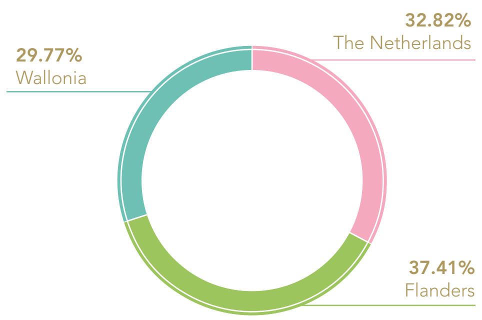
ANNUAL REPORT

2020 2021

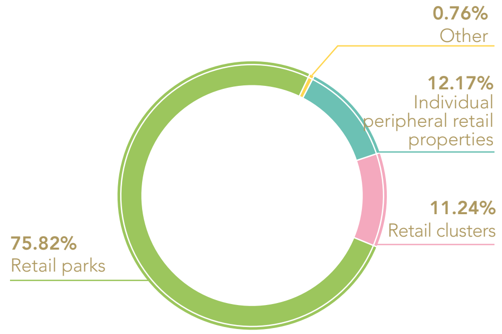
RETAIL ESTATES

'20-'21 IN BRIEF

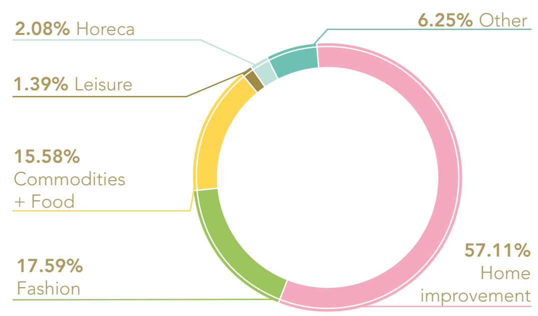
GEOGRAPHICAL DISTRIBUTION



TYPE OF BUILDING



COMMERCIAL ACTIVITIES OF TENANTS



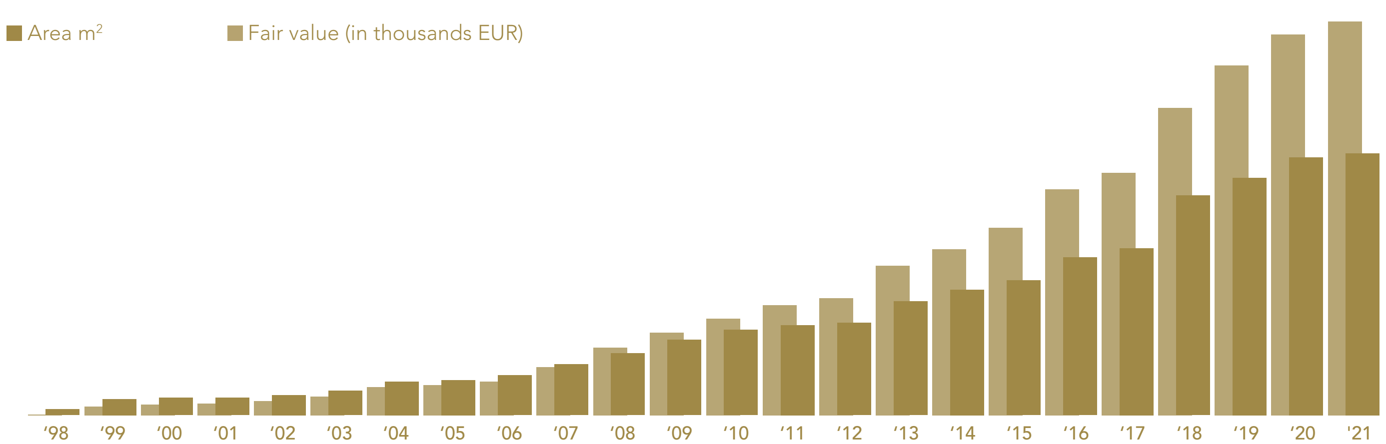
RETAIL PROPERTIES

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

NUMBER OF EMPLOYEES

36
employees

GROWTH PORTFOLIO **RETAIL ESTATES NV** BETWEEN 1998 AND 2021



1 153 448 m²

RETAIL AREA

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

1 717 245 €

FAIR VALUE

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

GEOGRAPHICAL SPREAD CLUSTERS

97.07%

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

EXPANSIONS IN THE NETHERLANDS 2020-2021

1. **Retailpark Den Bosch**
Investment EUR 68,70 million
29 retail units
50.000m²

2. **Retailpark Maastricht**
Investment EUR 10 million
5 retail units
7.850m²

3. **Winkelunit Duiven**
Investment EUR 4,50 million
3.000m²

EXPANSIONS IN BELGIUM (OWN DEVELOPMENT):

4. **Retailpark Hognoul (Luik)**
Investment EUR 10,21 million
4 retail units
5.672m²

5. **"Big-Box" Retail unit Jambes (Namen)**
Investment EUR 17,95 million
15.905m²

AWARDS

Retail Estates was again included in the EPRA annual report Survey and received a gold award.
With respect to the 2019-2020 annual report, Retail Estates was awarded the "most improved trophy" for its sustainability report by EPRA and also receive the sBPR label "bronze".

CONTENTS

REMARKABLE
REAL ESTATE FACTS

REMARKABLE REAL ESTATE FACTS

EXPANSION BELGIUM AND THE NETHERLANDS

1998-2021 REMARKABLE FACTS

KEY FIGURES 2019-2021

1

EXPANSION

THE NETHERLANDS

Retail Estates expands in the Netherlands with an investment of EUR 82,20 million represented by 2 retail units in Den Bosch and Maastricht and a "Big Box"-unit in Duiven

2.

EXPANSION

BELGIUM

Retail Estates expands in Belgium with an investment of EUR 28,16 million represented by a retail unit in Hognoul (Liège) and a "Big Box"-unit in Jambes (Namur)

1998-2021
REMARKABLE FACTS

1998
Retail Estates on the stock exchange
IPO and first listing on Euronext Brussels

1999
Strengthening of the capital
1st public capital increase

2002
Independant
Retail Estates becomes an independently managed investment company with fixed capital

2003
Strengthening of the capital
2nd public capital increase

2008
Value real estate portfolio
Real estate portfolio reaches the milestone of EUR 250 million

2011
Value real estate portfolio
Real estate portfolio reaches the milestone of EUR 500 million

2012
Optional stock dividend
offered to the shareholders for the first time

2013
Strengthening of the capital
3rd public capital increase

2014
Diversification of financing sources
bond issue - private placement

Sicaf becomes Belgian Reit
(regulated real estate company)

2015
Strengthening of the capital
4th public capital increase

2016
Value real estate portfolio
Real estate portfolio reaches the milestone of EUR 1 billion

Diversification of financing sources
bond issue - private placement

2017
Inclusion in EPRA index
The inclusion in the EPRA index contributes to the share's visibility.

2018
20 years Retail Estates on the stock exchange
Additional listing on Euronext Amsterdam

Strengthening of the capital
5th public capital increase
Expansion to the Netherlands

2019
Value real estate portfolio
Real estate portfolio reaches the milestone of EUR 1,5 billion

2020
Diversification of financing sources
bond issue - private placement of EUR 75 million

2021
Stable portfolio valuations and increasing dividend, despite months of mandatory shop closures due to Corona crisis

KEY FIGURES 2019-2021

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	31/03/21	31/03/20	31/03/19
Number of properties	992	969	906
Total lettable area in m²	1 153 448	1 136 492	1 049 101
Estimated fair value (in €)	1 717 245 000	1 661 753 000	1 529 629 000
Estimated investment value (in €)	1 789 397 000	1 719 120 000	1 579 292 000
Average rent prices per m²	102.24	102.28	99.96
Occupancy rate	97.07%	97.92%	98.28%

BALANCE SHEET INFORMATION			
Shareholders' equity	808 223 000	798 987 000	707 926 000
Debt ratio (RREC legislation, max. 65%)*	52.18%	53.10%	52.58%

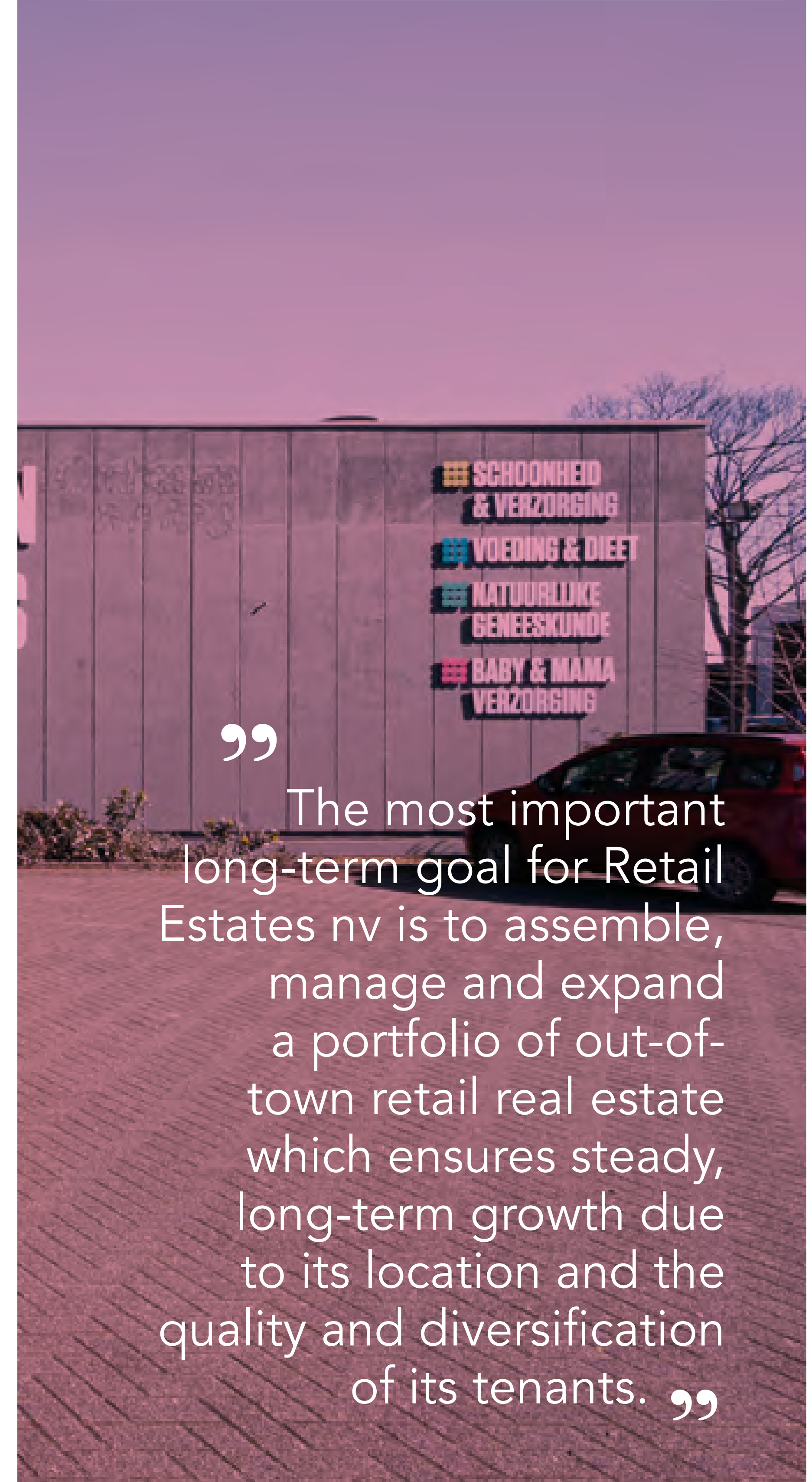
RESULTS			
Net rental income	100 402 000	107 614 000	94 981 000
Property result	98 738 000	106 204 000	93 539 000
Property costs	-6 877 000	-9 052 000	-7 586 000
Operating corporate costs and other current operating income and expenses	-6 123 000	-5 593 000	-5 147 000
Operating result before result on portfolio	85 737 000	91 559 000	80 807 000
Result on portfolio	-4 146 000	-4 884 000	6 957 000
Operating result	81 592 000	86 675 000	87 764 000
Financial result	-17 757 000	-25 533 000	-31 826 000
Net result	61 436 000	58 098 000	54 479 000
EPRA earnings	62 908 000	69 199 000	60 896 000

* 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 22 October 2017 on regulated real estate companies (Belgian REITs).

INFORMATION PER SHARE	31/03/21	31/03/20	31/03/19
Number of shares	12 665 763	12 630 414	11 422 593
Number of dividend bearing shares	12 665 763	12 630 414	11 422 593
Net asset value (NAV) (IFRS)	63.81	63.26	61.98
EPRA NTA	65.53	65.27	63.96
EPRA NAV	65.84	65.55	64.07
Net asset value per share (investment value) excl. dividend excl. the fair value of authorised hedging instruments	66.43	65.73	64.28
EPRA earnings per share	4.97	5.60	5.41
Gross dividend per share	4.50	4.40	4.25
Net dividend per share	3.15	3.08	2.975
Gross dividend yield on closing price (excl. dividend)	7.71%	9.28%	5.23%
Net dividend yield on closing price (excl. dividend)	5.39%	6.50%	3.66%
Closing price on closing date	58.40	47.40	81.20
Average share price	57.26	81.11	75.43
Evolution of share price during the financial year	23.21%	-33.01%	14.75%
Over-/undervaluation compared to net asset value IFRS	-8.48%	-25.07%	31.01%

LETTER TO THE SHAREHOLDERS

LETTER TO THE SHAREHOLDERS



> "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."

Paul Borghgraef
Chairman of the board of Directors

Jan De Nys
Managing Director

Dear shareholders,

The past financial year was overshadowed by the COVID-19 epidemic, which has been plaguing the world since early March 2020. Belgium and the Netherlands were not spared from repeated compulsory shop closures within the context of the lockdown measures imposed by the authorities. Almost all our retail units in both countries were closed for three months in total. During the other nine months, consumer behaviour drastically changed due to the fear of contamination, which pushed consumers to out-of-town shops, to the detriment of shops located in city centres and shopping malls. In addition, foreign travel was not allowed and social life was reduced to a minimum. Forced by these circumstances, families focused on their homes and gardens leading to an unprecedented explosion of sales in the home decoration sector. The different retail segments represented in our portfolio were impacted to different extents. The fashion sector (clothing and shoes) was hit the hardest, with a disruption of all seasons and a decline in sales due to telework and the restrictions on social life, which limited people's motivation to buy anything else than casual clothing. This segment represents less than 20 per cent of our retail area. The other segments, like home decoration (over 55 per cent of our retail area) and the food & commodity shops did well, very well even. It is therefore no surprise that sales in these retail units recovered quickly after the reopening. Ironically, we can speak of a "corona bonus" for over 75 per cent of the retail units in our portfolio.

Retail Estates is now reaping the rewards of its decision to focus on an out-of-town retail portfolio mainly consisting of large-scale home decoration stores. Thanks to the strength of our choices and unprecedented efforts made by our staff, we have been able to significantly limit the damage compared to other retail property investors. In accordance with its policy, Retail Estates significantly reduced the rental charge of many tenants during the periods of compulsory closure. The challenge that was the discussion about the rent for these periods of closure was overcome successfully on two occasions without any major intervention of the courts, with diversified solutions depending on the respective retail segments and the financial capacity of the different tenants. Outside the periods of compulsory closure, no rent reductions were granted and no revisions of the rent were accepted. On top of these efforts as regards income, significant savings were made wherever possible, save on personnel costs. As a matter of fact, we feel that the mutual loyalty between employers and employees needs to be fostered during these difficult times. Ultimately, during the COVID-19 crisis in the past financial year, we suffered a loss of income of € 11.55 million compared to our pre-corona budget (10.18 %) and cut costs for a total of € 3.43 million. The result of these two factors is a decline of the EPRA earnings per share by € 0.63 compared to the previous financial year. Considering the fact that we have experienced the most serious crisis in retail trade in the past 75 years, we feel that this result is worse than we had hoped but better than we had feared.

The investment value of our real estate portfolio (at constant perimeter) has remained stable compared to the value on 31 March 2020. The same cannot be said of the fair value, as the real estate experts fully took into account the 2% increase of the rate of the Dutch real estate transfer tax on the Dutch portfolio. This stability is inextricably linked to the relative success of out-of-town retail properties during this past period. As already stated above, the majority of our tenants have weathered the storm fairly well and sales and payments of rent recovered quickly after the periods of compulsory closure. Furthermore, rent renewals and new rentals continued to go well. This way, the threatening vacancy of the almost 50 retail properties that became available due to the bankruptcy of two major tenants, Brantano (FNG) and Orchestra, was avoided for the most part without rental price reductions. All this is reflected in stable valuations.

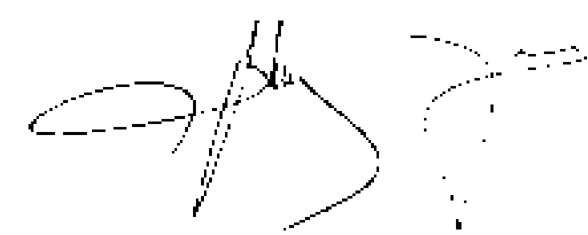
The real estate investments were continued with the acquisition of two retail parks in the Netherlands (Den Bosch and Maastricht) in the first quarter of the financial year and the completion of a newly constructed retail park in Belgium (IKEA Liège-Hognoul site) and the approaching completion of a "big box" BricoPlanit in Namur. The investments represent a growth of the portfolio by € 111.25 million. The amortisation of the transfer tax on the purchase of the Dutch retail parks (consequence of the Dutch method for the calculation of the fair value of these investments) was compensated by the considerable added value of € 10.32 million resulting from owns developments. A total of € 20.71 million was invested in own developments.

Special efforts were also made with respect to the management of the real estate portfolio through the sale of immovable property for a total net sales price of € 43.79 million. Thanks to these investments, resources were released for not only the financing of the above-mentioned new construction projects in Belgium but also for the drastic reorganisation of two retail parks in the Netherlands, more specifically in Roosendaal and in Apeldoorn. The sale of immovable property created an added value of € 0.83 million. In a financial year in which capital increases were not possible due to the volatility of the financial markets, Retail Estates has managed to avoid an increase in the debt ratio, which would have resulted from its investment projects, thanks to arbitration within the real estate portfolio.

These past few years, the dividend policy has in fact been a payment policy that left an important part of the profit in the company as a buffer while still observing the legal obligation to pay out 80% of the profit, through the payout of a maximum of 85% and the growth of the dividend to make it inflation resistant. We suggest to the general meeting to pay a gross dividend of € 4.50 from the EPRA profit per share of € 4.97 for the past financial year, an increase of 2.27% compared to the previous financial year, when a gross dividend of € 4.40 was paid. This way, the dividend will remain protected against inflation even in difficult circumstances and the payment rate of 87,17% is still reasonable for the sector in this exceptional accounting year.

We hope we will be able to continue to rely on your loyalty as our shareholder in the new financial year. You as well of our team of 36 employees can count on the unconditional dedication of the management to overcome the corona crisis.

Keep calm and carry on.



Paul Borghgraef
Chairman of the board of Directors

Jan De Nys
Managing Director

MANAGEMENT REPORT

MANAGEMENT REPORT

REPORTING ON FINANCIAL YEAR 2020-2021

CORPORATE GOVERNANCE STATEMENT

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 87.07% 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 2021, Retail Estates nv has 992 premises in its portfolio with a total retail area of 1,153,448 m². The occupancy rate of these buildings measured in rented square metres is 97.07%.

On 31 March 2021, the fair value of the real estate portfolio of Retail Estates nv and its subsidiaries is estimated by the independent real estate experts at € 1,717.25 million (value excluding transaction costs) and the investment value at € 1,789.40 million (value including transaction costs).

Retail Estates nv has invested a total of € 15.56 million in "Distri-Land" real estate certificates. It currently holds 87.01% of the issued "Distri-Land" real estate certificates. The issuer of these real estate certificates owns 10 retail properties with a fair value of € 19.32 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 central and southern parts 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 11 June 2021, six 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.retailestates.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 € 63.81 on 31 March 2021. This represents an increase by 0.87% (€ 63.26 over the previous year). On 31 March 2021, the stock market price of the share was € 58.40, representing a discount of 8.48%.

The EPRA NTA (net tangible asset) amounts to € 65.53, compared to € 65.27 in the previous year. This increase is mainly explained by the inclusion of the result of the financial year. Compared to the previous financial year, the number of shares of Retail Estates nv increased by 35,349. In other words, there is no dilution of the NAV per share.

4. SIGNIFICANT EVENTS IN THE FINANCIAL YEAR

INVESTMENTS – RETAIL PARKS

ACQUISITION OF RETAIL PARK "DE BOSSCHE BOULEVARD" (THE NETHERLANDS, PROVINCE OF NORTH BRABANT)

On 7 April 2020 Retail Estates acquired the retail park "De Bossche Boulevard", situated in 's-Hertogenbosch (the Netherlands – province of North Brabant). This retail park has a surface area of approximately 50,000 m² and has a strong regional appeal in an area of 960,000 inhabitants living a 20 minutes' drive or less away. The city of Den Bosch itself has 154,000 inhabitants, accounting for the largest group of customers. The customer zone is located in the centre of the Breda-Utrecht-Eindhoven triangle. Together with the Randstad region and the province of Limburg, this is the area where Retail Estates concentrates its investments on account of the strong purchasing power present in the region and its economic performance.

De Bossche Boulevard comprises 29 retail units, all of which are let, mainly to retail chains like Praxis, Mediamarkt, Leen Bakker, Kwantum, Prenatal and X²O. It's a retail park of the latest generation, where not only large-scale retail activities are allowed, but where electric appliances, sports articles and baby items can be sold as well. The net rental income[1] amounts to € 4.53 million, which comes down to an average rent of € 93/m². This amount is below the national average and that of the other retail parks owned by Retail Estates in the Netherlands.

The amount invested is € 68.70 million and the fair value[2] calculated by the real estate expert Cushman & Wakefield amounts to € 65.42 million. This acquisition was entirely financed with the proceeds of the successful issue of a bond loan of € 75 million, which was completed by Retail Estates in late December 2019.

1 The net rental price is calculated by deducting the Dutch equivalent of the property tax and the polder taxes from the contractual rental price so as to arrive at a rental price that is comparable with Belgian rental prices.

2 In the Netherlands the fair value corresponds to the cost-to-buyer valuation (i.e. the total investment excluding 8% real estate transfer fax, notary fees and other costs of transfer). At the time of this acquisition the transfer tax in the Netherlands was still 6%.

ACQUISITION OF RETAIL PARK BELVÉDÈRE MAASTRICHT (THE NETHERLANDS, PROVINCE OF LIMBURG)

On 13 February 2020 Retail Estates entered into an agreement with a view to the purchase of the retail park Belvédère (phase 1), that was under construction in Maastricht at the time. The retail properties were completed on 1 June 2020, and Retail Estates subsequently acquired the complex. The complex consists of 7,850 m² of retail area subdivided into five retail units, which are all let to retail chains from the home decoration section (i.a. Jysk, Beter Bed, Leen Bakker, Carpet-right). Rental agreements have been entered into for a period of 10 years, with an option for 5-year extensions. The investment amounts to € 10 million (exclusive of recoverable VAT) and generates a rental income of € 0.66 million. The real estate expert Cushman & Wakefield set the fair value at € 9.97 million.

Maastricht is the capital of the Dutch province of Limburg and is known in the retail sector as one of the best shopping areas in the Netherlands. Its historic city centre attracts customers from beyond the Dutch borders. The city itself has approximately 121,000 inhabitants and is situated in a prosperous region, extending from Amsterdam over the Randstad region to the Southern Netherlands, where Retail Estates concentrates its investments.

The construction of the Belvédère retail park is part of the Belvédère urban development plan, within the context of which the city of Maastricht aims at the reconversion of derelict industrial estates with a surface area of approximately 300 ha. This development plan previously led to the conversion of a major industrial heritage site, the Sphinx factory, into a new city district that also accommodates retail trade in the form of a branch of Loods 55, a large-scale home decoration store. Conversely, the Belvédère retail park was constructed at a new business site that was created after the demolition of industrial buildings. The city of Maastricht is one of the last Dutch cities to grant permits for a retail park destined for large-scale retail trade. Retail Estates considers this acquisition to be a windfall.

ACQUISITION OF RETAIL PROPERTY AT DUIVEN (THE NETHERLANDS, PROVINCE OF GELDERLAND)

On 22 December 2020, Retail Estates acquired a retail property situated at Duiven, a suburb of Arnhem. With this acquisition, Retail Estates accesses a new region. The ground floor of the property is approximately 3,000 m² and is entirely let to Leen Bakker, a retail chain specialised in home decoration articles. The annual rent amounts to € 273,254. The property is situated in a "big boxes retail area", which has a strong regional appeal in the Arnhem region. The area's crowd pullers are Ikea, Hornbach, Praxis, Makro and Mediamarkt which, combined with a large number of specialty shops, makes for an extraordinarily attractive mix of retailers for the Netherlands. The acquisition represents a € 4.5 million investment and is still subject to a price adjustment formula which, depending on the outcome of the current price adjustment procedure, may represent an additional investment for Retail Estates of maximally € 0.57 million. The real estate expert CBRE estimated the fair value of the acquired property at € 4.93 million on the basis of their estimate of the new rent that would be payable as from December 2021 depending of the expected outcome of the current price adjustment procedure.

NON-CURRENT ASSETS UNDER CONSTRUCTION

On 31 March 2021 the total amount of the non-current assets under construction is € 41.84 million. We distinguish four 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. Furthermore, there are prospective projects, projects under predevelopment and projects under development.

On 31 March 2021, the speculative land positions accounted for € 7.77 million, the prospective projects amounted to € 9.25 million, the projects under predevelopment represented € 1.19 million and the projects under development represented € 23.62 million. The project under construction in Jambes was valued by the real estate expert, as it has not yet reached the final completion phase, but the construction has been completed and the fair value can be determined in a reliable manner.

A. NON-CURRENT ASSETS UNDER CONSTRUCTION - PROSPECTION: OVERVIEW OF THE MAIN PROJECTS

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 an adjacent plot of land with an industrial building and an industrial site for redevelopment for a price of € 8.76 million. An EIR permit has already been obtained for this development, but an environmental permit has not yet been granted.

Deliberations with various authorities are ongoing in order to determine how the extension of the retail park can be realised within the limits of the Spatial Implementation Plan, according to which a permit is needed for retail properties destined for large-scale retail. 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. Completion of this project is expected 12 months after the permit is obtained.

B. NON-CURRENT ASSETS UNDER CONSTRUCTION – PREDEVELOPMENT - OVERVIEW OF THE MAIN PROJECTS

In Halle, the existing retail area will be extended. The additional investment is expected to amount to approximately € 1.36 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. The contractually agreed minimum advance sale of the apartment has not yet been achieved. Completion is expected by early 2022.

In Gilly, one of the existing retail units will be reduced in size, so that an additional unit will be created. The expected investment will be € 0.26 million.

For the retail park in Heerlen (the Netherlands) the permit for the modernisation of the entire façade has been received. The consent of the tenants still needs to be obtained. The additional investment is expected to amount to approximately € 3.83 million. Completion is expected at the latest one year after the consent of the tenants has been obtained.

Finally, a number of smaller projects are still ongoing, for which the investment is expected to amount to € 0.43 million in the course of the new financial year.

C. NON-CURRENT ASSETS UNDER CONSTRUCTION – DEVELOPMENT – OVERVIEW OF THE MAIN OWN DEVELOPMENTS

The company is in the final phase of the extension of its retail cluster at Jambes (Namur-Sud). It concerns a forward-financing operation, which will have the legal form of a real estate leasing. The extension concerns the construction of a new building on the one hand and the renovation of an existing building on the other hand, resulting in a total retail area of 15,905 m². The building is constructed to suit Brico Planit, but will at the same time be a multifunctional area offering different possibilities. The total investment was contractually limited to € 17.95 million. The investment was made according to the "open book" principle, with a yield of 6.50% determined in advance. Construction was started in September 2019 and the building was made available to the tenant in March 2021. The project was valued on 31 March 2021. An added value of € 2.83 million was created compared to the cost.

In Bruges an obsolete retail property was demolished and reconstructed to be let to X²0. The total investment is estimated at € 1.1 million; on 31 March 2021, an amount of € 0.13 million has been invested.

Within the context of the CSR strategy, Retail Estates invests in the installation of photovoltaic panels on the roof of its new retail park in Hognoul. Solar panels with a total capacity of 368 kWp are installed. The panels are expected to generate over 340 Mwh of green electricity on an annual basis. This € 0.30 million investment will also have a positive impact on the tenants' operational expenses. They will be able to cover their entire energy consumption with the green power generated from this installation. Retail Estates will receive an annual compensation in exchange for making the photovoltaic system available to the tenants. The completion of this solar panel installation is expected in the first quarter of the accounting year 2021-2022.

Finally, the company is investing in the restyling of its retail park at Roosendaal. The permits for this renovation were obtained and the commercialisation has been started. The total investment is expected to amount to approximately € 4.44 million. The project consists of 3 phases. Phases 1 and 2 have been completed. On 31 March 2021, the total investment made amounts to € 3.87 million.

Other projects: this concerns various smaller projects and extensions. The expected additional investment for these projects amounts to approximately € 0.86 million.

D. COMPLETION OF NON-CURRENT ASSETS UNDER CONSTRUCTION

A completely new retail park was constructed next to the existing IKEA store of Hognoul (Liège). The park was completed in March 2021 and comprises four retail units, for a total retail area of 5,672 m². The total investment amounts to € 10.21 million. On 31 March 2021, a total of € 3.15 million must still be invoiced. An added value of € 3.14 million was created compared to the estimated fair value, which was € 13.35 million on 31 March 2021.

Furthermore, the company is investing in the renovation of its retail park at Apeldoorn. The retail area is redivided and the façades are renovated. The permit for this renovation has been received. The total investment is expected to amount to approximately € 1.39 million. On 31 March, a total of € 1.13 million had already been invoiced. The building was completed in late March 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. Available lands are made profitable in this manner and revenue growth allows the tenant to pay the rent increase.

DIVESTMENTS

Over the past financial year, 7 solitary retail properties (in Ninove, Aywaille, Stabroek, Fléron, Deinze, Mechelen and Drogenbos), 2 smaller clusters (Libramont and Chapelle-lez Herlaimont), a plot of land in Mons and the retail park in Alphen aan den Rijn were sold. The logistics centre in Erembodegem (ex-Brantano) was also sold (fair value of € 10.37 million). The net sales revenue amounted to € 43.79 million. The fair value of these properties was € 42.96 million. The rental income of these properties amounted to € 2.10 million. These sales resulted in a net added value of € 0.83 million (an added value of € 2.90 million was created, and losses in value by € 2,07 million were incurred).

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

Acquisitions and own developments in the financial year 2020-2021, less divestments, resulted in an increase of the real estate portfolio by € 55.49 million. The total rental income increased by € 5.40 million in the financial year 2020-2021 as a result of these investments, but decreased by € -0.58 million in the past financial year as a result of the divestments. If the acquisitions and sales had taken place on 1 April 2020, the rental income would have increased by € 3.55 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 2019-2020 financial year, please refer to pages 43 – 47 of the 2019-2020 Annual Financial Report.

For a description of the main investments in the 2018-2019 financial year, please refer to pages 38 – 42 of the 2018-2019 Annual Financial Report.

MANAGEMENT OF THE REAL ESTATE PORTFOLIO

OCCUPANCY RATE

On 31 March 2021, the occupancy rate was 97.07% of the total retail area of the properties included in the real estate portfolio. This percentage is lower than the usual rate of the previous 22 financial years, when it was never less than 98%. The increased vacancy is mainly attributable to the bankruptcy of three major retail chains (Blokker, Brantano and Orchestra), the bankruptcy of three SMEs and the reorganisation of 4 retail chains within the context of a procedure within the scope of the Act on the Continuity of Enterprises. If abstraction is made of the vacancies created by bankruptcies and reorganisations, the occupancy rate would be 98.23%. This concerns 16 retail properties with a total retail area of 13,268 m².

Generally, the properties that have become vacant due to bankruptcies and reorganisations can be relet in 6 to 9 months' time. However, the corona epidemic has disrupted the operations of various local public services, causing the period required to obtain the permit changes necessary for some properties to be relet to be considerably longer. On 31 March 2021, 16 retail properties with a total surface area of 13,268 m², which became available following a bankruptcy, are still vacant. Six of them are the subject of ongoing rental transactions that are expected to be completed before 30 June. In addition, 9 retail units that have become vacant as a result of bankruptcies/reorganisations are available for letting. Finally, three retail units, one of which is vacant as a result of a bankruptcy, are transformed in order to make them suitable for reletting under better conditions. A limited number of vacant retail units resulting from the three major bankruptcies are still available for letting: 5 retail units out of the original 9 for Blokker, 1 retail unit out of the original 27 for Brantano and 1 retail unit for Orchestra.

The demand of tenants from the out-of-town retail sector remains high. Only the demand of fashion retailers, which was still stable after the first lock-down period in Belgium, has significantly declined. As a result of the disappearance of a number of players, many retail businesses now have a unique opportunity to open an outlet at locations where no retail areas were available. This demand boosts rent levels.

RENTAL INCOME

On 31 March 2021, the net rental income amounts to € 100.40 million, a decline by € 7.21 million compared to the same period of the last financial year. This decrease is mainly attributable to the impact of the corona crisis, with was partly compensated by additional rental income from new investments in the past and current financial year.

On 8 July 2020, the judicial reorganisation proceedings were started with regard to the retail activities of the FNG group. The Belgian companies of the FNG group were declared bankrupt on 3 August 2020. On the date on which bankruptcy was declared, Brantano and its affiliates were the tenants of 27 retail units, representing a total rental income of € 3.2 million.

Today, two retail properties must still be repurposed. The majority of the retail outlets (18) has been transferred to different players in the fashion segment.

The other retail properties were relet to players in the home decoration segment.

On 30 November 2020, the keys of the distribution centre in Erembodegem were returned by the trustees in bankruptcy of the FNG group, severing all ties between Retail Estates and Brantano as from the same date.

On 31 March 2021, a sales agreement was signed with respect to the distribution centre.

NV Orchestra-Prémaman Belgium was declared bankrupt on 8 July 2020 after a lengthy procedure within the scope of the Act on the Continuity of Enterprises, which enabled the relaunch of a small number of shops and the liquidation of the inventory. Only one retail unit from the portfolio of Retail Estates is involved in the relaunch. Seven retail units were put at the disposal of Retail Estates again by the trustee in bankruptcy. At present, one retail unit is still available for letting. New tenants were found for the other retail properties. The loss of income for the period of 1 April to 31 July 2020 amounts to € 0.20 million as a result of the depletion of the bank guarantees.

The intended relaunch of the Belgian Blokker affiliates under the new trade name Megaworld was not successful. The stocks of the retail units were sold until August 2020, but starting in September 2020, the operational companies Megaworld nv (i.e. the former Blokker Belgium nv) and Piocheur nv experienced serious problems and a procedure within the scope of the Act on the Continuity of Companies was started for these companies. This procedure was completed unsuccessfully and was followed by the bankruptcy of both companies on 22 December 2020 (nv Megaworld) and 25 January 2021 (nv Piocheur) respectively. The trustees in bankruptcy put the retail units at the disposal of the lessors in the period of January-February 2021 and have not been able to sell the businesses to prospective buyers. Retail Estates recovered 9 retail properties, representing a retail area of 6,422 m² and a rental income of € 0.75 million. Reletting these properties takes more time than reletting the properties previously rented by Brantano and Orchestra, due to the bad condition of the premises when they were returned. Expectations are that they can be relet in the course of this financial year. The loss of income with respect to these properties for the past financial year is € 0.17 million and the costs to restore them to their original state amount to € 0.13 million. The former dominant shareholder of the bankrupt companies, BV Mirage Retail Group, stands surety for the payment of a compensation for a large part of the damage within the context of existing group guarantees.

Outstanding trade receivables amount to € 5.74 million, of which € 2.92 million have not yet reached their maturity date and mainly relate to pre-invoiced rent in the Netherlands. An amount of € 0.13 million relates to the revolving fund and the reserve fund. Taking into account the guarantees obtained – both rental guarantees and the requested bank guarantees – and the provisions created for potential financial agreements with Dutch tenants with respect to the remission of part of the rent for the periods of compulsory closure – there is no remainig credit risk concerning trade receivableson 31 March 2021 (after deducting doubtful debtors).

DAMAGE CLAIMS

No properties were damaged by fire in the past financial year. There have been a few reports of damage due to wind or flooding. The insurance company paid a compensation. Unfortunately, vandalism is a recurring problem for retail units located at the outskirts of large urban agglomerations.

CAPITAL INCREASES IN THE CONTEXT OF THE AUTHORISED CAPITAL

At its meeting of 20 July 2020, the board of directors of Retail Estates decided to pay a dividend for financial year 2019-2020 in the form of an optional dividend with a gross value of € 4.40 (€ 3.08 net). A total of only 5.60% of the coupons no 28 were incorporated in exchange for new shares. As a result 35,349 new shares were issued on 20 August 2020, for a total amount of € 2.18 million. Following this capital increase, 35,349 shares were issued, increasing the total number of shares to 12,665,763 and the share capital to € 284,984,601.97 on 31 March 2021.

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 3.95 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 2021, an amount of € 82 million of this commercial paper programme has been used.

The average interest rate on 31 March 2021 is 2.08% compared to 2.13% on 31 March 2020.

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). At the extraordinary general meeting of 23 December 2019, the authorised capital authorisation was extended and the articles of association were adjusted to make the application of the accelerated bookbuilding procedure possible for Retail Estates nv.

On the debt financing side, this can be done through tradition 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. In the course of the past financial year, two private bond loans were issued: on 9 December 2020, a bond loan of € 30 million with a maturity of 5 years. This loan has a 1.99% interest rate. The proceeds are used for the repayment of a bond loan that was issued earlier and reached its maturity date in April 2021. On 26 March 2021, a bond loan of € 16 million with a maturity of 8 years and an interest rate of 2.897% was issued.

For more information with regard to the financing, please refer to note 34 et seq. to this annual report.

MERGER BY ACQUISITION OF SUBSIDIARIES

The board of directors proceeded on 30 December 2020 to the merger by acquisition of the real estate company NS Properties nv.

Mergers of subsidiaries simplify administrative management and reduce the taxable income of the subsidiaries of Retail Estates nv.

EVENTS AFTER THE BALANCE SHEET DATE

INCORPORATION OF REGREEN

On 22 April 2021 Retail Estates incorporated the subsidiary "**Regreen**", mainly for concentratingr its investments in photovoltaic systems and possibly other sustainable investments like charging stations and water infiltration basins.

5. COMMENTS ON THE CONSOLIDATED ACCOUNTS FOR FINANCIAL YEAR 2020-2021

BALANCE SHEET

The investment properties (including non-current assets under construction) increased from € 1,661.75 million to € 1,717.25 million. This can mainly be explained by the expansion of the portfolio by € 110.60 million and the sale of investment properties for an amount of € 24.21 million. The fixed assets held for sale increased from € 1.79 million to € 7.93 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 € 25.58 million were added to the assets held for sale in the 2020-2021 financial year, and assets worth € 17.47 million were sold or incorporated into the investment properties.

Current assets amount to € 34.33 million and consist of € 7.93 million from assets held for sale, € 6.84 million from trade receivables, € 13.33 million from tax receivables and other current assets, € 3.68 million from cash and cash equivalents and € 2.56 million from accrued charges and deferred income.

The shareholders' equity of the public BE-REIT amounts to € 808.22 million. On 31 March 2021, the share capital amounts to € 284.98 million, an increase by € 0.80 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 € 276.53 million. During the 2020-2021 financial year, 35,649 new shares were created. Issue premiums also increased from € 315.41 million to € 316.79 million for the same reasons. Reserves amount to € 153.47 million and consist of the reserve for the variations in the fair value of real estate properties (€ 144.36 million), the result of previous financial years carried forward (€ 77.67 million), the available reserves (€ 16.90 million) and the legal reserves (€ 0.08 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 (€ 57.19 million) and by the variations in the fair value of financial assets and liabilities (€ 28.35 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 € 3.74 million as at 31 March 2021 and is positive as a result of an increase in the long-term interest rate.

The net result of the financial year amounts to € 61.44 million and consists of € 62.91 million from EPRA earnings, € - 4.15 million from the result on portfolio and € 2,67 million from variations in the fair value of financial assets and liabilities.

The long-term liabilities amount to € 790.33 million and consist of € 765.12 million long-term financial liabilities with an average term of 3.95 years. The remaining long-term liabilities pertain to authorised cash flow hedges (interest rate swaps) and financial leasings under IFRS 16.

The short-term liabilities amount to € 164.45 million and consist of € 24.35 million of trade debts and other short-term liabilities. These mainly comprise the trade debts amounting to € 0.66 million, tax debts estimated at € 6.02 million, invoices receivable for € 16.29 million and exit taxes amounting to € 0.40 million. The short-term financial liabilities amount to € 129.68 million, of which € 82.00 million in commercial papers.

Other short-term liabilities have decreased from € 0.81 million to € 0.71 million.

On 31 March 2021, the weighted average interest rate is 2.08%.

The consolidated balance sheet is contained in the chapter "Consolidated balance sheet" of the Financial Report (p. 152 et seq.).

INCOME STATEMENT

The net rental income decreased by € 7.21 million, mainly due to the remission of rent following the compulsory closures of shops within the context of the COVID-19 pandemic. The remission of rent for a total amount of € 11.55 million in the 2020-2021 financial year could be partly compensated by the acquisition of additional properties and the completion of projects in the 2020-2021 financial year (€ + 5.40 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 (€ 2.18 million). The sale of properties resulted in a decrease in net rental income of € -0.58 million. The sale of properties during the previous financial year resulted in a decrease in this year's net rental income by € -0.30 million. The impact of contract renewals is € +0.28 million. Furthermore, there is an impact of discounts (€+0.30 million), vacancy (€ - 2.12 million) other factors (€ -0.22 million) and indexation (€ 1.30 million). Finally, € 2.15 million was provisioned as uncollectible. COVID-19 has pushed three large tenants in Belgium, already in a weakened financial position and with weak management, into accelerated bankruptcy, namely NV Brantano, NV Orchestra Belgium and NV Piocheur / Megaworld (ex Blokker).

The property expenses amount to € 6.88 million and have decreased by € 2.17 million, which can mainly be explained by the reduction of technical and marketing expenses. The company's overhead expenses amount to € 6.12 million, an increase by € 0.53 million (9.49%) compared to the previous year, mainly due to an increase in personnel expenses following the expansion of staff and non-recurring fees within the context of the implementation of a new ERP package.

The result of the sale of investment properties is € 0.83 million. This profit is the result of the sale of € 42.96 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 € -5.96 million. The investment value of the real estate portfolio has remained stable. The main effects of this variation are a positive effect due to the inclusion in the portfolio of a number of large projects that were developed for own account (€ +10.32 million) and a negative effect from depreciation of the transaction costs for the determination of the fair value of the investment properties: this depreciation relates to the depreciation of the transaction costs on the occasion of the new Dutch acquisitions (€ -6.12 million) on the one hand and to the impact of the 2% increase of the transfer tax in the Netherlands (€ -9.04 million). The other portfolio result amounts to € 0.99 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 € -20.43 million compared to € -19.31 million last year. The decrease in the weighted average interest rate from 2.13% to 2.08% is offset by the increase of the interest charges due to on average higher loans taken to finance further expansion of the portfolio. The variation in the fair value of financial assets and liabilities amounts to € 2.67 million compared to € -6.22 million last year. The evolution in 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 € 62.91 million compared to € 69.20 million last year.

The consolidated income statement is contained in the chapter "Consolidated income statement" of the Financial Report (p. 150 et seq.).

OUTLOOK FOR THE 2021-2022 FINANCIAL YEAR

For the 2021-2022 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 € 113.99 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. Retail Estates nv aims at a gross dividend of € 4.60 (€ 3.22 net) for the financial year 2021-2022. This would represent an increase by 2.22% compared to the dividend for the financial year 2020-2021 (€ 4.50 gross).

APPROPRIATION OF THE RESULTS

The board of directors will propose to the shareholders' meeting, to be held on 19 July 2021, a gross dividend for the financial year 2020-2021 (which began on 1 April 2020 and ended on 31 March 2021) in the amount of € 4.50 (or € 3.15 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 2020-2021.

(000) EUR	2020-2021
Result of the year	60 986
Reserve for the positive/negative balance of changes in the fair value of real estate properties	-137
Reserve of estimated transfer rights and costs resulting from the hypothetical disposal of investment properties	695
Changes in fair value of financial assets and liabilities	1 564
Profit to be appropriated for the financial year	63 108
Profit carried forward from the previous financial year (IFRS)	81 442
Transfer of carried forward results from previous financial years (- / +)	-262
Other	-85
Payment of dividend 31 March 2021	-56 996
Result to be carried forward	87 206

Chapters 8 to 11 of the financial report of this annual 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.retailestates.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 2019-2020 financial year we refer to p. 51 et seq. of the 2019-2020 Annual Financial Report.

For more information about the consolidated financial statements for the 2018-2019 financial year we refer to p. 46 et seq. of the 2018-2019 Annual Financial Report.

"Within the context of the CSR strategy, Retail Estates invests in the installation of photovoltaic panels on the roof of its new retail park in Hognoul."

6. CORPORATE GOVERNANCE STATEMENT

CORPORATE GOVERNANCE CODE (2020 VERSION)

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.corporategovernancecommittee.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 old Belgian Companies Code is still applicable to Retail Estates during the 2020-2021 financial year and will remain applicable until Retail Estates will have adjusted their articles of association, including the governance, to the new Belgian Code of Companies and Associations ("CCA"). However, the mandatory provisions of the CCA that are applicable to public limited companies under Belgian law (NV) have been applicable since 1 January 2020.

On the date of this annual report, Retail Estates complies with the 2020 Corporate Governance Code, although Retail Estates nv has not yet adjusted their articles of association (including the governance) to the CCA, and with the exception of the following provisions:

DEROGATION FROM PROVISION 5.6

The recommended four-year mandate for directors is considered too short given the complexity of the type of property in which Retail Estates nv specialises. The mandates of most directors currently have a term of 6 years, expiring on the date of the 2021 annual meeting. At the next annual meeting, to be held on July 19, 2021, a proposal will be made to shareholders to appoint the new directors for a term of 4 years instead of 6 years.

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 and its mode of operation already meet the objective of provision 7.6 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 nv 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 nv 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.

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 31.03.2021[2]	Pro forma % at 11.06.2021[3]
Leasinvest Real Estate	10.03%	10.42%	10.42%
FPIM nv (Belfius Insurance)	9.76%	7.53%	7.53%
KBC Groep nv	3.01%	2.71%	2.71%
AXA nv	6.05%	6.03%	6.03%
Federale Verzekering	4.96%	3.02%	3.02%
BlackRock, Inc.	3.55%	3.54%	3.54%
Publiek	62.64%	66.75%	66.75%

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 31.03.2021 (12.665.763 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 11.06.2021 12,665,763 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.retailestates.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 (half-yearly for the audit committee) question and discussion sessions with the CEO and CFO 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.

An ERP system tracks all aspects of the real estate business (overview of lease agreements, rent calls, settlement of costs, payment monitoring, etc.). This software system is linked to the accounting software.

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, 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) and the Act of 2 August 2002 on the supervision of the financial sector and on financial services. 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.retailestates.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 of all transactions in financial instruments of the company to the compliance officer; and
- the disclosure of each transaction.

Conflicts of interest and incompatibility of mandates
Reference is made to the passage under 'Handling conflicts of interest' under chapter 7 of 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 for personnel to use or reveal any confidential information they acquire during the course of their duties for improper purposes.

Political activities
In pursing 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 Eeckt, chief legal counsel 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 2021 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 VMB, represented by Mr Luc Martens. The internal audit function, which is thus outsourced to an external legal person 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 BOARD OF DIRECTORS

On the date of this report, the board of directors of Retail Estates nv consists of 12 directors: 10 non-executive directors and 2 executive directors, i.e. the managing director (CEO) and the chief financial officer (CFO).

The Board of Directors has set up three committees: a remuneration and nomination committee, an audit committee and a management committee.

The Board of Directors met nine times in 2020-2021. A number of meetings were held by conference call or in the office of notary public Tim Carnewal. The remuneration and nomination committee and the audit committee met twice. The management committee meets on a weekly basis.

In spite of the provisions of the 2020 Corporate Governance Code, which prescribes a four-year term for management mandates, all mandates of the directors of Retail Estates NV were extended for a new six-year term (until the end of the 2021 shareholders' meeting) during the annual shareholders' meeting of 1 July 2016. Directors whose mandate took effect after the annual meeting of 1 July 2016 were also appointed for a term expiring upon the closure of the 2021 annual meeting.[3] 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 Code of Companies and the Belgian 2020 Corporate Governance Code; these independent directors were reappointed during the annual shareholders' meeting of 1 July 2016, the extraordinary shareholders' meeting of 6 January 2016 and the extraordinary shareholders' meeting of 4 April 2017; and
- the Board of Directors has a majority of non-executive directors.

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

The independent directors also 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 or acting in concert, any shares representing in total one tenth or more of the

3 The extraordinary shareholders' meeting of 4 April 2017 approved the appointment of (i) Ms Ann Gaeremynck as an independent director within the meaning of article 526ter of the Belgian Code of Companies; and (ii) Mr Victor Ragoen as a non-executive director, in both cases until the end of the 2021 shareholders' meeting. Michel Van Geyte (CEO Leasinvest) was co-opted on 17 May 2019 and is a member of the board of directors as of 18 May 2019. He replaces Jean-Louis Appelmans, who resigned on 17 May 2019. Stijn Elebaut replaces Mr Rudy De Smedt in the board of directors as of 24 April 2019. Mr De Smedt resigned on 31 May 2018.

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 or 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 or 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.

The composition of the board of directors intends to ensure that the decisions taken are in the interest of the company. The composition of 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 businesses in the type of property in which Retail Estates nv invests and/or have experience in the financial aspects of the management of a listed company and of a BE-REIT in particular. Consequently, it is pivotal that members of the board of directors are complementary in terms of knowledge and experience. To enable the board of directors to operate efficiently, the intent is to limit the number of board members to 12. 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 four women and eight men, which is in line with article 7:86 of the Belgian Code of Companies and Associations.

On the date of this 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	01.07.2016	2021 shareholders' meeting	Gauwberg 6, 2970 Schilde
Jan De Nys	Managing director Chairman of the management committee	01.07.2016	2021 shareholders' meeting	Industrielaan 6, 1740 Ternat
Kara De Smet	Chief Financial Officer Member of the management committee	06.01.2016	2021 shareholders' meeting	Industrielaan 6, 1740 Ternat
René Annaert	Independent director Chairman of the remuneration and nomination committee Member of the audit committee	01.07.2016	2021 shareholders' meeting	Mercatorlaan 4, 1780 Wemmel
Michel Van Geyte[4]	Non-executive director	17.05.2019	2021 shareholders' meeting	Schermersstraat 42, 2000 Antwerp
Stijn Elebaut[5]	Non-executive director	24.04.2019	2021 shareholders' meeting	Stoofstraat 12, 1000 Brussel
Christophe Demain	Non-executive director	01.07.2016	2021 shareholders' meeting	Galiléelaan 5, 1210 Brussels
Ann Gaeremynck	Independent director Member of the remuneration and nomination committee Member of the audit committee	04.04.2017	2021 shareholders' meeting	Naamsestraat 69, 3000 Leuven
Victor Ragoen	Non-executive director Member of the remuneration and nomination committee	01.07.2016	2021 shareholders' meeting	Slesbroekstraat 101, 1600 Sint-Pieters Leeuw
Jean Sterbelle	Non-executive director	01.07.2016	2021 shareholders' meeting	Vieux Chemin de l'Helpe 33, 1332 Rixensart
Leen Van den Neste	Independent director Member of the remuneration and nomination committee Chairwoman of the audit committee	06.01.2016	2021 shareholders' meeting	Sint-Michielsplein 16, 9000 Ghent
Herlinda Wouters	Non-executive director	06.01.2016	2021 shareholders' meeting	

4 Michel Van Geyte (CEO Leasinvest) was co-opted on 17 May 2019 and is a member of the board of directors as of 18 May 2019. His appointment was approved at the general annual meeting of 22 July 2019. He replaces Jean-Louis Appelmans, who resigned on 17 May 2019.

5 Stijn Elebaut replaces Mr Rudy De Smedt in the board of directors as of 24 April 2019. His appointment was approved at the general annual meeting of 22 July 2019. Mr De Smedt resigned on 31 May 2018.

Four out of twelve directors represent a reference shareholder: Ms Wouters (on behalf of KBC Group), Mr Van Geyte (on behalf of Het Torentje (Leasinvest)), Mr Demain (on behalf of Belfius Group) and Mr. Elebaut (on behalf of Federale Verzekering).

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 PG58 NV
- Director of Pertinea Property Partners
- Director of Verzekeringen NV
- 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 the 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 Annaerts 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 (C.O.O.). He is now the CEO - executive director of Leasinvest Real Estate Management NV and the statutory manager of the public real estate investment trust Leasinvest Real Estate Comm.VA.

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:
- Managing director of Leasinvest Real Estate Management NV
- Managing director of Leasinvest Immo Lux SICAV-FIS SA
- Director of different real estate companies that are part of Leasinvest Real Estate
- Director of Care Property Invest OGVV
- Chairman of Alumni Vastgoed - KUL
- Director of ULI Belgium
- Director of BLSC

- **Committees:** /

Mr Stijn Elebaut

Mr Stijn Elebaut has been a director of Retail Estates since 24 April 2019. Mr Elebaut earned a licentiate degree in commercial sciences at EHSAL, followed by an MBA in Financial Management at Vlerick Management School.

In 2001 Mr Elebaut started his career in financial controlling with Toshiba TEC. Between 2004 and 2017 he held several positions at Société Générale Private Banking (previously Bank De Maertelaere), including that of buyside equity analyst and Portfolio Manager. He has been Portfolio Manager with Federale Verzekering since 2017.

Current mandates: /

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 Université Catholique de Louvain (UCL).

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.

Current mandates:
- Chief Investment Officer at Belfius Insurance NV
- Director of Belwing NV
- Director of Rekode NV
- Director of Elantis NV
- Director of Belfius Investment Partners NV
- Director of Newton Biocapital I, Pricaf Privée SA
- 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).

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)

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

Mr Jean Sterbelle

Mr Jean Sterbelle has been a director of Retail Estates since 12 April 2013.

He obtained a graduate degree in real estate and a real estate agent certificate at INFAC.

From 1989 to 1990, he served as deputy of the safety and buildings manager of Morgan Guaranty Trust Company of New York (Euroclear Operation Centre).

From 1990 to 2007, he held several real estate related positions within the Fortis group, where he became commercial manager for commercial real estate in 1996.

From 2007 to June 2014, he served as Head of Real Estate Commercial Management at AXA Belgium – Letting & Investment.

From 1 July 2014 until late October 2018, he was Head of Transactions & Letting at AXA Real Estate Investment Managers Belgium & Luxembourg NV. In this position he was responsible for letting and for real estate transactions on behalf of all AXA REIM customers/investors (purchase/sale).

He has been Head of Luxemburg with Leasinvest Real Estate since 1 July 2019 en is responsible for the operational management of the Luxembourg real estate portfolio of the BE-REIT, as well as for the implementation of the investment strategy.

Current mandates:/

Previous mandates:
- Head of Transactions Belux – AXA Real Estate Investment Managers Belgium NV
- Director of several real estate companies

- **Committees:** /

Ms Leen Van den Neste

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

Ms Leen 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 Bedrijfsrevisoren, 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 KAA Gent CVBASO
- Director of Centrale voor Huisvesting - Arrondissement Gent
- Director of CPP-Incofin
- Director of Gentco CVBA
- Director of Familiehulp VZW
- Director of Artevelde Hogeschool VZW

Committees:
- Remuneration and nomination committee
- Audit committee

Ms Herlinda Wouters

Ms Herlinda Wouters has been a director of Retail Estates since 12 January 2016.

In 1980, Ms Wouters obtained a master's degree in Applied Economic Sciences and a master's degree in Educational Sciences, in both cases at the University of Antwerp. Ms Wouters started her career at Exxon Chemicals as a business analyst. From 1983 to 1997, she worked for IndoSuez Bank Belgium, initially as Global Relationship Manager and later as a Branch Manager.

In 1998, Ms Wouters made the switch to KBC Bank, where she started working as a senior banker and became Corporate Business Development Manager later on. She worked for KBC Financial Products Ltd as Program Director from late 2009 to early 2011. She also held this position with Antwerp Diamond Bank for six months.

From July 2011 to July 2019, Ms Wouters was the General Manager of KBC Bank Nederland in Rotterdam.

Ms Wouters has been General Manager of KBC Bank France and director and "Présidente" of KBC Bail Immobilier France, with establishments in Paris and Lille, since August 2019.

Current mandates:
- General Manager of KBC Bank France, director of KBC Bail Immobilier France

Committees: /

STATEMENTS CONCERNING DIRECTORS AND MANAGEMENT COMMITTEE MEMBERS

The board of directors of Retail Estates nv hereby confirms that none of its directors and 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 a management 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 and the members of the management committee.

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.

The board of directors has set up a management committee as defined in article 524bis of the Belgian Companies Code, to which they transferred a number of managerial powers. In practice, the management committee is responsible for:

- presenting proposals to the Board of Directors as regards strategy and general policy;
- implementing the strategy outlined by the Board of Directors, including the decisions to acquire or transfer real rights on real estate or shares of real estate companies;
- the company's daily management, in consultation with the managing director, and reporting to the Board of Directors.

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. Resolutions of the board of directors may in exceptional cases be adopted by unanimous written agreement by the directors whenever the urgency of the matter and the interest of Retail Estates nv so require. In accordance with the articles of association of Retail Estates, this procedure may not be followed for the adoption of the financial statements or the appropriation of the authorised capital.

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

Under the supervision of its chairman, the board of directors shall regularly evaluate its size, composition, performance and relationships with management, shareholders and other stakeholders.

The purpose of this evaluation is to:

- appraise the functioning of the board of directors and its committees on the one hand; and
- monitor the composition of the board of directors on the other hand.

Also included is the timely provision of information prior to meetings of the board of directors.

The evaluation itself takes the form of a written questionnaire that needs to be answered individually and anonymously.

REPORT ON THE ACTIVITIES AND FUNCTIONING OF THE COMMITTEES

In order to continually improve the effectiveness of the board of directors, the board of directors shall systematically and regularly (at least every three years) evaluate its size, its composition, its performance and those of its committees as well as its interaction with the management committee.

This assessment focuses on:
- the functioning of the board of directors and its committees;
- the effective contribution of each director through their attendance at the meetings of the board of directors and the committees and their contribution to the discussions and the decision-making process.

Various committees can be established within the board of directors for specific matters.

Currently, the board of directors of Retail Estates nv has set up three committees: a remuneration and nomination committee, an audit committee and a management committee.

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
- **Vic Ragoen** – non-executive director

The committee convened once in 2020-2021 in the context of drawing up the 2021-2022 budget. The employee remuneration policy was discussed during these meetings and an inventory was made of the recurrent fees paid to external service providers.

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

- formulating recommendations on the composition of the board of directors and its committees;
- assisting in the selection, assessment and appointment of the members of the board of directors;
- assisting in determining the remuneration of the members of the board of directors;
- 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 2020-2021.

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 the statutory audit of the statutory and consolidated financial statements, and the assessment and monitoring of the independence of the statutory auditor.

Management committee
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

The duties of this management committee mainly concern the day-to-day management of Retail Estates nv and its participations, the organisation and management of support functions, the conclusion of lease agreements, the due diligence for investments and disposals, the preparation of financial statements and all operational reporting.

We refer to the charter of the management committee, which is available on the website, for information about the distribution of powers between the management committee and the board of directors and about 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 (for an indefinite period) and Ms Kara De Smet, Chief Financial Officer of Retail Estates (until the end of the 2021 annual shareholders' meeting on financial year 2020/2021). The effective managers participate in the management of Retail Estates in accordance with the Corporate Governance Charter.

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.

The company may also be validly represented by the director responsible for the day-to-day management or their special proxy, by means of a special authorisation, in case of transactions related to an item with a value that is lower than € 2.50 million[6] (including the conclusion of a leasing agreement with or without purchase option or the creation of easements).

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 not 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 of article 7:97 of the Companies and Associations Code if it, or one of its subsidiaries, takes a decision or carries out a transaction with a related party.

No conflict of interest within the meaning of the aforementioned articles occurred during the past financial year. Between the date on which the financial year was closed and the date of publication of this report, one conflict of interest occurred during the board meeting of 21 May 2021. During this board meeting, Jan De Nys and Kara De Smet, in their capacity as executive directors, did not participate in the deliberation and the vote with regard to the determination of their remuneration and their performance targets and with regard to the achievement of the performance targets within the context of the variable remuneration for the 2020-2021 financial year and regarding the determination of their remuneration and performance targets for the following financial year.

DAY-TO-DAY MANAGEMENT

The company is managed by a team of 36 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 is made up of seven persons, including four property managers and two assistants supporting this division. They are usually recruited from people who are active in the retail sector itself. They are supervised by the CEO.

The technical division consists of two senior project managers, one project manager, one development manager and an assistant under the supervision of the CIO.

6 This amount was increased to € 5 million on 1 April 2019. For amounts between € 2.5 million and € 5 million, two special proxies have to act jointly.

The Dutch team consists of a property manager, an asset manager, a technical manager and an administrative assistant. They report to the CEO and the CIO.

DIVERSITY POLICY

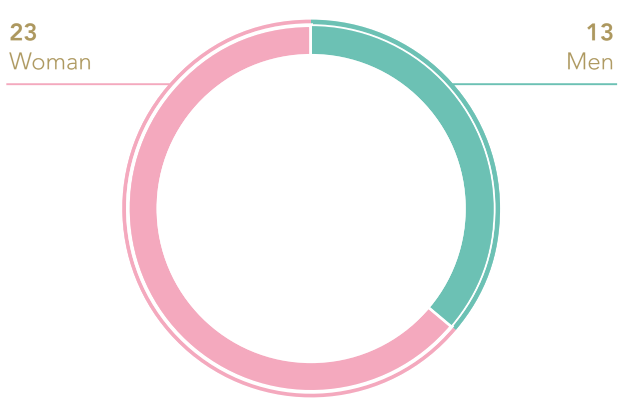
At Retail Estates the equality principle is the basis for the selection of employees. This means that all employees are selected on the basis of their competencies and skills, independent from e.g. age, gender and cultural background.

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.

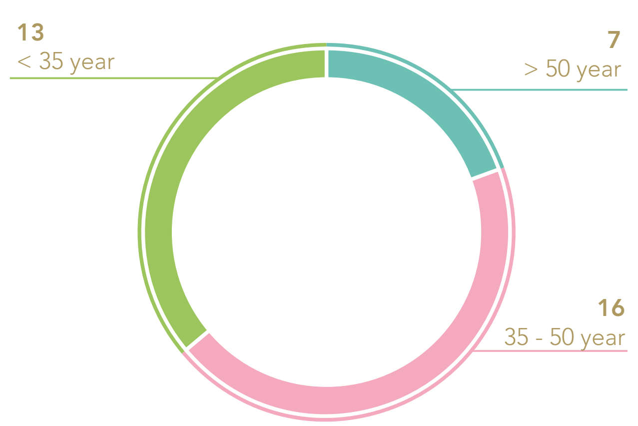
The composition of the group of employees reveals that this policy actually yields results.

The tables below represent diversity on the basis of gender and age:

DIVERSITY - GENDER



DIVERSITY - 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 four female directors. In addition, the composition of the management committee and 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 businesses in the type of property in which Retail Estates nv invests and/or have experience in the financial aspects of the management of a listed company and of a BE-REIT in particular. 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.

"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 four female directors."

REMUNERATION POLICY

I. SCOPE

Pursuant to article 7:89/1 of the Belgian Code of Companies and Associations (the "CCA") and the Belgian Corporate Governance Code 2020 ("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 committee[7].

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 is applicable as from 1 April 2021 (financial year 2021-2022) subject to its approval at the annual general meeting of the company that will be held on 19 July 2021.

Retail Estates will pay the remuneration of the directors and the members of the management committee in accordance with the approved remuneration policy. Should the general meeting not approve the remuneration policy, the company will continue to pay the remuneration in accordance with existing practices. In that case an adjusted remuneration policy will be submitted for approval to the next general meeting.

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.

7 "Management committee" refers to both the existing management committee within the meaning of article 524bis of the (old) Belgian Companies Code and an informal management committee that will replace the existing management committee (after the discontinuation of the existing management committee by an extraordinary general meeting that will bring the company's articles of association in line with the (new) Belgian Code of Companies and Associations). As soon as the existing management committee will have been dissolved on the basis of article 524bis of the (old) Belgian Companies Code, the members of this committee will be remunerated in the capacity of members of the informal management committee. The remuneration policy applicable to the members of the (old) management committee will be applicable mutatis mutandis to the members of the (new) informal management committee.

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.

III. REMUNERATION POLICY FOR THE NON-EXECUTIVE MEMBERS OF THE BOARD OF DIRECTORS[8]

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 companies[9] (article 35, §1 of the BE-REIT Act).

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 receive 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 mandate 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 these mandates 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 6 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.

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

9 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."*

IV. REMUNERATION POLICY FOR THE CEO AND THE OTHER MEMBERS OF THE MANAGEMENT COMMITTEE[10]

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 extent to which the annual targets are met 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 chairperson of the board of directors (if it concerns the performance of the CEO) or the CEO in consultation with the chairperson 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 renumeration 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.

10 See footnote 7.

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 based 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 7.6 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 hold the **mandate of (managing) director in 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 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 based 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 and 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 companies[11] (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 **short-term variable remuneration** (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 operating 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 reached are determined by the board of directors based 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 short-term variable remuneration 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.

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 benefits from 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 combined 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 recover all or part of the

11 See footnote 9.

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 based 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 based on the proposal of the remuneration and nomination committee.

These quantitative targets comprise the occupancy rate, the growth, ESG targets, the operating 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 based 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 decided 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

This remuneration policy is submitted for approval for the first time to the annual general meeting of July 2021.

There are no material deviations from the existing remuneration practices implemented in the company in the past.

"The limited size of the Retail Estates team contributes significantly to the smooth flow of information."

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 2020-2021 financial year (from 1 April 2020 to 31 March 2021) to the remuneration of the directors and the members of the management committee (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).[12] Retail Estates also drew up a detailed remuneration policy in accordance with article 7:89/1 CCA, which will be submitted for the approval of the annual general meeting of 19 July 2021.

This remuneration report will be presented to the annual general meeting of 19 July 2021, 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. The new remuneration policy that will be submitted for approval to the general meeting does not fundamentally or materially change the current policy but principally aims at incorporating the existing practices in the field of remuneration into a detailed policy that takes into account the recent regulations of the CCA and the 2020 Corporate Governance Code.

12 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 2020-2021 financial year, even if this variable remuneration is only granted and only becomes due during the 2021-2022 financial year. The annual variable remuneration relating to the performance during the 2019-2020 financial year, which was granted or payable during the 2020-2021 financial year, was reported in the annual report relating to the 2019-2020 financial year.

Obviously, the 2020-2021 financial year was marked by the COVID-19 pandemic and all challenges resulting from it. During this crisis, the retail sectors was particularly impacted by the compulsory closures imposed by the government, both in Belgium and in the Netherlands. This has had an impact on the financial core figures of the company. Nevertheless, the Retail Estates team has succeeded in guiding the company through this crisis in an efficient manner, keeping the vacancy rate under control and maintaining the dividend forecasts. The two periods of compulsory closure were handled by the management without significant disputes with the tenants. These exceptional circumstances have had an impact on the way in which the remuneration and nomination committee as well as the board of directors assessed the performance targets of the members of the management committee.

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 Borghgraef, was set at € 60,000 in view of his regular attendance 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 provided 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	4/4			0	60 000
René Annaert	6 000	4/4	2/2	1/1	10 500	16 500
Christophe Demain	6 000	4/4			6 000	12 000
Stijn Elebaut	6 000	4/4			6 000	12 000
Vic Ragoen	6 000	4/4		1/1	7 500	13 500
Jean Sterbelle	6 000	4/4			6 000	12 000
Leen Van den Neste	6 000	4/4	2/2	1/1	10 500	16 500
Herlinda Wouters	6 000	4/4			6 000	12 000
Ann Gaeremynck	6 000	4/4	2/2	1/1	10 500	16 500
Michel Van Geyte[2]	0	4/4			0	0
TOTAL remuneration directors	108 000				63 000	171 000

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

2. Total remuneration of the members of the management committee[13]

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

13 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.

2.1. 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 establishing 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 X. 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, on the proposal of the Remuneration and Nomination Committee, the Board of Directors has decided to introduce a long-term variable remuneration program, linked to the achievement of collective performance criteria that can be measured over a period of April 1, 2020. until March 31, 2024. The beneficiaries of this plan are both the members of the executive committee and certain executives.
- **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. The remuneration of the other members of the management committee

The remuneration of the other members of the management committee comprises the following elements:

- 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 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 point 2.1), a long-term variable remuneration program is currently underway, linked to the achievement of collective performance criteria that can be measured over a period from April 1, 2020 to March 31, 2024, of which also the members of the executive committee may 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.

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 2020-2021 financial year:

2020-2021 *(in € 000)*	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	72	119	5	0	17.35%
Other members of the management committee	734	120	37	11	0	15.56%
TOTAL	**1 031**	**192**	**156**	**16**	**0**	**16.19%**

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 2020-2021 financial year:

– Profits per share (weighting of 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;

– Collection and occupancy level (weighting of 25%):
  Collection management and occupancy level;

– Project development per year (weighting of 25%):
  - Completion (term, budget)
  - Added value (investment value – cost)

– Divestment targes and investment targets (weighting of 10%);

– Management skills (weighting of 15%):
  - Staff, team development, continued growth
  - 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 development 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 2020-2021 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 management committee

The fixed remuneration of the members of the management committee for 2020, 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 2020.

The maximum annual variable remuneration based on short-term quantitative performance targets equals 35% 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 financial performance of the company, in particular at least each of the following criteria: EPS, portfolio growth, occupancy rate. With respect to the qualitative performance targets:

Name	Performance target	Relative weight	Measured performance against target
Jan De Nys	Quantitative	85%	88.23%
	EPS	25%	60.00%
	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 communi-cation 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%	/	80%	/
Occupancy rate	0%	0%	0%	/	/	/
Project development per year	0%	25%	0%	/	100%	/
Implementation of in-vestment targets	0%	15%	0%		133%	/
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 2020-2021 financial year, no board members nor any members of the management committee left the company.

Therefore, no severance payments were made during the 2020-2021 financial year, neither to the directors nor to the members of the management committee.

IV. RIGHT TO RECOVER REMUNERATIONS

In the course of the 2020-2021 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 2020-2021 financial year.

V. DEVIATIONS FROM THE REMUNERATION POLICY

On 19 July 2021, the proposal will be submitted to the ordinary general meeting of Retail Estates to approve a remuneration policy so as to align the existing practices with the new provisions of article 7:89/1 CCA and the 2020 Code.

This remuneration policy will apply as from 1 April 2021. The policy that is submitted for approval to the general meeting does not fundamentally or materially change the existing policy. Moreover, no material deviations from the practices applied until 31 March 2021 were detected in the 2020-2021 financial year.

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

	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%
Total renumeration of directors – annual evolution in %[1]	/	/	/	/	/
Renumeration Jan de Nys – CEO – annual evolution in %	0%	20,55%	1,27%	0,51%	14,96%
Total renumeration of other members of the management committee (excl. CEO) – annual evolution in %[2]	13,12%	/	/	/	/
Performance of Retail Estates					
EPRA EPS – annual evolution in %	-11,21%	3,51%	5,46%	16,86%	3,78%
Portfolio growth – annual evolution in %	3,34%	8,64%	13,36%	25,95%	7,05%
Occupancy rate – annual evolution in %	-0,87%	-0,37%	0,17%	-0,02%	-0,09%
Average remuneration of the employees (in FTE) – annual evolution in %[3]	4,85%	0,54%	2,75%	/	/
Ratio highest remuneration of a member of the management committee/lowest remuneration of the employees (in FTE)[4]	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 97.01% 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 Damien Walgrave, a company auditor certified by the FSMA, having its registered office at 1932 Brussels, Woluwegarden-Woluwedal 18. At the annual shareholders' meeting of 23 July 2018, 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 € 0.10 million (excluding VAT).

The remuneration of PwC Bedrijfsrevisoren for the tasks assigned to the statutory auditor by law (e.g. reports when mergers occur) amounts to € 0.03 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. Fees of € 0.38 million (including VAT) were paid to CBRE for the regular valuation of the remainder of the real estate portfolio and initial valuations of real estate purchases. The compensation 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 the annual report, all information about the market, market shares, classifications, sector data and all other information in this annual report is based on reports drawn up by sector-related sources, published information, reports drawn up by the statutory auditor of 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 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 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) and the Act of 2 August 2002 on the supervision of the financial sector and on financial services.

> "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."

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 2021)

The registered capital amounts to € 284,984,601.97 and is divided into 12,665,763 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 general meetings of 23 July 2018 and 23 December 2019 expressly authorised the board of directors to increase the share capital in one or more instalments up to a maximum amount of:

(a) € 256,225,278.98 for public capital increases by means of a monetary contribution, providing for the possibility to exercise the legal preferential subscription right or the irreducible allocation right by the shareholders of the Company. On the date of this report, this authorisation (a) has not yet been exercised, so that the balance amounts to € 256,225,278.98,

(b) € 128,112,639.49 for capital increases within the context of payment of an optional dividend. Following the capital increase of 24 June 2019 (€ 7,584,048.82) and the capital increase of 20 August 2020 (€ 795,366.28), the balance of the authorised capital that is the subject of this authorisation (b) is € 119,733,224.39 on the date of publication of this report,

(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 12 months does not exceed 10% of the amount of the capital at the moment on which the decision to increase the capital was taken. On the date of this report this authorisation (c) has not yet been exercise, or

(d) two hundred and fifty-six million two hundred and twenty-five thousand two hundred and seventy-eight euro and ninety-eight eurocents (€ 256,225,278.98) for all types of capital increase, on the understanding that within the context of this authorisation, the share capital can never be increased to exceed the maximum amount of (€ 256,225,278.98) during the period for which the authorisation was granted. Following the capital increases of 26 September 2018 (€ 787,513.64), 1 April 2019 (€ 1,530,026.49), 26 June 2019 (€ 16,875,292.20) and 22 July 2019 (€ 1,187,075.56), the balance of the authorised capital that is the subject of this authorisation (d) is € 235,845,371.09 on the date of publication of this report.

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 23 July 2018.

PURCHASE OF OWN SHARES

The company does not own any of its own shares. The extraordinary shareholders' meeting of 23 July 2018 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 board of directors is authorised to decide that the company can acquire, pledge and transfer its own shares when such acquisition or transfer is necessary to avoid serious, imminent harm to the company. This authorisation is valid for a period of three years as from the publication in the Annexes to the Belgian Official Gazette of the authority granted by the extraordinary shareholders' meeting of 23 July 2018, and can be extended by the shareholders' meeting for the same period of time.

The board of directors is authorised, for a period of five years following the extraordinary shareholders' meeting of 23 July 2018, to acquire, pledge and transfer the company's own shares on the company's behalf, at a unit price which may not be less than 85% of the closing market price on the day preceding the date of the transaction (acquisition, sale or pledge) and may not exceed 115% of the closing market price on the day preceding the date of the transaction, subject to the requirement that the company may not, at any time, hold more than 20% of the total issued shares.

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, 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 report. They were revised for the last time on the occasion of the extraordinary general meeting of 20 August 2020

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", "EPRA NDV", "EPRA NAV" and "EPRA NNNAV" were calculated according to the definitions 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.

In October 2019 EPRA published an update of the Best Practice Recommendations for financial disclosures of listed real estate companies. These adjusted benchmarks are applicable to financial years commencing on or after 1 January 2020. EPRA NAV and EPRA NNNAV are replaced by three new Net Asset Valuation indicators, namely EPRA NRV (Net Reinstatement Value), EPRA NTA (Net Tangible Assets) and EPRA NDV (Net Disposal Value). For Retail Estates the EPRA NTA largely corresponds to the "old" EPRA NAV.

This annual report will include both the old and the new indicators. In following publications, only the new benchmarks will be used.

"With respect to the 2019-2020 annual report, Retail Estates was awarded the "most improved trophy" for its sustainability report by EPRA and also receive the sBPR label "bronze"."

	Definitions	Purpose	31.03.2021 EUR/1000	31.03.2021 EUR per share	31.03.2020 EUR/1000	31.03.2020 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.	62 908	4.97	69 199	5.60
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.	**903 837**	**71.36**	883 674	69.96
EPRA NET TANGIBLE ASSETS VALUE*	Assumes that entities buy and sell assets, thereby crystallising certain levels of unavoidable deferred tax.		**829 935**	**65.53**	824 389	65.27
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.		**772 670**	**61.00**	794 658	62.92
EPRA NAV**	Net Asset Value (NAV) adjusted to take the fair value of the property investments into account and excluding certain elements not expected to crystallise in a long-term investment property business model.	Makes adjustments to IFRS NAV to provide stakeholders with the most relevant information on the current fair value of the assets and liabilities within a true real estate investment company with a long-term investment strategy.	833 901	65.84	827 944	65.55
EPRA NNNAV**	EPRA NAV adjusted to take the fair value of (i) the financial instruments, (ii) the debts and (iii) the deferred taxes into account.	Makes adjustments to EPRA NAV to provide stakeholders with the most relevant information on the current fair value of the assets and liabilities.	775 083	61.20	796 311	63.05

	Definitions	Purpose	31.03.2021 %	31.03.2020 %
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	6.50%	6.57%
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, taking into account rent-free periods and tenant incentives, makes it possible for investors to compare valuations of portfolios within Europe	6.50%	6.57%
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.	2.70%	1.80%
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.	14.79%	13.83%
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.	14.33%	13.30%

* Net Asset Value (NAV) adjusted in accordance with the Best Practice Recommendations (BPR) Guidelines that EPRA published in October 2019 for application from January 1, 2020

**Following the publication of EPRA in October 2019, this BPR was replaced by EPRA NRV, EPRA NTA and EPRA NDV

EPRA earnings	31.03.2021 EUR/1000	31.03.2020 EUR/1000
IFRS Net Result (attributable to the shareholders of the parent company)	**61 436**	**58 098**
Adjustments to calculate EPRA earnings		
To exclude:		
Changes in fair value of investment properties	-5 963	-5 183
Other result on portfolio	992	-298
Result on disposal of investment properties	825	597
Changes in the fair value of financial assets and liabilities	2 674	-6 216
Adaptations to minority interests		
EPRA earnings (attributable to the shareholders of the parent company)	**62 908**	**69 199**
Diluted EPRA earnings (in €)		
EPRA earnings (EUR/share) (attributable to the shareholders of the parent company)	**4.97**	**5.60**
Diluted EPRA earnings per share (in €)		

	31.03.2021				31.03.2020			
	EPRA NAV	EPRA NRV	EPRA NTA	EPRA NDV	EPRA NAV	EPRA NRV	EPRA NTA	EPRA NDV
EPRA Net Asset Values	EUR/1000	EUR/1000	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	**808 223**	**808 223**	**808 223**	**808 223**	**798 987**	**798 987**	**798 987**	**798 987**
Net Assets (EUR/share) (attributable to the shareholders of the parent company)	**63.81**	**63.81**	**63.81**	**63.81**	**63.26**	**63.26**	**63.26**	**63.26**
Diluted net asset value after effect of exercise of options, convertibles and other equity interests	808 223				798 987			
To exclude:								
Fair value of the financial instruments	-25 678	-25 678	-25 678	/	-28 957	-28 957	-28 957	/
Deferred taxes		2 413	2 413	/		1 653	2 413	/
Goodwill as per balance sheet		0	0	0		/		
Intagible fixed assets	/	/	1 553	/	/	/	1 142	/
To inlude:								
Fair Value of debt at fixed intrest rates	/	/	/	-35 553	/	/	/	-4 328
Revaluation of intagible fixed assets to fair value	/	0		/	/	0	0	/
Transfer taxes	/	72 349		/	/	57 383		/
EPRA NAV (attributable to the shareholders of the parent company)	**833 901**	**903 837**	**829 935**	**772 670**	**827 944**	**883 674**	**824 389**	**794 658**
EPRA NAV (EUR/share) (attributable to the shareholders of the parent company)	**65.84**	**71.36**	**65.53**	**61.00**	**65.55**	**69.96**	**65.27**	**62.92**

EPRA Triple Net Asset Value (attributable to the shareholders of the parent company)	31.03.2021 EUR/1000	31.03.2020 EUR/1000
EPRA NAV (attributable to the shareholders of the parent company)	**833 901**	**827 944**
To inlude:		
Fair value of the financial instruments	-25 678	-28 957
Difference between nominal value and fair value of financial debts	-35 553	-4 328
Deferred taxes	2 413	1 653
EPRA Triple Net Asset Value (attributable to the shareholders of the parent company)	**775 083**	**796 311**
EPRA NNNAV (EUR/share) (attributable to the shareholders of the parent company)	**61.20**	**63.05**

EPRA Net Initial Yield		EUR/1000	EUR/1000
Investment properties (excluding assets held for sale) fair value		1 717 245	1 661 753
Transfer taxes		72 151	57 367
Investment value		1 789 397	1 719 120
Investment properties under construction		28 348	13 804
Investment value of the properties, available for rent	B	1 761 049	1 705 316
Annualised gross rental income		117 126	114 372
Property costs (EPRA)		-2 642	-2 339
Rent payable for hired assets and lease costs		-207	-210
Recovery of charges and taxes normally payable by tenants on let properties		10 599	12 124
Charges normally payable by tenants on let properties		-12 167	-13 505
Charges and taxes on unlet properties		-867	-748
Annualised net rental income	A	**114 483**	**112 033**
Notional rent expiration of rent free period or other lease incentives			
Topped-up net annualised rent	C	**114 483**	**112 033**
EPRA Net Initial Yield (NIY)	A/B	**6.50%**	**6.57%**
EPRA topped-up Net Initial Yield (topped-up NIY)	C/B	**6.50%**	**6.57%**

EPRA Vacancy Rate	31.03.2021 EUR/1000	31.03.2020 EUR/1000
Estimated rental value of vacant surfaces	3 157	2 054
Estimated rental value of total portfolio	117 126	114 372
EPRA Vacancy Rate	**2.70%**	**1.80%**

EPRA Cost Ratio		31.03.2021 EUR/1000	31.03.2020 EUR/1000
Operating corporate costs		6 123	5 593
Impairments on trade receivables		2 149	247
Ground rent costs		207	210
Property costs		6 877	9 052
Less:			
Ground rent costs		-207	-210
EPRA costs (incl. vacancy costs)	A	**15 149**	**14 891**
Vacancy costs	B	-477	-564
EPRA costs (excl. vacancy costs)	C	**14 672**	**14 327**
Rental income less ground rent costs	D	102 397	107 700
		%	%
EPRA Cost Ratio (incl. vacancy costs)	A/D	**14.79%**	**13.83%**
EPRA Cost Ratio (excl. vacancy costs)	C/D	**14.33%**	**13.30%**

Property related capex *(in € 000)*	31/03/21	31/03/20
Acquisitions	86 585	111 370
Developments (under construction)	20 706	16 267
Investment properties (Completed developments)	13 019	7 197
Activated intrest expenses	140	39
Total*	**120 450**	**134 873**

* for investments that generate additional m² of rental space, we refer to the detailed explanations 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)

(in € 000)	31.03.2021	31.03.2020	Evolution
Rental income	102 604		
Acquisitions and developments	-7 578		
Disposals	878		
Gross rental incomes at constant scope	95 904	107 910	-12 006
Explained by			
Indexation			1 295
Renegotiated contract			288
End of contract			-2 116
COVID-19			-11 547
Other			73

SUSTAINABILITY REPORT

VISION

The Sustainable Development Goals (SDGs, adopted by the general meeting of the United Nations) constitute a benchmark against which Retail Estates can measure its current performance as well as short- and long-term goals in the field of sustainable development.

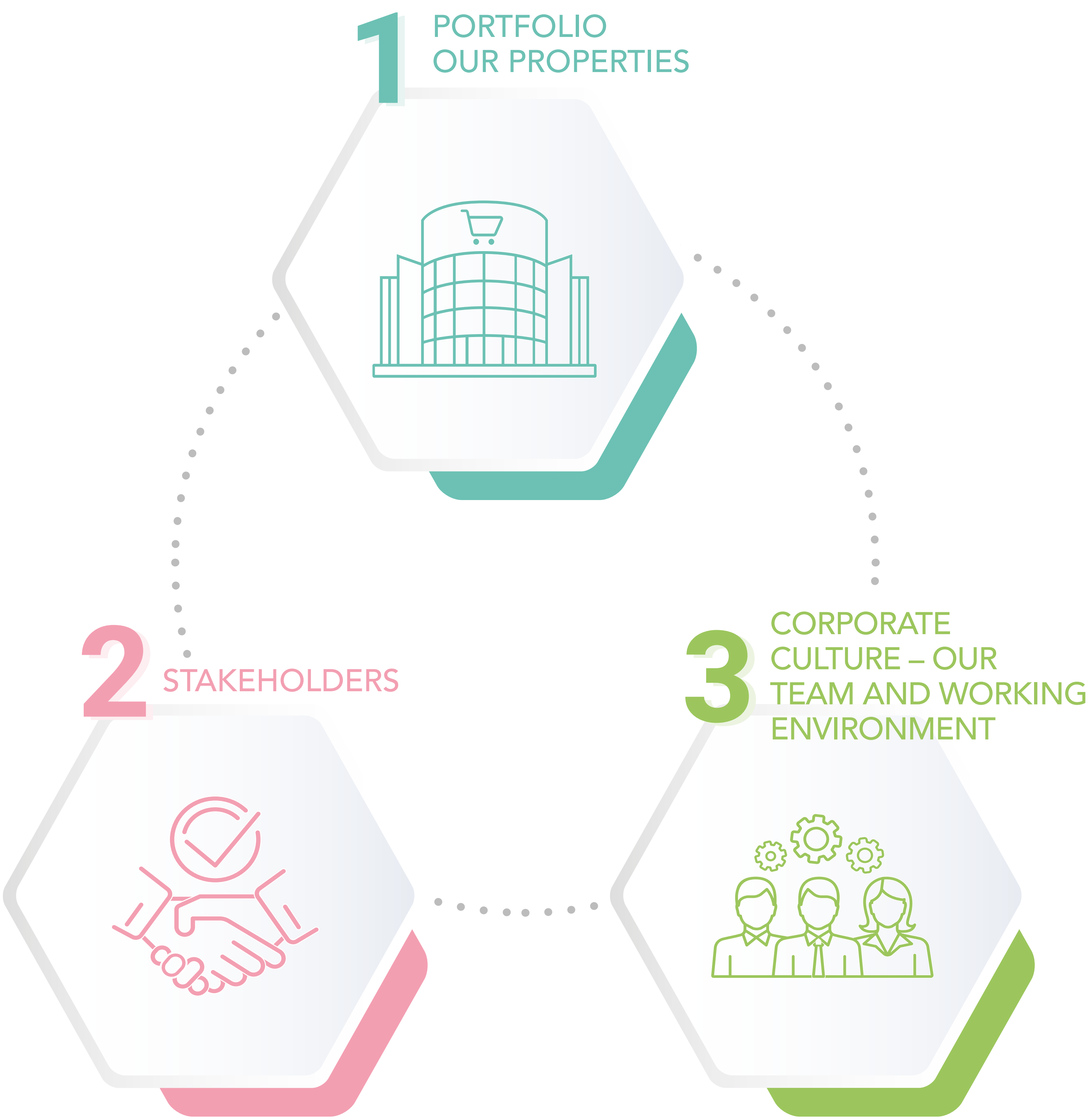
The 2020-2021 financial year was marked by the COVID-19 pandemic and all challenges resulting from it. During this crisis, the retail sector was particularly impacted by the compulsory closures imposed by the government, both in Belgium and in the Netherlands. In spite of these particularly challenging circumstances, Retail Estates continued to focus on sustainable projects and investments.

> "In times when respect for ecology, nature and the social environment are of the utmost importance, Retail Estates has made it a priority to monitor the consumption of the shared installations at the retail parks."

BELOW WE WILL DEFINE THE EIGHT OBJECTIVES FROM THE SDGS THAT ARE OF PARTICULAR INTEREST TO RETAIL ESTATES:

	TODAY	TO(morrow) DO Goal 2021-2020	FUTURE WANTED Goal 2025
3 GOOD HEALTH AND WELL-BEING	• New office space in Belgium meets target well-being, fully operational and Covid-19 proof building (CO_2 monitoring and ventilation). • Fruit and nuts • 'Sporting for a good cause' • Individual and collective training on the operation of the new office	• Attention to the personal development and mental well-being of employees. • Further stimulate healthy at and outside work • Further elaborate onboarding procedure for new employees	• Improvement of the working environment in the Netherlands in view of the company's growth
5 GENDER EQUALITY	• Executive Committee 50-50, today +/-60% women and +/-40% men working at Retail Estates	• Completed	
	• Gender equality has always been a priority within Retail Estates with a focus on the work-life balance of employees, whatever their gender.	• Completed	
6 CLEAN WATER AND SANITATION	• New permits according to water test (watertoets) / separate sewerage system / green roof • New construction always provides the possibility of rainwater connection • Cooled and sparkling tap water, after new investment	• Further senisbilisation of tenants use of rainwater recovery, compulsory connection • Follow-up and monitoring of water use (smart meters and alarms) • Completed	• Further roll-out monitoring of general water consumption by tenants
7 AFFORDABLE AND CLEAN ENERGY	• Increasing number of buildings with solar panels	• Strategy to equip multiple buildings / sites with solar panels	• 2MWp solar panels placed
	• Testprojects relighting LED	• Monitor consumption to reduce it, further use on relighting LED, timers parking lights & totems, condition measurement of buildings (360° evaluations).	• Use electricity like for like -5% for the 20 top sites
	• Electric vehicle charging stations at the office	• Establishing partner of charging points to facilitate rollout in parks	• Charging stations for 16 out of 20 topsites
8 DECENT WORK AND ECONOMIC GROWTH	• Belgian company with focuss on integrity that has grown gradually in terms of the fair value of the portfolio. • In this challenging Covid year, the company has always been in dialogue with its tenants in complete transparency, and allowed rent discounts to cope with this difficult situation.	• Formal approval integrity compliance charter	
11 SUSTAINABLE CITIES AND COMMUNITIES	• Renew and expand on site	• Making retail parks and clusters more sustainable through biodiversity and green (local) electricity, improve energetic performance	• Making retail parks and clusters more sustainable, through biodiversity, green (local) electricity
	• Preventive and, where necessary, curative maintenance of roofs and car parks	• Multi-annual maintenance planning	• Multi-annual maintenance planning (including inspections, etc.) for 80% of parks and clusters
	• Occasional social actions and interventions	• Further stimulate the importance of retail for the user/visitor as a meeting place	
13 CLIMATE ACTION		• Refinement of objectives and evaluation	• CO_2 measurement of the company
17 PARTNERSHIPS FOR THE GOALS	• Collaboration with sheltered workplaces on a number of sites (green maintenance)	• Extend collaboration with custom companies on a number of sites • Involve tenants in sustainable realizations (eg solar panels, ..)	• Optimising dialogue with tenants related to sustainability • Dialogue with local authorities or bodies in order to set up collaborations (sheltered wokplaces, local heroes, actions on retail parks,...).

RETAIL ESTATES HAS DEVELOPED ITS SUSTAINABILITY STRATEGY ON THE BASIS OF 3 PILLARS:



1 PORTFOLIO OUR PROPERTIES

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.

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.

In the previous ESG report of Retail Estates, important elements were discussed, such as the water assessment, separated sewerage systems, energy efficiency, sustainable materials etc. These are topics that always come up, whether a project concerns a new construction or a renovation. Finding high-quality and sustainable solutions today will pay off in the future.

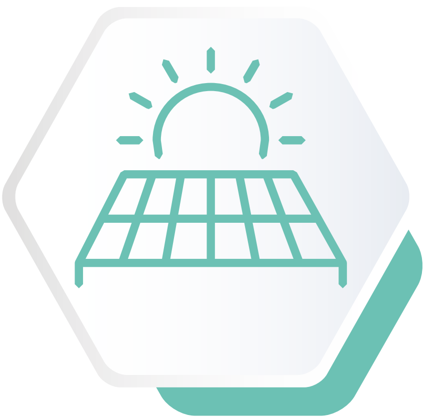
Retail Estates is responsible for the maintenance of the roofs and the car parks of the properties in its portfolio. For that purpose, a multi-annual maintenance plan has been developed. The further elaboration and fine-tuning of this maintenance plan is a major target for the 2021-2022 financial year. 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.

In times when respect for ecology, nature and the social environment are of the utmost importance, Retail Estates has made it a priority to monitor the consumption of the shared installations at the retail parks. Other investments that offer sustainable results relate to the optimisation of existing shared technical installations. This way it is possible to make the necessary adjustments and to anticipate anomalies in consumption. This year a pilot project relating to smart meters was started. Within that context a number of test cases were carried out with respect to water meters. The project received a positive evaluation and will be further rolled out in the course of 2021-2022. A water leak can have serious consequences: it is potable water and large quantities that are lost may come at a high price. A second pilot project for smart electricity meters will also be launched.

A third pilot project will investigate the possibility to install charging stations in the retail parks of our portfolio.

ACHIEVEMENTS IN THE 2020-2021 FINANCIAL YEAR

The presence of photovoltaic installations in the properties that are part of the portfolio of Retail Estates is still limited and fragmented.



+4200
solarpanels

900
MWh/year

225
households

1. BUILDING RIGHT IN WETTEREN FRUNPARK AND OUDENAARDE DE COMMERCIE.
The building right in Wetteren was granted in 2009 for a period of 20 years. Approximately 1360 solar panels have been installed with a capacity of 299kWp (approx. 270MWh/y).

The building right in Oudenaarde was granted in 2012 for a period of 20 years. Approximately 1200 solar panels have been installed with a capacity of 264kWp (approx. 240MWh/y).

2. SOME TENANTS HAVE INSTALLED SOLAR PANELS THEMSELVES, E.G. IN VERVIERS (DECATHLON AND PAPATERIE VERVIERS) AND IN ATH (MATCH).
No detailed information is known about these installations.

3. PROPERTY OF RETAIL ESTATES: ACTION AT WESTERLO AND RETAIL PARK AT DEN BOSCH
In Westerlo, approximately 300 solar panels have been installed, that generate on average 90MWh per year. On average, slightly less than 1/3rd of the power generated is injected into the electricity grid and 2/3rds are destined for the retail unit's own consumption. This installation has been in use since 2017. The evolution can be monitored and analysed on the basis of annual overviews and measurements. In 2019, 54.5 MWh/year was generated, and 95.1 MWh/year in 2020. The difference is due to transformation works in the property in 2019, so that the solar panels where not operational during a period of 4 months.

In Den Bosch, a large part of the Woonboulevard was equipped with solar panels, generating a total annual production of 290 MWh. This installation has been part of the portfolio of Retail Estates since April 2020.

If we add up all the installations listed under 1, 2 and 3 above, we have an annual energy production of approximately 900 MWh. An average household consumes 4 MWh/year. This means that these installations generate energy for an equivalent of 225 households.

Hognoul (Liège) solar panels being installed

Solar panel installation in Anderecht

Since 2020 attempts were made to develop a more uniform view on solar panels in Belgium, with Retail Estates making the investment and the tenant participating in green consumption. For each region (each with its own regulations) a project was investigated and launched, with the intention to roll it out further in the future.

The projects are the following:

1. HOGNOUL (LIÈGE) RETAIL PARK
In Hognoul, four separate installations were mounted on the roof of the new retail park, one installation per retail unit. Each tenant will have an installation with guaranteed yield at their disposal. The intention is for the solar panels to be operational in May 2021, when the shops will be opened.

2. HASSELT RETAIL PARK
In Flanders, solar panels were installed on an existing building. The building selected is fairly recent, as it is very important that the roof covering lasts as long as the installation so as to avoid unnecessary interventions. Today, 3 out of the 4 retail units participate in this installation, which will generate approx. 320 kWp. This installation is expected to be operational by the summer of 2021.

3. ORCHESTRA ANDERLECHT
A 10-year building right on this property was granted to the installer of the solar panels. The building right fee was used immediately to renovate and optimise the roof as regards energy performance: old rockwool was replaced by 10 cm PIR insulation boards. Retail Estates will become the owner of the installation after 10 years. The estimated life span of the installation is more than 20 years. A capacity of 140 kWp was installed, which will generate approx. 120 MWh/year. The installation has been operational since early 2021.

We find that the demand for photovoltaic installations increases among the tenants. This enables us to further roll out our projects and ensures that local green energy will become a more prominent feature of our retail parks.

ENVIRONMENTAL INDICATORS & TABLES

METHODOLOGY RELATING TO THE TABLES

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 years 2019 and 2020.

The basis, or baseline measurement, is the year 2019. Last year not all values were known yet. In this report, the information for 2019 was supplemented to the best possible extent.

The scope was further refined this year. For instance, not all properties were considered for Belgium, but only those where there is shared consumption of public utilities in the Retail Parks segment, i.e. approximately 52%. For the Netherlands as well, only the areas where there was actual consumption were considered, i.e. approximately 88% of the Retail Parks. This presents a more accurate picture. From this year onward, our own office in Ternat will also be included. As this is only the first year, the performance comparison will yield clearer results only in the years to come.

For the energy indicators, a distinction is made between Belgium and the Netherlands. Where the social indicators are concerned, the company is regarded as a whole. The governance chapter is included in the annual report.

ENVIRONMENTAL PERFORMANCE MEASURES			Belgium			The Netherlands			Office Ternat
EPRA Code	Sustainable performance Measure	Units of Measure	2019	2020		2019	2020		2020
ABS		m²	285 815.00	285 815.00		284 144.00	328 325.00		1381
% in scope of reporting			52%	52%		88%	87%		100%
Like for Like			285 815.00	285 815.00		284 144.00	284 144.00		1381
ENERGY									
Elec-Abs	Total electricity consumption	MWh	477.53	459.23		2 875.03	2 225.24		121.75
Fuels-Abs	Total fuel consumption (gas)	MWh	0.00	0.00		2 990.58	3 552.79		0.00
Energy Total		MWh	477.53	459.23		5 865.61	5 778.03		121.75
Energy-Int	Building energy intensity	kWh/m²	1.67	1.61		20.64	17.60		88.16
Elec-LfL	Total electricity consumption	MWh	477.53	459.23	-4%	2 875.03	2 194.06	-24%	
Fuels-LfL	Total fuel consumption (gas)	MWh	0.00	0.00	-	2 990.58	3 512.65	17%	
Energy Total LfL		MWh	477.53	459.23	-4%	5 865.61	5 706.71	-3%	
Energy-Int LfL	Building energy intensity	kWh/m²	1.67	1.61	-4%	20.64	20.08	-3%	
Solar	Produced	MWh	54.50	95.10	74%	-	249.67	-	14.97
GREENHOUSE GAS EMISSIONS									
GHG-dir-abs	Total direct (GHG) emissions	ton $C0_2$	0	0	-	165.01	262.06	59%	0.00
GHG-indir-Abs	Total indirect (GHG) emissions	ton $C0_2$	26.35	33.87	29%	158.64	164.14	3%	8.98
GHG-Int-Abs	(GHG) emissions intensity from building energy consumption	kg $C0_2/m^2$	0.09	0.12	29%	1.14	1.30	14%	6.50
GHG-dir-LfL	Total direct GHG emmissions	ton $C0_2$	0	0	-	165.01	259.10	57%	
GHG-indir-LfL	Total indirect GHG emmissions	ton $C0_2$	26.35	33.87	29%	158.64	161.84	2%	
GHG-Int-LfL	GHG intensity	kg $C0_2/m^2$	0.09	0.12	29%	1.14	1.48	30%	

ENVIRONMENTAL PERFORMANCE MEASURES			Belgium			The Netherlands			Office Ternat
EPRA Code	Sustainable performance Measure	Units of Measure	2019	2020		2019	2020		2020
WATER									
Water-Abs	Total water consumption	m³	3348	1938		6 859.00	5 323.43		113
Water-Int	Building water intensity	m³/m²	0.012	0.007		0.02	0.02		
Water-LfL	Total water use	m³	3348	1938	-42%	6 859.00	5 323.43	-22%	
Water-Int LfL	Building water intensity	m³/m²	0.012	0.007		0.024	0.019		
Rainwater	Reused	m³		90.85			-		84
WASTE									
Waste-Abs	Total weight	kg	na	na		na	na		1964
CERTIFICATION									
Cert-Tot	Type and number of sustainably certified asset		na	na		na	na		EPC

ENERGY

In Belgium, electricity and gas consumption relates to the communal parts (there is no heat grid). As tenants enter into individual contracts with energy suppliers, few data are available about individual consumption. Furthermore, communal installations are usually limited to outdoor lighting and very occasionally a sprinkler system or other technical equipment.

In the Netherlands the technical installations are larger. In some of the parks, gas heating is controlled centrally and distributed among the tenants. As a result, the consumption for communal technical equipment is considerably higher than in Belgium.

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 2019 and for 2020. The data management will be refined in the future.

Electricity and gas consumption in Belgium decreased. This can be explained by the compulsory closure of shops in Belgium for a period of 3 months in total. In the Netherlands, the total energy consumption also decreased slightly.

From this year onward, the green electricity that is generated will also be included in the report. We only consider the installations that we monitor ourselves: for this year, this means the installations of Westerlo and Den Bosch and as from next year, the sites in Anderlecht, Hognoul (Liège) and Hasselt will be included as well.

GREENHOUSE GAS EMISSIONS

The CO_2 volumes (expressed in tonnes) result from the above-mentioned gas and electricity consumption. The general conversion factors for 2019 and 2020 were requested from the Belgian energy supplier. The general energy supplier also made some changes in their report, thus re-evaluating the values used:

"From 2020 onward, a change was made in the methodology for the monitoring of greenhouse gas emissions for our power plants of Knippegroen and Rodenhuize.

The emissions relating to the metallurgical gases generated by Arcelor Mittal are no longer included in the ENGIE scope, but will from now on fall under the Arcelor Mittal scope.

The emissions from Knippegroen were no longer taken into account, either, which was also approved by the external auditors of Deloitte.

For the sake of coherence, we made the same changes for 2018 and 2019. This explains the considerable difference between your EF of last year and this year's value."

AIC0701-GHG emissions reported to activity - Energy production (incl. incinerators)

g CO_2eq per kWh

	2018	2019	2020
BELGIUM	76.278	55.178	**73.7628**

These values were applied for both Belgium and the Netherlands. It should be noted, however, that due to the conversion factor that was changed by the energy supplier, the greenhouse gas emissions of 2020 are higher than those of 2019, although energy consumption has decreased. By generating more green power ourselves or by purchasing more green power, the emissions will be reduced in the future at constant scope.

WATER

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 in Belgium is due to a water leak at the retail park Brugge V-markt in 2019. As stated above, we 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.

WASTE

As the tenants themselves are responsible for their own waste management (occasionally via joint waste management), little information is available.

At Retail Estates' own office, waste is separated and the use of disposable packaging is prevented whenever possible. In 2020, new taps for filtered, sparkling and cooled tap water were installed. With these taps we try to keep our impact on potable water as small as possible and at a very local level, and we try to reduce packaging waste to a minimum. As regards waste collection, there are three major categories: PMD (5 kg), Paper (807 kg) and Residual waste (1152 kg). We work as digitally as possible and the printing paper we do use has the EU Eco-label and FSC label.

CERTIFICATES

Retail Estates currently is not involved in an ongoing certification process such as BREEAM or WELL. Nevertheless, the key items of this certification are known and are considered in a pragmatic manner whenever a new project is started. The renovated office building does comply with many items of the WELL certification, but the choice was made not to apply for this certification for the building. However, we can report that the office is well below the EPB standards, which is a very good thing:

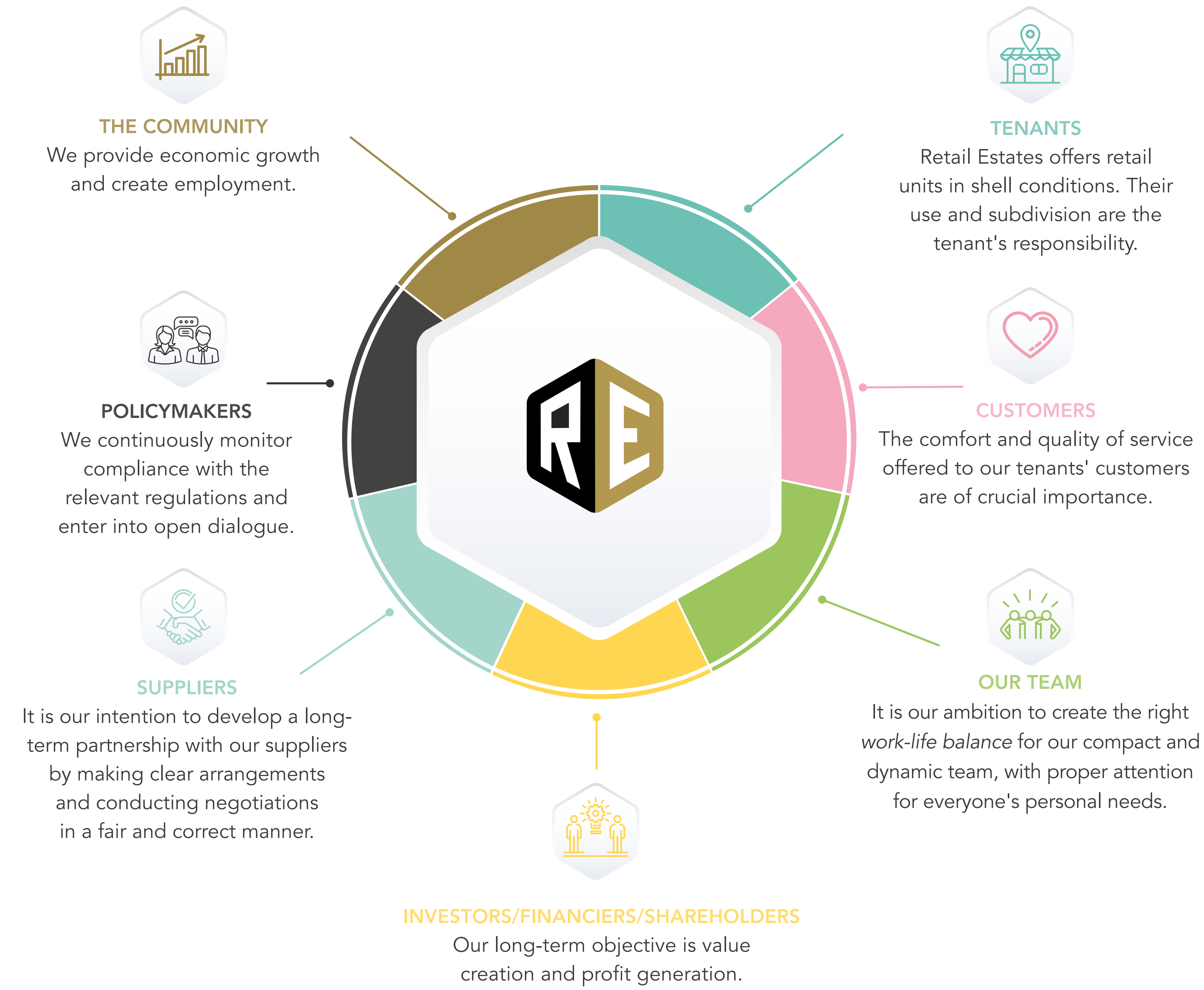
The basement and ground floor, which have undergone an energy refurbishment, are granted the value **E61**, whereas the (current) standard for this type of buildings is **E90**.

The floors and the new construction receive the value **E50**, where the (current) standard of this type of buildings is **E55.**

If national certificates apply, they will be supplied; in the Netherlands, all buildings have received a national certification.

2 STAKEHOLDERS

The real estate activity of Retail Estates has an impact on different stakeholders: investors, public authorities, local communities, our own employees, suppliers, tenants/shop owners, customers/buyers. In this chapter we will mainly discuss the parties to whom we offer our operational services: the tenants and, as an extension, their customers.



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. rainwater tanks) for new construction or transformation projects, the company makes tenants aware of the benefits of rational energy consumption.

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.

CUSTOMERS

The comfort and quality of service offered to our tenants' customers 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.

OUR TEAM

It is our ambition 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. In addition, 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. Thanks to appropriate IT solutions, it's also possible for the staff to work comfortably from home.

Correct ethical conduct is one of our basic values. That is why our employees also endorse our Dealing Code.

INVESTORS/FINANCIERS/ SHAREHOLDERS

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 our intention to develop a long-term partnership with our suppliers by making clear arrangements and conducting negotiations in a fair and correct manner.

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.

THE COMMUNITY

We try to minimise the effects of our activities on the direct surroundings and take measures to reduce their environmental impact. We provide economic growth and create employment. We also collaborate with sheltered workshops. In addition, we support charities (cf. "Sport for Charity" discussed below).

3 CORPORATE CULTURE: OUR TEAM AND WORKING ENVIRONMENT

Retail Estates started out as a small business and has developed into a company employing more than 35 people. 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.

Events are organised on a regular basis, both for the different divisions and for the entire team. 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 welfare of its employees. 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.

Outside our own company, we also notice that each of our projects is firmly embedded in society and in the local communities. 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, by supporting local heroes or by providing creative solutions to problems. The expert in our team examines the possibilities to take marketing to the next level.

DIGITISATION

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.

The project for the digitisation of all documents is ongoing, and the existing IT infrastructure allows our people to work from a remote location and entirely digitally. The processing of incoming and outgoing invoices is also being digitalised and will be optimised in the year to come.

Furthermore, all documents that are useful to the management committee, the remuneration committee, the audit committee and the board of directors have been made available on a digital platform. This increases efficiency and minimises paper consumption.

Finally, we also make use of the latest technology in our retail parks. In large retail parks, footfall is measures, so that the offer can be optimally adjusted to the visitor's profiles.

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 employees. Usually it's a charity one of our employees 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.

This year, the choice was made to sponsor the cultural sector (via the King Baudouin Foundation), as this sector was severely impacted by the corona measures.

In the Netherlands, the employees practised sports for the "Nationaal Jeugd Ontbijt", an organisation supporting vulnerable families by giving them a good start of the day. Every week, they deliver a breakfast box containing 7 healthy breakfasts.

In the calendar year 2020, a total of € 4,295.02 was raised. Retail Estates doubled this amount and thus gave both charities a donation for the same amount.

4 295.02 €
was raised
in 2020

SOCIAL AND GOVERNANCE INDICATORS & TABLES

METHODOLOGY & COMMENTS RELATING TO THE TABLES

The values indicated relate to the period coinciding with the financial year, i.e. from 1 April to 31 March of the years 2019 and 2020. The final counts, e.g. of the number of staff, therefore relate to 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 employees.

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.

SOCIAL PERFORMANCE MEASURES

EPRA Code	Sustainable performance Measure	Units of Measure	Corporate 2020 male	Corporate 2020 female	Corporate 2019 male	Corporate 2019 female
Diversity						
Diversity-Emp	Employee gender diversity	% of diversity total employees	36%	64%	40%	60%
		% of diversity in Management team	50%	50%	50%	50%
Diversity-Pay	Gender pay ratio	% pay ratio	99%		99%	
Training						
Emp-training	Employee training and development	number of training hours		104		128
Development						
Emp-Dev	Employee performance appraisals	% of appraisals to all employees		100%		100%
Turnover						
Emp-turnover	New hires and turnover	number of new hires		4		5
		number of turnovers		3		2
Health & Safety						
H&S-Emp	Employee health and safety/ accidents at work	% of total number of worked hours injury rate		0%		0%
H&S-Emp	Employee health and safety/disability	% of total number of worked hours lost days		0%		0%
H&S-Emp	Employee health and safety/absence rate	% of total number of worked hours absentee rate		1.73%		1.72%
H&S-Emp	Employee health and safety/deaths	Total number of fatalities		0%		0%
H&S Asset	Asset health and safety assessments	% of assets H&S assessments		na		na
H&S-Comp	Asset health and safety compliance	Total number of incidents		na		na
Community						
Comty-Eng	Community engagement, impact assessments and development programs	Qualitative		other		other

The chapter relating to "Governance" is explained in detail in the annual financial report (see p. 35 of the Annual Financial Report 2020-2021).

GOVERNANCE PERFORMANCE MEASURES

EPRA Code	Description	page report
Gov-Board	Composition of the highest governance body	41 a.f.
Gov-Selec	Process for nominating and selecting the highest governance body	41 a.f.
Gov-Col	Process for managing conflicts of interest	53 a.f.

RETAIL ESTATES NV ON THE STOCK EXCHANGE

RETAIL ESTATES NV ON THE STOCK EXCHANGE

> The price of the Retail Estates share increased by 23.21% in the past financial year compared to the beginning of the financial year.

	01.04.2020 31.03.2021	01.04.2019 31.03.2020	01.04.2018 31.03.2019
Highest share price	66.40	89.10	82.50
Opening price at 1 April	47.40	81.50	70.76
Closing price at 31 March	58.40	47.40	81.20
Average share price	57.26	81.11	75.43
Net asset value (NAV) (IFRS)	63.81	63.26	61.98
Premiums NAV relative to closing price	-8.48%	-25.07%	31.01%
Gross dividend	4.50	4.40	4.25
Net dividend	3.150	3.080	2.975
Dividend yield (gross dividend)	7.71%	9.28%	5.23%
Return net result on shareholders' equity	7.60%	7.27%	7.70%
Pay-out ratio (consolidated)	87.38%	79.90%	79.06%
Number of shares	12 665 763	12 630 414	11 422 593
Market capitalisation (EUR million)	739.68	598.68	927.51
Free float percentage	100%	100%	100%
Average daily volume	11 578	12 179	12 465
Annual volume	2 963 893	3 117 885	3 178 516

1. PERFORMANCE

MARKET CAPITALISATION

Retail Estates nv is listed on the Euronext continuous market.

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.

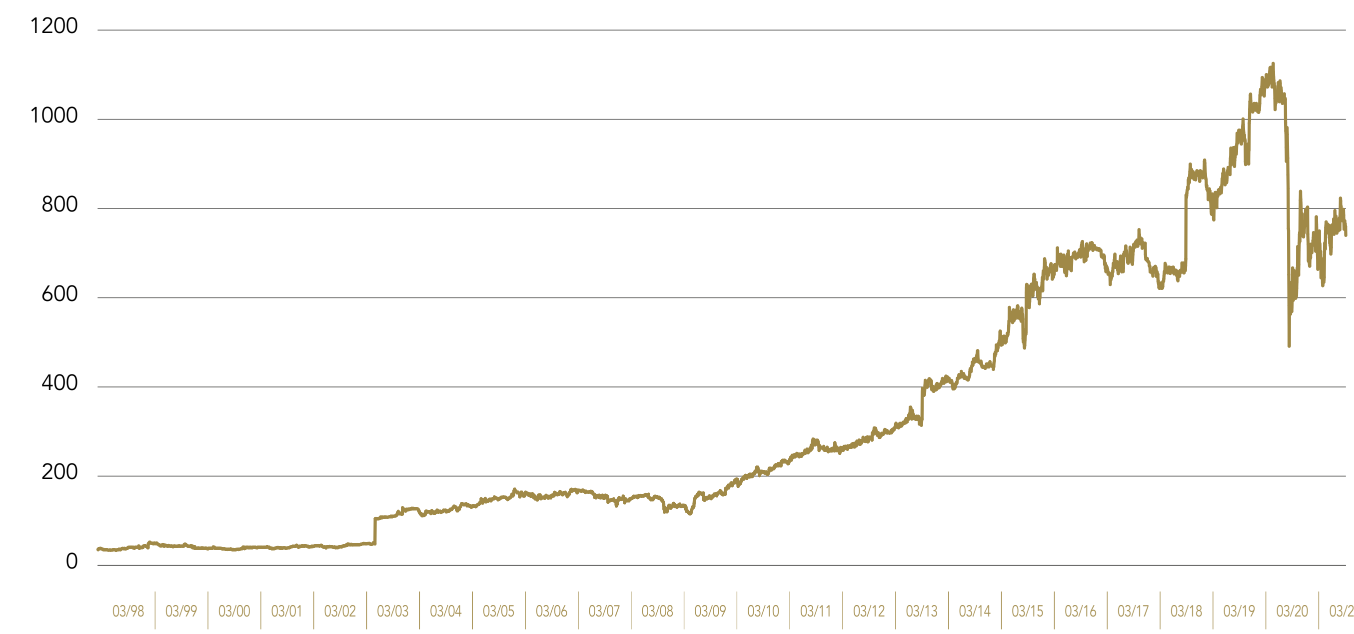
Retail Estates nv is part of the BelMid index, which consists of 40 companies.

The market capitalisation of Retail Estates nv amounts to € 739.68 million as of 31 March 2021.

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

MARKET CAPITALISATION

(in EUR million)



SHARE PRICE

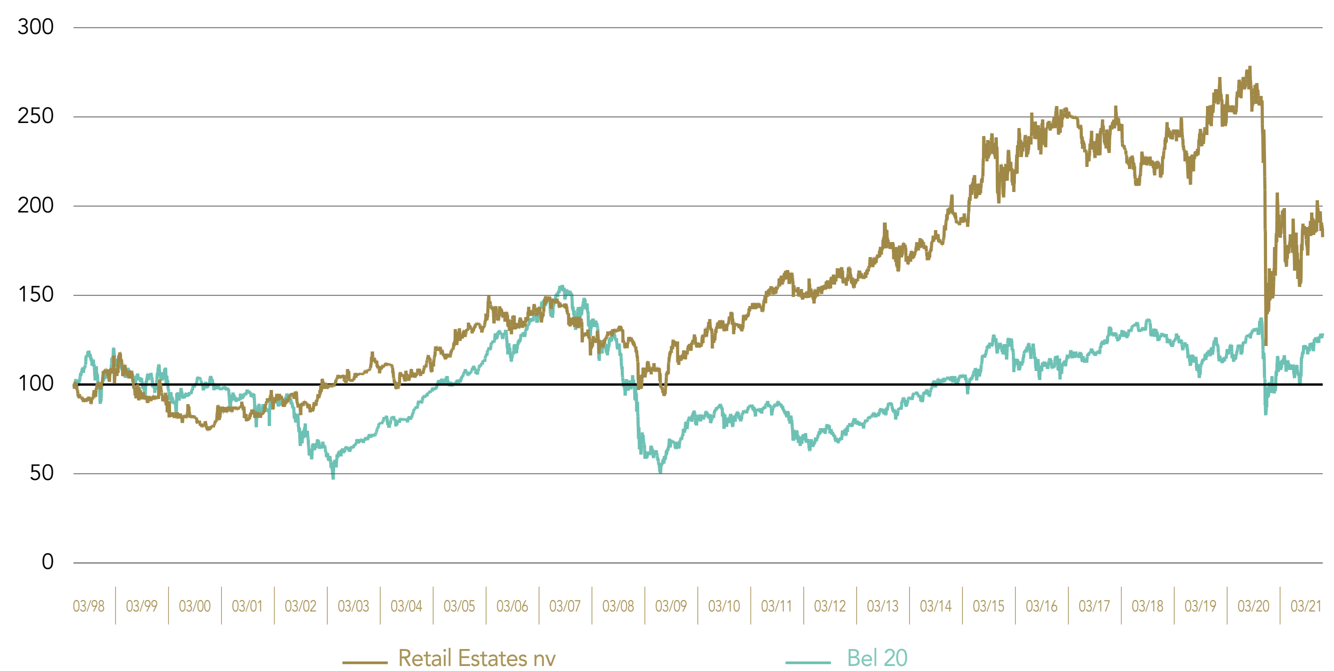
The share reached its highest price of the year on 4 June 2020 (€ 66.40) and ended the financial year at € 58.40.

The annual average share price was € 57.26. The below chart 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 85.22% over this period compared with an increase by 30.99% for the BEL 20.

The price of the Retail Estates share increased by 23.21% in the past financial year compared to the beginning of the financial year. The EPRA Belgian REIT index increased by 4.06%.

RETAIL ESTATES NV - BEL 20

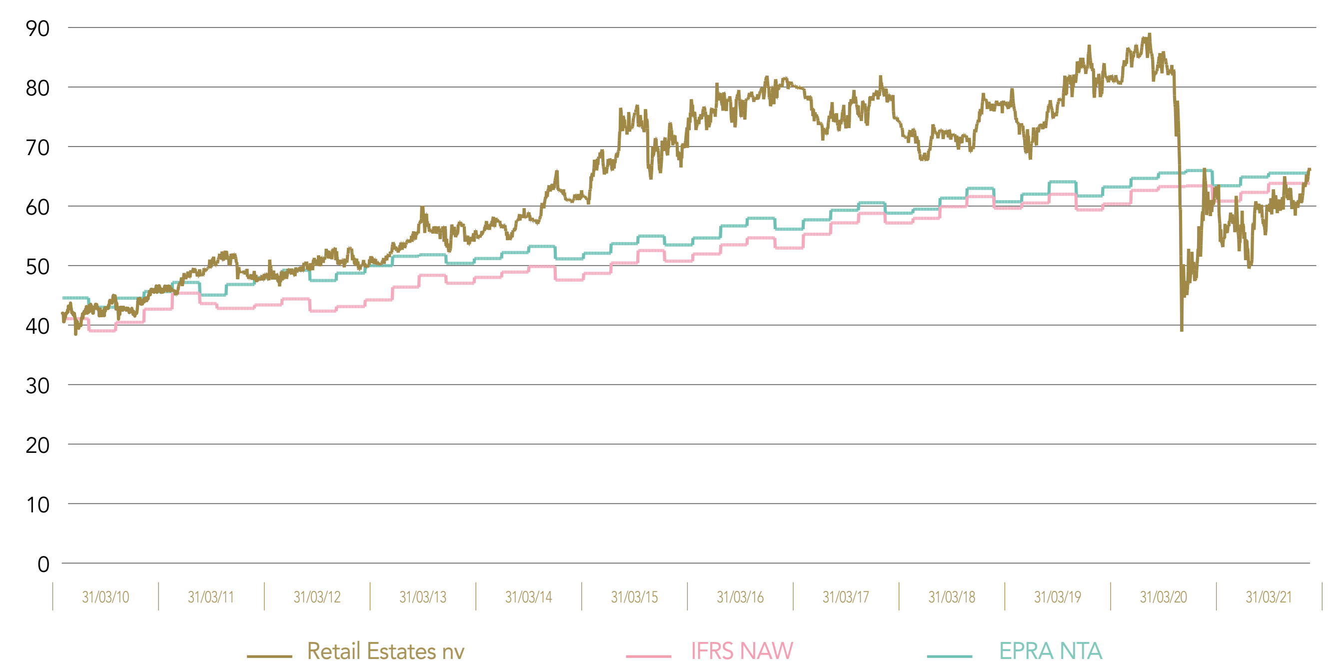


PREMIUMS AND DISCOUNTS

The intrinsic value of the share in case of a real estate valuation at 'fair value' increased during the past year from € 63.26 as of 31 March 2020 to € 63.81 as of 31 March (including dividend).

The EPRA NTA amounts to € 65.53 in the year under review compared to € 65.27 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 negative portfolio result on the other hand).

RETAIL ESTATES NV - EPRA NTA - IFRS NAW



DIVIDEND

At its meeting of 21 May 2021, the board of directors of Retail Estates (the "Board") proposed to pay a gross dividend for financial year 2020/2021 (which started on 1 April 2020 and ended on 31 March 2021) amounting to € 4.50 (€ 3.15 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 2019/2020. This is an increase by 2.27% compared to last year, when the dividend was € 4.40. This way Retail Estates keeps its dividend not only stable, but also inflation-resistant in spite of the corona crisis.

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 € 4.40) in the past financial year was 8.15% compared to the closing price of the share (excluding dividend). The Belgian government linear bond (OLO) 10-year rate was -0.04% on 31 March 2021.

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 Groof 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 19 July 2021 at 10 am.

Publication Annual report 2020-2021	11 June 2021
General meeting	19 July 2021
Ex-dividend date	22 July 2021
Record date dividend	23 July 2021
Dividend made available for payment	26 July 2021
Announcement half-yearly results	22 November 2021

REAL ESTATE REPORT

REAL ESTATE REPORT

> "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."

"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."

PRELIMINARY COMMENT

As a result of the worldwide corona pandemic, which has an impact on many aspects of daily life and of the financial markets, the real estate markets are also confronted with significantly lower levels of transactional activity and liquidity. Nevertheless, the real estate experts reported (see below) that on the valuation date, adequate market information is available on which valuations can be based.

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. Numerous 'opportunity seekers' have since disappeared on account of the growing complexity of the market. 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 socioeconomic 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; they often form clusters and seek proximity to each other.

A consequence of the corona pandemic 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.

The contemporary vision of urban and spatial planning embraces greater cohesion and clarity. Increasingly, certain zones are explicitly being earmarked as areas for large retail outlets and other zones as areas for shops with restricted activities. These areas have space for further establishments.

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 14 Dutch retail parks and two solitary retail units at 15 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. Low unemployment and strong economic growth in the Netherlands follow years of draconic savings that helped rebalance government and social security financing but also resulted in a previously unseen decline of the retail trade in the 2008-2013 period.

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 foodstuff, clothes and shoes in retail parks. This approach has nevertheless prevented fragmentation of the retail offer via out-of-town retail properties and has promoted the development of easily accessible retail parks. Acquisition of this type of real estate by international institutional investors is still in an early stage.

2. THE REAL ESTATE PORTFOLIO

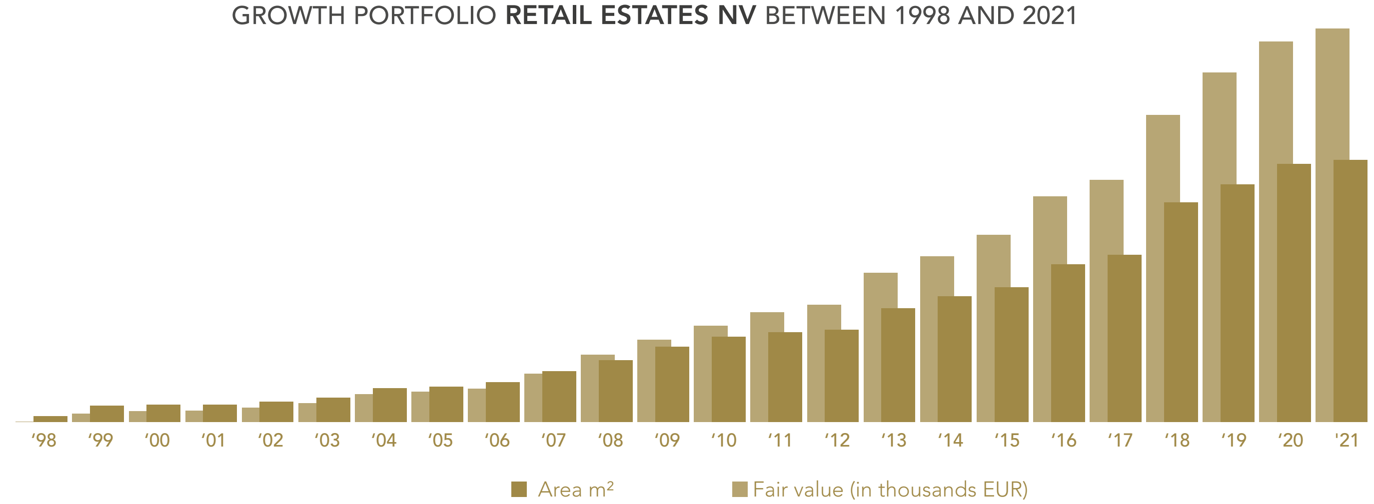
INVESTMENT STRATEGY AND PROFILE

Retail Estates nv has invested in out-of-town retail properties since 1998. Over a period of 23 years, the company has established a significant portfolio which consists of 992 retail properties with a total built-up retail area of 1,153,448 m² as per 31 March 2021. The fair value of the real estate portfolio totals € 1,717.25 million. The investment value amounts to € 1,789.40 million.

The value of the real estate portfolio of the public BE-REIT has increased by 3.34% compared to the value on 31 March 2020 (€ 1,661.75 million). This is mainly the result of acquisitions.

The occupancy rate is 97.07%.

GROWTH PORTFOLIO **RETAIL ESTATES NV** BETWEEN 1998 AND 2021



TYPE OF BUILDING[1]

Definitions

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.

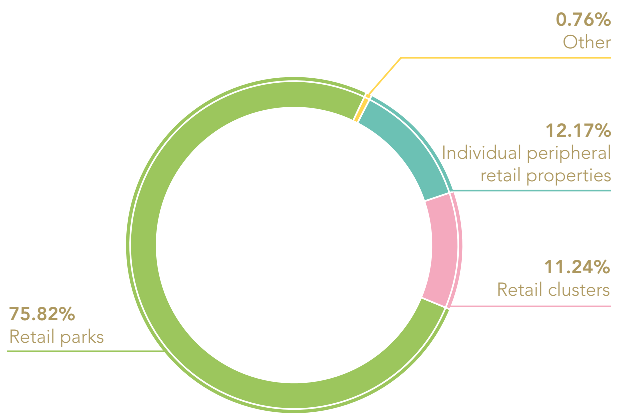
Retail parks are made up of retail properties that are grouped together and form part of an integrated commercial complex. All properties use a central car park with a shared entrance and exit road. This enables consumers to visit several shops without having to move their car. Typically, at least five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

1 The pie charts in this chapter show percentages based on the total retail area on 31 March 2021.

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

TYPE OF BUILDING



GEOGRAPHICAL SPREAD

The Dutch portfolio accounts for 32.82% of the total portfolio (in m²) as per 31 March 2021. 37.41% of the portfolio is located in the Flemish Region, while 29.77% is situated 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.

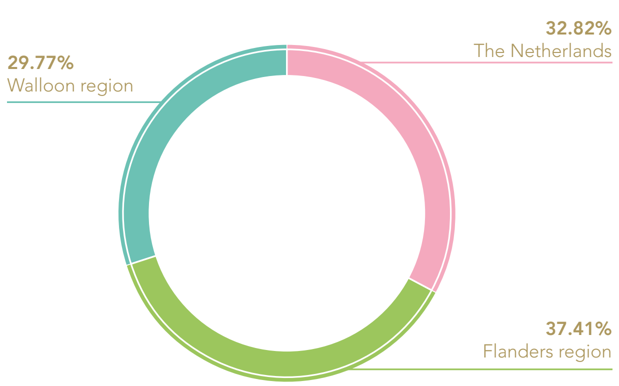
COMMERCIAL ACTIVITIES OF THE TENANTS

The “home improvement” share (57.11%) is slightly higher compared to the past financial year. Taken together with the “Commodities+food” industry, these retail units account for almost 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 6.86%. In addition, socioeconomic permits for all these activities are very difficult to obtain. This is conducive to an increase in the value of the properties on the one hand and stronger loyalty to the location on the other.

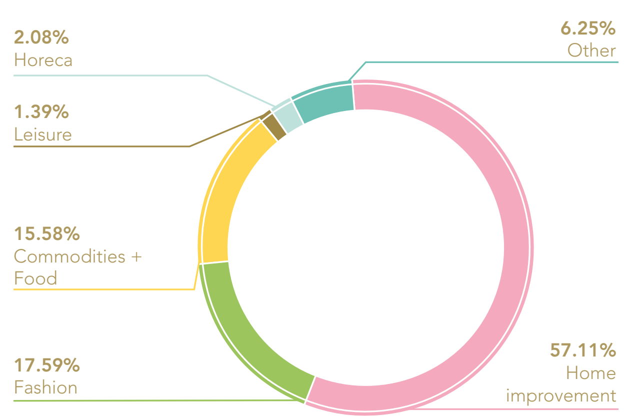
The share of the fashion sector has decreased significantly (17.59% on 31 March 2021 compared to 22.30% on 31 March 2020) due to a few bankruptcies (Brantano, Orchestra).

A breakdown on the basis of contractual rents shows that the share of "Various" (1.75%) decreases, mainly due to a limited number of (semi-)logistic properties occupying a relatively large surface area and paying a relatively low rent. The shares of food (6.87%) and commodities (9,19%) remain relatively stable. The shares of the other categories (home improvement (58.48%) and fashion (20.47%) increase slightly.

GEOGRAPHICAL SPREAD



COMMERCIAL ACTIVITIES OF THE TENANTS



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 2021, the percentage of chain stores and/or franchise issuers amounts to 83%. 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.

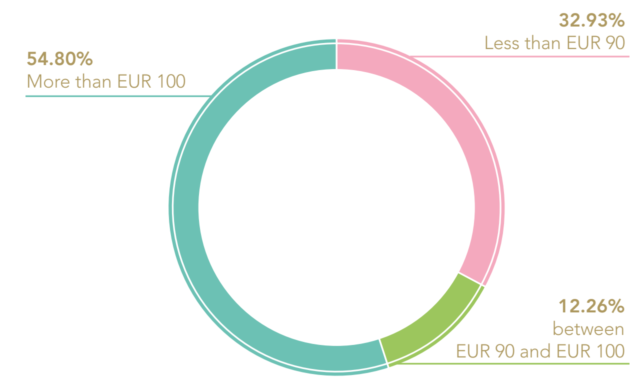
They also make significant marketing efforts which can have a positive impact on the real estate location.

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-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 € 102.24 per year. Compared to 1998 (€ 61.15/ m²), this represents an increase by 67.20%. 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.

RENT PER M²



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.

TOTAL M2 PER PROVINCE - BELGIUM

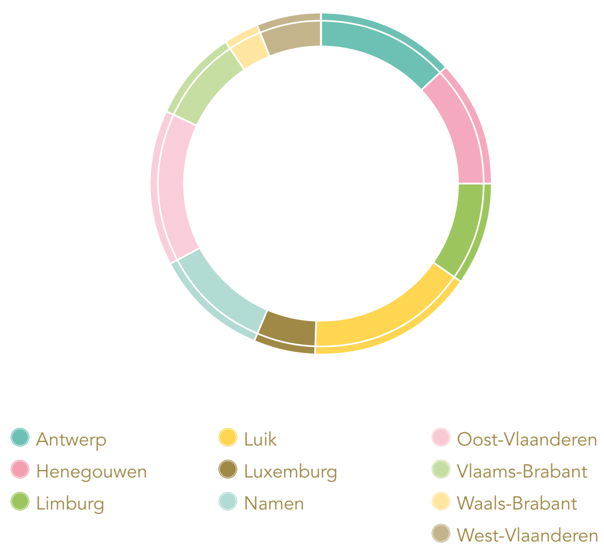


Chart: based on retail area as per 31 March 2021.

TOTAL M2 PER PROVINCE - THE NETHERLANDS

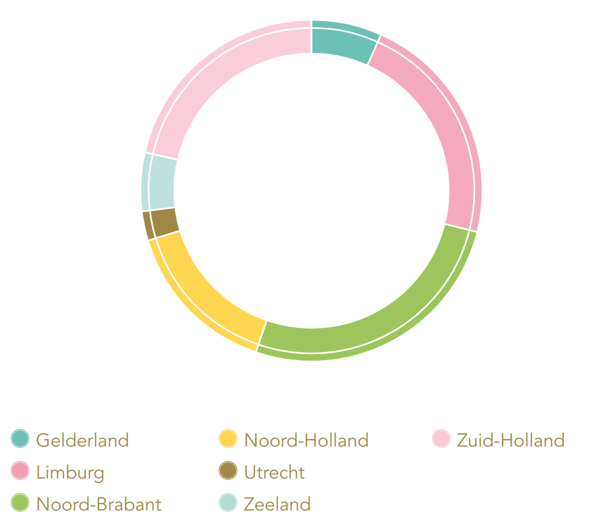


Chart: based on retail area as per 31 March 2021.

YEAR OF CONSTRUCTION OF PORTFOLIO

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

M² AND WEIGHTED AVERAGE YEAR OF CONSTRUCTION PER PROVINCE - BELGIUM

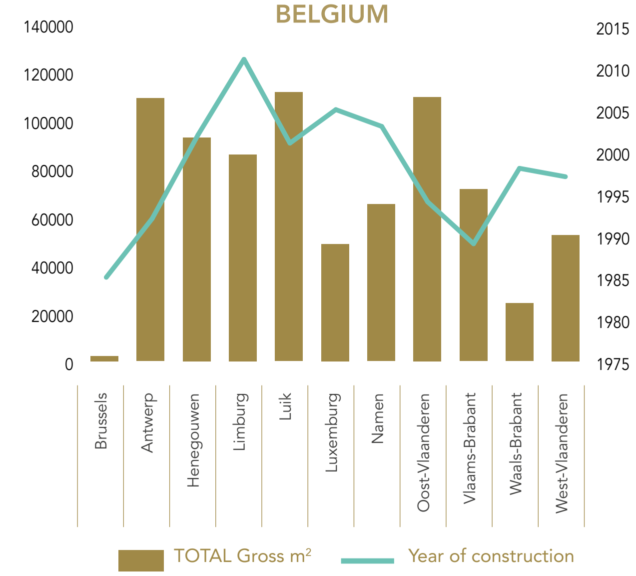


Chart: based on retail area as per 31 March 2021.

M² AND WEIGHTED AVERAGE YEAR OF CONSTRUCTION PER PROVINCE - THE NETHERLANDS

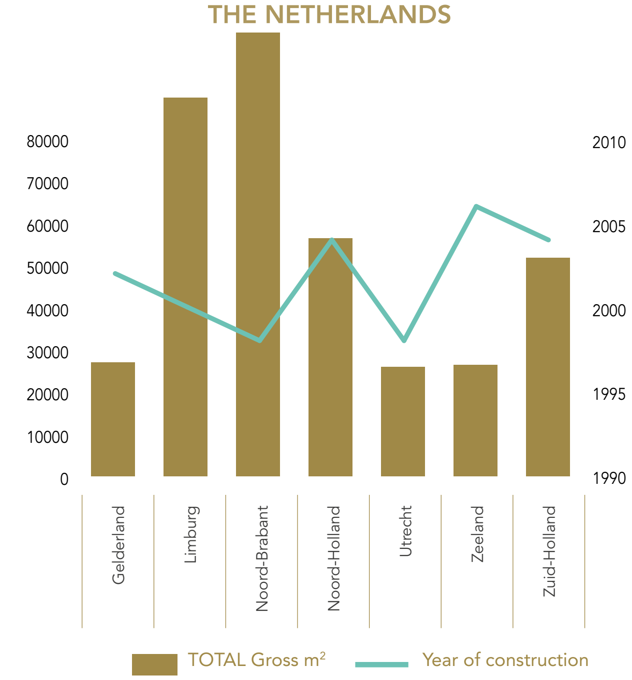


Chart: based on retail area as per 31 March 2021.

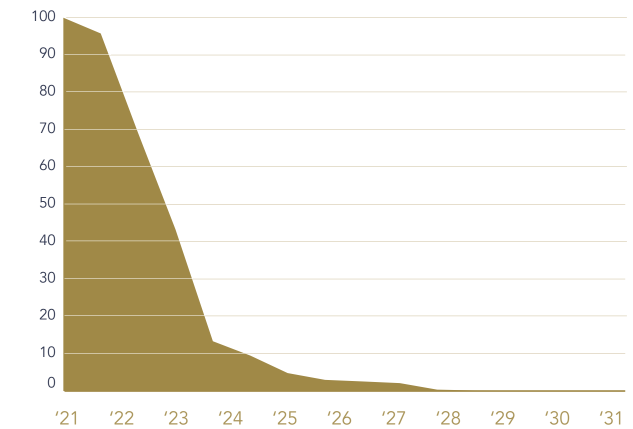
EXPIRY DATE OF LEASE AGREEMENTS

The weighted average remaining term is 8.45 years for the Belgian portfolio and 3.85 years for the Dutch portfolio. The weighted average remaining term for the entire portfolio is 7.00 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 2.15 years for the Belgian portfolio.

% RENTAL INCOME UNTIL FIRST BREAK



TENANTS: TOP 20

The top twenty tenants of Retail Estates nv represent 44.91% of the gross rental income and 40.49% of the total surface area of the properties in the real estate portfolio. They represent 317 shops. In absolute figures, Gilde (Kwantum/Leen Bakker) accounts for 6.67% 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) (3.07%), Auchan (Krëfel) (2.95%) en Pardis (Fun-Trafic) (2.82%).

SUMMARY OF KEY FIGURES

RETAIL ESTATES	31.03.2021	31.03.2020	31.03.2019
Estimated fair value[1] (in €)	1 717 245 000	1 661 753 000	1 529 629 000
Yield (investment value)[2]	6.48%	6.53%	6.55%
Contractual rents (in €)	113 968 503	112 317 786	103 502 136
Contractual rents incl. rental value of vacant buildings (in €)	117 125 716	114 371 781	104 871 501
Total m² in portfolio	1 153 448	1 136 492	1 049 101
Number of properties	992	969	906
Occupancy rate	97.07%	97.92%	98.28%
Total m² 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 2021 (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 "rconciliation tables" in the chapter miscellaneous"

IMPORTANT NOTE

On 31 March 2021, 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 2021, 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 2021. 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

Province	Cluster	Address	Year of construction - last renovation	Tenant	Gross surface m²	Occupancy rate	Rental income	Insurred value	Fair value	Acquisition value
Brussels	Individual peripheral properties and other	Jerusalemstraat 48-50, 1030 Schaarbeek		ALDI Cargovil-Zemst nv						
		Ninoofsesteenweg 510, 1070 Anderlecht		NewOrch Belgium BV						
				MOS INVEST2 BV						
			1981 - 1987		**2 206**	**100.00%**	**272 378.08**	**1 745 086.81**	**3 241 458.73**	**2 877 666.19**
Walloon Brabant	Individual peripheral properties and other	Avenue Reine Astrid 4/6, 1300 Wavre		BBK Expansion BVBA (Babykid)						
		Rue Pont du Christ 32, 1300 Wavre		AVIMMO INVEST SPRL						
		Rue des Carabiniers, 1300 Wavre		Régie d'électricité de la ville de Wavre						
		Rue du Bosquet 10 en 10A, 1370 Jodoigne								
		Brusselsesteenweg 551, 1410 Waterloo		CARPETLAND nv						
		Grand Route 49, 1435 Corbais		CHAUSSURES MANIET SA						
			1958 - 2013		**5 775**	**99.82%**	**580 081.08**	**4 568 393.62**	**9 192 616.22**	**10 123 456.93**
	Nivelles	Chaussée de Namur 55A, 1400 Nivelles		VOLTIS SA						
		Chaussée de Namur 55B, 1400 Nivelles		Menatam SA (Eggo)						
		Chaussée de Namur 55B, 1400 Nivelles		Fnac Vanden Borre nv						
		Chaussée de Namur 55C, 1400 Nivelles		Basic Fit België						
		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 Gembloux sa						
			2015 - 2018		**9 726**	**100.00%**	**1 075 156.26**	**7 693 886.81**	**16 705 969.04**	**14 373 573.33**
	Braine l'Alleud	Avenue de la belle Province 21-39, 1420 Braine-l'Alleud		AVA PAPIERWAREN nv						
				Proximus NV (Belgacom)						
				REDISCO bvba						
				C&A België cv						
				ANISERCO nv						
				OVS Home nv						
				NEW MTB SRL (King Jouet)						
				MOBISTAR nv						
		Rue Pierre Flamand 205, 1420 Braine-l'Alleud		CASA INTERNATIONAL NV						
			1990 - 2008		**8 535**	**99.79%**	**702 774.20**	**6 751 729.79**	**13 594 646.49**	**14 795 992.69**
Flemish-Brabant	Halle	Edingsesteenweg 75, 1500 Halle		Dreambaby NV						
		Edingensesteenweg 75, 1500 Halle		ACTION BELGIUM BVBA						
		Bergensesteenweg 162, 1500 Halle		AVEVE nv						
		Bergensesteenweg 420a, 1600 Sint-Pieters-Leeuw		M&S RENOV SPRL						
		Bergensesteenweg 460, 1600 Sint-Pieters-Leeuw		Chalet Center NV						
		Demaeghtlaan 216-218, 1500 Halle		Van Haren Schoenen BV						
			1964 - 2002		**7 457**	**100.00%**	**434 024.02**	**5 898 962.98**	**6 939 987.01**	**6 303 844.74**
	Individual peripheral properties and other	Humaniteitslaan 10, 1601 Ruisbroek (Vl.Br.)		GOBREL sa						
				Atlantis SPRL						
		Verlengde Stallestraat 200, 1620 Drogenbos		Retail Concepts NV (AS Adventure)						
		Verlengde Stallestraat 219, 1620 Drogenbos		Fnac Vanden Borre nv						
		Waterloosesteenweg 39, 1640 Sint-Genesius-Rode/ Rhode-Saint-Genèse		CEMEPRO sprl (chateau d'ax)						
		Ninoofsesteenweg 386, 1700 Dilbeek		FABRIMODE nv (Bel & Bo)						
		Assesteenweg 66, 1740 Ternat		TDM Products Belgium bvba						
		Schaarbeeklei 115, 1800 Vilvoorde		ACTION BELGIUM BVBA						
				DEVOTEC BVBA						
		Goudbloemstraat 2, 1800 Vilvoorde		KHARBAGH- ZAIDI						
		Goudbloemstraat 4, 1800 Vilvoorde		ZERRAD - CHTAOU						
		Waardbeekdreef 6, 1850 Grimbergen		Van Haren Schoenen BV						
		Hoogstraat 7, 1930 Zaventem		ALDI Cargovil-Zemst nv						
		Hoogstraat 7A, 1930 Zaventem		Walla Sobo Badébana - Abelaki Kanaza						
				D'Almeida Geoffroy Adande D.						
		Brusselsesteenweg 4, 3020 Herent		JBC nv						
		Brusselsesteenweg 490, 3090 Overijse		AVA PAPIERWAREN nv						
				KREFEL nv						
				ALDI						
		Leuvensesteenweg 168, 3290 Diest		LEEN BAKKER BELGIE nv						
		Leuvensesteenweg166, 3290 Diest		BRAUMARKT BVBA						
				Van de Velde Abraham						
		Leuvenselaan 497, 3300 Tienen		Aldi Heusden-Zolder						
			1970 - 2004		**24 846**	**100.00%**	**3 007 885.13**	**19 654 771.91**	**41 860 455.82**	**33 530 532.56**

Province	Cluster	Address	Year of construction - last renovation	Tenant	Gross surface m²	Occupancy rate	Rental income	Insurred value	Fair value	Acquisition value
Flemish-Brabant	Kampenhout	Mechelsesteenweg 46, 1910 Kampenhout		FABRIMODE nv (Bel & Bo)						
		Mechelsesteenweg 93, 1910 Kampenhout		NORDEX nv						
				Standaard Boekhandel NV						
		Mechelsesteenweg 89 B, 1910 Kampenhout		ZEEMAN textielSupers NV						
		Mechelsesteenweg 91, 1910 Kampenhout								
		Mechelsesteenweg 93, 1910 Kampenhout		CASA INTERNATIONAL NV						
				Swiss Sense BV						
		Mechelsesteenweg 50, 1910 Kampenhout		MODEMAKERS FASHION nv						
			1989 - 2004		**5 640**	**99.90%**	**613 180.26**	**4 461 600.00**	**10 622 816.84**	**4 342 270.61**
	Zaventem	Leuvensesteenweg 375, 1930 Zaventem		CARPETLAND nv						
				VONIKA BVBA						
				BC FOODS B.V.						
				CARE4CARS NV						
				DINA BV						
				E-Logistics NV						
				CARPETLAND nv						
		Leuvensesteenweg 350, + 350, 1932 Sint-Stevens-Woluwe		HUBO BELGIE nv						
		Leuvensesteenweg 8, 1932 Sint-Stevens-Woluwe		Bedden en Matrassen BV						
				COOLBLUE NV						
		Jozef Van Damstraat 3C, 1932 Sint-Stevens-Woluwe		ANISERCO nv						
				Retail Partners Colruyt Group NV						
				ZEEMAN textielSupers NV						
				KRUIDVAT bvba						
			1967 - 1996		**15 554**	**100.00%**	**1 323 703.25**	**12 304 206.81**	**18 799 129.23**	**17 922 772.90**
	Leuven-Oost	Tiensesteenweg 410, 3360 Korbeek-Lo		LOVANIX BVBA (Ixina)						
		Tiensesteenweg 370, 3360 Korbeek-Lo		TEGEL CONCEPT BVBA						
		Tiensesteenweg 393, 3360 Korbeek-Lo		FUN BELGIUM nv						
		Tiensesteenweg 1B, 3360 Korbeek-Lo		MEDI-MARKET Parapharmacies SA						
		Ridderstraat 2-12, 3360 Bierbeek		MODEMAKERS FASHION nv						
				FABRIMODE nv (Bel & Bo)						
				LEEN BAKKER BELGIE nv						
				OVS Home nv						
				ACTION BELGIUM BVBA						
				L.TORFS NV						
			1987 - 1993		**11 008**	**100.00%**	**1 537 500.17**	**8 708 030.64**	**21 965 780.77**	**19 706 144.99**
	Sint-Joris-Winge	Gouden Kruispunt 69, 3390 Tielt-Winge		MODEMAKERS FASHION nv						
		Aarschotsesteenweg 9, 3390 Sint-Joris-Winge		Retail Concepts NV (AS Adventure)						
				FUN BELGIUM nv						
		Aarschotsesteenweg 13, 3390 Sint-Joris-Winge		Van Haren Schoenen BV						
			1984 - 2011		**7 371**	**100.00%**	**1 010 291.16**	**5 830 931.49**	**15 208 044.11**	**14 393 581.71**

Province	Cluster	Address	Year of construction - last renovation	Tenant	Gross surface m²	Occupancy rate	Rental income	Insurred value	Fair value	Acquisition value
Antwerp	Individual peripheral properties and other	Frans Beirenslaan 51, 2150 Borsbeek		CARPETLAND nv						
		Geelsebaan 64, 2460 Kasterlee		ALDI						
		Antwerpsesteenweg 482-484, 2660 Hoboken		Sint-Niklaas Doe het Zelf NV						
			1973 - 1997		**4 826**	**100.00%**	**553 528.21**	**3 817 674.04**	**7 515 826.76**	**6 842 915.82**
	Antwerpen-Noord	Bredabaan 968, 2170 Merksem		L&L Retail Belgium SA						
		Bredabaan 964, 2170 Merksem		FUN BELGIUM nv						
		Bredabaan 978, 2170 Merksem		X²O Antwerpen en Limburg NV						
		Bredabaan 809, 2170 Merksem		BELCOMMA BV						
				DAMART TSD nv						
		Bredabaan 809 bus 5, 2170 Merksem		NovaSYO BVBA (bedden en matrassen)						
				WV2 BVBA (fiets!)						
				ETHIAS NV						
		Bredabaan 891-893, 2170 Merksem		ALDI TURNHOUT NV						
				AVEVE nv						
				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						
				Fnac Vanden						
				Borre nv						
				KOKIDO BVBA						
				PRO-DUO nv						
				ZEEMAN textielSupers NV						
				Vannotten Peggy en Oleson Queeny						
		Van Praetlei 260 2/1, 2170 Merksem		Cespedes Selina						
		Bredabaan 1205-1207, 2900 Schoten		KREFEL nv						
		Bredabaan 1213, 2900 Schoten		LEEN BAKKER BELGIE nv						
		Bredabaan 1207, 2900 Schoten		MEDINA nv (Bent Schoenen)						
		Bredabaan 1215, 2900 Schoten		L.TORFS NV						
		Bredabaan 1211, 2900 Schoten								
		Bredabaan 1209, 2900 Schoten		JBC nv						
		Bredabaan 1203, 2900 Schoten		OVS Home nv						
			1976 - 2016		**35 979**	**99.98%**	**5 168 821.88**	**28 461 685.53**	**84 061 848.90**	**77 288 886.89**
	Westerlo	Bell Telephonelaan2/2, 2260 Oevel		Burger Brands Belgium NV						
		Bell-Telephonelaan 1/2, 2260 Oevel		ACTION BELGIUM BVBA						
		Hotelstraat 1-10, 2260 Oevel		C&A België cv						
				FABRIMODE nv (Bel & Bo)						
				Euro Shoe Group N.V.						
				KWANTUM BELGIE BV						
				ZEB - Zebulah N.V.						
				HEUREKA BVBA (franchisé Heytens)						
				ZEEMAN textielSupers NV						
				Hunkemöller Belgium NV						
				Merkkleding BVBA						
			1988 - 2011		**12 218**	**99.87%**	**986 459.59**	**9 665 217.87**	**16 168 867.94**	**16 487 725.64**

Province	Cluster	Address	Year of construction - last renovation	Tenant	Gross surface m²	Occupancy rate	Rental income	Insurred value	Fair value	Acquisition value
		Donk 54/1-54/4, 2500 Lier		LUMA BVBA						
				HEUREKA BVBA (franchisé Heytens)						
				Fnac Vanden Borre nv						
				M.A.S. BV (Cats & Dogs)						
	Lier	Antwerpsesteenweg 308, 2500 Lier		Groep Bossuyt Belgie NV						
		Antwerpsesteenweg 366, 2500 Lier		KREFEL nv						
				Slaapadvies BVBA						
				BELGACOM MOBILE NV						
				FUN BELGIUM nv						
			1993 - 2009		**8 293**	**100.00%**	**866 837.86**	**6 560 292.34**	**13 430 458.16**	**7 599 055.66**
		Boomsesteenweg 651, 2610 Wilrijk		DECOR HEYTENS BELGIE NV						
		Boomsesteenweg 649, 2610 Wilrijk		KREFEL nv						
		Boomsesteenweg 649-651, 2610 Wilrijk		ADEBO NV						
				Obey NV						
				RUFFIN Franky						
		Boomsesteenweg 652, 2610 Wilrijk		OVS Home nv						
		Boomsesteenweg 941-945, 2610 Wilrijk		Keukenontwerpers NV						
				PRO-DUO nv						
				Schrauwen Sanitair en Verwarming NV						
				A & Y GROUP BV						
				HILTI BELGIUM nv						
				INTER HOME MARKET						
	Antwerpen-Zuid	Boomsesteenweg 800, 2610 Wilrijk		Odysseus Bouwmarkten NV						
		Antwerpsesteenweg 65_1, 2630 Aartselaar		Bedden en Matrassen BV						
				MEUBELEN DE ABDIJ bvba						
		Boomsesteenweg 68, 2630 Aartselaar		MAXI ZOO BELGIUM bvba						
		Boomsesteenweg 90, 2630 Aartselaar		BMS nv						
Antwerp		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, 2550 Kontich		C&A België cv						
				Basic Fit België						
				ZEB - ANTWERP FASHION OUTLET NV						
				LIN'S						
				Euro Shoe Group N.V.						
			1960 - 2016		**32 759**	**100.00%**	**3 460 250.77**	**25 914 460.00**	**53 088 214.30**	**39 998 109.10**
		Oscar Van Kesbeecklaan 3, 2800 Mechelen		Mega Outlet BVBA						
		Oscar Van Kesbeecklaan 7, 2800 Mechelen		MAXI ZOO BELGIUM bvba						
		Electriciteitsstraat 39, 2800 Mechelen		Van Haren Schoenen BV						
		Guido Gezellelaan, 2800 Mechelen								
	Mechelen-Noord	Guido Gezellelaan 6, 2800 Mechelen								
		Guido Gezellelaan 8, 2800 Mechelen								
		Guido Gezellelaan 10-18, 2800 Mechelen								
		Guido Gezellelaan 10/12, 2800 Mechelen								
		Guido Gezellelaan 20, 2800 Mechelen		Babydump B.V.						
		Liersesteenweg 432, 2800 Mechelen		FUN BELGIUM nv						
			1960 - 2011		**7 370**	**100.00%**	**829 771.62**	**5 830 140.43**	**11 560 098.98**	**10 158 141.82**
		Brusselsesteenweg 445 en 443, 2800 Mechelen		Slaapadvies BVBA						
		Brusselsesteenweg 439, 2800 Mechelen		FABRIMODE nv (Bel & Bo)						
				Menatam SA (Eggo)						
				Van Haren Schoenen BV						
	Mechelen-Zuid	Brusselsesteenweg 441 A, 2800 Mechelen		Fnac Vanden Borre nv						
		Brusselsesteenweg 441, 2800 Mechelen								
		Brusselsesteenweg 441 B, 2800 Mechelen		REDISCO bvba						
		Brusselsesteenweg 437, 2800 Mechelen		L&L Retail Belgium SA						
		Geerdegemstraat 148, 2800 Mechelen		OVS Home nv						
			1983 - 2005		**7 536**	**99.97%**	**989 330.16**	**5 961 457.02**	**14 176 899.94**	**8 954 399.22**

Province	Cluster	Address	Year of construction - last renovation	Tenant	Gross surface m²	Occupancy rate	Rental income	Insurred value	Fair value	Acquisition value
		Biezenstraat 47 - 53, 3500 Hasselt		KWANTUM BELGIE BV						
	Hasselt			MEDIA MARKT TWEE TORENS HASSELT NV						
				Maisons du Monde						
				X²O Antwerpen en Limburg NV						
			2017		**5 964**	**100.00%**	**913 601.73**	**4 717 904.68**	**14 444 883.00**	**14 871 643.28**
		Genkersteenweg 160, 3500 Hasselt		Chalet Center NV						
	Individual peripheral properties and other	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						
			1989 - 2016		**5 546**	**99.89%**	**453 011.89**	**4 387 240.00**	**7 314 995.94**	**7 588 274.29**
		Koolmijnlaan 193, 3580 Beringen		BRICO BELGIUM nv						
				Albert Heijn België NV						
				MAXI ZOO BELGIUM bvba						
				Chaussea BRT BVBA						
				MEDINA nv (Bent Schoenen)						
	Beringen			L&L Retail Belgium SA						
				ZEB - Monashee BVBA						
				H&M Hennes & Mauritz SA						
Limburg				FABRIMODE nv (Bel & Bo)						
				C&A België cv						
				AVA PAPIERWAREN nv						
				Fnac Vanden Borre nv						
			2015		**17 637**	**100.00%**	**2 051 817.16**	**13 951 992.77**	**31 425 213.95**	**30 944 405.87**
		Hasseltweg 97, 3600 Genk		Groep Bossuyt Belgie 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						
	Genk-Hasseltweg	Hasseltweg 183, 3600 Genk								
		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						
		Wilde Kastanjelaan 3, 3600 Genk		ALDI HEUSDEN-ZOLDER						
			1988 - 2015		**14 425**	**99.96%**	**1 230 456.29**	**11 411 095.74**	**19 947 983.30**	**18 293 610.43**

Province	Cluster	Address	Year of construction - last renovation	Tenant	Gross surface m²	Occupancy rate	Rental income	Insurred value	Fair value	Acquisition value
Limburg	Lim-Lanaken	Maaseikersteenweg 197, 3620 Lanaken		JYSK BVBA						
				E5 Fashion BV						
				JYSK BVBA						
				Toychamp Belgium N.V.						
			2005		4 150	100.00%	291 622.13	3 282 914.89	5 227 636.55	5 340 246.38
	Tongeren	Luikersteenweg 151 , 3700 Tongeren		JBC nv						
				L.TORFS NV						
				ADL Consult BVBA						
				PRO-DUO nv						
				Euro Shoe Group N.V.						
				Kleding Vossen NV						
				Fnac Vanden Borre nv						
				ZEB - Monashee BVBA						
				Dreamland NV						
				FABRIMODE nv (Bel & Bo)						
				KRUIDVAT bvba						
				E5 Fashion BV						
				Chaussea BRT BVBA						
				AUVA Tongeren BVBA						
				GOBREL sa						
				BIG BAZAR NV						
				JOETRON BV						
				Delhaize Le Lion - De Leeuw Comm.VA						
				LIDL						
				ACTION BELGIUM BVBA						
				MAXI ZOO BELGIUM bvba						
				LIDL						
				LEEN BAKKER BELGIE nv						
		Luikersteenweg 151 bus 37, 3700 Tongeren		Groep L.B.M. BVBA						
			2012		30 930	100.00%	2 445 903.25	24 467 604.26	40 524 675.13	37 845 127.45
	Lommel	Binnensingel 46-54, 3920 Lommel		Sportsdirect.com Belgium						
				LIDL						
				LEEN BAKKER BELGIE nv						
				KREFEL nv						
			2006		6 938	100.00%	755 854.82	5 488 400.85	11 612 772.50	10 747 809.39

Province	Cluster	Address	Year of construction - last renovation	Tenant	Gross surface m²	Occupancy rate	Rental income	Insurred value	Fair value	Acquisition value
Liège	Luik - CENTRUM	Bld Cuivre et Zinc 21, 4000 Liège		ANISERCO nv						
		Bld Cuivre et Zinc 19, 4000 Liège		Discus SPRL (verkoop visgerei)						
		Boulevard 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 19, 4000 Liège								
		Boulevard Froidmont 13/15, 4000 Liège		BURO MARKET nv						
		Boulevard de Froidmont 23, 4020 Liège		ALDI VAUX-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)						
			1988 - 2012		14 640	99.93%	1 250 718.45	11 581 174.47	18 199 039.63	16 018 468.09
	Individual peripheral properties and other	Rue Joseph Demoulin 15, 4000 Liège		ACTION BELGIUM BVBA						
		Rue Servais Malaise 29, 4030 Grivegnée		Euro Shoe Group N.V.						
		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						
				POINT CARRE sprl						
				Bounce Wear BVBA (sportartikelen)						
		Avenue Laboulle 17, 4130 Tilff		LIDL						
		Chaussée Romaine 244, 4300 Waremme		Poivre 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		ACTION BELGIUM BVBA/BRISTOL						
			1986 - 2017		13 970	100.00%	1 296 328.54	11 051 161.70	15 684 533.74	16 032 907.31
	Rocourt	Chaussée de Tongres 269, 4000 Rocourt		Auto 5 NV						
				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						
			1975 - 1987		10 737	100.00%	1 829 869.08	8 493 652.34	27 842 650.12	28 027 555.95
	Herstal	rue des Naiveux 44, 4040 Herstal		HOME KITCHENS SPRL						
		rue des Naiveux 40, 4040 Herstal		L&L Retail Belgium SA						
		Rue des Naiveux 24B, 4040 Herstal		KRUIDVAT bvba						
				TAO Belgique SA						
		Rue des Naiveux 20, 4040 Herstal		Fnac Vanden Borre nv						
		Rue des Naiveux 16, 4040 Herstal								
		rue de Naiveux 7, 4040 Herstal		MT - MONDIAL TEXTILES SA						
		rue Arnold Delsupexhe 66A, 4040 Herstal		KREFEL nv						
				JCDECAUX BILLBOARD sa						
		rue Arnold Delsupexhe 66B, 4040 Herstal		AVA PAPIERWAREN nv						
			1971 - 2001		6 180	100.00%	766 184.67	4 888 774.47	9 303 240.34	6 357 371.49
	Hognoul	Porte de Liège 7, 4342 Hognoul		LEEN BAKKER BELGIE nv						
				POLTRONESOFA BELGIUM SA						
				X²O Wallonië NV						
				OVS Home nv						
			2021		5 672	100.00%	817 280.00	4 486 914.04	13 353 703.49	10 213 295.16

Province	Cluster	Address	Year of construction - last renovation	Tenant	Gross surface m²	Occupancy rate	Rental income	Insurred value	Fair value	Acquisition value
Liège	Blegny-Barchon	Rue Champs de Tignée 4/2, 4671 Barchon		NovaSYO BVBA (bedden en matrassen)						
		Rue Champs de Tignée 4/1, 4671 Barchon		SERVI9 SCRL						
		Champs de Tignée 14-34, 4671 Barchon		LES PERES NOIRS SA						
				Optic Barchon SCRL						
				Chaud Diffusion SPRL						
				Saker-Greco						
				BRICOBA SA						
				MALIK COIFFURE SRL						
				Les Bouchers Doubles SPRL						
				LA CHINE WOK SPRL						
				CIRCUS BELGIUM SA						
				LA GLISSE						
				3D MANAGEMENT SPRL						
				SEPTEMBRE 1965 sprl (Point carré)						
				Delhaize Le Lion - De Leeuw Comm.VA						
				LIDL						
				TOP TRADING BVBA						
				T.C. Boncelles SPRL						
				PHILIPPE STEVENS SPRL - DIGITHOME						
			1989 - 2008		**13 062**	**100.00%**	**1 255 807.52**	**10 332 875.74**	**19 659 109.28**	**16 679 875.68**
	Eupen	Rue Mitoyenne 1, 4700 Eupen		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						
		Herbesthalerstraat 154, 4700 Eupen								
			1988 - 2019		**10 124**	**99.77%**	**780 656.37**	**8 008 730.21**	**14 121 345.17**	**14 506 354.74**
	Verviers	Boulevard des Gérardchamps 118, 4800 Verviers		Delhaize Le Lion - De Leeuw Comm.VA						
				ANISERCO nv						
				LEEN BAKKER BELGIE nv						
		Rue Fernand Houget 2-6A, 4800 Verviers		BDO Distribution SA						
				CASA INTERNATIONAL NV						
				Régie des Bâtiments						
		Rue de la Station 8, 4800 Verviers		Decathlon Belgium NV						
				MCDonald's Restaurants Belgium NV						
				Securex International						
				Miami Sun SPRL						
				ING Belgique SA						
				Pharmacies Populaires de Verviers et arr. SCRL						
				Dreamland 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						
			1998 - 2013		**37 151**	**99.92%**	**3 454 349.19**	**29 388 812.34**	**53 194 835.39**	**50 083 046.10**

Province	Cluster	Address	Year of construction - last renovation	Tenant	Gross surface m²	Occupancy rate	Rental income	Insurred value	Fair value	Acquisition value
Namur	Namen-Noord	rue de Sardanson 2-4, 5004 Bouge		FAST FOOD sprl (FAILLIET)						
				CCB Corporate SPRL (Cash Converters)						
				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		E5-Mode nv						
				CHAUSSURES LACHAPELLE SA						
		Rue Louis Albert 6A, 5020 Champion		SND sa (Trafic)						
		Rue Louis Albert 6, 5020 Champion								
		Chaussée de Louvain 562-564B, 5020 Champion		ALDI Gembloux sa						
				Maisons du Monde						
				Le Fu SPRL						
			1990 - 2012		**14 868**	**99.89%**	**1 508 407.07**	**11 761 537.02**	**23 142 577.01**	**19 064 443.14**
	Individual peripheral properties and other	Ancien Rivage 73, 5020 Malonne		ANISERCO nv						
		Chaussée de Wavre 42B, 5030 Gembloux		Chalet Center NV						
		Avenue Reine Elisabeth, 5300 Andenne		NEW MTB SRL (King Jouet)						
		Avenue de la Belle Mine 24, 5300 Andenne		Fnac Vanden Borre nv						
			1996 -2007		**3 227**	**100.00%**	**299 796.80**	**2 552 762.98**	**5 089 861.40**	**3 878 624.42**
	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						
		Campagne d'Enée 5, 5030 Gembloux		LIDL						
			2008 - 2009		**8 237**	**100.00%**	**911 580.60**	**6 515 992.77**	**13 662 913.72**	**12 645 719.51**
	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 (Okaïdi)						
				POINTFOSSES SPRL						
				Pharmacie Graf-Lesoye SPRL						
				O Q.G SPRL (Brasserie)						
				Delhaize Le Lion - De Leeuw Comm.VA						
				Jouets BROZE SA						
				STOCK FOSSES SA						
				SNC FLORENT ET CIE SCS (Chocolaterie)						
				ANISERCO nv						
				VG EXPRESS SPRL (Shop for Geek)						
				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**	**99.99%**	**1 763 876.77**	**12 609 557.45**	**28 704 594.71**	**29 201 101.44**
	Namen-Zuid	Avenue du Prince de Liege 115, 5100 Jambes		Fnac Vanden Borre nv						
		Avenue Prince de Liège 117, 5100 Jambes		Chaussea BRT BVBA						
		Avenue Prince de Liège 114/120, 5100 Jambes		X²O 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%**	**873 118.96**	**6 742 237.02**	**13 212 537.39**	**12 979 822.05**

Province	Cluster	Address	Year of construction - last renovation	Tenant	Gross surface m²	Occupancy rate	Rental income	Insurred value	Fair value	Acquisition value
Namur	Sambreville	Rue Baty des Puissances 6, 5190 Jemeppe-sur-Sambre		ACTION BELGIUM BVBA						
		Rue Baty des Puissances 1, 5190 Jemeppe-sur-Sambre		BRICO BELGIUM nv						
		Rue Baty des Puissances 12, 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		5 982	99.85%	443 077.92	4 732 143.83	7 585 690.61	5 346 072.35
	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		LEEN BAKKER BELGIE nv						
		Tienne de l'Europe, 5500 Dinant		CP RETAIL SA						
				Parée Pierre						
				NMD sprl						
				C&A België cv						
			1996 - 2001		5 330	99.64%	353 492.17	4 216 370.21	7 118 207.04	6 454 671.73
	Philippeville	Rue de Neuville 2, 5600 Philippeville		Euro Shoe Group N.V.						
		rue de Neuville, 5600 Philippeville		C&A België cv						
				ALDI Gembloux sa						
			1989		2 936	100.00%	302 601.87	2 322 563.40	4 692 408.13	275 033.07
Hainaut	Individual peripheral properties and other	Route de Philippeville 402/422, 6010 Couillet		MK MEUBLES SCS						
		Route Nationale 5, 6041 Gosselies		Electro Depot Belgique SA						
		Route de la Basse Sambre 713, 6060 Gilly		WIBRA BELGIE BV						
		Route de la Basse Sambre, 6060 Gilly		Mega Store SPRL						
		Avenue du Centenaire 50, 6061 Montignies-sur-Sambre		Le Comité Scolaire Saint Valentin ASBL						
		Rue de la Persévérance 7-9, 6061 Montignies-sur-Sambre		Basic Fit België						
		Rue de Leernes 2, 6140 Fontaine-l'Evêque		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		MOBISTAR nv						
		Rue des Français 152, 6200 Châtelet		PROFI sa						
		Rue de Bertransart, 6280 Gerpinnes		DISTRILED CENTRE BVBA						
		Rue d'Anderlues 110, 6530 Thuin		LIDL						
		Chaussée de Binche 50, 7000 Mons		Sitipac SRL						
		Avenue Wilson 421, 7012 Jemappes		NIKE Retail BV						
				Basic Fit België						
		Chaussee de Roeulx 353, 7060 Soignies								
		Chaussee de Roeulx 351, 7060 Soignies		AVEVE nv						
		Avenue de la Wallonie 6, 7100 La Louvière		Chaussea BRT BVBA						
				Electro Depot Belgique SA						
		Rue Zéphirin Fontaine 76A, 7130 Binche		KRUIDVAT bvba						
		Rue Zépherin Fontaine 140, 7130 Binche		RUNFA SPRL (Wok)						
		Route de Mons, 7390 Quaregnon		NEW MTB SRL (King Jouet)						
				MAC MOTOR SRL						
		Route de Mons 107, 7390 Quaregnon		Bassani SPRL						
				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		32 778	99.97%	2 850 497.09	25 929 490.21	38 106 659.97	32 600 286.80

Province	Cluster	Address	Year of construction - last renovation	Tenant	Gross surface m²	Occupancy rate	Rental income	Insurred value	Fair value	Acquisition value
Hainaut	Aiseau-Presles	Rue du Campinaire 72-82, 6250 Aiseau-Presles		Omega NV (Databuild)						
				RSDECO						
				AVEVE nv						
				ALDI Gembloux sa						
				Euro Shoe Group N.V.						
			2009 - 2011		8 182	99.94%	703 774.12	6 472 484.26	11 465 108.97	10 898 022.47
	Erquelinnes	Route de Mons 276, 6560 Erquelinnes		SND sa (Trafic)						
		Route de Mons 260, 6560 Erquelinnes								
			2011		2 232	99.81%	145 930.05	1 765 654.47	2 540 466.07	2 828 669.03
	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%	1 738 865.90	9 317 940.85	28 456 346.59	27 741 274.14
	Péruwelz	rue Neuve Chaussée, 7600 Péruwelz		FABRIMODE nv (Bel & Bo)						
				ACTION BELGIUM BVBA						
			1996 - 2012		1 740	100.00%	166 411.42	1 376 451.06	2 316 494.60	2 118 494.21
	Mouscron	Rue de la Liesse 92-96, 7700 Mouscron/Moeskroen		Excel-Cash SA (cash converters)						
				LIDL						
			2014		2 713	99.85%	298 306.23	2 146 156.17	5 135 064.28	5 228 877.66
	Frameries	Route Nationale, 7080 Frameries		ACTION BELGIUM BVBA						
				FABRIMODE nv (Bel & Bo)						
				LEEN BAKKER BELGIE nv						
				Natale Mario (Sander boutique)						
				Euro Shoe Group N.V.						
				ANISERCO nv						
				Willems NV (verandas)						
				X²O Wallonië NV						
				Distriled Tournai SPRL (Extrashop)						
				SND sa (Trafic)						
				ZEEMAN textielSupers NV						
				KRUIDVAT bvba						
				RUBEN.G SPRL						
				ITM ALIMENTAIRE BELGIUM SA						
			2012 -2018		14 917	100.00%	1 432 920.33	11 800 299.15	21 829 226.84	21 756 559.19
	Leuze-en-Hainaut	Rue de l'Artisanat 3-7, 7900 Leuze-en-Hainaut		ACTION BELGIUM BVBA						
				NovaSYO BVBA (bedden en matrassen)						
				JD Optimal SRL						
				Euro Shoe Group N.V.						
			2014		3 050	100.00%	237 235.37	2 412 744.68	3 373 662.45	3 982 110.76

Province	Cluster	Address	Year of construction - last renovation	Tenant	Gross surface m^2	Occupancy rate	Rental income	Insurred value	Fair value	Acquisition value
Hainaut	Tournai	rue des Roselières 10, 7503 Froyennes		CHAUSSURES MANIET SA						
		rue des Roselières 14, 7503 Froyennes		LEEN BAKKER BELGIE nv						
		rue des Roseliers 7, 7503 Froyennes		Delcambe Chaussures SPRL						
		rue des Roseliers 1, 7503 Froyennes		BDO Distribution SA						
		Rue de Maire 13a-d, 7503 Froyennes		ANISERCO nv						
				NEW MTB SRL (King Jouet)						
				CARGLASS nv						
				Au coin du Feu SPRL						
		Rue de la Taverne du Maire 3, 7503 Froyennes		DI SA						
				MOBISTAR nv						
			1981 - 2010		**7 979**	**100.00%**	**947 544.88**	**6 311 898.30**	**12 266 795.26**	**8 273 703.63**
	Ath	Chaussée de Bruxelles 60, 7800 Ath		Euro Shoe Group N.V.						
				AGIK s.p.r.l.						
				KRUIDVAT bvba						
				MATCH sa						
				ZEEMAN textielSupers NV						
				Fally Marie						
				ELECTRO AV nv						
				ACTION BELGIUM BVBA						
				Alken-Maes NV						
				RNA STORE SRL						
				Lloydspharma Group SA						
			1974 - 2017		**7 345**	**99.93%**	**709 132.00**	**5 810 363.83**	**12 013 969.82**	**9 623 194.58**
Luxembourg	Arlon	Rue de Grass, 6700 Sterpenich		Signify Belgium NV						
				Maisons du Monde						
				BDO Distribution SA						
				DISTRILED MARCHE SPRL (Extra Shop)						
				ARLONSPORTS SCRL (Intersport)						
				X^{2}O Wallonië NV						
			2018		**11 123**	**100.00%**	**1 361 532.42**	**8 799 002.98**	**19 497 157.47**	**20 572 113.96**
	Individual peripheral properties and other	Avenue de la Gare, 6720 Habay-la-Neuve		Carrefour Belgium SA						
				Maxi Market SPRL						
		rue de la Vallée 100-108, 6780 Messancy		I.L.I.S. SA						
				BDO Distribution SA						
				MAKE sprl						
				Blue Vision Messancy (à constitiuer)						
				Clebio SPRL						
				Quality meat Renmans SA						
		rue de Neufchâteau 5, 6800 Libramont-Chevigny		BBK Expansion BVBA (Babykid)						
		Rue de la Girafe 21, 6830 Bouillon		Omega NV (Databuild)						
		Rue de la Girafe 25, 6830 Bouillon		bpost SA						
			1992 - 2008		**10 829**	**100.00%**	**805 889.99**	**8 566 430.21**	**9 786 234.10**	**11 709 778.80**
	Libramont	Rue de l'Aliénau, 6800 Libramont		Burger Brands Belgium NV						
				MONDIAL EXPRESS SCRL						
				JBC nv						
				Planet Parfum SA						
				Veritas NV						
				H&M Hennes & Mauritz SA						
				POINT CARRE sprl						
				BRICO ARDENNE SPRL						
		Rue de Libin 2a, 6800 Libramont		KREFEL nv						
		Rue de Libin 2, 6800 Libramont		AVA PAPIERWAREN nv						
			2006 - 2010		**11 503**	**100.00%**	**1 270 331.76**	**9 099 607.23**	**19 563 556.56**	**20 264 595.09**

Province	Cluster	Address	Year of construction - last renovation	Tenant	Gross surface m^2	Occupancy rate	Rental income	Insurred value	Fair value	Acquisition value
Luxembourg	Marche-en-Famenne	avenue de France 40, 6900 Marche-en-Famenne								
		avenue de France 42, 6900 Marche-en-Famenne								
		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						
				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 park 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 Park Industriel 13, 6900 Marche-en-Famenne		HUBO BELGIE nv						
			1969 - 2013		**15 183**	**99.88%**	**1 438 143.93**	**12 010 722.13**	**24 131 713.15**	**17 777 576.47**
West-Flanders	Brugge-Noord	Sint-Pieterskaai 20 A, 8000 Brugge		HEMA BELGIE BVBA						
		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						
				Dreambaby NV						
				LEEN BAKKER BELGIE nv						
				ACTION BELGIUM BVBA						
				Omega (BWC)						
				MAXI ZOO BELGIUM bvba						
				KRUIDVAT bvba						
				ZEEMAN textielSupers NV						
			1976 - 2012		**13 186**	**100.00%**	**1 257 319.76**	**10 430 967.66**	**18 898 153.04**	**17 505 893.17**
	Individual peripheral properties and other	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						
		Biezenstraat 16, 8430 Middelkerke		ACTION BELGIUM BVBA						
		Koninklijke Baan 228, 8670 Koksijde		Euro Shoe Group N.V.						
		Frankrijklaan 2, 8970 Poperinge		Omega (BWC)						
			1950 - 1998		**8 598**	**100.00%**	**820 306.67**	**6 801 566.81**	**11 289 811.14**	**11 842 114.12**
	Kortrijk-Noord	Ringlaan 32, 8500 Kortrijk		D. Fashion NV (Giks)						
				IMETAM bvba						
				L.TORFS NV						
				DE MAMBO B.V.B.A.						
		Ringlaan 11, 8520 Kuurne		JOMA SPORT BV						
		Ringlaan, 8520 Kuurne		Fnac Vanden Borre nv						
		Ter Ferrants 1, 8520 Kuurne		Euro Shoe Group N.V.						
		Ter Ferrants 3, 8520 Kuurne		AVA PAPIERWAREN nv						
		Ter Ferrants 4, 8520 Kuurne								
		Ter Ferrants 2, 8520 Kuurne		LEEN BAKKER BELGIE nv						
			1987 - 2015		**12 714**	**99.89%**	**1 000 195.95**	**10 057 585.53**	**15 777 960.74**	**10 743 615.98**

Province	Cluster	Address	Year of construction - last renovation	Tenant	Gross surface m²	Occupancy rate	Rental income	Insurred value	Fair value	Acquisition value
		Gentseweg 520, 8793 Sint-Eloois-Vijve		AVA PAPIERWAREN nv						
	Sint-Eloois-Vijve			Mekowa BVBA (Gamma)						
				Boncquet Robert BVBA						
			1988		4 952	99.81%	350 833.32	3 917 348.09	5 405 826.61	5 631 413.41
		Brugsestraat 377, 8800 Roeselare		BRICO BELGIUM nv						
West-Flanders		Brugsesteenweg 508-510, 8800 Roeselare		MAEBEROEK BV						
		Mercury Centrum - Brugsesteenweg 363, 8800 Roeselare		BIG BAZAR NV						
	Roeselare	Brugsesteenweg 524, 8800 Roeselare		IMETAM bvba						
				BELGIAN POSTERS						
		Brugsesteenweg 356 A-C, 8800 Roeselare		Seats and sofas N.V.						
				Omega NV						
				Fnac Vanden Borre nv						
			1993 - 2007		12 863	100.00%	1 433 058.17	10 175 454.04	19 936 137.12	16 013 077.71
		Fratersplein 11, 9000 Gent		LIDL						
		Brusselsesteenweg 662, 9050 Gentbrugge		Slaapadvies BVBA						
				ZEB - Wamo BVBA						
		Maisstraat 3, 9060 Zelzate		JBC nv						
		Antwerpse Steenweg 71, 9080 Lochristi		MODEMAKERS FASHION nv						
		Antwerpse Steenweg 73, 9080 Lochristi		L.TORFS NV						
		Antwerpsesteenweg 84, 9080 Lochristi		DAMART TSD nv						
				AUGUSTYNS BVBA (verkoop keukens)						
		Brusselsesteenweg 75, 9090 Melle		JBC nv						
		Zelebaan 67, 9160 Lokeren		VAN Haren Schoenen BV						
		Oosterzelesteenweg 127, 9230 Wetteren		KREFEL nv						
				OVS GARDEN NV						
	Individual peripheral properties and other	Grote Baan 154, 9250 Waasmunster		TDM Products Belgium bvba						
		Brusselsesteenweg 120, 9300 Aalst		VAN Haren Schoenen BV						
		Gentsesteenweg 442, 9300 Aalst		CARPETLAND nv						
		Pieter Corneliskaai 16A, 9300 Aalst		BRICO BELGIUM nv						
		Brakelsesteenweg 160, 9400 Ninove		JALS BELGIUM NV						
		Astridlaan 38, 9500 Geraardsbergen		Van Haren Schoenen BV						
				ALDI Erpe Mere nv						
		Provincieweg 266, 9550 Herzele		MODEMAKERS FASHION nv						
		Noordlaan 5, 9630 Munkzwalm								
East-Flanders		Ronseweg 56, 9700 Oudenaarde		De Feestwinkel BV						
		Kortrijksesteenweg 18, 9830 Sint-Martens-Latem		V.M.A. NV						
		Puitvoetstraat 6B, 9100 Sint-Niklaas		CARPETRIGHT						
			1974 - 2015		31 123	99.96%	2 645 761.01	24 620 279.57	43 507 509.98	42 755 874.85
		Kortrijksesteenweg 1178, 9051 Sint-Denijs-Westrem		FUN BELGIUM nv						
		Kortrijksesteenweg 1036-1038 9051 Sint-Denijs-Westrem		Retail Concepts NV (AS Adventure)						
				DECOR HEYTENS BELGIE NV						
				GDW-Gent BV						
		Kortrijksesteenweg 1200, 9051 Sint-Denijs-Westrem		Fnac Vanden Borre nv						
	Gent-Zuid	Kortrijksesteenweg 1192B, 9051 Sint-Denijs-Westrem		KREFEL nv						
		Kortrijksesteenweg 1182A, 9051 Sint-Denijs-Westrem		Slaapadvies BVBA						
		Wallenkensstraat 28, 9051 Sint-Denijs-Westrem								
		Wallenkensstraat 24, 9051 Sint-Denijs-Westrem		L.TORFS NV						
		Wallenkensstraat 26, 9051 Sint-Denijs-Westrem		ZEB - Wamo BVBA						
		Kortrijksestenweg 1206, 9051 Sint-Denijs-Westrem		CARPETLAND nv						
			1978 - 2020		14 666	99.94%	1 747 102.13	11 601 742.13	28 352 991.03	19 964 985.30
		Parklaan 50, 9100 Sint-Niklaas		GUNGO BVBA (IXINA)						
				NSEKA-MASSALA A.						
	Sint-Niklaas			Mehmed Yalmaz						
		Parklaan 87, 9100 Sint-Niklaas		FUN BELGIUM nv						
		Plezantstraat 268, 9100 Sint-Niklaas		ALDI Erpe Mere nv						
			1999 - 2006		5 008	99.91%	545 286.96	3 961 647.66	8 788 826.11	5 356 911.90

Province	Cluster	Address	Year of construction - last renovation	Tenant	Gross surface m²	Occupancy rate	Rental income	Insurred value	Fair value	Acquisition value
		Mechelsesteenweg 136-140, 9200 Dendermonde		BELLOLI bvba						
				LEEN BAKKER BELGIE nv						
	Dendermonde			FUN BELGIUM nv						
				Basic Fit België						
		Mechelsesteenweg 51, 9200 Dendermonde		KREFEL nv						
		Oude Vest 70, 9200 Dendermonde		KRUIDVAT bvba						
		Mechelsesteenweg 35, 9200 Dendermonde		GAM NV						
			1974 - 2000		12 731	99.90%	1 015 817.26	10 071 033.62	16 901 676.27	6 649 386.32
		Oude Heerbaan 7, 9230 Wetteren								
		Oude Heerbaan 5, 9230 Wetteren		BEKINTEX NV						
				ULRIKA BVBA						
				De Rycke BVBA						
				AMELIM NV						
				ATITA NV (papierwaren)						
				JBC nv						
				L.TORFS NV						
				Fnac Vanden Borre nv						
	Wetteren			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						
East-Flanders				ZEB - Wamo BVBA						
			1996 - 2008		25 246	100.00%	1 830 413.02	19 971 197.45	27 947 173.83	25 748 189.22
		Gentstraat 47-67, 9700 Oudenaarde		Extra Vertes BVBA						
				C&A België cv						
				JYSK BVBA						
	Oudenaarde			ACTION BELGIUM BVBA						
				ELECTRO AV nv						
				LIDL						
				KRUIDVAT bvba						
				bpost SA						
			2005 - 2014		7 860	99.92%	522 547.73	6 217 761.70	8 146 831.71	7 000 344.57
		Stationsstraat 76-82, 9900 Eeklo		Verhaeghe Peter BVBA (KVIK)						
		Stationstraat - Krügercenter, 9900 Eeklo		DAMART TSD nv						
				Hunkemöller Belgium NV						
				HANS ANDERS BELGIE BVBA						
				L&L Retail Belgium SA						
				BennTex BV						
				C&A België cv						
				ZEB - Savermo NV						
	Eeklo			L.TORFS NV						
				HEMA BELGIE BVBA						
				Fnac Vanden Borre nv						
				JBC nv						
				ADL Consult BVBA						
				Sportschool De Poorter CVBA						
				LIDL						
				ELECTRO AV nv						
				Tijdloos BVBA						
			1998 - 2005		12 199	100.00%	1 339 298.35	9 650 187.66	22 420 120.08	19 498 198.85

THE NETHERLANDS

Province	Cluster	Address	Year of construction - last renovation	Tenant	Gross surface m²	Occupancy rate	Rental income	Insurred value	Fair value	Acquisition value
		Meubelplein 15, 2353 EX Leiderdorp								
		Meubelplein 12, 2353 EX Leiderdorp		Citee Keukens BV						
	Leiderdorp	Meubelplein 7 - 15, 2353 EX Leiderdorp		M&J Keukens t.h.o.d.n. Keukenstunter VOF						
		Meubelplein 13, 2353 EX Leiderdorp		Show Pain Leiderdorp						
		Meubelplein 14, 2353 EX Leiderdorp		Berg en Berg Zwaanshoek B.V.						
			2002		2 626	99.65%	149 104.44	2 778 000.00	1 312 349.18	1 305 580.29
		Lucebertstraat 30-76, 3202 SW Spijkenisse		Braretail B.V.						
				Hoogenboezem Meubelen B.V.						
				Beter Bed B.V.						
				Jysk B.V.						
				Kwantum Nederland B.V.						
				Leen Bakker Nederland B.V.						
				Meubelcentrum Lissabon B.V.						
				Babydump B.V.						
				Dudaco B.V						
				Prominent Comfort Producten B.V.						
				APS B.V.						
				Turfpoort B.V.						
	Spijkenisse			Carpet-Land B.V.						
				SANI-DUMP B.V.						
				De Watertuin Spijkenisse B.V.						
				Roobol Woontextiel B.V.						
				Lampidee B.V						
				BCC (Elektro-Speciaalzaken)						
				Bruynzeel Keukens B.V.						
Zuid-Holland				Swiss Sense B.V.						
				Wooning Keukens & Sanitair B.V.						
				Keukenconcurrent Nederland B.V.						
				Klay Schuifdeurkasten B.V.						
				Keukenconcurrent Nederland B.V.						
				Rofra Meubelen Spijkenisse B.V.						
				Infozuil Nederland						
				HORECA CONTAINERS NISSEWAARD BV						
			2009		28 527	99.99%	3 276 299.80	21 600 000.00	42 575 955.19	47 323 002.42
		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								
	Naaldwijk	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 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		20 597	100.00%	1 709 404.10	22 605 000.00	18 593 374.38	20 389 548.35

Province	Cluster	Address	Year of construction - last renovation	Tenant	Gross surface m²	Occupancy rate	Rental income	Insurred value	Fair value	Acquisition value
		Hollantlaan 18, 3526 AR Utrecht		Leen Bakker Nederland B.V.						
		Hollantlaan 26, 3526 AM Utrecht		N.T.U. Utrecht B.V.						
	Utrecht	Hollantlaan 28, 3526 AM Utrecht		SANI-DUMP B.V.						
				F. Schimmel Beheer B.V.						
				RpG Vastgoed BV						
Utrecht			1990		7 408	100.00%	772 032.86	3 200 000.00	9 659 414.21	10 354 123.42
				Wooncentrum Veenendaal B.V.						
		Einsteinnlaan 1 - 3, 3902 HN Veenendaal		De Dromenmaker Veenendaal B.V.						
	Veenendaal			Bouman vloerservice V.O.F.						
				T-Mobile Infra B.V.						
				Vodafone Libertel B.V.						
			2005		18 455	100.00%	1 342 406.58	27 366 000.00	10 056 418.82	12 589 604.26
		Mortiereboulevard 4, 4336 RA Middelburg		Media Markt Saturn Holding Nederland B.V.						
		Mortiereboulevard 10, 4336 RA Middelburg		Kwantum Nederland B.V.						
		Mortiereboulevard 12, 4336 RA Middelburg		Woonsquare 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.						
Zeeland	Middelburg	Mortiereboulevard 20, 4336 RA Middelburg		Profijt Zeeland B.V.						
		Mortiereboulevard 22, 4336 RA Middelburg		Sports Unlimited Retail B.V.						
		Mortiereboulevard 24, 4336 RA Middelburg		De Badenman B.V.						
		Mortiereboulevard 26, 4336 RA Middelburg		BCC (Elektro-Speciaalzaken)						
		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.						
			2006		26 342	100.00%	2 294 276.71	12 795 000.00	29 743 987.51	32 799 961.84
		Het Rietveld 1-44, 7321 CT Apeldoorn		KFC Holdings B.V.						
				Wooncentrum De Groot Apeldoorn B.V.						
				Keuken & Bad Apeldoorn B.V.						
				Kvik NL B.V.						
				totaalBED B.V.						
				Keukenconcurrent Nederland B.V.						
	Apeldoorn			Beter Bed B.V.						
Gelderland				Swiss Sense B.V.						
				Carpet-Land B.V.						
				Huus Apeldoorn BV						
				X²O Badkamers BV						
				V.O.F. Wooncentrum						
				Kluswijs B.V.						
				HLC Wereld B.V.						
			2004 - 2005		23 940	99.97%	1 576 024.32	29 237 000.00	17 906 563.73	15 989 230.00
	Duiven	Nieuwgraaf 6, 6921 RJ Duiven		Leen Bakker Nederland B.V.						
			1986		3 000	100.00%	273 254.40	2 703 100.00	4 757 677.97	4 546 399.86

Province	Cluster	Address	Year of construction - last renovation	Tenant	Gross surface m²	Occupancy rate	Rental income	Insurred value	Fair value	Acquisition value
		Cruquiusplein 4-56, 2142 EV Cruquius		Turfpoort B.V.						
				Jysk B.V.						
				Media Markt Saturn Holding Nederland B.V.						
				Twin Sport Cruquius B.V.						
				La Place Food B.V.						
				Van den Heuvel Verlichting/Kleinmeubel B.V.						
				De Badenman B.V.						
				Nijman International B.V.						
				Roobol Woontextiel B.V.						
				Bruynzeel Keukens B.V.						
				Swiss Sense B.V.						
				HACO Cruquius BV						
	Cruquius			De MandemakersGroep Holding B.V. (DMG)						
				De Bommel Groep B.V.						
				Kwantum Nederland B.V.						
				Carpet-Land B.V.						
				Beter Bed B.V.						
Noord Holland				Keukenkampioen B.V.						
				Van Bemmel en Kroon Keukens BV						
				Leen Bakker Nederland B.V.						
				Van 't Hoeft verlichting v.o.f.						
				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 45, 2142 EV Cruquius								
			2002 - 2006		**41 734**	**99.99%**	**5 206 899.70**	**44 793 000.00**	**72 230 873.06**	**74 215 618.72**
		Pieter Ghijsenlaan 22A, 1506 PV Zaandam		V.O.F. Beddenspeciaalzaak 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.						
	Zaandam	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%**	**1 042 249.28**	**23 359 000.00**	**12 721 666.69**	**13 418 659.77**

Province	Cluster	Address	Year of construction - last renovation	Tenant	Gross surface m²	Occupancy rate	Rental income	Insurred value	Fair value	Acquisition value
		In de Cramer 64-188, 6412 PM Heerlen		Turfpoort B.V.						
				Van den Heuvel Verlichting/Kleinmeubel B.V.						
				Keukenkampioen B.V.						
				Bruynzeel Keukens B.V.						
				KUCHEN BOULEVARD BV						
				Nuva Keukens B.V.						
				Tapijtcentrum Nederland B.V.						
				Carpet-Land B.V.						
				HACO Heerlen B.V.						
				Lamp en Licht Heerlen B.V.						
				Horeca Groep Heerlen B.V.						
				Prenatal moeder en kind B.V.						
				Pronto Wonen Heerlen B.V.						
				Brugman Keukens & Badkamers B.V.						
				Goossens Meubelen B.V.						
				X^{2}O Badkamers BV						
				DMG Meubelen B.V.						
				Budget Home Store Heerlen B.V.						
				Trendhopper Heerlen B.V.						
				K&D B.V.						
				Sijben Wooncenter B.V.						
				Fast food Boer Biet Heerlen V.O.F.						
				Leen Bakker Nederland B.V.						
	Heerlen			Woonmekka B.V.						
				Knibbeler Meubel B.V.						
				Kwantum Nederland B.V.						
NL Limburg				Seats and Sofas B.V.						
				Woonsquare B.V.						
				DFS trading Limited						
				Jysk B.V.						
				Pets place Retail B.V.						
				Sanisale.com						
				Praxis Vastgoed B.V.						
				Bufkes Nederland B.V.						
				Babypark Kesteren B.V.						
				Casa Nederland BV						
				Gorissen Keukens V.O.F.						
				De Badenman B.V.						
				Beter Bed B.V.						
				Swiss Sense B.V.						
				Tempur Sealy Benelux B.V.						
				Blokker B.V.						
				Tuincentrum Heerlen B.V.						
			1991 - 2004		**81 676**	**99.98%**	**8 000 279.46**	**74 835 000.00**	**110 956 960.15**	**115 948 454.60**
				Beter Bed B.V.						
		Belvédèrelaan 80, 6219 PK Maastricht								
	Maastricht	Pontonniersweg 17, 6219 PK Maastricht		Carpet-Land B.V.						
		Belvédèrelaan 82-86, 6219 PK Maastricht		Jysk B.V.						
				Kwantum Nederland B.V.						
		Belvédèrelaan 84, 6219 PK Maastricht		Leen Bakker Nederland B.V.						
			2020		**7 878**	**100.00%**	**643 900.00**	**7 100 000.00**	**9 745 663.14**	**10 068 762.69**

Province	Cluster	Address	Year of construction - last renovation	Tenant	Gross surface m²	Occupancy rate	Rental income	Insured value	Fair value	Acquisition value
Noord-Brabant	Roosendaal	Oostplein 1-19, 4706 NL Roosendaal								
				CS Keukens h.o.d.n. Keukensale.com						
				Roobol Woontextiel B.V.						
				Croissanterie Sep						
				Kwantum Nederland B.V.						
				Jysk B.V.						
			1993 - 2020		11 870	99.91%	457 404.77	9 519 000.00	9 340 716.96	12 651 158.45
	Breda	Kruisvoort 30-90, 4814 RZ Breda		Beter Bed B.V.						
				Brugman Keukens & Badkamers B.V.						
				Mameho B.V.						
				Trendhopper Breda B.V.						
				Kwantum Nederland B.V.						
				Sanisale.com breda B.V.						
				Hoogenboezem Meubelen B.V.						
				Bruynzeel Keukens B.V.						
				Tempur Benelux Retail B.V.						
				Tulp Verkoop B.V.						
				Swiss Sense B.V.						
				De Mandemakers Groep B.V.						
				Woonexpress B.V.						
				Lamp en Licht Retail B.V.						
				V.O.F. La Plaza						
				Kvik NL B.V.						
				Leen Bakker Nederland B.V.						
				Carpet-Land B.V.						
				Haco Breda B.V.						
				JAN Hendrikx Stijlvol Wonen						
				Plaza Brabant B.V.						
				Sedere B.V.						
				Vloer het Zelf Breda II B.V.						
				McDonald's Nederland B.V.						
				Grando Retail B.V.						
			1995 - 1996		40 091	100.00%	4 418 851.52	43 127 000.00	59 163 717.23	62 835 893.69
	Den Bosch	Goudsmidstraat 5-7, 5232 BT 's Hertogenbosch		HACO Den Bosch BV						
		Balkweg-Reitscheweg BT 's Hertogenbosch		Praxis Vastgoed B.V.						
				Beter Bed B.V.						
				DMG Meubelen B.V.						
				Bruynzeel Keukens B.V.						
				Van der Garde Buitenleven B.V.						
				Carpet-Land B.V.						
				Kwantum Nederland B.V.						
				Q1 Sanitair Den Bosch BV						
				Boro Horeca BV						
				Ernes Den Bosch BV						
				Jysk B.V.						
				Meehopper BV						
				Hoogenboezem Meubelen B.V.						
				Prenatal moeder en kind B.V.						
				Pronto Wonen Den Bosch BV						
				Brugman Keukens & Badkamers B.V.						
				Leen Bakker Nederland B.V.						
				Collins Foods Netherlands Limited						
		Tinnegieterstraat 29, 5232 BT 's Hertogenbosch		Swiss Sense B.V.						
		Tinnegieterstraat 25, 5232 BT 's Hertogenbosch		Uitgerust 's-Hertogenbosch BV						
		Tinnegieterstraat 27, 5232 BT 's Hertogenbosch		Sanisale 's-Hertogenbosch BV						
		Tinnegieterstraat 2 + 12, 5232 BT 's Hertogenbosch		De Mandemakers Groep B.V.						
		Tinnegieterstraat 24, 5232 BT 's Hertogenbosch		Subway Vof						
		Tinnegieterstraat 22, 5232 BT 's Hertogenbosch		X²O Badkamers BV						
		Tinnegieterstraat 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								
		Goudsmidstraat 23, 5232 BT 's Hertogenbosch		Hoefnagels-de Wit VOF						
			2004 - 2015		52 995	100.00%	4 730 272.74	67 310 000.00	64 298 267.35	68 483 402.51

Number of properties per company	31.03.2021
Retail Estates	691
Retail Warehousing Invest	30
Finsbury Properties	10
Distriland NV	10
Breda I Invest	16
Breda II Invest	12
Cruquius Invest	28
Heerlen I Invest	22
Heerlen II Invest	27
Naaldwijk Invest	20
Osbroek Invest	28
Retail Estates Middelburg Invest	14
Retail Estates Nederland	41
Spijkenisse Invest	28
Zaandam Invest	15
Total number of properties	**992**

"On 31 March 2021, the occupancy rate is 97.07%."

3. REPORTS OF THE REAL ESTATE EXPERTS

BELGIUM

REPORT BY CUSHMAN & WAKEFIELD

This report covers 361 premises 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 2021, which covers the portfolio of Retail Estates, Distri-Land and Finsbury Properties. 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 € 582.46 million (incl. corrections) and a fair value of € 568.25 million as per 31.03.2021. The investment value decreased by 0.11% versus the previous quarter. This gives a 6.23% yield for Retail Estates.

The portfolio of Immobilière Distri-Land NV has an investment value of € 19.80 million (incl. corrections) and a fair value of € 19.32 million as per 31.03.2021. The investment value decreased by 0.0.02% versus the previous quarter. This gives a 6.86% yield for Immobilière Distri-Land NV.

The portfolio of Finsbury Properties NV has an investment value of € 3.71 million (incl. corrections) and a fair value of € 3.62 million as per 31.03.2021. This gives a 6.82% yield for Finsbury Properties."

EXPLANATORY NOTE ON THE MARKET CONDITIONS: NEW CORONA VIRUS (COVID-19)

The COVID-19 outbreak, which was declared a "worldwide pandemic" by the World Health Organisation on 11 March 2020, has and continues to have an impact on many aspects of daily life and the world economy. Some real estate segments have experienced a decreased level of transactional activity and liquidity. Many countries have introduced restrictions on travel, movements and operations. Although these measures may herald a new phase of the crisis, they are not of the same magnitude as the initial impact. The pandemic and the measures taken to tackle COVID-19 continue to have an impact on the economies and real estate markets worldwide. Nevertheless, the majority of the real estate markets are operational again on the valuation date, and the transaction volumes and other relevant parameters have returned to levels for which adequate market information is available on which valuations can be based. For this reason, and for the avoidance of any doubt, our valuation is not reported as being subject to the "material uncertainty clause" as defined by VPS 3 and VPGA 10 of the RICS Valuation – Global Standards. For the avoidance of any misunderstandings: this explanatory note was added to guarantee transparency and to provide more insight into the market context in which the valuation was drawn up. In the knowledge that market conditions can change quickly as a result of evolutions in the control or future spread of COVID-19, we stress the importance of the valuation date.

REPORT BY CBRE

The CBRE report was published on 31 March 2021 and covers 377 real estate properties belonging to Retail Estates nv and its subsidiaries. The investment value of these real estate properties is estimated at € 636.31 million and the fair value at € 620.79 million. These properties account for a rental income of € 40.29 million, which represents a gross yield of 6.31%.

Material valuation uncertainty due to the new corona virus (COVID – 19)

The spread of the new corona virus (COVID-19), declared a worldwide pandemic by the World Health Organisation on 11 March 2020, has an impact on many aspects of daily life and the worldwide financial markets – with real estate markets that are confronted with considerably lower levels of transactional activity and liquidity. Many countries have introduced restrictions on travel, movements and operations. In some cases, lockdowns – to different degrees – were implemented to avoid further "waves" of COVID-19. Although these measures may imply a new phase of the crisis, their consequences are not unprecedented to the same degree as those of the first lockdown.

The pandemic and the measures taken to tackle COVID-19 continue to affect economies and real estate markets worldwide. Nevertheless, most of the real estate markets are operational again on the valuation date, and the transaction volumes and other relevant market parameters are at a level for which adequate market information is available on which valuations can be based. Consequently, for the avoidance of doubt, this valuation is not presented on the basis of a "material valuation uncertainty", as stated in the RICS guidelines (VPS 3 and VPGA 10 – RICS Valuation – Global Standards).

For the sake of clarity, this statement has been included with a view to transparency and to provide an insight into the market context in which this valuation was made. Taking into consideration the possibility that market conditions will change quickly as a result of future evolutions in the control or future spread of COVID-19, we stress the importance of the valuation date."

REPORT BY STADIM

The Stadim report was published on 31 March 2021 and covers a semi-logistics complex. The investment value of these real estate properties is estimated at € 4.90 million and the fair value at € 4.78 million. These properties account for a rental income of € 0.30 million, which represents a gross yield of 6.13%.

THE NETHERLANDS

For the Netherlands, the rate of the transfer tax increased from 6% to 8% on 1 January 2021. This increase is taken into account for the calculation of the fair value.

REPORT BY CUSHMAN & WAKEFIELD

The Cushman & Wakefield report was published on 31 March 2021 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 € 421.89 million and the fair value at € 390.28 million. These properties account for a rental income of € 29.03 million, which represents a gross yield of 6.88%.

"The ongoing corona (COVID-19) crisis still causes a lot of uncertainty among investors and users, who are hesitant and adopt a critical attitude toward retail properties when considering a purchase or the opening of a new shop. The negative impact of COVID-19 on furniture boulevards was limited to the second lockdown. In many cases the corona crisis even had a positive influence on the sales of retailers until recently. The market has not changed compared to the previous valuation, except for an increase of the transfer tax (+2% as of 1 January 2021), which entails a correction of the market value on the entire market. An exception is the supermarket category, where the decrease of the market value is offset by a decline in the yield as a result of the continued high demand for this type of product among investors. For the other real estate segments, including residential boulevards, there are no references for prime deals under the new tax system as of 1 January 2021 and before the valuation date. Deals made after the valuation will have to show whether buyers take into account higher costs resulting from this tax increase when offering a price, or whether investors are prepared to accept a lower yield for residential boulevards. Everything will depend on how long the lockdown will last and on the corresponding risk profile buyers take into account.

The outbreak of the new coronavirus (COVID-19), which was declared a pandemic by the World Health Organisation on 11 March 2020, had and still has an impact on many aspects of daily life and on the world economy, resulting in lower transaction volumes and liquidity in some real estate markets.

Many countries imposed travel restrictions and implemented various versions of so-called "lockdowns". A complete lockdown is in force again in the Netherlands. The pandemic and the measures taken to limit the spread of COVID-19 continue to have an impact on the economies and real estate markets worldwide. Nevertheless, there was already some movement on a number of real estate markets on the valuation date, with transaction volumes and other relevant market information that generated adequate comparable market data on which a valuation could be based. Therefore, and for the avoidance of doubt, our valuation is not reported as being subject to the "material valuation uncertainty" as referred to in VPS 3 and VPGA 10 of the RICS Valuation – Global Standards.

The degree of subjectiveness in the valuation has an impact on the degree of valuation uncertainty and therefore on the assessment by the appraiser of the risks of a material deviation for a specific valuation. The valuation uncertainty of this appraisal is at an average level. If the appraisal takes place on the basis of limited information (RICS Red Book VPS 1 3 2), e.g. no inspection or an incomplete inspection or only an external inspection of the objects, the following applies. If a full inspection had taken place, this may result in a different value, and the difference may be substantial. In particular, no liability is accepted for any difference in the indicated value that may reasonably be a consequence of the limited inspection of the objects. When making use of this valuation, the company needs to rely on its own judgment, in particular with respect to the feasibility of any transactions. Due to the restrictions imposed on inspections within the context of the corona crisis, only an external inspection of the object concerned was carried out. This results in a higher degree of uncertainty.

REPORT BY CBRE

The CBRE report was published on 31 March 2021 and covers 38 real estate properties belonging to Retail Estates nv and its subsidiaries. The investment value of these real estate properties is estimated at € 47.28 million and the fair value at € 43.41 million. These properties account for a rental income of € 3.66 million, which represents a gross yield of 8.07%.

Coronavirus (COVID-19)

The outbreak of the new corona virus (COVID-19), which was declared a "worldwide pandemic" by the World Health Organisation on 11 March 2020, continues to have an impact on many aspects of daily life and the world economy, leading to lower transaction volumes and liquidity in some real estate markets. Many countries have introduced restrictions on travel, movements and operations. In some cases, new lockdowns have been imposed – to various degrees – as a reaction of new "waves" of contaminations. Although they may herald a new phase in the crisis, these measures are not unprecedented to the same degree as in the initial phase. The pandemic and the measures taken to tackle COVID-19 continue to have an impact on the economies and real estate markets worldwide. Nevertheless, the majority of the real estate markets are operational again on the valuation date, with transaction volumes and other relevant elements at levels where there the market information is adequate enough to base opinions about value on. Therefore, and for the avoidance of doubt, our valuation is not reported as being subject to the "material valuation uncertainty" as defined in VPS 3 and VPGA 10 of the RICS Valuation – Global Standards.

REPORT BY COLLIERS

The Colliers report was published on 31 March 2021 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 € 42.62 million and the fair value at € 39.40 million. These properties account for a rental income of € 3.07 million, which represents a gross yield of 7.19%.

Valuation uncertainty

The outbreak of COVID-19, which was declared a "worldwide pandemic" by the World Health Organisation on 11 March 2020, continues to have a major impact on many aspects of daily life and on the world economy - resulting in smaller transaction volumes and a decline in liquidity on some real estate markets. Many countries imposed travel restrictions and announced so-called "lockdowns" with various restrictions. Although some of the restrictions have been cancelled, local lockdowns may continue to apply where necessary and severe outbreaks or a "second wave" are still possible.

The pandemic and the measures taken to combat continue to affect economies and real estate markets. Nevertheless, some retail markets were sufficiently operational on the reference date for the valuation, with adequate transaction volumes and other relevant market information on which valuations could be based. Consequently and in order to avoid ambiguity, we waive the clause stipulating that our valuation is subject to "material valuation uncertainty" as referred to in VPS 3 and VPGA 10 of the RICS valuation standards.

FINANCIAL REPORT

1. A. CONSOLIDATED INCOME STATEMENT

INCOME STATEMENT (in € 000)	Notes	31.03.2021	31.03.2020
Rental income	1	102 604	107 910
Rental related expenses	2	-2 202	-296
Net rental income		**100 402**	**107 614**
Recovery of property expenses			
Recovery of rental charges and taxes normally payable by tenants on let properties	3	10 599	12 124
Rental charges and taxes normally payable by tenants on let properties	4	-12 167	-13 505
Other rental related income and expenses		-95	-29
Property result		**98 738**	**106 204**
Technical costs	5	-2 280	-4 486
Commercial costs	6	-509	-874
Charges and taxes on unlet properties	7	-867	-748
Property management costs	8	-3 217	-2 939
Other property costs	9	-6	-3
Property costs		**-6 877**	**-9 052**
Operating property result		**91 861**	**97 152**
Operating corporate costs	10	-6 123	-5 593
Other current operating income and expenses			
Operating result before result on portfolio		**85 737**	**91 559**
Result on disposals of investment properties	11	825	597
Result on sales of other non-financial assets			
Changes in fair value of investment properties	12	-5 963	-5 183
Other result on portfolio		992	-298
Operating result		**81 592**	**86 675**
Financial income	13	232	55
Net interest charges	14	-20 592	-19 275
Changes in the fair value of financial assets and liabilities	35	2 674	-6 216
Other financial charges	15	-70	-96

INCOME STATEMENT (in € 000)	Notes	31.03.2021	31.03.2020
Financial result		**-17 757**	**-25 533**
Result before taxes		**63 835**	**61 142**
Taxes	16	-2 399	-3 044
Net result		**61 436**	**58 098**
Attributable to:			
Shareholders of the Group		61 436	58 098
Minority interests			
Note:			
EPRA earnings (share Group)[1]		**62 908**	**69 199**
Result on portfolio		-4 146	-4 884
Changes in fair value of financial assets and liabilities		2 674	-6 216

RESULT PER SHARE	Notes	31.03.2021	31.03.2020
Number of ordinary shares in circulation	17	12 665 763	12 630 414
Weighted average number of shares	17	12 652 011	12 359 942
Net profit per ordinary share (in €)[2]		4.86	4.70
Diluted net profit per share (in €)		4.86	4.70

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 other comprehensive income (in € 000)	31.03.2021	31.03.2020
Net result	61 436	58 098
Other components of other comprehensive income, recyclable in income statements:		
Impact on the fair value of estimated transaction rights and costs resulting from the hypothetical disposal of investment properties	0	-154
Changes in the fair value of authorised hedging instruments qualifying for hedge accounting as defined by IFRS	1 233	511
OTHER COMPREHENSIVE INCOME	**62 669**	**58 455**

2. CONSOLIDATED BALANCE SHEET

ASSETS (in € 000)	Notes	31.03.2021	31.03.2020
Non-current assets		**1 728 673**	**1 672 128**
Goodwill			
Intangible non-current assets	20	1 553	1 142
Investment properties[3]	21	1 717 245	1 661 753
Other tangible non-current assets	20	6 426	6 545
Financial non-current assets	35		
Finance lease receivables	35	1 030	1 030
Trade receivables and other non-current assets		2 418	1 658
Deferred taxes		2 413	1 653
Other		5	5
Current assets		**34 335**	**113 008**
Non-current assets or groups of assets held for sale	22	7 931	1 791
Trade receivables	23	6 837	5 686
Tax receivables and other current assets	24	13 328	5 690
Cash and cash equivalents	25	3 681	98 082
Deferred charges and accrued income	26	2 558	1 759
TOTAL ASSETS		**1 763 008**	**1 785 136**

3 Including project developments (IAS 40).

SHAREHOLDERS' EQUITY AND LIABILITIES *(in € 000)*	Notes	31.03.21	31.03.20
Shareholders' equity		**808 223**	**798 987**
Shareholders' equity attributable to the shareholders of the parent company		**808 223**	**798 987**
Capital	27	276 526	275 768
Issue premiums	28	316 792	315 410
Reserves		153 469	149 711
Net result of the financial year		61 436	58 098
Minority interests			
Liabilities		**954 785**	**986 149**
Non-current liabilities		790 333	833 751
Provisions			
Non-current financial debts	34/35	765 117	804 793
Credit institutions		587 324	642 707
Long term financial lease		2 706	2 870
Bonds		175 087	159 217
Other non-current financial liabilities	30/35	25 216	28 957
Current liabilities		164 452	152 399
Current financial debts	34/35	129 680	126 993
Credit institutions		99 683	126 993
Bonds		29 997	0
Short term financial lease		0	0
Trade debts and other current debts	30	24 352	15 385
Exit tax	31	399	959
Other	30	23 953	14 426
Other current liabilities	32	705	815
Accrued charges and deferred income	33	9 715	9 206
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**1 763 008**	**1 785 136**

DEBT RATIO	31.03.21	31.03.20
Debt ratio[4]	52.18%	53.10%

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	Issue premiums	Reserves*	Net result of the financial year	TOTAL Shareholders' Equity
Balance according to IFRS on 31 March 2019	**248 939**	**260 174**	**144 335**	**54 478**	**707 926**
- Net appropriation of profits 2019-2020					-
- Transfer of portfolio result to reserves			6 302	-6 302	-
- Transfer changes in fair value of authorised hedging instruments			-13 374	13 374	-
- Transfer of EPRA earnings to reserves			13 004	-13 004	-
- Reclassification between reserves					-
- Dividends of the financial year 2018-2019				-48 546	**-48 546**
- Capital increase					-
- Capital increase through contribution in kind	27 176	55 235			**82 411**
- Costs of capital increase	-348				**-348**
- Other			-911		**-911**
- Other comprehensive income 31/03/2020			357	58 098	**58 455**
Balance according to IFRS on 31 March 2020	**275 767**	**315 409**	**149 713**	**58 098**	**798 987**
- 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**
- Other					-
- Other comprehensive income 31/03/2021			1 233	61 436	**62 669**
Balance according to IFRS on 31 March 2021	**276 526**	**316 792**	**153 469**	**61 436**	**808 223**

* 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 2019	**60**	**130 357**	**15 335**		**-44 784**	**-2 672**	**-7 833**	**53 871**	**144 335**
- Net appropriation of profits 2019-2020									
- Transfer of portfolio result to reserves		14 619			-8 317				**6 302**
- Transfer changes in fair value of authorised hedging instruments							-13 374		**-13 374**
- Transfer of EPRA earnings to reserves								13 004	**13 004**
- Reclassification between reserves	2	-1 028	2 156		2 083			-3 213	**0**
- Capital increase through contribution in kind									
- Costs of capital increase									
- Other		-911							**-911**
- Other comprehensive income 31/03/2020					-154	-67	578		**357**
Balance according to IFRS on 31 March 2020	**62**	**143 037**	**17 491**	**0**	**-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	**0**
- Capital increase through contribution in kind									**0**
- Costs of capital increase									**0**
- Other									**0**
- Other comprehensive income 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**

4. CONSOLIDATED CASH FLOW STATEMENT

CASH-FLOW STATEMENT *(in € 000)*	Notes	31.03.2021	31.03.2020
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR		**98 082**	**3 161**
1. Cash-flow from operating activities		**62 320**	**53 419**
Operating result		81 592	86 675
Interest paid		-19 141	-18 053
Interest received		50	50
Corporate taxes paid		-2 962	-11 539
Corporate taxes received		82	258
Other		1 815	708
Non-cash elements to be added to / deducted from the result:		**4 061**	**11 471**
* Depreciations and impairments			
- Depreciations / Impairments (or write-backs) on tangible and intangible assets	20	407	364
- Depreciations / Impairments (or write-backs) on trade receivables	2	2 149	247
* Other non-cash elements			
- Changes in the fair value of investment properties	12	5 963	5 183
- Profit on disposal of investment properties	11	-825	-597
- Other result on portfolio		-992	298
- Changes in the fair value of financial assets and liabilities		-2 508	5 975
- Costs of issuing bond loans		-132	
* Other			
Change in working capital requirements:		**-3 177**	**-16 150**
* Movement of assets			
- Trade receivables and other receivables	23	-3 299	-1 882
- Tax receivables and other current assets	24	-7 638	-3 349
- Deferred charges and accrued income	26	-799	-259
- Long-term assets			
* Movement of liabilities			
- Trade debts and other current debts	30/31	8 160	-10 255
- Other current liabilities	32	-110	-244
- Accrued charges and deferred income	33	510	-160

CASH-FLOW STATEMENT *(in € 000)*	Notes	31.03.2021	31.03.2020
2. Cash-flow from investment activities		**-66 412**	**-73 484**
Purchase of intangible assets	20	-497	-1 071
Purchase of investment properties and assets held for sale	21	-106 741	-60 739
Disposal of investment properties and assets held for sale	21	43 278	-5 427
Acquisition of shares of real estate companies		-2 250	-2 344
Disposal of shares of real estate companies		0	0
Purchase of other tangible assets	20	-266	-4 056
Disposal of other tangible assets	20	64	27
Disposal of non-current financial assets		0	0
Income from trade receivables and other non-current assets		0	127
3. Cash-flow from financing activities		**-90 310**	**114 986**
* Change in financial liabilities and financial debts			
- Increase in financial debts	34	153 250	262 623
- Decrease in financial debts	34	-189 943	-122 756
* Change in other liabilities			
- Increase (+) / Decrease (-) in other liabilities		-183	2 014
* Change in shareholders' equity			
- Capital increase and issue premiums	27	0	0
- Costs of capital increase	28	-37	-348
- Other		0	-1 065
* Dividend			
- Dividend for the previous financial year	19	-53 396	-25 482
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR		**3 681**	**98 082**

A total of € 153.25 million in credit lines was used or extended and € 189.94 million in credits was temporarily not used or repaid.

5. NOTES TO THE CONSOLIDATED ANNUAL ACCOUNTS

KEY PERFORMANCE INDICATORS

EPRA earnings per share (in €)	31.03.2021	31.03.2020
EPRA earnings (attributable to the shareholders of the parent company)	**62 908 117**	**69 198 748**
Number of ordinary shares in circulation	12 665 763	12 630 414
Weighted average number of shares	12 652 011	12 359 942
EPRA earnings per share (in €)[5]	4.97	5.60
EPRA earnings per share (in €) - diluted	4.97	5.60

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 (12.665.763 shares), the EPRA earnings per share amounts to EUR 4.97 EUR at 31.03.2021 versus EUR 5.48 at 31.03.2020.

NET ASSET VALUE PER SHARE *(in €)* - SHARE GROUP	31.03.21	31.03.20
Net asset value per share IFRS[6]	63.81	63.26
EPRA NAV per share[7]	65.84	65.55
EPRA NTA per share[8]	65.53	65.27
Net asset value per share (investment value) excl. dividend excl. the fair value of authorised hedging instruments[9]	66.43	65.73

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 NAV is calculated as follows: shareholders' equity (excluding the fair value of authorised hedging instruments) divided by the number of shares.

8 EPRA NTA is calculated as follows: shareholders' equity (excluding the fair value of authorised hedging instruments, deferred taxes and intagible fixed assets) divided by the number of shares.

9 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 2021 comprise Retail Estates nv and its subsidiaries (the "Group"). The annual accounts were approved for publication by the board of directors on 21 May 2021 and will be submitted for approval to the annual shareholders' meeting on 19 July 2021.

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 2020

The following amendments and annual improvements to standards are mandatory for the first time for the financial year beginning on or after 1 January 2019 and have been endorsed by the European Union 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 2020[1] and have been endorsed by the European Union:

- **Amendments to References to the Conceptual Framework in IFRS Standards** (effective 1 January 2020). The revised Conceptual Framework includes a new chapter on measurement; guidance on reporting financial performance; improved definitions and guidance-in particular the definition of a liability; and clarifications in important areas, such as the roles of stewardship, prudence and measurement uncertainty in financial reporting.

- **Amendments to the definition of material in IAS 1 and IAS 8** (effective 1 January 2020). The amendments clarify the definition of material and make IFRSs more consistent. The amendment clarifies that the reference to obscuring information addresses situations in which the effect is similar to omitting or misstating that information. It also states that an entity assesses materiality in the context of the financial statements as a whole. The amendment also clarifies the meaning of 'primary users of general purpose financial statements' to whom those financial statements are directed, by defining them as 'existing and potential investors, lenders and other creditors' that must rely on general purpose financial statements for much of the financial information they need. The amendments are not expected to have a significant impact on the preparation of financial statements.

- **Amendments to IFRS 9, IAS 39 and IFRS 7: Interest Rate Benchmark Reform** (effective 1 January 2020). The amendments require qualitative and quantitative disclosures to enable users of financial statements to understand how an entity's hedging relationships are affected by the uncertainty arising from interest rate benchmark reform.

- **Amendments to the guidance of IFRS 3 Business Combinations,** that revises the definition of a business (effective 1 January 2020). The new guidance provides a framework to evaluate when an input and a substantive process are present (including for early stage companies that have not generated outputs). To be a business without outputs, there will now need to be an organised workforce. The changes to the definition of a business will likely result in more acquisitions being accounted for as asset acquisitions across all industries, particularly real estate, pharmaceutical, and oil and gas. Application of the changes would also affect the accounting for disposal transactions.

1 For Retail Estates, these standards are mandatory for the first time from application for the fiscal year starting April 1, 2020.

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 2020 but have been endorsed by the European Union :

- **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 practical expedient would account for those rent concessions as if they were not lease modifications.

- **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.

The following new standards and amendments have been issued, but are not mandatory for the first time for the financial year beginning 1 January 2020 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 1 January 2022), 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. The IASB has issued an exposure draft to defer the effective date to 1 January 2023. 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.

– **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. 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.

– **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 01/01/2022). 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** 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.

– **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.

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 transefer 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 estates sales agreements: 12.50% for properties located in Brussels-Capital Region and in the Walloon Region, 10% 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 10% 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 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

Until 31 December 2020 the Dutch transfer tax percentage was 6%. The transfer tax rate was increased on 8% as of 1 January 2021. For the other costs (e.g. notary fees) Retail Estates charges between 0.08% and 1% extra.

The non-recurring impact of the increase of the transfer tax rate is € -9.03 million and has been incorporated in the portfolio result.

In this respect we refer to the chapter "Reports of the real estate experts" of the real estate report. The report of the Dutch real estate expert Cushman&Wakefield, which valuates the majority of the Dutch properties, mentions: "for residential boulevards, there are no references for prime deals under the new tax system as of 1 January 2021 and before the valuation date. Deals made after the valuation will have to show whether buyers take into account higher costs resulting from this tax increase when offering a price, or whether investors are prepared to accept a lower yield for residential boulevards. Everything will depend on how long the lockdown will last and on the corresponding risk profile buyers take into account."

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, contracting 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 construction 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 construction will be recorded at cost price until the fair value can be determined (once they have been contracted, licensed and rented or until the 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 deduction of the works still 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%
Tailor-made 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 2021 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 2021, the value of the investment properties related to the Distri-Land certificates amounts to € 15.56 million (€15.44 million on 31 March 2020) compared to a total portfolio of Retail Estates of € 1,717.25 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 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, 93.02% 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 2.08%.

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 93.02% 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 2019 (pages 126-186 of the Annual Financial Report 2018-2019) and 31 March 2020 (pages 151-203 of the Annual Financial Report 2019-2020) 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.retailestates.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 due to the sales that took place in the past financial year as well as the temporary increased vacancy as a result of several bankruptcies. The rental income below excludes 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)*	31.03.2021	31.03.2020
Within one year	112 524	115 025
Between one and five year(s)	352 059	358 688
Within more than five years	388 237	391 861

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 2.18 years for the Belgian portfolio. The granting of rent-free periods is rather rare in the market of out-of-town retail real estate. In the past three years, and out of a portfolio of 992 properties, a total of 192 months of rent-free periods was granted. 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)*	31.03.2021	31.03.2020
Rent payable for hired assets and lease costs	-54	-50
Impairments on trade receivables	-2 149	-247
Total rental-related expenses	**-2 202**	**-296**

NOTE 3

Recovery of charges and taxes normally payable by tenants on let properties *(in € 000)*	31.03.2021	31.03.2020
Recharging of rental charges borne by the owner	5 158	6 247
Recharging of real estate taxes and taxes on let properties	5 440	5 877
Total recovery of charges and taxes normally payable by tenants on let properties	**10 599**	**12 124**

NOTE 4

Charges normally payable by tenants on let properties *(in € 000)*	31.03.2021	31.03.2020
Rental charges borne by the owner	-5 465	-6 507
Real estate taxes and taxes on let properties	-6 702	-6 998
Total charges normally payable by tenants on let properties	**-12 167**	**-13 505**

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. Due to the COVID-19 crisis, causing shops to be closed during a total of 3 months, common charges were reduced during the current financial year, which explains the decrease compared to last year.

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 € 995.74 million. This amount represents 57.99% of the fair value of the real estate on the same date (€ 1,717.25 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	31.03.2021	31.03.2020
Insurance premiums *(in € 000)*	1 036	986
Percentage of fair value covered by insurance	57.99	54.82

NOTE 5

Technical costs *(in € 000)*	31.03.2021	31.03.2020
Recurrent technical costs	-1 614	-3 626
Structural maintenance	-1 614	-3 626
Non-recurrent technical costs	-666	-860
Occasional maintenance	-666	-871
Claim events covered by insurance companies	-249	-164
Compensations received from insurance companies	249	175
Total technical costs	**-2 280**	**-4 486**

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 financial year. Starting in the third quarter, the scheduled maintenance was carried out again.

NOTE 6

Commercial costs *(in € 000)*	31.03.2021	31.03.2020
Brokers' commissions	-120	-91
Publicity related to the properties	-93	-452
Lawyers' fees and legal costs	-283	-275
Other	-12	-56
Total commercial costs	**-509**	**-874**

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, which explains the decrease compared to last year.

NOTE 7

Charges and taxes on unlet properties *(in € 000)*	31.03.2021	31.03.2020
Vacancy charges of the financial year	-477	-564
Property tax on vacant buildings	-389	-184
Total charges and taxes on unlet properties	**-867**	**-748**

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 2021, the cost for vacant property was 0.86% of the rental income received, compared to 0.70% on 31 March 2020.

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 costs *(in € 000)* - Internal property management costs	31.03.2021	31.03.2020
Office charges	-265	-186
IT	-223	-118
Other	-43	-69
Housing costs	-195	-295
Fees to third parties	-196	-242
Public relations, communication and advertising	-39	-37
Personnel expenses	-2 554	-2 216
Salaries	-1 570	-1 484
Social security	-303	-266
Pensions and collective insurances	-46	-25
Other	-634	-441
Management fees received from tenants	32	38
Taxes and legal costs		
Depreciation charges on office furniture, IT equipment and software		
Total property management costs	**-3 217**	**-2 939**

Personnel costs make up most of the management costs. The table below provides an overview of the employee count in FTE.

(in FTE)	31.03.2021	31.03.2020
Property department	19,37	18,59
Total	31,70	31,60
Average	30,90	29,90

For more information about the personnel cost and the employee count for the 2019-2020 financial year we refer to p. 175 et seq. of the 2019-2020 Annual Financial Report.

For more information about the personnel cost and the employee count for the 2018-2019 financial year we refer to p. 152 et seq. of the 2018-2019 Annual Financial Report.

NOTE 9

Other propery charges (in € 000)	31.03.2021	31.03.2020
Other property charges	-6	-3
Total other property charges	**-6**	**-3**

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)	31.03.2021	31.03.2020
Office charges	-249	-175
IT	-218	-127
Other	-30	-48
Housing costs	-169	-194
Fees to third parties	-855	-531
Recurrent	-208	-230
- Lawyers		
- Auditors	-191	-239
- Other	-17	9
Non-recurrent	-638	-216
- Lawyers	-354	-23
- Notary costs	-1	-24
- Consultants	-283	-169
Mergers and acquisitions (other than business combinations)	-9	-85
Public relations, communication and advertising	-126	-129
Personnel expenses	-1 284	-1 177
Salaries	-700	-604
Social security	-155	-126
Pensions and collective insurances	-19	-39
Other	-410	-408
Management fees	-1 357	-1 250
Remuneration of board of directors	-198	-233
Taxes and legal costs	-1 885	-1 904
Total operating costs	**-6 123**	**-5 593**

The increase in non-recurring fees is due to the replacement of the consultant for the integrated technology system that is currently being implemented.

NOTE 11

Result on disposals of investment properties (in € 000)	31.03.2021	31.03.2020
Book value of sold real estate properties	42 958	7 678
Net sales price of investment properties (sales price - transaction costs)	43 783	8 275
Total benefit or loss on disposals of investment properties	**825**	**597**

In the past financial year, properties were divested for a net sales price of € 43.79 million. A capital gain of € 0.83 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

Result on disposals of investment properties (in € 000)	31.03.2021	31.03.2020
Book value of sold real estate properties	17 437	13 532
Net sales price of investment properties (sales price - transaction costs)	-23 400	-18 716
Total benefit or loss on disposals of investment properties	**-5 963**	**-5 183**

On 1 January 2021, the Dutch transfer tax was raised from 6% to 8%. The real estate experts deducted the full amount of the increase, which can be estimated at € -9.03, from the investment value in order to obtain the fair value of the real estate.

	31.03.21	31.03.20
Other result on portfolio	**992**	**-298**

The other result on portfolio mainly relates to deferred taxes on the Dutch properties.

NOTE 13

Financial result (in € 000)	31.03.2021	31.03.2020
Collected interests and dividends	0	0
Other	232	55
Total financial result	**232**	**55**

NOTE 14

Net interest charges (in € 000)	31.03.2021	31.03.2020
Nominal interest on loans[1]	-20 732	-19 372
Other interest costs[2]	140	97
Total net interest charges	**-20 592**	**-19 275**

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 2,13%.

The weighted average interest rate amounts to 2.08% on 31 March 2021, compared to 2.13% on 31 March 2020 (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 4.84 on 31 March 2021 compared to 5.56 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 1.45%.

NOTE 15

Other financial charges (in € 000)	31.03.2021	31.03.2020
Bank costs and other commissions	-70	-96
Total other financial charges	-70	-96

NOTE 16

Corporate income tax (in € 000)	31.03.2021	31.03.2020
Company	43	-550
1. Corporate income tax	102	-550
Current year taxes	-296	-62
Previous year tax adjustment	398	-488
2. Exit tax	-59	
Subsidiaries	-2 442	-2 494
1. Corporate income tax	-2 384	-2 870
Current year taxes	-2 384	-2 870
Previous year tax adjustment		
2. Exit tax	-59	376
Total corporate income tax	-2 399	-3 044

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	31.03.2021	31.03.2020
Movements of the number of shares		
Number of shares at the beginning of the financial year	12 630 414	11 422 593
Number of shares at the end of the financial year	12 665 763	12 630 414
Number of dividend bearing shares	12 665 763	12 630 414
Weighted average number of shares for diluted earnings per share	12 652 011	12 359 942

Capital increase via board of directors (in the context of authorised capital):

Capital increase by means of non-monetary contribution

On 20 August 2020, a total of 35,349 new shares were issued at an issue price of € 61.60. The capital increase relates to a non-monetary contribution within the context of an optional dividend. 5.60% of the shareholders opted for a subscription for new shares. The new shares have been sharing in the company's profit as from 1 April 2020.

As a result of this capital increase, the total capital of Retail Estates nv amounted to € 284,984,601.97 on 31 March 2021, represented by 12,665,763 fully paid ordinary shares..

NOTE 18

Calculation of distributable earnings (in € 000) - statutory	31.03.2021	31.03.2020
Net result	**60 986**	**58 641**
+ Depreciations	378	351
+ Impairments	3 014	456
- Reversal of impairments	-1 128	-510
- Reversal transferred and discounted rents		
+/- Other non-monetary components	-2 674	6 216
+/- Share in the non recurring result of holding incorporated using the equity method	4 238	1 077
+/- Result on the disposal of investment properties	7	-471
+/- Changes in fair value of investment properties and investment properties under construction	559	3 647
Adjusted result (A)	**65 381**	**69 407**
+/- capital gains and losses realized on real estate during the financial year	869	1 347
- 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	869	1 347
+ Realized capital gains on real estate previously exempt from the mandatory payment and which were not reinvested within a 4-year period		
Net capital gains on realization of real estate not exempt from mandatory payment (B)		
Net reduction debt		
Distributable result	**65 381**	**69 407**

Calculation of distributable earnings *(in € 000)* - consolidated	31.03.2021	31.03.2020
Net result	**61 436**	**58 098**
+ Depreciations	407	364
+ Impairments	3 659	591
- Reversal of impairments	-1 743	-596
- Reversal transferred and discounted rents		
+/- Other non-monetary components	-2 674	6 216
+/- Result on the disposal of investment properties	-825	-597
+/- Changes in fair value of investment properties and investment properties under construction	4 971	5 481
Adjusted result (A)	**65 231**	**69 558**
+/- Capital gains and losses realized on real estate during the financial year	2 016	1 787
- 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	2 016	1 787
+ Realized capital gains on real estate previously exempt from the mandatory payment and which were not reinvested within a 4-year period		
Net capital gains on realization of real estate not exempt from mandatory payment (B)		
Net reduction debt		
Distributable result	**65 231**	**69 558**

The other non-monetary elements, amounting to € -2.67 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 € 5.96 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 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	31.03.2021	31.03.2020
Ordinary net earnings	60 986	58 641
Diluted net earnings	60 986	58 641
Distributable earnings	65 381	69 407
Minimum profit distribution	52 305	55 526
Proposed gross dividend	56 996	55 574
Pay-out ratio	**87,17%**	**80,07%**

Calculation of pay-out ratio *(in € 000)* - consolidated	31.03.2021	31.03.2020
Ordinary net earnings	61 436	58 098
Diluted net earnings	61 436	58 098
Distributable earnings	65 231	69 558
Minimum profit distribution	52 185	55 646
Proposed gross dividend	56 996	55 574
Pay-out ratio	**87,38%**	**79,90%**

NOTE 20

	Intangible non-current assets		Other tangible non-current assets	
Investment and amortisation table (in € 000)	31.03.2021	31.03.2020	31.03.2021	31.03.2020
Acquisition value				
Balance at the end of the previous financial year	**2 100**	**1 029**	**7 703**	**3 938**
Acquisitions	497	1 071	266	4 056
Transfers and disposals of assets			-311	-290
Transfers to/from other accounts				
At the end of the financial year	2 597	2 100	7 658	7 703
Amortisation and impairment losses				
Balance at the end of the previous financial year	**958**	**886**	**1 157**	**1 128**
Balance of acquired companies				
Amortisation[3]	85	72	322	292
Transfers and disposals of assets			-247	-263
Transfers to/from other accounts				
At the end of the financial year	1 043	958	1 232	1 157
Net book value	**1 553**	**1 142**	**6 426**	**6 545**

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[1]		Assets held for sale		Total	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020	31.03.2021	31.03.2020
Balance at the end of the previous financial year	1 661 753	1 529 629	1 791	17 406	1 663 544	1 547 035
Acquisition through purchase real estate companies	3 308				3 308	0
Acquisition through contribution real estate companies						
Capitalised interest cost	140	39			140	39
Acquisiton of investment properties	86 585	107 752			86 585	107 752
Investments that result from subsequent expenses included in the carrying amount of the asset	4 295	2 309		2	4 295	2 311
Contribution of investment properties		3 618			0	3 618
Disposal through sale of real estate companies					0	0
Disposal of investment properties	-24 206	-4 293	-18 752	-3 385	-42 958	-7 678
Transfers to assets held for sale	-25 582	-289	25 582	180	0	-109
Other transfers	505	13 702	-690	-11 747	-185	1 955
Acquisiton of investment properties under construction	16 411	13 958			16 411	13 958
Completion of investment properties under construction to portfolio	13 019	7 197			13 019	7 197
Transfer of investment properties under construction to portfolio	-13 019	-7 351			-13 019	-7 351
Change in fair value (+/-)	-5 964	-4 518	1	-665	-5 963	-5 183
At the end of the financial year	**1 717 246**	**1 661 753**	**7 931**	**1 791**	**1 725 177**	**1 663 544**
OTHER INFORMATIONS						
Investment value of the property	1 789 397	1 719 120	8 129	1 807	1 797 526	1 720 927

1 Including investment properties under construction (IAS 40).

Investments resulting from subsequent expenditure included in the book value of the assets amounted to € 4.30 million in financial year 2020-2021. In addition, the company realised € 13.02 million from the development of property for its own account and invested € 16.41 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 2020-2021".

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 construction 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 construction will be recorded at cost price until the fair value can be determined (once they have been contracted, licensed and rented or until the 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 deduction of the works still 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	31.03.2021 Range	31.03.2021 Weighted average	31.03.2020 Range	31.03.2020 Weighted average
Belgium	Gross Initial Yield-capitalization	Capitalisation rate (%)	5.00%-10%	6.34%	5.00%-9.25%	6.42%
		Annual rent (EUR/m²)	33.86-247.62	105.16	33.86-249.68	103.87
		Remaining lease duration (expiry date) (in months)	0m-603m	103m	0m-528m	105m
		Remaining lease duration (first break option) (in months)	0m-43m	26m	0m-50m	24m
		Vacancy (in months)	0m-12m	/	0m-12m	/
	DCF	Discount rate (%)	6%-8.50%	7.58%	5.87%-8.6%	6.27%
		Annual rent (EUR/m²)	33.86-247.62	105.16	33.86-249.68	103.87
		Remaining lease duration (expiry date) (in months)	0m-603m	103m	0m-528m	105m
		Remaining lease duration (first break option) (in months)	0m-43m	26m	0m-50m	24m
		Vacancy (in months)	0m-12m	/	0m-12m	/
The Netherlands	Gross Initial Yield-capitalization	Capitalisation rate (%)	5.85%-12.53%	6.90%	5.85%-11.33%	6.91%
		Annual rent (EUR/m²)	34.59-213.19	96.42	34.35-225.44	98.1
		Remaining lease duration (expiry date) (in months)	0m-120m	47m	0m-120m	44m
		Remaining lease duration (first break option) (in months)	0m-120m	47m	0m-120m	44m
		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 (decrease) of the rental income by 1% leads to an increase (decrease) in the portfolio's fair value by € 17.17 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 € 229.27 million. A decrease in the yield by 100 bps leads to an increase in the portfolio's fair value by € 312.80 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

During financial year 2020-2021, the company acquired control of the company Inducom NV for an amount of € 2.25 million. The acquisition price was paid in cash. This resulted in an increase in investment properties by € 3.23 million, i.e. a change in working capital of € -0.98 million.

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.

During the financial year 2019-2020 the remaining shares (50%) of the company Blovan were acquired for a total amount of € 2.25 million. In order to guarantee the sellers' involvement pending the redevelopment of the site, they are still entitled to a share of the operational profits. In addition, they still benefit from deferred added value if the site can be redeveloped for retail activities in the long term.

NOTE 22

Non-current assets or groups of assets held for sale *(in € 000)*	31.03.2021	31.03.2020
Assets held for sale	7 931	1 791
Total assets held for sale	**7 931**	**1 791**

Recorded under assets held for sale are those assets for which there is a signed intention to sell 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 2021, these assets represent a fair value of € 7.93 million. They concern € 0.34 million for a retail property and € 7.59 million for the retail cluster Keerdok in Mechelen. Out of the 9 tenants at this site, 2 went bankrupt. The vacancy rate will further increase toward the end of 2021 and in 2022, as other tenants will move to the new retail park Malinas. There is a possibility that these properties can be relet, but the outlook is rather unfavourable due to the oversupply of new retail units. Theoretically it is still possible to let the existing buildings for longer periods of time within the context of the existing permits. According to the Spatial Implementation Plan Keerdok, the site has been repurposed as a residential area, but this does not affect the validity of the existing permits. A feasibility study is currently carried out by two developers of residential real estate, each exclusively for part of the site and in cooperation with the other owners of plots of land on the same site. The results of this feasibility study have to be made public at the latest on 30 September 2021 and have to make it possible to determine whether the value of the buildings can be recovered through a development project.

NOTE 23

Trade receivables and doubtful debtors

Trade receivables (in € 000)	31.03.2021	31.03.2020
Trade receivables	9 479	5 674
Invoices to be issued	713	1 372
Doubtful debtors	-3 594	-1 567
Income to be collected		
Coupon real estate certificats		
Distri-Land	225	193
Other	13	13
Total trade receivables	**6 837**	**5 686**

Outstanding trade receivables amount to € 5.74 million, of which € 2.92 million have not yet reached their maturity date and mainly relate to pre-invoiced rent in the Netherlands. Taking into account the guarantees obtained – both rental guarantees and the requested bank guarantees – and the provisions created for potential financial agreements with Dutch tenants with respect to the remission of part of the rent for the periods of compulsory closure – there is no remaining credit risk concerning trade receivables on 31 March 2021 (after deducting doubtful debtors).

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)	31.03.2021	31.03.2020
At the end of the previous financial year	-1 566	-1 572
From acquired companies		
Provisions	-3 473	-597
Recoveries	1 358	338
Write-offs	88	265
At the end of the financial year	**-3 593**	**-1 566**

The provision of 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)	31.03.2021	31.03.2020
Due < 30 days	57	231
Due 30-90 days	2 044	126
Due > 90 days	727	-82
Not due	2 915	3 618

Based on historical information and subject to significant changes in the doubtful debts, it appears that the accounting treatment of doubtful debts as referred to in IFRS 9 has no material impact on the financial statements.

NOTE 24

Tax receivables and other current assets (in € 000)	31.03.2021	31.03.2020
Taxes		
VAT receivable		
Witholding tax receivable		
Property tax receivable	1 628	1 898
Salary and social security		
Other	11 699	3 792
Total tax receivables and other current assets	**13 328**	**5 690**

NOTE 25

Cash and cash equivalents (in € 000)	31.03.2021	31.03.2020
Bank balances	3 681	98 082
Total cash and cash equivalents	**3 681**	**98 082**

NOTE 26

Deferred charges and accrued income (in € 000)	31.03.2021	31.03.2020
Completed, property returns not due	59	85
Rental discounts and rental benefits to be appropriated		
Property costs paid in advance	1 724	935
Interest and other financial costs paid in advance	482	451
Other	292	288
Total deferred charges and accrued income	**2 558**	**1 759**

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 1st 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		Capital movement	Total remaining capital after the transaction	Number of shares created	Total number of shares
Date	Transaction	(in € 000)	(in € 000)		
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

As per 31 March 2021, the registered capital amounts to € 284,984,601.97 and is represented by 12,665,763 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 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	315 410
20/08/20 Contribution in kind	1 382
Total issue premiums 31/03/2020	**316 792**

NOTE 29

Other non-current financial liabilities (in € 000)	31.03.2021	31.03.2020
Authorised hedging instruments (also refer to note 35)	25 216	28 957
Other		
Total other non-current financial liabilities	**25 216**	**28 957**

NOTE 30

Trade debts and other current debts (in € 000)	31.03.2021	31.03.2020
Exit tax	399	959
Other	**23 953**	**14 426**
Trade debts	659	221
Invoices to be received	16 288	9 138
Taxes payable	6 017	4 297
Other current debts	989	770
Total trade debts and other current debts	**24 352**	**15 385**

The increase in received invoices is mainly explained by the credit notes that were anticipated with respect to potential agreements resulting from 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 joint costs of the retail parks that can be charged.

NOTE 31

Exit tax (in € 000)	31.03.2021
Balance at the end of the previous financial year	**959**
Increase during the financial year	46
Advance payments	-38
Assessments	-568
At the end of the financial year	**399**

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)*	31.03.2021	31.03.2020
Dividends payable	1	34
Other	703	781
Total other current liabilities	**705**	**815**

NOTE 33

Accrued charges and deferred income *(in € 000)*	31.03.2021	31.03.2020
Property returns received in advance	6 082	5 368
Completed, not due interests and other financial costs	3 589	3 448
Other	44	389
Total accrued charges and deferred income	**9 715**	**9 206**

The deferred revenues mainly concern rents paid in advance.

NOTE 34

Breakdown by due date of credit lines

(in € 000)	31.03.2021	31.03.2020
Non-current		
Bilateral loans - variable or fixed rate	587 324	642 707
Bond loan	175 087	159 217
Subtotal	**762 411**	**801 924**
Current		
Bilateral loans - variable or fixed rate	17 683	52 743
Bond loan	29 997	
Treasury certificates	82 000	74 250
Subtotal	**129 680**	**126 993**
Total	**892 091**	**928 917**

Breakdown by maturity of non-current financial debts - future interest burden not included

(in € 000)	31.03.2021	31.03.2020
Between one and two year(s)	103 530	91 638
Between two and five years	404 028	336 504
More than five years	254 853	373 781

Breakdown by the variable or fixed-rate nature of the loans

(in € 000)[4]	31.03.2021	31.03.2020
Variable rate loans	466 614	572 829
Fixed rate loans	425 477	356 088

4. Without taking into account hedging instruments

Retail Estates nv has the following unused credit facilities

(in € 000)	31.03.2021	31.03.2020
Expiring within one year	0	4 000
Expiring after one year	277 562	173 862

€ 82.00 million of the unused credit lines is used as backup line for the withdrawn amounts of the commercial paper program.

Estimate of the future interest burden	Total future interest burden	
	31.03.2021	31.03.2020
Within one year	18 491	19 722
Between one and five year(s)	62 683	64 776
More than five years	4 827	15 860
Total	**86 001**	**100 358**

Over the course of the financial year, financial liabilities decreased by a net amount of € 36.69 million. New loans were taken out or existing loans were extended for an amount of € 153.25 million while other loans expired and were repaid for an amount of € 189.94 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 2021, total consolidated financial debt amounted to € 895.80 million.

This amount is composed as follows:

Non-current liabilities:

- € 587.32 million in traditional bilateral long-term bank loans, spread over several banks
- € 2.71 million in financial leases
- € 175.09 million in bond loans

(in € 000)	31.03.2021	31.03.2020
Bilateral loans	587.32	642.71
Financial leases	2.71	2.87
Bond loans	175.09	159.22

This is a decrease by € 39.68 compared to last year.

Where the bilateral loans are concerned, a revolving credit of approximately € 54 million was temporarily used at the end of last financial year to finance the acquisition of retail park "De Bossche Boulevard" on 7 April 2020. A large part of this loan was repaid in the course of the past financial year.

Furthermore, new bond loans for a total of € 46 million were issued, partly to replace an existing bond loan of € 30 million that had to be repaid by the end of April 2021 and was therefore converted into a short-term bond loan.

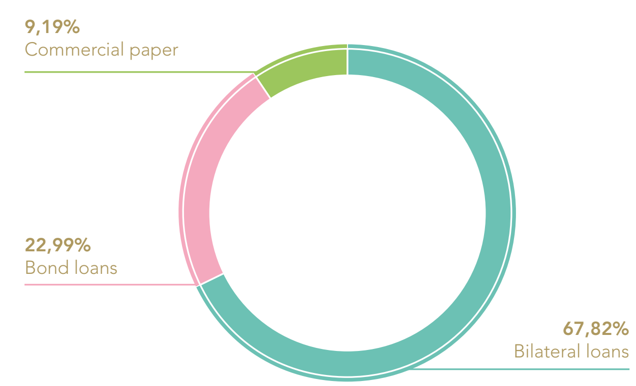
Current liabilities:

- € 17.68 million in traditional bilateral short-term bank loans
- € 82.00 million in Commercial Papers
- € 30 million in bond loans

(in € 000)	31.03.2021	31.03.2020
Bilateral loans	17.68	52.74
Commercial Paper	82.00	74.25
Bond loans	30.00	0

This is an increase by € 2.69 million compared to last year. This increase can mainly be explained by an increase of the commercial paper programme by € 7.75 million and the conversion of a long-term bond loan to a short-term bond loan of € 30 million. An investment loan for an amount of € 31 million was extended.

STRUCTURE OF THE FINANCIAL DEBT



93.02% 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 2021 and interest covers according to the contracts currently in progress. For the unhedged part of the liabilities for a total of € 62.27 million, the Euribor expectations on the date of this report and a banking margin were taken into account.

The company has issued six bond loans:

- € 30 million, issued on 23 April 2014 with a maturity of 7 years and at an interest rate of 3.56%. This bond loan was repaid on 23 April 2021.
- € 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 € 28.12 million on shareholders' equity and changes in the fair value of financial assets and liabilities. € 26.75 million of this amount would be recorded via the income statement and € 1.37 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 € 26.85 million on shareholders' equity and changes in the fair value of financial assets and liabilities. € 25.60 million of this amount would be recorded via the income statement account and € 1,25 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 3.95 years on 31 March 2021 compared to 4.42 years for the previous year. On 30 March 2021 the total of unused and confirmed long-term credit lines amounted to € 195.56 million. This is exclusive of the backup lines for the Commercial Paper programme amounting to € 82.00 million.

NOTE 35

Financial instruments on 31 March 2021

Summary of financial instruments as at closing date *(in € 000)*	Categories	Level	31.03.2021 Book value	31.03.2021 Fair value	31.03.2020 Book value	31.03.2020 Fair value
I. Non-current assets						
Finance lease receivables	C	2	1 030	1 030	1 030	1 030
Loans and receivables	A	2	2 418	2 418	1 658	1 658
II. Current assets						
Trade receivables and other receivables	A	2	20 165	20 165	11 376	11 376
Cash and cash equivalents	B	2	3 681	3 681	98 082	98 082
Total financial instruments on the assets side of the balance sheet			**27 294**	**27 294**	**112 147**	**112 147**
I. Non-current liabilities						
Interest-bearing liabilities	A	2				
Credit institutions	A	2	587 324	606 240	642 707	643 933
Bond loan	A	2	175 087	191 724	159 217	162 319
Other non-current liabilities	A	2				
Other financial liabilities	C	2	28 957	28 957	28 957	28 957
II. Current liabilities						
Interest-bearing liabilities	A	2	129 680	129 680	126 993	126 993
Current trade debts and other debts	A/C	2/3	25 057	25 057	16 200	16 200
Total financial instruments on the liabilities side of the balance sheet			**946 105**	**981 658**	**974 074**	**978 402**

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 2021, Retail Estates nv has € 466.61 million of financial debts at a variable interest rate and € 425.48 million of financial debts at a fixed interest rate[1]. 93.02% 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 2020-2021 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	31.03.2021 Book value	31.03.2021 Fair value	31.03.2020 Book value	31.03.2020 Fair value
Financial debts at fixed interest rate	425 477	461 030	356 088	360 416

Financial instruments at fair value

Fair value of financial assets and liabilities *(in € 000)*	31.03.2021	31.03.2020
Fair value of financial derivatives - Liabilities	-25 216	-28 957
Fair value of financial derivatives - Assets		
Total fair value of financial assets and liabilities	**-25 216**	**-28 957**

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 € 4.16 million was recorded in the income statement with respect to the financial instruments. An amount of € 0.42 million relates to the linear depreciation of the value on 31 December 2015 of the financial instruments that do not longer qualify as cash flow hedges, and € 3.74 million relate to the variations in fair value for the period of 1 April 2020 to 31 March 2021. Swaps qualifying as cash flow hedges are recognised directly as shareholders' equity and are not recorded in the income statement. The interest rate swaps are level 2 instruments.

1 The table presents the gross amounts (excl. activated costs).

Overview of financial instruments:

Other non-current liabilitie	Starting date	Ending date	Interest rate	Variable interest rate	Notional amount *(in € 000)*	Type of derivative	Hedge accounting
1	03/2009	12/2023	3.89%	Euribor 3 M +	2 345	IRS	NO
2	06/2017	06/2024	1.29%	Euribor 3 M +	35 000	IRS	NO
3	07/2016	04/2026	1.26%	Euribor 3 M +	26 000	IRS	YES
4	06/2016	06/2021	1.03%	Euribor 3 M +	25 000	IRS	YES
5	06/2019	06/2024	1.49%	Euribor 3 M +	30 000	IRS	NO
6	03/2018	03/2026	1.10%	Euribor 3 M +	20 000	IRS	NO
7	12/2018	12/2026	1.06%	Euribor 3 M +	25 000	IRS	NO
8	01/2018	01/2026	0.74%	Euribor 3 M +	25 000	IRS	NO
9	03/2018	03/2026	0.88%	Euribor 3 M +	25 000	IRS	NO
10	03/2018	03/2025	0.78%	Euribor 3 M +	25 000	IRS	NO
11	06/2016	06/2021	0.00%	Euribor 3 M +	25 000	FLOOR	YES
12	07/2016	04/2026	-2.25%	Euribor 3 M +	26 000	FLOOR	YES
13	03/2018	03/2026	0.00%	Euribor 3 M +	20 000	FLOOR	NO
14	12/2018	12/2026	0.00%	Euribor 3 M +	25 000	FLOOR	NO
15	07/2018	01/2023	0.80%	Euribor 3 M +	20 000	IRS	NO
16	07/2018	10/2025	1.52%	Euribor 3 M +	15 000	IRS	NO
17	09/2018	09/2022	0.91%	Euribor 3 M +	21 000	IRS	NO
18	10/2018	10/2024	1.19%	Euribor 3 M +	10 000	IRS	NO
19	03/2022	03/2024	0.52%	Euribor 3 M +	50 000	IRS	NO
20	10/2023	06/2026	0.68%	Euribor 3 M +	50 000	IRS	NO
21	12/2024	12/2028	0.70%	Euribor 3 M +	25 000	IRS	NO
22	12/2024	12/2028	0.72%	Euribor 3 M +	25 000	IRS	NO
23	03/2024	03/2029	0.34%	Euribor 3 M +	25 000	IRS	NO
24	03/2024	03/2029	0.37%	Euribor 3 M +	25 000	IRS	NO
25	06/2024	03/2029	0.06%	Euribor 3 M +	25 000	IRS	NO
26	06/2024	03/2029	0.03%	Euribor 3 M +	25 000	IRS	NO
27	06/2024	06/2029	0.00%	Euribor 3 M +	50 000	IRS	NO
28	12/2026	12/2029	-0.06%	Euribor 3 M +	25 000	IRS	NO
29	06/2021	06/2027	0.85%	Euribor 3 M +	60 000	IRS	NO
30	06/2022	06/2026	0.63%	Euribor 3 M +	25 000	IRS	NO
31	06/2022	06/2026	0.83%	Euribor 3 M +	10 000	IRS	NO
32	06/2022	06/2026	0.62%	Euribor 3 M +	14 000	IRS	NO
33	06/2021	03/2022	0.00%	Euribor 3 M +	25 000	CAP	NO
34	09/2021	12/2022	0.25%	Euribor 3 M +	50 000	CAP	NO
35	12/2020	12/2023	0.25%	Euribor 3 M +	50 000	CAP	NO
36	12/2022	03/2025	0.25%	Euribor 3 M +	25 000	CAP	NO
37	06/2020	06/2022	0.00%	Euribor 3 M +	50 000	CAP	NO

Breakdown by maturity of liquidity obligation associated with the derivative products *(in € 000)*	31.03.2021
Between zero and two year(s)	992
Between two and five years	12 149
More than five years	12 075
Total	**25 216**

NOTE 36

Additional comments on the debt ratio development

Calculation debt ratio (in € 000)	31.03.2021	31.03.2020
Liabilities	**954 785**	**986 149**
To be excluded:	**34 931**	**38 163**
I. Non-current liabilities	**25 216**	**28 957**
Provisions		
Authorised hedging instruments	25 216	28 957
Deferred taxes	0	0
II. Current liabilities	**9 715**	**9 206**
Provisions		
Authorised hedging instruments		
Accrued charges and deferred income	9 715	9 206
Total debt	**919 854**	**947 986**
Net reduction debt		
Total assets	**1 763 008**	**1 785 136**
Authorised hedging instruments - assets		
Total Assets taken into account for the calculation of the debt ratio	**1 763 008**	**1 785 136**
DEBT RATIO	**52,18%**	**53,10%**

Principle

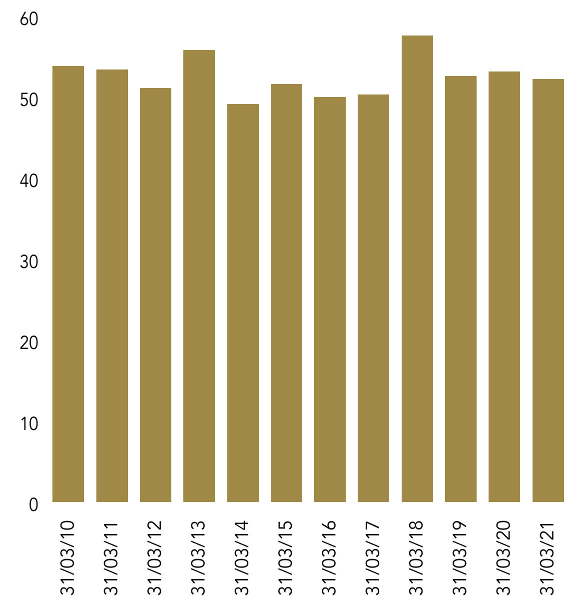
Article 24 of the BE-REIT Belgian Royal Decree requires public BE-REITs to draw up a budget forecast with an implementation schedule when its consolidated debt ratio and that of its perimeter companies exceeds 50% of the consolidated assets. The budget forecast describes the measures that will be taken to prevent the consolidated debt ratio from exceeding 65% of consolidated assets.

A separate report on the budget forecast is prepared by the statutory auditor, confirming that the latter has verified the method of drawing up the forecast, particularly as regards the economic principles, and that the figures contained in this forecast correspond to the accounting records of the public BE-REIT.

The general guidelines of the budget forecast are included in the annual and half-yearly financial reports. The annual and half-yearly financial reports describe the implementation of the budget forecast during the relevant period as well as its future implementation by the public BE-REIT and provide justification for this approach.

Notes regarding 2020-2021

Historical evolution of the debt ratio



Historically, the debt ratio of Retail Estates has fluctuated between 50-55%. In the course of its history, Retail Estates nv has never had a debt ratio exceeding 60%.

Long-term evolution of the debt ratio

The board of directors considers a debt ratio between 50% and 55% ideal for the shareholders of the public BE-REIT in terms of return and EPRA result per share. The impact of every investment on the debt ratio is reviewed and an investment is possibly not carried out if it would have a negative impact on the debt ratio.

Based on the current debt ratio of 52.18%, Retail Estates nv has an investment potential of € 348.16 million without exceeding a debt ratio of 60% (the company has concluded a covenant with a number of banks, stipulating that the debt ratio cannot exceed 60%).

Short-term evolution of the debt ratio

Every quarter, the board of directors is presented with a prognosis of how the debt ratio will evolve during the next quarter. The board also discusses any deviations which may have occurred between the estimated and actual debt ratio during the previous quarter.

The projection of the debt ratio as per 30 June 2021 takes into account the following assumptions:

– **disposals in the first quarter of 2021-2022**
Disposals are scheduled for a total of € 0.50 million.

– **results of the first quarter of 2021-2022.**
The results of the first quarter as indicated in the 2021-2022 budget and as approved by the board of directors.

– **planned investments in the first quarter of 2021-2022**
Planned investments account for € 1.70 million in the first quarter of 2021-2022.

Based on the above-mentioned assumptions, the debt ratio would amount to 50.87% as per 30 June 2021.

A projection is also made of the debt ratio as per 31 March 2022. This projection takes into account the following assumptions:

– **disposals in financial year 2021-2022**
Disposals are scheduled for a total of € 0.50 million.

– **results of financial year 2021-2022**
The results of the financial year as indicated in the 2021-2022 budget and as approved by the board of directors.

– **planned investments in financial year 2021-2022**
Planned investments for the entire financial year account for € 8.69 million.

Taking into account the additional planned investments and the earnings expectations for the full year, the debt ratio would amount to 51.21% as per 31 March 2022.

The debt ratio projection only takes into account acquisitions and disposals for which a private agreement has been signed (without conditions precedent) as well as investments that have been planned and contracted out. Expiring credits are assumed to be refinanced for the same amount.

Other elements that influence the debt ratio

The valuation of the real estate portfolio also has an impact on the debt ratio. Considering the current capital basis, the maximum debt ratio of 65% would be exceeded in the event of a reduction in the fair value of investment properties by more than € 347.85 million. This reduction in value could be the result of an increase in the yield (if the rental values remain unchanged, the yield would have to increase by 1.65% in order to exceed the debt ratio) or a reduction in rents (if the yields remain unchanged, the rents would have to drop by € 22.58 million). Historically, the fair value of the real estate portfolio has always risen or has at least been stable since the company's incorporation. If substantial value drops do take place that raise the debt ratio above 65%, Retail Estates nv can decide to dispose of some of its properties. Retail

Estates NV has a solid track record of selling properties at their estimated investment value. For more information please refer to chapter 3 of this report, "Management Report". On average, these properties were sold at their estimated investment value.

Retail Estates can also strengthen its balance by issuing an optional dividend or by making use of the possibility for BE-REITs to make a capital increase via accelerated bookbuilding (ABB), as provided in the BE-REIT Act. At the extraordinary general meeting of 23 December 2019, the authorised capital authorisation was extended and the articles of association were adjusted to make the application of the accelerated bookbuilding procedure possible for Retail Estates nv.

Conclusion

Retail Estates nv is of the opinion that, based on

- the historical evolution of the public BE-REIT,
- its track record as regards sales,
- the possibilities described above to strengthen the balance sheet

no additional measures need to be taken to prevent the debt ratio from exceeding 65%. The public BE-REIT intends to maintain the debt ratio between 50% and 55%. Based on the above-mentioned assumptions, the debt ratio will amount to 50.87% as per 30 June 2021. This level is evaluated regularly and will be reviewed by the board of directors if deemed necessary in the light of changing market conditions or environmental factors.

NOTE 37

Related parties

The company's related parties are its subsidiaries and its directors and executive officers. 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 2019/2020 and 2020/2021, nor in the period between 1 April 2021 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)	31.03.2021	31.03.2020
Directors	1 555	1 483
Total	**1 555**	**1 483**

NOTE 38

Auditor's fee (VAT excl.)	31.03.2021	31.03.2020
Remuneration of the auditor for the audit assignment	104	109
Remuneration for exceptional duties or special assignments		
- Other audit assignments	27	18
- Tax consultancy assignments		
- Other assignments outside the audit assignment	0	15

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 31.03.2021

Acquisitions and completed own 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 2020, 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 for more information on the structuring and financing of these acquisitions.

As per 31.03.2020

Acquisitions and completed own developments in financial year 2019-2020 resulted in an increase of the real estate portfolio by € 118.57 million. As a result of these investments, total rental income increased by € 5.68 million in financial year 2019-2020. If the acquisitions had taken place on 1 April 2019, the rental income would have increased by € 7.85 million. The operating result increased by € 4.83 million as a result of these investments. Please refer to the management report in the 2019-2020 annual report for more information on the structuring and financing of these acquisitions.

Sold real estate companies and investment properties

As per 31.03.2021

Disposals 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. Rental income declined by € 0.41 million as a result of these disposals. If the disposals had taken place on 1 April 2020, the rental income would have decreased by € 2.10 million.

As per 31.03.2020

Disposals were made during the 2019-2020 financial year for a net sale price of € 8.28 million, which resulted in a decrease in investment properties by € -4.29 million and a decrease in assets held for sale by € -3.38. Rental income declined by € 0.11 million as a result of these disposals. If the disposals had taken place on 1 April 2019, the rental income would have decreased by € 0.28 million.

NOTE 40

Events after the balance sheet date

Incorporation of REGREEN

On 22 April 2021 Retail Estates incorporated the subsidiary "Regreen" for its investments in photovoltaic systems and possibly other sustainable investments like charging stations and water infiltration basins.

NOTE 41

List of consolidated companies and changes in the circle of consolidation

As per 31 March 2021, 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		116 501	3 502	100%
Inducom		3 228		100%
Finsbury Properties		3 427	673	100%
Retail Estates Nederland		53 033	3 937	100%
Coöperatieve Leiderdorp				100%
Cruquius Invest		72 226	4 712	100%
Spijkenisse Invest	10 250	42 576	2 782	100%
Heerlen I Invest		58 122	3 717	100%
Heerlen II Invest		52 934	3 372	100%
Retail Estates Middelburg Invest		29 745	2 180	100%
Breda I Invest		36 816	2 489	100%
Breda II Invest		22 354	1 520	100%
Naaldwijk Invest		18 593	1 497	100%
Zaandam Invest		22 468	1 418	100%
Osbroek Invest		64 298	4 231	100%

5 Value at closing date of the consolidated figures (31.03.2021).
6 For the period the companies are part of the Group in the current financial year.

In the course of the past financial year, control of the company Inducom NV was acquired.

The board of directors of Retail Estates nv acknowledged the merger by acquisition of NS Properties nv.

Please refer to the Management Report of this annual report for more information.

None of these acquisitions were considered 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, Coöperatieve Leiderdorp, Cuquius 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 Assoiations 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)	31.03.2021	31.03.2020
Non-distributable elements of the shareholders' equity before distribution of results	**646 960**	**654 401**
Paid-up capital	276 560	275 801
Non-available issue premiums pursuant to the articles of association	316 792	315 410
Reserve for the positive balance of the variations of the fair value of real estate	110 562	115 186
Reserve for the impact on the fair value of estimated transfer rights and costs resulting from the hypothetical disposal of investment properties	-28 608	-28 633
Reserve for the balance of the changes in fair value of authorised hedging instruments qualifying for hedge accounting	-2 226	-2 739
Reserve for the balance of the changes in fair value of authorised hedging instruments not qualifying for hedge accounting	-26 125	-20 629
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.	**-2 123**	**-10 940**
Result on portfolio	-559	-3 647
Share in the non recurring result of holding incorporated using the equity method	-4 238	-1 077
Changes in fair value of financial assets and liabilities	2 674	-6 216
Total shareholders' equity, statutory, non-distributable	**644 837**	**643 461**
Shareholders' equity, statutory	804 581	796 259
Planned dividend distribution	56 996	55 574
Shareholders' equity, statutory, after distribution of dividends	**747 585**	**740 685**
Remaining reserve after distribution	**102 748**	**97 225**

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 2021 the share in the result of the shareholdings that was processed in accordance with the change in equity method amounted to € 11.59. Of this amount, € -4.24 million will be added to the reserves for the balance of the change in fair value of the real estate and € 15.83 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

	31.03.2021				31.03.2020			
Segmented information – results by segment *(in € 000)*	Belgium	The Netherlands	Un-allocated amounts	TOTAL	Belgium	The Netherlands	Un-allocated amounts	TOTAL
Rental income	70 749	31 855		102 604	79 713	28 197		107 910
Rental related expenses	-2 103	-99		-2 202	-270	-27		-296
Net rental income	**68 646**	**31 756**		**100 402**	**79 443**	**28 170**		**107 614**
Recovery of property expenses								
Recovery of rental charges and taxes normally payable by tenants on let properties	7 780	2 819		10 599	8 795	3 329		12 124
Rental charges and taxes normally payable by tenants on let properties	-8 177	-3 990		-12 167	-9 244	-4 261		-13 505
Other rental related income and expenses	-96	0		-95	-32	3		-29
Property result	**68 154**	**30 584**		**98 738**	**78 962**	**27 241**		**106 204**
Technical costs	-1 765	-515		-2 280	-3 052	-1 434		-4 486
Commercial costs	-411	-97		-509	-771	-103		-874
Charges and taxes on unlet properties	-716	-151		-867	-633	-116		-748
Property management costs	-2 226	-991		-3 217	-2 171	-769		-2 939
Other property costs	-1	-5		-6	-3	0		-3
Property costs	**-5 118**	**-1 759**		**-6 877**	**-6 629**	**-2 422**		**-9 051**
Operating property result	**63 035**	**28 825**		**91 861**	**72 333**	**24 819**		**97 152**

	31.03.2021				31.03.2020			
Segmented information – results by segment *(in € 000)*	Belgium	The Netherlands	Un-allocated amounts	TOTAL	Belgium	The Netherlands	Un-allocated amounts	TOTAL
Operating corporate costs			-6 123	-6 123			-5 593	-5 593
Other current operating income and expenses								
Operating result before result on portfolio				**85 737**				**91 560**
Result on disposals of investment properties	-7	832		825	595	2		597
Result on sales of other non-financial assets								
Changes in fair value of investment properties	3 789	-9 752		-5 963	1 152	-6 335		-5 183
Other result on portfolio	232	760		992	-451	153		-298
Operating result				**81 592**				**86 675**
Financial income			232	232			54	54
Net interest charges			-20 592	-20 592			-19 275	-19 275
Changes in fair value of financial assets and liabilities			2 674	2 674			-6 216	-6 216
Other financial charges			-70	-70			-96	-96
Financial result			**-17 757**	**-17 757**			**-25 533**	**-25 533**
Result before taxes				**63 836**				**61 142**
Taxes	**-6**	**-2 393**		**-2 399**	**-583**	**-2 461**		**-3 044**
Net result				**61 437**				**58 098**

Segmented balnce sheet

	31.03.2021			31.03.2020		
Segmented information – assets by segment (in € 000)	Belgium	The Netherlands	TOTAL	Belgium	The Netherlands	TOTAL
Investment properties[7]	1 244 081	473 164	1 717 245	1 251 233	410 519	1 661 752
Non-current assets or groups of assets held for sale	7 931	0	7 931	1 791		1 791

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. STATUTORY AUDITOR'S REPORT TO THE GENERAL SHAREHOLDERS' MEETING ON THE CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

We present to you our statutory auditor's report in the context of our statutory audit of the consolidated accounts of Retail Estates NV (the "Company") and its subsidiaries (jointly "the Group"). This report includes our report on the consolidated accounts, as well as the other legal and regulatory requirements. This forms part of an integrated whole and is indivisible.

We have been appointed as statutory auditor by the general meeting d.d. 23 July 2018, following the proposal formulated by the board of directors. Our mandate will expire on the date of the general meeting which will deliberate on the annual accounts for the year ended 31 March 2021. We have performed the statutory audit of the Company's consolidated accounts for 6 consecutive years.

REPORT ON THE CONSOLIDATED ACCOUNTS

UNQUALIFIED OPINION

We have performed the statutory audit of the Group's consolidated accounts, which comprise the consolidated balance sheet as at 31 March 2021, and the consolidated profit and loss account for the year then ended, the consolidated income statement and consolidated statement of other comprehensive income, the consolidated statement of changes in shareholders's equity, the consolidated cash flow statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information, and which is characterised by a consolidated balance sheet total of EUR '000' 1.763.008 and a consolidated net result for the year of EUR '000' 61.436.

In our opinion, the consolidated accounts give a true and fair view of the Group's net equity and consolidated financial position as at 31 March 2021, and of its consolidated financial performance and its consolidated cash flows for the year then ended, in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium.

BASIS FOR UNQUALIFIED OPINION

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Belgium. Furthermore, we have applied the International Standards on Auditing as approved by the IAASB which are applicable to the year-end and which are not yet approved at the national level. Our responsibilities under those standards are further described in the "Statutory auditor's responsibilities for the audit of the consolidated accounts" section of our report. We have fulfilled our ethical responsibilities in accordance with the ethical requirements that are relevant to our audit of the consolidated accounts in Belgium, including the requirements related to independence.

We have obtained from the board of directors and Company officials the explanations and information necessary for performing our audit.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

A key audit matter is a matter that, in our professional judgment, was of most significance in our audit of the consolidated accounts of the current period. This matter was addressed in the context of our audit of the consolidated accounts as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

VALUATION OF THE INVESTMENT PROPERTIES

DESCRIPTION OF THE KEY AUDIT MATTER

The company recorded investment property on the assets side of the balance sheet at 31 March 2021 for a total sum of EUR '000' 1.717.245. IFRS-standards require investment property to be stated at fair value. The measurement of that fair value strongly depends on a number of selected parameters, the most important ones being the rental value of the property, the occupation rate, the discount rate and the estimated costs of maintenance and repair.

As required by legislation applicable to regulated real estate companies, the investment properties are valued by an external appraiser.

The valuation of the investment property is a key audit matter in our audit of the Consolidated Financial Statements due to their material significance relative to the financial statements on the one hand and the level of judgment inherent in the valuation process on the other.

For additional information on the valuation of the investment property, please refer to Notes 21 and 22 of these Consolidated Financial Statements.

HOW OUR AUDIT ADDRESSED THE KEY AUDIT MATTER

In assessing the reliability of the third-party valuation and the reasonableness of the parameters used, we performed the following procedures:

We assessed the objectivity, independence and competence of the external appraisers;

In addition, as regards the fair value changes compared to 31 March 2021, we analysed the reasonableness of the underlying parameters;

We also compared the recoverable amount of the investment properties that were sold in the course of the financial year with their respective fair values as reported in the latest financial statements before the time of disposal;

Finally we checked whether the disclosures in the notes to the Consolidated Financial Statements are in compliance with IFRS.

RESPONSIBILITIES OF THE BOARD OF DIRECTORS FOR THE PREPARATION OF THE CONSOLIDATED ACCOUNTS

The board of directors is responsible for the preparation of consolidated accounts that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium, and for such internal control as the board of directors determine is necessary to enable the preparation of consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated accounts, the board of directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the board of directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

STATUTORY AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED ACCOUNTS

Our objectives are to obtain reasonable assurance about whether the consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated accounts.

In performing our audit, we comply with the legal, regulatory and normative framework applicable to the audit of the consolidated accounts in Belgium. A statutory audit does not provide any assurance as to the Group's future viability nor as to the efficiency or effectiveness of the directors' current or future business management at Group level.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board of directors;
- Conclude on the appropriateness of the board of directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our statutory auditor's report to the related disclosures in the consolidated accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our statutory auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the consolidated accounts, including the disclosures, and whether the consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation;
- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the audit committee, we determine those matters that were of most significance in the audit of the consolidated accounts of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

OTHER LEGAL AND REGULATORY REQUIREMENTS

RESPONSIBILITIES OF THE BOARD OF DIRECTORS

The board of directors is responsible for the preparation and the content of the directors' report on the consolidated accounts and all other information included in the annual report on the consolidated accounts.

STATUTORY AUDITOR'S RESPONSIBILITIES

In the context of our engagement and in accordance with the Belgian standard which is complementary to the International Standards on Auditing (ISAs) as applicable in Belgium, our responsibility is to verify, in all material respects, the directors' report on the consolidated accounts, and the other information included in the annual report on the consolidated accounts, and to report on these matters.

ASPECTS RELATED TO THE DIRECTORS' REPORT ON THE CONSOLIDATED ACCOUNTS

In our opinion, after having performed specific procedures in relation to the directors' report on the consolidated accounts, this directors' report is consistent with the consolidated accounts for the year under audit and is prepared in accordance with article 3:32 of the Companies' and Associations' Code.

In the context of our audit of the consolidated accounts, we are also responsible for considering, in particular based on the knowledge acquired resulting from the audit, whether the directors' report on the consolidated accounts and the other information included in the annual report on the consolidated accounts, containing

Remarkable real estate facts

- Letter to the shareholders;
- Management report;
- Retail Estates on the stock exchange;
- Real Estate report;
- Permanent document;
- Miscellaneous.

is materially misstated or contains information which is inadequately disclosed or otherwise misleading. In light of the procedures we have performed, there are no material misstatements we have to report to you.

STATEMENT RELATED TO INDEPENDENCE

- Our registered audit firm and our network did not provide services which are incompatible with the statutory audit of the consolidated accounts, and our registered audit firm remained independent of the Group in the course of our mandate;
- The fees for additional services which are compatible with the statutory audit of the consolidated accounts referred to in article 3:65 of the Companies' and Associations' Code are correctly disclosed and itemized in the notes to the consolidated accounts.

OTHER STATEMENTS

This report is consistent with the additional report to the audit committee referred to in article 11 of the Regulation (EU) N° 537/2014.

Sint-Stevens-Woluwe, 21 May 2021

The statutory auditor
PwC Reviseurs d'Entreprises SRL /
PwC Bedrijfsrevisoren BV
Represented by

Damien Walgrave
Reviseur d'Entreprises / Bedrijfsrevisor

For the report of the Auditor to the General Meeting of Shareholders on the consolidated financial statements for the financial year closed on 31 March 2020, we refer to page 204 et seq. of the 2019-2020 annual report.

For the report of the Auditor to the General Meeting of Shareholders on the consolidated financial statements for the financial year closed on 31 March 2019, we refer to page 182 et seq. of the 2018-2019 annual report.

8. A. STATUTORY INCOME STATEMENT

Chapters 8 to 11 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.retailestates.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)*	31.03.2021	31.03.2020
Rental income	66 513	69 264
Rental related expenses	-2 094	-333
Net rental income	**64 419**	**68 931**
Recovery of property expenses		
Recovery of rental charges and taxes normally payable by tenants on let properties	7 338	7 211
Rental charges and taxes normally payable by tenants on let properties	-7 710	-7 677
Other rental related income and expenses	-93	-30
Property result	**63 954**	**68 435**
Technical costs	-1 588	-2 950
Commercial costs	-412	-716
Charges and taxes on unlet properties	-683	-621
Property management costs	1 258	1 288
Other property costs	-1	-3
Property costs	**-1 426**	**-3 002**
Operating property result	**62 528**	**65 432**
Operating corporate costs	-5 229	-4 729
Other current operating income and expenses		
Operating result before result on portfolio	**57 299**	**60 703**
Result on disposals of investment properties	-7	471
Result on sales of other non-financial assets		
Changes in fair value of investment properties	199	-3 377
Other result on portfolio	-758	-270

INCOME STATEMENT *(in € 000)*	31.03.2021	31.03.2020
Operating result	**56 734**	**57 527**
Financial income	10 436	8 366
Net interest charges	-20 613	-18 850
Changes in fair value of financial assets and liabilities	2 674	-6 216
Other financial charges	-60	-68
Financial result	**-7 563**	**-16 769**
Share in the result of holding incorporated using the equity method (1)	**11 590**	**18 387**
Result before taxes	**60 761**	**59 145**
Taxes	225	-505
Net result	**60 986**	**58 640**
Note:		
EPRA earnings	**63 116**	**69 110**
Result on portfolio	-566	-3 176
Changes in fair value of financial assets and liabilities	2 674	-6 216
Share in the non recurring result of holding incorporated using the equity method	-4 238	-1 077

(1) Until 31 March 2019, the holdings of the subsidiaries were valuated as financial instruments as per IFRS 9. Since 1 April 2019, the holdings have been valuated 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 2.05 million euros that was paid out to the parent company in 2019 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 other comprehensive income *(in € 000)*	31.03.2021	31.03.2020
Net result	60 986	58 641
Other components of other comprehensive income, 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	1 233	511
Variations in fair value of available-for-sale financial assets		
Conversion differences arising from the conversion of a foreign activity		
Actuarial gains and losses from defined benefit plans		
Income tax on the "other elements of the global result"		
Other elements of the "global result", after tax		
OTHER COMPREHENSIVE INCOME	62 219	**59 152**

9. STATUTORY BALANCE SHEET

ASSETS (in € 000)	31.03.2021	31.03.2020
Non-current assets	**1 737 017**	**1 724 364**
Goodwill		
Intangible non-current assets	1 551	1 138
Investment properties	1 123 089	1 127 032
Other tangible non-current assets	6 301	6 420
Financial non-current assets	605 044	588 742
Finance lease receivables	1 030	1 030
Trade receivables and other non-current assets	2	2
Current assets	**18 945**	**41 595**
Non-current assets or groups of assets held for sale	341	1 791
Trade receivables	1 154	913
Tax receivables and other current assets	13 696	27 190
Cash and cash equivalents	2 149	10 756
Deferred charges and accrued income	1 605	945
TOTAL ASSETS	**1 755 963**	**1 765 959**

SHAREHOLDERS' EQUITY AND LIABILITIES (in € 000)	31.03.2021	31.03.2020
Shareholders' equity	**804 579**	**796 258**
Capital	276 560	275 801
Issue premiums	316 792	315 410
Reserves	150 241	146 407
Net result of the financial year	60 986	58 641
Liabilities	**951 385**	**969 702**
Non-current liabilities	**781 916**	**823 690**
Provisions		
Non-current financial debts	756 517	794 544
Credit institutions	577 074	632 457
Long term financial lease	4 357	2870
Other	175 087	159 217
Other non-current liabilities	25 399	29 146
Deferred taxes		
Current liabilities	**169 469**	**146 012**
Current financial debts	129 680	132 663
Credit institutions	129 680	132 663
Short term financial lease		
Trade debts and other current debts	33 734	7 659
Other current liabilities	327	473
Accrued charges and deferred income	5 728	5 217
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**1 755 963**	**1 765 959**

10. STATUTORY STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY *(in € 000)*	Capital ordinary shares	Issue premiums	Reserves*	Net result of the financial year	Minority interests	TOTAL Shareholders' Equity
Balance according to IFRS on 31 March 2019	**248 973**	**260 175**	**141 232**	**54 333**	**0**	**704 711**
- Net appropriation of profits 2019-2020						0
- Transfer of portfolio result to reserves			10 060	-10 060		0
- Transfer changes in fair value of authorised hedging instruments			-13 374	13 374		0
- Transfer of EPRA earnings to reserves			9 101	-9 101		0
- Reclassification between reserves						0
- Dividends of the financial year 2018-2019				-48 546		-48 546
- Capital increase						0
- Capital increase through contribution in kind	27 176	55 235				82 411
- Increase in shareholders' equity as a result of mergers			-212			-212
- Costs of capital increase	-348					-348
- Other			-911			-911
- Other comprehensive income 31/03/2020			511	58 641		59 152
Balance according to IFRS on 31 March 2020	**275 801**	**315 410**	**146 405**	**58 641**	**0**	**796 258**
- 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
- Other comprehensive income 31/03/2021			1 233	60 986		62 219
Balance according to IFRS on 31 March 2021	**276 560**	**316 792**	**150 240**	**60 986**	**0**	**804 579**

* 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 2019	**1**	**104 922**	**15 359**	**-24 150**	**-2 672**	**-7 833**	**55 606**	**141 232**
- Net appropriation of profits 2019-2020								
- Transfer of portfolio result to reserves		11 855		-1 795				10 060
- Transfer changes in fair value of authorised hedging instruments						-13 374		-13 374
- Transfer of EPRA earnings to reserves							9 101	9 101
- Reclassification between reserves		-608	608	452			-452	0
- Capital increase through contribution in kind								0
- Increase in shareholders' equity as a result of mergers	4	-72	87	-3 140			2 909	-212
- Costs of capital increase								0
- Other		-911						-911
- Other comprehensive income 31/03/2020					-67	578		511
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	-463
- Costs of capital increase								0
- Other								0
- Other comprehensive income 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**	**150 240**

11. STATUTORY APPROPRIATION OF RESULT

Statutory appropriation of result (in € 000)	31.03.2021	31.03.2020
A. Net result	**60 986**	**58 641**
B. Allocation to / transfer from reserves		
- Allocation to / transfer from the reserves for the balance of changes in fair value of investment properties7		
Financial year	-137	3 690
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	695	-43
- 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	1 564	7 293
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	-85	-452
Addition to / withdrawal from retained earnings from previous financial years (- / +)	-262	2 909
C. Remuneration of capital, following article 13, § 1, first paragraph	**56 996**	**55 574**
D. Remuneration of capital - other than C		
Result to be carried forward	**5 766**	**16 465**

As per 31 March 2021, there is a decrease in shareholders' equity as a result of mergers for an amount of € 0.46 million. Of that amount, € -0.17 million was allocated to reserves for the balance of the variations in the fair value of investment properties, € -0.03 million was allocated to the reserves for the impact on the fair value of estimated transaction costs resulting from the hypothetical disposal of investment properties and € -0.26 million was allocated to the results of the previous financial years carried forward.

On 31 March 2021, the revaluation of the subsidiaries amounted to € 2.66 million. Of this amount, € 6.90 million will be added to the result carried forward (result of the subsidiaries that qualify for the look-through) and € -4.24 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 defendent in disputes that may have a material impact on the annual accounts.

RISK FACTORS

"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."

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 of the company.	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 52.18% on 31 March 2021 (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 mainly 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 increased 1% faster than the rental prices, this would have a 0.07% impact on the Group's operational margin (on the basis of the data of 31 March 2021). Based on the data of 31 March 2021, the rental income variation can be estimated at € 1.03 million on an annual basis for each percentage point variation of the health index.	The company seeks to reduce the risk of cost increases by entering into contractual agreements with its suppliers.

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 2021, the rental income variation can be estimated at € 1.03 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 m²) 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.

"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."

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 Es-tates, 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.

ICT & 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. All data is also backed up in various ways (on site, off site on tape, and 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 a SLA (Service Level Agreement) was concluded. Retail Estates took out an insurance policy for financial and operational risks related to IT and fraud.

"A conservative and cautious financing strategy with a balanced spread of expiration dates, diversification of funding sources and an extensive group of bank partners."

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.	Impossibility to finance acquisitions or developments (via shareholder's equity as well as via debt) or increased costs that reduce the expected profitability. The lack of financing to repay interest, capital or operating expenses.	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.	Increased cost of debt, resulting in an impact on earnings and cash flows, and a decrease in profitability.	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.
	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. 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.	However, this is an unrealised and non-cash item. In an interest rate swap, the variable interest rate is exchanged for a fixed interest rate. 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. Please refer to note 34 et seq. of this annual report for more information about the hedges used by the company.

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.	The company generally has entered into the following covenants with its bankers and bondholders: - Retention of BE-REIT status - Minimum portfolio size - ICR (calculated on net rental results) ≥ 2 - Maximum debt ratio The Belgian BE-REIT Act imposes a maximum debt ratio of 65%. 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.

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, profitability, 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.

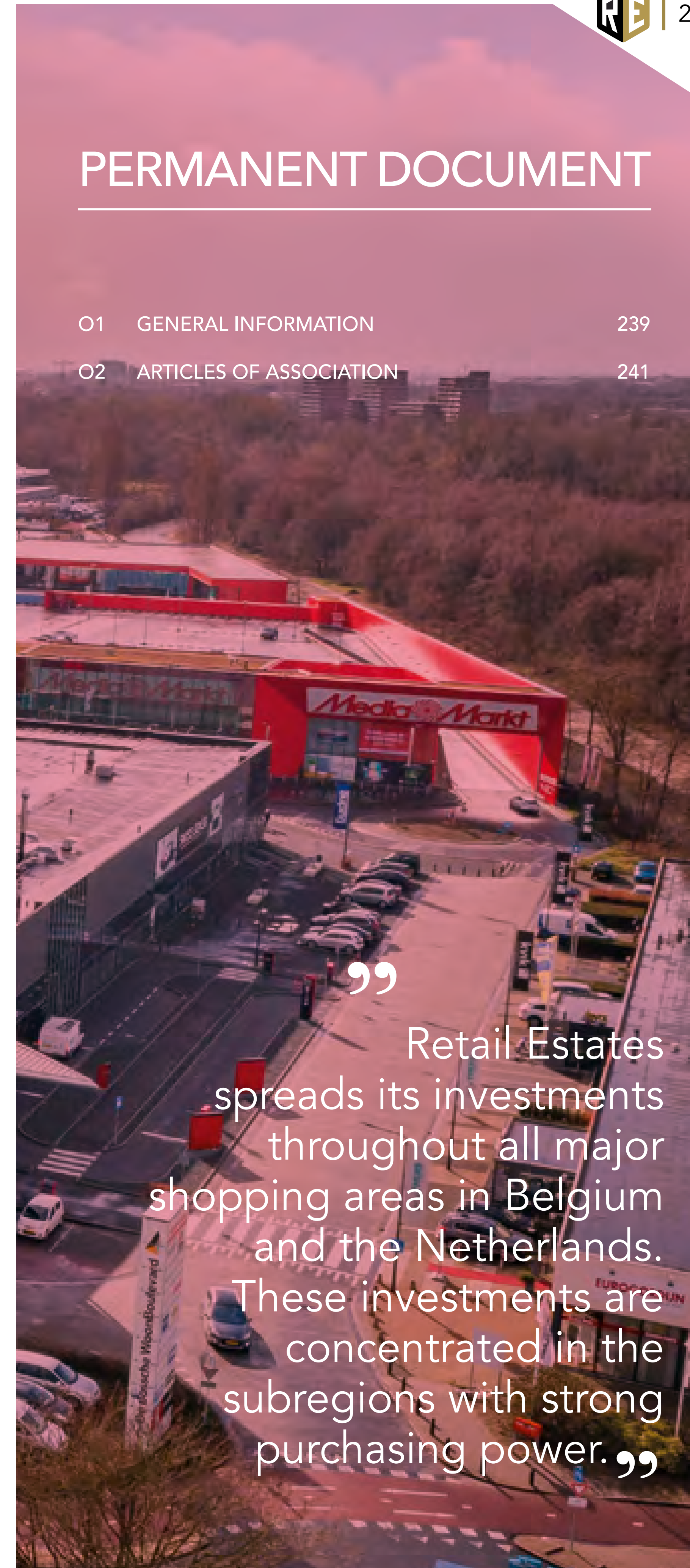
TOWN PLANNING REGULATIONS		
Description of the risk	**Potential impact**	**Limiting factors and control**
If the town planning regulations change, retail units for which an authorisation was received will no longer be allowed to undergo changes subject to authorisation that are contrary to the new purpose 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.

PERMANENT DOCUMENT



"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."

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. Pursuant to Article 2 of the articles of association, the registered office of the company may be relocated to any place in Belgium following a decision by the board of directors without any need to amend the articles of association.

COMPANY NUMBER

The company has been entered in the register of legal entities under company number 0434.797.847.

LEGAL FORM, INCORPORATION, PUBLICATION

The limited liability company ("naamloze vennootschap") "Retail Estates – Vastgoedbevak naar Belgisch recht" (currently "Openbare GVV 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 Carnewal, associated notary public in Brussels, on 20 August 2020 and published in the Annexes to the Belgian Official Gazette of 24 August of the following year under number 20338674.

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 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.retailestates.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.retailestates.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 on 28 April 2020, 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 corporate tax;
- an advance levy (currently 30%) 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;
- stock exchange listing;
- the activity must be limited to real estate investments; additionally, the BE-REIT may invest assets in securities;
- possibility to request that branches of the BE-REIT be given the status of an institutional BE-REIT.

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.

1 Dit tarief geldt vanaf 1 januari 2020; voordien gold een tarief van 12,50%.

2. ARTICLES OF ASSOCIATION

LEGAL FORM – NAME – REGISTERED OFFICE – CORPORATE PURPOSE – DURATION

ARTICLE 1: LEGAL FORM AND NAME

The company has the form of a limited liability company ("naamloze vennootschap") under Belgian law with the name "Retail Estates". This name shall be immediately followed by the words "Belgian Real Estate Investment Trust organised and existing under the laws of Belgium" or "Public BE-REIT organised and existing under the laws of Belgium" ("Société immobilière réglementée publique de droit belge" or "SIR publique de droit belge" / "Openbare gereglementeerde vastgoedvennootschap naar Belgisch recht" or "Openbare GVV naar Belgisch recht") and all documents issued by the company shall mention this.

The company solicits its financial resources in Belgium or abroad by means of a public offering of shares, and therefore makes a public appeal on savings within the meaning of Article 438(1) of the Belgian Code of Companies. The company's shares are admitted to trading on a regulated market.

The company is subject to the statutory framework governing public real estate investment trusts organised and existing under the laws of Belgium, hereafter called "public BE-REITs".

The company is subject to any Belgian legislation on real estate investment trusts and in particular to the provisions of the Belgian Act of 12 May 2014 on Belgian Regulated Real Estate Companies (the "RREC Act") and the Belgian Royal Decree of 13 July 2014 on Belgian Regulated Real Estate Companies (the "RREC Decree") (this act and its implementing decree are hereinafter referred to as the "BE-REIT legislation").

ARTICLE 2: REGISTERED OFFICE

The company's registered office is located at 6 Industrielaan, B-1740 Ternat (Belgium).

The registered office may be transferred to any other location in Belgium pursuant to a decision of the board of directors provided that the applicable legislation on the use of languages is complied with, without an amendment to these articles being required.

The board of directors is also authorised to establish administrative offices, places of business and subsidiaries both in Belgium and abroad.

ARTICLE 3: CORPORATE PURPOSE

The purpose of the company is limited to the following:

(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 BE-REIT Act and its implementing decrees and regulations; and
(b) to own real estate within the limits of the BE-REIT legislation, as mentioned in article 2, 5°, I to xi of the BE-REIT Act, as well as any other goods, shares or rights defined as real estate by the applicable regulations on Belgian regulated real estate investment trusts;

Real estate is understood to mean:

i. real estate as defined in Articles 517 et seq. of the Belgian Civil Code and rights in rem to real estate, to the exclusion of real estate related to forestry, agriculture and 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 real estate investment trusts 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. shares in public and institutional fixed-capital real estate investment funds (Bevak/Sicafi);
vii. rights to own participating interests in foreign institutions for collective investment in real estate that are registered in the list referred to in Article 260 of the BE-REIT Act;
viii. rights to own participating interests 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 BE-REIT Act, insofar as they are subject to oversight equivalent to that exercised over the public fixed-capital real estate investment funds;
ix. shares or rights to own participating interests issued by companies (i) with a legal personality; (ii) governed by the laws of another Member State of the European Economic Area; (iii) whose shares are admitted to trading on a regulated market and/or are 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 similar corporate purposes; and (v) that are exempted from the tax on income from profits originating from the activities referred to under (iv), subject to compliance with specific legal requirements, and that are at least obliged 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 5, § 4 of the Belgian Act of 16 June 2006;
xi. rights to own participating interests in a specalised real estate investment fund;
xi. all other properties, shares or rights defined as real estate by the regulations applicable to regulated real estate companies.

(c) to enter into one or several of the following agreements on a long-term basis, either directly or through a company in which it holds participating interests in accordance with the provisions of the BE-REIT legislation, possibly in cooperation with third parties or with a public client:

i. DBF agreements, the so-called "Design, Build, Finance" agreements;
ii. DF(F)M agreements, the so-called "Design, Build, (Finance) and Maintain" agreements;
iii. DFF(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 delivery, 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 borne by the company in full or in part, without necessarily being granted rights in rem; or

(d) on the long-term direct, or through a company in which it has a participating interest and in accordance with the provisions of the RREC legislation, if necessary in collaboration with third parties, develop, to have it developed, to have it set up, to set up, to have it set up, to manage, to have it managed, to operate, to have it operated or make available to:

i. facilities for the transport, distribution or storage of electricity, gas, fossile or non-fossile fuels and energy in general, and related goods;
ii. public facilities for the transport, distribution, storage or purification of water and related goods;
iii. installations for the generation, storage and transport of (renewable) energy and related goods; or
iv. waste and incineration installations and related goods.

Within the framework of making available 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, transfer, contribution, development, registration as co-ownership or joint ownership of real estate as described above, the granting or acquisition of building rights, usufruct, ground 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 purpose 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 purpose and, in general, execute all transactions connected directly or indirectly to its corporate purpose.

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 BE-REIT legislation.

The company may, on a temporary or subsidiary basis, also invest in securities that are not real estate within the meaning of the BE-REIt 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 non-committed liquid assets. The liquid assets can be held in all currencies, in the form of demand and term deposits, as well, as well as all easily convertible money market instruments.

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 let one or more properties under finance leases, with or without purchase option. Such finance leases with a purchase option may only be granted on a subsidiary basis, 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 business).

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 BE-REIT legislation and any other applicable legislation.

ARTICLE 4: PROHIBITIONS

The company may not act as a property developer within the meaning of the BE-REIT legislation, except for occasional transactions.

The company is prohibited from:

1. participating in a fixed price syndicate or guarantee association;
2. lending financial instruments, except for loans that are granted under the conditions and in accordance with the provisions of the Belgian Royal Decree of 7 March 2006; and
3. 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 deferment of payments or in respect of which a similar measure has been taken abroad.
4. 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.

CAPITAL - SHARES

ARTICLE 6: CAPITAL

6.1 Registered capital

The share capital amounts to two hundred and eighty-for million nine hundred and eighty-four thousand six hundred and one euro ninety-seven cents (€ 284,984,601.97).

It is represented by twelve thousand six hundred and sixty-five thousand seven hundred and sixty-three (12,665,763) shares without indication of nominal value, each representing an equal part of the capital. The capital has been paid up in full.

6.2. Authorised capital

The board of directors is authorised to increase the company's share capital on one or more occasions, up to a maximum amount of:

(a) two hundred and fifty-six million two hundred and twenty-five thousand two hundred and seventy-eight euro ninety-eight cents (€256,225,278.98) 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 twenty-eight million one hundred and twelve thousand six hundred and thirty-nine euro forty-nine cents (€ 128,112,639.49) 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 taken, 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 12 months does not exceed 10% of the amount of the capital at the moment on which the decision to increase the capital was taken, or

(d) two hundred and fifty-six million two hundred and twenty-five thousand two hundred and seventy-eight euros and ninety-eight cents (€ 256,225,278.98) for all forms of capital increase;

on the understanding that within the context of this authorisation, the share capital can never be increased to exceed the maximum amount of two hundred and fifty-six million two hundred and twenty-five thousand two hundred and seventy-eight euros and ninety-eight cents (€ 256,225,278.98) 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 23 July 2018. This authorisation can be renewed. The board of directors shall determine the price, the issue premium and the issue conditions for the new shares, unless these decisions are taken by the shareholders' meeting.

Within the above limits and without prejudice to the mandatory provisions of the applicable legislation, the board of directors can decide to increase the capital by means of contributions in cash or non-monetary contributions, the conversion of reserves or issue premiums as well as of shareholders' equity under the statutory IFRS annual accounts of the company (prepared in accordance with the application regulations) that qualify for conversion, with or without the issuance of new shares of one or several existing types. The board of directors is also authorised by the shareholders' meeting to issue other securities, including but not limited to (subordinated or non-subordinated) warrants (subscription rights).

Moreover, the board of directors is allowed to restrict or cancel the preferential subscription right granted to the shareholders, including those in favour of one or more persons other than the staff members of the company or a subsidiary, provided that an irreducible allocation right is granted to the existing shareholders upon the distribution of new securities (if legally required). This irreducible allocation right, if any, shall meet the requirements determined by the BE-REIT legislation and Article 6.4 of these articles of association.

That right must in any case not be granted in case of a cash contribution (i) in the context of the distribution of an optional stock dividend under the conditions provided for by article 6.4. of the articles of association or (ii) in the context of the authorised capital, if the aggregate amount of the capital increases that will take place in accordance with article 26, §1, third section, of the BE-REIT Act over a period of 12 months does not exceed 10% of the amount of the capital at the moment on which the resolution for a capital increase is adopted.

Capital increases by means of a non-monetary contribution shall be carried out in accordance with the requirements determined by the BE-REIT legislation and Article 6.4 of the articles of association. Such contributions can include a right to a dividend in the context of an optional stock dividend distribution.

Without prejudice to the authorisation granted to the board of directors in accordance with the preceding paragraphs, the board of directors is authorised to proceed to one or more capital increases, in the event of a takeover bid for all of the company's shares, under the conditions set forth in the applicable corporate laws, provided that the company has received an acknowledgement of the takeover bid from the Financial Services and Markets Authority (FSMA) within a period of three years from the extraordinary shareholders' meeting of 23 July 2018. If applicable, the board of directors must (if required by law) respect the irreducible allocation right provided for by the BE-REIT legislation. Capital increases carried out by the board of directors pursuant to this authorisation will be deducted from the remaining authorised capital, mentioned in the first paragraph of this Article.

If the board of directors requests payment of an issue premium on the occasion of its decision to increase the capital, this issue premium shall be recorded on one or several separate accounts under the item "shareholders' equity" on the liabilities' side of the balance sheet. The board of directors is free to decide to deposit the amount of this premium, possibly after deduction of an amount not larger than the costs of the capital increase within the meaning of the applicable IFRS rules, on an unavailable account, called "issue premium", that will constitute a guarantee for third parties in the same manner as the share capital and that, subject to its incorporation into the capital, can only be reduced or cancelled by resolution of the general shareholders' meeting deliberating under the conditions laid down in the applicable legislation.

6.3. Acquisition, transfer and pledge of own shares

The company can acquire, pledge or retransfer its own shares subject to the conditions provided for by law.

The board of directors is authorised, within the limits of Articles 620 et seq. of the Belgian Code of Companies, to decide that the company can acquire, pledge and transfer its own shares when such acquisition or transfer is necessary to avoid serious, imminent harm to the company. This authorisation is valid for a period of three (3) years as from the publication in the Annexes to the Belgian Official Gazette of the authority granted by the extraordinary shareholders' meeting of 23 July 2018, and can be extended by the shareholders' meeting for the same period of time.

The board of directors is authorised, for a period of five (5) years following the extraordinary shareholders' meeting of 23 July 2018, to acquire, pledge and transfer the company's own shares on the company's behalf, at a unit price which may not be less than 85% of the closing market price on the day preceding the date of the transaction (acquisition, sale or pledge) and may not exceed 115% of the closing market price on the day preceding the date of the transaction (acquisition, sale or pledge), subject to the requirement that the company may not, at any time, hold more than 20% of the total issued shares.

These conditions and limits extend to acquisitions and transfers of the company's shares by its subsidiaries within the meaning of the first paragraph of Article 627 of the Belgian Code of Companies, including instances when such acquisitions are made by persons acting in the name and on behalf of a subsidiary.

6.4. Capital increase

All capital increased must take place in compliance with the applicable corporate laws as well as the BE-REIT legislation.

The company's capital can be increased pursuant to a decision of the shareholders' meeting or pursuant to a decision of the board of directors within the limits of the authorised capital. It is, however, forbidden for the company to subscribe, directly or indirectly, to its own capital.

In the event of a capital increase by means of a cash contribution, decided by the general meeting or in the context of the authorised capital, and without prejudice to the application of the binding provisions of the applicable corporate legislation, the preferential subscription right can only be restricted or cancelled if, to the extent required by the BE-REIT legislation, an irreducible allocation right is granted to the existing shareholders at the time of allocation of the new securities. In this case, this irreducible allocation right meets the conditions laid down in the BE-REIT legislation. In this case the irreducible allocation right applies to the issue of shares, (subordinated or non-subordinated) convertible bonds and warrants (subscription rights), but must in any case not be allocated (i) to a cash contribution with a restriction or cancellation of the preferential subscription right, in addition to a non-monetary contribution in the context of the distribution of an optional dividend, provided the grant thereof is effectively open to all shareholders, or (ii) within the context of the authorised capital, if the aggregate amount of the capital increases that will take place in accordance with article 26, §1, third section, of the BE-REIT Act over a period of 12 months does not exceed 10% of the amount of the capital at the moment on which the resolution for a capital increase is adopted.

Capital increases by non-monetary contributions are subject to the applicable corporate laws.

Moreover, the following requirements must be met in the event of the issuance of securities following a non-monetary contribution, in accordance with the BE-REIT legislation:

1. the contributor's identity must be disclosed in the report prepared by the board of directors with respect to the non-monetary contribution 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 (b) above, an amount corresponding to the portion of undistributed gross dividends 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.

These additional conditions are in any case not applicable in the event of the contribution of a right to a dividend in the context of an optional stock dividend distribution, provided the grant thereof is effectively open to all shareholders.

Should the general meeting decide to request payment of an issue premium, this issue premium shall be recorded on one or several separate accounts under the item "shareholders' equity" on the liabilities' side of the balance sheet. The general meeting or, in the context of the authorised capital, the board of directors is free to decide to record this premium on an unavailable reserve account that can only be decreased or cancelled by decision of the shareholders' meeting under the conditions laid down in the applicable legislation.

6.5. Capital decrease

A capital decrease may only take place if shareholders in a similar situation are treated equally and if the applicable provisions of the Belgian Company Code are complied with.

6.6. Mergers, demergers and equivalent transactions

In accordance with the BE-REIT legislation, the additional requirements set forth in Article 6.4 in the event of a non-monetary contribution are applicable mutatis mutandis to mergers, demergers and equivalent transactions within the meaning of Articles 671 to 677, 681 to 758 and 772/1 of the Belgian Code of Companies.

ARTICLE 7: NATURE OF THE SHARES

At the shareholders' choosing, the shares can be registered or in dematerialised form.

Any shareholder may at any time request the conversion of his or her shares.

The shares shall remain in registered form when the law so requires.

Registered securities shall be recorded in the share register kept at the company's registered office. Title to the shares can only be established through the recording in this register.

Dematerialised securities are represented by an entry into an account, in the name of the owner or the holder, with a settlement institution or authorised account holder.

All shares are fully paid up, and without par value.

ARTICLE 8: EXERCISE OF THE RIGHTS ATTACHED TO THE SHARES

The shares are indivisible, and the company only recognises one owner per share. When several persons may claim rights to the same share, the exercise of the rights attached to this share shall be suspended until a single person is designated as the owner with regard to the company.

ARTICLE 9: OTHER SECURITIES

The company is authorised to issue the securities referred to in Article 460 of the Belgian Code of Companies, with the exception of profit sharing instruments and similar securities, provided that the specific rules stipulated by the BE REIT legislation and these articles of association are respected.

ARTICLE 10: 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 BE-REIT legislation.

Each shareholder has the obligation to notify the Financial Services and Markets Authority (FSMA) of their possession of securities with voting rights or similar financial instruments issued by the company, in accordance with the legislation on the disclosure of substantial shareholdings.

The thresholds above which the notification obligation comes into effect, for the purpose of the legislation on the disclosure of substantial shareholdings, is fixed at three percent (3%), five percent (5%) and multiples of five percent (5%) of the total number of outstanding voting rights.

With the exception of the derogations provided for by the Belgian Company Code, no-one is allowed more votes at a shareholders' meeting of the company than the number of votes attached to the shares which the person in question had declared to own at the latest twenty (20) days before the date of the shareholders' meeting.

MANAGEMENT AND CONTROL

ARTICLE 11: COMPOSITION OF THE BOARD OF DIRECTORS

The company is managed by a board of directors. The board shall be composed of a minimum of three and a maximum of twelve members, who need not necessarily be shareholders in the company, who are appointed by the shareholders' meeting for a maximum term of six years and who can be removed from office by the shareholders' meeting at any time. Resigning directors are eligible for reappointment.

The board of directors shall have at least three independent directors, within the meaning of Article 526ter of the Belgian Code of Companies.

For the exercise of their mandates, the directors must have the necessary professional integrity and appropriate expertise as provided for in the BE-REIT legislation, and may not fall within the scope of the prohibitions laid down in the BE-REIT legislation.

In the event of a vacancy on the board of directors, the remaining directors shall have the right to temporarily appoint another director to fill the vacancy until the next shareholders' meeting, at which time the vacancy will be filled on a permanent basis.

Every director thus appointed by the general meeting completes the term of office of the director he replaces.

ARTICLE 12: CHAIRMANSHIP AND MEETINGS OF THE BOARD OF DIRECTORS

The board of directors may appoint a chairperson from among its members.

The board of directors shall meet when convened by the chairperson, by two directors or by the managing director(s), whenever the interests of the company so require.

Notices of meetings shall indicate the place, date, time and agenda of the meeting and shall be sent by regular mail, fax or email at the latest 24 hours prior to the meeting.

In exceptional circumstances, when the above-mentioned convening deadlines cannot be met, the time periods may be shortened. If necessary, notice may be given by telephone, in addition to the above-mentioned means.

The meeting is 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 need not be a director.

Any director may, by letter, fax, email or any other written means, give a proxy to another member of the board to represent him or her at a given meeting. No member of the board may represent more than three other directors.

Each director who attends or is represented at a meeting is deemed to have been validly notified thereof. A director may also, before or after a board meeting which he or she did not attend, waive his or her right to claim a defect or irregularity with respect to the fulfilment of the convening formalities. In any case, the proper fulfilment of the convening formalities need not be proven when all directors are present or validly represented and express their agreement with the agenda.

Meetings of the board of directors may validly be held by videoconference or conference call. In this case, the meeting will be considered to have been held at the company's registered office if at least one director was physically present at this location.

The directors shall use the information they acquire in their capacity as directors only in the context of their mandate.

ARTICLE 13: DELIBERATIONS

Except in case of force majeure, the board of directors may validly deliberate and take decisions only if at least half its members are present or represented. If this condition is not met, a new meeting may be called, 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.

Barring exceptional cases, the meeting may, in principle, only deliberate and vote on the items that are on the agenda.

Pursuant to Article 521 of the Belgian Code of Companies, in exceptional cases duly justified by their urgency and the corporate interest, the board of directors may take decisions unanimously in writing. However, this procedure may not be used to adopt the annual accounts or determine the appropriation of the authorised capital.

Board decisions shall be approved by a simple majority of votes cast by those directors who are present or represented or, in the event of one or more of them having abstained, by a majority of the other directors. In the event of a tie, the director chairing the meeting shall cast the deciding vote.

When a director has a conflict of interest and consequently does not take part in the board's deliberations or vote on a particular decision or transaction, the vote of this director shall not be taken into account for the purpose of calculating the quorum and majority.

Decisions of the board of directors are recorded in minutes, signed by the chairperson of the board, the secretary, and those members who so request. These minutes are kept in a special register. Proxies are attached to the minutes of the meeting for which they were given.

Copies of or extracts from these minutes, which are to be used in legal proceedings or otherwise, 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.

ARTICLE 14: PREVENTION OF CONFLICTS OF INTERESTS

The directors, the person(s) in charge of the day-to-day management and the company's attorneys-in-fact may not act as a counterparty in a transaction with the company or one of its perimeter companies nor derive any benefit from such a transaction, except when the transaction is proposed in the interest of the company and the transaction is situated within the normal course of the company's strategy and is conducted in ordinary market conditions.

In this case, the company must first inform the Financial Services and Markets Authority (FSMA).

The transactions mentioned in the first paragraph, as well as the information contained in the aforementioned notice, shall be immediately made public and explained in the annual report and, if applicable, the half-year report.

The previous provisions do not apply to transactions that fall outside the scope of application of the conflicts of interest procedure provided for by the BE-REIT legislation.

Articles 523 and 524 of the Belgian Code of Companies remain applicable in full.

ARTICLE 15: POWERS OF THE BOARD OF DIRECTORS

The board of directors is vested with the powers to perform all acts necessary or useful for the realisation of the company's corporate purpose, 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 experts, in accordance with the BE-REIT legislation, and if applicable, propose any modification to the list of experts, contained in the file accompanying its application to be recognised as a BE-REIT.

The board may determine the remuneration of any attorney-in-fact to whom it grants special powers, in accordance with the BE-REIT legislation.

ARTICLE 16: REMUNERATION OF THE DIRECTORS

The directors shall be reimbursed for normal, legitimate expenses and costs incurred in the performance of their duties, provided that these costs were previously discussed with and accepted by the chairperson of the board of directors.

Moreover, in accordance with the BE-REIT legislation, no remuneration may be granted to directors based on a specific transaction of the company or its perimeter companies.

ARTICLE 17: EFFECTIVE MANAGEMENT, DAY-TO-DAY MANAGEMENT AND DELEGATION OF POWERS

The effective management of the company must be assigned to a minimum of two persons.

For the exercise of their mandates, the persons entrusted with the effective management of the company must have the necessary professional integrity and appropriate expertise in accordance with the BE-REIT legislation, and may not fall within the scope of the prohibitions laid down in the BE-REIT legislation.

The board of directors may delegate the day-to-day management of the company to one or more persons, on the understanding that the day-to-day management shall be organised in such a way that the board of directors has at least two directors who may jointly ensure the day-to-day management or supervise the performance thereof.

The board and the persons entrusted with the day-to-day management, within the limits of their powers, may delegate to a representative, who need not be a director, all or some of their powers pertaining to extraordinary or specific matters within the context of a given mandate.

The board of directors may create one or several advisory committees from amongst its members, which will fall under the responsibility of the board of directors. The board shall determine the composition and the duties of any such committees.

ARTICLE 18: MANAGEMENT COMMITTEE

Without prejudice to Article 17 relating to the day-to-day management and the delegation of powers, and within the limits provided for by Article 524bis of the Belgian Code of Companies, the board of directors may delegate all or some of its managerial powers to a management committee ("directiecomité"), composed of several members, who need not be directors, although this delegation of powers may not concern the company's general policy, any acts reserved by other legal provisions or the articles of association to the board of directors, or decisions or transactions to which Article 524ter of the Belgian Code of Companies applies, in which case the notification procedure set forth in Article 524ter § 2 will apply.

The board of directors is responsible for overseeing the management committee. The board determines the management committee's working procedure and the conditions for the appointment and removal of its members, as well as their remuneration and their term of office.

If a legal entity is appointed to the management committee, it has the obligation to designate, in accordance with the applicable provisions of the Belgian Code of Companies, a permanent representative to perform its duties in its name and on its behalf.

ARTICLE 19: REPRESENTATION OF THE COMPANY

The company is validly represented in all actions, including those involving a public official or a notary public, either by two directors acting jointly or, in the context of the day-to-day management, by a person entrusted with this management. With respect to third parties, they need not produce proof of a prior decision of the board.

Moreover, the company is validly bound by special attorneys-in-fact acting within the scope of their mandate.

The company may be represented abroad by any person expressly authorised to do so by the board of directors.

ARTICLE 20: AUDIT

The company shall appoint one or more statutory auditors to perform the duties incumbent on them pursuant to the Belgian Code of Companies and the BE-REIT legislation.

The statutory auditor(s) must be recognised by the Financial Services and Markets Authority (FSMA).

SHAREHOLDERS' MEETINGS

ARTICLE 21: MEETINGS

The annual shareholders' meeting shall be held each year, on the penultimate Monday of July, at 10:00 a.m. If this day is a public holiday, the annual shareholders' meeting will be held on the next working day, at the same time.

An extraordinary or special shareholders' meeting may be convened any time the interests of the company so require.

These shareholders' meetings may be convened by the board of directors or by the statutory auditor(s) and must be called whenever the shareholders collectively representing one-fifth of the registered capital so request.

Shareholders' meetings are held at the company's registered office or at any other location mentioned in the notice or otherwise indicated.

One or several shareholders collectively possessing at least 3% of the registered capital may, in accordance with the provisions of the Belgian Code of Companies and within the limits thereof, 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. Additional agenda items or proposed resolutions must be submitted to the company no later than on the twenty-second (22nd) day before the date of the shareholders' meeting. The directors shall answer the questions submitted to them by shareholders during the shareholders' meeting or those which have been submitted in writing about their report or the agenda items, provided that the provision of the information or facts in question could not harm the company's business interests or undermine their duty of confidentiality to the company. As soon as the notice of the shareholders' meeting is published, the shareholders may submit questions in writing, which will be answered during the meeting, provided that they were submitted to the company no later than the sixth day prior to the meeting.

The statutory auditor(s) shall answer the questions asked by the shareholders about his/her/their audit report.

ARTICLE 22: NOTICE

Pursuant to Article 533 of the Belgian Code of Companies, a shareholders' meeting must be convened by means of a notice published in the Belgian Official Gazette, a national newspaper (except in those cases expressly mentioned in the Belgian Code of Companies) and in the media in accordance with the requirements of the Belgian Code of Companies, at the latest 30 days before the meeting. If a new meeting must be convened and if the date of the second meeting is mentioned in the first notice, the notice for the second meeting must be published at the latest 17 days before the meeting.

The notice shall be sent to the holders of shares, bonds, registered warrants and registered depositary receipts for shares issued with the company' concurrence, as well as to the directors and statutory auditors within the above-mentioned period before the meeting; the notice may be sent by regular mail, unless the recipients have individually and expressly agreed in writing to receive the notice by another means of communication. No proof needs to be provided of the fulfilment of this formality.

The notice shall contain the agenda for the meeting, with incidation of the matters to be discussed and the proposed resolutions, as well as the date, time, and place of the meeting and the other information required by the Belgian Code of Companies.

The required documents are made available and a copy thereof shall be sent to the entitled recipients pursuant to the applicable provisions of the Belgian Code of Companies.

A shareholder who attends or is represented at a meeting is considered to have received valid notice thereof. A shareholder may also, before or after a shareholders' meeting which he or she does not attend, waive his or her right to invoke any defect or irregularity committed in the fulfilment of the convening formalities.

ARTICLE 23: PARTICIPATION IN THE SHAREHOLDERS' MEETING

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 shareholders' meeting, at twenty-four hours (Belgian time) (hereinafter the "record date"), in either the register of the company's registered shares or in the books 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 produce 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 record date with which the shareholder has declared his or her intention to participate in the shareholders' meeting.

The certificate must be submitted to the company's registered office or to an institution identified in the notice of the meeting, no later than six days before the date of the meeting.

The holders of registered shares who wish to attend a shareholders' meeting must notify the company of their intention to do so by regular mail, fax or email addressed to the company's registered office, no later than the sixth day before the date of the meeting.

All shareholders or their proxy holders have the obligation, before attending a meeting, to sign the attendance list, indicating the last name, the first name(s), and the address of the shareholder and the number of shares represented.

ARTICLE 24: VOTES BY PROXY

All shareholders may be represented at a shareholders' meeting by a proxy, who need not be a shareholder.

A shareholder may only appoint one proxy holder for a given shareholders' meeting, without prejudice to the derogations provided for in the Belgian Code of Companies.

In order to be valid, any request to appoint a proxy holder shall include at least the following information: (1) the agenda for the meeting, indicating the matters to be discussed and the proposed resolutions; (2) a request for instructions regarding the exercising of voting rights for the various items of the agenda; and (3) an indication of the manner in which the proxy should exercise the voting rights in the absence of instructions from the shareholder.

The proxy form must be signed by the shareholder and be submitted at the company's registered office or the location indicated in the notice no later than six days before the date of the meeting.

Co-owners, usufructuaries and bare owners, creditors holding a pledge and debtors-pledgees must be represented, respectively, by one and the same person.

ARTICLE 25: VOTE BY MAIL

If the board of directors so authorises in the notice of the meeting, shareholders may vote on the items of the agenda by correspondence, using a form prepared and made available by the company.

The form for distance voting shall include at least the following information: (1) the name or corporate name of the shareholder, as well as the shareholder's address or registered office; (2) the number of votes the shareholder wishes to cast at the shareholders' meeting; (3) the type of shares held; (4) the agenda for the meeting, including proposals for resolutions; (5) the deadline by which the form must reach the company; and (6) the shareholder's signature. The form shall expressly state that it must be signed by the shareholder and sent to the company by registered letter no later than six days before the date of the meeting.

ARTICLE 26: OFFICERS

Every shareholders' meeting shall be 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 select two vote counters, acting on a proposal of the chairperson.

The minutes of shareholders' meetings are signed by the chairperson of the meeting, the secretary, the vote counters, the directors and the statutory auditor(s) present, as well as by those shareholders who so request.

The minutes shall be kept in a special register. Proxies are attached to the minutes of the meeting for which they were given.

ARTICLE 27: NUMBER OF VOTES AND THE EXERCISE OF VOTING RIGHTS

Each share carries one vote.

The holders of bonds and warrants may attend the shareholders' meeting, but only have an advisory vote.

ARTICLE 28: DELIBERATIONS AND VOTE

The shareholders' meeting may validly deliberate and vote, regardless of the percentage of the registered capital present or represented, except in those cases where the Belgian Company Code requires a quorum.

The shareholders' meeting may not deliberate on items that do not appear on the agenda, unless all shareholders are physically present or represented at the meeting and unanimously decide to extend the agenda.

Unless provided otherwise by law or by provisions of the articles of association, all resolutions are adopted by a simple majority of the votes cast. Blank and invalidly marked ballots shall not be counted when calculating the votes cast.

Resolutions relating to the approval of the company's annual accounts and the discharge to be granted to the directors and statutory auditor(s) are adopted by a majority of votes.

When the shareholders' meeting is required to deliberate, amongst other things, on:

- an amendment to the articles of association,
- an increase or decrease of the registered capital,
- the issuance of shares below the accounting par value,
- the issuance of convertible bonds or warrants,
- the dissolution of the company,

at least half the shares representing the capital must be represented at the meeting. If this condition is not met, a new meeting must be convened, which will validly deliberate, regardless of the number of shares represented.

Decisions on the above-mentioned subjects must be approved by a majority of three quarters of the votes cast, without prejudice to other rules of attendance and majority provided for by the Belgian Company Code, including those in relation to a change to the corporate purpose, the acquisition, the pledge and the transfer of own shares by the company, the dissolution of the company when, as a result of losses, the company's net asset value falls below a quarter of its registered capital, and the conversion of the company into a different corporate form.

Voting shall take place by a show of hands or roll call, unless the shareholders' meeting decides otherwise by a simple majority of votes cast.

ARTICLE 29: MINUTES

The minutes of shareholders' meetings are signed by the officers and by those shareholders who so request.

Copies of or extracts from the minutes that are to be used in court or otherwise shall be signed by the chairperson, the secretary and the vote counters or, in their absence, by two directors.

FINANCIAL YEAR – ANNUAL ACCOUNTS - DIVIDENDS

ARTICLE 30: FINANCIAL YEAR AND 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 board of directors shall draw up un inventory, as well as the annual accounts. The board of directors shall also draft a report, in which it justifies its management of the company. The statutory auditor shall draft a detailed written report in preparation for the annual shareholders' meeting. These documents shall be prepared in accordance with the applicable legal provisions.

ARTICLE 31: DISTRIBUTION OF DIVIDENDS

On an annual basis, the company must distribute a dividend to its shareholders, within the permissible limits referred to in the applicable corporate laws and the BE-REIT legislation, the minimum amount of which is prescribed by the BE-REIT legislation.

The board of directors may, within the limits of the applicable provisions of the corporate laws, distribute an interim dividend and determine a payment date.

ARTICLE 32: PAYMENT OF DIVIDENDS

The dividends that the shareholders' meeting decides to distribute shall be paid at the time and place determined by the shareholders' meeting or the board of directors.

Any dividends or interim dividends distributed in violation of the law must be reimbursed by the shareholders who received them, if the company can prove that the shareholders in question knew, or should have known, under the circumstances, that the distribution made in their favour was contrary to the statutory requirements.

ARTICLE 33: ANNUAL AND HALF-YEAR REPORT

The company's annual and half-year reports, containing the statutory and consolidated annual and half-year accounts, 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 BE-REIT 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.

DISSOLUTION - LIQUIDATION

ARTICLE 34: APPOINTMENT AND POWERS OF THE LIQUIDATORS

In the event of the dissolution of the company, for whatever reason and at any time whatsoever, the liquidation shall be carried out by one or several liquidators appointed by the shareholders' meeting. The liquidator(s) may only take office after ratification of his/her/their appointment by the court of commerce. If no liquidator(s) is/are appointed, the members of the board of directors shall be considered liquidators vis-à-vis third parties.

The liquidators shall form a board. To this end, they shall have the broadest powers in accordance with the applicable provisions of the Belgian Code of Companies, without prejudice to any limits imposed by the shareholders' meeting.

The liquidator(s) has/have the obligation to call a shareholders' meeting each time such a meeting is requested by the shareholders collectively representing a fifth of the registered capital.

The shareholders' meeting shall determine the fees of the liquidator(s).

The liquidation of the company shall be closed in accordance with the provisions of the Belgian Code of Companies.

ARTICLE 35: ALLOCATION OF LIQUIDATION PROCEEDS

After settlement of all debts, expenses and liquidation costs, the net asset value shall first be used to pay back, in cash or in kind, the paid-up registered capital that has not yet been reimbursed.

Any remaining balance shall be divided equally among the shares.

MISCELLANEOUS

MISCELLANEOUS

"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."

"Retail Estates nv has significant experience in developing new retail buildings for its tenants for its own account."

1. GLOSSARY - GENERAL

A

ACQUISITION VALUE
his 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, amended for the last time on 28 April 2020, and the royal decree of 13 July 2014 relating to regulated real estate companies, amended for the last time 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 2021, 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 bench-mark	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 be-tween the realised and the unreal-ised 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 as-sets 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)	31.03.2021	31.03.2020
Operating result before result on portfolio (A)	85 737	91 559
Net rental income (B)	100 402	107 614
Operating margin (A/B)	**85.39%**	**85.08%**

FINANCIAL RESULT (EXCLUDING CHANGES IN FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES)

(in € 000)	31.03.2021	31.03.2020
Financial result (A)	-17 757	-25 533
Changes in fair value of financial assets and liabilities (B)	2 674	-6 216
Financial result (excluding changes in fair value of financial assets and liabilities) (A-B)	**-20 430**	**-19 317**

RESULT ON PORTFOLIO

(in € 000)	31.03.2021	31.03.2020
Result on disposals of investment properties (A)	825	597
Result on sales of other non-financial assets (B)	0	0
Changes in fair value of investment properties (C)	-5 963	-5 183
Other result on portfolio (D)	992	-298
Result on portfolio (A+B+C+D)	**-4 146**	**-4 884**

WEIGHTED AVERAGE INTEREST RATE

(in € 000)	31.03.2021	31.03.2020
Net interest charges (including the credit margin and the cost of the hedging instruments) (A)	20 592	19 275
Other charges of debt (B)*	1 152	1 337
Weighted average financial debt of the period (C)**	935 024	839 839
Weighted average interest rate (A-B)/C	**2,08%**	**2,13%**

* Other debt costs relate to reservation fees, up-front fees, etc.
** Financial debt at the end of the period multiplied by factor 1.0481

NET ASSET VALUE PER SHARE (INVESTMENT VALUE) EXCLUDING DIVIDEND EXCLUDING THE FAIR VALUE OF AUTHORISED HEDGING INSTRUMENTS

(in € 000)	31.03.2021	31.03.2020
Shareholders' equity attributable to the shareholders of the parent company (A)	808 223	798 987
Impact on the fair value of estimated transaction rights and costs resulting from the hypothetical disposal of investment properties (B)	-63 203	-57 187
The fair value of authorised hedging instruments qualifying for hedge accounting (C)	-25 678	-29 584
Proposed gross dividend (D)	55 729	55 574
Number of ordinary shares in circulation (E)	12 665 763	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)	**66.43**	**65.55**

GROSS YIELD

(in € 000)	31.03.2021	31.03.2020
The current rental income (net, after deduction of canon) (A)	113 969	112 318
The estimated investment value of the portfolio (without taking into account the assets under construction included in the cost price) (B)*	1 758 971	1 720 927
Gross yield (A/B)	**6.48%**	**6.53%**

* 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 87,00% 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
Tel:	+32 (0)2 568 10 20
Fax:	+32 (0)2 581 09 42
E-mail:	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 – Woluwegarden-Woluwedal 18 at 1932 Brussel, represented by Mr Damien Walgrave
Financial year closing:	31 March
Capital at 31.03.2021:	€ 284,984,601.97
Number of shares at 31.03.2021:	12,665,763
Annual shareholders' meeting:	Penultimate Monday of July
Share listing:	Euronext – continuous market
Financial services:	KBC Bank
Value of real estate portfolio as of 31.03.2021:	Investment value € 1,789.40 million – fair value € 1,717.25 million (incl. value of "Immobilière Distri-Land nv" real estate certificates)
Real estate experts:	Cushman & Wakefield, CBRE, Colliers and Stadim
Number of properties as of 31.03.2021	992
Type of properties:	Out-of-town retail real estate
Liquidity provider:	KBC Securities and De Groof 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.

Design & realisation : **Thedesignfactory.be**

RETAIL ESTATES

Openbare GVV-SIR publique

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