

HALF-YEARLY FINANCIAL REPORT 2023-2024

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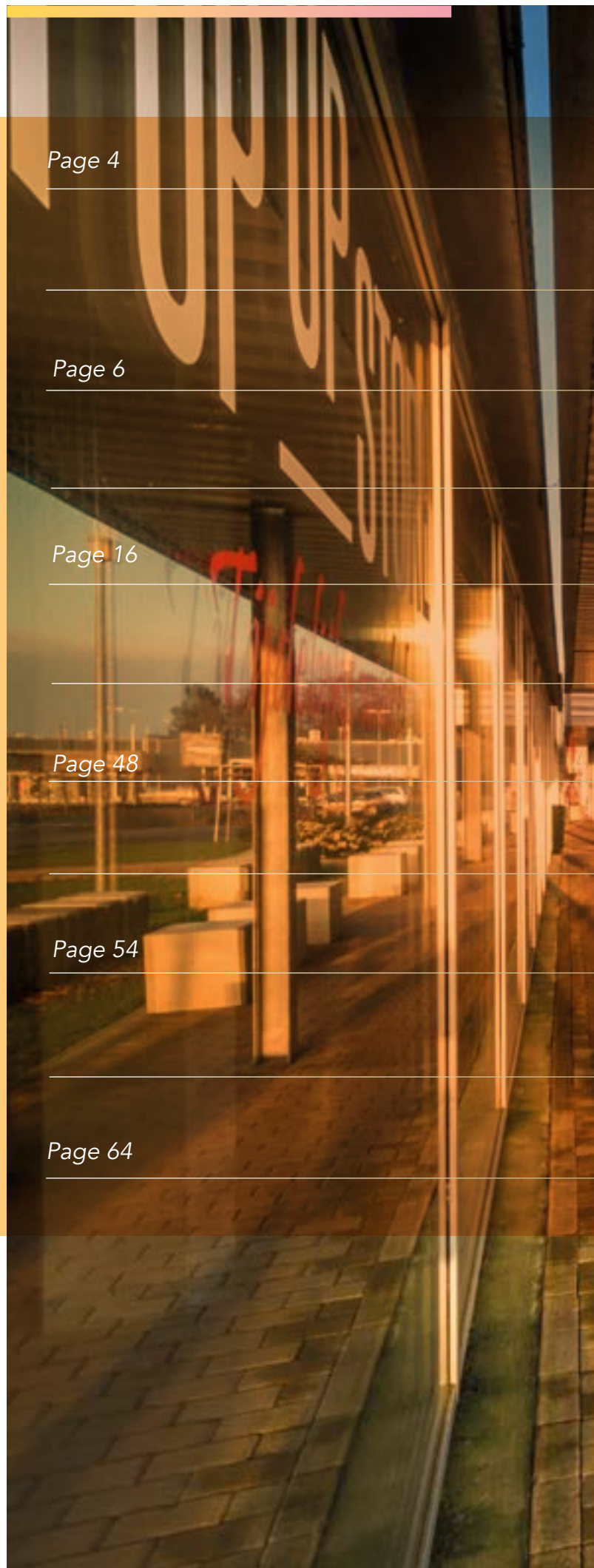
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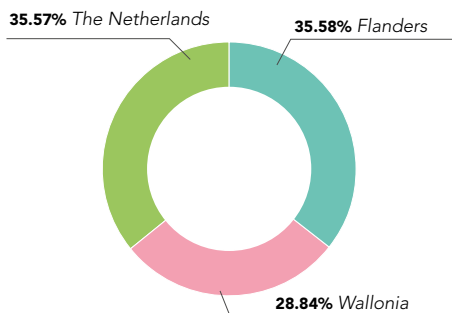
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Miscellaneous

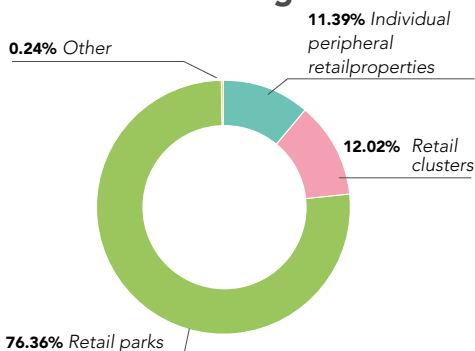
First half of 2023/24 in a nutshell

Geographical distribution*



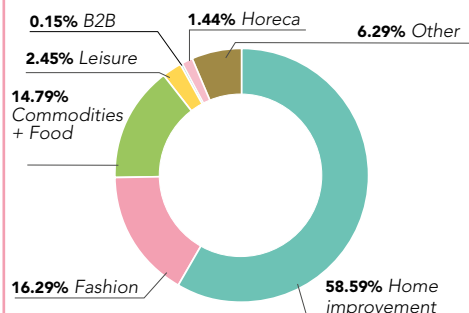
* according to store area in m²

Type of building*



* according to store area in m²

Commercial activities of tenants*



* according to store area in m²

725

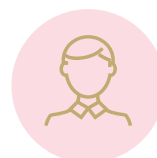
Retail properties in Belgium

283

Retail properties in The Netherlands

1 008
Retail properties

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



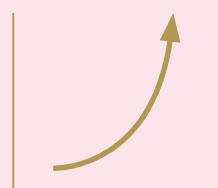
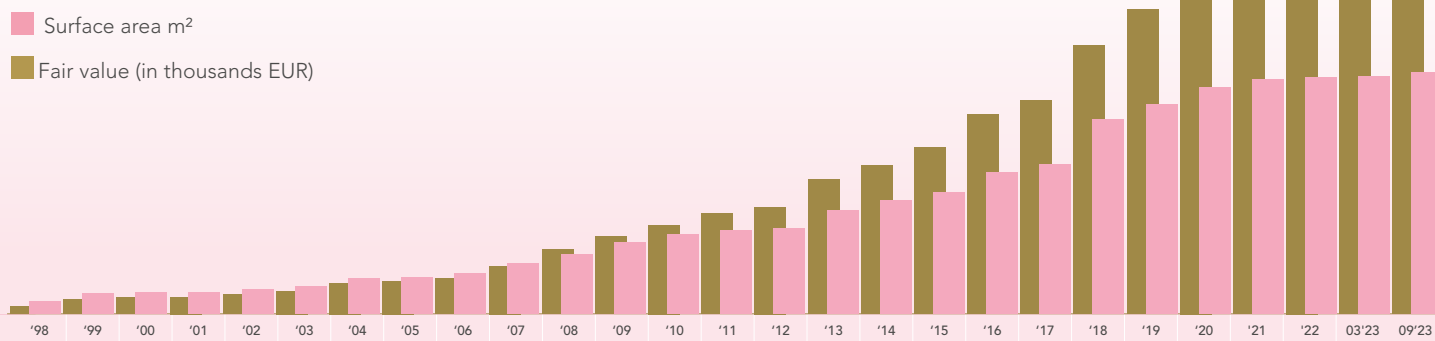
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"We strive to create the right worklife balance for our compact and dynamic team with attention to everyone's personal needs."

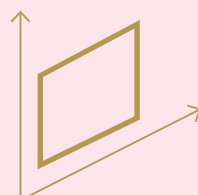
Growth portfolio Retail Estates nv between 1998 and 2023



Fair value

1 930 244 €

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



Retail area

1 208 564m²

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

Key figures

REAL ESTATE PORTFOLIO	30.09.2023	31.03.2023
Number of properties	1 008	1 013
Total lettable area in m ²	1 208 564	1 211 004
Estimated fair value (in EUR)	1 930 244 000	1 888 562 000
Estimated investment value (in EUR)	2 025 624 000	1 983 204 000
Average rent prices per m ²	117.04	114.89
Occupancy rate	98.12%	98.08%

BALANCE SHEET INFORMATION	30.09.2023	31.03.2023
Shareholders' equity	1 138 803 000	1 104 064 000
Shareholders' equity attributable to the shareholders of the parent company	1 131 641 000	1 097 249 112
Debt ratio (RREC legislation, max. 65%) ¹	44.54%	44.77%

RESULTS	30.09.2023	30.09.22
Net rental income	67 712 000	60 622 000
Property result	66 467 000	59 646 000
Property costs	-7 977 000	-5 622 000
Operating corporate costs and other current operating income and expenses	-3 946 000	-3 792 000
Operating result before result on portfolio	54 543 000	50 232 000
Result on portfolio	39 416 000	22 697 000
Operating result	93 960 000	72 929 000
Financial result	-7 199 000	34 911 000
Net result	86 985 000	106 013 000
EPRA earnings	44 515 000	39 060 000

INFORMATION PER SHARE	30.09.2023	31.03.2023
Number of shares	14 375 587	14 085 827
Number of dividend bearing shares	14 375 587	14 085 827
Net asset value (NAV) per share IFRS	78.72	77.90
EPRA NTA	74.35	73.78
Net asset value per share (investment value) excl. dividend excl. the fair value of authorised hedging instruments	78.85	75.69
Share price on closing date	56.70	65.10
Over-/undervaluation compared to net asset value IFRS	-28.43%	-16.43%

	30.09.2023	30.09.22
EPRA earnings per share	3.13	2.84

¹ The Royal Decree of July 13th 2014 (the "RREC R.D."), last modified by the Royal Decree of April 23th 2018 in execution of the Law of May 12th, 2014 on regulated real estate companies (Belgian REITs) (the "RREC Law"), last modified by the Royal Decree of April 18th 2022.

02 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 1,008 properties located in Belgium and the Netherlands, accounting for a total retail area of 1,208,564 m² and a fair value of € 1,930.24 million.

Retail Estates nv is a listed company (Euronext Brussels and Amsterdam). The company's stock market capitalisation amounted to € 815.1 million on 30 September 2023.

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 2022-2023 annual report.



1. ACTIVITY REPORT FOR THE FIRST HALF-YEAR 2023-2024 ENDING ON 30 SEPTEMBER 2023

Rental income and occupancy rate

The net rental income amounted to € 67.71 million in the first six months of the financial year, an increase by 11.7% with respect to the comparable six months in the 2022-2023 financial year. The net rental income in that period amounted to € 60.62 million. The occupancy rate on 30 September 2023 was 98.12%, compared to 98.08% on 31 March 2023.

Fair value¹ of the real estate portfolio

The fair value of the real estate portfolio (including investment properties under construction) on 30 September 2023 amounted to € 1,930.24 million, which represents an increase by € 41.68 million (2.21%) compared to the fair value on 31 March 2023 (€ 1,888.56 million). This is attributable to the investments and divestments 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 can mainly be explained by an increase in the value amounting to € 40.16 million. Based on the contractually owed rent, rent return (versus investment value) on the portfolio as determined by the real estate experts amounts to 6.94%.

As of 30 September 2023, the real estate portfolio consists of 1,008 properties with a lettable surface of 1,208,564 m².

Investments² – retail parks

Retail Estates has acquired the retail park Alexandrium II Megastores in Rotterdam for an amount of € 81.5 million (including transfer tax, due diligence and transaction costs). The investment was financed partly with the proceeds of the successful issue of new shares in the context of the optional dividend for the amount of € 16.89 million, and with bank financing for the remainder. All retail units are currently leased out with a total rent of € 5,763,262.

The retail park Alexandrium II Megastores represents 26,500 m² of large-scale retail area subdivided into 18 units

with a large number of first-rate tenants like Mediamarkt, Decathlon, Pets Place, Sportsworld and Coolblue. It is one of the few out-of-town retail parks where the town planning regulations allow for large retail units that can also be used for non-bulky goods, such as clothing, shoes and sporting goods. The roof is fully covered with solar panels operated by a third party.

Alexandrium II Megastores is part of the largest out-of-town retail area in the Randstad region. The structural connection between Woonmall Alexandrium, the regional Shopping Center Alexandrium (Alexandrium I – owned by Klépierre) and the retail park Alexandrium II Megastores creates a very complementary mix and a retail offer that is exceptional for the Netherlands, with a total of 200 retail units over a surface area of 110,000 m². All shops are open 7 days a week and attract 15 million visitors each year.

We refer to the press release of 5 October 2023 for more information.

Investment properties under construction

On 30 September 2023 the total amount of the investment properties under construction is € 17.21 million. Retail Estates distinguishes 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 2023, the speculative land positions represented € 0.93 million, the prospective projects represented € 8.76 million, the projects under predevelopment represented € 2.11 million, the projects under development represented € 3.45 million and the projects specifically linked to sustainability represented € 1.95 million.

¹ Fair value: investment value as determined by an independent real estate expert, with hypothetical transfer tax deducted in accordance with IFRS13. The fair value is the book value under the IFRS (see also note 21 of the 2022-2023 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.

*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 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 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 € 0.05 million. The investment in this extension is estimated at € 4.75 million.

- In **Verviers**, a planning permission has been applied for to redevelop five existing retail properties into two retail properties, a covered parking lot and multipurpose spaces for local socio-cultural initiatives on the upper floors. Retail Estates expects to begin work at the earliest in spring 2024. The expected investment is € 2.95 million, of which € 0.15 million has been spent.

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

- In **Eupen** an existing retail property will be demolished and replaced by a new, smaller retail property. On the vacant, sold land, a partner will build 5 SME units. The expected additional investment amounts to € 1.4 million of which € 0.14 million has been spent. The completion is expected in the summer of 2024.
- In **Denderleeuw**, Retail Estates has applied for a planning permission to replace two older retail properties by a new building, which will again house two retail properties. If there is an agreement with the tenant, works will start in May 2024. The expected additional investment amounts to € 3.14 million, of which € 0.06 million has already been spent.





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

- In **Antwerpen (Wilrijk)** an office building was demolished. To replace it, Retail Estates builds a showroom. The existing hangar is being transformed into 3 SME units for storage and wholesale. As a result of the demolition, the value of the buildings has been reduced to € 1 million. The additional investment amounts to € 3.1 million of which € 0.1 million is planned. Completion is expected by November 2023.
- In **Houthalen-Helchteren** an existing building where Retail Estates owned a retail property on the ground floor is being demolished. An apartment building with a retail unit on the ground floor will be constructed to replace it. The retail unit is reimbursement in exchange for the shares of land of the apartments and for the demolition of the old retail property. An agreement was made with a building promotor for the execution. The expected investment amounts to € 0.3 million; the completion is expected in 2024.

D. Completion of investment properties under construction

Within the context of the ESG 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 **Antwerp (Merksem)**, **Eeklo** and **Bruges** with a total capacity of 2,346 kWp, which are expected to generate more than 1.95 MWh of green power each year. This investment amounts to € 0.89 million. Retail Estates rents out these installations to its customers. Further installations are planned in **Mons**, **Arlon**, **Kampenhout** and **Namur (Jambes)** totalling € 2.17 million.

Optimisation of real estate portfolio

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

Renovations sometimes include more than just an expansion of the retail area. Retail Estates regularly seizes

the opportunity to remove an existing shop façade and replace it with a contemporary version that better fits the tenant's image.

Such investments allow us to create "win-win" relations with the tenants.

In **Heerlen** the front façade is being modernized. The expected investment amounts to € 6.3 million of which € 5.9 million has been spent. Completion is expected by the end of 2023.

Investments in associated companies

In **Kampenhout** the former chicory auction building will be demolished and replaced by a new block of buildings that will become Belgium's first furniture strip based on the Dutch model. If the outcome of the permit procedure is positive, Retail Estates expects to start the development in the spring of 2024.

Retail Estates holds a 26.19% participating interest in the company Veilinghof 't Sas nv, which unites the interests of the different owners and represents a surface area of 37,708 m². A joint venture agreement was entered into between the company's shareholders for the purpose of the redevelopment. The investment of Retail Estates in this participating interest is € 1.75 million in the company's capital and a long-term loan of € 5.00 million and was made on a speculative basis, as no environmental permit has been obtained as yet.

Divestments

In the past half year 4 retail properties were sold. The net sales revenue amounted to € 1.97 million. The fair value of these properties was € 2.5 million. The rental income of these properties at the date of sale amounted to € 0.06 million. These sales resulted in a net loss in value of € -0.63 million.

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 3.48 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 2023, an amount of € 34.75 million of this commercial paper programme has been used.

The average interest rate on 30 September 2023 equals to 2.12% compared to 2.06 % on 31 March 2023 (see annual report of 2022-2023).

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.

Capital increases in the context of the authorised capital – optional interim dividend

The Board of Directors of Retail Estates has decided on 26 May 2023 to pay an optional gross interim dividend of € 4.90 (€ 3.43 net). A total of 34,97% of the coupons no 31 were contributed in exchange for new shares. This means that on 12 July 2023, 289,760 new shares have been issued for a total amount of EUR 16,895,905.60³ (issue premium included), bringing the total number of shares on 30 September 2023 to 14,375,587 and the capital to € 315,034,803.74.



³ Reference is made to the press release of 12 July 2023 with respect to the offering via an accelerated private placement.



2. ANALYSIS OF THE RESULTS

Half-year results on 30 September 2023: EPRA earnings for the Group⁴ increase by 13.97% compared to 30 September 2022 - fair value of the real estate portfolio increases to € 1,930.24 million.

As at 30 September 2023 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 € 44.52 million, an increase by 13.97% compared to the same period last year.

The **net rental income** increased from € 60.62 million to € 67.71 million. This is mainly attributable to indexations of the rents and acquisitions of rented real estate in the previous financial year. Compared to 30 September 2022, the real estate portfolio grew by € 113 million. Compared to 31 March 2023, the portfolio grew by € 41.68 million.

After deduction of property costs, this results in an **operating property result** of € 58.49 million compared to € 54.02 million last year.

Property costs amount to € 7.98 million compared to € 5.62 million last year, an increase of € 2.36 million mainly attributable to an increase in property management costs and technical costs of respectively € 0.87 million and € 1.61 million. The increase in technical costs is explained by expenses occurred under the sustainability strategy (making buildings more energy efficient) and the expansion of the portfolio. The increase in management costs is explained mainly by an increase in labor costs due to new hires and indexation of wages. Operating corporate costs amount to € 3.95 million, an increase of € 0.15 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 € 54.54 million. The operational margin amounts to 80.55%.

The result from the **disposals of investment properties** is € -0.63 million on total sales of € 1.97 million. We refer to the paragraph "Divestments" of the management report.

The **variations in the fair value of investment properties**

amount to € 40.16 million and are mainly explained by an increase in the value of the real estate portfolio by € 41.40 million and by the depreciation of the transaction costs for the determination of the fair value of the investment properties (€ -1.24 million). The "other" result on portfolio amounts to € -0.12 million.

The **financial result** (excluding variations in the fair value of financial assets and liabilities) amounts to € -9.81 million. The net interest costs amount to € -9.88 million, an increase by € 0.48 million compared to last year. The average interest rate remained almost stable at 2.12% compared to 2.06% On 31 March 2023. The decrease of the financial result including the variations in the fair value of financial assets and liabilities of € 34.91 million to € -7.20 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 2023 the **EPRA earnings** amount to € 44.52 million compared to € 39.06 million in the comparable period in the 2022-2023 financial year. This represents an EPRA profit of € 3.13 per share for the first half of the year (based on the weighted average number of shares), compared to € 2.84 on 30 September 2022 (based on the weighted average number of shares).

The **net result** (Group share) for the first half of the year amounts to € 86.99 million, consisting of the EPRA earnings of € 44.52 million, the result on portfolio of € 39.42 million and variations in the fair value of financial assets and liabilities of € 2.61 million.

The **fair value of the real estate portfolio**, including investment properties under construction, amounts to € 1,888.56 million on 31 March 2023. The **EPRA net tangible asset value (NTA)** per share was € 74.35 on 30 September 2023. On 31 March 2023, the EPRA NTA was € 73.78.

The **debt ratio** on 30 September 2023 was 44.54% compared to 44.77% on 31 March 2023.

⁴ Retail Estates nv and its subsidiaries

3. 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.

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 3 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 € 5 gross per share (€ 3.5 net per share) is maintained. Compared to the 2022-2023 financial year, this represents a 2.04% 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.



4. SUBSEQUENT EVENTS

Acquisition of retail park Alexandrium II Megastores

On 4 October 2023, Retail Estates finalized the acquisition of retail park Alexandrium II Megastores in Rotterdam. Since the retail park was not finally purchased until after 30 September, it will only be reflected in the accounting figures after 30 September 2023. See 'Investments – retail parks' for more information.

Co-optation Ann Schryvers as independent director

Ms Ann Schryvers has been co-opted as an independent director by the board of directors effective 2 October 2023 until the 2024 annual general meeting, replacing Mr René Annaert. She will also serve on the investment committee within the board of directors of Retail Estates.

Ms Ann Schryvers has been active in the (retail) real estate sector for thirty years, including at AG Real Estate, and is also a director at Banimmo.



03 Half-yearly financial report





1. A. CONSOLIDATED INCOME STATEMENT

INCOME STATEMENT (in € 000)	30.09.23	30.09.22
Rental income	67 851	60 831
Rental related expenses	-139	-209
Net rental income	67 712	60 622
Recovery of property expenses	-	-
Recovery of rental charges and taxes normally payable by tenants on let properties	6 623	6 215
Rental charges and taxes normally payable by tenants on let properties	-7 777	-7 194
Other rental related income and expenses	-91	4
Property result	66 467	59 646
Technical costs	-3 992	-2 381
Commercial costs	-461	-534
Charges and taxes on unlet properties	-342	-388
Property management costs	-3 181	-2 315
Other property costs	-1	-4
Property costs	-7 977	-5 622
Operating property result	58 490	54 024
Operating corporate costs	-3 946	-3 792
Operating result before result on portfolio	54 543	50 232
Result on disposals of investment properties	-630	294
Result on sales of other non-financial assets	-	-
Changes in fair value of investment properties	40 164	22 569
Other result on portfolio	-118	-166
Operating result	93 960	72 929
Financial income	90	83
Net interest charges	-9 880	-9 399
Changes in fair value of financial assets and liabilities	2 611	44 256
Other financial charges	-21	-29



INCOME STATEMENT (in € 000)	30.09.23	30.09.22
Financial result	-7 199	34 911
Share in the result of associated companies and joint ventures	0	-8
Result before taxes	86 761	107 832
Taxes	225	-1 819
Net result	86 985	106 013
Attributable to:		
Shareholders of the Group	86 638	106 013
Minority interests	347	
Note:		
EPRA earnings (share Group)¹	44 515	39 060
Result on portfolio	39 416	22 697
Changes in fair value of financial assets and liabilities	2 611	44 256
EPRA earnings minority interests	443	

RESULT PER SHARE	30.09.23	30.09.22
Number of ordinary shares in circulation	14 375 587	14 085 827
Weighted average number of shares	14 212 498	13 733 624
Net profit per ordinary share (in €) ²	6.10	7.72
Diluted net profit per share (in €)	6.10	7.72

¹ The EPRA earnings is calculated as follows: net result excluding changes in fair value of investment properties, exclusive the result on disposal of investment properties and exclusive changes in fair value of financial assets and liabilities, and excluding minority interests relating to the aforementioned elements.

² The net profit per ordinary share is calculated as follows: the net result divided by the weighted average number of shares.

1. B. CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

Statement of other comprehensive income (in € 000)	30.09.23	30.09.22
Net result	86 985	106 013
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	-22	1 852
OTHER COMPREHENSIVE INCOME	86 963	107 865

2. CONDENSED CONSOLIDATED BALANCE SHEET

ASSETS (in € 000)	Notes	30.09.23	31.03.23
Non-current assets		2 010 462	1 964 347
Goodwill			
Intangible non-current assets		8 150	6 192
Investment properties ³		1 930 244	1 888 562
Other tangible non-current assets		6 370	6 339
Financial non-current assets		64 633	62 056
Financial instruments		57 892	55 315
Participations accounted for using the equity method		1 741	1 741
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		35	167
Deferred taxes		8	141
Other		27	27
Current assets		39 180	29 019
Assets or groups of assets held for sale		8 252	8 561
Trade receivables		21 891	11 442
Tax receivables and other current assets		1 033	1 803
Cash and cash equivalents		4 357	4 128
Deferred charges and accrued income		3 647	3 085
TOTAL ASSETS		2 049 641	1 993 365

³ Including assets under construction (IAS 40).



SHAREHOLDERS' EQUITY AND LIABILITIES (in € 000)	Notes	30.09.23	31.03.23
Shareholders' equity		1 138 803	1 104 064
Shareholders' equity attributable to the shareholders of the parent company		1 131 641	1 097 249
Capital		315 035	308 515
Issue premiums		384 585	374 308
Reserves		345 383	233 804
Net result of the financial year		86 638	180 621
Minority interests		7 162	6 815
Liabilities		910 839	889 301
Non-current liabilities		833 000	793 923
Provisions		-	-
Non-current financial debts	3/5	829 889	790 238
Credit institutions		649 256	609 967
Long term financial lease	3/5	5 147	4 871
Other		-	-
Bonds	3/5	175 486	175 400
Other non-current financial liabilities	5	-	-
Deferred taxes		3 112	3 684
Current liabilities		77 838	95 379
Current financial debts	3/5	37 914	51 464
Credit institutions		37 914	51 464
Short term financial lease		-	-
Other		-	-
Bonds	3/5	-	-
Trade debts and other current debts		17 777	24 409
Exit tax		928	391
Other		16 849	24 018
Other current liabilities		1 545	1 612
Accrued charges and deferred income		20 602	17 895
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		2 049 641	1 993 365

DEBT RATIO	Notes	30.09.23	31.03.23
Debt ratio ⁴	4	44.54%	44.77%

⁴ The debt ratio is calculated as follows: liabilities (excluding provisions, accrued charges and deferred income, financial instruments and deferred taxes), divided by the total assets (excluding 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
Balance according to IFRS on 31 March 2022	289 179	315 410
- Net appropriation of profits 2021-2022		
- Transfer of result on portfolio to reserves		
- Transfer of variation in fair value of hedging instruments		
- Transfer of EPRA earnings to reserves		
- Reclassification between reserves		
- Dividends of the financial year 2021-2022		
- Capital increase	19 336	
- Capital increase through contribution in kind		
- Costs of capital increase		
- Other		
- Result 30/09/2022		
Balance according to IFRS on 30 September 2022	308 515	315 410
Balance according to IFRS on 31 March 2023	308 515	315 410
- Net appropriation of profits 2021-2022		
- Transfer of result on portfolio to reserves		
- Transfer of variation in fair value of hedging instruments		
- Transfer of EPRA earnings to reserves		
- Reclassification between reserves		
- Dividends of the financial year 2022-2023		
- Capital increase	6 520	
- Capital increase through contribution in kind		
- Costs of capital increase		
- Other		
- Result 30/09/2023		
Balance according to IFRS on 30 September 2023	315 035	315 410



OLDERS' EQUITY

Available Share premium	Reserves*	Net result of the financial year	Minority interests	TOTAL Shareholders' Equity
24 389	160 166	131 837	-	920 981
	21 762	-21 762		0
	34 476	-34 476		0
	14 757	-14 757		0
	0			0
		-60 842		-60 842
35 664				55 000
				0
-846				-846
				0
	1 852	106 013		107 865
59 207	233 013	106 013		1 022 158
58 899	233 804	180 621	6 815	1 104 064
	51 321	-51 321		0
	41 645	-41 645		0
	18 635	-18 635		0
				0
		-69 020		-69 020
10 376				16 896
				0
-100				-100
				0
	-22	86 638	347	86 963
69 175	345 383	86 638	7 162	1 138 803

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* 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
Balance according to IFRS on 31 March 2022	87	157 709	13 739
- Net appropriation of profits 2021-2022			
- Transfer of result on portfolio to reserves		24 983	
- Transfer of variation in fair value of hedging instruments			
- Transfer of EPRA earnings to reserves			
- Reclassification between reserves		7 180	-7 180
- Capital increase through contribution in kind			
- Costs of capital increase			
- Other			
- Result 30/09/2022			
Balance according to IFRS on 30 September 2022	87	189 871	6 559
Balance according to IFRS on 31 March 2023	87	189 872	6 558
- Net appropriation of profits 2021-2022			
- Transfer of result on portfolio to reserves		73 595	
- Transfer of variation in fair value of hedging instruments			
- Transfer of EPRA earnings to reserves			
- Reclassification between reserves		-2 173	2 173
- Capital increase through contribution in kind			
- Costs of capital increase			
- Other			
- Result 30/09/2023			
Balance according to IFRS on 30 September 2023	87	261 294	8 731



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
-70 918	-396	-23 205	83 151	160 169
-3 221				21 762
		34 476		34 476
			14 757	14 757
1 557			-1 557	0
				0
				0
				0
	1 748	104		1 852
-72 582	1 352	11 375	96 351	233 013
-72 582	1 450	12 069	96 351	233 804
-22 274				51 321
		41 645		41 645
			18 635	18 635
510			-510	0
				0
				0
				0
	-22			-22
-94 346	1 428	53 714	114 476	345 383

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	30.09.23	30.09.22
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE SEMESTER		4 128	1 483
1. Cash-flow from operating activities		30 948	44 568
Operating result		93 960	72 929
Interest paid		-7 826	-7 160
Interest received		12	0
Corporate taxes paid		-855	-3 175
Corporate taxes received		595	1
Changes in fair value of financial assets and liabilities		2 611	44 256
Other		-1 512	-838
Non-cash elements to be added to / deducted from the result:		-41 875	-66 235
* Depreciations and write-downs			
- Depreciation / Write-downs (or write-backs) on tangible and intangible assets		539	443
- Depreciation / Write-downs (or write-backs) on trade receivables		-70	122
* Other non-cash elements			
- Changes in the fair value of investment properties	2	-40 164	-22 569
- Result on disposal of investment properties		630	-294
- Other result on portfolio		-296	166
- Changes in fair value of financial assets and liabilities	5	-2 599	-44 197
- Costs for issuing a bond loan		86	86
- Share in the result of associated companies and joint ventures		0	8
* Other		0	0
Change in working capital requirements:		-14 162	4 790
* Movement of assets			
- Trade receivables and other receivables		-10 379	-10 328
- Tax receivables and other current assets		770	-686
- Deferred charges and accrued income		-562	-152
- Long-term assets			0
* Movement of liabilities			
- Trade debts and other current debts		-6 631	3 417
- Other current liabilities		-67	-237
- Accrued charges and deferred income		2 707	12 777



CASH-FLOW STATEMENT (in € 000)	Notes	30.09.23	30.09.22
2. Cash-flow from investment activities		-4 233	-37 013
Purchase of intangible assets	2	-2 214	-1 340
Purchase of investment properties	2	-3 746	-38 835
Disposal of investment properties and assets held for sale	2	1 908	3 872
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		-314	-52
Disposal of other tangible assets		2	6
Disposal of non-current financial assets		0	0
Income from trade receivables and other non-current assets		132	-665
3. Cash-flow from financing activities		-26 486	-6 914
* Change in financial liabilities and financial debts			
- Increase in financial debts	3	25 739	89 200
- Decrease in financial debts	3	0	-89 372
* Change in other liabilities			
- Increase (+) / Decrease (-) in other liabilities		0	-54
* Change in shareholders' equity			
- Capital increase and issue premiums		0	55 000
- Costs of capital increase		-100	-846
- Change in reserves			
Other			
* Dividend			
- Dividend for the previous financial year		-52 124	-60 842
CASH AND CASH EQUIVALENTS AT THE END OF THE SEMESTER		4 357	2 124

5. NOTES TO THE CONDENSED CONSOLIDATED HALF-YEAR FIGURES

Key performance indicators

EPRA earnings per share (in €)	30.09.23	30.09.22
EPRA earnings (attributable to the shareholders of the parent company)	44 514 788	39 059 846
Number of ordinary shares in circulation	14 375 587	14 085 827
Weighted average number of shares	14 212 498	13 733 624
EPRA earnings per share (in €) ⁵	3.13	2.84
EPRA earnings per share (in €) - diluted	3.13	2.84

⁵ The EPRA earnings per share is calculated from the weighted average number of shares, counted from the time of issue (which does not necessarily coincide with first dividend entitlement date). Calculated on the number of dividend-entitled shares, the EPRA earnings per share amounts to EUR 3,13 at 30.09.2023 versus EUR 2,84 at 30.09.2022.

NET ASSET VALUE PER SHARE (in €) - SHARE GROUP	30.09.23	31.03.23
Net asset value (attributable to the shareholders of the parent company) per share IFRS ⁶	78.72	77.90
EPRA NTA per share ⁷	74.35	73.78
Net asset value per share (investment value) excl. dividend excl. the fair value of authorised hedging instruments ⁸	78.85	75.69

⁶ The net asset value per share IFRS (fair value) is calculated as follows: shareholders' equity (attributable to the shareholders of the parent company) divided by the number of shares.

⁷ EPRA NTA is calculated as follows: shareholders' equity (excluding the fair value of authorised hedging instruments, deferred taxes and intangible fixed assets) divided by the number of shares.

⁸ For the definition and purpose of this alternative performance measure, we refer to the Lexicon in the chapter 'Miscellaneous'

Presentation principles

The interim financial report of the first half year ending on 30 September 2023 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 2023.

Application of IFRS 3 Business Combinations

Corporate transactions of the past fiscal years were not processed as business combinations as defined by IFRS 3 based on the finding that this standard was not applicable given the nature and the scale of the acquired companies. The respective companies own a limited number of properties and are not intended to be held as independent businesses. The companies are fully consolidated. We also refer to note 6 in this regard.

Endorsement status of the new standards as at 30 June 2023 (EFRAG status report 2 June 2023)

New or amended standards that are mandatory in 2023

The following **new standard and amendments** to standards **are mandatory** for the first time for the financial year beginning 1 January 2023 and **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 the 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).
- **Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction (effective 1 January 2023 but immediate application permitted)**. 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 (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.

New or amended standards that are not mandatory yet but have been endorsed by the EU

The following **new standards and amendments** have been issued, are **not mandatory** for the first time for the financial year beginning 1 January 2023 but **have been endorsed by the European Union**:

- None

New or amended standards that are not mandatory yet and have not been endorsed by the EU

The following **amendments** have been issued, but are **not mandatory** for the first time for the financial year beginning 1 January 2023 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 01/01/2024)**, 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.
- Clarify how conditions with which an entity must comply within 12 months after the reporting period, such as covenants, affect the corresponding liability’s classification.

- **Amendments to IFRS 16 ‘Leases’: Lease Liability in a Sale and Leaseback (effective 1 January 2024)**.

The amendments explain how an entity accounts for a sale and leaseback after the date of the transaction, specifically where some or all the lease payments are variable lease payments that do not depend on an index or rate. They state that, in subsequently measuring the lease liability, the seller-lessee determines ‘lease payments’ and ‘revised lease payments’ in a way that does not result in the seller-lessee recognising any amount of the gain or loss that relates to the right of use it retains. Any gains and losses relating to the full or partial termination of a lease continue to be recognised when they occur as these relate to the right of use

terminated and not the right of use retained.

- **Amendments to IAS 7 ‘Statement of Cash Flows’ and IFRS 7 ‘Financial Instruments: Disclosures’: Supplier Finance Arrangements (effective 1 January 2024)**.

The amendment describes the characteristics for which reporters will have to provide additional disclosures regarding the impact of supplier finance arrangements on liabilities, cash flows and exposure to liquidity risk.

Standards that are mandatory since financial year 2016 but are not endorsed by the EU yet

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.

Retail Estates distinguishes 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)	30.09.23				30.09.22			
	Belgium	The Netherlands	Unallocated amounts	TOTAL	Belgium	The Netherlands	Unallocated amounts	TOTAL
Rental income	44 591	23 260		67 851	41 487	19 343		60 831
Rental related expenses	-115	-23		-139	-144	-65		-209
Net rental income	44 475	23 237		67 712	41 343	19 278		60 622
Recovery of property expenses								
Recovery of rental charges and taxes normally payable by tenants on let properties	4 554	2 069		6 623	4 601	1 614		6 215
Rental charges and taxes normally payable by tenants on let properties	-4 849	-2 928		-7 777	-4 813	-2 381		-7 194
Other rental related income and expenses	-29	-62		-91	4	0		4
Property result	44 151	22 316		66 467	41 134	18 512		59 645
Technical costs	-2 627	-1 364		-3 992	-1 810	-571		-2 381
Commercial costs	-410	-50		-461	-510	-24		-534
Charges and taxes on unlet properties	-257	-85		-342	-378	-10		-388
Property management costs	-2 408	-774		-3 181	-1 690	-625		-2 315
Other property costs	-1	-1		-1	-4	0		-4
Property costs	-5 703	-2 274		-7 977	-4 391	-1 231		-5 622
Operating property result	38 448	20 041		58 490	36 743	17 281		54 024
Operating corporate costs			-3 946	-3 946			-3 792	-3 792
Other current operating income and expenses			0	0			0	0
Operating result before result on portfolio				54 543				50 232



Segmented information – results by segment (in € 000) (continued)	30.09.23			30.09.22				
	Belgium	The Netherlands	Unallocated amounts	TOTAL	Belgium	The Netherlands	Unallocated amounts	TOTAL
Result on disposals of investment properties	-630	0		-630	296	-2		294
Result on sales of other non-financial assets				0				0
Changes in fair value of investment properties	38 889	1 275		40 164	3 152	19 417		22 569
Other result on portfolio	248	-366		-118	-322	156		-166
Operating result				93 960				72 929
Financial income			90	90			83	83
Net interest charges			-9 880	-9 880			-9 399	-9 399
Changes in fair value of financial assets and liabilities			2 611	2 611			44 256	44 256
Other financial charges			-21	-21			-29	-29
Financial result			-7 199	-7 199			34 911	34 911
Share in the result of associated companies and joint ventures			0	0,25682			-8	-8
Result before taxes				86 761				107 832
Taxes	-162	387		225	-72	-1 747		-1 819
Net result				86 985				106 013
Attributable to:								
Shareholders of the Group				86 638				
Minority interests				347				

Segmented balance

Segmented information – assets by segment (in € 000)	30.09.23			31.03.23		
	Belgium	The Netherlands	TOTAL	Belgium	The Netherlands	TOTAL
Investment properties ⁹	1 348 681	581 563	1 930 244	1 309 510	579 051	1 888 562
Assets or groups of assets held for sale	8 252		8 252	8 561	0	8 561

⁹ 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)	30.09.23	30.09.22
Within one year	144 779	126 374
Between one and five year(s)	448 590	392 707
Within more than five years	393 475	392 105

The increase in rental income is mainly the result of the indexation of rents and 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. This rental income already includes that of the Alexandrium II Megastores retail park, the acquisition of which was finalized after the balance sheet date on 4 October 2023. 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 last six months, Retail Estates granted rent-free periods for an amount of € 443,321.44. 68 contracts have a step-up rent. 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 contracts can be terminated each five years and can be renewed for an additional two periods of five-year. Further renewals should be arranged contractually.

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 ¹⁰		Assets held for sale		Total	
	30.09.23	31.03.23	30.09.23	31.03.23	30.09.23	31.03.23
Balance at the end of the previous financial year	1 888 562	1 759 880	8 561	11 807	1 897 122	1 771 687
Acquisition through purchase real estate companies	0	0	0	0	0	0
"Acquisition through contribution real estate companies"	0	0	0	0	0	0
Capitalised interest cost	44	46	0	0	44	46
Acquisition of investment properties	0	60 061	0	719	0	60 780
Investments that result from subsequent expenses included in the carrying amount of the asset	1 243	14 866	0	0	1 243	14 866
Contribution of investment properties		0	0	0	0	0
Disposal through sale of real estate companies		0	0	0	0	0
Disposal of investment properties	-2 229	-5 826	-309	-3 836	-2 538	-9 662
Transfers to assets held for sale	0	0	0	0	0	0
IFRS 16	286	729	0	0	286	729
Other transfers	0	485	0	0	0	485
Acquisition of investment properties under construction	2 173	2 278	0	0	2 173	2 278
Completion of investment properties under construction to portfolio	140	2 601	0	0	140	2 601
Transfer of investment properties under construction to portfolio	-140	-2 601	0	0	-140	-2 601
Transfer of investment properties under construction to equity method investment	0	0	0	0	0	0
Change in fair value (+/-)	40 165	56 044	0	-130	40 165	55 915
At the end of the semester/financial year	1 930 244	1 888 562	8 252	8 561	1 938 495	1 897 122
OTHER INFORMATIONS						
Investment value of the property	2 025 624	1 983 204	8 458	8 775	2 034 082	1 991 979

¹⁰ Including assets under construction (IAS 40).

Investments resulting from subsequent expenditure included in the carrying amount of the assets amounted to € 1.24 million for the first half-year 2023-2024. In addition, the company realised € 0.01 million from the development of property for its own account and invested € 2.17 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.

Land	Methode	Input	30.09.23		31.03.23		
			Range	Weighted average	Range	Weighted average	
Belgium	Gross Initial Yield-capitalization	Capitalisation rate (%)	5.25%-10%	6.46%	5.25%-10%	6.34%	
		Annual market rent (EUR/m ²)	25-250	110.12	25-250	105.85	
		Remaining lease duration (expiry date) (in months)	0m-564m	93m	0m-564m	93m	
		Remaining lease duration (first break option) (in months)	0m-204m	19m	0m-216m	19m	
		Vacancy (in months)	0m-18m	/	0m-12m	/	
	DCF	Discount rate (%)	5.7%-16.01%	6.22%	5.6%-16.01%	6.22%	
			Annual rent (EUR/m ²)	50-250	112.47	50-200	107.13
			Remaining lease duration (expiry date) (in months)	0m-480m	90m	0m-480m	95m
			Remaining lease duration (first break option) (in months)	0m-480m	33m	0m-480m	40m
			Vacancy (in months)	0m-18m	/	0m-12m	/
The Netherlands	Gross Initial Yield-capitalization	Capitalisation rate (%)	5.48%-10.26%	6.77%	5.48%-10.70%	6.62%	
		Annual market rent (EUR/m ²)	35-235	100.38	50-255	102.92	
		Remaining lease duration (expiry date) (in months)	0m-168m	49m	0m-168m	46m	
		Remaining lease duration (first break option) (in months)	0m-168m	46m	0m-168m	26m	
		Vacancy (in months)	0m-12m	/	0m-12m	/	

SENSITIVITY OF VALUATIONS

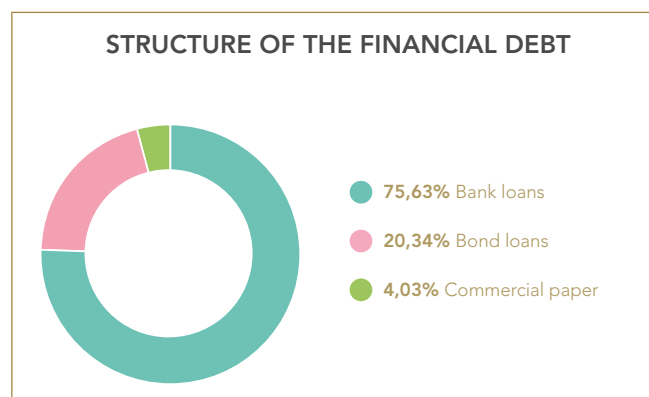
The sensitivity of the fair value in relation to changes in the significant unobservable inputs used to determine the fair value of the properties classified in level 3 (in accordance with the IFRS fair value hierarchy) is the following (ceteris paribus): the effect of the increase (decrease) of the rental income by 1% leads to an increase (decrease) in the portfolio's fair value by € 19.30 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 € 243.10 million. A decrease in the yield by 100 bps leads to an increase in the portfolio's fair value by € 324,96 million.

Non-current and current financial liabilities

Note 3

Breakdown by due date of credit lines (in € 000)	30.09.23	31.03.23
Non-current		
Bilateral loans - variable or fixed rate	649 256	609 967
Bond loan	175 486	175 400
Subtotal	824 742	785 368
Breakdown by due date of credit lines (in € 000)		
Current	3 164	1 464
Bilateral loans - variable or fixed rate	0	0
Bond loan	34 750	50 000
Subtotal	37 914	51 464
Total	862 656	836 831

Structure of the financial debt:



On 30 September 2023, total consolidated financial debt amounted to € 867.80 million. This amount is composed as follows:

Non-current liabilities:

- € 649.26 million in traditional bilateral long-term bank loans, spread over several banks
- € 5.15 million in financial leases
- € 175.49 million in bond loans

(in € 000)	30.09.2023	31.03.2023
Bilateral loans	649 256	609 967
Financial leases	5 147	4 871
Bond loans	175 486	175 400

This is an increase by € 39.65 million compared to the financial year closed on 31 March 2023. This can mainly be explained by additional long-term loans for an amount of approximately € 39,29 to finance the payment of the Commercial Paper programme and for the payment of the dividend.

Current liabilities:

- € 3.16 million in traditional bilateral short-term bank loans, spread over several banks
- € 34.75 million in Commercial Papers

(in € 000)	30.09.2023	31.03.2023
Bilateral loans	3 160	1 460
Commercial Paper	34 750	50 000

This is a decrease by € 13.55 million compared to the financial year closed on 31 March 2023. This can mainly be explained by the repayment of the Commercial Paper programme of € 15.25 million.

The estimate of the future interest burden takes into account the debt position as of 30 September 2023 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%).

Half-yearly financial report

Half-yearly financial report

2023-2024

- € 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 € 22.56 million on shareholders' equity and changes in the fair value of financial assets and liabilities. € 21.93 million of this amount would be recorded via the income statement and € 0.63 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 € 22.88 million on shareholders' equity and changes in the fair value of financial assets and liabilities. € 22.23 million of this amount would be recorded via the income statement and € 0.65 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 3.48 years on 30 September 2023 compared to 3.75 years for the previous year. On 30 September 2023 the total of unused and confirmed long-term credit lines amounted to € 213.01 million. This is exclusive of the backup lines for the Commercial Paper programme amounting to € 34.75 million. The available credit lines thus amount to € 178.26 million.

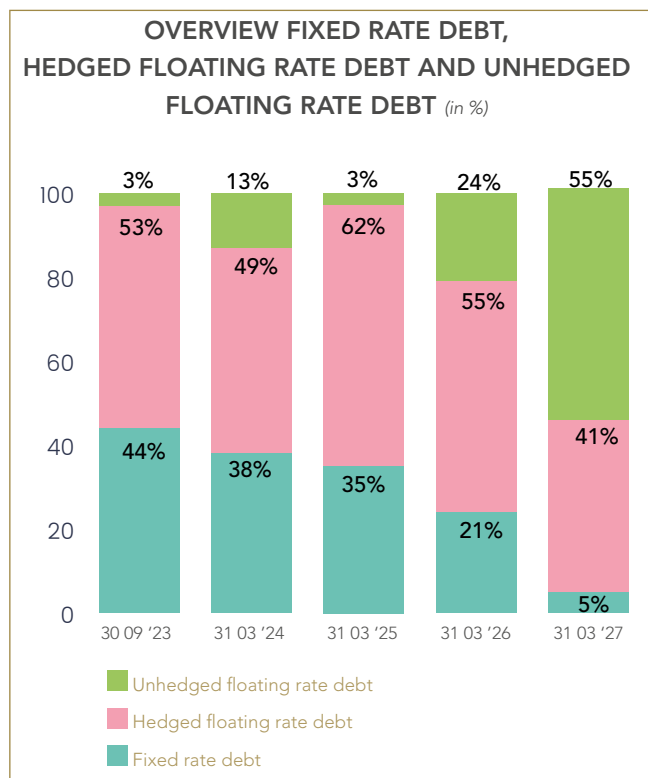
Breakdown by maturity of non-current financial debts - future interest burden not included

(in € 000)	30.09.23	31.03.23
Between one and two year(s)	101 408	136 682
Between two and five years	558 421	550 530
More than five years	164 913	98 156

Breakdown by maturity of future interest charges (in € 000)	30.09.23			30.09.22		
	Associated with financial instruments	Associated with hedging instruments	Total	Associated with financial instruments	Associated with hedging instruments	Total
Within one year	33 815	-15 210	18 605	23 984	-5 937	18 047
Between one and five year(s)	83 332	-38 590	44 742	81 987	-44 303	37 684
Within more than five years	8 042	-4 606	3 436	9 150	-11 791	-2 641
Total	125 189	-58 406	66 783	115 121	-62 031	53 090

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

(in € 000)	31.03.23	+ Cash flows	+ Non cash variations	30.09.23
Financial debts	841 702			867 803
Bank loans	661 431	25 739		687 170
Financial leasing	4 871		276	5 147
Bond loans	175 400		86	175 486



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 97.22% on 30 September 2023, with a weighted average term of the hedges of 5 years.

The weighted average cost of the debts of Retail Estates was 2.12% for the first half year of 2023, including credit margins and the costs of hedging instruments. During the 2022-2023 financial year, the average cost of the debts was 2.06% (see 2022-2023 annual report). The Interest Cover Ratio (= net rental income/net interest charges) equals to 6.85 for the first half year of 2023-2024, compared to 6.57 for the entire 2022-2023 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 44.54% compared to 44.77% on 31 March 2023. The slight decrease is mainly the result of the capital increase of approximately € 17 million on 12 July 2023. In principle, Retail Estates nv concludes an agreement with its banks for a debt ratio covenant of 60%.

Calculation debt ratio (in € 000)	30.09.23	31.03.23
Liabilities	910 839	889 301
To be excluded:	23 714	21 579
I. Non-current liabilities	3 112	3 684
Provisions		
Authorised hedging instruments		
Deferred taxes	3 112	3 684
II. Current liabilities	20 602	17 895
Provisions		
Authorised hedging instruments		
Accrued charges and deferred income	20 602	17 895
Total debt	887 125	867 722
Total assets	2 049 641	1 993 365
Authorised hedging instruments - assets	57 892	55 315
Deferred taxes	8	
Total Assets taken into account for the calculation of the debt ratio	1 991 741	1 938 050
DEBT RATIO	44.54%	44.77%

Financial instruments

Note 5

Summary of financial instruments as at closing date (in € 000)			30.09.23		31.03.23	
			Book value	Fair value	Book value	Fair value
Categories	Level					
I. Non-current assets						
Finance lease receivables	C	2	1 030	1 030	1 030	1 030
Loans and receivables	A	2	35	35	167	167
Financial non-current assets					62 056	62 056
II. Current assets						
Trade receivables and other receivables	A	2	22 924	22 924	13 245	13 245
Cash and cash equivalents	B	2	4 357	4 357	4 128	4 128
Total financial instruments on the assets side of the balance sheet			28 346	28 346	80 626	80 626
I. Non-current liabilities						
Interest-bearing liabilities	A	2				
Credit institutions			649 256	637 791	609 967	597 859
Long term financial lease					4 871	4 871
Bond loan			175 486	167 315	175 400	167 836
Other non-current liabilities	A	2				
Other financial liabilities	C	2	0	0	0	0
II. Current liabilities						
Interest-bearing liabilities			37 914	37 914	51 464	51 464
Current trade debts and other debts	A/C	2/3	19 322	19 322	26 020	26 020
Total financial instruments on the liabilities side of the balance sheet			881 978	862 342	867 723	848 049

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 2023, Retail Estates nv had € 484.16 million of financial debts at a variable interest rate and € 379 million of financial debts at a fixed interest rate. 97.22% 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)	30.09.23		31.03.23	
	Book value	Fair value	Book value	Fair value
Financial debts at fixed interest rate	379 007	359 371	379 616	359 943

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 € 2.61 million was recorded in the income statement with respect to the financial instruments. 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)	30.09.23	31.03.23
Fair value of financial derivatives - Liabilities	0	0
Fair value of financial derivatives - Assets	57 892	55 315
Total fair value of financial assets and liabilities	57 892	55 315

6.6. List of consolidated companies, participations accounted for using the equity method and changes in the consolidation scope

Note 6

Subsidiary	External financial debts ¹¹ (in € 000)	Investment properties ¹¹ (in € 000)	Rental income ¹² (in € 000)	Participation percentage
Retail Warehousing Invest NV		125 667	1 657	100.00%
Finsbury Properties NV			27	100.00%
Inducom NV		3 685		100.00%
Regreen NV		2 489	54	100.00%
Veilinghof 't Sas NV		6 579	57	26.19%
Retail Estates Nederland NV		65 367	2 707	100.00%
Cruquius Invest NV		76 739	2 907	100.00%
Spijkenisse Invest NV	10 250	45 126	1 823	100.00%
Heerlen I invest NV		62 680	2 358	100.00%
Heerlen II Invest NV		57 211	2 214	100.00%
Retail Estates Middelburg Invest NV		32 922	1 404	100.00%
Breda I Invest NV		40 351	1 579	100.00%
Breda II Invest NV		24 633	975	100.00%
Naaldwijk Invest NV		20 711	958	100.00%
Zaandam Invest NV		24 472	987	100.00%
Osbroek Invest NV		70 050	2 696	100.00%
Venlo Invest NV		32 304	1 234	100.00%
Alex Invest NV		28 995	1 418	50.00%

¹¹ Value at closing date of the consolidated figures (30.09.2023).

¹² For the period the companies are part of the Group in the current financial year.



Consolidation principles

Subsidiaries

Subsidiaries are legal entities controlled by the company. The companies controlled by the Group are consolidated through the application of the full consolidation method.

Full consolidation consists in incorporating all the assets and liabilities of the consolidated companies as well as the costs and revenues, carrying out the necessary eliminations. Non-controlling interests are the interests in subsidiaries that are not held by the Group, neither directly nor indirectly. On 30 September 2023, only non-controlling interests were recognised for the company Alex Invest NV. The real estate owned by Alex Invest is recorded at 100% in the cluster report relating to the portfolio (as well as in the consolidated balance sheet).

'Control' is defined as Retail Estates nv's ability to directly or indirectly determine the financial and operational policy of the subsidiary, to benefit from the variable cash flows and the results of this subsidiary and to influence its variable cash flows by controlling the subsidiary.

Joint ventures and associated companies

Joint ventures are companies over which the Group exercised joint control, as determined by contract. This joint control applies when the strategic, financial and operational decisions relating to the activities require the unanimous consent of all parties sharing control (the participants in the joint venture).

Associated companies are companies in which the Group is found to have a significant influence.

As defined in IAS 28, the result and the balance sheet impact of the associated company Veilinghof 't Sas (in which Retail Estates has a 26.19% participating interest) are processed in accordance with the equity method. Participating interests in companies to which the equity method is applied are recorded in the consolidated balance sheet under a separate item of the financial fixed assets ("Participations accounted for using the equity method").

If the equity method is applied to a participating interest, this interest is recorded in the consolidated balance sheet for the amount corresponding to the part of the shareholders' equity of the company concerned, including

the result of the financial year, that reflects this participating interest.

The result of the associated companies and joint ventures is recognised in the result under "share in the result of associated companies and joint ventures".

Partnership agreement

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 2023

Introduction

We have reviewed the accompanying consolidated condensed interim figures of Retail Estates NV and its subsidiaries as of 30 September 2023, 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, 17 November 2023

The Statutory Auditor

PwC Reviseurs d'Entreprises SRL / Bedrijfsrevisoren BV

Represented by

Jeroen Bockaert

Réviseur d'Entreprises / Bedrijfsrevisor



04 Report on the share

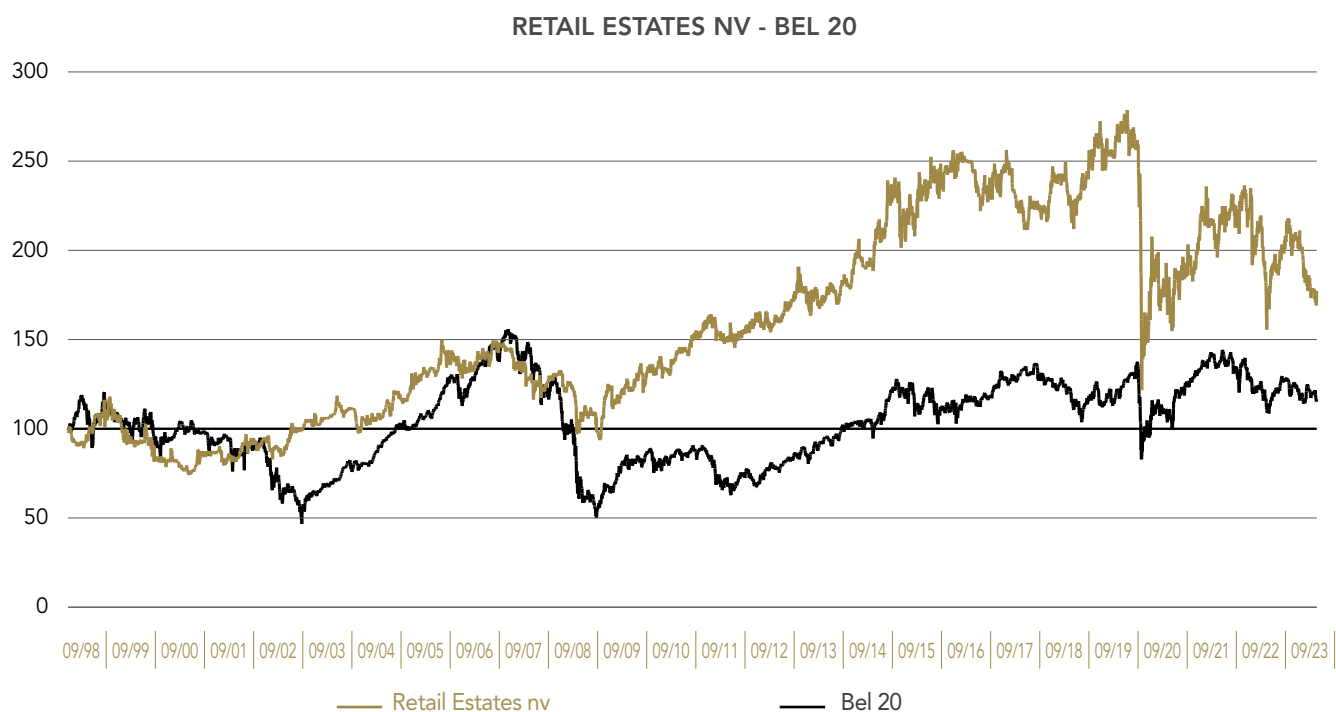




1. OVERVIEW OF STOCK MARKET PERFORMANCE

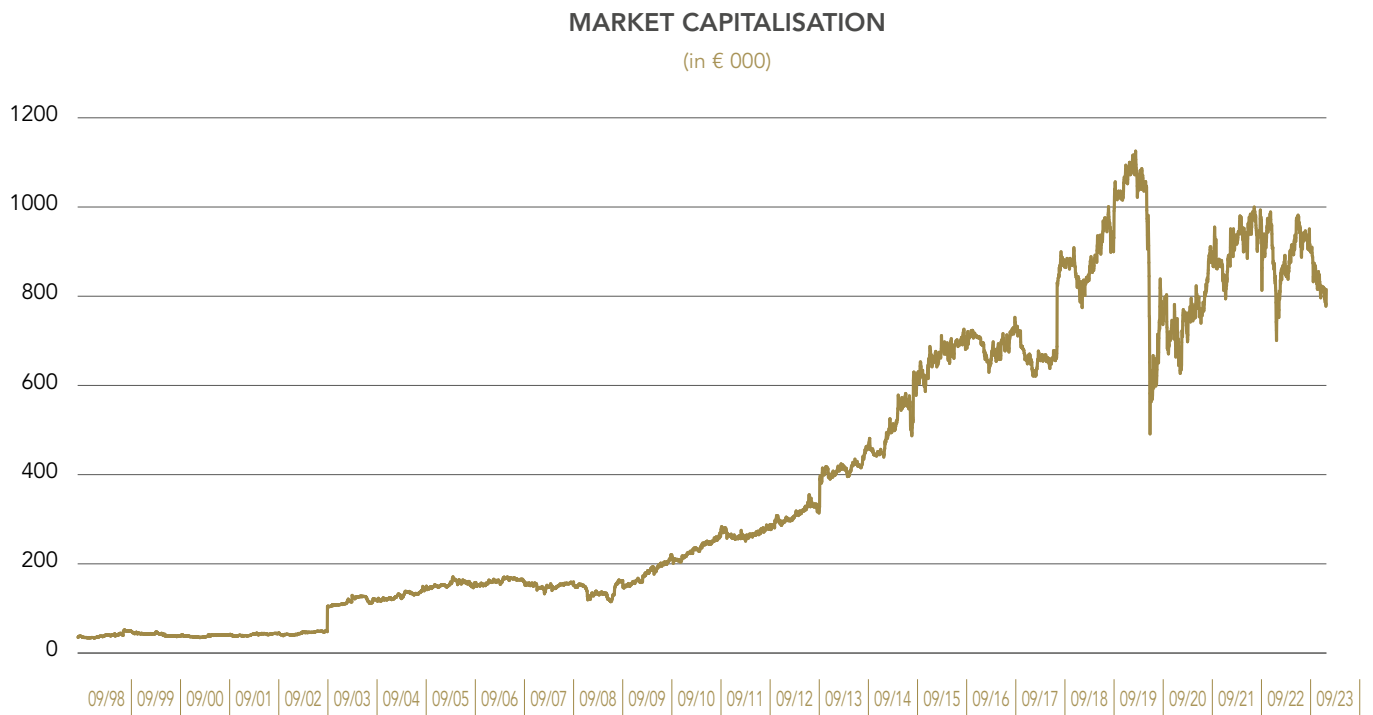
During the first six months of the 2023-2024 financial year, the stock price fluctuated between € 54.10 and € 67.50. The above chart shows the stock market performance of the Retail Estates share relative to the BEL 20 since the

share's introduction on the stock exchange. The Retail Estates share evolved by 79.83% and the BEL 20 evolved by 19.35% over this period. The average closing price for the past half year is € 61.01.



2. MARKET CAPITALISATION

Retail Estates nv is listed on the Euronext continuous market.
The market capitalisation amounted to € 815.1 million on 30 September 2023.

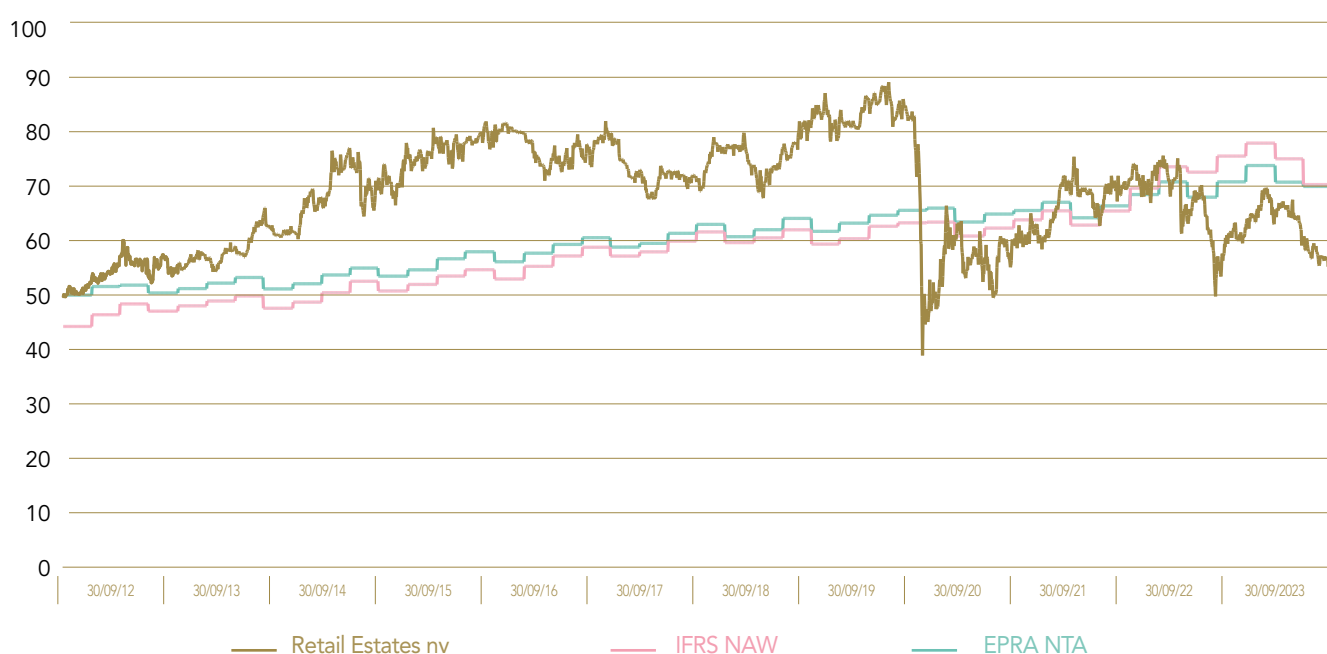


3. DIVIDEND AND YIELD

The share's net asset value (EPRA NTA) in a real estate valuation at fair value is € 74.35.

The evolution of the net asset value can mainly be explained by the results of the past financial year, the capital increase due to the optional dividend, and the payment of the dividend for the 2022-2023 financial year on the other hand.

RETAIL ESTATES NV - EPRA NTA - IFRS NAW



NET ASSET VALUE PER SHARE (in €)	30.09.23	31.03.23	30.09.22
Net asset value (attributable to the shareholders of the parent company) per share IFRS ¹³	78.72	77.9	72.57
EPRA NTA	74.35	73.78	67.97
Net asset value per share (investment value) excl. dividend excl. the fair value of authorised hedging instruments ¹⁴	78.85	75.69	71.69
Gross dividend	5	4.90	
Withholding tax (30%)	1.50	1.47	
Net dividend	3.5	3.43	
Share price on closing date	56.70	65.10	57.00

¹³ 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.

¹⁴ For the definition and purpose of this alternative performance measure, we refer to the Lexicon in the chapter 'Miscellaneous'

4. FINANCIAL CALENDAR

Announcement results third quarter financial year 2023-2024	26 February 2024
Announcement annual results financial year 2023-2024	27 May 2024
General meeting	22 July 2024
Ex-coupon date dividend	24 July 2024
Dividend made available for payment	26 July 2024



05 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 25 years, the company has established a significant portfolio

which consists of 1,008 retail properties with a total built-up retail area of 1,208,564 m² as per 30 September 2023. The fair value of this portfolio is € 1,930.24 million.

1. REPORTS OF THE REAL ESTATE EXPERTS

Valuation as of 30 September 2023

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 2023 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 2023 of the 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% (since 2013 for buildings with a value higher than € 2,500,000).

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

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

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

The portfolio of Retail Estates NV (incl. Tongeren and RWI) has an **investment value** of **€ 609.06 million** (incl. corrections) and a **fair value** of **€ 594.20 million** as per 30.09.2023. The investment value increased by 1.43% versus the previous quarter. This gives Retail Estates an initial yield of 6.78%.

The portfolio of Immobilière Distri-Land NV has an **investment value** of **€ 21.69 million** (incl. corrections) and a **fair value** of **€ 21.16 million** as per 30.09.2023. The investment value decreased by 5.37% versus the previous quarter. This gives Immobilière Distri-Land NV a 7.28% yield."

Report CBRE

The CBRE report of 30 September 2023 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 **€ 730.41 million** and the **Net Market Value (Fair Value)** of the portfolio, after deduction of 2.5% transaction costs, amounts to **€ 712.59 million**. On the basis of the rental income, after deduction of the ground rent due, the investment will have a gross initial yield of 6.66%."

Report Stadim

The Stadim report of 30 September 2023 covers a semi-logistics complex. The **investment value** of these real estate properties is estimated at **€ 5.32 million** and the **fair value** at **€ 5.19 million**. These properties represent a market rent of € 0.35 million, representing a gross yield of 6.64%.

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 2023 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 **€ 501.96 million** and the **fair value** at **€ 454.28 million**. These properties account for a rental income of € 36.07 million, which represents a gross yield of 7.19%.

Report CBRE NL

The report of CBRE Valuation & Advisory Services B.V. of 30 September 2023 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 **€ 81.98 million** and the **investment value** at **€ 91.35 million**. These properties represent a gross rental income of € 7.71 million, or a Gross Initial Yield of 8.44%.

Report Colliers NL

The report of Colliers International Valuation B.V. of 30 September 2023 covers part of the commercial real estate owned by Retail Estates N.V. 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 **€ 48.59 million** and the **fair value** at **€ 43.95 million**. These properties represent a gross rental income of approximately € 3.75 million, or a Gross Initial Yield of 7.72%.



2. NOTES

Belgium

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

Over the past 20 years, an increasing number of integrated shopping parks or 'retail parks' have sprung up near urban agglomerations in Belgium. Contrary to the neighbouring countries, retail parks in Belgium tend to be rather small (15,000 to 20,000 m²). Furthermore, they 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 be-MINE Boulevard in Beringen.

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. These chain stores are increasingly international. In this sense, the development that has occurred is similar to what has happened in high streets.

On the investment side, there is an attractive ratio of supply and demand. For larger investment volumes, institutional investors are taking an increasingly important share. Presently, about ten of these are highly active in this segment, but also affluent individuals show a growing interest in this type of real estate because of the high occupancy rate and the stability of the value. This kind of investor considers individual out-of-town retail properties or small clusters as prudent investments.

The Netherlands

Active in the Netherlands since June 2017, Retail Estates has invested in 13 retail parks, 2 home decoration malls and 3 solitary properties at 16 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 6 years, Retail Estates has benefited from a consolidation wave and has acquired a leading position with approximately € 581.56 million in investments.



3. COMMERCIAL ACTIVITIES OF THE TENANTS

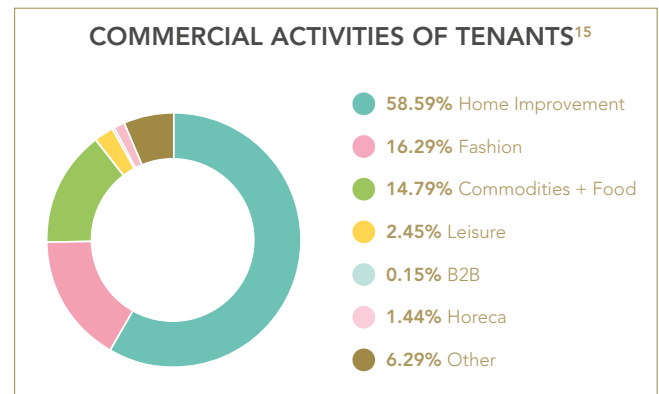
Subdivision by surface area

The share of tenants in the home improvement category (58.59%) has remained broadly stable compared to the previous financial year. Taken together with the “Commodities and food” industry (14.79%), these retail units account for 73.38% 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. Moreover, there has been a heightened interest in do it yourself since the covid epidemic.

The share of retail units in the “Fashion” industry has remained stable (16.29%).

Subdivision by rental income

A breakdown on the basis of contractual rents shows that “Home improvement” remains the largest category (59.32%) followed by the “Fashion” category (18.83%). The category “Commodities and food” have a 15.05% share based on rental income. The shares of the other categories “Horeca” (2.00%), “Leisure” (2.15%) and “Other” (2.66%) represent together 6.81% of the total rental income on 30 September 2023.



¹⁵ The pie chart “commercial activities of the tenants” include percentages on the basis of the total surface area on 30 September 2023.

4. SUBDIVISION BY TYPE OF BUILDING

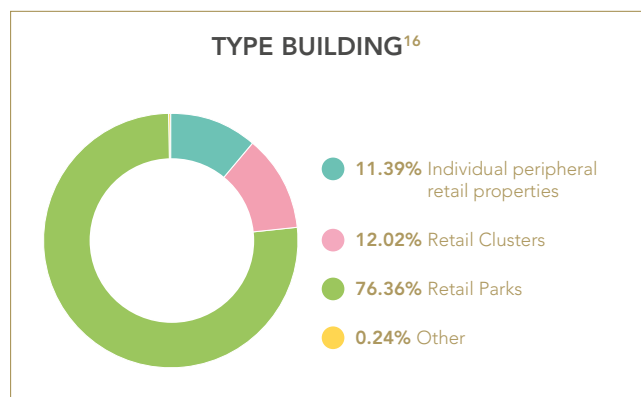
Individual out-of-town retail properties are individual retail properties adjacent to the public road. Every outlet has its own car park and entrance and exit roads, connecting it to the public road and making it easily recognisable. The retail properties situated in the immediate vicinity are not necessarily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

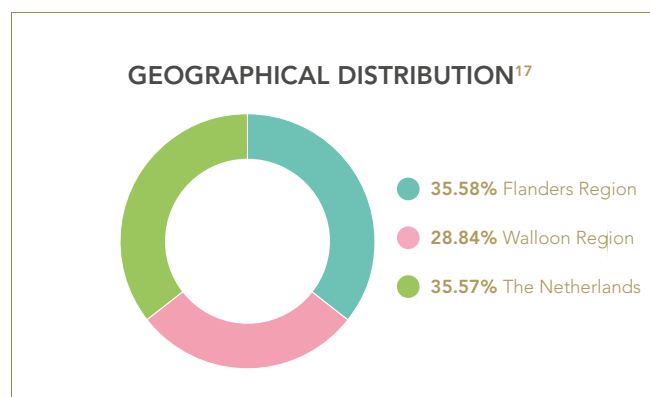
Other real estate mainly consists of offices, residential dwellings, hospitality establishments and logistics complexes at Zaventem and Wetteren. Retail Estates nv only invests in real estate properties used for the aforementioned purposes if they are already embedded in a retail property or are part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



¹⁶ The pie chart "type of building" include percentages on the basis of the total surface area on 30 September 2023.

5. GEOGRAPHICAL DISTRIBUTION



¹⁷ The pie chart "geographical distribution" include percentages on the basis of the total surface area on 30 September 2023.

Number of properties per company	30.09.23
Retail Estates	688
Retail Warehousing Invest	27
Distriland	10
Alex Invest	17
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	35
Spijkenisse Invest	27
Venlo Invest	22
Zaandam Invest	15
Total number of properties	1 008

6. SUSTAINABILITY

The past six months, an amount of € 0.89 million was invested in solar panels in the clusters at Merksem, Eeklo and Bruges. In addition, € 1.51 million was spent on sustainable maintenance and € 0.82 million on various sustainability investments, such as insulation of roofs and façades, and the installation of high-performance glazing. The goal is to invest € 10 million in ESG projects this year.

In addition, a framework agreement was signed with the Flemish start-up Sparki, a provider of ultra-fast chargers for electric cars, to install and operate

charging stations at some thirty-five locations. This co-operation follows earlier agreed framework agreements with Allego for chargers at 40 locations in Belgium and with Shell for chargers in the Netherlands.

The agreement between Retail Estates and Sparki makes sense for both parties. For Retail Estates, it fits in the ESG strategy and the legally required obligations that apply in Belgium and the Netherlands, while it matches Sparki's preferred locations, being approach roads to cities, retail parking lots and popular gas stations.

Summary of key figures for the portfolio

RETAIL ESTATES	30.09.23	31.03.23
Estimated fair value ¹⁸ (in EUR)	1 930 243 872	1 888 562 000
Yield (investment value) ¹⁹	6.94%	6.93%
Contractual rents (in EUR)	139 455 398	136 389 788
Contractual rents incl. rental value of vacant buildings (in EUR)	141 454 038	139 144 702
Total lettable area in m ²	1 208 564	1 211 004
Number of properties	1 008	1013
Occupancy rate	98.12%	98.08%
Total m ² under development		-

¹⁸ 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 2023.

¹⁹ 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).

06 Miscel- laneous





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 2023, 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 dividend

The net dividend is equal to the gross dividend after deduction of 30% withholding 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 chain

These are companies with a central purchasing department and at least five different outlets (chain stores).



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 $(\text{most recent price} + \text{gross dividend}) / \text{price}$ 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.

2.2 Reconciliation tables

Operating margin

<i>(in € 000)</i>	30.09.23	30.09.22
Operating result before result on portfolio (A)	54 543	50 232
Net rental income (B)	67 712	60 622
Operating margin (A/B)	80.55%	82.86%

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

<i>(in € 000)</i>	30.09.23	30.09.22
Financial result (A)	-7 199	34 911
Changes in fair value of financial assets and liabilities (B)	2 611	44 256
Financial result (excluding changes in fair value of financial assets and liabilities) (A-B)	-9 810	-9 345

Result on portfolio

<i>(in € 000)</i>	30.09.23	30.09.22
Result on disposals of investment properties (A)	-630	294
Result on sales of other non-financial assets (B)	0	0
Changes in fair value of investment properties (C)	40 164	22 569
Other result on portfolio (D)	-118	-166
Result on portfolio (A+B+C+D)	39 416	22 697

Weighted average interest rate

<i>(in € 000)</i>	30.09.23	30.09.22
Net interest charges (including the credit margin and the cost of the hedging instruments) (A)	9 924	9 399
Other charges of debt (B)*	795	754
Weighted average financial debt of the period (C)**	859 115	853 967
Weighted average interest rate (A-B)/C***	2.12%	2.02%

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

** Financial debt at the end of the period multiplied by factor 0,9959

*** Pro rata half year

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

<i>(in € 000)</i>	30.09.23	31.03.23
Shareholders' equity attributable to the shareholders of the parent company (A)	1 131 641	1 097 249
Impact on the fair value of estimated transaction rights and costs resulting from the hypothetical disposal of investment properties (B)	-94 346	-94 636
Impact on the fair value of estimated transaction rights and costs resulting from the hypothetical disposal of investment properties (B') (Current financial year)	-1 171	1 569
The fair value of authorised hedging instruments qualifying for hedge accounting (C)	57 753	55 164
Proposed gross dividend (D)	35 939	69 021
Number of ordinary shares in circulation (E)	14 375 587	14 085 827
Net asset value per share (investment value) excluding dividend excluding the fair value of authorised hedging instruments ((A-B-C-D)/E)	78.85	75.69

Gross yield

<i>(in thousands €)</i>	30.09.23	30.09.22
The current rental income (net, after deduction of canon) (A)	139 455	127 325
the estimated investment value of the portfolio (without taking into account the development projects included in the cost price) (A)**	2 008 415	1 881 913
Gross yield (A/B)	6.94%	6.77%

** 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	30.09.23		31.03.23	
			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	1 172 448	81.56	1 138 570	80.83
EPRA NTA	Assumes that entities buy and sell assets, thereby crystallising certain levels of unavoidable deferred tax.		1 068 841	74.35	1 039 312	73.78
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.		1 151 277	80.09	1 116 922	79.29

	Definitions	Purpose	30.09.23		30.09.22	
			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.	44 515	3.13	39 060	2.84

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Half-yearly financial report
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			30.09.23	30.09.22
	Definitions	Purpose	%	%
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	6.82%	6.85%
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	6.82%	6.85%
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.	1.43%	2.01%
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.	17.81%	15.83%
EPRA Cost Ratio (excl. vacancy costs)	EPRA Costs (excluding vacancy costs) divided by the gross rental income less ground rent costs	A key measure to enable meaningful measurement of the changes in a company's operating costs.	17.31%	15.19%
			30.09.23	31.03.23
	Definitions	Purpose	%	%
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.	44.65%	44.78%



EPRA earnings	30.09.23	30.09.22
	EUR/1000	EUR/1000
IFRS Net Result (attributable to the shareholders of the parent company)	86 638	106 013
Adjustments to calculate EPRA earnings		
Excluding:		
Variations in the fair value of investment properties (IAS 40)	40 164	22 569
Other result on portfolio	-118	-166
Result on disposal of investment properties	-630	294
Changes in the fair value of financial assets and liabilities	2 611	44 256
Adaptations to minority interests	96	
EPRA earnings (attributable to the shareholders of the parent company)	44 515	39 060
Diluted EPRA earnings (attributable to the shareholders of the parent company)		
EPRA earnings (EUR/share) (attributable to the shareholders of the parent company)	3,13	2,84
Diluted EPRA earnings per (EUR/share) (attributable to the shareholders of the parent company)		

EPRA Net Asset Value (NAV)	30.09.23			31.03.23		
	EPRA NRV	EPRA NTA	EPRA NDV	EPRA NRV	EPRA NTA	EPRA NDV
	EUR/1000	EUR/1000	EUR/1000	EUR/1000	EUR/1000	EUR/1000
Net Asset Value (attributable to the shareholders of the parent company) according to the annual accounts	1 131 641	1 131 641	1 131 641	1 097 249	1 097 249	1 097 249
Net Assets (EUR/share) (attributable to the shareholders of the parent company)	78.72	78.72	78.72	77.90	77.90	77.90
Effect of exercise of options, convertibles and other equity interests	-	-	-	-	-	-
Diluted net asset value after effect of exercise of options, convertibles and other equity interests	-	-	-	-	-	-
Excluding:						
Fair value of the financial instruments	57 754	57 754		55 164	55 164	
Deferred taxes	-3 103	-3 103		-3 544	-3 544	
Deferred taxes - minority interests	59	59		124	124	
Goodwill as recognized on balance sheet						
Intangible non-current assets		8 150			6 192	
Including:						
Fair Value of debt at fixed interest rates			19 636			19 673
Revaluation of intangible fixed assets to fair value	0					
Transfer taxes	95 524			94 636		
Transfer taxes - minority interests	-7			-1 569		
EPRA metric (attributable to the shareholders of the parent company)	1 172 448	1 068 841	1 151 277	1 138 570	1 039 312	1 116 922
EPRA metric (EUR/share) (attributable to the shareholders of the parent company)	81.56	74.35	80.09	80.83	73.78	79.29

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Half-yearly financial report
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		30.09.23	30.09.22
EPRA Net Initial Yield		EUR/1000	EUR/1000
Investment properties (excluding assets held for sale) fair value		1 930 244	1 817 160
Transfer taxes		95 380	77 396
Investment value		2 025 624	1 894 556
Investment properties under construction		17 209	16 922
Investment value of the properties, available for rent	B	2 008 415	1 877 635
Annualised gross rental income		139 455	127 325
Property costs		-2 517	-2 763
Annualised net rental income	A	136 938	124 563
Notional rent expiration of rent free period or other lease incentives			
Topped-up net annualised rent	C	136 938	124 563
EPRA Net Initial Yield (NIY)	A/B	6.82%	6.63%
EPRA topped-up Net Initial Yield (topped-up NIY)	C/B	6.82%	6.63%

		30.09.23	31.03.23
EPRA Vacancy Rate		EUR/1000	EUR/1000
Estimated rental value of vacant surfaces		1 999	2 755
Estimated rental value of total portfolio		139 455	136 390
EPRA Vacancy Rate		1.41%	2.02%



EPRA Cost Ratio	30.09.23	30.09.22
	EUR/1000	EUR/1000
Operating corporate costs	3 946	3 792
Impairments on trade receivables	139	195
Ground rent costs	136	140
Property costs	7 977	5 622
Less:		
Ground rent costs	-136	-140
EPRA costs (incl. vacancy costs)	12 062	9 609
Vacancy costs	-342	-388
EPRA costs (excl. vacancy costs)	11 720	9 221
Rental income less ground rent costs	67 715	60 691
	%	%
EPRA Cost Ratio (incl. vacancy costs)	17.81%	15.83%
EPRA Cost Ratio (excl. vacancy costs)	17.31%	15.19%
Property related capex <i>(in 000 €)</i>	30.09.23	31.03.23
Acquisitions	0	60 061
Developments	2 173	2 278
CapEx - incremental lettable area	0	0
Capex - non-incremental lettable area	1 243	14 866
Activated interest expenses	44	46
Total*	3 460	77 250

* 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.

Miscellaneous
Half-yearly financial report
2023-2024

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

(in € 000)	30.09.23			30.09.22			Evolution
	Belgium	The Netherlands	Total	Belgium	The Netherlands	Total	Total
Rental income	44 591	23 260	67 851	41 487	19 343	60 830	7 021
Acquisitions and developments	-14	-2 104	-2 117				-2 117
Disposals	133		133				133
Gross rental incomes at constant scope	44 710	21 156	65 867	41 487	19 343	60 830	5 037
Explained by							
Indexation	3 292	1 819					5 111
Renegotiated contract	130	23					153
Vacancy	55	-48					7
Discounts	-161	51					-110
Other			-124				-124

EPRA Loan-to-value ratio	30.09.23	31.03.23
Credit institutions	649 256	609 967
Long term financial lease	5 147	4 871
Bonds	175 486	175 400
Credit institutions (short term)	37 914	51 464
Trade receivables	21 891	11 442
Tax receivables and other current assets	1 033	1 803
Trade debts and other current debts	-17 777	-24 409
Other current liabilities	-1 545	-1 612
Net debt	871 405	854 478
Investment property	1 930 244	1 888 562
Assets or groups of assets held for sale	8 252	8 561
Intangible non-current assets	8 150	6 192
Receivables towards participations accounted for using the equity method	5 000	5 000
Net property value	1 951 645	1 908 315
Loan-To-Value	44,65%	44,78%



Inlichtingenfiche

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
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 30.09.2023:	€ 315,034,803.74
Number of shares on 30.09.2023:	14,375,587
Annual shareholders' meeting:	Penultimate Monday of July
Share listing:	Euronext – continuous market
Financial services:	KBC Bank
Value of real estate portfolio on 30.09.2023:	Investment value € 2,025.62 million – fair value € 1,930.24 million (incl. value of "Immobilière Distri-Land nv" real estate certificates)
Real estate experts:	Cushman & Wakefield, CBRE, Colliers and Stadim
Number of properties on 30.09.2023:	1,008
Type of properties:	Out-of-town retail real estate
Liquidity provider	KBC Securities and De Groef Petercam





**RETAIL
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