

Xior announces the agreement concerning the acquisition of 32.36% of the shares of Quares Student Housing as well as its intention to launch a voluntary public tender offer for the remaining shares of Quares Student Housing

Belgian market leaders have the intention to join forces, creating the largest Belgian student housing platform: win-win for the student and the shareholder

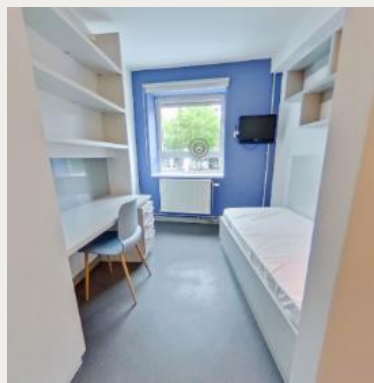
Growth expected EPRA earnings 2022 to increase from 10% to 15%



Xior announces the agreement concerning the acquisition of 32.36% of the shares of Quares Student Housing as well as its intention to launch a public tender offer for Quares Student Housing

- Intention to acquire an extensive up and running portfolio with development pipeline
- Reference shareholders (32.36%) have entered into an agreement to sell their shares in Quares Student Housing to Xior
- In case the public tender offer concerning the acquisition of Quares Student Housing is successful:
 - Total investment value of approx. 155.8 MEUR with an expected initial yield in line with the current valuation of the portfolio in Belgium
 - Creation of Belgium's largest student accommodation platform
 - Total value of Belgian portfolio will increase by more than 25%
 - Positive impact on earnings & operational margin through direct savings and economies of scale
 - EPRA earnings forecast for 2022 increases from 10% to 15%

Xior Student Housing NV ("**Xior**") and Quares Student Housing NV ("**Quares Student Housing**"), Belgian market leaders specialised in student housing, are joining forces. Xior has the intention to launch a voluntary public tender offer for all remaining shares of Quares Student Housing (being 67.64%). If this planned public tender offer is successful, this strategic takeover will make Xior the ultimate market leader specialised in student housing in Belgium.



Christian Teunissen, CEO Xior: "We continue to strongly believe in our home market and are delighted to have the opportunity to grow by as much as a quarter in Belgium's top student cities. This strategic transaction is a unique opportunity to combine the strengths of two of the largest professional players and to create an even more powerful, profitable and professional platform from this synergy. Through the planned takeover of the Quares Student Housing portfolio, we are further expanding our range of high-quality rooms, always with the vision and commitment to unburden students and their parents and offer them the ideal place to live, study and relax. In short, a transaction with many advantages for both the student and the shareholder."

Herman Du Bois, CEO Quares Student Housing: *“The plan to bring together the teams of Quares Student Housing and Xior will result in a further improvement of our service to national and international students and makes us stronger in meeting the challenge of the growing shortage of affordable, high-quality student rooms in Belgium. Creating a second home for our students deserves the necessary attention and a professional framework. That is precisely what Xior and Quares Student Housing stand for.”*

1. Key details of this transaction:

Quares Student Housing currently has an extensive up and running portfolio of 1,107 rooms in Belgium's main student cities: Antwerp, Brussels, Ghent and Liège, along with two committed development projects in Brussels with a total of 181 units and a potential pipeline. The total investment value of this portfolio is 155.8 MEUR with an expected initial yield in line with the current valuation of the portfolio in Belgium.

The planned acquisition of operational assets which generate rental income from day one, together with the immediate savings and economies of scale from combining the management of both portfolios, will have an immediate positive impact on the earnings for shareholders and on Xior's operating margin. The growth in expected EPRA earnings will further increase from 10% to no less than 15% for the financial year 2022 if the planned acquisition can proceed.

Through this takeover intention, two market leaders join forces, creating the largest Belgian platform for student accommodation. The value of Xior's total Belgian portfolio will increase by more than 25% and the number of lettable units rises by no less than 30%, an immediate win-win, also for the students, given the pressing shortage of quality student accommodation in Belgium.

The reference shareholders (who represent 32.36% of the total shares in Quares Student Housing), have entered into a binding agreement with Xior to sell all their shares in Quares Student housing, subject to a number of suspensive conditions. These shareholders are KBC Asset Management, the Costermans family, Argenta Insurances and the Essers family. It is the intention that after the public offer, the remaining shareholders will be obliged to sell their shares, as laid down in Article 8 of the Articles of Association of Quares Student Housing (as soon as the conditions for this are fulfilled), as a result of which Xior will be able to acquire 100% of the Quares Student Housing shares.

For more information regarding the details of the public tender offer, reference is made to the prospectus that will be published by Xior (subject to approval by the FSMA) and the memorandum of reply that will be published by the sole director of Quares Student Housing regarding the public offer. Both documents can be consulted on the Xior website (<https://www.xior.be/en/investor/investor-relations>).

2. Portfolio of Quares Student Housing

Quares Student Housing, founded in 2013, currently owns 29 operational student residences: 5 in Brussels, 19 in Antwerp, 4 in Ghent and 1 in Liège. These are operated under the brand names “Room to Bloom” and “Quares Student Housing”. This stands for a total of 1,107 lettable units with a current occupancy rate of more than 99 % and with an expected revenue flow of 6,4 MEUR for the academic year 2021-2022 and 6,7 MEUR for the academic year 2022-2023. The shareholders of Quares Student Housing also guarantee a collection guarantee of respectively 10% with regard to current academic year 2021-2022 and for the following academic year a collection and rental guarantee of 100% on the above budgeted rental income. If and to the extent that there is no need to call on these guarantees, shareholders will be entitled to a price supplement (see section 5 of this press release for more details). Next to these operational assets, two committed projects in Brussels are also taken over, namely Brouck'R and Dansaert, with a total of 181 units. Quares Student Housing also has a potential additional uncommitted pipeline.

Quares Student Housing also has some running long-term contracts in Brussels for the Zavelput 20 and Bisschofsheimlaan 38 residences with BRIK and for the Méridien and Ommegang residences with Université Saint-Louis Brussels.

Like Xior, Quares Student Housing also provides an answer to the need for affordable housing from recent graduates by renting out part of its rooms to young professionals (approx. 5%).

Portfolio Quares Student Housing

City	Operational rooms
Antwerp	364
Brussels	267
Ghent	330
Liège	146
Total	1.107

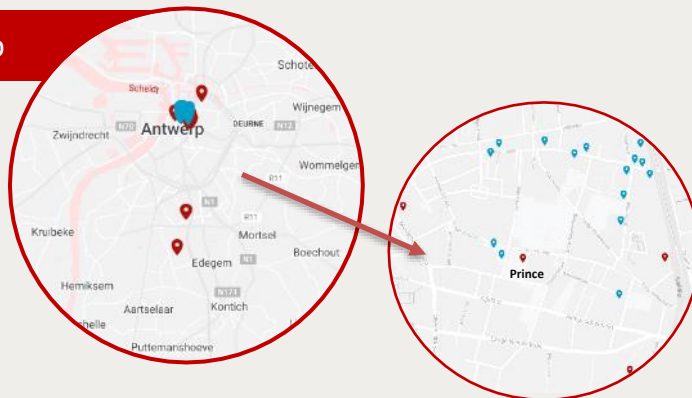



For more information about Quares Student Housing see the website <https://www.qshsf.be/>.


3. Impact of this planned milestone transaction on Xior

Quares Student Housing's portfolio is the perfect addition to Xior's current offering and is completely in line with Xior's growth strategy as a pure player in student housing. Xior is already the largest provider of student accommodation in Belgium, and with this planned acquisition, the company solidifies its leading position in the Belgian market even more. Specifically, this means a total of more than 6,000 rooms, of which approximately 1,200 will be completed within two years. If this planned acquisition can proceed, the value of Xior's total Belgian portfolio will increase by more than 25% and the number of lettable units will rise by no less than 30%, an immediate win-win, also for the student given the growing shortage of quality student housing in Belgium.

Antwerp



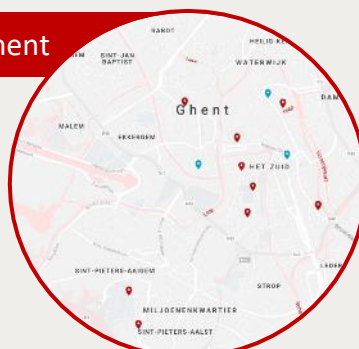
 Xior locations

 Quares Student Housing locations

Brussels



Ghent



Liège



The acquired units can be easily integrated into Xior's operational platform, resulting in considerable economies of scale and a positive impact on the operational margin in Belgium. In addition, the portfolio offers an interesting mix of operational and to be developed projects, which will, if the planned acquisition proceeds, immediately generate additional rental income resulting in expected EPRA earnings for 2022 which will be 5% higher than previously announced. In short, if the planned acquisition can proceed, the expected EPRA earnings for 2022 will be 15% higher than the expected EPRA earnings in 2021.

After this transaction (if it can proceed), the pro forma debt ratio will increase to 53.5%.

XIOR + QUARES STUDENT HOUSING

Number of operational units	Antwerp	995
	Brussels	1.239
	Ghent	988
	Hasselt	193
	Leuven	1.016
	Liege	378
	Names	-
	Total	4.809
Number of units in pipeline	Belgium	1.211
Total incl. pipeline	Belgium	6.020

4. The Belgian student market

Belgium has a total of 450,000 students and 30,000 PhD students, numbers that continue to grow annually, particularly in Flanders (+1.5%) and in Brussels/Wallonia (+2.25%). It is expected that by 2030, there will be an additional 134,000 students, split into a mix of national (74,000) and international students (60,000). As a result, by 2030, Belgium will need 95,000 additional student rooms, a shortage which was already demonstrated by the enormous surge in demand and applications this academic year.

This current academic year, the rental season started a month earlier in nearly all cities, and higher retention rates were observed, which, combined with a higher number of applications, resulted in much earlier full occupancy and an unprecedented rush for the last available rooms. In short, the Belgian student housing market is characterised by an growing shortage of student rooms.

5. Voluntary public tender offer

Xior has the intention to launch a voluntary public tender offer on the shares of Quares Student Housing as well as on all convertible bonds issued by Quares Student Housing in accordance with the terms of issue as set out in the information memorandum dated 3 October 2020. The launch of this offer, the publication of the prospectus and the detailed timeline will be communicated as soon as possible.

Key details of the intended tender offer ¹

- Offer Price: EUR 19,984 per share for all shares of Quares Student Housing (including the shares to be issued as a result of the aforementioned convertible bonds that have expressed the wish to be converted)
- In addition to the aforementioned offer price per share, two price supplements are offered, respectively amounting to EUR 177 per share (under the collection guarantee for academic year

¹ Subject to the approval of the prospectus by the FSMA.

2021-2022, to be paid pro rata) and EUR 925 per share (under the collection and rental guarantee for academic year 2022-2023, to be paid pro rata), whereby these amounts will temporarily be placed in an escrow account to cover the collection and rental guarantees and to the extent that there is no need to call upon such collection and rental guarantees, shall be paid to the shareholders

- In addition, a preferential distribution is due from the transferors of the shares to Quares Reim SH, sole director of Quares Student Housing.
- Investment value of the portfolio: MEUR 155.8
- Reference shareholders: KBC Asset Management, the Costermans family, Argenta Insurances and the Essers family (32.36%) have concluded an agreement to sell their shares of Quares Student Housing to Xior
- It is the intention that, following the public offer, the obligation to follow and sell the shares (“*volgplicht*”), as laid down in Article 8 of the Articles of Association of Quares Student Housing will be exercised (as soon as the conditions to do so are fulfilled) allowing Xior to acquire 100% of the shares of Quares Student Housing
- The offer is subject to the following conditions:
 - Xior has received valid acceptance forms following the offer for at least 641 of the shares in Quares Student Housing;
 - Through the acceptance forms submitted in the context of the public offer, shareholders of Quares Student Housing holding at least 641 of the shares in Quares Student Housing will have given their consent to the imposition of the follow-on obligation (“*volgplicht*”) (as well as the reference shareholders, holding 1,170 of the shares in Quares Student Housing). On the understanding that upon acceptance of the public offer, one has the possibility but not the obligation to exercise the follow-on obligation;
 - during the period prior to the date of the announcement of the results of the public tender offer, no material negative change occurs, which means one or more of the following situations: (i) a decrease of the consolidated net rental income (on an annual basis) of Quares Student Housing of at least 20% (compared to the consolidated net rental income (on an annual basis) of Quares Student Housing at the end of the academic year 2020-2021) based on the information to be provided by Quares Student Housing, (as determined by an independent expert), or (ii) an increase in the long-term rate of the 5-year OLO of at least 300 basis points compared to the long-term rate of the 5-year OLO on the day preceding the notice of the public offer (i.e. - 0.46) or (iii) a decrease in the closing price of the BEL20 index of more than 20% compared to the closing price of the BEL20 index on the day preceding the notice of the public offer in accordance with article 5 of the Public Tender Offer Decree (i.e. 4,152.40 points on 7 October 2021). If Xior does not decide to withdraw the public offer at a time when the closing price of the BEL20 index falls below 3,321.76 points and if this closing price subsequently rises again above this level, Xior will no longer be able to invoke this earlier and temporary fall in the BEL20 index. Any decision by Xior to maintain the public offer during a period in which the closing price of the BEL20 index has temporarily fallen below 3,321.76 points is without prejudice to the right of Xior to invoke the condition and withdraw the public offer in the event that, after a recovery, the closing price of the BEL20 index falls again below 3,321.76 points;
 - a special general meeting of Quares Student Housing has taken place which will (i) approve the authorisation of the sole director of Quares Student Housing (being Quares REIM SH NV) to exercise the follow-on obligation (“*volgplicht*”) in accordance with Article 8.2 of the Articles of Association of Quares Student Housing and (ii) approve all other decisions that will be placed on the agenda of this special general meeting; and
 - there is no temporary or definitive order or judgement by a court or a governmental authority that has jurisdiction over a party in the preceding transfer of shares of the

aforementioned reference shareholders, which is intended to prohibit or substantially limit the completion of the transaction based on that same transfer.

For more information on the details of the voluntary tender offer, reference is made to the notice published by the FSMA on 11 October 2021. More information on the voluntary public tender offer will also be available in the prospectus to be published by Xior (which will be subject to prior approval by the FSMA) and in the memorandum in reply to be published by the sole director of Quares Student Housing regarding the offer. Both documents will be able to be consulted on Xior's website (<https://www.xior.be/en/investor/investor-relations>).

Advisors

The companies have appointed the following advisors: ING for Xior and KBC Securities for Quares Student Housing.

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About Xior Student Housing

Xior Student Housing NV is the first Belgian public regulated real estate company (RREC) specialising in the student housing segment in Belgium, the Netherlands, Spain and Portugal. Within this property segment, Xior Student Housing offers a variety of accommodation, ranging from rooms with shared facilities to en-suite rooms and fully equipped studios. Since 2007, as owner-operator, Xior Student Housing has built high-quality, reliable student accommodation for students looking for the ideal place to study, live and relax. A place with that little bit extra, where every student immediately feels at home.

Xior Student Housing has been accredited as a public RREC under Belgian law since 24 November 2015. Xior Student Housing's shares have been listed on Euronext Brussels (XIOR) since 11 December 2015. On 30 June 2021, Xior Student Housing held a property portfolio worth approximately EUR 1.602 billion. More information is available at www.xior.be.

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