



Home Invest  
Belgium

Company Presentation  
30 Jun 2023

# Landlord of choice

*We offer more than just a place to live.*

*We provide our tenants with a place to build their lives in properties that shape vibrant communities.*

*It is our explicit ambition to be the “**landlord of choice**” for tenants.*



# Topics

1. Company profile
2. Real estate portfolio 30 June 2023
3. Key activities 1H 2023
4. Financial results 1H 2023
5. HOMI share
6. Outlook



# Company profile



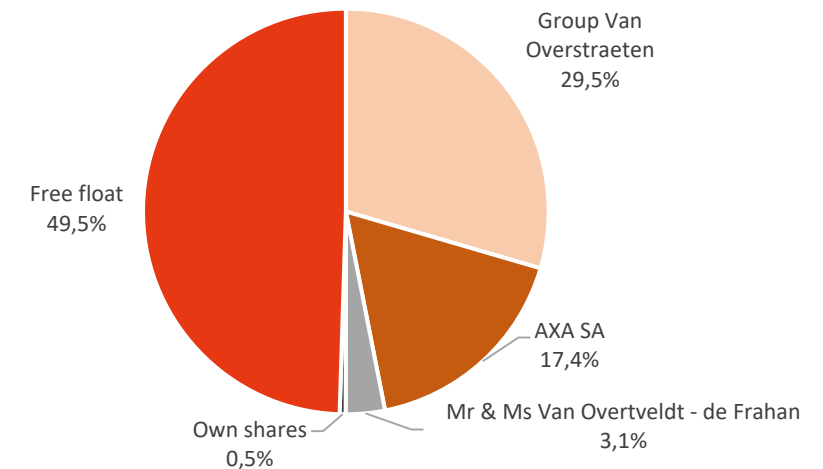
# Home Invest Belgium at a glance

## Listed Belgian REIT

- Number 1 owner and manager of residential properties in Belgium
- Listed on Euronext Brussels since 1999
- A specialist with 20+ years of experience...
- ... and 20+ years of consecutive dividend growth
- Over 40 dedicated professionals
- HQ in Brussels

## € 315 mio market capitalisation

as on 5 Sept 2023



# Home Invest Belgium at a glance

Residential real estate

- Biggest sector within the real estate market with a need for professionalization
- Limited impact from business cycles on the letting market
- Limited impact from disruption
- Responds to the primary human need for housing

Specialist

- In-house team of over 40 dedicated real estate professionals
- Top of mind with other market participants (sellers, buyers, brokers, innovators, ...)

In-house development team

- Assures a constant pipeline for growth
- Higher yields obtained thanks to internalization of development margin
- Apartment design and quality standards geared to the tenant market
- Built from the long-term perspective of an end investor

Long term debt funding

- Well diversified funding sources from 6 financial institutions and good access to debt capital markets
- Long term funding with a high proportion of fixed interest rates (86.5% fixed rates with a remaining average duration of 4.8 years)

Strong shareholder returns

- Strong track record of dividend growth
- Strong track record of NAV growth
- Supported by stable reference shareholders

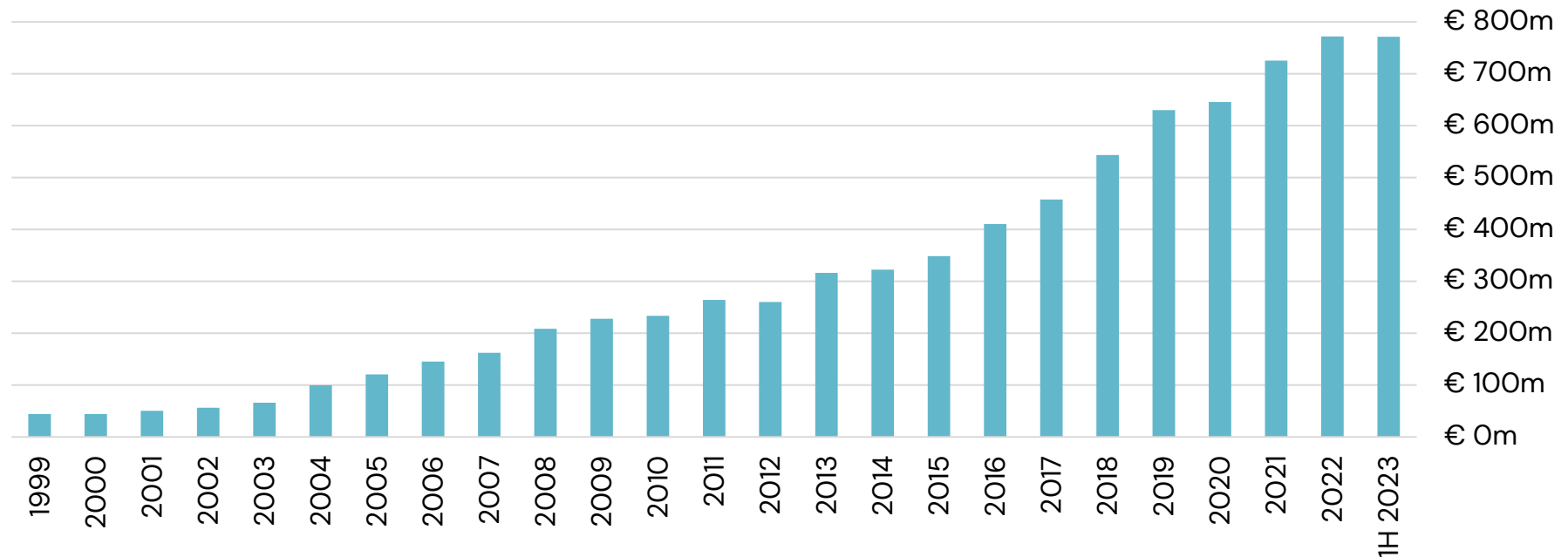
# Real estate portfolio

## 30 June 2023

# Strong growth track

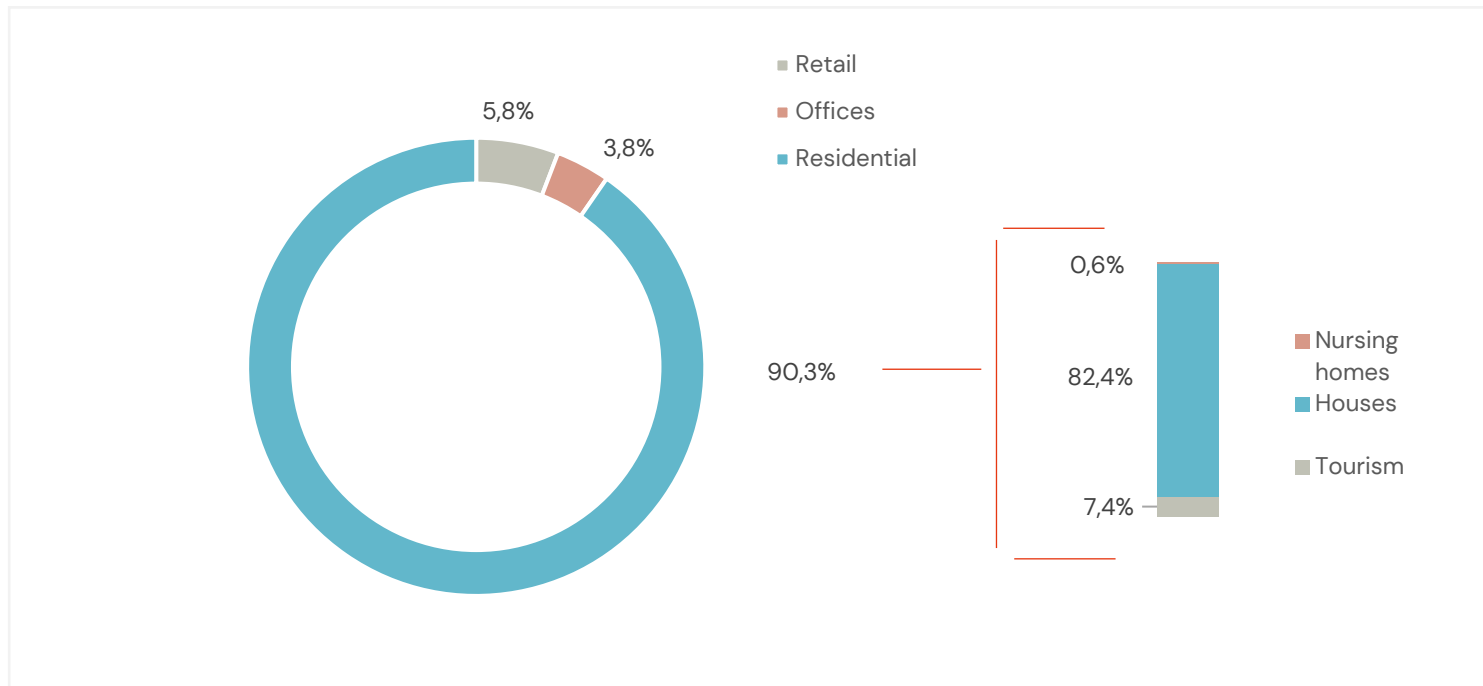
**€ 771 mio portfolio value**

Evolution of the fair value of the real estate portfolio



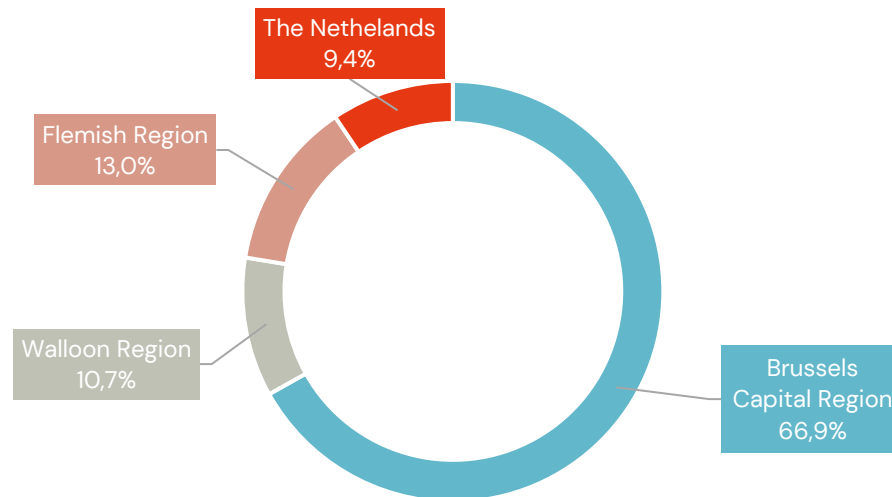
# Specialist in residential real estate

**>90% of the portfolio is residential real estate**

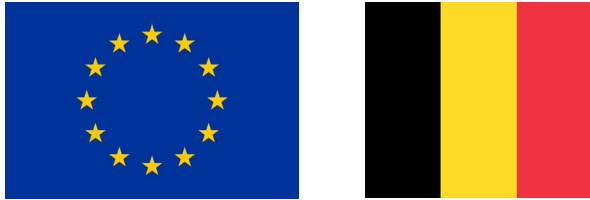


# Located in Belgium (91%) & the Netherlands (9%)

With a strong presence in the  
**Brussels Capital Region**  
(67% of the portfolio)



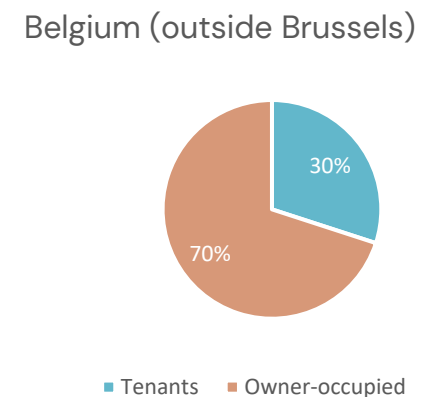
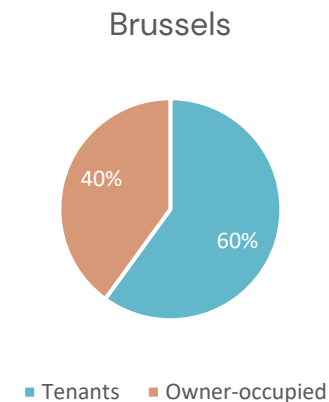
# Strong presence in the Brussels Capital Region



- Brussels, the Capital of Europe
- 1.2 mio inhabitants
- Strong population growth<sup>(1)</sup>
  - 1.1% annual growth over the past decade ...
  - ... compared to 0.5% outside Brussels

<sup>(1)</sup> Statbel : Period 1-1-2010 to 1-1-2020

- The biggest tenant market in Belgium
- High proportion of tenants vs. owner-occupied
  - 60% tenants in Brussels
  - compared to 30% outside Brussels

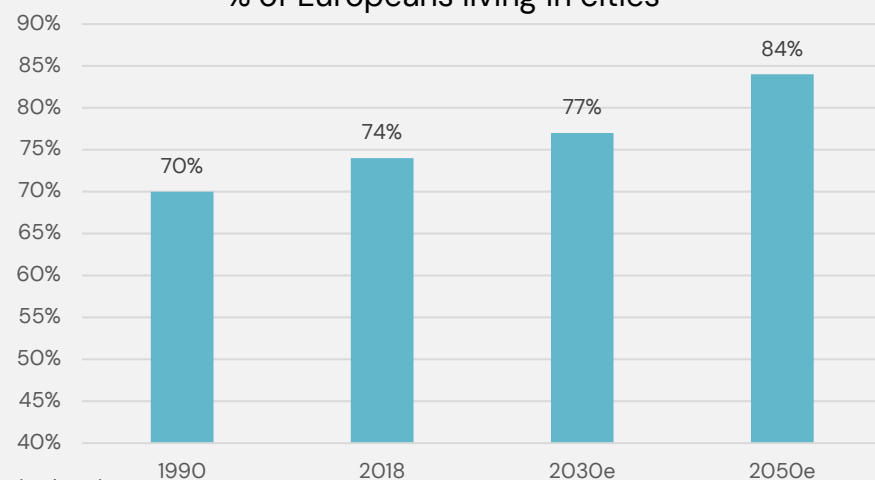


# Supporting megatrends in housing

## Urbanisation

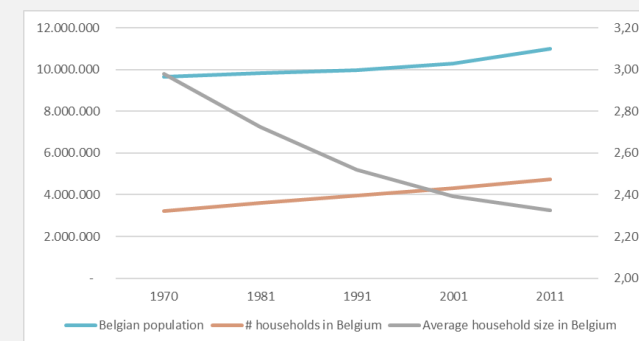


% of Europeans living in cities<sup>(1)</sup>



<sup>(1)</sup> United Nations

## Demographic changes - Decreasing household sizes -



## Demographic changes - Ageing population -

The share of 65+ in Belgium's population will increase from 25% in 2019 to 40% in 2070 <sup>(2)</sup>

Table I.1.8: Composition of the population by age group

	2019				2070			
	(0-19)	(20-64)	(65+)	(80+)	(0-19)	(20-64)	(65+)	(80+)
BE	22%	59%	19%	6%	20%	52%	28%	12%

<sup>(2)</sup> European Commission : The 2021 Ageing Report

# Young and sustainable portfolio

*More than 50% of the portfolio is younger than 10 years.*

Age of the portfolio	
Younger than 10 years	> 50% of the portfolio
Younger than 20 years	> 80% of the portfolio

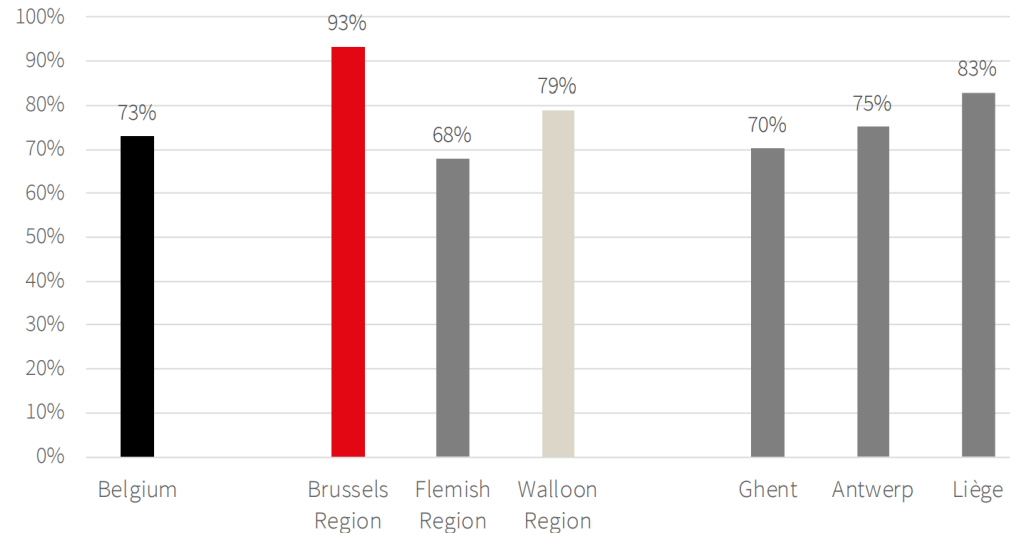


# Compared to an outdated housing stock on the market

***Only 7% of the Brussels' housing stock is younger than 40 years.***

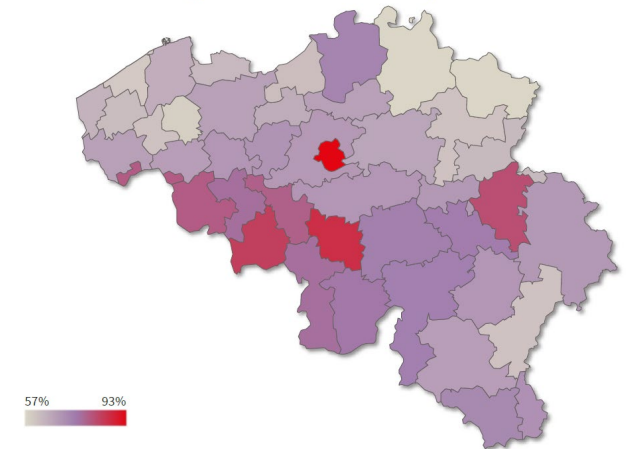
*This means there is a huge need and potential for new housing.*

% built before 1981



Source: Statbel

% of building stock built before 1981 by arrondissement



Source: JLL

# Key activities in 1H 2023



# Delivery of L'Angelot- Namur

## L'Angelot – Namur

- Complete renovation of a historic building :
  - **51 apartments**
- Located in the historic heart of Namur
- Delivered in June 2023
- Reduction of average primary energy consumption by 60%
- Fully let



# Delivery of Niefhout – Turnhout

## Niefhout – Turnhout

- A new built residential project with :
  - **92 apartments**
  - 47 parking spaces
- Very energy efficient building :
  - All housing units have an EPC A label
  - Estimated average primary energy consumption of 32 kWh/m<sup>2</sup>/yr
- Delivered in June 2023
- Fully let



# Progress of development projects

## Samberstraat – Antwerp

- Former factory
- Reconversion into :
  - **37 apartments**
  - 1 office space
  - 38 parkings & 88 bike spaces
- Delivery expected in Q4 2023



## City Dox (Lot 4) – Anderlecht (Brussels)

- Part of the City Dox site, a large-scale development by Atenor in Anderlecht
- The project consists of :
  - **163 residential units**
  - 132 parking lots
  - 324 indoor bicycle sheds
  - 2,700 m<sup>2</sup> production facilities
- Delivery expected in Q4 2024



## Jourdan 95 – Sint-Gillis (Brussels)

- Former office building
- Redevelopment into:
  - **46 apartments**
  - 61 parking lots
- Completion expected in Q4 2024



# Termination of acquisition of Key West

## Quartier Bleu – Hasselt

- Acquisition of new built casco:
  - **37 apartments**
  - 37 parking lots
- Commercial ground floor not included
- Completion expected in Q1 2024



## Termination of acquisition Key West (Building A) – Anderlecht – Belgium

- In June 2021, Home Invest Belgium reached an agreement with Immobil and BPI Real Estate, the developers of the Key West project, for the acquisition of Building A, subject to several conditions precedent including obtaining a definitive and enforceable building permit and environmental permit by an agreed deadline.
- The agreed conditions precedent were not completed in time, as a result of which Home Invest Belgium decided not to acquire the project.

# Development pipeline

## *Pipeline (with building permit)*

Name	City	# units	Delivery date (expected)	Total cost (expected)	Remaining CAPEX still to be spent
Samberstraat	Antwerp	38	Q4 2023	€ 11 mio	€ 5 mio
City Dox (Lot 4)	Anderlecht (Brussels)	171	Q4 2024	€ 60 mio	€ 35 mio
Jourdan 95	Saint-Gilles (Brussels)	46	Q4 2024	€ 22 mio	€ 12 mio
Quartier Bleu (Block D)	Hasselt	37	Q1 2024	€ 11 mio	€ 4 mio
Total		292		€ 104 mio	€ 56 mio

# Letting activities and occupancy rate

## ***Strong letting activities in 1H 2023***

- Lfl (like-for-like) rental growth of 8.2% in 1H 2023 (year-on-year).

## ***Record high occupancy rate***

- Average occupancy rate<sup>(1)</sup> up to a record in 1H 2023:

Occupancy rate	
1H 2023	98.4%
1H 2022	98.3%
1H 2021	96.9%
1H 2020	94.5%
1H 2019	95.1%

<sup>(1)</sup> The occupancy rate is calculated excluding (i) buildings being renovated (ii) buildings being commercialized for the first time and (iii) buildings being sold.

## **Extreme renting: how rising rates turned the screws on tenants across Europe**

Heated market in housing hotspots is compounded by increasing mortgage costs deterring buyers

**FT Series**



# Financial results 1H 2023



# Key figures

Consolidated income statement (in € k)	1H 2023	1H 2022	Δ Y-o-Y	% growth
Net rental result	16 981	15 107	1 873	+12.4%
Property result	14 588	13 334	1 253	+9.4%
(-) Property costs	-2 073	-1 994		
(-) General costs and other operating income	-1 760	-1 570		
Operating result before result on the portfolio (=EBIT)	10 755	9 770	985	+10.1%
Operating margin (% of Net rental result)	63.3%	64.7%		
(+/-) Result on the disposal of investment properties	28	-33		
(+/-) Changes in the fair value of investment properties	-19 724	-124		
(+/-) Other portfolio result	264	-519		
Operating result	-8 677	9 095		
(-) Financial result (excl. changes in fair value of financial assets and liabilities)	-2 692	-2 647		
(+/-) Changes in fair value of financial assets and liabilities	-1 987	21 373		
(+/-) Share in the profit of associates and joint ventures	801	2 393		
<i>o/w share in EPRA earnings</i>	794	757		
<i>o/w share in changes in fair value of investment properties and financial assets and liabilities</i>	7	1 636		
(-) Taxes	-198	-130		
Net result (group share)	-12 754	30 084		

# Key figures

EPRA earnings (in € k)	1H 2023	1H 2022	$\Delta$ Y-o-Y	% growth
Net result (group share)	-12 754	30 084		
(-) Portfolio result	+19 432	+675		
(-) Changes in fair value of financial assets and liabilities	+1 987	-21 373		
(-) Non-EPRA elements of the share in the result of associates and joint ventures	-7	-1 636		
EPRA earnings <sup>(1)</sup>	8 658	7 750	908	+11.7%

Per share results (in €)	1H 2023	1H 2022	$\Delta$ Y-o-Y	% growth
Weighted average number of shares <sup>(2)</sup>	17 803 644	16 416 329		
Net result per share	-0.72	1.83		
EPRA earnings per share	0.49	0.47	0.01	+3.0%

(1) EPRA earnings are defined as the net result excluding (i) the portfolio result, (ii) the changes in the fair value of financial assets and liabilities, and (iii) the non-EPRA elements of the share in the result of associated companies and joint ventures. This term is used in accordance with the Best Practices Recommendations of EPRA.

(2) The weighted average number of shares is calculated excluding own shares.

# Key figures

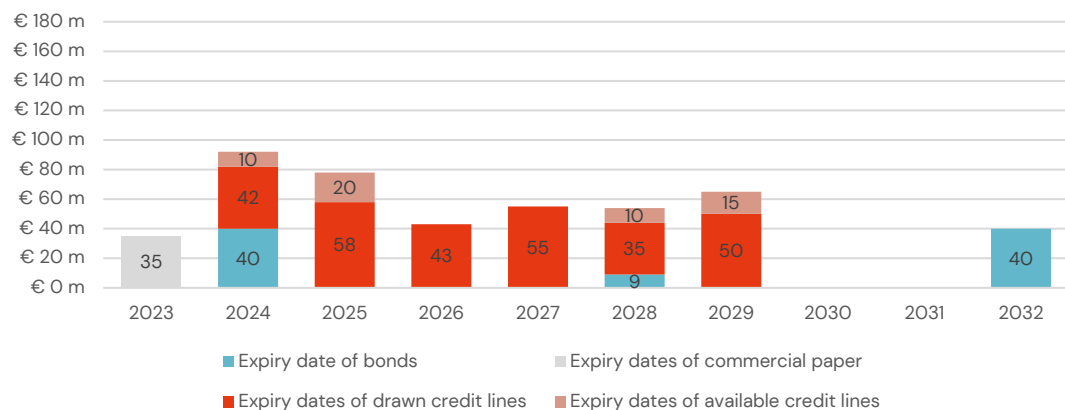
Consolidated balance sheet (in € k)	30/06/2023	31/12/2022	Δ Y-o-Y	% growth
Total assets	815 363	812 362	3 000	0.4%
Shareholders' equity	392 964	410 064	-17 100	-4.2%
Debt ratio (RECC-Act) <sup>(1)</sup>	54.31%	51.95%		
Debt ratio (IFRS) <sup>(2)</sup>	53.19%	50.77%		

NAV per share (in €)	30/06/2023	31/12/2022	Δ Y-o-Y	% growth
Total number of shares outstanding <sup>(3)</sup>	17 823 372	17 785 785		
Closing price of the share	16.10	21.80	-5.70	-26.1%
IFRS NAV <sup>(4)</sup>	22.05	23.06	-1.01	-4.4%
Premium/discount to IFRS NAV	-27.0%	-5.5%		
EPRA NTA <sup>(5)</sup>	20.49	21.40	-0.91	-4.3%
Premium/discount to EPRA NTA	-21.4%	1.8%		

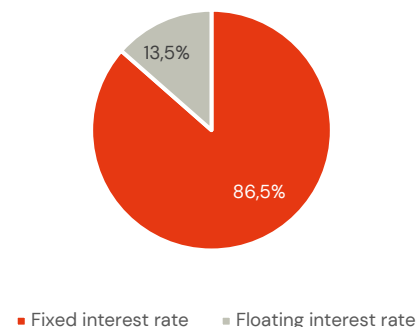
- (1) The debt ratio (RREC-Act) is calculated according to the RREC-Act. This means that for the sole purpose of calculating the debt ratio the share in associated companies and joint ventures are accounted for proportional consolidation method.
- (2) The debt ratio (IFRS) is calculated in the same way as the debt ratio (RREC-Act), but based on the IFRS consolidated balance sheet with the share in associated companies and joint ventures accounted for using the equity method.
- (3) The total number of shares outstanding is calculated excluding own shares.
- (4) IFRS NAV per share = Net Asset Value per share according to IFRS.
- (5) EPRA NTA per share = Net Asset Value per share according to EPRA Best Practices Recommendations.

# Financial structure

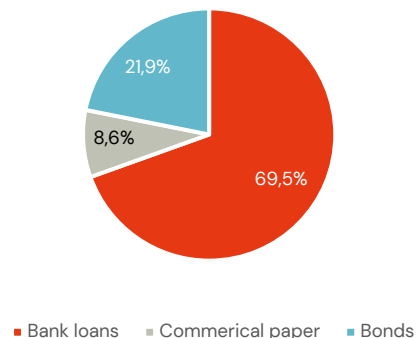
## Debt maturities



## Fixed/floating interest rates



## Type of debt



## Comments

- Financial debt amounts to € 407.0 m
  - Drawn credit lines : € 283.0 m
  - Bonds : € 89.0 m
  - Commercial Paper : € 35.0 m
- Weighted average remaining duration of the financial debt of 4.4 yrs
- Credit lines are provided by 6 financial institutions
- Taking into account the the capital increase realised on 3 July 2023, € 75.0 m committed non-drawn credit lines available
  - Backup lines for outstanding CP : € 30.0 m
  - Available credit lines : € 45.0 m
- Debt ratio of 54.3% (RREC-act) or 53.2% (IFRS) (strategic target <55%). Pro-forma drop of debt ratio (RREC-act) from 54.3% to 51.0% after ABB of 3-7-2023.
- 86.5% of the financial debt have an interest rate that is fixed (or hedged by means of Interest Rate Swaps)
- Weighted average remaining duration of the fixed interest rates of 4.8 yrs
- Average financing cost of 1.96% in 1H 2023

(\*) Commercial Paper is excluded from the calculation of the average remaining duration of the financial debt. The CP Program is fully covered by available long term back-up lines.

# HOMI share

# ABB June 2023

## ***After a first ABB in June 2022, HOMI realised a second ABB in June 2023***

- Capital increase via ABB for € 26.7 mio
- Issuance of 1 791 706 new shares (+10.0%) on 3 July 2023
- Issue price of € 14.90
- 5.7% discount compared to closing price on the evening before the launch of the offering

*"We are delighted with the result of this capital increase and the success of Home Invest Belgium's ABB. Raising, in volatile financial markets, € 27 million equity priced at a price of € 14.90 (or 5.7% discount to yesterday's closing price) shows investors' confidence in Home Invest Belgium and its strategy.", explains Preben Bruggeman, CFO of Home Invest Belgium.*

# Key figures per share

Key figures per share	30/06/2023	31/12/2022	31/12/2021	31/12/2020	31/12/2019	31/12/2018
Total number of shares issued <sup>(1)</sup>	17 917 060	17 917 060	16 433 930	16 433 930	16 433 930	16 433 930
Closing price of the share	€ 16.10	€ 21.80	€ 24.40	€ 23.10	€ 22.80	€ 18.28
Market capitalization	€ 288 mio	€ 391 mio	€ 403 mio	€ 381 mio	€ 376 mio	€ 302 mio
IFRS NAV	€ 22.06	€ 23.06	€ 20.87	€ 18.87	€ 18.83	€ 16.36
Premium/discount to IFRS NAV	-27.0%	-5.5%	16.9%	22.4%	21.1%	11.7%
EPRA NTA	€ 20.49	€ 21.40	€ 20.99	€ 19.30	€ 19.18	€ 16.98
Premium/discount to EPRA NAV	-21.4%	1.8%	16.2%	19.7%	18.9%	7.6%

(1) Including own shares.

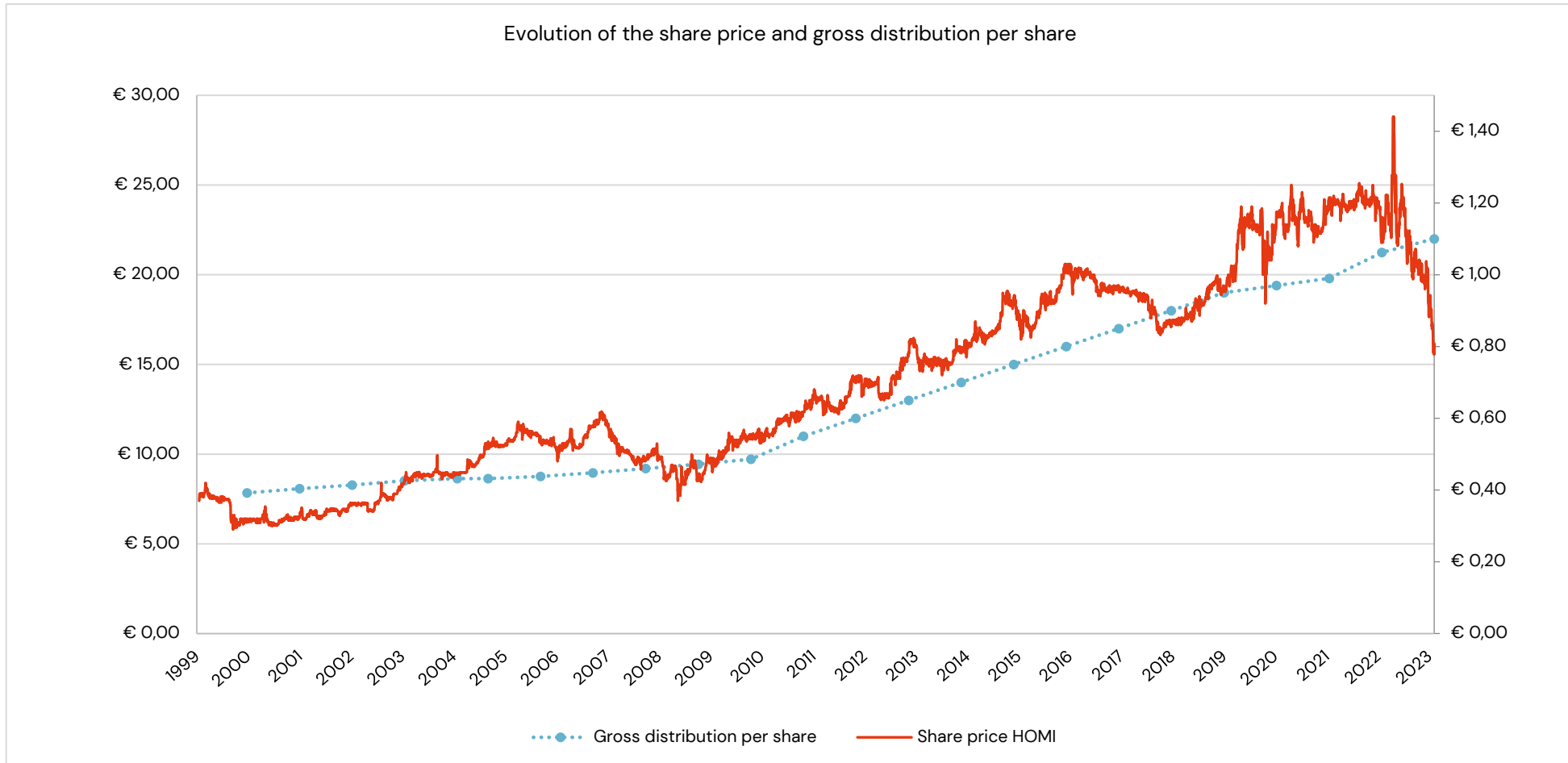


# Key figures per share

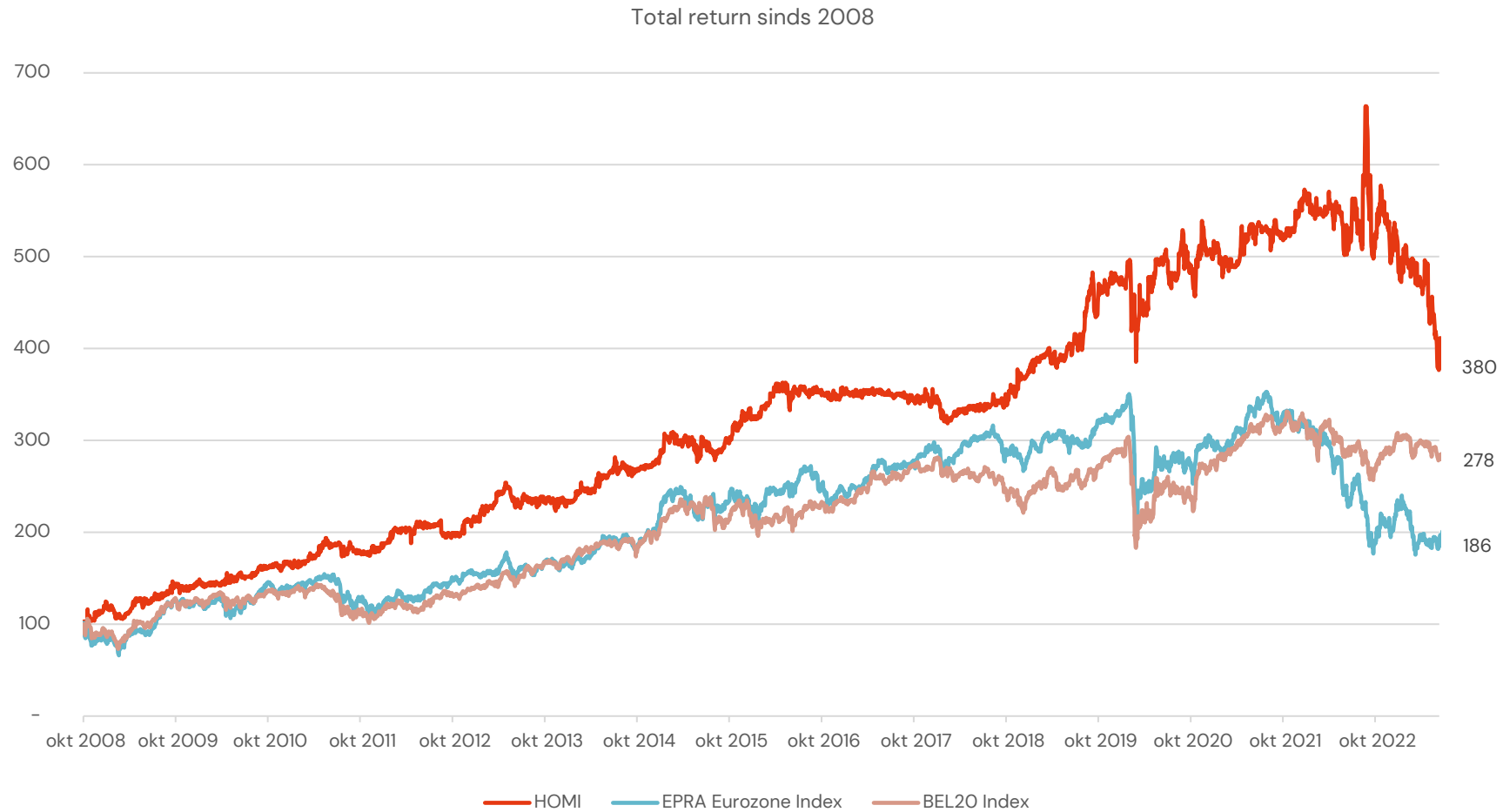
Key figures per share	1H 2023	1H 2022	1H 2021	1H 2020	1H 2019
Average number of shares <sup>(1)</sup>	17 803 644	16 416 329	16 442 048	16 440 730	16 440 730
EPRA earnings	€ 8.66 mio	€ 7.75 mio	€ 6.94 mio	€ 6.23 mio	€ 4.61 mio
EPRA earnings per share	€ 0.49	€ 0.47	€ 0.42	€ 0.38	€ 0.28

(1) Excluding own shares.

# Evolution of the share price & gross distribution



# Stock price comparison



# Outlook

# Outlook

## ***Strong residential rental market and good operating figures***

- Strong residential letting market with strong demand for qualitative housing has resulted in a record occupancy rate of 98.1% and Ifl rental growth of 8.2%.
- Further increase in EPRA earnings by 11.7% to € 8.66 million in 1H 2023.

## ***Supportive long-term trends for the residential rental market***

- The residential rental market continues to grow steadily in those cities where Home Invest Belgium is active, mostly thanks to:
  - a long-term urbanisation trend, marked by demographic growth in big cities, including both young and older people, leading to increased demand for housing;
  - an increasing number of tenants in big cities, due to factors including an increasing need for flexibility and a change in attitudes to private property and concepts of urban sharing.

## ***With its future proof portfolio, Home Invest Belgium is well positioned to take a leading role in the residential rental market***

- > 50% of the portfolio is younger than 10 years

# Outlook

## ***EPRA earnings per share***

- For FY 2023 the company expects a further increase of EPRA earnings per share to € 1.10 (from € 1.08 in FY 2022).

## ***Distribution to the shareholders***

- The Ordinary General Meeting and the Extraordinary General Meeting approved on 2 May 2023 a total distribution to shareholders of € 1.10 per share, an increase for the 23rd consecutive year. The distribution consists of:
  - A gross dividend of € 1.00 per share (an increase of € 0.01 compared to € 0.99 for FY 2021);
  - A reduction of the shareholders' equity with € 0.10 per share (an increase of € 0.03 compared to € 0.07 for FY 2021).
- The Board of Directors envisages a distribution policy based on an average increase equal to or higher than the long-term inflation. This is based on:
  - the constant indexed rent flow from existing investment properties;
  - the control of the operational costs of the company;
  - the company's hedging policy, which provides good visibility on interest charges and makes them assessable in the medium term;
  - The existing pipeline of project developments;

Furthermore, the board points to the significant reserves the company has built up over the years as safety cushion for the future.



# Home Invest Belgium

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*Home Invest Belgium has received an "EPRA BPR Gold award"  
for its Annual Financial Report 2021*

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