

Interim statement of the Board of Directors for the period 01.01.2021 to 30.09.2021

- High stable collection rate (97.8%) of rental income during the first nine months of 2021.
- Occupancy rate at the end of the third quarter of 2021 (98.4%) increased by 2.2% compared to 31 December 2020.
- A further decrease in the debt ratio (-0.9%) compared to 31 December 2020, bringing the debt ratio to 27.6%.
- € 39.2 million of unused credit facilities available.
- Limited decrease in the fair value of the existing real estate portfolio¹ (-2.6%) compared to the previous financial year.
- Expected EPRA earnings of € 2.45 - € 2.50 per share.
- Management focus in 2021 mainly on the timely collection of rental income and maintaining a strong occupancy rate.

¹⁾ On a like-for-like basis and excluding IFRS 16 right-of-use assets.

1. Operational activities in the third quarter of 2021

COVID-19 update

The COVID-19 pandemic also continued to affect our daily lives in the first nine months of 2021. For example, the government imposed a 'partial lockdown' for the period from 27 March 2021 till 25 April 2021 and the hospitality industry, which had already been closed since 18 October 2020, was only able to fully reopen on 9 June 2021.

As already stated in the half-yearly financial report, Vastned Belgium did not grant any rental waivers for the period of the 'partial lockdown'. An agreement was concluded with all the tenants in the hospitality industry for the full period of closure. The final arrangement resulted in a waiver of approximately 50% of the rental income for the period concerned. This resulted in an impact of € 0.2 million on the rental income.

Over the summer, restrictions continued to be relaxed, ending up on 1 October 2021 with the abolition of mandatory face masks in Flanders when shopping or eating out. In addition, home-working is no longer mandatory and events with multiple persons are permitted. This easing of restrictions has had a noticeable effect on optimism among the population. Shoppers are back in the high streets in inner-city areas and listed retailers are again showing revenue increases in their communications.

Similar to 2020, management's primary focus in the first three quarters of 2021 was on timely collection of rental income. The Company was able to collect 97.8% of the rental income².

Rental activities

Vastned Belgium concluded six (6) rental agreements in the third quarter of 2021, representing a total rental volume of € 0.6 million. This corresponds to approximately 3.3% of Vastned Belgium's total rental income. In total, four (4) lease agreements were concluded with new tenants, of which two (2) agreements were with a residential tenant and two (2) were commercial lease agreements. In addition to these, one (1) rental agreement was renewed with an existing tenant and one (1) pop-up agreement was concluded.

The rental prices negotiated by Vastned Belgium are in line with the market rental prices determined by valuation experts.

On an annual basis, Vastned Belgium concluded twenty-six (26) rental agreements, representing a total rental volume of € 2.8 million. This corresponds to approximately 15.7% of Vastned Belgium's total rental income. In the current economic environment, which is heavily impacted by the COVID-19 pandemic, the conclusion of these twenty-six (26) rental agreements is the result of the great work of a committed asset management department.

²) Calculation as at 1 October 2021.

Evolution of the real estate portfolio

As at 30 September 2021, the majority of the portfolio consists of high-quality inner-city properties located in the cities of Antwerp, Brussels, Ghent and Bruges, as well as high-quality retail parks and retail warehouses.

In the course of the first nine months of 2021, three (3) retail properties were divested. This pertains to three (3) non-strategic retail properties in the portfolio of Vastned Belgium. The retail properties in Boechout and Grivegnée were divested in the first half of 2021. The third retail

property, located in Leopoldsborg, was divested at the beginning of the third quarter. The total sale price for these properties amounted to € 6.2 million, on which Vastned Belgium realised a capital gain of € 0.4 million.

These divestments are fully in line with the real estate company's strategy to focus on the top shopping cities in Belgium, in particular Antwerp, Brussels, Ghent and Bruges.

Investment properties

Real estate portfolio

	30.09.2021	31.12.2020
Fair value of investment properties (in thousands €)	315,680	330,427
Total leasable space (m ²)	76,086	81,166

As at 30 September 2021, the fair value of the real estate portfolio of Vastned Belgium amounted to € 315.7 million, which is a € 14.7 million decrease in fair value compared to 31 December 2020 (€ 330.4 million as of 31 December 2020).

The decrease (€ -14.7 million) in the fair value of the investment properties compared to 31 December 2020 is the combined effect of:

- Decrease in the fair value of existing investment properties (€ -8.5 million). This decrease is the result of a decrease in the estimated market rents for all future periods, as well as of an adjustment in yields.
- Divestment (€ -5.8 million) of three (3) non-strategic retail locations.
- Impairment of the IFRS 16 right-of-use assets (€ -0.5 million).
- Investments (€ 0.1 million) in the existing real estate portfolio.

Occupancy rate³

Occupancy rate

	30.09.2021	31.12.2020
Occupancy rate of the real estate portfolio	98.4%	96.2%

The occupancy rate of the real estate portfolio amounts to 98.4% as at 30 September 2021, which is an increase of 2.2% compared to 31 December 2020 (96.2%). In today's retail market, the increase in occupancy rate is the result of the good work of a committed asset management department.

³) The occupancy rate is calculated as the ratio between the rental income, and the sum of this income and the estimated rental income of unlet rental premises.

2. Financial results for the first three quarters of 2021

(in thousands €)	30.09.2021	30.09.2020
Rental income	12,475	12,787
Rental-related expenses	276	-141
Other rental-related income and expenses	141	64
PROPERTY RESULT	12,892	12,710
Property charges	-1,223	-1,446
General costs and other operating income and costs	-617	-939
OPERATING RESULT BEFORE RESULT ON PORTFOLIO	11,052	10,325
Result on disposal of investment properties	362	0
Changes in fair value of investment properties	-9,017	-16,792
Other result on portfolio	96	-515
OPERATING RESULT	2,493	-6,982
Financial result (excl. changes in financial instruments)	-1,198	-1,257
Changes in fair value of financial instruments	484	222
Taxes	-25	3
NET RESULT	1,754	-8,014
Note:		
• EPRA earnings	9,838	9,085
• Result on portfolio	-8,559	-17,307
• Changes in fair value of financial instruments	484	222
• Non-distributable result subsidiaries	-9	-14

Analysis of the results⁴

The **rental income** of Vastned Belgium amounted to € 12.5 million for the first nine months of 2021, a decrease of € -0.3 million compared to the same period last year (€ 12.8 million). This decrease is for an amount of € -0.3 million due to the disposal of a non-strategic retail park in Schaarbeek and a solitary retail warehouse in Balen at the end of December 2020, and for an amount of € -0.1 million due to the disposal of three (3) non-strategic retail warehouses in 2021. The renewal of commercial lease agreements in 2020, at lower terms, resulted in a decrease in rental income of € -0.4 million. The conclusion of lease agreements with new tenants at lower rental terms and conditions, and the effect of temporary vacancy in the first nine months of 2021, resulted in a further decrease in rental income of € -0.5 million. Finally, rental waivers were granted to a very limited extent in the first nine months of 2021, as a result of which rental income increased by € 1.0 million compared to the same period in the previous financial year.

Rental-related expenses amount to € -0.3 million (income) and pertain to the reversal of the provision for potential losses on outstanding trade receivables as at 31 December 2020. This provision was reversed in the first half of 2021 when the final rental waivers for the second lockdown were granted (recognised under rental income). At the end of the third quarter of 2021 the provision for expected credit losses, as defined in IFRS 9 'Financial Instruments', amounts to € 0.1 million (expense).

Over the course of the first nine months of 2021, Vastned Belgium recognised one-off income of € 0.1 million under the heading **other rent-related income and expenses**. This income pertains to money received by Vastned Belgium from the conclusion of bankruptcies. The bankruptcies themselves date from before 2021.

The **property charges** amounted to € 1.2 million (€ 1.4 million) and decreased by € -0.2 million compared to the same period last year. This decrease pertains primarily to a reduction in technical costs.

The **general costs and other operating income and costs** amounted to € 0.6 million (€ 0.9 million), which is a decrease of € -0.3 million compared to the same period last year. The main reason for this decrease is a reduction in the stock exchange tax and additional management focus on a reduction in general costs.

The **result on the disposal of investment properties** amounts to € 0.4 million and relates to the capital gain realised on the divestment of the retail warehouses located in Boechout, Grivegnée and Leopoldsburg.

The fair value of Vastned Belgium's existing real estate portfolio decreased by 2.6%⁵ in the first nine months of 2021 compared to 31 December 2020. The **changes in fair value of investment properties** were negative for an amount of € -9.0 million (€ -16.8 million) and consist on the one hand of a write-down of the existing real estate portfolio of € -8.5 million and, on the other hand of an impairment on the IFRS 16 right-of-use assets for an amount of € -0.5 million. The decrease in the fair value of the existing real estate portfolio is the result of a decrease in estimated market rents and an increase in the capitalisation rate for a limited number of properties.

The **financial result** (excl. changes in the fair value of financial instruments) amounted to € -1.2 million (€ -1.3 million) for the first nine months of 2021, which is slightly down compared to the same period last year. The decrease is a consequence of the lower drawdown on the credit facilities in the current financial year. The average interest rate for financing amounts to 1.7%, including bank margins for the first nine months of 2021 (1.7%).

The **changes in the fair value of financial instruments** include a further decrease in the negative market value of the interest rate swaps that cannot be classified as cash flow hedging instruments in accordance with IFRS 9 'Financial Instruments'. This decrease amounts to € 0.5 million (€ 0.2 million).

The **net result** of Vastned Belgium for the first nine months of 2021 amounts to € 1.8 million (€ -8.0 million) and may be divided into:

- The EPRA earnings of € 9.8 million (€ 9.1 million) or an increase of € 0.7 million, which is mainly due to:
 - A change in the provision for doubtful debts (€ 0.4 million as a result of compensations for the lockdown);
 - An increase in net rental income of € 1.0 million, by only limiting the extent to which rental waivers were granted in 2021;
 - A decrease of € -0.9 million in the net rental income due to renewal/concluding of (existing and new) rental agreements at lower rental terms and conditions;
 - A decrease of € -0.4 million in net rental income due to the disposal of non-strategic retail properties;

⁴) The comparable figures on 30 September 2020 are parenthesised.

⁵) On a like-for-like basis (excluding divestments that took place in 2021) and excluding IFRS 16 right-of-use assets.

- An increase of € 0.1 million in other rental-related income and expenses as a result of the closing of bankruptcies.
- A decrease of € 0.2 million in property charges; and
- A decrease of € 0.3 million in general costs.

- Result on portfolio (incl. result on disposal of investment properties) of € -8.6 million (€ -17.3 million);
- The changes in the fair value of financial instruments for an amount of € 0.4 million (€ 0.2 million).

Key figures per share

	30.09.2021	31.12.2020	30.09.2020
Number of shares entitled to dividend	5,078,525	5,078,525	5,078,525
Net result (9 months/1 year/9 months) (€)	0.35	-1.68	-1.58
EPRA earnings (9 months/1 year/9 months) (€)	1.94	2.44	1.79
Net value (fair value) (€)	44.58	46.28	46.38
Net value (investment value) (€)	46.13	48.12	48.22
EPRA NRV (€)	46.48	48.34	48.56
EPRA NTA (€)	44.90	46.68	46.83
EPRA NDV (€)	44.58	46.28	46.38
Share price on closing date (€)	30.50	24.00	20.50
Premium (+)/Discount (-) with regard to fair net value (%)	-31.6%	-48.1%	-55.8%

As at 30 September 2021, the net value (fair value) of the share amounted to € 44.58 (€ 46.28 as at 31 December 2020). Given that the share price of Vastned Belgium (VASTB) amounted to € 30.50 on 30 September 2021, the share was listed on 30 September 2021 at a discount of 31.6% compared to the net value (fair value).

Vastned Belgium's debt ratio amounts to 27.6% on 30 September 2021, a decrease of 0.9% compared to the end of the financial year 2020 (28.5% on 31 December 2020). The decrease is the result of a lower drawdown of the credit facilities, partly compensated by the decrease in the fair value of the real estate portfolio.

As of 30 September 2021, Vastned Belgium has a stable financial structure that allows it to continue its operations in 2021. No credit facilities are due to mature within the year, which means that the Company does not need to refinance its credit facilities.

The financial structure can be summarised as follows:

- Withdrawn financial debts: € 85.8 million (excl. market value of financial derivatives)
- 92% of the credit facilities are long-term financing with an average remaining term of 2.6 years.
- Unused credit facilities amount to € 39.2 million.

3. Outlook for 2021

After a hectic eighteen-month period of measures to combat the COVID-19 pandemic, which put a brake on our freedom of movement and restricted visits to shops and hospitality facilities, social life resumed and the economy got back on course.

We are seeing that listed retailers are again experiencing a growth in sales. Various new hospitality concepts are establishing themselves in high streets and e-commerce players like Coolblue are opening bricks-and-mortar shops, including a shop with Vastned Belgium. These trends enhance the shopping experience and are also responsible for increased rental activity for property owners.

Vastned Belgium continues to operate on a solid basis with a stable, low debt ratio and the availability of unused credit facilities. Over the coming months, the Company will continue to look for new investment and divestment opportunities and possible redevelopment of existing properties, in line with the strategy update.

Barring unexpected developments such as bankruptcies of important tenants, unforeseen interest rate rise or new measures to combat the COVID-19 pandemic, Vastned Belgium expects for the financial year 2021 to realise EPRA earnings per share between € 2.45 and € 2.50. Vastned Belgium will communicate during the presentation of the annual results for 2021 about the dividend to be paid.

About Vastned Belgium: Vastned Belgium is a public regulated real estate company (RREC), the shares of which are listed on Euronext Brussels (VASTB). Vastned Belgium invests exclusively in Belgian commercial real estate, more specifically in multi-functional retail properties located in the popular shopping cities of Antwerp, Brussels, Ghent and Bruges. The real estate portfolio also comprises high-end retail parks and retail warehouses. A smaller part of the portfolio is invested in hospitality and residential units.

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Disclaimer: This press release contains prospective information, forecasts, views and estimates prepared by Vastned Belgium on the expected future performance of Vastned Belgium and of the markets in which it operates. Readers are advised that such prospects are subject to risks and uncertainties which can cause the actual results to differ considerably from those expressed in such prospective statements. Prospective statements such as these can be impacted by significant factors such as changes in the economic situation as well as to factors pertaining to taxation, competition and environment. Vastned Belgium cannot guarantee that the assumptions underlying the prospective information are free of misstatements.

Financial Statements:

1. Consolidated Profit and Loss statement (9 months)

(in thousands €)	30.09.2021	30.09.2020
Rental income	12,475	12,787
Rental-related expenses	276	-141
NET RENTAL INCOME	12,751	12,646
Recovery of rental charges and taxes normally payable by tenants on let properties	1,123	1,188
Rental charges and taxes normally payable by tenants on let properties	-1,123	-1,188
Other rental-related income and expenses	141	64
PROPERTY RESULT	12,892	12,710
Technical costs	-215	-503
Commercial costs	-198	-103
Charges and taxes on unlet properties	-103	-112
Property management costs	-678	-689
Other property charges	-29	-39
Property charges	-1,223	-1,446
OPERATING PROPERTY RESULT	11,669	11,264
General expenses	-645	-945
Other operating income and expenses	28	6
OPERATING RESULT BEFORE RESULT ON PORTFOLIO	11,052	10,325
Result on disposal of investment properties	362	0
Changes in fair value of investment properties	-9,017	-16,792
Other result on portfolio	96	-515
OPERATING RESULT	2,493	-6,982
Financial income	8	17
Net interest charges	-1,204	-1,272
Other financial charges	-2	-2
Changes in fair value of financial instruments	484	222
Financial result	-714	-1,035
RESULT BEFORE TAXES	1,779	-8,017
Taxes	-25	3
NET RESULT	1,754	-8,014

(in thousands €)	30.09.2021	30.09.2020
NET RESULT	1,754	-8,014
Note:		
• EPRA earnings	9,838	9,085
• Result on portfolio	-8,559	-17,307
• Changes in fair value of financial instruments	484	222
• Non-distributable result subsidiaries	-9	-14
Attributable to:		
• Shareholders of the parent company	1,754	-8,014
• Minority interests	0	0

2. Result per share

	30.09.2021	30.09.2020
Number of shares entitled to dividend	5,078,525	5,078,525
Net result (€)	0.35	-1.58
Diluted net result (€)	0.35	-1.58
EPRA earnings (€)	1.94	1.79

3. Consolidated global result (9 months)

(in thousands €)	30.09.2021	30.09.2020
NET RESULT	1,754	-8,014
Other components of comprehensive income (recyclable through income statement)		
Changes in the effective part of fair value of authorised hedging instruments that are subject to hedge accounting	0	0
COMPREHENSIVE INCOME	1,754	-8,014
Attributable to:		
• Shareholders of the parent company	1,754	-8,014
• Minority interests	0	0

4. Consolidated balance sheet

Assets (in thousands €)	30.09.2021	31.12.2020
Non-current assets	316,422	331,182
Intangible assets	148	183
Investment properties	315,680	330,427
Other tangible assets	591	569
Trade receivables and other non-current assets	3	3
Current assets	3,264	2,312
Trade receivables ⁶	2,222	566
Tax receivables and other current assets	0	785
Cash and cash equivalents	370	428
Deferred charges and accrued income	672	533
TOTAL ASSETS	319,686	333,494

Shareholders' equity and liabilities (in thousands €)	30.09.2021	31.12.2020
SHAREHOLDERS' EQUITY	226,376	235,033
Shareholders' equity attributable to the shareholders of the parent company	226,376	235,033
Share capital	97,213	97,213
Share premium	4,183	4,183
Reserves	123,226	142,161
Net result of the financial year	1,754	-8,524
Minority interests	0	0
LIABILITIES	93,310	98,461
Non-current liabilities	88,504	94,811
Non-current financial debts	86,545	92,405
• Credit institutions	85,773	91,601
• Financial leasing	772	804
Other non-current financial liabilities	1,547	2,031
Other non-current liabilities	169	175
Deferred tax - liabilities	243	200
Current liabilities	4,806	3,650
Provisions	269	269
Current financial debts	110	656
• Credit institutions	0	500
• Financial leasing	110	156
Trade debts and other current debts	800	1,205
Other current liabilities	549	570
Deferred income and accrued charges ⁶	3,078	950
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	319,686	333,494

⁶) The increase in deferred income and accrued charges and trade receivables is explained by the time of invoicing (rent invoiced in advance).