HALF-YEAR REPORT 2021

Vastned shows relatively good performance despite lockdowns; focus on strategy execution, taking advantage of new retail trends

Highlights H1 2021

- **Direct result of € 0.88 per share (€ 0.85 in H1 2020)**
- **Indirect result of € 1.38 negative per share (€ 2.09 negative in H1 2020)**
- **Total earnings per share of € 0.50 negative (€ 1.24 negative in H1 2020)**
- **Collection rate of approximately 90%**
- **Occupancy rate up compared with end of Q1 2021 to 96.2%**
- **Like-for-like gross rental income decreased by 3.2%**
- **Value of property portfolio decreased by 1.9% compared with 31 December 2020**
- **General expenses decreased by € 0.4 million in H1 2021**
- **Loan-to-value ratio of 44.2% as at 30 June 2021**
- **Good liquidity position; Vastned remains well within bank covenants**
- **Focus on strategy execution: improving our retail tenant mix by adding tenants that benefit from new retail trends, including retailers combining physical and digital stores like Coolblue and My Jewellery**
- **Interim dividend of € 0.53 euro per share; 60% pay-out ratio in line with dividend policy**
- **Outlook: Barring unforeseen circumstances and assuming no reintroduction of national lockdowns in Vastned's key geographies in the second half of 2021, the expected range of direct results is between € 1.80 and € 1.90 per share**

Amsterdam, 29 July 2021 – Vastned, the listed European retail property company, has reported a relatively good performance despite the continued impact of COVID-19-related lockdowns and restriction measures in all of its portfolio countries. Vastned reports a direct result for H1 2021 of € 0.88 euro per share, which is higher than the € 0.85 per share reported in H1 2020. Despite a still challenging retail environment, the collection rate remains strong at approximately 90%, and the occupancy rate remains relatively stable at 96.2%. The value of the property portfolio decreased 1.9% during H1 2021, including the full effect of the higher Dutch transfer tax as per 1 January 2021. Our focus continues to be on executing our strategy, improving our tenant mix with an increased focus on digital retailers and strong urban brands, and creating more mixed-use spaces by adding residential units and small offices.

Reinier Walta, Vastned CEO: "A direct result per share of € 0.88, a collection rate of approximately 90% and occupancy at 96.2% are all indicators of relatively good performance, especially in the context of continued subdued conditions due to the lockdowns across all our geographies in the first half of 2021. The value of our total property portfolio fell by only 1.9% over this period. This limited decrease clearly indicates the quality and resilience of both our portfolio and our tenant's businesses. While certain renewals have put pressure on the average rent levels, the overall impact on rental income from our portfolio has been minimal. As part of our new strategy announced earlier this year, we are engaging more actively with existing and new tenants, while looking at opportunities to both protect and expand future gross rental income. This will include an increased focus on tenants that benefit from new retail trends, facilitating the successful digital retailers that seek a greater physical presence and leveraging the strong phygital shift in retail markets. Vastned's unique portfolio of high street retail properties also leaves us well positioned to benefit from increased demand from suburban retailers for high street locations, as well as from supermarkets for smaller stores in historic inner-city areas. At the same time, and in line with our strategy, Vastned will continue to look at creating more mixed-use assets by adding residential units and small offices to properties. These various developments will serve to future-proof our tenant mix and our properties. Over time, optimising our portfolio with a focused letting strategy, redevelopment, selective investments and targeted divestments should unlock the intrinsic value of Vastned's real estate portfolio."

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, retailers were allowed to receive customers again without appointments, and on 26 June most COVID-19-related restrictions were lifted for retailers. Currently, mainly bars and restaurants in the Netherlands continue to face restrictions on the number of guests they may cater to as well as regarding opening hours. The 1.5-metre social distancing measures in the Netherlands and the equivalent restrictions still in place in Vastned's portfolio countries continue to negatively affect some of Vastned's tenants, which is only partly compensated for by economic relief measures.

The table below shows the rent arrangements made in H1 2021 for H1 2021 and for FY 2020. In the portfolio in the Netherlands, Vastned waived € 1.1 million over H1 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 it was € 0.3 million related to H1 and € 0.2 million related to 2020, that in total amounted to 0.5 million recorded in H1 2021. In Belgium, almost all waivers agreed in H1 2021 were related to the 2020 period.

	H1 2021 effect	**FY 2020 effect**	**Total waivers H1 2021**
Rent arrangements (€ million)	**Rent waivers** [1, 2]	**Rent waivers** [1, 2]	**Rent waivers** [1, 2]
Netherlands	0.9	0.2	1.1
France	0.3	0.2	0.5
Belgium	0.0	0.5	0.6
Spain	< 0.1	< 0.1	< 0.1
Total	**1.2**	**0.9**	**2.2**

1) Including acquisitions and divestments
2) Excluding VAT

Part of the total value of the waivers concerns 2020 rent (€ 0.9 million of the total € 2.2 million). These waivers are accounted for (as negative rent) in H1 2021, though are provided for in 2020 by means of the provision for expected credit losses. These provisions have been released in H1 2021 and therefore have no net effect on the H1 2021 results.

In the first half of the year, Vastned continued to discuss and agree tailored arrangements with 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. Further, new agreements were reached with tenants on contract extensions, removal of break options or future rent rises.

The arrangements made with tenants have the following implications for the H1 2021 result:
- € 2.2 million in rent waivers in total in H1 2021, excluding VAT, with € 1.2 million related to waivers in H1 2021 and € 0.9 million related to FY 2020. This has been deducted directly and fully from the gross rental income in H1 2021.
- Vastned has allocated € 0.6 million to the provision for expected credit losses due to the elevated risk of uncollectible rent receivables due to COVID-19.

The account balance for 'debtors and other receivables' decreased to € 13.0 million as per 30 June 2021 (30 June 2020: € 20 million). Of this amount, € 6.4 million is related to rent invoiced in advance for Q3 2021.

The rent collection rate for H1 2021 was 90% as at 30 June 2021. This was calculated as follows: all amounts received were divided by all amounts invoiced for H1 2021 (including rent, service charges and deposits). The waivers and the deferred amounts were not deducted from the amounts invoiced in this calculation.

With the lifting of lockdowns in its portfolio countries, Vastned is now seeing 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. The ratio of visitors that make a purchase (conversion ratio) is higher than before the pandemic, which bodes well for retailers' sales.

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. We are also improving our 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, My Jewellery, Coolblue) 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 like Carrefour and Jumbo. Further, Vastned will continue to look to create more mixed-use by adding residential units and small offices and realising potential redevelopment opportunities. By optimising our portfolio in this way, including with selective investments and targeted divestments, we expect to unlock the intrinsic value of our real estate portfolio.

Sustainability
Sustainability is an important 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 H1 2021.

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

Increasing housing stock within historic city centres:
By converting empty spaces above shops into residential units, city centers are becoming livelier, after closing time while housing stock increases. These investments also aim to improve the sustainability ratings of our properties. We have realized 7 renovations / creations of apartments in H1 2021, which compares with 17 in total in FY2020.

Green financing:
Under its green finance framework, Vastned secured a committed € 40 million Green Revolving Credit Facility ('Green RCF') as of 31 December 2020 and has drawn approximately 10 million under this new agreement in H1 2021.

Key parameters
The direct result per share in H1 2021 was € 0.88 compared with € 0.85 in H1 2021. The increase was caused by lower operating expenses and financing costs, which compensated for lower net rental income. The net rental income was negatively impacted by rent waivers of € 2.2 million (excluding VAT) and the € 0.6 million allocation to the provision for expected credit losses. The value of the portfolio fell by 1.9% in H1 2021 compared with a decrease of 2.5% in H1 2020. The occupancy rate increased from 95.2% to 96.2% compared with Q1 2021. This represents a decrease compared with the H1 2020 occupancy rate, which stood at 97.4%.

Results	**H1 2021**	**H1 2020**
Occupancy rate as at 30 June (%)	96.2	97.4
Like-for-like gross rental growth (%)	(3.2)	(6.3)
Value movements [1] (%)	(1.9)	(2.5)
Total appraisal value of the portfolio [2] (€ million)	1,440	1,533
Direct result per share (€)	0.88	0.85
Indirect result per share (€)	(1.38)	(2.09)
Result per share (€)	(0.50)	(1.24)

1) Excluding acquisitions and divestments
2) Including assets held for sale

NOTES TO THE PROPERTY PORTFOLIO

Occupancy rate

The occupancy rate of the full portfolio rose compared with Q1 2021 and decreased slightly compared with 31 December 2020. The occupancy rate in France decreased due to the departure of NYX on Rue Sainte-Catherine 39 in Bordeaux and Le Coq Sportif on Rue des Rosiers 19 in Paris. In Belgium, the occupancy rate increased due to new lettings in Wilrijk with Coolblue and with Vanden Borre Kitchen in Wavre and Korbeek-Lo. The portfolio in Spain remained fully let.

Occupancy rate (%)	30 June 2021	31 March 2021	31 December 2020	30 June 2020
Netherlands	96.1	93.8	95.2	96.0
France	94.1	95.4	98.5	99.8
Belgium	97.5	96.9	96.2	97.5
Spain	100.0	100.0	100.0	100.0
Total	**96.2**	**95.2**	**96.5**	**97.4**

Leasing activity

In the first six months of 2021, Vastned concluded 54 leases for a total annual amount of € 6.2 million, or 8.6% of the total theoretical annual gross rental income. On the 54 leases, Vastned realised a 4.4% rent decrease, caused mainly by the lease renewal with Massimo Dutti on Steenstraat 38 in Bruges and the new letting of Clinadent on Rue Faidherbe 32-34 in Lille. In the Netherlands, Vastned concluded new leases with Domino's Pizza and My Jewellery. In Belgium, leases were concluded with Coolblue, Vanden Borre Kitchen and Vandermaesen Viswaren, while new leases were agreed with Clinadent and Sinéquanone in France.

Leasing activity	H1 2021
Number of leases	54
Rental income (€ million)	6.2
% of total theoretical annual rent	8.6
Rental change (€ million)	(0.3)
% rental change	(4.4)

Appraisal value

The appraisal value of Vastned's total property portfolio was € 1.44 billion as at 30 June 2021; this was only a limited 1.9% decrease compared with year-end 2020.

Portfolio breakdown (€ million)	30 June 2021	% of total
Netherlands	623	43
France	407	28
Belgium	328	23
Spain	82	6
Total	**1,440**	**100**

Like for like appraisal value

All properties in operation are appraised at least once per year by independent certified appraisers. As per 30 June 2021, 97.1% 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 mostly functioning again, with transaction volumes and other relevant evidence at levels where enough market evidence exists to determine valuation opinions.

The like-for-like appraisal value of the property portfolio excluding acquisitions and divestments as at the end of June 2021 fell by 1.9% compared with year-end 2020. The value decreases of the portfolios in the Netherlands, Belgium and Spain were 2.9%, 2.2% and 1.8%, respectively. The French portfolio remained stable compared with year-end 2020.

In the Netherlands, as per 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 per 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 H1 2021 cannot be assessed with full certainty, though it did have an impact on the valuations.

Appraisal value (€ million)	**H1 2021**	**VS FY20**	**FY 2020**	**VS FY19**	**FY 2019**
Netherlands	623	(2.9%)	642	(5.9%)	682
France	407	(0.0%)	407	(2.1%)	416
Belgium	328	(2.2%)	335	(6.5%)	358
Spain	82	(1.8%)	84	(8.6%)	91
Total	**1,440**	**(1.9%)**	**1,468**	**(5.2%)**	**1,548**

Acquisitions and divestments

In Q1 2021, Vastned sold assets at book value on Calle de Tetuán 19/Calle Carmen in Madrid and parking places on Rue d'Alésia 123 in Paris. In Q2 2021, Vastned sold two properties in Belgium, on Hovensesteenweg 123/127 in Boechout and Rue Servais-Malaise 25 in Grivegnée, respectively. Both properties were sold for € 0.2 million above book value. Further, a property in the Netherlands was sold in Q2 2021 on Westdijk 22-24 in Middelharnis for € 0.1 million above book value. No acquisitions were made during H1 2021.

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.

NOTES TO THE FINANCIAL RESULTS

Financial results (€ million)	H1 2021	H1 2020
Direct result	15.1	14.6
Indirect result	(23.7)	(35.7)
Result attributable to Vastned Retail shareholders	**(8.6)**	**(21.1)**
Result attributable to non-controlling interests	(0.1)	(3.1)
Result after taxes	**(8.7)**	**(24.2)**

Result attributable to Vastned Retail shareholders
The result attributable to Vastned's shareholders, which comprises the direct and indirect results, was € 8.6 million negative in the first half of 2021 (H1 2020: € 21.1 million negative). The main cause was the increase of the indirect result from € 35.7 million negative in H1 2020 to € 23.7 million negative in H1 2021. Within the indirect result, the value decrease of the property portfolio in the first half of 2021 amounted to € 28.7 million (H1 2020: value decrease of € 40.8 million).

The direct result increased from € 14.6 million in H1 2020 to € 15.1 million in H1 2021. Net rental income was slightly lower, though due to a decrease in financing costs and general expenses, the direct result was € 0.5 million higher.

Result per share
The result per share attributable to Vastned shareholders was € 0.50 negative in H1 2021 (H1 2020: € 1.24 negative).
The result comprises the direct result per share of € 0.88 (H1 2021: € 0.85) and the indirect result per share of € 1.38 negative (H1 2020: € 2.09 negative).

NET INCOME FROM PROPERTY

Gross rental income
After adjustment for non-recurring items, the gross rental income was € 31.4 million in H1 2021 compared with € 32.9 million in H1 2020. A break-down of the movements per country is provided in the table below.

	Netherlands before adjustment for non-recurring items	Adjustment for non-recurring items	Netherlands after adjustment for non-recurring items	France	Belgium	Spain	Total
Gross rental income H1 2020	14,988	402	15,390	6,900	8,925	1,684	32,899
Divestments	(126)	-	(126)	-	(188)	(124)	(438)
Waivers of rent arrears (LfL)	18	-	18	52	39	30	139
Like-for-like growth	(547)	-	(547)	(228)	(97)	(300)	(1,172)
Gross rental income H1 2021	**14,333**	**402**	**14,735**	**6,724**	**8,679**	**1,290**	**31,428**
Other income	-	-	-	162	126	-	288
Addition to provision for expected credit losses	(882)	-	(882)	(32)	187	95	(632)
Operating expenses	(2,269)	-	(2,269)	(642)	(756)	(120)	(3,787)
Net rental income H1 2021	**11,182**	**402**	**11,584**	**6,212**	**8,236**	**1,265**	**27,297**
Net rental income H1 2020	12,358	402	12,760	6,226	7,316	1,288	27,590
Operating expenses as % of gross rental income 2021	22.0	-	21.4	10.0	6.6	1.9	14.1
Operating expenses as % of gross rental income 2020	17.5	-	17.1	12.0	18.5	23.5	16.7

Divestments (€ 0.4 million decrease)
In H1 2021, divestments were made for a total amount of € 11.7 million. In 2020, Vastned sold properties totalling € 11.0 million, which caused the gross rental income to fall by € 0.4 million compared with H1 2020. These divestments were from the Dutch, Belgian and Spanish property portfolios.

Waivers in the context of COVID-19 (€ 0,1 million increase)
As a result of COVID-19, an amount of € 2,2 million in rent arrears was waived in H1 2021 (H1 2020 € 2,3 million). The waivers of rent arrears in H1 2021 in the Netherlands, France, Belgium and Spain were € 1,1 million, € 0,5 million, € 0,6 million and nil respectively.

Like-for-like gross rental growth (€ 1.2 million decrease)
The like-for-like rental growth of the gross rental income was € 1.2 million negative. The like-for-like rental growth in the Netherlands, France, Belgium and Spain was € 0.6 million negative, € 0.2 million negative, € 0.1 million negative and € 0.3 million negative, respectively as a result of a lower occupancy rate and lease renewals with a rent decrease.

The like-for-like growth of the gross rental income including waivers was 3.2% negative or the total property portfolio.

Adjustment for non-recurring items
This adjustment concerns the spreading of substantial buy-out payments received from and paid to tenants in 2018. To present a balanced view of the like-for-like gross rental growth, these non-recurring payments have been spread over the duration of the leases with the new tenants. On balance, this means that, both in H1 2020 and H1 2021, € 0.4 million in gross rental income is presented compared with the IFRS direct result.

Operating expenses (including net service charge expenses)
Total operating expenses, excluding the allocation to the provision for expected credit losses, decreased from € 4.1 million in H1 2020 to € 3.8 million in H1 2021. Maintenance costs and net service charge expenses decreased by € 0.2 million and € 0.1 million, respectively.

The allocation to the provision for expected credit losses decreased from € 1.4 million in H1 2020 to € 0.6 million in H1 2021. The allocation to this provision was almost entirely due to COVID-19. Expressed as a percentage of the gross rental income (including credit losses), operating expenses were 14.1% in H1 2021 (H1 2020: 16.7%).

Value movements in property
The value movements in property in H1 2021 totalled € 28.7 million negative (H1 2020: € 40.8 million negative). The value decreases of the Dutch, Belgian, Spanish and French property portfolios were € 19.3 million, € 7.8 million, € 1.3 million and € 0.2 million, respectively (rounded).

Net result on divestments of property
In H1 2021, Vastned sold properties totalling € 11.7 million (H1 2020: nil). The net result on the divestments of property, after deduction of sales costs, was € 42 thousand negative.

EXPENDITURE

Net financing costs
The net financings costs, including value movements of financial derivatives, decreased from € 8.7 million in H1 2020 to € 4.3 million in H1 2021. Developments regarding the net financing costs are detailed in the table below.

Development of net financing costs (€ million)

Net financing costs H1 2020	8.7
Decrease due to lower average interest-bearing debt	(0.2)
Decrease on balance due to lower average interest rate and changes in debt with fixed/floating interest rate and working capital	(0.6)
Decrease of negative value movements in financial derivatives	(3.6)
Net financing costs H1 2021	**4.3**

Net financing costs decreased by € 0.2 million in H1 2021 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 16 basis points from 2.03% in H1 2020 to 1.87% in H1 2021, reducing interest expenses by € 0.6 million. As a result of changes in the market interest rate, the value movements of the interest rate derivatives were € 1.5 million positive in H1 2021 compared with € 2.1 negative in H1 2020.

General expenses
General expenses totalled € 3.4 million in H1 2021 compared with € 3.8 million in H1 2020. The € 0.4 million decrease was mainly due to lower personnel costs and other general expenses in H1 2021.

Current income tax expense
Income tax payable for the regularly taxed entities in the Netherlands, Belgium and Spain was € 0.3 million in H1 2021 (H1 2020: € 0.3 million).

Movement in deferred tax assets and liabilities
The movement in deferred tax assets and liabilities was € 1.1 million positive in H1 2021 (H1 2020: € 2.2 million positive). The decrease in the provision for deferred tax liabilities in H1 2021 was mainly due to value decreases of assets in the Netherlands and Spain that are held by regularly taxed entities.

ACCOUNTS RECEIVABLE AND OTHER RECEIVABLES

As at 30 June 2021, Vastned had a total accounts receivable position of € 12.2 million (30 June 2020: € 16.3 million), of which € 3.1 million was provided for (30 June 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	1.4	(1.1)	0.3
Accounts receivable related to COVID-19	3.4	(1.9)	1.5
Accounts receivable for which a deferment has been granted in the context of COVID-19	1.0	(0.2)	0.8
Pre-invoiced rent	6.4	-	6.4
Other receivables	0.1	-	0.1
Total	**12.2**	**(3.1)**	**9.1**

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 loan-to-value ratio of between 30% and 40% (on long-term loans) and good diversification of financing sources; e.g. by placing long-term bond loans with institutional investors (including through private placements).

Financing structure	30 June 2021	31 December 2020
Loan-to-value (%)	44.2	43.0
Solvency [1] (%)	53.9	55.2
Interest coverage ratio	4.6	4.3

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

As at 30 June 2021, Vastned's balance sheet showed a healthy financing structure with a loan-to-value ratio of 44.2% (year-end 2020: 43.0%) and a solvency ratio, being group equity plus deferred tax liabilities divided by the balance sheet total, of 53.9% (year-end 2020: 55.2%). The interest coverage ratio for the past 12 months was 4.6.

With a solvency ratio of 53.9% and an interest coverage ratio of 4.6, 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 30 June 2021 (€ million)	Fixed interest [2]	Floating interest	Total	% of total
Long-term debt	444.9	183.9	628.8	99.1
Short-term debt	-	6.0	6.0	0.9
Total	**444.9**	**189.9**	**634.8**	**100.0**
% of total	70.1	29.9	100.0	

2) Interest rate derivatives taken into account

At the end of June 2021, 70.1% 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 debt was 33.9%, significantly above the internal target of 25%.

Taking the unused credit facilities of € 103.3 million as at 30 June 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 € 0.50 negative, the other movements of € 0.05 positive and the 2020 final dividend distribution of € 1.73 per share, the net asset value per share fell from € 42.98 at year-end 2020 to € 40.80 as at 30 June 2021.

The EPRA NRV per share as at 30 June 2021 was € 46.98 compared with € 48.60 as at year-end 2020.

INTERIM DIVIDEND 2021

In line with the dividend policy, the interim dividend will be 60% of the direct result for the first half of the year. The direct result for H1 2021 is € 0.88 per share, as a result of which the interim dividend is set at € 0.53 per share. On 3 August 2021, the Vastned share will quote ex-dividend, and the interim dividend will be made payable on 18 August 2021.

EVENTS AFTER BALANCE SHEET DATE

The property on Lidostraat 7 in Leopoldsburg was sold on 15 July, after the balance sheet date.

OUTLOOK 2021

On the assumption that full national lockdowns in the majority of Vastned's countries won't occur in the remainder of the year, and considering our relatively good performance in the first half of 2021, we are looking ahead cautiously optimistic. The number of visitors to the streets where our assets are located has significantly increased, though tourist numbers are still noticeably below levels seen before the pandemic, particularly in some of the larger cities in our portfolio. In this context, we will continue to focus on collections, renewals, occupancy and preventing bankruptcy risk, as well as to diversify our portfolio adding new tenants to make our portfolio future-proof. Given these factors, and barring unforeseen circumstances that include further lockdowns, our 2021 outlook is for an expected direct result of between € 1.80 and € 1.90 per share.

RESPONSIBILITY STATEMENT

In accordance with Article 5.25d of the Financial Supervision Act, the Executive Board states that, to the best of its knowledge:

- the consolidated interim financial statements give a true and fair view of the assets and liabilities, the financial position and the result of Vastned and its consolidated subsidiaries; and
- the interim report gives a true and fair view of the main events that occurred in the first six months of the financial year and their impact on the interim financial statements, gives a true and fair description of the main risks and uncertainties in the remaining six months of this financial year, and gives a true and fair overview of the main transactions with related parties.

The main risks and uncertainties for the remaining six months of this financial year have not been defined, though are identical to the 2020 annual report. These risks and uncertainties have been adequately described by the Executive Board to the best of its knowledge and to the extent known in the half-year report of the Management Board and the condensed interim consolidated financial statements.

Amsterdam, 29 July 2021

Executive Board:
Reinier Walta, CEO

CONFERENCE CALL

On 29 July 2021 at 11 am, Vastned will comment on the 2021 half-year results in a webcast that will form part of the analyst presentation. The webcast call can be followed live on **https://vastned.com/en/investor-relations/investor_relations**.

FINANCIAL CALENDAR 2021

On 27 October, Vastned will provide its 9M 2021 Trading update.

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 € 1.4 billion at the end of H1 2021.

Further information

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KEY FIGURES

Results (€ thousand)	**30 June 2021**	**31 December 2020**	**30 June 2020**
Gross rental income	31,026	64,916	32,497
Direct result	15,097	31,727	14,637
Indirect result	(23,730)	(73,067)	(35,775)
Result	**(8,633)**	**(41,340)**	**(21,138)**
Balance sheet (€ thousand)			
Property (appraisal value)	1,440,380 [1]	1,479,263 [2]	1,532,504
Equity	777,090	818,293	839,320
Equity Vastned Retail shareholders	699,701	737,195	758,346
Long-term liabilities	653,748	653,984	632,524
Solvency definition lenders (%)	53.9	55.2	54.7
Loan-to-value (%)	44.2	43.0	42.6
Interest coverage ratio	4.6	4.3	4.1
Financial occupancy rate property portfolio (%)	95.2	96.9	97.1
Average number of shares in issue	17,151,976	17,151,976	17,151,976
Number of shares in issue (end of period)	17,151,976	17,151,976	17,151,976
Per share (€)			
Equity Vastned Retail shareholders at beginning of period (including final dividend)	42.98	46.28	46.28
Final dividend previous financial year	(1.73)	(0.85)	(0.85)
Equity Vastned Retail shareholders at beginning of period (excluding final dividend)	**41.25**	**45.43**	**45.43**
Direct result	0.88	1.85	0.85
Indirect result	(1.38)	(4.26)	(2.09)
Result	**(0.50)**	**(2.41)**	**(1.24)**
Remeasurement of defined benefit obligation	0.05	(0.04)	0.02
Interim dividend	-	-	-
Equity Vastned Retail shareholders at end of period (including final dividend)	**40.80**	**42.98**	**44.21**
Share price (end of period) (€)	24.70	23.15	19.00
Premium/(Discount) (%)	(39.5)	(46.1)	(57.0)

1) Including Assets held for sale of € 2,150
2) Including Assets held for sale of € 7,410

DIRECT AND INDIRECT RESULT
(€ thousand)

Direct result	H1 2021	H1 2020
Gross rental income	31,026	32,497
Other income	288	195
Net service charge expenses	(50)	(125)
Operating expenses	(4,369)	(5,379)
Net rental income	**26,895**	**27,188**
Financial income	8	3
Financial expenses	(5,903)	(6,690)
Net financing costs	(5,895)	(6,687)
General expenses	(3,451)	(3,840)
Direct result before taxes	17,549	16,661
Current income tax expense	(261)	(268)
Movement in deferred tax assets and liabilities	107	143
Direct result after taxes	17,395	16,536
Direct result attributable to non-controlling interests	(2,298)	(1,899)
Direct result attributable to Vastned Retail shareholders	**15,097**	**14,637**
Indirect result		
Value movements in property in operation	(28,694)	(40,831)
Total value movements in property	(28,694)	(40,831)
Net result on divestments of property	(42)	50
Value movements in financial derivatives	1,550	(2,061)
Indirect result before taxes	(27,186)	(42,842)
Movement deferred tax assets and liabilities	1,042	2,092
Indirect result after taxes	(26,144)	(40,750)
Indirect result attributable to non-controlling interests	2,414	4,975
Indirect result attributable to Vastned Retail shareholders	**(23,730)**	**(35,775)**
Result attributable to Vastned Retail shareholders	**(8,633)**	**(21,138)**
Per share (€)		
Direct result attributable to Vastned Retail shareholders	0.88	0.85
Indirect result attributable to Vastned Retail shareholders	(1.38)	(2.09)
	(0.50)	(1.24)

EPRA PERFORMANCE-INDICATORS

EPRA performance-indicator	Table	(€ thousand) H1 2021	(€ thousand) H1 2020	per share (€) H1 2021	per share (€) H1 2020
EPRA Earnings	1	15,097	14,637	0.88	0.85
EPRA NRV	2	805,797	858,257	46.98	50.04
EPRA NTA	2	711,687	775,958	41.49	45.24
EPRA NDV	2	688,611	746,732	40.15	43.54
EPRA Net Initial Yield (NIY)	3 (i)	3.8%	4.0% [1]		
EPRA 'topped-up' NIY	3 (ii)	4.0%	4.1% [1]		
EPRA Vacancy Rate	4	3.9%	3.6% [1]		
EPRA Cost Ratio (including direct vacancy costs)	5 (i)	25.1%	28.6%		
EPRA Cost Ratio (excluding direct vacancy costs)	5 (ii)	24.1%	27.7%		
Capital expenditure	6	1,366	1,156		

1) 31 December 2020.

1. EPRA EARNINGS

	H1 2021	H1 2020
Result in accordance with consolidated IFRS profit and loss account	**(8,634)**	**(21,138)**
Value movements in property	28,694	40,831
Net result on divestments of property	42	(50)
Financial expenses	-	-
Value movements in financial derivatives	(1,550)	2,061
Movement in deferred tax assets and liabilities	(1,042)	(2,092)
Attributable to non-controlling interests	(2,413)	(4,975)
EPRA Earnings	**15,097**	**14,637**
EPRA Earnings per share (EPS)	**0.88**	**0.85**

2. EPRA NAV METRICS

	30 June 2021			30 June 2020		
	EPRA NRV	**EPRA NTA**	**EPRA NDV**	**EPRA NRV**	**EPRA NTA**	**EPRA NDV**
Equity Vastned Retail shareholders	699,701	699,701	699,701	758,346	758,346	758,346
Hybrid instruments	-	-	-	-	-	-
Diluted NAV	**699,701**	**699,701**	**699,701**	**758,346**	**758,346**	**758,346**
Diluted NAV at fair value	**699,701**	**699,701**	**699,701**	**758,346**	**758,346**	**758,346**
Deferred taxes related to fair value gains of property	8,970	8,970	-	13,197	13,197	-
Fair value financial derivatives	2,634	2,634	-	3,962	3,962	-
Intangible fixed assets	-	382	-	-	453	-
Fair value of fixed-rate interest-bearing debts	-	-	(11,090)	-	-	(11,614)
Real Estate Transfer Tax	94,492	-	-	82,752	-	-
NAV	**805,797**	**711,687**	**688,611**	**858,257**	**775,958**	**746,732**
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	**46.98**	**41.49**	**40.15**	**50.04**	**45.24**	**43.54**

	30 June 2021			30 June 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	196,326	14	100	221,505	14	100

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

	Netherlands		France		Belgium		Spain		Total	
	30 June 2021	**31 December 2020**	**30 June 2021**	**31 December 2020**	**30 June 2021**	**31 December 2020**	**30 June 2021**	**31 December 2020**	**30 June 2021**	**31 December 2020**
Property	623,457	642,270	407,025	407,195	327,833	338,802	82,065	90,996	1,440,380	1,479,263
addition:										
Estimated transaction fees	58,291	43,852	28,940	29,422	6,302	8,469	3,132	2,845	96,665	84,588
Investment value of property (B)	**681,748**	**686,122**	**435,965**	**436,617**	**334,135**	**347,271**	**85,197**	**93,841**	**1,537,045**	**1,563,851**
Annualised gross rental income	30,462	31,370	14,154	15,508	17,390	17,977	3,034	3,569	65,040	68,424
Non-recoverable operating expenses	(4,685)	(3,969)	(550)	(544)	(1,240)	(1,245)	(200)	(242)	(6,675)	(6,000)
Annualised net rental income (A)	**25,777**	**27,401**	**13,604**	**14,964**	**16,150**	**16,732**	**2,834**	**3,327**	**58,365**	**62,424**
Effect of rent-free periods and other lease incentives	1,473	945	790	762	405	267	212	110	2,880	2,084
Topped-up annualised net rental income (C)	**27,250**	**28,346**	**14,394**	**15,726**	**16,555**	**16,999**	**3,046**	**3,437**	**61,245**	**64,508**
(i) EPRA Net Initial Yield (A/B)	3.8%	4.0%	3.1%	3.4%	4.8%	4.8%	3.3%	3.5%	3.8%	4.0%
(ii) EPRA Topped-up Net Initial Yield (C/B)	4.0%	4.1%	3.3%	3.6%	5.0%	4.9%	3.6%	3.7%	4.0%	4.1%

4. EPRA VACANCY RATE

							30 June 2021
	Gross rental income	Net rental income	Lettable floor area (m²)	Annualised gross rental income	Estimated rental value (ERV) of vacancy	Estimated rental value (ERV)	EPRA Vacancy Rate
Netherlands	14,333	11,182	105,250	30,462	1,309	32,649	4.0%
France	6,723	6,211	21,340	14,154	972	17,416	5.6%
Belgium	8,680	8,237	78,673	17,390	471	17,304	2.7%
Spain	1,290	1,265	2,990	3,034	-	3,115	-
Total property	**31,026**	**26,895**	**208,253**	**65,040**	**2,752**	**70,484**	**3.9%**

							30 June 2020
	Gross rental income	Net rental income	Lettable floor area (m²)	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	-	3,489	-
Total property	**64,916**	**57,018**	**212,237**	**68,424**	**2,593**	**71,858**	**3.6%**

5. EPRA COST RATIOS

	H1 2021	H1 2020
General expenses	3,451	3,840
Operating expenses	4,369	5,379
Net service charge expenses	50	125
EPRA costs (including vacancy costs) (A)	**7,870**	**9,344**
Vacancy costs	(325)	(287)
EPRA costs (excluding vacancy costs) (B)	**7,545**	**9,057**
Gross rental income (C) [1]	**31,314**	**32,692**
(i) EPRA Cost Ratio (including vacancy costs) (A/C)	**25.1%**	**28.6%**
(ii) EPRA Cost Ratio (excluding vacancy costs) (B/C)	**24.1%**	**27.7%**

1) Including other income € 288 (H1 2020 € 195)

6. CAPITAL EXPENDITURE

	H1 2021	H1 2020
Acquisitions	-	-
Development	-	-
Like-for-like-portfolio [1]	1,366	1,156
Other	-	-
	1,366	**1,156**

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

Vastned has no interests in joint ventures.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS 2021

Contents

- Consolidated profit and loss account
- Consolidated statement of comprehensive income
- Consolidated balance sheet
- Consolidated statement of movements in equity
- Consolidated cash flow statementt
- Selected notes

CONSOLIDATED PROFIT AND LOSS ACCOUNT (€ thousand)

	Note	H1 2021	H1 2020
Net income from property			
Gross rental income	4, 5	31,026	32,497
Other income	4	288	195
Net service charge expenses	4	(50)	(125)
Operating expenses	4	(4,369)	(5,379)
Net rental income		**26,895**	**27,188**
Value movements in property in operation	4	(28,694)	(40,831)
Total value movements in property		**(28,694)**	**(40,831)**
Net result on divestments of property	4	(42)	50
Total net income from property		**(1,841)**	**(13,593)**
Expenditure			
Financial income		8	3
Financial expenses		(5,903)	(6,690)
Value movements financial derivatives	12	1,550	(2,061)
Net financing costs		**(4,345)**	**(8,748)**
General expenses		(3,451)	(3,840)
Total expenditure		**(7,796)**	**(12,588)**
Result before taxes		**(9,637)**	**(26,181)**
Current income tax expense		(261)	(268)
Movement in deferred tax assets and liabilities		1,148	2,235
Total income tax		**887**	**1,967**
Result after taxes		**(8,750)**	**(24,214)**
Result attributable to Vastned Retail shareholders		(8,634)	(21,138)
Result attributable to non-controlling interests		(116)	(3,076)
		(8,750)	**(24,214)**
Per share (€)			
Result		(0.50)	(1.24)
Diluted result		(0.50)	(1.24)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (€ thousand)

	H1 2021	H1 2020
Result after taxes	(8,750)	(24,214)
Items not reclassified to the profit and loss account		
Remeasurement of defined benefit pension obligations	814	329
Other comprehensive income after tax	**814**	**329**
Comprehensive income	**(7,936)**	**(23,885)**
Attributable to:		
Vastned Retail shareholders	(7,820)	(20,809)
Non-controlling interests	(116)	(3,076)
	(7,936)	**(23,885)**

CONSOLIDATED BALANCE SHEET
(€ thousand)

	Note	30 June 2021	31 December 2020	30 June 2020
Assets				
Property in operation	4, 8	1,435,761	1,469,548	1,530,361
Accrued assets in respect of lease incentives	4	5,248	5,597	5,492
Total property		**1,441,009**	**1,475,145**	**1,535,853**
Intangible fixed assets		439	500	518
Tangible fixed assets		983	877	982
Rights-of-use assets		271	395	512
Total fixed assets		**1,442,702**	**1,476,917**	**1,537,865**
Assets held for sale		2,150	7,410	-
Debtors and other receivables	9	13,009	17,302	19,952
Cash and cash equivalents		1,223	876	1,574
Total current assets		**16,382**	**25,588**	**21,526**
Total assets		**1,459,084**	**1,502,505**	**1,559,391**
Equity and liabilities				
Capital paid-up and called		95,183	95,183	95,183
Share premium reserve		468,555	468,555	468,555
Other reserves		144,597	214,797	215,746
Result attributable to Vastned Retail shareholders		(8,634)	(41,340)	(21,138)
Equity Vastned Retail shareholders		**699,701**	**737,195**	**758,346**
Equity non-controlling interests	3	77,389	81,098	80,974
Total equity		**777,090**	**818,293**	**839,320**
Deferred tax liabilities		9,054	10,688	13,315
Provisions in respect of employee benefits	10	5,428	6,407	5,826
Long-term interest-bearing loans	11	628,768	624,793	601,170
Long-term lease liabilities	11	3,315	3,384	3,702
Financial derivatives	12	3,219	4,769	4,738
Guarantee deposits and other long-term liabilities		3,964	3,943	3,773
Total long-term liabilities		**653,748**	**653,984**	**632,524**
Payable to banks	11	5,970	8,547	12,143
Redemption long-term loans	11	-	-	37,489
Short-term lease liabilities	11	158	272	140
Income tax payable		450	398	549
Other liabilities and accruals		21,668	21,011	37,226
Total short-term liabilities		**28,246**	**30,228**	**87,547**
Total equity and liabilities		**1,459,084**	**1,502,505**	**1,559,391**

	Paid-up and called up capital	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**
Result				(21,138)	(21,138)	(3,076)	(24,214)
Other comprehensive income			329		329		329
Comprehensive income	**-**	**-**	**329**	**(21,138)**	**(20,809)**	**(3,076)**	**(23,885)**
Final dividend for previous financial year in cash				(14,579)	(14,579)	(5,082)	(19,661)
Contribution from profit appropriation			7,856	(7,856)	-		-
Balance as at 30 June 2020	**95,183**	**468,555**	**215,746**	**(21,138)**	**758,346**	**80,974**	**839,320**
Balance as at 1 January 2021	**95,183**	**468,555**	**214,797**	**(41,340)**	**737,195**	**81,098**	**818,293**
Result				(8,634)	(8,634)	(116)	(8,750)
Other comprehensive income			814		814		814
Comprehensive income	**-**	**-**	**814**	**(8,634)**	**(7,820)**	**(116)**	**(7,936)**
Final dividend for previous financial year in cash				(29,674)	(29,674)	(3,593)	(33,267)
Contribution from profit appropriation			(71,014)	71,014	-		-
Balance as at 30 June 2021	**95,183**	**468,555**	**144,597**	**(8,634)**	**699,701**	**77,389**	**777,090**

CONSOLIDATED CASH FLOW STATEMENT
(€ thousand)

	Note	H1 2021	H1 2020
Cash flow from operating activities			
Result after taxes		(8,750)	(24,214)
Adjustments for:			
Value movements in property	4	28,694	40,831
Net result on divestments of property	4	42	(50)
Net financing costs		4,345	8,748
Income tax		(887)	(1,967)
Cash flow from operating activities before changes in working capital and provisions		**23,444**	**23,348**
Movement in current assets		4,847	(11,673)
Movement in short-term liabilities		594	2,972
Movement in provisions		(201)	19
		28,684	**14,666**
Interest received		8	3
Interest paid		(5,547)	(6,938)
Income tax paid		(695)	(208)
Cash flow from operating activities		**22,450**	**7,523**
Cash flow from investing activities			
Capital expenditure on property		(1,447)	(1,175)
Divestments of property		11,677	-
Cash flow from property		**10,230**	**(1,175)**
Movement in other fixed assets		(45)	12
Cash flow from investing activities		**10,185**	**(1,163)**
Cash flow from financing activities			
Dividend paid	6	(29,674)	-
Dividend paid to non-controlling interests		(3,593)	(5,082)
Interest-bearing loans draw down		3,733	24,395
Redemption interest-bearing debt and lease liabilities		(2,775)	(25,195)
Movement in guarantee deposits and other long-term liabilities		21	135
Cash flow from financing activities		**(32,288)**	**(5,747)**
Net increase/(decrease) in cash and cash equivalents		347	613
Cash and cash equivalents as at 1 January		876	961
Cash and cash equivalents as at end of period		**1,223**	**1,574**

1. GENERAL

Vastned Retail N.V. (hereinafter also referred to as 'the company' or 'Vastned'), with its registered office in Amsterdam, the Netherlands, is a European listed property company (Euronext Amsterdam: VASTN) focusing on the best property on the popular high streets of selected European cities with a historic city centre, where shopping, living, working and leisure converge. Vastned's property clusters have a strong tenant mix of international and national retailers, hospitality businesses, residential tenants and office tenants. The property is located in the Netherlands, France, Belgium and Spain.

Vastned is registered in the trade register of the Chamber of Commerce under number 24262564.
Vastned is listed on the Euronext stock exchange in Amsterdam.
The interim financial statements of Vastned comprise the Company and its subsidiaries (jointly referred to as 'the Group').

The interim financial statements were drawn up by the Executive Board and authorised for publication by the Supervisory Board on 28 July 2021.

The financial information for the first half of 2021 and the first half of 2020 has been reviewed by Ernst & Young Accountants LLP. The financial information as at year-end 2020 was audited by Ernst & Young Accountants LLP.

2. PRINCIPLES APPLIED IN THE PRESENTATION OF THE CONDENSED INTERIM FINANCIAL STATEMENTS

The financial statements are presented in euros; amounts are rounded off to thousands of euros, unless stated differently.

These condensed interim financial statements have been prepared in accordance with IAS 34 'Interim Financial Reporting' as endorsed by the European Union. The condensed interim financial statements do not contain all the information required for full financial statements, and therefore should be read in conjunction with the 2020 consolidated financial statements.

The principles applied in the preparation of the condensed interim consolidated financial statements are consistent with the principles set out in the annual report for the 2020 financial year, with the exception of the application of new standards and interpretations described below. In view of the specific situation during the past period including the first half of 2021 as a result of the COVID-19 pandemic, the most relevant principles applied in these statements are also included below.

Valuation of property

The outbreak of COVID-19, declared by the World Health Organisation as a "Global Pandemic" on the 11th March 2020, has and continues to impact many aspects of daily life and the global economy – with some real estate markets having experienced lower levels of transactional activity and liquidity. Travel, movement and operational restrictions have been implemented by many countries, including the countries in which Vastned is active. Although these may imply an ongoing effect of the crisis, they are not unprecedented in the same way as the initial impact. The pandemic and the measures taken to tackle COVID-19 continue to affect economies and real estate markets globally. Nevertheless, as at the valuation date, property markets are mostly functioning again, with transaction volumes and other relevant evidence at levels where an adequate quantum of market evidence exists upon which to base opinions of value. Accordingly, the valuation of Vastned's property portfolio is not reported as being subject to 'material valuation uncertainty' as defined by VPS 3 and VPGA 10 of the RICS Valuation – Global Standards as per June 30, 2021 as was the case as per June 30, 2020 and (partly) as per December 31, 2020.

Debtors and provision for expected credit losses
Debtors and other receivables are initially recognised at fair value and subsequently measured at amortised cost, less expected credit losses. The Group employs a provisions matrix for the calculation of expected credit losses on receivables. The provision rates are based on the historical credit loss experience of the Group, corrected for forward-looking factors that are specific to the debtors and the economic environment. Due to the impact of the COVID-19 crisis the provision has been increased based on the status of the negotiations regarding past-due rent payments and the sector in which the tenants operate.

Income from operational lease contracts
"In the accounting of the lease income in the case of an operating lease, the Group considers what can reasonably be expected concerning the performance and the effect of the lease contract, including the most probable lease term, partly based on specifically agreed matters and economic circumstances and incentives. The impact of the COVID-19 pandemic, including concessions granted to tenants, is accounted for in accordance with IFRS 9, with the exception of cases in which a concession qualifies as a lease modification. In that case IFRS 16 applies. The group distinguishes the following categories:

- **Waiver of rent arrears after due date of the invoice**
  Waivers are charged to the gross rental income. The accounting and impact of these concessions granted is explained in note 5.
- **Expected uncollectability of rent receivables for which no arrangements have (as yet) been made**
  Recognition as expected credit losses through application of the simplified approach in accordance with IFRS 9, see also the principle 'Debtors and provision for expected credit losses'. The expected impact of the ongoing negotiations on receivables is recognised as an impairment and taken directly to the profit and loss account as part of the operating expenses. For further explanation, reference is made to note 9.
- **Waivers of rent in advance and/or waivers in conjunction with contract modifications**
  These concessions qualify as a lease modification under IFRS 16 and are straight-lined over the new minimum duration of the lease and deducted from the gross rental income as explained in note 5.

Other concessions granted by Vastned to its tenants (see note 9), with the exception of the fact that receivables related to this have been included in the calculation of the provision for expected credit losses, do not affect the accounting."

Going concern
Despite the facts that at this time economic forecasts show recovery, the number of hospitalisations and deaths strongly decline and many government measures are released again, the continuing presence of the COVID-19 virus and its major impact on public health causes the world to still be in a crisis with large implications. The property sector is also still experiencing the consequences of this crisis; landlords of retail properties are faced with retailers who, either due to government measures or otherwise, have had to close or adjust their business and as a result have found themselves in financial difficulties. A significant number of tenants has informed Vastned during the first half year of 2021 again, that they would not (be able to) pay the (full contracted) rent. In response, Vastned continued to apply the approach of making individual arrangements with tenants, taking account of all relevant facts and circumstances. The concessions Vastned has had to make to its tenants have negatively impacted its 2021 results, leading to the decision to management not to issue any outlook for the direct result for 2021 earlier. However, the Executive Board believes that in spite of the foregoing, the company's liquidity position for the next twelve months will be fully adequate to continue to meet its obligations and also to remain within the current covenants agreed with its lenders. The negative impact of the crisis on the valuation of Vastned's property portfolio has remained limited due to the strategic choice for the best properties in the most popular high streets; as a result, the company will be able to continue to comply with the solvency ratios agreed with lenders. For these ratios at the balance sheet date, reference is made to note 12. Based on these facts and considerations, the Executive Board concludes that there is no uncertainty about the Company's ability to continue as a going concern.

New or amended standards and interpretations that became effective on 1 January 2021
The amended standards and interpretations that came into effect in 2021 are listed below.

- **Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 Interest Rate Benchmark Reform – Phase 2**
  The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR). The amendments include the following practical expedients:
  - A practical expedient to require contractual changes, or changes to cash flows that are directly required by the reform, to be treated as changes to a floating interest rate, equivalent to a movement in a market rate of interest.
  - Permit changes required by IBOR reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued.
  - Provide temporary relief to entities from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component.

These amendments had no impact on the interim condensed consolidated financial statements of the Group. The Group intends to use the practical expedients in future periods if they become applicable.

- **Amendments to IFRS 4 Insurance Contracts: Extension of the Temporary Exemption from Applying IFRS 9**
  IFRS 9 Financial Instruments addresses the accounting for financial instruments and is effective for annual reporting periods beginning on or after 1 January 2018. However, for insurers meeting the eligibility criteria, IFRS 4 provides a temporary exemption which permits them to continue to apply IAS 39 Financial Instruments: Recognition and Measurement rather than implement IFRS 9. This temporary exemption was applicable to annual periods beginning before 1 January 2021. In June 2020 the IASB published an amendment to IFRS 4 to extend the temporary exemption from applying IFRS 9 until annual periods beginning before 1 January 2023. This amendment maintains the alignment of the effective dates of IFRS 9 and IFRS 17. This amendment had no impact on the interim condensed consolidated financial statements of the Group.

New or amended standards and interpretations not yet adopted by the European Union
The following standards, amended standards and interpretations that have not yet been adopted by the European Union are therefore not yet being applied by the Group:

- **IFRS 17 Insurance Contracts** (if adopted, effective for financial years starting on or after 1 January 2023)
- **Amendments to IFRS 3 Business Combinations: Reference to the Conceptual Framework**
  (if adopted, effective for financial years starting on or after 1 January 2022)
- **Amendments to IFRS 16 Leases: Covid-19-Related Rent Concessions beyond 30 June 2021**
  (if adopted, effective 1 April 2021 for financial years starting on or after 1 January 2021)
- **Amendments to IFRS 17 Insurance Contracts** (if adopted, effective for financial years starting on or after 1 January 2023)
- **Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non Current**
  (if adopted, effective for financial years starting on or after 1 January 2023)
- **Amendments to IAS 1 Presentation of Financial Statements: Disclosure of Accounting policies**
  (if adopted, effective 1 January 2023)
- **Amendments to IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates** (if adopted, effective 1 January 2023)
- **Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction**
  (if adopted, effective 1 January 2023).
- **Amendments to IAS 16 Property, Plant and Equipment: Proceeds before Intended Use**
  (if adopted, effective for financial years starting on or after 1 January 2022)
- **Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets: Onerous Contracts - Cost of Fulfilling a Contract** (if adopted, effective for financial years starting on or after 1 January 2022)
- **Improvements to IFRS Standards 2018-2020** (if adopted, effective for financial years starting on or after 1 January 2022)

The Executive Board does not expect the application in future periods of the standards mentioned above will have any material impact on the financial statements and/or the position of the Group, or on the presentation and/or the notes.

3. SCOPE OF CONSOLIDATION

During the first half of 2021 one change in the scope of consolidation occured: the company 'Compagnie Financiere du Benelux (Belgique) N.V.' has been liquidated in June 2021. Management of the Company decided to do so as this holding company was no longer required due to changed laws and regulations. This change had no material impact on the condensed interim consolidated financial statements, remaining assets have been transferred to other group companies.

Vastned holds a 65.5% interest in the publicly regulated property company under Belgian law Vastned Retail Belgium N.V., which is listed on Euronext Brussels. The 34.5% interest in the equity and the result of this company attributable to non-controlling interests is recognised separately in the balance sheet and the profit and loss account.

Vastned has a 100% interest in and full control over all its other subsidiaries.

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4. SEGMENTED INFORMATION

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

Result

	Netherlands		France		Belgium		Spain		Total	
	H1 2021	**H1 2020**	**H1 2021**	**H1 2020**	**H1 2021**	**H1 2020**	**H1 2021**	**H1 2020**	**H1 2021**	**H1 2020**
Net rental income	11,182	12,358	6,211	6,226	8,237	7,316	1,265	1,288	26,895	27,188
Value movements in property in operation	(19,324)	(21,064)	(203)	(2,711)	(7,843)	(15,161)	(1,324)	(1,895)	(28,694)	(40,831)
Net result on divestments of property	92	-	50	50	398	-	(582)	-	(42)	50
Total net income from property	**(8,050)**	**(8,706)**	**6,058**	**3,565**	**792**	**(7,845)**	**(641)**	**(607)**	**(1,841)**	**(13,593)**
Net financing costs									(4,345)	(8,748)
General expenses									(3,451)	(3,840)
Income tax									887	1,967
Result after taxes									**(8,750)**	**(24,214)**

Property in operation

	Netherlands		France		Belgium		Spain		Total	
	H1 2021	H1 2020	H1 2021	H1 2020	H1 2021	H1 2020	H1 2021	H1 2020	H1 2021	H1 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	-	-	-	-	-	-	-	-	-	-
Capital expenditure	915	557	332	470	119	129	-	-	1,366	1,156
Transferred from Assets held for sale	-	1,575	-	-	-	-	-	-	-	1,575
Transferred to Assets held for sale	(525)	-	-	-	(2,150)	-	-	-	(2,675)	-
Divestments	-	-	(120)	-	(3,664)	-	-	-	(3,784)	-
	642,231	**685,179**	**406,107**	**415,604**	**332,966**	**371,010**	**83,151**	**99,399**	**1,464,455**	**1,571,192**
Value movements	(19,324)	(21,064)	(203)	(2,711)	(7,843)	(15,161)	(1,324)	(1,895)	(28,694)	(40,831)
Balance as at 30 June	**622,907**	**664,115**	**405,904**	**412,893**	**325,123**	**355,849**	**81,827**	**97,504**	**1,435,761**	**1,530,361**
Accrued assets in respect of lease incentives	3,121	3,147	1,121	1,395	768	614	238	336	5,248	5,492
Total property in operation	**626,028**	**667,262**	**407,025**	**414,288**	**325,891**	**356,463**	**82,065**	**97,840**	**1,441,009**	**1,535,853**
Lease liabilities	(2,571)	(2,574)	-	-	(674)	(775)	-	-	(3,245)	(3,349)
Impairment ROE assets	-	-	-	-	466	-	-	-	466	-
Appraisal value as at 30 June	**623,457**	**664,688**	**407,025**	**414,288**	**325,683**	**355,688**	**82,065**	**97,840**	**1,438,230**	**1,532,504**

5. GROSS RENTAL INCOME

The gross rental income of H1 2021 includes waivers of rent arrears of € 2.2 million (H1 2020: € 2.3 million). The table below shows the impact of COVID-19 on the gross rental income in the first half of 2021:

	H1 2021	H1 2020
Gross rental income before concessions	33,557	34,804
COVID-19 waivers [1]	(2,164)	(2,295)
Other rent concessions [2]	(367)	(12)
Gross rental income after concessions	**31,026**	**32,497**

1) These concern subsequent waivers of rent arrears, not being lease modifications, that are charged to the gross rental income.

2) These concern concessions that, either with or without contract modifications, have been classified as a lease modification and are therefore straight-lined over the contract duration.

6. DIVIDEND

On 6 May 2021, the dividend for the 2020 financial year was made payable. The dividend was € 1.73 per share in cash (2019: € 0.85 per share in cash). The dividend distribution totalled € 29.7 million (2019: € 14.6 million).

7. FAIR VALUE

The assets and liabilities valued at fair value on the balance sheet are divided into a hierarchy of three levels:

Level 1: The fair value is determined based on published listings in an active market

Level 2: Valuation methods based on information observable in the market

Level 3: Valuation methods based on information that is not observable in the market, which has a more than significant impact on the fair value of the asset or liability.

The table below shows according to which level the assets and liabilities of the Group are valued at fair value.

		30 June 2021		31 December 2020		30 June 2020	
	Level	Book value	Fair value	Book value	Fair value	Book value	Fair value
Assets valued at fair value							
Property							
Property in operation (including accrued assets in respect of lease incentives)	3	1,441,009	1,441,009	1,475,145	1,475,145	1,535,853	1,535,853
Assets held for sale	3	2,150	2,150	7,410	7,410	-	-
Liabilities valued at fair value							
Long-term liabilities							
Long term interest-bearing loans	2	628,768	638,150	624,793	633,170	601,170	608,325
Lease liabilities	2	3,315	4,866	3,384	6,741	3,702	6,788
Financial derivatives	2	3,219	3,219	4,769	4,769	4,738	4,738

All assets and liabilities have been valued as at the balance sheet date.

In the first half of 2021 no changes took place in the principles for the determination of the fair value. Nor were any financial assets reclassified to a different level in the first half of 2021.

The value of the Assets held for sale is determined on the basis of expected sales prices, which are based on draft contracts or letters of intent.

The fair value of the 'Long-term interest-bearing loans' and the 'Lease liabilities' is calculated as the present value of the cash flows based on the swap yield curve and credit spreads in effect at 30 June 2021.

The fair value of the derivatives is determined with reference to information from reputable financial institutions, which is also based on directly and indirectly observable market data. For verification purposes, this information is compared to internal calculations made by discounting cash flows based on the market interest rate for comparable financial derivatives on the balance sheet date. When determining the fair value of financial derivatives, the credit risk of the Group or counterparty is taken into account.

The fair value of the 'Debtors and other receivables', 'Cash and cash equivalents', 'Guarantee deposits and other long-term liabilities', 'Payable to banks', 'Redemption of long-term interest-bearing loans', 'Short-term lease liabilities' and 'Other liabilities and accruals' is considered to be equal to the carrying amount because of the short-term nature of these assets and liabilities or the fact that they are subject to a floating interest rate. For this reason, these items are not included in the table.

8. PROPERTY

All the property in operation is appraised at least once per year by independent certified appraisers. As at 30 June 2021, 97.1% of the portfolio has been appraised. These appraisals are based on assumptions including the estimated rental value of the property in operation, net rental income, future capital expenditure and the net market yield of the property. As a result, the value of the property in operation is subject to a degree of uncertainty. The actual outcomes may therefore differ from the assumptions, and this may have a positive or negative effect on the value of the property in operation and, as a consequence, on the result. Due to the strategic choice for the best properties in the most popular high streets, the current crisis has had a limited impact on the valuation of our property.

Our appraisers, CBRE and Cushman & Wakefield, have the largest database in Europe in the area of retail properties. They are best placed in the present appraisal market to minimise the estimation uncertainty and assign a correct value to Vastned's property portfolio.

The appraisal of the property portfolio resulted in a net yield (including transaction costs) of 4.0% (31 December 2020: 4.1%; 30 June 2020: 4.2%).

A 25 basis point increase in the net yields used in the appraisal values would result in a decrease in the value of the property in operation by € 86.5 million or 6.0% (31 December 2020: € 84.9 million or 5.8%; 30 June 2020: € 87.9 million or 5.7%), a 282 basis points increase in the loan-to-value ratio (31 December 2020: 261 basis points; 30 June 2020: 271 basis points) and a decrease of the solvency ratio by 291 basis points (31 December 2020: 268 basis points). At 50 basis points this would be € 163.1 million or 11.3% and 563 and 580 basis points respectively.

A 5% decrease of the market rents used in the appraisal values would result in a decrease in the value of the property portfolio by € 71,9 million or 5%, a rise of the loan-to-value ratio by 232 basis points and a decrease of the solvency ratio by 239 basis points (31 December 2020: € 73.6 million or 5%, a rise of the loan-to-value ratio by 224 basis points and a decrease of the solvency ratio by 231 basis points). At 10% this would be this would be € 143.8 million or 10% and 489 and 504 basis points respectively.

For further information on the property portfolio please refer to the chapter Value movements in the 2021 half-year report.

9. DEBTORS AND OTHER RECEIVABLES

	30 June 2021	31 December 2020	30 June 2020
Debtors and pre-invoiced amounts	12,230	12,403	16,311
Provision for expected credit losses	(3,115)	(2,530)	(2,460)
Total	**9,115**	**9,873**	**13,851**

The total debtors and pre-invoiced amounts, after deduction of the provision for expected credit losses, can be broken down as follows by the nature of the receivable:

		30 June 2021			31 December 2020			30 June 2020	
	Gross amounts	Provision for expected credit losses	Net amounts	Gross amounts	Provision for expected credit losses	Net amounts	Gross amounts	Provision for expected credit losses	Net amounts
Accounts receivable unrelated to COVID-19	1,360	(1,076)	284	1,612	(1,164)	448	1,505	(1,228)	277
Accounts receivable related to COVID-19	3,393	(1,882)	1,511	2,639	(1,270)	1,369	5,014	(1,174)	3,840
Accounts receivable for which the debtor has been granted a deferred payment due to COVID-19	962	(157)	805	872	(96)	776	882	(58)	824
Pre-invoiced rent	6,423	-	6,423	6,745	-	6,745	8,287	-	8,287
Other receivables	92	-	92	534	-	534	623	-	623
Total	**12,230**	**(3,115)**	**9,115**	**12,403**	**(2,530)**	**9,873**	**16,311**	**(2,460)**	**13,851**

Any rent due must be contractually paid by the tenants before or on the first day of the rental period. In connection with the COVID-19 pandemic it has been agreed in a number of cases with tenants that, due to the unusual circumstances, they may pay the rent owed more spreadly (monthly instead of quarterly), or that payment may take place at a later date, or a combination of these two. No interest is charged on the outstanding rent receivables. The Group determines the provision for expected credit losses by applying the simplified approach in accordance with IFRS 9. Expected credit losses on rent receivables are estimated by means of a provisions matrix based on the debtors' past payment behaviour, based on an analysis by country, in conjunction with an analysis of the debtors' current financial position corrected for factors that are specific to the debtors, the status of the negotiations regarding rent payments that are past due, the economic circumstances of the industry in which the debtors are active and an assessment of both the current and the expected circumstances on the balance sheet date. The allocation to the provision for expected credit losses in the first half of 2021 was € 0.6 million (first half of 2020: € 1.4 million).

10. PROVISIONS IN RESPECT OF EMPLOYEE BENEFITS

As a result of the movement in the discount rate in the first half of 2021, the defined benefit pension obligation was recalculated, in line with the first half of 2020. This has resulted in a decrease of the defined benefit pension obligation of € 0.8 million (first half 2020: € 0.3 million decrease).

11. INTEREST-BEARING DEBTS

	30 June 2021	31 December 2020	30 June 2020
Long-term liabilities			
Unsecured loans	628,768	624,793	601,170
Lease liabilities	3,315	3,384	3,702
	632,083	**628,177**	**604,872**
Short-term liabilities			
Payable to banks	5,970	8,547	12,143
Redemption long-term interest bearing loans	-	-	37,489
Lease liabilities	159	272	139
	6,129	**8,819**	**49,771**
Total	**638,212**	**636,996**	**654,643**

In the first half of 2021 Vastned has not drawn new financing. In the first half of 2021 Vastned drew down, taking into account the distribution of the final dividend 2020, on balance an additional amount of € 3.7 million from its existing credit facilities.

At 30 June 2021, the solvency ratio, calculated by taking equity plus the provision for deferred tax liabilities divided by the balance sheet total, was 53.9% (31 December 2020: 55.2%; 30 June 2020: 54.7%), which is within the solvency ratios of at least 45% as agreed with the lenders.

The interest coverage ratio as at June 30, 2021 was 4.6 (December 31, 2020: 4.3; June 30, 2020: 4.1) (calculated by taking net rental income and dividing it by net financing costs (excluding value movements in financial derivatives)), which was well above the 2.0 ratio agreed with lenders.

In the event that the limits of the solvency rates and interest coverage rates agreed with the lenders are not met, this constitutes an 'event of default'; in this case the lenders are entitled to terminate the credit agreements.

Interest rate sensitivity
As at 30 June 2021, the impact on the interest expense of a hypothetical 100-basis-point increase in interest rates – all other factors remaining equal – would be € < 0.1 million negative (31 December 2020: € 0.1 million negative). Should interest rates increase by 200 basis points as at this date – all other factors remaining equal – the impact on the interest expense would be € 1.9 million negative (31 December 2020: € 1.9 million negative). As several loans contain a clause stipulating that the interest rate may not be negative, a 100-basis-point decrease in interest rates would have a negative impact on the interest expense. The impact referred to has been calculated on an annual basis, taking into account the financial derivatives entered into.

For further information about interest-bearing debts reference is made to the chapter *Financing structure* in the 2021 half-year report.

12. FINANCIAL DERIVATIVES

As a result of the changed market interest rates, the value movements of the interest rate derivatives during H1 2021 were € 1.6 million positive (FY 2020: € 2.1 million negative, H1 2020: € 2.1 million negative).

For further information about the financial derivatives reference is made to the chapter *Financing structure* in the 2021 half-year report.

13. RIGHTS AND OBLIGATIONS NOT RECORDED IN THE BALANCE SHEET

In the past companies have been acquired that owned property. These acquisitions were recognised as a takeover of assets. The provisions for deferred tax liabilities not recorded in the balance sheet total € 14.1 million.

In 2017, Vastned transferred all shares in the company Vastned Emlak Yatırım ve İnşaat Ticaret A.Ş., owner of the property located in Istanbul, Turkey, to a group of local private investors. The guarantees customary in such transactions were given to the buyer. The customary guarantees expired in 2018 without the buyer having invoked them. The tax indemnifications will expire upon expiry of the statutory periods for additional assessments for the particular year. The longest running term still outstanding concerns the 2017 calendar year, which will expire on 31 December 2022. Vastned does not expect any effect to be significant.

14. EVENTS AFTER BALANCE SHEET DATE

The property on the Lidostraat in Leopoldsburg Belgium was sold after balance sheet date.

15. RELATED PARTY TRANSACTIONS

Apart from the topics described below, no material changes have occurred in the first half of 2021 in the nature, scope or size of the transactions with related parties compared to what is stated in the notes to the 2020 financial statements.

During the first half of 2021, none of the members of the Supervisory Board and Executive Board of Vastned had any personal interest in Vastned's investments. To Vastned's best knowledge, no property transactions were affected during the period under review involving persons or institutions that could be regarded as related parties.

Interests of major investors

At the time of writing of this half-year report the Netherlands Authority for the Financial Markets (AFM) had received the following notifications from shareholders holding an interest in Vastned of three percent or more:

Van Herk Investments B.V.	24.98%
Lebaras Belgium BVBA	5.10%
BlackRock, Inc.	4.26%
Tikehau Capital Advisors SAS	3.05%
Société Fédérale de Participations et d'Investissement (SFPI)	3.02%

16. INDEPENDENT AUDITOR'S REVIEW REPORT

To: the shareholders and supervisory board of Vastned Retail N.V.

Our conclusion

We have reviewed the condensed interim consolidated financial statements included in the accompanying half-year report of Vastned Retail N.V. based in Amsterdam for the period from 1 January 2021 to 30 June 2021.

Based on our review, nothing has come to our attention that causes us to believe that the condensed interim consolidated financial statements of Vastned Retail N.V. for the period from 1 January 2021 to 30 June 2021, is not prepared, in all material respects, in accordance with IAS 34, "Interim Financial Reporting" as adopted by the European Union.

The condensed interim consolidated financial statements comprise:

- The consolidated balance sheet as at 30 June 2021;
- The following consolidated statements for the period from 1 January 2021 to 30 June 2021: the consolidated profit and loss account, the consolidated statement of comprehensive income, the consolidated statement of movements in equity, the consolidated cash flow statement.
- The selected notes to the 2021 condensed interim consolidated financial statements.

Basis for our conclusion

We conducted our review in accordance with Dutch law, including the Dutch Standard 2410, "Het beoordelen van tussentijdse financiële informatie door de accountant van de entiteit" (Review of interim financial information performed by the independent auditor of the entity). A review of interim financial information in accordance with the Dutch Standard 2410 is a limited assurance engagement. Our responsibilities under this standard are further described in the Our responsibilities for the review of the condensed interim consolidated financial statements section of our report.

We are independent of Vastned Retail N.V. in accordance with the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

We believe the assurance evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Responsibilities of management and the supervisory board for the condensed interim consolidated financial statements

Management is responsible for the preparation and presentation of the condensed interim consolidated financial statements in accordance with IAS 34, "Interim Financial Reporting" as adopted by the European Union. Furthermore, management is responsible for such internal control as it determines is necessary to enable the preparation of the condensed interim consolidated financial statements that is free from material misstatement, whether due to fraud or error.

The supervisory board is responsible for overseeing Vastned Retail's financial reporting process.

Our responsibilities for the review of the condensed interim consolidated financial statements

Our responsibility is to plan and perform the review in a manner that allows us to obtain sufficient and appropriate assurance evidence for our conclusion.

The level of assurance obtained in a review engagement is substantially less than the level of assurance obtained in an audit conducted in accordance with the Dutch Standards on Auditing. Accordingly, we do not express an audit opinion.

We have exercised professional judgement and have maintained professional skepticism throughout the review, in accordance with Dutch Standard 2410.

Our review included among others:

- Updating our understanding of Vastned Retail N.V. and its environment, including its internal control, and the applicable financial reporting framework, in order to identify areas in the condensed interim consolidated financial statements where material misstatements are likely to arise due to fraud or error, designing and performing analytical and other review procedures to address those areas, and obtaining assurance evidence that is sufficient and appropriate to provide a basis for our conclusion
- Obtaining an understanding of internal control as it relates to the preparation of condensed interim consolidated financial statements
- Making inquiries of management and others within Vastned Retail N.V.
- Applying analytical procedures with respect to information included in the condensed interim consolidated financial statements
- Obtaining assurance evidence that the condensed interim consolidated financial statements agrees with, or reconciles to, Vastned Retail's underlying accounting records
- Evaluating the assurance evidence obtained
- Considering whether there have been any changes in accounting principles or in the methods of applying them and whether any new transactions have necessitated the application of a new accounting principle
- Considering whether management has identified all events that may require adjustment to or disclosure in the condensed interim consolidated financial statements
- Considering whether the condensed interim consolidated financial statements has been prepared in accordance with the applicable financial reporting framework and represents the underlying transactions free from material misstatement

Utrecht, 28 July 2021

Ernst & Young Accountants LLP

Signed by J.H.A. de Jong