



VASTNED BELGIUM NV

Naamloze Vennootschap

Openbare Gereguleerde Vastgoedvennootschap naar Belgisch recht

Generaal Lemanstraat 74

2600 Berchem – Antwerpen

Ondernemingsnummer 0431.391.860 (RPR Antwerpen, afdeling Antwerpen)

BTW: BE 0431.391.860

Request for Proposal for audit services

Audit mandate for the period 2025 - 2027

Issue date: 12 May 2023

1. Introduction about Vastned Belgium NV

Vastned Belgium is a public regulated real estate company (RREC) listed on Euronext Brussels (VASTB). Vastned Belgium invests exclusively in Belgian commercial real estate, more specifically in multi-functional retail properties located in the popular shopping cities of Antwerp, Brussels, Ghent and Bruges. The real estate portfolio also comprises high-end retail parks and retail warehouses. A smaller part of the portfolio is invested in hospitality and residential units.

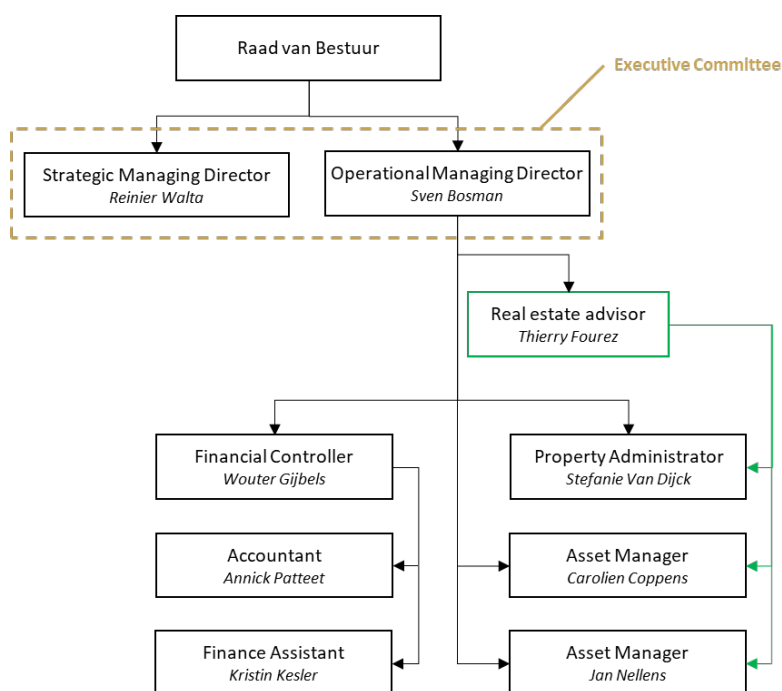
Vastned Belgium has a reference shareholder, Vastned Retail N.V., that holds 65,49% of the shares. Vastned Retail N.V. is also a listed company focused on the best properties in popular shopping areas of selected European cities with a historic city center, where shopping, living, working and leisure meet each other. By investing in historic city centers, Vastned Retail N.V. helps to preserve the cultural heritage of these locations.

The real estate portfolio of Vastned Belgium is located in Flanders (72%), Brussels (19%) and the Walloon region (9%). There are no properties held outside Belgium. Vastned Belgium has one subsidiary, called EuroInvest Retail Properties, and owns 100% of the shares of the subsidiary.

Vastned Belgium is managed by Reinier Walta (Strategic Managing Director) and Sven Bosman (Operational Managing Director). Reinier Walta and Sven Bosman are members of the Executive Committee and are also the Effective Leaders as defined by the BE-REIT laws and regulations.

The Board of Directors consists of three (3) independent directors and two (2) directors affiliated with the reference shareholder Vastned Retail N.V. The Audit Committee consists of three (3) independent directors. Vastned Belgium decided not to create a Remuneration & Nomination Committee given the limited size of the Company. The Board of Directors sees the relevant tasks of this Remuneration & Nomination Committee as tasks of the full Board of Directors. The limited size of the Board of Directors allows for efficient deliberation on these topics.

The organizational chart is summarized as follows:



Vastned Retail N.V., the reference shareholder of Vastned Belgium, announced on 16 February 2023 – with the publication of the 2022 financial result – a strategic reorientation where all options are considered. The strategic reorientation is a result of the current context of rising interest rates, increasing yields on retail real estate properties and the expected abolishment of the FBI regime (in the Netherlands) as of 2025. The purpose of the strategic reorientation is to unlock value for Vastned and all of its stakeholders. In this reorientation Vastned Retail N.V. will consider all strategic options for the company, including their feasibility.

2. Overview real estate portfolio

Vastned Belgium's retail properties are mainly located in the popular shopping streets in the city center of major cities, such as Antwerp, Brussels, Ghent and Bruges. These cities are attractive shopping cities with positive demographic growth, strong purchasing power, a historic city center, tourist appeal and the presence of national and international institutions and universities.

The portfolio also consists of high-quality retail parks and retail warehouses. The retail parks and retail warehouses are characterized by their location along major traffic axes, as well as the large-scale sales area (from 400 m²) and include both single and connected buildings. Retail parks are clusters of retail warehouses, often conceived as a commercial complex with a communal car park. These retail parks form an attraction pool in themselves and are no longer only attractive to discount formulas and run shoppers.

An evolution has been ongoing for several years, with various retailers establishing themselves in both the city center and the periphery. Vastned Belgium owns high-quality and attractive retail parks with Tielt-Winge, Wilrijk and Kampenhout.

Vastned Belgium has a number of well-located catering and residential units in its portfolio. These units make up only 5% of the real estate portfolio.

The total real estate portfolio contains 155 commercial units for a total surface of 76.086 m². The fair value of the real estate portfolio amounted to € 312,6 million per 31 December 2022. The real estate portfolio is valued on a quarterly basis by Cushman & Wakefield and CBRE (each 50% of the portfolio).

We refer to the annual report 2022 for more information about the real estate portfolio.

3. Audit services to be performed

Your proposal is expected to cover the following audit services:

1. Limited review of the IFRS consolidated financial statements for the six-month period ended June 30, 2025, two consecutive years thereafter, including review of the related Press Release, and meeting with the Audit Committee.
2. Annual audit of the IFRS consolidated financial statements for the year ended December 31, 2025, two consecutive years thereafter, including review of the related Press Release, and meeting with the Audit Committee.
3. Statutory audit of Vastned Belgium and its subsidiary EuroInvest Retail Properties
4. Reporting to the FSMA
5. Review of the ESEF Report that will be submitted to FSMA
6. Management letter need to be prepared
7. Availability throughout the year to provide advice and guidance on internal audit, financial accounting, and reporting issues.

4. Request for proposal for external audit services

In order to create your proposal, we recommend you consult the public available information published on the website of Vastned Belgium (www.vastned.be). Additional questions can be raised and we refer to the timetable below for more information. When submitting your proposal, we expect that the following information is included.

4.1. Executive summary

A summary of up to four (4) pages of the most important messages in your proposal, including your main motivations for adding Vastned Belgium to your client portfolio.

4.2. Description of your organization

In the proposal, we expect you to provide a description of:

- Your organization, its mission, vision, beliefs and culture;
- Experience with (listed) real estate companies; and
- Viewpoint, strategy and approach regarding the upcoming non-financial audit regulations (ESG – CSRD)

4.3. Composition of the team

The proposal should contain information about the proposed team and their experiences. It is important that the team members have specific experience with listed real estate companies and that the signing partner obtains the necessary credentials from FSMA for signing. If you are planning to make use of specialists (e.g. valuation experts, IFRS-desk, etc...), we also expect you to list the resume of these specialists.

When describing the team, we also expect a clear overview of the different roles and responsibilities with a clear indication of the expected time per team member – both in absolute (hours) and relative (percentage) terms.

Finally, we would like to understand how you ensure continuity on all staff levels.

4.4. Knowledge and understanding of the business

Vastned Belgium is a BE-REIT and needs to comply with specific laws and regulations. The proposal should include a description of what you consider to be the most important topics, challenges and needs for Vastned Belgium. For each of these topics, we expect a short description of how you will approach these topics and what will be the additional value that you bring towards Vastned Belgium.

4.5. Audit approach

The proposal should contain a clear overview of your audit approach and should cover the following topics:

- Specific risks and areas of attention for Vastned Belgium;
- Topics that deserve specific attention during the audit and how you plan to address them;
- Planned materiality levels;
- Your approach regarding the use of specialists, IT, data analytics and shared service centers;
- Deliverables, including audit plan, management letter and auditor's report;
- Timing of activities (planning) considering that the half-year figures are published in the fourth week of July and the annual figures are published in the first week of February. The annual report itself is published in the last week of March;
- Collaboration with management and the Audit Committee of Vastned Belgium; and
- Communication plan.

4.6. Independence

Please confirm independence of your organization towards Vastned Belgium and ensure that there are no conflicts of interest with the reference shareholder Vastned Retail N.V.

Furthermore, we would like to receive more information on the following topics:

- Your overall approach and performance in the field of quality assurance;
- Actual and potential conflicts of interest and how to deal with these;
- Your view on auditor independence, rotation and the scope of services provided by auditors;
- Your approach to partner rotation and succession;
- Your confirmation of compliance with the codes of conduct of Vastned Belgium; and
- Your confirmation of the professional liability insurance coverage.

4.7. Transition

Your proposal should contain your proposed approach for a smooth transition process.

4.8. Audit fees

The proposal should contain an overview of the fee structure for the different audit services that need to be performed. The fee structure needs to be provided for each year and for the different services that need to be performed.

Furthermore, you should give clear indication if your audit fee includes or excludes out-of-pockets expenses and if indexation will be applied during the audit mandate.

Finally, we expect an overview of the hourly rate that will be applied for each level. If the rate for additional work – that falls out of the audit mandate – differs from the work within the audit mandate, then you should provide both rates for comparability.

5. Timetable

Vastned Belgium determined a timetable in order to ensure a fluent process. Each firm is allowed to raise questions and request clarifications from Vastned Belgium via a written process. All questions will be gathered by Sven Bosman (sven.bosman@vastned.be) and he will distribute the answer to the different firms.

Activity	Responsible	Deadline
RFP distribution	Vastned Belgium	12/05/2023
Confirmation of participation	RFP participants	19/05/2023
Written questions or clarifications sent to Vastned Belgium	RFP participants	26/05/2023
Answer from Vastned Belgium to the written questions	Vastned Belgium	02/06/2023
Submit proposal in pdf towards Vastned Belgium	RFP participants	16/06/2023
Evaluation of proposals received	Vastned Belgium	30/06/2023
Presentation of the proposals	RFP participants	14/07/2023
Preliminary discussion in the Audit Committee	Vastned Belgium	18/07/2023
Preliminary approval by the Board of Directors	Vastned Belgium	25/07/2023
Final approval by the Board of Directors	Vastned Belgium	06/02/2024

Your proposals should be sent to Vastned Belgium on the due date, preferably via pdf. Based on the evaluation of the proposals, Vastned Belgium will determine which firms will be retained for the final presentation to the Audit Committee.

Vastned Belgium evaluation criteria include the areas of information solicited above for the proposal. We will also evaluate the fit with our respective teams.

Vastned Retail N.V., the reference shareholder of Vastned Belgium, announced on 16 February 2023 – with the publication of the 2022 financial result – a strategic reorientation where all options are considered. Since the outcome of this strategic reorientation is not yet known, Vastned Belgium will only make a final decision once the outcome of this strategic reorientation is known as this might have an impact on the scope of the audit assignment. All external auditors that would like to take part in this proposal process need to take this information into consideration.

6. Confidentiality

By accepting to take part in this proposal process, you agree to keep in confidence all information disclosed to you by Vastned Belgium during the process, not to disclose it to third parties, and not to use it for any other purpose than for participation in the proposal process.

7. Additional information

Please inform Sven Bosman (sven.bosman@vastned.be) by 19 May 2023 if you would like to take part in this proposal process.