



# ANNUAL GENERAL MEETING OF SHAREHOLDERS FY 2022

AMSTERDAM, 20 APRIL 2023

# Agenda

1. Opening and announcements

## Review of 2022

2. Report of the Executive Board on the 2022 financial year and discussion on the main points of the corporate governance structure and compliance with the Corporate Governance Code
3. Remuneration report for the 2022 financial year (**resolution**)

## Financial statements and dividend for the 2022 financial year

4. Proposal to adopt the financial statements for the 2022 financial year (**resolution**)
5. Comments on the reservation and dividend policy
6. Dividend declaration proposal for the 2022 financial year (**resolution**)

## Discharge

7. Proposal to grant discharge to the sole member of the Executive Board for the 2022 financial year (**resolution**)
8. Proposal to grant discharge to the members of the Supervisory Board for the 2022 financial year (**resolution**)

## Other

9. Any other business
10. Close

## 2 - Review of 2022

Report of the Executive Board on the 2022 financial year and discussion of the main points of the corporate governance structure and compliance with the Corporate Governance Code

*Reinier Walta, CEO and Managing Director*




## Annual Report 2022

Annual results, operational performance, relevant economic and real estate market developments and update on strategy execution



# Highlights 2022

## Strong operational and financial performance

Subject	Key results
 Operational performance	<ul style="list-style-type: none"> <li>• Occupancy rate at 98.6% (97.9% year-end 2021)</li> <li>• Collection rate increased to 98.2% (95.7% year-end 2021)</li> <li>• Like-for-like rental growth at 7.5%</li> </ul>
 Financial performance	<ul style="list-style-type: none"> <li>• Direct result at € 2.05 per share (€ 1.93 per share 2021)</li> <li>• Dividend proposal of € 1.85 per share (&gt;90% pay-out) from € 1.73 per share 2021</li> </ul>
 Outlook	<ul style="list-style-type: none"> <li>• Robust Portfolio with high street getting back on track</li> <li>• Vastned remains vigilant for following reasons:             <ul style="list-style-type: none"> <li>◦ Vastned is not immune to rising interest rates;</li> <li>◦ Geo-political and other economic uncertainties</li> </ul> </li> <li>• No guidance on direct result for 2023 at this stage</li> </ul>

## Operational & financial performance



# High occupancy rates, demonstrates robustness

Occupancy rate %	% of TGOI*	FY 2022	H1 2022	FY 2021	H1 2021
The Netherlands	46.1	98.2	98.3	97.2	96.1
France	22.3	98.0	98.1	97.2	94.1
Belgium	27.0	99.4	98.8	99.3	97.5
Spain	4.6	100	100	100	100
<b>Total</b>	<b>100</b>	<b>98.6</b>	<b>98.5</b>	<b>97.9</b>	<b>96.2</b>

\*Total Gross Operating Income in FY 2022





# Limited leasing activity in 2022

Leasing activity	FY 2022	FY 2021	FY 2020
Number of leases	43	92	71
Rental income (€ million)	6.4	12.4	9.6
% Of total theoretical annual rent	8.7%	17.4%	12.9%
Rental change (€ million)	(0.8)	(0.6)	(0.4)
Rental change (%)	(11)	(4.5)	(4.3)



Rental change driven by a limited number of large new long-term rents for properties that were previously overrented



# Strong like-for-like rental growth

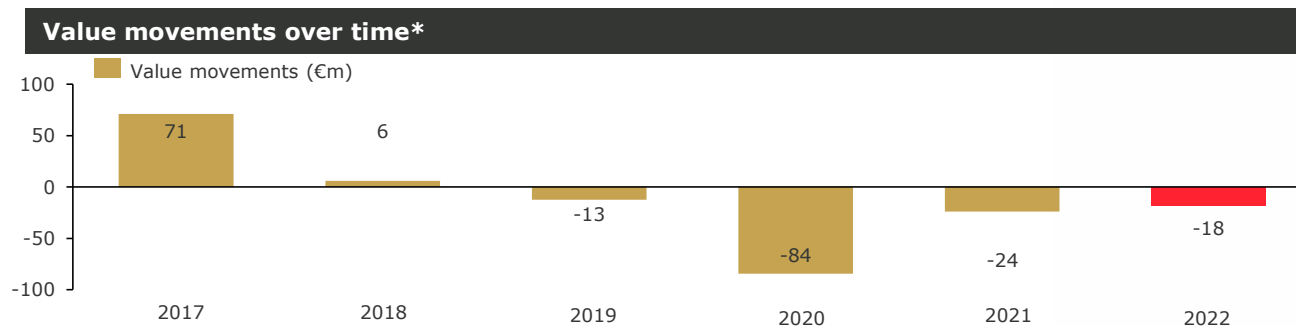
- Like-for-like rental growth was 7.5% in 2022, including the base effect of waivers in 2021
- Excluding waivers the like-for-like rental growth was 3.4% in 2022

Like-for-like	FY 2022		FY 2021	
	€ million	%	€ million	%
Rental growth				
The Netherlands	0.8	7.2%	(0.9)	(3.0%)
France	0.7	9.7%	(0.2)	(1.7%)
Belgium	0.2	5.3%	1.8	11.6%
Spain	0.4	12.7%	(0.3)	(9.2%)
<b>Total</b>	<b>2.1</b>	<b>7.5%</b>	<b>0.4</b>	<b>0.7%</b>



# Increasing yields put pressure on valuations in H2 2022

Value movements*	FY 2022		FY 2021	
	€ m	Δ%	€ m	Δ %
The Netherlands	610	(2.0%)	623	(2.4%)
France	407	(0.7%)	410	0.7%
Belgium	321	(0.7%)	323	(2.9%)
Spain	82	0.2%	82	(1.8%)
<b>Total</b>	<b>1,420</b>	<b>(1.2%)</b>	<b>1,438</b>	<b>(1.6%)</b>

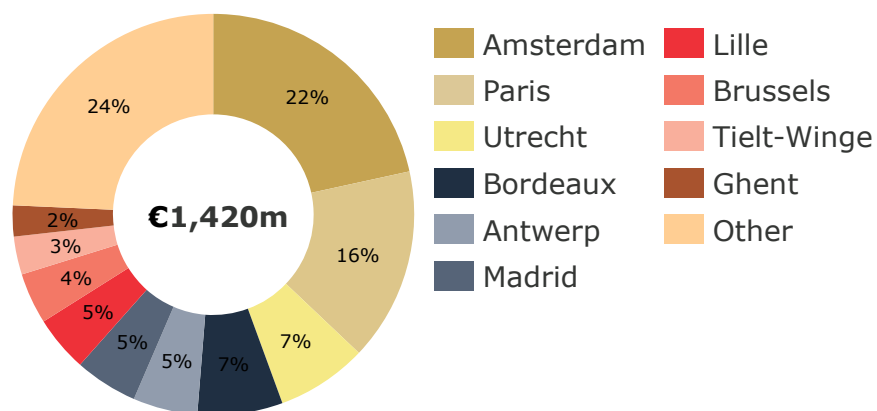


\* Excluding acquisitions, capital expenditure and divestments in each specific year

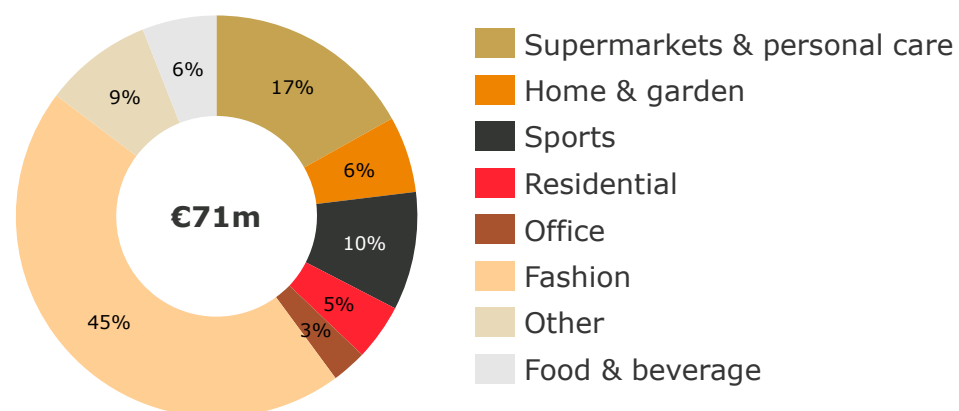


# Fashion is in much better shape now

Portfolio value FY 2022



Annualised contracted rental income FY 2022





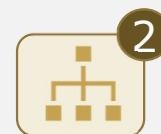
## Strategy execution

# Continuation on strategy execution

Vastned's  
3-pillar strategy



**Optimised and  
concentrated portfolio**



**Efficient organisation**



**Conservative financing**

Achievements in  
2022

- Limited strategic investment done, only at appropriate yield
- Strategic divestments all above book value
- 12 new and upgraded apartments made available in city centres
- Fashion exposure decreased to 45% (from 46% end of 2021)
- FTE remains stable at 32, after significant reduction since 2019
- Extension of € 200m of Revolving Credit Facility under favorable conditions



# Portfolio; organisation & investment returns

## Divestments and acquisitions



## Share buybacks & dividends



## Efficient organisation

- Vastned runs an efficient organisation, keeping a minimal footprint, leveraging digitalisation, and making use of external temporary resources for specific knowledge or skills that are only required occasionally
- Vastned realised a €1.9m (21%) reduction in general expenses in 2019-2022
- In September 2021, Vastned's headquarters was moved to Hoofddorp from Amsterdam as part of its cost-savings plan
- Furthermore, the supervisory board was decreased from four to three members in June 2020 and the executive board was decreased from two (CEO and CFO) to one member (CEO) in December 2020

**€1.9m**

2019-2022  
GENEX<sup>2</sup>  
reduction

**21%**

2019-2022  
GENEX<sup>2</sup>  
reduction

**9.3 FTE**

2019-2022 staff  
reduction

**1 FTE**

2020  
executive board  
reduction

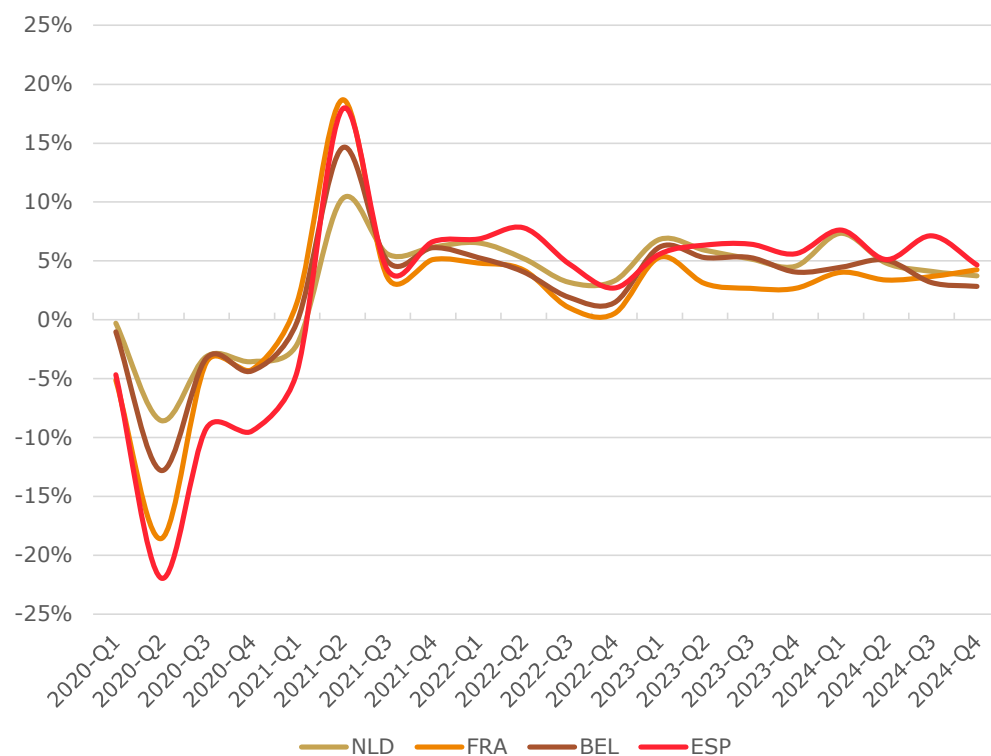


## Economic developments

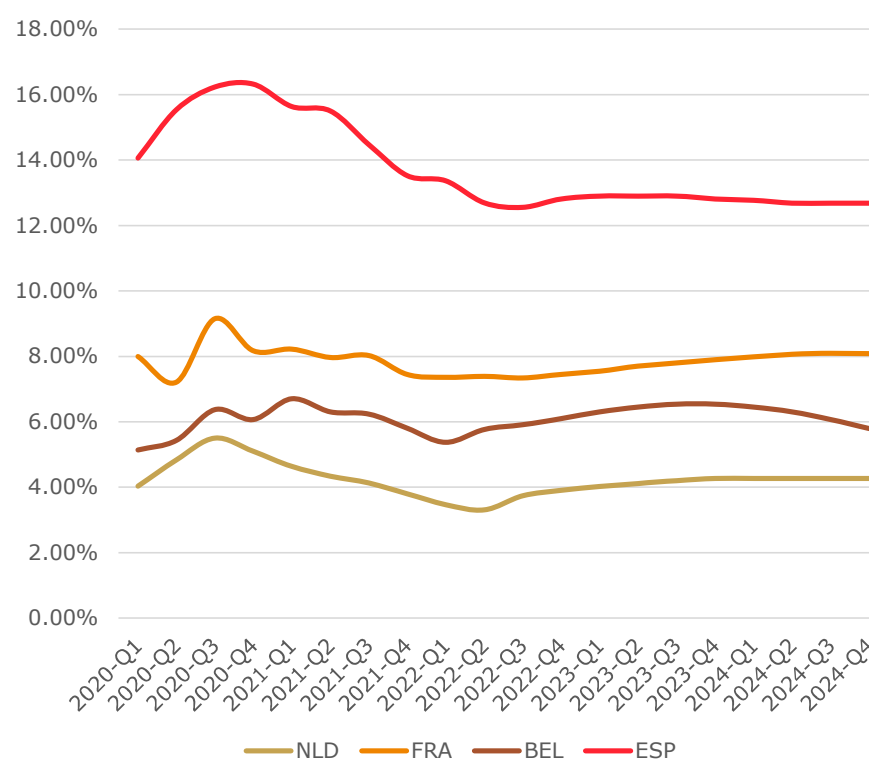


# Economic reality: Stable GDP growth, low unemployment

## GDP, nominal (Annual Growth Rate)



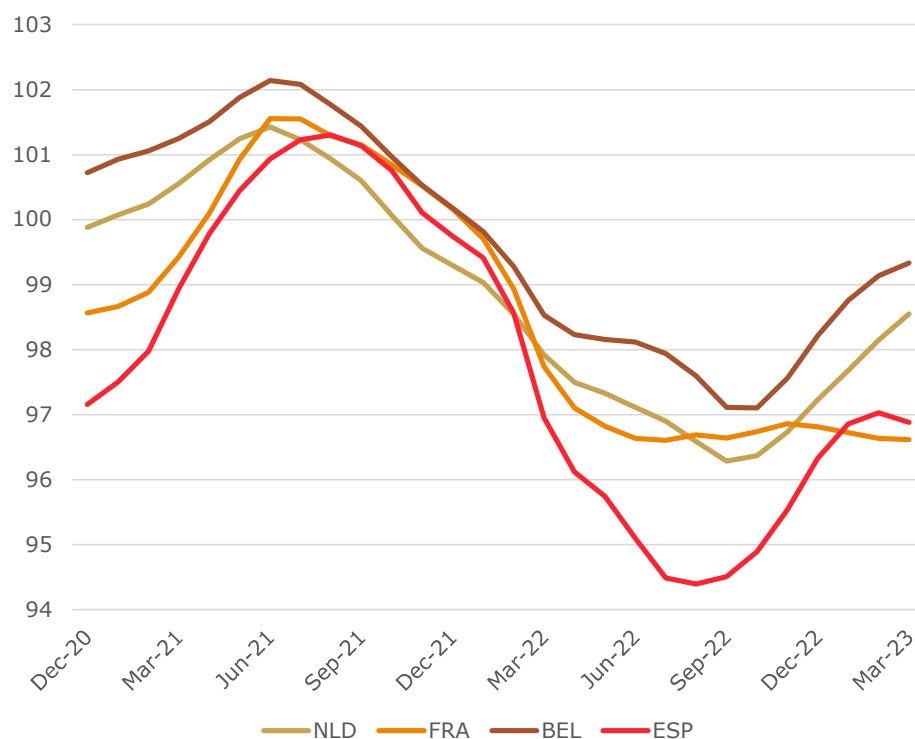
## Unemployment rate



Source: OECD Economic Outlook

# Consumer Confidence – trend upwards

## Consumer Confidence Index



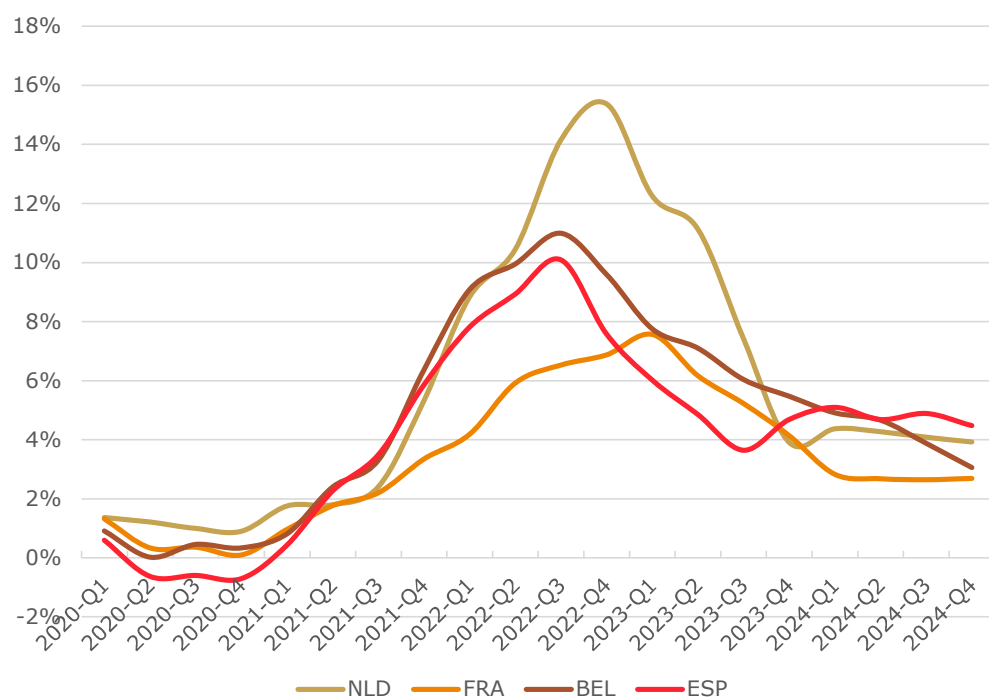
Source: OECD Consumer Confidence Index

## Identified trends in retail market

- Consumer confidence is a leading indicator for consumer spend in the important markets for Vastned
- Albeit most markets still below 100, indicating a pessimistic attitude towards future developments, there is an upward trend visible
- The trend in consumer confidence is based upon the reversal of high inflation rates and continued low unemployment rates.

# Energy inflation spike behind us, forecast to stabilize

## Consumer Price Index (forecast)



Source: OECD Economic Outlook

## Returning inflation remains a real risk

- The spike in inflation seems to be behind us, driven by high energy prices. The Netherlands was more impacted by inflationary energy prices than Vastned's other home countries.
- With energy prices falling in recent months, the CPI is also going down. However, currently it are the food prices that show strong Y-o-Y price increases. This is mainly due to a "lagging" effect of prior high raw material and energy prices.
- Prior fears that the inflation would push one or more countries where Vastned operates into a recession have ebbed away.

# Economic risk: Higher interest rates

## 3-Month Euribor development



## Identified developments in interest rates

- Significant interest rate increases by central banks in order to curb inflation, coming from a long period of historic low (negative) interest rates
- The European Central Bank raised deposit facility interest rates six times since 27 July 2022 from -0.5% to +3.0%
- Three-month Euribor is the main lending rate for banking facilities and follows the pattern of the interest rate increases as can be seen in graph

Source: Bloomberg/Van Lanschot Kempen  
information updated until 11 April 2023

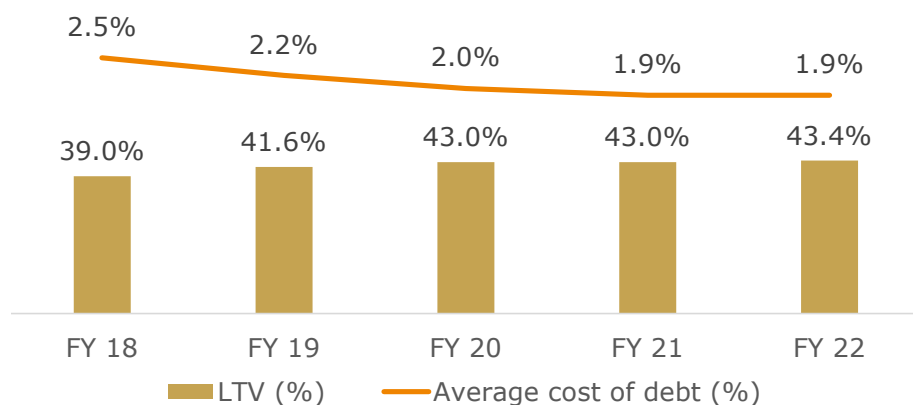


## Financing Structure



# Locked-in financing basis for stable results 2022

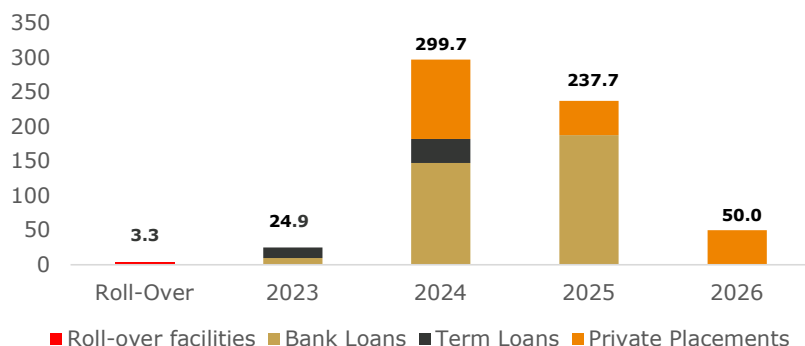
## Loan-to-value vs. average cost of debt



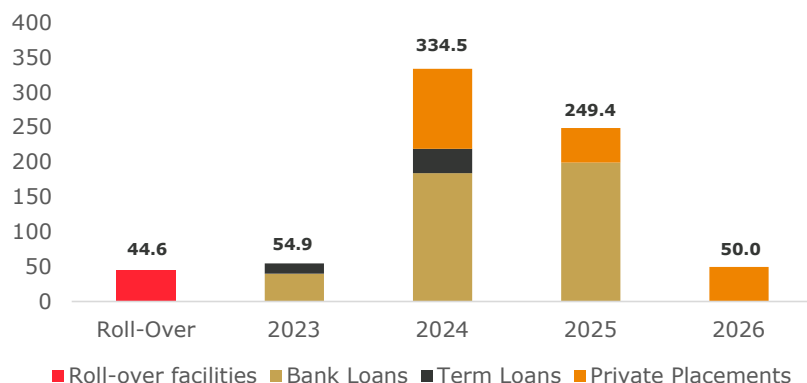
	31 December 2022	31 December 2021
Total used credit facilities	€ 613m	€ 616m
Unused credit facilities	€ 125m	€ 122m
Loan-to-value ratio	43.4%	43.0%
Average interest rate	1.91%	1.88%
Average maturity	2.2 years	2.9 years
Interest coverage ratio	5.0x	4.8x
Share of non-bank financing of interest-bearing loans	35.0%	34.9%
Share of fixed interest rate loans	72.5%	72.2%

# Debt structure and maturity profile

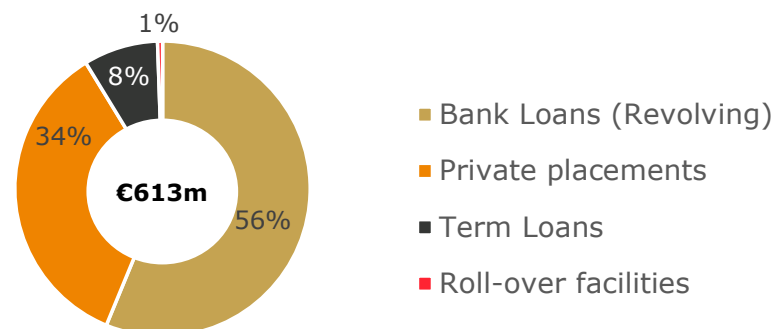
**Maturity outstanding loans (in € million)**



**Maturity loan facilities (in € million)**



**Debt structure**



€ 200 million in revolving credit facilities extended by one year to September 2025 at attractive unchanged conditions



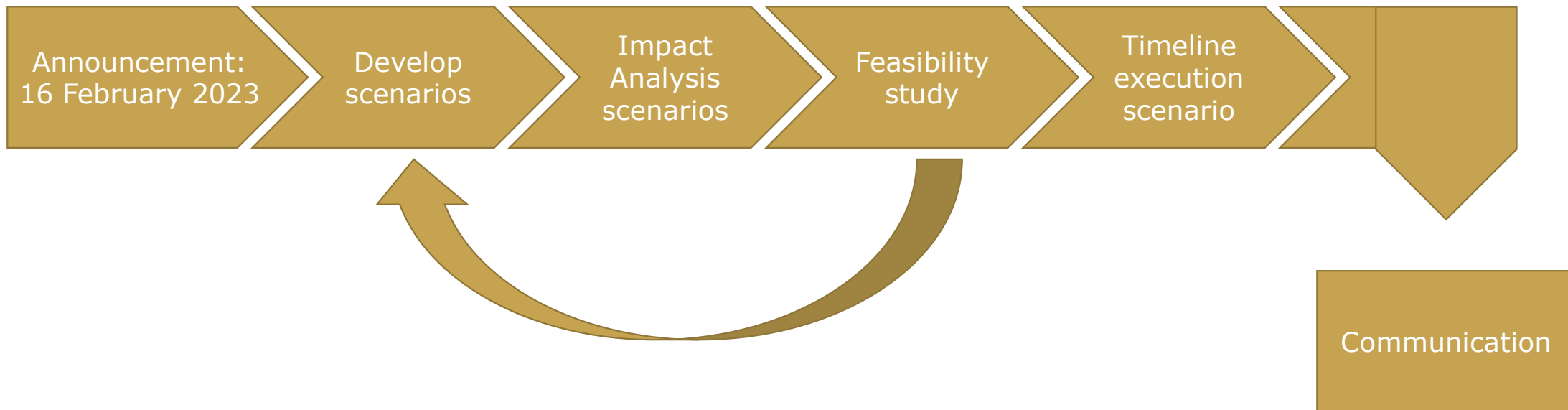
## Strategic Reorientation

# Strategic reorientation background

Announced during FY2022 presentation – 16 February 2023

- Over the past few years the strategy of Vastned has resulted in a robust portfolio that generates stable and predictable Direct Results or FFO (Funds From Operations), as this is referred to in the industry
- The strategic reorientation was initiated to primarily address the following challenges in the short to medium-term that the company is facing:
  - Abolishment of FBI regime in the Netherlands per 1 January 2025
  - Rising interest rates in combination with upcoming maturities
  - Pressure on valuations on the back of increasing valuation yields
- The goal of the strategic reorientation is to unlock value for Vastned and all its stakeholders

# Strategic reorientation process



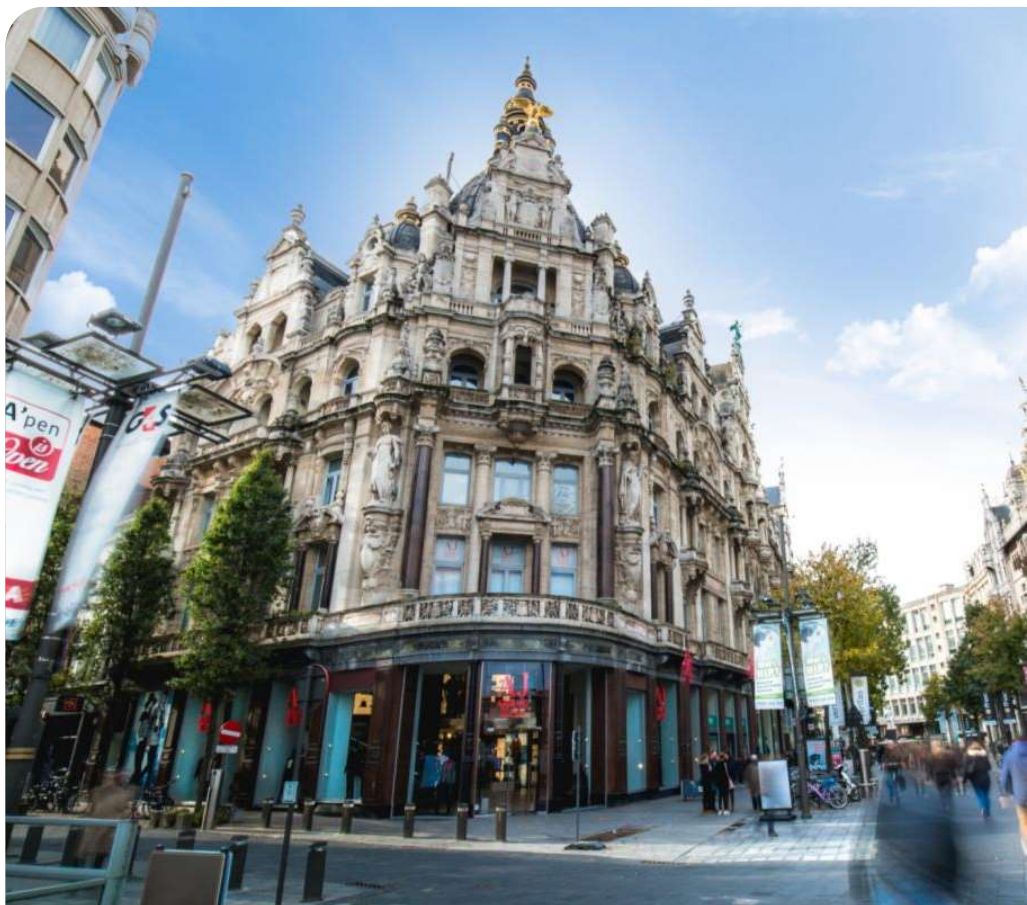


## Outlook 2023



# Outlook for 2023

- In February, as part of the Full-Year 2022 Results announcement, Vastned has indicated to remain vigilant. Given that also Vastned is not immune to rising interest rates, geo-political and other economic uncertainties, we decided not to provide an outlook for 2022 at this stage.
- Vastned's focus remains firmly on maintaining excellent operational performance and executing its strategy.



# Q&A

Review of 2022

Report of the Executive Board on the 2022 financial  
year

&

Discussion of the main points of the corporate  
governance structure and compliance with the  
Corporate Governance Code



## 3 - Remuneration Report 2022

Ber Buschman

*Chair Remuneration and Nomination Committee*

## 3 – Remuneration Report 2022

### Overview of total remuneration paid to the sole member of the Executive Board

The table below presents the remuneration awarded to the Executive Board in 2022 (€):

	Fixed Remuneration	Social security contributions	Pension <sup>1)</sup>	Other benefits <sup>2)</sup>	STI	LTI	Total
Reinier Walta	390,000	13,732	72,979	24,914	101,400	102,492	705,517

1) Including WIA top-up premiums.

2) Concerns expenses relating to company car.

## 3 – Remuneration Report 2022

### Short-Term Incentives (STI)

#	Test	Weight of total STI	Treshold	Maximum	Realisation	STI award %	STI award absolute
1	Acquisition target	25%	-	-	-	0%	€ 0
2	Like-for-like gross rental growth	25%	2%	4%	3.4%	22%	€ 34,320
3	Occupancy Rate	25%	97%	99%	98.6%	23%	€ 35,880
4	Qualitative STI target	25%	-	-	80%	20%	€ 31,200
<b>Total</b>		<b>100%</b>				<b>65%</b>	<b>€ 101,400</b>

## 3 – Remuneration Report 2022

### Long-Term Incentives (LTI)

#	Test	Weight of total LTI	Realisation test	LTI award %	LTI award absolute	Comments
1	Relative Total Shareholder Return test ('RTSR')	40%	3	28.8%	€ 67,392	Vastned finished in 3 <sup>rd</sup> position within the reference group position
2	Absolute Total Shareholder Return test ('ATSR')	30%	-9.12%	0%	€ 0	No payment because the minimum was not achieved
3	Business Health test	30%	50%	15%	€ 35,100	The Business Health Test resulted in a 15% payout
<b>Total</b>		<b>100%</b>		<b>43.8%</b>	<b>€ 102,492</b>	





## Financial Statements and dividend for the 2022 financial year

# Financial Statements and dividend for the 2022 financial year

## 4 – Proposal to adopt the financial statements for the 2022 FY (resolution)

It is proposed to the Annual General Meeting to adopt Vastned's financial statements for the 2022 financial year. At this item, the shareholders will have the opportunity to question the external auditor on its audit activities and its audit opinion of the financial statements

## 5 – Comments on the reservation and dividend policy

The Annual General Meeting of 19 April 2013 adopted the current dividend policy, which provides for a dividend distribution of at least 75% of the direct result per share. In principle, stock dividend will not be distributed, but this is dependent on any dilution of the result and net asset value per share, the Company's capital position and the financing market. The dividend policy prevents share dilution caused by the distribution of stock dividend.

## 6 – Dividend declaration proposal for the 2022 financial year (resolution)

It is proposed to the Annual General Meeting to declare a total dividend for the 2022 financial year of € 1.85 per share. Following the interim dividend of € 0.59 per share paid in August 2022, the final dividend is set at € 1.26 per share. On 24 April 2023, the Vastned share is expected to quote ex-dividend, and the final dividend will be made payable on 4 May 2023.



# General meeting Vastned Retail N.V.

Audit financial statements 2022  
Young Accountants LLP

Ernst &

20 April 2023

# Agenda

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1. Audit approach
2. Outcome summary
3. Communication and interaction



Jaap de Jong  
External auditor

# 1. Audit approach

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## Scope and audit approach

- Materiality
- Key audit matters

Teaming: core audit team and experts

Fraud and non-compliance

Going Concern

## 2. Outcome summary

Annual report section	Conclusion	Level of assurance	Key audit/assurance matters
Financial statements 2022 (consolidated and statutory)	Unqualified audit opinion	Reasonable assurance	<ul style="list-style-type: none"> <li>Valuation of property</li> <li>Recognition of acquisitions and disposals of property</li> </ul>
Other information in the annual report	No material inconsistencies		
Scope – sections of the annual report: <ul style="list-style-type: none"> <li>Introduction</li> <li>Report of the executive board</li> <li>Report of the supervisory board</li> <li>Remuneration report 2022</li> <li>EPRA Performance indicators</li> <li>Appendices</li> </ul>	Information included based on legal and regulatory requirements		



### 3. Communication and interaction

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- Our reports
- Meetings and interactions with the Board, Supervisory Board and Audit Committee
- The way we interact with these bodies and committees

General meeting  
Vastned Retail N.V.



## Q&A

Proposal to adopt the financial statements for the  
2022 financial year

## Dividend proposal for 2022

- The dividend proposal is in line with following dividend policy principle:

To distribute to shareholders at least 75% of the direct result.

- Total dividend of € 1.85 per share proposed, or 90.2% of the direct result
- Following interim dividend of € 0.59 per share, a final dividend is proposed for 2022 of € 1.26 per share
- Ex-dividend date: 24 April 2023
- Payment date: 4 May 2023





## Discharge

# Discharge

## **7 – Proposal to grant discharge to the sole member of the Executive Board for the 2022 financial year (resolution)**

It is proposed to the Annual General Meeting to grant the sole member of the Executive Board full and final discharge for the performance of its duties in the 2022 financial year, to the extent this performance is evident from the financial statements or from information otherwise disclosed to the Annual General Meeting prior to the adoption of the financial statements on the 2022 financial year.

## **8 - Proposal to grant discharge to the members of the Supervisory Board for the 2022 financial year (resolution)**

It is proposed to the Annual General Meeting to grant the members of the Supervisory Board full and final discharge for the performance of its duties in the 2022 financial year, to the extent this performance is evident from the financial statements or from information otherwise disclosed to the Annual General Meeting prior to the adoption of the financial statements on the 2022 financial year.



## 9 & 10

- Any other business
- Close



## Contact Investor Relations

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