

VGP TRADING UPDATE

9 May 2023, 7:00am, Antwerp, Belgium: VGP NV ('VGP' or 'the Group'), a European provider of high-quality logistics and semi-industrial real estate, today published a trading update for the first four months of 2023:

- Continued strong operating performance
 - **€ 24.3 million** signed and renewed lease agreements (versus € 20.7 million for 4M '22), bringing total annualized rental income to **€ 320.7 million**¹
 - **23 projects**, representing **664.000 m²** under construction and € 44.4 million in additional annual rent once fully built and let (currently 93.4% pre-let), of which 6 projects initiated construction in '23, representing 114.000 m² of fully let area
 - 9 projects delivered during the first four months representing 264,000 m² bringing the already income generating portfolio to 4.6 million¹ m² lettable area (99% let)
 - A total of 300,000 m² of land acquired, bringing the total landbank to 7,987,000 m² representing a development potential of circa 3.6 million m²
- Progress on joint ventures:
 - Successful 10th closing with the first joint venture was completed in January generating € 81 million of cash
 - The group is in advanced negotiations to broadening its JV Model with potential and existing partners. Further formalisations are expected in the coming period
- Advancement of cash generating model through our own and jointly held portfolio
 - **€ 44 million** of committed lease agreements to become effective in the next 12 months resulting in a total aggregate indexed effective rent of **€ 310.4 million** at the end of this period (compared to the current committed leases of **€ 320.7 million**)
- Repaid **€ 150 million** of bonds upon the maturity in April. This is one of the two bonds coming to maturity in 2023, the second one planned for repayment in September (€ 225 million at 3.90%)

VGP's Chief Executive Officer, **Jan Van Geet**, said: *"2023 started off on a strong footing based on resilient occupier demand across the portfolio despite economic uncertainties. Furthermore, indications of a favorable change in trend in construction prices is supporting our newly planned developments. Our total committed leases grew to € 320.7 million¹, whereby the rental growth is driven by incremental leases of € 11.8 million¹ as well as indexations of € 9.2 million¹."*

Jan Van Geet continued: *"Further progress has also been made in the discussions with potential and existing joint venture partners, where several transactions are in due diligence phase and we continue to explore various alternatives. Communication on the outcome of said discussions is anticipated in the upcoming period."*

Jan Van Geet concluded: *"We are optimistic in our outlook for the upcoming months as we increasingly see interesting opportunities with a lot of accretive development potential arise in the market. At the same time we remain focused on maintaining our high occupancy and pre-let ratios."*

¹ Including JV's @ 100%

OPERATING HIGHLIGHTS – 4M 2023

Lease operations

- Signed and renewed rental income of € 24.3 million driven by € 11.8 million of new leases (€ 3.6 million on behalf of the Joint Ventures¹), € 3.3 million of renewals (all on behalf of the Joint Ventures) and € 9.2 million of indexation, or 5.8% like-for-like growth (€ 5.4 million on behalf of the Joint Ventures). Lease agreements in the amount of € 3.5 million were terminated.
- Annualized committed leases as of April 2023 (including Joint Ventures at 100%) of € 320.7 million (vs € 303.2 million at Dec-22) of which € 169.2 million related to the Joint Ventures. The weighted average term of the leases stands at 8.1 years² for the entire portfolio.
- The Annualised Committed Leases are composed of € 266.0 million lease agreements which have already become income generating as of 30 April 2023 and € 54.7 million signed lease agreements which will become income generating in the future. The breakdown as to when the Annualised Committed Leases will become income generating is as follows:

In Million EUR	Current annualised rental income	To start within < 1 year	To start between 1-5 years	To start between 5-10 years	Total Annualised Committed Leases as of 30 April 2023
Own	99.3	42.0	8.4	1.9	151.5
JV's	166.7	2.4	0.0	0.0	169.2
Total	266.0	44.5	8.4	1.9	320.7

Development activities

- Delivery of 9 projects during the first four months of 2023 adding 264,000 m² of lettable area representing € 15.2 million of annualized leases; these buildings are 98.7% let.
- Started 6 projects over the first four months of the year representing 114,000 m² and € 8 million of annualized leases; the buildings are 100% pre-let.
- A total of 23 projects under construction which will create 664,000 m² of future lettable area representing € 44.4 million of annualised leases once fully built and let (93.4% pre-let).
- Geographical split of parks under construction, based on square meters: 60% are located in Germany, 15% in Hungary, 6% in the Czech Republic, 6% in Romania and 6% in Serbia, 3% in Portugal, 2% in Austria and 1% in Slovakia.

¹ Joint Ventures means either and each of (i) the First Joint Venture i.e. VGP European Logistics S.à.r.l., the 50:50 joint venture between VGP and Allianz and (ii) the Second Joint Venture i.e. VGP European Logistics 2 S.à.r.l., the 50:50 joint venture between VGP and Allianz, and (iii) the Third Joint Venture i.e. VGP Park München GmbH, the 50:50 joint venture between VGP and Allianz, and (iv) the Fourth Joint Venture i.e. VGP European Logistics 3 S.à.r.l., the 50:50 joint venture between VGP and Allianz and (v) LPM Joint Venture, i.e. LPM Holding B.V., the 50:50 joint venture between VGP and Roozen Landgoederen Beheer

² 7.05 years for the JV's and 9.27 years on the own portfolio

Land bank

- During the first four months of 2023 a total of 300,000 m² of land has been acquired with land deployed for projects started during the same period amounting to 269,000 m². This brings the total acquired landbank to 7,987,000 m² representing a development potential of circa 3.6 million m².
- A further 2,094,000 m² of land plots were committed, pending permits, which have a development potential of at least 1 million m² of future lettable area, bringing the total owned and committed land bank to 10,081,000 m² (-2.7% year-to-date), supporting circa 4.6 million m² of future lettable area.

Renewable energy

- Currently there is 151.2 MWp of total solar power generation capacity installed or under construction through 101 roof-projects. In addition, the currently identified pipeline equates to an additional power generation capacity of 65.4 MWp through 58 roof-projects, bringing the production capacity including the pipeline to 217 MWp.

Update on ESG initiatives

- CO₂ emissions and 2030 target across Scope 1-3 have been confirmed by the Science Based Target initiative.
- VGP was included in the BEL ESG index by Euronext as of the 20th of March 2023. This index was designed to meet sustainable investment needs and tracks the Brussels-listed companies demonstrating the best Environmental, Social and Governance (ESG) practices. On the same date VGP was excluded from the BEL 20 index on Euronext.
- VGP aims to have new developments certified with BREEAM Excellent or DGNB Gold certification.
- The next steps for the EU Taxonomy review are well underway following the eligibility review last year, with two buildings having received an EU Taxonomy ‘certification’ and several further EU Taxonomy building ‘certifications’ currently ongoing.

Capital and liquidity position

- With regards to the Joint Ventures, the tenth closing of the first joint venture was completed in the course of January. The transaction value exceeded € 110 million and the gross proceeds amounted to € 81 million. Upon the closing of this transaction the First Joint Venture has reached completion and has entered its holding period.
- On the 3rd of April VGP repaid its € 150 million bond (2.75%) as it came to maturity. This is one of the two bonds coming to maturity in 2023, the second one planned for repayment in September (€ 225 million at 3.90%).
- The group is in advanced negotiations to broadening its Joint Venture Model with potential and existing partners. Several transactions are in due diligence phase. Further formalisations are expected in the coming period.
- On the 12th of May, the Board of Directors will propose to the Annual Shareholders Meeting the distribution of a gross dividend of € 2.75 per share corresponding to a total gross dividend amount of € 75 million. It is expected that the payment date will be the 26th of May 2023 (to be confirmed by a separate press release after the AGM).

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ABOUT VGP

VGP is a pan-European owner, manager and developer of high-quality logistics and semi-industrial real estate. VGP operates a fully integrated business model with capabilities and longstanding expertise across the value chain. Founded in 1998 as a Belgian family-owned real estate developer in the Czech Republic, VGP with a staff of circa 383 FTE's today is active in 17 European countries directly and through several 50:50 joint ventures. As of December 2022, the Gross Asset Value of VGP, including the joint ventures at 100%, amounted to € 6.44 billion and the company had a Net Asset Value (EPRA NTA) of € 2.30 billion. VGP is listed on Euronext Brussels (ISIN: BE0003878957). For more information please visit:

<http://www.vgpparks.eu/en>