

9M TRADING UPDATE 2024

Vastned realises its strategic objectives: Well positioned for a new phase

Highlights

- Vastned continues to deliver a solid operational performance
- Occupancy continues at high level of 98.0% (98.6% in Q2 2024)
- 44 New leases signed in 2024, representing € 5.1 million rental income (7.1% of total)
- Vastned has realised its strategic objectives; nearly unanimous (>99.9%) support for intended merger
- Natural moment to halt the active divestment program; € 132.6 million divestments above book value
- Outlook full year 2024: Vastned reiterates expected direct result of € 1.75 to € 1.85 per share

Hoofddorp, 24 October 2024 – Vastned, the listed European retail property company delivered solid operational results, with a continued high occupancy rate. At the same time, the company has realised its strategic objectives, having successfully completed its divestment program and aligned the loan-to-value ratio with its long-term target. Vastned is well on track with the intended reverse cross-border merger with and into Vastned Belgium that will bring a new simplified and cost efficient structure for Vastned.

The company reiterates that it expects the direct result per share for 2024 to be in the range of € 1.75 and € 1.85 and will pay-out an interim-dividend of € 1.70 on 6 December 2024.

Reinier Walta, CEO of Vastned: *“During the first nine months of 2024 we have successfully delivered on our strategic objectives. With the outcome of the EGMs held in September of this year, which gave us a clear support for the intended merger of Vastned Retail with and into Vastned Belgium, we have taken another important step in shaping the future organisation.*

The divestment of approximately 10% of our portfolio, including Rokin Plaza, has strengthened the balance sheet of Vastned and ensures that our financial ratios meet our long-term goals. As we see improving market conditions, also driven by the lower market interest rates, Vastned has decided to halt the process of actively divesting additional assets. The current portfolio of diversified and unique assets will provide the merged company a very solid basis for the future.

In the coming period, the management will continue to work together to take the last steps for the intended merger effective 1 January 2025. We look forward to working with the current teams, though we acknowledge the personal impact on some colleagues who have contributed significantly to our strategic reorientation. We are confident that, under Sven Bosman and Barbara Gheysen’s leadership, Vastned’s heritage will be in good hands.”

PROGRESS STRATEGIC ACTIONS

During the first nine months of 2024, Vastned has delivered on the strategic objectives. During Q3 an amount of € 6.6 million of assets have been sold. In addition to the previously announced divestments of our properties in The Hague, Doetinchem, Zutphen and Eerbeek an additional divestment for € 0.9 million has been realised for Deventerstraat 6 and 14 in Apeldoorn, which closed at 3% above book value. This brings the total amount of divestments to € 132.6 million, with every single transaction being above book value. As a result, the financial ratios have improved within our targeted range. This allows Vastned to conclude the active divestment program.

The proceeds of the divestment program have been used to address the maturing credit facilities in September 2024. In addition, an amount of € 101.8 million has been drawn under the bridge facility as per the end of September 2024. This facility has provided the flexibility to execute the strategic actions. The company is actively working to have new long-term financing in place post-merger.

NOTES TO THE PROPERTY PORTFOLIO

Occupancy rate

The occupancy rate decreased slightly to a continued high level of 98.0% as at 30 September 2024, compared to 98.6% as at 30 June 2024. In the Netherlands, the occupancy rate decreased mainly as a result of an anticipated bankruptcy of Ted Baker. In Belgium, the occupancy rate decreased slightly at a still high level of 97.8%, also mainly due to a bankruptcy of Terre Bleue. The French and Spanish portfolio are now fully let. In France this has been the case throughout the year and in Spain new tenants have been found for the vacant property in Málaga.

Occupancy rate (%)	30 September 2024	30 June 2024
Netherlands	96.7	98.5
France	100.0	100.0
Belgium	97.8	99.0
Spain	100.0	91.0
Total	98.0	98.6

Leasing activity

During the first quarter of 2024, Vastned concluded 44 new leases for a total amount of € 5.1 million, or 7.1% of the total theoretical rent. The rent decrease of the new leases and lease renewals in the first nine months was 2.3%, mainly the result of three rent renewals of older contracts in the Netherlands that have been re-negotiated and will start over the course of 2025/2026. These three contracts are against a lower rent, but still above the Estimated Rental Value (ERV). Vastned continues to succeed in securing rents well above the applicable ERV. On average the new leases and lease renewals were concluded 8.4% above ERV, compared to 15.2% above ERV in the first nine months of 2023.

New leases during Q3 were concluded amongst others with ETAM at Rue de Rennes 146 in Paris, Action at Gouden Kruispunt in Tielt-Winge; Vodafone at Kalandersstraat 6 in Enschede; Memories and More at Leidsestraat 60-62; Tiramisuper at Ferdinand Bolstraat 65 in Amsterdam and Lido Healthy foods at Grote Houtstraat 90 in Haarlem.

Further lease renewals that took place during Q3 are with Rituals at the Spuistraat 13 in The Hague; Pandora Jewellery at Broerstraat 26 in Nijmegen and Utrechtsestraat 13 in Amersfoort; Spar at Wirdumerdijk 7 and 7a in Leeuwarden, and Chaussea at Gouden Kruispunt in Tielt-Winge.

Leasing activity	9M 2024	9M 2023
Number of leases	44	67
Rental income (€ million)	5.1	14.3
% of total theoretical rent	7.1	18.3
Rental change (€ million)	(0.120)	(0.200)
% rental change	(2.3)	(1.7)
% rent above ERV	8.4	15.2

EPRA AWARDS

During the Annual EPRA (European Public Real Estate Association) conference Vastned has been awarded with a ‘Gold Award’ for its 2023 Annual Report for the 14th consecutive year. This award is presented to companies who have best implemented EPRA’s Best Practice Recommendations (BPR). The BPR aim to raise the transparency and consistency of the financial reporting of listed property companies and are reflected in the Annual Report as Alternative Performance Measures for the industry.

Vastned believes that it is important to report transparently on both financial and non-financial results. With respect to 2023, Vastned reported in accordance with EPRA’s Sustainability Best Practice Recommendations (sBPR). During the Annual EPRA conference, Vastned received its 9th consecutive ‘Gold Award’ from EPRA. This is the highest recognition in this area.



FINANCIAL CALENDAR

3 December 2024

Ex-dividend date interim-dividend (€ 1.70 per share)

6 December 2024

Interim-dividend payment date (€ 1.70 per share)

OUTLOOK 2024

Barring unforeseen circumstances, Vastned reiterates that it expects its direct result to be in the range of € 1.75 to € 1.85 per share. Vastned’s focus remains firmly on maintaining excellent operational performance and executing the final steps towards the intended reverse cross-border merger.

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 € 1,236 million as at 30 June 2024.

FURTHER INFORMATION:

Remko Bakker

Manager Treasury & Investor Relations

remko.bakker@vastned.com

Tel: +31 20 24 24 368