



WAREHOUSES ESTATES BELGIUM s.c.a.

“We are building opportunities“

Press release 30/09/2020
Regulated information

HALF-YEARLY FINANCIAL REPORT

2020

IDENTIFICATION

Name	Warehouses Estates Belgium (WEB for short)
Legal form	Partnership limited by shares (SCA for short)
Status	Public Regulated Property Company (SIRP of SIR for short)
Registered office	29 avenue Jean Mermoz, B-6041 Gosselies (Belgium)
Phone	+32 71 259 259
Fax	+32 71 352 127
E-mail	info@w-e-b.be
Website	www.w-e-b.be
Enterprise number	BE0426.715.074
LEI	549300JTAJHL7MXIM284
Date of incorporation ¹	4 January 1985 under the name "Temec"
Date of admission to Euronext	1 October 1998
Date of approval as SIR	13 January 2015
Duration	Unlimited
Share capital	€10,000,000
Number of shares	3,166,337
ISIN code	BE0003734481
Cotation	Euronext Brussels
Effective Managers	Mr Laurent WAGNER, CEO Ms Caroline WAGNER, CAO Mr Antoine TAGLIAVINI, CFO Mr Laurent VENSENSIUS, CTO
Manager	W.E.B. Property Services Plc (WEPS Plc for short)
Closing date	31 December
Property Expert	CBRE represented by Mr Pieter PAEPEN ²
Auditor	PwC represented by Mr Damien WALGRAVE ³
Types of properties	Commercial, logistics buildings and offices
Fair value of portfolio	€291,140,675 ⁴

DECLARATION

Mr Claude DESSELLE, as Chairman of the Board of Directors, Ms Caroline WAGNER and Mr Laurent WAGNER, as Executive Directors and Effective Managers, Ms Valérie WAGNER as Executive Director, Mr Daniel WEEKERS, Mr Jean-Jacques CLOQUET and Mr Jacques PETERS as Independent Directors, as well as Mr Antoine TAGLIAVINI (CFO) and Mr Laurent VENSENSIUS (CTO) as Effective Managers of Warehouses Estates Belgium SCA (hereinafter referred to as "WEB SCA"), having its registered office at Avenue Jean Mermoz 29, 6041 Charleroi (Gosselies), Belgium, declare that, to the best of their knowledge:

- the financial statements, drawn up in accordance with applicable accounting standards, give a true and fair view of the Group's assets, financial situation and results, and of its subsidiaries (equally referred to as the Group);
- the management report contains a true and fair presentation of the development of the business, the results and the situation of the Group, as well as a description of the main risks and uncertainties which it faces.

Any additional information can be obtained on request by telephone at 071/259.259, by fax at 071/352.127 or by email at **info@w-e-b.be**.

*The financial report is also available in French and Dutch.
Only the French version of the document is authentic; the Dutch and English versions are free translations.*

¹ The latest version of the coordinated Articles of Association is available on the Company's website: www.web.be.

² The mandate of the Property Expert was renewed in January 2018 for a period of 3 years.

³ The mandate of the Auditor was renewed in June 2020 for a period of 3 years.

⁴ consolidated, assets held for sale included, according to the Property Expert's valuation

PROFILE

WEB SCA is a Public Regulated Property Company under Belgian law ("Société Immobilière Réglementée Publique - SIRP") subject to legal requirements in this area, in particular the Law of 22 October 2017 amending the Law of 12 May 2014, and the Royal Decree of 23 April 2018 amending the Royal Decree of 13 July 2014 relating thereto.

WEB SCA has been listed on Euronext Brussels since 1 October 1998. In accordance with its investment strategy, WEB SCA invests in property in Belgium and the Grand Duchy of Luxembourg.

WEB SCA's business activities consist of making its properties available to users. Most of these are operating leases with WEB SCA retaining the risks and benefits associated with the ownership of investment properties. The rents received are recognised as rental income on a straight-line basis over the duration of the rental contract. WEB SCA has also concluded four (4) long lease contracts.

Through its activities, WEB SCA aims to add value to and increase its property assets, with particular focus on commercial, office and logistics properties. WEB SCA is currently one of the investment and property management specialists in these categories.

WEB SCA and its subsidiaries (the Group) have a portfolio of more than 110 properties (excluding projects under development) representing a total property area of 291,620 m² (excluding land). The fair value of this property portfolio amounts to €291,140,765 as at 30 June 2020.¹

Since its initial public listing 22 years ago, WEB SCA has offered its shareholders a remarkable return, despite the sometimes difficult socio-economic situations. It intends to continue its development by favouring the composition of a stable portfolio, creating value and long-term growth and generating income in line with its dividend policy. WEB SCA will continue to adopt a cautious and selective position in the choice of its investments so that they are always carried out under conditions particularly favourable for its shareholders, while taking into account the potential associated risks.

As at 30 June 2020, the market capitalisation of the Company was €160,849,920.

HISTORICAL

- 1998** Initial public offering, creation of **2,028,860 shares**
Approval as a property investment fund with fixed capital (**SICAFI**: Société d'Investissements à Capital Fixe Immobiliers)
- 1999** Issue of **136 shares** following the merger by absorption of SA IMMOWA taking the capital from €4,969,837 to **€4,973,268**
- 2000** Issue of **986 shares** following the merger by absorption of SA CEMS and SA WINIMO taking the capital from €4,973,268 to **€4,984,671**
Conversion of share capital into euros and increase the same by €15,328.87, taking the capital from €4,984,671 to **€5,000,000**
- 2004** Issue of **272,809 shares** following the merger by absorption of SA IMOBEC taking the capital from €5,000,000 € to **€6,700,000**
- 2010** Issue of 863,546 shares following the capital increase with preferential rights bringing the capital from €6,700,000 to **€9,212,498**
- 2011** Increase in share capital by incorporation of the share premium account for an amount of €787,501.82, taking the capital from €9,212,498 to **€10,000,000**, without creating new shares
- 2015** Approval as a regulated property company (**SIR**: Société Immobilière Réglementée)
- 2020** As at 30 June 2020, the share capital of WEB SCA amounted to **€10,000,000**.
It is represented by **3,166,337 shares** without a given nominal value, all fully paid up, each representing one three million one hundred and sixty-six thousand three hundred and thirty-seventh (1/3,166,337th) part of the capital, and conferring the same rights and benefits. The capital may be subscribed and paid up, both by the General Partner and by the Shareholders.

¹ on a consolidated basis, assets held for sale included

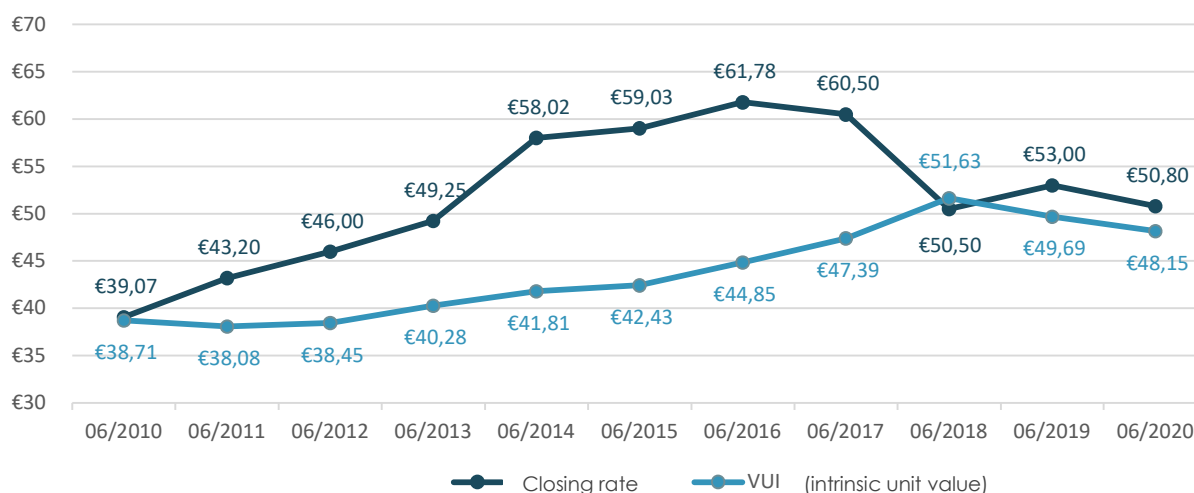
DIVIDEND PAYOUT POLICY

Listed since 1 October 1998 on Euronext Brussels, WEB SCA closed its twenty-first financial period on 31 December 2019.

The Ordinary General Meeting of 28 April 2020 approved the profit allocation as proposed by the Board of Directors. Consequently, the Ordinary General Meeting decided to distribute an overall gross dividend of €3.50 per share (interim dividend distributed of €2.25 in December 2019 and €1.25 in May 2020).

WEB SCA intends to continue its profitable development in the future, in order to consolidate its current policy of dividend distribution and return in a sustainable manner.

WEB SCA ON THE STOCK EXCHANGE



FINANCIAL CALENDAR YEAR^{1, 2}

End of the first half of the 2020 financial period	30/06/2020
Publication of the half-yearly financial results for the 2020 financial period	30/09/2020
Online publication of the 2020 Half-yearly Financial Report	30/09/2020
Closing of financial period 2020	31/12/2020
Publication of annual financial results for the 2020 financial period	26/03/2021
Online publication of the 2020 annual Financial Report ³	26/03/2021
Ordinary General Meeting of Shareholders (OGM)	27/04/2021
Dividend for the 2020 financial period	
• Publication of the 2020 dividend ⁴	28/04/2021
• Ex-dividend date	03/05/2021
• Record date	04/05/2021
• Payment date	05/05/2021
End of the first half of the 2021 financial period	30/06/2021

¹ Subject to modification. In the event of a modification, the shareholders' agenda will be updated accordingly, and the information will be published on the Company's website: www.web.be. A press release will also be published via the agency Belga.

² Unless otherwise stated, publication after the Stock Market closes

³ The French (official version) and Dutch versions of the annual financial report are available on the Company's website.

⁴ Publication before the Stock Market opens

KEY FIGURES^{1,2}

Financial structure	30/06/2020	31/12/2019
Debt ratio as per Art. 27 of the AR of 14/07/2014	46.47%	41.55%
Average cost of debt (rate cover included)	1.54%	1.47%
Availability (KEUR)	€9,430	€25,503
Occupation rate	90.02%	94.48%

Statement of the consolidate financial situation (KEUR)	30/06/2020	31/12/2019	Delta y/y	Delta (%)
Fair value of portfolio	291,141	272,195	18,946	6.96%
Shareholders' equity	152,465	157,038	-4,573	-2.91%
Total assets	298,732	277,886	20,846	7.50%

Consolidated result (KEUR)	30/06/2020	30/06/2019	Delta y/y	Delta y/y (%)
Rental income	9,514	9,361	153	1.64%
Charges relating to rentals	-1,847	-279	-1,568	562.52%
Net rental result	7,667	9,082	-1,415	-15.58%
Rental charges and non-recoverable taxes	-555	-377	-178	47.26%
Building charges	-1,875	-2,010	135	-6.70%
General expenses of the company	-700	-627	-74	11.76%
Other operating income and expenses	87	218	-131	-59.99%
Results of portfolio	-3,997	-1,433	-2,565	179.01%
<i>including variations of the fair value of investment properties</i>	-4,519	-1,516	-3,004	198.16%
Financial result	-1,160	-1,751	591	-33.73%
<i>including variations of the fair value of financial assets and liabilities</i>	-114	-935	821	-87.77%
Taxes	-82	0	-82	
Consolidated result	-615	3,104	-3,719	-119.82%

¹ Assets held for sale included unless otherwise stated

² Unless otherwise stated, the figures presented are consolidate as at 30/06/2020

MANAGEMENT REPORT

This report contains forecast information based on the plans, estimates and projections of the Company and its subsidiaries, as well as its reasonable expectations related to external events and factors. By its nature, this forecast information involves risks and uncertainties that could cause the results, financial position, performance and current achievements to deviate from the forecast. Given these factors of uncertainty, statements regarding the future cannot be guaranteed.

STRATEGY

Looking to develop its property portfolio profitably in order to increase both the intrinsic value of the Company and the distributable profit, WEB SCA relies on the following overall strategy:

- acquisition of buildings or property companies located in Belgium, mainly in the Retail Park, Logistics and Office areas
- continuous and proactive renovation of its building stock
- sale of buildings that have become non-strategic
- constant monitoring of the debt ratio so that it remains below 50%, while maintaining steady growth
- control of overhead costs
- maintenance of a high-performance IT system capable of effectively supporting its growth

To achieve this, it has a Board of Directors and a competent and efficient Effective Management, as well as a network of high-quality Independent Contributors.

The activity carried out as such is in line with all the "pillars" of said activity:

Management creating added value in the long term

WEB SCA:

- proactively manages the relationship with its rental clients: its commercial team continuously builds a close relationship with the tenants.
- carefully selects its tenants: the client portfolio is made up of first-rate corporate chains, and includes more than 37% of international operators, almost 33% working at a national level, and almost 27% at the regional level¹.
- actively participates in improving the commercial attractiveness of its trading areas.

Continuous and proactive improvement of the existing portfolio

- *Property management*: WEB SCA exercises its commercial management locally, the objectives of such being the sustainability of tenant relationships, as well as the identification of their needs. The client relationship maintained by WEB enables it to pay close attention, and to listen to its tenants. This relationship enables a close administrative follow-up, anticipating possible problems and making it possible to provide adequate and rapid solutions. The permanent aspect of client contact also allows us to remain open to their wishes and recommendations, and thereby to identify the most relevant improvements.

The relatively flat hierarchy of the structure guarantees the quality of management and responsiveness, which is useful for achieving its strategic vision.

- *Facility management*: WEB SCA offers its clients a facility management service available seven days a week.
- The commercial and technical teams are in daily contact with the tenants.

Long-term external growth in value (acquisitions, mergers, etc.)

WEB SCA identifies new projects that contribute to its strategic vision, which meet the following criteria:

- high-quality, attractive and long-lasting buildings in order to minimise ecological footprints
- modular buildings in order to minimise any conversion costs
- prime locations
- complementarity and diversity of tenants' commercial offers
- tenants who are financially sound and who participate in the diversity and complementarity of the commercial offer
- relevant and innovative property projects using the most modern techniques that are the least invasive for the ecosystem
- sustainable economic profitability

¹ based on turnover for the period under review

The investment strategy consists in owning buildings for a long period, without bearing the risks inherent in promotion, and responding primarily to one of the following specificities:

- commercial properties
- logistics properties
- office properties

It is the permanent role of the Board of Directors to define and control the implementation of the strategy described above.

Obviously, WEB SCA must adapt its business strategy according to the opportunities and, in the strict measure of social interest, may in certain circumstances sell buildings which would no longer prove to be strategic. The buildings in the portfolio are regularly subject to a study, coupled with an examination of the local property context.

During the period under review, WEB invested in the growth and sectoral and geographic diversification of its property portfolio. This growth strategy will remain in place.

This strategy was accompanied by a policy of maintenance of the existing building stock to preserve all the potential and expressed rental value, which also reflects its desire to improve its ecological footprint by improving the rental quality of its buildings. This operational strategy will remain in place.

Activity

Provision of buildings

WEB SCA's main activity consists of providing buildings as well as some land to third parties.

Within the limits of its investment strategy as defined above, WEB SCA invests in properties. Through its activities, WEB SCA aims to enhance and increase its property assets. WEB SCA is currently one of the investments and property management specialists in the categories detailed in the table below.

As at 30 June 2020, these buildings are broken down as follows, on a consolidated basis:

Description of activities	Logistics buildings	Commercial buildings	Office buildings	Land	Total
Total built-on area	135,202m ²	139,092m ²	17,326m ²	n/a	291,620m ²
Investment value ¹	€55,525,432	€201,292,872	€36,300,345	€7,431,588	€300,550,237
Fair value ¹	€53,549,233	€195,308,451	€35,259,049	€7,024,032	€291,140,765
Distribution of assets ²	18.47%	66.97%	12.08%	2.48%	100%
Insured value ^{3, 4, 5}	€90,951,082	€184,330,425	€58,568,534	n/a	€333,850,041
Acquisition / renovation value	€43,482,484	€116,866,424	€26,424,478	€11,039,289	€197,812,676
Potential yield ⁶	9.28%	6.65%	6.67%	4.45%	7.08%

Description of additional services

Works : constructions, extensions, fittings, transformations, compliance, maintenance

WEB SCA regularly reviews preventive maintenance work and improvements to be made. Depending on the expiration of the leases and the condition of the buildings, WEB SCA implements adequate renovation programmes.

WEB SCA develops its buildings in order to meet the needs of users, ranging from a restructuring of the rented spaces, their extension, up to the construction of new buildings, making it possible to accommodate them in a perfectly adapted environment.

WEB SCA has not entered into a property finance lease and has not offered any building under finance lease, with or without option to purchase, or any similar contract.

WEB SCA carries out its activities with an active management perspective, consisting in particular of carrying out

¹ Assets held for sale included

² Based on the investment value

³ The insured value of the buildings was determined according to the quality of the buildings, the cost of construction, fittings, equipment, etc. and does not take into account the rental value of the building, which is the case of the fair value of the portfolio as determined by the Expert. In addition, for certain multi-tenant sites (Rhode-Saint-Genèse), the insured value also includes the accommodation and the content of the tenants, the premium then being distributed in thousandths, as is the practice in co-ownership. There is therefore no pure correlation between these 2 values.

⁴ On the basis of the insured values taken over, WEB SCA paid a total premium of €167,667 for the period under review.

⁵ Excluding capital insured for property in co-ownership and certain property insured by the tenant (long lease).

⁶ The potential yield is calculated by dividing the sum of the passing rent (PR) on the rented surface areas and the estimated rental value (ERV) on the vacant surface areas by the Investment Value. [(PR on rented surfaces) + (ERV on empty surfaces)] / (Investment Value).

the development and day-to-day management of buildings, as well as any other activity bringing added value to these same buildings or to their users.

Facility Management

WEB SCA offers its clients a facility management service available seven days a week.

The technical team in charge of facility management of buildings provides the services intended to ensure the proper functioning of the building (maintenance, upkeep and minor repairs to buildings; maintenance of green spaces, etc.).

Other services

WEB SCA also offers its clients:

- security services on certain sites, i.e. carrying out daily and night rounds by an approved company
- concierge services on certain sites
- light development work to accommodate the specific needs of the tenant
- the distribution of withholding tax on properties and various taxes, including the verification of the amounts, possible requests for exemption, revision and reduction
- procedures relating to socio-economic permit applications and registration of leases

HIGHLIGHTS OF THE FIRST HALF OF THE FINANCIAL YEAR 2020

The first half of 2020 saw an unprecedented global health crisis requiring the closure of businesses, with the exception of the food sector and certain essential businesses.

Thanks to the segmentation of its property portfolio (Retail, Logistics, and Offices), and its positioning in suburban retail parks, the impact of the health crisis on property fair value remains limited (-€1,476 k, i.e. -0.51% of Fair Value).

As from 1 April, some tenants (outside of the food sector) suspended payment of their rent due to the closure of their business. Concerned to support them in this crisis, WEB SCA conducted a dialogue with its non-food tenants in order to help them face the challenges of this crisis, on a case-by-case basis, and according to the specific difficulties and financial capacities of each. To date, WEB SCA has reached agreements with the vast majority of its tenants.

As at 30 June 2020, the impact of these measures is reflected in the consolidated balance sheet, with an increase in Trade Receivables, as well as an increase in the Impairment of Trade Receivables line item in the consolidated income statement, whose projected risk is assessed, with reserve and prudence, at €1,313 k (equivalent to 0.44% of the total amount of the consolidated balance sheet).

Given the context, the Company remains cautious in the context of its growth and investment strategy, as well as for its CAPEX (building maintenance and renovation costs), whose budget will be scrupulously monitored and, where necessary, adjusted.

Portfolio development

WEB SCA continues its development, adapting a cautious and selective position in the choice of its investments, so that they are always carried out under conditions particularly favourable for its shareholders, and in accordance with the strategy described above.

This first half year does not call into question the liquidity of the Group, which intends to continue its growth policy while respecting its strategy of segmental and geographic diversification. At this time, WEB SCA continues its analysis of new investment projects, the outcome of which should be confirmed during the first half of the financial year 2021.

Acquisitions

Alleur

On 22 January 2020, the Company acquired all of the shares of SA BUSINESS PARK ALLEUR, owner of Business Park Alleur, located at Loncin in the Liège region, at the heart of the motorway interchange, 3 minutes from the motorway exit for Brussels, Namur, Aachen. It is a five floor office building, built in 2018-2019, covering ± 4,700 m² and with 161 parking spaces.

The building was designed with high performance techniques and materials, with a view to saving energy giving an energy coefficient K29. The exceptional quality of the thermal insulation, the use of reversible heat pumps, the

implementation of a sophisticated regulation system, etc. are some examples of techniques which guarantee high climatic comfort for users and generate substantial savings in use, while respecting the environment.

The site occupancy rate is 100%. With this acquisition, WEB SCA generates nearly €1,058,000 in additional annual rental income with a firm 111-month fixed-term lease that took effect on 1 May 2019.

In accordance with Article 49, para. 1 of the Law of 12 May 2014, the transaction was carried out under normal market conditions. WEB SCA's approved expert determined a fair value of €16,810,000. As at 30 June 2020, this building, the fair value of which has risen to €16,829,854, represents 5.78% of the portfolio, with a yield of 6.13%.

Houdeng-Goegnies

On 31 January 2020, the Company acquired all of the shares of the limited company SPI LA LOUVIERE, owner of a logistics building located at the exit of the Mons-Liège motorway. This is a building built in 2018-2019, of ± 6,000 m² on a plot of 11,000 m² and with 71 parking spaces, fully let, generating an annual rental income of nearly €380,000 with a 10-year fixed-term lease which started on 1 July 2017.

In accordance with Article 49, para. 1 of the Law of 12 May 2014, the transaction was carried out under normal market conditions. WEB SCA's approved expert determined a fair value of €4,930,000. As at 30 June 2020, this building whose fair value rose to €4,931,777 represents 1.69% of the portfolio, with a yield of 7.51%.

Divestments

Courcelles

On 16 March 2020, WEB SCA sold the office building located at rue Général de Gaulle 12, 6180 Courcelles.

In accordance with Article 49, para.1 of the Law of 12 May 2014, the sale price of this property was set at €400,000 excluding costs, i.e. an identical value to that given by the SIR's property expert as at 31 December 2019.

Investments and maintenance of building stock

During the period under review, WEB SCA continued to grow its property portfolio in a spirit of geographic diversification and deconcentration. This growth strategy is accompanied by a policy of maintaining the existing building stock to retain all of its potential and expressed rental value. In its desire to improve its ecological footprint as well as the rental quality of its buildings, the Group has, among other things, carried out capitalised renovation work for an amount of €2,125,000 incl. VAT.

CORPORATE GOVERNANCE STATEMENT

This corporate governance statement falls under the provisions of the Belgian Code of Corporate Governance, as well as the Law of 6 April 2010. This Code is available on the Moniteur Belge (Belgian Official Gazette) website, as well as on the website "www.corporategovernancecommittee.be". The new "Codes des Sociétés et Associations" (Companies and Associations Code) has been in effect since 1 January 2020.

WEB SCA attaches great importance to good governance, and observes the principles of Corporate Governance described in the Belgian Code of Corporate Governance of 2009 (hereinafter referred to as the "Code"), which is its reference code, in accordance with the Royal Decree of 6 June 2010 requiring listed companies to comply with said Code. The Code is available in the annex to the aforementioned Royal Decree (accessible on the Moniteur Belge website).

In accordance with the rules and directives contained in the Code, the governance framework for WEB SCA's activities is specified in a Corporate Governance Charter.

WEB SCA does not conform to the following points of the 2009 Code:

- given the reduced size of the Company, no secretary has been appointed within the meaning of Article 2.9 of the 2009 Code
- no nomination and remuneration committee has been set up since WEB SCA meets two of the three exclusion criteria set out in Article 7:100, paragraph 4 of the Companies and Associations Code, and is therefore not legally bound to set up such committees¹
- Directors are appointed in principle for six years, whereas the maximum term recommended by the Code is four years. This recommendation is justified by the fact that the shareholders are called upon to decide

¹ In companies meeting, on a consolidated basis, at least two of the following three criteria, the setting up of a remuneration committee within the board of directors is not compulsory:

- a) average number of employees less than 250 people over the entire financial year concerned, WEB SCA had 1 employee at 31/12/2019,
- b) balance sheet total ≤ €43,000,000, the total balance sheet of WEB SCA for the financial year 2019 is €277,885,774,
- c) annual net turnover ≤ €50,000,000, the annual net turnover of WEB SCA for the financial year 2019 is €18,789,694.

with sufficient frequency on the appointment of Directors. This consideration is academic for a company which, like WEB SCA, has the form of a partnership limited by shares and is managed by a statutory manager.

In addition, the corporate governance principles of WEB SCA are set by the Board of Directors in a number of documents available on the Company's website (www.web.be):

- Code of conduct
- Regulations of the Board of Directors
- Regulations of the Effective Managers
- Regulations of the Audit Committee
- Corporate Governance Charter

The corporate governance structure includes:

- the management bodies, namely:
 - Statutory manager of WEB SCA: WEPS SA
 - Board of Directors and Effective Managers of WEB SCA
 - Audit Committee
- supervisory bodies, both external and internal:
 - internal: Audit Committee, Internal Audit
 - external: Statutory Auditor, Property Experts

Composition & Functioning of the administrative bodies

WEB SCA is managed by its Statutory Manager WEB Property Services (or in abbreviated form WEPS SA), appointed in the Articles of Association for an indefinite period.

With the exception of the Effective Managers, staff are centred at the level of the Statutory Manager of the regulated property company (SIR), WEPS SA, who may be considered as staff of the SIR for the purposes of Article 4 of the said Law. As at 30 June 2020, this was divided into 3 categories:

- the operational functions are carried out by Ms Valérie WAGNER, Head of Marketing and Sales, and Mr Laurent VENSENSIUS, Chief Technical Officer
- the mixed functions are exercised by 2 Effective Managers: Mr Laurent WAGNER, Chief Executive Officer and by Ms Caroline WAGNER, Chief Administration Officer and Compliance Officer
- the support functions are supervised by an Effective Manager, Mr Antoine TAGLIAVINI, Chief Financial Officer and Risk Manager. These include the financial management, personnel management, and IT functions

Boards of Directors

In accordance with the Companies and Associations Code and its Articles of Association, the Company is managed by a Statutory Manager, WEPS SA, which acts through its Board of Directors. WEPS SA is both the General Partner and the Statutory Manager of the Company, and represents the same.

WEPS SA is responsible, in an unlimited manner, for all of the Company's commitments and, in return, has very extensive management powers.

The Manager's mandate is irrevocable, except in court, for a justifiable reason.

Composition

In accordance with Article 20 of the Articles of Association of WEB SCA, the Board of Directors consists of at least five (5) Directors, whether shareholders or not, including at least three (3) independent Directors in accordance with Article 526.3 of the Companies and Associations Code.

The Directors are appointed for a term of six (6) years at most. If WEPS SA appoints Directors for a term of six years, being a derogation from the Corporate Governance Code, WEB SCA must explain this in its corporate governance statement. However, WEB SCA has justified this potential derogation in its Corporate Governance charter: "The maximum term of four years recommended by the Corporate Governance Code is indeed justified by the fact that the shareholders are called upon to decide with sufficient frequency on the appointment of Directors. This consideration is academic for a company which, like WEB SCA, has the form of a partnership limited by shares, and is managed by a statutory manager."

The composition of the Board of Directors is based on gender diversity and diversity in general, as well as on the complementarity of skills, experience and knowledge. It aims in particular to ensure a significant representation of Directors who know the property sector well, and more particularly retail, offices, as well as logistics, or who have experience in the financial aspects of the management of a listed company, and in particular SIRs.

Non-executive Directors may not consider accepting more than five (5) terms of office in listed companies.

As at 30 June 2020, the Board of Directors was made up of seven (7) Directors, including four (4) Non-Executive Directors (including 3 independent) and three (3) Executive Directors:

- Mr Claude DESSEILLE, Chairman of the Board of Directors, Non-Executive Director
- Mr Daniel WEEKERS, Vice-Chairman of the Board of Directors, Non-Executive, independent Director
- Mr Jean-Jacques CLOQUET, Non-Executive, Independent Director
- Mr Jacques PETERS, Non-Executive, Independent Director
- Mr Claude DESSEILLE, Executive Director (CEO)
- Mr Laurent WAGNER, Executive Director (CEO)
- Ms Caroline WAGNER, Executive Director (CAO)
- Ms Valérie WAGNER, Executive Director (HMS)

Board of Directors at 30/06/2020	Beginning of first mandate	End of current mandate
CLOQUET Jean-Jacques ^{1, 6}	January 2017	AUG 2023
DESSEILLE Claude ²	May 2012	AUG 2023
PETERS Jacques ^{3, 6}	January 2018	AUG 2026
WAGNER Laurent ^{1,4}	January 2017	AUG 2023
WAGNER Caroline ⁵	December 2000	AUG 2023
WAGNER Valérie ¹	January 2017	AUG 2023
WEEKERS Daniel ^{6, 7}	July 2011	AUG 2023

The Company complies with the requirements relating to gender diversity as required by the Law of 28 July 2011 aimed at ensuring the presence of women on the Board of Directors of listed companies.

All Directors are natural persons. They meet the conditions of good repute, expertise and experience provided for in Article 14 of the SIR Law, and none of them falls within the application of the cases of prohibition referred to in Article 15 of the SIR Law.

Specialised committees of the Board

The Board of Directors may set up specialised committees whose mission is to examine specific questions and advise it on this subject. Decision-making will remain a collective responsibility of the Board of Directors. The composition and mode of operation of each committee are described in the Corporate Governance statement.

In these circumstances, the Board of Directors appoints the members of the committees it creates, and their chairman.

When making these appointments, the Board of Directors ensures that each committee is composed in such a way that, as a whole, it has the skills required to carry out its mission. Each committee includes at least three (3) members.

The term of the mandate as a member of a committee does not exceed that of the Director's mandate.

The Committees of the Board of Directors are empowered to request external professional advice at the Company's expense, after having informed the Chairman of the Board of Directors.

Audit Committee

As the Company fulfils two of the three exclusion criteria listed in Article 7:99, paragraph 3 of the Companies and Associations Code, it is not legally bound to set up an Audit Committee. The Board of Directors nevertheless took the decision to set up said Audit Committee.

Composition

The Audit Committee is made up of non-executive members of the Board of Directors. At least one member of the Audit Committee is an independent Director pursuant to Article 7:87 of the Companies and Associations

¹ This is his/her 1st mandate

² Non-executive director. This is his 5th mandate if we count the mandate exercised by SCA DESSEILLE as the 1st mandate.

³ This is his 2nd mandate

⁴ As of 18/12/2019, the Board of Directors of WEPS SA approved the appointment of Mr Laurent WAGNER as CEO.

⁵ This is her 6th term.

⁶ Independent director, pursuant to Article 7:87 of the Companies and Associations Code

⁷ This is his 3rd term, and therefore his last as an Independent Director

Code. Mr Daniel WEEKERS, appointed Chairman of this committee, is in charge of accounting and auditing.

The Audit Committee is therefore composed of the following persons:

- Mr Daniel WEEKERS, Chairman, Non-Executive, Independent Director
- Mr Jean-Jacques CLOQUET, Non-Executive, Independent Director
- Mr Jacques PETERS, Non-Executive, Independent Director

OPERATIONAL COMMITTEES

The composition is restricted to the team of Effective Managers. Mr Laurent WAGNER as Chair.

Ms Valérie WAGNER and the SPRL VLCl represented by Mr Laurent VENSENSIUS attended from time to time as guests.

Effective Managers

The Board of Directors did not opt for the creation of a Management Committee within the strict meaning of the term. The Executive Management is made up of persons having the status of Effective Manager within the meaning of the applicable legislation. The role of Effective Managers is described in the WEB SCA Governance Charter and the Regulations of Effective Managers.

WEB SCA considers as Effective Managers the operational persons who exercise a direct and decisive influence on the management of all or part of the activities of WEB SCA and have the decision-making power, namely the Executive Directors, Mr Antoine TAGLIAVINI, taking into account the importance of the CFO functions, and Mr Laurent VENSENSIUS in his capacity as CTO.

Composition

In accordance with the regulations relating to SIRs (in particular Article 14 of the Law of 12 May 2014 relating to regulated property companies), the effective Management of WEB SCA is entrusted to at least two natural persons, who are appointed by the Board of Directors, and who bear the title of Effective Manager.

On 30 June 2020, the Effective Managers were:

- Mr Laurent WAGNER, Chief Executive Officer
- Ms Caroline WAGNER, Chief Administrative Officer
- Mr Antoine TAGLIAVINI, Chief Financial Officer
- Mr Laurent VENSENSIUS, Chief Technical Officer

All of the Effective Managers are natural persons. They meet the conditions of good repute, expertise and experience provided for in Article 14 of the SIR Law and none of them falls within the application of the case of prohibition referred to in Article 15 of the same.

Distribution of tasks between the Effective Managers

The tasks are distributed between the Effective Managers as indicated in the Regulations for Effective Managers, available on the Company's website (www.web.be).

Distribution of tasks between Effective Managers and Directors

In property and financial matters, the Effective Managers identify the possibilities and needs in terms of investment, divestment, and financing. They make proposals to the Board of Directors for it to take decisions on this subject. The Board of Directors may however mandate the Effective Managers, with the power of sub-delegation, to take a series of decisions, and to represent the Company (for example, when concluding leases below a certain amount).

In terms of staff, the Effective Managers lead and manage the teams, within the framework of the organisation chart and the budget determined by the Board of Directors.

With regard to financial reporting, the Effective Managers supervise the exhaustive, punctual, true and fair preparation of the financial statements in accordance with the accounting standards and the valuation rules of the Company, present the financial statements to the Board of Directors and, after approval by the Board, have them published. The Board of Directors approves the financial statements and draws up the accounts.

In terms of internal control and risk management, the Effective Managers set up and adapt the internal control and risk management procedures (identification, assessment, management and monitoring systems for financial and other risks) within the framework approved by the Board of Directors. The Board of Directors also appoints the heads of independent control functions.

They report regularly to the Board of Directors.

WEB SCA SHAREHOLDERS

The legal and statutory threshold for transparency declarations is set at 3% of the total number of issued shares admitted to trading on a regulated market. All WEB SCA shares have the same voting rights.

Amount of share capital held, number of shares and possible categories of shares

The subscribed share capital is set at ten million euros (€10,000,000). It is represented by 3,166,337 shares, without par value, all fully paid up and conferring the same rights and advantages. The capital may be subscribed and released both by the General Partner and by the Shareholders.

Identity of reference Shareholders

Based on the declarations received, the shareholding structure at 31 December 2019 is as follows:

Total number of shares issued by WEB SCA at 30/06/2020	3,166,337	100%
Ageas SA	154,752	4.89%
Norges Bank	123,283	3.89%
Number of shares held by shareholders acting in concert	1,539,861	48.63%
<i>Broken down as follows:</i>		
1. Stichting Administratie Kantoor Valaur	1,274,361	40.25%
2. WEPS SA	2,000	0.06%
3. Robert Jean WAGNER	10,000	0.32%
4. Robert Laurent WAGNER	25,000	0.79%
5. Valérie WAGNER	43,500	1.37%
6. VLIM SA	185,000	5.84%
Free float	1,348,441	42.59%

The Stichting Administratie Kantoor Valaur is jointly held by Mr Robert Jean WAGNER, Ms Valérie WAGNER, Mr Robert Laurent WAGNER, Ms Claire FONTAINE and Ms Jarmila SCHREILOVA.

They are therefore considered to be Promoters within the meaning of Article 2, 13 and 22, of the SIR Law, albeit that, WEB SCA having been approved as a Sicafi (property investment trust) in 1998, i.e. more than three years ago, they are no longer bound by the obligations referred to in Articles 23, paragraph 1 and 2, of the SIR Law.

Promoters

The members of the WAGNER family identified below control WEB SCA.

At WEB SCA level, there is a concert agreement relating to the voting rights binding the members of the WAGNER family (namely Mr Robert Jean WAGNER, Mr Robert Laurent WAGNER, Ms Valérie WAGNER, Ms Claire FONTAINE, and Ms Jarmila SCHREILOVA), both directly and through the Stichting Administratie Kantoor Valaur.

Concerted shareholding concerns the exercise of voting rights, with a view to carrying out a sustainable common policy, as well as the acquisition and disposal of shares conferring the right to vote.

In total, this concerted shareholding concerns 1,539,861 shares, representing 48.63% of the total voting rights.

REMUNERATION REPORT

This report is drawn up in accordance with the Companies and Associations Code.

At this time, the Company does not plan to modify its remuneration policy for the next two years.

Effective Managers

Remuneration policy

The remuneration of the Effective Managers is the responsibility of the Board of Directors of WEPS SA, and is fixed.

The remuneration package for the Effective Managers of WEB SCA results from the application of management agreements and employment contracts. No variable remuneration is granted. Effective Managers do not receive remuneration related to performance, operations or transactions, such as bonuses and long-term incentive plans,

or share bonus plans.

This remuneration is determined according to each person's responsibilities and skills, and is indexed if the person is employed under an employment contract.

As at 30 June 2020, the CEO, the CTO and the CFO were exercising their functions under an independent status.

The CAO performs her functions under the auspices of an employment contract, and benefits from such advantages as: hospitalisation insurance, group insurance, company vehicle, PC, and mobile phone.

Amount of remuneration for the year under review

The total remuneration of the Effective Managers amounted to €509,708 for the past financial periode.

Statutory Manager

Remuneration policy

In accordance with the Articles of Association of WEB SCA, the remuneration of the Manager is fixed by the General Meeting, in accordance with Article 35, paragraph 1 of the SIR Law.

The Manager is also entitled to the reimbursement of costs which are directly linked to its mandate. The fees and expenses paid to the Manager by the SIR are subject to control by the Statutory Auditor at each half-yearly or annual closing.

Amount of remuneration for the year under review

The Ordinary General Meeting of 23 April 2019 of WEB SCA decided to grant a fixed annual remuneration of €475,000 excluding VAT to the Statutory Manager for the 2019 Financial Year (from 1 January 2019 to 31 December 2019).

Board of Directors

Remuneration policy

The Directors of WEPS SA, whether executive or non-executive, receive a fixed and identical remuneration in the form of attendance fees, the amount of which is determined by the General Meeting of WEPS SA.

Following the decision of the General Meeting of WEPS SA on December 16, 2019, the remuneration of the members of the Board of Directors is set as follows:

- a fixed amount of €1,000 per physical meeting
- an amount of €500 per meeting for actual attendance
- an amount of €750 per meeting held by telephone

The Directors do not receive any remuneration linked to performance, operations or transactions, such as bonuses and long-term incentive plans, nor any benefit in kind, nor any benefit linked to pension plans.

The costs they have incurred in the exercise of their duties as Director are reimbursed to them.

The Chairman of the Board of Directors receives a fixed annual remuneration, the amount of which is determined by the General Meeting of WEPS SA. This was set at €35,000 per year as from the date of the General Meeting of 16 December 2019.

The Vice-Chairman of the Board of Directors receives a fixed annual remuneration, the amount of which is determined by the General Meeting of WEPS SA. This is set at €3,000 per year.

Amount of remuneration for the year under review

	Board of Directors	Gross remuneration (excl. VAT)
CLOQUET Jean-Jacques	2/3	€1,500
DESSEILLE Claude	3/3	€19,500
PETERS Jacques	3/3	€2,250
WAGNER Caroline	3/3	€2,250
WAGNER Laurent	3/3	€2,250
WAGNER Valérie	3/3	€2,250
WEEKERS Daniel	3/3	€3,750

Audit Committee

Remuneration policy

The members of the Audit Committee receive remuneration proportional to the work provided, the amount of which is determined by the General Meeting of WEPS SA. Account must therefore be taken of the time that members devote to the activities of the Audit Committee, the skills they bring, and the tasks they are in charge of, as well as the value of their work for the company.

The Chairman of the Audit Committee receives a fixed annual remuneration determined by the General Meeting of WEPS SA, on a proposal from the Board of Directors, in addition to that of a member of this Committee.

A fixed and identical remuneration of €1,000 per meeting is granted to members.¹

A remuneration of €15,000/year was granted to the Chairman of the Audit Committee.

Amount of remuneration for the year under review

	Audit Committee	Gross remuneration (excl. VAT)
CLOQUET Jean-Jacques	2/2	€2,000
PETERS Jacques	2/2	€2,000
WEEKERS Daniel	2/2	€9,500

INTERNAL CONTROL

In terms of internal control and risk management, the Board of Directors and the Effective Managers have implemented and adapt the internal control and risk management procedures (identification, assessment, management, and monitoring of financial and other risks), assisted by the Statutory Auditor and the Audit Committee. The Board of Directors have also appointed the heads of the independent control functions, namely a head of Internal Audit, a Risk Manager and a Compliance Officer, in accordance with Article 17 of the Law of 12 May 2014.

These functions are performed adequately and with the necessary independence, taking into account the size of the Company and its resources.

In accordance with the definition of COSO 2013 ("Committee of Sponsoring Organisations of the Threadway Commission"), a reference system adopted by WEB SCA, internal control consists of constantly establishing and adapting appropriate management systems, with the aim of giving Directors and Managers a reasonable assurance that the financial information is reliable, that legal or internal regulations are complied with, and that the main business processes operate effectively and efficiently.

One of the objectives of internal control is to prevent and control the risk of error or fraud. The internal control environment is based on the key documents that are the internal procedures, the functional organisation and the Code of Conduct, which are binding on all WEB SCA employees.

The quality of internal control will be assessed over the course of the financial year:

- by internal audit;
- by the Audit Committee, which will ensure the relevance and efficiency of the Company's internal control and risk management systems and will monitor the internal audit and external control carried out by the Statutory Auditor, who will itself formulate all advice and recommendation to the Board of Directors and the Effective Managers in these areas, and will in particular review closings, specific accounting treatments, disputes and main risks;
- by the Statutory Auditor as part of its review of the interim and annual accounts. In particular, it may make recommendations concerning the preparation of financial statements.

The Board of Directors supervises the performance of the Audit Committee's tasks in this area, in particular through the reporting provided to it by this Committee.

Internal auditing function

Since the certification as a regulated property company (SIR), the person in charge of Internal Audit within the Company is Mr Claude DESSEILLE, appointed for an indefinite period. He is Chairman of the Board but he has granted delegations of powers to Mr Pierre PONCELET ("BDO"), for a renewable period of one year.

¹ Decision of the General Meeting of WEPS SA of 16/12/2019.

Compliance function

The functions of Compliance Officer are performed for an indefinite period by Ms Caroline WAGNER, Effective Manager.

Function of Risk Manager

The risk management function is exercised by a Risk Manager, who is appointed by the Board of Directors on the proposal of the Effective Managers, subject to prior approval by the FSMA.

The Risk Manager's function is performed by Mr Antoine TAGLIAVINI for an indefinite period. The Risk Manager is independent for the exercise of this function.

Management of Conflict of Interest

The rules for preventing conflicts of interest are integrated into the WEB SCA Governance Charter.

Identification of potential conflicts

Conflicts of interest may notably arise in the following cases:

- acquisition of buildings or property companies
- provision of buildings
- signature of service contracts

Conflict of interest preventive rules

Each Director organises his or her personal and professional affairs so as to avoid any conflict of interest, whether direct or indirect, with WEB SCA.

The legal rules for preventing conflicts of interest which apply to WEB SCA are Articles 7:96 and 7:97 of the Companies and Associations Code, the specific rules on conflicts of interest set out in Articles 37 and 49 paragraph 2 of the SIR Law (which notably provides for the obligation to inform the FSMA in advance in a series of cases), as well as the rules provided for in its "Governance Charter".

Provisions specific to the Company

The Board also imposed specific rules on the Company¹ in addition to the applicable legal rules:

1. Special majority

In the event of an investment or the making available of a building involving a conflict of interest within the meaning of Article 7:96 of the Companies and Associations Code, the decision must be taken by a majority of the Directors, including at least half of the independent Directors.

If such an investment presents a conflict of interest with an independent Director, the rule specified in the above paragraph remains applicable, it being understood that the independent Director in question may not participate in the vote, by application of Article 7:96 of the Companies and Associations Code.

In addition, we specify that in these cases, the relevant paragraphs of the minutes of the Board of Directors must also be reproduced in the management report.

Similarly, any situation falling under the scope of Article 7:97 of the Companies and Associations Code will result in the application of these provisions (if applicable, cumulatively with Article 7:96 of the Companies and Associations Code) and, in particular, upon the prior assessment of the transaction by a Committee made up of three independent Directors.

2. Transaction with a majority family member or a related company

It may happen that the Company enters into a transaction relating to a property with a member of the majority family or a company linked to one or more of them (defined as a company in which one or more of them holds a stake or exercises a mandate as Director, delegate for daily management, or member of the Board of Directors). In this case, as long as the majority family members are shareholders of the Company, the principles of management of conflicts of interest as provided for by the Companies and Associations Code, the Corporate Governance Charter and the SIR Regulations will scrupulously be respected, whatever the amount of the investments (de minimis exceptions are not used).

In addition, for any transaction relating to a property (which is not within the competence of the General

¹ The latter are detailed in WEB SCA's Governance Charter.

Meeting), the following rules must apply:

- the Effective Managers (by a majority, excluding the Effective Managers on whose part there is a conflict of interest) must make a written proposal to the Board of Directors in which they must indicate:
 - description of the property
 - description of the transaction
 - description of the conflict of interest
 - the Company's interest in the transaction
 - an expert valuation
 - the price or its equivalent and other conditions
 - proof that the price or the equivalent is in accordance with market conditions
- a copy of the proposal of the Effective Managers to the Board of Directors will be communicated for information to the FSMA
- the Board of Directors (to which Article 7:96 of the Companies and Associations Code applies) will instruct three independent Directors to prepare the report provided for in Article 7:97 of the Companies and Associations Code (unless it decides not to study the file)
- the Committee of independent Directors will appoint an Independent Expert, who must be a certified property expert, a company auditor or an investment bank
- the report of the Committee of independent Directors assisted by the Independent Expert must specify, in addition to the information required by Article 7:97 of the Companies and Associations Code, whether the proposed transaction would be carried out under normal market conditions
- this report will be communicated, not only to the Board of Directors, but also to the FSMA
- the Board of Directors must specifically explain its decision regarding compliance with market conditions
- a copy of the decision of the Board of Directors will be communicated to the FSMA
- an assessment as to the accuracy of the data must be made by the Statutory Auditor of the company

3. Conflicts of functions

If WEB SCA proposes to conclude, with a company in which a Director of WEB SCA exercises a mandate or in which it holds a participation other than a minor shareholding, a transaction which is not covered by Article 7:96 of the Companies and Associations Code (for example, because it is a usual transaction concluded under normal market conditions and guarantees), WEB SCA nevertheless considers it necessary that this Director immediately informs the Chairman of the Board of Directors.

His or her declaration, as well as the reasons justifying the non-application of Article 7:96 of the Companies and Associations Code, will appear in the minutes of the Board of Directors, which must take a decision.

The Chairman will decide whether to report thereon to the Board of Directors, and whether the Director concerned should abstain from attending the Board of Directors' deliberations on this transaction, or take part in the vote.

The minutes relating to the transaction concerned do not, however, have to be reproduced in the Annual Report. The Company will inform the FSMA of this case of conflict.

The application of this policy will be mentioned in the Corporate Governance statement in the Annual Report.

4. Transactions with an executive officer

The above policy also applies, mutatis mutandis, to transactions between WEB SCA and executive officers. The executive officer concerned must declare the conflict of interest to the Chairman of the Board of Directors. His or her declaration must appear in the minutes of the Board of Directors, which must take a decision. This transaction can only be concluded under normal market conditions.

The minutes relating to the transaction concerned do not, however, have to be reproduced in the Annual Report. The Company will inform the FSMA of this case of conflict.

5. Corporate opportunities

Since the Directors of WEPS SA are appointed, in particular according to their skills and experience in the property area, it is common for them to hold terms of office in other property companies or companies controlling property companies.

It may therefore happen that a transaction submitted to the Board of Directors (for example: acquisition of a building as part of an auction process) is likely to interest another company in which a Director has a mandate. In such a case, which may involve in certain cases a conflict of functions, the company has decided to apply a procedure largely modelled on that provided for in Article 7:96 of the Companies and Associations Code in matters of conflicts of interest.

The Director concerned must immediately inform the Chairman of the Board of Directors and the CEO of the

existence of such a situation. As far as possible, the CEO also takes care to identify the existence of such a situation.

Once the risk has been identified, the Director concerned and the Chairman of the Board of Directors or the CEO will jointly examine whether the "Chinese walls" procedures adopted within the entity of which the Director concerned is a party enable the Director, without question, and under his or her sole responsibility, to attend meetings of the Board of Directors. In the event that such procedures have not been put in place, or in the event that the Director concerned or the Board of Directors considers that it is more appropriate for the Director concerned to abstain, the latter will withdraw from the deliberation and decision process: the preparation notes will not be sent to the Director concerned, who will withdraw from the Board of Directors' meeting when the point is discussed there, and this point will be the subject of an annex to the minutes which will not be communicated to said Director.

The Board of Directors' minutes will record compliance with this procedure, or explain the reason why it has not been applied.

This procedure will cease to apply as soon as the risk disappears (for example, because either the company renounces it or the competing company decides not to submit an offer).

If necessary, this procedure will be combined with Article 7:96 of the Companies and Associations Code, if this provision is applicable (for example, because the Director in question has a property interest opposed to that of the Company, the transaction is concluded by a company other than the Company). In addition, we specify that in these cases, the relevant paragraphs of the Board of Directors' minutes must also be reproduced in the management report.

Mandatory information

During the year under review, there was no transaction giving rise to the application of the procedure referred to in Article 7:96 of the Companies and Associations Code relating to conflicts of interest.

During the past period, the Company did not carry out any transaction constituting a transaction referred to in Article 7:97 of the Companies and Associations Code.

During the past period, the Company did not carry out any transaction constituting a transaction referred to in Article 37 of the SIR Law.

Preventive rules for market abuse

In accordance with European regulations (hereinafter referred to as the "Regulations") and the law (hereinafter referred to as the "Law") relating to market abuse, the Company has defined, as an issuer, a prevention policy concerning the use of inside information related to its financial instruments. These rules apply:

- to the members of the administrative body of the statutory manager of WEB SCA
- to high-level managers who, without being members of the body referred to above, have regular access to inside information directly or indirectly concerning the Company, and the power to take management decisions concerning future development and strategy of the Company, "the managers"
- to persons likely to have inside information because of their involvement in the preparation of a specific transaction

The rules for preventing market abuse are detailed in the "Code of Conduct" applicable to transactions in shares and other financial instruments of WEB SCA, and to the afore-mentioned persons.

The Code of Conduct also provides the following rules:

- internal notification:
 - o the appointed persons (Managers, staff members and any person called upon to receive inside information) intending to carry out transactions relating to WEB SCA shares must give written notice (fax, mail, email) in advance, i.e. at least 48 hours before the transaction is completed, to the Compliance Officer of WEB SCA;
 - o if the Compliance Officer of WEB SCA intends to carry out share transactions, he or she must also notify them in advance (at least 48 hours before the transaction is completed) and in writing (fax, mail, email), to the Chairman of the Board of Directors. The written notice must detail the type of share and the transaction envisaged, the quantity concerned, and the date envisaged for the transaction.
- notification to the FSMA: the appointed persons must notify any transaction carried out on their own account and relating to the financial instruments of the Company at the latest within three working days after the date of the transaction, by means of an online notification via the application available on the FSMA website. These transactions will then be published on the FSMA website.
- establishment of periods during which the execution of stock exchange transactions on WEB SCA shares is not authorised ("closed and prohibited periods").
- keeping of an insider list.

Privileged information

"Information of a precise nature which has not been made public, which concerns, directly or indirectly, the Company, one or more financial instruments, and which, if it were made public, could have a significant influence on the price of the financial instruments concerned or the price of derivative financial instruments linked to them."

WEB SCA ensures that inside information is made public as soon as possible, and in a manner that allows rapid and complete access to this information, and a correct and rapid assessment of the same by the public.

WEB SCA may, under its own responsibility, postpone the publication of inside information, provided that all of the following conditions are met:

- immediate publication is likely to prejudice the legitimate interests of the issuer;
- the delay in publication is not likely to mislead the public;
- the issuer is able to ensure the confidentiality of said information. If the issuer has deferred the publication of inside information, it must inform the FSMA in writing immediately after the publication of the information.

Persons with inside information must refrain from:

- using this inside information, whether for their own account or that of another person, to acquire, dispose of, or attempt to acquire or dispose of the shares concerned directly or indirectly;
- communicating this inside information to any other person, except in the context of the normal performance of their work and the exercise of their function;
- on the basis of this inside information, advising another person, whoever he or she may be, to acquire or sell the shares concerned by this inside information, or to have this acquisition or disposal carried out by other persons.

The Company strongly encourages insiders not to make any recommendations, even when they do not have, or no longer have, inside information, relating to the Company or a subsidiary.

Insider list

The Compliance Officer draws up and maintains a list of all the persons who have access to inside information.

The Compliance Officer must take all reasonable measures to ensure that the persons appearing on the insider list recognise in writing the legal and regulatory obligations arising therefrom, and are aware of the sanctions applicable in the event of insider dealing or illicit disclosure of privileged information.

It is not recommended for persons on the insider list established in accordance with the regulations, and in particular for Managers, to carry out short-term transactions in the shares of the Company.

Closed and prohibited periods

Managers cannot carry out transactions in financial instruments, either on their own account or on behalf of a third party, directly or indirectly, during a closed period, namely:

- the period of thirty calendar days preceding the date of publication of the annual results
- the period of thirty calendar days preceding the date of publication of the half-yearly results

it being understood that, for each period, the trading day during which the publication of the results takes place is added.

Managers may also not carry out transactions in financial instruments, either on their own behalf or on behalf of a third party, directly or indirectly, during a period during which the Company and/or certain managers are in possession of privileged information.

Relations with Clients, Employees, Tenants, Business Contacts and Shareholders

In accordance with its Corporate Governance Charter, WEB SCA undertakes to always act, whether towards its clients, employees and business contacts, or towards its shareholders, in compliance with the laws and regulations in force in all economic sectors of the country, and with respect for ethics.

It does not tolerate any form of corruption, and refuses to enter into contact with persons involved in illegal activities, or suspected of being so. When choosing its partners, WEB SCA takes into consideration their desire to respect the principles contained in the Charter, and ensures collaboration with partners scrupulously respecting the various laws and regulations applicable to WEB SCA's activities (including social legislation, tax fraud legislation, etc.).

WEB SCA does not finance or support any political party and any school of thought, and acts independently in this regard.

WEB SCA strives to maintain harmonious human relations in its team, guided by the principles of professional ethics. It takes care to respect the rights of its employees, with a concern for constructive dialogue based on trust. It also ensures that all persons working within it act in accordance with the ethics and the principles of good business conduct, and the principles set out in the charter.

All employees must avoid being in a situation of conflict between their personal interest and the interest of the shareholders of WEB SCA, in particular in the context of relations with clients, contractors, suppliers, and other third parties. In this regard, they must refrain from accepting any remuneration or personal advantage (gift, invitation, etc.) that does not fall within the scope of current low-value end-of-year gift practices, and they must also refrain from giving to these third parties or to any member of a public authority any advantage whatsoever (sum of money, gift, etc.).

Any employee who suspects fraud, embezzlement, illegal or unethical behaviour, or a breach of internal rules adopted by WEB SCA, or of laws or regulations, must immediately inform the Compliance Officer and the Internal Auditor. They will ensure the anonymity of any person who reports a risk of fraud or breach of internal rules adopted by WEB SCA, or laws or regulations.

RESEARCH AND DEVELOPMENT

During this financial period, the Company did not incur any research and development costs.

POST BALANCE SHEET EVENTS

The assets of SA Sol Carbon, tenant of 9,130 m² in Marchienne-au-Pont and in legal administration (PRJ) since December 2019 will be transferred to a new entity which should notify us of its intention to vacate the premises. In principle, given that the terms of the current lease contract are still in force, upon its departure, the Lessee should pay, in addition to the rent for the quarter due, a relocation allowance of 6 months. However, the chances of obtaining these funds depend on the assets recovered and other creditors of a possible future bankruptcy.

This loss should be partially offset by the negotiation and signing of new leases since closing.

In particular in City Nord, 2 leases have been signed:

On 12 August 2020, the Company signed an agreement with "Carlo & fils" for the rental of a commercial space of ± 600 m² for an annual rent of €67,200, effective as of 1 December 2020.

On 29 September 2020, the Company signed an agreement with "Modal" for the rental of a commercial space of ± 500 m² for an annual rent of €42,000, effective as of 1 November 2020.

At the Rhode-Saint-Genèse site, on 1 September the lease signed with ETHIAS for the rental of an office space of 400 m² took effect for an annual rent of €39,500.

Finally in Saint-Georges-sur-Meuse, 2 major agreements were signed:

On 24 August 2020, the Company signed an agreement with "Life Style Fitness" for the rental of a space of ± 1,460 m² for an annual rent of €96,000, effective as of 1 November 2020.

On 13 August 2020, the Company signed an agreement with the "Protection Unit" for the rental of an office space of ± 597 m² and a shop / logistics space of ± 605 m², a total of 1,202 m² for an annual rent of €85,750, effective as of 15 October 2020.

An agreement should also be signed on 30 September 2020 with XU/HUA for the Couillet site for the rental of a space of ± 1,400 m² for an annual rent of €102,000, effective as of 1 December 2020.

SUBSIDIARY

As at 30 June 2020, the Company has 2 subsidiaries. These are SA Business Park Alleur and SA SPI La Louvière, all of whose shares were acquired on 22 January and 31 January 2020, respectively.

INCREASE OF CAPITAL BY CONTRIBUTION IN KIND

The Company did not increase any capital by contribution in kind during the year under review.

DIVERSIFICATION OF INVESTMENTS IN SECURITIES

The Company did not make any investments in transferable securities during the year under review.

PROPERTY REPORT¹

PORTFOLIO OVERVIEW²

GENERAL	30/06/2020	30/06/2020
	consolidated	statutory
Investment value of investment properties	€300,550,237	€278,244,566
Fair value	€291,140,765	€269,379,134
Percentage of net assets ³	100%	100%
Potential yield ⁴	7.08%	7.14%
Total rental area	291,620 m ²	280,871 m ²
Occupancy rate	90.02%	89.21%
Acquisition / renovation value	€197,812,676	€187,129,653
Insured value	€90,951,082	€85.141.754
LOGISTICS BUILDINGS		
Investment value of investment properties	€55,525,432	€50,470,361
Fair value	€53,549,233	€48,617,456
Percentage of net assets ³	18.47%	19.96%
Potential yield ⁴	9.28%	9.46%
Total rental area	135,202 m ²	129,174
Occupancy rate	88.05%	86.85%
Acquisition / renovation value	€43,482,484	€41,371,424
Insured value	€184,330,425	€184,330,425
COMMERCIAL BUILDINGS		
Investment value of investment properties	€201,292,872	€201,292,872
Fair value	€195,308,451	€195,308,451
Percentage of net assets ³	66.97%	72.34%
Potential yield ⁴	6.65%	6.65%
Total rental area	139,092 m ²	139,092 m ²
Occupancy rate	90.12%	90.12%
Acquisition / renovation value	€116,866,424	€116,866,424
Insured value ⁵	€184,330,425 €	€184,330,425
OFFICE BUILDINGS		
Investment value of investment properties	€36,300,345	€19,049,745
Fair value	€35,259,049	€18,429,195
Percentage of net assets ³	12.08%	13.05%
Potential yield ⁴	6.67%	7.16%
Total rental area	17,326 m ²	12,605 m ²
Occupancy rate	90.39%	8.69%
Acquisition / renovation value	€26,424,478	€17,852,151
Insured value	€58,568,534	€43,316,433
LAND		
Investment value of investment properties	€7,431,588	€7,431,588
Fair value	€7,024,032	€7,024,032
Percentage of net assets ³	2.48%	2.67%
Potential yield ⁴	4.45%	4.45%
Total rental area	- m ²	- m ²
Occupancy rate	100%	100%
Acquisition / renovation value	€11,039,289	€11,039,289
Insured value	€ -	€ -

¹ The valuation methods applied by the Property Expert can be consulted on our website : www.w-e-b.be

² The data presented in this chapter includes any assets held for sale, which participate in the figures published until their actual sale.

³ Based on the investment value

⁴ The potential yield is calculated by dividing the sum of the passing rent (LP) on the rented surfaces and the estimated rental value (ELV) on vacant surfaces by the Investment Value.

⁵ Excluding capital insured for condominium property

ANALYSIS OF THE CONSOLIDATED PORTFOLIO AS AT 30/06/2020¹

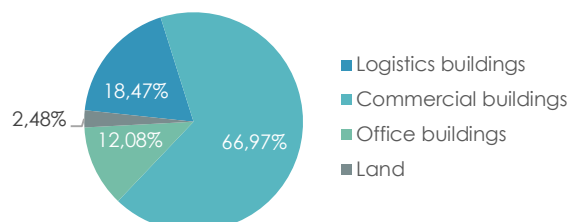
The developments which took place during the year were aimed at increasing the control of risks related to the diversification aspects of the portfolio, both in terms of buildings and of operators.

This was also aimed at improving the ecological footprint of its buildings.

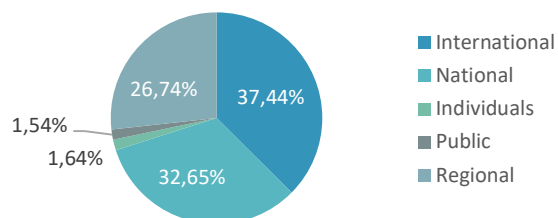
The portfolio diversification was achieved according to the following criteria in order to reduce the ever possible impact measured in terms of conversion costs: the number of rental contracts (more than 290)², the intrinsic quality of tenants, and the variety of sectors of activity in which the latter are active, as well as the modularity of said buildings.

Breakdown of the portfolio³

As at 30 June 2020, the consolidated portfolio consisted of:



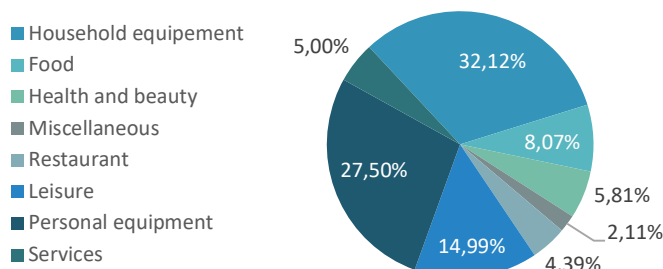
Distribution related to the tenant market scale



WEB SCA's property offer has been very successful, particularly with regard to international companies (37.44%). De facto, the size of these reduces their immediate financial exposure to cyclical crises, which contributes to diversifying the risk in the face of an unfavourable economic situation, and proportionally sustains the rental yield of the Company's portfolio.

On the other hand, the rental income, spread over a large number of tenants (\pm 270), makes it possible to fragment the debtor risk significantly, thereby improving the stability of income.

Sectoral distribution of commercial buildings⁴



The weighting of the portfolio in terms of economic sectors is responsible for a proactive investment policy, made up of tenants who are well divided between various economic sectors, which contributes to reducing the potential cyclical risk, particularly in times of less favourable economic conditions. In fact, a cyclical crisis affects the sectors in question in different ways.

Geographical distribution

As at 30 June 2020, the presence of the regulated property company (SIR) in the Flemish Region amounted to 4.28% compared to 95.05% in the Walloon Region. At the same date, 55.56% of investment properties were located in Gosselies, on the edge of Walloon Brabant, covering various economic sectors, including logistics buildings, commercial buildings, office buildings, as well as land.

Locality	%	Locality	%	Locality	%
Anderlues	0.61%	Gerpennes/Nalines	6.42%	Marchienne-au-Pont	1.98%
Binche	0.48%	Gosselies	55.56%	Marcinelle	1.07%
Charleroi	1.31%	Houdeng-Goegnies	1.51%	Naninne/Wierde	2.27%
Couillet	1.24%	Jette	0.68%	Péruwelz	2.36%
Courcelles	5.82%	Jumet	0.83%	Rhode-Saint-Genèse	3.68%
Dampremy/Lodelinsart	1.64%	Leuze-En-Hainaut	0.53%	Saint-Georges-Sur-Meuse	5.91%
Fleurus	0.61%	Loncin	4.89%	Ypres	0.60%

¹ based on rental income for the period for all types of property, unless otherwise stated

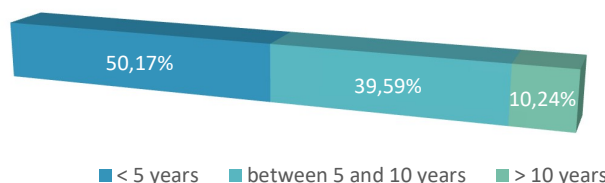
² only taking into account contracts relating to rental space (buildings and land excluding signage)

³ based on the investment value determined by the Property Expert

⁴ based on rental income for the period under review for commercial property only

Residual term of leases¹

The expiration dates are well distributed over the next few years: 49.83% of contracts have an expiration date later than 5 years. The residual term of leases is estimated at 6.26 years on average, which strengthens the control of the risk related to rental vacancy.



In addition, WEB SCA owns properties that are particularly well located, also being the subject of sustained demand due to a catchment area far exceeding the limits of its immediate geographic location, particularly in the commercial property segment.

Status of leases ending within 12 months of the financial year end

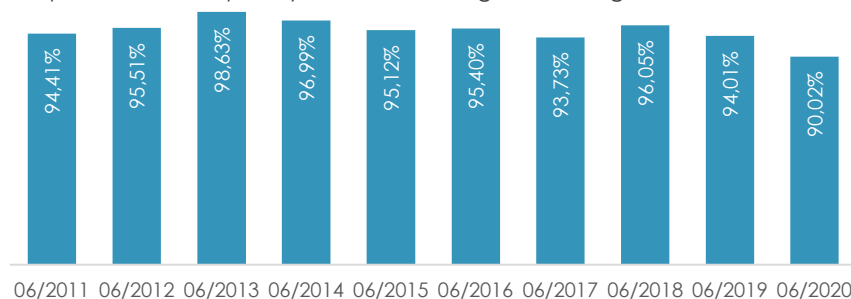
Among the lease contracts expiring between 1 July 2020 and 30 June 2021, most are of the Plug & Work or precarious type (concluded for periods ranging from a few months to 1 year) and mostly renewed for several years automatically.

As of the publication date, 5 waivers have been received for rental areas which have been offered for rental directly through various channels. Some of these areas are also already the subject of negotiations.

For 5 contracts, as at the publication date, the tenants have not indicated their intention to rescind their contract.

Occupancy rate

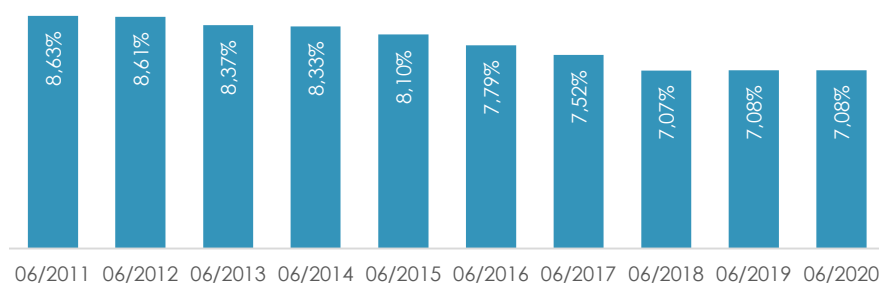
The portfolio's occupancy rate remains high, reaching 90.02% as at 30 June 2020.



Over a 10-year period, from 30 June 2010 to 30 June 2020, we recorded an average rate of 94.99%, with values ranging from 90.02% (minimum rate as at 30 June 2020) to 98.63% (maximum rate as at 30 June 2013).²

Rental yield³

The portfolio's rental yield remains high, with a rate of 7.08% as at 30 June 2020.



Over a 10-year period, from 30 June 2010 to 30 June 2020, we recorded an average rental yield of 7.86%, with a minimum of 7.07% as at 30 June 2018, and a maximum of 8.63% as at 30 June 2011.²

¹ based on the final expiration date of ongoing rental contracts at 31/12/2018, only taking into account the contracts relating to the rental surface areas (buildings and land excluding signage)

² based on values at the end of the financial period

³ The potential yield is calculated by dividing the sum of the passing rent (PR) on the rented surface areas and the estimated rental value (ERV) on the vacant surface areas by the Investment Value. $[(PR \text{ on leased surfaces}) + (ERV \text{ on empty surfaces})] / (\text{Investment Value})$.

Ranking of the 10 main tenants

According to rental income	%	According to the built-on surface areas	m ²
Ikanbi SA	4.90%	Michelin Belux SA	10,434
Pro Bail SA (RackStore)	2.93%	Sol Carbon SA	9,130
Media Markt SA	2.71%	Forever Products SA	8,575
Forever Products SA	1.93%	Pro bail SA (RackStore)	6,990
Basic Fit Belgium	1.83%	Jans Building Distribution SA (SFIC)	6,700
Michelin Belux SA	1.74%	Media Markt SA	6,236
Delimmo SA (Delhaize)	1.66%	Pharma Belgium SA	5,918
Euro Shoe Group	1.65%	Facq SA	5,340
Charlesports SRL	1.53%	Match SA	5,070
Pharma Belgium SA	1.51%	Ikanbi SA	4,721

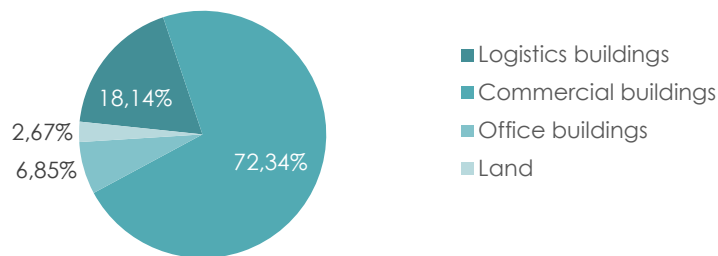
According to the residual term of leases ^{1, 2}	Years
Bodymat SA	49.5
Ansimmo SA (Decathlon)	48.7
Di SA (St-Georges)	32.7
Planet Parfum SA	31.8
Voyages Copine SA	27.5
Gelateria John John PRL	26.8
OVS Garden SW SA	25.7
Chaussea brt SRL	23.2
Match SA	21.5
Magic Center SA	20.6

¹ Excluding the rental contract for signage and land, these logically end at the same time as the related surface area contract

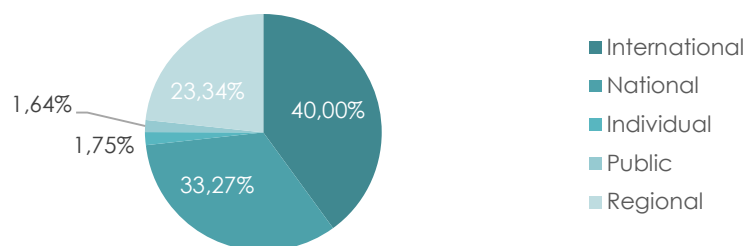
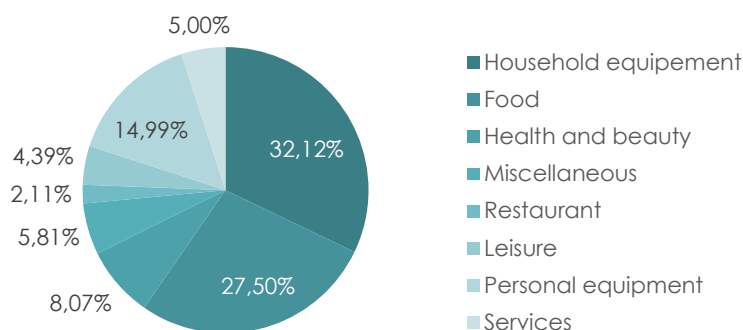
² Notwithstanding the term of the leases indicated in the document, the tenants have the legal right to terminate their lease at the end of each triennium. In this theoretical scenario, all commercial surface areas would by definition be empty within the following three years and six months.

Analysis of the statutory portfolio as at 30/06/2020 ¹

Description of activities	Logistics buildings	Commercial buildings	Office buildings	Land	Total
Total build area	129,174 m ²	139,092 m ²	12,605 m ²	n/a	280,871 m ²
Investment value ²	€50,470,361	€201,292,872	€19,049,745	€7,431,588	€278,244,566
Fair value ²	€48,617,456	€195,308,451	€18,429,195	€7,024,032	€269,379,134
Distribution of assets ³	18.14%	72.34%	6.85%	2.67%	100%
Insured value ^{4,5,6}	€85,141,754	€184,330,425	€58,568,534	n/a	€312,788,613
Acquisition / renovation value	€41,371,788	€116,866,424	€17,852,151	€11,039,289	€187,129,653
Potential yield ⁷	9.46%	6.65%	7.16%	4.45%	7.14%

Breakdown of the portfolio ⁸

Distribution related to the tenant market scale

Sectoral distribution of commercial buildings ⁹

¹ based on rental income for the period for all types of assets unless otherwise stated

² assets held for sale included

³ based on investment value

⁴ The insured value of the buildings was determined based on the quality of the buildings, the cost of construction, fittings, equipment, etc. and does not take into account the rental value of the building, which is the case with the fair value of the portfolio as determined by the Expert. In addition, for certain multi-tenant sites (Rhode-St-Genèse), the insured value also includes the fittings and tenants' content, the premium then being distributed according to thousandths, as is the practice in condominiums. There is therefore no pure correlation between these two values.

⁵ based on renewed insurance values, WEB SCA paid a total premium of € 83,835 for the period under review

⁶ excluding insured capital for co-owned property and certain property insured by the tenant (emphyteusis)

⁷ the potential yield is calculated by dividing the sum of the passing rent (LP) on the leased areas and the estimated rental value (ERV) on vacant areas by the Investment Value. $[(LP \text{ on leased areas}) + (ERV \text{ on vacant areas})] / (\text{Investment value})$.

⁸ based on investment value determined by the Property Expert

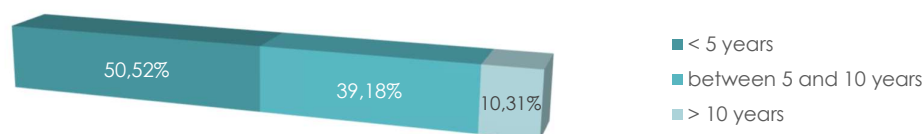
⁹ based on rental income for the period under review for commercial properties only

Geographical distribution

As at 30 June 2020, on a statutory basis, the presence of the regulated property company (SIR) in the Flemish Region amounted to 4.57% compared to 94.71% in the Walloon Region. At the same date, 59.36% of investment properties were located in Gosselies.

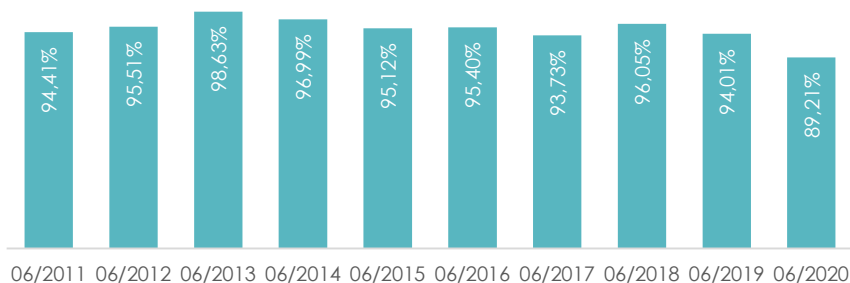
Locality	%	Locality	%	Locality	%
Anderlues	0.65%	Gerpinnes/Nalinnes	6.86%	Naninnes	2.42%
Binche	0.51%	Gosselies	59.36%	Péruwelz	2.52%
Charleroi	1.40%	Jette	0.72%	Rhode-Saint-Genèse	3.93%
Couillet	1.33%	Jumet	0.88%	Saint-Georges-Sur-Meuse	6.32%
Courcelles	6.22%	Leuze-En-Hainaut	0.57%	Ypres	0.64%
Dampremy/Lodelinsart	1.75%	Marchienne-au-Pont	2.12%		
Fleurus	0.66%	Marcinelle	1.15%		

Residual term of leases¹



Occupancy rate

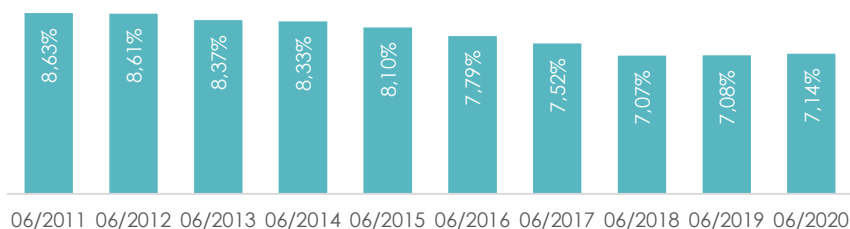
The portfolio's occupancy rate remains high, reaching 89.21% at 30 June 2020.



Over a 10-year period, from 30 June 2011 to 30 June 2020, we recorded an average rate of 94.91%, with values ranging from 89.21% (minimum rate as at 30 June 2020) to 98.63% (maximum rate as at 30 June 2013).²

Rental yield³

The portfolio's rental yield remains high, with a rate of 7.14% at 30 June 2020.



Over a 10-year period, from 30 June 2011 to 30 June 2020, we recorded an average rental yield of 7.86%, with a minimum of 7.07% as at 30 June 2018, and a maximum of 8.63% as at 30 June 2011.²

¹ based on the final expiration of the current rental contracts on 30/06/2020, only taking into account the contracts relating to rental areas (buildings and land excluding totems)

² based on values at the end of the financial year

³ The potential yield is calculated by dividing the sum of the passing rent (PR) on the rented surface areas and the estimated rental value (ERV) on the vacant surface areas by the Investment Value. $[(PR \text{ on leased surfaces}) + (ERV \text{ on empty surfaces})] / (\text{Investment Value})$.

Ranking of the 10 main tenants

According to rental income		According to the residual term of leases ^{1, 2}	
	%		Years
Pro Bail SA (RackStore)	3.13%	Bodymat SA	49.5
Media Markt SA	2.89%	Ansimmo SA (Decathlon)	48.7
Forever Products SA	2.06%	Di SA (St-Georges)	32.7
Basic Fit Belgium SPRL	1.96%	Planet Parfum SA	31.8
Michelin Belux SA	1.86%	Voyages Copine SA	27.5
Delimmo SA (Delhaize)	1.77%	Gelateria John John SRL	26.8
Euro Shoe Group	1.76%	OVS Garden SW SA	25.7
Charlesports SCRL	1.63%	Chaussea brt SRL	23.2
Université Mons Hainaut	1.40%	Match SA	21.5
Sol Carbon SA	1.37%	Magic Center SA	20.6

According to the built-on surface areas	
	m ²
Michelin Belux SA	10,434
Sol Carbon SA	9,130
Forever Products SA	8,575
Pro bail SA (RackStore)	6,990
Jans Building Distribution SA (SFIC)	6,700
Media Markt SA	6,236
Pharma Belgium SA	5,918
Facq SA	5,340
Match SA	5,070
Shops Belgium 2 SA	4,000

PORTFOLIO VALUATION BY THE PROPERTY EXPERT

In accordance with legal provisions, the property in the WEB SCA portfolio is subject to a quarterly valuation. Currently, these property valuation assignments are entrusted to CBRE Valuations Services SRPL, having its registered office at 1000 Brussels, avenue Lloyd George 7, registered in the registre des personnes morales (Brussels Trade Register) under number BE 0859.928.556, and appointed for a mandate of 3 renewable years.

Since WEB SCA's last Ordinary General Meeting, it has been represented for this assignment by Mr Pieter PAEPEN, Director.

Beginning of mandate: January 2018 - End of mandate: December 2020

For its assignments, the expert's remuneration is €60,000 excluding VAT, based on the number of m² of the portfolio as at 31 March 2018 according to the various types of property, namely logistics buildings, commercial buildings and office buildings, with a minimum amount per property of €500 excluding VAT per year. Square metres, m², means all m² valued in the superstructure calculation notes. The above fixed rate will remain in effect as long as the total m² does not change. A quarterly update is planned in the event of variations, and the fees will be adapted to the change of the total m² of the portfolio.

The valuation methods applied by the property appraiser are set out in Note 5 of the 2019 Annual Financial Report.

¹ excluding the rental contract for totems and land, these logically close at the same time as the contract for the relative surface area

² Notwithstanding the duration of the leases indicated in the document, tenants have the legal right to terminate their lease at the end of each three-year term. In this theoretical scenario, all retail spaces would by definition be vacant within the following three years and six months.

Report of the Property Expert

Subject: Valuation of the WEB SCA Consolidated Portfolio as at 30 June 2020¹

Brussels, 6 August 2020

Ladies and Gentlemen,

In accordance with the Royal Decree of 13 July 2014 in application of the Law of 12 May 2014 on Regulated Property Companies, you have given CBRE Valuation Services a mandate to evaluate the entire portfolio of Warehouses Estates Belgium SCA.

Our assignment was carried out independently. All the buildings were visited by experts from CBRE Valuation Services.

In line with standard practice, our assignment was based on the information communicated to us by Warehouses Estates Belgium with regard to the rental status, the charges and taxes to be borne by the lessor, and the works to be carried out, as well as any other factor which may influence the value of the buildings, as well as on the basis of visits carried out by CBRE experts. We assume this information to be accurate and complete. As explicitly stated in our valuation reports, these do not in any way include an assessment of the structural and/or technical quality of the buildings, nor an analysis of the possible existence of harmful materials. These factors are well known to Warehouses Estates Belgium SCA, which manages its assets professionally and carries out technical and legal due diligence before acquiring each building.

The investment value can be defined as being the most probable value under normal terms and conditions of sale between fully informed and consenting parties, on the date of the appraisal, before deduction of the costs of the deeds of sale of the portfolio.

From an accounting point of view, standard practice is to use the 'fair value' principle for the preparation of the financial statements, in accordance with the IAS/IFRS standards. According to the press release by the Belgian Association of Asset Managers (BEAMA) of 8 February 2006, and as confirmed in the press release by the BE-REIT Association of 10 November 2016, the fair value can be obtained by deducting transaction costs of 2.5% of the investment value for buildings with a value of more than €2,500,000. For buildings with an investment value of less than €2,500,000, the deductible fees are 10% or 12.5%, depending on the region in which they are located.

Based on the remarks made in the preceding paragraphs, we confirm that the investment value of the property assets of Warehouses Estates Belgium SCA valued by CBRE Valuation Services as at 30 June 2020 amounts to:

€300,550,237

(Three hundred million five hundred and fifty thousand two hundred and thirty-seven euros)

After deduction from the overall value of transfer costs in accordance with BEAMA recommendations, and your instructions for costs of deeds, we arrive at a 'Fair Value' of:

€291,140,765

(Two hundred and ninety-one million one hundred and forty thousand seven hundred and sixty-five euros)

This amount is therefore the total value attributed to the buildings valued by CBRE Valuation Services.

Yours faithfully,

Pieter Paepen MRICS
Senior Director
Valuation Services
For CBRE Valuation Services

¹ Free translation

GENERAL VALUATION AT 30/06/2020	Year of construction / renovation	Built-on area	Net rental	ERV ¹	Investment value	Fair Value	Yield (on net rent + ERV) ²	Occupancy rate	% portfolio ³ consolidated statutory	
Logistics Buildings										
Jumet - Rue de l'Industrie 12	1970-2007	6,719 m ²	€-	€154,537	€921,850	€819,422	16.76%	- %	0.31%	0.33%
Gosselies - Avenue des Etats-Unis 90	1999-2007	623 m ²	€112,915	€101,739	€1,186,123	€1,054,332	9.52%	100%	0.39%	0.43%
Gosselies - Chaussée de Fleurus 157	1974-1975-1996-2008-2013	19,023 m ²	€673,436	€727,241	€10,386,742	€10,133,407	7.22%	89.76%	3.46%	3.73%
Courcelles - Rue de la Glacerie 12	1920-1980-1990-2005-2013	33,188 m ²	€474,902	€806,350	€6,951,117	€6,781,578	13.30%	51.38%	2.31%	2.50%
Gosselies - Rue de l'Escasse	1960	6,660 m ²	€94,010	€99,900	€1,037,723	€922,420	11.68%	77.59%	0.35%	0.37%
Fleurus - Avenue de l'Espérance 1	1992	3,800 m ²	€117,270	€121,600	€1,354,898	€1,204,354	8.66%	100%	0.45%	0.49%
Gosselies - Aéroport	1995-2001	15,894 m ²	€586,074	€579,090	€6,970,105	€6,568,476	8.41%	100%	2.32%	2.51%
Gosselies - Rue des Emaileries 1-3	1988-2000-2002-2006-2012	8,985 m ²	€445,589	€474,900	€5,271,244	€5,142,677	8.45%	100%	1.75%	1.89%
Marchienne-Au-Pont - Rue T. Bonehill 30	1950-2010	13,604 m ²	€376,885	€316,310	€2,652,097	€2,587,412	14.21%	100%	0.88%	0.95%
Gosselies - Avenue Jean Mermoz 29	1992-1995-2006-2007-2013	20,678 m ²	€980,131	€1,111,615	€13,738,462	€13,403,378	8.65%	92.43%	4.57%	4.94%
Houdeng - Rue de la Reconversion	2003	6,028 m ²	€379,389	€317,760	€5,055,071	€4,931,777	7.51%	100%	1.68%	Subsid.
TOTAL		135,202 m²	€4,240,601	€4,811,042	€55,525,432	€53,549,233	9.28%	88.05%	18.47%	18.14%
Commercial Buildings										
Couillet - Route de Philippeville 196-206	2006	3,075 m ²	€142,087	€242,500	€3,450,544	€3,366,385	7.36%	55.92%	1.15%	1.24%
Nalinnes - Bultia	1998-1999-2003-2016	1,902 m ²	€311,273	€298,190	€4,399,955	€4,292,638	7.07%	100%	1.46%	1.58%
Gosselies - Rue du Chemin de fer	2008-2011	12,998 m ²	€1,263,753	€1,137,605	€18,649,790	€18,194,918	6.78%	100%	6.21%	6.70%
Gosselies - Demanet	1920-2011-2013 + 2005	16,844 m ²	€1,422,643	€1,528,780	€25,604,581	€24,980,078	5.95%	93.45%	8.52%	9.20%
Gosselies - City Nord	de 1980 à 2017	30,562 m ²	€2,860,271	€3,007,595	€43,594,503	€42,531,224	6.80%	96.52%	14.50%	15.67%
Anderlues - Chaussée de Mons 56-56b	2008-2013	2,450 m ²	€118,500	€93,500	€1,239,140	€1,101,458	9.56%	100%	0.41%	0.45%
Courcelles - Avenue Général de Gaulle 16-20	1950-2004	2,424 m ²	€202,002	€210,660	€2,485,624	€2,209,443	8.13%	100%	0.83%	0.89%
Gerpinnes - Chaussée de Philippeville 193	1920-2001	581 m ²	€47,656	€83,390	€1,028,675	€914,379	6.50%	71.29%	0.34%	0.37%
Gosselies - RN 5	1980-2002-2012	5,025 m ²	€601,914	€592,750	€8,642,066	€8,431,285	6.96%	100%	2.88%	3.11%
Lodelinsart - Chaussée de Bruxelles 296	1987	- m ²	€3,600	€-	€3,248,020	€3,168,800	0.11%	- %	1.08%	1.17%
Gosselies - Chotard	2000-2001-2002-2007	9,244 m ²	€982,114	€900,126	€13,137,741	€12,817,309	7.53%	99.29%	4.37%	4.72%
Gosselies - Rue des Bancroix	2002	3,218 m ²	€525,768	€510,790	€7,690,305	€7,502,737	6.84%	100%	2.56%	2.76%
Jumet - RN 5	1993-1997-2008-2011	1,894 m ²	€103,236	€116,011	€1,697,675	€1,509,045	8.08%	75.21%	0.56%	0.61%
Leuze-en-Hainaut - Rue Condé 62	1930-1968-1988-1996	1,530 m ²	€101,621	€99,450	€1,224,670	€1,088,596	8.30%	100%	0.41%	0.44%
Gerpinnes - Rue du Bultia 85-87	2013	6,086 m ²	€830,920	€837,710	€15,149,457	€14,779,958	5.48%	100%	5.04%	5.44%
Courcelles - Rue Monnoyer 70	2005-2011-2012	5,829 m ²	€373,881	€481,925	€6,482,752	€6,324,634	7.92%	72.78%	2.16%	2.33%
Péronnes-lez-Binche - Avenue Léopold III 5	2000	3,360 m ²	€97,642	€104,925	€1,296,552	€1,152,491	7.53%	100%	0.43%	0.47%
Naninne - Chaussée de Marche 878-880	inconnu - 2013	3,223 m ²	€223,429	€240,280	€2,886,065	€2,815,673	7.74%	100%	0.96%	1.04%
Wierde - Chaussée de Marche 651-657	1990-1991-2013	2,225 m ²	€216,376	€199,250	€2,507,410	€2,446,253	8.63%	100%	0.83%	0.90%
Marcinelle - Avenue de Philippeville 141-143	2009	2,332 m ²	€206,977	€245,715	€3,911,963	€3,816,549	6.19%	85.47%	1.30%	1.41%
Jette - Rue H. Werrie 76	2015	1,150 m ²	€128,733	€97,750	€1,448,384	€1,287,452	8.89%	100%	0.48%	0.52%
Ieper - Paterstraat 5	1704-1922-2015	1,483 m ²	€114,501	€96,395	€1,598,002	€1,452,729	7.17%	100%	0.53%	0.57%
Tournai - Rue des Chapeliers 20	1935-1998-2007	875 m ²	€-	€65,625	€747,807	€664,717	8.78%	- %	0.25%	0.27%
Peruwelz - Rue Neuve Chaussée 86	2010	7,480 m ²	€448,687	€690,610	€9,778,674	€9,540,171	7.15%	64.16%	3.25%	3.51%
St-Georges-s/Meuse - Rue Campagne du Moulin 17-57	2010-2014	13,302 m ²	€925,744	€1,249,967	€19,392,517	€18,919,529	6.27%	76.62%	6.45%	6.97%
TOTAL		139,092 m²	€12,253,330	€13,131,500	€201,292,872	€195,308,451	6.65%	90.12%	66.97%	72.34%

	Year of construction / renovation	Built-on area	Net rental	ERV ¹	Investment value	Fair Value	Yield (on net rent + ERV) ²	Occupancy rate	% portfolio ³ consolidated	% portfolio ³ statutory
Office Buildings										
Rhode-St-Genèse - Chaussée de Waterloo 198-200	1992	7,806 m ²	€756,000	€989,467	€14,138,840	€13,793,990	6.90%	77.51%	4.70%	5.08%
Charleroi - Boulevard Joseph II 38-40-42	996-2007	2,571 m ²	€249,088	€205,680	€3,112,930	€3,037,005	8.00%	100%	1.04%	1.12%
Jumet - Rue Frison 56	1940-1991-2007-2009-2013	998 m ²	€23,497	€58,250	€554,998	€493,332	9.55%	44.35%	0.18%	0.20%
Gosselies - Rue de Namur 138	1920-2011-2012-2013	1,230 m ²	€87,844	€92,250	€1,242,977	€1,104,868	7.07%	100%	0.41%	0.45%
Alleur - Rue Alfred Deponthière 40	2019	4,721 m ²	€1,057,391	€837,905	€17,250,600	€16,829,854	6.13%	100%	5.74%	Subsid.
TOTAL		17,326 m²	€2,173,820	€2,183,552	€36,300,345	€35,259,049	6.67%	90.39%	12.08%	6.85%
Land										
Loverval - Chaussée de Philippeville		Project	€0	€0	€342,833	€304,740	0.00%	N/A	0.11%	0.12%
Gerpennes - Chaussée de Philippeville 212		Project	€65,250	€65,250	€1,223,491	€1,087,548	5.33%	100%	0.41%	0.44%
Gosselies - Avenue Jean Mermoz 29		Parking	€93,936	€90,000	€1,043,172	€927,264	9.00%	100%	0.35%	0.37%
Dampremy - Chaussée de Bruxelles 100		Project	€175,000	€175,000	€4,822,092	€4,704,480	3.63%	N/A	1.61%	1.73%
TOTAL		0 m²	€334,186	€330,250	€7,431,588	€7,024,032	4.45%	100%	2.48%	2.67%
TOTAL GENERAL CONSOLIDATED		291,620 m²	€19,001,937	€20,456,344	€300,550,237	€291,140,765	7.08%	90.02%	100%	
TOTAL GENERAL WEB (STATUTORY)		280,871 m²	€17,565,158	€19,300,679	€278,244,566	€269,379,134	7.14%	89.21%		100%
TOTAL GENERAL SUBSIDIARIES (BPA – SPI)		10,749 m²	€1,436,780	€1,155,665	€22,305,671	€21,761,631	6.44%	100%		100%

Buildings representing more than 5%

As at 30 June 2020, the Company and its subsidiaries have 6 sites representing more than 5% of its consolidated assets and 6 sites representing more than 5% of its statutory assets.

Consolidated	Investment value	Fair value	% of portfolio ⁴
Gosselies - City Nord & rue des Bancroix	€51,284,808	€50,033,961	17.06%
Gosselies - Demanet	€25,604,581	€24,980,078	8.52%
St-Georges-s/Meuse, Rue Campagne du Moulin 17-57	€19,392,517	€18,919,529	6.45%
Gosselies - Rue du Chemin de fer	€18,649,790	€18,194,918	6.21%
Alleur - Rue Alfred Deponthière 40	€17,250,600	€16,829,854	5.74%
Gerpennes - Rue du Bultia 85-87	€15,149,457	€14,779,958	5.04%
Statutory	Investment value	Fair value	% of portfolio ³
Gosselies - City Nord & rue des Bancroix	€51,284,808	€50,033,961	18.43%
Gosselies - Demanet	€25,604,581	€24,980,078	9.20%
S-Georges-s/Meuse, Rue Campagne du Moulin 17-57	€19,392,517	€18,919,529	6.97%
Gosselies - Rue du Chemin de fer	€18,649,790	€18,194,918	6.70%
Gerpennes - Rue du Bultia 85-87	€15,149,457	€14,779,958	5.44%
Rhode-Saint-Genèse - Chaussée de Waterloo 198-200	€14,138,840	€13,793,990	5.08%

These sites are more fully described (age, tenants, occupancy rate, etc.) in the section on building descriptions above.

¹ rental value estimated by the independent expert

² The potential yield is calculated by dividing the sum of the passing rent (LP) on the leased areas and the estimated rental value (ERV) on the vacant areas by the Investment Value. [(LP on leased areas) + (ERV on vacant areas)] / (Investment value)

³ Weighting of the Investment Value of the unit against the Total Investment Value of the sector

⁴ based on the investment value determined by the Property Expert

Gosselies City Nord & rue des Bancroix	Total lease term	Residual period ¹
Altruy	9	1.0
Ava Papierwaren	9	4.0
BNG	9	4.0
Caprera	9	4.7
Cerese Security	9	5.8
Chaussea	27	23.2
Di	9	7.3
DSM Erembodegem	9	7.8
Electro Stalle	9	7.9
Euro Shoe Group	9	3.9
Euroventes	9	0.8
Fnac Vanden Borre	9	5.2
Fondation Papillon	9	9.0
Forcal	9	1.8
Group Protect	9	4.5
Hema Belgie	9	4.2
Icash	9	5.6
Koperino	9	2.5
Krefel	18	6.9
Krinkels	1	0.8
Kvik	9	7.5
Lallemand	27	6.8
Leenbakker	9	8.3
Literie 2000	0	0.1
Literie 2000	1	0.8
LTHI	9	8.0
Maria Giuseppe	9	8.0
Maria Giuseppe	9	5.2
Nbsat	9	4.6
Odlices	9	6.5
Okaidi	9	6.6
Casa International	27	6.3
Planet Pneus New	9	8.5
Pro Bail	18	12.8
Redisco	9	7.5
Sojo	9	8.8
Sportdirect.Com	9	3.9
Studio Telecom	9	4.5
Tao Belgique	9	2.0
Vic Mng	9	3.2
Well	9	8.8

Gerpennes Bultia Village	Total lease term	Residual period ¹
Aloes Bien Etre	9	6.0
Busa Sandra	3	2.7
Cbc Banque	27	20.2
Club	9	2.1
Codron	4	0.2
Connections	9	6.4
Crets Xavier	9	6.6
Damart	9	2.2
Di	9	2.2
Fit Concept Training	9	4.2
Hunkemoller	9	2.3
Italy Meubles	9	6.3
Kitchen Store	9	7.9
Lada / Soumillon	3	3.1
Lemoine / Lebecq	3	3.0
Morue Jean-Christophe	9	7.3
Pareja / Virone	9	2.4
Raposo Adrien	9	8.9
Signore Invest	9	7.6
Stalens Herbage	3	2.4
Veritas	9	2.2
Wagner Victor	9	7.5

Gosselies Demanet	Total lease term	Residual period ¹
Action	27	20.3
Albert D	27	19.3
CP Retail	9	8.8
Cuisibras	9	6.7
Damart	9	5.2
GTM Sport	9	7.8
Kid'S City	9	2.4
Maxi Zoo	9	2.5
Media Markt	20	4.8
Medi-Market	9	3.3
Mondial Textiles	9	1.1
Van Marcke	9	2.0

Gosselies Chemin de Fer	Total lease term	Residual period ¹
Bella Tavola	9	7.8
Centrakor Stores	9	7.8
CEP	9	2.3
Charlesports	9	8.0
Decor Heytens	9	6.8
Delimmo	27	17.6
Media Markt	5	4.8
Ovs Garden	27	25.7
Soccer City	9	7.6
WG Food	9	7.8

Rhode-St-Genève Chaussée de Waterloo 198- 200	Total lease term	Residual period ¹
Belgo Concept	9	8.5
BHR Clinic	6	5.5
BNP Paribas	9	2.7
Dental Design	1	0.3
Easylearning	9	8.2
EPM	1	0.3
EPM	1	0.4
Espace Cuir Benelux	9	5.9
Gamtak	1	0.8
Groupe Goffin & Fils	1	1.3
Insafron	1	0.8
Jungers Thierry	1	0.6
Lg Pronett	1	0.9
L'Hermitage	9	3.5
Liegeois Group	0	0.3
LVVH	1	0.5
Mesel	1	1.3
Mob & Com Full Option	1	0.7
Orange Belgium	6	3.4
Proximus	6	4.4
Smart 4 Invest	1	0.6
Solidbot	1	1.5
Sparagus	9	7.3
Synlab Belgium	9	6.0
Telenet	6	4.5
Tomach Engineering	9	8.8
Tour 33	9	6.7
VB Interior Consult	9	7.9
X6	6	3.8

Alleur rue Alfred Deponthière 40	Total lease term	Residual period ¹
Ikanbi	9	8.2

¹ up to final maturity

St-Georges-s/Meuse rue Campagne du Moulin 17-57	Total lease term	Residual period ¹
3D Management	18	8.8
A.C. Matic	9	8.8
Aldi Gembloux	27	17.8
Arexo consulting	9	7.4
Bubba ride	6	0.1
CHR de la citadelle association intercom.	9	3.3
Club sa	9	5.6
Di	36	32.7
Euro shoe group	18	11.6
Figuratif	9	4.8
Gelateria John John	36	26.8
Jbc	9	8.6
MM bijoux	9	2.8
My telecoms	9	7.9
Neosmart	3	0.5
Planet parfum	36	31.8
Premaman	18	8.7
Rubicon	27	17.6
Securitas Direct Verisure	9	8.4
Skyfall	9	7.7
SND	18	11.9
TK	9	8.8
Voyages copine	36	27.5

Buildings representing more than 20%

The Company does not own investment properties representing more than 20% of its property portfolio.

MAIN MARKET TRENDS²

CHARLEROI

Offices

Overview

The city of Charleroi is the largest in Wallonia, counting a population of 203,000 and 400,000 in the district Charleroi (January 2020). Despite its population, the office stock is estimated to be smaller than Liège and comparable to Namur.

The office market in Charleroi is concentrated around the Boulevard Tirou and Boulevard Audent in the city centre. These office buildings are typically older grade C stock. The largest occupier groups in the city centre are the public sector and the financial institutions.

More recent development can be found closer to the Airport. Notable companies with a presence here include Underside, Monkey Bridge, Promethera Biosciences, Intermire, Provera, and several spin-offs of the Brussels University (ULB).

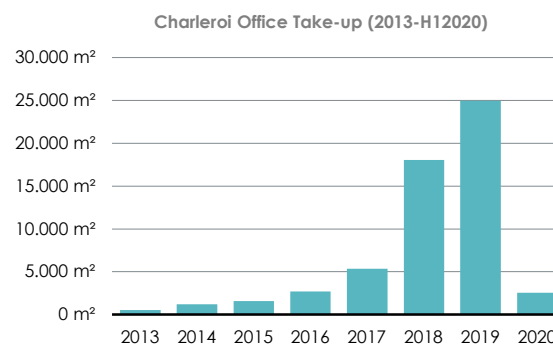
Modern office space in Charleroi trades at rents as from 105 eur/m²/yr up to 125 eur/m²/yr.

Demand

Office take-up in Charleroi showed very strong growth in 2018 and 2019, reaching the highest take up ever in 2019. However, take up during the first half of 2020 was very low and went back to around the same level of 2016. 2020 registered only 4 deals; including Appeal Studios letting 980 m² in Audent 14, Be-One letting 632 m² in Jean Mermoz, Idewe with the letting of 597 m² in Tirou 107 and Grafyts with the letting of 350m² in Premiere rue 30.

Development

The decline of the coal and steel industries in the 20th century stymied economic growth and development. Since then, the City of Charleroi has been looking to reinvent itself as a modern city, adopting ambitious master plans and large-scale development projects to boost its image and effectiveness as a place to do business and



¹ Up to final maturity

² source : CBRE

pleasant place to live. The centre is the focal of new development, with the goal of renovating 40% of the entire city centre between 2002 and 2040.

Major future projects include:

Left Side Business Park



- 3.5 hectares
- 35,500 m² offices/ 33,500 m² housing
- 140 housing units
- Green space & Parking
- Permit granted in Q1 2018 for the FGTB Tower, the first in the business park 3,5 hectares

Charleroi Creative District



- Redevelopment of the NW part of the city, of the public spaces and more green spaces
- 16 projects foreseen for this area, among these is a new congress center

New Charleroi Stadium



- The facility, which will have a capacity of between 20,000 and 25,000, will be located in Marchienne-au-Pont on wasteland that is currently part of steelworks and mining developments.

Retail

Overview

Despite good occupational demand, retail markets are increasingly polarized, with AAA-locations performing markedly better than secondary locations. Retailers are increasingly selective in their store locations, optimising their store networks in favour of the bigger cities or greater accessibility. Out-of-town retail suits the modern consumer better in terms of convenience. Both supermarkets and other peripheral retail formats deliver easily accessible and highly convenient needs-based retailing. Larger cities and shopping centres are receiving investment to enhance the visit 'experience' and boost footfall and dwell time. This dynamic has resulted in some cities experiencing a growing number of empty storefronts in their centres at the same time governments ponder limiting out-of-town development, particularly in Wallonia.

Ecopole



- 300 hectares, located 10 minutes from the Airport
- Will house office, training, and research
- Focused on sustainable development

Airport



- 50 hectares released for 2 business parks

Development of new districts

- Creation of 'a village of the elderly', including an elderly home, day care centre and services flats
- There are also plans to build medium and luxury housing, offices and underground parking spaces

5E Element



- 150 housing units and 7,000 m² of offices
- project planned to start in 2021 (end in 2024)

Charleroi Retail

Rive Gauche

Located on Place Verte, the Rive Gauche shopping centre is a new development of 36,300 m² GLA and containing 100 retail units.

Rive Gauche boasts a strong tenant mix including the top mass-market fashion retailers (Primark, Zara, Bershka, Pull&Bear, H&M, Kiabi and C&A), a food anchor tenant (Delhaize) and plentiful restaurants (such as Burger King) and bars. In 2019, Rive Gauche attracted 12 new retailers, accounting for some 1,200 m² in take up.

Place Verte

Inno (refurbished in 2015) is located in front of the Rive Gauche shopping centre on the Place Verte. It offers 12,000 m² of retail GLA with additional retailers.

Rue de la Montagne

The prime downtown retailing area used to be concentrated on the Rue de la Montagne. This street totals some 38 shopping units on 200 metres and is occupied by traditional international chains.

However, the street has lost a lot of its popularity with barely any new retailers entering and a declining footfall. The completion of the Rive Gauche has resulted in the relocation of several prime retailers such as H&M, Zara and C&A to the shopping centre, resulting in increased vacancy along the street.

Rue de Damprémy

On the Rue de Damprémy, the boutiques tend to be smaller, but fashion is still omnipresent. Next to the traditional personal equipment, this street has a decent offer of pubs & restaurants. The street totals some 44 units along a strip of 150 metres.

Ville 2

Ville 2 is located just outside the Charleroi city centre along the inner ring road. Ville 2 seems to have weathered the competition from Rive Gauche relatively well, and has been able to attract a series of new retailers in recent months. Ville 2 counts 25,350 m² divided in 120 units. Its anchor tenants are Carrefour market (2,712 m²), C&A (1,728 m²), H&M (1,715 m²) and Fnac (1,100 m²). In 2019, Ville 2 attracted some smaller tenants such as Rituals, occupying 150 m² and Street One letting 85 m².

Belle Fleur

The Belle Fleur retail park was built in 2014 and is located 3km southeast of the city centre. It offers 15,000 m² of retail space divided across 30 shops. The main tenants are Krëfel (1,965 m²) and Action (1,372 m²). In 2019, 1,803 m² retail space was let to Maisons du Monde and 530 m² to Pointcarré.

Cora Chatelineau

The Cora Chatelineau retail park was built in 1970 and renovated in 2013. It is located 4km east of the city center. It offers 45,600 m² of retail space divided across 60 boutiques, some restaurants and one Cora hypermarket. The anchor tenants are Cora (13,500 m²), Brico Plan-it (10,338 m²) and Decathlon (4,575 m²).

City Nord

City Nord is one of the major clusters of out-of-town retail in Wallony (built in 1990 and renovated in 2013) located 10km north of the city centre. The park offer 45,600m² of retail space consisting of 67 shops. Anchor tenants are Rack Store (7,000 m²) and Krinkels (2,150 m²). En 2020, l'enseigne 4Murs y a ouvert une surface de vente de 700 m².

Espace Nord

Espace Nord is also a major cluster of out-of-town retail, located next to City Nord and which accommodates about fifty units. Parmi les principaux locataires, on retrouve Media Markt (6.236 m²). En 2019, plusieurs surfaces ont été mise à la disposition de grosses enseignes : Centrakor (2.000 m²), Intersport (3.000 m²), OVS Garden (1.500 m²).

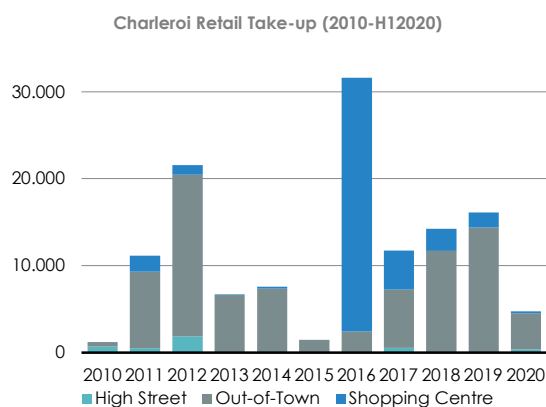
Parenthèse

This commercial centre is located on the N5 in Gosseliers has opened its doors in July 2020. The new shopping spot is positioned as a "Home and Food Pole" housing retailers such as Carrefour Market, JYSK and Vanden Borre Kitchen, occupying a total area of 10,000 m².

Demand

Retail take-up amounted to 180,580 m² through the first half of 2020, representing one of the highest numbers of the last decade. The breakdown among the three main retail formats is consistent with activity in recent years. High street accounted for 66,320 m² of take-up, out-of-town 88,516 m², and shopping centres 25,630 m².

Retail activity in Charleroi totalled 4750 m² of take-up in the first half of 2020. Out of town take-up accounted for the majority of this figure. The three largest deals were all in the newly opened commercial centre "Paranthèse". Notable deals here include Carrefour Market letting 2,000 m² in Gosselies, JYSK letting a store of 1,000 m² and Hubo letting 800 m². Lettings in Ville 2 along the Rue 143 accounted for some smaller deals, with Flying Tiger, Courir and Mayoral letting respectively 211 m², 198 m² and 135 m².



Industrial & logistics

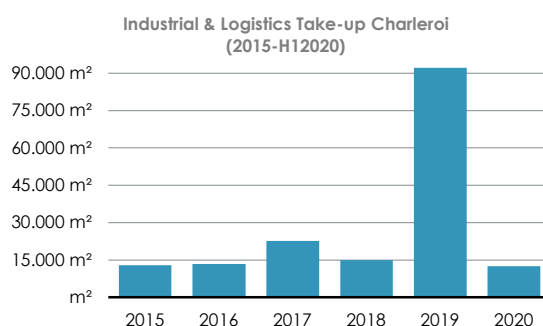
Overview

Demand for industrial & logistics remains strong with the sector rapidly moving towards larger and more technologically advanced warehouses. Multi-modality is highly sought after, and e-commerce, consolidation and economies of scale are significant driver of logistics market activity, as shorter delivery times and efficiency gains are propelling the distribution sector forward.

Occupiers prefer to acquire or lease new and larger facilities developed on a 'design & build' basis, well-equipped with the latest and most innovative inventory management infrastructure. Demand is increasingly focused on multi-modality, with land and warehouses providing railway and canal connectivity and container handling proving to be extremely popular among 3PL actors.

Demand

Industrial take-up in Belgium for the first half of 2020 totalled 815,341 m². In Charleroi take up has been relatively low. 2020, registered only two deals so far, totalling 12,575 m². Deals included the investment of Universells in Allée Centrale 52 (8,724 m²) in Jumet and the letting of 3,851 m² in Avenue Blériot 37 in Gosseliers.



Investment

Overview

The value of investment transactions in the Belgian commercial real estate market during the first part of 2020 totalled €3.01 billion. Offices were the most popular asset class, accounting for more than half of investment volume or €2.10 billion. Retail investments accounted for €251 million. Industrial investment in the first two quarters of 2020 was relatively high, reaching a volume of € 197.6 million.

Charleroi

CRE investment in the Charleroi market is typically very limited. In 2020, there was only one small transaction so far, with Ascencio acquiring a retail unit in Rue de la Cabuterre for € 975 thousand.

FINANCIAL REPORT

AUDITOR'S REPORT

In accordance with legal provisions, the accounts of WEB SCA are subject to audit by PwC Reviseurs d'Entreprises SRL, Woluwe Garden, Woluwedal, 18 - 1932 Sint-Stevens Woluwe, Belgium, represented by Mr Damien WALGRAVE, Auditor, appointed for a renewable term of 3 years.

Start: AGM 2020 - Fiscal period 2020 - End: AGM 2024 - Fiscal period 2023

Fees and expenses relating to the audit assignment amounting to €25,000 excl. VAT were attributed to the Auditor "PwC" for the period under review.¹

Statutory Auditor's review report on the condensed interim figures for the period of six months ended 30 June 2020²

Introduction

We have reviewed the condensed interim figures of Warehouses Estates Belgium SCA as of 30 June 2020, consisting of the comprehensive income statement, the statement of financial position, the statement of changes in equity and the cash flow statement for the 6-month period then ended, as well as the explanatory notes (together: "condensed interim figures"). The Manager is responsible for the preparation and presentation of these condensed interim figures in accordance with IAS 34, as adopted by the European Union. Our responsibility is to express a conclusion on these condensed interim figures based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial information consists in making inquiries, primarily of persons responsible for financial and accounting matters, and in applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed interim figures on 30 June 2020 is not prepared, in all material respects, in accordance with IAS 34, as adopted by the European Union.

Emphasis of matter – valuation of investment properties from a Covid-19 perspective

As far as the outbreak of COVID 19 is concerned, we draw your attention to section 3.2 of the half year report "Main sources of uncertainties with regard to estimations and to Covid-19" in which the Manager expresses its view that as a consequence of the pandemic a material valuation uncertainty has been included in the external valuator's reports of the investment properties as of June 30, 2020.

This means that there is a higher degree of uncertainty in the valuations than usually given the future unknown impact that Covid-19 may have on the real estate market.

We do not express a qualification in our review report regarding this matter.

Sint-Stevens-Woluwe, 24 September 2020

The statutory auditor

PwC Reviseurs d'Entreprises SRL / Bedrijfsrevisoren BV

Represented by

Damien Walgrave

Réviseur d'Entreprises / Bedrijfsrevisor

¹ The remuneration amounts to €50,000 excluding VAT, expenses, outlays IRE contributions and fixed contributions per financial period for the review of annual accounts.

² Free translation

CONSOLIDATED ACCOUNTS

Consolidated statement of financial position (in €)

	Notes	IFRS 30/06/2020	IFRS 31/12/2019
ASSETS			
I. Non-current assets		290,327,499	270,986,534
C. Investment property	5	290,321,349	270,975,284
- Property available for rent		290,321,349	270,975,284
G. Non-current trade receivables and other assets		6,150	11,250
II. Current assets		8,404,129	6,899,240
A. Assets held for sale	5	819,422	1,219,422
- Investment property	6	819,422	1,219,422
B. Current financial assets		-	2,449
- Loans and receivables		-	2,449
D. Trade receivables	7 - 9	6,021,404	4,578,276
E. Fiscal receivables and other current assets		44,614	51,267
- Other	9	44,614	51,267
F. Cash and cash equivalents	9	430,052	203,012
G. Adjustment accounts		1,088,637	844,815
- Property charges paid in advance		559,218	317,166
- Other		529,418	527,649
TOTAL ASSETS		298,731,628	277,885,774
TOTAL SHAREHOLDERS' EQUITY	8	152,465,159	157,038,279
A. Capital		8,403,938	8,403,938
- Capital subscribed		10,000,000	10,000,000
- Capital Increase costs		-1,596,062	-1,596,062
B. Share premiums		26,924,110	26,924,110
C. Reserves		117,752,310	118,888,473
- a. Legal reserve		40,376	40,376
- b. Reserve for the balance of variations in fair value of property		95,563,383	97,986,614
- c. Reserve for estimated costs and transfer rights arising from the hypothetical disposal of investment properties		-8,772,989	-8,724,958
- e. Reserve for the balance of variations in fair value of authorised hedging instruments to which hedge accounting as defined in IFRS is not applied		-1,944,265	-1,523,938
- m. Other reserves		-	-
- n. Results brought forward from prior periods		32,865,806	31,110,380
D. Net result for the financial period		-615,199	2,821,758
- Result for the financial period		-615,199	2,821,758
LIABILITIES			
I. Non-current liabilities		101,237,891	96,676,568
B. Non-current financial debts	9 - 10	101,237,891	96,676,568
a) Credit institutions		101,041,736	96,457,437
c) Others		196,155	219,131
- Rental guarantees received		196,155	219,131
II. Current liabilities		45,028,578	24,170,927
B. Current financial debts	9 - 11	34,819,629	15,604,274
a) Credit institutions		34,819,629	15,604,274
C. Other current financial liabilities	9 - 11	2,058,608	1,944,265
- Authorised hedging instruments	12	2,058,608	1,944,265
D. Trade and other current payables	13	2,734,640	3,164,869
a) Exit Tax		1,266,245	1,253,527
b) Others		1,468,395	1,911,341
- Suppliers	9	1,067,732	1,568,297
- Taxes, remunerations and social charges		400,662	343,044
E. Other current liabilities	9	24,859	24,859
- Other		24,859	24,859
F. Adjustment accounts	14	5,390,843	3,432,660
- Property income received in advance		3,371,904	3,336,180
- Interest and other accrued charges not yet due		2,018,939	96,481
TOTAL EQUITY AND LIABILITIES		298,731,628	277,885,774

Consolidated comprehensive income statement (in €)

	Notes	IFRS 30/06/2020	IFRS 30/06/2019
I. Rental income	15	9,514,326	9,361,069
A. Rental		9,576,889	9,386,239
C. Free rental		-62,563	-25,170
III. Rental charges		-1,847,014	-278,788
B. Write-downs in value of trade receivables	7	-1,849,774	-383,994
C. Reversals of write-downs in value of trade receivables	7	2,760	105,206
Net rental result		7,667,312	9,082,282
V. Recovery of rental charges and duties normally assumed by the tenant on rented properties	16	2,160,074	2,452,554
A. Re-invoicing of rental charges incurred by the owner		537,714	728,603
B. Re-invoicing of withholding taxes and duties on rented properties		1,622,360	1,723,951
VI. Costs incumbent on the tenants and assumed by the owner for rental damage and restoration at the end of the lease		-	-2,965
VII. Rental charges and duties normally assumed by the tenant on rented buildings	16	-2,717,736	-2,833,003
A. Rental charges incurred by the owner		-793,281	-928,389
B. Withholding taxes and duties on rented properties		-1,924,455	-1,904,614
VIII. Other rental income and expenses		2,353	6,332
PROPERTY RESULT		7,112,002	8,705,199
IX. Technical costs		-762,161	-794,059
A. Recurring		-104,807	-88,696
- Insurance premiums		-104,807	-88,696
B. Non-recurring		-657,354	-705,362
- Major repairs		-590,398	-569,402
- Claims		-66,955	-135,961
X. Commercial costs		-40,469	-54,344
A. Agency commissions		-22,240	-18,907
B. Advertising		-18,229	-35,436
XII. Property management costs	17	-1,072,472	-1,161,308
A. Fees paid to managers		-897,390	-981,395
- Management fees		-287,375	-287,375
- Remuneration of governing bodies		-574,509	-657,953
- Fees of the property expert		-35,506	-36,067
B. Property management charges		-175,082	-179,913
- Lawyers		-24,355	-24,000
- Fees and charges		-150,727	-155,913
PROPERTY CHARGES		-1,875,101	-2,009,710
OPERATING RESULT FROM PROPERTIES		5,236,901	6,695,489
XIV. Company general expenses	18	-700,242	-626,540
XV. Other operating income and expenses		87,313	218,241
B. Other		87,313	218,241
OPERATING RESULT BEFORE PORTFOLIO RESULT		4,623,972	6,287,191
XVI. Result on sale of investment properties		0	83,121
A. Net sales of properties (sale price - transaction costs)		400,000	1,249,879
B. Book value of properties sold		-400,000	-1,166,758
XVIII. Changes in the fair value of investment properties	5	-4,519,275	-1,515,743
A. Positive changes in fair value of investment properties		822,119	3,860,646
B. Negative changes in the fair value of investment properties		-5,341,395	-5,376,389
XIX. Other portfolio result	19	522,056	-
OPERATING RESULT		626,753	4,854,569

	Notes	30/06/2020	30/06/2019
XX. Financial income		55	3
A. Interest and dividends received		55	3
XXI. Net interest charges	20	-1,043,855	-813,986
A. Nominal interest on loans		-711,056	-496,789
C. Charges resulting from authorised hedging instruments		-332,799	-317,197
XXII. Net interest charges		-2,271	-2,130
A. Bank charges and other commissions		-2,271	-2,130
XXIII. Other financial expenses		-114,343	-934,950
A. Authorised hedging instruments		-114,343	-934,950
- Authorised hedging instruments to which hedge accounting as defined in IFRS is not applied		-114,343	-934,950
FINANCIAL RESULT		-1,160,414	-1,751,062
RESULT BEFORE TAX		-533,661	3,103,507
XXV. Corporate income tax		-61,194	-
Tax		-61,194	-
XXVI. Exit tax		-20,344	-
NET RESULT FROM KEY ACTIVITIES FOR THE FINANCIAL PERIOD		-615,199	3,103,507
COMPREHENSIVE RESULT¹		-615,199	3,103,507
BASIC EARNINGS PER SHARE²		-0,19	0,98
DILUTED EARNINGS PER SHARE²		-0,19	0,98

Earnings per share (IAS 33)

	Notes	IFRS 30/06/2020	IFRS 31/12/2019
Shareholders' equity	[A]	152,465,159	157,038,279
Weighted average number of outstanding ordinary shares	[B]	3,166,337	3,166,337
Intrinsic unit value of a share ³	[A] / [B]	€48.15	€49.60
Share price on the closing date	[C]	€50.80	€60.00
Basic net earnings per share		-€0.19	€0.98
Diluted earnings per share		-€0.19	€0.98
Market capitalisation	[B] * [C]	€160,849,920	€189,980,220
Investment properties available for rent		€290,321,349	€270,975,284
Investment properties held for sale		€819,422	€1,219,422
Value of property assets (fair value)		€291,140,771	€272,194,706
Debt ratio according to Art. 27 of RD of 14/07/2014		46.47%	41.55%

Detailed calculation of the debt ratio

		IFRS 30/06/2020	IFRS 31/12/2019
Debt ratio calculation method	(a+b+c+d)/e	46.47%	41.55%
+ Non-current liabilities	a	€101,237,891	€96,676,568
+ Current liabilities	b	€45,028,578	€24,170,927
- Authorised hedging instruments	c	-€2,058,608	-€1,944,265
- Liability adjustment accounts	d	-€5,390,843	-€3,432,660
/ Total equity and liabilities	e	€298,731,628	€277,885,774

¹ The comprehensive result is equal to the net result from key activities for the financial period. No other item should be taken into account.

² The "Basic earnings per share" is obtained by dividing the "Comprehensive result" by the number of shares representing the Company's share capital.

IAS 33.73 and 33.73A: Dilution is a reduction in earnings per share or an increase in loss per share resulting from the hypothesis of the conversion of convertible instruments, the exercise of options or warrants, or issuance of common shares if certain specified conditions are met. For the calculation of diluted earnings per share, an entity must adjust the net result attributable to ordinary shareholders of the parent entity, as well as the weighted average number of shares in circulation, with the effects of all potentially dilutive ordinary shares. As the Company has not issued any dilution instrument, the basic earnings per share and the diluted earnings per share are therefore identical.

³ The intrinsic unit value of a share reflects the total shareholders' equity divided by the number of shares representing the Company's share capital.

Consolidated cash flow statement (in €)

	Notes	IFRS 30/06/2020	IFRS 30/06/2019
CASH AND CASH EQUIVALENTS AT THE START OF THE FINANCIAL PERIOD ¹		203,012	305,355
Result for the period		-615,199	3,103,507
+/- Financial result (excluding changes in the fair value of financial instruments)		1,046,071	816,113
+/- Changes in the fair value of financial instruments		114,343	934,950
+ Tax charge (- tax product)		61,194	-
Non-cash items		6,366,290	1,711,409
- Increase (+ decrease) in the fair value of investment properties	6	4,519,275	1,515,743
- Capital gains (+ losses) realised on investment properties		-	-83,121
+ Impairment losses (- reversals of impairment losses) on trade receivables	7	1,847,014	278,788
Changes in working capital requirement		-2,019,885	-2,731,041
Movements of assets		-3,524,862	-1,866,219
Trade receivables	7	-3,290,143	-1,740,114
Other receivables		9,102	-13,651
Deferred charges and receivables		-243,822	-112,454
Movements of liabilities		1,504,977	-864,821
Trade payables		-500,565	376,226
Changes in fiscal and social accounts payable		70,336	-3,100,767
Other payables		-22,976	41,536
Accrued charges and deferred income		1,958,183	1,818,184
- Change in non-current assets		5,100	5,100
- Taxes paid (+ taxes collected)		-61,194	
CASH FLOWS FROM OPERATING ACTIVITIES (A)		4,896,719	3,840,038
- Investment property acquisitions	5	-21,740,000	
- Development projects and development works	5	-2,125,340	-5,178,128
+ Asset disposals held for sale	5	400,000	1,249,879
CASH FLOWS FROM INVESTING ACTIVITIES (B)		-23,465,340	-3,928,249
+ Increase in financial debts	10 - 11	41,352,228	6,402,477
- Reduction in financial debt	10 - 11	-17,552,574	-3,141,801
Interest paid		-1,046,126	-816,116
Interest received		55	3
Dividends paid ¹		-3,957,921	-2,216,436
CASH FLOWS FROM FINANCING ACTIVITIES (C)		18,795,662	228,128
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD		430,052	445,272

¹ see Statement of changes in equity

Consolidated statements of changes in equity

	Principal	Share premiums	legal	of balance of variations in fair value of property	Reserves of balance of fair value of hedging instruments to which hedge accounting as	of variations in authorised transfer rights arising from the hypothetical disposal of investment properties	others	Retained earnings	Shareholders' equity
At 31/12/2018	8,403,938	26,924,110	40,376	90,723,096	-1,482,198	-8,459,540	2,455,361	37,827,814	156,432,957
Allocation of 2017/2018 result to reserves				7,263,518	-41,740	-265,418	-2,455,361	-4,500,998	-
Dividends on 2017/2018 results								-2,216,436	-2,216,436
Result for the 1st half year 2019								3,103,507	3,103,507
At 30/06/2019	8,403,938	26,924,110	40,376	97,986,614	-1,523,938	-8,724,958	-	34,213,887	157,320,028
Interim dividend 2019								6,842,510	6,842,510
Result for the 2nd half year 2019								-7,124,258	-7,124,258
At 31/12/2019	8,403,938	26,924,110	40,376	97,986,614	-1,523,938	-8,724,958	-	33,932,138	157,038,279
Allocation of 2019 result to reserves				-2,423,231	-420,327	-48,031		2,891,590	-
Dividend balance on 2019								-3,957,921	-3,957,921
Result for the 1st half year 2020								-615,199	-615,199
At 30/06/2020	8,403,938	26,924,110	40,376	95,563,383	-1,944,265	-8,772,989	-	32,250,607	152,465,159

The Group's shareholders' equity decreased by €4,573 k compared to 31 December 2019. This decrease is explained, on the one hand, by the payment of the balance of the dividend of €3.5 per share decided by the General Meeting of 28 April 2020, and on the other hand, by the consolidated loss for the period under review.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 - General information on the Group

Warehouses Estates Belgium SCA (hereinafter referred to as "WEB SCA" or the "Company") is a regulated property company (Société Immobilière Réglementée - SIR) governed by Belgian law. The closing date for the Company's accounting periods is 31 December of each year. Its registered office is established at 6041 Gosselies, Avenue Jean Mermoz 29 (Belgium).

The Company is listed on Euronext Brussels.

The summary financial statements closed on 30 June 2020 include the Company and its subsidiaries (the "Group"). The scope of consolidation has changed since 31 December 2019 (see Note 22).

The Company begins its financial year on 1 January and ends on 31 December of each year. Consequently, the Company presents a half-yearly report comparing the overall result for the first 6 months of financial year 2020 covering the period from 1 January to 30 June 2020, with the first 6 months of financial year 2019.

The Board of Directors of WEB SCA approved the summary financial statements on 22 September 2020 and authorised their publication.

Certain financial information contained in this half-year financial report has been rounded up or down, and consequently the numbers appearing in total in this report may differ slightly from the exact arithmetic sum of the numbers preceding them.

NOTE 2 - Principal accounting policies

2.1 BASIS OF PREPARATION

The Company has prepared its financial statements in accordance with:

- IAS 34 - Interim financial information,
- the provisions of the Royal Decree of 28 April 2018 relating to regulated property companies.

The accounting bases and methods are identical to those set out in the 2019 Annual Report on pages 98 to 101.

The following new standards and amendments to the following standards are mandatory for the first time from the accounting period beginning on 1 January 2020, and have been adopted by the European Union:

✓ Changes to the references to the Conceptual Framework in IFRS standards (entry into force on 1 January 2020). The revised conceptual framework includes a new chapter on measurement (asset valuation), guidance on reporting financial performance, improved definitions and guidance - in particular the definition of a liability, and clarifications in important areas, such as the roles of management's Stewardship, as well as the concepts of prudence and uncertainty of valuation in financial reporting.

This modification has no material impact on the Group's financial statements.

✓ Amendments to IAS 1 and IAS 8 - Modification of the definition of the term "significant" (entry into force on 1 January 2020). The amendments clarify the definition of "significant" and ensure that the definition is consistent across all IFRSs. The amendments clarify that the reference to the obscuring of information refers to situations where the effect is similar to the omission or misrepresentation of such information. They also indicate that an entity should assess materiality against the financial statements as a whole. The amendments also clarify the meaning of the term "primary users of general purpose financial statements" who are the recipients of such financial statements, defining them as "existing and potential investors, lenders and other creditors" who are to rely on financial statements to access the financial information they need. The changes are not expected to have a significant impact on the preparation of financial statements.

This modification has no material impact on the Group's financial statements.

✓ Amendments to IFRS 9, IAS 39 and IFRS 7 - Reform of the interest rate benchmark (entry into force on 1 January 2020). The changes require qualitative and quantitative information to enable users of financial statements to understand how an entity's hedging relationships are affected by the uncertainty resulting from the reform of the benchmark interest rate index.

This amendment specifies the fair treatment to be applied and will have no material impact on the Group's financial statements.

✓ Amendments to IFRS 3 - "Business Combinations", revising the definition of a business (entry into force on 1 January 2020). The definition provides an application guide to assess the presence of an input and a process (including for start-ups that have not generated income). To be a non-commercial business (output), it will now be necessary to have an organised workforce. Changes to the definition of a business will likely result in more acquisitions that are counted as asset acquisitions in all industries, including property, pharmaceuticals, and oil and gas. The application of the changes also affects the recognition of disposal transactions.

The application of this new provision has no significant impact on the Group's financial statements. The revised definition of a company under IFRS 3 confirms that acquisitions during the period should not be considered as business combinations.

The new standards and amendments to the following standards have been published but are not yet mandatory for financial year starting on 1 January 2020, and have not yet been adopted by the European Union:

✓ Amendments to IAS 1 - "Presentation of financial statements: classification of liabilities as current or non-current" (entry into force on 1 January 2022). These amendments only affect the presentation of liabilities in the statement of financial position - not the amount or timing of recognition of an asset, revenue or expense of the liability, or the information that entities disclose about these items. They:

- clarify that the classification of liabilities as current or non-current should be based on the rights that exist at the end of the reporting period, and align wording in all relevant paragraphs to refer to the "right" to defer settlement from the present to twelve months at least, and specify that only the rights in force "at the end of the reference period" should affect the classification of a liability;
- clarify that classification is not affected by expectations as to whether an entity will exercise its right to defer settlement of a liability; and clarify that the settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.

✓ Amendments to IFRS 3 - "Business combinations"; IAS 16 - "Property, Plant and Equipment"; IAS 37 - "Provisions, Contingent Liabilities and Contingent Assets" as well as annual improvements (entry into force on 1 January 2022). The group of amendments includes changes of limited scope to three standards as well as annual improvements to IFRS, which are changes that clarify the text or correct minor consequences, omissions, or conflicts between the requirements of the standards.

- Amendments to IFRS 3 - "Business Combinations" update a reference in IFRS 3 to the Conceptual Framework for Financial Reporting without changing the accounting requirements for business combinations.
- Amendments to IAS 16 - "Property, Plant and Equipment" prohibit an enterprise from deducting from the cost of property, plant and equipment amounts received from the sale of items produced while preparing the asset for its intended use. Instead, a business should recognise this sales revenue and the related cost in profit or loss.
- Amendments to IAS 37 - "Provisions, Contingent Liabilities and Contingent Assets" specify which costs a company includes when assessing whether a contract will be onerous.
- Annual improvements make minor changes to IFRS 1 - "First-time adoption of IFRS", IFRS 9 - "Financial Instruments", IAS 41 - "Agriculture" and the illustrative examples that accompany IFRS 16: "Leases".

✓ Amendments to IFRS 16 - "Leases" related to Covid-19 (entry into force on 1 June 2020). If certain conditions are met, this change would allow tenants to exempt themselves from assessing whether Covid-19-related rent concessions are contract changes. Instead, tenants who apply this exemption should account for these rental concessions as if they were not contract changes.

This modification has no material impact on the Group's financial statements.

2.2. Principles de consolidation

In accordance with IFRS 10, subsidiaries are consolidated as soon as control is acquired, and exit the scope of consolidation on the day control ceases to exist.

(i) Subsidiaries

Subsidiaries are entities over which the company exercises control. A company exercises control over a subsidiary if and only if the parent company cumulatively fulfils the following 3 conditions:

1. It holds power over the entity
2. It is exposed to or has rights to the variable returns of the entity due to its involvement in the entity

3. It has the ability to use its power over the entity to influence the amount of these returns (link between power and variable returns).

Minority interests are investments in subsidiaries that are not directly or indirectly owned by the Group. Changes in the Company's interest in a subsidiary which do not result in a loss of control are treated as equity transactions. The book value of the investment and minority interests is therefore adapted to reflect the new proportional holdings in the subsidiary.

If the Company loses control of a subsidiary, the result of the disposal is calculated as the difference between (a) the sum of the fair value of the payment received and the fair value of the investment held, and (b) the book value of the assets (including goodwill), the subsidiary's liabilities and the minority interests. Amounts that were previously recognised in other items of the subsidiary's total income are recognised in the same way (i.e. reclassified to profit or loss or directly to deferred income) at the time of the disposal of the assets or liabilities concerned. The fair value of each investment held in the former subsidiary at the date of loss of control is considered as the fair value at the time of the initial recognition for measurement purposes according to IAS 39 Financial Instruments: Recognition and Measurement or, where applicable, cost on initial recognition of an investment or associated entity over which joint control is exercised.

(ii) Transactions eliminated from consolidation

All transactions between Group companies, balances and unrealised gains and losses on their transactions are eliminated during the preparation of the consolidated financial statements.

(iii) Scope of consolidation

All the entities in which WEB SCA directly or indirectly holds more than half of the voting rights or has the power to control the operation are considered as subsidiaries, and fall within the scope of consolidation. In accordance with IFRS 10, subsidiaries are consolidated as soon as control is acquired, and exit the scope of consolidation on the day control ceases to exist.

(iv) Consolidated financial statements

The financial statements of a group in which the assets, liabilities, equity, income, expenses and cash flows of the parent company and its subsidiaries are presented as those of a single economic entity.

NOTE 3 - Significant accounting judgments and main sources of uncertainty with regard to estimations

3.1 Significant judgments concerning the Group's accounting policies

For properties leased on a long-term basis, barring limited exceptions, the Group concluded that almost all of the risks and advantages inherent in ownership of the assets were not transferred to the lessee and, therefore, that these contracts constituted simple leases in accordance with IFRS 16 - Leases.

3.2 Main sources of uncertainties with regard to estimations and to Covid-19

Beyond the uncertainties relating to the estimates, the spread of COVID-19 on the Belgium territory has had an impact on the Group, in particular as expressed below. The Board of Directors has examined the potential risks and uncertainties that may influence the Group's activities.

As at 30 June 2020, the liquid assets that can be made available amounted to €9,430 k in the form of straight loans and cash. Based on knowledge as at 30 June, the Group does not anticipate any subsequent operational difficulty.

Estimation of the fair value of investment properties

The investment properties, which constitute almost all of WEB SCA's assets, are estimated at their fair value by an independent expert approved by the FSMA, in application of the principles explained in the accounting policies.

For its evaluation as at 30 June 2020, WEB SCA called on the services of CBRE.

The Coronavirus (COVID-19) epidemic exposes the Group and the external expert to an unprecedented set of circumstances on which to base their judgment. Consequently, a greater degree of caution and uncertainty should be given to the valuation presented, considering the uncertain future impact that this health crisis could have on the property market. However, as at 30 June, the Group noted that the only part of its portfolio, namely Retail, directly impacted by the said crisis has a significant degree of resilience, in

particular due to its significant weighting in the home equipment sector, and the fact that its retail parks are open-air.

Collectability of trade receivables

The COVID-19 pandemic is causing uncertainty about the future ability of some tenants to honour their rental payments. Consequently, the collectability of certain trade receivables could be compromised following the bankruptcy of some tenants.

We refer to Note 7 of the half-year financial statements for more details on the possible impact of COVID-19 on trade receivables.

Estimation of fair value of derivative products

The financial instruments which are recorded under liabilities are estimated at their fair value by the dealing rooms of the credit institutions with which they have been subscribed.

It should be noted that the Group has no leasing operations as lessee.

NOTE 4 - Sectorial information (in €)

The Group hold a property portfolio made up of 3 major sectors, namely, in decreasing order of importance: commercial buildings, logistics halls and offices. The sector "Other" includes land and residential rentals. The description of WEB SCA's portfolio is explained in the chapter "Property Report".

Statement of financial position (in €)

	Offices		Logistics halls		Commercial		Other		Not allocated		Total	
	30/06/2020	31/12/2019	30/06/2020	31/12/2019	30/06/2020	31/12/2019	30/06/2020	31/12/2019	30/06/2020	31/12/2019	30/06/2020	31/12/2019
ASSETS												
I. Non-current assets											290,327,500	270,986,534
C. Investment property	35,259,050	18,334,875	52,729,812	47,460,327	195,308,456	198,192,996	7,024,032	6,987,086	-	-	290,321,350	270,975,284
E. Non-current financial assets	-	-	-	-	-	-	-	-	-	-	-	-
G. Non-current trade receivables and other assets	-	-	-	-	6,150	11,250	-	-	-	-	6,150	11,250
II. Current assets											8,404,128	6,899,240
A. Assets held for sale	-	400,001	819,421	819,421	-	-	-	-	-	-	819,421	1,219,422
B. Current financial assets	-	-	-	-	-	2,449	-	-	-	-	-	2,449
D. Trade receivables	562,270	288,978	1,377,996	909,473	3,865,682	3,177,704	215,456	202,121	-	-	6,021,404	4,578,276
E. Fiscal receivables and other current assets	1,375	375	26,981	2,194	16,258	23,697	-	25,000	-	-	44,614	51,267
F. Cash and cash equivalents	136,777	-	46,647	-	-	-	-	-	246,629	203,012	430,052	203,012
G. Adjustment accounts	53,328	51,582	411,450	124,408	528,498	449,779	44,850	137,982	50,511	81,063	1,088,637	844,815
TOTAL ASSETS	36,012,800	19,075,811	55,412,306	49,315,824	199,725,045	201,857,876	7,284,338	7,352,190	297,140	284,075	298,731,628	277,885,774
TOTAL SHAREHOLDERS' EQUITY											152,465,159	157,038,279
A. Capital	-	-	-	-	-	-	-	-	8,403,938	8,403,938	8,403,938	8,403,938
B. Share premiums	-	-	-	-	-	-	-	-	26,924,110	26,924,110	26,924,110	26,924,110
C. Reserves	-	-	-	-	-	-	-	-	117,752,310	118,888,473	117,752,310	118,888,473
D. Net result for the financial period	868,480	-271,216	26,427	475,802	-1,180,781	10,019,824	-329,325	-278,394	-	-7,124,258	-615,199	2,821,758
LIABILITIES												
I. Non-current liabilities											101,237,891	96,676,568
B. Non-current financial debts	4,717	4,717	1,875,847	-	-	-	-	-	99,357,327	96,671,851	101,237,891	96,676,568
II. Current liabilities											45,028,578	24,170,927
B. Current financial debts	-	-	241,786	-	-	-	-	-	34,577,842	15,604,274	34,819,629	15,604,274
C. Other current financial liabilities	-	-	-	-	-	-	-	-	2,058,608	1,944,265	2,058,608	1,944,265
D. Trade and other current payables	1,212,000	106,115	455,701	274,681	777,075	1,147,062	13,059	40,438	276,805	1,596,572	2,734,640	3,164,869
E. Other current liabilities	-	-	-	-	-	-	-	-	24,859	24,859	24,859	24,859
F. Adjustment accounts	547,611	276,007	1,347,673	754,915	3,424,070	2,254,842	181,348	177,152	-109,859	-30,256	5,390,843	3,432,660
TOTAL EQUITY AND LIABILITIES	2,632,808	115,623	3,947,434	1,505,398	3,020,364	13,421,728	-134,918	-60,803	289,265,940	262,903,827	298,731,628	277,885,774

Income statement (in €)

	Offices		Logistics halls		Commercial		Other		Not allocated		Total	
	30/06/2020	31/12/2019	30/06/2020	31/12/2019	30/06/2020	31/12/2019	30/06/2020	31/12/2019	30/06/2020	31/12/2019	30/06/2020	31/12/2019
NET RENTAL RESULT	1,011,021	504,813	2,056,219	2,001,880	6,116,412	6,210,459	330,675	365,129	-	-	9,514,326	9,082,282
PROPERTY RESULT	837,832	414,300	1,606,478	1,910,724	4,501,276	6,106,000	166,417	274,176	-	-	7,112,002	8,705,199
IX. Technical costs	-103,585	-87,108	-172,387	-266,776	-440,078	-356,353	-46,111	-83,822	-	-	-762,161	-794,059
X. Commercial costs	-4,946	-2,994	-5,626	-7,683	-29,368	-34,743	-529	-8,924	-	-	-40,469	-54,344
XI. Charges and duties on unrented properties	-	-	-	-	-	-	-	-	-	-	-	-
XII. Property management costs	-40,648	-42,242	-374,307	-401,341	-503,519	-497,208	-153,998	-220,517	-	-	-1,072,472	-1,161,308
XIV. Company general expenses	-81,323	-21,796	-238,854	-222,670	-292,629	-270,150	-87,436	-111,925	-	-	-700,242	-626,540
XV. Other operating income and expenses	2,377	-2,880	73,038	36,816	1,406	158,609	10,492	25,696	-	-	87,313	218,241
XVI. Result on sale of investment properties	-	-	-	-	-	83,121	-	-	-	-	-	83,121
XVIII. Changes in the fair value of investment properties ¹	-153,938	-290,846	-440,684	-1,602,758	-3,870,507	-1,449,552	-54,146	1,827,412	-	-	-4,519,275	-1,515,743
XIX. Other portfolio result	526,263	-	-4,207	-	-	-	-	-	-	-	522,056	-
OPERATING RESULT	982,032	-33,566	443,450	-553,687	-633,419	3,739,725	-165,311	1,702,096	-	-	626,753	4,854,569
FINANCIAL RESULT	-43,588	-63,958	-416,647	-607,661	-536,164	-745,763	-164,014	-333,680	-	-	-1,160,414	-1,751,062
RESULT BEFORE TAX	938,444	-97,524	26,804	-1,161,348	-1,169,583	2,993,962	-329,325	1,368,416	-	-	-533,661	3,103,507
TAXATION	-69,963	-	-377	-	-11,198	-	-	-	-	-	-81,538	-
NET RESULT	868,480	-97,524	26,427	-1,161,348	-1,180,781	2,993,962	-329,325	1,368,416	-	-	-615,199	3,103,507

¹ see Note 5. Assessment of the fair value of investment properties

NOTE 5 - Assessment of the fair value of investment properties (in €)

From the first application of IFRS 13, all the properties in the portfolio were classified in level 3 category ("fair value based mainly on unobservable data"), as defined by the standard.

The valuation of investment properties, properties held for sale (IAS 40.9.a) and property occupied by the Group (IAS 40.9.c), as shown in the financial statements as at 30 June 2020, is established at Fair Value.

It should be noted that as at 30 June 2020, the Group occupies offices in the building located at 29 avenue Jean Mermoz at 6041 Gosselies, which is part of a site with a total built-on area of 20,678 m². This building has a total surface area of 1,657 m², of which 441 m² are occupied by the Group. These offices are not subject to any separate valuation.

The assessment has been made by an independent evaluator with a relevant and recognised professional qualification, and recent experience as to the geographic situation and the categories of the investment properties which are the subject of the valuation (IAS 40.75.e).

Fair value is the price that would be received to sell an asset, or paid to transfer a liability, in a normal transaction between market participants at the date of the assessment.

Fair value hierarchy (IFRS 13.72 to 13.80)

As at 30 June 2020, for the fair value hierarchy, the Group refers to pages 106 to 108 of the AFR as at 31 December 2019, which has not changed.

Change in value of the portfolio of properties available for rent (in €)

	30/06/2020	31/12/2019
Balance at closing N-1	270.975.284	263.366.300
Acquisitions	21,740,000	-
Aleur	16,810,000	-
Houdeng	4,930,000	-
Development projects	-	5,771,927
Capitalised expenses	2,125,340	3,385,336
Recovery of VAT	-	-
Transfer of properties held for sale	-	102,688
Jumet - rue de l'Industrie	-	502,688
Courcelles - rue Général de Gaulle	-	-400,000
Divestments	-	-
Increase / (decrease) in fair value	-4,519,275	-1,650,967
Balance at closing N	290.321.349	270.975.284

On 22 January 2020, the Group acquired a subsidiary that owns an office building, located at Loncin (Aleur) in the Liège region, at the heart of the motorway interchange, 3 minutes from the motorway exits of Brussels, Namur, Aachen. This is a modular office building built in 2019, covering 4,700 m² on 6 levels with 161 parking spaces. The site occupancy rate is 100% with a firm 111-month lease which took effect on 1 May 2019. The annual rental income is approximately €1,045 k, giving an estimated fair value of €16,810 k.

On 31 January 2020, the Group acquired a subsidiary that owns a 6,000 m² building on 11,000 m² of land with 71 parking spaces within a multimodal logistics platform, "Magna Park" located in Houdeng. The occupancy rate is 100%, the building being fully let to a pharmaceutical group, with a 10-year firm lease that took effect on 1 July 2017. The annual rental income amounts to €375 k, giving an estimated fair value of €4,930 k.

Quantitative information regarding fair value measurement based on unobservable data (level 3)

As at 30 June 2020, the information is detailed as follows:

Asset category	Valuation technique	Unobservable data	Asset category - Minimum	Asset category - Maximum	Asset category - Weighted average
Logistics buildings	Capitalisation of the estimated rental value	Estimated Rental Value (ERV)	€15.00/m ²	€45.00/m ²	€35.29/m ²
		Capitalisation rate	6.60%	11.50%	8.26%
Commercial buildings	Capitalisation of the estimated rental value	Estimated Rental Value (ERV)	€25.07/m ²	€158.73/m ²	€94.58/m ²
		Capitalisation rate	5.62%	8.17%	6.42%
Office buildings	Capitalisation of the estimated rental value	Estimated Rental Value (ERV)	€55.00/m ²	€145.00/m ²	€125.92/m ²
		Capitalisation rate	5.19%	9.15%	5.96%
Land without a permit	Comparable	Unit prices	€101.25/m ²	€101.25/m ²	€101.25/m ²
Rented land	Discounted Cash Flow (DCF)	Discount rate	6.00%	7.00%	5.87%
		Inflation	1.50%	1.50%	1.50%
		Residual term (lease)	48.66 year(s)	49.50 year(s)	46.21 year(s)

Sensitivity of the fair value of properties to changes in unobservable data (in €)

In the event of the hypothetical adaptation of non-observable factors such as the estimated rental value ("ERV"), the capitalisation rate ("Cap rate") and the passing rent ("Passing Rent"), all other things remaining equal, the fair value of the portfolio would vary as follows:

Properties	ERV +5%	ERV -5%	Cap Rate - 25bps	Cap Rate + 25bps	Passing Rent +1%	Passing Rent -1%
Logistics buildings						
Jumet - Rue de l'Industrie 12	821,204	817,641	845,436	794,516	819,422	819,422
Gosselies - Avenue des Etats-Unis 90	1,086,963	1,021,701	1,088,196	1,022,508	1,058,412	1,050,252
Gosselies - Chaussée de Fleurus 157	10,475,016	9,750,093	10,524,092	9,770,445	10,148,601	10,118,213
Courcelles - Rue de la Glacerie 12	7,071,186	6,491,969	6,960,382	6,611,090	6,791,472	6,771,684
Gosselies - Rue de l'Escasse	964,806	880,035	948,873	897,366	923,167	921,673
Fleurus - Avenue de l'Espérance 1	1,256,117	1,152,589	1,239,947	1,170,739	1,206,044	1,202,663
Gosselies - Aéroport	7,071,215	6,528,990	7,015,104	6,597,898	6,813,881	6,786,324
Gosselies - Rue des Emailleries 1-3	5,355,673	4,927,122	5,298,205	4,995,918	5,150,993	5,134,362
Marchienne-Au-Pont - Rue T. Bonehill 30	2,692,148	2,482,675	2,645,138	2,532,164	2,592,339	2,582,485
Gosselies - Avenue Jean Mermoz 29	13,952,633	12,842,057	13,849,660	12,984,819	13,428,322	13,374,013
Houdeng - Rue de la Reconversion	5,077,221	4,786,333	5,115,910	4,760,911	4,952,006	4,911,548
Total after variation	55,824,182	51,681,205	55,530,943	52,138,374	53,884,659	53,672,639
Total before variation	53,549,233	53,549,233	53,549,233	53,549,233	53,549,233	53,549,233
Variation	2,274,949	-1,868,028	1,981,710	-1,410,859	335,426	123,406
	4.2%	-3.5%	3.7%	-2.6%	0.6%	0.2%
Commercial buildings						
Total after variation	202,447,959	186,914,433	202,935,084	187,529,824	195,262,407	194,541,329
Total before variation	195,308,451	195,308,451	195,308,451	195,308,451	195,308,451	195,308,451
Variation	7,139,508	-8,394,018	7,626,633	-7,778,627	-46,044	-767,122
	3.7%	-4.3%	3.9%	-4.0%	0.0%	-0.4%
Office buildings						
Rhode-St-Genèse - Chaussée de Waterloo 198	14,403,439	13,183,855	14,372,715	13,258,336	13,810,720	13,777,260
Charleroi - Boulevard Joseph II 38-42	3,153,372	2,920,637	3,149,524	2,932,493	3,044,101	3,029,908
Jumet - Rue Frison 56	515,085	471,579	508,786	478,705	493,915	492,749
Gosselies - Rue de Namur 138	1,130,069	1,079,668	1,146,597	1,066,049	1,110,877	1,098,860
Alleur - Rue Alfred Deponthière 40	17,334,963	16,324,744	17,625,172	16,106,523	16,897,131	16,762,577
Total after variation	36,536,928	33,980,483	36,802,794	33,842,106	35,356,744	35,161,354
Total before variation	35,259,049	35,259,049	35,259,049	35,259,049	35,259,049	35,259,049
Variation	1,277,879	-1,278,566	1,543,745	-1,416,943	97,695	-97,695

	3.6%	-3.6%	4.4%	-4.0%	0.3%	-0.3%
Properties	ERV +5%	ERV -5%	Cap Rate - 25bps	Cap Rate + 25bps	Passing Rent +1%	Passing Rent -1%
Land						
Loverval - Chaussée de Philippeville	304,740	304,740	304,740	304,740	304,740	304,740
Gerpennes - Chaussée de Philippeville 212	1,087,548	1,087,548	1,137,825	1,040,980	1,087,548	1,087,548
Gosselies - Avenue Jean Mermoz 29	956,361	882,874	956,258	899,956	937,836	916,693
Dampremy - Chaussée de Bruxelles 100	4,704,480	4,704,480	5,009,430	4,426,776	4,704,480	4,704,480
Total after variation	7,053,129	6,979,642	7,408,253	6,672,452	7,034,604	7,013,461
Total before variation	7,024,032	7,024,032	7,024,032	7,024,032	7,024,032	7,024,032
Variation	29,097	-44,390	384,221	-351,580	10,572	-10,571
	0.4%	-0.6%	5.5%	-5.0%	0.2%	-0.2%
Grand total (after variation)	301,862,198	279,555,763	302,677,074	280,182,756	291,538,414	290,388,783
Grand total (before variation)	291,140,765	291,140,765	291,140,765	291,140,765	291,140,765	291,140,765
	10,721,433	-11,585,002	11,536,309	-10,958,009	397,649	-751,982
	3.7%	-4.0%	4.0%	-3.8%	0.1%	-0.3%

In the light of the current COVID-19 pandemic, we set out below, for information purposes, a sensitivity analysis for commercial buildings considering a variation of +/- 20% of the Estimated Rental Value and +/- 100bps the capitalization rate.

Properties	ERV +20%	ERV -20%	Cap Rate - 100bps	Cap Rate + 100bps
Commercial properties				
Total after variation	222,877,959	161,852,863	231,558,798	168,399,471
Total before variation	195,308,451	195,308,451	195,308,451	195,308,451
	27,569,508	-33,455,588	36,250,347	-26,908,980
	14.1%	-17.1%	18.6%	-13.8%

The sensitivity of fair value to a change in the main unobservable data mentioned above is generally shown as follows (all other things being equal):

Unobservable data	Effect on Fair Value	
	in the event of a decrease in the value of the unobservable data	in the event of an increase in the value of the unobservable data
ERV/m ²	negative	positive
Capitalisation rate	positive	negative
Inflation	negative	positive
Discount rate	positive	negative
Residual term (lease)	negative	positive

Use of properties

The effective management considers that the current use of investment properties stated at fair value on the balance sheet is justified, taking into account their current technical characteristics and the possibilities offered by the rental market.

NOTE 6 - Assets held for sale (in €)

INVESTMENT PROPERTY	30/06/2020	31/12/2019
A. Assets held for sale	819,422	1,219,422
- Investment property	819,422	1,219,422

During the first half of 2020, the Group sold, at its fair value, a commercial building located in Courcelles (site 20).

As at 30 June 2020, the assets held for sale consisted of a logistics-type building located in Jumet (site 1). The Board of Directors confirms that this building is still available for sale.

NOTE 7 - Trade receivables and doubtful debts (in €)

Trade receivables arise either from rentals, from the re-invoicing of rental charges, or from the re-invoicing of duties. The risk linked to trade receivables (risk linked to tenants) is described in the "Risk factors" section of the financial annual report 2019.

The Group does not have a client whose rental income corresponds to 10% or more of the total rental income. The Top 10 tenants are included in the chapter "Property report". The change in commercial debts is detailed below.

Breakdown of the line item "Trade receivables"	30/06/2020	31/12/2019
D. Trade receivables	6,021,404	4,578,276
Clients	4,871,712	4,269,015
Client creditors	-6,938	-
Invoices pending issue	1,705,362	241,172
Credit notes receivable	60,188	-
Doubtful trade receivables	1,834,693	672,340
Impairment provisions applied to trade receivables	-2,443,613	-604,251
Breakdown of the line item "Clients" by age	30/06/2020	31/12/2019
Clients	4,871,712	4,269,015
Maturity < 30 days	2,587,094	2,842,828
Maturity 30 - 59 days	176,910	224,180
Maturity 60 - 89 days	509,438	60,182
Maturity > 90 days	1,598,270	1,141,825
Breakdown of the line item "Clients" by type of tenant	30/06/2020	31/12/2019
Clients	4,871,712	4,269,015
Public institutions	1,479	13,721
Companies	4,861,070	4,219,041
Natural persons	9,164	36,253
Doubtful receivables – Table of movements	30/06/2020	31/12/2019
Balance at the end of the previous financial period	672,340	658,851
Amount of receivables reclassified as Doubtful Receivables	1,223,151	314,430
Amount of receivables considered as doubtful and later recovered from said clients	-2,760	-172,338
Amount of doubtful debts definitively lost for which a write-off has been recognised	-58,038	-128,603
Balance at the end of the financial period	1,834,693	672,340
Impairment provisions applied to trade receivables – Table of movements	30/06/2020	31/12/2019
Balance at the end of the previous financial period	-604,251	-470,614
Amount of new impairments applied	-2,129,183	-314,430
Amount of impairments reversed on recovery of doubtful receivables	260,801	88,350
Amount of impairments reversed relating to definitively lost receivables for which a write-off has been recognised	29,020	92,443
Balance at the end of the financial period	-2,443,613	-604,251

As at 30 June 2020, the impairment provisions recorded on trade receivables amounted to €2,444 k.

These impairments fall into three categories:

- Category 1: Impairment for clients in litigation, in reorganisation proceedings or in bankruptcy (-€1,178k including €433k attributable to COVID-19);
- Category 2: Impairment following agreements with certain tenants closed to the public and active in the retail sector (-€380k entirely attributable to COVID-19);
- Category 3: Lump sum reduction resulting from the application of IFRS 9 established on the statistical experience of payments known to the group; i.e. €886 k including €494 k attributable to COVID-19 recorded in consideration of the uncertainty that this COVID-19 health crisis could have on some of our tenants. Note, however, that the amount of this provision has been increased due to the payment facilities granted by the Group (spread over several months of the rents concerned) in order to assist these tenants when they have been forced to close their establishments to the public.

Of the total amount of impairments of €2,444 k recognised as at 30 June 2020, an amount of €1,307 k is specifically related to the COVID-19 pandemic. The impairment provisions have been recorded in

accordance with the prescriptions of IRFS 9. Although every effort is made to secure the Group's receivables, a part of this amount that cannot yet be determined will give rise to recorded write-offs or to cancellation of receivables by credit notes.

It should be noted that, as at 30 June, in addition to the health crisis, the Group recognised an amount of €1,137 k of recorded write-offs, of which €580 k was due to the initiation of bankruptcies and legal reorganisation proceedings, as well as €166 k following the closure of a business following a fire.

NOTE 8 - Share capital

Shareholding structure and declaration of significant holdings during the period under review

In application of the legal rules relating to the disclosure of significant holdings in issuers whose shares are admitted to trading on a regulated market, and in addition to the legal thresholds, Article 17 paragraph 2 of WEB SCA's Articles of Association also provides for a threshold set at 3%, the exceeding of which gives rise to a notification obligation.

The same notification is also compulsory in the event of a direct or indirect transfer of securities conferring the right to vote, if, following this transfer, the voting rights fall below one of the thresholds referred to above.

If, as a result of events which change the distribution of voting rights, the percentage of voting rights attached to securities, held directly or indirectly, reaches, exceeds or falls below the thresholds set above, the same notification is mandatory, even if there has been no acquisition or transfer.

The notification must be made as soon as possible, and at the latest within four (4) trading days, starting on the trading day following the date on which the person required to notify becomes aware of the acquisition or transfer, or of the right to exercise voting rights, or of which said person should have been aware, having regard to the circumstances.

Finally, a declaration is also required if persons acting in concert conclude, modify or terminate their agreement, with the consequence that their voting rights reach, exceed or fall below one of the abovementioned thresholds.

At WEB SCA level, there is a concert agreement between the members of the WAGNER family (namely Mr Robert Jean WAGNER, Mr Robert Laurent WAGNER, Ms Valérie WAGNER, Ms Claire FONTAINE and Ms Jarmila SCHREILOVA), both directly and through the Stichting Administratie Kantoor Valaur (S.A.K.). Concerted shareholding concerns the exercise of voting rights, with a view to carrying out a sustainable common policy, as well as the acquisition and transfer of securities conferring the right to vote. In total, this concerted shareholding represents 48.63% of the total voting rights.

Based on the information received as at 30 June 2020, the shareholding structure of WEB SCA is established as set out on page 13 of this report.

Changes in the share capital of the SIR

As at 30 June 2020, the share capital of WEB SCA amounted to €10,000,000. It is represented by 3,166,337 shares without a given nominal value, all fully paid up, each representing one / three million one hundred and sixty-six thousand three hundred and thirty-seventh (1/3,166,337th) part of the capital, and conferring the same rights and benefits. The capital may be subscribed to and paid up, both by the General Partner WEPS SA, and by the Shareholders.

	Share capital	Number of shares	Comments
17/09/1998	€4,969,837	2,028,860	IPO
26/02/1999	€ 4,973,268	2,028,996	Issue of 136 shares following the merger by absorption of SA IMMOWA
06/10/2000	€4,984,671	2,029,982	Issue of 986 shares following the merger by absorption of SA CEMS and SA WINIMO
	€5,000,000	2,029,982	Conversion of capital into euros, and increase of the latter by €15,329 by capitalisation of retained earnings
30/09/2004	€6,700,000	2,302,791	Issue of 272,809 shares following the merger by absorption of SA IMOBEC
08/12/2010	€9,212,498	3,166,337	Issue of 863,546 shares following a capital increase with preferential rights
30/06/2011	€10,000,000	3,166,337	Increase in share capital by incorporation of the "Share Premium" account for an amount of €787,502

NOTE 9 - Categories of financial instruments (in €)

	30/06/2020		31/12/2019		Fair value hierarchy
	Book value	Fair value	Book value	Fair value	
FINANCIAL ASSETS					
Financial assets available for sale					Level 3
Loans and receivables					
Deposits paid					Level 2
Trade receivables	6,021,404	6,021,404	4,578,276	4,578,276	Level 2
Other receivables	44,614	44,614	51,267	51,267	Level 2
Cash and cash equivalents	430,052	430,052	203,012	203,012	Level 2
FINANCIAL LIABILITIES					
Fair value through income statement					
Authorised hedging instruments	2,058,608	2,058,608	1,944,265	1,944,265	Level 2
Amortised cost					
Short-term financial debts	34,819,629	34,819,629	15,604,274	15,604,274	Level 2
Long-term financial debts	101,237,891	101,257,325	96,676,568	96,709,741	Level 2
Trade payables	1,067,732	1,067,732	1,568,297	1,568,297	Level 2
Other payables	24,859	24,859	24,859	24,859	Level 2

NOTE 10 - Non-current liabilities (in €)

	30/06/2020	31/12/2019
I. Non-current liabilities	101,237,891	96,676,568
A. Provisions	-	-
B. Non-current financial debts	101,237,891	96,676,568
- Credit institutions	101,041,736	96,457,437
- Amortisable investment credit BNP Paribas Fortis	-	1,150
- Amortisable investment credit BNP Paribas Fortis	-	4,601
- Amortisable investment credit BNP Paribas Fortis	519,817	557,400
- Amortisable investment credit Belfius	1,869,347	-
- Roll over BNP Paribas Fortis	5,000,000	5,000,000
- Roll over Belfius	8,500,000	8,500,000
- Roll over BNP Paribas Fortis	-	13,000,000
- Roll over Belfius	13,000,000	13,000,000
- Roll over Belfius	2,280,000	2,280,000
- Roll over Belfius	6,080,000	6,080,000
- Roll over Belfius	6,840,000	6,840,000
- Roll over Belfius	6,600,000	-
- Roll over Belfius	2,640,000	-
- Roll over Belfius	3,960,000	-
- Roll over Belfius	2,875,000	-
- Roll over Belfius	2,615,000	-
- Roll over BNP Paribas Fortis	3,800,000	3,800,000
- Roll over BNP Paribas Fortis	700,000	700,000
- Roll over BNP Paribas Fortis	250,000	150,000
- Bullet investment BNP Paribas Fortis	4,000,000	4,000,000
- Bullet investment Belfius	-	3,000,000
- Bullet investment BNP Paribas Fortis	5,000,000	5,000,000
- Bullet investment Belfius	9,500,000	9,500,000
- Bullet investment BNP Paribas Fortis	9,000,000	9,000,000
- Bullet investment BNP Paribas Fortis	6,000,000	6,000,000
- Amortisable investment credit BNP Paribas Fortis	8,572	34,286
- Amortisable investment credit BNP Paribas Fortis	4,000	10,000
- Rental guarantees received	196,155	219,131

Overall, as at 30 June 2020 non-current financial debts increased by € 4,584K compared to 30 June 2019.

This variation is explained as follows:

- a reimbursement of €75 k,
- a transfer in current financial debts of two credits for a total of €16.000 k,
- the subscription of several loans for an amount of €20,559 k in order to finance the two acquisitions of last January and the realisation of capitalised works (see Note 5).

NOTE 11 - Current financial debts and derivative instruments (in €)

	30/06/2020	31/12/2019
B. Current financial debts	34,819,629	15,604,274
- Straight loan bank Belfius	3,750,000	5,200,000
- Straight loan bank BNP Paribas Fortis	14,650,000	10,200,000
- Long-term loans BNP Paribas Fortis (due in the year)	13,000,000	-
- Long-term loans Belfius (due in the year)	3,000,000	-
- Short-term loans Belfius	241,786	-
- Short-term loans BNP Paribas Fortis	7,960	13,465
- Short-term loans BNP Paribas Fortis	31,840	53,861
- Short-term loans BNP Paribas Fortis	74,614	73,519
- Short-term loans BNP Paribas Fortis	51,429	51,429
- Short-term loans BNP Paribas Fortis	12,000	12,000
C. Other current financial liabilities	2,058,608	1,944,265
- Fair value of derivative instruments	2,058,608	1,944,265

Continuing its financial policy, the Group maintains its policy of financing in the long-term, consideration that it is necessary to finance its property assets, invested in the long term, with long-term loans.

Given the fact that the Group finances all of its property works or its acquisitions by bank loans, and taking into account the persistent uncertainty linked to changes in the 3-month Euribor rate, the Group applies a prudent strategy which consists, either of borrowing at a fixed rate, or at a variable rate with IRS coverage.¹

The increase in current financial debts of €19,215 k arises mainly from:

- the short-term transfer of two loans maturing in the year for €16.000 k,
- the drawing of €3,000 k in straight loans during the lockdown period imposed by COVID-19 to deal with delays in the collection of rental income.

¹ IRS = interest rate swap, where the Company receives the variable rate and pays the contractual fixed rate)

Detailed table of uses of bank credits as at 30 June 2020 and future cash flows arising for the company

Building	Organisation	Type	Rate	End of loan date	Rate	< or = 1 year Nominal	> 1 year and < 5 years Nominal	> 5 years Nominal	Nominal - total 30/06/2020
Berchem	BNP Paribas Fortis	LT	Fixed	06/01/2021	4.53%	€31,840	€-	€-	€31,840
Berchem	BNP Paribas Fortis	LT	Fixed	01/01/2021	4.53%	€7,960	€-	€-	€7,960
Berchem	BNP Paribas Fortis	LT	Fixed	30/09/2027	2.68%	€74,614	€336,414	€183,403	€594,431
All	Belfius	LT	Variable	30/09/2023	Euribor + fixed margin	€-	€8,500,000	€-	€8,500,000
Rhode-St-Genèse	BNP Paribas Fortis	LT	Variable	31/01/2021	Euribor + fixed margin	€13,000,000	€-	€-	€13,000,000
All	Belfius	LT	Variable	12/05/2025	Euribor + fixed margin	€-	€13,000,000	€-	€13,000,000
All	BNP Paribas Fortis	CT	Variable	unlimited	Euribor + fixed margin	€14,650,000	€-	€-	€14,650,000
All	Belfius	CT	Variable	unlimited	Euribor + fixed margin	€3,750,000	€-	€-	€3,750,000
All	Belfius	LT	Fixed	30/04/2021	1.10%	€3,000,000	€-	€-	€3,000,000
All	BNP Paribas Fortis	LT	Fixed	30/09/2021	0.95%	€-	€5,000,000	€-	€5,000,000
All	Belfius	LT	Fixed	30/09/2023	1.15%	€-	€9,500,000	€-	€9,500,000
All	BNP Paribas Fortis	LT	Fixed	30/11/2022	1.48%	€-	€4,000,000	€-	€4,000,000
St-Georges	BNP Paribas Fortis	LT	Variable	30/04/2024	Euribor + fixed margin	€-	€3,800,000	€-	€3,800,000
St-Georges	BNP Paribas Fortis	LT	Variable	30/04/2024	Euribor + fixed margin	€-	€700,000	€-	€700,000
St-Georges	BNP Paribas Fortis	LT	Variable	30/06/2023	Euribor + fixed margin	€-	€250,000	€-	€250,000
St-Georges	BNP Paribas Fortis	LT	Fixed	30/04/2024	1.60%	€-	€9,000,000	€-	€9,000,000
St-Georges	BNP Paribas Fortis	LT	Fixed	30/06/2023	1.57%	€-	€6,000,000	€-	€6,000,000
St-Georges	BNP Paribas Fortis	LT	Fixed	26/11/2021	1.00%	€12,000	€4,000	€-	€16,000
St-Georges	BNP Paribas Fortis	LT	Fixed	19/08/2021	1.89%	€51,429	€8,572	€-	€60,000
Développement Site 9	BNP Paribas Fortis	LT	Variable	02/01/2025	Euribor + fixed margin	€-	€5,000,000	€-	€5,000,000
Péruwelz	Belfius	LT	Variable	30/06/2025	Euribor + fixed margin	€-	€2,280,000	€-	€2,280,000
Péruwelz	Belfius	LT	Variable	30/06/2024	Euribor + fixed margin	€-	€6,080,000	€-	€6,080,000
Péruwelz	Belfius	LT	Variable	30/06/2022	Euribor + fixed margin	€-	€6,840,000	€-	€6,840,000
Alleur	Belfius	LT	Variable	20/01/2026	Euribor + fixed margin	€-	€-	€6,600,000	€6,600,000
Alleur	Belfius	LT	Variable	20/01/2027	Euribor + fixed margin	€-	€-	€2,640,000	€2,640,000
Alleur	Belfius	LT	Variable	20/01/2027	Euribor + fixed margin	€-	€-	€3,960,000	€3,960,000
Alleur	Belfius	LT	Variable	30/06/2025	Euribor + fixed margin	€-	€2,875,000	€-	€2,875,000
Houdeng	Belfius	LT	Variable	30/06/2026	Euribor + fixed margin	€-	€-	€2,615,000	€2,615,000
Houdeng	Belfius	LT	Fixed	31/12/2027	1.95%	€241,786	€1,131,093	€738,254	€2,111,133
						€34,819,629	€84,305,079	€16,736,657	€135,861,365

Contractual covenants with partner banks

The general conditions for the opening of credits to companies can be obtained on request from the financial institutions concerned.

The Group:

- declares that it has full ownership of all of its assets and holdings detailed in its financial statements, which are not and/or will not be encumbered by any right, lien, mortgage or seizure.
- undertakes to maintain the status of a regulated property company (SIR), and to comply with its legal framework, in accordance with the Law of 12 May 2014 and its Royal Decree of 13 July 2014, and their successive adaptation(s).
- undertakes not to exceed a maximum debt ratio of 55% of the assets or, if applicable, a lower debt ratio as imposed by the Financial Services and Markets Authority (FSMA). The indebtedness is calculated in accordance with the provisions of the Royal Decree relating to SIRs.
- undertakes to entrust its financial partners with a volume of financial transactions proportional to the credit lines granted.
- undertakes to comply with a debt coverage ratio ("Debt service cover ratio" or "DSCR") > 2, on a non-consolidated basis, as long as the Bank has not been fully reimbursed in principal, interests and accessory costs.¹

As at June 30, 2020, the Group's consolidated financial statements show a DSCR of 7.6 compared to 11.2 as at 31 December 2019. This decrease is explained on the one hand by the increase in the cost of borrowing, and on the other hand by the increase in the capital repayment of investment loans following the acquisition of SPI LA Louvière SA, which had an investment loan to be repaid of €2,217 k on the date of acquisition.

In addition, the Group undertakes, throughout the term of the credit, to apply the same accounting rules as those which were applied to the previous figures published.

NOTE 12 - Hedging instrument contracts (in €)

In order to cover the fluctuation risk of the 3-month Euribor rate paid on variable-rate financial debts, the Company has entered into a certain number of conventional IRS contracts.

As at 30 June 2020, the nominal value of all of these rate hedges is €56.7M to be compared to a total amount of variable-rate bank loans of €96.4M, which gives a coverage rate of 58.8%, the details of which are given hereafter.

	Organisation	End date	Nominal IRS	Fixed rate
30/06/2020	Belfius	12/05/2025	13,000,000	0.57% then 0.525% ²
	Belfius	12/08/2021	15,000,000	1.70%
	Belfius	30/06/2022	6,840,000	0.31%
	Belfius	29/09/2023	8,500,000	0.51%
	Belfius	28/06/2024	6,080,000	0.62%
	Belfius	30/06/2025	2,280,000	0.75%
	BNP Paribas Fortis	01/01/2025	5,000,000	0.16%
			56,700,000	

The table below shows the Group's future commitments up to the expiry of these rate hedging contracts, in accordance with IFRS 7.39 (b).

¹ Debt Service Coverage Ratio = Rentals (See heading Rentals) / (XXI. Net interest charges (See heading XXI) + Repayment of capital of investment loans)

² This percentage, as justified by this analysis, is that which appears in the Risk Report, Risk 14 "Treasury" in the 1st part of the financial annual report 2019.

	Building	Organisation	Nominal (bank loans - see Note 8)	Fixed rate loans	Loans at variable rate	Variable rate loans	
						covered by an IRS	not covered by an IRS
30/06/2020	Berchem	BNP Paribas Fortis	31,840	31,840			
	Berchem	BNP Paribas Fortis	7,960	7,960			
	Berchem	BNP Paribas Fortis	594,431	594,431			
	All	Belfius	8,500,000		8,500,000	8,500,000	
	Rhode-St-Genèse	BNP Paribas Fortis	13,000,000		13,000,000		13,000,000
	All	Belfius	13,000,000		13,000,000	13,000,000	
	All	BNP Paribas Fortis	14,650,000		14,650,000		14,650,000
	All	Belfius	3,750,000		3,750,000		3,750,000
	All	Belfius	3,000,000	3,000,000			
	All	BNP Paribas Fortis	5,000,000	5,000,000			
	All	Belfius	9,500,000	9,500,000			
	All	BNP Paribas Fortis	4,000,000	4,000,000			
	St-Georges	BNP Paribas Fortis	3,800,000		3,800,000		3,800,000
	St-Georges	BNP Paribas Fortis	700,000		700,000		700,000
	St-Georges	BNP Paribas Fortis	250,000		250,000		250,000
	St-Georges	BNP Paribas Fortis	9,000,000	9,000,000			
	St-Georges	BNP Paribas Fortis	6,000,000	6,000,000			
	St-Georges	BNP Paribas Fortis	16,000	16,000			
	St-Georges	BNP Paribas Fortis	60,000	60,000			
	Développement Site 9	BNP Paribas Fortis	5,000,000		5,000,000	5,000,000	
	Péruwelz	Belfius	2,280,000		2,280,000	2,280,000	
	Péruwelz	Belfius	6,080,000		6,080,000	6,080,000	
	Péruwelz	Belfius	6,840,000		6,840,000	6,840,000	
	Alleur	Belfius	6,600,000		6,600,000	6,600,000	
	Alleur	Belfius	2,640,000		2,640,000	2,640,000	
	Alleur	Belfius	3,960,000		3,960,000	3,960,000	
	Alleur	Belfius	2,875,000		2,875,000	1,800,000	1,075,000
Houdeng	Belfius	2,615,000		2,615,000		2,615,000	
Houdeng	Belfius	2,111,133	2,111,133				
	TOTAL		135,861,365	39,321,365	96,540,000	56,700,000	39,840,000
	relative %		100%	28.94%	71.06%		
	relative %				100%	58.73%	41.27%

NOTE 13 - Trade and other current payables (in €)

	30/06/2020	31/12/2019
D. Trade and other current payables	2,734,640	3,164,869
a) Exit Tax	1,266,245	1,253,527
b) Other	1,468,395	1,911,341
- Suppliers	1,067,732	1,568,297
- Taxes, remunerations and social charges	400,662	343,044

As at 31 December 2019, the exit tax debt included an amount payable following the merger by absorption by the Company of its "Center Commercial St Georges" subsidiary in 2018. This debt was paid during the first half of 2020.

The amount recognised as at 30 June 2020 of €1,266 k corresponds to the exit tax payable on the two acquisitions of the first half of 2020, i.e. €262 k for the building located in Houdeng and €1,005 k for the one located in Loncin / Alleur.

The exit tax payable is equal to the difference between the market value of the building (registration fees deducted) and its tax value (after deduction of deferred tax) multiplied by 15%.

NOTE 14 - Liability adjustment accounts (in €)

	30/06/2020	31/12/2019
F. Adjustment accounts	5,390,843	3,432,660
- Property income received in advance	3,371,904	3,336,180
- Interest and other accrued charges not yet due	2,018,939	96,481

"Interest and other accrued charges not yet due" increased by €1,922 k compared to 31 December 2019.

This increase is mainly explained by the property withholding tax charge relating to the year 2020 (€1,783 k). The Group expects to receive the assessment notices during the 3rd quarter of 2020.

NOTE 15 - Rental income (in €)

	30/06/2020	30/06/2019
I. Rental income	9,514,326	9,361,069
A. Rental	9,576,889	9,386,239
C. Free rental	-62,563	-25,170
E. Compensation for early termination of leases	-	-

As at 30 June 2020, the Group's rental income amounted to €9,514 k against €9,361 k for the same period the previous year. The increase of €153 k is mainly explained by the following items:

- the acquisition of two buildings (Loncin / Alleur and Houdeng) which led to an increase in rental income of €610 k;
- the departure of several tenants (CEDICORA, Bricourcelle, Hainaut Caravaning, etc.) during the first half of 2020 which led to a decrease in existing rental income of €473 k.

It should be noted that the occupancy rate is 90.02% as at 30 June 2020.

NOTE 16 - Recovery of rental charges and duties normally assumed by the tenant on rented properties (in €)

	30/06/2020	30/06/2019
V. Recovery of rental charges and duties	2,160,074	2,452,554
A. Re-invoicing of rental charges incurred by the owner at the expense of the tenant	537,714	728,603
B. Re-invoicing of withholding taxes and duties on rented properties	1,622,360	1,723,951
	30/06/2020	30/06/2019
VII. Rental charges and duties	-2,717,736	-2,833,003
A. Rental charges incurred by the owner	-793,281	-928,389
B. Withholding taxes and duties on rented properties	-1,924,455	-1,904,614

A comparison between the two headings V and VII above shows that the recovery rates are as follows:

	30/06/2020	30/06/2019
A. Rental charges incurred by the owner	67.8%	78.5%
B. Withholding taxes and duties on rented properties	84.3%	90.5%

The rate of re-invoicing of rental charges incurred by the owner decreased from 78.5% to 67.8% and that of re-invoicing of property withholding taxes and duties on buildings from 90.5% to 84.3%.

These decreases are largely explained by the increase in rental vacancies during the first half of 2020 compared to the first half of 2019. As at 30 June 2020, the occupancy rate stood at 90.02%, in particular due to the departures of the Cedicora, Bricourcelles and Hainaut Caravaning tenants.

NOTE 17 - Property management costs (in €)

	30/06/2020	30/06/2019
XII. Property management costs	-1,072,472	-1,161,308
A. Fees paid to managers (external)	-897,390	-981,395
Management fees (incl. VAT)	-287,375	-287,375
Remunerations of governing bodies	-574,509	-657,953
Fees of the Property Expert	-35,506	-36,067
B. Property management charges	-175,082	-179,913
Lawyers	-24,355	-24,000
Duties and fees	-150,727	-155,913

The remuneration of governing bodies is detailed as follows:

	30/06/2020	30/06/2019
Effective Managers	509,708	504,157
of which CEO	183,403	231,095
Board of directors	48,466	141,999
Audit committee	16,335	11,798
TOTAL	574,509	657,953

The decrease in the remuneration of governance bodies is explained by:

1. The departure of one of the CEO's, Claude Desseille, appointed Chairman of the Board of Directors as of 1 January 2020;
2. The departure of the Chairwoman of the Board of Directors, Valérie Wagner, who has, since 1 January 2020, resumed her duties full-time as HMS ("Head of Marketing and Sales");
3. The arrival of a new Effective Manager, Laurent Vensensus, in his capacity as CTO (Chief Technical Officer) on 1 January 2020.

NOTE 18 - Company general expenses (in €)

	30/06/2020	30/06/2019
XIV. Company general expenses	-700,242	-626,540
Financial and accounting fees	-137,520	-139,144
Auditors' fees	-43,458	-24,667
External experts' fees	-86,884	-113,338
Legal fees	-26,674	-40,671
Vehicle and operating equipment costs	-30,136	-27,330
Office supplies	-44,764	-50,439
Report printing costs	-29,505	-26,245
Secretarial and marketing costs	-177,719	-63,944
Computer services and supplies	-42,543	-39,274
Participation in seminars, training, trade fairs, receptions, sponsoring	-2,393	-48,490
Legal formalities and contributions	-64,794	-47,170
Other operating expenses	-13,852	-5,828

It should be noted that the mandate of the PwC Auditor was renewed by the EGM of 5 June 2020 on the basis of fees set at €50 k per year for the statutory audit of the Company. PwC was also appointed Statutory Auditor of the two subsidiaries acquired during the past period.

The increase in overheads is mainly explained by the remuneration of the Head of Marketing and Sales, who has taken over this function full time (see Note 17).

NOTE 19 - Other portfolio result (in €)

	30/06/2020	30/06/2019
XIX. Other portfolio result	522,056	-

During the first half of 2020, the Company acquired two buildings through two property companies. These acquisitions, which were treated as acquisitions of assets and not as business combinations in accordance with IFRS 3, generated a positive portfolio result of €522 k. This result is detailed as follows:

1. Alleur building (office): The price paid for the acquisition of the shares of the company Business Park Alleur SA holding the building amounts to €6,802 k for the equity, valued at the date of control at €7,328 k, which represents a positive result of €526 k. The annual rent for this building amounts to €1,057 k with a 111-month lease from 1 May 2019;
2. Houdeng building (logistics): The price paid for the acquisition of the shares of the company SPI La Louvière holding the building amounts to €2,655 k for the equity, valued at the date of control at €2,651 k, which represents a negative result of €4 k. The annual rent for this building amounts to €375 k.

The appraised fair value on the acquisition date amounts to €16,810 k for the building located in Alleur, and €4,930 k for the one located in Houdeng. Their acquisition was financed mainly by borrowings from credit institutions (see Note 10).

NOTE 20 - Net interest charges (in €)

	30/06/2020	30/06/2019
XXI. Net interest charges	-1,043,855	-813,986
A. Nominal interest on loan	-711,056	-496,789
C. Charges resulting from authorised hedging instruments	-332,799	-317,197

Nominal loan interest increased by €214 k compared to the same period the previous year. This increase is mainly explained by:

- the increase in interest on straight loans following larger drawdowns of €53 k
- an interest charge on new loans relating to the two acquisitions made during the period for an amount of €98 k
- the decrease compared to 2019 in bridging interest capitalised for an amount of €59 k

As at 30 June 2020, the average borrowing rate calculated by dividing the net interest charges for the period by the financial debts at the closing date amounts to 1.54% compared to 1.45% for the same period. last year.

NOTE 21 - Earnings per share

WEB SCA is included in compartment B of Euronext Brussels.

In accordance with IFRS standards, the basic earnings per share are obtained by dividing the result for the financial period (numerator) by the weighted average number of shares in circulation during the period (denominator). Insofar as there are no dilutive instruments at WEB, the basic and diluted results are identical.

Share information (IAS 33.73 et 33.73A)

	30/06/2020	30/06/2019
Net result for the period (numerator)	€-615,199	€3,103,507
Weighted average number of shares in circulation (denominator)	3,166,337	3,166,337
Basic net earnings per share	€-0.19	€0.98
Diluted earnings per share	€-0.19	€0.98

Other information per share

	30/06/2020	31/12/2019
Net Assets	€152,465,159	€157,038,279 €
Number of shares	3,166,337	3,166,337
Intrinsic unit value of a share	€48.15	€49.60 €
Market share price on the closing date	€50.80	€60.00 €
	30/06/2020	31/12/2019
Operating result before portfolio result	€1.46	€1.99
Portfolio result	€-1.26	€-0.45
Operating result	€0.20	€1.53
Financial result	€-0.37	€-0.55
Financial result excluding changes in fair value	€-0.33	€-0.26
Result before tax	€-0.17	€0.98
Tax	€-0.02	€-
Basic and diluted earnings per share	€-0.19	€0.98

NOTE 22 – Scope of consolidation

Company	Registered office	% of control	% of interest	Method of consolidation
WEB SCA	Avenue Jean Mermoz 29 - B-6041 Gosselies	-	-	Parent Company
Business Park Alleur SA	Avenue Jean Mermoz 29 - B-6041 Gosselies	100%	100%	Full consolidation
SPI La Louvière SA	Avenue Jean Mermoz 29 - B-6041 Gosselies	100%	100%	Full consolidation

On 22 January 2020, the Company acquired all of the 100 shares of Business Park Alleur SA and on 31 January 2020, it acquired all of the 13,806 shares of SPI La Louvière SA.

The acquisition of shares in these two companies was not considered to be a business combination as the assets acquired and the liabilities assumed do not constitute a business within the meaning of IFRS 3. Effectively, almost all of the fair value of the gross assets acquired is concentrated in each of the buildings (concentration test).

NOTE 23 - Transactions with related parties (in €)^{1, 2}

The table below sets out, within the meaning of IAS 24, all of the transactions with parties that are related to the Group. Certain shareholders and/or directors of the Group are also shareholders and/or directors of the companies listed below, and could therefore exert a certain influence on these companies.

The Group emphasises that these related parties have no other post-employment benefits (IAS 19) of any kind.

With regard to the Effective Management, which within the meaning of IAS 24.9 are considered to be key members of management, we refer the reader to Note 17 of the financial statements summary as at 30 June 2020.

¹ The transactions covered by this note are also covered by Art. 37 of the RD of 13/07/2014 relating to SIRs. During the two accounting periods, none of these operations were entered into under conditions outside of the normal business framework of the SIR.

² The positive amounts correspond to payables or charges of the SIR, while the negative amounts correspond to receivables or income.

Transactions

RELATED COMPANIES	TYPE OF SERVICES PROVIDED	30/06/2020	30/06/2019
WEPS SA BE0463.639.412	Statutory manager:		
	- Management fees	287,375	287,375
	- Financial and accounting costs	108,181	108,149
	- Administrative costs	95,374	96,111
	- Technical costs	52,018	61,027
	- Vehicle costs	71,471	35,905
	- Remuneration of Directors, Audit Committee, marketing costs and other	179,509	172,180
	- Miscellaneous costs	105,293	109,744
W.TEAM SA BE0478.981.050	Service company, maintenance and minor repairs on investment properties	344,911	389,528
	Service company, major repairs on investment properties	131,252	132,308
SPP SA BE0864.622.465	Office tenant (income)	-23,970	-24,225

All related party transactions are listed above. However, in the absence of legal criteria making it possible to itemise the transactions with related parties which may be entered into under conditions other than market conditions, no information on this subject is included in this document. Notwithstanding, the invoices of the Statutory Manager WEPS SA, which undertakes the operational management of the Company in accordance with Article 4 of the law of 12 May 2014 relating to SIRs constituted in the form of SCA, are re-invoiced at arm's length rates.

Balances

RELATED COMPANIES	30/06/2020	31/12/2019
WEPS SA BE0463.639.412	-461,104	-273,609

NOTE 24 - Significant events after the balance sheet date

We refer the reader to the 1st part of this report in the "Management report - Post-closing events". In any event, to the best of our knowledge, the summary financial statements as at 30 June 2020 as presented, are not susceptible to adjustment (IAS 10).

STATUTORY ACCOUNTS

Statement of financial position (in €)

	IFRS 30/06/2020	IFRS 31/12/2019
ASSETS		
I. Non-current assets	286,390,808	270,986,534
C. Investment property	268,559,718	270,975,284
- Property available for rent	268,559,718	270,975,284
E. Non-current financial assets	17,824,940	-
- Loans and receivables	8,367,731	-
- Others	8,367,731	-
- Others	9,457,209	-
- Investments in affiliated companies or with investment link	9,457,209	-
G. Non-current trade receivables and other assets	6,150	11,250
II. Current assets	7,776,148	6,899,240
A. Assets held for sale	819,422	1,219,422
- Investment property	819,422	1,219,422
B. Current financial assets	150,000	2,449
- Loans and receivables	150,000	2,449
D. Trade receivables	5,638,598	4,578,276
E. Fiscal receivables and other current assets	44,614	51,267
- Other	44,614	51,267
F. Cash and cash equivalents	246,629	203,012
G. Adjustment accounts	876,886	844,815
- Property charges paid in advance	347,468	317,166
- Other	529,418	527,649
TOTAL ASSETS	294,166,957	277,885,774
TOTAL SHAREHOLDERS' EQUITY	151,649,488,80	157,038,279
A. Capital	8,403,938	8,403,938
- Capital subscribed	10,000,000	10,000,000
- Capital Increase costs	-1,596,062	-1,596,062
B. Share premiums	26,924,110	26,924,110
C. Reserves	117,752,310	118,888,473
- a. Legal reserve	40,376	40,376
- b. Reserve for the balance of variations in fair value of property	95,563,383	97,986,614
- c. Reserve for estimated costs and transfer rights arising from the hypothetical disposal of investment properties	-8,772,989	-8,724,958
- e. Reserve for the balance of variations in fair value of authorised hedging instruments to which hedge accounting as defined in IFRS is not applied	-1,944,265	-1,523,938
- n. Results brought forward from prior periods	32,865,806	31,110,380
D. Net result for the financial period	-1,430,869	2,821,758
- Result for the financial period	-1,430,869	2,821,758
LIABILITIES		
I. Non-current liabilities	99,362,044	96,676,568
B. Non-current financial debts	99,362,044	96,676,568
a) Credit institutions	99,172,389	96,457,437
c) Others	189,655	219,131
- Rental guarantees received	189,655	219,131
II. Current liabilities	43,155,424	24,170,927
B. Current financial debts	34,577,842	15,604,274
a) Credit institutions	34,577,842	15,604,274
C. Other current financial liabilities	2,058,608	1,944,265
- Authorised hedging instruments	2,058,608	1,944,265
D. Trade and other current payables	1,332,929	3,164,869
a) Exit Tax	-	1,253,527
b) Others	1,332,929	1,911,341
- Suppliers	1,056,124	1,568,297
- Taxes, remunerations and social charges	276,805	343,044
E. Other current liabilities	24,859	24,859
- Other	24,859	24,859
F. Adjustment accounts	5,161,186	3,432,660
- Property income received in advance	3,190,002	3,336,180
- Interest and other accrued charges not yet due	1,971,183	96,481
TOTAL EQUITY AND LIABILITIES	294,166,957	277,885,774

Comprehensive income statement (in €)

	IFRS 30/06/2020	IFRS 30/06/2019
I. Rental income	8,904,551	9,361,069
A. Rental	8,951,989	9,386,239
C. Free rental	-47,438	-25,170
III. Rental charges	-1,847,014	-278,788
B. Write-downs in value of trade receivables	-1,849,774	-383,994
C. Reversals of write-downs in value of trade receivables	2,760	105,206
NET RENTAL RESULT	7,057,537	9,082,282
V. Recovery of rental charges and duties normally assumed by the tenant on rented properties	2,158,919	2,452,554
A. Re-invoicing of rental charges incurred by the owner	580,969	728,603
B. Re-invoicing of withholding taxes and duties on rented properties	1,577,951	1,723,951
VI. Costs incumbent on the tenants and assumed by the owner for rental damage and restoration at the end of the lease	-	-2,965
VII. Rental charges and duties normally assumed by tenants of rented buildings	-2,674,892	-2,833,003
A. Rental charges incurred by the owner	-794,846	-928,389
B. Withholding taxes and duties on rented properties	-1,880,046	-1,904,614
VIII. Other rental income and expenses	2,353	6,332
PROPERTY RESULT	6,543,917	8,705,199
IX. Technical costs	-734,436	-794,059
A. Recurring	-83,835	-88,696
- Insurance premiums	-83,835	-88,696
B. Non-recurring	-650,601	-705,362
- Major repairs	-583,645	-569,402
- Claims	-66,955	-135,961
X. Commercial costs	-40,469	-54,344
A. Agency commissions	-22,240	-18,907
B. Advertising	-18,229	-35,436
XII. Property management costs	-1,072,317	-1,161,308
A. Fees paid to managers	-897,390	-981,395
- Management fees	-287,375	-287,375
- Remuneration of governing bodies	-574,509	-657,953
- Fees of the property expert	-35,506	-36,067
B. Property management charges	-174,927	-179,913
- Lawyers	-24,355	-24,000
- Fees and charges	-150,572	-155,913
PROPERTY CHARGES	-1,847,221	-2,009,710
OPERATING RESULT FROM PROPERTIES	4,696,695	6,695,489
XIV. Company general expenses	-637,906	-626,540
XV. Other operating income and expenses	145,495	218,241
B. Other	145,495	218,241
OPERATING RESULT BEFORE PORTFOLIO RESULT	4,204,284	6,287,191
XVI. Result on sale of investment properties	-	83,121
A. Net sales of properties (sale price - transaction costs)	400,000	1,249,879
B. Book value of properties sold	-400,000	-1,166,758
XVIII. Changes in the fair value of investment properties	-4,540,906	-1,515,743
A. Positive changes in fair value of investment properties	765,218	3,860,646
B. Negative changes in the fair value of investment properties	-5,306,125	-5,376,389
XIX. Other portfolio result	-	-
OPERATING RESULT	-336,622	4,854,569

	30/06/2020	30/06/2019
XX. Financial income	60,096	3
A. Interest and dividends received	60,096	3
XXI. Net interest charges	-1,025,960	-813,986
A. Nominal interest on loans	-693,162	-496,789
C. Charges resulting from authorised hedging instruments	-332,799	-317,197
XXII. Net interest charges	-1,751	-2,130
A. Bank charges and other commissions	-1,751	-2,130
XXIII. Other financial expenses	-114,343	-934,950
A. Authorised hedging instruments	-114,343	-934,950
- Authorised hedging instruments to which hedge accounting as defined in IFRS is not applied	-114,343	-934,950
FINANCIAL RESULT	-1,081,958	-1,751,062
RESULT BEFORE TAX	-1,418,580	3,103,507
XXV. Corporate income tax	-12,289	-
Tax	-12,289	-
XXVI. Exit tax	-	-
NET RESULT FROM KEY ACTIVITIES FOR THE FINANCIAL PERIOD	-1,430,869	3,103,507
COMPREHENSIVE RESULT¹	-1,430,869	3,103,507
BASIC AND DILUTED EARNINGS PER SHARE²	-0.45	0.98

Statutory distributable result

	30/06/2020		30/06/2019	
	€	€ / share	€	€ / share
Net result for the period (numerator)	-1,430,869	-0.45	3,103,507	0.98
Write-downs in value of trade receivables	1,849,774	0.58	383,994	0.12
Reversals of write-downs in value of trade receivables	-2,760	-0.00	-105,206	-0.03
Result on sale of investment properties	-	-	-83,121	-0.03
Positive change in fair value of investment properties	-765,218	-0.24	-3,860,646	-1.22
Negative change in the fair value of investment properties	5,306,125	1.68	5,376,389	1.70
Changes in the fair value of financial assets and liabilities	114,343	0.04	934,950	0.30
Distributable result	5,071,394	1.60	5,749,866	1.82
Number of shares	3,166,337	3,166,337	3,166,337	3,166,337
Distributable result for the period, basic and diluted per share	1.60	1.60	1.82	1.82

¹ The comprehensive result is equal to the net result from key activities for the financial period. No other item should be taken into account.

² ESMA Regulation July 2016 – IAP Performance Indicator

The "basic and diluted earnings per share" is obtained by dividing the "comprehensive result" by the number of shares representing the Company's share capital

Statutory earning per share (IAS 33)

	Notes	IFRS 30/06/2020	IFRS 31/12/2019
Shareholders' equity	[A]	151,649,489	157,038,279
Weighted average number of outstanding ordinary shares	[B]	3,166,337	3,166,337
Intrinsic unit value of a share ¹	[A] / [B]	€47.89	€49.60
Share price on the closing date	[C]	€50.80	€60.00
Basic net earnings per share		€-0.45	€0.98
Diluted earnings per share		€-0.45	€0.98
Market capitalisation	[B] * [C]	160,849,920	189,980,220
Investment properties available for rent		268,559,718	270,975,284
Investment properties held for sale		819,422	1,219,422
Value of property assets (fair value)		269,379,140	272,194,706
Debt ratio according to Art. 27 of RD of 14/07/2014		45.99%	41.55%

Statutory detailed calculation of the debt ratio

	Notes	IFRS 30/06/2020	IFRS 31/12/2019
Debt ratio calculation method	(a+b+c+d)/e	45.99%	41.55%
+ Non-current liabilities	a	99,362,044	96,676,568
+ Current liabilities	b	43,155,424	24,170,927
- Authorised hedging instruments	c	-2,058,608	-1,944,265
- Liability adjustment accounts	d	-5,161,186	-3,432,660
/ Total equity and liabilities	e	294,166,957	277,885,774

¹ The intrinsic unit value of a share reflects the total shareholders' equity divided by the number of shares representing the Company's share capital.

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