CREDIT OPINION
30 September 2025

Update

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RATINGS

Warehouses de Pauw NV/SA

Domicile	Belgium
Long Term Rating	A3
Type	LT Issuer Rating - Dom Curr
Outlook	Stable

Please see the ratings section at the end of this report for more information. The ratings and outlook shown reflect information as of the publication date.

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Japan	81-3-5408-4100
EMEA	44-20-7772-5454

Warehouses de Pauw NV/SA

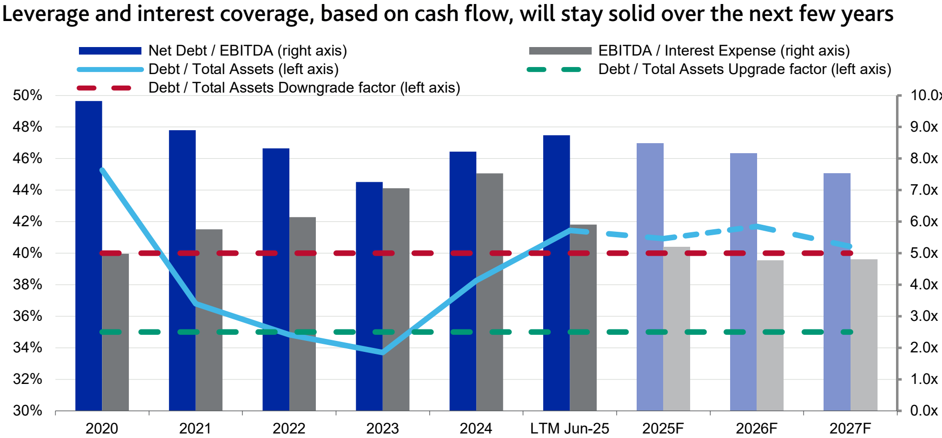
Update following upgrade

Summary

The recent upgrade of Warehouses De Pauw NV/SA's (WDP or the company) issuer rating to A3 reflects WDP's gradual strengthening of its business profile through improvements of its logistic real estate portfolio over the last years. The upgrade also considers WDP's consistently strong operating and financial performance, supported by prudent financial policies and a disciplined focus on profitability over valuation-driven releveraging and comes amid continued strength in the European logistics sector, despite signs of demand normalization. WDP manages an €8.3 billion portfolio of logistics assets with ongoing expansion into France and Germany supporting growth and diversification. The company reported on-going sound operating performance with a 97.3% occupancy rate in the first half of 2025, stable valuations with a 0.2% like-for-like increase, and rental growth of 2.2%. Future rental growth is supported by under-rented assets—estimated at 9% below market value—and WDP's strategy to build a €10 billion pan-European logistics platform, which will require additional funding. While WDP's growth targets remain ambitious, the company has built a solid track record of pursuing them through a measured approach — balancing internal developments and acquisitions, and a prudent mix of debt and equity funding — without weakening its credit profile.

The stable outlook reflects that although WDP's asset-based leverage will remain weaker than that of A3-rated peers at around 41% over the next 12 to 18 months, its Moody's adjusted Net debt/EBITDA will remain consistently below 8.5x and interest coverage above 4.5x.

Exhibit 1
Leverage and interest coverage, based on cash flow, will stay solid over the next few years



All data based on adjusted financial data, which follow our Financial Statement Adjustments in the Analysis of Nonfinancial Corporations methodology. LTM = Last 12 months.
Moody's forecasts are Moody's opinion and do not represent the views of the issuer.
Sources: Moody's Financial Metrics™ and Moody's Ratings forecasts

Credit strengths

» Moderate leverage, with strong fixed charge coverage supported by a cautious financial policy and a track record of adhering to it

» Large and diversified portfolio of logistics assets, with leading market positions translate into very high occupancy underpinning stable and inflation-indexed income

» Still favourable structural demand and low, albeit normalising, vacancies in the sector

Credit challenges

» As demand eases, ongoing tariff uncertainty and macro volatility may further challenge logistics tenants and dampen asset values

» Higher marginal cost of new debt is gradually eroding interest coverage ratios

» Ambitious growth targets through 2027 heighten execution risk amid macroeconomic uncertainty

» Negative pledge on existing loans limits WDP's capacity to raise secured debt

Rating outlook

The stable outlook reflects WDP's solid operating performance and financial profile, which we expect to continue, supported by cautious financial policies and a moderate risk appetite. While asset-based leverage remains weaker than that of A3-rated peers, we expect sound governance to help WDP navigate challenging market conditions and ambitious growth targets without compromising its strength in cash-flow-based leverage and coverage metrics, debt maturity profile, or liquidity which should remain good with progressively less reliance on undrawn revolving credit facilities. The current ratings incorporate our expectation that WDP will maintain gross debt/assets around 41% and net debt/EBITDA near 8.3x over the next 12–18 months, with fixed charge coverage comfortably above 4.5x, supported by indexation and a strong hedging ratio.

Factors that could lead to upgrade

A rating upgrade could materialise under a continuously supportive environment for logistics platforms and if:

» Consistently strong execution and a track record of prudent financial policies across real estate cycles, without eroding WDP's current strength in interest coverage, debt maturity profile, or liquidity.

» Gross debt/total assets sustainably improves below 35% and Moody's-adjusted net debt/EBITDA decreases towards 7x, supported by prudent financial policy.

» Moody's-adjusted fixed-charge coverage stays above 4.5x.

» WDP continues to scale while keeping its development pipeline between 10% and 15%, with high pre-let requirements, measured as total committed development costs/total assets.

» WDP improves its liquidity management with reduced reliance on undrawn RCFs.

» An upgrade would also require meeting Prime-1 criteria, including committed bank lines covering peak CP issuance without material adverse changes provision and unrestricted same-day market access.

Factors that could lead to downgrade

The rating are likely to be downgraded if:

» EBITDA/interest expense coverage falls materially below 4.0x.

» Net debt/EBITDA rises significantly above 9x.

» Liquidity weakens, including deterioration in the debt maturity profile, or reduced access to capital.

» Committed developments consistently exceed 15% of total assets and/or pre-let rates drop significantly.

» Macroeconomic conditions or demand for logistics assets deteriorate broadly, leading to weaker operating performance.

» Gross debt/total assets increases consistently well above 40%.

Key indicators

Exhibit 2
Warehouses De Pauw NV/SA

(in € billions)	2020	2021	2022	2023	2024	LTM Jun-25	2025F	2026F	2027F
Gross Assets	4.8	6.1	7.0	7.1	8.2	8.6	8.7	9.1	9.2
Debt / Gross Assets	45.3%	36.8%	34.8%	33.7%	38.3%	41.4%	40.9%	41.7%	40.4%
Net Debt / EBITDA	9.8x	8.9x	8.3x	7.3x	8.2x	8.7x	8.5x	8.2x	7.5x
EBITDA / Interest Expense	5.0x	5.8x	6.1x	7.1x	7.5x	5.9x	5.2x	4.8x	4.8x

All data based on adjusted financial data, which follow our Financial Statement Adjustments in the Analysis of Nonfinancial Corporations methodology. LTM = Last 12 months.
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Sources: Moody's Financial Metrics™ and Moody's Ratings forecasts

Profile

Warehouses de Pauw NV/SA is a large, pure player logistics real estate landlord with a portfolio of 338 assets worth €8.3 billion portfolio as of June 2025 generating €466 million in annualized rents. The group main markets are the Netherlands, Belgium and Luxembourg, France, Germany and Romania (respectively 38%, 34%, 7%, 2% and 19% of the group total investment properties portfolio), planning to expanding its footprint in the French and German logistics markets. WDP also has a 10% stake in Swedish logistics landlord, Catena AB.

As of 29 September 2025, WDP had a market capitalization of €5 billion with its shares trading at €21.14.

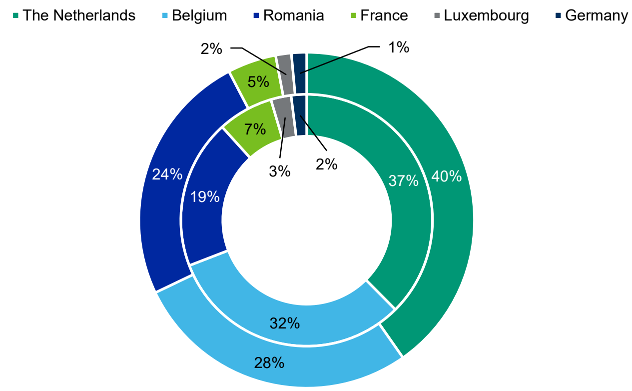
Detailed credit considerations

Large and growing logistics platform with leading market positions in the Dutch and Belgian logistics markets, and a solid position in the Romanian market

WDP is among Europe's largest logistics owners, managers, and developers, with core exposure in the Netherlands (Aaa, stable) and Belgium (Aa3, negative), and growing presence in France (Aa3, stable), Germany (Aaa, stable) and Luxembourg (Aaa, stable). Romania (Baa3, negative) accounts for 20% of its portfolio and CEE exposure will remain capped at 20%. Given the more volatile market liquidity, Romania is more prone to weakening investor sentiment. However, the market vacancy rate remains healthy at 4.5% and yield expansion has been limited supporting more resilient valuations compared to the rest of Europe. In addition, 75% of WDP's tenants in Romania are international players serving markets beyond Romania. WDP also holds a 10% stake in Swedish logistics landlord Catena AB, generating dividend income and cross-selling opportunities, with no plans to expand further in the Nordics.

Since 2024, WDP has significantly expanded in France—now representing around 10% of its portfolio—and appointed country managers in France and Germany, in line with its strategy to become a €10 billion core-plus platform. While expansion adds execution risk, the focus on acquisitions in mature markets helps mitigate it.

Exhibit 3
WDP's portfolio split (LTM Jun-25)

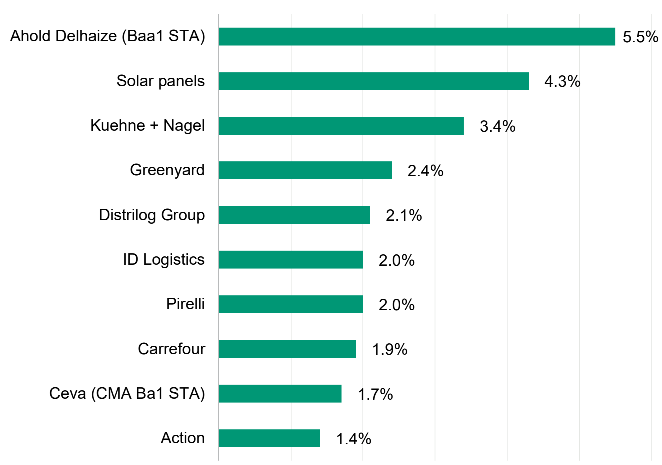


Outer ring is the portfolio split based on GRI and the inner ring is the portfolio split based on fair value. LTM = Last 12 months.
Source: Company data

WDP benefits from a diversified tenant base spread across various industries such as industrial (16%), Food retail (16%), and Fast-Moving Consumer Goods (12%). WDP's exposure to third party logistics providers is 35% (in revenues) while 14% of the client base relates to dedicated e-commerce activities. As of June 2025, WDP's exposure to the automotive industry accounted for 9% of its rent roll, primarily through spare parts suppliers, subcontractors, and service providers rather than car manufacturers. This exposure is also geographically diversified. The company's vulnerability to international tariffs remains limited, thanks to its strong integration into domestic European supply chains. Additionally, a significant share of tenants (around 45% of rental income) operate in low-cyclical sectors such as food, fast-moving consumer goods, pharmaceuticals, and healthcare, further supporting income stability.

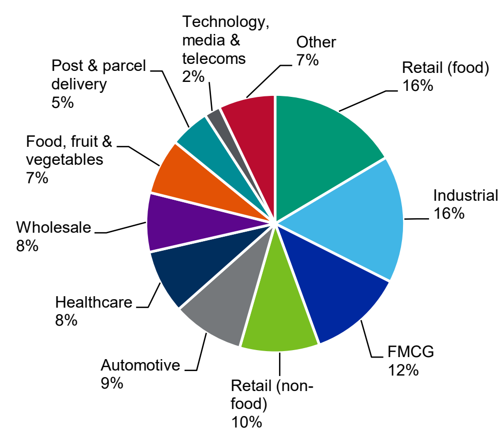
Top tenants include tenants customary for a large, diversified logistics portfolio such as Kuehne + Nagel International AG, Ahold Delhaize (Baa1, Stable) or Peer Holding III B.V. (Action, Ba1, Stable). Tenant concentration is limited (top 10 tenants account for 28.1% of WDP's rental income as of H1 2025) while contracts are negotiated individually. The lease roll is also well staggered, with around 13% of leases maturing in 2025 - 90% of which have already been extended, while the remainder is relet or is reflected in the 97.3% occupancy rate as of June 2025. A further 14% of leases are set to mature in 2026.

Exhibit 4
Strong tenant roster (June 2025)
Top 10 tenants, % of GRI



H1 = Six months period ended 30 June 2025.
Source: Company data

Exhibit 5
High diversification in terms of tenant end industry (June 2025)

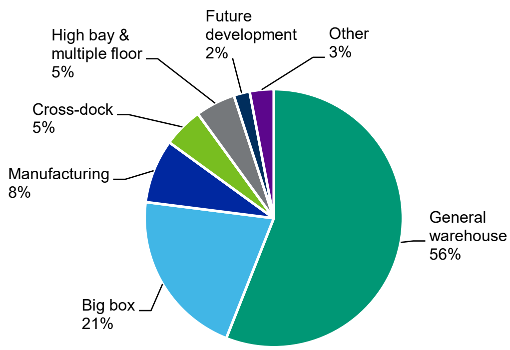


H1 = Six months period ended 30 June 2025.
Source: Company data

WDP's assets are all located close to transportation hubs, be it road, railway, ports or airports. WDP has a relatively new property portfolio with an average property age of 8 years, while 56% benefits from green certification.

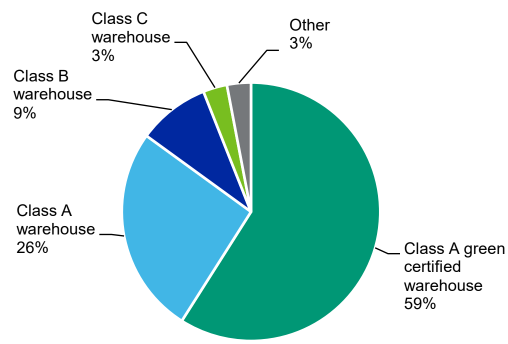
WDP is focused on the entire logistics spectrum from large, big boxes to cross-dock assets fitting for last-mile logistics use. Around 55% of WDP's portfolio is in urban areas; however, this reflects the geographical features of its two main markets (Belgium and the Netherlands) with a continuum of agglomerations rather than a strong focus on main European city centres.

Exhibit 6
Asset type split, fair value (June 2025)



Source: Company data

Exhibit 7
Asset type quality, fair value (June 2025)

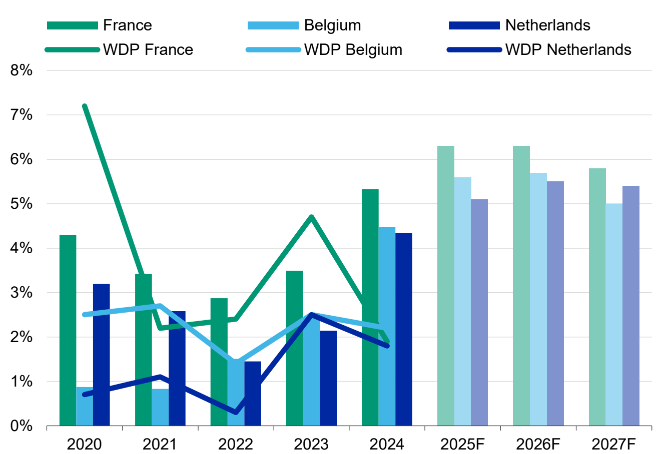


Source: Company data

Robust operational performance will continue, bolstered by long term structural supports and growth strategy

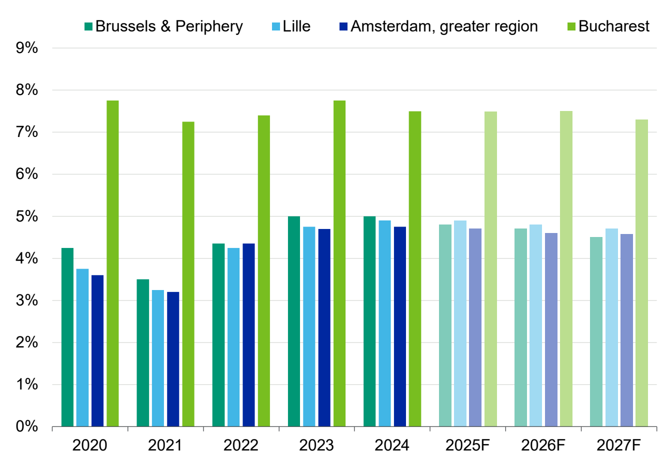
The logistics sector continues to be attractive to investors and occupiers. The on-going supply scarcity and a larger need for buffers along the global supply chain support demand and WDP's operations. Vacancies in the countries in which WDP operates remain low, which is consistent with the company's own low vacancy rate as per exhibit 8, while CBRE expect vacancies to remain below 6% over the next 18 months. CBRE forecasts indicate that yields are likely to stabilize—providing continued support for valuation levels.

Exhibit 8
Market vacancy will remain low on strong continuously strond demand for logistics assets
Market vacancy, prime industrial (Q3 2025 forecasts)



Sources: CBRE Ltd. and Company data

Exhibit 9
Moderate yield expansion forecasted in WDP's key markets
Prime industrial yields, logistics (Q3 2025 forecasts)

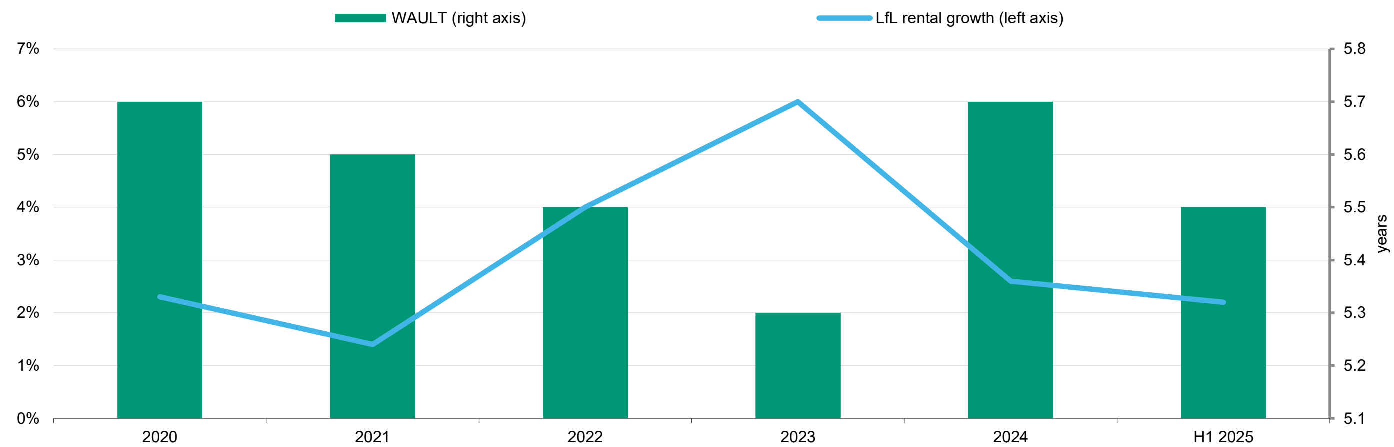


Source: CBRE Ltd.

WDP maintained a high occupancy rate of 97.3% as of H1 2025, down slightly from 97.8% a year earlier but in line with WDP's guidance, reflecting demand normalisation after years of exceptionally strong growth while heightened macroeconomic uncertainty is delaying leasing decisions. Tenant retention remains solid at around 90%, and the six-year average lease term among top 10 tenants reflects strong relationships. As of H1 2025, rent reversion potential stood at 9%, which provides a buffer against softer market conditions. in the first hald of 2025, WDP posted a resilient 2.2% like-for-like rental growth, and we expect like-for-like rental income to grow broadly in line with inflation, supported by WDP's strategy of prioritizing high occupancy over aggressive rent increases

Exhibit 10

Health WAULT and Like-for-like rental growth support cash-flow generation

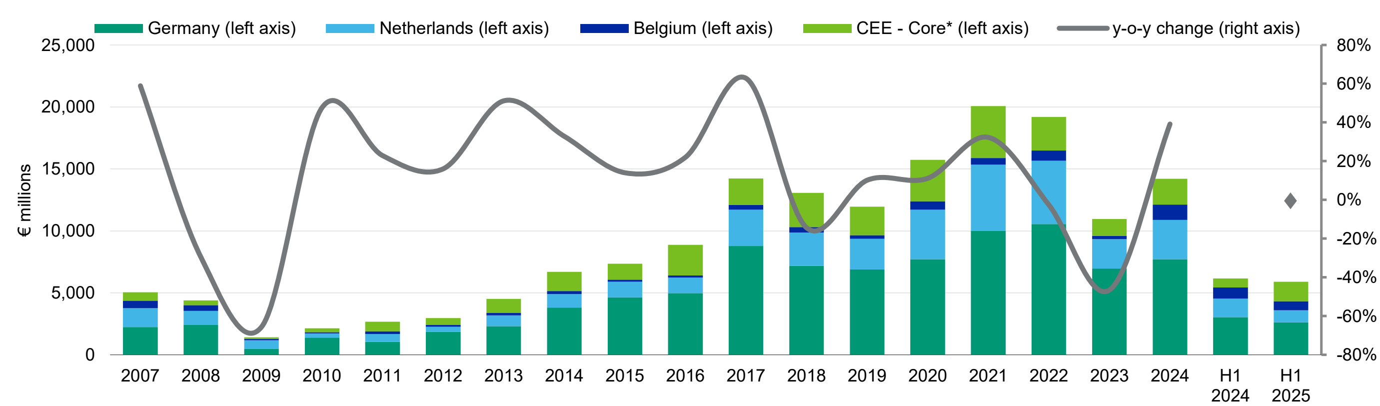


WAULT defined as average lease duration to expiry. H1= Six months period ended 30 June 2025.
Source: Company data

Transaction volumes in WDP's core markets have stabilized over the past 12 months (see Exhibit 11) but remain well below their five-year average. Industrial sector volumes in the 12 months to June 2025 were 20% higher than in the prior-year period, supported by interest rate cuts, yet still 27% below 2022 levels. Rising tariffs are likely to weigh on business confidence and delay investment amid heightened uncertainty. At the same time, declines in financial markets could erode consumer and business sentiment, further constraining the recovery in investment volumes.

Exhibit 11

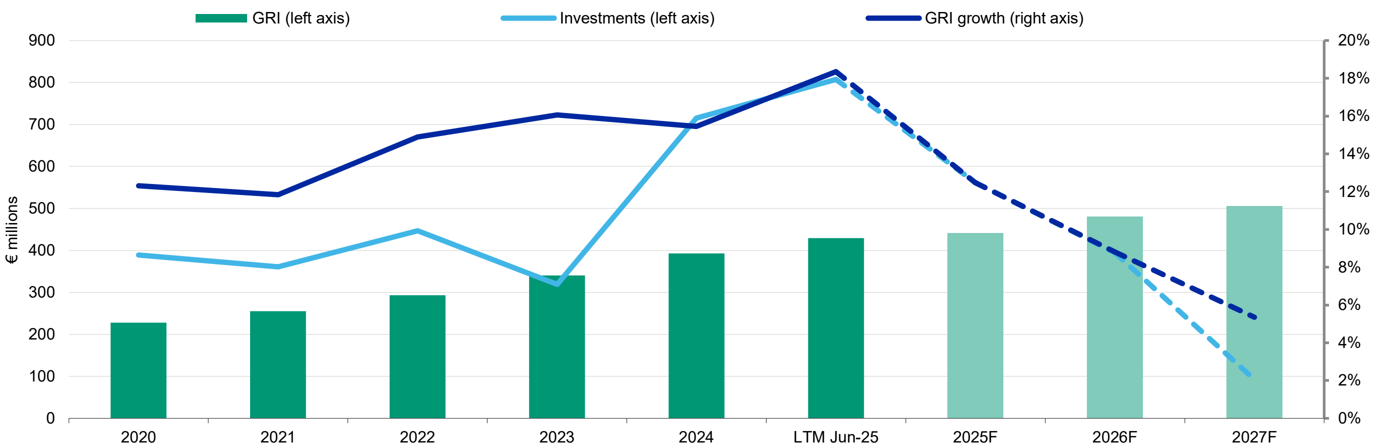
Investment volumes in WDP's markets are stabilizing



H1= Six months period ended 30 June. *CEE - Core includes: Czech Republic, Hungary, Poland, Romania, Slovakia
Source: CBRE Ltd.

In 2024, WDP accelerated its expansion strategy, focusing on strengthening its presence in France and Germany to reach a €10 billion pan-European platform. While WDP developed around two-thirds of its current portfolio —mostly through pre-let projects—capital deployment now leans more toward acquisitions in mature markets, reducing development risk and supporting future rental income. The current pipeline (including both acquisitions and developments) totals 700,000 sqm, valued at €800 million (around 10% of the portfolio), with 15.4% already executed and all committed spending locked in. WDP maintains a high pre-let rate of 90%—a level sustained since 2012—with 60% of developments for repeat clients and 40% for new ones. Given its strong track record of delivering on time and within budget, execution risk remains moderate, and no rating adjustment has been made for development exposure.

Exhibit 12
Development works generate accretive revenue
Historical rental income development and Moody's projected GRI



LTM = Last 12 months.
Sources: Company data and Moody's Ratings forecasts

We view land banks (2.3% of WDP's assets as of June 2025, potential of around 2 million square meters gross leasable area) as generally less liquid with more volatile valuations than income-producing properties, but we recognise those assets currently benefit from mounting supply scarcity.

Strong adherence to cautious financial policy and cash-flow-based targets limits releveraging and supports interest coverage

WDP maintains a prudent financial policy, including a public commitment to a Net Debt / EBITDA (company adjusted) leverage cap around 8x, which is embedded in executive remuneration and supports a balanced funding mix. The company's Net Debt/EBITDA target limits potential additional leverage the entity could deploy on the back of rising property valuation unless balanced by cash flow, a positive.

As of LTM June 2025, effective leverage stood at 41.4%, and Moody's-adjusted Net Debt/EBITDA at 8.7x, reflecting accelerated growth in France. While leverage is higher than many A3 rated peers, WDP's focus on cash-flow-based metrics should keep gross debt/assets stable around 41% over the next 12–18 months, despite partially debt-funded capex and assuming flat valuations. Property assets are independently valued quarterly; in H1 2025, WDP posted a 0.2% like-for-like gain. Between H1 2022 and FY 2023, WDP's portfolio experienced a peak-to-trough decline of 9.7%, which compares favorably with the broader real estate sector. Valuations began to recover in 2024, with a 2% like-for-like gain reported that year.

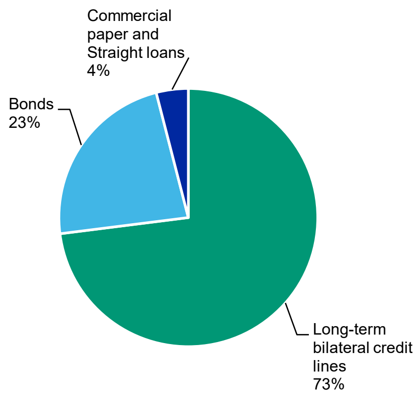
Over the next 12–18 months, we expect Moody's-adjusted Net Debt/EBITDA to remain within 8.0x–8.5x, supported by rental growth, income from past capex, and moderate risk appetite. Strong cash-flow generation and a 78% hedging ratio—with no major maturities before 2027—support robust fixed charge coverage, expected to stay above 5.0x over the next 12–18 months.

Diversified and well staggered debt profile, but negative pledge limits WDP's ability to raise secured lending

WDP's current funding is fairly diversified, comprising unsecured bank financing, private placements and strong access to public equity markets, with equity increase via ABB issuances, acquisitions with payment in kind and high scrip dividend acceptance (historically around 60%). WDP also has a well balanced funding strategy with at least half of the growth capital expenditure overall funded by equity.

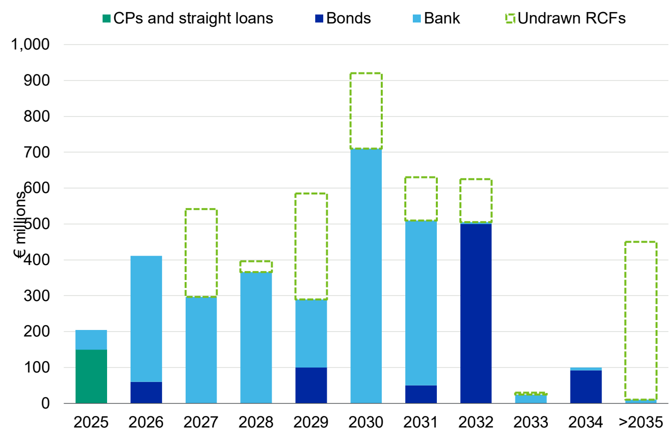
In the first semester of 2025, WDP's reported net debt increased by €412 million, which compares with €560 million of expected capital expenditure by the year-end 2025.

Exhibit 13
A diversified debt profile
Debt composition (June 2025)



Source: Company data

Exhibit 14
A well staggered debt maturity profile
Debt maturity profile (June 2025)



Source: Company data

WDP's hedging strategy, moderate leverage and staggered amortisation profile translate into a stable average cost of debt of 2.3% as of June 2025 up from 1.9% as of year-end 2024 and which will gradually increase to 2.5% by 2027, reflecting refinancing but also new funding to meet growth target.

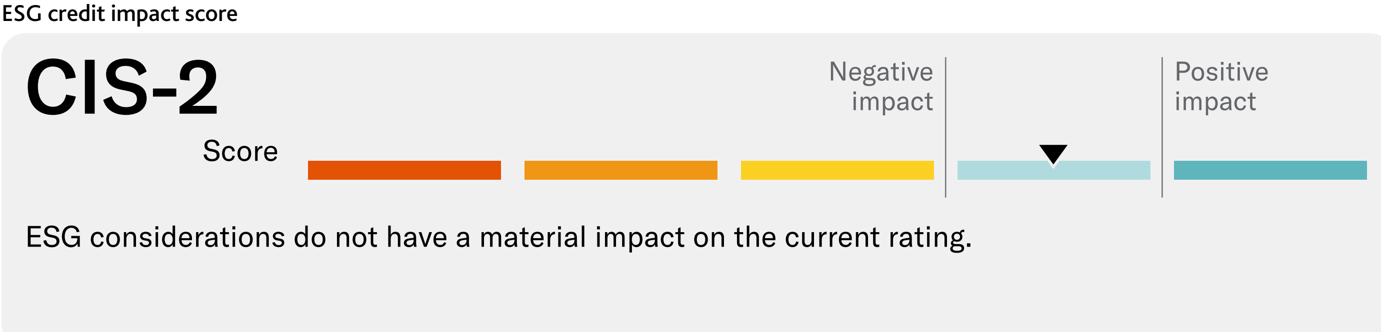
There is currently no mortgage security over any part of the portfolio, and we expect the future capital structure to blend capital market debt and unsecured, non-guaranteed loans, remaining largely unencumbered.

Existing loans include a negative pledge clause on asset encumbrance, which drives the "A" score for the asset encumbrance factor in the rating grid—despite WDP's fully unencumbered and high-quality asset base. While the unencumbered portfolio provides full flexibility for asset disposals if liquidity is needed, it limits WDP's ability to secure loans against these assets should access to unsecured funding become constrained. However, given WDP's well-structured debt maturity profile, its strong track record in raising equity—through accelerated bookbuilds, contributions in kind, and scrip dividends—and its robust liquidity management targeting 18 months of coverage, the risk of refinancing pressure or the need to raise secured debt is unlikely to materialize over the next 12 to 18 months.

ESG considerations

Warehouses de Pauw NV/SA's ESG credit impact score is CIS-2

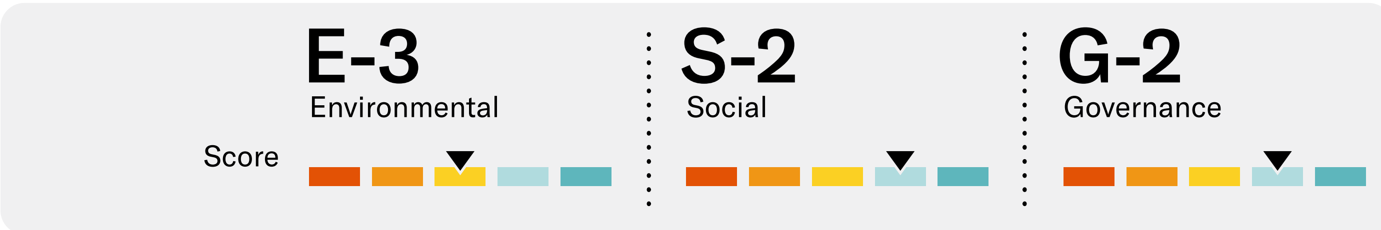
Exhibit 15
ESG credit impact score



Source: Moody's Ratings

Our Credit Impact Score reflects our view that ESG attributes have a neutral-to-low impact on Warehouses de Pauw NV/SA (WDP)'s rating. This reflects moderately negative exposures to environmental on the rating to date, and neutral-to-low social and governance risks.

Exhibit 16
ESG issuer profile scores



Source: Moody's Ratings

Environmental

WDP is moderately exposed to carbon transition risk arising from rising pressures from regulatory bodies, investors, and tenants alike. However, WDP has a modern portfolio with 56% of asset certified and is therefore well positioned given its asset base.

Social

WDP's **S-2** score reflects its strategic positioning to capture the ongoing demand for logistics assets stemming from all parts of the supply chain.

Governance

WDP's **G-2** score reflects its prudent financial policy, including a target Net Debt/EBITDA ratio of 8x, which limits the company's ability to releverage based on rising property valuations and is supported by a strong track record of adherence. While WDP has been listed on Euronext Brussels since 1999, the score also considers its somewhat concentrated ownership, with the founder's family holding around 21% as of June 2025—though without a blocking minority.

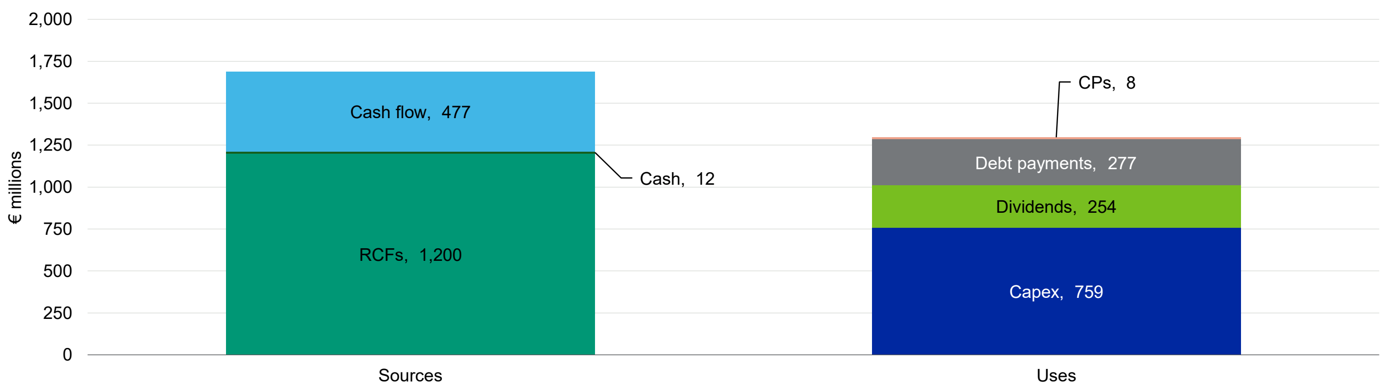
Liquidity analysis

WDP's liquidity profile is solid, supported by €1.2 billion in committed, undrawn long-term credit facilities (as of June 2025) from a diversified banking pool with a strong renewal track record. Combined with funds from operations — underpinned by a high-quality tenant base and predictable cash flows thanks to limited lease roll-over over the next two years — we expect this will comfortably cover operational needs over the next 12–18 months. Liquidity is further supported by prudent management, which targets 18 months of coverage at all times. We also expect that WDP's liquidity will remain good over the next 12 to 18 months with progressively less reliance on undrawn credit facilities.

Exhibit 17

Ample liquidity headroom

Sources and uses (12-18 months forward view as of June 2025)



Sources: Company data and Moody's Ratings forecasts

Rating methodology and scorecard factors

The principal methodology used in this rating is our REITs and Other Commercial Real Estate Firms rating methodology. The rating outcome in the forward view is in line with the scorecard-indicated outcome.

Exhibit 18

Rating factors

Warehouses De Pauw NV/SA

REITs and Other Commercial Real Estate Firms Industry Scorecard	Current LTM 6/30/2025		Moody's 12-18 Month Forward View	
Factor 1 : SCALE (5%)	**Measure**	**Score**	**Measure**	**Score**
a) Gross Assets (USD Billion)	$10.1	A	$10 - $10.5	A
Factor 2 : BUSINESS PROFILE (25%)				
a) Asset Quality	A	A	A	A
b) Market Characteristics	A	A	A	A
Factor 3 : ACCESS TO CAPITAL (20%)				
a) Access to Capital	Baa	Baa	A	A
b) Asset Encumbrance	A	A	A	A
Factor 4 : LEVERAGE AND COVERAGE (35%)				
a) Debt / Gross Assets	41.4%	Baa	40.9% - 41.7%	Baa
b) Net Debt / EBITDA	8.7x	B	8.2x - 8.5x	Ba
c) EBITDA / Interest Expense	5.9x	A	4.8x - 5.2x	A
Factor 5 : FINANCIAL POLICY (15%)				
a) Financial Policy	A	A	A	A
Rating:				
(a) Scorecard-Indicated Outcome		Baa1		A3
(b) Actual Rating Assigned		A3		A3

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Sources: Moody's Financial Metrics™ and Moody's Ratings forecasts

Appendix

Exhibit 19

Peer comparison
Warehouses De Pauw NV/SA

	Warehouses de Pauw NV/SA Baa1 Positive			Prologis European Logistics Fund FCP-FIS A3 Stable			Tritax Big Box REIT plc Baa1 Positive			SEGRO European Logistics Partnership S.a r.l. Baa2 Stable		
(in $ millions)	FY Dec-23	FY Dec-24	LTM Jun-25	FY Dec-22	FY Dec-23	LTM Jun-24	FY Dec-23	FY Dec-24	LTM Jun-25	FY Dec-21	FY Dec-22	FY Dec-23
Gross Assets	7,805	8,482	10,072	21,841	21,747	21,851	6,498	8,382	9,566	8,014	7,409	7,501
Debt / Gross Assets	33.7%	38.3%	41.4%	25.6%	27.9%	27.7%	31.7%	29.2%	31.0%	32.2%	34.7%	36.3%
Net Debt / EBITDA	7.3x	8.2x	8.7x	7.6x	6.6x	6.6x	8.1x	7.1x	8.5x	11.0x	10.5x	9.3x
EBITDA / Interest Expense	7.1x	7.5x	5.9x	7.3x	5.5x	5.3x	3.4x	3.5x	3.0x	6.5x	5.4x	4.7x

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Source: Moody's Financial Metrics™

Ratings

Exhibit 20

Category	Moody's Rating
WAREHOUSES DE PAUW NV/SA	
Outlook	Stable
Issuer Rating -Dom Curr	A3

Source: Moody's Ratings

REPORT NUMBER 1460205

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