FOR CITIES FOR PEOPLE

Annual Report 2021

IMMOBEL

SINCE 1863

ABOUT Immobel

As experts in high-quality real estate projects in major European cities, we create attractive urban environments that meet clients’ expectations and the needs of today and tomorrow. With more than 150 years of experience, we dare to claim that we have the agility to invest and the drive to improve living and working environments.

Ambitious ESG policy based on three pillars on asset level:

- FOR the users
- FOR the community
- FOR the environment

> EUR **725** mio
market capitalisation

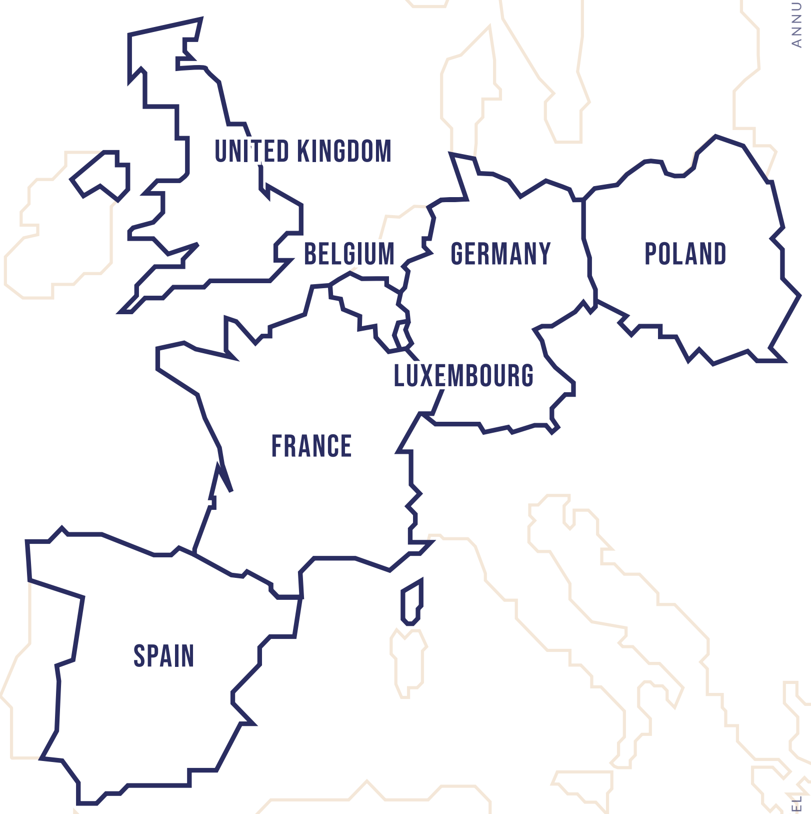
> **85**
projects under development

1,600,000 m^2
under development

EUR **5.5** bio
gross development value

71 %
residential projects in portfolio

> **200**
devoted team members in Europe



CONTENT

02 **ABOUT IMMOBEL**

04 **MESSAGE FROM THE EXECUTIVE CHAIR**

09 **WHO WE ARE**
09 Trends and drivers
10 Our vision and mission
11 Our values
12 Our strategy
13 Our ambitious ESG policy

18 **2021 HIGHLIGHTS**

20 **2021 KEY FIGURES**

22 **SHAREHOLDER INFORMATION**

24 **MAGAZINE: THE PEOPLE OF OUR CITIES**
25 For the users
31 For the community
43 For the environment

49 **ACTIVITIES**
49 Belgium
52 France
55 Luxembourg
57 Poland
58 Germany
60 Spain
61 United Kingdom

62 **MARKET ANALYSIS**

77 **ESG REPORT**

101 **MANAGEMENT REPORT**

115 **CORPORATE GOVERNANCE STATEMENT**

133 **REMUNERATION POLICY**

141 **REMUNERATION REPORT**

155 **CONSOLIDATED ACCOUNTS & CONDENSED STATUTORY ACCOUNTS**

215 **GENERAL INFORMATION**

Oxy, Brussels

MESSAGE FROM Marnix Galle

Executive Chair

2021 announced itself as the year of transition. At the start of the year, the massive vaccination drive brought a return to normal life within grasp. However, as autumn turned into winter, reality kicked in and it became clear that COVID and its impact on socio-economic life would not disappear overnight.

Next to the latest pandemic, in 2021 we faced several structural trends: the effects of climate change, rising environmental awareness, a need to address social inequality, and exploding digitalisation. The urban environment grapples with structural supply challenges because of increased urbanisation and an aging population. These megatrends impacted our business and society at large and will continue to do so in the long run.

A YEAR OF TWO HALVES 2021

DELIVERING ON PROMISES, EXCELLENT FINANCIAL RESULTS

Immobel's devoted teams, solid financials, substantial business pipeline, and future-oriented investment strategies are our strongest assets and make us a solid and reliable partner. These assets make us resilient and will help us tackle future challenges head on. Building on our solid legacy of more than 150 years, we will continue to expand our business. In 2021, we reached several milestones ensuring continued growth.

Despite the continuing pandemic, and a challenging permitting environment, 2021 yet again marks a successful year. We were perfectly positioned to take advantage of the structural growth in our markets. We finished 2021 with an excellent net group profit of EUR 92.2 million (EUR 9.25 per share) and a return on equity (19%) well above our 15% target. On this basis we commit, once again, to a 10% dividend increase, bringing the 2021 gross dividend to EUR 3.05 per share.

A FORWARD-THINKING REAL ESTATE PARTNER

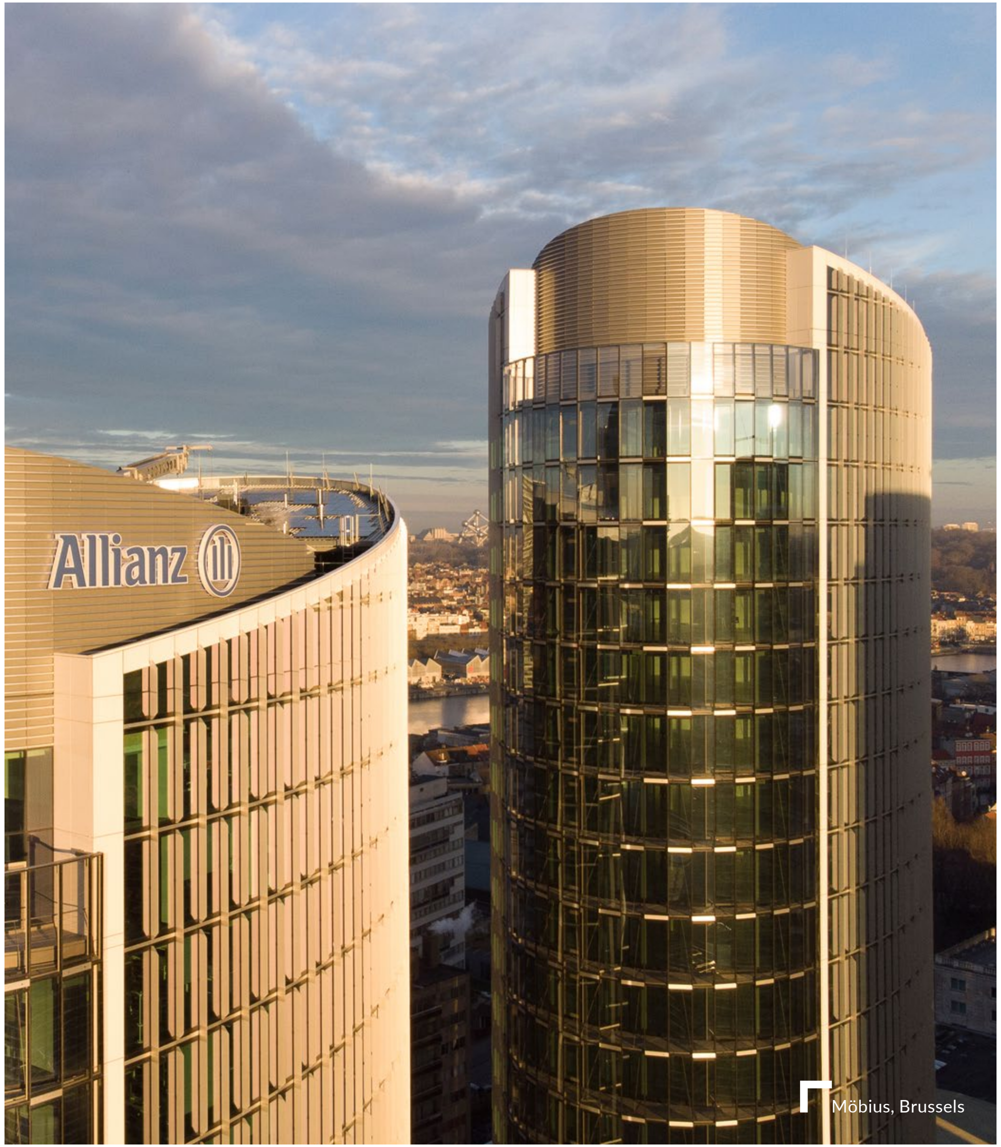
Overall, real estate markets performed well despite the insecurities linked to the ongoing pandemic. In general, real estate businesses are confident about the future. When looking at the different subsectors the picture remains diverse. The residential market was characterised by rising demand for second and suburban homes, creating a strong commercial uptake which had a positive impact on Immobel's residential sales. The future of the office is the subject of many debates yet the trend towards downsizing, upgrading and sustainability is here to stay. The success of our office pipeline, with Grade A properties on the best CBD locations, clearly demonstrates this. In Brussels, we sold the BREEAM Outstanding and CO_2-neutral Commerce 46 building in the European Quarter to Allianz, and the Möbius II building to the Belgian State (Régie des Bâtiments/Regie der Gebouwen). These transactions illustrate the continued appetite for sustainable Grade A office buildings.

Throughout 2021 we significantly strengthened our development as well as our investment management activities. In Paris, we partnered with two renowned institutional investors. Together with Goldman Sachs Asset Management, we acquired a high-quality mixed-use commercial and office building in the centre of Paris. With Pictet Alternative Advisors, we bought an office property located in the Paris Opera district, offering a significant redevelopment opportunity in one of Paris's most sought-after locations. We were awarded the contract for the conversion of the iconic Tati Barbès building into homes, shops and offices. By restructuring real estate to change its uses or by introducing mixed-use, we are responding to the key challenges of major European cities: we are addressing not only the housing shortage but also the environmental challenges.

Within the framework of our investment management business, we were active in Brussels where we acquired the Sabam headquarters. In Luxembourg we

> *"As a Chair I am very proud of our teams as well as their hard work over the past year. The achievements and sucesses we can present in this report are testament to their sustained energy and enduring resilience."*

Marnix Galle
Executive Chair



Möbius, Brussels

transferred the recently acquired Scorpio office building in the Cloche d'Or district to the BELUX Office Fund.

The combination of development and investment management activities offers real synergies, benefiting from the financial strength on the one hand and deep real estate expertise on the other hand. 2021 was the year in which we laid the groundwork for Immobel Capital Partners, our new London-based subsidiary which regroups our investment management activities. The team will focus on European green strategies that are fully aligned with the objectives of long-term institutional and qualified investors and partners.

In Spain we will develop the Four Seasons Marbella Resort, a prestigious project with a five-star hotel and private residences, condominiums and villas. This puts us in pole position to further explore opportunities in the Spanish market. Our ability to make future-oriented investments in several countries underscores our continued ambition for further European expansion.

CATALYSTS FOR GROWTH

In 2021 we witnessed slowly improving permitting activity across all markets compared to 2020, which was a year of finger-on-the-pulse management with sales slowing down and permitting procedures being delayed.

Immobel obtained permits for a sales value of EUR 892 million in 2021 (compared to EUR 506 million in 2020), including final permits amounting to a sales value of EUR 580 million.

In 2021, Immobel grew its portfolio with more than 9% to EUR 5.6 billion (Gross Development Value) by acquiring assets worth EUR 1.2 billion in sales value. Once again, this substantial pipeline will serve as an important catalyst for our growth in the coming years.

LEADING IN SUSTAINABILITY

Over the past year, we made significant headway towards our objective of becoming a key sustainability leader within our industry. We initiated the process to refine and roll-out our sustainability engagements throughout the group. Furthermore, we started defining our comprehensive sustainability strategy based on 13 themes linked to the UN Sustainable Development Goals. Our CSR Report, included in this Annual Report, gives a detailed overview of our comprehensive strategy.

In 2021 we also developed a Green Financing Framework as an extension of all sustainability and environmental actions we undertake. Our inclusion in the Global Real Estate Benchmark (GRESB) will lead to updated CSR policies. We have the ambition to raise the GRESB bar in 2022.

EMBRACING THE FUTURE

Geopolitical tensions, strong inflationary pressures, energy supply and general supply side issues, the end of the zero-interest era, the repricing of stocks and equity assets, huge country and corporate debt and many major societal challenges make one wonder whether the glass is half empty or half full.

Sustained demand and economic growth do add to the full glass picture. So does a world glut of savings which will continue to provide relatively cheap capital. The diminishing strength of the latest COVID strains provide hope for a more normal tomorrow.

Infinity, Luxembourg

Lebeau, Brussels

Society is changing and evolving at an ever-faster speed. This trend provides opportunities but also pitfalls for the built environment. Real estate companies need to be agile but must continue to create better places, working together for a greater good in the interest of all stakeholders. Continuously adapting to shifting market sentiment while being part of implementing societies' solutions is where Immobel wants to continue to be its call of voice.

As a Chair I am very proud of our teams as well as their hard work over the past year. The achievements and successes we can present in this report are testament to their sustained energy and enduring resilience. These are even more remarkable given the extraordinary and unprecedented circumstances in which they were realised. I am encouraged by their passion, dedication and efforts. While we are building on a legacy of more than 150 years, Immobel has and will continuously embrace the future. We are particularly grateful to you – our shareholders, partners and stakeholders – for your lasting trust and loyalty. We are confident for the future and look forward to continuing Immobel's journey together with you.

While I am finalising this letter, an unthinkable war is breaking out in Ukraine, which is eroding our democratic values and is causing extreme human and economic suffering. Our thoughts are with the people of Ukraine, the civilians in the war zone and everybody who is affected by this cruel act of military aggression. Let us hope that reason will soon prevail.

Executive Chair

Marnix Galle

WHO *we are*

TRENDS AND DRIVERS

In a complex and constantly changing real estate market, our vision for creating the cities of tomorrow remains clear: we want to reinvent urban spaces to make them enjoyable and sustainable places. Real estate is changing and adapting to its users' new ways of living and working. Several big trends and drivers impact what we do at Immobel; we integrate them in our strategy and reinvent our cities with an innovative mindset.

FOR *the users*

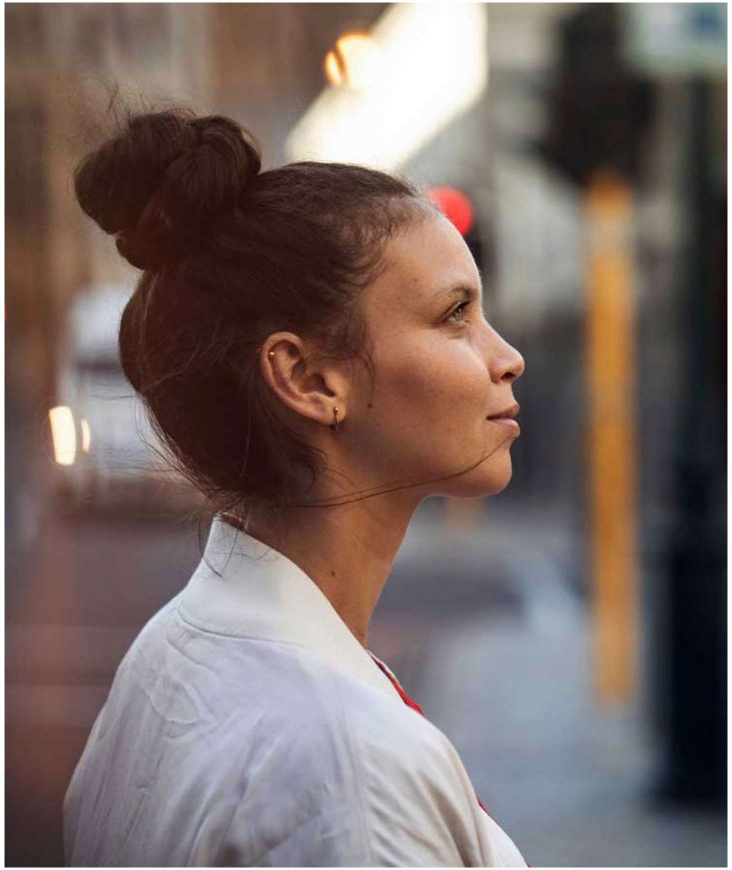
- Importance of developing public and private spaces to promote health and well-being for everyone
- Guarantee access to nature spaces for the well-being of city dwellers
- Development of soft mobility and of the “15-minute city” to facilitate everyday travel
- Improvement of city air quality
- Growing demand for accessible services near where people live and work
- Diversity of the economic fabric and social diversity are key factors for quality of life

FOR *the community*

- Difficulties experienced by cities to produce part of what is consumed in them (urban farming) and the development of urban industry initiatives (fab city)
- Local supply as the consumption choice of households, in large cities in particular
- An increasing number of hybrid living and working spaces: alternative, coworking, coliving and other spaces
- Negotiated urban planning, territorial dialogue and the growing role of citizens and civil society in project definition
- Fight socio-urban inequalities, difficult access to employment and improve the employment-housing connection

FOR *the environment*

- Reduce the impact of the real estate sector on the environment with respect to the production of greenhouse gases and resource consumption thanks to innovation and clear themes (biodiversity, materials reuse, biosourced buildings, etc.)
- Increasingly demanding regulations for asset carbon performance: EU Green Deal



OUR VISION

Reinvent living and working environments to help communities live well and sustainably.

Our cities are facing challenges which have been accelerated by the health crisis.

Taking part in building the cities of the future requires providing answers to these challenges.

We are convinced that place has a direct impact on our lives. Thanks to their diversity, public spaces, markets, cultural centres and alternative spaces contribute to the quality and resilience of people-oriented cities. These places already are and, in future, will become increasingly valuable for the regions and all the people associated with them.

Each region is also defined by its inhabitants, its companies, its culture, its heritage and its natural environment. As is the case for an ecosystem, the diversity of a region is a key factor for the resilience of the collective.

Immobel has been working with all of its stakeholders to implement the technical and economic conditions required to prepare the social and environmental transition of cities.

OUR MISSION

Create high-quality, future-proof urban environments with a positive impact on the way people live, work and play.

At Immobel, we want to develop places that have a positive impact on the lives of people and communities. As a result, improving environmental objectives is at the heart of each project. Our real estate developments also take into account the history and identity of the neighbourhoods in which they are located.

This approach enables us to provide fulfilling living, working and recreational spaces which also have a low environmental impact.

OUR VALUES

Trust

Trust is the cornerstone of our business, and of our company's story that started in 1863. Every day, we put our dedication and expertise to work for clients, investors, citizens and partners. Every day, we aim to be worthy of their trust.

Agility

We are used to working with many different stakeholders, as well as improvising in ever-changing circumstances. Without ever compromising on quality or the key aspects of responsible development, we design real estate projects that meet the most exacting standards of construction and urban renewal.

Passion

We love what we do! It is the driving force for our team of dedicated people, and it fuels our constant desire for improvement and our solutions-oriented approach. It also creates a lively work atmosphere where all colleagues can give the best of themselves and contribute real added value to our projects.

OUR STRATEGY

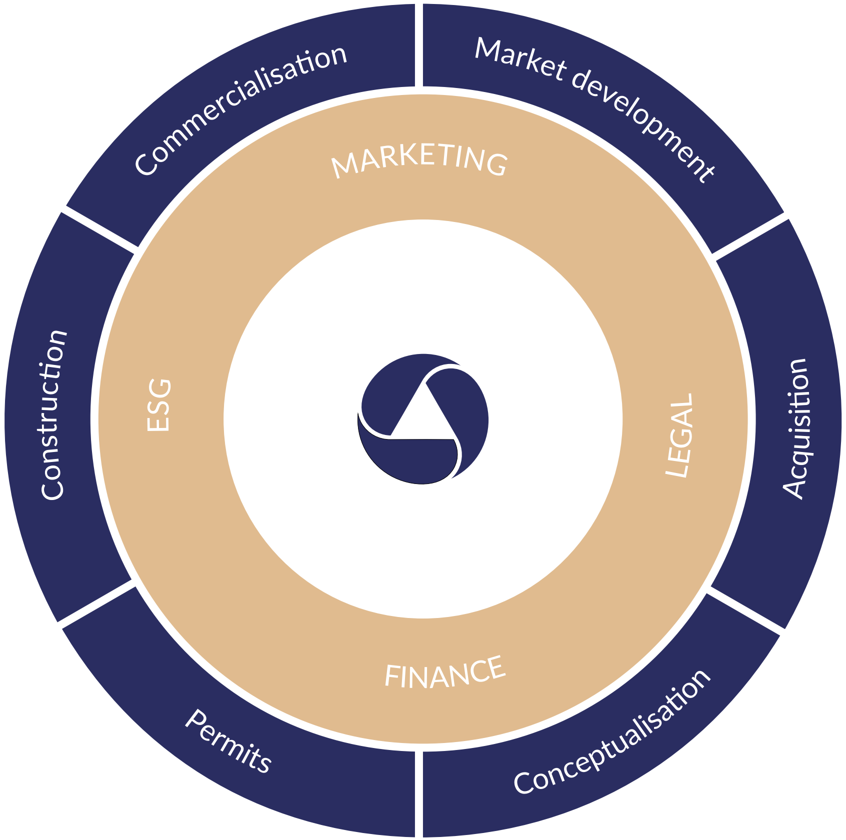
Present in Belgium, Luxembourg, France, Germany, Poland, Spain and the United Kingdom, we are committed to building the cities of tomorrow.

Through both property developments and investments, the Group aims to build sustainable and high-quality urban environments on the European property market to meet the needs of the people who live, work and spend leisure time there.

We develop major mixed-use urban projects thanks to the variety of expertise within our staff.

Our subsidiary, Immobel Capital Partners, focuses on creating investment strategies in the office and residential sectors where Immobel is already a market leader which allows the creation of unique synergies.

A PURPOSE DRIVEN REAL ESTATE DEVELOPER AND INVESTMENT MANAGER



OUR AMBITIOUS ESG POLICY

Since we are very aware that buildings become a part of cities for a very long time, we want our projects to be healthy living places. The current health crisis has shown us, more than ever, what will count in the future: the ability of places to contribute to our quality of life, to reduce our environmental footprint and to actively contribute to the vitality of the region.

These concerns are part of all of our projects and illustrate the desire of our teams to develop urban spaces that benefit both individual users and communities.

We implement our convictions in three ways on the level of our asset: through what we do for the users, for the local community, and for the environment.

At group level, we focus on collaborators and partners engagement, stakeholder dialogue and social sponsorship.

Read our ESG report

CREATING HEALTHY PLACES

+ ASSETS

HEALTHY PLACES FOR THE USERS	HEALTHY PLACES FOR THE COMMUNITY	HEALTHY PLACES FOR THE ENVIRONMENT
Human centered design; Soft mobility	Local economy; Public engage-ment; Social inclusion	Ecological value; Carbon neutrality; Circularity

+ GROUP

COLLABORATORS AND PARTNERS ENGAGEMENT	STAKEHOLDER DIALOGUE	SOCIAL SPONSORSHIP
Sustainable & innovative culture; Diversity & inclusion; Healthy workplace	Positive leadership	Social initiatives

In 2021, we have set-up a process to refine and rollout our sustainability engagements throughout the Group. The starting point was the definition of the most important UN Sustainable Development Goals (SDG's) which should guide our day-to-day business. We have identified 7 goals, in particular those related to sustainable cities and communities, good health and wellbeing, as well as measures related to climate change.

OUR OBJECTIVES ARE LINKED TO THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

We consider these SDG's as the ones on which we can have a direct impact at assets level. In addition, at group level, we are convinced that we can have a direct or indirect impact on SDG's 17, 5, 3, 9, 4.

In the following pages we give an overview of the key focus areas in our ESG strategy.

Isala, Brussels

Infinity, Luxembourg

FOR *the users*

HEALTHY PLACES FOR THE USERS

Human centered design	Soft mobility

As a real estate developer and investor, we play a leading role in constructing a healthy living, working and recreational environment for all city users. Our projects are intended to produce high-quality areas in cities that benefit everyone.

This is why we are careful to minimise exposure to risk factors that impact people's health. We also include the many secondary factors which contribute to ensuring the well-being of urban populations such as the proximity of essential services, accessibility to nature, the design of spaces, a sense of safety and the opportunity to meet.

HUMAN-CENTRED DESIGN

To successfully complete our mission to create healthy spaces, we ensure the excellence of building techniques and operations management.

With an enlarged focus on well-being, Immobel has decided to pursue WELL certification for large urban development projects. For its entire portfolio, a health and well-being design checklist has been developed to assure health and well-being parameters are integrated in the design. By designing environmental qualities – daylight, clean air, ventilation, careful sound design, biophilic design, vistas onto green surroundings, and integrated biodiversity – into our living environments and working spaces, we create better conditions for our users' health and well-being, both mental and physical.

SOFT MOBILITY FOR URBAN PROXIMITY

When deciding where to develop our projects we consider the distance to public transport and between facilities, we focus on developing projects near central mobility hubs. We also want to promote access to nearby services that can be reached on foot or by bicycle. The reduction in mobility needs results in more sustainable lifestyles and an improvement in quality of life.

The launch of MyMove, with its fleet of shared electric cars and bicycles, confirms the trend of offering services which encourage our users to opt for soft mobility solutions.

Read our magazine

FOR *the community*

HEALTHY PLACES FOR THE COMMUNITY

Local economy	Public engage-ment	Social inclusion

We develop urban areas. This is a significant responsibility because it provides a unique opportunity to create an environment that will have a long-term impact on the life of its users. We therefor design our developments for and with all of the stakeholders impacted. Working for the community means taking account, to the extent possible, of the needs for services and facilities expressed by our interlocutors. Working with the community means consulting with them and involving them in the planning process.

Our active involvement in several non-profit organisations, whose goal is to rethink neighbourhoods via a public-private/non-profit dialogue, demonstrates our commitment to overall well-being and our role as a regional expert.

SUPPORT THE LOCAL ECONOMY TO DIVERSIFY THE REGIONAL FABRIC

We are committed to ensuring that our developments provide an opportunity to diversify the local economic fabric by providing answers to the needs for services expressed by the resident community. We are convinced that the wealth of neighbourhoods is proportional to the diverse activities that take place in them. This is a factor for social cohesion because it enables the resident population to meet their needs locally and it draws in other users. The diversity also enables the development of a range of local activities by reducing dependency on external economic flows.

To meet this goal, we are developing regional analysis tools and we rely on the dissemination of transitional urban planning experiences to test the relevance of new services before integrating them in a final project.

PUBLIC ENGAGEMENT, OPENING UP TO LOCAL RESIDENTS

We strengthen the dialogue with the players concerned, at every level: from the territorial authorities to residents, from retailers to major companies. We try to include our stakeholders as much as possible in our projects, from the design steps, by activating an ecosystem which can feed into our planning activity and add value to each project.

We want our projects to reflect this goal for openness via the planning of exterior and interior spaces that are open and accessible to all. We are convinced that the economic and social value of a real estate asset grows when it is used intensively by a diverse set of users.

The desire for innovative product definition also translates into the group's in-house practices. This is the case of IMMPULSE, a design-centred approach intended to promote hybridisation between teams during the planning phase.

SOCIAL INCLUSION, SUPPORT FOR VULNERABLE GROUPS

A positive impact for local communities includes support for vulnerable groups, notably by supporting economic players who commit to providing socio-professional integration and to fighting poverty. We work with our suppliers, service providers and tenants to support and accompany these actions. This includes our Immobel Social Fund, which accounts for 1% of our net income each year, and supports non-profits and social entrepreneurship players.

Read our magazine

FOR *the environment*

HEALTHY PLACES FOR THE ENVIRONMENT

Ecological value	Carbon neutrality	Circularity

The impact of the real estate sector on the environment is very significant because it accounts for about 40% of energy consumption and 36% of European CO_2 emissions. This is why the sector is at the heart of national and European strategies to adapt to and mitigate climate change, via quick, binding standards changes as demonstrated by the work underway to adopt the European green taxonomy.

We work to anticipate regulatory changes that will have a profound impact on the way in which we design, build and manage real estate assets.

We are setting up the tools needed to measure, reduce, offset and include these actions in a comprehensive strategy.

TOWARD CARBON NEUTRALITY

We have been using tools and studying avant-garde initiatives for several years now to ensure the energy performance of our assets, starting with environmental certification practices (BREEAM, High Environmental Quality Certification (HQE), DGNB, or equivalent) which are consistently implemented in our projects.

Our projects have several certifications, as well as a series of labels, including WELL, BiodiverCity or Effinergie and E+C- (positive energy and reduced carbon building) in France.

In order to ensure the consistency of our in-house initiatives, to disseminate them throughout our developments and to equip the company with a broader strategic direction, in 2022 Immobel will define a path to carbon neutrality. This will enable us to integrate our energy performance, carbon accounting and construction materials selection practices.

Several of our developments are already designed today to become CO_2-neutral by eliminating all operational carbon and striving to become energy-neutral by producing locally at least as much energy as it consumes.

PRESERVING BIODIVERSITY

Our activity has an impact on biodiversity. The preservation of living things is integrated in our activities via the location choices for our projects and the inclusion of green spaces favourable to flora and fauna. We work with landscapers and ecologists on a regular basis to get a precise understanding of the state of biodiversity on our sites and to put in place instruments suited to its preservation. We also plan to disseminate in-house initiatives which combine respect for living beings with the maintenance of our green spaces.

Immobel aims to favour the establishment of the most favourable spaces for biodiversity.

A CIRCULAR APPROACH TO WATER MANAGEMENT

Our environmental performance is being enhanced by more responsible water use. We are contributing to the emergence of lower-impact circular water use practices for our real estate projects by using consumption optimisation solutions.

PROMOTING THE REUSE OF MATERIALS AND THE CIRCULAR ECONOMY

We are working on pilot projects for the restoration of our heritage, urban mining and the reuse of materials to promote local architectural, human and material resources. Our action in this respect enables us to continue to minimise the extraction of raw materials and maximise the local anchoring of our activity.

By prioritising renovations and based on the reuse inventories established for these renovation projects, Immobel has set up an internal urban mining programme to identify the potential for material reuse between our own projects or those that can be valorised by third parties.

Read our magazine

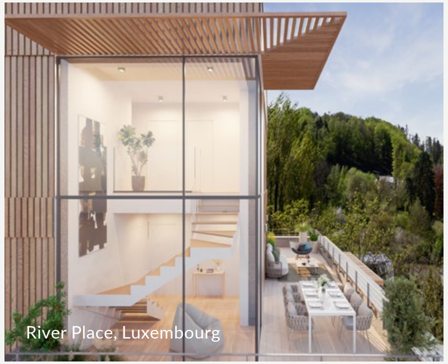
2021 Highlights

QUARTER 1

- Delivery of 165 premium apartments in Infinity: the tallest residential building of Luxembourg
- Start of the construction works at the green residential project Îlot Saint-Roch in Nivelles, Belgium
- Marketing of River Place and Canal 44 begins, two new residential projects in Luxembourg and Esch-sur-Alzette
- Sale of 129 residential units in the Brouck'R project in Brussels to Quares Student Housing

River Place, Luxembourg


Brouck'R, Brussels


River Place, Luxembourg


Commerce 46, Brussels


Fort d'Aubervilliers, Paris region

QUARTER 2

- The Multi office tower in Brussels is fully let to bpost, TotalEnergies, Immobel and a bank
- First closing of the Immobel BeLux Office Development Fund. Two investments: the Scorpio office building in Luxembourg and Sabam's headquarters in Brussels
- Sales agreement for Commerce 46 building in Brussels with Allianz
- Inclusion in the MSCI World Small Cap Index
- Planning permission obtained for the development of "Wonen aan het groen" in Tielt, Belgium
- Immobel and BPI Real Estate sell part A of the Key West project in Brussels to Home Invest Belgium
- Purchase of a new site in Godbrange, Grand Duchy of Luxembourg
- Successful commercialisation of phase 1 of Fort d'Aubervilliers in Paris region; marketing phase 2 starts earlier than foreseen
- Pictet Alternative Advisors and Immobel acquire an office building located in the Paris-Opera district

QUARTER 3

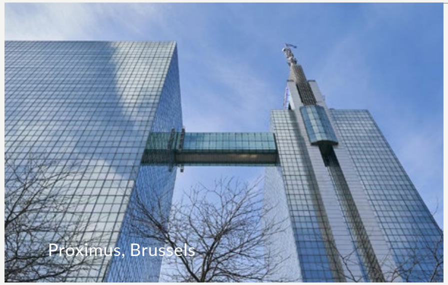
- Immobel and BPI Real Estate obtain building permit for the Brouck'R project in Brussels
- Building permit request for the renovation of the Isala building in Brussels
- Immobel and Goldman Sachs Asset Management acquire and plan to redevelop a 2,700 m² high-quality building in the centre of Paris
- Redevelopment of Tati Barbès as a mixed-use building, Paris
- 12th Belgian and 2nd Luxembourg editions of Immorun, two must-attend after-work events sponsored by Immobel, take place


Immorun, Luxembourg

QUARTER 4

- EUR 125 million green bonds issued to finance the development of our high-quality sustainable projects
- Urban approval for the Four Seasons Resort in Marbella, Spain
- Construction works of Central Point in Poland finalised. First tenants occupy the building
- Immobel joins PropTech Lab Belgium, the community of innovators in the real estate value chain
- Immobel selected by Proximus as preferred candidate to finalise negotiations for the acquisition and redevelopment of Proximus' new headquarters in Brussels
- Sales agreement for the BREEAM Excellent Möbius II building in Brussels with the Belgian State
- Immobel France becomes member of the association "Everybody against cancer"
- End of the structural works for the iconic Nova office development, Luxembourg
- Eden's green façade is completed, Frankfurt


Möbius, Brussels


Proximus, Brussels

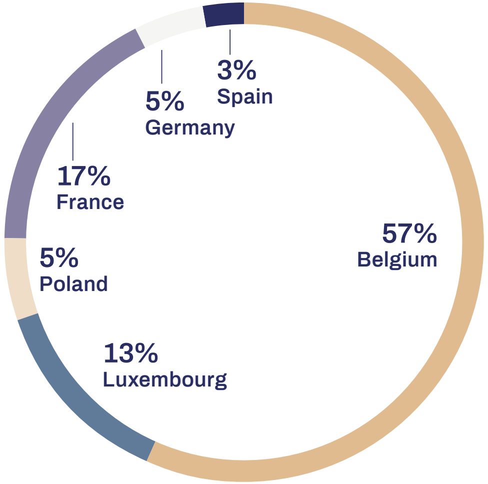

Four Seasons Resort, Marbella


Nova, Luxembourg

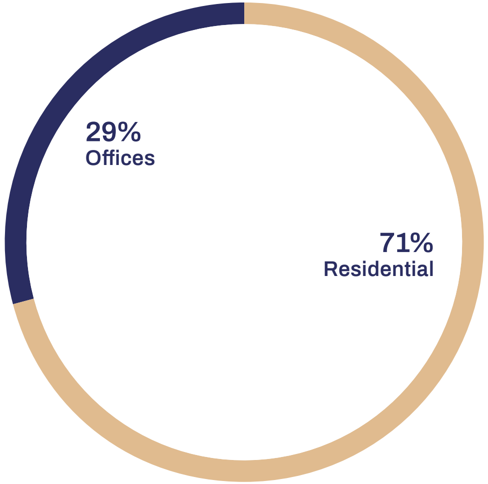

Eden, Frankfurt

KEY FIGURES 2021

Portfolio



BY COUNTRY



BY SEGMENT

CONSOLIDATED KEY FIGURES

Key figures Immobel Group (EUR millions)

	2017	2018	2019	2020	2021
Net result, Group share	11.0	56.8	102.4	33.3	92.2
Equity, Group share	303.6	344.6	426.2	491.9	571.5
Market capitalization (including own shares)	551.8	503.9	663.8	681.8	728.8
Market capitalization (excluding own shares)	484.2	442.4	583.3	655.0	726.8

Figures per share (EUR) (excluding own shares)

	2017	2018	2019	2020	2021
Number of shares at year-end (thousand)	8,772	8,777	8,785	9,605	9,970
Net result, Group share	1.3	6.5	11.7	3.6	9.3
Value of equity	34.6	39.3	48.5	51.2	57.3
Gross ordinary dividend	2.20	2.42	2.66	2.77	3.05
Net ordinary dividend	1.54	1.69	1.86	1.90	2.14

Stock market ratios

	2017	2018	2019	2020	2021
Stock price on 31 December (EUR)	55.2	50.4	66.4	68.2	72.9
Maximum quotation (EUR)	59.7	57.0	69.0	81.8	78.0
Minimum quotation (EUR)	51.0	47.0	50.2	56.2	62.2
Stock price / book value	159.5%	128.4%	136.9%	133.2%	127.2%
Gross return for 1 year[1]	9.8%	-4.8%	36.5%	6.7%	11.0%
Gross ordinary dividend / last stock price	4.0%	4.8%	4.0%	4.1%	4.2%
Net ordinary dividend / last stock price	2.8%	3.4%	2.8%	2.8%	2.9%

1. Gross return for 1 year: (last closing price + dividends paid during the year - first stock price for the period) / first stock price for the period.

SUMMARY OF THE CONSOLIDATED FINANCIAL STATEMENTS (EUR MILLIONS)

Income statement

	2017	2018	2019	2020	2021
Operating income	149.0	326.1	419.5	375.4	392.8
Operating expenses	-127.1	-261.0	-327.2	-333.5	-338.3
Share in the results of associates	3.4	5.2	24.6	8.1	44.5
Operating result	25.3	70.3	117.0	50.0	99.0
Financial result	-4.8	-4.8	-5.3	-7.3	-5.0
Result before taxes	20.5	65.5	111.6	42.7	94.0
Income taxes	-9.6	-8.6	-9.4	-8.7	-1.6
Result for the year	10.9	56.9	102.2	34.0	92.4
Share of Immobel	11.0	56.8	102.4	33.3	92.2

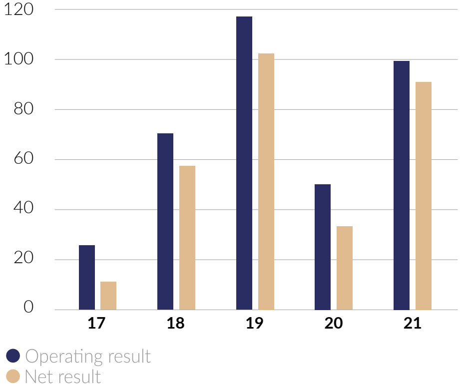
Financial position

ASSETS	2017	2018	2019	2020	2021
Non-current assets	66.2	181.7	213.3	448.3	506.3
Intangible assets	0.4	0.4	0.5	0.6	0.2
Goodwill	0.0	0.0	43.8	43.8	43.8
Tangible assets	1.0	0.9	1.0	1.4	2.8
Right-of-use assets	0.0	0.0	6.4	4.4	3.8
Investment property	3.0	104.3	81.1	197.1	174.0
Financial assets	50.7	70.6	65.4	182.8	258.2
Other	11.0	5.4	15.0	18.2	23.5
Current assets	734.1	784.7	1,087.9	982.8	1,178.9
Inventories	518.5	511.8	694.6	683.1	698.6
Cash	147.9	170.9	156.1	148.1	273.4
Other	67.6	102.0	237.2	151.6	206.9
TOTAL ASSETS	800.2	966.4	1,301.2	1,431.1	1,685.2

EQUITY AND LIABILITIES	2017	2018	2019	2020	2021
Equity	303.6	344.7	428.2	494.5	582.9
Non-current liabilities	338.8	332.9	523.4	609.6	535.1
Financial debts	330.1	322.0	507.0	571.1	507.6
Other	8.7	10.8	16.4	38.5	27.5
Current liabilities	157.8	288.7	349.7	327.0	567.2
Financial debts	68.8	193.7	200.1	180.8	359.1
Other	89.0	95.0	149.6	146.2	208.1
TOTAL EQUITY AND LIABILITIES	800.2	966.4	1,301.2	1,431.1	1.685.2

RESULT

Operating result / Net result (EUR millions)



EUR 103.8 mio
EBITDA

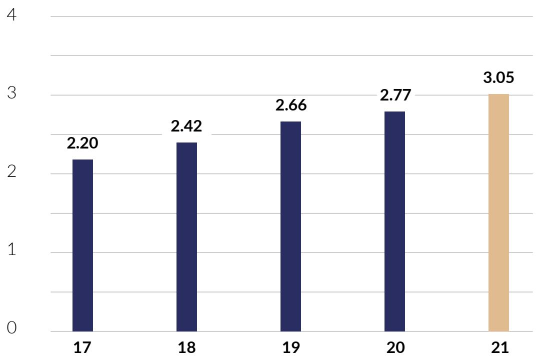
EUR 92.2 mio
Net result

EUR 582.9 mio
Equity

SHAREHOLDER *Information*

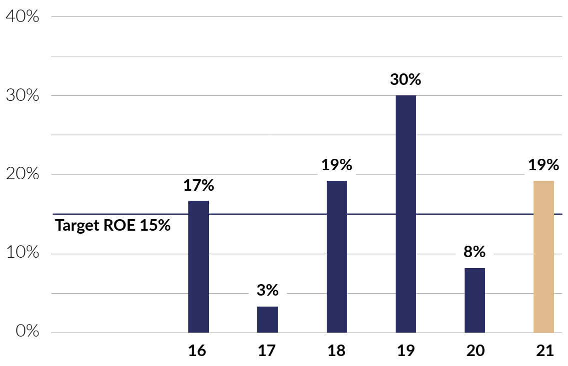
DIVIDEND POLICY

Dividend evolution over the past 5 years (EUR)



RETURN ON EQUITY (ROE)

ROE evolution over the past 6 years



SHARE PRICE EVOLUTION

Share price evolution over the past 6 years (EUR)

Immobel aspires to a dividend increase of up to 10% every year, subject to the absence of any unforeseen exceptional events. For the 2021 financial year, the Board of Directors confirms an increase of 10%, bringing the dividend to EUR 3.05 per share.

+ 10 %
gross dividend compared to 2020

15.9 %
average ROE over the past 6 years

EUR 3.05
gross dividend

EUR 72.9
share price on 31/12/2021

FINANCIAL CALENDAR

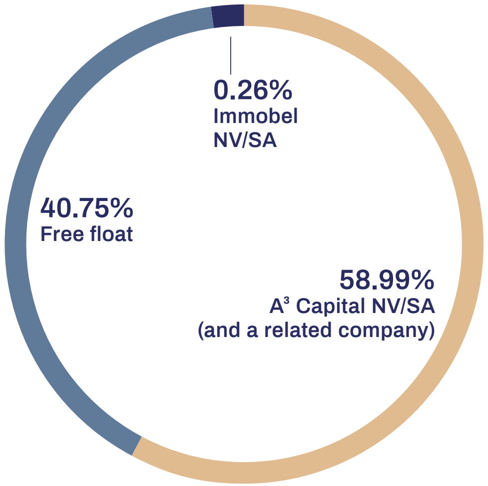
Publication of 2021 annual accounts	10 March 2022
Annual General Meeting 2022	21 April 2022
Publication of 2022 half-year results	8 September 2022
Publication of 2022 annual accounts	9 March 2023
Annual General Meeting 2023	20 April 2023

**For more information:
https://www.immobelgroup.com/en/investor-relations**

SHAREHOLDING STRUCTURE AS AT DECEMBER 31, 2021

In accordance with article 29 of the Law of 2 May 2007 on the disclosure of stakes held in issuers whose shares are admitted to trading on a regulated market, Immobel has been informed by the following shareholders that they hold the shares mentioned below:

Shareholders	Number of shares	% of total shares
A³ Capital NV/SA (and a related company), having its registered seat at 1020 Brussels, avenue des Trembles 2	5,898,261	58.99%
Immobel NV/SA having its registered seat at 1000 Brussels, rue de la Régence 58	26,965	0.26%
Free float	-	40.75%
Total of known shareholders	5,925,226	59.25%



Magazine 2021

THE PEOPLE OF OUR CITIES

What's a city without its people? Simply a collection of empty shells. At Immobel we are committed to co-create cities that live and breathe. Cities that are attractive places to live and work in, and to enjoy. Places that inspire, connect, and bring peace and fulfilment. Everyone has their own individual story of what a city means to them. In the following pages we share some of these stories. We hope you enjoy reading how people are shaping or reshaping our cities, for the benefit of the users, the community, and the environment.

> page 25
FOR *the users*

> page 31
FOR *the community*

> page 43
FOR *the environment*

FOR *the users*

RIVER PLACE

COMBINING EASY LIVING WITH URBAN VIBRANCY

With its bucolic charm – views over the Alzette river and the hills of Dommeldange – its prime location and multimodal connectivity, the 8,000 square metre River Place currently offers one of the best places to live and work on the Luxemburg real estate market.

The project supports diversity with both co-living units and a range of traditional apartments, some of which are offered at a social rate. Thanks to the hanging gardens and shared spaces, River Place creates an authentic village feeling, albeit in an urban setting.

Christian Jadot, Senior Partner at ArtBuild architects, explains the rationale behind the unique design: "We have the same vision as Immobel. Thinking about future generations is one of our major ambitions, which is why we integrate sustainability and quality of life in all our designs. Thanks to the use of large windows, we bring the stunning nature and

River Place, Luxembourg

River Place, Luxembourg

plenty of daylight into the living units. Moreover, the use of natural construction elements – such as the wood panels on the façades – add to an overall feeling of well-being for users. The installation of green roofs, solar panels and rainwater collectors, combined with the low-energy AAA-label, reinforce the sustainability ambition we share with Immobel."

One of the eye-catchers of River Place are the 'hanging gardens', which were installed on the huge first-floor terrace. "These gardens were developed together with a local landscaping agency, who ensured that the chosen greenery promotes biodiversity," Christian adds. "The gardens not only provide access to the apartments, but also invite users to relax and enjoy the scenery." These gardens, together with a multipurpose room and other shared spaces – especially in the co-housing units – will further contribute to the unique community feeling, which is typical for a village setting, but less obvious in an urban environment.

"Soft mobility is another major advantage of River Place. The new cycleway along the banks of the river Alzette connects this new sustainable neighbourhood to the city centre and the nearby railway station. Moreover, the funicular and tram and bus stops are just a stone's throw away, making River Place an ideal location to live and commute to the nearby central business district Kirchberg Plateau," Christian concludes.

The ground floor of the residential building – situated underneath the hanging gardens – will have a commercial function. The units are designed in such a flexible way that they can house offices and co-working spaces, but also a fitness, a day-care center or coffee bar. These will further favour the interaction and conviviality that define River Place.

> *"Thinking about future generations is one of our major ambitions, which is why we integrate sustainability and quality of life in all our designs."*

Christian Jadot
Senior Partner, ArtBuild

Central Point, Warsaw

CENTRAL POINT

AT THE CROSSROADS WHERE ANCIENT GLORY MEETS MODERN DESIGN

Situated between the old city centre, the business district and Warsaw's largest city park, Central Point certainly does justice to its name. The tower in the city centre is located on the intersection of the capital's two metro lines, with numerous tram and bus stops nearby and in close vicinity to the Central Railway Station. As a result, the tower offers the best mobility solution of the entire city.

It is the only high office tower in a neighbourhood dominated by low-rise residential buildings, bars and restaurants, cinemas and theatres, ensuring open views in a perimeter of at least 300 metres. The nearby 15.5 hectare Saxon Garden further enhances that open feeling and provides a relaxing atmosphere, which can be enjoyed during lunchtimes or after work.

FOR the users

Besides its unique location offering plenty of advantages to its users, Central Point has been thoughtfully designed to create a workplace that enhances the overall well-being and the urban quality of life of all its users.

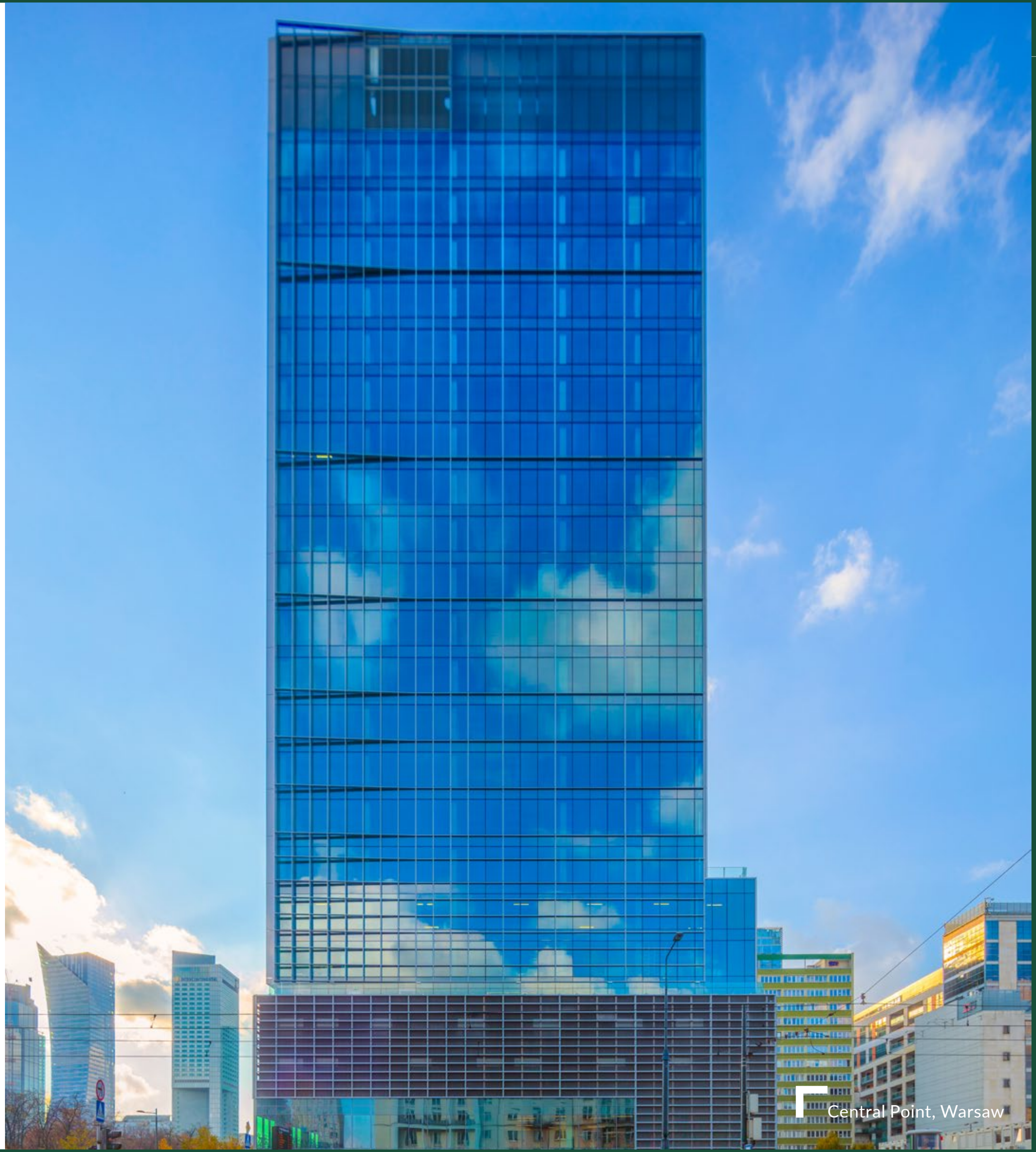
Olivier Thiel, Managing Director of Immobel Poland, explains: "A human-centred design was a clear prerequisite. Our architects – a local agency working together with the renowned firm Arquitectonica – therefore designed a building with almost 90% of its surface having access to daylight. Green terraces and a lobby housing a cosy coffee shop give the building a homely feeling. Moreover, a cyclist-friendly infrastructure was set up, including bicycle stands, changing rooms, and showers. Special attention was given to air quality, which – especially in Covid times – is an important feature."

"The building is a textbook example of how contemporary and sustainable design can be integrated in a historical context."

Olivier Thiel
Managing Director,
Immobel Poland

The building meets the highest environmental standards, as confirmed by the BREEAM Excellent certificate.

Olivier continues: "Out of respect for the historic environment and the iconic PAST building, which when finished in 1910 was Poland's highest building, Central Point's façade was kept pure and uncluttered. Nevertheless, it was thoughtfully designed, with two 'wings' on the south side to avoid overheating during summer. Overall, I'm proud to say that the building is a textbook example of how contemporary and sustainable design can be integrated in a historical context."



Central Point, Warsaw

FOR *the users*

TATI BARBÈS

AT THE CORE OF 'REINVENTING PARIS'

In Paris, where qualitative and affordable housing, historical building preservation and mixed-use programmes are high on the agenda, a project like Tati Barbès demonstrates that all of these objectives can be achieved at the same time.

With a design that respects the iconic building and maintains a maximum of existing structures, combined with a programme that responds to the human, social and cultural needs of the district, Immobel France – together with Studio Belem Architects – won the Tati Barbès competition organised by the City of Paris, together with the private owners of the building.

Malik Lemseffer and Edouard Bettencourt, founders of Studio Belem, explain: "Several generations of people from all social backgrounds have shopped at this Tati store. It was more than just a shop: it was an experience; a genuine symbol of its time. And it was Immobel's express wish to revive that diversity and unique character, and integrate it in the new 8,500 square metre Tati Barbès project."

The project consists of several buildings. The corner building, with its iconic façade, will house a cultural space on the ground floor and the underground floors, and new offices in the upper stories. The design also includes a hotel and some retail, and reintroduces a residential function into the buildings, with 30% preserved for social housing. To ensure maximum comfort for all users, special attention was paid to luminosity, qualitative materials and

Tati Barbès, Paris

a premium finishing – in line with the BREEAM certificate Excellent level, to which the project aspires.

"We also ensured that users can enjoy some outdoor space, which in the past two years has proven to be vital for the overall well-being of people," the architects continue. "All new apartments situated at the rear of the block on

"We ensured that users can enjoy some outdoor space, which in the past two years has proven to be vital for the overall well-being of people."

Malik Lemseffer and Edouard Bettencourt
Founders of Studio Belem

FOR the users

Rue Bervic have an outdoor terrace with stunning views of the Sacré-Coeur, while the 180 square metre rooftop terrace with plenty of greenery will become an attractive communal meeting place for all residents."

As Paris is the so-called '15-minute city' – aiming to offer Parisians all essential stores and facilities within a 15-minute reach – the architects analysed the commercial offering already present in the neighbourhood and proposed various sizes of retail premises. This enables a range of different retail activities from a bakery, florist or greengrocery to bigger furniture or fashion stores.

The transformation of the Tati Barbès complex lifts this iconic location to a higher level and makes it future-proof. And this is exactly what the 'Réinventer Paris' (Reinventing Paris) process intends: rethinking and reshaping the way Parisians live, work and play.

"We are very excited that we can contribute, together with Immobel, to '*Réinventer Paris*' with this legendary Tati project," Edouard and Malik conclude.

Tati Barbès, Paris

FOR *the community*

REZ-DE-VILLE

BRINGING BACK THE BUZZ TO THE CITY OF BRUSSELS

Brainstorming meeting

The area around Boulevard Anspach, situated in the very heart of the Brussels city centre and recently made into a pedestrian zone, has plenty of assets to be a coveted location. In the next few years, the neighbourhood is to undergo a further transformation. This will strengthen the neighbourhood's identity and increase its popularity as a place to live.

Several buildings are to be redeveloped by a number of companies, including Immobel. As a sustainable developer, Immobel not only creates sustainable buildings, but aims to contribute to the social transition and revitalisation of neighbourhoods, thus creating future-proof places to live.

To transform the Brussels Anspach area into a vibrant neighbourhood, a project has been set up, called Rez-de-Ville. It consists of a co-creation trajectory between several developers and local authorities. The goal is to rethink the programming of the ground floors of the buildings being redeveloped and their relation with both public spaces and public services.

Currently, the pedestrianisation of the Brussels inner centre is mainly focused on a purely consumption-based approach to public space, with major events targeting tourists. The new approach to programming the ground floors and (semi) public space seeks to find a balance between this economic interest and the

FOR *the community*

creation of a people-centric residential area with proximity services (within a five-minute walk) that will give future residents a sense of belonging.

A number of methods will be used: testing new functions via temporary use of ground floors; analysing the existing offer and needs in terms of proximity services; and conducting a number of co-creation workshops. From these, recommendations and scenarios will be drawn up for the programming of ground floors and (semi) public space. The objective is to create an innovative destination that stimulates emerging economic activities and facilitates local and sustainable lifestyles, in order to give the Brussels inner centre a distinct identity.

Alexandre Mussche of design agency Vraiment Vraiment explains: "Immobel has clearly understood that in order to give neighbourhoods a fair chance of remaining attractive in the long term, it's necessary to think beyond pure profitability. We are looking at small, local businesses or social activities which meet a certain local demand. To get a better view on those demands in the short- and long-term we are working closely with the City of Brussels. As owners of the public domain, their view and support is essential to the success of this project. Instead of everyone working on their own island, the Rez-de-Ville project is a great example of how we should challenge private-public partnerships to create added value for the neighbourhood."

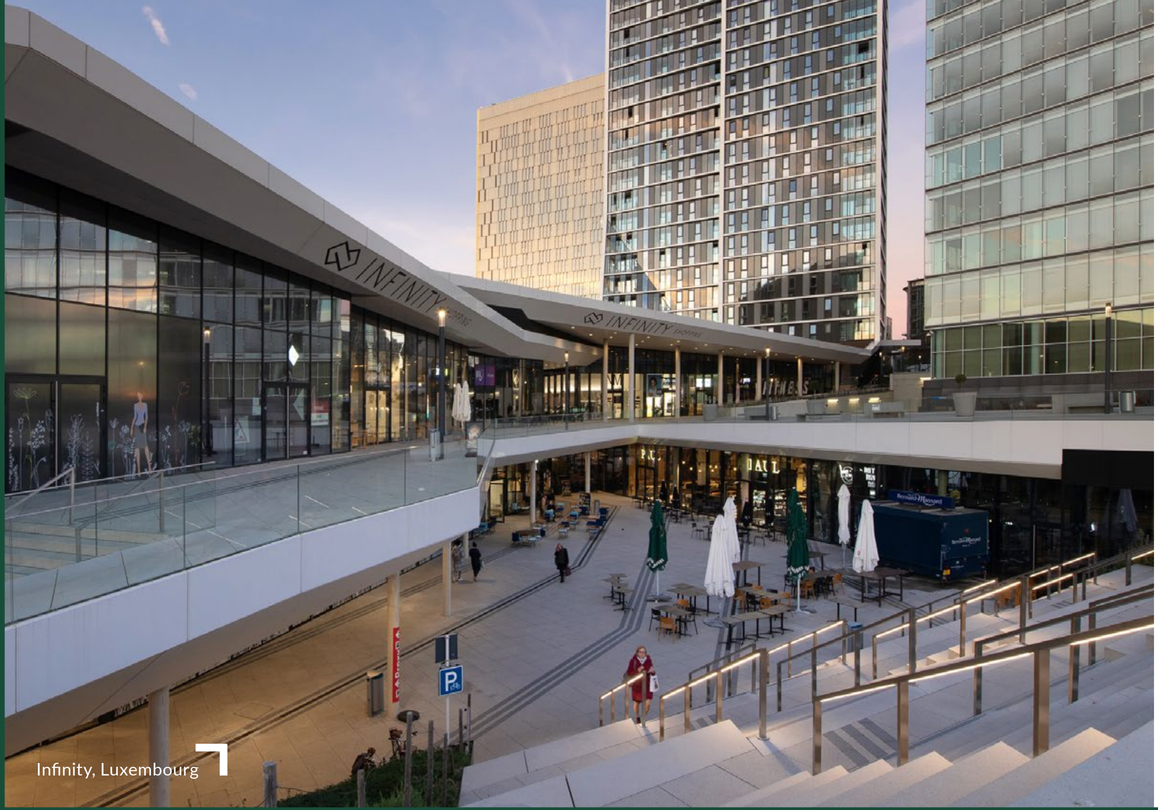
> *"Immobel has clearly understood that in order to give neighbourhoods a fair chance of remaining attractive in the long term, it's necessary to think beyond pure profitability."*

Alexandre Mussche
Co-founder of Vraiment Vraiment

FOR *the community*

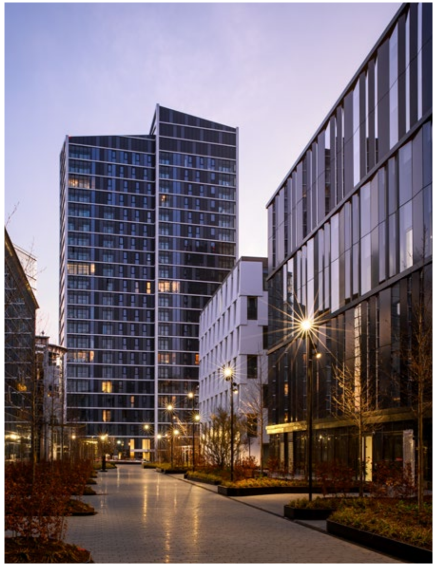
INFINITY

TURNING A BUSINESS DISTRICT INTO A VIBRANT PLACE TO LIVE



Infinity, Luxembourg

Located in Luxembourg City at the gates of Kirchberg – a neighbourhood defined by the majestic buildings of the European institutions – Infinity is a real game-changer. After having won the competition organised by the FUAK (Fonds d'Urbanisation et d'Aménagement du Plateau du Kirchberg), Immobel created this complex with the aim to revive the urban environment and turn it into a pleasant place to live, shop and work.



With its two sculptural residential towers – housing 150 premium apartments and 15 affordable housing units – and an office building that is linked to the towers by a retail gallery, Infinity sets the tone for making the neighbourhood increasingly vibrant and resilient. Félicie Weycker, President of the Kirchberg Fund explains: "To prevent people or companies buying multiple apartments as an investment, we limited the sale to one apartment per person. Moreover, for 35% of the apartments, owners are required to live here permanently for at least 12 months. And to ensure we have a representative mix of social backgrounds we allocated 10% to social housing. We want the Infinity towers to be occupied, which will automatically have a positive impact on the neighbourhood."

FOR the community

Another way of attracting people is by offering an interesting retail proposition. Infinity Shopping provides a mix of local SMEs, some franchises and plenty of small businesses that cover the daily needs, not only of Infinity inhabitants, but also of the many people working in this business district. Moreover, the many cycle paths and its location near the Philharmonie/Mudam tram stop encourage soft mobility, contributing to the overall quality of life and conviviality of the area.

The results are already visible: the open, public space in front of the towers is the beating heart of the neighbourhood, while Infinity has become an important element in the evolution of the district towards people-friendly urbanism.

Félicie Weycker concludes: "Infinity perfectly illustrates what the city of the future should look like: compact yet very functional; sustainable and aesthetic at the same time; accessible and inclusive; in a neighbourhood combining office, residential and commercial functions."

> *"Infinity perfectly illustrates what the city of the future should look like: compact yet very functional; sustainable and aesthetic at the same time; accessible and inclusive."*

Félicie Weycker

President of the Kirchberg Fund

Infinity, Luxembourg

FOR *the community*

THE SLACHTHUIS SITE

TRANSFORMING AN AREA OF RICH HISTORY INTO A NEW AND DYNAMIC NEIGHBOURHOOD WITH A BRIGHT FUTURE

The Slachthuis Site, Antwerp

In the coming decades, the Slachthuis Site in Antwerp (Belgium), named after the location of the former abattoir, will undergo a dramatic transformation. The redevelopment of the entire site is closely connected to the covering of the Antwerp ring road.

The master plan for this 18-hectare project includes the potential development of 240,000 m² that will take place in three phases. The focus is on residential buildings supported by a school, a high-tech campus, student housing and local businesses. Together these will bring a new dynamic into the area.

As an expert in large-scale urban development projects and a member of the public-private partnership (PPP) alongside Triple Living and the City of Antwerp, Immobel is to play a key role in transforming the current wasteland into a new, vibrant neighbourhood.

"High-quality buildings designed by internally renowned architects and young upcoming talents will ensure that the Slachthuis Site becomes a dynamic ecosystem, where it is pleasant to live, study, work and relax."

Leen Quanten

Development Director,
Immobel

FOR *the community*

At the heart of the new Slachthuis Site will be extensive public spaces such as squares, green corridors and parks that will connect existing and new parts of the area. Another focus will be the encouragement of slow mobility; vital for this future low-traffic neighbourhood.

Leen Quanten, Development Director at Immobel, adds: “The Slachthuis Site is a new urban development with a variety of functions. Educational, food and local business opportunities such as start-ups and flex offices will stimulate the local economy. High-quality buildings designed by internationally renowned architects and young upcoming talents will ensure that the Slachthuis Site becomes a dynamic ecosystem, where it is pleasant to live, study, work and relax.”

The first phase of the project will kick-off in autumn 2022 and will focus on the area around the former abattoir halls, which are the backbone of the redevelopment. The eastern hall will be converted into the new high-tech campus of the Antwerp University College for its STEM courses for 3,500 students. The western hall will temporarily be used for supporting functions of the university until its final use for local businesses, R&D facilities, and residences. Around six new residential buildings will be constructed in the coming years. The first phase will have a critical mass of 160,000 m², which represents around 65% of the entire site.

The combination of all these elements will turn the Slachthuis Site into an outstanding, new and dynamic neighbourhood that will re-establish its position as one of the most prestigious locations in Antwerp.


The Slachthuis Site, Antwerp

FOR *the community*

GIVING BUILDINGS A SECOND LIFE

Buttes-Chaumont, Paris

After having successfully worked together on previous projects, Immobel called upon Forest's expertise and network to find temporary occupation for their 4,300 square metre building in the Rue de Crimée, in the Buttes-Chaumont district (19th arrondissement in Paris).

By offering temporary use of the building – prior to getting the necessary building permits and starting the redevelopment works – Immobel aims to create added value for both the city and community. It is a win-win for multiple parties. Local organisations with limited budgets get access to workspace at affordable prices. Temporary occupation prevents a building from being squatted, which is highly appreciated and applauded by the local community. In addition, it enhances the developer's asset prior to the start of the construction works.

The former administrative building in the Rue de Crimée currently houses a small events agency and various audio-visual companies. Due to the nature of their business – short-term projects against low budgets – audio-visual companies usually struggle to find affordable work or shooting venues, especially in Paris with its sky-high rental prices and limited real estate offer. Forest aims to close that gap, by offering access to buildings which would be unaffordable on the regular market.

"We mainly focus on local organisations or companies in the cultural or creative sector and social economy," explains Adrien Viaud, co-founder of Forest. "Where

"We will always aim to promote and facilitate interactivity with the neighbourhood."

Adrien Viaud

Co-founder of Forest Agency

FOR *the community*

possible, and if the timing allows, we will reach out to local authorities and organisations to understand their needs. It is our aim to promote and facilitate interactivity with the neighbourhood."

In previous collaborations, Forest created temporary artist studios and facilitated exhibitions, but the sectors in which temporary users operate are highly diverse. "We have had physiotherapists, accountants, non-governmental organisations and start-ups in our buildings. It is extremely rewarding to see that some of them have grown into successful businesses. Access to premises remains a vital barrier for organisations to grow or simply become operational. We are pleased we can offer them a kick-start. We are particularly grateful that developers like Immobel decide to give their buildings a temporary use, in anticipation of renovation or a new construction."

Buttes-Chaumont, Paris

FOR *the community*

CONTRIBUTING TO A MORE INCLUSIVE SOCIETY


Workshop organised by TADA

Immobel actively promotes and financially supports organisations that work on social inclusion. One of these is TADA (ToekomstATELIERdelAvenir), which Immobel has supported since 2018, via the Immobel Social Fund.

In Brussels, TADA reaches more than 1,500 socially vulnerable teenagers and accompanies them on a coaching journey. The objectives include (re)discovering their talents, fine-tuning their horizontal skills and boosting their self-confidence. The ultimate goal is ensuring that they become responsible members of an inclusive society. "We basically help them to open up their perspective, and at the same time encourage them to open doors," says Pieter De Witte, CEO of TADA. "As these youngsters usually have a very limited network, TADA puts them into contact with a wide range of professionals who share their passion for their job in interactive workshops. These workshops are really the 'heart' of our activities."

Teenagers who join the TADA trajectory commit themselves to following weekend school classes every Saturday, for a period of three years. "We work on prevention and want to broaden their view on society and on their own future. During workshops we introduce them to a maximum number of different professions, which gives them a flavour of what their future could look like. Moreover, as they are expected to show up every week, we also call upon their sense of responsibility. We

> *"Thanks to the financial support of companies like Immobel, we can help youngsters who live in socially-deprived situations to develop themselves."*

Pieter De Witte
CEO of TADA

want to convince them that they do have a future. What this future will look like, however, is entirely in their own hands and solely depends on their perseverance and willingness to approach new impulses with an open mind."

After this 3-year period the pupils become part of the alumni network and platform 'TADA for Life.' Through this they remain in contact with TADA, guest lecturers and companies, hence sustaining the process of mutual inspiration and motivation. Many alumni continue attending weekend classes, where they volunteer as a coach for younger pupils, who see them as a role model. Not only does this boost the alumni's self-confidence, it also keeps the strings with TADA tight.

The Immobel Social Fund started supporting TADA in 2018, allocating its financial injection specifically to the Molenbeek weekend school. More recently, the Fund decided to support the overall weekend school management – and not only the Molenbeek school – to reach even more youngsters. Pieter adds: "Thanks to the financial support of companies


Workshop organised by TADA

like Immobel, we can help youngsters who live in socially-deprived situations to develop themselves, hence contributing to a more inclusive society."

In 2022 Immobel will continue to support TADA, as well as other organisations active in offering guidance to young people. Calame asbl is one of them: it's an association that supports youngsters – both from primary and secondary school – during their educational trajectory. YouthStart is another, offering training to youngsters to kickstart their plans for the future. And finally there's Schola ULB, supporting students in difficulty, to prevent them from dropping out.

Workshop organised by TADA

FOR *the community*

CANAL 44

DIVERSITY, HERITAGE AND BIODIVERSITY IN THE HEART OF THE CITY CENTRE

Grand Duchy of Luxembourg's second city, Esch-sur-Alzette – famous for its architectural monuments and heritage – is enjoying a boom. The population is growing continuously. New infrastructure is being constructed. Cultural buildings are undergoing a makeover and an increasing number of real estate projects are emerging.

Luc Everling, Esch-sur-Alzette's lead architect, explains more: "The city's urban priorities are centred on two strategies: redeveloping the brownfield and redesigning the layout of the city centre with a focus on densification. Immobel Luxembourg's Canal 44 project dovetails nicely within this second initiative."

The project focuses on diversity in the wider sense as one of the city's principal goals. This diversity comes in different forms: functional diversity, social class diversity, and preservation of the heritage that will lead to architectural diversity. "You find these three foundations in Canal 44," adds Luc. "The joint programme involving businesses, services and housing allows us to attract a varied public, both generally speaking and in terms of revenue."

Built in 1938 as headquarters of the Journal d'Esch press group, the main façade and some interior features of 44 Rue du Canal are listed, so have been preserved. "The iconic façade with a terrace-style entrance are protected by the PAP ('Plan d'Aménagement Particulier' or Specific Development Plan), not only for its

Canal 44, Esch-sur-Alzette

FOR the community

Canal 44, Esch-sur-Alzette

architectural value but for its nod to the history of our city," points out Luc.

Another aspect of the programme is its densification within the housing cluster. "This allowed us to increase the number of residences on offer; an essential requirement given the growth of Esch-sur-Alzette."

Housing is a very important issue for the city. Care has been taken not only to provide dedicated equipment to the residential buildings to ensure diversity,

"Preserving what may be of value, while allocating properly to enhance that value!"

Luc Everling
Lead architect, Esch-sur-Alzette

but also to enhance the layout of outdoor spaces. The residence opens up to a tree-lined cluster, designed to promote biodiversity in the city as well as to offer a shared garden. These green spaces provide valuable areas for residents and visitors to relax and enjoy an enhanced quality of life. "It's important that everyone benefits from this aesthetic perspective," insists Luc.

"Preserving what may be of value, while allocating properly to enhance that value!" With these words, Luc reveals the secret to successful development.

FOR *the environment*

HORIZON NATURE

WHEN THE SUSTAINABLE OUTCOME IS GREATER THAN THE SUM OF THE INDIVIDUAL ENVIRONMENTAL ELEMENTS

Horizon Nature, Montévrain

As real estate is a sector with one of the largest environmental footprints, developers have an important role to play in realising a construction shift towards increased sustainability. Immobel is fully committed to making a difference in helping to build a sustainable future. It does this by choosing for responsible architecture, applying more sustainable construction methods, and integrating eco-friendly materials and features in its projects.

Horizon Nature, located in Montévrain, in Seine-et-Marne, France, is a prime example of that commitment. The project, consisting of 67 apartments and eight family homes, incorporates numerous sustainable features. Together they make the project not only environmentally friendly but also beneficial to the overall well-being and quality of life of its users.

Yves Eveillard, National Residential Director of Immobel France explains: "The individual features we integrated in the Montévrain project may not look that spectacular, but the combination of all of them makes the project stand out. For example, as the land was inclined, we needed to level it before starting construction. Before transporting the surplus soil to a distant location, we offered it for free to our neighbour, who was suffering from the opposite problem: his land needed to be raised. Thanks to this initiative we kept 50 trucks – which would have transported 1000 cubic metres of surplus soil – off the road. It also reduced the nuisance

"The individual features we integrated in the Montévrain project may not look that spectacular, but the combination of all of them makes the project stand out."

Yves Eveillard

National Residential Director, Immobel France

FOR *the environment*

for our neighbours." In this register, earthworks are carried out with a hybrid mechanical excavator.

"In terms of insulation levels we exceed the legal requirement by 20 to 30%," Yves continues. "The same goes for energy consumption: we will sign a contract with a local gas provider, who compensates the consumption of natural gas by injecting green gas – produced locally from organic waste, agricultural residues or livestock manure – back into the gas grid."

As for water management, water-saving taps were installed everywhere. Each home has a 350-litre rainwater tank, allowing people to water their plants and vegetables. The houses are equipped with solar panels and all living units have smart heating controls, which further reduce the overall energy consumption. Individual boilers are monitored to prevent any breakdowns.

For the construction, five local contractors were used, all living within a 15-minute radius. All suppliers and architects committed to implement a zero paper policy.

"To boost biodiversity we will install insect hotels, bird nest-boxes and beehives in the adjacent Bois de Chigny," adds Yves. "Horizon Nature inhabitants will therefore have access to locally-made honey, as well as a haven of peace and tranquillity."

Horizon Nature also promotes e-mobility. Two electric-vehicle charging stations have been installed, and the possibility to introduce an e-bike sharing system on site is being discussed.

All these efforts have certainly not remained unnoticed. The Montévrain project won two local Pyramides d'Argent awards ('Oscars' for real estate developers) in the Innovation and Quality category. And in the national Pyramides d'Or selection, Montévrain finished second in its category, out of a total of 508 participants.

Horizon Nature, Montévrain

Isala, Brussels

ISALA
EUROPE'S MOST SUSTAINABLE BUILDING

Turning Total's former headquarters, located on Rue de la Loi in the Brussels European quarter, into an exemplary, eco-friendly complex, was Immobel's dream for this iconic building. To reach that ambition, drastic redevelopment and transformation – with a clear focus on sustainability, well-being and circularity – was indispensable.

Dieter De Vos, Project Architect at Neutelings Riedijk, explains: "It was clear that Immobel set the bar very high for the Isala building. The objectives were well-defined and crystal clear: aim for a BREEAM certification Outstanding level on sustainability, a WELL Platinum certification on well-being, and an Ecocert label in terms of biodiversity. Keeping that in mind, we went for a design with a nearly-zero carbon footprint, an energy-neutral score card and a focus on user well-being, while at the same time incorporating as much greenery as possible."

The existing building – with a qualitative structure typical of the 1930s – will be preserved as much as possible. For the new-to-build construction, CLT (Cross Laminated Timber) will be used, which has a positive impact on CO_2 absorption. "Where possible, existing materials such as marble tiles will be reused to further minimize the CO_2 footprint

> *"We went for a design with a nearly-zero carbon footprint, an energy-neutral score card and a focus on user well-being."*

Dieter De Vos

Project Architect,
Neutelings Riedijk

FOR *the environment*

of the project," Dieter continues. "Moreover, by optimising the outer skin of the building – through high-quality thermic insulation – we are able to minimize the building's energy demand. The BIPV panels in the south-facing façades and the solar panels on the roof, combined with a geothermal installation, ensure sufficient energy production to make the building operate autonomously, with no need for off-site energy from the grid."

One of the most impactful interventions of the design includes levelling the surfaced heart of the building and turning it into a garden. This new 'green chamber' serves multiple purposes: it brings extra daylight and horizontal open views to the offices, it improves biodiversity, and the permeable soil avoids rainwater flowing into the sewerage. "The green roof also retains water, which not only has a cooling effect, but has a positive impact on biodiversity as well," Dieter adds.

The Isala project has a strong focus on user well-being. By opening up the fire escape shaft and making the staircase an integral part of the interior design, people are encouraged to take the stairs more often. The design also pays particular attention to soft mobility: the bicycle parking far exceeds the minimum space required by the city of Brussels. All these features have a positive effect on people's health and overall well-being.

For the construction phase, Immobel would like to involve a Brussels organisation specialised in activating unemployed people, thereby contributing to the company's ambition to promote social inclusion.

By assigning a retail function to the ground-level corner plots, the building will also remain active after office hours, further strengthening local services.

"The new Isala building will not only be beneficial to the environment and its end-users, but also to local communities. I am very proud to have been involved in the design of this exciting new site in the Brussels' European district," Dieter concludes.

Isala, Brussels

FOR *the environment*

EMBRACING CIRCULARITY

Immobel is increasingly looking into the potential of reused materials, to make the construction process even more circular. With several of the company's projects being in different phases of the building process – from dismantling, through redevelopment to constructing – Immobel can partially rely on its own 'urban mines' to select and reuse materials in its own developments to achieve that circular ambition.

"From a lifecycle point of view, reused material will often score a lot better than new material."

Lionel Billiet
Project Leader, Rotor

Oxy, Brussels

FOR *the environment*

Immobel also calls upon salvaged building components experts, such as Rotor, to further integrate and increase circularity into projects such as Multi and Oxy. Furthermore, by joining the Madaster database, which logs very detailed information about all the registered buildings' materials that potentially could be reused or recycled, Immobel wants to give a clear signal to the sector that they are ready to bring the circular economy to the next level.

Lionel Billiet, Project Leader at Rotor, goes into detail: "We perform a detailed analysis of the materials used in the existing building, and decide which ones can remain intact or should be dismantled and reused. From a lifecycle point of view, reused material will often score a lot better than new material. For example, reusing ceramic tiles will impact the environment 85% less than producing new tiles."

"In the Multi project, 89% of the existing building mass was left untouched, saving up to 20,000 tons of CO_2," Lionel adds. "And in order to reach the 2% urban mining and reuse goal for Multi, a number of salvaged materials were integrated in the design. Some of the aluminium profiles from the original façade were reused in the atrium's balustrades. The monumental hexagonal granite floor tiles – used to pave the transition between the public terrace and the atrium – originate from the former BNP Paribas headquarters, where they were dismantled by Rotor Deconstruction prior to the building's demolition. Moreover, two-ton bluestone panels were removed from the façade and cut into floor tiles to cover the new overhang terrace on the third floor. In total, we aim for 250 tons of reclaimed materials used in Multi – sourced from both on- and off-site urban mines – which is a unique realisation."

In the Oxy project, Immobel does even better with a goal of 1,000 tons, equalling a reuse rate of 4 to 6% of all the materials installed in the project, an unprecedented achievement on that scale. In addition, some of the new materials to be integrated in Oxy will be recycled or bio-sourced, further improving the sustainability scorecard.

Multi, Brussels

"As sustainability is in our DNA, we are not only working on recycling and reusing materials, we also take into account the socio-economic aspect," explains Lionel. "To carefully dismantle and prepare salvaged materials, we rely on local, low-carbon and labour-intensive jobs. Applied on a large scale, material reuse would create interesting employment opportunities. To give an example of this: a team from Travie, a social company employing people with a disability, is working in our workplace to remove mortar from recovered floor tiles."

Immobel hosted the Brussels Hello Summer festival on the Panorama project site

ACTIVITIES IN *Belgium*

2021 was again a very active year for Immobel in Belgium. We confirmed our leading market position with about 635,000 m² of residential and office projects under development.

Despite 2021 being a year of uncertainty due to the ongoing health crisis, our teams in Belgium were able to reach some major milestones that will contribute to our future growth.

Overall, market momentum remains solid. On the office market we saw the trend towards downsizing and upgrading gaining importance. The success of our office projects confirms the need for more GRADE A and sustainable office environments in line with the requirements of the new ways of working. The fundamentals for the residential market also remain strong.

In the first half of the year we sold, together with our partner BPI Real Estate, 129 student homes in the Brouck'R mixed-use development project to Quares Student Housing. We also sold the hotel in the project to MotelOne. By combining offices, shops, a hotel, apartments, and student accommodation, we want to contribute positively to the transformation of the Brussels city centre and attract a diverse public at Brouck'R.

In May 2021 we signed a sales agreement with Allianz Real Estate for the BREEAM Excellent and CO_2-neutral Commerce 46 office building (14,000 m²), which we had in our portfolio since 2018.

By the summer, in June 2021, we sold a 100-unit apartment building of our Key West project (61,000 m²) in Brussels to Home Invest Belgium. Immobel and BPI Real Estate will jointly develop the rest of the Key West project. The intention is to transform an abandoned wasteland and industrial area of former retail premises and production facilities into a new and vibrant neighbourhood.

In July 2021 we introduced a building permit for the redevelopment of the Isala building located in the heart of the European quarter in Brussels. Our goal is to transform the former headquarters of Total, located next to the Arts-Loi mobility hub, into an iconic and sustainable office building.

In July we also reached an agreement on the acquisition of the former headquarters of SABAM in the European district. The site will be developed in a state-of-the-art office building of circa 9,000 m². The permit will be filed in Q1 2022.

During the second quarter of 2021 we fully let our CO_2-neutral and BREEAM Excellent Multi project (46,000 m²) to several top tier tenants. Multi will also become the new Immobel headquarters in the course of 2022; an important step to becoming a carbon-neutral company.

In the second half of the year we were delighted to announce that we were selected by Proximus as preferred candidate. The overall aim of this major redevelopment is to create a sustainable and inspiring digital campus that fosters connections, collaboration, and innovation. At the same time, the project will

634,800 m²
Belgian portfolio

8,875
residential units[1]

212,000 m²
offices

278 ha
Immobel Home

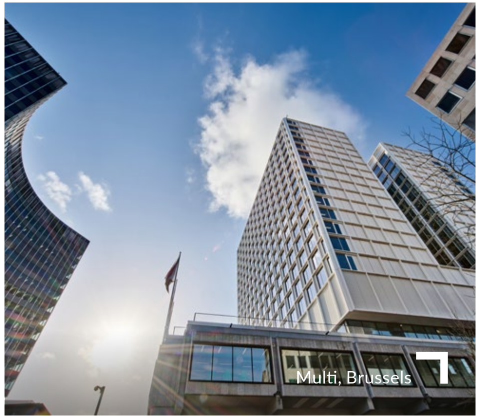
See more projects details on our corporate website

PROJECTS OVERVIEW

Name	Surface (m²)	Location	Use	Building period	Immobel share
Slachthuissite	240,000	Antwerp	Residential	Q3 2021/2030+	30%
SNCB	200,000	Brussels	Mixed-use	Q1 2023/Q2 2034	40%
Universalis Park 3	57,000	Brussels	Mixed-use	Q2 2030/Q1 2033	50%
Cours Saint-Michel	84,200	Brussels	Mixed-use	Q4 2026/Q4 2029	50%
Oxy	62,100	Brussels	Mixed-use	Q3 2022/Q2 2025	50%
A'Rive	61,300	Brussels	Mixed-use	Q2 2021/Q1 2028	50%
Möbius II[2]	34,000	Brussels	Offices	Q2 2019/Q4 2021	50%
Panorama	58,100	Brussels	Mixed-use	Q2 2023/Q2 2027	40%
Multi	45,800	Brussels	Offices	Q1 2019/Q1 2022	50%
Brouck'R	41,000	Brussels	Mixed-use	Q3 2024/Q4 2026	50%
Theodore	40,000	Brussels	Mixed-use	Q4 2025/Q3 2029	50%
Lebeau	36,200	Brussels	Mixed-use	Q2 2026/Q4 2028	100%
O'Sea (phase 3)	33,600	Ostend	Residential	Q2 2022/Q1 2027	100%
Isala	33,000	Brussels	Offices	Q1 2023/Q2 2025	70%
Wonen aan het groen	32,800	Tielt	Residential	Q2 2022/Q1 2026	100%
Ilôt Saint-Roch	31,500	Nivelles	Residential	Q3 2021/Q3 2026	100%
Ernest (phase 2)	26,600	Brussels	Residential	Q3 2017/Q3 2020	50%
O'Sea (phase 2)	24,000	Ostend	Residential	Q3 2019/Q4 2022	100%
Lalys	23,400	Astene	Residential	Q3 2020/Q4 2024	100%
Cala	20,100	Liège	Offices	Q3 2018/Q4 2020	30%
Plateau d'Erpent	19,300	Erpent	Residential	Q2 2018/Q4 2022	50%
Commerce 46	13,600	Brussels	Offices	Q2 2020/Q3 2022	100%
Parc Seny	13,200	Brussels	Residential	Q4 2017/Q1 2020	100%
Domaine du Fort	12,700	Barchon	Residential	Q3 2020/Q2 2025	100%
The Woods	9,900	Hoeilaart	Offices	Q4 2020/Q1 2021	100%
Sabam[3]	9,000	Brussels	Offices	Q2 2023/Q2 2025	26%
Les Cinq Sapins	8,800	Wavre	Residential	Q1 2019/Q1 2026	100%
Royal Louise	8,000	Brussels	Residential	Q4 2017/Q1 2021	100%
Greenhill Park	6,400	Brussels	Residential	Q3 2017/Q2 2020	100%
Crown	5,500	Knokke	Residential	Q2 2020/Q4 2022	50%

1. The totality of the residential units, not taking into account the share of Immobel in the respective projects.
2. Building sold on 20 December 2021.
3. Via Immobel BeLux Office Development Fund.


Key West, Brussels


Multi, Brussels

substantially contribute to the revitalization of the area and introduce a residential component. We have taken a leading position in the transformation of the Brussels North area and will continue to do so in the coming years with this innovative redevelopment.

Just before the end of the year we concluded, with our partner Fidentia, a sales agreement with the Belgian State (Buildings Agency) for the BREEAM Excellent and Smart Möbius II building (34,000 m²), located in the Brussels North area. This marks the end of the successful development of the Möbius I and II projects (60,000 m²) which started in 2017.

In Nivelles, we obtained the final permit for circa 300 apartments for the îlot Saint-Roch project and launched the construction of the first phase which involves the development of 129 quality apartments in a green environment with lots of amenities.

At the end of the year, we obtained the permit for the 3rd phase (circa 25,000 m²) of the O'Sea development in Ostend. The commercialisation of this phase will be launched in Q1 2022.

In Antwerp, Immobel and Triple Living obtained the first permit for the redevelopment of the "Slachthuis"-site. The commercialisation started in Q1 2022 and this marks the start of a landmark development in Flanders largest city.

Reinforced by its new branding and identity, the Immobel Home team also achieved several highlights in 2021. We received the green light for the development of the "Wonen aan het groen" (202 homes) project in Tielt. Another permit (170 homes) for the "Val des Champs" project was obtained in the municipality of Eghezée. Sales for both projects will start in 2022. At a commercial level, Immobel Home successfully continued selling homes in e.g. Deinze, Barchon, Wavre 5-Sapins and Namur Plateau d'Erpent.

Finally, in 2021 we were pleased to join PropTech Lab Belgium, the community of innovators in the real estate value chain. We look forward to contributing to the fostering of innovation in construction and real estate, and to ease the digital transformation of our industry.

"Our teams in Belgium were able to reach some major milestones that will contribute to our future growth."

Adel Yahia
Managing Director,
Immobel Belgium

ACTIVITIES IN *France*

2021 proved to be a more successful year for Immobel France than 2020 in terms of business activity. However, we have not yet returned to the pre-pandemic levels of 2017 to 2019.

The slowdown in obtaining permits, which was already observed in 2020 due to the pandemic, remains. In addition, there is a desire to avoid urban sprawl in order to promote "zero net artificialisation". Consequently, the urban transformation of buildings, which is at the heart of our business, is one of the solutions to be provided.

In the Ile-de-France market, the price of land continues to rise due to strong competition in the market. The office and residential markets are being challenged at the same time – which is quite unusual. This situation is being accelerated by the health crisis and the development of new ways of working. However, it creates a real opportunity for Immobel.

2021 was marked by confirmation of the renewed interest of tertiary users in the Paris region, with 1.85 million m^2 of leases. Players were keen to take advantage of opportunities in Paris for efficient assets that offer their employees high-quality services and living spaces. This confirms the trend to optimise space to take account of new working methods and promote greater urban centrality.

Investments are following these trends by concentrating acquisitions on properties with a high requirement for sustainable development. The success of consultations such as Réinventer Paris 3 shows the market's appetite for urban transformation.

Some significant operations during 2021 are worth highlighting.

In June 2021 we began marketing the flagship Fort d'Aubervilliers programme, which includes 157 homes available for unrestricted purchase. The marketing proceeded so successfully that we had to bring forward the marketing of phase 2 by two months. The fact that 60% of the lots are already reserved clearly demonstrates our know-how, capacity and operational synergy.

In Bussy-Saint-Georges (Seine et Marne, Paris region), we started marketing the Bucolia project, and the pace of sales was remarkably fast. This success is due to the quality of the homes and the services provided for the occupants of the main residence, which is also the case for Aubervilliers. The programme's mix makes it a unique development that meets the market's expectations: collective and individual housing, and a prime location for a senior residence.

The iconic building in the 18th arrondissement of Paris, Tati Barbès, which we will transform into a mixed-use product incorporating offices, housing, hotel, cultural facilities and shops. It will provide a sustainable centrepiece in a historic district of Paris.

At 277 rue Saint Honoré, between Concorde and Madeleine, we will develop a 2,700 m² mixed-use office and retail project in a joint venture with Goldman Sachs Asset Management.

209,500 m²
French portfolio

2,837
residential units[1]

33,400 m²
offices

See more projects details on our corporate website

1. The totality of the residential units, not taking into account the share of Immobel in the respective projects.

PROJECTS OVERVIEW

Name	Surface (m²)	Location	Use	Building period	Immobel share
55 Avenue de Colmar	26,800	Rueil-Malmaison	Mixed used	TBD	100%
FORT'IZY (Fort d'Aubervilliers)	18,800	Aubervilliers	Residential	Q4 2021 / Q2 2024	50%
17/27 rue Chateaubriand	12,700	Savigny Sur orge	Residential	Q2 2022 / Q2 2024	100%
Créteil - ZAC de l'Echat	11,400	Créteil	Residential	TBD	26%
Esprit ville	10,100	Chelles	Residential	Q3 2018 / Q4 2021	100%
1 Rue de Cergy	9,600	Osny	Residential	Q4 2022 / Q4 2024	60%
Paris 14 / Montrouge	9,200	Paris	Office	Q2 2022 / Q1 2024	100%
FORT'IMMO (Fort d'Aubervilliers)	8,500	Aubervilliers	Residential	Q4 2021 / Q4 2023	50%
Tati Barbès	8,000	Paris	Mixed used	Q1 2023 / Q2 2024	100%
Bucolia	7,300	Bussy saint georges	Residential	Q1 2022 / Q1 2024	100%
9 Bld de Fontenay	7,100	Le Perreux Sur Marne	Residential	Q4 2022 / Q4 2024	100%
Esprit verde	6,900	Bessancourt	Residential	Q1 2020 / Q2 2022	50%
Ch des Poutils / Route D'Orléans	6,800	Montlhery 2	Residential	Q4 2022 / Q4 2024	20%
Le conti	6,600	Le plessis trevise	Residential	Q3 2018 / Q2 2021	100%
Canal	6,400	Bondy	Residential	TBD	40%
Les terrasses du canal	6,100	Aubervilliers	Residential	Q4 2018 / Q3 2021	50%
L'aquila	5,900	La Garenne Colombes	Residential	Q3 2019 / Q2 2022	100%
11-15 Boulevard Marechal Foch	5,700	Neuilly Sur Marne	Residential	Q4 2022 / Q4 2024	100%
Le Clos Mazarine	5,200	Chilly Mazarin	Residential	TBD	100%
Angle JJ Rousseau - Tivoli	5,200	Houilles	Residential	TBD	50%
Saint-Antoine	5,000	Paris	Office	Q3 2022 / Q2 2024	100%
Les jardins d'Elizabeth	5,000	Aubergenville	Residential	Q3 2019 / Q4 2021	100%
Fleurilège	4,900	Croissy sur seine	Residential	Q4 2018 / Q2 2021	46%
Helios	4,900	Drancy	Residential	Q1 2019 / Q1 2022	100%
Horizon nature	4,800	Montevrain	Residential	Q3 2021 / Q3 2023	100%
29 bis avenue du Général De Gaulle	4,800	Avon	Residential	Q4 2022 / Q4 2024	100%
Essen'ciel	4,400	Othis	Residential	Q2 2022 / Q2 2024	100%
191/195 rue de Meaux	4,400	Vaujours	Residential	Q4 2022 / Q4 2024	100%
Buttes-Chaumont	4,300	Paris	Mixed used	Q4 2022 / Q4 2024	100%
Les terrasses de l'orge	3,800	Epinay sur orge	Residential	Q3 2020 / Q1 2022	50%
Le bel'air	3,500	Bezons	Residential	Q3 2018 / Q1 2021	100%
Villa Colomba	3,300	Charenton Le Pont	Residential	Q3 2018 / Q2 2022	51%
277 rue Saint Honoré	3,000	Paris	Mixed used	TBD	10%
20 Quai de l'Aisne	3,000	Pantin	Office	Q3 2022 / Q2 2024	100%
32 rue Saint Léger	3,000	Saint germain en laye	Residential	Q1 2021 / Q1 2023	100%
Les terrasses de Montmagny	2,900	Montmagny	Residential	Q2 2019 / Q4 2021	100%
42-50 Bvd Emile Genevoix	2,700	Romainville	Residential	TBD	100%
Villa du petit bois	2,700	Eaubonne	Residential	Q3 2020 / Q1 2022	100%

In all our projects we put sustainability at their centre. We have signed a partnership with the City of Paris to initiate the temporary early use of our buildings. This will give us the opportunity to bring to life our surfaces left empty before the start of the works. The urban transformation initiated in particular at Tati Barbès and Saint Antoine places mixed use as a strong driver for value creation. It also leads to better integration of the buildings in their respective Parisian environments.

We always favour transformation before considering demolition and reconstruction. In Saint Antoine, we have transformed a car park into an office and residential building with atypical floors and spaces. After the structural study and in situ tests, we were able to keep all the posts and beams, and by moving a floor we could renovate it rather than destroy it.

As for Tati Barbès, thorough structural studies were carried out even before the building permit was submitted, to guarantee a minimum of demolition and a maximum of conservation of the existing building. More than 60% of the existing floors were maintained, making Immobel the most involved candidate in this respect.

Our team in France was strengthened at the beginning of 2022 with the appointment of Paul-Michel Roy as General Manager for Commercial and Urban Transformation. He will strengthen the synergies between our residential and commercial projects and consolidate the teams in charge of urban transformation and commercial projects in Paris and the Ile-de-France. Immobel France is thus accelerating its development to meet the increasingly important urban challenges of mixed use and sustainable rehabilitation.

"Immobel France is accelerating its development to meet the increasingly important urban challenges of mixed use and sustainable rehabilitation."

Fabien Acerbis

Managing Director,
Immobel France

Fort d'Aubervilliers, Paris region

Fort d'Aubervilliers, Paris region

ACTIVITIES IN Luxembourg

Despite the health crisis, demand in the Luxembourg residential market has increased, leading to upward pressure on prices.

Customers are looking for comfortable outdoor spaces and are placing greater emphasis on single-family homes on the outskirts.

During 2021 we worked on new acquisitions. Immobel Luxembourg signed an acquisition agreement in June, subject to the prior condition of obtaining the PAP and the *convention d'exécution*. It concerns the acquisition of a plot of land of around 8,300 m² in Godbrange, to the north of Luxembourg City.

We have sold land owned by Immobel within the Laangfur PAP. This is an asset deal with the potential to build on more than 25,000 m².

The marketing of our residential projects during this year has been successful. For the River Place project, 34% of the apartments are reserved (12 units). For the Canal 44 project in Esch-sur-Alzette, 92% of the apartments are sold or reserved (67 units). In addition, we have delivered 162 apartments in the Infinity development.

Concerning Livingstone, all the apartments have been sold. Buyers have been found for three commercial spaces with a surface area of 1,700 m².

The structural works of the Nova project have been completed. We are totally redeveloping an office building dating from 1992. Located on the Place de l'Étoile, it benefits from a particularly strategic position. It's right in the heart of the capital in the immediate vicinity of Kirchberg and close to motorway connections.

In our current and future projects, sustainability remains at the heart of our thinking. Infinity offers an environment where one can live without a car. Intuitive pedestrian connections between two parts of the district that were previously separated are at the core of this urban concept.

At River Place, the use of natural construction elements, the installation of green roofs, solar panels and rainwater collectors, combined with the low-energy AAA-label, translate our sustainability ambitions into a vibrant urban project.

The historic façade of the Canal 44 project (1938) has been renovated to preserve the original memory of the neighbourhood. To the rear, three new residences will be built around a quiet, green garden that contributes to the biodiversity of the city centre.

River Place, Luxembourg

160,000 m²
Luxembourg portfolio

1,373
residential units[1]

34,900 m²
offices

"In our current and future projects, sustainability remains at the heart of our thinking."

Olivier Bastin

Managing Director,
Immobel Luxembourg

PROJECTS OVERVIEW

Name	Surface (m²)	Location	Use	Building period	Immobel share
Infinity	33,300	Luxembourg	Mixed-use	Working & Shopping: Q4 2017/Q4 2019 Living: Q4 2017/Q1 2021	100%
Polvermillen	27,000	Luxembourg	Residential	Q3 2022/Q2 2025	100%
Laangfur[2]	25,500	Luxembourg	Mixed-use	Q2 2026/Q2 2028	100%
Kiem	23,300	Luxembourg	Mixed-use	Q3 2023/Q2 2025	70%
Schoettermarial	22,400	Luxembourg	Residential	Q3 2027/Q3 2029	50%
Mamer	13,800	Mamer	Residential	Q3 2022/Q4 2024	100%
Livingstone - Lot2a	13,700	Luxembourg	Mixed-use	Q3 2018/Q1 2021	33%
Livingstone - Lot1	12,700	Luxembourg	Mixed-use	Q3 2020/Q2 2023	33%
Rue de Hollerich	11,500	Luxembourg	Mixed-use	Q1 2023/Q4 2026	100%
Livingstone - Lot2b	9,700	Luxembourg	Mixed-use	Q4 2018/Q2 2021	33%
River Place	7,900	Luxembourg	Residential	Q2 2022/Q2 2024	100%
Godbrange	6,900	Luxembourg	Residential	Q3 2024/Q3 2026	100%
Canal 44	6,200	Esch-sur-Alzette	Residential	Q2 2022/Q3 2024	100%
Thomas	5,600	Strassen	Offices	Q3 2027/Q1 2029	100%
Nova	4,200	Luxembourg	Offices	Q1 2021/Q4 2022	100%
Scorpio[3]	3,700	Luxembourg	Offices	Q4 2025/Q2 2027	100%

See more projects details on our corporate website

1. The totality of the residential units, not taking into account the share of Immobel in the respective projects.
2. Project sold as asset deal in 2021.
3. Via Immobel BeLux Office Development Fund.

ACTIVITIES IN *Poland*

The impact of COVID-19 on construction work and sales activities remained fairly limited in Poland.

Our Granary Island project in Gdansk is a typical example of Immobel's expertise when it comes to reinvigorating a city centre. This mixed project includes over 700 residential units, a food court, a retail space and two hotels. It was recognised by winning the prestigious MIPIM award in the Best Urban Project category. The jury praised the project's contribution to offering better livelihoods, improving social inclusion, increasing economic growth and inventing the city of tomorrow where humans will be at the centre of everything. Regarding phase 2 of Granary Island, which we started constructing in 2020, Immobel Poland has sold around 320 apartments.

Elsewhere in Poland, the construction of the 21-storey office tower Central Point in Warsaw has been completed. In autumn 2021, the first tenants moved into the building. By the end of the year, 20% of the building had been leased, with another 25% of the surfaces under Letter of Intent.

PROJECTS OVERVIEW

Name	Surface (m²)	Location	Use	Building period	Immobel share
Granary Island	75,600	Gdansk	Mixed-use	Phase 1: Q1 2017/Q4 2019 Phase 2: Q4 2020/Q4 2023	90%
Central Point	19,100	Warsaw	Offices	Q2 2018/Q1 2022	50%

See more projects details on our corporate website

1. The totality of the residential units, not taking into account the share of Immobel in the respective projects.

80,000 m²
Polish portfolio

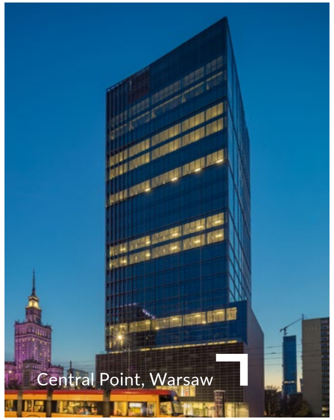
552
residential units [1]

19,100 m²
offices


Granary Island, Gdansk

"Our Granary Island project in Gdansk is a typical example of Immobel's expertise when it comes to reinvigorating a city centre."

Olivier Thiel
Managing Director,
Immobel Poland


Central Point, Warsaw

ACTIVITIES IN Germany

The German market has once again proved to be one of the most resilient. The impact of COVID-19 is still clearly noticeable in the office and hotel markets, but residential, logistics and retail are doing better. In the residential market in particular, which we focus on, there is an immense surplus of demand – both in terms of acquisition and the subsequent sale to investors or owner-occupiers. A key factor is that the health crisis further increased or even fuelled the attractiveness of the residential asset class.

The office market, our second target market, is somewhat more differentiated. The current demand structure is fundamentally different from how it was at the beginning of the pandemic. Some office users will have a substantially higher demand for space; others considerably lower. In essence, the focus is shifting from offices as a place to work, to offices for interaction and communication. Nevertheless, offices in the top seven cities that take this change into account and meet the ESG criteria will be able to attract users.

Our 20,000 m² Eden project in Frankfurt (developed by Immobel Luxembourg) is progressing well, with 74% of the 263 residential units either sold or booked. The structural and façade works have been completed: seven of the ten green lines of the façade have been executed and planted. With one of the highest green residential façades in Europe, Eden Tower sends a strong signal that cities are progressively moving towards a new paradigm. The greening of the façade will create a positive influence on the microclimate and contribute to the quality of life in the building and its surroundings.

In 2022 we will be able to announce a first acquisition; the result of negotiations conducted throughout 2021.

In parallel with these negotiations, prospecting is going well. We have continued to study new investments on the market, which could bear fruit in 2022. With this in mind, we are in the process of expanding our staff.

45,300 m²
German portfolio[1]

545
residential units

7,200 m²
offices

> *"In 2022 we will be able to announce a first acquisition; the result of negotiations conducted throughout 2021."*

Michael Henn
Managing Director,
Immobel Germany

Eden, Frankfurt

1. Confidential projects are not taken into account in the overview.
2. This project is managed by Immobel Luxembourg SA.

PROJECTS OVERVIEW

Name	Surface (m²)	Location	Use	Building period	Immobel share
Eden[2]	20,000	Frankfurt	Residential	Q3 2019/Q3 2022	90%

See more projects details on our corporate website

Eden, Frankfurt
Contruction works

Four Seasons Resort, Marbella

ACTIVITIES IN Spain

In 2021 the Spanish market was dynamic, especially in residential real estate and logistics. Immobel Spain's main achievement in 2021 was approval of urban planning permission for the Marbella Four Seasons Resort. The process to reach this important milestone has taken three years. We expect to launch commercialisation in 2022 and to obtain the construction permits in the third quarter of 2023. Our main focus for the Marbella project is the sustainable use of energy and water for the residential area and the hotel.

In fact we are planning to become the leader in Spain in terms of environmental practices and management. One initiative that will help us achieve this aim is the Green Committee that we have formed together with Four Seasons Hotels. It's dedicated to operating a fine luxury hotel that protects and preserves the natural resources and environment. In practice this means no-plastic commitments, innovative recycling and carbon-reducing initiatives, local suppliers, reduced water consumption, rainwater harvesting and the use of grey water for landscape irrigation, heat recovery systems, solar power through the use of solar panels, and food waste management systems.

Currently the team at Immobel Spain consists of four members. As our project continues to evolve, we aim to grow and to look for new opportunities in the market.

"We are planning to become the leader in Spain in terms of environmental practices and management."

Javier Reviriego

Managing Director,
Immobel Spain

PROJECTS OVERVIEW

Name	Surface (m^2)	Location	Use	Building period	Immobel share
Four Seasons Marbella Resort	76,600	Marbella	Residential & Leisure	Q2 2024/Q3 2028	50%

See more projects details on our corporate website

ACTIVITIES IN THE United Kingdom

In 2020 and 2021 Immobel laid the groundwork for its investment management activity. Since early 2022, these activities are grouped in Immobel Capital Partners which operates from the United Kingdom. The new business targets green strategies that are fully aligned with the objectives of long- term investors and partners. A fully integrated team is being put in place. It will execute a rigorous approach to create long-term sustainable value utilising core skills of investing, developing and repositioning assets so they are fit for the demands of occupiers and align with a commitment to the environment.

Immobel Capital Partners focuses on creating investment strategies in the office and residential sectors where Immobel is already a market leader. It invests in those urban centres that provide the opportunity to create a new generation of sustainable and smart living and workplace environments close to central business districts. Value creation will be delivered through the careful selection of assets that are gaining from long-term structural forces and which are less dependent on the economic cycle. These drivers include increasing and continued urbanisation, changing demographics, the ongoing technological revolution, and positive environmental and social impact.

"Our team will execute a rigorous approach to create long-term sustainable value utilising core skills of investing, developing and repositioning assets."

Duncan Owen

CEO,
Immobel Capital Partners

MARKET *analysis*

Möbius, Brussels

Möbius, Brussels

MARKET ANALYSIS: BELGIUM

I. Office market in Belgium

A. Brussels

2021 office take-up in Brussels recorded 492,000 sqm, increasing by roughly 75% over the year before. Taking the office activity of the last two years together balances out to the 10-year average, as the Brussels market seeks to stabilize. Vacancy drifted upwards to 8.1%, but grade A space continues to be in short supply given occupier demands. The short-term pipeline of available space is limited, and prime rents are supported and stable.

B. Regions

The regional office market has shown consistency in take-up in recent years, recording 296,800 sqm of letting and sales activity in 2021. Whereas Walloon markets carried the market in 2020, Flemish markets rebounded in 2021 with 258,000 sqm of take-up, driven by diverse occupiers across all geographic markets including Antwerp, Ghent, Mechelen, Kortrijk and Hasselt. Walloon markets were quieter at 39,000 sqm of take-up and more reliant on the public sector. Antwerp recorded the highest regional take-up of 103,100 sqm followed by Ghent at 58,200 sqm. Regional markets are also facing a limited short-term pipeline.

C. Demand

Combined take-up for Belgium as a whole was 789,000 sqm in 2021, showing a clear increase from 2020's 592,000 sqm. In Brussels, 60% of take-up volume was accounted for by the private sector, with a relatively even balance between small (<2,000 sqm) and large deals (>2,000 sqm). Proximus secured the largest private-sector deal of the year, signing for 37,486 sqm in the Boreal tower, while the Belgian State acquired the remaining Möbius tower (34,000 sqm) – both in the North district.

In the regional markets, demand was driven by corporates, as the public sector was quieter compared to the three years before. Larger corporates (>2,000 sqm) were more active after waiting for opportunities or securing temporary solutions during the height of the pandemic.

D. Vacancy

The vacancy rate for the Brussels market in 2021 was 8.1%, which is an increase from last year's 7.6%. Vacant space is equivalent to just over 1 million sqm, largely in older stock. Overall, vacancy is tight in the CBD at just 4.7%. Moving outwards, vacancy is 9.5% in the Decentralised markets and just under 20% in the Brussels periphery. In the regional markets, there is a persistent lack of quality available space in cities such as Namur, Liège and even Antwerp despite the higher vacancy in obsolescent stock for the latter.

E. Development

Brussels office development completions totalled 265,600 sqm in 2021. The Brussels development pipeline through 2022 is estimated at 260,000 sqm, though just 48,000 sqm is still available for lease. This is less than an average quarter's worth of take-up. The largest projects anticipated for a 2022 completion are found in the City Centre market.

Development in major regional markets is limited in 2022. Major plans are in place for longer-term city revitalization efforts in some Walloon markets such as Charleroi that should refresh quality stock over time.

F. Rent

Prime rent in the Brussels market remained at 315 €/sqm/yr in 2021. Prime rates continue at 280 €/sqm/yr in the North district and 275 €/sqm/yr in the City Centre market. New developments are putting upward pressure on prime rents in the Decentralised and Peripheral markets of Brussels. Antwerp and Ghent see prime rents even at 170 €/sqm/yr following growth in the latter market. The largest Walloon markets see prime rents just off of these record highs at 160 to 165 €/sqm/yr.

G. Investment

A surge of deal closings in the final quarter of the year brought the annual investment total to €4 billion. Though down from the year before, it is above the 10-year average. Of the total amount, Brussels offices accounted for €2.01 billion, or 50.3%. Foreign investors made up a smaller share of invested capital, as due diligence was hindered by pandemic travel restrictions. Overall, prime office yield for standard leases is estimated at 3.5% following competitive bidding on prime assets in the CBD. Prime investment yield for long-term secured offices is estimated at 3.0%.

Key stats: 8.1% Brussels vacancy; 315 eur/sqm/yr prime rent; 3.50% prime yield for standard leases

sources : CBRE

II. Residential market in Belgium

A. Brussels

With a population of 1.22 million as of January 1, 2021, the nation's capital has a well-supported residential market. Prices in the Brussels Region have been steadily increasing. From 2010 to H1 2021, median apartment transaction prices have increased 49%. Demographic changes, a steadily growing economy and low interest rates have helped support this rise.

Like sale prices, rents too have been increasing in the Brussels Region over the long-term, but at a slower pace, pushing down yields. The diversity in housing has also been growing from service flats to coliving to student housing, filling niche markets. New apartment developments can be commercialised as high as 6,000 €/m² with luxury units even higher.

B. Population

Belgium counts a population of 11.521 million as of January 1, 2021. This is a 0.25% increase over the previous year and follows a trend of steadily increasing population averaging 0.51% annually over the last decade. Brussels Region has been the fastest growing of the three Belgian Regions, averaging 0.87% growth annually versus 0.57% in Flanders and 0.34% in Wallonia over the last decade.

Belgium counts 5.025 million private households, as of January 1, 2021. The number of private households has been growing at about 0.67% annually, or 32,135 households, over the last decade. That yields an average household size of roughly 2.3 people per household. This has been declining over time as the number of single households grows. Single households now make up 35.3% of total private households, up from 33.8% since 2011.

In 2021, the Federal Planning Bureau forecast demographic trends. By 2030 the population is projected to increase by 3.3%. Those 65 years and older are over-represented in this growth compared to the previous decade. Household creation is also forecast, with single households notably increasing.

C. Housing stock

Belgium counts 5.632 million residences as of January 1, 2021. In the last year, the number of residences increased by 55,517 units. This is a smaller amount of completions compared to the previous two years, with the pandemic likely having an effect. Overall, residential development has been increasing over the long-term. Brussels Region and Flanders saw the highest increase in development activity, and new development is dominated by apartments. This can often be at the expense of traditional houses, as available space becomes scarce, particularly in urban settings. In Brussels, 7,657 new apartments were completed through 2020.

D. real estate prices

Median housing prices in Belgium have followed a stable upward trend. In 2021, house prices continued to climb to a median transaction price of €258,000 in the first half of 2021, which is the highest value achieved to date, and a 5.3% increase just from the end of 2020. The median price for apartments increased 5.4% over this period to €215,000 in the first half of 2021. The Brussels Region is the most expensive region, where median prices for houses and apartments were €450,000 and €239,000, respectively, in H1 2021. Antwerp prices were €205,000, while Ghent apartment prices were more expensive at €275,000. In Wallonia over the same period, median apartment prices were €145,000 in Liège and €165,000 in Namur.

E. New builds

New residential development is ongoing, with apartments built to a high standard and an overall more compact footprint compared with older units. Exit prices for typical new apartments in Brussels range from 2,500 €/sqm in the western side of the region to 6,000 €/sqm in the city centre and Louise corridor, with luxury projects even higher. In Antwerp, average market exit values are 4,100 €/sqm and in Ghent they are higher at 4,500 €/sqm. Walloon markets are more affordable on average, ranging from 2,200 €/sqm in Mons to 2,900 €/sqm in Wavre.

III. Landbanking

A. Housing stock

The Belgian housing stock divided by Region is 58% in Flanders, 32% in Wallonia, and 10% in Brussels. Given the size and density of the regions, the proportion of apartments relative to the stock is 28% in Flanders, 17% in Wallonia, and 57% in Brussels. The proportion of apartments in the total Belgian housing stock has increased from 19% in 2001 to 27% in 2021, to some extent at the expense of attached homes.

B. Building permits

Through the first 10 months of 2021, there were 48,821 residential permits issued in Belgium. This is up 7.2% over the same period the year before. For the three Regions over this period, Flanders issued 37,409 permits (+5%), Wallonia issued 10,787 permits (+16.1%) and Brussels issued 625 permits (-2.8%).

C. Land values

Few vacant, buildable plots remain in Brussels. As a result, developments typically involve the demolition/conversion of existing buildings to an alternative use such as residential. The last decade has seen a trend of conversion of older, obsolescent offices and buildings to alternative, mostly residential uses. Sales and sale prices of properties with permits is on the rise. Incidences for land can be upwards of 2,600 €/sqm for the best locations in central markets. For other submarkets, such as decentralised areas, this is closer to 1,000 €/sqm.

Key stats: 1.22 million people in Brussels, 2.3 people per household in Belgium; €215,000 median apartment transaction price in Belgium

sources: FOD Economie, IBSA, CBRE, Federal Planning Bureau

As per 31 December, 2021

MARKET ANALYSIS: FRANCE

I. Office market in France

A. Paris region

The Parisian office market is one of the most vibrant in Europe. Counting 59,65 million sqm at the end of 2021, the stock expanded by 742,608 sqm over the year or 1.26%.

Demand for office space in the Paris region reached 1.85 million sqm in 2021, which was an increase of 32% compared to 2020. The fourth quarter of 2021 was particularly dynamic with 631,000 sqm of space secured in the Paris Region, confirming the recovery seen in previous quarters. However, the market has been particularly active in a few well-defined size intervals and geographical sectors, with transactions above 1,000 sqm rebounding rapidly since the beginning of the year and strong activity in Paris Centre Ouest and La Defense.

In the segment of large transactions, activity remained timid in the first part of the year, but the fourth quarter was particularly good. In total, 56 transactions of 5,000 sqm were recorded in 2021, including 20 in the fourth quarter alone. This market generally reacts more slowly to economic and real estate cycles, but the results at the end of the year suggests renewed confidence of large companies.

After increasing throughout 2020 and early 2021, the volume of immediate supply has broadly levelled out in the second half of 2021, reaching 4 million sqm as of 31 December 2021, or a vacancy rate of 6.8%. The geographical evolution of supply diverges with a further fall in Paris intra-muros, and an increase for the rest of the Ile-de-France. The vacancy rate in Paris Centre Quest stands at 3.5%.

The compression of supply in Paris is putting upward pressure on rents. The average prime rent in Paris has reached 907 €/sqm/year, with the highest rent standing at €930/sqm/year. Rental values are also on the rise for second-hand space. In the suburbs, the trends are more nuanced. The average prime rent in La Defense has reached 550 €/sqm (excluding VAT) and €510 in the Western Crescent, up by 10% and 19% over one year respectively. While prime supply is under pressure in these submarkets due to its location and intrinsic quality, this is less so the case in most other markets, where supply is greater and increasing, leading to a stabilisation or even a fall in rents.

59.65 million sqm office stock in the Paris Region
1.85 million sqm take-up in the Paris Region
6.8% vacancy rate

B. Regional office market

While Paris remains the favoured destination, regional markets offer substantial space at lower rental values. The markets of Lyon, Lille, Toulouse, Marseille, and Bordeaux count a combined 22.5 million sqm, with Lyon being the largest regional office market at 6.84 million sqm.

Regional markets rebounded strongly in 2021, after experiencing a significant drop of 44% in office demand in 2020. From 642,804 m² in 2020, regional take-up for offices increased again in 2021 to 954,695 m² (+49%). Most regional markets saw prime rents for office space increase, with Lyon prime office space now trading at €340/sqm/year (+4.6%). Prime office rents in Marseille increased to €320/sqm/year.

The vacancy rate evolution has been more mixed in regional markets, with Lyon vacancies up to 4.92% of total stock whole Lyon voids decreased to 3.37%.

Key stats:
22.5 million sqm office stock in regional markets
654.695 sqm take-up in regional markets

sources: CBRE

II. Property investment in France

After several years of continuous growth and a record high in 2019, the commercial property investment market has been strongly affected by the health crisis in 2020 and 2021. In a volatile economic environment, the still uncertain impact of new working and consumption patterns on real estate demand has weighed on office and retail volumes, with travel restrictions also making it difficult for some transactions to materialise.

Two sectors, that have shown strength in 2021, are the industrial & logistics and residential markets. Investor demand for Industrial & Logistics has been fuelled by the strong growth in e-commerce and the importance of optimising the supply chain.

In the residential sector, investment volumes continue to rise, with a record reached in 2021. The strong performance of the residential market is being driven by managed student and senior residences and coliving. In geographical terms, due to the development of teleworking, and even a dual residence approach, medium-sized towns, close to large cities, are now being scoured by investors.

Offices currently trade at prime yields of 2.60% in the Paris CBD and the Paris Centre West, down from 2.75% a year earlier. Yield compression was strongest in logistics (and semi-industrial space), with prime logistics space now trading at yields of 3.25%.

At just 2.10% in Paris and 2.90% in Lyon, residential property yield remains structurally lower than that for commercial property. Investor demand is particularly strong for newly developed residential units.

Key stats:
2.60% prime yield for offices in Paris
3.25% prime yield for logistics
2.10% prime yield for residential

sources: CBRE

III. Residential market in France

A. Population

On 1 January 2021, France counted a population of 67.4 million inhabitants. This represents a change of 0.18% from the previous year and a moderation of the pace of growth that averaged 0.37% annually over the last decade. The French population grew by 119,400 inhabitants, of which 67,400 were natural growth and 52,000 were net migration.

B. Supply

On 1st January 2021, the French housing stock counted 37.2 million housing units. In mainland France, 81.8% of housing units were main residences, 9.9% were secondary/occasional accommodation, and 8.3% were vacant. Of the total residential stock, 55% were individual housing units and 45% were collective units. The stock for collective housing has been expanding at a faster rate compared to individual housing units, and this gap is widening. For the period 2016-2021, this was 0.6% annually for individual housing and 1.3% annually for collective housing.

Regarding the capital (unité urbaine de Paris), there were 4.758 million primary residences, or 16% of the French stock. Vacancy is more moderate in Paris (6.9%) than in metropolitan areas of more than 100,000 people (7.6%) and less than 100,000 (8.75%).

C. Prices

In the third quarter of 2021, the increase in prices of second-hand houses in France continued: +2.0% compared to the second quarter, after +1.9% and +1.2% in the previous quarters. Over a year, the acceleration in prices continues at +7.4%. Since the fourth quarter of 2020, the increase has been more marked for houses (+9.0% in one year in the third quarter of 2021) than for flats (+5.2%), which had not occurred since the end of 2016.

Over one year, house prices are accelerating (+7.1%, after +6.1% in the previous quarter). Prices for older homes are rising faster (+7.4% year-on-year) than those for new homes (+4.7%).

D. Transactions

In the third quarter of 2021, the annual volume of transactions increased again: in September, the number of transactions carried out over the last twelve months is estimated at 1,204,000, after 1,156,000 at the end of June. The annual volume of transactions has been on the rise since the fourth quarter of 2020, after a decline between the end of 2019 and the third quarter of 2020.

E. Rents

Rent has been increasing in France for several years. In September 2021, average French rent reached €15/sqm, including charges, according to the Seloger barometer. In 2021, rents continued to rise more than in 2020. At Q2 2021, the reference rent index increased by 0.42% year-on-year.

Significant regional disparities are hidden behind these figures. Rents remain highest in Paris, averaging €28.35/sqm per month before charges in March 2021, according to Vanport. However, they stabilised over the course of the year. In most large cities such as Tours, Lyon and Metz, rents have remained stable. On the other hand, rents have increased significantly in Rouen, Nantes (+4%) and Bordeaux (+7%).

F. New builds

Although the market remains sluggish since the beginning of the year, Q3 2021 was marked by a rebound in construction activity. In August 2021, 453,000 housing units were authorised, and construction began on 386,000 housing units (over 12 months). For the first time since the beginning of the pandemic, start of construction works and building permits are experiencing a positive change. This is especially the case in the regional markets, but residential construction activity decreased in the Paris Region (-4.4%).

Key stats:
+7.4% residential price increase in France Q3 y-o-y
Average rent in Paris is €28.35/sqm per month

sources: CBRE, Eurostat, INSEE, BTSLC, SDES

As per 31 December, 2021

MARKET ANALYSIS: LUXEMBOURG

I. Office market in Luxembourg

A. Luxembourg city

Luxembourg City faced good demand but limited availabilities in 2021. Major central districts (CBD, Kirchberg, Station, Cloche d'Or) are facing vacancies of less than 3%. Take-up, then, is more reliant on pre-letting new projects.

Activity in projects and new building drove a record year of office take-up in Luxembourg City – namely the 127,000 sqm new build of the European Parliament in Kirchberg. BGL BNP Paribas pre-let 18,000 sqm, also in Kirchberg. Station also experienced increased activity, recording almost 10% more take-up volume year-over-year from the Post Luxembourg acquisition of their new HQ (27,700 sqm) and the OPOCE pre-letting of Mercier (18,000 sqm).

Market dynamics supported the stability of prime rents through the year.

B. Periphery

Activity in the periphery was more moderate in 2021. While the number of deals increased by 25% year-over-year, total volume decreased by the same amount. Still, large deals closed, including three deals of more than 10,000 sqm. These were a bank pre-letting 17,303 sqm in Esh/Belval, the Red Cross pre-letting 13,400 sqm in Howald and Union Investment letting 10,759 sqm in the Airport market.

Vacancy was also mixed following two large vacancies in Leudelange and Howald, the former being the result of a new completion with available space. Despite that, the continuation of quality projects and general market stability has seen upward pressure for some prime properties.

C. Demand

Office demand in the form of take-up had a record year of 369,505 sqm in 2021. This is an increase of more than 7% over an active 2020. Even net of the European Parliament's deal, the volume was close to the ten-year average for the market. The European institutions were responsible for 149,445 sqm (40%) of take-up volume and more than doubling their contribution from the year before. This helped make-up for the lower activity from the Luxembourg public sector. The banking, finance and insurance (BFI) sector increased year-over-year to 92,913 sqm from previously mentioned deals. Services remained steady in 2021 after securing an additional 56,527 sqm.

D. Vacancy

Approximately 177,000 sqm of office space was considered vacant in Q4 2021 out of a total stock of 4.593 million sqm, putting the vacancy rate at a low 3.9% at the end of the year. City districts remain tight: vacancy is at or less than 2% in the CBD, Kirchberg and the Station districts. Outside of Luxembourg, Airport, Bertrange and Strassen all noted decreases in vacancy from the previous year. The growing Esch/Belval market has noted a steep decline in availabilities to less than 3% today.

E. Development

Completions picked up in 2021 to 198,000 sqm, though the European Parliament KAD2 building was almost two-thirds of this. Overall, just 27,460 sqm of new space was available at the time of completion. The largest was the Buzz City (16,000 sqm) office in Leudelange.

G. Rent

The letting market and supply and demand dynamics are such that rental values are well-supported. Given the current market environment, prime rents in Luxembourg are stable at 52 €/sqm/month in the CBD (excluding VAT). Prime rents are also stable in other major markets such as Cloche d'Or 35 €/sqm/mo (excl VAT) and Station at 38 €/sqm/mo (excl VAT) and Kirchberg at 42 €/sqm/mo (excl VAT) .

Peripheral markets have seen steady growth in popularity for their accessibility, relative affordability and quality offer. As a result, there was upward pressure in rents in 2021 that led to an increase in Munsbach to 25 €/sqm/mo (excl VAT).

H. Investment

CRE investment in Luxembourg totalled €1.578 billion in 2021, which is almost identical to the year before. Approximately one-fifth of this capital originated within Luxembourg, though Belgian investors were the most prominent sources of capital this year. Five deals closed for more than €100 million, primarily driven by office investment.

The Cloche d'Or district continued an active year with €523 million of investment in 2021. Next door, the small market of Howald saw €363 million of investment which is even more than the established Kirchberg district.

Market sentiment was positive, and yields were under pressure in 2021, particularly for office assets. Prime investment yield is now estimated at 3.30%.

Key stats: 3.9% vacancy in Q4 2021; 52 €/sqm/mo prime rent; 3.30% prime investment yield,

sources: CBRE

II. Residential market in luxembourg

A. Population

As of January 1, 2021, the population of Luxembourg counted 634,730. Growth moderated against its ten-year average but still recorded 1.38% year-over-year. The foreign population is 47.2% of the Luxembourg population and fell slightly year-over-year, following the trend from its 2018 high.

B. Market overview

The Luxembourg residential market continued to see increasing prices supported by high population growth, a robust economy, and an accommodative environment including continued low interest rates. Supply struggles to keep pace with the expanding population, though, pushing up prices and more moderate earners to the periphery of the city. Average apartment prices in Q3 2021 were €651,875, which is an 11.8% increase y-o-y. In relative terms this is 8,166 €/sqm. Growth has been led by existing apartment sales (+15.5% y-o-y) over new construction (+6.2% y-o-y). The number of transactions picked up this year (Q4 2020-Q3 2021 vs Q1 2020-Q4 2020) as travel has become easier and restrictions have eased. Rents have seen more moderate appreciation versus prices.

C. Luxembourg city

Luxembourg City grew 1.8% to a population of 124,509 as of January 1, 2021. Demand for residential properties is high, supported by the strong population growth, being the centre of the Duchy's economy, and continued low interest rates. Average transaction prices for existing apartments are 10,900 €/sqm, up approximately 1,000 €/sqm (10%) from the year before. The highest tier of apartments can be over 14,000 €/sqm. New build apartments average 11,500 €/sqm, with the highest tier achieving 16,000 €/sqm.

D. Regions

As the city becomes expensive and crowded, people are increasingly looking towards decentralised and peripheral areas for more accommodating values. Luxury developments are underway for those still wanting comfort, though prices of 5,500 to 8,500 €/sqm are still commonplace. New projects can commercialise for prices more than 8,000 €/sqm.

E. Leasing

New lease regulations have been debated in parliament for more than a year with no final result. The goal of such legislation is to strengthen tenants' rights, particularly for the lower- and middle- income earners who are most financially burdened by the high residential costs.

Rental evolution is mixed but generally up. For the year leading to Q2 2021, the average asked rent in Luxembourg was 1,519 €/month, or 31.4 €/sqm/month. This was a decrease from the year before on a nominal basis, but an increase on a relative basis. Luxembourg City has the highest relative asking rents at 36.3 €/sqm/month, followed by Leudelange (36.0 €/sqm/month) and Mamer (35.5 €/sqm/month).

F. New builds

Recent new build apartment transaction prices in Luxembourg have moderated recently to €662,914 or 8,011 €/sqm for Q3 2021, partly as a result of increased sales in the Luxembourg periphery and elsewhere. These prices are on average about 2% higher than existing units, narrowing from 15% from the year before. Considering deals from the last four quarters to be more resilient to outliers, the gap widens to 8%.

Just Strassen and Bertrange record new build apartment prices higher than Luxembourg City (Q4 2020-Q3 2021). These are 12,874 €/sqm and 12,393 €/sqm, respectively, to Luxembourg City's 12,206 €/sqm.

22% more residential building permits were issued in the first nine months of 2021 compared to a similar period the year before, standing at 4,621. Multi-unit residential developments drove this higher, while the number of single-family units was relatively unchanged. The greater permit activity was concentrated in Luxembourg City, increasing by 40% to 1,234. PAPs and general development schemes are moving forward after decreased activity in 2020. The Cantons of the Centre and South increased by 23% to 2,271 residential permits.

Key stats: €583,072 average apartment price in Q3 2021; 36.3€/sqm/month asking rent in Luxembourg City in Q3 2021; 22% increase in residential permits in Luxembourg YTD Q3 2021

sources: Statec, LISER, Observatoire de l'Habitat, AtHome

As per 31 December, 2021

MARKET ANALYSIS: POLAND

I. Office market in Poland

A. Warsaw

The Warsaw office market is by far the largest in Poland, accounting for half of the office stock in the country at 6.15 million m². Through 2021, an additional 314,800 m² of new office space was added to the market. At the end of 2021, an additional 503,000 m² as identified as under construction with completion anticipated for the period 2022-2024, mostly concentrated in the Warsaw CBD.

Occupier activity in Warsaw is dominated by financial, business service and tech companies. However, the pandemic has weighed on activity in 2020 and 2021, with office demand in Warsaw totalling 385,348 m² and 366,322 m², respectively.

At the end of 2021, 778,419 m² of space was immediately available, translating into a vacancy rate of 12.66% for the Warsaw market, which is up from 9.87% a year earlier.

Headline rents have remained stable. Prime rents for the best office space in the Warsaw CBD are estimated at 25 €/m²/mo, while those outside of the CBD are at 16 €/m²/mo. Given the current market environment, landlords have become more flexible in their leasing approach by offering more favourable letting conditions and incentive packages like fit-out contributions.

B. Regional office market

The regional Polish office markets continue to develop and offer attractive new space. Outside of Warsaw, the 7 largest office cities in Poland are Katowice, Krakow, Lublin, Poznan, Szczecin, Tricity and Wrocla, and offer some 5.37 million m² of office space.

Demand for office space been hindered by the pandemic, with most markets below average in terms of annual take-up numbers. As at the end of September 2021, 12-month take-up in the regional cities amounted to 299,874 m² as compared to 357,158 m² for the same period in 2020 and 411,463 m² in 2019.

Vacancy in regional markets drifted upward through Q3 2021 to 13.2%, which is the highest since 2010. Landlords of new buildings and those presently under construction are offering fit-out contributions while maintaining headline rents.

More generally, prime rents have held up well. Only Katowice noted a small decrease, with prime rents currently at 166.20 €/m²/year. All other regional markets were stable or registered marginal increases, with Krakow and Wroclaw both now at 180 €/m²/year and Poznan at 186 €/m²/year.

C. Investment

Poland is one of the major investment markets in Central Europe.

2021 commercial real estate investment in Poland totalled €5.7 billion, which is a 7.1% increase in volume from the previous year. Below the investment volumes of 2018 (€7.2 billion) and 2019 (€7.7 billion), 2021 is now the third highest investment volume on record. €1.35 billion was invested in Warsaw, or about 23.8% of the total Polish investment volume and down from 31.5% in 2018, 38.0% in 2019 and 28.3% in 2020. Regional markets are now attracting more investment volume.

Poland remains the most liquid property investment market in Central and Eastern Europe. Out of a total investment volume of €16.7 billion, 34% was invested in Poland in 2021.

Office assets have experienced a repricing in 2020 and 2021. Prime investment yield for CBD assets in Warsaw increased from 4.25% to 4.65% in 2020 but compressed again to 4.50% as of the end of 2021. Regional office markets have seen similar repricing in the last two years, with local prime yields ranging from 5.50% in Wroclav to 7.30% in Katowice, Lublin and Szczecin.

Key stats:
12.66% Warsaw vacancy in Q4 2021; 25 €/sqm/month Warsaw prime rent; 4.50% Warsaw office prime yield

sources: CBRE

II. Residential market in Poland

A. Poland market

The Polish housing market posted broadly positive figures in 2021 despite the complications from the pandemic and limited population growth. On average, residential prices increased by 7.2% per annum to 5,347 PLN/m² in Q3 2021.

According to preliminary data, 234,700 new dwellings were completed in 2021, increasing by 6.3% from a year ago. Of this amount, developers completed 141,700 dwellings, a decrease of 0.7% as compared to 2020. On average, the net useable floor area of a dwelling was 92.9 m² in 2021. In 2021, permits and registrations have been granted for the construction of 340,600 dwellings, an increase of 23.3% over 2020. Permits for construction of the biggest number of dwellings were given to developers (213,000 units) and to private investors (123,200 units).

B. Local prices

The average sales price for a new residential unit in Warsaw was 10,992 PLN/sqm in Q3 2021, which was 7.95% up from a year earlier. Second-hand residential units in Warsaw increased to 10,905 PLN/sqm, up 4.15% in a year. Asked prices for new space tends to be 3.76% higher than actual transaction prices.

In Gdansk, transaction prices on new housing units rose by 11.29% to 10,043 PLN/m². Asked prices for new space here tends to be 2.66% higher than actual transaction prices.

The strongest year-on-year rise in actual residential transaction prices were registered in Gdynia (+21.81%), Katowice (+21.14%), Szczecin (+22.61%) and Zielona Góra (+18.27%).

Key stats:
234,700 dwellings completed in 2021; Residential prices increased to 5,347 PLN/m² in Q3 2021; Average residential sales prices increased 7.95% in Warsaw (y-o-y) as of Q3 2021

Sources: Natl Bank of Poland (NBP), Central Statistics Poland, CBRE, Eurostat

As per 31 December, 2021

MARKET ANALYSIS: GERMANY

I. Office market in Germany

A. Office market – top 5 german markets

Germany's Top 5 letting markets generated a take-up volume of 2,629,500 sqm in 2021, thus outperforming the 2020 result by 21.2%. On the back of a weaker first half year in 2021, the growth in take-up for 2021 was mostly due to a strong fourth quarter. If the fourth quarter of 2021 is taken in isolation, take-up soared by 51% in the top 5 markets compared with the year-earlier period. Moreover, take-up in the fourth quarter of 2021 exceeded the average of the final quarters over the last decade by 12%.

The most active German office market in 2021 was Berlin with a take-up of 817,000 sqm, reflecting an increase of 22% compared with 2020. Munich took second place with 643,900 sqm (up 15%). By contrast, the highest growth rates were recorded by Hamburg and Frankfurt with increases of 35% to 430,300 sqm and 32% to 436,800 sqm respectively. Düsseldorf recorded slight year-on-year growth of three% to 301,500 sqm.

Although uncertainty remains due to the pandemic, many companies have come to terms with the situation by being more flexible in handling their space requirements. A decisive factor for take-up in 2021 consisted of 42 large-scale deals, each of more than 10,000 sqm, which overall contributed one quarter of annual take-up. The large proportion of deals concluded in developments with a share of 36% in overall take-up was particularly striking. This underscores strong occupier demand for new and modern office space with custom-build workspace interior, that complies with hybrid workplace design, teleworking, hygiene regulations and ESG criteria.

Vacancy in the top 5 office markets climbed 17% to 3.4 million sqm compared with year-earlier period. The average vacancy rate stood at 4.4% at year-end and was therefore 0.6 percentage points above the year-earlier figure. While this represents a significant increase in the vacancy rate, it remains nevertheless at a low level. In highly desirable locations, like central business districts, vacancy rates tend to be even lower. The volume of space available for subletting increased by 10% compared to 2020 since a few companies needed less space as a result of covid-induced teleworking.

In 2021, demand continued to focus on prime office space in the top CBD locations. As a result, prime rents have risen in four out the five office markets compared with the previous year. The sharpest rise of 6% to €41.00/sqm/month was registered in Berlin. In Munich, the prime rent climbed by 5% to €41.50 and in Frankfurt am Main by 3% to €45.50. Compared with the year-end 2020, prime rents remained stable in Hamburg and Düsseldorf at €32.50 and €28.50 respectively.

Key stats:
Highest office prime rent in Germany is 45.5 €/sqm/month in Frankfurt
Vacancy in Germany increased to 4.4%

sources: CBRE

II. Property investment in Germany

The German real estate investment market generated a transaction volume of more than €111 billion in 2021, reflecting growth of 40% in a year-on-year comparison. Germany ranks 2nd in the world's based on property investment volume in 2021, with only the USA doing better.

The largest transaction in Germany was Vonovia SE's takeover of Deutsche Wohnen SE and resulted in Europe's largest private housing company. Back in the third quarter of 2021, Swedish Heimstaden acquired the housing portfolio of property company Akeliusin. But even excluding these two takeovers, the 2021 investment volume settled at 5% above the previous record result from the 2019 pre-pandemic year when just under €84 billion was invested in German commercial and residential property.

Core and core plus investments dominated the investment year 2021 with a share of around 72%, up from 61% in 2020.

Furthermore, some 7 billion euros were channeled into sustainability-certified properties, with ESG-compliance playing an increasingly important role in the eyes of property investors. Another notable trend is the increasing number of forward investment deals (€18.5 billion) and development acquisitions (€5 billion), where investors are seeking access to the German property market.

At around €49 billion, residential property was the dominating asset class in 2021 (up 145% in volume as compared to 2020). Of the commercial properties, office real estate remained the most important asset class, outperforming the year-earlier figure by 11% with a transaction volume of more than €30 billion. Industry and logistics replaced the retail asset class as the third largest investment segment. At more than €10 billion, the transaction volume not only set a new record but also significantly exceeded the previous year's result by 34%.

With pressure from strong demand, net initial yields compress further across almost all asset classes. At year-end 2021, the average prime yield for office properties in top markets came in at only 2.65%, 0.2 percentage points below the year-earlier figure. Yields have declined in the retail segment, after rising earlier at the start of the pandemic. While distinct yield compression of 1.2% percentage points was recorded for highly desirable supermarkets, yields for high street properties and shopping centers recently edged down as well. The drop in yields of 0.4% percentage points to currently 3% for booming logistics property, ultimately due to COVID-19, was also considerable.

Key stats:
German overall investment volume amounted to €111 billon in 2021
The average prime yield for office properties in top markets is at 2.65%

sources: CBRE

III. Residential market in Germany

A. Population

According to a first report of the Federal Statistics Office (Destatis), 83.2 million people were living in Germany in September 2021. Compared to the same period in 2020, the German population grew by 31,886 inhabitants or 0.04%. In 2021, the stagnating population was due to the increased number of deaths, which clearly exceeded the number of births. The gap between births and deaths, however, was filled by higher net immigration. In 2020, net immigration had decreased. At the end of 2020, roughly 618,200 households in Germany received housing allowance, or about 1.5% of all main residence households. The Federal Statistical Office (Destatis) also reports that the number of recipient households increased by 22.6%, or about 113,800, compared with 2019, as a result of the housing allowance reform which took effect at the beginning of 2020. As a result, more households have been entitled to housing allowance.

B. Residential market germany

Residential prices in Germany were stagnant from the early 2000s until 2009. Prices since 2010 have been among the fastest rising in Europe. According to the Bundesbank price index, the top seven cities have seen prices more than double since 2010.
Current commercialised prices for apartments are highest in Munich at 9,500 €/sqm (+8.8% per annum since 2016). Frankfurt and Hamburg follow at 7,000 €/sqm (+10.2% per annum since 2016) and 6,250 €/sqm (+8.0% per annum since 2016), respectively. Berlin is fourth on the list at 5,500 €/sqm but counts the strongest price growth of the top-4 (+10.8% per annum since 2016).

Just 50.4% of people own their home in Germany. The remaining 49.6% of people rent their residence, being the second highest rate in Europe behind Switzerland.

D. Housing stock

Germany counts 42.8 million residential units at the end of 2020. Housing stock growth has been just 0.63% per year on average since 2014, which is rather modest but exceeds population growth. The average size residential unit is 92 sqm and counts 4.4 rooms.

Presently, Germany is experiencing a serious housing imbalance. Development is simply not keeping up with the demand and is the single biggest challenge to the residential market today. Development of some 270,000 units annually is around 100,000 fewer than the government's target.

From January to November 2021, new building permits amount to 341,036 dwellings and are up 2.8% on the same period a year earlier. Estimated building costs are reported as part of permit applications. In November 2021, the construction price index for conventionally constructed new residential buildings in Germany was up 14.4% compared with November 2020.

Key stats:
German housing stock is 42.8 million residential buildings;
Munich records the highest new commercialised apartment prices of 9,500 €/sqm;
341,036 building permits issued YTD November 2021

sources: Destatis

As per 31 December, 2021

ESG report

Oxy, Brussels

ESG REPORT[1]

Index

I. THE CREATING HEALTHY PLACES STRATEGY 79
- A. The strategy 79
- B. Dialogue with stakeholders.. 80
  82
- C. Translating the SDGs in our business 83
- D. A co-constructed strategy.. 84
- E. Key sustainability achievements in 2021 85
- F. A local governance, a transversal cooperation 86

II. OUR AREAS OF ACTIVITY...87
- A. For Users... 87
  1. HUMAN CENTRED DESIGN... 87
  2. MOBILITY 88
- B. For Communities.. 89
  3. LOCAL ECONOMY 89
  4. PUBLIC ENGAGEMENT 90
  5. SOCIAL INCLUSION 91
- C. For the environment... 92
  6. CARBON FOOTPRINT.. 92
  7. CIRCULARITY... 94
  8. BIODIVERSITY 94
  9. WATER MANAGEMENT... 95
- D. Collaborators and partner engagement 96
  10. SUSTAINABILITY CULTURE.. 96
  11. DIVERSITY & INCLUSION.. 97
  12. HEALTHY WORKPLACE 97
  13. ECOSYSTEM 99

[1] This report should be read in combination with the “Who we are” chapter of this Annual Report.

I. The Creating Healthy Places strategy

A. The strategy

The Creating Healthy Places strategy[2] aims to provide an action framework for all of Immobel's ESG (Environmental, Social and Governance) initiatives.

We wish to direct our action towards the development of healthy places to live, promoting the well-being of users and neighbouring communities while advocating exemplarity from an environmental point of view.

[2] For further information please consult the chapter "Who we are" of this Annual Report.

Creating Healthy Places provides us with a fundamental analysis framework for our activities, which will allow the group to structure its ESG reporting more effectively from 2022 onwards. The strategy is divided into two layers, what we do at the level of our assets and what we do at group level. On each level, our actions are grouped in different pillars; what we do for the user, for the community and for the environment on asset level and how we see collaborators and partners' engagement, stakeholder dialogue and social sponsorship at group level.

B. Dialogue with stakeholders

Maintaining a dialogue with our internal and external stakeholders is a responsibility that Immobel integrates into its daily activities. Cities and communities are not built in siloes. We are convinced that a close dialogue with our stakeholders is key for identifying and acting on both risks and opportunities.

Immobel also seeks to influence the industry agenda in a broader sense, as we see this as an important opportunity to have a positive impact beyond our direct projects and take up a leading role within the sector on societal and environmental topics.

The overview below specifies the type of dialogue with both internal and external stakeholders.

Stakeholder dialogue overview

STAKEHOLDER	TYPE OF DIALOGUE
Internal stakeholders	
For our staff and the company: Immobel is a company that allows everyone to think about their job and give it meaning, to work in a caring professional environment and to have a balanced personal life	
Staff	• Internal communication : intranet • Workshops such as CSR awareness and co-creation sessions • Training • Satisfaction survey • Annual and half-yearly appraisals • Several team events • Collaborative IT tools • Onboarding process for new collaborators
Board of Directors Executive Committee	The Executive Committee proposes to the Board of Directors the implementation of a corporate social responsibility policy (CSR) to ensure that environmental, social, economic and ethical issues are taken into account in the Company's activities.

STAKEHOLDER	TYPE OF DIALOGUE
External stakeholders	
For users: Immobel designs real estate programmes to preserve the health of occupants, facilitate healthier and more sustainable lifestyles and develop interactions with the surroundings. **For corporate clients:** Immobel offers properties located in lively neighbourhoods that contribute to a modern positioning of their brand and the opening up of their organisation to society.	
Clients	• Satisfaction surveys • Welcome pack at sales agreement meeting • Periodic newsletters for follow-up • Marketing automation flows • Client guidance SPOC • Digital sales agreement • Meetings with client guidance • Digital follow-up by means of a customer software • Complaint handling process • People for Excellence programme: a continuous improvement programme with a focus on customer satisfaction, employee engagement and an increase in efficiency and lead time
For investors: Immobel builds quality and attractive buildings that create value through their positioning, designed to be able to adapt to changing uses and maximise the intensity of use.	
Financial community : investors, individual and institutional shareholders, banks and insurance companies	• Letter to the shareholders • Press releases and financial reports • Websites and social media • Conferences/roadshows • Shareholder identification and targeting • Direct dialogue • Capital markets day in 2022 • Annual shareholders meeting
For our neighbourhoods: Immobel develops projects that contribute to the city's commitments, that participate in an ecological and inclusive transition and that take into account the needs of the area concerned.	
Public authorities	Signing of the charter launched by the city of Paris to stimulate temporary occupations.
	Active participation in initiatives to stimulate societal and environmental transitions such as the RENOLAB ecosystem established to stimulate circular projects.
For suppliers: Immobel is committed to supporting its suppliers who develop efficient products and services and to supporting less advanced suppliers	
Partners and suppliers: architects, constructors, industrial partners, start-ups etc.	Collaboration with MyMove, start-up providing a fleet of soft mobility solutions in our residential developments
	Charter of local and responsible procurement
	Continuous dialogue between development, technical teams and suppliers regarding project design
	Sustainability certifications: design meetings, onsite visits etc.
	Partnerships with other developers in a joint approach for acquisitions and developments (e.g. Partnerships with Whitewood, Triple Living, Besix etc.)

STAKEHOLDER	TYPE OF DIALOGUE
External stakeholders	
For local communities: in order to participate in the social and economic diversification, Immobel wishes to rely on the ecosystem of local actors existing in situ, by integrating their knowledge in the programmatic choices of our developments. Immobel's buildings have a positive impact on the local community and economy and host projects led by local actorsin order to participate in the social and economic diversification, Immobel wishes to rely on the ecosystem of local actors existing in situ, by enhancing their knowledge and by integrating into the ecosystem of the project area. Immobel's buildings have a positive impact on the local community and economy and host projects led by local actors.	
Associations, exchange platforms, ONG, local communities, neighbourhoods	One-on-one dialogue, workshops and information sessions with neighbourhoods before and during (re)development (internal IMPULSE co-creation methodology)
Public-private partnerships	Active member in a number of public-private partnerships as an engagement to rethink the neighbourhoods in which we are active: • Co-creation trajectory with other developers and the city of Brussels to redesign ground floors and public spaces in and around our developments in the centre of Brussels ("rez-de-ville") • Member of the association Up4North to redesign the North district in Brussels • Member of the association Biestebroeck in order to prototype the new district Biestebroeck in Brussels • Member of the European Quarter Fund in Brussels
Associations, ONG's	Partner of Reforestation in France
	Founder and sponsor of the Immobel Social Fund (managed by the King Baudouin Foundation)
	Sponsor of Fondation Pallatio (FR)

For our sector: Immobel contributes to the progress of the real estate sector and its ability to face the major social and environmental challenges of the coming years (industry dialogue)	
Associations	Madaster Max: partner for the launch of the Madaster platform in Belgium.
	Presidency and active member of Urban Land Institute (product councils, decarbonisation programme etc.)
	Several collaborators are members of Young ULI
	Collaboration and member of ProptechLab.
	Dialogue with EPRA (European Public Real Estate Association).
	Active member of several professional circles: UPSI / young UPSI - Professional Union of the Real-Estate Sector.
	Member of BIRA (Belgian Investor Relations Association).
	Member of LuxReal, the Luxembourg real estate association
	Partner of The Pavillon de l'Arsenal (FR) which groups and unites stakeholders in the urban and architectural world, developers, and public and private general contractors.
Academic sector	CEO of Immobel Belgium is guest lecturer for the Master's in Real Estate at Saint-Louis University in Brussels
	Dialogue between Vlerick and the Renumeration Committee about incorporation of ESG targets in executive pay

C. Translating the SDGs in our business

We have integrated the United Nations' Sustainable Development Goals in our ESG strategy. As a major property developer, Immobel works in the general interest of cities and communities to support them in their ecological and societal transitions **(SDG 11 – Sustainable cities and communities)**

Our design will incorporate a growing importance on **health and well-being parameters (SDG 3 – Good health and well-being)**. Users now seek more qualitative living and working areas, in which they can live and work comfortably and in good health. The way we design buildings, areas and the surrounding neighbourhood should encourage and support sustainable lifestyles in its true sense.

Immobel wants to take up a leading role in the environmental transition. We will reduce our ecological footprint through mindful **water and energy consumption, and by reducing CO_2 (SDG 13 – Climate action including, SDG 7 – Energy, SDG 12 – materials and SDG 6 – Water)**.

But the solutions to respond to climate change are not limited to "grey" technologies such as renewable energies or material use. Even if we totally convert to renewable energy today, we'll still need help from nature. We cannot address **biodiversity loss (SDG 15)** without tackling climate change, but it is equally impossible to tackle climate change without addressing biodiversity loss. Protecting and restoring ecosystems can help us reduce the extent of climate change and cope with its impact.

The continued increase of the build-up area and urbanisation induce new ways of thinking about biodiversity. **Ecosystems and biodiversity** within cities are important, sometimes unique and to be protected and further expanded. Immobel wants to implement biodiversity strategies in its developments as a key element to protect and restore biodiversity, using it as a driving force during the whole life cycle of a building or a development.

We consider these UN SDG's as the ones on which we can have a direct impact with our projects. In addition, at group level we are convinced that we can have a direct or indirect impact on several SDG's, we consider SDG 17 – Ecosystem, SDG 5 – Diversity and inclusion, SDG 3 – Healthy workplace, SDG 9 – Sustainability culture and SDG 4 – Training knowledge sharing / culture to be the main ones.

D. A co-constructed strategy

2021 was particularly important for the integration of ESG commitments within our activities. We launched a co-creation process in order to define **a complete strategy**, able to set the group a course for the years to come on **13 action themes on two levels (our goods and our group)**.

This work was conducted with a strong bias: **associating internal stakeholders with the definition of the strategy.** For Immobel, this is a significant approach, because it makes it possible to acquire a framework of action capable of articulating a strategic dimension and an operational dimension, able to inspire collaborators while offering them action tools to integrate ESG commitments whilst carrying out their activities.

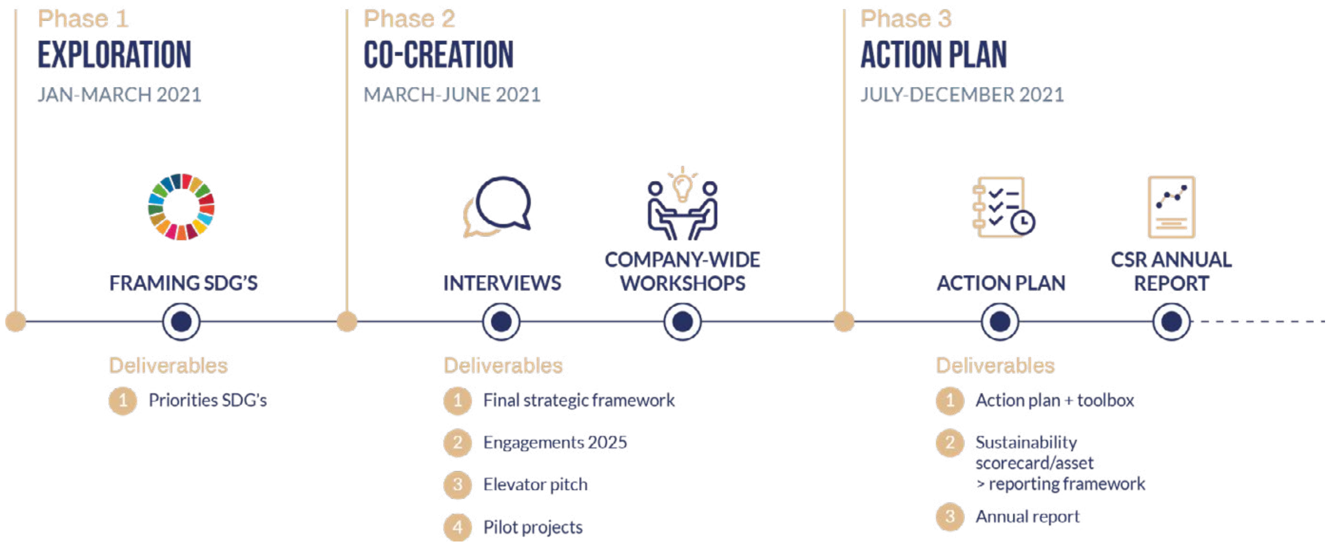
After a first preparatory stage carried out within the ESG Department, we have thus set up a co-construction course structured around **7 workshops focusing on in-depth investigation, exchange and assessment of already existing practices within Immobel.**

The 7 internal workshops took place between March and June 2021 and brought together representatives of the key professions for this approach to be successful: Technical Development, Development Department, Human Resources, Marketing and Communication and Finance.

The workshops meant we could unite the business managers from each of our countries of operation, leading to a discussion on leading developments and the possible ambition for the years to come.

At the same time, **there was regular dialogue with the Management Committees of the various countries** throughout the process.

Work on the strategic framework, which began in autumn 2020, is currently being finalised and will allow Immobel, for the first time in its history, to carry out full ESG reporting for the year 202

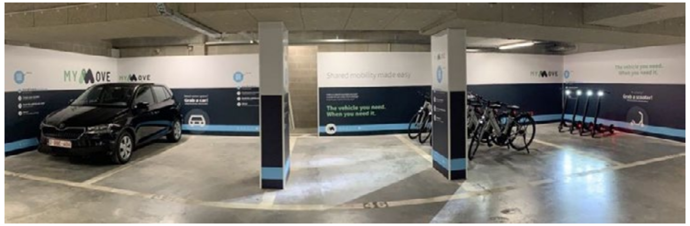


E. Key sustainability achievements in 2021

- In 2021, Immobel defined its overall sustainability approach and priorities (see above).
- Immobel developed a **Green Financing Framework**, reviewed and approved by Sustainalytics, as an extension of all sustainability and environmental actions undertaken by the company. Under this framework, Immobel, or any of its subsidiaries, may issue Green Bonds, Green Private Placements, Green (Syndicated) Loans to drive its sustainability targets. By doing so, Immobel is anchoring sustainability into its financing activities.

  In October, Immobel successfully issued a **green bond** which will allow us to continue developing our projects with high sustainability requirements.
- Immobel has participated in the **Global Real Estate Sustainability Benchmark (GRESB)** evaluation leading to updated Environmental, Social and Governance policies.
- An ESG **governance structure** has been set-up in order to make our commitments become an integral part of our daily business throughout the countries in which we operate.
- A series of **pilot projects** has been launched as a practical way to demonstrate our societal and environmental commitments
  - **Immobel urban mining (group level)**: an experiment as part of Immobel's decarbonisation pathway: the focus of this pilot project is to optimise the re-use of materials between our own construction sites aimed at reducing the embodied carbon of the materials. Inventories of the re-use and recyclability potential of our developments are centralised in order to create transparency on the re-use potential between sites.
  - **Rez-de-Ville (Brussels)**: an experiment to demonstrate our public engagement and our commitment for local economy (a diverse offer of services and shops, providing opportunities for emergent, innovative economic stakeholders) by means of a public-private co-creation model leading to recommendations with regards to the programming of ground floors and public areas in the hypercentre of Brussels.
  - Our **"Horizon Nature" development in Montévrain**, France (67 housing units and 8 individual houses) as a **prototype of the sustainable new generation residential projects**. This project that proposed a series of sustainable experiments (a large offer of soft mobility solutions, an innovative natural gas and green gas solution, etc.) was rewarded in 2021 with the "Prix de l'Innovation Industrielle" (jury of experts) as well as the "Prix du Grand Public" in the competition "Pyramides Ile de France" organised by the FPI (Fédération Promoteurs Immobiliers).
  - As part of its Group low-carbon roadmap and a roadmap to impact biodiversity positively, Immobel has **designed an urban food forest** on one of its Belgian plots in the portfolio. The food forest is like a demonstration of a new innovative and sustainable form of agriculture, that provides local, healthy food while at the same time providing areas for nature, biodiversity and CO_2 sequestration. The implementation is scheduled in 2022.

- Launch of the **MyMove solution** at our residential development project Royal Louise in Brussels: as part of our collaboration with the start-up MyMove, Immobel has implemented a fleet of shared cars, bicycles and electric scooters available to users of the Royal Louise residential project in Brussels.



- **Communication**: awareness sessions regarding the ESG framework have been set-up in the countries as part of the process of creating a culture of sustainability. The sessions were organised in order to detect trends in social and environmental challenges and in the new ways of working and living, to align Immobel's ESG commitments with these trends and to share ESG best practices already implemented in the field.

F. A local governance, a transversal cooperation

Alongside the definition of the strategy, 2021 was marked by an evolution in the governance and management of the ESG strategy.

The **ESG Group Function** is responsible for providing and developing the strategy, tools and systems required to enable the business lines to act. The Head of ESG develops partnerships regarding ESG topics, launches pilot projects and engages with external partners for ESG-related projects and actions. The Head of ESG is also invited to the Executive Committee for ESG-related topics.

Each country has assigned an **ESG point of contact** to ensure a local implementation and follow-up of the ESG strategy.

In 2022, the governance structure will be extended to Group level.

Sustainability policies

As a result of the co-creation trajectory, Immobel is updating the ESG framework with several **internal policies and operational documents** which in turn refer to external frameworks, including national legislations, regulations, international references based on EU or UN frameworks and industry body frameworks. This toolset will be finalised in 2022 and gradually implemented in the daily work of the different operational teams.

TOPIC	INTERNAL POLICY
Healthy places	Immobel sanitary and usage checklist
	Inspiration book "hybrid and mutualised places"
	Diagnostics tool for local economy
Environment	Development checklist
	CO² reduction and positive biodiversity roadmap
Responsible procurement	Local purchasing policy / supplier code of conduct
Inclusion and diversity	Inclusivity program
Governance	Anti-corruption and anti-bribery policy
	Good and ethical behaviour ode

II. Our areas of activity

A. FOR THE USERS

1. Human centered design

Commitments

Immobel buildings guarantee a very high sanitary quality of the areas. They are also designed to facilitate everyone's access to sustainable ways of living and working and to encourage relationships with others, the outdoors and nature.

Towards 2025, we will consistently implement the **WELL certification** for large office development.

In the design process we will implement the use of a **reference book "positive impact stakeholders"** as a facilitator for our teams to include such stakeholders in the programming. At the same time, we will start measuring our actual performance as a basis to set the targets for the upcoming years.

In a similar way, we will implement the **reference book regarding hybrid and pooled spaces** and start measuring our actual performance.

Both reference books will become part of a health and well-being design checklist which will be used as a guiding principle for each development in the design phase.

Key projects and examples

A'Rive (61,300 m² - Residential, shops and productive functions in Brussels); a prototype of well-being for the user with a focus on the relationship with the outdoors and creating shared outdoor areas such as roof terraces or gardens which are accessible to all residents) as well as integrating positive stakeholders by creating a project where residential and productive functions are combined in an urban context. The project also offers a multitude and variety of semi-public areas, private terraces and balconies as well as a platform for urban agriculture.

ISALA (33,000 m² - Offices in Brussels); the architectural choices contribute to better health and well-being for the users:

- Widening of the peripheral wings (wooden construction) towards the interior of the island in order to bring daylight to the office floors and improve working comfort.
- Creation of a garden in the open ground.
- Opening and activation of facades.
- Creation of a winter garden inside the island: this “hybrid” space can also be used as a co-working space in which collaboration and catering come together.
- The fact the floors are connected means priority is given to circulation via the stairs.
- The roof glazing enables a constant, generous amount of natural light.
- Outdoor areas: terraces are fitted out at ground level+4 and +6 offering viewpoints.

This exemplary renovation project will obtain a Well Platinum certification as well as a BREEAM Outstanding and a DGNB certificate.

Montrouge (8,700 m² - Offices in Paris) has chosen to make high-rise areas available to all collaborators in the form of a company restaurant. On the ground floor, the corner reception benefits from a double-height hall that provides plenty of space and light, as well as a hybrid and flexible area connected to a garden. The latter can be adapted for multiple uses and services.

Reporting

WELL LABELLING of office operations in the design phase or permit application

- **Oxy** (62,100 m² - mixed use in Brussels): WELL Platinum for the office part: 44,100 m²
- **Brouck'R** (418,000 m² - mixed use in Brussels): WELL Platinum for the office part: 6,500 m²
- **Rueil** (26,800 m² - offices in Rueil-Malmaison, France): WELL Gold
- **ISALA** (33,000 m² - offices in Brussels): WELL Platinum
- **Proximus** (Immobel has been assigned as preferred candidate) (49,000 m² - mixed use in Brussels): WELL Platinum for the office part
- **Lebeau** (36,200 m² - mixed use in Brussels): WELL Platinum for the office part: 18,000 m²

These ongoing WELL certification processes represent 180,000 m² which is already more than 80% of all office projects in design or permit request stage.

Some development projects do not target a WELL certification since they are designed according to the requirements of the end-users.

It is important to note that all the above developments will have an additional BREEAM (minimum Excellent) score.

81%
OF OFFICE PROJECTS
IN WELL CERTIFICATION PROCESS

A. FOR THE USERS
2. Soft mobility

Commitments

Immobel's operations promote sustainable mobility: the sites are accessible by public transport, promote the use of bicycles and offer low-impact mobility solutions. The diversity and proximity of essential services also reduce travel.

Mobility and transport connections are an integral part of the ESG due diligence for new acquisitions. In the design phase, a feasibility study will indicate the possibility of integrating parking for bicycles and electrical charging stations for cars and bicycles (at least pre-equipment) as well as the possibility for amenities or solutions to stimulate alternative, future-proof mobility solutions: car-free zones, mutualisation of parking spots, bicycle repair services etc.

Key projects and examples

Immobel's recently delivered urban development projects are all located on multimodal mobility hubs.

- The **MULTI project** (45,800 m² - Offices in Brussels) is located on top of the crossroads, underground, tram and bus stop "De Brouckère"
- **Central Point** (19,100 m² - Offices in Poland) is located at the intersection of the only two underground lines in Warsaw
- **Infinity building** (33,300 m² - mixed use in Luxembourg): a new tram stop has been created in front

At the same time, our development projects act as a leverage to rethink the mobility in the entire neighbourhood:

- A'Rive
  - 982 places for bikes, 138 of which will be reserved for "cargo" bikes.
  - stimulator to reconsider mobility in the entire neighbourhood: a co-creation process led to a series of experiments and prototypes such as a cargo bike repair hub (see picture) which will lead to further recommendations for the council and the Region to reconsider mobility in the wider area with a focus on pedestrians and cyclists.
- **Lebeau** (36,200 m² - mixed use in Brussels): 313 spaces for bicycles as well as charging points for cars. Out of the 190 parking spaces, 130 will be public allowing a complete transformation of the Sablon neighbourhood with regards to parking spaces above ground.

B. FOR THE COMMUNITY

1. Local economy

Commitments

Immobel's urban projects are rooted in their environment and catalyse the local economy, by promoting the installation of local traders, businesses or services and by developing the use of nearby businesses and materials.

A methodology will be developed in order to identify local economy stakeholders to integrate into our development projects. Particular attention will be paid towards integrating **SMEs or local businesses into our commercial or tertiary areas.**

The methodology will entail a quantitative and qualitative analysis of the existing offer resulting in an overview of the desired functions or aspirations. A co-creation workshop will conclude our analysis regarding local, proximity of public services.

For our construction works, we will set up partnerships with public services in charge of accompanying (young) unemployed people to integrate them in the construction works.

A **local purchasing policy** aims to privilege local companies in the construction phase.

Key projects and examples

- **Slachthuis site**: the project intends to provide local proximity services to the residents and inhabitants of the neighbourhood. A study is ongoing regarding the feasibility to create an innovative, urban food hub where food production, community gardens/rooftops, retail and food-related events become part of a local, circular food chain.
- The pilot project "**Rez-de-Ville**" which will lead to the implementation of our local diagnostic methodology and a programme to create awareness on the importance of the ground floors in the urban fabric.
- The **Horizon Nature à Montévrain** programme aims to support the local economy by integrating local suppliers and service providers in the commissioning and construction of the built area. Consequently, 5 local companies, whose headquarters are near the construction site, took part in the works of the Immobel project.

B. FOR THE COMMUNITY
2. Public engagement

Commitments

Immobel designs urban projects by involving local individuals to catalyse transition and improve the quality of life. Public areas are designed as places to live. The hybridisation of private and public areas promotes interactions between the inhabitants and those who use the buildings.

Our public engagement will focus on the creation **of inclusive and healthy public places** within or nearby our developments and the integration of **public functions and amenities**.

We apply a methodology of **co-creation** with all stakeholders and we stimulate **temporary occupation** in our empty buildings (pending a permit) in order to test new functions, stimulate local economy, entrepreneurship or local associations.

Key projects and examples

Our magazine covers several examples of projects that stimulate public engagement. Some of them, and other examples, are listed below.

TEMPORARY OCCUPATION

- Immobel has signed the **charter for temporary and transitional occupation, created by the City of Paris**. This approach responds to our commitment to develop transitional urban planning and to programme it into our operations, both in Paris and throughout the Parisian region, with a view to prototyping future use and promoting urban projects with social externalities and environmental benefits for the territory. An approach that will be implemented in particular as part of the store transformation project **Tati Barbès**.

- **Lebeau**: permit pending, the empty locations have been made available to artists and associations. With a circular clothing shop (SE-EM), a plant shop and a biodiversity centre (Espace Lebeau) or an experimental cultural venue (Face B), Immobel wants to experiment with uses that support the district.

CO-CREATION PROJECTS

- Immobel is a member of the **European Quarter Fund** (a company fund managed by the King Baudouin Foundation) to redesign the European quarter. Immobel is also a founding member of the non-profit organisation **Up4North** in order to redesign the northern district of Brussels, as well as of **the non-profit organisation Biestebroek** which, alongside its stakeholders, is redesigning the new district on the edge of the canal south of Brussels.

- **SNCB HQ in Brussels**: Immobel and its partners have created a neighbourhood premises (“café du midi”) where inhabitants can share their ideas for the neighbourhood and where participatory workshops will be held.

- **Co-creation in Montrouge** on an office operation in France: Immobel intends to improve the way of working to encourage an integrated approach. With "**Immpulse**", we have developed a design thinking methodology for tertiary projects. In concrete terms, we bring together for a few days, in an immersive way, internal stakeholders – a developer, a technical services individual, a marketing manager – and also external stakeholders- brokers, a landscaper, a service manager and a communication agency.

PUBLIC ACCESSIBILITY / FUNCTIONS

- The **Multi** and **Oxy** projects in the centre of Brussels are examples of opening up to the public and pedestrians alike between both buildings. The Multi project, winner of the be.exemplary award in 2017 granted by the Brussels Region, intends to reinforce its connecting role with outside areas by providing access for the public to the Atrium and terrace.

- The Oxy building has integrated a green promenade which aims to become a natural extension of the pedestrian zone.

- At the **Pachecosite**, the former State Administrative Centre, Immobel will integrate a secondary school for 350 students, a primary school for 220 students, a nursery for 72 children and a sports infrastructure that will be accessible to the public after school.

- Immobel is also pro-active in discussing the attribution of the planning permission charges to be paid. In the **A’Rive** project, the taxes will be dedicated to a school project in the neighbourhood.

- Based on its territorial knowledge and in co-creation with the local authorities, in its permit request Immobel includes pro-active proposals for these taxes to be allocated towards publicly relevant functions.

B. FOR THE COMMUNITY

3. Social inclusion

Commitments

A positive impact for local communities includes support for vulnerable groups, notably by supporting economic players who commit to providing socio-professional integration and to fighting poverty. We work with our suppliers, service providers and tenants to support and accompany these actions also thanks to our “Immobel Social Fund”,which accounts for up to 1% of our net income each year, and supports non-profits and ESS (Social Solidarity Economy) players. These include organisations and associations working in particular in the areas of health, culture and social inclusion.

Furthermore, we will develop an inclusivity roadmap and define a realistic target with regards to the social mix in our developments and the provision of a residential offer for specific groups (social housing, students, senior citizens etc.).

Key projects and examples

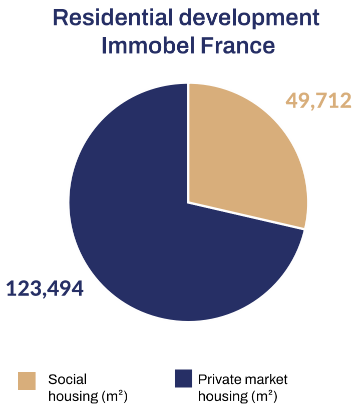
In 2021, Immobel financially supported several professional associations in Brussels with activities in the field of **education and youth** such as TADA, ToekomstATELIERdelAvenir (see magazine), Calame ASBL, an association which supports young people in their school career, Youth Start, which offers training to young people with a future project, VUB Kinderuniversiteit, a project which gives children the chance to come into contact with science and research at an early age and Schola ULB, which supports struggling students to avoid dropping out of school.

As well as support in the field of social integration, Immobel also supports organisations and associations in the field of **culture and health**.

In 2021, Immobel France joined the association called “Tous le Monde contre le Cancer”. This association’s approach and the cause it supports, particularly for children, are close to our hearts. At the end of the year, we were present for the “100 Noëls dans 100 Hôpitaux” [100 Christmases in 100 Hospitals] operation which aims to bring a little joy and magic to the 4,000 hospitalised poorly children, to offer them a beautiful, enchanted and warm Christmas, almost like at home.

Social housing

The situation in France (with quotas of social housing), shows that an implication of the private sector in the development of social housing is beneficial in providing an answer to the lack of social housing. Immobel integrates social housing into most residential programmes and thus helps local authorities to achieve legal objectives: **29% of the residential part of our portfolio in France consists of the construction of social housing.**



In this same context, Immobel France also complies with the regulations imposed by the **Local Plans for Integration** and tries to systematically call on people in professional integration on each of its sites.

As part of our inclusivity programme, Immobel will look with the property federations in the countries where we operate how further public private partnerships can be developed with regards to the construction of conventional and social housing. An example is our residential project **Universalis Park in Brussels**, where Immobel will develop 32 social housing units which will be acquired by the SLRB (Société du Logement de la Région de Bruxelles-Capitale), the Brussels regional housing institution for social housing.

Reporting elements

In 2021, the Immobel group (among other things through the Social Fund) supported more than 25 structures in carrying out their associative and civic projects.

C. FOR THE ENVIRONMENT

1. Carbon footprint

Our commitments

Immobel is committed to reducing its greenhouse gas emissions based on an initial assessment of the Group's carbon footprint (scopes 1/2/3) and a roadmap that applies to all operations.

As far as the **operational carbon** (linked to the energy) of our operations is concerned, we will define a roadmap towards carbon neutrality for the tertiary and residential sector.

The amount of renewable energy generated on-site will be measured and reported annually.

As far as the **embodied carbon** (linked to the materials) is concerned, we will measure our actual performance on the entire portfolio and set out a roadmap aligned with a series of international references and benchmarks such as the WorldGBC, RIBA architects, the Carbon Heroes Benchmark Programme (Europe and global), the E+C- project in France from ADEME in preparation of the upcoming RE2020 legislation, the World Business Counsel on Sustainable Development (WBCSD) & Arup.

Key projects and examples

MIXED FOSSIL FREE OFFICE/PROJECTS

- **Brouck'R project** (41,000 m² - mixed-use - permit pending, in Brussels), will be using a geothermal energy system making it a fossil-free building.
- **Lebeau project** (36,200 m² - mixed-use - permit pending, in Brussels): will use an open geothermal installation which will be linked to solar panels and heat pumps making it a full fossil-free building.
- **OXY project** (62,100 m² - mixed-use - permit pending, in Brussels), a future proofed, fossil-fuel free energy concept.
- **MULTI project** (45,800 m² - offices under construction in Brussels) the first CO_2 neutral office building in use in Brussels.
- **ISALA project** (33,000 m² - office - permit pending, in Brussels) will become an energy positive building with a primary energy consumption of -0.1kWh/m².

ENERGY PERFORMANCE FOR RESIDENTIAL DEVELOPMENTS

- **Epinay-sur-Orge** (3,800 m² - residential site under construction in France): heat pump and solar panels in all collective housing (44 housing units - buildings A and B).
- **Panorama project** (58,100 m² - residential site, permit pending in Brussels, fossil-free thanks to a combination of water-air heat pumps and solar panels.
- Each new development in the design phase will analyse the possibility for these renewable energies. The 3rd phase of the **O'Sea** (33,600 m² - residential site- under construction in Ostend, Belgium) has also evolved towards a fossil-free building by means of an underground Thermal Energy Storage combined with heat pumps.

Embodied carbon (materials) Within our developments, we also privilege renovations to reduce CO2 emissions linked to material use (embodied carbon). LifeCycleAssessments are used to optimise material choices and to reduce the impact of CO2.

The **MULTI** building which will become the Immobel HQ as from 2022 has an embodied carbon of 181 kg CO2/m² over 60 years (compared to an actual market standard around 1000 kg CO2/m²) and is carbon neutral in operations. The ISALA project in the European quarter in Brussels (permit pending) strives for an embodied carbon of max. 220 kg CO2eq./m² over 60 years.

The **ISALA** project (33,000 m² office – permit pending in Brussels) does this by preserving more than half of the building, by re-using materials from the actual site as well as from other projects, by maximising in the new structures the use of Cross Laminated Timber and by using biosourced (38%) and recycled (24%) materials.

Other examples where the design process based on LifeCycleAssessment has led to the integration of wooden (CLT or Cross Laminated Timber) constructions:

The **MAMER** development (13,800 m² residential site being designed in Luxembourg) will offer a range of single-family homes and residences designed to meet the needs of all generations. The project will integrate around:

- 1,400 m³ of CLT flooring (20 cm thick)
- 1,500 m³ of CLT walls (12 cm thick)

The **RiverPlace** project (7,900 m² - residential site being designed in Luxembourg) anticipates a 5,850 m² wooden facade.

Immobel France and GRDF agreement

Immobel France and GRDF signed a partnership agreement in 2021 whereby they commit to develop innovative property programmes in Île-de-France, which accelerate the energy transition of buildings and place quality at the heart of new construction by experimenting with new heating solutions

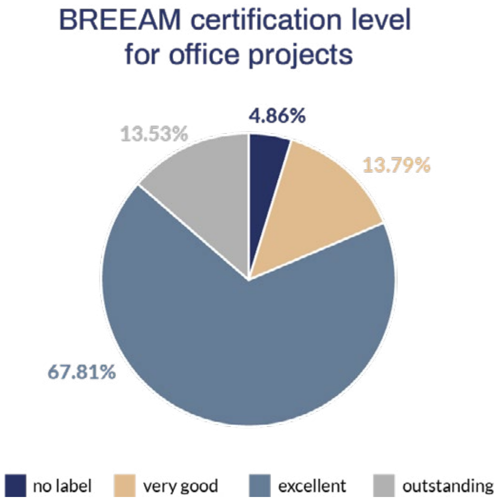
This agreement has a dual purpose. First, to promote innovative building-related natural gas and green gas solutions. Next to participate in the creation of sustainable housing, in a context marked by an increased risk of shortage and increase in the cost of fossil energy.

Reporting

CERTIFICATIONS

The number of projects (design – permit – construction) that are in the process of a BREEAM certification represents

- 30% of the overall portfolio expressed in m²
- 95% of the office portfolio expressed in m²



Some of these projects will also receive an additional HQE (mostly in France) and/or DGNB certification.

The residential sector is less subject to a culture of energy performance certification. As a consequence, residential projects are not, by definition, subject to a certification programme, although they comply with the Immobel ESG commitments. Additionally on an individual basis, local certification schemes can be applied (NF habitat, Label E+C-, habitat and environment). As an example, 50% of the developments (expressed in m²) in France target the NF habitat HQE certification.

C. FOR THE ENVIRONMENT

2. Circularity

Commitments

We wish to assert ourselves as a property player which can enhance local architectural, human and material resources, to minimise the extraction of raw materials and maximise local anchoring.

We will perform an inventory for re-use for all renovation projects in the conception phase to optimise re-use and recycling on site or elsewhere.

We will also define a gradual increase in renovations based on actual measurements (renovation versus new). Environmental Product Declarations and lifecycle analysis will be used as tools to increase the level of re-used, recycled and healthy materials in the event of new constructions.

Key projects and examples

By adopting a circular logic in the definition of its programmes, Immobel seeks to maximise the re-use of materials in its construction sites.

The results of the Life Cycle Analysis (LCA) for the **ISALA** project showed that the raised floors of the offices of the ISALA complex contribute very significantly to the environmental impact of the building materials. Therefore, the team is looking for possibilities to re-use the existing raised floors in other buildings or in the existing building, in particular through the Urban Mining programme developed by Immobel.

Therefore, the facade cladding (natural stone) of part of the demolished building will be re-used for the cladding of the new building. In addition, an inventory of interior materials presents a potential for re-use on a large part of the non-removable furniture such as doors or even toilets.

In the **MULTI** programme, 89% of the materials in situ are kept in the refurbishment and renovation of the building. In addition, approximately 2% of the re-used materials in the project come from “urban mining”, as they mostly come from off-site sites.

For the **Tati Barbès** project, the proposal accepted as part of the Réinventer Paris competition best preserves the building’s identity since it anticipates the least possible demolition, thus preserving 65% of the floors and 84% of the existing facades, including full preservation of the Haussmann building.

The site of ilôt **St Roch à Nivelles** (a 31,500 m² residential site under construction in Belgium) is emblematic for the desire to maximise the existing materials on site. The industrial building is located on a plot that has been completely backfilled in the past. The excavations have therefore revealed numerous blocks of concrete and masonry. The development of the ilôt Sain-Roch therefore required existing warehouses to be demolished so recycled gravel could be reconstituted then used for the construction of sub-foundations both for future roads and future buildings.

Also at **Bussy-Saint-Georges** (a 7,300 m² - residential site under construction in France) demolition materials were used to make construction tracks (using crushed concrete).

C. FOR THE ENVIRONMENT

3. Biodiversity

Commitments

Immobel's operations contribute to improving the living conditions of animal and plant species in urban areas. Thanks to this, proximity to nature and living things become an essential component of people's quality of life.

Immobel will further develop its approach to integrate biodiversity into all activities, using it as a driving force during the whole life cycle of a building or a development.

We are convinced that since the **biodiversity crisis and the climate crisis are profoundly interlinked, they should be looked at jointly.** This approach will put Immobel on a pathway to becoming an active and positive partner to make our cities and communities more resilient and climate proof - combining the goals of biodiversity improvement and CO2 reduction/caption.

We will develop a measurement method (as an extension of the CBS which only focusses on the surface) by including measures on the quality and diversity of the habitat. The tool will focus on the biodiversity value (natural habitats/ecosystems), environmental value (mitigation heat island, Co² storage, air filtering, water infiltration, ...) as well as the user experience.

With regards to the overall ambition to limit construction on agriculture or natural surfaces, we will develop a "Zero net artificialisation" roadmap.

Key projects and examples

The **Oxy project** (62,100 m² mixed development - permit pending in Brussels) is a good example of the way Immobel intends to **increase the biodiversity level in a very dense, urban area**. The main garden will extend over all the public reception terraces from the top of the access staircase to the end of the terrace facing the opera. A total of 2,256 m² will be planted as part of the developments up to ground level +4 on the basis of a distribution between 920 m² of intensive surfaces and 1,336 m² of extensive surfaces.

In 2021, Immobel received the subdivision permit for the development of a brand new green district in **Tielt** in Belgium (a 30,000 m² residential project comprising 106 houses and 88 apartments). The project is exemplary in the way Immobel will develop its future suburban residential developments in terms of biodiversity. The Tielt project site is designed to fit into an ecological network. The creation of a green framework in the projects puts the buildings between two places of ecological interest. The project anticipates the creation of a park over 49,000m² in size, composed of an extensive meadow (> 33,000 m²) and an intensive meadow (> 16,000 m²).

C. FOR THE ENVIRONMENT
4. Water management

Commitments

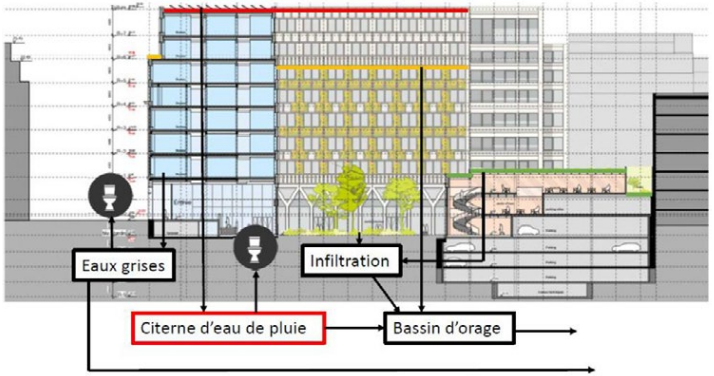
Immobel operations are inspired by the natural water cycle and facilitate sober use of water resources. It aims to maximise the circular use of water, in relation to natural environments.

Key projects and examples

ISALA

In the **Isala** project, various measures are implemented to reduce the building's (drinking) water demand. Firstly, there is a drastic reduction in water consumption of the building's various equipment. Secondly, the distinction is made between equipment requiring drinking water and those where it is not required. The uses of rainwater and grey water can thus be maximised and drinking water consumption can be reduced significantly.

Rainwater falling on the highest roof of the building is collected in a 170 m³ rainwater cistern located in the basement of the building. As far as grey water is concerned: water from showers and sinks will be collected in a separate cistern and re-used for toilets.



MONTÉVRAIN

When designing its buildings, Immobel includes water outlets conceived to reduce the consumption of the resource. In the Montévrain project, the installation of special taps makes it possible to limit the water consumption of the homes. In addition, each home has a 350-litre rainwater tank to allow residents to use it to water their plants or their vegetable gardens.

A NETWORK OF VALLEY GUTTERS AND LANDSCAPED BASINS

The creation of a network of valley gutters and landscaped basins with an ecological vocation and reinforcement of biodiversity become a differentiating element in the design of our suburban residential projects.

The **Tielt and Mamer** sites are designed to facilitate the management of rainwater, in particular with valley gutters which are water retention basins in the event of heavy rain and specifically during thunderstorms. These basins have a double utility, firstly to temporise the flow of rainwater in the urban flow networks which are often put under pressure, and then to allow the surrounding biodiversity to be watered as these basins are open to the outdoors.

D. COLLABORATORS AND PARTNERS ENGAGEMENT

It is thanks to our teams' professional and human quality that our projects are of a high quality. We are thus committed to creating a healthy workplace for all Immobel's collaborators, a context capable of stimulating everyone's interest and creativity and offering opportunities for training and raising awareness of the major issues that determine the evolution of our businesses: the evolution of the demand and needs of our customers and the environmental imperative.

D. COLLABORATORS AND PARTNERS ENGAGEMENT

1. Sustainability culture

Immobel's vision

Immobel's teams participate in the group's ambition to create future proof urban projects with a positive impact. The group pays particular attention to training and skills development

Key examples and main worksites

"AU PAIR" TRAINING

BELGIUM

Promoted within the technical and development teams, "au pair training" is an opportunity for a group of colleagues to exchange information and make progress. The training makes it possible to support the integration of newcomers but also to share the main developments in the profession in terms of programming, development and sustainability.

LEARN AT LUNCH

BELGIUM

A lunch offered to the teams allowing them to enhance their understanding of a sector topic in a friendly setting. Immobel collaborators present a topic and its concrete implications for the projects carried out by Immobel. An opportunity for training, enhancement and appropriation of the group's main projects.

QUALITY TESTING

FRANCE

Before the housing is delivered, Immobel France organises a session to test the quality of the equipment and fittings that will be delivered. All collaborators are asked to volunteer and approximately ten of them are selected to go on site to check the quality of the product. This maximises customer satisfaction and proves to be a team building exercise and a training experience for some collaborators who are not used to attending operations.

D. COLLABORATORS AND PARTNERS ENGAGEMENT
2. Diversity & inclusion

Immobel's vision

Immobel reinforces its commitment against all forms of discrimination against collaborators, applicants or partners and develops diversity within teams and management.

Commitments and aims

- To support the professional integration of young people and people with disabilities
- To achieve equal M/F representation on national and group executive committees
- To fight against gender inequality

Key examples and main worksites

IMMOBELLES
LUXEMBOURG

In Luxembourg, an internal awareness campaign on gender equality, through the storytelling of female professional experiences at Immobel.

D. COLLABORATORS AND PARTNERS ENGAGEMENT
3. Healthy workplace

Immobel's vision

Immobel is building an organisation which contributes to the development and health of people and the group. This attention to health, safety and the quality of working conditions applies to its entire value chain.

Commitments and aims

- To conduct an annual survey

Key examples and main worksites

CORPORATE SPORTS

A partnership with a sports hall (Lux) to facilitate sports practice and the ImmoRUN initiative are opportunities for team building and for healthy lifestyle encouragement.

SUPPORT FOR COLLABORATORS
BELGIUM

Additional medical examinations and retirement preparation workshops are offered to collaborators over the age of 45.

CONVIVIAL MOMENTS TO PROMOTE DIALOGUE

Breakfasts and afterworks are organised regularly, both on Immobel premises and externally.


IMMORUN
IMMOBEL
IMMOBEL

D. COLLABORATORS AND PARTNERS ENGAGEMENT

4. Ecosystem

Immobel's vision

Immobel implements ambitious commitments with the support of partners, local authorities, architects, companies, associations, etc. and shares its experience through site visits, publications and interventions within professional bodies or stakeholders.

Commitments and aims

- To set up a committee of stakeholders
- To consolidate a responsible purchasing procedure
- To establish a responsible construction site charter
- To promote working groups with partners on priority issues (public areas, urban health)
- To conduct hackathons in partnership with higher education institutions
- To join and participate in the activity of thematic working groups (Business4Biodiversity, Sustainable Building Plan, etc.)

Key examples and main worksites

Immobel is a stakeholder in several thematic working groups, on a national and international scale.

PROPTECHLAB

The Belgian community of Innovators in the property value chain aiming at fostering innovation in construction and property and to ease the digital transformation of the industry towards a sustainable future.

UPSI

The Union Professionnelle du Secteur Immobilier represents the main developers-builders, developers and property investors in Belgium with the federal and regional authorities, collaborates with the public authorities and gives them advice. Immobel is also a partner of YUB – Young UPSI BVS, the network of young real estate talents (25-35 years old) in Belgium.

MADASTER
THE LAND REGISTRY OF MATERIALS

Immobel is a partner of the start-up Madaster, which carries out an inventory of the existing built heritage in the territory of the Brussels region. This online platform lists buildings and the materials and products they contain. Each building becomes as such an element of a database of materials. Improving knowledge of heritage is a key step in reducing the material footprint of construction activities.

ULI
URBAN LAND INSTITUTE

ULI is the oldest and largest network of cross-disciplinary property and land use experts in the world. The European presidency of the network is occupied by Marnix Galle, CEO of the Immobel Group. Several collaborators are members of the Young ULI young talent network.

UP4NORTH

Immobel is a member of the association which advocates the development of the northern district of Brussels.This project aims to recreate diversity by bringing together large companies and start-ups, cultural and associative groups, residents and visitors, as well as local, national and international individuals.

ASBL BIESTEBROECK

Immobel participates in the work of the association, which aims to bring together all the stakeholder in order to prototype the new Biestebroeck district

EUROPEAN QUARTER FUND

Immobel is a member of the management committee of the European Quarter Fund which brings together all private and public concerns for the harmonious development of the European district of Brussels, ensuring general interest is defended through consultation and coordination of actions.

CITY OF PARIS TEMPORARY OCCUPATION CHARTER

Immobel is a signatory to the temporary occupation charter launched by the City of Paris to promote the use of temporary and transitional urban planning practices in urban and property development with the property sector.

MANAGEMENT report

Granary Island, Gdansk

MANAGEMENT REPORT

Ladies and Gentlemen,

We have the pleasure to present our activity report 2021.

Immobel closed its annual accounts on December 31st, 2021.

Immobel delivered a strong set of results achieving substantial growth in revenues. Net profit group share grew to EUR 92.2 million up from EUR 33.3 million in 2020. The return on equity stood at 19%, well above the Company's 15% target. EBITDA doubled from EUR 52.8 million to EUR 103.8 million.

The acquisition of several high-profile projects supported the growth of Immobel's underlying portfolio from EUR 5.1 billion in 2020 to EUR 5.5 billion at the end of 2021, providing it with a strong pipeline of future projects.

With this solid performance, Immobel has committed to a 10% dividend increase in line with its dividend policy, bringing the 2021 dividend to EUR 3.05 gross per share..

FINANCIAL HIGHLIGHTS

- Net profit group share almost tripled from EUR 33.3 million in 2020 to EUR 92.2 million in 2021. EBITDA doubled to EUR 103.8 million (2020: EUR 52.8 million)
- Solid activity in the office market was supported by the continued 'downsizing and upgrading'-trend with a clear focus on sustainability. Residential sales were supported by strong markets driven by rising prices and a structural supply-demand imbalance.
- Permits obtained for a sales value of EUR 892 million in 2021, compared to EUR 506 million in 2020. This includes final permits amounting to a sales value of EUR 580 million in 2021, compared to EUR 315 million in 2020.
- Future growth position strengthened with new strategic acquisitions in Belgium, France and Luxembourg, amounting to EUR 560 million in sales value. This brings the total gross development value (GDV) of the portfolio to EUR 5.5 billion.
- Growth strategy supported by strong balance sheet with cash position of EUR 273 million and gearing ratio of 52.9% at the end of the year.
- Dividend increase for the fifth year in a row, in line with the dividend policy, this year by 10%, resulting in a dividend of EUR 3.05 gross per share.

BUSINESS MILESTONES

- In Brussels, Immobel and Whitewood fully let the MULTI office development project (45,800 m²), with a WALT[1] of approximately 12 years.
- In France, Immobel partnered with renowned institutional investors, Goldman Sachs Asset Management and Pictet Alternative Advisors, for strategic acquisitions in Paris.
- In Brussels, Immobel was selected by Proximus as the preferred candidate to reach an agreement on the sale, partial lease-back and redevelopment of Proximus' headquarters.
- In Spain, Immobel made strong progress with the necessary urban planning procedures for the construction of the Four Seasons Marbella Resort[2].
- In Luxembourg, Immobel signed an agreement with TotalEnergies for the acquisition of their Luxembourg headquarters located Route d'Esch.
- Immobel laid the groundworks for the launch of Immobel Capital Partners[3] in the United-Kingdom, significantly strengthening its European investment management activity.
- Immobel defined its comprehensive sustainability strategy based on 13 themes linked to the United Nations Sustainable Development Goals.

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[1] Weighted average lease term.
[2] For further information: https://www.immobelgroup.com/en/news/immobel-to-develop-four-seasons-marbella-resort-following-urban-planning-approval
[3] For further information: https://www.immobelgroup.com/en/news/immobel-launches-immobel-capital-partners-under-the-leadership-of-duncan-owen

I. Business development (art. 6 ' 1, 1' et art. 3:32, 1' cca)

A. Groupe Immobel business

A) Financials

The table below shows the main consolidated figures for 2021 (in EUR million):

Results	31/12/21	31/12/20	Variance
Revenues and other operating income	392.8	375.4	5%
EBITDA[4]	103.8	52.8	97%
Net profit Group share	92.2	33.3	177%
Net profit Group share per share (EUR/share)	9.25	3.58	158%
ROE[5]	18.7%	7.8%	140%

Balance sheet	31/12/21	31/12/20	Variance
Inventory[6]	1,261.9	1,140.8	11%
Equity Group share	571.6	491.9	16%
Net debt[7]	593.3	603.9	-2%
Portfolio GDV (in EUR billion)[8]	5.5	5.1	8%

In 2021, Immobel's net profit group share increased by 177% to EUR 92.2 million. At 19%, its ROE is well above the Company's 15% target. EBITDA increased by 97% to EUR 103.8 million. The gross development value (GDV) of the company's portfolio grew by 8% from EUR 5.1 billion in 2020 to EUR 5.5 billion in 2021 while the underlying inventory grew by 11% to EUR 1.3 billion, driven by new acquisitions made in 2021. Net debt remained stable as the additional debt incurred for new acquisitions were offset by the operational cash flow generated in 2021. This resulted in an improved gearing ratio of 52.9% (compared to 57% at the end of 2020)..

Strong take up across residential and commercial markets

Residential sales were supported by strong markets characterised by the structural imbalance between supply and demand, resulting in rising prices for residential projects. Sales were mainly driven by O'Sea and Immobel Home (Belgium), Eden (Germany) and Fort d'Aubervilliers (ilôt A), Bucolia and Montévrain (France). The pandemic's impact on how and where people want to live has continued to translate into high demand for second and suburban homes.

2021 was also marked by substantial rental and investment activity within our office division. The sales of the BREEAM Outstanding and CO2-neutral 'Commerce 46'-building to Allianz and the BREEAM Excellent and Smart 'Möbius II'-building to the Belgian State (ahead of schedule) made a substantial contribution towards delivering a strong net profit. A 12-year lease agreement was signed with TotalEnergies and a 9-year lease agreement was signed with a top-tier US financial institution for their new Belgian headquarters in the MULTI-building – the first CO2-neutral office building in Brussels. These transactions are a clear illustration of how investors and occupiers are viewing the office market following the pandemic. We continue to see growing evidence of a trend towards 'downsizing and upgrading' and a growing focus on sustainability, wellbeing and flexibility in work patterns, all areas in which Immobel has a strong track record.

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4 EBITDA (Earnings Before Interest, Depreciation and Amortization) refers to the operating result before amortization, depreciation and impairment of assets (as included in Administration Costs)

5 ROE (Return on Equity) refers to the net profit group share divided by the equity group share at the beginning of the year.

6 Inventory refers to investment property, investments in joint ventures and associates, advances to joint ventures and associates, inventories and contract assets.

7 Net debt refers to the outstanding non-current and current financial debt offset by the cash and cash equivalents.

8 Sales value or gross development value: total expected future turnover (group share) of a project or all projects in the current portfolio (including projects subject to conditions precedent for which the management judges there is a high likelyhood of closing.

Improvement in rate of permitting activity

2021 permitting activity improved compared to 2020, although the company was still faced with delays for some of its residential projects. During the year, Immobel obtained permits for a sales value of EUR 892 million compared to EUR 506 million in 2020. In 2021, final permits were obtained for a total sales value of EUR 580 million, compared to EUR 315 in 2020.

In Belgium, Immobel obtained a permit for the residential Ilôt Saint-Roch project with a sales value of EUR 103 million. Together with Dumobil, it obtained planning permission for the development of 200 units with a sales value of EUR 65 million in Tielt. In Éghezée near Namur, Immobel will develop a new, sustainable residential district with 168 residential units (including 118 houses and 50 apartments) with a sales value of EUR 57 million.

Permits were also obtained in France for the Montrouge office project in Paris with an area of 8,700 m², the residential project Montévrain with a sales value of EUR 19 million and the residential project Bucolia with a sales value of EUR 54 million, amongst others.

GDV of EUR 5.5 billion provides a strong platform for Immobel’s continued growth

Immobel grew its gross development value by more than 8% to EUR 5.5 billion by acquiring assets with a sales value of EUR 560 million, which will provide a strong pipeline of future opportunities.

In Paris, Immobel partnered with two renowned institutional investors; with Goldman Sachs Asset Management, it acquired a high-quality mixed-use commercial and office building in the centre of Paris and with Pictet Alternative Advisors, it acquired an office property located in the Paris Opera district, which presents a significant redevelopment opportunity in one of Paris’s most sought-after locations. In addition, Immobel was awarded the contract for the conversion of the iconic Tati Barbès-building into homes, shops, and offices.

By repurposing real estate to change its use or by introducing sustainable mixed uses into developments, Immobel is responding to the key challenges of major European cities by addressing housing shortages and environmental challenges.

In Luxembourg it acquired, within the framework of the investment management business, the Scorpio-building in the Cloche d’Or district. It also signed an agreement with TotalEnergies for the acquisition of their Luxembourg headquarters located Route d’Esch in Luxembourg.

In Belgium Immobel acquired the Sabam headquarters and the head office of TotalEnergies in the European Quarter in Brussels.

FY 2021’s solid financials enable Immobel to maintain its business plan. Following this strong performance and in line with its dividend policy, Immobel has committed to a 10% dividend increase, bringing the 2021 dividend to EUR 3.05 gross per share. Potential permitting delays are expected to be mitigated in 2022 by a robust office activity and the continued strong demand within the residential market.

As Immobel has limited exposure to the Eastern European market (with only two projects in Poland), it does not expect the war in Ukraine to have any direct impact on its business. However, management remains vigilant on potential indirect impacts such as rising interest rates, inflation, and construction costs.

Strong balance sheet

Immobel has a strong balance sheet with EUR 273 million in cash and a gearing ratio of 52.9%. In 2021, Immobel successfully issued EUR 125 million in green bonds, reinforcing the Company’s ESG strategy and demonstrating the importance investors attach to climate and environmental issues whilst also confirming their confidence in Immobel and its underlying business plan. Immobel’s strategy remains focused on the development of projects with high sustainability targets which contribute to the creation of the European cities of tomorrow.

[3] Sales value or gross development value: total expected future turnover (group share) of a project or all projects in the current portfolio (including projects subject to conditions precedent for which the management judges there is a high likelyhood of closing.

B. Comments on the consolidated financial statements

A) Key indicators

CONSOLIDATED TURNOVER PER COUNTRY (MEUR)

	BEFORE IFRS 11	AFTER IFRS 11
Belgium	273.31	162.83
Grand-Duchy of Luxemburg	119.49	102.87
France	87.53	67.11
Poland	1.83	2.06
Germany	44.64	44.6
Total	526.8	379.47

CONSOLIDATED INVENTORIES PER COUNTRY (MEUR)

	BEFORE IFRS 11	AFTER IFRS 11
Belgium	528.51	292.87
Grand-Duchy of Luxemburg	144.49	143.8
France	180.25	167.19
Poland	70.44	34.74
Germany	59.03	59.03
Spain	35.26	0.99
Total	1017.98	698.62

B) Consolidated accounts

CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME (IN THOUSANDS €)

	NOTES	12/31/2021	12/31/2020
OPERATING INCOME		**392,815**	375,390
Revenues	2	379,509	364,479
Other operating income	3	13,306	10,911
OPERATING EXPENSES		**-338,312**	-333,526
Cost of sales	4	-311,066	-300,766
Cost of commercialisation	5	-439	-1,702
Administration costs	6	-26,807	-31,057
SALE OF SUBSIDIARIES		**25**	133
Gain (loss) on sales of subsidiaries	7	25	133
JOINT VENTURES AND ASSOCIATES		**44,531**	7,994
Share of result of joint ventures and associates, net of tax	8	44,531	7,994
OPERATING PROFIT AND SHARE RESULT OF ASSOCIATES AND JOINT VENTURES, NET OF TAX		**99,058**	49,991
Interest income		4,983	5,773
Interest expense		-6,605	-11,859
Other financial income		81	1,440
Other financial expenses		-3,552	-2,649
NET FINANCIAL COSTS	9	**-5,094**	-7,295
PROFIT BEFORE TAXES		**93,964**	42,696
Income taxes	10	-1,619	-8,650
PROFIT OF THE PERIOD		**92,345**	34,047
Share of non-controlling interests		195	775
SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY		**92,150**	33,272

	NOTES	12/31/2021	12/31/2020
PROFIT FOR THE PERIOD		**92,345**	34,047
Other comprehensive income - items that are or may be reclassified subsequently to profit or loss		**-820**	2,282
Currency translation		-904	2,282
Effective portion of changes in fair value		84	
Other comprehensive income - items that are or may be not reclassified subsequently to profit or loss	**27**	**57**	201
Actuarial gains and losses (-) on defined benefit pension plans	27	57	201
Other comprehensive income - items that has been reclassified to profit or loss			
TOTAL OTHER COMPREHENSIVE INCOME		**-763**	2,483
COMPREHENSIVE INCOME OF THE PERIOD		**91,582**	36,530
Share of non-controlling interests		112	964
SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY		**91,470**	35,566

EARNINGS PER SHARE (€) (BASIC)	11	9.25	3.58
COMPREHENSIVE INCOME PER SHARE (€) (BASIC)	11	9.18	3.82
EARNINGS PER SHARE (€) (DILUTED)	11	9.25	3.58
COMPREHENSIVE INCOME PER SHARE (€) (DILUTED)	11	9.18	3.82

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (IN THOUSANDS €)

ASSETS	NOTES	12/31/2021	12/31/2020
NON-CURRENT ASSETS		**506,259**	**448,370**
Intangible assets	12	246	582
Goodwill	13	43,789	43,789
Property, plant and equipment	14	2,793	1,388
Right-of-use assets		3,772	4,390
Investment property	16	173,999	197,149
Investments in joint ventures and associates	17	156,532	106,195
Other non-current financial assets	18	1,015	175
Advances to joint ventures and associates		101,670	76,644
Deferred tax assets	19	21,292	16,369
Other non-current assets	20	1,151	1,689
CURRENT ASSETS		**1,178,890**	**982,768**
Inventories	21	698,623	683,121
Trade receivables	22	38,116	33,168
Contract assets	23	117,953	57,251
Tax receivables		1,369	3,450
Other current assets	24	36,240	37,269
Advances to joint ventures and associates		13,163	20,399
Other current financial assets		49	49
Cash and cash equivalents	25	273,377	148,059
TOTAL ASSETS		**1,685,149**	**1,431,137**

EQUITY AND LIABILITIES	NOTES	12/31/2021	12/31/2020
TOTAL EQUITY	26	**582,919**	**494,490**
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY		571,567	491,922
Share capital		97,257	97,256
Retained earnings		472,629	392,143
Reserves		1,681	2,524
NON-CONTROLLING INTERESTS		11,352	2,568
NON-CURRENT LIABILITIES		**535,104**	**609,602**
Employee benefit obligations	27	996	603
Deferred tax liabilities	19	26,352	37,301
Financial debts	25	507,596	571,139
Derivative financial instruments	25	160	560
CURRENT LIABILITIES		**567,126**	**327,045**
Provisions	28	2,328	2,114
Financial debts	25	359,094	180,810
Trade payables	29	83,546	60,927
Contract liabilities	30	21,969	3,896
Tax liabilities		13,770	7,110
Other current liabilities	31	86,419	72,188
TOTAL EQUITY AND LIABILITIES		**1,685,149**	**1,431,137**

C) Immobel SA company accounts

Income Statement

The operating profit amounts to EUR 6.1 million for the past financial year.

The financial result amounts to EUR 20.1 million, being the net amount of interest charges on group financing (bonds and corporate lines) and interest income from loans to the various subsidiaries, mainly generated by dividends and disposal of treasury shares.

Immobel's financial year ended with a net profit of EUR 25.8 million.

The Balance Sheet

The total Balance Sheet amounts to EUR 1.045 million and is mainly composed of financial investments in subsidiaries and claims on these subsidiaries (EUR 829 million), the project stock directly held by Immobel SA (EUR 43.8 million), own shares (EUR 1.2 million) and cash equivalents (EUR 162.9 million).

The equity amounts to EUR 317 million as of 31 December 2021. The liabilities are mainly composed of long-term debts (EUR 375 million) and short-term debts (EUR 349 million).

Allocation of results

The profit to be allocated, taking into account the amount carried forward from the previous year amounts to EUR 143.9 million.

Given the dividend policy approved by the Board of Directors and the results as of 31 December 2021, the Board of Directors proposes to the General Meeting of Shareholders of 21th April 2022 to distribute a gross dividend of EUR 3.05 per share in circulation for the year 2021, an amount that should increase every year, subject to the absence of any currently unforeseen exceptional events.

Main risks and uncertainties

The Immobel Group faces the risks and uncertainties inherent to the property development sector as well as those associated with the economic situation and the financial world.

Without the list being exhaustive, we would like to mention the following in particular:

<u>Market risk</u>

Changes in general economic conditions in the markets in which Immobel's properties are located can adversely affect the value of Immobel's property development portfolio, as well as its development policy and, consequently, its growth prospects.

Immobel is exposed to the national and international economic conditions and other events and occurrences that affect the markets in which Immobel's property development portfolio is located: the office property market in Belgium (mainly in Brussels), Luxembourg, France, Germany, Spain, and Poland; and the residential (apartments and plots) property market in Belgium, Luxembourg, Poland and France. This diversification of both business and countries means it can target different clients, economic cycles and sales volumes.

Changes in the principal macroeconomic indicators, a general economic slowdown in one or more of Immobel's other markets, or on a global scale, could result in a fall in demand for office buildings or residential property or building plots, higher vacancy rates and higher risk of default of service providers, building contractors, tenants and other counterparties, any of which could materially adversely affect Immobel's value of its property portfolio, and, consequently, its development prospects.

Immobel has spread its portfolio of projects under development or earmarked for development to limit the impact of any deterioration in the real estate market by spreading the projects in terms of time and nature.

<u>Operational risk</u>

Immobel may not be able to dispose of some or all of its real estate projects.

Immobel's revenues are determined by disposals of real estate projects. Hence, the results of Immobel can fluctuate significantly from year to year depending on the number of projects that can be put up for sale and can be sold in a given year.

Furthermore, it cannot be guaranteed that Immobel will find a buyer for the transfer of its assets or that the transfer price of the assets will reach a given level. Immobel's inability to conclude sales can give rise to significant fluctuations of the results.

The policy of diversification implemented by Immobel for the last years and the merger with ALLFIN has allowed it to reduce its concentration on and therefore its exposure to offices in Brussels with an increased portfolio of residential and landbanking projects, which should give it a revenue base and regular cash flows.

The development strategy adopted by Immobel may prove to be inappropriate.

When considering property development investments, Immobel makes certain estimates as to economic, market and other conditions, including estimates relating to the value or potential value of a property and the potential return on investment. These estimates may prove to differ from reality, rendering Immobel's strategy inappropriate with consequent negative effects for Immobel's business, results of operations, financial condition, and prospects.

Immobel takes a prudent approach to the acquisition and development of new projects and applies precise selection criteria. Each investment follows a clear and strict approval process.

Immobel's development projects may experience delays and other difficulties.

Before acquiring a new project, Immobel carries out feasibility studies with regards to urban planning, technology, the environment, and finance, usually with the help of specialised consultants. Nevertheless, these projects are always subject to a variety of risks, each of which could cause late delivery of a project and consequently increase the length of time before it can be sold, engender a budget overrun or cause the loss or decrease of expected income from a project or even, in some cases, its actual termination.

Risks involved in these activities include but are not limited to: (i) delays resulting from amongst other things adverse weather conditions, work disputes, construction process, insolvency of construction contractors, shortages of equipment or construction materials, accidents or unforeseen technical difficulties; (ii) difficulty in acquiring occupancy permits or other approvals required to complete the project; (iii) a refusal by the planning authorities in the countries in which Immobel operates to approve development plans; (iv) demands of planning authorities to modify existing plans; (v) intervention by pressure groups during public consultation procedures or other circumstances; and (vi) upon completion of the development project, occupancy rates, actual income from sale of properties or fair value being lower than forecasted.

Considering these risks, Immobel cannot be sure that all its development projects (i) can be completed in the expected timeframe, (ii) can be completed within the expected budgets or (iii) can even be completed at all. It is in the framework of controlling this risk and others that Immobel has increased the diversification of its business/countries/clients, which allows it to reduce its concentration on any particular project or another.

Furthermore, Immobel has some projects where an asset under development is preleased or pre-sold to a third party and where Immobel could incur substantial liabilities if and when such projects are not completed within the pre-agreed timeline.

Immobel may be liable for environmental issues regarding its property development portfolio.

Immobel's operations and property development portfolio are subject to various laws and regulations in the countries in which it operates concerning the protection of the environment, including but not limited to regulation of air, soil and water quality, controls of hazardous or toxic substances and guidelines regarding health and safety.

Such laws and regulations may also require Immobel to obtain certain permits or licenses, which it may not be able to obtain in a timely manner or at all. Immobel may be required to pay for clean-up costs (and in specific circumstances, for aftercare costs) for any contaminated property it currently owns or may have owned in the past.

As a property developer, Immobel may also incur fines or other penalties for any lack of environmental compliance and may be liable for remedial costs. In addition, contaminated properties may experience decreases in value.

Immobel may lose key management and personnel or fail to attract and retain skilled personnel.

Loss of its managerial staff and other key personnel or the failure to attract and retain skilled personnel could hamper Immobel's ability to successfully execute its business strategies.

Immobel believes that its performance, success, and ability to fulfil its strategic objectives depend on retaining its current executives and members of its managerial staff who are experienced in the markets and business in which Immobel operates. Immobel might find it difficult to recruit suitable employees, both for expanding its operations and for replacing employees who may resign or recruiting such suitable employees may entail substantial costs both in terms of salaries and other incentive schemes.

The unexpected loss of the services of one or more of these key individuals and any negative market or industry perception arising from such loss could have a material adverse effect on Immobel's business, results of operations, financial condition, and prospects.

The conduct of its management teams, in Belgium, Luxembourg, France, Germany, Spain and Poland, is therefore monitored regularly by the CEO and the Nomination Committee, one of the organs of the Board of Directors.

Immobel is subject to the risk of litigation, including potential warranty claims relating to the lease, development or sale of real estate.

In the normal course of Immobel's business, legal actions, claims against and by Immobel and its subsidiaries and arbitration proceedings involving Immobel and its subsidiaries may arise. Immobel may be subject to other litigation initiated by sellers or purchasers of properties, tenants, contractors, and subcontractors, current or former employees or other third parties.

In particular, Immobel may be subject to warranty claims due to defects in quality or title relating to the leasing and sale of its properties. This liability may apply to defects in properties that were unknown to Immobel but could have, or should have, been revealed.

Immobel may also be subject to claims by purchasers of its properties as a result of representations and warranties about those properties given by Immobel at the time of disposal.

Immobel makes sure to control these risks with a systematic policy of taking out adequate insurance cover.

Immobel is exposed to risk in terms of liquidity and financing.

Immobel is exposed to risk in terms of liquidity and financing which might result from a lack of funds in the event of non-renewal or cancellation of its existing financing contracts or its inability to attract new financing.

Immobel does not initiate the development of a project unless financing for it is assured by both internal and external sources for the estimated duration of its development.

Immobel gets its financing from several first-rate Belgian banking partners with which it has maintained longstanding good relations and mutual trust.

Immobel is exposed to risk linked to the interest rate which could materially impact its financial results.

Given its current and future indebtedness, Immobel is affected by a short or long-term change in interest rates, by the credit margins taken by the banks and by the other financing conditions.

Immobel's financing is mainly provided based on short-term interest rates (based on the Euribor rates for 1 to 12 months) except for the 2017, 2018, 2019 and 2021 bond issues, which are fixed rate. As part of a comprehensive risk management coverage programme, Immobel introduced a policy to implement, as appropriate, adequate coverage against the risks associated with the interest rates on its debt through financial instruments.

Feasibility studies for each project are based on the predictions for long-term rates.

Immobel is exposed to a currency exchange risk which could materially impact its results and financial position.

Following its entering in the Polish market, Immobel is subject to currency exchange risks. There is the foreign currency transaction risk and the foreign currency translation risk.

Immobel also makes sure whenever possible to carry out all of its operations outside the Eurozone in EUR, by having purchase, lease and sales contracts drawn up for the most part in EUR.

Immobel is subject to regulatory risk.

Any development project depends on obtaining urban planning, subdivision, urban development, building and environmental permits.

A delay in granting them or failure to grant them could impact on Immobel's activities. Furthermore, the granting of a subdivision permit does not mean that it is immediately enforceable. An appeal against it is still possible.

Furthermore, Immobel must respect various urban planning regulations. Local authorities or public administrations might embark on a revision and/or modification of these regulations, which could have a material impact on Immobel's activities.

Immobel is exposed to counterparty risk.

Immobel has contractual relations with multiple parties, such as partners, investors, tenants, contractors, financial institutions, architects. The inability of such counterparty to live up to their contractual obligations could have an impact on Immobel's operational and financial position. Immobel pays great attention, through appropriate studies, to the choice of its counterparties.

Changes in direct or indirect taxation rules could impact the financial position of Immobel.

Immobel is active in Belgium, Luxemburg, France, Germany, Spain, and Poland. Changes in direct or indirect fiscal legislation in any of these could impact Immobel's financial position.

Immobel is exposed to the risk associated with the preparation of financial information.

The preparation of financial information in terms of the adequacy of the systems, the reporting and compilation of financial information, considering changes in scope or changes in accounting standards is a major challenge for Immobel, the more so given the complexity of the Group and the number of its subsidiaries. Please also note in this risk the complexity of the Immobel Group is active in Belgium, Luxemburg, France, Germany, Spain and Poland. Competent teams in charge of producing it and suitable tools and systems must be able to prevent this financial information from not being produced on time or presenting deficiencies with regards to the required quality.

II. Important events after the end of the financial year (art. 3:6 § 1, 2 and art. 3:32, 2 cca)

III.There were no events after the balance sheet date that had a significant impact on the Company's accounts. Circumstances likely to have a significant influence on the development of the Company (art. 3:6 § 1, 3° and 3:32, 3° CCA)

Major judgement & estimates

To the Directors' knowledge, there should not be any circumstances likely to have any significant influence on the development of the Company. With respect to COVID-19 on the economic circumstances and on the financial performance of the company, the Board of Directors assesses on a continuous basis the going concern assumption of the company based on a floored case which is updated on a regular basis.

Going concern

Covid-19 is currently still having an impact on the activity of the company and the sector as a whole as a buffer against this market conditions the company has a cash position of EUR 273 million at the end of December 2021, available corporate lines of EUR 15 million and substantial headroom on its main debt covenants.

Based on available and committed credit lines and available cash and taking the floored case into consideration, the Board of Directors is of the opinion that the company can maintain the going concern assumption.

IV. Activities in terms of research & development (art. 3:6 §1, 4° and art. 3:32, 4° cca)

In 2021 Immobel defined its comprehensive sustainability strategy based on 13 themes linked to the United Nations Sustainable Development Goals. More information can be found in the ESG report included in this annual report.

V. Use of financial instruments (art. 3:6 §1, 8° and art. 3:32, 5° cca)

The Board of Directors confirms that Immobel used financial instruments intended to cover any rise in interest rates.

VI. Justification of the independence and competence of at least one member of the Audit & Risk Committee (art. 3:6 §1, 9° and art. 3:32, 6° cca)

Except Michèle SIOEN, all Members of the Audit & Risk Committee (currently composed of Pierre NOTHOMB[9], Patrick ALBRAND[10] Wolfgang de LIMBURG STIRUM[11] and Michele SIOEN[12]) meet the independence criteria stated in art. 7:87 CCA as well as in provision 3.5 of the Code 2020 and sit on the Board of Directors and the Audit & Risk Committee of Immobel as independent Directors. All of them hold university degrees, occupy positions as Directors in international groups and, as such, hold mandates in the Audit Committees of other companies and organisations.

VII. Additional information

In as far as it is necessary, the Board of Directors reiterates:

- that Immobel has not set up any branches (art. 3:6 §1, 5° CCA) and
- that, given the results of the Company, there has been no reason to justify the application of continuity accounting rules (art. 3:6 §1, 6° CCA).

Furthermore, the Board confirms that during the past financial year:

- it has not been decided to increase the capital of Immobel within the framework of the authorised capital (art. 7:203 CCA); and
- the below mentioned sales of own shares (representing 2.6% of the share capital) occurred (art. 7:220 §2 CCA):

As already published in last Annual Report, on 5th January 2021 Immobel SA/NV sold 262,179 treasury shares, representing c. 2.6% of Immobel current outstanding share capital, through a private placement, to qualified international institutional investors.

number of shares	value/share	gross proceeds	identity purchaser
262,179 shares	66.00 EUR	17.3 M EUR	Private placement

[9] In his capacity of permanent representative of PIERRE NOTHOMB SRL.
[10] In his capacity of permanent representative of Skoanez SAS.
[11] In his capacity of permanent representative of LSIM SA.
[12] In her capacity of permanent representative of M.J.S. Consulting BV.

VIII. Application of the procedures regarding conflicts of interest / «*corporate opportunities*»

The Board of Directors reports that, during the financial year under review, the conflict-of-interest procedure prescribed by articles 7:96 and 7:97 CCA has not been enforced.,

The procedure related to "*Corporate Opportunities*" has neither been enforced during the reviewed financial year.

IX. Corporate governance statement (art. 3:6 §2 cca), including the remuneration report (art. 3:6 §3 cca) and the description of the internal control systems and the risk management (art. 3:32, 7° cca)

The Corporate Governance Statement is part of this Management report.

X. Take over bid

Pursuant to article 34 of the Royal Decree of 14th November 2007 concerning the obligations of issuers of financial instruments admitted for trading on a regulated market, the Board of Directors of Immobel states that the following information could have an incidence in case of takeover bid (being understood that the other elements are currently not applicable for Immobel):

1° the capital amounts to EUR 97,356,533.86 represented by 9,997,356 shares, without par value, each representing an equal part of the capital (art. 4 of the Articles of Association).

2° the Board of Directors is authorised to increase the share capital to a maximum amount of EUR 97,000,000.00 (article 11 of the Articles of Association), in view of the fact that the exercise of this power is limited in the event of a public takeover bid by article 7:202 CCA; furthermore the Board is authorised, for a period of 3 years from the publication in the Belgian official journal thereof to acquire and dispose of shares of the company when this acquisition or disposal is necessary to avoid serious and imminent damage (art. 12 of the Articles of Association);

3° regarding the appointment and replacement of members of the Board of Directors, the Articles of Association specify that the Board of Directors consists of at least 4 members, appointed by the General Assembly, on the proposal of the Nomination Committee, and for a period of at most 4 years;

4° for amendments to the Articles of Association, there is no regulation other than that determined by the Code of Companies and Associations.

XI. Management & audit of the Company – Executive Committee

C. Board of Directors

It will be proposed to you at the Ordinary General Meeting of next April 21th, to decide on the renewal of the mandate of the company A³ MANAGEMENT BV and A.V.O. – MANAGEMENT BV for a period of 4 years expiring after the Ordinary General Meeting to be held in 2026.

Karin KOKS – Van der SLUIJS has resigned as Member of the Board of Director and the Audit & Risk Committee of Immobel during the last quarter of 2021. As a replacement, Patrick ALBRAND was co-opted, as from November 30th, 2021, by the Board of Directors dated December 9th, 2021.

It will be proposed to you at the Ordinary General Meeting of April 21th, 2022 to confirm the mandate of Patrick ALBRAND, as independent Director within the meaning of the articles 7:97 § 3 and 7:87, § 1 of the Belgian Companies & Associations Code, who declared to meet the independence criteria.

D. Statutory Auditor

At the Ordinary General Meeting of April 15th, 2021, KPMG Reviseurs d'Entreprises/ Bedrijfsrevisoren BV, represented by Filip De Bock, was appointed as Statutory Auditor, for a period of 3 years expiring at the Ordinary General Meeting to be held in 2024, for a fee of EUR 105.000 per year (excluding fees and disbursements, indexed annually).

E. Executive Committee

Filip Depaz, in his capacity of representative of the company Filip Depaz Consultancy BV (Chief Operating Officer – COO) has terminated his mission for the Company on April 30th, 2021 and Alexis Prevot, in his capacity of representative of the company AP2L BV (Chief Investment Officer – CIO) has terminated his mission for the Company on September 30th, 2021.

At 31st December 2021, the Executive Committee was composed as follows:

- Marnix GALLE*, Chair
- Fabien ACERBIS, Managing Director Immobel France
- Olivier BASTIN, Managing Director Immobel Luxembourg
- Karel BREDA*, Chief Financial Officer and
- Adel YAHIA*, Managing Director Immobel Belgium.

* acting for a company.

* * *

We therefore ask you to approve the terms of this report and grant discharge to the Members of the Board and the Statutory Auditor.

* * *

Approved during the Meeting of the Board of Directors on March 10th, 2022.

PIERRE NOTHOMB BV
represented by Pierre Nothomb
Director

A³ MANAGEMENT BV
represented by Marnix Galle
Executive Chair of the Board

CORPORATE GOVERNANCE statement

Infinity, Luxembourg

CORPORATE GOVERNANCE STATEMENT

In addition to complying with the applicable laws and regulations, Immobel sets itself high standards of corporate governance. In this framework, the Company has decided to adopt the Belgian Corporate Governance Code[1] published on May 17th, 2019 (the "Code 2020") as its reference code in the meaning of article 3:6, §2, section 1 of the Belgian Companies and Associations Code (the "BCAC") and to comply with it, except regarding the following and subject to changes:

1 the Chair (as defined in section 2.2.4 of the Corporate Governance Charter, the "CG Charter"), who is not only a member of the Board of Directors, but also of Executive Management (in this capacity, he is referred to as the Executive Chair, as defined in section 4.1 of the CG Charter) also performs the tasks of the CEO (as defined in section 4.2 of the CG Charter). By doing so, the Company deviates from Provision 3.12 of the Code. This deviation is explained by the fact that Marnix Galle is currently deemed to be the best placed to fulfil the functions of both the Executive Chair and the CEO considering Marnix Galle's unique position within the Company (also as former CEO of ALLFIN prior to the merger of the Company and ALLFIN, including his knowledge, skills, experience and seniority level in the Company, and his long-term engagement and relationship vis-à-vis the Company as well as the Company's shareholders/stakeholders. Hence, this is considered to be in line with the Company's interests. Therefore, references below to "Chair" and "CEO" shall be interpreted and construed as referring to the same individual;

2 the Nomination Committee (as defined in section 3.5 of the CG Charter) shall be chaired by Marnix Galle who acts both as Executive Chair and CEO of the Company (see above). By doing so, the Company deviates from the recommendation in Provision 4.19 to the Code. Such deviation is explained by the fact that Marnix Galle has an extensive network and is considered as most fit to chair the Nomination Committee;

3 the non-executive members of the Board are not partly remunerated in the form of shares in the Company. As such, the Company deviates from Provision 7.6 of the Code. This deviation is explained by the fact that the interests of the non-executive directors are currently considered to be sufficiently oriented to the creation of long-term value for the Company and, hence, that the issue of shares to them is not deemed necessary. However, the Company intends to review this provision in the future in order to align its corporate governance with the provisions of the Code;

4 no minimum threshold of shares to be held by the executives has yet been set. Therefore, the Company deviates from Provision 7.9 of the Code. This deviation is explained by the fact that the interests of the executives are currently considered to be sufficiently oriented to the creation of long-term value for the Company. Hence, setting a minimum threshold of shares to be held by executives is not deemed necessary. However, the Board of Directors, on proposal of the Remuneration Committee, decided on December 10th, 2020 that each Director is requested to buy Immobel shares before the AGM to be held in April 2022 for a minimum amount of 20,000 EUR, being the fix annual remuneration for each of them and to keep the shares at least 3 years after acquisition and until 1 year after the ending of the mandate.

The Corporate Governance Charter describes in detail the structure of the Company's governance and its policies and procedures in matters of governance. This Charter can be consulted on the Company's website: www.immobelgroup.com.

In terms of diversity policy, Immobel's Board of Directors wishes to point out that it meets the criteria that at least one-third of the Members are of different sexes. More information on diversity is included under: III. Regulations and Procedures (see below).

This section of the Annual Financial Report contains information concerning the way Immobel put the principles of governance into practice during the past year.

[1] Available on the GUBERNA website: www.guberna.be.

I. Decision-making bodies (as per December 31st, 2021)

A. The Board of Directors

A) Composition

Name Function	Date first appointment	End of term	Professional address	Directorships in other listed companies
Marnix GALLE[2] Executive Chair / CEO	25/09/2014	AGM 2022	Regentschapsstraat 58, 1000 Brussel	None
Astrid DE LATHAUWER[3] (Independent) Director	26/08/2015	AGM 2024	c/o the Company's registered office	Etablissements Fr. Colruyt – Etablissementen Fr. Colruyt NV, listed on Euronext Brussels
Wolfgang de LIMBURG STIRUM[4] (Independent) Director	01/01/2019	AGM 2024	c/o Ergon Capital Advisors SA/NV, avenue Louise 326, 1050 Brussel	None
Pierre NOTHOMB[5] (Independent) Director	25/09/2015	AGM 2023	c/o Deminor SA/NV Joseph Stevensstraat 7, 1000 Brussel	None
Michèle SIOEN[6] Director	20/12/2018	AGM 2025	c/o Sioen Industries NV Fabriekstraat 23, 8850 Ardooie	Sioen Industries NV, D'Ieteren SA/NV and Sofina SA, all listed on Euronext Brussels
Annick VAN OVERSTRAETEN[7] (Independent) Director	28/09/2016	AGM 2022	c/o PQ Belgium SA/NV Havenlaan 6C, 1000 Brussel	Financière de Tubize SA, listed on Euronext Brussels
Patrick ALBRAND (Independent) Director	30/11/2021[8]	AGM 2024	c/o the Company's registered office	None

At its meeting of December 9th, 2021, the Board of Directors noted the resignation of Karin KOKS - van der SLUIJS, due to a conflict of interest, as independent director of the Company with effect on November 30th, 2021, and co-opted Patrick ALBRAND as independent director of the Company with effect on November 30th, 2021.

[2] In carrying out the functions concerned in the present report, Marnix GALLE acts as the permanent representative of the company A³ Management SRL.
[3] In carrying out the functions concerned in the present report, Astrid DE LATHAUWER acts as the permanent representative of the company ADL CommV.
[4] In carrying out the functions concerned in the present report, Wolfgang de LIMBURG STIRUM acts as the permanent representative of the company LSIM SA.
[5] In carrying out the functions concerned in the present report, Pierre NOTHOMB acts as the permanent representative of the company Pierre Nothomb SRL.
[6] In carrying out the functions concerned in the present report, Michèle SIOEN acts as the permanent representative of the company M.J.S. Consulting SRL.
[7] In carrying out the functions concerned in the present report, Annick VAN OVERSTRAETEN acts as the permanent representative of the company A.V.O. - Management SRL.
[8] subject to confirmation by the Annual General Shareholders' Meeting of 21 April 2022 – in replacement of Karin KOKS – van der SLUIJS

The curriculum vitae can be summarized as follows:

Marnix GALLE, 58, Marnix began his professional career in 1987 at Cegos Belgium as a consultant, after having studied economics at Tulane University in New Orleans, Louisiana, USA. He took in 1989 his first steps in the real estate sector (family portfolio). His own company Allfin (°2001) became one of the leading real estate developers in Belgium. In 2014, Allfin took a 29% stake in Immobel, listed on Euronext since 1863. Following the merger between Allfin Group and Immobel in 2016, he became its Executive Chair. Since July 1st, 2020, he has been chairing Urban Land Institute (ULI) Europe.

Patrick ALBRAND, 66, holder of a Master of Architecture degree from the Ecole des Beaux-Arts in 1980 and a Master's degree in Real Estate Development from Columbia University in 1988. He joined Hines in 1995 and was instrumental in the creation and supervision of its French subsidiary. He has been active in the overall development of Hines France, both in the Development and the Investment Management activities. Prior to working at Hines, Mr. Albrand was the Director in charge of Development at Bouygues Real Estate in Paris (1989-1995), where he arranged joint ventures with outside developers and investors. He was a Senior Research Associate at Lawrence Berkeley Laboratory in Berkeley, California (1983-1987), and prior to that, he worked for the Ministry of Interior of Morocco (1980-1982).

Astrid DE LATHAUWER, 58, holds degrees in International Politics and Diplomatic Sciences (KU Leuven), a Bachelor in History of Art (RU Ghent) and completed an Executive MBA at Stanford, California. She brings over 30 years of Human Resources experience in Belgium and abroad for companies such as Proximus, AT&T and Monsanto. Since 2014, she is the Executive Vice-President Human Resources, and member of the Management Committee, at Ontex. In addition to her mandate as Independent Director and Chair of the Remuneration Committee at Immobel, she also serves on the Board of Colruyt, a Retail company listed on the BEL20, as an Independent Director and Chair of the Remuneration Committee, since 2011.

Wolfgang de LIMBURG STIRUM, 50, holds an MBA from the Booth School of Business at the University of Chicago (USA), a Bachelor's degree in Management Engineering and a Master's degree in Applied Economics and Management from the Louvain School of Management (Belgium). Over the past twenty years, he has built up a solid experience in finance and private equity in Europe and the United States, investing in a wide range of sectors, such as healthcare, specialty chemicals, industrial niche products, services, entertainment and media. He is a Managing Partner of Ergon Capital, a mid-market private equity fund with a portfolio of over EUR 2.0 billion, which he joined in 2005. Prior to that, he spent most of his career in investment banking (mergers and acquisitions) at Lehman Brothers in New York and London, where he became co-head of the European Healthcare M&A team. He is currently also a director of Haudecoeur, Telenco, Sausalitos, Opseo, SVT, Stationary Care Group, Dental Service Group and VPK Group.

Pierre NOTHOMB, 59, holder of a degree in Applied Economic Sciences (UCL Louvain-la-Neuve), he joined Deminor more than 30 years ago when it was founded, and has several mandates as a Director of companies or associations including ForSettlement (Fortis), Kimbal, Imperbel, Epsylon and various companies in the Deminor group. He is a member of the audit committee of Imperbel and the network of psychiatric care of La Ramée - Fond'Roy. Before joining Deminor in 1991, he worked as a senior auditor at Coopers & Lybrand (now PricewaterhouseCoopers), and subsequently as a financial consultant at Petercam Securities. He is currently director of the ULB Foundation and SA BuildUp. In addition, he is a certified mediator in civil and commercial matters since 2022.

Michèle SIOEN, 57, holder of a Master's degree in Economics and completed management programmes at Vlerick Business School, among others. Mrs Sioen is the CEO of Sioen Industries, a Belgian group specialised in the production of technical textiles and professional protective clothing. She was Chair of the FEB between 2015 and 2017 and is now Honorary Chair. In addition to her daily involvement in Sioen Industries, she is also a director of various Belgian listed companies, including D'Ieteren and Sofina, as well as associations such as Fedustria and Vlerick Business School. Finally, she is closely involved in Art and Culture through her Chairship of KANAL and as a member of the Board of Directors of the Queen Elisabeth Music Chapel.

Annick VAN OVERSTRAETEN, 56, holder of a degree in Economic Sciences (KUL - 1987) and a Master's degree in Management (IAG-UCL - 1992). She began her career at Philips in 1987 as a project manager in the HR department. Between 1991 and 1999, she worked in the retail sector, in particular in the textile sector (New-D, Mayerline). She then worked as Commercial & Marketing Director at Confiserie Leonidas (1999-2004). From 2004 to 2009, she was the Operational Director of Quick Restaurants Belux NV. From 2010 until 2020, she occupied the position of CEO and Director of Lunch Garden Group. In 2020, she was appointed CEO at Le Pain Quotidien. She is an independent Director of Financière de Tubize SA/NV, as well as of Euro Shoe Group NV.

B) Activity report

Pursuant to article 16 of the Articles of Association, the Board is convened by the Chair of the Board of Directors, the Managing Director or by two Directors.

The Board meets at least four times a year. This frequency enables, among other things, to review the half-yearly accounts in September, the annual accounts in March, as well as the budgets in December. Moreover, additional meetings may be organized at any time, with reasonable notice, whenever it is deemed necessary or advisable for its proper functioning.

In 2021, the Board met on eight occasions.

B. The Committees of the Board of Directors

A) The Audit & Risk Committee

The Audit & Risk Committee shall have at least the following roles:

- monitoring the statutory audit of the annual and consolidated accounts, including following up on any questions and recommendations made by the External Auditor;
- monitoring the financial reporting process, including making recommendations or suggestions to ensure the integrity of the process;
- monitoring the effectiveness of the Company's internal control and risk management systems;
- if there is an internal audit, monitoring the internal audit and its effectiveness; and
- reviewing and monitoring the independence of the External Auditor, particularly regarding the provision of additional services to the Company (Article 7:99 of the Belgian Companies & Associations Code).

The Charter foresees that the Audit & Risk Committee is made up of at least three members, which are all non-executive Directors and of which a majority are independent Directors. At least one member is competent in accounting and auditing matters. Since the entry into force of the Law of December 7th, 2016, the Chair of the Audit & Risk Committee is appointed by the Board of Directors himself and may not be the Chair of the Board of Directors.

The Board of Directors ensures that the Audit & Risk Committee has enough relevant expertise to fulfil its role effectively, notably in accounting and audit matters.

Composition (as per December 31st, 2021):

Pierre NOTHOMB, Chair,

Patrick ALBRAND[9],

Wolfgang de LIMBURG STIRUM, and

Michèle SIOEN, Members.

In 2021, the Audit & Risk Committee met four times, at the request of its Chair.

[9] Since November 30th, 2021 in replacement of Karin KOKS – van der SLUIJS.

B) The Remuneration Committee

The task of the Remuneration Committee consists of:

- making proposals to the Board of Directors on:
  - the remuneration policy for non-executive Directors and members of the Executive Management, as well as, where appropriate, on the resulting proposals to be submitted by the Board of Directors to the shareholders;
  - the remuneration of Directors and members of the Executive Management, including variable remuneration and long-term incentives, stock-related or not, in the form of stock options or other financial instruments, and regarding the arrangements on early termination, and where applicable, on the resulting proposals to be submitted by the Board of Directors to the shareholders;
  - the annual review of the Executive Management's performance;
  - the realization of the Company's strategy against performance measures and targets; and
- submitting a remuneration report to the Board of Directors (see attachment) and explaining this report during the Annual General Shareholders' Meeting.

The Remuneration Committee consists exclusively of independent Directors with an expertise in remuneration matters.

A non-executive Director chairs the Remuneration Committee.

Composition (as per December 31st, 2021):

Astrid DE LATHAUWER, Chair,

Pierre NOTHOMB and

Annick VAN OVERSTRAETEN, Members.

In 2021 the Remuneration Committee met three times, at the request of its Chair.

C) The Nomination Committee

The task of the Nomination Committee consists of:

- drafting (re)appointment procedures for members of the Board of Directors and the Executive Management;
- periodically assessing the size and composition of the Board of Directors and making recommendations to the Board of Directors regarding any changes;
- identifying and nominating, for the approval of the Board of Directors, candidates to fill vacancies as they arise;
- ensuring that the appointment and re-election process is organised objectively and professionally.
- advising on proposals (including, of the management or of the shareholders) for the (re)appointment and removal of Directors and members of the Executive Management;
- properly considering issues related to succession planning; and
- ensuring that sufficient and regular attention is paid to the succession of executives and that the appropriate talent development programs and programs to promote diversity in leadership are in place.

The Nomination Committee consists of a majority of independent non-executive Directors.

The Chair of the Board chairs the Committee. The Chair can be involved but cannot chair the Nomination Committee when dealing with the appointment of his successor.

Composition (as per December 31st, 2021):

Marnix GALLE, Chair,

Astrid DE LATHAUWER, and

Annick VAN OVERSTRAETEN, Members.

In 2021, the Nomination Committee met three times, at the request of its Chair.

D) The Investment Committee

The Investment Committee is in charge of:

- formulating the objectives, policies and strategies of the Company's real estate investments; and
- monitoring ongoing projects when these projects entail a substantial part of the Company's portfolio and when Executive Management has flagged a project as considerably deviating from its original business plan.

The Board of Directors has delegated to the Executive Committee the power to approve all decisions relating to the acquisition, development, syndication and divestment of assets, or in case of an asset developed in partnership or syndicated with a third party, the pro rata share of the Company therein, up to an estimated total investment cost of 70 MEUR per asset (which shall include the acquisition price and total development costs, such as construction costs, financing costs and fees payable to third parties).

The Board of Directors further has delegated to the Investment Committee the power to decide on and approve all acquisitions, development, syndication and divestments of assets, or in case of an asset developed in partnership or syndicated with a third party, the pro rata share of the Company therein, up to an estimated total investment cost of MEUR 200 per asset (which shall include the acquisition price and total development costs, such as construction costs, financing costs and fees payable to third parties).

The Chair of the respective Committees will inform the Board of Directors on the investment decisions so taken at the next Board of Directors' meeting.

The Investment Committee consists of at least four members, including especially the Executive Chair, who is also its Chair.

Composition (as per December 31st, 2021):

Marnix GALLE, Chair,

Patrick ALBRAND[10],

Olivier BASTIN[11],

Thierry VANDEN HENDE, and

Piet VERCRUYSSE, Members.

In 2021 the Investment Committee met eleven times, at the request of its Chair.

[10] Since November 30th, 2021 - in replacement of Karin KOKS – van der SLUIJS.
[11] Since September 30th, 2021 - in replacement of Alexis PREVOT acting as the permanent representative of the company AP2L SRL.

C. The Executive Committee

The Executive Committee of the Company is composed of the Executive Chair and of the Members of the Executive Committee (as mentioned on the website of the Company). The Committee is primarily in charge of following tasks:

- consider, define and prepare, under the leadership of the Executive Chair, proposals and strategic options that could contribute to the Company's development. This responsibility covers (i) strategic planning, including the analysis of strategies, activity plans and budgets submitted by the Company's departments; and (ii) drawing up the business plan and budgets of the Company for proposal, discussion and approval by the Board of Directors;
- monitor the developments of the Company by analysing the compliance of the feasibility, the deadlines and the quality of the projects while making sure to maintain or improve quality standards of the Group;
- present to the Board of Directors a complete, timely, reliable and accurate preparation of the Company's financial statements, in accordance with the applicable accounting standards and policies of the Company;
- prepare the Company's required disclosure of the annual accounts and other material, financial and non-financial, information;
- propose the financial strategy to the Board of Directors;
- monitor the performance of the Company's departments in line with their strategic objectives, business plans and budgets; and
- draw up and implement the Company's policies which the Executive Chair considers falling within the competence of the Executive Committee;
- within the limits of the mandate given by the Board of Directors, approve all acquisitions, development, syndication and divestments of assets, or in case of an asset developed in partnership or syndicated with a third party, the pro rata share of the Company therein (cfr. above mentioned).

Composition (as per December 31st, 2021)

Marnix GALLE, Chair,

Fabien ACERBIS, Managing Director Immobel France,

Olivier BASTIN, Managing Director Immobel Luxembourg,

Karel BREDA[12], Chief Financial Officer, and

Adel YAHIA[13], Managing Director Immobel Belgium, Members.

The Members of the Executive Committee are not related to each other.

Filip Depaz, in his capacity of representative of the company Filip Depaz Consultancy BV (Chief Operating Officer – COO) has terminated his mission for the Company on April 30th, 2021 and Alexis Prevot, in his capacity of representative of the company AP2L BV (Chief Investment Officer – CIO) has terminated his mission for the Company on September 30th, 2021.

In 2021 the Executive Committee met thirty-three times, at the request of its Chair.

[12] In carrying out the functions concerned in the present report, Karel BREDA acts as the permanent representative of the company KB Financial Services SRL.

[13] In carrying out the functions concerned in the present report, Adel YAHIA acts as the permanent representative of the company Adel Yahia Consult SRL.

The “curriculum vitae” of the Members of the Executive Committee in function (except for Marnix GALLE already listed above) can be summarized as follows:

Karel BREDA, 46, after studying Applied Economics at the KU Leuven and obtaining an MBA from the University of Chicago, Booth School of Business, Karel began his professional career in 1999 by developing a number of internet start-ups in Europe. In 2002, he joined GDF Suez (now Engie), where he held various managerial positions in M&A and Project Finance in Europe, South Asia, the Middle East and Africa. In 2011, he was promoted to Chief Financial Officer for the South Asia, Middle East and Africa region based in Dubai and in 2014 for Engie E&P in the Netherlands. Prior to joining Immobel on 1 August 2018, Karel was Managing Director Middle East, South and Central Asia and Turkey for Engie Solar based in Dubai and India.

Adel YAHIA, 43, joined Immobel in December 2017 as Chief Operating Officer responsible for the Development, Technical, Sales and Landbanking departments. Prior to that, he worked at AG Real Estate as head of the Residential department and co-Head of Development. Between 2010 and 2015, he was responsible for various business units at Matexi. He started his career in 2004 as a real estate developer and also worked in real estate investment banking. After studying law at the KU Leuven and holding a Master’s degree in General Management (PUB) from Vlerick Business School, he graduated in 2006 with a Master’s degree in Real Estate (postgraduate programme in Property Studies) at the KU Leuven. In 2014, he completed the “Executive Program in Real Estate” training at Solvay Business School (ULB). He has been a lecturer at KU Leuven since 2010 and at Solvay Business School since 2015.

Fabien ACERBIS, 49, as graduate of the ESTP, a French engineering school, Fabien began his career in 1997 at Bouygues Construction before joining SCIC, a subsidiary of Caisse des Dépôts, specialising in Associate Project Management, in 1999. In 2004, he joined Bouygues Immobilier as a service centre manager in Île-de-France, where he then became regional director for Île-de-France Nord and then regional director for Île-de-France Est in 2012. Managing Director of Bouygues Immobilier’s Subsidiaries and Investments in France since 2014, he became General Manager of Housing in the Ile-de-France Region in 2017. In the autumn of 2019, he joined Immobel as Director-General France.

Olivier BASTIN, 51, began his career in the banking sector (BACOB, 1994-1995) before joining the real estate department at Intermarché, where he contributed to the expansion of the brand in Wallonia (1995-1996). In 1997, he joined Jones Lang LaSalle, where he became the department head of the Office Department for Belgium (1997-2005) before becoming Managing Director of the group’s Luxembourg branch (2005-2011). In 2010, he combined this position with that of Head of Capital Markets for the Belux. He left JLL at the end of 2011 to join Allfin Group as CEO of the Luxembourg entity. Since 2018, he is also in charge of the introduction and expansion of Immobel on the German market. Olivier has a degree in Applied Economics (ULG, 1988-1992) and an MBA (ULG & Maastricht University, 1993-1994).

D. The Management Teams

The Executive Committee has established Teams in each country that assist it in the practical implementation of the executive powers (the "Management Teams"). Their creation has been approved by the Board of Directors. The Executive Committee determines the assignment of the Management Teams, their composition, and their responsibilities.

These Management Teams are accountable for the exercise of their powers vis-à-vis the Executive Committee.

Composition of the Management Team Belgium (as per December 31st, 2021):

Adel YAHIA[14], Managing Director, Chair,

Hans DE BROUWER[15], Head of IT,

Alain DELVAULX, Head of Financial Planning & Analysis,

Stephanie DE WILDE[16], Head of Legal Services,

Katrien HUYGENS[17], Head of Marketing,

Marnix MELLAERTS[18], Head of Sales,

Joëlle MICHA[19], Head of Corporate Affairs,

Eric SCHARTZ[20], Head of Immobel Home,

Wim SMEKENS[21], Head of Technical Department,

Olivier THIEL[22], Head of Development, and

Valentine VAN MALLEGHEM, Head of Residential Projects Advisory.

Composition of the Management Team Luxembourg (as per December 31st, 2021):

Olivier BASTIN, Managing Director, Chair,

Maxime DIERICKX, Head of Finance,

Matthieu GODSCHAUX, Head of Residential Project Advisory,

Raffaele LACHETTA, Head of Technical,

Valérie FLAUS, Head of Legal Services, and

Muriel SAM, Head of Development.

Composition of the Management Team France (as per December 31st, 2021):

Fabien ACERBIS, Managing Director, Chair,

Mathieu CHAMARD-SABLIER, Operational Director,

Yves EVEILLARD, Head of Technical,

Carole FELICI, Head of HR,

Gérald FRUCHTENREICH, Head of Finance.

Tarek TASSALI, Head of Sales and Marketing,

Marie SUDRE, Head of Legal, and

Sandrine THIEBAUT, Head of Client Relations.

[14] Permanent representative of the company Adel Yahia Consult BV.
[15] Permanent representative of the company HBr Consult BV.
[16] Permanent representative of the company Lady at Work BV.
[17] Permanent representative of the company Amcam BV.
[18] Permanent representative of the company H&J Trust BV.
[19] Permanent representative of the company Jomi BV.
[20] Permanent representative of the company Dreams BV.
[21] Permanent representative of the company Zafferana BV.
[22] Permanent representative of the company Queen-K BV.

Composition of the Management Team Poland (as per December 31st, 2021):

Olivier THIEL[23], Managing Director,

Marcin CHARCHUT, Head of Legal, and

Andrzej PLATEK, Chief Financial Officer.

Composition of the Management Team Germany (as per December 31st, 2021):

Marnix GALLE, Executive Chair of the Board – Immobel Group,

Olivier BASTIN, Managing Director Immobel Luxembourg – in charge of Immobel Group expansion in Germany, and

Michael HENN, Managing Director of Immobel Germany.

II. Internal control and risk management

The Belgian legislative framework for internal controls and risk management consists in the Law of 17 December 2008 (in application of the European Directive 2006/43 concerning corporate financial control), the Belgian Code 2020 and Law of 6 April 2010 (CG Law).

The IFRS 7 likewise defines additional requirements with regards to management of risks related to financial instruments.

Nevertheless, the current Belgian legislative and normative framework specify neither the model of internal control to which the companies for which it is intended should conform, nor the modalities for implementing it (level of detail required).

Immobel uses a system of risk management and internal control that was drawn up internally based on the "COSO[24]" model of internal control.

The COSO methodology is organized around five elements:

- the internal control environment
- risk analysis
- control activities
- information and communication, as well as
- supervision and monitoring.

A. The internal control environment

The element "internal control environment" focuses on the following components:

A) Precise definition of the Company's objectives

Immobel is the largest listed real estate developer in Belgium. The Group, which dates back to 1863, creates high-quality, future-proof urban environments with a positive impact on the way people live, work and play, and specializes in mixed real estate. With a stock market value of over EUR 650 million and a portfolio of more than 1,600,000 m² of project development in 6 countries (Belgium, Grand Duchy of Luxembourg, Poland, France, Spain, Germany), Immobel occupies a leading position in the European real estate landscape. The group strives for sustainability in urban development. Furthermore, it uses part of its profits to support good causes in the areas of health, culture and social inclusion. Approximately 200 people work at Immobel.

For more information, please visit www.immobelgroup.com

B) A definition of the roles of the decision-making bodies

Immobel has a Board of Directors, an Investment Committee, an Audit & Risk Committee, a Remuneration Committee, a Nomination Committee and an Executive Committee.

Responsibility for Immobel's strategy and for the oversight of its activities belongs primarily to the Board of Directors. The main responsibilities of the different Committees have been mentioned above (cfr. Decision-making bodies).

[23] Permanent representative of the company Queen-K BV.

[24] Abbreviation of "Committee of Sponsoring Organizations of the Treadway Commission".

C) Attitude versus risk

Immobel takes a prudent attitude in managing its portfolio of diversified projects that create long-term value through its lines of activity.

D) Application of ethical standards and integrity

Immobel has a Good Behaviour Code that describes the principles of ethics and integrity that apply to each of the Directors and the Members of the Executive Committee as well as all the employees and external collaborators. This Code deals with aspects of conflict of interest, professional secrecy, corruption, and misuse of corporate funds and even business gifts. Immobel has also a Dealing and Disclosure Code the main purpose of which is, among others, to ensure that Persons Discharging Managerial Responsibilities do not misuse, or place themselves under suspicion of misusing certain price sensitive information, ("Inside Information" as defined in the Dealing and Disclosure Code). Certain obligations are also imposed on persons closely associated with them (such as certain of their relatives or entities controlled by them). Compliance with these Codes is monitored by the Compliance Officer.

See also point C. "Control Activities", below.

E) Measures geared to ensuring the level of competence

- Competence of the Directors: given their experience, the Directors possess the competencies and qualifications necessary to assume their responsibilities, particularly in matters of finance, accounting, investment and remuneration policy.
- Competence of the Members of the Executive Committee and other staff: a recruitment process geared to the profiles required, adequate training and a policy of remuneration and evaluation based on the achievement of realistic and measurable goals make it possible to ensure the competence of Immobel staff.
- Immobel has introduced a remuneration procedure dealing with remuneration policy for the Directors and the Members of the Executive Committees, that complies with the requirements of the Law of 6 April 2010 on Corporate Governance and of the Code 2020. Any deviations to the Code 2020 are duly explained where required.
- Further to a benchmark, the Extraordinary General Meeting of May 28th, 2020 has, on proposal of the Remuneration Committee decided to revise and increase the remuneration of the non-executive Directors, effective as from financial year 2021.
- Currently two Performance Share Plans exist for some Members of the Executive Committee:
  - a first Performance Share Plan has been accepted on May 24th, 2017 by the Shareholders for the benefit of some Members of the Executive Committee (for the years 2017 up to 2019); and
  - a new Performance Share Plan was approved on May 28th, 2020 for the benefit of some Members of the Executive Committee for the years 2020 up to 2022.
- The Members of the Executive Committee, exercising a role of Country Managing Director, can benefit from a Long-Term Incentive Plan, incentivizing outperformance of the activity of the concerned country.

B. Risk analysis

Immobel regularly carries out risk identification and evaluation exercises. They are mapped out and formal action plans are drawn up to deal with those risks for which the level of control is deemed to be inadequate. The Audit & Risk Committee monitors the implementation of these action plans.

The principal risks to which Immobel is exposed are set out in detail in section I.B of the Directors' Report.

C. Control activities

The control activities correspond to the regulations and procedures used to deal with the principal risks identified. Here are the main regulations and procedures established within Immobel, we would like to mention:

- Feasibility studies are carried out systematically, allowing project margins to be monitored. The feasibility studies are then analysed by a financial controller, a developer, a technical director, the Head of Technical of the group and the CFO, together with the Executive Chair.
- The Executive Committee can, at its discretion, approve all decisions relating to the acquisition, development, syndication and divestment of assets, or in case of an asset developed in partnership or syndicated with a third party, the pro rata share of the Company therein, up to an estimated total investment cost of 70 MEUR per asset (which shall include the acquisition price and total development costs, such as construction costs, financing costs and fees payable to third parties) without prior consent of the Investment Committee or the Board of Directors. Furthermore, the Investment Committee can, at its discretion, mandate the Executive Committee to approve all decisions relating to the acquisition, development, syndication and divestment of assets, or in case of an asset developed in partnership or syndicated with a third party, the pro rata share of the Company therein, up to an estimated total investment cost of MEUR 200 per asset (which shall include the acquisition price and total development costs, such as construction costs, financing costs and fees payable to third parties), without prior consent of the Board of Directors.
- A review of the discrepancies between the budget and the actual financial situation of the projects is carried out on a quarterly basis by the finance department. Any significant differences observed are submitted to the Management bodies.
- The accounts department and future financial requirements are monitored, and regular reports submitted to the management bodies.
- The principle of multiple approvals exists at every phase of the engagement process. So, the double signature procedure applies to approval of all transactions and the signatories are specified in function of the sums involved in the transaction.

D. Information and communication

Immobel uses an appropriate software program as its financial management information system. The maintenance and development of this system is subcontracted to a partner.

Data continuity is also subcontracted to a partner who is contractually bound to follow a strict procedure to establish a reliable and secure information storage system.

The finance department of IMMOBEL is in charge of the closure process and drafting the Annual Report, the Consolidated Financial Statements drawn up according to IFRS standards and the Annual Accounts.

Communication with the personnel and the various employees of IMMOBEL is appropriate to the size of the business. It is based mainly on work sessions, verbal communications from the management to the personnel as a whole, or internal e-mail notes signed mostly by the Chief Executive Officer.

E. Supervision and monitoring

The Audit & Risk Committee is responsible for supervising internal control. Given the increased size and the activities of the Company and the Group, the Audit & Risk Committee will further assess in 2022 the necessity to create a position of internal auditor to assist it in this mission.

In order to evaluate the control environment regularly, the Audit & Risk Committee entrusts the auditor with certain specific missions involving more thorough examination of internal control, consisting of testing the existing controls and identifying possible weaknesses. The Audit & Risk Committee ensures that the recommendations are implemented if the need arises.

III. Rules and procedures

A. Transactions and other contractual relationships between the Company, including associated companies, with the Directors, the Members of the Executive Committee, and the other staff

During the financial year 2021, there were no transaction between Immobel (associated companies included) and a Member of its Management Team and no transaction between Immobel and its Directors, its Members of the Executive Committee, or its other Staff Members.

B. Law of September 3rd, 2017 on the publication of non-financial information and information relating to diversity

Under the new provisions of the said Act, Immobel specifies that the diversity policy applied in all company bodies goes beyond gender. Age and skills are also considered.

Diversity policy applied on the Members of the Board of Directors

Immobel's Corporate Governance Charter states that the composition of its Board of Directors guarantees decision-making in the interest of the company. To this end, the Board of Directors is attentive to gender diversity and diversity in general, as well as complementarity of skills, experiences, and knowledge. The provisions of article 7:86 of the Belgian Companies & Associations Code relating to gender diversity are respected in this regard.

Currently the Board of Directors is composed of seven Members. Following its adherence to the Corporate Governance principles contained in the Belgian Corporate Governance Code 2020, and more particularly provisions 3.1 and 3.3 of the said Code, the Board of Directors believes that this number is sufficiently small to allow for effective decision-making and sufficiently broad to ensure that its Members bring experience and knowledge in different areas and that changes in its composition are managed without disruption. Indeed, the Board of Directors shares the European Commission's view that diversity feeds debate, promotes vigilance, and raises the stakes within the Board. The quality of decisions is improved.

Following the diversity policy in force at Immobel during the year under review, the breakdown of the composition of the Board of Directors is as follows (per 31st December 2021):

- Experience & (Educational) Background mix, mainly in:
  - Real Estate & Finance: 5
  - Other (HR, Legal): 2
- Gender mix:
  - 4 M / 3 F
- Generation mix:
  - < 50: 0
  - > 50: 7
- Executive v. Non-Executive:
  - Executive: 1
  - Non-Executive: 6
- National v. Non-National:
  - National: 6
  - Non-national: 1
- Linguistic mix:
  - NL: 4
  - FR: 3.

Diversity policy applied to all staff, Members of the Executive Committee and of the Management Teams included

Immobel recognises its talented and diverse workforce as a key competitive advantage in the Real Estate business. Being successful as a company requires the quality and skills of all the employees and collaborators.

Immobel recognises that everyone brings its own experience and capabilities in their field of expertise. This diversity is a key element in being successful at all levels of the company. Diversity is recognised within Immobel as a business interest, leading to better overall performance and to high quality products, services, and business decisions.

Immobel strives to create a supportive environment where everyone can realise its full potential within Immobel, regardless of their differences. Immobel strives to employ the best employees and collaborators in their field of expertise to do the best job possible.

Immobel values the importance of reflecting the diversity of our customers and markets in its workforce. This diversity encompasses differences in gender, language, ethnicity, age, sexual orientation, religion, socio-economic status, experience, and education.

Immobel gives equal opportunities to individuals, regardless of their background, in its recruitment, retention and talent management in general. The diversity of the teams in all its aspects is a source of innovation, growth, and prosperity.

Immobel commits to:

- Encourage equality, diversity, and inclusion in the workplace as they are good practice and make business sense.
- Create a working environment free of bullying, harassment, victimisation, and unlawful discrimination, promoting dignity and respect for all, and where individual differences and the contributions of all staff are recognised and valued. This commitment includes training managers and all other employees and collaborators about their rights and responsibilities under the equality, diversity and inclusion policy.

Immobel considers the development of its staff as a priority. It ensures the motivation and involvement of its staff and ensures that they always have the skills required for the success of their assignments.

In other words, Immobel's HR ambition reflects its promises: improving and developing the Group's human capital, rich in diversity, through an open and innovative human resources policy and thus creating opportunities for everyone and building the future for its staff and customers.

Following this diversity policy that Immobel implemented in the year under review, the breakdown of the Immobel operational teams, in the six countries, is as follows (per 31st December 2021):

- Gender mix Board of Directors and its Committees:
  - Female: 3
  - Male: 6
- Gender mix Executive Committee:
  - Female: 0
  - Male: 5
- Gender mix Management:
  - Female: 8
  - Male: 23
- Gender mix Employees/ collaborators:
  - Female: 92
  - Male: 135
- Age mix:
  - < 50: 198
  - > 50: 29.

As part of its diversity policy, Immobel promotes diversity at all levels (operational teams, members of the Management Teams, Members of the Executive Committee & Directors).

C. Comments on the measures taken by the Company in the context of the Directive on Insider Trading and Manipulation of the Market

The Dealing and Disclosure Code intends to ensure that Directors, senior executives and other staff of Immobel and affiliated entities do not misuse information which they may have about Immobel and which is not available to other investors.

These rules have been supplemented by an internal note summarizing the main legal obligations in this matter, particularly considering the new Regulation on Market Abuse as entered into force on July 3rd, 2016, with a view to increasing an awareness of their obligations in those concerned.

The Compliance Officer is entrusted with ensuring compliance with said rules to reduce the risk of abuse of the market by insider trading. The Compliance Officer keeps lists of people who have or are liable to have privileged information and who have access to, may have access to or cannot reasonably be unaware of the privileged nature of this information.

These rules provide, among others, in:

- A prohibition against Persons exercising managerial responsibilities to carry out transactions on their own behalf or on behalf of a third party, whether directly or indirectly, relating to the shares or debt instruments of Immobel or to derivatives or other Financial Instruments linked thereto during the Closed Periods and the Prohibited Periods;
- The possibility given to the Compliance Officer, without being obliged, to authorize a Person exercising managerial responsibilities to negotiate during a Closed Period or a Prohibited Period (in specific cases);
- The obligation of Persons exercising managerial responsibilities to inform the Compliance Officer prior to the transaction, for their own account, on their own responsibility, relating to the shares or debt instruments of Immobel or to derivatives or other related Financial Instruments, outside the Closed Periods and the Prohibited Periods;
- The obligation of Persons exercising managerial responsibilities and persons closely associated with them to notify the Compliance Officer and the FSMA of any transactions they have made for their own account in shares or debt instruments of such Issuers or on derivative instruments or other related financial instruments. Such notification shall be made within three working days from the date of the transaction. This notification obligation does not apply as long as the total amount of transactions carried out during the same calendar year does not exceed the threshold of EUR 5,000. These persons obliged to notify may, but must not, authorize Immobel to make such notifications to FMSA on their behalf. In such cases, they must always notify Immobel of such relevant transactions promptly and no later than two working days from the date of the transaction;
- The obligation for Persons exercising managerial responsibilities to ensure that their investment managers, persons who organize or carry out business transactions on their behalf or any other person who organizes or carries out transactions on their behalf do not trade during the Closed Periods or the Prohibited Periods, including when the investment managers are authorized financial intermediaries acting under a fully discretionary investment management mandate.

During the past financial year, the job of Compliance Officer at Immobel was carried out by Joëlle MICHA.

Application of the rules cited above has not given rise to any difficulty.

D. Legal and arbitration procedures

The Board of Directors of Immobel assesses that, except those disclosed in the Note 32 to the Consolidated Financial Statements “Main contingent assets and liabilities”, no governmental, legal or arbitration proceeding exists that reasonably may have, or have had in the recent past, significant effects on the financial position or profitability of the Company.

IV. Information about the issued capital

A. Shareholding structure

Based on the transparency declarations received by Immobel, following shareholders are the most important (since July 26th, 2021):

Shareholder	Voting rights	% of the gross number of shares[25]
A³ Capital NV (and a related company)[26] having its registered seat at 1020 Brussel, Abelenlaan 2	5,898,261	58.99%
Immobel SA/NV (own shares / Treasury shares) having its registered seat at 1000 Brussel, Regentschapsstraat 58	26,965	0.26 %

There are no special voting rights and, to the extent known by the Company, no shareholder agreements. Further to a decision of the Board of Directors, the dividend rights of the treasury shares kept by Immobel are suspended. In application of the Belgian Companies and Associations Code, these shares have no voting rights.

B. Elements that could have an influence in case of a takeover bid on securities issued by the company

During the General Meeting of May 28th, 2020, the Shareholders have authorized the Board of Directors:

- to increase the Company's capital by a maximum amount of 97,000,000 EUR, in one or more occasions, dates and manner to be determined by the Board of Directors, and for a term of five years from the publication of this authorization in the Belgian Official Gazette.

The Company may acquire or take as security its own shares under the conditions determined by the law. The Board of Directors is authorized to sell, on the stock exchange or outside, at the conditions it determines, without prior authorization of the General Meeting, in accordance with the law.

- for a term of 3 years dating from said Extraordinary General Meeting, to purchase or dispose of shares in the Company when this purchase or disposal is necessary to prevent any serious imminent harm. This authorization was granted for a period of three (3) years dating from publication of this authorization in the Annexes to the Belgian Official Gazette.
- to acquire or alienate shares of the Company to a maximum of twenty percent (20 %) of the issued shares at a price which will not be less than ten (10) EUR nor more than twenty percent (20 %) during the highest closing of the last five trading days of the Company shares on Euronext Brussels before the acquisition or alienation. This authorization is granted for a period of five (5) years from the date of the Extraordinary General Meeting of May 28th, 2020.

This authorization also applies to the acquisition of shares of the Company by a direct subsidiary according to article 7:221 of the Belgian Companies and Associations Code.

The Board of Directors has full powers to cancel the shares acquired by the company in this way, to have the cancelation certified by notarial act and to amend and coordinate the Articles of Association to bring them into line with the decisions taken.

The rules governing the appointment and replacement of Directors and the amendment of the Articles of Association shall be those provided by the Belgian Companies and Associations Code, as well as by the Corporate Governance Charter of Immobel.

The terms of change of control contained in credit agreements with financial institutions were approved by the General Meeting of 28th May 2020, pursuant to article 7:151 of the Belgian Companies & Associations Code.

[25] A gross number of 9,997,356 shares were issued.

[26] Companies controlled by Marnix GALLE.

V. Other contributors

A. Statutory Auditor

In application of article 41 of the Regulation (EU) N° 537/2014 of the European Parliament and of the Council of 16 April 2014 on specific requirements regarding statutory audit of public-interest entities and repealing Commission Decision 2005/909/EC, Deloitte Réviseurs d'Entreprises SRL, represented by Kurt DEHOORNE, has resigned as Statutory Auditor of the Company with effect on April 15th, 2021.

As a replacement, KPMG Réviseurs d'Entreprises SRL, represented by Filip DE BOCK, has been appointed as Statutory Auditor for a period of 3 years. The mandate will expire after the Annual General Shareholders' Meeting of 2024.

Audit fees of KPMG Réviseurs d'Entreprises SRL charged to Immobel SA for the audit of the statutory and consolidated accounts amounted to 105 KEUR (excluding VAT). The fee for the audit of the statutory accounts of subsidiaries amounted to 160 KEUR (excluding VAT).

Total fees charged by the Statutory Auditor and his network in 2021 in the exercise of the mandate on Group level amounted to 451 KEUR (excluding VAT). In addition, the Statutory Auditor charged 82 KEUR for audit related services.

B. Central Paying Agent

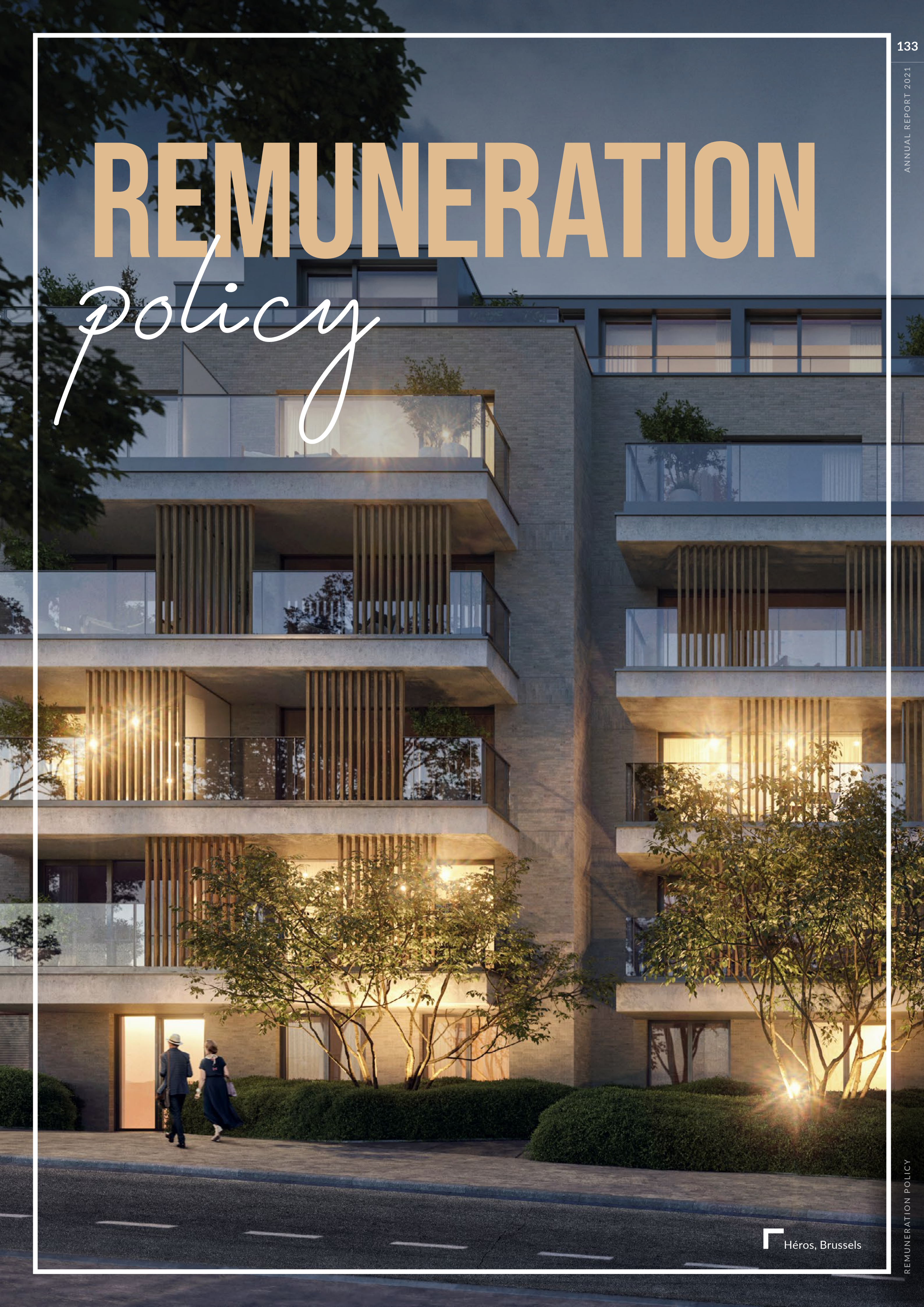
BNP Paribas Fortis Bank is the Central Paying Agent of Immobel for an indefinite period. The remuneration of the commission amounts up to 0.20 % of the net amount (VAT excluded) of the coupon and of the income securities presented in a securities account.

Agreed during the Board of Directors of March 10th, 2022.

PIERRE NOTHOMB SRL
represented by Pierre Nothomb)
Director

A³ MANAGEMENT BV
represented by Marnix Galle
Executive Chair of the Board

REMUNERATION *policy*



Héros, Brussels

REMUNERATION POLICY

It is important that Immobel is able to attract Directors and Members of the Executive Committee with the ability, experience, skills, values and behaviours to deliver on the Company's strategy and goals and support Immobel's purpose. Immobel strives to have a diverse composition of both bodies with regards to gender, ethnicity, and generation. Immobel works in a global international environment.

The Board of Directors determines the remuneration of the Directors and the Executive Committee in accordance with the provisions of the Belgian Companies and Associations Code and the Corporate Governance Code, while respecting the prerogatives of the general shareholders' meeting. Levels of remuneration should be sufficient to attract, retain and motivate Directors and Members of the Executive Committee who have the profile determined by the Board, to promote the achievements of strategic objectives in accordance with the Company's risk appetite and behavioural norms and to promote sustainable value creation. The non-executive Directors do not receive any performance related remuneration that is directly related to the results of the Company. With regard to the remuneration of the non-executive Directors and the Members of the Executive Committee, the Remuneration Committee makes detailed proposals to the Board of Directors. When making proposals on the remuneration of Members of the Executive Committee, the Remuneration Committee observes the following principles:

- The Remuneration Policy for Members of the Executive Committee describes the different components of, and determines an appropriate balance between, fixed and variable remuneration, and cash and deferred remuneration;
- The variable part of the executive remuneration package is structured to link reward to overall corporate and individual performance, and to align the interests of the Members of the Executive Committee with the sustainable value-creation objectives of the Company;
- Without prejudice to any statutory provisions to the contrary or express approval by the general shareholders' meeting, stock options can not vest and be exercisable within less than three years. The Company does not facilitate the entering into derivative contracts related to such stock options or to hedge the risks attached, as this is not consistent with the purpose of this incentive mechanism.

The Board approves the main terms and conditions of the contracts of the CEO and other Members of the Executive Committee further to the advice of the Remuneration Committee. The Board includes provisions that would enable the Company to recover variable remuneration paid, or withhold the payment of variable remuneration, and specify the circumstances in which it would be appropriate to do so, insofar as enforceable by law. The contracts contain specific provisions relating to early termination. Details of the remuneration of the Directors and the Members of the Executive Committee are published every year in the Remuneration Report that forms part of the annual report. The Board submits the Remuneration Policy to the general shareholders' meeting. When a significant proportion of the votes have been cast against the Remuneration Policy, the Company should take the necessary steps to address the concerns of those voting against it and consider adapting its Remuneration Policy.

The Board will review the competitiveness of the remuneration on an annual basis, or when suitable, to ensure that the Company follows the changes in the fast moving economic climate.

1. THE DIFFERENT COMPONENTS OF THE REMUNERATION WHICH CAN BE AWARDED TO THE DIRECTORS, TO THE MEMBERS OF THE EXECUTIVE COMMITTEE AND THE PERSONS IN CHARGE OF THE DAILY MANAGEMENT

1.1. FOR THE DIRECTORS

The level and structure of the remuneration of the non-executive Directors are determined based on their general and specific responsibilities and market practice. This remuneration includes a basic fixed remuneration and an attendance fee for the participation in the meetings of the Board, as well as for their participation to one or more Committees of the Board or for each Chairship of a Committee.

Below you will find the summary table containing the remunerations applicable during the financial year 2021:

Remuneration & Attendance fees

Board of Directors	Chair = 400.000 EUR Director: 20,000 EUR (yearly forfait) 2,100 EUR / physical meeting 1,050 EUR / phone meeting
Audit & Risk Committee	Chair: 3,100 EUR / physical meeting 1,050 EUR / phone meeting Members: 2,100 EUR / physical meeting 1,050 EUR/ phone meeting
Investment Committee	Chair = None Members: 2,100 EUR / physical meeting 1,050 EUR / phone meeting 1,250 EUR / half day investment site visit 2,500 EUR / full day investment site visit
Nomination Committee	Chair = None Members: 1,050 EUR / physical meeting 525 EUR / phone meeting
Remuneration Committee	Chair: 1,200 EUR / physical meeting 525 EUR / phone meeting Members: 1,050 EUR / physical meeting 525 EUR/ phone meeting

The Company reimburses the Directors' international travel and accommodation expenses for attendance at the meetings and the exercise of their functions in the Board of Directors and its Committees. Furthermore, the Company ensures it takes the usual insurance policies to cover the activities that the Directors carry out within the scope of their mandates.

Non-executive Directors receive no annual bonus, nor share options, nor participation in retirement plans. They are not entitled to any kind of compensation when their mandate ends.

Notwithstanding Provision 7.6 of the Code, the non-executive Directors are not partly remunerated in the form of shares in the Company. Nevertheless, the Board of Directors has invited all Directors to invest an amount of at least EUR 20,000 (being the fix annual remuneration) in shares of the Company and to keep them at least one year after the end of their mandate.

1.2. FOR THE MEMBERS OF THE EXECUTIVE COMMITTEE

The awarded remuneration to the Members of the Executive Committee can include a basic (fixed) remuneration, a variable remuneration (short term incentives, hereafter "STI" as well as long term incentives, hereafter "LTI"), and other benefits in whatever form (contribution for vehicle expenses, health insurance).

Exceptions to the above mentioned framework can only be given upon proposal of the Remuneration Committee, and decision by the Board of Directors. For example, in very specific cases the Board can approve exceptional remuneration elements such as a signing bonus (in cash or in the form of shares) or a guaranteed annual bonus for the first year of performance.

Short term incentives:

The variable remuneration STI of the CEO is equal to 100 % of the fixed remuneration and the variable remuneration of the other Members of the Executive Committee is equal to 50 % of the fixed remuneration, if all the objectives (quantitative and qualitative) have been realised for 100 %.

The variable remuneration is partly based on quantitative targets and partly based on qualitative objectives/targets:

- Members exercising a Group Function have 80% quantitative – 20% qualitative criteria,
- MMembers exercising Country Managing Director function have 50 % quantitative and 50 % qualitative criteria.

The Board of Directors - upon proposal of the Remuneration Committee - defines the targets and objectives of the STI for each member on an annual basis, reviews the performance at the end of each cycle, and approves the resulting pay-out to the individuals.

In case the quantitative results on Group level are below the predefined threshold target set out by the Board of Directors, the quantitative component of the variable remuneration will be equal to 0.

In case the quantitative results on Group level exceed the target set out by the Board of Director, the variable remuneration can exceed 100% of the total variable remuneration foreseen. As a result of this, the variable remuneration can be higher as 50% of the fix remuneration with no maximum in relation to the fixed remuneration.

The qualitative criteria focus on long-term value creation and objectives that determine sustainable growth, such as diversity, engagement with all stakeholders, strategic thinking, leadership and commitment, interpersonal skills, etc.

Following the Extraordinary General Meeting of November 17th, 2016, it has been expressly provided in the articles of association that Immobel may derogate from the provisions in articles 7:91 paragraphs 1 and 2 and the last paragraph of 7:121 of the Code of Companies and Associations.

Long term incentives:

The Members of the Executive Committee exercising a Group function, are awarded a variable remuneration LTI (Long-term Incentive) of 50% of the fixed remuneration for the CEO and up to 10% for the other MMembers of the Executive Committee, in the form “Performance Shares”.

The Members of the Executive Committee, exercising a role of Managing Director (hereafter “MD”) of a country, can benefit from a Long Term Incentive Plan (hereafter “LTI”), based on outperformance of the business unit (details below).”

2. HOW THE PAY AND EMPLOYMENT CONDITIONS OF EMPLOYEES / COLLABORATORS OF THE COMPANY WERE TAKEN INTO ACCOUNT WHEN ESTABLISHING THE REMUNERATION POLICY

Immobel wants to attract talented employees / collaborators, who combine expertise and passion for the Real estate Development business and strive to make the business grow, taking into account the governance and working procedures Immobel has put in place. Therefore Immobel pays competitive salaries. Immobel can reward employees / collaborators with Performance bonuses, if the companies performance allows it, and depending on individual performance and the market practice, where Immobel is operating.

For collaborators of Immobel, the remuneration package is composed of a competitive fix salary, rewarding their skills, expertise and experience, and if the results of the Company allow it, a variable remuneration, rewarding specific quantitative or qualitative targets.

A yearly target setting and appraisal cycle, defines the targets for each collaborator. An intermediate appraisal and final year end appraisal process assesses the targets and actual results for all collaborators, which may lead to a variable remuneration, based on this process.

3. APPLIED CRITERIA FOR THE AWARD OF THE VARIABLE REMUNERATION OF THE MEMBERS OF THE EXECUTIVE COMMITTEE

The criteria for the award of variable remuneration are either of quantitative nature, either of qualitative nature. Each year the Board of Directors on proposal of the Remuneration Committee, determines the criteria and parameters to be applied on the variable remuneration.

Variable remuneration for the CEO:

Short term incentives:

The applied criteria to determine the variable Short Term Incentive remuneration of the CEO include:

- on the one hand, the Return on Equity (ROE) as quantitative criterion and,

- on the other hand, some qualitative criteria.

These criteria change on a year-to-year basis.

Long term incentives:

The CEO can also benefit from a Performance Share Plan, for which the underlying drivers are, as of 2020, the ROE of the Company and the ROCE of the Company.

Variable remuneration of the other Members of the Executive Committee includes:

Short term incentives:

- On the one hand, are the quantitative criteria exclusively based on the level of Return on Equity of Immobel Group;
- On the other hand, are the qualitative criteria determined in function of:
    - the general criteria applicable to all the Members of the Executive Committee. These general criteria are the following:
        - Show entrepreneurship;
        - Respect Immobel governance and agreed processes and procedures;
        - Show leadership in way of working towards all Immobel teams;
    - the specific criteria are determined in function of the responsibilities, the missions, and the targets to be achieved, on an individual basis by each of the Members of the Executive Committee, during the reviewed financial year.

Long term incentives:

Group functions:

Furthermore, the Members of the Executive Committee, exercising a Group function, are awarded "Performance Shares" (LTI). The quantitative criteria applicable to this remuneration are, on the one hand, based on the predefined performance targets based on the average return on equity over three years and the average net income per share (excluding Treasury Shares) over three years (Performance Share Plan 2017 - 2019), as well as, on the other hand, based on the predefined performance targets based on the average Return on Equity over three years and the average Return On Capital Employed (ROCE) over three years (Performance Share Plan 2020 - 2022).

Managing Directors:

The Members of the Executive Committee, exercising a role of Managing Director (hereafter “MD”) of a country, can benefit from a Long-Term Incentive Plan (hereafter “LTI”), based on outperformance of the business unit. To benefit from this LTI, the ROE on local level needs to exceed 15% of the ROE (strategic threshold of the Company). A % of the Excess profit , above 15% of the ROE, can be granted to the MD’s of the countries. This LTI is partially paid in cash, partially allocated in shares, which need to be held for 3 years after allocation (vesting period).

The above mentioned criteria express on the one hand financial criteria and drivers of how the business is steered (Return on Equity, Return on Capital Employed, Excess Profit,..). On the other hand in the qualitative criteria targets are defined which make the Company stronger on the short, medium or longer term. Following themes can be mentioned: feeding the pipeline of projects, obtaining building permits, delivering projects on time, implement quality plan on a defined topic, improve business, financial, control or support processes, manage and improve sustainability aspects of the business (being it environmental, social or governance wise).

To stimulate sound risk management and sustainability, part of the variable remuneration is not vested immediately and can only be paid out after 3 years. To retain talent, the Company has also chosen only to vest these elements of the variable remuneration if the beneficiary is still active for Immobel.

Each year, at the proposal of the Remuneration Committee, the Board of Directors decides on the objectives of the CEO and the Executive Committee for the coming financial year and evaluates their performance for the period ending, in conformity with the procedure currently in place. This performance evaluation is also used to determine the variable part of their annual remuneration.

There is no specific right to recover the variable remuneration awarded based on incorrect financial information; common law will apply. The Performance Share Plans contain a Claw Back Clause. The variable remuneration ("Short Term Incentive") will be paid to the Members of the Executive Committee/ Executive Director upon proposal of the Board of Directors which draws up the Annual Accounts of the reviewed financial year, after approval by the Ordinary Shareholders' Meeting.

4. VESTING PERIODS AND AN EXPLANATION OF HOW THE SHARE-BASED REMUNERATION CONTRIBUTES TO THE COMPANY'S BUSINESS STRATEGY, LONG-TERM INTERESTS AND SUSTAINABILITY

The "Performance Shares" awarded to some Members of the Executive Committee in application of the "Performance Share Plan 2017 - 2019" and of the "Performance Share Plan 2020 - 2022" will vest definitively after a period of three full calendar years if they meet the predefined performance targets over three years. Pursuant to Article 8.1 of the Plan these Performance Shares are forfeited for beneficiaries of the plan who are no longer employed by the Group and who have not yet been acquired Performance Shares "*the holder of Performance Shares who terminates his management services contract with the Company early or whose management services contract is terminated for cause because of the holder of Performance Shares, loses his Performance Shares that are not yet vested on the day of the written notice or notification of departure or termination.*"

The share-based remuneration intends to contribute to Immobel's business strategy, long-term interests, and sustainability by incentivizing the beneficiaries to create shareholder value, in line with immobel's processes and procedure of its Governance framework.

5. DURATION OF THE AGREEMENTS WITH DIRECTORS, WITH MEMBERS OF THE EXECUTIVE COMMITTEE AND PERSONS IN CHARGE WITH THE DAILY MANAGEMENT, AS WELL AS THE TERMS OF TERMINATION AND PAYMENTS LINKED THERETO

5.1. DURATION OF THE AGREEMENTS WITH DIRECTORS AND MEMBERS OF THE EXECUTIVE COMMITTEE

According to the Articles of Association of Immobel, the mandates of the Directors are fixed for a maximum period of four years but may be renewed.

The duration of the service provision contract with the Members of the Executive Committee varies in function of the terms and conditions of each contract concerned.

5.2. TERMS OF TERMINATION (NOTICE PERIODS INCLUDED)

The period of notice or compensatory severance payment due by Immobel in case of termination of contracts with the Members of the Executive Committee / Executive Director, under a self-employed status, active within Immobel is 3 months[1]. Exceptions can only be granted, after validation by the Board of Directors, on proposal of the Remuneration Committee.

For those exercising their function under an employee status, the legal notice periods and modalities are applicable.

6. THE DECISION-MAKING PROCESS FOLLOWED FOR THE DETERMINATION, REVIEW AND IMPLEMENTATION OF THE REMUNERATION POLICY, INCLUDING MEASURES TO AVOID OR MANAGE CONFLICTS OF INTERESTS AND, WHERE APPLICABLE, THE ROLE OF THE REMUNERATION COMMITTEE OR OTHER COMMITTEES CONCERNED

The Board of Directors, upon proposal of the Remuneration Committee, validates the Remuneration Policy and proposes the Remuneration Policy to the Ordinary General Meeting of Shareholders for approval. The Board assesses, on a yearly basis, if the Remuneration Policy needs to adapt.

The Remuneration Committee assesses on a yearly basis if all elements of the Policy are in line with the strategic objectives of the Company and proposes improvements to the Board of Directors, where deemed appropriate.

As mentioned in the Corporate Governance Charter last revised on December 9th, 2021 all Directors (thus Members of the Remuneration Committee, or of any other concerned Committee) must avoid taking any action, position or interest that is, or appears to be, in conflict with the interests of the Company.

7. A DESCRIPTION AND EXPLANATION OF ALL SIGNIFICANT CHANGES AND HOW THE VOTES AND VIEWS OF SHAREHOLDERS ON THE REMUNERATION POLICY AND THE REMUNERATION REPORTS SINCE THE MOST RECENT VOTE ON THE REMUNERATION POLICY BY THE GENERAL MEETING OF SHAREHOLDERS HAVE BEEN TAKEN INTO ACCOUNT

In 2020, in line with the Performance Action Plan 2017 - 2019, a Performance Action Plan 2020 - 2022 was approved, as described above.

The Ordinary General Meeting of Shareholders (representing 64.40% of the share-capital) has on April 14th, 2021 approved

- the latest Remuneration Report by 6,406,724 votes "for", 30,650 votes "against" and 1,350 abstentions, and
- the Remuneration Policy by 6,400,574 votes "for", 36,827 votes "against" and 1,350 abstentions.

[1] Except the period of notice or compensatory severance payment due to Marnix Galle and Karel Breda in case of termination of contracts, amounting respectively 12 months and 6 months.

REMUNERATION report

Isala, Brussels

REMUNERATION REPORT

Ladies and Gentlemen,

We have great pleasure in presenting our Remuneration Report for the year under review.

Introduction

Immobel delivered a strong set of results achieving substantial growth in revenues. Net profit group share grew to EUR 92.2 million up from EUR 33.3 million in 2020. The return on equity stood at 19%, well above the Company's 15% target. EBITDA doubled from EUR 52.8 million to EUR 103.8 million. The acquisition of several high-profile projects supported the growth of Immobel's underlying portfolio from EUR 5.1 billion in 2020 to EUR 5.5 billion at the end of 2021, providing it with a strong pipeline of future projects. With this solid performance, Immobel has committed to a 10% dividend increase in line with its dividend policy, bringing the 2021 dividend to EUR 3.05 gross per share. More detailed information on Immobel's main business milestones in 2021 can be found in the chapters "Message from the Executive Chair", "2021 Highlights", "2021 Key figures" and "Activities".

No deviation or derogation has been done from the current Remuneration Policy as approved by the Annual Shareholders' Meeting of the Company held on 15th, April 2021, except for the Chair and the exceptional one time specific remuneration attributed to the Executive Chair in 2022 related to 2021 – see below.

In 2021, Karin Koks – van der Sluijs resigned due to conflict of interest and Patrick Albrand joined the Company as Director and as Member of the Audit & Risk Committee and as Member of the Investment Committee.

Two Members of the Executive Committee of Immobel terminated their missions for the Company (the Chief Operating Officer, Filip Depaz, in his capacity as representative of the company Filip Depaz Consultancy BV, on 30th, April 2021 and the Chief Investment Officer, Alexis Prevot, in his capacity as representative of the company AP2L BV, on 30th, September 2021).

As announced last year, the Board of Directors has done a benchmarking regarding the total remuneration of the Chair of the Board of Directors / CEO which will have an impact on his total remuneration in 2022 and has already been extrapolated for part of its remuneration for 2021.

I. The amount of remuneration and other benefits accorded, directly or indirectly, in 2021 to all Directors and Members of the Executive Committee

The individual sums of remuneration given directly or indirectly to all the Directors for 2021 are shown in the table below. All the amounts shown are, where appropriate, gross, i.e. before the deduction of tax.

As decided in 2019, following a benchmarking study regarding the remuneration of the non-executive Directors, the fix remuneration of the non-executive Directors below the benchmarking, was increased (after initially being postponed from 2020 to 2021, due to the impact of the Covid-19 pandemic on the company). from EUR 14,000 to EUR 20,000.

It is reminded that the Board of Directors, on proposal of the Remuneration Committee, decided on December 10th 2020 that each Director is requested to buy Immobel shares before the AGM to be held in April 2022 for a minimum amount of 20,000 EUR, being the fix annual remuneration for the year 2021 for each of them and to keep the shares at least 3 years after acquisition and until 1 year after the ending of the mandate.

Pursuant to Provision 7.5 of the Belgian Corporate Governance Code 2020, non-executive Directors do not receive any performance-related remuneration, that is directly related to the results of the Company.

Name Director, Position	Fixed remuneration in EUR			Variable remuneration in EUR		Extraordinary items[1]	Pension expense	Total remuneration in EUR[2]	Proportion fixed/ variable remuneration
	Base salary	Attendance Fees	Fringe benefits	One-year variable	Multi-year variable				
ADL Comm.V represented by Astrid DE LATHAUWER [2]	20,000	15,525	N/A	N/A	N/A	N/A	N/A	35,525	100%
Pierre Nothomb SRL, represented by Pierre NOTHOMB	20,000	27,625	N/A	N/A	N/A	N/A	N/A	47,625	100%
A.V.O.- Management SRL represented by Annick VAN OVERSTRAETEN	20,000	16,800	N/A	N/A	N/A	N/A	N/A	36,800	100%
Karin KOKS[3]	18,333	23,100	N/A	N/A	N/A	N/A	N/A	41,433	100%
Patrick ALBRAND[4]	1,667	6,300	N/A	N/A	N/A	N/A	N/A	7,967	100%
M.J.S. Consulting BV represented by Michèle SIOEN	20,000	19,950	N/A	N/A	N/A	N/A	N/A	39,950	100%
LSIM SA represented by Wolfgang de LIMBURG STIRUM	20,000	21,000	N/A	N/A	N/A	N/A	N/A	41,000	100%
Total Directors	120,000	130,300						250,300	

In 2021, the Company has continued the principles of the Remuneration Policy for the Members of the Executive Committee as described in Annexe 2 of the Corporate Governance Charter, except for the Executive Chair/CEO. The Board of Directors approves the appointment propositions of the Executive Committee, upon proposal by the Nomination Committee, and decides on their remuneration, based on the recommendations of the Remuneration Committee.

Filip Depaz, in his capacity of representative of the company Filip Depaz Consultancy BV (Chief Operating Officer – COO) has terminated his mission for the Company on 30th, April 2021 and Alexis Prevot, in his capacity of representative of the company AP2L (Chief Investment Officer – CIO) has terminated his mission for the Company on 30th, September 2021. No other changes were done in the composition of the Executive Committee.

In line with the Remuneration Policy applicable in 2021, the remuneration package of the Executive Committee Members consists up to 3 elements: 1° a fix remuneration, 2° a Short Term Incentive Plan, and 3° a Long Term Incentive Plan, unless contractually otherwise agreed.

Upon proposal of the Remuneration Committee: the Board of Directors has modified the total remuneration of the CEO and attributed an exceptionnal one time specific remuneration in 2022 related to financial year 2021. The Remuneration Committtee decided to propose to the Board of Directors to apply the proposed total remuneration for 2022 definitly.

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[1] Such as the cost or value of insurance and other benefits in kind, with an explanation of the details of the main components.

[2] This includes benefits that were granted / awarded / due (but not materialised) during the reported FY.

[3] Up to November 30th, 2021

[4] As from November 30th, 2021

The 2021 remuneration paid to the Executive Chair / CEO is as follows:

- A yearly basic remuneration amounting EUR 640,000 (VAT excluded), in 12 monthly instalments;
- A variable Short Term Incentive. If 100% of the objectives (quantitative and qualitative) are met, 50% of the fix remuneration can be obtained as variable remuneration. The quantitative criteria (ROE with target = 15%) can be outperformed. In this case, the variable remuneration will increase proportionally. Below the threshold of 10% ROE, the quantitative amount obtained on the STI will be put at 0. In 2021, short-term variable remuneration granted to the Executive Chaire/CEO amounts to 300,800 EUR;
- A LTI "Performance Share plan", as described hereunder;
- An exceptional one time specific remuneration "bonus" of 1.000.000 EUR.

The fix remuneration of the other Members of the Executive Committee at December 31st, 2021, together with quantitative and qualitative criteria of their variable Short Term Incentive and the criteria and targets of the Long Term Incentive for some of the Members are fixed by the Board of Directors, on recommendation of the Remuneration Committee, and upon proposal of the Executive Chair of the Board / CEO.

The 2021 remuneration paid to the members of the Executive Committee is as follows:

Name Member Executive Committee, position	Fixed remuneration in EUR			Variable remuneration in EUR		Extraordinary items[3]	Pension expense	Total remuner-ation in EUR[4]	Proportion fixed/ variable remuner-ation
	Base salary	Attend-ance Fees	Fringe benefits	One-year variable	Multi-year variable[5]				
A[3] Management, represented by Marnix Galle Executive Chair of the Board	640,000	N/A	N/A	364,459	28,342[6]	1,000,000	N/A	2,032.801	46%
Total of all other Members of the Executive Committee	1,700,000	N/A	N/A	2,479,004	109,269		N/A	4,288,273	66%
Total	2,340,000			2,843,463	137.611	1.000.000		6,321.074	

[3] Corresponds to the exeptional one time "bonus" payed to the Executive Chair/ CEO.

[4] This includes benefits that were granted/ awarded/ due (but not materialised) during the reported FY

[5] The amount of the share-based remuneration is equal to the sum of the amount reported in the table related to "Share awards".

[6] 383 shares, at 74,00 EUR on date of 03/01/2022

[7] 765 shares at 74,00 EUR on date of 03/01/2021

II. Share-based remuneration

A. To (Executive) Directors in 2021

Name Director, position	Main conditions of the Performance Share Plan					Information regarding the reported FY					
						Opening balance	During the year		Closing balance		
	Specification plan	Performance period	Grant/ award date	Vesting date	End of holding period	Shares granted/ awarded at the beginning of the period	Shares vested	Shares granted	Shares subject to a performance condition	Shares granted/awarded and vested at year end	Shares subject to a holding period
A³ MANAGEMENT bv Executive Chair / CEO	PSP 2017 - 2019	01/01/2017 - 31/12/2019	07/12/2016	28/05/2020	n/a	1,806	2,049	-		2,049	n/a
		01/01/2017 - 31/12/2019	07/12/2016	28/05/2020	n/a	1,722	1,954	-		1,954	n/a
		01/01/2018 - 31/12/2020	13/03/2018	15/04/2021	n/a	1,477	1,058	-	-	1,058	n/a
		01/01/2019 - 31/12/2021	29/03/2019	21/04/2022	n/a	1,606	-	-	268	383	n/a
	PSP 2020 - 2022	01/01/2020 - 31/12/2022	10/12/2020	20/04/2023	n/a	2,424	-	-	2,424	-	n/a
		01/01/2021 - 31/12/2023	04/03/2021	18/04/2024	n/a	2,352	-	-	2,352		n/a
		01/01/2021 31/12/2024	10/03/2022	17/04/2025	n/a	5405					
						16,792	5,061	-	5,044	5,444	

C. To other Members[6] of the Executive Committee performing missions in 2021

Name Executive, position	Main conditions of the Performance Share Plan					Information regarding the reported FY					
						Opening balance	During the year		Closing balance		
	Specification plan	Performance period	Grant/ award date	Vesting date	End of holding period	Shares granted/ awarded at the beginning of the period	Shares vested	Shares granted	Shares subject to a performance condition	Shares granted/awarded and vested at year end	Shares subject to a holding period
KB FINANCIAL SERVICES bv Executive (CFO)	PSP 2017 - 2019	01/01/2017-31/12/2019	-	-	n/a	-	-	-	-	-	n/a
		01/01/2018-31/12/2020	11/09/2018	15/04/2021	n/a	205	-	-	-	293	n/a
		01/01/2019-31/12/2021	29/03/2019	14/04/2022	n/a	534	-	-	-	764	n/a
	PSP 2020 - 2022	01/01/2020-31/12/2022	10/12/2020	20/04/2023	n/a	489	-	-	489	-	n/a
		01/01/2021-31/12/2023	04/03/2021	18/04/2024	n/a	514	-	-	514	-	n/a
		01/01/2022-31/12/2024	10/03/2022	17/04/2025	n/a	473					
Adel Yahia Consult BV Executive (MD Belgium)	LTI 2019					728	-	-	-	-	728
	LTI 2021					925 925					925 925
						4,793	-	-	1,003	1,057	2,578

Currently two Performance Share Plans exist for some Members of the Executive Committee. On May 24th 2017 the Shareholders have validated a Performance Share Plan for the benefit of some Members of the Executive Committee (of which the Executive Chair and the previous CEO) for the years 2017 up to 2019; and on May 28th, 2020 a Performance Share Plan was approved for the benefit of some Members of the Executive Committee for the years 2020 up to 2022. For more information related to Performance Share Plans, please refer to the Remuneration policy.

In 2021, a total of 3,383 shares, granted under the « Performance Share Plan 2017 - 2019» (for the Cycle 2018 - 2020), have been vested to the Executive Chair / CEO (still performing Member of the Executive Committee subject to the achievement of the performance objectives – 1,058 shares) as well as to the CFO (293 shares), to the previous CEO (Alexander Hodac – 1,058 shares), to the previous CFO (Valéry Autin – 95 shares) and to the previous Chief Technical (Rudi op't Roodt – 879 shares)

The main rules of this Performance Share Plan are listed below:

"Under this plan, the Beneficiaries will receive a conditional grant of shares ("Performance Shares") that vest at the end of the Performance Period, subject to and upon realization of the Performance Conditions.

[6] Still in function at the end of the reporting period.

Performance Conditions

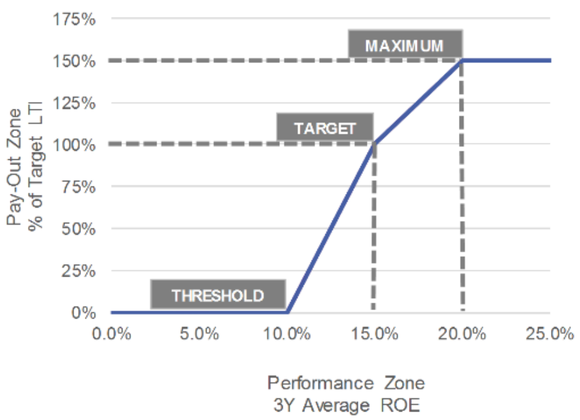
The Performance Shares granted will become unconditional / will vest following a Performance Period / vesting period of three full calendar years, conditional to the achievement of two Performance Conditions which are equally weighted:

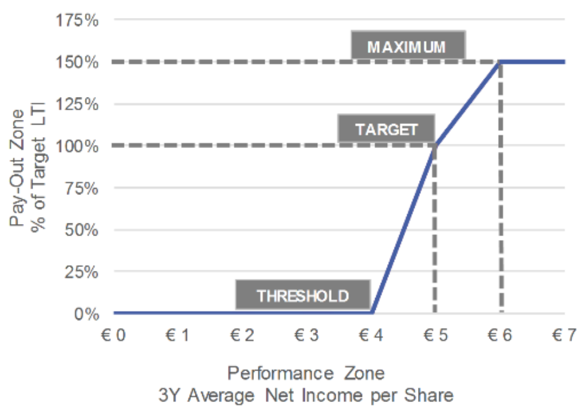
- 3Y Average Return on Equity (ROE) at Immobel Group level
- 3Y Average Net Income per Share at Immobel Group level (excluding Treasury Shares)

The precise vesting level of the Performance Shares will depend upon the actual achievement level of the Performance Conditions:

3Y Average ROE		
Performance		Pay-Out % of Target
≤ Threshold	3Y Average ROE ≤ 10%	0%
At Target	3Y Average ROE = 15%	100%
≥ Maximum	3Y Average ROE ≥ 20%	150%

3Y Average Net Income per Share		
Performance		Pay-Out % of Target
≤ Threshold	3Y Average Net Income per Share ≤ € 4	0%
At Target	3Y Average Net Income per Share = € 5	100%
≥ Maximum	3Y Average Net Income per Share ≥ € 6	150%





Performance Period

The achievement of the Performance Conditions will be determined over a three-full calendar year Performance Period, i.e. January 1st, 2019 – December 31st, 2021.

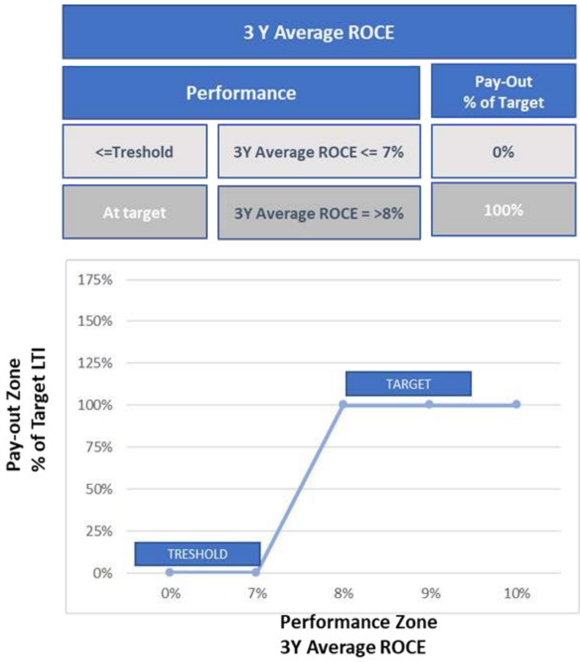
Dividends

Upon vesting, the Beneficiaries will not receive the value of the dividends relating to the previous three years with respect to the Performance Shares vested.

Vesting

The Performance Shares granted under the Plan will vest at the end of the Performance Period, subject to and upon realization of the Performance Conditions. Performance Shares that do not become vested are forfeited and lapse. In addition, good leaver / bad leaver provisions apply in case of termination of the management services agreement entered into between the Member of the Executive Committee and Immobel during the Performance Period."

A new Performance Share Plan 2020 - 2022 was approved by the Shareholders at the General Meetings held on May 28th, 2020. Pursuant the « **Performance Share Plan 2020 - 2022** » some Members of the Executive Committee can be granted yearly, under certain conditions, Performance Shares. These "Performance Shares" will vest definitively after a period of three full calendar years, if they meet the predefined performance targets based on the average Return on Equity over three years and the average Return On Capital Employed (ROCE) over three years.



For 2021, the lower treshold for 3Y Average ROE is defined by the Board of Directors at 10%, while the upper threshold is 15%.

For 3 Year Average ROCE, the lower threshold is defined by the Board of Directors at 7%, while the upper threshold is set at 8%.

There will be an allotment of Performance Shares in each of the years 2020 to 2022 and the total number of Performance Shares, and the total number of Performance Shares to be offered will be determined each year by the Board of Directors upon proposal of the Remuneration Committee.

In the framework of this Plan, for the 2021 allocation a total of 3,748 shares have been granted, subject to the achievement of the 100 % performance objectives, split-off as follows:

Executive Chair :	2,352 Performance Shares.
Chief Financial Officer :	514 Performance Shares.
Chief Investment Officer:	441 Performance Shares.
Chief Operational Officer :	441 Performance Shares.

The main rules of this Performance Share Plan are listed below:

The "Performance Shares" granted by the aforementioned plans are offered free of charge to the beneficiaries, and entitle the same rights as the existing shares. The Board of Directors annually sets the objectives, in accordance with the Company's strategy and the Remuneration Policy of the Company.

The exact degree to which the Performance Shares for the two plans will be definitively acquired, will depend on the level of performance of the objectives achieved:

- no definitive acquisition when the performance is below or equal to the defined minimum threshold;
- the full implementation of the objectives will lead to a nominal acquisition of 100 % of the allocated Performance Shares;

- a maximum definitive acquisition of 150 % of the Performance Shares awarded when the performance is equal to or greater than the agreed upper limit (for the PSP 2017 - 2019); for the PSP 2020 - 2022 this % is limited to 100%
- between these values, the final acquisition will be proportional.

Upon the final vesting, the beneficiaries will not receive the dividend value of the last three years to which the acquired Performance Shares relate.

Finally, 5% of the additional LTI-plan for some Members, focusing on outperformance for each concerned country, is allocated in shares. These shares will be vested 3 years after allocation.

III. Any use of the right to reclaim

There is no specific right to reclaim the variable remuneration awarded based on incorrect financial information, except in the above-mentioned Performance Share Plan which contains a Claw Back Clause. The Board of Directors has decided that the variable remuneration ("Short Term Incentive") will be paid to the Members of the Executive Committee/ Executive Director after the Board of Directors of March 10th, 2022 which draws up the Annual Accounts as at December 31st, 2021, subject to final approval by the Shareholders' Meeting of 21 April 2022.

IV. Information on how the remuneration complies with the remuneration policy and how performance criteria were applied

A. Compliance with the Remuneration Policy

Pursuant to Provision 7.8 of the Belgian Corporate Governance Code 2020, the variable part of the executive remuneration package is structured to link reward to overall corporate and individual performance, and to align the interests of the Members of the Executive Committee with the sustainable value-creation objectives of Immobel. Therefore the Remuneration of the Members of the Executive Committee (Executive Chair included, as detailed above) is divided into a fixed part, a variable part STI ("Short Term Incentive") and, for some of them, a variable part LTI ("Long Term Incentive").

The variable part STI includes:

- a variable quantitative remuneration exclusively based on the level of Return on Equity;
- a measurable variable qualitative remuneration determined in function of the general criteria applicable to all the Members of the Executive Committee. These general criteria are the following:
    - Show leadership
    - Respect Immobel governance and agreed processes and procedures
    - Show leadership in way of working towards all Immobel teams
- a measurable variable qualitative remuneration determined in function of the responsibilities, the missions, and the targets to be achieved, on an individual basis by each of the Members of the Executive Committee, during the reviewed financial year.

As decided by the Board of Directors, upon proposal of the Remuneration Committee, the Members of the Executive Committee, exeercing a Group function benefit from a weighted remuneration, at 80 % for quantitative aspects, and at 20 % for qualitative aspects, compared to total variable remuneration. The Managing Directors benefit from a weight 50 % - 50 %, with the exception of the Managing Director France (20% quantitative, 80% qualitative for 2021).

Regarding the variable part Long Term Incentive (LTI), a differentiation needs to be made between, on the one hand the Immobel Performance Share Plans (2017 - 2019 and 2020 - 2022) and on the other hand a specific Long Term Incentive Plan for other Members.

The Performance Share Plan gives to some Members of the Executive Committee an incentive in case targets are met on ROE and Share price (Plan 2017 - 2019) or on ROE and ROCE (Plan 2020 - 2022).

The 2nd LTI Plan, which incentivizes more specifically outperformance of the Managing Directors on country level, is based on outperformance of the ROE on country level and calculated in function of excess Net profit (above ROE level of 15%). In this LTI-Plan, a part of the amount is vested and paid out in cash (95% over 2 years), while the remaining 5% is allocated in shares and vested in a period of 3 years after allocation

The Members of the Executive Committee exercising a function at Group level received shares in the framework of the PSP 2020 - 2022 Plan, according to a certain % depending on their remuneration (25% for the Executive Chair/CEO and 10% for the other Members holding a function at Group level).The Board of Directors has decided that the variable remunerations « Short Term Incentive "will be paid to the Members of the Executive Committee after the Board of Directors of March 2022 establishing the Annual Accounts per December 31st, 2021, subject to final approval by the General Meeting of 21 April 2022.

Based on the global performance of the Company during 2021 and on the realization of the individual targets of the Members of the Executive Committee between January 1st and December 31st, 2021, the variable part of the global remuneration (qualitative and quantitative) paid for 2021, represents 52.79% of the basic remuneration for the Members of the Executive Committee (with exclusion of the one of the Executive Chair / CEO, detailed below. The variable part include on the one hand the contractually agreed STI amount and on the other hand the amounts due in the context of the Performance Share Plans (both allocated and vested).

The period of notice or compensatory severance payment due by Immobel in case of termination of contracts with the Members of the Executive Committee / Executive Directors, under a self-employed status, active within Immobel is 3 months. Exceptions can only be granted, after validation by the Board of Directors, on proposal of the Remuneration Committee.

For those exercising their function under an employee status, the legal notice periods and modalities are applicable.

For your information, the foreseen periods of notice for the Members of the Executive Committee are:

- Marnix Galle : 12 months
- Karel Breda : 6 months
- Adel Yahia : 3 months.
- Fabien Acerbis : 3 months
- Olivier Bastin : according to legislation in Luxemburg.

B. Application performance criteria

Name Director, position	Description of the performance criteria and type of applicable remuneration	Relative weighting of the performance citeria	Information on performance targets		Measured performance (a) and actual award outcome (b)
			Minimum target/threshold performance (a) and corresponding award (b)	Maximum target/threshold performance (a) and corresponding award (b)	
A³ MANAGEMENT bv, Executive Chair / CEO	Return on Equity – variable quantitative rem.	80%	(a) ROE of 15% (b) 256,000 EUR	(a) Unlimited (b) Unlimited	(a) 18,73% (b) 256,000 EUR
	Grow the Company via 3rd Party money (JV's and Fund(s)) and integrate this in Immobel's operating model	10%	(a) 32,000 EUR (b) 32,000 EUR	(a) 32,000 EUR (b) 32,000 EUR	(a) 80% (b) 25,600 EUR
	Increase Immobel's Pan-european footprint via operations in France, Germany and Spain	10%	(a) 32,000 EUR (b) 32,000 EUR	(a) 32,000 EUR (b) 32,000 EUR	(a) 60% (b) 19,200 EUR
Other Members of the Executive Committee	Quantitative criteria	Depends on Role within the Executive Comittee.	(a) ROE of 10% (b) 0 EUR	(a) Unlimited (b) Unlimited	(a) 18,73%/depending on country (b) 1,807,647 EUR
	Diverse qualitative criteria (generi and individual)	Depends on Role within the Executive Comittee	(a) / (b) /	(a)/ (b) 394,500 EUR	(a) individual scores per Member (b) 360,445 EUR

V. Derogations and deviations

Based on the global performance of the Company during 2021 and on the realization of the individual targets of the Members of the Executive Committee between January 1st and December 31st, 2021, the variable part of the global remuneration (qualitative and quantitative) paid for 2021, represents 52.79 % of the basic remuneration for the Members of the Executive Committee (with exclusion of the one of the Executive Chair/CEO).

The variable remuneration of the Executive Chair, and of some other Members of the Executive Committee amounts more than 25 % of their respective remuneration in 2021. Further to the Extraordinary General Meeting of November 17th, 2016 it was expressly foreseen in article 14 (former article 16) of the articles of association that the Company may however derogate from the provisions of articles 7:91 paragraph 1 and 2 and 7:121 last paragraph of the Code of Companies and Associations, for each person falling within the scope of these provisions.

During 2021, there were no deviations from the Remuneration Policy or from its implementation, except for the exceptional bonus allocated to the Executive Chair/CEO as explained above.

VI. Comparative information on the change of remuneration and company performance over the 5 lasted reported financial years

Annual change	2017	2018	2019	2020	2021	Information regarding the RFY
Remuneration CEO / Executive Chair of the Board of Directors						
A³ MANAGEMENT bv[7] Executive Chair	-	-	886,260	1,043,760	2,032,801	From 01/07/2019, Marnix Galle became also CEO of the Company, on top of his role of the Executive Chair of the Board of Directors.
Year-on-year change	-	-	-	*+18%*	*+94%*	
Remuneraton other members of the Executive Committee						
Other members of the Executive Committee	-	-	-	2,181,293	4,288,273	
Year-on-year change	-	-	-	-	*+96%*	
Remuneration Non-Excecutive Directors						
ADL CommV[8] Non-executive	32,825	27,050	34,175	25,475	35,525	Higher attendance fees due to higher number of meetings and phone/Teams meetings
Year-on-year change	-	*-18%*	*+26%*	*-25%*	*+39%*	
PIERRE NOTHOMB srl[9] Non-executive	-	-	43,175	35,875	47,625	Higher attendance fees due to lower number of meetings and phone/Teams meetings
Year-on-year change	-	-	-	*-17%*	*+33%*	
A.V.O.- MANAGEMENT bv[10] Non-executive	32,375	30,800	35,525	26,600	36,800	Higher attendance fees due to higher number of meetings and phone/Teams meetings
Year-on-year change	-	*-5%*	*+15%*	*-25%*	*+38%*	
Karin KOKS-van der SLUIJS Non-executive	46,550	45,500	46,550	30,800	41,433	Higher attendance fees due to higher number of meetings and phone/Teams meetings. As from 30/11/2021, Karin Koks-van der Sluijs has resigned as an independent director.
Year-on-year change	-	-2%	+2%	-34%	+35%	

[7] Represented by its permanent representative Marnix GALLE.
[8] Represented by its permanent representative Astrid DE LATHAUWER.
[9] Represented by its permanent representative Pierre NOTHOMB.
[10] Represented by its permanent representative Annick van OVERSTRAETEN.

M.J.S. CONSULTING bv[11] Non-executive	-	-	29,750	28,700	39,950	Higher attendance fees due to higher number of meetings and phone/Teams meetings
Year-on-year change	-	-	-	-4%	+39%	
LSIM sa[12] Non-executive	-	-	23,450	20,300	41,000	Higher attendance fees due to higher number of meetings and phone/Teams meetings
Year-on-year change	-	-	-	*-13%*	*+102%*	
Patrick ALBRAND Non-executive	-	-	-	-	7,967	Patrick Albrand was co-opted as an independent director as from 30/11/2021.
Year-on-year change	-	-	-	-	-	
Total remuneration granted to Directors	**300,150**	**270,752**	**289,775**	**167,750**	**250,300**	
Year-on-year change	-	*-10%*	*+7%*	*-42%*	*+49%*	
Company performance						
EBITDA	25.8 MEUR	75.1 MEUR	124.6 MEUR	52.8 MEUR	103.8 MEUR	
Year-on-year change	-	*291%*	*+66%*	*-58%*	*+97%*	
Net profit	11 MEUR	56.8	102.4 MEUR	33.3 MEUR	92.2 MEUR	
Year-on-year change	-	*+514%*	*+80%*	*-68%*	*+177%*	
Average employee remuneration						
Average remuneration per employee (full cost)	NA	NA	NA	NA	125,498	
Year-on-year change	-	-	-	-	-	

[11] Represented by its permanent representative Michèle SIOEN.
[12] Represented by its permanent representative Wolfgang de LIMBURG STIRUM.

VIII. Ratio lowest remuneration/ highest remuneration

The ratio of the highest remuneration (i.e. the Executive Chair compared to the lowest remunerated employee, at Full Time Equivalent, in Immobel Group amounts to 18,1 % in 2021. This information applies to all entities of the Group, in all locations (Belgium, Luxemburg, France, Germany, Poland and Spain).

IX. Information on shareholder vote

Immobel is required to explain in the report how the advisory vote on the previous remuneration report adopted by the last General Meeting has been taken into account:

For the sake of completeness, it is especially mentioned to the Shareholders that de Ordinary General Meeting of Shareholders (representing 64.40% of the share-capital) has on April 14th, 2021 approved

- the latest Remuneration Report by 6,406,724 votes "for", 30,650 votes "against" and 1,350 abstentions, and
- the Remuneration Policy by 6,400,574 votes "for", 36,827 votes "against" and 1,350 abstentions.

* * *

We therefore ask you to approve the terms of this Remuneration Report for the year 2021.

* * *

Agreed at the Meeting of the Board of Directors on March 10th, 2022.

ADL CommV	A³ Management BV
(represented by Astrid De Lathauwer)	(represented by Marnix Galle)
Chair of the Remuneration Committee	Executive Chair of the Board of Directors

CONSOLIDATED ACCOUNTS & CONDENSED STATUTORY

accounts

Four Seasons Resort, Marbella

CONSOLIDATED ACCOUNTS AND CONDENSED STATUTORY ACCOUNTS

I. CONSOLIDATED FINANCIAL STATEMENTS 158

A. CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME (IN THOUSANDS EUR) 158
B. CONSOLIDATED STATEMENT OF FINANCIAL POSITION (IN THOUSANDS EUR) 159
C. CONSOLIDATED STATEMENT OF CASH FLOWS (IN THOUSANDS EUR) 160
D. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (IN THOUSANDS EUR) 161
E. ACCOUNTING PRINCIPLES AND METHODS 162

1) *General information* *162*
2) *Statement of compliance with IFRS* *162*
3) *Preparation and presentation of the financial statements* *163*
4) *Consolidation rules* *164*
5) *Foreign currencies* *165*
6) *Intangible assets* *165*
7) *Goodwill* *165*
8) *Property, plant and equipment* *166*
9) *Investment property* *166*
10) *Leases* *166*
11) *Financial instruments* *167*
12) *Inventories* *169*
13) *Provisions* *169*
14) *Employee benefits* *170*
15) *Grants related to assets or investment subsidies* *170*
16) *Operating revenue* *170*
17) *Impairment on non-financial assets* *171*
18) *Taxes* *172*
19) *Discontinued operations and non-current assets held for sale* *172*
20) *Main judgements and main sources of uncertainties related to the estimations* *172*

21) *Joint operations* ... 173
22) *Segment reporting* ... 173
F. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (IN THOUSANDS EUR) ... 173
1) *Operating segment - financial information by business segment* ... 173
2) *Revenues* ... 177
3) *Other operating income* ... 178
4) *Cost of sales* ... 179
5) *Cost of commercialisation* ... 179
6) *Administration costs* ... 179
7) *Gain on sale of affiliates* ... 180
8) *Share in the result of joint ventures and associates, net of tax* ... 180
9) *Net financial costs* ... 181
10) *Income taxes* ... 181
11) *Earnings per share* ... 182
12) *Intangible assets* ... 182
13) *Goodwill* ... 182
14) *Property, plant and equipment* ... 184
15) *Right-of-use assets* ... 184
16) *Investment property* ... 184
17) *Investments in joint ventures and associates* ... 185
18) *Other non-current financial assets* ... 189
19) *Deferred tax* ... 190
20) *Other non-current assets* ... 190
21) *Inventories* ... 191
22) *Trade receivables* ... 191
23) *Contract assets* ... 192
24) *Other current assets* ... 192
25) *Information related to the net financial debt* ... 193
26) *Equity* ... 196
27) *Pensions and similar obligations* ... 197
28) *Provisions* ... 198
29) *Trade payables* ... 198
30) *Contract liabilities* ... 198
31) *Other current liabilities* ... 199
32) *Main contingent assets and liabilities* ... 199
33) *Change in working capital* ... 200
34) *Information on related parties* ... 200
35) *Events subsequent to reporting date* ... 200
36) *Companies owned by the Immobel Group* ... 201
G. STATEMENT FROM THE RESPONSIBLE PERSONS ... 206
H. AUDITOR'S REPORT ... 207

II. STATUTORY CONDENSED FINANCIAL STATEMENTS ... 212

A. STATEMENT OF FINANCIAL POSITION (IN THOUSANDS EUR) ... 212
B. STATEMENT OF COMPREHENSIVE INCOME (IN THOUSANDS EUR) ... 213
C. APPROPRIATION ACCOUNT (IN THOUSANDS EUR) ... 213
D. SUMMARY OF ACCOUNTING POLICIES ... 214

I. Consolidated financial statements

A. Consolidated statement of profit and loss and other comprehensive income (in thousands EUR)

	NOTES	31/12/2021	31/12/2020
OPERATING INCOME		392 815	375 390
Revenues	2	379 509	364 479
Other operating income	3	13 306	10 911
OPERATING EXPENSES		-338 312	-333 526
Cost of sales	4	-311 066	-300 766
Cost of commercialisation	5	- 439	-1 702
Administration costs	6	-26 807	-31 057
SALE OF SUBSIDIARIES		25	133
Gain (loss) on sales of subsidiaries	7	25	133
JOINT VENTURES AND ASSOCIATES		44 531	7 994
Share of result of joint ventures and associates, net of tax	8	44 531	7 994
OPERATING PROFIT AND SHARE RESULT OF ASSOCIATES AND JOINT VENTURES, NET OF TAX		99 058	49 991
Interest income		4 983	5 773
Interest expense		-6 605	-11 859
Other financial income		81	1 440
Other financial expenses		-3 552	-2 649
NET FINANCIAL COSTS	9	-5 094	-7 295
PROFIT BEFORE TAXES		93 964	42 696
Income taxes	10	-1 619	-8 650
PROFIT OF THE PERIOD		92 345	34 047
Share of non-controlling interests		195	775
SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY		92 150	33 272
PROFIT FOR THE PERIOD		92 345	34 047
Other comprehensive income - items that are or may be reclassified subsequently to profit or loss		- 820	2 282
Currency translation		- 904	2 282
Effective portion of changes in fair value		84	
Other comprehensive income - items that are or may be not reclassified subsequently to profit or loss	**27**	57	201
Actuarial gains and losses (-) on defined benefit pension plans	27	57	201
Other comprehensive income - items that has been reclassified to profit or loss			
TOTAL OTHER COMPREHENSIVE INCOME		- 763	2 483
COMPREHENSIVE INCOME OF THE PERIOD		91 582	36 530
Share of non-controlling interests		112	964
SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY		91 470	35 566
EARNINGS PER SHARE (€) (BASIC)	11	9,25	3,58
COMPREHENSIVE INCOME PER SHARE (€) (BASIC)	11	9,18	3,82
EARNINGS PER SHARE (€) (DILUTED)	11	9,25	3,58
COMPREHENSIVE INCOME PER SHARE (€) (DILUTED)	11	9,18	3,82

B. Consolidated statement of financial position (in thousands EUR)

ASSETS	NOTES	31/12/2021	31/12/2020
NON-CURRENT ASSETS		**506 259**	**448 370**
Intangible assets	12	246	582
Goodwill	13	43 789	43 789
Property, plant and equipment	14	2 793	1 388
Right-of-use assets		3 772	4 390
Investment property	16	173 999	197 149
Investments in joint ventures and associates	17	156 532	106 195
Other non-current financial assets	18	1 015	175
Advances to joint ventures and associates		101 670	76 644
Deferred tax assets	19	21 292	16 369
Other non-current assets	20	1 151	1 689
CURRENT ASSETS		**1 178 890**	**982 768**
Inventories	21	698 623	683 121
Trade receivables	22	38 116	33 168
Contract assets	23	117 953	57 251
Tax receivables		1 369	3 450
Other current assets	24	36 240	37 269
Advances to joint ventures and associates		13 163	20 399
Other current financial assets		49	49
Cash and cash equivalents	25	273 377	148 059
TOTAL ASSETS		**1 685 149**	**1 431 137**

EQUITY AND LIABILITIES	NOTES	31/12/2021	31/12/2020
TOTAL EQUITY	26	**582 919**	**494 490**
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY		**571 567**	**491 922**
Share capital		97 257	97 256
Retained earnings		472 629	392 143
Reserves		1 681	2 524
NON-CONTROLLING INTERESTS		**11 352**	**2 568**
NON-CURRENT LIABILITIES		**535 104**	**609 602**
Employee benefit obligations	27	996	603
Deferred tax liabilities	19	26 352	37 301
Financial debts	25	507 596	571 139
Derivative financial instruments	25	160	560
CURRENT LIABILITIES		**567 126**	**327 045**
Provisions	28	2 328	2 114
Financial debts	25	359 094	180 810
Trade payables	29	83 546	60 927
Contract liabilities	30	21 969	3 896
Tax liabilities		13 770	7 110
Other current liabilities	31	86 419	72 188
TOTAL EQUITY AND LIABILITIES		**1 685 149**	**1 431 137**

C. Consolidated statement of cash flows (in thousands EUR)

	NOTES	31/12/2021	31/12/2020 (represented*)
Operating income		392 815	375 390
Operating expenses		-338 312	-333 526
Amortisation, depreciation and impairment of assets	11	4 584	3 684
Change in provisions		214	-1 198
CASH FLOW FROM OPERATIONS BEFORE CHANGES IN WORKING CAPITAL		**59 301**	**44 350**
Change in working capital	33	-60 379	-80 846
CASH FLOW FROM OPERATIONS BEFORE PAID INTERESTS AND PAID TAXES		**-1 078**	**-36 496**
Paid interests	9	-15 456	-18 936
Interest received		4 983	5 773
Other financing cash flows		-3 471	- 552
Paid taxes	10	-6 251	-6 011
CASH FROM OPERATING ACTIVITIES		**-21 273**	**-56 222**
Acquisitions of intangible, tangible and other non-current assets		-8 845	- 878
Sale of intangible, tangible and other non-current assets		4 207	9 792
Repayment of capital and advances by joint ventures	17	86 557	17 113
Acquisitions, capital injections and loans to joint ventures and associates	17	-45 612	-70 095
Dividends received from joint ventures and associates	17	8 034	10 533
Disposal of subsidiaries	17		
CASH FROM INVESTING ACTIVITIES		**44 341**	**-33 535**
Proceeds from new loans	25	258 113	151 931
Repayment of financial debts	25	-143 372	-100 881
Sale of treasury shares		16 417	57 600
Gross dividends paid		-28 907	-26 981
CASH FROM FINANCING ACTIVITIES		102 251	81 669
NET INCREASE OR DECREASE (-) IN CASH AND CASH EQUIVALENTS		**125 319**	**-8 088**
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF PERIOD		**148 059**	**156 146**
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD		**273 377**	**148 059**

(*) Cash flows relating to equity accounted investees and disposal of subsidiaries have been represented from cash flow from operating activities to cash flow from investing activities to align the presentation to the nature of the underlying cash flows as defined by IFRS

D. Consolidated statement of changes in equity (in thousands EUR)

2021	CAPITAL	RETAINED EARNINGS	ACQUISITION RESERVE	CURRENCY TRANSLATION	RESERVE FOR DEFINED BENEFIT PLANS	HEDGING RESERVES	EQUITY TO BE ALLOCATED TO OWNERS OF THE COMPANY	NON CONTROLLING INTERESTS	TOTAL EQUITY
Balance as at 01-01-2021	97 256	280 997	111 705	2 147	377	- 560	491 922	2 568	494 490
Before treasury shares	97 256	280 997	124 869	2 147	377	- 560	505 086	2 568	507 654
Treasury shares	-	-	-13 164	-	-	-	-13 164		-13 164
Profit of the period	-	92 150	-	-	-	-	92 150	195	92 345
Other comprehensive income	-	-	-	- 821	57	84	- 680	- 83	- 763
Dividends and other beneficiaries paid	-	-27 942	-	-	-	-	-27 942	-2 156	-30 098
Cash flow hedging	-	-	-	-	-	253	253		253
Scope changes	-	- 167	-	-	-	-	- 167	10 828	10 661
Transactions on treasury shares	-	4 545	11 871				16 416		16 416
Other changes	-	- 474	89	-	-	-	- 385		- 385
Changes in the year	-	68 112	11 960	- 821	57	337	79 645	8 784	88 429
Balance as at 31-12-2021	97 256	349 109	123 665	1 326	434	- 223	571 567	11 352	582 919
Before treasury shares	97 256	349 109	124 869	1 326	434	- 223	572 771	11 352	584 123
Treasury shares	-	-	-1 204	-	-	-	-1 204	-	-1 204

2020	CAPITAL	RETAINED EARNINGS	ACQUISITION RESERVE	CURRENCY TRANSLATION	RESERVE FOR DEFINED BENEFIT PLANS	HEDGING RESERVES	EQUITY TO BE ALLOCATED TO OWNERS OF THE COMPANY	NON CONTROLLING INTERESTS	TOTAL EQUITY
Balance as at 01-01-2020	97 256	258 344	70 321	55	175	-	426 151	2 011	428 162
Before treasury shares	97 256	258 344	124 869	55	175	-	480 699	2 011	482 710
Treasury shares	-	-	-54 548	-	-	-	-54 548		-54 548
Comprehensive income for the year	-	33 272	-	-	-	-	33 272	775	34 047
Other comprehensive income	-	-	-	2 092	202	-	2 294	189	2 483
Dividends and other beneficiaries paid	-	-26 551	-	-	-	-	-26 551	- 430	-26 981
Cash flow hedging	-	-	-	-	-	- 560	- 560		- 560
Scope changes	-	- 23	-	-	-	-	- 23	23	
Transactions on treasury shares	-	16 216	41 384	-	-	-	57 600		57 600
Other changes	-	- 261		-	-	-	- 261		- 261
Changes in the year	-	22 653	41 384	2 092	202	- 560	65 771	557	66 328
Balance as at 31-12-2020	97 256	280 997	111 705	2 147	377	- 560	491 922	2 568	494 490
Before treasury shares	97 256	280 997	124 869	2 147	377	- 560	505 086	2 568	507 654
Treasury shares	-	-	-13 164	-	-	-	-13 164	-	-13 164

A gross dividend of EUR 3.05 per share (excluding treasury shares) was proposed by the Board of Directors on March 10, 2022. It will be submitted to the shareholders for approval at the general meeting. The appropriation of income has not been recognized in the financial statements as of December 31, 2021.

The share capital of Immobel SA is represented by 9.997.356 ordinary shares, including 26.965 treasury shares.

As at December 31, 2021, 265 562 treasury shares have been sold during the current year for an amount of EUR 16 416 thousand which includes a realized net gain of EUR 4 545 thousand.

In accordance with IAS 32, these own shares are presented in deduction of the equity. These own shares have neither voting rights nor dividend rights.

On December 31, 2021 the treasury shares, resulting from the merger with ALLFIN, remain valued at the share price on June 29, 2016, which was the date of the merger.

As per Immobel's 2020 result allocation, EUR 27 609 thousand have been paid out as dividends and EUR 333 thousand were allocated to a charity fund.

The currency translation adjustments are related to Polish entities for which the functional currency is in zloty.

E. Accounting principles and methods

1) General information

Immobel ("the Company") is a company domiciled in Belgium whose shares are publicly traded (Euronext – IMMO). The consolidated financial statements of the Group comprise the Company, its subsidiaries, and the Group's interest in associates and joint arrangements (referred to as "The Group"). The Group is active in the property development business, with activities in Belgium, France, Luxemburg, Germany, Poland and Spain

2) Statement of compliance with IFRS

The consolidated financial statements have been prepared in accordance with IFRS (International Financial Reporting Standards) as adopted in the European Union. The consolidated financial statements were authorized for issue by the Company's board of directors on March 10, 2022.

The consolidated statements of the Group as disclosed in this annual report take into account new standards applicable as from January 1, 2021. Following standards and amendments were applied to the Group's financial statements for the year 2021. These standards were either not applicable or did not have a material impact to the Group's financial statements.

STANDARDS AND INTERPRETATIONS APPLICABLE FOR THE ANNUAL PERIOD BEGINNING ON 1 JANUARY 2021

Following new standards or amendments to IFRS are effective as from January 1, 2021 but are either not material or do not have a material impact on the 2021 Group's financial statements .

- Interest Rate Benchmark Reform – Phase 2 – Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16
- Covid-19-Related Rent Concessions beyond 30 June 2021 Amendment to IFRS 16

STANDARDS AND INTERPRETATIONS PUBLISHED, BUT NOT YET APPLICABLE FOR THE ANNUAL PERIOD BEGINNING ON 1 JANUARY 2021

The Group has not anticipated the following standards and interpretations which are not yet applicable on 31 December 2021:

- Amendments to IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates,
- IFRS 17 Insurance Contracts; including Amendments to IFRS 17 - endorsed; effective date 1 January 2023
- 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 16 Property, Plant and Equipment: Proceeds before Intended Use (applicable for annual periods beginning on or after 1 January 2022, but not yet endorsed in the EU)
- 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)
- Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction
- Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting policies

The process for determining the potential impact of these standards and interpretations on the Group's consolidated financial statements is ongoing. The group does not expect any significant changes resulting from the application of these standards.

3) Preparation and presentation of the financial statements

The consolidated financial statements are presented in thousands of EUR.

They are prepared on the historical cost basis, except for some financial instruments which are measured at fair value, as explained in the accounting policies below.

GOING CONCERN

In this context of crisis, the Group has paid particular attention to adequately reflect the current and expected impact of the COVID-19 situation on the financial position, performance and cash-flows of the company, applying the IFRS accounting principles in a consistent manner.

- General business performance

COVID-19 is currently still having an impact on the activity of the company and the sector as a whole mainly with respect to progress in permitting as well as for office related commercial activities.

- Impairment losses on non-financial assets

With the exception of the goodwill arisen from the acquisition of Nafilyan & Partners for which an annual impairment test is performed, the Group is required to conduct in accordance with the provisions of IAS 36, impairment tests where there is an indication of impairment of an asset.

Immobel Group identified neither evidence nor triggering events that would require asset impairment decisions and refers to the impairment test carried out as per note 13 of the Group's last annual consolidated Financial Statements as at and for the year ended December 31, 2021 and concluded that no impairment charge needs to be recognised in the current year against goodwill.– **see note 13.**

- Valuation of financial assets and expected credit losses

The COVID-19 crisis gives rise to a potentially increased credit risk and may therefore affect the amount of impairment losses to be recognized in respect of expected credit losses. The Group has therefore monitored payment receipts and counterparty risk more closely, noting no significant deterioration. The impact of the "expected credit losses" (ECL) remains immaterial, especially since a physical asset can be considered, in most cases, as a collateral (guarantee) in the assessment.

- Valuation of inventories

With regard to the inventories (projects to be developed), the assumptions used to assess the recoverability of the project under development have been consistently reviewed and updated based on the most recent market data, without significant impact. No write-downs have been identified as per December 31, 2021.

- Financial risks (financing, liquidity, compliance with financial ratio)

Financial risks have been monitored carefully.

As a buffer against these market conditions the company has a cash position of EUR 273 million at the end of December 2021, available corporate lines of EUR 15 million and EUR 691 million of confirmed project finance lines of which EUR 384 million were used.
Liquidity risk and trends in interest rate and exchange rate markets, have been reviewed and the related information has been updated based on data available at December 31, 2021 – see note 25.

- Deferred tax assets

Immobel's deferred tax asset positions were reviewed in order to ensure their recoverability through future taxable income. The Group also monitored changes to legislation, revisions to tax rates and other tax measures taken in response to the crisis.

The company did not identify significant impact of the COVID-19 crisis on the estimated future taxable profit.

- Provisions

The Group reviewed whether any current obligations were likely to give rise to the recognition of provisions, noting no specific risk.

- Performance indicators and presentation of COVID-19 impacts in the income statement

The financial impacts of the crisis were rather limited.

The Group has neither adjusted its performance indicators, nor included new indicators to describe the impacts of COVID-19.

- Application of support measures

In Belgium, as well as in other countries, the Group utilized government temporary unemployment schemes and deferred the disbursement of some tax debts, all being paid as per December 31, 2021.

- Subsequent events

Given the uncertainties related to the health crisis and the constantly changing environment, the Group paid particular attention to events that occurred during the period from December 31, 2021 until the approval of the financial statements by the Board of Directors – see note 32.

- Going concern

Actuals related to 2021 and forecast for 2022 show that the management assessment related to the going concern of the company remains appropriate.

4) Consolidation rules

The consolidated financial statements include the financial statements of the Company and its subsidiaries, as well as interests in joint ventures and in associated companies accounted for using the equity method.

All intragroup balances, transactions, revenue and expenses are eliminated, except for the companies accounted for using the equity method; for which only the unrealised profits on transactions with equity-accounted investees are eliminated (to the extent of the investor's interest in the investee).

SUBSIDIARIES

Subsidiaries are companies controlled by the Group.

Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

The financial statements of subsidiaries are included in the consolidated financial statements from the date when control begins until the date when control ends.

NON CONTROLLING INTEREST

Non-controlling interests are measured at their proportionate share of the acquirees identifiable net assets at the date of acquisition.

INTERESTS IN JOINT VENTURES

A joint venture is a contractual agreement whereby the Group and one or several parties agree to undertake an economic activity under joint control. The joint venture agreement generally results in the creation of one or more distinct jointly controlled entities.

When the share of the Group in the losses exceeds its interest in an equity accounted investee, the carrying amount of that interest is reduced to zero, and the recognition of future losses is discontinued, except to the extent that the Group has an obligation or has made payments on behalf of the investee. In such case the negative investment in equity accounted investees is deducted from other components of the investor’s interest in the equity accounted investee (borrowings to equity accounted investees). If the negative investment in equity accounted investees exceeds the investor’s interest, a liability is recognized for the net amount. The group makes this assessment on a project basis.

INTERESTS IN ASSOCIATES

Associates are entities over which the Group has significant influence through its participation in their financial and operating policy decisions. They are neither subsidiaries, nor joint ventures of the Group.

Significant influence is presumed if the Group, directly or indirectly, holds 20 % or more but less than 50 % of the voting rights.

Interests in associates are accounted for in the consolidated financial statements using the equity method, from the date when significant influence begins until the date when it ends. The book value of interests is decreased, if applicable, so as to record any impairment of individual interests.

DIFFERENT REPORTING DATES

The financial statements of subsidiaries, joint ventures and associates with reporting dates other than 31 December (reporting date of the Company) are adjusted so as to take into account the effect of significant transactions and events that occurred between the reporting date of the subsidiary, joint venture or associate and 31 December. The difference between 31 December and the reporting date of the subsidiary, joint venture or associate never exceeds 3 months.

BUSINESS COMBINATIONS AND GOODWILL

Immobel analyses any acquisition of subsidiaries based on IFRS 3 and integrates the criteria suggested by IFRS 3 §B5 to B12 to identify any business combination and to define a business.

Immobel accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group. In determining whether a particular set of activities an assets is a business, the Group assesses whether the acquired set has the ability to produce outputs.

Immobel has an option to apply a “concentration test” that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in profit and loss immediately. Transaction costs are expenses as incurred, except if related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

5) Foreign currencies

TRANSLATION OF FINANCIAL STATEMENTS OF FOREIGN ENTITIES

The balance sheets of foreign companies are translated in EUR at the official year-end exchange rate and income statements are translated at the average exchange rate for the financial year.

Translation differences resulting therefrom are included under shareholders’ equity under “translation differences”. Upon disposal of an entity, translation differences are recognised in profit and loss.

TRANSACTIONS OF FOREIGN CURRENCIES

Transactions are first recorded at the exchange rate prevailing on the transaction date. At each end of the financial year, monetary assets and liabilities are converted at the exchange rates on the balance sheet date. Gains or losses resulting from this conversion are recorded as financial result.

6) Intangible assets

Intangible assets are recorded in the balance sheet if it is likely that the expected future economic benefits which may be allocated to assets will flow to the entity and if the cost of the assets can be measured reliably.

Intangible assets are measured at cost less accumulated amortisation and any impairment losses.

Intangible assets are amortised using the straight-line method on the basis of the best estimate of their useful lives of 3 to 5 years. The amortisation period and method are reviewed at each reporting date.

7) Goodwill

Goodwill is initially recognised and measured as set out above.

Goodwill is not amortised but is reviewed for impairment at least annually.

For the purpose of impairment testing, goodwill is allocated to each of the Group’s cash-generating units (or Groups of cash-generating units) expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

On disposal of a cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

8) Property, plant and equipment

Tangible assets are measured at cost less accumulated depreciation and any impairment losses. Fixed assets are depreciated prorata temporis on a straight-line basis over their useful lives. Useful lives have been determined as follows:

- buildings: 20 to 50 years,
- furniture and equipment: 3 to 10 years,
- installations, complexes, machinery and specific equipment's: 5 to 20 years.

Land has an unlimited useful life and therefore it is not depreciated.

Subsequent expenses related to tangible assets are only capitalised if it is likely that future economic benefits associated with the item will flow to the entity and if the cost of the item can be measured reliably.

Buildings under construction for manufacturing, leasing or administrative purposes are recorded at cost less any impairment loss. Depreciation of these assets begins when the assets are ready to be used.

9) Investment property

Investment property is measured in accordance with the cost model of IAS 40 - Investment property. They represent real property (land and/or buildings under construction or available) held by the Group so as to earn rent and/or create value for property rather than use or sell them. They mainly relate to buildings acquired to be redeveloped and which are leased out until the beginning of development.

Investment property is amortized over a period until the beginning of development, at which time they are transferred to inventories, and taking into account a residual value estimated at that date.

10) Leases

AS A LESSEE

The Group assesses whether a contract is or contains a lease, at inception of the contract With respect to all lease arrangements in which the Group is the lessee, a lease liability (i.e. a liability to make lease payments) will be recognized, as well as a right-of-use asset (i.e. an asset representing the right to use the underlying asset over the lease term), except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (such as tablets and personal computers, small items of office furniture and telephones). For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The Group's leased assets relate mainly to buildings and transportation equipment. The right-of-use assets are presented separately in the consolidated statement of financial position, and the lease liabilities are presented as part of financial debt.

The right-of-use asset is initially measured at the amount of the lease liability plus any initial direct costs incurred by the lessee. Adjustments may also be required for lease incentives, payments at or prior to commencement and restoration obligations or similar.

After lease commencement, the right-of-use asset is measured using a cost model.

Under the cost model a right-of-use asset is measured at cost less accumulated depreciation and accumulated impairment. Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The Group applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described under section 17 hereunder.

The lease liability is initially measured at the present value of the lease payments payable over the lease term, discounted at the rate implicit in the lease if that can be readily determined. If that rate cannot be readily determined, the Group uses its incremental borrowing rate.

The lease liability is subsequently remeasured to reflect changes in:

- the lease term (using a revised discount rate);

- the assessment of a purchase option (using a revised discount rate);
- the amounts expected to be payable under residual value guarantees (using an unchanged discount rate); or
- future lease payments resulting from a change in an index or a rate used to determine those payments (using an unchanged discount rate).

The remeasurements are treated as adjustments to the right-of-use asset.

AS A LESSOR

The Group enters into lease agreements as a lessor with respect to its investment properties. These mainly relate to buildings acquired to be redeveloped and which are rented until the beginning of development. These contracts are classified as operating leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

11) Financial instruments

Financial assets and financial liabilities are recognised in the Group's balance sheet when the Group becomes a party to the contractual provisions of the instrument.

CLASSIFICATION AND MEASUREMENT OF FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

The financial assets include the investments in equity instruments designated at fair value through profit or loss, loans to related parties, receivables including trade receivables and other receivables, derivative financial instruments, financial assets at fair value through profit or loss, cash and cash equivalents.

The acquisitions and sales of financial assets are recognised at the transaction date.

FINANCIAL ASSETS – DEBT INSTRUMENTS

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Debt instruments that meet the following conditions are subsequently measured at amortised cost:

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments include

- Receivables that are measured at amortised cost (advances to joint ventures and associates, other non-current financial assets);
- Trade receivables measured at amortised cost;
- Cash and cash equivalents. Cash includes cash at bank and current financial accounts with non-consolidated companies. Cash equivalents consist of risk-free investments with maturities of up to three months or which can be converted into cash almost immediately. These items are recorded in the statement of financial position at their nominal value. Bank overdrafts are included in current financial liabilities.

FINANCIAL ASSETS – INVESTMENTS IN EQUITY INSTRUMENTS

On initial recognition, all equity investments are measured at fair value through profit and loss unless the entity makes an irrevocable election to measure the instrument at fair value on other comprehensive income (only possible if not held for trading). Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in the income statement.

AMORTISED COST AND EFFECTIVE INTEREST METHOD

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial instruments other than purchased or originated credit-impaired financial assets, the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. On the other hand, the gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGING TRANSACTIONS

The Group has elected to adopt the hedge accounting requirements of IFRS 9 Financial Instruments where the hedging instrument and the hedged item match based on an assessment of the effectiveness of the hedge.

The effective portion of changes in the fair value of derivatives and other qualifying hedging instruments that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading of cash flow hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss.

When a derivative instrument or a non-derivative financial liability is designated as the hedging instrument in a hedge of a net investment in a foreign operation, the effective portion of changes in the fair value of a derivative or foreign exchange gains and losses for a non-derivative is recognised in OCI and presented in the translation reserve within equity. Any ineffective portion of the changes in the fair value of the derivative or foreign exchange gains and losses on the nonderivative is recognised immediately in profit or loss. The amount recognised in OCI is fully or partially reclassified to profit or loss as a reclassification adjustment on disposal or partial disposal of the foreign operation, respectively.

IMPAIRMENT OF FINANCIAL ASSETS

In relation to the impairment of financial assets and contract assets, an expected credit loss model is applied. The expected credit loss model requires the Group to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition of the financial assets. Specifically, the following assets are included in the scope for impairment assessment for the Group: 1) trade receivables; 2) current and non-current receivables and loans to related parties; 3) contract assets; 4) cash and cash equivalents.

IFRS 9 requires the Group to measure the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. On the other hand, if the credit risk on a financial instrument has not increased significantly since initial recognition, the Group is required to measure the loss allowance for that financial instrument at an amount equal to 12 month expected credit losses. For long term receivables, IFRS 9 provides a choice to measure expected credit losses applying lifetime or 12 month expected credit losses model. The Group selected the lifetime expected credit loss model.

The expected credit loss is assessed for each financial asset on an individual basis and is generally immaterial in view of the fact that a physical asset can be considered as a collateral (guarantee) in the assessment of the expected credit loss : trade receivables generally relate to the sales of residential units under construction and advances to associates and joint ventures relate to financing projects under development.

DERECOGNITION OF FINANCIAL ASSETS

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset’s carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

FINANCIAL LIABILITIES

All financial liabilities of the Group are subsequently measured at amortised cost using the effective interest method.

Interest-bearing bank loans and overdrafts are recorded at the amount of cash obtained, after deduction of any transaction costs. After initial recognition, they are measured at amortized cost. Any difference between the consideration received and the redemption value is recognized in income over the period of the loan using the effective interest rate.

The Group derecognises financial liabilities when, and only when, the Group’s obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

SHAREHOLDER’S EQUITY

Issue costs that may be directly allocated to an equity transaction are recorded as a deduction from equity. As a consequence, capital increases are recorded at the proceeds received, net of issue costs. Similarly, equity transactions on own participation are recognised directly under shareholders' equity.

When shares recognised as equity are repurchased, the amount of the consideration paid, which includes directly attributable costs, is recognised as a deduction from equity. Repurchased shares are classified as treasury shares and are presented in the treasury share reserve. When treasury shares are sold or reissued subsequently, the amount received is recognised as an increase in equity and the resulting surplus or deficit on the transaction is presented within share premium.

CASH FLOWS

Cash flows are inflows and outflows of cash and cash equivalents.

Operating activities are the principal revenue-producing activities of the entity and other activities that are not investing or financing activities. Acquisitions and sales of projects through the purchase of sale of assets are considered as operating activities and are presented as part of the cash flows from operating activities, whether the project is classified in inventory or in investment property if it is leased prior to its development.

Investing activities are the acquisition and disposal of project companies, long-term assets and other investments not included in cash equivalents.

Financing activities are activities that result in changes in the size and composition of the contributed equity and borrowings of the entity.

Cash flows relating to equity accounted investees and disposal of subsidiaries have been represented from cash flow from operating activities to cash flow from investing activities to align the presentation to the nature of the underlying cash flows as defined by IFRS.

12) Inventories

Inventories are measured at cost of the specific asset or net realisable value, whichever is lower. Net realizable value is the estimated selling price in the ordinary course of business, less estimated completion costs and costs to sell.

The acquisition cost of purchased goods includes acquisition cost and expenses directly attributable to the purchases. For finished goods and work in progress, the cost price takes into account direct expenses and a portion of production overhead without including administrative and financial expenses.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated cost necessary to make the sale. The impairment in value or loss on inventories to bring them to their net realisable value is recognised as an expense in the year when the impairment in value or loss occurs.

The interests incurred during construction are capitalised. The costs of borrowings are activated depending on the nature of the funding. The cost of funding defined as "project financing" are fully allocated to projects funded. The costs of "Corporate" and "Bonds" financing are partially allocated based on an allocation key taking into account the projects under development and the amounts invested. The activation of the borrowing costs stops as soon as the project is ready for its intended sale.

13) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, when it is probable that an outflow of resources will be necessary to settle the obligation and when a reliable estimate of the amount of the obligation can be made.

The amount recognised as a provision is the best estimate of the expenditure required to settle the present obligation if necessary.

WARRANTIES

A provision for warranties is made when underlying products or services are sold. The measurement of the provision is based on historical data and by weighing all possible outcomes to which probabilities are associated (expected value method).

CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Contingent liabilities, which occurrence is not probably, are not recognized as a provision and are mentioned in the notes to the financial statements, provided that the risk is not remote.

Contingent assets are not recognized in the financial statements.

14) Employee benefits

POST-EMPLOYMENT BENEFITS

The Group operates a defined-benefit pension plan and a defined-contribution pension plan.

- « Defined-contribution » pension plan

Contributions to these pension plans are recognized as an expense in the income statement when incurred.

- « Defined-benefit » pension plan

For such a plan, the cost of corresponding commitments is determined using the Projected Unit Credit Method, with present values being calculated at year end.

The amount recognised in the balance sheet represents the present value of commitments in terms of the defined benefit pension plans, less the fair value of plan assets and costs of rendered services not yet recognised. Any asset resulting from this calculation is limited to the present value of possible refunds to the Group and the decreases in future contributions to the plan.

Actuarial gains and losses are directly recorded in the other elements of comprehensive income and are presented in the statement of comprehensive income.

BONUSES

Bonuses granted to company employees and senior executives are based on targets relating to key financial indicators. The estimated amount of bonuses is recognized as an expense in the year to which they relate.

15) Grants related to assets or investment subsidies

Received government grants related to assets or investment subsidies are recognised in the balance sheet (presented under other long-term liabilities) as deferred income. They are recognised as income in equal amounts over the expected useful life of the related asset.

16) Operating revenue

Group revenue comes mainly from Real Estate Development activities (including Project Management services) and also from lease agreements.

Under IFRS 15, revenue must be recognised when the customer gains control of the goods or services sold, for a sum which reflects what the entity expects to receive for the goods or services.

The main categories of sale contracts used by the Group comprise:

SALES OF OFFICE BUILDINGS

In accordance with IFRS 15, Immobel assesses on a case-by-case basis:

- Whether the agreement, the contract or the transaction falls within the scope of IFRS 15, including by taking into account the probability of the entity recovering the consideration to which it is entitled;
- Whether, under a contract, the sale of the land, the development and the commercialisation represent distinct performance obligations;
- Whether, for each obligation, the revenue is subject to a gradual transfer of control, particularly for projects which satisfy the third criterion defined by IFRS 15.36 ("Performance creating a specific asset and giving rise to an enforceable right to payment for performance completed to date"), and must be recognised over time.

SALES OF RESIDENTIAL PROJECTS

For "Residential" projects, the analysis has distinguished the revenue from contracts for which the contractual provisions and the legal context (Breyne Act in Belgium or equivalent in Luxembourg, France and Germany) establish a gradual transfer of the control of the asset to the purchaser as the construction progresses from the other revenue linked to the completion of an obligation.

Projects involving residential units - Breyne Act contracts (Belgium, Luxembourg, France and Germany)

The legal framework in Belgium and Luxembourg gradually transfers the ownership of a residential unit to the purchaser during the construction period. In such a situation, the performance obligation is fulfilled over time since control over the asset is transferred as the construction progresses.

A single margin (with no distinction between “land” and “development”) is recognised over time for each sale as the asset under development is transferred.

Projects involving residential units - other provisions (Poland)

The regulatory framework in Poland requires to recognise the revenue upon completion of the performance obligation (upon the signing of the final deed, once the unit being sold is delivered).

Other sales of residential projects

Other types of sale may occur (block sale of a project, hotel, commercial space, etc.). Such transactions are therefore subject to an analysis on a case-by-case basis using an approach similar to that described for the “Office” schemes.

LANDBANKING

For this segment, the sales revenue is recorded when the asset is transferred.

The revenue from the sale of a project is recognized in gross (sales price and cost of sales) regardless of the structure of the transaction (share deal / asset deal). Disposals of controlled companies dedicated to a project are therefore considered part of the normal business of the Group and are therefore recognized in sales and cost of sales (IFRS 15). In other circumstances, IFRS 10 will be applied.

The method of legal ownership has no impact on the recognition of the margin but on its presentation, which will differ depending on whether it is:

- Direct property, subsidiary: the results are recorded in sales and cost of sales irrespective of the legal structure of ownership of the asset;
- Joint ventures: in accordance with IFRS 11, when a partnership gives rise to joint control over net assets, Immobel recognizes an investment for its interest in the joint venture and recognizes it using the equity method (IAS 28). The result of the sales is therefore presented under the heading "Share in the profit or loss of joint ventures and associates"
- Joint activities: in accordance with IFRS 11, in the case of a partnership under which the parties exercising joint control have asset rights, and liability obligations, Immobel recognizes assets, liabilities and results for its jointly held share.

When the Group loses control of a subsidiary that does not contain a business as defined by IFRS 3 and retains an investment (partial sale of a company dedicated to a project), the transaction is treated as a transaction between an investor and its associate or joint venture and the gain or loss is recognised only to the extent of unrelated investors’ interest in the associate or joint venture.

With respect to operating leases, rent is recognised under income on a straight-line basis over the term of the lease, even if payments are not made on this basis. Lease incentives granted by the Group in negotiating or renewing an operating lease are recognised as a reduction of the lease income on a straight-line basis over the term of the lease. Rent income are presented as other operating income in the consolidated statement of comprehensive income.

17) Impairment on non-financial assets

The carrying amount of non-current assets (other than financial assets in the scope of IFRS 9, deferred taxes and non-current assets held for sale) is reviewed at the end of each reporting period in order to determine if an indication exists that an asset has impaired. If such indication exists, the recoverable amount is then determined. Regarding intangible assets with indefinite useful lives and goodwill, the recoverable amount is estimated at the end of each reporting period. An impairment loss is recognized if the carrying amount of the asset or the cash-generating unit exceeds its recoverable amount. Impairment losses are presented in the income statement.

When the recoverable amount cannot be individually determined for an asset, including goodwill, it is measured at the level of the cash generating unit to which the asset belongs.

The recoverable amount of an asset or cash-generating unit is its fair value less selling costs or its use value, whichever is higher. The latter is the present value of expected future cash flows from the asset or the respective cash generating unit. In order to determine the value in use, the future cash flows are discounted using a pre-tax discount rate which reflects both the current market rate and the specific risks of the asset.

A reversal of impairment loss is recognised under income if the recoverable amount exceeds the net book value. However, the reversal may not lead to a higher book value than the value that would have been determined if no impairment loss had been initially recorded on this asset (cash-generating unit). No reversal of impairment loss is recognized on goodwill.

18) Taxes

Income tax for the year includes current and deferred tax. Current and deferred income taxes are recognised in profit and loss unless they relate to items recognised directly under shareholders' equity or other comprehensive income, in which case they are also recognised under shareholders' equity or other comprehensive income.

Current tax is the amount of income taxes payable (or recoverable) on the profit (or loss) in a financial year and the adjustments to tax charges of previous years.

Deferred tax is recognised using the liability method of tax allocation, based on timing differences between the book value of assets and liabilities in the consolidated accounts and their tax basis.

Deferred tax liabilities are recognised for all taxable timing differences.

Deferred tax assets are only recognised for deductible timing differences if it is likely that in the future they may be used against taxable income. This criterion is re-evaluated at each reporting date.

19) Discontinued operations and non-current assets held for sale

A discontinued operation is a component of an entity that either has been disposed of or is classified as held for sale. Such component represents a separate major line of business or geographical area of operations that can be clearly distinguished, operationally and for financial reporting purposes. The net result of discontinued operations (including possible results on disposal and taxes) is presented separately from the continued operations in the income statement.

Non-current assets, or disposal groups comprising assets and liabilities, are classified as held-for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less costs to sell. Any impairment loss on a disposal group is allocated first to goodwill, and then to the remaining assets and liabilities on a pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets, employee benefit assets, investment property or biological assets, which continue to be measured in accordance with the Group’s

other accounting policies. Impairment losses on initial classification as held-for-sale or held-for distribution and subsequent gains and losses on remeasurement are recognised in profit or loss.

Once classified as held-for-sale, intangible assets and property, plant and equipment are no longer amortised or depreciated, and any equity-accounted investee is no longer equity accounted.

20) Main judgements and main sources of uncertainties related to the estimations

The deferred tax assets are only recorded as far that they may be in the future used against taxable income. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

The tangible and intangible assets with a fixed useful live are straight line depreciated based on the estimation of the live time of these fixed assets.

Investment properties are amortized using the straight-line method based on an estimate of the duration up to the beginning of the development of the project, date when they are transferred to inventories, and taking into account a residual value estimated at that date.

The goodwill is not amortised but is reviewed for impairment at least annually, or more frequently when there is an indication that one or more cash-generating unit(s) to which the goodwill has been allocated may be impaired.

As part of the impairment tests, the recoverable value of an asset (or cash-generating unit) is estimated based on the present value of the expected cash flows generated by this asset (or cash-generating unit).

For the provisions, the book value fits with the best estimation of the expense necessary to pay off the present obligation (legal or implicit) at closing date.

The projects in inventory and works in progress are subject to feasibility studies used in determining the net realisable value and any required write down, and if applicable for the release of margin and the computation of the rate of completion. At each closing date, the expenses to be incurred are estimated.

The assessment of the recoverable amount of a project involves assumptions about future events that are inherently subject to change. These assumptions include the expected selling price (depending on the nature of the project, its location, etc…), the estimated total cost per project, the economic market conditions. These assumptions are monitored during the project by the project manager through the update of the feasibility and on a quarterly basis by the management.

The valuation of the revenues from the sale of real estate development involves significant judgments, mainly related to the determination of the existence of an effective contract in accordance with IFRS 15, the assessment of when Immobel meets the performance obligation (at a specific point in time or over time (based on the percentage of completion)), the evaluation of the costs to be incurred and, in case the revenue is recognized at percentage of completion, the determination of the completion rate, taking into account the costs already incurred and the total estimated cost price.

Income from the sale of a project is recognized in gross (sales price and cost of sales) regardless of the structure of the transaction (asset deal / share deal). Disposals of controlled companies dedicated to a project are therefore considered part of the Group's normal business and are therefore recognized as revenue and cost of sales. The Group has decided this presentation taking into account the specificities of its sector and activity.

End December 2019, Immobel was notified with 2 decisions of the Belgian Council of State in a legacy file relating to the purchase of land plots in 2007 from the Université Libre de Bruxelles. A joint venture between Immobel and its partner, Thomas & Piron, obtained in 2014 all necessary building permits for the development of a residential project on the relevant land plot. The decision of the Council of State of end 2019, however, lead to an annulment of the building permits obtained back in 2014 due to the absence of a prior allotment permit at the time of purchase of the land from Université Libre de Bruxelles in 2007. The purchasers of the relevant apartment units were duly informed on the pending legal procedure before the Council of State at the time of purchase of their unit and their purchase deed provide for the right to apply for an annulment of the sale of their unit under certain circumstances, including in case regularisation of the relevant building permits is not realized within the contractual delay. The aforementioned situation is eligible for regularisation and, at the date hereof, Immobel and its partner Thomas & Piron are in the process of regularization and expect that the financial impact of such right to rescind will not materially impact the financial position of the joint venture partners.

To the Directors' knowledge, there should not be any circumstances likely to have any significant influence on the development of the Company.

With respect to Covid-19 on the economic circumstances and on the financial performance of the company, the Board of Directors assesses on a continuous basis the going concern assumption of the company based on the FY 2022 budget.

21) Joint operations

Immobel considers that the activities carried out under joint control through temporary vehicles, which do not have a legal personality, meet the definition proposed by the standard IFRS 11 of joint operation, which is a joint agreement by which parties that exercise joint control have rights over the assets, and obligations for the liabilities.

As a consequence, the assets, liabilities, income and expense of the temporary vehicles are included in the financial statements of the Group under each relevant heading of the balance sheet and of the income statement in proportion to the share held by the Group in the temporary vehicle.

22) Segment reporting

A segment is a distinguishable component of the Group, which generates revenues and costs.

The operating results are regularly reviewed by the Management Committee in order to monitor the performance of the various segments in terms of strategic goals, plans and budgets. In this context, the management has opted to follow up the operating results by country.

F. Notes to the consolidated financial statements (in thousands EUR)

1) Operating segment - financial information by business segment

The segment reporting is presented based on the operational segments used by the Board and Management to monitor the financial performance of the Group, being the geographical segments (by country). The choice made by Management to focus on geographical segment rather than on other possible operating segments is motivated by the new investments or projects in several new countries, which made this criterion more relevant for the follow up of business and better reflecting the organization of the Group.

The core business of the Group, real estate development, is carried out in Belgium, Luxemburg, France, Germany, Poland and Spain.

The breakdown of sales by country depends on the country where the activity is executed.

The results and asset and liability items of the segments include items that can be attributed to a sector, either directly, or allocated through an allocation formula.

In accordance with IFRS, the Company applied since January 1, 2014, IFRS 11, which strongly amends the reading of the financial statements of the Company but does not change the net income and shareholders' equity.

The Board of Directors believes that the financial data in application of the proportional consolidated method (before IFRS 11) give a better picture of the activities and financial statements.

The "Internal" financial statements are those used by the Board and Management to monitor the financial performance of the Group and are presented below.

SUMMARY OF THE CONSOLIDATED COMPREHENSIVE INCOME (INTERNAL VIEW)

INCOME STATEMENT	EUR ('000)	31/12/2021	31/12/2020
OPERATING INCOME		549 046	431 153
Revenues		526 799	413 751
Other operating income		22 247	17 402
OPERATING EXPENSES		-430 390	-378 746
Cost of sales		-396 929	-341 373
Cost of commercialisation		- 439	-2 410
Administration costs		-33 022	-34 964
SALE OF SUBSIDIARIES		25	133
Gain (loss) on sales of subsidiairies		25	133
JOINT VENTURES AND ASSOCIATES		63	90
Share in the net result of joint ventures and associates		63	90
OPERATING RESULT		118 743	52 630
Interest income		3 835	4 810
Interest expense		-13 299	-12 587
Other financial income / expenses		- 43	- 973
FINANCIAL RESULT		-9 506	-8 750
RESULT FROM CONTINUING OPERATIONS BEFORE TAXES		109 236	43 880
Income taxes		-17 596	-10 587
RESULT FROM CONTINUING OPERATIONS		91 641	33 293
RESULT OF THE PERIOD		91 641	33 293
Share of non-controlling interests		- 509	21
SHARE OF IMMOBEL		92 150	33 272

	REVENUES	OPERATING RESULT	REVENUES	OPERATING RESULT
EUR ('000)	31/12/2021	31/12/2021	31/12/2020	31/12/2020
Belgium	273 307	90 851	240 913	43 456
Luxembourg	119 491	22 616	44 773	11 106
France	87 530	938	64 057	-8 686
Germany	44 637	4 724	35 010	5 375
Poland	1 834	- 386	28 999	1 379
Spain				
TOTAL CONSOLIDATED	526 799	118 743	413 751	52 630

SUMMARY OF THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION (INTERNAL VIEW)

STATEMENT OF FINANCIAL POSITION	EUR ('000)	31/12/2021	31/12/2020
NON-CURRENT ASSETS		428 873	420 271
Intangible and tangible assets		3 102	2 021
Goodwill		43 789	43 789
Right-of-use assets		3 772	4 390
Investment property		274 666	294 494
Investments and advances to associates		63 555	46 945
Deferred tax assets		25 656	19 813
Other non-current assets		14 334	8 819
CURRENT ASSETS		1 638 611	1 356 329
Inventories		1 017 975	997 161
Trade receivables		44 632	39 327
Tax receivables and other current assets		207 090	145 363
Cash and cash equivalents		368 914	174 478
TOTAL ASSETS		2 067 484	1 776 600
TOTAL EQUITY		582 798	492 907
NON-CURRENT LIABILITIES		687 120	731 077
Financial debts		651 775	685 169
Deferred tax liabilities		34 190	44 745
Other non-current liabilities		1 155	1 163
CURRENT LIABILITIES		797 565	552 616
Financial debts		453 077	291 112
Trade payables		98 943	83 177
Tax payables and other current liabilities		245 545	178 327
TOTAL EQUITY AND LIABILITIES		2 067 484	1 776 600

As at 31 December 2021

FINANCIAL POSITION ITEMS	EUR ('000)	NON-CURRENT SEGMENT ASSETS	CURRENT SEGMENT ASSETS	UNALLOCATED ITEMS [1]	CONSOLIDATED
Belgium		207 677	1029 503		1237 180
Luxembourg		27 345	191 206		218 551
France		91 302	38 370		129 673
Germany		1	21 715		21 716
Poland		- 11	26 234		26 223
Spain		5	23 752		23 757
Unallocated items[1]				410 384	410 384
TOTAL ASSETS		326 319	1 330 781	410 384	2 067 484

FINANCIAL POSITION ITEMS	EUR ('000)	SEGMENT LIABILITIES	UNALLOCATED ITEMS [1]	CONSOLIDATED
Belgium		1087 218		1087 218
Luxembourg		130 033		130 033
France		123 693		123 693
Germany		18 476		18 476
Poland		46 773		46 773
Spain		23 408		23 408
Unallocated items[1]			55 085	55 085
TOTAL LIABILITIES		1 429 600	55 085	1 484 685

As at 31 December 2020

FINANCIAL POSITION ITEMS	EUR ('000)	NON-CURRENT SEGMENT ASSETS	CURRENT SEGMENT ASSETS	UNALLOCATED ITEMS [1]	CONSOLIDATED
Belgium		209 336	878 317		1 087 653
Luxembourg		43 866	244 031		287 897
France		91 536	22 737		114 273
Germany		1	42 286		42 287
Poland		10	10 888		10 898
Spain		51	26 856		26 907
Unallocated items[1]				206 685	206 685
TOTAL ASSETS		344 800	1 225 115	206 685	1 776 600

FINANCIAL POSITION ITEMS	EUR ('000)	SEGMENT LIABILITIES	UNALLOCATED ITEMS [1]	CONSOLIDATED
Belgium		845 990		845 990
Luxembourg		184 339		184 339
France		96 596		96 596
Germany		39 789		39 789
Poland		32 694		32 694
Spain		24 778		24 778
Unallocated items[1]			59 507	59 507
TOTAL LIABILITIES		1 224 186	59 507	1 283 693

(1) Unallocated items: Assets: Deferred tax assets - Other non-current financial assets - Other non-current assets - Tax receivables - Other current financial assets - Cash and equivalents - Liabilities: Employee benefit obligations – Provisions - Deferred tax liabilities - Tax liabilities – Derivative financial instruments.

For the analysis of projects in progress by operational segment, inventories should be taken into consideration, as well as investment property, since the latter contains leased out property acquired with a view to be redeveloped.

INVENTORIES AND INVESTMENT PROPERTY EUR ('000)	31/12/2021	31/12/2020
Belgium	732 672	761 788
Luxembourg	171 429	245 067
France	223 811	139 603
Germany	59 033	61 875
Poland	70 435	49 367
Spain	35 261	33 955
TOTAL INVENTORIES AND INVESTMENT PROPERTY	1 292 641	1 291 655

RECONCILIATION TABLE

	31/12/2021		
EUR ('000)	Operating Segment	Adjustments	Published Information
Revenues	526 799	-147 291	379 509
Operating result	118 743	-19 685	99 058
Total balance sheet	2 067 484	-382 335	1 685 149

For segment information, joint ventures are consolidated using the proportional method. The adjustments result from the application of IFRS 11, resulting in the consolidation of joint ventures using the equity method.

2) Revenues

The Group generates its revenues through commercial contracts for the transfer of goods and services in the following main revenue categories:

Cross-analysis by type of project and by geographical zone - EUR ('000)	Offices	Residential	Landbanking	31/12/2021
Belgium	74 219	55 314	31 809	161 342
Luxembourg	6 376	96 498		102 874
France	1 951	66 555		68 506
Germany		44 726		44 726
Poland	541	1 520		2 061
Total	83 087	264 613	31 809	379 509

Cross-analysis by type of project and by geographical zone - EUR ('000)	Offices	Residential	Landbanking	31/12/2020
Belgium	100 243	97 330	19 668	217 241
Luxembourg	1 415	25 491		26 906
France	625	55 431		56 056
Germany		35 010		35 010
Poland	562	28 704		29 266
Total	102 846	241 965	19 668	364 479

The diversification of the Group's "customers" portfolio guarantees its independence in the market.

For Belgium, the projects Commerce 46 and O'Sea but also at international level, Eden Tower Frankfurt in Germany Laangfur in Luxemburg and other residential projects in France have mainly contributed to the turnover.

Revenue on commercial contracts is recognized when the customer obtains control of the goods or services sold for an amount that reflects what the entity expects to receive for those goods and services.

Residential units are invoiced over time, based on predefined milestones.

Payment terms for office sales are negotiated and stipulated in the individual contracts.

Landbanking sales are due at the moment of the notarial deed.

The contractual analysis of the Group's sales contracts led to the application of the following recognition principles:

SALES OF OFFICE BUILDINGS

The revenue from office sale contracts is recognized after analysis on a case-by-case basis of the performance obligations stipulated in the contract (land, buildings, commercialisation). The revenue allocated to each performance obligation is recognized:

- either upon progress of completion when the goods or services are the subject to a gradual transfer of control;
- or at the transfer of control of goods or services rendered.

RESIDENTIAL PROJECT SALES

For "Residential" projects, revenue is recognized according to the contractual and legal provisions in force in each country to govern the transfer of control of projects sold in the future state of completion.

- Belgium / Luxembourg / France / Germany: (Breyne Act or equivalent) with gradual transfer of ownership over time, except if a specific transaction with transfer of ownership needs to be considered in point in time.
- Poland: when the performance obligation is fulfilled with transfer of ownership (at the signing of the final act, once the sold unit has been delivered).

LANDBANKING

The sales revenue is generally recorded when the asset is transferred.

The breakdown of sales according to these different recognition principles is as follows:

EUR ('000)	Timing of revenue recognition Point in time	Over time	31/12/2021
OFFICES	1 931	81 156	83 087
RESIDENTIAL	92 260	172 352	264 612
Residential unit per project - Breyne Act or equivalent		172 352	172 352
Residential unit per project - Other	92 260		92 260
LANDBANKING	31 810		31 810
TOTAL REVENUE	126 001	253 508	379 509

EUR ('000)	Timing of revenue recognition Point in time	Over time	31/12/2020
OFFICES	102 846		102 846
RESIDENTIAL	28 704	213 261	241 965
Residential unit per project - Breyne Act or equivalent		213 261	213 261
Residential unit per project - Other	28 704		28 704
LANDBANKING	19 668		19 668
TOTAL REVENUE	151 218	213 261	364 479

With regards to the offices, Management assessed the sales contract of the Commerce 46 project, and came to the conclusion that the contract was in scope of IFRS 15 and therefore should be recognized over time.

The revenues related to the residences and recognised in “Point in time” are composed of the sales in Poland and the sales of the projects Laangfur and Beggen in Luxemburg.

Revenues relating to performance obligations unrealized or partially realized at 31 December 2021 amounted to EUR 107 million.

It mainly concerns the sales of residential units of which construction is in progress (for the totality of their value or the unrecognized part based on progress of completion) as well as the sales of offices of which the contract analysis deemed to assume that the recognition criteria were not met under IFRS 15.

EUR ('000)	31/12/2021	31/12/2020
OFFICES		
Construction, commercialisation and other contractual arrangements	39 714	10 618
RESIDENTIAL		
Construction of sold units	67 641	46 942
LANDBANKING		
TOTAL	107 355	57 560

The Group’s management estimates that 81 % of the price allocated to these outstanding performance obligations as at December 31, 2021 will be recognized as revenue in fiscal year 2022.

3) Other operating income

Break down as follows:

EUR ('000)	31/12/2021	31/12/2020
Rental income on projects awaiting future development	8 876	5 031
Other income (recoveries of taxes and withholdings, miscellaneous reinvoicing...)	4 430	5 879
TOTAL OTHER OPERATING INCOME	13 306	10 911

The increase in rental income is due to acquisition of investment property at the end of 2020.

4) Cost of sales

Cost of sales is allocated as follows per geographical area:

EUR ('000)	31/12/2021	31/12/2020
Belgium	-120 483	-171 341
Luxembourg	-88 263	-19 569
France	-60 276	-53 899
Germany	-39 839	-28 873
Poland	-2 205	-27 084
Spain		
TOTAL COST OF SALES	-311 066	-300 766

And are related to the turnover and the projects mentioned in note 2.

5) Cost of commercialisation

This caption includes the fees paid to third parties in relation with the turnover, which are not capitalized under "Inventories" heading.

Cost of commercialization is allocated as follows per geographical area:

EUR ('000)	31/12/2021	31/12/2020
Belgium	- 430	- 599
France	- 9	-1 104
TOTAL COST OF COMMERCIALISATION	- 439	-1 702

6) Administration costs

Break down as follows:

EUR ('000)	31/12/2021	31/12/2020 (*)
Personnel expenses	-7 768	-15 291
Amortisation, depreciation and impairment of assets	-4 584	-3 684
Other operating expenses	-14 455	-12 082
TOTAL ADMINISTRATION COSTS	-26 807	-31 057

(*) 2020 has been re-presented to better reflect the project monitoring costs capitalised under "inventories".

PERSONNEL EXPENSES

Break down as follows:

EUR ('000)	31/12/2021	31/12/2020 (*)
Salaries and fees of personnel and members of the Exectutive Committee	-28 488	-25 734
Project monitoring costs capitalized under "inventories"	24 629	13 388
Salaries of the non-executive Directors		- 217
Social security charges	-3 542	-2 770
Pension costs	- 86	- 172
Other	- 281	214
TOTAL PERSONNEL EXPENSES	-7 768	-15 291

(*) 2020 has been re-presented to better reflect the project monitoring costs capitalised under "inventories".

The capitalization of costs under "inventories" has increased in 2021 following an improvement in the allocation mechanism of overhead costs in 2020 as well as an increase in activities in the French residential business.

AMORTISATION, DEPRECIATION AND IMPAIRMENT OF ASSETS

Break down as follows:

EUR ('000)	31/12/2021	31/12/2020
Amortisation of intangible and tangible assets, and of investment property	-4 693	-3 531
Write down on trade receivables	109	- 153
TOTAL AMORTISATION, DEPRECIATION AND IMPAIRMENT OF ASSETS	-4 584	-3 684

The increase in depreciation is due to acquisition of investment property at the end of 2020.

OTHER OPERATING EXPENSES

Break down as follows:

EUR ('000)	31/12/2021	31/12/2020 (*)
Services and other goods	-10 269	-11 468
Other operating expenses	-4 036	-1 813
Provisions	- 150	1 198
TOTAL OTHER OPERATING EXPENSES	-14 455	-12 082

(*) 2020 has been re-presented to better reflect the project monitoring costs capitalised under "inventories".

Main components of services and other goods:

EUR ('000)	31/12/2021	31/12/2020 (*)
Service charges of the registered offices	-3 185	-1 599
Third party payment, including in particular the fees paid to third parties and related to the turnover	-5 193	-1 389
Other services and other goods, including company supplies, advertising, maintenance and repair expense of properties available for sale awaiting for development	-1 891	-8 480
TOTAL SERVICES AND OTHER GOODS	-10 269	-11 468

(*) 2020 has been re-presented to better reflect the project monitoring costs capitalised under "inventories".

Amount of fees allocated during the year to KPMG S.A./N.V and its network:

EUR ('000)	31/12/2021	31/12/2020
Audit fees at consolidation level	- 451	- 429
Fees for extraordinary services and special missions accomplished within the Group:	- 82	- 180
- Missions of legal advice	- 10	- 12
- Tax advice and other missions	- 37	- 138
- Other missions outside the audit mission	- 25	- 30

The missions outside the audit mission were approved by the Audit & Risk Committee.

Main components of variations in provisions:

EUR ('000)	31/12/2021	31/12/2020
Provisions related to the sales	17	- 430
Other provisions	197	1 629
TOTAL VARIATIONS IN PROVISIONS	214	1
Increase	- 510	-1 322
Use and reversal	724	2 520

7) Gain on sale of affiliates

Break down as follows:

EUR ('000)	31/12/2021	31/12/2020
Sale price of subsidiaries	25	9 792
Book value of sold or liquidated investments		-9 659
GAIN ON SALES OF SUBSIDIARIES	25	133

8) Share in the result of joint ventures and associates, net of tax

The share in the net result of joint ventures and associates breaks down as follows:

EUR ('000)	31/12/2021	31/12/2020
Operating result	64 561	13 343
Financial result	-4 441	-2 195
Income taxes	-15 589	-3 154
RESULT OF THE PERIOD	44 531	7 994

The increase of the net result is mainly due to the sale of Mobius II and the result generated by M1.

Further information related to joint ventures and associates are described in note 17.

9) Net financial costs

The financial result breaks down as follows:

EUR ('000)	31/12/2021	31/12/2020
Cost of gross financial debt at amortised cost	-15 612	-15 543
Activated interests on projects in development	9 364	3 684
Fair value changes	- 358	291
Interest income	4 983	5 773
Other financial income and expenses	-3 471	-1 500
FINANCIAL RESULT	-5 094	-7 295
Cost of gross financial debt at amortised costs	-15 612	-15 543
Amortization of loan expenses	356	292
Change in interest paid / unpaid	513	-3 684
PAID INTERESTS (STATEMENT OF CASH FLOW)	-15 456	-18 936

10) Income taxes

Income taxes are as follows:

EUR ('000)	31/12/2021	31/12/2020
Current income taxes for the current year	-15 416	-10 756
Current income taxes for the previous financial years	505	- 265
Deferred taxes on temporary differences	13 292	2 371
TOTAL OF TAX EXPENSES RECOGNIZED IN THE STATEMENT OF COMPREHENSIVE INCOME	-1 619	-8 650
Current taxes	-15 236	-11 021
Change in tax receivables / tax payables	8 985	5 009
PAID INCOME TAXES (STATEMENT OF CASH FLOW)	-6 251	-6 011

Infinity living is the main contributor to the current income taxes and by extend to the deferred taxes.

The reconciliation of the actual tax charge with the theoretical tax charge is summarised as follows:

EUR ('000)	31/12/2021	31/12/2020
Result from continuing operations before taxes	93 964	42 696
Result from joint ventures and associates	-44 531	-7 994
RESULT BEFORE TAXES AND SHARE IN THE RESULT OF JOINT VENTURES AND ASSOCIATES	49 433	34 702
THEORETICAL INCOME TAXE CHARGE AT :	25,00%	25,00%
	-12 358	-8 675
Tax impact		
- non-taxable income	7 835	1 047
- non-deductible expenses	- 959	- 703
- use of tax losses and notional interests deduction carried forward on which no DTA was recognised in previous years	5 802	685
- tax losses of current year on which no DTA is recognised	-2 853	-1 511
- tax losses of prior years on which a DTA is recognised	1 194	925
- (un)recognized tax latencies	1 018	251
- different tax rates	612	822
- Income taxes for the previous financial years	-1 910	-1 491
TAX CHARGE	-1 619	-8 650
EFFECTIVE TAX RATE OF THE YEAR	3,28%	24,93%

The change in effective tax rate is mainly due to the tax impact on the non-taxable income and use of tax losses in Immobel S.A., Immobel Holding Luxembourg and Immobel France.

11) Earnings per share

The basic result per share is obtained by dividing the result of the year (net result and comprehensive income) by the average number of shares.

Basic earnings per share are determined using the following information:

		31/12/2021	31/12/2020
Net result of the period	EUR ('000)	92 150	33 272
Comprehensive income of the period	EUR ('000)	91 470	35 566
Weighted average share outstanding			
Ordinary shares as at 1 January		9 997 356	9 997 356
Treasury shares as at 1 January		- 292 527	-1 212 179
Treasury shares disposed		265 562	919 652
Oustanding ordinary shares as at 31 DECEMBER		9 970 391	9 704 829
Weighted average ordinary shares outstanding		9 965 823	9 303 809
Net result per share		9.247	3.576
Comprehensive income per share		9.178	3.823

To take into account the potential dilutive impact of performance shares, diluted earnings per share are calculated. The calculation of the diluted earnings per share is based on the following data:

		31/12/2021	31/12/2020
Net result of the period	EUR ('000)	92 150	33 272
Comprehensive income of the period	EUR ('000)	91 470	35 566
Weighted average share outstanding		9965 823	9303 809
Diluive element: performance shares		3 383	1 606
Weighted average ordinary shares outstanding		9 965 823	9 305 415
Diluted net result per share		9.247	3.576
Dilued comprehensive income per share		9.178	3.822

12) Intangible assets

Intangible assets evolve as follows:

	EUR ('000)	31/12/2021	31/12/2020
ACQUISITION COST AT THE END OF THE PREVIOUS PERIOD		1 626	1 563
Entry in consolidation scope			
Acquisitions		6	201
Disposals		-299	- 138
ACQUISITION COST AT THE END OF THE YEAR		1 333	1 626
AMORTISATION AND IMPAIRMENT AT THE END OF THE PREVIOUS PERIOD		-1 044	-1 020
Entry in consolidation scope			
Amortisation		-216	- 162
Depreciation cancelled on disposals		173	138
AMORTISATION AND IMPAIRMENT AT THE END OF THE YEAR		-1 087	-1 044
NET CARRYING AMOUNT AS AT 31 DECEMBER		246	582

13) Goodwill

The goodwill arises from the acquisition in 2019 of Nafilyan & Partners, an unlisted company based in France that specializes in real estate development.

The acquisition provides to Immobel 100% of the voting shares and the control over Nafilyan & Partners. The acquisition qualifies as a business combination as defined in IFRS 3. The Group has acquired Nafilyan & Partners to enlarge its coverage on the French market by sharing the know-how, expertise and potential synergies with Immobel France. At present, Nafilyan & Partners has been fully integrated into Immobel France's operations.

The reconciliation of the carrying amount of the goodwill at beginning and end of the reporting period is as follows:

EUR ('000)	31/12/2021	31/12/2020
ACQUISITION COST AT THE END OF THE PREVIOUS PERIOD	43 789	43 789
Acquisition of Immobel France		
ACQUISITION COST AT THE PERIOD END	43 789	43 789
IMPAIRMENT AT THE END OF THE PREVIOUS PERIOD		
Impairment of the period		
IMPAIRMENT AT THE PERIOD END		
NET CARRYING AMOUNT AS AT 31 DECEMBER	43 789	43 789

The carrying amount of the goodwill has been allocated to cash-generating units as follows:

EUR ('000)	31/12/2021	31/12/2020
France	43 789	43 789
NET CARRYING AMOUNT AS AT 31 DECEMBER	43 789	43 789

Immobel Group tests goodwill annually for impairment, or more frequently if there are indications that goodwill might be impaired.

The recoverable amount of the French segment as a cash-generating unit (including currently known projects and assumed future projects) is determined based on a value in use calculation which uses cash flow projections, based on a "Dividend Discount Model" covering a five-year period, in order to evaluate the equity

This valuation allows to estimate the future dividend payments, discounted back to their present value.

This Net Present Value is hence considering:

- a cash flow forecast from 2022 to 2027, allowing to estimate future dividend;
- with a fixed growth rate of dividend until perpetuity at 2% ("Long term growth rate");
- with an actualisation rate[1], here below as "cost of equity", made of a risk free rate (at 0.64 per cent[2], compared to 1.14 per cent in 2020), a market premium (between 4 and 6 per cent) and an industry beta levered (between 1.14 and 1.31)

Nine simulations have supported the impairment analysis, based on different combinations, as per below:

At 31 December 2021

LT growth rate	2.00%
with a risk free rate	0.64%

Unlevered	Beta levered	Cost of Equity Market Premium 4.00%	5.00%	6.00%
0.65	1.14	5.2%	6.3%	7.5%
0.70	1.23	5.5%	6.8%	8.0%
0.75	1.31	5.9%	7.2%	8.5%

At 31 December 2020

LT growth rate	2.00%
with a risk free rate	1.14%

Unlevered	Beta levered	Cost of Equity Market Premium 4.00%	5.00%	6.00%
0.65	1.14	5.7%	6.8%	8.0%
0.70	1.23	6.0%	7.3%	8.5%
0.75	1.31	6.4%	7.7%	9.0%

As a result of this analysis, the fair value exceeds the carrying value, regardless the level of cost of equity considered.

Therefore, the management has decided not to recognize any impairment charge in the current year against goodwill.

[1] As per following formula: (Risk free rate) + [(market premium) * (industry beta levered)]

[2] based on OLO 30 years, average of year 2021 from NBB (National Bank of Belgium).

14) Property, plant and equipment

Property, plant and equipment evolve as follows:

EUR ('000)	31/12/2021	31/12/2020
ACQUISITION COST AT THE END OF THE PREVIOUS PERIOD	4 142	4 181
Entry in consolidation scope		
Acquisitions	1 666	677
Disposals	- 115	- 716
ACQUISITION COST AT THE END OF THE YEAR	5 693	4 142
DEPRECIATIONS AND IMPAIRMENT AT THE END OF THE PREVIOUS PERIOD	-2 754	-3 198
Entry in consolidation scope		
Depreciations	- 329	- 269
Depreciation cancelled on disposals	183	713
DEPRECIATIONS AND IMPAIRMENT AT THE END OF THE YEAR	-2 900	-2 754
NET CARRYING AMOUNT AS AT 31 DECEMBER	2 793	1 388

Property, plant and equipment consist primarily of installation costs of the various registered offices.

15) Right-of-use assets

The right-of-use assets evolve as follows:

EUR ('000)	31/12/2021	31/12/2020
ACQUISITION COST AT THE END OF THE PREVIOUS PERIOD	7 297	7 976
Entry in consolidation scope		
Acquisitions	770	
Disposals	-1 359	- 679
ACQUISITION COST AT THE END OF THE YEAR	6 708	7 297
DEPRECIATIONS AND IMPAIRMENT AT THE END OF THE PREVIOUS PERIOD	-2 907	-1 535
Entry in consolidation scope		
Depreciations	-1 388	-1 372
Depreciation cancelled on disposals	1 359	
DEPRECIATIONS AND IMPAIRMENT AT THE END OF THE YEAR	-2 936	-2 907
NET CARRYING AMOUNT AS AT 31 DECEMBER	3 772	4 390

16) Investment property

This heading includes leased out property acquired with a view to be redeveloped. Investment property evolve as follows:

EUR ('000)	31/12/2021	31/12/2020
ACQUISITION COST AT THE END OF THE PREVIOUS YEAR	199 415	87 838
Entry in consolidation scope		127 088
Disposal/exit from the consolidation scope	-20 649	-6 040
Net carrying value of investment property transferred from/to inventories	- 25	-9 471
ACQUISITION COST AT THE END OF THE PERIOD	178 741	199 415
DEPRECIATIONS AND IMPAIRMENT AT THE END OF THE PREVIOUS YEAR	-2 266	-6 715
Depreciations	-2 747	-1 591
Depreciations and impairment cancelled following disposal/exit from the consolidation scope	271	6 040
DEPRECIATIONS AND IMPAIRMENT AT THE END OF THE PERIOD	-4 742	-2 266
NET CARRYING AMOUNT AS AT 31 DECEMBER	173 999	197 149

Among the different investment properties, the projects Total, Rueil Colmar and Thomas are the main components.

The decrease of the net carrying value is mainly due the sale of Scorpio to the Immobel Belux Office Development Fund SCSP which is accounted for under the equity method.

The fair value of the investment property at 31 December 2021 amounts to EUR 174 million, compared to EUR 197.4 million at 31 December 2020. This amount is determined on the basis of a valuation of level 3 which does not integrate observable market data and is based on internal analyses (feasibility study sensitive to the expected rent after redevelopment, to the estimated rate of return and to the construction costs to incur).

17) Investments in joint ventures and associates

The contributions of joint ventures and associates in the statement of financial position and the statement of comprehensive income is as follows:

EUR ('000)	31/12/2021	31/12/2020
Investments in joint ventures	148 220	98 663
Investments in associates	8 312	7 532
TOTAL INVESTMENTS INCLUDED IN THE STATEMENT OF FINANCIAL POSITION	156 532	106 195

EUR ('000)	31/12/2021	31/12/2020
Share in the net result of joint ventures	47 109	7 986
Share in the net result of associates	-2 577	8
SHARE OF JOINT VENTURES AND ASSOCIATES IN THE CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	44 531	7 994

The book value of investments in joint ventures and associates evolve as follows:

EUR ('000)	31/12/2021	31/12/2020
VALEUR AU 1ER JANVIER	106 195	55 899
Part dans le résultat	44 531	7 994
Acquisitions et injections de capital	14 096	44 214
Variations de périmètre	1 831	9 660
Dividendes perçus de coentreprises et entreprises associées	-8 034	-10 533
Cession ou liquidation de coentreprises et entreprises associées	4	
Remboursement de capital	-2 079	-1 039
Ecarts de conversion		
Autres mouvements	- 12	
MUTATIONS DE LA PERIODE	50 337	50 296
VALEUR AU 31 DECEMBRE	156 532	106 195

The table below shows the contribution of joint ventures and associates in the statement of financial position and the statement of comprehensive income.

NAME	% INTEREST 31/12/2021	% INTEREST 31/12/2020	BOOK VALUE OF THE INVESTMENTS - EUR ('000) 31/12/2021	BOOK VALUE OF THE INVESTMENTS - EUR ('000) 31/12/2020	SHARE IN THE COMPREHENSIVE INCOME - EUR ('000) 31/12/2021	SHARE IN THE COMPREHENSIVE INCOME - EUR ('000) 31/12/2020
Bella Vita	50%	50%	48	54	- 6	- 16
BONDY CANAL	40%	0%	- 37			
Boralina Investments, S.L.	50%	50%	-2 890	-2 884	- 21	
Brouckère Tower Invest	50%	50%	31 307	29 059	598	386
CBD International	50%	50%	122	-1 431	- 150	508
Château de Beggen	50%	50%	16	17	- 1	
Cityzen Holding	50%	50%	- 21	- 19	- 2	- 7
Cityzen Hotel	50%	50%	711	564	147	55
Cityzen Office	50%	50%	1 411	1 546	- 135	164
Cityzen Residence	50%	50%	694	561	133	78
CP Development Sp. z o.o.	50%	50%	- 256	- 59	- 196	23
CSM Development	50%	50%	- 12	24	- 36	- 5
CSM Properties	50%	50%	3 852	3 900	- 48	291
Debrouckère Development	50%	50%	497	548	- 52	- 68
Debrouckère Land (ex-Mobius I)	50%	50%	90	102	- 12	67
Debrouckère Leisure	50%	50%	2 283	2 310	- 27	- 15
Debrouckère Office	50%	50%	3 740	3 770	- 30	20
Gateway	50%	50%	319	322	- 3	- 3
Goodways SA	50%	50%	3 234	3 237	- 3	- 63
Ilot Ecluse	50%	50%	163	165	- 2	- 3
Immo Marial SàRL	50%	0%		8	- 66	2
Immo PA 33 1	50%	50%	1 314	1 272	43	- 35
Immo PA 44 1	50%	50%	682	683	- 1	- 13
Immo PA 44 2	50%	50%	2 423	2 385	39	416
Key West Development	50%	50%	387	471	- 84	- 52
Les Deux Princes Develop.	50%	50%	-2 439	-1 755	16	1 075
Livingstone Retail S.à.r.l.	33%	33%				
M1	33%	33%	7 270	5 603	4 992	2 993
M7	33%	33%	42	132	1	46
Mobius II	50%	50%	47 376	8 121	39 255	- 50
NP_AUBER	50%	50%	- 136	- 89	- 47	- 100
NP_AUBER_VH	50%	50%	140	681	159	207
NP_AUBERVIL	50%	50%	324	- 17	340	- 2
NP_BESSANC2	50%	50%	497	149	348	219
NP_BESSANCOU	50%	50%	102	185	- 169	202
NP_CHARENT1	50%	50%	33	34	- 1	- 24
NP_CRETEIL	50%	50%	- 1	- 1		- 1
NP_EPINAY	50%	50%	121	- 49	170	44
NP_VAIRES	50%	50%	245	1 417	130	416
ODD Construct	50%	50%	1 164	682	482	665
PA_VILLA	51%	51%	- 40	- 40		7
Plateau d'Erpent	50%	50%	1 823	838	986	668
RAC3	40%	40%	3 403	3 264	139	135
RAC4	40%	40%	1 321	1 331	- 11	438
RAC4 Developt	40%	40%	1 567	1 587	- 20	- 2
RAC5	40%	40%	5 651	5 451	200	192
RAC6	40%	40%	2 182	2 168	15	206
Surf Club Hospitality Group SL	50%	0%	123	- 61	- 15	23
Surf Club Marbella Beach, S.L.	50%	50%	21 772	19 855	132	- 775
TRELAMET	40%	0%	48		7	
Unipark	50%	50%	4 066	4 063	3	30
Universalis Park 2	50%	50%	-1 122	-1 627	505	- 156
Universalis Park 3	50%	50%	-2 487	-2 249	- 238	- 192
Universalis Park 3AB	50%	50%	1 974	1 967	7	- 4
Universalis Park 3C	50%	50%	417	418	- 1	- 4
TOTAL JOINT VENTURES			145 513	98 663	47 471	7 986
277 SH	10%	0%	4 445			
Beiestack SA	22%	0%	1 498		- 73	
Belux Office Development Feeder CV	30%	0%	57		- 83	
DHR Clos du Château	33%	33%	26	106	63	90
Immobel Belux Office Development Fund S(	22%		1 152		- 206	
MONTLHERY 2 BIS	20%	0%				
RICHELIEU	10%		1 001			
ULB Holding	60%	60%	-11 173	-5 363	- 210	- 210
Urban Living Belgium	30%	30%	14 013	12 789	-2 431	128
TOTAL ASSOCIATES			11 019	7 532	-2 940	8
TOTAL JOINT VENTURES AND ASSOCIATES			156 532	106 195	44 531	7 994

The tables below present condensed financial information of joint ventures and associates of the Group by entity. The amounts reported are the amounts determined in accordance with IFRS, before elimination of intercompany.

	FIGURES AT 100%					TOTAL EQUITY ALLOCATED TO THE GROUP	SHAREHOLDER LOANS BY THE GROUP
AS AT 31 DECEMBER 2021	TURNOVER	COMPREHENSIVE INCOME	TOTAL ASSETS	TOTAL LIABILITIES	TOTAL EQUITY		
Bella Vita	0	- 11	210	114	96	48	0
BONDY CANAL	0	0	8 151	8 141	10	- 37	3 582
Boralina Investments, S.L.	0	- 42	45 669	6 114	39 555	-2 890	0
Brouckère Tower Invest	0	1 197	211 434	148 820	62 614	31 307	0
CBD International	26	- 300	50 771	54 354	-3 584	122	22 056
Château de Beggen	0	- 2	36	3	33	16	0
Cityzen Holding	0	- 4	20 727	16 559	4 168	- 21	8 278
Cityzen Hotel	0	293	21 042	19 621	1 422	711	0
Cityzen Office	0	- 269	56 536	53 714	2 822	1 411	0
Cityzen Residence	0	266	20 998	19 610	1 387	694	0
CP Development Sp. z o.o.	89	- 393	76 308	76 820	- 512	- 256	0
CSM Development	0	- 72	4 024	4 048	- 24	- 12	0
CSM Properties	0	- 97	102 748	95 045	7 703	3 852	145
Debrouckère Development	251	- 103	5 411	4 418	993	497	1 332
Debrouckère Land (ex-Mobius I)	0	- 24	23 475	23 295	180	90	0
Debrouckère Leisure	0	- 54	6 501	1 935	4 566	2 283	573
Debrouckère Office	0	- 60	15 200	7 720	7 480	3 740	0
Gateway	0	- 5	640	2	639	319	0
Goodways SA	0	- 5	22 258	18 480	3 778	3 234	3 088
Ilot Ecluse	0	- 4	374	48	326	163	0
Immo PA 33 1	0	86	3 131	502	2 629	1 314	0
Immo PA 44 1	98	- 2	2 760	1 397	1 363	682	0
Immo PA 44 2	295	78	9 371	4 524	4 847	2 423	0
Immobel Marial SàRL	0	- 133	3 575	3 691	- 116		0
Key West Development	0	- 167	12 704	11 929	774	387	5 731
Les Deux Princes Develop.	1 010	32	-3 469	1 409	-4 878	-2 439	0
M1	50 278	14 977	45 838	24 028	21 809	7 270	0
M7	0	2	615	488	127	42	0
Mobius II	179 000	78 510	134 180	39 427	94 753	47 376	10 994
NP_AUBER	0	- 93	1 156	1 427	- 271	- 136	251
NP_AUBER_VH	3 841	318	3 457	3 178	279	140	158
NP_AUBERVIL	17 459	679	9 457	8 811	646	324	2 945
NP_BESSANC2	13 006	694	9 235	8 243	992	497	1 329
NP_BESSANCOU	- 63	- 337	176	- 28	204	102	60
NP_CHARENT1	3 912	- 2	4 944	4 879	65	33	475
NP_CRETEIL	0	0	648	650	- 2	- 1	405
NP_EPINAY	8 105	340	6 517	6 275	242	121	1 176
NP_VAIRES	1 040	259	3 131	2 641	489	245	0
ODD Construct	5 753	964	5 643	3 315	2 328	1 164	571
PA_VILLA	0	0	4 679	4 758	- 79	- 40	47
Plateau d'Erpent	22 708	1 971	16 189	12 543	3 646	1 823	7
RAC3	0	348	8 531	24	8 507	3 403	0
RAC4	0	- 27	31 658	28 357	3 301	1 321	0
RAC4 Developt	0	- 51	4 731	814	3 917	1 567	0
RAC5	0	500	14 724	596	14 128	5 651	0
RAC6	0	37	19 226	13 770	5 456	2 182	0
Surf Club Hospitality Group SL	0	- 30	8 155	7 908	247	123	0
Surf Club Marbella Beach, S.L.	0	263	82 710	39 166	43 544	21 772	0
TRELAMET	0	17	133	14	119	48	0
Unipark	9	6	10 578	2 446	8 132	4 066	0
Universalis Park 2	0	1 009	24 319	26 563	-2 245	-1 122	6 919
Universalis Park 3	0	- 475	33 618	38 592	-4 974	-2 487	10 731
Universalis Park 3AB	1	15	4 140	192	3 948	1 974	0
Universalis Park 3C	0	- 1	1 007	173	834	417	0
TOTAL JOINT VENTURES	**306 818**	**100 096**	**1209 980**	**861 566**	**348 414**	**145 513**	**80 853**
277 SH	0	0	111 320	66 873	44 447	4 445	60
Beiestack SA	0	- 321	21 814	15 235	6 579	1 498	0
Belux Office Development Feeder CV	0	- 274	20 903	203	20 700	57	0
DHR Clos du Château	899	189	532	452	79	26	0
Immobel Belux Office Development Fund SCSP	0	- 912	27 135	1 056	26 079	1 152	0
MONTLHERY 2 BIS	0	0	91	90	0	0	0
RICHELIEU	0	0	62 420	52 410	10 010	1 001	1 430
ULB Holding	0	- 349	18 252	19 034	- 782	-11 173	0
Urban Living Belgium	27 683	-8 187	173 705	168 697	5 007	14 013	21 087
TOTAL ASSOCIATES	**28 583**	**-9 854**	**436 172**	**324 053**	**112 120**	**11 019**	**22 577**
TOTAL JOINT VENTURES AND ASSOCIATES	**335 400**	**90 242**	**1646 152**	**1185 619**	**460 533**	**156 532**	**103 430**

	FIGURES AT 100%					TOTAL EQUITY ALLOCATED TO THE GROUP	SHAREHOLDER LOANS BY THE GROUP
AS AT 31 DECEMBER 2020	TURNOVER	COMPREHENSIVE INCOME	TOTAL ASSETS	TOTAL LIABILITIES	TOTAL EQUITY		
Bella Vita	0	- 33	375	268	108	54	0
Boralina Investments, S.L.	0	- 1	41 705	6 108	35 597	-2 884	0
Brouckère Tower Invest	0	772	154 834	96 717	58 117	29 059	0
CBD International	7	1 016	41 853	45 137	-3 284	-1 431	18 720
Château de Beggen	0	0	239	204	35	17	0
Cityzen Holding	0	- 14	20 454	16 282	4 172	- 19	8 138
Cityzen Hotel	0	109	19 287	18 158	1 129	564	15 234
Cityzen Office	0	328	82 970	79 878	3 091	1 546	0
Cityzen Residence	0	155	19 354	18 232	1 121	561	15 217
CP Development Sp. z o.o.	0	46	46 863	46 982	- 119	- 59	0
CSM Development	0	- 11	2 833	2 785	48	24	1 646
CSM Properties	0	583	104 041	96 241	7 800	3 900	44
Debrouckère Development	1 906	- 135	4 176	3 080	1 096	548	1 338
Debrouckère Land (ex-Mobius I)	43 004	11 550	25 734	25 530	203	102	0
Debrouckère Leisure	0	- 30	5 458	838	4 620	2 310	29
Debrouckère Office	0	40	16 237	8 697	7 540	3 770	0
Gateway	0	- 6	647	3	644	322	0
Goodways SA	0	- 126	21 711	17 928	3 783	3 237	2 858
Ilot Ecluse	0	- 6	375	45	330	165	40
Immo PA 33 1	537	- 69	3 496	953	2 543	1 272	0
Immo PA 44 1	1 360	- 26	2 741	1 375	1 366	683	0
Immo PA 44 2	4 081	832	9 543	4 774	4 769	2 385	0
Immobel Marial SàRL	0	4	2 181	2 165	16	8	958
Key West Development	0	- 104	10 729	9 787	941	471	4 733
Les Deux Princes Develop.	14 545	2 150	3 419	6 929	-3 510	-1 755	0
Livingstone Retail S.à.r.l.	0	0	12	0	12	4	0
M1	54 660	8 979	52 610	35 788	16 822	5 603	-2 500
M7	0	137	1 006	611	395	132	0
Mobius II	0	- 100	56 356	40 113	16 242	8 121	7 913
NP_AUBER	0	- 199	1 147	1 325	- 178	- 89	251
NP_AUBER_VH	4 940	413	5 044	3 685	1 359	681	158
NP_AUBERVIL	0	- 5	1 984	2 017	- 33	- 17	922
NP_BESSANC2	6 540	438	6 477	6 179	298	149	1 322
NP_BESSANCOU	66	403	509	140	370	185	145
NP_CHARENT1	2 947	- 48	7 591	7 524	67	34	475
NP_CRETEIL	0	- 1	708	710	- 2	- 1	380
NP_EPINAY	3 838	89	3 808	3 906	- 98	- 49	1 177
NP_VAIRES	6 770	830	11 472	8 644	2 828	1 417	1 851
ODD Construct	7 710	1 330	3 747	2 383	1 364	682	562
PA_VILLA	0	13	4 030	4 110	- 79	- 40	47
Plateau d'Erpent	9 125	1 335	20 395	18 720	1 675	838	1 679
RAC3	11	338	8 173	14	8 159	3 264	0
RAC4	0	1 094	31 619	28 290	3 329	1 331	0
RAC4 Developt	0	- 4	4 640	672	3 968	1 587	160
RAC5	0	481	14 056	428	13 628	5 451	0
RAC6	0	515	13 495	8 075	5 420	2 168	0
Surf Club Marbella Beach, S.L.	0	-1 549	81 303	41 593	39 710	19 855	3 000
Surf Club Spain Invest Property SL	0	46	7 809	7 932	- 123	- 61	0
Unipark	1	61	10 517	2 391	8 126	4 063	0
Universalis Park 2	0	- 313	22 514	25 768	-3 254	-1 627	6 532
Universalis Park 3	0	- 383	32 783	37 281	-4 499	-2 249	8 588
Universalis Park 3AB	0	- 8	4 365	432	3 933	1 967	0
Universalis Park 3C	0	- 7	1 009	174	835	418	0
TOTAL JOINT VENTURES	**162 047**	**30 910**	**1050 433**	**798 001**	**252 431**	**98 667**	**101 617**
DHR Clos du Château	1 625	270	1 491	1 172	319	106	376
ULB Holding	0	- 351	18 245	18 678	- 432	-5 363	5 593
Urban Living Belgium	16 477	989	192 165	172 452	19 713	12 789	21 022
TOTAL ASSOCIATES	**18 101**	**908**	**211 901**	**192 302**	**19 599**	**7 532**	**26 991**
TOTAL JOINT VENTURES AND ASSOCIATES	**180 148**	**31 818**	**1262 334**	**990 303**	**272 031**	**106 199**	**128 608**

The tables below present condensed financial information of all joint ventures and associates of the Group as well as a breakdown of the inventories, investment properties and the financial debts. Figures are presented at 100%.

As at 31 December 2021

Main components of assets and liabilities:		
Investment property	212 506	
Other fixed assets	128 129	
Inventories	830 299	
Cash and cash equivalents	200 467	
Receivables and other assets	274 751	
Non-current financial debts		347 494
Current Financial debts		224 764
Deferred tax liabilities		17 338
Shareholder's loans		254 853
Other Liabilities		341 169
TOTAL	1 646 152	1 185 619

Main projects and financial debts	INVENTORIES AND INVESTMENT PROPERTY	FINANCIAL DEBTS
Cityzen Office	56 600	40 120
CSM Properties	100 870	94 750
RAC4	22 399	28 000
Universalis Park 2	22 786	12 700
Universalis Park 3	33 444	15 930
Urban Living Belgium	130 164	73 242
Debrouckère Land (ex-Mobius I)	22 180	21 150
CP Development Sp. z o.o.	69 700	25 956
Brouckère Tower Invest	197 695	123 120
Beiestack SA	20 988	12 268
Surf Club Marbella Beach, S.L.	62 784	
Others	303 196	137 290
TOTAL	1 042 805	572 258

As at 31 December 2020

Main components of assets and liabilities:		
Investment property	195 255	
Other fixed assets	76 985	
Inventories	674 872	
Cash and cash equivalents	67 246	
Receivables and other assets	247 976	
Non-current financial debts		205 315
Current Financial debts		279 950
Deferred tax liabilities		16 459
Shareholder's loans		151 017
Other Liabilities		337 562
TOTAL	1 262 334	990 303

Main projects and financial debts	INVENTORIES AND INVESTMENT PROPERTY	FINANCIAL DEBTS
Cityzen Office	54 675	68 000
CSM Properties	102 372	96 150
Mobius II	55 931	22 470
RAC4	22 777	28 000
Universalis Park 2	22 183	12 700
Universalis Park 3	32 598	18 930
Urban Living Belgium	151 376	76 982
Debrouckère Land (ex-Mobius I)	21 318	21 150
CP Development Sp. z o.o.	44 717	15 968
Brouckère Tower Invest	148 601	92 977
Surf Club Marbella Beach, S.L.	61 752	
Others	151 825	31 937
TOTAL	870 127	485 265

In case of financial debts towards credit institutions, the shareholder loans reimbursements (reimbursement of cash to the mother company) are subordinated to the reimbursements towards credit institutions.

EUR ('000)	31/12/2021	31/12/2020
Amount of debts guaranteed by securities	265 072	285 484
Book value of Group's assets pledged for debt securities	352 449	265 939

For the main debts towards credit institutions mentioned above, the company Immobel SA has engaged itself to provide the necessary financial means in order to bring the different projects to a good end (“cash deficiency” and “cost overrun” engagements). There are no significant restrictions which limit the Group's ability to access the assets of joint ventures and associates, nor specific risks or commitments other than those relating to bank loans.

18) Other non-current financial assets

Other non-current financial assets relate to investments in shares or bonds, and are allocated as follows per geographical area:

EUR ('000)	31/12/2021	31/12/2020
Belgium	660	175
France	355	
TOTAL OTHER NON-CURENT FINANCIAL ASSETS	1 015	175

19) Deferred tax

Deferred tax assets or liabilities are recorded in the balance sheet on deductible or taxable temporary differences, tax losses and tax credits carried forward. Changes in the deferred taxes in the balance sheet having occurred over the financial year are recorded in the statement of income unless they refer to items directly recognised under other comprehensive income.

Deferred taxes on the balance sheet refer to the following temporary differences:

EUR ('000)	DEFERRED TAX ASSETS 31/12/2021	DEFERRED TAX ASSETS 31/12/2020	DEFERRED TAX LIABILITIES 31/12/2021	DEFERRED TAX LIABILITIES 31/12/2020
Tax losses	35 086	18 202		
Revenue recognition	2 891	2 115	43 165	41 380
Financial debts				
Fair value of financial instruments		40	2	4
Other items	60	21	- 70	- 74
Netting (net tax position per entity)	-16 745	-4 009	-16 745	-4 009
TOTAL	21 292	16 369	26 352	37 301

EUR ('000)	DEFERRED TAX ASSETS	DEFERRED TAX LIABILITIES
VALUE AS AT 1 JANUARY	16 369	37 301
Scope changes		2
Deferred tax recognised in the consolidated statement of comprehensive income	4 923	-10 951
VALUE AS AT 31 DECEMBER	21 292	26 352

Immobel France and 'T Park development are the main contributors to the change on Deferred tax assets

TEMPORARY DIFFERENCES OR TAX LOSSES FOR WHICH NO DEFERRED TAX ASSETS ARE RECOGNISED IN THE BALANCE SHEET, FROM WHICH:	EUR ('000) 24 501
Expiring at the end of 2022	601
Expiring at the end of 2023	103
Expiring at the end of 2024	396
Expiring at the end of 2025	1 768
Expiring at the end of 2026	470
Not time-limited	21 163

20) Other non-current assets

Other non-current assets relate exclusively to cash guarantees and deposits, and are allocated as follows per geographical area:

EUR ('000)	31/12/2021	31/12/2020
Belgium	243	556
Luxembourg	200	
France	265	839
Germany	173	148
Poland	270	146
TOTAL OTHER NON-CURENT ASSETS	1 151	1 689

21) Inventories

Inventories consist of buildings and land acquired for development and resale. Allocation of inventories by geographical area is as follows:

EUR ('000)	31/12/2021	31/12/2020
Belgium	292 874	311 038
Luxembourg	143 801	196 192
France	167 192	92 290
Germany	59 033	61 875
Poland	34 735	21 396
Spain	988	331
TOTAL INVENTORIES	698 623	683 121

The increase in France is due to the acquisition of Tati in Paris and the decrease in Luxembourg is due to the sale down of Laangfur.

Other major projects in inventories are a.o. O'Sea and Lebeau Sablon in Belgium, Polvermillen in Luxembourg, Saint-Antoine in France, Eden in Germany and Granaria Gdansk in Poland.

The weighted average interest rate on borrowing costs capitalized on Project Financing Credits and on Bonds was 2,3 % in 2021 and 1,9 % in 2020.

The inventories break down as follows:

EUR ('000)	31/12/2021	31/12/2020
INVENTORIES AS AT 1 JANUARY	683 121	694 580
Net book value of investment property transferred from/to inventories	25	9 471
Purchases of the year	72 716	10 976
Developments	246 743	271 981
Disposals of the year	-311 066	-300 766
Borrowing costs	9 364	3 684
Scope changes	-1 588	-6 805
Write-off	- 692	
CHANGES FOR THE PERIOD	15 502	-11 459
INVENTORIES AS AT 31 DECEMBER	698 623	683 121

Break down of the movements by geographical area : EUR ('000)	Purchases/ Developments	Disposals	Borrowing costs	Scope changes	Transfer of the net book value	Net
Belgium	97 366	-120 483	5 873	-1 587	25	-18 806
Luxembourg	33 854	-88 263	3 318	- 693		-51 784
France	135 215	-60 276				74 939
Germany	37 455	-39 839	- 457			-2 841
Poland	14 912	-2 205	630			13 337
Spain	657					657
Total	319 459	-311 066	9 364	-2 280	25	15 502

The value of the stock to be recovered in:	EUR ('000)
12 months	173 046
> 12 months	525 577
Breakdwon of the stock by type:	
Without permit	488 527
In development	210 096

The book value of Group's assets pledged for debt securities related to investment property and inventory as a whole is EUR 721 thousand compared to EUR 759 thousand at the end of 2020, representing a decrease of EUR 38 thousand.

22) Trade receivables

Trade receivables refer to the following operational segments:

EUR ('000)	31/12/2021	31/12/2020
Belgium	13 405	7 206
Luxembourg	2 204	2 404
France	2 152	13 116
Germany	15 590	8 050
Poland	4 554	240
Spain	211	2 152
TOTAL TRADE RECEIVABLES	38 116	33 168

The analysis of the delay of payment arises as follows: EUR ('000)	31/12/2021	31/12/2020
Due < 3 months	11 622	9 388
Due > 3 months < 6 months	829	845
Due > 6 months < 12 months	2 021	2 389
Due > 1 year	1 482	1 248

CREDIT RISK

The borrowings to equity accounted investees consist of shareholder loans to our equity accounted investees that own an asset under or to be development. As all project are expected to realize a profit on completion, we do not anticipate any recoverability issues for the outstanding borrowings to equity accounted investees.

Therefore, the credit risk is related to the possible failure of the customers in respecting their commitments towards the Group and is considered immaterial, especially since in most cases the asset sold serves as collateral (guarantee).

At 31 December 2021, there was no concentration of credit risk with a sole third party. The maximum risk amounts to the book value of the receivables. However, within the meaning of IFRS 9, there is no expected credit loss that can be deemed significant at that date.

The impairments recorded on trade receivables evolve as follows:

EUR ('000)	31/12/2021	31/12/2020
BALANCE AT 1 JANUARY	542	473
Additions	85	69
Discounts		
MOVEMENTS OF THE PERIOD	85	69
BALANCE AT 31 DECEMBER	627	542

23) Contract assets

Contract assets, arising from the application of IFRS 15, refer to the following operational segments:

EUR ('000)	31/12/2021	31/12/2020
Belgium	78 552	9 315
Luxembourg	1 403	7 610
France	25 367	21 108
Germany	12 631	19 218
TOTAL CONTRACT ASSETS	117 953	57 251

The increase of contract assets in Belgium is mainly related to the construction of the sold project Commerce in Belgium.

Upon initial recognition, the Group measures contract assets at their transaction price as defined by IFRS 15. Contract assets include the amounts to which the entity is entitled in exchange for goods or services that it already has provided to a customer but for which the payment is not yet due or is subject to the fulfilment of a specific condition provided for in the contract.

When an amount becomes due, it is transferred to the receivable account.

A trade receivable is recognized as soon as the entity has an unconditional right to collect a payment. This unconditional right exists from the moment in time which makes the payment due.

It is expected that the entire amount reflected as at December 31, 2021 will become due and be cashed in fiscal year 2022.

In the same way as trade receivables and other receivables, contract assets are subject to an impairment test in accordance with the provisions of IFRS 9 on expected credit losses. This test does not show any significant potential impact since these contract assets (and their related receivables) are generally covered by the underlying assets represented by the building to be transferred.

24) Other current assets

The components of this item are:

EUR ('000)	31/12/2021	31/12/2020
Other receivables	27 815	30 435
of which : advances and guarantees paid		
taxes (other than income taxes) and VAT receivable	20 247	17 589
receivable upon sale (escrow account)	1 703	3 075
other	5 865	9 771
Deferred charges and accrued income	8 425	6 834
of which: on projects in development	190	190
other	8 235	6 644
TOTAL OTHER CURRENT ASSETS	36 240	37 269

25) Information related to the net financial debt

The Group's net financial debt is the balance between the cash and cash equivalents and the financial debts (current and non-current). It amounts to EUR -593 313 thousand as at 31 December 2021 compared to EUR -603 890 thousand as at 31 December 2020.

EUR ('000)	31/12/2021	31/12/2020
Cash and cash equivalents	273 377	148 059
Non current financial debts	507 596	571 139
Current financial debts	359 094	180 810
NET FINANCIAL DEBT	-593 313	-603 890

The Group's gearing ratio[3] is 52,9% as at 31 December 2021, compared to 57,4% as at 31 December 2020.

The current financial debts increased mainly due to 100 Million bond expiring in May 2022.

There is no significant change in net financial debt with the exception of the presentation of the bond drawdown for a nominal amount of EUR 100 million maturing on May 31, 2022.

CASH AND CASH EQUIVALENTS

Cash deposits and cash at bank and in hand amount to EUR 273 377 thousand compared to EUR 148 059 thousand at the end of 2020, representing an increase of EUR 125 318 thousand. The breakdown of cash and cash equivalents is as follows:

EUR ('000)	31/12/2021	31/12/2020
Term deposits with an initial duration of maximum 3 months		
Cash at bank and in hand	273 377	148 059
AVAILABLE CASH AND CASH EQUIVALENTS	273 377	148 059

The explanation of the change in available cash is given in the consolidated cash flow statement. Cash and cash equivalents are fully available, either for distribution to the shareholders or to finance projects owned by the different companies.

FINANCIAL DEBTS

Financial debts increase with EUR 114 741 thousand, from EUR 751 949 thousand at 31 December 2020 to EUR 866 690 thousand at 31 December 2021. The components of financial debts are as follows:

EUR ('000)	31/12/2021	31/12/2020
Bond issues:		
Bond issue maturity 31-05-2022 at 3.00% - nominal amount 100 MEUR		99 709
Bond issue maturity 17-10-2023 at 3.00% - nominal amount 50 MEUR	49 903	50 000
Bond issue maturity 17-10-2025 at 3.50% - nominal amount 50 MEUR	50 000	50 000
Bond issue maturity 14-04-2027 at 3.00% - nominal amount 75 MEUR	75 000	75 000
Bond issue maturity 12-05-2028 at 3.00% - nominal amount 125 MEUR	125 000	
Lease contracts	2 130	2 872
Credit institutions	205 563	293 558
NON CURRENT FINANCIAL DEBTS	507 596	571 139
Bond issues:		
Bond issue maturity 31-05-2022 at 3.00% - nominal amount 100 MEUR	100 000	
Credit institutions	257 463	175 131
Lease contracts	1 630	1 614
Bonds - not yet due interest		4 065
CURRENT FINANCIAL DEBTS	359 094	180 810
TOTAL FINANCIAL DEBTS	866 690	751 949
Financial debts at fixed rates	399 903	274 709
Financial debts at variable rates	466 787	473 175
Bonds - not yet due interest	4 206	4 065
Amount of debts guaranteed by securities	438 301	468 690
Book value of Group's assets pledged for debt securities	446 766	816 694

In 2021, a new bond has been issued within the Green Finance Framework and developed by the company. The bond does not have any additional or specific covenants compared to earlier issued bonds by the company. There are no embedded derivates, similar to the earlier issued bonds by the company. Same as for other issued bonds by the company.

[3] Gearing ratio is calculated by dividing net debt by the sum of net debt and equity group share with goodwill subtracted from equity group share

Financial debts evolve as follows:

EUR ('000)	31/12/2021	31/12/2020
FINANCIAL DEBTS AS AT 1 JANUARY	751 949	707 071
Repaid liabilities related to lease contracts	-2 130	-2 872
Contracted debts	249 033	303 861
Repaid debts	-128 872	-252 905
Movements bonds - not yet due interest	-12 565	-7 406
Not yet due interest on other loans	9 080	4 005
Amortization of deferred debt issue expenses	195	195
CHANGES FOR THE PERIOD	114 741	44 878
FINANCIAL DEBTS AS AT 31 DECEMBER	866 690	751 949

All the financial debts are denominated in EUR.

Except for the bonds, the financing of the Group and the financing of the Group's projects are provided based on a short-term rate, the 1 to 12 month EURIBOR, increased by margin.

As of December 31, 2021, IMMOBEL is entitled to use undrawn corporate credit lines of EUR 15 million and EUR 691 million of confirmed project finance lines of which EUR 384 million were used.

These credit lines (Project Financing Credits) are specific for the development of certain projects.

At December 31, 2021, the book value of Group's assets pledged to secure the corporate credit and the project financing credits amounts to EUR 446 million.

The table below summarizes the maturity of the financial liabilities of the Group:

DUE IN THE PERIOD	UP TO 1 YEAR	1 TO 2 YEARS	2 TO 3 YEARS	3 TO 4 YEARS	4 TO 5 YEARS	AFTER 5 YEARS	Total
Bonds	100 000	50 000		50 000		200 000	400 000
Project Financing Credits	205 963	56 900	70 185	35 283	15 695		384 026
Corporate Credit lines	1 500	2 000	2 500	23 000			29 000
Commercial paper	50 000						50 000
Lease contracts	1 630	1 605	525				3 761
Interests not yet due and amortized costs		93	- 190				- 97
TOTAL AMOUNT OF DEBTS	359 094	110 598	73 020	108 283	15 695	200 000	866 690

INTEREST RATE RISK

To hedge its variable interest rate exposure, the company uses various type of financial instruments.

- In April 2020, the company entered into an agreement to cap the interest rate at 0,5% for about 75% of the exposure on the variable part of the debt (based on the internal view, i.e. before application of IFRS 11) up to July 1st, 2023.
- In May 2021, the company entered into another agreement to cap the interest rate at 1,5% on a part of the financial debt related to a notional amount of EUR 225 million for the period from July 3rd,2023 up to July 1st, 2024.
- In December 2020, Immobel has entered in a contract to hedge a variable interest loan for a notional amount of 30 million EUR. The Company has used interest rate swap agreements to convert its exposure from floating rate to fixed interest rate a portion of its interest rate exposure from floating rates to fixed rates to reduce the risk of an increase of the EURIBOR interest rate. The notional amount amounts to EUR 30 million. The interest swap replaces the Euribor rate with a fixed interest rate per year on the outstanding amount. The derivative is formally designated and qualifies as a cash flow hedge and is recorded at fair value in the consolidated balance sheets in other assets and/or other liabilities. The interest rate swap and debt have the same terms.

EUR ('000)	31/12/2021	31/12/2020
DERIVATIVES NOT DESIGNATED AS HEDGING INSTRUMENTS		
Interest rate swaps		
DERIVATIVES DESIGNATED AS HEDGING INSTRUMENTS		
Interest rate swaps - cash flow hedges	160	560
TOTAL	160	560
CHANGE IN FAIR VALUE OF THE DERIVATIVE FINANCIAL INSTRUMENTS		
SITUATION AT 1 JANUARY	560	291
Changes during the period in the consolidated result	- 316	- 291
Changes during the period in other comprehensive income	- 84	560
SITUATION AT 31 DECEMBER	160	560

The increase in interest rate would result in an annual increase of the interest charge on debt of EUR 1 464 thousand per 1%-increase for about 25% of the variable part of the debt and maximum EUR 2 196 thousand in total for about 75% of the variable part of the debt to the extent the applicable EURIBOR-rate stands at 0%. Given that current applicable EURIBOR-rates are below 0% the impact of such increase would be even lower than these respective amounts.

INFORMATION ON FAIR VALUE OF FINANCIAL INSTRUMENTS

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

The fair value of financial instruments is determined as follows:

- If their maturity is short-term (e.g.: trade receivables and payables), the fair value is assumed to be similar at amortized cost,
- For fixed rate debts, based on discounted future cash flows estimated based on market rates at closing,
- For variable rate debts, the fair value is assumed to be similar at amortized cost,
- For derivative financial instruments, the fair value is determined on the basis of discounted future cash flows estimated based on curves of forward interest rates. This value is mentioned by the counterparty financial institution.
- For quoted bonds, on the basis of the quotation at the closing (level 1).

The fair value measurement of financial assets and financial liabilities can be characterized in one of the following ways:

- Level 1: the fair values of financial assets and liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices in active markets for identical assets and liabilities,
- Level 2: the fair values of other financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes for similar instruments. This mainly relates to derivative financial instruments,
- Level 3: the fair values of the remaining financial assets and financial liabilities are derived from valuation techniques which include inputs which are not based on observable market data.

		Amounts recognized in accordance with IFRS 9				
EUR ('000)	Level of the fair value	Carrying amount 31/12/2021	Amortized cost	Fair value trough profit or loss	Fair value 31/12/2021	Cash flow hedging 31/12/2021
ASSETS						
Cash and cash equivalents		274 865	274 865			
Other non-current financial assets	Level 1	1 015		1 015	1 015	
Other non-current assets	Level 2	1 151	1 151		1 151	
Trade receivables	Level 2	37 978	37 978		37 978	
Contract assets	Level 2	120 682	120 682		120 682	
Other operating receivables	Level 2	154 147	154 147		154 147	
Other current financial assets	Level 1	49	49		49	
TOTAL		**589 888**	**588 873**	**1 015**	**315 023**	
LIABILITIES						
Interest-bearing debt	Level 1 & 2	868 652	868 652		868 652	
Trade payables	Level 2	77 158	77 158		77 158	
Contract liabilities	Level 2	28 739	28 739		28 739	
Other operating payables	Level 2	99 554	99 554		99 554	
Derivative financial instruments	Level 2	160		160		160
TOTAL		**1074 262**	**1074 102**	**160**	**1074 102**	**160**

INVESTMENT GRADE

The bank accounts are held by banks with at least 'investment grade' rating (Baa3/BBB- or better).

LIQUIDITY RISK

The Company starts only new projects in case of appropriate financing by corporate, specific financing or pre-sale. Therefore, the cash risk related to the progress of a project is very limited.

FINANCIAL COMMITMENTS

The Group is subject, for bonds and credit lines mentioned hereabove, to a number of financial commitments.

These commitments are taking into account the equity, the net financial debt and its relation with the equity and the inventories. At 31 December 2021, as for the previous years, the Group was in conformity with all these financial commitments.

RISK OF FLUCTUATION IN FOREIGN CURRENCIES

The Group has a limited hedge on the foreign exchange rates risks on its development activities. The functional currency of projects currently developed in Poland is translated from PLN to EUR (except for Central Point managed in EUR), with an impact on the other comprehensive income.

26) Equity

	2021	2020
Number of shares at 31 December	9 997 356	9 997 356
Number of shares fully paid at 31 December	9 997 356	9 997 356
Treasury shares at 31 December	26 965	392 527
Nominal value per share	9.740	9.740
Number of shares at 1 January	9 997 356	9 997 356
Number of treasury shares at 1 January	- 292 527	-1 212 179
Treasury shares granted to a member of the executive committee		
Treasury shares sold	265 562	819 652
Number of shares (excluding treasury shares) at 31 December	9 970 391	9 604 829

RISK MANAGEMENT RELATED TO THE CAPITAL

Immobel is optimising the structure of its permanent capital through a balance between capital and long-term debts.

The target is to maximise the value for the shareholders while maintaining the required flexibility to achieve the development projects. Other elements, like the expected return on each project and the respect of a number of balance sheet ratios, influence the decision taking.

27) Pensions and similar obligations

The pensions and similar obligations cover the obligations of the Company as far as the Group insurance is concerned.

The amount recognised in the balance sheet represents the present value of obligations in terms of defined benefit pension plans less the fair value of plan assets.

EUR ('000)	31/12/2021	31/12/2020
STATEMENT OF FINANCIAL POSITION		
Provisions	398	
Present value of the defined benefit obligations	1 996	1 963
Fair value of plan assets at the end of the period	-1 398	-1 360
NET LIABILITY ARISING FROM DEFINED BENEFIT OBLIGATION	996	603
STATEMENT OF COMPREHENSIVE INCOME		
Current service cost	0	- 53
Past service cost or settlement		
Interest cost on the defined benefit obligation	0	- 8
Interest income on plan assets	0	5
Administration costs	0	- 4
DEFINED BENEFIT COSTS RECOGNIZED IN PROFIT OR LOSS	- 171	- 238
Acturial (gains) / losses on defined benefit obligation arising from		
- changes in financial assumptions		
- return on plan assets (excluding interest income)	- 73	32
- experience adjustments	131	170
REMEASUREMENTS OF NET DEFINED BENEFIT LIABILITY RECOGNISED IN OTHER COMPREHENSIVE INCOME	58	202
DEFINED BENEFIT COSTS	- 113	- 36

EUR ('000)	31/12/2021	31/12/2020
PRESENT VALUE OF THE OBLIGATIONS AS AT 1 JANUARY	1 963	1 674
Current service cost	164	53
Interest cost	6	8
Contributions from plan participants	12	10
Actuarial (gains) losses	- 131	- 170
Benefits paid	- 18	- 8
Past service cost, settlement or business combination		395
PRESENT VALUE OF THE OBLIGATIONS AS AT 31 DECEMBER	1 996	1 963

EUR ('000)	31/12/2021	31/12/2020
FAIR VALUE OF THE PLAN ASSETS AS AT 1 JANUARY	1 360	1 042
Interest income	4	5
Contributions from employer	118	66
Contributions from plan participants	12	10
Benefits paid	- 18	- 8
Return on plan assets (excluding interest income)	- 73	32
Administrative costs	- 5	- 4
Settlement or business combination		217
FAIR VALUE OF THE PLAN ASSETS AS AT 31 DECEMBER	1 398	1 360
CONTRIBUTION OF THE EMPLOYER EXPECTED FOR 2020 / 2021	95	103
ACTURIAL ASSUMPTIONS USED TO DETERMINE OBLIGATIONS		
Discount rate	0.83%	0.30%
Future salary increases	3.08%	3.10%
Inflation rate	1.71%	1.71%
Mortality table	MR-3/FR-3 (BE) INSEE H/F 14-16 (FR)	MR-3/FR-3 (BE) INSEE H/F 14-16 (FR)

SENSITIVITY ANALYSIS OF THE DBO 31/12/2021			
Discount rate	0.33%	0.83%	1.33%
Amount of the DBO	2 126	1 996	1 878

The Belgian defined benefit pension plan and defined contribution pension plans with guaranteed return are funded through Group insurance contracts. The plans are funded through employer and employee contributions. The underlying assets of the insurance contracts are primarily invested in bonds. The defined benefit plan is closed for new employees. The plan participants are entitled to a lump sum on retirement. Active members also receive a benefit on death-in-service.

The French retirement indemnity plan offers a lump sum on retirement as defined by the collective labor agreement of the real estate industry. The plan is unfunded and open to new employees.

28) Provisions

The components of provisions are as follows:

EUR ('000)	31/12/2021	31/12/2020
Provisions related to the sales	1 201	1 217
Other provisions	1 127	897
TOTAL PROVISIONS	2 328	2 114

EUR ('000)	Related to sales	Other	31/12/2021
PROVISIONS AS AT 1 JANUARY	1 217	897	2 114
Scope changes	1	- 73	- 72
Increase	97	913	1 010
Use/Reversal	- 114	- 610	- 724
CHANGES FOR THE YEAR	- 16	230	214
PROVISIONS AS AT 31 DECEMBER	1 201	1 127	2 328

Allocation by operational segment is as follows:

EUR ('000)	31/12/2021	31/12/2020
Belgium	139	134
Luxembourg	500	500
France	1 689	1 480
TOTAL PROVISIONS	2 328	2 114

The provisions are made up based on the risks related to the litigations, in particular when the recognition conditions of those liabilities are met.

These provisions made correspond to the best estimate of outgoing resources considered as likely by the Board of Directors. The Group has no indication on the final amount of disbursement or the timing of the disbursement, it depends on court decisions.

No provision has been recorded for the other litigations that mainly concern:

- problems of decennial guarantee for which the Group has recourse on the contractor who is generally covered by an insurance of "decennial liability coverage" for this purpose,
- pure administrative recourses concerning planning and environmental permits introduced by third parties at the Council of State without any financial consequence for the Group.

29) Trade payables

This account is allocated by operational segment as follows:

EUR ('000)	31/12/2021	31/12/2020
Belgium	41 548	29 181
Luxembourg	10 920	6 449
France	7 006	9 764
Germany	7 980	4 295
Poland	12 065	7 190
Spain	4 027	4 048
TOTAL TRADE PAYABLES	83 546	60 927

The trade payables are mainly related to the projects O'Sea in Belgium, Eden in Germany and Granaria in Poland.

30) Contract liabilities

The contract liabilities, arising from the application of IFRS 15, relate to following operational segment:

EUR ('000)	31/12/2021	31/12/2020
Belgium	10 427	2 362
France	11 542	1 534
TOTAL CONTRACT LIABILITIES	21 969	3 896

The increase in contract liabilities is mainly due to the projects O'sea in Belgium and St Germain 2 in France.

Contract liabilities include amounts received by the entity as compensation for goods or services that have not yet been provided to the customer. The contract liabilities are settled by the recognition of the turnover.

Current contract liabilities include income still to be recognized of EUR 21 969 thousand at 31 December 2021. 100% of the contract liabilities per 31 December 2020 were recognized as revenue in 2021.

All amounts reflected in contract liabilities are related to residential activities for which revenue is recognized as a percentage of progress, thus creating discrepancies between payments and the realization of benefits.

31) Other current liabilities

The components of this account are:

EUR ('000)	31/12/2021	31/12/2020
Payroll related liabilities	4 244	3 578
Taxes (other than income taxes) and VAT payable	12 186	16 240
Advances on sales	3 301	2 181
Advances from joint ventures and associates	38 824	28 544
Accrued charges and deferred income	8 568	3 305
Acquisition price payable		2 038
Other	19 296	16 302
TOTAL OTHER CURRENT LIABILITIES	**86 419**	**72 188**

Other current liabilities mainly consist of taxes (other than income taxes), the non-eliminated balance of advances received from joint ventures and associates, as well as accrued charges and deferred income.

32) Main contingent assets and liabilities

EUR ('000)	31/12/2021	31/12/2020
Guarantees from third parties on behalf of the Group with respect to:		
- inventories	281 015	198 192
- other assets		
TOTAL GUARANTEES FROM THIRD PARTIES ON BEHALF OF THE GROUP	281 015	198 192
These guarantees consist of:		
- guarantees "Real estate trader" (acquisitions with registration fee at reduced rate)	33 012	15 518
- guarantees "Law Breyne" (guarantees given in connection with the sale of houses or apartments under construction)	63 207	162 683
- guarantees "Good end of execution" (guarantees given in connection with the execution of works) and "other" (successful completion of payment, rental,...)	184 796	19 991
TOTAL GUARANTEES FROM THIRD PARTIES ON BEHALF OF THE GROUP	281 015	198 192
Mortgage power - Amount of inscription	58 852	810 140
Book value of Group's assets pledged for debt securities related to investment property and inventory as a whole	408 052	758 676
BOOK VALUE OF PLEDGED GROUP'S ASSETS	408 052	758 676
Amount of debts guaranteed by above securities		
- Non current debts	205 563	289 028
- Current debts	232 739	179 662
TOTAL AMOUNT OF DEBTS GUARANTEED	438 301	468 690

At 31 December 2021, Immobel acknowledges a commitment for contingent liabilities for an amount of 48 217 K EUR for a number of projects in Brussels and Luxembourg.

33) Change in working capital

The change in working capital by nature is established as follows:

EUR ('000)	31/12/2021	31/12/2020
Inventories	-15 012	-122 815
Other current assets	-80 581	35 796
Other current liabilities	35 214	-7 363
CHANGE IN WORKING CAPITAL	-60 379	-94 382

The change on inventories is mainly driven by the sale of Laangfur and Beggen in Luxembourg as well as the acquisition of Hemacle in France. The contract assets related to the project Commerce 46 and the contract liabilities related to the project O'sea are the other main components of the changes in working capital.

The decrease of the net carrying value of the investment property related to the sale of Scorpio to the Immobel Belux Office Development Fund SCSP is not reflected in the working capital as it is accounted for under the equity method.

34) Information on related parties

RELATIONSHIPS WITH SHAREHOLDERS – MAIN SHAREHOLDERS

	31/12/2021	31/12/2020
A3 Capital NV & A3 Management BVBA	58.99%	58.94%
IMMOBEL (Treasury shares)	0.26%	2.90%
Number of representative capital shares	9 997 356	9 997 356

RELATIONSHIPS WITH SENIOR EXECUTIVES

These are the remuneration of members of the Executive Committee and of the Board of Directors.

	Executive Chairman/ CEO	Executive Committee
Basic remuneration	640	1 700
Variable remuneration STI	301	718
Variable remuneration LTI	64	3 083
Individual pension commitment	None	None
Other	1 300	311

RELATIONSHIPS WITH JOINT VENTURES AND ASSOCIATES

The relationships with joint ventures and associates consist mainly of loans or advances, whose amounts are recorded in the balance sheet in the following accounts:

EUR ('000)	31/12/2021	31/12/2020
Investments in joint ventures and associates - shareholder's loans	101 670	76 644
Other current assets	13 163	20 399
Other current liabilities	38 824	28 544
Interest income	4 247	4 630
Interest expense	1 260	1 287

Those relationships are conducted in accordance with formal terms and conditions agreed with the Group and its partner. The interest rate applicable to these loans and advances is EURIBOR + margin, defined based on internal transfer pricing principles.

See note 17 for further information on joint ventures and associates.

35) Events subsequent to reporting date

There were no events after the balance sheet date that had a significant impact on the Company's accounts.

36) Companies owned by the Immobel Group

Companies forming part of the Group as at 31 December 2021:

SUBSIDIARIES – FULLY CONSOLIDATED

NAME	COMPANY NUMBER	HEAD OFFICE	GROUP INTEREST (%) (Economic interest)
BEYAERT NV	837 807 014	Brussels	100
BOITEUX RESIDENTIAL NV	837797314	Brussels	100
BRUSSELS EAST REAL ESTATE SA	478120522	Brussels	100
BULL'S EYE PROPERTY LUX SA	B 138 135	Luxemburg	100
CANAL DEVELOPEMENT SARL	B 250 642	Luxemburg	100
CHAMBON NV	837 807 509	Brussels	100
CLUSTER CHAMBON NV	843 656 906	Brussels	100
COMPAGNIE IMMOBILIÈRE DE WALLONIE (CIW) SA	401 541 990	Brussels	100
COMPAGNIE IMMOBILIÈRE LUXEMBOURGEOISE SA	B 29 696	Luxemburg	100
EDEN TOWER FRANKFURT GMBH	B235375	Frankfurt	100
EMPEREUR FROISSART NV	871 449 879	Brussels	100
ENTREPRISE ET GESTION IMMOBILIÈRES (EGIMO) SA	403 360 741	Brussels	100
ESPACE NIVELLES SA	472 279 241	Brussels	100
FLINT CONSTRUCT NV	506 899 135	Brussels	65
FLINT LAND NV	506 823 614	Brussels	65
FONCIÈRE JENNIFER SA	464 582 884	Brussels	100
FONCIÈRE MONTOYER SA	826 862 642	Brussels	100
FROUNERBOND DEVELOPPEMENT S.À R.L.	B251782	Luxemburg	100
GARDEN POINT SP. Z.O.O.	0000 38 84 76	Warsaw	100
GASPERICH DEVELOPPEMENT SARL	B263526	Luxembourg	100
GRANARIA DEVELOPMENT GDANSK BIS SP. Z.O.O.	0000 48 02 78	Warsaw	90
GRANARIA DEVELOPMENT GDANSK SP. Z.O.O.	0000 51 06 69	Warsaw	90
HERMES BROWN II NV	890 572 539	Brussels	100
HOTEL GRANARIA DEVELOPMENT SP. Z.O.O.	0000 51 06 64	Warsaw	90
ILOT SAINT ROCH SA	675 860 861	Brussels	100
IMMO DEVAUX I NV	694 904 337	Brussels	100
IMMO DEVAUX II NV	694 897 013	Brussels	100
IMMOBEL FRANCE GESTION SARL	809 724 974	Paris	100
IMMOBEL FRANCE SAS	800 676 850	Paris	100
IMMOBEL FRANCE TERTIAIRE SAS	833 654 221	Paris	100
IMMOBEL GERMANY GMBH	5050 817 557	Köln	100
IMMOBEL GERMANY SARL	B231 412	Luxemburg	100
IMMOBEL GP SARL	B 247 503	Luxemburg	100
IMMOBEL GUTENBERG BERLIN 1 GMBH	HRB 106676	Koln	100
IMMOBEL GUTENBERG BERLIN 2 GMBH	HRB 106697	Koln	100
IMMOBEL GUTENBERG BERLIN 3 GMBH	HRB 106882	Koln	100
IMMOBEL GUTENBERG BERLIN 4 GMBH	HRB 106679	Koln	100
IMMOBEL GUTENBERG BERLIN INVESTMENT GMBH	HRB 105188	Koln	100
IMMOBEL HOLDCO SPAIN S.L.	B 881 229 62	Madrid	100
IMMOBEL HOLDING LUXEMBOURG SARL	B 138 090	Luxemburg	100

IMMOBEL LUX SA	B 130 313	Luxemburg	100
IMMOBEL PM SPAIN S.L.	B 882 567 06	Madrid	100
IMMOBEL POLAND SP. Z.O.O.	0000 37 22 17	Warsaw	100
IMMOBEL PROJECT MANAGEMENT SA	475 729 174	Brussels	100
IMMOBEL R.E.M. FUND SARL	B 228 335	Luxemburg	100
IMMOBEL REAL ESTATE FUND SC	B 228 393	Luxemburg	100
IMMOBEL URBAN LIVING	695 672 419	Brussels	100
IMMO-PUYHOEK SA	847 201 958	Brussels	100
IMZ NV	444 236 838	Brussels	100
INDUSTRIE 52 BV	759 472 584	Brussels	76.84
INFINITO HOLDING S.R.L.	765 474 411	Brussels	76.84
INFINITO S.A.	403 062 219	Brussels	76.84
INFINITY LIVING SA	B 211 415	Luxemburg	100
LAKE FRONT SA	562 818 447	Brussels	100
LEBEAU DEVELOPMENT	711 809 556	Brussels	100
LEBEAU SABLON SA	551 947 123	Brussels	100
LES JARDINS DU NORD SA	444 857 737	Brussels	96.2
LOTINVEST DEVELOPMENT SA	417 100 196	Brussels	100
MICHAEL OSTLUND PROPERTY SA	436 089 927	Brussels	100
MILAWEY INVESTMENTS SP. ZO.O.	0000 63 51 51	Warsaw	100
MÖBIUS CONSTRUCT SA	681 630 183	Brussels	100
MONTAGNE RESIDENTIAL SA	837 806 420	Brussels	100
NENNIG DEVELOPPEMENT SARL	B 250.824	Luxemburg	100
NP SHOWROOM SNC	837 908 086	Paris	100
OFFICE FUND CARRY SRL	759 610 562	Brussels	100
OFFICE FUND GP SRL	759 610 463	Brussels	100
OKRAGLAK DEVELOPMENT SP. Z.O.O.	0000 26 74 81	Warsaw	100
POLVERMILLEN SARL	B 207 813	Luxemburg	100
PORCELYNEGOED NV	429 538 269	Brussels	100
PRINCE ROYAL CONSTRUCT SA	633 872 927	Brussels	100
QUOMAGO SA	425 480 206	Brussels	100
SAS PARIS LANNELONGUE	851 891 721	Paris	100
SAS RUEIL COLMAR	852 152 412	Paris	100
SAS SAINT ANTOINE COUR BERARD	851 891 721	Paris	100
SCCV BUTTES CHAUMONT	882 258 510	Paris	100
SCCV IMMO BOUGIVAL 1	883460420	Paris	100
SCCV IMMO MONTEVRAIN 1	884552308	Paris	100
SCCV IMMO TREMBLAY 1	883461238	Paris	100
SCCV NP ASNIERES SUR SEINE 1	813 388 188	Paris	100
SCCV NP AUBERGENVILLE 1	837 935 857	Paris	100
SCCV NP AULNAY SOUS BOIS 1	811 446 699	Paris	100
SCCV NP BEZONS 1	820 345 718	Paris	100
SCCV NP BEZONS 2	829 707 348	Paris	100
SCCV NP BOIS D'ARCY 1	829 739 515	Paris	100
SCCV NP BONDOUFLE 1	815 057 435	Paris	100

SCCV NP BUSSY SAINT GEORGES 1	812 264 448	Paris	100
SCCV NP CHATENAY-MALABRY 1	837 914 126	Paris	100
SCCV NP CHELLES 1	824 117 196	Paris	100
SCCV NP CHILLY-MAZARIN 1	838 112 332	Paris	100
SCCV NP CROISSY SUR SEINE 1	817 842 487	Paris	100
SCCV NP CROISSY SUR SEINE 2	822 760 732	Paris	100
SCCV NP CROISSY SUR SEINE 3	822 760 625	Paris	100
SCCV NP CROISSY SUR SEINE 4	832 311 047	Paris	46
SCCV NP DOURDAN 1	820 366 227	Paris	100
SCCV NP DRANCY 1	829 982 180	Paris	100
SCCV NP EAUBONNE 1	850 406 562	Paris	100
SCCV NP FONTENAY AUX ROSES 1	838 330 397	Paris	100
SCCV NP FRANCONVILLE 1	828 852 038	Paris	90
SCCV NP GARGENVILLE 1	837 914 456	Paris	100
SCCV NP ISSY LES MOULINEAUX 1	820 102 770	Paris	85
SCCV NP LA GARENNE-COLOMBES 1	842 234 064	Paris	100
SCCV NP LE PLESSIS TREVISE 1	829 675 545	Paris	100
SCCV NP LE VESINET 1	848 225 884	Paris	51
SCCV NP LIVRY-GARGAN 1	844 512 632	Paris	100
SCCV NP LONGPONT-SUR-ORGE 1	820 373 462	Paris	100
SCCV NP LOUVECIENNES 1	827 572 173	Paris	100
SCCV NP MEUDON 1	829 707 421	Paris	100
SCCV NP MOISSY-CRAMAYEL 1	838 348 738	Paris	100
SCCV NP MONTESSON 1	851 834 119	Paris	51
SCCV NP MONTLHERY 1	823 496 559	Paris	100
SCCV NP MONTLHERY 2	837 935 881	Paris	100
SCCV NP MONTMAGNY 1	838 080 091	Paris	100
SCCV NP NEUILLY SUR MARNE 1	819 611 013	Paris	100
SCCV NP PARIS 1	829 707 157	Paris	100
SCCV NP PARIS 2	842 239 816	Paris	100
SCCV NP RAMBOUILLET 1	833 416 365	Paris	100
SCCV NP ROMAINVILLE 1	829 706 589	Paris	100
SCCV NP SAINT ARNOULT EN YVELINES 1	828 405 837	Paris	100
SCCV NP SAINT GERMAIN EN LAYE 1	829 739 739	Paris	100
SCCV NP SAINT GERMAIN EN LAYE 2	844 464 768	Paris	100
SCCV NP VAUJOURS 1	829 678 960	Paris	100
SCCV NP VILLE D'AVRAY 1	829 743 087	Paris	100
SCCV NP VILLEJUIF 1	829 674 134	Paris	100
SCCV NP VILLEMOMBLE 1	847 809 068	Paris	100
SCCV NP VILLEPINTE 1	810 518 530	Paris	100
SCCV NP VILLIERS SUR MARNE 1	820 147 072	Paris	100
SCCV SCI COMBS LES NOTES FLORALES	820 955 888	Paris	60
SCI LE COEUR DES REMPARTS DE SAINT-ARNOULT-EN-YVELINES	831 266 820	Paris	100
SNC HEMACLE	904 024 999	Paris	100
SNC IMMO MDB	882328339	Paris	100

SSCV IMMO OTHIS 1	899269773	Paris	100
SSCV IMMO SAVIGNY SUR ORGE 1	809 724 974	Paris	100
T ZOUT CONSTRUCT SA	656 754 831	Brussels	100
THOMAS SA	B 33 819	Luxemburg	100
VAARTKOM SA	656 758 393	Brussels	100
VAL D'OR CONSTRUCT SA	656 752 257	Brussels	100
VELDIMMO SA	430 622 986	Brussels	100
VESALIUS CONSTRUCT NV	543 851 185	Brussels	100
ZIELNA DEVELOPMENT SP. Z.O.O.	0000 52 76 58	Warsaw	100

JOINT VENTURES – ACCOUNTED FOR UNDER THE EQUITY METHOD

NAME	COMPANY NUMBER	HEAD OFFICE	GROUP INTEREST (%) (Economic interest)
BELLA VITA SA	890 019 738	Brussels	50
BORALINA INVESTMENTS SL	B 884 669 33	Madrid	50
BROUCKERE TOWER INVEST NV	874 491 622	Brussels	50
CBD INTERNATIONAL SP. Z.O.O.	0000 22 82 37	Warsaw	50
CHÂTEAU DE BEGGEN SA	B 133 856	Luxemburg	50
CITYZEN HOLDING SA	721 884 985	Brussels	50
CITYZEN HOTEL SA	721 520 444	Brussels	50
CITYZEN OFFICE SA	721 520 840	Brussels	50
CITYZEN RESIDENCE SA	721 520 642	Brussels	50
CP DEVELOPMENT SP. Z O.O.	0000 63 51 51	Warsaw	50
CSM DEVELOPMENT NV	692 645 524	Brussels	50
CSM PROPERTIES NV	692 645 425	Brussels	50
DEBROUCKERE DEVELOPMENT SA	700 731 661	Brussels	50
DEBROUCKERE LAND NV	662 473 277	Brussels	50
DEBROUCKERE LEISURE NV	750 734 567	Brussels	50
DEBROUCKERE OFFICE NV	750 735 557	Brussels	50
GATEWAY SA	501 968 664	Brussels	50
GOODWAYS SA	405 773 467	Brussels	50
ILOT ECLUSE SA	441 544 592	Gilly	50
IMMO PA 33 1 SA	845 710 336	Brussels	50
IMMO PA 44 1 SA	845 708 257	Brussels	50
IMMO PA 44 2 SA	845 709 049	Brussels	50
KEY WEST DEVELOPMENT SA	738 738 439	Brussels	50
LES 2 PRINCES DEVELOPMENT SA	849 400 294	Brussels	50
LIVINGSTONE RETAIL SARL	B 250 233	Luxemburg	33.33
M1 SA	B 197 932	Strassen	33.33
M7 SA	B 197 934	Strassen	33.33
MÖBIUS II SA	662 474 069	Brussels	50
ODD CONSTRUCT SA	682 966 706	Knokke-Heist	50
PLATEAU D'ERPENT	696 967 368	Namur	50
RAC 3 SA	819 588 830	Antwerp	40
RAC 4 DEVELOPMENT SA	673 640 551	Brussels	40

RAC 4 SA	819 593 481	Brussels	40
RAC5 SA	665 775 534	Antwerp	40
RAC6 SA	738 392 110	Brussels	40
SAS BONDY CANAL	904 820 461	Paris	40
SAS TRELAMET	652 013 772	Paris	40
SCCV NP AUBER RE	813 595 956	Paris	50.1
SCCV NP AUBER VICTOR HUGO	833 883 762	Paris	50.12
SCCV NP AUBERVILLIERS 1	824 416 002	Paris	50.1
SCCV NP BESSANCOURT 1	808 351 969	Paris	50.1
SCCV NP BESSANCOURT 2	843 586 397	Paris	50.1
SCCV NP CHARENTON LE PONT 1	833 414 675	Paris	50.98
SCCV NP CRETEIL 1	824 393 300	Paris	50.1
SCCV NP EPINAY SUR ORGE 1	838 577 419	Paris	50.1
SCCV NP VAIRES SUR MARNE 1	813 440 864	Paris	50.1
SCCV PA VILLA COLOMBA	838 112 449	Paris	51
SCHOETTERMARIAL SARL	B 245 380	Luxemburg	50
SURF CLUB HOSPITALITY GROUP SL	B 935 517 86	Madrid	50
SURF CLUB MARBELLA BEACH SL	B 875 448 21	Madrid	50
UNIPARK SA	686 566 889	Brussels	50
UNIVERSALIS PARK 2 SA	665 921 529	Brussels	50
UNIVERSALIS PARK 3 SA	665 921 133	Brussels	50
UNIVERSALIS PARK 3AB SA	665 922 420	Brussels	50
UNIVERSALIS PARK 3C SA	665 921 430	Brussels	50

ASSOCIATES – ACCOUNTED FOR UNDER THE EQUITY METHOD

NAME	COMPANY NUMBER	HEAD OFFICE	GROUP INTEREST (%) (Economic interest)
BEIESTACK HOLDING SARL	B 247.602	Luxemburg	22.77
BEIESTACK S.A.	B 183 641	Luxemburg	22.77
BELUX OFFICE DEVELOPMENT FEEDER CV	759 908 985	Brussels	30.46
DHR CLOS DU CHÂTEAU SA	895 524 784	Brussels	33.33
IMMOBEL BELUX OFFICE DEVELOPMENT FUND SCSP	B249896	Luxemburg	22.61
SCCV 73 RICHELIEU	894 876 655	Paris	10
SCCV MONTLHERY ROUTE D'ORLEANS	904 647 823	Paris	20
SSCV 277 SH	901 400 531	Paris	10
URBAN LIVING BELGIUM HOLDING NV	831 672 258	Antwerp	60
URBAN LIVING BELGIUM NV	831 672 258	Antwerp	30

Except the mentioned elements on note 17, there are no significant restrictions that limit the Group's ability to access assets and settle the liabilities of subsidiaries.

In case of financial debts towards credit institutions, the shareholder’s loans reimbursements (reimbursement of cash to the mother company) are subordinated to the reimbursements towards credit institutions.

G. Statement from the responsible persons

The undersigned persons state that, to the best of their knowledge:

- the Consolidated Financial Statements of Immobel SA and its subsidiaries as of 31st December 2021 have been prepared in accordance with the International Financial Reporting Standards ("IFRS"), and give a true and fair view of the assets and liabilities, financial position and results of the whole of the companies of the Immobel Group as well as the subsidiaries included in the consolidation;
- the Director's Report on the financial year ended at 31st December 2021 gives a fair overview of the development, the results and of the position of the Immobel Group as well as the subsidiaries included in the consolidation, as well as a description of the principal risks and uncertainties faced by the Immobel Group.

On behalf of the Board of Directors:

Marnix Galle[4]

Chairman of the Board of Directors

[4] Vaste vertegenwoordiger van de vennootschap A³ Management bvba

H. Auditor's report

STATUTORY AUDITOR'S REPORT TO THE GENERAL MEETING OF IMMOBEL SA ON THE CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED 31 DECEMBER 2021

In the context of the statutory audit of the consolidated financial statements of Immobel SA ("the Company") and its subsidiaries (jointly "the Group"), we provide you with our statutory auditor's report. This includes our report on the consolidated financial statements for the year ended 31 December 2021 as well as other legal and regulatory requirements. Our report is one and indivisible.

We were appointed as statutory auditor by the general meeting of 15 April 2021, in accordance with the proposal of the board of directors issued on the recommendation of the audit committee. Our mandate will expire on the date of the general meeting deliberating on the annual accounts for the year ended 31 December 2023. This is the first year that we have performed the statutory audit of the consolidated financial statements of the Group.

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

UNQUALIFIED OPINION

We have audited the consolidated financial statements of the Group as of and for the year ended 31 December 2021 prepared in accordance with International Financial Reporting Standards as adopted by the European Union, and with the legal and regulatory requirements applicable in Belgium. These consolidated financial statements comprise the consolidated statement of financial position as at 31 December 2021 the consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended and notes, comprising a summary of significant accounting policies and other explanatory information. The total of the consolidated statement of financial position amounts to 1.685.149 KEUR and the consolidated statement of profit or loss shows a profit for the year of 92.345 KEUR.

In our opinion, the consolidated financial statements give a true and fair view of the Group's equity and financial position as at 31 December 2021 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union, and with the legal and regulatory requirements applicable in Belgium.

BASIS FOR OUR UNQUALIFIED OPINION

We conducted our audit in accordance with International Standards on Auditing ("ISAs") as adopted in Belgium. In addition, we have applied the ISAs as issued by the IAASB and applicable for the current accounting year while these have not been adopted in Belgium yet. Our responsibilities under those standards are further described in the "Statutory auditors' responsibility for the audit of the consolidated financial statements" section of our report. We have complied with the ethical requirements that are relevant to our audit of the consolidated financial statements in Belgium, including the independence requirements.

We have obtained from the board of directors and the Company's officials the explanations and information necessary for performing our audit.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Project development revenue (including revenue recognised by joint ventures and associates accounted for under the equity method)

We refer to accounting policies E. 16) 'Operating revenue' and E.20) 'Main judgements and main sources of uncertainties related to estimations' and notes F.1) 'Operating segment' and F.2) 'Revenue' of the consolidated financial statements.

Description

As disclosed in note F.1), revenue ('project development revenue') amounts to 526.799 KEUR in 2021, of which 147.290 KEUR attributable to joint ventures and associates accounted for under the equity method (revenue which is not included in the consolidated statement of profit or loss).

The Group contracts in a variety of ways. Each project has a different risk and revenue profile based on its individual contractual and delivery characteristics. We determined the recognition and measurement of revenue from the sale of project developments, for which revenue is recognized over time, as a key audit matter due to its size to the consolidated statement of profit or loss, complexity of contract terms, judgement involved to recognize revenue in accordance with the relevant accounting standards (mainly related to revenue from office sale contracts) and the high degree of management judgement involved in determining the percentage of completion of the projects.

Our audit procedures

For a selection of projects that we considered at higher risk of misstatement, due to either size and/or complexity, we performed the following audit procedures:

- We obtained an understanding of the project management and related revenue recognition process and tested the design and implementation of relevant controls.
- We assessed the Group's determination of transfer of control by analyzing the contractual terms of sale against the criteria in the relevant accounting standards.
- We discussed the most recent project feasibility analyses including stage of completion with the relevant project manager and/or project controller. We assessed the reasonableness of the key estimates and judgements made by management and challenged them based on comparison with the prior period feasibility study for those projects and comparable transactions.
- We assessed the reliability of key inputs to the project feasibility analyses and on a sample basis we assessed the accuracy of these inputs by comparing them to the underlying supporting documents.
- We recalculated the margin recognized over the period considering the actual recognized cost incurred and the project's expected profit margin.
- We considered the adequacy of the disclosures in the consolidated financial statements relating to revenue.

Recoverability of project development inventories (including inventories held by joint ventures and associates accounted for under the equity method)

We refer to accounting policies E. 12) 'Inventories', E.20) 'Main judgements and main sources of uncertainties related to estimations' and notes F.1) 'Operating segment', F.21) 'Inventories' and F.17) 'Investments in joint ventures and associates' of the consolidated financial statements.

Description

As disclosed in note F.1), inventories ('project development inventories') amount to 1.017.975 KEUR as at 31 December 2021, of which 319.352 KEUR attributable to project development inventories held by joint ventures and associates accounted for under the equity method (which is not included in the consolidated statement of financial position). Inventories are measured at the lower of cost and net realizable value at the balance sheet date. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. A write-down is necessary when the net realizable value at balance sheet date is lower than the carrying value. The determination of the net realizable value used to assess the recoverability of project development inventories involves management judgment as this assessment includes assumptions about future events which inherently are subject to the risk of change and uncertainty.

Due to the high degree of management judgement required, we determined the assessment of the net realizable value of project development inventories, and specifically those projects for which the permitting, construction or commercialization process has been significantly delayed, as a key audit matter.

Our audit procedures

For a selection of projects that we considered at higher risk of misstatement, due to either size to the consolidated statement of financial positions and/or complexity, we performed the following audit procedures:

- We obtained an understanding of the project management process and tested the design and implementation of internal controls.

- We enquired with management and the relevant project managers and/or controllers to obtain an understanding of the progress of development, the risks associated to the project (such as permitting, construction and commercialization) and the projected performance and assessed management's basis of estimates of the net realizable value.
- We inspected updated project feasibility analyses and assessed the assumptions used in forecasting the selling price and costs to complete by comparison to similar transactions;
- For those selected projects where sales have been recognized, we analysed the realized margins for impairment indicators in the respective remaining property development inventory balance.
- We assessed the reliability of key inputs to the project feasibility analyses and on a sample basis we assessed the accuracy of these inputs by comparing them to the underlying supporting documents.
- We tested the reasonableness of the capitalized interest cost and project management fees allocated to the development projects.
- We assessed whether the carrying value was the lower of the estimated net realizable value and cost.
- We considered the adequacy of the disclosures in the consolidated financial statements relating to project development inventories.

OTHER MATTER

The consolidated financial statements of the Group for the year ended 31 December 2020, were audited by another auditor who expressed an unqualified opinion on 22 March 2021 on those consolidated financial statements.

BOARD OF DIRECTORS' RESPONSIBILITIES FOR THE PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

The board of directors is responsible for the preparation of these consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union, and with the legal and regulatory requirements applicable in Belgium, and for such internal control as board of directors determines, is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the board of directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the board of directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

STATUTORY AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance as to whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of the users taken on the basis of these consolidated financial statements.

When performing our audit we comply with the legal, regulatory and professional requirements applicable to audits of the consolidated financial statements in Belgium. The scope of the statutory audit of the consolidated financial statements does not extend to providing assurance on the future viability of the Group nor on the efficiency or effectivity of how the board of directors has conducted or will conduct the business of the Group. Our responsibilities regarding the going concern basis of accounting applied by the board of directors are described below.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also perform the following procedures:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by board of directors;
- Conclude on the appropriateness of board of directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the audit committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

For the matters communicated with the audit committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

OTHER LEGAL AND REGULATORY REQUIREMENTS

RESPONSIBILITIES OF THE BOARD OF DIRECTORS

The board of directors is responsible for the preparation and the content of the board of directors' annual report on the consolidated financial statements and the other information included in the annual report.

STATUTORY AUDITOR'S RESPONSIBILITIES

In the context of our engagement and in accordance with the Belgian standard which is complementary to the International Standards on Auditing as applicable in Belgium, our responsibility is to verify, in all material respects, the board of directors' annual report on the consolidated financial statements and the other information included in the annual report, and to report on these matters.

ASPECTS CONCERNING THE BOARD OF DIRECTORS' ANNUAL REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS AND OTHER INFORMATION INCLUDED IN THE ANNUAL REPORT

Based on specific work performed on the board of directors' annual report on the consolidated financial statements, we are of the opinion that this report is consistent with the consolidated financial statements for the same period and has been prepared in accordance with article 3:32 of the Companies' and Associations' Code.

In the context of our audit of the consolidated financial statements, we are also responsible for considering, in particular based on the knowledge gained throughout the audit, whether the board of directors' annual report on the consolidated financial statements and other information included in the annual report:

- Message from the executive chair
- 2021 key figures
- Shareholder information

— Activities

contain material misstatements, or information that is incorrectly stated or misleading. In the context of the procedures carried out, we did not identify any material misstatements that we have to report to you.

INFORMATION ABOUT THE INDEPENDENCE

- Our audit firm and our network have not performed any engagement which is incompatible with the statutory audit of the consolidated accounts and our audit firm remained independent of the Group during the term of our mandate.
- The fees for the additional engagements which are compatible with the statutory audit referred to in article 3:65 of the Companies' and Associations' Code were correctly stated and disclosed in the notes to the consolidated financial statements.

EUROPEAN SINGLE ELECTRONIC FORMAT (ESEF)

In accordance with the draft standard on the audit of compliance of the Financial Statements with the European Single Electronic Format (hereafter "ESEF"), we have audited as well whether the ESEF-format is in accordance with the regulatory technical standards as laid down in the EU Delegated Regulation nr. 2019/815 of 17 December 2018 (hereafter "Delegated Regulation").

The board of directors is responsible for the preparation, in accordance with the ESEF requirements, of the consolidated financial statements in the form of an electronic file in ESEF format (hereafter "digital consolidated financial statements") included in the annual financial report.

It is our responsibility to obtain sufficient and appropriate information to conclude whether the format and the tagging of the digital consolidated financial statements comply, in all material respects, with the ESEF requirements under the Delegated Regulation.

At the date of this report, we have not yet received the annual financial report and the digital consolidated financial statements prepared by the board of directors. We have reminded the board of directors of their legal responsibility to provide the documents to the statutory auditor and the shareholders within the deadlines stipulated in the Belgian Companies' and Associations' Code. As a result, we were unable to conclude whether the format and the tagging of the digital consolidated financial statements comply, in all material respects, with the ESEF requirements under the Delegated Regulation.

OTHER ASPECT

- This report is consistent with our additional report to the audit committee on the basis of Article 11 of Regulation (EU) No 537/2014.

Zaventem, 18 March 2022

KPMG Bedrijfsrevisoren - Réviseurs d'Entreprises
Statutory Auditor
represented by

Filip De Bock
Bedrijfsrevisor / Réviseur d'Entreprises

II. Statutory condensed financial statements

The financial statements of the parent company, Immobel SA, are presented below in a condensed form.

In accordance with Belgian company law, the Directors' Report and Financial Statements of the parent company, Immobel SA, together with the Statutory Auditor’s Report, have been filed at the National Bank of Belgium.

They are available on request from:

Immobel SA
Rue de la Régence 58
BE-1000 Brussels
Belgium
www.immobelgroup.com

The statutory auditor issued an unqualified report on the financial statements of Immobel SA.

A. Statement of financial position (in thousands EUR)

ASSETS	31/12/2021	31/12/2020
FIXED ASSETS	462 911	346 615
Start-Up costs	194	113
Intangible fixed assets	164	285
Tangible fixed assets	2 403	846
Financial fixed assets	460 150	345 371
CURRENT ASSETS	582 548	592 886
Amounts receivable after one year		327
Stocks and contracts in progress	43 851	47 887
Amounts receivable within one year	368 590	491 618
Treasury shares	1 205	13 076
Cash equivalents	162 940	34 476
Deferred charges and accrued income	5 962	5 502
TOTAL ASSETS	1 045 459	939 501

LIABILITIES	31/12/2021	31/12/2020
SHAREHOLDERS' EQUITY	317 010	322 491
Capital	97 357	97 357
Reserves	107 076	107 076
Accumulated profits	112 577	118 058
PROVISIONS AND DEFERRED TAXES	296	478
Provisions for liabilities and charges	296	478
DEBTS	728 152	616 532
Amounts payable after one year	374 947	380 006
Amounts payable within one year	348 740	231 710
Accrued charges and deferred income	4 465	4 816
TOTAL LIABILITIES	1 045 459	939 501

B. Statement of comprehensive income (in thousands EUR)

	31/12/2021	31/12/2020
Operating income	27 283	20 162
Operating charges	-21 177	-15 993
OPERATING RESULT	6 106	4 169
Financial income	35 660	87 727
Financial charges	-15 532	-15 528
FINANCIAL RESULT	20 128	72 199
PROFIT OF THE FINANCIAL YEAR BEFORE TAXES	26 234	76 368
Taxes	- 375	- 220
PROFIT OF THE FINANCIAL YEAR	25 859	76 148
PROFIT OF THE FINANCIAL YEAR TO BE APPROPRIATED	25 859	76 148

C. Appropriation account (in thousands EUR)

	31/12/2021	31/12/2020
PROFIT TO BE APPROPRIATED	143 917	146 000
Profit for the financial year available for appropriation	25 859	76 148
Profit carried forward	118 058	69 852
APPROPRIATION TO EQUITY		
To other reserves		
RESULT TO BE CARRIED FORWARD	112 577	118 058
Profit to be carried forward	112 577	118 058
PROFIT AVAILABLE FOR DISTRIBUTION	118 058	69 852
Dividends	30 409	27 609
Other beneficiaries	931	333

D. Summary of accounting policies

Tangible assets are recorded as assets net of accumulated depreciation, at either their cost price or contribution value (value at which they were brought into the business), including ancillary costs and non-deductible VAT. Depreciation is calculated by the straight-line method. The main depreciation rates are the following:

• Buildings	3 %
• Buildings improvements	5 %
• Office furniture and equipment	10 %
• Computer equipment	33 %
• Vehicles	20 %

Financial Fixed Assets are entered either at their purchase price, after taking into account any amounts still not paid up and any write-offs made. They are written down if they suffer a capital loss or a justifiable long-term loss in value.

Amounts Receivable within one year and **those receivable after one year** are recorded at their nominal value. Write-downs are applied in case of permanent impairment or if the repayment value at the closing date is less than the book value.

Stocks are recorded at their purchase price or contribution value, including, in addition to the purchase price, the ancillary costs, duties and taxes relating to them. The infrastructure costs are recorded at their cost price. Realisation of stocks is recorded at the weighted average price. Work in progress is valued at cost price. **Profits** are, in principle, recorded on the basis of the percentage of completion of the work. Write-downs are applied as appropriate, according to the selling price or the market value.

The **sales** and the **purchases** of properties are recorded at the signature of the notarial act in so far as the eventual conditions precedents are lifted and a clause of deferred property transfer is foreseen in the compromise under private signature

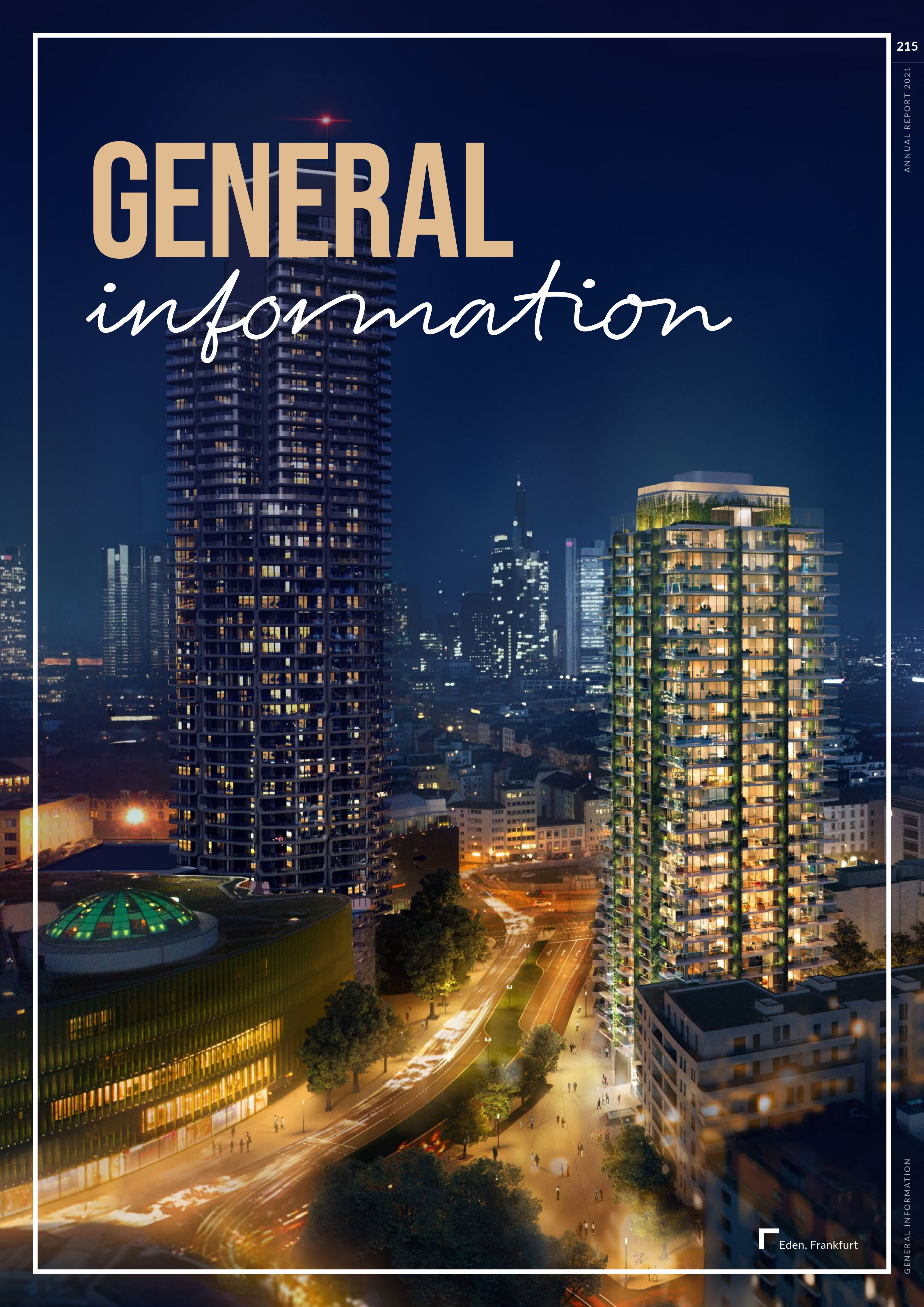
Short term investments are recorded as assets at their purchase price (ancillary costs excluded) or contribution value. Their values are adjusted, provided that the depreciation is lasting.

Cash at bank and in hand are recorded at their nominal value. Values are adjusted if the estimated value at the end of the financial year is lower than the book value.

At the close of each financial year, the Board of Directors, acting with prudence, sincerity and in good faith, examines the **provisions** to be set aside to cover the major repairs or major maintenance and the risks arising from completion of orders placed or received, advances made, technical guarantees after sale or delivery and current litigations.

Amounts Payable are recorded at their nominal value.

GENERAL information



Eden, Frankfurt

GENERAL *information*

COMPANY NAME
Immobel

REGISTERED OFFICE
Rue de la Régence, 58 - 1000 Brussels - Belgium
RPM / RPR (Legal Entitites Register) -
VAT BE 0405.966.675

FORM OF THE COMPANY
Belgian registered joint stock company, constituted on 9 July 1863, authorised by the Royal Decree of 23 July 1863.

TERM
Indefinite

DISCLOSURE OF SHAREHOLDINGS
(Article 10 of the Articles of Association – excerpt)

In addition to the transparency declaration thresholds provided for in the Belgian legislation, the disclosure obligation provided for in this legislation is also applicable as soon as the number of voting rights held by a person acting alone or by persons acting in concert reaches, exceeds or falls below a threshold of 3% of the total existing voting rights. Any obligation imposed by the current legislation on holders of 5% (or any multiple of 5%) of the total existing voting securities is also applicable to the additional 3% thresholds.

WEBSITE
www.immobelgroup.com

FINANCIAL CALENDAR
Publication of 2021 annual accounts: 10 March 2022
Annual General Meeting 2022: 21 April 2022
Publication of 2022 half-year results: 8 September 2022
Publication of 2022 annual accounts: 9 March 2023
Annual General Meeting 2023: 20 April 2023

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GENERAL INFORMATION
Immobel does its utmost to respect the legal prescriptions related to copyrights. It kindly invites any person whose rights may have been infringed to contact the Company.

This report is available in English, Dutch and French.