



BUILDING  
TOMORROW  
TODAY

# FY 2023

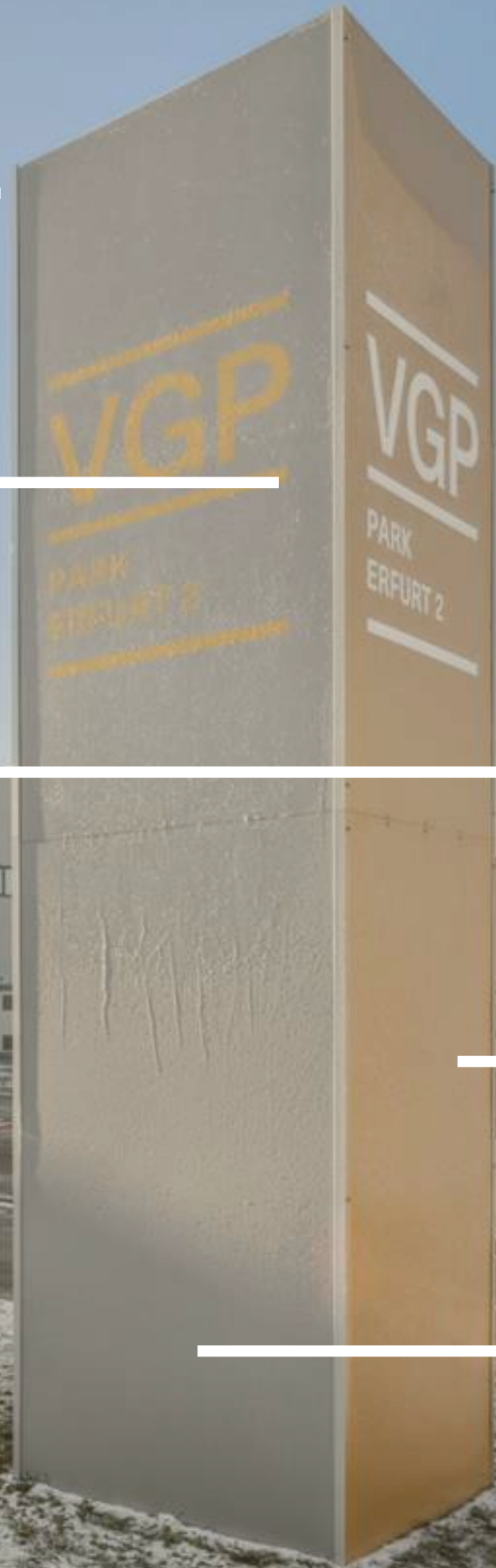
# FINANCIAL RESULTS

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[WWW.VGPPARKS.EU](http://WWW.VGPPARKS.EU)



VGP



ZEITFRACHT



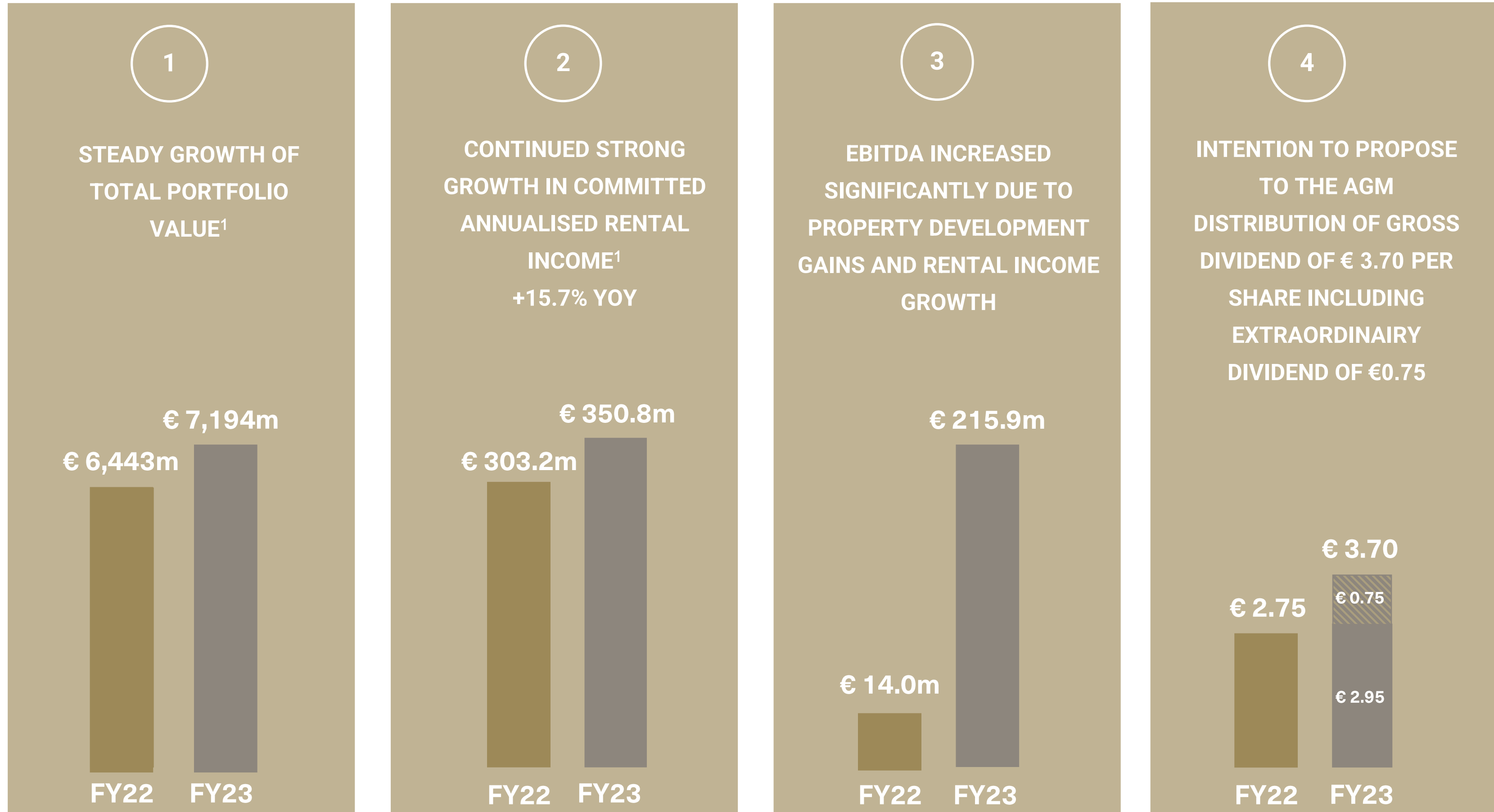
Highlights 2023

# Highlights 2023

- **Strong operational performance** supported by dynamic leasing activity with significant share of light industrial segment (57%)
- A **net profit of € 87.3 million** or € 3.20 per share
- **Evolution of Joint Venture strategy** with two new joint venture partners and strong net cash recycling of € 676 million
- **1.93 million m<sup>2</sup> of land acquired** for in total € 212.4 million, including **iconic land plots** in vicinity of Paris and Frankfurt
  - 0.7 million m<sup>2</sup> (LPM) sold for € 170 million in '24
- **Solid balance sheet** with € 400 million of undrawn credit facilities, € 150 million new 10-year financing facility, **€ 525 million expected to be recycled in 2024**
- Recognition for ESG efforts including **four-star GRESB developer rating**, the second highest among peers in the European logistics segment.



# Summary financial results

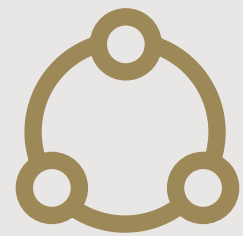


<sup>1</sup>Including JVs portfolio at 100%

VGP

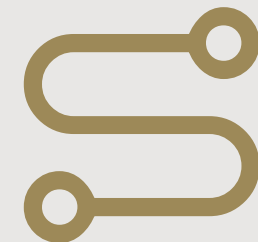
Market update





## Safeguarding against supply chain disruption

Implementing supplier diversification, nearshoring production strategies, and strengthening regional supply chains.



## New manufacturing

Growth of EV and battery production, renewable energy solutions, pharmaceutical development, and advanced manufacturing.



## Upgrading through new built/retrofitted stock

Meeting latest sustainability standards including energy-efficiency, renewable energy sources, and EV-charging.



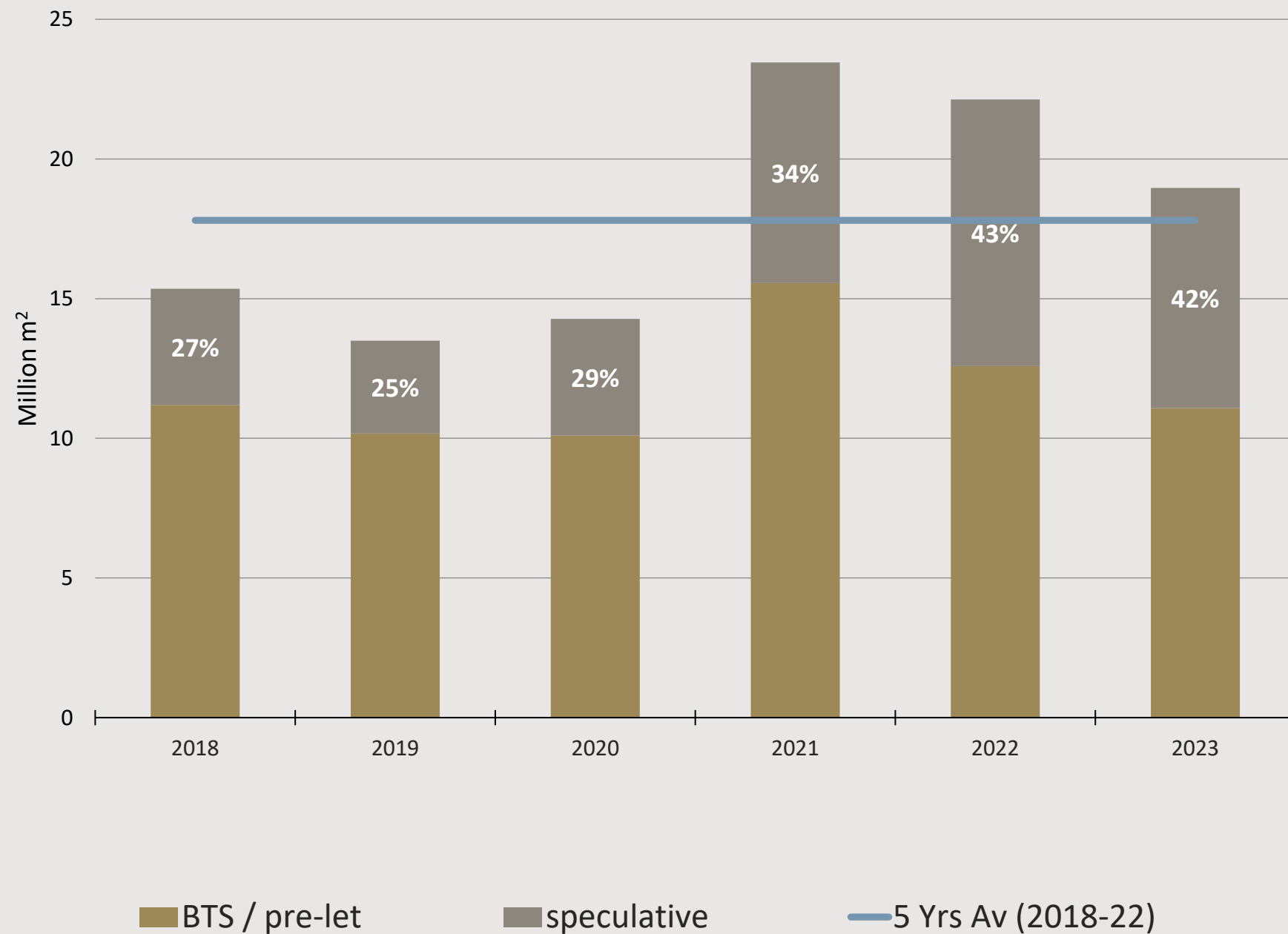
## E-commerce expansion to return in 2025

Improving last mile delivery efficiency to respond to evolving customer expectations.

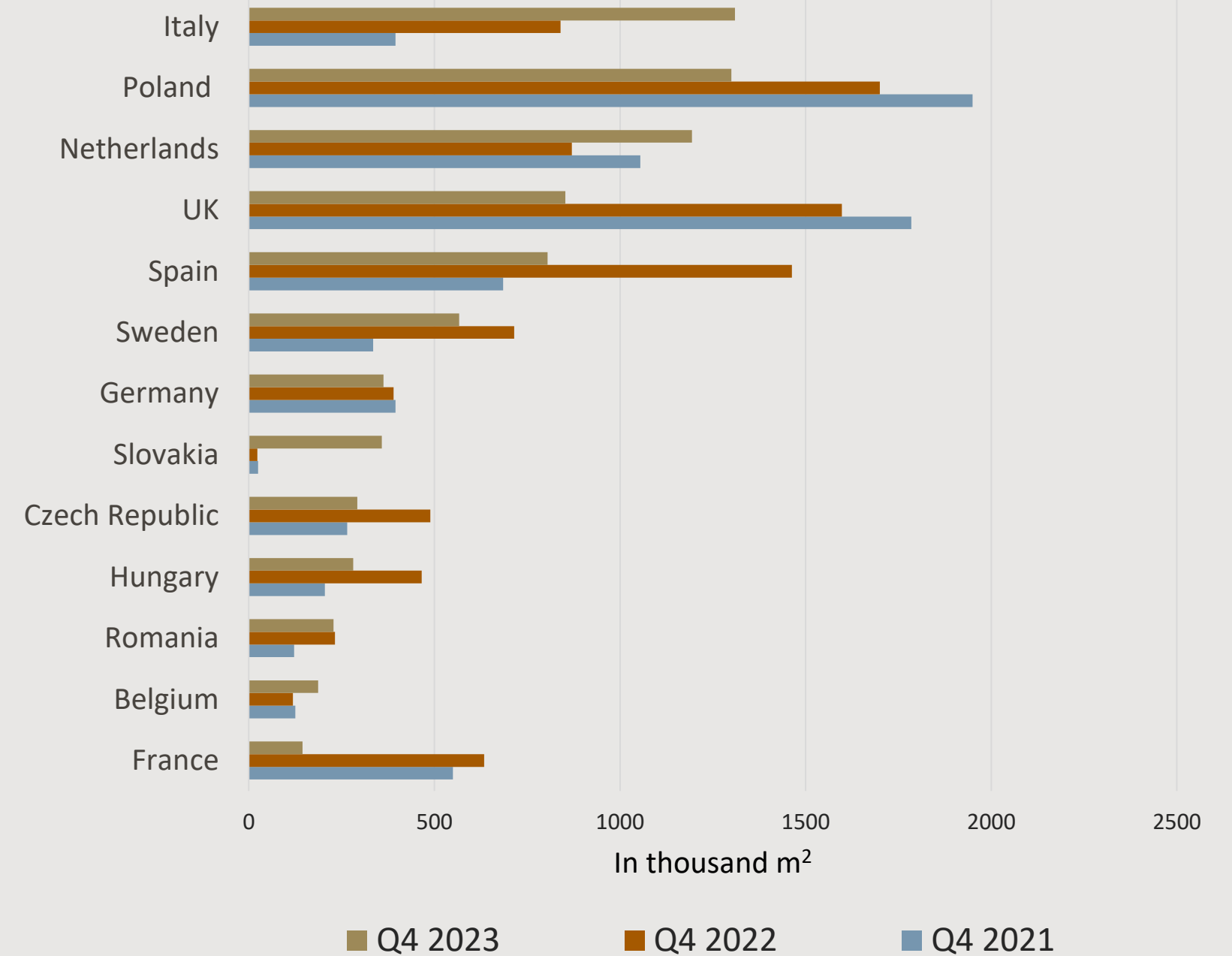
# Space under construction across Europe at the end of Q4 2023

A slowdown in speculative developments elevates BTS/pre-let share

European space under construction end Q4 2023



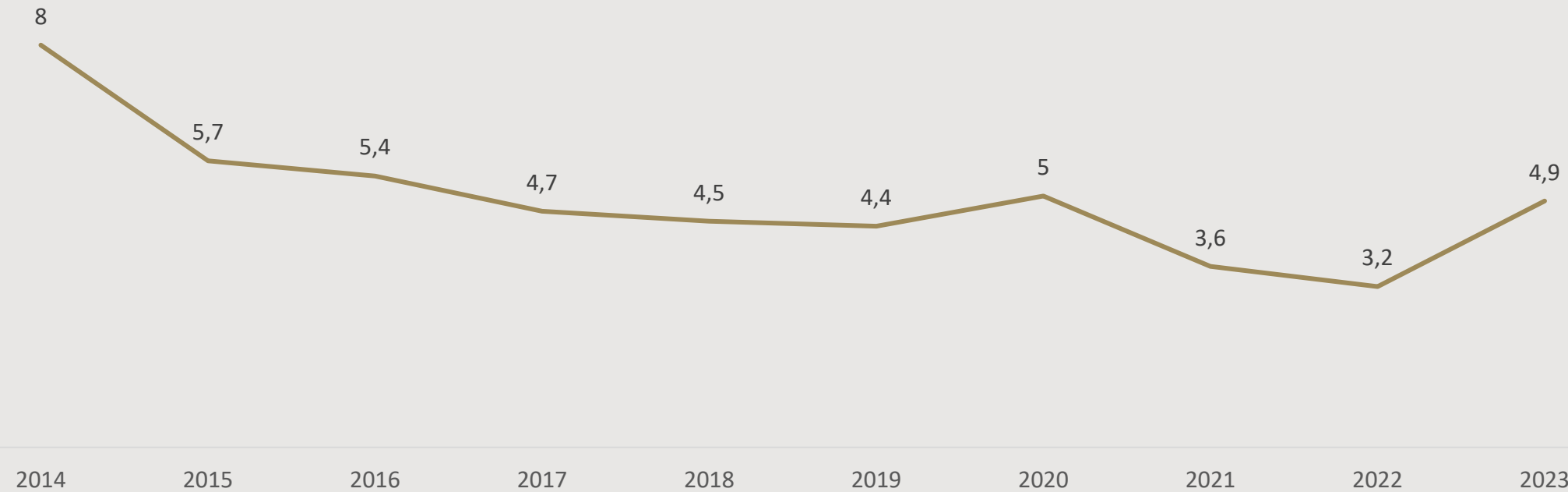
Speculative space under construction at end of Q4 2023



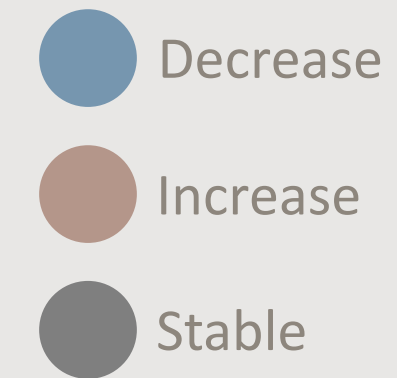
**VGP's assets under construction are 77% pre-let versus market development at 58%**

# Balanced market with vacancy below 5%

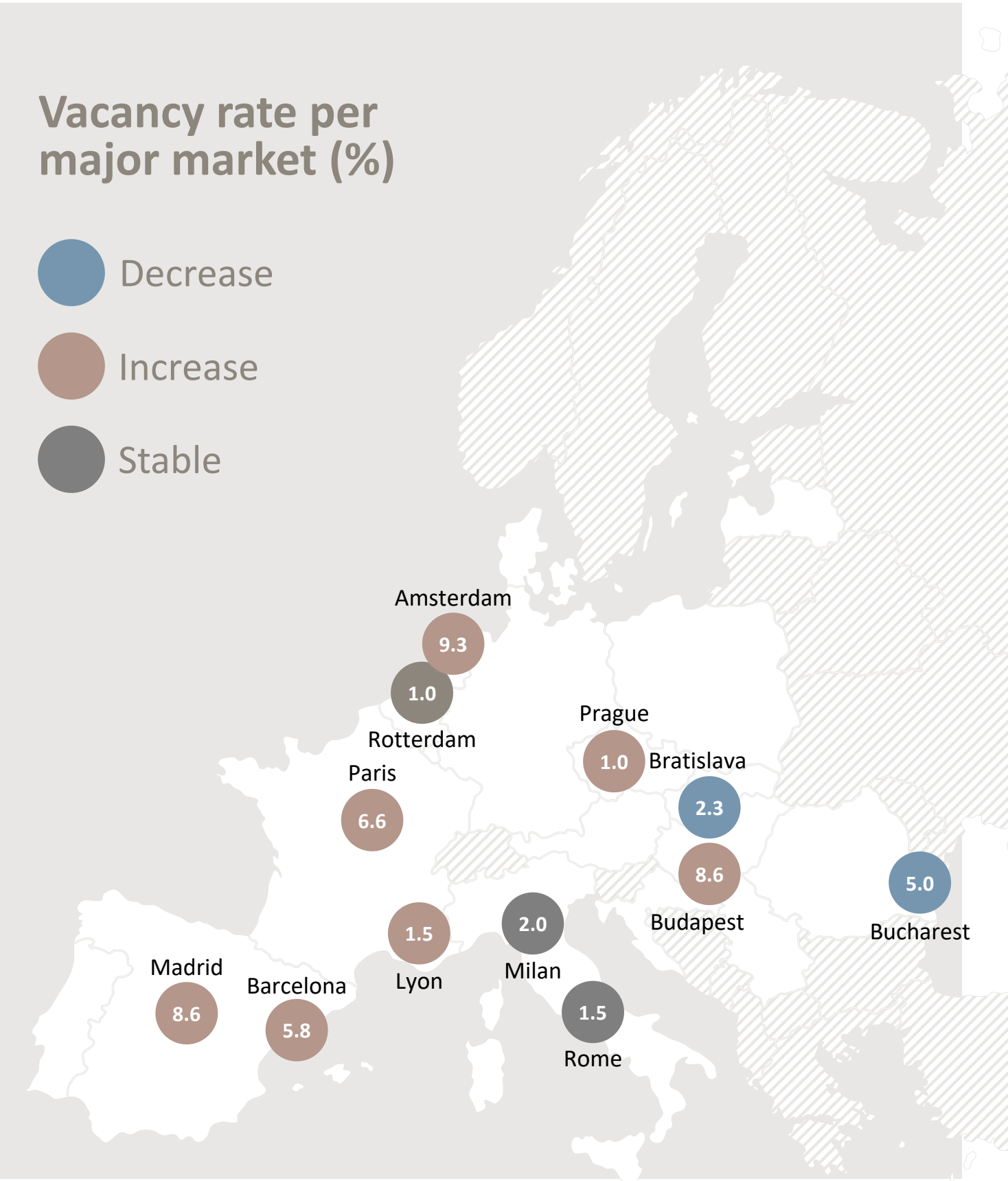
European Average Vacancy Rate



Vacancy rate per major market (%)



- Higher vacancy rates put non-prime space at a disadvantage
- **Suitable space remains limited**
- **Vacancy rates edge up** but still below the 5% level indicative of a balanced market







VGP

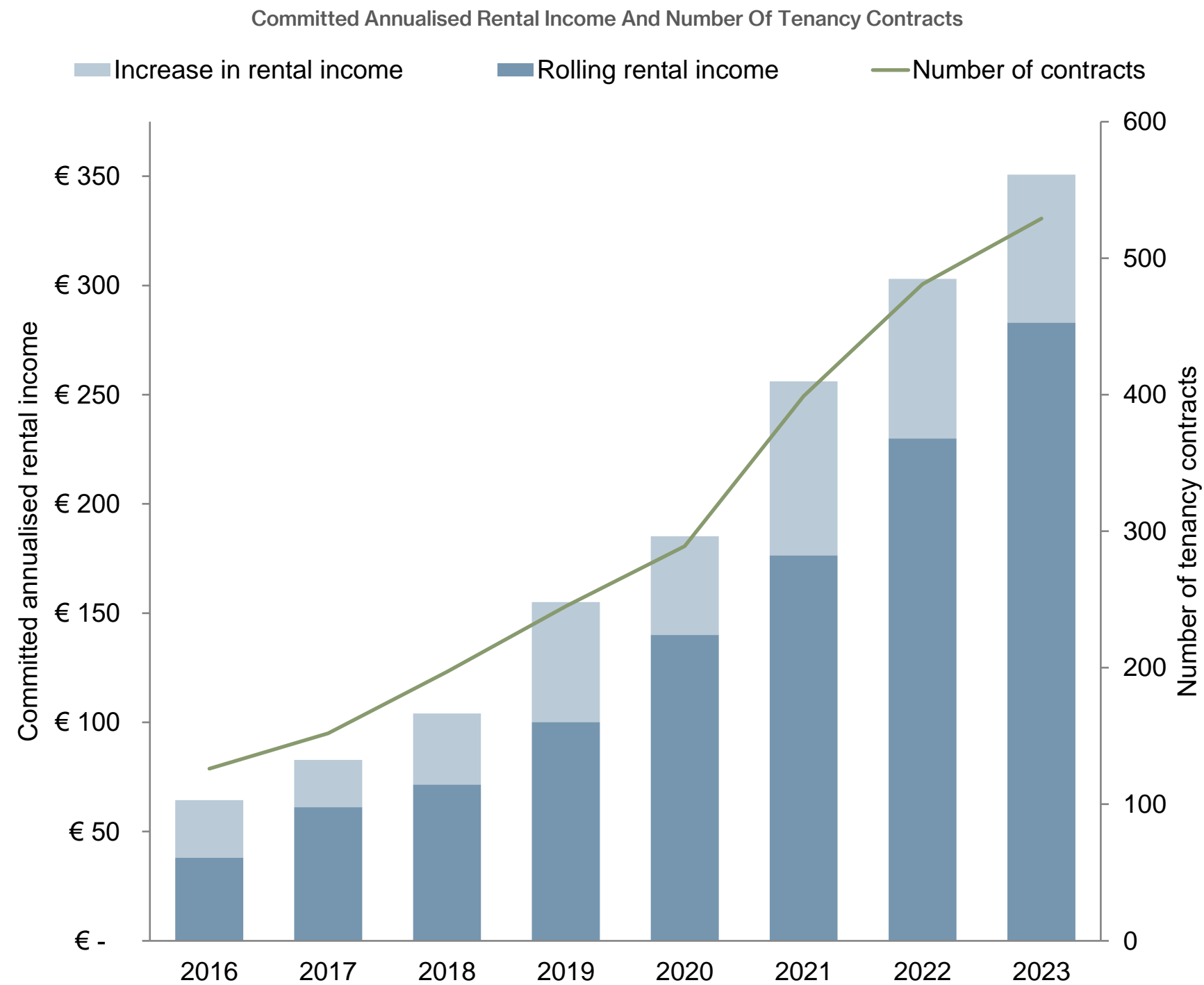
Operational Performance



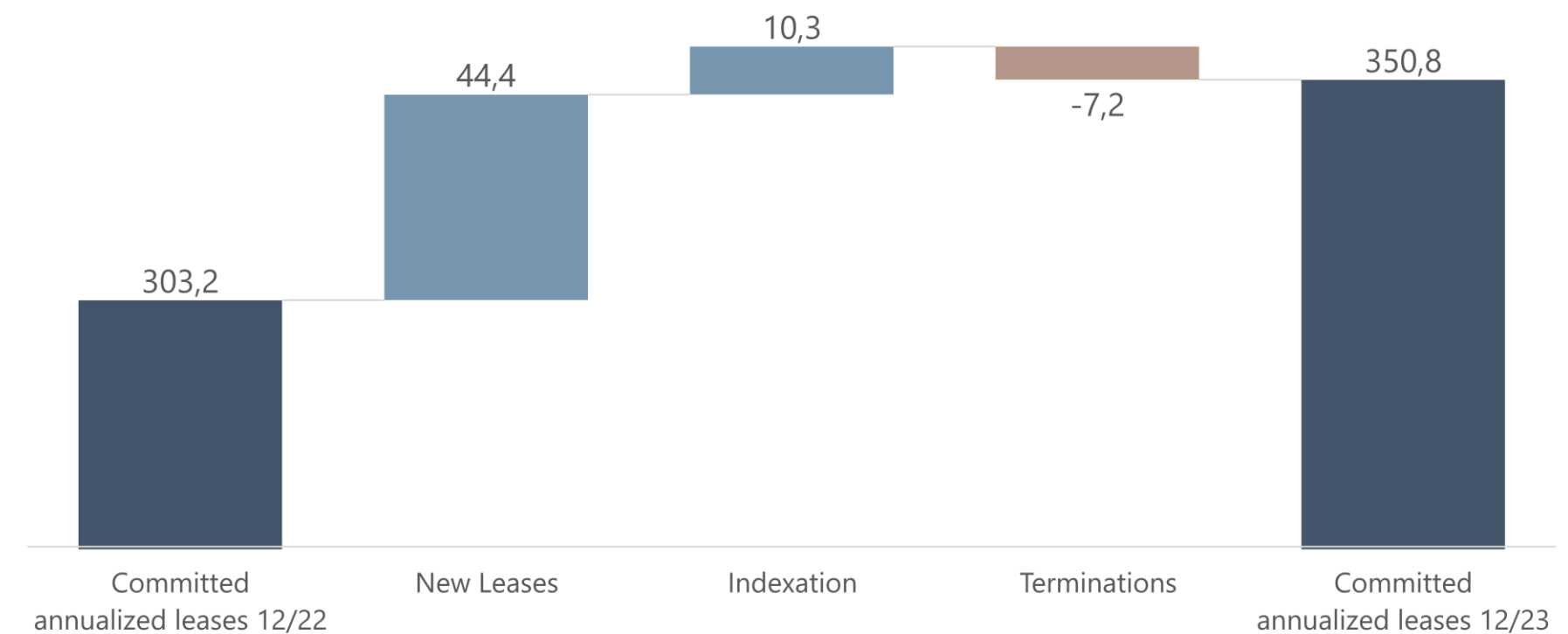
VGP

Leasing activities

# FY 2023 committed rental income – including JVs at 100% – increased by 16% Y-o-Y



- The group has 529 tenant contracts with 370 tenants
- Committed annualised leases of € 351 million<sup>1</sup> (FY22 303 million)
- Occupancy rate of 99% for the completed portfolio<sup>2</sup>
- Bridge of committed annualized rental income (in €-million):

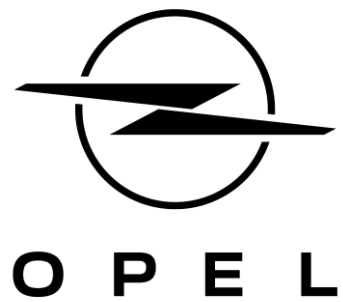


<sup>1</sup>Including € 225.1 million through the Joint Ventures

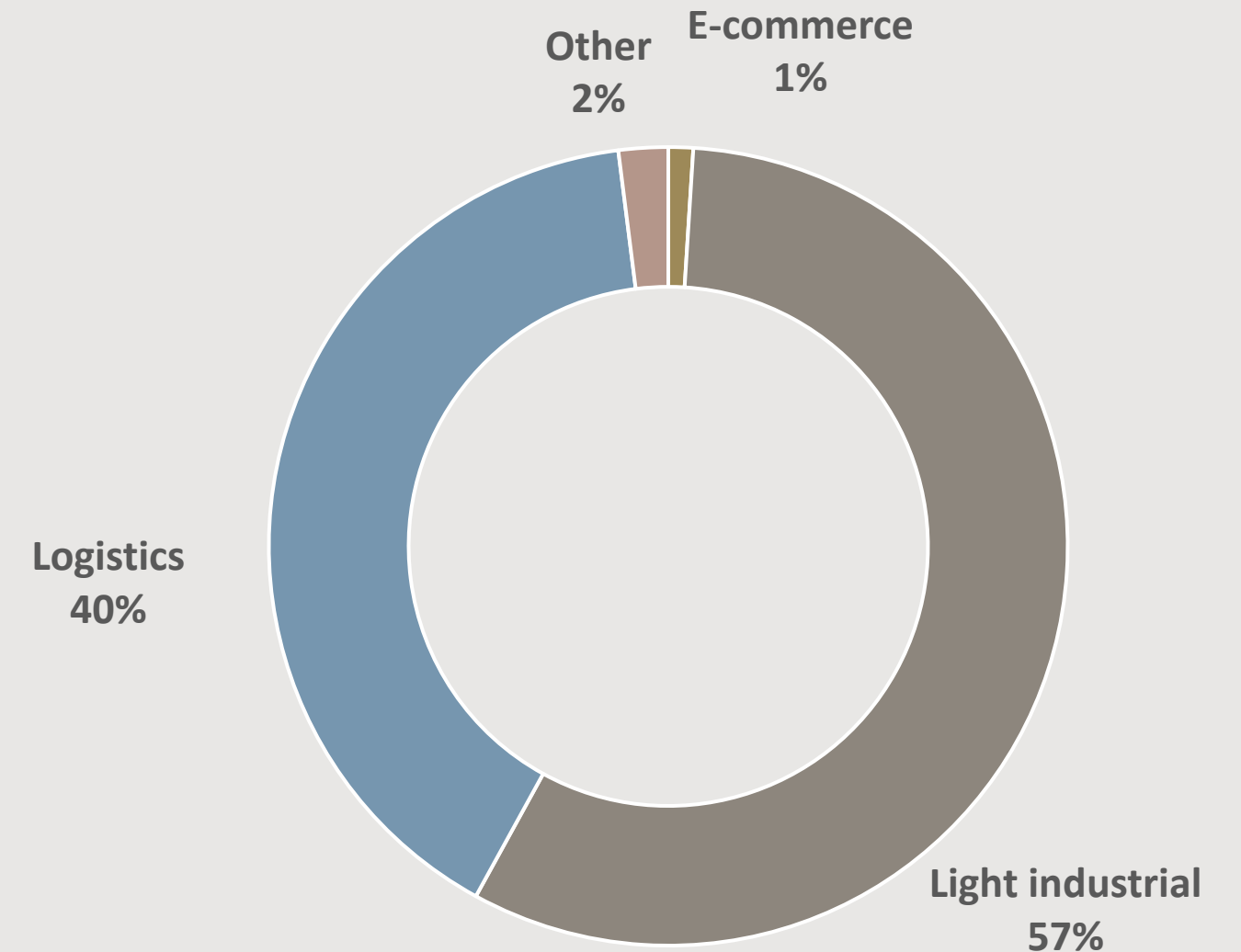
<sup>2</sup>Including 100% of JVs' assets

# Majority share of new contracts signed within light industrial segment

Examples FY2023



New Lease Agreements (Based On Rent)

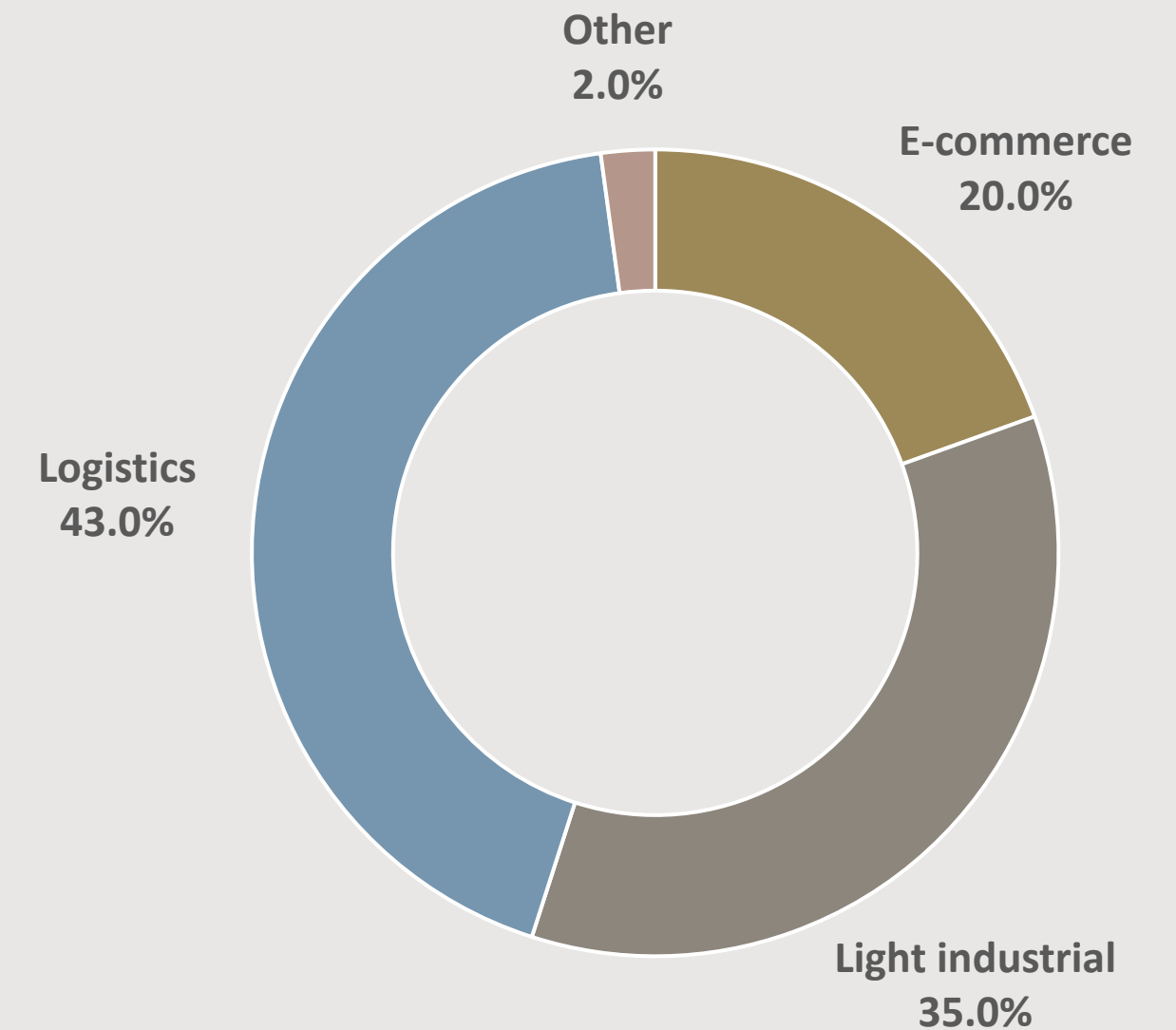


# Portfolio leased to a diversified and blue-chip tenant base

- Weighted average lease term of **7.9 years**<sup>1</sup>
- Top 10 tenants represents 32% of committed leases and have a combined WALT of 10.3 years

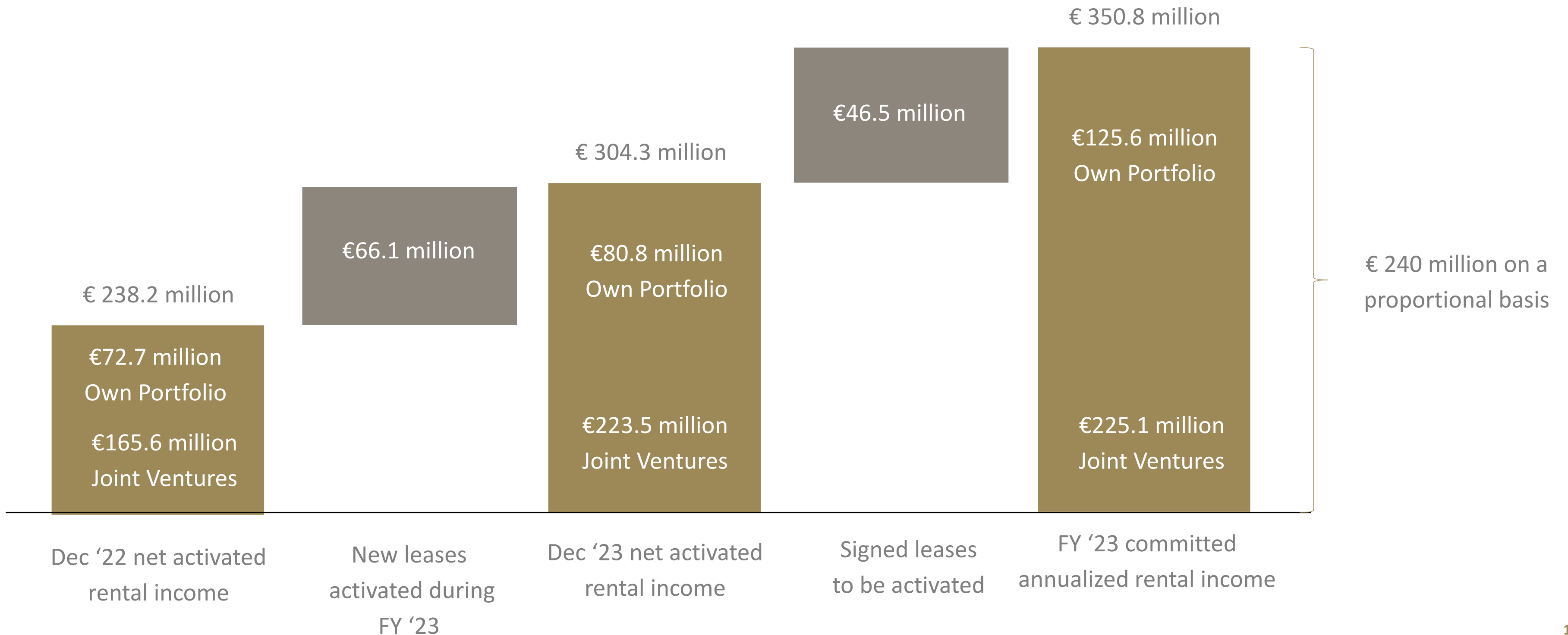


Tenant Portfolio Breakdown – By Industry Segment<sup>1</sup>



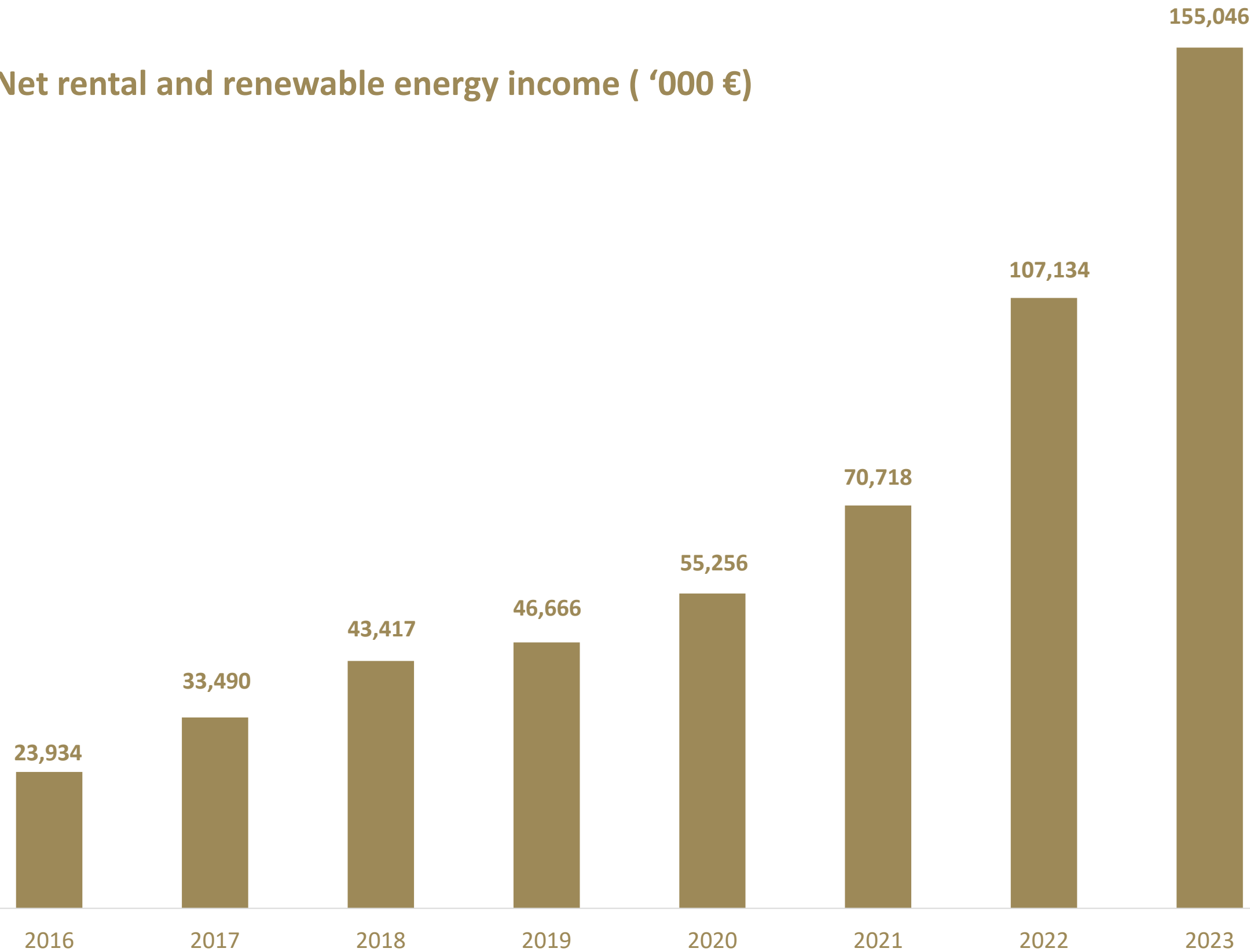
<sup>1</sup>As of 31 Dec 2023; including 100% of JVs' assets per lettable m<sup>2</sup>

# Active annualized rental income growth incl. JV's at 100%



# Net rental and renewable energy income at share has grown **y-o-y with 45%**

Net rental and renewable energy income ( '000 €)

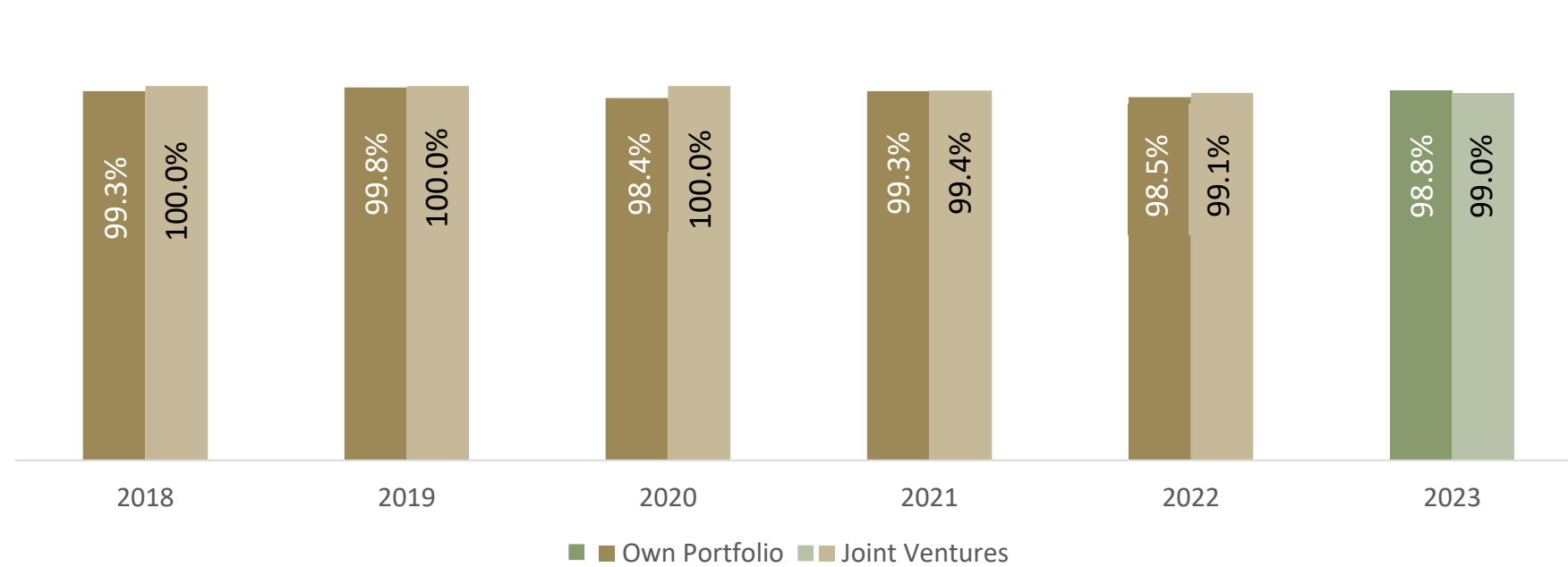


- Continuous growth expected as a result of deliveries in '23 and '24

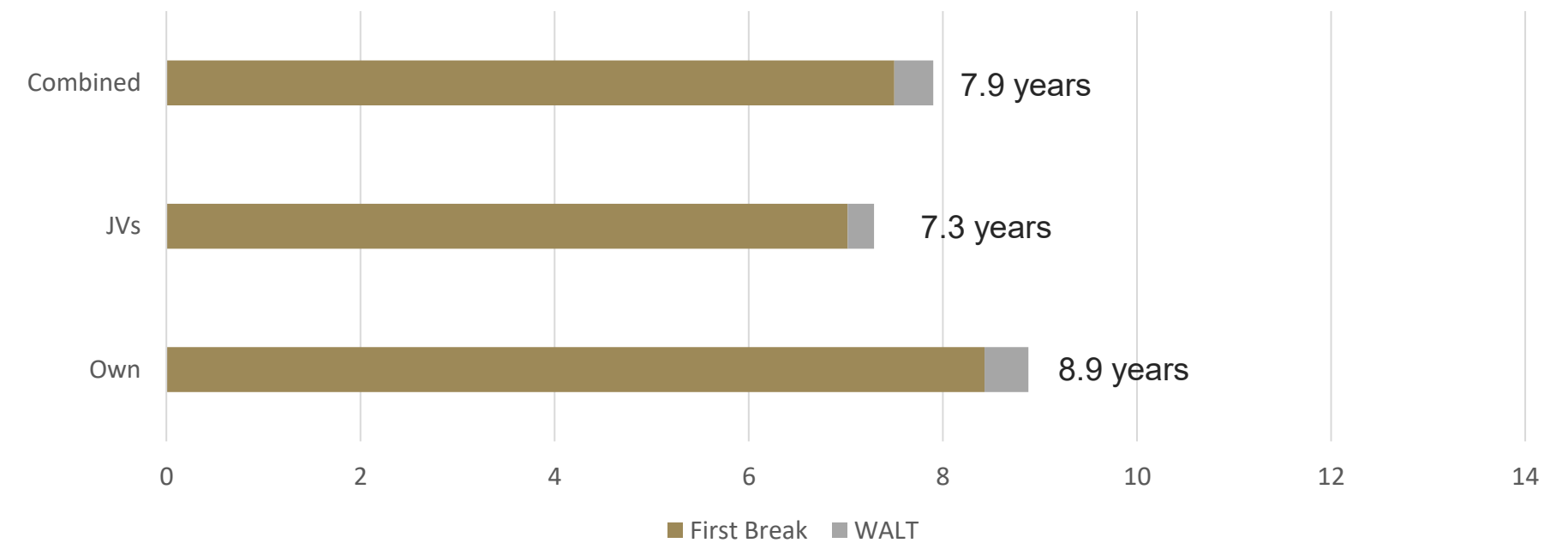


# Portfolio virtually fully let on a long-term basis

Occupancy evolution (%)<sup>1</sup>

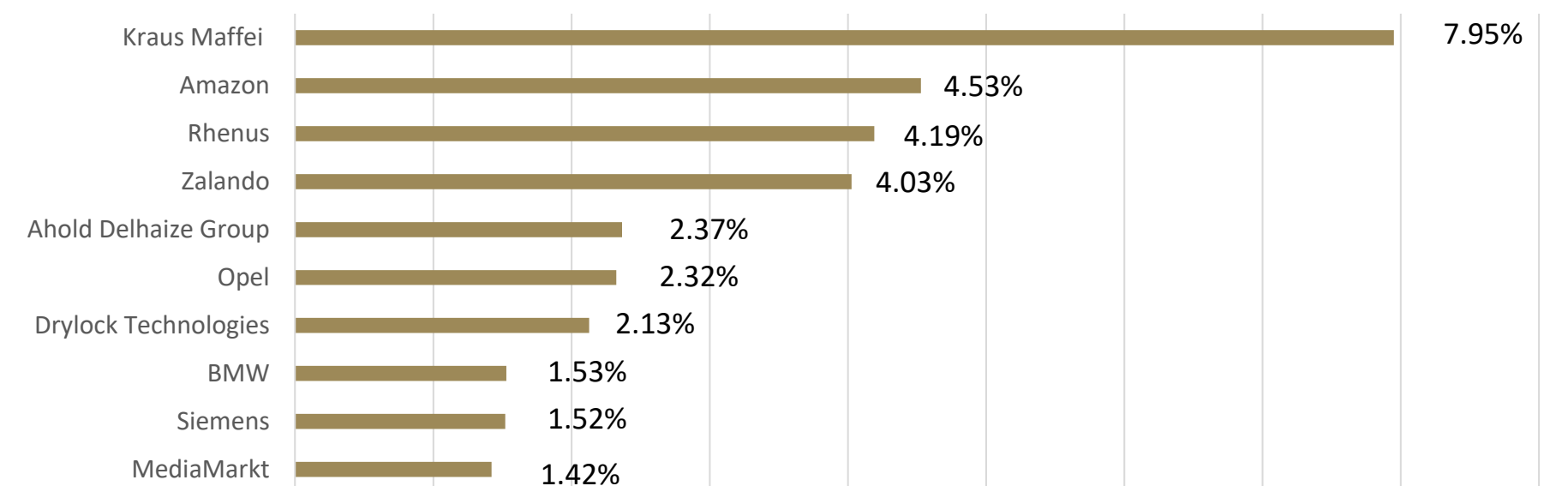


Weighted average lease term (WALT) of the portfolio



- The combined occupancy of the portfolio stood at 99 %
- The WALT stands at 7.9 years
- The WAULB stands at 7.5 years
- Top ten customers represent 32% of total portfolio and have a combined WAULT of 10.3 years

Top 10 clients by lease contract with JVs at 100% (% of total committed leases)



Source: Company information as of 31 December 2023

<sup>1</sup> Based on square metres, with JV's at 100%





VGP

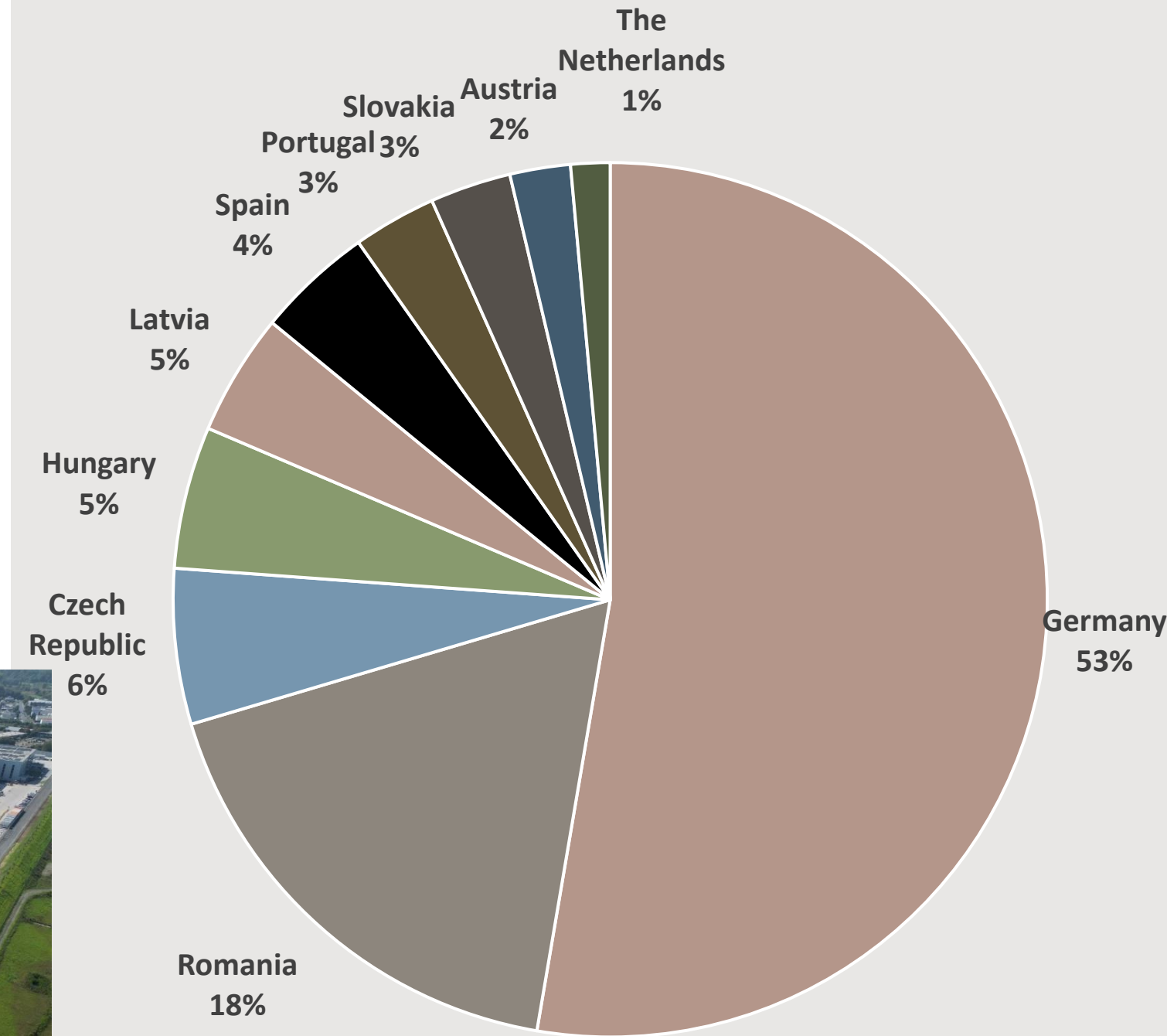
Deliveries

# Delivery of new developments in FY2023

- 24 buildings representing 641,000 m<sup>2</sup> GLA
- € 42.3 million rental income by 51 new contracts, 100% let
- 100% will be rated BREEAM 'Very Good' (or equivalent) or better



Deliveries  
Geographical breakdown<sup>1</sup>



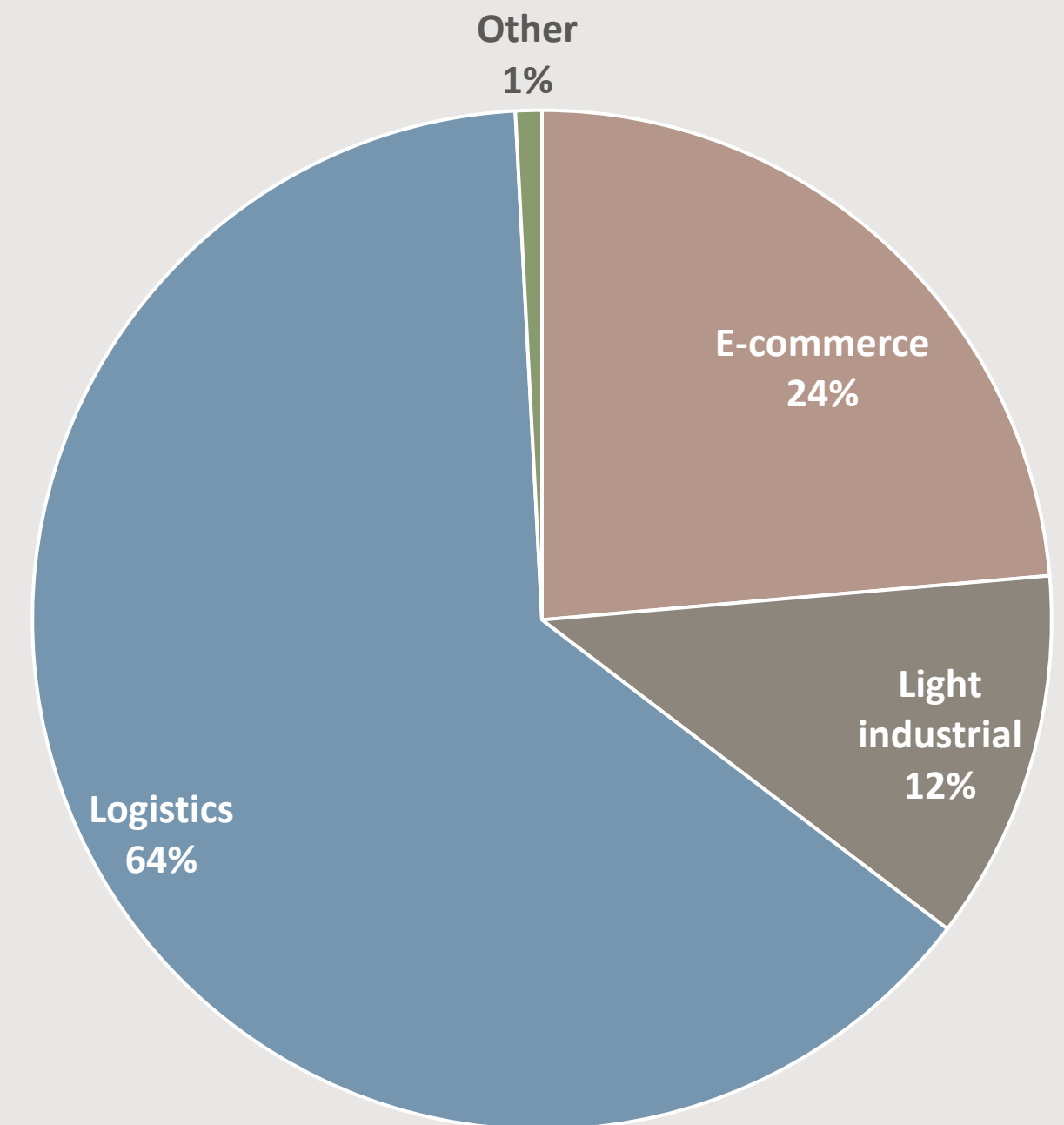
<sup>1</sup> Based on delivered lettable m<sup>2</sup>

# Largest share of new developments delivered for tenants active in logistics

Examples of deliveries FY '23



Deliveries  
Tenant segmentation<sup>1</sup>



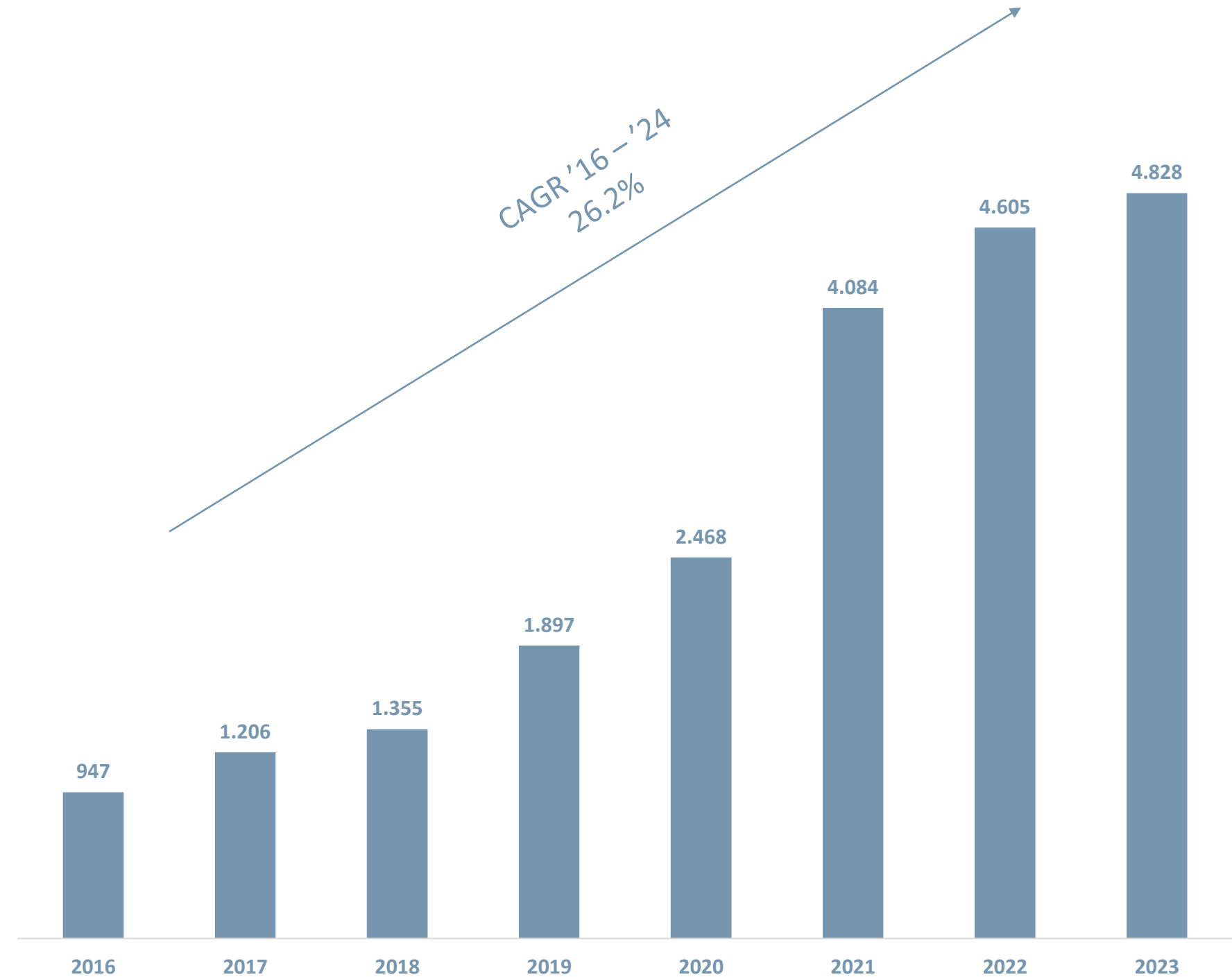
<sup>1</sup> Based on lettable m<sup>2</sup>

# The portfolio at-share has grown organically at an annual compounded **growth rate of 26.2%**

- The portfolio at-share has shown resilient growth
- Compounded annual growth rate of 26.2% at share since 2016



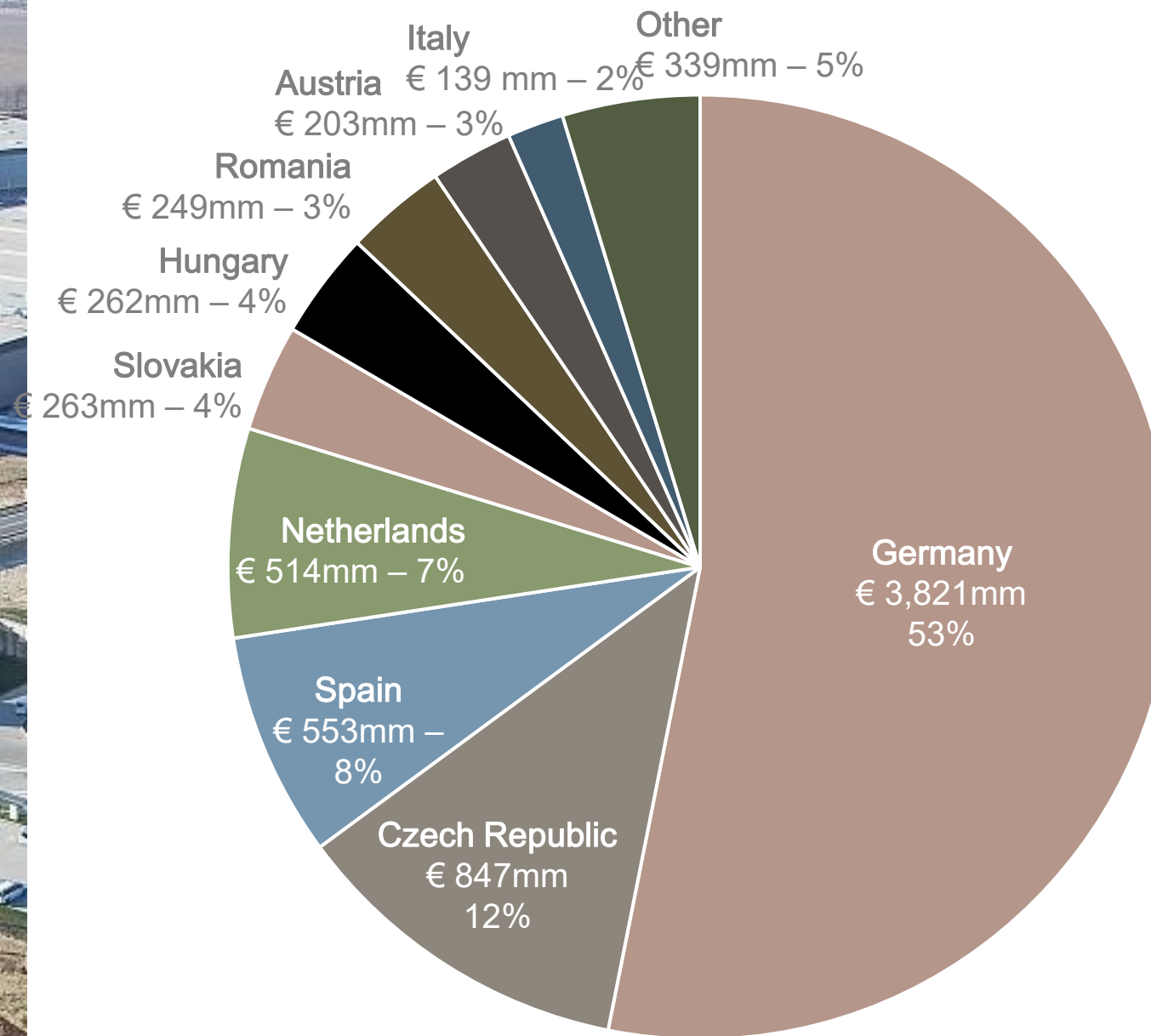
Total investment property (€mm)



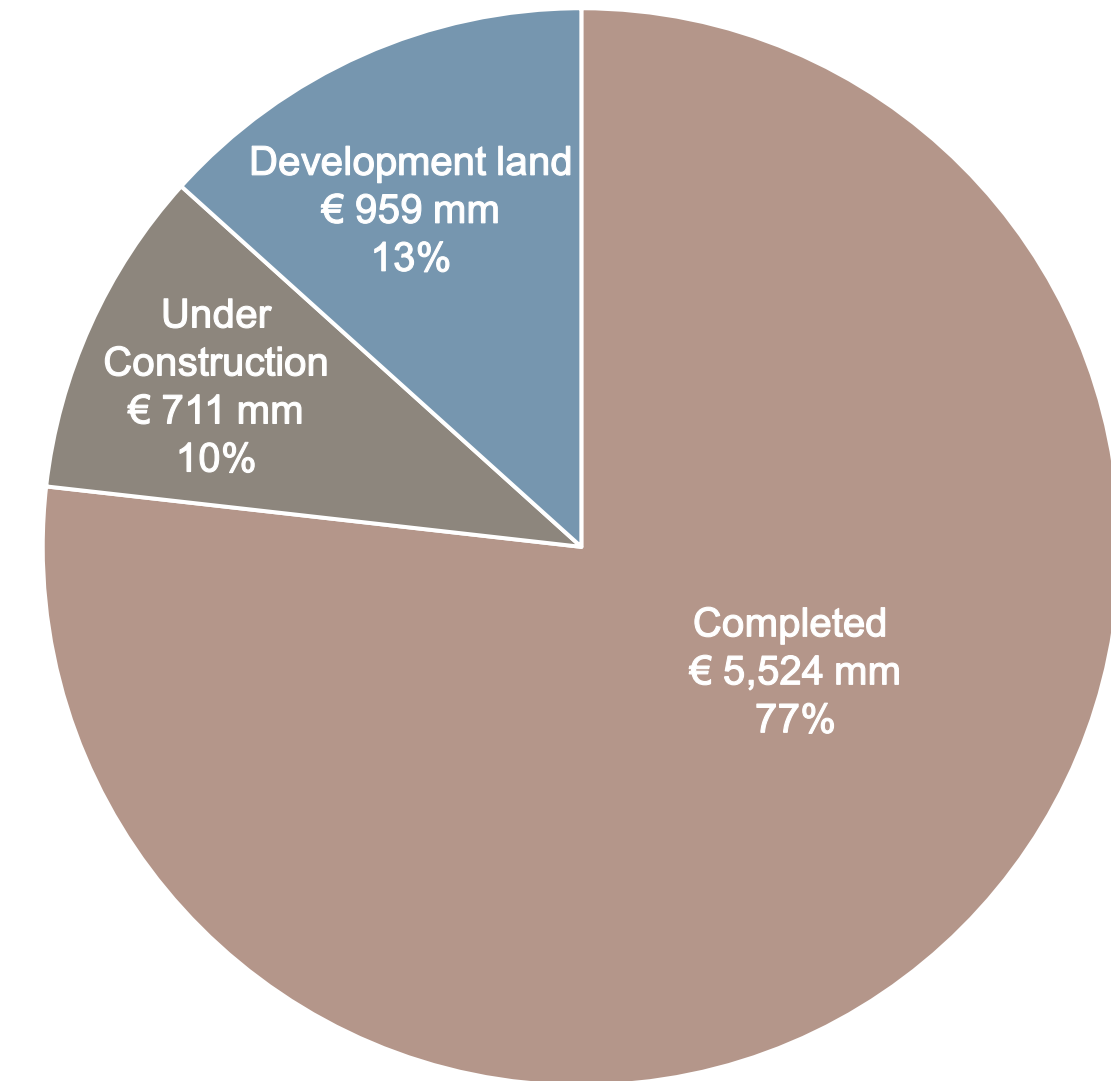
# The portfolio is geographically well diversified and predominantly income generating



Investment Portfolio Breakdown By Country<sup>1</sup>



Investment Portfolio Breakdown By Status<sup>1</sup>



- The investment portfolio has grown to € 7.194 million<sup>1</sup>, up 12% YoY
- Western Europe, represents 75% of total portfolio value as of December 2023

As of 31 December 2023

<sup>1</sup>Including 100% of JVs assets

VGP

Developments



# Portfolio under construction represents € 52 million of new leases

- At YE2023, 26 buildings were under construction, representing 774,000 m<sup>2</sup>
- This equates to € 51.9 million of annualized leases<sup>1</sup>
- The portfolio under construction is 77.3% pre-let
- Portfolio under construction longer than 6 months stands at 84.3% pre-let
- Western Europe represents 55.2%<sup>2</sup>



VGP Park Brasov, Romania



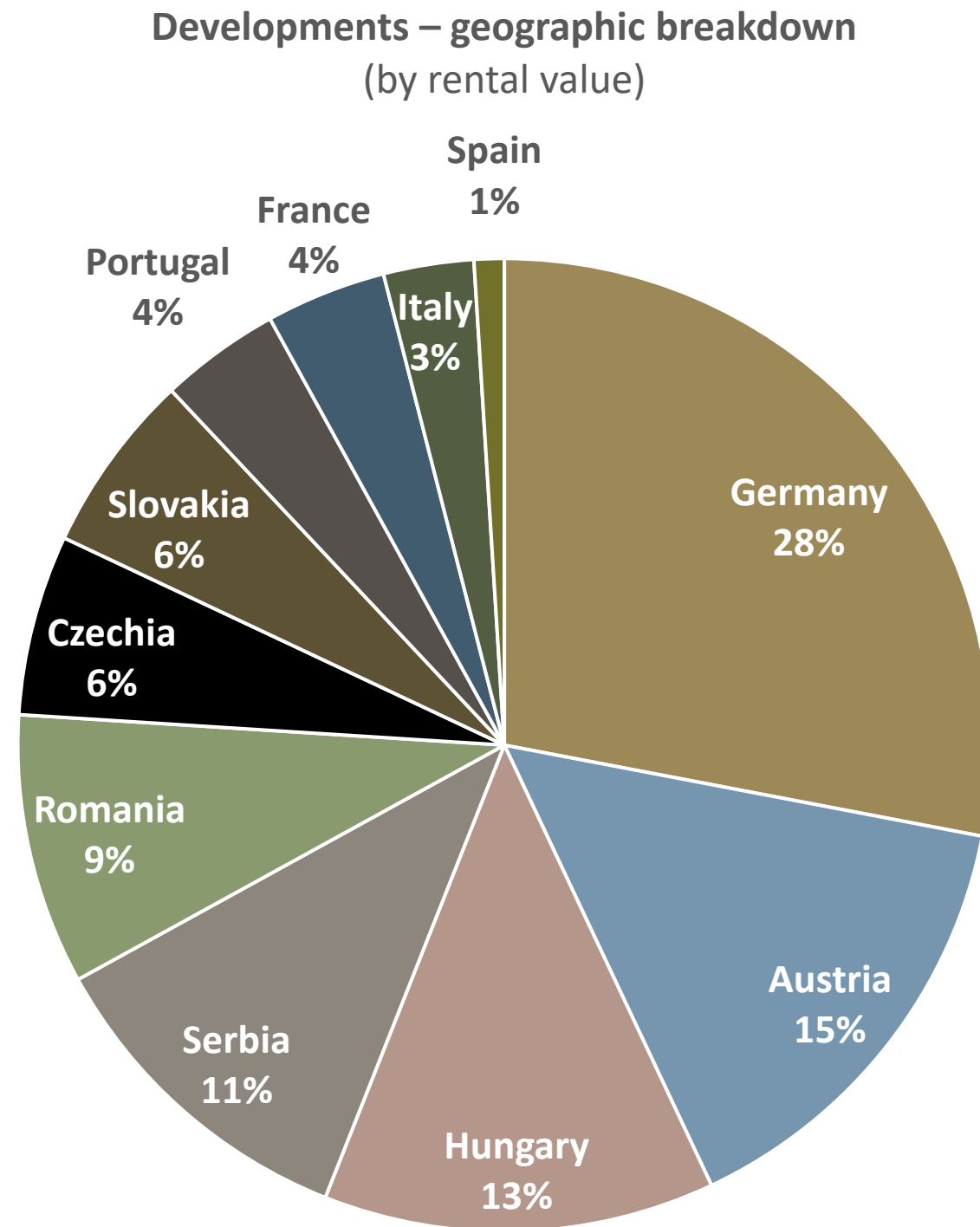
VGP Park Belgrade, Serbia

As of 31 December 2023

<sup>1</sup>Calculated on basis of expected rental value and committed rental prices

<sup>2</sup>Based on rental value

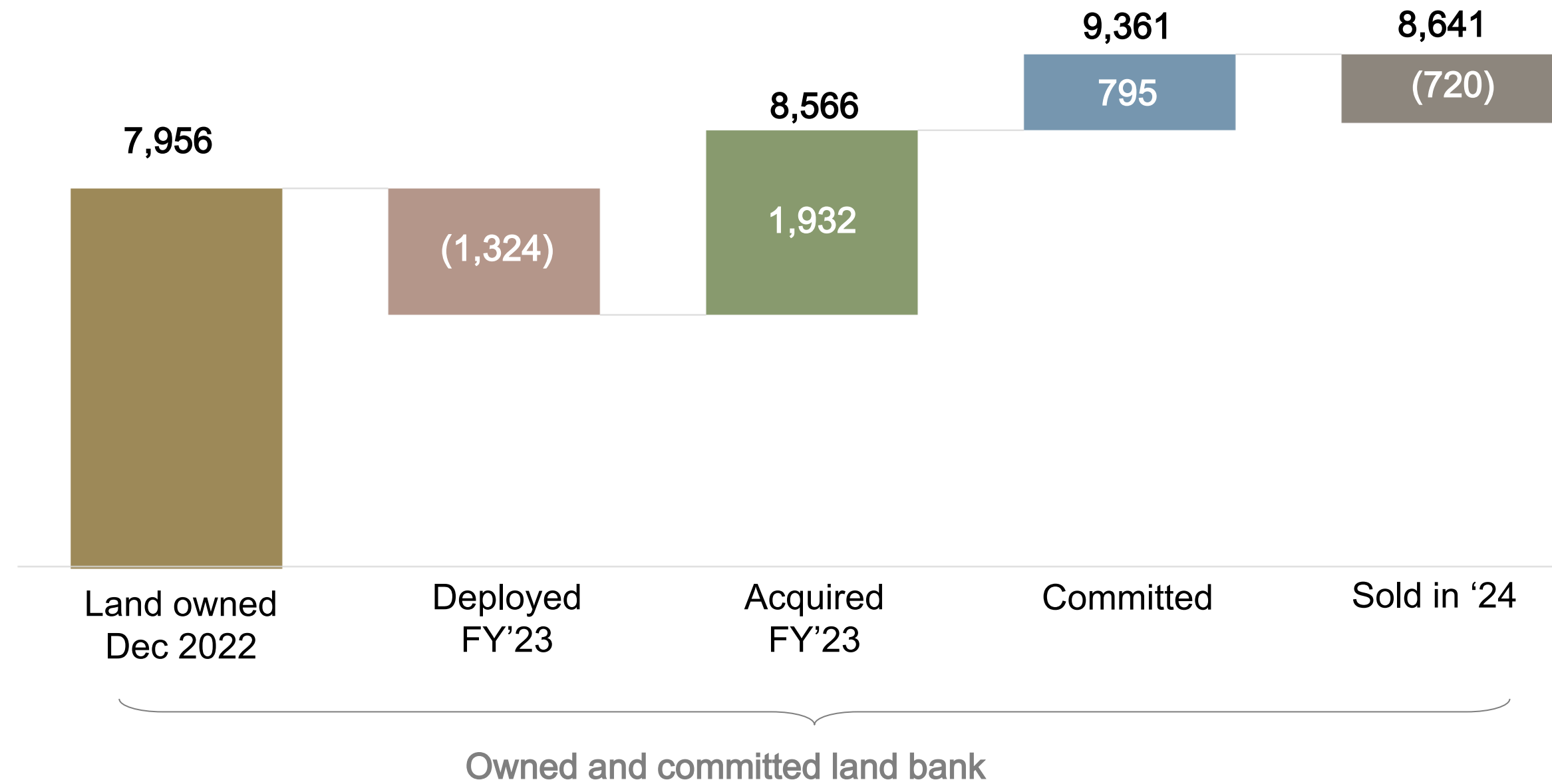
...and is well spread across our geographical footprint





# Owned and committed land bank expanded further to support future growth

Build-up of Land bank ('000 m<sup>2</sup>) incl JV's at 100%



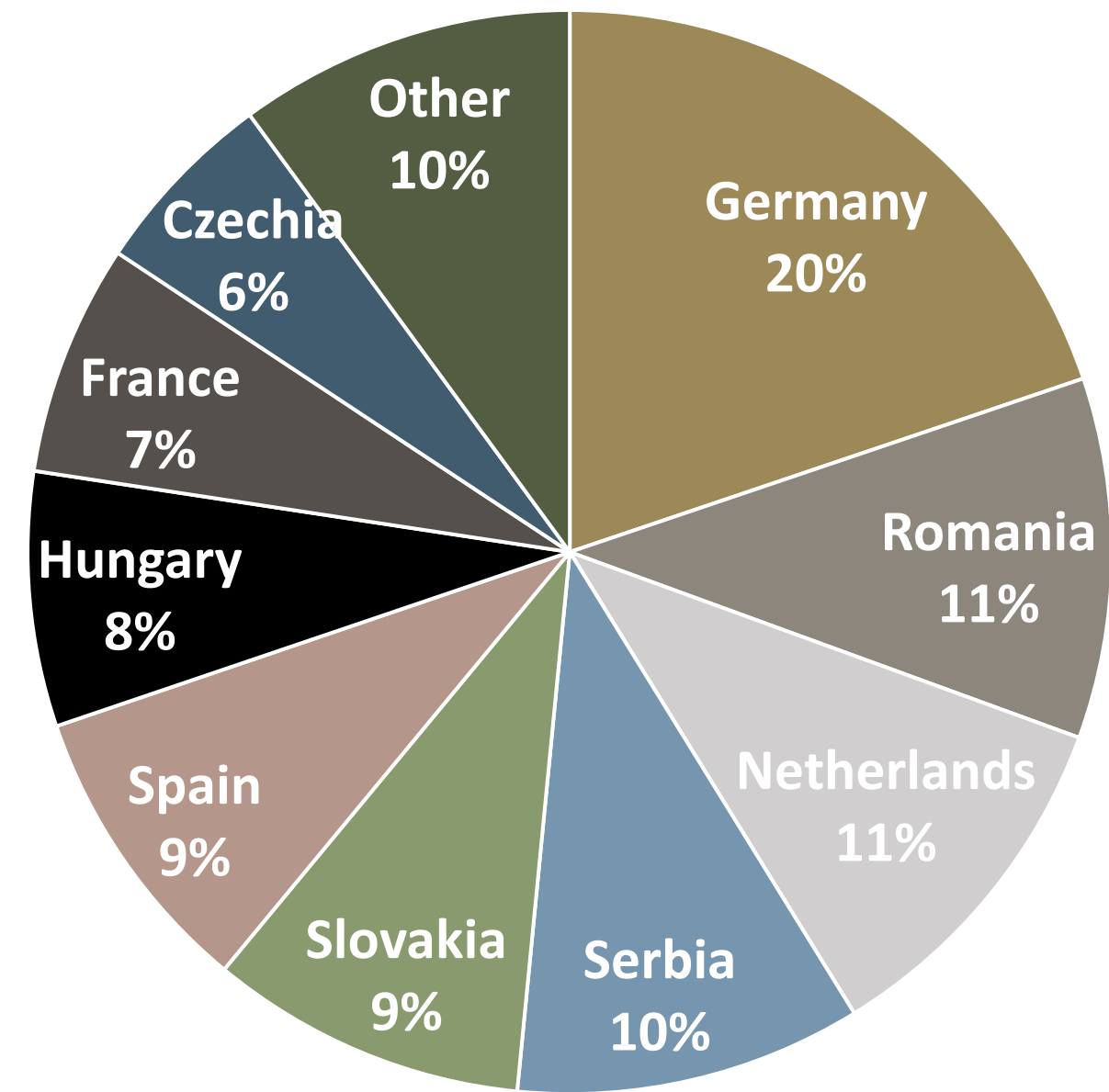
- Land bank (owned and committed, post LPM sale) of 8.6 million m<sup>2</sup>
- Over 3.8 million m<sup>2</sup> of development potential embedded in the total land bank

# Landbank geographically well diversified across countries of operations

- The acquisition of some very iconic land plots, on top of already a prime land bank across the regions in which VGP operates, allows to offer attractive propositions to our clients



Land bank<sup>1</sup> – geographic breakdown



<sup>1</sup> Geographical breakdown of development land bank (based on m<sup>2</sup>) of the owned land bank (own and JV) and excludes the sale of LPM



VGP PARK  
VEJLE



**Fredericia**  
23 km



**Land surface**  
175,256 m<sup>2</sup>



**Odense**  
73 km



**GLA of park**  
81,449 m<sup>2</sup>



**Arhus**  
80 km



**Buildings**  
5



**Highway**  
300 m



**Port**  
7 km




**Airport**  
35 km


[Google maps →](#)






VGP PARK  
**Leipzig - Flughafen**

 **Leipzig**  
20 km

 **Land surface**  
495,076 m<sup>2</sup>

 **Magdeburg**  
100 km

 **GLA of park**  
225,758 m<sup>2</sup>

 **Berlin**  
170 km

 **Buildings**  
5

 **Highway**  
1 min

 **Bus stop**  
5 minutes

 **Airport**  
7 km


[Google maps](#) →






VGP PARK  
Rüsselsheim

 Frankfurt  
30 km

 Mainz  
15 km

 Stuttgart  
190 km

 Highway  
1 min

 Bus stop  
1 minute

 Airport  
15 km

 Land surface  
702,875 m<sup>2</sup>

 GLA of park  
285,710 m<sup>2</sup>

[Google maps →](#)





## VGP PARK Vélizy



Paris  
15 km



Land surface  
193,665 m<sup>2</sup>



Versaille  
100 km



GLA of park  
80,000 m<sup>2</sup>



Brownfield



Highway  
direct connection



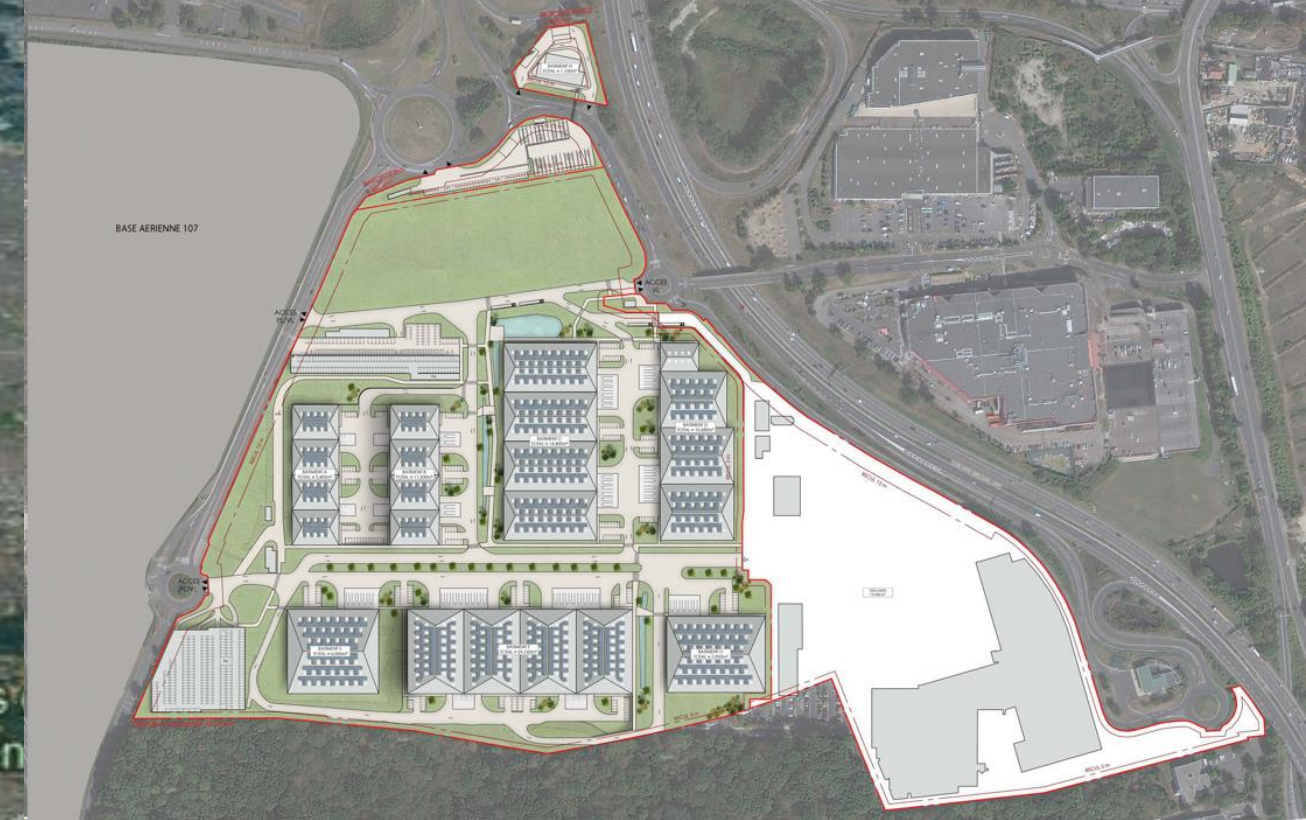
Bus stop  
5 minutes



Airport  
14 min

[Google maps](#) →

## VGP Park Vélizy, France





VGP

Renewables

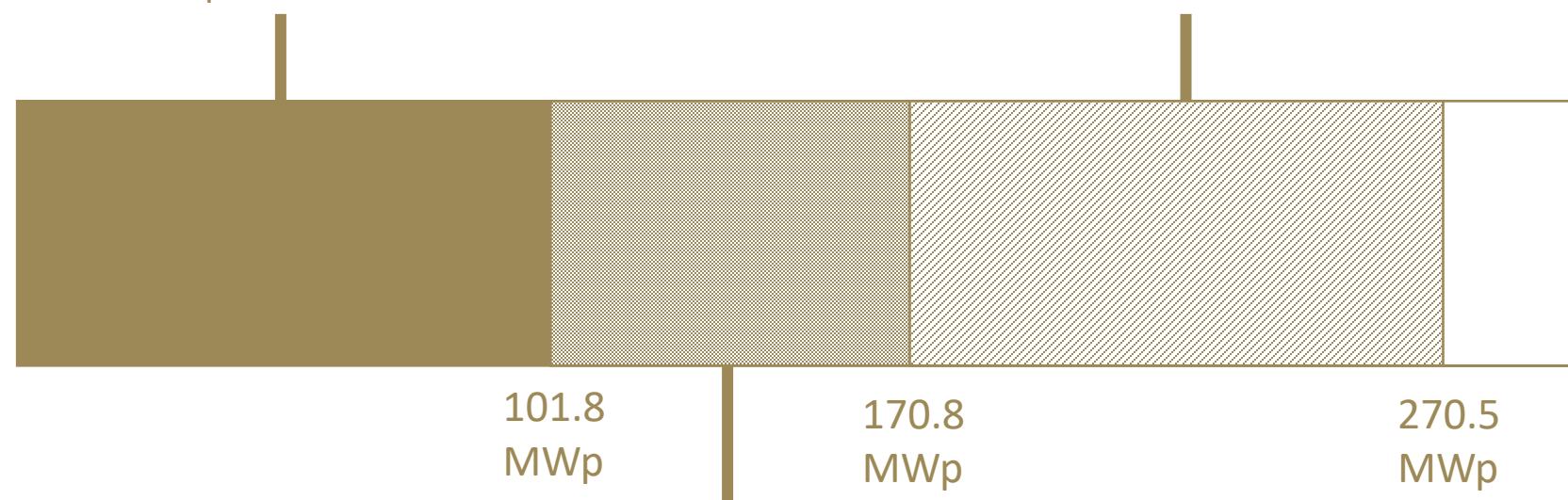
# Installed solar power increased by 80% YoY

- Gross renewables income over FY 2023 was € 4.36 million (vs €5.90 million over FY22)
- Effective production sold in FY 2023 increased 70.6% to 44 GWh, at an effective energy price of €94/MWh (vs €230/MWh in 2022)
- Operational roof solar capacity per Dec-23 increased to **101.8 MWp<sup>1</sup> (+80% YoY)**
- Based on operational capacity the FY 2024 marketable production should reach circa 85 GWh
- **69.0 MWp under construction** of which half is expected to go into production during first 4 months of 2024 pending grid connection approval
- 93 prospective PV projects in contractual/design phase should add a further 99.7 MWp



**84 operational PV installations**  
Representing 101.8 MWp  
(15.1 MWp 3<sup>rd</sup>-party operated)  
+80% compared to Dec 2022

**93 projects in the pipeline**  
Representing 99.7 MWp  
contracted power



**32 projects under construction**  
Representing 69.0 MWp



VGP Park Magdeburg  
Installed capacity 26.11 MWp

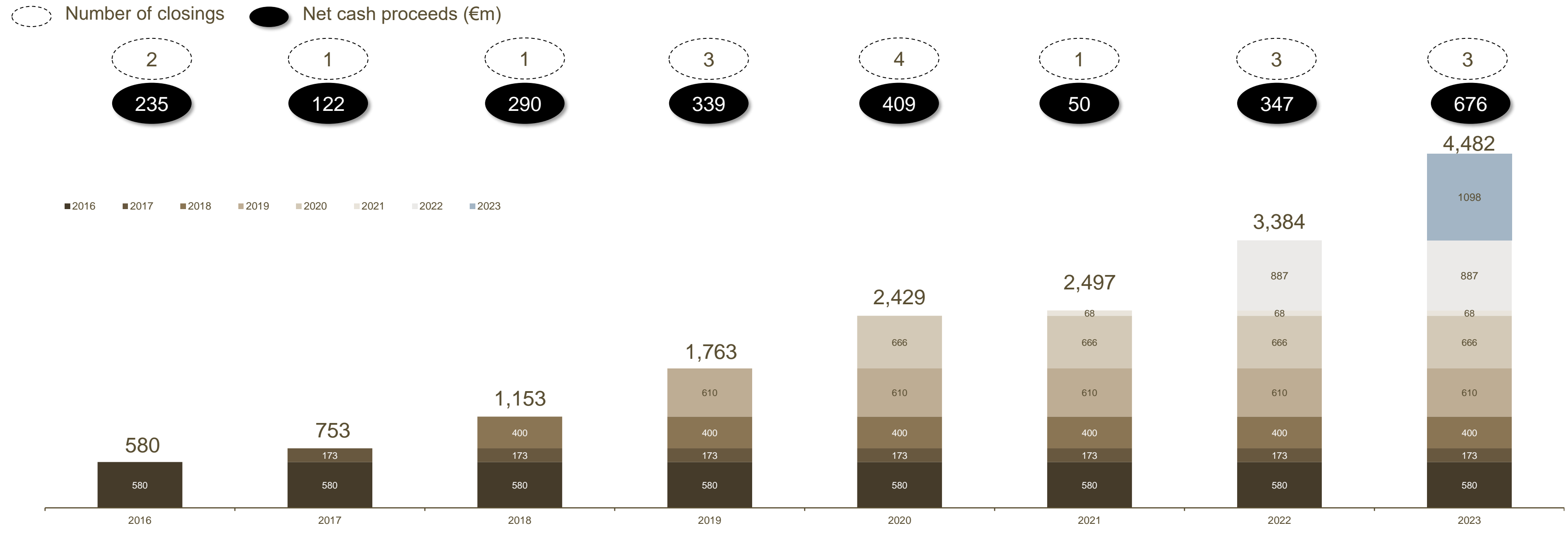
<sup>1</sup> Includes 14MWp of third-party owned systems.



# Update Joint Ventures

# Record year of transactions, lead to € 676 million net cash recycled

Gross Asset Value from closings per year with JVs (€m)



Closings '23: Rheingold X – Aurora IV – RED (Deka) I

Recycled over € 1 bn of net cash since '22

# Addition of new Joint Venture partners enhanced the solidity of the cash recycling model

## Partnership with Deka:

- **Five strategically located parks in Germany:** Gießen – Am alten Flughafen, Laatzen, Göttingen 2, Magdeburg and Berlin Oberkrämer
- Portfolio of 20 buildings
- **Pricing agreed** for the full joint venture portfolio at over €1.1 billion
- The agreed portfolio transfer is foreseen to be executed in three closings:
  - The first closing effectuated in Q3 2023
  - Two closings which are set to materialize in H1 and H2 of 2024

# Addition of new Joint Venture partners enhanced the solidity of the cash recycling model

## Partnership with Areim

- Targets assets earmarked in Germany, Czech Republic, France, Slovakia and Hungary
- The Joint Venture **targets € 1.5 billion gross asset value**, with an LTV of 35%
- The Joint Venture has a structure similar to the Allianz JVs
- A **seed portfolio** transaction is set to transition in H1 2024
  - Comprising of developed **properties** in Germany, Czech Republic and Slovakia
  - For a total gross asset value of >€ 400 million
  - Resulting in gross cash proceeds of >€ 275 million

ESG Update

# ESG Update: Progress on SDGs



## Promote Green Energy Adoption and Expansion of Renewable Energy Initiatives

## Carbon Pricing, Supplier Engagement and CRREM Pathway

## EU Taxonomy and Enhanced Green Bonds Allocation

## Employee Development Initiatives

## Recognition



- Utility status in Germany
- Surpassed 100 MWp-mark in operational solar capacity
- All (planned) energy projects enable VGP to produce more green electricity than the total tenants' consumption<sup>1</sup>
- Building standard based on air heat pumps
- Implementation smart meter management system

- Introduction of in-house carbon pricing for project evaluation purposes
- Reinforce embodied carbon reduction by expanded supplier engagement
- Initiatives to facilitate compliance of CRREM performance to the 1.5°C pathway

- Biodiversity strategy
- Additional actions for EU Taxonomy compliance
- Allocation of Green bonds for € 1.6 billion to investments in renewables, eco-efficiency measures and projects meeting at least BREEAM Excellent or DGNB Gold standards

- Launch of VGP Academy to support development and training of our employees

- First DGNB Platinum certification
- 4-star developer ranking in GRESB
- Included in BEL ESG index by Euronext

<sup>1</sup> FY 2022 data, 2023 currently under review

The logo for VGP, consisting of the letters 'VGP' in a bold, white, sans-serif font, centered between two horizontal white lines.The text 'Financial Performance' in a large, white, sans-serif font, positioned in the lower-left quadrant of the image.

# Income statement

## Net rental and renewable energy income is up by 43% YoY to €64.6 mm

- Gross rental income increases 43% to € 64.6 mm
- Including VGP's share of the joint ventures on a "look-through" basis net rental income increased by € 52 mm, or 48% compared to full year 2022
- The gross renewable energy income over 2023 was €4.36 mm compared to €5.90 mm over FY2022.

## Joint Venture management fee + € 5.4 mm

- The joint venture management fee income amounted to € 26.9 mm
  - Property and facility management income, which increased from € 4.5 mm to € 22.5 mm
  - Development management income, increased with € 0.9 mm to € 4.4 mm

## Positive net valuation gains + € 185 mm

- Net valuation gains on the own portfolio increased from a loss of € 97.2 mm to a gain of € 87.9 million. This is composed of
  - An unrealized gain of € 29 mm
  - An realized gains of € 59 mm; on effectuated JV transactions
  - Weighted average yield on own portfolio of 6.22% (vs. 5.29% as at 31 Dec '22)<sup>2</sup>

## Income Statement (€ thousands)

	FY2023	FY2022
Revenue	113,723	84,784
Gross rental and renewable energy income	<b>69,003</b>	51,230
Property operating expenses	(5,534)	(8,223)
Net rental and renewable energy income	<b>63,469</b>	43,007
Joint venture management fee income	26,925	21,537
Net valuation gains on investment properties	87,958	(97,230)
Administration expenses	(48,864)	(33,956)
Share of net profit from JV's and associates	(10,715)	(45,927)
Other expenses	-	(3,000)
Operating result	<b>118,774</b>	(115,569)
Financial income	34,076	17,329
Financial expense	(40,107)	(44,337)
Net financial result	<b>(6,031)</b>	(27,008)
Profit before taxes	<b>112,743</b>	(142,577)
Taxes	(25,451)	20,035
Profit for the period	<b>87,292</b>	(122,542)

<sup>1</sup> Includes JV's assets

<sup>2</sup> Reflects the yield on the own standing property portfolio (excluding JV) . The (re)valuation of the own portfolio was based on the appraisal report of IO, preferred partner of Jones Lang LaSalle

<sup>3</sup> Reflects the yield on the Joint Ventures' standing property portfolio (excluding own) . The (re)valuation of the own portfolio was based on the appraisal report of IO, preferred partner of Jones Lang LaSalle



# Income statement

## Administration expenses (€ 14.9) mm

- LTIP reversal of € 9.5 mm
- 368 FTE, decrease of 17.5 FTE

## Share of profit from JV's and associates + € 35.2 mm

- JV portfolio growth reflected in € 27.5 mm (+43%) net rental income at share (€ 64 mm FY22)
- The Joint Ventures booked an unrealized valuation loss of € 61.2 mm at share
- Weighted average yield on JVs portfolio of 5.01% (vs. 4.68% as at 31 Dec '22)<sup>3</sup>

## Net financial result + € 21 mm

- Net financial result decreased to € 6 mm and benefitted from lower interest costs with less debts, interest on cash on hand and increased interest income from the JV's

## Statutory result of holding VGP NV

- € 274.8 mm
- Equity after profit appropriation € 1.5 bn

## Income Statement details

<i>(in thousand of €)</i>	FY2023	FY2022
Joint venture management fee income	26,925	21,537
Net valuation gains on investment properties	87,958	(97,230)
Administration expenses	(48,864)	(33,956)
Share of net profit from JV's and associates	(10,715)	(45,927)
Other expenses	-	(3,000)
<b>Operating result</b>	<b>118,774</b>	<b>(115,569)</b>
Financial income	34,076	17,329
Financial expense	(40,107)	(44,337)
<b>Net financial result</b>	<b>(6,031)</b>	<b>(27,008)</b>

## Proportionally Consolidated Income Statement of Joint Ventures

<i>(in thousand of €)</i>	31.12.2023	31.12.2022
Net rental and renewable energy income	91,577	64,127
Net valuation gains / (losses) on investment properties	(61,179)	(106,117)
Administration expenses	(1,837)	(1,333)
<b>Operating result</b>	<b>28,561</b>	<b>(43,323)</b>
<b>Operating result before revaluation</b>	<b>89,740</b>	<b>62,794</b>
Net financial result	(35,434)	(16,756)
Taxes	(3,842)	14,152
<b>Result for the period</b>	<b>(10,715)</b>	<b>(45,927)</b>

<sup>1</sup> Includes JV's assets

<sup>2</sup> Reflects the yield on the own standing property portfolio (excluding JV) . The (re)valuation of the own portfolio was based on the appraisal report of IO, preferred partner of Jones Lang LaSalle

<sup>3</sup> Reflects the yield on the Joint Ventures' standing property portfolio (excluding own) . The (re)valuation of the own portfolio was based on the appraisal report of IO, preferred partner of Jones Lang LaSalle

# Balance sheet - assets

## Investment Properties (own portfolio) incl. Disposal group held for sale total € 2,385 mm

- Completed portfolio: € 1,154 mm ('22: € 1,482 mm)
- Under construction: € 544 mm ('22: € 855 mm)
- Development land: € 687 mm ('22: € 435 mm)
- Total capex of € 715 mm
- Reclassification of assets destined to Areim's Saga JV to Held for sale at agreed fair value

## Investment in Joint Ventures and associates increased to € 1,037 mm (up by € 146 mm)

- JV1: € 542 mm (DE,CZ,SK,HU)
- JV2: € 168 mm (ES,RO,IT, NL,AT,PT)
- JV3: € 148 mm (München)
- JV 5: € 110 mm (Deka, DE only)
- Other development JVs: € 32 mm (incl. Moerdijk)

## Other non-current receivables increased to € 565.7 mm from € 359.6 mm

- Ymir – JV3 (€ 158.1 mm)
- LPM - JV (€ 134.1 mm)
- Red – JV5 (€ 172.5 mm)
- Other JVs (€ 91.3 mm)
- Other receivables: (€ 9.7 mm)

## Cash position of € 209.9 mm

- A total of € 400 mm in several multi-year unsecured revolving credit facilities undrawn and available, as well as a new credit facility of € 150 mm with the EIB

## Consolidated Balance Sheet – Assets (€ thousands)

(€ - thousands)	13 Dec '23	31 Dec '22
<b>ASSETS</b>		
Intangible assets	1,000	1,200
Investment properties	1,508,984	2,395,702
Property, plant and equipment	107,426	73,280
Investment in joint ventures and associates	1,037,228	891,201
Other non-current receivables	565,734	359,644
Deferred tax assets	8,304	3,839
<b>Total non-current assets</b>	<b>3,228,676</b>	<b>3,724,866</b>
Trade and other receivables	79,486	122,113
Cash and cash equivalents	209,921	699,168
Disposal group held for sale	892,621	299,906
<b>Total current assets</b>	<b>1,182,028</b>	<b>1,121,187</b>
<b>TOTAL ASSETS</b>	<b>4,410,704</b>	<b>4,846,053</b>

# Balance sheet – Shareholders' equity and liabilities

## Shareholders' equity of € 2,214 mm

- Following a net profit of € 87.3 million
- And a dividend of € 75 million

## Total liabilities of € 2,196 mm (Dec 2022: € 2,643 mm)

- Financial debts lowered following the repayment of € 375 million bonds in April '23 and September '23. € 75 mm bond on current financial debt
- The average cost of debt lowered to 2.1%.
- A new credit facility of € 150 million has been agreed upon in December '23 with the European Investment Bank. The facility has been drawn for € 135 million in February '24.

## Consolidated gearing ratio of 40.3%

- Pro forma<sup>1</sup> proportional LTV of 47.3%, reflecting agreed transactions with Areim, Deka, additional EIB debt financing and LPM

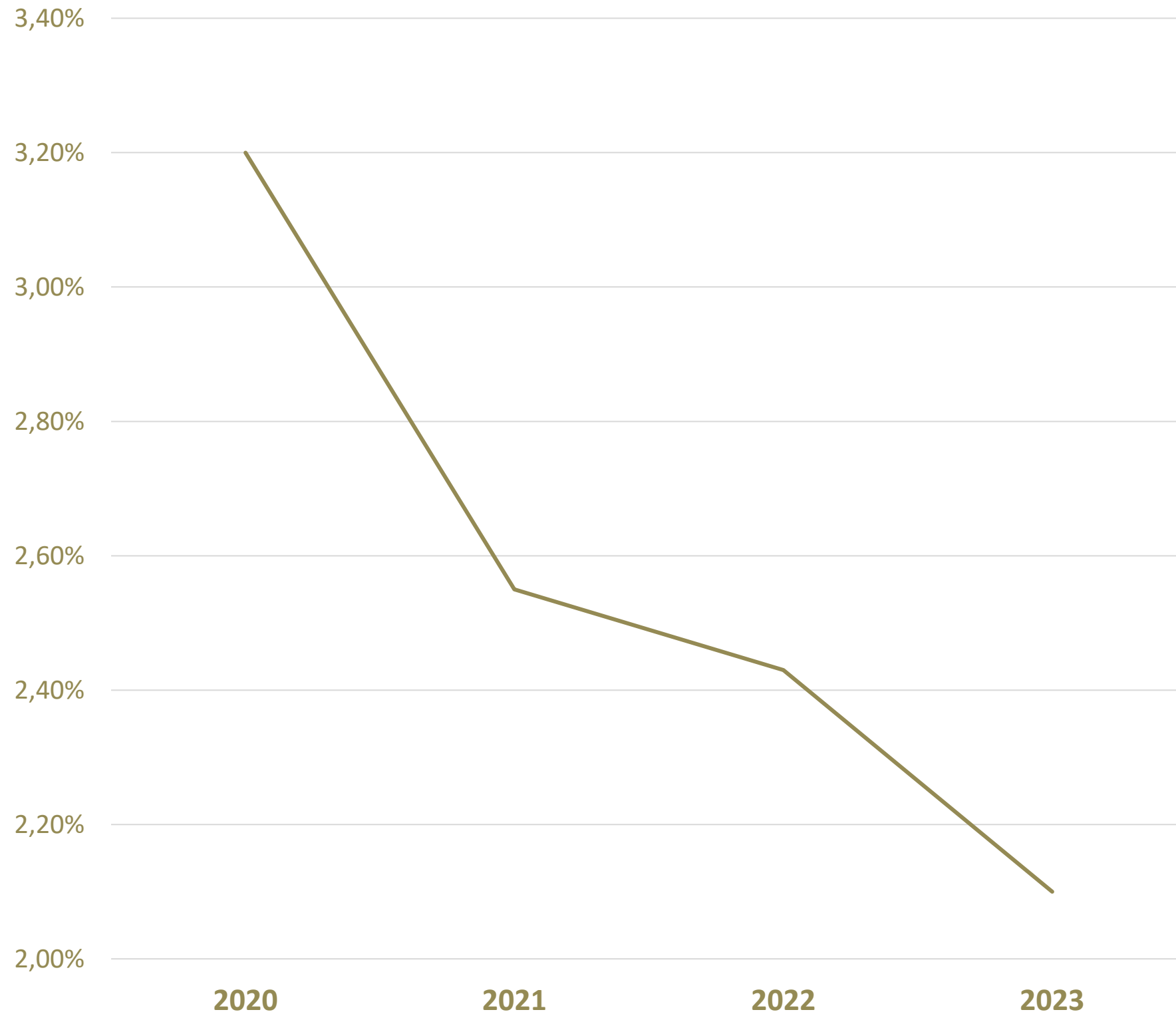
### Consolidated Balance Sheet – Shareholders equity and liability (€ thousand)

(€ thousand)	31 Dec '23	31 Dec '22
SHAREHOLDERS' EQUITY AND LIABILITIES		
Shareholders' equity	2,214,417	2,202,175
Non-current financial debt	1,885,154	1,960,464
Other non-current (financial) liabilities	38,085	46,419
Deferred tax liabilities	23,939	79,671
Total non-current liabilities	1,947,178	2,086,554
Current financial debt	111,750	413,704
Trade debt and other current liabilities	84,075	110,676
Liabilities related to disposal group HFS	53,284	32,944
Total current liabilities	249,109	557,324
Total liabilities	2,196,287	2,643,878
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	4,410,704	4,846,053

<sup>1</sup>Proportional LTV as of 31 December 2023 amounts to 53.4%

# Low average cost of debt and significant liquidity

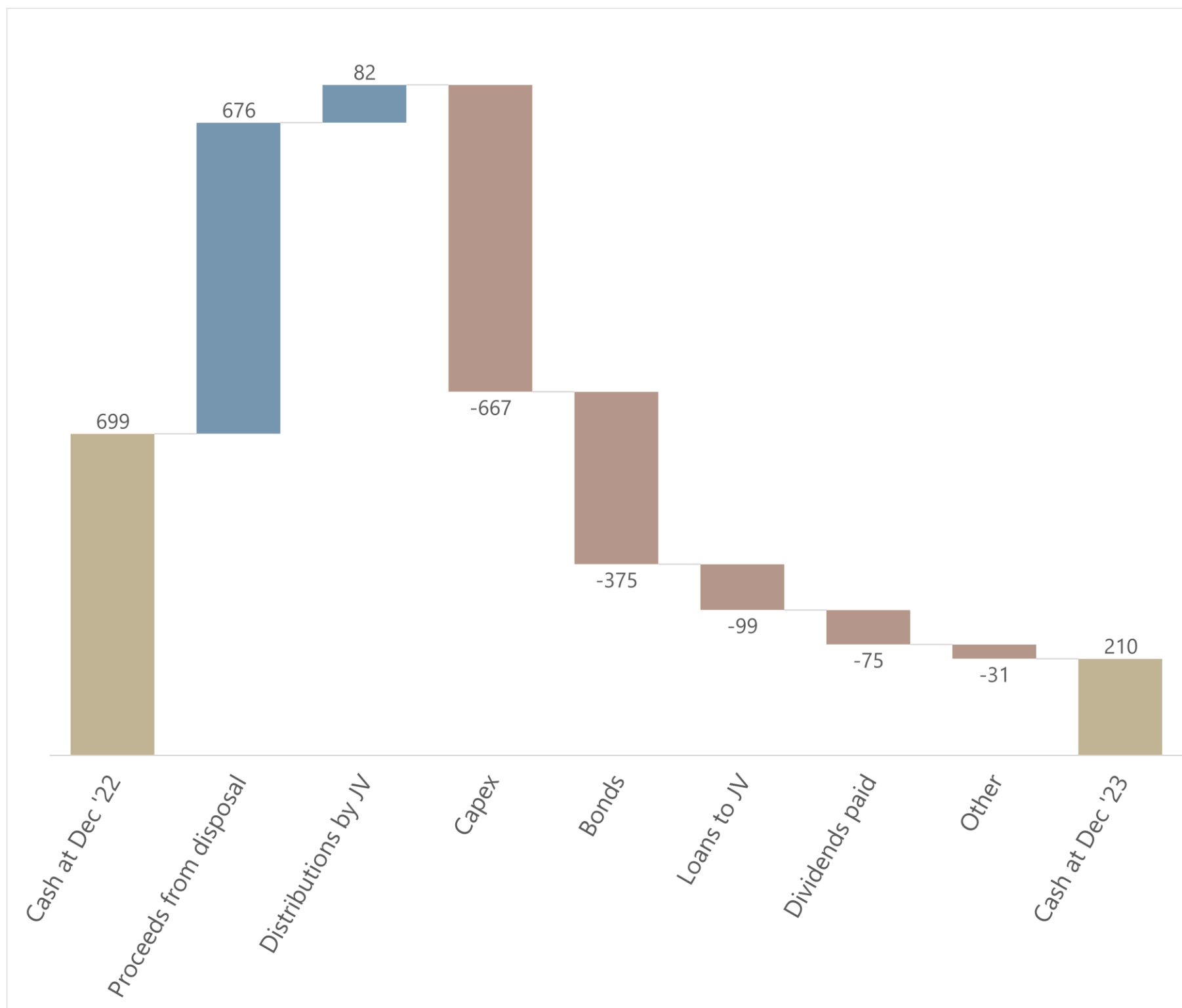
## Average cost of debt



- € 1,997 mm Total Debt
- **2.1% Average Cost of Debt**
- **Significant liquidity**
  - € 209 mm Cash
  - € 400 mm non-utilised Credit Facility
- Bond maturities in 2024
  - € 75 mm bond coming to maturity in 2024
- Extension of credit facility
  - EIB credit facility of € 150 mm

# Record proceeds from disposals to Joint Ventures in '23

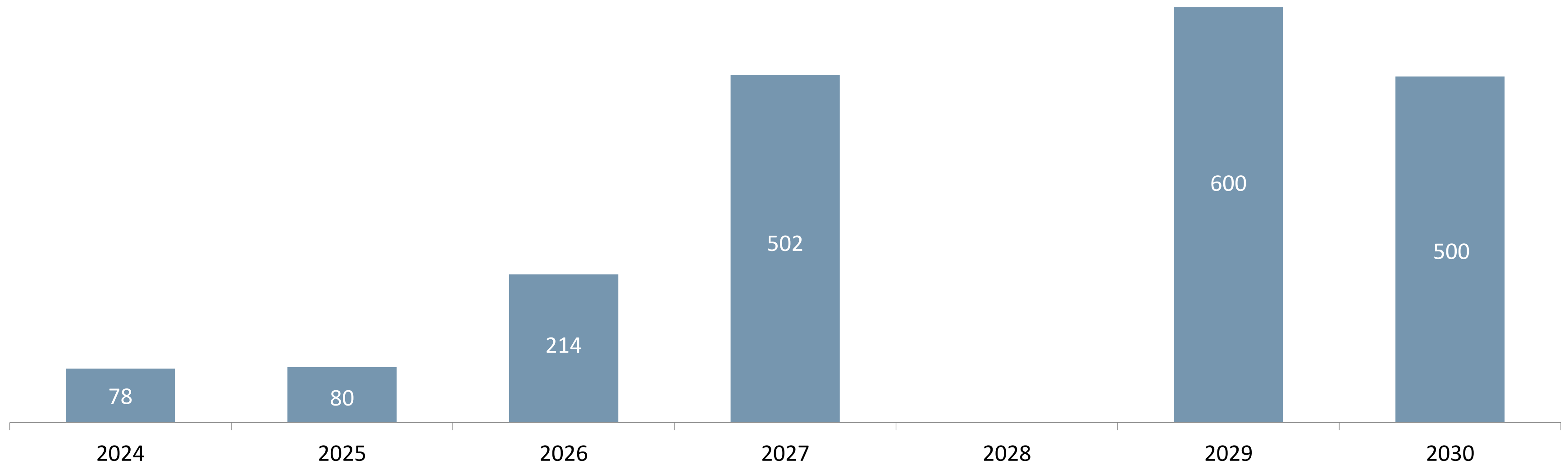
In €-million



Cash flow statement (€ thousand)	31 Dec '23	31 Dec '22
<b>Cash at beginning of period</b>	<b>699,168</b>	<b>222,160</b>
<b>Net cash generated from operating activities</b>	<b>(27,331)</b>	<b>(70,638)</b>
<b>Net cash used in investing activities</b>	<b>(8,078)</b>	<b>(566,150)</b>
Proceeds from disposal	676,245	347,372
Capex	(667,015)	(851,792)
Loans to JV	(99,371)	(121,796)
Distributions by JV	82,064	60,066
<b>Net cash used in financing activities</b>	<b>(450,050)</b>	<b>1.116.401</b>
Dividends paid	(75,050)	(149.557)
Bonds	(375,000)	990,749
Loan repayments	-	(23.500)
Equity raised	-	298,709
<b>FX and transfer to held for sale</b>	<b>(3,788)</b>	<b>(2,605)</b>
<b>Cash at end of period</b>	<b>209,921</b>	<b>699,168</b>
<b>Total Cash flow of period</b>	<b>(485,459)</b>	<b>479,613</b>

# Near term refinancing covered through available cash and cash recycling

Maturity profile financial debt (€mm)

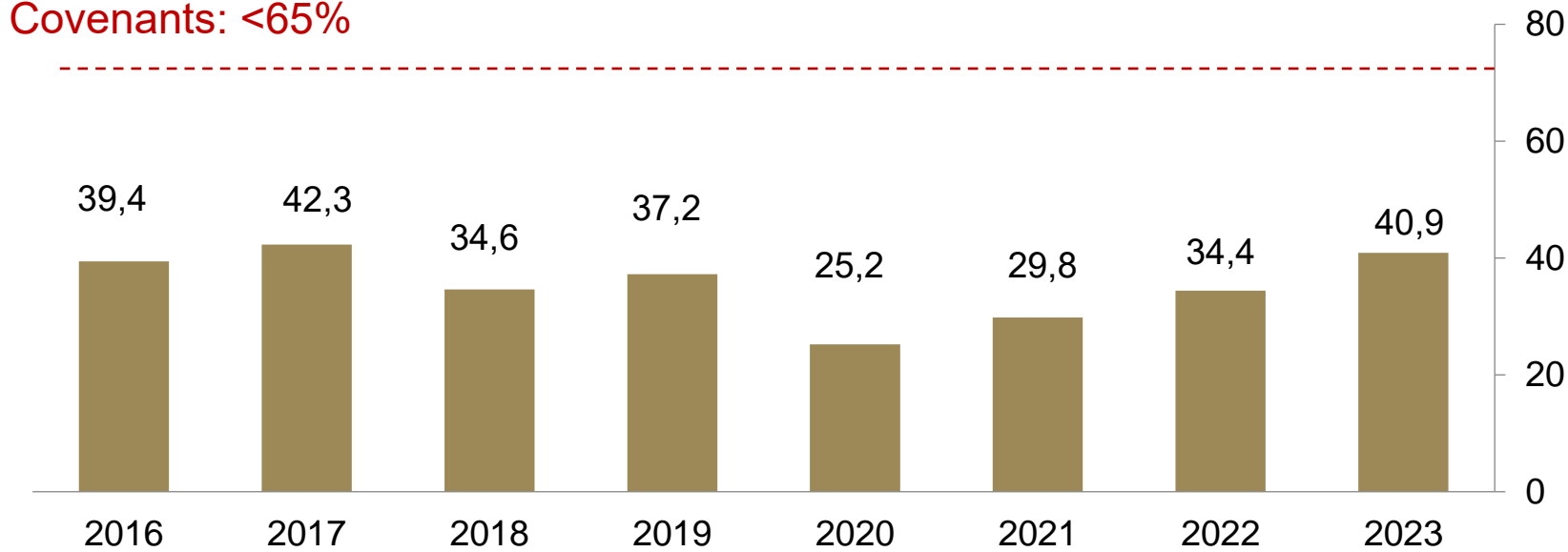


4.23 years average debt maturity

# Significant headroom to key covenants

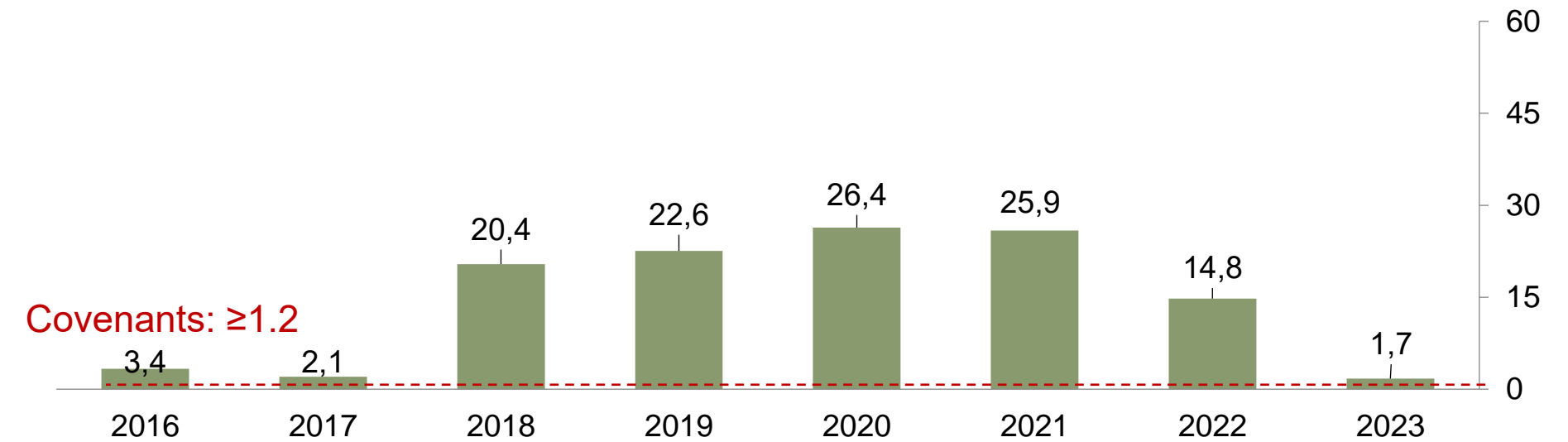
## Gearing Ratio<sup>1</sup>

Covenants: <65%



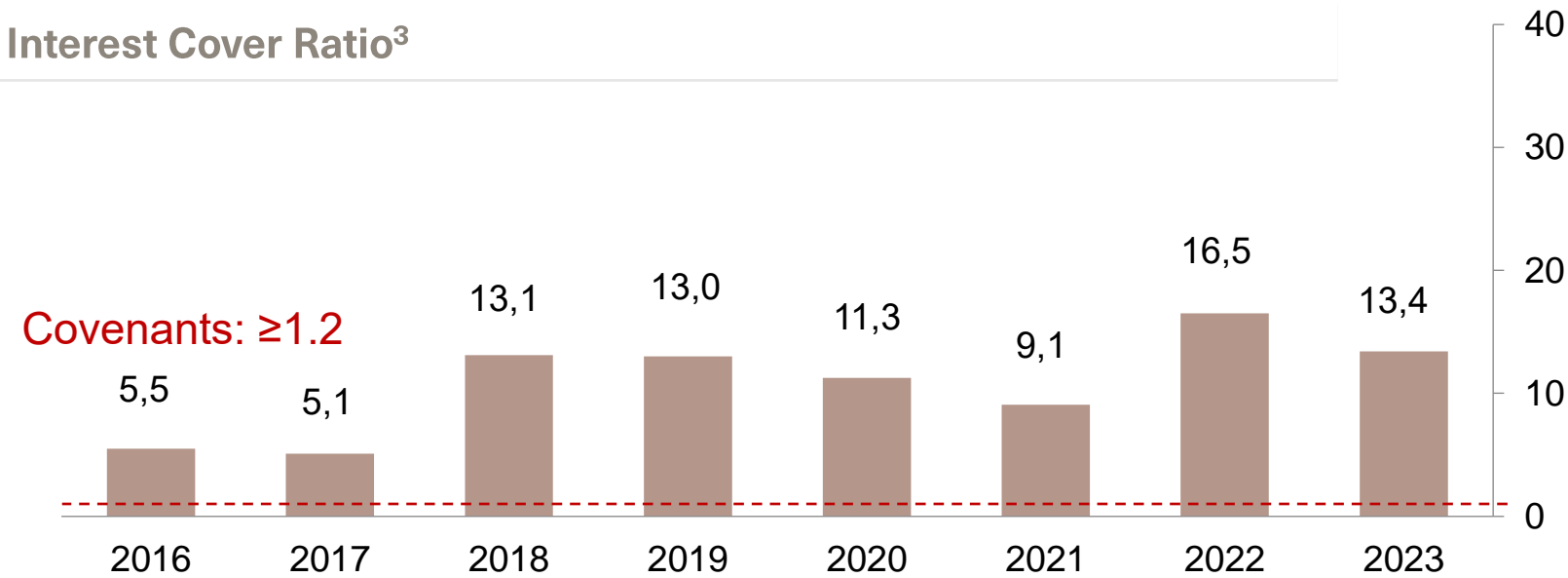
## Debt service cover ratio<sup>2</sup>

Covenants: ≥1.2



## Interest Cover Ratio<sup>3</sup>

Covenants: ≥1.2



## Joint Venture financing covenants<sup>4</sup>

Joint Venture	LTV	Covenant
Rheingold (JV1)	38.9%	> 65% <sup>4</sup>
Aurora (JV2)	52.3%	75% <sup>5</sup>
Ymir (JV3)	5.0%	65%
Red (JV5)	22.8%	50%
<b>Average LTV of Joint Ventures<sup>6</sup></b>	<b>34.4%</b>	<b>n/a</b>
<b>Pro Forma Proportional Group LTV<sup>7</sup></b>	<b>47.3%</b>	<b>n/a</b>

Source: Company information as of December 2023

<sup>1</sup>Consolidated Gearing means consolidated Total Net Debt divided by the sum of the equity and total liabilities; <sup>2</sup>Debt service cover ratio means cash available for debt service divided by debt service whereby debt service means the aggregate amount of financial expenses due and payable together with any loan principal due and payable; <sup>3</sup>Interest Cover Ratio means the aggregate net rental income (increased with the available cash and cash equivalents) divided by the net Finance Charges; <sup>4</sup>Covenant stands at 70% for Germany, 65%-67,5% for Czech Republic and Slovakia, 75% for Hungary <sup>5</sup> with the exception of Romania (60%); <sup>6</sup> includes Joint Ventures with stabilized assets only, development joint ventures have no external debt and contain development land only and have therefore been excluded

<sup>7</sup> Proportional Group LTV reflects transactions with Deka, Areim, LPM and EIB credit facility. Proportional LTV at 31 December 2023 amounts to 53.4%



VGP

# Summary and Outlook



# Outlook

- With the acquisition of some very iconic land plots, on top of already a prime land bank across the regions in which the Group operates, VGP believes to have set several milestones in 2023 that will enable solid growth in '24 and beyond
- VGP expects to activate another € 41.3 million of annualized rental income in '24, supporting further substantial growth in net rental income
- Ensured continuous cash recycling with the new Joint Ventures
  - A minimum of € 525 million of gross cash proceeds are expected based on commitments from our new Joint Venture partners in the Fifth and Sixth Joint Venture
- One bond of € 75 million that comes to maturity in '24 is expected to be repaid out of available cash
- VGP has agreed a € 170 million divestment of its LPM Joint Venture in Feb '24
  - This sale generates a one-off gain and a significant amount of cash
- The minimum expected gross cash proceeds, excluding recurring income, for '24 stand at € 830 million
  - Including the € 135 million drawdown on the new credit facility of the EIB
  - This covers all outstanding commitments in our property and renewable energy developments, land acquisitions, debt repayments and dividend for '24

VGP

Q&A



# Significant YoY improvement of operating EBITDA

Investment		
(€mm)	FY23	FY22
Gross rental income	64.7	45.4
Property operating expenses	(0.5)	(0.8)
<b>Net rental income</b>	<b>64.2</b>	44.6
Joint venture management fee income	26.9	21.5
Net valuation gains on investment properties destined to the JVs	–	–
Administration expenses	(9.5)	(6.8)
Share of JVs' adjusted operating profit after tax	89.7	62.8
<b>EBITDA</b>	<b>171.4</b>	122.1

- Increase in rental income due to completed non-transferred assets to the JV
- Share in result of JVs up € 26,9 mm YoY, which corresponds to VGP's share in the result of the JVs excluding any revaluation result

Development		
(€mm)	FY23	FY22
Gross rental income	–	–
Property operating expenses	(4.2)	(7.1)
<b>Net rental income</b>	<b>(4.2)</b>	(7.1)
Joint venture management fee income	–	–
Net valuation gains on investment properties destined to the JVs	78.7	(83.9)
Administration expenses	(31.6)	(21.1)
Share of JVs' adjusted operating profit after tax	–	–
<b>EBITDA</b>	<b>42.9</b>	(112.1)

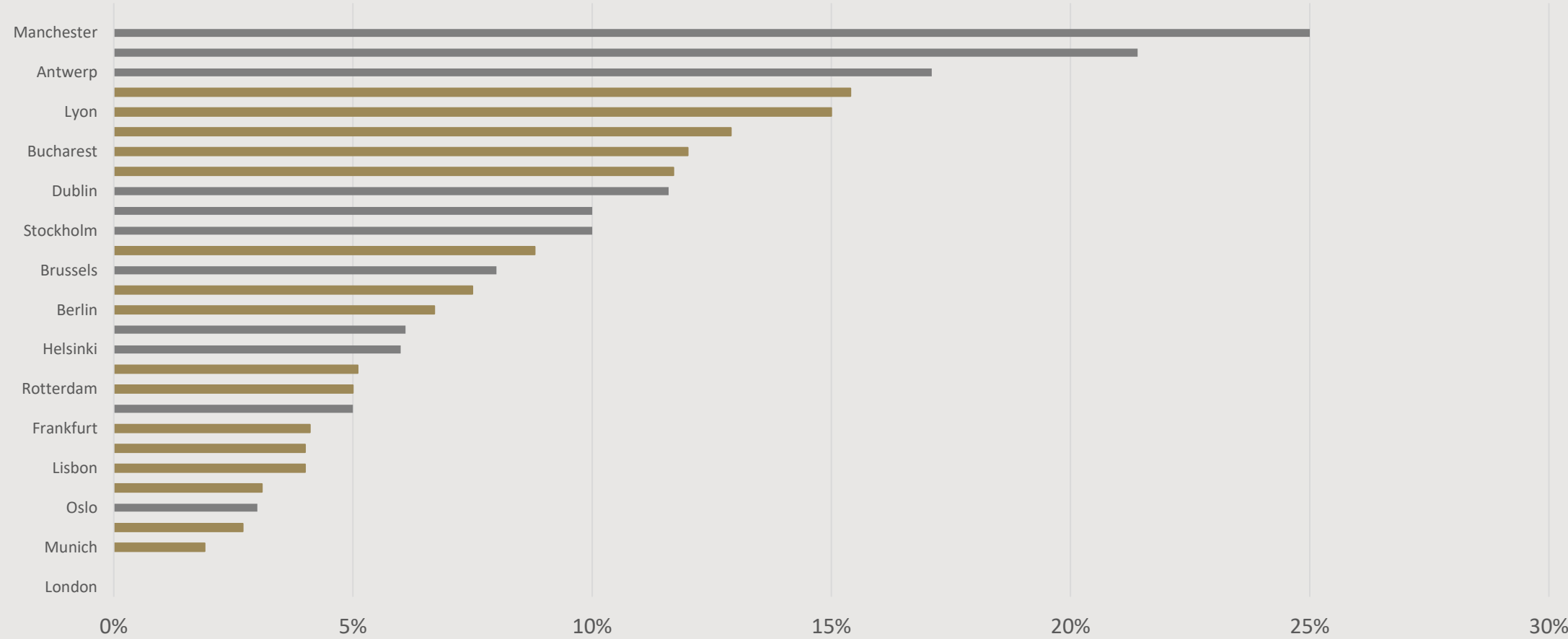
- Valuation gains of € 78.7 million in 2023 on assets destined to JV's
- 2023 capital expenditure in development activities amounted to € 715.1 mm including land of € 212.4 mm (incl. JV's)

Renewable Energy		
(€mm)	FY23	FY22
Gross renewable energy income	4.4	5.9
Property operating expenses	(0.9)	(0.4)
<b>Net renewable energy income</b>	<b>3.5</b>	5.5
Joint venture management fee income	–	–
Net valuation gains on investment properties destined to the JVs	–	–
Administration expenses	(1.9)	(1.6)
Share of JVs' adjusted operating profit after tax	–	–
<b>EBITDA</b>	<b>1.6</b>	3.9

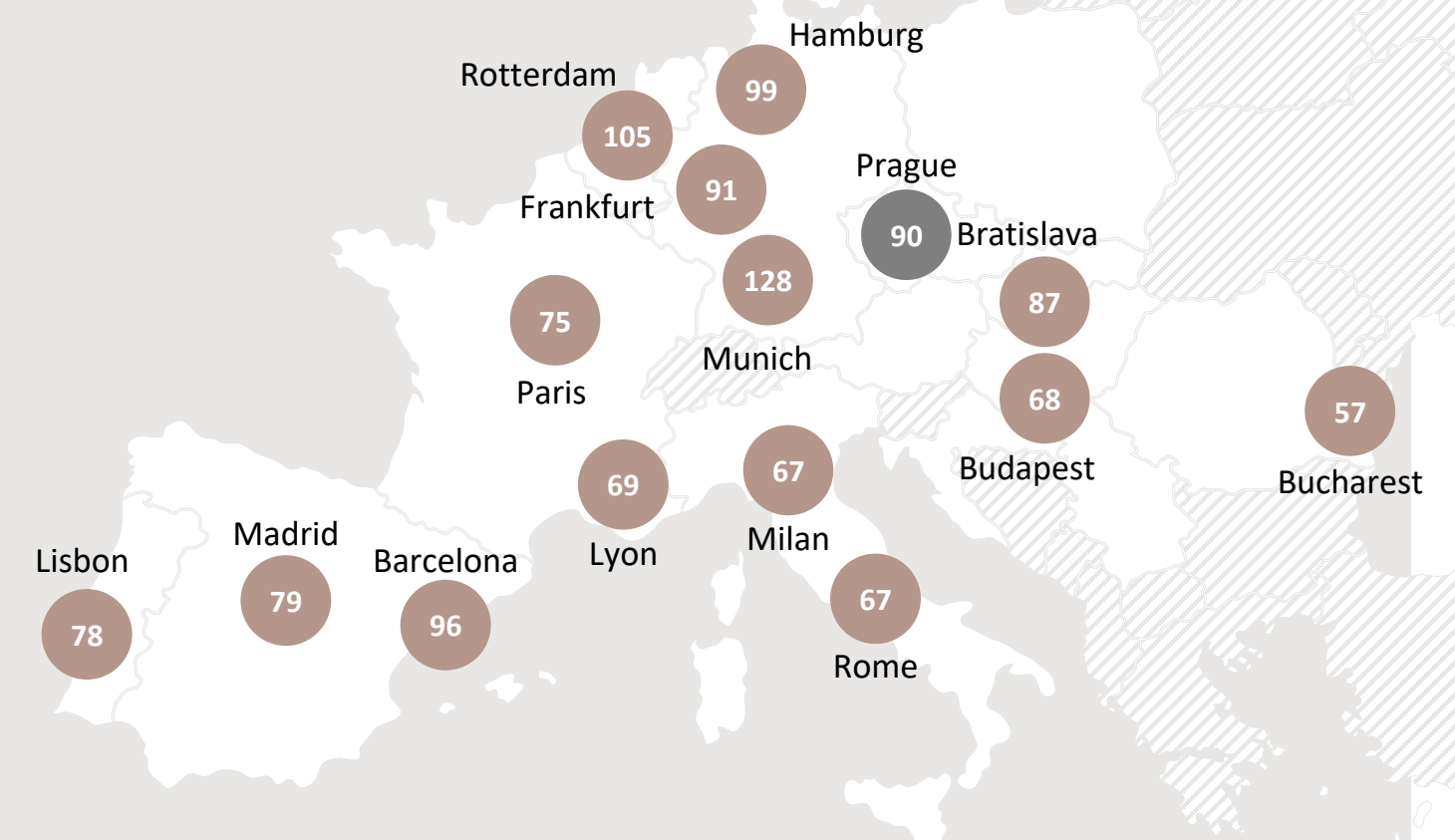
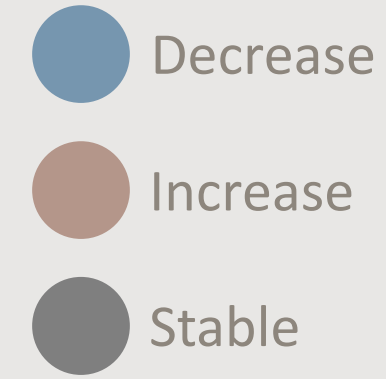
- Revenues reflect sale of energy (subject to market price) and income from PV-installation leases
- This was driven by an increase of 70.6% in the effective production sold in FY 2023 to 44GWh, but at a lower average energy price of €94/MWh (vs €230/MWh in 2022).

# Prime logistics rental growth remains above trend

Major markets: YoY rental change - Q4 2023 v. Q4 2022



Logistics prime rents\* at the end of Q4 2023



- Continued widespread rental growth but **slowing to a more sustainable rate**
- Rental growth continues** but at a slower rate in some markets

# We are where you need to be

## Germany

1. Frankenthal
2. Bobenheim-Roxheim
3. Leipzig
4. Leipzig-Borna
5. Berlin
6. Höchststadt
7. Rodgau
8. Bingen
9. Hamburg
10. München
11. Soltau
12. Ginsheim-Gustavsburg
13. Schwalbach
14. Berlin-Wustermark
15. Göttingen
16. Wetzlar
17. Halle
18. Dresden
19. Bischofsheim
20. Giessen-Buseck
21. Giessen-Lützellinden
22. Giessen Am Alten Flughafen
23. Laatzen
24. Magdeburg
25. Chemnitz
26. Erfurt
27. Erfurt 2
28. Einbeck
29. Berlin Oberkrämer
30. Rostock
31. Leipzig-Flughafen
32. Wiesloch-Walldorf
33. Berlin-Bernau
34. Nürnberg
35. Siegen
36. Koblenz
37. Hochheim
38. Halle 2
39. Erfurt 3
40. Rüsselheim

## Czech Republic

41. Ústí nad Labem
42. Český Újezd
43. Hrádek nad Nisou
44. Tuchoměřice
45. Liberec
46. Plzeň
47. Brno
48. Olomouc
49. Jeneč
50. Chomutov
51. Prostějov
52. Vyškov
53. České Budějovice
54. Kladno
55. Ústí nad Labem City

## Slovakia

56. Bratislava
57. Malacky
58. Zvolen

## Hungary

59. Gyor
60. Alsónémedi
61. Kecskemét
62. Hatvan
63. Budapest
64. Gyor Béta

## Romania

65. Timisoara
66. Sibiu
67. Braşov
68. Bucharest
69. Arad

## Latvia

70. Kekava
71. Riga
72. Tiraines

## Spain

73. Lliçà d'Amunt
74. San Fernando de Henares
75. Fuenlabrada
76. Fuenlabrada II
77. Valencia Cheste
78. Zaragoza
79. Sevilla
80. Sevilla-Cuidad de la Imagen
81. La Naval
82. Granollers
83. Martorell
84. Burgos
85. Alicante
86. Cordoba

## Netherlands

87. Roosendaal
88. Nijmegen
89. Moerdijk

## Italy

90. Calcio
91. Valsamoggia
92. Valsamoggia 2
93. Parma
94. Verona
95. Sordio
96. Padova
97. Reggio Emilia
98. Paderno Dugano
99. Milano Legnano

## Austria

100. Graz
101. Laxenburg
102. Ehrenfeld

## Portugal

103. Santa Maria de Feira
104. Sintra
105. Loures
106. Montijo

## Serbia

107. Belgrade

## Croatia

108. Lučko

## France

109. Rouen
110. Vélizy
111. Paris

## Denmark

112. Vejle



# Disclaimer

## ABOUT VGP

VGP is a pan-European owner, manager and developer of high-quality logistics and semi-industrial properties as well as a provider of renewable energy solutions. VGP has a fully integrated business model with extensive expertise and many years of experience along the entire value chain. VGP was founded in 1998 as a family-owned Belgian property developer in the Czech Republic and today operates with around 368 full-time employees in 17 European countries directly and through several 50:50 joint ventures. In December 2023, the gross asset value of VGP, including the 100% joint ventures, amounted to € 7.19 billion and the company had a net asset value (EPRA NTA) of € 2.3 billion. VGP is listed on Euronext Brussels (ISIN: BE0003878957).

For more information, please visit: <http://www.vgpparks.eu>

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