



RETAIL ESTATES



PRESS RELEASE

Regulated information - inside information

Ternat, 6 January 2023

RETAIL ESTATES INVESTS € 22.35 MILLION IN THE ACQUISITION OF 13 RETAIL UNITS IN WOONMALL ALEXANDRIUM IN ROTTERDAM (THE NETHERLANDS)



THE DUTCH TAX AUTHORITIES ENDORSE A FIRST SERIES OF OBJECTIONS AND GRANT THE FBI STATUS FOR THE INVESTMENT ACTIVITIES IN THE PERIOD FROM 2017 TO 2020. THE NET EFFECT OF THIS EXTRAORDINARY RESULT AMOUNTS TO € 3,8 MIO

1. Investment in Woonmall Alexandrium

1.1. Woonmall Alexandrium

The Woonmall Alexandrium (Alexandrium III) features 55 retail units spread over a surface area of approximately 60,000 m². There are 900 parking spaces on the roof. The location can be reached perfectly by car as well as by train, the underground railway and by bus from the city of Rotterdam and the surrounding area. Since its construction the complex has become a supraregional shopping destination for the home improvement sector in the broadest sense, in one of the most attractive shopping areas in the Netherlands with 650,000 inhabitants.

The Woonmall Alexandrium was opened in 1997 and sold at that time to various private investors and (shop) owners. The structural connection between the Woonmall Alexandrium, the regional Shopping Center Alexandrium (Alexandrium I – owned by Klépierre) and the retail park Alexandrium Megastores (Alexandrium II – owned by CBREGI) creates a very complementary mix and a retail offer that is exceptional for the Netherlands, with a total of 200 retail units over a surface area of 110,000 m². All shops are open 7 days a week and Alexandrium attracts 15 million visitors each year. In terms of the number of visitors, Alexandrium III is one of the locations where the current tenants in general have their top performing retail units in the Netherlands. Virtually 100% of the Woonmall are currently let.

The retail units acquired by Retail Estates via its 100% subsidiary under Dutch law, Alex Invest N.V., are let to tenants the majority of whom are already part of the company's existing Dutch portfolio of 14 retail parks. In its urban planning the city of Rotterdam has aimed at maximum efficiency at this location by opting for a covered 3-floor home decoration shopping center. This purchase is therefore perfectly in line with the policy and location preferences of Retail Estates.

1.2. Investment of € 22.35 million in 13 retail units

The investment in the acquisition of the 13 retail units, with a total retail area of 19,951 m², amounts to € 22.35 million and will yield an annual rental income of € 2.25 million. On the date of the acquisition, the investment was below the fair value estimated by the real estate expert CBRE.

1.3. Cooperation with Westpoort Alexandrium BV

This investment is financed 60% by bank loans and 40% by a capital contribution from Retail Estates and its partner.

This initiative was taken in cooperation with Westpoort Alexandrium BV, which is controlled by the Roobol family, who will acquire a 50 per cent participating interest in N.V. Alex Invest via a € 4.5 million capital increase.

With this purchase, both specialised retail real estate investors will join forces in order to consolidate the ownership structure of Woonmall Alexandrium. By combining their expertise in retail as well as real estate, the new owners will have the unique knowhow to ensure the lasting success of Woonmall and guarantee further growth, together with the other owners and retailers. Two strong partners will also make it possible to better control the shopping center's future development, including with respect to ESG objectives and criteria.

2. FBI – Dutch REIT – Dutch corporate income tax

The Dutch tax authorities have endorsed a number of objections submitted by Retail Estates after the company had been denied the FBI status. An exemption from some corporate taxes and withholding taxes paid for the financial years 2017 to 2020 has been granted. The net result of these decisions amounts to € 3.8 million. A decision about the objections submitted for the subsequent financial years is still pending.

ABOUT RETAIL ESTATES NV

The Belgian public real estate investment trust Retail Estates nv is a niche player specialised in making in out-of-town retail properties located on the periphery of residential areas or along main access roads to urban centres in Belgium and the Netherlands available to users. Real Estates NV acquires these real properties from third parties or builds and commercialises retail buildings for its own account. The buildings have useful areas ranging between 500m² and 3,000m². A typical retail building has an average area of 1,000 m².

As of 30 September 2022, Retail Estates nv has 1,002 premises in its portfolio with a total retail area of 1,186,521 m², spread over Belgium and the Netherlands. The occupancy rate of the entire portfolio was 97.37% on 30 September 2022, compared to 97.64% on 30 June 2022.

Retail Estates NV is listed on Euronext Brussels and Euronext Amsterdam and is registered as a public regulated real estate company.

FORWARD-LOOKING STATEMENTS

This press release contains a number of forward-looking statements. Such statements are subject to risks and uncertainties which may lead to actual results being materially different from the results which might be assumed in this press release on the basis of such forward-looking statements. Major factors that may influence these results include changes in the economic situation, commercial, tax-related and environmental factors.

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'IN RETAIL WE TRUST'

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Public BE-REIT under the laws of Belgium

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