,575,910
Number of shares	6,595,985
Listing	Euronext Brussels
Fair value of the property portfolio	€749 million
Number of properties	104
Type of properties	Out-of-town retail parks, food supermarkets and others

³ Ascencio SA, Avenue Jean Mermoz 1 box 4, 6041 Gosselies, company number BE 0881.160.173

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ABOUT ASCENCIO

Ascencio SA is a company incorporated under Belgian law, specialising in commercial property investments, and more specifically, supermarkets and retail parks.

The Company is present in Belgium, France and Spain, respectively under the status of SIR, SIIC and SOCIMI.

With its multidisciplinary team, it manages its assets and its relations with its tenant-retailers in a responsible manner, particularly with regard to sustainability.

The fair value of its portfolio amounts to approximately €750 million spread over 104 properties and generating rental income of around €50 million per year.

Ascencio SA is listed on Euronext Brussels. Its market capitalisation is €320 million at 31 March 2023.

For more information, please visit www.ascencio.be.

This interim report is also available in Dutch and English, but only the French version of the document has full force and effect. The Dutch and English versions are free translations, prepared under the responsibility of Ascencio.

RECONCILIATION OF ALTERNATIVE PERFORMANCE MEASURES (APMS)

Following the coming into force of the European Securities and Markets Authority (ESMA) guidelines on Alternative Performance Measures (APMs), the APMs used in this press release are identified by a footnote.

The definition of the APMs and the use made of them can be found at the end of the 2021/2022 Annual Report, which is available on Ascencio's website (www.ascencio.be).

Operating margin

		31/03/2023	31/03/2022
Operating result before result on portfolio (€000S)	= A	20,875	19,900
Rental income (€000S)	= B	25,066	23,627
OPERATING MARGIN	= A / B	83.3%	84.2%

Average cost of debt

		31/03/2023	31/03/2022
Financial income (heading XX) (€000S)		-1,061	0
Net interest charges (heading XXI) (€000S)		3,950	2,950
Interests on lease debt (IFRS 16) (€000S)		-77	-83
Commissions on undrawn balances under credit facilities		255	191
Opening commission and charges for credit facilities		42	22
TOTAL COST OF FINANCIAL DEBTS	= A	3,109	3,080
WEIGHTED AVERAGE DEBT FOR THE PERIOD	= B	326,636	333,546
AVERAGE COST OF DEBT	= A*2 / B	1.90%	1.85%

Hedging ratio

(€000S)		31/03/2023	30/09/2022
Fixed-rate financial debts		105,364	130,720
Financial debts converted into fixed-rate debts by means of IRS		178,000	178,000
TOTAL FIXED RATE OR CAPPED FINANCIAL DEBTS	= A	283,364	308,720
TOTAL VARIABLE RATE FINANCIAL DEBTS		50,847	14,395
TOTAL FINANCIAL DEBTS	= B	334,211	323,115
HEDGING RATIO	= A / B	84.8%	95.5%

EPRA

EPRA (the European Public Real Estate Association) is the voice of Europe's publicly traded real estate sector, representing more than 280 members and over €790 billion in assets.

EPRA publishes recommendations for defining the main performance indicators applicable to listed real estate companies. These recommendations are contained in the report "EPRA Reporting: Best Practices Recommendations Guidelines ("EPRA BPR"). This report is available on the EPRA website (www.epra.com).

Ascencio subscribes to this move to standardise reporting with a view to improving the quality and comparability of information for investors.

EPRA PERFORMANCE INDICATORS

		31/03/2023	31/03/2022
EPRA Earnings (€000S)		17,480	16,220
EPRA Earnings per share (euros)	Earnings from operational activities.	2.65	2.46
EPRA Cost Ratio (including direct vacancy costs)	Administrative & operating costs (including costs of direct vacancy) divided by gross rental income.	16.7%	15.8%
EPRA Cost Ratio (excluding direct vacancy costs)	Administrative & operating costs (excluding costs of direct vacancy) divided by gross rental income.	16.2%	14.4%
		31/03/2023	30/09/2022
EPRA NRV (€000S)		442,745	443,699
EPRA NRV per share (euros)	The EPRA NRV assumes that entities never sell assets and provide an estimation of the value required to rebuild the entity.	67.12	67.27
EPRA NTA (€000S)		410,118	411,254
EPRA NTA per share (euros)	The EPRA NTA assumes that entities buy and sell assets, thereby crystallising certain levels of unavoidable deferred tax.	62.18	62.35
EPRA NDV (€000S)		439,409	438,708
EPRA NDV per share (euros)	The EPRA NDV represents the value accruing to the Company's shareholders under an asset disposal scenario, resulting in the settlement of deferred taxes, the liquidation of financial instruments and the recognition of other liabilities for their maximum amount, net of any resulting tax.	66.62	66.51
EPRA Net Initial Yield (NIY)	Annualised rental income based on the cash rents passing at the balance sheet date, less non-recoverable property operating expenses, divided by the market value of the property, increased with (estimated) purchaser's costs.	6.4%	6.1%
EPRA Topped-up NIY	This measure incorporates an adjustment to the EPRA NIY in respect of the expiration of rent-free periods or other unexpired lease incentives such as discounted rent periods and step rents.	6.5%	6.1%
EPRA Vacancy Rate	Estimated Market Rental Value (ERV) of vacant space divided by ERV of the whole portfolio.	2.8%	3.5%
EPRA LTV	The EPRA LTV aims to represent the Company's indebtedness compared to the market value of its assets.	45.3%	44.4%