

Annual report



#21/22



IN RETAIL WE TRUST

In retail we trust

The Belgian public real estate investment trust Retail Estates nv is a niche player specialised in making in out-of-town retail properties located on the periphery of residential areas or along main access roads to urban centres available to users. Retail Estates nv acquires these real properties from third parties or builds and commercialises retail buildings for its own account. The buildings have useful areas ranging between 500m² and 3,000m². A typical retail building has an average area of 1,000 m².

The most important long-term goal for Retail Estates nv is to assemble, manage and expand a portfolio of out-of-town retail real estate which ensures steady, long-term growth due to its location and the quality and diversification of its tenants. The projected growth results both from the value of the assets and the income generated from leasing.

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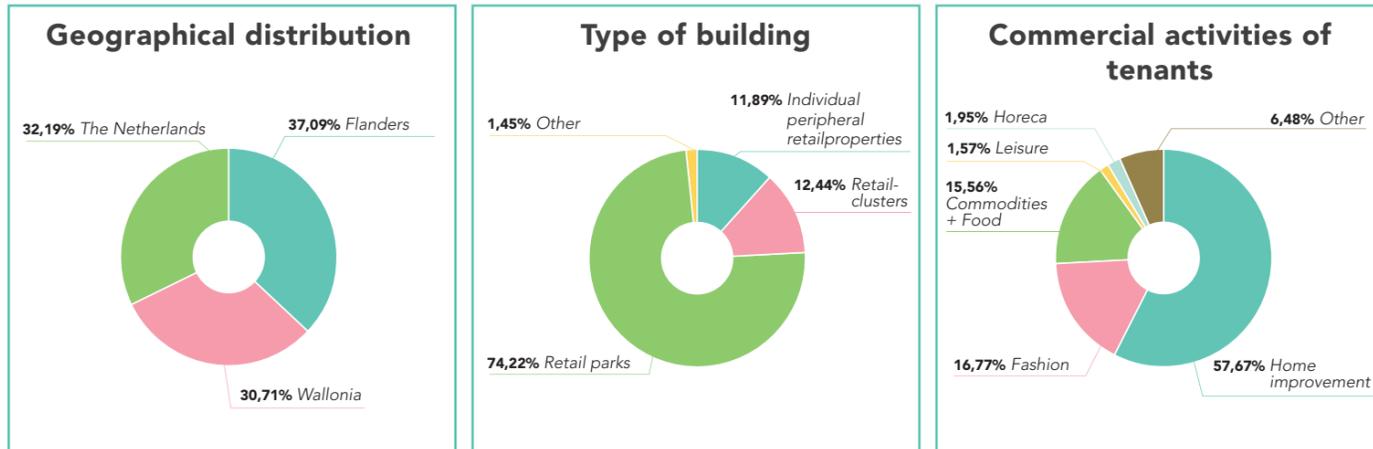


276

MISCELLANEOUS



21/22 In brief



742
Retail properties in Belgium

245
Retail properties in The Netherlands

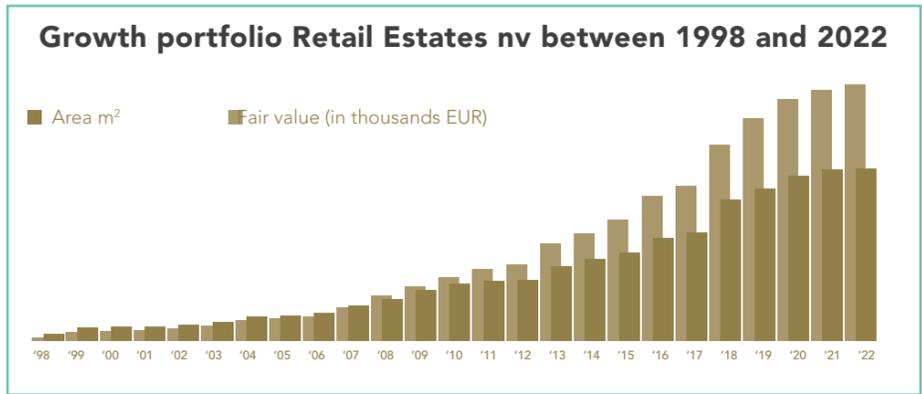
987
Retail properties

The real estate portfolio of Retail Estates nv consists of retail properties located outside the largest cities of Belgium and the Netherlands

15

24

"We strive to create the right work-life balance for our compact and dynamic team with attention to everyone's personal needs."



Retail area
1 177 577m²

Retail Estates invests in acquisitions, investments in project developments and investments in the optimisation of its real estate portfolio.

Fair value
1 759 879 000€

Retail Estates nv has concentrated on continuously improving the quality of its properties and the expansion of its real estate portfolio.

Awards

"Retail Estates was again included in the EPRA annual report survey and received a Gold award for its financial reporting and a Silver award for its sustainability reporting."

Stable occupancy rate

97,83%

The current outlet renting market in the suburban areas shows great stability with respect to both investors and lessees.

Geographical spread clusters

Uitbreiding in België

1 Inbreng "De Vleterbeek" **35,86 mio EUR** investering **27 units - 17 locaties**
Aarschot, Aartselaar, Balen, Bree, Brugge, Denderleeuw, Dendermonde, Essen, Jemeppe-Sur-Sambre, Lier, Lokeren, Mechelen

2 Aankoop clusterlocaties **9,72 mio EUR**
6 units

"The most important long-term objective for Retail Estates nv is to compose, manage and expand a portfolio of peripheral retail properties that ensures steady growth through the choice of location and the quality and diversification of the tenants."

Remarkable real estate facts



Remarkable facts 1998-2022

<p>1998</p> <p>Retail Estates on the stock exchange IPO and first listing on Euronext Brussels</p> 	<p>1999</p> <p>Strengthening of the capital 1st public capital increase</p>	<p>2002</p> <p>Independent Retail Estates becomes an independently managed investment company with fixed capital</p> 	<p>2003</p> <p>Strengthening of the capital 2nd public capital increase</p> 	<p>2008</p> <p>Value real estate portfolio Real estate portfolio reaches the milestone of EUR 250 million</p> 	<p>2011</p> <p>Value real estate portfolio Real estate portfolio reaches the milestone of EUR 500 million</p>	<p>2012</p> <p>Optional stock dividend offered to the shareholders for the first time</p>	<p>2013</p> <p>Strengthening of the capital 3rd public capital increase</p>
<p>2019</p> <p>Value real estate portfolio Real estate portfolio reaches the milestone of EUR 1,5 billion</p> 	<p>2018</p> <p>20 years Retail Estates on the stock exchange Additional listing on Euronext Amsterdam</p> 	<p>2017</p> <p>Strengthening of the capital 5th public capital increase Expansion to the Netherlands</p>	<p>2016</p> <p>Value real estate portfolio Real estate portfolio reaches the milestone of EUR 1 billion</p> 	<p>2015</p> <p>Value real estate portfolio Real estate portfolio reaches the milestone of EUR 1 billion</p>	<p>2014</p> <p>Diversification of financing sources bond issue - private placement</p>	<p>2014</p> <p>Sicaf becomes Belgian Reit (regulated real estate company)</p>	
<p>2020</p> <p>Diversification of financing sources bond issue - private placement of EUR 75 million</p> 	<p>2017</p> <p>Inclusion in EPRA index The inclusion in the EPRA index contributes to the share's visibility</p>	<p>2016</p> <p>Diversification of financing sources bond issue - private placement</p>	<p>2015</p> <p>Strengthening of the capital 4th public capital increase</p>	<p>2014</p> <p>Sicaf becomes Belgian Reit (regulated real estate company)</p>			
<p>2021</p> <p>Stable portfolio valuations and increasing dividend, despite months of mandatory shop closures due to Corona crisis</p> 	<p>2022</p> <p>Full recovery of operating results to pre-corona level</p> 						

Key figures 2020-2022

The financial year of retail estates nv starts on 1 april and ends on 31 march.
The key figures below are consolidated figures.

REAL ESTATE PORTFOLIO	31.03.2022	31.03.2021	31.03.2020
Number of properties	987	992	969
Total lettable area in m ²	1 177 577	1 153 448	1 136 492
Estimated fair value (in €)	1 759 879 000	1 717 245 000	1 661 753 000
Estimated investment value (in €)	1 833 757 000	1 789 397 000	1 719 120 000
Average rent prices per m ²	104.14	102.24	102.28
Occupancy rate	97.83%	97.07%	97.92%

BALANCE SHEET INFORMATION

Shareholders' equity	920 980 000	808 223 000	798 987 000
Debt ratio (RREC legislation, max. 65%)*	49.15%	52.18%	53.10%

RESULTS

Net rental income	115 579 000	100 402 000	107 614 000
Property result	113 504 000	98 738 000	106 204 000
Property costs	-10 524 000	-6 877 000	-9 052 000
Operating corporate costs and other current operating income and expenses	-6 050 000	-6 123 000	-5 593 000
Operating result before result on portfolio	96 930 000	85 737 000	91 559 000
Result on portfolio	22 096 000	-4 146 000	-4 884 000
Operating result	119 026 000	81 592 000	86 675 000
Financial result	16 158 000	-17 757 000	-25 533 000
Net result	131 837 000	61 436 000	58 098 000
EPRA earnings	75 265 000	62 908 000	69 199 000

* The Royal Decree of 13 July 2014 (the "RREC R.D."), last modified by the Royal Decree of 28 april 2020 in execution of the Law of 12 May 2014 (the "RREC Law"), last modified by the Law of 2 June 2021 on regulated real estate companies (Belgian REITs).

INFORMATION PER SHARE	31.03.2022	31.03.2021	31.03.2020
Number of shares	13 226 452	12 665 763	12 630 414
Number of dividend bearing shares	13 226 452	12 665 763	12 630 414
Net asset value (NAV) (IFRS)	69.63	63.81	63,26
EPRA NTA	68.46	65.53	65,27
Net asset value per share (investment value) excl. dividend excl. the fair value of authorised hedging instruments	69.67	66.43	65,73
EPRA earnings per share	5.84	4.97	5,60
Gross dividend per share	4.60	4.50	4,40
Net dividend per share	3.22	3.15	3,08
Gross dividend yield on closing price (excl. dividend)	6.22%	7.71%	9,28%
Net dividend yield on closing price (excl. dividend)	4.36%	5.39%	6,50%
Closing price on closing date	73.90	58.40	47,40
Average share price	68.84	57.26	81,11
Evolution of share price during the financial year	26.54%	23.21%	-33,01%
Over-/undervaluation compared to net asset value IFRS	6.13%	-8.48%	-25,07%

Letter to The shareholders





Paul Borghgraef

CHAIRMAN OF
THE BOARD OF DIRECTORS



Jan De Nys

MANAGING
DIRECTOR

Dear shareholders,

During the past financial year 2021-2022, which was closed on 31 March, the Covid-19 epidemic was still very much present and undeniably played a major role in consumer behaviour. However, the retail sector was less affected by compulsory closures than in the previous 2020-2021 period. Only in the Netherlands did the government order a 4-week closure in the period December 2021 - January 2020, which affected all of our retail properties. Therefore, the impact of the compulsory shop closures on the activities of Retail Estates was limited compared to the previous financial year. Our company was also spared from major bankruptcies of customers, partly thanks to the government grants benefiting both consumers and retailers.

Among the different retail segments represented in our real estate portfolio, the home decoration sector once again is the big winner. Consumers made considerable investments in their homes and gardens, causing more than half of our retail units to have a very good to excellent year in spite of the Covid-19 epidemic. The food and commodities sector also achieved higher sales figures than usual in the periods when catering businesses were closed. The fashion sector recovered slowly, as social life was severely restricted for several months during the previous financial year and telework had become the rule. In this context we experienced no problems concluding new leases and lease renewals, led by the Dutch portfolio of retail properties, which are virtually all let, and with a strong recovery in Belgium almost to pre-Covid level. The Covid-19 epidemic has been a real challenge for the retail sector over the past two years, but our decision to focus on out-of-town retail properties and retail parks in particular has proven to be the right one.

Thanks to the resilience of our sector, our results have returned to the level of the pre-Covid-19 year 2019-2020 which, as you may recall, was the best financial year ever since our initial public offering in 1998. The rental income has recovered to a high level, amounting to €115.60, and thanks to a sustained cost control the EPRA earnings¹ have reached €75.26 million.

The EPRA earnings per share amount to €5.84, an increase by €0.87 (+17.41%) compared to the previous financial year. In comparison: the EPRA earnings per share in the pre-Covid-19 year were €5.60.

The investment value of our real estate portfolio is supported by the good results of the out-of-town real estate sector across Europe. More real estate investors than ever have turned to our segment of retail properties, resulting in increased competition. This was in particular noticeable in late 2021 in the Netherlands, where institutional investors pushed up the sales prices. The resulting decrease in initial yields has led to a particularly high added value for our Dutch real estate portfolio (€21.53 million value increase), which has fully compensated the depreciation on 1 January 2021 following the increase in the real estate transfer tax from 6 to 8 per cent (€9.04 million value decrease). On the Belgian market, the high sales prices for solitary retail units stand out. Food and commodities retail units in particular, as well as DIY shops, yield high sales prices although their turnover and profit levels have again decreased to pre-Covid-19 levels, or even lower for some of them.

“ Thanks to the resilience of our sector, our results have returned to the level of the pre-Covid-19 year 2019-2020 which, as you may recall, was the best financial year ever since our initial public offering in 1998. ”

The real estate investments were supported by the acquisition of an important retail portfolio mainly consisting of retail cluster locations in Belgium following a non-monetary contribution on 14 October 2021. The 27 retail properties represent a value of €35.86 million and generate a rental income of €2.42 million. In Bruges, an older part of the retail park V-Mart was demolished and replaced by a new construction, which has been let entirely. This

€1.37 million investment is a good example of the continuous attention we pay to improving our real estate portfolio. We furthermore took advantage of the strong demand in the investment market to sell a total of 15 retail properties in Belgium and the Netherlands, a retail park in Lommel and part of a non-strategic retail park in Leiderdorp, which yielded €31.81 million in sales revenue and generated €0.33 million in added value compared to the fair value. Part of these proceeds was reinvested and another part was used, in combination with the €35.86 million capital increase of October 2021, to lower the debt ratio to below the targeted level of 50 per cent by 31 March 2022.

Keep calm and carry on.

Paul Borghgraef
Voorzitter van de Raad
van Bestuur

Jan De Nys
Gedelegeerd
bestuurder

¹ EPRA earnings are calculated as follows: net result excluding changes in the fair value of investment properties, excluding the result on the disposal of investment properties and excluding changes in the fair value of financial assets and liabilities.

Management report



Management report



Reporting on financial year 2021-2022

1. Introduction

Legal requirements

The annual report of Retail Estates is a combined report within the meaning of articles 3:6 and 3:32 of the Belgian Code of Companies and Associations. The elements to be included in this report on the basis of these articles are discussed in the different chapters.

Forward-looking statements

This annual report contains forward-looking statements, including but not limited to statements using such words as "believe", "anticipate", "expect", "intend", "plan", "pursue", "estimate", "can", "will", "continue", and similar expressions. These forward-looking statements

are made in the context of known and unknown risks, uncertainties and other factors that might cause the actual results, the financial condition, the performance or the accomplishments of Retail Estates nv and its subsidiaries ("the Group") or the results of the sector to differ considerably from the expected results, performance or accomplishments expressed or implied in the aforementioned forward-looking statements. Given these uncertainties, investors are advised not to place undue reliance on such forward-looking statements.

2. Strategy - investment in out-of-town retail real estate

Goal - investment in a representative portfolio of out-of-town retail real estate

The Belgian public real estate investment trust Retail Estates nv is a niche player specialised in making in out-of-town retail properties located on the periphery of residential areas or along main access roads to urban centres available to users. Retail Estates NV acquires these real properties from third parties or builds and commercialises retail buildings for its own account. The buildings have useful areas ranging between 500m² and 3,000m². A typical retail building has an average area of 1,000 m².

The most important long-term goal for Retail Estates nv is to assemble, manage and expand a portfolio of out-of-town retail real estate which ensures steady, long-term growth due to its location and the quality and diversification of its tenants. The projected growth results both from the value of the assets and the income generated from leasing.

In the short term, this goal is being pursued by continuously monitoring the occupancy rate of the portfolio, the rental income and the maintenance and management costs.

The selective purchase and construction of retail buildings at particular locations (so-called 'retail clusters and retail parks') are aimed at simplifying the management and boosting the value of the portfolio. Retail Estates nv has currently identified 81 clusters and retail parks in which it systematically increases its investments. Taken together, these clusters and retail parks represent 86.66% of its portfolio. The real estate portfolio is spread throughout Belgium and the Netherlands.

Over the past years, Retail Estates nv has concentrated on continuously improving the quality of its properties and expanding its real estate portfolio.

In principle, Retail Estates nv rents its properties as a building shell, with the furnishings, fittings and maintenance left to the discretion of the tenants. Retail Estates nv's own maintenance costs are essentially limited to the maintenance of car parks and roofs, and can be planned in advance in most cases.

Most of its tenants are well-known retail chains.

As of 31 March 2022, Retail Estates nv has 987 premises in its portfolio with a total retail area of 1,177,577 m². The occupancy rate of these buildings measured in rented square metres is 97.83%.

On 31 March 2022, the fair value of the investment properties of Retail Estates nv and its subsidiaries is estimated by the independent real estate experts at € 1,759.88 million (value excluding transaction costs) and the investment value at € 1,833.76 million (value including transaction costs).

Retail Estates nv has invested a total of €15.75 million in "Distri-Land" real estate certificates. It currently holds 87.09% of the issued "Distri-Land" real estate certificates. The issuer of these real estate certificates owns 10 retail properties with a fair value of €19.53 million.

Acquisition criteria

Retail Estates nv seeks to optimise its real estate portfolio in terms of profitability and potential capital gains by paying attention to a number of criteria which serve as guidelines when acquiring real estate:

Choice of location

Based on the insight that management has acquired into the profitability of its tenants, the locations that are selected aim to offer Retail Estates nv's tenants the best chances of success. In this respect, the company seeks to achieve a healthy balance between the supply of retail properties and the demand from retailers. The aim in this is to develop a number of cluster locations and retail parks.

Rental prices and initial profitability

In order to reconcile the profitability expectation of Retail Estates nv and its tenants over the long term, special attention is paid to rental prices. Experience has shown that the excessive rents charged by certain project developers result in a high level of customer turnover when the results do not quickly meet the retailers' expectations.

Geographical spread

Retail Estates nv spreads its investments throughout all major retail areas in Belgium and the Netherlands. In practice, however, it invests little in the Brussels Capital Region due to its extremely low supply of out-of-town locations. As a result, the public BE-REIT prefers to concentrate its investments in sub-regions with strong purchasing power (mainly the Brussels – Ghent – Antwerp triangle and the “green axis” of Brussels – Namur – Luxembourg in Belgium as well as the “Randstad” region in the Netherlands and the east-west axis of the country).

Development and redevelopment of property for our own account

Retail Estates nv has significant experience in developing new retail buildings for its tenants for its own account. Experience shows that such developments offer architecturally attractive retail properties which generate a higher initial income than retail buildings offered on the investment market. The redevelopment of out-of-town shopping clusters into large groups of modern, connected retail properties also becomes more important by the year. Such redevelopments generally allow for an increase in lettable area and a better alignment of the premises with tenants’ needs.

Another distinct advantage of redevelopments is that parking and road infrastructure is improved and retail properties are modernised.

Diversity of tenants

Retail Estates nv seeks to have as many different retail sectors as possible represented in its list of tenants, with a preference for sectors known to have valuable retail outlets. In times of economic hardship, not all retail sectors are equally affected by a possible fall in turnover. A good distribution over diverse sectors limits the risks attached to negative economic developments.

3. Investing via the Belgian real estate investment trust Retail Estates nv

Since 24 October 2014, Retail Estates nv has been registered as a public Belgian real estate investment trust. In its capacity of public BE-REIT – and with a view to maintaining this status – the company is subject to the BE-REIT legislation, which includes restrictions relative to its activities, debt ratio and appropriation of results. As long as it respects the above-mentioned rules, the company benefits from an exceptional tax regime. This regime allows Retail Estates nv to pay virtually no corporate tax on its earnings in Belgium, thereby ensuring that the result available for distribution is higher than for real estate companies that do not enjoy this status. As a public BE-REIT, Retail Estates nv also has additional assets, such as its strongly diversified real estate portfolio and the fact that it has been incorporated for an indefinite period of time.

Investments in out-of-town retail real estate have, over the years, become more attractive owing to a stricter permit policy adopted by the government, a very limited supply of high-quality shop locations and a continuously high level of demand. The internationalisation of the retail property market, in conjunction with the shift from city centre to out-of-town shopping, has had a positive influence on the out-of-town retail real estate market. This evolution, as well as the tendency to further institutionalise the investment market for out-of-town retail real estate, not only explains the rise in rents, but also the increase in the fair value of this real estate in the longer term. Moreover, several tenants of the company have incorporated the benefits of distance selling – by means of online selling – in their retail concept. This tendency even extends to the points of sale, which benefits these companies’ market position.

Each Retail Estates nv shareholder owns an investment instrument that can be traded freely and cashed in at

any time via Euronext. Retail Estates has furthermore also been listed on Euronext Amsterdam since 11 April 2018, one week after the 20th anniversary of its listing on Euronext Brussels. All shares of Retail Estates nv are held by the public and a number of institutional investors. On 3 June 2022, five shareholders reported that, in accordance with the transparency legislation and Retail Estates nv’s articles of association, they have stakes exceeding the statutory threshold of 3% and/or 5% (further explanation in the “Shareholding structure” section of this management report).

The Euronext pricing lists, which are published in the daily press and on the Euronext website, enable shareholders to follow the evolution of their investments at all times. The company also has a website (www.retailstates.com) with relevant shareholder information.

The net asset value (NAV) of the share is an important indication of its value. The net asset value is calculated by dividing the consolidated shareholders’ equity by the number of shares. The NAV (IFRS) amounted to € 69.639 on 31 March 2022. This represents an increase by 9.12% (€63.81 over the previous year). On 31 March 2022, the stock market price of the share was EUR 73.90, representing a premium of 6.13%.

The EPRA NTA (net tangible asset) amounts to € 68.46, compared to € 65.53 in the previous year. This increase is mainly explained by the inclusion of the results of the financial year and the value increases in the real estate portfolio in the Netherlands. Compared to the previous financial year, the number of shares of Retail Estates nv increased by 560,689.



“ Retail Estates nv seeks to have as many different retail sectors as possible represented in its list of tenants, with a preference for sectors known to have valuable retail outlets. ”

4. Significant events in the financial year

Investments – retail parks

Contribution of real estate company “De Vleeterbeek”

On 5 October 2021, Retail Estates concluded a contribution agreement with NV De Vleeterbeek, a 100% subsidiary of the family-owned investment group Shopinvest, which resulted in a non-monetary contribution amounting to € 35,856,125.00. Within the scope of the authorised capital, the board of directors proceeded to the issue of 560,689 new shares by way of compensation for this contribution, as an issue price of € 63.95 per new share. The new shares were issued with coupon number 30 attached and will share in the profits of the closed financial year that commenced on 1 April 2021. The contributed real estate portfolio consists of 27 retail properties located on 17 sites, the vast majority of which are connected to sites where Retail Estates has already developed a cluster. The annual rental income amounts to € 2.42 million, which comes down to an average rent of € 91.32 per square metre. The retail properties are mainly located in Flanders (23 out of a total of 27). Except for 1 vacant shop, all retail properties are let to national retail chains. Real estate expert CBRE estimated the investment value at 35,856,125.00 EUR and the fair value at 34,981,586.00 EUR. The rental income represents an initial yield of 6.44 % on the investment value.¹

Acquisition of cluster locations

By deed of 4 October 2021, Retail Estates acquired six retail properties from a Dutch family-owned investment group. It concerns two retail properties in Lokeren, in a retail park where Retail Estates already has retail properties in its portfolio, one retail property in Tielt-Winge (retail park “Gouden Kruispunt”) and three retail properties in Libramont.

The total acquisition price of these properties amounted to €9.72 million. The investment value of these retail properties was estimated at €9.77 million by the independent real estate expert. The properties account for a global annual rental income of €0.55 million.

With the exception of one vacant unit in Libramont, the properties have all been let to well-known retail companies, most of which are active in the home improvement sector.

Furthermore, an amount of €1.2 million was invested in the acquisition of a vacant retail property in Doornik with an estimated rental value of €0.08 million (out-of-town retail area Froyennes).

All these investments complement retail parks or retail clusters of the real estate portfolio of Retail Estates.

Kampenhout-Sas: Redevelopment of the site of the former chicory auction building: investment in a participating interest in nv Veilinghof 't Sas

Retail Estates initially purchased the building of the former chicory auction from BelOrta for a price of € 5.81 million via a new company (Veilinghof 't Sas nv). Subsequently, Retail Estates combined its participating interests with those of the neighbouring owner (TVK-BRAVA cv) by entering into a merger by which this company was absorbed by Veilinghof 't Sas nv. As a result, a site was created with a surface area of 37.708 m², including 16.341 m² of warehouses. These buildings will initially be let to logistics companies on the basis of short-term contracts. The purpose is to redevelop this site after the demolition of the existing buildings and to erect new buildings that will be let and that will serve a purpose in line with the current urbanistic purpose of the site (service sector). The investment was made by way of speculation, as no environmental permit has been applied for nor obtained to date. A joint venture agreement was entered into between the company's shareholders for the purpose of this redevelopment.

As a result of this transaction, Retail Estates owns a participating interest of 26.19% in Veilinghof 't Sas nv. Its investment in this participating interest amounts to €1.75 million in the company's capital and a long-term loan of €5.00 million.

Non-current assets under construction

On 31 March 2022 the total amount of the non-current assets under construction is €15.51 million. We distinguish five types of non-current assets under construction: speculative land positions (the so-called “land bank”, i.e. residual lands of existing portfolios that are intended for possible development or will be sold at a later stage if no redevelopment is possible); prospective projects, projects under predevelopment, projects under development and projects specifically linked to sustainability.

On 31 March 2022, the speculative land positions represented €1.57 million, the prospective projects represented €10.99 million, the projects under predevelopment represented €1.58 million, the projects under development represented €0.52 million and the projects specifically linked to sustainability represented €0.86 million.

A. Non-current assets under construction - prospection

In 2014, Retail Estates acquired the retail park at Wetteren with 14 retail units and a gross retail area of 10,423 m². The retail park, which opened in 2008, is known as Frunpark Wetteren. It is very successful and attracts consumers from far and wide. In 2016, Retail Estates nv acquired, by way of speculation, an adjacent plot of land with two SME properties (investment of approx. € 9 million), which are currently let. According to the Spatial Implementation Plan, a permit can in principle be obtained for retail properties destined for large-scale retail as well as for SME properties. The permit is expected in the course of 2023, the completion of the mixed-use project with retail units and SME properties is expected in the course of 2024. The costs of the procedures already completed and the preparation of the request for an environmental permit currently amount to € 0.45 million. The investment in this extension will amount to € 9 million.

B. Non-current assets under construction – predevelopment - overview of the main projects

For the retail park in Heerlen, the permit for the modernisation of the entire façade of the oldest part of retail park I has been received. The additional investment is expected to amount to approximately € 4.60 million. Completion is expected within the year.

C. Non-current assets under construction – development – overview of the main own developments

In Halle, the existing retail area will be extended. The additional investment is expected to amount to approximately € 1.1 million. The permits required for this development have been obtained. This project requires the construction of a number of apartment buildings. As this is a matter outside the scope of Retail Estates, a cooperation with a property developer was negotiated, who can develop this part of the project. Completion is expected in the course of the 2023-2024 financial year.

D. Non-current assets under construction linked to sustainability

Within the context of the ESG strategy, Retail Estates has a separate category for sustainable non-current assets under construction.

Retail Estates invested in the installation of photovoltaic panels on the roof of its retail park in Hasselt adjacent to the IKEA site. Photovoltaic panels are installed with a total capacity of 407 kWp, which are expected to generate more than 340 MWh of green power each year. This € 0.31 million investment will also have a positive impact on the tenants' operational expenses. The provisional delivery of these solar panels took place in October 2021.

Photovoltaic panels were installed with a capacity of 1,157 kWp, which are expected to generate more than 8,932 MWh of green power each year. This € 0.80 million investment will also have a positive impact on the tenants' operational expenses. Retail Estates will receive an annual fee of € 0.07 million. The provisional delivery of these photovoltaic panels took place in May 2022.

¹ For more information, we refer to the press release of 6 October 2021.

E. Completion of non-current assets under construction

The Brico Plan-it shop in Jambes (Namen-Zuid) was completed in the first quarter of this financial year. The project was already valued on 31 March 2021 and put at the disposal of the tenant in March 2021. More information is available in the annual Financial Report 2020- 2021.

Optimisation of real estate portfolio

Retail Estates nv pays close attention to the changing needs of its tenants with respect to retail area. Several tenants systematically expand their product range and regularly request an extension of their retail area. This can be done by acquiring space from adjacent tenants who sometimes have too much space or by constructing a new addition to the retail unit. Sometimes a combination of both is opted for.

Renovations sometimes include more than just an expansion of the retail area. Retail Estates nv regularly seizes the opportunity to remove an existing shop façade and replace it with a contemporary version that better fits the tenant's image.

Such investments allow us to build “win-win” relations with the tenants. In the past financial year the reorganisation-renovation of the retail properties in Apeldoorn (NL) and Roosendaal (NL) was completed. The last retail properties were subsequently let. A positive revaluation of € 7.89 took place compared to the situation before the redevelopment (2020-2021).

Divestments

In the past financial year some 15 solitary retail properties were sold: a retail park in Lommel and the part of a non-strategic retail park in Leiderdorp that was still owned by Retail Estates. The net sales revenue amounted to € 31.84 million. The fair value of these properties was € 31.51 million. The rental income of these properties amounted to € 2.35 million. These sales generated € 0.33 million in net added value.

These divestments are part of an annual recurring sales programme of individual retail properties that are not part of the core portfolio of Retail Estates nv due to their location, size and/or commercial activity.

Investments: conclusion

The acquisition and completion of own developments in the financial year 2021-2022, less divestments, resulted in an increase of the real estate portfolio by € 43.83 million. The total rental income increased by € 2.79 million in the financial year 2021-2022 as a result of these investments and decreased by € -1.36 million in the past financial year as a result of the divestments. If the acquisitions and sales had taken place on 1 April 2021, the rental income would have increased by € 2.34 million.

The investments are financed by a mix of shareholders' equity (issue of new shares by non-monetary or monetary contributions) and borrowed capital (financing of working capital by the banks, issue of a bond loan, ...).

For a description of the main investments in the 2020-2021 financial year, please refer to pages 24 – 27 of the 2020-2021 Annual Financial Report.

For a description of the main investments in the 2019-2020 financial year, please refer to pages 43 – 47 of the 2019-2020 Annual Financial Report.

Management of the real estate portfolio

Occupancy rate

On 31 March 2022, the occupancy rate was 97.83% of the total retail area of the properties included in the real estate portfolio. Obviously, the occupancy rate must be seen as a snapshot taken of a series of mutations in the previous financial year. It does not imply a guarantee for the future, as the Belgian and Dutch legislation on commercial lease is mandatory – and allows for cancellation every three years in Belgium and every five years in the Netherlands.

Rental income

On 31 March 2022, the net rental income amounts to € 115.58 million, an increase by € 15.18 million compared to the same period of the last financial year. This is mainly due to the exceptional circumstances in the 2020-2021 financial year. During that year, a remission of rent was granted for the retail units that had to close their doors on account of the COVID-19 pandemic. In total, approximately 10% of all rents due were remitted. During the 2021-2022 financial year, a limited amount (€ 0.46 million) was remitted for the lockdown period for the Dutch shops (December 2021 – January 2022). For more information and details, we refer to the comments relating to COVID-19 in the Annual Financial Report for 2020-2021.

Outstanding trade receivables, after deduction of doubtful debtors and advance payments, amount to € 1.01 million, of which € 0.57 million have not yet reached their maturity date. Taking into account the guarantees obtained - both rental guarantees and bank guarantees - the credit risk on trade receivables is very limited on 31 March 2022.

Damage claims

No properties were damaged by fire in the past financial year. There have been a few reports of limited damage due to wind or flooding. The insurance company paid a compensation.



“ Retail Estates nv pays close attention to the changing needs of its tenants with respect to retail area. Several tenants systematically expand their product range and regularly request an extension of their retail area. ”

Capital increases in the context of the authorised capital

On 14 October 2021, the board of directors issued 560,689 new shares and the capital was increased by € 12,615,720.94. This capital increase took place in the context of the non-monetary contribution of 27 retail properties by the real estate company De Vleterbeek NV. As a result of this capital increase, 560,689 shares were issued, bringing the total number of shares on 31 March 2022 to 13,226,452 and the capital to 297,600,322.91 EUR.

Implementation of the financing strategy

Retail Estates combines bilateral credits with different banking partners and private placements of bonds for institutional investors. The average maturity of the credit portfolio is 3.86 years. Within the context of the financing of its activities, Retail Estates has had a commercial paper programme of (up to) €100 million since September 2017 (and extended in October 2018). The commercial paper is fully covered by back-up lines and unused credit lines that serve as a guarantee for refinancing should the placement or renewal of the commercial paper prove to be impossible or only partially possible.

As of 31 March 2022, an amount of €100 million of this commercial paper programme has been used.

The average interest rate on 31 March 2022 is 1.95% compared to 2.08% on 31 March 2021. The degree to which Retail Estates nv can finance itself significantly impacts its profitability. Property investment generally entails a relatively high level of debt financing. To optimally limit this risk, Retail Estates nv applies a cautious and conservative strategy. This strategy ensures that a rise in the interest rate has no substantial impact on the total result. Interest rate increases or decreases nevertheless have an impact on the market value of the concluded IRS contracts and thus on shareholders' equity and changes in the fair value of financial assets and liabilities.

Retail Estates opts for a growth model with a direct contribution of earnings per share. This can be done both on the capital side and on the debt financing side. On the capital side, this can be done through a non-monetary contribution, a traditional rights issue or via the option for BE-REITs recently introduced in the BE-REIT Act to implement a capital increase through an accelerated bookbuilding (ABB). Since the publication of the amendment to the articles of association of 23 December 2019 Retail Estates has had the possibility to make use of the accelerated bookbuilding procedure. The authorised capital authorisation was renewed at the extraordinary general meeting of 1 June 2022.

On the debt financing side, this can be done through traditional bank financing on the one hand or a public and/or private bond loan on the other. Retail Estates regularly examines the possibility of a private and/or public bond loan.

For more information with regard to the financing, please refer to note 34 et seq. to this Annual Financial Report.

Merger by acquisition of subsidiaries

No mergers by acquisition of subsidiaries have taken place in the past financial year. Furthermore, CV Leiderdorp (NL) was dissolved.

Events after the balance sheet date

On 20 May 2022, the board of directors co-opted Mr Dirk Vanderschrick as director to replace Mr Christophe Demain, who resigned as director. This co-optation took place under the condition precedent of approval by the FSMA. His appointment will also be submitted for approval to the next shareholders' meeting, after which it will become final, subject to the approval by the FSMA. Mr Vanderschrick has acquired ample experience in the banking and insurance sector and has held several executive positions. He also holds several mandates as a director, including in the property investment fund Interest Offices and Warehouses.



“
Photovoltaic panels were installed with a capacity of 1,157 kWp, which are expected to generate more than 8,932 MWh of green power each year. This € 0.80 million investment will also have a positive impact on the tenants' operational expenses. The provisional delivery of these photovoltaic panels took place in May 2022.”

5. Comments on the consolidated accounts for financial year 2021-2022

Balance sheet

The investment properties (including non-current assets under construction) increased from €1,717.25 million to €1,759.88 million. This can mainly be explained by the expansion of the portfolio by €59.89 million and the sale of investment properties for an amount of €31.51 million and a positive revaluation of the existing real estate portfolio for an amount of €24.17 million. The fixed assets held for sale increased from €7.93 million to €11.81 million. At the end of each quarter, the assets for which the sales agreement has already been signed but the deed has not yet been executed are recorded in the assets held for sale. Assets worth €13.71 million were added to the assets held for sale in the 2021-2022 financial year, assets worth €8.77 million were sold or included in the investment properties and there was a variation in fair value for an amount of €1.06 million EUR. The financial non-current assets amounting to €16.12 million consist of €11.12 million from the fair value of financial instruments and €5.00 million from a claim against the joint venture Veilinghof 't Sas nv. The participating interest of 26.19% in the joint venture Veilinghof 't Sas nv is valued at an amount of €1.74 million on the basis of the change in equity method.

Current assets amount to €20.15 million and consist of € 11.81 million from assets held for sale, €2.07 million from trade receivables, €2.13 million from tax receivables and other current assets, €1.48 million from cash and cash equivalents and €2.66 million from accrued charges and deferred income.

The shareholders' equity of the public BE-REIT amounts to € 920.98 million. On 31 March 2022, the share capital amounts to € 297.60 million, an increase by € 12.62 million compared to last year, following the capital increase mentioned above. After deduction of the capital increase costs, the capital on the balance sheet amounts to € 289.18 million. During the 2021-2022 financial year, 560,689 new shares were created. The issue premiums amount to € 315.41 million. Since the 2020-2021 financial year the issue premiums resulting from capital increases are included in the available reserves. Reserves amount to € 184.55 million and consist of the reserve for

the variations in the fair value of real estate properties (€ 157.71 million), the result of previous financial years carried forward (€ 83.15 million), the available reserves (€ 38.13 million) and the legal reserves (€ 0.09 million). The reserves are decreased by the impact on the fair value of estimated transfer rights and costs resulting from the hypothetical disposal of investment properties (€ 70.92 million) and by the variations in the fair value of financial assets and liabilities (€ 23.60 million). The group makes use of financial derivatives (interest rate swaps and caps) to hedge interest rate risks arising from certain operational, financial and investment activities. Financial derivatives are initially recognised at cost and revalued to their fair value on the next reporting date. The derivatives currently used by Retail Estates nv qualify as accounting cash flow hedges only to a limited extent. Changes in the fair value of the derivatives that do not qualify as cash flow hedges are recorded directly in the income statement. Changes in the fair value of the swaps qualifying as cash flow hedges are booked directly as shareholders' equity and are not included in the income statement. The revaluation of the derivatives in the result amounts to € 34.48 million on 31 March 2022 and is positive as a result of an increase of the long-term interest rate.

The net result of the financial year amounts to € 131.84 million and consists of € 75.26 million from EPRA earnings, € 22.10 million from the result on portfolio and € 34.48 million from variations in the fair value of financial assets and liabilities.

The long-term liabilities amount to € 764.79 million and consist of € 763.98 million long-term financial liabilities with an average term of 3.86 years. The remaining long-term liabilities pertain to authorised cash flow hedges (interest rate swaps), financial leasings under IFRS 16 and deferred taxes.

The short-term liabilities amount to € 126.46 million and consist of € 17.79 million of trade debts and other short-term liabilities. These mainly comprise the trade debts amounting to € 0.02 million, tax debts estimated at € 4.23 million, invoices receivable for € 12.40 million

and exit taxes amounting to € 0.39 million. The short-term financial liabilities amount to € 101.73 million, of which € 100 million in commercial papers.

Other short-term liabilities have increased from € 0.70 million to € 1.77 million.

On 31 March 2022, the weighted average interest rate is 1.95%.

The consolidated balance sheet is contained in the chapter "Consolidated balance sheet" of this Annual Financial Report (p. 174 et seq.).

Income statement

The net rental income increased by €15.18 million, mainly due to the remission of rent (€11.55 million) in the previous financial year, following the compulsory closure of shops within the context of the COVID-19 pandemic. The increase in the net rental income can also be explained by the acquisition of additional properties and the completion of projects in the 2021-2022 financial year (€+2.79 million), and the acquisition of the properties and the completion of the projects in the previous financial year that yielded a full year's rent for the first time this year (€0.91 million). The sale of properties resulted in a decrease in net rental income of €-1.36 million. The sale of properties during the previous financial year resulted in a decrease in this year's net rental income by €1.34 million. The impact of contract renewals is €-0.37 million. Furthermore, there is a limited impact of discounts, vacancy (€-0.84 million), other factors (€0.67 million) and indexation (€ +1.56 million).

The property expenses amount to €10.52 million and have increased by €3.65 million, which can mainly be explained by the increase in the technical and marketing costs, for which exceptional savings were made during the previous financial year due to the COVID-19- epidemic and the compulsory shop closures. The corporate operating costs amount to €6.05 million, which is in line with the previous year (€6.12 million).

The result of the sale of investment properties is € 0.33 million. This profit is the result of the sale of € 31.51 million in properties (fair value). Please refer to the

"Divestment" section in this chapter for more details.

The variation in the fair value of investment properties amounts to € 23.09 million. The main effects of this variation are a positive effect of the revaluation of the existing portfolio (€ +27.47 million), a decrease in the vacancy rate (€ +1.14 million) and a negative effect of depreciation of transaction costs to determine the fair value of the investment properties following the new acquisitions (€ -3.47 million), and the impact of investments (€ -2.05 million). The other portfolio result amounts to € -1.32 million and can be mainly explained by deferred taxes relating to the Dutch portfolio.

The financial result (excluding variations in the fair value of financial assets and liabilities) amounts to €-18.32 million compared to €-20.43 million last year. This evolution can be explained by a decrease in the weighted average interest rate from 2.08% to 1.95% on the one hand and average lower drawdown of loans on the other hand. The variation in the fair value of financial assets and liabilities amounts to €34.48 million compared to € 2.67 million last year. The evolution of these costs is the result of the change in the fair values of the swaps that are not defined as a cash flow (variations in the fair value of financial assets and liabilities). However, this result is an unrealised and non-cash item.

The EPRA result (i.e. the net result without the result on portfolio) amounts to €75.26 million compared to € 62.91 million last year.

The consolidated income statement is contained in the chapter "Consolidated income statement" of this Annual Financial Report (p. 172 et seq.).

Outlook for the 2022-2023 financial year

For the 2022-2023 financial year, on the basis of the planned composition of the real estate portfolio and barring unforeseen events, the company expects the net rental income to amount to € 120.88 million. This figure only takes into account purchases and sales for which a sales contract was signed and investments that were tendered and for which the required permits were obtained. The Ukraine crisis, which started on 24 February 2022 with the Russian invasion of Ukraine, and the spectacular increase in energy prices for consumers have led to an accelerated rise in inflation, which in turn may put the profitability of some of the tenants under pressure. Retail Estates concludes rental contracts with its tenants on the basis of fixed rents (not (depending on turnover) that evolve with the index (health index or consumer price index), without upper limit. Retail Estates nv aims at a gross dividend of € 4.70 (€ 3.29 net) for the 2022-2023 financial year. This would represent an increase by 2.17% compared to the dividend for the 2021-2022 financial year (€ 4.60 gross).

Appropriation of the results

The board of directors will propose to the shareholders' meeting, to be held on 18 July 2022, a gross dividend for the financial year 2021-2022 (which began on 1 April 2021 and ended on 31 March 2022) in the amount of € 4.60 (or € 3.22 net, i.e. the net dividend per share after the deduction of 30% withholding tax) per share which shares in the result of the financial year 2021-2022.

(000) EUR

2021-2022

Result of the year	131 429
Reserve for the positive/negative balance of changes in the fair value of real estate properties	-305
Reserve of estimated transfer rights and costs resulting from the hypothetical disposal of investment properties	1 326
Changes in fair value of financial assets and liabilities	-56 372
Profit to be appropriated for the financial year	76 079
Profit carried forward from the previous financial year (IFRS)	87 152
Transfer of carried forward results from previous financial years (- / +)	0
Other	-400
Payment of dividend 31 March 2022	-60 842
Result to be carried forward	101 989

Chapters 8 to 11 of the financial report of this Annual Financial Report contain an abridged version of the statutory annual accounts. The integral version of the statutory annual accounts as well as the related reports can be consulted on the website of Retail Estates (www.retailstates.com) or can be obtained free of charge upon request.

Miscellaneous items

Research and development

The company has not undertaken any activities or incurred any expenditure in the area of research and development.

Branch offices

The company does not have any branch offices.

Historical financial situation

For more information about the consolidated financial statements for the 2020-2021 financial year we refer to p. XX et seq. of the 2020-2021 Annual Financial Report.

For more information about the consolidated financial statements for the 2019-2020 financial year we refer to p. 51 et seq. of the 2019-2020 Annual Financial Report.

6. Corporate Governance statement

Governance model

The extraordinary shareholders' meeting of Retail Estates of 1 June 2022 adopted new articles of association that implement the Belgian Code of Companies and Associations ("CCA"). During the 2020-2021 financial year, the old Belgian Companies Code still applied to Retail Estates, with the exception of the mandatory provisions of the CCA.

Following the recent amendment to the articles of association on 1 June 2022, Retail Estates opted for a one-tier governance structure, as referred to in article 7:85 et seq. CCA. In the light of this choice, Retail Estates abolished the management board within the meaning of article 524bis of the (old) Belgian Companies Code with effect as of 1 June 2022, and replaced it by a management committee, to which the board of directors has delegated specific, clearly specified managerial powers.

Corporate governance code (versie 2020)

In accordance with article 3:6 § 2 CCA and the Royal Decree of 12 May 2019 laying down the corporate governance code to be complied with by listed companies, Retail Estates nv implements the provisions of the 2020 Belgian Corporate Governance Code (2020 Code), taking into account the particularities linked to the BE-REIT legislation. The 2020 Code is available on the website www.corporategovernancecomittee.be. However, Retail Estates nv derogates from the provisions of the 2020 Corporate Governance Code in a number of fields. According to the "comply or explain" principle of the 2020 Code, it is permitted to take into account the company's specific situation (e.g. the relatively small size and the characteristics of the company) and to derogate from a provision of the 2020 Corporate Governance Code, subject to justification.

The Corporate Governance Charter, which describes the governance rules applicable within Retail Estates, was updated as of 1 June 2022, following the implementation of the CCA in the articles of association, the abolishment of the old management committee and the introduction of the management committee, taking into account the 2020 Corporate Governance Code. The new Corporate

Governance Charter can be consulted on the company website (www.retailstates.com).

On the date of this Annual Financial Report, Retail Estates complies with the 2020 Corporate Governance Code 2020, with the exception of the following provisions:

Derogation from provision 3.8

Retail Estates derogates from provision 3.8 of the Corporate Governance Code. This provision stipulates that the minutes of the meeting of the board of directors note diverging views expressed by directors and that the names of the interveners are only recorded if specifically requested by them.

The Corporate Governance Charter of Retail Estates stipulates that the minutes note diverging views as well as any reservations made by specific directors, unless a consensus can be reached. The names of the interveners are only recorded if specifically requested by them. If directors make reservations although a consensus has been reached, their names are included in the reservations. Retail Estates derogates from the above-mentioned provision 3.8 of the corporate governance code as the company is of the opinion that recording diverging views when a consensus is reached on the one hand and not mentioning the names of the directors making reservations (if a consensus is reached) on the other hand are not conducive to the operations of the board of directors as a collegiate body nor to the empowerment of the directors.

Derogation from provision 7.6

Retail Estates nv derogates from this provision and does not award shares to the non-executive directors. The company feels that the legal framework and the nature of the company (BE-REIT), its general policy and its mode of operation already meet the objective of provision 7.6 of the 2020 Code (which is to encourage the non-executive directors to act with the perspective of a long-term shareholder) and adequately guarantee that action is undertaken with a view to promoting long-term value creation. This perspective is embedded in the governance of Retail Estates nv as a regulated real

estate company. The Retail Estates share has a strong track record and the company's directors strive for solid earnings per share year after year, an ambition that is certainly achieved. Retail Estates nv feels that the directors have proved in the past that this perspective, without the award of a remuneration in the form of shares, is sufficiently present in the directors' conduct. The remuneration report contained in this Corporate Governance Statement includes an overview of the total remuneration of the non-executive directors. Without any obligation imposed by the remuneration policy, the chairman of the Board of Directors, Mr Paul Borghgraef, and one non-executive director, Mr René Annaert, do have a shareholding in Retail Estates nv, based on a personal decision.

Derogation from provision 7.9

Retail Estates derogates from this provision and does not set an explicit minimum threshold of shares of Retail Estates to be held by the CEO and the other members of the management committee. The company feels that the legal framework and the nature of the company (BE-REIT), its general policy, its mode of operation and the ongoing long-term bonus plan already meet the objective of provision 7.9 of the 2020 Code (which is to encourage the executive management to act with the perspective of a long-term shareholder) and adequately guarantee that action is undertaken with a view to promoting long-term value creation. This perspective is embedded in the management of Retail Estates as a regulated real estate company. The Retail Estates share has a strong track record and the management strives for solid earnings per share year after year, an ambition that is certainly achieved. Retail Estates feels that the management has proved in the past that this perspective, without the award of a remuneration in the form of shares, is sufficiently present in the management's conduct. Without any obligation imposed by the remuneration policy, the CEO does have a shareholding in Retail Estates nv, based on a personal decision.

Derogation from provision 7.12

Retail Estates derogates from provision 7.12 the Corporate Governance Code. The company has not included in the contracts of the members of the executive management (with the exception of the contract with the CEO) any specific provisions enabling the company to

claim back any variable remuneration already paid or withhold payment thereof, apart from the possibilities in this respect offered by common law. If there every were a reason to claim back variable remunerations, which is not likely in light of the relevant procedures for internal and external control, the possibilities on the basis of common law will be examined. This provision will be taken into account upon conclusion of any future contracts with the executive management. If new members join the management committee, a clause similar to the clause included in the agreement with the CEO will systematically be inserted into the new contracts.

Shareholding structure

Based on the transparency declarations received and the information which Retail Estates nv possesses, the main shareholders are:

	% at date of registration ¹	Pro forma % at 31.03.2022 ²	Pro forma % at 20.05.2022 ³
Nextensa nv	10.03%	9.97%	9.97%
FPIM nv (Belfius Insurance)	9.76%	7.21%	7.21%
Shopinvest nv	4.42%	4.42%	4.42%
AXA nv	6.05%	5.78%	5.78%
BlackRock, Inc.	3.55%	3.39%	3.39%
General public	66.19%	69.23%	69.23%

¹ On the basis of the denominator at the time of registration.

² On the basis of the number of voting rights, which appears from the information received from the company's shareholders, and taking into account the denominator applicable at 31.03.2022 (13,226,452 shares), this table shows, for information only, the (supposed) shareholding structure. It should be noted that this does not necessarily correspond with reality (not for all shareholders in any case), since the company is not necessarily aware of share transactions that did not result in the triggering of a notification threshold, and thus did not result in a transparency notification.

³ On the basis of the number of voting rights, which appears from the information received from the company's shareholders, and taking into account the denominator applicable at 20.05.2022 (13,226,452 shares), this table shows, for information only, the (supposed) shareholding structure. It should be noted that this does not necessarily correspond with reality (not for all shareholders in any case), since the company is not necessarily aware of share transactions that did not result in the triggering of a notification threshold, and thus did not result in a transparency notification.

With the exception of the above-mentioned shareholders, no other shareholder has declared ownership of more than 3% of the issued shares of Retail Estates nv. According to the criteria applied by Euronext, Retail Estates nv has a free float of 100%.

The transparency declarations received are available for consultation on the company's website www.retailstates.com (under Investor Relations / The share / Shareholding structure).

Voting right of the shareholders

Each share carries one vote. The company's shareholders from whom transparency statements were received do not have preferential voting rights.

Control over Retail Estates NV

There is currently no control over Retail Estates NV within the meaning of article 1:14 of the Belgian Code of Companies and Associations.

Change in control

Retail Estates NV is not aware of any agreements that may lead to a change in control.

Internal control and risk management systems

In accordance with the corporate governance rules and the relevant legislation, Retail Estates nv has developed an internal control and risk management system taking into account the nature, size and complexity of the company's activities and its environment.

Internal control is a process which aims to provide reasonable guarantees to ensure that the following objectives are met:

- effectiveness and improvement of the operation of the company;
- reliability and integrity of information;
- compliance with policies, procedures, legislation and regulations.

Retail Estates nv has taken the COSO framework (Committee of Sponsoring Organizations of the Treadway Commission) as its reference for implementing its internal control system. The components of this framework and their application at Retail Estates nv are discussed below.

Internal control and risk management systems in general

Sound internal control and balanced risk management are an inherent part of Retail Estates nv's corporate culture and are disseminated throughout the organisation by means of:

- corporate governance rules and the existence of a remuneration and nomination committee and an audit committee;
- the existence of a code of conduct (dealing code), dealing in particular with such matters as conflicts of interest, confidentiality, buying and selling of shares, prevention of abuse of company property, and communication;
- a human resources policy with rules for personnel recruitment, periodic performance evaluation and establishment of the annual objectives;
- procedure monitoring and process formalisation.

The board of directors regularly evaluates the company's exposure to risks, the financial impact of these risks and the actions that must be taken to monitor these potential risks, to avoid the risks and/or (where relevant) to limit the impact of these risks.

In particular, the company has developed internal control and risk management systems for the most important processes in the company, namely managing costs and expenses, repairs and maintenance, developments, and collecting rents.

Internal control and risk management systems relating to financial reporting

Control environment

The control environment as regards financial reporting consists of the following components:

- the accounting team is responsible for preparing and reporting financial information;
- the controller is responsible for reviewing the financial information and preparing the consolidated figures (in consultation with the CFO) as well as for the feedback of financial information to Retail Estates nv's operational activities;
- the CFO is responsible for the final review of the consolidated financial statements and for the correct

application of the valuation rules, and reports back on these tasks to the CEO;

- as part of his responsibility for the day-to-day management of the company, the CEO shall regularly discuss the financial reporting with the CFO;
- the *audit committee* and the *board of directors* have detailed quarterly (also quarterly for the audit committee as from 2022-2023) question and discussion sessions with the CEO and CFO with respect to the financial reporting and the outlook and oversee the proper application of the valuation rules. Other factors also play a role in the company's control environment:
- being a listed company (and a public BE-REIT), Retail Estates nv is subject to the prudential supervision of the FSMA;
- the real estate expert also plays an important role: the entire real estate portfolio, which constitutes 98% of the balance sheet total, is valued by internationally recognised independent real estate experts (Cushman & Wakefield, Stadim, Colliers and CBRE), each evaluating one part of the real estate portfolio.

Risk analysis

Regular management and operational meetings serve to address issues that need to be followed up, thus ensuring balanced risk awareness and management:

- the main events of the past period and their impact on the accounting figures;
- recent and planned transactions;
- the development of major key performance indicators; and
- any operational, legal and fiscal risks.

As a result of these meetings, the appropriate actions can be undertaken and measures can be adopted in order to implement the company's policy. These actions aim to achieve a balanced risk policy in line with the strategic objectives and 'risk appetite' of the company put forward by the board of directors.

Control activities

Control procedures are in effect with respect to the company's key activities, such as collecting rents, repairs and maintenance, project development, site supervision, etc. These procedures are evaluated on a regular basis by the management team.

Since April 2022, a new ERP system (SAP) has been implemented that tracks all aspects of the real estate business (both portfolio management and technical support for the buildings), all aspects relating to the non-current assets under construction, all financial aspects and all aspects relating to the storage and consulting of data. As this software is completely integrated and is applied by all divisions of the company, it will result in standardisation of the data and improved internal control.

Information and communication

A financial report containing the analyses of the figures, the key performance indicators, the impact of purchases and sales on budgets, the cash flow positions, etc. is drawn up every quarter.

In addition, a quarterly operational report is prepared which includes the key performance indicators relating to the real estate department.

In the first and third quarter of the financial year, an intermediary press release is published. Every six months, a more comprehensive half-yearly financial report is published in accordance with IFRS standards. At the end of the financial year, all relevant financial information is published in the annual financial report, which is also made available on the company's website.

The limited size of the Retail Estates team contributes significantly to the smooth flow of information. The considerable involvement of the board of directors and its chairman promotes open communication and ensures that the management body is appropriately provided with information.

Monitoring

Every quarter, the financial team draws up the quarterly figures and balance sheets. These quarterly figures are always extensively analysed and checked. To limit the risk of errors in financial reporting, the figures are discussed with the management and their accuracy and completeness are verified by analysing rental income, vacancies, technical costs, rental activity, developments regarding the value of the buildings, outstanding debtors etc. in compliance with the four-eyes principle. Comparisons with forecasts and budgets are discussed. Every quarter, management provides the board of directors with a comprehensive report on the financial statements with a comparison of annual figures, budgets and explanations for any deviations.

The statutory auditor also reports to the board of directors on the main findings of their audit activities.

Appropriate risk management policy

The main risks the company faces relate to (i) the market value of the properties, (ii) changes in the rental market, (iii) the structural condition of the buildings, (iv) financial risks, including liquidity risk, the use of financial instruments and banking counterparty and covenant risk, (v) technical permit-related risks, (vi) changes to the traffic infrastructure, (vii) soil contamination, (viii) risks associated with merger, demerger or acquisition transactions, and (ix) regulatory risks.

Measures and procedures are in place to identify and monitor each of the listed risks, to avoid these risks and/

or to minimize their impact, if any, and to assess, control and monitor their consequences as much as possible. This is the responsibility of the risk manager.

Integrity policy

The integrity policy, which is overseen by the person entrusted with the “compliance function”, covers various aspects, including the prevention of insider trading, conflicts of interest and incompatibility of mandates, non-corruption and professional secrecy.

The effective management examines on a regular basis which other areas and activities should be included in the scope of the compliance function. The “independent compliance function” is treated as an independent function within an organisation that focuses on investigating and promoting compliance by the company with the laws, regulations and rules of conduct applicable to the company and, in particular, the rules relating to the integrity of the company’s activities. We discuss the most important of these below:

Prevention of insider trading and market abuse

In accordance with the principles and values of the company and within the framework of the implementation of the Corporate Governance Code, Retail Estates nv has included rules in its code of

conduct (“Dealing Code”) that must be observed by the directors, employees and appointed persons who want to trade in financial instruments issued by Retail Estates nv. The rules of the Dealing Code were drawn up in line with the applicable regulations and legislation, in particular Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (the Market Abuse Regulation), the Act of 2 August 2002 on the supervision of the financial sector and on financial services and the Corporate Governance Code. The company’s Dealing Code constitutes an integral part of the Corporate Governance Charter and can be consulted (separately) on the company’s website (www.retailstates.com).

The Dealing Code covers for example the disclosure of information relevant to such transactions and stipulates:

- restrictions on the execution of transactions in financial instruments of the company during specific periods prior to publication of the financial results (“closed periods”) or during any other period considered sensitive (“prohibited periods”);
- the appointment of a compliance officer to oversee compliance with the Dealing Code by the directors and other designated persons;
-

- prior notification to the compliance officer by the designated persons of all transactions in financial instruments of the Company; and
- the disclosure of each transaction by the designated persons.

Internal procedure for reporting infringements – Whistle-blower policy

In accordance with Article 69ter of the Belgian Act of 2 August 2002 (implementing among others Article 32, third paragraph of the Market Abuse Regulation), the Company has foreseen an internal procedure for reporting actual or potential infringements of among others the market abuse rules as laid down in the Market Abuse Regulation, the Belgian Act of 2 August 2002 and the Dealing Code (the “Whistle-blower Policy”). The Whistle-blower Policy is attached as appendix A to the Dealing Code and is thus also an integral part of the Corporate Governance Charter. The Whistle-blower Policy can also be consulted (separately) on the company’s website.

Conflicts of interest and incompatibility of mandates

Reference is made to the passage under ‘Handling conflicts of interest’ in this management report.

Non-corruption

Retail Estates nv strongly emphasises the principles of honesty and integrity, and expects a similar attitude on the part of third parties with whom the company does business.

Professional secrecy

It is expressly forbidden for members of the bodies of the company and of the management committee and for personnel to use or reveal any confidential information they acquire during the course of their duties for improper purposes.

Political activities

In pursuing legitimate commercial objectives, Retail Estates nv acts in a socially responsible manner in accordance with the laws of the country in which the company is active.

Independent supervisory functions

Risk management function

Measures and procedures are in place to identify and monitor the risks that the company faces, to avoid these risks and/or to minimize their impact, if any, and to assess, control and monitor their consequences as much as possible. This is the responsibility of the risk manager.

As a large number of risks are of a legal nature, Ms Runa Vander Eeck, chief legal officer and responsible for assistance in transactions in that capacity, was appointed risk manager. The Board of Directors feels that the main risks are linked to the acquisition activities rather than to the portfolio management.

The risk manager consults with the compliance officer on a regular basis, has the appropriate skills and displays the required professional reliability. The risk manager is under direct supervision of a member of the effective management, in this case Mr Jan De Nys, who bears final responsibility for the company’s risk management systems.

Independent compliance function

The board of directors has appointed Mr. Paul Borghgraef as compliance officer. He also chairs the board of directors. Based on his position, he is in particular responsible for compliance with the integrity policy as described above.

The term of Paul Borghgraef’s mandate as compliance officer is the same as for his board mandate (which expires at the 2025 annual shareholders’ meeting).

Independent internal audit function

The person in charge of the internal audit is responsible for the independent and ongoing assessment of the activities of the company and furthermore analyses the quality and efficiency of existing procedures and methods of internal control.

The internal statutory auditor will present his findings on a yearly basis.

The internal audit function is performed by an external consultant, in this case Moore Belgium, represented by Mr Luc Martens. The internal audit function, which is



thus outsourced to an external legal entity represented by a natural person, is performed under the supervision and responsibility of Mr Giovanni Ronsse, the finance & reporting analyst of the company. He has the appropriate skills and displays the required professional reliability.

Internal audit functions within Retail Warehousing Invest nv

Pursuant to article 17, §2 of the BE-REIT Act, the internal audit within the company also covers its subsidiary as it qualifies as an institutional BE-REIT (Retail Warehousing Invest NV).

Composition of the administrative bodies and the committees

On the date of this report, the board of directors of Retail Estates nv consists of 9 directors: 7 non-executive directors and 2 executive directors, i.e. the managing director (CEO) and the chief financial officer (CFO).

The Board of Directors set up three committees on the date of this Annual Financial Report : a remuneration and nomination committee, an audit committee and an informal management committee.

Composition of the board of directors

The Board of Directors met ten times in 2021-2022. A number of meetings were held by conference call or at the office of notary public Tim Carnewal. The remuneration and nomination committee and the audit committee met twice a year. The new management committee (since June 2022, with the same composition as the old management committee) meets on a weekly basis.

The mandates of the directors of Retail Estates NV were extended for a new four-year term (until the end of the 2025 shareholders' meeting) during the annual shareholders' meeting of 19 July 2021. The composition of the Board of Directors reflects independence at a double level:

– the Board of Directors has at least three independent directors within the meaning of article 526ter of the Belgian Company Code and the 2020 Belgian Corporate Governance Code; these independent directors were reappointed during the annual

shareholders' meeting of 19 July 2021; and
– the Board of Directors has a majority of non-executive directors.

The directors were appointed for a term of four years and can be re-elected.

One non-executive director resigned in 2022. On 20 May 2022 the board of directors co-opted a substitute director with effect as from the approval of his mandate by the FSMA. The co-optation will be submitted for approval to the general shareholders' meeting of Retail Estates, also subject to the approval of the FSMA. As soon as the new director's mandate take effect, the resigning director's term of office will end.

The independent directors meet the criteria of independence set out in article 3.5 of the 2020 Corporate Governance Code (see article 7:87 of the Belgian Code of Companies and Associations). They strictly comply with the following criteria of independence:

1. not being a member of the executive management or holding a position as a person entrusted with the daily management of the company or a company or person affiliated with the company, and not having been in such a position for the three years prior to their appointment. Alternatively, no longer enjoying share options of the company related to such position;
2. not having served for a total term of more than twelve years as a non-executive director;
3. not being part of the senior management (as defined in article 19, 2° of the Belgian Act of 20 September 1948 regarding the organisation of business) of the company or a company or person affiliated with the company, and not having been in such a position for the three years prior to their appointment; alternatively, no longer enjoying share options of the company related to such position;
4. not receiving or having received during their mandate or for a period of three years prior to their appointment, any significant remuneration or any other significant advantage of a proprietary nature from the company or a company or person affiliated with the company,

other than any fee they receive or have received as non-executive director;

5. a. not holding, either director or indirectly, either alone of acting in concert, any shares representing in total one tenth or more of the company's capital or one tenth of more of the voting rights in the company at the moment of the appointment;
b. in no event having been nominated by a shareholder meeting the conditions described under (a);
6. not having, or having had in the year prior to their appointment, a significant business relationship with the company of a company or person affiliated with the company, either directly or as a partner, shareholder, member of the board of directors or member of the senior management (as defined in article 19, 2° of the above-mentioned Belgian Act of 20 September 1948 regarding the organisation of business) of a company or person who maintains such a relationship;
7. not be or have been within the last three years prior to their appointment, a partner or member of the audit team of the company of the person who is, or has been within the last three years prior to the appointment the statutory auditor of the company or an affiliated company or person;
8. not be an executive of another company in which a member of the executive management of the company is a non-executive member of the board, and not having other significant links with executive directors of the company through involvement in other companies or bodies;
9. not have, in the company or an affiliated company or person, a spouse, legally cohabiting partner or relative by blood or marriage to the second degree, holding a position as board member or executive of person entrusted with the daily management (as defined in article 19, 2° of the Act of 20 September 1948 relating to the organisation of business) or falling under one of the other circumstances referred to in 1. to 8. above and, as regards point 2., up to three years after the relative concerned terminated their last term of office.

As article 13 of the REIT-Act refers to article 526ter of the (old) Belgian Companies Code, at least three directors of the Company must also be independent within the meaning of article 526ter of the (old) Belgian Companies Code, which is the case.

The composition of the board of directors intends to ensure that the decisions taken are in the interest of the company. This composition is determined on the basis of gender diversity and diversity in general as well as complementarity with respect to skills, experience and knowledge. It is of particular importance to have a proportionate representation of directors who are well versed in the management of retail properties of the type in which the Company invests and/or have experience in the financial aspects, in particular reporting and/or financing, of a company and/or have experience in the management of a real estate company and real estate investment trust in particular and/or in policy-making in listed companies. Consequently, it is pivotal that members of the board of directors are complementary in terms of knowledge and experience. In order to ensure the efficient operation of the board of directors, the aim is to limit the number of members of the board of directors. The current composition of the Board of Directors ensures compliance with the requirements in terms of gender diversity. The Board of Directors currently consists of three women and six men, which is in line with article 7:86 of the Belgian Code of Companies and Associations.

On the date of this Annual Financial Report, the Board of Directors of Retail Estates NV is composed as follows:

Name	Position	Date of commencement of current mandate	Date of expiry of current mandate	Professional address
Paul Borghgraef	Chairman of the Board of Directors	19.07.2021	2025 shareholders' meeting	Gauwberg 6, 2970 Schilde
Jan De Nys	Managing director Chairman of the management committee	19.07.2021	2025 shareholders' meeting	Industrielaan 6, 1740 Ternat
Kara De Smet	Chief Financial Officer Member of the management committee	19.07.2021	2025 shareholders' meeting	Industrielaan 6, 1740 Ternat
René Annaert	Independent director Chairman of the remuneration and nomination committee Member of the audit committee	19.07.2021	2025 shareholders' meeting	Mercatorlaan 4, 1780 Wemmel
Michel Van Geyte	Non-executive director	19.07.2021	2025 shareholders' meeting	Schermersstraat 42, 2000 Antwerpen
Christophe Demain	Non-executive director	19.07.2021	2025 shareholders' meeting	Galiléelaan 5, 1210 Brussel
Ann Gaeremynck	Independent director Member of the remuneration and nomination committee Member of the audit committee	19.07.2021	2025 shareholders' meeting	Naamsestraat 69, 3000 Leuven
Victor Ragoen	Non-executive director Member of the remuneration and nomination committee	19.07.2021	2025 shareholders' meeting	Tenboslaan 23 1560 Hoeilaart
Leen Van den Neste	Independent director Member of the remuneration and nomination committee Chairwoman of the audit committee	19.07.2021	2025 shareholders' meeting	Sint-Michielsplein 16, 9000 Gent

Two out of the nine directors represent a reference shareholder: Mr Van Geyte on behalf of Het Torentje (Nextensa) and Mr Demain (who resigned, see above) on behalf of the Belfius group.

Mr De Nys, Mr Borghgraef and Mr Annaert have declared that they hold shares in the company for their personal account.

In compliance with the 2020 Corporate Governance Code, non-executive directors need to be aware of the extent of their duties, especially with respect to the time commitment involved in carrying out those duties.

Non-executive directors are not allowed to hold more than five mandates as directors in listed companies. None of the non-executive directors has more than five mandates in listed companies.

The following is an overview of the different mandates with a concise description of the professional career of the different directors:

Mr Paul Borghgraef



Mr Paul Borghgraef has been a director and the chairman of the Board of Directors of Retail Estates since 2004.

He obtained a degree in Accountancy and Tax Law at Economische Hogeschool Antwerpen in 1976, followed by a postgraduate degree in Information Technology and Social Legislation.

He started his career at the policy accounting department of Kredietbank in 1976.

From 1977 to 1978, he worked for Dijker en Doorbos (currently PwC) as an auditor and tax specialist.

From 1978 onwards, he held several positions at Krefima, including that of managing director and chairman of the management committee, executive director and chairman of the Board of Directors until 2006.

Since 1995 he has served as a judge in commercial cases at the Enterprise Court in Antwerp.

Current mandates:

- Director of Pertinea Property Partners
- Director of Home Sint-Jozef VZW
- Director of Beherman Invest nv
- Director of Hofke van Oliveten VZW

Committees: /

Mr Jan De Nys



Mr Jan De Nys has been the managing director of Retail Estates nv since 1998.

He earned a licentiate degree in Law at the Catholic University of Leuven in 1982, followed by a postgraduate degree in European Law at the College of Europe in Bruges.

He started his career with De Bandt, Van Hecke in 1982. From 1999 to 2002, he held several positions at Mitiska NV, and he remained a director of this company until 2009.

Current mandates:

- Director of Alides REIM NV
- Director of First Retail International I en II NV
- Chairman of the board of directors of BEM II NV

Committees: /

Ms Kara De Smet



Ms Kara De Smet has been CFO of Retail Estates since 2006. She has been an executive director since January 2016.

She has been lecturing at the Post University Centre of the Catholic University of Leuven (department of Real Estate Management) since 2015.

She obtained a licentiate degree in Applied Economic Sciences at the Catholic University of Leuven in 1999.

From 1999 to 2006, she worked for Deloitte as an audit manager.

Current mandates:

- Director of the BE-REIT Association, the professional association of BE-REITs, where she also chairs the Accounting workgroup.

Committees: /

Mr René Annaert



Mr Annaert has been an independent director of Retail Estates since 7 July 2015. Mr Annaert chairs the remuneration and nomination committee and is also a member of the audit committee of Retail Estates. He obtained a degree in Construction Engineering at Sint-Lukas Hogeschool Brussel.

Mr Annaert started his career as a draughtsman at Traction et Electricité. From 1975 to 1988, he held the positions of site manager and project coordinator with different companies. René Annaert became director and CEO of C.V.A. Wereldhave Belgium in 1988. He held this position until 2000, after which he served as managing director of Devimo N.V. until 2011. Mr Annaert was CEO of Brussels International Trade Mart from 2012 to 2015.

Current mandates: /

Committees:

- Remuneration and nomination committee
- Audit committee

Mr Michel Van Geyte



Mr Van Geyte earned a licentiate degree in Applied Economic Science at the Catholic University of Leuven (KUL) in 1989, followed by a postgraduate degree in Real Estate at KUL and an executive master in Corporate Finance at Vlerick Business School. He started his career in 1990 at Belgian Shell. From 1991 to 1995 he was a consultant at UNIZO, where he was involved in research into shopping centres and SMEs. Between 1995 and 1999 he held the position of deputy general manager at C.I.P., a project developer of office buildings and residential projects. In 1999 he became a country manager at Grubb&Ellis and between 2001 and 2004 he was a managing partner at Knight Frank Belgium (Letting, Investment, brokerage,...).

Michel Van Geyte joined Leasinvest Real Estate in 2004, where he initially held the office of commercial manager (COO) and became CEO of Leasinvest Real Estate Management NV in 2018. On 19 July 2021, Leasinvest acquired the shares of the Extensa Group and will continue its activities under the name Nextensa, a new listed investor/developer. Michel Van Geyte is currently CEO of Nextensa.

Mr Van Geyte has been lecturing at the Catholic University of Leuven since 2009, where he teaches several subjects related to real estate.

Current mandates:

- Several mandates of the subsidiaries or affiliated companies that are part of Nextensa
- Director of Care Property Invest OGW
- Director of ULI Belgium

Committees: /

Mr Christophe Demain



Mr Demain has been a non-executive director of Retail Estates since 30 June 2013. He earned his degree in Applied Economic Sciences at the Catholic University of Louvain.

He is the Chief Investment Officer at Belfius Insurance. He started his career as a trader with Crédit Général and later with Ippa Bank. From 1999 to 2009, he held different positions within Axa. He has been Chief Investment Officer at Belfius Insurance since 2013.

Mr Demain has resigned and will be replaced by Mr Vanderschrick following the approval of the latter's mandate by the FSMA.

Current mandates:

- Chief Investment Officer at Belfius Insurance NV
- Director of Inclusio NV
- Director of Belfius Investment Partners NV
- Director of Newton Biocapital I, Pricaf Privée SA

Previous mandates:

- Director of Auxipar NV (until 2018)
- Director of Cofinimmo NV (until 2017)
- Director of First Retail International NV (until 2017)
- Director of First Retail International 2 NV (until 2017)
- Director and liquidator of AIS Consulting SA (until 2014)
- permanent representative of AIS Consulting SA, manager of SCI St Mesmin (until 2014) Director of Elantis NV (until 2021)
- Director of various real estate companies of Belfius Group (i.e. LFB NV, Legros-Renier, Les Amarantes Seigneurie de Loverval NV, Coquelets NV, Immo Malvoz BVBA, Immo Zeedrift NV, ImmoActivity NV and Offico Immo NV).

Committees: /

Ms Ann Gaeremynck

Ms



Ann Gaeremynck has been an independent director of Retail Estates since 4 April 2017.

Ms Ann Gaeremynck is a doctor in Applied Economic Sciences. She obtained her degree at the Catholic University of Leuven.

Ann Gaeremynck is full professor at the Faculty of Business and Economics of the Catholic University of Leuven.

Her main research interests lie in the field of governance, audit and financial reporting.

Current mandates:

- Director of VGP (chairwoman of the audit committee)
- Director of VIVES university college (chairwoman of audit committee)

Previous mandates:

- External member of the audit committee of AZ Delta
- Director of ICCI (Information Centre for Company Auditors)

Committees:

- Audit committee
- Remuneration and nomination committee

Mr Victor Ragoen



Mr Victor Ragoen has been a director of Retail Estates since 5 November 2004.

He served as managing director of New Vanden Borre NV until 31 January 2015. He obtained a licentiate degree in Commercial Sciences and Financial Sciences and a master's degree in marketing at the Vlerick School.

He started his career at Ogilvy & Mather as junior account executive in 1980 and switched to BBDO in 1981. From 1982 to 1991, he held several marketing positions within American Express. From 1991 to 2007, he served as managing partner and later as managing director of Vanden Borre. From 2007 to 2013, Mr Ragoen was vice chairman of KESA Electricals. From May 2011 to February 2015, he served as managing director of Vanden Borre once again.

Current mandates: /

Committees:

- Remuneration and nomination committee

Ms Leen Van den Neste



Ms Leen Van den Neste has been an independent director of Retail Estates since 12 January 2016.

Ms Van den Neste obtained her degree in Law at Ghent University in 1988. She furthermore obtained a special licence in Accountancy at the Vlerick Management School in Ghent in 1990.

Ms Van den Neste started her career at KMPG Bedrijfs-revisoren, followed by a position as senior internal auditor at the Internal Audit department of VF. In 1995, she started working for the Arco Group, where she held several positions. She became administration and finance manager in 2005 and served as a member of the management committee of the Arco Group from 2007 to 2011.

Ms Van den Neste joined the management committee of VDK Bank in September 2011 and became chairwoman in April 2012.

Current mandates:

- Managing director and president of VDK Bank NV
- Director and member of the executive committee of Febelfin
- Chairwoman of the Board of Directors of Xior NV, a public real estate investment fund
- Director of FPIM (Federale Participatie en investerings-maatschappij)
- Director of KAA Gent CVBASO
- Director of Centrale voor Huisvesting - Arrondissement Gent
- Director of Gentco CVBA

Previous mandates:

- Director of CPP-Incofin (until early 2022)
- Director of Familiehulp VZW (until 2021)
- Director of Artevelde Hogeschool VZW (until 2021)

Committees:

- Remuneration and nomination committee
- Audit committee

Statements concerning the directors

The board of directors of Retail Estates nv hereby confirms that none of its directors have in the course of the past five years been convicted of a crime of fraud, been the subject of any official and/or public accusation, had a sanction imposed by a judicial or regulatory body, been banned by a court of law from serving as a member of an administrative body, or ever appeared before a court of law in the capacity of a director, in connection with bankruptcy. There is no family relationship between the directors.

Operation of the board of directors

The board of directors of Retail Estates nv determines the company's strategy, investments, budgets, disposals and acquisitions and funding.

The board of directors prepares the annual accounts and interim financial statements and the annual report of the company for the shareholders' meeting. The board of directors also approves merger and demerger reports. It decides on the use of the authorised capital and convenes the annual and extraordinary shareholders' meeting. It supervises the accuracy and transparency of communications to shareholders, financial analysts and the general public as communicated through prospectuses, annual and interim reports and press releases.

On 1 June 2022, the board of directors set up a management committee (replacing the former management committee within the meaning of article 524bis of the (old) Companies Code, to which it has transferred specific, clearly specified managerial powers. The management committee is an informal committee and not a management board within the meaning of article 7:104 CCA. In accordance with the transfer of powers which the board of directors decided on 20 May 2022 and which became effective on 1 June 2022, the management has the following tasks and powers,

which are explained in detail in the internal rules of the management committee, that can be consulted on the website of the company:

- analysing, preparing and proposing, under the direction of the CEO, the company's policy and general strategy, in order to submit them to the board of directors (including the general lines of policy for financial management, risk management, budget preparation/forecast);
- the operational management of the company;
- developing, preparing and submitting proposals to the board of directors or to its specialised committees in any matter falling under their powers;

In addition, the managing director, supported by the management committee, is responsible for the executive management.

The board of directors can only deliberate and make decisions validly if at least half of its members are present or represented. If this condition is not met, a new meeting can be convened which will deliberate and decide validly on the agenda items of the previous meeting if at least two directors are present or represented. Each decision of the board of directors is taken by a simple majority of the votes cast by the directors present or represented, and in the event of abstention by one of them, by the majority of the votes cast by the other directors. In the event of a tie, the director chairing the meeting has the casting vote. Board decisions can be taken by unanimous written agreement between the directors.

In addition to its legal mandate, the board of directors, bearing in mind the company's interests, will also determine the strategy and outline the policy lines. More specifically, it makes all fundamental decisions concerning investments in and disposals of properties as well as those regarding their funding.

A clear distinction is made between the responsibilities of the managing director and those of the chairman of the board of directors. The chairman leads the board of directors and ensures that the agenda for the meetings of the board of directors is prepared and that the directors promptly receive the relevant information.

The managing director is responsible for the operational tasks relating to the management of the real estate portfolio and the functioning of the company. The board of directors will ensure that sufficient powers are given to meet these responsibilities and duties.

Evaluation of the performance of the directors

In order to continually improve the effectiveness of the board of directors, the board of directors, under the leadership of the Chair, shall systematically and regularly (at least every 2 to 3 years for example) evaluate its size and composition, its performance and that of its committees, as well as its interaction with the management committee. The evaluation shall be carried out through a formal process, whether or not externally facilitated, in accordance with a methodology approved by the board of directors.

The non-executive directors shall regularly (preferably once a year) evaluate their interaction with the management committee, in the absence of the CEO and other executive directors.

The actual contribution of each director shall be evaluated periodically, and in any case at the end of the director's term, in order to be able to adapt the composition of the board of directors to changing circumstances.

Operation of the committees

The board of directors can set up various committees for specific matters.

To date, the board of directors of Retail Estates has set up three committees: a remuneration and nomination committee, an audit committee and, since 1 June 2022, a management committee (replacing the former management committee within the meaning of article 524bis of the (old) Companies Code).

Remuneration and nomination committee

The remuneration and nomination committee consists of the following members:

- **René Annaert** – Independent director and chairman of the committee
- **Leen Van den Neste** – independent director
- **Ann Gaeremynck** – independent director
- **Victor Ragoen** – non-executive director

The committee convened twice in 2021-2022 in the context of drawing up the 2022-2023 budget. The employee remuneration policy was discussed during these meetings and an inventory was made of the



“ Retail Estates strives to be an organisation practising corporate social responsibility. That's why the company is convinced that this general goal must be achieved in a sustainable context, leading to long-term value creation that will benefit all its stakeholders. ”

recurrent fees paid to external service providers.

The role of the remuneration and nomination committee is to assist the board of directors by:

- making recommendations to the board of directors regarding the appointment of the
- directors, the CEO and possibly other members of the management committee, and ensuring that the appointment and reappointment process is as objective and professional as possible;
- assisting in determining the remuneration policy and the individual remuneration of the directors, the persons in charge of the day-to-day management and the members of the management committee;
- preparing the remuneration report.

Audit committee

The audit committee consists of the following members:

- **Leen Van den Neste** – Chairwoman of the committee, independent director
- **René Annaert** – independent director
- **Ann Gaeremynck** – independent director

The committee met twice in 2021-2022.

The tasks of this audit committee mainly relate to the monitoring of the financial reporting process, the efficiency of the internal control and risk management systems, the monitoring of the internal audit and its efficiency and the monitoring of the statutory audit of the statutory and consolidated financial statements and external audit, including the assessment and monitoring of the independence of the statutory auditor.

Management committee

The management committee consists of the following members:

- **Jan De Nys** – Chairman of the committee, CEO, executive director
- **Kara De Smet** – CFO, executive director
- **Koenraad Van Nieuwenburg** - CIO
- **Runa Vander Eeck** – CLO

The duties of this management committee mainly relate to supporting the CEO with respect to the company's executive management. The management committee discusses with the board of directors and the CEO, and advises them with respect to, the Company's management in accordance with the values, the strategy, the general policy and the budget of the Company as determined by the board of directors. For that purpose, the board of directors transferred specific powers to the management committee on 20 May 2022, effective as of 1 June 2022.

We refer to the internal rules of the management committee, which are available on the website, for the list of powers transferred to the management committee by the board of directors and for the other aspects of the operations of the management committee.

Retail Estates has entrusted the following persons with the effective management of the company within the meaning of article 14 of the BE-REIT Act: Mr Jan De Nys, Chief Executive Officer of Retail Estates, and Ms Kara De Smet, Chief Financial Officer of Retail Estates. The effective managers participate in the management of Retail Estates in accordance with the Corporate Governance Charter.

Statements concerning directors and management committee members

The board of directors of Retail Estates nv hereby confirms that none of the members of the management committee have in the course of the past five years been convicted of a crime of fraud, been the subject of any official and/or public accusation, had a sanction imposed by a judicial or regulatory body, been banned by a court of law from serving as a member of an administrative body, or ever appeared before a court of law in the capacity of a member of the management committee, in connection with bankruptcy. There is no family relationship between the members of the management committee.

Power of representation

In all legal and statutory transactions concerning acts of disposal relating to real estate, the company will be represented by at least two directors acting jointly. These two directors will in principle be the executive directors/effective managers, namely Mr De Nys and Ms De Smet.

For transactions falling within the scope of the special mandate granted by the board of directors to the management committee, the company will be validly represented by two members of the management committee.

For acts of disposal (including transfer of ownership, limited real rights of use and enjoyment and real security rights) relating to properties with a value less than € 2.50 million, the company will also be validly represented by the director in charge of the day-to-day management or by one of its special authorised agents by means of a special authentic power of attorney. For acts of disposal relating to properties with a value higher than 2.5 million euro but lower than 5 million euro, two authorised agents need to act jointly.

Settlement of conflicts of interest

Pursuant to article 7:96 of the Belgian Code of Companies and Associations, any member of the board of directors who, whether directly or indirectly, has a proprietary interest which conflicts with a decision or an operation that falls under the competence of the board of directors may not attend the deliberations of the board of directors nor participate in the vote.

Reference is also made to articles 36 through 38 of the BE-REIT Act when one of the persons mentioned in this article (director, manager, promoter of the BE-REIT etc.) acts as a counterparty in an operation undertaken with the public BE-REIT or a company under its control.

In addition, Retail Estates must also comply with the procedure referred to in article 7:97 of the Belgian Code of Companies and Associations if the company or one of its subsidiaries takes a decision or performs an operation with an affiliated party.

Complementary rules relating to the settlement of conflicts of interests are included in the corporate

governance charter of Retail Estates.

In the past financial year, one conflict of interests within the meaning of article 7:96 of the Belgian Code of Companies and Associations occurred within the context of the agenda item relating to the variable remuneration of the CEO, the CFO (and the other members of the management committee) of the meeting of the board of directors of 21 May 2021. At the start of the meeting the CEO, Jan De Nys, and the CFO, Kara De Smet, made a statement within the meaning of article 7:96 of the Belgian Code of Companies and Associations. They did not take part in the deliberation and the vote with respect to the relevant agenda items.

Below are the relevant extracts from the minutes of the Board meeting of 21 May 2021:

“Prior to the discussion of agenda item 8, Mr Jan De Nys and Ms Kara De Smet each make the following statement to the members of the board of directors, in accordance with article 7:96 of the Belgian Code of Companies and Associations (“CCA”), as a result of the fact that they have a proprietary interest that is contrary to the company's interests within the context of the decision that is the subject matter of this agenda item.

The statement is the following for each of them:

“Pursuant to article 7:96 CCA, I wish to report that with respect to agenda item 8 “remuneration”, I have a proprietary interest that may be contrary to the company's interests, as this agenda item relates to a decision with respect to my remuneration as CEO or CFO respectively.

Within the context of this agenda item, a decision will be taken with respect to my variable remuneration for the 2020-2021 financial year on the basis of an assessment of my performance targets and my remunerations and performance targets for the 2021-2022 financial year will be determined.

The proprietary consequences of these decisions with regard to my variable remuneration are contrary to the possible proprietary consequences of this decision for myself.

I will therefore not participate in the deliberation and the vote with respect to this agenda item."

(...)

b) Variable remuneration for the 2020-2021 financial year of the CEO and the other members of the management committee on the basis of the assessment of the performance targets by the remuneration and nomination committee.

The proposal of the remuneration and nomination committee to approve the variable remuneration of the CEO and the CFO for the 2020-2021 financial year has the following proprietary consequences for Retail Estates: 120,000 euro.

The board of directors confirms the assessment of the performance targets for the approval of the variable remuneration of the CEO and the other members of the management committee, as it was made by the remuneration and nomination committee on 17 May 2021.

The approval of the variable remuneration is important according to the other members of the board of directors, given the expertise and skills of the CEO and CFO and the work they have performed for the company since accepting their respective positions.

c) Determination of the remuneration and performance targets for the variable remuneration of the CEO and the other members of the management committee for the 2021-2022 financial year (and for the LT variable remuneration)

The determination of the remuneration and performance targets for the variable remuneration of the CEO and the CFO for the 2021-2022 financial year, as proposed by the remuneration and nomination committee, corresponds to the amount of 120,000 euro.

The board of directors determines the remuneration and performance targets for the variable remuneration of the CEO and the other members of the management committee for the 2021-2022 financial year, as they were determined by the remuneration and nomination

committee on 17 May 2021.

This decision is in the company's interest according to the other members of the board of directors, given the expertise and skills of the CEO and CFO and the work they have performed for the company since accepting their respective positions."

During the 2021-2022 financial year, no decision or operation gave rise to the application of article 7:97 of the Belgian Code of Companies and Associations.

Day-to-day management

The company is managed by a team of 39 under the leadership of Mr Jan De Nys, managing director (CEO) of the company.

Operational real estate management

The operational management of the buildings in the portfolio of Retail Estates is based on collaboration between the commercial real estate division and the technical division. This exchange of information between divisions is essential for preventative management, ad hoc issues and the identification of investment opportunities.

The real estate division consists of nine persons, including six property managers and assistant property managers, one lease manager and two assistants supporting this division. They are usually recruited from people who are active in the retail sector. They are supervised by the CEO.

The technical division consists of four senior project managers, one development manager, one CSR manager, one business navigation management and an assistant under the supervision of the CIO.

The Dutch team consists of one property managers one asset manager, two technical managers and two administrative assistants. They report to the CEO and the CIO.

Diversity policy

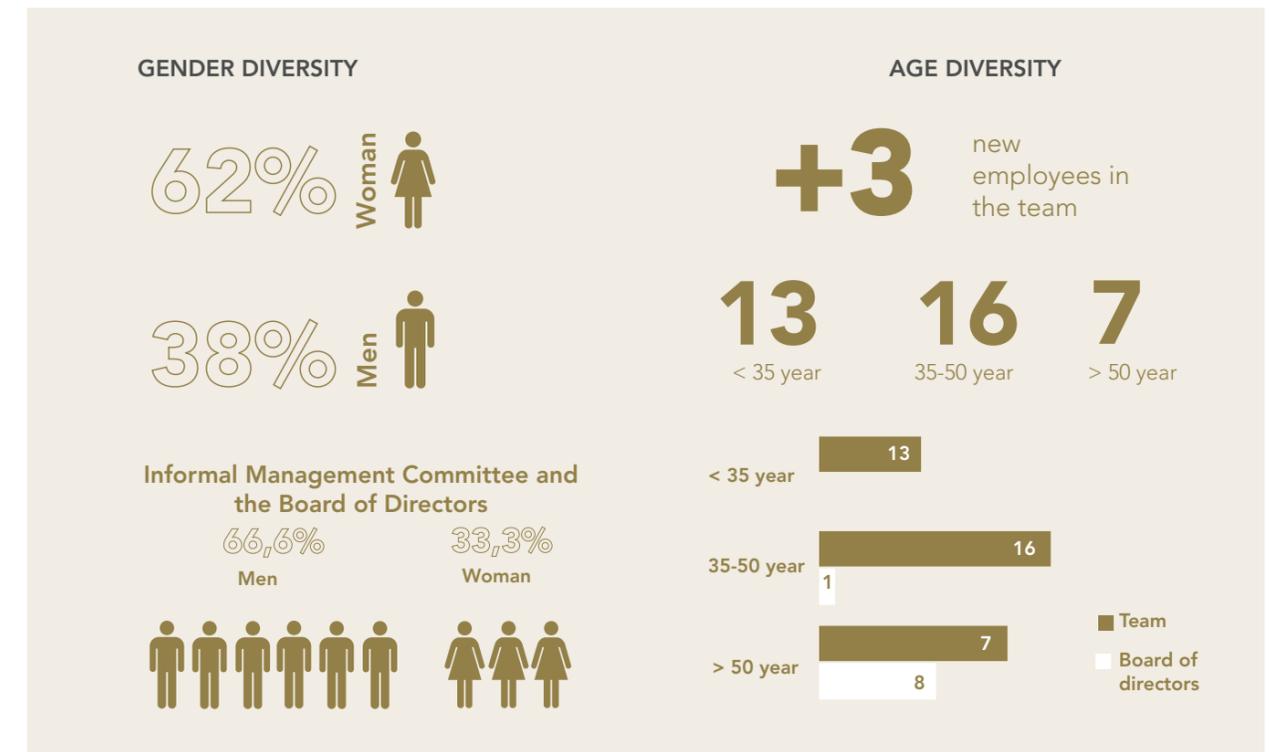
At Retail Estates the equality principle is the basis for the selection of employees. This means that all employees are selected on the basis of their competencies and skills, independent from e.g. age, gender and cultural background.

The table below represents diversity on the basis of gender:

Diversity within the team is part of the corporate culture and Retail Estates feels that it is an added value for the company's growth and an enrichment of the corporate culture.

The composition of the group of employees reveals that this policy actually yields results.

The table below represents diversity on the basis of age:



Diversity is also taken into account for the composition of the management committee and the board of directors: the management committee is composed on the basis of gender equality and the company has three female directors. In addition, the composition of the management committee and the board of directors is determined on the basis of diversity in general and complementarity of skills, experience and know-how. It is of particular importance to have a strong representation of directors who are well versed in the management of retail properties of the type in which the company invests and/or have experience in the financial aspects, in particular reporting and/or financing, of a company

and/or have experience in the management of a real estate company and real estate investment trust in particular and/or in policy-making in listed companies. Consequently, it is pivotal that members of the board of directors are complementary in terms of knowledge and experience.

For more information about diversity within Retail Estates, we refer to the Sustainability report.

Remuneration policy

I. SCOPE

Pursuant to article 7:89/1 of the Belgian Code of Companies and Associations (the "CCA") and the 2020 Belgian Corporate Governance Code ("Code 2020"), this remuneration policy applies to the members of the board of directors (both the non-executive and the executive directors) and to the members of the management committee².

The remuneration policy was approved at the meeting of the board of directors of Retail Estates of 21 May 2021, based on the proposal of the remuneration and nomination committee. It was approved at the general shareholders' meeting of 19 July 2021 and applies since 1 April 2021 (2021-2022 financial year).

Retail Estates will pay the remuneration of the directors and the members of the management committee in accordance with the approved remuneration policy.

The company can temporarily deviate from the remuneration policy, but only in case of extraordinary circumstance and in accordance with the procedure laid down in section VI of this remuneration policy.

The remuneration policy will be presented to the general meeting on the occasion of every material change and at least every four years.

II. GENERAL VIEW OF REMUNERATION

Both the remuneration policy for directors and managers and the work and pay conditions of the employees of Retail Estates are based on the following principles, which reflect the company's general view of remuneration:

- A remuneration **in line with market standards**, enabling the company to attract and retain talented directors, managers and employee, taking into account the size of the company and its financial perspectives. That's why the company, where the remuneration of the directors and the members of

the management committee is concerned, takes into account a **benchmark** against comparable companies.

- Remunerations in **proportion to** everyone's individual responsibilities and experience.
- A **healthy relationship** between the remuneration of the management and that of the staff.
- **Stimulation of sustainable value creation** by taking into account the financial and non-financial performance criteria that contribute to the long-term interests and the sustainability of Retail Estates when determining the variable remuneration of the members of the management committee.
- Taking into account the **interests of all stakeholders**, including the viewpoint and perspective of a long-term shareholder.

REMUNERATION POLICY FOR THE NON-EXECUTIVE MEMBERS OF THE BOARD OF DIRECTORS³

1. The decision-making process for the determination, revision and implementation of the remuneration policy and measures to prevent and control conflicts of interests

The remuneration of the non-executive directors is determined by the (annual) general shareholders' meeting, based on the proposal of the board of directors. The remuneration and nomination committee submits proposals to the board of directors with regard to the remuneration of the non-executive directors.

The remuneration of non-executive directors takes into account their role as directors and their specific roles as chairperson of the board of directors, as chairperson or member of a committee within the board of directors, as well as the resulting responsibilities, the risks and the time dedicated to their tasks.

Every year after the end of the financial year, the remuneration and nomination committee evaluates and analyses the implementation of the remuneration policy and the individual remuneration on the basis

of the above-mentioned criteria. The committee also takes into account a benchmark against the remuneration implemented in other comparable real estate companies, either listed or not. If necessary, the committee advises to adjust the implementation of the remuneration policy as well as the remuneration granted to non-executive directors. Material changes are always subject to approval by the general meeting.

The remuneration of the non-executive directors is determined by the general meeting. This is a legally determined exclusive authority of the general meeting, which ensures that no conflicts of interests can occur in this respect.

In addition, the statutory rules with respect to conflicts of interests (as laid down in the Belgian Code of Companies and Associations and in the BE-REIT Act) are applicable to the directors.

2. Components of the remuneration

The remuneration of the non-executive directors essentially consists of:

- a **fixed annual remuneration** that is identical for all non-executive directors, except for the chairperson, given their specific role and responsibilities;
- **attendance fees**; these fees are granted to the non-executive directors for their presence at the meetings of the board of directors and, as the case may be, for their presence at the meetings of the committees established within the board of directors.

The fixed director's remuneration is not determined on the basis of the operations and transactions performed by the company or its perimeter companies⁴ (article 35, §1 of the BE-REIT Act).



“Retail Estates undertakes to invest 10 million euro in renewable energy and the improvement of water management in the retail parks over the next three financial years: the installation of photovoltaic panels and charging stations, energy-efficient lighting and investments in water infiltration and rainwater buffering systems.”

² Since 1 June 2022 the management committee within the meaning of article 524bis of the (old) Companies Code has been replaced by a management committee within the meaning of the CCA. The members of the new management committee will receive the same remuneration as the members of the old management committee, and the remuneration policy for the members of the old management committee is applicable mutatis mutandis to the members of the new management committee. Therefore, the references in this remuneration committee to the old management committee are replaced by references to the new management committee.

³ The executive directors do not receive a remuneration in their capacity as members of the board of directors.

⁴ I.e., in accordance with article 2, 18° of the BE-REIT Act, "the company in which the regulated real estate company holds more than 25% of the share capital, either directly or indirectly, including the subsidiaries within the meaning of article 6, 2° of the Code of Companies."

Insofar as necessary, it is clarified that the non-executive directors can in certain cases receive a specific remuneration if they perform **special, ad hoc assignments** for the board of directors, like site visits within the context of potential investments. Such a specific remuneration is determined by the board of directors on the basis of the relevant responsibilities or specific powers connected with the assignment.

The non-executive directors **do not receive any performance-linked (variable) remunerations** like bonuses and share options.

By way of derogation from provision 7.6 of the 2020 Code, the company does **not** allot **any shares** to non-executive directors. The company feels that the legal framework and the nature of the company (BE-REIT), its general policy and its mode of operation already meet the objective of provision 7.6 of the 2020 Code (which is to encourage the non-executive directors to act with the perspective of a long-term shareholder) and adequately guarantee that action is undertaken with a view to promoting long-term value creation. This perspective is embedded in the governance of Retail Estates as a regulated real estate company. The Retail Estates share has a strong track record and the company's directors strive for solid earnings per share year after year, an ambition that is certainly achieved. Retail Estates feels that the directors have proved in the past that this perspective, without the award of a remuneration in the form of shares, is sufficiently present in the directors' conduct.

Obviously, the foregoing does not prevent certain non-executive directors from having a share participation in Retail Estates on the basis of a personal decision and without any obligation imposed by the remuneration policy.

The company took out a **civil liability insurance for directors** ("D&O Insurance") to cover the liability of its non-executive and executive directors. The premium of this insurance is paid by the company.

The non-executive directors **do not** enjoy **any other benefits in kind** (e.g. a company car, mobile phone, laptop computer or benefits linked to pension schemes).

However, the non-executive directors can receive a compensation for the normal and justified expenses and costs, of which they can prove that they were incurred within the context of their assignment.

The non-executive directors can (exceptionally) hold the office of director in one of the company's subsidiaries (e.g. Retail Warehousing Invest NV, an institutional real estate company). Any remunerations granted for the exercise of this office are incorporated into the remuneration report.

3. Appointment and dismissal of non-executive directors

The non-executive directors and the executive directors where their mandate as directors is concerned, are appointed by the general meeting for a period of 4 years maximally. They have the status of a **self-employed** person. Their **appointments can be revoked at any time** by the general meeting with a simple majority of votes, without notice period or payment in lieu of notice. However, the general meeting has the option to grant a notice period or payment in lieu of notice within the context of the dismissal.

IV. REMUNERATION POLICY FOR THE CEO AND THE OTHER MEMBERS OF THE MANAGEMENT COMMITTEE⁵

1. The decision-making process for the determination, revision and implementation of the remuneration policy and measures to prevent and control conflicts of interests

The **remuneration and nomination committee** is entrusted with the preparation or assessment of proposals submitted to the board of directors with respect to the individual remuneration of the CEO and the members of the management committee, including the variable remuneration.

The remuneration for the CEO and the other members of the management committee is determined with a view to attracting, motivating and retaining the necessary talent, taking into account the size of the company and the individual responsibilities that are expected from the CEO and every member of the management committee, the required relevant experience and skills and the seniority. The remuneration and nomination committee presents the result of this analysis and its substantiated recommendations to the board of directors, which will then take a decision. The committee also takes into account a benchmark against the remuneration implemented in other comparable real estate companies, either listed or not.

The **board of directors** subsequently determines the remuneration of the CEO and the other members of the management committee, taking into account the proposals of the remuneration and nomination committee. The board of directors also ensures that the remuneration is consistent with the company's remuneration policy.

Specifically with respect to **the variable remuneration, the assessment of the performance targets** is discussed and analysed in a meeting of the remuneration and nomination committee. The variable remuneration can only be granted if the performance targets were met during the reference period. The result of the annual targets is assessed at least once a year, usually within two

months after the end of the financial year. The extent to which the financial criteria were met is checked after the closure of the financial year on the basis of the accounting and financial data that are analysed in the audit committee. The assessment of the non-financial criteria is done by the remuneration and nomination committee on the basis of a reasoned proposal of either the chair of the board of directors (if it concerns the performance of the CEO) or the CEO in consultation with the chair of the board of directors (if it concerns the performance of the other members of the management committee). The remuneration and nomination committee subsequently presents their advice and proposal for remuneration to the board of directors. The board of directors grants the variable remuneration to every member of the management committee who qualifies on the basis of the result achieved.

The required **measures for the prevention and control of potential conflicts of interests** have been taken at several levels:

- The remuneration and nomination committee, which plays an advisory role in the determination of the remuneration of the CEO and the other members of the management committee, exclusively consists of non-executive directors. The majority of these members are independent directors. Consequently, the executive directors do not take part in the assessment of the proposal for remuneration formulated by the remuneration and nomination committee.
- The executive directors (and the members of the management committee who are not directors) do not take part in the deliberation and the vote during the board meeting at which their own remuneration is discussed, nor in the consultations with respect to their own remuneration that take place within the remuneration and nominations committee. At the request of the remuneration and nomination committee, the CEO answers the questions that are asked with respect to the remunerations of the other members of the management committee during the consultations that take place within the remuneration and nomination committee.

⁵ See footnote 2.

In addition, the statutory rules with respect to conflicts of interests (as laid down in the Belgian Code of Companies and Associations and in the BE-REIT Act) are obviously also applicable to the members of the management committee who are also executive directors (at the moment, these members are the CEO and the CFO).

2. Description of the components of the remuneration of the CEO and the other members of the management committee

The remuneration of the CEO and the other members of the management committee consists of the following components:

- A fixed remuneration
- A variable remuneration
- Other benefits

These components of the remuneration are granted individually under the conditions to be determined by the board of directors on the proposal of the remuneration and nomination committee.

The remuneration is determined in accordance with the articles 7:90, 7:91, 7:92 and 7:121 of the CCA.

By way of derogation from provision 7.9 of the 2020 Code, the company **does not allot shares to the CEO** and the other members of the management committee. The company feels that the legal framework and the nature of the company (BE-REIT), its general policy and its mode of operation already meet the objective of provision 7.9 of the 2020 Code (which is to encourage the executive management to act with the perspective of a long-term shareholder) and adequately guarantee that action is undertaken with a view to promoting long-term value creation. This perspective is embedded in the management of Retail Estates as a regulated real estate company. The Retail Estates share has a strong track record and the management strives for solid earnings per share year after year, an ambition that is certainly achieved. Retail Estates feels that the management has proved in the past that this perspective, without the award of a remuneration in the form of shares, is sufficiently present in the management's conduct.

Obviously, the foregoing does not prevent certain members of the management committee, either or not directors, from having a share participation in Retail Estates on the basis of a personal decision and without any obligation imposed by the remuneration policy. The board of directors does reserve the right to introduce a mechanism for the granting of part of the remuneration in the form of shares (or share options).

The CEO will have the **mandate** of (managing) director of all **subsidiaries** of the company. The other members of the management committee can also hold a mandate of director in the subsidiaries of Retail Estates. The mandate in (foreign) subsidiaries can be held via their management company if the CEO or the member of the management committee respectively is the permanent representative of this management company. Any remunerations received for the exercise of these mandates are incorporated into the remuneration report of the company. Unless agreed otherwise, the end of the agreement between the CEO or the member of the informal management committee on the one hand and the company on the other hand will also lead to the end of the mandates they exercise in the subsidiaries.

2.1 Components of the remuneration of the CEO

The CEO holds a mandate of executive director and is also a member of the management committee and charged with the company's daily management. In addition, the CEO is the effective manager of the company in accordance with the provisions of article 14, § 3 of the BE-REIT Act.

The mandate of the CEO in his capacity of executive director is not remunerated.

2.1.1 Fixed remuneration of the CEO

The fixed remuneration of the CEO is determined on the basis of his responsibilities and individual competences and skills, in addition to the experience in several fields (commercial, real estate-technical, legal, fiscal, financial, accounting and general policy).

The fixed remuneration is not determined on the basis of the operations and transactions performed by the company or its perimeter companies (article 35, §1 of the BE-REIT Act).

The fixed annual compensation is paid in twelve monthly instalments.

Any adjustments to the fixed remuneration are discussed every year by the remuneration and nomination committee, which presents a proposal to the board of directors. The board of directors subsequently takes a decision with respect to the fixed remuneration, respecting the rules relating to conflicts of interests.

At the request of the CEO the board of directors can decide to grant the fixed remuneration (partially) in the form of an individual pension benefit (type "defined contribution").

The fixed remuneration of the CEO is adjusted to the health index annually.

2.1.2 Variable remuneration of the CEO

The variable remuneration granted to the CEO under the conditions to be determined by the board of directors on the proposal of the remuneration and nomination committee is determined on the basis of the extent to which previously determined **annual targets**, which are of a **qualitative** as well as of a **quantitative** nature, are met and on the basis of exceptional performances, if any, related to the above-mentioned targets, delivered in the course of the financial year. The annual targets can take into account the targets that have a positive influence on the company in the short term (STI) as well as those that have a positive influence in the long term (LTI). The targets are in line with the company's strategy.

A variable remuneration can only be granted if (a) the criteria for the granting of that variable remuneration or the part of the variable remuneration that depends on the results exclusively relate to the consolidated net result of the company, to the exclusion of all variations of the fair value of the assets and the hedging instruments and (b) no remuneration is granted on the basis of a specific operation or transaction of the company or its perimeter companies⁶ (see article 35, §1 BE-REIT Act).

The board of directors avoids setting criteria that may incite the CEO to give preference to short-term targets

that may influence the variable remuneration but may have a negative influence on the company in the medium and long term.

The amount of the variable remuneration in the short term (STI) is determined on the basis of the actual achievement of quantitative and qualitative targets in the short term.

These quantitative targets comprise (to the extent that is allowed under the applicable law) the occupancy rate, the rental income, the operational margin, the completion of specific projects, ESG targets and investment and divestment targets. The qualitative targets may vary from one year to another depending on the priorities set with personnel management, external communication, *leadership* and other initiatives.

The targets are set and weighed depending on their importance. Their relative importance and the amount paid depending on the extent to which they are achieved are determined by the board of directors on the proposal of the remuneration and nomination committee. These targets are determined at the time at which the budget is prepared and take into account this budget, so that they are in line with the company's strategy.

The percentage of the variable remuneration in the short term can vary between 0% and 35% of the annual fixed remuneration (if 100% of the targets are reached).

At the request of the CEO, the board of directors can decide on the form of this short-term variable remuneration (e.g. individual pension benefit (type "defined contribution)).

The purpose of the **long-term variable remuneration** (LTI) is to align the CEO's interests with those of the shareholders and to encourage the CEO to have a long-term vision.

The criteria for the long-term variable remuneration include the company's strategy, the evolution of the ESG targets and of the dividends over several years, as well as personal targets to support this multi-annual perspective.

⁶ See footnote 9.

The percentage of the long-term variable remuneration can vary between 0% and 35% of the annual fixed remuneration (if 100% of the targets are reached).

2.1.3 Other benefits for the CEO

The CEO enjoys an incapacity insurance or disability insurance.

In addition, the CEO receives a compensation for the normal and justified expenses and costs, of which he can prove that they were incurred within the context of his assignment. The company provides a laptop computer and a smartphone, but not a company car.

These other benefits represent maximally 10% of the annual fixed remuneration of the CEO.

In addition, an exceptional bonus can be granted to the CEO for non-recurring and exceptional performances if suggested by the remuneration and nomination committee and subject to the consent of the board of directors. This bonus does not have any impact on the possible granting of a variable remuneration for the same financial year. This bonus has to correspond to the general view of the board of directors on the remuneration policy, as explained under section II above. The exceptional bonus, as the case may be, represents maximally 35% of the annual fixed remuneration of the CEO.

2.1.4 Contractual terms and conditions applicable to the CEO

The agreement relating to the CEO provides for a **notice period** of eighteen months in case of termination of the agreement by Retail Estates. Any termination compensation to be paid if the company waives performance during the notice period shall be calculated in accordance with the fixed remuneration (including the annual premiums for the individual pension benefit (type "defined contribution")). The notice period was approved by the board of directors in accordance with the legal provisions and upon the advice of the remuneration and nomination committee, taking into account the CEO's contribution to the company's growth since the initial public offering in March 1998.

If the CEO terminates the agreement, the notice period is six months.

If the CEO is unable to perform his duties because of incapacity for work (illness or accident), Retail Estates shall continue to pay him the fixed portion of his remuneration for a period of two months from the first day of incapacity for work. Subsequently, he will receive a disability benefit from an insurance company, equalling 75% of the fixed remuneration (see section 2.1.3 above).

The agreement with the CEO provides for the right for the company to claim back all or part of the variable remuneration during a period of one year after its payment if it appears that the payment was made on the basis of inaccurate information about the achievement of the targets on which the targets were based or about the circumstances on which payment of the variable remuneration depended and that this inaccurate information was due to fraud by the CEO.

2.2 The other members of the management committee

The remuneration of the other members of the management committee consists of the following components:

2.2.1 The fixed remuneration of the other members of the management committee

The fixed remuneration of the other members of the management committee is determined on the basis of their responsibilities and individual competences and skills, in addition to the experience in several fields that are relevant for each of their individual responsibilities (commercial, real estate-technical, legal, fiscal, financial, accounting and general policy).

The fixed remuneration is not determined on the basis of the operations and transactions performed by the company or its perimeter companies (article 35, §1 of the BE-REIT Act).

The fixed annual compensation is paid in twelve monthly instalments.

Any adjustments to the fixed remuneration are discussed every year by the remuneration and nomination committee, which presents a proposal to the board of directors. The board of directors subsequently takes a decision with respect to the fixed remuneration of the members of the management committee, respecting the rules relating to conflicts of interests.

At the request of the individual members of the management committee, the board of directors can decide to grant the fixed remuneration (partially) in the form of an individual pension benefit (type "defined contribution").

The fixed remuneration of the other members of the management committee is adjusted to the health index annually.

2.2.2 The variable remuneration of the other members of the management committee

The variable remuneration granted to the other members of the management committee under the conditions to be determined by the board of directors on the proposal of the remuneration and nomination

committee is determined on the basis of the extent to which previously determined **annual targets**, which are of a **qualitative** as well as of a **quantitative** nature, are met and on the basis of exceptional performances, if any, related to the above-mentioned annual targets and delivered in the course of the financial year. The annual targets take into account the targets that have a positive influence on the company in the short term (STI) as well as those that have a positive influence in the long term (LTI). The targets are in line with the company's strategy.

A variable remuneration can only be granted if (a) the criteria for the granting of that variable remuneration or the part of the variable remuneration that depends on the results exclusively relate to the consolidated net result of the company, to the exclusion of all variations of the fair value of the assets and the hedging instruments and (b) the variable remuneration is not granted on the basis of a specific operation or transaction of the company or its perimeter companies (see article 35, §1 BE-REIT Act).

The board of directors avoids setting criteria that may incite the members of the management committee to give preference to short-term targets that may influence their variable remuneration but may have a negative influence on the company in the medium and long term. In this context, special attention is paid to the ESG targets.

The amount of the **short-term variable remuneration** (STI) is determined on the basis of the actual achievement of quantitative and qualitative targets in the short term, which are set annually by the board of directors and assessed on the proposal of the remuneration and nomination committee.

These quantitative targets comprise the occupancy rate, the growth, ESG targets, the operational margin and (to the extent allowed under the applicable legislation) special/exceptional projects. The qualitative targets may vary from one year to another depending on the priorities set at the time of the preparation of the budget and include the usual fields, such as efficient and sustainable projects, leadership and other initiatives.

The targets are set and weighed depending on their importance. Their relative importance and the amount paid depending on the extent to which they are achieved are determined by the board of directors on the proposal of the remuneration and nomination committee. These targets are determined at the time at which the budget is prepared and take into account this budget, so that they are in line with the company's strategy.

The percentage of the variable remuneration in the short term can vary between 0% and 35% of the annual fixed remuneration (if 100% of the targets are reached).

At the request of the relevant member of the management committee, the board of directors can decide on the form of this short-term variable remuneration (e.g. individual pension benefit (type "defined contribution)).

The purpose of the **long-term variable remuneration** (LTI) is to align the interests of the other members of the management committee with those of the shareholders and to encourage the management committee and its individual members to have a long-term vision.

The criteria for the long-term variable remuneration include the company's strategy, the evolution of the ESG targets and of the dividends over several years, as well as personal targets to support this multi-annual perspective.

The percentage of the long-term variable remuneration can vary between 0% and 35% of the annual fixed remuneration (if 100% of the targets are reached).

2.2.3 *Other benefits of the other members of the management committee*

The other members of the management committee benefit from an incapacity or disability insurance, an orphan's pension and a hospitalisation insurance, in addition to the reimbursement of representation expenses.

In addition, a smartphone and a laptop computer and/or a tablet are provided, as well as a company car in some cases. The company may pay the costs of a company car, or they may be included in the fixed remuneration

of the member of the management committee. This is determined in consultation with the member of the management committee.

In addition, the other members of the management committee receive a compensation for the normal and justified expenses and costs, of which they can prove that they were incurred within the context of their assignment.

These other benefits represent maximally 10% of the annual fixed remuneration of the individual members of the management committee.

In addition, an exceptional bonus can be granted to a member of the management committee for non-recurring and exceptional performances if suggested by the remuneration and nomination committee and subject to the consent of the board of directors. This bonus does not have any impact on the possible granting of a variable remuneration for the same financial year. This bonus has to correspond to the general view of the board of directors on the remuneration policy, as explained under section II above. The exceptional bonus, as the case may be, represents maximally 35% of the annual fixed remuneration of the individual members of the management committee.

2.2.4 *Main characteristics of the agreement between Retail Estates and the other members of the management committee*

The agreements with the other members of the management committee, who all have the status of self-employed people, are open-ended agreements and provide for a notice period of 12 months. In the agreement with the CFO, the notice period is 18 months if the company terminates the agreement less than six months following the successful conclusion of a (hostile) takeover.

In case of termination of the agreement on the initiative of the company without observing a notice period, save in the event that no notice period or compensation is required according to the agreement, the member concerned is contractually entitled to a compensation for the termination of the agreement, which equals the remuneration to which the member concerned would

have been entitled during the notice period that should have been observed.

There are no special provisions for the recovery of variable remuneration. However, the provisions of civil law relating to undue payments are in full force and effect.

V. COMMENTS ON THE MANNER IN WHICH THE EMPLOYEES' WORK AND PAY CONDITIONS WERE TAKEN INTO ACCOUNT WHEN DETERMINING THE REMUNERATION POLICY

The remuneration and nomination committee informs itself of the annual proposals relating to the **global budget** (the so-called "cost to the company") **of the fixed remunerations of the employees of the company** (i.e. other than the directors and the members of the management committee) and relating to the global budget of the variable remunerations granted to the employees. The personnel budget determined by the committee is presented for approval to the board of directors every year before the start of the relevant financial year. At the request of the board of directors, the committee also takes a decision with respect to the proposals of the executive directors relating to the recruitment of staff members and the initial remuneration of new staff members, as well as with respect to any revision of the remuneration (in the broadest sense) of certain other persons who hold key positions in the company.

As is the case for the directors and the members of the management committee, there is currently **no share (option) scheme for the benefit of the staff**.

The **variable remuneration of the employees** consists of a part that is linked to their individual targets and a part that is linked to the joint performance targets (non-recurring results-based benefit CLA 90). The operating property result, the EPRA earnings per share, determines to which degree the joint variable remuneration is granted. The remuneration policy for the members of the management committee is determined taking into account the general view referred to above (see section II) and applicable to the entire company. That is why the remuneration of the staff resembles the broader remuneration framework of the company in the sense

that the short-term remuneration of both the members of the management committee and the staff in general is determined on the basis of the same financial performance criteria.

VI. PROCEDURE TO DEVIATE FROM THE REMUNERATION POLICY

The company can temporarily deviate from the remuneration policy, provided that the deviation is justified by **exceptional circumstances** and only if the deviation is **necessary to serve the long-term interests and the sustainability of the company as a whole or guarantee its viability**.

The following procedure must be followed in order to implement a deviation:

- A well-reasoned advice of the remuneration and nomination committee in accordance with the conditions described above;
- A decision of the board of directors, which takes into account the advice of the remuneration and nomination committee and also respects the conditions laid down for that purpose.

The board of directors will include the temporary deviation in the remuneration report.

VII. CHANGES COMPARED TO THE LAST APPROVED REMUNERATION POLICY

There are no material deviations from the remuneration policy that was approved at the general shareholders' meeting of 19 July 2021.



Remuneration report

I. INTRODUCTION

This remuneration report was drawn up by the remuneration and nomination committee and approved by the board of directors pursuant to article 3:6 §3 of the Belgian Code of Companies and Associations and the 2020 Corporate Governance Code and is part of the Corporate Governance Statement.

The report gives an overview of the main principles of the remuneration policy and its application by the group during the 2021-2022 financial year (from 1 April 2021 to 31 March 2022) to the remuneration of the directors and the members of the “old” management committee, (replaced by the “new” management committee since 1 June 2022)(including the executive directors (the CEO, Jan De Nys, and the CFO, Kara De Smet, who

together assume the effective management of the company and its subsidiaries), the CIO and the CLO).⁷ Retail Estates also drew up a detailed remuneration policy in accordance with article 7:89/1 CCA, which was approved at the general shareholders’ meeting of 19 July 2021. The remuneration policy is also available on the website as a separate document.

This remuneration report will be presented to the annual general meeting of 18 July 2022, which will take a decision with respect to this remuneration report by means of a separate advisory vote in accordance with article 7:149 CCA.

II. THE TOTAL REMUNERATION OF THE DIRECTORS AND THE EXECUTIVE MANAGEMENT (MEMBERS OF THE MANAGEMENT COMMITTEE)

1. Total remuneration of the non-executive directors

1.1 Remuneration of the non-executive directors

The non-executive directors (with the exception of the chairperson of the board of directors) receive a fixed annual remuneration of €6,000 on the one hand and an attendance fee of €1,500 for their participation in each of the meetings of the board of directors and the committee(s). Neither the fixed remunerations nor the attendance fees are granted on the basis of the results of the company. They therefore qualify as fixed remunerations that are not performance-based.

The fixed remuneration of the chairman, Mr Paul Borghraef, was set at €60,000 in view of his regular presence and involvement and given the fact that he

is the daily interlocutor and sounding board of the managing director between board meetings.

Non-executive directors do not receive variable performance-related remunerations such as bonuses or stock-related long-term incentive schemes, nor any fringe benefits or benefits linked to pension schemes.

No agreement was concluded with the non-executive directors, so that they can be dismissed at any time without any compensation.

In certain cases the non-executive directors may be granted an expense allowance for expenses relating to on-site visits prior to a meeting of the board of directors, which will decide on investments or divestments.

The company has taken out an insurance policy to cover the liability of its directors.

1.2 Table total remuneration of the non-executive directors

The table below provides an overview of the total remuneration of the non-executive directors:

	Annual fixed remuneration (EUR)	Attendance at board of directors’ meetings	Attendance at remuneration and nomination committee meetings	Attendance at audit committee meetings	Fixed remuneration - according to attendance (EUR)	TOTAL (EUR)
Paul Borghraef	60 000	7/7			0	60 000
René Annaert	6 000	6/7	2/2	3/3	16 500	22 500
Christophe Demain	6 000	5/7			7 500	13 500
Stijn Elebaut ¹		2/2			3 000	3 000
Victor Ragoen	6 000	6/7		3/3	13 500	19 500
Jean Sterbelle ¹		2/2			3 000	3 000
Leen Van den Neste	6 000	7/7	1/2	2/3	15 000	21 000
Herlinda Wouters ¹		1/2			1 500	1 500
Ann Gaeremynck	6 000	7/7	2/2	3/3	18 000	24 000
Michel Van Geyte ²	0	5/7			0	0
TOTAL remuneration directors	90 000				78 000	168 000

¹ This director’s term of office ended at the general meeting on 19 July 2021. The mandate was not renewed.

² Mr. Van Geyte receives, at his request, no remuneration in his capacity as director of Retail Estates

⁷ In order to enable the comparison with the remuneration that was the subject matter of the previous annual reports, this remuneration report describes the annual variable remuneration that relates to performances during the 2021-2022 financial year, even if this variable remuneration is only granted and only becomes due during the 2022-2023 financial year. The annual variable remuneration relating to the performance during the 2020-2021 financial year, which was granted or payable during the 2020-2021 financial year, was reported in the Annual Financial Report relating to the 2020-2021 financial year.

2. Total remuneration of the members of the management committee⁸

The management committee has the following members:

- **Jan De Nys** – Chairman of the committee, CEO, executive director
- **Kara De Smet** – CFO, executive director
- **Koenraad Van Nieuwenburg** – CIO
- **Runa Vander Eeckt** – CLO

2.1. The remuneration of the CEO

Mr Jan De Nys has held the position of CEO since the initial public offering of Retail Estates NV in March 1998.

The remuneration of the CEO, who holds his office in a personal capacity as an independent manager, consists of the following components:

- The amount of the **fixed remuneration** of the CEO takes into account his experience and track record in starting up and developing the company. It is also based on the experience he gained in the retail environment in Belgium and abroad as well as on his commercial, legal and financial knowledge, which is necessary for the development of a portfolio of out-of-town retail properties and the daily management of a listed company. The fixed remuneration is indexed annually on 1 April.
- The **variable remuneration** of the managing director is determined annually by the board of directors based on a proposal put forward by the remuneration and nomination committee. This remuneration potentially equals 25% of the fixed remuneration (including the IPT scheme, type “defined contribution”). The variable remuneration is linked to the achievement of a number of annual targets, which may be both of a qualitative and of a quantitative nature. These components have been determined and subsequently assessed by the board of directors, based on the proposal of the remuneration and nomination committee. They are described below under section 2.4.2. The criteria include targets that have a positive impact on the company, in the short term as well as

in the longer term. In addition the board of directors decided, on the proposal of the remuneration and nomination committee, to implement a programme for the granting of a long-term variable remuneration linked to the achievement of collective performance criteria, to be measured over the period from 1 April 2020 to 31 March 2024. The beneficiaries of this programme can be the members of the management committee as well as certain executives. The long-term bonus plan provides for a bonus in favour of the beneficiaries that is expressed as 6% of the total value creation of the projects over the reference period. The part of this percentage to which every beneficiary may be entitled is determined each year individually by the remuneration and nomination committee and depends on the extent to which a specific beneficiary is involved in the development of the projects and on his/her responsibility in this respect. Value creation is calculated as the difference between the fair value of a project when it is first included in the portfolio and the cost of a project. A bonus of 6% is only granted on value creation of maximally 10 million euro during the full period between 1 April 2020 and 31 March 2024.

- **Pension:** An annual premium is paid for the IPT scheme. This amount is part of the fixed remuneration of the CEO.
- **Other components of the remuneration:** A PC/laptop computer and a mobile phone are put at the disposal of the CEO. In addition, the CEO benefits from an incapacity insurance or disability insurance. If the managing director is unable to perform his duties because of incapacity for work (illness or accident), Retail Estates nv shall continue to pay him the fixed portion of his remuneration for a period of two months from the first day of incapacity for work. Subsequently, he will receive a disability benefit from an insurance company, equalling 75% of the fixed remuneration.

The CEO does not receive a remuneration related to shares (shares, share options or other rights to acquire shares).

Except for the above-mentioned remuneration, Mr. Jan De Nys does not receive a separate remuneration for the exercise of his mandate as executive director.

2.2. Remuneration policy for the CEO and the other members of the informal management committee

The remuneration of the other members of the informal management committee consists of the following components:

- A **fixed remuneration** The fixed remuneration takes into account the responsibilities and individual competencies and skills, in addition to the experience of the members of the informal management committee; the remuneration is adjusted to the index on an annual basis;
- A **variable remuneration** The variable remuneration of the other members of the management committee is linked to the achievement of a number of annual targets that are expressed by means of qualitative and quantitative criteria which are determined and assessed by the board of directors based on a proposal by the remuneration and nomination committee. The variable remuneration for the other executive officers equals potentially 15% of the fixed remuneration (consisting

of the basic remuneration and the payments for the IPT scheme (type “defined contribution”). As indicated above (see section 2.1), a programme for the granting of a long-term variable remuneration linked to the achievement of collective performance criteria, to be measured over the period from 1 April 2020 to 31 March 2024, has been implemented, of which the members of the management committee may also be beneficiaries.

- **Pension:** An annual premium is paid for the IPT scheme (type “fixed contribution”). This amount is part of the fixed remuneration.
- The **other components of the remuneration:** premium for a hospitalisation insurance, an incapacity and invalidity insurance, and orphan’s pension, a laptop computer, a smartphone, fringe benefits linked to the use of a company car and representation expenses.



“Retail Estates’ ambition to develop a standard for buildings with which all its properties will comply. The parameters that will be part of the standard will relate to health and well-being, energy, transport, water, materials, resilience, land use and ecology, and pollution.”

⁸ The executive directors do not receive a remuneration for the exercise of their mandate as directors, but only for the exercise of their mandate as members of the management committee.

2.3. Table of the total remuneration of the members of the management committee

The remuneration for the members of the management committee was determined as follows during the 2021-2022 financial year:

Name and function (in thousands €)	Fixed fee - basis	Variable cash compensation	Pension cost	Other components of the remuneration	Exceptional items	Fixed / variable remuneration ratio
Jan De Nys - managing director	297	80	119	5	0	19,28%
Other members of the management committee	733	120	37	44	0	15,58%
TOTAL	1 030	200	156	49	0	16,88%

2.4. Comments with respect to the performance of the members of the management committee

2.4.1. Description of the performance criteria

The variable remuneration of the CEO is linked to the achievement of a number of qualitative and quantitative criteria relating to the following aspects for the 2021-2022 financial year:

- Profits per share (weighting 25%);
- EPRA profits per share excluding all changes in fair value of the assets and interest rate hedging instruments and the results achieved on the realisation of assets;
- Income and occupancy rate (weighting 25%);
- Collection management and occupancy level;
- Project development per year (weighting of 25%):
 - completion (term, budget)
 - added value (investment value – cost)
- Divestment targets and investment targets (weighting of 10%);
- Management skills (weighting of 15%):
 - Staff development, team activities, career evolution
 - Shareholders: communication
 - Directors: communication of relevant information / preparation of meetings (chairman – board of directors)

The weighting of the variable remuneration of the CFO is based on a number of qualitative criteria: staff, team activities and continued growth (10%), shareholders (communication and investor relations) (25%), communication of relevant information and preparation of board meetings, chairperson and audit committee (25%), representation of interest groups (10%), project for new integrated technology solution – targets (10%), ICT coordination (10%) and investment analysis (10%).

The weighting of the variable remuneration for the CIO is based on quantitative and qualitative criteria: EPRA profit per share excluding all changes in fair value of the assets and interest rate hedging instruments and the results achieved on the realisation of assets (25%); project development per year (completion (term, budget)) (25%); added value (investment value – cost) (15%); a number of management skills (35%) (staff, team development: continued growth, streamlining of reporting on project development, minor maintenance, major maintenance).

The weighting of the variable remuneration for the CLO is based on a number of qualitative criteria:

- transaction management (with CEO) (assistance to internal and external participants, documentation of the transaction and transfer of information to property management and finance), corporate (with CFO) (corporate finance (capital/bonds), compliance, FSMA, company-related administrative tasks) (for a total of 50%)
- development and organisation of the legal team in BE and NL with focus on property management assistance and documentation management (4FTE) (also 50%).

The maximum target amount of the annual variable remuneration for the 2021-2022 financial year was determined as follows:

- For the CEO: € 80,000
- For the other members of the management committee: € 120,000

The variable remuneration is paid annually in July after approval of the annual accounts and the remuneration

report by the annual shareholders' meeting. There are no special provisions for the recovery of variable remuneration. The provisions of civil law relating to undue payments are in full force and effect.

2.4.2. Table with comments with respect to the performance of the members of the informal management committee

The fixed remuneration of the members of the management committee for 2021-2022, as stated in the remuneration table, equals the remuneration approved by the board of directors on the basis of the advice of the remuneration and nomination committee in February 2021.

The maximum annual variable remuneration based on short-term quantitative performance targets equals 35%

Name	Performance target	Relative weight	Measured performance against target
Jan De Nys	Quantitative	85%	100,00%
	EPS	25%	100,00%
	Collection/occupancy rate	25%	100,00%
	Project development per year	25%	100,00%
	Divestment and investment targets	10%	100,00%
	Qualitative	15%	100,00%
	Staff/shareholders communication and communication with board of directors/chairperson	15%	100,00%

Other members of the management committee	CFO	CIO	CLO	CFO	CIO	CLO
Quantitative	0%	65%	0%	/	100%	/
EPS	0%	25%	0%	/	100%	/
Occupancy rate	0%	0%	0%	/	/	/
Project development per year	0%	25%	0%	/	100%	/
Implementation of investment targets	0%	15%	0%	/	100%	/
Short term - qualitative	100%	35%	100%	100%	100%	100%
Management skills	60%	35%	50%	100%	100%	100%
Other	40%	0%	50%	100%	100%	100%

III. SEVERANCE PAYMENTS

The severance payments are described in the remuneration policy.

In the course of the 2021-2022 financial year, no board members left the company, but the mandate of three of the nine directors was not renewed.

No members of the management committee left the company. Therefore, no severance payments were

of the annual fixed remuneration, in accordance with the existing remuneration practices, always provided that 100% of the performance targets are achieved.

The performance thresholds and limits used for these criteria vary between 0% and 100%.

The quantitative performance targets are linked to the efforts made to achieve the financial performance of the company, in particular at least each of the following criteria: EPS, portfolio growth, occupancy rate. The market conditions and specific difficulties that occurred in the course of the financial year are taken into account. With respect to the qualitative performance targets, we refer to the table below:

made during the 2021-2022 financial year, neither to the directors nor to the members of the informal management committee.

IV. RIGHT TO RECOVER REMUNERATIONS

In the course of the 2021-2022 financial year, no rights to recover remunerations were asserted (on the basis of the Belgian Civil Code, as no contractual rights to recover remunerations have been provided for the 2021-2022 financial year).

V. DEVIATIONS FROM THE REMUNERATION POLICY

In the 2021-2022 financial year, no material deviations from the remuneration policy were detected.

VI. EVOLUTION OF THE REMUNERATION AND THE PERFORMANCE OF THE COMPANY

	2021 vs 2020	2020 vs 2019	2019 vs 2018	2018 vs 2017	2017 vs 2016	2016 vs 2015
Remuneration Chairman of the Board of Directors	0%	0%	0%	0%	0%	0%
Total remuneration of directors - annual change in % ¹	n.v.t.	n.v.t.	n.v.t.	n.v.t.	n.v.t.	n.v.t.
Remuneration Jan De Nys – CEO – annual change in %	0%	0%	20,55%	1,27%	0,51%	14,96%
Total remuneration of other members Executive Committee (excl. CEO) - annual change in % ²	3,55%	13,12%	n.v.t.	n.v.t.	n.v.t.	n.v.t.
Performance Retail Estates						
EPRA EPS – annual change in %	17,41%	-11,21%	3,51%	5,46%	16,86%	3,78%
Portfolio Growth – Annual Change in %	2,48%	3,34%	8,64%	13,36%	25,95%	7,05%
Occupancy rate – annual change in %	0,79%	-0,87%	-0,37%	0,17%	-0,02%	-0,09%
Average remuneration of employees (in FTE) - annual change in % ³						
	0,99%	4,85%	0,54%	2,75%	n.v.t.	n.v.t.
Ratio of highest remuneration of Management Committee member/lowest remuneration of employees (in FTE) ⁴						
	31.03.2022	31.03.2021				
	7,48	8,81				

1. The remuneration of the directors has remained unchanged over the past years and amounts to EUR 6,000 fixed remuneration and EUR 1,500 per session.

2. The formal executive committee was established on April 1, 2017 and works with the current staffing since November 2018. For that reason, there is no reporting for the financial years 2019-2018 and older

3. Is calculated as the total personnel costs ("cost to the company") divided by the total number of employees in FTE. The comparison starts in 2017, the year Retail Estates Nederland NV was included in the consolidation scope

4. The highest remuneration is that of the CEO. The lowest remuneration is determined on the basis of the total personnel costs of the employee concerned.

VII. VOTE AT THE GENERAL MEETING

The remuneration report was approved with 82.15% of the votes at the previous annual general meeting.

Other parties involved**Certification of the accounts**

A statutory auditor appointed by the shareholders' meeting has to:

- certify the annual accounts and proceed to the limited review as in any limited liability company ("naamloze vennootschap"/"société anonyme");
- prepare special reports resulting from the applicable legislation, given that Retail Estates nv is a public BE-REIT and a listed company.

The statutory auditor is PwC Bedrijfsrevisoren, represented by Mr heer Jeroen Bockaert, a company auditor certified by the FSMA, with registered office at 1831 Diegem, Culliganlaan 5. At the annual shareholders' meeting of 19 July 2021, the statutory auditor was appointed for a three-year term.

The statutory auditor's fixed fee for reviewing and certifying the statutory and consolidated annual accounts of Retail Estates nv and its subsidiaries is €0.11 million (excluding VAT).

The fee of PwC Bedrijfsrevisoren for the tasks assigned to the statutory auditor by law (e.g. reports when mergers occur) amounts to €0.05 million (excluding VAT). No fees relating to studies and assistance (for example on taxation matters and due diligence assignments) were paid in the past financial year.

Real estate expert

In accordance with the BE-REIT legislation, Retail Estates nv calls upon experts for the regular valuations of its assets each time when it issues shares, lists securities on the stock market or purchases unlisted shares and when it purchases or sells real estate. These valuations are necessary to determine the inventory value and to prepare the annual accounts. The fees for the real estate experts depend on the surface area to be taxed and are in no way based on the results of the valuation.

Belgium

The valuation assignments for the Belgian portfolio were entrusted to Cushman & Wakefield (Kunstlaan 56, 1000 Brussels), represented by Mr Ardalan Azari, to CBRE nv (Avenue Lloyd George 7, 1000 Brussels), represented

by Mr Kevin Van De Velde, and to Stadim cvba (Uitbreidingsstraat 10-16, 2600 Antwerp), represented by Ms Elke De Wael and Mr Nicolas Janssens.

During the past financial year, a fee of €0.34 million (including VAT) was payable to Cushman & Wakefield for the regular valuations of a part of the properties in the real estate portfolio and the initial valuations of real estate purchases. A fee of €0.38 (including VAT) was paid to CBRE for the regular valuations of the remainder of the properties in the real estate portfolio and the initial valuations of real estate purchases. The fee payable to Stadim in respect of the regular valuations of a part of the properties in the real estate portfolio and the initial valuations of real estate purchases amounts to €0.01 million (including VAT) on an annual basis.

The real estate of Immobilière Distri-Land nv is valued by Cushman & Wakefield on the basis of a joint instruction from Retail Estates nv and Immobilière Distri-Land nv, with the results published by the latter. The costs are shared 50/50 between Retail Estates nv and Immobilière Distri-Land nv.

The Netherlands

The valuation assignments for the Dutch portfolio were entrusted to Cushman & Wakefield (Gustav Mahlerlaan 362-364, 1082 ME Amsterdam), represented by Mr Hannes De Bruijn, to CBRE (Gustav Mahlerlaan 405, box 7971, 1008 AD Amsterdam), represented by Mr Geert Wesselink, and to Colliers (Stadionplein 14, 1076 CM Amsterdam), represented by Mr Marco van der Wal.

During the past financial year, a fee of €0.23 million (including VAT) was payable to Cushman & Wakefield for the regular valuations of a part of the properties in the real estate portfolio and the initial valuations of real estate purchases. Fees of €0.02 million (including VAT) were paid to CBRE for the regular valuation of part of the real estate portfolio and initial valuations of real estate purchases. Fees of €0.01 million (including VAT) were paid to Colliers for the regular valuation of part of the real estate portfolio and initial valuations of real estate purchases.

Certification of the accounts, information about the market, market shares, classifications and other information

Unless stated otherwise in this Annual Financial Report, all information about the market, market shares, classifications, sector data and all other information in this Annual Financial Report is based on reports drawn up by sector-related sources, published information, reports drawn up by the statutory auditor or the real estate experts, or on the estimates of the company, which considers this information to be reasonable. If information originates from independent sources, the Annual Financial Report refers to these independent sources. The information provided by third parties has been reproduced correctly and, to the best of the company's knowledge or as far as the company could determine on the basis of the information published by the third party concerned, no facts have been omitted causing the information represented to be incorrect or misleading. The company did not check this information independently. Furthermore, market information is subject to change and cannot always be verified with complete certainty due to limits on the availability and reliability of the data on which the information is based, due to the voluntary contribution to the collection of data and due to other limitations and uncertainties inherent in any statistical study of market information. One should therefore be aware that information relating to the market, market shares, classifications and sector data, as well as estimates and assumptions based on such information, may not be accurate.

The other parties involved agreed that the information mentioned in this chapter will be incorporated into the Annual Financial Report.

Acquisition and sale of Retail Estates nv shares - insider trading

In accordance with the principles and values of the company, Retail Estates nv has included rules in its Dealing Code that must be observed by the directors and appointed persons who want to trade in financial instruments issued by Retail Estates nv.

The Dealing Code is an integral part of the company's Corporate Governance Charter and was drawn up in line with the applicable regulations and legislation (in particular Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (the Market Abuse Regulation), the Act of 2 August 2002 on the supervision of the financial sector and on financial services) and the 2020 Corporate Governance Code.

Information based on article 34 of the Belgian Royal Decree of 14 November 2007 concerning the obligations of issuers of financial instruments admitted to trading on a regulated market

Capital structure (on 31 March 2022)

The registered capital amounts to €297,600,322.91 and is divided into 13,226,452 fully paid-up shares, each representing an equal part of the capital. There is only one category of shares. There is no legal or statutory limitation on the voting rights or the transferability of the shares.

Stock option plan

Retail Estates nv has no stock option plan.

Authorised capital

The extraordinary shareholders' meeting of 1 June 2022 expressly authorised the board of directors to increase the share capital in one or more instalments, during a period of five years from the publication of the decision in the Annexes to the Belgian Official Gazette, up to a maximum amount of:

- a. one hundred and forty-eight million eight hundred thousand one hundred and sixty-one euro forty-six cents (€ 148,800,161.46) for public capital increases by means of a cash contribution, providing for the possibility to exercise the legal preferential subscription right or the irreducible allocation right by the shareholders of the Company;
- b. one hundred and forty-eight million eight hundred thousand one hundred and sixty-one euro forty-six cents (€ 148,800,161.46) for capital increases within the context of an optional stock dividend distribution;
- c. at any time 10% of the amount of the capital at the moment on which the decision to increase the capital is taken, for capital increases through monetary contributions not providing for the possibility to exercise the legal preferential subscription right or the irreducible allocation right by the shareholders of the company, on the understanding that the board of directors will only be authorised to increase the capital in accordance with this item (c) if and to the extent that the aggregate amount of the capital increases that took place in accordance with this paragraph over

a period of twelve months does not exceed 10% of the amount of the capital at the moment on which the decision to increase the capital was taken;

- d. fifty-nine million five hundred and twenty thousand sixty-four euro fifty-eight cents (€ 59,520,064.58) for all other forms of capital increase;

on the understanding that within the context of this authorisation, the authorised share capital can never be increased to exceed the maximum amount of € 297,600,322.91 during the period for which the authorisation was granted.

This authorisation is conferred on the board of directors for a period of five years as from the publication in the Annexes to the Belgian Official Gazette of the amendment to the articles of association, adopted by the extraordinary shareholders' meeting of 1 June 2022.

Without prejudice to the above-mentioned authorisation, the extraordinary shareholders' meeting also decided on 1 June 2022 to authorise the board of directors, during a period of three years following this extraordinary shareholders' meeting, to proceed to one or more capital increases in the event of a takeover bid, under the conditions provided for in the applicable legislation and respecting the irreducible allocation right provided for in the BE-REIT legislation, as the case may be.

Purchase of own shares

The company does not own any of its own shares. The extraordinary shareholders' meeting of 1 June 2022 amended the articles of association to authorise the board of directors to acquire shares in Retail Estates nv under a number of special conditions listed in the articles of association.

The extraordinary shareholders' meeting in particular decided to authorise the board of directors, during a period of five years from the publication of the decision in the Annexes to the Belgian Official Gazette, to acquire or take in pledge own shares or certificates relating thereto - without the total number of own shares or certificates relating thereto which the company owns or has in pledge pursuant to this authorisation exceeding ten per cent (10%) of the total number of

shares - at a unit price that cannot be lower than 75% of the average share price during the last thirty days of the listing of the share prior to the date of the decision of the board of directors to acquire or take in pledge the shares, nor higher than 125% of the average share price during the last thirty days of the listing of the share prior to the date of the decision of the board of directors to acquire or take in pledge the shares. The same extraordinary shareholders' meeting also decided to expressly authorise the board of directors, as may be required, to transfer own shares or certificates relating thereto to one or several persons, who may or may not be staff members.

Both authorisations apply to the company's board of directors, to the direct and, if so required, the indirect subsidiaries and, if so required, any third parties acting in their own name but for the account of those companies.

Decision-making bodies

The rules which govern the appointment or replacement of the members of the board of directors and the amendment procedure relating to the articles of association of Retail Estates nv are set out in the applicable legislation (especially the Belgian Code of Companies and Associations and the BE-REIT legislation) and in the articles of association of Retail Estates nv.

Contractual provisions

The conditions under which the financial institutions have provided Retail Estates nv with financing require retention of the public Belgian real estate investment trust status. The general terms and conditions under which this financing was granted give banks the option to demand early repayment in the event of change of control. In addition, a covenant has been written into the credit agreements with a number of financial institutions whereby Retail Estates nv commits itself to maintaining a maximum debt level of 60% (lower than the legal threshold of 65%).

Articles of association of Retail Estates nv

The articles of association of Retail Estates nv have been included in the Permanent Document chapter of this Annual Financial Report. Their most recent revision dates from 1 June 2022.

Data in accordance with the EPRA reference system

EPRA Key performance indicators

These data are not required by the legislation on Belgian REITs and are provided by way of information only. The statutory auditor considered whether the ratios "EPRA Earnings", "EPRA NRV", "EPRA NTA" and "EPRA NDV" were calculated according to the definition included in the "EPRA Best Practices Recommendations" and whether the financial data used in the calculation of these ratios correspond with the accounting data included in the activated consolidated financial statements. The purpose of the "EPRA Best Practices Recommendations" is to publish a few key performance indicators in a transparent manner, making it possible for stakeholders to compare the different European listed real estate companies.

Retail Estates was again included in the EPRA annual report Survey and received a gold award.

For the 2020-2021 Annual Financial Report, Retail Estates received a silver award for its sustainability report from EPRA.



“ Retail Estates was again included in the EPRA annual report Survey and received a gold award. For the 2020-2021 Annual Financial Report, Retail Estates received a silver award for its sustainability report from EPRA. ”

	Definitions	Purpose	31.03.2022		31.03.2021	
			EUR/ 1000	EUR per share	EUR/ 1000	EUR per share
EPRA earnings	Current result from adjusted core operational activities.	A key measure of a company's underlying operating results from its property rental business and an indicator of the extent to which current dividend payments are supported by core activity earnings.	75 265	5.84	62 908	4.97
EPRA NET REINSTATEMENT VALUE	Assumes that entities never sell assets and aims to represent the value required to rebuild the entity.	The EPRA NAV set of metrics make adjustments to the NAV per the IFRS financial statements to provide stakeholders with the most relevant information on the fair value of the assets and liabilities of a real estate investment company, under different scenarios	983 672	74.37	903 837	71.36
EPRA NET TANGIBLE ASSETS VALUE	Assumes that entities buy and sell assets, thereby crystallising certain levels of unavoidable deferred tax.		#N/A	68.46	829 935	65.53
EPRA NET DISPOSAL VALUE	Represents the shareholders' value under a disposal scenario, where deferred tax, financial instruments and certain other adjustments are calculated to the full extent of their liability, net of any resulting tax.		#N/A	68.90	772 670	61.00

	Definitions	Purpose	31.03.2022		31.03.2021	
			%	%	%	%
EPRA Net Initial Yield (NIY)	Annualised gross rental income based on current rents ('passing rents') at balance sheet closing dates, excluding property costs, divided by the market value of the portfolio, plus estimated transfer rights and costs resulting from the hypothetical disposal of investment properties.	This measure makes it possible for investors to compare valuations of portfolios within Europe	6.56%		6.50%	
EPRA topped-up Net Initial Yield (topped-up NIY)	This measure incorporates an adjustment to the EPRA NIY in respect of the expiration of the rent-free periods or other unexpired lease incentives as step up rents.	This measure, taken into account rent-free periods and tenant incentives, makes it possible for investors to compare valuations of portfolios within Europe	6.56%		6.50%	
EPRA Vacancy	Estimated market Rental Value (ERV) of vacant surfaces divided by the ERV of the portfolio as a whole.	Shows the vacancy rate based on ERV in a clear way.	2.07%		2.70%	
EPRA Cost Ratio (incl. vacancy costs)	EPRA costs (including vacancy costs) divided by the gross rental income less ground rent costs	A key measure to enable meaningful measurement of the changes in a company's operating costs.	14.47%		14.79%	
EPRA Cost Ratio (excl. vacancy costs)	EPRA Costs (excluding vacancy costs) divided by the gross rental income less ground rent costs	A key measure to enable meaningful measurement of the changes in a company's operating costs.	14.38%		14.33%	

EPRA earnings	31.03.2022	31.03.2021
	EUR/1000	EUR/1000
IFRS Net Result (attributable to the shareholders of the parent company)	131 837	61 436
Adjustments to calculate EPRA earnings		
To exclude:		
Changes in fair value of investment properties	23 083	-5 963
Other result on portfolio	-1 321	992
Result on disposal of investment properties	334	825
Changes in the fair value of financial assets and liabilities	34 476	2 674
Adaptations to minority interests		
EPRA earnings (attributable to the shareholders of the parent company)	75 265	62 908
Diluted EPRA earnings (in €)		
EPRA earnings (EUR/share) (attributable to the shareholders of the parent company)	5.84	4.97
Diluted EPRA earnings per share (in €)		

EPRA Net Asset Value (NAV)	31.03.2022			31.03.2021		
	EPRA NRV	EPRA NTA	EPRA NDV	EPRA NRV	EPRA NTA	EPRA NDV
	EUR/1000	EUR/1000	EUR/1000	EUR/1000	EUR/1000	EUR/1000
Net Asset Value (attributable to the shareholders of the parent company) according to the annual accounts		920 980	920 980	808 223	808 223	808 223
Net Assets (EUR/share) (attributable to the shareholders of the parent company)	69.63	69.63	69.63	63.81	63.81	63.81
Diluted net asset value after effect of exercise of options, convertibles and other equity interests						
To exclude:						
Fair value of the financial instruments	10 875	10 875	-	-25 678	-25 678	-
Deferred taxes	595	595	-	2 413	2 413	-
Goodwill volgens balans	-	-	-	-	-	-
Intangible fixed assets	-	4 030	-	-	1 553	-
To include:						
Fair Value of debt at fixed interest rates	-	-	-9 621	-	-	-35 553
Revaluation of intangible fixed assets to fair value	-	-	-	-	-	-
Transfer taxes	74 162	-	-	72 349	-	-
EPRA NAV (attributable to the shareholders of the parent company)	983 672	905 480	911 358	903 837	829 935	772 670
EPRA NAV (EUR/share) (attributable to the shareholders of the parent company)	74.37	68.46	68.90	71.36	65.53	61.00

EPRA Net Initial Yield	31.03.2022	31.03.2021
	EUR/1000	EUR/1000
Investment properties (excluding assets held for sale) fair value	1 759 879	1 717 245
Transfer taxes	73 878	72 151
Investment value	1 833 757	1 789 397
Investment properties under construction	15 511	28 348
Investment value of the properties, available for rent	B 1 818 246	1 761 049
Annualised gross rental income	121 870	117 126
Property costs (EPRA)	-2 620	-2 642
Rent payable for hired assets and lease costs	-203	-207
Recovery of charges and taxes normally payable by tenants on let properties	11 963	10 599
Charges normally payable by tenants on let properties	-13 953	-12 167
Charges and taxes on unlet properties	-427	-867
Annualised net rental income	A 119 250	114 483
Notional rent expiration of rent free period or other lease incentives		
Topped-up net annualised rent	C 119 250	114 483
EPRA Net Initial Yield (NIY)	A/B 6.56%	6.50%
EPRA topped-up Net Initial Yield (topped-up NIY)	C/B 6.56%	6.50%

EPRA Vacancy Rate	31.03.2022	31.03.2021
	EUR/1000	EUR/1000
Estimated rental value of vacant surfaces	2 526	3 157
Estimated rental value of total portfolio	121 870	117 126
EPRA Vacancy Rate	2.07%	2.70%

EPRA Cost Ratio	31.03.2022	31.03.2021
	EUR/1000	EUR/1000
Operating corporate costs	6 050	6 123
Impairments on trade receivables	144	2 149
Ground rent costs	203	207
Property costs	10 524	6 877
Less:		
Ground rent costs	-203	-207
EPRA costs (incl. vacancy costs)	A 16 718	15 149
Vacancy costs	B -104	-477
EPRA costs (excl. vacancy costs)	C 16 613	14 672
Rental income less ground rent costs	D 115 570	102 397

		%	%
EPRA Cost Ratio (incl. vacancy costs)	A/D	14,47%	14,79%
EPRA Cost Ratio (excl. vacancy costs)	C/D	14,38%	14,33%

Property related capex (in 000 €)	31.03.2022	31.03.2021
Acquisitions	44 664	86 585
Developments incremental lettable area		13 681
Capex - non incremental lettable area	12 392	20 044
Activated interest expenses	1	140
Total*	57 057	120 450

* for the investments that generate additional m² of rental surface, we refer to the detailed notes in the chapters "Investments" and "fixed assets under construction" of the management report.

Evolution of rental income on a similar portfolio (excluding purchases/sales from past financial year)	31.03.2022			31.03.2021			Evolutie Totaal
	België	Nederland	Totaal	België	Nederland	Totaal	
(in € 000)							
Rental income	78 775	36 998	115 773	70 749	31 855	102 604	13 169
Acquisitions and developments	-2 944	-760	-3 704				-3 704
Disposals	1 863	832	2 696				2 696
Gross rental incomes at constant scope	77 695	37 071	114 765	70 749	31 855	102 604	12 161
Explained by							
Indexation	1 149,42	489,88					1 639
Renegotiated contract	-465,46	98,89					-367
Vacancy	-775,29	-67,89					-843
Kortingen	63,42	-85,84					-22
COVID 19	7 534,07	3 540,14					11 074
Other			680				680

Sustainability Report Retail Estates

#21/22



The purpose of this strategic exercise is to gain a good understanding of which areas of sustainability are important to Retail Estates and its stakeholders, which risks and opportunities ESG entails, which regulations are to be taken into account, how Retail Estates can anticipate them and which competitive challenges and new strategic opportunities in the field of ESG can be identified for Retail Estates.

The strategic ESG framework is structured around two major strategic pillars, **“Green Retail Estates”** and **“Partner of Choice”**, that are the basis for the integrated ambitions of Retail Estates in the field of ESG.

The first strategic pillar “Green Retail Estates” includes three objectives and initiatives: improvement of energy efficiency, focus on renewable energy and the development of future-proof assets.

The pillar “Partner of Choice” focuses on a sustainable and safe work environment, talent development and interaction with all our stakeholders and with society.

Both pillars are supported by one solid base, which is essential for the development of a successful ESG strategy: cooperation with all stakeholders of Retail Estates and a continuous dialogue with everyone who has an interest in the organisation, with specific focus on the tenants of the retail properties.

In this document, the strategic ESG framework of Retail Estates will be explained in detail, including the way in which this strategy has been developed in the course of 2021.

1 ESG materiality analysis

Retail Estates created a materiality matrix in 2021 with a view to determining the priorities in the field of ESG.

The matrix provides an insight into the areas of sustainability that are of priority interest to Retail Estates and on which the company will focus in the years to come.

The matrix was created on the basis of the following steps:



Retail Estates selected 15 socially relevant areas on the basis of a number of relevant frameworks/ratings in the field of ESG reporting (including the European Public Real Estate Association (EPRA), Global Real Estates Sustainability Benchmark (GRESB), Sustainability Accounting Standards Board (SASB), Standard & Poor Global (S&P Global) and Morgan Stanley Capital International (MSCI)) and on the basis of trend reports for the sector (World Economic Forum, PwC, Deloitte). For the selection of these areas, Retail Estates analysed two sectors: the real estate sector (its core business) on the one hand and the retail sector (i.e. the sector where Retail Estates intends to create added value with its customers) on the other hand.

The fifteen selected areas were assessed against the extent to which they have or may have a financial impact on the activities of Retail Estates, today or in the three years to come, taking into account the risks and opportunities that (may) result from these areas.

On the basis of this assessment, a final selection was made of the thirteen ESG areas listed below. These areas will be further explained in this document.

Pillar 1

“Green Retail Estates”

- Energy efficiency 
- CO₂ emission reduction 
- Climate resilient and adaptive 
- Responsible choice of materials 
- Water management 
- Biodiversity and land use 

Pillar 2

“Partner of Choice”

- Business ethics and policy 
- Health, safety and well-being 
- Attract and develop talent 
- Commitment toward stakeholders and communities 
- Consumer behaviour and awareness

General

- Digitalisation
- Cybersecurity

Retail Estates subsequently approached its stakeholder groups, asking them which **materialities are most relevant** for Retail Estates according to them and to what extent the areas have an impact on the activities of Retail Estates. Each area was discussed in detail, not only during an internal workshop with the management of Retail Estates, but also during a panel session/workshop with Retail Estates' external stakeholders. Desktop research complemented the workshops.

The following stakeholder groups were identified and consulted to create the materiality matrix. More information about our cooperation with each of our stakeholders is available in the chapter "our stakeholders".



A number of quotes from our stakeholder panel reveal what is important to them.

In the long term you have to focus on good business ethics and governance. Your reputation can create value. If something goes wrong, your reputation will be damaged.

Companies need the right talent to change things.

CO₂ neutrality is important, in combination with energy efficiency.

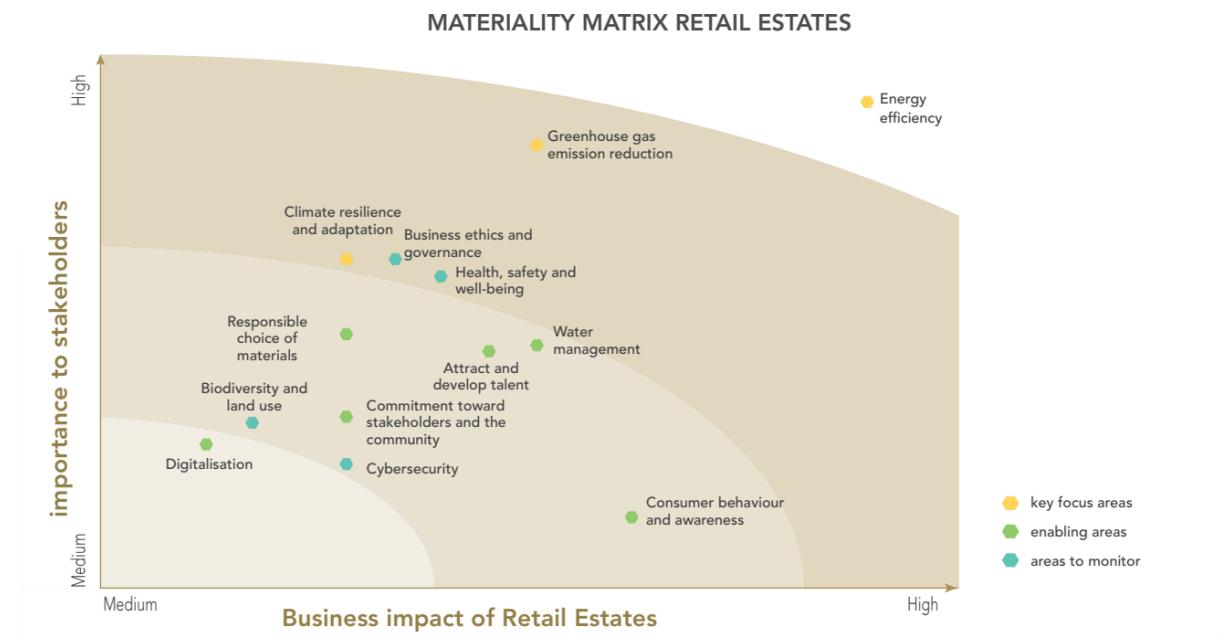
Climate resilience is essential, because badly insulated buildings will disappear from the market.

You can't do everything at the same time, so make a choice. It's important to set clear goals, define milestones and regularly monitor. Then have the results audited and report on progress.

CO₂ reduction is very important. Retail Estates' contribution consists in the accessibility of the retail parks to cars not powered by fossil fuels and in the integration of e-mobility in the out-of-town retail parks.

The results of the internal workshops, the panel session with external stakeholders and the desk research were processed and a weighted average of the different stakeholder groups was applied. Subsequently, each ESG area was included in the materiality matrix depending on the stakeholders' expectations, and the matrix was validated and finalised by the management team of Retail Estates. This resulted in the materiality matrix below, which constitutes the framework for the

ESG policy of Retail Estates. The matrix takes into account both the importance of the areas for the stakeholders and the potential impact of (the focus on) these areas on the activities of Retail Estates. This impact was assessed from the outside-in perspective (the potential impact of the areas on the business of Retail Estates) as well as from the inside-out perspective (the potential (societal) impact of Retail Estates on the areas).



Three areas are regarded as "key focus areas". They are consistent with the business model of Retail Estates and are important for the company's stakeholders. Retail Estates intends to focus on these areas as a priority in order to make its activities more sustainable.

the Agreement, these countries/enterprises have to take the appropriate measures to limit global warming to well below 2°C (compared to pre-industrial levels), to adapt to the climate change and to reduce greenhouse gas emissions (<https://klimaat.be/klimaatbeleid/internationaal/overeenkomst-van-parijs>) (hereinafter referred to as the "Paris Agreement"):

Als Retail Estates mainly owns buildings in shell condition, the company will in the first place examine where it can create an impact. In parallel, Retail Estates will also examine which further steps can be undertaken together with the tenants. The key focus areas are in line with Retail Estates' ambition to create a resilient and "Paris-proof" portfolio. The so-called Paris Agreement is an ambitious global climate agreement that was approved by 195 countries and the European Union at the 21st United Nations climate conference in Paris (COP21). According to

- **Energy efficiency** : The stakeholders consider this area by far the most important parameter Retail Estates should focus on as an investor in buildings (mainly in shell condition). In practice, this concerns investments in the insulation of the shell of buildings in order to reduce energy consumption in the portfolio of Retail Estates.
- **Greenhouse gas emission reduction**: This area focuses

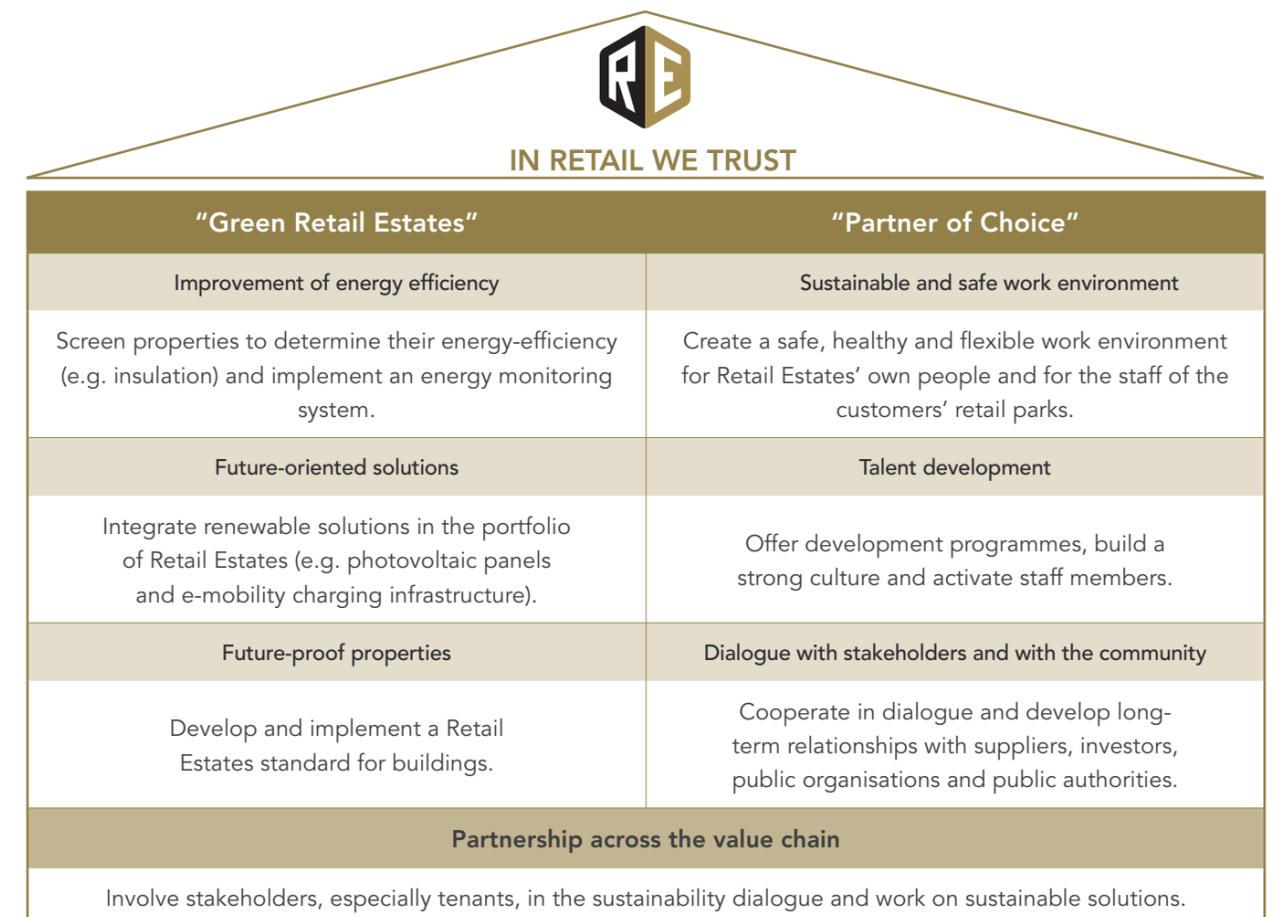
Strategic ESG framework

The areas described above were integrated into a complete strategic framework, which is subdivided into two pillars: “Green Retail Estates” and “Partner of Choice”.

Retail Estates realises that this strategy can only be successful if the company focuses on sustainability across the entire value chain by entering into a dialogue

with its stakeholders, and cooperates with them to find sustainable solutions. Hence the solid basis “partnering along the value chain”.

The ESG strategy is summarised in the “ESG building” below:



on the reduction of the carbon footprint caused by CO₂ emissions. The operational CO₂ emissions result from the methods used by the customers of Retail Estates to generate energy. It is possible to reduce CO₂ emissions through energy savings by insulating the building envelopes on the one hand and by generating renewable energy and no longer allowing fossil fuel installations on the other hand. Building owners can reduce the so-called embedded CO₂ emissions (i.e. the emissions resulting from production, transport, installation and removal) by opting for more environment-friendly materials.

- **Climate resilience and adaptation:** Although Retail Estates seems to have a limited direct impact on climate change on the basis of its business model, this area is gradually becoming more important to the stakeholders and expectations are that its importance will grow even further due to stricter regulatory requirements imposed by the authorities. By focusing on this area, Retail Estates ensures that (the value of) its real estate portfolio will be resistant to climate change.

The materiality matrix also identifies the following so-called **enabling areas**. Focusing on these areas will support the achievements with respect to the key focus areas:

- **Consumer behaviour and awareness :** Retail Estates must take into account future trends and developments in the retail sector, not only with its customers, the retailers themselves, but also with its customers’ customers (the consumer). Meeting the future needs and requirements of retailers and consumers when investing in retail real estate guarantees that the value of the current and future portfolio is reserved.
- **Digitalisation:** To monitor the key performance indicators (KPIs), the energy efficiency and the CO₂ reduction, it will be important to provide the necessary digital tools supporting the “to measure is to know” philosophy.
- **Responsible choice of materials:** By opting for materials in accordance with the principles of circular economy for the development of new buildings and renovations of existing buildings, Retail Estates can contribute to the reduction of waste flows and the use of less raw materials.

- **Commitment toward stakeholders and the community:** By focusing on constructive cooperation with our shareholders and with the (local) community, Retail Estates creates a win-win situation for all. Open communication and active commitment throughout the value chain stimulates an environment centred around cooperation.
- **Attract and develop talent:** The development, growth and motivation of staff members offers them a basis for the development of their own skills. A talented staff (both as to hard and as to soft skills) is essential to achieve the strategic targets.
- **Water management:** In view of the water scarcity, it is important to reduce water consumption. Retail Estates can play a role in that field by preventing water leaks and stimulating water infiltration and rainwater buffering.

In addition, there are a number of **areas to monitor**. It is important to monitor these areas because shortcomings in these fields may entail major risks. In this context it is important to continuously ensure that our activities do not have a negative impact on those areas. They are fundamental and the basis for our success.

- **Biodiversity and land use:** By focusing on brownfields or sites already in use, Retail Estates can avoid using new sites. In addition, it is important to reduce the environmental impact in the vicinity of the retail sites and at least avoid a negative impact on the existing situation.
- **Business ethics and governance:** This area is essential in order to properly do business with the different stakeholders. Neglecting this area may lead to enormous risks, e.g. with respect to reputational damage. Business ethics are a priority for Retail Estates.
- **Cybersecurity:** It is essential to have well-secured IT systems in order to avoid cyber attacks and unauthorised access to the systems.
- **Health, safety and well-being:** This area is important for the activities of Retail Estates across the entire value chain (including toward its own employees, the suppliers (contractors) and the (staff members of the) customers and consumers. Harmful events resulting from possible shortcomings of Retail Estates may have a major negative impact on the reputation of Retail Estates.

PILLAR 1: "GREEN RETAIL ESTATES"

With its stakeholders, Retail Estates stresses the environmental areas and in particular the improvement of energy efficiency, the reduction of greenhouse gas emissions and the climate resilience and adaptation; these are the above-mentioned key focus areas that have emerged from the materiality matrix.

These areas lead to a number of objectives and initiatives that Retail Estates intends to take:

- **Improvement of the energy efficiency of buildings.** A first step toward the creation of a "greener" portfolio consists in mapping the current status of the portfolio as regards energy efficiency (e.g. the exact situation as the insulation of buildings) and in monitoring their energy performance. Both internal and external stakeholders stress the necessity to bring the portfolio in line with the Paris Agreement.

- **Future-oriented solutions:** Retail Estates intends to integrate renewable energy into its portfolio by investing in photovoltaic panels and charging stations.
- **Future-proof assets:** Retail Estates wants to develop and implement a building standard in order to make its properties future-proof. The building standard is the target to be met by all properties. The parameters relate to health and well-being, energy, transport, water, materials, resilience, land use and ecology, pollution. This standard will be further refined and additional areas will be added if necessary. This standard will be gradually implemented in the portfolio.

The areas of the pillar "Green Retail Estates", as described above, correspond to the following "Sustainable Development Goals (SDG's)" of the United Nations: 13 "Climate action", 7 "Affordable and Clean Energy" and 12 "Responsible Consumption and Production". Each of the SDGs will be explained in short below.



Climate

- Retail Estates focuses on climate resilient and adaptive properties in line with the Paris Agreement.
- The climate impact is included in the risk analysis.
- Retail Estates integrates climate actions into the strategy (e.g. CO₂ reduction by means of energy efficiency, renewable energy and responsible choice of materials)



Energy

- Focus on energy efficiency in accordance with the Trias Energetica
- Screening of the portfolio
- Reduction of energy consumption by proper insulation of the building envelope
- Renewable energy is offered to the tenants whenever possible



Responsible

- Contribute to responsible consumption and production
- Sustainable management and efficient use of natural resources on the basis of the circularity principles
- Water management: focus on local rainwater infiltration, buffering and recovery.
- Monitor biodiversity and land use
- Strong cooperation with suppliers, tenants and the local community where the sites are located.

PILLAR 2: "PARTNER OF CHOICE"

With the strategic pillar "Partner of Choice", Retail Estates wants to stress that a good cooperation with its stakeholders is the basis of its success. Central areas resulting from the materiality matrix include "talent attraction and development", "occupational health, safety and well-being" and "stakeholder & community engagement".

The following initiatives and objectives are consistent with this pillar:

- **Sustainable and safe work environment:** Retail Estates wants to offer its own staff members as well as the people working in the retail properties a safe, healthy and flexible work environment.
- **Talent development:** Retail Estates intends to offer its employees development programmes (including soft skills) in order to stimulate its people and develop a broad-based corporate culture.

- **Dialogue with stakeholders and with the communities:** Retail Estates undertakes to build lasting relationships with its suppliers, with investors, public organisations, policymakers and local communities.

These areas have been translated in the following SDGs: 8 "Decent Work and Economic Growth" and 17 "Partnerships to achieve the Goals", that are described below.



Economic growth

- Strive for economic growth that builds on responsible production and consumption (SDG 12), without negative impact on the environment
- A strong cooperation with all parties requires the right people. It is important to attract and develop talent. Equal opportunities and equal pay for equal work for all staff members is the basis.
- A safe and healthy work environment is important for both the staff members of Retail Estates and all people working at the sites.



Partners

- This general area mainly stresses the importance of co-creation and cooperation with the different stakeholders. Only this way will the strategy be successful.
- Important stakeholders are the staff members, customers, suppliers, investors, financiers, brokers, policymakers, public organisations and local communities.

ESG decision-making process

At Retail Estates, decisions with regard to ESG are integrated into the decision-making process. Several administrative bodies and position within Retail Estates play a role in the development, roll-out and implementation of the ESG- strategy, at several levels.

The interaction between all these bodies and positions guarantees a broad-based policy involving all divisions of the organisation.



1.1 Green Retail Estates

Within the pillar “Green Retail Estates”, the focus is on making the properties future-proof, so our priority is the creation of a resilient, sustainable and “Paris-proof” portfolio.

A sustainable property is a flexible property in terms of use, design and the possibility to adjust it to the customer’s needs, taking into account the present-day technical requirements. Finding high-quality and sustainable solutions today will pay off in the future.

In its capacity as owners of buildings in shell condition, Retail Estates will first focus on the building envelope and the common areas of the buildings.

For the purpose of the strategy, the portfolio is subdivided into the 40 largest retail parks (60%) and the remaining smaller retail parks, clusters and solitary properties.

The main focus is on the 40 largest retail parks. However, this does not mean that the same strategy is not followed for improvements to other locations.

The “Green Retail Estates” strategy will only really be successful in co-creation with our stakeholders, to increase our contribution.

The top priority consists in mapping the portfolio. By doing so, Retail Estates intends to determine concrete targets.

Three core issues contribute to the business of Retail Estates and will be discussed in detail below.



Climate resilient and adaptive buildings



Energy efficiency



Reducing of greenhouse gas emissions

1.1.1

Climate resilient and adaptive

SDG 13 is the greater purpose to which Retail Estates wants to contribute with a view to tackling the growing risk related to further global warming. Where the approach relating to the portfolio as well as the daily

operational activities and the strategic choices are concerned, Retail Estates works toward climate resilient and adaptive buildings in line with the Paris Agreement.

In practice, Retail Estates will earmark 10 million euro in the next three financial years for the improvement (insulation) of the building envelope (roofs, floors walls, windows) of the properties in its portfolio.



Mapping the risks

- In order to work toward a sustainable and resilient portfolio, the physical risks as well as the risks linked to the transition are discussed in detail and included in the customary risk analysis, strategy and planning.

Energy screenings and measurement of sites

- It is easier to assess the environmental impact on the basis of energy screenings and by measuring the sites. This input is taken into account for future choices of materials and is used to determine the priorities and budgets of ESG initiatives.
- In order to substantiate our road map, we need energy-related information about our sites and the sites need to be measured. This input is taken into account for future choices of materials and is used to determine the priorities and budgets of ESG initiatives.
- In **the Netherlands**, 186 out of the 241 properties, spread over 14 sites, have an individual energy label. 89% have an A label. At 7 sites, all properties have an A label. Only 3 of the properties have a label lower than category C. The required measures are currently implemented for each of these properties. On an EPC, the score of the tenants is also important. Some of the lower scores are due to the fact that the installations of the tenants, on which Retail Estates has no influence in its capacity as owner, are inadequate. In these cases, Retail Estates takes the initiative to consult with the tenant concerned.
- In **Belgium**, a distinction must be made between Flanders and Wallonia:
 - In Wallonia there is not yet a uniform, government-regulated methodology to collect energy-related information about non-residential buildings in a certificate.
 - In Flanders such a methodology is under development (creation of EPCs for non-residential buildings, applicable to retail real estate). Starting on 1 January 2023, an EPC will be obligatory for the sale or lease of a non-residential building in Flanders, and from 1 January 2025 onward, all immovable properties will need to have an EPC (even if they are not sold or let). As soon as the EPC will have been developed, all Flemish properties will systematically receive such a certificate. Expectations are that similar regulations will also become applicable in Wallonia, and Retail Estates will comply with them.
- For the time being, Retail Estates conducts environmental and energy scans in certain cases. These scans provide a better insight into the current situation of each of the locations. These scans are the basis:
 - for the decision whether or not an energy optimisation is needed for a particular site;
 - for the creation of the EPCs;
 - for the road map for CO₂ reduction/neutrality;
 - for the determination of priorities for the road map.
- In addition to the scans, roof analyses are made to get a better idea of the need for additional insulation of the roofs of retail properties.

Standard for buildings (in line with Paris Agreement)

- It is Retail Estates' ambition to develop a standard for buildings with which all its properties will comply. The parameters that will be part of the standard will relate to health and well-being, energy, transport, water, materials, resilience, land use and ecology, and pollution. Stricter parameters will be added for new constructions. Whenever a building permit application is filed, we consult with the appropriate engineering agencies and competent authorities in order to comply with the relevant standards and recommendations as to sustainability.

Measurements

- Retail Estates will implement a methodology (e.g. SBTi) in order to work in a credible manner toward the CO₂ reduction in the organisation and the portfolio.

Efficient use of resources

- Retail Estates is responsible for the maintenance of the roofs and the car parks of the properties in its portfolio. For this purpose, the new ERP package contains a tool for the development of a multi-annual maintenance planning (see below). A concrete multi-annual maintenance planning is already in place for the Dutch portfolio. A similar exercise will be made for the Belgian portfolio. It's clear that well-planned preventive maintenance prevents unnecessary repairs, resulting in less expenses for transport, a reduction in the consumption of raw materials and a smaller environmental footprint.

Improvement of the building envelope of retail properties

- If the insulation value is significantly lower than the value included in the standard for buildings, façades and floors will be better insulated in case of new leases or when the retail properties are renovated by the tenant or are re-let.
- Attention will also be paid to the airtightness of properties where necessary.

Green lease agreement

- A standard green lease agreement will be drawn up and will be the basis for new leases. The ambition will be to apply the provisions of the standard green lease agreement to lease renewals whenever possible. The purpose is to achieve the common ESG targets in cooperation with the tenants. Obviously, the goodwill and cooperation of the tenants is essential in this respect.

Cooperation

- The energy screenings also provide important information about the technical installations used by the tenants. Cooperation with the tenants is important if we want to realise our ambition to make the properties sustainable. Cooperation with all other stakeholders, including the authorities, is important as well.



Achieved in 2021

- Strategic exercise
- First step for the identification of risks
- First step for the development of a standard for buildings
- Finalisation of four test cases relating to energy screenings in Belgium and measurements of the sites in Belgium
- Transition to an ERP package creating a framework for multi-annual maintenance planning; the multi-annual maintenance planning for the Dutch portfolio is operational
- 256 out of the total portfolio of 987 retail properties have been measured (on the basis of a NEN2580 measurement)
- In 2021, a total of 31 renovations were carried out with a view to the optimisation of the building envelope, for a total amount of 3.6 million euro: 13 locations where roof insulation was installed, double glazing was installed at 8 locations, additional façade insulation was installed at 5 locations, airtightness was improved in 3 properties and sliding doors were installed in 2 retail properties, so that the entrance doors are no longer open all day.
- 186 out of the 241 properties in the Netherlands have an individual energy label (spread over 14 sites); 89% have an A label; at seven Dutch sites, all properties have an A label. Roof analyses: start in the 40 largest retail parks

Planned for 2022-2025

- Finalisation of 3 years of ESG budgeting
- Finalisation of the road map for the next 3 financial years
- Digitalisation: creation of multi-annual maintenance planning for the Belgian portfolio
- Continued rollout of energy screenings, roof analyses and measurement of the 40 largest sites
- Start of energy screenings and measurements for the remaining part of the portfolio
- Determination of KPIs and targets for the next 3 financial years
- Further development of the standard for buildings and implementation of this standard at all sites where new buildings are constructed or renovations are carried out.
- Investment of 10 million euro in the improvement of the building envelopes (insulation of roofs, floors, walls and windows)
- For 2022: insulation of 29 roofs in the context of renovations
- Preparation of a standard green lease agreement that will serve as a basis for new leases; ambition to apply as many of the provisions of the green lease agreement as possible to lease renewals

EPRA

- all ENERGY parameters, see area "energy efficiency":
 - all CERT parameters, see area "energy efficiency":
 - all SOLAR parameters, see area "energy efficiency":
 - all GHG parameters, see area "greenhouse gas reduction"
 - WASTE-ABS & WASTE-LFL: the waste from the common areas of the buildings that is processed by Retail Estates and for which Retail Estates therefore has operational responsibility
 - WATER-ABS & WATER-LFL: the water consumption of common areas for which Retail Estates has operational responsibility.
 - REGENWATER-ABS & REGENWATER-LFL: the rainwater recovered at sites where Retail Estates has operational responsibility for the rainwater tank.
- The intensity of all parameters is calculated in proportion to the total surface area (in m²) of the portfolio.

1.1.2



Energy efficiency

Energy efficiency is the field where Retail Estates can probably have the most direct impact. The purpose is to reduce energy consumption and make use of renewable energy whenever possible.

Retail Estates undertakes to invest 10 million euro in renewable energy and the improvement of water management in the retail parks over the next three financial years: the installation of photovoltaic panels

and charging stations, energy-efficient lighting and investments in water infiltration and rainwater buffering systems.



Renewable energy

- In addition to the insulation of the building envelopes, optimal use can be made of the roofs by means of renewable energy installations. In **2021** photovoltaic panels were installed on the roofs of the retail parks in Hasselt, Hognoul and Heerlen II (see photo), with an energy production equivalent to the consumption of 420 households (on the basis of an average consumption of 4MWh/year).
- Optimal use could be made of the roofs at these three locations, as they were flat roofs with adequate bearing strength. However, it will not be possible to use the entire surface of the roofs at a lot of parks on account of their limited bearing capacity, causing the total kWp/m² to be lower.
- Each "region" (the Netherlands, Flanders, Wallonia) has its own regulations with their own peculiarities. We have **operational control** of the photovoltaic panels in Hasselt (Flanders) (407kWp or 370kWh/year) and Hognoul (Wallonia) (372kWp or 340kWh/year). The total roof surface is 11,600 m² and the photovoltaic panels represent an energy production equivalent to the consumption of 180 households.
- In Heerlen (the Netherlands), more than 2,800 photovoltaic panels will be installed on a roof surface of 41,750 m², with a capacity of 1,157kWp for an annual energy production of 980MWh, i.e. the equivalent of the average consumption of 240 households.
- Retail Estates regards renewable energy as a supporting instrument within the context of the energy transition and increased sustainability of the properties. The purpose is to have a simple model that can be implemented anywhere, requires little monitoring or administration and provides customers with optimal opportunities to procure locally generated **renewable energy**. This model is tested in 2022 at the V-Mart site in Brugge. At this site, a total roof surface of 7,150 m² can potentially be used to install photovoltaic panels.
- In principle, Retail Estates intends to install photovoltaic panels at five locations **in the course of 2022**: V-Mart in Brugge; Shop in Stock in Fosses-la-Ville; Krügershopping in Eeklo; the retail park in Roosendaal and the home furnishing shopping centre in Spijkenisse. These 5 retail parks belong to the 40 largest retail parks owned by Retail Estates, with a total roof surface of 43,000 m² in Belgium and 40,000 m² in the Netherlands. Similar projects will be rolled out later on the basis of the road map.

Charging infrastructure and e-mobility

- The **e-mobility** of electric car owners is facilitated by the installation of the required charging infrastructure. This infrastructure will enable consumers and employees of the tenants at retail locations to charge their cars while they are shopping or working.
- In view of the specific business model for charging stations, Retail Estates will wherever possible enter into a partnership with a specialised party, based on an "as-a-service" model. According to this model, the external party will entirely relieve Retail Estates of the investment as well as of the installation and the operational monitoring. At smaller locations, Retail Estates will probably be responsible for the installation of charging stations.
- In **the Netherlands**, a total of **101 charging stations** will be installed at 13 of the 14 locations where Retail Estates owns retail properties. These are all the locations where Retail Estates owns the car park. the aim is to install these charging stations before the end of 2023.
- In **Belgium** the possibility to install more than **150 charging stations** at 40 retail parks is currently being examined.
- The first 20 locations will be completed by the end of 2023.
- Retail Estates aims at equipping all sites in Flanders featuring more than twenty parking spaces with at least two normal or high power charging stations for electric cars, in accordance with the rules of the Flemish Energy Decree, by 1 January 2025.
- Ideally, the charging stations will be powered by renewable energy generated by a photovoltaic panel installation on the roof of the retail park.

Energy-efficient lighting at car parks

- The **lighting** at the **car parks** of the retail properties will be replaced by LED lighting. We will also examine at what times the sites need to be lit and whether optimisations are possible in this area. The safety in the vicinity of the site is one of the aspects to be considered. LED lighting was installed at 4 locations.

Cooperation with tenants

- In **cooperation** with the **tenants**, we will examine which measures can be taken with respect to the technical installations in the retail properties so as to reduce energy consumption and make it more sustainable. Many of Retail Estates' tenants already have a monitoring system to optimise their consumption. Through the energy scans and by intensifying the contacts with the tenants, Retail Estates intends to gain an even better insight into their consumption and examine the possibilities of taking further initiatives. In addition, Retail Estates has decided to cancel gas connections in the retail parks whenever properties become vacant. This way Retail Estates stimulates further electrification.
- All energy aspects will be considered for all **future improvements** and renovations.

Achieved in 2021

- **ESG strategy**
- **Photovoltaic panels**
 - Installed in Hognoul (BE), Hasselt (BE), Heerlen (NL)
 - Business model for future rollout
- **Charging stations - e-mobility:** agreement to install more than 250 charging stations at 62 locations (in Belgium and the Netherlands). This will mean that the 40 largest retail parks will be equipped with charging stations.
- Energy-efficient lighting at car parks: 17 of our 40 largest retail parks (42.5%) already have LED lighting where necessary. This year the retail parks in Verviers (BE), Eupen (BE) and Zaandam (NL) were taken care of.

Planned for 2022-2025

- **Photovoltaic panels**
 - 2022: installation of photovoltaic panels on a total roof surface of 83,000 m² spread over 5 sites that belong to the 40 largest retail parks of the portfolio.
 - 2025: continued rollout.
- **Charging stations e-mobility:** 1st locations in Belgium and the Netherlands in 2021 and continued rollout.

EPRA: all energy parameters and certificates. See below in the table

- ELEC-ABS & ELEC-LFL: Electricity consumption: The consumptions for which Retail Estates has operational responsibility are in scope: in practice, this concerns the common areas that are not directly allotted to one single tenant.
- FUELS-ABS & FUELS-LFL: Fuel consumption: The consumptions for which Retail Estates has operational responsibility are in scope: in practice, this concerns the common areas that are not directly allotted to one single tenant.
- DH&C-ABS & DH&C-LFL: Heat distribution (N/A for Retail Estates)
- ENERGY-TOTAL (ABS and LFL): Total energy consumption (sum of "ELEC","FUELS","DH&C")
- ENERGY-INT (ABS and LFL) Energy intensity (the intensity is determined on the basis of the surface area (in m²) in the portfolio during the calendar year)
- SOLAR: All photovoltaic panel installations for which Retail Estates has operational responsibility are in scope. By way of indication, a figure is also provided representing the total solar energy generated on roofs for which Retail Estates has operational or that are let to third parties with the specific purpose of installing photovoltaic panels.
- CERT-TOT: All energy performance certificates.

1.1.3



Greenhouse gas emissions

The reduction of greenhouse gas emission is very important to tackle the risks of climate change. Retail Estates expects that this topic will be even higher on the agenda in the years to come, leading to stricter regulations.

In addition to the investment of 10 million euro (over the next 3 years) in the improvement of building envelopes and of 10 million euro (over the next 3 years) in renewable energy, Retail Estates will earmark another **10 miljoen** euro for the 3 years to come in order to invest in ESG-related topics within the context of projects.



CO₂ footprint reduction – CO₂ measurements

- The environmental and energy scans will give an insight into the current CO₂ footprint of the portfolio of Retail Estates. The focus is in the first place on the aspects on which Retail Estates, in its capacity as lessor/owner of the properties, has an impact itself and subsequently on the greenhouse gas emissions across the value chain. CO₂ reduction is the basis for the road map of Retail Estates. Retail Estates also undertakes to measure its CO₂ footprint by means of a method that will be determined at a later point in time.
- As Retail Estates is the owner of the properties in shell condition and usually does not own the technical equipment, Retail Estates only reports the CO₂ emissions related to consumption in the common areas. In the course of 2021 Retail Estates made the transition to green energy for the supply of electricity to the common areas of the retail parks.
- The choice of materials is made together with the suppliers.

Cooperation

- The cooperation with the tenants is important with respect to the technical equipment of the retail properties. In addition, easy communication with the tenant during the works is necessary in order to optimise the site. The suppliers help making the right choices and should guarantee a high-quality installation.

Achieved in 2021

- Finalisation of overall strategy
- Transition to green energy for supply of electricity to the common areas of the retail parks
- Scope 2

Planned for 2022-2025

- Calculation of CO₂ footprint according to a method to be determined
- Defining KPIs and determination of concrete targets and monitoring

EPRA: all greenhouse gas parameters. See below in the table

- GHG-DIR-ABS & GHG-DIR-LFL: Direct greenhouse gas emissions: The greenhouse gas emissions linked to the meters of common areas relating to "FUELS" for which Retail Estates has operational responsibility.
- GHG-INDIR-ABS & GHG-INDIR-ABS: Indirect greenhouse gas emissions: The greenhouse gas emissions linked to the meters of common areas relating to "ELEK" for which Retail Estates has operational responsibility.
- GHG-TOTAL-ABS & GHG-TOTAL-LFL: Total greenhouse gas emissions: the sum of the direct and indirect greenhouse gas emissions.
- GHG-INT-ABS & GHG-INT-LFL: the intensity of the greenhouse gas emissions: total greenhouse gas emissions compared to the intensity from building energy consumption



1.2 Partner of Choice

Retail Estates wants to be a long-term partner for its stakeholders and cooperate with them in order to created value and added value across the value chain. Some major stakeholders of Retail Estates and their expectations in the field of CSR are described below under item 2.

These stakeholders are the investors/financiers, customers/tenants, suppliers, staff members, policymakers, public organisations and local communities.



Talent Attraction & Development



Occupational Health, Safety & Well-being



Stakeholder & Community Engagement

1.2.1



Talent Attraction & Development

Retail Estates started out as a small organisation and has in the meantime evolved into a company with a workforce of over 35 people in Belgium and the Netherlands. **Close and direct communication** is an essential part of our activities. We have worked hard to achieve our results

and will continue to do so for even better results in the future, by putting **the right people in the right place** and providing adequate coaching to develop and maintain our talents. We also provide the possibility to grow through **training or project follow-up** outside the scope of the usual job

responsibilities. A lot of attention is paid to the personal development of each of our employees.

Our corporate culture is based on **diversity and inclusion** and promotes equal chances for everyone.



Organisation

- **Events** are organised on a regular basis, both for the different divisions and for the entire team. Once a month an informal afterwork drink is organised at the office. We also encourage our people to **take initiative**, of which "Sports for charity" (see below) is a perfect example. This is a bottom-up initiative that is now supported by the entire company.
- Retail Estates is also concerned for the **well-being** of its staff. Fruit is available at the office and staff members exchange Whatsapp messages with useful tips for a healthy diet and lifestyle and a good work-life balance.
- Every single staff member is given the opportunity to **follow training courses** in order to deepen or broaden their skills. These training courses are not limited to professional skills only, but may also relate to personal development.
- The staff members are invited to an **assessment interview** each year.
- In addition, the targets for the next year are discussed on the basis of the insights gained in the previous years and the possibilities of (follow-up) training are discussed. Retail Estates thus wants to build a stable team that focuses on the continued development of the team itself and its talents.

Digitalisation

- The integration of new digital technologies should result in an improvement of the business processes as well as in the optimisation of the cross-border cooperation between the different teams as well as of the quality and the services for all stakeholders.
- Thanks to this digitalisation, all **staff members are able to telework up to 2 days a week**. This contributes to a good work-life balance.
- In order to stimulate good relations between colleagues, all staff members are expected to work at the office three days a week, to guarantee a proper balance where the human aspect and the informal communication channels are concerned.
- The new ERP (Enterprise Resource Planning) package was implemented at the start of the new financial year. Asset management, order creation, the follow-up of works to be carried out and the budgets, the processing of incoming and outgoing invoices, a multi-annual maintenance plan: all these processes and more will be integrated in and controlled by one single software package. The underlying documents (lease contracts, titles of ownership, permits etc.) will be fully digitised by means of an integrated document management system (DMS).
- Furthermore, all **documents** that are useful to the **management committee, the remuneration committee, the audit committee** and the **board of directors** will be made available on a **digital** platform. This increases efficiency and minimises paper consumption.



Sports for charity

- A healthy mind in a healthy body. The purpose of this initiative is to practise sports and help a charity at the same time. The idea was conceived in 2018 by a few colleagues, and an active work group was eventually set up to stimulate the entire team. Every minute an employee practises "sports" is converted into a specific amount of money. Each year the money thus collected is given to a charity proposed by the staff. Usually it's a charity one of staff members has a special affinity with because he or she is closely involved in it or has been promoting it for some time. Each charity has the opportunity to present itself to the team.
- In the calendar year 2021 the efforts of our people yielded a total amount of 6,000 euro. This is an increase by 33% compared to last year. Once again, Retail Estates doubled this amount to 12,000 euro. This enables us to donate 4,000 euro to a charity in each of the 3 regions:
- In **the Netherlands** we support "Make a Wish", a charity that gives sick children the experience they have always dreamed of.
- In **Flanders** we make a donation to MPC Sint Franciscus. This medical and educational centre support both underage and adult individuals with a disability. The centre is strongly embedded in the local community of Roosdaal.
- In **Wallonia** we support the Red Cross in their efforts to provide relief in the area of Verviers that was seriously affected by the floods in the summer of 2021.



Achieved in 2021

- Since September all staff members have the possibility to work at home 2 days a week in order to improve their work-life balance. Those who prefer to come to the office are still welcome.
- 2-day team building event in September for all staff members of Retail Estates
- 6,000 euro raised by practising sports for charity
- The implementation of the SAP-ERP system makes it possible to integrate all flows in the organisation into one single system and to further optimise cooperation.
- Monthly after-work drink at the office in our office coffee bar.

Planned for 2022-2025

- Fine-tuning the assessment interviews;
- Choosing new charities; telephones and laptops that will be replaced due to the ERP implementation are donated to "Ondernemers voor een warm België", who will refurbish them and distribute them among underprivileged children and adults.
- Further development of training policy.

EPRA: See below in the table

- EMP-TRAINING Training and development: All internal staff members are in scope
- EMP-DEV Assessments: All internal staff members are in scope
- EMP-TURNOVER Turnover and retention of staff members: All internal staff members are in scope
- DIVERSITY-EMP Gender diversity of staff members: All internal staff members are in scope
- DIVERSITY-PAY Wage ratio on the basis of gender

1.2.2



Occupational Health, Safety & Well-being

Health, safety and well-being is important to everyone with whom Retail Estates works: its own staff, the tenants' staff and the staff of suppliers working at one of our sites.



Occupational Health, Safety & Well-being

- We provide a pleasant and safe work environment for our own staff at the office and on the road, as well as the possibility to work at home 2 days a week for a good work-life balance.
- Our staff members are encouraged to practise sports, not only via the initiative "sports for charity" explained in the previous item, but also by the organisation of two-weekly fitness sessions with professional guidance at the office. Our staff members can also play a game of table tennis during their lunch break.
- During the COVID-19 period, we also made sure there were clear rules and that the colleagues were kept up to date on a weekly basis by means of Teams meetings (with all staff members and in the separate divisions). It is during this period that the weekly "wake-up call" on Monday morning came about. This habit is maintained even now, post-COVID-19. During this weekly wake-up call, which is attended by all colleagues either physically or digitally, the management provides information about the day-to-day business and everyone has the opportunity to make announcements, which need not necessarily be work-related.
- Within the limits of the law, Retail Estates gave its staff members optimal opportunities to come to the office during the COVID-19-period if they felt they needed to. This benefited the mental well-being and the relationships between colleagues during that period.
- For the tenants' staff members and customers, a number of parameters will be included in the standard for buildings and the green lease agreements so as to give absolute priority to the health, safety and well-being of the individuals concerned.
- In this respect we will focus on:
 - a safe circulation plan at the sites and signage where necessary,
 - accessibility of the sites for everyone, independent of age, size and limitations, if any,
 - where possible, allowing natural light to enter the buildings (without blinding effect) or at least providing proper lighting with adequate lux levels
 - monitoring and adjusting temperature and ventilation by the persons who are present, as well as providing the required CO₂ meters,
 - providing the car parks with plants: it benefits the climate and contributes to the general well-being.

Achieved in 2021

- Finalisation of strategy
- Two days telework per week
- Safe work environment for the staff, also during COVID-19
- Kuurne: adjustment of crossing between cycling path and car park to guarantee safer bicycle traffic
- Table tennis table at the office

Planned for 2022-2025

- Two-weekly sports session at the office for staff members during the lunch break, with professional guidance
- Further fine-tuning and rollout of the standard for buildings
- Preparation of greenlease agreement

EPRA: See below in the table

- | | |
|--|--|
| <p>Health and safety for employees</p> <ul style="list-style-type: none"> • H&S-EMP work accidents: work accidents involving own staff members are in scope • H&S-EMP incapacity for work: the number of days of incapacity for work resulting from a work accident involving own staff members are in scope. • H&S-EMP absenteeism: absences due to illness of own | <p>staff members are in scope</p> <ul style="list-style-type: none"> • H&S-EMP deaths: all own staff members are in scope • H&S-ASSET health and safety assessments: the properties in the portfolio are in scope • H&S-COMP compliance with health and safety plan: the number of incidents at the sites are in scope. |
|--|--|

1.2.3



Stakeholder & Community Engagement

The real estate activity of Retail Estates investors, public authorities, local suppliers, tenants/shop owners, has an impact on different stakeholders: communities, our own employees, customers/buyers.



Tenants

- Retail Estates offers **retail units in shell conditions** Their use and subdivision are the tenant's responsibility.
- Retail Estates therefore does not have full control of the furnishing of the shops, but by **raising awareness** and by providing sustainable basic facilities (e.g. well-insulated properties, rainwater tanks) in new construction or transformation projects, the company makes tenants aware of the benefits of rational energy consumption.
- In new lease contracts, the focus will even more be on sustainability on the basis of **green lease**.
- For new constructions and renovations, the **standard for buildings** will serve as a guideline to offer the tenants sustainable and resilient buildings. Obviously, the **needs** of the **tenants** are always taken into account within the context of our standard.
- If an existing retail unit is ready for occupation by the tenant, small adjustments are made to render it easier to use. Thanks to the **flexibility** of the **existing units** (e.g. height, logical column structure, individual connections,...) this can often be done very quickly. If more extensive adjustments are needed, the tenant is informed of the applicable legislation (energy efficiency and indoor climate, requirements imposed by the fire brigade,...) so that he can make the correct adjustments.
- In case of new constructions, the technical specifications are discussed with the tenant. Very often a carefully considered basic structure is provided, so that the adjustments to be made are only accessory and can easily be integrated during the construction process.
- The future flexibility of a property (e.g. the possibility to subdivide a retail area) and adjustments that meet the specific needs of the current tenant can be perfectly combined. We look for synergies between the tenant and the lessor.
- Retail Estates also focuses on **long-term relations** with its tenants. The company intends to be a reliable partner and makes every possible effort to **respond quickly to questions** from its tenants.
- Outside the scope of its own enterprise, Retail Estates also pays attention to the **social embedment** in each retail park. Together with our tenants, we examine how we can reach as many people as possible while providing added value of social and local relevance wherever we can. Making a contribution to local communities is possible in many different ways: by upgrading a place where people can meet, by launching initiatives that create added value or by supporting local heroes.
- In order to map **consumer behaviour** at the different sites for the tenants and to gain an insight into the number and timing of visits to the sites, we make use of technology at large retail parks to carry out **traffic counts** from which visitor numbers can be deduced. Quantitative and qualitative information can be obtained from **surveys** with the customers, who are the final consumers. This way, the retail offer can be optimally aligned with the visitors' profiles.

Customers

- The **comfort and quality of service** offered to our tenants' customers at the retail properties and sites are of crucial importance. This is reflected in a multitude of details: green areas, well-structured car parks enabling customers to easily find their cars, safe traffic circulation, clearly recognisable shopfronts, (covered) walkways,...
- If **renovations** are necessary, the **impact** of the works is carefully assessed in order to **limit** it to a minimum.

Staff

- It is the ambition of Retail estates to create the right **work-life balance** for our compact and dynamic team, with proper attention for everyone's personal needs and personal and professional development. Thanks to appropriate IT solutions, it's also possible for the staff to **work comfortably from home** (2 days of teleworking per week).
- We offer our employees an **attractive wage package**. The remuneration of the employees is evaluated each year.
- Retail Estates fosters an **open corporate culture** without barriers between staff and management. Weekly follow-up meetings in the different teams help shape the personal approach.
- Correct **ethical conduct** is one of our basic values. That is why our employees also endorse our Dealing Code.

Investor/Financier

- Our long-term objective is **value creation** and **profit generation**. This is supported by a long-term business model with clear targets and an ambitious growth strategy.
- We communicate on a regular and transparent basis with our investors, financiers and shareholders during investor relations meetings and through participation in investor road shows.

Suppliers

- It is Retail Estates' intention to develop a **long-term partnership with our suppliers** by making clear arrangements and conducting negotiations in a fair and correct manner.
- The suppliers are also our partners who can provide **guidance** in making **choices** for an increased **sustainability of the retail parks**.

Policymakers

- We continuously monitor compliance with the **relevant regulations** and enter into **open dialogue** through the appropriate **professional organisations**, e.g. the BE-REIT association. In case of renovations or project developments, we enter into close consultations with **local authorities**, e.g. within the context of permit application files.

Local communities

- Measures are taken to reduce the **environmental impact** of the activities of Retail Estates on the immediate environment to a minimum. The focus is on economic growth as well as on the creation of employment. We collaborate with sheltered workshops. In addition, several charities are selected each year and receive sponsorship money (e.g. the funds raised by the initiative "Sports for charity" (see below)).

Achieved in 2021

- Finalisation of overall strategy
- Tenants: temporary accommodations for retailers whose retail properties became unfit for use due to the floods in Wallonia.
- Local communities: sale of a vacant retail property for a symbolic price to a school in order to repurpose it as classrooms
- Bicycle highway Antwerp-Brussels in the vicinity of our properties in Mechelen at N16 and Elektriciteitstraat.
- Sponsorship of local sports clubs: Hockey Ternat; Football Meldert and Tongeren
- Sponsorship of charities;
- Provision of two premises to municipalities as COVID-19 vaccination centre

Planned for 2022-2025

- Sponsorship of (local) charities
- Sponsorship of local sports clubs

EPRA

- Comty-ENG: Involvement in society, impact assessments and development programmes



2 Our stakeholders

Below is an overview of the expectations expressed by the different groups of shareholders during the ESG analysis (carried out with a view to determining the strategy and the materiality matrix). The 3 main focus areas for Retail Estates according to each stakeholder group are indicated with a score ranging from 1 (highest priority) to 3. Any other areas they mentioned are indicated by means of "X".

In addition, the commitments made by Retail Estates to meet these expectations are mentioned.

Field	Expectations of Stakeholders	Investors /brokers	Customers	Suppliers	Staff	Polymakers	Public organisations	Local communities	Commitment of Retail Estates	
E	Climate resilience and adaptation	3					3	2	<ul style="list-style-type: none"> - Defining a standard for buildings for new construction and renovation projects, that is at least in line with the Paris Agreement. In addition to energy, other topics are examined as well, e.g. water and materials, well-being,... - The climate risks are integrated into the general risk analysis for Retail Estates. - A draft green lease agreement is drawn up to serve as an annex to lease contracts and is presented to the tenants during negotiations for the conclusion of new lease contracts. The agreement will contain all parameters that are of importance within the context of the strategy of Retail Estates. - Performing energy scans, focusing on the 40 largest retail parks (60% of the total portfolio). These scans are a sound basis for the creation of the road map for the optimisation of buildings. On the basis of the energy scan, Retail Estates acquires a good insight into the properties that perform well or badly. The energy scan also gives an idea of the performance of the installations of the tenants, who can then be approached. - Preparation of energy performance certificates. - Investments in the optimisation of building envelopes of the properties in shell condition 	
	Energy efficiency (+ integration of renewable energy/ photovoltaic panels)	2	1	2		3	2	3	<ul style="list-style-type: none"> - Replacement of the lighting at car parks by energy-efficient lighting. - Focus on renewable energy through the installation of photovoltaic panels and charging stations at car parks. 	
	Greenhouse gas emission reduction:	X	3				1	1	<ul style="list-style-type: none"> - Collect the required data to define the CO₂ baseline for the 40 largest retail parks. - A road map is created on the basis of the CO₂ baseline. In addition, KPIs and targets can be defined that are monitored on a regular basis. 	
	Biodiversity; land use (Focus on other Environmental Issues)						2		1	<ul style="list-style-type: none"> - The standard for buildings stresses biodiversity and efficiency of land use. - In case of new constructions and comprehensive renovation projects, the biodiversity in the immediate environment will be optimally promoted and the land use will be carefully examined.
	Water management				3					<ul style="list-style-type: none"> - With respect to water management, the standard for buildings focuses on water collection, infiltration and recovery. In addition the risk of flooding at the site will be taken into account. - The rollout of the Smartvatten meters will continue.

Field	Expectations of Stakeholders	Investors /brokers	Customers	Suppliers	Staff	Polymakers	Public organisations	Local communities	Commitment of Retail Estates
E	Future-proof buildings (in compliance with the Paris Agreement of the COP25)	X							<ul style="list-style-type: none"> - The standard for buildings that is developed must meet the requirements of the Paris Agreement. In this respect the ambition is to have standard project specifications. - The roadmap will help us methodically work toward a future-proof portfolio.
	Screening of buildings			X					<ul style="list-style-type: none"> - In addition to the energy scans, the NEN2580 measurements will be rolled out for the entire portfolio.
	Promotion of circularity (e.g. responsible choice of materials)			1		X			<ul style="list-style-type: none"> - For new construction and renovation projects, a materials study will be carried out so that the CO₂ emission of the materials can be taken into account. - The standard for buildings will also include alternative (more circular) materials for renovation works. - In case of demolition works, materials will be recycled whenever possible.
	Healty and safe buildings / work environment across the value chain			2		X		X	<ul style="list-style-type: none"> - The buildings are developed in such a way that it is possible to ensure proper ventilation.
S / Partner	Good work-life balance				X				<ul style="list-style-type: none"> - The focus is mainly on output. Each staff member has his/her own needs. This is taken into account whenever possible in the small-scale organisation. - Staff members can telework two days a week.
	Focus on development and transparency to attract talent				1				<ul style="list-style-type: none"> - Staff members are given the opportunity to follow training courses. The management makes suggestions, but own initiatives are appreciated even more.
	Cooperation to:								<ul style="list-style-type: none"> - The property managers are in close contact with the customers on a daily basis. - The service team has been extended in order to provide even better support to the property managers. - Constructive cooperation and a short reporting line are key.
	- gain a better understanding of market trends and customers								<ul style="list-style-type: none"> - Promotion of fixed days on which everyone works at the office in order to foster relationships between colleagues and interaction. - The number of visitors to a site is monitored to undertake better actions. - Marketing actions are launched at retail parks - Retail Estates seeks the support of external parties for the transition to higher sustainability in the organisation and the portfolio. - A new ERP guarantees improved support of the real estate and financial processes.
	- create value	X	X	X	X	X	X	X	
	- bring about a business transformation								
	- with stakeholders and with the community								

Field	Expectations of Stakeholders	Investors /brokers	Customers	Suppliers	Staff	Policymakers	Public organisations	Local communities	Commitment of Retail Estates
S, Partner	Transparency and in-volvement of stake-holders and staff members			X					<ul style="list-style-type: none"> - Being a small-scale organisation, Retail Estates is in close contact with the stakeholders. - Every Monday morning a brief conference call takes place with all staff members. Important announcements (both professional and personal) are made and the evolution of important projects, market trends, newspaper articles etc. are discussed. This way everyone remains involved and informed of the general situation.
	Staff members want to receive equal opportunities				X				<ul style="list-style-type: none"> - During assessment interviews, people can explain their perspective and their ambitions. - All staff members are encouraged to follow training courses.
G	Business ethics and governance are key	1			3	X	X		<ul style="list-style-type: none"> - One of the basic values of Retail Estates, as a listed company and a BE-REIT, is business ethics.
	Cybersecurity is important to protect the privacy of the staff members and the business and to prevent potential leaks.				X				<ul style="list-style-type: none"> - Retail Estates has adopted the required processes and procedures such as MFA (Multi Factor Authentication). - The IT infrastructure has been contracted out to a qualified external partner, who ensures the required security. - Staff members are trained to be alert to phishing mails.
Sup- porting	Digitalisation is crucial to measure progress	X			2				The new ERP system is equipped with the necessary reporting tools (e.g. multi-annual planning of maintenance) that support and facilitate moni-toring.

3 EPRA Table

Environmental indicators & tables

General

Retail Estates has chosen to draw up its sustainability report in accordance with the EPRA sBPR Guidelines, the purpose of which is to facilitate comparisons between different European real estate companies. These data are not required by the legislation on Belgian REITs and are provided by way of information only.

The values indicated relate to the periods from 1 January to 31 December of the calendar years 2020 and 2021.

Within the context of the optimisation of the reporting processes, we have further standardised the underlying

structure. All data inputs have been incorporated into one single file. In addition, the necessary parameters have been added to avoid manual selections and calculations. This gives rise to a number of differences compared to the report of the previous calendar year (2020).

The denominator in m² has been adjusted. This way the entire portfolio is in scope. With respect to the like for like growth, Retail Estates includes the properties that have remained in the portfolio for 24 months, from early 2020 to late 2021.

EPRA Code	Discription	GRI standard of CRES D	Units of Measure	EPRA KPI	Belgium			The Netherlands			Office (Ternat)		
					2020	2021	delta	2020	2021	delta	2020	2021	delta
m ²													
ABS totaal			m ²	m ²	827 145	823 549	0%	392 378	379 433	-3%	1 381	1 381	0%
Like for Like			m ²	m ²	762 687	760 403	0%	307 538	307 537	0%	1 381	1 381	0%
% LFL			%		92%	92%		78%	81%		100%	100%	

With regard to the scope of the underlying KPIs, the surface area (m²) of the portfolio that is covered will be indicated.

For the environment indicators, a distinction is made between the portfolio in Belgium (BE), the portfolio in the Netherlands (NL) and the head office in Ternat (Office).

With respect to the social indicators, the company is considered in its entirety. The governance chapter is included in the annual report.

Energy

EPRA Code	Description	GRI standard of CRES	Units of Measure	Belgium			The Netherlands			Office (Ternat)		
				2020	2021	delta	2020	2021	delta	2020	2021	delta
ENERGY CONSUMPTION (common parts)												
ABS total			m ²	284 686	277 791	-2%	277 387	274 599	-1%	1 381	1 381	0%
% in scope of reporting				34%	34%		71%	72%		100%	100%	
Elec-Abs	Total electricity consumption	302-1	MWh	588.7	-	-100%	2 194.06	2 522.95	15%	121.75	-	-100%
	Non-renewable		MWh	100%	0%		100%	100%		100%	0%	
	Renewable		MWh	0%	0%		0%	0%		0%	0%	
	Renewable prod: local consumption		MWh	0%	0%		0%	0%		0%	0%	
DH&C-Abs	Total electricity consumption - District Heating&Cooling	302-1	NVT	NVT	NVT	NVT	NVT	NVT	NVT	NVT	NVT	NVT
Fuels-Abs	Total fuel consumption	302-1	MWh	-	-	0%	3 552.79	4 004.03	13%	-	-	0%
	Non-renewable		MWh	0%	0%		100%	100%		0%	0%	
	Renewable		MWh	0%	0%		0%	0%		0%	0%	
Energy Total	Total Energy Consumption		MWh	588.7	-	-100%	5 746.85	6 526.98	14%	121.75	-	-100%
Energy-Int Abs	Building energy intensity	CRE1	kWh/m ²	0.71	-	-100%	14.65	17.2	17%	88.16	-	-100%
Elec-LfL	Total Electricity consumption	302-1	MWh	588.7	-	-100%	2 136.76	2 380.24	11%	121.75	-	-100%
	Purchase of Electricity Non-Renewable		MWh	100%	0%		100%	100%		100%	0%	
	Purchase of Electricity Renewable		MWh	0%	0%		0%	0%		0%	0%	
	Renewable prod: local consumption		MWh	0%	0%		0%	0%		0%	0%	
DH&C-LfL	Total Energy consumption - District Heating&Cooling	302-1	-	-	-	-	-	-	-	-	-	-
Fuels-LfL	Total Fuel Consumption	302-1	MWh	-	-	0%	3 494.65	3 923.18	12%	-	-	0%
	Non-renewable		MWh	0%	0%		100%	100%		0%	0%	
	Renewable		MWh	0%	0%		0%	0%		0%	0%	
Energy Total LfL	Total Energy Consumption		MWh	588.7	-	-100%	5 632.42	6 304.42	12%	122.75	-	-100%
Energy-Int LfL	Building energy intensity	CRE1	kWh/m ²	0.77	-	-	18.31	20.5		88.89	-	-

For each of the fields covered by the report (BE, NL, Office), only the consumption of the common areas, on which Retail Estates has an operational impact, is included. This consumption is therefore not directly attributable to a private part of a property. This concerns both electricity and gas consumption. Retail Estates does not have heat grids. The distinction between renewable and non-renewable energy is expressed as a percentage.

No extrapolation of the values, i.e. the consumption measured by the energy supplier, takes place. Considering the size of the portfolio and the fact that some contracts expire earlier or become effective sooner from one year to another, the same data search was executed for 2020 and for 2021.

In the Netherlands, the data have been refined for 2021 to make a distinction between renewable and non-renewable energy.

In Belgium, 34% of the m² WAT are in scope for energy consumption. In October 2021, Retail Estates switched to an energy contract on the basis of green certificates. The consumption mainly relates to outdoor lighting and occasionally on sprinkler installations or other technical installations.

In the Netherlands, 72% of the m² WAT are in scope. The data for 2021 have been refined so as to distinguish between renewable and non-renewable energy. The sites are larger and the technical installations are more extensive. Consumption has increased significantly: although it was less cold, the period with lower temperatures lasted longer and there were fewer periods of compulsory closure due to COVID-19.

In order to have a better insight into the total actual consumption of the portfolio, sub-metering will be

applied in a later phase. This means that Retail Estates will receive the invoices and will charge the consumption specifically attributable to the different private parts of the property.

In a next phase, the consumption of the respective tenants will be included to obtain an overall view of the portfolio, provided that the tenants are willing to cooperate. Due to the limited availability of information, this is not yet possible.



“ In principle, Retail Estates intends to install photovoltaic panels at five locations in the course of 2022: V-Mart in Brugge; Shop in Stock in Fosses-la-Ville; Krügershopping in Eeklo; the retail park in Roosendaal and the home furnishing shopping centre in Spijkenisse. ”

Greenhouse gas emissions

EPRA Code	Description	GRI standard of CRES D	Units of Measure	Belgium			The Netherlands			Office (Ternat)		
				2020	2021	delta	2020	2021	delta	2020	2021	delta
GREENHOUSE GAS EMISSIONS (market based)												
GHG-dir-Abs	Total direct greenhouse gas emissions	305-1	ton CO ₂	-	-	0%	262,06	295,35	13%	-	-	0%
GHG-indir-Abs	Total indirect greenhouse gas emissions	305-2	ton CO ₂	43.42	-	-100%	161.84	139.21	-14%	8.98	-	-100%
GHG Total Abs	Total		ton CO₂	43.42	-	-100%	423.9	434.56	3%	8.98	-	-100%
GHG-Int-Abs	Greenhouse gas emissions intensity	CRE3	kg CO ₂ /m ²	0.05	-	-100%	1.08	1.15	6%	6.5	-	-100%
GHG-dir-LfL	Total direct greenhouse gas emissions	305-1	ton CO ₂	-	-	0%	257.78	289.39	12%	-	-	0%
GHG-indir-LfL	Total indirect greenhouse gas emissions	305-2	ton CO ₂	43.42	-	-100%	157.61	131.34	-17%	8.98	-	-100%
GHG Total LfL	Total		ton CO₂	43.42	-	-100%	415.39	420.72	1%	8.98	-	-100%
GHG-Int-LfL	Greenhouse gas emissions intensity	CRE3	kg CO ₂ /m ²	0.06	-	-100%	1.35	1.37	1%	6.5	-	-100%

The CO₂ volumes (expressed in tonnes) result from the above-mentioned gas and electricity consumption. The market based conversion factors for 2020 and 2021 were requested from the energy suppliers.

Thanks to the transition to a green certificate contract in October 2021 in Belgium, emissions have significantly decreased.

As a result of the refining of the data in the Netherlands, a distinction between renewable and non-renewable energy is possible, causing greenhouse emissions to strongly decrease as well.

The emission parameters below were applied to the energy consumption.

Solar

EPRA Code	Description	GRI standard of CRES D	Units of Measure	Belgium			The Netherlands			Office (Ternat)		
				2020	2021	delta	2020	2021	delta	2020	2021	delta
RENEWABLE ENERGY PRODUCTION												
ABS total			m ²	13 961	28 697	106%	94 746	94 745	0%	1 381	1 381	0%
% in scope of reporting				2%	3%		24%	25%		100%	100%	
Like for Like			m ²									
Solar	Produced (operationally responsible)		MWh	57.57	47.27	-18%	-	-	0%	14.97	-	-100%
Solar	Produced (total)		MWh	57.57	47.27	-18%	249.67	-	-100%	14.97	-	-100%

The data were refined and brought in line with the rest of the report. A distinction is now made between the solar energy generated by the photovoltaic panels for which Retail Estates has operational responsibility and the total energy production.

In Den Bosch and Heerlen (the Netherlands), Retail Estates has granted an external party a building right on certain roof surfaces.

In Belgium, Retail Estates intends to ensure that the locally produced energy is first consumed by the tenants. This is not always easy, as the tenants are in contact with different owners, each of which propose their own approach. Over the next year, we will gradually gain more insight into alternative ways of working.

Water

EPRA Code	Description	GRI standard of CRES	Units of Measure	Belgium			The Netherlands			Office (Ternat)		
				2020	2021	delta	2020	2021	delta	2020	2021	delta
CITY WATER												
ABS total			m ²	281 590	277 617	-1%	183 489	181 157	-1%	-	-	0%
% in scope of reporting				34%	34%		47%	48%		0%	0%	
Water-Abs	Total water consumption	303-1	m ³	1 938.00	-	-100%	5 398.13	4 391.48	-19%	-	-	0%
Water-Int	Building water intensity	CRE2	m ³ /m ²	2.34	-	-100%	13.76	11.57	-16%	-	-	0%
Water-LfL	Total water consumption	303-1	m ³	1 938.00	-	-100%	5 361.13	4 391.48	-18%	-	-	0%
Water-Int LfL	Building water intensity	CRE2	m ³ /m ²	2.54	-	-100%	17.43	14.28	-18%	-	-	0%

With regard to water, only the common meters are in scope.

As indicated in the ESG report of last year, we collected the data for 2019 and 2020 in the 2020-2021 financial year. The difference between 2019 and 2020 is Belgium is due to a water leak at the retail park Brugge V-markt in 2019. As stated above, Retail Estates will step up the monitoring efforts in the future in order to detect and solve this type of leaks sooner.

The water assessment is an important element for each new project: research is carried out to check whether a new building or extension of an existing building will have a negative impact on the risk of flooding, the water quality, the groundwater level, etc. This can be prevented by means of permeable paving on car parks, on-site storage of rainwater and/or delayed discharge into the public sewerage system, recovery of rainwater to cover the property's own needs, etc.

Rainwater recovery

EPRA Code	Description	GRI standard of CRES	Units of Measure	Belgium			The Netherlands			Office (Ternat)		
				2020	2021	delta	2020	2021	delta	2020	2021	delta
RAINWATER												
ABS total			m ²	28 867	28 867	0%	-	-	0%	-	-	0%
% in scope of reporting				3%	4%		0%	0%		0%	0%	
Rainwater Abs	Reused	-	m ³	90.85	-	-100%	-	-	0%	-	-	0%
Rainwater LfL	Reused	-	m ³	90.85	-	-100%	-	-		-	-	

At sites that are equipped with rainwater tanks, Retail Estates asks the tenants to connect their water supply system to these tanks. Although water consumption is relatively limited at retail locations, increased attention will be paid to this in future major renovations.

Waste

EPRA Code	Description	GRI standard of CRES D	Units of Measure	Belgium			The Netherlands			Office (Ternat)		
				2020	2021	delta	2020	2021	delta	2020	2021	delta
WASTE												
ABS total			m ²	5 964	5 964	0%	-	-	0%	1 381	1 381	0%
% in scope of reporting				1%	1%		0%	0%		100%	100%	
Waste-Abs	Total weight	306-2	kg	-	9 900	0%	-	-	0%	1 964	23 500	1097%
Waste-Lfl	Total weight	306-2	kg	-	9 900	0%	-	-	0%	1 964	23 500	1097%

As the tenants themselves are responsible for their own waste management (occasionally via joint waste management), little information is available. However, the data were refined by adding information about sites where Retail Estates organised part of the waste collection.

At Retail Estates' own office, waste is separated and the use of disposable packaging is prevented whenever possible.

As regards waste collection, there are three major categories: PMD, Paper and Residual waste. We work as digitally as possible and the printing paper we do use has the EU Eco-label and FSC label.

The significant increase in volume is due to paper and cardboard, the volume of which went up from 807 kg in 2020 to 23,500 kg at the office.

Certificates

EPRA Code	Description	GRI standard of CRES D	Units of Measure	Belgium			The Netherlands			Office (Ternat)		
				2020	2021	delta	2020	2021	delta	2020	2021	delta
CERTIFICATES												
ABS total			m ²	-	-	0%	329 677.00	329 671.00		1 381.00	1 381.00	
% in scope of reporting				0%	0%		84%	87%		100%	100%	
Cert-Tot	Energy Index (EI) score: Total	CRE8	Number of labels	-	-	0%	184	184		1	1	
	El Label A		Number of Labels	-	-	0%	-	163		-	1	
	El Label B		Number of Labels	-	-	0%	-	12		-	-	
	El Label C		Number of Labels	-	-	0%	-	6		-	-	
	El Label D		Number of Labels	-	-	0%	-	1		-	-	
	El Label E		Number of Labels	-	-	0%	-	1		-	-	
	El Label F		Number of Labels	-	-	0%	-	-		-	-	
	El Label G		Number of Labels	-	-	0%	-	1		-	-	

Retail Estates will not specifically focus on certificates with respect to BREEAM or WELL, as the purpose is to keep the properties in the portfolio in the long term. However, the BREEAM and WELL parameters have been included in the standard for buildings.

The energy performance certificates have been added. In the Netherlands they have existed for a long time. In Belgium, the methodology is being developed.

As soon as it is available in Flanders, an EPC will be drawn up for the Flemish properties. In preparation, energy scans are already made to serve as input for the road map that will make it possible to increase the sustainability of the properties more quickly.

In the Netherlands, Retail Estates has a certificate for 87% of its portfolio. 89% of the properties have a score A or B.

Social and governance indicators

General

The values relate to the period corresponding to the financial year, from 1 April to 31 March of the years 2019 and 2020. The final counts, e.g. the number of staff, were therefore determined on 31 March 2019 and 31 March 2020.

Training hours are registered centrally. If necessary, the executives can use training courses to address areas for improvement. Employees are also encouraged to take the initiative and work on their own career development. Each year, at least one assessment interview is scheduled for each of our staff members.

The management of Retail Estates sets great store by a safe and healthy living and working environment. A systematic improvement of this environment is continuously pursued in our efforts to take care of all stakeholders (employees, visitors, customers,...).

Our people constitute the foundation of our company. Their physical and mental health are of the utmost importance. Everyone, regardless of their position in the company, is expected to know and anticipate the health and safety risks.

No health and safety assessments are carried out with regard to the properties themselves. In the future, more detailed reports in this respect will be drawn up within the context of the "multi-annual maintenance planning".

Social actions were not quantified, but our contributions in this respect were discussed in detail in previous texts.

Diversity

EPRA Code	Discription	GRI standard of CRES D	Units of Measure	2021		2020	
				Men	Woman	Men	Woman
Diversity							
DIVERSITY-EMP	Gender diversity staff: total	405-1	% of diversity total employees	38%	62%	40%	60%
	<i>Total MW</i>		<i>Total MW</i>	16	26	14	21
DIVERSITY-EMP	Staff member gender diversity: management		% of diversity in Management team	50%	50%	50%	50%
	<i>Number of Executives</i>		<i>Total MW Management</i>	2	2	2	2
DIVERSITY-PAY	% pay ratio	405-2	% pay ratio				

Training

EPRA Code	Discription	GRI standard of CRES D	Units of Measure	2021	2020	Delta
Training						
EMP-TRAINING	Employee training and development	404-1	number of training hours	123	104	18%

Development

EPRA Code	Discription	GRI standard of CRES D	Units of Measure	2021	2020	Delta
Development						
EMP-DEV	mployee performance appraisals	404-3	% of appraisals to all employees	100%	100%	0%

Staff turnover

EPRA Code	Discription	GRI standard of CRES D	Units of Measure	2021	2020	Delta
Staff turnover						
EMP-TURNOVER	New hires and turnover	401-1	number of new hires	8	1	700%
			number of turnovers	3	0	0%

Health and Safety

EPRA Code	Discription	GRI standard of CRES D	Units of Measure	2021	2020	Delta
Health and Safety						
H&S-EMP	Employee health and safety/ accidents at work	403-2	% of total number of worked hours injury rate	0.00%	0.00%	0%
H&S-EMP	Employee health and safety/disability	403-2	% of total number of worked hours lost days	0.00%	0.00%	0.00%
H&S-EMP	Employees: Absence rate	403-2	% of total number of worked hours absentee rate	1.73%	1.73%	0.00%
H&S-EMP	Employees: Mortality	416-1	Total number of fatalities	0.00%	0.00%	0.00%
H&S-ASSET	Assets: Health and Safety Assessments	416-2	% of assets H&S assessments	nvt	nvt	0
H&S-COMP	Assets: Compliance with Health and Safety Plan	416-2	Total number of incidents	nvt	nvt	0

Society

EPRA Code	Discription	GRI standard of CRES D	Units of Measure	2021	2020	Delta
Society						
Comty-ENG	Community engagement, impact assessments and development programs	413-1	Qualitative			

Retail Estates on the stock exchange



Retail Estates nv on the stock exchange



1. Performance

Market capitalisation

Retail Estates nv is listed on the Euronext continuous market.

Retail Estates nv is part of the BelMid index, which consists of 40 companies.

In the context of Euronext's plans to reform and harmonise its list of quotations and promote the visibility and liquidity of small and medium-sized enterprises, relevant benchmarks for the mid-caps and small-caps were launched on 1 March 2005.

The market capitalisation of Retail Estates nv amounts to € 977.43 million as of 31 March 2022.

Based on Euronext's criteria, Retail Estates nv has a free float of 100%.

MARKET CAPITALISATION

(in mio EUR)



	01.04.2021	01.04.2020	01.04.2019
	31.03.2022	31.03.2021	31.03.2020
Highest share price	75.80	66.40	89.10
Opening price at 1 April	58.50	47.40	81.50
Closing price at 31 March	73.90	58.40	47.40
Average share price	68.84	57.26	81.11
Net asset value (NAV) (IFRS)	69.63	63.81	63.26
Premiums NAV relative to closing price	6.13%	-8.48%	-25.07%
Gross dividend	4.60	4.50	4.40
Net dividend	3.220	3.150	3.080
Dividend yield (gross dividend)	6.22%	7.71%	9.28%
Return net result on shareholders' equity	14.31%	7.60%	7.27%
Pay-out ratio (consolidated)	79.93%	87.38%	79.90%
Number of shares	13 226 452	12 665 763	12 630 414
Market capitalisation (EUR million)	977.43	739.68	598.68
Free float percentage	100%	100%	100%
Average daily volume	10 746	11 578	12 179
Annual volume	2 783 267	2 963 893	3 117 885

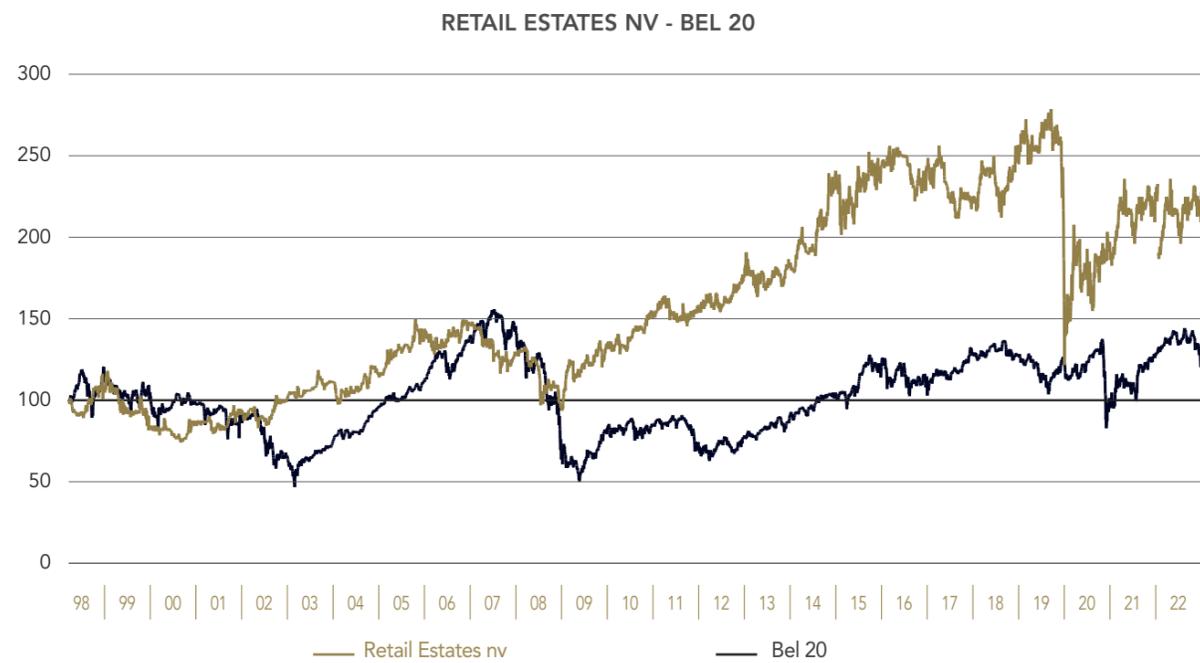
Share price

The share reached its highest price of the year on 12 July 2021 (€ 75.40) and ended the financial year at € 73.90.

The annual average share price was € 68.84. The chart below shows the stock market performance of the Retail Estates share relative to the BEL 20 since the share's introduction on the stock exchange. The Retail Estates

share increased by 134.38% over this period compared with an increase by 39.70% for the BEL 20.

The price of the Retail Estates share increased by 21.75% in the past financial year compared to the beginning of the financial year. The EPRA Belgian REIT index increased by 21.93%.



Premiums and discounts

The intrinsic value of the share in case of a real estate valuation at 'fair value' increased during the past year from € 63.81 as of 31 March 2021 to € 69.63 as of 31 March 2022 (including dividend).

The EPRA NTA amounts to € 68.46 in the year under review compared to € 65.53 in the previous year. This increase can be explained by the result of the financial year (which consists of a positive EPRA result on the one hand and a positive portfolio result on the other hand).



Dividend

At its meeting of 20 May 2022, the board of directors of Retail Estates (the "Board") proposed to pay a gross dividend for financial year 2021/2022 (which started on 1 April 2021 and ended on 31 March 2022) amounting to €4.60 (€3.22 net, i.e. the net dividend per share after deduction of withholding tax at the rate of 30%) per share participating in the profits of financial year 2021/2022. This is an increase by 2.22% compared to the previous year, with the gross dividend was €4.50.

Belgian Real Estate Investment Trust

Within a specific category of investments, the risk profiles and returns can vary considerably depending on the focus, type of activities and specific characteristics of the company that issued the shares.

The greater the risk profile, the higher the return an investor will demand.

A number of important factors that determine the performance of the BE-REITs include the type and location of the real estate, the type of tenants, the extent of possible vacancies, the interest rate and the general stock market climate.

Since its listing on the stock exchange, the performance of Retail Estates nv has always been in line with the market, in line with the expectations formulated by management at the beginning of the financial year.

OLO (Belgian government bonds)

Real estate is seen by some investors as a bridge between an investment in shares and an investment in bonds or government bonds. The dividend yield of Retail Estates nv (in the case of a gross dividend of € 4.60) in the past financial year was 6.22% compared to the closing price of the share (excluding dividend). The Belgian government linear bond (OLO) 10-year rate was 1.02% on 31 March 2022.

2. Liquidity providers

Since 1 April 2003, KBC Securities has been acting as a market animator promoting the marketability of the shares. Since 1 October 2016, De Groef Petercam has also been acting as market animator.

Fees for the past financial year were €0.025 million excl. VAT for 12 months for each market animator.

3. Shareholder agenda

The general shareholders' meeting will take place on Monday 18 July 2022 at 10 am.

Publication Annual report 2021-2022	10 June 2022
General Assembly	18 July 2022
Ex-dividend date	20 July 2022
Record date dividend	22 July 2022
Dividend made available for payment	25 July 2022
Announcement half-yearly results	21 November 2022



“ The price of the Retail Estates share increased by 21.75% in the past financial year compared to the beginning of the financial year. The EPRA Belgian REIT index increased by 21.93%. ”

Real estate report



Real estate report



1. The market of out-of-town retail properties

Belgium

Virtually unbridled growth appeared to be possible in the 1980s and the early 1990s. Tighter legislation put an end to this proliferation midway through the 1990s. The supply of new properties, especially in Flanders, has decreased markedly, but demand has remained stable. This has resulted in rising rents and falling returns. The market of out-of-town retail real estate has established its own position alongside city centre retail premises, offices and semi-industrial real estate.

For prime locations, tenants are currently paying annual rents of over € 135/m² in major conurbations, and € 120/m² in smaller ones, with returns on high-end prime market locations between 5% and 5.50%.

The trend of rising rents came to a halt a few years ago, with the exception of properties at high-end prime locations. At these locations tenants try to keep the rent payable by limiting the rented area.

These two factors – the increase in the average rent and the decrease in the average return – have reinforced the growth in value of properties at prime locations over the past twenty years. Until now, the out-of-town retail market has been spared the decreases in rent and increased yield requirements that affect the inner-city market. This can be explained mainly by the lower rents that are common in the out-of-town areas and by the fact that the yield expectations have never declined to such an extent in these areas compared to the inner city.

The best barometer to measure the demand is the vacancy level, which is always low for the portfolio of Retail Estates nv. Tenants of out-of-town retail properties are fiercely loyal to their sales outlets. This is due to the quality of the location on the one hand and the granting of environmental permits on the other. The permits are issued for buildings, not to tenants. Moreover, this kind of properties are rented out while still in shell condition and tenants invest significant amounts in furnishing the shops, which makes them even less inclined to relocate.

Most tenants of Retail Estates nv's properties are chain stores that have acquired the best sites in recent years, often at the expense of local SMEs, which used to dominate these locations in the past. In this sense, the development that has occurred is similar to what has happened in high streets. On the investment side, the attractive ratio of supply and demand has resulted in an increased presence of institutional investors. Affluent individuals also show a growing interest in this type of real estate.

Ten institutional investors are now highly active in this segment. Generally speaking, Belgium has an increasing number of integrated retail parks; it follows in the footsteps of the United Kingdom and France, where retail parks can be found close to every conurbation. Retail parks in Belgium nevertheless tend to be rather small (15,000 to 20,000 m²) and are mostly situated in the French-speaking part of the country (Wallonia). In Flanders, new parks tend to be built in small urban areas, such as retail parks T Forum in Tongeren and BE-MINE Boulevard in Beringen.

An important part of Retail Estates nv's properties are located adjacent to major peripheral motorways or near residential districts on the outskirts of larger conurbations and often form clusters, where retailers seek proximity to each other.

A consequence of the corona pandemic of 2020 and 2021 is that the home decoration stores fully benefit from the consumers' increased focus on the comfort of their homes as a result of the restrictions on freedom of movement. This has led to a swift recovery of functional shopping in out-of-town areas after the different periods of closure. Easy access by car and ample parking space in the vicinity of large shops allow shoppers to combine

efficient shopping with the observance of social distancing. This leads to a higher number of visitors at out-of-town locations, which in turn generates sales increases in the different segments of out-of-town retail trade. Since the start of 2022, sales figures are based on pre-Covid-level.

During the past years, Retail Estates nv has acquired various retail parks. Several of them have been subjected to a facelift or will be in the medium term. The expansion of such sites also offers Retail Estates nv attractive prospects.

It is labour-intensive to select suitable opportunities and plan and manage these alterations. They require the necessary expertise, but are rewarded with a higher return on rents.

The Netherlands

Active in the Netherlands since June 2017, Retail Estates nv has invested in 12 retail parks, 1 home decoration mall and 3 solitary properties at 14 locations. These retail parks are destined for large-scale retail activities and are principally let to retail chains. Consumer expenditure in the Netherlands has increased continuously over the past three years. The low unemployment rate and the strong growth of the Dutch economy support and strengthen the residential real estate market and the related investments.

In the Netherlands as well, very good sales were achieved in the DIY and the home improvement sector last year, thanks to consumers' increased focus on the comfort of their homes resulting from the restrictions on freedom of movement in the corona period.

For a population of 17 million people, the Netherlands have approximately 200 out-of-town locations where large-scale retail activities are allowed. The stringent urban planning framework limits the number of retail parks as well as the forms of retail activities that can be performed at those locations. Unlike in Belgium, it is for example not allowed to sell foodstuffs, clothes and shoes. Acquisition of this type of real estate by international institutional investors is currently gaining momentum. Over the past 5 years, Retail Estates has benefited from a consolidation wave and has acquired a leading position with approximately € 600 million in investments.

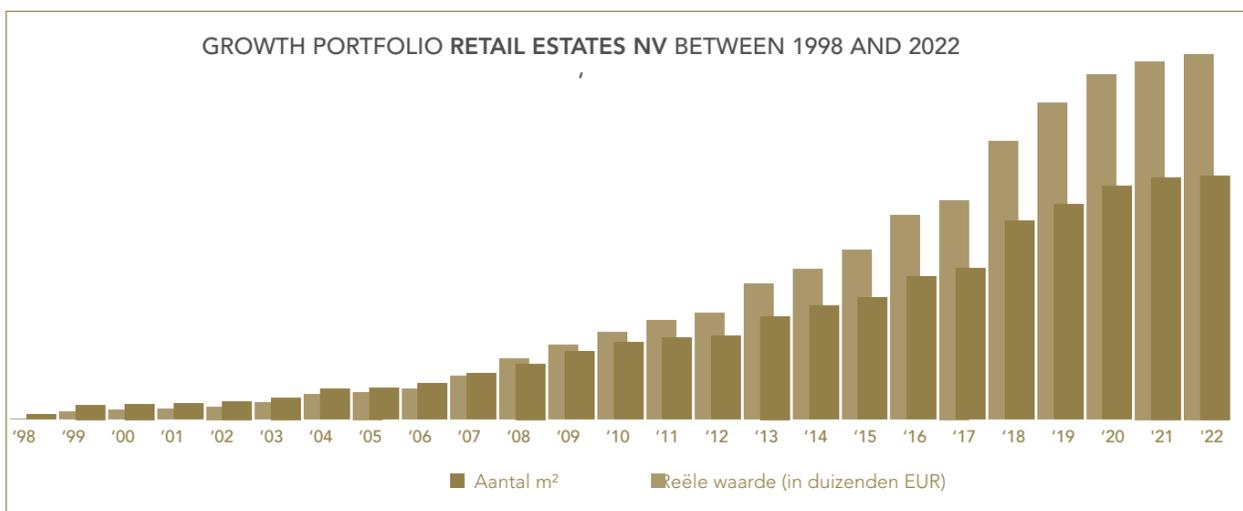
2. The real estate portfolio

Investment strategy and profile

Retail Estates nv has invested in out-of-town retail properties since 1998. Over a period of 24 years, the company has established a significant portfolio which consists of 987 retail properties with a total built-up retail area of 1,177,577 m² as per 31 March 2022. The fair value of the real estate portfolio totals €1,759.88 million. The investment value amounts to €1,833.76 million.

The value of the real estate portfolio of the public BE-REIT has increased by 2.48% compared to the value on 31 March 2021 (€1,717.25 million). This is mainly the result of positive revaluations.

The occupancy rate is 97.83%.



Type of building ¹

Individual out-of-town retail properties are solitary retail properties adjacent to the public road. Every outlet has its own car park and entrance and exit roads, connecting it to the public road and making it easily recognisable. The retail properties situated in the immediate vicinity are not necessarily of the same type.

Retail clusters are a collection of out-of-town retail properties located along the same traffic axis that, from the consumer's point of view, form a self-contained whole even though they do not share infrastructure other than the traffic axis. This is the most typical concentration of out-of-town retail properties in Belgium.

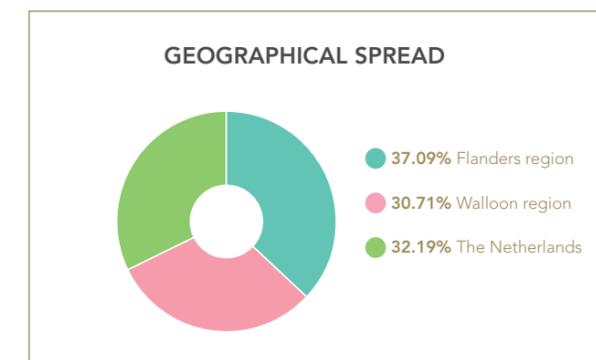
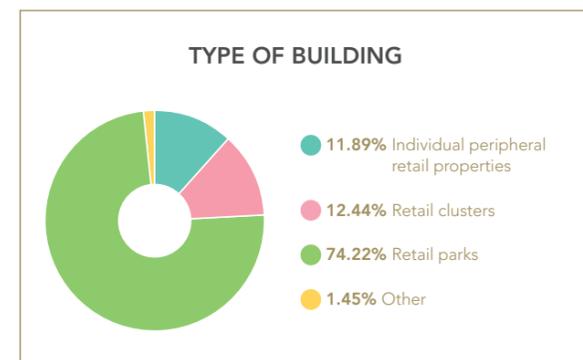
Retail parks are made up of retail properties that are grouped together and form part of an integrated commercial complex. All properties use a central car park with a shared entrance and exit road. This enables consumers to visit several shops without having to move their car. Typically, at least five retail properties are present at these sites.

Other real estate mainly consists of office buildings, residential real estate and hospitality establishments. Retail Estates nv only invests in real estate properties used for the aforementioned purposes if they are already embedded in a retail property or are part of a real estate portfolio that can only be acquired as a whole.

Retail properties under development are properties that form part of a newly built or renovation project.

Geographical spread

On 31 March 2022 the Dutch portfolio accounts for 32.19% of the total portfolio (in m²). 37.09% of the portfolio are located in the Flemish Region, 30.71% in the Walloon Region. The ratio of the Belgian properties is in line with the way in which the population is distributed across the two regions. Retail Estates nv furthermore only has two retail outlets in the Brussels-Capital Region. Out-of-town real estate is scarce in this region, which is why it is not actively observed by Retail Estates nv.

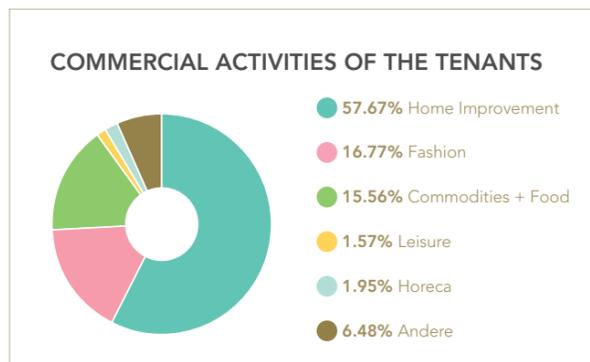


Commercial activities of the tenants

The home improvement share (57.67%), expressed in square metres, is slightly higher compared to the past financial year. Taken together with the “Commodities and food” industry, these retail units account for more than 73% of the leased surface area. The tenants in these industries provide a stable basis as they are more resilient to unfavourable economic conditions and less susceptible to e-commerce. Food retailers only account for 6.48%.

The share of the fashion sector has decreased slightly in the past few years (16.77% on 31 March 2022 compared to 17.59% on 31 March 2021).

A breakdown on the basis of contractual rents shows that the share of “Various” (1.99%) decreases, mainly due to a limited number of (semi-)logistic properties occupying a relatively large surface area and paying a relatively low rent and the fact that vacant units do not yield rent. The shares of food (6.92%) and commodities (9,01%) remain relatively stable. The shares of the other categories (home improvement (58.85%) and fashion (19.94%) increase slightly.



Tenants: chain stores versus SMEs

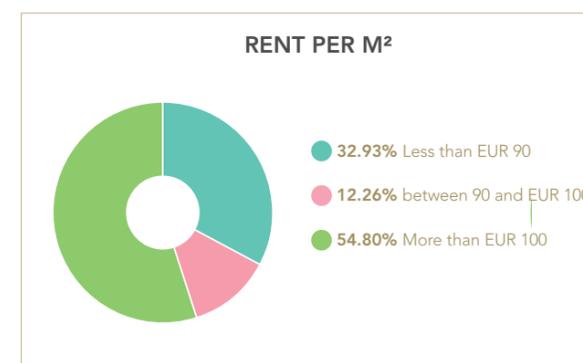
Since its incorporation, Retail Estates nv has focused on mainly letting out its properties to chain stores and/or franchise issuers.

For the purposes of this analysis, ‘chain store’ shall mean a large retail company with at least five sales outlets and central accounting. On 31 March 2022, the percentage of chain stores and/or franchise issuers amounts to 84%. These tenants are less sensitive to changing conditions in the local market than local independent SMEs. For example, a temporary local fall in turnover caused by e.g. road works will not cause chain stores any liquidity problems capable of jeopardising the payment of rent. As most chain stores are organised nationally, and often internationally as well, they can rely on a strong professional organisation and a marketing unit that can promote the attractiveness of any individual outlet.

Rent per m²

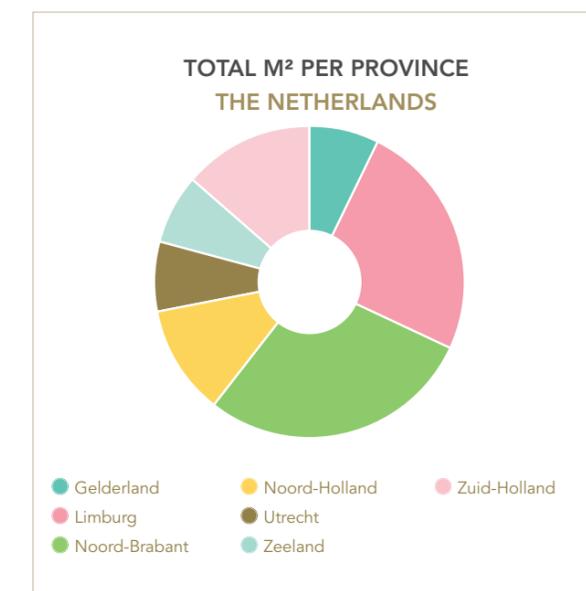
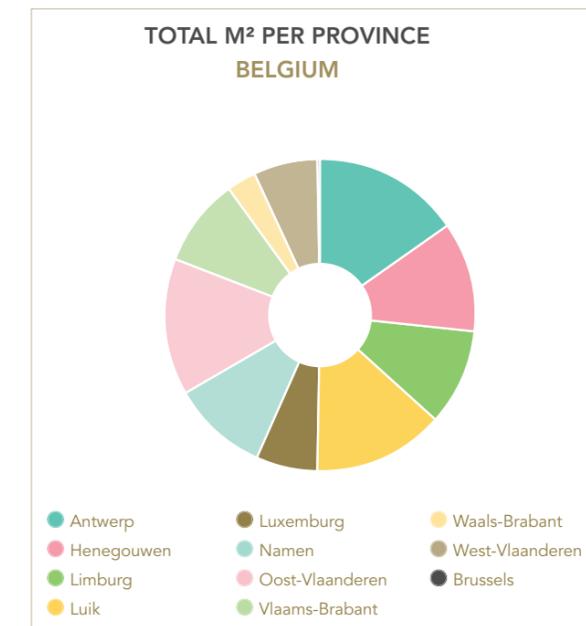
The differences in rental prices are often not only due to the characteristics of the location, but also linked to the term of the lease agreements. On the Belgian market, such agreements can, in the best-case scenario, be reviewed only every 9 years, or otherwise not until 18 or 27 years later. On the Dutch market, standard lease agreements are concluded for a five- of ten-year period. The demand for long-term lease agreements can in part be explained by the significant amounts tenants invest in furnishing the shops. In addition, long-term lease agreements ensure that the tenant is also bound by the rental price as the tenant risks losing the retail outlet if they want to renegotiate the rental price.

The average contractual rent per m² amounts to € 104.14 per year. Compared to 1998 (€61.15/ m²), this represents an increase by 76.50%. This increase is due partly to inflation and rent increases and partly to the increase in the number of recently established retail properties, which, due to the higher market prices, are typically rented out at higher prices than the average of the existing real estate portfolio.



Geographical spread per province

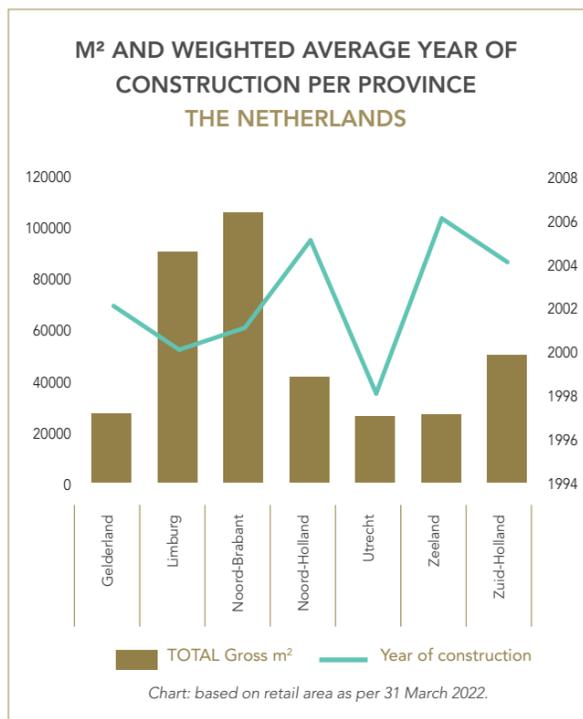
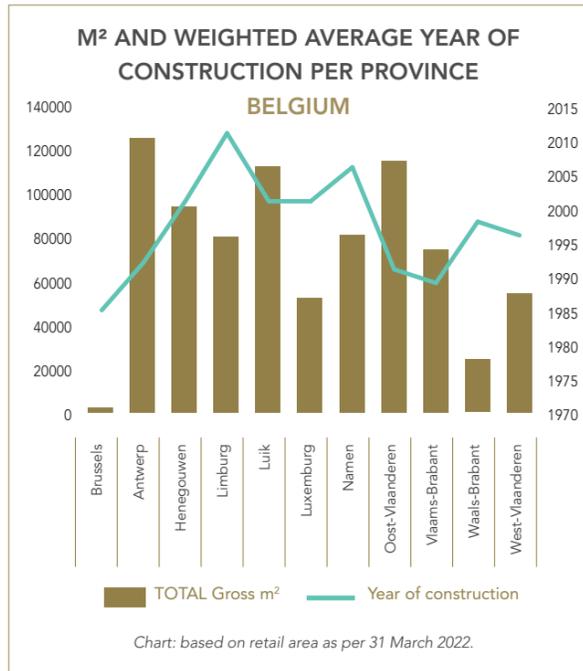
The charts below illustrate the geographical spread of the buildings in the different Belgian and Dutch provinces based on the number of m².



The pie charts in this chapter show percentages based on the total retail area on 31 March 2022.

Year of construction of portfolio

The charts below show the age of the buildings in Belgium and the Netherlands based on the weighted average number of m².

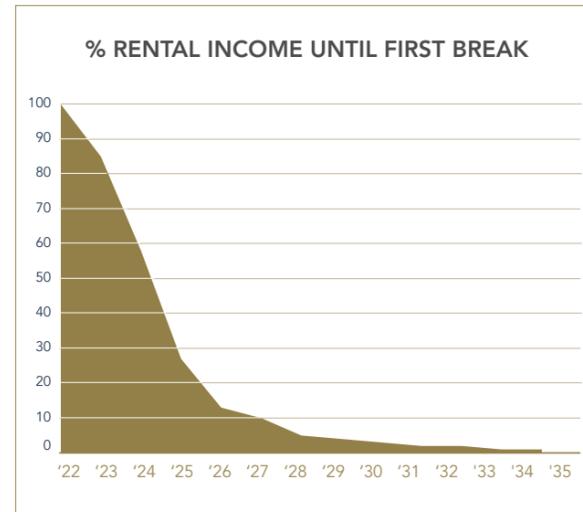


Expiry date of lease agreements

The weighted average remaining term is 8.38 years for the Belgian portfolio and 3.94 years for the Dutch portfolio. The weighted average remaining term for the entire portfolio is 6.95 years.

When calculating the weighted average term, we assume that the tenants do not make use of their legal option to terminate of the lease agreement before its expiry date.

Standard lease agreements have a five- or ten-year term in the Netherlands and a nine-year term in Belgium. Belgian tenants have the legal option to terminate the agreement upon expiry of each period of three years. Taking into account these legal options and notice periods, the weighted average remaining term is 2.4 years for the Belgian portfolio.



Tenants: top 20

The top twenty tenants of Retail Estates nv represent 42.97% of the gross rental income and 39.24% of the total surface area of the properties in the real estate portfolio. They represent 301 shops. In absolute figures, Gilde (Kwantum/Leen Bakker) accounts for 6.40% of the rental income and tops the list of the five most important tenants, followed by De Mandemakers Groep (3.84%), Vendis Private Equity (X²O / Overstock) (3.58%), Pardis (Fun-Trafic) (2.78%) and Kröfel (2.72%).



“ The top twenty tenants of Retail Estates nv represent 42.97% of the gross rental income and 39.24% of the total surface area of the properties in the real estate portfolio. They represent 301 shops. ”

Summary of key figures

RETAIL ESTATES	31.03.2022	31.03.2021	31.03.20
Estimated fair value ¹ (in €)	1 759 879 000	1 717 245 000	1 661 753 000
Yield (investment value) ²	6,57%	6,48%	6,53%
Contractual rents (in €)	119 343 175	113 968 503	112 317 786
Contractual rents incl. rental value of vacant buildings (in €)	121 869 650	117 125 716	114 371 781
Total m ² in portfolio	1 177 577	1 153 448	1 136 492
Number of properties	987	992	969
Occupancy rate	97,83%	97,07%	97,92%
Total m ² fixed assets under construction - in execution phase	-	14 913	9 278

1 This fair value also contains the investment properties under construction, which are not included in the fair value as mentioned in the real estate experts' conclusions on 31 March 2022 (see further in this chapter).

2 The current rental income (net, after deduction of canon) divided by the estimated investment value of the portfolio (without taking into account the investment properties under construction included in the cost price). We refer to "reconciliation tables" in the chapter miscellaneous"

Important note

On 31 March 2022, the real estate portfolio of Retail Estates nv consists of real estate properties owned by Retail Estates nv and its perimeter companies.

Real estate portfolio of Immobilière Distri-Land nv

On 31 March 2022, the real estate portfolio of Immobilière Distri-Land nv consists of 10 retail properties that have been rented out completely.

All of these retail properties were built before 1989 and are similar to those owned by Retail Estates nv in terms of location and rent.

Overview of real estate portfolio

Below is an overview of the real estate portfolio of Retail Estates nv and its subsidiaries as per 31 March 2022. Clusters of which the fair value represents more than 5% of the consolidated assets are briefly described below.

The largest cluster in our portfolio concerns a retail parks in Heerlen, the Netherlands (with 47 different tenants). The fair value of this retail park represents 6.29% of the consolidated assets of the company. However, as it concerns two separate physical buildings separated by an Ikea outlet which is not part of our portfolio, they should in fact be considered separately in terms of risk assessment.

For further details on the real estate portfolio, please refer to the list below.

Overview of real estate portfolio

BELGIUM			Year of construction - last renovation	Tenant	Gross surface m ²	Occupancy rate	Rental income	Fair value	Acquisition value	Insured value	
Province	Individual peripheral properties and other	Slachthuislaan 27, 2000 Antwerpen	1987 - 1989	ALDI TURNHOUT NV	3 376	100.00%	411 932.64	5 632 705.00	4 899 122.12	2 820 037.45	
		Frans Beirenslaan 51, 2150 Borsbeek (Antw.)		CARPETLAND nv							
		Geelsebaan 64, 2460 Kasterlee		ALDI REAL ESTATE NV							
	Ant-Westerlo	Bell-Telephonaan2/2, 2260 Oevel	Burger Brands Belgium NV	1988 - 2011	ACTION BELGIUM BVBA	12 218	100.00%	1 023 124.63	16 574 005.95	17 423 174.11	10 205 929.36
			Bell-Telephonaan 1/2, 2260 Oevel								
			Bell-Telephonaan 1/2, 2260 Oevel								
		Hotelstraat 1-10, 2260 Oevel	C&A België cv								
			FABRIMODE nv (Bel & Bo)								
			Euro Shoe Group N.V.								
		Hotelstraat 1, 2260 Oevel	GK INVESTMENTS BV								
KWANTUM BELGIE BV											
Mega Outlet BVBA											
ZEB - Zebulah N.V.											
Hotelstraat 7, 2260 Oevel	HEUREKA BVBA (franchisé Heytens)										
	ZEEMAN textielSupers NV										
	Hunkemöller Belgium NV										
Antwerp	Bredabaan 968, 2170 Merksem	L&L Retail Belgium SA	1976 - 2016	FUN BELGIUM nv	35 957	97.57%	5 329 015.35	84 509 753.83	77 915 402.99	30 035 570.64	
		Bredabaan 964, 2170 Merksem									
		Bredabaan 978, 2170 Merksem									
	Bredabaan 809, 2170 Merksem	X ² O Antwerpen en Limburg NV									
		DAMART TSD nv									
		Bredabaan 809 bus 5, 2170 Merksem									
	Bredabaan 809, 2170 Merksem	Colim NV									
		ETHIAS NV									
		ALDI TURNHOUT NV									
	Antwerpen-Noord	Bredabaan 891-893, 2170 Merksem		AVEVE nv							1976 - 2016
Bedden en Matrassen BV											
FABRIMODE nv (Bel & Bo)											
C&A België cv											
CARPETLAND nv											
KRUIDVAT bvba											
Chaussea BRT BVBA											
Menatam SA (Eggo)											
Euro Shoe Group N.V.											
MAXI ZOO BELGIUM bvba											
Antwerpen-Noord	Van Praetlei 260 2/1, 2170 Merksem	Fnac Vanden Borre nv	1976 - 2016	JUNTOO ANTWERPEN EN LIMBURG NV	35 957	97.57%	5 329 015.35	84 509 753.83	77 915 402.99	30 035 570.64	
		KOKIDO BVBA									
		PRO-DUO nv									
		ZEEMAN textielSupers NV									
		Vannotten Peggy en Oleson Queeny									
		Cespedes Selina									
		KREFEL nv									
		LEEN BAKKER BELGIE nv									
		MEDINA nv (Bent Schoenen)									
		ZEB - Zebulah N.V.									
TAO Belgique SA											
Bredabaan 1205-1207, 2900 Schoten	JBC nv										
	Bredabaan 1213, 2900 Schoten										
	Bredabaan 1207, 2900 Schoten										
Bredabaan 1215, 2900 Schoten											
Bredabaan 1211, 2900 Schoten											
Bredabaan 1209, 2900 Schoten											
Bredabaan 1203, 2900 Schoten											

BELGIUM												
Province	Cluster	Address	Year of construction - last renovation	Tenant	Gross surface m ²	Occupancy rate	Rental income	Fair value	Acquisition value	Insurred value		
Antwerp		Boomsesteenweg 947, 2610 Wilrijk										
		Boomsesteenweg 651, 2610 Wilrijk		BETER MEUBEL BV								
		Boomsesteenweg 649, 2610 Wilrijk		KREFEL nv								
		Boomsesteenweg 649-651, 2610 Wilrijk		ADEBO NV								
				RUFFIN Franky								
		Boomsesteenweg 652, 2610 Wilrijk		JUNTOO ANTWERPEN EN LIMBURG NV								
		Boomsesteenweg 945/943/941, 2610 Wilrijk		KONTEX CV								
		Boomsesteenweg 945, 2610 Wilrijk		Keukenontwerpers NV								
				PRO-DUO nv								
				Schrauwen Sanitair en Verwarming NV								
	Boomsesteenweg 941, 2610 Wilrijk											
			HILTI BELGIUM nv									
	Boomsesteenweg 943, 2610 Wilrijk											
	Boomsesteenweg 800, 2610 Wilrijk		Odysseus Bouwmarkten NV									
	Antwerpen-Zuid		Antwerpsesteenweg 65_1, 2630 Aartselaar		Bedden en Matrassen BV							
			Antwerpsesteenweg 65, 2630 Aartselaar		MEUBELN DE ABDUJ bvba							
			Boomsesteenweg 68, 2630 Aartselaar		MAXI ZOO BELGIUM bvba							
			Boomsesteenweg 90, 2630 Aartselaar		BMS nv							
			Boomsesteenweg 86, 2630 Aartselaar		FUN BELGIUM nv							
			Boomsesteenweg 62, 2630 Aartselaar		JUMP UNIVERZ BVBA (verkoop trampolines, springkastelen)							
			Boomsesteenweg 66, 2630 Aartselaar		CASA INTERNATIONAL NV							
			Koningin Astridlaan 85A bus 00.01, 2550 Kontich		C&A België cv							
			Koningin Astridlaan 83 bus 01.01, 2550 Kontich		Basic Fit België							
					ZEB - ANTWERP FASHION OUTLET NV							
			Koningin Astridlaan 85 bus 01.01, 2550 Kontich		LIN'S							
					Euro Shoe Group N.V.							
			Boomsesteenweg 79/1, 2630 Aartselaar		E5 Fashion BV							
			Boomsesteenweg 79/2, 2630 Aartselaar									
			Antwerpsesteenweg 482-484, 2660 Hoboken		Sint-Niklaas Doe het Zelf NV							
				1960 - 2016		41 344	88.81%	3 767 715.95	60 469 749.31	48 132 813.27	34 535 434.89	
	Lier		Donk 54/1, 2500 Lier		LUMA BVBA							
			Donk 54/2, 2500 Lier		HEUREKA BVBA (franchisé Heytens)							
			Donk 54/3, 2500 Lier		Fnac Vanden Borre nv							
			Donk 54/4, 2500 Lier		M.A.S. BV (Cats & Dogs)							
			Antwerpsesteenweg 308, 2500 Lier		Groep Bossuyt België NV							
			Antwerpsesteenweg 366, 2500 Lier		KREFEL nv							
					Slaapadvies BVBA							
					BELGACOM MOBILE NV							
				Antwerpsesteenweg 366, 2500 Lier		FUN BELGIUM nv						
				Antwerpsesteenweg 338, 2500 Lier		E5 Fashion BV						
			Antwerpsesteenweg 340, 2500 Lier		GABOMA NV (Gamma)							
				1993 - 2009		9 513	100.00%	1 062 174.87	16 126 702.12	10 256 679.92	7 946 391.06	
	Mechelen-Noord		Electriciteitsstraat 37, 2800 Mechelen		E5 Fashion BV							
			Electriciteitsstraat 39, 2800 Mechelen		Van Haren Schoenen BV							
			Guido Gezellelaan, 2800 Mechelen									
			Guido Gezellelaan 6, 2800 Mechelen		ACTIEF INTERIM							
			Guido Gezellelaan 8, 2800 Mechelen									
			Guido Gezellelaan 10, 2800 Mechelen									
			Guido Gezellelaan 10-18, 2800 Mechelen									
			Guido Gezellelaan 10/12, 2800 Mechelen									
		Guido Gezellelaan 20, 2800 Mechelen										
				STAD MECHELEN								
		Rode Kruisplein 14, 2800 Mechelen										
		Liersesteenweg 432, 2800 Mechelen		FUN BELGIUM nv								
			1980 - 2011		14 493	100.00%	464 239.80	17 327 171.83	18 465 917.41	12 106 280.43		

BELGIUM											
Province	Cluster	Address	Year of construction - last renovation	Tenant	Gross surface m ²	Occupancy rate	Rental income	Fair value	Acquisition value	Insurred value	
Antwerp	Mechelen-Zuid	Brusselsesteenweg 445 en 443, 2800 Mechelen		Slaapadvies BVBA							
		Brusselsesteenweg 439, 2800 Mechelen		FABRIMODE nv (Bel & Bo)							
				THE BARRACUDA COMPANY BV							
				Van Haren Schoenen BV							
				Fnac Vanden Borre nv							
		Brusselsesteenweg 441 A, 2800 Mechelen									
		Brusselsesteenweg 441, 2800 Mechelen									
		Brusselsesteenweg 441 B, 2800 Mechelen		REDISCO bvba							
		Brusselsesteenweg 437, 2800 Mechelen		L&L Retail Belgium SA							
				Geerdegemstraat 148, 2800 Mechelen		JUNTOO ANTWERPEN EN LIMBURG NV					
			1983 - 2005		7 536	100.00%	1 029 801.37	14 366 690.77	9 170 351.52	6 294 965.11	
Brussels	Individual peripheral properties and other	Jerusalemstraat 48-50, 1030 Schaarbeek		ALDI Cargovil-Zemst nv							
		Ninoofsesteenweg 510, 1070 Anderlecht		NewOrch Belgium BV							
		Ninoofsesteenweg 510, 1070 Anderlecht		MOS INVEST2 BV							
			1981 - 1987		2 206	100.00%	284 842.46	3 233 805.44	2 914 393.41	1 842 714.04	
Hen-Aiseau-Presles		Rue du Campinaire 72, 6250 Aiseau-Presles		Omega NV (Databuild)							
		Rue du Campinaire 74, 6250 Aiseau-Presles		RSDECO							
		Rue du Campinaire 76, 6250 Aiseau-Presles		AVEVE nv							
		Rue du Campinaire 78, 6250 Aiseau-Presles		WIBRA BELGIE BV							
		Rue du Campinaire 80, 6250 Aiseau-Presles		ALDI Gembloux sa							
		Rue du Campinaire 82, 6250 Aiseau-Presles		DELIALIOGLU ABDUSSELAM							
				2009 - 2011		8 182	100.00%	767 898.24	11 319 621.16	11 114 945.92	6 834 581.28
	Hen-Ath		Chaussée de Bruxelles, 7800 Ath		Euro Shoe Group N.V.						
					AGIK s.p.r.l.						
					KRUIDVAT bvba						
				MATCH sa							
				ZEEMAN textielSupers NV							
				Fally Marie							
				PP ATH							
				ELECTRO AV nv							
				ACTION BELGIUM BVBA							
				Alken-Maes NV							
Henegouwen		Chaussée de Bruxelles 60, 7800 Ath		RNA STORE SRL							
				Lloydspharma Group SA							
			1974 - 2017		7 345	100.00%	808 306.72	12 208 210.18	9 802 518.65	6 135 419.15	
Hen-Erquelinnes		Route de Mons 276, 6560 Erquelinnes		SND sa (Trafic)							
		Route de Mons 260, 6560 Erquelinnes		YMB SRL							
			2011		2 232	100.00%	188 528.97	2 533 853.80	2 865 829.12	1 864 432.34	
Hen-Frameries		Route Nationale, 7080 Frameries		ACTION BELGIUM BVBA							
				FABRIMODE nv (Bel & Bo)							
				Natale Mario (Sander boutique)							
				Euro Shoe Group N.V.							
				ANISERCO nv							
				Willems NV (verandas)							
				X'Q Wallonië NV							
				Distried Tournai SPRL (Extrashop)							
				SND sa (Trafic)							
				ZEEMAN textielSupers NV							
			KRUIDVAT bvba								
			RUBEN.G SPRL								
			ITM ALIMENTAIRE BELGIUM SA								
			2012 - 2018		14 917	90.28%	1 312 727.17	22 034 245.03	22 004 909.12	12 460 455.74	

BELGIUM											
Province	Cluster	Address	Year of construction - last renovation	Tenant	Gross surface m ²	Occupancy rate	Rental income	Fair value	Acquisition value	Insurred value	
Henegouwen	Individual peripheral properties and other	Route de Philippeville 402/422, 6010 Couillet		MK MEUBLES SCS							
		Route Nationale 5, 6041 Gosselies		Electro Depot Belgique SA							
		Chaussée Impériale 55, 6060 Gilly		WIBRA BELGIE BV							
		Chaussée Impériale 55A, 6060 Gilly									
		Chaussée Impériale 55B, 6060 Gilly		Mega Store SPRL							
		Rue de la Persévérance 7-9, 6061 Montignies-sur-Sambre		Basic Fit België							
		rue de Leernes 2, 6140 Fontaine-l'Évêque		MATCH sa							
		Chaussée de Mons 322, 6150 Anderlues		POINT CARRE sprl							
		Chaussée de Mons 324, 6150 Anderlues		JBC nv							
		Rue Dewiest 86, 6180 Courcelles		DFA1-Centre funéraire Marchant BVBA							
		Rue Dewiest, 6180 Courcelles		ORANGE BELGIUM NV							
		rue des Français 152, 6200 Châtelet		PROFI sa							
		Rue de Bertransart, 6280 Gerpinnes		DISTRILED CENTRE BVBA							
		Rue d'Anderlues 110, 6530 Thuin		LIDL							
		Rue d'Anderlues, 6530 Thuin									
		Chaussée de Binche 50, 7000 Mons		Sitipac SRL							
		Avenue Wilson 421, 7012 Jemappes		NIKE Retail BV							
				Chaussea BRT BVBA							
				Basic Fit België							
				Chaussee de Roelux 353, 7060 Soignies							
		Chaussee de Roelux 351, 7060 Soignies		AVEVE nv							
		Avenue de la Wallonie 6, 7100 La Louvière		Chaussea BRT BVBA							
				Electro Depot Belgique SA							
		route de Mons, 7390 Quaregnon		NEW MTB SRL (King Jouet)							
		route de Mons 107, 7390 Quaregnon		Bassani SPRL							
		route de Mons, 7390 Quaregnon		Mc Donald's Belgium Inc.							
				JCDECAUX BILLBOARD sa							
		Route de Mons 124, 7390 Wasmuel		Ideal Bazar SPRL							
		rue de la Perseverance 13, 6061 Montignies-sur-Sambre		Do Invest NV							
		rue de la Perseverance 11, 6061 Montignies-sur-Sambre		Fnac Vanden Borre nv							
		rue du Grand Hornu 63, 7301 Hornu		ANISERCO nv							
		rue du Grand Hornu 77, 7301 Hornu		CARPETLAND nv							
					1980 - 2009	31 051	92.98%	2 729 779.06	37 188 574.76	32 405 375.62	25 937 494.89
Hen-Leuze-en-Hainaut		Rue de l'Artisanat 3, 7900 Leuze-en-Hainaut		ACTION BELGIUM BVBA							
		Rue de l'Artisanat 5 bus A, 7900 Leuze-en-Hainaut									
		Rue de l'Artisanat 5, 7900 Leuze-en-Hainaut		JD Optimal SRL							
					2014	3 050	100.00%	150 973.57	3 114 201.65	4 232 993.21	2 547 723.40
Hen-Mons		Place des Grands Pres 1, 7000 Mons		KREFEL nv							
		Place des Grands Pres, 7000 Mons		Maisons du Monde							
				Eva Ameublements SPRL (Rév Interieur)							
				BDO Distribution SA							
				MONSPORTS SCRL (Intersports)							
				Retail Concepts NV (AS Adventure)							
				M CREATION SRL							
					2016	11 779	100.00%	1 750 471.88	28 355 587.26	27 903 672.56	9 839 224.26
Hen-Mouscron		Rue de la Liesse 96, 7700 Mouscron/Moeskroen		Excel-Cash SA (cash converters)							
		Rue de la Liesse 92, 7700 Mouscron/Moeskroen		LIDL							
		Rue de la Liesse 94, 7700 Mouscron/Moeskroen		MHB Optique SRL							
					2014	2 713	100.00%	366 607.73	5 189 932.04	5 274 045.81	2 266 220.85
Hen-Péruwelz		rue Neuve Chaussée, 7600 Péruwelz		FABRIMODE nv (Bel & Bo)							
		rue Neuve Chaussée, 7600 Péruwelz		ACTION BELGIUM BVBA							
					1996 - 2012	1 740	100.00%	167 650.24	2 310 671.42	2 147 463.09	1 453 455.32

BELGIUM											
Province	Cluster	Address	Year of construction - last renovation	Tenant	Gross surface m ²	Occupancy rate	Rental income	Fair value	Acquisition value	Insurred value	
Henegouwen	Tournai	Rue de Roselières 10-14, 7503 Froyennes									
		rue des Roselières 10, 7503 Froyennes		CHAUSSURES MANIET SA							
		rue des Roselières 14, 7503 Froyennes		LEEN BAKKER BELGIE nv							
		Rue des Rosselières 13, 7503 Froyennes		Menatam SA (Eggo)							
		Rue des Rosselières 15, 7503 Froyennes		Caprera BVBA							
		rue des Roseliers 7, 7503 Froyennes		Delcambe Chaussures SPRL							
		rue des Roseliers 1, 7503 Froyennes		BDO Distribution SA							
		Rue de Maire 13a, 7503 Froyennes		ANISERCO nv							
		Rue de Maire 18 E, 7503 Froyennes		NEW MTB SRL (King Jouet)							
		Rue de Maire 13 c, 7503 Froyennes		CARGLASS nv							
		Rue de Maire 13 D, 7503 Froyennes		Au coin du Feu SPRL							
		Rue de la Taverne du Maire 3, 7503 Froyennes		DI SA							
						ORANGE BELGIUM NV					
					1981 - 2010	10 474	90.64%	1 094 572.01	16 162 856.13	12 240 142.95	8 749 132.77
Genk-Hasseltweg		Hasseltweg 97, 3600 Genk		Groep Bossuyt België NV							
		Hasseltweg 99, 3600 Genk		FABRIMODE nv (Bel & Bo)							
		Hasseltweg 101, 3600 Genk		MEDINA nv (Bent Schoenen)							
		Hasseltweg 103, 3600 Genk		L&L Retail Belgium SA							
		Hasseltweg 105-107, 3600 Genk		Swiss Sense BV							
		Hasseltweg 97/107, 3600 Genk		RSA WOONOPLOSSINGEN BV							
		Hasseltweg 183, 3600 Genk		Chalet Center NV							
		Hasseltweg 111, 3600 Genk		VAN BEUREN INTERIORS bvba							
		Hasseltweg 113, 3600 Genk		KVIK AS							
		Hasseltweg 115, 3600 Genk		SLEEP DESIGN nv							
		Hasseltweg 76 bus 1, 3600 Genk		Toychamp Belgium N.V.							
		Hasseltweg 76, 3600 Genk		Seats and sofas N.V.							
		Wilde Kastanjelaan 3, 3600 Genk		MEVLANA SLAGERIJ BVBA							
				ALDI REAL ESTATE NV							
					1988 - 2014	14 425	100.00%	1 339 765.50	20 286 211.43	18 533 026.23	12 049 478.72
Limburg	Lim-Beringen	Koolmijnlaan 193, 3580 Beringen		BRICO BELGIUM nv							
				Albert Heijn België NV							
				MAXI ZOO BELGIUM bvba							
				Chaussea BRT BVBA							
				MEDINA nv (Bent Schoenen)							
				L&L Retail Belgium SA							
				ZEB - Monashee BVBA							
				H&M Hennes & Mauritz SA							
				FABRIMODE nv (Bel & Bo)							
				C&A België cv							
		AVA PAPIERWAREN nv									
				Fnac Vanden Borre nv							
					2015	17 637	100.00%	2 067 243.89	31 796 549.36	31 238 040.52	14 732 523.83
Lim-Bree		Toleikstraat 20, 3960 Bree		E5 Fashion BV							
					1985	1 000	100.00%	113 969.04	1 799 037.97	1 866 800.24	835 319.15
Lim-Hasselt		Biezenstraat 47 - 53, 3500 Hasselt		KWANTUM BELGIE BV							
				MEDIA MARKT TWEE TORENS HASSELT NV							
				Maisons du Monde							
				X'O Antwerpen en Limburg NV							
					2017 - 2021	5 968	100.00%	947 264.76	14 776 264.79	15 124 355.33	4 985 184.68
Individual peripheral properties and other		Genkersteenweg 160, 3500 Hasselt		EXTERIOO ANTWERPEN EN LIMBURG NV							
		Grote Baan 212, 3530 Houthalen		JBC nv							
		Meylandtlaan 171, 3550 Heusden-Zolder		LIDL							
		Koninginnelaan 125, 3630 Maasmechelen									
				Koninginnelaan 127, 3630 Maasmechelen							
				NRG NEW GENERATION BVBA							
					1993 - 2016	5 546	100.00%	469 260.11	7 367 034.95	7 680 608.45	4 632 680.00

BELGIUM														
Province	Cluster	Address	Year of construction - last renovation	Tenant	Gross surface m ²	Occupancy rate	Rental income	Fair value	Acquisition value	Insurred value				
Limburg	Lim-Lanaken	Maaseikersteenweg 197, 3620 Lanaken	2005	JYSK BVBA E5 Fashion BV Toychamp Belgium N.V.	4 150	79.52%	286 672.09	5 370 435.10	5 409 338.85	3 466 574.47				
		Luikersteenweg 151 bus 6, 3700 Tongeren		JBC nv										
	Luikersteenweg 151 bus 8, 3700 Tongeren	L TORFS NV												
	Luikersteenweg 151 bus 10, 3700 Tongeren	ADL Consult BVBA												
	Luikersteenweg 151 bus 12, 3700 Tongeren	PRO-DUO nv												
	Luikersteenweg 151 bus 14, 3700 Tongeren	Euro Shoe Group N.V.												
	Luikersteenweg 151 bus 16, 3700 Tongeren	Kleding Vossen NV												
	Luikersteenweg 151 bus 18, 3700 Tongeren	Fnac Vanden Borre nv												
	Luikersteenweg 151 bus 2, 3700 Tongeren	ZEB - Monashee BVBA												
	Luikersteenweg 151 bus 4, 3700 Tongeren													
	Luikersteenweg 151 bus 1, 3700 Tongeren	Colim NV												
	Luikersteenweg 151 bus 3, 3700 Tongeren	FABRIMODE nv (Bel & Bo)												
	Luikersteenweg 151 bus 5, 3700 Tongeren	KRUIDVAT bvba												
	Luikersteenweg 151 bus 7, 3700 Tongeren	E5 Fashion BV												
	Lim-Tongeren	Lim-Tongeren	Luikersteenweg 151 bus 9, 3700 Tongeren	GRANDE EMPORIO HOLDING BV										
			Luikersteenweg 151 bus 11, 3700 Tongeren	CCIT BV										
			Luikersteenweg 151 bus 13, 3700 Tongeren											
			Luikersteenweg 151 bus 15, 3700 Tongeren	BIG BAZAR NV										
			Luikersteenweg 151 bus 17, 3700 Tongeren											
			Luikersteenweg 151 bus 19, 3700 Tongeren											
Luikersteenweg 151 bus 21, 3700 Tongeren			Albert Heijn België NV											
Luikersteenweg 151 bus 23, 3700 Tongeren														
Luikersteenweg 151 bus 25, 3700 Tongeren			ACTION BELGIUM BVBA											
Luikersteenweg 151 bus 27, 3700 Tongeren			MAXI ZOO BELGIUM bvba											
Luikersteenweg 151 bus 29-31, 3700 Tongeren			LIDL											
Luikersteenweg 151 bus 33, 3700 Tongeren			SUWENCY BV											
Luikersteenweg 151 bus 35, 3700 Tongeren			JOETRON BV											
Luikersteenweg 151 bus 37, 3700 Tongeren			Groep L.B.M. BVBA											
					2012		30 930	93,12%	2 398 635.67	39 812 529.85	38 615 023.84	25 836 421.28		
Luik			Edge of Town	Bld Cuivre et Zinc 21, 4000 Liège	1988 - 2012	ANISERCO nv	14 640	100.00%	1 416 018.45	19 166 403.76	16 628 795.67	12 229 072.34		
	Bld Cuivre et Zinc 19, 4000 Liège	Discus SPRL (verkoop visgerei)												
	Bld Froidmont /Bld Cuivre et Zinc, 4000 Liège	Zanimo SPRL												
	Bld Cuivre et Zinc 17, 4000 Liège	ITARGUOS SRL												
	Boulevard Raymond Poincaré 105, 4000 Liège	KREFEL nv												
	Boulevard Raymond Poincaré 103, 4000 Liège	TERRE ASBL												
	Boulevard Raymond Poincaré, 4000 Liège	Burger Brands Belgium NV												
	Boulevard Froidmont 21, 4000 Liège	LEEN BAKKER BELGIE nv												
	Boulevard Froidmont 13/15, 4000 Liège	BURO MARKET nv												
	Boulevard de Froidmont 23, 4020 Liège	ALDI VALUX-SUR-SURE SA												
	Boulevard de Froidmont 17, 4020 Liège	DISTRILED LIEGE sprl												
	Boulevard Raymond Poincaré 26, 4000 Liège	X²O Wallonië NV												
	Boulevard Raymond Pointcaré 20, 4000 Liège	Lambrechts NV (groothandel sanitair)												
	Boulevard Raymond Pointcaré 22, 4000 Liège	W4D NV (Engels Liège)												

BELGIUM												
Province	Cluster	Address	Year of construction - last renovation	Tenant	Gross surface m ²	Occupancy rate	Rental income	Fair value	Acquisition value	Insurred value		
Luik	Eupen	Rue Mitoyenne 1, 4700 Eupen	1988 - 2019	CCB MODE SA ANISERCO nv Chaussea BRT BVBA C&A België cv CP RETAIL SA Euro Shoe Group N.V. JBC nv CASA INTERNATIONAL NV PRO-DUO nv Veritas NV	10 124	77.08%	810 366.44	14 113 424.62	15 200 302.94	8 456 771.06		
		Herbesthalerstraat 154, 4700 Eupen										
	Lui-Blegny-Barchon	Lui-Blegny-Barchon	Rue Champs de Tignée 4/2, 4671 Barchon	AKDENIZ SIBEL (Société en constitution)								
			Rue Champs de Tignée 4/1, 4671 Barchon	LES PERES NOIRS SA								
			Champs de Tignée 14, 4671 Barchon	Optic Barchon SCRL Chaud Diffusion SPRL								
			Rue Champs de Tignée 26/04, 4671 Barchon	Saker-Greco								
			Rue Champs de Tignée 22, 4671 Barchon	BRICOBA SA								
			Rue Champs de Tignée 26/1, 4671 Barchon	MALIK COIFFURE SRL								
			Rue Champs de Tignée 24, 4671 Barchon	Les Bouchers Doubles SPRL								
			Rue Champs de Tignée 24/11, 4671 Barchon	LA CHINE WOK SPRL								
			Rue Champs de Tignée 20/01, 4671 Barchon	CIRCUS BELGIUM SA								
			Rue Champs de Tignée 26/03, 4671 Barchon	LA GLISSE								
			Rue Champs de Tignée 20/02, 4671 Barchon	3D MANAGEMENT SPRL								
			Rue Champs de Tignée 30, 4671 Barchon	SEPTEMBRE 1965 sprl (Point carré)								
			Rue Champs de Tignée 32, 4671 Barchon	Delhaize Le Lion - De Leeuw Comm.VA								
			Rue Champs de Tignée 20, 4671 Barchon	LIDL								
			Rue Champs de Tignée 20-34, 4671 Barchon	TOP TRADING BVBA								
			Rue Champs de Tignée 34/2, 4671 Barchon	T.C. Bonnelles SPRL								
	Rue Champs de Tignée 20-34, 4671 Barchon	PHILIPPE STEVENS SPRL - DIGITHOME										
						1995 - 2008		13 062	95,35%	1 294 867.86	19 853 823.44	16 897 342.10
Individual peripheral properties and other	Individual peripheral properties and other	Rue Joseph Demoulin 15, 4000 Liège	1986 - 2017	ACTION BELGIUM BVBA	13 970	100.00%	1 324 640.72	15 687 381.53	16 278 382.70	11 669 408.51		
		Rue Servais Malaise 29, 4030 Grivegnée		AMLAL FOOD SERVICE SRL								
		Rue Servais Malaise 29/31, 4030 Grivegnée		KRUIDVAT bvba Zanimo SPRL								
		rue de Sewage 1, 4100 Seraing		J. DISCOUNT SA								
		Route du Condroz 221, 4120 Neupré		KO AMUSEMENT 4120 SRL								
		Route du Condroz, 4120 Neupré		DELAIDENNE DOMINIQUE								
		Route du Condroz 221, 4120 Neupré		POINT CARRE sprl Bounce Wear BVBA (sportartikelen)								
		Avenue Laboulle 17, 4130 Tilff		LIDL								
		Chaussée Romaine 244, 4300 Waremme		Poire et Sel Concept SPRL Revolution Fitness SPRL								
				Al'Binete Waremme SPRL								
		Chaussée Romaine 246, 4300 Waremme		D.V.A.P. SA								
		Rue Joseph Wauters 25A, 4500 Huy		CHAUSSURES René Collard SA								
		Avenue du Bosquet 33, 4500 Huy		Bleu Citron SPRL								
rue du Bay-Bonnet 8, 4620 Fléron	LIDL											
Boulevard des Anglais 47, 4900 Spa	Euro Shoe Group N.V. ACTION BELGIUM BVBA											

BELGIUM										
Province	Cluster	Address	Year of construction - last renovation	Tenant	Gross surface m ²	Occupancy rate	Rental income	Fair value	Acquisition value	Insurred value
Luik	Lui-Rocourt	Chaussée de Tongres 269, 4000 Rocourt	1975 - 1987	Auto 5 NV	10 737	100.00%	1 904 828.48	27 915 736.20	28 406 745.04	8 968 821.70
				CLUB sa						
				KREFEL nv						
				MEDI-MARKET Parapharmacies SA						
				BDO Distribution SA						
				Chaussea BRT BVBA						
				C&A België cv						
				WELL SA						
				HEMA BELGIE BVBA						
				ZEB - Nationale4 NV						
				JBC nv						
				Burger Brands Belgium NV						
Luik	Lui-Verviers	Boulevard des Gérardchamps 118, 4800 Verviers	1998 - 2013	Delhaize Le Lion - De Leeuw Comm.VA	37 152	98.36%	3 554 884.22	53 519 101.31	50 781 121.71	31 033 777.02
				Gemeenschap Delhaize-Tom&co-LeenBakker						
				ANISERCO nv						
				LEEN BAKKER BELGIE nv						
				BDO Distribution SA						
				DIABOLO SRL						
				CASA INTERNATIONAL NV						
				BELCOMMA BV						
				Régie des Bâtiments						
				Decathlon Belgium NV						
				Matilde Solar Energy BVBA						
				MCDonald's Restaurants Belgium NV-						
Securex International										
Miami Sun SPRL										
ING Belgique SA										
Pharmacies Populaires de Verviers et arr. SCRL										
Colim NV										
PRO-DUO nv										
Zanimo SPRL										
ELECTRO AV nv										
SND sa (Trafic)										
Menatam SA (Eggo)										
Maisons du Monde										
Parfumerie ICI PARIS XL SA										
Chaussea BRT BVBA										
L&L Retail Belgium SA										
3D MANAGEMENT SPRL										
JBC nv										
Delimmo SA										
CRESCEND HOME S.A. (Ixina)										
MAXI ZOO BELGIUM bvba										
Papeterie.be SPRL (Page 111)										
KRUIDVAT bvba										

BELGIUM																				
Province	Cluster	Address	Year of construction - last renovation	Tenant	Gross surface m ²	Occupancy rate	Rental income	Fair value	Acquisition value	Insurred value										
Luik	Lui-Herstal	Rue des Naiveux 44, 4040 Herstal Rue des Naiveux 40, 4040 Herstal Rue des Naiveux 24B, 4040 Herstal Rue des Naiveux 20, 4040 Herstal Rue des Naiveux 16, 4040 Herstal Rue de Naiveux 7, 4040 Herstal Rue Arnold Delsupexhe 66A, 4040 Herstal Rue Arnold Delsupexhe 66B, 4040 Herstal	1971 - 2001	HOME KITCHENS SPRL	6 200	100.00%	782 398.01	9 297 843.66	6 445 718.20	5 178 978.72										
				L&L Retail Belgium SA																
				KRUIDVAT bvba																
				TAO Belgique SA																
				Fnac Vanden Borre nv																
				MT - MONDIAL TEXTILES SA																
				KREFEL nv																
				JCDECAUX BILLBOARD sa																
				AVA PAPIERWAREN nv																
				Luik-Hognoul							Porte de Liège 7, 4342 Hognoul	2021	LEEN BAKKER BELGIE nv	5 676	100.00%	912 400.04	14 023 199.58	9 819 000.29	4 741 271.49	
													POLTRONESOFA BELGIUM SA							
				Luxemburg							Lux-Arlon	Rue de Grass, 6700 Sterpenich	2018	Signify Belgium NV	11 123	100.00%	1 403 036.89	20 094 084.01	20 765 128.00	9 291 254.89
Maisons du Monde																				
IMPERMO - STULTJENS SA																				
EXTERIOO WEST-VLAANDEREN EN WALLONIE NV																				
ARLONSPOORTS SCRL (Intersport)																				
X'O Wallonië NV																				
Lux-Libramont	Individual peripheral properties and other	Avenue de la Gare, 6720 Habay-la-Neuve Rue de la Vallée 104, 6780 Messancy Rue de la Ferme 108, 6780 Messancy Rue de la Vallée 100, 6780 Messancy Rue de la Vallée 100-108, 6780 Messancy Rue de la Vallée 106, 6780 Messancy Rue de Neufchâteau 5, 6800 Libramont-Chevigny Rue de la Girafe 21, 6830 Bouillon Rue de la Girafe 25, 6830 Bouillon	1992 - 2008		Carrefour Belgium SA	10 829	100.00%	837 735.78	9 922 429.97	11 903 146.64				9 045 671.06						
					Maxi Market SPRL															
					ILLIS SA															
					BDO Distribution SA															
					MAKE sprl															
					Blue Vision Messancy SRL															
				NUNO DOS SANTOS-MARYLINE MIRANDA																
				Quality meat Renmans SA																
				BBK Expansion BVBA (Babykid)																
				Omega NV (Databuild)																
				bpost SA																
				Lux-Libramont	Rue de l'Aliéneau, 6800 Libramont Rue du Neufchâteau 8, 6800 Libramont Rue de Libin 2a, 6800 Libramont Rue de Libin 2, 6800 Libramont Rue de l'Aliéneau, 6800 Libramont Avenue de Bouillon 141, 6800 Libramont Avenue de Bouillon 139c, 6800 Libramont Avenue de Bouillon 139b, 6800 Libramont						2006 - 2010	Burger Brands Belgium NV	14 746		96.05%	1 572 220.55	23 872 822.20	24 883 558.16	12 317 616.17	
MONDIAL EXPRESS SCRL																				
JBC nv																				
POINT CARRE sprl																				
APRIL BEAUTY BELGIUM																				
Veritas NV																				
H&M Hennes & Mauritz SA																				
POINT CARRE sprl																				
BRICO ARDENNE SPRL																				
KREFEL nv																				
AVA PAPIERWAREN nv																				
LEEN BAKKER BELGIE nv																				
CASA INTERNATIONAL NV																				

BELGIUM													
Province	Cluster	Address	Year of construction - last renovation	Tenant	Gross surface m ²	Occupancy rate	Rental income	Fair value	Acquisition value	Insurred value			
Luxemburg	Marche-en-Famenne	avenue de France 40, 6900 Marche-en-Famenne		IMPERMO - STULTJENS SA									
		avenue de France 44, 6900 Marche-en-Famenne		I X I DISTRIBUTION S.A.									
		avenue de France 38, 6900 Marche-en-Famenne		C&A België cv									
		avenue de France 42, 6900 Marche-en-Famenne		BBK Expansion BVBA (Babykid)									
		Avenue de France 32, 6900 Marche-en-Famenne		LEEN BAKKER BELGIE nv									
		Avenue de France 34, 6900 Marche-en-Famenne		JMBA SPRL (Ixina)									
		Avenue de France 36, 6900 Marche-en-Famenne		CASA INTERNATIONAL NV									
		Chaussée de Liège 11, 6900 Marche-en-Famenne		BASILE FAMILY sprl									
		Rue du parc Industriel 5, 6900 Marche-en-Famenne		H&M Hennes & Mauritz SA									
						HEMA BELGIE BVBA							
				MT - MONDIAL TEXTILES SA									
				ELECTRO AV nv									
				Follow Up SPRL									
				Civadis SA									
		Rue du Parc Industriel 13, 6900 Marche-en-Famenne		HUBO BELGIE nv									
					1969 - 2013	15 183	100.00%	1 643 926.37	24 447 612.90	18 277 422.16	12 682 650.64		
Namen	Nam-Dinant	Tienne de l'Europe, 5500 Dinant											
		Tienne de l'Europe / Rue Saint Jacques, 5500 Dinant											
		Tienne de l'Europe 12C, 5500 Dinant		ELECTRO AV nv									
		Tienne de l'Europe 5, 5500 Dinant											
		Tienne de l'Europe, 5500 Dinant		CP RETAIL SA									
				Parée Pierre									
				NMD sprl									
				C&A België cv									
							1996 - 2001	5 331	45.62%	241 264.83	6 968 360.26	6 549 009.47	4 453 086.38
		Namen	Nam-Gembloux	Campagne d'Enée, 5030 Gembloux		Menatam SA (Eggo)							
Campagne d'Enée 11, 5030 Gembloux				KREFEL nv									
Campagne d'Enée 2, 5030 Gembloux				AVA PAPIERWAREN nv									
Campagne d'Enée 10, 5030 Gembloux				AUGEM SPRL									
Campagne d'Enée 8, 5030 Gembloux				ELECTRO AV nv									
Campagne d'Enée 7, 5030 Gembloux				KRUIDVAT bvba									
Campagne d'Enée 1, 5030 Gembloux				POINT CARRE sprl									
				DISTRILED CENTRE BVBA									
				LIDL									
					2008 - 2009	8 237	100.00%	945 640.12	13 808 379.67	12 911 076.09	6 880 523.83		
Namen	Individual peripheral properties and other	Ancien Rivage 73, 5020 Malonne		ANISERCO nv									
		Chaussée de Wavre 42B, 5030 Gembloux		Chalet Center NV									
		Chaussée de Liège 539, 5100 Jambes		BRICO PLAN-IT NV									
		Avenue Reine Elisabeth, 5300 Andenne		NEW MTB SRL (King Jouet)									
		Avenue de la Belle Mine 24, 5300 Andenne		Fnac Vanden Borre nv									
							1996 - 2021	17 964	100.00%	1 190 508.87	27 037 080.58	23 754 052.27	15 005 673.19
		Namen-Philippeville	Rue de Neuville	2, 5600 Philippeville		Euro Shoe Group N.V.							
				5600 Philippeville		C&A België cv							
						ALDI Gembloux sa							
							1989	2 936	100.00%	315 961.07	4 770 926.05	323 913.91	2 452 497.02
Namen-Sambre	Nam-Sambre	Rue Baty des Puissances 6, 5190 Jemeppe-sur-Sambre		ACTION BELGIUM BVBA									
		Rue Baty des Puissances 10, 5190 Jemeppe-sur-Sambre		BELCOMMA BV									
		rue Baty des Puissances 1, 5190 Jemeppe-sur-Sambre		BRICO BELGIUM nv									
		Rue Baty des Puissances 12, 5190 Jemeppe-sur-Sambre		BDO Distribution SA									
		Rue Baty des Puissances, 5190 Jemeppe-sur-Sambre		NEW MTB SRL (King Jouet)									
		Rue Baty des Puissances, 5190 Jemeppe-sur-Sambre		Ping an 168 SPRL (kledingwinkel - Mirroir)									
		Rue Baty des Puissances 11/2, 5190 Jemeppe-sur-Sambre		GOBREL sa									
		Rue Baty des Puissances 27, 5190 Jemeppe-sur-Sambre		Bavarois Concept SPRL (Wok)									
							1992 - 2002	6 906	100.00%	523 192.20	8 506 927.88	6 390 437.20	5 768 714.04

BELGIUM											
Province	Cluster	Address	Year of construction - last renovation	Tenant	Gross surface m ²	Occupancy rate	Rental income	Fair value	Acquisition value	Insurred value	
Namen	Namen-Fosses-La-Ville	Rue du Cimetière, 5070 Fosses-la-Ville		Parfumerie ICI PARIS XL SA							
				JBC nv							
				POINT CARRE sprl							
				CHAUSSURES MANIET SA							
				ETABLISSEMENT SWILLE SA (Entre Parenthèse)							
				Hunkemöller Belgium NV							
				ACTION BELGIUM BVBA							
				HELGA CHANTRAINE SPRL (Julie Fashion Club en Fashion club Men)							
				GTELECOM SPRL							
				SPV FAMILY SPRL (Okaidi)							
				POINTFOSSÉS SPRL							
				Pharmacie Graf-Lesoye SPRL							
				O.Q.G SPRL (Brasserie)							
				Delhaize Le Lion - De Leeuw Comm.VA							
				Jouets BROZE SA							
				STOCK FOSSÉS SA							
				SNC FLORENT ET CIE SCS (Chocolaterie)							
				ANISERCO nv							
				Just et Oli SPRL							
				IMPERIAL BIJOUX SPRL							
		CROQ'IN STOCK SCRI									
		PREVITI M. & C. SCRL (Traiteur Italiaans)									
		CROQ'IN SUSHI SARL									
		Favresse Marie-Hélène (schoonheidssalon)									
		BERTRAND SA (AD Delhaize)									
		Servais Alain (bloemen)									
					2014	15 940	98.33%	1 803 574.04	28 901 463.22	29 466 482.88	13 314 987.23
Namen	Namen-Noord	rue de Sardanson 4, 5004 Bouge		BE OTS SRL							
				CCB Corporate SPRL (Cash Converters)							
		rue de Sardanson 2, 5004 Bouge		2 HB ANS SPRL (haircare)							
		Chaussée de Louvain 261, 5004 Bouge		C&A België cv							
		Chaussée de Louvain 257, 5004 Bouge		MESTDAGH SA							
		rue Louis Albert 7, 5020 Champion									
		Rue Louis Albert 5-7, 5020 Champion		ZEEMAN textielSupers NV							
		rue Louis Albert 5, 5020 Champion		JBC nv							
		rue Louis Albert 3, 5020 Champion		CHAUSSURES LACHAPPELLE SA							
		Rue Louis Albert 6A, 5020 Champion		SND sa (Trafic)							
Rue Louis Albert 6, 5020 Champion		NovaSYO BVBA (bedden en matrassen)									
Chaussée de Louvain 562, 5020 Champion		ALDI Gembloux sa									
Chaussée de Louvain 564, 5020 Champion		Maisons du Monde									
Chaussée de Louvain 564B, 5020 Champion		Le Fu SPRL									
					1990 - 2012	14 868	100.00%	1 550 013.47	23 110 568.07	19 340 706.01	12 419 525.11
Namen	Namen-Zuid	Avenue du Prince de Liege 115, 5100 Jambes		Fnac Vanden Borre nv							
		Avenue Prince de Liège 117, 5100 Jambes		BELCOMMA BV							
		Avenue Prince de Liège 114/120, 5100 Jambes		X'CO Wallonië NV							
		Chaussée de Liege 519, 5100 Jambes		Burger Brands Belgium NV							
		Chaussée de Marche 570, 5101 Erpent		KREFEL nv							
Chaussée de Marche 586, 5101 Erpent		LOVIC S.A.									
					1968 - 2015	8 523	100.00%	744 238.88	13 327 481.93	13 121 719.66	7 119 425.11

BELGIUM										
Province	Cluster	Address	Year of construction - last renovation	Tenant	Gross surface m ²	Occupancy rate	Rental income	Fair value	Acquisition value	Insurred value
Dendermonde-Mechelsestwg		Mechelsesteenweg 144, 9200 Dendermonde		MYCOR NV (Fashion Store)						
		Mechelsesteenweg 138 D, 9200 Dendermonde								
		Mechelsesteenweg 136, 9200 Dendermonde								
		Mechelsesteenweg 140, 9200 Dendermonde		LEEN BAKKER BELGIE nv						
		Mechelsesteenweg 138, 9200 Dendermonde		FUN BELGIUM nv						
		Mechelsesteenweg 138, 9200 Dendermonde		Basic Fit België						
		Mechelsesteenweg 51, 9200 Dendermonde		KREFEL nv						
		Oude Vest 70, 9200 Dendermonde		KRUIDVAT bvba						
		Mechelsesteenweg 35, 9200 Dendermonde		GAM NV						
				1974 - 1991		13 862	82.54%	1 069 369.35	18 054 058.82	8 179 029.16
Oost-Vlaanderen	Eeklo	Stationstraat 76, 9900 Eeklo		Verhaeghe Peter BVBA (KVIK)						
		Stationstraat - Krügercenter, 9900 Eeklo		DAMART TSD nv						
				Hunkemöller Belgium NV						
					HANS ANDERS BELGIE BVBA					
		Stationstraat 82N - Krügercenter, 9900 Eeklo		L&L Retail Belgium SA						
		Stationstraat 82M - Krügercenter, 9900 Eeklo		ZEB - SOMNIUM NV						
		Stationstraat 82L - Krügercenter, 9900 Eeklo		C&A België cv						
		Stationstraat 82D - Krügercenter, 9900 Eeklo		ZEB - Savermo NV						
		Stationstraat 82J - Krügercenter, 9900 Eeklo		LTORFS NV						
		Stationstraat 82H - Krügercenter, 9900 Eeklo		HEMA BELGIE BVBA						
		Stationstraat 82G - Krügercenter, 9900 Eeklo		Fnac Vanden Borre nv						
		Stationstraat 82F - Krügercenter, 9900 Eeklo		JBC nv						
		Stationstraat 82J - Krügercenter, 9900 Eeklo		ADL Consult BVBA						
					Sportschool De Poorter CVBA					
		Stationstraat 82C - Krügercenter, 9900 Eeklo		LIDL						
	Stationstraat 82A - Krügercenter, 9900 Eeklo		ELECTRO AV nv							
	Stationstraat 78 - Krügercenter, 9900 Eeklo		Tijdloos BVBA							
			1998 - 2005		12 199	100.00%	1 516 688.26	22 494 484.24	19 746 074.25	10 190 058.30
Gent-Zuid		Kortrijksesteenweg 1178, 9051 Sint-Denijs-Westrem		FUN BELGIUM nv						
		Kortrijksesteenweg 1036, 9051 Sint-Denijs-Westrem		Retail Concepts NV (AS Adventure)						
				Signify Belgium NV						
		Kortrijksesteenweg, 9051 Sint-Denijs-Westrem		Retail Estates NV						
		Kortrijksesteenweg 1038, 9051 Sint-Denijs-Westrem		GDW-Gent BV						
		Kortrijksesteenweg 1200, 9051 Sint-Denijs-Westrem		Fnac Vanden Borre nv						
		Kortrijksesteenweg 1192B, 9051 Sint-Denijs-Westrem		KREFEL nv						
		Kortrijksesteenweg 1182A, 9051 Sint-Denijs-Westrem		Slaapadvies BVBA						
		Wallenkensstraat 28, 9051 Sint-Denijs-Westrem		IXINA - MATOXI BV						
		Wallenkensstraat 24, 9051 Sint-Denijs-Westrem		LTORFS NV						
	Wallenkensstraat 26, 9051 Sint-Denijs-Westrem		ZEB - Wamo BVBA							
	Kortrijksesteenweg 1206, 9051 Sint-Denijs-Westrem		CARPETLAND nv							
			1978 - 2003		14 666	100.00%	1 937 479.03	29 023 434.18	20 206 031.71	12 250 790.64

BELGIUM											
Province	Cluster	Address	Year of construction - last renovation	Tenant	Gross surface m ²	Occupancy rate	Rental income	Fair value	Acquisition value	Insurred value	
Oost-Vlaanderen	Individual peripheral properties and other	Fratersplein 11, 9000 Gent		LIDL							
		Brusselsesteenweg 662, 9050 Gentbrugge		Slaapadvies BVBA							
				LTORFS NV							
				ZEB - Wamo BVBA							
			Maisstraat 3, 9060 Zelzate		JBC nv						
			Antwerpse Steenweg 71, 9080 Lochristi		MODEMAKERS FASHION nv						
			Antwerpse Steenweg 73, 9080 Lochristi								
			Antwerpsesteenweg 84, 9080 Lochristi		DAMART TSD nv						
					AUGUSTYNS BVBA (verkoop keukens)						
			Brusselsesteenweg 75, 9090 Melle								
		Zelebaan 63/A000, 9160 Lokeren									
		Zelebaan 63, 9160 Lokeren		L&L Retail Belgium SA							
		Zelebaan 61, 9160 Lokeren		LEEN BAKKER BELGIE nv							
		Zelebaan 65, 9160 Lokeren		FABRIMODE nv (Bel & Bo)							
		Zelebaan 69, 9160 Lokeren		E5 Fashion BV							
		Zelebaan 67, 9160 Lokeren		Van Haren Schoenen BV							
		Zelebaan Lot B, 9160 Lokeren									
		Oosterzelesteenweg 127, 9230 Wetteren		KREFEL nv							
				EXTERIOO OOST-VLAANDEREN NV							
		Grote Baan 154, 9250 Waasmunster		TDM Products Belgium bvba							
	Brusselsesteenweg 120, 9300 Aalst		Van Haren Schoenen BV								
	Gentssesteenweg 442, 9300 Aalst		CARPETLAND nv								
	Pieter Corneliskaai 16A, 9300 Aalst		BRICO BELGIUM nv								
	Brakelsesteenweg 160, 9400 Ninove		JBC nv								
	Steenweg 389, 9470 Denderleeuw		ALDI Erpe Mere nv								
	Provincieweg 266, 9550 Herzele		MODEMAKERS FASHION nv								
	Noordlaan 5, 9630 Munkzwalm		JOETRON BV								
	Kortrijksesteenweg 18, 9830 Sint-Martens-Latem		KEUKENBARON BV (FAILLIET)								
	Puitvoetstraat 6B, 9100 Sint-Niklaas										
			1974 - 2015		35 278	100.00%	3 104 281.45	50 399 364.36	50 649 161.48	29 468 388.94	
Ovl-Oudenaarde		Gentstraat 47-67, 9700 Oudenaarde		Extra Vertes BVBA							
				C&A België cv							
				JYSK BVBA							
				ACTION BELGIUM BVBA							
				MAXI ZOO BELGIUM bvba							
				ELECTRO AV nv							
			LIDL								
			KRUIDVAT bvba								
			bpost SA								
			2005 - 2014		8 060	100.00%	602 979.25	8 647 279.80	7 134 533.80	6 732 672.34	

BELGIUM										
Province	Cluster	Address	Year of construction - last renovation	Tenant	Gross surface m ²	Occupancy rate	Rental income	Fair value	Acquisition value	Insurred value
Oost-Vlaanderen	Ovl-Wetteren	Oude Heerbaan 7, 9230 Wetteren	1996 - 2008	BEKINTEX NV ULRIKA BVBA De Rijcke B.V. (groothandel bloemen en planten) AMELIM NV ATTITA NV (papierwaren) JBC nv LTORFS NV Fnac Vanden Borre nv Slaapadvies BVBA Sportsdirect.com Belgium Veritas NV Caprera BVBA L&L Retail Belgium SA REDISCO bvba Parfumerie ICI PARIS XL SA C&A België cv ZEB - Wamo BVBA	25 245	100.00%	1 920 432.24	28 378 277.48	26 084 511.35	21 087 631.91
		Oude Heerbaan 5, 9230 Wetteren								
		Oosterzelesteenweg 5 bus 13, 9230 Wetteren								
		Oosterzelesteenweg 5 bus 12 A en 12 B, 9230 Wetteren								
		Oosterzelesteenweg 5 bus 11, 9230 Wetteren								
		Oosterzelesteenweg 5 bus 10, 9230 Wetteren								
		Oosterzelesteenweg 5 bus 9, 9230 Wetteren								
		Oosterzelesteenweg 5 bus 8, 9230 Wetteren								
		Oosterzelesteenweg 5 bus 7, 9230 Wetteren								
		Oosterzelesteenweg 5 bus 6 A, 9230 Wetteren								
		Oosterzelesteenweg 5 bus 6 B, 9230 Wetteren								
		Oosterzelesteenweg 5 bus 5, 9230 Wetteren								
		Oosterzelesteenweg 5 bus 4, 9230 Wetteren								
		Oosterzelesteenweg 5 bus 3, 9230 Wetteren								
		Oosterzelesteenweg 5 bus 2, 9230 Wetteren								
		Oosterzelesteenweg 5 bus 1, 9230 Wetteren								
		Hoek Brusselsesteenweg-Oosterzelesteenweg, 9230 Wetteren								
		Sint-Niklaas								
Parklaan 87, 9100 Sint-Niklaas										
Plezantstraat 268, 9100 Sint-Niklaas										
Halle	Halle	Edingsesteenweg 75, 1500 Halle	1964 - 2002	Colim NV ACTION BELGIUM BVBA AVEVE nv Chalet Center NV MAXI ZOO BELGIUM bvba	6 475	100.00%	406 400.34	6 295 063.42	4 612 805.24	5 408 691.49
		Edingsesteenweg 75, 1500 Halle								
		Bergensesteenweg 162, 1500 Halle								
		Bergensesteenweg 460, 1600 Sint-Pieters-Leeuw								
		Demaeghtlaan 216-218, 1500 Halle								
Leuven-Oost	Leuven-Oost	Tiensesteenweg 410, 3360 Korbek-Lo	1987 - 1993	LOVANIX BVBA (ixina) TEGEL CONCEPT BVBA FUN BELGIUM nv MEDI-MARKET Parapharmacies SA MODEMAKERS FASHION nv FABRIMODE nv (Bel & Bo) LEEN BAKKER BELGIE nv JUNTOO WEST-VLAANDEREN EN WALLONIE NV ACTION BELGIUM BVBA LTORFS NV	11 008	100.00%	1 581 330.66	21 888 971.83	19 862 550.24	9 195 193.19
		Tiensesteenweg 370, 3360 Korbek-Lo								
		Tiensesteenweg 393, 3360 Korbek-Lo								
		Tiensesteenweg 1B, 3360 Korbek-Lo								
		Ridderstraat 2-12, 3360 Bierbeek								
		Ridderstraat 10, 3360 Bierbeek								
		Ridderstraat 12, 3360 Bierbeek								

BELGIUM										
Province	Cluster	Address	Year of construction - last renovation	Tenant	Gross surface m ²	Occupancy rate	Rental income	Fair value	Acquisition value	Insurred value
Vlaams-Brabant	Individual peripheral properties and other	Ruisbroeksesteenweg 2, 1600 Sint-Pieters-Leeuw	1970 - 2004	E5 Fashion BV GOBREL sa Atlantis SPRL Retail Concepts NV (AS Adventure) Fnac Vanden Borre nv CEMEPRO sprl (chateau d'ax) FABRIMODE nv (Bel & Bo) TDM Products Belgium bvba ACTION BELGIUM BVBA DEVOTEC BVBA KHARBAGH- ZAIDI ZERRAD - CHTAOU Van Haren Schoenen BV JBC nv ALDI Cargovil-Zemst nv AVA PAPIERWAREN nv KREFEL nv E5 Fashion BV LEEN BAKKER BELGIE nv KEUKENBARON BV (FAILLIET) Aldi Heusden-Zolder E5 Fashion BV	25 419	100.00%	3 230 893.18	43 379 192.01	35 950 802.25	21 232 977.46
		Humaniteitslaan 10, 1601 Ruisbroek (VI.Br.)								
		Humaniteitslaan 10, 1601 Ruisbroek (VI.Br.)								
		Humaniteitslaan 10, 1601 Ruisbroek (VI.Br.)								
		Humaniteitslaan 10, 1601 Ruisbroek (VI.Br.)								
		Verlengde Stallestraat 200, 1620 Drogenbos								
		Verlengde Stallestraat 219, 1620 Drogenbos								
		Waterloosesteenweg 39, 1640 Sint-Genesius-Rode/Rhode-Saint-Genèse								
		Waterloosesteenweg 39, 1640 Sint-Genesius-Rode/Rhode-Saint-Genèse								
		Ninoofsesteenweg 385, 1700 Dilbeek								
		Assesteenweg 66, 1740 Ternat								
		Schaarbeeklei 115, 1800 Vilvoorde								
		Goudbloemstraat 2, 1800 Vilvoorde								
		Goudbloemstraat 4, 1800 Vilvoorde								
		Waardbeekdreef 6, 1850 Grimbergen								
		Brusselsesteenweg 4, 3020 Herent								
		Brusselsesteenweg 490, 3090 Overijse								
		VBR-Kamperhout								
Mechelsesteenweg 46, 1910 Kamperhout										
Mechelsesteenweg 93, 1910 Kamperhout										
VBR-Sint-Joris-Winge	VBR-Sint-Joris-Winge	Mechelsesteenweg 89 B, 1910 Kamperhout	1984 - 2011	MODEMAKERS FASHION nv LEEN BAKKER BELGIE nv Retail Concepts NV (AS Adventure) FUN BELGIUM nv Van Haren Schoenen BV	8 863	100.00%	1 221 287.26	18 860 331.33	18 204 880.14	7 403 433.62
		Mechelsesteenweg 91, 1910 Kamperhout								
		Mechelsesteenweg 50, 1910 Kamperhout								
VBR-Sint-Joris-Winge	VBR-Sint-Joris-Winge	Gouden Kruispunt 69, 3390 Tielt-Winge	1984 - 2011	MODEMAKERS FASHION nv LEEN BAKKER BELGIE nv Retail Concepts NV (AS Adventure) FUN BELGIUM nv Van Haren Schoenen BV	8 863	100.00%	1 221 287.26	18 860 331.33	18 204 880.14	7 403 433.62
		Aarschotsesteenweg 9, 3390 Sint-Joris-Winge								

BELGIUM										
Province	Cluster	Address	Year of construction - last renovation	Tenant	Gross surface m ²	Occupancy rate	Rental income	Fair value	Acquisition value	Insurred value
Vlaams-Brabant	Zaventem	Leuvensesteenweg 375, 1930 Zaventem	1967 - 1996	CARPETLAND nv	16 587	100.00%	1 456 331.74	20 662 442.26	20 045 305.70	13 855 438.72
		VONIKA BVBA								
		VONIKA BVBA								
		BC FOODS B.V.								
Braine l'Alleud	Braine l'Alleud	Leuvensesteenweg 350, + 350, 1932 Sint-Stevens-Woluwe	1989 - 2008	CARE4CARS NV	8 535	93.37%	828 041.81	13 924 326.37	15 180 854.39	7 129 448.94
		Leuvensesteenweg 8, 1932 Sint-Stevens-Woluwe		HUBO BELGIE nv						
		Jozef Van Damstraat 3C, 1932 Sint-Stevens-Woluwe		Bedden en Matrassen BV						
				COOLBLUE BELGIE NV						
				ANISERCO nv						
				Retail Partners Colruyt Group NV						
				ZEEMAN textielSupers NV						
				KRUIDVAT bvba						
				E5 Fashion BV						
				JOMA BV						
Waals-Brabant	Individual peripheral properties and other	Avenue Reine Astrid 4/6, 1300 Wavre	1958 - 2013	BBK Expansion BVBA (Babykid)	5 775	98.46%	526 841.48	8 688 568.54	10 232 351.02	4 823 968.09
		Rue Pont du Christ 32, 1300 Wavre		Bibliopolis SPRL						
		Rue des Carabiniers, 1300 Wavre		Régie d'électricité de la ville de Wavre						
		Rue du Bosquet 10 en 10A, 1370 Jodoigne		MD SPORT SA						
		Brusselssesteenweg 551, 1410 Waterloo		CARPETLAND nv						
		Grand Route 49, 1435 Corbais		CHAUSURES MANIET SA						
WBr-Nivelles	WBr-Nivelles	Chaussée de Namur 55C, 1400 Nivelles	1984 - 2018	Basic Fit België	9 726	100.00%	1 098 040.90	16 913 454.58	14 561 786.65	8 124 314.04
		Chaussée de Namur 55D, 1400 Nivelles		SND sa (Trafic)						
		Avenue de Centenaire 42, 1400 Nivelles		BRICO BELGIUM nv						
		Rue du Tienne à deux vallées 3, 1400 Nivelles		ALDI REAL ESTATE NV						
		Chaussée de Namur 55A, 1400 Nivelles		Jouets BROZE SA						
		Chaussée de Namur 55B, 1400 Nivelles		Menatam SA (Eggo)						
		Chaussée de Namur, 1400 Nivelles		Fnac Vanden Borre nv						

BELGIUM										
Province	Cluster	Address	Year of construction - last renovation	Tenant	Gross surface m ²	Occupancy rate	Rental income	Fair value	Acquisition value	Insurred value
West-Vlaanderen	Brugge-Noord	Sint-Pieterskaai 20 A, 8000 Brugge	1965 - 2012	HEMA BELGIE BVBA	14 938	100.00%	1 447 832.20	22 072 554.64	21 556 884.83	12 477 997.45
		Sint-Pieterskaai 20, 8000 Brugge		Delix 88 BVBA						
		Sint-Pieterszuidstraat en Veemarktstraat, 8000 Brugge		LIDL						
				Euro Shoe Group N.V.						
				ADL Consult BVBA						
				IDEWE VZW						
				Colim NV						
				LEEN BAKKER BELGIE nv						
				ACTION BELGIUM BVBA						
				Omega (BWC)						
West-Vlaanderen	Kortrijk-Noord	Ringlaan 32, 8500 Kortrijk	1987 - 2015	D. Fashion NV (Giks)	12 714	96.70%	1 035 077.02	15 331 971.70	10 992 680.23	10 620 247.66
				IMETAM bvba						
				L.TORFS NV						
				DE MAMBO B.V.B.A.						
				Colim NV						
				Fnac Vanden Borre nv						
				Euro Shoe Group N.V.						
				AVA PAPIERWAREN nv						
				BELCOMMA BV						
				LEEN BAKKER BELGIE nv						
West-Vlaanderen	Roeselare	Brugsestraat 377, 8800 Roeselare	1993 - 2007	BRICO BELGIUM nv	12 863	100.00%	1 470 668.47	20 188 424.69	16 227 231.05	10 744 710.21
		Brugsesteenweg 508-510, 8800 Roeselare		MAEBEROEK BV						
		Mercury Centrum - Brugsestw 363, 8800 Roeselare		BIG BAZAR NV						
		Brugsesteenweg 524, 8800 Roeselare		IMETAM bvba						
		Brugsesteenweg 356 B, 8800 Roeselare		BELGIAN POSTERS						
		Brugsesteenweg 356 A, 8800 Roeselare		Seats and sofas N.V.						
West-Vlaanderen	Individual peripheral properties and other	Brugsesteenweg 356 C, 8800 Roeselare	1950 - 1998	Omega NV	8 598	100.00%	861 428.94	11 415 135.43	11 999 281.57	7 182 074.04
				Fnac Vanden Borre nv						
		Torhoutsestraat 45, 8020 Ruddervoorde		MATCH sa						
		Maalsesteenweg 166, 8310 Sint-Kruis		MEUBELEN DE ABDIJ bvba						
		Maalsesteenweg 255, 8310 Sint-Kruis		C&A België cv						
		Torhoutsesteenweg 610, 8400 Oostende		IMETAM bvba						
West-Vlaanderen	WVL-Sint-Eloois-Vijve	Biezenstraat 16, 8430 Middelkerke	1988	ACTION BELGIUM BVBA	4 952	80.92%	358 231.80	5 405 745.77	5 821 410.21	4 136 500.43
		Koninklijke Baan 228, 8670 Koksijde		Euro Shoe Group N.V.						
		Frankrijklaan 2, 8970 Poperinge		Omega (BWC)						
West-Vlaanderen	WVL-Sint-Eloois-Vijve	Gentseweg 520, 8793 Sint-Eloois-Vijve	1988	AVA PAPIERWAREN nv	4 952	80.92%	358 231.80	5 405 745.77	5 821 410.21	4 136 500.43
				Mekowa BVBA (Gamma)						
				Boncquet Robert BVBA						

THE NETHERLANDS										
Province	Cluster	Address	Year of construction - last renovation	Tenant	Gross surface m ²	Occupancy rate	Rental income	Fair value	Acquisition value	Insured value
Zeeland	Middelburg	Mortiereboulevard 10, 4336 RA Middelburg		Kwantum Nederland B.V.						
		Mortiereboulevard 12, 4336 RA Middelburg		Goossens Meubelen B.V.						
		Mortiereboulevard 14, 4336 RA Middelburg		Leen Bakker Nederland B.V.						
		Mortiereboulevard 16, 4336 RA Middelburg		Pronto Zeeland B.V.						
		Mortiereboulevard 18, 4336 RA Middelburg		Swiss Sense B.V.						
		Mortiereboulevard 20, 4336 RA Middelburg		Profijt Zeeland B.V.						
		Mortiereboulevard 22, 4336 RA Middelburg		Tulp Verkoop B.V.						
		Mortiereboulevard 24, 4336 RA Middelburg		De Badenman B.V.						
		Mortiereboulevard 26, 4336 RA Middelburg		BCC (Elektro-Specialzaken)						
		Mortiereboulevard 28, 4336 RA Middelburg		Keukenconcurrent Nederland B.V.						
		Mortiereboulevard 30, 4336 RA Middelburg		Bruynzeel Keukens B.V.						
		Mortiereboulevard 32, 4336 RA Middelburg		Beter Bed B.V.						
		Mortiereboulevard 36, 4336 RA Middelburg		Blokker B.V.						
		Mortiereboulevard 4, 4336 RA Middelburg		Media Markt Saturn Holding Nederland B.V.						
2006					26 342	100.00%	2 534 232.35	30 560 251.98	32 914 097.85	16 963 800.00
Zuid-Holland	Naaldwijk	Hovenierstraat 127, 2671 ZP Naaldwijk		Grando Keukens Naaldwijk V.O.F.						
		Gezelstraat 11, 2671 ZP Naaldwijk		M. Bonnet						
		Hovenierstraat 131, 2671 ZP Naaldwijk		Beter Bed B.V.						
		Warmoezenierstraat1, 2671 ZP Naaldwijk		De Mandemakers Groep B.V.						
		Hovenierstraat 129, 2671 ZP Naaldwijk		J.M.F. Jansen						
		Warmoezenierstraat 19, 2671 ZP Naaldwijk		The Fitness Experience Naaldwijk B.V.						
		Warmoezenierstraat 17, 2671 ZP Naaldwijk		Meubelcentrum Lissabon B.V.						
		Warmoezenierstraat 15, 2671 ZP Naaldwijk		Leen Bakker Nederland B.V.						
		Warmoezenierstraat 13, 2671 ZP Naaldwijk		Meubelcentrum Lissabon B.V.						
		Warmoezenierstraat 11, 2671 ZP Naaldwijk		Roobol Woontextiel B.V.						
		Gildestraat 104-106, 2671 ZP Naaldwijk		Kwantum Nederland B.V.						
		Gezelstraat 7b en 9, 2671 ZP Naaldwijk		Jysk B.V.						
		Gezelstraat 7, 2671 ZP Naaldwijk		Quartero Interior and Kitchen						
		Warmoezenierstraat 5+7, 2671 ZP Naaldwijk		Naaldwijk Invest N.V.						
		Warmoezenierstraat 7, 2671 ZP Naaldwijk		IMPEGNO NEDERLAND B.V.						
		Warmoezenierstraat 3+5, 2671 ZP Naaldwijk		Panorama Studios V.O.F.						
		Gildestraat 109-110, 2671 ZP Naaldwijk		Troost Interieurs B.V.						
Warmoezenierstraat, 2671 ZP Naaldwijk		VINK & VINK NAALDWIJK BV								
Warmoezenierstraat 9, 2671 ZP Naaldwijk		Keuken Vision Naaldwijk B.V.								
Hovenierstraat 133, 2671 ZP Naaldwijk		Tsang-Chen V.O.F.								
1998 - 2004					20 932	100.00%	1 753 610.26	18 701 082.78	20 550 798.29	23 107 300.00

THE NETHERLANDS										
Province	Cluster	Address	Year of construction - last renovation	Tenant	Gross surface m ²	Occupancy rate	Rental income	Fair value	Acquisition value	Insured value
Zuid-Holland	Spijkenisse	Lucebertstraat 76, 3202 SW Spijkenisse		RIVIERA MAISON B.V.						
		Lucebertstraat 72, 3202 SW Spijkenisse		Hoogenboezem Meubelen B.V.						
		Lucebertstraat 68, 3202 SW Spijkenisse		Beter Bed B.V.						
		Lucebertstraat 64, 3202 SW Spijkenisse		Jysk B.V.						
		Lucebertstraat 60, 3202 SW Spijkenisse		Kwantum Nederland B.V.						
		Lucebertstraat 56, 3202 SW Spijkenisse		Leen Bakker Nederland B.V.						
		Lucebertstraat 52, 3202 SW Spijkenisse		Meubelcentrum Lissabon B.V.						
		Lucebertstraat, 3202 SW Spijkenisse								
		Lucebertstraat 48, 3202 SW Spijkenisse		X2O Badkamers BV						
		Lucebertstraat 44, 3202 SW Spijkenisse		Dudaco B.V.						
		Lucebertstraat 38, 3202 SW Spijkenisse		Prominent Comfort Producten B.V.						
		Lucebertstraat 34, 3202 SW Spijkenisse		APS B.V.						
		Lucebertstraat 36, 3202 SW Spijkenisse		Turpoort B.V.						
		Lucebertstraat 30, 3202 SW Spijkenisse		Carpet-Land B.V.						
		Lucebertstraat 32, 3202 SW Spijkenisse		SANI-DUMP B.V.						
		Lucebertstraat 28, 3202 SW Spijkenisse		De Watertuin Spijkenisse B.V.						
		Lucebertstraat 22, 3202 SW Spijkenisse		Roobol Woontextiel B.V.						
		Lucebertstraat 18, 3202 SW Spijkenisse		Lampidee B.V.						
		Lucebertstraat 14, 3202 SW Spijkenisse		BCC (Elektro-Specialzaken)						
		Lucebertstraat 10, 3202 SW Spijkenisse		Bruynzeel Keukens B.V.						
		Lucebertstraat 6, 3202 SW Spijkenisse		Swiss Sense B.V.						
		Lucebertstraat 2, 3202 SW Spijkenisse		Wooning Keukens & Sanitair B.V.						
		Lucebertstraat 26, 3202 SW Spijkenisse		Keukenconcurrent Nederland B.V.						
Lucebertstraat 42, 3202 SW Spijkenisse		Zon en scherm spijkenisse B.V.								
Constantstraat 4, 3202 SW Spijkenisse										
Constantstraat 2, 3202 SW Spijkenisse		Rofra Meubelen Spijkenisse B.V.								
Lucebertstraat, 3202 SW Spijkenisse		Infozuil Nederland								
Lucebertstraat, 3202 SW Spijkenisse										
2009					28 527	99.70%	3 298 476.86	43 001 577.49	47 283 002.42	22 080 000.00
Gelderland	Apeldoorn	Het Rietveld 10, 7321 CT Apeldoorn		Collins Foods Netherlands Limited						
		Het Rietveld 14, 7321 CT Apeldoorn		Wooncentrum De Groot Apeldoorn B.V.						
		Het Rietveld 2, 7321 CT Apeldoorn		Keuken & Bad Apeldoorn B.V.						
		Het Rietveld 22, 7321 CT Apeldoorn		Kvik NL B.V.						
		Het Rietveld 26 (Gelijkvloers), 7321 CT Apeldoorn		totaalBED B.V.						
		Het Rietveld 28 (Gelijkvloers), 7321 CT Apeldoorn								
		Het Rietveld 32, 7321 CT Apeldoorn		Keukenconcurrent Nederland B.V.						
		Het Rietveld 28 + 32 (1e Verdieping), 7321 CT Apeldoorn		Wooncentrum De Groot Apeldoorn B.V.						
		Het Rietveld 34, 7321 CT Apeldoorn		Beter Bed B.V.						
		Het Rietveld 36, 7321 CT Apeldoorn		Swiss Sense B.V.						
		Het Rietveld 4, 7321 CT Apeldoorn		Carpet-Land B.V.						
		Het Rietveld 40 (1e Verdieping), 7321 CT Apeldoorn		Huus Apeldoorn BV						
		Het Rietveld 42, 7321 CT Apeldoorn		Beter Bed B.V.						
		Het Rietveld 44, 7321 CT Apeldoorn		X2O Badkamers BV						
		Het Rietveld 38, 7321 CT Apeldoorn		V.O.F. Wooncentrum						
		Het Rietveld 6, 7321 CT Apeldoorn		Kluswijs B.V.						
Het Rietveld 8, 7321 CT Apeldoorn		HLC Wereld B.V.								
2004 - 2005					23 940	100.00%	1 618 522.29	22 364 145.87	16 162 110.60	29 886 700.00
Duiven		Nieuwgraaf 6, 6921 RJ Duiven		Leen Bakker Nederland B.V.						
1986					3 000	100.00%	279 774.30	4 771 792.66	4 546 399.86	2 763 100.00

THE NETHERLANDS				Year of construction - last renovation	Tenant	Gross surface m ²	Occupancy rate	Rental income	Fair value	Acquisition value	Insurred value
Province	Cluster	Address									
NL Limburg	Heerlen	In de Cramer 146, 6412 PM Heerlen			Turfpoort B.V.						
		In de Cramer 146 A, 6412 PM Heerlen			Van den Heuvel Verlichting/Kleinmeubel B.V.						
		In de Cramer 146 B, 6412 PM Heerlen			Keukenkampioen B.V.						
		In de Cramer 146 C, 6412 PM Heerlen			Bruynzeel Keukens B.V.						
		In de Cramer 148, 6412 PM Heerlen			KUCHEN BOULEVARD BV						
		In de Cramer 148 A-B, 6412 PM Heerlen			Nuva Keukens B.V.						
		In de Cramer 150, 6412 PM Heerlen			Tapijtcentrum Nederland B.V.						
		In de Cramer 152, 6412 PM Heerlen			Carpet-Land B.V.						
		In de Cramer 154, 6412 PM Heerlen			HACO Heerlen B.V.						
		In de Cramer 156-158, 6412 PM Heerlen			Lamp en Licht Heerlen B.V.						
		In de Cramer 160, 6412 PM Heerlen			Horeca Groep Heerlen B.V.						
		In de Cramer 162, 6412 PM Heerlen			Prenatal moeder en kind B.V.						
		In de Cramer 164, 6412 PM Heerlen			Pronto Wonen Heerlen B.V.						
		In de Cramer 166, 6412 PM Heerlen			Brugman Keukens & Backkamers B.V.						
		In de Cramer 168-176, 6412 PM Heerlen			Goossens Meubelen B.V.						
		In de Cramer 168, 6412 PM Heerlen			X2O Backkamers BV						
		In de Cramer 178, 6412 PM Heerlen			DMG Meubelen B.V.						
		In de Cramer 180, 6412 PM Heerlen			Budget Home Store Heerlen B.V.						
		In de Cramer 182, 6412 PM Heerlen			Trendhopper Heerlen B.V.						
		In de Cramer 184, 6412 PM Heerlen			K&D B.V.						
		In de Cramer 186-188, 6412 PM Heerlen			Sijben Wooncenter B.V.						
		In de Cramer 190, 6412 PM Heerlen			DMG Meubelen B.V.						
		In de Cramer 64, 6412 PM Heerlen			Fast food Boer Biet Heerlen V.O.F.						
		In de Cramer 66, 6412 PM Heerlen			Leen Bakker Nederland B.V.						
		In de Cramer 68A, 6412 PM Heerlen			Woonmekka B.V.						
		In de Cramer 68, 6412 PM Heerlen			Knibbeler Meubel B.V.						
		In de Cramer 70, 6412 PM Heerlen			Kwantum Nederland B.V.						
		In de Cramer 74, 6412 PM Heerlen			Seats and Sofas B.V.						
		In de Cramer 76, 6412 PM Heerlen			Woonsquare B.V.						
		In de Cramer 78B, 6412 PM Heerlen			DFS trading Limited						
		In de Cramer 80, 6412 PM Heerlen			Jysk B.V.						
		In de Cramer 78, 6412 PM Heerlen			Pets place Retail B.V.						
		In de Cramer 78C, 6412 PM Heerlen			Sanisale.com						
		In de Cramer 82, 6412 PM Heerlen			Praxis Vastgoed B.V.						
		In de Cramer 84, 6412 PM Heerlen			Burkes Nederland B.V.						
		In de Cramer 86-88-90, 6412 PM Heerlen			Babypark Kesteren B.V.						
		In de Cramer 92, 6412 PM Heerlen			Casa Nederland BV						
		In de Cramer 94 - 96, 6412 PM Heerlen			Gorissen Keukens V.O.F.						
		In de Cramer 96A, 6412 PM Heerlen									
		In de Cramer 98, 6412 PM Heerlen			Nederlands slaapcentrum BV						
		In de Cramer 98 A + 100 (deel), 6412 PM Heerlen			De Badenman B.V.						
		In de Cramer 100, 6412 PM Heerlen			Sawiday netherlands B.V.						
		In de Cramer 102, 6412 PM Heerlen									
		In de Cramer 102A, 6412 PM Heerlen			Beter Bed B.V.						
		In de Cramer 104, 6412 PM Heerlen									
In de Cramer 106, 6412 PM Heerlen			Swiss Sense B.V.								
In de Cramer 106A, 6412 PM Heerlen			Tempur Sealy Benelux B.V.								
In de Cramer 108, 6412 PM Heerlen			Blokker B.V.								
In de Cramer, 6412 PM Heerlen			Tuincentrum Heerlen B.V.								
				1991 - 2004		81 676	100.00%	8 322 626.73	113 939 365.41	116 240 351.51	76 498 100.00
Maastricht	Pontonniersweg 19, 6219 PK Maastricht			Beter Bed B.V.							
	Belvédèrelaan 80, 6219 PK Maastricht										
	Pontonniersweg 17, 6219 PK Maastricht			Carpet-Land B.V.							
	Belvédèrelaan 82, 6219 PK Maastricht			Jysk B.V.							
	Belvédèrelaan 86, 6219 PK Maastricht			Kwantum Nederland B.V.							
Belvédèrelaan 84, 6219 PK Maastricht			Leen Bakker Nederland B.V.								
				2020		7 878	100.00%	653 925.82	9 982 436.19	10 068 762.69	7 257 800.00

THE NETHERLANDS				Year of construction - last renovation	Tenant	Gross surface m ²	Occupancy rate	Rental income	Fair value	Acquisition value	Insurred value		
Province	Cluster	Address											
Noord-Brabant	Breda	Kruisvoort 30, 4814 RZ Breda			Beter Bed B.V.								
		Kruisvoort 32, 4814 RZ Breda		Total Provinces by Cluster	Brugman Keukens & Backkamers B.V.								
		Kruisvoort 34, 4814 RZ Breda			Mameho B.V.								
		Kruisvoort 38, 4814 RZ Breda			Trendhopper Breda B.V.								
		Kruisvoort 40, 4814 RZ Breda			Kwantum Nederland B.V.								
		Kruisvoort 42, 4814 RZ Breda			Mameho B.V.								
		Kruisvoort 48, 4814 RZ Breda			Sanisale.com breda B.V.								
		Kruisvoort 50, 4814 RZ Breda			Hoogenboezem Meubelen B.V.								
		Kruisvoort 52, 4814 RZ Breda			Bruynzeel Keukens B.V.								
		Kruisvoort 54B, 4814 RZ Breda			Tempur Benelux Retail B.V.								
		Kruisvoort 54A, 4814 RZ Breda			Tulp Verkoop B.V.								
		Kruisvoort 56, 4814 RZ Breda			Swiss Sense B.V.								
		Kruisvoort 58, 4814 RZ Breda			De Mandemakers Groep B.V.								
		Kruisvoort 60+62, 4814 RZ Breda			Woonexpress B.V.								
		Kruisvoort 44, 4814 RZ Breda			Lamp en Licht Retail B.V.								
		Kruisvoort 46, 4814 RZ Breda			V.O.F. La Plaza								
		Kruisvoort 86, 4814 RZ Breda			Kvik NL B.V.								
		Kruisvoort 88-90, 4814 RZ Breda			Leen Bakker Nederland B.V.								
		Kruisvoort 82, 4814 RZ Breda			Carpet-Land B.V.								
		Kruisvoort 84, 4814 RZ Breda			Haco Breda B.V.								
		Kruisvoort 80, 4814 RZ Breda			JAN Hendriks Stijlvol Wonen								
		Kruisvoort 78, 4814 RZ Breda			Hoogenboezem Meubelen B.V.								
		Kruisvoort 76, 4814 RZ Breda			Plaza Brabant B.V.								
		Kruisvoort 74, 4814 RZ Breda											
		Kruisvoort 72, 4814 RZ Breda			Sedere B.V.								
		Kruisvoort 70, 4814 RZ Breda			Vloer het Zelf Breda II B.V.								
		Kruisvoort, 4814 RZ Breda			McDonald's Nederland B.V.								
		Kruisvoort 68, 4814 RZ Breda			Grando Retail B.V.								
						1995 - 1996		40 091	100.00%	4 537 299.00	61 498 701.31	62 873 500.95	44 085 400.00

THE NETHERLANDS											
Province	Cluster	Address	Year of construction - last renovation	Tenant	Gross surface m ²	Occupancy rate	Rental income	Fair value	Acquisition value	Insurred value	
Noord-Brabant	Den Bosch	Goudsmidstraat 5-7, 5232 BT 's Hertogenbosch		HACO Den Bosch BV							
		Balkweg 13, 5232 BT 's Hertogenbosch		Praxis Vastgoed B.V.							
		Balkweg 21-23, 5232 BT 's Hertogenbosch		Beter Bed B.V.							
		Balkweg 25-27, 5232 BT 's Hertogenbosch		DMG Meubelen B.V.							
		Balkweg 29, 5232 BT 's Hertogenbosch		Bruynzeel Keukens B.V.							
		Balkweg 31, 5232 BT 's Hertogenbosch		Van der Garde Buitenleven B.V.							
		Balkweg 33, 5232 BT 's Hertogenbosch		Carpet-Land B.V.							
		Balkweg 37, 5232 BT 's Hertogenbosch		Kwantum Nederland B.V.							
		Balkweg 39, 5232 BT 's Hertogenbosch		Q1 Sanitair Den Bosch BV							
		Balkweg 41, 5232 BT 's Hertogenbosch		Boro Horeca BV							
		Reitscheweg 2, 5232 BT 's Hertogenbosch		Ernes Den Bosch BV							
		Reitscheweg 4, 5232 BT 's Hertogenbosch		Jysk B.V.							
		Reitscheweg 6, 5232 BT 's Hertogenbosch		Goossens Meubelen B.V.							
		Reitscheweg 8, 5232 BT 's Hertogenbosch		Hoogenboezem Meubelen B.V.							
		Reitscheweg 10, 5232 BT 's Hertogenbosch		Prenatal moeder en kind B.V.							
		Reitscheweg 12, 5232 BT 's Hertogenbosch		Pronto Wonen Den Bosch BV							
		Reitscheweg 14, 5232 BT 's Hertogenbosch		Brugman Keukens & Badkamers B.V.							
		Reitscheweg 16, 5232 BT 's Hertogenbosch		Leen Bakker Nederland B.V.							
		Reitscheweg 20, 5232 BT 's Hertogenbosch		Collins Foods Netherlands Limited							
		Tinnegijterstraat 29, 5232 BT 's Hertogenbosch		Swiss Sense B.V.							
		Tinnegijterstraat 25, 5232 BT 's Hertogenbosch		Uitgerust 's-Hertogenbosch BV							
		Tinnegijterstraat 27, 5232 BT 's Hertogenbosch		KWIZZLER B.V.							
		Tinnegijterstraat 2 + 12, 5232 BT 's Hertogenbosch		De Mandemakers Groep B.V.							
		Tinnegijterstraat 24, 5232 BT 's Hertogenbosch		Subway Vof							
		Tinnegijterstraat 22, 5232 BT 's Hertogenbosch		X2O Badkamers BV							
Tinnegijterstraat 28-32, 5232 BT 's Hertogenbosch		Media Markt Saturn Holding Nederland B.V.									
Goudsmidstraat 23, 5232 BT 's Hertogenbosch		CL Keukens t.h.o.d.n. Keukensale.com									
Goudsmidstraat 11, 5232 BT 's Hertogenbosch		Beter Bed B.V.									
Goudsmidstraat 23, 5232 BT 's Hertogenbosch		Hoefnagels-de Wit VOF									
Balkweg, 5232 BT 's Hertogenbosch											
1977 - 2017					52 995	100.00%	4 869 399.09	66 870 795.88	68 576 442.32	68 805 800.00	
Noord-Brabant	Roosendaal	Oostplein 1, 4706 NL Roosendaal		OVS GARDEN B.V.							
		Oostplein 11, 4706 NL Roosendaal		CS Keukens h.o.d.n. Keukensale.com							
		Oostplein 13, 4706 NL Roosendaal		CREEBBURG KEUKENS B.V.							
		Oostplein 15, 4706 NL Roosendaal		Beter Bed B.V.							
		Oostplein 15, 4706 NL Roosendaal									
		Oostplein 15a, 4706 NL Roosendaal		Roobol Woontextiel B.V.							
		Oostplein 1A, 4706 NL Roosendaal		Sep-Ziani VOF							
		Oostplein 3, 4706 NL Roosendaal		SANI4ALL ROOSENDAAL B.V.							
		Oostplein 5, 4706 NL Roosendaal		A-MEUBEL B.V.							
		Oostplein 7, 4706 NL Roosendaal		Kwantum Nederland B.V.							
Oostplein 9, 4706 NL Roosendaal		Jysk B.V.									
1993 - 2021					11 920	100.00%	980 686.27	13 679 174.31	13 106 259.71	9 730 500.00	
Noord-Brabant	Zaandam	Pieter Ghijsenlaan 22A, 1506 PV Zaandam		V.O.F. Beddenspecialzaak De Bedstee							
		Pieter Ghijsenlaan 22B, 1506 PV Zaandam		V.O.F. Nils Home Store							
		Pieter Ghijsenlaan 18A+18B, 1506 PV Zaandam		Keukenloods B.V.							
		Pieter Ghijsenlaan 22, 1506 PV Zaandam		Licht Plaza B.V.							
		Pieter Ghijsenlaan 20, 1506 PV Zaandam		Brugman Keukens & Badkamers B.V.							
		Pieter Ghijsenlaan 16C, 1506 PV Zaandam		Haco Zaandam B.V.							
		Pieter Ghijsenlaan 16 A, 1506 PV Zaandam		Swiss Sense B.V.							
		Pieter Ghijsenlaan 16 B, 1506 PV Zaandam		Lamp en Licht Zaandam B.V.							
		Pieter Ghijsenlaan 16 D, 1506 PV Zaandam		SANI-DUMP B.V.							
		Pieter Ghijsenlaan, 1506 PV Zaandam									
2001					14 533	100.00%	1 064 591.55	13 607 804.95	13 418 659.77	16 620 500.00	

THE NETHERLANDS										
Province	Cluster	Address	Year of construction - last renovation	Tenant	Gross surface m ²	Occupancy rate	Rental income	Fair value	Acquisition value	Insurred value
Noord-Holland	Cruquius	Cruquiusplein 4, 2142 EV Cruquius		Turpoort B.V.						
		Cruquiusplein 6, 2142 EV Cruquius		Jysk B.V.						
		Cruquiusplein 10, 2142 EV Cruquius		Media Markt Saturn Holding Nederland B.V.						
		Cruquiusplein 12, 2142 EV Cruquius		Twin Sport Cruquius B.V.						
		Cruquiusplein 16, 2142 EV Cruquius		La Place Food B.V.						
		Cruquiusplein 18-20, 2142 EV Cruquius		Van den Heuvel Verlichting/Kleinmeubel B.V.						
		Cruquiusplein 22, 2142 EV Cruquius		De Badenman B.V.						
		Cruquiusplein 24, 2142 EV Cruquius		Nijman International B.V.						
		Cruquiusplein 26, 2142 EV Cruquius		Roobol Woontextiel B.V.						
		Cruquiusplein 28-30, 2142 EV Cruquius		Bruynzeel Keukens B.V.						
		Cruquiusplein 32, 2142 EV Cruquius		Swiss Sense B.V.						
		Cruquiusplein 34, 2142 EV Cruquius								
		Cruquiusplein 36, 2142 EV Cruquius		HACO Cruquius BV						
		Cruquiusplein 38, 2142 EV Cruquius		De MandemakersGroep Holding B.V. (DMG)						
		Cruquiusplein 40, 2142 EV Cruquius		De Bommel Groep B.V.						
		Cruquiusplein 42, 2142 EV Cruquius		Kwantum Nederland B.V.						
		Cruquiusplein 44, 2142 EV Cruquius		Carpet-Land B.V.						
		Cruquiusplein 46, 2142 EV Cruquius		Beter Bed B.V.						
		Cruquiusplein 48, 2142 EV Cruquius		Keukenkampioen B.V.						
		Cruquiusplein 50, 2142 EV Cruquius		Van Bommel en Kroon Keukens BV						
		Cruquiusplein 52, 2142 EV Cruquius		Leen Bakker Nederland B.V.						
		Cruquiusplein 54, 2142 EV Cruquius		Van 't Hoef verlichting v.o.f.						
		Cruquiusplein 56, 2142 EV Cruquius		Mirck Verf- en behanghandel v.o.f.						
		Spaarneweg 44, 2142 EV Cruquius		Goedhart Bouwmarkt Cruquius B.V.						
		Spaarneweg 46, 2142 EV Cruquius		D.H.Z. Center Cruquius B.V. (Praxis)						
Cruquiuszoom 13-15, 2142 EV Cruquius		ACTION EVENTS B.V.								
Cruquiuszoom 13-15, 2142 EV Cruquius										
Cruquiuszoom 45, 2142 EV Cruquius										
2002 - 2009					41 734	99.83%	5 277 350.66	74 101 008.78	74 218 618.72	45 788 400.00
Utrecht	d	Hollantlaan 18, 3526 AR Utrecht		Leen Bakker Nederland B.V.						
		Hollantlaan 26, 3526 AM Utrecht		N.T.U. Utrecht B.V.						
		Hollantlaan 28, 3526 AM Utrecht		SANI-DUMP B.V.						
		Kaap de Goede Hooplaan 7 - 7a, 3526 AM Utrecht		F. Schimmel Beheer B.V.						
Kaap de Goede Hooplaan 7, 3526 AM Utrecht		RpG Vastgoed BV								
1990					7 408	100.00%	793 212.79	10 665 808.43	10 654 123.42	7 513 200.00
Utrecht	Veenendaal	Einsteinlaan 1, 3902 HN Veenendaal		Wooncentrum Veenendaal B.V.						
		Einsteinlaan 1 - 3, 3902 HN Veenendaal								
		Einsteinlaan 1, 3902 HN Veenendaal		De Dromenmaker Veenendaal B.V.						
		Bouman vloerservice V.O.F.								
		CIGNAL INFRASTRUCTURE NETHERLANDS BV								
		Vodafone Libertel B.V.								
2005					18 455	100.00%	1 378 406.55	9 275 359.83	12 589 604.26	27 974 100.00

number of properties per company 31.03.2022

Retail Estates	705
Retail Warehousing Invest	27
Finsbury Properties	0
Distriland NV	10
Breda I Invest	16
Breda II Invest	12
Cruquius Invest	28
Heerlen I Invest	22
Heerlen II Invest	26
Naaldwijk Invest	20
Osbroek Invest	28
Retail Estates Middelburg Invest	14
Retail Estates Nederland	36
Spijkenisse Invest	28
Zaandam Invest	15
total number of properties	987



“ On 31 March 2022, the occupancy rate is 97.83%. ”



3. Reports of the real estate experts

Belgium

Report by Cushman & Wakefield

This report covers 358 properties which are part of the real estate portfolio of Retail Estates nv and its subsidiaries.

“We have the pleasure of providing you with our valuation as of 31 March 2022, which covers the portfolio of Retail Estates and Distri-Land. We confirm that we carried out this task as an independent expert.

We also confirm that our valuation was carried out in accordance with national and international standards and their application procedures, including in the field of valuation of Belgian Real Estate Investment Trusts (BE-REITs). (According to the current conclusions. We reserve the right to review our valuation in case of modified conclusions).

Fair value is defined as the estimated amount for which an asset could be exchanged between knowledgeable, willing parties in an arm's length transaction. This definition corresponds to our definition of market value.

The sale of a building is in theory subject to transfer duties collected by the government. The amount depends on the manner of transfer, the profile of the purchaser and the geographical location of the building. On the basis of a representative sample of the properties on the Belgian market, the average transaction cost has been found to equal 2.50% (for buildings with a value higher than €2,500,000 over the 2013, 2014, 2015 and Q1 2016 period).

In case of buildings with a value higher than €2,500,000, we determine the sales value (excluding costs corresponding to the fair value as set by the international accounting standard IAS 40) by subtracting 2.50% from the investment value for transaction costs. The different properties are regarded as a portfolio in this context.

Our “investment value” is based on a capitalisation of the adjusted market rental value, taking into account possible corrections like vacancy, step-rents, rent-free periods, etc. If the market rent is higher than the current rent, this adjusted market rent is determined by taking

60% of the gap between the market rent and the current rent. This amount is then added to the current rent. If the current rent is higher than the market rent, the adjusted market rent equals the market rent.

The cap rate depends on current output on the investment market, taking into account the location, the suitability of the site, the quality of the tenant and the building at the moment of the valuation.

The portfolio of Retail Estates NV (incl. Tongeren) has an investment value of €588.66 million (incl. corrections) and a fair value of €574.31 million as per 31.03.2022. The investment value decreased by 0.57% versus the previous quarter. This gives a 6.30% yield for Retail Estates.

The portfolio of Immobilière Distri-Land NV has an investment value of €20.02 million (incl. corrections) and a fair value of €19.53 million as per 31.03.2022. The investment value increased by 1.42% versus the previous quarter. This gives a 7.12% yield for Immobilière Distri-Land NV.

Report by CBRE

The CBRE report was published on 31 March 2022 and covers 384 real estate properties belonging to Retail Estates nv and its subsidiaries. The investment value of these real estate properties is estimated at €670.08 million and the fair value at €653.74 million. These properties account for a rental income of €43.86 million, which represents a gross yield of 6.55%.

Report by Stadim

The Stadim report was published on 31 March 2022 and covers a semi-logistics complex. The investment value of these real estate properties is estimated at €5.34 million and the fair value at €5.21 million. These properties account for a rental income of €0.34 million, which represents a gross yield of 6.39%.

The Netherlands

Report by Cushman & Wakefield

The Cushman & Wakefield report was published on 31 March 2022 and covers 194 real estate properties belonging to Retail Estates nv and its subsidiaries. The investment value of these real estate properties is estimated at €434.23 million and the fair value at €401.70 million. These properties account for a rental income of €29.82 million, which represents a gross yield of 6.87%.

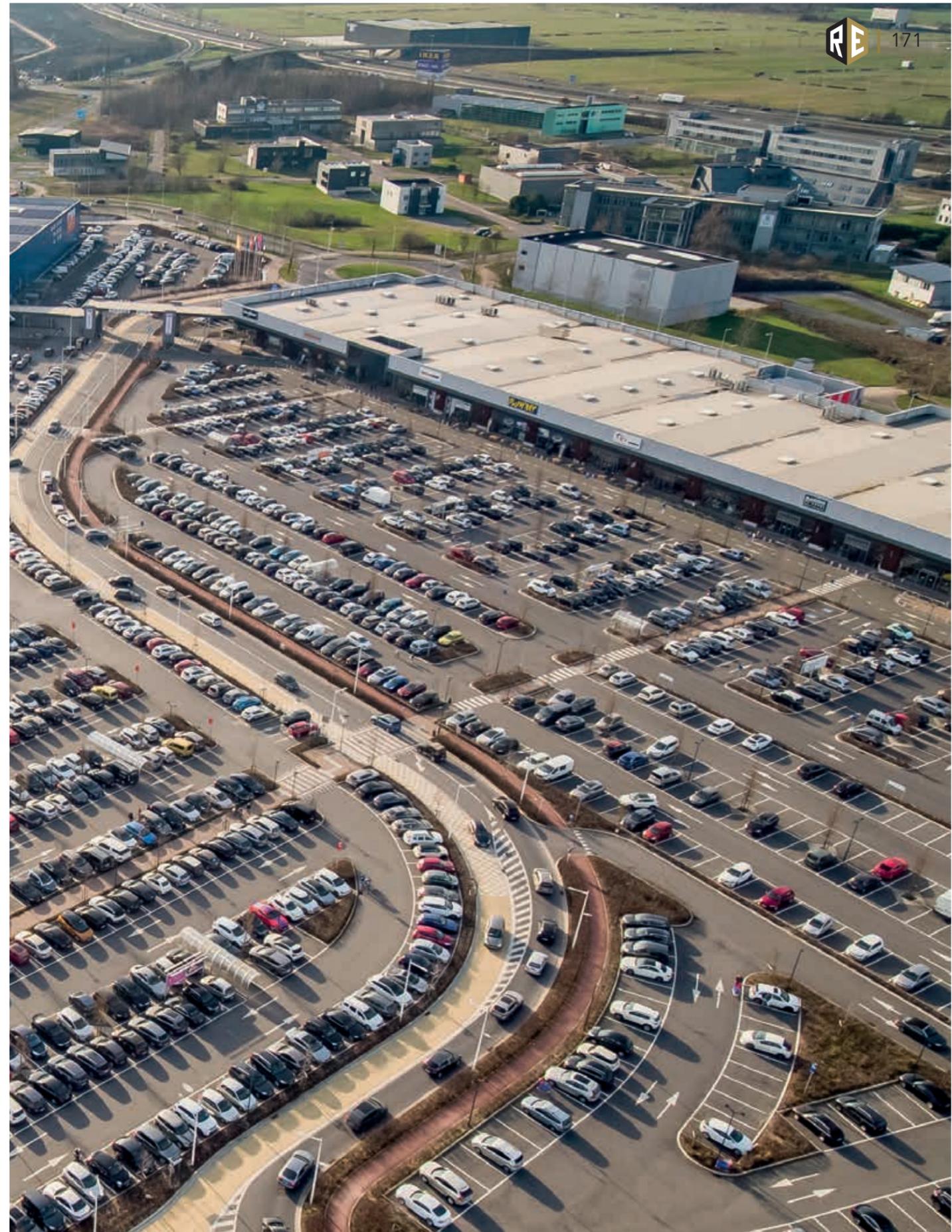
Report by CBRE

The CBRE report was published on 31 March 2022 and covers 32 real estate properties belonging to Retail Estates nv and its subsidiaries. The investment value of these real estate properties is estimated at €54.60 million and the fair value at €50.09 million. These properties represent a rental income of €4.34 million, or a gross yield of 7.96%.

Report by Colliers

The Colliers report was published on 31 March 2022 and covers 19 real estate properties belonging to Retail Estates nv and its subsidiaries. The investment value of these real estate properties is estimated at €4.58 million and the fair value at €41.23 million. These properties account for a rental income of €3.35 million, which represents a gross yield of 7.51%.

Financial report



1. A. Consolidated income statement

INCOME STATEMENT (in €000)	Notes	31.03.2022	31.03.2021
Rental income	1	115 773	102 604
Rental related expenses	2	-194	-2 202
Net rental income		115 579	100 402
Recovery of property expenses			
Recovery of rental charges and taxes normally payable by tenants on let properties	3	11 963	10 599
Rental charges and taxes normally payable by tenants on let properties	4	-13 953	-12 167
Other rental related income and expenses		-86	-95
Property result		113 504	98 738
Technical costs	5	-5 032	-2 280
Commercial costs	6	-1 027	-509
Charges and taxes on unlet properties	7	-427	-867
Property management costs	8	-3 629	-3 217
Other property costs	9	-410	-6
Property costs		-10 524	-6 877
Operating property result		102 980	91 861
Operating corporate costs	10	-6 050	-6 123
Other current operating income and expenses			
Operating result before result on portfolio		96 930	85 737
Result on disposals of investment properties	11	334	825
Result on sales of other non-financial assets			
Changes in fair value of investment properties	12	23 083	-5 963
Other result on portfolio		-1 321	992
Operating result		119 026	81 592
Financial income	13	248	232
Net interest charges	14	-18 485	-20 592
Changes in the fair value of financial assets and liabilities	35	34 476	2 674
Other financial charges	15	-81	-70

INCOME STATEMENT (in €000)	Notes	31.03.2022	31.03.2021
Financial result		16 158	-17 757
Share in the result of associated companies and joint ventures		-10	0
Result before taxes		135 174	63 835
Taxes	16	-3 337	-2 399
Net result		131 837	61 436
Attributable to:			
Shareholders of the Group		131 837	61 436
Minority interests			
Note:			
EPRA earnings (share Group)¹		75 265	62 908
Result on portfolio		22 096	-4 146
Changes in fair value of financial assets and liabilities		34 476	2 674

RESULT PER SHARE	Notes	31.03.2022	31.03.2021
Number of ordinary shares in circulation	17	13 226 452	12 665 763
Weighted average number of shares	17	12 893 111	12 652 011
Net profit per ordinary share (in €) ²		10.23	4.86
Diluted net profit per share (in €)		10.23	4.86

¹ The EPRA earnings is calculated as follows: net result excluding changes in fair value of investment properties, exclusive the result on disposal of investment properties and exclusive changes in fair value of financial assets and liabilities.

² The net profit per ordinary share is calculated as follows: the net result divided by the weighted average number of shares.

1. B. Consolidated statement of other comprehensive income

Statement of the comprehensive result (in €000)	31.03.2022	31.03.2021
Net result	131 837	61 436
Other components of the comprehensive result, recyclable in income statements:		
Impact on the fair value of estimated transaction rights and costs resulting from the hypothetical disposal of investment properties	0	0
Changes in the fair value of authorised hedging instruments qualifying for hedge accounting as defined by IFRS	2 074	1 233
COMPREHENSIVE RESULT	133 911	62 669

2. Consolidated balance sheet

ASSETS (in €000)	Notes	31.03.2022	31.03.2021
Non-current assets		1 792 078	1 728 673
Goodwill			
Intangible non-current assets	20	4 030	1 553
Investment properties ³	21	1 759 879	1 717 245
Other tangible non-current assets	20	6 440	6 426
Financial non-current assets	35	16 120	
Finance lease receivables	35	1 030	1 030
Trade receivables and other non-current assets		2 839	2 418
Deferred taxes		1 402	2 413
Other		1 437	5
Participations in associated companies and joint ventures	41	1 740	
Current assets		20 151	34 335
Non-current assets or groups of assets held for sale	22	11 807	7 931
Trade receivables	23	2 067	6 837
Tax receivables and other current assets	24	2 132	13 328
Cash and cash equivalents	25	1 483	3 681
Deferred charges and accrued income	26	2 663	2 558
TOTAL ASSETS		1 812 228	1 763 008

3 Including project developments (IAS 40).

SHAREHOLDERS' EQUITY AND LIABILITIES (in €000)	Notes	31.03.2022	31.03.2021
Shareholders' equity		920 980	808 223
Shareholders' equity attributable to the shareholders of the parent company		920 980	808 223
Capital	27	289 179	276 526
Issue premiums	28	339 798	316 792
Reserves		160 166	153 469
Net result of the financial year		131 837	61 436
Minority interests			
Liabilities		891 248	954 785
Non-current liabilities		764 789	790 333
Provisions			
Non-current financial debts	34/35	763 982	765 117
Credit institutions		584 594	587 324
Long term financial lease		4 159	2 706
Bonds		175 229	175 087
Other non-current financial liabilities	29/35	0	25 216
Deferred taxes	29	807	0
Current liabilities		126 459	164 452
Current financial debts	34/35	101 730	129 680
Credit institutions		101 730	99 683
Bonds		0	29 997
Short term financial lease		0	0
Trade debts and other current debts	30	17 787	24 352
Exit tax	31	391	399
Other	30	17 396	23 953
Other current liabilities	32	1 771	705
Accrued charges and deferred income	33	5 171	9 715
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		1 812 228	1 763 008

DEBT RATIO		31.03.2022	31.03.2021
Debt ratio ⁴	36	49.15%	52.18%

4 The debt ratio is calculated as follows: liabilities (excluding provisions, accrued charges and deferred income, financial instruments and deferred taxes), divided by the total assets (excluding hedging instruments).

3. Consolidated statement of changes in shareholders' equity

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (in €000)	Capital ordinary shares	Unavailable issue premiums	Available issue premiums	Reserves*	Net result of the financial year	TOTAL Shareholders' Equity
Balance according to IFRS on 31 March 2020	275 767	315 409	-	149 713	58 098	798 988
- Net appropriation of profits 2020-2021						
- Transfer of portfolio result to reserves				-5 481	5 481	-
- Transfer changes in fair value of authorised hedging instruments				-6 216	6 216	-
- Transfer of EPRA earnings to reserves				14 221	-14 221	-
- Reclassification between reserves						-
- Dividends of the financial year 2019-2020					-55 574	-55 574
- Capital increase						-
- Capital increase through contribution in kind	795	1 382				2 177
- Costs of capital increase	-37					-37
- Increase in shareholders' equity as a result of mergers						-
- Other						-
- Comprehensive result 31/03/2021				1 233	61 436	62 669
Balance according to IFRS on 31 March 2021	276 526	316 791	-	153 469	61 436	808 223
- Net appropriation of profits 2021-2022						-
- Transfer of portfolio result to reserves				-4 971	4 971	-
- Transfer changes in fair value of authorised hedging instruments				2 677	-2 677	-
- Transfer of EPRA earnings to reserves				6 734	-6 734	-
- Reclassification between reserves	37	-1 382	1 345			-
- Dividends of the financial year 2020-2021					-56 996	-56 996
- Capital increase						-
- Capital increase through contribution in kind	12 616		23 044			35 660
- Costs of capital increase						-
- Other				185		185
- Comprehensive result 31/03/2022				2 074	131 837	133 911
Balance according to IFRS on 31 March 2022	289 179	315 410	24 389	160 166	131 837	920 980

* Detail of the reserves (in €000)	Legal reserve	Reserve for the positive/ negative balance of changes in the fair value of real estate properties	Available reserves	Impact on the fair value of estimated transfer rights and costs resulting from the hypothetical disposal of investment properties	Changes in the effective part of the fair value of authorised hedging instruments qualifying for hedge accounting as defined by IFRS	Changes in the effective part of the fair value of authorised hedging instru- ments are not subjected to qualify for hedge account- ing as defined by IFRS	Results carried forward from previous financial years	TOTAL
Balance according to IFRS on 31 March 2020	62	143 037	17 491	-51 172	-2 739	-20 629	63 662	149 713
- Net appropriation of profits 2020-2021								
- Transfer of portfolio result to reserves		730		-6 211				-5 481
- Transfer changes in fair value of authorised hedging instruments						-6 216		-6 216
- Transfer of EPRA earnings to reserves							14 221	14 221
- Reclassification between reserves	18	590	-590	195			-213	-
- Capital increase through contribution in kind								-
- Costs of capital increase								-
- Increase in shareholders' equity as a result of mergers								-
- Other								-
- Comprehensive result 31/03/2021					513	720		1 233
Balance according to IFRS on 31 March 2021	80	144 358	16 899	-57 188	-2 226	-26 126	77 670	153 469
- Net appropriation of profits 2021-2022								
- Transfer of portfolio result to reserves		10 190		-15 161				-4 971
- Transfer changes in fair value of authorised hedging instruments						2 677		2 677
- Transfer of EPRA earnings to reserves							6 734	6 734
- Reclassification between reserves	7	3 161	-3 161	1 431		-	-1 438	-
- Capital increase through contribution in kind								-
- Costs of capital increase								-
- Other							185	185
- Comprehensive result 31/03/2022					1 831	243		2 074
Balance according to IFRS on 31 March 2022	87	157 709	13 738	-70 918	-396	-23 205	83 151	160 166

4. Consolidated cash flow statement

CASH-FLOW STATEMENT (in €000)	Notes	31.03.2022	31.03.2021
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR		3 681	98 082
1. Cash-flow from operating activities		81 170	62 320
Operating result		119 026	81 592
Interest paid		-17 625	-19 141
Interest received		50	50
Corporate taxes paid		-4 124	-2 962
Corporate taxes received		35	82
Variaties in de reële waarde van financiële activa en passiva		34 476	
Other		-2	1 815
Non-cash elements to be added to / deducted from the result:		-55 392	4 061
* Depreciations and impairments			
- Depreciations / Impairments (or write-backs) on tangible and intangible assets	20	707	407
- Depreciations / Impairments (or write-backs) on trade receivables	2	144	2 149
* Other non-cash elements			
- Changes in the fair value of investment properties	12	-23 112	5 963
- Profit on disposal of investment properties	11	-334	-825
- Other result on portfolio		1 321	-992
- Changes in the fair value of financial assets and liabilities		-34 261	-2 508
- Costs of issuing bond loans		145	-132
			0
* Other			
Change in working capital requirements:		4 725	-3 177
* Movement of assets			
- Trade receivables and other receivables	23	4 626	-3 299
- Tax receivables and other current assets	24	11 196	-7 638
- Deferred charges and accrued income	26	-105	-799
- Long-term assets			0
* Movement of liabilities			
- Trade debts and other current debts	30/31	-6 565	8 160
- Other current liabilities	32	116	-110
- Accrued charges and deferred income	33	-4 544	510

CASH-FLOW STATEMENT (in €000)	Notes	31.03.2022	31.03.2021
2. Cash-flow from investment activities		2 965	-66 412
Purchase of intangible assets	20	-2 688	-497
Purchase of investment properties and assets held for sale	21	-24 980	-106 741
Disposal of investment properties and assets held for sale	21	37 774	43 278
Acquisition of shares of real estate companies		0	-2 250
Disposal of shares of real estate companies			0
Purchase of other tangible assets	20	-566	-266
Aanschaffing van financiële vaste activa		-5 605	
Disposal of other tangible assets	20	56	64
Disposal of non-current financial assets		0	0
Income from trade receivables and other non-current assets		-1 025	0
3. Cash-flow from financing activities		-86 333	-90 310
* Change in financial liabilities and financial debts			
- Increase in financial debts	34	113 800	153 250
- Decrease in financial debts	34	-144 483	-189 943
* Change in other liabilities			
- Increase (+) / Decrease (-) in other liabilities		1 543	-183
* Change in shareholders' equity			
- Capital increase and issue premiums	27		0
- Costs of capital increase	28	-196	-37
- Other			0
* Dividend			
- Dividend for the previous financial year	19	-56 996	-53 396
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR		1 483	3 681

A total of € 113.80 million in credit lines was used or extended and € 144.48 million in credits was temporarily not used or repaid.

5. Notes to the consolidated annual accounts

Key performance indicators

EPRA earnings per share (in €)	31.03.2022	31.03.2021
EPRA earnings (attributable to the shareholders of the parent company)	75 264 946	62 908 117
Number of ordinary shares in circulation	13 226 452	12 665 763
Weighted average number of shares	12 893 111	12 652 011
EPRA earnings per share (in €) ⁵	5.84	4.97
EPRA earnings per share (in €) - diluted	5.84	4.97

⁵ The EPRA earnings per share is calculated from the weighted average number of shares, counted from the time of issue (which does not necessarily coincide with first dividend entitlement date). Calculated on the number of dividend-entitled shares (13,226,452 shares), the EPRA earnings per share amounts to EUR 5.69 EUR at 31.03.2022 versus EUR 4.97 at 31.03.2021.

NET ASSET VALUE PER SHARE (in €) - SHARE GROUP	31.03.2022	31.03.2021
Net asset value per share IFRS ⁶	69.63	63.81
EPRA NTA per share ⁷	68.46	65.53
Net asset value per share (investment value) excl. dividend excl. the fair value of authorised hedging instruments ⁸	69.67	66.43

⁶ The net asset value per share IFRS (fair value) is calculated as follows: shareholders' equity (attributable to the shareholders of the parent company) divided by the number of shares.

⁷ EPRA NTA is calculated as follows: shareholders' equity (excluding the fair value of authorised hedging instruments, deferred taxes and intangible fixed assets) divided by the number of shares.

⁸ For the definition and purpose of this alternative performance measure, we refer to the Lexicon in the chapter 'miscellaneous' of this annual report

General company information

Retail Estates nv is a public Belgian Real Estate Investment Trust (BE-REIT) governed by and construed in accordance with Belgian law. Its registered office is located in Ternat.

The consolidated annual accounts of the company for the financial year which ended on 31 March 2022 comprise Retail Estates nv and its subsidiaries (the "Group"). The annual accounts were approved for publication by the board of directors on 20 May 2022 and will be submitted for approval to the annual shareholders' meeting on 18 July 2022.

Significant accounting policies

Statement of conformity

The consolidated accounts are drawn up in accordance with accounting standards which are consistent with the International Financial Reporting Standards as implemented by the BE-REIT legislation.

Application of IFRS 3 Business Combinations

Corporate transactions of the past financial years were not processed as business combinations as defined by IFRS 3 based on the finding that this standard was not applicable given the nature and the scale of the acquired companies. The companies in question owned a limited number of properties. Their employees have not been retained and their activities have been discontinued. They were not intended to be kept on as independent businesses. The companies are fully consolidated. Please refer to note 41 for more information on this matter.

New or amended standards and interpretations applicable in 2021

The following amendments and annual improvements to standards are mandatory in the actual period but have no significant effect on the presentation, the notes of the financial results of the Group: The following new standards and amendments to standards are mandatory for the first time for the financial year beginning 1 January 2021 and have been endorsed by the European Union:

– **Amendments to IFRS 4 Insurance Contracts – deferral of IFRS 9 (effective 01/01/2021)** This amendment changes the fixed expiry date for the temporary exemption in IFRS 4 Insurance Contracts from applying IFRS 9 Financial Instruments, so that entities would be required to apply IFRS 9 for annual periods beginning on or after 1 January 2023.

– **Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 Interest Rate Benchmark Reform – Phase 2 (effective 01/01/2021)**. These amendments address issues that might affect financial reporting after the reform of an interest rate benchmark, including its replacement with alternative benchmark rates. The amendments are effective for annual periods beginning on or after 1 January 2021, with earlier application permitted.

– **Amendment to IFRS 16 Leases Covid 19-Related Rent Concessions (effective 01/06/2020, with early application permitted)**. If certain conditions are met, the Amendment would permit lessees, as a practical expedient, not to assess whether particular covid-19-related rent concessions are lease modifications. Instead, lessees that apply the *praktisch hulpmiddel toepassen, deze huurconcessies boekhoudkundig verwerken alsof het geen huuraanpassingen zijn*.

New or amended standards and interpretations not yet applicable

The following new amendments have been issued, is not mandatory for the first time for the financial year beginning 1 January 2021 but have been endorsed by the European Union:

– **IFRS 17, 'Insurance contracts'** (effective 1 January 2023). This standard replaces IFRS 4, which currently permits a wide variety of practices in accounting for insurance contracts. IFRS 17 will fundamentally change the accounting by all entities that issue insurance contracts and investment contracts with discretionary participation features. On 17 March 2020, IASB decided to defer pop effective date to annual reporting periods beginning on or after 1 January 2023. The endorsement includes the amendments issued by the Board in June 2020, which are aimed at helping

companies implement the Standard and making it easier for them to explain their financial performance.

The EU regulation provides an optional exemption from applying the annual cohort requirement that relates to the timing of the recognition of the profit in the contract, the contractual service margin, in profit or loss. Entities making use of the exemption are not applying IFRSs as issued by the IASB and need to disclose the fact.

– **Amendment to IFRS 16 Leases Covid 19-Related Rent Concessions beyond 30 June 2021 (effective 01/04/2021, with early application permitted)**. The amendments extend, by one year, the May 2020 amendment that provides lessees with an exemption from assessing whether a COVID-19-related rent concession is a lease modification. In particular, the amendment permits a lessee to apply the practical expedient regarding COVID-19-related rent concessions to rent concessions for which any reduction in lease payments affects only payments originally due on or before 30 June 2022 (rather than only payments originally due on or before 30 June 2021). The amendment is effective for annual reporting periods beginning on or after 1 April 2021 (earlier application permitted, including in financial statements not yet authorised for issue at the date the amendment is issued).

– **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 (effective 1 January 2022)**. The package of amendments includes narrow-scope amendments to three Standards as well as the Board's Annual Improvements, which are changes that clarify the wording or correct minor consequences, oversights or conflicts between requirements in 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 a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, a company will recognise such sales proceeds and 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 loss-making.
- **Annual Improvements 2018-2020** make minor amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 9 Financial Instruments, IAS 41 Agriculture and the Illustrative Examples accompanying IFRS 16 Leases.

The following **amendments** have been issued, but are **not mandatory** for the first time for the financial year beginning 1 January 2021 and have **not been endorsed by the European Union**:

- **Amendments to IAS 1 'Presentation of Financial Statements: Classification of Liabilities as current or non-current' (effective 01/01/2023)**, affect only the presentation of liabilities in the statement of financial position — not the amount or timing of recognition of any asset, liability income or expenses, or the information that entities disclose about those items. They:
 - Clarify that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period and align the wording in all affected paragraphs to refer to the "right" to defer settlement by at least twelve months and make explicit that only rights in place "at the end of the reporting period" should affect the classification of a liability;
 - Clarify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability; and make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.

– **Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting policies (effective 1 January 2023).**

The amendments aim to improve accounting policy disclosures and to help users of the financial statements to distinguish between changes in accounting estimates and changes in accounting policies. The IAS 1 amendment requires companies to disclose their material accounting policy information rather than their significant accounting policies. Further, the amendment to IAS 1 clarifies that immaterial accounting policy information need not be disclosed. To support this amendment, the Board also amended IFRS Practice Statement 2, 'Making Materiality Judgements', to provide guidance on how to apply the concept of materiality to accounting policy disclosures. The amendments are effective for annual reporting periods beginning on or after 1 January 2023. Earlier application is permitted (subject to any local endorsement process).

– **Amendments to IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates (effective 1 January 2023).**

The amendment to IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors', clarifies how companies should distinguish changes in accounting policies from changes in accounting estimates. The amendments are effective for annual reporting periods beginning on or after 1 January 2023. Earlier application is permitted (subject to any local endorsement process).

– **Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction (effective 1 January 2023).**

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The main change in the amendments is an exemption from the initial recognition exemption of IAS 12.15(b) and IAS 12.24. Accordingly, the initial recognition exemption does not apply to transactions in which equal amounts of deductible and taxable temporary differences arise on initial recognition. The amendments are effective

for annual reporting periods beginning on or after 1 January 2023. Early adoption is permitted.

- **Amendments to IFRS 17 Insurance contracts: Initial Application of IFRS 17 and IFRS 9 – Comparative Information (issued on 9 December 2021, effective 1 January 2023).** The amendment is a transition option relating to comparative information about financial assets presented on initial application of IFRS 17. The amendment is aimed at helping entities to avoid temporary accounting mismatches between financial assets and insurance contract liabilities, and therefore improve the usefulness of comparative information for users of financial statements

The following **standard** is mandatory since the financial year beginning 1 January 2016 (however not yet subjected to EU endorsement). The European Commission has decided not to launch the endorsement process of this interim standard but to wait for the final standard:

- **IFRS 14, 'Regulatory deferral accounts'** (effective 1 January 2016). It concerns an interim standard on the accounting for certain balances that arise from rate-regulated activities. IFRS 14 is only applicable to entities that apply IFRS 1 as first-time adopters of IFRS. It permits such entities, on adoption of IFRS, to continue to apply their previous GAAP accounting policies for the recognition, measurement, impairment and derecognition of regulatory deferral accounts. The interim standard also provides guidance on selecting and changing accounting policies (on first-time adoption or subsequently) and on presentation and disclosure.

Presentation principles

The financial information is drawn up in euro (€), and is rounded off to the nearest thousand. The companies of the Group also do their accounting in euro (€).

Below is a summary of the most important principles for financial reporting. The accounting principles were applied consistently throughout the relevant period.

Consolidation principles

The companies controlled by the Group are consolidated through the application of the full consolidation method.

Full consolidation consists in incorporating all the assets and liabilities of the consolidated companies as well as the costs and revenues, carrying out the necessary eliminations.

'Control' is defined as Retail Estates nv's ability to directly or indirectly determine the financial and operational policy of the subsidiary, to benefit from the variable cash flows and the results of this subsidiary and to influence its variable cash flows by controlling the subsidiary.

Foreign currency conversion

Foreign currency transactions are booked by applying the exchange rate valid on the transaction date. Monetary assets and liabilities in foreign currencies are valued by applying the closing rate on the balance sheet date. Exchange rate differences ensuing from foreign currency transactions and the conversion of monetary assets and liabilities into foreign currencies are booked in the income statement in the period in which they arise. Non-monetary assets and liabilities in foreign currencies are converted at the exchange rate applicable on the transaction date.

Financial derivatives

Fair value hedge accounting

The Group uses financial derivatives (interest rate swaps) to hedge interest rate risks arising from operational, financial and investment activities. Derivative financial products are initially valued at their fair value.

After the initial recognition, financial derivatives are valued in the annual accounts at their fair value.

Gains or losses resulting from changes in the fair value of the financial derivatives are immediately recognised in the income statement unless a derivative meets the conditions for cash flow hedge accounting.

The fair value of the financial interest rate derivatives is the amount that the company expects to receive or pay if the financial interest rate derivative is terminated

as of the balance sheet date, taking into account the prevailing interest rate and the credit risk of the counterparties involved.

Cash flow hedge accounting

If a financial derivative can be documented as an effective hedge against any cash flow fluctuations, attributable to a risk linked to an asset or liability, or a highly probable future transaction, the part of the result ensuing from the change in value of the financial interest rate derivative that has been recognised as an effective hedge shall be posted directly to equity under "Changes in the fair value of financial assets and liabilities". The ineffective part of the financial interest rate derivative shall be recognised in the income statement.

Investment properties

Valuation at initial recognition

Investment properties comprise all real estate properties that are ready to be let. Investment properties are initially valued at acquisition cost, including additional expenses and non-deductible VAT. The exit tax, owed by companies over which the public BE-REIT acquires direct or indirect control, is furthermore in principle deducted from the value of the underlying property given that it concerns a tax on the latent capital gain existing in the acquired company prior to the acquisition unless these companies do not qualify for a merger with the public BE-REIT (as decided by the board of directors). The commissions related to the acquisition of buildings are regarded as additional costs of the acquisition and are added to the acquisition cost.

If a property is acquired through contributions in kind, any third-party costs directly attributable to the issuance of new shares shall be deducted from equity. The contributed properties are valued at contribution value at initial recognition.

The user rights recognised in the balance sheet for concessions, long leases or similar lease agreements (following the entry into force of IFRS 16) are also regarded as a real estate investment.

Valuation after initial recognition

At the end of each quarter, an independent real estate

expert shall provide an exact assessment of the following elements:

- the immovable properties, the properties that are immovable by their intended use, and the rights in rem over immovable properties held by Retail Estates nv or, where appropriate, by a subsidiary it controls;
- the option rights over immovable properties held by Retail Estates nv or, where appropriate, by a subsidiary it controls, as well as the immovable properties to which these rights apply;
- the contractual rights by which one or more immovable property assets are leased to Retail Estates nv or, where appropriate, to a subsidiary it controls, including the underlying immovable property.

The experts perform their assessments in accordance with national and international standards and their application procedures, including those in the field of the valuation of Belgian regulated real estate companies (pursuant to the provisional decrees; the experts reserve the right to adapt the valuation in the event of any amendments to the decrees).

Fair value is specifically defined as the price that would be received upon sale of an asset or that would have to be paid upon the transfer of an obligation in an arm's length transaction between market parties on the valuation date.

From the point of view of the seller, it must be construed minus the transaction taxes. The estimated amount of the transaction taxes is immediately deducted from the results at initial recognition.

Comments on the real estate transfer tax in Belgium

The transfer of ownership of an immovable object is subject to transfer taxes in Belgium. The amount of these taxes depends on the manner of transfer, the capacity of the buyer and the geographical location of the property. The first two elements, and hence the full amount of the taxes due, are therefore only known when the transfer of ownership has been completed. The different transfer of ownership possibilities and the corresponding taxes are:

- real estate sales agreements: 12.50% for properties located in Brussels-Capital Region and in the Walloon Region, 12% for properties located in the Flemish Region;
- sale of real estate under the broker system: 4% to 8% depending on the Region;
- long-term lease agreements for real estate (up to 50 years for the right of building and up to 99 years for the long-term lease right): 2%
- real estate sales agreements where the purchaser is a public body (e.g. an entity of the European Union, the Federal Government, a regional government or a foreign government): exemption from duties;
- non-monetary contribution of real estate in return for the issuance of new shares to the benefit of the contributor: exemption from duties;
- sales agreement for shares of a real estate company: absence of duties;
- merger, demerger and other company reorganisations: absence of duties; etc.

As a result, the actual percentage of the transfer taxes varies from 0% to 12.50%; it is furthermore impossible to predict which percentage is applicable to the transfer of a given Belgian property before the actual transfer takes place.

In January 2006, all experts involved in determining the value of Belgian BE-REITs were asked to determine a weighted average percentage of the actual taxes for the real estate portfolios of the BE-REITs. For transactions of properties with a value of over €2.50 million, and in view of the range of methods for transferring ownership (see above), the experts calculated the weighted average taxes at 2.50% based on a representative sample of

220 market transactions with a total worth of €6 billion that took place between 2003 and 2005. As regards transactions involving buildings of which the total value is lower than €2.50 million, transfer duties of 12% to 12.50% are applied depending on the Region in which the premises are located. It was decided to adjust this percentage by multiples of 0.5% if necessary. In the course of 2016, an update of this calculation was made according to the methodology used in 2006 based on a sample of 305 large or institutional transactions (threshold of €2.5 million) that occurred between 2013 and the 1st quarter of 2016 (this is 70% or 8.18 billion of the estimated total number of investment transactions during this period). The experts came to the conclusion that the 0.5% threshold was not exceeded. Consequently, the weighted average of 2.5% was retained. This percentage will be reassessed every 5 years or in case of a significant change in the tax context.

Retail Estates nv considers its real estate portfolio as a whole which can be disposed of as a whole or as a limited number of larger parts. Retail Estates manages its real estate at portfolio level whenever possible ("retail cluster and retail parks", see management report and chapter "overview of real estate portfolio" in the real estate report for an overview of the clusters). Consequently, the fair value is determined by deducting 2.5% from the value of the properties (in accordance with the valuation at "fair value" of its valuation appraisers Cushman & Wakefield, CBRE and Stadim). In accordance with its strategy, Retail Estates does in principle not have the intention to sell individual properties within the clusters with an investment value below €2.5 million.

Comments on the real estate transfer tax in the Netherlands

As from 1 January 2021, the Dutch real estate transfer tax is 8 per cent (previously 6%). For the other costs (e.g. notary fees) Retail Estates charges between 0.08% and 1% extra.

Any gains or losses resulting from fluctuations in the fair value of an investment property are recognised in the income statement in the period in which they arise and assigned to the reserves for the balance of fluctuations in the fair value of real estate properties during the appropriation of profits.

Expenditure for works on investment properties

The expenditure for works on investment properties is charged to the operating property result if the expenditure does not have a positive effect on the expected future economic benefits, and is capitalised if it substantially increases the expected economic benefits it brings to the entity. There are two major types of expenditure:

- a) the costs of maintenance and repairs to roofs and parking areas: these costs are charged to the operating property result;
- b) the costs of major transformation and renovation works: transformations are occasional projects that add an additional function to the building or considerably improve the existing comfort so as to increase the rental price and/or rental value. These costs relate to materials, fees, contacting works and the like. Internal management and supervisory costs are not capitalised. As soon as they have commenced, such works are included in the assessed value of the building in question (initially on a provisional basis and then definitively following a visit by the real estate expert). Any works that remain to be done are deducted from the valuation. Once these works have been completed, the costs are capitalised and hence added to the fair value of the investment properties.

Disposal of investment properties

The gains or losses realised from the sale of an investment property are classified as "Result from sales of investment properties" in the income statement

and are allocated to the retained earnings upon the appropriation of results. The commissions paid for sales and the liabilities resulting from transactions are deducted from the selling price in order to determine the gain or loss realised.

Non-current assets under construction

Under the adjusted IAS 40 standard, non-current assets under construction are included in the investment properties. If purchased, they are valued at the acquisition value, including incidental costs and non-deductible VAT.

If the Group believes that the fair value of the investment properties under development cannot be determined in a reliable manner but assumes it will be possible to determine the fair value once the properties have been contracted, licensed and rented, the investment properties under development will be registered at cost price until the fair value can be determined (when they have been contracted, licensed and rented or until construction is completed (whichever happens first)) in accordance with IAS 40.53. This fair value is based on the valuation by the real estate expert after deducting the work that remains to be performed.

A non-current asset under construction can relate to a plot of land, a building to be demolished or an existing building that needs to be given a new purpose, requiring considerable renovation work to realise the desired purpose.

Other tangible non-current assets

Tangible non-current assets other than land and buildings the use of which is limited in time are valued at acquisition cost and then depreciated over their expected useful life using the straight-line method.

In the financial year of the investment, depreciation is recorded pro rata to the number of months that the asset was in use.

The following annual depreciation and amortisation percentages apply:

Facilities, machinery and equipment	20%
Furniture	10%
Vehicles	20-33%
IT equipment	33%
Standard software	33%
Customised software	10%-25%
Own use properties	3%
Technical equipment	6.66%

Lease agreement

In the limited cases where Retail Estates is the lessee in lease agreements (and these agreements are not among the exceptions referred to in IFRS 16), Retail Estates, in its capacity as lessee, will recognize a user right and corresponding liability in the consolidated annual accounts. Subsequently all user rights qualifying as real estate investments are value at fair value in accordance with the valuation rules described in the section relating to real estate investments. The minimum lease payments are recorded partly as financing costs and partly as repayment of the outstanding liability. The financing cost is recognised in the item "Changes in fair value of financial assets and liabilities".

If there are indications that an asset may have suffered an impairment loss, the book value is compared with the realisable value.

If the book value is higher than the realisable value, an impairment loss is recognised.

When other tangible non-current assets are sold or retired, their acquisition value and any related depreciations cease to be recognised in the balance sheet and the realised gains or losses are recognised in the income statement.

Trade receivables and other non-current assets

Trade receivables and other non-current assets are valued at fair value at initial recognition and are subsequently valued at amortised cost on the basis of the effective interest rate method. A write-down is recorded if uncertainty exists concerning the collectability of the receivable at maturity.

Real estate certificates

Valuation

1. General principle

If the holder of the certificates does not have a material interest (more than 75%) in a real estate certificate, the certificates shall be entered on the closing date at the weighted average quoted price during the preceding 30 days and classified as "non-current financial assets".

The aforementioned rule does not apply if, on the basis of publicly available information and the issue conditions for the real estate certificate, a net asset value is noted that is substantially below the stock market price. The value is then limited to the net asset value.

2. Ownership of material interest (more than 75%) in certificates issued (as of 31 March 2022 only applicable to the "Distri-Land" real estate certificates)

The quoted price of these real estate certificates as listed on the Euronext – Second Market cannot be considered as a reliable reference given the limited liquidity of this real estate certificate. Retail Estates nv's policy is to revalue its real estate certificates on every closing date in view of:

- a) the fair value of the immovable properties owned by the issuer by analogy with the valuation of the company's own real properties. This is done on the basis of a periodic valuation by a real estate expert hired jointly by Retail Estates nv and Immobilière Distri-Land nv. Where one or more buildings are sold by the real estate certificate issuer, the sales price shall be used as valuation until the distribution of the sale's proceeds;
- b) the contractual rights of the holder of the real estate certificate in compliance with the prospectus that was published at the time of issue of the real estate certificate.

Retail Estates nv only invests in certificates issued for the financing of out-of-town retail real estate. The real estate owned by the issuer is the type of out-of-town retail real estate in which Retail Estates nv aims to invest. Although Retail Estates nv is not the legal owner of this real estate, it considers itself to be the economic beneficiary pro rata its contractual rights in ownership. In addition, an investment in real estate certificates is considered as an investment in real estate pursuant to Article 2, sub. 5°, x, of the BE-REIT Act.

Taking these considerations into account, the certificates are classified as investment properties at their acquisition value, including additional expenses. Any gains or losses resulting from fluctuations in the fair value of an investment property are recognised in the income statement in the period in which they arise and assigned to the unavailable reserves at the time of the appropriation of profits. On 31 March 2022, the value of the investment properties related to the Distri-Land certificates amounts to €15.75 million (€15.56 million on 31 March 2021) compared to a total portfolio of Retail Estates of €1,759.88 million.

Processing of coupons

1. Processing of current operating result

As a holder of real estate certificates, Retail Estates nv has a contractual right, pro rata to the number of real estate certificates in its possession, to a share of the operating result realised by the issuer. This result is calculated by deducting the operating and maintenance expenses from the total rental income collected. The entire decrease or increase in value is recognised by re-estimating the value of the real estate certificate. As a result, the coupon should not be considered as compensation for any reduction in value of the issuer's buildings. The entire coupon is therefore treated as net rental income and is classified as turnover.

2. Processing of the liquidation balance in case of sale of real estate

Whenever a particular property in the issuer's portfolio is sold, the following applies:

The net proceeds, after retention of any withholding tax liability, are only recognised as realised capital gains

in Retail Estates nv's accounts equal to the amount of the difference between the book value of the real estate certificate on the closing date increased by the net liquidation coupon on the one hand and the book value on the previous closing date on the other. The book value of the real estate certificate is calculated at each closing date by performing a valuation of the certificate holder's contractual rights as they appear in the issue prospectus based on the fair value of the immovable property owned by the issuer as validated by the real estate expert of Retail Estates nv on the closing date. Any gains or losses resulting from fluctuations in the fair value of an investment property are recognised in the income statement and incorporated in the period in which they arise and are assigned to the reserves available for distribution at the time of the appropriation of profits.

Non-current assets or groups of assets held for sale

These assets concern real estate for which the book value will primarily be realised by the sale of the assets and not by further letting. Like the investment properties (see above), these assets are recognised at fair value, which is equal to investment value less transaction fees.

A property is recorded as an asset held for sale if a declaration of intent to sell has been signed.

Current assets

The receivables payable within one year are recognised at nominal value less write-downs for doubtful or bad debts. Bank deposits, sight or term deposits, are valued at amortised cost. Any supplementary costs are charged directly to the income statement. Listed securities are valued at their quoted price.

Shareholders' equity

The capital includes the funds obtained when the company was incorporated and those received following mergers or capital increases. Any third-party costs directly attributable to the issuance of new shares shall be deducted from shareholders' equity. When share capital recognised as equity is repurchased by Retail Estates nv, the paid amount, including any directly attributable costs, shall be recognised as a change in shareholders'

equity. Purchased own shares are presented as a decrease in the total shareholders' equity.

Dividends are included in the result carried forward until they have been approved by the shareholders' meeting.

Liabilities

A provision is taken if:

- Retail Estates nv has an existing – legally enforceable or actual – commitment resulting from an event in the past;
- an outflow of funds will probably be required to settle the commitment; and
- the amount of the commitment can be estimated reliably.

Trade debts are presented at nominal value on the balance sheet date. Interest-bearing borrowings are initially recognised at cost price less transaction costs. The interest-bearing borrowings are subsequently valued on the basis of the effective interest rate method, recognising each difference between the initial book value and the redemption value as an interest cost in the income statement over the term of the loan.

Benefits for the staff and executive officers

Retail Estates nv provides a defined contribution pension scheme for its employees and executive officers. For the executive officers this scheme has been entrusted to an insurance company that is independent of the company.

The scheme for employees is largely handled via the fund of the joint committee. It is therefore a sector scheme, and it is the organiser of this pension scheme (Fonds Tweede Pijler PC 323) who is to assume the legal responsibilities and obligations.

Contributions paid during the financial year are recognised as expenses.

Property result

The net rental result includes the rent, operating lease income and other revenues related to the aforementioned sources of income less rent-related expenses, i.e. the rent payable on leased assets, impairment losses on

receivables and write-backs of impairment losses on receivables.

The recovery of property expenses includes the revenue obtained from charging costs for major repairs and maintenance.

The charges and taxes payable by tenants on let properties and the recovery of these expenses refer to costs that, under law or custom, are at the tenant's expense. The owner will either charge or not charge these costs to the tenant according to the contractual arrangements made with the tenant.

Income is valued at fair value of the compensation received and is recognised in the income statement in the period to which it refers using the straight-line method.

Property expenses

The property charges are valued at the fair value of the compensation that has been paid or is due and are recognised in the income statement in the period to which they refer using the straight-line method.

The technical costs include, among other things, structural and occasional maintenance costs and losses resulting from incidents partially covered by the insurance companies. The commercial costs include brokers' commission fees. The property management costs mainly consist of the relevant personnel costs, the operating costs of the company's registered office and fees paid to third parties.

Management fees received from tenants or third parties which partially cover the management costs of the properties are deducted.

Corporate operating costs and other current operating income and expenses

The corporate operating costs include the fixed operating costs of the company, which operates as a legal entity that is listed on the stock market and benefits from the BE-REIT status. These costs are incurred in order to obtain transparent financial information, to be economically comparable with other types of investments and to

offer investors the opportunity to participate directly in a diversified real estate investment in a liquid manner. Part of the costs incurred in the context of Retail Estates nv's growth strategy are also included in this category.

Financial result

The financial result consists of the borrowing costs and additional funding costs, such as the negative variations in hedging instruments where these are not effective within the meaning of IAS 39, less income from investments.

Corporate income tax

Corporate income tax comprises the current tax burden on the profit or loss for the year. Corporate income tax is recognised directly in the income statement, except when related to items recognised directly in shareholders' equity, in which case it is recognised in shareholders' equity. In that case the tax is also recognised directly in shareholders' equity. The current tax burden includes the expected tax payable on the taxable income for the year as well as any adjustment to the tax payable for previous years.

Exit tax

Exit tax is the corporate income tax on capital gains arising from the merger of a BE-REIT with a company that is not a BE-REIT. When this company first enters the consolidation scope of the Group, a provision for exit tax liabilities is recorded.

In principle, intermediate revisions of this provision for exit tax only take place when the rise in value of this company's property calls for an increase. Any overvaluation owing to reductions in value is only established at the time of the actual merger. These adjustments to the exit tax liability are recognised in the income statement on the taxes line.

Financial risk management

Evolution of the interest rates

Higher interest rates result in increased financial expenses and a decrease in the EPRA earnings. In the current context of negative interest rates, the method used by some banks of demanding a floor for the Euribor rate (which is used as a reference in the financing contracts) of 0% has a negative effect on the financial costs. Retail Estates nv makes use of financial instruments of the IRS type to hedge the interest rate risk on non-current loans with variable interest rate. In an interest rate swap, the variable interest rate is exchanged for a fixed interest rate. Due to this interest rate policy, 93.16% of the current loans are hedged with a fixed interest rate. An interest hedging has also been concluded for a large part of the still to be renewed credits. The weighted average interest rate of the public BE-REIT is 1.95%.

Financing risk

Long-term financing is concluded in the form of "bullet loans", i.e. loans for which the principal must be paid back in full after a term of five to eight years. The diversification of financing over various banks limits the Group's liquidity risk. The Group concludes 93.16% of its loans at a fixed interest rate or at a variable interest rate which is immediately converted to a fixed interest rate. The net result is therefore only sensitive to interest rate fluctuations to a limited extent.

Credit risk

Before a new tenant is accepted, a credit risk analysis is carried out on the basis of the available information. Rental arrears are furthermore carefully monitored by Retail Estates nv. In case of non-payment, the company generally holds a bank guarantee.

Please refer to notes 34 and 35 for more details.

None of our customers account for at least 10% of the total rental income.

Historic financial information

The audited consolidated annual accounts for the financial years ending on 31 March 2020 (pages 151-203 of the Annual Financial Report 2019-2020) and 31 March 2021 (pages 1148-207 of the Annual Financial

Report 2020-2021) are incorporated in this annual report by reference. Copies of documents incorporated in this annual report by reference can be consulted on the company's website (www.retailstates.com).

6. Other notes

Rounding off to the nearest thousand can bring about discrepancies between the balance sheet and the income statement and the details presented below.

Note 1

The decrease in rental income is mainly the result of the divestments during the past financial year as well as of the temporarily increased vacancy rate resulting from a few bankruptcies. The rental income stated below does not take into account future indexations.

As a theoretical exercise, the following table shows how much rental income Retail Estates nv is certain to receive based on the current lease agreements.

Rental income (in €000)	31.03.2022	31.03.2021
Within one year	119 840	112 524
Between one and five year(s)	361 194	352 059
Within more than five years	356 792	388 237

This does not alter the theoretical risk that all (Belgian) tenants may make use of their legal termination option at the end of the current three-year period. Taking into account this legal option, the weighted average remaining term is 2.04 years for the Belgian portfolio. The granting of rent-free periods is rather rare in the market of out-of-town retail real estate. No other material incentives are given when entering into lease agreements.

Type of lease agreement

The Group concludes commercial rental contracts for its buildings in Belgium for a minimum period of nine years, which, in most cases, can be terminated by the tenant after the expiry of the third and the sixth year, subject to six months' notice prior to the expiry date. Standard lease agreements in the Netherlands have a five-year term.

The rents are usually paid in advance on a monthly basis (sometimes quarterly). They are indexed annually on the anniversary of the lease agreement. Taxes and levies, including property tax, the insurance premium and common charges, are in principle borne by the tenant.

To guarantee compliance with the obligations imposed on the tenant by virtue of the agreement, some tenants must provide a rental guarantee, usually in the form of a bank guarantee, corresponding to three months' rent.

At the start of the agreement, an inventory of fixtures is drawn up between the parties by an independent expert. Upon expiry of the agreement, the tenant must return the leased premises in the condition described in the inventory of fixtures that was drawn up when the tenant moved into the property, subject to normal wear and tear. The lessee is not entitled to transfer the lease nor to sublet all or part of the leased property without prior written consent of the lessor. The tenant must register the agreement at their own expense.

Note 2

Rental-related expenses (in €000)	31.03.2022	31.03.2021
Rent payable for hired assets and lease costs	-50	-54
Impairments on trade receivables	-144	-2 149
Total rental-related expenses	-194	-2 203

Note 3

Recovery of charges and taxes normally payable by tenants on let properties (in €000)	31.03.2022	31.03.2021
Recharging of rental charges borne by the owner	6 055	5 158
Recharging of real estate taxes and taxes on let properties	5 908	5 440
Total recovery of charges and taxes normally payable by tenants on let properties	11 963	10 598

Note 4

Charges normally payable by tenants on let properties (in €000)	31.03.2022	31.03.2021
Rental charges borne by the owner	-6 642	-5 465
Real estate taxes and taxes on let properties	-7 310	-6 702
Total charges normally payable by tenants on let properties	-13 953	-12 167

The standard lease agreements usually provide for these expenses and taxes to be charged by the owner to the tenants. A number of the Group's lease agreements nevertheless state that some expenses and taxes remain payable by the owner.

These expenses and taxes principally include the costs of property tax, insurance and utilities. During the previous financial year, which was affected by the COVID-19-crisis and in which shops had to close during a total of 3 months, considerable savings were made in order to cut the common costs.

The buildings (both existing buildings and those under construction) are covered by various insurance policies (providing cover for e.g. fire, storm and water damage) for a total value (new building value without land) of approximately €995,77 million. This amount represents 56.58% of the fair value of the real estate on the same date (€1,759.58 million). The cover is limited to an amount determined by Retail Estates on the basis of the new building value. The value of the land must not be insured due to its nature. Non-current assets held for sale, on the other hand, are insured.

Insurance	31.03.2022	31.03.2021
Insurance premiums (in €000)	1 151	1 036
Percentage of fair value covered by insurance	56.58	57.99

Note 5

Technical costs (in €000)	31.03.2022	31.03.2021
Recurrent technical costs	-4 289	-1 614
Structural maintenance	-4 289	-1 614
Non-recurrent technical costs	-743	-666
Occasional maintenance	-760	-666
Claim events covered by insurance companies	-298	-249
Compensations received from insurance companies	316	249
Total technical costs	-5 032	-2 280

Structural maintenance principally covers regular renovation of car parks and roofs. Occasional maintenance, on the other hand, mainly includes unforeseeable costs for the structure of the let premises that are attributable to wear and tear, uninsured accidents and acts of vandalism. Due to the COVID-19 crisis, the structural technical costs were cut in the first two quarters of the 2020-2021 financial year. This explains the increase in costs compared to the previous financial year.

Note 6

Commercial costs (in €000)	31.03.2022	31.03.2021
Brokers' commissions	-196	-120
Publicity related to the properties	-251	-93
Lawyers' fees and legal costs	-334	-283
Other	-245	-12
Total commercial costs	-1 027	-509

Commercial costs mainly concern marketing events for the retail parks and fees for lease renewal negotiations and the preparation of permit applications. Due to the COVID-19 crisis, the marketing costs relating to the retail parks were cut during the 2020-2021 financial year, which mainly explains the evolution compared to last year.

Note 7

Charges and taxes on unlet properties (in €000)	31.03.2022	31.03.2021
Vacancy charges of the financial year	-104	-477
Property tax on vacant buildings	-323	-389
Total charges and taxes on unlet properties	-427	-867

The costs and taxes relating to unlet buildings concern buildings that are vacant for a limited period of time in the context of a changeover between tenants and non-current assets under construction (mainly property tax). On 31 March 2012, the cost for vacant property was 0.37% of the rental income received, compared to 0.86% on 31 March 2021. Thanks to the evolution of the vacancy rate to pre-COVID levels, the costs and taxes relating to properties that are not let have also decreased.

Note 8

Management costs are subdivided into portfolio management costs and other costs.

These costs mainly consist of the relevant personnel costs, the operating costs of Retail Estates nv's registered office and fees paid to third parties. Management fees received from tenants which partially cover the management costs of the properties are deducted.

Management property costs (in €000)	31.03.2022	31.03.2021
Office charges	-526	-265
IT	-482	-223
Other	-44	-43
Housing costs	-224	-195
Fees to third parties	-132	-196
Public relations, communication and advertising	-44	-39
Personnel expenses	-2 735	-2 554
Salaries	-1 628	-1 570
Social security	-364	-303
Pensions and collective insurances	-10	-46
Other	-733	-634
Management fees received from tenants	32	32
Taxes and legal costs		
Depreciation charges on office furniture, IT equipment and software		
Total property management costs	-3 629	-3 217

Personnel costs make up most of the management costs. The table below provides an overview of the employee count in FTE.

(in FTE)	31.03.2022	31.03.2021
Property department	22,52	19,37
Total	36,30	31,70
Average	35,20	30,90

For more information about the personnel cost and the employee count for the 2020-2021 financial year we refer to p. 174 et seq. of the 2020-2021 Annual Financial Report.

Note 9

Other property charges (in €000)	31.03.2022	31.03.2021
Other property charges	-410	-6
Total other property charges	-410	-6

De evolutie van de vastgoedkosten is te wijten aan een voorziening die werd aangelegd voor een dreigend geschil met een huurder over onderhoudsverplichtingen voor een pand dat bestemd is voor de sloop.

Note 10

The corporate operating costs include the fixed operating costs of the company, which operates as a legal entity that is listed on the stock market and benefits from the BE-REIT status. These costs are incurred in order to obtain transparent financial information, to be economically comparable with other types of investments and to offer investors the opportunity to participate indirectly in a diversified real estate investment in a liquid manner. A part of the costs incurred in the context of the company's growth strategy are also included in this category.

Corporate operating costs (in €000)	31.03.2022	31.03.2021
Office charges	-488	-249
IT	-456	-218
Other	-32	-30
Housing costs	-159	-169
Fees to third parties	-478	-855
Recurrent	-152	-208
- Lawyers		0
- Auditors	-132	-191
- Other	-19	-17
Non-recurrent	-316	-638
- Lawyers	-104	-354
- Notary costs	-5	-1
- Consultants	-206	-283
Mergers and acquisitions (other than business combinations)	-11	-9
Public relations, communication and advertising	-139	-126
Personnel expenses	-1 436	-1 284
Salaries	-713	-700
Social security	-178	-155
Pensions and collective insurances	0	-19
Other	-544	-410
Management fees	-1 388	-1 357
Remuneration of board of directors	-180	-198
Taxes and legal costs	-1 781	-1 885
Total operating costs	-6 050	-6 123

The increase in IT costs is due to the transition to a new integrated IT system and is compensated by the decrease in the non-recurring fees compared to last year. These fees were due to the replacement of the consultant for the integrated technology system.

Note 11

Result on disposals of investment properties (in €000)	31.03.2022	31.03.2021
Book value of sold real estate properties	31 507	42 958
Net sales price of investment properties (sales price - transaction costs)	31 841	43 783
Total benefit or loss on disposals of investment properties	334	825

In the past financial year, properties were divested for a net sales price of €34.84 million. A capital gain of €0.33 million was realised on these divestments. Overall, sales revenues represent a sales value that is in line with the investment value of the real estate expert and thus exceeds the fair value determined by the expert. For more information please refer to chapter 3 of this report (Management Report).

Note 12

Changes in fair value of investment properties (in €000)	31.03.2022	31.03.2021
Positive change in investment properties	27 936	17 437
Negative change in investment properties	-4 853	-23 400
Total changes in fair value of investment properties	23 083	-5 963

On 1 January 2021, the Dutch transfer tax was raised from 6% to 8%. At the time, the real estate experts deducted the full amount of the increase, which can be estimated at €-9.04, from the investment value in order to obtain the fair value of the real estate. Recent transactions have shown that the increase in the transfer tax was not entirely borne by the seller and that the initial yield upon the transfer of assets also decreased. In the past financial year, the fair value of the Dutch portfolio increased by €21.53 million, excluding the negative effect of transaction costs for new acquisitions. This means that the negative effect of the increase in transaction costs in the 2020-2021 financial year was entirely compensated.

31.03.2022 31.03.2021

Other result on portfolio	31.03.2022	31.03.2021
	-1 321	992

The other result on portfolio mainly relates to deferred taxes on the Dutch properties and to the impact resulting from IFRS 16.

Note 13

Financial result (in €000)	31.03.2022	31.03.2021
Collected interests and dividends	27	0
Other	221	232
Total financial result	248	232

Note 14

Net interest charges (in €000)	31.03.2022	31.03.2021
Nominal interest on loans ¹	-18 486	-20 732
Other interest costs ²	1	140
Total net interest charges	-18 485	-20 592

¹ Also includes the interests on Interest Rate Swaps (financial instruments).
² Capitalised interest costs on investment properties under construction. The interest rate used is 2,08%.

The weighted average interest rate amounts to 1.95% on 31 March 2022, compared to 2081% on 31 March 2021 (including the interest costs of the hedging instruments concluded). The company has concluded almost all of its loans as fixed-rate investment loans or as long-term variable-rate loans, for which a fixed interest rate was negotiated via a swap agreement. The evolution of the interest cover ratio, the net rental income versus interest charges on loans amounts to 6.25 on 31 March 2022 compared to 4.84 the year before. The company agreed on a minimum interest cover ratio of 2 with some of its bankers and bond holders. Please refer to note 35 for an overview of all swaps and caps.

If the hedging instruments concluded are not taken into account, the weighted average interest rate amounts to 1.37%.

Note 15

Other financial charges (in €000)	31.03.2022	31.03.2021
Bank costs and other commissions	-81	-70
Total other financial charges	-81	-96

Note 16

Corporate income tax (in €000)	31.03.2022	31.03.2021
Company	-111	43
1. Corporate income tax	-111	102
Current year taxes	-189	-296
Previous year tax adjustment	79	398
2. Exit tax	0	-59
Subsidiaries	-3 226	-2 442
1. Corporate income tax	-3 226	-2 384
Current year taxes	-3 259	-2 384
Previous year tax adjustment	33	0
2. Exit tax	0	-59
Total corporate income tax	-3 337	-2 399

A BE-REIT is subject to corporate income tax solely in respect of non-tax deductible expenditure and abnormal benefits. Deferred taxes are recorded for the subsidiaries on the difference between the book value after depreciation in the statutory annual accounts of these subsidiaries and the fair value. These deferred taxes are recorded at a rate of 15% if the respective boards of directors of Retail Estates nv and the subsidiary intend to merge the subsidiary with the public BE-REIT.

The subsidiaries in the Netherlands fall outside the scope of the BE-REIT system or a similar Dutch system. The revenues of the Dutch companies are therefore taxed based on the applicable corporate tax rate (currently 25%).

Note 17

Number of shares	31.03.2022	31.03.2021
Movements of the number of shares		
Number of shares at the beginning of the financial year	12 665 763	12 630 414
Number of shares at the end of the financial year	13 226 452	12 665 763
Number of dividend bearing shares	13 226 452	12 665 763
Weighted average number of shares for diluted earnings per share	12 893 111	12 652 011

Capital increase via board of directors (in the context of authorised capital):

Capital increase by means of non-monetary contribution
On 14 October 2021, a total of 560,689 new shares were issued at an issue price of €63.95. The capital increase relates to a non-monetary contribution for an amount of €35,856,125.00 by the company De Vleterbeek NV. The new shares have been sharing in the company's profit as from 1 April 2021.

As a result of this capital increase, the total capital of Retail Estates nv amounted to €297,600,322.91 on 31 March 2022, represented by 13,226,452 fully paid ordinary shares.

Note 18

Calculation of distributable earnings (in €000) - statutory	31.03.2022	31.03.2021
Net result	131 429	60 986
+ Depreciations	571	378
+ Impairments	711	3 014
- Reversal of impairments	-575	-1 128
- Reversal transferred and discounted rents	0	0
+/- Other non-monetary components	-34 474	-2 674
+/- Share in the non recurring result of holding incorporated using the equity method	-21 898	4 238
+/- Result on the disposal of investment properties	-737	7
+/- Changes in fair value of investment properties and investment properties under construction	1 021	559
ADJUSTED RESULT (A)	76 048	65 381
+/- capital gains and losses realized on real estate during the financial year 1	737	869
- Capital gains realized on real estate during the financial year exempt from the mandatory payment subject to their reinvestment within a period of 4 years 1	-737	-869
+ Realized capital gains on real estate previously exempt from the mandatory payment and which were not reinvested within a 4-year period 1	0	0
Net capital gains on realization of real estate not exempt from mandatory payment (B)	0	0
Net reduction debt	0	0
Distributable result	76 048	65 381

Calculation of distributable earnings (in €000) - consolidated

	31.03.2022	31.03.2021
Net result	131 837	61 436
+ Depreciations	707	407
+ Impairments	825	3 659
- Reversal of impairments	-681	-1 743
- Reversal transferred and discounted rents	0	0
+/- Other non-monetary components	-34 476	-2 674
+/- Result on the disposal of investment properties	-334	-825
+/- Changes in fair value of investment properties and investment properties under construction	-21 762	4 971
ADJUSTED RESULT (A)	76 116	65 231
+/- capital gains and losses realized on real estate during the financial year	1 524	2 016
- Capital gains realized on real estate during the financial year exempt from the mandatory payment subject to their reinvestment within a period of 4 years	-1 524	-2 016
+ Realized capital gains on real estate previously exempt from the mandatory payment and which were not reinvested within a 4-year period	0	0
Net capital gains on realization of real estate not exempt from mandatory payment (B)	0	0
Net reduction debt	0	0
Distributable result	76 116	65 231

The other non-monetary elements, amounting to € 34.48 million, concern the variations in the fair value of the financial instruments. The variations in the fair value of investment properties and non-current assets under construction consist of the result on portfolio amounting to €23.08 million on the one hand and the "other result on portfolio" on the other hand. The share in the non-distributable result of the subsidiaries relates to the variations in the fair value of the subsidiaries.

In accordance with article 13 of the BE-REIT Belgian Royal Decree, the BE-REIT must (as imposed by its articles of association) at least pay out the positive difference between the following amounts by way of reimbursement of capital :

1° 80% of the amount determined in accordance with the table incorporated into Chapter III of Annex C (BE-REIT Belgian Royal Decree); and
2° the net decrease over the financial year of the debt of the public BE-REIT.

The debt decreased during the past financial year, but the company did not take this into account for the calculation of its minimum payment.

Note 19

Calculation of pay-out ratio (in €000) - statutory	31.03.2022	31.03.2021
Ordinary net earnings	131 429	60 986
Diluted net earnings	131 429	60 986
Distributable earnings	76 048	65 381
Minimum profit distribution	60 838	52 305
Proposed gross dividend	60 842	56 996
Pay-out ratio	80.00%	87.18%

Calculation of pay-out ratio (in €000) - consolidated	31.03.2022	31.03.2021
Ordinary net earnings	131 837	61 436
Diluted net earnings	131 837	61 436
Distributable earnings	76 116	65 231
Minimum profit distribution	60 893	52 185
Proposed gross dividend	60 842	56 996
Pay-out ratio	79.93%	87.38%

Note 20

Investment and amortisation table (in €000)	Intangible non-current assets		Other tangible non-current assets	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
Acquisition value				
Balance at the end of the previous financial year	2 597	2 100	7 658	7 703
Acquisitions	2 963	497	566	266
Transfers and disposals of assets	-294	0	-465	-311
Transfers to/from other accounts	0	0	0	0
Balance at the end of the financial year	5 266	2 597	7 759	7 658
Amortisation and impairment losses				
Balance at the end of the previous financial year	1 043	958	1 232	1 157
Balance of acquired companies	0		0	0
Amortisation ³	211	85	496	322
Transfers and disposals of assets	-18		-409	-247
Transfers to/from other accounts	0		0	0
Balance at the end of the financial year	1 236	1 043	1 319	1 232
Net book value	4 030	1 553	6 440	6 426

³ Amortisation of non-current intangible assets and other non-current tangible assets are recognised in the income statement under 'property management costs'. The depreciation costs on cars are included in the personnel costs.

Note 21

Investment and revaluation table (in €000)	Investment properties ⁴		Assets held for sale		Total	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021	31.03.2022	31.03.2021
Balance at the end of the previous financial year	1 717 246	1 661 753	7 931	1 791	1 725 177	1 663 544
Acquisition through purchase real estate companies	0	3 308	0	0	0	3 308
"Acquisition through contribution real estate companies"	0	0	0	0	0	0
Capitalised interest cost	1	140	0	0	1	140
Acquisition of investment properties	44 664	86 585	2 826	0	47 490	86 585
Investments that result from subsequent expenses included in the carrying amount of the asset	3 901	4 295	10	0	3 911	4 295
Contribution of investment properties	0	0	0	0	0	0
Disposal through sale of real estate companies	0	0	0	0	0	0
Disposal of investment properties	-22 735	-24 206	-8 772	-18 752	-31 507	-42 958
Transfers to assets held for sale	-10 874	-25 582	10 874	25 582	0	0
IFRS 16	945	-153	0	0	945	-153
Other transfers	-134	659	-2	-690	-135	-31
Acquisition of investment properties under construction	8 491	16 411	0	0	8 491	16 411
Completion of investment properties under construction to portfolio	27 847	13 019	0	0	27 847	13 019
Transfer of investment properties under construction to portfolio	-27 847	-13 019	0	0	-27 847	-13 019
Overdracht vaste activa in aanbouw naar deelnemingen in geassocieerde vennootschappen	-5 799	0	0	0	-5 799	0
Change in fair value (+/-)	24 173	-5 964	-1 060	1	23 112	-5 963
At the end of the financial year	1 759 880	1 717 246	11 807	7 931	1 771 686	1 725 177
OTHER INFORMATIONS						
Investment value of the property	1 833 757	1 789 397	12 091	8 129	1 845 848	1 797 526

⁴ Including investment properties under construction (IAS 40).

Investments resulting from subsequent expenditure included in the book value of the assets amounted to € 3.91 million in financial year 2020-2021. In addition, the company realised €27.850 million from the development of property for its own account and invested €8.49 million in the development of property for its own account.

Where the evolutions in investment properties and the assets held for sale are concerned, please refer to the

"Comments on the consolidated accounts for financial year 2021-2022".

As mentioned in the valuation rules, non-current assets under construction are included in the investment properties, in accordance with the adjusted IAS 40 standard. If purchased, they are valued at the acquisition value, including incidental costs and non-deductible VAT.

If the Group believes that the fair value of the investment properties under development cannot be determined in a reliable manner but assumes it will be possible to determine the fair value once the properties have been contracted, licensed and rented, the investment properties under development will be registered at cost price until the fair value can be determined (when they have been contracted, licensed and rented or until construction is completed (whichever happens first)) in accordance with IAS 40.53. This fair value is based on the valuation by the real estate expert after deducting the work that remains to be performed.

IFRS 13

IFRS 13 introduced a uniform framework for valuation at fair value and the provision of information on valuation at fair value, where this valuation principle is obligatory or permitted on the basis of other IFRS standards. In this context, fair value is specifically defined as the price that would be received upon sale of an asset or that would have to be paid upon the transfer of an obligation in an arm's length transaction between market parties on the valuation date.

Investment properties are recorded at fair value. Fair value is determined on the basis of one of the following levels of the IFRS 13 hierarchy:

- Level 1: valuation based on quoted prices in active markets
- Level 2: valuation based on directly or indirectly observable (external) inputs
- Level 3: valuation entirely or partly based on unobservable (external) inputs

Investment properties fall under level 3 according to the IFRS 13 classification.

Valuation methodology

Investment properties are recorded on the basis of appraisal reports drawn up by independent expert real estate appraisers. Investment properties are valued at fair value. This fair value is based on the market value (i.e. corrected for transfer tax as described in the "Accounting policies" described above).

The methods used by the independent real estate appraisers are the following:

The investment value is generally calculated on the basis of a GIY (gross initial yield) capitalisation of the passing rent, taking into account possible corrections like estimated market rental value, vacancy, step-rents, rent-free periods etc. The gross initial yield depends on current output on the investment market, taking into account the location, the suitability of the site, the quality of the tenant and the building at the moment of the valuation.

In case of buildings where the property rights are divided in bare ownership on the one hand and rights of superficies or long lease rights on the other, the value of the superficies or long lease rights is determined by discounting (Discounted Cash Flow) the net rental income, i.e. after deduction of the superficies or ground rent, until the end of the long lease or superficies agreement.

The value of the bare ownership is determined by updating (Discounted Cash Flow) the periodical superficies or leasehold rent until the expiry date of this agreement.

Unobservable inputs for the determination of the fair value:

Country	Method	Input	31.03.2022		31.03.2021	
			Range	Weighted average	Range	Weighted average
Belgium	Gross Initial Yield-capitalization	Capitalisation rate (%)	5.00%-10%	6.33%	5.00%-10%	6.34%
		Annual market rent (EUR/m ²)	18-250	103.32	33.86-247.62	105.16
		Remaining lease duration (expiry date) (in months)	0m-583m	98m	0m-603m	103m
		Remaining lease duration (first break option) (in months)	0m-41m	21.23m	0m-43m	26m
		Vacancy (in months)	0m-12m	/	0m-12m	/
	DCF	Discount rate (%)	5.17%-10%	6.17%	6%-8.50%	7.58%
		Annual rent (EUR/m ²)	10-227	107.6	33.86-247.62	105.16
		Remaining lease duration (expiry date) (in months)	0m-496m	88.98	0m-603m	103m
		Remaining lease duration (first break option) (in months)	0m-176m	34.54	0m-43m	26m
		Vacancy (in months)	0m-12m	/	0m-12m	/
The Netherlands	Gross Initial Yield-capitalization	Capitalisation rate (%)	5.71%-10.70%	6.64%	5.85%-12.53%	6.90%
		Annual market rent (EUR/m ²)	27.04-242.93	92.57	34.59-213.19	96.42
		Remaining lease duration (expiry date) (in months)	0m-120m	44m	0m-120m	47m
		Remaining lease duration (first break option) (in months)	0m-120m	44m	0m-120m	47m
		Vacancy (in months)	0m-12m	/	0m-12m	/

Sensitivity of valuations

The sensitivity of the fair value in relation to changes in the significant unobservable inputs used to determine the fair value of the properties classified in level 3 (in accordance with the IFRS fair value hierarchy) is the following (ceteris paribus): the effect of the increase of the rental income by 1% leads to an increase in the portfolio's fair value by € 17.60 million. The effect of an increase (decrease) of the rental income by 2% or 5% is linear. The effect of an increase in the yield by 100 bps leads to a decrease in the portfolio's fair value by € 231.56 million. A decrease in the yield by 100 bps leads to an increase in the portfolio's fair value by € 314.26 million.

Valuation process

The valuation process for real estate is determined by the CEO and the CFO after approval by the audit committee.

They also decide on the independent real estate expert who will be appointed for the different parts of the real estate portfolio. Typically, contracts are entered into for a renewable term of three years. The fees of the real estate experts are determined for the term of their mandate and are not connected to the value of the properties that are the subject of the valuation.

An independent real estate expert is appointed for each country in order to ensure that the specific characteristics of each geographic region are reflected correctly. The real estate portfolio is valued on a quarterly basis. The valuation method (see above) is determined by the real estate expert. The valuation cycle in the course of a financial year consists of a visit to the property, after which a detailed report is drawn up, as well as three desktop reviews.

The reports of the independent real estate experts are based on:

- Information provided by the company, such as current rents, terms and conditions of lease agreements, possible rent reductions, investments etc. This information originates from the financial and management system of the public BE-REIT and is governed by the company's general monitoring system.
- Assumptions and valuation models put forward by real estate experts. The assumptions mainly relate to the market situation and concern yields and discount rates. They are based on their professional assessment and perception of the market.

The information provided to the real estate experts and the assumptions and valuation models used are checked by the company's controller and the public BE-REIT's management. All material differences (positive as well as negative) in absolute and relevant terms (versus the previous quarter and versus the previous year) are compared and analysed every quarter. On this basis, the management meets with the real estate experts with a view to accurately and fully reflecting all information regarding the various sites in the valuations. Finally, the final valuations are presented to the audit committee.

Impact of acquired real estate companies

Disposals during the financial year 2020-2021 resulted in a decrease in investment properties and non-current assets held for sale by €42.96 million.

Note 22

Non-current assets or groups of assets held for sale (in €000)

	31.03.2022	31.03.2021
Assets held for sale	11 807	7 931
Total assets held for sale	11 807	7 931

Recorded under assets held for sale are those assets for which an intention to sell has been signed but the final deed of sale had not yet been executed. These assets are usually sold within a year. Properties are only transferred to the assets held for sale if a declaration of intent has been signed with the potential buyer. The sale is not expected to result in a decrease in value of these assets.

On 31 March 2022 the fair value of these assets amounts to €11.81 million, of which €10.96 million for the retail cluster Keerdok in Mechelen. The local government repurposed this site for the construction of apartment buildings following the approval of the Spatial Implementation Plan Rode Kruisplein. Four out of the seven tenants have moved to the new retail park Malinas and three others closed their shop. Retail Estates has concluded a framework agreement with the operational company of two real estate developers with respect to the phased sale of its retail properties by the end of June of 2024. The transaction is subject to conditions precedent that are to be met by the end of February 2024. The total sales price amounts to €11.09 million, i.e. €0.13 million more than the book value on 31 March 2022. The largest retail property of this site was put at the disposal of the city of Mechelen, which has used it as a vaccination centre since 1 December 2021.

Note 23

Trade receivables and doubtful debtors

Trade receivables (in €000)

	31.03.2022	31.03.2021
Trade receivables	4 808	9 479
Invoices to be issued	717	713
Doubtful debtors	-3 703	-3 594
Income to be collected	0	0
Coupon real estate certificates		
Distri-Land	230	225
Other	14	13
Total trade receivables	2 067	6 837

Outstanding trade receivables, after deduction of doubtful debtors and advance payments, amount to € 1.01 million, of which €0.57 million have not yet reached their maturity date. Taking into account the guarantees obtained - both rental guarantees and bank guarantees - the credit risk on trade receivables is very limited on 31 March 2022. The decrease in trade receivables is due to the transition to the new integrated technology solution, as a result of which no pre-billing took place for the rents in the Netherlands on a one-time basis.

For more details about the Distri-Land coupon please refer to the chapter 'Real estate certificates' in the valuation rules mentioned earlier in this financial report.

Impairment on doubtful debtors - roll forward (in €000)

	31.03.2022	31.03.2021
At the end of the previous financial year	-3 593	-1 566
From acquired companies	0	0
Provisions	-822	-3 473
Recoveries	602	1 358
Write-offs	112	88
At the end of the financial year	-3 701	-3 593

The provision for doubtful debtors is established as follows: the rental arrears list is closely monitored internally. Based on a management assessment, or if obvious and demonstrable reasons exist to suggest that the claim cannot be recovered, a provision is created. Trade receivables are payable in cash. The table below shows an overview of the age structure of the trade receivables for which no value reduction was registered.

Trade receivables - Ageing (in €000)

	31.03.2022	31.03.2021
Due < 30 days	309	57
Due 30-90 days	76	2 044
Due > 90 days	58	727
Not due	573	2 915

Note 24

Tax receivables and other current assets (in €000)

	31.03.2022	31.03.2021
Taxes		
VAT receivable	56	0
Withholding tax receivable		0
Property tax receivable	1 828	1 628
Salary and social security		0
Other	248	11 699
Total tax receivables and other current assets	2 132	13 328

Note 25

Cash and cash equivalents (in €000)

	31.03.2022	31.03.2021
Bank balances	1 483	3 681
Total cash and cash equivalents	1 483	3 681

Note 26

Deferred charges and accrued income (in €000)

	31.03.2022	31.03.2021
Completed, property returns not due	22	59
Rental discounts and rental benefits to be appropriated		
Property costs paid in advance	1 806	1 724
Interest and other financial costs paid in advance	364	482
Other	470	292
Total deferred charges and accrued income	2 663	2 558

The deferred charges mainly concern assurances and maintenance costs for the ERP software.

Note 27**Shareholders' equity****Capital**

Capital evolution		Capital movement	Total remaining capital after the transaction	Number of shares created	Total number of shares
Date	Transaction	(in €000)	(in €000)		
12/07/1988	Incorporation	-	74	3 000	3 000
27/03/1998	IPO and 1 st listing on Euronext Brussels	20 563	20 637	1 173 212	1 176 212
30/04/1999	Capital decrease (incorporation of losses)	-5 131	15 505	-	1 176 212
30/04/1999	Merger by acquisition	1 385	16 891	283 582	1 459 794
30/04/1999	Capital decrease (incorporation of losses)	-2 267	14 624	-	1 459 794
30/04/1999	Incorporation of losses	-174	14 451	-	1 459 794
30/04/1999	Incorporation of issue premium and revaluation gain	4 793	19 244	-	1 459 794
30/04/1999	Cash contribution	10 854	30 098	823 348	2 283 142
1/07/2003	Cash contribution	12 039	42 137	913 256	3 196 398
31/12/2003	Public bid on real estate certificates Distri-Land	4 907	47 043	372 216	3 568 614
5/11/2004	Partial incorporation of issue premium	33 250	80 294	-	3 568 614
5/11/2004	Annulment of 20 bearer shares	-1	80 293	-20	3 568 594
10/08/2005	Merger by absorption	1	80 294	130	3 568 724
21/11/2006	Merger by absorption	10	80 303	228	3 568 952
30/11/2007	Contribution in kind in the context of a partial split	3 804	84 107	169 047	3 737 999
30/06/2008	Contribution in kind in the context of a partial split	1 882	85 989	83 632	3 821 631
5/09/2008	Contribution in kind	534	86 523	23 750	3 845 381
30/04/2009	Contribution in kind	5 625	92 148	250 000	4 095 381
24/11/2009	Contribution in kind in the context of a partial split	6 944	99 092	308 623	4 404 004
5/02/2010	Contribution in kind	4 380	103 472	194 664	4 598 668
31/03/2010	Contribution in kind in the context of a partial split	910	104 382	40 459	4 639 127
05/05/2010	Contribution in kind	3 288	107 671	146 135	4 785 262
21/06/2010	Contribution in kind	2 662	110 332	118 293	4 903 555
30/11/2010	Contribution in kind	2 212	112 544	98 301	5 001 856
30/11/2010	Contribution in kind	1 280	113 824	56 872	5 058 728
30/11/2010	Contribution in kind	66	113 890	2 935	5 061 663
16/06/2011	Contribution in kind	1 989	115 879	88 397	5 150 060
27/06/2011	Contribution in kind	5 520	121 399	245 348	5 395 408
30/03/2012	Contribution in kind in the context of a partial split	937	122 336	41 666	5 437 074
4/07/12	Contribution in kind	4 694	127 030	208 607	5 645 681
27/07/12	Contribution in kind - stock optional dividend	3 768	130 798	167 441	5 813 122
28/06/13	Contribution in kind	540	131 338	24 009	5 837 131
28/06/13	Capital increase in cash	32 699	164 037	1 453 280	7 290 411
28/11/14	Contribution in kind	6 054	170 091	269 062	7 559 473
28/05/15	Capital increase in cash	28 345	198 436	1 259 740	8 819 213
29/01/16	Contribution in kind	1 060	199 496	47 107	8 866 320
14/12/16	Contribution in kind	2 604	202 100	115 735	8 982 055
14/12/16	Contribution in kind	588	202 688	26 153	9 008 208

Capital evolution

Date	Transaction	Capital movement (in €000)	Total remaining capital after the transaction (in €000)	Number of shares created	Total number of shares
5/04/17	Contribution in kind	3 924	206 612	174 404	9 182 612
29/06/17	Contribution in kind	4 500	211 112	200 000	9 382 612
29/03/18	Contribution in kind	1 890	213 002	83 973	9 466 585
29/03/18	Contribution in kind	519	213 521	23 076	9 489 661
27/04/18	Capital increase in cash	42 704	256 225	1 897 932	11 387 593
26/09/18	Contribution in kind	788	257 013	35 000	11 422 593
1/04/19	Contribution in kind	900	257 913	40 000	11 462 593
1/04/19	Contribution in kind	630	258 543	28 000	11 490 593
24/06/19	Contribution in kind - stock optional dividend	7 584	266 127	337 063	11 827 656
26/06/19	Contribution in kind	16 875	283 002	750 000	12 577 656
22/07/19	Contribution in kind	1 187	284 189	52 758	12 630 414
20/08/20	Contribution in kind - stock optional dividend	795	284 985	35 349	12 665 763
14/10/21	Contribution in kind	12 616	297 600	560 689	13 226 452

As per 31 March 2022, the registered capital amounts to €297,600,322.91 and is represented by 13,226,452 shares. There are no preferred shares. Each of these shares represents one vote at the shareholders' meeting, and these shares represent the denominator for the notification in the context of the transparency declarations.

The difference between the capital as indicated above and the capital included in the consolidated balance sheet is explained by the capital increase costs, which were deducted in the consolidated balance sheet.

The capital has been paid up in full.

Please refer to article 6.1 of the articles of association of Retail Estates nv, as included in the chapter "Permanent document" of this report.

Note 28**Issue premium evolution (in €000)**

Date	Transaction	Issue premiums
Previous financial year		316 792
14/10/21	Contribution in kind	23 240
14/10/21	Charges Contribution in kind	-234
Total issue premiums 31/03/2022		339 798

Note 29**Other non-current financial liabilities (in €000)**

	31.03.2022	31.03.2021
Authorised hedging instruments (also refer to note 35)	0	25 216
Other	807	
Total other non-current financial liabilities	807	25 216

The hedging instruments have evolved from a negative value of €25.21 million to a positive value of €11.12 million. This is attributable to the expected long-term increase in interest rates. This is a non-cash element.

Note 30

Trade debts and other current debts (in €000)	31.03.2022	31.03.2021
Exit tax	391	399
Other	17 396	23 953
Trade debts	2	659
Invoices to be received	12 399	16 288
Taxes payable	4 232	6 017
Other current debts	764	989
Total trade debts and other current debts	17 787	24 352

The decrease in received invoices is mainly explained by the credit notes that were anticipated last year with respect to the obligatory closure of shops in the Netherlands. The invoices to be received mainly concern work in progress relating to the real estate, property tax and common costs of the retail parks that can be charged.

Note 31

Exit tax (in €000)	31.03.2022
Balance at the end of the previous financial year	399
Increase during the financial year	0
Advance payments	0
Assessments	-8
At the end of the financial year	391

The 'Exit tax' refers to the taxes payable on the deferred capital gains of acquired real estate companies that will have to be paid at the time of merger of those companies with the public BE-REIT Retail Estates nv. The table above gives an overview of the evolution of the exit tax owed versus the previous financial year.

Note 32

Other current liabilities (in €000)	31.03.2022	31.03.2021
Dividends payable	2	1
Other	1 769	703
Total other current liabilities	1 771	705

Note 33

Accrued charges and deferred income (in €000)	31.03.2022	31.03.2021
Property returns received in advance	2 375	6 082
Completed, not due interests and other financial costs	2 746	3 589
Other	51	44
Total accrued charges and deferred income	5 171	9 715

The decrease in the deferred revenues is mainly attributable to the fact that Dutch rents were not pre-billed on a one-time basis, as a result of the implementation of a new integrated technology system. The deferred revenues mainly concern rents paid in advance.

Note 34**Breakdown by due date of credit lines**

(in €000)	31.03.2022	31.03.2021
Non-current		
Bilateral loans - variable or fixed rate	584 594	587 324
Bond loan	175 229	175 087
Subtotal	759 823	762 411
Current		
Bilateral loans - variable or fixed rate	1 730	17 683
Bond loan	0	29 997
Treasury certificates	100 000	82 000
Subtotal	101 730	129 680
Total	861 553	892 091

Breakdown by maturity of non-current financial debts - future interest burden not included

(in €000)	31.03.2022	31.03.2021
Between one and two year(s)	87 528	103 530
Between two and five years	526 520	404 028
More than five years	145 776	254 853

Breakdown by the variable or fixed-rate nature of the loans

(in €000) ⁴	31.03.2022	31.03.2021
Variable rate loans	467 339	466 614
Fixed rate loans	394 213	425 477

4. Without taking into account hedging instruments

Retail Estates nv has the following unused credit facilities

(in €000)	31.03.2022	31.03.2021
Expiring within one year	0	0
Expiring after one year	281 962	277 562

100,00 mio EUR van de niet gebruikte kredietlijnen wordt gebruikt als backup lijn voor de opgenomen bedragen van het commercial paper programma

Estimate of the future interest burden

	Total future interest burden	
	31.03.2022	31.03.2021
Within one year	17 838	18 491
Between one and five year(s)	56 835	62 683
More than five years	5 568	4 827
Total	80 242	86 001

Reconciliation between changes in financial liabilities and consolidated cash flow statement

(in duizenden EUR)	31.03.2021 + Cash flows	+ Non cash variations	31.03.2022
Financial debts	894 797		865 712
Bilateral loans			
- variable or fixed rate	687 007	-683	686 324
Bond loan	205 084	-30 000	175 229
Financial lease	2 706	1 453	4 159

Over the course of the financial year, financial liabilities decreased by a net amount of €30.68 million. New loans were taken out or existing loans were extended for an amount of €113.80 million while other loans expired and were repaid for an amount of €144.48 million. In addition, there are costs linked to the issue of bonds that are incorporated into the result spread over time.

Non-current and current financial liabilities**Structure of the financial debt:**

On 31 March 2022, total consolidated financial debt amounted to €865.71 million.

This amount is composed as follows:

Non-current liabilities:

- €584.59 million in traditional bilateral long-term bank loans, spread over several banks
- €4.16 million in financial leases
- €175.23 million in bond loans

(in €000)	31.03.2022	31.03.2021
Bilateral loans	584.59	587.32
Financial leases	4.16	2.71
Bond loans	175.23	175.09

This is a decrease by €1.13 million compared to last year.

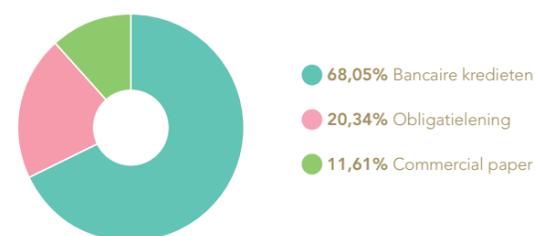
Current liabilities:

- €1.73 million in traditional bilateral short-term bank loans
- €100.00 million in Commercial Papers

(in €000)	31.03.2022	31.03.2021
Bilateral loans	1.73	17.68
Commercial Paper	100.00	82.00
Bond loans	0	30.00

This is a decrease by €27.95 million compared to last year. It can mainly be explained by the reimbursement of a €30 million bond loan and the reimbursement of a €16 million loan that had reached its maturity. This was partly compensated by the increase of the commercial paper programme by €18 million.

STRUCTUUR FINANCIËLE SCHULDEN



93.16% of the loans have a fixed interest rate or are hedged using an interest rate swap contract. The estimate of the future interest burden takes into account the debt position as of 31 March 2022 and interest covers according to the contracts currently in progress. For the unhedged part of the liabilities for a total of €58.97 million, the Euribor expectations were taken into account, as well as the banking margin.

The company has issued five bond loans:

- €30 million, issued on 29 April 2016 with a maturity of 10 years, of which €4 million at a fixed interest rate of 2.84% and €26 million at a floating interest rate (Euribor 3 months + 2,25%).
- €25 million, issued on 10 June 2016 with a maturity of 10 years and an interest rate of 2.84%.
- €75 million, issued on 18 December 2019 with a maturity of 7 years and an interest rate of 2.15%
- €30 million, issued on 9 December 2020 with a maturity of 5 years and an interest rate of 1.991%.
- €16 million, issued on 26 March 2021 with a maturity of 8 years and an interest rate of 2.897%.

Interest charges analysis – interest sensitivity

The degree to which Retail Estates nv can finance itself significantly impacts its profitability. Property investment generally entails a relatively high level of debt financing. To optimally limit this risk, Retail Estates nv applies a relatively cautious and conservative strategy (see above). This strategy ensures that a rise in the interest rate has no substantial impact on the total result. Interest rate increases or decreases nevertheless have an impact on the market value of the concluded IRS contracts and thus on shareholders' equity and changes in the fair value of

financial assets and liabilities. If the interest rate were to rise by 1%, this would have a positive impact of €25.71 million on shareholders' equity and changes in the fair value of financial assets and liabilities. €24.69 million of this amount would be recorded via the income statement and €1.02 million of this amount would be recorded directly under shareholders' equity. If interest rate were to decrease by 1%, this would have a negative impact of €27.51 million on shareholders' equity and changes in the fair value of financial assets and liabilities. €26.54 million of this amount would be recorded via the income statement account and €0.97 million would be recorded directly under shareholders' equity.

In principle, Retail Estates nv concludes an agreement with its banks for a debt ratio covenant of 60%.

Maturity dates

The weighted average term of the outstanding financial debts of Retail Estates was 3.86 years on 31 March 2022 compared to 3.95 years for the previous year. On 31 March 2022 the total of unused and confirmed long-term credit lines amounted to €181.96 million. This is exclusive of the backup lines for the Commercial Paper programme amounting to €100.00 million.

Note 35**Financial instruments on 31 March 2022**

Summary of financial instruments as at closing date (in €000)	Categories	Level	31.03.2022		31.03.2021	
			Book value	Fair value	Book value	Fair value
I. Non-current assets						
Finance lease receivables	C	2	1 030	1 030	1 030	1 030
Loans and receivables	A	2	2 839	2 839	2 418	2 418
Financial non-current assets			16 120	16 120		
Participations in associated companies and joint ventures			1 740	1 740		
II. Current assets						
Trade receivables and other receivables	A	2	4 199	4 199	20 165	20 165
Cash and cash equivalents	B	2	1 483	1 483	3 681	3 681
Total financial instruments on the assets side of the balance sheet			27 410	27 410	27 294	27 294
I. Non-current liabilities						
Interest-bearing liabilities	A	2				
Credit institutions	A	2	584 594	588 628	587 324	606 240
Bond loan	A	2	175 229	180 817	175 087	191 724
Other non-current liabilities	A	2				
Other financial liabilities	C	2	0	0	28 957	28 957
II. Current liabilities						
Interest-bearing liabilities	A	2	101 730	101 730	129 680	129 680
Current trade debts and other debts	A/C	2/3	19 558	19 558	25 057	25 057
Total financial instruments on the liabilities side of the balance sheet			881 111	890 732	946 105	981 658

The categories correspond to the following financial instruments:

- A. Financial assets or liabilities (including receivables and loans) held to maturity at amortised cost.
- B. Investments held to maturity at amortised cost.
- C. Assets or liabilities held at fair value through profit and loss except for financial instruments designated as hedging instruments.

The aggregate financial instruments of the Group correspond to level 2 in the fair values hierarchy. Fair value valuation is carried out regularly.

Level 2 in the fair value hierarchy includes other financial assets and liabilities of which the fair value can be determined by reference to other inputs which are directly or indirectly observable for the relevant assets or liabilities.

The valuation techniques regarding the fair value of level 2 financial instruments are the following:

- The item “other financial liabilities” refers to interest rate swaps of which the fair value can be determined by means of interest rates applicable on active markets; these rates are generally provided by financial institutions.
- The fair value of the other level 2 financial assets and liabilities is virtually equal to their book value:
 - because they have a short-term maturity (e.g. trade receivables and debts); or
 - because they have a variable interest rate.

The fair value of debts with a fixed interest rate is estimated by discounting their future cash flows at a rate that reflects the Group’s credit risk.

Financial instruments at amortised cost

Since trade receivables and trade debts are short-term instruments, the fair value approximates the nominal value of these financial assets and liabilities.

On 31 March 2022 Retail Estates nv has €467.34 million of financial debts at a variable interest rate and €394.21 million of financial debts at a fixed interest rate. 93.16% of the loans have a fixed interest rate or are hedged using an interest rate swap-contract. The fixed interest rates at which these long-term debts were originally concluded in most cases no longer correspond to prevailing money market rates, resulting in a difference between their book value and their fair value. The table below compares the total amount of fixed-rate debts at book value and at fair value at the end of the 2021-2022 financial year. The fair value of the fixed-rate debts is estimated by discounting their future cash flows at an interest rate that reflects the Group’s credit risk. The fair value of the fixed-rate debts is mentioned in the table below. The book value is equal to the amortised cost.

Financial debts at fixed interest rate	31.03.2022		31.03.2021	
	Book value	Fair value	Book value	Fair value
Financial debts at fixed interest rate	394 213	403 835	425 477	461 030

Financial instruments at fair value

Fair value of financial assets and liabilities (in €000)	31.03.2022		31.03.2021	
	Fair value of financial derivatives - Liabilities		0	
Fair value of financial derivatives - Assets		11 120		0
Total fair value of financial assets and liabilities		11 120		-25 216

The Group makes use of financial derivatives (interest rate swaps, floors and caps) to hedge interest rate risks arising from operational, financial and investment activities. Financial derivatives are initially recognised at cost and revalued to their fair value on the next reporting date. The derivatives currently used by Retail Estates nv qualify as cash flow hedges only to a limited extent. Changes in the fair value of the derivatives that do not qualify as cash flow hedges are recorded directly in the income statement. An amount of €34.49 million was recorded in the income statement with respect to the linear depreciation of the value on 31 December 2015 of the derivatives that do not longer qualify as cash flow hedges. €34.74 million relates to the changes in fair value of the derivatives for the period from 1 April 2021 to 31 March 2022. Swaps qualifying as cash flow hedges are booked directly as shareholders’ equity and are not included in the income statement. The interest rate swaps are level 2 instruments.

Overview of financial instruments:

Other non-current liabilities				Variable interest rate	Notional amount (in €000)	Type of derivative	Hedge accounting
	Starting date	Ending date	Interest rate				
1	03/2009	12/2023	3.89%	Euribor 3 M +	1 374	IRS	NO
2	07/2016	04/2026	1.26%	Euribor 3 M +	26 000	IRS	YES
3	03/2018	03/2026	1.10%	Euribor 3 M +	20 000	IRS	NO
4	12/2018	12/2026	1.06%	Euribor 3 M +	25 000	IRS	NO
5	01/2018	01/2026	0.74%	Euribor 3 M +	25 000	IRS	NO
6	03/2018	03/2026	0.88%	Euribor 3 M +	25 000	IRS	NO
7	03/2018	03/2025	0.78%	Euribor 3 M +	25 000	IRS	NO
8	07/2016	04/2026	-2.25%	Euribor 3 M +	26 000	FLOOR	YES
9	03/2018	03/2026	0.00%	Euribor 3 M +	20 000	FLOOR	NO
10	12/2018	12/2026	0.00%	Euribor 3 M +	25 000	FLOOR	NO
11	07/2018	01/2023	0.80%	Euribor 3 M +	20 000	IRS	NO
12	09/2018	09/2022	0.91%	Euribor 3 M +	21 000	IRS	NO
13	10/2018	10/2024	1.19%	Euribor 3 M +	10 000	IRS	NO
14	03/2022	03/2024	0.52%	Euribor 3 M +	50 000	IRS	NO
15	10/2023	06/2026	0.68%	Euribor 3 M +	50 000	IRS	NO
16	12/2024	12/2028	0.70%	Euribor 3 M +	25 000	IRS	NO
17	12/2024	12/2028	0.72%	Euribor 3 M +	25 000	IRS	NO
18	03/2024	03/2029	0.34%	Euribor 3 M +	25 000	IRS	NO
19	03/2024	03/2029	0.37%	Euribor 3 M +	25 000	IRS	NO
20	06/2024	03/2029	0.06%	Euribor 3 M +	25 000	IRS	NO
21	06/2024	03/2029	0.03%	Euribor 3 M +	25 000	IRS	NO
22	06/2024	06/2029	0.00%	Euribor 3 M +	50 000	IRS	NO
23	12/2026	12/2029	-0.06%	Euribor 3 M +	25 000	IRS	NO
24	06/2021	06/2027	0.85%	Euribor 3 M +	60 000	IRS	NO
25	06/2022	06/2026	0.63%	Euribor 3 M +	25 000	IRS	NO
26	06/2022	06/2026	0.83%	Euribor 3 M +	14 000	IRS	NO
27	06/2022	06/2026	0.62%	Euribor 3 M +	10 000	IRS	NO
28	07/2022	07/2027	0.62%	Euribor 3 M +	15 000	IRS	NO
29	06/2022	06/2026	1.21%	Euribor 3 M +	30 000	IRS	NO
30	12/2027	12/2033	0.89%	Euribor 3 M +	35 000	IRS	NO
31	09/2021	12/2022	0.25%	Euribor 3 M +	50 000	CAP	NO
32	12/2020	12/2023	0.25%	Euribor 3 M +	50 000	CAP	NO
33	12/2022	03/2025	0.25%	Euribor 3 M +	25 000	CAP	NO

Breakdown by maturity of liquidity obligation associated with the derivative products (in €000) 31.03.2022

Between zero and two year(s)	6 503 411
Between two and five years	7 517 094
More than five years	2 066 779
Total	16 087 284

Note 36
Additional comments on the debt ratio development
Calculation debt ratio (in €000) 31.03.2022 31.03.2021

	31.03.2022	31.03.2021
Liabilities	891 248	954 785
To be excluded:	5 979	34 931
I. Non-current liabilities	807	25 216
Provisions		
Authorised hedging instruments	0	25 216
Deferred taxes	807	0
II. Current liabilities	5 171	9 715
Provisions		
Authorised hedging instruments		
Accrued charges and deferred income	5 171	9 715
Total debt	885 270	919 854
Total assets	1 812 228	1 763 008
Authorised hedging instruments - assets	11 120	0
Total Assets taken into account for the calculation of the debt ratio	1 801 109	1 763 008
DEBT RATIO	49.15%	52.18%

Principle

Article 24 of the BE-REIT Belgian Royal Decree requires public BE-REITs to draw up a budget forecast with an implementation schedule when its consolidated debt ratio and that of its perimeter companies exceeds 50% of the consolidated assets. The budget forecast describes the measures that will be taken to prevent the consolidated debt ratio from exceeding 65% of consolidated assets. The debt ratio is lower than 50% on 31 March 2022.

Note 37
Related parties

The company's related parties are its subsidiaries and its directors and members of the management committee. Transactions with subsidiaries are eliminated in the consolidation.

The company has not concluded any transactions with related parties (as defined under IFRS) during the financial years 2020/2021 and 2021/2022, nor in the period between 1 April 2022 and the date of this report.

Directors and executive officers

The remuneration for directors and executive officers is recorded under "corporate operating costs" (see note 10).

(in €000)	31.03.2022	31.03.2021
Directors	1 568	1 555
Total	1 568	1 555

Note 38

Auditor's fee (VAT excl.)	31.03.2022	31.03.2021
Remuneration of the auditor for the audit assignment	114	104
Remuneration for exceptional duties or special assignments		
- Other audit assignments	53	27
- Tax consultancy assignments		
- Other assignments outside the audit assignment	0	0

In compliance with paragraph article 3:64 of the Belgian Code of Companies and Associations, the 70% rule needs to be assessed at the level of Retail Estates nv. It was not exceeded. No assignments were carried out in addition to the audit assignments.

Note 39
Acquired real estate companies and investment properties
As per 31.03.2022

Acquisitions and in-house developments in financial year 2021-2022 resulted in an increase of the real estate portfolio by €72.51 million. As a result of these investments, total rental income increased by €2.79 million in financial year 2021-2022. If the acquisitions had taken place on 1 April 2021, the rental income would have increased by €4.18 million. The operating result increased by €2.34 million as a result of these investments. Please refer to the management report for more information on the structuring and financing of these acquisitions.

As per 31.03.2021

Acquisitions and in-house developments in financial year 2020-2021 resulted in an increase of the real estate portfolio by €99.60 million. As a result of these investments, total rental income increased by €5.40 million in financial year 2020-2021. If the acquisitions had taken place on 1 April 2019, the rental income would have increased by €6.16 million. The operating result increased by €4.61 million as a result of these investments. Please refer to the management report in the 2020-2021 annual report for more information on the structuring and financing of these acquisitions.

Sold real estate companies and investment properties
As per 31.03.2022

Divestments were made during the 2021-2022 financial year for a net sale price of €31.84 million, which resulted in a decrease in investment properties by €22.74 million and a decrease in assets held for sale by €8.77 million. Rental income declined by €1.36 million as a result of these divestments. If the divestments had taken place on 1 April 2021, the rental income would have decreased by €2.35 million.

As per 31.03.21

Divestments were made during the 2020-2021 financial year for a net sale price of €43.79 million, which resulted in a decrease in investment properties by €24.21 million and a decrease in assets held for sale by €18.75 million. Rental income declined by €0.41 million as a result of these divestments. If the divestments had taken place on 1 April 2020, the rental income would have decreased by €2.10 million.

Note 40
Events after the balance sheet date

No significant events took place after the balance sheet date.

Note 41**List of consolidated companies and changes in the circle of consolidation**

As per 31 March 2022, the following subsidiaries are part of the consolidation perimeter of Retail Estates nv:

Subsidiary	External financial debts ⁵ (in €000)	Investment properties ⁵ (in €000)	Rental income ⁶ (in €000)	Participation percentage
Retail Warehousing Invest		110 242	3 381	100%
Inducom		3 288		100%
Finsbury Properties		0	561	100%
Regreen		758	50	100%
Veilinghof 't Sas				26,19%
Retail Estates Nederland		60 756	5 094	100%
Cruquius Invest		74 101	5 307	100%
Spijkenisse Invest	10 250	43 002	3 139	100%
Heerlen I Invest		59 991	4 240	100%
Heerlen II Invest		54 620	4 025	100%
Retail Estates Middelburg Invest		30 560	2 327	100%
Breda I Invest		38 209	2 816	100%
Breda II Invest		23 290	1 702	100%
Naaldwijk Invest		18 701	1 718	100%
Zaandam Invest		23 590	1 740	100%
Osbroek Invest		66 871	4 889	100%

⁵ Value at closing date of the consolidated figures (31.03.2022).

⁶ For the period the companies are part of the Group in the current financial year.

On 22 April 2021 Retail Estates incorporated the subsidiary "Regreen", mainly for its investments in photovoltaic systems and possibly other sustainable investments like charging stations and water infiltration basins.

Retail Estates initially purchased the building of the former chicory auction from BelOrta for a price of €5.81 million via a new company (Veilinghof 't Sas nv). Subsequently, Retail Estates combined its participating interests with those of the neighbouring owner (TVK-BRAVA cv) by entering into a merger by which this company was absorbed by Veilinghof 't Sas nv. As a result, a site was created with a surface area of 37.708 m², including 16.341 m² of warehouses. These buildings will initially be let to logistics companies on the basis of short-term contracts. The purpose is to redevelop this site after the demolition of the existing buildings and to erect new buildings that will be let and that will serve a purpose in line with the current urbanistic purpose of the site (service sector). The investment was made by

way of speculation, as no environmental permit has been applied for nor obtained to date.

On 31 March 2022 the participating interest in the company Veilinghof 't Sas is 26.19%.

The acquisition of real estate companies is not regarded as a business combination under IFRS 3 based on the conclusion that this definition is not applicable given the nature and the size of the acquired company. The company in question owned a limited number of properties. Its employees have not been retained and their activities have been discontinued.

The companies Retail Estates Nederland, Cruquius Invest, Spijkenisse Invest, Heerlen I Invest, Heerlen II Invest, Breda I Invest, Breda II Invest, Zaandam Invest, Naaldwijk Invest, Osbroek Invest and Retail Estates Middelburg were incorporated in the Netherlands. The other companies were incorporated in Belgium.

Note 42**Determination of the amount in accordance with Article 7:212 of the Belgian Code of Companies and Associations**

The amount of the paid-up capital as referred to in article 7:212 of the Belgian Code of Companies and Associations or, if higher, the amount of the called-up capital

increased by all the reserves which cannot be distributed in accordance with the law or with the provisions of the articles of association, is determined in Article 13, §1, of the BE-REIT Belgian Royal Decree.

This calculation is carried out on the basis of the statutory annual accounts of Retail Estates nv.

(in €000)	31.03.2022	31.03.2021
Non-distributable elements of the shareholders' equity before distribution of results	660 748	646 960
Paid-up capital	289 213	276 560
Non-available issue premiums pursuant to the articles of association	315 410	316 792
Reserve for the positive balance of the variations of the fair value of real estate	108 624	110 562
Reserve for the impact on the fair value of estimated transfer rights and costs resulting from the hypothetical disposal of investment properties	-28 903	-28 608
Reserve for the balance of the changes in fair value of authorised hedging instruments qualifying for hedge accounting	-396	-2 226
Reserve for the balance of the changes in fair value of authorised hedging instruments not qualifying for hedge accounting	-23 205	-26 125
Other reserves	5	5
Profit and loss of the financial year that must be allocated to the non-distributable reserves in accordance with Article 13, §1, of the RREC R.D.	55 350	-2 123
Result on portfolio	-1 021	-559
Share in the non recurring result of holding incorporated using the equity method	21 898	-4 238
Changes in fair value of financial assets and liabilities	34 474	2 674
Total shareholders' equity, statutory, non-distributable	716 098	644 837
Shareholders' equity, statutory	915 746	804 581
Planned dividend distribution	60 842	56 996
Shareholders' equity, statutory, after distribution of dividends	854 905	747 585
Remaining reserve after distribution	138 805	102 748

Retail Estates applies the look-through approach with respect to its distribution obligation. The look-through approach can be described as a consolidation approach in the statutory annual accounts at the level of the distribution obligation, the appropriation of results and the distribution restrictions. The share in the results of

the shareholdings is incorporated into the unavailable and available reserves as if it concerned the results of the parent BE-REIT.

On 31 March 2022 the share in the result of the shareholdings that was processed in accordance with the

change in equity method amounted to €40.91 million. Of this amount, €21.90 will be added to the reserves for the balance of the change in the fair value of the real estate and €19.02 million will be added to the result carried forward.

Segmented information

IFRS 8 defines an operating segment as follows: An operating segment is a component of the entity (IFRS 8.5):

- that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other

components of an same entity);

- whose operating results are reviewed regularly by the entity's chief operating decision maker (CODM) to take decisions about resources to be allocated to the segment and assess its performance; and
- for which discrete financial information is available.

Since the 2018-2019 financial year, Retail Estates has distinguished between two geographical segments: Belgium and the Netherlands.

The management committee acts as CODM within Retail Estates.

Note 43

Segmented information – Profit & Loss

Segmented information – results by segment (in €000)	31.03.2022			31.03.2021		
	Belgium	The Netherlands	Un-allocated amounts	Belgium	The Netherlands	Un-allocated amounts
			TOTAL			TOTAL
Rental income	78 775	36 998	115 773	70 749	31 855	102 604
Rental related expenses	-231	37	-194	-2 103	-99	-2 202
Net rental income	78 545	37 035	115 579	68 646	31 756	100 402
Recovery of property expenses						
Recovery of rental charges and taxes normally payable by tenants on let properties	8 753	3 211	11 963	7 780	2 819	10 599
Rental charges and taxes normally payable by tenants on let properties	-9 291	-4 661	-13 953	-8 177	-3 990	-12 167
Other rental related income and expenses	-65	-21	-86	-96	0	-96
Property result	77 940	35 563	113 504	68 154	30 584	98 738
Technical costs	-3 540	-1 493	-5 032	-1 765	-515	-2 280
Commercial costs	-924	-103	-1 027	-411	-97	-508
Charges and taxes on unlet properties	-256	-171	-427	-716	-151	-867
Property management costs	-2 728	-900	-3 629	-2 226	-991	-3 217
Other property costs	-410	0	-410	-1	-5	-6
Property costs	-7 857	-2 667	-10 524	-5 118	-1 759	-6 877
Operating property result	70 083	32 896	102 980	63 035	28 825	91 860

Segmented information – results by segment (in €000)	31.03.2022			31.03.2021		
	Belgium	The Netherlands	Un-allocated amounts	Belgium	The Netherlands	Un-allocated amounts
			TOTAL			TOTAL
Operating corporate costs			-6 050			-6 123
Other current operating income and expenses						
Operating result before result on portfolio			96 930			85 737
Result on disposals of investment properties	313	21	334	-7	832	825
Result on sales of other non-financial assets						
Changes in fair value of investment properties	3 306	19 778	23 083	3 789	-9 752	-5 963
Other result on portfolio	-717	-604	-1 321	232	760	992
Operating result			119 026			81 592
Financial income			248			232
Net interest charges			-18 485			-20 592
Changes in fair value of financial assets and liabilities			34 476			2 674
Other financial charges			-81			-70
Financial result			16 158			-17 757
Result in associated companies			-10			-10
Result before taxes			135 174			63 836
Taxes	-164	-3 172	-3 337	-6	-2 393	-2 399
Net result			131 837			61 437

Segmented balance sheet

Segmented information – assets by segment (in €000)	31.03.2022			31.03.2021		
	Belgium	The Netherlands	TOTAL	Belgium	The Netherlands	TOTAL
Investment properties ⁷	1 266 188	493 691	1 759 879	1 244 081	473 164	1 717 245
Non-current assets or groups of assets held for sale	11 807	0	11 807	7 931	0	7 931

⁷ Including investment properties under construction (IAS 40).

Note 44

Key sources of estimation uncertainty in accordance with IAS 1.125:

The implementation of the Group's accounting policies includes important evaluations in the field of classification of lease contracts and acquisition of shares in regulated real estate companies. Accounting estimates are used when the Group determines the fair value of its investment properties and financial instruments. The most important principles for the performance of assessments are based on the Group's experience and the contribution of the real estate experts. The key sources of estimation uncertainty are discussed in notes 21 (investment properties), 35 (financial instruments) and 41 (list of consolidated companies).

7. Verslag van de Commissaris aan de Algemene Vergadering van aandeelhouders over de geconsolideerde jaarrekening voor het boekjaar afgesloten op 31 maart 2022

In het kader van de wettelijke controle van de geconsolideerde jaarrekening van Retail Estates NV (de "Vennootschap") en haar filialen (samen "de Groep"), leggen wij u ons commissarisverslag voor. Dit bevat ons verslag over de geconsolideerde jaarrekening en de overige door wet- en regelgeving gestelde eisen. Het vormt één geheel en is ondeelbaar.

Wij werden benoemd in onze hoedanigheid van commissaris door de algemene vergadering van 23 juli 2018, overeenkomstig het voorstel van de Raad van Bestuur uitgebracht op aanbeveling van het auditcomité. Ons mandaat loopt af op de datum van de algemene vergadering die beraadslaagt over de jaarrekening voor het boekjaar afgesloten op 31 maart 2021. Wij hebben de wettelijke controle van de geconsolideerde jaarrekening van de Vennootschap uitgevoerd gedurende 6 opeenvolgende boekjaren.

Verslag over de geconsolideerde jaarrekening

Oordeel zonder voorbehoud

Wij hebben de wettelijke controle uitgevoerd van de geconsolideerde jaarrekening van de Groep, die de geconsolideerde balans op 31 maart 2021 omvat, alsook de geconsolideerde winst- en verliesrekening en het geconsolideerd overzicht van het globaal resultaat, het geconsolideerd mutatieoverzicht van het eigen vermogen en het geconsolideerd kasstroomoverzicht over het boekjaar afgesloten op die datum, en de toelichting met de belangrijkste gehanteerde grondslagen voor financiële verslaggeving en andere toelichtingen. Deze geconsolideerde jaarrekening vertoont een geconsolideerd balanstotaal van EUR '000' 1.763.008 en en de geconsolideerde winst- en verliesrekening sluit af met een nettoresultaat van het boekjaar van EUR '000' 61.436.

Naar ons oordeel geeft de geconsolideerde jaarrekening een getrouw beeld van het vermogen en de geconsolideerde financiële toestand van de Groep per 31 maart 2021, alsook van zijn geconsolideerde resultaten en

van zijn geconsolideerde kasstromen over het boekjaar dat op die datum is afgesloten, in overeenstemming met de International Financial Reporting Standards (IFRS) zoals goedgekeurd door de Europese Unie en met de in België van toepassing zijnde wettelijke en reglementaire voorschriften.

Basis voor ons oordeel zonder voorbehoud

Wij hebben onze controle uitgevoerd volgens de internationale controlestandaarden (ISA's) zoals van toepassing in België. Wij hebben bovendien de door de IAASB goedgekeurde internationale controlestandaarden toegepast die van toepassing zijn op de huidige afsluitdatum en nog niet goedgekeurd zijn op nationaal niveau. Onze verantwoordelijkheden op grond van deze standaarden zijn verder beschreven in de sectie "Verantwoordelijkheden van de commissaris voor de controle van de geconsolideerde jaarrekening" van ons verslag. Wij hebben alle deontologische vereisten die relevant zijn voor de controle van de geconsolideerde jaarrekening in België nageleefd, met inbegrip van deze met betrekking tot de onafhankelijkheid.

Wij hebben van de Raad van Bestuur en van de aangestelden van de Vennootschap de voor onze controle vereiste ophelderingen en inlichtingen verkregen.

Wij zijn van mening dat de door ons verkregen controle-informatie voldoende en geschikt is als basis voor ons oordeel.

Kernpunten van de controle

Kernpunten van onze controle betreffen die aangelegenheden die naar ons professioneel oordeel het meest significant waren bij de controle van de geconsolideerde jaarrekening van de huidige verslagperiode. Deze aangelegenheden zijn behandeld in de context van onze controle van de geconsolideerde jaarrekening als geheel en bij het vormen van ons oordeel hierover, en wij verschaffen geen afzonderlijk oordeel over deze aangelegenheden. Het enige kernpunt van onze controle heeft betrekking op de:

Waardering van de vastgoedbeleggingen

Beschrijving van het kernpunt van de controle

De onderneming heeft op 31 maart 2021 vastgoedbeleggingen op het actief van de balans geboekt voor een totaalbedrag van

EUR '000' 1.717.246. De IFRS-standaarden vereisen dat vastgoedbeleggingen aan reële waarde worden geboekt. De bepaling van die reële waarde hangt sterk af van een aantal gekozen parameters. De belangrijkste zijn de huurwaarde van het vastgoed, de bezettingsgraad, de verdisconteringsvoet en de geschatte kosten voor onderhoud en herstellingen.

In overeenstemming met de voor gereguleerde vastgoedvennootschappen van toepassing zijnde wetgeving worden de vastgoedbeleggingen gewaardeerd door een externe schatter.

De waardering van de vastgoedbeleggingen vormt een kernpunt bij onze controle van de geconsolideerde jaarrekening, enerzijds vanwege hun materieel belang in de jaarrekening en anderzijds vanwege het subjectieve karakter van het waarderingproces.

Voor meer informatie betreffende de waardering van de vastgoedbeleggingen verwijzen wij naar toelichting 21 en 22 van deze Geconsolideerde Jaarrekening.

Onze auditbenadering met betrekking tot het kernpunt van de controle

Wij hebben de betrouwbaarheid van de externe waardering en de redelijkheid van de gebruikte parameters geëvalueerd op basis van onderstaande werkzaamheden:

Wij hebben de objectiviteit, onafhankelijkheid en bekwaamheid van de externe schatters beoordeeld;

Bovendien hebben wij voor de wijzigingen in de reële waarde ten opzichte van 31 maart 2020 de redelijkheid van de onderliggende parameters geanalyseerd;

Daarnaast hebben wij ook de realisatiewaarden van de vastgoedbeleggingen die werden verkocht tijdens het boekjaar vergeleken met hun reële waarden in de laatste jaarrekening voor de overdracht;

Tenslotte hebben wij ons er van vergewist dat de opgenomen informatie in de toelichting van de Geconsolideerde Jaarrekening in overeenstemming is met de IFRS-standaarden.

Verantwoordelijkheden van de Raad van Bestuur voor het opstellen van de geconsolideerde jaarrekening

De Raad van Bestuur is verantwoordelijk voor het opstellen van de geconsolideerde jaarrekening die een getrouw beeld geeft in overeenstemming met de International Financial Reporting Standards (IFRS) zoals goedgekeurd door de Europese Unie en met de in België van toepassing zijnde wettelijke en reglementaire voorschriften, alsook voor de interne beheersing die de Raad van Bestuur noodzakelijk acht voor het opstellen van de geconsolideerde jaarrekening die geen afwijking van materieel belang bevat die het gevolg is van fraude of van fouten.

Bij het opstellen van de geconsolideerde jaarrekening is de Raad van Bestuur verantwoordelijk voor het inschatten van de mogelijkheid van de Groep om zijn continuïteit te handhaven, het toelichten, indien van toepassing, van aangelegenheden die met continuïteit verband houden en het gebruiken van de continuïteitsveronderstelling, tenzij de Raad van Bestuur het voornemen heeft om de Groep te liquideren of om de bedrijfsactiviteiten te beëindigen, of geen realistisch alternatief heeft dan dit te doen.

Verantwoordelijkheden van de commissaris voor de controle van de geconsolideerde jaarrekening

Onze doelstellingen zijn het verkrijgen van een redelijke mate van zekerheid over de vraag of de geconsolideerde jaarrekening als geheel geen afwijking van materieel belang bevat die het gevolg is van fraude of van fouten, en het uitbrengen van een commissarisverslag waarin ons oordeel is opgenomen. Een redelijke mate van zekerheid is een hoog niveau van zekerheid, maar is geen garantie dat een controle die overeenkomstig de ISA's is uitgevoerd altijd een afwijking van materieel belang ontdekt wanneer die bestaat. Afwijkingen kunnen zich voordoen als gevolg van fraude of fouten en worden als van materieel belang beschouwd indien redelijkerwijs kan worden verwacht dat zij, individueel of gezamenlijk, de economische beslissingen genomen door gebruikers op basis van deze geconsolideerde jaarrekening, beïnvloeden.

Bij de uitvoering van onze controle leven wij het wettelijk, reglementair en normatief kader na dat van toepassing is op de controle van de jaarrekening in België. Een wettelijke controle biedt evenwel geen zekerheid omtrent de toekomstige levensvatbaarheid van de Groep, noch omtrent de efficiëntie of de doeltreffendheid waarmee de Raad van Bestuur de bedrijfsvoering van de Groep ter hand heeft genomen of zal nemen. Onze verantwoordelijkheden inzake de door de Raad van Bestuur gehanteerde continuïteitsveronderstelling worden hieronder beschreven.

Als deel van een controle uitgevoerd overeenkomstig de ISA's, passen wij professionele oordeelsvorming toe en handhaven wij een professioneel-kritische instelling gedurende de controle. We voeren tevens de volgende werkzaamheden uit:

- het identificeren en inschatten van de risico's dat de geconsolideerde jaarrekening een afwijking van materieel belang bevat die het gevolg is van fraude of van fouten, het bepalen en uitvoeren van controlewerkzaamheden die op deze risico's inspelen en het verkrijgen van controle-informatie die voldoende en geschikt is als basis voor ons oordeel. Het risico van het niet detecteren van een van materieel belang zijnde afwijking is groter indien die afwijking het gevolg is van fraude dan indien zij het gevolg is van fouten, omdat

bij fraude sprake kan zijn van samenspanning, valsheid in geschrifte, het opzettelijk nalaten om transacties vast te leggen, het opzettelijk verkeerd voorstellen van zaken of het omzeilen van de interne beheersing;

- het verkrijgen van inzicht in de interne beheersing die relevant is voor de controle, met als doel controlewerkzaamheden op te zetten die in de gegeven omstandigheden geschikt zijn maar die niet zijn gericht op het geven van een oordeel over de effectiviteit van de interne beheersing van de Groep;
- het evalueren van de geschiktheid van de gehanteerde grondslagen voor financiële verslaggeving en het evalueren van de redelijkheid van de door de Raad van Bestuur gemaakte schattingen en van de daarop betrekking hebbende toelichtingen;
- het concluderen of de door de Raad van Bestuur gehanteerde continuïteitsveronderstelling aanvaardbaar is, en het concluderen, op basis van de verkregen controle-informatie, of er een onzekerheid van materieel belang bestaat met betrekking tot gebeurtenissen of omstandigheden die significante twijfel kunnen doen ontstaan over de mogelijkheid van de Groep om zijn continuïteit te handhaven. Indien wij concluderen dat er een onzekerheid van materieel belang bestaat, zijn wij ertoe gehouden om de aandacht in ons commissarisverslag te vestigen op de daarop betrekking hebbende toelichtingen in de geconsolideerde jaarrekening, of, indien deze toelichtingen inadequaat zijn, om ons oordeel aan te passen. Onze conclusies zijn gebaseerd op de controle-informatie die verkregen is tot de datum van ons commissarisverslag. Toekomstige gebeurtenissen of omstandigheden kunnen er echter toe leiden dat de Groep zijn continuïteit niet langer kan handhaven;
- het evalueren van de algehele presentatie, structuur en inhoud van de geconsolideerde jaarrekening, en van de vraag of de geconsolideerde jaarrekening de onderliggende transacties en gebeurtenissen weergeeft op een wijze die leidt tot een getrouw beeld;
- het verkrijgen van voldoende en geschikte controle-informatie met betrekking tot de financiële informatie van de entiteiten of bedrijfsactiviteiten binnen de Groep gericht op het tot uitdrukking brengen van een oordeel over de geconsolideerde jaarrekening. Wij zijn verantwoordelijk voor de aansturing van, het toezicht op en de uitvoering van de groepscontrole. Wij blijven ongedeeld verantwoordelijk voor ons oordeel.

Wij communiceren met de Raad van Bestuur en het auditcomité onder meer over de geplande reikwijdte en timing van de controle en over de significante controlebevindingen, waaronder eventuele significante tekortkomingen in de interne beheersing die wij identificeren gedurende onze controle.

Wij verschaffen aan het auditcomité tevens een verklaring dat wij de relevante deontologische voorschriften over onafhankelijkheid hebben nageleefd, en wij communiceren met hen over alle relaties en andere zaken die redelijkerwijs onze onafhankelijkheid kunnen beïnvloeden en, waar van toepassing, over de daarmee verband houdende maatregelen om onze onafhankelijkheid te waarborgen.

Uit de aangelegenheden die met het auditcomité zijn gecommuniceerd bepalen wij die zaken die het meest significant waren bij de controle van de geconsolideerde jaarrekening van de huidige verslagperiode, en die derhalve de kernpunten van onze controle uitmaken. Wij beschrijven deze aangelegenheden in ons verslag, tenzij het openbaar maken van deze aangelegenheden is verboden door wet- of regelgeving.

Overige door wet- en regelgeving gestelde eisen

Verantwoordelijkheden van de Raad van Bestuur

De Raad van Bestuur is verantwoordelijk voor het opstellen en de inhoud van het jaarverslag over de geconsolideerde jaarrekening en de andere informatie opgenomen in het jaarrapport over de geconsolideerde jaarrekening.

Verantwoordelijkheden van de commissaris

In het kader van onze opdracht en overeenkomstig de Belgische bijkomende norm bij de in België van toepassing zijnde internationale controlestandaarden (ISA's), is het onze verantwoordelijkheid om, in alle van materieel belang zijnde opzichten, het jaarverslag over de geconsolideerde jaarrekening, en de andere informatie opgenomen in het jaarrapport over de geconsolideerde jaarrekening te verifiëren, alsook verslag over deze aangelegenheden uit te brengen.

Aspecten betreffende het jaarverslag over de geconsolideerde jaarrekening en andere informatie opgenomen in het jaarrapport over de geconsolideerde jaarrekening

Na het uitvoeren van specifieke werkzaamheden op het jaarverslag over de geconsolideerde jaarrekening, zijn wij van oordeel dat dit jaarverslag overeenstemt met de geconsolideerde jaarrekening voor hetzelfde boekjaar en is opgesteld overeenkomstig het artikel 3:32 van het Wetboek van vennootschappen en verenigingen.

In de context van onze controle van de geconsolideerde jaarrekening zijn wij tevens verantwoordelijk voor het overwegen, in het bijzonder op basis van de kennis verkregen tijdens de controle, of het jaarverslag over de geconsolideerde jaarrekening en de andere informatie opgenomen in het jaarrapport over de geconsolideerde jaarrekening, zijnde volgende hoofdstukken van het jaarrapport:

- Markante vastgoedfeiten
- Brief aan de aandeelhouders
- Beheersverslag
- Retail Estates op de beurs
- Vastgoedverslag
- Risicofactoren
- Permanent document
- Diversen

een afwijking van materieel belang bevatten, hetzij informatie die onjuist vermeld is of anderszins misleidend is. In het licht van de werkzaamheden die wij hebben uitgevoerd, hebben wij geen afwijking van materieel belang te melden.

Vermeldingen betreffende de onafhankelijkheid

- Ons bedrijfsrevisorenkantoor en ons netwerk hebben geen opdrachten verricht die onverenigbaar zijn met de wettelijke controle van de geconsolideerde jaarrekening en ons bedrijfsrevisorenkantoor is in de loop van ons mandaat onafhankelijk gebleven tegenover de Groep.
- De honoraria voor de bijkomende opdrachten die verenigbaar zijn met de wettelijke controle van de geconsolideerde jaarrekening bedoeld in artikel 3:65 van het Wetboek van vennootschappen en verenigingen werden correct vermeld en uitgesplitst in de toelichting bij de geconsolideerde jaarrekening.

Andere vermeldingen

Huidig verslag is consistent met onze aanvullende verklaring aan het auditcomité bedoeld in artikel 11 van de verordening (EU) nr. 537/2014.

Sint-Stevens-Woluwe, 21 mei 2021

De commissaris

PwC Bedrijfsrevisoren cva
vertegenwoordigd door

Damien Walgrave

Bedrijfsrevisor

Voor het verslag van de Commissaris aan de Algemene Vergadering van aandeelhouders over de geconsolideerde jaarrekening voor het boekjaar afgesloten op 31 maart 2020 verwijzen we naar p. 204 e.v. van het Jaarlijks Financieel Verslag 2019-2020.

Voor het verslag van de Commissaris aan de Algemene Vergadering van aandeelhouders over de geconsolideerde jaarrekening voor het boekjaar afgesloten op 31 maart 2019 verwijzen we naar p. 182 e.v. van het Jaarlijks Financieel Verslag 2018-2019.



8. A. Statutory income statement

Chapters 9 to 12 contain an abridged version of the statutory annual accounts. The integral version of the statutory annual accounts as well as the related reports can be consulted on the website of Retail Estates (www.retailstates.com) or can be obtained free of charge upon request.

The auditor has delivered an unqualified statement for the statutory annual accounts.

INCOME STATEMENT (in €000)	31.03.2022	31.03.2021
Rental income	74 784	66 513
Rental related expenses	-224	-2 094
Net rental income	74 560	64 419
Recovery of property expenses		
Recovery of rental charges and taxes normally payable by tenants on let properties	8 345	7 338
Rental charges and taxes normally payable by tenants on let properties	-8 861	-7 710
Other rental related income and expenses	-65	-93
Property result	73 979	63 954
Technical costs	-3 329	-1 588
Commercial costs	-891	-412
Charges and taxes on unlet properties	-240	-683
Property management costs	783	1 258
Other property costs	-409	-1
Property costs	-4 087	-1 426
Operating property result	69 893	62 528
Operating corporate costs	-4 912	-5 229
Other current operating income and expenses		
Operating result before result on portfolio	64 981	57 299
Result on disposals of investment properties	737	-7
Result on sales of other non-financial assets	0	0
Changes in fair value of investment properties	420	199
Other result on portfolio	-1 441	-758
Operating result	64 697	56 734

INCOME STATEMENT (in €000)	31.03.2022	31.03.2021
Financial income	10 136	10 436
Net interest charges	-18 630	-20 613
Changes in fair value of financial assets and liabilities	34 474	2 674
Other financial charges	-51	-60
Financial result	25 929	-7 563
Share of result of associated companies and joint ventures		0
Share in the result of holding incorporated using the equity method ⁽¹⁾	40 914	11 590
Result before taxes	131 540	60 761
Taxes	-111	225
Net result	131 429	60 986
Note:		
EPRA earnings	75 341	63 116
Result on portfolio	-284	-566
Changes in fair value of financial assets and liabilities	34 474	2 674
Share in the non recurring result of holding incorporated using the equity method	21 898	-4 238

(1) Until 31 March 2019, the holdings of the subsidiaries were valued as financial instruments as per IFRS 9. Since 1 April 2019, the holdings have been valued using the equity method as per IAS 28. Due to this change in the valuation rules, the dividend paid out from the holdings is recognised as a reduction in the book value of the holding, and the result of the affiliated companies is recognised under the section "Share in the result of holdings incorporated using the equity method". The subsidiaries dividend of 14.70 million euros that was paid out to the parent company in 2021 is now incorporated in the section "Share in the result of holdings incorporated using the equity method", instead of under section Financial income.

8. B. Statutory statement of other comprehensive income

Statement of the comprehensive result (in €000)	31.03.2022	31.03.2021
Net result	131 429	60 986
Other components of the comprehensive result, recyclable in income statements:		
Impact on the fair value of estimated transaction rights and costs resulting from the hypothetical disposal of investment properties	0	0
Changes in the fair value of authorised hedging instruments qualifying for hedge accounting as defined by IFRS	2 074	1 233
Variations in fair value of available-for-sale financial assets	0	0
Conversion differences arising from the conversion of a foreign activity	0	0
Actuariële winsten en verliezen van toegezegd-pensioenregelingen	0	0
Income tax on the "other elements of the global result"	0	0
Other elements of the "global result", after tax	0	0
COMPREHENSIVE RESULT	133 503	62 219

9. Statutory balance sheet

ASSETS (in €000)	31.03.2022	31.03.2021
Non-current assets	1 802 295	1 737 017
Goodwill		
Intangible non-current assets	4 030	1 551
Investment properties	1 155 844	1 123 089
Other tangible non-current assets	6 330	6 301
Financial non-current assets	635 059	605 044
Finance lease receivables	1 030	1 030
Trade receivables and other non-current assets	2	2
Current assets	8 295	18 945
Non-current assets or groups of assets held for sale	851	341
Trade receivables	1 316	1 154
Tax receivables and other current assets	3 485	13 696
Cash and cash equivalents	895	2 149
Deferred charges and accrued income	1 748	1 605
TOTAL ASSETS	1 810 590	1 755 963

SHAREHOLDERS' EQUITY AND LIABILITIES (in €000)	31.03.2022	31.03.2021
Shareholders' equity	915 745	804 579
Capital	289 213	276 560
Issue premiums	315 410	316 792
Reserves	179 693	150 241
Net result of the financial year	131 429	60 986
Liabilities	894 846	951 385
Non-current liabilities	758 593	781 916
Provisions		
Non-current financial debts	758 416	756 517
Credit institutions	574 344	577 074
Long term financial lease	8 843	4 357
Other	175 229	175 087
Other non-current liabilities	177	25 399
Deferred taxes		
Current liabilities	136 252	169 469
Current financial debts	101 730	129 680
Credit institutions	101 730	129 680
Short term financial lease	0	0
Trade debts and other current debts	28 324	33 734
Other current liabilities	1 347	327
Accrued charges and deferred income	4 852	5 728
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	1 810 590	1 755 963

10. Statutory statement of changes in shareholders' equity

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (in € 000)	Capital ordinary shares	Issue premiums non-distributable	Issue premiums distributable	Reserves*	Net result of the financial year	Minority interests	TOTAL Shareholders' Equity
Balance according to IFRS on 31 March 2020	275 801	315 410	0	146 405	58 641	0	796 257
- Net appropriation of profits 2020-2021							0
- Transfer of portfolio result to reserves				-5 344	5 344		0
- Transfer changes in fair value of authorised hedging instruments				-6 216	6 216		0
- Transfer of EPRA earnings to reserves				14 627	-14 627		0
- Reclassification between reserves							0
- Dividends of the financial year 2019-2020					-55 574		-55 574
- Capital increase							0
- Capital increase through contribution in kind	795	1 382					2 177
- Increase in shareholders' equity as a result of mergers				-464			-464
- Costs of capital increase	-37						-37
- Other				0			0
- Comprehensive result 31/03/2021				1 233	60 986		62 219
Balance according to IFRS on 31 March 2021	276 560	316 792	0	150 240	60 986	0	804 579
- Net appropriation of profits 2021-2022							0
- Transfer of portfolio result to reserves				-4 797	4 797		0
- Transfer changes in fair value of authorised hedging instruments				2 677	-2 677		0
- Transfer of EPRA earnings to reserves				6 110	-6 110		0
- Reclassification between reserves	37	-1 382	1 345				0
- Dividends of the financial year 2020-2021					-56 996		-56 996
- Capital increase							0
- Capital increase through contribution in kind	12 615		23 044				35 659
- Increase in shareholders' equity as a result of mergers							0
- Costs of capital increase							0
- Other				-1 000			-1 000
- Comprehensive result 31/03/2022				2 074	131 429		133 503
Balance according to IFRS on 31 March 2022	289 213	315 410	24 389	155 304	131 429	0	915 746

* Detail of the reserves (in €000)	Legal reserve	Reserve for the positive/ negative balance of changes in the fair value of real estate properties	Available reserves	Impact on the fair value of estimated transfer rights and costs resulting from the hypothetical disposal of investment properties	Changes in the effective part of the fair value of authorised hedging instruments qualifying for hedge accounting as defined by IFRS	Changes in the effective part of the fair value of authorised hedging instruments are not subjected to qualify for hedge accounting as defined by IFRS	Results carried forward from previous financial years	TOTAL
Balance according to IFRS on 31 March 2020	5	115 184	16 054	-28 632	-2 739	-20 629	67 164	146 405
- Net appropriation of profits 2020-2021								
- Transfer of portfolio result to reserves		-5 314		-30				-5 344
- Transfer changes in fair value of authorised hedging instruments						-6 216		-6 216
- Transfer of EPRA earnings to reserves							14 627	14 627
- Reclassification between reserves		861	-861	85			-85	0
- Capital increase through contribution in kind								0
- Increase in shareholders' equity as a result of mergers		-171		-30			-262	-464
- Costs of capital increase								0
- Other								0
- Comprehensive result 31/03/2021					513	720		1 233
Balance according to IFRS on 31 March 2021	5	110 559	15 193	-28 607	-2 226	-26 125	81 443	150 241
- Net appropriation of profits 2021-2022								
- Transfer of portfolio result to reserves		-4 101		-695				-4 796
- Transfer changes in fair value of authorised hedging instruments						2 677		2 677
- Transfer of EPRA earnings to reserves							6 110	6 110
- Reclassification between reserves		3 167	-3 167	400			-400	0
- Capital increase through contribution in kind								0
- Increase in shareholders' equity as a result of mergers								-1
- Costs of capital increase								0
- Other		-1 000						-1 000
- Comprehensive result 31/03/2022					1 831	243		2 074
Balance according to IFRS on 31 March 2022	5	108 624	12 026	-28 903	-396	-23 205	87 153	155 304

11. Statutory appropriation of result

Statutory appropriation of result (in €000)	31.03.2022	31.03.2021
A. Net result	131 429	60 986
B. Allocation to / transfer from reserves		
- Allocation to / transfer from the reserves for the balance of changes in fair value of investment properties ⁷		
Financial year	-305	-137
Previous financial years		
Realisation of properties		
- Allocation to / transfer from the reserves of estimated transfer rights and costs resulting from the hypothetical disposal of investment properties	1 326	695
- Allocation to / transfer from the reserves for the balance of changes in fair value of authorised hedging instruments not subject to hedge accounting		
Financial year	-56 372	1 564
Previous financial years		
Transfer of the reserve for the balance of the exchange rate differences on monetary assets and liabilities (- / +)		
Transfer of the tax deferred tax reserve with regard to real estate located abroad (- / +)		
Transfer of the reserve for the dividends received for the repayment of financial debts (- / +)		
- Allocation to / transfer from other reserves	-400	-85
Transfer of carried forward results from previous financial years (- / +)	0	-262
C. Remuneration of capital, following article 13, § 1, first paragraph	60 842	56 996
D. Remuneration of capital - other than C		
Result to be carried forward	14 837	5 766

On 31 March 2022, the revaluation of the subsidiaries amounted to €40.91 million. Of this amount, €19.02 million will be added to the result carried forward (result of the subsidiaries that qualify for the look-through) and

€21.90 million will be added to the reserves for the balance of the change in fair value of the real estate.

12. Statement on responsibilities

The board of directors of Retail Estates nv is responsible for the contents of this annual report, subject to information provided by third parties, including reports of the statutory auditor and the real estate experts.

The board of directors, the composition of which can be found in the "Management Report" chapter, hereby declares that, to the best of its knowledge:

- this annual report accurately presents important events and, where applicable, the most important transactions conducted with related parties in the course of the financial year, and the impact of those transactions on the abbreviated financial statements;
- this report makes no omissions that significantly alter the scope of any statement made in the annual report;
- the abbreviated financial statements, which were prepared in accordance with the applicable accounting standards and were thoroughly audited by the statutory auditor, accurately present the properties, the financial situation and the results of Retail Estates nv and the subsidiaries included in the consolidation. The management report furthermore contains the expectations concerning next year's results as well as explanatory notes on the risks and the uncertainties facing the company.

This statement was added to the annual report based on article 12, §2, 3° of the RD of 14 November 2007.

In addition, the board of directors declares that, to the best of their knowledge, the company is not involved as a defendant in disputes that may have a material impact on the annual accounts.

Risk factors



Risk factors



The main risks facing the company are listed below. For each of the listed risks, measures and procedures are in place to assess, control and monitor the effects as much as possible. These measures and procedures are also discussed below.

The board of directors regularly evaluates the company's exposure to risks, the financial impact of these risks and the actions that must be taken to monitor these potential risks, to avoid the risks and/or (where relevant) to limit the impact of these risks.

This list of risks is based on the information that was known at the time of preparation of this report. Other unknown and unlikely risks or risks that are not expected to have a significant adverse effect on the company, its activities and its financial situation may exist. The list of risks included in this chapter is therefore not exhaustive.

1. Market risks

INVESTMENT MARKET FOR OUT-OF-TOWN RETAIL PROPERTIES AND RETAIL PARKS		
Description of the risk	Potential impact	Limiting factors and control
The reduced demand from investors for out-of-town retail properties.	The value of the portfolio is estimated each quarter by independent real estate experts. A decrease in valuation leads to a decrease in shareholder's equity ("NAV") and, consequently, an increase in the debt ratio	The value of out-of-town retail property is mainly determined by the commercial value of the property's location. Due to the scarcity of good locations, supply and demand tend to exert upward pressure in both the private and institutional investor markets. The values are generally inflation-proof due to indexation of the rent, but they are interest rate sensitive due to the high debt ratio of many investors. The willingness to invest on the part of institutional investors can temporarily decrease due to macroeconomic factors that affect the availability and cost of credit. Experience shows that the private investor market, which still represents a major part of investments, is less sensitive to this. The debt ratio amounts to 49.15% on 31 March 2022 (the BE-REIT legislation set the maximum debt ratio at 65%).
INFLATION RISK		
Description of the risk	Potential impact	Limiting factors and control
The Group's lease agreements contain indexation clauses on the basis of the health index (Belgium) or the consumer price index (the Netherlands), so that annual rental income evolves with the (indexed) inflation rate.	The Group's exposure to inflation also concerns costs related to the lease, including those with respect to renovation and investment works, which may be linked to an index other than the health index, which could cause these costs to increase more quickly than the increase in rents. This may have an impact on the operational margin. If real estate costs increase 1% faster than the rental prices, this will have a 0.09% impact on the Group's operational margin (based on the data of 31 March 2022). Based on the data of 31 March 2022, the rental income variation can be estimated at € 1.00 million on an annual basis for each percentage point of variation of the health index. A continued high inflation may lead to the exhaustion of the possibilities for an upward revision of the rent upon renewal (in Belgium after 9 years, in the Netherlands after 10 years) of the lease.	The company seeks to reduce the risk of cost increases by entering into contractual agreements with its suppliers. Indexation was extremely low in the past 5 years, so that the average rental prices for an average tenant remain on a sustainable level.
DEFLATION RISK		
Description of the risk	Potential impact	Limiting factors and control
Deflation leads to a reduction in economic activity, which in turn results in a general fall in prices.	In the case of deflation, the health index will be negative, so rental income will fall. Based on the data of 31 March 2022, the rental income variation can be estimated at € 1.00 million on an annual basis for each percentage point of variation of the health index.	The Group is partly protected against the risk of deflation (and a corresponding decrease in rental income). Virtually all of the Group's lease agreements specify that the rent cannot fall below the level of the base rent (i.e. the base rent applicable when the lease agreement is concluded). But even in the case of these lease agreements, a decrease in rent to a level that is lower than the current rent but higher than the base price cannot be ruled out.

E-COMMERCE		
Description of the risk	Potential impact	Limiting factors and control
Impact of the increasing importance of e-commerce on existing sales channels.	Reduced demand for physical shops due to increased online shopping.	Leasing to retailers that integrate the "multichannel" concept into their business model and thus integrate e-commerce into existing shops.
	Demand for smaller shops (fewer m ²) due to less stock being present in the shops.	Splitting existing properties into smaller areas. The effect of the impact is also influenced by the retail segment in which the tenant is active. A large part of the activities of the Retail Estates tenants is less susceptible to e-commerce (home decoration, large-scale retail activities, consumer goods,...). Within this scope we refer to the real estate report, which includes an overview of the commercial activities of the tenants.

EXTERNAL FACTORS - INCIDENTS		
Description of the risk	Potential impact	Limiting factors and control
Impact of external factors and serious incidents (such as terror threat, vandalism, fire, explosion, storm and water damage, pandemics) that may occur in the buildings included in the real estate portfolio.	Interrupted activity and consequentially loss of the tenant and reduced rental income.	The company is insured against lost rental income for a period of 18 to 36 months (depending on the type of permit to be obtained) due to external factors and serious incidents. Please refer to the management report, in which the incidents are explicitly discussed. The Real Estate Report indicates the insured values for each cluster.
	Decrease in rental income due to the closure of shops following the quarantine measures imposed by the government.	Good liquidity position to tide over a temporary disruption of the cash flow.
	Possible bankruptcies of tenants.	Usually a bank guarantee of 3 to 6 months is required.
	Increased volatility and uncertainty in the international markets. Decline in consumer confidence, long-term unemployment, increased tax burden on work.	The company aims to build long-term relationships with financial partners and investors, and has unused credit facilities available to absorb liquidity shortages and finance investments for which firm commitments have already been made. Please refer to note 34 et seq. of this annual report for an overview of the outstanding credits and unused credit facilities.
	Decrease in rents.	Sectoral diversification of customers and low average contractual rent.
	Decrease in the fair value of real estate and consequently also in the Net Asset Value (NAV).	Value is determined by the commercial value of the property's location. Retail Estates spreads its investments throughout all major shopping areas in Belgium and the Netherlands. These investments are concentrated in the subregions with strong purchasing power.

CHANGING ECONOMIC CLIMATE		
Description of the risk	Potential impact	Limiting factors and control
Impact of falling consumption and a declining economy	Decrease in demand for shops.	Quality of the tenants with mainly retail chains. Please refer to note 23 of this annual report for the evolutions in terms of dubious debtors.
	Higher vacancy rates and/or lower rents when re-letting.	Sectoral diversification of customers and low average contractual rent.
	Decrease in the fair value of real estate and consequently also in the Net Asset Value (NAV).	Value is determined by the commercial value of the property's location. Retail Estates spreads its investments throughout all major shopping areas in Belgium and the Netherlands. These investments are concentrated in the subregions with strong purchasing power.
	Possible bankruptcies of tenants.	Usually a bank guarantee of 3 to 6 months is required.

MACROECONOMIC FACTORS		
Description of the risk	Potential impact	Limiting factors and control
Increased volatility and uncertainty in the international markets.	May lead to greater difficulty in accessing the stock market to acquire new capital/shareholder's equity or reduced availability of liquidity on debt capital markets with respect to the refinancing of outstanding bonds.	The company aims to build long-term relationships with financial partners and investors, and has unused credit facilities available to absorb liquidity shortages and finance investments for which firm commitments have already been made. Please refer to note 34 et seq. of this annual report for an overview of the outstanding credits and unused credit facilities

2. Operational risks

VACANCY AND LOSS OF RENTAL INCOME		
Description of the risk	Potential impact	Limiting factors and control
Risk of increased vacancy and higher re-letting costs related to the evolution in supply and demand in the rental market.	Rental income and cash flow affected by an increase in vacancy and the costs of re-letting.	Diversified customer base with a good sectoral spread. Good market knowledge via in-house operational teams with strong know-how and knowledge of the retail business. Weekly follow-up and discussion of debt collection at the property meeting.
	Decrease in the fair value of the real estate portfolio and consequently a decrease in the NAV and an increase in debt ratio.	The occupancy rate remains high.
RENTABILITY		
Description of the risk	Potential impact	Limiting factors and control
Risk of rentability and quality of the tenants.	Decrease in the quality and solvency of tenants, resulting in an increase in doubtful debtors, thereby reducing the level of debt collection.	Permanent follow-up by means of a weekly debt collection and property meeting ensures a proper flow of information and a swift approach. Good market knowledge via in-house operational teams with strong know-how and knowledge of the retail business.
STRUCTURAL CONDITION OF THE BUILDINGS		
Description of the risk	Potential impact	Limiting factors and control
Risk of structural and technical deterioration during the life cycle of buildings.	Ageing of buildings, which affects commercial attractiveness. Loss of income and a long period in which the invested capital does not perform.	Management makes every effort to anticipate these risks and, to this end, conducts a consistent policy with respect to maintenance and repairs. In practice, these interventions are limited mainly to the renovation of car parks and roofs.
ACQUISITIONS		
Description of the risk	Potential impact	Limiting factors and control
A large number of buildings in the company's real estate portfolio (and in that of its subsidiaries) were acquired in the context of the acquisition of shares in real estate companies or corporate restructuring such as mergers and (partial) demergers. Real estate companies over which control is acquired are typically absorbed by Retail Estates, which transfers all of the capital, assets as well as liabilities, of these companies to Retail Estates.	There is a risk that hidden liabilities in these transactions will be transferred to Retail Estates, which would have a significant negative impact on the activities, results, profitability, financial position and outlook of the Group.	Management takes the necessary precautions to identify possible risks prior to acquiring control (cf. due diligence with regard to technical, financial, fiscal and accounting as well as legal risks) and strives to obtain the necessary contractual guarantees from the seller/supplier. If necessary, this due diligence is supported by external advisers and a prior valuation by an independent real estate expert.

SOIL CONTAMINATION		
Description of the risk	Potential impact	Limiting factors and control
At a number of locations where the company has retail properties, activities were carried out in the past that were potentially polluting.	Retail Estates is in principle not liable for such - by definition historical - contamination. The activities of the tenants of the company usually only result in a very limited risk of contamination and moreover are the responsibility of the tenant. However, the applicable legislation provides for complex, time-consuming procedures when transferring real estate, and this can result in research and study costs. The regulations relating to soil transport result in additional costs if contaminated soil must be manipulated during construction work at such contaminated sites.	Retail Estates attempts to integrate environmental issues into the due diligence research that typically precedes the acquisition of real estate and, as far as possible, to place responsibility for any soil contamination (including a possible remediation obligation) with the transferor of the property or the real estate company.
TRAFFIC INFRASTRUCTURE		
Description of the risk	Potential impact	Limiting factors and control
Out-of-town retail properties are by definition mainly accessible via regional roads. The road network is regularly refurbished with new roundabouts, cycle paths, tunnels etc. in the context of road safety.	The result of such a refurbishment usually increases the commercial value of retail properties, since the traffic flow is often slowed and the environment around the shopping areas becomes safer. However, it cannot be ruled out that in exceptional cases access to some shopping areas may become more difficult or their visibility may decrease.	Dialogue with the government to develop constructive solutions in the interest of all stakeholders.
KEY PERSONNEL		
Description of the risk	Potential impact	Limiting factors and control
The loss of key figures within the organisation.	The loss of core competencies by the company could lead to a number of objectives being reached later than planned.	Retail Estates pays appropriate attention to the well-being of its employees. The company's remuneration policy is in line with the market. Great importance is attached to managing the competences of the team members.
IT & FRAUD		
Description of the risk	Potential impact	Limiting factors and control
Risk of operational losses due to the failure of internal processes and systems, human errors or external events (fraud, natural disaster, cybercrime, etc.).	Financial losses due to fraud, theft of sensitive data or interruption of activities.	A disaster recovery plan was developed to ensure that the company's activities can be continued in the event of a disaster or crisis. A backup of all data is also stored in the cloud. Appropriate measures have also been taken in terms of access and security. For IT-related services, Retail Estates is supported by an external partner with whom an SLA (Service Level Agreement) has been concluded. Retail Estates has taken out an insurance policy for financial and operational risks related to IT and fraud.

3. Financial risks

LIQUIDITY RISK		
Description of the risk	Potential impact	Limiting factors and control
Retail Estates is exposed to a liquidity risk that could result in a lack of cash in case of non-renewal or termination of its financing contracts.	<p>Impossibility to finance acquisitions or developments (via shareholder's equity as well as via debt) or increased costs that reduce the expected profitability.</p> <p>The lack of financing to repay interest, capital or operating expenses.</p>	A conservative and cautious financing strategy with a balanced spread of expiration dates, diversification of funding sources and an extensive group of bank partners.
	Increased cost of debt due to higher bank margins, with an impact on earnings and cash flows.	Please refer to note 34 et seq. of the annual report for an overview of the outstanding credits and unused credit facilities.
INTEREST RATE VOLATILITY		
Description of the risk	Potential impact	Limiting factors and control
The company risks an increase in its financial costs that may arise from the evolution of interest rates.	<p>Increased cost of debt, resulting in an impact on earnings and cash flows, and a decrease in profitability.</p>	The company applies a conservative policy that minimises this interest rate risk.
	Strong fluctuations in the value of financial instruments with potential impact on NAV.	Retail Estates nv uses interest rate swaps to hedge the interest rate risk on long-term loans concluded at a floating interest rate. The maturity of these instruments is matched to the maturity of the underlying credits. If the Euribor rate (interest rate for short-term loans) falls sharply, the market value of these instruments will undergo a negative change. However, this is an unrealised and non-cash item.
	In the context of negative interest rates, the method used by some banks of demanding a floor for the Euribor rate (which is used as a reference in the financing contracts) of 0% has a negative effect on the financial costs. Indeed, an asymmetry is present since Retail Estates must pay a negative interest rate for its hedging instrument while the banks use a 0% floor.	<p>In an interest rate swap, the variable interest rate is exchanged for a fixed interest rate.</p> <p>The company has limited the risk of "floors" with its 4 major banks as much as possible by allowing floors only for the portion of the credits that are not covered or by building in floors in the interest rate swaps.</p> <p>Please refer to note 34 et seq. of this annual report for more information about the hedges used by the company.</p>
COUNTERPARTY RISK		
Description of the risk	Potential impact	Limiting factors and control
Concluding bank loans and hedging instruments with financial institutions entails a counterparty risk for the company if these financial institutions fail.	Termination of existing credit lines, which must then be refinanced with another bank/financier, which involves restructuring costs and the risk of higher interest costs for the new credits.	This risk is limited by spreading the sources of financing across different instruments and counterparties.

COVENANT RISK		
Description of the risk	Potential impact	Limiting factors and control
Risk of the requirements to meet certain financial parameters under the credit agreements not being respected.	Not respecting these covenants may result in early termination of these credits.	<p>The company generally has entered into the following covenants with its bankers and bondholders:</p> <ul style="list-style-type: none"> - Retention of BE-REIT status - Minimum portfolio size - ICR (calculated on net rental results) ≥ 2 - Maximum debt ratio <p>The Belgian BE-REIT Act imposes a maximum debt ratio of 65%.</p> <p>On the date of this report, the company complies with all covenants required by the banks and bond holders. In addition, in accordance with Art. 24 of the BE-REIT Belgian Royal Decree, Retail Estates nv submits a budget forecast with an implementation schedule as long as the consolidated debt ratio, as defined in the same Belgian Royal Decree, is above 50%. This forecast describes the measures that will be taken to prevent the consolidated debt ratio from exceeding 65% of the consolidated assets. The evolution of the debt ratio is monitored at regular intervals and the influence of any planned investment operation on debt levels is analysed in advance. This obligation has no impact on the company's banking covenant risk.</p>

4. Regulatory risks

RISK ASSOCIATED WITH REGULATORY CHANGE		
Description of the risk	Potential impact	Limiting factors and control
Changes in regulations, including fiscal, environmental, urban planning, mobility policy and sustainable development as well as new provisions related to the leasing of real estate and the extension of permits with which the company, its real estate, and/or the users to whom the real estate is made available must comply.	Negative influence on business, profits, profit-ability, the financial situation and prospects.	Constant monitoring of existing, potentially changing or future new laws and regulations and compliance with these laws and regulations, assisted by external specialist advisers
RISK ASSOCIATED WITH NON-COMPLIANCE WITH THE REGULATIONS		
Description of the risk	Potential impact	Limiting factors and control
There is a risk that, possibly due to the (fast) evolution of the regulations applicable to the company (please refer in this context to "Risks associated with regulatory change"), the Company itself, its executives or its employees do not adequately comply with the relevant regulations or that these persons do not act with integrity.	Failure to comply with the relevant legislation can have a financial or legal impact on the company; the nature and extent of this impact depends on the legislation that is not complied with.	The company shall make every effort to ensure that its executives and employees have the required background and knowledge to adequately implement the relevant legislation. The Company has a Corporate Governance Charter and a Dealing Code. Both documents have been published on the Company's website and have been communicated to the team. The Dealing Code is an integral part of the Corporate Governance Charter of the Company.
PERMITS		
Description of the risk	Potential impact	Limiting factors and control
The lack of proper urban planning permits and permits for specific properties.	Impact on the value of the real estate, since this value is largely determined by the presence of all urban planning permits and permissions under the law on commercial establishments according to the desired use of the property.	Management devotes due attention to reviewing the urban planning permits when acquiring and developing retail outlets.
	If a new use must be allocated to the property due to external circumstances, changes to the permits granted must be requested. Obtaining such changes is often time-consuming and the process lacks transparency, which may cause property to be temporarily vacated, even though tenants had been found for it.	In addition, management continuously tries to evaluate changes in urban planning permits and permissions and compliance with these permits and permissions, and to anticipate such changes.

TOWN PLANNING REGULATIONS		
Description of the risk	Potential impact	Limiting factors and control
If the town planning regulations change, retail units for which an authorisation was received will no longer be allowed to undergo changes subject to authorisation that are contrary to the new purpose desired by the government.	As the retail units cannot be given any other purpose than their original authorised purpose, the possible uses are more limited than usual. In addition, all transformations that may jeopardise the optimisation of the buildings are excluded. However, the retail units can still be rented within these limits.	The management attempts to prevent this kind of situations by making use of all legal remedies available pursuant to the applicable laws within the context of the revision of town planning regulations in order to maintain some flexibility. If this is not possible, a redevelopment of the site concerned will be considered, in line with the purpose desired by the government.
RISKS ASSOCIATED WITH THE STATUS OF PUBLIC BELGIAN REAL ESTATE INVESTMENT TRUST		
Description of the risk	Potential impact	Limiting factors and control
Risk of future changes to the legislation on BE-REITs, which would make it no longer possible for the company to enjoy the favourable fiscal transparency system for BE-REITs. The company is also subject to the risk of future adverse changes to this system.	Risk of loss of recognition of the status of public BE-REIT. Loss of the favourable tax system of a BE-REIT and mandatory repayment of certain credits in case of non-compliance with the rules.	Constant monitoring of legal requirements and compliance with these requirements, assisted by external specialist advisers. Intensive dialogue with the regulator in the context of prudential oversight of the BE-REITs. Representation of the company in organisations representing the BE-REIT sector.
TAX LAW		
Description of the risk	Potential impact	Limiting factors and control
The exit tax owed by companies whose assets are taken over by a BE-REIT in case of e.g. a merger is calculated taking into account Circular Ci.RH. 423/567.729 of the Belgian Tax Authorities of 23 December 2004, the interpretation or practical application of which may always change. The "actual value for tax purposes" referred to in this circular is calculated with a deduction of registration fees or VAT (which would apply in the event of a sale of the assets) and may differ from the fair value of the real estate as recorded in the balance sheet of the public BE-REIT in accordance with IFRS 13.	Non-compliance with relevant tax legislation may have a financial or legal impact on the company.	The company shall make every effort to ensure that its executives and employees have the required background and knowledge to adequately implement the relevant tax legislation.
RISKS ASSOCIATED WITH THE STATUS OF INSTITUTIONAL BE-REITs		
Description of the risk	Potential impact	Limiting factors and control
The company has control over one institutional BE-REIT: Retail Warehousing Invest nv. Like Retail Estates nv, Retail Warehousing Invest nv is subject to the Belgian BE-REIT Act in its capacity as an institutional BE-REIT.	Risk of loss of recognition of the status of institutional BE-REIT. Loss of the favourable tax system of a BE-REIT and mandatory repayment of certain credits in case of non-compliance with the rules.	Constant monitoring of legal requirements and compliance with these requirements, assisted by external specialist advisers. Intensive dialogue with the regulator in the context of prudential oversight of the BE-REITs. Representation of the company in organisations representing the BE-REIT sector.

RISKS WITHIN THE CONTEXT OF THE TIGHTENING OF ESG (ENVIRONMENTAL SOCIAL GOVERNANCE) RULES

Description of the risk	Potential impact	Limiting factors and control
Climate regulations worldwide are made stricter in order to reduce the risks linked to global warming (extreme weather conditions).	Risk of a negative perception of the company's long-term sustainability.	Retail Estates has developed a strategic ESG policy to which an ESG action plan is linked. We refer to the ESG report in this annual report.
As a result, restrictions may be imposed with respect to compliance with certain minimum standards for buildings.	Impact on the fair value of real estate. A decrease in valuation leads to a decrease in shareholder's equity ("NAV") and, consequently, an increase in the debt ratio of the company.	
The tightening of the regulations with respect to green financing causes the capital markets to search for green investments and assets financed by green funds.	Risk of financing (in the broad sense of the word) becoming more expensive.	



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1. General information

Identification

Name

Retail estates nv - Public Belgian Real Estate Investment Trust organised and existing under the laws of Belgium.

Registered office

Industrielaan 6, 1740 Ternat. In accordance with article 2 of the articles of association, the company's registered office can be relocated within Belgium following a decision by the board of directors provided that the relocation does not entail a change of language of the articles of association in accordance with the applicable language legislation. Such a decision does not require any amendment to the articles of association, unless

the company's registered office is relocated to another Region. Should this be the case the board of directors has the power to decide to amend the articles of association. If the language of the articles of association must be changed as a result of the relocation of the registered office, only the general meeting has the power to take this decision, in compliance with the requirements for an amendment to the articles of association.

Company number, legal entity identifier

The company is registered with the Belgian Crossroads Bank for Enterprises, district Brussels, Dutch-language division, under legal entity register number 0434.797.847. Its legal entity identifier (LEI) is 5493007CO5W5OBF7L21.

Website and email address of the company

The company's website is: www.retailstates.com and the company can be contacted at the following email address: investorrelations@retailstates.com.

Legal form, incorporation

The limited liability company ("naamloze vennootschap") "Retail Estates – Vastgoedbevak naar Belgisch recht" (currently "Openbare GVW naar Belgisch recht" – "Public BE-REIT organised and existing under the laws of Belgium") was incorporated pursuant to a deed executed in the presence of the notary public Urbain Drieskens at Houthalen on 12 July 1988 and subsequently published in the Annexes to the Belgian Official Gazette on 29 July 1988 under number 880729-313.

The articles of association were most recently amended by minutes drawn up by Tim Carneval, associated notary public in Brussels, on 1 June 2022.

Duration

The company has been incorporated for an unlimited period of time.

Corporate purpose

Please refer to Article 3 of the articles of association as included under section "2. Articles of Association" in the Permanent Document of this Annual Financial Report.

Financial year

The financial year of the company starts on 1 April and ends on 31 March of each year. The first financial year as a real estate investment company (currently "Belgian Real Estate Investment Trust") ran from 1 April 1998 to 31 March 1999.

Inspection of documents

The non-consolidated and consolidated annual accounts, articles of association, annual reports and other information disclosed publicly on behalf of the shareholders can be obtained free of charge at the registered office of the company. The non-consolidated and consolidated annual accounts and the supplementary reports shall be deposited with the National Bank of Belgium. The articles of association can be obtained from the Registry of the Brussels Enterprise Court at Brussels, or on the website www.retailstates.com.

Notices convening shareholders' meetings shall be published in the Annexes to the Belgian Official Gazette and in the newspaper De Standaard. The convening notices and all relevant documents shall simultaneously be available on the company's website at www.retailstates.com: Investor Relations > Shareholders' agenda > (Extraordinary) shareholders' meeting.

All press releases and other financial information published by Retail Estates nv can be viewed on the website.

The annual reports of the company shall be sent to holders of registered shares, to other holders of securities who have fulfilled the formalities prescribed by the Belgian Code of Companies and Associations and to any person who requests them. They can also be obtained at the registered office of the company.

Description of the actions required to changes the rights of the shareholders

The rights of the company's shareholders can only be changed in accordance with the applicable provisions of the Belgian Code of Companies and Associations. Furthermore, any proposal to amend the articles of association must be approved in advance by the FSMA, in accordance with article 12 of the BE-REIT Act, and by the company's general meeting (except in case of use of the authorised capital by the board of directors).

Legal regime

Belgian Real Estate Investment Trust

The BE-REIT regime is governed by the Belgian Act of 12 May 2014, amended for the last time by the Act of 2 June 2021, and by the Belgian Royal Decree of 13 July 2014, amended for the last time on 23 April 2018.

The concept of a Belgian Real Estate Investment Trust is based on Real Estate Investment Trusts (USA – “REITs”).

The intention of lawmakers was for a BE-REIT to guarantee optimum transparency of real estate investments and to assure maximum disbursement of cash flow while allowing investors to enjoy numerous benefits. The BE-REIT is regulated by the FSMA and is subject to specific regulations, the most important of which are:

- the legal status must be that of a limited liability company (“naamloze vennootschap”) or a partnership limited by shares (“commanditaire vennootschap op aandelen”) with a minimum capital of € 1,200,000;
- indebtedness must be limited to 65%;
- the portfolio must be stated at fair value without a possibility of write-downs;
- independent experts must make an annual estimate of the real estate assets, which needs to be updated by the end of the first three quarters of each financial year;
- at least 80% of the current result must be paid out as dividends;
- the risk must be spread, i.e. no more than 20% of the assets may be invested in one and the same real estate complex;
- virtually complete exemption from corporation tax;

- an advance levy (currently 27%) must be deducted from the payable dividend. This is by way of discharge of obligations, insofar as it concerns individuals who acquired the shares as part of the management of their private property;
- there must be a stock exchange listing;
- the activity must be limited to real estate investments; additionally, the BE-REIT may place assets in securities;
- possibility to request that branches of the BE-REIT be given the status of an institutional BEREIT.

The objective of all these rules is to limit risks. Companies that merge with a BE-REIT are subject to a tax of 15%¹ on the unrealised gains and tax-free reserves, i.e. the ‘exit tax’, plus a supertax at the prevailing rate.

2. Coordinated articles of association

Title I – Character of the company

Article 1 – Form and name

1.1 The Company has the form of a limited liability company (naamloze vennootschap/société anonyme) under the name: « **Retail Estates** ».

1.2 The Company is a public regulated real estate company under Belgian law (abbreviated, « PRREC ») in the sense of the act of 12 May 2014 regarding the regulated real estate companies, as amended from time to time (hereafter the “**RREC Act**”) whose shares are admitted to trading on a regulated market and who raises its financials means in Belgium or abroad by means of a public offering of shares.

The Company name is preceded or followed by the words “public regulated real estate company under Belgian law” or “public RREC under Belgian law” and all documents produced by the Company contain the same words.

The Company is governed by the RREC Act and the royal decree of 13 July 2014 relating to the regulated real estate companies, as amended from time to time (hereafter the “**RREC Royal Decree**”) (this act and this royal decree are hereafter together referred to as the “**RREC legislation**”).

Article 2 – Registered office, e-mail address and website

The registered office of the Company is located in the Flemish Region.

The board of directors has the power to transfer the registered office of the Company within Belgium provided that the transfer does not require a change in the language of the articles of association pursuant to the applicable language legislation. Such decision does not require the amendment of the articles of association, unless the Company’s registered office is transferred to another Region. In such case, the board of directors has the power to amend the articles of association.

If as a result of the transfer of the registered office, the language of the articles of association must be changed, the general meeting of shareholders shall have the

sole power to take such decision, taking into account the requirements applicable to the amendment of the articles of association.

The Company may, by simple decision of the board of directors, establish administrative seats, branches or agencies in Belgium as well as abroad.

The Company may, in application and within the limits of article 2:31 of the Companies and Associations Code, be contacted at the following e-mail address: investorrelations@retailestates.com.

The website of the Company is: www.retailestates.com.

The board of directors can change the Company’s e-mail address and website in accordance with the Companies and Associations Code.

Article 3 – Object

The sole exclusive object of the Company is:

- (a) to make real estate available to users, directly or through a company in which it holds shares, in accordance with the provisions of the RREC Act and its implementing decrees and regulations; and
- (b) to own real estate within the limits of the RREC legislation, as set out in article 2, 5°, i to xi of the RREC Act, as well as any other goods, shares or rights defined as real estate by the applicable regulations on regulated real estate companies;

Real estate is understood to mean:

- i. immovable property as defined in Articles 3:47 and 3:49 et seq. of the Civil Code and rights in rem to said immovable property, to the exclusion of immovable property related to forestry, agriculture or mining;
- ii. voting shares issued by real estate companies of which the Company holds more than 25% of the share capital, either directly or indirectly;
- iii. option rights to real estate;
- iv. shares of public or institutional Belgian regulated

¹ This rate applies as from 1 January 2020; previously a rate of 12.50% applied.

- real estate companies, provided, in the last case, that the Company holds more than 25% of the capital therein, either directly or indirectly;
- v. the rights resulting from contracts in which the Company was given one or more properties in lease or in which other analogous user rights were granted;
 - vi. participation rights in public and institutional fixed-capital real estate investment funds (Bevak/Sicafi);
 - vii. participation rights in foreign institutions for collective investment in real estate that are registered in the list referred to in Article 260 of the RREC Act;
 - viii. participation rights in institutions for collective investment in real estate that are established in another Member State of the European Economic Area and that are not registered in the list referred to in Article 260 of the RREC Act, insofar as they are subject to supervision equivalent to that exercised over the public fixed-capital real estate investment funds;
 - ix. shares or participation rights issued by companies (i) that are legal entities; (ii) governed by the laws of another Member State of the European Economic Area; (iii) whose shares have or have not been admitted to trading on a regulated market and/or are or are not subject to a regime of prudential supervision; (iv) whose principal activity is the acquisition or construction of immovable property in anticipation of making it available to users or direct or indirect ownership of shares in the capital of companies with a similar activity; and (v) that are exempted from the tax on income from profits originating from the activity referred to under (iv), subject to compliance with specific legal requirements, and that are at least compelled to distribute part of their income among their shareholders (called "Real Estate Investment Trusts" and abbreviated to "REITs");
 - x. real estate certificates within the meaning of Article 4, 7° of the Belgian Act of 11 July 2018;
 - xi. participation rights in a specialised real estate investment fund;
 - xii. all other goods, shares or rights defined as real estate by the regulations applicable to regulated real estate companies;

(c) to enter into in the long-term, either directly or through a company in which it holds participating interests in accordance with the provisions of the RREC legislation, possibly in cooperation with third parties or with a public contracting authority or adhere to one or more:

- i. DBF agreements, the so-called "Design, Build, Finance" agreements;
- ii. DB(F)M agreements, the so-called "Design, Build, (Finance) and Maintain" agreements;
- iii. DBF(M)O agreements, the so-called "Design, Build, Finance, (Maintain) and Operate" agreements; and/or
- iv. agreements for public works concessions relating to buildings and/or other immovable infrastructure and corresponding services, and on the basis of which:
 - (i) it is responsible for the provision, the maintenance and/or the operation on behalf of a public entity and/or the citizen as end user, with the purpose of meeting a social need and/or enable the provision of a public service; and
 - (ii) the relevant financing, availability, demand and/or operating risk, in addition to the construction risk, if any, can be assumed by the Company in full or in part, without necessarily being granted rights in rem; or

(d) to develop, have developed, construct, have constructed, manage, have managed, operate, have operated or make available, in the long-term, either directly or through a company in which it holds participating interests in accordance with the provisions of the RREC legislation:

- i. utilities and storage facilities for the transport, distribution or storage of electricity, gas, fossile or non-fossile fuels and energy in general, and related goods;
- ii. utilities for the transport, distribution, storage or purification of water, including assets related to these utilities;
- iii. installations for the generation, storage and transport of renewable or non-renewable energy and related goods; or
- iv. incinerators and landfills, including assets related to these installations.

In the context of the provision of real estate, the Company may in particular carry out all activities related to the establishment, construction (without prejudice to the prohibition to act as a property developer, except in case of occasional transactions), remodelling, renovation, development, acquisition, disposal, furnishing, letting, sub-letting, exchange, contribution, transfer, sub-division, bringing of real estate assets into a system of co-ownership or joint ownership as described above, the granting or acquisition of right of superficies, the right to the usufruct, long-term lease or other in rem or personal rights on properties as described above, and the management and operation of real estate.

The Company may, by means of contribution in cash or in kind, merger, demerger or other corporate restructuring, registration, participation, membership, financial support or in any other way, acquire a share (or be a member) of any existing or future companies, businesses or associations in Belgium or abroad with a corporate object that is similar or complementary to that of the Company (including participating interests in a perimeter company that provides services to the tenants of the buildings of the Company and/or its perimeter companies) or that supports or facilitates the realisation of its object and, in general, execute all transactions connected directly or indirectly to its corporate object.

The Company may grant mortgages or other forms of security as well as extend loans to, and serve as a guarantor for, a perimeter company within the limits of the RREC legislation.

The Company may, on a temporary or subsidiary basis, also invest in securities that are not real estate within the meaning of the RREC legislation. Such investments shall be made in accordance with the risk management policy adopted by the Company, and shall be diversified to ensure an adequate risk diversification. The Company may hold unallocated liquid assets. The liquid assets can be held in all currencies, in the form of deposits on demand, term deposits, or any money market instrument that makes the money readily available. In addition, the Company may engage in transactions involving hedging instruments, provided the latter are carried out for the sole purpose of hedging the interest rate and exchange risk, expressly excluding any speculative transactions.

The Company and its perimeter companies may lease out or take a lease on (under finance leases) one or more properties, with or without purchase option. Leasing out with a purchase option may only be carried out as an additional activity, unless the properties in question are intended to be used in the public interest, including social housing and education (in which case this activity may form part of the company's main activities).

In general, the Company is deemed to carry out all of its activities and transactions in accordance with the rules and within the limits provided for by the RREC legislation and any other applicable legislation.

Article 4 – Prohibitory provisions

The Company cannot:

- act as a property developer within the meaning of the RREC legislation, except for occasional transactions;

The Company is prohibited from:

- participating in an association for permanent inclusion or guarantee;
- lending financial instruments, except for loans that are granted under the conditions and in accordance with the provisions of the royal decree of 7 March 2006;
- acquiring financial instruments issued by a company or a private association that was declared bankrupt, has concluded an amicable settlement with its creditors, is the object of judicial reorganisation proceedings, has been granted postponement of payment or in respect of which a similar measure has been taken abroad; and
- making contractual arrangements or including stipulations in the articles of association with respect to perimeter companies that may affect the voting power to which these companies are entitled pursuant to the applicable legislation due to a participating interest of 25% plus one share.

Article 5 - Duration

The Company has been incorporated for an unlimited period of time.

Title II – Capital - Shares

Article 6 - Capital

6.1 Subscription and paying up of the capital

The capital of the Company amounts to two hundred ninety-seven million six hundred thousand three hundred twenty-two euro and ninety-one cents (EUR 297.600.322,91), and is divided into thirteen million two hundred twenty-six thousand four hundred fifty-two (13,226,452) entirely paid up shares, without a nominal value, each representing an equal part of the capital, more in particular one/thirteen million two hundred twenty-six thousand four hundred fifty-second (1/13,226,452nd) part of the capital.

6.2 Authorised capital

The board of directors is authorised to increase the capital on one or more occasions, on the dates and under the conditions determined by it, in accordance with the applicable legislation, up to a maximum amount of:

- a. one hundred and forty-eight million eight hundred thousand one hundred and sixty-one euros and forty-six eurocents (EUR 148.800.161,46) for public capital increases by means of a cash contribution, providing for the possibility for the shareholders of the Company to exercise their preferential subscription right or their irreducible allocation right ,
- b. one hundred and forty-eight million eight hundred thousand one hundred and sixty-one euros and forty-six eurocents (EUR 148.800.161,46) for capital increases within the context of an optional dividend,
- c. at any time, 10% of the amount of the capital at the moment on which the decision to increase the capital is adopted for capital increases by contribution in cash not providing for the possibility for the shareholders of the Company to exercise the preferential subscription right or the irreducible allocation right, with the understanding that the board of directors will only be allowed to increase the capital in accordance with this item (c) if and to the extent that the aggregate amount of the capital increases performed over a

period of 12 months in accordance with this paragraph does not exceed 10% of the amount of the capital at the moment on which the resolution for the capital increase is adopted;

- d. fifty-nine million five hundred and twenty-four thousand sixty-four euro and fifty-eight eurocents (EUR59.520.064,58) for all forms of capital increase;

with the understanding that within the context of this authorisation, the capital can never be increased to exceed the maximum amount of two hundred and ninety-seven million six hundred thousand three hundred and twenty-two euros ninety-one cents (297.600.322,91) during the period for which the authorisation was granted.

In case of a capital increase accompanied by the payment or entry in the accounts of a share premium, only the amount assigned to the capital will be subtracted from the remaining available amount of the authorised capital.

This authorisation is granted for a period of five years as from the publication in the Annexes to the Belgian Official Gazette of the amendment to the articles of association, adopted by the extraordinary shareholders' meeting of 1 June 2022. This authorisation can be renewed.

The capital increases decided by the board of directors can be carried out via contributions in cash or via contributions in kind with respect for the legal provisions, or via incorporation of reserves or of share premiums with or without creation of new securities. The capital increases may give rise to the issuance of shares with voting rights. These capital increases may also be carried out via the issuance of convertible bonds or of subscription rights – whether or not attached to another security - which may give rise to the creation of shares with voting right.

The board of directors is allowed to limit or cancel the preferential right of the shareholders, including those in favour of one or more persons other than the employees of the Company or one of its subsidiaries, provided that, to the extent required by the RREC legislation, an irreducible allocation right is granted to the existing shareholders upon the distribution of new securities.

Capital increases by means of a contribution in kind shall be carried out in accordance with the requirements determined by the RREC legislation. Such contributions can include a right to a dividend in the context of an optional dividend distribution.

Without prejudice to the authorisation granted to the board of directors in accordance with the preceding paragraphs, the extraordinary shareholders meeting of 1 June 2022 has authorised the board of directors for a period of three years as of such extraordinary shareholders' meeting to proceed to one or more capital increases, in the event of a public takeover bid for all, under the conditions set forth in the applicable legal provisions and in compliance, as the case may be, of the irreducible allocation right provided for in the RREC legislation. Capital increases carried out by the board of directors pursuant to this authorisation will be deducted from the remaining authorised capital, mentioned in this Article. This authorisation does not limit the power of the board of directors to carry out other transactions making use of the authorised capital than those provided for in article 7:202 of the Companies and Associations Code.

When the capital increases resolved on pursuant to these authorisations involve an issue premium, the amount of such premium will be booked on one or more separate equity accounts on the liabilities side of the balance sheet.

6.3 Acquisition, pledge and resale of own shares and certificates that relate to these

a. Acquisition and pledge

1. The Company may acquire and accept as pledge own shares or certificates relating to these.
2. The board of directors is authorised to acquire and accept as pledge own shares and certificates relating to them, without the total amount of own shares or certificates relating to them acquired or accepted as pledge by the Company in application of this authorisation exceeding 10% of the total amount of shares, at a unit price not lower than 75% of the average stock price of the last thirty days of the listing of the share before the date of the decision of the board of directors to acquire, respectively accept as pledge, nor higher than 125% of the average stock price of the last thirty days of the listing of the share before the date of the decision of the board of directors to acquire, respectively accept as pledge. This authorisation is granted for a period of five years as of the publication of this authorisation granted on 1 June 2022 in the Annexes to the Belgian Official Gazette.
3. The authorisations in paragraph 2 are without prejudice to the possibilities provided for in the applicable legal provisions, for the board of directors to acquire or accept as pledge own shares or certificates relating to them in case no authorisation in the articles of association or no authorisation of the general meeting is required.
4. The authorisations mentioned under paragraph 2 and the content in paragraph 3 apply to the board of directors of the Company, for the direct and, as the case may be, the indirect subsidiaries of the Company, and, to the extent necessary, for every third party acting in its own name but for the account of such companies.

b. Resale

1. The Company can resell own shares or certificates relating to them.
2. The board of directors is authorised to resell own shares or securities relating to them to one or more specific persons, employees or not.
3. The authorisations under paragraph 2 are without prejudice to the possibilities provided for in the applicable legal provisions, for the board of directors to resell own shares or certificates relating to them in case no authorisation in the articles of association or no authorisation of the general meeting is required.
4. The authorisations mentioned under paragraph 2 and the content in paragraph 3 apply to the board of directors of the Company, for the direct and, as the case may be, the indirect subsidiaries of the Company, and, to the extent necessary, for every third party acting in its own name but for the account of such companies.

6.4 Capital increase

Every capital increase shall meet the requirements of the Companies and Associations Code and the RREC legislation.

The Company cannot, directly or indirectly, subscribe to its own capital increase.

At the occasion of any capital increase, the board of directors will decide upon the price, the issuance premium, if applicable, and the conditions for the issuance of new shares, unless the general shareholders meeting would determine these.

If the general shareholders meeting would decide to require the payment of an issuance premium, such premium should be allocated to one or more separate equity accounts on the liabilities side of the balance sheet.

Contributions in kind can also relate to the dividend right in the context of the distribution of an optional dividend,

with or without a supplementary contribution in cash.

In the event of a capital increase by means of a cash contribution, pursuant to a decision of the shareholders' meeting or within the limits of the authorised capital, the shareholders' preferential subscription right can only be restricted or cancelled if an irreducible allocation right is granted to the existing shareholders, to the extent required by the RREC legislation, at the time that the new securities are awarded. As the case may be, this irreducible allocation right shall meet the following requirements, determined by the RREC legislation:

1. it applies to all new issued securities;
2. it is granted to the shareholders in proportion to the percentage of the capital represented by their shares at the time of the transaction;
3. a maximum price per share is announced at the latest on the eve of the start of the public subscription period; the public subscription period lasts at least three stock exchange days.

This irreducible allocation right applies to the issuance of shares, convertible bonds and subscription rights that can be exercised by way of a contribution in cash.

In accordance with the RREC legislation, this does not have to be granted in case of a capital increase by way of a contribution in cash taking into account the following conditions:

1. the capital increase is decided by means of the authorised capital;
2. the aggregate amount of the capital increases that are executed in accordance with this paragraph over a period of 12 months cannot exceed 10% of the amount of the capital at the moment of the decision to increase the capital.

It has not to be granted in case of a contribution in cash with limitation or cancellation of the preferential subscription right, in addition to a contribution in kind within the context of the distribution of an optional dividend, to the extent the distribution of such dividend

is effectively open to all shareholders.

The capital increase by means of a contribution in kind are subject to the provisions of the Companies and Associations Code.

Moreover, the following requirements must be met in the event of a contribution in kind, in accordance with the RREC legislation:

1. the contributor's identity must be disclosed in the report relating to the contribution in kind, and also, if applicable, in the notice of the shareholders' meeting called to vote on the capital increase;
2. the issue price may not be less than the lower value of the following: (a) a net value per share dated no more than four months before the date of the contribution agreement or, at the Company's choosing, before the date of the document enacting the capital increase and (b) the average closing market (share) price over the thirty calendar days preceding this same date;

In this respect it is permitted to deduct, from the amount indicated in point 2 (b) above, an amount corresponding to the portion of undistributed gross dividend of which the new shares could be deprived, provided that the board of directors specifically justifies, in its special report, the amount of accrued dividends to be deducted, and sets forth the financial conditions for the transaction in the annual financial report;

3. unless the issue price or, under the circumstances provided in Article 6.6 below, the share exchange ratio as well as the associated formalities, is determined and communicated to the public at the latest on the working day following the conclusion of the contribution agreement, with a mention of the time period within which the capital increase will effectively be carried out, the document enacting the capital increase shall be drawn up within a maximum period of four months; and
4. the report mentioned in point 1 above must also make clear the effect of the proposed contribution on the situation of the existing shareholders, in particular their

share of the Company's profit, the net value per share and the capital, as well as the impact on voting rights.

In accordance with the RREC legislation, these additional conditions are not applicable in the event of the contribution of a right to a dividend in the context of an optional dividend distribution, provided the grant thereof is effectively open to all shareholders.

6.5 Capital decrease

The Company can decrease its capital in accordance with the applicable legal provisions.

6.6 Mergers, demergers and similar operations

In accordance with the RREC legislation, the additional conditions as set out in article 6.4 in case of a contribution in kind are applicable, mutatis mutandis, on mergers, demergers and similar operations, as set out in the RREC legislation.

Article 7 – Nature of the shares

The shares are without nominal value.

The shares are registered or dematerialised, as chosen by their owner or holder (hereafter the "Holder") and in accordance with the limitations set by law. The Holder can at any time and without cost submit a written request for the conversion of registered shares to dematerialised shares and vice versa. Every dematerialised share is represented by an entry on an account in the name of the Holder with an authorised account keeper or settlement institution.

At the registered office of the Company a share register is held that can exist, as the case may be, in electronic form. The Holders of registered shares can look into the entire register of shares.

Article 8 – Other securities

The Company may issue all securities that are not prohibited under the law, with the exception of profit sharing certificates and similar securities and provided that it takes account of the specific provisions of the RREC legislation and the articles of association. Such securities are registered or dematerialised.

Article 9 – Stock exchange listing and disclosure of substantial shareholdings

The Company's shares must be admitted to trading on a regulated market in Belgium, in accordance with the RREC legislation.

ursuant to Article 18 of the Act of 2 May 2007 regarding the disclosure of major shareholdings in issuers of which the shares have been admitted for trading on a regulated market and for which certain provisions apply, in addition to the thresholds provided in law, the statutory threshold of 3% applies additionally.

With the exception of the derogations provided for by law, no one is allowed more votes at a shareholders' meeting of the Company than the number of votes attached to the securities which the person in question had declared to own at the latest twenty (20) days before the date of the shareholders' meeting. The voting rights attached to these unreported shares are suspended.

Title III – Management and supervision

Article 10 – Composition of the board of directors

The Company is administered by a board of directors. The board shall be composed of a minimum of three and a maximum of twelve members, shareholders in the Company or not, who are appointed by the shareholders' meeting for a maximum term of four years.

The shareholders' meeting may terminate the mandate of each director at any time, with immediate effect and without giving reasons.

The members of the board are eligible for re-election.

The board of directors includes at least three independent directors in accordance with the applicable legal provisions.

Unless the general meeting's decision to appoint determines otherwise, the mandate of the retiring and not re-elected directors shall end immediately after the general meeting which has provided for such new appointments.

In the event that one or more directors' mandates become vacant, the remaining directors have the right to provisionally provide for replacement until the next general meeting. The mandate of the co-opted director may or may not be confirmed at the very next general meeting.

The possible remuneration may not be determined based on the activities and transactions carried out by the Company or its perimeter companies.

The restrictions set out in article 7:91, section 2 of the Belgian Companies and Associations Code shall not apply.

The directors are exclusively natural persons; they must meet the requirements regarding reliability and competence as provided for in the RREC legislation and may not fall under the scope of the prohibitory provisions contained in the RREC legislation.

The appointment of directors is subject to the prior approval of the FSMA.

Article 11– Chairmanship – Deliberations

The board of directors shall meet when convened by the chairperson, by two directors or by one of the director(s), at the place indicated in this notice, whenever the interests of the Company so require.

The board of directors elects its chairperson from its members. The meetings are chaired by the chairperson or, if the latter is absent, by a director appointed by the directors present. The person chairing the meeting may appoint a secretary, who may or may not be a director.

Except in case of force majeure, the board of directors may validly deliberate and take decisions only if the majority of the members are present or represented. If this condition is not met, a new meeting may be convened which may validly deliberate and take decisions on the items on the agenda of the previous meeting if at least two directors are present or represented.

The notices to convene shall be sent out by e-mail or, if no e-mail address has been communicated to the Company, by ordinary letter or any other means of communication, in accordance with the applicable legal provisions. The notices shall state the place, date, time and agenda of the meeting.

Any director who is unable to attend or is absent, can nominate another member of the board by letter, telegram, telex, fax, e-mail or any other means of communication to represent him or her at a specific meeting of the board and to legally vote on his or her behalf. The person giving proxy is considered to be present in that case. No member of the board may represent more than three directors.

Each member of the board of directors may participate to meetings by means of any form of telecommunication, videography or any other means of communication that facilitates directors to communicate with each other. They shall be deemed to have attended the meeting. Unless otherwise stipulated, resolutions are deemed to have been passed at the Company's registered office and on the date of the meeting.

Board decisions shall be approved by a simple majority of votes cast; in the event of a tie, the director chairing

the meeting shall cast the deciding vote.

Decisions of the board of directors are recorded in minutes, kept in a special register at the Company's registered office, signed by the chairperson of the board, and those members who so request. Proxies are attached to the minutes of the meeting.

Copies of or extracts from these minutes, intended for third parties, shall be signed by the chairperson of the board of directors, two directors or a director entrusted with the daily management. This authority may be delegated to a representative.

The decisions of the board of directors may be taken by unanimous written decision of all directors.

Article 12 – Powers of the board

12.1 The board of directors is vested with the powers to perform all acts necessary or useful for the realisation of the object, except those which are reserved by law, or these articles, to be executed by the shareholders' meeting.

The board of directors shall draw up the half-year report and the annual report.

The board shall appoint one or more independent appraisal experts, in accordance with the RREC legislation, and if applicable, propose any modification to the list of experts, incorporated in the file added to the application to be approved as an RREC.

12.2 The board of directors can delegate the day-to-day management of the Company, as well as its representation with regard to such management, to one or more persons, who do not necessarily need to be directors. The person(s) entrusted with the day-to-day management must meet the requirements regarding reliability and competence as provided for in the RREC legislation and may not fall within the scope of the prohibitory provisions set out in the RREC legislation.

The restrictions set out in article 7:121, section 4 juncto 7:91, section 2 of the Belgian Companies

and Associations Code shall not apply to the members of the body of daily management, nor to the persons charged with the management as referred to in article 3:6, § 3, section 3 of the Belgian Companies and Associations Code.

12.3 The board of directors may grant special powers to each authorised representative that are limited to certain acts or a certain series of acts, within the limits determined by the applicable legal provisions.

The board of directors may, in accordance with the RREC legislation, determine the remuneration of each authorised representative to whom special powers have been granted.

Article 13 – Effective management

Without prejudice to the transitional provisions, the effective management of the Company is delegated to at least two natural persons.

The persons entrusted with the effective management must meet the requirements regarding reliability and competence as provided for in the RREC legislation and may not fall within the scope of the prohibitory provisions set out in the RREC Legislation

The appointment of the effective management is subject to the prior approval of the FSMA.

Article 14 – Advisory and specialised committees

The board of directors shall establish among its members an audit committee as well as a remuneration and a nomination committee and shall determine their composition, duties and powers.

The board of directors may set up under its responsibility one or more advisory committees, for which it determines the composition and duties.

Article 15 – Representation of the Company and signing of deeds

Subject to special delegation of powers by the board of directors, the Company is validly represented in all acts, including those in which a public or ministerial official provides its cooperation, as well as in all legal proceedings, whether as plaintiff or defendant, by two

directors acting jointly or, within the limits of the daily management, by each delegated person acting alone.

The Company shall moreover be validly represented by special proxyholders of the Company within the limits of the mandate granted to them by the board of directors, or within the limits of the daily management, by each delegated person acting alone.

Article 16 – Supervision

The Company appoints one or more statutory auditors who shall perform the functions they are charged with under the Belgian Companies and Associations Code and the RREC legislation

The statutory auditor has to be approved by the FSMA.

Title IV – General meeting of shareholders

Article 17 – Meetings

The annual general meeting of shareholders shall take place on the second last Monday of July at 10 am.

If this day is a public holiday, the annual general meeting will be held on the next working day, at the same time.

The ordinary or extraordinary general meetings shall be held at the location indicated in the convening notice.

The threshold from which one or more shareholders may demand a convocation of a general meeting in order to submit one or more proposals, in accordance with the Belgian Companies and Associations Code, is set at ten percent (10%) of the capital.

One or more shareholders collectively possessing at least three per cent (3%) of the capital of the Company may, in accordance with the provisions of the Belgian Companies Code and Associations, request the inclusion of items on the agenda of any shareholders' meeting, and submit proposals for resolutions with respect to the items included or to be included in the agenda.

Article 18 – Participation in the general meeting of shareholders

The right to attend and vote at a shareholders' meeting is subject to the recording of the shares in the shareholder's name on the fourteenth day preceding the general meeting of shareholders, at twenty-four hours (Belgian time) (hereinafter the "registration date"), in either the register of the Company's registered shares or in the accounts held by an authorised account holder or settlement institution, regardless of the number of shares actually held by the shareholder on the date of the shareholders' meeting.

The holders of dematerialised shares who wish to attend a shareholders' meeting must submit a certificate issued by their authorised account holder or settlement institution, certifying, as the case may be, the number of dematerialised shares listed in the shareholder's name on the registration date, for which the shareholder has declared his or her intention to participate in the general meeting of shareholders. The certificate must be submitted to the Company or to the person designated by the

Company, as well as their wish to participate to the general meeting of shareholders, as the case may be, by sending a proxy, no later than the sixth day prior to the date of the general meeting of shareholders via the Company's email address or via the specific email address mentioned in the convening notice.

The holders of registered shares who wish to attend the general meeting of shareholders must notify the Company, or the designated person for that purpose, of their intention no later than the sixth day prior to the date of the meeting, via the Company's email address or via the specific email address mentioned in the convening notice, or, as the case may be, by sending a proxy.

Article 19 – Votes by proxy

Each holder of securities, giving the right to participate in the meeting, may be represented by a proxy holder, whether or not shareholder.

The shareholder may only appoint one person as proxy holder for a certain general meeting, subject to the deviations provided for in the Belgian Companies and Associations Code.

The proxy form must be signed by the shareholder and be submitted to the Company via the Company's email address or via the specific email address mentioned in the convening notice no later than the sixth day prior to the date of the meeting.

The board of directors may draw up a proxy form.

If several persons have rights in rem in respect of the same share, the Company may suspend the exercise of the voting rights attached to such share until a single person has been appointed vis-à-vis the Company as the holder of the voting rights.

Article 20 – Bureau

Every general shareholders meeting is chaired by the chairperson of the board of directors or, in the chairperson's absence, by a director appointed by the directors present or by a member of the meeting appointed by the latter.

The chairperson shall appoint a secretary.

If the number of persons present so allows, the meeting shall elect two vote-counters on the proposal of the chairperson.

The other members of the board of directors shall complete the bureau.

Article 21 – Number of votes

The shares shall each give the right to one vote, subject to the cases of suspension of the voting rights provided for in the Belgian Companies and Associations Code or any other applicable law.

The holders of convertible bonds and subscription rights may attend the shareholders' meeting, but only have an advisory vote.

Transitional provisions: the holders of non-convertible bonds issued before the date on which the Belgian Companies and Associations Code becomes applicable to the Company may attend the general meeting, but only with an advisory vote.

Article 22 – Deliberations

The general meeting of shareholders may validly deliberate and vote, regardless of the percentage of the capital present or represented, except in those cases where the Belgian Companies and Associations Code requires an attendance quorum.

The general meeting of shareholders can only validly deliberate on amendments to the articles of association if at least half of the capital is present or represented.

If the above quorum is not met, a new general meeting of shareholders must be convened; the second meeting shall deliberate validly irrespective of the portion of the capital represented by the shareholders present or represented.

The board of directors is entitled to adjourn each ordinary, special or extraordinary meeting one single time for five weeks, unless the meeting is convened at the request of one or more shareholders who represent at least one-tenth (1/10th) of the capital or by a statutory auditor. Such adjournment shall not affect the other resolutions passed, unless the general meeting of shareholders

decides otherwise.

The general meeting of shareholders may not deliberate on items that do not appear on the agenda.

Unless provided otherwise by legal provisions, all resolutions are adopted by the general meeting of shareholders by a simple majority of the votes cast, regardless of the numbers of shares represented. Blank or invalidly marked votes shall not be counted when calculating the votes cast.

Any amendment of the articles of association is only accepted if it is approved by at least three-fourths of the votes cast or, if it concerns the amendment of the object or of the Company's goals, by four-fifths of the votes cast, abstentions not being included in the numerator or the denominator. Voting shall be conducted by a show of hands or a roll call, unless the general meeting of shareholders decides otherwise by a simple majority of the votes cast. Any draft amendment of the articles of association must be submitted in advance to the FSMA.

An attendance list containing the names of the shareholders and the number of shares they hold shall be signed by each of them or their proxyholder before the meeting begins.

Any shareholder may have access to this list.

Article 23 – Remote voting

If the board of directors so authorises in the convening notice, the shareholders shall be authorised to vote remotely by letter or through the Company's website, by means of a form prepared and provided by the Company. This form must mention the date and the place of the meeting, the name or corporate name of the shareholder and his residence address or registered office, the number of votes the shareholder wishes to cast at the meeting, the type of the shares held by him, the agenda of the meeting (including the proposals for resolution), a space allowing to vote for or against each decision or to abstain, as well as the deadline by which the voting form must reach the Company. The form shall expressly state that it must be signed by the shareholder and sent to the Company no later than the sixth day prior to the date of the meeting.

Article 24 – Minutes

The minutes of the general meeting of shareholders are signed by the members of the office, as well as by the shareholders who ask to do so. Copies of the minutes of the general meeting of shareholders, for third parties, are signed by one or more directors with representation power. The proxies are being attached to the minutes of the meeting for which they were given.

Article 25 – Bondholders' meeting

The board of directors and the statutory auditor(s) of the Company may call the general bondholders' meeting. They must also convene the general meeting when bondholders representing one fifth of the amount of the bonds in circulation so request. The notice shall contain the agenda and shall be prepared in accordance with the provisions of the Belgian Companies and the Associations Code. To be admitted to the general bondholders' meeting, the bondholders must comply with the formalities provided for in the Belgian Companies and the Associations Code, as well as with any formalities prescribed by the terms and conditions of issue of the bonds or in the convening notices.

Title V – Annual accounts - Dividends

Article 26 – Annual accounts

The financial year starts on the first of April of each year and ends on the thirty-first of March of the following year. At the end of each financial year, the books and records are closed and the board of directors shall draw up an inventory, as well as the annual accounts.

The board of directors shall draft a report (the "annual report"), in which it accounts for its management. The statutory auditor shall draft a detailed written report (the "audit report") in preparation for the annual meeting of shareholders.

Article 27 – Dividends

The Company must distribute a dividend to its shareholders, within the limits of the Belgian Companies and the Associations Code and the RREC Legislation, of which the minimum amount is prescribed by the RREC legislation.

Article 28 – Interim dividends

The board of directors may decide, under its responsibility, on the distribution of interim dividends, in the cases and within the time limits permitted by law.

Article 29 – Availability of annual and half-year reports

The Company's annual and half-year reports, containing the statutory and consolidated annual and half-year accounts of the Company and the statutory auditor's report, shall be put at the disposal of the shareholders in accordance with the statutory provisions applicable to issuers of financial instruments admitted to trading on a regulated market and in accordance with the RREC Legislation.

The Company's annual and half-year reports shall be made available on its website.

Shareholders have the right to obtain a copy of the annual and half-year reports free of charge at the Company's registered office.

Title VI – Dissolution - liquidation

Article 30 – Loss of capital

In the event that the capital is reduced by one half or three quarters, the directors must submit the question of dissolution to the general meeting of shareholders pursuant to and in accordance with the conditions in the Belgian Companies and Associations Code.

Article 31 – Appointment and powers of the liquidators

In the event of dissolution of the Company, for whatever reason and at any time, the liquidation shall be performed by one or more liquidator(s) appointed by the general meeting of shareholders. If it appears from the statement of assets and liabilities, drawn up in accordance with the Belgian Companies and Associations Code, that not all creditors can be repaid in full, the nomination of the liquidator(s) in the articles of association or by the general meeting of shareholders must be submitted to the president of the court for confirmation. This confirmation however, shall not be required if such statement of assets and liabilities shows that the Company has liabilities only to its shareholders and all shareholders who are creditors of the Company confirm in writing their agreement to the appointment.

If no liquidator(s) is/are appointed or designated, the members of the board of directors shall be considered liquidators vis-à-vis third parties, without, however, the powers which the law and the articles of association grant to the liquidator appointed in the articles of association, by the general meeting of shareholders or by the court with regard to the liquidation activities.

If applicable the general meeting of shareholders shall determine the fees of the liquidator(s).

The liquidation of the Company shall be closed in accordance with the provisions of the Belgian Companies and Associations Code.

Article 32 – Distribution

Distribution to shareholders will only take place after the closing meeting regarding the liquidation.

Except in case of a merger, the net assets of the Company will be, after settlement of all debts or consignment of the sums necessary for that purpose, allocated as a matter of priority to the reimbursement of the paid-up amount of the capital shares, and the remaining balance shall be distributed equally among all the shareholders of the Company, proportionally to the number of shares they hold.

Title VII – General provisions

Article 33 – Election of domicile

For the performance of the articles of association, each shareholder domiciled abroad, each director, statutory auditor, manager and liquidator is deemed to have elected domicile in Belgium. In the absence thereof, he shall be deemed to have elected domicile at the registered office of the Company where all notices, default notices, writs of summons or notifications can be validly be served.

The holders of registered shares must notify the Company of any change of address. In the absence thereof, all communications, notices, convocations or official announcements will be validly sent to their last known address.

Article 34 – Jurisdiction

For all lawsuits between the Company, its shareholders, bondholders, directors, statutory auditors and liquidators concerning the affairs of the Company and the execution of the present articles of association, only the Dutch-speaking enterprise courts of the registered office of the Company shall have jurisdiction, unless the Company expressly waives such jurisdiction

Article 35 – Ordinary law

The provisions of these articles of association that would conflict with the mandatory provisions of the RREC Legislation or any other applicable law, are deemed non-existent. The nullity of an article or part of an article of these articles of association does not affect the validity of the other (parts of) the clauses of the articles of association.

Miscellaneous



Miscellaneous



1. Glossary - General

A

Acquisition value

This is the term to be used for the purchase of a building. Any transaction costs paid are included in the acquisition price.

B

BEL mid-index

Since 1 March 2005, this has been a weighted price index of shares quoted on Euronext that makes allowance for the stock market capitalisation, with the weightings determined by the free float percentage and the velocity of circulation of the shares in the basket.

BE-REIT legislation

The Act of 12 May 2014 relating to regulated real estate companies, most recently amended on 2 June 2021, and the Royal Decree of 13 July 2014 relating to regulated real estate companies, most recently amended on 23 April 2018.

Bullet loan

A loan repaid in its entirety at the end of the loan term.

C

Chain stores

These are companies that have a central procurement department and operate at least five different retail outlets.

Contractual rents

The index-linked basic rents as contractually determined in the lease agreements as of 31 March 2022, before deduction of gratuities or other benefits granted to the tenants.

Corporate Governance Code (2020 version)

Belgian Code drawn up by the Corporate Governance Committee and containing recommendations and provisions relating to corporate governance to be observed by companies under Belgian law whose shares are traded on a regulated market.

D

Debt ratio

The debt ratio is calculated as follows: liabilities (excluding provisions, accrued charges and deferred income, hedging instruments and deferred taxes) divided by the total assets (excluding hedging instruments).

Dividend yield

The ratio of the most recently paid gross dividend to the final share price of the financial year over which the dividend is payable.

E

Estimated investment value

This is the value of the real estate portfolio, including costs, registration charges, fees and VAT, as estimated

each quarter by an independent expert.

Estimated liquidation value

This is the value excluding costs, registration charges, fees and recoverable VAT, based on a scenario whereby the buildings are sold on a building-by-building basis.

Exit tax

The exit tax is a special corporate income tax rate applied to the difference between the fair value of the registered capital of companies and the book value of its capital at the time that a company is recognised as a Belgian real estate investment trust, or merges with a Belgian real estate investment trust.

F

Fair value

This value is equal to the amount for which a building could be swapped between properly informed parties, consenting and acting under normal competitive conditions. From the point of view of the seller, it must be construed minus the registration charges.

Free Float

This is the percentage of shares held by the public. Euronext calculates the free float as the total number of shares in the capital, minus the shares held by companies that form part of the same group, state enterprises, founders, shareholders with a shareholder agreement, and shareholders with a controlling majority.

G

Gross dividend

The gross dividend per share is the operating profit that is distributed.

I

IFRS standards

The International Financial Reporting Standards are a set of accounting principles and valuation rules prepared by the International Accounting Standards Board. The aim is to simplify international comparison between European listed companies.

Listed companies are required to prepare their consolidated accounts according to these standards starting from the first financial year beginning after 1 January 2005.

Institutional investor

An enterprise that professionally invests funds entrusted to it by third parties for various reasons. Examples include pension funds, investment funds,...

"Interest Rate Swap" (IRS)

An "Interest Rate Swap" is an agreement between parties to exchange interest rate cash flows during a predetermined period of time on an amount agreed beforehand. This concerns only the interest rate cash flows. The amount itself is not swapped. IRS is often used to hedge interest rate increases. In this case a variable interest rate will be swapped for a fixed one. .

M

Market capitalisation

This is the total number of shares at the end of the financial year multiplied by the closing price at the end of the financial year.

N

Net asset value

NAV (Net Asset Value): this is the shareholders' equity divided by the number of shares.

Net cash flow

Operating cash flow, EPRA earnings (share of the group) plus the additions to depreciation, impairments on trade

receivables, and additions to, and withdrawals from, provisions, plus the achieved higher or lower value relative to the investment value at the end of the previous financial year, minus the exit tax.

Net dividend

The net dividend equals the gross dividend after retention of 30% withholding tax.

O

Occupancy rate

The occupancy rate is calculated as the ratio of the surface area actually leased out to the surface area available for lease, expressed in m².

OLO (Belgian government bonds)

Government bond usually deemed equivalent to a virtually risk-free investment, and used as such to calculate the risk premium compared with listed securities. The risk premium is the additional return expected by the investor for the company's risk profile.

Out-of-town retail properties

Retail properties grouped along roads leading into and out of cities and towns. Each outlet has its own car park and an entrance and exit road connecting it to the public road.

P

Pay-out ratio

The pay-out ratio indicates the percentage of the net profit that will be paid out as a dividend to shareholders. This ratio is obtained by dividing the paid-out net profit by the total net profit.

Price/earnings ratio (P/E ratio)

This ratio is calculated by dividing the price of the share by the profit per share. The ratio indicates the number of years of earnings that would be required to pay back the purchase price.

R

Real estate certificate

A real estate certificate is a security that entitles the holder to a proportionate part of the income obtained from a building. The holder also shares in the proceeds if the building is sold.

Retail cluster

A collection of out-of-town retail properties located along the same traffic axis that, from the consumer's point of view, form a self-contained whole although they do not share infrastructure other than the traffic axis.

Retail park

Retail properties that form part of an integrated commercial complex and are grouped together with other retail properties. All properties use a central car park with a shared entrance and exit road.

Return

The total return achieved by the share in the past 12 months or (most recent price + gross dividend)/price in the previous year.

S

Securitised real estate

This is an alternative way of investing in real estate, whereby the shareholder or certificate holder, instead of investing personally in the ownership of a property, acquires (listed) shares or share certificates of a company that has purchased a property.

V

Velocity of circulation

Sum of the shares traded monthly, relative to the total number of shares over the past 12 months.

2. Glossary – Alternative performance benchmarks

Terminology

Alternative performance benchmark	Definition	Purpose
Operating margin	The 'Operating result before result of the portfolio' divided by the 'Net rental income'.	Allows measuring the operational performance of the company.
Financial result (excluding changes in fair value of financial assets and liabilities).	The "Financial result" minus the "Changes in fair value of financial assets and liabilities"	Allows to make a distinction between the realised and the unrealised financial result.
Result on portfolio	The "Result on portfolio" consists of the following items: - "Result on disposals of investment properties"; - "Result on sales of other non-financial assets"; - "Changes in fair value of investment properties"; and - "Other result on portfolio".	Allows to measure realised and unrealised gains and losses related to the portfolio, compared to the last valuation by independent real estate experts.
Weighted average interest rate	The interest charges (including the credit margin and the cost of the hedging instruments) divided by the weighted average financial debt of the current period.	Allows to measure the average interest charges of the company.
Net asset value per share (investment value) excluding dividend excluding the fair value of authorised hedging instruments	Shareholders' equity (excluding the impact on the fair value of estimated transaction costs resulting from the hypothetical disposal of investment properties, excluding the fair value of authorised hedging instruments and excluding dividend) divided by the number of shares.	Reflects the net asset value per share adjusting for some material IFRS adjustments to enable comparison with its stock market value.
Gross yield	The gross yield represents the ratio of the current rental income (net and after deduction of taxes) to the estimated value of the portfolio (i.e. without non-current assets under construction).	This key figure represents the relationship between two of the most important parameters of the company and makes it possible to make a comparison over the years and between different companies.

Reconciliation tables

Operating margin

(in € 000)	31.03.2022	31.03.2021
Operating result before result on portfolio (A)	96 930	85 737
Net rental income (B)	115 579	100 402
Operating margin (A/B)	83.86%	85.39%

Financial result (excluding changes in fair value of financial assets and liabilities).

(in € 000)	31.03.2022	31.03.2021
Financial result (A)	16 158	-17 757
Changes in fair value of financial assets and liabilities (B)	34 476	2 674
Financial result (excluding changes in fair value of financial assets and liabilities) (A-B)	-18 318	-20 430

Result on portfolio

(in € 000)	31.03.2022	31.03.2021
Result on disposals of investment properties (A)	334	825
Result on sales of other non-financial assets (B)	0	0
Changes in fair value of investment properties (C)	23 083	-5 963
Other result on portfolio (D)	-1 321	992
Result on portfolio (A+B+C+D)	22 096	-4 146

Weighted average interest rate

(in € 000)	31.03.2022	31.03.2021
Net interest charges (including the credit margin and the cost of the hedging instruments) (A)	18 485	20 592
Other charges of debt (B)*	1 153	1 152
Weighted average financial debt of the period (C)**	891 013	935 024
Weighted average interest rate (A-B)/C	1.95%	2.08%

* Other debt costs relate to reservation fees, up-front fees, etc.
** Financial debt at the end of the period multiplied by factor 1,0342

Net asset value per share (investment value) excluding dividend excluding the fair value of authorised hedging instruments

(in €000)	31.03.2022	31.03.2021
Shareholders' equity attributable to the shareholders of the parent company (A)	920 980	808 223
Impact on the fair value of estimated transaction rights and costs resulting from the hypothetical disposal of investment properties (B)	-72 163	-63 203
The fair value of authorised hedging instruments qualifying for hedge accounting (C)	10 875	-25 678
Proposed gross dividend (D)	60 842	55 729
Number of ordinary shares in circulation (E)	13 226 452	12 665 763
Net asset value per share (investment value) excluding dividend excluding the fair value of authorised hedging instruments ((A-B-C-D)/E)	69.67	66.43

Gross yield

(in €000)	31.03.2022	31.03.2021
The current rental income (net, after deduction of canon) (A)	119 343	113 969
the estimated investment value of the portfolio (without taking into account the assets under construction included in the cost price) (A)	1 817 515	1 720 927
Gross yield (A/B)	6.57%	6.62%

* Difference between the investment value included here and the investment value as stated previously in the balance sheet is explained by the real estate portfolio of "Distri-land". The yield is determined on the basis of real estate reports, whereby the "Distri-land" portfolio is included for 100%. Retail Estates only holds 87,01% of the issued real estate certificates and values the certificates to the underlying value of the property pro rata its contractual rights (see annual report 2017-2018)

Information sheet

Name:	Retail Estates nv
Status:	Public Belgian Real Estate Investment Trust ("Belgian REIT") organised and existing under the laws of Belgium.
Address:	Industrielaan 6 – B-1740 Ternat
Phone:	+32 (0)2 568 10 20
Fax:	+32 (0)2 581 09 42
Email:	info@retailestates.com
Website:	www.retailestates.com
RLE:	Brussels
VAT:	BE 0434.797.847
Company number:	0434.797.847
Date of incorporation:	12 July 1988
Status as fixed-capital real estate investment fund granted:	27 March 1998 (until 23 October 2014)
Status as Belgian real estate investment trust (BE-REIT) granted:	24 October 2014
Duration:	Unlimited
Management:	Internal
Statutory auditor:	PwC Bedrijfsrevisoren bv – Culliganlaan 5 at 1831 Diegem, represented by Mr Jeroen Bockaert
Financial year closing:	31 March
Capital on 1.04.2022:	€297,600,322.91
Number of shares on 1.04.2022:	13,226,452
Annual shareholders' meeting:	Penultimate Monday of July
Share listing:	Euronext – continuous market
Financial services:	KBC Bank
Value of real estate portfolio on 31.03.2022:	Investment value €1,833.75 million – fair value €1,759.88 million (incl. value of "Immobilière Distri-Land nv" real estate certificates)
Real estate experts:	Cushman & Wakefield, CBRE, Colliers and Stadim
Number of properties on 31.03.2022:	987
Type of properties:	Out-of-town retail real estate
Liquidity provider:	KBC Securities and De Groef Petercam

Availability of the annual report

This annual report is available in Dutch, French and English versions.

This annual report was prepared in Dutch. Retail Estates nv checked the translation of and the correspondence between the official Dutch version and the French and English versions and is responsible for the translations. In the event of contradictions between the Dutch and the French or English version, the Dutch version shall prevail. For information purposes only, an electronic version of this annual report is available on the website of Retail Estates nv (www.retailestates.com). None of the other information published on the website of Retail Estates nv is part of this annual report.





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