



Company Presentation



May 13<sup>th</sup> 2022

VGP

Introduction  
to VGP



# Fully integrated pure-play logistics real-estate company

## Company at a glance

- **Pan-European** operator, owner and developer of prime logistics and light industrial parks
- Fully integrated business model with expertise across value chain: **c.360 FTE's in 16 countries<sup>1</sup>**
- **High quality standardised logistic and semi-industrial real estate asset base**
- All new buildings delivered at certified **DGNB Gold or equivalent<sup>5</sup>**
- Fully let standing portfolio and significantly pre-let development pipeline: **Completed portfolio is 99.6%<sup>3</sup> let and portfolio under construction is 83.1% pre-let**
- VGP well financed and strongly capitalized: **shares listed on Euronext Brussels since 2007 and included in the BEL20 Index since 2022**
- Successful and long-term partnership with Allianz Real Estate since 2016: **4 joint ventures since inception**

## Portfolio KPI's as of 30-April-22

<b>€5.75bn<sup>2</sup></b> Total GAV	<b>16</b> Countries	<b>102</b> Parks	<b>161</b> Number of completed buildings	<b>4.4 years</b> Average building age
<b>405</b> Tenants	<b>99.6%<sup>3</sup></b> Occupancy	<b>8.4 years<sup>4</sup></b> WALT	<b>€273.8mm</b> Committed annualised rental income	<b>4.64%<sup>6</sup></b> Yield

## Financial KPI's as of 31-Dec-21

<b>€634.1mm<sup>7</sup></b> EBITDA	<b>29.8%<sup>8</sup></b> Gearing ratio	<b>€2.1bn</b> Shareholders' Equity
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**FitchRatings** BBB-

Source: company information as of April 2022

<sup>1</sup>Including France & Greece (offices opened Dec 2021 and Jan 2022); <sup>2</sup>Gross Asset Value of VGP, including Owned Portfolio and joint ventures at 100% as of 31 December 2021; <sup>3</sup>Including JV portfolio at 100%; <sup>4</sup>Refers to WALT of JV and Owned Portfolio combined; <sup>5</sup>For all construction started-up after 1 January 2022; <sup>6</sup>Weighted average yield of owned standing property portfolio as of 31 December 2021; <sup>7</sup>Operating EBITDA (Incl. JV at share) and is calculated as investment EBITDA, property development EBITDA and property management and asset management EBITDA; <sup>8</sup>Calculated as Net debt / Total equity and liabilities.

## Key ESG achievements & highlights of VGP



### Carbon footprint scope 1 and 2 reduction

- On track to achieve net carbon neutrality by 2025 and 50% gross reduction by 2030
- All VGP offices green energy PPA contract as of 1 Jan 2022<sup>1</sup>



### Carbon footprint Scope 3 reduction

- Engaging with tenants on self-consumption renewable energy
- Aim for net 55% reduction of “in-use” scope 3 carbon emission by 2030
- All new builds (as of March 2022) will be realized without gas sourced heating systems where feasible



### VGP Renewable Energy

- 100.1 MWp installed or under construction and 57.1 MWp in pipeline
- Multiply installed capacity 2x by 2025 to 300MWp
- Supporting tenants in switch to green drive-train technologies



### Green buildings certification

- All buildings started after 2020 received green certifications and this represents 54.3% of the portfolio as of December 2021
- Aiming for BREEAM Excellent / DGNB Gold for all new builds in 2022 on a best-efforts basis (required minimum BREEAM Very Good)



### Buildings life-cycle management

- A pilot project on DGNB Klima Positiv life-cycle certification under way
- EBRD joint research on circular materials

<sup>1</sup><https://www.vgpparks.eu/en/newsroom/investor-news/vgp-announces-pan-european-corporate-solar-energy-deal-to-power-all-vgp-offices-with-100-renewable-electricity/>

## Key ESG achievements & highlights of VGP



### Governance

- Implemented principles 3.19 of the Belgian Code on Corporate Governance by appointing Company Secretary
- Updating charter and various policies and guidelines to demonstrate highest standards of business conduct and integrity



### Diversity and talent management

- Board continues diversity lead with 60% female board members
- Various training/development initiatives being implemented
- Conducted inaugural annual group employee satisfaction survey



### VGP Foundation

- 19 environmental, 5 culture and 5 social projects supported thus far
- €7 million commitment made available until 2021 (further €5 million committed for 2022)
- VGP donated €3 million for Ukrainian refugee support in neighbouring countries



### Climate change management

- Evaluating Carbon Risk Real Estate Monitor 2050 pathway analysis for portfolio compliance on a best efforts basis



### ESG disclosure

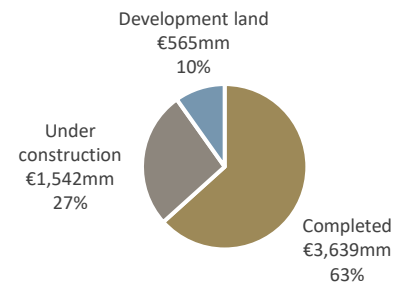
- GRI compliant CR disclosure
- Annual CDP and GRESB submission
- Initial Sustainalytics score; plan to initiate MSCI ESG and S&P Global CSA score in 2022

# Well diversified and strategically located asset base

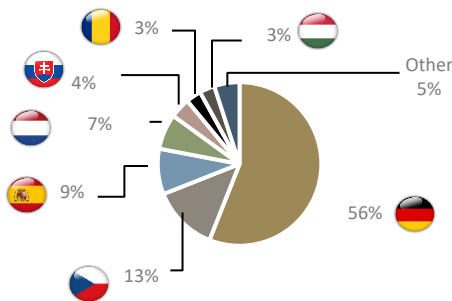
## Investment portfolio breakdown (as of fair value)<sup>1</sup>

## Geographic footprint of the portfolio<sup>1</sup>

Completed vs Under construction vs Development land

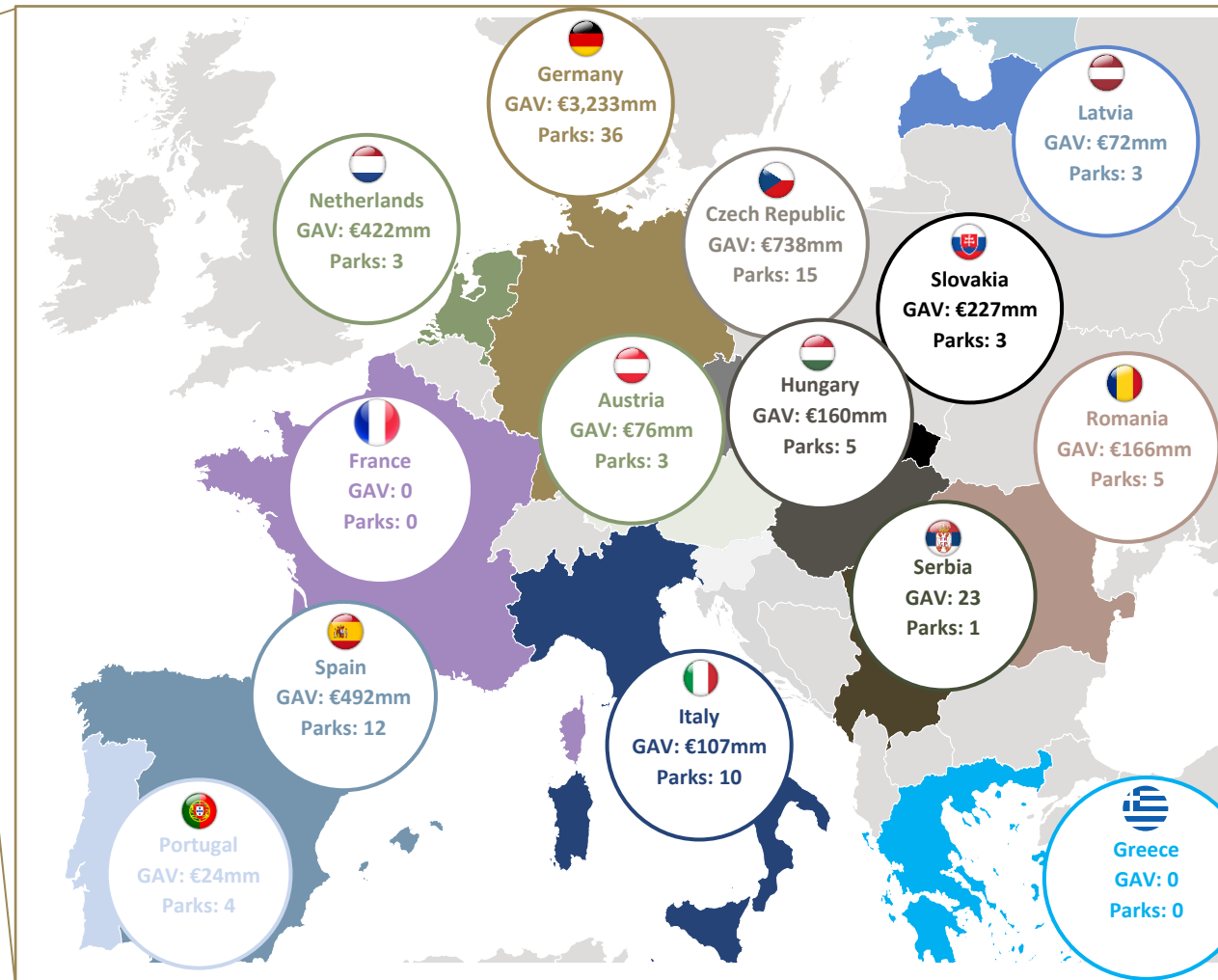


Geographic breakdown



## Portfolio breakdown by ownership

GAV breakdown	(€bn)
Own GAV	2.25
JVs at 100%	3.49
<b>Total GAV (own + JV at 100%)</b>	<b>5.75</b>



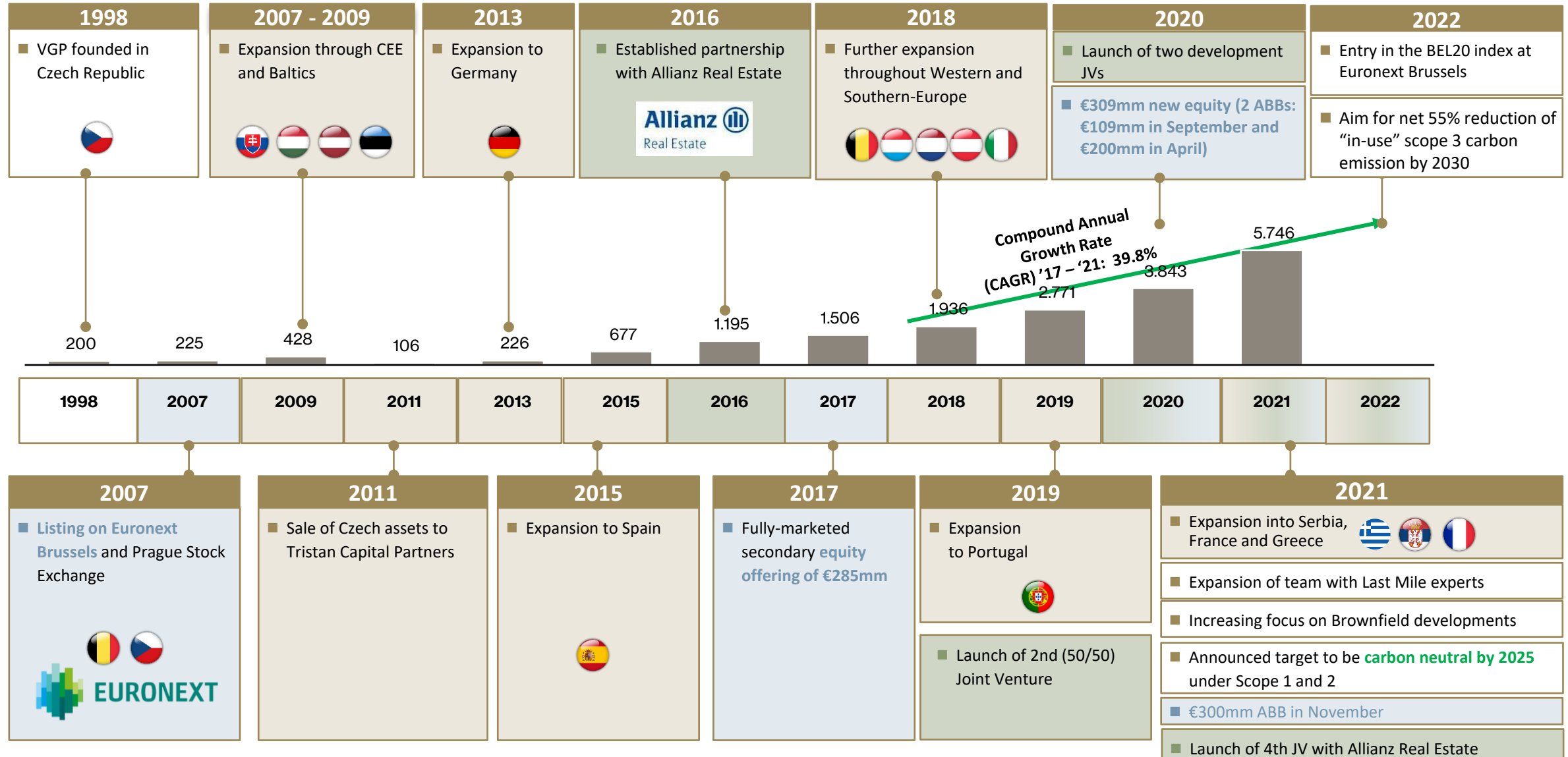
Western Europe<sup>2</sup> represents 76% of total portfolio as of Dec-21

Assets well located in proximity to highways and ring roads and along important logistics axes

Source: company information as of December 2021

<sup>1</sup>Includes Own and 100% of JVs; <sup>2</sup>Includes Germany, Netherlands, Italy, Spain, Portugal and Austria as per EPRA definition

# Successful and long-standing track record of geographic expansion and continued delivery across markets...

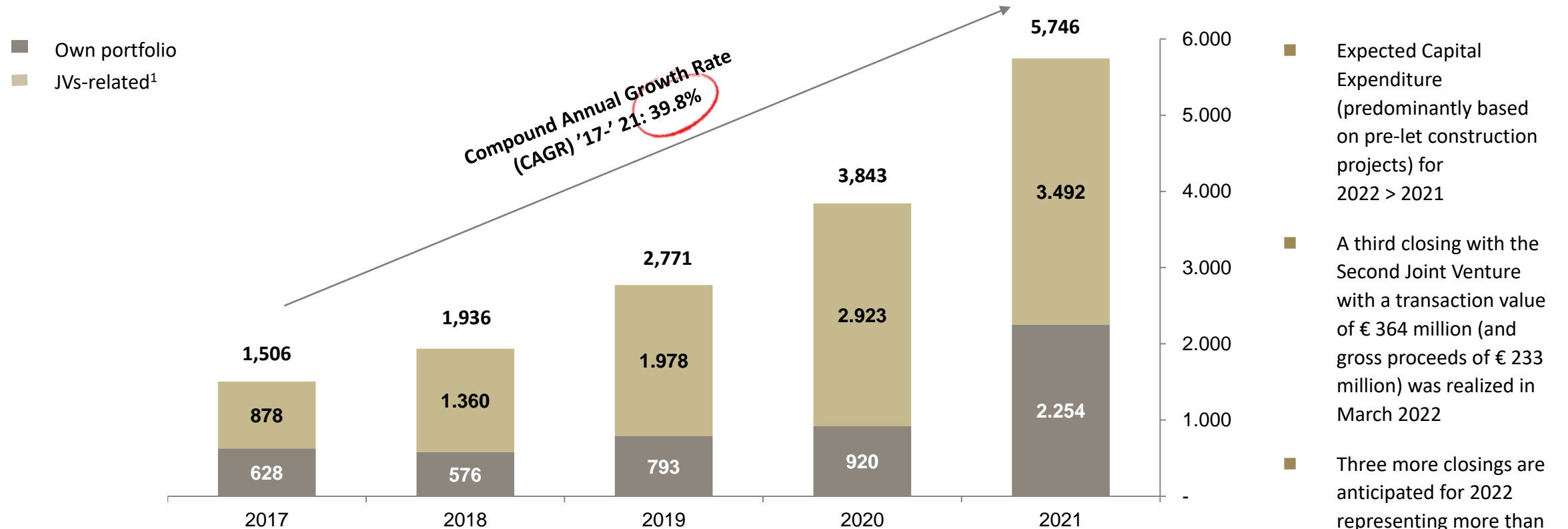


GAV (€mm)<sup>1</sup>

Corporate activity
  Capital market activity
  Acquisition /divestment
  JVs

## ...supported by continuous cash recycling with Joint Ventures ...

Total portfolio – including 100% JV (€ million)



- Expected Capital Expenditure (predominantly based on pre-let construction projects) for 2022 > 2021
- A third closing with the Second Joint Venture with a transaction value of € 364 million (and gross proceeds of € 233 million) was realized in March 2022
- Three more closings are anticipated for 2022 representing more than € 1.0 billion

<b>Capital expenditure</b>	€261.0m	€352.7m	€539.5m	€479.8m	€743.2m	▶ <b>€2,375m</b>
<b>Net cash inflow from divestments to JVs<sup>2</sup></b>	€155.7m	€438.4m	€339.0m	€405.6m	€49.6m	▶ <b>€1,388m</b>

As of 31 December 2021

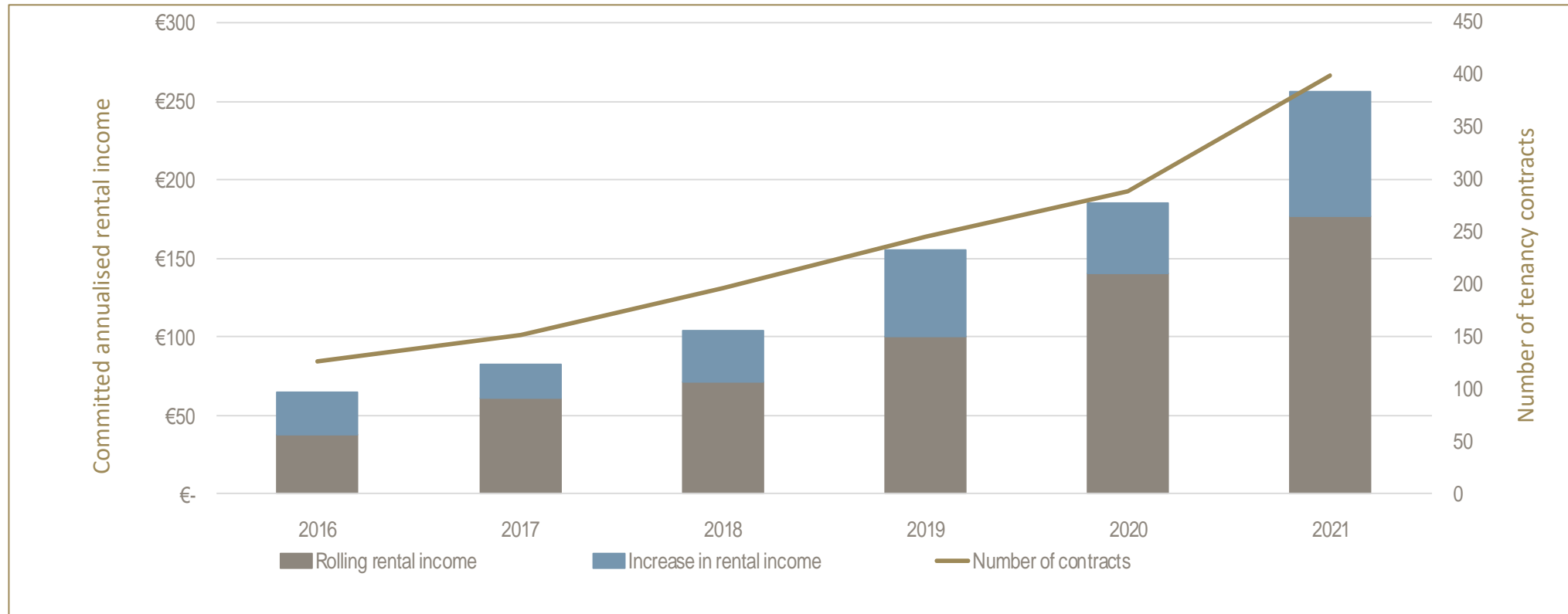
<sup>1</sup> JVs-related includes German 5.1% stake held directly by VGP and portion of Held-for-Sale being developed on behalf of the JVs

<sup>2</sup> Includes sale of Mango building, Spain (€150m in 2018)



## ... driven by solid leasing growth

Committed annualised rental income and number of tenancy contracts<sup>1</sup>

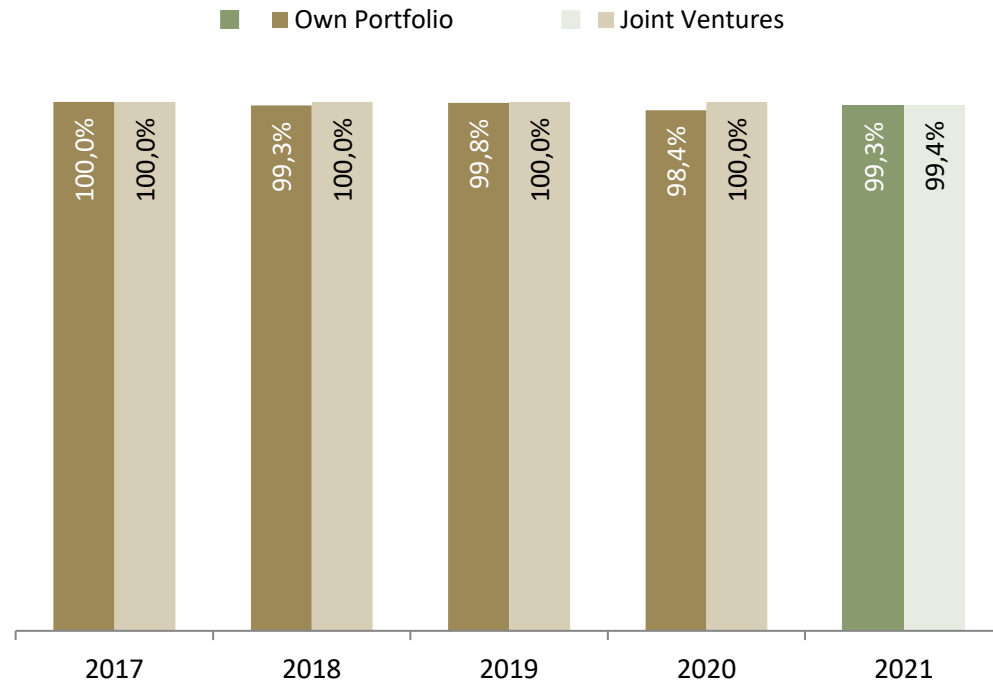


**Portfolio showing a significant growth in the number of leases  
And with a continued high occupancy rate**

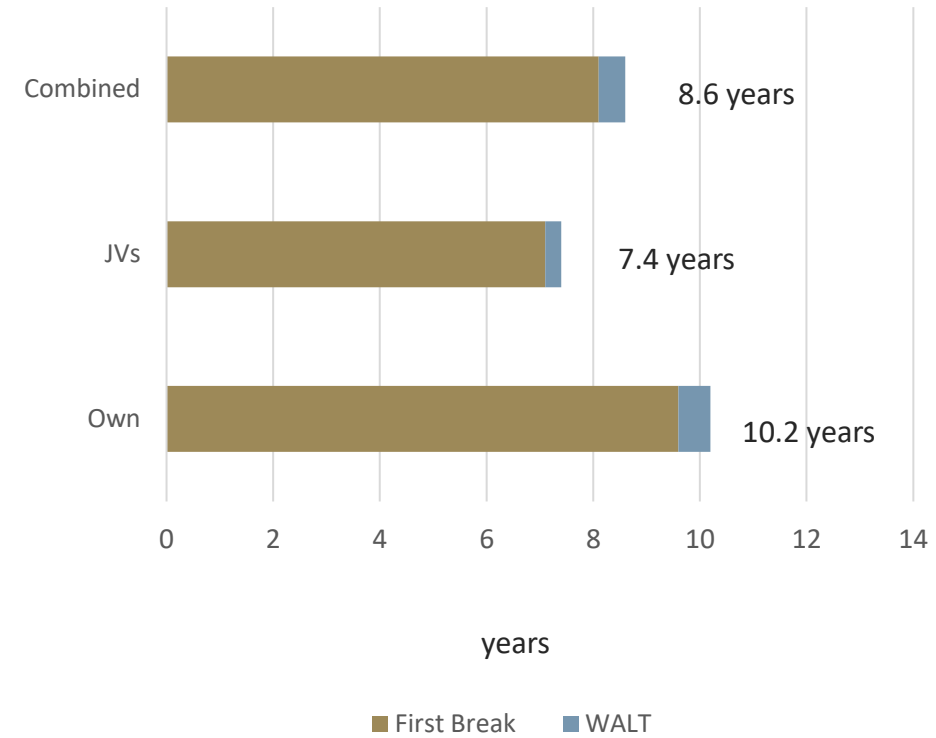
<sup>1</sup>At YE2021

# Portfolio virtually fully-let on a long-term basis

Occupancy evolution (%)

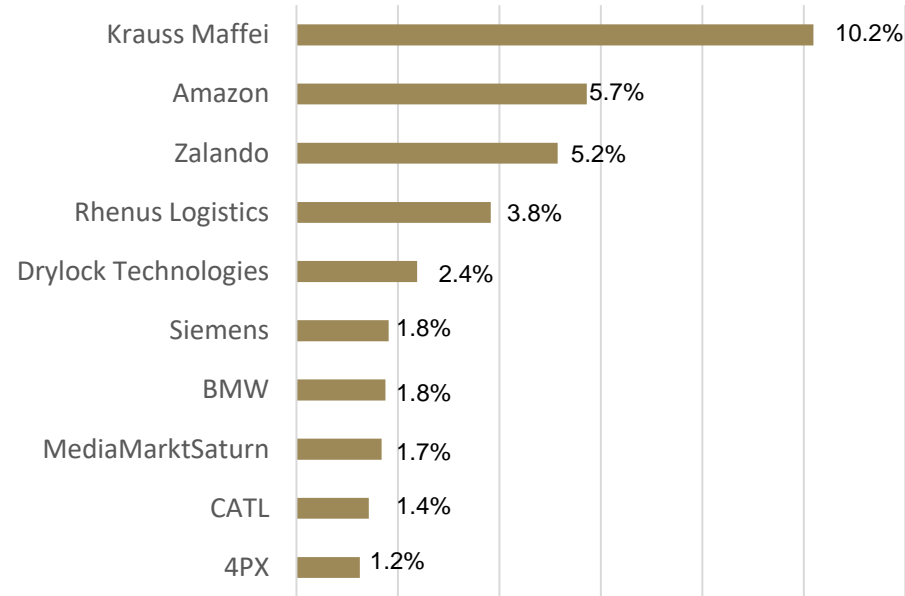


Weighted average lease term (WALT) of the portfolio

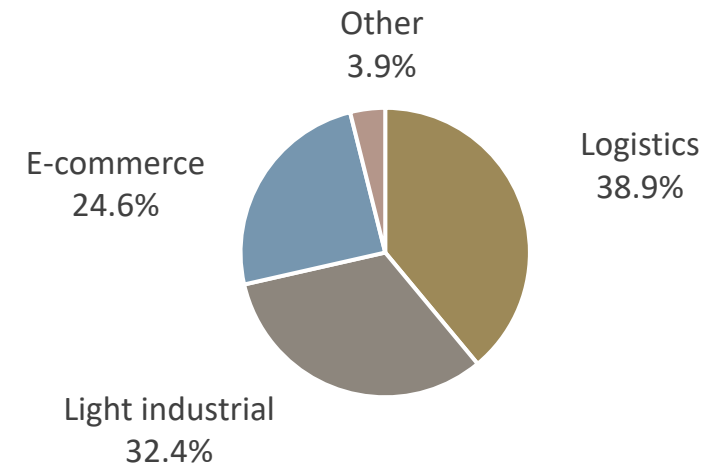


# Portfolio leased to a diversified and blue-chip customer base

Blue-chip top 10 Tenants (based on committed rent, JVs at 100%)



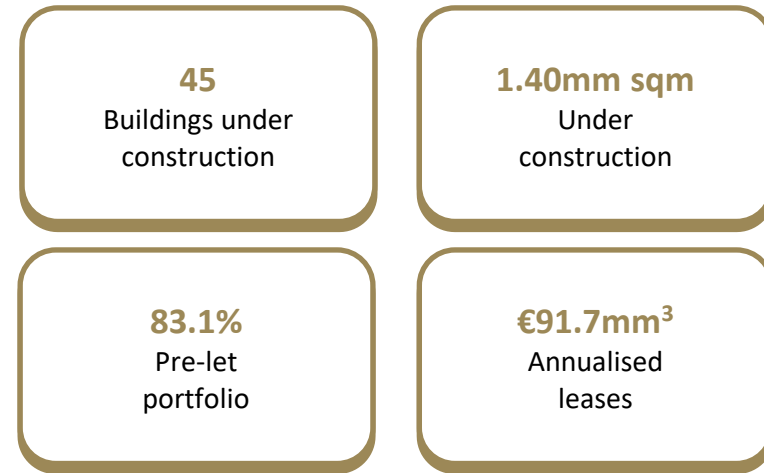
Tenant portfolio breakdown – by industry segment



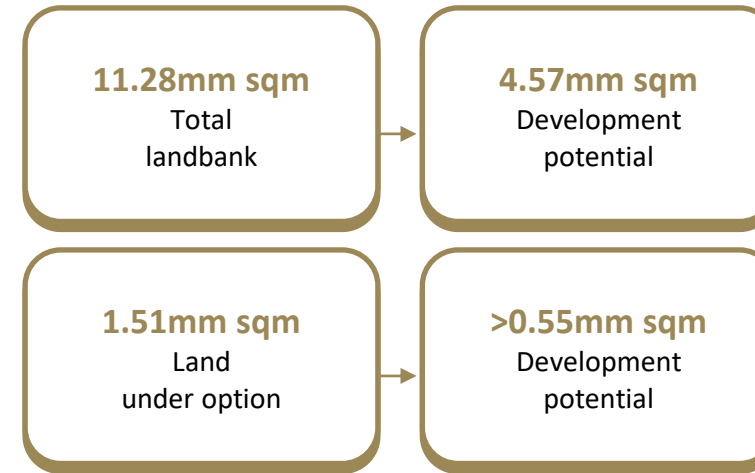
Top 10 clients count for 35.0%

# Prudent development strategy with majority pre-let developments

## Under construction

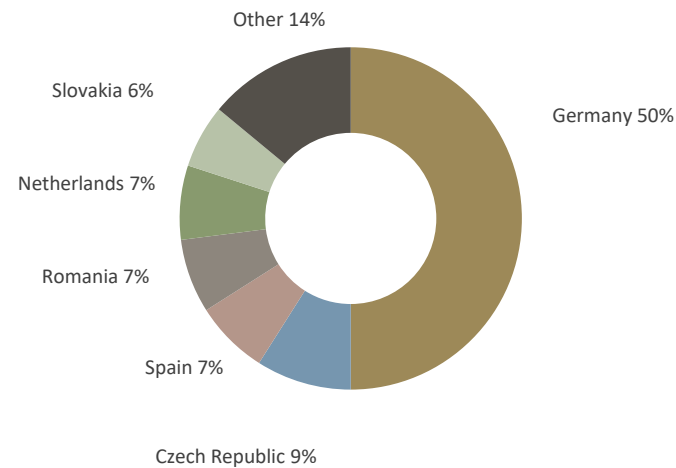


## Development land

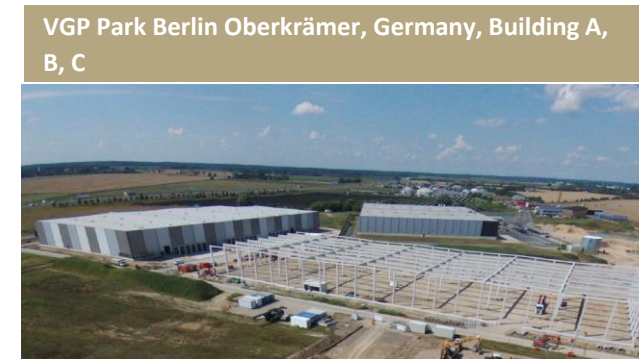
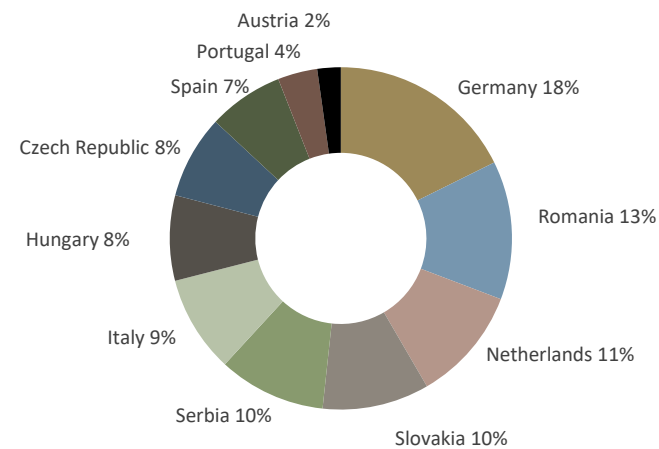


GLA	117k sqm
% pre-let	100%
Key tenants	APM, CATL

## Developments – geographic breakdown<sup>2</sup>



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



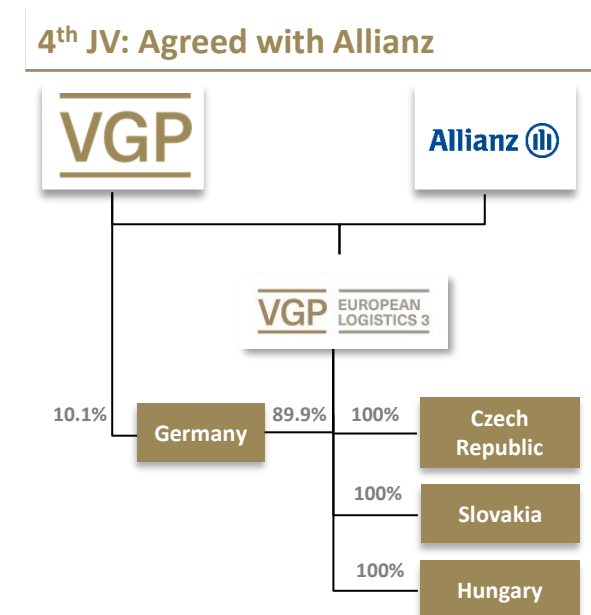
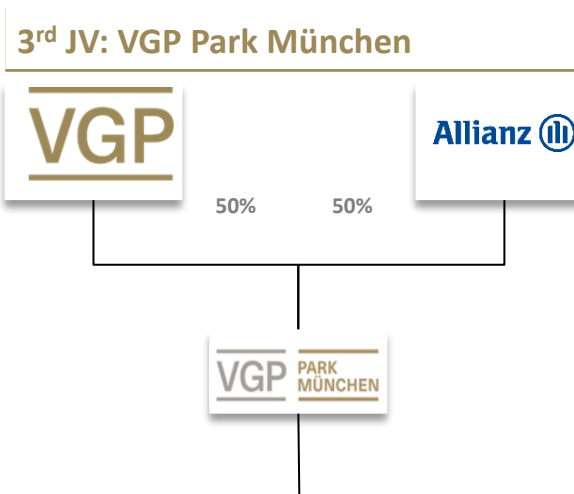
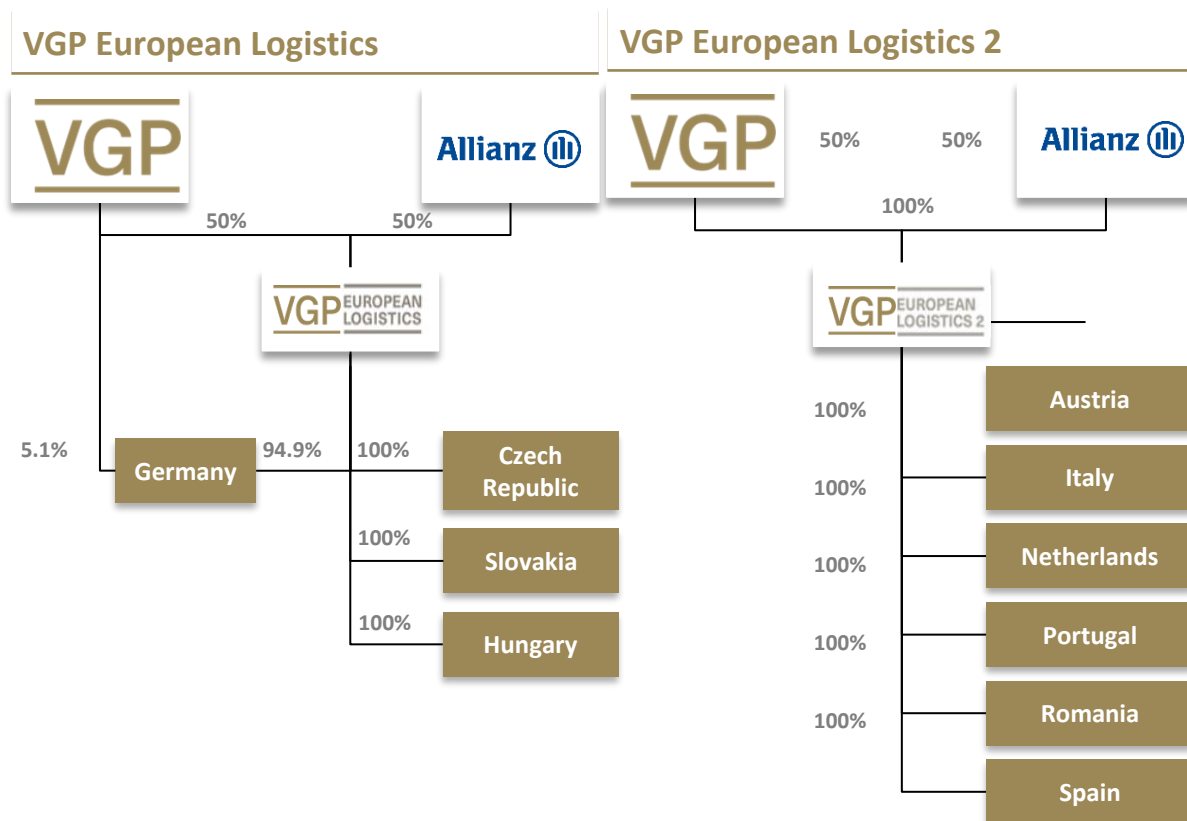
GLA	34k sqm
% pre-let	100%
Key tenants	Amazon, Rieck, GLX, Neolymp

Source: company information as of April 2022

<sup>1</sup>The chart relates to the land bank in ownership (including JV at 100%) as at 31 Dec 2021 and increased with the value of the land acquired during 4m 2022;

<sup>2</sup>Calculated on basis of square meters under construction; <sup>3</sup>Once fully built and let

# Rapid derisking and cash recycling through long term strategic partnership with Allianz Real Estate



## Highlights VGP European Logistics and VGP European Logistics 2

- First two JVs have a combined investment target of €3.7 billion gross asset value
- Right of First Refusal for the JVs to acquire assets in designated countries
- VGP serves both portfolios as asset, property and development manager
- Joint Ventures act as long-term capital buyer at market value

## Highlights VGP Park München JV

- First Joint Venture with Allianz Real Estate to initially focus on the development phase
- Sale of the park at agreed market yield
- All construction costs are financed jointly

## Highlights VGP European Logistics 3

- Agreement with Allianz Real Estate has been reached in respect of setting up a fourth joint venture
- This new joint venture is replacing the investment capacity of the First Joint Venture
- Covers the same countries
- The new joint venture will have an investment target of €2.8 billion
- A first closing with the new joint venture is anticipated at the end of 2022

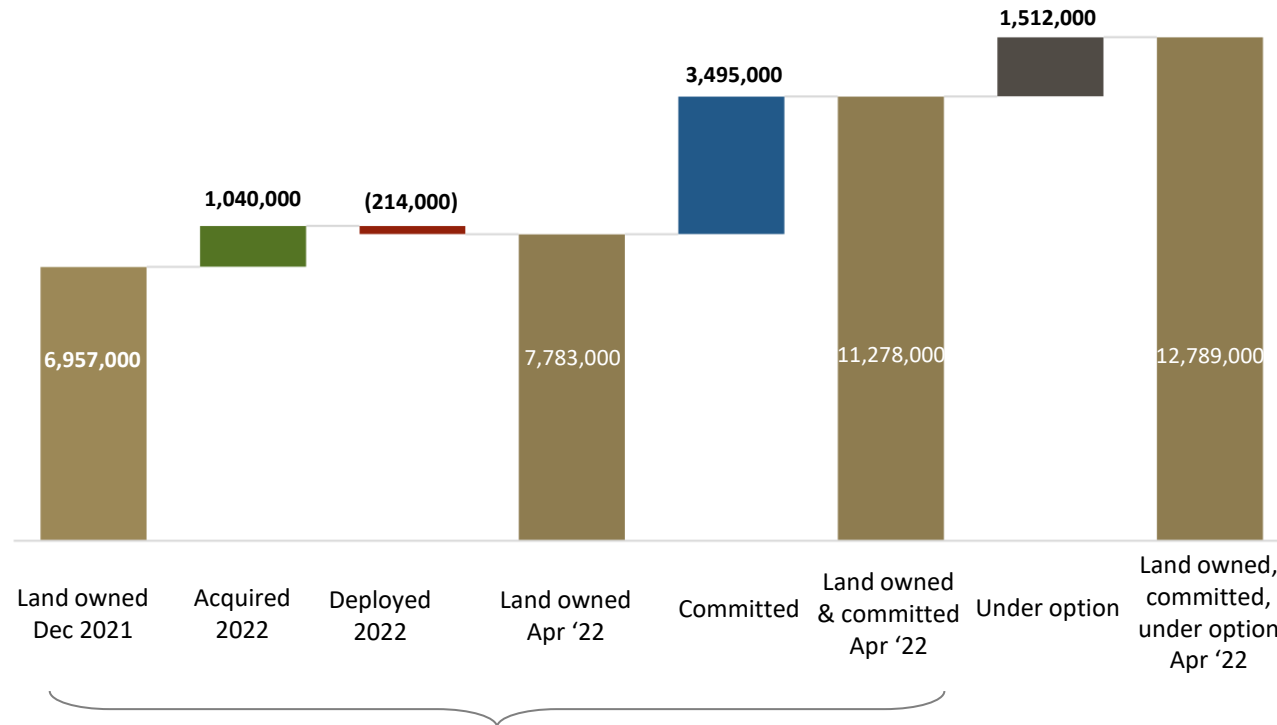
VGP

Appendix

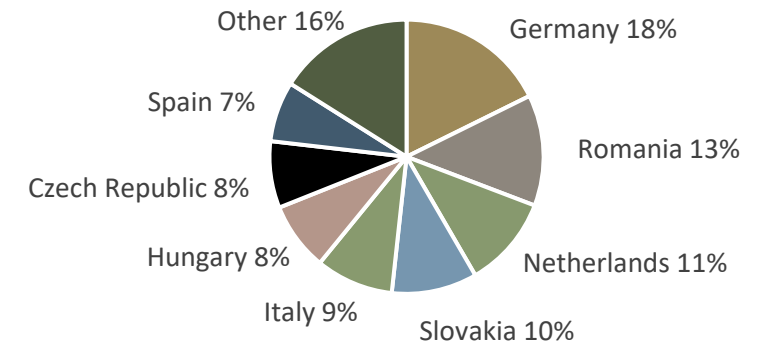


# Owned and committed land bank expanded further to support future growth

Build-up of Land bank (m<sup>2</sup>)



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



1 Geographical breakdown of development potential (m<sup>2</sup>) of the owned and committed land bank (own and JV)

**Owned and committed land bank**

- Total land bank (owned and committed) of 11.28 million m<sup>2</sup> equates to development potential approximately **4.6 million m<sup>2</sup>**
- In addition, 1.51 million m<sup>2</sup> of land under option, subject to due diligence, with c. **0.5 million m<sup>2</sup>** of development potential

**Approximately 5.1 million m<sup>2</sup> of development potential embedded in the Land bank**

## Income Statement

- **Operating profit up €279.1mm to €650.0mm**
  - Increase driven by higher net valuation gain (up €243.9mm) and Joint-Venture contribution (up €123.4 mm) compensating higher admin expenses (up €19.3mm)
- **On a “look-through”- basis<sup>1</sup> net rental is up by € 15.4 mm YoY to €70.7mm**
- **Net valuation gains on the property portfolio of € 610.3mm**
  - Positively affected by the low yields in real estate valuations
  - The own standing property portfolio is valued on a weighted average yield of 4.64% (vs. 5.51% as at 31 Dec '20)<sup>2</sup>
- **Administrative expenses of € 52.1mm**
  - primarily driven by higher wages and salary costs, including provisioning for the long-term incentive program - LTIP
- **Other expenses of €5mm**, reflecting contribution to VGP Foundation

### Income Statement (€mm)

	FY21	FY20
Revenue	44.3	29.6
Gross rental income	17.6	12.1
Property operating expenses	(2.2)	(3.8)
Net rental income	15.4	8.3
Joint venture management fee income	21.3	14.7
Net valuation gains on investment properties	610.3	366.4
Administration expenses	(52.1)	(29.3)
Share of net profit from JV's and associates	186.7	63.3
Other expenses	(5.0)	(4.0)
Operating profit	776.6	419.4
Financial income	12.3	9.3
Financial expense	(25.0)	(17.9)
Net financial result	(12.7)	(8.6)
Profit before taxes	763.9	410.8
Taxes	(113.8)	(39.9)
Profit for the period	650.1	370.9

<sup>1</sup> Look-through basis includes VGP's share of the JVs net rental income

<sup>2</sup> JVs portfolio, excluding development land and the buildings being constructed by VGP on behalf of the Joint Ventures, was valued at a weighted average yield of 4.28% as at 31 Dec '21 (compared to 4.76% as at 31 Dec '20)



## Income Statement – by segment

Investment			Development			Property and Asset Management		
(€mm)	FY21	FY20	(€mm)	FY21	FY20	(€mm)	FY21	FY20
Gross rental income	17.6	12.1	Gross rental income	–	–	Gross rental income	–	–
Property operating expenses	(0.2)	(0.4)	Property operating expenses	(2.0)	(3.4)	Property operating expenses	–	–
<b>Net rental income</b>	<b>17.4</b>	<b>11.7</b>	<b>Net rental income</b>	<b>(2.0)</b>	<b>(3.4)</b>	<b>Net rental income</b>	–	–
Joint venture management fee income	–	–	Joint venture management fee income	–	–	Joint venture management fee income	21.3	14.7
Net valuation gains on investment properties destined to the JVs	–	–	Net valuation gains on investment properties destined to the JVs	592.8	365.7	Net valuation gains on investment properties destined to the JVs	–	–
Administration expenses	(4.3)	(2.1)	Administration expenses	(38.4)	(19.7)	Administration expenses	(7.0)	(5.4)
Share of JVs' adjusted operating profit after tax	54.3	45.9	Share of JVs' adjusted operating profit after tax	–	–	Share of JVs' adjusted operating profit after tax	–	–
<b>EBITDA</b>	<b>67.5</b>	<b>55.5</b>	<b>EBITDA</b>	<b>552.3</b>	<b>342.5</b>	<b>EBITDA</b>	<b>14.3</b>	<b>9.3</b>
<ul style="list-style-type: none"> <li>Share in result of JVs up €8.5mm YoY corresponds to VGP's share in the result of the JVs <u>excluding any revaluation result</u></li> <li>VGP received a €21.1 million cash profit distribution in 2021</li> </ul>			<ul style="list-style-type: none"> <li>Valuation gains/(losses) up €227.1mm YoY</li> <li>FY 2021 total Cap Ex spent was €743mm (including Cap Ex related to assets already sold to JVs)</li> </ul>			<ul style="list-style-type: none"> <li>Revenues include asset management, property management and facility management income</li> </ul>		

Please note the segment reporting disclosure in the notes of our FY 2021 condensed consolidated interim financial statements press release for overview of adjustments to operating EBITDA

## Balance sheet - assets

- **Investment Properties (own portfolio) incl Disposal group held for sale total €2,354mm**
  - Completed portfolio €563mm ('20: €166mm)
  - Under Construction €855mm ('20: €457mm)
  - Development land €435mm ('20: €297mm)
  - Disposals held for sale contains assets that are envisaged to be disposed of to the JV's
- **Investment in Joint Ventures and associates increased to €858.1mm by €203.3 mm, reflecting:**
  - JV1: €611.8mm (incl. 8<sup>th</sup> closing)
  - JV2: €92.0mm
  - JV3: €130.8mm (JV for München)
  - Other development JVs: €23.6mm (incl Moerdijk)
- **Other non-current receivables remained flat at €264.9mm** from €264.0mm, mainly reflecting
  - shareholder loans to VGP Park München (€135.9 mm) and VGP Park Moerdijk (€52.2 mm) and other JVs (€75.9mm)<sup>1</sup>
  - balance due by Allianz in respect of VGP Park München (€ 67.0mm)<sup>2</sup> reclassified as current receivable
- **Cash position of €222.2mm** – in addition several multi-year unsecured revolving credit facilities undrawn and available (€200mm as of Dec '21)

### Consolidated Balance Sheet – Assets (€mm)

(€mm)	31 Dec '21	31 Dec '20
<b>ASSETS</b>		
Investment properties	1,852.5	920.2
Investment in joint ventures and associates	858.1	654.8
Other non-current receivables	264.9	264.0
Other non-current assets	35.1	19.3
<b>Total non-current assets</b>	<b>3,010.7</b>	<b>1,858.2</b>
Trade and other receivables	148.0	44.8
Cash and cash equivalents	222.2	222.4
Disposal group held for sale	501.9	102.3
<b>Total current assets</b>	<b>872.1</b>	<b>369.5</b>
<b>TOTAL ASSETS</b>	<b>3,882.7</b>	<b>2,227.7</b>

<sup>1</sup> Net of development and construction loans

<sup>2</sup> The remaining balance due by Allianz Real Estate in respect of the acquisition of VGP Park München shall become payable by Allianz Real Estate in different instalments based on the completion dates of the respective buildings

## Balance sheet – Shareholders’ equity and liabilities

- **Shareholders’ equity of €2,176 mm, up €870 mm since Dec ’20**
  - Includes effect of the €300 mm capital increase in Nov 2021
- **Total liabilities of €1,707 mm (2020: €922 mm)**
  - Financial debt of €1,385 mm (2020: €783 mm) due to the issue of a green bond of €600 mm
  - Post balance sheet date a further €1,000 mm was issued through a dual-tranche bond (Jan 2022)
- **Consolidated gearing ratio at Dec ’21 stood at 29.8%<sup>1</sup>**
  - Proportionally consolidated Loan-To-Value stood at 46.2%
- **On 13 May 2022, the AGM approved the payment of a gross dividend of € 149.6 million (€ 6.85 per share) for the financial year ending 31 December 2021**

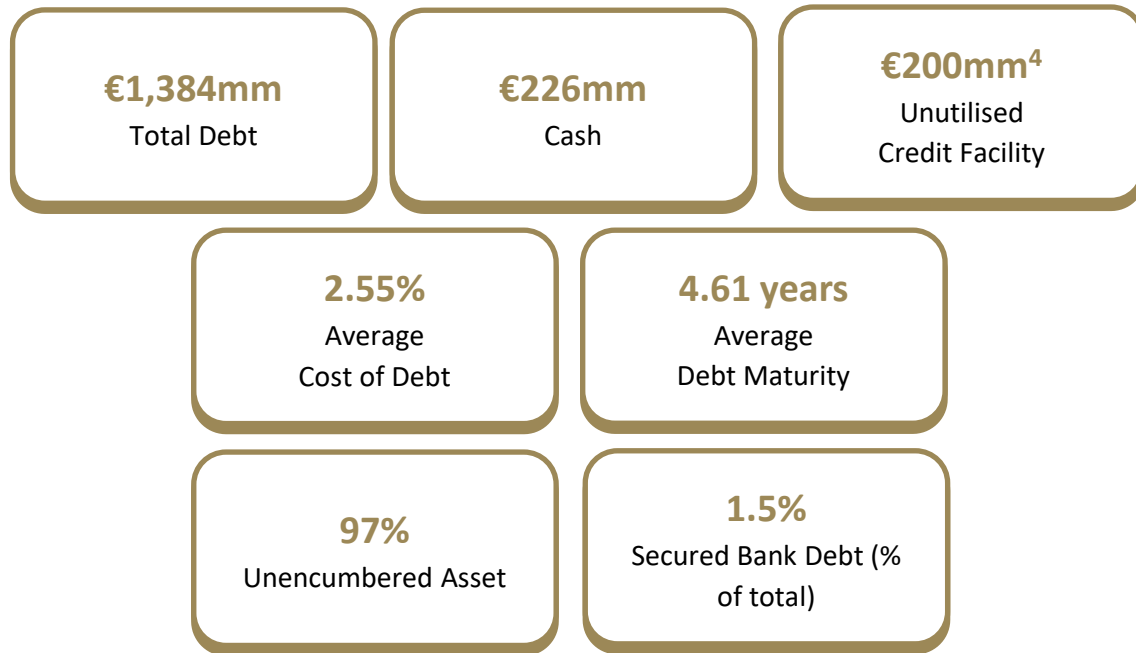
### Consolidated Balance Sheet – Shareholders equity and liability (€mm)

(€mm)	31 Dec '21	31 Dec '20
<b>SHAREHOLDERS’ EQUITY AND LIABILITIES</b>		
Shareholders’ equity	2,175.6	1,305.7
Non-current financial debt	1,340.6	748.8
Other non-current (financial) liabilities	32.5	10.5
Deferred tax liabilities	112.3	43.8
<b>Total non-current liabilities</b>	<b>1,485.4</b>	<b>803.1</b>
Current financial debt	44.1	34.5
Trade debt and other current liabilities	107.5	77.7
Liabilities related to disposal group HFS	70.2	6.7
<b>Total current liabilities</b>	<b>221.8</b>	<b>118.9</b>
<b>Total liabilities</b>	<b>1,707.2</b>	<b>922.0</b>
<b>TOTAL SHAREHOLDERS’ EQUITY AND LIABILITIES</b>	<b>3,882.7</b>	<b>2,227.7</b>

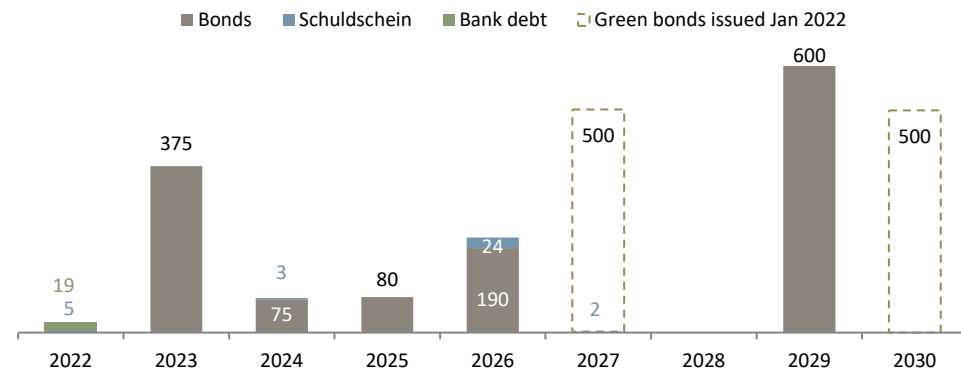
<sup>1</sup> Calculated as Net debt / Total equity and liabilities

# Significant headroom to key covenants

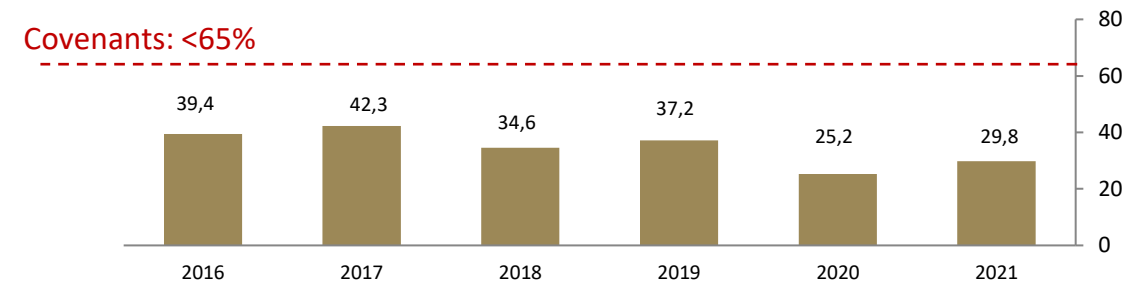
## Overview as of December 2021



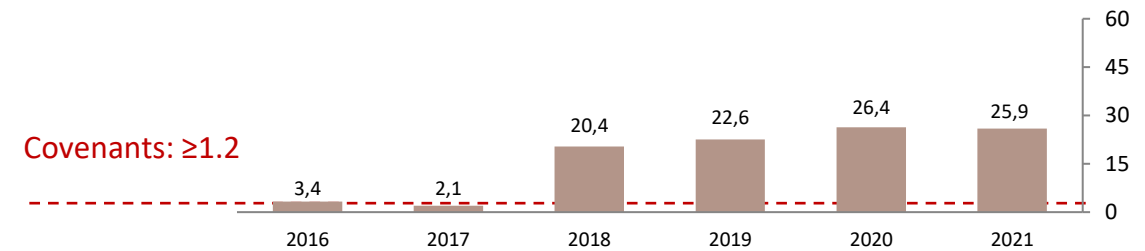
## Maturity profile financial debt (in €mm)



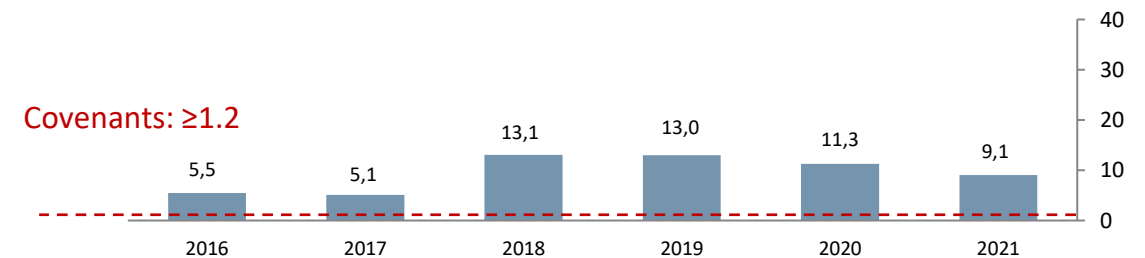
## Gearing ratio (%)<sup>1</sup>



## Debt service cover ratio (x)<sup>2</sup>



## Interest cover ratio (x)<sup>3</sup>



20

20

Source: Company information as of Dec 2021

<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>As of 31 Dec 2021

## Income statement – proportionally consolidated

(mm €)	2021			2020		
	Group	Joint Ventures	Total	Group	Joint Ventures	Total
Gross rental income	17.6	62.4	80.0	12.0	52.1	64.1
Property operating expenses	(2.2)	(7.1)	(9.3)	(3.8)	(5.1)	(8.9)
Net rental and related income	15.4	55.3	70.7	8.3	46.9	55.2
Joint venture management fee income	21.3	0	21.3	14.7	-	14.7
Net valuation gains / (losses) on investment properties	610.3	186.6	796.9	366.4	48.0	414.4
Administration expenses	(52.1)	(1)	(53.1)	(29.3)	(1.1)	(30.3)
Other expenses	(5.0)	0	(5.0)	(4,0)	-	(4.0)
Operating profit / (loss)	589.9	240.9	830.8	356.1	93.9	450.0
Net financial result	(12.7)	(15.3)	(27.9)	(8.6)	(17.8)	(26.3)
Taxes	(113.8)	(38.9)	(152.8)	(39.9)	(12.8)	(52.7)
Profit for the period	463.5	186.7	650.0	307.6	63.3	370.9

## Balance sheet – proportionally consolidated

(mm€)	2021			2020		
	Group	Joint Ventures	Total	Group	Joint Ventures	Total
Investment properties	1,852.5	1,746.8	3,599.3	920.1	1,445.0	2,365.2
Investment properties included in assets held for sale	484.3	-	484.3	102.3	-	102.3
Total investment properties	2,336.9	1,746.8	4,083.6	1,022.4	1,445.0	2,467.5
Other assets	300.0	1.9	301.9	283.3	0.3	283.6
Total non-current assets	2,636.9	1,748.6	4,385.5	1,305.8	1,445.3	2,751.1
Trade and other receivables	148.0	13,129	161.2	44.8	14.5	59.3
Cash and cash equivalents	222.2	49.9	272.0	222.4	46.1	268.5
Disposal group held for sale	17.5	-	17.5	-	-	-
Total current assets	387.7	62.9	450.7	267.1	60.6	327.8
Total assets	3,024.6	1,811.6	4,836.2	1,572.9	1,505.9	3,078.8
Non-current financial debt	1,340.6	764.0	2,104.7	748.8	714.3	1,463.0
Other non-current financial liabilities	-	0.2	0.2	-	0.8	0.8
Other non-current liabilities	32.5	5.0	37.5	10.5	5.7	16.2
Deferred tax liabilities	112.3	132.8	245.1	43.8	91.6	135.4
Total non-current liabilities	1,485.3	902.2	2,387.5	803.0	812.4	1,615.5
Current financial debt	44.1	15.0	59.2	34.5	13.7	48.2
Trade debts and other current liabilities	107.5	36.2	143.7	77.7	24.9	102.6
Liabilities related to disposal group held for sale	70.1	-	70.1	6.7	-	6.7
Total current liabilities	221.8	51.3	273.1	118.9	38.7	157.6
Total liabilities	1,707.1	953.5	2,660.6	922.0	851.1	1,773.1
Net assets	1,317.4	858.1	2,175.5	650.9	654.8	1,305.8

# Disclaimer

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## ABOUT VGP

VGP is a pan-European developer, manager and owner of high-quality logistics and semi-industrial real estate. VGP operates a fully integrated business model with capabilities and longstanding expertise across the value chain. The company has a development land bank (owned or committed) of 11.28 million m<sup>2</sup> and the strategic focus is on the development of business parks. Founded in 1998 as a Belgian family-owned real estate developer in the Czech Republic, VGP with a staff of circa 360 FTEs today owns and operates assets in 14 European countries directly and through several 50:50 joint ventures. As of December 2021, the Gross Asset Value of VGP, including the joint ventures at 100%, amounted to € 5.75 billion and the company had a Net Asset Value (EPRA NTA) of € 2.33 billion. VGP is listed on Euronext Brussels (ISIN: BE0003878957).

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

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