

TRADING UPDATE 9M 2021

Vastned delivered an improved operational performance

Highlights

- **Delivered an improved operational performance in 9M 2021 with a higher occupancy rate and further increase of the collection rate**
- **Occupancy rate of the portfolio increased to 97.6% as at 30 September 2021 from 96.2% (30 June 2021)**
- **70 new leases were signed in 9M 2021, representing rental income of € 8.6 million (compared to 21 in 9M 2020)**
- **Limited rent decrease of 3.1% on average on new leases and lease renewals**
- **Collection rate increased to 94% in 9M 2021 compared with 90% in H1 2021**
- **Strategy execution on track with continued cost control, developing more mixed-use and adding new non-fashion retail tenants such as My Cosmetik, Bolia and Samsung**
- **Vastned sold 11 non-strategic assets in 9M 2021 for € 16.8 million, with a book value of € 16.0 million**
- **Outlook: direct result 2021 of € 1.85 - € 1.90 per share, tightening the range from the previous range of € 1.80 to € 1.90 per share**

Amsterdam, 27 October 2021 – Vastned, the listed European retail property company, announces an improved operational performance for the first nine months of 2021, with a higher occupancy rate at 97.6% and further improvement of the collection rate at 94%. In the first nine months, a total of 70 new leases was signed, representing a total annual rental income of € 8.6 million or 12% of total theoretical rent. The average decrease in rent for the new leases was limited (3.1% over the first 9 months). Vastned is now forecasting a 2021 direct result between € 1.85 and € 1.90 per share.

Reinier Walta, Vastned CEO: 'Our strategy execution is on track and we continue to look at new opportunities to diversify and improve our tenant mix with more non-fashion and digital brands, add more mixed-use by adding apartments and small offices and increase our cost control. New retail tenants like My Cosmetik in Bordeaux, Bolia in Lille and Samsung in Breda are great additions. In September we moved to our new offices in Hoofddorp as planned.'

We feel encouraged by the improved operational performance Vastned delivered during the quarter, with leasing activity, occupancy and collection rates improving further across our portfolio and countries. Now COVID-19 lockdowns have been lifted everywhere in Europe, most of our retail tenants have experienced a strong recovery in high street footfalls and retail spending, which eventually is expected to positively impact future discussions on rents and other conditions. We also see increased demand for inner-city residential units, particular in larger cities and with demand from expats returning on top of the housing shortage in many European cities. These developments give confidence to tighten our forecasted range to 1.85-1.90 of direct result per share for the full year.'

NOTES TO THE PROPERTY PORTFOLIO

Occupancy rate

The occupancy rate increased to 97.6% in the third quarter of 2021, compared to 96.2% as at the end of June. In the Netherlands the occupancy rate rose due to two new leases in Maastricht and one new lease in Breda. In Belgium the occupancy rate also increased due to one new lease in Wilrijk and one new lease in Mons. In France the occupancy rate also increased due to two new leases in Paris, two in Lille and one in Bordeaux. In Spain the portfolio remained fully let in Q3 2021.

Occupancy rate (%)	30 September 2021	30 June 2021
Netherlands	97.3	96.1
France	96.9	94.1
Belgium	98.4	97.5
Spain	100.0	100.0
Total	97.6	96.2

Leasing activity

In Q3 2021, Vastned concluded 17 leases for a total amount of € 2.6 million, or 3.7% of the total theoretical rent. The rent decrease of these new leases in Q3 2021 was 4.3%, which was mainly caused by a new letting in Lille with Bolia on the Rue Faidherbe 32-34. Also new leases were concluded with Footlocker on the Elsensesteenweg 41-43 in Brussel, Sleep Word on the Boomssteenweg 666-672 in Wilrijk and My Cosmetik on the Rue Sainte Catherine 39 in Bordeaux. Furthermore, a lease was renewed with Mulberry on the P.C. Hoofstraat 46-50 in Amsterdam. Over the first 9 months 2021, Vastned concluded 70 new leases for a total amount of € 8.6 million, or 12% of the total theoretical rent. The rent decrease on these new leases in 2021 was only 3.1%.

Leasing activity	9M 2021
Number of leases	70
Rental income (€ million)	8.6
% of total theoretical rent	12
Rental change (€ million)	-0.3
% rental change	-3.1

Acquisitions and divestments

In Q3 2021 Vastned sold the Lidostraat 7 in Leopoldsbuurg, Ginnekenstraat 80 in Breda, Weurden 2-4 in Winterswijk, Roggenstraat 6 in Zwolle and Lange Poten 7 in Den Haag. These five non-strategic assets had a transaction value of € 4.6 million which was 3.6% higher than their book value. In 9M 2021 Vastned sold 11 assets in total for an amount of € 16.8 million with a book value of € 16.0 million. No acquisitions were made in the first 9 months of 2021.

We continue to optimize our portfolio and increasingly look at opportunities to selectively invest in order to strengthen Vastned's presence in winning cities, add mixed-use assets, increase the sustainability of our properties and improve the tenant mix. In the coming years, we plan to add more mono brand and flagship stores, non-fashion retailers, convenience stores and strong growing digital retailers that are looking for physical locations in order to create new experience stores, the so-called 'phygital' retailers.

ACCOUNTS RECEIVABLE AND OTHER RECEIVABLES

As at 30 September 2021, Vastned had a total accounts receivable position of € 10.7 million (30 June 2021: € 12.2 million), of which € 2.4 million was provisioned for (end of H1 2021: € 3.1 million). An amount of € 6.5 million is related to pre-invoiced rent for Q4 2021. The total amount of accounts receivable, after deduction of the provision for expected credit losses, can be broken down as follows by the nature of the receivable:

Accounts receivable and other receivables (€ million)	Outstanding	Provision for expected credit losses	Total
Accounts receivable unrelated to COVID-19	1.3	(1.1)	0.2
Accounts receivable related to COVID-19	2.4	(1.3)	1.1
Accounts receivable for which a deferment has been granted in the context of COVID-19	0.4	(0.1)	0.3
Pre-invoiced rent	6.5	-	6.5
Other receivables	0.1	-	0.1
Total	10.7	(2.4)	8.2

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.

COVID-19

During Q3 2021, the lockdowns were lifted in all the countries where Vastned is active. In these months Vastned saw the footfalls increase in the streets where its property is located. However, the number of tourists visiting these historic city centres have not fully returned to the pre-COVID-19 levels.

Our tailor-made agreements with most of our retail tenants have turned out to be a successful approach to withstand the COVID-19 challenges. The need for waivers has significantly decreased in Q3 and the total waivers provided during this quarter amounted to € 0.3 million.

In the first nine months of 2021, rent waivers totaled € 2.6 million excluding VAT (of which € 0.9 million related to FY 2020 and € 1.7 million related to the first nine months of 2021). This total has been deducted directly and fully from the gross rental income in the first nine months of 2021.

EVENTS AFTER BALANCE SHEET DATE

In October 2021, the object at Wooldstraat 26 in Winterswijk was divested, almost 12% above the most recent appraisal value.

OUTLOOK 2021

During the remainder of 2021, we will continue to focus on executing the strategy, improving the tenant mix (less fashion, more digital retailers looking for physical locations and more convenience stores), developing more mixed-use and increased cost control. For our 2021 outlook, we are assuming there will be no more nationwide lockdowns in Q4 and no bankruptcies in our portfolio. Considering this and barring unforeseen circumstances, Vastned tightens the forecasted range of direct result to € 1.85 - € 1.90 per share for 2021, from the previous range of € 1.80 - € 1.90 per share provided with the H1 Results Announcement.

Vastned expects to announce a proposal for the 2021 full year dividend in February 2022 along with the annual results for 2021.

FINANCIAL CALENDAR

10 February 2022	before trading	Publication annual results 2021
4 March 2022	before trading	Publication Annual Report 2021
14 April 2022		Annual General Meeting of shareholders
4 May 2022	before trading	Q1 trading update 2022
28 July 2022	before trading	Half-year results 2022
26 October 2022	before trading	9M trading update 2022

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 as at 30 June 2021.

Further information

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