
VGP

**BUILDING
TOMORROW
TODAY**



www.vgpparks.eu

HALF YEAR FINANCIAL RESULTS PRESS RELEASE

For the period from
1 January 2022 – 30 June 2022

Regulated Information
Friday, 26 August 2022, 07:00 am CET

VGP'S HALF YEAR RESULTS 2022

26 August 2022, 7:00am, Antwerp, Belgium: VGP NV ('VGP' or 'the Group'), a European provider of high-quality logistics and semi-industrial real estate, today announces the results for half-year ended 30 June 2022:

- Strong operating performance resulting in a net profit of **€ 153.1 million**
- € 35.4 million worth of signed and renewed lease agreements during H1'22, bringing total annualised rental income to € 281.1 million (+9.7% YTD)¹
- As at 30 June 2022, a total of **1,346,000 m²** under construction through 40 projects representing **€ 88.1 million** in additional annual rent once fully built and let (87.4% pre-let)
 - **206,000 m²** of projects started up in H1'22 pre-let at 81.7%, representing € 11.1 million of rental income once fully built and let
 - Delivered 17 projects representing **334,000 m²** during H1'22, 99.3% let and representing € 17.1 million of rental income
- Strong liquidity position of **€730 million²** expected to be further positively impacted through seed portfolio closing of Fourth JV and completion of works in VGP Park Munich in H2'22
 - Cash balance supported by third closing with Second JV with net proceeds of € 215 million in Q1'22 and includes gross proceeds of € 82 million of two additional JV transactions as per July 1st '22
 - Expected minimum gross proceeds of € 73 million for completion of works in VGP Park Munich expected in Q4'22
 - Fourth Joint Venture seed portfolio closing planned for Q4'22
 - Revolving credit facility increased by 50% to € 300 million (all remaining undrawn)
- Gearing ratio of 35.2% (33.5% on a pro forma basis²)

VGP's Chief Executive Officer, **Jan Van Geet**, said: *"In the first half year we have seen robust growth with € 35 million of new or renewed lease agreements signed and supported by significant rental growth in most countries. This growth was realised despite a more prudent approach by e-commerce sector of which a number of major players have shifted their take-up focus towards 2024 and beyond."*

Jan Van Geet continued: *"The unstable energy markets have not only given a significant boost to our renewable energy revenue potential, it has also served as an accelerator in our tenants' desire to switch to renewable energy consumption. Beyond the traditional stronghold countries of Germany and the Netherlands we are now initiating solar projects in almost all regions based on direct tenant demand."*

Jan Van Geet added: *"Although we have taken a more cautious approach to our land acquisitions during the first half of the year, an important side effect of these unstable energy markets is that it creates tremendous growth opportunities for us. After all, it accelerates the need for energy-inefficient industries to reinvent themselves and move to more sustainable and energy-efficient housing and operations. One of the side effects of this is that they are putting their old factories, mostly in prime locations, up for sale which consequently offers interesting brownfield redevelopment opportunities for VGP."*

Jan Van Geet concluded: *"A strong capital position is important, particularly as such highly attractive brownfield opportunities start to increasingly arise. The significant cash recycling through the completed and anticipated joint venture closings enhances our balance sheet and allows us the flexibility to best serve our customers whilst enabling us to create significant value for all stakeholders involved."*

¹ Compared to 31 December 2021 and inclusive of Joint Ventures at 100%.

² Includes €82 million cash received on 1-Jul-22 as part of two JV closings. Cash balance as at 30 Jun-22 amounts to €648 million

FINANCIAL AND OPERATING HIGHLIGHTS

New leases signed

As at 30 June 2022, the signed and renewed rental income amounted to € 35.4 million (up 9.7% YTD).

Leasing activity year-to-date has been strong across the board with increased demand from a broad range of tenants. From a geographical perspective, Germany contributed circa a third of new leases and particular strong activity was noted in Spain, The Netherlands and Slovakia.

The increase was driven by 416,000 m² of new lease agreements signed, corresponding to € 22.4 million of new annualised rental income¹, whilst during same period for a total of 173,500 m² of lease agreements were renewed and extended corresponding to € 9.3 million of annualised rental income (of which € 8.2 million related to the joint ventures²). Indexation accounted for € 3.6 million in the first half of 2022 (of which € 3.2 million related to the joint ventures²). Terminations represented a total of € 1.0 million or 19,000 m², of which € 0.8 million within the joint ventures' portfolio.

The signed annualised committed leases total € 281.1 million³ (equivalent to 4.9 million m² of lettable area), a 9.7% increase since December 2021.

The leasing activity after 30 June 2022 has resulted in an additional € 6.1 million of new contracts being signed bringing the total annualised committed rental income to € 287.8 million (+12.4% YTD).

Construction activity

A total of 40 projects under construction which will create 1,346,000 m² of future lettable area, representing € 88.1 million of annualised leases once built and fully let – the portfolio under construction is 87.4% pre-let as at 30 June 2022.

During the first 6 months of 2022 a total of 17 projects were completed delivering 334,000 m² of lettable area, representing € 17.1 million of annualised committed leases. Several other projects currently under construction are scheduled for delivery in the coming months resulting in a delivery pipeline of >700,000m² expected for H2 2022.

During H1 we experienced additional increases of construction costs. First signs of stabilization have been noted towards the end of H1. The resulting effects on the development margins of the projects under construction were mitigated through a mix of higher rental income and yield changes.

Land bank

Acquisition of 1,55 million m² of development land and a further 3.25 million m² committed subject to permits which brings the remaining total owned and committed land bank for development to 11.31 million m², which supports more than 5.12 million m² of future lettable area.

A further 601,000 m² of new land plots have been identified and are under negotiation and have a development potential of at least 254,000 m² of future lettable area. This brings the land bank of owned, committed, secured and/or under option to 11.91 million m².

¹ Of which 250,000 m² (€ 14.1 million) related to the own portfolio

² Joint ventures refer to VGP European Logistics, VGP European Logistics 2 and VGP Park München, All three 50:50 joint ventures with Allianz Real Estate

³ Including Joint Ventures at 100%

The land bank includes an agreement to purchase 32 hectares of land in Petit-Couronne, near Rouen, the capital of Normandy (of which 50% was already acquired during the 1H 2022), the first project of VGP in France. This brownfield project is expected to offer circa 150,000 m² of total gross lettable area, with construction works due to begin in 2023.

Renewable Energy

A total solar power generation capacity of 120.9 MWp is currently installed or under construction through 89 roof-projects in 4 countries. As at 30 June 2022 this represents a total aggregate investment amount of € 48 million.

In addition, 40 solar power projects have been identified in four additional countries which equates to an additional power generation capacity of 53.7 MWp. For these projects we expect the installation works to commence in the coming months. The current total solar portfolio, including pipeline projects totals 174 MWp.

Completion of the 3rd closing with the Second Joint Venture with Allianz Real Estate

On 16th of March 2022, VGP announced the successful third closing with its 50:50 joint venture, VGP European Logistics 2 ('Second Joint Venture'). The transaction comprised 13 logistic buildings, including 9 buildings in 7 new VGP parks and another 4 newly completed logistic buildings which were developed in parks previously transferred to the Joint Second Venture. The transaction value was € 364 million¹ and net proceeds from this transaction amounted to circa € 215.5 million. Following the completion of this third closing, the Second's Joint Venture's property portfolio consist of 32 completed buildings representing around 642,000 m² of lettable area, with an 99.8% occupancy rate.

On 1 July 2022, two additional closings, one of each with the First and Second Joint Venture occurred for a total gross asset value of € 105 million and with gross cash proceeds for VGP in amount of € 82 million.

A final closing with the Third Joint Venture is anticipated during Q4 2022 upon completion of the Munich construction site, which is within its original time frame. The expected minimum gross proceeds of the transaction totals € 73 million.

Finally, during Q4 '22 VGP expects to sell a seed portfolio of completed projects to the Fourth Joint Venture.

Capital and liquidity position

On the 10th of January 2022, VGP announced the successful issuance of its second public benchmark green bond for an aggregate nominal amount of € 1.0 billion, in two tranches i.e., a € 500 million 5-year bond tranche paying a coupon of 1.625% p.a. and maturing on 17 January 2027 and a € 500 million 8-year bond tranche paying a coupon of 2.250% p.a. and maturing on 17 January 2030. The proceeds from this issuance are being used to fund the majority pre-let development pipeline, the build out of renewable energy assets and the design and development of new green logistics and semi-industrial parks.

Total cash balance as at 30 June 2022 stood at € 648.5 million and increased further on 1 July 2022 with € 82 million following the closings with the First and Second Joint Venture.

¹ The transaction value is composed of the purchase price for the completed income generating buildings and the net book value of the development pipeline which is transferred as part of a closing but not yet paid for by the First Joint Venture.

In August 2022, VGP further strengthened its liquidity position by increasing its committed credit facilities with an additional € 100 million granted under similar terms as the existing credit facilities. As a result, the current committed credit facilities amount to € 300 million, all of which currently remain undrawn.

Progress towards our Sustainable Development Goals

We have made significant progress towards our Sustainable Development Goals and are on track to achieve carbon neutrality by 2025 and 50% gross reduction under scope 1 and 2 and 55% reduction in 'in use' scope 3 emissions by 2030.

With regards to the sustainable building target, the Group targets BREEAM Excellent or DGNB Gold for all new constructions started up in 2022. Currently 61.2% of our portfolio has been certified.

In order to allow transparent reporting on the progress on our ESG initiatives we will, in addition to our annual CDP disclosure, 2022 GRESB (Global Real Estate Sustainability Benchmark) participation and publication of our Corporate Responsibility Reporting in accordance with GRI Standards, participate in the S&P Global CSA 2022 and Sustainalytics 2022 analysis.

Outlook

As a result of the strong rental and asset growth and +1 million m² to be delivered in 2022, VGP's (along with the JV's) recurring rental income basis will increase to € 280 million within the next twelve months. This significantly increases the recurring cash generation and delivers an attractive return on the funds invested.

VGP has currently been able to mostly mitigate the increased construction costs through a mix of higher rental income and yield compression. Any adverse change in any of the aforementioned components might not be fully offset and hence might have adverse effect on the development margins. We remain prudent and selective on any start-up of new projects to ensure that our development margins remain attractive.

The Group opened its first office in Scandinavia with appointment of Kristoffer Kaae Stimpel as country manager for Denmark. The Group anticipates to be able to announce the opening of first office in Sweden in 2H 2022.

Based on the combination of our increasing recurring cash flow, our inflation protected portfolio, our strategic land bank and partnership with Allianz Real Estate, in combination with attractive land acquisition opportunities in the markets along with renewable energy dynamics is expected to result in further – solid - NAV growth for VGP.

Finally, the expected sale of the seed portfolio to the Fourth Joint Venture during Q4 '22 should further strengthen the Group's balance sheet.

KEY FINANCIAL METRICS

	H1 2022	H1 2021	Change (%)
Operations and results			
Committed annualised rental income (€mm)	281.1	205.7	36.7%
IFRS Operating profit (€mm)	190.5	240.0	(20.6)%
IFRS net profit (€mm)	153.1	203.8	(24.9)%
IFRS earnings per share (€ per share)	7.01	9.90	(29.2)%
Portfolio and balance sheet			
	30 Jun 22	31 Dec 21	Change (%)
Portfolio value, including joint venture at 100% (€mm)	6,534	5,746	13.7%
Portfolio value, including joint venture at share (€mm)	4,656	4,084	14.0%
Occupancy ratio of standing portfolio (%)	99	99	-
EPRA NTA per share (€ per share)	106.97	106.93	0.0%
IFRS NAV per share (€ per share)	99.81	99.65	0.2%
Net financial debt (€mm)	1,713	1,159	47.8%
Gearing ¹ (%)	35.2	29.8	-

AUDIO WEBCAST FOR INVESTORS AND ANALYSTS

VGP will host an audio webcast at 11:00 (CEST) on 26 August 2022

Webcast link:

https://event.webcasts.com/starthere.jsp?ei=1563403&tp_key=c71da089b6

Click on the link above to attend the presentation from your laptop, tablet or mobile device. Audio will stream through your selected device

Please join the event audio webcast 5-10 minutes prior to the start time

A presentation will be available on VGP website:

<https://www.vgpparks.eu/en/investors/publications/>

CONTACT DETAILS FOR INVESTORS AND MEDIA ENQUIRIES

Investor Relations	Tel: +32 (0)3 289 1433 investor.relations@vgpparks.eu
Karen Huybrechts (Head of Marketing)	Tel: +32 (0)3 289 1432

¹ Calculated as Net debt / Total equity and liabilities

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 11.31 million m² 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 380 FTEs today and operates in 19 European countries directly and through several 50:50 joint ventures. As of June 2022, the Gross Asset Value of VGP, including the joint ventures at 100%, amounted to € 6.53 billion and the company had a Net Asset Value (EPRA NTA) of € 2.34 billion. VGP is listed on Euronext Brussels. (ISIN: BE0003878957).

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

Forward-looking statements: This press release may contain forward-looking statements. Such statements reflect the current views of management regarding future events, and involve known and unknown risks, uncertainties and other factors that may cause actual results to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. VGP is providing the information in this press release as of this date and does not undertake any obligation to update any forward-looking statements contained in this press release considering new information, future events or otherwise. The information in this announcement does not constitute an offer to sell or an invitation to buy securities in VGP or an invitation or inducement to engage in any other investment activities. VGP disclaims any liability for statements made or published by third parties and does not undertake any obligation to correct inaccurate data, information, conclusions or opinions published by third parties in relation to this or any other press release issued by VGP.

BUSINESS REVIEW

During the first half of 2022, VGP continued on its achievements of 2021 with 1.3 million m² under construction, a net increase of € 25 million of committed annual rent agreements contracted and 1.55 million m² of land acquired. At the same time VGP strengthened its capital position with the issue of € 1 billion of bonds and has recycled cash through disposals to its joint ventures. Market fundamentals such as land scarcity and historic low vacancy rates combined with raising inflation resulted in rental growth in existing portfolio's as well as mitigating leverage for rising construction costs for assets under construction.

A third closing was made with VGP European Logistics 2 ('Second Joint Venture') in which the joint venture acquired 13 logistic buildings, including 9 buildings in 7 new VGP parks and another 4 newly completed logistic buildings which were developed in parks previously transferred to the Joint Venture. The 13 buildings are located in Spain (7), Italy (4), the Netherlands (1) and in Romania (1). The transaction value is € 364 million. The net proceeds from this transaction amounts to circa € 215 million.

Following the completion of this third closing of the Second Joint Venture, the Second's Joint Venture's property portfolio consist of 32 completed buildings representing around 642,000 m² of lettable area.

A further closing has occurred in July with the First Joint Venture totalling a gross asset value of € 81 million resulting in gross cash proceeds of € 69.6 million, as well as a follow up closing in the Second Joint Venture for a total gross asset value of € 23.8 million with gross proceeds of € 12.9 million for VGP NV.

In the remainder of the year, the Third Joint Venture is expected to settle upon the completion of the construction works in VGP Park Munich. During Q4 '22, VGP expects to sell an initial seed portfolio of completed projects to the Fourth Joint Venture.

The signed annualised committed leases amount to € 281.1 million¹ at the end of June 2022 and represent a total of 4,855,000 m² of lettable area. Of this total space 1,913,000 m² belong to the own portfolio (1,640,000 m² as at 31 December 2021) and 2,941,000 m² to the joint ventures (2,860,000 m² at 31 December 2021).

During the first half of 2022 VGP delivered in total 9 projects representing 334,000 m² of lettable area, with an additional 40 projects under construction representing 1,346,000 m² of future lettable area².

The net valuation of the property portfolio as at 30 June 2022 showed a net valuation gain of € 155.9 million (against a net valuation gain of € 163.2 million per 30 June 2021).

The own investment property portfolio consists of 43 completed buildings representing 991,000 m² of lettable area whereas the joint ventures property portfolio consists of 126 completed buildings representing 2,473,000 m² of lettable area.

Gearing level of the Group as at 30 June 2022 was 35.2%, versus 29.8% as at 31 December 2021,

¹ Including joint ventures. As at 30 June 2022 the annualised committed leases for the JVs stood at € 172 million.

² Including joint ventures.

OPERATING RESULT

<i>(in thousands of €)</i>	June 2022	June 2021
Revenue¹	35,128	18,144
Gross rental income	19,129	7,113
Property operating expenses	(2,028)	(1,071)
Net rental income	17,101	6,042²
Joint venture management fee income	9,931	8,547
Net valuation gains / (losses) on investment properties	155,914	163,247
Administration expenses ²	(20,801)	(20,290)
Share of net profits of joint ventures and associates	31,383	84,414
Other expenses	(3,000)	(2,000)
Operating profit / (loss)	190,528	239,960
Net financial results	(14,266)	(6,162)
Profit before taxes	176,262	233,798
Taxes	(23,124)	(30,001)
Profit for the period	153,138	203,797

Net rental income

The net rental income increased to € 17.1 million for the first half of 2022 compared to € 6.0 million² for the first half of 2021 primarily due to full impact of income generating assets delivered during the second half of 2021 and the first half of 2022.

Including VGP's share of the joint ventures on a "look-through" basis net rental income increased by € 15.4 million, or 48% compared to H1 2021 (from € 31.9 million for the period ending 30 June 2021 to € 47.4 million for the period ending 30 June 2022)³.

As per H1 2022, total net rental income (JV's at 100%) increased with 29% to € 80.9 million versus € 62.7 million for the period ending 30 June 2021.

Annualised committed rent income

The demand for lettable area resulted in the signing of new lease contracts during the first half of 2022 of € 35.4 million in total of which € 22.4 million related to new or replacement leases (€ 6.8 million on behalf of the joint ventures) and € 9.3 million (€ 8.2 million on behalf of the joint ventures) were related to renewals or prolongations of existing lease contracts. The remainder of the increase (€ 3.6 million of which € 3.3 million on behalf of the joint ventures) due to indexation.

During the period lease contracts for a total amount of € 1.0 million (of which € 0.9 related to the joint ventures' portfolio) were terminated.

¹ Revenue is composed of gross rental income, service charge income, property and facility management income and property development income.

² Restated versus previous reporting due to change of presenting of travel expenses as part of admin costs

³ See attached section 'Supplementary notes not part of the condensed interim financial information' for further details

Net, the annualised committed leases increased to € 281.1 million as at the end of June 2022¹ (compared to € 256.1 million as at 31 December 2021).

Germany, Spain and The Netherlands were the main drivers of growth in new or replacement leases with € 9.32 million of new leases signed during the year in Germany (€ 2.1 million on behalf of the joint ventures), € 3.8 million in Spain (€ 2.6 million on behalf of the joint ventures), The Netherlands for € 3.8 million (€ 3.3 million on behalf of the joint ventures). Other contributing countries include Slovakia for € 2.7 million (€ 0.2 million on behalf of the joint ventures), Romania for € 2.2 million (€ 0.2 million on behalf of the joint ventures), the Czech Republic € 2.1 million (€ 1.4 million on behalf of the joint ventures), Hungary for € 1.1 million (€ 0.1 million on behalf of the joint ventures) and remainder split between Italy, Latvia, and Austria.

As at 30 June 2022, the weighted average term of the combined own and joint venture portfolio stood at 8.2 years² (compared to 8.6 years as at 31 December 2021). The own portfolio stood at 9.95 years³ and the joint venture portfolio stood at 7.13 years⁴.

The Group's completed property portfolio, including the own and joint ventures' property portfolio, reached an occupancy rate of 99% at the end of June 2022 compared to 99.3% at the end of December 2021.

The signed annualised committed leases amount to € 281.1 million⁵ at the end of June 2022 and represent a total of 4,855,000 m² of lettable area. Of this total space 1,913,000 m² belong to the own portfolio (1,640,000 m² as at 31 December 2021) and 2,941,000 m² to the joint ventures (2,860,000 m² at 31 December 2021).

Net valuation gains on the property portfolio

As at 30 June 2022 the net valuation gains on the property portfolio reached € 155.9 million compared to a net valuation gain of € 163.2 million for the period ended 30 June 2021.

The net valuation gain was mainly driven by: (i) € 68.1 million unrealised valuation gain on the own portfolio, (ii) € 40.2 million unrealised gain on assets being developed on behalf of the joint ventures, and (iii) € 47.6 million realised valuation gain on assets transferred as part of the third close with the Second Joint Venture.

The own property portfolio, excluding development land but including the buildings being constructed on behalf of the Joint Ventures, is valued by the valuation expert at 30 June 2022 based on a weighted average yield of 4.57 % (compared to 4.64% as at 31 December 2021) applied to the contractual rents increased by the estimated rental value on unlet space.

The (re)valuation of the own portfolio was based on the appraisal report of the property expert Jones Lang LaSalle.

Income from joint ventures

The joint venture management fee income increased by € 1.4 million to € 9.9 million. The increase was mainly due to the growth of the joint ventures' portfolio.

¹ Including joint ventures. As at 30 June 2022 the annualized committed leases for the joint ventures stood at € 172.7 million compared to € 151.2 million as at 31 Dec '21

² Weighted average term of the combined committed leases up to the first break stands at 7.9 years at 30 Jun '22

³ Weighted average term of the own portfolio committed leases up to the first break stands at 9.7 years at 30 Jun '22

⁴ Weighted average term of the JVs portfolio committed leases up to the first break stands at 6.8 years at 30 Jun '22

⁵ Including JVs. As at 30 June 2022 the annualized committed leases for the joint ventures stood at € 172.7 million.

Property and facility management fee income increased from € 6.4 million for the period ending 30 June 2021 to € 8.1 million for the period ending 30 June 2022. The development management fee income generated during the period was € 1.8 million compared to € 2.1 million for the period ending 30 June 2021.

Share in net profit of the joint ventures

VGP's share of the joint ventures' profit for the period came in at € 31.4 million from € 84.4 million for the period ending 30 June 2021, the decrease is mainly reflecting a lower net valuation gain contribution of the joint ventures' portfolio due to bottoming out of the yield compression.

Net rental income at share increased to € 30.3 million for the period ending 30 June 2022 compared to €27.6 million for the period ended 30 June 2021. The increase reflects the underlying growth of the joint ventures' portfolio resulting from the different closings made between the VGP European Logistics and VGP European Logistics 2 joint ventures since May 2016, as well as rental growth within the portfolio.

At the end of June 2022, the joint ventures (100% share) had € 172.3 million of annualised committed leases representing 2,942,000 m² of lettable area compared to € 151.2 million of annualised committed leases representing 2,545,000 m² at the end of December 2021.

The net valuation gains on investment properties at share decreased from € 84.1 million for the period ending 30 June 2021 to € 15.0 million for the period ending 30 June 2022. The portfolio of the joint ventures, excluding development and the buildings being constructed by VGP on behalf of the Joint Ventures, was valued at a weighted average yield of 4.35% as at 30 June 2022 (compared to 4.53% as at 31 June 2021). The (re)valuation of the First and Second Joint Ventures' portfolios was based on the appraisal report of the property expert Jones Lang LaSalle. The VGP Park München joint venture continued to be measured at its proportional agreed purchase price with Allianz Real Estate, as this is considered to be the best reflection of its fair value. Following the completion of the majority of the buildings such buildings will be carried at fair value and revalued by an external independent valuation expert at least annually in accordance with the Group's valuation rules. (This is consistent with *note 3.2 - Critical judgements in applying accounting policies* -of the Annual Report 2021).

The net financial expenses of the joint ventures at share for the period ending 30 June 2022 decreased to € 7.8 million.

Administrative costs

The administrative costs for the period were € 20.8 million compared to € 20.3 million for the period ended 30 June 2021¹. Though it reports an increase of costs, the June 2021 included higher provisions for LTIP and bonus pay-out.

As at 30 June 2022, the group had a headcount of over 385 FTE's in 19 different countries (compared to over 300 people as at 30 June 2021).

Net financial costs

For the period ending 30 June 2022, the financial income was € 8.1 million (€ 5.6 million for the period ending 30 June 2021) driven by € 8.1 million interest income on loans granted to the joint ventures (€ 5.6 million for the period ending 30 June 2021).

¹ Restated versus previous reporting due to change of presenting of travel expenses as part of admin costs

The reported financial expenses as at 30 June 2022 of € 22.3 million (€ 11.8 million as at 30 June 2021) are mainly made up of € 27.8 million expenses related to financial debt (€ 15.5 million as at 30 June 2021) and other financial expenses of € 2.5 million (compared to € 1.4 million as at 30 June 2021), partially offset by € 8.8 million of capitalised interests (€ 5.6 million as at 30 June 2021).

As a result, the net financial costs reached € 14.2 million for the period ending 30 June 2022 compared to € 6.2 million at the end of June 2021.

Shareholder loans to the joint ventures amounted to € 454 million as at 30 June 2022 (compared to € 329.1 million as at 30 June 2021) of which € 121.4 million (€ 83.2 million as at 30 June 2021) was related to financing of the buildings under construction and development land held by the joint ventures. Other current receivable amounted to € 169.2 million, relating amongst others to the remaining balance due by Allianz Real Estate of € 73.4 million in respect of their acquisition last year of VGP Park München and which shall become payable by Allianz Real Estate in different instalments based on the completion dates of the respective buildings.

EVOLUTION OF THE DEVELOPMENT ACTIVITIES

The development activities in the first half of 2022 can be summarised as follows:

Completed projects

During the first half of the year 17 projects were completed totalling 334,000 m² of lettable area and representing € 17.1 million of annualised committed leases (€ 12.5 million for VGP's own account and € 4.6 million for the joint ventures).

One completed project has been transferred to the Second Joint Venture in Q1 2022. This building in Fuenlabrada, Spain was delivered totalling 41,745 m² of lettable area:

Furthermore VGP Park Nürnberg has been acquired as a completed asset. The site is currently in use and has the potential for future redevelopment the site has currently a gross lettable area of 67,000 m².

Projects under construction

At the end of June 2022, VGP had 40 buildings under construction for a total future lettable area of 1,346,000 m². The new buildings under construction, which are pre-let for 87.4%¹, represent €88.1 million of annualised leases when fully built and let.

For its own account VGP had 28 buildings under construction totalling 995,000 m² of lettable area representing €59.3 million of annualised leases:

- Germany: 8 buildings for 516,000m² (3 buildings in VGP Park Giessen am Alten Flughafen and 1 building in each VGP Park Erfurt 2, VGP Park Laatzen, VGP Park Magdeburg, VGP Park Oberkrämer and VGP Park Rostock);
- Czech Republic: 3 building for 111,000 m² (1 building in VGP Park Hradek Nad Nisou, 1 building in VGP Park Kladno and 1 building in VGP Park Olomouc);
- Romania: 4 buildings for 102,000 m² (1 building in each VGP Park Arad, VGP Park Brasov, VGP Park Bucharest and VGP Park Sibiu);
- Hungary: 5 buildings for 98,000 m² (2 buildings in VGP Park Budapest, 2 buildings in VGP Park Győr Beta and 1 building in VGP Park Kecskemet);
- Slovakia: 2 buildings for 39,000 m² (all three in VGP Park Bratislava);

¹ Calculated based on the contracted rent and estimated market rent for the vacant space.

- Spain: 1 building for 30,000 m² (in VGP Park Dos Hermanas);
- Italy: 1 building for 6,000 m² (1 building in VGP Park Parma Lumiere);
- Latvia: 2 buildings for 71,000 m² (1 building in VGP Park Riga and 1 building in VGP Park Tiraines);
- Netherlands: 3 buildings for 105,000 m² (2 buildings in VGP Park Nijmegen and 1 building in VGP Park Roosendaal);
- Austria: 2 buildings for 23.000 m² in (VGP Park Graz 2).

On behalf of the Joint Ventures, VGP is constructing 12 new buildings totalling 352,000 m² of lettable area representing € 28.7 million of annualised leases:

- Czech Republic: 1 building for 5,500 m² (in VGP Park Chomutov);
- Spain: 3 buildings for 60,000 m² (1 building in VGP Park San Fernando de Henares and 1 building in VGP Park Zaragoza);
- Germany: 6 buildings for 216,000 m² (in VGP Park Munich);
- The Netherlands: 2 buildings for 70,000 m² (1 building in VGP Park Nijmegen and 1 building in VGP Park Roosendaal).

Land bank

During the first half of the year, VGP continued to acquire new land plots to support the future development pipeline. During this period, VGP acquired 1,547,000 m² bringing total development potential to 5.1 million m².

Of these land plots, 359,000 m² (23%) is in Germany, 352,000 m² (23%)¹ is in Hungary, 174,000 m² (11%) is in the Netherlands, 162,000 m² (10%) is in France, 129,000 m² (8%) in Austria, 128,000 m² (8%) in Spain, 90,000 m² (6%) in Croatia, 68,000 m² (4%) in Italy, 58,000 (4%) in Czech Republic and 26,000 m² (2%) in Portugal.

As at 30 June 2022, VGP had another 3.25 million m² of committed land plots which are expected to be purchased during the next 6-18 months, subject to obtaining the necessary permits. This brings the remaining total owned and committed land bank for development to 11.31 million m² which represents a remaining development potential of 5.1 million m² of which 858,000 m² in Germany, 800,000 m² in Romania, 645,000 m² in The Netherlands, 523,000 m² in the Slovakia, 487,000 m² in Serbia, 434,000 m² in Spain, 336,000 m² in Hungary, 313,000 m² in Italy, 154,000 m² in France, 145,000 m² in Portugal, 142,000m² in Austria, 36,000 m² in Croatia, 240,000 m² in Czech Republic and 14,000 m² in Latvia. Included in the above is the remaining 1,307,000 m² development land bank held by the Joint Ventures with a development potential of circa 666,000 m² of new lettable area.

Besides the owned and committed land bank, VGP has signed non-binding agreements and is currently performing due diligence investigations, on an exclusive basis, on the potential acquisitions of in total circa 601,000 m² of new land plots located in Hungary, Germany, Spain, Portugal and the Czech Republic. This land represents a development potential of circa 254,000 m² and it is expected that a significant number of these land plots will be contractually locked in during the next 12 months.

¹ Including 192,000 m² from the Nürnberg site in Germany

DISPOSAL GROUP HELD FOR SALE

The balance of the Disposal group held for sale decreased from € 501.9 million as at 31 December 2021 to € 292.2 million as at 30 June 2022 and is composed of assets under construction and development land (at fair value) which are being / will be developed by VGP on behalf of VGP European Logistics and VGP European Logistics 2 and VGP European Logistics 3 joint ventures.

Under the respective joint venture agreements, VGP European Logistics and VGP European Logistics 3 have an exclusive right of first refusal in relation to acquiring the income generating assets developed by VGP that are in Germany, the Czech Republic, Slovakia and Hungary and VGP European Logistics 2 has a similar right for Austria, Italy, the Netherlands, Portugal, Romania and Spain. The development pipeline which is transferred to the joint ventures as part of the different closings between the joint ventures and VGP is being developed at VGP's own risk and subsequently acquired and paid for by the respective joint venture subject to pre-agreed completion and lease parameters.

CAPITAL MANAGEMENT

On the 10th of January 2022, VGP announced the successful issue of its second public benchmark green bond for an aggregate nominal amount of € 1.0 billion, in two tranches, with a € 500 million 5-year bond paying a coupon of 1.625% p.a. and maturing on 17 January 2027 and a € 500 million 8-year bond paying a coupon of 2.250% p.a. and maturing on 17 January 2030. The market received VGP's issuance well as the demand just under 2.5 times the volume of the issue. The proceeds from this issuance will be used to finance and /or refinance a portfolio of eligible assets in accordance with the VGP Green Finance Framework dated March 2021. The bond has been listed on the Luxembourg Stock Exchange (EuroMTF).

Primarily due to this bond issue the total financial debt increased from € 1,384.6 million as at 31 December 2021 to € 2,361.7 million as at 30 June 2022 of which € 33.4 million schuldschein loans (2021: € 33.4 million), €2,304 million of issued bonds (2021: € 1,311 million) and € 23.8 million accrued interest on bonds (2021: € 20.7 million).

The group has access to €200 million revolving credit facilities which as of 30 June 2022 remain entirely undrawn. In August '22 the revolving credit facilities have been increased, at similar terms with € 100 million, increasing total undrawn committed credit facilities up to € 300 million.

The gearing ratio¹ of the Group increased from 29.8% at 31 December 2021 to 35.2% as at 30 June 2022.

DIVIDEND

At the Annual General Meeting held on 13 May 2022 a distribution of a gross dividend of € 149.6 million equal to €6.85 per share for year 2021 was approved and this has since been distributed to shareholders on 25 May 2022.

¹ Calculated as Net debt / Total equity and liabilities

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS¹

CONDENSED CONSOLIDATED INCOME STATEMENT For the six months ended 30 June

INCOME STATEMENT <i>(in thousand of €)</i>	NOTE	30.6.2022	30.6.2021	
Revenue	5	35,128	18,143	
Gross rental income	5	19,129	7,113	
Property operating expenses		(2,028)	(1,071)	
Net rental income		17,101	6,042	
Joint venture management fee income	5	9,931	8,547	
Net valuation gains / (losses) on investment properties	6	155,914	163,247	
Administration expenses ²		(20,801)	(20,290)	
Share in result of Joint Ventures	7	31,383	84,414	
Other expenses		(3,000)	(2,000)	
Operating profit / (loss)		190,528	239,960	
Financial income	8	8,056	5,623	
Financial expenses	8	(22,322)	(11,785)	
Net financial result		(14,266)	(6,162)	
Profit before taxes		176,262	233,798	
Taxes		(23,124)	(30,001)	
Profit for the period		153,138	203,797	
Attributable to:				
Shareholders of VGP NV	9	153,138	203,797	
Non-controlling interests		-	-	
EARNINGS PER SHARE		NOTE	30.6.2022	30.6.2021
Basic earnings per share (in €)	9		7.01	9.90
Diluted earnings per share (in €)	9		7.01	9.90

¹ The condensed interim consolidated financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the European Union.

² Restated versus previous reporting due to change of presenting of travel expenses as part of admin costs

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the period ended 30 June

STATEMENT OF COMPREHENSIVE INCOME <i>(in thousand of €)</i>	30.6.2022	30.6.2021
Profit for the year	153,138	203,797
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods</i>	-	-
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>	-	-
Other comprehensive income for the period	-	-
Total comprehensive income / (loss) of the period	153,138	203,797
Attributable to:		
Shareholders of VGP NV	153,138	203,797
Non-controlling interest	-	-

CONDENSED CONSOLIDATED BALANCE SHEET
For the period ended

ASSETS (in thousand of €)	NOTE	30.6.2022	31.12.2021
Intangible assets		1,241	1,046
Investment properties	10	2,403,174	1,852,514
Property, plant and equipment		54,016	32,141
Non-current financial assets		0	0
Investments in joint venture and associates	7.2, 7.4	965,193	858,116
Other non-current receivables	7.3	332,310	264,905
Deferred tax assets		3,280	1,953
Total non-current assets		3,759,214	3,010,675
Trade and other receivables	11	169,267	148,022
Cash and cash equivalents		648,499	222,160
Disposal group held for sale	14	292,989	501,882
Total current assets		1,110,755	872,064
TOTAL ASSETS		4,869,969	3,882,739
SHAREHOLDERS' EQUITY AND LIABILITIES			
<i>(in thousands of €)</i>			
	NOTE	30.6.2022	31.12.2021
Share capital	12	78,458	78,458
Share premium	12	574,088	574,088
Retained earnings		1,526,600	1,523,019
Shareholders' equity		2,179,146	2,175,565
Non-current financial debt	13	2,183,775	1,340,609
Other non-current financial liabilities		0	0
Other non-current liabilities		41,797	32,459
Deferred tax liabilities		125,825	112,295
Total non-current liabilities		2,351,397	1,485,363
Current financial debt	13	177,977	44,147
Trade debts and other current liabilities		126,459	107,510
Liabilities related to disposal group held for sale	14	34,990	70,154
Total current liabilities		339,426	221,811
Total liabilities		2,690,823	1,707,174
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		4,869,969	3,882,739

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the period ended 30 June

STATEMENT OF CHANGES IN EQUITY <i>(in thousands of €)</i>	Statutory share capital	Capital reserve	IFRS share capital	Other reserves	Retained earnings	Total equity
Balance as at 1 January 2021	102,641	(30,416)	72,225	285,420	948,092	1,305,737
Other comprehensive income / (loss)	-	-	-	-	-	0
Result of the period	-	-	-	-	203,797	203,797
Effect of disposals	-	-	-	-	-	0
Total comprehensive income / (loss)	-	-	-	-	203,797	203,797
Capital and share premium increase net of transaction costs (see note 16)	-	-	-	-	-	-
Share capital distribution to shareholders	-	-	-	-	-	-
Dividends	-	-	-	-	(75,128)	(75,128)
Balance as at 30 June 2021	102,641	(30,416)	72,225	285,420	1,076,761	1,434,406
Balance as at 1 January 2022	108,874	(30,416)	78,458	574,088	1,523,019	2,175,565
Other comprehensive income / (loss)	-	-	-	-	-	0
Result of the period	-	-	-	-	153,138	153,138
Effect of disposals	-	-	-	-	-	0
Total comprehensive income / (loss)	0	0	0	0	153,138	153,138
Capital and share premium increase net of transaction costs (see note 16)	-	-	0	-	-	0
Share capital distribution to shareholders	-	-	-	-	-	0
Dividends	-	-	-	-	(149,557)	(149,557)
Balance as at 30 June 2022	108,874	(30,416)	78,458	574,088	1,526,600	2,179,146

CONDENSED CONSOLIDATED CASH FLOW STATEMENT
For the period ended 30 June

CASH FLOW STATEMENT (in thousand of €)	Note	30.6.2022	30.6.2021
<i>Cash flows from operating activities</i>			
Profit before taxes		176,262	233,798
<i>Adjustments for:</i>			
Depreciation		1,831	1,375
Unrealised (gains) / losses on investment properties	6	(108,266)	(151,429)
Realised (gains) / losses on disposal of subsidiaries and investment properties	6	(47,648)	(11,818)
Unrealised (gains) / losses on financial instruments and foreign exchange		811	200
Interest (income)		(8,056)	(5,623)
Interest expense		21,511	11,585
Share in (profit) / loss of Joint Venture and associates	7	(31,383)	(84,414)
Operating profit before changes in working capital and provisions		5,062	(6,326)
Decrease/(Increase) in trade and other receivables		(37,080)	(4,417)
(Decrease)/Increase in trade and other payables		(2,189)	(857)
Cash generated from the operations		(34,207)	(11,601)
Interest income		0	1
Interest (expense)		(25,498)	(15,236)
Income taxes paid		(1,164)	(125)
Net cash generated from operating activities		(60,869)	(26,961)
<i>Cash flows from investing activities</i>			
Proceeds from disposal of tangible assets and other		17	0
Proceeds from disposal of subsidiaries and investment properties	15	215,457	49,647
Investment property and investment property under construction		(472,238)	(231,242)
Distribution by / (investment in) Joint Venture and associates		(8,485)	(500)
Loans provided to Joint Venture and associates		(73,035)	(61,717)
Loans repaid by Joint Venture and associates		0	0
Net cash used in investing activities		(338,284)	(243,812)
<i>Cash flows from financing activities</i>			
Dividends paid		(149,557)	(75,128)
Proceeds from loans	13	991,149	594,149
Loan repayments	13	(19,000)	(667)
Net cash used in financing activities		822,592	518,354
Net increase / (decrease) in cash and cash equivalents		423,439	247,581
Cash and cash equivalents at the beginning of the period		222,160	222,356
Effect of exchange rate fluctuations		(49)	(742)
Reclassification to (-) / from held for sale		2,949	0
Cash and cash equivalents at the end of the period		648,499	469,195

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS For the period ended 30 June

1. Basis of preparation

The condensed interim financial statements have been prepared in accordance with IAS 34 “Interim Financial Reporting”, as adopted by the European Union. The consolidated financial information was approved for issue on 25 August 2022 by the Board of Directors.

2. Significant accounting policies

The condensed interim financial statements are prepared on a historic cost basis, with the exception of investment properties and investment property under construction as well as financial derivatives which are stated at fair value. All figures are in thousands of Euros (*EUR '000*).

The accounting policies adopted are consistent with those followed in the preparation of the Group’s annual consolidated financial statements for the year ended 31 December 2021 except for following new standards, amendments to standards and interpretations and the accounting policy re share based payments, which became effective during the first half year of 2022:

- Amendments to IAS 16 Property, Plant and Equipment: Proceeds before Intended Use (applicable for annual periods beginning on or after 1 January 2022)
- Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets: Onerous Contracts — Cost of Fulfilling a Contract (applicable for annual periods beginning on or after 1 January 2022)
- Amendments to IFRS 3 Business Combinations: Reference to the Conceptual Framework (applicable for annual periods beginning on or after 1 January 2022)
- Annual Improvements to IFRS Standards 2018–2020 (applicable for annual periods beginning on or after 1 January 2022)

The initial recognition of the above new standards did not have a material impact on the financial position and performance of the Group.

New standards, amendments to standards and interpretations not yet effective during the first half year of 2022:

- IFRS 17 Insurance Contracts (applicable for annual periods beginning on or after 1 January 2023)
- Amendments to IFRS 17 Insurance contracts: Initial Application of IFRS 17 and IFRS 9 – Comparative Information (applicable for annual periods beginning on or after 1 January 2023, but not yet endorsed in the EU)
- Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current (applicable for annual periods beginning on or after 1 January 2023, but not yet endorsed in the EU)
- Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting Policies (applicable for annual periods beginning on or after 1 January 2023)
- Amendments to IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates (applicable for annual periods beginning on or after 1 January 2023)
- Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction (applicable for annual periods beginning on or after 1 January 2023, but not yet endorsed in the EU)

3. Critical accounting estimates and judgements and key sources of estimation uncertainty

The critical accounting judgements and key sources of estimation uncertainty are consistent with those outlined in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2021 (*See Annual Report 2021 – Note 3*).

4. Segment reporting

The chief operating decision maker is the person that allocates resources to and assesses the performance of the operating segments. The Group has determined that its chief operating decision-maker is the chief executive officer (CEO) of the Company. He allocates resources to and assesses the performance at business line and country level.

The segmentation for segment reporting within VGP is primarily by business line and secondly by geographical region.

4.1 Business lines

For management purpose, the Group also presents financial information according to management breakdowns, based on these functional allocations of revenues and costs. These amounts are based on a number of assumptions, and accordingly are not prepared in accordance with IFRS audited consolidated financial statements of VGP NV for the periods ended 30 June 2022 and 2021 and year ended 31 December 2021.

Within H1 2022 there have been no new business lines identified, which had not been previously reported in the annual accounts of 2021.

Investment business

The Group's investment or so-called rental business consists of operating profit generated by the completed and leased out projects of the Group's portfolio and the proportional share of the operating profit (excluding net valuation gains) of the completed and leased out projects of the Joint Ventures' portfolio. Revenues and expenses allocated to the rental business unit include 10% of the Group's property operating expenses; other income; other expenses, after deduction of expenses allocated to property development; and share in result of the joint ventures, excluding any revaluation result.

Property development

The Group's property development business consists of the net development result on the Group's development activities. Valuation gains (losses) on investment properties outside the VGP European Logistics and VGP European Logistics 2 joint venture perimeter i.e. Latvia, Serbia, Croatia and France are excluded, as they are assumed to be non-cash generating, on the basis that these assets are assumed to be kept in the Group's own portfolio for the foreseeable future. In addition, 90% of total property operating expenses are allocated to the property development business, as are administration expenses after rental business and property management expenses.

Property and asset management

Property and asset management revenue includes asset management, property management and facility management income. Associated operating, administration and other expenses include directly allocated expenses from the respective asset management, property management and facility management service companies. The administrative expenses of the Czech and German property management companies have been allocated on a 50:50 basis between the rental business and the property and asset management business.

Breakdown summary of the business lines

<i>In thousands of €</i>	30.6.2022	30.6.2021
Investment EBITDA	46,994	33,369
Property development EBITDA	147,139	145,892
Property management and asset management EBITDA	6,668	5,009
Total	200,801	184,270

<i>In thousands of €</i>	For the year ended 30 June 2022			
	Investment	Development	Property and asset management	Total
Gross rental income	19,129	-	-	19,129
Property operating expenses	(202)	(1,826)	-	(2,028)
Net rental income	18,927	(1,826)	-	17,101
Joint ventures' management fee income	-	-	9,931	9,931
Net valuation gains / (losses) on investment properties destined to the joint ventures	-	163,101	-	163,101
Administration expenses	(1,571)	(14,136)	(3,263)	(18,970)
Share of joint ventures adjusted operating profit after tax ¹	29,638	-	-	29,638
Operating EBITDA	46,994	147,139	6,668	200,801
Other expenses	-	-	-	(3,000)
Depreciation and amortisation	(179)	(1,615)	(37)	(1,831)
Earnings before interest and tax	46,815	145,524	6,631	195,970
Net finance costs - Own				(14,266)
Net finance costs - joint ventures and associates				(8,907)
Profit before tax				172,797
Current income taxes - Own				(1,165)
Current income taxes - joint ventures and associates				(1,505)
Recurrent net income				170,127
Net valuation gains / (losses) on investment properties - other countries ²				(7,187)
Net valuation gains / (losses) on investment properties - joint ventures and associates				15,012
Net fair value gain/(loss) on interest rate swaps and other derivatives				-
Net fair value gain/(loss) on interest rate swaps and other derivatives - joint ventures and associates				1,128
Deferred taxes -Own				(21,959)
Deferred taxes -joint ventures and associates				(3,983)
Reported profit for the period				153,138

¹ The adjustments to the share of profit from the joint ventures (at share) are composed of € 15 million of net valuation gains on investment properties, € 1.1 million of net fair value gain on interest rate derivatives and € 3.9 million of deferred taxes in respect of these adjustments.

² Relates to developments in countries outside of the joint ventures' perimeter i.e. all countries except for Latvia, France, Serbia and Croatia

<i>In thousands of €</i>	For the year ended 30 June 2021			
	Investment	Development	Property and asset management	Total
Gross rental income	7,113	-	-	7,113
Property operating expenses	(271)	(2,443)	-	(2,714)
Net rental income	6,842	(2,443)	-	4,399
Joint ventures' management fee income	-	-	8,547	8,547
Net valuation gains / (losses) on investment properties destined to the joint ventures	-	161,569	-	161,569
Administration expenses	(500)	(13,234)	(3,538)	(17,272)
Share of joint ventures adjusted operating profit after tax ¹	27,027	-	-	27,027
Operating EBITDA	33,369	145,892	5,009	184,270
Other expenses	-	-	-	(2,000)
Depreciation and amortisation	(5)	(1,335)	(38)	(1,378)
Earnings before interest and tax	33,364	144,557	4,971	180,892
Net finance costs - Own				(6,162)
Net finance costs - joint ventures and associates				(8,551)
Profit before tax				166,179
Current income taxes - Own				(125)
Current income taxes - joint ventures and associates				(1,085)
Recurrent net income				164,969
Net valuation gains / (losses) on investment properties - other countries ²				1,678
Net valuation gains / (losses) on investment properties - joint ventures and associates				84,151
Net fair value gain/(loss) on interest rate swaps and other derivatives				-
Net fair value gain/(loss) on interest rate swaps and other derivatives - joint ventures and associates				462
Deferred taxes -Own				(29,876)
Deferred taxes -joint ventures and associates				(17,587)
Reported profit for the period				203,797

¹ The adjustments to the share of profit from the joint ventures (at share) are composed of € 84.2 million of net valuation gains on investment properties, € 0.5 million of net fair value gain on interest rate derivatives and € 17.6 million of deferred taxes in respect of these adjustments.

² Relates to developments in countries outside of the joint ventures' perimeter i.e. all countries except for Latvia.

4.2 Geographical information

This basic segmentation reflects the geographical markets in Europe in which VGP operates, VGP's operations are split into the individual countries where it is active. This segmentation is important for VGP as the nature of the activities and the customers have similar economic characteristics within those segments.

30 June 2022	Gross rental income (Incl. JV at share)	Net rental income (Incl. JV at share)	Operating EBITDA (Incl. JV at share)	Investment properties (Incl. JV at share)	Total assets (Incl. JV at share)	Capital expenditure ¹
<i>In thousands of €</i>						
Western Europe						
Germany	28,114	22,537	83,935	2,502,706	2,639,137	252,027
Spain	4,665	3,240	41,231	388,448	466,514	36,767
Austria	352	(252)	4,005	131,523	141,168	39,084
Netherlands	2,587	(416)	28,310	333,495	356,768	12,967
Italy	1,447	775	20,461	81,653	97,945	12,170
France	-	(28)	(414)	13,240	17,006	13,240
Portugal	104	259	(1,104)	32,746	44,659	8,427
Luxembourg	-	-	-	-	213,483	-
Belgium	-	-	-	-	753,530	-
	37,269	26,115	176,424	3,483,811	4,730,210	374,681
Central and Eastern Europe						
Czech Republic	8,347	7,712	20,324	547,731	568,726	36,748
Slovakia	2,102	999	(3,944)	209,486	216,129	21,565
Hungary	2,198	1,658	8,213	161,862	174,429	26,195
Romania	1,994	1,099	(5,583)	139,558	160,935	20,000
	14,641	11,468	19,010	1,058,637	1,120,219	104,508
Baltics and Balkan						
Latvia	1,267	525	354	84,200	88,021	17,891
Serbia	-	(615)	(863)	23,952	24,840	685
	1,267	(90)	(509)	108,152	112,861	18,576
Other²						
	31	9,865	5,876	5,432	6,994	5,357
Total	53,208	47,358	200,801	4,656,032	5,970,284	503,121

¹ Includes joint venture at share.

² Capital expenditures includes additions and acquisition of investment properties and development land but does not include tenant incentives, letting fees, and capitalised interest. Capital expenditure directly incurred for the own portfolio amounts to € 477.8 million and amounts to € 25.3 million on development properties of the First and Second Joint Venture.

³ Other includes the Group central costs and costs relating to the operational business which are not specifically geographically allocated.

31 December 2021	Gross rental income (Incl. JV at share)	Net rental income (Incl. JV at share)	Operating EBITDA (Incl. JV at share)	Investment properties (Incl. JV at share)	Total assets (Incl. JV at share)	Capital expenditure ¹
<i>In thousands of €</i>						
Western Europe						
Germany	42,442	33,297	317,886	2,169,350	2,249,782	244,805
Spain	6,267	3,979	49,137	392,795	409,536	100,921
Austria	663	280	26,359	61,825	66,709	33,312
Netherlands	3,445	3,072	68,180	306,143	326,511	61,449
Italy	1,476	744	10,710	93,070	110,591	35,252
France	-	(19)	(19)	-	100	-
Portugal	-	(228)	5,150	24,873	29,754	13,056
Luxembourg	-	-	-	-	160,676	-
Belgium	-	-	-	-	381,379	-
	54,293	41,125	477,403	3,048,056	3,735,037	488,794
Central and Eastern Europe						
Czech Republic	13,507	12,529	97,861	488,585	504,922	65,284
Slovakia	2,056	1,003	40,045	190,729	197,004	68,568
Hungary	4,075	3,548	20,305	126,706	140,346	40,548
Romania	3,227	1,754	3,124	132,705	156,090	41,424
	22,865	18,834	161,335	938,725	998,361	215,824
Baltics and Balkan						
Latvia	2,891	2,691	2,558	72,840	76,796	15,288
Serbia	4	(51)	(213)	23,950	25,176	23,269
	2,895	2,640	2,345	96,790	101,972	38,557
Other²	-	8,119	(6,962)	73	864	-
Total	80,053	70,718	634,121	4,083,644	4,836,234	743,176

¹ Capital expenditures includes additions and acquisition of investment properties and development land but does not include tenant incentives, letting fees, and capitalised interest. Capital expenditure directly incurred for the own portfolio amounts to € 719.3 million (of which € 299.1 related to land acquisition) and amounts to € 23.9 million on development properties of the First and Second Joint Venture.

² Other includes the Group central costs and costs relating to the operational business which are not specifically geographically allocated.

5. Revenue

<i>In thousands of €</i>	30.6.2022	30.6.2021
Rental income from investment properties	14,597	5,907
Rent incentives	4,532	1,206
Total gross rental income	19,129	7,113
Property and facility management income	8,097	6,416
Development management income	1,834	2,131
Joint Venture management fee income	9,931	8,547
Service charge income	6,068	2,483
Total revenue	35,128	18,143

The Group leases out its investment property under operating leases. The operating leases are generally for terms of more than 5 years. The gross rental income reflects the full impact of the income generating assets delivered during the first half year of 2022. During the first half of 2022 rental income included € 1.9 million of rent for the period 1 January 2022 to 15 March 2022 related to the property portfolio sold during the third closing with the Second Joint Venture on 15 March 2022.

At the end of June 2022, the Group (including the joint ventures) had annualised committed leases of € 281.1 million¹ compared to € 256 million² as at 31 December 2021,

The breakdown of future lease income on an annualised basis for the own portfolio was as follows:

<i>In thousands of €</i>	30.6.2022	30.06.2021
Less than one year	108,119	57,910
Between one and five years	405,706	216,434
More than five years	577,049	280,581
Total	1,090,874	554,925

6. Net valuation gains / (losses) on investment properties

<i>In thousands of €</i>	30.6.2022	30.6.2021
Unrealised valuation gains / (losses) on investment properties	68,055	141,309
Unrealised valuation gains / (losses) on disposal group held for sale	40,211	10,120
Realised valuation gains / (losses) on disposal of subsidiaries and investment properties	47,648	11,818
Total	155,914	163,247

The own property portfolio, excluding development land but including the assets being developed on behalf of the joint ventures, is valued by the valuation expert at 30 June 2022 based on a weighted average yield of 4.57% (compared to 4.64% as at 31 December 2021) applied to the contractual rents increased by the estimated rental value on unlet space. A 0,10% variation of this market rate would give rise to a variation of the total portfolio value of € 54.0 million.

¹ € 172.7 million related to the joint ventures' property portfolio and € 108 million related to the own property portfolio.

² € 151.1 million related to the Joint ventures' property portfolio and € 105 million related to the own property portfolio.

7. Investments in Joint Ventures

7.1 Profit from Joint Ventures

The table below presents a summary Income Statement of the Group's joint ventures with (i) Allianz Real Estate (VGP European Logistics, VGP European Logistics 2, VGP Park München) and the associates; (ii) the joint venture with Roozen Landgoederen Beheer (LPM), (iii) the joint venture with VUSA (Belartza) located in San Sebastian, Spain and (iv) the joint venture with Weimer Bau (Siegen) in Germany, all of which are accounted for using the equity method.

VGP European Logistics and VGP European Logistics 2 are incorporated in Luxembourg. VGP European Logistics owns logistics property assets in Germany, the Czech Republic, Slovakia and Hungary. VGP European Logistics 2 owns logistics property assets in Spain, Austria, the Netherlands, Italy and Romania. VGP Park München is incorporated in München (Germany) and owns and develops the VGP park located in München. LPM Joint Venture will develop Logistics Park Moerdijk ("LPM") together with the Port Authority Moerdijk on a 50:50-basis. The objective is to build a platform of new, grade A logistics and industrial properties of which 50% for account of the LPM Joint Venture 50% directly for account of the Port Authority Moerdijk.

The joint ventures with Belartza and Siegen contain land to be developed jointly with its partner. In Siegen a part of the land has already been sold in August 2022.

VGP NV holds 50% directly in all joint ventures and holds another 5.1% in the subsidiaries of VGP European Logistics holding assets in Germany.

<i>In thousands of €</i>	VGP European Logistics (excl. minorities) at 100%	VGP European Logistics 2 at 100%	VGP Park München at 100%	Development Joint Ventures at 100 %	Joint Ventures at 50%	VGP European Logistics German Asset Companies at 5.1%	30.06.2022
Gross rental income	48,042	15,261	1,574	22	32,450	1,629	34,079
Property Operating expenses							
- underlying property operating expenses	818	(1,695)	52	318	(253)	6	(247)
- property management fees	(4,313)	(2,189)	(329)	0	(3,416)	(159)	(3,575)
Net rental income	44,547	11,377	1,297	340	28,781	1,476	30,257
Net valuation gains / (losses) on investment properties	43,199	(15,487)	0	0	13,856	1,156	15,012
Administration expenses	(871)	(235)	(52)	(48)	(603)	(19)	(622)
Operating profit	86,875	(4,345)	1,245	292	42,034	2,613	44,647
Net financial result	(9,552)	(4,219)	(1,011)	(7)	(7,395)	(381)	(7,776)
Taxes	(12,677)	2,396	(30)	(5)	(5,157)	(331)	(5,488)
Profit for the period	64,646	(6,168)	204	280	29,482	1,901	31,383

<i>In thousands of €</i>	VGP European Logistics (excl. minorities) at 100%	VGP European Logistics 2 at 100%	VGP Park München at 100%	Development Joint Ventures at 100 %	Joint Ventures at 50%	VGP European Logistics German Asset Companies at 5.1%	30.06.2021
Gross rental income	45,094	11,332	1,578	0	29,002	1,531	30,533
Property Operating expenses							
- underlying property operating expenses	(10)	(536)	(43)	277	(156)	14	(142)
- property management fees	(3,657)	(1,400)	(313)	0	(2,685)	(133)	(2,818)
Net rental income	41,426	9,396	1,222	277	26,161	1,413	27,573
Net valuation gains / (losses) on investment properties	138,733	19,555	0	0	79,144	5,007	84,151
Administration expenses	(611)	(106)	(60)	(293)	(535)	(14)	(549)
Operating profit	179,548	28,845	1,162	(16)	104,770	6,406	111,175
Net financial result	(10,668)	(3,681)	(927)	(110)	(7,693)	(396)	(8,089)
Taxes	(29,133)	(5,815)	(543)	0	(17,746)	(927)	(18,672)
Profit for the period	139,747	19,349	(308)	(126)	79,331	5,083	84,414

7.2 Summarised balance sheet information in respect of Joint Ventures

<i>In thousands of €</i>	First Joint Venture (excl. minorities) at 100%	Second Joint Venture at 100%	Third Joint Venture at 100%	Development Joint Ventures at 100 %	Joint Ventures at 50%	First Joint Venture's German Asset Companies at 5.1%	30.06.2022
Investment properties	2,252,447	757,735	594,037	151,162	1,877,692	85,723	1,963,415
Other assets	759	1,155	3,751	75	2,869	-	2,869
Total non-current assets	2,253,206	758,890	597,788	151,237	1,880,561	85,723	1,966,284
Trade and other receivables	12,046	20,473	11,362	1,241	22,561	417	22,978
Cash and cash equivalents	84,044	34,487	28,425	144	73,550	2,696	76,246
Total current assets	96,090	54,960	39,787	1,385	96,111	3,113	99,224
Total assets	2,349,296	813,850	637,575	152,622	1,976,672	88,836	2,065,508
Non-current financial debt	883,647	417,315	336,198	75,341	856,251	35,056	891,307
Other non-current financial liabilities	-	-	-	-	-	-	-
Other non-current liabilities	5,926	5,552	-	950	6,214	161	6,375
Deferred tax liabilities	217,714	53,753	2,658	583	137,354	7,594	144,948
Total non-current liabilities	1,107,288	476,620	338,856	76,874	999,819	42,811	1,042,630
Current financial debt	23,096	8,415	-	-	15,755	744	16,499
Trade debts and other current liabilities	16,699	23,540	37,028	4,344	40,806	380	41,186
Total current liabilities	39,794	31,955	37,028	4,344	56,561	1,124	57,685
Total liabilities	1,147,082	508,575	375,884	81,218	1,056,380	43,935	1,100,315
Net assets	1,202,214	305,275	261,691	71,404	920,292	44,901	965,193

<i>In thousands of €</i>	First Joint Venture (excl. minorities) at 100%	Second Joint Venture at 100%	Third Joint Venture at 100%	Development Joint Ventures at 100 %	Joint Ventures at 50%	First Joint Venture's German Asset Companies at 5.1%	31.12 2021
Investment properties	2,215,851	451,500	551,441	105,322	1,662,057	84,713	1,746,770
Other assets	41	54	3,531	75	1,850	-	1,851
Total non-current assets	2,215,892	451,554	554,972	105,397	1,663,908	84,713	1,748,620
Trade and other receivables	10,920	8,044	5,257	1,247	12,734	395	13,129
Cash and cash equivalents	59,747	19,192	16,691	421	48,025	1,836	49,862
Total current assets	70,667	27,236	21,948	1,668	60,760	2,231	62,990
Total assets	2,286,560	478,790	576,920	107,065	1,724,667	86,943	1,811,611
Non-current financial debt	892,941	239,304	271,522	53,774	728,771	35,325	764,095
Other non-current financial liabilities	399	(15)	-	-	192	-	192
Other non-current liabilities	6,158	2,709	-	950	4,909	141	5,049
Deferred tax liabilities	207,402	40,578	2,408	583	125,486	7,331	132,816
Total non-current liabilities	1,106,901	282,576	273,930	55,307	859,357	42,796	902,153
Current financial debt	23,588	5,033	-	-	14,310	744	15,055
Trade debts and other current liabilities	18,505	7,203	41,459	4,604	35,885	402	36,288
Total current liabilities	42,093	12,236	41,459	4,604	50,196	1,146	51,342
				0			
Total liabilities	1,148,994	294,812	315,389	59,911	909,553	43,942	953,495
Net assets	1,137,566	183,978	261,531	47,154	815,114	43,001	858,116

The second Joint Venture (VGP European Logistics 2) recorded one closing during the year. On 15 March 2022, VGP completed a third closing, whereby the Second Joint Venture ("VGP European Logistics 2 S.à r.l.") acquired 13 logistic buildings, including 9 buildings in 7 new VGP parks and another 4 newly completed buildings (in parks which were previously transferred to the Second Joint Venture).

At July 1st 2022, two additional closings with the First and Second Joint Venture transitioned for a total gross asset value of € 105 million, resulting in net proceeds for VGP in amount of € 82 million.

The Joint Ventures' property portfolio, excluding development land and buildings being constructed by VGP on behalf of the Joint Ventures, is valued at 30 June 2022 based on a weighted average yield of 4.35%¹ (compared to 4.28% as at 31 December 2021). A 0.10% variation of this market rate would give rise to a variation of the Joint Venture portfolio value (at 100%) of € 86.6 million.

The (re)valuation of the First and Second Joint Ventures' portfolio was based on the appraisal report of the property expert Jones Lang LaSalle.

¹ The First and Second Joint Venture have been valued by an independent valuation expert. The valuation of the Third Joint Venture is based on the agreed proportional purchase price with Allianz Real Estate. The LPM Joint Venture only holds development land and hence has been excluded from the weighted average yield calculation.

VGP provides certain services, including asset-, property- and development advisory and management, for the Joint Ventures and receives fees from the Joint Ventures for doing so. Those services are carried out on an arms-length basis and do not give VGP any control over the relevant Joint Ventures (nor any unilateral material decision-making rights). Significant transactions and decisions within the Joint Ventures require full Board and/or Shareholder approval, in accordance with the terms of the Joint Venture agreement.

7.3 Other non-current receivables

<i>in thousands of €</i>	30.06.2022	31.12.2021
Shareholder loans to First Joint Venture	43,009	42,183
Shareholder loans to Second Joint Venture	30,377	15,963
Shareholder loans to Third Joint Venture	168,099	135,908
Shareholder loans to Development Joint Ventures	72,796	52,940
Shareholder loans to associates (subsidiaries of First Joint Venture)	17,066	16,976
Construction and development loans to subsidiaries of First Joint Venture	49,506	36,769
Construction and development loans to subsidiaries of Second Joint Venture	73,526	46,192
Construction and development loans reclassified as assets held for sale	(123,032)	(82,961)
Other non-current receivables	963	935
Total	332,310	264,905

7.4 Investments in joint ventures and associates

<i>in thousands of €</i>	30.06.2022	31.12.2021
As at 1 January	858,116	654,773
Additions	81,217	23,770
Result of the year	31,383	186,703
Repayment of equity	(5,500)	(7,130)
Adjustment from sale of participations	(23)	-
As at the end of the period	965,193	858,116

8. Net financial result

<i>In thousands of €</i>	30.6.2022	30.6.2021
Interest income - loans to joint venture and associates	8,056	5,622
Financial income	8,056	5,623
Bond interest expense	(25,401)	(14,279)
Bank interest expense – variable debt	(2,504)	(1,433)
Interest capitalised into investment properties	8,834	5,571
Net foreign exchange losses	(811)	(200)
Other financial expenses	(2,440)	(1,444)
Financial expenses	(22,322)	(11,785)
Net financial result	(14,266)	(6,162)

9. Earnings per share

9.1 Earnings per ordinary share (EPS)

<i>In number</i>	30.6.2022	30.6.2021
Weighted average number of ordinary shares (basic)	21,833,050	20,583,050
Dilution	-	-
Weighted average number of ordinary shares (diluted)	21,833,050	20,583,050

<i>In thousands of €</i>	30.6.2022	30.6.2021
Result for the period attributable to the Group and to ordinary shareholders	153,138	203,797
Earnings per share (in €) - basic	7.01	9.90
Earnings per share (in €) - diluted	7.01	9.90

9.2 EPRA NAV's – EPEA NAV's per share

The EPRA NAV metrics make adjustments to the IFRS NAV in order to provide stakeholders with the most relevant information on the fair value of the assets and liabilities. The three different EPRA NAV indicators are calculated on the basis of the following scenarios:

Net Reinstatement Value: based on the assumption that entities never sell assets and aims to reflect the value needed to build the entity anew. The purpose of this indicator is to reflect what would be required to reconstitute the company through the investment markets based on the current capital and financing structure, including Real Estate Transfer Taxes. EPRA NRV per share refers to the EPRA NRV based on the number of shares in circulation as at the balance sheet date. See www.epra.com.

Net Tangible Assets: assumes that entities buy and sell assets, thereby realizing certain levels of deferred taxation. This pertains to the NAV adjusted to include property and other investments at fair value and to exclude certain items that are not expected to be firmly established in a business model with long-term investment properties. EPRA NTA per share refers to the EPRA NTA based on the number of shares in circulation as at the balance sheet date. See www.epra.com.

Net Disposal Value: provides the reader with a scenario of the sale of the company's assets leading to the realization of deferred taxes, financial instruments and certain other adjustments. This NAV should not be considered a liquidation NAV as in many cases the fair value is not equal to the liquidation value. The EPRA NDV per share refers to the EPRA NDV based on the number of shares in circulation as at the balance sheet date. See www.epra.com.

30 June 2022	EPRA NRV	EPRA NTA	EPRA NDV	EPRA NAV	EPRA NNAV
<i>In thousands of €</i>					
IFRS NAV	2,179,146	2,179,146	2,179,146	2,179,146	2,179,146
IFRS NAV per share (in euros)	99.81	99.81	99.81	99.81	99.81
NAV at fair value (after the exercise of options, convertibles and other equity)	2,179,146	2,179,146	2,179,146	2,179,146	2,179,146
To exclude:					
Deferred tax	157,508	157,508	-	157,508	-
Intangibles as per IFRS balance sheet	-	(1,241)	-	-	-
Subtotal	2,336,654	2,335,413	2,179,146	2,336,654	2,179,146
Fair value of fixed interest rate debt	-	-	474,817	-	474,817
Real estate transfer tax	77,992	-	-	-	-
NAV	2,414,646	2,335,413	2,653,963	2,336,654	2,653,963
Number of shares	21,833,050	21,833,050	21,833,050	21,833,050	21,833,050
NAV / share (in euros)	110.60	106.97	121.56	107.02	121.56

31 December 2021	EPRA NRV	EPRA NTA	EPRA NDV	EPRA NAV	EPRA NNAV
<i>In thousands of €</i>					
IFRS NAV	2,175,565	2,175,565	2,175,565	2,175,565	2,175,565
IFRS NAV per share (in euros)	99.65	99.65	99.65	99.65	99.65
NAV at fair value (after the exercise of options, convertibles and other equity)	2,175,565	2,175,565	2,175,565	2,175,565	2,175,565
To exclude:					
Deferred tax	160,176	160,176	-	160,176	-
Intangibles as per IFRS balance sheet	-	(1,051)	-	-	-
Subtotal	2,335,741	2,334,690	2,175,565	2,335,741	2,175,565
Fair value of fixed interest rate debt	-	-	(7,470)	-	(7,470)
Real estate transfer tax	63,285	-	-	-	-
NAV	2,399,026	2,334,690	2,168,095	2,335,741	2,168,095
Number of shares	21,833,050	21,833,050	21,833,050	21,833,050	21,833,050
NAV / share (in euros)	109.88	106.93	99.30	106.98	99.30

10. Investment properties

<i>In thousands of €</i>	30.6.2022			
	Completed	Under Construction	Development land	Total
As at 1 January	562,730	855,160	434,624	1,852,514
Reclassification from held for sale	183,100	160,770	3,735	347,605
Capex	105,479	187,469	11,584	304,633
Acquisitions	36,282	2,381	134,597	173,260
Capitalised interest	62	8,743	28	8,833
Capitalised rent free and agent's fee	3,524	240	2,035	5,799
Sales and disposal	(215,958)	(115,874)	(3,757)	(335,589)
Transfer on start-up of development	-	20,404	(20,404)	-
Transfer on completion of development	262,070	(262,070)	-	-
Net gain from value adjustments in investment properties	23,165	46,277	(1,388)	68,054
Reclassification to held for sale	(21,935)	-	-	(21,935)
As at June 30	938,620	903,500	561,054	2,403,174

<i>In thousands of €</i>	31.12.2021			
	Completed	Under Construction	Development land	Total
As at 1 January	166,410	456,681	297,060	920,151
Reclassification from held for sale	-	-	-	-
Capex	163,678	231,983	24,499	420,160
Acquisitions	-	17,935	281,211	299,146
Capitalised interest	777	12,435	-	13,212
Capitalised rent free and agent's fee	7,995	2,045	676	10,716
Sales and disposal	(36,419)	-	-	(36,419)
Transfer on start-up of development	-	177,545	(177,545)	-
Transfer on completion of development	318,947	(318,947)	-	-
Net gain from value adjustments in investment properties	124,443	436,253	12,457	573,153
Reclassification to (-) / from held for sale	(183,100)	(160,770)	(3,735)	(347,605)
As at 31 December	562,730	855,160	434,624	1,852,514

10.1 Fair value hierarchy of the Group's investment properties

All of the Group's properties are level 3, as defined by IFRS 13, in the fair value hierarchy as at 30 June 2022 and there were no transfers between levels during the year. Level 3 inputs used in valuing the properties are those which are unobservable, as opposed to level 1 (inputs from quoted prices) and level 2 (observable inputs either directly, i.e. as prices, or indirectly, i.e. derived from prices).

10.2 Property valuation techniques and related quantitative information

(i) Valuation process

The Group's own investment properties and the joint venture's investment properties were valued at 30 June 2022 by Jones Lang LaSalle. The valuation process was unchanged compared to the valuation process described in the 2021 Annual Report (page 265-266).

(ii) Quantitative information about fair value measurements using unobservable inputs

The quantitative information in the following tables is taken from the different reports produced by the independent real estate experts, The figures provide the range of values and the weighted average of the assumptions used in the determination of the fair value of investment properties.

Region	Segment	Fair value 30 Jun-22 (€ '000)	Valuation technique	Level 3 - Unobservable inputs	Range
Czech Republic	IP	87,930	Discounted cash flow	ERV per m ² (in €)	38-56
				Discount rate	4.25%-6.00%
				Exit yield	4.25%-5.00%
				Weighted average yield	4,65%
				Cost to completion (in '000)	250
				Properties valued (aggregate m ²)	89.912
				WAULT (until maturity) (in years)	6.31
				WAULT (until first break) (in years)	6.31
	IPUC	103,570	Discounted cash flow	ERV per m ² (in €)	48-60
				Discount rate	4.25%-4.90%
				Exit yield	4.25%-4.90%
				Weighted average yield	4,71%
				Cost to completion (in '000)	14.900
				Properties valued (aggregate m ²)	111.248
	DL	38,278	Sales comparison	Price per m ²	
Germany	IP	640,170	Discounted cash flow	ERV per m ² (in €)	40-79
				Discount rate	4.15%-6.00%
				Exit yield	3.30%-5.00%
				Weighted average yield	4,31%
				Cost to completion (in '000)	31.822
				Properties valued (aggregate m ²)	518.110
				WAULT (until maturity) (in years)	7.21
				WAULT (until first break) (in years)	6.88
	IPUC	558,930	Discounted cash flow	ERV per m ² (in €)	44-94
				Discount rate	4.15%-6.50%
				Exit yield	3.10%-4.30%
				Weighted average yield	3,80%
				Cost to completion (in '000)	284.237
				Properties valued (aggregate m ²)	516.285
	DL	100,378	Sales comparison	Price per m ²	
Spain	IP	49,200	Equivalent yield	ERV per m ² (in €)	42-51
				Exit yield	4.65%-4.79%
				Reversionary yield	4.91%

				Weighted average yield	4,95%
				Cost to completion (in '000)	600
				Properties valued (aggregate m ²)	48.506
				WAULT (until maturity) (in years)	4.15
				WAULT (until first break) (in years)	3.48
	IPUC	18,750	Equivalent yield	ERV per m ² (in €)	39-64
				Exit yield	4.20%-5.20%
				Reversionary yield	4.48%-5.43%
				Weighted average yield	5,60%
				Cost to completion (in '000)	1.700
				Properties valued (aggregate m ²)	29.644
	DL	92,112	Sales comparison	Price per m ²	
Romania	IP	5,700	Discounted cash flow	ERV per m ² (in €)	50
				Discount rate	8.50%
				Exit yield	8.00%
				Weighted average yield	8,41%
				Cost to completion (in '000)	0
				Properties valued (aggregate m ²)	9.556
				WAULT (until maturity) (in years)	5.02
				WAULT (until first break) (in years)	5.02
	IPUC	48,900	Discounted cash flow	ERV per m ² (in €)	46-61
				Discount rate	8.40%-9.50%
				Exit yield	7.65%-8.75%
				Weighted average yield	9,51%
				Cost to completion (in '000)	6.860
				Properties valued (aggregate m ²)	101.614
	DL	42,908	Sales comparison	Price per m ²	
Netherlands	DL	37,547	Sales comparison	Price per m ²	
Italy	IPUC	3,300	Discounted cash flow	ERV per m ² (in €)	88
				Discount rate	6.85%
				Exit yield	5.00%%
				Weighted average yield	5,69%
				Cost to completion (in '000)	5.432
				Properties valued (aggregate m ²)	5.656
	DL	30,551	Sales comparison	Price per m ²	
Austria	IPUC	53,190	Discounted cash flow	ERV per m ² (in €)	78-193
				Discount rate	5.00%-5.50%
				Exit yield	3.50%-4.25%
				Weighted average yield	3,71%
				Cost to completion (in '000)	39.587
				Properties valued (aggregate m ²)	22.730
	DL	63,448	Sales comparison	Price per m ²	
Hungary	IP	29,950	Discounted cash flow	ERV per m ² (in €)	60-66
				Discount rate	6.50%-7.00%
				Exit yield	6.00%-6.50%
				Weighted average yield	7,09%
				Cost to completion (in '000)	0
				Properties valued (aggregate m ²)	33.711
				WAULT (until maturity) (in years)	7.38
				WAULT (until first break) (in years)	6.44
	IPUC	50,590	Discounted cash flow	ERV per m ² (in €)	50-61
				Discount rate	6.25%-7.50%

				Exit yield	5.75%-6.50%
				Weighted average yield	6,72%
				Cost to completion (in '000)	25.766
				Properties valued (aggregate m ²)	97.579
	DL	38,608	Sales comparison	Price per m ²	
Latvia	IP	41,110	Discounted cash flow	ERV per m ² (in €)	52
				Discount rate	7.25%-8.15%
				Exit yield	7.15%
				Weighted average yield	7,71%
				Cost to completion (in '000)	1.000
				Properties valued (aggregate m ²)	62.545
				WAULT (until maturity) (in years)	7.00
				WAULT (until first break) (in years)	7.00
	IPUC	41,450	Discounted cash flow	ERV per m ² (in €)	58-61
				Discount rate	7.00%
				Exit yield	7.00%
				Weighted average yield	7,21%
				Cost to completion (in '000)	17.150
				Properties valued (aggregate m ²)	70.605
	DL	1,640	Sales comparison	Price per m ²	
Slovakia	IP	84,560	Discounted cash flow	ERV per m ² (in €)	40
				Discount rate	5.35%
				Exit yield	5.35%
				Weighted average yield	5,07%
				Cost to completion (in '000)	850
				Properties valued (aggregate m ²)	100.664
				WAULT (until maturity) (in years)	9.91
				WAULT (until first break) (in years)	9.91
Slovakia	IPUC	24,820	Discounted cash flow	ERV per m ² (in €)	47-55
				Discount rate	5.35%-6.00%
				Exit yield	5.35%-5.50%
				Weighted average yield	5,76%
				Cost to completion (in '000)	10.600
				Properties valued (aggregate m ²)	39.262
Slovakia	DL	61,558	Sales comparison	Price per m ²	
Portugal	DL	11,476	Sales comparison	Price per m ²	
Serbia	DL	23,952	Sales comparison	Price per m ²	
Croatia	DL	5,358	Sales comparison	Price per m ²	
France	DL	13,240	Sales comparison	Price per m ²	
Total		2,403,174			

IP= completed investment property
 IPUC= investment property under construction
 DL= development land

11. Trade and other receivables

<i>In thousands of €</i>	30.6.2022	31.12.2021
Trade receivables	12,464	9,283
Tax receivables - VAT	67,866	64,417
Accrued income and deferred charges	1,984	1,592
Other receivables	89,691	86,490
Reclassification to (-) / from held for sale	(2,738)	(13,760)
Total	169,267	148,022

12. Share capital and other reserves

12.1 Share capital

<i>Issued and fully paid</i>	Number of Shares	Par value of Shares (€ 000)
Ordinary Shares issued at 1 January 2022	21,833,050	78,458
issue of new shares	-	-
Ordinary Shares issued at 30 June 2022	21,833,050	78,458

The statutory share capital of the Company amounts to € 108,873 k. The € 30.4 million capital reserve included in the Statement of Changes in Equity, relates to the elimination of the contribution in kind of the shares of a number of Group companies and the deduction of all costs in relation to the issuing of the new shares and the stock exchange listing of the existing shares from the equity of the company, at the time of the initial public offering ("IPO") in 2007 (see also "Statement of changes in equity").

13. Current and non-current financial debts

The contractual maturities of interest-bearing loans and borrowings (current and non-current) are as follows:

MATURITY <i>In thousands of €</i>	30.6.2022 Outstanding balance	30.6.2022		
		< 1 year	> 1-5 year	> 5 year
Non-current				
Bank borrowings	-	-	-	-
Schuldschein Loan	28,946		26,946	2,000
Bonds				
3.90% bonds Sep -23	224,209	-	224,209	-
3.25% bonds Jul - 24	74,761	-	74,761	-
3.35% bonds Mar - 25	79,852	-	79,852	-
3.50% bonds Mar - 26	189,185	-	189,185	-
1.50% bonds Apr - 29	595,047		-	595,047
1.625% bonds Jan - 27	496,496		496,496	-
2.25% bonds Jan - 30	495,280		-	495,280
	2,154,829	-	1,064,502	1,090,327
Total non-current financial debt	2,183,775	-	1,091,448	1,092,326
Current				
Bank borrowings	-	-	-	-
Schuldschein Loan	4,457	4,457		
Bonds (2.75% bonds Apr - 23)	149,693	149,693		
Accrued interests	23,827	23,827	-	-
Liabilities related to disposal group held for sale	-			
Total current financial debt	177,977	177,977	-	-
Total current and non-current financial debt	2,361,752	177,977	1,091,448	1,092,326

MATURITY <i>In thousands of €</i>	31.12.2021			
	Outstanding balance	< 1 year	> 1-5 year	> 5 year
Non-current				
Bank borrowings	-	-	-	-
Schuldschein Loan	28,939		26,940	1,999
Bonds				
2.75% bonds Apr - 23	149,492	-	149,492	-
3.90% bonds Sep - 23	223,890	-	223,890	-
3.25% bonds Jul - 24	74,702	-	74,702	-
3.35% bonds Mar - 25	79,825	-	79,825	-
3.50% bonds Mar - 26	189,076	-	189,076	-
1.50% bonds Apr - 29	594,684		-	594,684
	1,311,669	-	716,985	594,684
Total non-current financial debt	1,340,609	-	743,925	596,684
Current				
Bank borrowings	18,917	18,917		
Schuldschein Loan	4,496	4,496		
Bonds				
Accrued interests	20,734	20,734	-	-
Liabilities related to disposal group held for sale	-			
Total current financial debt	44,147	44,147	-	-
Total current and non-current financial debt	1,384,756	44,147	743,925	596,684

The above 30 June 2022 balances include capitalised finance costs of (i) € 201k on bank borrowings and schuldschein loans (2021: € 147k) and (ii) € 9,425k on bonds of (2021: € 8,331 k).

The bond "Apr-23" has been reclassified from non-current to current financial debt as it is due April 2023.

The accrued interest relates to the 8¹ issued bonds (€ 23.5 million) and the Schuldschein loans (€ 0.34 million). The coupons of the bonds are payable annually on 2 April for the Apr-23 Bond, 21 September for the Sep-23 Bond, 6 July for the Jul-24 Bond, 30 March for the Mar-25 Bond, 19 March for the Mar-26, 8 April for the Apr-29 bond and 17 January for bonds Jan-27 & Jan-30. The interest on the Schuldschein loans are payable on a semi-annual basis on 15 April and 15 October for the variable rate Schuldschein loans and annually on 15 October for the fixed rate Schuldschein loans.

¹ The issued bond as per January 10th 2022 has been considered as two bonds, given their dual tranche maturity as well as different cost

13.1 Overview

13.1.1 Bank loans

The loans and credit facilities granted to the VGP Group are all denominated in € can be summarised as follows (all figures below are stated excluding capitalised finance costs):

30.6.2022	Facility amount	Facility expiry date	Outstanding balance	< 1 year	> 1-5 year	> 5 year
<i>In thousands of €</i>						
KBC Bank NV	75,000	31-dec-26	-	-	-	-
Belfius Bank NV	75,000	31-dec-26	-	-	-	-
BNP Paribas Fortis	50,000	31-dec-24	-	-	-	-
Total bank debt	200,000		-	-	-	-

31.12.2021	Facility amount	Facility expiry date	Outstanding balance	< 1 year	> 1-5 year	> 5 year
<i>In thousands of €</i>						
Swedbank AS - Latvia	22,000	31-mrt-22	19,000	19,000	-	-
KBC Bank NV	75,000	31-dec-26	-	-	-	-
Belfius Bank NV	75,000	31-dec-26	-	-	-	-
BNP Paribas Fortis	50,000	31-dec-24	-	-	-	-
Total bank debt	222,000		19,000	19,000	-	-

The loan, with outstanding balance of € 19 million as per 31.12.2021 has been repaid on its maturity date in full. In August 2022 VGP NV increased its credit facility with Belfius Bank NV with € 100 million, as such increasing total committed revolving facilities to € 300 million, which are to date undrawn.

13.1.2 Schuldschein loans

The Schuldschein loans represents a combination of fixed and floating notes whereby the variable rates represent a nominal amount of EUR 21.5 million which is not hedged. The current average interest rate is 2.73 per cent per annum. The loans have a remaining weighted average term of 3.6 years.

30.6.2022	Facility amount	Facility expiry date	Outstanding balance	< 1 year	> 1-5 year	> 5 year
<i>In thousands of €</i>						
Schuldschein loans	33,500	Oct -22 to Oct-27	33,500	4,500	27,000	2,000

31.12.2021	Facility amount	Facility expiry date	Outstanding balance	< 1 year	> 1-5 year	> 5 year
<i>In thousands of €</i>						
Schuldschein loans	33,500	Oct -22 to Oct-27	33,500	4,500	27,000	2,000

13.1.3 Bonds

The following eight bonds are outstanding at 30 June 2022:

- the € 150 million fixed rate bond maturing on 2 April 2023 which carries a coupon of 2.75% per annum (listed on the regulated market of Euronext Brussels with ISIN Code: BE0002677582) (“Apr-23 Bond”)
- € 225 million fixed rate bonds due 21 September 2023 carry a coupon of 3.90% per annum. The bonds have been listed on the regulated market of NYSE Euronext Brussels (ISIN Code: BE0002258276). (“Sep-23 Bond”)
- € 75 million fixed rate bonds due 6 July 2024 which carry a coupon of 3.25% per annum. The bonds have been listed on the regulated market of NYSE Euronext Brussels (ISIN Code: BE0002287564). (“Jul-24 Bond”)
- € 80 million fixed rate bonds due 30 March 2025 carry a coupon of 3.35% per annum. The bonds are not listed (ISIN Code: BE6294349194). (“Mar-25 Bond”)
- € 190 million fixed rate bonds due 19 March 2026 carry a coupon of 3.50% per annum. The bonds have been listed on the regulated market of NYSE Euronext Brussels (ISIN Code: BE0002611896). (“Mar-26 Bond”)
- € 600 million fixed rate bonds due 8 April 2029 carry a coupon of 1.50% per annum. The bonds have been listed on the Luxembourg Stock Exchange (Euro MTF) (ISIN Code: BE6327721237). (“Apr-29 Bond”)
- € 1000 million fixed rate bonds, dual tranche on five and eight years due 17 January 2027 and 17 January 2030, carry a coupon of 1.625% and 2.25% per annum. The bonds have been listed on the Luxembourg Stock Exchange (Euro MTF) (ISIN Code: BE6332786449 and BE6332787454). (“Jan-27 and Jan-30 Bond”)

13.2 Key terms and covenants

Please refer to *Annual Report 2021 - Note 17.2 Key terms and covenants* for further information.

During the first half year of 2022, the Group operated well within its bank loans, schuldschein loans and bond covenants and there were no events of default nor were there any breaches of covenants with respect to loan agreements noted.

14. Assets classified as held for sale and liabilities associated with those assets

<i>In thousands of €</i>	30.6.2022	31.12.2021
Intangible assets	-	5
Investment properties	289,443	484,360
Property, plant and equipment	-	-
Deferred tax assets	-	-
Trade and other receivables	2,738	13,760
Cash and cash equivalents	808	3,757
Disposal group held for sale	292,989	501,882
Non-current financial debt	-	-
Other non-current financial liabilities	-	-
Other non-current liabilities	(1)	(2,296)
Deferred tax liabilities	(34,963)	(49,834)
Current financial debt	-	-
Trade debts and other current liabilities	(26)	(18,025)
Liabilities associated with assets classified as held for sale	(34,990)	(70,155)
TOTAL NET ASSETS	257,999	431,727

In order to sustain its growth over the medium term, VGP entered into three 50/50 joint ventures with Allianz (First, Second and Fourth Joint Venture) in respect of acquiring income generating assets developed by VGP. These Joint Ventures act as an exclusive take-out vehicle of the income generating assets, allowing VGP to partially recycle its initially invested capital when completed projects are acquired by the Joint Ventures. VGP is then able to re-invest the proceeds in the continued expansion of its development pipeline, including the further expansion of its land bank, allowing VGP to concentrate on its core development activities.

Each of these joint ventures have an exclusive right of first refusal in relation to acquiring the following income generating assets of the Group: (i) for the First and Fourth Joint Venture: the assets located in the Czech Republic, Germany, Hungary and the Slovak Republic; and (ii) for the Second Joint Venture: the assets located in Austria, Italy, the Benelux, Portugal, Romania and Spain.

The development pipeline which will be transferred as part of any future acquisition transaction between the Joint Venture and VGP is being developed at VGP's own risk and subsequently acquired and paid for by these joint ventures subject to pre-agreed completion and lease parameters.

As at 30 June 2022 the assets of the respective project companies which were earmarked to be transferred to the First and Second Joint Venture in the future, were therefore reclassified as disposal group held for sale.

The investment properties correspond to the fair value of the asset under construction which are being developed by VGP on behalf of the First and Second Joint Venture. This balance includes € 123 million of interest-bearing development and construction loans (2021: € 82.9 million) granted by VGP to these joint ventures to finance their respective development pipeline.

15. Cash flow from disposal of subsidiaries and investment properties

<i>In thousands of €</i>	30.6.2022	31.12.2021
Investment property	272,376	54,496
Trade and other receivables	13,180	678
Cash and cash equivalents	17,279	2,172
Non-current financial debt	0	0
Shareholder debt	(172,220)	(41,658)
Other non-current financial liabilities	(2,458)	(502)
Deferred tax liabilities	(24,627)	(2,192)
Trade debts and other current liabilities	(13,443)	(1,108)
Total net assets disposed	90,087	11,886
Realized valuation gain on sale	46,733	12,136
Total non controlling interest retained by VGP	0	(1,108)
Shareholder loans repaid at closing	159,325	40,362
Equity contribution	(63,409)	(11,457)
Total consideration	232,736	51,819
Consideration paid in cash	232,736	51,819
Cash disposed	(17,279)	(2,172)
Net cash inflow from divestment of subsidiaries and investment properties	215,457	49,647

On 16th of March 2022 VGP announced the successful third closing with its 50:50 joint venture, VGP European Logistics II ("Second Joint Venture"). The transaction comprised of 13 logistic buildings, including 9 buildings in 7 new VGP parks and another 4 newly completed logistic buildings which were developed in parks previously transferred to the Joint Venture. The transaction value was € 364 million¹ and gross proceeds from this transaction amounted to circa € 233 million. Following the completion of this third closing of the Second Joint Venture, the Second's Joint Venture's property portfolio consist of 32 completed buildings representing around 642,000 m² of lettable area, with a 99.8% occupancy rate.

¹ The transaction value is composed of the purchase price for the completed income generating buildings and the net book value of the development pipeline which is transferred as part of a closing but not yet paid for by the First Joint Venture.

16. Capital management

VGP is continuously optimising its capital structure targeting to maximise shareholder value while keeping the desired flexibility to support its growth. The Group operates within and applies a maximum gearing ratio of net debt / total shareholders' equity and liabilities at 65%.

As at 30 June 2022 the Group's gearing was as follows:

<i>In thousands of €</i>	30.6.2022	31.12.2021	30.6.2021
Non-current financial debt	2,183,775	1,340,609	1,343,876
Other non-current financial liabilities	0	0	0
Current financial debt	177,977	44,147	34,791
Financial debt classified under liabilities related to disposal group held for sale	0	0	0
Total financial debt	2,361,752	1,384,756	1,378,667
Cash and cash equivalents	(648,499)	(222,160)	(469,195)
Cash and cash equivalents classified as disposal group held for sale	(808)	(3,757)	0
Total net debt (A)	1,712,445	1,158,839	909,472
Total shareholders' equity and liabilities (B)	4,869,969	3,882,739	2,987,138
Gearing ratio ((A)/(B))	35.2%	29.8%	30.4%

17. Fair value

The following tables list the different classes of financial assets and financial liabilities with their carrying amounts in the balance sheet and their respective fair value and analysed by their measurement category under IFRS 9.

Abbreviations used in accordance with IFRS 9 are:

AC	Financial assets or financial liabilities measured at amortised cost
FVTPL	Financial assets measured at fair value through profit or loss
HFT	Financial liabilities Held for Trading

30.6.2022				
<i>In thousands of €</i>	Category in accordance with IFRS 9	Carrying amount	Fair value	Fair value hierarchy
Assets				
Other non-current receivables	AC	332,310	332,310	Level 2
Trade receivables	AC	12,464	12,464	Level 2
Other receivables	AC	89,691	89,691	Level 2
Derivative financial assets	FVTPL	-	-	Level 2
Cash and cash equivalents	AC	647,575	647,575	Level 2
Reclassification to (-) from held for sale		(816)	(816)	
Total		1,081,224	1,081,224	
Liabilities				
Financial debt				
Bank debt	AC	33,403	33,403	Level 2
Bonds	AC	2,304,522	1,837,860	Level 1
Trade payables	AC	88,848	88,848	Level 2
Other liabilities	AC	71,713	71,713	Level 2
Derivative financial liabilities	HFT	-	-	Level 2
Reclassification to liabilities related to disposal group held for sale		(12)	(12)	
Total		2,498,474	2,031,812	

31.12.2021	Category in accordance with IFRS 9	Carrying amount	Fair value	Fair value hierarchy
<i>In thousands of €</i>				
Assets				
Other non-current receivables	AC	264,905	264,905	Level 2
Trade receivables	AC	9,283	9,283	Level 2
Other receivables	AC	86,490	86,490	Level 2
Derivative financial assets	FVTPL	0	0	Level 2
Cash and cash equivalents	AC	222,935	222,935	Level 2
Reclassification to (-) from held for sale		(5,295)	(5,295)	
Total		578,318	578,318	
Liabilities				
Financial debt				
Bank debt	AC	52,353	52,353	Level 2
Bonds	AC	1,311,669	1,331,248	Level 1
Trade payables	AC	95,185	95,185	Level 2
Other liabilities	AC	57,244	57,244	Level 2
Derivative financial liabilities	HFT	0	0	Level 2
Reclassification to liabilities related to disposal group held for sale		(19,646)	(19,646)	
Total		1,496,805	1,516,384	

18. Contingencies and commitments

<i>(in thousands of €)</i>	30.06.2022	31.12.2021
Contingent liabilities	8,007	6,266
Commitments to purchase land	234,884	402,094
Commitments to develop new projects	534,753	685,574

Contingent liabilities mainly relate to bank guarantees linked to land plots and built out of infrastructure on development land.

The commitment to purchase land relates to contracts concerning the future purchase of 3.2 million m² of land for which deposits totalling € 28.3 million have been made (2021: 3,981,000 m² with deposits amounting to € 13 million). The down payment on land was classified under investment properties as at 30 June 2022 (same classification treatment applied for 2021) and is mainly composed of the first paid instalment (€ 16.7 million) in respect of the acquisition of a new land plot in Koblenz (Germany). It is expected that this land plot will be fully acquired during the second half of the year.

19. Related parties

On 16th of March 2022, VGP completed the third closing with its 50:50 joint venture, VGP European Logistics II ('Second Joint Venture'). The transaction comprised of 13 logistic buildings, including 9 buildings in 7 new VGP parks and another 4 newly completed logistic buildings which were developed in parks previously transferred to the Joint Venture. The transaction value was € 364 million¹ and gross proceeds from this transaction amounted to circa € 233 million (see also notes 6, 7.2 and 15).

20. Events after the balance sheet date

As per July 1st two additional closings with the First and Second Joint Venture occurred for a total gross asset value of € 105 million resulting in net cash proceeds for VGP in amount of € 82 million.

As per valuta date, August 12th, VGP increased its revolving credit facility with € 100 million, bringing total revolving credit facilities to € 300 million. To date these facilities remain undrawn.

¹ The transaction value is composed of the purchase price for the completed income generating buildings and the net book value of the development pipeline which is transferred as part of a closing but not yet paid for by the First Joint Venture.

SUPPLEMENTARY NOTES NOT PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION
For the period ended 30 June

1 INCOME STATEMENT, PROPORTIONALLY CONSOLIDATED

The table below includes the proportional consolidated income statement interest of the Group in the Joint Ventures. The interest held directly by the Group (5.1%) in the German asset companies of the Joint Ventures have been included in the 50% Joint Ventures' figures (share of VGP).

Proportionally consolidated income statement <i>In thousands of €</i>	30.6.2022			30.6.2021		
	Group	Joint Ventures	Total	Group	Joint Ventures	Total
Gross rental income	19,129	34,080	53,209	7,113	30,533	37,646
Property operating expenses	(2,028)	(3,822)	(5,850)	(2,714)	(2,960)	(5,674)
Net rental and related income	17,101	30,258	47,359	4,399	27,573	31,972
Joint venture management fee income	9,931	0	9,931	8,547	0	8,547
Net valuation gains / (losses) on investment properties	155,914	15,012	170,926	163,247	84,151	247,398
Administration expenses	(20,802)	(622)	(21,424)	(18,647)	(549)	(19,196)
Other expenses	(3,000)	0	(3,000)	(2,000)	0	(2,000)
Operating profit / (loss)	159,144	44,648	203,792	155,546	111,175	266,721
Net financial result	(14,266)	(7,776)	(22,042)	(6,162)	(8,089)	(14,251)
Taxes	(23,124)	(5,488)	(28,612)	(30,001)	(18,672)	(48,673)
Profit for the period	121,754	31,384	153,138	119,383	84,414	203,797

2 BALANCE SHEET, PROPORTIONALLY CONSOLIDATED

The table below includes the proportional consolidated balance sheet interest of the Group in the Joint Ventures. The interest held directly by the Group (5.1%) in the German asset companies of the Joint Ventures have been included in the 50% Joint Ventures' figures (share of VGP).

Proportionally consolidated balance sheet <i>In thousands of €</i>	30.6.2022			31.12.2021		
	Group	Joint Venture	Total	Group	Joint Venture	Total
Investment properties	2,403,174	1,963,415	4,366,589	1,852,514	1,746,770	3,599,284
Investment properties included in assets held for sale	289,443	-	289,443	484,360	-	484,360
Total investment properties	2,692,617	1,963,415	4,656,032	2,336,874	1,746,770	4,083,644
Other assets	390,847	2,869	393,716	300,050	1,851	301,901
Total non-current assets	3,083,464	1,966,284	5,049,748	2,636,924	1,748,620	4,385,544
Trade and other receivables	169,267	22,978	192,245	148,022	13,129	161,151
Cash and cash equivalents	648,499	76,246	724,745	222,160	49,862	272,022
Disposal group held for sale	3,546	-	3,546	17,517	-	17,517
Total current assets	821,312	99,224	920,536	387,699	62,990	450,689
Total assets	3,904,776	2,065,508	5,970,284	3,024,623	1,811,611	4,836,234
Non-current financial debt	2,183,775	891,307	3,075,082	1,340,609	764,095	2,104,704
Other non-current financial liabilities	-	-	-	-	192	192
Other non-current liabilities	41,797	6,375	48,172	32,459	5,049	37,508
Deferred tax liabilities	125,825	144,948	270,773	112,295	132,816	245,111
Total non-current liabilities	2,351,397	1,042,630	3,394,027	1,485,363	902,153	2,387,516
			-			-
Current financial debt	177,977	16,499	194,476	44,147	15,055	59,202
Trade debts and other current liabilities	126,460	41,186	167,646	107,510	36,288	143,798
Liabilities related to disposal group held for sale	34,989	-	34,989	70,154	-	70,154
Total current liabilities	339,426	57,685	397,111	221,811	51,342	273,153
Total liabilities	2,690,823	1,100,315	3,791,138	1,707,174	953,495	2,660,669
Net assets	1,213,953	965,193	2,179,146	1,317,449	858,116	2,175,565

AUDITOR'S REPORT

Report on the review of the consolidated interim financial information of VGP NV for the six-month period ended 30 June 2022

In the context of our appointment as the company's statutory auditor, we report to you on the consolidated interim financial information. This consolidated interim financial information comprises the condensed consolidated balance sheet as at 30 June 2022, the condensed consolidated income statement, the condensed consolidated statement of comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated cash flow statement for the period of six months then ended, as well as selective notes 1 to 20.

Report on the consolidated interim financial information

We have reviewed the consolidated interim financial information of VGP NV ("the company") and its subsidiaries (jointly "the group"), prepared in accordance with International Accounting Standard (IAS) 34, "Interim Financial Reporting" as adopted by the European Union.

The condensed consolidated balance sheet shows total assets of 4 869 969 (000) EUR and the condensed consolidated income statement shows a consolidated profit (group share) for the period then ended of 153 138 (000) EUR.

The board of directors of the company is responsible for the preparation and fair presentation of the consolidated interim financial information in accordance with IAS 34, "Interim Financial Reporting" as adopted by the European Union. Our responsibility is to express a conclusion on this consolidated interim financial information based on our review.

Scope of review

We conducted our review of the consolidated interim financial information in accordance with International Standard on Review Engagements (ISRE) 2410, "Review of interim financial information performed by the independent auditor of the entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit performed in accordance with the International Standards on Auditing (ISA) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the consolidated interim financial information.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the consolidated interim financial information of VGP NV has not been prepared, in all material respects, in accordance with IAS 34, "Interim Financial Reporting" as adopted by the European Union.

Signed at Antwerp.

The statutory auditor

Deloitte Bedrijfsrevisoren/Réviseurs d'Entreprises BV/SRL

Represented by Kathleen De Brabander



GLOSSARY

Allianz or Allianz Real Estate

Means, in relation to (i) the First Joint Venture, Allianz AZ Finance VII Luxembourg S.A., SAS Allianz Logistique S.A.S.U. and Allianz Benelux SA (all affiliated companies of Allianz Real Estate GmbH) taken together; (ii) the Second Joint Venture, Allianz AZ Finance VII Luxembourg S.A., and (iii) the Third Joint Venture, Allianz Pensionskasse AG, Allianz Versorgungskasse Versicherungsverein a.G., Allianz Lebensversicherungs-AG and Allianz Lebensversicherungs AG.

Allianz Joint Ventures or AZ JV

Means the First Joint Venture, the Second Joint Venture and the Third Joint Venture taken together.

AZ JVA(s) or Allianz Joint Venture Agreement(s)

Means either and each of (i) the joint venture agreement made between Allianz and VGP NV in relation to the First Joint Venture; (ii) the joint venture agreement made between Allianz and VGP NV in relation to the Second Joint Venture; and (iii) the joint venture agreement made between Allianz and VGP Logistics S.à r.l. (a 100% subsidiary of VGP NV) in relation to the Third Joint Venture.

Annualised committed leases or annualised rent income

The annualised committed leases or the committed annualised rent income represents the annualised rent income generated or to be generated by executed lease – and future lease agreements.

Break

First option to terminate a lease.

Contractual rent

The gross rent as contractually agreed in the lease on the date of signing.

Derivatives

As a borrower, VGP wishes to protect itself from any rise in interest rates. This interest rate risk can be partially hedged by the use of derivatives (such as interest rate swap contracts).

Discounted cash flow

This is a valuation method based on a detailed projected revenue flow that is discounted to a net current value at a given discount rate based on the risk of the assets to be valued.

EPRA

The European Public Real Estate Association, a real estate industry body, which has issued Best Practices Recommendations Guidelines in order to provide consistency and transparency in real estate reporting across Europe.

Equivalent yield (true and nominal)

Is a weighted average of the net initial yield and reversionary yield and represents the return a property will produce based upon the timing of the income received. The true equivalent yield assumes rents are received quarterly in advance. The nominal equivalent assumes rents are received annually in arrears.

Estimated rental value (“ERV”)

Estimated rental value (ERV) is the external valuers’ opinion as to the open market rent which, on the date of valuation, could reasonably be expected to be obtained on a new letting or rent review of a property.

Exit yield

Is the capitalisation rate applied to the net income at the end of the discounted cash flow model period to provide a capital value or exit value which an entity expects to obtain for an asset after this period.

Fair value

The fair value is defined in IAS 40 as the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm's length transaction. In addition, market value must reflect current rental agreements, the reasonable assumptions in respect of potential rental income and expected costs.

First Joint Venture

Means VGP European Logistics S.à r.l., the 50:50 joint venture between VGP and Allianz.

Fourth Joint Venture

Means VGP European Logistics 3 S.à r.l., the 50:50 joint venture between VGP and Allianz.

Gearing ratio

Is a ratio calculated as consolidated net financial debt divided by total equity and liabilities or total assets.

IAS/IFRS

International Accounting Standards / International Financial Reporting Standards. The international accounting standards drawn up by the International Accounting Standards Board (IASB), for the preparation of financial statements.

Second Joint Venture

Means VGP European Logistics 2 S.à r.l., the 50:50 joint venture between VGP and Allianz.

VGP European Logistics or VGP European Logistics joint venture

Means the First Joint Venture.

VGP European Logistics 2 or VGP European Logistics 2 joint venture

Means the Second Joint Venture.

VGP Park Moerdijk

Means the LPM Joint Venture.

VGP Park München or VGP Park München joint venture

Means the Third Joint Venture.

Joint Ventures

Means either and each of (i) the First Joint Venture; (ii) the Second Joint Venture, (iii) the Third Joint Venture; and (iv) the LPM Joint Venture.

LPM Joint Venture or LPM

Means LPM Holding B.V., the 50:50 joint venture between VGP and Roozen Landgoederen Beheer.

LPM JVA or LPM Joint Venture Agreement

Means the joint venture agreement made between Roozen Landgoederen Beheer and VGP NV in relation to the LPM Joint Venture.

Lease expiry date

The date on which a lease can be cancelled.

Net asset value

The value of the total assets minus the value of the total liabilities.

Net financial debt

Total financial debt minus cash and cash equivalents.

Net Initial Yield

Is the annualised rents generated by an asset, after the deduction of an estimate of annual recurring irrecoverable property outgoings, expressed as a percentage of the asset valuation (after notional purchaser's costs).

Occupancy rate

The occupancy rate is calculated by dividing the total leased out lettable area (m²) by the total lettable area (m²) including any vacant area (m²).

Prime yield

The ratio between the (initial) contractual rent of a purchased property and the acquisition value at a prime location.

Property portfolio

The property investments, including property for lease, property investments in development for lease, assets held for sale and development land.

Reversionary Yield

Is the anticipated yield, which the initial yield will rise to once the rent reaches the ERV and when the property is fully let. It is calculated by dividing the ERV by the valuation.

Roozen or Roozen Landgoederen Beheer

Means in relation to the LPM Joint Venture, Roozen Landgoederen Beheer B.V.

Second Joint Venture

Means VGP European Logistics 2 S.à r.l., the 50:50 joint venture between VGP and Allianz.

Third Joint Venture

Means VGP Park München GmbH, the 50:50 joint venture between VGP and Allianz.

Weighted average term of financial debt

The weighted average term of financial debt is the sum of the current financial debt (loans and bonds) multiplied by the term remaining up to the final maturity of the respective loans and bonds divided by the total outstanding financial debt.

Weighted average term of the leases ("WAULT")

The weighted average term of leases is the sum of the (current rent and committed rent for each lease multiplied by the term remaining up to the final maturity of these leases) divided by the total current rent and committed rent of the portfolio

Weighted average yield

The sum of the contractual rent of a property portfolio to the acquisition price of such property portfolio.

Take-up

Letting of rental spaces to users in the rental market during a specific period.

STATEMENT ON THE INTERIM FINANCIAL REPORT

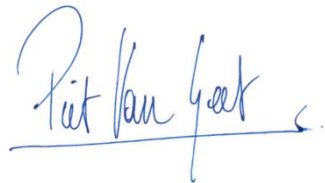
The undersigned declare that, to the best of their knowledge:

the condensed interim financial statements of VGP NV and its subsidiaries as of 30 June 2022 have been prepared in accordance with the International Financial Reporting Standards, and give a true and fair view of the consolidated assets and liabilities, financial position and consolidated results of the company and of its subsidiaries included in the consolidation for the six month period.

the interim financial management report, in all material respect, gives a true and fair view of all important events and significant transactions with related parties that have occurred in the first six month period and their effects on the interim financial statements, as well as an overview of the most significant risks and uncertainties we are confronted with for the remaining six months of the financial year.

A handwritten signature in blue ink, appearing to read 'Jan Van Geet', with a long horizontal flourish underneath.

Jan Van Geet
as permanent representative of
Jan Van Geet s,r,o,
CEO

A handwritten signature in blue ink, appearing to read 'Piet Van Geet', with a horizontal line underneath.

Piet Van Geet
as permanent representative of
Urraco BV
CFO