

ANNUAL RESULTS 2021

Vastned demonstrates resilience and delivers positive results

2021 highlights

- **Positive earnings of € 0.84 per share (€ 2.41 negative in 2020)**
- **Direct result of € 1.93 per share (€ 1.85 in 2020)**
- **Indirect result of € 1.09 negative per share (€ 4.26 negative in 2020)**
- **Strong operational performance: occupancy rate of 97.9% (2020: 96.5%) and collection rate of 95.7% (2020: 89.6%)**
- **92 leases concluded in 2021, with a total rent of € 12.4 million**
- **Notable new tenant wins include My Jewellery, Bolia, Samsung and Moss Copenhagen**
- **Like-for-like gross rental income increased by 0.7%**
- **Value of property portfolio increased 0.2% in H2 2021; decreased by only 1.6% compared to end-2020.**
- **General expenses decreased significantly in 2021, in line with cost-saving target**
- **Sale of 12 non-strategic assets in 2021 for € 18.2 million, with a book value of € 17.5 million**
- **Loan-to-value ratio of 43.0% as at 31 December 2021 (2020: 43.0%)**
- **Good liquidity position; Vastned remains well within bank covenants**
- **Total dividend of € 1.73 per share with final dividend of € 1.20 per share; 89.6% pay-out ratio**

Hoofddorp, 10 February 2022 – Vastned, the listed European retail property company, has reported positive results despite the impact of COVID-related lockdowns and restrictions in 2021. Vastned reports a direct result for 2021 of € 1.93 per share, which is higher than the € 1.85 per share reported over 2020. The collection rate has improved to 95.7%. Furthermore, the occupancy rate improved to 97.9% and is back to pre-COVID levels. The value of the property portfolio decreased by 1.6%¹ during 2021. In H2 2021, the value of the total portfolio increased by 0.2% compared to the end of H1 2021, providing a first indication that the total value of the property portfolio stabilised in the second half of the year. In 2021, Vastned made good progress with its strategy, improving the tenant mix with an increased focus on digital retailers and creating more mixed-use spaces by adding residential units and small offices above shops. Vastned's exposure to fashion retail tenants decreased to 46% from 48% in 2020. In 2021, Vastned disposed non-strategic assets for a total amount of € 18.2 million, 3.9% above book value. Given the unpredictability of the COVID-19 pandemic, and the possibility of new variants, many of Vastned's tenants face an uncertain commercial and financial outlook over the coming year. As such, Vastned is not providing forecasts or guidance on the direct result for the 2022 full year at this stage.

Reinier Walta, Vastned CEO: "A direct result per share of € 1.93, a collection rate of 95.7% and an occupancy rate at 97.9% are all indicators of positive performance, especially in the context of the temporary lockdowns and other COVID-19 control measures during the year. The value of our total property portfolio declined only marginally, by 1.6%¹, and the value even increased in H2 2021, demonstrating the quality and resilience of both our portfolio and our tenant's businesses.

2021 was the year in which Vastned began implementing its revised strategy, which calls for an increase in the mixed use of our properties and the diversification of the tenant base. Our approach involves working with more digital brands and other strong brands that are seeking to lease attractive, distinctive properties in prime locations within winning cities. We made good progress executing this strategy, in particular with respect to optimising and concentrating the portfolio and achieving an efficient organisation. COVID-19 unfortunately also impacted our business in 2021, and although it remains challenging, we are pleased with our regular and constructive discussions with our tenants and other stakeholders. Together, we were able to successfully navigate these uncertain times."

¹) Excluding acquisitions, capital expenditures and divestments

Strategy execution

The retail landscape is changing, as Vastned has been indicating for some time, and the outbreak and spread of COVID-19 has accelerated this development. In line with its strategy, which was updated in February 2021, Vastned is concentrating its unique portfolio of high street retail and inner-city mixed-use properties within winning cities. Vastned is also improving its retail tenant mix by adding tenants with strong digital brands and retailers that prioritise phygital (the combination of physical and digital) and 'buy online pick up in store' solutions (JD Sports, Sézane, Nespresso, Rituals, MyJewellery, Coolblue, Bolia, MyCosmetik and Moss Copenhagen) but also strong (sub)urban brands (Heytens Décor) seeking a high street presence as well as supermarkets looking for smaller inner-city stores or pedestrian drives. Furthermore, Vastned will continue to look to create more mixed-use properties by adding residential units and small offices and realising potential redevelopment opportunities. Vastned's exposure to fashion retail as a percentage of rental income decreased from 48% in 2020 to 46% in 2021 (versus a long-term target of 30%). Vastned also made progress with its efficient organisation, reducing the number of FTEs from 37 to 32. The company's cost savings were significant in 2021 and amounted to € 0.9 million on a normalised basis, in line with the cost-saving target. The loan-to-value (LTV) ratio came in at 43.0% (2020: 43.0%). Vastned continues to work towards a long-term LTV ratio of less than 40%.

Sustainability

Sustainability is a core value for Vastned in creating long-term value for its stakeholders. There are three areas that need to be highlighted looking at Vastned's sustainability performance in 2021.

Preservation of cultural heritage:

Vastned continues to invest in properties situated in historic city centres and increasingly invests in improving the sustainability ratings of its properties, thereby contributing to the preservation, lifespan and attractiveness of the cultural heritage of historic city centres.

Increasing housing stock within historic city centres:

By converting empty spaces above shops into residential units, city centres are becoming livelier after closing time while housing stock increases. These investments also aim to improve the sustainability ratings of Vastned's properties. In 2021, Vastned realised 14 apartment renovations/developments, compared with 17 in total in 2020.

Green financing:

Under its Green Finance Framework, Vastned has a total of € 40 million Green Revolving Credit Facility ('Green RCF') commitments, of which € 10 million has been drawn.

Key parameters

The direct result per share in 2021 was € 1.93 compared with € 1.85 in 2020. The increase was caused by lower operating expenses, lower general expenses and lower financing costs, which compensated for slightly lower net rental income. The net rental income was negatively impacted by rent waivers of € 3.0 million (excluding VAT), however positively impacted by the € 0.5 million release of the provision for expected credit losses. The occupancy rate increased from 96.5% in 2020 to 97.9% in 2021. This also represents an increase compared with the most recent occupancy rate of 97.6% reported for Q3 2021.

Results

	FY 2021	FY 2020
Occupancy rate as at FY 2021 (%)	97.9	96.5
Like-for-like gross rental growth, incl. waivers (%)	0.7	(6.9)
Value movements ¹ (%)	(1.6)	(5.2)
Total appraisal value of the portfolio ² (€ million)	1,438	1,479
Direct result per share (€)	1.93	1.85
Indirect result per share (€)	(1.09)	(4.26)
Result per share (€)	0.84	(2.41)

1) Excluding acquisitions and divestments

2) Including assets held for sale

COVID-19 impact

During the first half of 2021, the portfolio was significantly impacted in the Netherlands due to the long lockdown period and the restrictions on non-essential retail locations, restaurants and bars. From 5 June 2021 onwards, retailers were allowed to receive customers again without appointments, and on 26 June most COVID-related restrictions were lifted for retailers. On 19 December, new lockdown measures were introduced in the Netherlands and non-essential stores were closed as well as bars and restaurants. Vastned's other geographies suffered less from restrictions, despite the rapid increase in Omicron infections during the final weeks of 2021 and into 2022.

The table below shows the rent arrangements made in 2021 and the impact of arrangements that were made in 2021 but related to 2020. In the portfolio in the Netherlands, Vastned waived € 1.9 million in rent over 2021, including € 0.2 million in rent that was waived over 2020. In Belgium and France, government measures were more lenient towards retailers compared with the Netherlands and typically involved temporary curfews and the closure of non-essential stores. In France, € 0.3 million of the waivers in rent related to 2021 and € 0.2 million related to 2020, amounting to a total of € 0.5 million recorded in 2021. In Belgium, almost all waivers agreed in 2021 were related to the 2020 period.

Rent arrangements (€ million)	FY 2021 effect	FY 2020 effect	Total waivers 2021
	Rent waivers ^{1, 2}	Rent waivers ^{1, 2}	Rent waivers ^{1, 2}
Netherlands	1.7	0.2	1.9
France	0.3	0.2	0.5
Belgium	0.1	0.6	0.7
Spain	< 0.1	< 0.1	< 0.1
Total	2.1	1.0	3.1

1) Including acquisitions and divestments

2) Excluding VAT

Part of the total value of the waivers in 2021 concerns 2020 rent (€ 1.0 million of the total € 3.1 million). These waivers are accounted for (as negative rent) in 2021, and most of these amounts were provided for in 2020 by means of the provision for expected credit losses. These provisions have been released in 2021 and therefore, the waivers did not have a significant effect on the 2021 results.

In 2021, Vastned continued to discuss and agree tailored arrangements with affected tenants. The payment arrangements include tenants paying in monthly rather than quarterly instalments, paying in arrears instead of in advance, deferred payment of the entire rent or part thereof, and partial rent waivers. Furthermore, new agreements were reached with tenants on contract extensions, removal of break options or future rent increases.

The arrangements made with tenants have the following implications for the 2021 result:

- € 3.1 million in rent waivers in total in 2021, excluding VAT, with € 2.1 million related to waivers in 2021 and € 1.0 million related to 2020. This has been deducted directly and fully from the gross rental income in 2021.
- In total, Vastned released € 0.5 million of the provision for expected credit losses in 2021.

The account balance 'debtors and other receivables' decreased to € 11.1 million as at 31 December 2021 (31 December 2020: € 17.3 million). Of this amount, € 7.1 million is related to rent invoiced in advance for Q1 2022.

The rent collection rate for 2021 was 95.7% as at 31 December 2021. This was calculated as follows: all amounts received were divided by all amounts invoiced for 2021 (including rent, service charges and deposits). The waivers and the deferred amounts were not deducted from the amounts invoiced in this calculation.

Since the lifting of lockdowns in the Vastned countries in the first half of 2021, Vastned has observed significantly improved footfall on the high street. However, the number of tourists visiting historic city centres has yet to return to previous levels and a full recovery is expected to take time to materialise.

NOTES TO THE PROPERTY PORTFOLIO

Occupancy rate

Vastned considers its high overall occupancy rate as evidence of the quality and attractiveness of its property portfolio. At year-end 2021, the occupancy rate of the total portfolio was 97.9%. Compared with 31 December 2020, the occupancy rate in the Netherlands increased due to new leases finalised in 2021 with Doppelgänger on the Wolfstraat 29 in Maastricht and Samsung on the Eindstraat 14-16 in Breda. In France, the decrease in the occupancy rate was mainly due to the departure of Sandro on the Rue des Archives 21 in Paris. In Belgium, the occupancy rate increased due to new leases finalized with Footlocker on the Elsenesteenweg 41 in Brussels, Slaap advies on the Boomsesteenweg 666-672 in Wilrijk and Lab 9 Stores on the Galerie Jardin d'Harscamp in Namur. The portfolio in Spain remained fully let.

Occupancy rate (%)	31 December 2021	30 September 2021	30 June 2021	31 March 2021	31 December 2020
Netherlands	97.2	97.3	96.1	93.8	95.2
France	97.2	96.9	94.1	95.4	98.5
Belgium	99.3	98.4	97.5	96.9	96.2
Spain	100.0	100.0	100.0	100.0	100.0
Total	97.9	97.6	96.2	95.2	96.5

Leasing activity

In 2021, Vastned concluded 92 leases for a total annual amount of € 12.4 million, or 17.4% of the total theoretical annual gross rental income. In 2020, in comparison, Vastned concluded 71 leases for a total annual amount of € 9.6 million, or 12.9% of the total theoretical annual gross rental income. In the Netherlands, Vastned concluded new leases with multiple tenants. For example, new leases were concluded with Samsung in Breda, Jumbo in Joure and Doorwerth, My Jewellery in Arnhem and Mano Bowls in Amsterdam. Vastned also renewed leases with Schaap en Citroen, Mulberry, Stone Island, A.S. Watson, Massimo Dutti and McDonald's. In France, new leases were concluded with Une Bulle in Paris, Falconeri, Desigual and My Cosmetik in Bordeaux, and Bolia, Sinéquanone and Hero Seven in Lille. Vastned also renewed leases with BA&SH and Palais des Thés. In Belgium, new leases were concluded with Coolblue and Sleepworld in Wilrijk, Footlocker in Brussels and My Jewellery in Mechelen. Vastned also renewed leases with Aldi, A.S. Watson, ICI Paris XL, JBC and Massimo Dutti. The 92 leases Vastned concluded resulted in a rent decrease of € 0.6 million (4.5%).

Leasing activity	FY 2021
Number of leases	92
Rental income (€ million)	12.4
% of total theoretical annual rent	17.4
Rental change (€ million)	(0.6)
% rental change	(4.5)

Appraisal value

The appraisal value of Vastned's total property portfolio was € 1.438 billion as at 31 December 2021; this represents only a limited 1.6% decrease compared with year-end 2020.

Portfolio breakdown (€ million)	31 Dec 2021	% of total
Netherlands	623	43
France	410	29
Belgium	323	22
Spain	82	6
Total	1,438	100

Like for like appraisal value

All properties in operation are appraised at least once per year by independently certified appraisers. As at 31 December 2021, 100% of the portfolio has been appraised. The COVID-19 outbreak continues to affect economies and real estate markets globally. Nevertheless, as at the valuation date, property markets are functioning again and, as per H2 2021, Vastned has observed a reversal of the downward valuation pattern Vastned observed since the beginning of 2019. In H2 2021, Vastned saw an upward valuation of the portfolios in the Netherlands, France and Spain of 0.4%, 0.8% and 0.1% respectively, compared with the values as per the end of H1 2021. In the same period, Vastned observed a decrease of 0.8% in Belgium. The H2 2021 valuations on the total portfolio were 0.2% positive.

The like-for-like appraisal value of the property portfolio excluding acquisitions and divestments as at the end of December 2021 fell by 1.6% compared with year-end 2020. The value decreases of the portfolios in the Netherlands, Belgium and Spain were 2.4%, 2.9% and 1.8%, respectively. The French portfolio increased by 0.7% compared with year-end 2020.

In the Netherlands, as of 1 January 2021, the transfer tax increased from 6% to 8% for commercial real estate and from 2% to 8%¹ for residential units. As at 31 December 2020, the old rates were used to convert the appraised 'purchasing costs payable by the vendor' to the 'purchasing costs payable by the buyer'. As per year-end 2020, the new transfer tax was indirectly incorporated by determining the yield of the appraisals (given that the rate change was already known in September 2020, it was subsumed in subsequent pricing). However, since H1 2021, the new rates have been used to convert the appraised 'purchasing costs payable by the vendor' to the 'purchasing costs payable by the buyer'. The exact effect of the transfer tax change on the appraisals as per HY 2021 cannot be assessed with full certainty, though it did have an impact on the valuations in the Netherlands.

Appraisal value²

(€ million)	FY 2021	VS FY20	FY 2020	VS FY19	FY 2019
Netherlands	623	(2.4%)	638	(5.9%)	678
France	410	0.7%	407	(2.1%)	416
Belgium	323	(2.9%)	333	(6.6%)	356
Spain	82	(1.8%)	84	(8.6%)	92
Total	1,438	(1.6%)	1,462	(5.2%)	1,542

1) For residential units, this only holds if the unit was acquired by non-natural persons and if the units are acquired by natural persons who do not use them as their main residence or do so only on a temporary basis.

2) Corrected for acquisitions and divestments.

Divestments

As part of its strategy to further reduce the risk profile of the portfolio, in 2021 Vastned sold non-strategic assets in the Netherlands, France and Belgium. The divested properties had a total book value of € 17.5 million at the time of sale and a total transaction value of € 18.2 million. Vastned sold the following properties in 2021:

Country	City	Address
Belgium	Grivegnée	Rue Servais Malaise 25
Belgium	Boechout	Hovesesteenweg 123/127
Belgium	Leopoldsburg	Lidostraat 7
France	Paris	Rue d'Alésia 123 - only parking places
Netherlands	Middelharnis	Westdijk 22-24
Netherlands	Breda	Ginnekenstraat 80
Netherlands	Winterswijk	Weurden 2-4
Netherlands	Zwolle	Roggenstraat 6
Netherlands	The Hague	Lange Poten 7
Netherlands	Winterswijk	Wooldstraat 26, 26I
Netherlands	Schiedam	Hof van Spaland 35 and 40
Spain	Madrid	Calle Tetuán 19 / Calle Carmen 3

NOTES TO THE FINANCIAL RESULTS

Financial results (€ million)	2021	2020
Direct result	33.1	31.7
Indirect result	(18.7)	(73.1)
Result attributable to Vastned Retail shareholders	14.4	(41.3)
Result attributable to non-controlling interests	1.4	(3.0)
Result after taxes	15.8	(44.3)

Result attributable to Vastned Retail shareholders

The result attributable to Vastned Retail shareholders, which comprises the direct and indirect results, was € 14.4 million in 2021 (2020: € 41.3 million negative). The main factor in this higher result was the increase in the indirect result from € 73.1 million negative for 2020 to € 18.7 million negative for 2021. Within the indirect result, the decrease in value of the property portfolio in 2021 amounted to € 26.5 million (2020: value decrease of € 84.4 million).

The direct result increased from € 31.7 million in 2020 to € 33.1 million in 2021. The net rental income was slightly lower, though due to a decrease in financing costs and general expenses, the direct result was € 1.4 million higher.

Result per share

The result per share attributable to Vastned Retail shareholders was € 0.84 for 2021 (2020: € 2.41 negative). The result comprises the direct result per share of € 1.93 (2020: € 1.85) and the indirect result per share of € 1.09 negative (2020: € 4.26 negative).

NET INCOME FROM PROPERTY

Gross rental income

The IFRS gross rental income was € 62.2 million in 2021 compared with € 64.9 million in 2020. These movements are broken down per country in the table below. This table also shows an adjusted gross rental income for both 2021 and 2020: € 63.2 million and € 64.0 million respectively. These figures take into account waivers of rent arrears related to 2020 rent however accounted for in 2021. In the variances and figures mentioned below, the adjustment is included.

Total (€ thousands)	Netherlands	France	Belgium	Spain	Total
Gross rental income 2020 (IFRS)	30,280	14,213	17,084	3,339	64,916
Waivers 2020 accounted for in 2021	(154)	(246)	(560)	-	(960)
Gross rental income 2020 (adjusted)	30,126	13,967	16,524	3,339	63,956
Divestments	(345)	-	(578)	(301)	(1,224)
Waivers of rent arrears (LfL - adjusted)	19	854	2,226	30	3,129
Like-for-like growth	(901)	(1,093)	(380)	(311)	(2,685)
Gross rental income 2021 (adjusted)	28,899	13,728	17,792	2,757	63,176
Other income	-	320	170	-	490
Addition to provision for expected credit losses (adjusted)	(208)	(130)	(296)	95	(539)
Operating expenses	(3,798)	(1,056)	(1,438)	(212)	(6,504)
Net rental income 2021	24,893	12,862	16,228	2,640	56,623
Net rental income 2020	26,154	12,748	15,146	2,969	57,017
Operating expenses as % of gross rental income 2021	13.9	8.6	9.7	4.2	11.1
Operating expenses as % of gross rental income 2020	13.2	8.7	8.3	11.1	10.8

As shown, the like-for-like growth of the gross rental income, including waivers, was € 0.4 million (0.7%) for the total property portfolio in 2021.

Acquisitions

No acquisitions were made in 2021.

Divestments

In 2021, Vastned sold € 17.5 million worth of properties. In 2020, € 11.0 million worth of properties were sold. These divestments caused the gross rental income in 2021 to fall by € 1.2 million compared with 2020. The divestments in 2021 and 2020 took place in Belgium, the Netherlands and Spain (and a minor sale of parking places in Paris).

Waivers in the context of COVID-19

As a result of COVID-19, an amount of € 2.1 million in rent arrears was waived in 2021 (2020: € 5.1 million). The waivers of rent arrears in 2021 in the Netherlands, France, Belgium and Spain were € 1.7 million, € 0.3 million, € 0.1 million and nil respectively. Based on a like-for-like comparison, waivers of rent arrears were € 3.1 million.

Like-for-like gross rental growth

The like-for-like rental growth of the gross rental income in 2021 was € 2.7 million negative. The like-for-like gross rental growth in the Netherlands, France, Belgium and Spain was € 0.9 million negative, € 1.1 million negative, € 0.4 million negative and € 0.3 million negative respectively, as a result of a lower occupancy rate during 2021 and lease renewals with a rent decrease.

The like-for-like growth of the gross rental income, including waivers, was € 0.4 million (positive 0.7%) for the total property portfolio in 2021.

Operating expenses (including net service charge expenses)

The total operating expenses excluding the allocation to the provision for expected credit losses decreased from € 6.9 million in 2020 to € 6.5 million in 2021. Maintenance costs, net service charge expenses and expenses related to administrative and commercial management decreased by € 0.6 million in total. On the other hand, insurance costs and local taxes increased by € 0.2 million.

The allocation to the provision for expected credit losses decreased from € 1.5 million negative in 2020 to € 0.4 million positive in 2021 (release of provision). The (adjusted) movement in the provision for expected credit losses was almost entirely related to COVID-19.

The operating expenses expressed as a percentage of the gross rental income in 2021 was 11.1% (2020: 12.8%).

Value movements in property

The value movements in property in 2021 totalled € 26.5 million negative (2020: € 84.4 million negative). The value decreases in the Dutch, Belgian and Spanish property portfolios were € 17.7 million, € 10.3 million and € 1.3 million respectively. In France, the value of property increased by € 2.8 million.

Net result on divestments of property

In 2021, Vastned sold property (based on book value) totalling € 17.5 million. Of these divestments, the Spanish, Belgian, Dutch and French property portfolios accounted for € 7.4 million, € 5.8 million, € 4.2 million and € 0.1 million respectively. The net result on the divestments realised in 2021 after deduction of sales costs was € 0.2 million positive.

EXPENDITURE

Net financing costs

The net financing costs including value movements of financial derivatives decreased from € 15.2 million in 2020 to € 8.3 million in 2021. The development of the net financing costs is shown in more detail in the table below.

Development of net financing costs (€ million)

financing costs 2020	15.2
Decrease due to lower average interest-bearing debt	(0.4)
Decrease on balance due to lower average interest rate and changes in debt with fixed/floating interest rate and working capital	(0.8)
Decrease of negative value movements in financial derivatives	(5.7)
Net financing costs 2021	8.3

The net financing costs decreased by € 0.4 million due to lower average interest-bearing debts resulting from divestments. Due to changes in the composition of the loan portfolio (in particular changes in debt of the ratio fixed/floating interest), the average interest rate fell by 11 basis points from 1.99% in 2020 to 1.88% in 2021, reducing the interest expenses by € 0.8 million. As a result of changes in the market interest rate, the value movements of the interest rate derivatives were € 3.6 million positive (2020: € 2.1 million negative).

General expenses

General expenses were € 6.7 million in 2021 compared with € 7.4 million in 2020. Mainly as a result of a lower number of FTEs, personnel costs decreased by € 1.3 million in 2021. In addition, consultancy and accommodation costs decreased by € 0.2 million and € 0.1 million respectively. On the other hand, other general expenses increased by € 0.9 million, mainly as a result of a non-recurring item during 2020 with regard to the decision by the Belgian tax authorities to refund Vastned Belgium NV's overpaid listing costs of € 0.8 million.

Current income tax expense

In 2021, income tax payable on the reporting period for the regularly taxed entities in the Netherlands, Belgium and Spain was € 0.6 million (2020: € 0.7 million).

Movement in deferred tax assets and liabilities

The movement in deferred tax assets and liabilities was € 1.1 million in 2021 (2020: € 4.9 million). The decrease in the provision for deferred tax in 2021 was mainly due to decreases in the value of assets in the Netherlands and Spain that are held by regularly taxed entities.

ACCOUNTS RECEIVABLE AND OTHER RECEIVABLES

As at 31 December 2021, Vastned realised a collection rate of 95.7% and had a total accounts receivable position of € 10.8 million (31 December 2020: € 12.4 million), of which € 1.9 million was provided for (31 December 2020: € 2.5 million). The total value of the accounts receivable, after deduction of the provision for expected credit losses, can be broken down according to the nature of the receivable as follows:

Accounts receivable and other receivables (€ million, rounded)	Outstanding	Provision for expected credit losses	Total
Accounts receivable unrelated to COVID-19	1.3	(1.0)	0.3
Accounts receivable related to COVID-19	1.9	(0.8)	1.1
Accounts receivable for which a deferment has been granted in the context of COVID-19	0.4	(0.1)	0.3
Pre-invoiced rent	7.2	-	7.2
Other receivables	<0.1	-	<0.1
Total	10.8	(1.9)	8.9

Part of the total accounts receivable position are receivables overdue by more than one year that are fully provided for but cannot yet be written off in connection with bankruptcies that have not yet been fully settled. These are mostly accounts receivable that are unrelated to COVID-19.

FINANCING STRUCTURE

Vastned strives to maintain a conservative financing structure, with a long-term target of a loan-to-value ratio of less than 40% and good diversification of financing sources, e.g., by placing long-term bond loans with institutional investors (including through private placements).

Financing structure	31 December 2021	31 December 2020
Loan-to-value (%)	43.0	43.0
Solvency ¹ (%)	55.1	55.2
Interest coverage ratio	4.8	4.3

1) Group equity plus deferred tax liabilities divided by the balance sheet total

As at 31 December 2021, Vastned's balance sheet showed a healthy financing structure with a loan-to-value ratio of 43.0% (year-end 2020: 43.0%) and a solvency ratio, being group equity plus deferred tax liabilities divided by the balance sheet total, of 55.1% (year-end 2020: 55.2%). The interest coverage ratio for the past 12 months was 4.8.

With a solvency ratio of 55.1% and an interest coverage ratio of 4.8, Vastned complies with the loan covenants. All financing agreements stipulate a 45.0% minimum solvency ratio and usually require a minimum 2.0 interest coverage ratio. Most financing agreements include a negative pledge clause, with a limited threshold for putting up security.

Loan portfolio as at 31 December 2021 (€ million)

	Fixed interest ²	Floating interest	Total	% of total
Long-term debt	444.9	168.1	613.0	99.5
Short-term debt	-	3.3	3.3	0.5
Total	444.9	171.4	616.3	100.0
% of total	72.2	27.8	100.0	

2) Interest rate derivatives taken into account

At the end of December 2021, 72.2% of the loan portfolio comprised fixed-interest loans as a result of the use of interest rate derivatives and fixed coupon private placements.

The share of non-bank loans was 34.9%, significantly above the internal target of 25%.

Taking the unused credit facilities of € 122.0 million as at 31 December 2021 into account, there is ample liquidity to fulfil short-term payment obligations.

DEVELOPMENT OF NET ASSET VALUE PER SHARE

As a result of the combined direct and indirect result per share of € 0.84, the other movements of € 0.01, the 2020 final dividend distribution of € 1.73 per share and the 2021 interim dividend distribution of € 0.53 per share, the net asset value per share fell from € 42.98 at year-end 2020 to € 41.57 at year-end 2021.

The EPRA NRV per share as at 31 December 2021 was € 47.73 compared with € 48.60 at year-end 2020.

DIVIDEND PROPOSAL FOR 2021

The total dividend Vastned proposes to its shareholders accumulates to € 1.73 per share, representing a pay-out of 89.6% of the direct result of 2021. Following the interim dividend of € 0.53 per share paid in August 2021, the final dividend is proposed at € 1.20 per share. If this dividend proposal for 2021 is approved, the Vastned share is expected to quote ex-dividend on 20 April 2022, and the final dividend will be made payable on 6 May 2022.

OUTLOOK 2022

In 2022, the company will continue working hard to maintain high occupancy rates across its property portfolio, together with high collection rates. Given the unpredictability of the COVID-19 pandemic and the possibility of new variants, many of Vastned's tenants face an uncertain commercial and financial outlook over the coming year. As such, Vastned is not providing forecasts or guidance on the direct result for the 2022 full year at this stage.

CONFERENCE CALL

On 10 February 2022 at 14.00 CET, Vastned will present and comment on the 2021 full-year results in a webcast. The webcast call can be followed live on https://vastned.com/en/investor-relations/investor_relations.

FINANCIAL CALENDAR 2022

4 March 2022	before trading	Publication of Annual Report 2021
4 May 2022	before trading	Q1 trading update 2022
28 July 2022	before trading	Half-year results 2022
26 October 2022	before trading	9M trading update 2022

Annual Shareholders Meeting

On 14 April 2022, Vastned will host the Annual General Meeting. An AGM notice is expected to be distributed and published in March.

ABOUT VASTNED

Vastned is a European publicly listed property company (Euronext Amsterdam: VASTN) focusing on the best property in the popular shopping areas of selected European cities with a historic city centre where shopping, living, working and leisure meet. Vastned's property clusters have a strong tenant mix of international and national retailers, food & beverage entrepreneurs, residential tenants, and office tenants. The property portfolio had a size of approximately € 1.44 billion as at 31 December 2021.

Further information

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KEY FIGURES

Results (€ thousand)

	31 December 2021	31 December 2020
Gross rental income	62,216	64,916
General expenses	6,707	7,418
Direct result	33,058	31,727
Indirect result	(18,653)	(73,067)
Result	14,405	(41,340)

Balance sheet (€ thousand)

Property (appraisal value)	1,438,000	1.479.263 ¹
Equity	791,999	818,293
Equity Vastned Retail shareholders	713,072	737,195
Long-term liabilities	636,595	653,984
Solvency definition lenders (%)	55.1	55.2
Loan-to-value (%)	43.0	43.0
Interest coverage ratio	4.8	4.3
Financial occupancy rate property portfolio (%)	95.7	96.9
Average number of shares in issue	17,151,976	17,151,976
Number of shares in issue (end of period)	17,151,976	17,151,976

Per share (€)

Equity Vastned Retail shareholders at beginning of period (including final dividend)	42.98	46.28
Final dividend previous financial year	(1.73)	(0.85)
Equity Vastned Retail shareholders at beginning of period (excluding final dividend)	41.25	45.43
Direct result	1.93	1.85
Indirect result	(1.09)	(4.26)
Result	0.84	(2.41)
Remeasurement of defined benefit obligation	0.01	(0.04)
Interim dividend	(0.53)	-
Equity Vastned Retail shareholders at end of period (including final dividend)	41.57	42.98

Share price (end of period) (€)

Share price (end of period) (€)	24.00	23.15
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Premium/(Discount) (%)

Premium/(Discount) (%)	(42.3)	(46.1)
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1) Including Assets held for sale of € 7,410

DIRECT AND INDIRECT RESULT

(€ thousand)

Direct result

	YEAR 2021	YEAR 2020	HY2 2021	HY2 2020
Gross rental income	62,216	64,916	31,190	32,419
Other income	490	508	202	313
Net service charge expenses	(142)	(367)	(92)	(242)
Operating expenses	(5,942)	(8,039)	(1,573)	(2,660)
Net rental income	56,623	57,018	29,727	29,830

Financial income	36	14	28	11
Financial expenses	(11,906)	(13,127)	(6,003)	(6,437)
Net financing costs	(11,870)	(13,113)	(5,975)	(6,426)

General expenses	(6,707)	(7,418)	(3,256)	(3,578)
Direct result before taxes	38,046	36,487	20,496	19,826

Current income tax expense	(633)	(657)	(372)	(389)
Movement in deferred tax assets and liabilities	139	155	32	12
Direct result after taxes	37,551	35,985	20,552	19,449

Direct result attributable to non-controlling interests	(4,494)	(4,258)	(2,196)	(2,359)
Direct result attributable to Vastned Retail shareholders	33,058	31,727	17,960	17,090

Indirect result

Value movements in property in operation	(26,531)	(84,390)	2,163	(43,559)
Total value movements in property	(26,531)	(84,390)	2,163	(43,559)

Net result on divestments of property	234	1,497	276	1,447
Value movements in financial derivatives	3,584	(2,091)	2,034	(30)
Indirect result before taxes	(22,713)	(84,984)	4,473	(42,142)

Movement deferred tax assets and liabilities	988	4,707	(54)	2,615
Indirect result after taxes	(21,725)	(80,277)	4,419	(39,527)

Indirect result attributable to non-controlling interests	3,072	7,210	658	2,235
Indirect result attributable to Vastned Retail shareholders	(18,653)	(73,067)	5,077	(37,292)

Result attributable to Vastned Retail shareholders	14,405	(41,340)	23,037	(20,202)
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Per share (€)

Direct result attributable to Vastned Retail shareholders	1.93	1.85	1.05	1.00
Indirect result attributable to Vastned Retail shareholders	(1.09)	(4.26)	0.29	(2.17)
Result attributable to Vastned Retail shareholders	0.84	(2.41)	1.34	(1.17)

CONSOLIDATED PROFIT AND LOSS ACCOUNT

(€ thousand)

	2021	2020	HY2 2021	HY2 2020
Net income from property				
Gross rental income	62,216	64,916	31,190	32,419
Other income	490	508	202	313
Net service charge expenses	(142)	(367)	(92)	(242)
Operating expenses	(5,942)	(8,039)	(1,573)	(2,660)
Net rental income	56,622	57,018	29,727	29,830
Value movements in property in operation	(26,531)	(84,390)	2,163	(43,559)
Total value movements in property	(26,531)	(84,390)	2,163	(43,559)
Net result on divestments of property	234	1,497	276	1,447
Total net income from property	30,325	(25,875)	32,166	(12,282)
Expenditure				
Financial income	36	14	28	11
Financial expenses	(11,906)	(13,127)	(6,003)	(6,437)
Value movements financial derivatives	3,584	(2,091)	2,034	(30)
Net financing costs	(8,286)	(15,204)	(3,941)	(6,456)
General expenses	(6,707)	(7,418)	(3,256)	(3,578)
Total expenditure	(14,993)	(22,622)	(7,197)	(10,034)
Result before taxes	15,332	(48,497)	24,969	(22,316)
Current income tax expense	(633)	(657)	(372)	(389)
Movement in deferred tax assets and liabilities	1,128	4,862	(20)	2,627
Total income tax	495	4,205	(392)	2,238
Result after taxes	15,827	(44,292)	24,577	(20,078)
Result attributable to Vastned Retail shareholders	14,405	(41,340)	23,039	(20,202)
Result attributable to non-controlling interests	1,422	(2,952)	1,538	124
	15,827	(44,292)	24,577	(20,078)
Per share (€)				
Result	0.84	(2.41)	1.34	(1.17)
Diluted result	0.84	(2.41)	1.34	(1.17)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(€ thousand)

	2021	2020	HY2 2021	HY2 2020
Result after taxes	15,827	(44,292)	24,577	(20,078)
Items not reclassified to the profit and loss account				
Remeasurement of defined benefit pension obligations	237	(620)	(577)	(949)
Other comprehensive income after tax	237	(620)	(577)	(949)
Total result	16,064	(44,912)	24,000	(21,027)
Attributable to:				
Vastned Retail shareholders	14,642	(41,960)	22,462	(21,151)
Non-controlling interests	1,422	(2,952)	1,538	124
	16,064	(44,912)	24,000	(21,027)

CONSOLIDATED BALANCE SHEET

(€ thousand)

	31 December 2021	31 December 2020
Assets		
Property in operation	1,435,783	1,469,548
Accrued assets in respect of lease incentives	4,857	5,597
Total property	1,440,640	1,475,145
Intangible fixed assets	374	500
Tangible fixed assets	867	877
Rights-of-use assets	675	395
Financial derivatives	27	-
Total fixed assets	1,442,583	1,476,917
Assets held for sale	-	7,410
Debtors and other receivables	11,087	17,302
Cash and cash equivalents	772	876
Total current assets	11,859	25,588
Total assets	1,454,442	1,502,505
Equity and liabilities		
Paid-up and called-up capital	95,183	95,183
Share premium reserve	468,555	468,555
Other reserves	134,929	214,797
Result attributable to Vastned Retail shareholders	14,405	(41,340)
Equity Vastned Retail shareholders	713,072	737,195
Equity non-controlling interests	78,927	81,098
Total equity	791,999	818,293
Deferred tax liabilities	9,074	10,688
Provisions in respect of employee benefits	6,052	6,407
Long-term interest-bearing loans	612,952	624,793
Long-term lease liabilities	3,393	3,384
Financial derivatives	1,212	4,769
Guarantee deposits and other long-term liabilities	3,912	3,943
Total long-term liabilities	636,595	653,984
Payable to banks	3,320	8,547
Short-term lease liabilities	263	272
Income tax	834	398
Other liabilities and accruals	21,431	21,011
Total short-term liabilities	25,848	30,228
Total equity and liabilities	1,454,442	1,502,505

CONSOLIDATED STATEMENT OF MOVEMENTS IN EQUITY

(€ thousand)

	Capital paid up and called	Share premium reserve	Other reserves	Result attributable to Vasted Retail shareholders	Equity Vastned Retail shareholders	Equity non-controlling interests	Total equity
Balance as at 1 January 2020	95,183	468,555	207,561	22,435	793,734	89,132	882,866
Direct result				31,727	31,727	4,258	35,985
Indirect result				(73,067)	(73,067)	(7,210)	(80,277)
Remeasurement of defined benefit obligation			(620)	-	(620)	-	(620)
Total result			(620)	(41,340)	(41,960)	(2,952)	(44,912)
Final dividend previous year (in cash)				(14,579)	(14,579)	(5,082)	(19,661)
Contribution from profit appropriation			7,856	(7,856)	-		-
Balance as at 31 December 2020	95,183	468,555	214,797	(41,340)	737,195	81,098	818,293
Balance as at 1 January 2021	95,183	468,555	214,797	(41,340)	737,195	81,098	818,293
Direct result				33,058	33,058	4,494	37,552
Indirect result				(18,653)	(18,653)	(3,072)	(21,725)
Remeasurement of defined benefit obligation			237	-	237	-	237
Total result			237	14,405	14,642	1,422	16,064
Final dividend previous year (in cash)				(29,674)	(29,674)	(3,593)	(33,267)
Contribution from profit appropriation			(71,014)	71,014			-
Interim-dividend (in cash)			(9,091)		(9,091)		(9,091)
Balance as at 31 december 2021	95,183	468,555	134,929	14,405	713,072	78,927	791,999

CONSOLIDATED CASH FLOW STATEMENT

(€ thousand)

	2021	2020
Cash flow from operating activities		
Result after taxes	15,827	(44,292)
Adjustments for:		
Value movements in property	26,531	84,390
Net result on divestments of property	(234)	(1,497)
Net financing costs	8,286	15,204
Income tax	(495)	(4,205)
Cash flow from operating activities before changes in working capital and provisions	49,915	49,600
Movement in current assets	6,114	(7,880)
Movement in short-term liabilities	678	1,208
Movement in provisions	(187)	(394)
	56,520	42,534
Interest received	36	14
Interest paid	(11,589)	(13,229)
Income tax paid	(683)	(748)
Cash flow from operating activities	44,284	28,571
Cash flow from investing activities		
Capital expenditure on property	(2,464)	(3,134)
Divestments of property	17,905	12,366
Cash flow from property	15,441	9,232
Movement in other fixed assets	136	136
Cash flow from investing activities	15,577	9,368
Cash flow from financing activities		
Dividend paid	(38,765)	(14,579)
Dividend paid to non-controlling interests	(3,593)	(5,082)
Interest-bearing loans draw down	-	44,203
Interest-bearing debt redeemed	(17,576)	(62,871)
Movement in guarantee deposits and other long-term liabilities	(31)	305
Cash flow from financing activities	(59,965)	(38,024)
Net increase/(decrease) in cash and cash equivalents	(104)	(85)
Cash and cash equivalents as at 1 January	876	961
Cash and cash equivalents as at end of period	772	876

SEGMENTED INFORMATION

The segmented information is only presented based on the countries where the properties are located.

Result (€ thousand)

	Netherlands		France		Belgium		Spain		Total	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Net rental income	24,893	26,154	12,861	12,749	16,228	15,148	2,640	2,967	56,622	57,018
Value movements in property in operation	(17,769)	(41,067)	2,802	(10,234)	(10,312)	(24,251)	(1,252)	(8,838)	(26,531)	(84,390)
Net result on divestments of property	361	(61)	92	50	362	1,508	(582)	-	234	1,497
Total net income from property	7,485	(14,974)	15,755	2,565	6,278	(7,595)	806	(5,871)	30,325	(25,875)
Net financing costs									(8,286)	(15,204)
General expenses									(6,707)	(7,418)
Income tax									495	4,205
Result after taxes									15,827	(44,292)

Property in operation

	Netherlands		France		Belgium		Spain		Total	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Balance as at 1 January	641,841	683,047	405,895	415,134	338,661	370,881	83,151	99,399	1,469,548	1,568,461
Acquisitions	-	-	-	-	-	-	-	-	-	-
Investments	2,394	976	506	995	121	306	5	-	3,026	2,277
Transferred from Assets held for sale	-	1,575	-	-	-	-	-	-	-	1,575
Transferred to Assets held for sale	(1,300)	-	-	-	(2,185)	-	-	(7,410)	(3,485)	(7,410)
Divestments	(3,034)	(2,690)	(78)	-	(3,664)	(8,275)	-	-	(6,776)	(10,965)
	639,901	682,908	406,323	416,129	332,933	362,912	83,156	91,989	1,462,313	1,553,938
Value movements	(17,769)	(41,067)	2,802	(10,234)	(10,311)	(24,251)	(1,252)	(8,838)	(26,530)	(84,390)
Balance as at 31 December	622,132	641,841	409,125	405,895	322,622	338,661	81,904	83,151	1,435,783	1,469,548
Accrued assets in respect of lease incentives	2,847	2,998	989	1,300	810	864	211	435	4,857	5,597
Total property in operation	624,979	644,839	410,114	407,195	323,432	339,525	82,115	83,586	1,440,640	1,475,145
Lease liabilities	(2,403)	(2,569)	-	-	(621)	(723)	-	-	(3,024)	(3,292)
Other	-	-	-	-	383	-	-	-	383	-
Appraisal value as at 31 December	622,576	642,270	410,114	407,195	323,194	338,802	82,115	83,586	1,438,000	1,471,853

ASSETS HELD FOR SALE

(€ thousand)

	2021	2020
Balance as at 1 January	7,410	1,575
Transferred from Property in operation	3,485	7,410
Transferred to Property in operation	-	(1,575)
Divestments	(10,895)	-
	-	7,410
Value movements	-	-
Balance as at 31 December	-	7,410

In 2021, four properties classified as 'assets held for sale' were sold. On these transactions, a result was realised of € 0.6 million negative. These divestments were realised at book value; the book result consists solely of divestment costs, of which the large majority were local taxes (Spanish divestment). As at 31 December 2021, no assets were being held for sale (31 December 2020: one asset).

INTEREST-BEARING DEBTS

As at 31 December, the interest-bearing debts consisted of:

	2021	2020
Long-term liabilities		
Unsecured loans	612,952	624,793
Lease liabilities	3,393	3,384
Total long-term interest-bearing debts	616,345	628,177
Short-term interest-bearing debts		
Payable to banks	3,320	8,547
Short-term lease liabilities	263	272
Total short-term liabilities	3,583	8,819
Total interest-bearing debts	619,928	636,992

Movements in the interest-bearing debts were as follows:

	2021	2020
Balance as at 1 January	636,996	655,198
Interest-bearing debts drawn down	-	44,203
Redemptions	(17,851)	(62,871)
Additions lease liabilities	275	-
Application of effective interest method	508	466
Balance as at 31 december	619,928	636,996

The accounting policies used in this press release comply with the International Financial Reporting Standards (IFRS) as endorsed by the European Union.

The financial statements are presented in euros; amounts are rounded off to thousands of euros, unless stated differently. Property and financial derivatives are valued at fair value. The other items in the financial statements are valued at historical or amortised cost.

In the presentation of the annual accounts the Executive Board has made judgements concerning estimates and assumptions which impact the figures included in the financial statements. The estimates and underlying assumptions concerning the future are based on historical experience and other relevant factors, given the circumstances on the balance sheet date. The actual results may deviate from these estimates. The estimates and underlying assumptions are evaluated regularly. Any adjustments are recognised in the period in which the estimate was reviewed, or if the estimate also impacts future periods, also in these future periods.

During 2021, none of the members of the Supervisory Board and Executive Board of Vastned Retail had a personal interest in the investments made by Vastned Retail. To Vastned Retail's best knowledge, no property transactions were effected during the period under review involving persons or institutions that could be regarded as parties with direct interests in Vastned Retail.

This press release is based on the 2021 financial statements that were prepared on 9 February 2022 and for which Ernst & Young Auditors LLP has issued an unqualified opinion. The press release concerns only part of the financial statements. The financial statements have not yet been published in accordance with the statutory provisions and have not yet been adopted. The General Meeting of Shareholders at which the financial statements will be adopted is scheduled for 14 April 2022.

EPRA PERFORMANCE-INDICATORS

The EPRA Best Practices Recommendations ('BPR') published by EPRA's Reporting and Accounting Committee contain recommendations for the determination of key performance indicators of the property portfolio. Vastned acknowledges the importance of standardising the reporting on performance indicators for the sake of comparability and improving the quality of the information provision to investors and other users. The financial statements in this chapter are presented in euros; amounts are rounded off to thousands of euros, unless stated differently.

EPRA performance-indicator	Table	(€ thousand)		per share (€)	
		2021	2020	2021	2020
EPRA Earnings	1	33,058	31,727	1.93	1.85
EPRA NRV	2	818,719	833,563	47.73	48.60
EPRA NTA	2	722,681	750,833	42.13	43.78
EPRA NDV	2	705,074	725,168	41.11	42.28
EPRA Net Initial Yield (NIY)	3 (i)	3.9%	4.0%		
EPRA 'topped-up' NIY	3 (ii)	4.1%	4.1%		
EPRA Vacancy Rate	4	2.2%	3.6%		
EPRA Cost Ratio (including direct vacancy costs)	5 (i)	20.4%	24.2%		
EPRA Cost Ratio (excluding direct vacancy costs)	5 (ii)	19.9%	23.2%		
Capital expenditure	6	3,026	2,277		

1. EPRA EARNINGS

	2021	2020
Result in accordance with consolidated IFRS profit and loss account	15,827	(44,292)
Value movements in property	26,531	84,390
Net result on divestments of property	(234)	(1,497)
Financial expenses	-	-
Value movements in financial derivatives	(3,584)	2,091
Movement in deferred tax assets and liabilities	(988)	(4,707)
Attributable to non-controlling interests	(4,494)	(4,258)
EPRA Earnings	33,058	31,727
EPRA Earnings per share (EPS)	1.93	1.85

2. EPRA NAV METRICS

	31 December 2021			31 December 2020		
	EPRA NRV	EPRA NTA	EPRA NDV	EPRA NRV	EPRA NTA	EPRA NDV
Equity Vastned Retail shareholders	713,072	713,072	713,072	737,195	737,195	737,195
Hybrid instruments	-	-	-	-	-	-
Diluted NAV	713,072	713,072	713,072	737,195	737,195	737,195
Diluted NAV at fair value	713,072	713,072	713,072	737,195	737,195	737,195
Deferred taxes related to fair value gains of property	9,164	9,164	-	10,635	10,005	-
Fair value financial derivatives	770	770	-	4,068	4,068	-
Intangible fixed assets	-	(325)	-	-	(435)	-
Fair value of fixed-rate interest-bearing debts	-	-	(7,998)	-	-	(12,027)
Real Estate Transfer Tax	95,713	-	-	81,665	-	-
NAV	818,719	722,681	705,074	833,563	750,833	725,168
Fully diluted number of shares	17,151,976	17,151,976	17,151,976	17,151,976	17,151,976	17,151,976
NAV per share	47.73	42.13	41.11	48.60	43.78	42.28

	31 December 2021			31 December 2020		
	Fair value	As a percentage of total portfolio	Percentage of excluded deferred taxes	Fair value	As a percentage of total portfolio	Percentage of excluded deferred taxes
Portfolio that is subject to deferred tax and intention is to hold and not to sell in the long run	196,064	14	100	202,575	14	100

3. EPRA NET INITIAL YIELD AND EPRA TOPPED-UP NET INITIAL YIELD PER 30 JUNE

	Netherlands		France		Belgium		Spain		Total	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020	31 December 2021	31 December 2020	31 December 2021	31 December 2020	31 December 2021	31 December 2020
Property	622,575	642,270	410,115	407,195	323,194	338,802	82,115	90,996	1,438,000	1,479,263
addition:										
Estimated transaction fees	58,554	43,852	29,183	29,422	8,268	8,469	2,561	2,845	98,566	84,588
Investment value of property (B)	681,129	686,122	439,298	436,617	331,462	347,271	84,676	93,841	1,536,566	1,563,851
Annualised gross rental income	31,032	31,370	14,480	15,508	17,200	17,977	2,945	3,569	65,658	68,424
Non-recoverable operating expenses	(4,260)	(3,969)	(539)	(544)	(1,320)	(1,245)	(199)	(242)	(6,318)	(6,000)
Annualised net rental income (A)	26,772	27,401	13,941	14,964	15,880	16,732	2,746	3,327	59,340	62,424
Effect of rent-free periods and other lease incentives	947	945	972	762	1,361	267	264	110	3,544	2,084
Topped-up annualised net rental income (C)	27,719	28,346	14,913	15,726	17,241	16,999	3,010	3,437	62,884	64,508
(i) EPRA Net Initial Yield (A/B)	3.9%	4.0%	3.2%	3.4%	4.8%	4.8%	3.2%	3.5%	3.9%	4.0%
(ii) EPRA Topped-up Net Initial Yield (C/B)	4.1%	4.1%	3.4%	3.6%	5.2%	4.9%	3.6%	3.7%	4.1%	4.1%

4. EPRA VACANCY RATE

31 December 2021

	Gross rental income	Net rental income	Lettable floor area (m ²)	Annualised gross rental income	Estimated rental value (ERV) of vacancy	Estimated rental value (ERV)	EPRA Vacancy Rate
Netherlands	28,745	24,893	103,639	31,032	921	32,154	2.9%
France	13,482	12,862	21,340	14,480	454	17,435	2.6%
Belgium	17,232	16,228	76,823	17,200	135	17,071	0.8%
Spain	2,757	2,640	2,990	2,945	0	3,188	-
Total property	62,216	56,623	204,792	65,658	1,510	69,848	2.2%

31 December 2020

	Gross rental income	Net rental income	Lettable floor area (m ²)	Annualised gross rental income	Estimated rental value (ERV) of vacancy	Estimated rental value (ERV)	EPRA Vacancy Rate
Netherlands	30,280	26,154	105,575	31,370	1,633	33,085	4.9%
France	14,214	12,749	21,340	15,508	242	17,514	1.4%
Belgium	17,085	15,148	81,903	17,977	718	17,770	4.0%
Spain	3,337	2,967	3,419	3,569	0	3,489	-
Total property	64,916	57,018	212,237	68,424	2,593	71,858	3.6%

5. EPRA COST RATIOS

	2021	2020
General expenses	6,707	7,418
Operating expenses	5,942	8,039
Net service charge expenses	142	367
EPRA costs (including vacancy costs) (A)	12,791	15,824
Vacancy costs	(302)	(617)
EPRA costs (excluding vacancy costs) (B)	12,489	15,207
Gross rental income (C)¹	62,706	65,424
(i) EPRA Cost Ratio (including vacancy costs) (A/C)	20.4%	24.2%
(ii) EPRA Cost Ratio (excluding vacancy costs) (B/C)	19.9%	23.2%

¹ Including other income € 490 (2020: € 508)

6. CAPITAL EXPENDITURE

	<u>2021</u>	<u>2020</u>
Acquisitions	-	-
Development	-	-
Like-for-like-portfolio ¹	3,026	2,277
Other	-	-
	<u>3,026</u>	<u>2,277</u>

1) Concerns improvements to several assets already held in various countries.

Vastned has no interests in joint ventures.