BEYOND REAL ESTATE

2020
ANNUAL REPORT

INTERVEST
OFFICES & WAREHOUSES

Front cover photograph	The Netherlands - Eindhoven - Gold Forum
Photograph on reverse of cover:	Mechelen Business Tower - NEREOS-concept
Photo for content:	Mechelen - Greenhouse Mechelen - Reception

Alternative performance measures

Alternative performance measures are criteria used by Intervest to measure and monitor its operational performance. This Annual Report 2020 uses the measures, but they are not defined by an Act or in the generally accepted accounting principles (GAAP). The European Securities and Markets Authority (ESMA) issued guidelines which, as of 3 July 2016, apply on the use and explanation of the alternative performance measures. The concepts which Intervest considers to be alternative performance measures are included in the last chapter of this Annual Report 2020, called "Terminology and alternative performance measures". The alternative measures are indicated with a ✪ and include a definition, objective and reconciliation as required by the ESMA guidelines.

CONTENTS

RISK FACTORS

1 Most important risk factors and internal control and risk management systems

In 2020, the supervisory board of Intervest Offices & Warehouses nv (hereinafter 'Intervest') as always focused attention on the risk factors with which Intervest Offices & Warehouses must contend: market risks, operational, financial and regulatory risks.

The supervisory board confirms the validity of the risks which the company can face, their possible impact and the strategy used in order to moderate the potential impact, such as they are described hereinafter.

However, there are an increased number of risks due to the economic consequences of the coronavirus outbreak. Should the corona pandemic not get under control and should the economy not completely recover, it could have in the further future a negative effect on, among others, the fair value of the investment properties, the collectability of the trade receivables, the EPRA earnings, the access to the capital market and the moment of investment and divestment.

The supervisory board follows the permanent evolutions on the real estate and the financial markets by monitoring continuously the results and the financial situation of Intervest with an increased attention for the measures taken by Intervest in order to limit as much as possible and control the possible negative impact of these risks.

> Permanent changes in the real estate and financial markets require continuous monitoring of the market, operational, financial and regulatory risks in order to safeguard the results and financial situation of Intervest.

This chapter describes the most important risks that the company faces. On the following pages, the first column states the risk. The second column describes its possible influence on the activities of Intervest, which can arise if the risk materialises. The third column provides an overview of the measures that Intervest takes in order to limit and control any potential negative impact of these risks to the highest extent possible[1].

The measures taken and the impact on the figures of these risks are described in detail in separate chapters of this Annual report.

Readers are reminded that these risks are continuously evaluated and that new risks can be identified. This list is therefore non-exhaustive and based on the information that was available at the time this report was published.

In addition, it should be noted that risk management is not an exercise that takes place with a certain frequency, but that it is integral to how the company is managed. This comprises daily financial and operational management, analysis of new investment files, formulating the strategy and objectives, but also establishing strict procedures for decision-making. Understanding of and defending against risks that arise from internal as well as external factors are essential for achieving a total return in the long term.

1 The numbering under *Limiting factors and control* refers to the *Potential impact* in the adjacent column.

2 Market risks

Description of the risks	Potential impact	Limiting factors and control	Note
Economic climate Material deterioration of economic climate (including inflation).	1. Decreased demand for offices, storage and distribution space. 2. Increased vacancy rate and/ or lower rental prices when re-renting. 3. Decrease in fair value of the property and as a result also a decrease of the net value. 4. Possible bankruptcies of tenants. 5. Negative impact on the operating result and cash flow by additional financial costs (caused by a rise in the interest rates), which is higher or faster than the increase in rental income.	▪ Excellent location of the properties, and focus on strategic logistical hubs or on secondary locations having growth potential. (2/3) ▪ Diversified tenant base with limited exposure to a sole tenant, good sectoral spread of tenants, and a market-compliant average contractual rental. (4) ▪ Quality of tenant base with mainly big national and international companies and a limited annual provision for doubtful debtors. (1/4) ▪ Standard clause included in the lease agreements in terms of which the indexation is linked to the heath index. (5).	Property report » 1.Composition of the portfolio
Type of property Decreased attractiveness of the investment properties due to matters such as deteriorating economic conditions, oversupply of certain real estate segments or changing tandards for the sustainability standards of the buildings or in society.	1. Operating result and cash flow affected by lowered review of rental prices, increase of vacancy rate and commercial costs of re-rental. 2. Decrease in fair value of the investment properties and as a result also of the net value and increase of the debt ratio. 3. Not achieving the yield objectives of the investment properties.	▪ Adequate sectoral and regional spread. Strategic choice for investments in the offices sector and the logistics sector. When making investment decisions, adequate sectoral spread is the aim, with a sufficient percentage of investments in liquid real estate markets, as well as a limitation of the exposure of investments in a certain place/ region. (1/2/3)	Property report » 1.Composition of the portfolio
		▪ Proactive follow-up and years of experience. The investment properties are valued on a quarterly basis by independent property experts. In this way, trends in the real estate market become visible quickly and measures can be taken proactively. In addition, Intervest is deeply anchored in the market and possesses strong knowledge of the market stemming from years of experience and its own commercial teams. (1/2/3)	Property report » 3.Valuation of the portfolio by the property experts
Moment of investment and divestment The moment of the transaction (investing/divesting in real estate properties) entails the inherent risk that, if the transaction takes place at the wrong juncture within the economic cycle, a property could be purchased for a price that is higher than its fair value, or conversely, that it could be sold for a price that is lower than its fair value.	1. Operating result and cash flow affected by lowered review of rental prices, increase of vacancy rate and commercial costs of re-rental. 2. Decrease in fair value of the investment properties and as a result also of the net value and increase of the debt ratio. 3. Not achieving the yield objectives of the investment properties.	▪ Clear periods of economic boom lead to higher market prices which may, at a later date, be subject to negative adjustments. During this period of economic boom, a more moderate policy will be applied regarding investments. During periods of economic recession, the fair value and occupancy rate of investment properties usually decline. However, once the economy picks up again, a more active investment policy is followed in anticipation of the increasing fair value of investment properties and a more active rental market. In this regard, due care is taken to prevent the debt ratio of the company from rising above the legally permitted levels. (1/2/3)	Report of the supervisory board » 1.Investment strategy
		▪ Adequate sectoral and regional spread. (1/2/3) ▪ Real estate that is to be purchased and sold must be valued before acquisition or sale by an independent property expert. (1/2/3)	Property report » 1.Composition of the portfolio

Description of the risks	Potential impact	Limiting factors and control	Note
Deflation A decrease in economic activity leading to a general decrease in prices.	1. Decrease of rental income, among other things due to downward pressure on market lease levels and a decreased or negative indexation.	▪ Clause in most lease agreements that stipulates a minimum for the basic rent or states that negative indexation cannot take place. (1)	/
Volatility on the financial markets External volatility and insecurity on the international markets.	1. More difficult access to the equity markets to raise new capital/ shareholders equity and reduction of the options that concern debt financing. 2. Fluctuations in the share price. 3. Less liquidity available in the debt capital markets in relation to refinancing outstanding bond loans.	▪ Frequent dialogue with capital markets and financial counterparties as well as transparent communication with clear targets. (1/2/3) ▪ Follow-up and management of all risks that could have a negative impact on the perception of investors and financiers of the company. (1/3) ▪ Working towards building up long-term relationships with financial partners and investors. (1/3)	Report of the management board » 4.Financial structure

3 Operational risks

Description of the risks	Potential impact	Limiting factors and control	Note
Investment risk Risk of erroneous investment decisions and inappropriate policy choices.	1. Operating result and cash flow affected by lowered review of rental prices, increase of vacancy rate and commercial costs of re-rental. 2. Decrease in fair value of investment properties, mainly caused by increasing vacancy rate, unpaid rents, decrease of the rental prices when concluding new lease agreements or when extending existing lease agreements, along with technical characteristics relating to real estate such as soil contamination and energy performance. 3. Decrease of the net value and increase of the debt ratio.	▪ Internal checking measures: careful assessment of the risk profile based on market research, estimate of future yields, screening of existing tenants, study of environmental and permit requirements, analysis of tax risks, etc. (1/2/3) ▪ Constant monitoring of changes in economic, real-estate specific and regulatory trends, for example, regarding tax legislation, regulations regarding RRECs, etc. (1/2/3) ▪ In accordance with article 49, §1 of the RREC Act, an independent property expert values each acquisition or sale of real estate. (2) ▪ Close supervision of the safeguards put in place during the transaction, regarding both duration and value. (1) ▪ Technical, administrative, legal, accounting and tax due diligence for each acquisition based on continuous analysis procedures, usually with support from external specialised consultants. (1/2/3) ▪ Experience of the management board and the management and supervision by the supervisory board, during which a clear investment strategy is defined with a long-term vision and consistent management of the capital structure. (1/2/3)	Report of the management board » 2.Important developments in 2020 » 2.2 Investments in 2020

Description of the risks	Potential impact	Limiting factors and control	Note
Repurchase risk Risk that, when certain conditions for economic development are not (no longer) met, a right of repurchase granted to the government will be exercised while an industrial site is being developed (within the framework of the Economic Exercise Act of 30 December 1970 and the Decree on Spatial Economy dated 13 July 2012).	1. Decrease in fair value of investment properties when a real estate project disappears from the Intervest real estate portfolio at a predetermined price (formula) because a right of repurchase is exercised.	▪ Internal checking measures: careful assessment of the risk profile based on market research, estimate of future yields, screening of existing tenants, study of environmental and permit requirements, analysis of tax risks, etc. (1) ▪ In accordance with article 49, §1 of the RREC Act, an independent property expert values each acquisition or disposal of real estate. (1)	/
Construction and development risk Risks specifically related to development and reconversion projects, such as solvency of the contractors, obtaining the necessary permits, etc.	1. Inability to obtain the necessary permits. 2. Significant delays leading to loss of potential income. 3. Material overrun of investment budgets. 4. In the case of developments at risk: prolonged periods of vacancy. 5. Not achieving the intended yields on developments.	▪ During legal and administrative due diligence, all permits and possibilities are analysed with each acquisition, usually with the support of external, specialised consultants. (1) ▪ Prior consultation with the relevant municipal and/or city services. (1) ▪ Strict follow-up of projects in progress with implementation of penalty clauses in case third parties do not comply with contracts. (2/3/5) ▪ Engage reputable adequately solvent contractors and provide the necessary guarantees. (3/5) ▪ Only limited developments at risk are started. In other words, subject to exceptions, a project is only launched if it is pre-leased and fully financed and the necessary permits are simultaneously available or if a rental guarantee is obtained from the developer.(4/5)	Report of the management board » 2.Important developments in 2020 » 2.2 Investments in 2020 2.4 Development-potential 7.Outlook for 2021
Negative changes in the fair value of the buildings Negative revaluation of the real estate portfolio.	1. Negative influence of the net result and the net value. 2. Negative evolution of the debt ratio. 3. Impact on the ability to pay out a dividend if the cumulative variations exceed the distributable reserves.	▪ The real estate portfolio is assessed every quarter by independent experts, so that trends become visible quickly and measures can be taken proactively. (1/2) ▪ Investment policy that is aimed at high-quality real estate at strategic logistical hubs and at locations with growth potential. (1) ▪ Well diversified portfolio. (1) ▪ Clearly defined and careful management of the capital structure. (2/3) ▪ The fluctuations in fair value of the investment properties relate to a non-materialised and non-cash item (3)	Report of the supervisory board » 1.Investment-strategy Property report » 3.Valution of the portfolio by the property experts

Description of the risks	Potential impact	Limiting factors and control	Note
Rental risk The risk that a building will not be able to be rented for the previously calculated rent (which may or may not result in vacancy). This risk is influenced by the nature and location of the property, the extent to which it must compete with nearby buildings, the intended target group and users, the quality of the real estate, the quality of the tenant and the lease agreement.	1. Operating result and cash flow damaged by downward amendments to rental prices, increase of vacancy rate and commercial costs or re-rental, increase of property charges that are at the expense of the owner, such as service charges that cannot be passed on and property tax. 2. Decrease in fair value of the investment properties and as a result also of the net value and increase of the debt ratio. 3. Not achieving the intended yields.	▪ Mitigating the impact of the economic situation on the results by: > Spreading the duration of lease agreements and conducting a periodic analysis of the vacancy risk by using a calendar of lease agreements' expiry dates. The company strives to maintain a balanced distribution of the duration of the lease agreements and timely anticipation of future lease terminations and agreement revisions. (1/3) > Spreading the risk according to tenants and quality of the tenants, in order to limit the risk of bad debts and improve income stability. (1/3) > Sectoral spreading of investment properties in which tenants are well spread across a large number of different economic sectors. (1/2/3) > Location and quality of investment properties, with offices located on the Antwerp-Brussels axis, which is the most important and most liquid office region in Belgium, and a logistics portfolio at strategic logistical hubs in Belgium and the Netherlands. (1/2/3)	Property report » 1.Composition of the portfolio
		▪ Allocation of a risk profile to each investment property, which is regularly evaluated (based on the company's own local knowledge and data from external parties and/or property valuers). Depending on the risk profile, a certain yield must be realised over a certain period, which is compared with the expected yield based on the internal yield model. On the basis of this, an analysis is made of which objects require additional investment, where the tenant mix must be adapted and which premises are eligible for sale. (1/2/3)	
		▪ Lease agreements contain protective elements such as rental deposits and/or bank guarantees of the tenants, clauses for automatic annual indexation of the rental prices in conformance with the health index and often a mandatory compensation payment from the tenant in case of early termination of the agreement. (1/3)	Financial report » Note 4 Property-result » Recovery of property charges

Description of the risks	Potential impact	Limiting factors and control	Note
Risk related to the deteriorated state of the buildings and the risk of large works Risk of constructional and technical deterioration in the life cycle of buildings: the state of the buildings deteriorates due to wear and tear of various parts because of normal ageing and constructional and technical ageing.	1. Operating result and cash flow damaged by downward amendments to rental prices, increase of vacancy rate and commercial costs or re-rental, increase of property charges that are at the expense of the owner, such as service charges that cannot be passed on and property tax. 2. Maintenance and renovation costs and investments are necessary to achieve the rental price estimated beforehand. 3. Decrease in fair value of the investment properties and as a result also of the net value and increase of the debt ratio.	▪ Proactive policy regarding maintenance of the buildings. (1) ▪ Constant monitoring of the investment plan in order to guarantee the quality of the portfolio. (1/2/3) ▪ Ad hoc redevelopment and renovation of outdated buildings alongside regular investments in quality and sustainability. (1/2/3) ▪ At the time of the termination of the lease agreement, the tenant (in accordance with the contractual agreements made in the lease agreement) must pay the company a refurbishment fee for rental damage. Rental damage is determined by an independent expert, who compares the incoming inventory of fixtures with the outgoing inventory of fixtures. This compensation for damages can be used to prepare the newly vacant space for occupation by the next tenant. (1) ▪ Sale of outdated buildings. (1/2/3)	Report of the management board» 2.Important developments-in 2020 » 2.2 Investments in 2020
Cost control risk Risk of unexpected volatility and an increase in operating costs and maintenance investment.	1. Operating result and cash flowimpacted, unexpected fluctuations in the property charges.	▪ Periodic comparison of maintenance budgets with the current situation. (1) ▪ Approval procedures when entering into maintenance and investment obligations, in which one or multiple quotations are requested from various contractors based on the amount. The technical department then conducts a comparison of the price, quality and timing of the works. Depending on the size of the amount quoted for the works to be carried out, there are various levels of approval within the company. (1) ▪ Proactive policy regarding maintenance of the buildings and constant screening of the buildings by the technical managers and the commercial teams in their daily discussions with the tenants. (1) ▪ Timely drawing up and close monitoring of investment budgets over the long term for comprehensive renovations and upgrades. (1)	Financial report » Note 5 Property charges
Insurance risk (destruction risk) The risk of inadequate insurance cover when buildings are destroyed by fire or other disasters.	1. Operating result and cash flow affected by loss of rental income and possible tenant loss. 2. Decrease in fair value of the investment properties and as a result also of the net value and increase of the debt ratio.	▪ The real estate portfolio is insured for reconstruction value (which is the cost price for rebuilding to new state of the building, excluding the premises on which the buildings are located. (2) ▪ The insurance policies also mostly include additional guarantees for the real estate becoming unfit for use, such as loss of rental income, costs for maintenance and cleaning up the property, claims of tenants and users and third-party claims. The lost rental income is reimbursed as long as the building has not been rebuilt, as far as this happens within a reasonable time. (1) ▪ Close supervision of the coverage and timely renewal of the insurance contracts. (1/2)	Property report» 2.Overview of the portfolio » 2.3 Insured value

Description of the risks	Potential impact	Limiting factors and control	Note
Debtor's risk The risk that the rent cannot be collected (any longer) due to solvency problems.	1. Operating result and cash flow impacted by loss of rental income and write-off of uncollected trade receivables, as well as by an increase of the costs that cannot be passed on to the tenant due to vacancy and legal costs. 2. Decrease in fair value of the investment properties and as a result also of the net value and increase of the debt ratio.	▪ Clear procedures for screening tenants when new agreements are concluded. (1/2) ▪ Deposits or bank guarantees are always insisted upon when entering into lease agreements. In the standard lease agreement for offices, a rental deposit or bank guarantee is mostly applied that equals 6 months of rent in value, and one that equals 4 months of rent in value for logistics buildings. (1) ▪ Strict debtor management in order to safeguard timely collection of lease receivables and adequate follow-up of rent arrears. (1) ▪ Rents are payable in advance on a monthly or quarterly basis. For rental charges and taxes which may be contractually passed on to the tenants, a monthly (or quarterly) provision is requested. (1)	Financial report » Note 15 Current assets » Trade receivalbes Note 4 Property-result » Rental-related expenses
Legal and tax risks: contracts and company-law reorganisations Inadequate contracts concluded with third parties	1. Negative impact on operating result, cash flow and net value. 2. Not achieving the yield objectives of the investment properties. 3. Reputational damage.	▪ If the complexity so requires, contracts to be concluded with third parties are checked by external consultants. (1/2/3) ▪ Insurance against liability arising from the activities or investments by means of a third-party liability insurance that covers physical injury and material damage. Furthermore, the directors and members of the management board are insured for directors' liability. (1/2) ▪ Corporate reorganisations (merger, demerger, partial demerger, contribution in kind, etc.) are always subject to a due diligence exercise, guided by external consultants to minimise the risk of legal and financial errors (1/2/3)	Property report » 2.Overview of the portfolio » 2.3 Insured value
Turnover of key staff Risk of key staff leaving the company.	1. Negative influence on existing professional relationships. 2. Loss of decisiveness and efficiency levels in the management decision-making process.	▪ Remuneration in line with the market. (1/2) ▪ Working in teams, avoiding individuals being responsible for important and strategic tasks. (1/2) ▪ Clear and consistent procedures and communication. (1/2)	Financial report » Note 7 Employee benefits
Risk of concentration Risk of concentration of (the activities of) the tenants or concentration of investments in one or several buildings.	1. Operating result and cash flow affected by the departure of a tenant or if a specific sector is hit by economic decline. 2. Decrease in fair value of the real estate investments, resulting in a decrease in the net value.	▪ Diversified tenant base with a restriction on the maximum exposure to one tenant and good sectoral spread of tenants. (1/2) ▪ Adequate sectoral and regional spread of the investment properties. (1/2) ▪ In accordance with the RREC Act, a maximum of 20% of the assets may be invested in real estate that forms one single property entity. (1/2)	Property report » 1.Composition of the portfolio

Description of the risks	Potential impact	Limiting factors and control	Note
IT risk Risk related to information technology, such as break-in on the IT network, cyber-criminality, phishing, etc.	1. Negative impact on the functioning of the organisation. 2. Reputational damage caused by the loss of business-sensitive information. 3. Negative impact on the result caused by the loss of operational and strategic data.	▪ Daily back-ups to limit data loss in time. (1/2/3) ▪ Preventive training on cyber criminality for the employees. (1/2/3) ▪ Investing in a secured IT environment. (1/2/3) ▪ Support from externally specialised IT-service related consultants. (1/2/3)	/
Risk associated with internationalising the Group Risk that the investments abroad will lead to an increase in the operational and regulatory risks because of insufficient knowledge of the international context.	1. Increasing complexity of managing the daily activities (knowledge of the foreign market, physical, cultural and language barriers, etc.). 2. Increase in the regulatory risks in the various countries.	▪ Relying on local consultants who provide assistance in international development relating to knowledge of the market and regulations. (1/2) ▪ Implementing the necessary structures and procedures to guarantee fluent international development (e.g. specialised acquisition team). (1/2)	/
Risk related to external communication Risk that Intervest is put in a negative light due to incorrect communication (including road shows and the press).	1. Reputational damage caused by the provision of incorrect information. 2. Negative impact on the share price of the Intervest share.	▪ All external communication (e.g. annual report, press, road shows, etc.) is duly prepared and follows the internal approval flow before it is communicated. (1/2) ▪ The dissemination of transparent internal communication. (1)	/

4 Financial risks

Description of the risks	Potential impact	Limiting factors and control	Note
Financing risk A relative increase in borrowed capital compared to shareholders' equity can result in a higher yield (known as "leverage"), but simultaneously brings increased risk.	1. Being unable to meet interest and repayment obligations of borrowed capital and other payment obligations when yields from real estate are disappointing and when the fair value of investment properties decreases. 2. Not obtaining financing with new borrowed capital or only against very unfavourable terms. 3. The forced sale of investment properties against less favourable conditions in order to be able to meet payment obligations, with a negative impact on the results and net value.	▪ Balanced ratio of shareholders' equity and borrowed capital for financing real estate while keeping the debt ratio between 45% and 50%. This may be temporarily derogated from should specific market conditions require it. (1/2/3) ▪ A balanced spread of refinancing dates of the long-term financing with a weighted average duration ranging between 3,5 and 5 years. This may be temporarily derogated from should specific market conditions require it. (1/2) ▪ Aiming at safeguarding access to the capital market hrough transparent provision of information, regular contacts with financiers and shareholders (and potential shareholders) and increasing the liquidity of the share. (1/2/3)	Report of the management board » 4.Financial structure

Description of the risks	Potential impact	Limiting factors and control	Note
Banking covenant risks Risk of failure to comply with certain financial parameters within the framework of the credit facility agreements and to observe the legal requirements that apply to the company: the bank credit facility agreements are subject to compliance with financial ratios that mainly concern the consolidated financial debt level or the financial interest charges. These ratios limit the amount that might still be borrowed. In addition, there is a restriction on borrowing capacity due to the maximum debt ratio that the regulations on RRECs allow.	1. Cancellation, renegotiation, termination or financing agreements which become due and payable at an accelerated rate by financial institutions when ratios imposed are no longer observed.	▪ Careful financial policy with continuous monitoring in order to fulfil financial parameters. (1) ▪ Follow-up of the changes in the debt ratio at regular intervals and prior analysis of the influence of every intended investment operation on the debt ratio. (1) ▪ Drawing up a financial plan with an implementation scheme as soon as the consolidated debt ratio as defined in the RREC Royal Decree amounts to over 50%, pursuant to Article 24 of the RREC Royal Decree. (1)	Report of the management board » 4.Financial structure
Liquidity risk Risk of insufficient cash flows not being able to meet daily payment obligations.	1. EPRA earnings and cash flow influenced by increase of the costs of debts because of higher bank margins. 2. Financing for interest payments, capital or operational costs being unavailable. 3. Impossibility to finance acquisitions or developments.	▪ Limiting this risk by means of the measures mentioned under operational risks, which reduces the risk of loss of cash flows due to e.g., vacancy or tenant bankruptcy. (1) ▪ Sufficient credit margin with financiers to absorb fluctuations in liquidity requirements. In order for the company to avail itself of this credit margin, the conditions of credit facilities must be complied with on a continuous basis. (1/2/3) ▪ Constant dialogue with financing partners in order to build up a sustainable relationship with them. (2) ▪ Conservative and careful financing strategy with balanced distribution of due dates, diversification of the financing sources and financing partners. (1/2)	Report of the management board » 4.Financial structure

Description of the risks	Potential impact	Limiting factors and control	Note
Interest rate volatility Future fluctuations in the leading short and/or long-term interest rates on the international financial markets.	1. EPRA earnings and cash flow influenced by increase of the costs of debts. 2. Fluctuations in the value of the financial instruments that serve to cover the debts. 3. Potential negative influence on the net value.	▪ High level of hedging against fluctuations in interest rates by means of derivative financial instruments (such as Interest Rate Swaps). (1) ▪ Follow-up of the evolution of interest rates and monitoring its impact on the effectiveness of hedging those risks. (1) ▪ Aiming at a balanced distribution of interest reviewing dates and a duration of at least 3 years for long-term financing. This may be temporarily derogated from should specific market conditions require it. (1) ▪ The fluctuations in fair value of the hedging instruments concern a non-realised and non-cash item (if the products are held until due date and are not settled prematurely). (2/3)	Report of the management board » 4.Financial structure Financial report » Note 19 Financial instruments
Risk associated with the use of financial derivatives In case of unfavourable market developments (for example a sharp decline in interest rates), derivatives receive a negative value in order to hedge the interest rate risk.	1. Complexity and volatility of the fair value of the hedging instruments and therefore also of the net result and net value. 2. Counterparty risk towards the party with whom the financial derivatives have been concluded (see also "Risk associated with banking counterparties").	▪ Fluctuations in fair value of the hedging instruments allowed have no impact on the cash flow since these financial derivatives are kept until the due date of these contracts. Only settlement before the due date would result in extra charges. (1) ▪ All financial derivatives are only used for hedging purposes. No speculative instruments are used. (1)	Report of the management board » 4.Financial structure Financial report » Note 19 Financial instruments
Risk associated with the banking counterparties / Credit risk The conclusion of financing hedging instrument with a financial +institution gives rise to a counterparty risk if this institution remains in default.	1. EPRA earnings and cash flow impacted by additional financial costs and in some extreme circumstances termination of the refinancing contract or the hedging instrument. 2. Loss of deposits.	▪ Relying on various reference banks in the market to ensure a certain diversification of sources of financing and interest rate hedges, with particular attention for the price-quality ratio of the services provided. (1/2) ▪ Regular revision of the banking relations and exposure to each of them. (1/2) ▪ Tight control of cash position so that the cash position at financial institutions is in principle limited and the cash surplus is used to reduce financial debts, unless it has already been designated for new investments. (2)	Report of the management board » 4.Financial structure Financial report » Note 18 Non-current and current financial debts

Description of the risks	Potential impact	Limiting factors and control	Note
Risk associated with the debt capital markets The risk of being shut out of the international debt capital market should investors fear that the company's credit standing is too low to comply with the annual interest payment obligation and the repayment obligation on the expiry ate of the financial instrument to be applied. Risk that the debt capital market will be too volatile to convince investors to purchase the company's bonds.	1. Financing of the day-to-day operations and further growth of the company being unavailable.	▪ Proactively maintaining good relations with current and potential bondholders and shareholders as well as with current and potential bankers by means of transparent disclosure of information, regular contacts with financiers and shareholders (and potential shareholders) and by increasing the liquidity of the share. (1) ▪ Policy to keep the debt ratio between 45% and 50% (regardless of the legal stipulation for RRECs allowing a debt ratio of 65%). This may be temporarily derogated from should specific market conditions require it. (1)	Report of the management board » 4.Financial structure
Financial reporting risk Risk that the financial reporting of the company contains material inaccuracies that would lead to stakeholders being informed incorrectly regarding the operational and financial results of the company. Risk that the timing of financial reporting stipulated by regulations is not respected.	1. Reputational damage. 2. Stakeholders making investment decisions that are not based on the right information, which in turn can result in claims being filed against the company.	▪ Each quarter, a complete closing and consolidation f the accounts is prepared and published. These quarterly figures are always analysed in detail and checked internally. (1/2) ▪ Discussion of these figures within the management board and checking their correctness and completeness by, among others, analyses of rental incomes, operational costs, vacancy rate, leasing activities, change of the value of the buildings, outstanding debts, etc. Comparisons with forecasts and budgets are discussed. (1/2) ▪ The management board presents the financial statements to the audit committee each quarter, along with a comparison of annual figures, budget, and explanations for derogations. (1/2) ▪ Checking of the half-yearly figures and the annual figures by the statutory auditor. (1/2)	Financial report » 7.Statutory auditor's report
Risk of financial budgeting and planning Risk that the forecast and intended growth will not be achieved due to incorrect assumptions.	1. Negative influence when making strategic decisions. 2. Negative influence of the financial and operational management. 3. Reputational damage.	▪ Quarterly updates on the budgeting model, including a comparison of the closing and consolidation of the account. (1/2/3) ▪ Testing the hypotheses in the budgeting model every quarter with any new circumstances and making adjustments where necessary. (1/2/3) ▪ Checking the budgeting model every quarter to detect any programming or human errors in good time. (1/2/3) ▪ Continuously monitoring the parameters that might influence the result and the budget. (1/2/3)	/

5 Regulatory risks

Description of the risks	Potential impact	Limiting factors and control	Note
Status of public and institutional RREC Status subject to the stipulations of the Act of 12 May 2014 on regulated real estate companies and the Royal Decree of 13 July 2014 on regulated real estate companies amended from time to time. Risk of loss of recognition of the public and institutional RREC status.	1. Loss of the benefit of the transparent tax system for RRECs. 2. Loss of recognition is viewed as an event that causes credit to become due before their due date. 3. Negative impact on the share price of the Intervest share.	▪ Continuous attention of the supervisory board and the management board for regulations surrounding RRECs and retention of the public RREC status. As such, among other things the distribution requirement and funding limits are calculated or determined periodically and on an ad hoc basis when refinancing, investing and preparing the dividend proposal. (1/2/3)	General information » 7.GVV - legal framework Report of the management board » 2.Important developments in 2020 » 2.4 Development potential » 7.Outlook for 2021
New and adjustments to different types of legislation New legislation and regulations could enter into force or possible changes in the existing legislation and regulations or their interpretation and application by agencies (including tax administration) or courts could occur[1].	1. Negative influence on the activities, the result and profitability, the net value, the financial situation and the outlook.	▪ Continuous monitoring of existing, any changes to or new future legislation, regulations and requirements and their compliance, with the support of specialised external consultants. (1)	/
Dividend risk Article 7:212 of the Belgian Companies and Associations Code (previously Article 617 of the Belgian Companies Code) stipulates that no payout may be made if, as a result of the payout, the net assets of the company drop or would drop to below the amount of the paid-up capital or, if this is higher, of the called capital, increased by all the reserves which, according to the law or the articles of association, may not be paid out.	1. Partial or total incapacity to pay out a dividend if the cumulative negative changes in the fair value of investment properties exceed the available reserves. This leads to a lower dividend (yield) than expected for the shareholder or none at al. 2. Volatility in the share price. 3. Overall weakening of confidence in the share or in the company in general.	▪ Intervest has sufficient distributable reserves to ensure dividend distribution. (1) ▪ At least 80% of the adjusted positive net result, reduced by the net decrease in the debt burden during the course of the financial year must be paid out as return on capital. (2/3) ▪ Development of solid long-term relationships with investors and financial institutions that facilitates dialogue on a regular basis. (2/3)	Financial report » 8.Statutory annual accounts » 8.6 Attachments to the statutory annual accounts

1 As with existing practices within tax administration, in particular those mentioned in circular Ci.RH.423/567.729 of 23 December 2004 of the Belgian Ministry of Finances on calculating the exit tax, which, among others, specifies that the actual value of the real estate properties upon which the exit tax is calculated is determined by taking into account the registration fees or VAT that would be applied upon a sale of the real estate in question, which can differ from (which includes being lower than) the fair value of these assets as determined for IFRS purposes in the financial statements.

Description of the risks	Potential impact	Limiting factors and control	Note
Compliance risk The risk of an inadequate level of compliance with relevant legislation and regulations and the risk of employees not acting with integrity.	1. Negative influencing of the entire business and operations, the result, the profitability, the financial position and forecast. 2. Reputational damage.	▪ Extra attention is paid to screening integrity when recruiting new staff. Awareness is created around this risk among staff, ensuring that they have sufficient knowledge about changes in the relevant legislation and regulations, supported by external legal advisers. To ensure a corporate culture of integrity, an internal code of conduct and whistle-blowing rules have been defined. (1/2) ▪ Adequate internal control mechanisms based on the "four eyes" principle. These mechanisms are intended to limit the risk of behaviour without integrity. (1/2) ▪ Presence of an independent compliance function (pursuant to article 17, §4 of the RREC Act) focused on examining and promoting compliance with the rules relating to the integrity of its business activities. The rules concern those resulting from the company's policy, the status of the company and other legal and regulatory provisions. In other words, this concerns an element of corporate culture, with an emphasis on honesty and integrity and adherence to high ethical standards in business. In addition, both the company and its employees must behave with integrity, i.e. honestly, reliably and in a trustworthy manner. (1/2)	Report of the supervisory board » 2.Corporate governance statement » 2.4 Other parties involved » Independent control functions
Risk of expropriation Expropriation within the framework of public expropriations by competent government authorities.	1. Loss in value of the investments and forced sale at a loss. 2. Loss of income due to lack of reinvestment opportunities.	▪ Continuous dialogue with the government in order to come to constructive solutions in the interest of all shareholders. (1/2)	/

HISTORY AND MILESTONES

1996

Foundation

1999

Listing on Euronext Brussels (INTO)

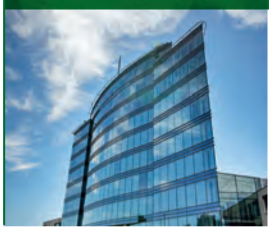
Recognition as a property investment fund under Belgian law

Acquisition of office buildings in the Brussels periphery

2001

Acquisition of office buildings in Antwerp, Mechelen and the Brussels periphery

ACQUISITION OFFICE BUILDINGS
MECHELEN BUSINESS TOWER



2002

MECHELEN CAMPUS (PHASE 1)
ACQUISITIONS OFFICE BUILDINGS

First investments in logistics real estate: 20 properties

Expansion of offices portfolio in the Brussels periphery and at Mechelen Campus (phase 1)

2005

Acquisition of office buildings at Mechelen Campus (phase 2)

2007

Acquisition of office buildings at Mechelen Campus (fase 3), and in the Brussels periphery, Exiten

Expansion of logistics portfolio with site Herentals Logistics 1

2008

Expansion of logistics portfolio with acquisition of Herentals Logistics 2

ACQUISITION LOGISTICS SITE
HERENTALS LOGISTICS 2

2010

Successful first private placement of bond loan

2011

Development of logistics portfolio with acquisitions in Huizingen, Oevel and Houthalen and extension of Herentals Logistics 2 (project development)

Name change, addition: “& Warehouses” confirming the important market position in logistics real estate

Start of turnkey-solutions approach

2012

OEVEL - LOGISTICS SITE

Position extension in logistics real estate with acquisition of second logistics site in Oevel

Further profiling with turnkey-solutions approach

Opening of first Greenhouse co-working in Mechelen

2013

First EPRA Award

Delivery of projects in Oevel (connection between existing logistics sites) and Wilrijk (Peugeot showroom)

WILRIJK 1 - SHOWROOM PEUGEOT

2014

Successful private placement of bonds

Transformation into the status of regulated real estate company (RREC)

Contribution in kind from the logistics site in Oudsbergen

2015

Strategic emphasis shift to logistics real estate: acquisition of a logistics site in Liège

Broader shareholder base and support from several reference shareholders pursuant to the sale by majority shareholder NSI nv of 35% of shares INTO

2016

GREENHOUSE ANTWERP - SECOND GREENHOUSE CO-WORKING

Reorganisation of the real estate portfolio pursuant to the divestment of five non-strategic properties in the Brussels periphery

Opening of second Greenhouse co-working space in Greenhouse Antwerp

Expansion of office portfolio with Intercity Business Park in Mechelen

2017

First step in the Netherlands: acquisition of two logistics sites (Raamsdonksveer and Tilburg)

Achievement of a solid capital structure pursuant to three contributions in kind (logistics sites in Oevel, Aarschot and Zellik) and the optional dividend

Delivery of the newly-built distribution centre at Herentals Logistics

NL - RAAMSDONKSVEER 1

2018

NL - ROOSENDAAL BUILT-TO-SUIT CENTRE FRI-JADO

Successful capital increase with irreducible allocation right of € 99,9 million

Six logistics sites in the Netherlands, one in Belgium, one office building in Belgium and redevelopment of the Diegem office building into Greenhouse BXL with third Greenhouse co-working

Acquisition of substantial development potential by the purchase of zone B of the former Ford site of Genk: 250.000 m² and incorporation of perimeter company Genk Green Logistics nv, as iRREC

2019

Further development of the logistics portfolio in the Netherlands: Nijmegen, Roosendaal, 's-Hertogenbosch (land reserve)

Intervest 20 years on the Brussels stock exchange

Opening of an office in the Netherlands

Divestment of non-strategic logistics properties in Aartselaar, Houthalen and Oudsbergen

NL - EINDHOVEN - GOLD FORUM NEW CONSTRUCTION

2020

GENK GREEN LOGISTICS NEW CONSTRUCTION

Strategic growth plan #connect2022

Fair value exceeds € 1 billion

Realisations sustainable logistics sites (Eindhoven, Roosendaal and Merchtem) and real estate with future logistics development potential (Venlo, 's-Hertogenbosch, Herentals, Genk and Antwerp)

Genk Green Logistics: delivery first new construction of 25.000 m²

Corporate governance: conversion into dual management

AS TEAM CREATING SUSTAINABLE VALUE FOR CLIENTS

INTERVEST IN BRIEF

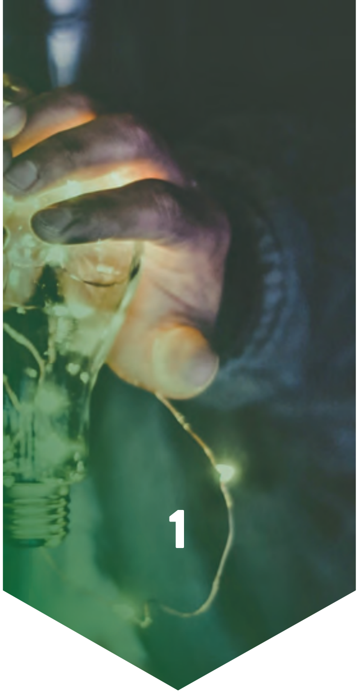
1 Company and real estate portfolio

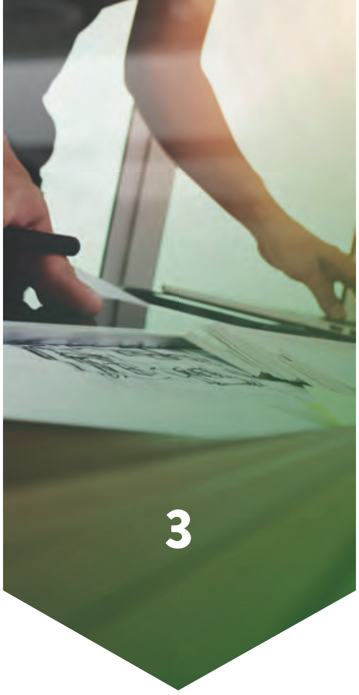
1	Unique combination of two segments: 63% logistics real estate (develop clusters) and 37% offices (re-orientation)	Risk spread
2	#connect2022: value creation, customer focus, sustainability, Team Intervest	Strategic growth plan
3	Acquisitions and development potential: Genk Green Logistics (250.000 m²), Herentals, Greenhouse Singel, Venlo, ’s-Hertogenbosch, ...	Growth potential
4	6,8% gross dividend yield Debt ratio 43%	Attractive yield and balanced financing
5	*Beyond real estate:* “Unburdening” the customer, with Team Intervest	Internal dynamic real estate management

Listed RREC
since 1999

€ 1.018 million
investment properties

€ 575 million
market share value





2 Strategy

#CONNECT2022

As a team creating sustainable value for customers

The four pillars of the strategy (value creation, sustainability, customer focus and Team Intervest) are inextricably linked.
This close link is reflected in the objectives for 2022.

VALUE CREATION

- 30% growth in the fair value of the real estate portfolio
- 10% growth in EPRA earnings per share
- Increase in average rental period: > 5 years
- Extend duration of debts

SUSTAINABILITY

- 100% of electricity consumption from renewable sources
- 80% of the logistics real estate equipped with solar panels
- 80% of the real estate portfolio equipped with smart meters
- 30% of the real estate portfolio certified to at least BREEAM “Very Good”

CUSTOMER FOCUS

- Improvement in customer loyalty by increasing the total number of years as tenant
- Starting to measure the NPS (Net Promoter Score), an indication of satisfaction and loyalty

TEAM INTERVEST

- The pursuit of sustainable motivation among employees
- The attraction and retention of professional employees

- Value creation for all stakeholders by generating solid and recurring cash flows on a well-diversified real estate investment portfolio, taking into account ESG criteria
- Customer focus, to go beyond square metres of real estate and provide added value by "unburdening" customers
- To be a reliable employer that offers its employees a caring work environment in which they can develop themselves to their full potential.

> "What is important is not growing just for the sake of growing, but rather, asset rotation with a view to improving the risk profile and the total quality of the real estate portfolio, whereby we keep the entire value chain in-house."
>
> Gunther Gielen, ceo Intervest Offices & Warehouses

MISSION & VISION

Gunther Gielen › ceo Intervest Offices & Warehouses

3 Key figures for 2020

REAL ESTATE

€ 1,0 billion
Fair value of the portfolio

93%
Occupancy rate:
- 98% Logistics NL
- 95% Logistics BE
- 88% Offices

4,0 year
Average remaining duration of lease agreements
- 4,7 years Logistics
- 2,9 years Offices

7,4%
Gross rental yield for fully leased portfolio
- 6,4% Logistics
- 9,2% Offices

FINANCIAL

€ 1,60
EPRA earnings per share

€ 22,40
EPRA NTA per share

2,0%
Average interest rate of the financings

43%
Debt ratio

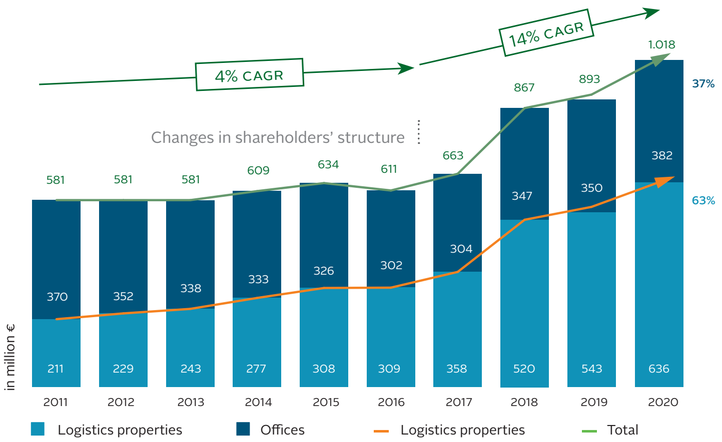
€ 1,53
Gross dividend per share

MARKET

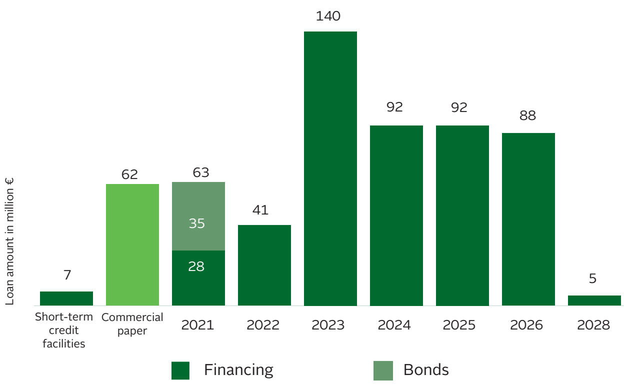
€ 575 million
Market capitalisation

6,8%
Gross dividend yield

Fair value of the real estate portfolio



Expiry dates calendar credit lines



SUSTAINABILITY

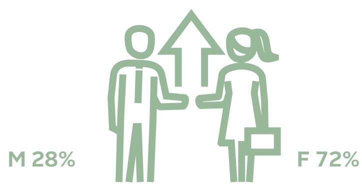
21%
of the real estate portfolio at least BREEAM "Very Good"

100%
of electricity from sustainable sources

65%
of the logistics real estate portfolio with solar panels: 30 MWp

TEAM

48 employees



4 Activities in 2020

- Acquisitions and investments: € 110 million in sustainable logistics sites (Eindhoven, Roosendaal and Merchtem) and in real estate with future development potential (Venlo, 's-Hertogenbosch, Herentals, Genk and Antwerp)
- Genk Green Logistics: first new-build of 25.000 m² of a potential of 250.000 m² delivered
- Fair value more than € 1 billion
- Leasable area more than 1 million m²
- Realisation of important rental transactions: 19% of the contractual annual rent extended or renewed
- Strengthening of shareholders' equity by € 16,3 million through the optional dividend, with 62% of shareholders opting for shares
- Corporate governance: dual management with supervisory board and management board
- Strategic growth plan: #connect2022
- *Beyond real estate*: corona-proof office concept NEREOS

5 Corona impact

- Solid basis due to activities in two real estate segments, sectoral spread of the tenants, sufficient financing capacity and a strong balance sheet
- Collection of lease receivables in line with normal payment pattern: 99% of Q4 2020 received
- Stable occupancy rate
- Team Intervest: operational and available for all stakeholders via teleworking

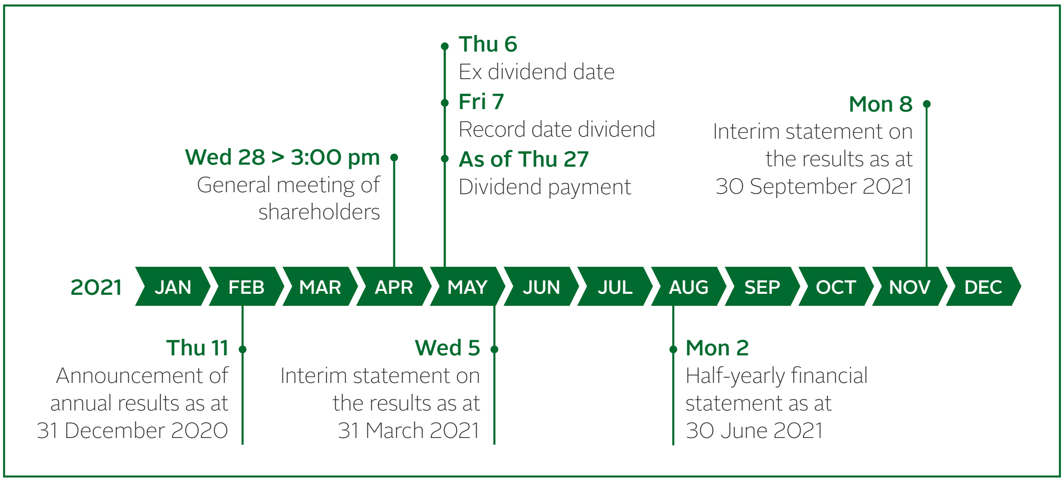
The Netherlands › Roosendaal - Braak

6 Consolidated key figures over 2 years

in thousands €	31.12.2020	31.12.2019
Key real estate figures		
Fair value real estate	1.017.958	892.813
Fair value of real estate available for lease	965.796	859.513
Gross lease yield on real estate available for lease (%)	6,9%	7,2%
Gross lease yield on real estate available for lease 100% leased (%)	7,4%	7,7%
Average remaining duration of lease agreements (until first expiry date) (in years)	4,0	4,3
Average remaining duration of lease agreements in logistics portfolio (until first expiry date) (in years)	4,7	5,3
Average remaining duration of lease agreements for offices (until first expiry date) (in years)	2,9	3,1
Occupancy rate total portfolio (%)	93%	93%
Occupancy rate logistics portfolio (%)	96%	96%
Occupancy rate logistics portfolio NL (%)	98%	100%
Occupancy rate logistics portfolio BE (%)	95%	94%
Occupancy rate offices (%)	88%	90%
Gross leasable surface area (in thousands of m^2)	1.046	946
Key financial figures		
EPRA earnings	40.355	46.820
Result on portfolio	5.387	22.010
Changes in fair value of financial assets and liabilities	- 2.311	- 3.065
NET RESULT - GROUP SHARE	**43.431**	**65.765**
Number of shares entitled to dividend	25.500.672	24.657.003
Weighted average number of shares	25.164.126	24.516.858
Share price on closing date (in €/share)	22,55	25,60
Net value (fair value) (in €/share)	21,46	21,25
Net value (investment value) (in €/share)	22,64	22,40
Premium with respect to net value (%)	5%	20%
Market capitalisation (in million €)	575	631
Gross dividend (in €)	1,53	1,53
Gross dividend yield (in %)	6,8%	6,0%
Debt ratio (max. 65%)	43%	39%
Average interest rate of the financing (in %)	2,0%	2,1%
Average duration of long-term credit lines (in years)	3,8	4,0
EPRA key figures		
EPRA earnings per share (in €/share) (Group share)	1,60	1,91
EPRA NTA (in €/share) (new indicator)[1]	22,40	21,77
EPRA NRV (in €/share) (new indicator)[1]	24,08	23,01
EPRA NDV (in €/share) (new indicator)[1]	21,37	21,14
EPRA NIY (Net Initial Yield) (in %)	5,7%	5,9%
EPRA adapted NIR (in %)	5,8%	6,1%
EPRA vacancy rate (in %)	7,3%	6,8%
EPRA cost ratio (including direct vacancy costs) (in %)	20,2%	15,5%
EPRA cost ratio (excluding direct vacancy costs) (in %)	18,7%	14,5%

1 In October 2019, EPRA published the new Best Practice Recommendations for financial disclosures of listed real estate companies. EPRA NAV and EPRA NNNAV are replaced by three new Net Asset Valuation indicators, namely EPRA NRV (Net Reinstatement Value), EPRA NTA (Net Tangible Assets) and EPRA NDV (Net Disposal Value). The EPRA NTA largely matches the "old" EPRA NAV.

7 Financial calendar 2021[1]



1 Any changes in the financial calendar will be disclosed in a press release that can be consulted on the company website, www.intervest.be.

Sustainable energy > Photovoltaic panels

LETTER TO SHAREHOLDERS

Dear Shareholders,

The global health crisis triggered by the outbreak of the coronavirus has had an impact on how people live and work. This period is also leaving its mark on the real estate sector which more than ever depends on flexibility and agility in extremely rapidly changing circumstances. The health and well-being of our employees, their families, our customers and their employees was and remains Intervest's first priority.

In this unprecedented context, Intervest has paid the necessary attention to the risk factors that can be linked to the corona crisis. The company thus took on its responsibility by safeguarding the availability of offices and warehouses, and by helping and supporting its customers and their employees where necessary. In this context, it also ensured that Team Intervest has remained operational via teleworking in order to assist all stakeholders with comprehensive services and flexible solutions.

Operating in two real estate segments with their own cyclical dynamic, the sectoral spread of the tenants, adequate financing capacity and a strong balance sheet have provided the company with a solid basis and limited the impact of the corona crisis on Intervest in 2020.
However, during 2020, the results both in the traditional office segment, with less effective occupancy due to mandatory teleworking, and in the logistics sector, characterised by strongly increasing e-commerce activities, do not display any negative impact
In the Greenhouse hubs, however, the mandatory teleworking and the 1,5 m distance rule have had an impact on the use of co-working lounges and meeting rooms. However, this has not had a significant impact on the 2020 EPRA earnings.
The total occupancy rate has also remained stable compared to the end of 2019 and the collecting of rental receivables is still in line with the normal payment pattern, despite the corona crisis.

Strategy

In June 2020, under the name #connect2022[1] Intervest presented its strategy, based on four closely linked pillars: value creation, customer focus, sustainability and Team Intervest.
With #connect2022, Intervest has set out the lines for the coming years: realising a carefully thought out growth of 30% of the fair value of the real estate portfolio by the end of 2022, improving the quality of the real estate portfolio through asset rotation, realising the entire value chain from purchase (which can also include land purchase) to completion of the property with an in-house dedicated and motivated team and all this with an eye for sustainability with regard to both investment and financing. Hence #connect2022: the creation of value for all stakeholders with the respect for sustainability in different areas and the support of a powerful, customer-focused team are, after all, inextricably linked with each other. The NewAssetTeam work group was established in the last quarter of 2020. In concrete terms, this means that the translation of the needs of the tenants is done within the interdisciplinary work group of the Asset Team (commercial, administrative and technical), in order to be able to respond fully to the needs of tenants and users.
With #connect2022, Intervest crystallises its further evolution and aims to become a reference for sustainable value creation in the real estate sector.

#connect2022
- value creation
- customer focus
- sustainability
- Team Intervest

1 See press release 18 June 2020: "Intervest Offices & Warehouses presents strategy #connect2022".

Fair value
more than
€ 1 billion

Real estate portfolio:
63%
logistics real estate
37%
offices

Total leasable
space
more than
1 million m²

Real estate portfolio

For the first time in its history, the fair value of investment properties exceeds the € 1 billion mark, namely € 1.018 million, an increase of 14% or € 125 million compared to the fair value as at 31 December 2019 (€ 893 million). This increase brings the company closer to achieving the value creation target in the #connect2022 strategy of 30% growth in the fair value of the real estate portfolio by 2022.
This increase in 2020 is the result of investments in acquisitions, (re) developments and in the existing real estate portfolio of € 110 million and a decrease in the fair values of the real estate portfolio of € 15 million. The fair value of the existing office portfolio (without acquisitions) fell by 4%, mainly as a result of the estimate employed by property experts in the current uncertain economic situation. The fair value of the logistics portfolio (excluding acquisitions and (re)developments) rose by 6% as a result of the further sharpening of the yields and leases, the delivery of the first complex in Genk Green Logistics and taking into account a rise in the rate for the registration fees in the Netherlands from 6% to 8%, valid as from 1 January 2021 and already deducted from the fair value as at 31 December 2020. The ratio of the real estate segments in the portfolio as at the end of 2020 amounted to 63% logistics real estate and 37% office buildings. 44% of the logistics real estate portfolio is now located in the Netherlands. The total real estate portfolio had as at 31 December 2020 a total leasable space of 1.045.937 m^2.

Investments and development potential

Investments in real estate through acquisitions and (re)developments of € 110 million clearly satisfy two pillars of the #connect2022 strategy in 2020, namely sustainability and value creation through, among other things, future development potential, to be realised with our own team.

The logistics real estate portfolio has been expanded with the acquisitions in Venlo (NL) and 's-Hertogenbosch (NL) and the delivery of sustainable built-to-suit development projects in Roosendaal (NL), Eindhoven (NL), Merchtem and Genk.

Intervest offers inspiring, flexible, sustainable and future-proof office solutions in line with its strategic positioning *beyond real estate*.
In the course of 2020, an office building with a strategic land position was acquired in Herentals. Adjacent to the existing properties of Intervest, Herentals Logistics is thus part of the formation of a cluster and, with this, the large-scale logistics redevelopment of the entire site is possible.
In November 2020, an office renovation project was added to the portfolio. With this acquisition in Antwerp, Intervest has an excellent location with a state-of-the-art renovation project of over 14.000 m^2 of office space that will be delivered as BREEAM 'Excellent'. When this renovation project has been completed, projected for the beginning of 2022, the building will be one of the top office buildings in Antwerp and will be marketed as Greenhouse Singel.

Resulting from the corona crisis, in 2020, Intervest launched the corona-proof office concept 'NEREOS' (NEw REality Office Space). It would seem that the new normal is a mixed office, one that combines social distancing measures with flexible working hours and perhaps even working remotely. The NEREOS office concept is a response to this new 'blended' working environment.

In Genk, the development of the sustainable Genk Green Logistics project for the redevelopment of zone B of the Ford site is proceeding as planned. This redevelopment project is in line with Intervest's strategy to create sustainable value. The first logistics complex of approximately 25.000 m² was delivered at the end of 2020. The marketing of the large-scale state-of-the-art project of a total of 250.000 m² is in full swing.

Sustainability

In terms of sustainability, the quality of the total real estate portfolio was further optimised in 2020 by the obtaining of a number of new BREEAM certifications. At the end of 2020, 21% of the total real estate portfolio is at least certified as BREEAM 'Very Good'. The proposed sustainability target in the #connect2022 strategy of 30% by 2022 is not far away. Furthermore, in 2020, approximately 61% of the logistics sites were equipped with solar panels, good for a 30 MWp installation.
In 2020, Intervest has undertaken actions to persist with its sustainable business operations with the 17 United Nations Sustainable Development Goals (SDGs) as a guideline and reports about this in a separate Sustainability Report.

21%
at least BREEAM 'Very Good'

Occupancy rate property portfolio
93%

Leasing activity and occupancy rate

The total occupancy rate of the portfolio available for lease remained stable at 93% as at 31 December 2020, despite the corona crisis. The occupancy rate of the total logistics portfolio also remained at the same level of 96%. In the Netherlands, the occupancy rate of the logistics portfolio remained at 98% and taking into account the short-term lease agreement in Roosendaal Braak, this gives an occupancy of 100% as at the end of 2020. The logistics occupancy in Belgium has increased by 1% point compared to 31 December 2021 to 95% due to a leasing to DPD Belgium and an expansion of Delhaize in Puurs. Both transactions represent together an increase in the occupancy rate of 4% points. However, the increase is reduced by the delivery of the first building of Genk Green Logistics just before the end of the year, that was not yet leased as at 31 December 2020. For the office portfolio, the occupancy rate fell by 2% points to 88% as at 31 December 2020.

In terms of leasings, Team Intervest was very active in 2020, which is reflected in some important transactions and is clearly visible in both segments.
In the logistics segment, 28% of the contractual logistics annual rent has been extended or renewed. The principal transactions were concluded in Herentals with the extension of Nike Europe Holding and in Puurs with the expansion of Delhaize and the leasing to DPD Belgium. In the Netherlands, rental agreements were also entered into for the sustainable logistics new construction projects Gold Forum in Eindhoven and Roosendaal Braak. In the office portfolio, contracts were concluded for a total of 8% of the contractual annual rent, mainly extensions in Mechelen Business Tower, Mechelen Campus and Intercity Business Park.

Despite the difficult and uncertain economic situation caused by the corona pandemic, Intervest closed 2020 with an average remaining duration until the next expiry date of 4,0 years for the entire real estate portfolio. The decrease compared to the end of 2019 (4,3 years) is relatively limited thanks to an active leasing policy.

In the meantime, Intervest has more of a concrete view regarding the future opportunities for its office building Woluwe Garden, both in terms of redevelopment and divestment. The final decision will be made by the end of 2021 at the latest, the date on which PwC vacates the building.

EPRA Earnings per share

€ 1,60

Gross dividend per share

€ 1,53

2,0%

average interest rate

Results and dividend

EPRA earnings as per 31 December 2020, fell by 14% compared to the previous year. This fall is predominantly a combination of, on the one hand, lower rental income due to the one-off termination indemnity payment received from tenant Medtronic in 2019 and the divestment of three older, non-future-proof logistics sites at the end of 2019 and, on the other hand, higher property charges and general costs, mainly one-offs, partly offset by a fall in financing costs. Investments in future-oriented real estate were made in the course of 2020. However, these investments in (re)developments did not generate rental income immediately and thus did not contribute fully to the EPRA earnings for 2020 (such as Roosendaal Braak, Gold Forum in Eindhoven, Merchtem and Genk Green Logistics and Greenhouse Singel in Antwerp). EPRA earnings per share for 2020 was €1,60 compared to €1,91 for 2019 or €1,68 excluding the one-off termination indemnity payment received from tenant Medtronic in 2019.

The gross dividend for financial year 2020 amounts to € 1,53 per share (€ 1,53 for 2019), which means that there is a gross dividend yield of 6,8% based on the closing rate for the Intervest share as at 31 December 2020, which was € 22,55. The net asset value (fair value) amounted to € 21,46 per share as at 31 December 2020, compared to € 21,25 as at 31 December 2019, which means that the share was listed at a premium of 5% as at 31 December 2020.
The market capitalisation of Intervest as at the end of 2020 amounted to €575 million.

Shareholders' equity

Due to the optional dividend whereby 62% of the shareholders opted for shares, shareholders' equity was increased by € 16,3 million in May 2020.

Financing

In the turbulent year 2020, Intervest succeeded in further developing its solid financial structure. The credit portfolio was further optimised and expanded to approximately € 600 million. Thus, the maximum volume of the commercial paper programme was increased from € 70 million to € 120 million with corresponding back-up lines. For both short-term and long-term paper, strong interest was shown in 2020 by a broad base of investors.

To finance the announced #connect2022 growth plan, in 2020, Intervest concluded additional financing with existing financiers, with market-compliant terms and margins. In 2020, Intervest was also able to attract new bank financing at market-compliant terms for its prestigious logistics project development Genk Green Logistics.

With regard to interest rate hedging, € 75 million of blend and extend transactions of interest rate swaps were performed on the existing financial derivatives, which could be concluded at improved conditions and terms thanks to the prevailing low interest rates.

Due to this active management of its financing portfolio, the average interest rate of Intervest fell further to 2,0% in 2020 (2,1% in 2019) and the basis was laid for a further fall in the financing costs in 2021.

There are also no major due dates in the credit portfolio in 2021, only one credit of € 25 million will reach maturity in mid-2021.

At the end of 2020, Intervest had a buffer available of € 150 million in non-withdrawn credit lines (after hedging of the issued commercial paper) to finance ongoing project developments, future acquisitions, the repayment of the bond loan that matures in March 2021 and for the dividend payment in May 2021.

This buffer, combined with the limited debt ratio of 43% at the end of 2020, means that Intervest is well positioned with regard to financing to realise the growth plan #connect2022. Intervest can still invest approximately € 145 million with borrowed capital before reaching the top of the strategic bandwidth of 45%-50%.

Corporate governance

In 2020, changes were made with regard to corporate governance. The Articles of Association of the company were changed to reflect the new Companies and Associations Code, including the choice for a two-tier management consisting of a supervisory board on the one hand and a management board on the other.

In addition, both the composition of the supervisory board and the management board changed in 2020. With the death of Jean-Pierre Blumberg in October 2020, Intervest lost the chairman of the supervisory board. In February 2020, Gunther Gielen took over from Jean-Paul Sols as ceo and chairman of the management board. As a result, Marco Miserez joined the supervisory board as director. Since August 2020, the management board is enlarged with Kevin De Greef (sgc). Marco Hengst, who left in August 2020, was succeeded as from 1 January 2021 as cio by Joël Gorsele. Inge Tas, cfo, remains on board until 12 February 2021 and is succeeded by Vincent Macharis.

As of 2021, a new team is eager to realise the #connect2022 strategy and to create value as a team for all stakeholders.

Johan Buijs
on behalf of the supervisory board

Debt ratio
43%

REPORT OF THE SUPERVISORY BOARD

1 Investment strategy

Intervest is a high-quality, specialised player in both the **logistics real estate segment** and the **office market**; a unique combination on the Belgian RREC market, having sufficient critical mass, and the advantage of a strong risk spread that aims to achieve an attractive and long-term return for shareholders.

That is why Intervest finds it important not only to tackle the current corona crisis, but also to keep looking ahead and sharpen its strategic vision of the future. With #connect2022[1], Intervest presents its strategy based on four closely linked pillars: value creation, customer focus, sustainability and Team Intervest. With this strategy, Intervest crystallises its further evolution and aims to become a reference for sustainable value creation in the real estate sector. In line with this new strategy, Intervest has therefore set itself concrete objectives for the period 2020 - 2022.

With #connect2022, Intervest sets out the lines for the coming years: realising a carefully thought out annual growth of 30% of the fair value of the real estate portfolio, improving the quality of the real estate portfolio through asset rotation, realising the entire value chain from purchase (which can also include land purchase) to completion of the property with an in-house dedicated and motivated team and all this with an eye for sustainability with regard to both investment and financing.

Hence #connect2022: the creation of value for all stakeholders with the respect for sustainability in different areas and the support of a powerful, customer-focused team are inextricably linked with each other. The close link between these pillars is also reflected in the realisation and in the objectives.

#connect2022: value creation

Intervest is committed to creating value for its stakeholders by generating solid and recurring cash flows from a well-diversified real estate portfolio, with respect for sustainability, social aspects and good governance. In doing so, the company wants to **extract nimble advantage** from the respective investment cycles and underlying rental market in offices and logistics, the two segments of the real estate portfolio. For the office segment, this means striving for high-quality properties in attractive and easily accessible places with a large student population. In logistics real estate, it means acquiring sites of a critical size (>25.000 m²) at multimodal locations on the main axes in Belgium, the Netherlands and north-west Germany.

It has been proven in the past that combining the two segments generates high dividend yield. In future this will also continue to be one of the areas on which Intervest will focus, in addition to creating long-term value, both in the office segment and in logistics real estate.

Concrete objectives for the end of 2022:

- 30% growth in the fair value of the real estate portfolio
- 10% growth in EPRA earnings per share
- Increase in average rental period: > 5 years
- Extend duration of debts

#connect2022: customer focus

Customer focus is crucial, externally and internally. Intervest is a real estate partner that goes beyond just letting square metres of office or logistics space, *"beyond real estate"*. In other words, listening to the needs of the customers, thinking along with them and thinking ahead in order to "unburden" them and to offer added value. This translates into an **extensive service provision and flexible solutions** and it demands the dedication of a strong and motivated team in which employees also work for and with each other in a customer-focused manner.

> Intervest goes *beyond real estate*, further than the square metres of office or logistics space.

A proactive customer-focused service is reflected throughout the organisation. All critical functions required for the management of real estate customers and real estate are available in-house: rental, finance and administration, operational services and facility management. A helpdesk is available to customers 24/7 for the day-to-day real estate management.

In concrete terms, work is being done on::

- Improving customer loyalty by increasing the total number of years as tenant
- Starting to measure the NPS (Net Promoter Score), an indication of satisfaction and loyalty

1 See press release dated 18 June 2020: "Intervest Offices & Warehouses presents strategy #connect2022".

#connect2022: Team Intervest

Intervest wants to be a **reliable employer** that offers its employees a **caring working environment** in which they can develop themselves to their full potential. The values of the company and the corporate culture are an important guideline for integrating customer-focused thinking within the day-to-day operations. Covering the entire value chain from land acquisition to long-term rental with our own knowledge and experience also means creating a working environment that facilitates the further development of a motivated and dedicated team of employees.

This consists practically of:

- The pursuit of sustainable motivation among its employees
- Attracting and retaining professional employees

#connect2022: sustainability

Intervest wants to pursue the highest standards of sustainability on both the investment and financing fronts. After all, Intervest has a **very broad vision with regard to sustainability** and is committed to building a long-term relationship with all of its stakeholders.

Sustainability is also about the well-being of employees, customers and their employees. For example, Intervest does not just aim for "quick wins" with regard to BREEAM. Even in the current challenging circumstances, it will always start with the well-being of the user for new investments or developments.

Steps have already been taken in terms of sustainability in the last few years. The intention is to continue along this path and to play a pioneering role with regard to both the portfolio and the financing. The 2020 Sustainability Report reports about the broader sustainability framework, the activities of the past year and the pre-defined objectives and it can be found at **www.intervest.be**.

Intervest has set itself the following concrete objectives by the end of 2022:

- 100% of electricity consumption from renewable sources
- 80% of the logistics real estate equipped with photovoltaic installations
- 80% of the real estate portfolio equipped with smart meters
- 30% of the real estate portfolio certified at least as BREEAM "Very Good"

> "All this means that sustainability is not just a temporary focus. Sustainability forms part of Intervest's DNA."
>
> GUNTHER GIELEN, CEO INTERVEST OFFICES & WAREHOUSES

The Netherlands- Eindhoven › Gold Forum - Solar panels

Genk › Genk Green Logistics

Logistics real estate portfolio: growth in logistics corridors

Geographically, Belgium and its neighbouring countries are optimally located as a **logistical hub in Europe** because of the major European main ports in the Rhine Delta and the proximity of a service area with strong purchasing power within a radius of 500 km. This has also led to the strong development of the logistics real estate market. The demand for logistics real estate will increase further in the future because of the growth of e-commerce, also for food, the return of production capacity to Europe, the creation of strategic stocks and a shorter supply chain. More sites are also increasingly being (re-)developed on the basis of "smart" logistics, responding to the so-called last-mile urban distribution and caring for the climate by improving the quality of the buildings.

In terms of new acquisitions or developments, Intervest has made the three most important logistics axes in **Belgium** its main focus: Antwerp - Brussels - Nivelles, Antwerp - Limburg - Liège and Antwerp - Ghent - Lille. The company already has a distinct, strong presence on these axes, making it an important discussion partner for its customers in these market segments. By further developing the positions on these axes, it is possible to anticipate the changing needs of current and new customers as regards surface area or location.

In **the Netherlands**, the focus for acquisitions is on the axes Moerdijk - 's Hertogenbosch - Nijmegen (A59), Bergen-op-Zoom - Eindhoven - Venlo (A58/ A67) and Rotterdam - Gorinchem - Nijmegen (A15). Other locations in Belgium and the Netherlands connecting to these axes are also being considered.

Intervest aims to establish **building clusters**, i.e. various locations in close proximity to one another, to be able to offer customers efficient and optimal service provision. Not only does such clustering apply for the existing locations, but it will also play a role in the geographic growth of the portfolio as a logical complement to the current core areas and can also consist of a mixed environment of offices and logistics spaces.

The **growth** of Intervest in the logistics segment will be realised via the acquisition of high-quality real estate, developments of land positions, preferably at multimodal accessible locations, and by developments within its own portfolio. In order to realise these developments, Intervest builds up land reserves in the vicinity of its already existing clusters in Belgium and the Netherlands, bearing in mind the proximity of the urban environment, given the evolutions in terms of last-mile urban distribution and the care for the climate.

> To maximise synergy benefits, Intervest's strategy for the logistics segment is aimed at investing in modern clustered logistics sites at locations with multimodal accessibility, with a clear geographical focus, attention for developments in the market and care for the climate.

Office portfolio: responding efficiently to a changing rental market and reorientation of types of buildings while further rollout of the Greenhouse concept

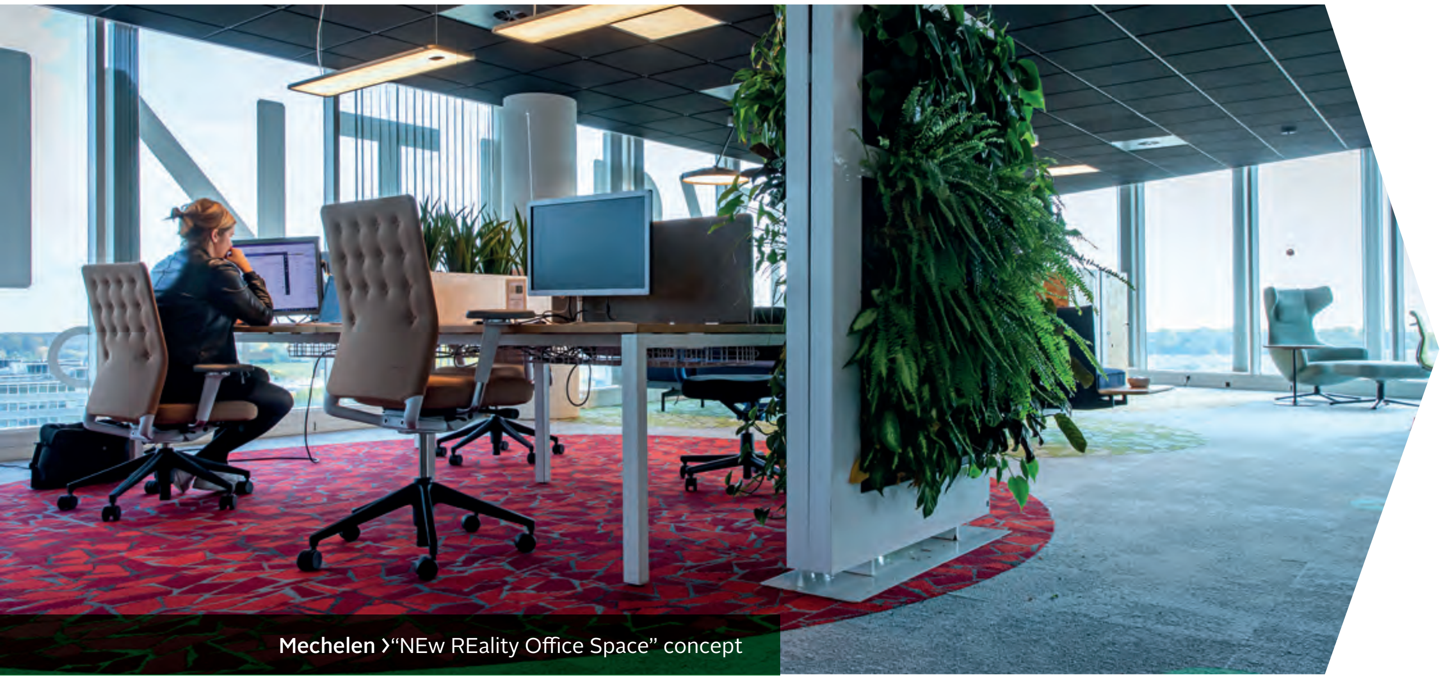
In the highly competitive environment of the office market, Intervest distinguishes itself by focusing on the constantly evolving needs of customers. Businesses are no longer just looking for space. What they want is an all-in-one solution where service provision and additional functionalities make all the difference: shared meeting rooms, facilities to hold events, restaurant, fitness, a general environment for experience and the like. Offering these facilities links up logically with the changing way of working and technology and the accompanying increasing need for flexibility and mobility to work anywhere and anytime. Partly due to the recent coronavirus pandemic, the office landscape has evolved into a mixed-use work environment. Teleworking has become established and offices are also becoming meeting places. It looks like the new normal is a mixed-use office - one that combines social distance measures with flexible working hours and perhaps even working remotely.

Intervest has developed the "NEw REality Office Space" (NEREOS) concept in response to this. This future-oriented office concept is a response to the "new way of working". Because it is fully developed in-house, it allows customers to adapt their office space safely to the mixed work environment. The concept is based on five pillars: separation of public and closed spaces, stimulating one-way traffic, 1,5 m distance, fewer contact surfaces and micro-architecture.

In practical terms, this is a flexible design concept that prevents virus contamination in the office environment as much as possible and takes account of developments in the "new way of working".

By redeveloping existing office buildings and with its **Greenhouse concept,** Intervest is also actively responding to this "new way of working". **Greenhouse** is a concept that is aimed at encouraging people to meet and interact, in a professional atmosphere, with a high level of flexibility and extensive service provision while still paying due attention to well-being and energy efficiency. The future-proof nature of the Greenhouse concept is further accentuated by the current post-corona evolution.

For the reorientation of the office portfolio, Intervest will continue to focus in the future on strategic locations, with an important student population, both in the city centre and on campuses outside the city, predominantly on the Antwerp - Mechelen - Brussels axis. Ghent and Leuven are also being considered for new investments. As far as completion is concerned, new investments in the office market are aimed at buildings having a special character where working is an experience and the Greenhouse concept can be implemented.



Mechelen ›"NEw REality Office Space" concept

Intervest's strategy in the office market is aimed at reorienting office buildings towards multi-tenant buildings with service-oriented, inspiring work environments, in easily accessible locations in and around central cities in Flanders, that have an important student population.

Portfolio characteristics

Intervest has a **mixed real estate portfolio** of € 1.018 million, consisting of 63% logistics real estate and 37% office buildings (as at 31 December 2020).

A large portfolio clearly offers a number of benefits.

- It helps to spread the risk for the shareholders. After all, potential geographic fluctuations in the market can be absorbed by investing in real estate in different areas.
- The company is less dependent on one or a small number of major tenant(s) or project(s) and the risk is spread over a large number of tenants and properties. The tenants also operate in widely divergent sectors of the economy, such as the pharmaceutical and computer industries, media, consultancy, telecommunications, the travel and food industries.
- The achieved economies of scale make it possible to manage the real estate portfolio more cost-efficiently. This relates, for instance, to costs for maintenance and repair, renovation costs (also long-term), consultancy fees, publicity costs, etc.
- The increase in the size of the total portfolio puts Intervest in a stronger negotiating position when discussing new lease terms and offering new services, alternative locations, etc.
- It allows a specialised management board, through its know-how of the market, to pursue an innovative and creative strategy, resulting in increasing shareholder value. It does not just generate growth in rental income, but also boosts the value of the portfolio itself. This kind of active management can lead to the renovation and optimisation of the portfolio, negotiations on new lease terms, an improvement in tenant quality, the ability to offer new services, etc.

Every acquisition must be checked against real estate and financial criteria.

Real estate criteria:

- quality of the buildings (construction, finishing, number of parking spaces and/or loading bays and sustainability aspects)
- location, accessibility, visibility and mobility
- quality of the tenants
- compliance with the statutory and regulatory provisions (permits, soil contamination, etc.)
- re-letting potential.

Financial criteria:

- sustainable contribution to the result per share
- exchange ratio based on investment value in equity transactions.

The free float of the Intervest share was 80% as at 31 December 2020.

Share liquidity

Liquidity is determined by the extent to which the shares can be traded on the stock market. Companies with high liquidity are more likely to attract large investors, which improves growth opportunities.

High liquidity makes it easier to issue new shares (for capital increases, contributions or mergers), which is also tremendously important for growth. Intervest has concluded a liquidity agreement with KBC Securities and Bank Degroof Petercam to improve its liquidity.

2 Corporate governance statement

New governance structure since 18 May 2020: dual management

The extraordinary general meeting of shareholders of Intervest approved the amendments to the company's articles of association in accordance with the new Companies and Associations Code ("CAC") as at 18 May 2020. The choice was also made for **dual management** consisting, on the one hand, of a supervisory board and, on the other, a management board, instead of the monistic system with a board of directors and a management committee.

The supervisory board is competent for the company's general policy and strategy and for all actions specifically reserved for it on the grounds of the CAC and the articles of association. It also supervises the management board. At least once every five years, the supervisory board evaluates whether the chosen governance structure is still appropriate and, if not, it proposes a new governance structure to the general meeting of the company.

The management board exercises all management powers not reserved for the supervisory board in accordance with the CAC and the company's articles of association.

The supervisory board is assisted and advised by three committees: an audit and risk committee, an appointment and remuneration committee and an investment committee.

In addition, the composition of both the supervisory board and the management board changed in 2020. In February 2020, Gunther Gielen took over from Jean-Paul Sols as ceo and chairman of the management board. Marco Miserez later joined the supervisory board in July 2020. The chairman of the supervisory board was lost with the death of Jean-Pierre Blumberg in October 2020. Due to the company's growth and increasing complexity, the supervisory board decided to appoint Kevin De Greef as company secretary in January 2020 and, since August 2020, the management board has been expanded with the addition of Kevin De Greef (sgc). Marco Hengst, who left the company in August 2020, was succeeded as cio by Joël Gorsele as from 1 January 2021. Inge Tas, cfo, resigned from her positions as at 12 February 2021 and was succeeded by Vincent Macharis as from 10 March 2021.

2.1 General

In accordance with article 3:6 §2 of the CAC and the Royal Decree of 12 May 2019 on the designation of the corporate governance code to be observed by listed companies, Intervest has applied the Belgian Corporate Governance Code 2020 ("Code 2020"), as from 1 January 2020, taking into account the RREC legislation. This Code 2020 can be found on the Belgian Official Gazette website and at **www.corporategovernancecommittee.be**.

Intervest's supervisory board has set out the corporate governance principles in a number of directives:

- the Corporate Governance Charter
- the remuneration policy
- the internal regulations of the management board
- the code of conduct
- the procedure for reporting irregularities
- the dealing code.

The complete Corporate Governance Charter, reviewed for the last time in February 2021, sets out the important internal procedures for the management entities of Intervest. The Corporate Governance Charter, as well as the other directives, can be viewed at **www.intervest.be**.

The Code 2020 applies the "comply or explain" principle, whereby derogations from the recommendations must be accounted for. On the date of this Annual Report, Intervest complies with the provisions of Code 2020, except for the following principles:

Principle 3.4 of Code 2020 stipulates that the supervisory board must have at least 3 members who qualify as being independent in accordance with the criteria described in principle 3.5.

As a result of the death of Jean-Pierre Blumberg, the supervisory board has been composed of 4 members since 4 October 2020, of which only 2 qualify as being independent in accordance with the criteria set out in principle 3.5 of Code 2020, which means that Intervest has derogated from principle 3.4 of Code 2020 since 4 October. The nomination of Ann Smolders as a member of the supervisory board will be put to the general meeting of 28 April 2021. Ann Smolders complies with the independence criteria as set out in principle 3.5 of Code 2020.

Principle 7.6 of the Code 2020 states that the members of the supervisory board must receive part of their remuneration in the form of shares of the company.

Intervest derogates from this principle and does not remunerate its supervisory board members in the form of shares. Taking into account their current remuneration and the independent nature of a number of members of the supervisory board, Intervest is of the opinion that the (partial) granting of remuneration in shares does not contribute to achieving the objectives of Code 2020 to have these members of the supervisory board subscribe to a long-term vision. Intervest's strategy, general policy and the way in which the company operates, already meet the objective of principle 7.6 of Code 2020, which is aimed at promoting long-term value creation and a balance between the legitimate interests and expectations of the shareholders and all stakeholders. These principles are specifically set out in the Corporate Governance Charter endorsed by each member of the supervisory board.

Principle 7.9 of Code 2020 states that the supervisory board must determine a minimum threshold of shares that must be held by the members of the management board.

Intervest derogates from this principle and does not set a minimum threshold for the holding of shares by the members of its management board. As a public RREC, Intervest endeavours to create value for its stakeholders by generating solid and recurring cash flows on a well-diversified real estate portfolio and does so with due respect for sustainability, social aspects and good governance. It is this strategy that must be rolled out operationally by the members of the management board. The underlying performance criteria regarding the variable long-term remuneration of the members of the management board contain a clear link with the creation of stable long-term cash flows, which is why Intervest is of the opinion that, in this way, it is already making the members of the management board act with the perspective of long-term shareholders.

However, the members of the management board do have the possibility of individually acquiring shares of the company, on condition that they comply with the rules regarding transactions for their own account in shares or other debt instruments of the company or derivatives or other financial instruments associated with them.

2.2 Management entities

Supervisory board

Role

The company is led by a supervisory board acting as a body.

The supervisory board must aim to achieve sustainable value creation by the company, taking into account the legitimate interests of shareholders as well as of other stakeholders, by means of:

- determining corporate strategy
- establishing effective, responsible and ethical leadership
- supervising the company's performance.

Responsibilities

Strategy

The supervisory board must do the following with regard to its responsibilities relating to strategy:

- approve the company's medium-term and long-term strategies, whereby it also approves the company's willingness to take risks to achieve these strategic objectives, which are based on proposals by the management board; it will also evaluate them regularly
- monitor the operational plans and the key policies developed by the management board in order to implement the company's approved strategy and
- achieve a corporate culture that supports the enterprise strategy of the company and promotes ethical and responsible behaviour.

Leadership

With regard to its leadership responsibilities, the supervisory board must:

- appoint and dismiss the ceo; the supervisory board also appoints and dismisses the other members of the management board in deliberation with the ceo, taking into account the need for a balanced management board
- ensure that there is a succession plan for the ceo and the other members of the management board and to evaluate this plan periodically

- establish the company's remuneration policy for the members of the supervisory board and the members of the management board, as advised by the company's appointment and remuneration committee, while taking into account the company's general remuneration framework
- evaluate the performance of the management board
- evaluate the achievement of the strategic objectives of the company against agreed benchmarks and objectives and
- make proposals to the general meeting regarding the appointment or reappointment of the members of the supervisory board and to ensure that there is a succession plan for the members of the supervisory board.

Supervision

With regard to its supervisory responsibilities, the supervisory board must:

- approve the internal control and risk management framework proposed by the management board and review it after implementation
- take the necessary measures to ensure the integrity and timely disclosure of the company's annual accounts, as well as the timely disclosure of other relevant financial and non-financial information, in accordance with applicable legislation
- provide an integrated vision of the company's performance in the annual report and ensure that such report contains sufficient information regarding issues of social importance, as well as relevant environmental and social indicators
- ensure that there is a process for assessing the company's compliance with applicable laws and other regulations and for applying relevant internal guidelines
- adopt a code of conduct for the company leadership and employees in terms of responsible and ethical behaviour and review it at least once per year and
- monitor the performance of the external audit and the functioning of the internal audit.

Main agenda items of the supervisory board meetings in 2020

The supervisory board met 15 times during the year 2020. The most important agenda items that the supervisory board deliberated and decided on in 2020 were:

- approval of the quarterly, half-yearly and annual figures
- approval of the annual accounts and statutory reports
- approval of the 2020 budgets
- discussion of the real estate portfolio (including investments and divestments, tenant concerns, valuations and the like)
- the capital increase through the issue of an optional dividend within the context of the authorised capital
- the amendment to the Corporate Governance Charter with the implementation of the dual governance model, which must be submitted to the general meeting in that context
- implementation of the new remuneration policy
- composition and evaluation of the management and supervisory boards.

Functioning

The supervisory board meets whenever the interests of the company so require, at least four times per year or whenever the chairman of the supervisory board or any other member so requests.

The deliberations and decisions of the supervisory board are recorded in the minutes drawn up by the company secretary after each meeting and signed by the chairman of the supervisory board and the members of the supervisory board who so request. The minutes are kept at the company secretariat in a specially designated register.

To the extent necessary, it is specified that, during the past five years, no member of the supervisory board:

- has been convicted in connection with fraud-related offences
- as a member of an administrative, management or supervisory body or as a director, has been involved in any bankruptcy, suspension or liquidation
- has been the object of official and publicly voiced accusations and/or sanctions imposed by legal or supervisory authorities, or declared unfit by a legal institution to act as the member of a board, management or supervisory body of an issuing institution or unfit to act in the context of the management or performance of activities of an issuing institution.

There are no family relations extending to the second degree of kinship among the members of the supervisory board.

Composition

The supervisory board consists of a minimum of three and a maximum of ten members. The supervisory board strives to ensure that no individual or group of supervisory board members can dominate the decision-making process. At least three members will have the status of independent members.

All members of the supervisory board are natural persons and must permanently satisfy the requirements in terms of the professional reliability and appropriate expertise necessary to hold their position, as specified in article 14 §1 of the RREC Act.

The composition of the supervisory board is such that there is adequate expertise regarding the various activities of the company, as well as sufficient diversity of competences, background, age and gender.

The members may not hold more than five directors' mandates in listed companies.

In accordance with articles 7:86 and 7:106 of the CAC, at least one third of the members of the supervisory board will be of a different gender than the other members of the supervisory board.

Composition of the supervisory board in 2020

	Address	Mandate	Renewal	End	Attendance
Jean-Pierre Blumberg Chairman, independent member of the supervisory board	Plataandreef 7 2900 Schoten Belgium	Second mandate	April 2019	Died, 4 October 2020	8/10*
Marleen Willekens Independent member of the supervisory board	Edouard Remyvest 46 b1 3000 Leuven Belgium	Second mandate	April 2019	April 2022	15/15
Jacqueline Heeren - de Rijk Independent member of the supervisory board	Stationsstraat 33 2910 Essen Belgium	Second mandate	April 2019	April 2022	15/15
Johan Buijs Acting chairman*, member of the supervisory board	IJsseldijk 438 2921 BD Krimpen a/d Ijssel The Netherlands	Third mandate	April 2018	April 2021	15/15
Marco Miserez Member of the supervisory board	Don Boscolaan 19 1150 Sint-Pieters-Woluwe Belgium	First mandate	Coopted 30 July 2020		5/5**

* Jean-Pierre Blumberg was not present at a number of meetings of the supervisory board for medical reasons. Since 5 October 2020, Johan Buijs has been assuming the role of acting chairman of the supervisory board.

** By decision of the supervisory board of 29 July 2020, Marco Miserez was co-opted as a member of the supervisory board since 30 July 2020. The ratification of the aforementioned cooptation and reappointment will be submitted to the general meeting of shareholders of 28 April 2021.

As a result of the death of Mr Jean-Pierre Blumberg, the supervisory board temporarily consisted of four members as at 31 December 2020, of whom only two qualify as independent members of the supervisory board, both of whom meet the conditions of article 7:87 §1 of the CAC and article 3.5 of Code 2020.

JEAN-PIERRE BLUMBERG

Chairman, independent member of the supervisory board

Jean-Pierre Blumberg was an independent member of the supervisory board since 2016. He was chairman of the Intervest supervisory board until his death as at 4 October 2020.

Professional career

Jean-Pierre Blumberg, born in 1957, attained a licentiate in law at the KU Leuven and a Master of Laws, LLM at Cambridge University. He started his career in 1982 as employee at De Bandt, van Hecke, Lagae (currently Linklaters LLP), where he became partner in 1990. He was then National Managing Partner at Linklaters LLP from 2001 to 2008. He was a member of the Executive Committee Linklaters LLP and Managing Partner Europe from 2008 to 2012. He was a member of the International Board of Linklaters LLP until 2016. Furthermore, he was Senior Partner in the Corporate and M&A Practice Group in Belgium and co-head of global M&A, lecturer at the University of Antwerp, guest lecturer at the KU Leuven, ad hoc lecturer at the AMS Management School and member of the High Level Expert Group on the Future of the Belgian Financial Sector. Jean-Pierre Blumberg is the author and co-author of various articles in national and international legal and tax journals and has attained various distinctions.

Current mandates

Chairman of the supervisory board and member of the audit and risk committee of Intervest (listed company), chairman of the supervisory board of TINC nv (listed), chairman of the supervisory board of Genk Green Logistics nv, independent director of Bank Delen nv, co-chairman Pulse Foundation, director of Antwerp Symphony Orchestra.

Previous mandates during the last 5 years

Independent director of CMB (Compagnie Maritime Belge).

MARLEEN WILLEKENS

Independent member of the supervisory board

Marleen Willekens has been an independent member of the supervisory board of Intervest and chairwoman of the audit and risk committee since 2016.

Professional career

Prof. Dr Marleen Willekens, born in 1965, attained an M.A. in Business Economics at Ghent University (1987) and then started her career in the financial sector, as an intern at Bank Brussels Lambert. In 1989, she decided to enter the academic world, which led to her obtaining a PhD in industrial and business studies from the University of Warwick (Warwick Business School). After having attained her doctorate, she was appointed lecturer in the Accountancy research group of the Faculty of Economics and Business at the KU Leuven in 1995, where she has been a full professor since 2009. She was professor at Tilburg University from 2006 to 2008 and she has also been a part-time professor of Auditing at the BI Norwegian Business School in Oslo since 2012. Marleen Willekens gives lectures on subjects such as Auditing, Financial Accounting, and Financial Management in Healthcare, and also lectures at numerous foreign universities, in MBA programmes and executive programmes. She is also the author and co-author of various articles and books in the field of auditing and accounting. She has received various awards, both locally and abroad for her research in this field.

Current mandates

Member of the supervisory board, appointment and remuneration committee, and chairwoman of the audit and risk committee of Intervest (listed company), member of the board of directors and chairwoman of the audit committee of Aedifica nv (listed).

Previous mandates during the last 5 years

Chairwoman of the Dutch-speaking jury (NL3) of the qualification examination for company auditors (mandate ended in 2019).

JACQUELINE HEEREN - de RIJK

Independent member of the supervisory board

Jacqueline Heeren - de Rijk has been an independent member of the supervisory board of Intervest since 2016.

Professional career

Jacqueline Heeren - de Rijk was born in 1952. She followed a number of Logistics and Transport-related training courses, including the training course as a Transport of Hazardous Substances Specialist at the Shipping and Transport Education Foundation. Since 1991, she has held the position of director/manager at Jan de Rijk nv (trade name Jan de Rijk Logistics). She has also been a director at Europand bv since 2005.

Current mandates

Member of the supervisory board of Intervest (listed company). Vice-chair of the sector council of the National and International Road Transport Organisation foundation (ZBO). Board member of thermography Coordination and Advice Centre Brabant (Multimodaal Coördinatie- en Adviescentrum Brabant). Member of Economic Board West Brabant. Smartwayz Programme Board Member.

Previous mandates during the last 5 years

Director of Europand Eindhoven bv.
Director of Euroute Holding nv.
Director of Euroute Investments bv.

JOHAN BUIJS

Acting chairman, member of the supervisory board

Johan Buijs has been a non-independent member of the supervisory board of Intervest since 2011 and acting chairman since 5 October 2020.

Professional career

Johan Buijs, born in 1965, studied civil engineering at the Delft University of Technology. He started his career in 1989 as a structural engineer at the D3BN Civil Engineers consultancy. After that, he worked as a structural engineer/project manager at Royal Haskoning and as a project manager and director of D3BN Rotterdam and director of D3BN infrastructure. He continued his career as the head of the building department and, as from January 2005, as statutory director of Wereldhave Management Holding bv. In 2006, Johan Buijs was appointed statutory director of Wereldhave nv. In 2008, he continued his career at NSI which he led as General Manager until August 2016. He is currently active as ceo and co-founder of Spark Real Estate bv, co-founder of Vybes bv and shareholder/director at Easywatersupply (EW Supply bv).

Current mandates

Member of the supervisory board of Intervest (listed company), member of the statutory auditors of Stadsherstel Historisch Rotterdam nv and member of the board of statutory auditors of Matrix Innovation Centre.

Previous mandates during the last 5 years

Director at IVBN, the Vereniging van Institutionele Beleggers in Vastgoed (Association of Institutional Real Estate Investors).

MARCO MISEREZ

Member of the supervisory board

Marco Miserez has been a non-independent member of the supervisory board of Intervest since 30 July 2020.

Professional career

Marco Miserez, born in 1987, graduated as a commercial engineer from ICHEC Brussels Management School in 2010. He started his career in 2010 as an equity advisor at KBC Securities. In 2016, he continued his career as a portfolio manager at Candriam. In April 2020, he joined the Investments team of Belfius Insurance as a senior manager specialising in equities.

Current mandates

Member of the supervisory board of Intervest (listed company). Member of the board of directors of Technical Property Fund 2. Member of the advisory board of imec.xpand.

Previous mandates during the last 5 years

N/A

Berchem › Greenhouse Antwerp - Boardroom

Appointment procedure

The members of the supervisory board are appointed by the general meeting of shareholders for a maximum period of four years. The articles of association do allow an appointment for a period of six years, however. The members of the supervisory board are re-eligible. The mandates can be renewed three times. Members are not reappointed automatically. The maximum duration of an appointment for an independent member of the supervisory board is 12 years. An appointment may be revoked by the general meeting at all times.

The appointments process is led by the appointment and remuneration committee, which recommends suitable candidates to the supervisory board. The supervisory board then makes proposals for (re)appointment to the general meeting, which may or may not approve them.

The appointment and remuneration committee takes the initiative in drawing up the selection criteria and the competency profile. In the event of a new appointment, the chairman of the supervisory board and the chairman of the appointment and remuneration committee will ensure that the supervisory board has sufficient information about the candidate before considering the candidacy.

The choice of members is determined on the basis of the necessary gender and other diversity and complementarity in terms of competence, experience, knowledge and behavioural competences such as integrity, absence of conflict of interest, judgement, problem analysis, vision, knowledge and experience (from different sectors and perspectives). A candidate must satisfy the objective criteria and the requirements of the RREC ACT and the RREC RD as much as possible.

The general meeting of shareholders appoints the members of the supervisory board whom it selects from the candidates nominated by the supervisory board.

The appointment of a new member of the supervisory board must also be approved by the FSMA in accordance with the RREC Act.

The mandates of the members of the supervisory board are revocable ad nutum. If the seat of a member of the supervisory board becomes vacant during the term of office, the remaining members of the supervisory board are authorised to temporarily appoint a member of the supervisory board to serve out the term, subject to confirmation of the thus co-opted member of the supervisory board by the next general meeting.

Chairman of the supervisory board

The supervisory board appoints a chairman from among its members. The chairman takes the leading role in all initiatives aimed at securing the proper functioning of the supervisory board and does so in an atmosphere of trust and respect.

The chairman is a person who is recognised for his professionalism, independence of mind, coaching skills, ability to reach consensus, communication and meeting and management skills.

At the head of the company, a clear distinction is made between, on the one hand, the responsibility for organising, leading and informing the supervisory board, which befits the chairman of the supervisory board, and, on the other hand, the executive responsibility for managing the company activities, which befits the ceo. The chairman must maintain a close working relationship with the ceo, while providing support and advice, taking into account the executive responsibilities of the ceo. The positions of chairman of the supervisory board and ceo may not be performed by one and the same person.

The chairman will ensure that the supervisory board is optimally composed and will lead the supervisory board. He initiates the regular evaluation of the effectiveness of the supervisory board and the management of the calendar of meetings. The chairman ensures that the procedures with regard to the deliberations, the adoption of resolutions and the implementation of decisions are carried out correctly. He encourages effective interaction between the supervisory board and the management board and ensures effective communication with shareholders and other key stakeholders.

Secretary

The supervisory board has appointed Kevin De Greef as company secretary. The role and duties of the secretary are assigned by the supervisory board. The secretary regularly reports to the supervisory board with regard to the manner in which the procedures, rules and regulations of the Corporate Governance Charter of the supervisory board are followed and duly observed. He performs all administrative tasks (agenda, minutes, archiving, etc.) and ensures that all necessary documents are prepared correctly.

The secretary ensures that there is an efficient flow of information within the supervisory board and between the supervisory board, the specialised committees and the management board.

Evaluation

Under the chairman's leadership, the supervisory board periodically evaluates its size, composition, operation and effectiveness, as well as the interaction with the management board. This evaluation is performed at least every three years.

This evaluation process will:

- assess how the supervisory board functions and is led
- verify whether the major subjects are thoroughly prepared and discussed
- assess the actual contribution and involvement of each member of the supervisory board during discussions and decision-making
- assess how the supervisory board is composed in the light of what the desired composition is
- discuss the functioning and composition of the specialised committees and
- evaluate the cooperation and communication with the management board.

Should the aforementioned evaluation procedures reveal certain points of weakness, the supervisory board will provide appropriate solutions to address them. This can lead to changes in the composition or the functioning of the supervisory board or a specialised committee.

Management board

Role and powers

In accordance with article 7:110 of the CAC and article 17.1 of the articles of association of the company, the management board has the most extensive powers to perform any transactions that are necessary or useful to achieve the object of the company, with the exception of:

- the management powers relating to the general and strategic policy of the company, which are reserved for the supervisory board
- the powers reserved for the supervisory board by virtue of the RREC Act, the RREC Royal Decree or the articles of association
- the approval of the annual accounts and
- any acts and transactions that could give rise to the application of article 7:117 of the CAC.

The Corporate Governance Charter sets out specific subjects that the management board must submit to the supervisory board in advance for approval.

2021 management board, from left to right › Joël Gorsele, Kevin De Greef, Gunther Gielen and Vincent Macharis

The following internal distribution of powers is established within the management board:

- chairman, also called ceo ("chief executive officer"), has general and coordinating powers and is responsible for the development of the strategy and the relationship with the shareholders, and bears ultimate responsibility for the company's public relations
- the cfo ("chief financial officer") is responsible for the financial management of the company
- the cio ("chief investment officer") is responsible for the active asset management of the company's real estate and its perimeter companies and, thus, for the implementation of the company's investment and divestment strategy
- the sgc ("general counsel & secretary general") heads the legal department (responsible, among other things, for the day-to-day legal management of the company and its perimeter companies and for the legal support for the company's operational activities) and is responsible for the general secretariat of the company.

Functioning

The management board meets at least once a month, convened by the chairman, who may call a meeting at his own initiative or at the request of at least two members of the management board.

Any member may submit a request to the chairman to put an item on the agenda.

The management board will approve the agenda at the beginning of each meeting.

In principle, the meetings of the management board are held behind closed doors.

The management board can only deliberate validly if at least half of its members are present or represented.

The management board deliberates on the basis of dossiers containing all the information necessary to take the decisions, copies of which are distributed to each member prior to the meeting.

The decisions of the management board are taken by a simple majority of the votes cast.

In accordance with article 13 of the articles of association of the company and the RREC Act, the supervisory board entrusts the de facto management of the company to the members of the management board.

The rules governing the composition and functioning of the management board are described in greater detail in the company's Corporate Governance Charter, which can be viewed at www.intervest.be.

Composition

The management board is composed of at least three natural persons who are appointed by the supervisory board as members of the management board at the proposal of the appointment and remuneration committee. The members of the management board may not be members of the supervisory board.

All members must at all times possess the professional reliability and appropriate expertise required for the performance of their duties, as stipulated in the RREC Act.

The members of the management board are regarded as de facto leaders of the company in accordance with the RREC Act. The members are appointed by the supervisory board for an indefinite period.

The supervisory board chooses a chairman ("ceo") from among the members of the management board who chairs all the management board meetings.

In 2020, the management board was composed of:

- Gunther Gielen, chief executive officer, chairman of the management board (mandate started as at 1 February 2020)
- Inge Tas, chief financial officer (mandate started in 2006, ended as at 12 February 2021)[1]
- Marco Hengst, chief investment officer (mandate started 2016, ended as at 31 August 2020)[2]
- Kevin De Greef, general counsel & secretary general (mandate started as at 31 August 2020)[3]

As from 10 March 2021, the management board has consisted of:

- Gunther Gielen, chief executive officer, chairman of the management board (mandate started as at 1 February 2020)
- Vincent Macharis, chief financial officer (mandate started as at 10 March 2021)[4]
- Joël Gosele, chief investment officer (mandate started as at 1 January 2021)[5]
- Kevin De Greef, general counsel & secretary general (mandate started as at 31 August 2020)

1 See press release dated 29 September 2020, "Intervest Offices & Warehouses and Inge Tas, chief financial officer, are ending their cooperation.".
2 See press release dated 21 August 2020: "Intervest Offices & Warehouses and Marco Hengst, chief investment officer, end the cooperation".
3 See press release dated 7 September 2020: "Intervest Offices & Warehouses welcomes new members to the supervisory board and management board".
4 See press release dated 11 February 2021: "Intervest appoints new chief financial officer".
5 See press release dated 9 November 2020: "Intervest appoints new chief investment officer".

Evaluation

It is the task of the management board to prepare the necessary information for and present it to the supervisory board so that the latter, in its turn, can inform the shareholders appropriately.

In this evaluation process, the supervisory board will:

- assess how the management board functions and is led
- verify whether the major subjects are thoroughly prepared and discussed
- assess the actual contribution and involvement of each member of the management board in the discussions and decision-making and
- evaluate the cooperation with the supervisory board.

Committees of the supervisory board

The supervisory board is assisted by three committees which are composed of members of the company's supervisory board: the audit and risk committee, the appointment and remuneration committee and the investment committee.

Audit and risk committee

Composition

The audit and risk committee is an advisory sub-committee of the supervisory board, composed of at least three members of the supervisory board. At least one member of the audit and risk committee is an independent member of the supervisory board. These independent members of the supervisory board must satisfy the nine independence criteria of article 7:87 §1 of the CAC and article 3.5 of Code 2020. Members of the management board cannot be members of the audit and risk committee.

The members of the audit and risk committee are appointed and may be dismissed by the supervisory board at all times. The duration of a mandate of a member of the audit and risk committee will not exceed the duration of his or her mandate as member of the supervisory board.

The chairperson of the audit and risk committee is appointed by the members of the committee.

The members of the audit and risk committee must be competent. The independent member of the committee must have individual expertise in accounting and/or auditing. Furthermore, the audit and risk committee must be collectively competent. This on two levels: in the field of Intervest's activities and in the field of accounting and audits. Proof of this collective and individual expertise must be apparent from the Annual Report of the management entity.

The members of the audit and risk committee in 2020 were:

- Marleen Willekens (chair, attendance: 5/5)
- Jean-Pierre Blumberg (attendance: 4/4)[1]
- Jacqueline Heeren - de Rijk (attendance: 4/5)
- Marco Miserez (attendance: 1/1)[2]

The duration of their appointment to the audit and risk committee is not specified but coincides with the period as member of the supervisory board.

Functioning

The audit and risk committee meets at least four times per year prior to the meeting of the supervisory board. The committee reports regularly to the supervisory board about the exercise of its tasks, and, in any event, when the supervisory board prepares the annual accounts, the consolidated annual accounts and, where appropriate, the condensed set of financial statements intended for publication.

All meetings of the audit and risk committee are attended by the ceo and the cfo. The chairperson of the audit and risk committee prepares the agenda for each meeting of the audit and risk committee in deliberation with the cfo. The management board is obliged to provide all the necessary information.

The management board or one of its members may ask the chairperson of the audit and risk committee to put an item on the committee's agenda.

The decisions and recommendations of the audit and risk committee are made on the basis of majority vote. In the event of a tie, the chairperson has the casting vote.

The secretary of the committee is the company secretary. The secretary is also responsible for the secretariat of the audit and risk committee and for compiling the minutes of its meetings. These contain the various positions formulated during the meeting and the final position adopted by the committee.

The audit and risk committee evaluates its own internal functioning and composition annually and reports on this to the supervisory board.

Tasks

The audit and risk committee assists the supervisory board in the exercise of its supervisory and auditing responsibilities and makes recommendations regarding the following:

1 Passed away as at 4 October 2020
2 Marco Miserez was co-opted as a member of the supervisory board as from 30 July 2020.

- supervision of the internal control (risk management and compliance)
- examination and assessment of the internal audit
- assessment and monitoring of the external audit
- monitoring of the financial reporting
- monitoring of the legal provisions and administrative procedures.

The audit and risk committee met five times in 2020. The main points addressed by the committee in 2020 were:

- discussion of the quarterly, half-yearly and annual figures
- analysis of the annual accounts and statutory reports
- discussion of the budgets
- monitoring of the statutory audit of the annual accounts (and consolidated annual accounts) and the analysis of the statutory auditor's recommendations
- analysis of the efficiency of the internal control mechanisms and the risk management of the company
- monitoring of the internal audit.

The committee reports its findings and recommendations directly to the supervisory board.

Appointment and remuneration committee

The company has decided to combine the appointment and remuneration committee on the basis of principle 4.20 of Code 2020.

Composition

The appointment and remuneration committee is composed of at least three members of the supervisory board. All its members must be members of the supervisory board, a majority of which are independent members of the supervisory board.

The chairperson of the appointment and remuneration committee is either the chairperson of the supervisory board or another member of the supervisory board.

The members of the appointment and remuneration committee are appointed and may be dismissed at all times by the supervisory board. The duration of a mandate of a member of the appointment and remuneration committee may not exceed the duration of the mandate as member of the supervisory board.

The members of the appointment and remuneration committee in 2020 were:

- Johan Buijs (chairman, attendance: 7/7)
- Marleen Willekens (attendance: 7/7)
- Jean-Pierre Blumberg (attendance: 1/1)[1]
- Jacqueline Heeren - de Rijk (attendance: 6/7)

1 Passed away as at 4 October 2020

Functioning

The appointment and remuneration committee meets whenever it deems this necessary to fulfil its tasks properly and at least twice per year. In principle, meetings of the appointment and remuneration committee are convened by the chairperson of the appointment and remuneration committee. However, any member of the appointment and remuneration committee may request that a meeting be convened.

The attendance quorum for a meeting is met if at least two of the members attend such meeting.

Decisions are taken by the members of the committee by a majority of the votes cast. The committee may invite other people to attend its meetings.

No member of the supervisory board or the management board attends meetings of the appointment and remuneration committee at which his/her own remuneration is discussed and no member of the supervisory board or management board may be involved in a decision regarding his/her own remuneration.

The appointment and remuneration committee reviews its own functioning and effectiveness at least every two or three years. It reports on its evaluation to the supervisory board and, where appropriate, submits proposals for changes.

Tasks

The appointment and remuneration committee makes recommendations regarding the appointment and remuneration of members of the supervisory board and the management board, including the chairperson and the ceo.

In particular, the appointment and remuneration committee makes proposals to the supervisory board regarding the remuneration policy for members of the supervisory board and the management board, the annual evaluation of the management board's performance and the realisation of the corporate strategy on the basis of agreed performance criteria and objectives.

The appointment and remuneration committee leads the appointment or reappointment process of the members of the supervisory board and the members of the management board.

The appointment and remuneration committee met seven times in 2020. The main points addressed by the committee in 2020 were:

- recommendations regarding appointments and remuneration of the members of the supervisory board
- advice and monitoring of the remuneration policy
- presentation of the individual remuneration of the members of the management board
- recommendations regarding the selection, appointment and remuneration of new members of the management board.

Investment committee

Composition

The investment committee is composed of at least two members of the supervisory board. At least one member of the investment committee is an independent member of the supervisory board.

The chairperson of the investment committee is appointed by and from among the members of the investment committee.

The members of the investment committee in 2020 were:

- Johan Buijs (chairman, attendance: 8/8)
- Jacqueline Heeren - de Rijk (attendance: 7/8)
- Marco Miserez (attendance: 1/1)[1]

Functioning

The investment committee meets as often as necessary for it to function effectively, and at least once per quarter.

In principle, meetings of the investment committee are convened by the chairman of the investment committee. However, any member of the investment committee may request that a meeting be convened.

Members of the management board (who are not members of the committee) will always be invited to attend committee meetings to provide relevant information and insights relating to their responsibility.

Decisions are taken by the members of the committee by a majority of the votes cast.

After each committee meeting and, where appropriate, via the secretary, the supervisory board receives a report on the findings and recommendations discussed, as well as verbal feedback on them at the next supervisory board meeting.

The performance of (i) the members and (ii) the functioning of the investment committee is evaluated permanently, (i) on the one hand by the members themselves and (ii) on the other hand, by the entire supervisory board.

Following the evaluation, the investment committee makes recommendations to the supervisory board regarding any changes.

Tasks

The supervisory board has established an investment committee with a view to obtaining professional advice on investment dossiers.

The investment committee prepares the investment and divestment dossiers for the supervisory board and advises the supervisory board and the management board about the acquisition and disposal of real estate and/or acquisitions of real estate companies.

The investment committee met eight times in the year 2020.

1 Marco Miserez was co-opted as a member of the supervisory board as from 30 July 2020.

2.3 Diversity policy

Diversity in all its aspects (culture, gender, language, professional experience, etc.), equal opportunities and respect for human capital and human rights are inherent to Intervest's corporate culture. The company is convinced that these values contribute to balanced interactions, enriched vision and reflection, to innovation and an optimal work environment.

When composing the supervisory board and the management board, the aim is to achieve complementarity with regard to skills, knowledge, experience and diversity in terms of education, knowledge, gender, age, experience, nationality, etc.

This translates into a balanced composition of the supervisory board with regard to skills, knowledge and experience. The members of the management board also form a balanced team, each having the required professional integrity and appropriate expertise. This is clearly shown in the curriculum vitae of each of the members, which is presented in the corporate governance statement.

Moreover, the composition of a supervisory board consisting of two women and two men also complies with the legal provisions concerning gender diversity (articles 7:86 and 7:106 CAC).

Furthermore, the Intervest code of conduct underlines the importance of these values to all employees and can be viewed at **www.intervest.be**. The way in which Intervest deals with all its stakeholders has a solid foundation, which is illustrated by the following important values: "professional and entrepreneurial", "passionate and enthusiastic", "honest and respectful" and "together and as a team".

2.4 Remuneration report

Remuneration policy

The remuneration policy of Intervest has been prepared in accordance with the CAC, with the Act of 12 May 2014 on Regulated Real Estate Companies ("RREC Act") and with the recommendations of the Belgian Corporate Governance Code ("Code 2020"). The Remuneration Policy applies as from 1 January 2020, was approved by the supervisory board as at 11 February 2021 and is subject to approval by the annual general meeting of shareholders, which takes place as at 28 April 2021.

The general meeting of Intervest determines the remuneration of the members of the supervisory board on the basis of the proposal of the supervisory board, which, in its turn, has received proposals regarding this from the appointment and remuneration committee.

The policy is based on the following principles:

- The remuneration policy takes into account the responsibilities and time commitment of the members of the supervisory board and the members of the management board.
- It is intended to offer those involved in managing Intervest remuneration that makes it possible:
  - to attract, retain and motivate the desired persons
  - to take into account the characteristics and challenges of the company
  - and, at the same time, to maintain consistency between the remuneration of company directors and that of all employees
  - while managing risks in a healthy and efficient manner
  - and keeping the costs of the various remunerations under control.
- It also aims to promote sustainable value creation in the company and to contribute to the practical implementation of the strategy, by:
  - determining financial and non-financial performance criteria for the variable remuneration that contributes directly to Intervest's corporate strategy, long-term interests and sustainability
  - providing variable remuneration for both the short term and the long term.
- Customer focus, sustainability, value creation and Team Intervest are the strategic pillars of Intervest which have been translated into its day-to-day operations.

In this way, the remuneration policy of Intervest is intended to create a close link between the interests of its directors and those of the company, its shareholders and all other parties involved.

Intervest wants to remunerate the people concerned at a level that is comparable to the remuneration paid by other companies of a similar size and activity for similar functions.

To keep abreast of the remuneration applicable on the market, the company participates in benchmarks organised by social secretariats or specialised consultants. It sometimes also consults these specialists outside any benchmarking exercise.

Remuneration of the members of the supervisory board

The remuneration of the members of Intervest's supervisory board is aimed at attracting and retaining qualified and competent persons. The structure of the remuneration is determined in such a way that the interests of the company are served in the medium term and the long term. When determining the remuneration, account is taken of the responsibilities, technical nature of the matters falling within the competence of the supervisory board and its specialised committees, as well as the role of the chairman in preparing and coordinating the work of the supervisory board.

The level and structure of the remuneration are also tested by using a benchmark analysis with comparable companies.

The remuneration of the members of the supervisory board was determined by the ordinary general meeting dated 29 April 2020 and consists of:

- fixed remuneration: the members of the supervisory board receive a fixed annual amount of remuneration whereby that of the chairman is increased by 1/3rd compared to the other members
- the attendance fees per attended meeting of the supervisory board or its committees

The basic remuneration of the chairman of the supervisory board is € 40.000 per year; that of the other members of the supervisory board is € 30.000 per year. An attendance fee of € 1.000 per member is paid for attending each meeting of the supervisory board, the audit and risk committee, the appointment and remuneration committee or investment committee.

These attendance fees only apply for physical meetings, therefore not for conference calls or other remote meetings. In exceptional circumstances, temporary exceptions may be granted and attendance fees may also be paid in the case of virtual meetings. This will always be explained in the remuneration report where necessary. Furthermore, the members of the supervisory board cannot claim expenses such as a kilometre allowance, restaurant expenses, etc., unless this has been approved in advance and in writing by the chairman of the supervisory board within the context of an exceptional assignment

The number of attended meetings for which fees are paid per supervisory board member is limited per year and per committee:

- maximum of 8 attended meetings per year per member for supervisory board meetings
- maximum of 5 attended meetings per year per member for audit and risk committee meetings
- maximum of 4 attended meetings per year per member for appointment and remuneration committee meetings
- maximum of 10 attended meetings per year per member for meetings of the investment committee.

Intervest does not grant any remuneration in shares to the members of the supervisory board and thereby derogates from Code 2020, principle 7.6. The company is currently of the opinion that the long-term interests of shareholders are already adequately represented. The context in this regard is explained in detail in the corporate governance statement.

However, the members of the supervisory board are permitted to individually acquire shares of the company, subject to compliance with the rules on transactions for own account in shares or other debt instruments of the company or derived or other financial instruments associated with them.

No employment contract whatever is entered into with the members of the supervisory board, nor is any severance pay regulation in force. The remuneration of the members has no direct or indirect link with the transactions carried out by the company. The members of the supervisory board do not receive any performance-related remuneration such as bonuses, long term incentives, benefits in kind or pension provision.

Specific remuneration may be awarded to the members of the supervisory board in the event of special assignments imposed by the board.

Overview of remuneration to be paid to the supervisory board

in €		Fixed annual remuneration	Attendance fees**				TOTAL
			Supervisory board	Audit and risk committee	Appointment and remuneration committee	Investment committee	
Jean-Pierre Blumberg	Chairman, independent member of the supervisory board	40.000	8.000	4.000	1.000	0	53.000
Johan Buijs	Acting chairman, member of the supervisory board	30.000	8.000	0	4.000	8.000	50.000
Marleen Willekens	Independent member of the supervisory board	30.000	8.000	5.000	4.000	0	47.000
Jacqueline Heeren - de Rijk	Independent member of the supervisory board	30.000	8.000	4.000	4.000	7.000	53.000
Marco Miserez	Member of the supervisory board	12.500	5.000	1.000	0	1.000	19.500
TOTAL remuneration for members of the supervisory board		**142.500**	**37.000**	**14.000**	**13.000**	**16.000**	**222.500**

* Following the departure of the cio in August 2020, Gunther Gielen temporarily took over the responsibilities of Marco Hengst. In this context, the supervisory board entrusted Johan Buijs with a special and single assignment to assist Gunther Gielen. Johan Buijs received a fixed monthly remuneration of € 15.000/month over a period of 5 months, i.e. a total of € 75.000, via his management company Advus Consultancy bv. Further information can be found in the press release of 21 August 2020 "Intervest Offices & Warehouses and Marco Hengst, chief investment officer, end the cooperation".

** Due to the exceptional economic situation pursuant to the corona crisis and the measures imposed by the government that recommend working from home and holding virtual meetings as much as possible, there were hardly any physical meetings of the supervisory board or its committees in 2020. Consequently, by way of exception, virtual meetings were also taken into account in 2020 when determining the number meetings for which attendance fees were to be paid.

The remuneration of the members of the supervisory board with regard to financial year 2020 will be paid out after the general meeting of shareholders to be held in 2021.

The members of the supervisory board do not own any shares of the company, nor have any options on shares of the company been granted to the members of the supervisory board.

Berchem › Greenhouse Antwerp - Co-working lounge

Remuneration of the members of the management board

The remuneration of the members of the management board aims to create a close link between the interests of these members and those of the company, its shareholders and all other parties involved. Furthermore, the policy is intended to make it possible to attract, retain and motivate the desired persons, taking into account the characteristics and challenges of the company.

Intervest wants to remunerate the members of management board at a level that is in accordance with the remuneration paid by companies comparable in terms of size and activity. In order to come up with a market-compliant remuneration, Intervest participates in benchmarks organised by social secretariats or external consultants.

The total remuneration of the members of the management board consists of the following elements (each of which is discussed in more detail in the following sections):

Basic remuneration	+	Risk provisions and benefits in kind
	Fixed remuneration	
	+	
Short term	+	Long term
	Variable remuneration	
	+	
	Pension	
	=	
	Total Payment	

The rights and obligations associated with the positions of the members of the management board are set out formally in a management agreement containing the most important provisions relating to the exercise of their mandate, the confidentiality of the information to which they have access, the conditions for terminating the agreement, etc.

The supervisory board always has the right to terminate the mandate of a member of the management board with a notice period of 12 months. Notwithstanding the above, the supervisory board is, in any event, entitled to terminate the mandate ad nutum with immediate effect, subject to severance payment of twelve times the monthly remuneration, increased by the equivalent value of the additional benefits for a period of twelve months applicable at the time of termination, except if the mandate is terminated due to gross negligence or wilful misconduct on the part of the member of the management board, in which case no fee will be payable.

Specific provisions may apply to other components of the remuneration package upon departure.

Intervest derogates from principle 7.9 of Code 2020 by not recommending to the members of the management board that they hold a minimum threshold of shares in Intervest. The company is of the opinion that a sufficient link is already established with the long-term interests by means of the underlying performance criteria for variable remuneration. The context in this regard is explained in detail in the corporate governance statement.

However, the members of the management board do have the possibility of individually acquiring shares of the company, on condition that they comply with the rules regarding transactions for their own account in shares or other debt instruments of the company or derivatives or other financial instruments associated with them.

SHARES OWNED	31.12.2020	31.12.2019
Gunther Gielen	3.306	1.332

Fixed remuneration

The basic remuneration takes into account the roles and responsibilities of the members of the management board. It is designed to attract and retain those involved.

This basic remuneration is determined in accordance with the individual responsibilities and skills of each member of the management board and is independent of any company result. Furthermore, the amount of the basic annual remuneration is determined on the grounds of comparisons with the remuneration applicable on the market for a comparable position in a comparable company.

This remuneration is indexed on 1 January each year in accordance with the normal index of consumer prices, whereby the basic index will be that of the month preceding the entry into force of the agreement, and the new index that of the month preceding the month in which the indexation takes place, increased by 1 per cent and a maximum of 3 per cent.

Based on a proposal by the appointment and remuneration committee the supervisory board examines the amount of the basic remuneration at the end of the calendar year, to determine whether such amount should be changed and, if so, by how much. Typically, this process does not involve significant increases except, for example, when there are changes in responsibilities. When determining the changes in the amounts, account is also taken of developments observed on the market. Where appropriate, the new fixed remuneration is paid from 1 January of the following year.

The fixed remuneration of the members of the management board is not linked to performance criteria.

Intervest offers market-based risk provisions and benefits in kind that are suitable to attract and retain the right people.

Most members of the management board qualify to receive risk provisions and benefits in kind, which are offered in line with competitive market practices and primarily include, but are not limited to, the following:

- company car
- director insurance that can be divided between death, pension and disability.

Formal policy lines determine the representative value of each of these risk provisions and benefits in kind.

The members of the management board are appointed for an indefinite period and the severance payment amounts to the equivalent of twelve months' fixed remuneration (except in the event of gross negligence or wilful misconduct, in which case no payment is due).

Variable remuneration

Members of the management board qualify for variable remuneration in the short and long term.

Short term

The principle of short-term variable remuneration makes it possible to create a close link between the interests of the members of the management board and those of the company. The short-term variable remuneration motivates people to achieve challenging performance criteria.

The performance objectives are set out explicitly at the start of the financial year by the supervisory board based on a proposal by the appointment and remuneration committee. These criteria are linked to the company's overall performance and to individual performance.

The short-term variable remuneration for the members of the management board is determined on the basis of objective measurable and individual performance criteria. Such performance criteria include, on the one hand (the majority), criteria relating to the collective non-recurrent performance-related benefit of the company and, on the other hand (the minority), individual/function-related criteria. For the ceo, these individual criteria will relate to the corporate strategy, organisation, governance and corporate culture whereas, for the other members of the management board, they will relate to specific objectives for the positions in question.

The evaluation of the performance criteria is the subject of discussion and analysis at a meeting of the appointment and remuneration committee. The variable remuneration can only be allocated if the performance objectives for the indicated reference period were met. The extent to which the financial criteria were achieved is checked after the end of the financial year and based on the accounting and financial data analysed by the audit and risk committee. An evaluation of the non-financial criteria is carried out by the appointment and remuneration committee, based either on an opinion of a reasoned proposal by the chairman of the supervisory board (if it concerns the performance of the ceo) or on a reasoned proposal by the ceo in deliberation with the chairman of the supervisory board (if it concerns the performance of the other members of the management board). The appointment and remuneration committee then gives its advice and proposal for remuneration to the supervisory board. Based on the result achieved, the variable remuneration is allocated by the supervisory board to each member of the management board.

The short-term variable remuneration is paid in the first quarter of the business year following the calendar year.

The supervisory board determines the variable remuneration annually, based on a percentage of the annual fixed remuneration.

The amount of the short-term variable remuneration may not exceed € 175.000 of the basic remuneration for the ceo. This will in any event be lower for the other members of the management board. For the sgc, the maximum basic remuneration was set at € 70.000.

In accordance with article 35, §1 of the RREC Act, the criteria for allocating the variable remuneration, or the part of the variable remuneration that depends on the results, are never linked to specific transactions or dealings related thereto.

Long term

The long-term variable remuneration principle makes it possible to create a close link between the interests of the members of the management board and those of the company and its shareholders. The long-term variable remuneration motivates people to achieve challenging objective measurable performance criteria.

The long-term variable remuneration is awarded every three years. Board members who are new in their position have the opportunity to later participate in the current plan. This is paired with a pro rata allocation of the remuneration.

The long-term variable remuneration is determined by the supervisory board using objective measurable performance criteria over a three-year period. The performance objectives are determined explicitly by the supervisory board and, at the latest, at the start of the first financial year of the three-year performance period, on the basis of a proposal from the appointment and remuneration committee. The performance criteria relate to the long-term creation of shareholder value of the company and the development of Intervest's strategic plan.

The evaluation of the performance criteria is the subject of discussion and analysis at a meeting of the appointment and remuneration committee. The variable remuneration can only be allocated if the performance objectives for the indicated reference period were met. The extent to which the financial criteria were realised is verified after the closing of the last financial year of the three-year performance period and based on the accounting and financial data analysed by the audit and risk committee. The appointment and remuneration committee then gives its advice and proposal for remuneration to the supervisory board. Based on the result achieved, the variable remuneration is allocated by the supervisory board to each member of the management board. In addition, subject to the approval of the supervisory board, the appointment and remuneration committee has the option of adjusting the evaluation, as it deems fit, within a pre-determined range of a maximum of 25% and only in the event of exceptional circumstances. If required, the underlying reasoning will always be explained in the remuneration report for the year in question.

The long-term variable remuneration is paid in the first quarter following the reference period of three years.

The amount of the long-term variable remuneration for the ceo can amount to a maximum of € 525.000 for the full three-year reference period from 2020 up to and including 2022. This will in any event be lower for the other members of the management board.

As has been mentioned above, the variable remuneration is determined based on objective measurable performance criteria (both financial and non-financial) relating, on the one hand, to the creation of shareholder value and, on the other hand, to the development of the strategic plan.

In accordance with article 35, §1 of the RREC Act, the criteria for allocating the variable remuneration or the part of the variable remuneration that depends on the results are never linked to specific transactions or dealings relating thereto.

Deferred payment

In this context, the remuneration policy of Intervest complies with article 7:91 of the CAC. In concrete terms, the variable remuneration for a member of the management board is based for at least 25% on predetermined and objective measurable performance criteria that are measured over a period of at least two years, and (another) 25% on predetermined and objective measurable performance criteria that are measured over a period of at least three years.

Right of recovery

In the agreements with Gunther Gielen and Kevin De Greef, a clawback mechanism is contractually provided whereby the company has the right to recover all or part of variable remuneration from the beneficiary up to one year after it has been paid if, during that period, it transpires that the payment was made on the basis of incorrect information regarding the achievement of the performance targets underlying the variable remuneration or regarding the circumstances on which the variable remuneration depended and, moreover, that such incorrect information is also attributable to fraud on the part of the beneficiary.

Pension

Intervest provides competitive remuneration with regard to pension. If offered, this will be done in line with competitive market practices and on the basis of a system of fixed contributions.

Formal policy lines determine the representative value of such pension provisions. Pension provisions are not linked to performance measures.

Overview of payments to members of the management board with regard to 2020

in €		Fixed annual remunera-tion	Other compo-nents of the remu-neration *	ST variable remunera-tion	LT variable remunera-tion	Pension obligations	**Total payment**
Gunther Gielen	"ceo since 1 February 2020 (€300.000 * 11/12)"	275.000	18.333	100.000	0	41.250	434.583
Total ceo		**275.000**	**18.333**	**100.000**	**0**	**41.250**	**434.583**
Marco Hengst	"cio until 31 August 2020 (€ 215.640 * 8/12)"	143.760	13.333	35.000	0	21.564	213.657
Inge Tas	"cfo"	240.737	15.200	70.000	0	36.688	362.625
Kevin De Greef	"sgc since 31 August 2020 (€ 225.000 * 4/12)"	75.000	0	45.000	0	0	120.000
Other members of the management board		**459.497**	**28.533**	**150.000**	**0**	**58.252**	**696.282**
Marco Hengst**		270.000					270.000
Inge Tas***		300.000					300.000
Severance payment		**570.000**					**570.000**

Ratio of variable compensation / total payment within the meaning of article 3:6 § 3 1° of the CAC	
Gunther Gielen	**22%**
Marco Hengst	**16%**
Inge Tas	**19%**
Kevin De Greef	**17%**

* The other components of the remuneration include fringe benefits such as a car, mobile phone and the fixed-rate expense allowance.

** It was decided by mutual agreement to terminate the cooperation agreement with Marco Hengst, cio, as at 31 August 2020. In this context, a fixed-rate severance fee equal to 12 times the monthly fixed remuneration, plus the equivalent value of the additional benefits for a period of 12 months applicable at the time of the termination was paid. This comes to a gross amount of € 270.000, i.e. including the fixed remuneration and the equivalent value of additional benefits - 15% of the fixed remuneration for the directors' insurance, the equivalent value for the availability of the car, the expense allowance and mobile phone.

*** In September 2020, it was decided by mutual agreement with Inge Tas to end her mandate as cfo with effect from 12 February 2021. In this context, a fixed-rate severance fee equal to 12 times the monthly fixed remuneration, plus the equivalent value of the additional benefits for a period of 12 months applicable at the time of the termination was paid. This comes to a gross amount of € 300.000, i.e. including the fixed remuneration and the equivalent value of additional benefits, being 15% of the fixed remuneration for the directors' insurance, the equivalent value for the availability of the car, the expense allowance and mobile phone.

Remuneration of the employees

The supervisory board has instructed the appointment and remuneration committee to examine the proposals that the management board makes annually regarding the overall budget increase (excluding index) of the fixed remuneration of all Intervest's personnel (i.e. employees who are not members of the management board) and regarding the overall budget of the variable remuneration allocated to the employees. The committee interacts with the ceo on the issue, while keeping the supervisory board informed of the most important decisions mentioned above, globally but not individually. The supervisory board also directed the committee to give its opinion on the ceo's proposals regarding recruitment and initial compensation, as well as each review of the remuneration (in the broadest sense) of certain other individuals who hold key positions in the company and are responsible for a team.

The variable remuneration of the employees consists of a part that is linked to their individual objectives and a part that is linked to joint performance objectives (Non-recurrent results-related benefit CLA 90). The operating real estate result, EPRA earnings per share, the occupancy rate and the percentage of outstanding trade receivables determine the extent to which the joint variable remuneration is awarded.

The remuneration policy for the members of the management board has been designed with due regard for the principles and objectives set out at the beginning of this policy and apply to the entire company. As a result, the remuneration shows a number of similarities with the broader remuneration framework of the company, namely:

- short-term remuneration is determined for both the management board and the wider workforce by using the same financial performance criteria
- however, the proportion of variable remuneration for the members of the management board is higher since they receive long-term remuneration in addition to short-term remuneration.

The ratio between the highest remuneration of a member of the management board and the lowest remuneration of the employees, expressed as a full-time equivalent, is 1/13.

Diegem › Greenhouse BXL - Co-working

Annual variation of the global remuneration

Annual variation (in%)	2016 vs. 2015	2017 vs. 2016	2018 vs. 2017	2019 vs. 2018	2020 vs. 2019
Remuneration of the chairman of the supervisory board					
Jean-Pierre Blumberg	0%	0%	0%	0%	112%
Remuneration of the other members of the supervisory board					
Johan Buijs	N/A	0%	0%	0%	150%
Marleen Willekens	N/A	0%	0%	0%	135%
Jacqueline Heeren - de Rijk	N/A	0%	0%	0%	165%
Marco Miserez	N/A	N/A	N/A	N/A	N/A
Remuneration of the ceo					
Gunther Gielen	N/A	N/A	N/A	N/A	N/A
Average total remuneration of the other members of the management board					
Marco Hengst	N/A	33%*	25%	19%**	7%
Inge Tas	-2%	20%*	5%	10%**	8%
Kevin De Greef	N/A	N/A	N/A	N/A	N/A
Average total remuneration of the employees on the basis of full-time equivalents	1%	-2%	2%	6%	1%
Performance of the company					
Fair value of the real estate portfolio	-4%	8%	31%	3%	14%
EPRA earnings per share***	-8%	-10%	3%	3%	-5%
Gross dividend per share	-18%	0%	0%	9%	0%

* Intervest has had a dedicated management as from August 2016. The variation of 2017 compared to 2016 for Marco Hengst and Inge Tas can be explained by an adjustment of the remuneration policy with regard to the variable remuneration.

** The variation of 2019 compared to 2018 for Marco Hengst and Inge Tas consisted mainly of an additional exceptional variable remuneration allocated in 2018.

*** Excludes the one-off termination indemnity received from tenant Medtronic in 2019.

For the members of the supervisory board and the management board, the variation is calculated as from the start of their appointment.

2.5 Conflicts of interest and other regulations

With regard to the prevention of conflicts of interest, Intervest is simultaneously subject to:

- the relevant legal provisions applicable to all listed companies, as provided for in articles 7:96, 7:97 of the CAC
- a specific system provided for in article 37 of the Act of 12 May 2014 concerning regulated real estate companies, which specifically provides for the obligation to notify the FSMA in advance of certain transactions by persons referred to in those provisions, which must be carried out at normal market conditions and must be disclosed to the public
- and the rules set out for that purpose in its articles of association and its Corporate Governance Charter.

Conflicts of interest with regard to members of the supervisory board and members of the management board

Principles

Any form and appearance of a conflict of interest between the company and the members of the supervisory board and the management board is avoided.

Decisions to enter into transactions involving conflicts of interest of the members of the supervisory board and of the management board that are of patrimonial interest for the company and/or to the members of the supervisory board and of the management board, require the approval of the supervisory board.

A "conflict of interest" exists in any event when the company intends to enter into a transaction with a legal entity:

1. in which a member of the supervisory board and/or of the management board of the company personally has a patrimonial interest
2. of which a board member has a family law relationship with a member of the supervisory board and/or of the management board of the company or
3. where a member of the supervisory board and/or of the management board of the company performs a managerial or supervisory function.

A member of the supervisory board and/or the management board shall not do any of the following:

1. compete with the company
2. demand or accept any (substantial) donations from the company for himself or herself, for his or her spouse, registered partner or another life companion, foster child or relative by blood or by marriage up to the second degree
3. provide illegitimate advantages to third parties at the expense of the company and
4. take advantage of business opportunities to which the company is entitled for himself or herself or for his or her spouse, registered partner or other life companion, foster child or relative by blood or by marriage up to the second degree.

Procedure as described in articles 7:115 and 7:117 of the CAC

A member of the supervisory board immediately reports a (potential) conflict of interest that is of patrimonial interest for the company and/or for the member in question to the chairman and the other members of the supervisory board and provides all relevant information in this regard, including information relevant to the situation regarding his spouse, registered partner or other life companion, foster child and blood relatives and relatives by marriage up to the second degree.

If it appears that one of the members of the management board has a direct or indirect financial interest that is in conflict with the interests of the company, the management board will refer such decision to the supervisory board.

Where appropriate, the supervisory board decides, without the presence of the supervisory board member or the management board member concerned, whether there is a conflict of interest. The member of the supervisory board or management board shall not participate in any discussion or decision-making that concerns a subject or transaction in which he has a conflict of interest. The statement and explanation of the member of the supervisory board or the management board involved regarding the nature of such conflict of interest are included in the minutes of the meeting of the supervisory board which needs to take the decision.

In this regard, articles 7:115 and 7:117 of the CAC must also be observed and, in accordance with these articles, such transactions must also be published in the company's Annual Report, and include a statement of the conflict of interest and the declaration that the relevant provisions have been observed. The statutory auditor must also include a separate description of the financial consequences of the decision for the company in his report on the audit of the annual accounts.

Procedure as set out in articles 36, 37 and 38 of the RREC Act (see also Functional conflicts of interest)

In the event of a conflict of interest, the FSMA must also be notified in advance in certain cases.

In 2020

This procedure did not need to be applied in 2020.

Conflicts of interest regarding transactions with the major shareholder and with affiliated companies

The company must also comply with the procedure of articles 7:116 and 7:117, §2 of the CAC if it makes a decision or carries out a transaction related to:

a. Intervest's relations with an affiliated party, with the exception of its perimeter companies and
b. with an Intervest subsidiary in which the natural or legal person who has ultimate control over Intervest directly or indirectly holds a participation through natural or legal entities other than Intervest, which represents at least 25% of the capital of the subsidiary concerned or, in the event of profit distribution by that subsidiary, provides an entitlement of at least 25% thereof.

Decisions or transactions on such matters must be subjected in advance to the assessment of a committee of three independent members of the supervisory board, who will be assisted as deemed necessary by one or more independent experts appointed by the committee and approved by the company. The written reasoned advice of the committee (stating the information as set out in 7:116, §3 of the CAC) is submitted to the supervisory board, which will then deliberate on the proposed decision or transaction. The supervisory board indicates in its minutes whether the procedure described has been observed and, if so, whether and on what grounds the advice of the committee was not followed. The statutory auditor will give an opinion as to whether or not there are any material inconsistencies in the financial and accounting data reported in the minutes of the supervisory board and in the opinion of the committee with regard to the information available to him in the context of his engagement.

This opinion is attached to the minutes of the supervisory board. Furthermore, the provisions as stated in article 7:116, § 4/1 of the CAC are applied.

In 2020

There were no such conflicts of interest in 2020.

Functional conflicts of interest

The regulations of articles 37 and 38 of the RREC Act apply to the company. Article 37 of the RREC Act contains a functional conflict of interest provision which stipulates that the company must inform the FSMA whenever certain persons associated with the company (listed in the same article, including, among others, the members of the supervisory board and of the management board, the persons who control the company or are affiliated with it or who have a participation in it, the promoter and the other shareholders of any of the company's subsidiaries) directly or indirectly act as counterparty to, or benefit from, a transaction with the company or one of its subsidiaries. In its notification to the FSMA, the importance of the planned transaction for the company must be shown, as must the fact that the transaction in question fits into its corporate strategy.

Article 38 of the RREC Act defines when the provisions of articles 36 and 37 of the RREC Act do not apply:

- to transactions involving a sum that is less than the lowest of either 1% of the consolidated assets of the public RREC or € 2.500.000
- the acquisition of securities by the public RREC or one of its perimeter companies in the context of a public issue by a third-party issuer, for which a promoter or one of the persons referred to in article 37, §1 acts as intermediary within the meaning of article 2, 10°, of the Act of 2 August 2002
- the acquisition of or subscription to the shares in the public RREC issued as a result of a decision by the general meeting by the persons referred to in article 37, §1
- transactions involving the liquid assets of the public RREC or one of its perimeter companies, provided the person acting as counterparty has the capacity of intermediary within the meaning of article 2, 10°, of the Act of 2 August 2002 and that these transactions are performed under normal market conditions.

Transactions for which there is a functional conflict of interest must be performed under normal market conditions. When such a transaction relates to real estate, the valuation of the property expert is binding as a minimum price (upon disposal by the company or its subsidiaries) or as a maximum price (upon acquisition by the company or its subsidiaries).

Such transactions, as well as the data to be reported, are immediately disclosed to the public. They are explained in the Annual Report and in the auditor's report.

In 2020

There were no such conflicts of interest in 2020.

Conflicts of interest when a subsidiary of the company provides real estate services to third parties

Pursuant to article 6, 10° of the RREC Act, the company will need to specify a policy regarding the management of conflicts of interest when its subsidiary provides real estate services to third parties (which is currently not the case). This policy must be published in the Annual Report.

In 2020

There were no such conflicts of interest in 2020.

Other regulations and procedures

Rules to prevent market abuse

Intervest has included the code of conduct relating to financial transactions in the Corporate Governance Charter and in a separate dealing regulation ("Dealing code") that can be viewed at www.intervest.be. This dealing code forms part of the company's Corporate Governance Charter and has been aligned with the applicable legislation and regulations (in particular Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse and the resulting European regulations (together the "Market Abuse Regulation"), the Act of 2 August 2002 on supervision of the financial sector and financial services and the Corporate Governance Code 2020).

This dealing code sets out the Company's internal policy regarding the prevention of insider trading and the prevention of market abuse.

Code of conduct

Intervest has drawn up a code of conduct that is applicable to all employees, as well as the members of the management board, the supervisory board, the audit and risk committee, the appointment and remuneration committee and the investment committee. The code of conduct also applies to temporary employees and persons working on a contract basis for Intervest. This code of conduct can be viewed at www.intervest.be.

This code of conduct sets out how Intervest wishes to do business: with honesty, integrity and transparency and in accordance with Intervest's interests, in particular as regards its corporate and financial objectives. The code of conduct forms the basis for all procedures at Intervest. Operational principles, policy lines or procedures must be (or be developed) in line with this code of conduct. The code of conduct helps to guide our behaviour and is intended to serve as a framework, not as a rulebook, because it is impossible to capture every possible situation in the code.

Procedure for reporting irregularities

Intervest has introduced a procedure for reporting irregularities. This procedure protects employees and business partners who report misconduct within the company.

2.6 Other parties involved

Statutory auditor

The statutory auditor, appointed by the general meeting of shareholders, is Deloitte Bedrijfsrevisoren bv o.v.v.e. CVBA (civil company in the form of a limited liability cooperative) and is represented by Rik Neckebroeck, statutory auditor.

Property experts

The real estate portfolio is evaluated every quarter by three independent experts, namely: Cushman & Wakefield, CBRE Valuation Services (Belgium) and CBRE Valuation Advisory bv (the Netherlands), each for a part of the real estate portfolio, based on a rotation principle.

Independent control functions

As part of its internal controls, each public RREC must implement internal audit procedures, a risk management policy and an integrity policy. This is supervised by the person responsible for the internal audit function, the risk management function and the compliance function, respectively, in accordance with article 17, §§3, 4 and 5 of the RREC Act (known jointly as the "independent control functions").

Independent internal audit function

The internal audit can be understood as an independent evaluation function, embedded in the organisation, aimed at examining and evaluating the proper functioning, the effectiveness and the efficiency of the processes and procedures applied by the company in carrying out its activities. The person responsible for the internal audit can provide the various members of the organisation with analyses, recommendations, advice, evaluations and information concerning the activities examined in connection with the execution of their responsibilities.

This internal audit concerns, among other things, the operation, effectiveness and efficiency of processes, procedures and activities relating to:

- operational matters: quality and suitability of systems and procedures, organisational structures, policy lines and methods and resources used in relation to objectives
- financial matters: reliability of accounting, the financial statements and the financial reporting process, and compliance with applicable (accounting) regulations
- management matters: quality of the management function and staff services in the context of the company's objectives
- risk management and compliance.

Intervest appointed the external consultancy PwC Bedrijfsrevisoren bv in early 2018 (represented by its permanent representative, Marc Daelman) as the party responsible for the internal audit, whereby Johan Buijs, member of the supervisory board of Intervest, was appointed on the part of the company for the control on the internal audit function as observed by PwC bedrijfsrevisoren and the one who can thus be considered as the person ultimately responsible for the internal audit. The mandate of PwC Bedrijfsrevisoren as external consultancy was for three years and ended as at 31 December 2020. The audit and risk committee and the supervisory board are currently evaluating (the work of the external consultancy on) the internal audit, after which a new internal audit assignment will be opened and an external consultant appointed in the short term.

Independent risk management function

Within the framework of the risk management policy, the company will ensure that the risks to which it is exposed (market risks, operational risks, financial risks and regulatory risks) are assessed, controlled and monitored in an effective manner.

With this in mind, Intervest has charged a person with the risk management function who is responsible, among other things, for preparing, developing, monitoring, updating and implementing the risk management policy and risk management procedures.

As at 31 December 2020, the independent risk management function was observed by Inge Tas, at that time still a member of the management board and cfo. As from 10 March 2021, the independent risk management function will be observed by Vincent Macharis, member of the management board and cfo. The mandate has an indefinite duration.

Independent compliance function

Rules regarding compliance and integrity are included in the function of the compliance officer. The company has appointed a person as compliance officer, charged with monitoring compliance with the rules on market abuse, as these rules are imposed by, among other things, the Act of 2 August 2002 on the supervision of the financial sector and financial services and Regulation EU No 596/2014 on market abuse.

The compliance officer also ensures that the company complies with the laws, regulations and rules of conduct that apply to it. Intervest has drawn up an internal code of conduct and a procedure for reporting irregularities to guarantee a corporate of integrity.

Article 17, §4 of the RREC Act stipulates that the public RREC "*must take the necessary measures to be able at all times to access an appropriate independent compliance function so as to ensure compliance by the public RREC, its directors, senior management, employees and agents with the laws relating to the integrity of the business of a public RREC*". Article 6 of the Royal Decree on RREC stipulates that the public RREC "*must take the necessary measures to be able to permanently access an appropriate independent compliance function. The compliance function is appropriate when it ensures with reasonable certainty compliance by the public RREC, its members of the supervisory board, senior managers, employees and agents with the laws relating to the integrity of the business of a public RREC*".

The "independent compliance function" can be understood as an independent function within the company focused on examining, and promoting, compliance by the company with the rules relating to the integrity of its business activities. The rules involve those pursuant to the company's policy, the status of the company and other legal and regulatory provisions. In other words, this concerns an element of corporate culture, where the emphasis lies on honesty and integrity and adherence to high ethical standards in business. In addition, both the company and its employees must behave with integrity, i.e. honestly, reliably and in a trustworthy manner.

As at 31 December 2020, Inge Tas, at that time a member of the management board and cfo, was responsible for the independent compliance function. As from 12 February 2021, the independent compliance function has been observed by Kevin De Greef, member of the management board and sgc. The mandate has an indefinite duration.

Information pursuant to article 34 of the Royal Decree of 14 November 2007[1]

Capital structure[2]

Ordinary shares (INTO)

Number	Capital (in €)	%
25.500.672	€ 232.372.857,105	100%

The share capital amounts to € 232.372.857,10 and is distributed among 25.500.672 shares that have been fully paid up, each of which represents an equal part of the shares. These are 25.500.672 ordinary shares without mention of the nominal value.

There are no legal or statutory restrictions on the transfer of securities, nor for the execution of voting rights.

There are no securities to which special controlling powers have been attached.

Share option plan

The company has no share option plan. The company has a variable long-term remuneration plan for the members of the management board, as outlined in the corporate governance statement in the Report of the supervisory board.

Shareholder agreements

To the company's knowledge, no shareholders are acting in mutual consultation. The company has no knowledge of any shareholder agreements that can give rise to a restriction of the transfer of securities and/or the execution of the right to vote.

Authorised capital

As at 13 May 2019, the company's general meeting of shareholders granted the supervisory board the authorisation to increase the company's registered capital in one or more times by an amount of:

i. *fifty percent (50%) of two hundred and twenty-one million three hundred and thirty-one thousand five hundred and sixty-four euros and forty-eight cents (€ 221.331.564,48), rounded off downwards to the euro cent, (a) if the capital increase to be realised concerns a capital increase by cash contribution where the company shareholders have the possibility of exercising their pre-emptive right, and (b) if the capital increase to be realised concerns a*

1 With regard to the obligations of issuers of financial instruments who are allowed to trade on the regulated market -see also the Act of 1 April 2007 on public takeover bids.
2 As at the closing date of this Annual Report.

capital increase by cash contribution where the company shareholders have the possibility of exercising their irreducible allocation right (as referred to in the Act of 12 May 2014 on regulated real estate companies); and

ii. *fifty percent (50%) of two hundred and twenty-one million three hundred and thirty-one thousand five hundred and sixty-four euros and forty-eight cents (€ 221.331.564,48), rounded off downwards to the euro cent if the capital increase to be realised concerns a capital increase within the context of the payment of an optional dividend; and*

iii. *twenty percent (20%) of two hundred and twenty-one million three hundred and thirty-one thousand five hundred and sixty-four euros and forty-eight cents (€ 221.331.564,48), rounded off downwards to the euro cent for all forms of capital increase other than those intended and approved in points (i) and (ii) above,*

with a maximum of € 221.331.564,48 in total for a period of five years starting from the publication of the authorisation in the Annexes to the Belgian Official Gazette as at 24 May 2019. The authorisation is valid until 24 May 2024.

The authorised capital cannot be used to increase the capital in application of article 7:202 of the CAC within the context of a public bid to purchase the company's securities.

For every capital increase, the supervisory board will set the price, any share premium and the conditions of issuance for the new shares. The capital increases can lead to the issuance of shares with or without voting rights.

If the capital increases decided upon by the supervisory board as a result of this authorisation contain a share premium, the amount of this share premium must be placed on a dedicated unavailable account, called "share premiums", which along with the capital constitutes the guarantee towards third parties and will not be able to be decreased or cancelled unless a meeting convened in accordance with the conditions of attendance and majority decides upon a capital decrease, with the exception of a conversion into capital as provided above.

To date, the supervisory board has made use of the authorisation granted to it to utilise amounts of the authorised capital within the context of:

the capital increase by contribution in kind, (optional dividend) that was decided upon as at 26 May 2020 amounting to € 7.687.867,05, excluding a share premium of € 8.578.071,27.

The supervisory board can thus still increase the share capital within the context of the authorised capital by

i. *€ 110.665.782,24 (a) if the capital increase to be realised concerns one by cash contribution where the company shareholders have the possibility of exercising their pre-emptive right, and (b) if the capital increase to be realised concerns one by cash contribution where the company shareholders have the possibility of exercising their irreducible allocation right (as referred to in the Act of 12 May 2014 on regulated real estate companies),*

ii. *€ 102.977.915,19 if the capital increase to be realised is within the context of the distribution of an optional dividend, or*

iii. *€ 44.266.312,90 for all other forms of capital increase;*

taking into account a total maximum of (i), (ii) and (iii) together, of € 213.643.697,43.

Capital increase

All capital increases will be performed in accordance with articles 7:177 and following of the CAC, subject to that stated hereafter with respect to the pre-emptive right.

In addition, the company must comply with the stipulations concerning the public issue of shares stipulated in articles 26 and 27 of the RREC Act.

For a capital increase through a contribution in cash and without prejudice to the application of articles 7:188 to 7:193 of the CAC, the pre-emptive right can only be limited or withdrawn if an irreducible allocation right is granted to the existing shareholders with the allocation of new securities. This priority allocation right satisfies the following conditions:

1. it is related to all newly issued securities
2. it is granted to the shareholders in proportion to the part of the capital represented by their shares at the time of the transaction
3. a maximum price per share is announced, at the latest, on the eve of the opening of the public subscription period
4. in such a case, the public subscription period must be at least three trading days.

Capital increases realised through contributions in kind are subject to the provisions of articles 7:196 and 7:197 of the CAC. Moreover, pursuant to article 26 §2 of the RREC Act, the following conditions must be met:

1. the identity of the contributor must be specified in the report referred to in article 7:197 of the CAC as well as in the notice convening the general meeting to discuss the capital increase.
2. the issue price may not be less than the lowest value of (a) a net value dated not more than four months before the date of the contribution agreement or, at the discretion of the company, before the date of the capital increase deed, and (b) the average closing price during the thirty calendar days prior to this same date.
   For the application of the previous sentence, it is permitted to subtract an amount from the amount referred to in point (b) of the previous section that corresponds to the part of the undistributed gross dividend to which the new shares would not be entitled, on condition that the supervisory board specifically accounts for the amount to be deducted from the cumulative dividend in its special report and explains the financial conditions of the transaction in its annual financial report.
3. except if the issue price or exchange ratio and the related conditions are determined no later than on the working day following the conclusion of the contribution agreement and communicated to the public mentioning the time within which the capital increase will effectively be implemented, the capital increase deed shall be executed within a maximum period of four months.
4. the report referred to under 1° must also explain the impact of the proposed contribution on the situation of former shareholders, particularly as far as their share of the profits, net asset value and capital is concerned, as well as the impact in terms of the voting rights.

The above does not apply to the transfer of the right to dividends in the context of the distribution of an optional dividend, insofar as this is actually made available for payment to all shareholders.

Purchase of shares

According to article 9 of the articles of association, the company can acquire, hold and dispose of its own shares by virtue of the decision by the general meeting in accordance with the provisions of the CAC.

Furthermore, the supervisory board may, for a period of five years from the date of the publication of the decision in the Annexes of Belgian Official Gazette, i.e. as from 2 June 2020, acquire and pledge on behalf of the company its own shares (even outside the stock exchange) at a unit price that may not be lower than 85% of the closing stock exchange price on the day preceding the date of the transaction (acquisition and pledge) and that may not be higher than 115% of the closing stock exchange price on the day preceding the date of the transaction (acquisition and pledge) without the company being allowed to own more than 10% of the total number of issued shares.

As at 19 and 20 March 2020, Intervest purchased 2.517 of its own shares on Euronext Brussels via a financial intermediary. The shares were purchased at an average price (rounded) of € 17,88 per share. This purchase transaction was performed within the context of the payment in shares to Marco Hengst of the long-term variable remuneration for financial years 2017 - 2019.

Neither Intervest, nor its perimeter companies, owned any of its own shares as at 31 December 2020.

Agreements in case of changed control after a public takeover bid

There are no important agreements to which Intervest is a party and that enter into force, undergo amendments or end in the event that a change of control takes place over the company after a public takeover bid, with the exception of valid clauses contained in the financing agreements.

Detailed overview of transactions per day

Date	Number of shares	Average price (in €)	Minimum rate (in €)	Maximum rate (in €)	Total price (in €)
19 March 2020	2.500	17,8680	17,800	17,960	**44.670,00**
20 March 2020	17	19,3871	19,380	19,500	**329,58**
TOTAL	**2.517**	**17,8783**			**44.999,58**

3 Sustainable business and corporate social responsibility

Intervest aims to play a pioneering role in the field of sustainability and thus considers sustainability to be one of the four pillars of its #connect2022 strategy. Value creation in a sustainable way, with a view to continuously improve the quality of the buildings for customers in two segments: offices and logistics, is at the heart of the strategy formulated in 2020.

Intervest endorses the 17 United Nations Sustainable Development Goals (SDGs). These so-called SDGs call for action in five domains: Planet, Peace, Partnership, Prosperity and People, and they offer a broad and internationally supported sustainability framework. For its sustainability strategy, Intervest selected a number of the SDGs at macro level, where Intervest, as a listed company, can make the greatest possible contribution and at the same time limit the negative impact as much as possible.

This does not prevent Intervest from filling in the broader framework in a structural manner. At the beginning of 2018, a cooperation agreement was entered into with VOKA. Intervest, together with VOKA, drew up a list of at least 10 sustainability objectives on which it would focus at micro level in that year. In 2020, Intervest won the “Voka Charter Sustainable Entrepreneurship” in recognition of the objectives it achieved in 2019, just as it had done in 2019 for the efforts made in 2018.

Intervest continued with the realisation of the SDGs in 2020, for example, by contributing to the BECOME (Business Energy COmmunity MEchelen) project, a project which will in time generate, distribute and consume local sustainable energy. Furthermore, with BREEAM-In-Use as guide, the certification programme to systematically renew the certificates of the existing buildings and to have 30% of the portfolio certified as BREEAM “Very Good” by 2022 is well under way. With this and by means of things such as the installation of solar panels, a training plan also concerning sustainability, biannual employee evaluations, a sustainable mobility plan and the establishment of a wellness programme, steps were taken in 2020 to inject more substance into the various UN sustainability objectives.

At the end of 2020, all 17 sustainable development goals had been achieved at least once in the day-to-day business operations, which meant that, for 2020, Intervest will be receiving the internationally recognised UNITAR certificate linked to the United Nations. In addition, the EPRA performance measures (EPRA sustainability Best Practices Recommendations, (EPRA sBPR)) specifically applicable to the real estate sector have been used since 2019. The Intervest Sustainability report 2019, the first edition, has immediately won prizes, receiving the EPRA sBPR Silver Award and the EPRA sBPR Most Improved Award. These Awards are a recognition of Intervest’s continued efforts to ensure consistent and transparent financial reporting with regard to sustainability.

The 2020 Sustainability Report reports about the broader UN sustainability objectives and the real estate-specific EPRA performance measures in a separate report, which can be found at **www.intervest.be**.

REPORT OF THE MANAGEMENT BOARD

1 The market for logistics real estate and offices[1]

1.1 Logistics

Rental market

Belgium

Companies are paying ever more attention to the sustainability and cost optimisation of their business operations and logistics process. This can often lead to a search for a new location or bespoke development.Apart from property charges, transport and labour costs are also part of this picture. If business premises allow a saving on transport, energy or maintenance costs, companies can bear and justify a higher rent level. The prime rents for logistics are currently around € 55/m². These levels are mainly achieved in the region around Brussels.

The total take-up of logistics space in 2020 amounted to 943.000 m². Thanks in part to a massive 437.000 m² take-up in the fourth quarter, the market has performed at the average level of the past 5 years. This has partly been driven by a number of large transactions, such as 150.000 m² in the port of Ghent and 50.000 m² in Tournai. In this take-up, the growing e-commerce sector has of course been an important part. In general, the availability of ready-to-use logistics areas remains at a historically low level of 1,25%. In 2020, the total for new-build was 525.000 m², mostly custom-build for pre-contracted customers. A solid development pipeline of at least 440.000 m² is also expected in 2021. Strong demand combined with scarce availability of land or projects will act as a brake on the market in the medium term. It is therefore not inconceivable that developers will be found more willing to start speculative projects - as a matter of fact, examples of these are already under construction, such as in the Port of Ghent and at Genk Green Logistics.

The Netherlands

In the Netherlands, the total take-up in 2020 was 2,1 million m². This market also performed strongly during the pandemic, albeit slightly lower than in the exceptional year of 2019. The rental market was largely classically driven by 3PLs and online retailers, who performed strongly thanks to e-commerce which has in the meantime become a trend in consumer shopping behaviour. The vacancy rate rose to 5,1% compared to 4,8% in 2019. This was mainly due to the speculative projects that were completed in the course of 2020 and have not yet been commissioned, and vacancy in outdated warehouses.

The top logistics regions are: Tilburg/Waalwijk, Rotterdam, Noord-Limburg/Venlo and Utrecht and Schiphol/Amsterdam.
Emerging logistics regions are Almere - Lelystad, the A12 corridor, Arnhem - Nijmegen, Moerdijk and East Netherlands/Twente. It seems that the logistics real estate market is expanding in the Netherlands.

The prevailing trend in the rental market is expected to continue in 2021, increasing uptake and creating scarcity in modern, state-of-the-art warehouses.

The prime rent in the Netherlands at the top locations is approximately between € 65 and € 70/m². At Schiphol at the airport, the prime rent can even go up to € 85/m².

1 Sources: CBRE. Belgium Logistics Market View Q4 2020, CBRE. Market view. Brussels Offices, Q3 2020, Cushman & Wakefield. Marketbeat Office Q4 2020, Cushman & Wakefield. Marketbeat Industrial Q4 2020, Cushman & Wakefield. Marketbeat Belgium Regional Office Q4 2020, CBRE. Belgium Market Outlook 2021, JLL Logistics Q4 The Netherlands, JLL Global real estate Perspective November 2020, Literature and interviews with property experts throughout the year. Real estate market (NL) 28 October 2020 and 13 January 2021

Investment market

Belgium

Logistics real estate remains an attractive asset class for investors. The robustness of the sector has also been demonstrated during the corona crisis. Built-to-suit projects with long-term agreements naturally remain the most popular among investors, but due to the limited supply of core+ product, many investors are also looking at portfolio or value-add products, with or without redevelopment potential. Brownfield sites are gaining in importance.

The limited availability and general appetite for this asset class has resulted in historically low yields for logistics real estate. The investment market is somewhat more conservative in Belgium than in the Netherlands, although a yield of 4,25% is estimated for prime products. Thus, the yield expectations of logistics are at the same level as for office buildings, which is an important trend that is expected to continue in 2021.

The Netherlands

The Dutch logistics real estate market remains expansive and initial yields (net initial yields - NIY) have fallen further by 0,5 basis points to 4%, and even below that. A further compression to 3,6% NIY is expected due to sustained investor interest. This is because of a strong performance of the rental market due to the growth of e-commerce, but also because other real estate segments, such as hotels, shops and offices, have become less interesting. Outlook for 2021 is optimistic, partly due to the increasing importance of e-commerce. The supply of suitable investment products remains limited, however.

Developers speculatively build on new logistics locations or redevelop brownfields on existing industrial sites.

The Netherlands continues to be a popular e-commerce country, which increases the demand for smaller hubs near city centres. These urban logistics hubs are still on the increase. The 5.000 m² - 10.000 m² segment, in particular, is still experiencing enormous growth and this is followed by the urban-regional distribution centres measuring more than 20.000 m².

Consumers may like shopping online, but they are negatively disposed to the “boxing” of the Netherlands. The social discussion about integrating with the landscape will not stop for the time being.

As a result, more attention will be paid to architectural design and landscaping of the large distribution centres. More stringent municipal regulations are to be expected.

The nitrogen crisis also has its impact on industrial real estate development. These are challenges that will generate further debate in 2021.

Furthermore, subjects such as circularity and staff shortages are issues within the logistics hotspots.

International investors are still particularly active in the Dutch logistics real estate market, which is partly due to the positive enterprise climate, favourable location and excellent infrastructure. In the years to come, the Netherlands will remain the gateway to Europe for international companies with an important location for central European distribution centres, especially for high-value products.

The Netherlands › Roosendaal - Braak

Greenhouse BXL > Atrium

Trends

Locations near multimodal hubs (rail, barge, airport, etc.) on the important axes to the hinterland remain the optimal locations for traditional logistics parties such as European distribution centres, in combination with central locations for national distribution. With the ascent of e-commerce (exacerbated by the corona crisis), locations are also being added at strategic positions along the major cities, and here the requirements in terms of layout and available space are often very different.

Demands with regard to sustainability and total costs are becoming increasingly stringent and many of the current buildings are no longer able to meet the modern requirements. This leads to a large number of customised development projects and redevelopment of brownfields, as available project land remains very scarce. Development at risk has usually remained limited with a few outliers, for example in the north of Ghent.

The corona crisis has also left its mark on logistics, although the impact can be described as varied to say the least. One certainty is that a large number of FMCG producers have examined their supply chain as a result of the crisis and the accompanying inventory shocks and many are currently setting up various strategic exercises in this regard, which may have consequences in the coming years. On the one hand, the crisis has led to an accelerated growth of e-commerce platforms, which has resulted in a greater need for space for these players. On the other hand, the negative impact on suppliers to retail and the catering sectors, among others, is obliging landlords to show the necessary flexibility towards their tenants in order to safeguard the future.

The government has become more aware of the strategic importance of the logistics sector.

In 2021, there will be a further increase in the demand for sustainable buildings at multi-modal locations that are ready for advanced automated business operations. The attention on urban distribution hubs is also growing. Cost efficiency is key, but welfare aspects are equally important in this market segment.

BREEAM “Outstanding”

Tenants are attaching increasingly more importance to the sustainability of their logistics centres for environmental reasons, attention to the well-being of their employees and cost efficiency.

The highest achievable sustainability class for buildings, namely BREEAM “Outstanding”, is being achieved more often. The aim is to bring polluting factors such as CO_2 emissions, NOx emissions from heating installations and general energy consumption down to below the legally permitted minimum laid down in the Building Code. Sustainable centres have energy-efficient installations, heat pumps, solar panels for their own energy needs, underground heat-cold storage, use of rainwater and water-saving sanitary installations, etc. There is increasing focus on circularity whereby products can be dismantled after use and the materials can be reused. Raw materials, components and products can thus retain their value. Sustainable and recyclable materials with the lowest possible environmental impact are used in construction.

The well-being, safety and health of employees are also key. The offices of logistics centres must be pleasant workstations having adequate daylight, clear lighting, pleasant acoustics, heating, ventilation and air quality. Sufficient attention is paid to safety around the building, for example, with additional lighting, good circulation and camera surveillance.

Automation and digitisation

The demand for distribution centres that enable omni-channel distribution with the lowest possible cost structure is on the rise. Further automation and digitisation driven by new technologies and developments will influence the concept of logistics buildings. Logistics halls are being made higher and floor area is being lowered because goods can be stacked higher. Floors must have a higher load capacity and the surface area of offices and social spaces are being reduced.

Automation does not affect the location. Multimodal locations near the most important approach roads, rail and water networks also continue to be important for cost-efficient business operations.

Urban distribution hubs

Online shopping has experienced huge growth during the past year due to the coronavirus pandemic. This has led to a significant growth in urban distribution close to the consumer. Existing buildings near the city fringe, at half an hour's drive from the delivery address, are being converted into transhipment hubs. These hubs often focus on a specific target group and are operated by third parties such as DHL or PostNL.

Professional specialists expect that multi-layer distribution hubs will also be developed on the edge of cities in the future, enabling a floor surface area of over 20.000 m², which may be of interest to several target groups. This will make it possible to combine several types of target groups and functionalities.

Merchtem › ZEB

1.2 Offices

Rental market

With a total take-up of approximately 264.000 m², the Brussels office market has experienced an absolute record low in the past 20 years. Availability is currently approximately 7%, and is expected to increase even further given that almost 200.000 m² of speculative developments will be added to the market in the next 2 years (many of which were initiated before the crisis). Furthermore, researchers are also seeing an increase in so-called "grey spaces" - office spaces that occupiers are subletting to somewhat reduce their own (oversized) contractual areas. Average rental prices have not yet been affected by the crisis and continue to fluctuate around € 190/m². So far, the prime rents in the Leopoldwijk have also remained stable at € 320/m².

In 2020, the regional markets performed at a similar level to Brussels. With a take-up fall of approximately 40% for the Flemish office markets, this is the lowest level since 2011. In Wallonia, on the other hand, the take-up increased by approximately 41% in 2020, with the Namur market leading the way. This has been driven by a number of large government transactions. As expected in mid-2020, prime rents at prime locations in Antwerp have been rising to €165/m². Other markets such as Liège, Ghent and Namur have remained stable at € 160/m². In addition to the current uncertainty caused by corona, the low take-up can here too be partly attributed to the limited number of speculative developments in the Antwerp market.

Despite a number of transactions in the pipeline, experts expect the take-up to remain weak for some time to come. The exact impact of the corona crisis on the office market will undoubtedly become apparent and gradually manifest itself in the course of 2021. For the time being, experts note that many decisions or relocations have been put “on hold” due to increased uncertainty or because of additional requirements for financing imposed by the banks. The take-up through co-working hubs is also slowing considerably. As a result of the crisis and the increased level of teleworking, many office users will be scrutinising their real estate strategy in the coming months - which, as mentioned before, may lead to a further decentralisation or boost for co-working hubs.

Investment market

Contrary to general expectations, the Belgian investment market performed at an absolute record level in 2020 with a volume of almost € 6,2 billion, 11% higher than last year’s record and 20% above the average for the past 5 years. Approximately € 4,2 billion of this is in office real estate. This record is, of course, largely due to a single transaction, namely the sale of the Financietoren (€ 1,3 billion). The rest of the market has nevertheless also performed strongly.

For the time being, prime yields in Brussels remain stable at 3,75%, with peaks of up to 3,5% for long-term agreements. These are slightly higher in the regions, namely approximately 4,75%.

The regions have also done well, with a total volume of € 650 million. A major drive behind these high figures has, of course, been a number of large transactions such as the acquisition of Post X in Antwerp by AG (€ 275 million) & the MG business centre in Ghent by Belfius (€ 45 million). Antwerp and Ghent remain attractive secondary markets for (mostly) Belgian investors. The expectation for 2021 is that the investment market will perform weaker, not because of changed basic conditions (availability of capital does is not an ongoing issue, for example), but because of the exceptional nature of 2020.

Trends

Working, living and relaxing are becoming much more intertwined. The mixed working environment with working from home, teleworking from a regional hub, a co-working area, etc. is taking on a more permanent character with the corona crisis.

The impact of the corona pandemic on the office real estate market has been considerable. The crisis is making many parties think about their real estate and accommodation strategy. On the one hand, teleworking intuitively reduces the need for m². On the other hand, the distancing rules and corona-safe working environment require more surface area. The direction in which the balance will finally tip is still a matter of conjecture.

Offices are no longer an expense item for companies, but a means of motivating employees, attracting new employees and offering all employees a place where they like to be. Technology and mobility are determining the locations of the future. Companies are looking for pleasant offices in easily accessible locations with an appropriate range of services.

This requirement will ultimately lead to environments where work, living, shopping and life go hand in hand.

2 Important developments in 2020

2.1 Occupancy rate and leases in 2020

The **occupancy rate** of the portfolio available for lease was 93% as at 31 December 2020 and has thus remained stable compared to year-end 2019 (93%).

The occupancy rate of the total **logistics portfolio** also remained at the same level of 96% compared to year-end 2019 (96%).

The logistics portfolio in Belgium has an occupancy rate of 95% and has increased by 1 percentage point compared to the end of 2019 due to a letting to DPD Belgium and an expansion of Delhaize in Puurs. The transactions taken together represent a rise in the occupancy rate of 4 percentage points. However, the rise is partially offset by the delivery of the first building of Genk Green Logistics just before the end of the year, which had not yet been leased as at 31 December 2020.

The fall of 2 percentage points in the occupancy rate of the logistics portfolio in the Netherlands to 98% compared to the end of 2019, was caused by the completion of the new-build complex in Roosendaal which, as at 31 December 2020, had only been partially leased. When the short-term leasing agreement on this building of less than 1 year is taken into account, the logistics portfolio in the Netherlands was fully occupied as at the end of 2020. The logistics new-build Gold Forum in Eindhoven, which was delivered in the first semester of 2020, was fully leased as at 31 December 2020.

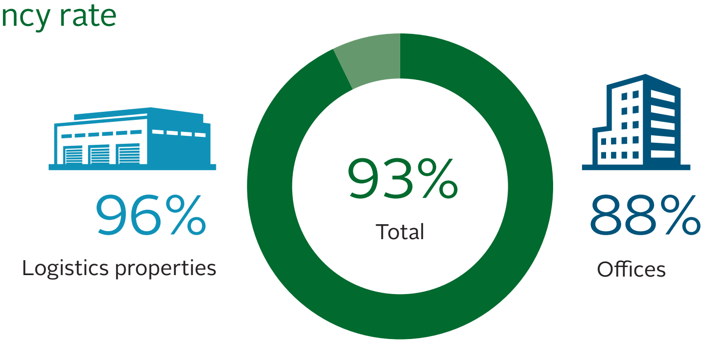
The occupancy rate of the **office portfolio** as at 31 December 2020 fell by 2 percentage points to 88% compared to year-end 2019. With regard to **leases**, Intervest was able to conclude a number of important transactions in 2020 by being customer-focused and by committing itself to creating value, despite the difficult circumstances and uncertainties arising from the current global health crisis. The leasing activity is visible in both segments, but the largest transactions were mainly in the Belgian logistics segment.

In **total**, 19% of the contractual annual rent for offices and logistics buildings has been extended or renewed (14% in 2019). 6% of this concerns new transactions and 13% is extensions and renewals with existing Intervest customers. In total, approximately 230.000 m² was extended or renewed in 28 transactions, which represents a net annual rent of € 11,7 million. The average remaining duration until the next expiry date of the entire real estate portfolio was 4,0 years at the end of 2020, compared to 4,3 years at the end of 2019. Despite the difficult economic context in 2020, this decrease is relatively limited because of an active leasing policy of Team Intervest.

In the **office segment**, agreements were concluded for a total of 22.000 m². With this, 8% of the contractual annual rent of the office portfolio, or € 2,4 million, was extended or renewed. This mainly concerned extensions in Mechelen Business Tower, Mechelen Campus and Intercity Business Park.

In the **logistics segment**, agreements were concluded for a total of 208.000 m². With this, 28% of the contractual logistics annual rent, or € 9,3 million, was extended or renewed. 11% concerns agreements with new tenants or existing tenants at new locations, 15% concerns extensions to existing agreements and 2% concerns an expansion on the grounds of an existing agreement.

Occupancy rate



The most important transactions in the logistics portfolio were concluded in:

- Herentals, with the extension of Nike Europe Holding until the end of 2022 for 51.000 m²
- Puurs, with the expansion of Delhaize and the leasing to DPD Belgium, jointly 27.000 m²
- Herstal, with the 23.000 m² extension of Coopervision
- Eindhoven (NL), with the leasing to OneMed of 21.000 m² in the logistics new-build realisation of Gold Forum
- Roosendaal (NL) with the short-term lease to a German supermarket chain, of 21.000 m², in the logistics new-build project Roosendaal Braak.

Liège - Herstal › CooperVision

2.2 Investments in 2020

In 2020, Intervest invested € 110 million in the real estate portfolio in sustainable logistics sites as well as in real estate with future development and/or redevelopment potential. These investments fulfil two pillars of the #connect2022 strategy, namely sustainability and value creation through future development potential.

In **the Netherlands**, Intervest acquired a sustainable logistics new-build realisation in Eindhoven. Furthermore, the logistics real estate portfolio in the Netherlands has been expanded with the acquisition of three existing buildings with an option on a land position in Venlo as well as the strategically located Rietvelden site in ’s-Hertogenbosch. Building work on the sustainable logistics new-build project in Roosendaal was also completed in 2020.
The newly acquired sites jointly have a leasable area of approximately 76.000 m² and generate an annual rental income flow of € 4,6 million.
The acquisitions have an average gross initial return of 7,2%.

In **Belgium**, an office building in Herentals located in a strategic land position was acquired during 2020 that creates the possibility for a cluster of a large-scale logistics redevelopment project on the adjacent Herentals Logistics site.
In November, a state-of-the-art office renovation project was acquired in Antwerp that will be completed by the start of 2022 and will have its own development team and be commercialised as Greenhouse Singel.
In the existing logistics portfolio, new-build work for a sustainable built-to-suit expansion in Merchtem was completed.

The transactions are financed with existing credit lines. The investment value of the transactions achieved is in line with the valuation by the company’s independent property expert.

Acquisitions of logistics real estate in the Netherlands

Eindhoven, Flight Forum 1890: Gold & Silver Forum form cluster at Eindhoven Airport

In 2020, Intervest acquired the prominent logistics building Gold Forum in Eindhoven.

Gold Forum, a state-of-the-art sustainable logistics building located in the Flight Forum business park near Eindhoven Airport, was delivered as at 30 January 2020 and transferred to Intervest for an investment sum of € 19 million.

This transaction, made via the conclusion of a turnkey purchase agreement, was previously announced by Intervest[1]. The building generates approximately € 1,2 million in rental income per year and was leased to OneMed for 10 years at the beginning of July 2020. The gross initial yield is 6,4%.

The prominent building with its striking gold-coloured curved façade forms a single entity with the Silver Forum commercial building acquired by Intervest in 2018, with the result that one logistics complex of almost 50.000 m² in total has been created at a multimodal location. The location and configuration of the building in the Eindhoven region also means that the building is suitable as an urban distribution warehouse.

This new-build realisation further optimises the quality of the Dutch portfolio, since the building has received the BREEAM 'Very Good' certification and is equipped with a photovoltaic installation on the roof.

Venlo: logistics site with option on land position

As part of the expansion of the logistics portfolio at strategically top locations, Intervest acquired three existing buildings and an option on a land position in Venlo in 2020. This land position can be used in the future for a logistics development project.

1 See press release dated 5 November 2018 "Intervest expands its logistics position close to Eindhoven Airport to almost 50.000 m² with Gold Forum development project."

The Netherlands - Eindhoven › Gold Forum

The Netherlands - Roosendaal › Borchwerf I - Braak

The transaction was concluded as a sale-and-lease-back transaction with Welsi, which is leasing part of the existing buildings for a period of five years. The three buildings were purchased for an investment sum of € 12,9 million, generating a gross initial yield of 6,2%.

The total area of the existing buildings is approximately 9,800 m² of warehouse space and 1,970 m² of office space. The buildings are now used by several tenants active in the logistics sector. The site has an occupancy rate of 100%.

The site has trimodal access due to its location almost right next to the ECT rail terminal and at a short distance from the barge terminal, which is a unique asset compared to competing locations. Furthermore, the two largest buildings are equipped with a photovoltaic system, with the result that this transaction further improves the sustainability of Intervest's real estate portfolio.

Given the limited availability of less large-scale areas in the Venlo region and the prime location of the site, the rental potential of the land position is assessed positively. It offers strong potential for the additional development of a logistics building of approximately 10.000 m² in the short to medium term.

Roosendaal, Borchwerf I -Braak: delivery of logistics new-build realisation

In 2019, Intervest acquired a site of 3,9 hectares on the industrial site Borchwerf I in Roosendaal. In collaboration with the developer Van Dam Invest, Intervest then realised a high-quality and sustainable logistics distribution centre of 28.000 m² on this site, the construction works of which were completed at the beginning of April 2020.

With this new-build realisation, the quality of the Dutch portfolio has been further optimised since the building meets the highest sustainability standards and is certified as BREEAM "Outstanding". The building is extensively insulated, has a photovoltaic installation, LED lighting and separate water drainage systems. etc.

The last tranche of approximately € 1,0 million was invested in 2020. The total investment in this new-build realisation is approximately € 19,5 million, which gives a gross initial yield of 7,2% when fully leased. 23% of the logistics property is leased with a short-term lease agreement until the beginning of 2021. The remaining 77% is leased until 31 December 2021 to a German supermarket chain operating in much of Europe.

Herentals › Office building and logistics site

's-Hertogenbosch: Rietvelden logistics site

Within the context of the strategic expansion of its logistics portfolio in the Netherlands, in June 2020, Intervest concluded an agreement with Pro Delta Real Estate for the acquisition of the Rietvelden business park in 's-Hertogenbosch for a total investment sum of € 12,1 million. This location comprises four buildings and borders Intervest's existing land position. This cluster improves the long-term development opportunities of the entire site.

The total area of the existing buildings amounts to approximately 5.500 m² of cross-docking space and over 10.000 m² of office space. The buildings are currently being used by two lessees active in the technology and logistics sectors. The site has an occupancy rate of 100% and generates rental income of € 1,2 million per annum, bringing the yield to approximately 9,9% for the current occupancy. The site is located on the A59 - Moerdijk - 's-Hertogenbosch - Nijmegen logistics axis and has good accessibility to the motorway with a fast connection to the inner city. The latter feature makes the location extremely suitable for last-mile and urban distribution activities. Moreover, the BCTN container terminal is just 1,6 km away, which provides a unique advantage.

Investments in real estate and project developments in Belgium

Herentals: acquisition of an office building with strategic land position for a large-scale logistics redevelopment of the Herentals Logistics site

Intervest acquired 100% of the shares of Gencor nv, a company having an office building and land position in Herentals. In view of the fact that it is adjacent to Intervest's existing property, Herentals Logistics, it will be possible to continue developing the entire site.

The acquisition price of the real estate used to calculate the price of the shares is approximately € 11 million.

The high-quality office building in Herentals, located next to the E313, was built in 2007 and comprises approximately 300 m² of office space. The building consists of six floors and three wings, and 83% of it is leased to 11 lessees. It provides flexible office spaces and full services as well as traditional offices.
The acquisition of the office building with land position forms part of the strategic growth plan to develop clusters in well-considered strategic loca-

tions, which makes large-scale redevelopment possible on the entire site in Herentals, with a unique sustainable integration of offices and logistics.

Merchtem: built-to-suit expansion on existing logistics site

In the first quarter of 2020, the works at the Preenakker industrial site in Merchtem started for a built-to-suit expansion directly adjacent to the current warehouse area of tenant ZEB, multi-brand fashion store. Thanks to the expansion, the existing logistics site of more than 7.000 m² will become a distribution warehouse of more than 14.000 m² with mezzanine. Intervest's total investment for the expansion amounts to approximately € 6,3 million.

The building was completed in the course of 2020. This expansion provided a long-term lease agreement that generates € 0,4 million of rental income per annum. The lease agreement for the existing building was extended at the same time.

These activities, which have been developed entirely in-house, fit both with the positioning of Intervest as a real estate partner that responds flexibly to the needs of the customer and with its strategy to further expand the logistics real estate portfolio.

Greenhouse Singel: prestigious office project at prime location

In November 2020, Intervest acquired an office renovation project at an excellent location. This state-of-the-art project will be one of the top office buildings in Antwerp after the renovation process has been completed and will be marketed as Greenhouse Singel.

The acquisition came about through the acquisition of the shares of Tervueren Invest nv. This was a transaction in which the total investment amount after the renovation project has been completed will amount to approximately € 48 million. The expected annual rental income is estimated at approximately between € 2,6 million and € 2,8 million upon full rental. This amounts to a gross rental yield of 5,4% to 5,8%.

Intervest aims to realise a renovated, sustainable and future-oriented office building at this visible location by using high-end techniques and meeting the BREEAM “Excellent” building standards. The building has six floors of spacious areas, comprising 14.000 m² of offices, 2.500 m² of archive space and more than 150 parking spaces. Commercialising it as Greenhouse Singel, in line with the other Intervest Greenhouse hubs elsewhere in Berchem, Mechelen and Diegem, will be entirely in the hands of the Intervest Team.

This acquisition is in line with the #connect2022 strategy, which aims to refocus on more future-oriented office buildings in cities having a student population such as the one in Antwerp. By acquiring this project, which is expected to be delivered at the beginning of 2022, Intervest will immediately also be personally managing the further development and will thus gain direct control of a larger part of the value chain.

Antwerp › Greenhouse Singel - Artist's impression

Genk › Genk Green Logistics - First logistics complex

2.3 Development potential

The logistics investment market is in great demand and purchase prices for logistics sites are rising steadily. For this reason, Intervest does not merely look at acquisitions per se for the growth of the logistics portfolio, but also takes into consideration the possibilities for developments/redevelopments or the creation of land reserves for future expansion or redevelopment. Changes in logistics distribution also help determine the choice of purchasing new sites.

In addition to the real estate available for lease, Intervest also has future development potential.

For example, the company possesses a number of land reserves of which the 250.000 m² at the former Ford site in Genk is the most important. Intervest also has land reserves in Herentals and ‘s-Hertogenbosch, where there is the possibility for later developments. The option on a land position in Venlo can also be used for a logistics development project in the future. As a result, the company still has a total area of approximately 290.000 m² that is potentially leasable, which may in the future possible cause the value of the real estate portfolio to increase to between € 230 million and € 270 million.

In Belgium, work is continuing on the redevelopment of zone B of the former Ford site in Genk.

Genk Green Logistics: delivery of first 25.000 m²

The further development of the Genk Green Logistics redevelopment project is continuing as planned and is in line with Intervest's strategy to create sustainable value. The first logistics complex of approximately 25.000 m², which aims at achieving high sustainability standards, was completed at the end of Q4 2020. The added value realised with this new-build project fits in entirely with the value creation objective of the strategy #connect2022.

The marketing of the large-scale state-of-the-art project of a total of 250.000 m² is in full swing.

More information about this project can be found on **www.genkgreenlogistics.be**.

2.4 Beyond real estate: turn-key solutions

Customers are increasingly calling on Intervest's **turnkey solutions team** for both new leases and extensions. The Intervest interior designer, together with a permanent team of project managers, provides customers with fully customised interior solutions. This turnkey solutions team works out the optimal layout for the office or logistics space, provides interior design advice, coordinates the work and closely monitors the pre-determined timing and budget. Intervest "unburdens" its tenants and the tenants are making increasing use of this service.

In 2020, the team predominantly performed assignments in the **office segment**, for both new and existing tenants. These are usually all-encompassing projects where not only the design, but also the furniture, is proposed, as well as the technology dimensioning, after which the tendering and coordination up to the final delivery point and, if necessary, the relocation, are done. This was the case for Essity and the meeting centres in Greenhouse BXL, for Prosource on Mechelen Campus, for Anglo Belge in Greenhouse Antwerp and for Baker Tilley in Intercity Access Park. Furthermore, work was done to a number of common areas in Intercity Access Park and Mechelen Business Tower.

Projects consisting mainly of the reorganisation and optimisation of existing spaces were performed for customers in the **logistics segment**. In some cases, efforts have also been made to expand and integrate with existing formats and functions. For example, a complete turnkey solutions approach was implemented for Delhaize and DPD in Puurs, including the redistribution of the spaces for both customers, the relaying of the asphalt and the expansion of the logistics space with additional gates for DPD. For Biocartis and Nippon Express, the offices adjacent to the logistics spaces have been refurbished.

The same approach has also been started for the newly acquired state-of-the-art renovation project of over 14.000 m² of office space in Berchem. At the end of this renovation process, the six-storey building will be one of the top office buildings in Antwerp and will be marketed as Greenhouse Singel. It will offer flexible space to corporate customers, small and medium-sized companies, start-ups and freelancers, providing them with their own office space, serviced offices and a co-working space, in combination with appropriate services.

Acoustic felt panels that demarcate personal work bubbles, or an espresso machine that provides the indispensable cup of coffee at work without even touching the machine ... These are but a few of the elements with which the future-oriented office concept NEREOS (NEw REality Office Space) responds to today's new way of working. Because it is fully developed in-house, it allows customers to adapt their office space safely to the mixed working environment.

In practice, this is a flexible design concept that prevents virus contamination in the office environment as much as possible and takes account of developments in the "new way of working".

This approach allows the customer to focus on what is important to the company and ensures that (re)organisation is no cause for headaches, quite the contrary. This can be concluded from the sincere satisfaction of the customers for whom turnkey solutions projects were performed in 2020.

> "Today, accommodation for businesses is less and less a matter of square metres. They are no longer merely looking at space, but want a total solution for the future. This is because the corona crisis has also changed the office environment, whereby far-reaching digital transformation and technological evolutions make it possible to combine teleworking and office work. As a real estate company, Intervest wants to think ahead together with its customers and provide inspiring, flexible and sustainable office solutions.
>
> Gunther Gielen, CEO of Intervest Offices & warehouses

3 Financial results 2020

3.1 Summary

The **EPRA earnings** for 2020 decreased compared to 2019. This was due, on the one hand, to lower rental income as a result of the one-off termination indemnity payment received from tenant Medtronic in 2019 and the divestment of three older, non-future-proof logistics sites at the end of 2019, and, on the other hand, to higher property charges and general costs, partly offset by a fall in financing costs. Investments in future-oriented real estate were made in the course of 2020. However, these investments in (re)developments (such as Roosendaal Braak, Gold Forum in Eindhoven, Merchtem, Genk Green Logistics and Greenhouse Singel in Antwerp) do not yet generate immediate rental income and have therefore not yet fully contributed to the 2020 EPRA earnings, but, in the long term, they will create value both in terms of rental income and real estate value.

EPRA earnings per share for 2020 amounted to € 1,60 compared to € 1,91 for 2019 or € 1,68, excluding the one-off termination indemnity payment received from tenant Medtronic in 2019.

3.2 Key figures

NUMBER OF SHARES	**2020**	**2019**
Number of shares at year-end	25.500.672	24.657.003
Number of shares entitled to dividend	25.500.672	24.657.003
Weighted average number of shares	25.164.126	24.516.858
RESULT PER SHARE - Group share		
Net result per share (€)	1,73	2,68
EPRA Earnings per share (€)	1,60	1,91
Pay-out ratio* (%)	95%	80%
Gross dividend** (€)	1,53	1,53
Percentage withholding tax (%)	30%	30%
Net dividend (€)	1,0710	1,0710
BALANCE SHEET DATA PER SHARE - Group share		
Net value (fair value) (€)	21,46	21,25
Net value (investment value) (€)	22,64	22,40
EPRA NTA (€)	22,40	21,77
Share price on closing date (€)	22,55	25,60
Premium with regard to fair net value (%)	5%	20%
DEBT RATIO		
Debt ratio (max 65%)	43%	39%

* Intervest Offices & Warehouses is a public regulated real estate company with a legal distribution obligation of at least 80% of the net result, adjusted for non-cash flow elements, realised capital gains and losses on investment properties and debt reductions.

** Subject to approval by the annual general meeting to be held in 2021.

3.3 Consolidated income statement

in thousands €	2020	2019
Rental income	61.303	66.143
Rental-related expenses	-51	-166
Property management costs and income	534	1.131
Property result	**61.786**	**67.108**
Property charges	-8.529	-7.529
General costs and other operating income and costs	-4.339	-3.688
Operating result before result on portfolio	**48.918**	**55.891**
Result on disposal of investment properties	1.670	5.364
Changes in fair value of investment properties	15.454	22.307
Other result on portfolio	-9.083	-5.661
Operating result	**56.959**	**77.901**
Financial result (excl. changes in fair value of financial assets and liabilities)	-7.924	-8.501
Changes in fair value of financial assets and liabilities	-2.311	-3.065
Taxes	-664	-587
NET RESULT	**46.060**	**65.748**
Minority interests	2.629	-17
NET RESULT - Group share	**43.431**	**65.765**
Note:		
EPRA earnings	40.355	46.820
Result on portfolio	5.387	22.010
Changes in fair value of financial assets and liabilities	-2.311	-3.065

Analysis of the results[1]

The **rental income** of Intervest in 2020 amounted to € 61,3 million (€ 66,1 million). This fall by 4,8 million or 7% compared to 2019 was mainly caused by a one-off termination indemnity of € 5,2 million received in 2019 following the early departure of tenant Medtronic from the Oudsbergen logistics site. In addition, rental income in the logistics segment changed mainly as a result of the divestment of three logistics sites at the end of 2019, compensated by rental income arising from cash-flow generating acquisitions in 2019 and 2020.

The **property charges** amounted to € 8,5 million in 2020 (€ 7,5 million). The increase of € 1,0 million was mainly caused by changes in the workforce responsible for the internal management of the real estate for € 0,4 million, the investments in the Netherlands where the property tax is partially borne by the owner for € 0,2 million and one-off operating costs of the Greenhouse hubs in the amount of € 0,2 million are borne by the company.

The **general costs and other operating income and costs** amounted to € 4,3 million (€ 3,7 million). Of the increase of approximately € 0,6 million, € 0,3 million is due to the one-off payment pursuant to the change in the management board and € 0,3 million is due to higher operating costs.

The fall in rental income combined with the rise in property charges and general costs, meant that the **operating result before the result on portfolio** fell by € 7,0 million or 13% to € 48,9 million (€ 55,9 million). Without taking into account the one-off effect of the termination indemnity received from Medtronic in 2019, the operating result before the result on portfolio fell by € 1,3 million or 3% in 2020 compared to 2019.

1 Comparable figures for financial year 2019 between brackets.

The **operating margin** fell from 82% in 2019 (excluding the Medtronic termination indemnity) to 80% in 2020.

The **result on disposal of investment properties** was generated by the partial release of the rental guarantee that Intervest granted the buyer of the Oudsbergen logistics site, which increased the realised gain on the sale of this property.

The **changes in fair value of investment properties** in 2020 amounted to € 15,5 million (€ 22,3 million). The positive changes in fair value are the combined result of:

- the increase in fair value of the logistics portfolio by € 32,1 million or approximately 6%, mainly as a result of the further improvement in the yields, of leases, of the delivery of the first complex in Genk Green Logistics and of the increase in the rate of registration fees in the Netherlands from 6% to 8%, valid from 1 January 2021 and already deducted from the fair value as at 31 December 2020
- the decrease in fair value of the office portfolio by € 16,6 million or approximately 5%, which is mainly as a result of the estimate employed by the property experts in the current uncertain economic situation.

The **other result on portfolio** amounted to € 9,1 million in 2020 (€ 5,7 million) and primarily comprised the provision for deferred tax on non-realised gains on the investment properties belonging to the perimeter companies of Intervest in the Netherlands and Belgium.

The **financial result (excl. changes in fair value of financial assets and liabilities)** in 2020 amounted to € -7,9 million (€ -8,5 million). The fall in the net interest charges by € 0,6 million is the result of the refinancing of hedging instruments, an increase in the use of the commercial paper programme and the repayment of the bond loan in the course of 2019. As a result, the average interest rate of the financing fell from 2,1% in 2019 to 2,0% in 2020.

> The average interest rate for the financing amounted to 2,0% for 2020 (2,1% in 2019).

The **changes in fair value of financial assets and liabilities** include the change in the negative market value of the interest rate swaps which, in line with IAS 39, cannot be classified as cash-flow hedging instruments, in the amount of € -2,3 million (€ -3,1 million).

The **net result - Group share** of Intervest for 2020 amounted to € 43,4 million (€ 65,8 million) and can be divided into:

- the **EPRA earnings** of € 40,4 million (€ 46,8 million) or a decrease by € 6,4 million or 14% which is mainly a combination of less rental income as a result of the one-off termination indemnity received from tenant Medtronic and higher property charges and general costs partly compensated by a fall in the financing costs; excluding the one-off termination indemnity received in 2019, the EPRA earnings fell by € 0,7 million or 2% compared to 31 December 2019
- the **result on portfolio** of € 5,4 million (€ 22,0 million)
- the **changes in fair value of financial assets and liabilities** in the amount of € -2,3 million (€ -3,1 million).

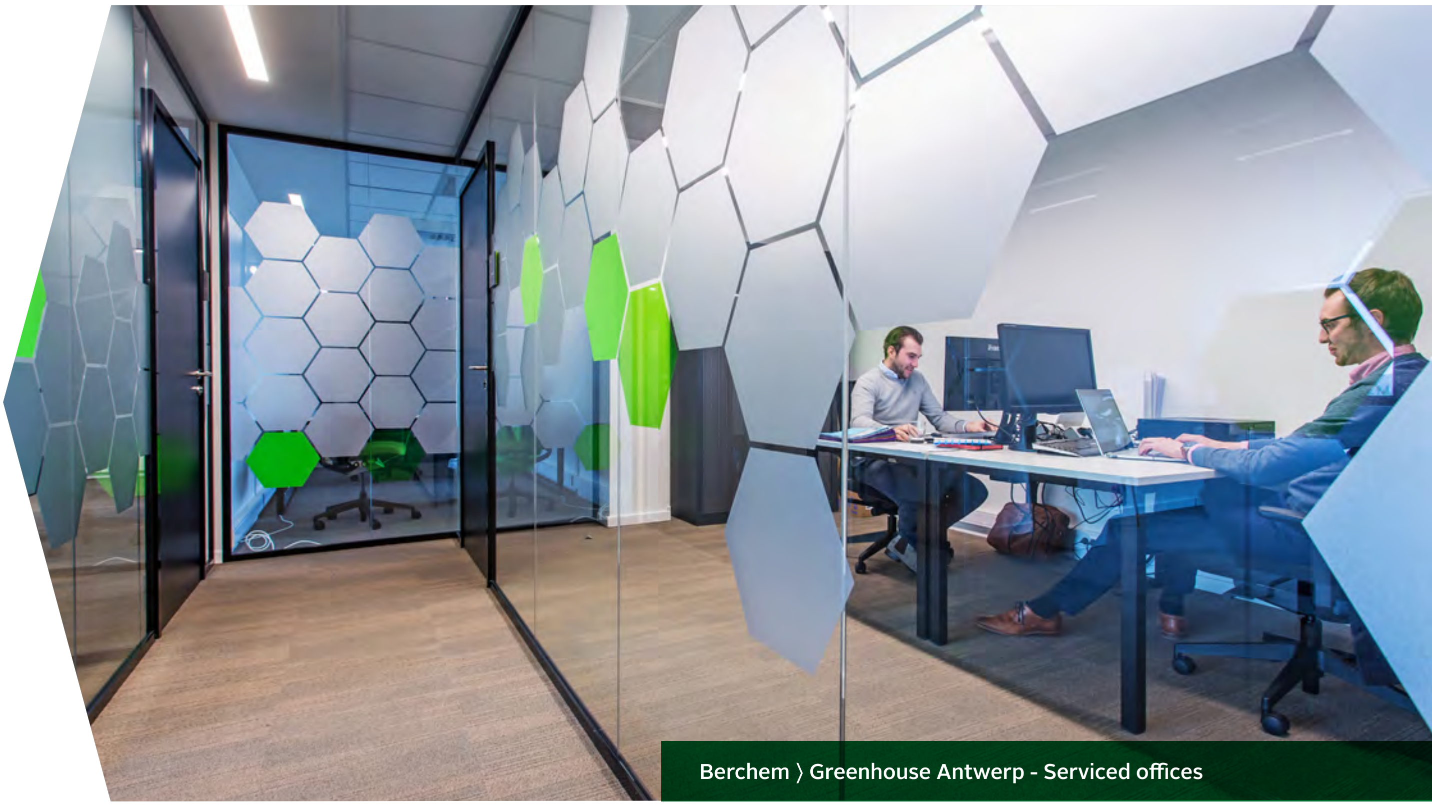
EPRA earnings amounted to € 40,4 million for 2020. Taking into account the 25.164.126 weighted average number of shares for 2020, this results in **EPRA earnings per share** of € 1,60 (€ 1,91 or € 1,68 excluding the one-off termination indemnity received from tenant Medtronic).

For 2020, the shareholders will be offered a **gross dividend** of € 1,53[1] per share (€ 1,53 for 2019). This amounts to a pay-out ratio of 96%[2] of the EPRA earnings. This offers the shareholders a **gross dividend yield** of 6,8%, based on the closing share price of € 22,55 as at 31 December 2020.

1 Subject to approval by the annual general meeting to be held in 2021.
2 Intervest Offices & Warehouses is a regulated real estate company with a legal distribution obligation of at least 80% of the operating distributable result, adjusted to non-cash flow elements, realised capital gains and capital losses on property investments and debt reductions.

3.4 Consolidated balance sheet

in thousands €	31.12.2020	31.12.2019
ASSETS		
Non-current assets	1.022.835	894.262
Current assets	25.158	24.601
TOTAL ASSETS	**1.047.993**	**918.863**
SHAREHOLDERS' EQUITY AND LIABILITIES		
Shareholders' equity	**554.414**	**524.433**
Share capital	230.638	222.958
Share premiums	181.682	173.104
Reserves	91.467	62.032
Net result for the financial year	43.431	65.765
Minority interests	7.196	574
Liabilities	**493.579**	**394.430**
Non-current liabilities	340.000	274.065
Current liabilities	153.579	120.365
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**1.047.993**	**918.863**



Berchem 〉 Greenhouse Antwerp - Serviced offices

Assets [1]

> The fair value of the real estate portfolio as at 31 December 2020 amounted to € 1,0 billion.

The **non-current assets** consisted mainly of the investment properties of Intervest. The fair value of the real estate portfolio rose by approximately € 125 million in 2020 due, among other things, to acquisitions and investments in the real estate portfolio, in project developments and in the existing portfolio (€ 110 million) and to the rise in value of the portfolio (€ 15 million).

The fair value of the real estate portfolio as at 31 December 2020 amounted to € 1.018 million (€ 893 million). In addition to the real estate available for lease amounting to approximately € 966 million, this total value includes the approx. € 33 million, for the Greenhouse Singel project development, approx. € 7 million for a project development in Herentals and approx. € 12 million for land reserves (Genk, Herentals and 's-Hertogenbosch in the Netherlands).

The **current assets** amounted to € 25 million (€ 25 million) and consisted mainly of trade receivables for € 12 million, € 6 million of tax receivables and other current assets, € 3 million of liquid assets and € 4 million of deferred charges and accrued income. Despite the corona crisis, the collection of rent and rent charge claims still follows a regular and consistent pattern. The trade receivables on the balance sheet as at 31 December 2020 amounted to € 12 million and include € 10 million non-expired receivables (advance invoicing of the rent and rental charges for the first quarter of 2021). At this point, Intervest has already received 99% of the rents for 2020. The collection percentage of the pre-invoicing for January 2021 (for monthly invoicing) and the first quarter of 2021 (for quarterly invoicing) is also in line with the normal payment pattern and already amounts to 91%.

Liabilities [2]

> Shareholders' equity in 2019 rose by € 30 million or 6%.

The shareholders' equity of the company rose by € 30 million or 6% in 2020, and amounted to € 554 million as at 31 December 2020 (€ 524 million as at 31 December 2019), represented by 25.500.672 shares (24.657.003 shares as at 31 December 2019). This rise was primarily due to the combination of:

- the optional dividend for € 16 million in May 2020 whereby the shareholders of Intervest opted for the payment of the dividend for 62% of their shares for financial year 2019, for the contribution of their dividend rights in return for new shares instead of receiving payment of the dividend in cash; this led to the creation of 843.669 new shares entitled to dividend as from 1 January 2020
- the dividend payment for financial year 2019 for an amount of € 38 million in May 2020
- the net result in the amount of € 43 million for the 2020 financial year
- the revaluation of the solar panels as a result of the application of IAS 16 for an amount of € 2 million
- the increase in the minority interest of € 7 million as a result of the capital increase through contribution in kind and the valuation after delivery of the first building in the perimeter company Genk Green Logistics.

1 Comparable figures for financial year 2019 between brackets.
2 Comparable figures for financial year 2019 between brackets.

As a result of these capital increases, the capital item increased by € 8 million to € 231 million in 2020 (€ 223 million). The capital item also includes € 2 million costs for the capital increase of November 2018. The share premiums rose by € 9 million to € 182 million (€ 173 million).

The company's reserves amounted to € 91 million (€ 62 million) and consisted mainly of:

- the reserve for the balance of the changes in fair value of real estate for € 47 million (€ 36 million), composed of the reserve for the balance of changes in the investment value of real estate for € 77 million (€ 64 million), and the reserve for the impact on the fair value of estimated transaction rights and costs resulting from the hypothetical disposal of investment properties; indeed, in accordance with the interpretation of the RREC sector of IAS 40 (publication of the Belgian Association of Asset Managers of 8 February 2006 and the updated interpretation of the BE-REIT Association, publishedas at 10 November 2016), the real estate portfolio is valued at fair value; the difference with the investment value is shown separately in the shareholders' equity; this difference amounted to € -30 million (€ -28 million) as at 31 December 2020
- a reserve for the balance of changes in fair value of authorised hedging instruments that were not subject to hedge accounting in the amount of € -7 million (€ -4 million)
- results carried forward from previous financial years and the other reserves available for distribution of € 51 million (€ 30 million).

As at 31 December 2020, the **net value (fair value)** of the share was € 21,46 compared to € 21,25 as at 31 December 2019. The EPRA NTA per share amounted to € 22,40 as at 31 December 2020 (€ 21,70 at year-end 2019).

As the stock exchange quotation of an Intervest share (INTO) was € 22,55 as at 31 December 2020, the share was quoted at a premium of 5% compared to the real fair asset value on the closing date.

Market capitalisation reached € 575 million as at 31 December 2020.

The **non-current liabilities** amounted to € 340 million (€ 274 million) and mainly comprised non-current financial debts in the amount of € 314 million (€ 255 million) and the other non-current financial liabilities of € 11 million, representing the negative market value of the cash flow hedges concluded by the company to hedge the variable interest rates on the non-current financial debts. The non-current liabilities also contained the debts relating to the ground lease payments to be paid in Oevel and Ghent in the amount of € 2 million. As at 31 December 2020, a provision of € 14 million was set aside for deferred taxes.

Current liabilities amounted to € 154 million (€ 120 million) and consisted predominantly of € 124 million (€ 88 million) of current financial debts (€ 26 million bank loans, a commercial paper of € 62 million and the bond loan of € 35 million for which the maturity date is 1 April 2021), of € 9 million of trade debts and other current debts and liabilities, and of € 19 million of accrued charges and deferred income.

4 Financial structure

4.1 Developments in 2020

To **finance** the announced #connect2022 growth plan, in 2020 Intervest concluded additional financing with existing financiers, with market-compliant terms and margins. The aim has been to achieve a balanced ratio of debts to equity, with the intention of keeping the debt ratio between 45% and 50%. Intervest ensures that there are enough resources available to finance current projects and to be able to follow up growth opportunities. In 2020, Intervest was also able to attract new bank financing at market-compliant terms for its prestigious logistics project development Genk Green Logistics. Good diversification of various financing sources is targeted, as well as an adequate spread of the expiry dates of the financing, which caused Intervest to also close 2020 with a solid capital structure. Intervest continues to pay attention to actively managing the financial risks, including risk of interest, of liquidity and of financing.

In the turbulent year 2020, Intervest succeeded in further developing its solid financial structure via the following actions:

- increasing the maximum volume of the commercial paper programme from € 70 million to € 120 million with corresponding back-up lines; a broad investor base showed a strong interest in both short-term and long-term paper in 2020
- expanding bank financing with existing credit institutions for a total amount of € 36 million
- the renegotiation of existing interest rate hedges for € 75 million at a lower interest rate via various "blend & extend" transactions.

Consequently, the credit facilities portfolio has been further optimised and extended to approximately € 600 million.

Due to this active management of its financing portfolio, the average interest rate of Intervest fell further to 2,0% in 2020 (2,1% in 2019) and the basis was laid for a further fall in the financing costs in 2021. There are also no major maturity dates in the credit portfolio in 2021, only one credit of € 25 million that reaches maturity in mid-2021.

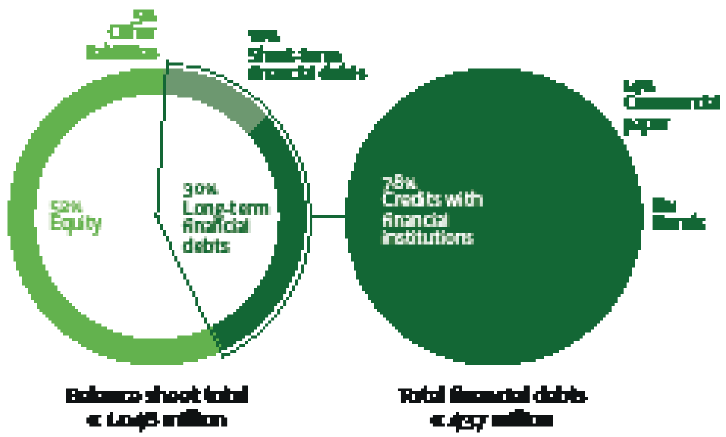
At the end of 2020, Intervest had a buffer available of € 150 million in non-withdrawn credit lines (after hedging of the issued commercial paper) to finance ongoing project developments, future acquisitions, the repayment of the bond loan that matures in March 2021 and for the dividend payment in May 2021.

This buffer, combined with the limited debt ratio of 43% at the end of 2020, means that Intervest is well positioned as regards financing to realise the growth plan #connect2022. Intervest can still invest approximately € 145 million with borrowed capital before reaching the top of the strategic bandwidth of 45%-50%.

> The debt ratio of Intervest was 43% as at 31 December 2020.

The increase in the **debt ratio** of 4 percentage points compared to 31 December 2019 is predominantly the result of acquisitions and investments in investment properties and project developments and the payment of the dividend for the 2019 financial year, partly offset by the capital increase in the context of the optional dividend.

4.2 Overview as at 31 December 2020



Other **characteristics of the financial structure** as at the end of 2020 are:

Credit lines

- 78% long-term credit lines with a weighted average remaining duration of 3,8 years (4,0 years at the end of year 2019) and 22% short-term credit lines
- spread of the expiry dates of credit lines between 2021 and 2028
- spread of the credit facilities over ten European financial institutions, bondholders and a commercial paper programme.

Interest coverage ratio

- a ratio of 6,2 for 2020: higher than the required minimum of 2 to 2,5 laid down as covenant in the company's financing agreements (6,6 for 2019).

Hedge ratio

- 75% of the withdrawn credit facilities have a fixed interest rate or were fixed by interest rate swaps and 25% have a variable interest rate
- 55% of the credit lines have a fixed interest rate or are fixed by means of interest rate swaps and 45% have a variable interest rate
- market value of the financial derivatives: € 8,8 million negative.

Covenants

- one change in 2020 in the existing contracted covenants regarding the fair value of the real estate portfolio, which must amount to a minimum of € 650 million
- the RREC satisfied its covenants as at 31 December 2020.

43%
debt ratio

€ 150 million
non-withdrawn credit lines

2,0%
average interest rate

75%
hedging ratio

4.3 Notes on the financial structure

Short-term credit lines

As at 31 December 2020, 78% of the available credit lines of Intervest were long-term credit lines and 22% were short-term credit lines.

The short-term credit lines (€ 132 million) consist of:

- 47% (€ 62 million) commercial paper
- 27% (€ 35 million) bond loan that matures and will be repaid on 1 April 2021
- 19% (€ 25 million) credits that fall due within the year and that will be refinanced
- 5% (€ 7 million) open-ended credit facilities
- 2% (€ 3 million) other short-term credit lines

Long-term credit lines

The strategy of Intervest is to keep the average duration of long-term credit lines between 3,5 and 5 years, but this can be derogated from temporarily if specific market conditions require.

In 2020, Intervest continued the process of optimising the spread of the expiry dates of its credit lines by:

- entering into additional financing of € 36 million with KBC Bank and BNP Paribas Fortis for terms of 5 years
- the extension by 5 years of existing financing with ING Belgium for an amount of € 25 million.

The weighted average remaining duration of the long-term credit lines fell slightly from 4,0 years as at 31 December 2019 to 3,8 years as at 31 December 2020.

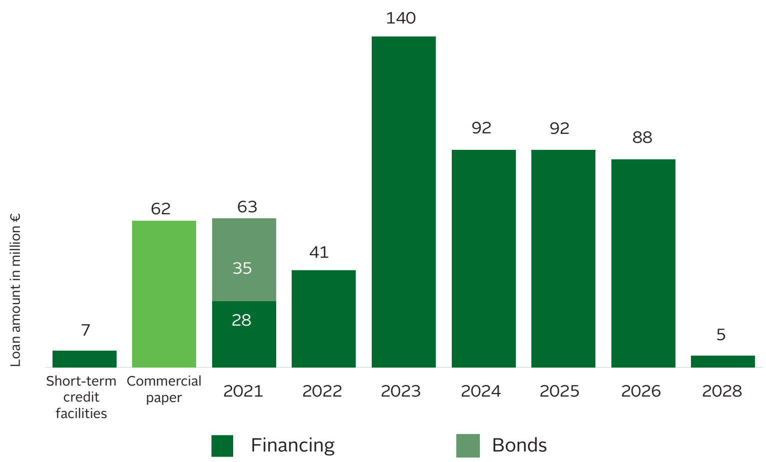
Available credit lines

As at 31 December 2020, the company had € 150 million of non-withdrawn committed credit lines after hedging the commercial paper issued. These will be used in the course of 2020 to finance ongoing project developments, future acquisitions, the repayment of the bond loan that matures as at 1 April 2021 and the dividend payment in May 2021.

Intervest maintains a strict cash position so that, in principle, the cash position at financial institutions remains largely restricted and the cash balance can be applied for the reduction of financial debts. The company's cash position amounted only to € 2,7 million as at 31 December 2020.

Expiry dates calendar credit lines

The expiry dates calendar for the credit lines as at 31 December 2020 is represented in the chart.



> The weighted average remaining duration of the long-term credit lines is 3,8 years.

Hedging

Given the persistent low interest rates on the financial markets, Intervest further stepped up its hedging strategy. When compiling the credit portfolio, Intervest aims for a strategy of maintaining a hedging ratio of at least 80%.

As at 31 December 2020:

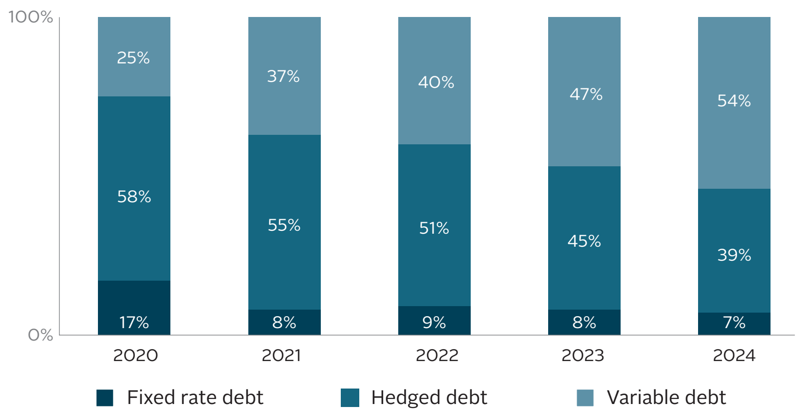
- the company concluded interest rate swaps for a total notional amount of € 255 million
- the bond loan for a total amount of € 35 million has a fixed interest rate
- the company has concluded fixed interest rate agreements with financiers for a total amount of € 37 million with initial terms of 7, 8 and 10 years.

As at 31 December 2020, 75% of the withdrawn credit facilities had a fixed interest rate or were fixed by interest rate swaps and 25% had a variable interest rate.

As at 31 December 2020, 55% of the credit lines of the company consisted of financings with a fixed interest rate or are fixed by interest rate swaps; 45% had a variable interest rate. The percentage difference with the credit lines drawn down resulted from the available credit lines.

As at 31 December 2020, the weighted average interest rate of the interest rate swaps was 0,4% (0,5% in 2019).

The expiry dates calendar of hedging instruments and financing with a fixed interest rate results in the following picture:



Duration of fixed interest rates

In 2020, existing interest rate hedges for € 75 million were renegotiated at a lower interest rate via multiple "blend & extend" transactions.

As at 31 December 2020, the weighted average remaining duration of the interest rate swaps was 4,4 years (4,4 in 2019).

The interest rates on the credits of the company (interest rate swaps and credits with fixed interest rates) as at 31 December 2020 are fixed for a weighted average remaining duration of 4,1 years (4,2 in 2019).

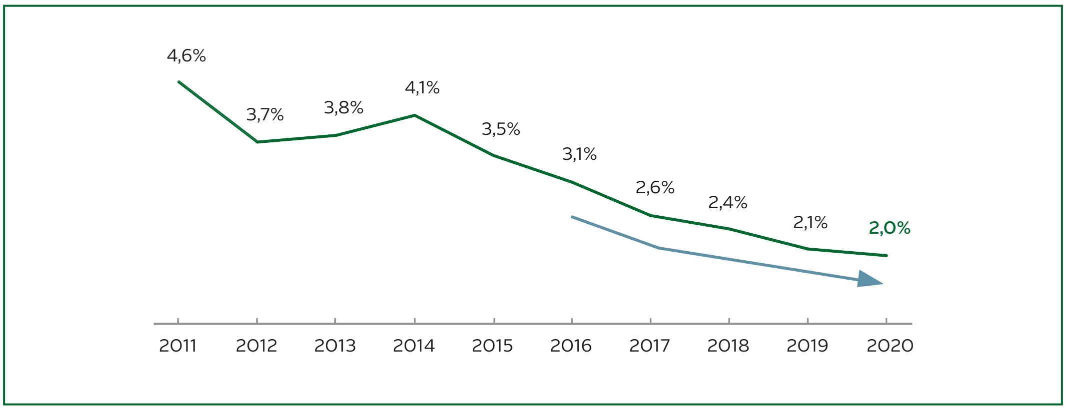
Interest rate sensitivity

For financial year 2020, the effect on the EPRA earnings of a (hypothetical) rise in the interest rate of 1% gives a negative result of approximately € 0,5 million (negative € 0,6 million in 2019).

Average interest rate of the financings

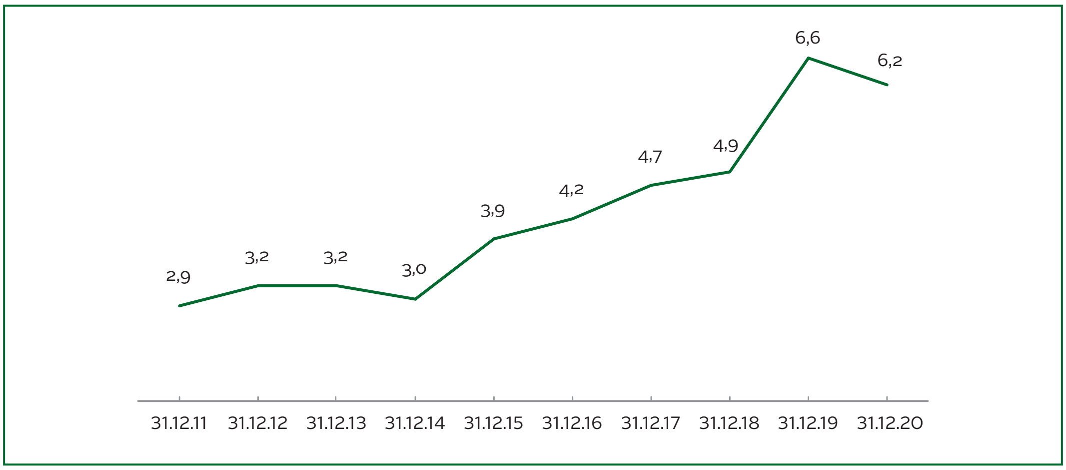
For financial year of 2020, the average interest rate of the financings of Intervest was 2,0%, including bank margins (2,1% in 2019). This decrease was mainly the result of the (re-)financing, interest hedging and optimisation.

- The average interest rate for the non-current financial debts amounted to 2,2% in 2020 (2.3% in 2019)
- The average interest rate for the current financial debts amounted to 1,4% in 2020 (1,4% in 2019).

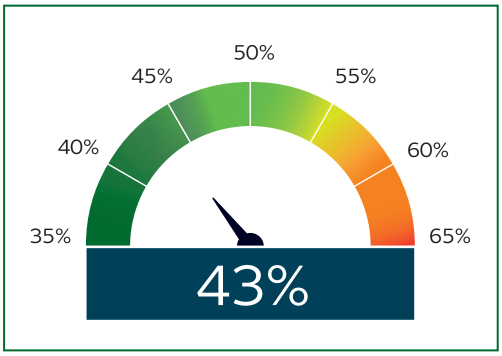


Interest coverage ratio

The interest coverage ratio is the ratio between the operating result before result on portfolio and the financial result (excluding the changes in fair value of financial assets and liabilities). For Intervest, this ratio amounted to 6,2 for financial year 2020 (6,6 for the financial year 2019), which is higher than the 2 to 2,5 required, a protocol established in the financing agreements of the company.

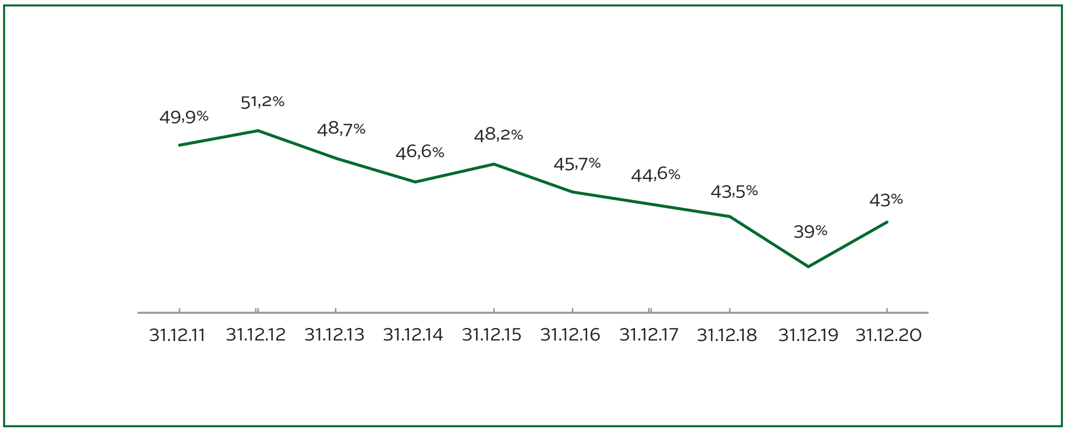


Debt ratio



The debt ratio of the company amounted to 43% as at 31 December 2020 (39% as at 31 December 2019). The increase in the debt ratio of 4 percentage points compared to 31 December 2019 is predominantly the result of acquisitions, investments in investment properties and project developments and the payment of the dividend for the 2019 financial year, partly offset by the capital increase in the context of the optional dividend.

In order to guarantee a proactive policy for the debt ratio, an RREC having a debt ratio higher than 50% must prepare a financial plan pursuant to article 24 of the RREC Royal Decree. This plan contains an implementation scheme describing the measures to be taken to avoid the debt ratio exceeding 65% of the consolidated assets.



Intervest's policy consists of trying to maintain a debt ratio of between 45% and 50%, unless a clear overheating of the logistics real estate market would significantly increase the fair value of the real estate portfolio. As a safety precaution, the bandwidth will then be adjusted downwards to 40-45%.

On the basis of the current debt ratio of 43% as at 31 December 2020, Intervest still has an additional investment capacity of approximately € 655 million, without exceeding the maximum debt ratio of 65%. The capacity for further investments amounts to approximately € 445 million before exceeding the debt ratio of 60% and approximately € 145 million before exceeding the threshold of 50%.

Valuations of the real estate portfolio also have an impact on the debt ratio. Taking into account the current capital structure, the maximum debt ratio of 65% would only be exceeded in the event of a possible fall in value of the investment properties available for lease of approximately € 355 million or 37% compared to the real estate available for lease of € 966 million as at 31 December 2020. For unchanged current rents, this means an increase of the yield, used to determine the fair value of the real estate properties available for lease, of 4 percentage points on average (from 6,9% on average to 10,9% on average). For an unchanged yield, used to determine the fair value of the real estate properties, this means a fall in the current rents of € 24,6 million or 37%.

Intervest believes that the current debt ratio is at an acceptable level, offering sufficient margin to absorb potential decreases in value of the real estate properties.

This forecast can however be influenced by unforeseen circumstances. In this respect reference is made specifically to the chapter Risk factors.

Banking counterparties

The credit facilities portfolio of Intervest is spread over ten European financial institutions and bondholders.

Intervest maintains business relations with:

- banks providing financing: KBC Bank nv, ING Belgium nv, Belfius Bank nv, BNP-Paribas Fortis nv, NIBC Bank nv, Bank Degroof Petercam, Argenta Spaarbank nv, Triodos Bank nv, VDK Bank and Banque Internationale à Luxembourg
- banks which are counterparties for the interest rate swap hedges: ING Belgium nv, KBC Bank nv and Belfius Bank nv.

Genk › Genk Green Logistics - Artist’s impression

5 Profit distribution 2020

The supervisory board proposes that the profit of financial year 2020 of Intervest Offices & Warehouses nv be appropriated as follows.

in thousands €

Net result for the 2020 financial year*	**43.431**
ALLOCATION/TRANSFER RESERVES	
Allocation to/transfer from the reserves for the balance of the changes in fair value** of real estate:	
▪ Financial year	-12.790
▪ Previous financial years	1.670
▪ Realisation real estate	-1.670
Allocation to the reserve of estimated transaction rights and costs resulting from the hypothetical disposal of investment properties	11.649
Transfer to the reserve for the balance of the changes in fair value of authorised hedging instruments that are not subject to hedge accounting	2.311
Allocation to other reserves	-1.670
Allocation to the reserves for the share in the profit or loss and in the other unrealised results of participations accounted for in accordance with the "equity" method	-2.490
Allocation to results carried forward from previous years	-1.425
Remuneration of capital	**39.016**

* The current profit distribution is based on the statutory figures (see 8.4 Annexes to the statutory annual accounts in the Financial report).
** Based on the changes in investment value of the investment properties.

At the general meeting of shareholders as at 28 April 2021, the proposal will be made to distribute a gross dividend of € 1,53 per share.

The shareholders will be offered a gross dividend of € 1,53 per share for financial year 2020. This amounts to a net dividend of € 1,071 after deduction of 30% withholding tax.

Taking into account the 25.500.672 shares, which will share in the result of financial year 2020, this means a distributed dividend of € 39.016.028.

The pay-out of the EPRA earnings is in accordance with the RREC Act. The dividend is payable as from 27 May 2021.

6 EPRA Best Practices[1]

EPRA is the European Public Real Estate Association, and it formulates recommendations to increase the transparency and consistency of financial reporting, the so-called BPR or Best Practices Recommendations.

In October 2019 the EPRA's Reporting and Accounting Committee published an update to the report entitled EPRA Best Practices Recommendations ("BPR")[2]. This BPR contains the recommendations for defining the main financial performance indicators applicable to the real estate portfolio. Intervest endorses the importance of reporting standardisation of performance indicators from the perspective of improving the comparability and the quality of information for its investors and other users of the annual report. For this reason, Intervest has decided to include the most important performance indicators in a separate chapter of the annual report.

6.1 EPRA once again gold for Annual Report 2019 and silver for Sustainability Report 2019

Intervest's **Annual Report 2019** received an EPRA Gold Award at the annual conference of the European Real Estate Association once again. This is the sixth time in a row that Intervest has received a Gold Award for its annual report from this leading association which advocates improved transparency and consistency in financial reporting.

EPRA formulates recommendations in so-called BPR or Best Practice Recommendations which provide a framework for comparability in the real estate sector and which are explained in the **EPRA BPR report**.

EPRA has extended this to recommendations and reporting with regard to sustainability, the so-called sustainability BPR. The Intervest Sustainability Report 2019, the first edition, has in the meantime won prizes, winning the EPRA sBPR Silver Award and the EPRA sBPR Most Improved Award. This is described in more detail in the **EPRA sBPR report**.

These Awards are a recognition of Intervest's ongoing efforts to provide consistent and transparent reporting with regard to finance and sustainability. Following the EPRA BPR guidelines provides stakeholders in the real estate sector with transparency and a framework of comparability and is highly valued in the sector, as is evidenced by the full report about the EPRA Awards, which can be viewed on **www.epra.com**.

1 These figures were not audited by the statutory auditor except for the EPRA earnings, the EPRA NAV and the EPRA NAV indicators.
2 The report can be viewed on the EPRA website: www.epra.com.

6.2 EPRA Key performance indicators

The statutory auditor has verified that the “EPRA earnings” and the “EPRA NAV indicators” were calculated according to the definitions of the EPRA BPR of October 2019, and whether the financial data used for the calculation of these ratios are consistent with the accounting data of the consolidated financial statements.

Table	EPRA indicators	EPRA Definitions*		31.12.2020	31.12.2019
1	EPRA earnings	Result derived from the strategic operational activities. Objective: to measure the result of the strategic operational activities, excluding (i) the changes in fair value of financial assets and liabilities (ineffective hedges), and (ii) the portfolio result (the profit or loss on investment properties that may or may not have been realised).	in thousands €	40.355	46.820
			€/share	1,60	1,91
2	EPRA Net Asset Value (NAV) indicators	Objective: to adjust the IFRS NAV to provide stakeholders with the most accurate information possible about the fair value of the assets and liabilities of a company investing in real estate in three different cases:			
		(i) **EPRA Net Reinstatement Value (NRV)** provides an estimate of the sum required to reinstate the company via the investment markets based on the current capital and financing structure, including the real estate transfer tax.	in thousands €	614.019	567.475
			€/share	24,08	23,01
		(ii) **EPRA Net Tangible Assets (NTA)** assumes that the company acquires and sells assets, which would result in the realisation of certain unavoidable deferred taxes.	in thousands €	571.146	536.766
			€/share	22,40	21,77
		(iii) **EPRA Net Disposal Value (NDV)** represents the value accruing to the shareholders of the company in the event of a sale of its assets, which would result in the settlement of deferred taxes, the liquidation of the financial instruments and the recognition of other liabilities at their maximum amount, less taxes.	in thousands €	545.038	521.177
			€/share	21,37	21,14

Table	EPRA indicators	EPRA Definitions*	31.12.2020	31.12.2019
3	(i) EPRA Net Initial Yield (NIY)	Annualised gross rental income based on the contractual rents at the closing date of the annual accounts, less the property charges, divided by the market value of the portfolio increased by the estimated transaction rights and costs in the event of hypothetical disposal of investment properties. Objective: an indicator for comparing real estate portfolios on the basis of yield.	5,7%	5,9%
	(ii) EPRA adjusted NIY	This ratio incorporates a correction to the EPRA NIY for the expiration of rent-free periods (or other unexpired rent incentives such as a discounted rent period and tiered rents). Objective: an indicator for comparing real estate portfolios on the basis of yield.	5,8%	6,1%
4	EPRA vacancy rate	Estimated rental value (ERV) of vacant space divided by ERV of the portfolio in its entirety. Objective: to measure the vacancy of the investment properties portfolio based on estimated rental value (ERV).	7,3%	6,8%
5	EPRA cost ratio (including direct vacancy costs)	EPRA costs (including direct vacancy costs) divided by gross rental income less compensations for leasehold estate and long-lease rights. Objective: to measure significant changes in the company's general and operational costs.	20,2%	15,5%
	EPRA cost ratio (excluding direct vacancy costs)	EPRA costs (excluding direct vacancy costs) divided by gross rental income less compensations for leasehold estate and long-lease rights. Objective: to measure significant changes in the company's general and operational costs, without the effect of changes in vacancy costs.	18,7%	14,5%

* Source: EPRA Best Practices (www.epra.com).

6.3 Tables EPRA Key performance indicators

Table 1: EPRA earnings

in thousands €	31.12.2020	31.12.2019
Net IFRS result (group share)	**43.431**	**65.765**
Adjustments to calculate EPRA earnings		
To be excluded:		
I. Changes in fair value of investment properties	-15.454	-22.307
II. Result on disposal of investment properties	-1.670	-5.364
VI. Changes in fair value of financial assets and liabilities	2.311	3.065
Minority interest in the changes in fair value of investment properties	2.654	0
Other result on portfolio	9.083	5.661
EPRA earnings (group share)	**40.355**	**46.820**
Weighted average number of shares	25.164.126	24.516.858
EPRA earnings (€/per share) (group share)	**1,60**	**1,91**

The EPRA earnings over 2020 amounted to € 40,4 million which is a fall of 14% compared to 2019. The EPRA earnings per share fell by 16% and amounted to € 1,60 for 2020 compared to € 1,91 for 2019.

Excluding the one-off termination indemnity payment received from tenant Medtronic, EPRA earnings over 2019 were € 41,1 and there is thus only a fall in the EPRA earnings of € 0,7 million or 2%. The underlying EPRA earnings per share excluding Medtronic for financial year 2019 would then amount to € 1,68.

This fall in EPRA earnings came about predominantly as a combination of, on the one hand, lower rental income due to the divestment of three older, non-future-proof logistics sites at the end of 2019 and, on the other hand, higher property charges and general costs, mainly one-offs, partly offset by a fall in financing costs. In the course of 2020, investments were made in future-oriented real estate. However, these investments in (re)developments (such as Roosendaal Braak, Gold Forum in Eindhoven, Merchtem, Genk Green Logistics and Greenhouse Singel in Antwerp) do not yet generate immediate rental income and therefore did not yet contribute fully to the 2020 EPRA earnings.

Table 2: EPRA NAV indicators

in thousands €			31.12.2020		
	EPRA NRV	EPRA NTA	EPRA NDV	EPRA NAV	EPRA NNNAV
IFRS Shareholders' equity attributable to shareholders of the parent company	547.216	547.216	547.216	547.216	547.216
Diluted NAV at fair value	**547.216**	**547.216**	**547.216**	**547.216**	**547.216**
To be excluded:	-24.407	-23.928	0	-24.407	0
▪ Deferred taxes in respect of the revaluation at fair value of investment properties	-15.656	-15.656		-15.656	
▪ Fair value of financial instruments	-8.751	-8.751		-8.751	
▪ Non-current intangible assets according to the IFRS balance		479			
To be added:	42.395	0	-2.180	0	-2.180
▪ Fair value of debts with fixed interest rate			-2.180		-2.180
▪ Transfer tax on real estate	42.395				
NAV	**614.018**	**571.144**	**545.036**	**571.623**	**545.036**
Diluted number of shares	25.500.672	25.500.672	25.500.672	25.500.672	25.500.672
NAV per share (in €)	**24,08**	**22,40**	**21,37**	**22,42**	**21,37**

in thousands €			31.12.2019		
	EPRA NRV	EPRA NTA	EPRA NDV	EPRA NAV	EPRA NNNAV
IFRS Shareholders' equity attributable to shareholders of the parent company	523.859	523.859	523.859	523.859	523.859
Diluted NAV at fair value	523.859	523.859	523.859	523.859	523.859
To be excluded:	-13.402	-12.907	0	-13.402	0
▪ Deferred taxes in respect of the revaluation at fair value of investment properties	-6.910	-6.880		-6.910	
▪ Fair value of financial instruments	-6.492	-6.492		-6.492	
▪ Non-current intangible assets according to the IFRS balance		465			
To be added:	30.214	0	-2.682	0	-2.682
▪ Fair value of debts with fixed interest rate			-2.682		-2.682
▪ Transfer tax on real estate	30.214				
NAV	**567.475**	**536.766**	**521.177**	**537.261**	**521.177**
Diluted number of shares	24.657.003	24.657.003	24.657.003	24.657.003	24.657.003
NAV per share (in €)	**23,01**	**21,77**	**21,14**	**21,79**	**21,14**

In October 2019, EPRA published the new Best Practice Recommendations for financial disclosures of listed real estate companies. EPRA NAV and EPRA NNNAV are replaced by three new Net Asset Valuation indicators, namely EPRA NRV (Net Reinstatement Value), EPRA NTA (Net Tangible Assets) and EPRA NDV (Net Disposal Value). The EPRA NTA largely matches the "old" EPRA NAV.
In order to keep the comparison with past data that is replaced by the new BPR Guidelines, the EPRA NAV and EPRA NNNAV reconciliation is still included.

The EPRA NTA per share amounted to € 22,40 as at 31 December 2020. This means that there was an increase of € 0,63 compared to the € 21,77 of 31 December 2019, mainly as a result of the combination of the EPRA earnings generation, the increase in value of the real estate portfolio and the dividend distribution for financial year 2019.
The EPRA NRV per share as at 31 December 2020 amounted to € 24,08 compared to € 23,01 at year-end 2019.
The EPRA NDV per share amounted to € 21,37 at year-end 2020 compared to € 21,14 at year-end 2019.

Table 3: EPRA Net Initial Yield (NIY) and EPRA adjusted NIY

in thousands €	31.12.2020	31.12.2019
Investment properties and properties held for sale	1.017.958	892.813
To be excluded:		
Project developments intended for lease	52.162	33.300
Real estate available for lease	**965.796**	**859.513**
To be added:		
Estimated transaction rights and costs resulting from the hypothetical disposal of investment properties	42.395	30.214
Investment value of properties available for lease - including property held by right of use (B)	**1.008.191**	**889.727**
Annualised gross rental income	65.623	59.438
To be excluded:		
Property charges*	-8.516	-7.141
Annualised net rental income (A)	**57.107**	**52.297**
Adjustments:		
Rent expiration of rent free periods or other lease incentives	1.133	2.075
Annualised "topped-up" net rental income (C)	**58.240**	**54.372**
(in %)		
EPRA NET INITIAL YIELD (A/B)	**5,7%**	**5,9%**
EPRA ADJUSTED NET INITIAL YIELD (C/B)	**5,8%**	**6,1%**

** The perimeter of the property charges to be excluded for the calculation of the EPRA Net Initial Yield is set out in the EPRA Best Practices and does not correspond to the "Property charges" as presented in the consolidated IFRS accounts.

The EPRA Net Initial Yield and the EPRA Adjusted Net Initial Yield as at 31 December 2020 fell compared to 31 December 2019 as a result of, on the one hand, an increase in fair value of the existing logistics portfolio due to the further sharpening of the yields in the logistics portfolio in the Netherlands and Belgium and, on the other hand, the delivery of the first sustainable logistics complex in Genk Green Logistics, which was still available for lease as at 31 December 2020.

Table 4: EPRA vacancy rate

Segment	Leasable space (in thousands m²)	Estimated rental value (ERV) on vacancy (in thousands €)	Estimated rental value (ERV) (in thousands €)	EPRA vacancy rate (in %)	EPRA vacancy rate (in %)
				31.12.2020	31.12.2019
Offices	246	3.641	31.274	12%	10%
Logistics real estate Belgium	490	1.086	21.092	5%	6%
Logistics real estate the Netherlands	310	292	16.037	2%	0%
TOTAL REAL ESTATE available for lease	**1.046**	**5.019**	**68.403**	**7%**	**7%**

As at 31 December 2020, the EPRA vacancy rate has remained stable.

The EPRA vacancy rate of the office portfolio rose by 2 percentage points as a result of the acquisition of the office building in Herentals, which had an occupancy rate of 83% as at 31 December 2020.

For the logistics portfolio, the EPRA vacancy rate fell by 5% in Belgium due to a leasing to DPD Belgium and an expansion of Delhaize in Puurs. The remaining vacancy comes from the delivery of the first complex in Genk Green Logistics, which had not yet been let as at 31 December 2020.

In the logistics portfolio in the Netherlands, the vacancy concerned Roosendaal Braak. If the short-term lease agreement in Roosendaal is taken into account, this gives an occupancy rate of 100% as at 31 December 2020.

Table 5: EPRA cost ratios

in thousands €	31.12.2020	31.12.2019
Administrative and operational expenditures (IFRS)	12.385	10.252
Rental-related costs	*51*	*166*
Recovery of property charges	*-752*	*-707*
Recovery of rental charges	*-20*	*0*
Costs payable by tenants and borne by the landlord for rental damage and refurbishment	*698*	*774*
Other rental-related income and expenses	*-460*	*-1.198*
Property charges	*8.529*	*7.529*
General costs	*4.085*	*3.777*
Other operating income and costs	*254*	*-89*
To be excluded:		
Compensations for leasehold estate and long-lease rights	-8	-8
EPRA costs (including vacancy costs) (A)	**12.377**	**10.244**
Vacancy costs	-892	-672
EPRA costs (excluding vacancy costs) (B)	**11.485**	**9.572**
Rental income less compensations for leasehold estate and long-lease rights (C)	**61.295**	**66.135**
(in %)		
EPRA cost ratio (including vacancy costs) (A/C)	**20,2%**	**15,5%**
EPRA cost ratio (excluding vacancy costs) (B/C)	**18,7%**	**14,5%**

The EPRA cost ratio as at 31 December 2020, rose compared to 31 December 2019. This rise is explained by the fall in rental income in the logistics portfolio due to the one-off termination indemnity received from Medtronic in 2019 combined with higher property charges and general costs. Without taking into account the one-off termination indemnity received from Medtronic, the EPRA cost ratio including direct vacancy costs would have amounted to 17,7% as at 31 December 2019 and 16,6% excluding direct vacancy costs.

Table 6: EPRA net rental income on steady comparison basis

in thousands €	31.12.2020				31.12.2019		
Segment	Unchanged composition of the portfolio over two years	Acquisitions & developments	Divestments	Total net rental income	Unchanged composition of the portfolio over two years	**Evolution in net rental income**	**Evolution in net rental income (in %)**
Offices	**25.629**	521	0	26.150	25.624	**5**	**0%**
Changes resulting from indexation						246	1%
Changes in the occupancy rate						331	1%
Changes due to renegotiation with current or new tenants						-188	-1%
Changes to compensation for damages received						-48	0%
Changes Greenhouse						-96	0%
Changes in staggered rent benefits due to negotiations and break dates						-240	-1%
Logistics	**30.606**	4.547	0	35.153	30.554	**52**	**0%**
Changes resulting from indexation						432	1%
Changes in the occupancy rate						169	1%
Changes through renegotiation with current or new tenants						-231	-1%
Changes due to discounts on temporary availability provision						0	0%
Changes to compensation for damages received						0	0%
Changes in staggered rent benefits due to negotiations and break dates						-318	-1%
TOTAL RENTAL INCOME for unchanged composition	**56.235**	5.067	0	61.303	56.178	**57**	**0%**
Reconciliation with consolidated net rental income							
Rental-related costs				-51			
NET RENTAL INCOME				**61.252**			

The above table shows the change in the EPRA rental income in an unchanged portfolio composition. This means that the additional rental income received as a result of the 2019 and 2020 acquisitions and the rental income from the three logistics sites that were divested in 2019 are not included in the basis for comparison.

In both the office and logistics segments, the like-for-like remains stable.

Table 7: EPRA investment expenditures on constant comparison basis

in thousands €	31.12.2020		31.12.2019	
	Offices	Logistics	Offices	Logistics
Acquisition of investment properties	0	42.683	0	23.953
Investments in project developments	2.562	18.324	0	29.594
Acquisition of shares in real estate companies	42.677	0	0	0
Divestment/transfer of investment properties	0	-1.592	0	-57.665
Like-for-like portfolio*	2.971	2.066	6.803	1.317
TOTAL	**48.210**	**61.481**	**6.803**	**-2.801**

* The investment expenditures mentioned in the “like for like portfolio” concern investments and expansions in buildings owned by the company as at 1 January 2019 and still owned as at 31 December 2020.

In the logistics portfolio, three logistics sites in the Netherlands were purchased in 2020 for an amount of € 42,7 million. € 18,3 million was invested in project developments, predominantly in Genk Green Logistics, Merchtem and Roosendaal Braak (NL). Furthermore, in accordance with IAS 16, the solar panels are no longer recognised under investment properties, but under non-current tangible assets, which is why they are listed in the above table as a transfer.

In the office segment, the shares of the real estate company Gencor nv with an office building in Herentals and of the real estate company Greenhouse Singel nv (formerly Tervueren Invest) with a project development in Antwerp were acquired for € 42,3 million. After the acquisition of the shares, investments of € 2,5 million were already made in 2020 in the Greenhouse Singel project in Antwerp.

The investment expenditure of € 3 million in the existing office portfolio mainly relate to expenditure concerning the car park in Greenhouse BXL. In the logistics portfolio, € 2,1 million was invested in the existing portfolio, mainly in Puurs.

7 Outlook 2021

With #connect2022, launched in the middle of 2020, Intervest has set out the strategic lines for the coming years: realising a carefully thought out growth of 30% of the fair value of the real estate portfolio, improving the quality of the real estate portfolio through asset rotation, realising the entire value chain from purchase (which can also include land purchase) to completion of the property with an in-house dedicated and motivated team and all this with an eye for sustainability with regard to both investment and financing.

In 2021 and 2022, Intervest will continue unabated with the implementation of this approach with value creation for all stakeholders and with due regard to sustainability in the different areas, supported by a customer-oriented team. Each forms one of the pillars of the #connect2022 strategy which are inextricably linked.

If the corona pandemic does not come under control and the economy therefore does not fully recover as a result, this could have a negative effect on the fair value of the investment properties and the EPRA earnings achieved by Intervest in the future. With a limited debt ratio of 43%, as at 31 December 2020, and sufficient financing capacity, Intervest has adequate capacity to deal with these effects. A diversified real estate portfolio also offers a solid foundation for the future.

Nederland - Eindhoven 〉 Gold and Silver Forum

Investments and development potential

Intervest is committed to creating value for its stakeholders by generating solid and recurring cash flows from a well-diversified real estate portfolio, with respect for the environment, social aspects and good governance. With this, the company wants to extract agile advantage from the respective investment cycles and the underlying rental market in offices and logistics, the two segments of the real estate portfolio.

With regard to the logistics real estate, the focus lies on sites with multimodal accessibility and a critical size on the main axes in Belgium, the Netherlands and northwest Germany. In this market segment, the scarcity and the growing importance of e-commerce, clearly influenced by the corona crisis, have led to a certain overheating of the market, both in Belgium and in the Netherlands. The purchase of logistics real estate has become expensive, which has meant that Intervest is moving towards project developments under its own management, with #TeamIntervest. Existing logistics real estate sites will be redeveloped into future-proof logistics buildings with a higher expected re-leasability.

In this context, in Belgium Intervest is carrying out an investigation into a large-scale logistics redevelopment on the site known as Herentals Logistics. This opportunity arose in the first half of 2020, after the acquisition of the adjoining office building with additional land position. The site on which the office building is located is adjacent to the logistics buildings of Herentals Logistics and offers the opportunity of a sustainable new logistics construction development at a top location along the E313. The building permit process has started and there are advanced discussions with interested tenants.

In 2021, Intervest will continue to focus on developing the Genk Green Logistics project. The new construction of the first state-of-the-art logistics building of 25.000 m² was delivered in the fourth quarter of 2020. The herewith realised increase in value on this new construction project fits in with the aim of the value creation of the strategy #connect 2022.

In 2020, Intervest also invested in logistics real estate with future logistics development potential in the Netherlands: a logistics site with an option for land position in Venlo and a long-term development option in 's Hertogenbosch. Here, the previously acquired land position from 2019, in combination with the buildings acquired in 2020, offer the long-term possibility for the development of an expanded logistics cluster.

Genk 〉 Genk Green Logistics - first new construction of ca 25.000 m²

With regard to investments for the office segment, Intervest will strive to acquire high-quality properties in attractive and easily accessible places with a significant student population on the one hand, and, on the other, to pay the necessary attention to the "future-proof" upgrading of existing properties in the portfolio.

In the office segment, buildings in a good location are rather scarce, certainly in cities with a student population such as Antwerp. Moreover, also due to the coronavirus crisis, trends can be observed in the office segment that have an influence on the future way of working, such as the evolution towards a 'blended work-environment'. These developments increase the need for office buildings focused on the changing needs of users.

In November 2020, Intervest acquired the prestigious office renovation project in Antwerp which, as Greenhouse Singel, will become part of the existing inspiring Greenhouse hubs in Berchem, Mechelen and Diegem. This office renovation project will be developed further under Intervest's own management in 2021 and delivery is expected at the beginning of 2022.

The focus will also be on the future-proof upgrading of the existing office buildings to meet the evolving needs in the office segment. In this context, Intervest has developed the 'NEw REality Office Space' (NEREOS) concept. With its various elements, the NEREOS office concept responds to this new 'mixed working environment' of today with the move away from the traditional open-plan office. Acoustic felt panels that fence off personal work bubbles. Carpets that clearly visualise the one and a half metre bubble, separation of public and private areas, strict one-way traffic, ... in short, inspiring, flexible and sustainable office solutions in line with the strategic positioning *beyond real estate*.

Leasing activity

Despite the corona crisis, the occupancy rate remained stable in 2020. The occupancy rate of Intervest's real estate portfolio was 93% as at 31 December 2020, 88% for office buildings and 96% for the logistics portfolio. Increasing tenant retention by extending the lease agreement duration continues to be the key challenge, as does further stabilising and possibly improving the occupancy rate in both segments.

In the meantime, Intervest has more of a concrete view regarding the future opportunities for its office building Woluwe Garden, both in terms of redevelopment and divestment. The final decision can be made by the end of 2021 at the latest, the date on which PwC vacates the building.

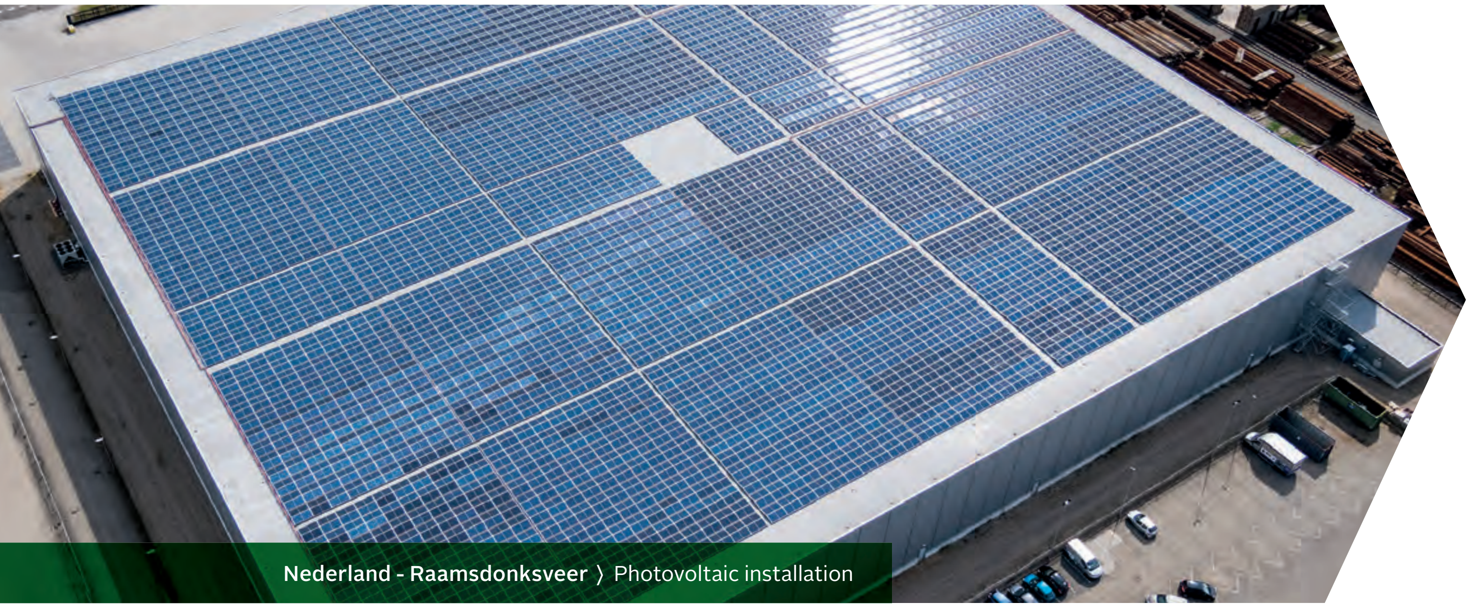
The evolution of the occupancy rate in the logistics segment will depend on matters such as the leasings on the new logistics construction realisations in Genk and Roosendaal. The first building of approximately 25.000 m² was completed in Genk at the end of 2020. The logistics building Roosendaal Braak, a new construction realisation of approximately 28.000 m², is 23% leased in the short term. The marketing of these prime locations is fully under way.

Financing

In accordance with Intervest's financing policy, the further growth of the real estate portfolio will be financed by a balanced combination of borrowed capital and own equity. In this regard, the debt ratio will remain within the strategic bandwidth of 45%-50% unless a distinct overheating of the logistics real estate market causes the fair value of the real estate portfolio to rise substantially. As a safety precaution, the bandwidth will then be adjusted downwards to 40-45%.

At the end of 2020, Intervest had a buffer available of € 150 million in non-withdrawn credit lines (after hedging of the issued commercial paper) to finance ongoing project developments, future acquisitions, the repayment of the bond loan that matures 1 April 2021 and for the dividend payment in May 2021.

This buffer, combined with the limited debt ratio of 43% at the end of 2020, means that Intervest is well positioned as regards financing to realise the growth plan #connect2022. Intervest can still invest approximately € 145 million with borrowed capital before reaching the top of the strategic bandwidth of 45%-50%.



Nederland - Raamsdonksveer 〉 Photovoltaic installation

EPRA earnings and gross dividend

The gross dividend of € 1,53 per share for the 2020 financial year will be presented to the general meeting of shareholders as at 28 April 2021.

In 2020, Intervest invested mainly in (re)developments which, however, do not yet generate immediate rental income. In 2021, further investments will also be made in (re)developments that will not fully contribute to the EPRA earnings of 2021, as a result of which Intervest foresees a limited growth for the EPRA earnings per share for financial year 2021. Intervest expects a gross dividend for financial year 2021 to be at the same level as for financial year 2020, namely € 1,53 per share. This means a gross dividend yield of 6,8% based on the closing rate of the share as at 31 December 2020 of € 22,55, and comes out at an average pay-out ratio of between 90% and 96% of the expected EPRA earnings. This planned gross dividend can be increased if the circumstances relating to the planned investments and/or additional leases in the real estate portfolio, which lead to a further increase in the EPRA earnings, make it possible and expedient.

This outlook is based on the current knowledge and assessment of the fluctuations of the interest rates, the strategic growth plan #connect2022, of the possible effects of the corona crisis and the accompanying government measures.

Sustainability

In 2021, Intervest continues to focus on sustainability in the management of its properties and in the conducting of its own operations and it pays additional attention to the ‘5 Ps for sustainable enterprise’: Planet, Peace, Partnership, Prosperity & People: attention for the environment, a care-free society, good understanding, technological progress and a healthy living environment, as defined by the United Nations and included in Intervest’s sustainability framework.

Intervest wants to pursue the highest standards of sustainability on both the portfolio and financing fronts. After all, Intervest employs a very broad vision regarding sustainability and is committed to building a long-term relationship with all of its stakeholders.

Since 2009, Intervest has been systematically and gradually certifying the environmental performance of its buildings, based on the internationally recognised ‘BREEAM-In-Use’ assessment method. In 2019, Intervest checked which existing certificates were to be renewed and what actions needed to be taken to certify buildings not yet certified. These actions were implemented further in 2020, as a result of which

21% of the buildings are certified as at least BREEAM 'Very Good'. The aim is to have 30% of the real estate portfolio certified as at least BREEAM 'Very good' by 2022.

By 2022, Intervest wants to have 80% of the logistics real estate equipped with photovoltaic installations. In 2020, 61% of the properties in the logistics portfolio were so equipped. In 2021, Intervest will continue to examine which roofs are suitable to accommodate photovoltaic installations and the total surface area of solar panels on Intervest roofs will increase even further.

Intervest will also in 2021 cooperate with the partnership between the Flemish government, the research world and the industry to make a 'smart energy region' of Flanders. BECOME (Business Energy COmmunity MEchelen) is the name of the business consortium of which Intervest, together with companies such as Quares and Engie, forms a part. In 2020, a 'living lab testing ground' started up at Intervest's Mechelen Campus and Intercity Business Park office site and in its immediate vicinity to analyse whether a smart grid environment can be implemented in the longer term for exchanging power with one another.

Under the motto 'measuring is knowing', the aim has been formulated to equip 80% of the real estate portfolio with smart meters.

In terms of sustainability, as has been stated above, Intervest has already taken a number of steps in the last few years. The intention is to continue along this path and to play a pioneering role with regard to both the portfolio and the financing. As at the end of 2020, all 17 SDGs (United Nations Sustainable Development Goals) have been incorporated in Intervest's sustainability policy. In the course of 2021, Intervest will receive the internationally recognised UNITAR certificate for this. The 2020 Sustainability Report reports on the broader sustainability framework, the activities of the past year, the objectives set and the results achieved in terms of the EPRA sBPRs performance indicators and this report can be found on www.intervest.be.

> "All this means that sustainability is not just a temporary focus. Sustainability forms part of Intervest's DNA.
>
> GUNTHER GIELEN, CEO INTERVEST OFFICES & WAREHOUSES

Merchtem 〉 Automation

REPORT ON THE SHARE

1 Stock market information

INTO
LISTED
EURONEXT
ISIN BE0003746600

Intervest Offices & Warehouses (hereinafter 'Intervest') has been listed on the continuous market of the Euronext Brussels stock exchange (INTO) since 1999.

The share is included in stock exchange indexes such as EPRA/NAREIT Developed Europe and EPRA/NAREIT Developed Europe REIT's.

Intervest has been listed > 20 years on the Brussels stock exchange.

1.1 Evolution of the share price over 3 years

The Intervest share closed the financial year as at 31 December 2020 at a share price of € 22,55, compared to € 25,60 as at 31 December 2019.

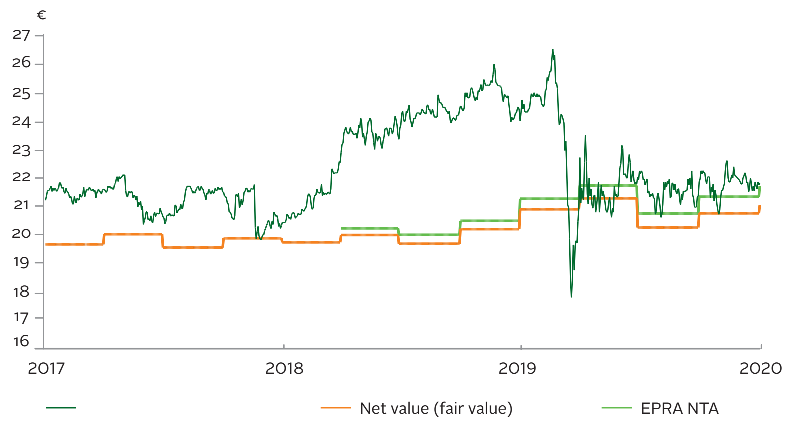
The average share price of financial year 2020 amounted to € 23,03 compared to € 24,93 in financial year 2019. The share price of Intervest encountered, such as many other shares, a consequence of the corona pandemic. This impact was visible in the period March 2020 where the share's lowest closing price was € 16,90 (18 March 2020). The highest closing price was € 29,15 (19 February 2020).

1.2 2020 stock exchange performance compared to BEL 20

On average, the Intervest share performed better than the BEL 20 in the first semester of 2020. In the second semester the Intervest share performed analogously with the BEL 20.
The ex-dividend date for the dividend covering financial year 2019 was as at 7 May 2020.

As at 31 December 2020 the market capitalisation of Intervest amounted to € 575 million.

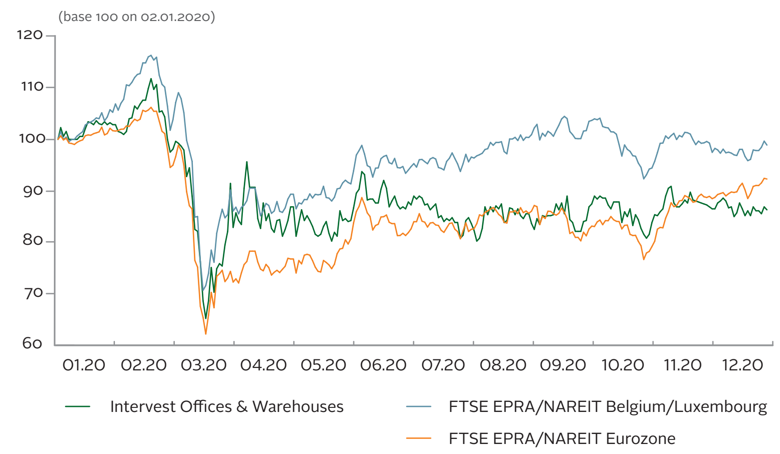
1.3 Premium of the share price with regard to net value and EPRA NTA over 3 years



The Intervest share recorded an average premium of 9% compared to the net value (fair value) and 5% with regard to the EPRA NTA.

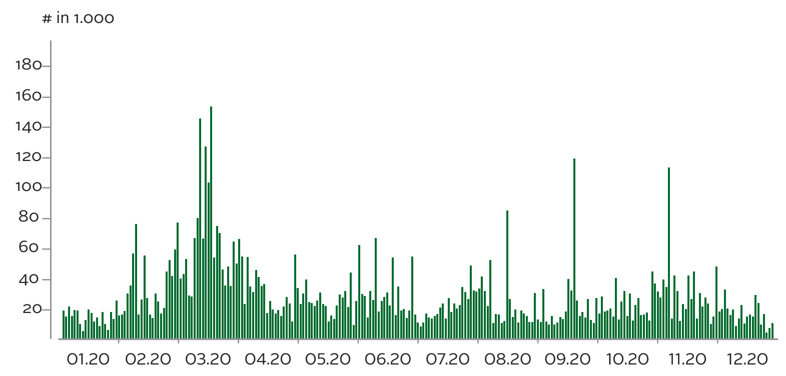
The premium as at year end 31 December 2020 amounted to 5% compared to the net value (fair value) and 1% with regard to the EPRA NTA. The net value included the dividend for financial year 2020.

1.4 Comparison of Intervest with EPRA/NAREIT indexes - Total return



During 2020, the performance of the Intervest share was on average analogously in terms of the FTSE EPRA/NAREIT Eurozone and the FTSE EPRA/NAREIT Belgium/Luxembourg during the first semester of 2020. In the second semester of 2020 the Intervest share performed lower than the FTSE EPRA/NAREIT Belgium/Luxembourg.

1.5 Traded volume Intervest



The traded volumes in 2020 were with an average of 29.091 shares a day at a higher level than in 2019 (an average of 27.295 a day). Based on the weighted average number of shares, the turnover rate of the Intervest share is 29% and at same the level as in 2019 (28%).

A liquidity agreement has been concluded with KBC Securities and Bank Degroof Petercam in order to boost the negotiability of the shares. In practice this happens by regularly submitting purchase and sale orders within certain margins.

2 Dividend and shares

The share price of an Intervest share was € 22,55 as at 31 December 2020, which means the shareholders were offered a gross dividend yield of 6,8%.

NUMBER OF SHARES	31.12.2020	31.12.2019	31.12.2018
Number of shares at the end of the period	25.500.672	24.657.003	24.288.997
Number of shares entitled to dividend	25.500.672	24.657.003	24.288.997
Free float (%)	80%	85%	85%

STOCK MARKET INFORMATION	31.12.2020	31.12.2019	31.12.2018
Highest closing share price (€)	29,15	28,40	22,96
Lowest closing share price (€)	16,90	20,60	19,74
Share price on closing date (€)	22,55	25,60	20,6
Premium to net value fair value (%)	5%	20%	5%
Average share price (€)	23,03	24,93	21,69
Number of shares traded per year	7.476.507	6.960.147	4.595.938
Average number of shares traded per day	29.091	27.295	18.094
Share turnover rate (%)	29,3%	28,2%	19,0%

DATA PER SHARE (€)	31.12.2020	31.12.2019	31.12.2018
Net value (fair value)*	21,46	21,25	19,62
EPRA NTA	22,40	21,77	-
Market capitalisation (million)	575	631	500
Pay-out ratio (%)	95%	80%	86%
Gross dividend	1,53	1,53	1,40
Percentage withholding tax (%)	30%	30%	30%
Net dividend	1,0710	1,0710	0,9800
Gross dividend yield (%)	6,8%	6,0%	6,8%
Net dividend yield (%)	4,7%	4,2%	4,8%

* The net value (fair value) corresponds to the net value as determined in article 2, 23° of the RREC Act..

3 Shareholders[1]

As at 31 December 2020, the following shareholders' structure was known to the company.

Name	Number of shares	Date of transparency notifications	% on transparency notification date
FPIM/SFPI (including Belfius Group) Avenue Louise 32-46A, B-1050 Brussels	**2.439.890**	**20 August 2019**	**9,90%**
Federale Participatie- en Investeringsmaatschappij nv/ Société Fédérale de Participations et d'Investissement S.A. (FPIM/SFPI) (parent company of Belfius Bank nv)	0		
Belfius Verzekeringen nv	2.382.330		
Belfius Bank nv	0		
Corona nv	29.254		
Auxipar nv	28.306		
Allianz Koenigingstrasse 28 - 80802 München, Germany	**1.563.603**	**04 April 2019**	**6,44%**
Allianz SE	0		
Allianz Benelux S.A.	1.563.603		
Patronale Group nv Belliardstraat 3, 1040 Brussels	**1.251.112**	**12 March 2020**	**5,07%**
Patronale Group nv	309		
Patronale Life nv	1.250.803		
Degroof Petercam Asset Management S.A. Guimardstraat 18, 1040 Brussels	**773.480**	**19 March 2019**	**3,18%**
BlackRock 55 East 52nd Street - New York, NY 10055, U.S.A.	**493.742**	**30 June 2015**	**3,04%**
BlackRock Asset Management Canada Ltd	7.643		
BlackRock Asset Management Ireland Ltd	239.651		
BlackRock Asset Management North Asia Ltd	321		
BlackRock Fund Advisors	134.143		
BlackRock Fund Managers Ltd	10.513		
BlackRock Institutional Trust Company, National Association	96.868		
BlackRock International Ltd	4.603		
Other shareholders under the statutory threshold	18.978.845		
TOTAL	**25.500.672**		

1 Number of shares based on the transparency notifications received until 31 December 2020 inclusive. Notified changes can be consulted at www.intervest.be/nl/shareholders-structure.

The free float of the Intervest share amounted to 80% as at 31 December 2020.

Transparency notifications in 2020

Intervest received a transparency notification dated 12 March 2020 from Patronale Group nv, indicating that it holds 5,07% of the voting rights in Intervest following the acquisition or transfer of securities conferring voting rights or voting rights, and has therefore exceeded the notification threshold of 5%.

The complete notifications as well as the shareholders' structure may be consulted on the website of Intervest under the following heading: Shareholding structure.

https://www.intervest.be/en/shareholders-structure

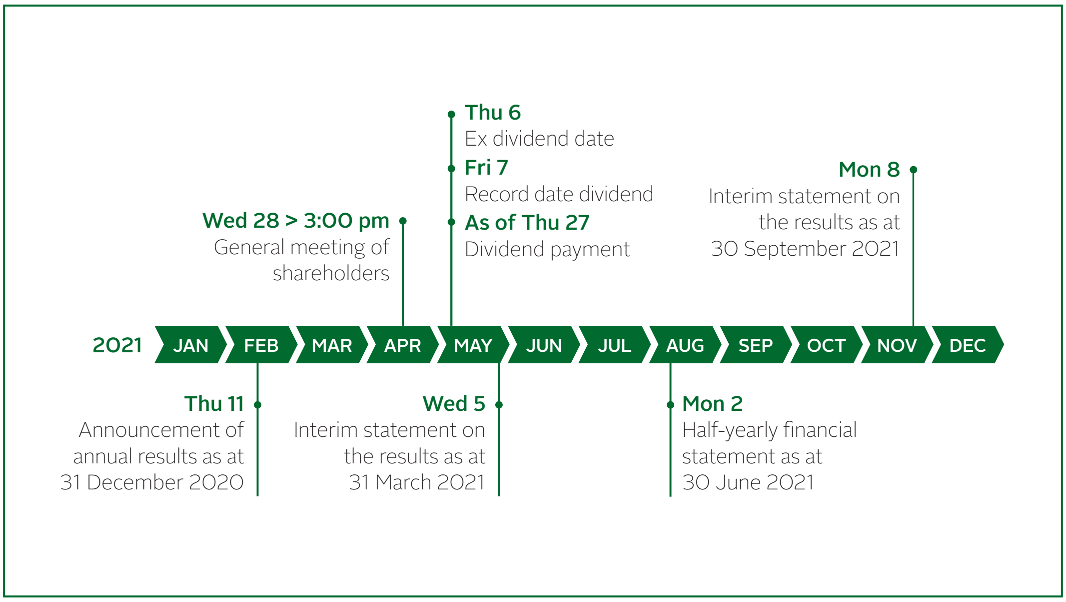
In accordance with the applicable legal prescriptions, every natural or legal person that purchases or sells shares or other financial instruments of a company with a right to vote, be it representing capital or not, is obliged to notify the company as well as the Financial Services and Markets Authority (FSMA) of the number of financial instruments that he, she or it possesses whenever the right to vote connected to these shares reaches five percent (5%) or a multiple of five percent of the total number of voting rights at that moment or at the moment when circumstances occur that give reason for such notification to become obligatory.

Besides the legal threshold mentioned in the previous paragraph, the company also stipulates a statutory threshold of three percent (3%).

Declaration is also obligatory in case of transfer of shares, if the number of voting rights increases above or decreases below the thresholds, stipulated above, as a result of this transfer.

The denominator for these notifications in the context of transparency reporting was last amended as at 26 May 2020 as a result of the capital increase with irreducible priority allocation rights and the accompanying issue of 843.669 new shares.

4 2021 financial calendar



Any changes to the financial calendar that might be required will be disclosed in a press release on the company website, www.intervest.be.

PROPERTY REPORT

1 Composition of the portfolio

The activities and results of Intervest depend, in part, on the evolution of the general economic situation. This is measured based on the level of growth or decline in the gross domestic product of Belgium and has an indirect impact on the occupation of commercial buildings by the private sector.

The impact of the economic situation on Intervest's results is, however, mitigated by the composition of the portfolio, the duration of the lease agreements, the risk spread through the nature and quality of the tenants, the sectoral spread of the portfolio and the location and quality of the buildings.

The operational and property management of all Intervest's buildings is done entirely in-house[1] in order to ensure a continuous relationship with customers and thus to create value. Thanks to the know-how of its own asset and property management teams, which exclusively serve the customer-tenants, customers in both segments of the property portfolio are "unburdened". The company can also call on internal services for commercial activities, accounting, finance, human resources, legal, ICT, marketing and communication.

1.1 Property portfolio as at 31 December 2020

Intervest's investment properties amounted to € 1.018 million as at 31 December 2020 and consist for € 966 million of properties available for lease. In addition, the investment properties also include project developments for an amount of € 52 million.

Property available for lease

The leasable area of the property portfolio amounted to 1.045.937 m² as at 31 December 2020. This is an increase of 100.342 m² or 11% compared to the end of 2019 which has been achieved, on the one hand, pursuant to the acquisitions of two logistics sites in the first half of 2020 in Venlo and 's-Hertogenbosch (the Netherlands) and of an office building in Herentals and, on the other hand, pursuant to the delivery of a number of state-of-the-art projects in Genk and Merchtem and in Eindhoven and Roosendaal (the Netherlands).

As at 31 December 2020 the property portfolio had a leasable space of 1.045.937 m² (945.595 m² as at 31 December 2019).

1 With the exception of the property management of Mechelen Campus, which is carried out by Quares Property and Facility Management, of the Dutch portfolio by Storms International Property Services and for the office building in Herentals by Zuyderstraete Vastgoed bv.

Buildings

LOGISTICS PROPERTIES AVAILABLE FOR LEASE IN BELGIUM
Antwerp - Limburg - Liège
Aarschot - Nieuwlandlaan 321 - 3200 Aarschot
Herentals Logistics 2 - Atealaan 34c - 2200 Herentals
Herentals Logistics 3 - Atealaan 34b - 2200 Herentals
Liège - Première Avenue 32 - 4040 Liège
Oevel 1 - Nijverheidsstraat 9 - 2260 Oevel
Oevel 2 - Nijverheidsstraat 9a-11 - 2260 Oevel
Oevel 3 - Nijverheidsstraat 8 - 2260 Oevel
Wommelgem - Koralenhoeve 25 - 2160 Wommelgem
Genk - Henry Fordlaan 8 + 4 - 3600 Genk
Antwerp - Ghent - Lille
Ghent - Eddastraat 21 - 9042 Ghent
Antwerp - Brussels - Nivelles
Boom - Industrieweg 18 - 2850 Boom
Duffel - Stocletlaan 23 - 2570 Duffel
Mechelen 1 - Oude Baan 12 - 2800 Mechelen
Mechelen 2 - Dellingstraat 57 - 2800 Mechelen
Puurs - Koning Leopoldlaan 5 - 2870 Puurs
Schelle - Molenberglei 8 - 2627 Schelle
Wilrijk 1 - Boomsesteenweg 801-803 - 2610 Wilrijk
Wilrijk 2 - Geleegweg 1-7 - 2610 Wilrijk
Huizingen - Gustave Demeurslaan 69-71 - 1654 Huizingen
Merchtem - Preenakker 20 - 1785 Merchtem
Zellik - Brusselsesteenweg 464 - 1731 Zellik
TOTAL LOGISTICS PROPERTY AVAILABLE FOR LEASE IN BELGIUM
LOGISTICS PROPERTIES AVAILABLE FOR LEASE IN THE NETHERLANDS
A58/A67 Bergen-Op-Zoom - Eindhoven - Venlo
Eindhoven Gold Forum - Flight Forum 1500 - 5657 EA Eindhoven
Eindhoven Silver Forum - Flight Forum 1800-1950 - 5657 EZ Eindhoven
Roosendaal 1 - Bosstraat 9-11 - 4704 RL Roosendaal
Roosendaal 2 - Leemstraat 15 - 4705 RT Roosendaal
Roosendaal 3 - Blauwhekken 2 - 4751 XD Roosendaal
Tilburg 1 - Kronosstraat 2 - 5048 CE Tilburg
Tilburg 2 - Belle van Zuylenstraat 10 - 5032 MA Tilburg
Venlo 1 - Archimedesweg 12 - 5928 PP Venlo
Venlo 2 - Celsiusweg 25 - 5928 PR Venlo
Venlo 3 - Celsiusweg 35 - 5928 PR Venlo
A59 Moerdijk - 's-Hertogenbosch - Nijmegen
Raamsdonksveer 1 - Zalmweg 37 - 4941 SH Raamsdonksveer
Raamsdonksveer 2 - Zalmweg 41 - 4941 SH Raamsdonksveer
Raamsdonksveer 3 - Steurweg 2 - 4941 VR Raamsdonksveer
's-Hertogenbosch 1 - Rietveldenweg 32, 34-36 - 5222 AR 's-Hertogenbosch
's-Hertogenbosch 2 - Koenendelseweg 19-23 - 5222 BG 's-Hertogenbosch
A15 Rotterdam - Gorinchem - Nijmegen
Nijmegen - De Vlotkampweg 67-71 - 6545 AE Nijmegen
Vuren - Hooglandseweg 6 - 4214 KG Vuren
TOTAL LOGISTICS PROPERTIES AVAILABLE FOR LEASE IN THE NETHERLANDS
TOTAL LOGISTICS PROPERTIES AVAILABLE FOR LEASE

Construction/renovation year and expansion	Year of last major investment by Intervest	Leasable area (m²)	Occupancy rate* (%)
		239.240	90%
2005	N/A	14.602	100%
2008-2012	N/A	50.912	100%
2017	N/A	12.123	100%
2000-2017	N/A	55.468	100%
2004	N/A	12.159	100%
2007-2013	N/A	33.955	100%
1995	N/A	11.660	100%
1998-2018	2019	24.181	100%
2020	2020	24.180	0%
		37.944	**100%**
2018	N/A	37.944	100%
		213.216	100%
2015	N/A	24.871	100%
1998	N/A	23.386	100%
2004	2019	15.341	100%
1998-2010	N/A	7.046	100%
2001	N/A	43.534	100%
1993-2016	2019	8.317	95%
2013	N/A	5.364	100%
1989-2017	N/A	24.521	100%
1987-1993	N/A	17.548	100%
1992-2020	N/A	16.651	100%
1994-2008	N/A	26.637	100%
		490.400	**95%**
		187.481	97%
2002	2020	20.691	100%
2002	N/A	28.695	100%
2018-2020	2020	28.199	77%
1975-2012	N/A	38.162	100%
2019	N/A	18.029	100%
2004-2011	N/A	13.309	100%
1997-2019	N/A	28.493	100%
2001	N/A	1.446	100%
2012	N/A	3.989	100%
2001	N/A	6.468	100%
		89.339	100%
2010	N/A	20.653	100%
2002	N/A	38.573	100%
1980-2008	N/A	14.581	100%
2018	N/A	5.457	100%
2018	N/A	10.075	100%
		33.179	100%
1988-2002	N/A	19.159	100%
2018	N/A	14.020	100%
		309.999	**98%**
		800.399	**96%**

* The occupancy rate is calculated as the ratio between the estimated rental value of the leased spaces and the estimated rental value of the total portfolio available for lease.

Buildings

OFFICES AVAILABLE FOR LEASE IN BELGIUM
Antwerp
Aartselaar - Kontichsesteenweg 54 - 2630 Aartselaar
Gateway House - Brusselstraat 59/Montignystraat 80 - 2018 Antwerp
Greenhouse Antwerp - Uitbreidingstraat 66 - 2600 Berchem
De Arend - Prins Boudewijnlaan 45-49 - 2650 Edegem
Herentals - Atealaan 34A - 2200 Herentals
Brussels
Greenhouse BXL - Berkenlaan 7, 8a and 8b - 1831 Diegem
Inter Access Park - Pontbeekstraat 2 & 4 - 1700 Dilbeek (Groot-Bijgaarden)
Park Rozendal - Terhulpsesteenweg 6A - 1560 Hoeilaart
Woluwe Garden - Woluwedal 18-22 - 1932 Sint-Stevens-Woluwe
Exiten - Zuiderlaan 91 - 1731 Zellik
Mechelen
Intercity Business Park - Generaal De Wittelaan 9-21 - 2800 Mechelen
Mechelen Business Tower - Blarenberglaan 2C - 2800 Mechelen
Mechelen Campus - Schaliënhoevedreef 20 A-J and T - 2800 Mechelen
Leuven
Ubicenter - Philipssite 5 - 3001 Leuven
TOTAL OFFICES AVAILABLE FOR LEASE
TOTAL PROPERTIES AVAILABLE FOR LEASE

Construction/renovation year and expansion	Year of last major investment by Intervest	Leasable area (m²)	Occupancy rate* (%)
		35.807	**81%**
2000	2016	4.140	100%
2002	2016	11.172	76%
2016	N/A	5.763	95%
1997	N/A	6.931	65%
2008	N/A	7.801	83%
		56.793	**95%**
2018	N/A	20.262	91%
2000	2014	6.392	84%
1994	2005	2.830	86%
2000	2014	23.681	100%
2002	N/A	3.628	100%
		125.911	**85%**
1993-1999/2016	2019	54.190	84%
2001	2014	13.574	78%
2000-2005	2012 - 2015	58.147	87%
		27.027	**99%**
2001	N/A	27.027	99%
		245.538	88%
		1.045.937	**93%**

* The occupancy rate is calculated as the ratio between the estimated rental value of the leased spaces and the estimated rental value of the total portfolio available for lease.

Future development potential

In addition to the properties available for lease, Intervest has a future development potential, which is included in the balance sheet at cost under project developments. As at 31 December 2020, the project developments amounted to € 52 million and, in addition to a project development under construction in Greenhouse Singel of approximately € 33 million, include approximately € 7 million in land reserves for a project development to be started in Herentals, for which the building permit has been applied for, and approximately € 12 million in other land reserves (Genk, Herentals and 's-Hertogenbosch in the Netherlands).

As at 31 December 2020, the company has the following land reserves in the logistics portfolio.

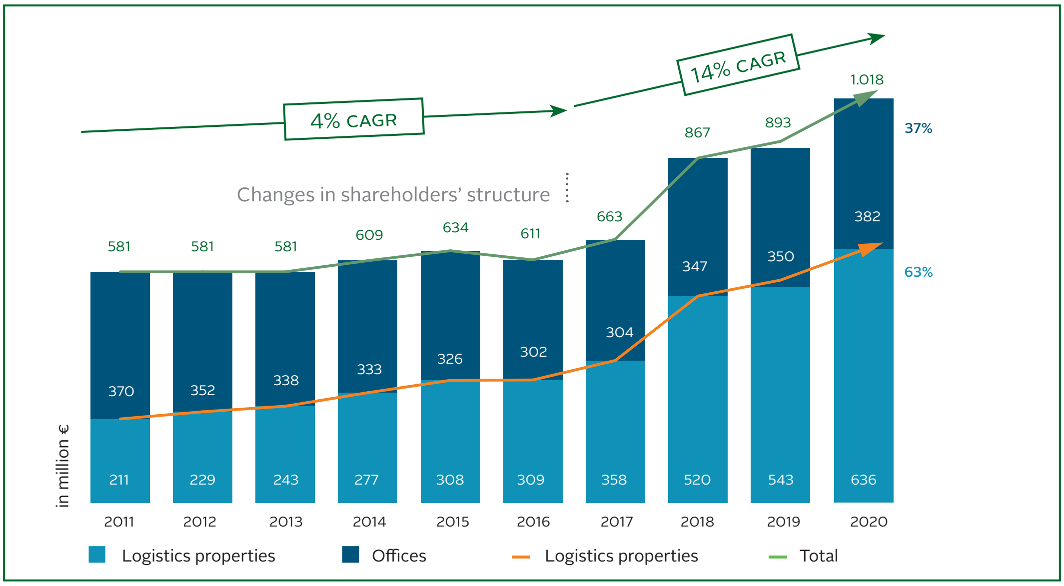
Location	Site area (m^2)	Potential leasable area (m^2)
Antwerp - Limburg - Liège	**457.500**	**270.000**
Herentals Logistics 1 and 3	62.500	45.000
Genk Green Logistics (phases 2 up to and including 5)	395.000	225.000
The Netherlands	**11.000**	**8.500**
's-Hertogenbosch	11.000	8.500
TOTAL	**468.500**	**278.500**

In addition, the company also has a purchase option (put/call option) on a land position in Venlo (the Netherlands) with a potential leasable area of 10.000 m^2.

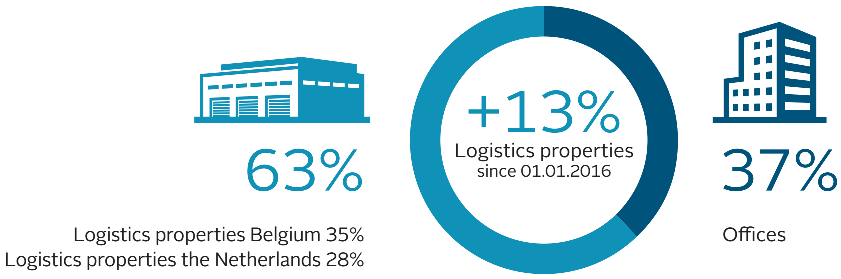
1.2 Evolution of the fair value of the property portfolio

As at 31 December 2020, the fair value of the real estate portfolio amounted to € 1.018 million 63% of which consists of logistics buildings and 37% of offices. The fair value of the investment properties of Intervest exceeds the threshold of € 1 billion for the first time in its history.

> 67% growth in portfolio since 2016, that is 14% CAGR.



1.3 Nature of the portfolio[1]



Since the change in shareholder structure in 2016, the focus on logistics properties has increased, resulting in a shift of 13 percentage points of the office portfolio towards logistics property. However, Intervest still wishes to retain an essential share in the office segment.

Segment	Fair value (€ 000)	Contractual rent (€ 000)	Share of portfolio (%)	Acquisition value* (€ 000)	Insured value (€ 000)
Offices available for lease	348.368	28.490	37%	358.756	438.284
Logistics properties available for lease in Belgium	336.654	22.175	35%	299.097	193.634
Logistics property available for lease in the Netherlands	280.774	16.091	28%	240.829	190.624
Real estate available for lease	**965.796**	**66.756**	**95%**	**898.682**	**822.542**
Logistics land reserves	18.874	N/A	2%	18.874	N/A
Projects under construction	33.288	N/A	3%	33.288	N/A
Project developments	**52.162**	**N/A**	**5%**	**51.162**	**N/A**
TOTAL	**1.017.958**	**N/A**	**100%**	**950.844**	**822.542**

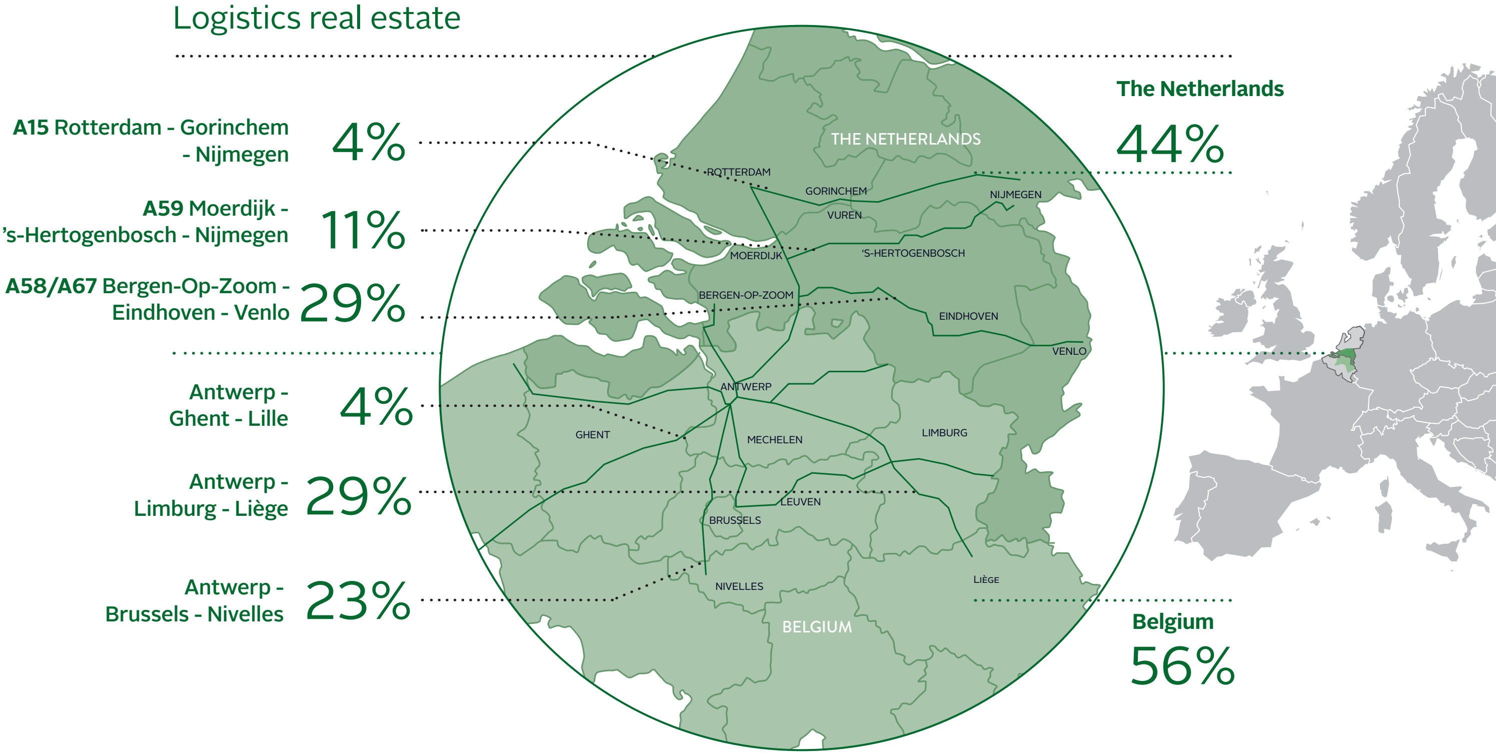
* Including capitalised investments.

1 Percentages based on the fair value of the investment properties as at year end.

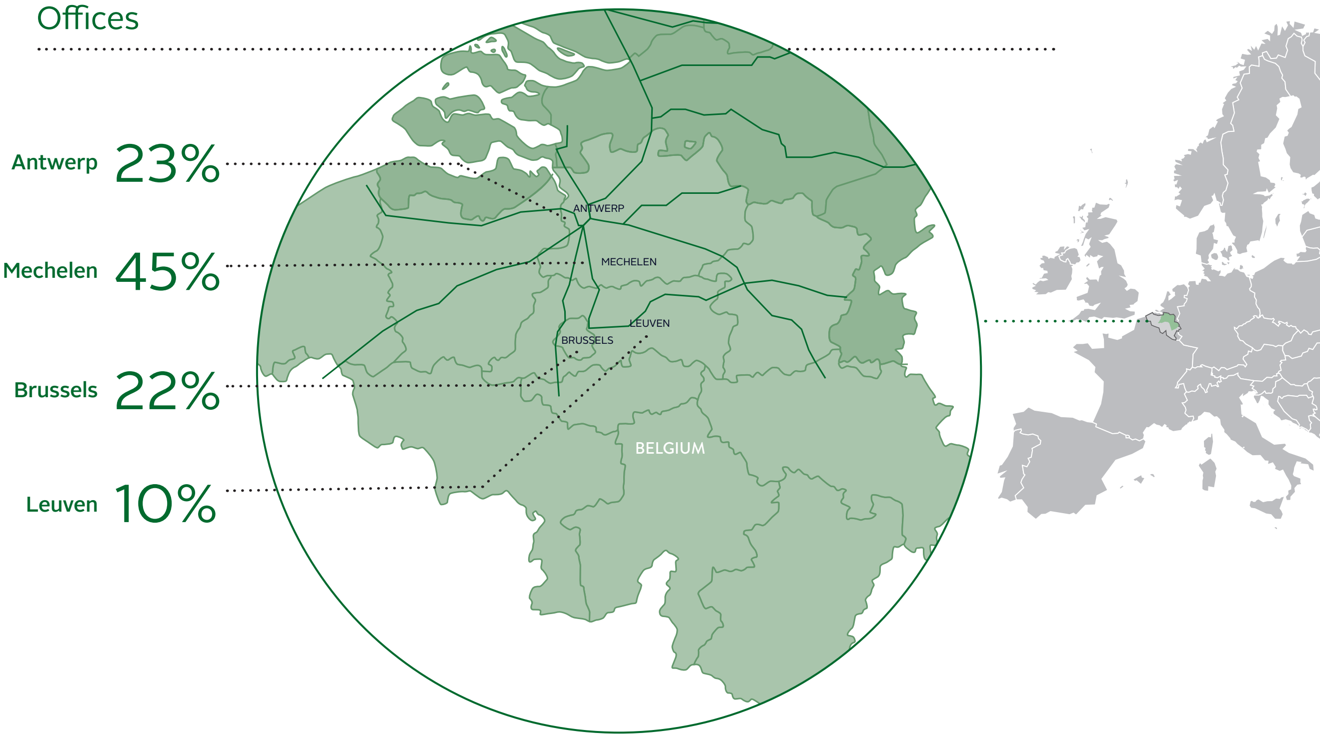
1.4 Geographical spread of the portfolio[1]

Intervest invests in high-quality office buildings in Belgium and in logistics properties in Belgium and the Netherlands that are leased to first-rate tenants. The real estate properties in which the company invests consist primarily of modern buildings that are strategically located, often in clusters.

Logistics real estate



Offices



1 Percentages based on the fair value of the investment properties as at 31 December 2020.

Logistics real estate

In logistics real estate, Intervest predominantly has sites in its portfolio at multimodal locations of a critical size (> 25.000 m²) situated on important logistics axes in Belgium and the Netherlands.
The logistics part of the portfolio in Belgium (56%) is situated on the Antwerp - Brussels - Nivelles (23%), Antwerp - Limburg - Liège (29%) and Antwerp - Ghent - Lille (4%) axes. In the Netherlands (44%), the portfolio focuses on the Moerdijk - 's-Hertogenbosch - Nijmegen (A59) (11%), Bergen-op-Zoom - Eindhoven - Venlo (A58/A67) (29%) and Rotterdam - Gorinchem - Nijmegen (A15) (4%) axes.

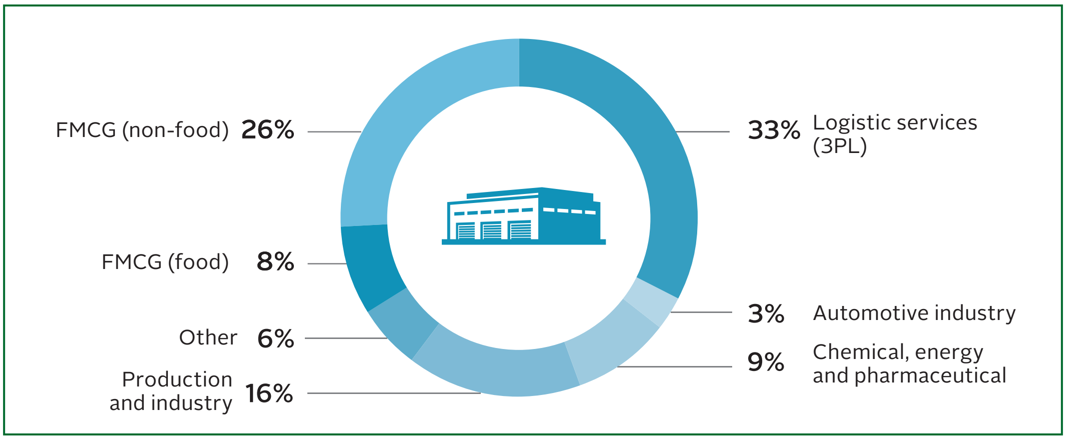
Offices

The office segment of the portfolio is concentrated in and around central cities such as Antwerp (23%), Mechelen (45%), Brussels (22%) and Leuven (10%), whereby Intervest strives for high-quality office buildings in attractive and easily accessible places with a substantial student population.

1.5 Sectoral spread of the portfolio[1]

Logistics real estate

Approximately 34% of the logistics portfolio is let to companies from outside the logistics sector, which improves the stability of the rental income, especially in periods in which the economic situation is less favourable.



Offices

The tenants are well spread over a large number of different economic sectors, which reduces the risk of vacancy when there are fluctuations in the economy which could hit some sectors more than others.

1 Percentages on the basis of the contractual rents.

1.6 Occupancy rate

The occupancy rate of the **total real estate portfolio** of Intervest available for lease remained stable at 93% as at 31 December 2020 compared to the end of 2019 (93%), despite the corona crisis.

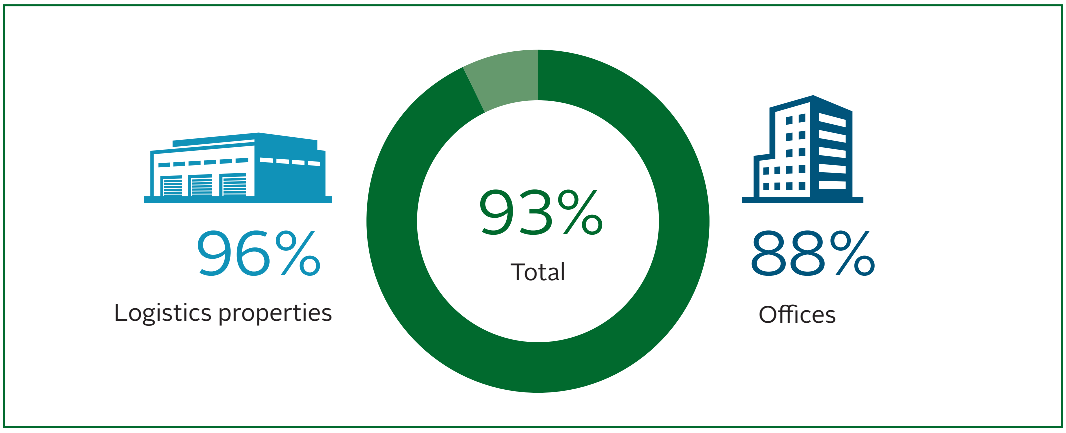
The occupancy rate of the **total logistics portfolio** at 96% as at 31 December 2020 also remained at the same level (96% at the end of 2019).

The **logistics portfolio in Belgium** had an occupancy rate of 95%, which is a rise of 1 percentage point compared to 31 December 2019 due to a lease to DPD Belgium and an expansion of Delhaize in Puurs. The transactions taken together represent a rise in the occupancy rate of 4 percentage points. However, the increase was reduced by the delivery, just before the end of the year, of the first complex of Genk Green Logistics, which had not yet been leased as at 31 December 2020.

The fall of 2 percentage points in the occupancy rate of the **logistics portfolio in the Netherlands** to 98% compared to the end of 2019, was due to the completion of the new-build complex in Roosendaal which had only been partially leased, as at 31 December 2020. If the short-term leasing agreement on this building of less than 1 year is taken into account, the logistics portfolio in the Netherlands was fully occupied as at the end of 2020. The logistics new-build Gold Forum in Eindhoven, which was delivered in the first semester of 2020, was fully leased as at 31 December 2020.

The occupancy rate of the **office portfolio** as at 31 December 2020 fell by 2 percentage points to 88% compared to year-end 2019.

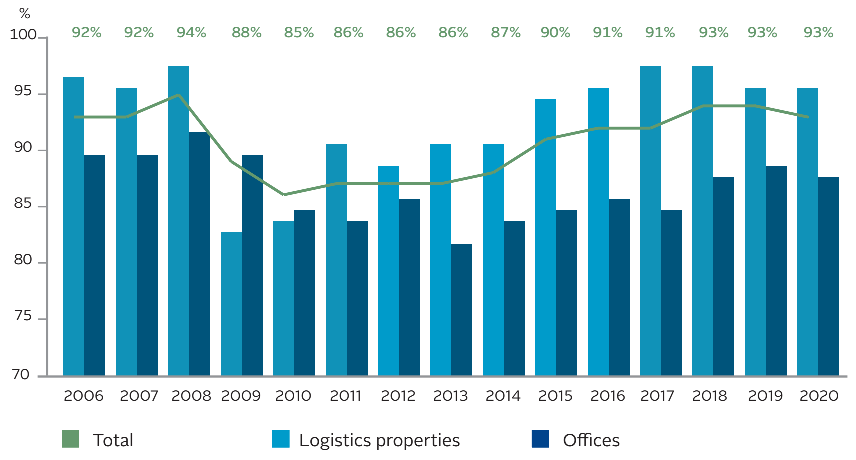
Stable occupancy rate: 93%



Occupancy rate follows the economic cycle

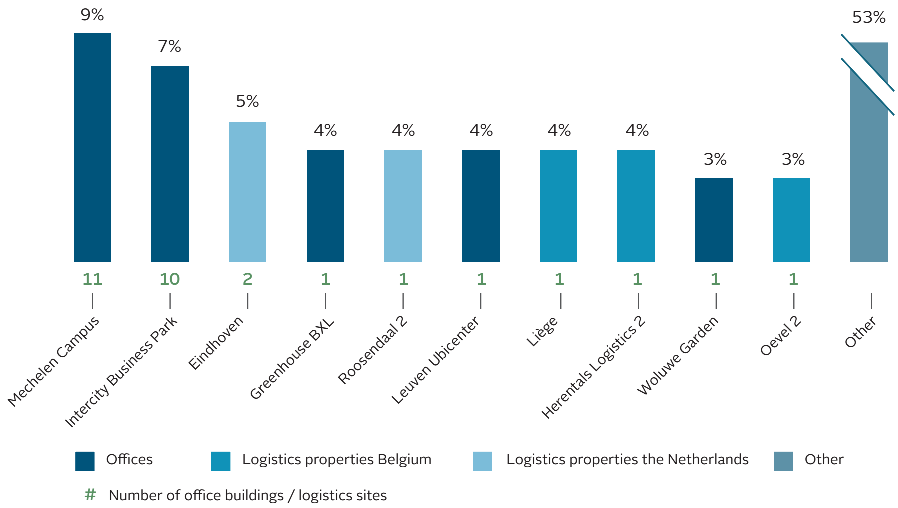
The average occupancy rate of the property portfolio of Intervest over the 15-year period from 2006 to 2020 is 90%, with a maximum of 94% (as at 31 December 2008) and a minimum of 85% (as at 31 December 2010).

The occupancy rate of both the logistics portfolio and of the office portfolio is currently at the top of the historical range.



1.7 Risk spread of buildings[1]

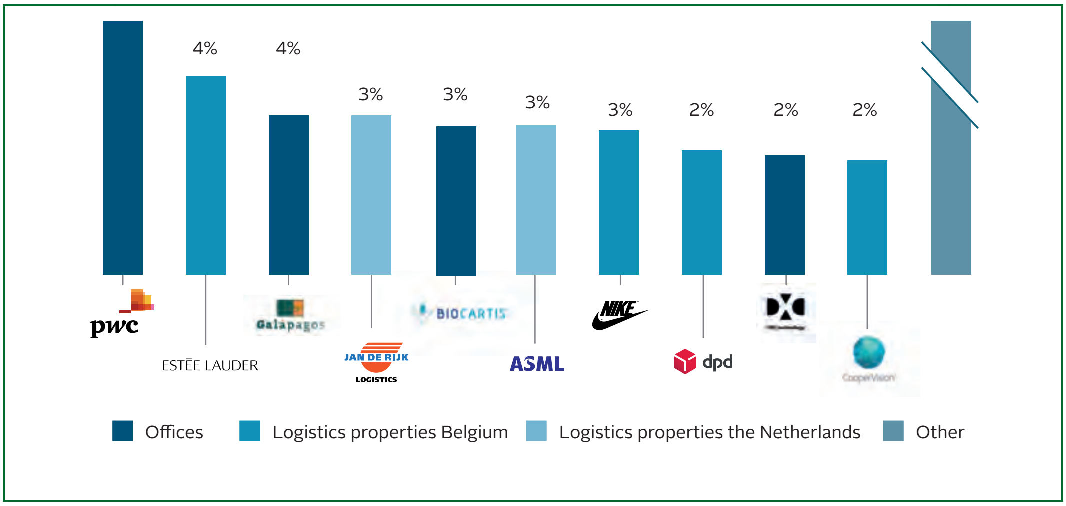
Intervest aims to obtain an optimal risk spread and tries to limit the relative share of the individual buildings and complexes in the overall portfolio.
The largest complex is Mechelen Campus, with a surface area of 58.000 m² and consisting of 11 separate buildings. Intercity Business Park also consists of a number of buildings.



1 Percentages based on the fair value of the investment properties as at 31 December 2020.

1.8 Risk spread by tenants

The **ten largest tenants** represent 31% of the rental income. These are all prominent companies in their sector which often form part of international groups. 14% of the top tenants belong to the office segment and 17% belong to the logistics segment.
Without taking into account the flex workers, Intervest's rental income is spread across 224 different tenants, which limits the debtor risk and improves the stability of the rental income.

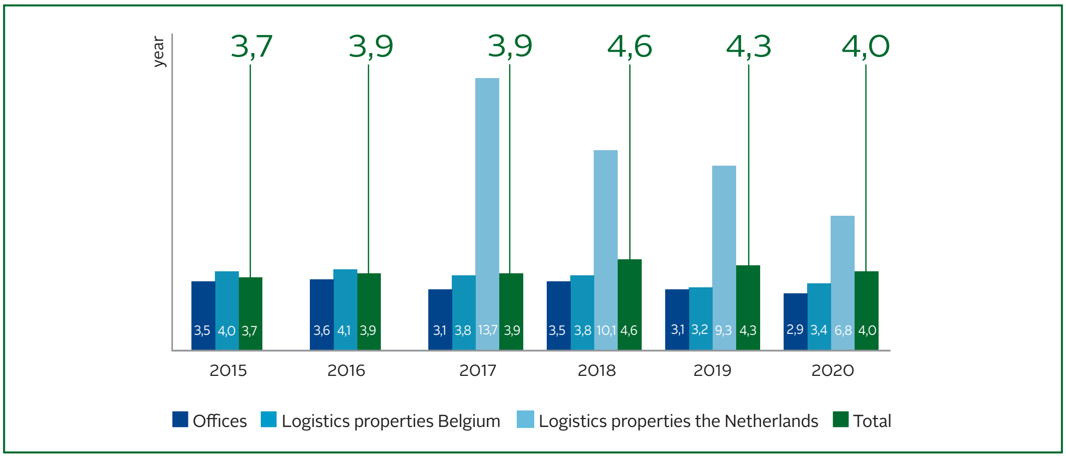


PricewaterhouseCoopers, tenant in Woluwe Garden, which represents 5% of the contractual rental income, will vacate the site as at 31 December 2021. In the meantime, Intervest has a concrete view of the future possibilities for this office building, both in terms of redevelopment and divestment. The final decision will be taken towards the end of 2021 at the latest, the date on which PwC is vacating the building. In the logistics portfolio, tenant ASML in Eindhoven, which represents 3% of the rental income, has indicated its intention to vacate the premises at the end of 2021 by making use of the break option. Intervest is currently looking at the possibility of re-leasing this prime location in the current market conditions.

1.9 Duration of lease agreements in portfolio[1]

Average remaining duration of the lease agreements of the entire portfolio until the next break date

Despite the difficult and uncertain economic situation caused by the corona pandemic, Intervest closed 2020 with an average remaining duration until the next expiry date of 4,0 years for the entire real estate portfolio. Thanks to an **active leasing policy, t**he fall compared to the end of 2019 (4,3 years) is relatively limited.



1 Calculated on the basis of contractual rents.

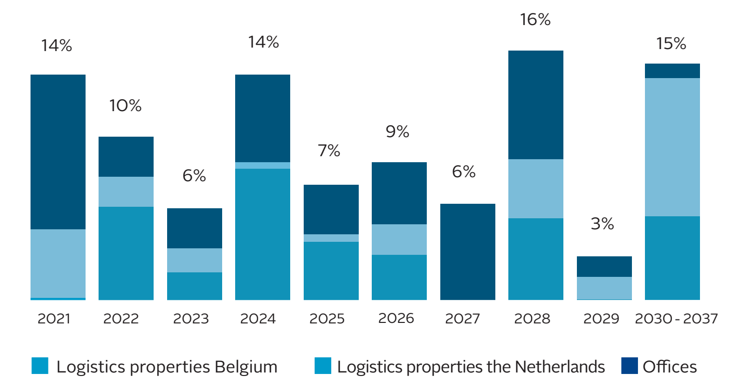
Final expiry date of the agreements in the entire portfolio

The final expiry dates of Intervest's lease agreements are well-spread out over the coming years. Based on the annual rental incomes, 14% of the agreements have a final expiry date in the next year (9% as at 31 December 2019).

10% of these agreements belong to the **office portfolio**, of which 5% is represented by PwC, tenant in Woluwe Garden, which is vacating the site as at 31 December 2021. 3% is represented by a portion of Galapagos' lease agreements on Mechelen Campus.

4% of the agreements in the **logistics portfolio** will reach the final expiry date in 2021. These agreements concern the leases in the Dutch portfolio in Roosendaal Braak and Silver Forum in Eindhoven. In 2022, 10% of the agreements will come to maturity, of which 8% are in the logistics portfolio. The end of the provision with Nike Europe Holding in Herentals with an initial expiry date partly in 2020 and partly in 2021, has been extended to 31 December 2022 with an interim termination option at the end of 2021. These agreements represent 3% of the contractual rental income. The agreement with tenant OneMed in Eindhoven Gold Forum, which represents 2% of the rental income, will also expire at the end of 2021.

Intervest anticipates these future expiry dates in a timely manner and is currently investigating the various possibilities regarding extension or re-letting. Of the total number of lease agreements, 76% have a final expiry date after 2022.

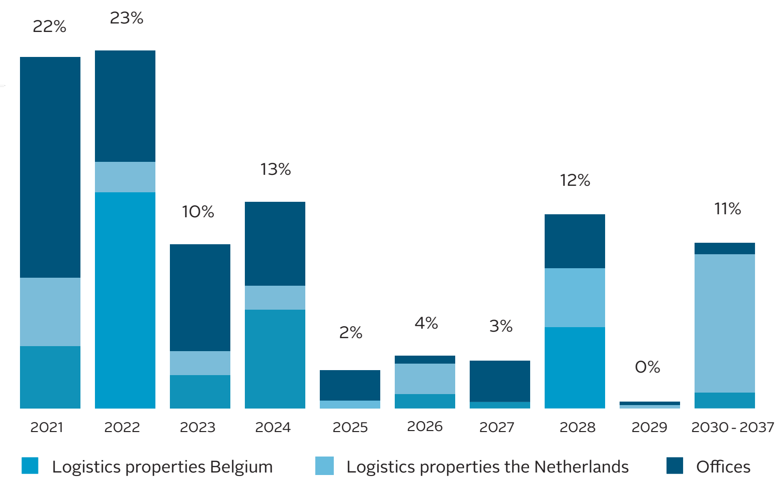


Next expiry dates of the agreements in the entire portfolio

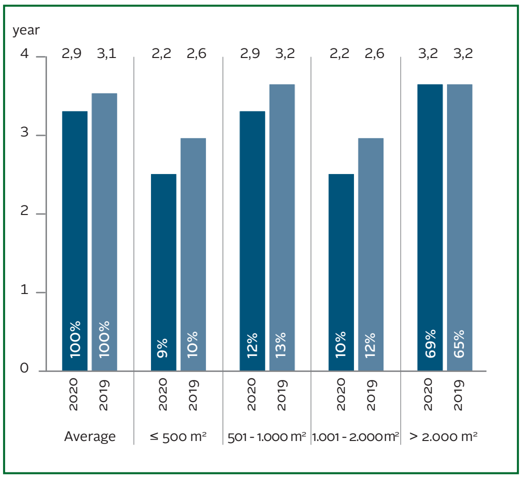
The graph below displays the first expiry dates of all lease agreements (this can be the final expiry date or an interim expiry date). Because Intervest has several long-term agreements, not all lease agreements can be terminated after three years, as is often common practice, however.

The graph shows the hypothetical scenario as at 31 December 2020 in which every tenant terminates its lease agreement on the next interim expiry date. This is a worst-case scenario. On average, the tenants who vacated in 2020 only gave notice after a lease period of almost 9,5 years (9 years for the tenants who left in 2019).

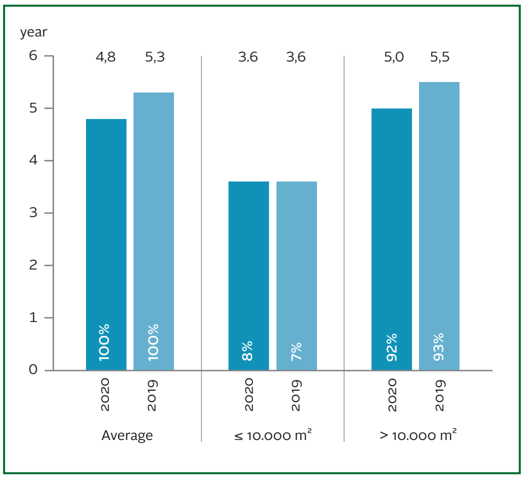
Based on the annual rental income, 22% of the agreements will reach the next expiry date in the course of 2021. 14% of these are lease agreements in the **office portfolio**. Half of these concern the tenants PwC, in Woluwe Garden, and part of the lease agreements of Galapagos, in Mechelen Campus.
In the **logistics portfolio**, ASML tenant in Eindhoven, which represents 3% of the rental income, has announced its intention to vacate the premises at the end of 2021 by making use of the break option. Nike Europe Holding, tenant of a logistics site in Herentals, has an interim termination option at the end of 2021. These agreements represent 3% of the contractual rental income.



Offices



Logistics properties



For the **offices**, the average remaining lease period until the next expiry date (WALB) amounted to 2,9 years as at 31 December 2020, compared to 3,1 years as at 31 December 2019.

For the larger office tenants (those above 2.000 m²), which comprise 69% of the total remaining rental income flow and which therefore have a great impact on the results, the next expiry date is after 3,2 years and thus this figure remains stable compared to 31 December 2019 (3,2 years).

In the office segment, the traditional 3/6/9 still remains the norm, but longer durations or penalty clauses are no exception when taking a first break.

For the **logistics buildings**, the average agreement duration until the next expiry date was 4,8 years as at 31 December 2020, compared to 5,3 years as at 31 December 2019.

For the logistics portfolio situated in Belgium, the average remaining agreement duration until the next expiry date was 3,4 years as at 31 December 2020 (3,2 years as at 31 December 2019).

The logistics portfolio in the Netherlands, where it is fairly common practice to conclude long-term agreements, has an average remaining agreement duration until the next expiry date of 6,8 years (9,3 years in December 2019). The fall is as a result of a few large short-term lease agreements in Eindhoven and Roosendaal. In the current economic context, Intervest acted in a customer-focused manner by thinking along with its customers and adopting a flexible approach by concluding lease agreements having a shorter duration.

> As at 31 December 2020, the average remaining duration of the lease agreements in the office portfolio was 2,9 years as compared to 3,1 years as at 31 December 2019.

> For the logistics portfolio, the average duration of the agreements was 4,8 years as at 31 December 2020 compared to 5,3 years as at 31 December 2019.

Average retention of the portfolio in 2020[1]

15% of the annual rental income (46 agreements) in the **entire portfolio** reached an expiry date in 2020. This could be an interim or final expiry date. 12% (30 agreements) were not terminated, were extended or renewed, 3% (16 agreements) actually expired. On average, the tenants who vacated in 2020 only gave notice after a lease period of an average of 9,5 years (9 years in 2019).

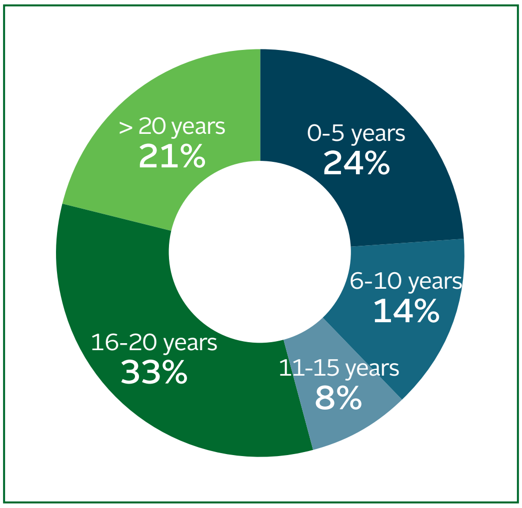
In the **office segment**, 8% (9 agreements) reached their interim or final expiry date in 2020. Of these, 6% (23 agreements) were not terminated, were extended or renewed, 2% (14 agreements) actually expired. These were predominantly agreements in Mechelen and Edegem, the tenants of which remained tenants of Intervest for an average of 9,5 years.

Also in the **logistics segment**, 7% (9 agreements) reached an interim or final expiry date in 2020. 6% (7 agreements) of these were not terminated, were extended or renewed. 1% (2 agreements) effectively ended. This chiefly concerned the departure of tenant Nedcargo in Zellik. The tenants who departed in the logistics segment in 2020 stayed with Intervest for an average of 9,5 years.

Of the agreements that effectively reached their final expiry date in 2020 (3% or 16 agreements), 2% (4 agreements) were in the meantime replaced by new agreements with existing or new tenants. The space freed up by the departure of Nedcargo in Zellik was re-let to DPD Belgium and Delhaize. The percentage that was not re-let mainly concerns vacancy in Edegem and Mechelen.

Increasing tenant retention by extending the duration of the lease agreements continues to be the challenge with regard to asset management, as does the further stabilising and possibly for improving the occupancy rate in both segments. Intervest continuously responds to and evolves with the changing market conditions. In combination with solid real estate experience and through its extensive range of services, Intervest aims to meet the needs of its tenants as fully as possible and thus become a reference for sustainable value creation in real estate.

1.10 Average age of buildings[2]



Intervest conducts a proactive policy regarding maintenance of the buildings, and the quality of the portfolio is guaranteed by way of constant monitoring of the investment plan. In addition to regular investments in quality and sustainability, the buildings are redeveloped and renovated to ensure the high quality of the office buildings and the logistics buildings and to optimise the technical and economic life span of the buildings. Thus, more than € 5 million was spent on investments in the existing portfolio in 2020.

1 Calculations have been made on the basis of the annual rental income of the total real estate portfolio as at 31 December 2020.

2 Percentages are calculated based on the fair value of the properties available for lease as at 31 December 2020. The age is expressed with reference to the construction year, not taking minor renovations into account. On the other hand, the age is adjusted if a building is fully renovated.

2 Overview of the portfolio

TOTAL PORTFOLIO	31.12.2020	31.12.2019	31.12.2018	31.12.2017	31.12.2016
Fair value of real estate available for lease (€ 000)	965.796	859.513	858.653	662.539	610.944
Contractual rents (€ 000)	66.756	61.513	63.636	48.588	46.337
Yield on fair value (%)	6,9%	7,2%	7,4%	7,3%	7,6%
Contractual rents increased by the estimated rental value of vacant properties (€ 000)	71.776	65.761	68.001	55.783	50.871
Yield if fully let at fair value (%)	7,4%	7,7%	7,9%	8,4%	8,3%
Total leasable space (m^2)	1.045.937	945.595	1.022.948	794.896	705.068
Occupancy rate (%)	93%	93%	93%	91%	91%

As at 31 December 2020, the yield for the entire portfolio amounted to 6,9%.

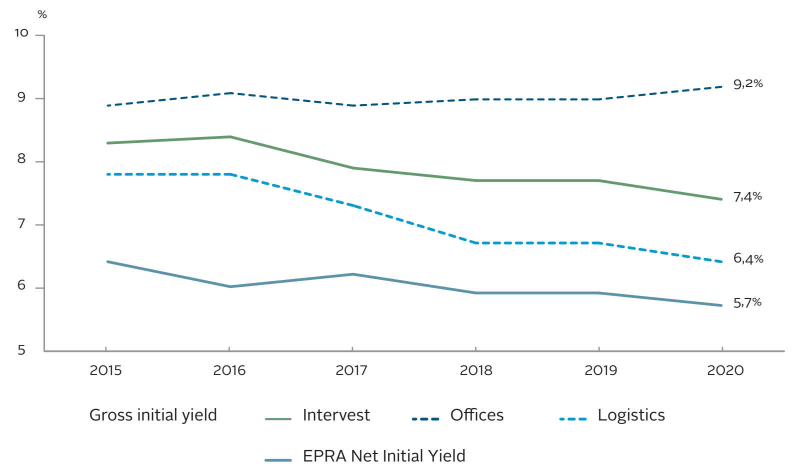
2.1 By segment

OFFICES	31.12.2020	31.12.2019	31.12.2018	31.12.2017	31.12.2016
Fair value of property available for lease (€ 000)	348.368	350.069	346.769	304.250	301.926
Contractual rents (€ 000)	28.490	28.339	27.021	21.157	23.179
Yield on fair value (%)	8,2%	8,1%	7,8%	7,0%	7,7%
Contractual rents increased by the estimated rental value of vacant properties (€ 000)	32.131	31.388	30.752	27.772	26.808
Yield if fully let at fair value (%)	9,2%	9,0%	8,9%	9,1%	8,9%
Total leasable space (m^2)	245.538	237.737	237.732	210.457	208.716
Occupancy rate (%)	88%	90%	88%	85%	86%

LOGISTICS PROPERTY	31.12.2020	31.12.2019	31.12.2018	31.12.2017	31.12.2016
Fair value of property available for lease (€ 000)	617.428	509.444	511.884	358.289	309.018
Contractual rents (€ 000)	38.266	33.174	36.615	27.431	23.158
Yield on fair value (%)	6,2%	6,5%	7,2%	7,7%	7,5%
Contractual rents increased by the estimated rental value of vacant properties (€ 000)	39.645	34.373	37.249	28.011	24.063
Yield if fully let at fair value (%)	6,4%	6,7%	7,3%	7,8%	7,8%
Total leasable space (m^2)	800.399	707.858	785.216	584.439	496.352
Occupancy rate (%)	96%	96%	98%	98%	96%

2.2 Change in the yield on fair value

The calculation of the gross yield on the fair value in this graph is based on the company's contractual rents increased by the estimated rental value of the company's vacant properties. The average gross yield with the full letting of the real estate available for lease amounted to 7,4% as at 31 December 2020 (7,7% as at 31 December 2019). For the logistics segment, the gross yield fell from 6,7% to 6,4%. In the office portfolio, the gross yield rose from 9,0% to 9,2%.



2.3 Insured value

The property portfolio of Intervest is insured for a total reconstruction value of € 822 million, excluding the premises on which the buildings are situated, compared to a fair value of the real estate investments available for lease of € 966 million as at 31 December 2020 (although land is included). The insured value for the office portfolio amounts to € 193 million and for the logistics portfolio to € 384 million, of which € 193 million is for the logistics real estate in Belgium and € 191 million is for the logistics real estate in the Netherlands.

The insurance policies also include additional guarantees for the real estate becoming unfit for use, such as loss of rental income, costs for maintenance and cleaning up the property, claims of tenants and users and third-party claims. The lost rental income is reimbursed as long as the building has not been rebuilt, provided that this is done within a reasonable period as determined by the expert. With these additional guarantees, the insured value amounts to € 1,3 billion. This insured value is split into € 850 million for the office portfolio and € 462 million for the logistics portfolio, of which € 242 million is for logistics real estate in Belgium and € 220 million for the logistics real estate in the Netherlands.

Intervest is insured against liability arising from its activities or its investments under a third-party liability insurance policy covering bodily injury up to an amount of € 1,5 million and material damage (other than that caused by fire and explosion) of up to € 0,1 million. Furthermore, the members of the supervisory board and of the management board are insured for director's liability, by which damage is covered up to an amount of € 30 million.

2.4 Sensitivity analysis

In the case of a hypothetical negative adjustment of the yield used by the property experts in determining the fair value of the company's real estate portfolio (yield or capitalisation rate) of 1 percentage point (from 6,9% to 7,9% on average), the fair value of the real estate would fall by €122 million or 13%. This would raise the debt ratio of the company by 5 percentage points to approximately 49%.

If this is reversed, and a hypothetical positive adjustment of 1 percentage point (from 6,9% to 5,9% on average) is made to this yield, the fair value of the real estate would rise by € 163 million or 17%. This would lower the debt ratio of the company by 6 percentage points to approximately 37%.

3 Valuation of the portfolio by the property experts

As at 31 December 2020, the valuation of the real estate portfolio of Intervest has been carried out by the following property experts:

- Cushman & Wakefield Belgium sa, represented by Julien Dubaere and Gregory Lamarche
- CBRE Valuation Services, represented by bvba Pieter Paepen and Kevin Van de Velde
- CBRE Valuation Advisory bv, represented by Hero Knol and Devin Ummels.

The property experts analyse lease, sale and purchase transactions on a continuous basis. This makes it possible to correctly analyse real estate trends on the basis of prices actually paid and thus to put together market statistics.

For the assessment of the real estate, account is taken of the market, location and a number of **characteristics** of the real estate.

The market

- supply and demand of tenants and buyers of comparable real estate
- yield trends
- expected inflation
- current interest rates and expectations in terms of interest rate development.

The location

- environmental factors
- parking availability
- infrastructure
- accessibility by private and public transport
- facilities such as public buildings, shops, hotels, restaurants, pubs, banks, schools, etc.
- (construction) developments of comparable real estate properties.

The real estate

- operating and other expenses
- type of construction and level of quality
- state of maintenance
- age
- location and representation
- current and potential alternative uses.

Subsequently, there are four important **valuation methods** that are applied: updating of the estimated rental income, unit prices, discounted cash flow analysis and cost method.

Updating of the estimated rental income

The investment value is the result of the yield (or capitalisation rate, that represents the gross yield required by a buyer) applied to the estimated rental value (ERV), adjusted for the net present value (NPV) of the difference between the current actual rent and the estimated rental value at the date of valuation for the period up to the first opportunity to give notice under the current lease agreements.

For buildings that are partially or completely vacant, the valuation is made on the basis of the estimated rental value minus the vacancy and the costs (rental costs, publicity costs, etc.) for the vacant portions. The costs method is applied to buildings for which the property expert considers it more appropriate to do so.

Buildings to be renovated, buildings under renovation or planned projects are evaluated based on the value after renovation or after work has been finished, minus the amount of the remaining work to be done, the fees of architects and engineers, interim interest payments, the estimated vacancy rate and a risk premium.

Unit prices

The investment value is determined based on the unit prices of the object per m² for office space, storage space, archives, number of parking spaces, etc., all based on the market and building analysis described above.

Discounted cash flow analysis

The investment value is calculated based on the net present value of the net future rental income of every property. Thus, costs and provisions that are to be expected annually are taken into account for each property, as well as ongoing lease agreements, the expected completion time of the construction or renovation works, and their impact on the effective collection of the rents. This stream of income, as well as the selling value excluding transaction costs, are actualised (discounted cash flow) based on the interest rates on the capital markets, with a margin added that is specific to the type of the property investment (the liquidity margin). The impact of changing interest rates and expected inflation are thus taken account of in the estimate in a conservative way.

Costs method

This gives a value based on the estimated current costs of reproducing or creating a property of the same quality, utility and transferability, but with modern construction tools.

Special valuation considerations

At the explicit request of the auditor, and in accordance with the requirements of the IFRS 16 regulation, the property experts have made a special assessment consideration.
This implies that the property experts explicitly and expressly exclude any fees to be paid in connection with temporary rights of use/ownership (such as ground rents, concessions, etc.) as these must already be recognised separately on the balance sheet under IFRS 16. All values stated in the valuation report must be interpreted as such.

The real estate portfolio is divided as follows:

Property expert	Fair value (€ 000)	Investment value (€ 000)
Cushman & Wakefield Belgium	336.457	344.867
CBRE Valuation Services	355.680	364.571
CBRE Valuation Advisory	280.774	306.044
TOTAL*	**972.911**	**1.015.482**

* The total of the reports of the property experts is in accordance with the amount of the real estate available for lease increased by the land reserve in Herentals (BE), valued as ready for construction.

Conclusion

The property experts have determined a total investment value of € 1.015.482.681 and a fair value of € 972.911.473 for the property portfolio of Intervest as at 31 December 2020.

Cushman & Wakefield Belgium

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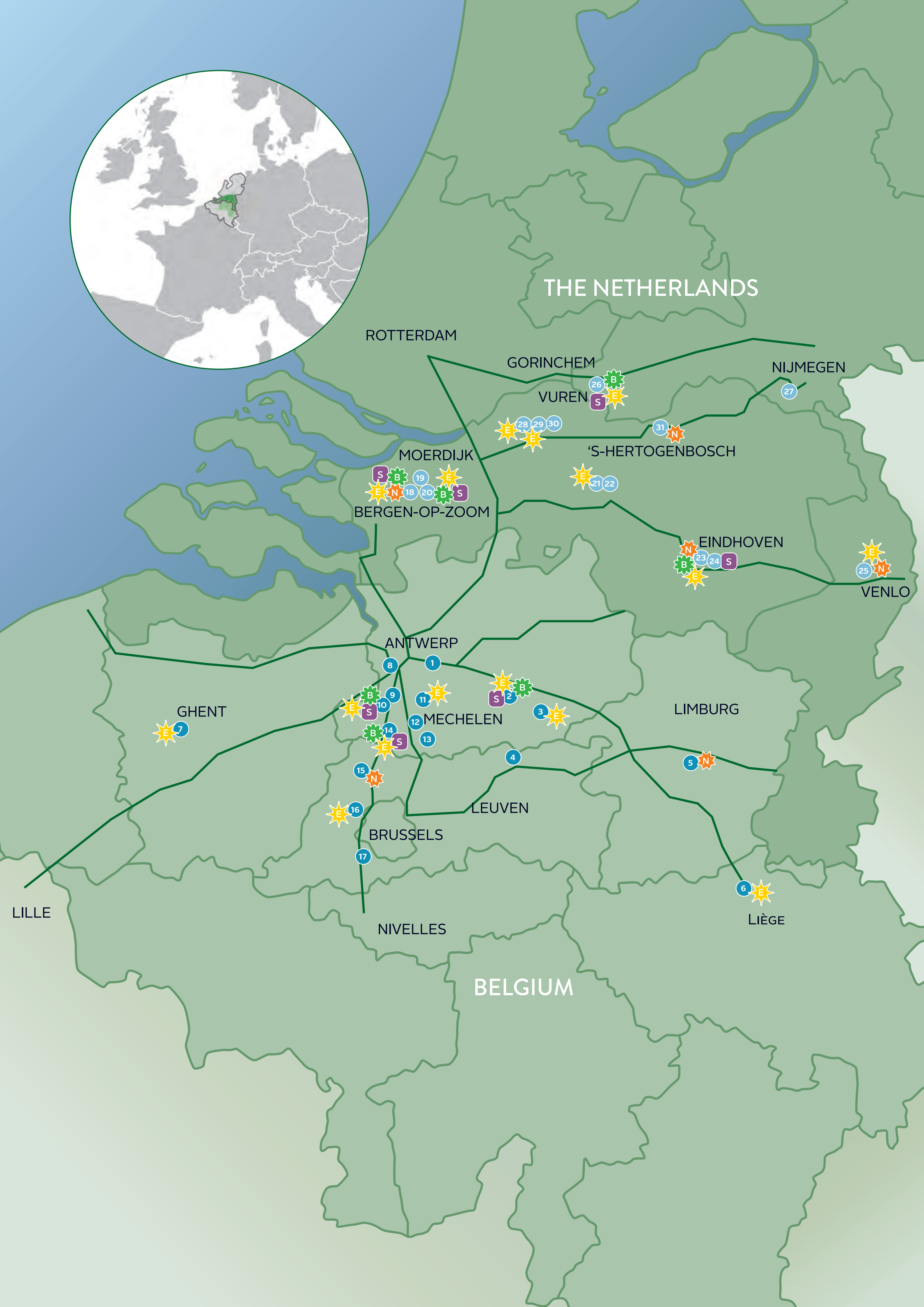
Mechelen › Mechelen Business Tower


THE NETHERLANDS
ROTTERDAM
GORINCHEM
VUREN
NIJMEGEN
'S-HERTOGENBOSCH
MOERDIJK
BERGEN-OP-ZOOM
EINDHOVEN
VENLO
ANTWERP
GHENT
MECHELEN
LIMBURG
LEUVEN
BRUSSELS
LILLE
NIVELLES
LIÈGE
BELGIUM

4 Description of the logistics properties

1.1 Location of the logistics property in Belgium[1]

Antwerp - Limburg - Liège

1	Wommelgem		p. 153
2	Herentals Logistics	S E B	p. 149
3	Oevel	E	p. 151
4	Aarschot		p. 148
5	Genk Green Logistics - Project	N	p. 148
6	Liège	E	p. 150

Antwerp - Ghent - Lille

7	Ghent	E	p. 149

Antwerp - Brussels - Nivelles

8	Wilrijk		p. 152
9	Schelle		p. 152
10	Boom	S E B	p. 148
11	Duffel	E	p. 160
12	Mechelen 1	S E B	p. 150
13	Mechelen 2		p. 150
14	Puurs	S E B	p. 152
15	Merchtem	N	p. 151
16	Zellik	E	p. 153
17	Huizingen		p. 150

1 Classification per logistics axis: Antwerp - Limburg - Liège, Antwerp - Ghent - Lille and Antwerp - Brussels - Nivelles

1.2 Location of the logistics property in the Netherlands[2]

Bergen-op Zoom - Eindhoven - Venlo

18	Roosendaal 1	N S E B	p. 159
19	Roosendaal 2		p. 159
20	Roosendaal 3	S E B	p. 160
21	Tilburg 1	E	p. 160
22	Tilburg 2		p. 160
23	Eindhoven - Gold Forum	N E B	p. 158
24	Eindhoven - Silver Forum	S	p. 158
25	Venlo	N E	p. 161

Rotterdam - Gorinchem - Nijmegen

26	Vuren	S E B	p. 161
27	Nijmegen		p. 158

Moerdijk - 's-Hertogenbosch - Nijmegen

28	Raamsdonksveer 1	E	p. 158
29	Raamsdonksveer 2	E	p. 159
30	Raamsdonksveer 3		p. 159
31	's-Hertogenbosch	N	p. 160

2 Classification per logistics axis: Bergen-op Zoom - Eindhoven - Venlo, Rotterdam - Gorinchem - Nijmegen and Moerdijk - 's Hertogenbosch - Nijmegen.

LEGENDE

- 1 Logistics real estate in Belgium
- 2 Logistics real estate in the Netherlands
- N Acquisition / investment in 2020
- E Solar energy / photovoltaic installation
- S Smart meters
- B BREEAM certificate

Intervest's logistics properties in Belgium are mainly located on the logistics axes Antwerp - Limburg - Liège, Antwerp - Brussels - Nivelles and Antwerp - Ghent - Lille.

In the Netherlands, the properties are located to the south of the Rotterdam - Nijmegen axis.

With its pronounced strong presence and cluster formation on these important logistics axes, Intervest is a relevant discussion partner that can optimally respond to the changing needs of existing and new customers.

PROPERTY IN THE SPOTLIGHT

MERCHTEM > ZEB

Logistics building with a high degree of automation on the Preenakker industrial site in Merchtem, in the triangle between the E40 Brussels - Ostend, the A12 and the Brussels ring road.
A sustainable built-to-suit expansion was carried out here, directly adjacent to the current warehouse area of tenant ZEB, multibrand fashion store.

Surface area	Occupancy rate	**Sustainability**
16.651 m²	**100%**	built-to-suit expansion

Address	Preenakker 20 - 1785 Merchtem
Surface area	16.651 m²
Year constructed	1992, expansion in 2020
Occupancy rate	100%

Thanks to the expansion, the existing logistics site of more than 7.000 m² has become a site of over 16.000 m², consisting of a mezzanine of approximately 1.000 m² which, among other things, houses the company's own photo studio. Intervest's total investment for the expansion amounted to approximately € 6,3 million.

In August, a long-term lease agreement was concluded for the expansion, combined with an extension of the existing lease agreement. The new development generates approximately € 0,4 million in rental income per year.

> Sustainable built-to-suit expansion with which Intervest responds flexibly to its customer's needs.

This work falls within the scope of positioning Intervest as a real estate partner that flexibly responds to the needs of the customer and the strategy to expand the logistics real estate portfolio further.

1.3 Logistics real estate in Belgium

Aarschot

Address	Nieuwlandlaan 321 - 3200 Aarschot
Surface area	14.602 m²
Year constructed	2005
Occupancy rate	100%

Distribution hub near Leuven at 4 km from the slip road to the E314. Ideally located for last-mile distribution activities. The site consists of two logistics buildings and two smaller storage rooms. 80% of the site has been operated by bpost as a regional distribution centre since the start of 2017.

Boom

Address	Industrieweg 18 - 2850 Boom
Surface area	24.871 m²
Year constructed	2000, partial renovation in 2015
Occupancy rate	100%
BREEAM certificate	Very Good

Site with modern and efficient energy management system. Located in the Krekelenberg industrial zone with excellent access via the A12. Exceedingly well suited for distribution within the Benelux. Large divisible storage hall with spacious office facilities and social areas. Fitted with modern layout and complete relighting in 2015. There is a photovoltaic installation on the roof.

Duffel

Address	Stocletlaan 23 - 2570 Duffel
Surface area	23.386 m²
Year constructed	1998
Occupancy rate	100%

A fully enclosed logistics building located a few km from the E19. There is a photovoltaic installation on the roof.

Genk Green Logistics - Project

Address	Henry Fordlaan 8 + 4 - 3600 Genk
Potential surface area	225.000 m²
Current surface area	24.180 m²
Year constructed	2020 - 2025

Zone B, a plot of 42 hectares on the former Ford site where Genk Green Logistics will realise a flexible, large-scale, multimodal and sustainable logistics project with added value. The first sustainable complex of approximately 25.000 m² was delivered at the end of 2020.

Ghent

Address	Eddastraat 21 - 9042 Ghent
Surface area	37.944 m²
Renovation year	2018
Occupancy rate	100%

Easily accessible pharmaceutical site in North Sea Port (Port of Ghent), fully operated by an international logistics service provider. Complex consists of three adjoining units, of which approximately 40% was completely renovated in 2018. The roofs are fully equipped with a photovoltaic installation.

Herentals Logistics

Herentals Logistics 1 - Project

Address	Atealaan 34b - 2200 Herentals

After the acquisition of the adjacent office building with accompanying land position in 2020, the possibility has arisen for a large-scale sustainable logistics new-build development of which this site will form part.

Herentals Logistics 2

Address	Atealaan 34c - 2200 Herentals
Surface area	50.912 m²
Renovation year	2008 and 2012
Occupancy rate	100%

State-of-the-art logistics building with approximately 40.000 m² storage space, spacious mezzanine over the entire length of the building, office space and parking facilities. There is a photovoltaic installation on the roof.

Herentals Logistics 3

Address	Atealaan 34b - 2200 Herentals
Surface area	12.123 m²
Year constructed	2017
Occupancy rate	100%
BREEAM certificate	Very Good

State-of-the-art logistics distribution centre. Developed and customised for the requirements of Schrauwen Sanitair en Verwarming in 2017, as coordinated by Intervest's turn-key solutions team.

Huizingen

Address	Gustave Demeurslaan 69 - 71 1654 Huizingen
Surface area	17.548 m²
Year constructed	1987 - 1993, followed by various renovations
Occupancy rate	100%

Partly refrigerated pharmaceutical distribution warehouse located to the south of Brussels with accompanying offices and laboratories installed by user DHL Pharma Logistics.

Liège

Address	Première Avenue 32 - 4040 Liège
Surface area	55.468 m²
Year constructed	2000 - 2017
Occupancy rate	100%

Modern logistics complex near the cargo airport of Bierset and the container terminal TriLogiPort, with excellent access via the E313, E40, E42 and E25. The site was developed in phases and consists of various storage halls with accompanying offices. In 2017, the latest expansion (3.600 m²) was realised by the Intervest turn-key solutions team together with Vincent Logistics.

Mechelen 1

Address	Oude Baan 12 - 2800 Mechelen
Surface area	15.341 m²
Year constructed	2004
Occupancy rate	100%
BREEAM certificate	Very Good

Pharmaceutical warehouse with air conditioning throughout the storage area. Good location with direct connection to the E19. The site is equipped with a photovoltaic installation.

Mechelen 2

Address	Dellingstraat 57 - 2800 Mechelen
Surface area	7.046 m²
Year constructed	1998, expansion in 2010
Occupancy rate	100%

Multi-functional semi-industrial property with large covered area for outdoor storage and spacious office facilities. Located near the E19 and within walking distance from the station and the city centre of Mechelen.

Merchtem

Address	Preenakker 20 - 1785 Merchtem
Surface area	16.651 m²
Year constructed	1992, expansion in 2020
Occupancy rate	100%

See also "Property in the spotlight" page 146 - 147

Oevel

Logistics cluster of three sites with high visibility along the E313, in the Antwerp-Liège logistics corridor, consisting of four buildings.

Oevel 1

Address	Nijverheidsstraat 9 - 2260 Oevel
Surface area	12.159 m²
Renovation year	2004
Occupancy rate	100%

Logistics site with a high degree of automation, being used by Estée Lauder, which also operates one of its production facilities nearby.

Oevel 2

Address	Nijverheidsstraat 9a + 11 - 2260 Oevel
Surface area	33.955 m²
Year constructed	2007, expansion in 2013
Occupancy rate	100%

Modern logistics complex. There is a photovoltaic installation on the roof. Tenants are Estée Lauder and Seal For Life Industries.

Oevel 3

Address	Nijverheidsstraat 8 - 2260 Oevel
Surface area	11.660 m²
Year constructed	1995
Occupancy rate	100%

Logistics site with storage space, mezzanine and offices. Excellent location along the E313 - E314. There is a photovoltaic installation on the roof.

Puurs

Address	Koning Leopoldlaan 5 - 2870 Puurs
Surface area	43.534 m²
Year constructed	2001
Occupancy rate	100%
BREEAM certificate	Very Good

Uniquely visible location along the A12 in Puurs. Logistics complex, partly being used by Delhaize Belgium for its fresh food e-commerce platform. The entire roof area is provided with a photovoltaic installation. Energy-efficient investments were made in LED lighting in 2020.

Schelle

Address	Molenberglei 8 - 2627 Schelle
Surface area	8.317 m²
Year constructed	1993, expansion in 2016
Occupancy rate	95%

A logistics building with storage hall, offices, social spaces and a large number of loading and unloading bays easily accessible from the A12. Intervest's turn-key solutions team, in consultation with the operator Rogue Fitness Benelux, renovated and expanded it with a showroom in 2017.

Wilrijk

Cluster with two adjoining sites along the A12, on the outskirts of Antwerp and with a good connection to Brussels.

Wilrijk 1

Address	Boomsesteenweg 801-803 - 2610 Wilrijk
Surface area	5.364 m²
Year constructed	2013
Occupancy rate	100%

A top commercial location along Boomsesteenweg.

Wilrijk 2

Address	Geleegweg 1-7 - 2610 Wilrijk
Surface area	24.521 m²
Year constructed	1989, renovation in 2016-2017
Occupancy rate	100%

Logistics complex with ideal location for urban distribution activities. In 2016 - 2017, Intervest's turn-key solutions team, in consultation with the tenant Toyota Material Handling Europe Logistics, installed new floors, LED lighting, new sanitary facilities and additional windows for more sunlight in the office section.

Wommelgem

Address	Koralenhoeve 25 - 2160 Wommelgem
Surface area	24.181 m²
Year constructed	1998, renovation in 2017-2018
Occupancy rate	100%

Located along the E313 - E34, on the outskirts of Antwerp, from which vantage the site is visible. Modern distribution complex that was renovated sustainably and energy efficiently by the turn-key solutions team of Intervest in consultation with user Feeder One in 2017-2018. Office areas have been reorganised and the building is equipped with LED lighting, new HVAC and an EMS system. The roof was renovated and fitted with additional insulation.

Zellik

Address	Brusselsesteenweg 464 - 1731 Zellik
Surface area	26.637 m²
Year constructed	1994, renovation in 2008
Occupancy rate	100%

Logistics site on the edge of the industrial area in Zellik - Asse near the E40 and E19 motorways and the Brussels Ring Road. A part of the roof is equipped with a photovoltaic installation. Site offers redevelopment potential to state-of-the-art new-build of approximately 25.000 m².

REAL ESTATE IN THE SPOTLIGHT

EINDHOVEN GOLD & SILVER FORUM

Strategically located, multimodal 50.000 m² logistics complex consisting of two sustainable commercial buildings, Silver Forum and Gold Forum, which form an architectural and functional whole at the Flight Forum business park near Eindhoven Airport.

Surface area **49.386 m²**	Occupancy rate **100%**	**Photovoltaic** installation	**Smart** meters

Eindhoven - Gold Forum

Address	Flight Forum 1500 5657 EA Eindhoven
Surface area	20.691 m²
Year constructed	2020
Occupancy rate	100%
BREEAM certificate	Very Good

Acquired new-build distribution centre with high-quality, modern finish and striking gold curved façade in 2020, after delivery.

Gold Forum and Silver Forum form an architectural and functional whole of almost 50.000 m²

Eindhoven - Silver Forum

Address	Flight Forum 1800-1950 5657 EZ Eindhoven
Surface area	28.695 m²
Year constructed	2002
Occupancy rate	100%

Strategically located distribution centre near Eindhoven Airport with a high-quality, modern finish and a striking oval shape with silver cladding.

Gold Forum: BREEAM
“Very Good”

REAL ESTATE IN THE SPOTLIGHT

ROOSENDAAL 1

High-quality and sustainable logistics distribution centre on the Borchwerf I - Braak industrial site in Roosendaal, the Netherlands.

Surface area	Occupancy rate	
28.199 m²	77%*	Photovoltaic installation

Address	Bosstraat 9-11 4704 RL Roosendaal
Surface area	28.199 m²
Year constructed	2020
Occupancy rate	77%*
BREEAM certificate	Outstanding

Intervest started a sustainable logistics new-build of a modern and high-quality distribution centre in 2018 and delivered it in 2020.

This state-of-the-art logistics property in Roosendaal meets the highest sustainability standards and is BREEAM certified as “Outstanding”.

> Sustainable logistics distribution centre, BREEAM certified as “Outstanding”.

The building is extensively insulated, has a photovoltaic installation, LED lighting and separate water drainage systems.

*When the short-term lease agreement of less than 1 year is taken into account, this property was fully occupied at the end of 2020.

BREEAM
“Outstanding”

1.4 Logistics property in the Netherlands

Eindhoven

Gold Forum

Address	Flight Forum 1500 - 5657 EA Eindhoven
Surface area	20.691 m²
Year constructed	2020
Occupancy rate	100%
BREEAM certificate	Very Good

See also “Property in the spotlight” page 154 - 155

Silver Forum

Address	Flight Forum 1800-1950 - 5657 EZ Eindhoven
Surface area	28.695 m²
Year constructed	2002
Occupancy rate	100%

See also “Property in the spotlight” page 154 - 155

Nijmegen

Address	De Vlotkampweg 67-71 - 6545 AE Nijmegen
Surface area	19.159 m²
Year constructed	1988 - 2002
Occupancy rate	100%

Top strategic location on the Westkanaaldijk industrial site, well enclosed via the A73 and A50 motorways.

Raamsdonksveer

Logistics cluster of three separate sites in the Dombosch business park near the junction of the A27 (Breda - Almere) and A59 (Moerdijk - 's-Hertogenbosch).

Raamsdonksveer 1

Address	Zalmweg 37 - 4941 SH Raamsdonksveer
Surface area	20.653 m²
Year constructed	2010
Occupancy rate	100%

Logistics complex, built-to-suit, in 2010, for a home and decoration retailer that organises distribution activities from here to supply e-commerce.

Raamsdonksveer 2

Address	Zalmweg 41 - 4941 SH Raamsdonksveer
Surface area	38.573 m²
Year constructed	2002
Occupancy rate	100%

Modern distribution centre with related offices and a large number of loading bays. The storage hall consists of four independent storage areas that can be connected to one another. The offices are on the mezzanine.

Raamsdonksveer 3

Address	Steurweg 2 - 4941 VR Raamsdonksveer
Surface area	14.581 m²
Year constructed	1980, expansion in 2008
Occupancy rate	100%

Free-standing multifunctional logistics building with a contemporary appearance. Office part on the mezzanine and separate office block next to it.

© Spot-On-Visuals

Roosendaal

Roosendaal 1

Address	Bosstraat 9-11 - 4704 RL Roosendaal
Surface area	28.199 m²
Year constructed	2018 - 2020
Occupancy rate	77% (full if short-term lease is included)
BREEAM certificate	Outstanding

See also "Property in the spotlight" page 156 - 157

Roosendaal 2

Address	Leemstraat 15 - 4705 RT Roosendaal
Surface area	38.162 m²
Year constructed	1975 - 1985 - 2007 - 2012
Occupancy rate	100%

Large logistics complex consisting of six storage halls with accompanying offices, workshop, hangar and porter's lodge on a site of more than 13 hectares. Well located in the Majoppenveld industrial site, near exit A58 Vlissingen - Roosendaal - Eindhoven and with direct access to A17 Roosendaal - Moerdijk. Headquarters of logistics services provider Jan de Rijk. Extension or redevelopment potential on site.

Roosendaal 3

Address	Blauwhekken 2 - 4751 XD Roosendaal
Surface area	18.029 m²
Year constructed	2019
Occupancy rate	100%
BREEAM certificate	Very Good

New-build state-of-the-art building at the Borchwerf II logistics hotspot for production and distribution activities. The roof is equipped with a photovoltaic installation.

's Hertogenbosch

Address	Rietveldenweg 32, 34-36 - 5222 AR 's-Hertogenbosch Koenendelseweg 19-23 - 5222 BG 's-Hertogenbosch
Surface area	15.532 m²
Land reserve	8.500 m²
Year constructed	1973 - 1981 - 1989 - 1992 - 2015
Occupancy rate	100%

The site consists of four buildings on the Rietvelden business site. The site is located on the A59 - Moerdijk - 's-Hertogenbosch - Nijmegen logistics axis and has good accessibility to the motorway. The BCTN container terminal is just 1,6 km away, which is a unique advantage.

Tilburg

Tilburg 1

Address	Kronosstraat 2 - 5048 CE Tilburg
Surface area	13.309 m²
Year constructed	2004, renovation in 2011
Occupancy rate	100%

Refrigerated industrial premises and production area in line with HACCP guidelines for the food industry. Located in Industriezone Vossenberg II with direct connection to the A58 Eindhoven-Breda motorway, in the Tilburg-Waalwijk logistics corridor. Being used by Dutch Bakery for logistics and industrial bakery activities with transport.

Tilburg 2

Address	Belle van Zuylenstraat 10 - 5032 MA Tilburg
Surface area	28.493 m²
Year constructed	1989, expansion in 1997 - renovation in 2019
Occupancy rate	100%

Visible location along the A58 Vlissingen - Breda - Eindhoven, on the Katsbogten industrial site. Logistics complex, consisting of distribution centre and free-standing office building, which was fully renovated, modernised and made more sustainable in 2019. Large number of front and rear dock shelters and sufficient parking spaces. Headquarters of home discount chain, Kwantum.

Venlo

Address	Celsiusweg 25 and 35 - 5928 PR Venlo Archimedesweg 12 - 5928 PP Venlo
Surface area	11.903 m²
Year constructed	2001
Occupancy rate	100%

The site consists of three buildings located at the Venlo Trade Port logistics hot-spot. The site has multimodal access due to its position almost right next to the ECT rail terminal and at a short distance from the barge terminal, nearby the slip roads of the A73 and A67 motorways. There are several airports within a radius of 100 km, which is a unique advantage. The two largest buildings are equipped with a photovoltaic installation.

Vuren

Address	Hooglandseweg 6 - 4214 KG Vuren
Surface area	14.020 m²
Year constructed	2018
Occupancy rate	100%
BREEAM certificate	Very Good

Custom-built for pharmaceutical wholesaler The Medical Export Group in 2018. Located on the Rotterdam-Ruhr area axis with good access via the A15 Rotterdam-Nijmegen-Ruhr area and the A2 Amsterdam-Utrecht-Eindhoven motorways. Climate-controlled and suitable for storing pharmaceutical products and temperature-sensitive goods.

ANTWERP
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LEUVEN
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5 Description of the office portfolio

5.1 Office locations in Belgium[1]

Antwerp

1	Berchem - Greenhouse Antwerp	S	p. 164
2	Antwerp - Greenhouse Singel	N	p. 164
3	Antwerp - Gateway House		p. 168
4	Edegem - De Arend	S	p. 169
5	Aartselaar		p. 168
6	Herentals - Gencor	N	p. 169

Mechelen

7	Mechelen Campus - Greenhouse Mechelen	B S	p. 165
8	Mechelen - Intercity Business Park	E	p. 170
9	Mechelen Business Tower		p. 169

Brussels

10	Diegem - Greenhouse BXL	B S	p. 164
11	St.-Stevens-Woluwe - Woluwe Garden		p. 170
12	Zellik - Exiten		p. 170
13	Dilbeek - Inter Access Park		p. 168
14	Hoeilaart - Park Rozendal		p. 169

Leuven

15	Leuven - Ubicenter		p. 165

1 Classification per region on the axis of Antwerp - Mechelen - Brussels and on the Brussels - Leuven axis.

LEGEND

- 1 Offices in Belgium
- N Acquisition in 2020
- S Smart meters
- E Solar / photovoltaic installation
- B BREEAM certificate

5.2 Offices with extensive services package, serviced offices and co-working lounges

Greenhouse

Greenhouse is Intervest's innovative, inspiring and service-oriented office concept in Berchem, Mechelen and Diegem, where working is a pleasant experience. Greenhouse combines traditional long-term office rentals with serviced offices and co-working lounges. Greenhouse provides additional services to all tenants and users, such as common meeting and event spaces, central reception, restaurant, ironing centre, parcel service, fitness facilities, cleaning and a 7/7 technical helpdesk. A Greenhouse subscription provides access to the co-working lounges at the various Greenhouse locations. The long-term tenants can also use the Greenhouse services and facilities at the various locations.

Berchem - Greenhouse Antwerp S

Address	Uitbreidingstraat 66 - 2600 Berchem
Surface area	5.763 m²
Year constructed	2016
Occupancy rate	95%

Greenhouse Antwerp was completely renovated in 2016 to become a landmark along the Antwerp Singel with a striking, beautiful vertical façade garden. The co-working spaces, meeting rooms and event spaces have been designed with the focus on sustainability and well-being. The most prestigious events space, the "Greenhouse Boardroom", is an impressive meeting room for 24 people and has a lounge.

Antwerp - Greenhouse Singel - project N

Address	Desguinlei 100 - 2000 Antwerp
Potential surface area	approximately 16.500 m²
Renovation year	2021 - 2022

The former Mercator building, situated on the Singel in Berchem right opposite the well-known cultural centre of the same name, deSingel. A location with extremely good access, both by car and by public transport.

Excellent location for a state-of-the-art renovation project of more than 14.000 m² of office space supplemented by 2.500 m² of archive space and more than 150 parking spaces. After the renovation process is completed, the building will be one of the top office buildings in Antwerp.

Diegem - Greenhouse BXL S B & Parkinghouse

Address	Berkenlaan 8a-8b, 7 - 1831 Diegem
Surface area	20.262 m² + 5.100 m² (Parkinghouse)
Renovation & construction year	2017 - 2018 and 2020 (Parkinghouse building)
Occupancy rate	91%
BREEAM certificate	Very Good

Greenhouse BXL opened its doors at the end of 2018 after a thorough renovation. The wall in the glass atrium is covered with real plants, the building is surrounded by various plant gardens and there is a terrace on the green roof. There are charging stations for electric cars in the spacious underground car park. There are sufficient meeting rooms and event spaces, including an auditorium for 200 people and the atrium, which serves as a multi-functional meeting room and event space. There are two restaurants in the building. The grand café offers a wide range of healthy sandwiches and salads, and The Greenery has a more elaborate menu. Greenhouse BXL is located next to the Brussels ring road and is very near Brussels Airport.

Mechelen Campus - Greenhouse Mechelen

Address	Schaliënhoevedreef 20 A - J and T - 2800 Mechelen
Surface area	58.147 m²
Year constructed	2000 - 2005
Occupancy rate	86%
BREEAM certificate	Greenhouse Mechelen (tower building): Very Good

Greenhouse Mechelen is located at Mechelen Campus. Mechelen Campus consists of a tower building 60 metres high and 10 lower office buildings connected to two car parks: one above ground and one underground. Many offices are designed by the Intervest turn-key solutions team in consultation with the tenants.
There is a garden between the buildings. There are various charging plazas for electric cars. Greenhouse Mechelen is housed in the tower building and offers 12 meeting rooms and event spaces, which can accommodate between 4 and 130 people.

Leuven - Ubicenter

Address	Philipssite 5 - 3001 Leuven
Surface area	27.027 m²
Year constructed	2001
Occupancy rate	99%

Ubicenter Leuven is a contemporary office complex that ties in with the innovative Greenhouse concept but is not operated directly by Intervest. Ubicenter also offers customised offices, co-working lounges and turn-key offices with additional service provision such as meeting rooms, reception services, daily correspondence management, telephone and fax numbers, showers and catering services. The building has a foyer, a company restaurant and an auditorium. Ubicenter is located near the Leuven ring road, near the slip road to the E40 and E314.

REAL ESTATE IN THE SPOTLIGHT

HERENTALS > GENCOR

This high-quality six-storey office building, located on the E313 in Herentals, consists of three wings and comprises approximately 7.300 m² of office space and 440 parking spaces. The building is 83% leased and offers flexible office space and full-service services in addition to traditional offices.

Surface area approx. **7.801 m²**	Occupancy rate **83%**	**Sustainability** integration offices & logistics

Address	Atealaan 34a - 2200 Herentals
Surface area	7.801 m²
Year constructed	2008
Occupancy rate	83%

The office building has a sleek architecture and is equipped with modern HVAC, has an abundance of light and a high-quality finish. A high-end reception, meeting facilities and shower facilities are also provided.

> This office building borders Herentals Logistics which makes large-scale redevelopment possible.

The site on which the office building is located is adjacent to the logistics buildings of Herentals Logistics, which already form part of Intervest's property portfolio.

With this purchase, the site now covers a total of 18 hectares, and Intervest can realise the further development with a unique, sustainable integration of offices and logistics.

5.3 Offices

Intervest's offices are in strategic locations in Flanders, both in the city centre and on campuses outside the city, mainly on the Antwerp - Mechelen - Brussels axis.

Intervest has a strongly developed market position in Mechelen, a city which, due to growing mobility issues, is increasingly forming an alternative location for Brussels.

Aartselaar

Address	Kontichsesteenweg 54 - 2630 Aartselaar
Surface area	4.140 m²
Year constructed	2000
Occupancy rate	100%

Ideally located between the E19 and A12. Consists of an office section, ware-house and a very spacious car park. The site offers maximum visibility as it is directly situated on the Kontichsesteenweg.

Antwerp - Gateway House

Address	Brusselstraat 59 / Montignystraat 80 - 2018 Antwerp
Surface area	11.172 m²
Renovation year	2002
Occupancy rate	76%

Stately building situated diagonally opposite the Antwerp Courthouse, a five-minute walk from the bustling, trendy "Het Zuid" neighbourhood. Extremely good access by public transport as well as by car.

Dilbeek - Inter Access Park

Address	Pontbeekstraat 2 & 4 - 1700 Dilbeek
Surface area	6.392 m²
Year constructed	2000
Occupancy rate	84%

The Inter Access Park consists of two identical office buildings that offer easy access by public transport (Sint-Agatha-Berchem station), as well as by car (E40 motorway and R0 ring road).
Each building has a large, prestigious lobby and tenants can lease an entire floor or a part of it.

Edegem - De Arend

Address	Prins Boudewijnlaan 45-49 - 2650 Edegem
Surface area	6.931 m²
Year constructed	1997
Occupancy rate	65%

Located at a stone's throw from the E19, by the Kontich exit. Office complex consisting of three buildings each of which has three floors and is surrounded by greenery. The efficient rectangular plateaus offer an abundance of natural light.

Herentals - Gencor

Address	Atealaan 34a - 2200 Herentals
Surface area	7.801 m²
Year constructed	2008
Occupancy rate	83%

See also "Property in the spotlight" page 166 - 167

Hoeilaart - Park Rozendal

Address	Terhulpsesteenweg 6A - 1560 Hoeilaart
Surface area	2.830 m²
Year constructed	1994
Occupancy rate	86%

Located in a green oasis, yet still close to Brussels. Excellent access by car and public transport. The luxurious lobby provides a distinguished air and the rectangular floors provide the optimal layout for designing office.

Mechelen Business Tower

Address	Blarenberglaan 2C - 2800 Mechelen
Surface area	13.574 m²
Year constructed	2001
Occupancy rate	78%

Mechelen Business Tower is a landmark alongside the E19 at Mechelen. The single-tenant office tower is being systematically converted into a multi-tenant office environment.

Mechelen - Intercity Business Park

Address	Generaal De Wittelaan 9 - 21 - 2800 Mechelen
Surface area	54.190 m²
Year constructed	1993 - 1999 (2016)
Occupancy rate	87%

Business park along the E19 Antwerp - Brussels, with more than 54.000 m² of business space spread over 10 office buildings. There are approximately 40 tenants, including a number of large companies in the life sciences sector, such as Biocartis, Galapagos and SGS Belgium. Intercity Business Park adjoins Mechelen Campus.

Sint-Stevens-Woluwe - Woluwe Garden

Address	Woluwedal 18 - 22 - 1932 Sint-Stevens-Woluwe
Surface area	23.681 m²
Year constructed	2000
Occupancy rate	100%

Woluwe Garden lies in Flemish Brabant, on the edge of Brussels. The impressive lobby connects three wings, each having eight floors. Fully rented by PricewaterhouseCoopers.

Zellik - Exiten

Address	Zuiderlaan 91 - 1731 Zellik
Surface area	3.628 m²
Year constructed	2002
Occupancy rate	100%

Highly visible building next to exit 10 of the Brussels ring road. The rectangular floors provide the optimal layout for designing offices.

Diegem › Greenhouse BXL - Atrium

FINANCIAL REPORT[1]

1 The annual financial reports, the reports of the supervisory board and the reports of the statutory auditor for the financial years 2020, 2019 and 2018, and the interim declarations and half-yearly financial reports (including reports of the statutory auditor) can all be consulted on the website of the company (www.intervest.be). They are also available from the registered office on request.

Index

1 Consolidated income statement

in thousands €	Note	2020	2019
Rental income	4	61.303	66.143
Rental-related expenses	4	-51	-166
NET RENTAL INCOME		61.252	65.977
Recovery of property charges	4	752	707
Recovery of rental charges and taxes normally payable by tenants on let properties	4	13.643	13.462
Costs payable by tenants and borne by the landlord for rental damage and refurbishment		-698	-774
Rental charges and taxes normally payable by tenants on leased properties	4	-13.623	-13.462
Other rental-related income and expenses	4	460	1.198
PROPERTY RESULT		61.786	67.108
Technical costs	5	-876	-939
Commercial costs	5	-318	-334
Charges and taxes on unlet properties	5	-892	-672
Property management costs	5	-5.281	-4.800
Other property charges	5	-1.162	-784
Property charges		**-8.529**	**-7.529**
OPERATING PROPERTY RESULT		53.257	59.579
General costs	6	-4.085	-3.777
Other operating income and costs	8	-254	89
OPERATING RESULT BEFORE RESULT ON PORTFOLIO		48.918	55.891
Result on disposal of investment properties	9	1.670	5.364
Changes in fair value of investment properties	10	15.454	22.307
Other result on portfolio	11	-9.083	-5.661
OPERATING RESULT		56.959	77.901
Financial income		67	77
Net interest charges	12	-7.955	-8.543
Other financial charges		-36	-35
Changes in fair value of financial assets and liabilities		-2.311	-3.065
Financial result		**-10.235**	**-11.566**
RESULT BEFORE TAXES		46.724	66.335
Taxes	13	-664	-587
NET RESULT		46.060	65.748

in thousands €	Note	2020	2019
NET RESULT		**46.060**	**65.748**
- Minority interests		**2.629**	**-17**
NET RESULT - Group share		**43.431**	**65.765**
Note:			
EPRA earnings - Group share		40.355	46.820
Result on portfolio	9-11	5.387	22.010
Changes in fair value of financial assets and liabilities		-2.311	-3.065

RESULT PER SHARE	Financial report	2020	2019
Number of shares at year-end	8.6	25.500.672	24.657.003
Number of shares entitled to dividend at year-end	8.6	25.500.672	24.657.003
Weighted average number of shares	8.6	25.164.126	24.516.858
Net result - group share (€)		1,73	2,68
Diluted net result (€)		1,73	2,68
EPRA earnings (€)		1,60	1,91

2 Consolidated statement of comprehensive income

in thousands €	2020	2019
NET RESULT	**46.060**	**65.748**
Other components of comprehensive income (recyclable through income statement)	**1.394**	**0**
Revaluation of solar panels	1.394	0
COMPREHENSIVE INCOME	**47.454**	**65.748**
Attributable to:		
Shareholders of the parent company	44.825	65.765
Minority interests	2.629	-17

3 Consolidated balance sheet

ASSETS in thousands €	Note	31.12.2020	31.12.2019
NON-CURRENT ASSETS		**1.022.835**	**894.262**
Non-current intangible assets		479	465
Investment properties	14	1.017.958	892.813
Other non-current tangible assets		4.022	714
Non-current financial assets	20	241	252
Trade receivables and other non-current assets		135	18
CURRENT ASSETS		**25.158**	**24.601**
Current financial assets		13	0
Trade receivables	15	11.595	11.962
Tax receivables and other current assets	15	6.539	5.974
Cash and cash equivalents		2.682	2.156
Deferred charges and accrued income	15	4.329	4.509
TOTAL ASSETS		**1.047.993**	**918.863**

SHAREHOLDERS' EQUITY AND LIABILITIES in thousands €	Note	31.12.2020	31.12.2019
SHAREHOLDERS' EQUITY		**554.414**	**524.433**
Shareholders' equity attributable to shareholders of the parent company		**547.218**	**523.859**
Share capital	16	230.638	222.958
Share premiums	16	181.682	173.104
Reserves	16	91.467	62.032
Net result for the financial year		43.431	65.765
Minority interests	24	**7.196**	**574**
LIABILITIES		**493.579**	**394.430**
Non-current liabilities		**340.000**	**274.065**
Provisions	17	0	1.875
Non-current financial debts	19	313.743	255.472
Credit institutions		*308.743*	*220.556*
Other		*5.000*	*34.916*
Other non-current financial liabilities	20	10.917	8.627
Trade debts and other non-current debts		1.267	1.211
Deferred tax - liabilities	21	14.073	6.880
Current liabilities		**153.579**	**120.365**
Provisions	17	978	1.875
Current financial debts	19	123.522	88.137
Credit institutions		*26.239*	*23.137*
Commercial paper		*62.300*	*65.000*
Other		*34.983*	*0*
Other current financial liabilities	20	94	68
Trade debts and other current debts	18	8.572	7.785
Other current liabilities	18	1.284	3.970
Deferred charges and accrued income	18	19.129	18.530
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**1.047.993**	**918.863**

DEBT RATIO in %	Note	**31.12.2020**	**31.12.2019**
Debt ratio (max. 65%)	22	43,0%	39,0%

NET VALUE PER SHARE in €	**31.12.2020**	**31.12.2019**
Net value (fair value)	21,46	21,25
Net value (investment value)	22,64	22,40
EPRA NTA	22,40	21,77

4 Statement of changes in consolidated equity

in thousands €	
INITIAL STATE 1 JANUARY PREVIOUS FINANCIAL YEAR	
Comprehensive income previous financial year	
Transfers pursuant to result distribution of financial year 2 years ago:	
▪ Transfer to the reserves for the balance of changes in investment value of real estate properties	
▪ Transfer of impact on fair value of estimated transaction rights and costs resulting from the hypothetical disposal of investment properties	
▪ Transfer of changes in fair value of financial assets and liabilities to the reserve for the balance of changes in fair value of authorised hedging instruments not subject to hedge accounting	
▪ Addition to results carried forward from previous financial years	
Issue of shares for optional dividend financial year 2 years ago	
Dividends for financial year of 2 years ago	
BALANCE SHEET AS AT 31 DECEMBER OF PREVIOUS FINANCIAL YEAR	
Comprehensive income for financial year	
Transfers pursuant to result distribution of previous financial year:	
▪ Transfer to the reserves for the balance of changes in investment value of real estate properties	
▪ Transfer of impact on fair value of estimated transaction rights and costs resulting from the hypothetical disposal of investment properties	
▪ Transfer of changes in fair value of financial assets and liabilities to the reserve for the balance of changes in fair value of authorised hedging instruments not subject to hedge accounting	
▪ Addition to results carried forward from previous financial years	
▪ Allocation to other reserves	
Issue of shares for optional dividend for previous financial year	
Capital increase of perimeter company Genk Green Logistics	
Dividends for previous financial year	
BALANCE SHEET AS AT 31 DECEMBER	

	Share capital						
	Paid-up Capital	Capital increase costs	Share premiums	Total reserves	Net result for the financial year	Minority interests	TOTAL SHAREHOLDERS' EQUITY
	221.332	**-1.727**	**167.883**	**55.015**	**34.114**	**591**	**477.208**
					65.765	-17	65.748
				15.308	-15.308		0
				-10.747	10.747		0
				-1.615	1.615		0
				4.071	-4.071		0
	3.353		5.221				8.574
					-27.097		-27.097
	224.685	**-1.727**	**173.104**	**62.032**	**65.765**	**574**	**524.433**
				1.394	43.431	2.629	47.454
				13.703	-13.703		0
				-1.814	1.814		0
				-3.065	3.065		0
				9.095	-9.095		0
				10.121	-10.121		0
	7.688		8.578				16.266
		-8				3.993	3.985
					-37.725		-37.725
	232.373	**-1.735**	**181.682**	**91.467**	**43.431**	**7.196**	**554.414**

Breakdown of the reserves

in thousands €
OPENING POSITION 1 JANUARY PREVIOUS FINANCIAL YEAR
Transfers through result distribution two years ago:
▪ Transfer to the reserves for the balance of changes in investment value of real estate properties
▪ Transfer of impact on fair value of estimated transaction rights and costs resulting from the hypothetical disposal of investment properties
▪ Transfer of changes in fair value of financial assets and liabilities to the reserve for the balance of changes in fair value of authorised hedging instruments not subject to hedge accounting
▪ Addition to results carried forward from previous financial years
BALANCE SHEET AS AT 31 DECEMBER OF PREVIOUS FINANCIAL YEAR
Transfers pursuant to result distribution of previous financial year:
▪ Transfer to the reserves for the balance of changes in investment value of real estate properties
▪ Transfer of impact on fair value of estimated transaction rights and costs resulting from the hypothetical disposal of investment properties
▪ Transfer of changes in fair value of financial assets and liabilities to the reserve for the balance of changes in fair value of authorised hedging instruments not subject to hedge accounting
▪ Addition to results carried forward from previous financial years
▪ Allocation to other reserves
Transfers due to application of IAS 16 on solar panels
BALANCE SHEET AS AT 31 DECEMBER

* of estimated transaction rights and costs resulting from the hypothetical disposal of investment properties.

Legal reserves	Reserve for the balance of changes in fair value of real estate properties		Reserve for the balance of changes in fair value of authorised hedging instruments not subject to hedge accounting	Other reserves	Results carried forward from previous financial years	TOTAL RESERVES
	Reserve for the balance of changes in investment value of real estate properties	Reserve for the impact on fair value				
90	**48.395**	**-17.658**	**-1.842**	**6.034**	**19.996**	**55.015**
	15.308					15.308
		-10.747				-10.747
			-1.615			-1.615
					4.071	4.071
90	**63.701**	**-28.404**	**-3.456**	**6.034**	**24.067**	**62.032**
				1.394		1.394
	13.703					13.703
		-1.814				-1.814
			-3.065			-3.065
					9.095	9.095
				10.121		10.121
	-324	8		316		0
90	**77.081**	**-30.210**	**-6.522**	**17.865**	**33.163**	**91.467**

5 Consolidated cash flow statement

in thousands €	Note	2020	2019
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR		2.156	**1.972**
1. Cash flow from operating activities		**41.469**	**47.218**
Operating result		56.959	**77.901**
Interest paid		-7.745	**-8.957**
Other non-operating elements		-633	**-545**
Adjustment of result for non-cash flow transactions		-8.769	**-23.154**
▪ Depreciations on intangible and other tangible non-current assets		749	392
▪ Result on disposal of investment properties	9	-1.670	-5.364
▪ Changes in fair value of investment properties	10	-15.454	-22.307
▪ Spread of rental discounts and rental benefits granted to tenants	11	-1.477	-1.536
▪ Other result on portfolio	11	9.083	5.661
Change in working capital		1.657	**1.973**
Movement of assets		973	-4.749
Movement of liabilities		684	6.722
2. Cash flow from investment activities		**-113.649**	**3.748**
Investments and expansions in existing investment properties	14	-5.037	-8.120
Acquisition of investment properties	14	-42.683	-23.953
Acquisition of shares of real estate companies	14	-43.959	0
Investments in project developments	14	-20.886	-29.594
Income from disposal of investment properties	9	0	66.780
Paid exit tax for merger of real estate companies		0	-700
Acquisitions of intangible and other tangible non-current assets		-1.084	-665
3. Cash flow from financing activities		**72.706**	**-50.782**
Repayment of loans		-28.297	-105.330
Drawdown of loans		122.425	73.000
Receipts from non-current liabilities as guarantee		39	70
Dividend paid		-21.461	-18.522
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR		**2.682**	**2.156**

Intervest generated a cash flow of € 41 million from **operating activities** in 2020 compared to € 47 million in 2019, the decrease is partly the result of the one-off termination indemnity received from tenant Medtronic in 2019 of approximately € 5 million.

The cash flow from **investment activities** amounted to € -114 million and includes acquisitions and investments and expansions in the existing real estate portfolio and project developments.

The cash flow from the group's **financing activities** amounted to € 73 million and consisted in 2020 of an increase in the recognition of credits of € 94 million and the payment of dividends of € 21 million.

The amount included in the acquisition of shares of real estate companies of € 44 million also reflects the payment of several invoices for the redevelopment of the Greenhouse Singel project in the amount of € 4 million, which were recorded on the balance sheet under trade debts at the time of the acquisition of the shares of Greenhouse Singel.

The Netherlands- Eindhoven › Gold Forum

6 Note to the consolidated annual accounts

Note 1.
Scheme for annual accounts for regulated real estate companies

As a listed regulated real estate company under Belgian law, Intervest Offices & Warehouses nv has prepared its consolidated annual accounts in accordance with the "International Financial Reporting Standards" (IFRS) as accepted by the European Union. In the Royal Decree of 13 July 2014 on regulated real estate companies a scheme for both statutory annual accounts and consolidated annual accounts of the RREC is contained in Annex C.

The scheme principally means that the result on the portfolio is presented separately in the income statement. This result on the portfolio includes all movements in the real estate portfolio and mainly consists of:

- realised profits or losses on the disposal of investment properties
- changes in fair value of investment properties as a result of the valuation by property experts, i.e. non-realised increases and/or decreases in value.

The result on portfolio will not be allocated to the shareholders, but transferred to, or from, the reserves.

Note 2.
Principles for the financial reporting

Statement of conformity

Intervest is a public regulated real estate company having its registered office in Belgium. The consolidated annual accounts of the company as at 31 December 2020 include the company and its perimeter companies (the "Group"). The Intervest annual accounts have been prepared and released for publication by the supervisory board as at 18 March 2021 and will be submitted for approval to the general meeting of shareholders as at 28 April 2021.

The consolidated annual accounts have been prepared in compliance with the "International Financial Reporting Standards" (IFRS) as approved by the European Union and according to the Royal Decree of 13 July 2014. These standards comprise all new and revised standards and interpretations published by the International Accounting Standards Board ("IASB") and the International Financial Reporting Interpretations Committee ("IFRIC"), to the extent to which they are applicable to the Group's activities and effectively start for financial years as from 1 January 2020.

New or amended standards and interpretations effective for the financial year beginning on 1 January 2020

〉Amendments to IFRS 3 Business Combinations: clarification of the definition of a company

〉Amendments to IAS 1 and IAS 8: Definition of equipment

〉Amendments to IFRS 9, IAS 39 and IFRS 7 Reforming of the Reference Interest Rates - Phase 1〉

〉Amendments to the references to the Conceptual framework in IFRS standards.

Published standards and interpretations, not yet applied in 2020

Intervest has not yet applied the following new standards, amendments to standards or interpretations that are not yet in force in the current financial year but that may be applied sooner. Insofar as these new standards, amendments and interpretations are relevant to Intervest, an indication is given below of how their application can affect the consolidated annual accounts of 2020 and beyond. The standards summarised below have not yet been adopted within the EU.

- Amendments to IFRS 16 Lease agreements to grant lessees an exemption to assess whether a lease concession related to COVID-19 is a lease adjustment (applicable for financial years as from 1 June 2020)
- Annual improvements to IFRS 2018-2020 cycle (applicable for financial years as from 1 January 2022)
- Amendments to IFRS 4, IFRS 7, IFRS 9, IFRS 16 and IAS 39 Reforming of the Reference Interest Rates – Phase 2 (applicable for financial years as from 1 January 2021)
- Amendments to IFRS 3 Business Combinations: references to the conceptual framework (applicable for financial years as from 1 January 2022)
- Amendments to IAS 16 Lease agreements that prohibit a company from reducing the proceeds from the sale of items produced while preparing the asset for its intended use from the cost of tangible non-current assets (applicable for financial years as from 1 January 2022)
- Amendments to IAS 1: classification of liabilities as current or non-current (applicable for financial years as from 1 January 2023)
- Amendments to IAS 1: Presentation of the Annual Accounts and IFRS Practice Statement 2: Note of principles for financial reporting (applicable for financial years as from 1 January 2023)
- Amendments to IAS 8: Principles for financial reporting, changes in accounting estimates and errors: Definition of accounting estimates (applicable for financial years as from 1 January 2023)

- Amendment to IAS 37 Provisions, Contingent Liabilities and Contingent Assets relating to the costs to be included in the assessment of whether a contract is onerous (applicable for financial years as from 1 January 2022)
- Amendments to IFRS 4: expiration date of the deferred approach (the deadline for temporary exemption for adoption of IFRS 9 is now 1 January 2023)
- IFRS 17 Insurance contracts and amendments to address concerns and implementation issues after IFRS 17 was published (applicable for financial years as from 1 January 2023).

It is expected that the above-mentioned standards and interpretations will not have a material impact on Intervest's consolidated annual accounts.

Presentation basis

The consolidated annual accounts are expressed in thousands of €, rounded off to the nearest thousand. The consolidated annual accounts are presented before profit distribution.

The accounting principles are applied consistently.

Consolidation principles

Perimeter companies

A perimeter company is an entity over which another entity has control (exclusively or jointly). Control is having power over the entity, having the rights to the changing income from involvement in the entity, and having the possibility to use power over the entity to influence the amount of income. A perimeter company's annual accounts are recognised in the consolidated annual accounts by means of the full consolidation method from the time that control arises until such time as it ceases. If necessary, the financial reporting principles of the perimeter companies have been changed in order to arrive at consistent principles within the Group. The reporting period of the perimeter company coincides with that of the parent company.

Eliminated transactions

All transactions between the Group companies, balances and unrealised profits and losses from transactions between Group companies will be eliminated when the consolidated annual accounts are prepared. The list of perimeter companies is included in Note 24.

Business combinations and goodwill

When the Group takes control of an integrated combination of activities and assets corresponding to the definition of business according to IFRS 3 – Business combinations, assets, liabilities and any contingent liabilities of the business acquired are recognised separately at fair value on the acquisition date. The goodwill represents the positive change between the sum of the acquisition value, the previous interest in the entity which had not been previously controlled (if applicable) and the recognised minority interest (if applicable), on the one hand, and the fair value of the acquired net assets on the other hand. If the difference is negative ("negative goodwill"), it is immediately recognised in the result after the values have been confirmed. All transaction costs are immediately charged and do not represent a part of the determination of the acquisition value.

In accordance with IFRS 3, the goodwill can be determined on a provisional basis at acquisition date and adjusted within the 12 following months.

After initial take-up, the goodwill is not amortised but subjected to an impairment test carried out at least every year for cash-generating units to which the goodwill was allocated. If the carrying amount of a cash-generating unit exceeds its value in use, the resulting impairment is recognised in the result and first allocated in reduction of the possible goodwill and then to the other assets of the unit, proportional to their carrying value. An impairment loss recognised on goodwill is not to be reversed during a subsequent year.

In the event of the disposal of or in the event that control for a partial disposal of a perimeter company is lost, the amount of goodwill that is allocated to this entity is included in the determination of the result of the disposal.

When the Group acquires an additional interest in a perimeter company, which had previously been controlled by the Group at some point, or when the Group sells a part of the interest in a perimeter company without loss of control, the goodwill, recognised at the time at which control is acquired, is not influenced. The transaction with minority interests has an influence on the Group's transferred results.

Foreign currencies

Foreign currency transactions are recognised at the exchange rate on the transaction date. Monetary assets and liabilities denominated in foreign currency are valued at the final rate in force on the balance-sheet date. Exchange rate differences deriving from foreign currency transactions and from the conversion of monetary assets and liabilities denominated in foreign currency are recognised in the income statement in the period when they occur. Non-monetary assets and liabilities denominated in foreign currencies are converted at the exchange rate valid at the transaction date.

Property result

Income is valued at the fair value of the compensation received or to which title has been obtained. Income will only be recognised if it is likely that the economic benefits will be reaped by the entity and can be determined with sufficient certainty.

Rental income, the received operational lease payments and the other income and costs are recognised in the income statement in the periods to which they refer.

Rental discounts and incentives are spread over the period running from the start of the lease agreement to the next possibility of terminating an agreement.

The compensation paid by tenants for early termination of lease agreements is immediately taken into result for the period in which it is definitively obtained.

Property charges and general costs

The costs are valued at the fair value of the compensation that has been paid or is due and are recognised in the income statement for the periods to which they refer.

Result on disposals and changes in the fair value of investment properties

The result from the disposal of investment properties is equal to the difference between the selling price and the carrying amount (i.e. the fair value determined by the property expert at the end of the previous financial year) less the selling expenses.

The changes in fair value of investment properties are equal to the difference between the current carrying amount and the previous fair value (as estimated by the independent property expert). This type of comparison is made at least four times a year for the full investment property portfolio. Movements in fair value of the real estate properties are included in the income statement for the period in which they occur.

Financial result

The financial result consists of interest charges on loans and additional financing costs, less the income from investments.

Taxes on the result and property tax

Taxes on the result of the financial year consist of the taxes due and recoverable for the reporting period and previous reporting periods, as well as the exit tax due. The tax expense is included in the income statement unless it relates to elements that are immediately recognised in equity. In the latter case, taxes are also recognised as a charge against equity.

When calculating the taxation on the taxable profit for the year, the tax rates in force at the end of the period are used.

Withholding taxes on dividends are recognised in equity as part of the dividend until such time as payment is made.

The exit tax owed by companies that have been taken over by the real estate company is deducted from the revaluation surplus at the moment of the merger and is recognised as a liability.

Tax receivables and tax liabilities are valued at the tax rate used during the period to which they refer.

Levies imposed by government are booked in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets in application of IFRIC 21 - Levies. This interpretation has no significant influence on the consolidated annual accounts of the Group, but does influence the development of the result during the financial year due to the moment of recognition of matters such as the property tax as at 1 January of every financial year. Charging such property tax to the tenants and the government's recovery of the property tax on vacant properties are also fully recognised as debts and income on 1 January of every financial year. The net impact on the income statement therefore remains limited to the non-rechargeable/recoverable property tax that is fully recognised as at 1 January as a cost instead of being spread over the financial year.

Deferred taxes

Deferred tax receivables and liabilities are recognised on the basis of the debt method ("liability method") for all provisional differences between the taxable basis and the carrying amount for financial reporting aims with respect to both assets and liabilities. Deferred tax receivables are only recognised if it is probable that there will be taxable profit against which the deferred tax claim can be offset. The deferred taxes are included under the "Other result on portfolio" in the income statement.

Ordinary and diluted net result per share

The ordinary net result per share is calculated by dividing the net result as shown in the income statement by the weighted average of the number of outstanding ordinary shares (i.e. the total& number of issued shares less own shares) during the financial year.

To calculate the diluted net result per share, the net result that is due to the ordinary shareholders and the weighted average of the number of outstanding shares is adapted for the effect of potential ordinary shares that may be diluted.

Non-current intangible assets

Non-current intangible assets are recognised at cost, less any accumulated depreciation and exceptional impairment losses, if it is likely that the expected economic benefits attributable to the asset will flow to the entity, and if the cost of the asset can be measured reliably. Intangible assets are amortised linearly over their expected duration of use. The depreciation periods are reviewed at the end of every financial year at a bare minimum.

Investment properties (including transfer duties)

Definition

Investment properties comprise all buildings and lands that are leasable and generate rental income (wholly or in part), including the buildings where a limited part is kept for own use and held by right of use of real estate.

Project developments (as referred to in the definition of project developments) and sites held with the aim of starting project developments with a view to subsequently leasing them and increasing their value over time, but for which no concrete building plans or project developments have yet been started (land reserve), are also considered as investment property.

Initial take-up and valuation

Initial take-up in the balance sheet of an acquisition of development takes place at the acquisition value including transaction costs such as professional fees, legal services, registration charges and other property transfer taxes. The exit tax due from companies absorbed by the company is also included in the acquisition value.

Commission fees paid for acquisitions of buildings must be considered as additional costs for these acquisitions and added to the acquisition value.

If the acquisition takes place through the acquisition of shares of a real estate company, through the non-monetary contribution of a building against the issue of new shares or by merger through takeover of a real estate company, the deed costs, audit and consultancy costs, reinvestment fees and release costs of the financing of the absorbed companies and other costs of the merger are also capitalised.

The financing costs directly attributable to the acquisition or development of an investment property are capitalised at the same time. When specific funds have been borrowed for a given asset, the effective cost of financing that loan is capitalised during the period, less any investment income from the temporary investment of that loan.

Valuation after initial take-up

After initial take-up, investment properties available for lease are valued at fair value in accordance with IAS 40. The fair value is equal to the amount at which a building could be exchanged between well-informed parties, in agreement and acting in conditions of normal competition. From the seller's point of view, this must be understood as subject to deduction of registration fees. The fair value is thus obtained by deducting an appropriate portion of the registration fees from the investment value:

- The investment value is the price at which the site will probably be traded between buyers and sellers who are well informed in the absence of information asymmetries and who wish to perform such a transaction, without taking into account any special agreement between them. This value is the investment value when it matches the total price to be paid by the buyer, plus any registration fees or VAT if the purchase is subject to VAT.
- With regard to the amount of the registration fees, as at 8 February 2006, the Belgian Asset Managers Association (BEAMA) published a press release (see www.beama.be – publicaties – persberichten: "Eerste toepassing van de IFRS boekhoudregels" – "First application of IFRS accounting rules").

  A group of independent property experts, who carry out the periodic valuation of the buildings of RRECs, judged that for transactions relating to buildings in Belgium with a global value of less than € 2,5 million, registration fees of between 10,0% and 12,5% must be taken into account, depending on the region in which these properties are located. For transactions relating to buildings with an overall value of more than € 2,5 million and given the range of methods of transfer of ownership used in Belgium, these same experts - based on a representative sample of 220 transactions realised in the market between 2002 and 2005 and representing a total of € 6,0 billion - valued the weighted average of the fees at 2,5%.
  At that time it was also decided that this percentage would be reviewed per 0,5% increment. During the

course of 2016, a panel of property experts[1] and the BE-REIT association[2] jointly decided to update this calculation in accordance with the methodology that was applied in 2006. The de facto global effect of transactions executed by institutional parties and companies was calculated. The analysis comprises 305 larger or institutional transactions for more than € 2,5 million covering the period 2013, 2014, 2015 and Q1 2016. The volume of the analysed transactions comprises more than 70% (€ 8,2 billion) of the estimated total investment volume during that period. The panel of property experts decided that the threshold of 0,5% had not been exceeded. Consequently, the percentage of 2,5% will be maintained. The percentage will be scrutinised every 5 years or, whenever there is a significant change in the tax context. The percentage will only be adjusted if the threshold of 0,5% is exceeded.

Specifically, this means that the fair value of the investment properties available for lease and located in Belgium is equal to the investment value divided by 1,025 (for buildings with a value of more than € 2,5 million) or the investment value divided by 1,10/1,125 (for buildings with a value of less than € 2,5 million).

The transfer duty for logistics real estate in the Netherlands was 6,0% as at 31 December 2020.

1 Consisting of Pieter Paepen (CBRE), Pierre van der Vaeren (CBRE), Christophe Ackermans (Cushman & Wakefield), Kris Peetermans (Cushman & Wakefield), Rod Scrivener (Jones Lang LaSalle), Jean-Paul Ducarme (PWC), Celine Janssens (Stadim), Philippe Janssens (Stadim), Luk van Meenen (Troostwijk-Roux Expertises) and Guibert de Crombrugghe (de Crombrugghe & Partners).

2 The BE-REIT Association is an association consolidating the 17 Belgian RRECs and was founded to further the interests of the RREC sector.

As of 1 January 2021, the transfer tax rate for the acquisition of non-residential real estate rose from 6% to 8%. The 8% rate applies both to the acquisition of immovable property, other than housing, and to taxed acquisitions of shares in real estate companies (real estate legal entities). The Group has opted to include this tax increase in the figures for 31 December 2020. Intervest takes into account an additional 1% for the other costs (such as notary fees). For the investment properties available for lease which are located in the Netherlands and held via the Dutch perimeter companies, this means that as from the 2020 financial year, the fair value of the investment properties is equal to the investment value divided by 1,09; for financial year 2019 this was 1,07.

The difference between the fair value of real estateproperties and the investment value of real estate properties as determined by the independent property experts is taken up when acquiring the real estate property in the income statement in the section XVIII. “Changes in fair value of investment properties”. After approval of the result allocation by the general meeting of shareholders (in April of the next financial year) this difference between the fair value of real estate properties and the investment value of real estate properties is attributed to the reserve “c. Reserve for the impact on fair value of estimated transfer duties and costs resulting from the hypothetical disposal of investment properties” in shareholders’ equity.

Project developments

Real estate that is built or developed for future use as an investment property is also included under the “Investment properties” heading. After initial take-up at acquisition value, the projects are valued at fair value as soon as they are available for lease. This fair value takes into account the substantial development risks. In this context, all the following criteria must be met: there is a clear picture of the project costs to be incurred, all the necessary permits to execute the project development have been obtained and a substantial part of the project development has been pre-let (definitively signed rental contract). This fair value valuation is based on the valuation by the independent property expert (according to the commonly used methods and assumptions) and takes into account the costs still to be incurred to fully finalise the project.

All charges associated with real estate development or construction are included in the cost price of the development project. In accordance with IAS 23, the financing costs directly attributable to the construction or acquisition of an investment property are simultaneously capitalised over the period before the investment property for rental is made ready for use.

The activities necessary to prepare the asset for its intended use include more than the physical construction of the asset. They also include the technical and administrative work before construction actually starts, such as activities related to obtaining permits to the extent that the state of the asset changes.

The capitalisation of financing costs is suspended during long periods of interruption of active development. Activation is not suspended during a period of extensive technical and administrative work. Neither is the activation suspended if a temporary delay is an essential part of the process to prepare an asset for its intended use or sale.

Holding of real estate and valuation process

Investment properties available for lease are valued by the independent property experts at investment value. For this, the investment properties are valued each quarter on the basis of the present value of market rents and/or effective rental income, where appropriate after deduction of associated costs in accordance with the International Valuation Standards 2001 published by the International Valuation Standards Committee. Valuations are produced by updating the annual net rent received from the tenants, less the associated costs. The updating takes place on the basis of the yield factor, which depends on the inherent risk of the relevant property.

Profits or losses arising from the variation in the fair value of an investment property are taken up in the income statement in section XVIII. "Changes in fair value of investment properties" in the period in which they arise and when profits are distributed in the following year are allocated to the reserve "b. Reserve for the balance of changes in fair value of real estate properties". When this allocation is made within this reserve for the balance of the changes in fair value of real estate properties, a distinction is made between changes in the investment value of the real estate properties and the estimated transaction costs resulting from hypothetical disposal so that this last section always matches the difference between the investment value of the real estate properties and the fair value of the real estate properties.

Disposal of an investment property

Upon disposal of an investment property the realised profits or losses on the disposal are recorded in the income statement of the reporting period under the item "Result on disposals of investment properties". The transfer duties are charged against the income statement after disposal. The commission fees paid to real estate agents for the sale of buildings and obligations made as a result of transactions are deducted from the obtained sales price in order to determine the realised profit or loss.

Upon profit appropriation, these realised profits or losses on the sale of investment properties as compared to the original purchase value of such investment properties are transferred to the heading "m. Other reserves". In this way, the realised profits or losses on the sale of investment properties are regarded as available reserves.

Assets held for sale

Assets held for sale refer to real estate properties whose carrying amount will be realised through divestment and not through continued use. The buildings held for sale are valued in accordance with IAS 40 at fair value.

Other non-current tangible assets

Definition

The non-current assets under the entity's control that do not meet the definition of investment property are classified as "Other non-current tangible assets".

Solar panels under IAS 16

The solar panels are valued based on the revaluation model in accordance with IAS 16 Property, Plant and Equipment. After initial recognition, an asset whose fair value can be reliably determined must be booked at the revalued value, i.e. the fair value at the moment of the revaluation less any subsequently accumulated depreciation and subsequently accumulated impairment losses. The fair value is determined based on the discounting method for future income.

The useful life of the solar panels is estimated at 25 years without taking into account any residual value.

Capital gains generated upon the start-up of a new site are entered in a separate component of the shareholders' equity. Losses are also recognised in this component, unless they have been realised or unless the fair value falls below the original cost less accumulated depreciation. In the latter cases they are included in the results.

Valuation

Other non-current tangible assets are initially recorded at cost and thereafter valued according to the cost model.

Additional costs are only capitalised if the future economic benefits related to the non-current tangible asset increase.

Depreciation and exceptional impairment losses

Other non-current tangible assets are depreciated using the linear depreciation method. Depreciation begins at the moment the asset is ready for use as foreseen by the management.

The following percentages apply on an annual basis:

〉 installations, machinery and equipment	20%
〉 furniture and vehicles	25%
〉 IT equipment	33%
〉 real estate for own use	
› land	0%
› buildings	5%
〉 other non-current tangible assets	16%

If there are indications that an asset may have suffered impairment, its carrying amount is compared to the realisable value. If the carrying amount is greater than the realisable value, an exceptional impairment loss is recognised.

Disposal and decommissioning

When non-current tangible assets are sold or retired, their carrying amount ceases to be recorded on the balance sheet and the profit or loss is taken up in the income statement.

Impairment losses

The carrying amount of the assets of the company is reviewed periodically to determine whether there is an indication of impairment. Special impairment losses are recognised in the income statement if the carrying amount of the asset exceeds the realisable value.

Financial instruments

Financial assets

All financial assets are recorded or no longer recorded in the balance sheet on the transaction date on which the purchase or sale of a financial asset on the grounds of a contract the terms and conditions of which require delivery of the asset within the time frame is generally prescribed or agreed, and are initially measured at fair value, plus transaction costs, except for financial assets at fair value with value changes in the profit or loss account, which are initially measured at fair value.

Financial assets are classified into one of the categories provided for under IFRS 9 Financial Instruments, based on both the entity's business model for managing financial assets and the properties of the contractual cash flows of the financial asset, and are recorded at initial take-up. This classification determines the valuation of financial assets at future balance sheet dates: amortised cost or fair value.

Financial assets at fair value through profit and loss

Financial assets are classified at fair value with value changes through profit and loss if held for trading. Financial assets at fair value with value changes through profit or loss are measured at fair value, according to which all resulting income or expense is recorded in the profit and loss. A financial asset is included in this category if it was mainly purchased to sell it in the short term.

Derivatives also belong to the fair value category with value changes via the profit and loss, unless they were designated as hedging and effective.

Financial assets at amortised cost price

Financial assets at amortised cost price are non-derivative financial instruments held within a business model designed to hold financial assets for the purpose of receiving contractual cash flows (Held to collect) and the contractual terms and conditions of the financial asset give rise to cash flows on certain dates involving only repayments and interest payments on the principal outstanding amount (Solely Payments of Principal and Interest – SPPI).

This category includes:

- Cash and cash equivalents
- Long-term claims
- Trade receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and other short-term highly liquid investments that are readily convertible to a known amount of cash and do not entail any material risk of change in value as these are held at renowned financial institutions. Cash and cash equivalents are measured at amortised cost price.

Trade receivables

Trade receivables are initially recorded at nominal value, and are subsequently measured at amortised cost using the effective interest rate method. In application of IFRS 9, credit losses are recognised prematurely in the annual accounts. Considering the relatively restricted monetary amount of outstanding due and payable trade receivables, combined with the associated low credit risk, Intervest regards the impact on the consolidated annual accounts as limited.

Financial liabilities

Financial liabilities are classified as financial liabilities at fair value via result or as financial liabilities at amortised cost

Financial liabilities at fair value through profit and loss

Financial liabilities are classified at fair value through profit and loss if held for trading.

Financial liabilities at fair value through profit and loss are measured at fair value, with all resulting income or expense recorded in the profit and loss.

A financial liability is included in this category if it was mainly purchased to sell it in the short term. Derivatives also belong to the category at fair value via result, unless they were designated as a hedge and are effective.

For Intervest, this specifically concerns the Interest Rate Swaps for which hedge accounting is not applied to the extent that they have a negative fair value.

Financial liabilities measured at amortised cost price

Financial liabilities measured at amortised cost price, including liabilities, are initially measured at fair value, net of transaction costs. After initial take-up, they are measured at amortised cost. The Group's financial liabilities measured at amortised cost comprise non-current financial liabilities (bank debt, leasing debt and bond loans), other long-term liabilities, current financial liabilities, trade debts and dividends payable in other current liabilities.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the enterprise after deducting all of its liabilities. Equity instruments issued by the enterprise are classified according to the economic reality of the contractual arrangements and the definitions of an equity instrument.

Equity instruments issued by the company are recorded in the proceeds received (after deduction of direct issue costs).

Own shares

When own shares are purchased, the amount paid, including attributable direct costs, is accounted for as a deduction of shareholders' equity.

Derivatives

The Group uses derivatives to hedge its exposure to unfavourable interest rate risks arising from operational, financing and investment activities. The Group does not engage in speculative transactions nor does it issue or hold derivatives for trading purposes.

Derivatives are measured at fair value in accordance with IFRS 9. The derivatives currently held by Intervest do not qualify as hedging transactions. Consequently, the changes in fair value are immediately recorded in the profit and loss.

Trade debts

Trade debts are initially valued at fair value and are subsequently valued at amortised cost using the effective interest rate method.

Provisions

A provision is an obligation of uncertain size or of an undefined time element. The amount recorded is the best estimate of the expenditure required to settle the existing liability by the balance sheet date.

Provisions are only taken up when there is a current obligation (legally enforceable or constructive) as a result of a past event that is likely to bring an outflow of resources whereby a reliable estimate of the amount of the obligation can be made.

Post-employment benefits

Contributions to "agreed contribution" type group insurance contracts are recorded as an expense for the reporting period during which employees rendered services entitling them to contributions. According to law, the employer must guarantee a minimum payment whereby the company has the obligation to pay additional contributions if the pension fund no longer has sufficient assets to pay the pensions of all employees for the services they have rendered.

Dividend distribution

Dividends comprise part of the reserves until such time that the general meeting of shareholders approves the dividends. The dividends are therefore recorded as a liability in the annual accounts for the period in which the dividend distribution is approved by the general meeting of shareholders.

Events after the balance sheet date

Events after the balance sheet date are events, both favourable and unfavourable, that take place between the balance sheet date and the date the financial statements are authorised for issue. Events providing information of the actual situation on the balance sheet date are incorporated in the result of the income statement.

Significant estimates and major sources of uncertainty regarding estimates

Fair value of the investment properties

The fair value of the investment properties of Intervest is valued on a quarterly basis by independent property experts. The intent of this valuation by property experts is to determine the market value of a building on a certain date according to the evolution of the market and the characteristics of the buildings in question. The property experts use the principles described in the chapter "Valuation of the portfolio by the property experts" in the Property report and in "Note 13. Non-current assets" of the Financial report. The real estate portfolio is recorded in the consolidated annual accounts at fair value determined by the property experts.

Financial liability in accordance with IFRS 16

In some of its investments, Intervest does not hold bare ownership, but only usufruct, by way of a concession or long-term lease or similar form. A financial obligation was specifically created for this in accordance with IFRS 16. This financial liability relates to the current value of all future lease payments.
Some assessments and estimates are made in determining the present value of these future lease payments, in particular when determining the duration of the concession (depending on the contractual extension possibilities of the concession on the one hand and the economic life of the building that the property valuer takes into account in determining the fair value on the other hand) and when determining the incremental interest rate as a discount rate for the lease payments.

Financial derivatives

The fair value of the financial derivatives of Intervest is valued on a quarterly basis by the issuing financial institute. A comprehensive description can be found in "Note 19. Financial instruments" in the Financial report.

Disputes

The company is currently involved in legal proceedings, and may be again in the future. In 2020 Intervest was involved in proceedings before the Court of Appeal in Antwerp, fiscal chamber, as well as in an appeal procedure before the regional director of the large corporations control centre regarding the billing of the exit tax assessment year 1999 special. However, in its judgement dated 25 April 2017, the Antwerp Court of Appeal declared Intervest's appeal unfounded. The judgement was served as at 10 November 2017. As at 29 January 2018 Intervest filed a cassation appeal against the above-mentioned judgement of the Antwerp Court of Appeal dated 25 April 2017. The Court of Cassation ruled in favour of Intervest as at 28 November 2019 and annulled the ruling of the Court of Appeal. The dispute has now been referred to the Ghent Court of Appeal. (see "Note 26. Conditional rights and obligations" of the Financial report). The company is of the opinion that this procedure will not have a significant impact on the results of the company.

Note 3. Segmented information

Segmentation by business segment

The two business segments comprise the following activities.

- The category of "offices" includes the properties that are let to companies for professional purposes as office space.
- The category of "logistics properties" includes those premises with a logistical function, storage facilities and high-tech buildings.

The category of "corporate" includes all non-allocated fixed costs borne at Group level.

Income statement

BUSINESS SEGMENTATION	Offices		Logistics real estate		Corporate		TOTAL	
in thousands €	2020	2019	2020	2019	2020	2019	2020	2019
Rental income	26.150	25.624	35.153	40.519			61.303	66.143
Rental-related expenses	-43	-20	-8	-146			-51	-166
Net rental income	*26.107*	*25.604*	*35.145*	*40.373*			*61.252*	*65.977*
Property management costs and income	50	324	484	807			534	1.131
Property result	*26.157*	*25.928*	*35.629*	*41.180*			*61.786*	*67.108*
Operating result before result on portfolio	**20.938**	**21.723**	**32.127**	**37.856**	**-4.147**	**-3.688**	**48.918**	**55.891**
Result on disposals of investment properties	0	0	1.670	5.364			1.670	5.364
Changes in fair value of investment properties	-16.624	-3.503	32.078	25.810			15.454	22.307
Other result on portfolio	-65	-1.380	-9.018	-4.281			-9.083	-5.661
Operating result of the segment	**4.249**	**16.840**	**56.857**	**64.749**	**-4.147**	**-3.688**	**56.959**	**77.901**
Financial result					-10.235	-11.566	-10.235	-11.566
Taxes					-664	-587	-664	-587
NET RESULT	**4.249**	**16.840**	**56.857**	**64.749**	**-15.046**	**-15.841**	**46.060**	**65.748**

For the description of the risk spread according to tenants by segment, please see the Property report.

The operating result before result on portfolio for the offices fell by € 0,8 million, due to a rise in costs. The operating result of the office segment fell by € 12,6 million mainly as a result of a fall of approx. 5% or € 16,6 million in the fair value of the office portfolio. On the one hand, this fall is the result of an impairment of Woluwe Garden in terms of the future possibilities of this office building, with regard to both redevelopment and divestment. On the other hand, it is a result of the assessment made by the property experts in the current uncertain economic situation.

The operating result before result on portfolio of the logistics segment fell by € 5,7 million. This decrease is due to the one-off termination indemnity of € 5,7 million received on the occasion of the early departure of tenant Medtronic in Oudsbergen in 2019. The loss of income as a result of the divestments at the end of 2019 has been compensated for by the rental income arising from the new cash-flow generating acquisitions in 2019 and 2020. The operating result of the logistics segment fell by € 7,9 million, among other things due to the indemnification received from Medtronic in 2019 and the sales result as a result of the divestments at the end of 2019, compensated for by the further improvement of the yields predominantly in the Netherlands.

Key Figures

BUSINESS SEGMENTATION	Offices		Logistics real estate		TOTAL	
in thousands €	2020	2019	2020	2019	2020	2019
Fair value of investment properties	381.656	350.069	636.302	542.744	1.017.958	892.813
Investments and expansions during the financial year (fair value)	2.971	6.803	2.066	1.317	5.037	8.120
Acquisition of investment properties	0	0	42.683	23.953	42.683	23.953
Investments in project developments	2.562	0	18.324	29.594	20.886	29.594
Acquisition of shares of real estate companies	42.677	0	0	0	42.677	0
Divestment/transfer of investment properties	0	0	0	-57.665	0	-57.665
Transfer to other non-current tangible assets	0	0	-1.592	0	-1.592	0
Investment value of real estate properties	390.365	358.821	670.166	564.206	1.060.531	923.027
TOTAL leasable space (m^2)	245.538	237.732	800.399	707.858	1.045.937	945.595
Occupancy rate (%)	88%	90%	96%	96%	93%	93%

In accordance with IAS 16, as from 2020, the solar panels will no longer be recognised under investment properties, but under non-current tangible assets, which is why they are listed in the above table as a transfer in 2020.

Geographic segmentation

The geographic segmentation shows the operating result and the key figures divided according to the country in which they were achieved. The category of "corporate" includes all non-allocated fixed costs borne at Group level.

Income statement

GEOGRAPHIC SEGMENTATION	Investment properties in Belgium		Investment properties in the Netherlands		Corporate		TOTAL	
in thousands €	2020	2019	2020	2019	2020	2019	2020	2019
Rental income	47.204	55.317	14.099	10.826			61.303	66.143
Rental-related expenses	-51	-166	0	0			-51	-166
Net rental income	*47.153*	*55.151*	*14.099*	*10.826*			*61.252*	*65.977*
Property management costs and income	494	1.130	40	1			534	1.131
Property result	*47.647*	*56.281*	*14.139*	*10.827*			*61.786*	*67.108*
Operating result before result on portfolio	**40.205**	**50.003**	**12.860**	**9.576**	**-4.147**	**-3.688**	**48.918**	**55.891**
Result on disposal of investment properties	1.670	5.364	0	0			1.670	5.364
Changes in fair value of investment properties	-4.740	5.607	20.194	16.700			15.454	22.307
Other result on portfolio	-1.652	-1.543	-7.431	-4.118			-9.083	-5.661
OPERATING RESULT OF THE SEGMENT	**35.483**	**59.431**	**25.623**	**22.158**	**-4.147**	**-3.688**	**56.959**	**77.901**

Key figures

GEOGRAPHIC SEGMENTATION	Investment properties in Belgium		Investment properties in the Netherlands		TOTAL	
in thousands €	2020	2019	2020	2019	2020	2019
Fair value of the investment properties	735.060	674.706	282.898	218.107	1.017.958	892.813
Investments and expansions during the financial year (fair value)	4.449	7.723	588	397	5.037	8.120
Acquisition of investment properties	0	0	42.683	23.953	42.683	23.953
Investments in project developments	19.560	6.180	1.326	23.414	20.886	29.594
Acquisition of shares of real estate companies	42.677	0	0	0	42.677	0
Divestment of investment properties	0	-57.665	0	0	0	-57.665
Transfer to other non-current tangible assets	-1.592	0	0	0	-1.592	0
Investment value of real estate properties	752.364	691.335	308.167	231.692	1.060.531	923.027
TOTAL leasable space (m^2)	735.938	711.921	309.999	233.674	1.045.937	945.595
Occupancy rate (%)	91%	92%	98%	100%	93%	93%

Note 4. Property result

Rental income

in thousands €	2020	2019
Rent	64.065	63.024
Rental discounts	-2.497	-2.037
Rental benefits ("incentives")	-377	-214
Compensation for early termination of lease agreements	112	5.370
TOTAL RENTAL INCOME	**61.303**	**66.143**

Rental income comprises rents, income from operational lease agreements and directly associated revenues, such as rent securities granted and compensation for early terminated lease agreements minus any rental discounts and rental benefits (incentives) granted. Rental discounts and incentives are spread over the period running from the start of the lease agreement to the next possibility of terminating a lease agreement by the tenant.

Without taking into account the flex workers, Intervest rental income is spread across 222 different tenants, which limits the debtor's risk and improves the stability of the income. The top ten tenants represent 31% (35% in 2019) of the annual rent, are often leading companies in their sector and often belong to international concerns. As at 31 December 2020, the largest tenant belonging to the office segment represented 5% of the annual rent (5% in 2019). In 2020, there was one tenant whose annual rent on an individual basis represented 5% of the total annual rental income of Intervest (one tenant in 2019). For more information about the biggest tenants, please see the Property report - Risk spreading by tenants.

For financial year 2020, the rental income of Intervest amounted to € 61,3 million (€ 66,1 million). This fall of 4,8 million or 7% compared to 2019 was mainly caused by a one-off termination indemnity of € 5,2 million received in 2019 following the early departure of tenant Medtronic in Oudsbergen. In addition, the rental income changes as a result of the divestment of three logistics sites at the end of 2019, offset by rental income arising from cash-flow generating acquisitions in 2019 and 2020.

Rental income in the logistics portfolio amounted to € 35,2 million compared to € 40,5 million in 2019. Without taking into account the one-off termination indemnity received from tenant Medtronic in 2019, rental income in the logistics portfolio amounted to € 35,3 million in 2019. Despite the portfolio rotation, rental income in the logistics segment has therefore remained at the same level.

Rental income in the office segment rose by € 0,5 million compared to 2019, to € 26,1 million in 2020. This limited increase is the result of the acquisition of the office building in Herentals.

For the conclusion of new lease agreements during financial year 2019, a rental discount was granted for 42% of the agreement value (40% in 2019). In 2020, rental discounts of an average of 19% of the annual rent were granted for new agreements (7% in 2019). It is often stipulated that the tenant must repay all or part of the rental discount should he choose to terminate the agreement at the next break.

For lease agreements that were expanded and/or extended during financial year 2020, a rental discount was granted on average for 61% of the agreement value (40% in 2019). In 2020, rental discounts of an average of 8% of the annual rent were granted for expansions and/or extensions (9% in 2019).

Overview of future minimum rental income

The value of the future minimum rental income until the first expiry date of the non-cancellable lease agreements is subject to the following collection terms.

in thousands €	2020	2019
Receivables with a remaining duration of:		
No more than one year	63.876	57.103
Between one and five years	125.496	129.599
More than five years	77.717	75.860
TOTAL OF FUTURE MINIMUM RENTAL INCOME	**267.089**	**262.562**

The rise in the future minimum rental income of € 4,5 million or 2% compared to 31 December 2019 is, on the one hand, the result of lease agreements on new acquisitions and new leases, extensions and expansions signed with tenants in 2020 and, on the other hand, the continuation of existing agreements.

Rental-related expenses

in thousands €	2020	2019
Rent to pay on leased assets	-8	-8
Write-downs on trade receivables	-102	-266
Reversal of write-downs on trade receivables	59	108
TOTAL RENTAL-RELATED EXPENSES	**-51**	**-166**

The rental-related expenses consisted mainly of write-downs and reversal of write-downs on trade receivables that are recorded in the result if the carrying amount exceeds the estimated realisation value. This section also comprises the costs of lease for land and buildings by the company in order to continue leasing to its tenants.

The losses on lease receivables (with recovery) for the period 2010-2020 represent only 0,1% of total turnover. A sharp deterioration in the general economic climate can result in an increase in losses on lease receivables. The real estate company limits this risk by means of rental guarantees and bank guarantees from the tenants and by concluding agreements with sound, reliable tenants. The possible bankruptcy of a major tenant can represent a significant loss for the company, as can an unexpected vacancy and even a re-rental of the vacant space at a price lower than the price stated in the contract which has not been respected. Despite the current economic situation, the collection of lease receivables is in line with the normal payment pattern, which illustrates the quality of the tenant base.

Recovery of property charges

in thousands €	2020	2019
Obtained compensations on rental damage	107	96
Other	645	611
Management fees received from tenants	*645*	*611*
TOTAL RECOVERY OF PROPERTY CHARGES	**752**	**707**

The recovery of property charges is mainly related to the profit taking of the compensation received from tenants for rental damage when leaving the let spaces and the management fees that Intervest receives from its tenants for the management of let buildings and the re-billing of rental charges to the tenants, as shown in the following tables.

Recovery of rental charges and taxes

Recovery of rental charges and taxes normally payable by tenants on let properties

in thousands €	2020	2019
Recovery of rental charges borne by the owner	8.208	8.199
Recovery of advance levies and taxes on let properties	5.435	5.263
TOTAL RECOVERY OF RENTAL CHARGES AND TAXES NORMALLY PAYABLE BY TENANTS ON LET PROPERTIES	**13.643**	**13.462**

Rental charges and taxes normally payable by tenants on let properties

in thousands €	2020	2019
Rental charges borne by the owner	-8.188	-8.199
Advance levies and taxes on let properties	-5.435	-5.263
TOTAL RENTAL CHARGES AND TAXES NORMALLY PAYABLE BY TENANTS ON LET PROPERTIES	**-13.623**	**-13.462**
TOTALBALANCE OF RECOVERED RENTAL CHARGES AND TAXES	**20**	**0**

Rental charges and taxes on let buildings and the recovery of these charges refer to costs for which, by law or custom, the tenant or lessee is liable.

These costs primarily comprise property taxes, electricity, water, cleaning, window cleaning, technical maintenance, garden maintenance, etc. The owner is personally responsible for the management of the buildings or has these activities contracted out to external property managers (for Mechelen Campus and the logistics properties located in the Netherlands).

Depending on the contractual agreements with the tenants, the landlord may or may not charge the tenants for these services. The costs are settled every six months. During the financial year, advances are billed to the tenants.

Other rental-related income and expenses

in thousands €	2020	2019
Income from green energy (other than building fees)	365	259
Received arrangement fees turn-key solutions	15	95
Expenses and income regarding exploitation Greenhouse Flex	-572	-479
One-off contribution received for rental-related expenses	0	484
Other	652	839
TOTAL OTHER RENTAL-RELATED INCOME AND EXPENSES	**460**	**1.198**

The income from green electricity increased by € 0,1 million, among other things, due to new installations in the Netherlands.

The costs and income relating to the operation of the Greenhouse hubs comprise all operational costs such as catering (except for own personnel costs) and the partial recovery of such costs. The income from the lease agreements with co-workers and users of serviced offices and the income from leasing the Greenhouse co-working meeting rooms are recognised under the heading rental income and amount to € 0,5 million (€ 0,6 million for 2019).

Note 5. Property charges

Technical costs

in thousands €	2020	2019
Recurrent technical costs	**-859**	**-970**
Maintenance and repair	-620	-833
Insurance premiums	-239	-137
Non-recurrent technical costs	**-17**	**31**
Claims	-17	31
Claims (costs)	-217	-223
Claims (income)	200	254
TOTAL TECHNICAL COSTS	**-876**	**-939**

The technical costs include maintenance and repair costs and insurance premiums. Maintenance and repair costs that can be regarded as renovation of an existing building because they improve yield or rent are not recognised as costs but are capitalised.

Commercial costs

in thousands €	2020	2019
Brokers' fees	-63	-46
Publicity	-183	-201
Lawyers' fees and legal costs	-72	-87
TOTAL COMMERCIAL COSTS	**-318**	**-334**

Commercial costs include matters such as brokers' fees. The brokers' fees paid to brokers after a period of vacancy are capitalised because, after a period of vacancy, the property experts reduce the estimated fees from the estimated value of the real estate property. Brokers' fees paid after an immediate re-letting, without vacancy period, are not capitalised and are recognised in the result because the property experts do not take this fee into account at the moment of their valuation.

Charges and taxes on unlet properties

in thousands €	2020	2019
Vacancy charges for the financial year	-893	-579
Property tax on vacant properties	-2.311	-2.171
Recovery of property tax on vacant properties	2.232	2.121
Recovery of property tax on vacant properties for previous financial year	80	-43
TOTAL CHARGES AND TAXES ON UNLET PROPERTIES	**-892**	**-672**

The costs and taxes on unlet properties rose slightly during financial year 2020 compared to financial year 2019. Vacancy costs for financial year 2020 represented approximately 1,5% of the total rental income of the company (1% in 2019).

Intervest recovers a majority of the property tax calculated on vacant parts of properties through objections submitted to the Flanders Tax Administration. A large share of the property tax, which Intervest is expected to be able to fully recover, relates to Genk Green Logistics.

Property management costs

in thousands €	2020	2019
External property management fees	-258	-143
(Internal) property management costs	-5.023	-4.657
Employee benefits and self-employed staff	-3.310	*-3.096*
Property expert	-179	*-160*
Other costs	-1.534	*-1.401*
TOTAL PROPERTY MANAGEMENT COSTS	**-5.281**	**-4.800**

Property management costs are costs that are related to the property management. These include personnel costs and indirect costs with respect to the directors and the staff (such as office costs, operating costs, etc.) who are responsible for managing the portfolio and the leases, and depreciations and impairments on tangible non-current assets used for this management, and other business expenses that can be allocated to the management of the real estate properties.

The management costs of the real estate rose by € 0,5 million due mainly to the increased cost of (internal) property management of the patrimony pursuant to changes in the workforce.

Other property charges

in thousands €	2020	2019
Charges borne by the landlord	-469	-236
Property taxes contractually borne by the landlord	-598	-466
Other property charges	-95	-83
TOTAL OTHER PROPERTY CHARGES	**-1.162**	**-784**

The other property charges often relate to expenses chargeable to the Group on the basis of contractual or commercial agreements with tenants. These are largely restrictions on the payment of common charges. For financial year 2020, these commercial interventions amounted to approximately € 1,2 million on an annual basis or 1,9% of the total rental income of the Group (€ 0,8 million or 1,2% in financial year 2019). The increase in 2020 was mainly due to the investment properties in the Netherlands, where the property tax is often borne by the landlord. On the other hand, there are operating costs for the Greenhouse hubs for which the company did assume liability once.

Note 6. General costs

in thousands €	2020	2019
Subscription tax	-488	-444
Auditor's fee	-122	-120
Remuneration for supervisory board members	-117	-63
Liquidity provider	-37	-32
Financial service	-40	-30
Employee benefits and self-employed staff	-2.249	-2.070
Consultancy fees	-191	-190
Other costs	-841	-829
TOTAL GENERAL COSTS	**-4.085**	**-3.777**

General costs are all costs related to the management of the company and costs that cannot be allocated to property management. These operating costs include general administration costs, costs of personnel engaged in the management of the company as such, depreciations and impairments on non-current tangible assets used for this management and other operating costs.

General costs amounted to € 4,1 million and increased by approximately € 0,3 million compared to 2019. The increase is mainly the result of the one-off payment made pursuant to changes to the management board.

For further details about the auditor's fee, please see Note 24.

An overview of the remuneration paid to the members of the supervisory board is provided in the report of the supervisory board - Remuneration report. 50% of the remuneration to the members of the supervisory board is included under the general costs, the other 50% of their work is regarded as property management costs (other costs).

Note 7. Employee benefits

in thousands €	2020			2019		
	Charges for internal property management	Charges related to company management	TOTAL	Charges for internal property management	Charges related to company management	TOTAL
Remuneration of employees and self-employed personnel	**2.398**	**1.264**	**3.662**	**2.544**	**1.280**	**3.824**
Salaries and other benefits paid within 12 months	2.195	998	3.193	2.131	1.056	3.187
Pensions and post-employment benefits	77	42	119	62	32	94
Social security	440	172	612	358	183	541
Variable remunerations	133	45	178	118	45	163
Termination benefits	23	0	23	0	0	0
Other charges	-470	7	-463	-125	-36	-161
Remunerations for the management board	**912**	**985**	**1.897**	**552**	**790**	**1.342**
Management board chairman	274	274	548	222	288	510
Fixed remuneration	*139*	*139*	*278*	*146*	*146*	*292*
Variable remuneration	*115*	*115*	*230*	*54*	*120*	*174*
Pension obligations	*20*	*20*	*40*	*22*	*22*	*44*
Other members of the management board	638	711	*1.349*	330	502	832
Fixed remuneration	*206*	*262*	*468*	*212*	*239*	*451*
Variable remuneration	*85*	*77*	*162*	*86*	*227*	*313*
Termination benefit	*305*	*335*	*640*	*0*	*0*	*0*
Pension obligations	*42*	*37*	*79*	*32*	*36*	*68*
TOTAL EMPLOYEE BENEFITS	**3.310**	**2.249**	**5.559**	**3.096**	**2.070**	**5.166**

The number of employees and self-employed personnel at year-end 2020, expressed in FTE, is 36 staff members for the internal management of the property (36 in 2019) and 13 staff members for the management of the company (15 in 2019). The management board comprised three persons as at 31 December 2020 (three persons as at year-end 2019).

Remuneration, supplementary benefits, termination benefits and severance compensation, and post-employment benefits for personnel in permanent employment are regulated by the Act on the labour agreements of 4 July 1978, the annual holiday Act of 28 June 1971, the joint committee for the sector that the company falls under and the collective labour agreements that have been recognised in the income statement for the period to which they refer.

Pensions and remunerations after termination of employment include pensions, contributions for group insurance policies, life and disability insurance policies and hospitalisation insurance policies. Intervest has taken out a group insurance contract of the “agreed contribution” type at an external insurance company for its employees with a permanent contract. Due to the legislation that was amended at the end of December 2015 (the Act to ensure sustainability and the social nature of the additional pensions and to strengthen its supplementary nature in relation to the retirement pensions, which was approved as at 18 December 2015), the employer must guarantee a minimum return and therefore this contract must be classed as a “defined benefit” plan. The company contributes to this fund, which is independent from the company. The contributions to the insurance policy are financed by the company. This group insurance contract complies with the Vandenbroucke Act on pensions. The contribution obligations are included in the income statement for the period to which they pertain. For financial year 2020, these amount to € 274.000 (€ 206.000 in 2019). As at 31 December 2020, the insurance company has confirmed that the deficit to guarantee the minimum return is not of material nature. A provision for the small deficit was made in the accounts at the end of the year.

The remuneration for the management board is explained in the report of the supervisory board - remuneration report.

Note 8. Other operating income and costs

in thousands €	2020	2019
Depreciation of solar panels	-192	0
Insurance premiums	-40	-42
Other	-22	131
TOTAL OTHER OPERATING INCOME AND COSTS	**-254**	**89**

In 2020, the solar panels are no longer recognised under investment properties but under other non-current tangible assets (IAS16). Each quarter, they are revalued to fair value, which is then depreciated over the remaining term. Depreciation is recognised in other operating income and costs.

Note 9. Result on disposals of investment properties

in thousands €	2020	2019
Acquisition value	0	52.910
Accumulated gains and extraordinary impairment losses	0	4.755
Carrying amount (fair value)	**0**	**57.665**
Sales price	0	67.579
Sales costs	0	-800
Income from disposal of investment properties	*0*	*66.780*
Provision of rental guarantees from disposal of investment properties	1.670	-3.750
Net sales revenue	**1.670**	**63.029**
TOTAL RESULT ON DISPOSAL OF INVESTMENT PROPERTIES	**1.670**	**5.364**

In 2019, Intervest divested three logistics sites in Belgium with a fair value of € 57,7 million, thereby realising a gain of € 5,4 million. This concerned logistics buildings in Aartselaar, Houthalen and Oudsbergen.

The result on the disposal of investment properties arose from the partial release of the rental guarantee granted by Intervest to the buyer of the Oudsbergen logistics site, which increased the realised gain on the sale of this building.

Note 10. Changes in the fair value of investment properties

in thousands €	2020	2019
Positive changes of investment properties	42.395	35.898
Negative changes of investment properties	-26.941	-13.591
TOTAL CHANGES IN FAIR VALUE OF INVESTMENT PROPERTIES	**15.454**	**22.307**

The changes in fair value of investment properties amounted to € 15,4 million in 2020 (€ 22,3 million in 2019). Positive changes in fair value are the result of:

- the rise in fair value of the logistics portfolio by 6% or € 32,1 million, mainly as a result of the further improvement in the yields, of leasing, of the delivery of the first complex in Genk Green Logistics and of the increase in the rate of registration fees in the Netherlands from 6% to 8%, valid from 1 January 2021 and already deducted from the fair value as at 31 December 2020;
- the decrease in fair value of the office portfolio by 5% or € -16,6 million consisting, on the one hand, of an impairment of Woluwe Garden in terms of the future possibilities of this office building, with regard to both redevelopment and divestment. On the other hand, the decrease is also one of the consequences of the assessment made by property experts in the current uncertain economic situation.

Note 11. Other result on portfolio

in thousands €	2020	2019
Deferred taxes	-7.226	-3.972
Other	-1.857	-1.689
Changes to the spread of rental discounts and benefits granted to tenants	*-1.477*	*-1.536*
Other	*-380*	*-153*
TOTAL OTHER RESULT ON PORTFOLIO	**-9.083**	**-5.661**

In 2020, the other result on portfolio amounted to € -9,1 million (€ -5,7 million in 2019) and comprised primarily the provision for deferred tax on non-realised increases in value on the investment properties belonging to the perimeter companies of Intervest in the Netherlands and Belgium.

Note 12. Net interest charges

in thousands €	2020	2019
Nominal interest charges on loans	**-6.217**	**-6.497**
Loans at financial institutions	-4.398	-4.383
With fixed interest rate	*-868*	*-692*
With variable interest rate	*-3.531*	*-3.691*
Bond loans	-1.420	-1.634
Interest charges on non-withdrawn credit facilities and commercial paper back-up lines	-399	-480
Costs of authorised hedging instruments	**-1.642**	**-1.908**
Authorised hedging instruments that are not subject to hedge accounting as defined in IFRS	-1.642	-1.908
Income from authorised hedging instruments	**116**	**98**
Authorised hedging instruments that are not subject to hedge accounting as defined in IFRS	116	98
Other interest charges	**-212**	**-236**
TOTAL NET INTEREST CHARGES	**-7.955**	**-8.543**

In 2020, the net interest charges amounted to € -7,9 million compared to € -8,5 million in 2019. The fall in the net interest charges by € 0,6 million is the result of the refinancing of hedging instruments, an increase in the use of the commercial paper programme and the repayment of the bond loan in the course of 2019. As a result, the average interest rate of the financing fell from 2,1% in 2019 to 2,0% in 2020.

Net interest charges classified by credit line expiry date

in thousands €	2020	2019
Net interest charges on non-current financial debts	-6.124	-7.125
Net interest charges on current financial debts	-1.831	-1.418
TOTAL NET INTEREST CHARGES	**-7.955**	**-8.543**

For 2020, the total average interest rate amounted to 2,0% including bank margins and interest hedging instruments, compared to 2,1% in 2019. The total average interest rate before the impact of the interest hedging instruments amounted to 1,6% in 2020 (1,7% in 2019).

The average interest rate for the non-current financial debts, including bank margins, amounted to 2,2% in 2020 (2,3% in 2019). The average interest rate for the current financial debts, including bank margins, amounted to 1,4% in 2020 (1,4% in 2019).

For financial year 2020, the effect on the EPRA earnings and net result of a (hypothetical) rise in the interest rate of 1% gives a negative result of approximately € -0,5 million (€ -0,6 million in 2019). With a (hypothetical) rise in interest rates of 0,5%, interest costs remain stable.

The (hypothetical) future cash outflow for 2021 of the interest charges from the loans drawn down as at 31 December 2020 at a fixed interest rate or a variable interest rate as at 31 December 2020, amounted to € 7,3 million (€ 7,3 million in 2019).

Classification of future cash-out flow of interest costs based on current contracts

in thousands €	2020					2019				
Hypothetical interest	Debts with a remaining duration of			TOTAL	Percentage share	Debts with a remaining duration of			TOTAL	Percentage share
	< 1 year	> 1 year and < 5 years	> 5 years			< 1 year	> 1 year and < 5 years	> 5 years		
Credit institutions and institutional parties: withdrawn credit facilities	4.563	12.312	253	17.128	59%	3.503	10.963	1.623	16.089	57%
Bond loan	371	0	0	371	1%	1.487	372	0	1.859	6%
Commercial paper	316	516	212	1.044	4%	142	0	0	142	1%
Non-withdrawn credit lines	361	811	0	1.172	4%	551	1.269	0	1.820	6%
IRSs/Floors	1.718	6.503	924	9.145	32%	1.648	5.894	843	8.385	30%
TOTAL	**7.329**	**20.142**	**1.389**	**28.860**	**100%**	**7.331**	**18.498**	**2.466**	**28.295**	**100%**
Share percentage	**25%**	**70%**	**5%**	**100%**		**26%**	**65%**	**9%**	**100%**	

The table above provides an overview of the interest to be paid based on the current credit contracts. An unchanged take-up is assumed as at 31 December 2020 together with a Euribor rate of -0,545% (3-month Euribor as at 31 December 2020).

Note 13. Taxes

in thousands €	2020	2019
Tax at the rate of 25% (29,58% in 2019) (on result linked to the rejected expenses)	-50	-53
Provision for various tax risks	22	-15
Regularisation of previous financial years	-23	7
Tax related to Intervest statutory (public RREC)	**-51**	**-61**
Perimeter companies in Belgium	-3	-139
Perimeter companies in the Netherlands	-610	-386
CORPORATION TAX	**-664**	**-587**

With the RREC Act (formerly the Royal Decree of 7 December 2010 and the Royal Decree of 10 April 1995), the legislator gave a transparent tax status to RRECs. If a company converts its status into that of an RREC, or if an (ordinary) company merges with a RREC, it must pay a one-off tax (exit tax). After that, the RREC is only subject to taxes on very specific elements, such as "rejected expenses". No corporate tax is therefore paid on the majority of the profit that comes from lettings and added value on disposals of investment properties.

Most Belgian perimeter companies are subject to the normal system of Belgian corporate tax and Dutch perimeter companies do not benefit from this tax status either.
Genk Green Logistics and Greenhouse Singel, respectively, are an IRREC and SREIF and also enjoy transparent tax status.

When calculating the taxation on the taxable profit for the year, the tax rates in force on the balance sheet date are used.

Note 14. Non-current assets

Research and development, patents and licences

No own activities were developed by the company in the area of research and development.

Investment and revaluation table investment properties

in thousands €	2020			2019		
	Offices	Logistics real estate	TOTAL	Offices	Logistics real estate	TOTAL
BALANCE SHEET AS AT 1 JANUARY	**350.069**	**542.744**	**892.813**	**346.769**	**519.735**	**866.504**
▪ Acquisition of investment properties	0	42.683	42.683	0	23.953	23.953
▪ Investments in project developments	2.562	18.324	20.886	0	29.594	29.594
▪ Divestments of investment properties	0	0	0	0	-57.665	-57.665
▪ Transfer to other non-current tangible assets	0	-1.592	-1.592	0	0	0
▪ Investments and expansions in existing investment properties	2.971	2.066	5.037	6.803	1.317	8.120
▪ Acquisition of shares of real estate companies	42.677	0	42.677	0	0	0
▪ Changes in fair value of investment properties	-16.623	32.077	15.454	-3.503	25.810	22.307
BALANCE SHEET AS AT 31 DECEMBER	**381.656**	**636.302**	**1.017.958**	**350.069**	**542.744**	**892.813**
OTHER INFORMATION						
Investment value of real estate properties	390.365	670.166	1.060.531	358.821	564.206	923.027

The fair value of the logistics portfolio rose by € 94 million or 17% in 2020 due to:

〉 the acquisition of three logistics sites (Eindhoven, 's-Hertogenbosch and Venlo) in the Netherlands for € 43 million
〉 the investments in the project developments in Genk, Eindhoven and Roosendaal for € 18 million
〉 the investments and expansions in the existing real estate portfolio for € 2 million
〉 the transfer of the solar panels from the investment properties to tangible assets in accordance with IAS 16 for an amount of € 2 million
〉 the rise in the fair value of the real estate portfolio by € 32 million, mainly as a result of the sharpening of the yields, both in the Netherlands and Belgium.

The fair value of the office portfolio rose in 2020 by € 32 million or 9%, mainly due to:

〉 the acquisition of shares of a real estate company with a project development in Antwerp, the value of which as at 31 December 2020 amounts to € 33 million
〉 the acquisition of shares of a real estate company with an office building in Herentals, the fair value of which is € 12 million
〉 the investments and expansions in the existing real estate portfolio of € 3 million, primarily in Greenhouse BXL
〉 the fall in the fair value of the office portfolio by € 17 million, mainly due to the impairment of Woluwe Garden in terms of the future possibilities of this office building, with regard to both redevelopment and divestment and the assessment made by the property experts in the current uncertain economic situation.

For additional details on the changes in the fair value of investment properties, please see Note 10.

Breakdown of investment properties by type

in thousands €	2020	2019
Real estate available for lease	965.796	859.513
Project developments	52.162	33.300
TOTAL INVESTMENT PROPERTIES	**1.017.958**	**892.813**

In addition to the developments under construction such as Greenhouse Singel, the project developments also include land reserves for future developments.

For example, the company possesses a number of land reserves, of which the approx. 225.000 remaining undeveloped m² on the former Ford site in Genk is the most important. Intervest also has land reserves in Herentals and in ’s-Hertogenbosch, with the possibility for later developments. The option on a land position in Venlo can also be used for a logistics development project in the future. In total, the company still has approximately 290.000 m² of potentially buildable area, which represents a future potential value increase of the property portfolio of between € 230 million and € 270 million. The land reserves are valued as ready for construction.

As at 31 December 2020, Intervest had no assets for own use except for the space in Greenhouse Antwerp where the registered office of Intervest is located. In accordance with IAS 40.10, this space is recorded as an investment property.

As at 31 December 2020, there were no investment properties mortgaged as security for loans and credit facilities drawn down at financial institutions. For the description of the statutory mortgage established in order to guarantee the outstanding tax debt on the logistics building located in Nieuwlandlaan, Aarschot, please refer to Note 26. Conditional rights and obligations”.

Genk Green Logistics: delivery of first 25.000 m²

The further development of the Genk-Green-Development project, in line with Intervest’s strategy to create sustainable value, is going according to plan. The first logistics complex of approximately 25.000 m², in which was strived for high sustainability standards, was delivered at the end of Q4 2020. The gain realised on this new-build project fits entirely within the value creation objective of strategy #connect2022. The marketing of the large-scale state-of-the-art project of a total of 250.000 m² is in full swing.

The Dutch projects in Roosendaal Braak and Eindhoven Goldforum were also deliverd in the course of 2020.

Acquisition of shares of real estate companies

During the course of May 2020, Intervest acquired 100% of the shares of Gencor nv, a company with an office building and land position in Herentals. The acquisition price of the shares amounted to approximately € 4 million and was fully financed from the available credit lines. On the date of the acquisition of shares, existing credits were repaid in the amount of € 7 million. The fair value of the real estate at that time amounted to € 12 million. The annual rental income of the perimeter company amounted to approximately € 1 million and has contributed to Intervest’s EPRA earnings as from the acquisition date.

In November 2020, Intervest acquired 100% of the shares of Greenhouse Singel nv (formerly Tervueren Invest nv). This is an office renovation project in an excellent location, which will be one of the top office buildings in Antwerp after the renovation process has been completed. The acquisition price of the shares amounted to € 15 million and was fully financed from the available credit lines. On the date of the acquisition of the shares, existing credits in the company were repaid in the amount of approximately € 13 million. The fair value of the real estate at the date of acquisition amounted to € 31 million. The expected annual rental income after the completion of the renovation project is estimated at between approximately € 2,6 million and € 2,8 million upon full rental. The total investment amount after full completion is expected to be € 48 million.

Valuation of investment properties

Investment properties are recorded at fair value. The fair value is determined on the basis of one of the following levels of the hierarchy:

- level 1: valuation is based on quoted market prices in active markets
- level 2: valuation is based on (externally) observable information, either directly or indirectly
- level 3: valuation is based either fully or partially on information that is (not externally) observable.

The fair value of investment properties recorded in the balance sheet is exclusively the result of the valuation of the portfolio by the independent property experts.

For the value determination of the fair value of the investment properties, the nature, the characteristics and the risks of the buildings and the available market information were analysed.

Due to market liquidity and difficulties in obtaining transaction information in a comparatively incontrovertible manner, the appraisal level of the fair value of the Intervest buildings according to IFRS 13 standard is equal to level 3 and this for the portfolio in its entirety.

The fair value of all of the company's investment properties is valued each quarter by independent property experts. The fair value is based on the market value (i.e. adjusted for the 2,5% purchasing fees for Belgium and 9% purchasing fees for the Netherlands as described in the "Principles of financial reporting - Investment properties" - see above), which is the estimated amount for which an investment property can be sold on the measurement date by a seller to a willing buyer in a business-like, objective transaction preceded by sound negotiations between knowledgeable and willing parties.

Valuations are mainly carried out by using the rental value capitalisation method, with the exception of rental discounts and photovoltaic installations. The DCF method is used for these exceptions. If no current market prices are available in an active market, the valuations are made on the basis of a calculation of gross returns in which the gross market rents are capitalised. The valuations obtained are adjusted for the net present value (NPV) of the difference between the current actual rent and the estimated rental value at the date of valuation for the period up to the first opportunity to give notice under the current lease agreements. Rental discounts are also taken into consideration. For buildings that are partially or completely vacant, the valuation is made on the basis of the estimated rental value minus the vacancy and the costs (rental costs, publicity costs, etc.) for the vacant portions.

Intervest has one project development under construction, namely Greenhouse Singel in Berchem. In Belgium, Intervest still has land reserves in Genk and Herentals while, in the Netherlands, there is still a land reserve in 's-Hertogenbosch. These land reserves have been recognised at purchase price.

The yields used are specific to the type of property, location, state of maintenance and the leasability of each property. The basis used to determine the yields is formed by comparable transactions and supplemented with knowledge of the market and of specific buildings. Comparable transactions in the market are also taken into account for the valuation of properties.

The yields described in the Property Report are calculated by dividing the contractual rent increased by the estimated rental value of vacant properties by the fair value of the property available for lease expressed as a percentage. The average gross yield when fully letting the property available for lease amounted to 7,4% as at 31 December 2020 (7,7% as at 31 December 2019).

Assumptions are made per property, per tenant and per vacant unit concerning the likelihood of lease/re-lease, number of months vacant, incentives and rental costs.

The most important hypotheses regarding the valuation of the investment properties are:

	2020	2019
Average contractual rent* increased by the estimated rental value of vacant property per m² (€)		
▪ Offices	131	132
▪ Logistics real estate in Belgium	47	48
▪ Logistics real estate in the Netherlands	**53**	**49**
Average gross yield (%)	**6,9%**	**7,2%**
▪ Offices	8,2%	8,1%
▪ Logistics real estate in Belgium	6,6%	6,9%
▪ Logistics real estate in the Netherlands	**5,7%**	**5,9%**
Average gross yield if fully let (%)	**7,4%**	**7,7%**
▪ Offices	9,2%	9,0%
▪ Logistics real estate in Belgium	6,9%	7,3%
▪ Logistics real estate in the Netherlands	**5,8%**	**5,9%**
Average net yield if fully let (%)	**6,4%**	**6,8%**
▪ Offices	7,4%	7,5%
▪ Logistics real estate in Belgium	6,2%	6,6%
▪ Logistics real estate in the Netherlands	**5,3%**	**5,5%**
Vacancy rate (%)	**7%**	**7%**

* The average contractual rent per building type or building complex is calculated and contains various types of areas.

In the case of a hypothetical negative adjustment of the yield used by the property experts in determining the fair value of the company's real estate portfolio (yield or capitalisation rate) of 1 percentage point (from 6,9% to 7,9% on average), the fair value of the real estate would fall by € 122 million or 13%. This would raise the debt ratio of the company by 6 percentage points to approximately 49%.

If this is reversed, and a hypothetical positive adjustment of 1 percentage point (from 6,9% to 5,9% on average) were to be made to this yield, the fair value of the real estate portfolio would increase by € 163 million or 17%. This would lower the debt ratio of the company by 6 percentage points to approximately 37%.

In the case of a hypothetical decrease in the contractual rents of the company (assuming a constant yield) of € 1 million (from € 66,8 million to € 65,8 million), the fair value of the real estate properties would decrease by € 14,5 million or 1%. This would raise the debt ratio of the company by 1 percentage point to approximately 44%. If this is reversed, and there were to be a hypothetical increase of the current rents of the company (assuming a constant yield) of € 1 million (from € 66,8 million to € 67,8 million), the fair value of the real estate properties would increase by € 14,5 million or 1%. This would lower the debt ratio of the company by 1 percentage point to approximately 42%.

A correlation exists between changes in the current rents and the yields that are used to value the real estate, however, this was not factored into the sensitivity analysis above.

Valuation process for investment properties

Investment properties are recorded in the accounts on the basis of valuation reports drawn up by independent and expert property assessors. These reports have been based on information that has been provided by the company and on assumptions and valuation models used by the property experts.

Information supplied by the company per building such as the surface area of the site, the leasable space, current rents, periods and conditions of lease agreements, service charges, investments, etc. comprise information that originates with the company's financial and management system and is subject to the company's universally applicable audit system.

These assumptions and valuation models used by the real estate experts relate mainly to the market situation, such as yields and discount rates. They are based on their professional assessment and observation of the market. The property experts take into account vacancy periods between six and eighteen months and, depending on the location, the type of property and the economic situation. For the logistics properties, a cost percentage is taken into account per property, which remains payable by the owner. This amounts to 2% for the logistics sites in Belgium, while for the Netherlands this varies between 0% and 15% due to the nature of the lease agreements (triple net versus buildings where the real estate is also taxed at the expense of the owner).

For a detailed description of the valuation method used by the property experts, please refer to the section of the Property report entitled "Valuation of the portfolio by property experts".

The information provided to the property experts, as well as the assumption and the valuation models, are reviewed internally. This involves an examination of the changes in fair value during the relevant period.

With regard to the remaining duration of the current agreements, reference is made to 1.9 Duration of rental agreements in the portfolio of the Property report for an overview of the average remaining agreement duration of the portfolio.

Non-observable parameters (as at 31 December)	**Range**		**Weighted average**	
	2020	2019	2020	2019
Estimated rental value (in €/m²)*				
▪ Office portfolio	€ 100-151/m²	€ 100-157/m²	€ 127/m²	€ 127/m²
▪ Logistics real estate in Belgium	€ 38-53/m²	€ 38-53/m²	€ 43/m²	€ 43/m²
▪ Logistics real estate in the Netherlands	€ 42-61/m²	€ 42-57/m²	€ 52/m²	€ 50/m²
Capitalisation factor used by the property experts (in %)*				
▪ Office portfolio	7,6%-10,6%	7,9%-10,3%	9,0%	8,6%
▪ Logistics real estate Belgium	5,4%-8,2%	5,0%-8,3%	6,3%	6,5%
▪ Logistics real estate in the Netherlands	4,4%-8,4%	5,1%-6,9%	5,7%	6,0%

* The above information contains the weighted average per building or building complex, the highest and lowest numbers shown in the range have always been eliminated.

Solar panels

in thousands €	2020	2019
Belgium	3.023	0
The Netherlands	557	0
TOTAL SOLAR PANELS	**3.580**	**0**

Since 2020, the solar panels have been valued on the basis of the revaluation model in accordance with IAS 16 non-current tangible assets. After initial recognition, an asset whose fair value can be reliably determined must be booked at the revalued value, i.e. the fair value at the moment of the revaluation less any subsequently accumulated depreciation and subsequently accumulated impairment losses. The fair value is determined on the basis of the discounted future income and costs.

The useful life of the solar panels is estimated at 25 years without taking into account any residual value nor the cost of dismantling the installation. The solar panels have a drop in efficiency of 0,8% per year.
The return requirement is calculated as a weighted average cost of capital in relation to the long-term interest rate, market risk premium and the country-specific risk.

Note 15. Current assets

Trade receivables

in thousands €	2020	2019
Trade receivables	697	1.079
Advance invoicing not yet due	10.336	9.889
Invoices to issue	459	742
Doubtful debtors	511	500
Provision for doubtful debtors	-511	-500
Other trade receivables	103	252
TOTAL TRADE RECEIVABLES	**11.595**	**11.962**

Intervest maintains clear procedures for screening tenants when new lease agreements are concluded. Deposits or bank guarantees are also always insisted upon when entering into lease contracts. As at 31 December 2020, the effective weighted average duration of the rental deposits and bank guarantees for offices was approximately 5 months (or about € 11,9 million). As at 31 December 2020, the effective weighted average duration of the rental deposits and bank guarantees for the logistics portfolio was also approximately 5 months (or about € 15,5 million). Intervest therefore expects no material credit losses here.

The advance invoicing not yet due relates to invoicing for the first quarter of 2021. Intervest applies a standard due date of 30 days after invoice date for all its outgoing invoices. Despite the corona crisis, the collection of rent and rent receivables still follows a regular and consistent pattern.

Ageing analysis of trade receivables

in thousands €	2020	2019
Receivables < 30 days	134	153
Receivables 30-90 days	174	620
Receivables > 90 days	390	307
TOTAL TRADE RECEIVABLES	**697**	**1.079**

For the monitoring of the debtor's risk that Intervest deploys, please see the description of the chapter "Risk factors" (Operating risks - debtor's risks).

Tax receivables and other current assets

in thousands €	2020	2019
Taxes to be reclaimed	3.031	2.489
VAT to be reclaimed	*2.889*	*844*
VAT - estimated adjustments	*0*	*1.302*
Recoverable corporate tax in the Netherlands	*142*	*343*
Taxes (retained following the tax situation of the Group)	3.455	3.455
Recoverable corporate tax	*185*	*185*
Recoverable exit tax	*459*	*459*
Recoverable withholding tax on dividends paid and on liquidation bonuses	*2.811*	*2.811*
Other	53	31
TOTAL TAX RECEIVABLES AND OTHER CURRENT ASSETS	**6.539**	**5.974**

For the description of the Group's tax status, please see "Note 26. Conditional rights and obligations".

Deferred charges and accrued income

in thousands €	2020	2019
Incurred, non-expired property income	2.667	3.038
Recoverable property tax	*2.667*	*2.787*
Genk Green Logistics vacancy tax to be recovered	*0*	*171*
Recoverable claims	*0*	*80*
Prepaid property charges	1.331	774
Prepaid interest and other financial costs	0	528
Other	331	169
TOTAL DEFERRED CHARGES AND ACCRUED INCOME	**4.329**	**4.509**

Intervest recovers a majority of the property tax calculated on vacant parts of buildings through objections submitted to the Flanders Tax Administration.
The prepaid property charges are mainly study costs and preparations for possible acquisitions or divestments.
The upfront fees of the credits were transferred in 2020 and included in the balance sheet under financial debts.

Note 16. Shareholders' equity

Share capital

The paid-up capital as at 31 December 2020 amounted to € 232.372.857,10 and is divided into 25.500.672 fully paid-up shares with no statement of nominal value.

The heading of capital on the balance sheet also includes € 1.734.750 in costs for the capital increase of November 2018 and the capital increase of perimeter company Genk Green Logistics in December 2020.

in thousands €	2020	2019
Paid-up capital	232.373	224.685
Capital increase costs	-1.735	-1.727
TOTAL CAPITAL	**230.638**	**222.958**

There was a capital increase as at 26 May 2020 in financial year 2020 in the form of an optional dividend for financial year 2019 with the issue of 843.669 new shares for an amount of € 16,3 million, more specifically, € 7,7 million in capital and € 8,6 million in share premium. The shares created provide an entitlement to dividend as from 1 January 2020.

The capital on the balance sheet as at 31 December 2020 amounted to € 231 million.

EVOLUTION OF THE PAID-UP CAPITAL

Date	Transaction	Capital movement	Total outstanding share capital after the transaction	Number created shares	Total number of shares
		in thousands €		in units	
08.08.1996	Foundation	62	62	1.000	1.000
05.02.1999	Capital increase by non-cash contribution in kind (Atlas Park)	4.408	4.470	1.575	2.575
05.02.1999	Capital increase by incorporation of issue premium and reserves and capital reduction through the incorporation of losses carried forward	-3.106	1.364	0	2.575
05.02.1999	Share split	0	1.364	1.073.852	1.076.427
05.02.1999	Capital increase by contribution in cash	1.039	2.403	820.032	1.896.459
29.06.2001	Merger by absorption of the limited liability companies Catian, Innotech, Greenhill Campus and Mechelen Pand	16.249	18.653	2.479.704	4.376.163
21.12.2001	Merger by absorption of companies belonging to the VastNed Group	23.088	41.741	2.262.379	6.638.542
21.12.2001	Capital increase by non-cash contribution (De Arend, Sky Building and Gateway House)	37.209	78.950	1.353.710	7.992.252
31.01.2002	Contribution of 575.395 Siref shares	10.231	89.181	1.035.711	9.027.963
08.05.2002	Contribution of max. 1.396.110 Siref shares in the context of the bid	24.824	114.005	2.512.998	11.540.961
28.06.2002	Merger with Siref nv; exchange of 111.384 Siref shares	4.107	118.111	167.076	11.708.037
23.12.2002	Merger by absorption of the limited liability companies Apibi, Pakobi, PLC, MCC and Mechelen Campus	5.016	123.127	1.516.024	13.224.061
17.01.2005	Merger by absorption of the limited liability companies of Mechelen Campus 2, Mechelen Campus 4, Mechelen Campus 5 and Perion 2	3.592	126.719	658.601	13.882.662
18.10.2007	Merger by absorption of the limited liability companies Mechelen Campus 3 and Zuidinvest	6	126.725	18.240	13.900.902
01.04.2009	Merger by absorption of the limited liability company Edicorp	4	126.729	6.365	13.907.267
25.05.2012	Capital increase through optional dividend financial year 2011	2.666	129.395	292.591	14.199.858
23.05.2013	Capital increase through optional dividend financial year 2012	2.051	131.447	225.124	14.424.982
28.05.2014	Capital increase through optional dividend financial year 2013	3.211	134.657	352.360	14.777.342
22.12.2014	Capital increase through contribution in kind in the framework of and including a transaction equated with demerger or partial demerger (Article 677 of the Belgian Companies Code)	12.453	147.110	1.366.564	16.143.906
28.05.2015	Capital increase through optional dividend	870	147.980	95.444	16.239.350
25.05.2016	Capital increase through optional dividend	4.968	152.948	545.171	16.784.521
05.05.2017	Capital increase by contribution in kind of real estate located in Aarschot	1.969	154.917	216.114	17.000.635
05.05.2017	Capital increase by contribution in kind of real estate located in Oevel	2.906	157.823	318.925	17.319.560
22.05.2017	Capital increase through optional dividend	3.835	161.658	420.847	17.740.407
22.12.2017	Capital increase by contribution in kind of real estate located in Zellik	6.062	167.720	665.217	18.405.624
22.05.2018	Capital increase through optional dividend	4.427	172.147	485.819	18.891.443
30.11.2018	Capital increase with irreducible allocation rights	49.185	221.332	5.397.554	24.288.997
20.05.2019	Capital increase through optional dividend	3.353	224.685	368.006	24.657.003
26.05.2020	**Capital increase through optional dividend**	**7.688**	**232.373**	**843.669**	**25.500.672**

Share premiums

EVOLUTION OF SHARE PREMIUMS in thousands €		Capital increase	Additional contribution in cash	Value contribution	Share premiums
Date	**Transaction**				
05.02.1999	Capital increase by contribution in cash	1.039	0	20.501	19.462
21.12.2001	Settlement of the accounting losses as a result of the merger by acquisition of the companies belonging to the VastNed Group	0	0	0	-13.747
31.01.2002	Contribution of 575.395 Siref shares	10.231	1.104	27.422	16.087
08.05.2002	Contribution of max. 1.396.110 Siref shares in the context of the bid	24.824	2.678	66.533	39.031
25.05.2012	Capital increase through optional dividend	2.666	0	5.211	2.545
23.05.2013	Capital increase through optional dividend	2.051	0	3.863	1.812
28.05.2014	Capital increase through optional dividend	3.211	0	7.075	3.864
22.12.2014	Capital increase through contribution in kind in the framework of and including a transaction equated with demerger or partial demerger (Article 677 of the Belgian Companies Code)	12.453	0	26.183	13.730
28.05.2015	Capital increase through optional dividend	870	0	2.305	1.436
25.05.2016	Capital increase through optional dividend	4.968	0	11.569	6.601
05.05.2017	Capital increase by contribution in kind of real estate located in Aarschot	1.969	0	5.150	3.181
05.05.2017	Capital increase by contribution in kind of real estate located in Oevel	2.906	0	7.600	4.694
22.05.2017	Capital increase through optional dividend	3.835	0	9.074	5.238
22.12.2017	Capital increase by contribution in kind of real estate located in Zellik	6.062	0	13.770	7.708
22.05.2018	Capital increase through optional dividend	4.427	0	9.998	5.571
30.11.2018	Capital increase with irreducible allocation rights	49.185	0	99.855	50.670
20.05.2019	Capital increase through optional dividend	3.353	0	8.575	5.221
26.05.2020	Capital increase through optional dividend	7.688	0	16.266	8.578
TOTAL SHARE PREMIUMS					**181.682**

The share premiums amounted to € 182 million as at 31 December 2020.

Reserves

For the movement of the reserves during financial year 2020, please see the statement of changes in consolidated equity.

The reserves are composed as follows.

in thousands €	2020	2019
Legal reserves	90	90
Reserve for the balance of changes in fair value of real estate properties	46.871	35.297
Reserve for the balance of changes in investment value of real estate properties	*77.081*	*63.701*
Reserve for the impact on fair value of estimated transaction rights and costs resulting from the hypothetical disposal of investment properties	*-30.210*	*-28.404*
Reserve for the balance of changes in fair value of authorised hedging instruments not subject to hedge accounting according to IFRS	-6.522	-3.456
Other reserves	17.865	6.034
Results carried forward from previous financial years	33.163	24.067
TOTAL RESERVES	**91.467**	**62.032**

Reserve for the impact on fair value of estimated transaction rights and costs resulting from the hypothetical disposal of investment properties

in thousands €	2020	2019
Balance at the end of the preceding financial year	-28.404	-17.658
Changes in investment value of investment properties	-1.724	-1.742
Acquisitions of investment properties during previous financial year	-1.531	-9.004
Disposal of investment properties during previous financial year	1.441	0
Impact of transfer of solar panels from investment properties to non-current tangible assets	8	0
TOTAL RESERVE for the impact on fair value of estimated transaction rights and costs resulting from the hypothetical disposal of investment properties	**-30.210**	**-28.404**

The difference between the fair value of the real estate property (in accordance with IAS 40) and the investment value of the real estate property as determined by the independent property experts is included in this item.

Note 17. Provisions

in thousands €	2020	2019
Long-term provisions	**0**	**1.875**
Provision for rental guarantees from the sale of investment properties	0	1.875
Short-term provisions	**978**	**1.875**
Provision for rental guarantees from the sale of investment properties	978	1.875
TOTAL PROVISIONS	**978**	**3.750**

The Group granted the buyer of the Oudsbergen logistics site a rental guarantee in 2019. The rental guarantee is payable quarterly and recognised on the balance sheet under provisions for the maximum amount to be paid of € 3,8 million. In 2020, parts of the building were already leased, which means that a part has been recognised in income (see Note 9).

Note 18. Current liabilities

Trade debts and other current debts

in thousands €	2020	2019
Exit tax	1.582	30
Other	6.990	7.755
Suppliers	*4.457*	*5.463*
Tenants	*645*	*518*
Taxes, remunerations and social charges	*1.888*	*1.774*
TOTAL TRADE DEBTS AND OTHER CURRENT DEBTS	**8.572**	**7.785**

The exit tax contains an estimate for perimeter companies Gencor nv and Greenhouse Singel nv, which will be paid during the course of 2021.

Other current liabilities

in thousands €	2020	2019
Dividends payable across previous financial years	177	179
Short-term liabilities to related parties	1.078	2.081
Miscellaneous debts	29	1710
TOTAL OTHER CURRENT LIABILITIES	**1.284**	**3.970**

Current liabilities to affiliated parties comprise the current account with JM Construct nv and Hino Invest nv (affiliated parties with co-shareholders in perimeter company Genk Green Logistics nv).
The fall is the result of the capital increase with Genk Green Logistics in December 2020, where part of these debts were contributed to capital.

Accrued charges and deferred income

in thousands €	2020	2019
Property revenue received in advance	15.419	14.747
Liabilities related to the compensation received for early termination of lease agreements	*417*	*833*
Rental income invoiced in advance	*13.060*	*11.529*
Pre-invoiced provisions	*1.329*	*1.085*
Pre-invoiced - other	*174*	*149*
Other deferred income	*439*	*1.151*
Incurred, unexpired interests and other charges	3.136	3.442
Interests on the bond loans	*1.066*	*1.066*
Other interests and financial charges	*942*	*786*
Property costs to be allocated	*1.128*	*1.590*
Other	575	340
Other accrued charges	*575*	*340*
TOTAL ACCRUED CHARGES AND DEFERRED INCOME	**19.129**	**18.530**

The deferred charges and accrued income as at 31 December 2020 comprised € 15,4 million in property income received in advance. This mainly concerns advance invoicing for rental income and provisions for the first quarter of the following financial year, which add up to a total of € 14,6 million.

The accrued, non-due interest and other costs amounted to € 3,1 million in 2020, and include interest on the bond loan which was issued in March 2014 and is due as at 1 April 2021.

Note 19. Non-current and current financial debts

For the description of the Financial structure of the company, please see the Report of the management board.

Classification by expiry date of credit facilities withdrawn

in thousands €	2020					2019				
	Debts with a remaining duration of			TOTAL	Percentage share	Debts with a remaining duration of			TOTAL	Percentage share
	< 1 year	> 1 year and < 5 years	> 5 years			< 1 year	> 1 year and < 5 years	> 5 years		
Credit institutions and institutional parties: withdrawn credit facilities	26.239	200.654	108.089	**334.982**	**77%**	23.137	132.545	88.011	**243.693**	**71%**
Bond loan	34.983	0	0	**34.983**	**8%**	0	34.916	0	**34.916**	**10%**
Commercial paper	62.300	0	5.000	**67.300**	**15%**	65.000	0	0	**65.000**	**19%**
TOTAL	**123.522**	**200.654**	**113.089**	**437.265**	**100%**	**88.137**	**167.461**	**88.011**	**343.609**	**100%**
Share percentage	**28%**	**46%**	**26%**	**100%**		**26%**	**49%**	**25%**	**100%**	

Guarantees regarding financing

In addition to the requirement to maintain the RREC articles of association and the fulfilment of financial ratios imposed by the RREC Act, the bank credit agreements of Intervest are subject to compliance with financial ratios which are primarily related to the company's consolidated financial debt or its financial interest charges, the prohibition on the mortgaging or pledging of investment properties and the pari passu treatment of creditors. The financial ratios limit the amount that could still be borrowed by Intervest.

For the purpose of the financing of the company, no mortgage registrations were made and no mortgage authorisations were permitted as at 31 December 2020.

For most financings, credit institutions generally require an interest coverage ratio of more than 2 (see description of the Financial structure in the Report of the management board).

These ratios were respected as at 31 December 2020. If Intervest were no longer to respect these ratios, the financial institutions could demand that the financing agreements of the company be cancelled, renegotiated, terminated or prematurely repaid.

Classification by expiry date of credit lines

in thousands €	2020					2019				
	Debts with a remaining duration of			TOTAL	Percentage share	Debts with a remaining duration of			TOTAL	Percentage share
	< 1 year	> 1 year and < 5 years	> 5 years			< 1 year	> 1 year and < 5 years	> 5 years		
Credit institutions and institutional parties: withdrawn credit facilities	26.239	200.654	108.089	**334.982**	**57%**	23.137	132.545	88.011	**243.693**	**44%**
Bond loan	34.983	0	0	**34.983**	**6%**	0	34.916	0	**34.916**	**6%**
Commercial paper: withdrawn	62.300	0	5.000	**67.300**	**11%**	65.000	0	0	**65.000**	**12%**
Non-withdrawn credit lines	9.379	97.035	45.800	**152.214**	**26%**	17.479	168.500	30.000	**215.979**	**38%**
TOTAL	**132.901**	**297.689**	**158.889**	**589.479**	**100%**	**105.616**	**335.961**	**118.011**	**559.588**	**100%**
Share percentage	**23%**	**50%**	**27%**	**100%**		**19%**	**60%**	**21%**	**100%**	

The table above includes an amount of € 152 million of non-withdrawn credit lines (€ 216 million as at 31 December 2019). Of this, € 2,3 million is kept available as hedging for the commercial paper programme. Consequently, as at 31 December 2020, Intervest had € 149,9 million of non-withdrawn credit lines available to finance its current project developments, future acquisitions and dividend payment in May 2021. Intervest also has over € 60 million of back-up lines available for the commercial paper programme, as a result of which the entire uptake via the commercial paper programme is hedged.

At the closing date, the non-withdrawn credit lines did not form any actual debt, but are only potential debt in the shape of an available credit line. The share percentage is calculated as the ratio of each component to the sum of the withdrawn credit lines drawn, the non-withdrawn credit lines and the outstanding bond loan.

Classification by variable or fixed interest character of the withdrawn credit facilities at financial institutions and of the bond loan

in thousands €	2020		2019	
	TOTAL	**Percentage share**	**TOTAL**	**Percentage share**
Credit facilities with variable interest rate	110.282	25%	11.693	3%
Credit facilities covered by interest rate swaps and/or floors	255.000	58%	265.000	77%
Credit facilities with fixed interest rate	71.983	17%	66.916	20%
TOTAL	**437.265**	**100%**	**343.609**	**100%**

In the above table “Classification by variable or fixed character of the withdrawn credit facilities at financial institutions and of the bond loan” the share percentage is calculated as the ratio of each component to the sum of the withdrawn credit facilities.

Characteristics of the bond loans: Private placement of bonds for € 35 million

As at 19 March 2014 Intervest realised the successful private placement of bonds for a total amount of € 60 million, of which € 25 million was repaid in 2019. The remaining bond of € 35 million had an initial maturity of 7 years, generates a fixed annual gross return of 4,057% and matures as at 1 April 2021.

The issue price of the bonds was equal to their nominal amount, i.e. € 100.000. The bonds were placed with institutional investors.

Characteristics of the commercial paper

Intervest issued a commercial paper in July 2018 for a maximum amount of € 70 million to further diversify its financing sources, which was expanded to a maximum amount of € 120 million in 2020. Of this, € 100 million is planned for short-term issues and € 20 million for long-term issues.
As at 31 December 2020, € 62,3 million had been issued for the short term and € 5 million with an expiry date in 2028.

The withdrawal is partially hedged (€ 60 million) by back-up lines from the assisting banks (Belfius Bank and KBC Bank) serving as guarantee for re-financing if it appears that the placement or extension of the commercial paper is only partially possible or not possible at all. The remaining € 2,3 million will be kept available on the traditional credit lines.

Note 20. Financial instruments

The main financial instruments of Intervest consist of financial and commercial receivables and debts, cash and cash equivalents, as well as interest rate swaps (IRS) and floor.

SUMMARY OF FINANCIAL INSTRUMENTS			2020		2019	
in thousands €	Categories	Level	Carrying amount	Fair value	Carrying amount	Fair value
FINANCIAL INSTRUMENTS ON ASSETS						
Non-current assets						
Financial non-current assets	C	2	241	241	252	252
Trade receivables and other non-current assets	A	2	135	135	18	18
Current assets						
Trade receivables	A	2	11.595	11.595	11.962	11.962
Cash and cash equivalents	B	2	2.682	2.682	2.156	2.156
FINANCIAL INSTRUMENTS ON LIABILITIES						
Non-current liabilities						
Non-current financial debts (interest-bearing)	A	2	313.743	315.635	255.472	258.154
Other non-current financial liabilities	C	2	10.917	10.917	8.627	8.627
Other non-current liabilities	A	2	1.267	1.267	1.211	1.211
Current liabilities						
Current financial debts	A	2	123.522	123.809	88.137	88.137
Other current financial liabilities	C	2	94	94	68	68
Trade debts and other current debts	A	2	8.572	8.572	7.785	7.785
Other current liabilities	A	2	1.284	1.284	3.970	3.970

The categories correspond to the following financial instruments:

A. financial assets or liabilities (including receivables and loans) held to maturity and measured at amortised cost

B. investments held to maturity and measured at amortised cost

C. assets and liabilities held at fair value via the income statement, with the exception of financial instruments defined as hedging instruments.

Financial instruments are recorded at fair value. The fair value is determined based on one of the following levels of the fair value hierarchy:

- level 1: valuation is based on quoted market prices in active markets
- level 2: valuation is based on (externally) observable information, either directly or indirectly
- level 3: valuation is based either fully or partially on information that is not (externally) observable.

The financial instruments of Intervest correspond to level 2 of the fair value hierarchy. The following techniques are used to value the fair value of level 2 financial instruments:

- for the items “Non-current financial assets”, “Other non-current financial liabilities” and “Other current financial liabilities”, which apply to the interest rate swaps and the floor, the fair value is determined by means of observable data, namely the forward interest rates that apply to active markets, which are generally supplied by financial institutions
- the fair value of the remaining level 2 financial assets and liabilities is practically the same as their carrying amount, either because they have a short-term maturity (such as trade receivables and debts) or because they carry a variable interest rate
- when the fair value of the interest-bearing financial liabilities is calculated, the financial liabilities with a fixed interest rate are taken into account, and the future cash flows (interest and capital redemption) are discounted with a market-based yield.

Intervest employs interest rate swaps and floors to hedge potential changes in the interest charges on a portion of the financial liabilities that have a variable interest rate (the short-term Euribor rate). The interest rate swaps and floors are classified as derivatives, as financial instruments at fair value via the result. Intervest does not apply hedge accounting. The fluctuations in fair value of the financial instruments are included in the income statement on the line “Changes in fair value of financial assets and liabilities” in the financial result.

Fair value of financial derivatives

As at 31 December 2020, the company was in possession of the following financial derivatives.

		Starting date	End date	Interest rate	Contractual notional amount	Hedge accounting	Fair value	
in thousands €						Yes/No	2020	2019
1	IRS	30.06.2015	30.06.2020	0,4960%	15.000	No	0	-68
2	IRS	01.12.2016	01.12.2021	0,1200%	15.000	No	-93	0
Authorised hedging instruments							*-93*	*-68*
Other current financial liabilities							**-93**	**-68**
1	IRS	18.06.2015	18.06.2021	0,6300%	15.000	No	0	-225
2	IRS	01.12.2016	01.12.2021	0,1200%	15.000	No	0	-141
3	IRS	01.12.2016	01.12.2022	0,2200%	15.000	No	-224	-238
4	IRS	22.03.2017	22.03.2024	0,8500%	10.000	No	0	-469
5	IRS	22.03.2017	22.03.2024	0,4500%	10.000	No	-322	-296
6	IRS	22.03.2017	22.03.2023	0,3300%	10.000	No	-197	-207
7	IRS	15.06.2018	15.01.2025	0,6600%	15.000	No	0	-640
8	IRS	15.06.2018	17.06.2024	0,5950%	10.000	No	0	-360
9	IRS	01.10.2018	01.10.2025	0,8520%	10.000	No	-386	-390
10	IRS	27.09.2018	27.09.2023	0,3930%	10.000	No	-259	-254
11	IRS	27.09.2018	27.09.2025	0,6800%	10.000	No	0	-492
12	IRS	28.09.2018	30.09.2025	0,7050%	10.000	No	0	-496
13	IRS	28.09.2018	29.09.2023	0,4350%	10.000	No	-271	-267
14	IRS	02.01.2019	02.01.2026	0,7275%	25.000	No	-847	-802
15	IRS	18.06.2019	18.06.2025	0,6675%	15.000	No	-682	-571
16	IRS	24.06.2019	22.06.2026	0,6425%	10.000	No	-547	-408
17	IRS	13.05.2019	13.05.2026	0,2870%	10.000	No	-419	-262
18	IRS	13.05.2019	13.05.2026	0,2780%	10.000	No	-338	-158
19	IRS	10.07.2019	10.07.2024	-0,2975%	15.000	No	-121	0
20	IRS	26.06.2019	26.06.2025	-0,1770%	15.000	No	-221	0
21	IRS	08.01.2020	08.01.2027	0,4200%	35.000	No	-1.891	0
22	IRS	15.06.2020	15.01.2027	0,5850%	15.000	No	-851	0
23	IRS	15.06.2020	15.06.2026	0,5200%	10.000	No	-478	0
24	IRS	14.12.2020	14.12.2027	0,3800%	15.000	No	-858	0
Authorised hedging instruments							*-8.912*	*-6.676*
Recognised under Other non-current financial liabilities							**-8.912**	**-6.676**
1	Floor	01.12.2016	01.02.2021	0,000%	27.500	No	13	0
Financial current assets							**13**	**0**
1	Floor	01.12.2016	01.02.2021	0,000%	27.500	No	0	117
2	IRS	26.06.2019	26.06.2025	-0,1770%	15.000	No	0	3
3	IRS	10.07.2019	10.07.2024	-0,2975%	15.000	No	0	45
4	Floor	13.05.2019	13.05.2026	0,2870%	10.000	No	76	87
5	Floor	14.12.2020	14.12.2027	0,3800%	15.000	No	165	0
Non-current financial assets							**241**	**252**
TOTAL FAIR VALUE OF FINANCIAL DERIVATIVES							**-8.751**	**-6.492**

Accounting processing as at 31 December 2020		
▪ In shareholders' equity: Reserve for the balance of changes in fair value of authorised hedging instruments not subject to hedge accounting	-6.492	-3.456
▪ In the income statement: Changes in fair value of financial assets and liabilities	-2.259	-3.036
TOTAL FAIR VALUE OF FINANCIAL DERIVATIVES	**-8.751**	**-6.492**

As at 31 December 2020, the interest rate swaps had a negative market value of € -8,8 million (contractual notional amount of € 255 million), which is determined by the issuing financial institution on a quarterly basis.

In 2020, existing interest rate hedges for € 75 million were renegotiated at a lower interest rate via multiple "blend & extend" transactions. The new interest rate swaps have maturities of 6 or 7 years.

Management of financial risks

The major financial risks of Intervest are the financing risk, liquidity risk and the interest rate risk.

Financing risk

For the description of this risk and the management thereof, please see the "Financing risk" chapter in the description of the Major risk factors and internal control and risk management systems of the Report of the supervisory board.

For financing real estate, Intervest always strives for a balance between shareholders' equity and borrowed capital. In addition, Intervest aims to safeguard its access to the capital market through the transparent disclosure of information, by maintaining regular contacts with financiers and (potential) shareholders and by increasing the liquidity of the share. Finally, with respect to long-term financing, it aims for a balanced spread of refinancing dates and a weighted average duration between 3,5 and 5 years. This may be temporarily derogated from should specific market conditions require it. The average remaining duration of the long-term credit agreements as at 31 December 2020 is 3,8 years. Intervest has also diversified its funding sources by using ten European financial institutions and issuing bond loans.

More information about the composition of the credit portfolio of Intervest can be found in the section entitled "Financial structure" in the Report of the management board and also in "Note 19. Non-current and current financial debts" in the Financial report.

Liquidity risk

For the description of this risk and the management thereof, please see the "Liquidity risks" chapter in the description of the Major risk factors and internal control and risk management systems in the Report of the supervisory board.

The bank credit agreements of Intervest are subject to compliance with financial ratios, which are primarily related to the consolidated financial debt level of Intervest or its financial interest charges. In order to avail itself of this credit margin, the conditions of credit facilities must be complied with on a continuous basis. As at 31 December 2020, the company still had approx. € 150 million of available credit lines with its financiers for the purpose of absorbing fluctuations in liquidity requirements and additional investments.

More information about the composition of the credit portfolio of Intervest can be found in the section entitled "Financial structure" in the Report of the management board and also in "Note 19. Non-current and current financial debts" in the Financial report.

Interest rate risk

For the description and management of this risk, please refer to Financial risks in the Risk factors section.

As a result of financing with borrowed capital, the yield is also dependent on interest rate developments. In order to reduce this risk, when composing the loan portfolio, the fund aims for a ratio of one third borrowed capital with a variable interest rate and two-thirds borrowed capital with a fixed interest rate. Depending on how the interest rates develop, a temporary derogation is possible. Furthermore, for long-term borrowed capital, a balanced spread of interest rate review dates and a minimum duration of 3 years are targeted. As at 31 December 2020, the interest rates on the hedges (including financing with fixed interest rate) of the company remain fixed for a remaining average duration of 4,1 years.

More information about the composition of the credit portfolio of Intervest can be found in the section entitled "Financial structure" in the Report of the management board and also in "Note 19. Non-current and current financial debts" and "Note 12. Net interest charges" in the Financial report.

Note 21. Deferred tax - liabilities

in thousands €	2020	2019
Provision for deferred taxes with regard to Belgium	1.281	1.176
Provision for deferred taxes with regard to The Netherlands	12.793	5.704
TOTAL OF DEFERRED TAX - LIABILITIES	**14.074**	**6.880**

The deferred taxes contain a provision for deferred taxes on non-realised increases on the investment properties belonging to the perimeter companies and the Group in Belgium and the Netherlands.

Note 22. Calculation of debt ratio

in thousands €	Note	2020	2019
Non-current financial debts	18	313.743	255.472
Other non-current financial liabilities (excl. financial derivatives)		2.005	1.949
Trade debts and other non-current debts		1.267	1.211
Current financial debts	18	123.522	88.137
Other current financial liabilities (excluding financial derivatives)		1	1
Trade debts and other current debts	17	8.572	7.785
Other current liabilities	17	1.284	3.970
Total liabilities for calculation of debt ratio		**450.394**	**358.525**
Total assets (excl. financial derivatives)		**1.047.738**	**918.611**
DEBT RATIO		**43,0%**	**39,0%**

For the further description of the evolution of the debt ratio, please see the explanation of the "Financial structure" in the Report of the management board.

Note 23. Affiliated parties

The affiliated parties with whom the company trades are its shareholders and affiliated companies, as well as its perimeter companies (see Note 24) and its members of the supervisory board and the management board.

Relation with the affiliates

in thousands €	2020	2019
JM Construct nv		
Co-shareholder of Genk Green Logistics		
Short-term liabilities (current account) to JM Construct	348	2.081
Interest charged to C/A JM Construct	86	54
Hino Invest nv		
Co-shareholder of Genk Green Logistics		
Current liabilities (current account) to Hino Invest	731	0
Interest charged to C/A Hino Invest	100	0

Members of the supervisory board and the management board

Remuneration for the members of the supervisory board and the management board is recognised in the items “Property management costs” and “General costs” (see Notes 5 and 6). More details of the composition of the remuneration of the members of the management board can be found in “Note 7. Employee benefits”.

in thousands €	2020	2019
Members of the supervisory board	233	125
Members of the management board	1.897	1.342
TOTAL	**2.130**	**1.467**

Note 24. List of the consolidated companies

The companies below are consolidated by the method of full consolidation.

Name company	Address	Enterprise number	Capital share (in %)	Value of the participation in the statutory annual accounts	Mintority interests (in thousands €)	
				(in thousands €)	2020	2019
Aartselaar Business Center nv	Uitbreidingstraat 66 2600 Berchem	BE 0466.516.748	100%	€ -75	0	0
Mechelen Business Center nv	Uitbreidingstraat 66 2600 Berchem	BE 0467.009.765	100%	€ 4.169	0	0
Mechelen Research Park nv	Uitbreidingstraat 66 2600 Berchem	BE 0465.087.680	100%	€ 5.811	0	0
Genk Green Logistics NV	Uitbreidingstraat 66 2600 Berchem	BE 0701.944.557	50%	€ 7.203	7.196	574
Gencor nv	Uitbreidingstraat 66 2600 Berchem	BE 0475.805.091	100%	€ 5.462	0	0
Greenhouse Singel nv (formerly Tervueren Invest)	Uitbreidingstraat 66 2600 Berchem	BE 0476.212.986	100%	€ 14.092	0	0
Intervest Nederland Coöperatief U.A.	Lichttoren 32 5611 BJ Eindhoven The Netherlands	NL857537349B01	100%	€ 109.024	0	0
Perimeter companies of Intervest Nederland Coöperatief U.A.*						
Intervest Tilburg 1 bv		NL857541122B01	100%			
Intervest Tilburg 2 bv		NL859485869B01	100%			
Intervest Raamsdonksveer 1 bv		NL857780001B01	100%			
Intervest Raamsdonksveer 2 bv		NL858924900B01	100%			
Intervest Raamsdonksveer 3 bv		NL859446013B01	100%			
Intervest Eindhoven 1 bv		NL858924894B01	100%			
Intervest Vuren 1 bv		NL856350412B01	100%			
Intervest Roosendaal 1 bv		NL859095277B01	100%			
Intervest Roosendaal 2 bv		NL859485778B01	100%			
Intervest Roosendaal 3 bv		NL859683059B01	100%			
Intervest Venlo 1 bv		NL859752458B01	100%			
Intervest Nijmegen 1 bv		NL859957743B01	100%			
Intervest Den Bosch 1 bv		NL860294869B01	100%			
TOTAL MINORITY INTERESTS					**7.196**	**574**

* All Intervest companies in the Netherlands are established at Lichttoren 32, 5611 BJ in Eindhoven.

As a result of the expansion of Intervest's real estate portfolio in the Netherlands, Intervest Nederland Coöperatief U.A. was incorporated in 2017. The other Dutch private limited companies are perimeter companies of Intervest Nederland Coöperatief U.A. and hold the real estate.

Intervest had full control of the perimeter company Genk Green Logistics nv as at 31 December 2020, which is why the company was fully consolidated.

Note 25. Fee for the statutory auditor and entities affiliated with the statutory auditor

in thousands € - excl. VAT	2020	2019
Statutory auditor's fee	103	88
Fee for exceptional activities or special assignments within the company by the statutory auditor regarding		
Other control assignments	109	11
Tax advice assignments	2	37
TOTAL FEE FOR AUDITOR AND ENTITIES AFFILIATED WITH THE STATUTORY AUDITOR	**214**	**136**

Note 26. Conditional rights and obligations

Disputed tax assessments

With the RREC Act (formerly the Royal Decree of 7 December 2010 and the Royal Decree of 10 April 1995), the legislator gave a transparent tax status to RRECs. If a company converts its status into that of an RREC, or if an (ordinary) company merges with an RREC, it must pay a one-off tax (exit tax). After that, the RREC is only subject to taxes on very specific elements, such as “rejected expenses”. No corporate tax whatsoever is thus paid for the majority of the profit that is gained from leases and added value gained from the sale of immovable property.

According to the tax legislation, the taxable basis is to be calculated as the difference between the actual value of the company's assets and the (fiscal) book value. The Minister of Finance has decided by circular (dated 23 December 2004) that the transfer costs related to the transaction need not be taken into account when determining the fair value, but specifies that the securitisation premium does remain subject to company tax. Tax assessments based on the securitisation premium would therefore indeed be owed. Intervest disputed this interpretation and has notices of objection that are pending, amounting to a total of about € 4 million.

At present, the tax still to be paid plus interest on arrears is approximately € 6,7 million in accordance with the assessments registered. That said, an exemption has not yet been granted concerning the specific provision (since the circular letter dated 23 December 2004) that stipulates that the value of the property when transfer costs are paid by the buyer must apply when calculating the exit tax, as opposed to the value of the property when transfer costs are paid by the seller. In the opinion of Intervest, the only real tax dispute centres around the standpoint that the securitisation premium must be taken into consideration when determining the exit tax (the total tax debt then comes to approx. € 4 million instead of approx. € 6,7 million). No provision was made for these disputed tax declarations.

As at 2 April 2010, in a lawsuit between another Belgian public RREC (at the time property investment fund) and the Belgian State concerning this issue, the Court of First Instance in Leuven ruled that there is no reason “why the actual value of the company's assets on the date that it is recognised as a property investment fund by the Financial Markets and Services Authority (FSMA) could not be lower than the price of the shares that were offered to the public”.

These additional tax debts, amounting to approx. € 4 million, are being guaranteed by Siref's two former promoters. As a result of Siref's recognition as a property investment fund, and within the context of the approval of the prospectus of the Siref property investment fund with a view to obtaining listing on the stock exchange, these promoters submitted a unilateral declaration dated 8 February 1999 to the FSMA in which they state that they will pay the exit tax that will be owed in the case of an amendment to the return. That said, in a letter dated 24 May 2012, one of these promoters disputes that Intervest can claim rights from this declaration.

In 2008, the tax authorities (Collection and Recovery Department) took out a legal mortgage on a single logistics property on the Dijkstraat in Aartselaar as a guarantee against the outstanding tax debt. After the sale of this logistics property in 2019, a legal mortgage was registered in exchange on one logistics property located on the Nieuwlandlaan in Aarschot.

In 2013, the tax authorities refused one of the notices of objection and Intervest submitted a petition to the Court of First Instance in Antwerp. The Court of First Instance rejected the petition of Intervest in a judgement as at 3 April 2015. The company appealed against such judgement, where, in its judgement dated 25 April 2017, the Court of Appeal declared the appeal of Intervest unfounded, however, and ratified the disputed judgement dated 3 April 2015.

As at 29 January 2018, Intervest filed a cassation appeal against the above-mentioned judgement of the Antwerp Court of Appeal dated 25 April 2017. As at 28 November 2019, the Court of Cassation annulled the ruling of the Court of Appeal and clearly stated that: "The actual value of the company's assets is the actual value of the company's assets, less the provisions and debts. The securitisation premium, being the additional price on top of the net assets of the company, which the investor is prepared to pay for the shares in the property investment fund due to its special characteristics, does not form part of these assets." The case has now been referred to the Ghent Court of Appeal.

The processing of the other objections has been provisionally suspended.

Off-balance sheet obligations

As at 31 December 2020, Intervest had the following liabilities or obligations:

Via its 50% shareholding in Genk Green Logistics (GGL), Intervest indirectly has an obligation to achieve the result of guaranteeing minimum employment in the context of the GGL project. Compliance with this obligation to achieve a result is measured at two points in time, namely 31 December 2030 and 31 December 2036, increased by the number of calendar days of delay with regard to the delivery of the infrastructure works in zone A by De Vlaamse Waterweg, contractually determined as at 31 December 2021. In the event of non-compliance, a penalty of a maximum € 2 million can be imposed at the level of Genk Green Logistics.

Furthermore, Intervest, together with JM Construct, has also undertaken to jointly and severally guarantee the payment by GGL of the costs of the soil remediation and construction of infrastructure with regard to De Vlaamse Waterweg in the amount of € 6 million.

Moreover, via its 100% shareholding in Greenhouse Singel nv, Intervest indirectly has an investment obligation amounting to € 11 million for the project development.

Conflicts of interest

No specific conflicts of interest arose during the course of 2020 that need to be disclosed in the Annual Report in accordance with the Companies and Associations Code and/or the RREC Legislation.

Note 27. Events after the balance sheet date

There are no significant events to be mentioned that occurred after the closing of the balance sheet as at 31 December 2020.

Berchem › Greenhouse Antwerp - Boardroom lounge

7 Statutory auditor's report[1]

Deloitte.

Intervest Offices & Warehouses NV/SA, Public regulated real estate company under Belgian law | 31 December 2020

Statutory auditor's report to the shareholders' meeting of Intervest Offices & Warehouses NV/SA for the year ended 31 December 2020 - Consolidated financial statements

In the context of the statutory audit of the consolidated financial statements of Intervest Offices & Warehouses NV/SA ("the company") and its subsidiaries (jointly "the group"), we hereby submit our statutory audit report. This report includes our report on the consolidated financial statements and the other legal and regulatory requirements. These parts should be considered as integral to the report.

We were appointed in our capacity as statutory auditor by the shareholders' meeting of 24 April 2019, in accordance with the proposal of the board of directors ("bestuursorgaan" / "organe d'administration") issued upon recommendation of the audit committee. Our mandate will expire on the date of the shareholders' meeting deliberating on the financial statements for the year ending 31 December 2021. We have performed the statutory audit of the consolidated financial statements of Intervest Offices & Warehouses NV/SA for 20 consecutive periods.

Report on the consolidated financial statements

Unqualified opinion

We have audited the consolidated financial statements of the group, which comprise the consolidated balance sheet as at 31 December 2020, the consolidated income statement, the consolidated statement of comprehensive income, the statement of changes in consolidated equity and the consolidated cash flow statement for the year then ended, as well as the summary of significant accounting policies and other explanatory notes. The consolidated statement of financial position shows total assets of 1 047 993 (000) EUR and the consolidated income statement shows a profit (net result) for the year then ended of 46 060 (000) EUR.

In our opinion, the consolidated financial statements give a true and fair view of the group's net equity and financial position as of 31 December 2020 and of its consolidated results and its consolidated cash flow for the year then ended, in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium.

Basis for the unqualified opinion

We conducted our audit in accordance with International Standards on Auditing (ISA), as applicable in Belgium. In addition, we have applied the International Standards on Auditing approved by the IAASB applicable to the current financial year, but not yet approved at national level. Our responsibilities under those standards are further described in the "Responsibilities of the statutory auditor for the audit of the consolidated financial statements" section of our report. We have complied with all ethical requirements relevant to the statutory audit of consolidated financial statements in Belgium, including those regarding independence.

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 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 judgment, 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.

1 The statutory auditor has agreed to the inclusion of its report in this Annual Report. The information has been presented correctly and, to Intervest's best knowledge and insofar as it was able to deduce from the information published by the statutory auditor, no facts have been omitted that could cause the information presented to be incorrect or misleading.

Key audit matters	How our audit addressed the key audit matters
Valuation of investment properties • Investment properties measured at fair value (1 017 958 (000) EUR) represent 97% of the consolidated balance sheet total as at 31 December 2020. Changes in the fair values of the investment properties have a significant impact on the consolidated net result for the period and equity. • The portfolio includes completed investments and properties under construction. • Acquisitions and divestments of investment properties are individually significant transactions. • The Group uses professionally qualified external valuers to fair value the Group's portfolio at three-monthly intervals. The valuers are engaged by the Directors and performed their work in accordance with the Royal Institute of Chartered Surveyors ('RICS') Valuation – Professional Standards. The valuers used by the Group have considerable experience in the markets in which the Group operates. • The portfolio is valued by the investment method of valuation with development properties valued by the same methodology with a deduction for all costs necessary to complete the development together with a remaining allowance for risk. The key inputs into the valuation exercise are yields and current market rent, which are influenced by prevailing market forces, comparable transactions and the specific characteristics of each property in the portfolio. • Therefore, the audit risk appears in the assumptions and critical judgment linked to those key inputs. **Reference to disclosures** We refer to the consolidated financial statements, including notes to the consolidated financial statements: Note 2, Principles of financial reporting; Note 13, non-current assets.	• We considered the internal control implemented by management and we carried out testing relating to the design and implementation of controls over investment properties. • We assessed the competence, independence and integrity of the external valuers. • We discussed and challenged the valuation process, performance of the portfolio and significant assumptions and critical judgement areas, including occupancy rates, yields and development milestones. • We benchmarked and challenged the key assumptions to external industry data and comparable property transactions, in particular the yield. • We performed audit procedures to assess the integrity and completeness of information provided to the independent valuers relating to rental income, key rent contract characteristics and occupancy. • We agreed the amounts per the valuation reports to the accounting records and from there we agreed the related balances through to the financial statements. • As part of our audit procedures performed on the acquisitions and divestments of investment properties we examined significant contracts and documentation on the accounting treatment applied to these transactions. • Furthermore, we assessed the appropriateness of the disclosures provided on the fair values of investment properties.

on of the consolidated financial statements

The board of directors is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium and for such internal control as the 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.

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 to be considered for 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 other realistic alternative but to do so.

Responsibilities of the statutory auditor for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a statutory 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 ISA 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 users taken on the basis of these consolidated financial statements.

During the performance of our audit, we comply with the legal, regulatory and normative framework as applicable to the audit of consolidated financial statements in Belgium. The scope of the audit does not comprise any assurance regarding the future viability of the company nor regarding the efficiency or effectiveness demonstrated by the board of directors in the way that the company's business has been conducted or will be conducted.

As part of an audit in accordance with ISA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- 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 an error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control 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 the board of directors;
- conclude on the appropriateness of the use of the going concern basis of accounting by the board of directors 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 statutory auditor's 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 statutory auditor's 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, 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 and 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, amongst 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 we communicate with them about all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated to 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 report unless law or regulation precludes any 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 directors' report on the consolidated financial statements.

Responsibilities of the statutory auditor

As part of our mandate and in accordance with the Belgian standard complementary to the International Standards on Auditing (ISA) as applicable in Belgium, our responsibility is to verify, in all material respects, the director's report on the consolidated financial statements and other matters disclosed in the annual report on the consolidated financial statements, as well as to report on these matters.

Aspects regarding the directors' report on the consolidated financial statements and other information disclosed in the annual report on the consolidated financial statements

In our opinion, after performing the specific procedures on the directors' report on the consolidated financial statements, this report is consistent with the consolidated financial statements for that same year and has been established in accordance with the requirements of article 3:32 of the Code of companies and associations.

In the context of our statutory audit of the consolidated financial statements we are also responsible to consider, in particular based on information that we became aware of during the audit, if the directors' report on the consolidated financial statements and the other information included in the annual report on the consolidated financial statements being the required parts of the annual report of Intervest Offices & Warehouses NV in accordance with articles 3:32 and 3:6 of the Code of companies and Associations as set out in the following chapters of the annual financial report: Risk factors, 2. Corporate Governance Statement, Report of the executive committee - 2. Important developments in 2020, Report of the executive committee - 3. Financial results 2020, Report of the executive committee - 7. Prospects 2021, Financial report, are free of material misstatements, either by information that is incorrectly stated or otherwise misleading. In the context of the procedures performed, we are not aware of such a material misstatement.

Statements regarding independence

- Our audit firm and our network have not performed any prohibited services and our audit firm has remained independent from the group during the performance of our mandate.
- The fees for the additional non-audit services compatible with the statutory audit, as defined in article 3:65 of the Code of companies and associations, have been properly disclosed and disaggregated in the notes to the consolidated financial statements.

Other statements

- This report is consistent with our additional report to the audit committee referred to in article 11 of Regulation (EU) No 537/2014.

Signed at Zaventem.

The statutory auditor

Deloitte Bedrijfsrevisoren/Réviseurs d'Entreprises CVBA/SCRL
Represented by Rik Neckebroeck

8 Statutory annual accounts Intervest Offices & Warehouses nv

The statutory annual accounts of Intervest Offices & Warehouses nv are prepared according to the IFRS standards and in accordance with the RREC Royal Decree of 13 July 2014. The entire version of the statutory annual accounts of Intervest Offices & Warehouses nv, along with the Annual Report and the Report of the statutory auditor, will be deposited within the legal time frame at the National Bank of Belgium and can be obtained for free through the website of the company (www.intervest.be) or on demand at the registered office.

The statutory auditor has issued an unqualified opinion on the statutory annual accounts of Intervest Offices & Warehouses nv.

8.1 Income statement

in thousands €	2020	2019
Rental income	46.683	54.028
Rental-related expenses	-51	-167
NET RENTAL INCOME	**46.632**	**53.861**
Recovery of property charges	730	706
Recovery of rental charges and taxes normally payable by tenants on let properties	12.785	13.088
Costs payable by tenants and borne by the landlord for rental damage and refurbishment	-698	-774
Rental charges and taxes normally payable by tenants on let properties	-12.785	-13.088
Other rental-related income and expenses	426	1.199
PROPERTY RESULT	**47.090**	**54.992**
Technical costs	-676	-839
Commercial costs	-283	-328
Charges and taxes on unleased properties	-826	-672
Property management costs	-4.036	-3.780
Other property charges	-819	-627
Property charges	**-6.640**	**-6.246**
OPERATING PROPERTY RESULT	**40.450**	**48.746**
General costs	-3.935	-3.573
Other operating income and costs	-234	84
OPERATING RESULT BEFORE RESULT ON PORTFOLIO	**36.281**	**45.257**
Result on disposal of investment properties	1.670	5.364
Changes in fair value of investment properties	-10.567	-373
Other result on portfolio	-1.109	-1.076
OPERATING RESULT	**26.275**	**49.172**

in thousands €	2020	2019
OPERATING RESULT	**26.275**	**49.172**
Financial income	5.945	4.808
Net interest charges	-8.226	-8.870
Other financial charges	-171	-183
Changes in fair value of financial assets and liabilities	-2.311	-3.065
Changes in fair value of participations in line with IAS 28	2.490	0
Changes in fair value of participations in line with IAS 28 using the look-through approach	19.480	23.964
Financial result	**17.207**	**16.654**
RESULT BEFORE TAXES	**43.482**	**65.826**
Taxes	-51	-61
NET RESULT	**43.431**	**65.765**
Note:		
EPRA earnings	40.442	46.820
Result on portfolio	5.300	22.010
Changes in fair value of financial assets and liabilities	-2.311	-3.065

RESULT PER SHARE	2020	2019
Number of shares at year-end	25.500.672	24.657.003
Number of shares entitled to dividend	25.500.672	24.657.003
Weighted average number of shares	25.164.126	24.516.858
Net result (€)	1,73	2,68
Diluted net result (€)	1,73	2,68
EPRA earnings based on the weighted average number of shares (€)	1,60	1,91

8.2 Comprehensive income

in thousands €	2020	2019
NET RESULT	**43.431**	**65.765**
Other components of comprehensive income (recyclable through income statement)	**1.244**	**0**
Revaluation of solar panels	1.244	0
COMPREHENSIVE INCOME	**44.675**	**65.765**

8.3 Balance sheet

ASSETS in thousands €	Note	31.12.2020	31.12.2019
NON-CURRENT ASSETS		**967.697**	**882.283**
Non-current intangible assets		472	465
Investment properties	8.6	657.064	660.675
Other non-current tangible assets		3.089	695
Non-current financial assets	8.6	307.056	220.435
Trade receivables and other non-current assets		16	13
CURRENT ASSETS		**48.014**	**28.059**
Current financial assets		13	0
Trade receivables		8.633	11.226
Tax receivables and other current assets		36.338	12.902
Cash and cash equivalents		1.427	1.190
Deferred charges and accrued income		1.603	2.741
TOTAL ASSETS		**1.015.711**	**910.342**

SHAREHOLDERS' EQUITY AND LIABILITIES in thousands €	31.12.2020	31.12.2019
SHAREHOLDERS' EQUITY	**550.346**	**527.132**
Share capital	230.645	222.957
Share premiums	181.682	173.104
Reserves	94.588	65.306
Net result for the financial year	43.431	65.765
LIABILITIES	**465.365**	**383.210**
Non-current liabilities	**320.405**	**272.266**
Provisions	0	1.875
Non-current financial debts	303.343	255.472
Credit institutions	*298.343*	*220.556*
Other	*5.000*	*34.916*
Other non-current financial liabilities	15.900	13.778
Trade debts and other non-current debts	1.162	1.141
Current liabilities	**144.960**	**110.943**
Provisions	978	1.875
Current financial debts	123.522	88.137
Credit institutions	*26.239*	*23.137*
Commercial Paper	*62.300*	*65.000*
Other	*34.983*	*0*
Other current financial liabilities	262	232
Trade debts and other current debts	4.347	4.058
Other current liabilities	178	178
Deferred charges and accrued income	15.673	16.463
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**1.015.711**	**910.342**

DEBT RATIO in %	2020	2019
Debt ratio (max. 65%)	43,3%	39,1%

NET VALUE PER SHARE in €	31.12.2020	31.12.2019
Net value (fair value)	21,58	21,38
Net asset value EPRA	21,92	21,64
EPRA NTA (net tangible assets)	21,91	21,62

8.4 Appropriation of the result

(in accordance with the scheme recorded in Section 4 of Part 1 of Chapter I of Annex C of the RREC Royal Decree of 13 July 2014)

in thousands €	2020	2019
A. NET RESULT	**43.431**	**65.765**
B. ALLOCATION TO/TRANSFER FROM RESERVES	**-4.415**	**-28.040**
1. Allocation to/transfer from the reserves for the balance of changes in fair value* of real estate properties (-/+):		
▪ Financial year	-12.790	-19.901
▪ Previous financial years	1.670	10.121
▪ Realisation real estate properties	-1.670	-3.923
2. Allocation to/transfer from the reserve of estimated transaction rights and costs resulting from the hypothetical disposal of investment properties (-/+)	11.649	1.814
3. Allocation to the reserve for the balance of changes in fair value of allowed hedging instruments that are not subject to hedge accounting (-)	2.311	3.065
4. Allocation to/transfer from other reserves (-/+)	-1.670	-10.121
5. Allocation to/withdrawal from the reserves for the share in the profit or loss and in the other unrealised results of participations accounted for in line with the "equity" method (-/+)	-2.490	0
6. Allocation to/transfer from results carried over from previous financial years (-/+)	-1.425	-9.095
C. REMUNERATION OF CAPITAL pursuant to article 13, §1, paragraph 1 of the RREC Royal Decree	**32.071**	**8.403**
D. REMUNERATION OF CAPITAL, other than C	**6.945**	**29.322**

* Based on the changes in investment value of investment properties.

8.5 Statement of changes in statutory shareholder equity

In thousands €
INITIAL STATE 1 JANUARY PREVIOUS FINANCIAL YEAR
Comprehensive income previous financial year
Transfers through result distribution financial year 2 years ago
▪ Transfer to the reserves for the balance of changes in investment value of real estate properties
▪ Transfer of impact on fair value of estimated transaction rights and costs resulting from the hypothetical disposal of investment properties
▪ Transfer of changes in fair value of financial assets and liabilities to the reserve for the balance of changes in fair value of authorised hedging instruments not subject to hedge accounting
▪ Addition to results carried forward from previous financial years
Issue of shares for optional dividend financial year 2 years ago
Dividends financial year of 2 years ago
BALANCE SHEET AS AT 31 DECEMBER PREVIOUS FINANCIAL YEAR
Comprehensive income financial year
Transfers through result distribution previous financial year
▪ Transfer to the reserves for the balance of changes in investment value of real estate properties
▪ Transfer of impact on fair value of estimated transaction rights and costs resulting from the hypothetical disposal of investment properties
▪ Transfer of changes in fair value of financial assets and liabilities to the reserve for the balance of changes in fair value of authorised hedging instruments not subject to hedge accounting
▪ Addition to results carried forward from previous financial years
▪ Allocation to other reserves and minority interests
Issue of shares for optional dividend previous financial year
Dividends previous financial year
BALANCE SHEET AS AT 31 DECEMBER

	Share capital					
	Paid-up capital	Capital increase costs	Share premiums	Total reserves	Net result for the financial year	**TOTAL SHAREHOLDERS' EQUITY**
	221.332	**-1.727**	**167.883**	**58.288**	**34.114**	**479.890**
					65.765	65.765
				15.308	-15.308	0
				-10.747	10.747	0
				-1.615	1.615	0
				4.072	-4.072	0
	3.353		5.221			8.574
					-27.096	-27.096
	224.685	**-1.727**	**173.104**	**65.306**	**65.765**	**527.133**
				1.244	43.431	44.675
				13.703	-13.703	0
				-1.814	1.814	0
				-3.065	3.065	0
				9.095	-9.095	0
				10.121	-10.121	0
	7.688		8.578			16.266
					-37.725	-37.725
	232.373	**-1.727**	**181.682**	**94.588**	**43.431**	**550.346**

Breakdown of the reserves

In thousands €
INITIAL STATE 1 JANUARY PREVIOUS FINANCIAL YEAR
Transfers through result distribution financial year 2 years ago
▪ Transfer to the reserves for the balance of changes in investment value of real estate properties
▪ Transfer of impact on fair value of estimated transaction rights and costs resulting from the hypothetical disposal of investment properties
▪ Transfer of changes in fair value of financial assets and liabilities to the reserve for the balance of changes in fair value of authorised hedging instruments not subject to hedge accounting
▪ Addition to results carried forward from previous financial years
BALANCE SHEET AS AT 31 DECEMBER PREVIOUS FINANCIAL YEAR
Overall result financial year
Transfers through result distribution previous financial year
▪ Transfer to the reserves for the balance of changes in investment value of real estate properties
▪ Transfer of impact on fair value of estimated transaction rights and costs resulting from the hypothetical disposal of investment properties
▪ Transfer of changes in fair value of financial assets and liabilities to the reserve for the balance of changes in fair value of authorised hedging instruments not subject to hedge accounting
▪ Addition to results carried forward from previous financial years
▪ Allocation to other reserves and minority interests
Transfers due to application of IAS 16 on solar panels
BALANCE SHEET AS AT 31 DECEMBER

* from estimated transaction rights and costs resulting from the hypothetical disposal of investment properties.

	Legal reserves	Reserve for the balance of changes in the fair value of real estate		Reserve for the balance of changes in fair value of authorised hedging instruments not subject to hedge accounting	Other reserves	Results carried forward from previous financial years	TOTAL RESERVES
		Reserve for the balance of changes in investment value of real estate properties	Reserve for the impact on fair value*				
	90	**51.237**	**-17.657**	**-1.842**	**5.811**	**20.649**	**58.288**
		15.308					15.308
			-10.747				-10.747
				-1.615			-1.615
						4.072	4.072
	90	**66.545**	**-28.404**	**-3.457**	**5.811**	**24.721**	**65.306**
					1.244		1.244
		13.703					13.703
			-1.814				-1.814
				-3.065			-3.065
						9.095	9.095
					10.121		10.121
		-324	8		316		0
	90	**79.924**	**-30.210**	**-6.522**	**17.492**	**33.816**	**94.590**

8.6 Annexes to the statutory annual accounts

Movements of the number of shares

	2020	2019
Number of shares at the beginning of the financial year	24.657.003	24.288.997
Number of shares issued as optional dividend	843.669	368.006
Number of shares at year-end	**25.500.672**	**24.657.003**
Ajustments for calculation of the weighted average of the number of shares	-336.546	-140.145
Weighted average number of shares	**25.164.126**	**24.516.858**

Investment properties

The fair value of the investment properties of Intervest fell by € 3,6 million in 2020, and as at 31 December 2020 it amounted to € 657 million (€ 661 million as at 31 December 2019).

In 2020, the fair value of the logistics portfolio rose by approximately € 11 million through investments in the existing investment properties of € 5,6 million and € 6,7 million through the increase in the fair value of the existing portfolio as a result of the sharpening of the yields. In 2020, the solar panels were transferred from the investment properties to the other tangible non-current assets in accordance with IAS 16, which explains the amount of € 1,6 million recognised under transfer to the other non-current tangible assets in the table below.

The fair value of the office portfolio decreased by € 14 million compared to the end of 2019. In 2020, there were investments and expansions in the amount of € 3 million in the existing portfolio, predominantly in Greenhouse BXL. The changes in the fair value of the existing office portfolio amounted to € -17 million in 2020.

in thousands €	2020			2019		
	Offices	Logistics property	TOTAL	Offices	Logistics property	TOTAL
BALANCE SHEET AS AT 1 JANUARY	**343.789**	**316.886**	**660.675**	**345.979***	**338.912***	**684.891***
▪ Merger with Edda21 nv as at 11 December 2019	0	0	0	0	24.305	24.305
▪ Investments in project developments	0	4.102	4.102	0	0	0
▪ Investments and expansions in existing investment properties	2.968	1.478	4.446	6.783	2.734	9.517
▪ Divestment of investment properties	0	0	0	0	-57.665	-57.665
▪ Transfer to other non-current tangible assets	0	-1.592	-1.592	0	0	0
▪ Changes in fair value of investment properties	-17.219	6.652	-10.567	-8.973	8.600	-373
BALANCE SHEET AS AT 31 DECEMBER	**329.538**	**327.526**	**657.064**	**343.789**	**316.886**	**660.675**

* Balance sheet 2019 restated with property held through right of use as a result of application of IFRS 16.

As at 31 December 2020, Intervest had no assets for own use except for the space in Greenhouse Antwerp where the registered office of Intervest is located. In accordance with IAS 40.10, this space is recorded as an investment property.

For additional details on the Changes in fair value of investment properties, please see Note 10.

The investment properties can be further divided into:

in thousands €	2020	2019
Property available for lease	648.162	658.888
Project developments	8.902	1.787
TOTAL INVESTMENT PROPERTIES	**657.064**	**660.675**

As at the end of 2020, the company has a reserve of land of approximately 8.000 m² on its site Herentals Logistics 3 which offers an additional possibility of expansion for an extra warehouse. This reserve of land is valued as ready-to-build land and is included in the balance sheet under project developments.

As at 31 December 2020, the site of Herentals Logistics 1 was also valued at land value, given the specific plans to demolish and redevelop it.

As at 31 December 2020, there were no investment properties mortgaged as security for loans and credit facilities drawn down at financial institutions. For the description of the statutory mortgage established in order to guarantee the outstanding tax debt on the logistics property located in Aarschot on Nieuwlandlaan, please refer to Note 26. Conditional rights and obligations.

Non-current financial assets

As at 31 December 2020, the non-current financial assets comprised the value of the participations in the perimeter companies of Intervest, the fair value of a financial derivative (floor) and the loan with the perimeter company Intervest Nederland Coöperatief U.A, mainly to finance the acquisitions of the real estate held in the Dutch perimeter companies.

	2020	2019
Participation Aartselaar Business Center	-75	-52
Participation Mechelen Research Park	5.811	5.306
Participation Mechelen Business Center	4.169	4.135
Participation Intervest Nederland Coöperatief U.A.	109.024	76.208
Participation Genk Green Logistics	7.203	574
Participation Gencor nv	5.462	0
Participation Greenhouse Singel nv (formerly Tervueren Invest)	14.092	0
Fair value of financial derivatives	241	252
Receivables from affiliated companies	161.129	134.011
TOTAL NON-CURRENT FINANCIAL ASSETS	**307.056**	**220.435**

The participations are processed in the statutory annual accounts according to the “equity” method as described in IAS 28, all with the application of the look-through approach, with the exception of the participation in Genk Green Logistics where Intervest does not own 100% of the shares.

Determination of the amount of obligatory dividend payment

The amount that is eligible for payment has been determined in accordance with article 13, §1, of the RREC Royal Decree and Chapter III of annex C of the RREC Royal Decree.

in thousands €	2020	2019
Net result	43.431	65.765
Adjustment for non-cash flow transactions included in the net result		
▪ Write-downs	726	386
▪ Depreciations	102	267
▪ Reversal of depreciations	-59	-105
▪ Other non-monetary elements	-13.009	-15.107
▪ Result on disposal of investment properties	-1.670	-5.364
▪ Changes in fair value of investment properties	10.567	373
Corrected result (A)	**40.088**	**46.215**
+ Profits and losses* realised on real estate properties during the financial year	1.670	10.121
- Gains on real estate realised properties during the financial year exempted from the mandatory payment, subject to their reinvestment within a period of 4 years	-1.670	-10.756
Net gains for realisation of real estate properties non-exempted from mandatory distribution (B)	**0**	**-636**
TOTAL (A + B)	**40.088**	**45.579**
TOTAL (A + B) x 80%	**32.071**	**36.463**
Debt reduction (-)	**0**	**-28.060**
DISTRIBUTION REQUIREMENT	**32.071**	**8.403**

* Gains and losses in respect of the purchase value increased by the capitalised investment costs.

The other non-monetary elements include the changes in fair value of financial fixed assets (€ -15 million), the other portfolio result (€ 1 million), the non-cash flow elements of rental discounts and rental benefits granted to tenants (€ -1 million) and the changes in fair value of financial assets and liabilities (€ 2 million).

Intervest has a minimum distribution obligation of € 32 million for financial year 2020.

Calculation of the result per share

	2020	2019
Net result (€ 000)	43.431	65.765
Weighted average number of shares	25.164.126	24.516.858
NET RESULT PER SHARE (€)	**1,73**	**2,68**
Diluted net result per share (€)	1,73	2,68
EPRA earnings (€ 000)	40.442	46.820
Weighted average number of shares	25.164.126	24.516.858
EPRA EARNINGS PER SHARE (€)	**1,60**	**1,91**

Proposed dividend per share

The shareholders will be offered a gross dividend of € 1,53 for financial year 2020. This gross dividend offers share-holders a gross dividend yield of 6,8% based on the closing share price as at 31 December 2020 (€ 22,55).

	2020	2019
EPRA earnings per share (€) based on weighted average number of shares	1,60	1,91
Dividend payment expressed as a percentage of the statutory EPRA earnings (%)	95%	80%
Gross dividend per share (€)	1,53	1,53
Number of shares entitled to dividend	25.500.672	24.657.003
Payment of the capital (€ 000)	39.016	37.725

Following the closing of the financial year, the supervisory board proposed the following dividend distribution. This will be presented for approval to the general shareholders' meeting as at 28 April 2021. In accordance with IAS 10, the dividend distribution is not included as an obligation and has no impact on the tax on profits.

Determination of the amount pursuant to article 7:212 of the Belgian Companies and Associations Code

The amount, as referred to in article 7:212 of the Belgian Companies and Associations Code (formerly article 617 of the Belgian Companies Code), of the paid-up capital or, if this amount is higher, of the called-up capital, increased by all the reserves which may not be distributed according to the law or the articles of association, is determined in Chapter IV of Annex C of the RREC Royal Decree.

in thousands €	2020	2019
Non-distributable elements of shareholders' equity for distribution of profits		
Paid-up capital	232.373	224.685
Unavailable issue premiums, according to the articles of association	181.682	173.104
Reserve for the positive balance of changes in fair value of real estate	49.712	38.141
Reserve for the positive balance of changes in the investment value of real estate	*79.922*	*66.545*
Reserve for the impact on the fair value of estimated transaction rights and costs resulting from the hypothetical disposal of investment properties	*-30.210*	*-28.404*
Reserve for the balance of changes in fair value of authorised hedging instruments not subject to hedge accounting	-6.522	-3.457
Other reserves not available for distribution	1.710	0
Legal reserves	90	90
Result distribution which, pursuant to Chapter I of annex C of the Royal Decree of 13 July 2014, is to be allocated to the non-distributable reserves		
Changes in fair value of investment properties*	11.120	9.780
Financial year	*12.790*	*19.901*
Previous financial years	*-1.670*	*-10.121*
Changes in fair value* of investment properties due to realisation of investment properties	1.670	3.923
Estimated transaction rights and costs resulting from the hypothetical disposal of investment properties	-11.649	-1.814
Changes in fair value of financial assets and liabilities (ineffective hedges)	-2.311	-3.065
Changes in fair value of participations in line with IAS 28	2.490	0
TOTAL NON-DISTRIBUTABLE SHAREHOLDERS' EQUITY	**460.365**	**441.387**
Statutory shareholders' equity	**550.346**	**527.132**
Planned dividend distribution	39.016	37.725
Number of shares entitled to dividend	25.500.672	24.657.003
Gross dividend per share (€)	**1,53**	**1,53**
SHAREHOLDERS' EQUITY AFTER DIVIDEND DISTRIBUTION	**511.330**	**489.407**
REMAINING RESERVE AFTER DISTRIBUTION	**50.965**	**48.020**

* Based on the changes in investment value of investment properties.

When drawing up the statutory annual accounts, Intervest applies the look-through approach for the result appropriation, the determination of the available and unavailable reserves and for determining the minimum dividend to be distributed (80% limit).

The look-through approach is a consolidation approach in the company financial statements at the level of the distribution obligation, the result appropriation and the distribution limitation.

The share in the results of participations processed according to the equity method (both realised and unrealised results) is allocated in its entirety to the unavailable reserves item “Reserve for the share in the profit or loss and in the unrealised results of participations processed administratively according to the equity method”, and is therefore unavailable for distribution in the year in which the participations achieve these results.

When processing the participations according to the equity method by applying the look-through approach, the share in the results of the participations is not allocated in its entirety to the unavailable reserve items. The constituent elements of this result are examined. The share in the result of the participations is allocated to the unavailable and available reserve items as if it should be the results of the parent company RREC itself.

The application of a look-through approach entails certain financial risks for the parent company RREC and could lead to situations in which the participation must help finance the dividends paid by the parent company RREC (e.g. by cash flowing from the participation to the parent company RREC through the (systematic) granting of loans from the participation to the parent company RREC) or where the RREC itself must finance the dividend payments through loans.

The look-through approach is therefore approached with caution at Intervest and only applied to the perimeter companies of which 100% of the shares are held by Intervest. This applies to all participations of Intervest as at 31 December 2020, with the exception of the iRREC Genk Green Logistics, of which Intervest is only a 50% shareholder. The look-through approach is not applied to this company.

This approach is in accordance with the FSMA Directive “Communication FSMA_2020_08 - Distribution obligation, profit appropriation and distribution restriction of Belgian public regulated real estate companies” of 2 July 2020.

As at 31 December 2020, Intervest had € 52 million in available reserves to absorb time shifts in dividend flows and temporary cash traps.

For financial year 2020, €1,53 per share will be distributed. The remaining reserve after distribution increased by € 2,9 million compared to the previous financial year. Of this, € 1,4 million is the result of the distribution percentage of 95% on the EPRA earnings and € 1,7 million is the result achieved on the divested buildings of 2019.

Diegem › Greenhouse BXL - Essity

GENERAL INFORMATION

1 Identification

Name

Intervest Offices & Warehouses nv is a public RREC under Belgian law.

As at 27 October 2011 the name of the company changed from “Intervest Offices” into “Intervest Offices & Warehouses”.

In the Annual Report 2020, Intervest Offices & Warehouses is abbreviated to “Intervest” to refer to the company.

Registered office

Uitbreidingstraat 66, 2600 Antwerp-Berchem.

Reachable by phone on +32 (0)3 287 67 67.

Company number (Antwerp RLP, department Antwerp)

The company is registered at the Crossroads Bank for Enterprises under company number 0458.623.918.

Legal form, foundation, publication

Intervest Offices & Warehouses nv (referred to hereafter as “Intervest”) was founded as at 8 August 1996 as a limited liability company under the name of “Immo-Airway”, by deed executed before the civil-law notary Carl Ockerman, in Brussels as published in the Appendices to the Belgian Official Gazette of 22 August 1996 under no. BBS 960822-361.

By deed executed before Eric Spruyt, notary in Brussels, and Max Bleeckx, notary in Sint-Gillis-Brussels, executed as at 5 February 1999 and published in the Appendices to the Belgian Official Gazette of 24 February 1999 under number BBS 990224-79, the company’s legal form was converted from a limited liability company to a limited partnership with share capital and its name was changed to “PeriFund”.

By deed executed before Eric De Bie, notary in Antwerp-Ekeren, with the intervention of Carl Ockerman, notary in Brussels, executed as at 29 June 2001 and published in the Appendices to the Belgian Official Gazette of 24 July 2001 under number BBS 20010724- 935, the company’s legal form was converted from a limited partnership with share capital to a limited liability company and its name was changed to “Intervest Offices”. By deed executed before Eric De Bie, notary in Antwerp-Ekeren as at 27 October 2011, and published in the Appendices to the Belgian Official Gazette as at 21 November 2011 under number 2011-11-21/ 0174565, the name was changed into “Intervest Offices & Warehouses”.

The articles of association were amended by deed executed by notary Eric De Bie as at 27 October 2014, published in the Appendices of the Belgian Official Gazette under number 2014-11-14/0207173, whereby the corporate objective was changed because the company has become a public regulated real estate company in the sense of article 2, 2° of the RREC Act (and is therefore no longer a public property investment fund) and whereby also other changes to the articles of association were implemented in order to refer to the RREC instead of property investment funds legislation.

As at 15 March 1999, Intervest Offices was recognised as a “public property investment fund with fixed capital under Belgian law”, abbreviated to “property investment funds under Belgian law”. Taking into account the entry into force of the Act of 19 April 2014 regarding the alternative institutions for collective investments and their managers (the “AIFMD Act”)[1], the company has opted to apply for the status of public regulated real estate company, as implemented by the RREC Act, instead of the status of public property investment fund. In this context, the company submitted its permit application as public regulated real estate company to the FSMA as at 17 July 2014. The company was subsequently granted the status of public regulated real estate company by the FSMA pursuant to articles 9, §3 and 77 of the RREC Act as at 9 September 2014, under the suspensive condition of a change in the articles of association of the company and compliance with the stipulations of article 77, §2 and following of the RREC Act. Finally, as at 27 October 2014, the extraordinary general meeting of shareholders in the company approved, with 99,99% of the votes, the change in the corporate objective regarding the change of status from property investment fund to public regulated real estate company, pursuant to the RREC Act. Considering that at the above-mentioned extraordinary general meeting of shareholders no right of abstention whatsoever was executed, and all suspensive conditions were fulfilled to which the change in the articles of association by the extraordinary general meeting of shareholders and the permit granted by the FSMA were subject, Intervest enjoys the status of public regulated real estate company as from 27 October 2014.

1 This act forms the conversion of the European Directive to Belgian law with regard to alternative investment funds managers with the result that this Directive is known as the “AIFMD Directive” and this act as the “AIFMD Act”.

As a public regulated real estate company, the company is no longer subjected to the stipulations of the Royal Decree of 7 December 2010 regarding property investment funds and the Act of 3 August 2012 regarding certain forms of collective management of investment portfolios, but since 27 October 2014 the applicable legislation consists of the RREC Act and the RREC Royal Decree.

The articles of association were modified most recently by decision of 26 May 2020, drawn up in a deed executed by notary Eric De Bie and deposited at the Registry of the enterprise court in Antwerp for announcement in the Appendices of the Belgian Official Gazette under number 2020-06-05/0324757, whereby the supervisory board increased the capital by contribution in kind within the context of the authorised capital.

The company is registered at the Financial Services and Markets Authority (FSMA).

Duration

The company is founded for an indefinite period.

Financial year

The financial year starts as at 1 January and ends as at 31 December of each year.

Inspection of documents

- The articles of association of Intervest are available for inspection at the Office of the Clerk of the Commercial Court in Antwerp, and at the company's registered office.
- The annual accounts are filed with the balance sheet centre of the National Bank of Belgium.
- The annual accounts and associated reports are sent annually to holders of registered shares and to any other person who requests them.
- The decisions regarding the appointment and dismissal of the members of the company's bodies are published in the Appendices to the Belgian Official Gazette.
- Financial announcements and notices convening the general meetings are published in the financial press.
- Relevant public company documents are available on the website www.intervest.be.

The other publicly accessible documents are available for inspection at the company's registered office.

Purpose

Article 4 of the articles of association

4.1. The company has the exclusive objective of:

a. either directly, or by means of a company in which it possesses a stake pursuant to the provisions of the RREC Act and the decisions and regulations made for the execution of same, to make real estate available to users; and,
b. within the bounds of the applicable legislation on regulated real estate companies, to possess real estate properties as mentioned in article 2, 5° of the RREC Act.

Real estate in the sense of article 2, 5° of the RREC Act includes::

i. real estate as defined in articles 517 and following of the Belgian Civil Code, and rights in rem on real estate, with the exclusion of real estate properties of a forestial, agricultural or mining nature;
ii. voting shares issued by real estate companies, in which the company directly or indirectly holds over 25% of the capital;
iii. option rights to property;
iv. shares of public or institutional regulated real estate companies, provided that in the latter case the company directly or indirectly holds over 25% of the capital;
v. rights arising from contracts under which one or more properties have been placed under a rental arrangement with the company, or any other similar rights of usufruct have been granted;
vi. units in public and institutional property investment funds;
vii. units in foreign institutions for collective property investment registered on the list referred to in Article 260 of the Act of 19 April 2014 on alternative institutions for collective investment and their managers;
viii. units in institutions for collective property investment located in another Member State of the European Economic Area and which are not registered on the list referred to in article 260 of the Act of 19 April 2014 on alternative institutions for collective investment and their managers, insofar as they are subject to a similar control as public property investment funds;
ix. shares or units issued by companies (i) with the status of a legal entity; (ii) resorting under the jurisdiction of another Member State of the European Economic Area; (iii) of which the shares have been admitted for trading on a regulated market and/or that are subject to a prudential control regime; (iv) of which the main activity consists of the acquisition or establishment of real estate with a view to making the same available to users, or the direct or indirect possession of holdings in companies with similar activities; and (v) which are exempt from tax on profit income arising from the activity intended by the stipulation under (iv) above,

provided certain legal obligations are complied with, and which are at least mandatory for the distribution of a portion of their income among their shareholders (mentioned hereinafter "Real Estate Investment Trusts" (abbreviated "REITs"));

x. *property certificates as defined of the Act of 11 July 2018;*

xi. *participation rights in an SREIF.*

The real estate referred to in article 4.1 (b), paragraph 2, (vi), (vii), (viii), (ix) and (xi), which concerns participation rights in an alternative investment institution as referred to in the European regulations, cannot qualify as shares with voting rights issued by real estate companies, regardless of the amount of the participation held directly or indirectly by the Company.

If the applicable legislation on regulated real estate companies were to change in the future and designate other types of assets as real estate within the meaning of the RREC Act, the company will also be allowed to invest in these additional types of assets.

c. in the long term, directly or through a company in which it holds a participation in accordance with the provisions of the applicable legislation on regulated real estate companies, where appropriate in cooperation with third parties, concluded with a public client or joining one or more of:

i. *DBF agreements, the so-called "Design, Build, Finance" agreements;*
ii. *DB(F)M agreements, the so-called "Design, Build, (Finance) and Maintain" agreements;*
iii. *DBF(M)O agreements, the so-called "Design, Build, Finance, (Maintain) and Operate" agreements; and/or*
iv. *agreements for the concession of public works relating to buildings and/or other infrastructure of an immovable nature and related services, and on the basis of which:*
   - it ensures the provision, maintenance and/or operation for the benefit of a public entity and/or the citizen as the end user, in order to fulfil a social need and/or to allow the provision of a public service; and
   - the associated financing, availability, demand and/or operating risk, in addition to any construction risk, can be borne by it in whole or in part, without necessarily having rights in rem;

d. in the long term, directly or through a company in which it holds a participation in accordance with the provisions of the applicable legislation on regulated real estate companies, where appropriate in cooperation with third parties, to develop, have developed, establish, have established, manage, have managed, operate, have operated or make available:

i. *facilities and storage facilities for the transport, distribution or storage of electricity, gas, fossil or non-fossil fuel and energy in general and related goods;*
ii. *utilities for the transport, distribution, storage or purification of water and related goods;*
iii. *installations for the generation, storage and transport of renewable or non-renewable energy and related goods; or*
iv. *waste and incineration plants and related goods.*

e. the initial holding of less than 25% of the capital of a company in which the activities referred to in article 3.1, (c) above are exercised insofar as the said participation is converted into a participation in accordance with the provisions of the applicable legislation on regulated real estate companies within two years, or any longer period required by the public entity with which the contracting takes place in this regard, after the end of the construction phase of the PPP project (within the meaning of the applicable legislation on regulated real estate companies), as a result of a transfer of shares.

If the legislation applicable to regulated real estate companies were to change in the future and allow the company to perform new activities, the company will also be allowed to perform these additional activities.

Within the framework of the provision of real estate, the company may execute all activities relating to the incorporation, construction (without prejudice to the prohibition to act as a property promoter, except in the case of occasional transactions), conversion, furnishing, renovation, development, acquisition, sale, rental, subletting, exchange, contribution, transfer, parcelling, placing under the system of co-ownership or joint ownership of real estate, granting or acquiring building rights, usufruct, leasehold or other rights in rem or personal rights to real estate, the management and operation of real estate.

4.2. The company may incidentally or temporarily invest in securities that are not real estate in the sense of the applicable legislation on regulated real estate companies. These investments will be executed in accordance with the risk management policy adopted by the company and will be diversified, thus guaranteeing an appropriate risk diversification. The company may also own unallocated liquid assets in any currency in the form of demand deposit accounts or term deposit accounts, or in the form of any other easily negotiable monetary instrument.

The company may also conclude transactions in connection with hedging instruments, insofar as these are exclusively intended to cover interest and exchange rate risks in the context of the financing and management of the company's real estate and to the exclusion of any transactions of a speculative nature.

4.3. The company may lease or rent one or more real estate properties (as referred to in the IFRS standards). The activity of leasing real estate with a purchase option (referred to in the IFRS standards) may only be carried out as an incidental activity, unless such real estate properties intended for a purpose that serves the general interest, including social housing and education (in this case the activity may be executed as the main activity).

4.4. Pursuant to applicable legislation on the regulated real estate companies, the company may be involved in:

- purchasing, renovation, furnishing, rental, subletting, managing, exchanging, selling, subdividing the property or placing it under the system of joint ownership as described above;
- granting mortgages or other securities or guarantees only in the context of the financing of its real estate activities, pursuant to article 43 of the RREC Act;
- granting credit facilities and providing securities or guarantees in favour of a perimeter company of the company pursuant to article 42 of the RREC Act.

4.5. The company may acquire, rent or rent out, carry over or exchange all movable or immovable property, materials and accessories and generally, in accordance with the applicable legislation on regulated real estate companies, perform all commercial or financial actions that are directly or indirectly related to its objective and the exploitation of all intellectual rights and commercial properties related to it.

Insofar as it is compatible with the articles of association of regulated real estate companies, the company may, through contributions in cash or in kind, mergers, subscriptions, participations, financial interventions or other means, participate in all existing companies or enterprises, or those yet to be formed, in Belgium or abroad, the corporate objective of which is identical to its own or the nature of which is such that it promotes its objective.

2 Extract from the articles of association[2]

Capital - Shares

Article 7 - Authorised capital

7.1. The supervisory board is expressly authorised to increase the nominal capital on one or more occasions by an amount of (i) 50% of € 221.331.564,48, (a) if the capital increase to be realised concerns a capital increase by cash contribution where the company shareholders have the possibility of exercising their preferential right, and (b) if the capital increase to be realised concerns a capital increase by cash contribution where the company shareholders have the possibility of exercising their irreducible allocation right (as referred to in the RREC Act); and (ii) 50% of € 221.331.564,48 if the capital increase to be realised concerns a capital increase within the scope of the payment of an optional dividend; and (iii) 20% of € 221.331.564,48 for all forms of capital increase other than those intended and approved in points (i) and (ii) above; with a total maximum of € 221.331.564,48 for a period of five years to be counted from the date of the publication of the respective authorisation decision by the general meeting in the Appendices to the Belgian Official Gazette. This authorisation may be renewed.

7.2. The supervisory board is authorised to increase the capital through contributions in cash or in kind or, if necessary, through incorporation of reserves or issue premiums, or by issuing convertible bonds or warrants, subject to compliance with the rules prescribed in the Belgian Companies and Associations Code, these articles of association and by the applicable legislation on regulated real estate companies. This authorisation is only related to the amount of authorised share capital and not to the issue premium.

7.3. For every capital increase, the supervisory board shall propose the price, any issue premium and the issue conditions for the new shares, unless the general meeting should decide otherwise.

7.4 The supervisory board may restrict or revoke the shareholders' pre-emptive right, where appropriate in favour of one or more specific persons who do not belong to the staff, in accordance with article 10.2 of the articles of association.

Article 8 - Nature of the shares

8.1. The shares are registered or in the form of dematerialised securities.

8.2. A record of the registered shares, which each shareholder is entitled to inspect, is maintained at the company's registered office. Registration certificates shall be issued to the shareholders. Each dematerialised share is represented by a booking to an account in the name of the shareholder with a certified account holder or with a settlement institution.

8.3. Any transfer inter vivos or pursuant to death, and any exchange of securities, shall be indicated in the above-mentioned register.

8.4. Shareholders may request the conversion of registered shares into dematerialised shares and vice versa, in writing, at any time and at their own cost.

Article 12 - Transparency regulations

12.1. In accordance with the applicable legal prescriptions, every natural or legal person that purchases or sells shares or other financial instruments of a company with a right to vote, be it representing capital or not, is obliged to notify the company as well as the Financial Services and Markets Authority (FSMA) of the number of financial instruments that he, she or it possesses whenever the right to vote connected to these shares reaches five percent (5%) or a multiple of five percent of the total number of voting rights at that moment or at the moment when circumstances occur that give reason for such notification to become obligatory.

12.2. Besides the legal thresholds mentioned in the previous paragraph, the company also stipulates a statutory threshold of three percent (3%).

12.3. This declaration is also compulsory in the event of the transfer of shares, if as a result of this transfer the number of voting rights rises above or falls below the thresholds specified in the first or second paragraph.

2 These articles are neither complete, nor are they the literal rendering of the articles of association. The full articles of association may be consulted at the registered office of the company and at www.intervest.be.

Administration and supervision

Article 13. - Dual governance

The company is managed by a supervisory board and a management board, each within the limits of the powers assigned to it. In addition to the rules provided for in the articles of association, both the supervisory board and the management board may issue internal regulations in accordance with article 2:59 of the Belgian Companies and Associations Code, whereby the internal regulations of the management board must first be approved by the supervisory board.

Article 14 - Supervisory board Nomination - dismissal - vacancy

14.1. The supervisory board is composed of at least three members, who may or may not be shareholders, who are appointed by the general meeting of shareholders for a maximum of six years and whose appointment may be revoked at any time by the latter with immediate effect and without giving reasons. The members of the supervisory board may be re-elected.

In the event that one or more mandates become vacant, the remaining members have the right to fill the vacancy provisionally until the next general meeting, which may or may not then proceed to the finalised appointment of the co-opted member of the supervisory board.

14.2. In accordance with the provisions of article 13 of the RREC Act, the supervisory board is composed in such way that the company can be managed in accordance with article 4 of the RREC Act. At least three independent members within the meaning of article 7:87, §1 of the Belgian Companies and Associations Code must sit on the company's supervisory board.

All members of the supervisory board are exclusively natural persons and must permanently satisfy the requirements in terms of professional reliability, experience and correct expertise, as specified by article 14 §1 of the RREC Act. They may not fall under the application of the prohibitions referred to in article 20 of the Act of 25 April 2014 related to the statute for and supervision of credit institutions. The members of the supervisory board must satisfy the requirements of articles 14 and 15 of the RREC Act. The appointment of the members of the supervisory board is submitted in advance to the FSMA for approval.

14.3. Members of the supervisory board cannot also be members of the management board. However, members of the management board can be invited by the supervisory board to attend its meetings without voting rights and without decision-making authority. Members of the supervisory board cannot be bound to the company in this capacity by an employment contract.

Article 16 - Management board Nomination - dismissal

16.1. The management board is made up of at least three members appointed by the supervisory board. The supervisory board may terminate the mandate of any member of the management board at any time with immediate effect and without giving reasons. Without prejudice to stricter legal provisions, the supervisory board determines the remuneration of the members of the management board.

16.2. All members of the management board are natural persons and at all times must possess the professional reliability and appropriate expertise required for the performance of their duties, as stipulated in article 14 §1 of the RREC Act. They must not be prohibited from being a member of a management board pursuant to article 20 of the Act of 25 April 2014 on the status and supervision of credit institutions. The members of the management board must satisfy the requirements of articles 14 and 15 of the RREC Act.

The appointment of the members of the management board is submitted in advance to the FSMA for approval.

16.3. Members of the management board cannot also be members of the supervisory board. Members of the management board cannot be bound to the company in this capacity by an employment contract.

Article 18 - Effective management

The effective management of the company is entrusted to at least two natural persons.

The persons entrusted with the effective management must satisfy the requirements of articles 14 and 15 of the RREC Act.

Article 21 - Conflicts of interest

The members of the supervisory board, the members of the management board, the persons charged with day-to-day management and the authorised agents of the company will respect the rules relating to conflicts of interests, as provided for by articles 36, 37 and 38 of the RREC Act and by the Belgian Companies and Associations Code as they may be amended.

Article 22 - Audit

22.1. The task of auditing the company's transactions will be assigned to one or more statutory auditors, appointed by the general meeting from the members of the Belgian Institute of Company Auditors for a renewable period of three years. The statutory auditor's remuneration will be determined at the time of his/her appointment by the general meeting.

22.2. The statutory auditor(s) also audit and certify the accounting data contained in the company's annual accounts.

22.3. The statutory auditor's assignment may only be consigned to one or more recognised statutory auditors' companies, recognised by the FSMA. Prior approval is required from the FSMA for the appointment of auditors to the company. This approval is also required for the renewal of an assignment.

General meeting

Article 23 - General, special and extraordinary general meeting

23.1. The ordinary general meeting of shareholders, known as the annual meeting, must be convened every year on the last Wednesday of April at 3:00 p.m.
If this day is a public holiday, the meeting will be held on the next working day.

23.2. An extraordinary general meeting can be convened at any time to deliberate and decide on any matter that falls within its competence and that does not relate to amendments to the articles of association.

23.3. An extraordinary general meeting can be convened before a notary at any time to deliberate and decide on amendments to the articles of association, in the presence of the notary.

23.4. The general meetings are held at the company's registered office or at another location in Belgium, as announced in the notice convening the meeting.

Article 26 - Participation in the general meeting

26.1. The right to participate in the general meeting and to exercise voting rights there depends on the accounting registration of the registered shares of the shareholder on the 14th day prior to the date of the general meeting at 12 midnight (Belgian time) (referred to hereafter as the "registration date"), either by means of their registration in the company's shareholder register or by their registration in the accounts of a certified account holder or settlement institution, irrespective of the number of shares held by the shareholder on the date of the general meeting.

26.2. The owners of dematerialised shares who wish to participate in the meeting must submit a certificate, issued by their financial intermediary or certified account holder, indicating how many dematerialised shares were registered in the name of the shareholder in their accounts on the registration date and for which the shareholder has declared that the shareholder would like to participate in the general meeting. This submission must be made no later than six days before the date of the general meeting to the company's registered office via the email address of the company stated in the notice convening the meeting or via the email address of the institutions stated in the convening notice.

26.3. The owners of registered shares who wish to participate in the meeting must inform the company of their intention to do so by regular mail, fax or email no later than six days prior to the date of the meeting.

Article 30 - Voting rights

30.1. Each share gives the holder the right to one vote.

30.2. If one or more shares are jointly owned by different persons or by a legal entity with a representative body consisting of several members, the associated rights may only be exercised vis-à-vis the company by a single person who has been appointed in writing to do so by all the persons holding rights. Until such a person has been appointed, all of the rights associated with those shares remain suspended.

30.3. If a share is encumbered with a usufruct, the voting rights associated with the share are exercised by the usufructuary, subject to an objection from the bare owner.

Social documents result allocation

Article 34 - Appropriation of profit

Pursuant to article 45, 2° of the RREC Act the company distributes annually as capital at least 80% of the result as determined by the RREC Act and the decisions taken and regulations observed regarding its implementation. However, this obligation is not detrimental to article 7:212 of the Belgian Companies and Associations Code.

3 Statutory auditor

As at 24 April 2019, Deloitte Bedrijfsrevisoren, bv under the form of a CVBA, member of the Institute of Registered Auditors which is represented by Rik Neckebroeck, IBR membership A01529, having an office in 1930 Zaventem, Luchthaven Nationaal 1 J, was reappointed as statutory auditor of Intervest for financial years 2019, 2020 and 2021. The mandate of the statutory auditor will end immediately after the annual meeting to be held in 2022.

The remuneration paid to the statutory auditor is determined based on market rates and independent of Intervest, in accordance with the ethical requirements and the standards of the Belgian Institute of Registered Auditors and in accordance with the applicable stipulations relating to the independence of the statutory auditor contained in the Belgian Companies and Associations Code.

The remuneration of the statutory auditor amounts to € 75.480 (excl. VAT) as from the financial year commencing as at 1 January 2020 for the survey of the statutory and consolidated annual accounts.

Deloitte Bedrijfsrevisoren is also appointed statutory auditor for all the Belgian perimeter companies.

4 Liquidity provider

Intervest has concluded liquidity agreements with KBC Securities, Havenlaan 12, 1080 Brussels and with Bank Degroof Petercam, Nijverheidsstraat 44, 1040 Brussels to promote the negotiability of the shares. In practice this happens by regularly submitting purchase and sale orders within certain margins.

The remuneration has been set at a fixed amount of € 33.000 a year.

5 Property experts

As at 31 December 2020, the property experts of the real estate company are:

- Cushman & Wakefield, 1000 Brussels, Avenue des Arts/Kunstlaan 56. The company is represented by Gregory Lamarche and Julien Dubaere. They evaluate the office portfolio. The remuneration for financial year 2020 amounted to € 67.408 (excluding VAT).
- CBRE Valuation Services bvba, Avenue Lloyd George/ Lloyd Georgelaan 7, 1000 Brussels, represented by Pieter Paepen and Kevin Van de Velde. They evaluate the logistics properties, including the office building in Herentals adjacent to the logistics site in Herentals. The remuneration for financial year 2020 amounted to € 53.990 (excluding VAT)
- CBRE Valuation Advisory, Anthony Fokkerweg 15, P.O. Box 7971, 1006 AD Amsterdam, represented by H.W.B. Knol and D.D.L. Ummels. They evaluate the properties in the Netherlands. The remuneration for financial year 2020 amounted to € 40.500 (excluding VAT).

In accordance with the RREC Act, they value the portfolio four times a year. The fee of the property experts is independent of the value of the property and calculated on the basis of an annual fixed amount per building.

6 Property managers

Intervest performs its management activities itself from the head office in Antwerp and does not delegate the execution of its activities to third parties, apart from the property management of Mechelen Campus that is managed by the external manager Quares Property and Facility Management nv. and from the office building in Herentals that is managed by Zuyderstraete Vastgoed bv. However, this property management is under supervision of the technical director of Intervest who has incorporated the necessary internal control procedures. Furthermore, the management of the Dutch investment properties is steered by the Intervest office in Eindhoven and carried out by Storms International Property Services, under the supervision of the cio of Intervest.

7 RREC - legal framework and tax systems

As a group, Intervest uses a number of regimes to structure its activities in Belgium and the Netherlands. In Belgium, the group consists for the greatest part of the public regulated real estate company (RREC) Intervest Offices & Warehouses nv, the institutional regulated real estate company (IRREC) Genk Green Logistics nv and the specialised real estate investment fund (SREIF) Greenhouse Singel nv. In the Netherlands, an association on a cooperative basis and taxed private limited companies are used.

For a detailed description of the group structure of Intervest is referred to Note 24. List of consolidated companies, in the Financial report.

7.1 Belgium: the public regulated real estate company (RREC)

Legal framework

The status of regulated real estate company (RREC) is stipulated in the Act of 12 May 2014 regarding regulated real estate companies, as amended from time to time (the RREC Act) and in the Royal Decree of 13 July 2014 concerning regulated real estate companies, as amended from time to time (the RREC Royal Decree) in order to encourage public investments in real estate. The concept is very similar to that of the Real Estate Investment Trusts (REIT-USA), the Fiscale Beleggingsinstellingen (FBI-Netherlands), the Sociétés d'Investissement Immobilier Côtées (SIIC - France) and the REITs in the United Kingdom and Germany.

As a public real estate company with a separate REIT status, the RREC is subject to strict legislation with a view to the protection of its shareholders and financiers. The status provides both financiers and private investors with the opportunity of gaining access in a balanced, cost-effective and fiscally transparent manner to a diversified property portfolio.

It is the legislator's intention that RRECs guarantee optimum transparency with regard to investment properties and ensure the pay-out of maximum cash flow, while the investor enjoys a wide range of benefits.

The RREC is monitored by the Financial Services and Markets Authority (FSMA) and is subject to specific regulations, the most notable provisions of which are as follows:

- adopting the form of a limited liability company or a partnership limited by shares with a minimum capital of € 1.200.000
- company with fixed capital and fixed number of shares
- mandatory listed with an obligatory distribution of at least 30% of the shares to the public at large
- the public RREC's sole objective is (a) either directly, or by means of a company in which it possesses a stake pursuant to the provisions of the RREC Act and the decrees and regulations made for the execution of the same, to make real estate available to users; and (b) where appropriate and within the bounds of Article 7, b) of the RREC Act, to possess real estate as mentioned in article 2, 5°, VI to X of the RREC Act; the RREC thus has no statutorily anchored investment policy, but develops a strategy in which its activities may extend across the entire value chain of the real estate sector
- limited possibility to take out mortgages; the amount of the mortgages or other securities may not exceed 50% of the overall fair value of the real estate and the mortgages or securities granted must not cover more than 75% of the encumbered property
- a debt ratio limited to 65% of total assets; if the debt ratio exceeds 50%, a financial plan must be drawn up in accordance with the provisions of article 24 of the RREC Royal Decree. In case of a dispensation authorised by the FSMA based on article 30, §3 and §4 of the RREC Act, the consolidated debt ratio of the public RREC pursuant to the provisions of article 30 §4 of the RREC Act may not exceed 33%.
- the annual financial interest costs arising from the debt burden may in no case exceed the threshold of 80% of the operating result before the result on the portfolio increased with the financial income of the company
- at least 80% of the sum of the adjusted result and the net gains on the sale of real estate that is not exempt from the mandatory distribution must be distributed; however, the reduction of the debt during the financial year may be deducted from the amount to be distributed
- strict rules with regard to conflicts of interest
- an entry of the portfolio at market value without the possibility of depreciation
- a quarterly estimate of the real estate assets by independent experts, who are subjected to a three-year rotation system
- a spread of the risks: investing up to 20% of the assets in real estate that forms one single property entity, with certain exceptions
- an RREC may not engage in "development activities" unless this is only on an occasional basis; this means that an RREC cannot act as a property developer with the intention of erecting buildings in order to sell them afterwards and collect a development profit
- the opportunity to establish perimeter companies which can take the form of an "institutional RREC", in which the public RREC directly or indirectly holds over 25% of the authorised capital in order to be able to

implement specific projects with a third party, and the financial instruments of which may only be held by the following persons: (i) qualifying investors or (ii) natural persons, on condition that the minimum amount of the subscription or of the price or performance in exchange on the part of the purchaser is determined by the King by means of a decision made at the recommendation by the FSMA, and to the extent that the subscription or the transfer is done in accordance with the above-mentioned rules, who act for their own account in both cases, and the shares of which may only be acquired by such investors
- at least three independent directors in the sense of article 526ter of the Belgian Companies Code sit on the supervisory board
- the fixed fees of directors and the effective managers may not depend on the operations and transactions carried out by the public RREC or its subsidiaries: this therefore prohibits them being granted a fee based on the turnover. This rule also applies to the variable fee. If the variable remuneration is determined according to the result, only the consolidated EPRA earnings may be used as a basis for this.

These rules aim to limit the risk for shareholders

RREC - tax system

With the RREC Act the legislator has given RRECs a different tax status.

A RREC is subject to the normal **corporate tax** rate, however this only applies to a limited taxable basis, consisting of the sum of (1) the abnormal or benevolent benefits it has received (2) expenses and costs that are not deductible as professional expenses, other than depreciations and losses on shares. The results (rental income and gain from sale minus the operating expenses and financial charges) are thus exempt from corporate tax on condition that at least 80% of the operating distributable profit is paid out in accordance with article 13 §1 of the RREC Royal Decree and Chapter III of Annex C of the RREC Royal Decree. It can also be subjected to the special secret commissions tax on commissions and remunerations paid that are not properly documented in individual pay sheets and a summary statement.

The **withholding tax** on the dividends that are paid out by a public RREC equals 30%, to be withheld when paying the dividend (subject to certain exemptions).

This is a discharging withholding tax for private individuals who are residents of Belgium.

If a company converts to the status of RREC, or if a (normal) company merges with an RREC or splits part of its immovable assets with a transfer to an RREC, or contributes to an RREC, it must pay a one-time tax (the so-called **exit tax**), which is currently 15%. After that, the RREC is only subject to taxes on very specific elements, such as rejected expenses and abnormal benefits.

This exit tax is the fiscal price that such companies must pay in order to leave the normal tax system. In terms of the tax system, this transfer is treated as a (partial) division of the company's assets by the company to the RREC. When dividing the company's assets, a company must treat the difference between the payments in cash, in securities or in any other form and the revalorised value of the paid-up capital (in other words the gain that is present in the company) as a dividend.

The Income Tax Code states that the sum paid out equals the actual value of the company's assets on the date when this transaction has taken place (art. 210, §2 Income Tax Code 1992). The difference between the actual value of the company's assets and the revalorised value of the paid-up capital is equated with a dividend paid out. The reserves that have already been taxed may be subtracted from this difference. As a rule, the remainder forms the taxable basis that is subject to the 15% rate.

The exit tax is calculated with due observance of the Circular Letter Ci.RH.423/567.729 of the Belgian tax administration of 23 December 2004, of which the interpretation of the practical application could always change. The “actual tax value”, as the circular letter refers to it, is calculated by deducting registration fees or VAT (which would apply in case of sale of the assets) and can differ from the fair value of the property as listed on the public RREC balance sheet in accordance with IAS 40.

7.2 Belgium: the institutional regulated real estate company (IRREC)

The institutional RREC is regulated by the Act of 12 May 2014 regarding regulated real estate companies, as amended from time to time (the RREC Act) and in the Royal Decree of 13 July 2014 concerning regulated real estate companies, as amended from time to time (the RREC Royal Decree). It is a lighter form of the public RREC. It offers the public RREC the opportunity to extend the specific tax aspects of its system to its perimeter companies and to realise partnerships and specific projects with third parties. The status of institutional RREC is acquired after approval by the FSMA.

The main characteristics of the institutional RREC are:

- unlisted company and more than 25% controlled by a public RREC
- joint or exclusive control by a public RREC
- registered shares held by eligible investors or by private individuals with a participation of at least € 100.000
- no requirements regarding diversification or debt ratio (consolidation at public RREC level)
- obligation to distribute a dividend
- activity consists of making real estate available to users

- no obligation to appoint a property expert, since the property portfolio is valued by the expert of the public RREC
- statutory accounts prepared in accordance with IFRS standards (same accounting scheme as the public RREC)
- strict rules on operation and conflicts of interest
- control by the FSMA.

The institutional RREC has the same tax system as the public RREC.

7.3 Belgium: the specialised real estate investment fund (SREIF)

The Specialised Real Estate Investment Fund ("SREIF") is governed by the Royal Decree of 9 November 2016 on specialised property investment funds. This system permits investments in real estate in a flexible and efficient fund.

The main characteristics of the SREIF are:

- a light regulatory regime without the approval and direct supervision of the FSMA, if certain criteria are met. Only the listing on a list of the Belgian Ministry of Finance is required
- financial instruments issued by a SREIF can only be acquired by eligible investors
- an SREIF can be exempted from the AIFM Act (Act of 19 April 2014 on alternative collective investment undertakings and their managers) if certain criteria are met
- an SREIF is subject to an investment volume of at least € 10 million at the end of the second financial year following its inclusion on the SREIF list
- an SREIF is a closed fund with fixed capital and cannot be traded publicly
- a SREIF invests in real estate, broadly defined, but without mandatory diversification requirements or leverage limits (or the use of leverage limits)
- statutory accounts prepared in accordance with IFRS standards (same accounting scheme as the public RREC)
- an SREIF is subjected to an annual mandatory distribution of 80% of its profits
- the duration of a SREIF is limited to ten years with the possibility of extending this period with successive periods each of up to five years.

A specialised real estate investment fund has the same tax system as the RREC.

7.4 The Netherlands: taxed entities

Intervest incorporated a Dutch cooperatively based association named Intervest Nederland Coöperatief U.A. as at 28 April 2017 to realise real estate investments in the Netherlands. Intervest has structured its Dutch investment properties in Dutch "BVs" (private limited companies).

The above-mentioned cooperatively based Dutch association named Intervest Nederland Coöperatief U.A., as well as the Dutch private limited companies, are subject to corporate tax as domestic taxpayers. Profit payments by the Dutch private limited companies to the Dutch cooperatively based association are not taxed because they fall under contribution exemption.

8 Information related to the annual financial reports of 2018 and 2019

- Consolidated annual accounts 2019: p. 156 to p. 209 of the 2019 annual financial report
- Management report covering 2019: p. 36 to p. 155 of the 2019 annual financial report
- Auditor's report covering 2019: p. 210 to p. 215 of the 2019 annual financial report
- Key figures 2019: p. 20 to p. 28
- Consolidated annual accounts 2018: p. 168 to p. 221 of the 2018 annual financial report
- Management report covering 2018: p. 36 to p. 167 of the 2018 annual financial report
- Auditor's report covering 2018: p. 222 to p. 227 of the 2018 annual financial report
- Key figures 2018: p. 20 to p. 28

9 Required components of the annual report

In accordance with articles 3:6 en 3:32 of the Belgian Companies Code, the required parts of the Intervest annual report are presented in the following chapters::

- Risk factors
- Report of the supervisory board - 2. Corporate governance statement
- Report of the management board - 2. Important developments in 2019
- Report of the management board - 3. Financial results 2019
- Report of the management board - 7. Outlook for 2020
- Financial report

PERSONS RESPONSIBLE FOR THE CONTENT OF THE ANNUAL REPORT

Pursuant to article 13 §2 of the Royal Decree of 14 November 2007, the supervisory board, composed of Johan Buijs, Marleen Willekens, Jacqueline Heeren - de Rijk and Marco Miserez, declares that after taking all reasonable measures and according to its knowledge:

a. the annual accounts, prepared in accordance with the “International Financial Reporting Standards” (IFRS) as accepted by the European Union and in accordance with the Act of 12 May 2014 on regulated real estate companies, give a true and fair view of the equity, the financial position and the results of Intervest Offices & Warehouses nv and the companies included in the consolidation
b. the annual report gives a true statement of the main events which occurred during the current financial year, their influence on the annual figures, the main risk factors and uncertainties regarding the remaining months of the financial year with which Intervest Offices & Warehouses nv is confronted, as well as the main transactions between related parties and their possible effect on the annual figures if these transactions should entail significant meaning and were not concluded at normal market conditions
c. the information in the annual report coincides with the reality and no information has been omitted whereby the statement could modify the purpose of the annual report.

TERMINOLOGY AND ALTERNATIVE PERFORMANCE MEASURES

Alternative performance measures are criteria used by Intervest to measure and monitor its operational performance. The measures are used in the financial reporting, but they are not defined by an Act or in the generally accepted accounting principles (GAAP). The European Securities and Markets Authority (ESMA) issued guidelines which, as of 3 July 2016, apply to the use and explanation of the alternative performance measures. The concepts which Intervest considers to be alternative performance measures are included in this chapter of the Annual Report 2019, called “Terminology and alternative performance measures”. The alternative measures are indicated with ✪ and include a definition, objective and reconciliation as required by the ESMA guidelines.

Acquisition value of a real estate property

This term is used to refer to the value at the purchase or the acquisition of a real estate property. If transfer costs are paid, they are included in the acquisition value.

Average interest rate of the financing✪

Definition - The average interest rate of the financing of the company is calculated by the (annual) net interest charges, divided by the weighted average debt for the period (based on the daily withdrawal from the financing (credit facilities from financial institutions, bond loans, etc.)). This alternative performance measure is calculated on the basis of the company's consolidated annual accounts.

Application - The average interest rate of the financing measures the average financing cost of the debts and makes it possible to follow how it evolved in time, within the context of the developments of the company and of the financial markets.

Reconciliation in thousands €		**31.12.2020**	**31.12.2019**
Net interest charges	A	7.955	8.543
Weighted average debt for the period	B	397.690	400.793
Average interest rate of the financing (based on 360/365) (%)	**=A/B**	**2,0%**	**2,1%**

Contractual rents

These are the gross indexed annual rents, laid down contractually in the lease agreements, as at closing date, and before rental discounts or other benefits granted to tenants have been deducted.

Corporate governance

Corporate governance as such is an important instrument for the ongoing improvement of management of the real estate company and for the safeguarding of the shareholders' interest.

Debt ratio

The debt ratio is calculated as the ratio of all obligations (excluding provisions, deferred charges and accrued income) excluding the negative variations in the fair value of the hedging instruments in relation to the total of the assets. The calculation method of the debt ratio is in accordance with Article 13 §1 second subparagraph of the Royal Decree of 13 July 2014. In this Royal Decree, the maximum debt ratio for the real estate company is set at 65%.

Diluted net result per share

The diluted net result per share is the net result as published in the income statement, divided by the weighted average of the number of shares adapted before the effect of potential ordinary shares that result in dilution.

EPRA and EPRA terminology [1]

EPRA (European Public Real Estate Association) is an organisation that promotes, helps develop and represents the European listed real estate sector, both in order to boost confidence in the sector and increase investments in Europe's listed real estate.

In October 2019 the EPRA's Reporting and Accounting Committee published an update of the report entitled Best Practices Recommendations ('BPR')[1]. This BPR contains the recommendations for defining the main financial performance indicators applicable to the real estate portfolio. A number of these indicators are regarded as alternative performance criteria in accordance with the ESMA guidelines. The numerical reconciliation of these alternative performance criteria can be found in a completely different chapter in this annual report, i.e. chapter 6 of the Report of the management committee. The alternative performance measures are calculated on the basis of the company's consolidated annual accounts.

EPRA earnings	Result derived from the strategic operational activities.
EPRA Net Asset Value (NAV) indicators	(i) **EPRA Net Reinstatement Value (NRV)** provide an estimation of the value required to rebuild the company through the investment markets based on its current capital and financing structure, including real estate transfer taxes. (ii) **EPRA Net Tangible Assets (NTA)** assumes that the company buys and sells assets, thereby crystallising certain levels of unavoidable deferred tax. (iii) **The EPRA Net Disposal Value (NDV)** represents the value accruing to the company's shareholders under an asset disposal scenario, resulting in the settlement of deferred taxes, the liquidation of financial instruments and the recognition of other liabilities for their maximum amount, net of any resulting tax.
EPRA Net Initial Yield (NIY)	Annualised gross rental income based on the contractual rents passing as at the closing date of the annual accounts, less the property charges, divided by the market value of the portfolio, increased by the estimated transaction rights and costs resulting from the hypothetical disposal of investment properties.
EPRA topped-up NIY	This measure incorporates an adjustment to the EPRA NIY in respect of the expiration of rent-free periods (or other unexpired lease incentives such as discounted rent periods and step rents).
EPRA vacancy rate	Estimated market rental value (ERV) of vacant space divided by ERV of the whole portfolio available upon rental.
EPRA cost ratio (including direct vacancy costs)	EPRA costs (including direct vacancy costs) divided by gross rental income less compensations for leasehold estate and long-lease rights.
EPRA cost ratio (excluding direct vacancy costs)	EPRA costs (excluding direct vacancy costs) divided by gross rental income less compensations for leasehold estate and long-lease rights.
EPRA net rental growth based on an unchanged portfolio composition	Is also referred to as EPRA Like-for-like Net Rental Growth. EPRA net rental growth based on an unchanged portfolio composition compares the growth of the net rental growth of the investment properties not being developed for two full years preceding the financial year closing date and that were available for rent for the entire period. The like-for-like based changes to the gross rental income provide an insight into the changes to the gross rental income that are not the result of changes to the real estate portfolio (investments, divestments, major renovation works, etc.).

1 The report can be consulted on the website at www.epra.com.

EPRA earnings✪

Definition - The EPRA earnings are the operating result before result on portfolio minus the financial result and taxes and excluding changes in fair value of financial derivatives (which are not treated as hedge accounting in accordance with IAS 39) and other non-distributable elements based on the statutory annual account of Intervest Offices & Warehouses nv. This alternative performance measure is calculated on the basis of the company's consolidated annual accounts.

Application - The EPRA earnings measure the result of the strategic operational activities, excluding (i) the changes in fair value of financial assets and liabilities, and (ii) the result on portfolio (the profit or loss on investment properties that may or may not have been realised). This amounts to the result that is directly influenced by the real estate and the financial management of the company, excluding the impact accompanying the volatility of the real estate and financial markets.

Reconciliation in thousands €	31.12.2020	31.12.2019
Net result	46.060	65.748
Minority interests	-2.629	17
Net result (share Group)	43.431	65.765
Eliminated from the net result (+/-):		
▪ Result on disposals of investment properties	-1.670	-5.364
▪ Changes in fair value of investment properties	-15.454	-22.307
▪ Other result on portfolio	9.083	5.661
▪ Changes in fair value of financial assets and liabilities	2.311	3.065
▪ Minority interests regarding the above	2.654	0
EPRA earnings	**40.355**	**46.820**

EPRA earnings per share based on the weighted average number of shares✪

Definition - The EPRA earnings per share are the EPRA earnings divided by the weighted average number of shares. This alternative performance measure is calculated on the basis of the consolidated annual accounts of the company.

Application - The EPRA earnings per share measure the EPRA earnings per weighted average number of shares and make it possible to compare these with the gross dividend per share.

Reconciliation		31.12.2020	31.12.2019
EPRA earnings (in thousands €)	A	40.355	46.820
Weighted average number of shares	B	25.164.126	24.516.858
EPRA earnings per share (in €)	**=A/B**	**1,60**	**1,91**

EPRA Net Asset Value (NAV) indicators

Definition - Net Asset Value (NAV) adjusted in accordance with the Best Practice Recommendations (BPR) Guidelines published by EPRA in October 2019 for application as from 2020.

Application - Makes adjustments to the NAV per the IFRS financial statements to provide stakeholders with the most relevant information on the fair value of the assets and liabilities of a real estate investment company, under three different scenarios:

- The EPRA Net Reinstatement Value (NRV) provide an estimation of the value required to rebuild the company through the investment markets based on its current capital and financing structure, including real estate transfer taxes.
- The EPRA Net Tangible Assets assumes (NTA) that the company buys and sells assets, thereby crystallising certain levels of unavoidable deferred tax.
- The EPRA Net Disposal Value (NDV) represents the value accruing to the company's shareholders under an asset disposal scenario, resulting in the settlement of deferred taxes, the liquidation of financial instruments and the recognition of other liabilities for their maximum amount, net of any resulting tax.

For the sake of comparison with data published in the past, the EPRA NAV and EPRA NNNAV, concepts abandoned by the BPR Guidelines, are still published.

in thousands €			31.12.2020		
	EPRA NRV	EPRA NTA	EPRA NDV	EPRA NAV	EPRA NNNAV
IFRS Equity attributable to shareholders of the parent company	547.218	547.218	547.218	547.218	547.218
Diluted NAV at fair value	**547.218**	**547.218**	**547.218**	**547.218**	**547.218**
To be excluded:	24.407	23.928	0	24.407	0
▪ Deferred tax in relation to the revaluation at fair value of investment properties	15.656	15.656		15.656	
▪ Fair value of financial instruments	8.751	8.751		8.751	
▪ Intangibles assets as per the IFRS balance sheet		-479			
To be added:	42.394	0	-2.180	0	-2.180
▪ Fair value of debt with fixed interest rate			-2.180		-2.180
▪ Real estate transfer tax	42.394				
NAV	**614.019**	**571.146**	**545.038**	**571.625**	**545.038**
Diluted number of shares	25.500.672	25.500.672	25.500.672	25.500.672	25.500.672
NAV per share (in €)	**24,08**	**22,40**	**21,37**	**22,42**	**21,37**

in thousands €			31.12.2019		
	EPRA NRV	EPRA NTA	EPRA NDV	EPRA NAV	EPRA NNNAV
IFRS Equity attributable to shareholders of the parent company	523.859	523.859	523.859	523.859	523.859
Diluted NAV at fair value	523.859	523.859	523.859	523.859	523.859
To be excluded:	13.402	12.907	0	13.402	0
▪ Deferred tax in in relation to the revaluation at fair value of investment properties	6.910	6.880		6.910	
▪ Fair value of financial instruments	6.492	6.492		6.492	
▪ Intangible assets as per the IFRS balance sheet		-465			
To be added:	30.214	0	-2.682	0	-2.682
▪ Fair value of debt with fixed interest rate			-2.682		-2.682
▪ Real estate transfer tax	30.214				
NAV	**567.475**	**536.766**	**521.177**	**537.261**	**521.177**
Diluted number of shares	24.657.003	24.657.003	24.657.003	24.657.003	24.657.003
NAV per share (in €)	**23,01**	**21,77**	**21,14**	**21,79**	**21,14**

Estimated rental value (ERV)

The estimated rental value is the rental value determined by the independent property experts.

Fair value of an investment property

This is equal to the amount at which a building could be exchanged between well-informed parties, in agreement and acting in conditions of normal competition. From the seller's point of view, this must be understood as subject to deduction of registration fees and any costs.

Specifically, this means that the fair value of the investment properties is equal to the investment value divided by 1,025 (for buildings with a value of more than € 2,5 million) or the investment value divided by 1,10/1,125 (for buildings with a value of less than € 2,5 million). For the investment properties of Intervest located in the Netherlands and kept through the Dutch subsidiaries, this means that the fair value of the investment properties is equal to the investment value divided by 1,07.

Free float

Free float is the percentage of shares owned by the public. According to the EPRA and Euronext definition it concerns all shareholders possessing individually less than 5% of the total number of shares.

Gross dividend yield

The gross dividend yield is the gross dividend divided by the share price on closing date.

Institutional regulated real estate company (IRREC)

The institutional RREC is stipulated in the Act of 12 May 2014 concerning regulated real estate companies, as amended from time to time (the RREC Act) and in the Royal Decree of 13 July 2014 concerning regulated real estate companies, as amended from time to time (the RREC Royal Decree). It is a lighter form of the public RREC. It offers the RREC the possibility to extend specific tax aspects of its system to its perimeter companies and to realise partnerships and specific projects with third parties.

Interest coverage ratio

The interest coverage ratio is the ratio between the operating result before result on portfolio and the financial result (excluding the changes in fair value of financial derivatives).

Intervest

Intervest is the abridged name for Intervest Offices & Warehouses, the full legal name of the company.

Investment value of a real estate property

This is the value of a building estimated by the independent property expert, and including the transfer costs without deduction of the registration fees. This value corresponds to the formerly used term "value deed in hand".

Liquidity of the share

Ratio of the number of traded shares on one day and the number of shares.

Net dividend

The net dividend equals the gross dividend after deduction of 30% withholding tax. The withholding tax on dividends of public regulated real estate companies amounts to 30% (except in case of certain exemptions) as a result of the Programme Act of 25 December 2016, published in the Belgian Official Gazette of 29 December 2016.

Net dividend yield

The net dividend yield is equal to the net dividend divided by the share price on closing date.

Net result per share (Group share)✪

Definition - The net result per share (Group share) is the net result as published in the income statement, divided by the weighted average number of shares (i.e. the total amount of issued shares less the own shares) during the financial year. This alternative performance measure is calculated on the basis of the company's consolidated annual accounts.

Reconciliation		31.12.2020	31.12.2019
Net result (Group share) (in thousands €)	A	43.431	65.765
Weighted average number of shares	B	25.164.126	24.516.858
Net result - Group per share (in €)	**=A/B**	**1,73**	**2,68**

Net value (fair value) per share

Total shareholders' equity attributable to the equity holders of the parent company (therefore, after deduction of the minority interests) divided by the number of shares at the end of the year (possibly after deduction of own shares). It corresponds to the net value as defined in article 2, 23° of the RREC Act.

The net value (fair value) per share measures the value of the share based on the fair value of the investment properties and makes it possible to make a comparison with the stock exchange quotation.

Net value (investment value) per share✪

Definition - Total shareholders' equity attributable to the equity holders of the parent company (therefore, after deduction of the minority interests) increased with the reserve for the impact on the fair value of estimated transaction rights and costs resulting from the hypothetical disposal of investment properties, divided by the number of shares at the end of the year (possibly after deduction of own shares). This alternative performance measure is calculated on the basis of the company's consolidated annual accounts.

Application - The net value (investment value) per share measures the value of the share based on the investment value of the investment properties and makes it possible to make a comparison with the stock exchange quotation.

Reconciliation		31.12.2020	31.12.2019
Shareholders' equity attributable to the shareholders of the parent company (in thousands €)	A	547.218	523.859
Reserve for the impact on fair value of estimated transaction rights and costs resulting from the hypothetical disposal of investment properties (in thousands €)	B	30.210	28.404
Shareholders' equity attributable to the shareholders of the parent company - investment value (in thousands €)	**C=A+B**	**577.428**	**552.263**
Number of shares at year-end	D	25.500.672	24.657.003
Net value (investment value) per share (in €)	**=C/D**	**22,64**	**22,40**

Net yield

The net yield is calculated as the ratio of the contractual rent, increased by estimated rental value on vacancy, less the allocated property charges, and the fair value of investment properties available for rent.

Occupancy rate

The occupancy rate is calculated as the ratio between the estimated rental value (ERV) of the rented space and the estimated rental value of the total portfolio available for rent as at closing date.

Operating margin✪

Definition - The operating margin is the operating result before result on portfolio, divided by the rental income. This alternative performance measure is calculated on the basis of the company's consolidated annual accounts.

Application - The operating margin provides an indication of the company's possibility of generating profit from its operational activities, without taking the financial result, the taxes or the result on portfolio into account.

Reconciliation in thousands €		31.12.2020	31.12.2019
Operating profit before result on portfolio	A	48.918	55.891
Rental income	B	61.303	66.143
Operating margin (%)	**=A/B**	**80%**	**85%**

Regulated real estate company (RREC)

The status of regulated real estate company is regulated by the Act of 12 May 2014 on regulated real estate companies, as modified from time to time (RREC Act) and by the Royal Decree of 13 July 2014 on regulated real estate companies, as modified from time to time (RREC Royal Decree) in order to stimulate joint investments in real estate properties.

Result on portfolio✪

Definition - The result on portfolio comprises (i) the result on disposals of investment properties, (ii) the changes in fair value of investment properties, and (iii) the other result on portfolio. This alternative performance measure is calculated on the basis of the company's consolidated annual accounts.

Application - The result on portfolio measures the realised and non-realised profit and loss related to the investment properties, compared with the valuation of the independent property experts at the end of previous financial year.

Reconciliation in thousands €	31.12.2020	31.12.2019
Result on disposals of investment properties	1.670	5.364
Changes in fair value of investment properties	15.454	22.307
Other result on portfolio	-9.083	-5.661
Result on portfolio	**8.041**	**22.010**
Minority interests	-2.654	0
Result on portfolio (Group share)	**5.387**	**22.010**

Return of a share

The return of a share in a certain period is equal to the gross return. This gross return is the sum of (i) the difference between the share price at the end and at the start of the period and (ii) the gross dividend (therefore, the dividend before deduction of the withholding tax).

RREC Act

The Act of 12 May 2014 on regulated real estate companies.

RREC Legislation

The RREC Act and the RREC Royal Decree.

RREC Royal Decree

The Royal Decree of 13 July 2014 on regulated real estate companies.

Specialised real estate investment fund (SREIF)

The Specialised Real Estate Investment Fund falls under the Royal Decree of 9 November 2016 with regard to specialised real estate investment funds. This system allows real estate investments in flexible and efficient funds.

Turnover rate

The turnover rate of a share is calculated as the ratio of the number of shares traded per year, divided by the total number of shares as at the end of the period.

Yield

Yield is calculated as the ratio of contractual rents (whether or not increased by the estimated rental value of unoccupied rental premises) and the fair value of investment properties available for rent. It concerns a gross yield, without taking into account the allocated costs.

Comments or remarks? Questions? contact@intervest.be

This annual report is not a registration document in the sense of art. 28 of the Act of 16 June 2006 on public offerings of investment instruments and the admission of investment instruments to trading on a regulated market.

Intervest Offices & Warehouses has drawn up its annual report in Dutch. However, Intervest Offices & Warehouses has also produced a translation of this annual report in French and English. The Dutch, French and English versions of this annual report are all legally binding. Intervest Offices & Warehouses, represented by its board of directors, is responsible for the translation and conformity of the Dutch-language, French-language and English-language versions. However, in the event of a conflict between the versions in different languages, the Dutch-language version shall always take precedence.

The Dutch-language version of this annual report and its French and English translations are available on the company's website, www.intervest.be.

Ce rapport annuel est également disponible en français.

Dit jaarverslag is ook beschikbaar in het Nederlands.

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