

**Ghelamco Group Comm. VA
results 31/12/2020**

**Sustained focus on development and commercial activities resulting in excellent results and healthy
balance sheet structure**

- The Group closed its 2020 accounts with a net profit of 110,716 KEUR.
- Balance sheet total increased to 2,484,904 KEUR and equity increased to 997,457 KEUR
- Sale of the Ring Hotel project (250 hotel rooms) in Ghent to Van Der Valk hotel group in January 2020 for a total sales value of 24 MEUR.
- Acquisition of land plot in London, City Road, for the development of a mixed offices and residential project (approx. 21.300 sqm).
- Sale of the Silver Tower NV (offering over 43,000 sqm office space and 139 parking spaces) to Deka Immobilien in November 2020, immediately after delivery to the Brussels Region, single tenant. The transaction was structured as a share deal, based on a property value of EUR 205 million and a yield of 3.25%.
- Signing of a building right on a plot of land in the Duinenwater area in Knokke for the development of the Lake District project, offering 166 high-end apartments, approx. 4,200 sqm retail function on the groundfloor and a hotel; start of the construction works and kick-off of the commercialisation process
- Acquisition of a plot (and a recently delivered office building of approx. 6,700 sqm) at the Katwilgweg in Antwerp, Linkeroever for the development of a project of approx. 100,000 sqm., in a 85%/15% cooperation with a third party
- Acquisition of the Lloyd George building in Brussels in November 2020 in view of the development of a mixed project
- Continuation of the construction works on the PwC Offices project (offering +/- 30,000 sqm leasable office space in total). Delivery is expected by end of April 2021.
- Finalisation of construction works on the Warsaw HUB (118,500 sqm leasable space spread over 3 towers on a podium with retail function in Warsaw CBD). The occupation permit has been received in July 2020 and tenants are moving in.
- Finalisation of construction works, receipt of the occupation permit and ongoing delivery to the buyers of the residential Foksal project (55 high-class apartments in Warsaw).
- Further and well advanced progress in construction works on the Warsaw UNIT (approx. 59,000 sqm office space in the Warsaw CBD) and on the residential Flisac project (5,700 sqm of residential space, and approx. 980 sqm retail space on the ground floor, including a two-storey underground parking).
- Receipt of building permit for the realization of The Bridge (formerly named Bellona Tower): approx. 47,500 sqm office building and the renovation of an approx. 5,300 sqm existing office building

Summary

The Group closed its 2020 accounts with a net profit of 110,716 KEUR. While further paying strong attention to (amongst others technical and environmental) innovation and sustainability, the Group continued its development, investment and commercial efforts. The Group has in the current year once more considerably invested in a number of existing projects, successfully disposed of a number of sizable investment properties and in addition managed to create significant added value on existing and new projects, despite some uncertainties the markets are currently facing in connection with the COVID-19 crisis.. This is reflected in an increased balance sheet total of 2,484,904 KEUR and an increased equity of 997,457 KEUR. The solvency ratio remained stable at the level of 40.1% per 31 December 2020 (vs. 40.2% per 31 December 2019).

Key figures

Consolidated statement of profit or loss (in KEUR)	31/12/2020	31/12/2019
Operating result	180.189	155.466
Profit of the year	110.716	113.004
Share of the Group in the profit of the year	108.817	112.966
Consolidated statement of financial position (in KEUR)	31/12/2020	31/12/2019
Total assets	2.484.904	2.179.088
Cash and cash equivalents	65.040	115.811
Net financial debt (-)	1.236.057	991.482
Total equity	997.457	876.259

2020 Performance and results

Belgium

- On 22 January 2020, the **Ring Hotel** project in Ghent, adjacent to the Ghelamco Arena in Ghent and offering 250 hotel rooms, has been sold to the Van Der Valk hotel group for a sales amount of 24 MEUR. At the moment of the transaction, bank loans have been reimbursed for an amount of 23.7 MEUR.
- On 26 June 2020, the Group signed a share purchase agreement with Deka Immobilien regarding the sale of the shares of **Silver Tower NV**. The share purchase agreement was based on an underlying property value of 205 MEUR and a yield of 3.25%. The Silver Tower building has been delivered to its (single) tenant, the Brussels Region, on 31 October 2020. The closing of the sale (and transfer of ownership) has taken place on 10 November 2020. At closing date, the outstanding bank loans (and related interests) have been reimbursed for a total amount of 128 MEUR.
- The construction works of the **Focus/ PwC Offices** project (offering +/- 30,000 sqm leasable office space in total) at the Culliganlaan in Diegem have advanced according to plan. Per end of December 2020, the construction progress was at about 60%. Delivery is expected by end of April 2021, in view of the move-in of PWC Belgium, anchor tenant, in the following months.
- The construction works of the residential **Senzafine** project in Kortrijk – offering 86 luxurious apartments and 108 parking spaces – have continued and are in the finalization stage. Construction progress (and related instalment invoicing) is at 90% to 100% per 31 December 2020. Per date of the current report, the sales rate is at 85%.

- In the first half of March 2020, the Company has signed agreements in connection with the acquisition of a land plot in London, City Road for the future development of **The Arc**; a mixed offices and residential project. The site (with building permit) extends to 0.37 hectares within the London Borough of Hackney. The project is expected to offer approx. 21,286 sqm of net lettable/sellable area. Acquisition price amounts to 75 MGBP. Closing of the deal (and transfer of ownership) took place early November 2020. Ground works have started immediately afterwards.
- On 2 July 2020, the Company has been granted a building right on a plot of land in the Duinenwater area in Knokke for the development of the **Lake District** project, offering 166 high-end apartments, approx. 4,200 sqm retail function on the groundfloor and a hotel, spread over 3 buildings. The commercialization of the project has been kicked off immediately after the signing of the deal. Per date of the current report, already approx. 53% of the available residential units have been (pre-)sold, while all (7) retail space units have been (pre-)sold.
- On 16 July 2020 the Company acquired 85% of the shares of Viminalis BV, project company holding a plot (and a recently delivered office building of approx. 6,700 sqm) at the Katwilgweg in Antwerp, Linkeroever in view of the development of the **Antwerpen West** project. The planned development size of the project is +/- 100,000 sqm in total. The project will be developed in a (85%-15%) cooperation with a third party. The deal also included the purchase of an adjacent plot from a third party, for the future development of a +/- 20,000 sqm office project.
- On 30 November 2020 the Company acquired the shares of DEREIF Brüssel Lloyd George S.à.r.l., project company owning the **Lloyd George building** in Brussels, in view of the development of a mixed project.

Poland

During 2020, the Company further invested in the following projects in Poland:

- The finalization of the construction works of the **Warsaw HUB** project at Rondo Daszynskiego in Warsaw CBD, comprising 3 skyscrapers on a podium that offers a unique combination of office and retail space, with features and amenities such as first-class, unparalleled office space, a conference centre, 3- and 4-star hotel, as well as cafes, restaurants and shops for a total of approx. 118,556 multifunctional lettable sqm. The final and binding occupation permit has been received in July 2020. Finishing works and fit-out for the resp. tenants are being carried out, while tenants are moving in. Final completion and delivery is expected by the end of H1 2021. The lease rate is at approx. 85%.
- Further and well advanced construction of the **Warsaw UNIT**, approx. 59,000 sqm offices project comprising 46 floors and 400 parking spaces, also at Rondo Daszynskiego in Warsaw CBD. The construction is expected to be finalized by end of March 2021. At the date of the current report, final inspections are being carried out by the official services. The occupancy permit is expected to be obtained in April 2021. The lease rate is at approx. 44%.
- The finalization of construction works of the **Foksal 13/15** project, including the renovation of the historic buildings, located in the historic heart of Warsaw. In April 2020 the final and binding occupation permit was obtained. The project comprises the realization of 55 unique high-class apartments (approx. 6,400 sqm in total) and five commercial units of approx. 660 sqm. Delivery and hand-over to the resp. buyers is ongoing. Per date of the current report, approx. 55% of available residential space has been sold.
- The continuation of the construction works of the **Flisac project** (5,700 sqm of residential space and approx. 980 sqm of retail space on the ground floor, including a two-storey underground parking) in the Powisle



district in Warsaw. The project is expected to be completed and delivered in May 2021. Commercialization appears successful, as per date of this report, approx. 87% of the available space has already been (pre-)sold.

In addition, during the year several building permits have been received for a number of sizable (both mixed offices/retail and residential) projects. It mainly concerns the following:

- Receipt of the building permit in January 2020 and start of the construction works of the **Kreo** project at Wadowicka Street in Krakow (9-storey office project which is to offer approx. 23,700 sqm of office space and retail functions on the ground floor and 325 parking spaces).
- In October 2020, the building permit has been obtained for the realization of the **Craft** project (approx. 24,000 sqm office space with 240 underground parking lots) at Sciegiennego Street in Katowice.
- On 15 December 2020, the building permit has been received for the realization of **The Bridge** (formerly named Bellona Tower). The permit foresees in the construction of a new approx. 47,500 sqm office building and the renovation of an approx. 5,300 sqm existing office building. Construction works have been started shortly after receipt of the building permit.

About Ghelamco: Ghelamco Group is a leading European real estate investor mainly active in the offices, residential, retail, leisure and logistics markets. It maintains a high quality internal control with respect for agreed milestones over all its project development phases: land purchase, planning, coordinating the construction phase and sale or lease. Its projects combine prime and strategic locations with efficient and aesthetically inspiring, sustainable green designs and correct timing. Its successes are generated by the group's professional and enthusiastic staff that is driven by the vision and passion of its management. Ghelamco is one of the largest commercial property developers and investors in Belgium and Poland and has realised a steep growth over the last number of years. The group's market position has been recognized by numerous prestigious awards, collected over several years and granted both to the company and to many of its projects.