

Half-yearly financial report



#22/23



IN RETAIL WE TRUST

In retail we trust

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

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

4

KEY FIGURES



6

MANAGEMENT REPORT



14

HALF-YEARLY FINANCIAL REPORT



46

REPORT ON THE SHARE

62

MISCELLANEOUS



52

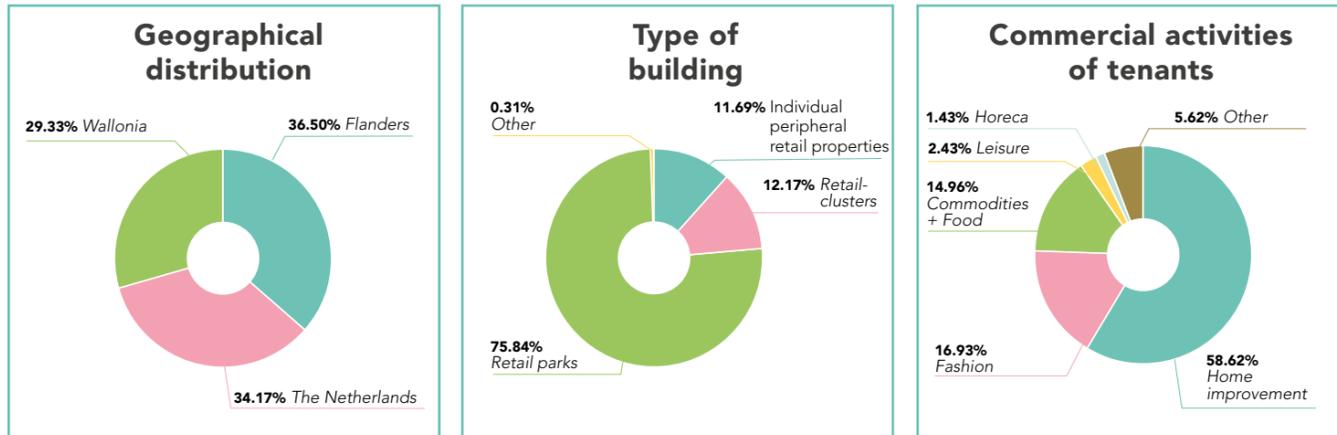
REAL ESTATE REPORT

77

INFORMATION SHEET



22/23 first semester



734 Retail properties in Belgium

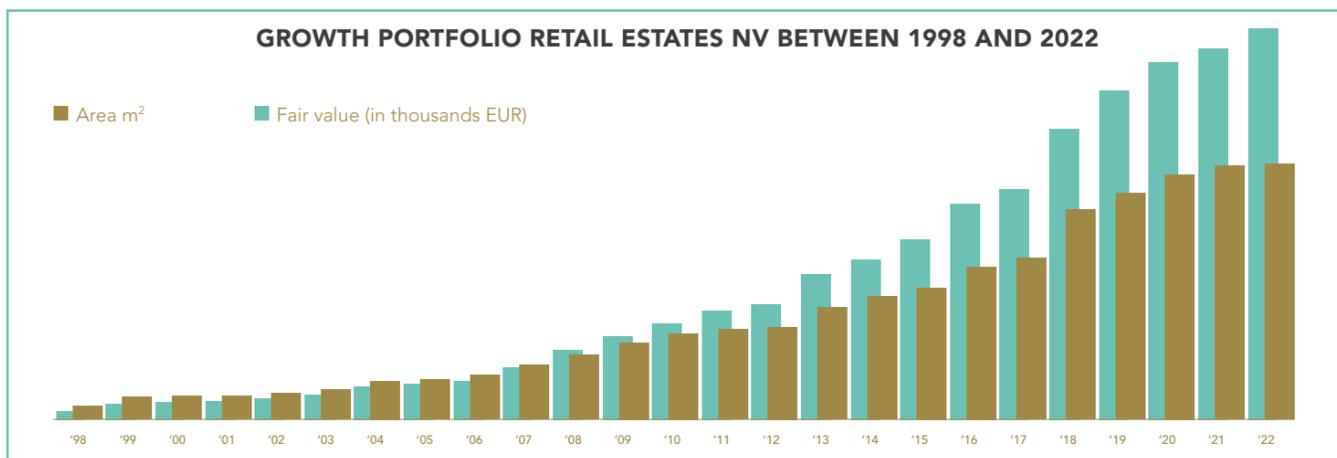
268 Retail properties in The Netherlands

1002 Retail properties

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

14 **25**

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



Retail area

1 186 521m²

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

Fair value

1 817 160 KEUR

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

Key figures

REAL ESTATE PORTFOLIO	30.09.22	31.03.22
Number of properties	1 002	987
Total lettable area in m²	1 186 521	1 177 577
Estimated fair value (in EUR)	1 817 160 000	1 759 879 000
Estimated investment value (in EUR)	1 894 556 000	1 833 757 000
Average rent prices per m²	109,51	104.14
Occupancy rate	97.37%	97.83%

BALANCE SHEET INFORMATION	30.09.22	31.03.22
Shareholders' equity	1 022 157 000	920 980 000
Debt ratio (RREC legislation, max. 65%)*	47.54%	49.15%

RESULTS	30.09.22	30/09/2022
Net rental income	60 622 000	57 385 000
Property result	59 646 000	56 354 000
Property costs	-5 622 000	-4 694 000
Operating corporate costs and other current operating income and expenses	-3 792 000	-3 103 000
Operating result before result on portfolio	50 232 000	48 558 000
Result on portfolio	22 697 000	3 165 000
Operating result	72 929 000	51 723 000
Financial result	34 911 000	-5 800 000
Net result	106 013 000	44 218 000
EPRA earnings	39 060 000	37 426 000

INFORMATION PER SHARE	30.09.22	31.03.22
Number of shares	14 085 827	13 226 452
Number of dividend bearing shares	14 085 827	13 226 452
Net asset value (NAV) per share IFRS	72.57	69.63
EPRA NTA	67.97	68.46
Net asset value per share (investment value) excl. dividend excl. the fair value of authorised hedging instruments	71.35	69.67
EPRA earnings per share	2.84	5.84
Share price on closing date	57.00	73.90
Over-/undervaluation compared to net asset value IFRS	-21.45%	6.13%

* The Royal Decree of 13 July 2014 (the "RREC R.D."), last modified by the Royal Decree of 23 april 2018 in execution of the Law of 12 May 2014 on regulated real estate companies (Belgian REITs) (the "RREC Law"), last modified by the Law of 18 April 2022. .

Management report



Management report



1 Introduction

General

Retail Estates nv is a leading Belgian retail estate company specialised in out-of-town retail real estate. The real estate portfolio of Retail Estates nv consists of 1,002 properties located in Belgium and the Netherlands, accounting for a total retail area of 1,186,521m² and a fair value of € 1,817.16 million.

Retail Estates nv is a listed company (Euronext Brussels and Amsterdam). The company's stock market capitalisation amounted to € 802.89 million on 30 September 2022.

Risk management

While management tries to minimise the risk factors, a number of risks must be carefully taken into account. For an overview of the risks, we refer to the chapter "Risk management" of the 2021-2022 annual report.

2 Activity report for the first half-year 2022-2023 ending on 30 September 2022

Rental income and occupancy rate

The net rental income amounted to € 60.62 million in the first six months of the financial year, an increase by 5.64% with respect to the comparable six months in the 2021-2022 financial year. The net rental income in that period amounted to € 57.38 million. The occupancy rate on 30 September 2022 was 97.37%, compared to 97.83% on 31 March 2022.

Fair value¹ of the real estate portfolio

The fair value of the real estate portfolio (including investment properties under construction) on 30 September 2022 amounted to € 1,817.16 million, which represents an increase by € 57.28 million (3.25%) compared to the fair value on 31 March 2022 (€ 1,759.88 million). This is attributable to the investments and divestments (in particular the acquisition of a 90% stake in the retail park Tref Center in Venlo (see below) for an amount of € 35.71 million) in the first six months and the variations in the fair value of investment properties.

The variation in the fair value of the real estate portfolio amounts to € 22.57 million and can mainly be explained by an increase in the value of the real estate portfolio amounting to € 27.67 million.

Based on the contractually owed rent, rent return (versus investment value) on the portfolio as determined by the real estate experts amounts to 6.77%.

As of 30 September 2022, the real estate portfolio consists of 1,002 properties with a lettable surface of 1,186,521 m².

Investments² – retail parks

On 4 July 2022, Retail Estates invested € 35.71 million in the acquisition of a 90% interest in retail park Tref Center in Venlo (the Netherlands - province of Limburg). The investment took place in cooperation with the Dutch real estate investor Westpoort Vastgoed, which acquired a 10% interest in the same transaction. The share of Retail

Estates in the transaction amounts to € 35.71 million and generates a rental income of € 2.52 million, representing an initial yield of approximately 7%. According to real estate expert Cushman & Wakefield, the investment value of Retail Estates' share is € 35.5 million and the fair value amounts to € 32.83 million.

The retail park Tref Center has been developed around Tref Box, a hypermarket that is not included in the transaction. It is a combination of food and non-food retailers that is seldom seen in the Netherlands but is quite common in the United Kingdom. The park comprises 19 retail properties with a total surface area of 31,295 m² and a petrol station. The main tenants include Lidl, Pets Place, Basic Fit, KFC, Kwantum, Leen Bakker, Jysk, Bever Sport (AS Adventure) and Beter Bed. The retail park has been widely known in the Venlo region for some 50 years and has a customer zone extending from Venlo (100,000 inhabitants) to across the German border. Venlo is the second largest city of the province of de province of Limburg, after Maastricht. Retail Estates already invested in this region in the past, in particular in Maastricht and in Heerlen.

Investment properties under construction

On 30 September 2022 the total amount of the investment properties under construction is € 16.92 million. We distinguish five types of investment properties under construction: speculative land positions (the so-called "land bank", i.e. residual lands of existing portfolios that are intended for possible development or will be sold at a later stage if no redevelopment is possible); prospective projects, projects under predevelopment, projects under development and projects specifically linked to sustainability.

On 30 September 2022, the speculative land positions represented € 1.57 million, the prospective projects represented € 9.21 million, the projects under predevelopment represented € 5.22 million, the projects under development represented € 0.72 million and the

¹ Fair value: investment value as determined by an independent real estate expert, with hypothetical transfer taxed deducted in accordance with IFRS13. The fair value is the book value under the IFRS (see also note 21 of the 2021-2022 annual report).

² The purchase and sales values of the investments and divestments are in line with the fair value estimated by the real estate experts.

projects specifically linked to sustainability represented € 0.21 million.

A. Investment properties under construction – prospection - overview of the main prospective 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, by way of speculation, an adjacent plot of land with two SME properties (investment of approx. € 9 million), which are currently let. According to the Spatial Implementation Plan, a permit can in principle be obtained for retail properties destined for large-scale retail as well as for SME properties.

The permit is expected in the course of 2023, the completion of the mixed-use project with retail units and SME properties is expected in the course of 2024. The costs of the procedures already completed and the preparation of the request for an environmental permit currently amount to € 0.44 million. The investment in this extension is estimated at € 3.6 million.

B. Investment properties under construction – predevelopment – overview of the main own developments

- In **Wilrijk** an existing site will be converted into 1 retail unit and 3 SME units. The expected additional investment will amount to € 2.3 million. Completion is expected by late 2023.
- In **Munkzwalm** an existing site we be redeveloped with 4 retail units and 4 SME units. The expected investment will amount to € 6.70 million. Completion is expected in the second quarter of 2024.
- In **Eupen** an existing retail property will be converted into a new retail property with 5 SME units. The expected investment amounts to € 1.11 million and the execution is expected to take place in late 2023.
- In **Houthalen** a permit was received and an agreement was made with a building promotor with respect to the

demolition and redevelopment of the site into flats with a retail property on the ground floor, enabling Retail Estates to recover the current retail area. The expected investment amounts to € 0.70 million.

- In **Heerlen**, consultations with tenants are ongoing with respect to the implementation modalities for the modernisation of the front facade. The additional investment is expected to amount to approximately € 5 million. Completion is expected at the latest one year after the consent of the tenants has been obtained.

C. Investment properties under construction – development – overview of the main own developments

- A new retail area is being built alongside the existing building in **Halle**. The investment is expected to amount to approximately € 1.75 million. The permits required for this development have been obtained. This project requires the construction of a number of apartment buildings. As this is a matter outside the scope of Retail Estates, a cooperation with a property developer was negotiated, who can develop this part of the project. Completion is expected by mid-2023.

D. Completion of investment properties under construction

Within the context of the CSR strategy, Retail Estates invests in the installation of photovoltaic panels on the roofs of several retail parks, both in Belgium and in the Netherlands. Over the past six months, photovoltaic panels were installed in Heerlen and Roosendaal with a total capacity of 1,604 kWp, which are expected to generate more than 1,338 MWh of green power each year. This investment amounts to € 1.12. Retail Estates will charge an annual fee.

Divestments

In the past half year 3 retail properties were sold. The net sales revenue amounted to € 4 million. The fair value of these properties was € 3,72 million. The rental income of these properties at the date of sale amounted to € 0.6 million. These sales generated € 0.29 million in net added value.

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 3.75 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 30 September 2022, an amount of € 42 million of this commercial paper programme has been used.

The average interest rate on 30 September 2022 equals to 2.02% compared to 1.95% on 31 March 2022 (see annual report of 2021-2022).

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 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 traditional bank financing on the one hand or a public and/or private bond loan on the other. Retail Estates regularly examines the possibility of a private and/or public bond loan.

For more information with regard to financing, we refer to the chapter “non-current and current financial liabilities” of the half-yearly financial report.



“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 and meets current sustainability requirements.”

Capital increases in the context of the authorised capital

On 10 June 2022 Retail Estates successfully proceeded to the offering of 859,375 new shares via accelerated private placement with composition of an order book (accelerated bookbuild) and the capital was increased by

€ 54,154,000.00 (after deduction of the costs of capital increase). Following this capital increase, 859,375 shares were issued, increasing the total number of shares to 14,085,827, the share capital to € 308,515,000 and the issue premiums to € 59,207,000 on 30 September 2022.³

3. Analysis of the results

Half-year results on 30 September 2022: EPRA earnings for the Group⁴ increase by 4.36% compared to 30 September 2021 - fair value of the real estate portfolio increases to € 1,817.16 million.

As at 30 September 2022 the **EPRA result** (i.e. the profit less the result on portfolio and the variations in the fair value of financial assets and liabilities) amounts to € 39.06 million, an increase by 4.36% compared to the same period last year.

The **net rental income** increased from € 57.38 million to € 60.62 million. This is mainly attributable to the investment in the Tref Center retail park in Venlo. Compared to 30 September 2021, the real estate portfolio grew by € 92 million. Compared to 31 March 2022, the portfolio grew by € 57.28 million.

After deduction of property costs, this results in an operating property result of € 54.02 million compared to € 51.66 million last year.

Property costs amount to € 5.62 million compared to € 4.69 million last year, an increase of € 0.93 million mainly attributable to an increase in property management costs and technical costs of respectively € 0.40 million and € 0.25 million. The increase in technical costs is explained by expenses occurred under the sustainability strategy (making buildings more energy efficient). The increase in management costs is explained, among other things, by the investment in a new enterprise resource planning tool (SAP), which entails additional IT costs. Operating corporate costs amount to € 3.79 million, an increase of € 0.69 million compared to last year. After deduction of the

operating corporate costs, Retail Estates nv achieves an operating result before the result on portfolio of € 50.23 million. The operational margin amounts to 82.86%.

The result from the **disposals of investment properties** is € 0.29 million on total sales of € 4 million. We refer to the paragraph "Divestments" of the management report.

The **variations in the fair value of investment properties** amount to € 22.57 million and are mainly explained by an increase in the value of the real estate portfolio by € 27.67 million and by the depreciation of the transaction costs for the determination of the fair value of the investment properties (€ -5.10 million). The "other" result on portfolio amounts to € -0.17 million.

The **financial result** (excluding variations in the fair value of financial assets and liabilities) amounts to € -9.34 million. The net interest costs amount to € -9.40 million, a decrease by € 0.06 million compared to last year. The average interest rate remained stable at 2.02% compared to 2.02% per 30 September 2021. The increase of the financial result including the variations in the fair value of financial assets and liabilities of € -5.8 million to € 34.91 million is also the result of the change in the fair value of swaps that are not defined as cash flow hedge accounting (changes in fair value of financial assets and liabilities). However, this result is an unrealised and non-cash item.

On 30 September 2022 the **EPRA earnings** amount to € 39.06 million compared to € 37.43 million in the comparable period in the 2021-2022 financial year. This represents an EPRA profit of € 2.84 per share for the first half of the year (based on the weighted average number

of shares), compared to € 2.95 on 30 September 2021 (based on the weighted average number of shares).

The **net result** (Group share) for the first half of the year amounts to € 106.01 million, consisting of the EPRA earnings of € 39.06 million, the result on portfolio of € 22.70 million and variations in the fair value of financial assets and liabilities of € 44.26 million.

The **fair value of the real estate portfolio**, including investment properties under construction, amounts to

€ 1,817.16 million on 30 September 2022, compared to € 1,759.88 million on 31 March 2022. The **EPRA net tangible asset value (NTA)** per share was € 67.97 on 30 September 2022. On 31 March 2022, the EPRA NTA was € 68.46.

The **debt ratio** on 30 September 2022 was 47.54% compared to 49.15% on 31 March 2022.

4. Outlook

Macroeconomic uncertainties do not allow predictions about the evolution of the fair value of real estate nor about the variations in the fair value of interest rate hedging instruments. The evolution of the intrinsic value of the shares, which is sensitive to this, is therefore uncertain.

The high inflation leads to a general increase in the rental prices. The contractual indexation is applied in full. Upon the three-yearly (Belgium) or five-yearly (Netherlands) expiry date of the current tenancy agreements, an assessment will have to be made in consultation with the tenants concerned in order to verify whether the rental prices will still be in line with the market after the indexation and/or whether they risk to significantly affect the tenant's profitability.

The interest hedging agreements concluded make it possible to pass on the increase of the interest charges for a period of approximately 4 years for the current credit

portfolio. It's not possible to predict the future evolution due to the current volatility on the financial markets.

The dividend forecast of € 4.70 gross per share (€ 3.29 net per share) is maintained. Compared to the 2021-2022 financial year, this represents a 2.17% dividend increase. This expectation was made under the hypothesis of stable consumer spending and a positive evolution of rents.

Forward-looking statements

This half-year report contains a number of forward-looking statements. Such statements are subject to risks and uncertainties which may lead to actual results being materially different from the results which might be assumed in this interim statement on the basis of such forward-looking statements. Major factors that may influence these results include changes in the economic situation, commercial, tax-related and environmental factors.

5. Subsequent events

No material events have occurred after the end of the half year.

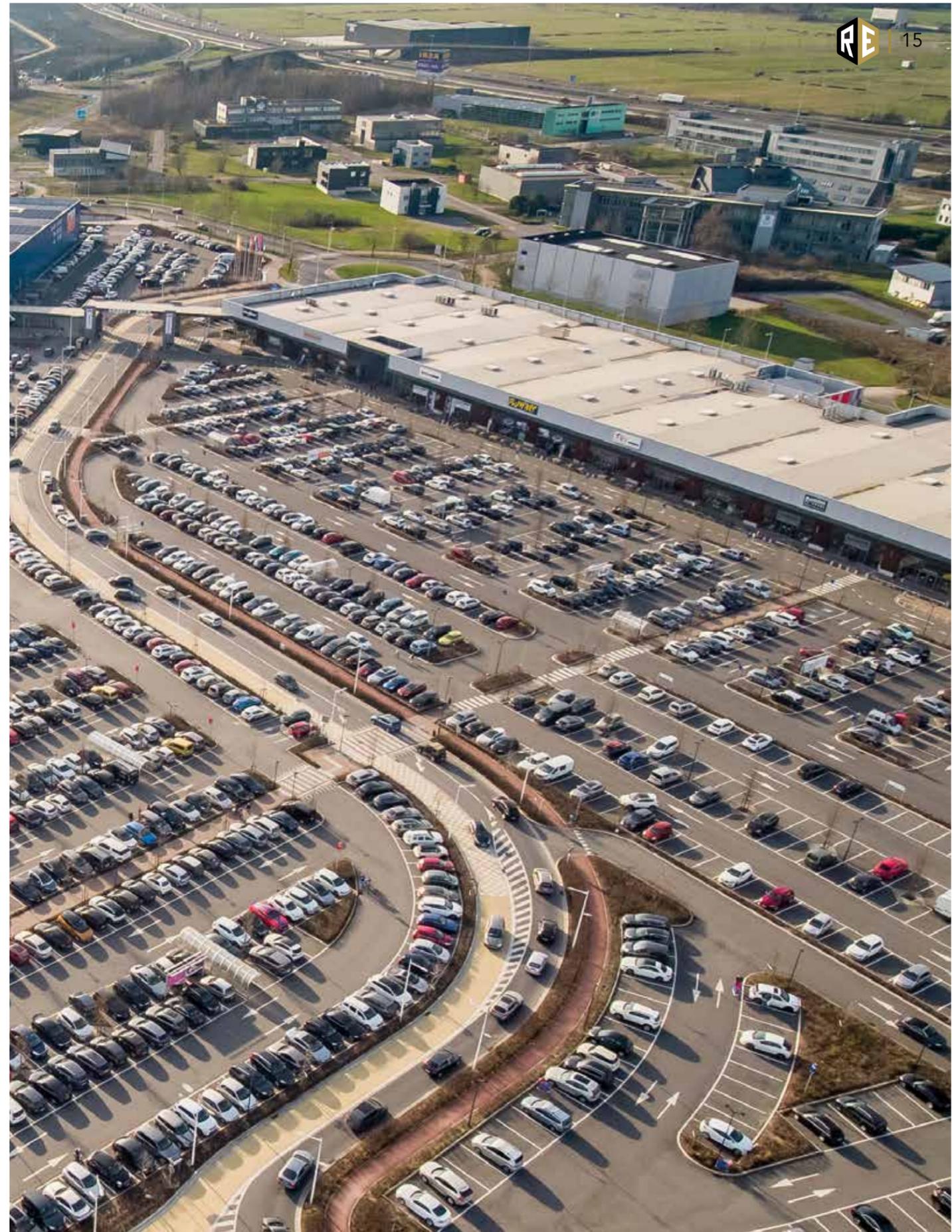
³ Reference is made to the press release of 10 June 2022 with respect to the offering via an accelerated private placement.

⁴ Retail Estates nv and its subsidiaries

Half-yearly financial report



GRANDS PRÉS
MARKET OF MALLS



1. A. Consolidated income statement

INCOME STATEMENT (in € 000)	30.09.22	30.09.21
Rental income	60 831	57 333
Rental related expenses	-209	52
Net rental income	60 622	57 385
Recovery of property expenses	-	-
Recovery of rental charges and taxes normally payable by tenants on let properties	6 215	5 960
Rental charges and taxes normally payable by tenants on let properties	-7 194	-6 924
Other rental related income and expenses	4	-67
Property result	59 646	56 354
Technical costs	-2 381	-2 136
Commercial costs	-534	-390
Charges and taxes on unlet properties	-388	-247
Property management costs	-2 315	-1 919
Other property costs	-4	-1
Property costs	-5 622	-4 694
Operating property result	54 024	51 660
Operating corporate costs	-3 792	-3 103
Operating result before result on portfolio	50 232	48 558
Result on disposals of investment properties	294	473
Result on sales of other non-financial assets	-	-
Changes in fair value of investment properties	22 569	3 391
Other result on portfolio	-166	-699
Operating result	72 929	51 723
Financial income	83	72
Net interest charges	-9 399	-9 459
Changes in fair value of financial assets and liabilities	44 256	3 626
Other financial charges	-29	-39

INCOME STATEMENT (in € 000)	30.09.22	30.09.21
Financial result	34 911	-5 800
Share in the result of associated companies and joint ventures	-8	-
Result before taxes	107 832	45 922
Taxes	-1 819	-1 705
Net result	106 013	44 218
Attributable to:		
Shareholders of the Group	106 013	44 218
Minority interests		
Note:		
EPRA earnings (share Group)⁴	39 060	37 426
Result on portfolio	22 697	3 165
Changes in fair value of financial assets and liabilities	44 256	3 626
RESULT PER SHARE	30.09.22	30.09.21
Number of ordinary shares in circulation	14 085 827	12 665 763
Weighted average number of shares	13 733 624	12 665 763
Net profit per ordinary share (in €) ⁵	7.72	3.49
Diluted net profit per share (in €)	7.72	3.49

⁴ 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.

⁵ 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)	30.09.22	30.09.21
Net result	106 013	44 218
Other components of other comprehensive income, recyclable in income statements:		
Impact on the fair value of estimated transfer 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	1 852	496
OTHER COMPREHENSIVE INCOME	107 865	44 714

2. Condensed consolidated balance sheet

ASSETS (in € 000)	Notes	30.09.22	31.03.22
Non-current assets		1 897 011	1 792 078
Goodwill			
Intangible non-current assets		5 181	4 030
Investment properties ⁶	2	1 817 160	1 759 879
Other tangible non-current assets		6 233	6 440
Financial non-current assets		63 900	17 860
Financial instruments		57 169	11 120
Participations accounted for using the equity method		1 732	1 740
Receivables towards participations accounted for using the equity method		5 000	5 000
Finance lease receivables		1 030	1 030
Trade receivables and other non-current assets		3 507	2 839
Deferred taxes		3 504	1 402
Other		3	1 437
Current assets		32 378	20 151
Assets or groups of assets held for sale	2	12 351	11 807
Trade receivables		12 272	2 067
Tax receivables and other current assets		2 818	2 132
Cash and cash equivalents		2 121	1 483
Deferred charges and accrued income		2 815	2 663
TOTAL ASSETS		1 929 389	1 812 228

⁶ Including assets under construction (IAS 40).

SHAREHOLDERS' EQUITY AND LIABILITIES (in € 000)	Notes	30.09.22	31.03.22
Shareholders' equity		1 022 157	920 980
Shareholders' equity attributable to the shareholders of the parent company		1 022 157	920 980
Capital		308 515	289 179
Issue premiums		374 617	339 798
Reserves		233 013	160 166
Net result of the financial year		106 013	131 837
Minority interests			
Liabilities		907 232	891 248
Non-current liabilities		822 948	764 789
Provisions		-	-
Non-current financial debts	3/5	822 026	763 982
Credit institutions		642 670	584 594
Long term financial lease	3/5	4 041	4 159
Other		-	-
Bonds	3/5	175 315	175 229
Other non-current financial liabilities	5	-	-
Deferred taxes		922	807
Current liabilities		84 284	126 459
Current financial debts	3/5	43 599	101 730
Credit institutions		43 599	101 730
Short term financial lease		-	-
Other		-	-
Bonds	3/5	-	-
Trade debts and other current debts		21 204	17 787
Exit tax		391	391
Other		20 813	17 396
Other current liabilities		1 534	1 771
Accrued charges and deferred income		17 948	5 171
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		1 929 389	1 812 228

DEBT RATIO		30.09.22	31.03.22
Debt ratio ⁷	4	47,54%	49,15%

⁷ 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 financial instruments).

3. Condensed consolidated statement of changes in shareholders' equity

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (in € 000)	Capital ordinary shares	Unavailable Share premium	Available Share premium	Reserves*	Net result of the financial year	TOTAL Shareholders' Equity
Balance according to IFRS on 31 March 2021	276 526	316 792		153 469	61 436	808 223
- Net appropriation of profits 2020-2021						
- Transfer of result on portfolio to reserves				-4 971	4 971	0
- Transfer of variation in fair value of hedging instruments				2 677	-2 677	0
- Transfer of EPRA earnings to reserves				6 734	-6 734	0
- Reclassification between reserves	37	-1 382	1 345			0
- Dividends of the financial year 2020-2021					-56 996	-56 996
- Capital increase						0
- Capital increase through contribution in kind						0
- Costs of capital increase						0
- Other						0
- Result 30/09/2021				496	44 217	44 713
Balance according to IFRS on 30 September 2021	276 563	315 410	1 345	158 405	44 217	795 938
Balance according to IFRS on 31 March 2022	289 179	315 410	24 389	160 166	131 837	920 980
- Net appropriation of profits 2021-2022						
- Transfer of result on portfolio to reserves				21 762	-21 762	0
- Transfer of variation in fair value of hedging instruments				34 476	-34 476	0
- Transfer of EPRA earnings to reserves				14 757	-14 757	0
- Reclassification between reserves				0		0
- Dividends of the financial year 2021-2022					-60 842	-60 842
- Capital increase	19 336		35 664			55 000
- Capital increase through contribution in kind						0
- Costs of capital increase			-846			-846
- Other						0
- Result 30/09/2022				1 852	106 013	107 865
Balance according to IFRS on 30 September 2022	308 515	315 410	59 207	233 013	106 013	1 022 158

* 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 fair value of authorised hedging instruments qualifying for hedge accounting as defined by IFRS	Changes in the fair value of authorised hedging instruments not qualifying for hedge accounting as defined by IFRS	Results carried forward from previous financial years	TOTAL
Balance according to IFRS on 31 March 2021	80	144 358	16 899	-57 188	-2 226	-26 126	77 670	153 469
- Net appropriation of profits 2020-2021								
- Transfer of result on portfolio to reserves		10 190		-15 161			0	-4 971
- Transfer of variation in fair value of hedging instruments						2 677		2 677
- Transfer of EPRA earnings to reserves							6 734	6 734
- Reclassification between reserves		3 161	-3 161	1 431			-1 431	0
- Dividends of the financial year 2020-2021								0
- Costs of capital increase								0
- Other								0
- Result 30/09/2021					369	127		496
Balance according to IFRS on 30 September 2021	80	157 709	13 738	-70 918	-1 857	-23 322	82 973	158 404
Balance according to IFRS on 31 March 2022	87	157 709	13 739	-70 918	-396	-23 205	83 151	160 167
- Net appropriation of profits 2021-2022								
- Transfer of result on portfolio to reserves		24 983		-3 221				21 762
- Transfer of variation in fair value of hedging instruments						34 476		34 476
- Transfer of EPRA earnings to reserves							14 757	14 757
- Reclassification between reserves		7 180	-7180	1 557			-1 557	0
- Capital increase through contribution in kind								0
- Costs of capital increase								0
- Other								0
- Result 30/09/2022					1 748	104		1 852
Balance according to IFRS on 30 September 2022	87	189 871	6 559	-72 582	1 352	11 375	96 351	233 013

4. Condensed consolidated cash flow statement

Rounding off to the nearest thousand can bring about discrepancies between the balance sheet and the income statement and the details presented below.

CASH-FLOW STATEMENT (in € 000)	Notes	30.09.22	30.09.21
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE SEMESTER		1 483	3 681
1. Cash-flow from operating activities		44 568	46 188
Operating result		72 929	51 723
Interest paid		-7 160	-8 520
Interest received		0	25
Corporate taxes paid		-3 175	-3 976
Corporate taxes received		1	0
Changes in fair value of financial assets and liabilities		44 256	3 626
Other		-838	1 340
Non-cash elements to be added to / deducted from the result:		-66 235	-6 328
* Depreciations and write-downs			
- Depreciation / Write-downs (or write-backs) on tangible and intangible assets		443	358
- Depreciation / Write-downs (or write-backs) on trade receivables		122	-84
* Other non-cash elements			
- Changes in the fair value of investment properties	2	-22 569	-3 391
- Result on disposal of investment properties		-294	-473
- Other result on portfolio		0	699
- Changes in fair value of financial assets and liabilities	5	-44 197	-3 496
- Costs for issuing a bond loan		86	59
- Share in the result of associated companies and joint ventures		8	0
* Other			
Change in working capital requirements:		4 790	8 299
* Movement of assets			
- Trade receivables and other receivables		-10 328	1 996
- Tax receivables and other current assets		-686	11 382
- Deferred charges and accrued income		-152	0
- Long-term assets		0	0

CASH-FLOW STATEMENT (in € 000)	Notes	30.09.22	30.09.21
* Movement of liabilities			
- Trade debts and other current debts		3 417	-5 944
- Other current liabilities		-237	50
- Accrued charges and deferred income		12 777	816
2. Cash-flow from investment activities		-37 013	-7 107
Purchase of intangible assets	2	-1 340	-151
Purchase of investment properties	2	-38 834	-9 057
Disposal of investment properties and assets held for sale	2	3 872	3 307
Acquisition of shares of real estate companies	2	0	0
Disposal of shares of real estate companies	2	0	0
Purchase of other tangible assets		-52	-191
Disposal of other tangible assets		6	1
Disposal of non-current financial assets		0	0
Income from trade receivables and other non-current assets		-665	-1 016
3. Cash-flow from financing activities		-6 914	-40 527
* Change in financial liabilities and financial debts			
- Increase in financial debts	3	-89 372	124 700
- Decrease in financial debts	3	89 200	-108 332
* Change in other liabilities			
- Increase (+) / Decrease (-) in other liabilities		-54	101
* Change in shareholders' equity			
- Capital increase and issue premiums		55 000	0
- Costs of capital increase		-846	0
- Change in reserves		0	0
Other		0	0
* Dividend			
- Dividend for the previous financial year		-60 842	-56 996
CASH AND CASH EQUIVALENTS AT THE END OF THE SEMESTER		2 124	2 234

5. Notes to the condensed consolidated half-year figures

Key performance indicators

EPRA earnings per share (in €)	30.09.22	30.09.21
EPRA earnings (attributable to the shareholders of the parent company)	39 059 846	37 426 355
Number of ordinary shares in circulation	14 085 827	12 665 763
Weighted average number of shares	13 733 624	12 665 763
EPRA earnings per share (in €) ⁸	2,84	2,95
EPRA earnings per share (in €) - diluted	2,84	2,95

⁸ 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, the EPRA earnings per share amounts to EUR 2.84 at 30.09.2022 versus EUR 2.95 at 30.09.2021.

NET ASSET VALUE PER SHARE (in €) - SHARE GROUP	30.09.22	31.03.22
Net asset value per share IFRS ⁹	72,57	69,63
EPRA NTA per share ¹⁰	67,97	68,46
Net asset value per share (investment value) excl. dividend excl. the fair value of authorised hedging instruments ¹¹	71,69	69,67

⁹ 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.

¹⁰ EPRA NTA is calculated as follows: shareholders' equity (excluding the fair value of authorised hedging instruments, deferred taxes and intangible fixed assets) divided by the number of shares.

¹¹ For the definition and purpose of this alternative performance measure, we refer to the Lexicon (p.64 ff.)

Presentation principles

The interim financial report of the first half year ending on 30 September 2022 was prepared in accordance with accounting standards consistent with International Financial Reporting Standards as implemented by the BE-REIT legislation and in accordance with IAS 34 "Interim Financial Reporting".

With respect to the tax timing differences between local accounting and the consolidated figures, deferred tax assets and/or liabilities are recorded under 'other result on portfolio'.

For the rest, these consolidated interim annual statements were drawn up on the basis of the same accounting policies and calculation methods that were used for the consolidated annual statements of 31 March 2022.

Application of IFRS 3 Business Combinations

Corporate transactions of the past six months 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 respective companies own a limited number of properties and are not intended to be held as independent businesses. The companies are fully consolidated.

New or amended standards and interpretations applicable in 2022

The following amendments to standards are mandatory for the first time for the financial year beginning 1 January 2022 and have been endorsed by the European Union:

- Amendments to IFRS 3 'Business Combinations'; IAS 16 'Property, Plant and Equipment'; IAS 37

'Provisions, Contingent Liabilities and Contingent Assets' as well as Annual Improvements (effective 1 January 2022). The package of amendments includes narrow-scope amendments to three Standards as well as the Board's Annual Improvements, which are changes that clarify the wording or correct minor consequences, oversights or conflicts between requirements in the Standards.

- **Amendments to IFRS 3** 'Business Combinations' update a reference in IFRS 3 to the Conceptual Framework for Financial Reporting without changing the accounting requirements for business combinations.
- **Amendments to IAS 16** 'Property, Plant and Equipment' prohibit a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, a company will recognise such sales proceeds and related cost in profit or loss.
- **Amendments to IAS 37** 'Provisions, Contingent Liabilities and Contingent Assets' specify which costs a company includes when assessing whether a contract will be loss-making.
- Annual Improvements 2018-2020 make minor amendments to IFRS 1 First-time 'Adoption of International Financial Reporting Standards', IFRS 9 'Financial Instruments', IAS 41 'Agriculture' and the Illustrative Examples accompanying IFRS 16 'Leases'.
- **Amendment to IFRS 16** 'Leases Covid 19'-Related Rent Concessions beyond 30 June 2021 (effective 01/04/2021, with early application permitted). The amendments extend, by one year, the May 2020 amendment that provides lessees with an exemption from assessing whether a COVID-19-related rent concession is a lease modification. In particular, the amendment permits a lessee to apply the practical expedient regarding COVID-19-related rent concessions to rent concessions for which any reduction in lease payments affects only payments originally due on or before 30 June 2022 (rather than only payments originally due on or before 30 June 2021). The amendment is effective for annual reporting periods beginning on or after 1 April 2021 (earlier application permitted, including in financial statements not yet authorised for issue at the date the amendment is issued).

These new standards or amendments have no significant impact to Retail Estates.

New or amended standards and interpretations not yet applicable

The following **new standard and amendments** have been issued, are **not mandatory** for the first time for the financial year beginning 1 January 2022 but **have been endorsed by the European Union**:

- **IFRS 17 'Insurance contracts' (effective 1 January 2023)**. This standard replaces IFRS 4, which currently permits a wide variety of practices in accounting for insurance contracts. IFRS 17 will fundamentally change the accounting by all entities that issue insurance contracts and investment contracts with discretionary participation features. On 17 March 2020, IASB decided to defer pop effective date to annual reporting periods beginning on or after 1 January 2023. The endorsement includes the amendments issued by the Board in June 2020, which are aimed at helping companies implement the Standard and making it easier for them to explain their financial performance.
- The EU regulation provides an optional exemption from applying the annual cohort requirement that relates to the timing of the recognition of the profit in the contract, the contractual service margin, in profit or loss. Entities making use of the exemption are not applying IFRSs as issued by the IASB and need to disclose the fact.
- **Amendments to IAS 1 'Presentation of Financial Statements' and IFRS Practice Statement 2: 'Disclosure of Accounting policies' (effective 1 January 2023)**. The amendments aim to improve accounting policy disclosures and to help users of the financial statements to distinguish between changes in accounting estimates and changes in accounting policies. The IAS 1 amendment requires companies to disclose their material accounting policy information rather than their significant accounting policies. Further, the amendment to IAS 1 clarifies that immaterial accounting policy information need not be disclosed. To support this amendment, the Board also amended IFRS Practice Statement 2, 'Making Materiality Judgements', to provide guidance on how

to apply the concept of materiality to accounting policy disclosures. The amendments are effective for annual reporting periods beginning on or after 1 January 2023. Earlier application is permitted (subject to any local endorsement process).

- **Amendments to IAS 8 ‘Accounting policies’, ‘Changes in Accounting Estimates and Errors’: Definition of Accounting Estimates (effective 1 January 2023).** The amendment to IAS 8, ‘Accounting Policies, Changes in Accounting Estimates and Errors’, clarifies how companies should distinguish changes in accounting policies from changes in accounting estimates. The amendments are effective for annual reporting periods beginning on or after 1 January 2023. Earlier application is permitted (subject to any local endorsement process).

Issued amendments but not mandatory for the first time for the financial year beginning 1 January 2022 and not yet endorsed by the European Union

The following **amendments** have been issued, but are **not mandatory** for the first time for the financial year beginning 1 January 2022 and have **not been endorsed by the European Union**:

- **Amendments to IAS 1 ‘Presentation of Financial Statements: Classification of Liabilities as current or non-current’ (effective 01/01/2023),** affect only the presentation of liabilities in the statement of financial position — not the amount or timing of recognition of any asset, liability income or expenses, or the information that entities disclose about those items. They:
 - Clarify that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period and align the wording in all affected paragraphs to refer to the “right” to defer settlement by at least twelve months and make explicit that only rights in place “at the end of the reporting period” should affect the classification of a liability;
 - Clarify that classification is unaffected by expectations about whether an entity will exercise its right to defer

settlement of a liability; and make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.

- **Amendments to IAS 12 ‘Income Taxes’: Deferred Tax related to Assets and Liabilities arising from a Single Transaction (effective 1 January 2023).** Deferred Tax related to Assets and Liabilities arising from a Single Transaction (effective 1 January 2023). The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The main change in the amendments is an exemption from the initial recognition exemption of IAS 12.15(b) and IAS 12.24. Accordingly, the initial recognition exemption does not apply to transactions in which equal amounts of deductible and taxable temporary differences arise on initial recognition. The amendments are effective for annual reporting periods beginning on or after 1 January 2023. Early adoption is permitted.

- **Amendments to IFRS 17 ‘Insurance contracts’: Initial Application of IFRS 17 and IFRS 9 – Comparative Information (issued on 9 December 2021, effective 1 January 2023).** The amendment is a transition option relating to comparative information about financial assets presented on initial application of IFRS 17. The amendment is aimed at helping entities to avoid temporary accounting mismatches between financial assets and insurance contract liabilities, and therefore improve the usefulness of comparative information for users of financial statements.

The following **standard** is mandatory since the financial year beginning 1 January 2016 (however not yet subjected to EU endorsement). The European Commission has decided not to launch the endorsement process of this interim standard but to wait for the final standard:

- **IFRS 14, ‘Regulatory deferral accounts’ (effective 1 January 2016).** It concerns an interim standard on the accounting for certain balances that arise from rate-regulated activities. IFRS 14 is only applicable to entities that apply IFRS 1 as first-time adopters of IFRS. It permits such entities, on adoption of IFRS, to continue to apply their previous GAAP accounting policies for the recognition, measurement, impairment

and derecognition of regulatory deferral accounts. The interim standard also provides guidance on selecting and changing accounting policies (on first-time adoption or subsequently) and on presentation and disclosure.

Statement by the person in charge at Retail Estates nv

In accordance with article 13 § 2 of the Royal Decree of 14 November 2007, Jan De Nys, managing director, states that, to his knowledge,

- a) the condensed interim financial statements, prepared on the basis of financial reporting principles in accordance with IFRS and with IAS 34 “Interim Financial Reporting”, as adopted by the European Union, give a true and fair view of the shareholders’ equity, the financial position and the results of Retail Estates nv and the companies included in the consolidation.
- b) the interim report gives a true and fair account of the main events that occurred during the first six months of the current financial year, their impact on the condensed interim financial statements, the main risk factors and uncertainties regarding the months ahead of the financial year, as well as the main transactions between the related parties and their possible impact on the condensed interim financial statements if these transactions are significant and were not concluded on the basis of the arm’s length principle.

Segmented information

IFRS 8 defines an operating segment as follows: An operating segment is a component of the entity (IFRS 8.2):

- 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 the 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 2017-2018 financial year, Retail Estates has distinguished between two geographical segments: Belgium and the Netherlands.

The management committee acts as CODM within Retail Estates.

Segmented information – Profit & Loss

Segmented information – results by segment (in € 000)	30.09.22			30.09.21				
	Belgium	Netherlands	The Unallocated amounts	TOTAL	Belgium	Netherlands	The Unallocated amounts	TOTAL
Rental income	41 487	19 343		60 831	38 229	19 103		57 332
Rental related expenses	-144	-65		-209	6	46		52
Net rental income	41 343	19 278		60 622	38 235	19 149		57 385
Recovery of property expenses								
Recovery of rental charges and taxes normally payable by tenants on let properties	4 601	1 614		6 215	4 280	1 680		5 960
Rental charges and taxes normally payable by tenants on let properties	-4 813	-2 381		-7 194	-4 485	-2 439		-6 924
Other rental related income and expenses	4	0		4	-57	-9		-66
Property result	41 134	18 512		59 645	37 973	18 381		56 354
Technical costs	-1 810	-571		-2 381	-1 389	-747		-2 136
Commercial costs	-510	-24		-534	-361	-29		-390
Charges and taxes on unlet properties	-378	-10		-388	-114	-133		-247
Property management costs	-1 690	-625		-2 315	-1 418	-501		-1 919
Other property costs	-4	0		-4	-1	0		-1
Property costs	-4 391	-1 231		-5 622	-3 283	-1 410		-4 694
Operating property result	36 743	17 281		54 024	34 690	16 971		51 660

Segmented information – results by segment (in € 000)	30.09.22			30.09.21				
	Belgium	Netherlands	The Unallocated amounts	TOTAL	Belgium	Netherlands	The Unallocated amounts	TOTAL
Operating corporate costs			-3 792	-3 792			-3 103	-3 103
Other current operating income and expenses			0	0			0	0
Operating result before result on portfolio				50 232				48 558
Result on disposals of investment properties	296	-2		294	451	22		473
Result on sales of other non-financial assets				0				0
Changes in fair value of investment properties	3 152	19 417		22 569	2 950	441		3 391
Other result on portfolio	-322	156		-166	-186	-512		-698
Operating result				72 929				51 723
Financial income			83	83			72	72
Net interest charges			-9 399	-9 399			-9 459	-9 459
Changes in fair value of financial assets and liabilities			44 256	44 256			3 626	3 626
Other financial charges			-29	-29			-39	-39
Financial result			34 911	34 911			-5 800	-5 800
Share in the result of associated companies and joint ventures			-8	-8			0	0
Result before taxes				107 832				45 923
Taxes	-72	-1 747		-1 819	-59	-1 646		-1 705
Net result				106 013				44 218

Gesegmenteerde balans

Segmented information – assets by segment (in € 000)	30.09.22			31.03.22				
	Belgium	Netherlands	The Unallocated amounts	TOTAL	Belgium	Netherlands	The Unallocated amounts	TOTAL
Investment properties ¹²	1 268 396	548 764		1 817 160	1 266 188	493 691		1 759 879
Assets or groups of assets held for sale	12 351	0		12 351	11 807	0		11 807

¹² Including assets under construction (IAS 40).

Valuation of investment properties under construction

Under the IAS 40 standard, investment properties under construction are included in the investment properties. If purchased, they are valued at the acquisition value, including incidental costs and non-deductible VAT.

If the Group believes that the fair value of the investment properties under development cannot be determined in a reliable manner but assumes it will be possible to determine the fair value once the properties have been contracted, licensed and rented, the investment properties under development will be registered at

cost price until the fair value can be determined (when they have been contracted, licensed and rented) or until construction is completed (whichever happens first) in accordance with IAS 40.53. This fair value is based on the valuation by the real estate expert after deducting the work that remains to be performed.

An investment property 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; it can also concern the aggregate costs within the context of sustainability projects.

6. Other notes

Rental income

Note 1

Rental income (in € 000)	30.09.22	30.09.21
Within one year	126 374	113 670
Between one and five year(s)	392 707	350 880
Within more than five years	392 105	432 448

The increase in rental income is mainly the result of the acquisitions in the course of the previous financial year.

As a theoretical exercise, the table above shows how much rental income Retail Estates nv is certain to receive based on the current lease agreements. Where the Belgian commercial lease agreements are concerned, this does not alter the theoretical risk that all tenants may use their legal termination option at the end of the current three-year period. Under these circumstances, all Belgian retail units will in principle become vacant in three years and six months. The granting of rent-free periods is rather limited in the market of out-of-town retail real estate. Over the past six months, a total of € 0.34 million discount was granted on a portfolio of 1,002 properties. No other material incentives are given when entering into lease agreements.

Type of lease agreement

The Group concludes commercial lease agreements 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. In Belgium, taxes and levies, including property tax, the insurance premium and common charges, are in principle borne by the tenant. In the Netherlands, taxes and insurance premiums are deemed to be included in the rent and can therefore not be charged to the tenants.

To guarantee compliance with the obligations imposed on the tenant by virtue of the agreement, 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 tenant 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.

Investment properties

Note 2

For more information on the acquisitions and divestments, we refer to chapter 1 of the activity report.

Investment and revaluation table (in € 000)	Investment properties ¹³		Assets held for sale		Total	
	30.09.22	31.03.22	30.09.22	31.03.22	30.09.22	31.03.22
Balance at the end of the previous financial year	1 759 879	1 717 246	11 807	7 931	1 771 686	1 725 177
Acquisition through purchase real estate companies						
Acquisition through contribution real estate companies						
Capitalised interest cost	14	1			14	1
Acquisition of investment properties	34 022	44 664	719	2 826	34 741	47 490
Investments that result from subsequent expenses included in the carrying amount of the asset	3 759	3 901		10	3 759	3 911
Contribution of investment properties					0	0
Disposal through sale of real estate companies					0	0
Disposal of investment properties	-3 722	-22 735	-150	-8 772	-3 872	-31 507
Transfers to assets held for sale		-10 874		10 874	0	0
IFRS 16	-110	945			-110	945
Other transfers	-108	-134		-2	-108	-136
Acquisition of investment properties under construction	834	8 491			834	8 491
Completion of investment properties under construction to portfolio	1 142	27 847			1 142	27 847
Transfer of investment properties under construction to portfolio	-1 142	-27 847			-1 142	-27 847
Transfer of investment properties under construction to equity method investment		-5 799			0	-5 799
Change in fair value (+/-)	22 592	24 173	-23	-1 060	22 569	23 113
At the end of the semester/financial year	1 817 160	1 759 879	12 351	11 807	1 829 511	1 771 686
OTHER INFORMATIONS						
Investment value of the property	1 894 556	1 833 757	12 635	12 091	1 907 191	1 845 848

¹³ Including assets under construction (IAS 40).

Investments resulting from subsequent expenditure included in the carrying amount of the assets amounted to € 3.76 million for the first half-year 2022-2023. In addition, the company realised € 1.14 million from the development of property for its own account and invested € 0.83 million in the current development of property for its own account.

The fair value of the investment properties is determined by real estate experts. These experts make use of different methods in this respect.

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

The fair value of investment properties is determined on the basis of level 3 under IFRS 13.

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.

Country	Method	Input	31.03.22		31.03.21	
			Range	Weighted average	Range	Weighted average
Belgium	Gross Initial Yield capitalization	Capitalisation rate (%)	5.00%-10%	6.33%	5.00%-10%	6.34%
		Annual market rent (EUR/m ²)	18-250	103.32	33.86-247.62	105.16
		Remaining lease duration (expiry date) (in months)	0m-583m	98m	0m-603m	103m
		Remaining lease duration (first break option) (in months)	0m-41m	21.23m	0m-43m	26m
		Vacancy (in months)	0m-12m	/	0m-12m	/
	DCF	Discount rate (%)	5.17%-10%	6.17%	6%-8.50%	7.58%
		Annual market rent (EUR/m ²)	10-227	107.6	33.86-247.62	105.16
		Remaining lease duration (expiry date) (in months)	0m-496m	89m	0m-603m	103m
		Remaining lease duration (first break option) (in months)	0m-176m	35m	0m-43m	26m
		Vacancy (in months)	0m-12m	/	0m-12m	/
The Netherlands	Gross Initial Yield capitalization	Capitalisation rate (%)	5.71%-10.70%	6.64%	5.85%-12.53%	6.90%
		Annual market rent (EUR/m ²)	27.04-242.93	92.57	34.59-213.19	96.42
		Remaining lease duration (expiry date) (in months)	0m-120m	44m	0m-120m	47m
		Remaining lease duration (first break option) (in months)	0m-120m	44m	0m-120m	47m
		Vacancy (in months)	0m-12m	/	0m-12m	/

The unobservable inputs mentioned above are those applicable on 31 March 2022. Retail Estates will publish an update of these data each year upon closing the financial year and every six months in case of significant changes. On 30 September 2022 there are no significant changes in the unobservable inputs compared to 31 March 2022.

SENSITIVITY OF VALUATIONS

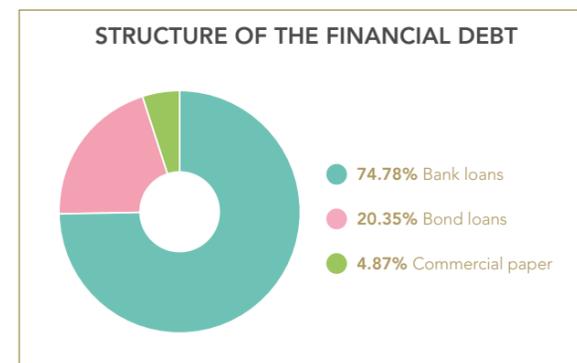
The sensitivity of the fair value in relation to changes in the significant unobservable inputs used to determine the fair value of the properties classified in level 3 (in accordance with the IFRS fair value hierarchy) is the following (ceteris paribus): the effect of the increase (decrease) of the rental income by 1% leads to an increase (decrease) in the portfolio's fair value by € 18.17 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 € 233.87 million. A decrease in the yield by 100 bps leads to an increase in the portfolio's fair value by € 314.93 million.

Non-current and current financial liabilities Note 3

Breakdown by due date of credit lines

(in € 000)	30.09.22	31.03.22
Non-current		
Bilateral loans - variable or fixed rate	642 670	584 594
Bond loan	175 315	175 229
Subtotal	817 985	759 823
Current		
Bilateral loans - variable or fixed rate	1 599	1 730
Bond loan	0	0
Treasury certificates	42 000	100 000
Subtotal	43 599	101 730
Total	861 584	861 553

Structure of the financial debt:



On 30 September 2022, total consolidated financial debt amounted to € 865.63 million. This amount is composed as follows:

Non-current liabilities:

- € 642.67 million in traditional bilateral long-term bank loans, spread over several banks
- € 4.04 million in financial leases
- € 175.32 million in bond loans

(in € 000)	30.09.2022	31.03.2022
Bilateral loans	642,670	584,594
Financial leases	4,041	4,159
Bond loans		4,159
	175,315	175,229

This is an increase by € 58.04 million compared to the financial year closed on 31 March 2022. This can mainly be explained by additional long-term loans for an amount of approximately € 58 million to finance the payment of the Commercial Paper programme.

Current liabilities:

- 1,60 mio EUR traditionele bilaterale bancaire kredieten op korte termijn, gespreid over verschillende banken
- 42 mio EUR Commercial Paper

(in € 000)	30.09.2022	31.03.2022
Bilateral loans	1,599	1,730
Commercial Paper	42,000	100,000

This is a decrease by € 58.13 million compared to the financial year closed on 31 March 2022. This can mainly be explained by the repayment of the Commercial Paper programme of € 58 million.

The estimate of the future interest burden takes into account the debt position as of 30 September 2022 and interest covers according to the contracts currently in progress. For the unhedged part of the liabilities the Euribor expectations on the date of this report were taken into account, as well as the banking margin.

The company has issued five bond loans:

- € 30 million, issued on 29 April 2016 with a maturity of 10 years, of which € 4 million at a fixed interest rate of 2.84% and € 26 million at a floating interest rate (Euribor 3 months + 2.25%).
- € 25 million, issued on 10 June 2016 with a maturity of 10 years at an interest rate of 2.84%.
- € 75 million, issued on 18 December 2019 with a maturity of 7 years at an interest rate of 2.15%.
- € 30 million, issued on 9 December 2020 with a maturity of 5 years at an interest rate of 1.991%.
- € 16 million, issued on 26 March 2021 with a maturity of 8 years at 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 prudent and conservative strategy (see above). An increase in the interest rates by 1%, at a constant credit portfolio, has no impact on the debt financing costs. 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 € 17.46 million on shareholders' equity and changes in the fair value of financial assets and liabilities. € 16.56 million of this amount would be recorded via the income statement and € 0.90 million of this amount would be accounted for directly under shareholders' equity. If the interest rate were to decrease by 1%, this would have a negative impact of € 30.28 million on shareholders' equity and changes in the fair value of financial assets and liabilities.

Breakdown by maturity of future interest charges

(in € 000)	30.09.22			30.09.21		
	Associated with financial instruments	Associated with hedging instruments	Total	Associated with financial instruments	Associated with hedging instruments	Total
Within one year	23 984	-5 937	18 047	12 639	5 123	17 762
Between one and five year(s)	81 987	-44 303	37 684	41 135	16 697	57 831
Within more than five years	9 150	-11 791	-2 641	2 937	854	3 791
Total	115 121	-62 031	53 090	56 710	22 674	79 384

€ 29.42 million of this amount would be recorded via the income statement and € 0.86 million of this amount would be accounted for directly under shareholders' equity. In principle, Retail Estates nv concludes an agreement with its banks for a debt ratio covenant of 60%.

Maturity dates

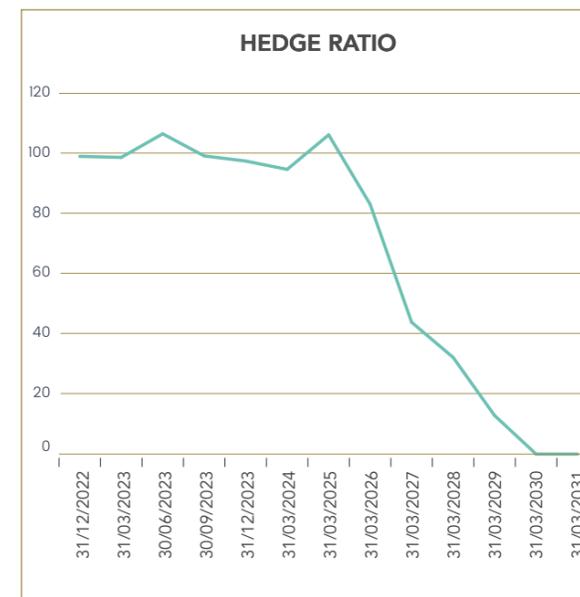
The weighted average term of the outstanding financial debts of Retail Estates was 3.75 years on 30 September 2022 compared to 3.82 years for the previous year. On 30 September 2022 the total of unused and confirmed long-term credit lines amounted to € 222.76 million. This is exclusive of the backup lines for the Commercial Paper programme amounting to € 42 million. The available credit lines thus amount to € 180.76 million.

Breakdown by maturity of non-current financial debts (in € 000) - future interest burden not included

(in € 000)	30.09.22	31.03.22
Between one and two year(s)	125 164	87 528
Between two and five years	588 575	526 520
More than five years	104 246	145 776

Reconciliation between changes in financial debts and the consolidated cash flow statement

(in € 000)	31.03.22	+ Cash flows	+ Non cash variations	30.09.22
Financial debts	865 712			865 625
Bank loans	686 324	-55		686 269
Financial leasing	4 159		-118	4 041
Bond loans	175 229		86	175 315



The hedge ratio, i.e. the percentage of financial debts at a fixed interest rate or at a variable interest rate subsequently hedged via Interest Rate Swaps (IRSs) and/or CAPs equals to 100% on 30 September 2022, with a weighted average term of the hedges of 4.92 years.

The weighted average cost of the debts of Retail Estates was 2.02% for the first half year of 2022, including credit margins and the costs of hedging instruments. During the 2021-2022 financial year, the average cost of the debts was 1.95% (see 2021-2022 annual report). The Interest Cover Ratio (= net rental income/net interest charges) equals to 6.47 for the first half year of 2022-2023, compared to 6.25 for the entire 2021-2022 financial year. Retail Estates concluded a covenant with its banks, stipulating that this interest cover ratio must be at least 2.

Debt ratio

Note 4

The debt ratio equals to 47.54% compared to 49.15% on 31 March 2022. The decrease is mainly the result of the capital increase of approximately € 55 million on 14 June 2022. In principle, Retail Estates nv concludes an agreement with its banks for a debt ratio covenant of 60%.

Calculation debt ratio (in € 000)	30.09.22	31.03.22
Liabilities	907 232	891 248
To be excluded:	18 870	5 979
I. Non-current liabilities	922	807
Provisions		
Authorised hedging instruments		
Deferred taxes	922	807
II. Current liabilities	17 948	5 171
Provisions		
Authorised hedging instruments		
Accrued charges and deferred income	17 948	5 171
Total debt	888 362	885 270
Total assets	1 929 389	1 812 228
Authorised hedging instruments - assets	57 169	11 120
Deferred taxes	3 504	
Total Assets taken into account for the calculation of the debt ratio	1 868 717	1 801 109
DEBT RATIO	47.54%	49.15%

Financial instruments

Note 5

Summary of financial instruments as at closing date (in € 000)

	Categories	Level	30.09.22		31.03.22	
			Book value	Fair value	Book value	Fair value
I. Non-current assets						
Finance lease receivables	C	2	1 030	1 030	1 030	1 030
Loans and receivables	A	2	3 507	3 507	2 839	2 839
Financial non-current assets					16 120	16 120
Participations accounted for using the equity method					1 740	1 740
II. Current assets						
Trade receivables and other receivables	A	2	15 091	15 091	4 199	4 199
Cash and cash equivalents	B	2	2 121	2 121	1 483	1 483
Total financial instruments on the assets side of the balance sheet			21 748	21 748	27 410	27 410
I. Non-current liabilities						
Interest-bearing liabilities	A	2				
Credit institutions			642 670	628 051	584 594	588 628
Bond loan			175 315	168 194	175 229	180 817
Other non-current liabilities	A	2				
Other financial liabilities	C	2	0	0		
II. Current liabilities						
Interest-bearing liabilities			43 599	43 599	101 730	101 730
Current trade debts and other debts	A/C	2/3	22 737	22 737	19 558	19 558
Total financial instruments on the liabilities side of the balance sheet			884 321	862 582	881 111	890 732

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. The valuation at fair value takes place at least every quarter. 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 30 September 2022, Retail Estates nv had € 468.40 million of financial debts at a variable interest rate and € 393.19 million of financial debts at a fixed interest rate. 100% 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. The fair value of the fixed-rate debts is estimated by discounting their future cash flows at a 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. The financial debts with a variable rate have a book value that approximates their fair value.

Financial debts at fixed interest rate (in € 000)	30.09.22		31.03.22	
	Book value	Fair value	Book value	Fair value
Financial debts at fixed interest rate	393 187	371 447	394 213	403 835

Financial debts at fair value

The Group makes use of financial derivatives (interest rate swaps, caps, floors) 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 € 44.27 million was recorded in the income statement with respect to the financial instruments. € 0.10 million relates to the linear depreciation of the value on 31 December 2015 of the derivatives that do not longer qualify as cash flow hedges. € 44.17 million relates to the changes in fair value of the derivatives for the period from 1 April 2022 to 30 September 2022. Swaps qualifying as cash flow hedges are booked directly as shareholders' equity and are not included in the income statement. The interest rate swaps are level 2 instruments.

Fair value of financial assets and liabilities (in € 000)	30.09.22	31.03.22
Fair value of financial derivatives - Liabilities	0	0
Fair value of financial derivatives - Assets	57 169	11 120
Total fair value of financial assets and liabilities	57 169	-25 216

List of consolidated companies and changes in the consolidation scope

Note 6

Subsidiary	External financial debts ¹⁴ (in € 000)	Investment properties ¹⁴ (in € 000)	Rental income ¹⁵ (in € 000)	Participation percentage
Retail Warehousing Invest NV		111 808	1 554	100.00%
Finsbury Properties NV		0	23	100.00%
Inducom NV		3 713		100.00%
Regreen NV		765	67	100.00%
Veilinghof 't Sas NV		6 261	48	26.19%
Retail Estates Nederland NV		61 735	2 399	100.00%
Cruquius Invest NV		77 366	2 643	100.00%
Spijkenisse Invest NV	10 250	45 139	1 695	100.00%
Heerlen I invest NV		63 377	2 167	100.00%
Heerlen II Invest NV		57 430	2 131	100.00%
Retail Estates Middelburg Invest NV		32 829	1 256	100.00%
Breda I Invest NV		40 335	1 422	100.00%
Breda II Invest NV		24 568	871	100.00%
Naaldwijk Invest NV		18 789	870	100.00%
Zaandam Invest NV		24 508	897	100.00%
Osbroek Invest NV		69 817	2 441	100.00%
Venlo Invest NV		32 872	552	100.00%

¹⁴ Value at closing date of the consolidated figures (30.09.2022).

¹⁵ For the period the companies are part of the Group in the current financial year.

The company Venlo Invest NV was incorporated in the first six months of this financial year. Venlo Invest NV is a 100% subsidiary of Retail Estates. A 90% stake was purchased in the Tref Center retail park in Venlo in cooperation with a Dutch real estate investor 'Westpoort Vastgoed', which itself simultaneously acquired a 10% stake. A partnership agreement was concluded between Westpoort Venlo BV and Venlo Invest NV so that the properties can operate jointly and on an equal basis. Venlo Invest NV is fully consolidated.

7. STATUTORY AUDITOR'S REPORT ON REVIEW OF CONSOLIDATED CONDENSED FINANCIAL INFORMATION FOR THE PERIOD ENDED 30 SEPTEMBER 2022

Introduction

We have reviewed the accompanying consolidated condensed interim figures of Retail Estates NV and its subsidiaries as of 30 September 2022, and the related condensed consolidated income statement, the statement of other comprehensive income, the condensed consolidated balance sheet, the condensed consolidated statement of changes in shareholders' equity and the condensed consolidated cash flow statement for the 6-month period then ended, as well as the explanatory notes. The board of directors is responsible for the preparation and presentation of this consolidated condensed financial information in accordance with IAS 34, as adopted by the European Union. Our responsibility is to express a conclusion on this consolidated condensed financial information based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated condensed financial information is not prepared, in all material respects, in accordance with IAS 34, as adopted by the European Union.

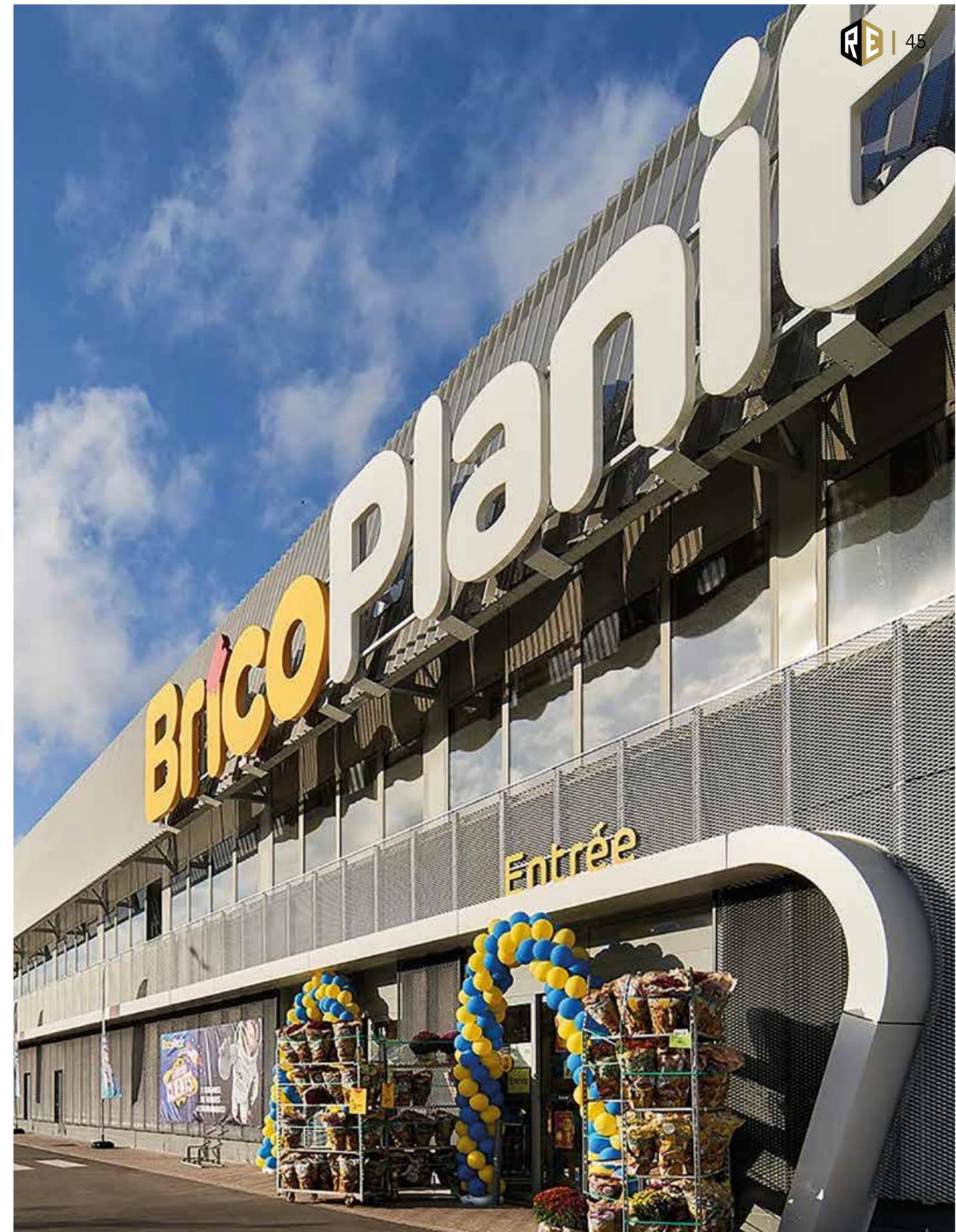
Diegem, 18 November 2022

The Statutory Auditor

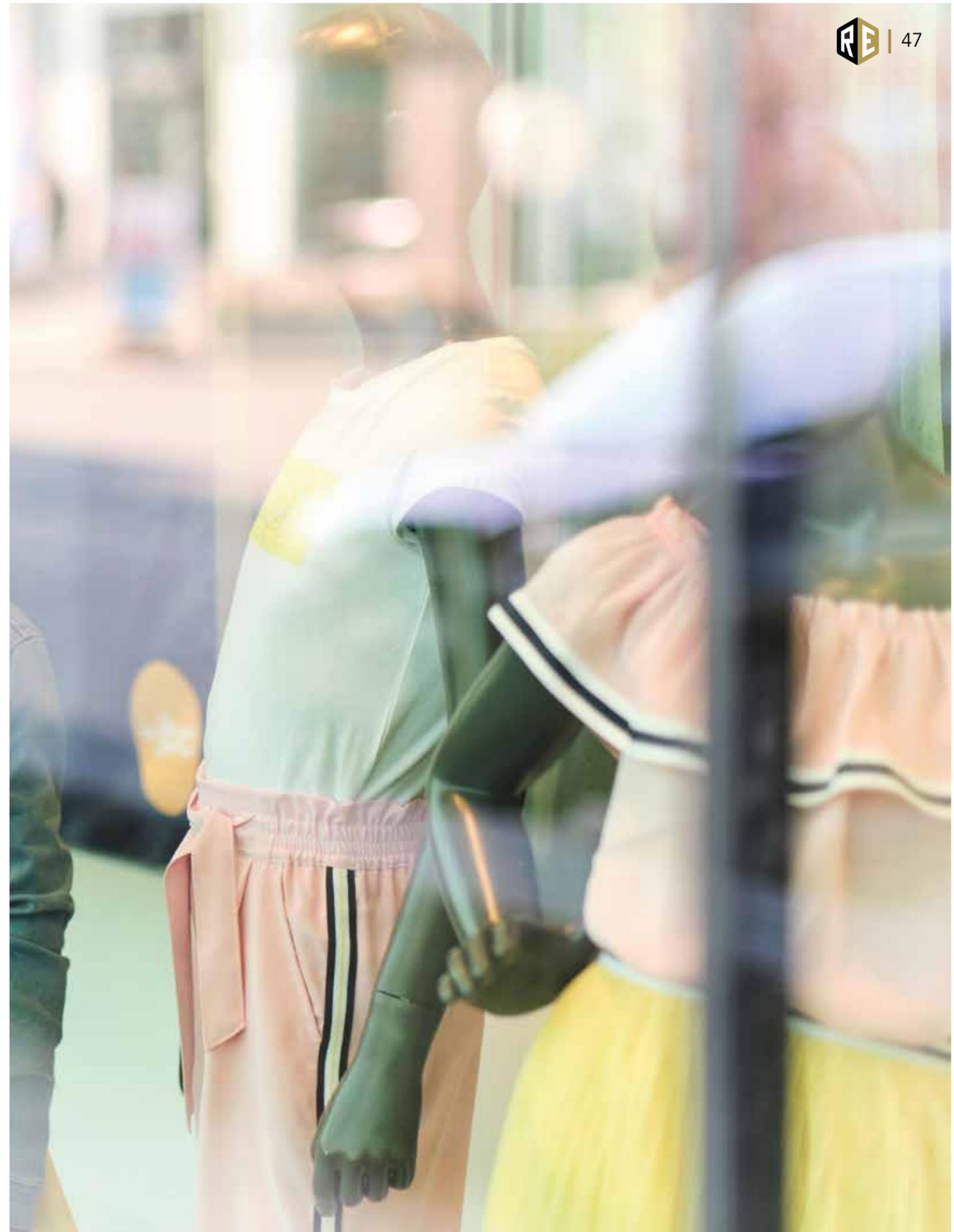
PwC Reviseurs d'Entreprises SRL / Bedrijfsrevisoren BV
Represented by

Jeroen Bockaert

Réviseur d'Entreprises / Bedrijfsrevisor



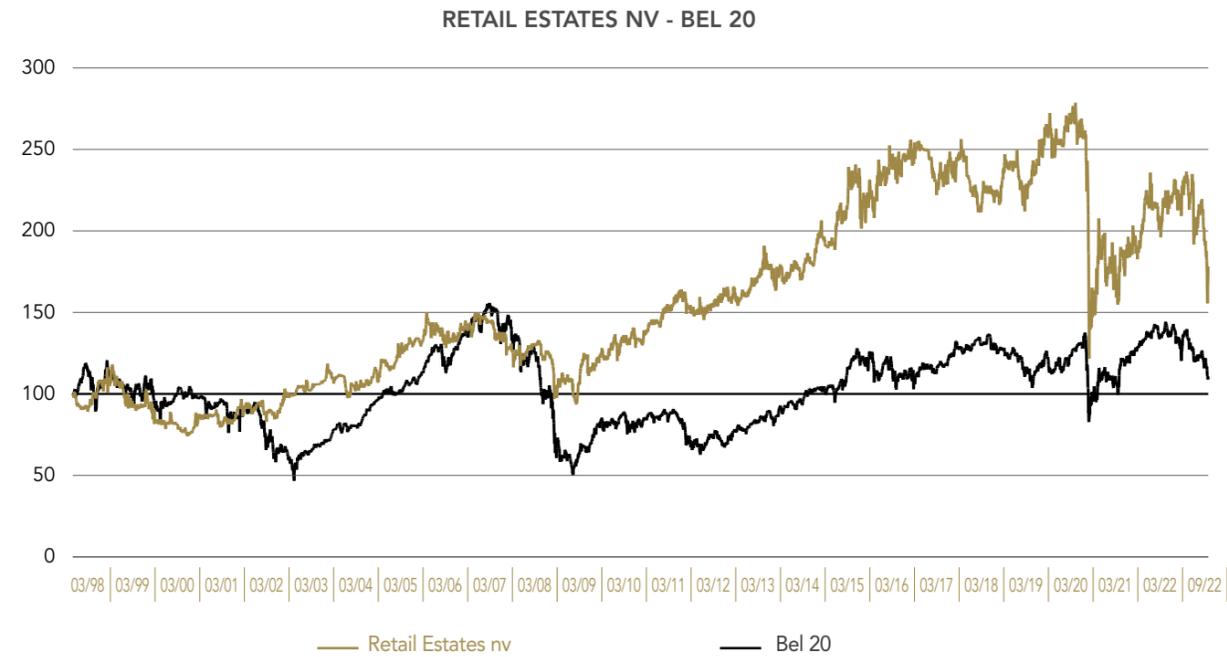
Report on the share



1. Overview of stock market performance

During the first six months of the 2022-2023 financial year, the stock price fluctuated between € 49.75 and € 75.6. 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 evolved by 77.24% and the BEL 20 evolved by 80.24% over this period. The average closing price for the past half year is € 67.24.



2. Market capitalisation

Retail Estates nv is listed on the Euronext continuous market. The market capitalisation amounted to € 802.89 million on 30 September 2022.



3. Dividend and yield

The share's net asset value (EPRA NTA) in a real estate valuation at fair value is € 67.97.

The evolution of the net asset value can mainly be explained by the results of the past financial year on the one hand and the payment of the dividend for the 2021-2022 financial year on the other hand.

RETAIL ESTATES NV - EPRA NTA - IFRS NAV



NET ASSET VALUE PER SHARE (in €)	30.09.22	31.03.22	30.09.21
Net asset value per share IFRS ¹⁶	72,57	69,63	62,84
EPRA NTA	67,97	68,46	64,19
Net asset value per share (investment value) excl. dividend excl. the fair value of authorised hedging instruments ¹⁷	71,69	69,67	67,87
Gross dividend		4,60	
Withholding tax (30%)		1,38	
Net dividend		3,22	
Share price on closing date	57,00	73,90	63,20

¹⁶ 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.

¹⁷ For the definition and purpose of this alternative performance measure, we refer to the Lexicon (p.64 ff.)

4. Financial calendar

Announcement results third quarter financial year 2022-2023	20 February 2023
Announcement annual results financial year 2022-2023	29 May 2023
General meeting	24 July 2023
Ex-coupon date dividend	28 July 2023
Dividend made available for payment	1 August 2023

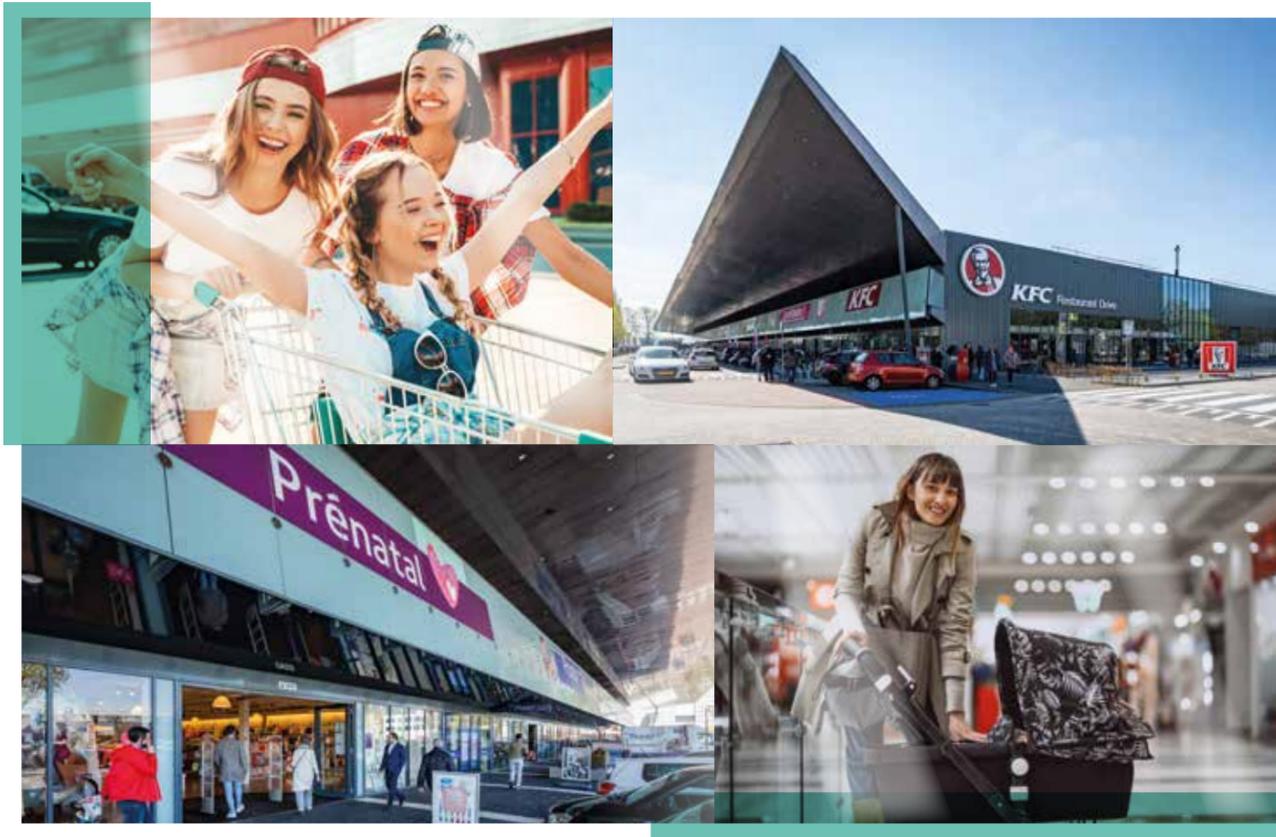


“ Over a period of 24 years, the company has established a significant portfolio which consists of 1,002 retail properties with a total built-up retail area of 1,186,521 m² as per 30 September 2022. The fair value of this portfolio is € 1,817.16 million. ”

Real estate report



Real estate report



Introduction

Retail Estates nv has invested in out-of-town retail properties, the so-called "retail parks" since 1998. Over a period of 24 years, the company has established a significant portfolio

which consists of 1,002 retail properties with a total built-up retail area of 1,186,521 m² as per 30 September 2022. The fair value of this portfolio is € 1,817.16 million.

Valuation as of 30 September 2022

1. Reports of the real estate experts

Belgium

For the Belgian portfolio, Retail Estates nv calls upon the real estate experts Cushman & Wakefield, CBRE and Stadim. In practice, each of them assesses part of the real estate portfolio.

Report Cushman & Wakefield

The Cushman & Wakefield report of 30 September 2022

covers part of the real estate owned by Retail Estates nv and its subsidiaries. This report includes the following text:

"We have the pleasure of providing you with our update as of 30 September 2022 of our valuation of the portfolio of Retail Estates and Distri-Land.

We confirm that we carried out this task as an independent expert. We also confirm that our valuation was carried out in accordance with national and international standards and their application procedures, including in the field of valuation of Belgian Real Estate Investment Trusts (BE-REITs). (According to the current conclusions. We reserve the right to review our valuation in case of modified conclusions).

Fair value is defined as the estimated amount for which an asset could be exchanged between knowledgeable, willing parties in an arm's length transaction. This definition corresponds to our definition of market value.

The sale of a building is in theory subject to transfer duties collected by the government. The amount depends on the manner of transfer, the profile of the purchaser and the geographical location of the building. On the basis of a representative sample of the properties on the Belgian market, the average transaction cost has been found to equal 2.50% (for buildings with a value higher than € 2,500,000 over the 2013, 2014, 2015 and Q1 2016 period).

In case of buildings with a value higher than € 2,500,000, we determine the sales value (excluding costs corresponding to the fair value as set by the international accounting standard IAS 40) by subtracting 2.50% from the investment value for transaction costs. The different properties are regarded as a portfolio in this context.

Our "investment value" is based on a capitalisation of the adjusted market rental value, taking into account possible corrections like vacancy, step-rents, rent-free periods, etc. If the market rent is higher than the current rent, this adjusted market rent is determined by taking 60% of the gap between the market rent and the current rent. This amount is then added to the current rent. If the current rent is higher than the market rent, the adjusted market rent equals the market rent.

The cap rate depends on current output on the investment market, taking into account the location, the suitability of the site, the quality of the tenant and the building at the moment of the valuation.

The portfolio of Retail Estates nv (incl. Retail Warehousing

Invest nv) has an **investment value of € 589.53 million** (incl. corrections) and a **fair value of € 575.15 million** as per 30.09.2022. The investment value increased by 0.15% versus the previous quarter. This gives Retail Estates an initial yield of 6.54%.

The portfolio of Immobilière Distri-Land nv has an **investment value of € 19.96 million** (incl. corrections) and a **fair value of € 19.47 million** as per 30.09.2022. The investment value decreased by 0.29% versus the previous quarter. This gives Immobilière Distri-Land nv a 7.30% yield."

Report CBRE

The CBRE report of 30 September 2022 covers part of the real estate owned by Retail Estates nv and its subsidiaries. This report includes the following text:

"For the valuation of the buildings, we used the following valuation methods:

Method 1: Valuation based on the capitalisation of rental income

For each of the buildings an estimated market rental value (ERV) and a market-based cap rate were determined on the basis of benchmarks.

A correction was made for the difference between the estimated market rental value and the current rental income:

- If the estimated market rental value exceeds the current rental income, the correction consists of the realisation of the difference between the market rental value and the current rental income until the end of the current lease period.
- If the estimated market rental value is lower than the current rental income, the correction consists of the realisation of the difference between the market rental value and the current rental income for the period until the expiry of the tenant's 3-yearly termination option.

Method 2: Valuation based on the realisation of income

This method is used for the properties for which the ownership rights are subdivided into bare ownership on

the one hand and rights of superficies or leasehold rights on the other hand.

In this method, the value of the rights of superficies or leasehold rights is determined by the realisation (Discounted Cash Flow) of the net rental income, i.e. after deduction of the superficies or leasehold rent, until the end of the leasehold 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.

The **Investment value** of the portfolio, including the transaction costs, amounts to **€ 669.45 million** and the **Net Market Value (Fair Value)** of the portfolio, after deduction of 2.5% transaction costs, amounts to **€ 653.12 million**. On the basis of the rental income, after deduction of the ground rent due, the investment will have a gross initial yield of 6.81%.”

Report Stadim

The Stadim report of 30 September 2022 covers a semi-logistics complex. The **investment value** of these real estate properties is estimated at **€ 5.37 million** and the **fair value** at **€ 5.24 million**. These properties represent a market rent of € 0.35 million, representing a gross yield of 6.44%.

The Netherlands:

For the Dutch portfolio, Retail Estates nv calls upon the real estate experts Cushman & Wakefield, Colliers and CBRE. In practice, each of them assesses part of the real estate portfolio.

Report Cushman & Wakefield NL

The Cushman & Wakefield report of 30 September 2022 covers part of the real estate owned by Retail Estates nv and its subsidiaries. The **investment value** of these real estate properties is estimated at **€ 494.92 million** and the **fair value** at **€ 457.85 million**. These properties account for a rental income of € 33.53 million, which represents a gross yield of 6.77%.

Report CBRE NL

The report of CBRE Valuation & Advisory Services B.V.

of 30 September 2022 covers part of the real estate owned by Retail Estates nv and its subsidiaries in the Netherlands. This report includes the valuation of the Retail Estates portfolio.

CBRE Valuation & Advisory Services B.V. values the properties on the basis of the income capitalisation approach. Within the scope of the income capitalisation approach, the Hardcore/Top Slice/Layer method (“principal method”) is used, an internationally accepted valuation method very similar to the Dutch BAR/NAR method. The basic principle of the Hardcore/Top Slice/Layer method is the subdivision of the net income stream for each tenant based on perceived risk. Different yields are applied to the elements of the net income streams:

- Hardcore yield: the hardcore yield is used to capitalise the believed most secure, certain net income stream, i.e. either the net rental value (in case of over-renting) or the net rental income (in case of under-renting). This income stream is capitalised in perpetuity.
- Top Slice yield: if a lease agreement is over-rented (i.e. the rental income is higher than the estimated rental value) the net present value of the over-rent situation (rental income minus rental value) is calculated using the Top Slice yield.
- Layer yield: : if a lease agreement is under-rented (i.e. the rental income is lower than the estimated rental value), the future estimated rental income (rental value minus rental come) will be capitalised in the future using the Layer yield.

Subsequently, the present value of the future value is calculated using the Layer yield. Then the different calculated elements are added up to arrive at the gross value. Then, the (net) present value of capitalised expenditures/income (i.e. investments in buildings, rent-free incentives, break penalties) is calculated and the sum of these items is added to the gross value to arrive at the market value before acquisition costs. The Market Value is calculated by deducting the transfer tax and acquisition costs.

The **fair value** of these real estate properties is estimated at **€ 50.75 million** and the **investment value** at **€ 55.32**

million. These properties represent a gross rental income of € 4.44 million, or a Gross Initial Yield of 8.04%.

Report Colliers NL

The report of Colliers International Valuation B.V. of 30 September 2022 covers part of the commercial real estate owned by Retail Estates nv and its subsidiaries in the Netherlands. This report includes the valuation of the Retail Estates portfolio.

The market value of this type of commercial real estate is calculated on the basis of the BAR/NAR method. The BAR/NAR method falls within the scope of the income capitalisation approach.

The value of the real estate property is determined by means of the capitalisation of the gross and/or net market rent (gross market rent minus the charges connected with the real estate property).

The **investment value** of these real estate properties is estimated at **€ 47.36 million** and the **fair value** at **€ 43.81 million**. These properties represent a gross rental income of approximately € 3.41 million, or a Gross Initial Yield of 7.19%.



“ On 30 September 2022, the occupancy rate is 97,37%. ”

2. Notes

Belgium

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 retail parks tend to be built in small urban areas, such as retail parks T Forum in Tongeren and BeMINE Boulevard in Beringen. An important part of Retail Estates nv's properties are located adjacent to major peripheral motorways or near residential districts on the outskirts of larger conurbations and often form clusters, where retailers seek proximity to each other.

The Netherlands

Active in the Netherlands since June 2017, Retail Estates nv has invested in 14 retail parks and 2 solitary properties at 15 locations. These retail parks are destined for large-scale retail activities and are principally let to retail chains. For a population of 17 million people, the Netherlands have approximately 200 out-of-town locations where large-scale retail activities are allowed. The stringent urban planning framework limits the number of retail parks as well as the forms of retail activities that can be performed at those locations. Unlike in Belgium, it is for example not allowed to sell foodstuffs, clothes and shoes. Acquisition of this type of real estate by international institutional investors is currently gaining momentum. Over the past 5 years, Retail Estates has benefited from a consolidation wave and has acquired a leading position with approximately € 600 million in investments.



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

3. Commercial activities of the tenants

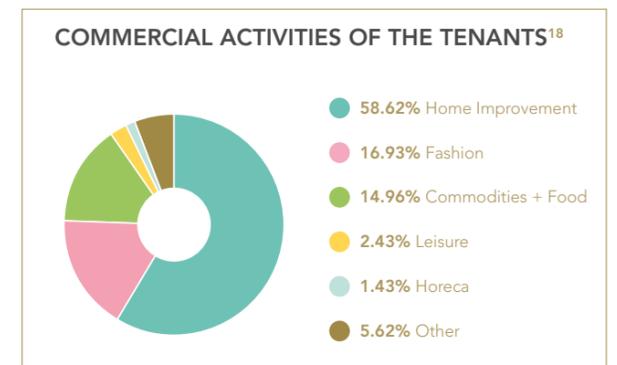
Subdivision by surface area

The share of tenants in the home improvement category (58.62%) has increased compared to the previous financial year (57.67%). Taken together with the “Commodities and food” industry, these retail units account for 73.58% 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. 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 retail units in the “Fashion” industry has slightly increased (16.93% on 30 September 2022 compared to 16.77% on 31 March 2022).

Subdivision by rental income

A breakdown on the basis of contractual rents shows that “Home improvement” remains the largest category (59.23%) followed by the “Fashion” category (19.83%). The category “Commodities and food” have a 15.93% share based on rental income. The shares of the other categories (“Horeca” (1.94%), “Leisure” (1.36%) and “Other” (1.99%)) represent together 5.29% of the total rental income on 30 September 2022.



¹⁸ The pie charts “commercial activities of the tenants” and “type of building” include percentages on the basis of the total surface area on 30 September 2022.

4. Subdivision by type of building

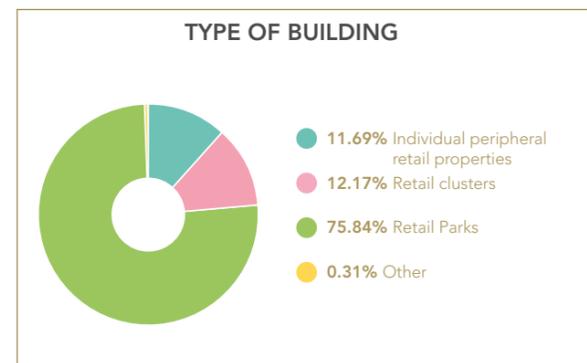
Individual out-of-town retail properties are individual retail properties adjacent to the public road. Every outlet has its own car park and entrance and exit roads, connecting it to the public road and making it easily recognisable. The retail properties situated in the immediate vicinity are not necessarily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

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

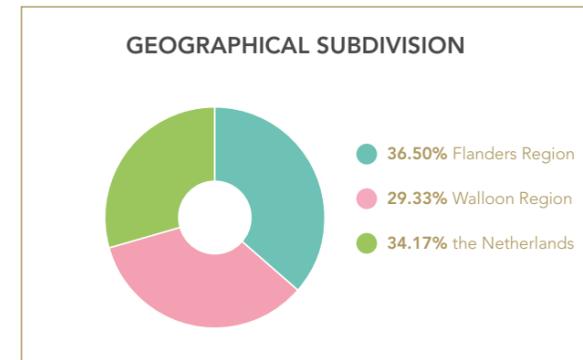
Retail parks are made up of retail properties that are grouped together and form part of an integrated commercial complex. All properties use a central car park with a shared entrance and exit road. This enables consumers to visit several shops without having to move their car. Typically, at least five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

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

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



5. Geographical subdivision



Number of properties per company	30.09.22
Retail Estates	697
Retail Warehousing Invest	27
Disterland	10
Breda I Invest	16
Breda II Invest	12
Cruquius Invest	28
Heerlen I Invest	22
Heerlen II Invest	26
Naaldwijk Invest	20
Osbroek Invest	28
Retail Estates Middelburg Invest	15
Retail Estates Nederland	36
Spijkenisse Invest	27
Venlo Invest	23
Zaandam Invest	15
Total number of properties	1 002

Summary of key figures for the portfolio

RETAIL ESTATES	30.09.22	31.03.22
Estimated fair value ¹⁹ (in EUR)	1 817 159 952	1 759 879 000
Yield (investment value) ²⁰	6.77%	6.57%
Contractual rents (in EUR)	127 325 407	119 343 175
Contractual rents incl. rental value of vacant buildings (in EUR)	129 868 933	121 869 650
Total lettable area in m ²	1 186 521	1 177 577
Number of properties	1 002	987
Occupancy rate	97.37%	97.83%
Total m ² under development	1 129	-

¹⁹ This fair value also contains the project developments, which are not included in the fair value as mentioned in the real estate experts' conclusions on 30 September 2022.
²⁰ The current rental income (net, after deduction of canon) divided by the estimated investment value of the portfolio (without taking into account the development projects included in the cost price).

6. Sustainability

Last year, an amount of € 1.12 million was invested in solar panels in the clusters at Heerlen (NL) and Roosendaal (NL). In addition, € 0.46 million was spent on sustainable

maintenance and € 2.90 million on various sustainability investments.



“ Over the past 5 years, Retail Estates has benefited from a consolidation wave and has acquired a leading position with approximately € 600 million in investments. ”

Miscellaneous



MISCELLANEOUS



MISCELLANEOUS

Miscellaneous



1. Glossary - General

A

Acquisition value

This is the term to be used for the purchase of a building. Any transaction costs paid are included in the acquisition price.

B

BEL mid-index

Since 1 March 2005, this has been a weighted price index of shares quoted on Euronext that makes allowance for the stock market capitalisation, with the weightings determined by the free float percentage and the velocity of circulation of the shares in the basket.

BE-REIT legislation

The law of 12 May 2014 relating to regulated real estate companies, amended for the last time on 18 April 2022, 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

Contractual rents

The index-linked basic rents as contractually determined in the lease agreements as of 30 September 2022, before deduction of gratuities or other benefits granted to the tenants.

Corporate Governance Code (2020 version)

Belgian Code drawn up by the Corporate Governance Committee and containing recommendations and provisions relating to corporate governance to be observed by companies under Belgian law whose shares are traded on a regulated market.

D

Debt ratio

The debt ratio is calculated as follows: liabilities (excluding provisions, accrued charges and deferred income, hedging instruments and deferred taxes) divided by the total assets (excluding hedging instruments and deferred tax assets).

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

EPRA

The European Public Real Estate Association was founded in 1999 to promote, develop and group European listed real estate companies. EPRA prepares codes of conduct with respect to accounting, reporting and corporate governance and harmonises these rules in different countries with the purpose of offering investors high-quality and comparable information. EPRA has also created indices that serve as a benchmark for the real estate sector. All this information is available at www.epra.com.

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 equals the amount that would be received for the sale of an asset or that would be paid for the transfer of a liability in an arm's length transaction between market players on the valuation date. 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 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 value of a share – Net Tangible Assets

Net Tangible Assets (NTA): this is the shareholders' equity (excluding the fair value of the authorised hedging instruments, deferred taxes and intangible fixed assets) divided by the number of shares.

O

Occupancy rate

The occupancy rate is calculated as the ratio of the surface area actually leased out to the surface area available for lease, expressed in m².

OLO (Belgian government bonds)

Government bond usually deemed equivalent to a virtually risk-free investment, and used as such to calculate the risk premium compared with listed securities. The risk premium is the additional return expected by the investor for the company's risk profile.

Out-of-town retail properties

Retail properties grouped along roads leading into and out of cities and towns. Each outlet has its own car park and an entrance and exit road connecting it to the public road.

P

Pay-out ratio

The pay-out ratio indicates the percentage of the net profit that will be paid out as a dividend to shareholders. This ratio is obtained by dividing the paid-out net profit by the total net profit.

Price/earnings ratio (P/E ratio)

This ratio is calculated by dividing the price of the share by the profit per share. The ratio indicates the number of years of earnings that would be required to pay back the purchase price.

R

Real estate certificate

A real estate certificate is a security that entitles the holder to a proportionate part of the income obtained from a building. The holder also shares in the proceeds if the building is sold.

Retail cluster

A collection of out-of-town retail properties located along the same traffic axis that, from the consumer's point of view, form a self-contained whole although they do not share infrastructure other than the traffic axis.

Retail park

Retail properties that form part of an integrated commercial complex and are grouped together with other retail properties. All properties use a central car park with a shared entrance and exit road.

Return

The total return achieved by the share in the past 12 months or (most recent price + gross dividend)/price in the previous year.

S

Securitised real estate

This is an alternative way of investing in real estate, whereby the shareholder or certificate holder, instead of investing personally in the ownership of a property, acquires (listed) shares or share certificates of a company that has purchased a property.

V

Velocity of circulation

Sum of the shares traded monthly, relative to the total number of shares over the past 12 months.

2. Glossary – Alternative performance benchmarks

Terminology

Alternative performance benchmark	Definition	Purpose
Operating margin	The "Operating result before result of the portfolio" divided by the "Net rental income".	Allows measuring the operational performance of the company.
Financial result (excluding changes in fair value of financial assets and liabilities)	The "Financial result" minus the "Changes in fair value of financial assets and liabilities"	Allows to make a distinction between the realised and the unrealised financial result.
Result on portfolio	The "Result on portfolio" consists of the following items: - "Result on disposals of investment properties"; - "Result on sales of other non-financial assets"; - "Changes in fair value of investment properties"; and - "Other result on portfolio".	Allows to measure realised and unrealised gains and losses related to the portfolio, compared to the last valuation by independent real estate experts.
Weighted average interest rate	The interest charges (including the credit margin and the cost of the hedging instruments) divided by the weighted average financial debt of the current period.	Allows to measure the average interest charges of the company.
Net asset value per share (investment value) excluding dividend excluding the fair value of authorised hedging instruments	Shareholders' equity (excluding the impact on the fair value of estimated transaction costs resulting from the hypothetical disposal of investment properties, excluding the fair value of authorised hedging instruments and excluding dividend) divided by the number of shares.	Reflects the net asset value per share adjusting for some material IFRS adjustments to enable comparison with its stock market value.
Gross yield	The gross yield represents the ratio of the current rental income (net and after deduction of taxes) to the estimated value of the portfolio (i.e. without investment properties 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)	30.09.22	30.09.21
Operating result before result on portfolio (A)	50 232	48 558
Net rental income (B)	60 622	57 385
Operating margin (A/B)	82.86%	84.62%

Financial result (excluding changes in fair value of financial assets and liabilities)

(in € 000)	30.09.22	30.09.21
Financial result (A)	34 911	-5 800
Changes in fair value of financial assets and liabilities (B)	44 256	3 626
Financial result (excluding changes in fair value of financial assets and liabilities) (A-B)	-9 345	-9 426

Result on portfolio

(in € 000)	30.09.22	30.09.21
Result on disposals of investment properties (A)	294	473
Result on sales of other non-financial assets (B)	0	0
Changes in fair value of investment properties (C)	22 569	3 391
Other result on portfolio (D)	-166	-699
Result on portfolio (A+B+C+D)	22 697	3 165

Weighted average interest rate

(in € 000)	30.09.22	30.09.21
Net interest charges (including the credit margin and the cost of the hedging instruments) (A)	9 399	9 459
Other charges of debt (B)*	754	408
Weighted average financial debt of the period (C)**	853 967	892 225
Weighted average interest rate (A-B)/C***	2.02%	2.02%

* Other debt costs relate to reservation fees, up-front fees, etc

** Financial debt at the end of the period multiplied by factor 0,9912

*** Pro rata half year

Net asset value per share (investment value) excluding dividend excluding the fair value of authorised hedging instruments

(in € 000)	30.09.22	31.03.22
Shareholders' equity attributable to the shareholders of the parent company (A)	1 022 157	920 980,00
Impact on the fair value of estimated transaction rights and costs resulting from the hypothetical disposal of investment properties (B) (previous financial years)	-72 582	-72 163,00
Impact on the fair value of estimated transaction rights and costs resulting from the hypothetical disposal of investment properties (B') (Current financial year)	-5 098	
The fair value of authorised hedging instruments qualifying for hedge accounting (C)	56 983	10 875,00
Proposed gross dividend (D)	33 102	60 842,00
Number of ordinary shares in circulation (E)	14 085 827	13 226 452,00
Net asset value per share (investment value) excluding dividend excluding the fair value of authorised hedging instruments ((A-B-B'-C-D)/E)	71.69	69.67

Gross yield

(in € 000)	30.09.22	30.09.21
The current rental income (net, after deduction of canon) (A)	127 325	116 150
The estimated investment value of the portfolio (without taking into account the development projects included in the cost price) (B)*	1 881 913	1 776 461
Gross yield (A/B)	6.77%	6.54%

* 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% of the issued real estate certificates and values the certificates to the underlying value of the property pro rata its contractual rights.

EPRA Key performance indicators

	Definitions	Purpose	30.09.22		31.03.22	
			EUR/1000	EUR per share	EUR/1000	EUR per share
EPRA NRV	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	1 040 272	73.85	983 672	74.37
EPRA NTA	Assumes that entities buy and sell assets, thereby crystallising certain levels of unavoidable deferred tax.		957 411	67.97	905 480	68.46
EPRA NDV	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.		1 000 417	71.02	911 359	68.90

	Definitions	Purpose	30.09.22		31.03.22	
			EUR/1000	EUR per share	EUR/1000	EUR per share
EPRA earnings	Current result from adjusted core operational activities.	A key measure of a company's underlying operating results from its property rental business and an indicator of the extent to which current dividend payments are supported by core activity earnings.	39 060	2.84	37 426	2.95

	Definitions	Purpose	30.09.22	30.09.21
			%	%
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.	6.86%	6.62%
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.	6.86%	6.62%
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.	1.96%	2.14%
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.	15.83%	13.51%
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.	15.19%	13.08%

	Definitions	Purpose	30.09.22	31.03.22
			%	%
EPRA Loan-To-Value ratio	Net debt divided by net property value	A key measure which demonstrates the degree to which activities are funded by debt financing.	46,64%	47,75%

	30.09.22	30.09.21
	EUR/1000	EUR/1000
EPRA earnings		
IFRS Net Result (attributable to the shareholders of the parent company)	106 013	44 218
Adjustments to calculate EPRA earnings		
Excluding:		
Variations in the fair value of investment properties (IAS 40)	22 569	3 391
Other result on portfolio	-166	-699
Result on disposal of investment properties	294	473
Changes in the fair value of financial assets and liabilities	44 256	3 626
Adaptations to minority interests		0
EPRA earnings (attributable to the shareholders of the parent company)	39 060	37 426
Diluted EPRA earnings (attributable to the shareholders of the parent company)		
EPRA earnings (EUR/share) (attributable to the shareholders of the parent company)	2.84	2.95
Diluted EPRA earnings per (EUR/share) (attributable to the shareholders of the parent company)		

	30.09.22			31.03.22		
	EPRA NRV	EPRA NTA	EPRA NDV	EPRA NRV	EPRA NTA	EPRA NDV
	EUR/1000	EUR/1000	EUR/1000	EUR/1000	EUR/1000	EUR/1000
EPRA Net Asset Value (NAV)						
Net Asset Value (attributable to the shareholders of the parent company) according to the annual accounts	1 022 157	1 022 157	1 022 157	920 980	920 980	920 980
Net Assets (EUR/share) (attributable to the shareholders of the parent company)	72.57	72.57	72.57	69.63	69.63	69.63
Diluted net asset value after effect of exercise of options, convertibles and other equity interests						
Excluding:						
Fair value of the financial instruments	56 983	56 983	/	10 875	10 875	/
Deferred taxes	2 582	2 582	/	595	595	/
Goodwill as recognized on balance sheet	0	0	0	/	/	/
Intangible non-current assets	/	5 181	/	/	4 030	/
Including:						
Fair Value of debt at fixed interest rates	/	/	-21 740	/	/	-9 621
Revaluation of intangible fixed assets to fair value	0	/	/	/	/	/
Transfer taxes	77 680	/	/	74 162	/	/
EPRA metric (attributable to the shareholders of the parent company)	1 040 272	957 411	1 000 417	983 672	905 480	911 359
EPRA metric (EUR/share) (attributable to the shareholders of the parent company)	73.85	67.97	71.02	74.37	68.46	68.90

EPRA Loan-to-value ratio	30.09.22	31.03.22
Credit institutions	642 670	584 594
Long term financial lease	4 041	4 159
Bonds	175 315	175 229
Credit institutions (short term)	43 599	101 730
Trade receivables	12 272	2 067
Tax receivables and other current assets	2 818	2 132
Trade debts and other current debts	-21 204	-17 787
Other current liabilities	-1 534	-1 771
Net debt	857 978	850 353
Investment property	1 817 160	1 759 879
Assets or groups of assets held for sale	12 351	11 807
Intangible non-current assets	5 181	4 030
Receivables towards participations accounted for using the equity method	5 000	5 000
Net property value	1 839 692	1 780 716
Loan-To-Value	46.64%	47.75%

EPRA Net Initial Yield	30.09.22 EUR/1000	30.09.21 EUR/1000
Investment properties (excluding assets held for sale) fair value	1 817 160	1 725 159
Transfer taxes	77 396	71 013
Investment value	1 894 556	1 796 172
Investment properties under construction	16 922	21 971
Investment value of the properties, available for rent	B 1 877 635	1 774 201
Annualised gross rental income	129 931	118 694
Property costs	-1 381	-1 243
Annualised net rental income	A 128 550	117 450
Notional rent expiration of rent free period or other lease incentives		
Topped-up net annualised rent	C 128 550	117 450
EPRA Net Initial Yield (NIY)	A/B 6.85%	6.62%
EPRA topped-up Net Initial Yield (topped-up NIY)	C/B 6.85%	6.62%

EPRA Vacancy Rate	30.09.22 EUR/1000	31.03.22 EUR/1000
Estimated rental value of vacant surfaces	2 606	2 526
Estimated rental value of total portfolio	129 931	121 870
EPRA Vacancy Rate	2.01%	2.07%

EPRA Cost Ratio	30.09.22 EUR/1000	30.09.21 EUR/1000
Operating corporate costs	3 792	3 103
Impairments on trade receivables	195	-84
Ground rent costs	140	243
Property costs	5 622	4 694
Less:		
Ground rent costs	-140	-243
EPRA costs (incl. vacancy costs)	9 609	7 712
Vacancy costs	-388	-247
EPRA costs (excl. vacancy costs)	9 221	7 465
Rental income less ground rent costs	60 691	57 089
EPRA Cost Ratio (incl. vacancy costs)	15.83%	13.51%
EPRA Cost Ratio (excl. vacancy costs)	15.19%	13.08%

Property related capex (in 000 €)	30.09.22	31.03.22
Acquisitions	34 741	44 664
Developments - incremental lettable area	196	
Capex - non-incremental lettable area	4 397	12 392
Activated interest expenses	14	1
Total*	39 348	57 057

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

Evolution of rental income on a similar portfolio (excluding purchases/sales from past financial year)

	30.09.22			30.09.21			Evolution
	Belgium	The Netherlands	Total	Belgium	The Netherlands	Total	
(in € 000)							
Rental income	41 487	19 343	60 830	38 229	19 103	57 332	3 498
Acquisitions and developments	-1 192	-726	-1 918				-1 918
Disposals	754	65	819				819
Gross rental incomes at constant scope	41 049	18 682	59 731	38 229	19 103	57 332	2 399
Explained by							
Indexation	1 804	607					2 411
Renegotiated contract	168	222					390
Vacancy	-72	65					-7
Discounts	141	-166					-25
COVID-19	329	-463					-134
Other			-236				-236

Information sheet

Name:	Retail Estates nv
Status:	Public Belgian Real Estate Investment Trust ("Belgian REIT") organised and existing under the laws of Belgium.
Address:	Industrielaan 6 – B-1740 Ternat
Phone:	+32 (0)2 568 10 20
Fax:	+32 (0)2 581 09 42
Email:	info@retailestates.com
Website:	www.retailestates.com
RLE:	Brussels
VAT:	BE 0434.797.847
Company number:	0434.797.847
Date of incorporation:	12 July 1988
Status as fixed-capital real estate investment fund granted:	27 March 1998 (until 23 October 2014)
Status as Belgian real estate investment trust (BE-REIT) granted:	24 October 2014
Duration:	Unlimited
Management:	Internal
Statutory auditor:	PwC Bedrijfsrevisoren BV– Culliganlaan 5 at 1830 Machelen, represented by Mr Jeroen Bockaert
Financial year closing:	31 March
Capital on 30.09.2022:	308,515,000 EUR
Number of shares on 30.09.2022:	14,085,827
Annual shareholders' meeting:	Penultimate Monday of July
Share listing:	Euronext – continuous market
Financial services:	KBC Bank
Value of real estate portfolio on 30.09.2022:	Investment value € 1,874.09 million – fair value € 1,797,97.16 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 30.09.2022:	1,002
Type of properties:	Out-of-town retail real estate
Liquidity provider:	KBC Securities and De Groef Petercam



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