

Antwerp, Belgium | 27 June 2024 | 8h00 CET

Regulated information

Inside information

Xior strengthens equity by approx. 80 MEUR via contribution in kind

Welcoming of additional cornerstone shareholder

LTV decrease of 1.1% and EPS guidance reconfirmed at min 2.21 EUR



Xior Student Housing NV announces that it has entered into an agreement to **acquire two operational student residences**, located in Lisbon (Portugal) and Kraków (Poland), with a total of 670 units/1,053 beds and an average gross investment yield of 8.41%. These acquisitions are realised entirely through a **contribution in kind against the issue of new shares** at an issue price of 29.0196 EUR (not rounded). The total contribution value is approx. 80 MEUR, which strengthens Xior's equity by that same amount and **reduces the LTV by 1.1%**.

These new shares from both transactions (representing in total 6.54% of the capital after the transactions) will then be fully placed with **Car Logistics Brussels NV, subsidiary of Katoen Natie Group SA**. Xior welcomes this **additional cornerstone investor** in its capital and views this as a sign of confidence in its real estate segment, management and strategy. It concerns a purely financial investor that will not play an active role in the management or governance of the company.

In light of the acquisition of these two operational residences, the delivery of approx. 1,050 new student rooms and an expected like-for-like rental growth of minimum 5.5%, Xior **reconfirms its earnings and gross dividend forecast for 2024** at minimum 2.21 EUR & 1.768 EUR per share. This takes into account the impact on EPS of committed sales to date and new shares.



LivinnX - Kraków, Poland



Campo Pequeno - Lisbon, Portugal

1. Acquisition Campo Pequeno residence in Lisbon

Campo Pequeno in Lisbon (Portugal) concerns a brand new student residence, completed in 2022 and located in Campo Pequeno, a prominent residential area known for its vibrant culinary scene and culture. In addition, the residence is located a stone's throw from Lisbon's business and tourist districts. The exceptional location of this residence, on the one hand close to several renowned universities (such as Instituto Superior Técnica, Universidade Nova de Lisboa, and Cidade Universitária, the largest university campus in Lisbon) and, on the other hand, close to numerous restaurants, shopping centres, cinemas and public transport, results in an average occupancy rate of 98% from day one for this popular student residence. The total investment value amounts to approx. 58 MEUR at a gross investment yield of 7.6%.

Campo Pequeno has 380 units (380 beds) divided into a mix of fully furnished 1-bedroom studios, 2-bedroom flats and individual rooms with private sanitary facilities. Unit sizes range from 12 to 27 m². The residence also offers a wide range of amenities and common areas, including study rooms, gym, cinema, private dining room, yoga room, bike storage, laundry room and a courtyard. The building also has a BREEAM-in-use certification labelled Very Good.

Portuguese student market

Lisbon is the largest student city in Portugal. In the academic year 22/23, 446,028 Portuguese students were enrolled in higher education, of which approx. 38% (116,405) in Lisbon. Moreover, it is also one of the most popular destinations for international students pursuing higher education (CAGR of 8.7% over the past 4 academic years). Portugal has a perfect combination of prestigious universities, an affordable lifestyle, excellent public transport and a pleasant climate.

Taking into account the number of students enrolled in universities in Lisbon and the current PBSA (Purpose Built Student Accommodation) supply, the provision rate is only 2.2%. Including the expected number of beds in the pipeline, the provision rate rises to 3.3%. However, this is still significantly low compared to more mature European cities and makes Lisbon one of the least provisioned cities in Europe in terms of PBSA supply.

2. Acquisition LivinnX residence in Kraków

LivinnX is a modern student residence in Kraków (Poland), completed in 2019 and located in the Zabłocie district, a rapidly developing area known for its vibrant cultural and artistic scene and right on the Wisła River. The residence is located right by the Andrzej Frycz Modrzewski University of Kraków (the largest private university in Kraków with 7,600 students) and has easy access to Kraków's main universities. The residence is held on the basis of a perpetual usufruct right to the land, which expires in 2089. This is fully in line to the perpetual usufruct rights of some of Xior's Amsterdam properties. The total investment value amounts to 28.7 MEUR (excluding VAT) at a gross investment yield of approx. 10%.

LivinnX has 290 self-contained units with 673 beds spread over 1-bedroom studios and clusters with 2 to 4 residents. The clusters are small flats designed to be both stylish and practical. Features include modern kitchens with high-quality appliances, spacious living and relaxation areas and smart technologies to enhance convenience and safety. This residence also offers a wide range of communal facilities to ensure a great living experience for its residents. These include:

- ◆ A fitness centre, yoga room and sauna
- ◆ A rooftop terrace with panoramic views and communal gardens
- ◆ Game room, study & co-working spaces
- ◆ Secure parking
- ◆ 24/7 security and local residence manager

LivinnX applies sustainable design practices and energy-efficient systems to minimise its carbon footprint. This includes energy-efficient lighting, efficient heating and cooling systems and the use of eco-friendly building materials.

Polish student market

Poland is the 5th largest student market in the European Union, after Germany, France, Spain and Italy, with 1.22 million students. Poland has around 870 English-language programmes and benefits from the increasing number of international students. Kraków has the second largest student population in Poland with nearly 128,096 students across 18 higher education institutions, and is the perfect complement to Xior's existing portfolio in Poland. Thus, in addition to the existing Xior residences in Łódź, Katowice and the new development in Warsaw, a fourth city is added and Xior strengthens its position in Poland. In Kraków, the existing supply of PBSA is very limited. There are about 16,113 public student beds and only 3,248 existing private beds, 673 of which are in LivinnX. The public supply consists mainly of shared rooms of poor quality and with little or no facilities.

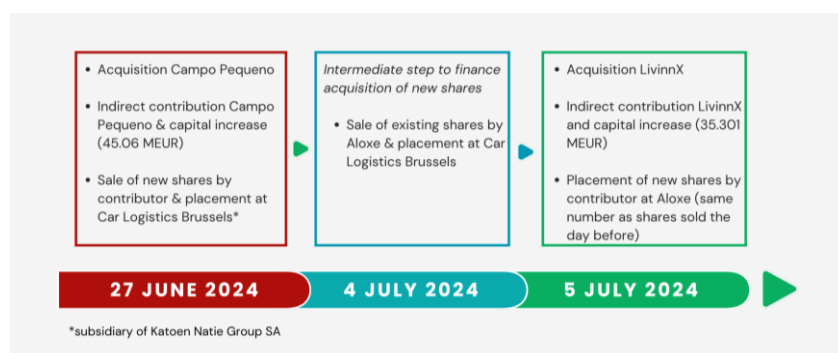
3. Transactions

The total investment value for both residences together amounts to 86.7 MEUR (excluding VAT), with an average expected gross yield of 8.41%, with Xior paying the purchase price entirely through two in-kind contributions against the issue of new shares. The total contribution value is 80 MEUR after usual adjustments for cash, debt and net working capital, among others, and including VAT.

The issue price of the new shares is (not rounded) 29.0196 EUR per share. This price is equal to the 30 calendar day average closing price per share on Euronext Brussels¹ preceding the day of the signing of both the contribution agreement regarding LivinnX (under the suspensive condition of the FSMA's approval of the amendment to the articles of association) and the contribution agreement regarding Campo Pequeno, being 27 June 2024. Both contributions and related issuance of new shares will take place at the same issue price.

Contributions in kind, capital increases and placement of shares

The timing for the realisation of the two contributions differs: the Campo Pequeno (Lisbon) contribution was fully realised today; the contribution agreement of the LivinnX transaction (under the suspensive condition of the FSMA's approval of the amendment to the articles of association) was signed today and (due to formalities to be fulfilled) is expected to be completed on 5 July 2024 (contribution of debt claim and capital increase) given that there are no suspensive conditions attached to the transactions. Further details are provided below:



¹ Pursuant to article 26§2, al. 1, 2° GVV Act.

- **Campo Pequeno (Lisbon)**

Xior signed this morning a purchase agreement regarding 100% of the shares in Campopre Investments, Unipessoal Lda. followed by a capital increase by (indirect) contribution in kind within the framework of the authorised capital (from the debt claim to payment of the purchase price of the shares under the aforementioned agreement). The contribution value (i.e. the value of the debt claim that was contributed, namely the purchase price for 100% of the shares in Campopre Investments, Unipessoal Lda. after usual corrections for cash, debts and net working capital, among other things) was equated to the nominal value of the outstanding amount of the debt claim, being 45.06 MEUR, thus realising a capital increase of the same amount (namely 27,949,032 EUR in capital and 17,110,407.09 EUR in issue premium). At the determined issue price of 29.0196 EUR per share (not rounded), this means that 1,552,724 new shares were issued. These new shares are expected to be listed on the stock exchange from 28 June 2024.

These new shares were immediately and fully placed by the contributor, through ING, with Car Logistics Brussels NV.

The Board's special report as well as other documents can be accessed [here](#).

Disclosure under Article 15 of the Act of 2 May 2007 (the Transparency Act)

Pursuant to this capital increase and the issue of 1,552,724 new shares at a total issue price of 45,059,439.09 EUR (more specifically, 27,949,032 EUR capital and 17,110,407.09 EUR issue premium), Xior Student Housing NV, in accordance with Article 15 of the Transparency Act, discloses the following information, as at 27 June 2024 :

- ◆ total capital: 740,300,940 EUR
- ◆ total number of voting securities: 41,127,830 (all shares)
- ◆ total number of voting rights (=nominator): 41,127,830 (all attached to shares)

Each of these shares confers one vote at the general meeting and these shares therefore represent the denominator for purposes of transparency regulation notifications (i.e. notifications in the event of (a.o.) reaching, exceeding or falling below statutory or legal thresholds). Xior's Articles of Association do not provide for additional statutory thresholds for notifications under the transparency regulations. No outstanding options or subscription rights giving entitlement to shares, preference shares or non-voting shares have been issued.

- **LivinnX (Kraków)**

Xior intends to settle the payment for the acquisition of the LivinnX property by its Polish subsidiary Xior Student Housing Krakow by issuing new Xior shares. The amendment to the articles of association in connection with this transaction is still subject to the approval of the FSMA. The intended indirect contribution of this property foreseen on date of 5 July 2024 will be as follows:

- ◆ After stock market, on 4 July 2024, the Board of Directors will take the decision in principle to increase capital by contribution in kind;
- ◆ On the morning of 5 July 2024, before a Polish notary, a deed of sale is executed for the property between the seller and Xior Student Housing Krakow, 100% subsidiary of Xior, leaving the purchase price unpaid;
- ◆ Subsequently, before a Belgian notary, the contribution of the debt claim thus arising against Xior Student Housing Krakow into the capital of Xior will be realised, with new Xior shares being issued. The contribution value (i.e. the value of the debt claim in question being contributed that is equal to the purchase price + VAT) will be set at 35.301 MEUR, resulting in a capital increase of the same amount. At the determined issue price of 29.0196 EUR per share (not rounded), this concerns 1,216,453 new shares;
- ◆ The new shares will then be sold by the contributor, at a price equal to the issue price (29.0196 EUR per share (not rounded)), to the reference shareholder, Aloxe NV, following the realisation of the capital increase and issue of the new shares;

Antwerp, Belgium | 27 June 2024 | 8h00 CET

Regulated information

Inside information

- ◆ In preparation for the acquisition of these new shares, on 4 July 2024 Aloxe will make a private placement. Through ING, a part of its existing shares equal to the number of new shares to be issued, at the same price, will be placed with Car Logistics Brussels NV. As a result, Car Logistics Brussels NV will obtain 1,216,453 additional shares;
- ◆ Thus, on 5 July 2024, Aloxe will take over the new shares from the contributor in the amount of 35.301 MEUR (namely the amount for which shares were sold) and Aloxe's share position in Xior will remain unchanged after both transactions;
- ◆ The issue price of the newly issued shares as part of the contribution in kind and the associated capital increase will be equal to the placement price of the shares by Aloxe. As the issue price is equal to the placement price, no arbitrage gains will be realised on the price of the shares;
- ◆ Upon realisation of the capital increase, expected on 5 July 2024, Xior will publish the new denominator according to Article 15 of the Act of 2 May 2007 (the Transparency Act).

Amount available under authorised capital

In the context of these capital increases, use will be made of the authorisation of authorised capital, which was approved at the Extraordinary General Meeting of 19 February 2024 (see [Articles of Association](#)). Under this authorisation, Xior's board of directors is permitted (among other things) to increase Xior's capital by way of a capital increase by way of (i) cash contribution that does not provide for the possibility of exercising the statutory pre-emptive right or irreducible allocation right by the company's shareholders and (ii) contribution in kind, with a maximum amount of 68,810,034.60 EUR. Following the issue of shares on 18 April 2024 in connection with the Basecamp earn-out consideration and following the contribution this morning of the shares of Campopre Investments, Unipessoal Lda. and related capital increase, the available balance within this category of authorised capital still amounts to 28,677,216.60 EUR. After the planned capital increase for the acquisition of LivinnX, the available balance within this category will still be 6,781,062.60 EUR.

New additional cornerstone shareholder

Xior welcomes Car Logistics Brussels NV (subsidiary of Katoen Natie Group SA) as a new long-term shareholder in its capital; a sign of confidence in Xior's real estate segment, management and strategy.

The new shares created today for the acquisition of Campo Pequeno (1,552,724 shares) were placed with Car Logistics Brussels NV by the contributor through ING. The shares to be purchased by Aloxe in connection with the acquisition of LivinnX on 5 July 2024 (1,216,453 shares) will be paid for with the proceeds from the placement the day before by Aloxe of an equal number of existing shares held by Aloxe with Car Logistics Brussels NV. Upon completion of both transactions, Aloxe's share position will remain unchanged.

Car logistics Brussels NV (Subsidiary of Katoen Natie Group SA) confirmed to Xior that the investment in Xior is a pure financial investment aimed at long-term growth and value creation. The new and additional reference shareholder (in addition to the existing reference shareholder Aloxe) will not play an active role in day-to-day operations and will not obtain representation on the board of directors.

Both transactions will result in a shareholding of approx. 6.54% by Car Logistics Brussels NV in Xior. As soon as Xior has received the official transparency notification, expected after completion of the second placement, the Company will issue a press release.

4. Financial impact

By investing in up and running student residences and financing them through the issuance of new shares, Xior can, on the one hand, strengthen equity and therefore reduce leverage and, on the other, generate additional income to keep EPS stable. On a pro forma basis (taking into account the impact of these

Antwerp, Belgium | 27 June 2024 | 8h00 CET

Regulated information
Inside information

transactions only, and therefore not taking into account other transactions or evolutions in working capital), this transaction structure causes the pro forma LTV as at 31 March 2024 to decrease by 1.1% from 52.43% to 51.33%. Financial ratios including ICR and net debt/EBITDA will also improve as a result of this transaction. In addition, the dilution for existing shareholders amounts to approximately 3.8% and the placement costs assumed by Xior for both transactions amount to 1,004,505 EUR.

Thanks to the increase in earnings due to the acquisition of these two up-and-running residences, the completion of approx. 1,050 new student rooms in 2024 and the expected like-for-like rental growth of min. 5.5% confirming the pricing power of student accommodation, Xior reaffirms its earnings forecast of at least 2.21 EUR per share & gross dividend expectation of 1.768 EUR per share for FY2024. This takes into account the impact on EPS of committed sales to date and the impact of new shares.

Xior sees further optimisation opportunities in the business plans of both new residences. Thanks to the prime locations of these two residences, rents can also be driven up further here. Moreover, the operating margin will improve by integrating the management of these residences into Xior's existing operational platform. In addition, Xior further anchors its position in Lisbon and further broadens its position in Poland by adding a fourth student city to its Polish portfolio.

5. Declaration under section 37 of the GVV Act

In accordance with Article 37 of the Act of 12 May 2014 on regulated real estate companies (the GVV Act), the transaction planned by the Company must be notified to the FSMA, and the relevant details must also be disclosed, if certain persons, as further defined in Article 37, §1 of the GVV Act, act directly or indirectly as counterparty to that transaction or derive any pecuniary advantage from it.

In accordance with Article 37, §1 of the GVV Act, notice is hereby given that the following persons authorised by the aforementioned Article 37, §1 (may) act as counterparty to the planned transaction or derive any pecuniary benefit from it as Aloxe (reference shareholder of the Company) has entered into an agreement in which it has undertaken to purchase the new shares (which SH GGH Management 8 spółka z ograniczoną odpowiedzialnością spółka komandytowa, will acquire as part of the Contribution) and that, at the Company's request, it will organise a private placement to pay the seller of the property in cash:

- ◆ Christian Teunissen, who is a director and effective leader of the Company on the one hand and is a shareholder and shareholder of Aloxe NV on the other;
- ◆ Frederik Snauwaert, who is a director and effective leader of the Company on the one hand and is a shareholder and shareholder of Aloxe NV on the other.

The Contribution and the associated capital increase strengthen the Company's equity and therefore its (legally limited) debt ratio. In this way, the growth of the portfolio occurs through a healthy combination of different funding sources and the debt ratio remains under control.

Among other things, the strengthening of Xior's equity will also play a role in the assessment of Xior's financial health by third parties (credit institutions, but also suppliers and customers).

The placement of shares by Aloxe at the Company's request and the commitment to issue the new shares that would be issued as a result of the contribution in kind as part of the transaction were justified in view of the fact that the placement made the transaction as a whole possible in the interests of the Company and its shareholders. The sale of the shares of Aloxe, and the payment of the related placement fee by the Company were achieved at normal market conditions and the arrangements made with Aloxe in this regard were in the best interests of the Company, as the Company thus succeeded in acquiring superior

Antwerp, Belgium | 27 June 2024 | 8h00 CET

Regulated information
Inside information

quality student accommodation while at the same time strengthening and managing its capital structure and debt ratio.

In accordance with Article 37, §2 of the GVV Act, the board of directors therefore determines that the Contribution and the resulting capital increase is in the interest of the Company.

These data will be made public in accordance with Article 37, §2, 4th paragraph of the GVV Act in conjunction with Article 8 of the Royal Decree of 13 July 2014 regarding regulated real estate companies. The data referred to in Article 37, §2 of the GVV Act will also be explained in the annual financial report for the 2024 financial year and in the auditor's report.

6. Advice by the committee of independent Xior directors and assessment by the auditor in applying Article 7:97 of the Companies and Associations Code

Opinion of the committee of independent directors of Xior

"In view of the foregoing, the Committee recommends to the board of directors of the Company that the closing of the documentation to which both the Company and Aloxe are parties in respect of (i) the Private Placement including the Block Trade Agreement, the engagement letter with the Global Coordinator, the engagement letter with Deloitte Legal-Lawyers and the press releases, and (ii) the Contribution including the Escrow, the Framework Agreement, the Confirmation Agreement and the press releases is not contrary to the interest of the Company and is not unlawful.

The Committee also considers that it is highly unlikely that entering into these agreements would result in disadvantages to the Company that would not be outweighed by the benefits set out in the above opinion."

Assessment by the auditor of Xior

"Based on our review, nothing has come to our attention that causes us to believe that the accounting and financial data - included in the opinion of the Committee of Independent Directors dated 26 June 2024 and in the minutes of the Board of Directors dated 26 June 2024 - are not, in all material respects, fair and consistent with the information available to us in connection with our engagement.

As the prospective accounting and financial information and the assumptions on which it is based relate to the future and may therefore be affected by unforeseen events, we express no opinion on whether the actual results reported will correspond to those included in the prospective financial information and the differences may be material.

Our engagement was conducted solely within the scope of the provisions of Section 7:97 of the Companies and Associations Code and our report cannot therefore be used in any other context."

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Antwerp, Belgium | 27 June 2024 | 8h00 CET
Regulated information
Inside information



About Xior Student Housing

Xior Student Housing NV is the first Belgian public regulated real estate company (RREC) specialising in the student housing segment in Belgium, the Netherlands, Spain, Portugal, Germany, Poland, Denmark and Sweden. Within this property segment, Xior Student Housing offers a variety of accommodation, ranging from rooms with shared facilities to en-suite rooms and fully equipped studios. Since 2007, as owner-operator, Xior Student Housing has built high-quality, reliable student accommodation for students looking for the ideal place to study, live and relax. A place with that little bit extra, where every student immediately feels at home.

Xior Student Housing has been accredited as a public RREC under Belgian law since 24 November 2015. Xior Student Housing's shares have been listed on Euronext Brussels (XIOR) since 11 December 2015. On 31 March 2024, Xior Student Housing held a property portfolio worth approximately EUR 3.19 billion. More information is available at www.xior.be.

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Disclaimer

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