

Publication of Half-Yearly Financial Report (from 1 January to 30 June 2022) and update Basecamp transaction

Strong results in first half year with confirmation of EPS guidance
High pricing power drives rental figures
Xior fully ready to integrate Basecamp



Half-year results: strong demand and debt ratio under control

- **Debt ratio** as at 30 June 2022 (47.95%) stays well below 50%, with the strategy of keeping it under 50% given the current uncertain macro-economic environment
- **Positive revaluation of the portfolio** by 146 MEUR as a result of rising market rents and improving market yields
- **EPRA NAV per share rises to 43.49 EUR compared to 38.63 EUR** on 31/12/2021 (+ 12.6 %)
- Strong demand for student rooms leads to **lightning-fast rentals and higher rental income**
- **Financing largely hedged against interest rate increases for c. 6 years**
- **Occupancy rate** remains high and stable at 98%
- The portfolio increases to more than **2.2 billion EUR** and will grow further to **3.8 billion EUR** (> 27,000 lettable student units) after Basecamp transaction and realisation of pipeline

Update and adjusted terms Basecamp transaction

- **Adjusted terms capital increase and possible capital markets placement:**
 - **Issue price of new shares fixed at 44.00 EUR per share**
 - **Total amount of capital increase in kind fixed at c. 287 MEUR** through full contribution of developments (excl. cost to come of c. 67 MEUR)
 - If a capital markets placement were to take place, Aloxe NV has once again the intention to participate as a buyer in this private placement of new shares
- Agreement of intent concerning the possible contribution of Aachen Blue Gate (September 2023) entirely or partly in **cash**
- **Confirmation increase of EPRA earnings per share 2022 to 2.07 EUR** (increase by 15% compared to 2021)
- **Dividend forecast 2022 1.66 EUR per share** (increase by 15% compared to 2021)
- **Expected debt ratio remains below 50% after acquisition Basecamp**

1. Key figures H1 2022

- H1 2022 result fully in line with expectations
- EPRA earnings – group share 0.88 EUR per share¹ (0.95 EUR after IFRIC 21 adjustment)
- EPRA earnings – group share of 26,736 KEUR, an increase of 42% compared to H1 2021 (18,765 KEUR after IFRIC 21 adjustment)
- **Net rental result rises** to 49,782 KEUR, an increase of 42% compared to H1 2021. Strong demand for student rooms leads to **lightning-fast rental activity and higher rental income** (in line with current inflation)
- **Positive revaluation of the fully yielding portfolio** by 146 MEUR (+7.3% compared to 31/12/2021). This is the result of rising rental income due to passing through inflation and improvement in market yields. In addition new markets Xior invested in over the recent years have become more mature and liquid, leading to tightening market yields
- EPRA NAV/share² (part of the group) rises to 43.49 EUR compared to 38.63 EUR on 31/12/2021 (+12.6%)
- EPRA NTA/share increases by 12.7% to 42.72 EUR compared to 37.92 EUR on 31/12/2021
- **Debt ratio** of 47.95% compared to 47.58% on 31/12/2021 **remains well below 50%**. Given the current uncertain macro-economic environment, Xior announces its strategy to keep the debt ratio below 50% as it implements its growth plan
- **Occupancy rate** of 98% for H1 2022 remains **high and stable** (98% for the full year 2021).
- The real estate portfolio increases to 2,215 MEUR, with 13,992 lettable student units. If the full committed pipeline is realised and after the acquisition of Basecamp, the **portfolio will rise to c. 3,800 MEUR**, with c. 27,000 lettable student units

2. Basecamp transaction

Adjusted terms of the capital increase and of the possible placement:

- **The issue price of the new shares** that will be issued in September or October 2022 **will be set at a fixed price of 44.00 EUR per share**. The issue price is thus locked in and is no longer subject to stock price fluctuations prior to issuance.
- **Total amount of the planned capital increase through contribution in kind in September or October 2022 is set at c. 287 MEUR** through the full contribution of the ongoing developments of Malmö and Aarhus (excl cost to come of c. 67 MEUR).
- Sellers will, during the first six months, only be entitled to sell these shares via one or several private placements or distribute them to their “long” investors. If a capital markets placement were to take place, the reference shareholder of Xior, Aloxe NV, has once again the intention to participate as a buyer in this possible private placement of the new shares.

For **Aachen BlueGate** there is an agreement of intent (subject to conditions) for the acquisition of this residence and this agreement also includes the possibility to complete the acquisition partly or entirely in cash.

The **EPRA earnings forecast** per share for 2022 upon completion of the Basecamp transaction increases from 2.00 EUR to 2.07 EUR, resulting in a 2021-2022 earnings per share growth of 15%. The EPRA earnings forecast for 2023 rises from 2.20 EUR to 2.38 EUR per share, resulting in a 2022-2023 earnings per share growth of 15%. The 2022 dividend forecast then increases to 1.66 EUR per share (an increase of 15%)

¹ Figures per share are calculated on the basis of the weighted average number of shares taking into account the dividend entitlement of the shares concerned, unless otherwise indicated.

² Based on the number of outstanding shares.

compared to 2021, or an increase of 4% compared to the previously announced 2022 earnings forecast without the Basecamp transaction).

Expected debt ratio **will remain below 50%** after completion of the Basecamp transaction.

3. Xior keeps debt ratio under control in uncertain macro-economic environment

Debt ratio of 47.95% at 30 June 2022, remaining well below 50%. Xior announces its strategy to keep the debt ratio **below 50%** when further implementing the growth plan. The expected debt ratio after the completion of the Basecamp acquisition will also remain below 50%.

The **decrease in the current debt ratio** is the result of the positive revaluation of the portfolio with an amount of 146 MEUR, on the one hand the result of increasing rental income as an outcome of passed-on inflation and yield compression. In addition new markets Xior invested in over recent years have become more mature and liquid, leading to tightening market yields

With the further implementation of the growth plan and development pipeline, Xior strategy is to **keep the debt ratio below 50% in an operational manner**, without having to rely on extensive capital market transactions. This will be achieved, among other things, by:

- 1) Portfolio optimisation: during the first half of this year, a programme was initiated to strategically review the portfolio and sell the least efficient and least sustainable buildings, which again creates room for sustainable growth
- 2) Investing in transactions with contribution in kind where the selling party steps into the capital of Xior and remains a long term shareholder

In addition, Xior is significantly **protected against a rising interest rate environment** by the long-term hedging of its existing debt position, whereby as of 30 June 2022, 87% of the loans are hedged for a period of 5.7 years. Since these hedges do not take place at the level of individual loans but for a longer term than the underlying loans, the maturity of individual loans does not result in an additional interest rate risk.

4. Increasing demand leads to lightning-fast rental with practically full occupancy






- Just like last year, the past six months saw a **massive search for rooms** in all four countries where Xior operates.
- In early March, again earlier than usual, the rental teams already received a large number of applications and several cities were rented out in record time, with **higher retention rates** experienced again (up to 80%).
- The rising student population and existing shortages are causing an **increased rush for rooms** which has a **positive impact on Xior's pricing power**. Thanks to the short-term nature of student contracts, rising inflation can be absorbed more quickly.
- In all cities, the **current letting rate** is **higher** than at the same time last year: c. 99% in the Netherlands (compared to 99% in 2021), c. 95% in Belgium (compared to 93%), c. 87% in Spain (compared to 82% in 2021) and c. 100% in Portugal (compared to 76% in 2021). Many cities are already fully let and the last rooms are also currently being let rapidly.
- These figures show that the **implemented rent increases** in response to rising inflation have no effect on the demand for student rooms. In addition, the costs of utilities are also largely **covered against inflation**.

- **Rental income is maximised** without losing sight of affordability. Xior always aims for a healthy mix of rooms in different price categories.

Publication of Half-Yearly Financial Report

For more information, please refer to the Half-Yearly Financial Report for H1 2022 published today and available on the Xior website ([Dutch](#) & [English](#)).

Key figures H1 2022

| Consolidated income statement | amounts in KEUR | 30/06/2022 | 30/06/2021 |
|---|-----------------|---------------|---------------|
| Net rental result | | 49,782 | 35,153 |
| Property result | | 46,878 | 33,907 |
| Operating result before result on portfolio | | 31,978 | 23,224 |
| Financial result (excl. variations in the fair value of financial assets and liabilities) | | -5,259 | -4,412 |
| EPRA earnings  | | 25,324 | 17,510 |
| EPRA earnings after IFRIC 21 adjustment  | | 27,380 | 19,067 |
| EPRA earnings – group share  | | 24,680 | 17,208 |
| EPRA earnings – group share – after IFRIC 21 adjustment  | | 26,736 | 18,765 |
| Result on the portfolio (IAS 40)  | | 145,683 | -2,676 |
| Revaluation of financial instruments (ineffective interest rate hedges) | | 47,178 | 6,664 |
| Share of result of joint ventures | | 263 | 174 |
| Deferred taxes | | -15,230 | -539 |
| Net result (IFRS) | | 203,218 | 21,132 |
| Number of lettable student units | | 13,992 | 11,466 |






| Consolidated balance sheet | amounts in KEUR | 30/06/2022 | 31/12/2021 |
|--|-----------------|------------|------------|
| Equity | | 1,182,444 | 1,003,852 |
| Equity – group share | | 1,161,548 | 984,436 |
| Fair value of the real estate property ³ | | 2,215,197 | 1,967,056 |
| Debt ratio (Act on Regulated Real Estate Companies) ⁴ | | 47.95% | 47.58% |

³ Fair Value of the investment properties is the investment value as determined by an independent real estate expert, from which the transaction costs (cf. BE-REIT Association press release of 10 November 2016) have been deducted. The Fair Value corresponds to the book value under IFRS.

⁴ Calculated according to the R.D. of 13 July 2014 in implementation of the Law of 12 May 2014 on Regulated Real Estate Companies.

Antwerp, Belgium – 5 August 2022 – Embargo until 7.00 a.m. (CET)

Regulated information
Insider information

| Key figures per share | amounts in EUR | 30/06/2022 | 30/06/2021 |
|---|----------------|------------|------------|
| Number of shares | | 28,011,322 | 25,255,729 |
| Weighted average number of shares ⁵ | | 28,011,322 | 23,683,028 |
| EPRA earnings per share (based on weighted average number of shares)  | | 0.90 | 0.74 |
| EPRA earnings per share – after IFRIC 21 adjustment  | | 0.98 | 0.81 |
| EPRA earnings per share – group share  | | 0.88 | 0.73 |
| EPRA earnings per share – group share – after IFRIC 21 adjustment  | | 0.95 | 0.79 |
| Result on portfolio per share (IAS 40) (based on weighted average number of shares)  | | 5.20 | -0.11 |
| Revaluation of financial assets and liabilities per share (based on weighted average number of shares) | | 1.69 | 0.28 |
| Net result per share (IFRS) (based on weighted average number of shares) | | 7.25 | 0.89 |
| Closing price of the share | | 41.55 | 50,80 |
| Net asset value per share (IFRS) (based on the number of outstanding shares) | | 42.21 | 32.79 |
| Net asset value per share (IFRS) (based on the number of outstanding shares) - group share | | 41.47 | 32.06 |

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⁵ Shares are counted in function of the respective dividend entitlement.

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, Portugal and Poland. 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 2022, Xior Student Housing held a property portfolio worth approximately 2.215 billion EUR. More information is available at www.xior.be.

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