BEYOND REAL ESTATE

# 2022 ANNUAL REPORT

INTERVEST
OFFICES & WAREHOUSES

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|---|---|
| Front cover photo: | Zeebrugge - Zeebrugge Green Logistics |
| Back cover photo: | Antwerp - Greenhouse Collection at the Singel |
| Contents photo: | Antwerp - Greenhouse Collection at the Singel |

This version is a translation of the universal registration document of the Dutch language universal registration document approved by the FSMA.

Intervest Offices & Warehouses, represented by its supervisory board, responsible for the content of the registration document pursuant to Article 26, §1 of the Prospectus Act, is also responsible for the content of the versions of the universal registration document that are a translation of the version approved by the FSMA.

Investors may rely on the translated version in the context of their contractual relationship with Intervest Offices & Warehouses.

The registration document approved by the FSMA can be obtained at the registered office of the company, Uitbreidingstraat 66, 2600 Antwerp -Berchem, Belgium or at https://www.intervest.be/en/contact-for-investors.

## Alternative performance measures

Alternative performance measures are criteria used by Intervest to measure and monitor its operational performance. This Annual Report 2022 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 2022, 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

# LETTER TO SHAREHOLDERS

## Dear Shareholders

Following the corona pandemic, in the past year, we faced an unexpected war and its economic and financial consequences that impacted our reality in several areas. Today it is reassuring to be able to look back on a year that, despite these turbulent circumstances, was completed with successful achievements.

A word of thanks to #TeamIntervest for building an organisation that has once again demonstrated its strength and agility. This team managed to successfully continue on its chosen path of reorientation from buying leased buildings to realising real estate projects itself from land position to leased buildings at strategic locations to reputable tenants. In often difficult circumstances, the team remained motivated working together to achieve the #connect2022 strategy, with constant attention to the changing needs of our tenants.

I thank all our stakeholders, tenants, partners, suppliers and financiers for their continued confidence in Intervest, resulting in, among other things, the renewal of a number of important lease contracts, a stable operational margin, the realisation of a number of strategic development projects and the further improvement of the financial structure.

Naturally, a word of thanks to all shareholders who helped support the #connect2022 strategy and the turnaround. The exercise of the optional dividend by a significant number of shareholders, the green bond and the recent capital increase, are important indicators of the confidence in the strategy and in the achievements of Intervest over the past year.

**#connect2022 has laid the foundations for the further realisation of sustainable value creation and growth carried by #TeamIntervest**

In June 2020 Intervest outlined its strategy with #connect2022, based on four closely linked pillars: value creation, customer focus, sustainability and #TeamIntervest. Over the past year, Intervest has taken further steps in the implementation of this strategy, more specifically at the level of the further growth of the fair value of the real estate portfolio, in realising set sustainability objectives and in carrying out the (re)development of real estate projects, under in-house management, focused on sustainable value creation from the perspective of both investment and financing.

**2022 can be summarised as a year with successful achievements in the growth plan #connect2022 and strong financial results, through strategic leases and sustainable value creation with own development projects**

The strategy of Intervest is to invest in projects that create value, whereby the focus on logistics real estate has resulted in a division of the real estate portfolio at year-end 2022 of 47% logistics real estate in Belgium, 26% logistics real estate in the Netherlands and 27% offices in Belgium, respectively.

As at year-end 2022, the real estate portfolio has a fair value of € 1.333 million. This total value also includes € 99 million of project developments and land reserves in addition to properties available for lease amounting to around € 1.234 million. As at year-end 2022, Intervest still has 283.000 m² of projects and land reserves in the logistics segments.

In 2022, some significant lease transactions have been realised, increasing the average duration of leases until first expiry date from 4,3 years last year to 4,9 years for the total portfolio, (5,3 years for logistics Belgium; 6,5 years for logistics Netherlands and 2,9 years for offices). The occupancy rate as at year-end 2022 amounts to 90%.

Intervest closes 2022 with EPRA earnings of € 45,4 million or an increase of 1% compared to 2021. This means EPRA earnings per share of € 1,71 compared to € 1,74 in 2021. Intervest will propose a gross dividend of € 1,53 at the same level as for 2021. This represents a gross dividend yield of 8,0% (based on the closing price as at 31 December 2022).

**Thanks to its investments in three real estate segments (logistics in Belgium, logistics in the Netherlands, offices in Belgium) with their own cyclical dynamics, a base of creditworthy and diversified tenants, sufficient financing capacity, a strengthened balance sheet and the achievement of important milestones in the strategic growth plan #connect2022, Intervest has a solid foundation for the future, #connect2025.**

Building on its strategic realisations and outlined strategy, Intervest looks to the future with confidence. A confidence that materialises in the updated #connect2025 strategy, based on the well-known pillars: value creation, sustainability, customer focus and #TeamIntervest. The focus in the coming years will be on the logistics segment, which implies that the relative share in the office segment will gradually be strongly reduced in the coming years with a relatively limited share of offices remaining in the portfolio. Sustainability is embedded in Intervest's DNA. The focus on ESG and innovation on both the investment and financing sides is an integral part of our value creation strategy.

Intervest's financing structure has been further fine-tuned in 2022 with an increase of the hedging ratio to 72% and this on a long-term basis (5 years on average), sufficient liquidity buffer by € 200 million of unused credit lines, an average remaining maturity of long-term credit lines of 4 years and an average interest rate of 2,0% in 2022.

**Sustainable entrepreneurship is embedded in Intervest's DNA and therefore also the guiding principle when drawing up a detailed roadmap to outline the ESG policy on both the asset and financing side.**

The Green Finance Framework, launched in May 2022, is a reference framework aimed at attracting green financing for green property investments and project developments, thus contributing to Intervest's strategy for sustainable value creation. Following its launch, a first Green bond was concluded, thus embedding sustainability in Intervest's financing activities. As at 31 December 2022, € 135 million or 16% of the credit portfolio consists of green financing linked to investments in sustainable real estate investments and project developments.

Volatile market conditions, deteriorating macroeconomic outlook, and rising interest rates create a climate of uncertainties in which doing business is not self-evident. Nevertheless, Intervest looks to the future with confidence, building on successful achievements and strengthened by the recent successful capital increase in which over € 49 million was raised that will be used to finance investment opportunities with a focus on sustainable logistics buildings on strategic locations, further realise the development potential, further focus on energy efficiency and other sustainability investments, reduce the debt ratio and further strengthen the balance sheet.

Looking ahead to 2023, Intervest expects to achieve EPRA earnings per share of minimum € 1,48 and also intends to target a gross dividend per share of at least € 1,53.

The new strategic growth plan #connect2025 ambitions EPRA earnings per share of € 1,85 in 2025 and a property portfolio of more than € 1,8 billion.

There is a team you can count on to lead Intervest on the laid out path and realise its growth. The trust of you and our stakeholders are of particular importance, as is the unfailing commitment of #TeamIntervest. I would like to take this opportunity once again to express to everyone my sincere appreciation and thanks for this.

Ann Smolders
Chairwoman supervisory board

Outlook is based on current knowledge and estimation of interest rate fluctuations, the #connect2025 strategic growth plan and barring unforeseen circumstances (such as developments in real estate and financial markets and the evolution of the economy).

# INTERVEST AT A GLANCE

# 1 Who is Intervest?[1]

**Intervest Offices & Warehouses NV, a public regulated real estate company (RREC), active in the market for logistics buildings in Belgium and the Netherlands and for offices in Belgium, with a solid growth plan focused on investments in the logistics portfolio partly driven by asset rotation.**

Intervest Offices & Warehouses (hereinafter Intervest) invests in logistics buildings in Belgium and the Netherlands and in high-quality office buildings in Belgium, that are leased to first-rate tenants. Investments are made in up-to-date buildings and sustainable (re)development projects, located in strategic locations, with an eye for cluster creation.

The **logistics portfolio in Belgium** (47%) is located on major traffic axes: Antwerp - Brussels - Nivelles, Antwerp - Limburg - Liège and Antwerp - Ghent - Bruges.

The **logistics portfolio in the Netherlands** (26%) is located on the major logistics axes in the south of the Netherlands: Moerdijk - 's-Hertogenbosch - Nijmegen, Rotterdam - Gorinchem - Nijmegen en Bergen-op-Zoom - Eindhoven - Venlo.

The **office segment** (27%) of the real estate portfolio is concentrated in and around central cities such as Antwerp, Mechelen, Brussels and Leuven.

The total real estate portfolio has a value of € 1,3 billion and a leasable area of 1,2 million $m^2$ as at year-end 2022.

The shares of Intervest have been listed on Euronext Brussels (INTO) since 1999. As at 31 December 2022, the market value amounts to € 562 million.

# 2 Mission and vision

## What does Intervest stand for?

Intervest is a real-estate partner that goes beyond merely acquiring and leasing square metres of logistics or office space, *beyond real estate.*

Intervest stands for customer-driven high-performance logistics property and inspiring and innovative offices. Value creation by generating solid and recurrent cash flows, on a well-diversified real estate portfolio with respect for ESG criteria and this for all stakeholders, is the core of the mission.

## What is Intervest's vision for the future?

Intervest is convinced that value creation for all stakeholders comes from committing to future-proof buildings and doing so by focusing on ESG & sustainable innovation.
Thereby, the focus on asset rotation is instrumental for growth in the logistics segment.
The increase of the share in the logistics segment in the future implies a gradual reduction of the share in the office segment.

Bottom-line, it's about smart buildings for all customers ...

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

# ACHIEVING MORE TOGETHER #TeamIntervest

> Value creation in a sustainable and innovative customer-oriented manner, with an eye for continuous quality improvement of the buildings, is the core of the #connect2025 strategy. In doing so, the focus on asset rotation is instrumental for growth in the logistics segment. #TeamIntervest is at the heart of the #connect2025-strategy.

Gunther Gielen, ceo Intervest Offices & Warehouses

Gunther Gielen 〉 ceo Intervest Offices & Warehouses

## 3 Strategy

# #CONNECT2025

## As a team creating sustainable value for the customers

With #connect2025, Intervest continues to build on the lines already set out for the coming years: achieving well-considered sustainable and innovative growth in the fair value of the real estate portfolio by the end of 2025, improving the quality of the real estate portfolio through asset rotation, realising the full value chain from (site) acquisition to completion of the property with an in-house dedicated and motivated team, and doing so with an eye for sustainability on both the investment and financing sides.

### The four pillars of the strategy are inextricably linked.


### Based on the successful implementation of the growth plan over the past few years, focus remains on the building blocks forming the basis of this success:

- **own (re)developments,** with the intended result being higher returns and an improvement in the risk profile
- creating **clusters** focused on strategic (maritime) axes, providing economies of scale and flexibility for customers
- well-considered **asset rotation**, also contributing to improving the risk profile and providing prospects for future cash flows to support growth in the logistics segment
- **ESG and innovation** serving all stakeholders

# 4 Strengths


### STRONG RISK SPREAD

- Strategically present in the segments:
  logistics real estate BE (47%)
  logistics real estate NL (26%)
  offices BE (27%)
- Diversified real estate portfolio and tenants


### DYNAMIC IN-HOUSE ASSET MANAGEMENT

- Future-proof offices
- Flexibility in logistics segment
- “Unburdening” customers with #TeamIntervest


### ATTRACTIVE YIELD & BALANCED FINANCING

- 8,0% gross dividend yield
- 48,0% debt ratio
- Active asset and liability management


### SOLID STRATEGIC GROWTH PLAN

- Value creation
- Sustainability
- Customer focus
- #TeamIntervest

# 5 Key figures 2022

## REAL ESTATE

**€ 1,3 billion**
Fair value of the portfolio

47% Logistics BE
26% Logistics NL
27% Offices BE

**90%**
Occupancy rate

96% Logistics BE
100% Logistics NL
76% Offices BE

**4,9 years**
Average remaining duration of lease agreements (until first expiry date)

5,3 years Logistics BE
6,5 years Logistics NL
2,9 years Offices BE

**6,0%**
Gross rental yield

5,8% Logistics BE
5,7% Logistics NL
6,8% Offices BE

## FINANCIAL

**€ 1,71**
EPRA earnings per share

**€ 23,50**
EPRA NTA per share

**4,0 years**
Remaining duration of long-term credit lines

**2,0%**
Average interest rate of the financings

**48,0%**
Debt ratio

**€ 1,53**
Proposed gross dividend per share for 2022

**+5,6%**
Organic growth rental income

## STOCK MARKET

**€ 562 million**
Market capitalisation

**8,0%**
Gross dividend yield

## SUSTAINABILITY

**32%**
of the real estate portfolio at least BREEAM "Very Good"

**100%**
electricity from sustainable sources

**206**
charging points for electric cars

**89%**
of the logistics real estate portfolio with solar panels: 34 MWp

**81%**
of the real estate portfolio equipped with smart meters

Implementation of Green Finance Framework and ESG charter

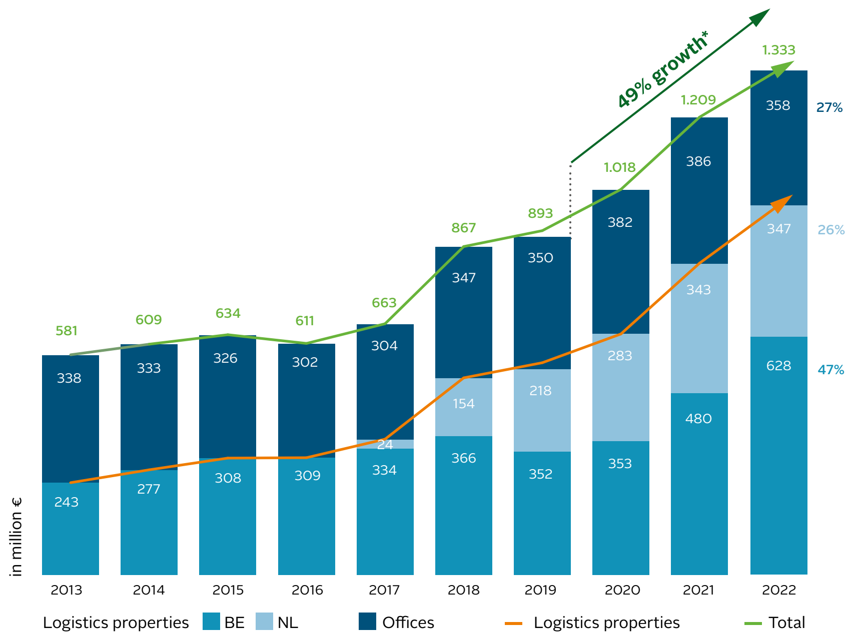
## TEAM

**61**

**M 41%**

**F 59%**

## Fair value of the real estate portfolio




* of which 45% resulting from acquisitions and project developments

# 6 Summary 2022

## Solid financial results and key figures

- In line with guidance 2022 Q3:
  - EPRA earnings of € 45,4 million, an increase of 1% compared to 2021
  - EPRA earnings per share of € 1,71, a decrease of 2% compared to 2021
- Proposed gross dividend of € 1,53 -at the same level as for 2021- or a gross dividend yield of 8,0%[1]
- Stable operating margin of 82%
- Organic growth[2] in rental income of 5,6% versus last year
- Increase in fair value of investment properties by € 124 million or 10% compared to 31 December 2021 due to:
  - € 95 million of sustainable logistics acquisitions: project in Zeebrugge (BE), building in Waalwijk (NL), extension in Breda (NL), buildings in Herstal (BE) (adjacent to existing site)
  - € 88 million investments in sustainable project developments, of which € 81 million in logistics: Zeebrugge Green Logistics (BE), Herentals Green Logistics (BE), Genk Green Logistics (BE), 's-Hertogenbosch (NL) and € 7 million in offices: Greenhouse Collection at the Singel and Greenhouse Woluwe
  - € 26 million, or 2% negative change in fair value, combined result of value increase in logistics portfolio in BE by € 14 million or 3% and value decrease in logistics portfolio in NL by € 32 million or 9% and in office portfolio by € 9 million or 2%
  - € 28 million transfer from real estate available for lease (offices) to available for sale
  - € 8 million divestment of a non-strategic logistics site in Huizingen
  - € 3 million of sustainable investments in the existing portfolio
- Significant lease transactions increasing WALB to 4,9 years (logistics BE 5,3 years; logistics NL 6,5 years; offices 2,9 years) and occupancy rate amounts to 90% (logistics BE 96%; logistics NL 100%; offices 76%)
- Gross rental yield on properties available for lease is 6,0% (logistics BE 5,8%; logistics NL 5,7%; offices 6,8%)

## ESG-commitment

- 2022 ESG targets achieved:
  - 32% Green certified buildings
  - 89% solar energy in logistics real estate
  - 100% electricity from renewable sources
  - 81% smart metering
  - 206 charging points for electric cars
  - ESG commitment shown via submitting first CDP questionnaire (Climate Change) 2022
- Successful #connect2022 strategy lays foundations for the creation of a detailed roadmap to outline the long-term ESG policy related to the three spearheads:
  - Future-proof buildings and energy efficiency
  - Health and well-being
  - Integrity and compliance
- Implementation Green Finance Framework
- Intervest's own operations already $CO_2$ neutral; for new developments and existing portfolio, targets in reducing $CO_2$ emissions are prioritized according to the European Green Deal

1 Based on the closing share price as at 31 December 2022, which is € 19,24.
2 This represents the rental income growth of the existing portfolio, including completed and leased projects, excluding acquisitions. Further explanations on the increase in rental income can be read in the Activity report - Analysis of the results and Note 4: Property result in the Financial statements.

The Netherlands - Breda 〉 Nouwens Transport Breda

## Value creation and customer focus

- Focus on own (re)developments, creating clusters, well-considered asset rotation and ESG/Innovation
- Strategic presence in real estate segments: logistics real estate in Belgium (47%) and in the Netherlands (26%) and offices in Belgium (27%)
- 220.000 m² projects delivered in 2022; at year-end 2022 still approximately 283.000 m² logistics projects and land reserves with a potential value of € 315 million, for which capex of € 182 million still to be spent
- Realization of well thought out growth of 49% of the real estate portfolio since the beginning of 2020, of which 45% as a result of acquisitions and project developments
- Diversified, solid tenants
- Further optimization of financing structure:
  - Average interest rate of 2,0%
  - € 135 million or 16% green financing
  - Average remaining duration of long-term credit lines of 4,0 years
  - Debts 72% hedged against rising interest rates and this on a long-term basis (average 5 years)
  - Sufficient liquidity buffer through € 200 million non-withdrawn credit lines
- Standard lease contracts with indexation clause linked to the health index in Belgium and to the consumer price index in the Netherlands
- Risk management profile of Intervest as RREC: continuous monitoring of market, operational, financial, regulatory and ESG risks in order to monitor results and financial situation
- Valuation of real estate portfolio by independent real estate experts on a quarterly basis making trends quickly visible in order to take proactive measures
- Despite stock market turbulence, Intervest's share holds up well in 2022, outperforming the EPRA Eurozone index on average
- Strategic analysis makes it clear which properties can meet future user expectations in terms of sustainability and well-being; approximately 86% of total portfolio is future-proof, the remaining 14% will enter a redevelopment program or will be divested; sale of three non-strategic buildings is ongoing and the sale of one logistics site is realised

## #TeamIntervest

- All (re)developments are done with the own team, thus maximizing value creation within Intervest
- Continuous attention to health and well-being of employees through daily communication about sustainability, well-being, prevention, cooperation, ... via the intranet, the Intervest Wellnesst program and providing adapted training courses
- Workshops to map out the diversity of the team in order to function in an optimal inclusive way

## Outlook 2023[1]

- 9% of leases have a next expiration date in 2023
- Expected EPRA earnings per share of minimum € 1,48. Decrease of the earnings explained by a shift from buying cash-flow to generating cash-flow through own (re)developments and in addition focusing on an accelerated asset rotation in line with updated strategy #connect2025
- Anticipated gross dividend per share of € 1,53, payable in 2024

## Ambition for 2025

- Roll out #connect2025 strategy
- Fair value of property portfolio > € 1,8 billion
- EPRA result per share € 1,85
- Net debt / EBITDA < 10x
- ESG-commitment
  - 50% green buildings
  - 50% green financings
  - $CO_2$ reduction in line with SBTi
- The solid basis of increasing returns and risk profile will come mainly from the logistics segment - through well-considered asset rotation

1 Outlook is based on current knowledge and estimation of interest rate fluctuations, the #connect2025 strategic growth plan and barring unforeseen circumstances (such as developments in the real estate and financial markets and the evolution of the economy).

Antwerp 〉 Greenhouse Collection at the Singel

# 7 Consolidated key figures over 2 years

| In thousands € | 31.12.2022 | 31.12.2021 |
|---|---|---|
| **Real estate key figures** | | |
| Fair value of real estate | 1.333.418 | 1.208.944 |
| Fair value of real estate available for lease | 1.233.799 | 1.098.820 |
| Gross lease yield on real estate available for lease (in %) | 6,0% | 6,4% |
| Gross lease yield on real estate available for lease at 100% occupancy rate (in %) | 6,7% | 6,8% |
| Average remaining duration of lease contracts (until first expiry date) (in years) | 4,9 | 4,3 |
| Average remaining duration of lease contracts logistics portfolio BE (until first expiry date) (in years) | 5,3 | 4,4 |
| Average remaining duration of lease contracts logistics portfolio NL (until first expiry date) (in years) | 6,5 | 6,6 |
| Average remaining duration of lease contracts offices portfolio (until first expiry date) (in years) | 2,9 | 2,6 |
| Occupancy rate total portfolio (in %) | 90% | 94% |
| Occupancy rate logistics portfolio NL (in %) | 100% | 100% |
| Occupancy rate logistics portfolio BE (in %) | 96% | 99% |
| Occupancy rate offices (in %) | 76% | 87% |
| Gross leasable surface area (in thousands of m²) | 1.259 | 1.111 |
| | | |
| **Financial key figures** | | |
| EPRA earnings | 45.467 | 45.176 |
| Result on portfolio | -26.010 | 48.707 |
| Changes in fair value of financial assets and liabilities | 32.257 | 4.217 |
| **Net result - Group share** | **51.714** | **98.100** |
| | | |
| Number of shares entitled to dividend | 29.235.067 | 26.300.908 |
| Weighted average number of shares | 26.664.878 | 25.983.006 |
| Share price on closing date (in €/share) | 19,24 | 28,20 |
| Net value (in €/share) | 23,72 | 23,67 |
| Premium with respect to fair net value (in %) | -18,9% | 19% |
| Market capitalisation (in million €) | 562 | 742 |
| Gross dividend (in €) | 1,53[1] | 1,53 |
| Gross dividend yield (in %) | 8,0% | 5,4% |
| Debt ratio (max. 65%) | 48,0% | 45,0% |
| Average interest rate of the financing (in %) | 2,0% | 1,8% |
| Average duration of long term credit lines (in years) | 4,0 | 4,1 |
| | | |
| **EPRA key figures** | | |
| EPRA earnings (€/share) (Group share) | 1,71 | 1,74 |
| EPRA NTA (in €/share) | 23,50 | 24,83 |
| EPRA NRV (in €/share) | 25,64 | 26,76 |
| EPRA NDV (in €/share) | 24,41 | 23,64 |
| EPRA NIY (Net Initial Yield) (in %) | 4,8% | 5,3% |
| EPRA topped-up NIY (in %) | 5,1% | 5,4% |
| EPRA vacancy rate (in %) | 9,9% | 6,2% |
| EPRA cost ratio (including direct vacancy costs) (in %) | 18,0% | 17,9% |
| EPRA cost ratio (excluding direct vacancy costs) (in %) | 16,5% | 16,5% |
| EPRA LTV (Loan-to-value) (in %) | 47,9% | 43,9% |

1 Subject to approval of the annual general meeting to be held in 2023.

# 8 Financial calendar 2023[1]

**2023**

Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec

- **Tue 14** (Jan) Announcement of annual results as at 31-12-2022
- **Wed 26: 3:00 pm** (Apr) General meeting of shareholders
- **Thu 4** (May) Interim statement on the results as at 31-03-2023
- **Thu 4** (May) Ex dividend date
- **Fri 5** (May) Record date dividend
- **As of Thu 25** (May) Dividend payment
- **Thu 3** (Aug) Half-yearly financial statement as at 30-06-2023
- **Thu 9** (Nov) Interim statement on the results as at 30-09-2023

1 For potential changes in the financial calendar, please refer to the company's website, www.intervest.eu.


Brussels ⟩ Euronext - Gunther Gielen - Bell ceremony

# 9 History and milestones

**1996**

Foundation

**1999**

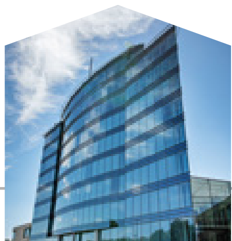
**Listing on Euronext Brussels (INTO)**

Recognition as a property investment fund under Belgian law

Acquisition of office buildings in the Brussels periphery

**2001**

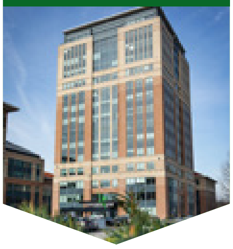
Acquisition of office buildings in Antwerp, Mechelen and the Brussels periphery



Mechelen Business Tower
Acquisition office buildings

**2002**

Mechelen Campus (phase 1)
Acquisition 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 buldings at Mechelen Campus (phase 2)

**2007**

Acquisition of office buildings at Mechelen Campus (phase 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

**2013**

Receipt first EPRA Award

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

Wilrijk 1
Showroom Peugeot

Mechelen
Intercity Business Park

NL - Roosendaal
Built-to-suit centre Fri-Jado

Genk Green Logistics
New construction

NL - Breda
Nouwens Transport

## 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

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

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

## 2018

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

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

## 2020

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

## 2021

Strategic acquisition of logistics sites in Belgium (Tessenderlo and land reserve in Puurs) and in the Netherlands (Breda and land position in Venlo)

Genk Green Logistics: already 35% (pre)let of available 250.000 m²

Start of construction of Greenhouse Collection at the Singel office building in Antwerp and of the logistics (re)developments in Herentals Green Logistics and Genk Green Logistics

Receipt UNITAR 'SDG Pioneer'-certificate

## 2022

**Strategic growth plan #connect2025**

Sustainable logistics acquisitions in Belgium (Zeebrugge, Herstal) and in the Netherlands (Waalwijk, Breda)

Successful accelerated private placement of shares (ABB)

Release first USPP and GreenBond

ESG-commitment: receipt of Gold Award EPRA sBPR 2021, implementation of ESG charter and launch of Green Finance Framework

NL - Raamsdonksveer 1

NL - Eindhoven
Gold Forum new construction

Antwerp - Greenhouse
Collection at the Singel

# STRATEGY #CONNECT2025

## 1 Update growth strategy

# #CONNECT2025

### As a team creating sustainable value for customers

**The four strategic pillars of the growth plan remain unchanged: value creation, sustainability, customer focus and #TeamIntervest.**

With #connect2025 Intervest presents the update of its strategic growth plan. In recent years, the company has focused on sustainable value creation in projects under construction and this in the three segments of the portfolio, logistics property in Belgium and the Netherlands and offices.

With #connect2025, Intervest continues to build on the lines already mapped out for the coming years: realizing thought-out sustainable and innovative growth of the fair value of the real estate portfolio by the end of 2025, improving the quality of the real estate portfolio through asset rotation, realising the full value chain from (site) acquisition to completion of the property with an in-house dedicated and motivated team, and doing so with an eye for sustainability on both the investment and financing sides. The focus in the following years will be on the logistics segment, which implies that the relative share in the office segment will gradually be strongly reduced in the coming years with only a relatively limited share of offices remaining in the portfolio.

> The #connect2025 growth strategy is fully in line with the successful approach of the recent years: focus on logistics with reduction of the relative share in the office segment and focus on asset rotation in order to improve the risk profile and overall quality of the real estate portfolio while keeping the entire value chain in-house.
>
> Gunther Gielen, ceo Intervest Offices & Warehouses


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 aims to take agile advantage of the respective investment cycles and underlying rental market in logistics in Belgium and the Netherlands and in offices in Belgium, the segments of the real estate portfolio.


Intervest adopts a very broad view on sustainability and is committed to building a long-term relationship with all its stakeholders.

Intervest wants to pursue the highest standards in terms of sustainability on both the investment and financing sides, which is reflected in the spearheads of the ESG strategy and the ESG charter:

- Future-proof buildings and energy efficiency
- Health & well-being of employees and customers
- Business integrity and compliance


Customer focus is crucial both externally and internally. Intervest wants to be a real estate partner that goes beyond just letting square metres of logistics space or office 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, flexible and innovative 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. Being a partner to the customers is in fact reflected in the entire organisation. All crucial functions required to manage real estate customers and properties are provided in-house.


As an employer, Intervest actively seeks to create a positive and productive workplace and provide employees with the means to promote a healthy mental, physical and emotional lifestyle. The corporate culture and way of dealing with each other has a solid foundation based on the *'ABCDE'* of motivation: Autonomy, Involvement, Competence, Goals and Balance. It forms the basis for integrating customer-focused thinking into day-to-day operations and creating value for customers and other stakeholders. Intervest has a transparent structure and communicates openly with its employees. Participation in the organisation of work, innovative projects, fringe benefits, extensive training opportunities and a detailed well-being policy are therefore essential.

Based on the successful implementation of the growth plan in recent years, the focus remains on the building blocks that form the basis of this success:

- Focus on **own (re)developments**, with the intended result being higher returns and an improvement in the risk profile
- Focus on creating **clusters** focused on strategic (maritime) axes, providing economies of scale and flexibility for customers
- Focus on well-considered **asset rotation**, also contributing to improving the risk profile and providing prospects for future cash flows to support growth in the logistics segment
- Focus on **ESG and innovation** serving all stakeholders

## ▶ Focus: own (re)developments

The focus remains on redevelopments and investments with future development potential. In line with the outlines of the strategic growth plan and the continuation in #connect2025, Intervest focuses on keeping the entire value chain in-house, from (site) acquisition to completion of the property, with an eye on sustainability on both the investment and financing sides. Which therefore mainly means investing in own (re)developments, which however do not yet generate immediate rental income.

## ▶ Focus: clusters

Purchasing quality property, long-term let, at a decent return is becoming increasingly difficult. Intervest therefore focuses further on cluster formation in the logistics segments, aimed at strategic (maritime) axes. This makes it possible to provide optimal and efficient services and allows Intervest to offer flexibility to customers.

Intervest aims for building clusters, different locations in close proximity to each other, in order to be able to offer customers an efficient and optimal service. This clustering not only applies to the existing locations, but will also play a role in a geographical growth of the portfolio as a logical addition to the existing core areas.

## ▶ Focus: asset rotation

A well-considered investment and redevelopment programme for the existing portfolio, in line with #connect2025, will be further implemented in the coming years. On the other hand, this implies that a number of properties that do not qualify will be divested, with the cash flows generated being reinvested in the logistics segments of the portfolio.

## ▶ Focus: ESG and innovation

**The strategic importance of ESG & Innovation in the #connect2025 growth plan is reflected in a rigorous governance and organisation with an overarching final responsible for ESG and one responsible for each sub-area (E, S, G).**

Stakeholder dialogue and the materiality index result in the following spearheads that are priorities for Intervest in its sustainability policy.

- Future-proof buildings and energy efficiency
- Health & well-being of employees and customers
- Business integrity and compliance

**Energy-efficiency** is a logical focus in professional property management, in the acquisition of new and old buildings, as well as in the development of new projects and in the management of the existing portfolio.

Intervest foresees to include LCE (Life Cycle Energy) in its redevelopment programmes and in the development of new projects. A sustainability assessment per asset is planned for the entire portfolio on a recurring basis.

To support its strong commitment to ESG, Intervest implemented its Green Finance Framework as at the end of May 2022. The framework is a natural and logical extension of all sustainability and environmental activities undertaken by the company.

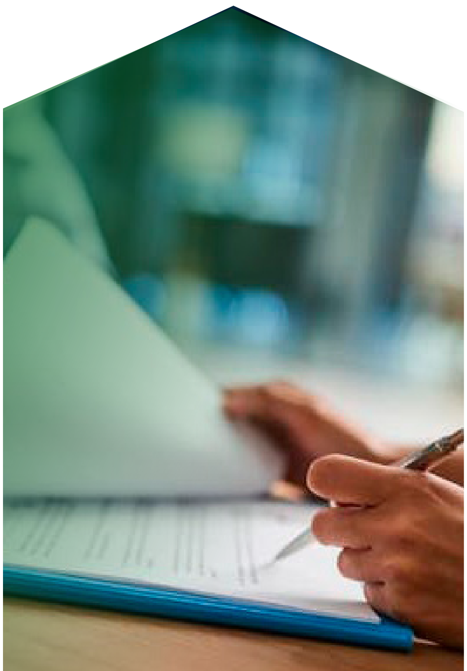
The Green Finance Framework is a reference framework aimed at attracting green financing, which is linked to investments in sustainable real estate investments and project developments according to the '*use of proceeds*' condition, thus contributing to Intervest's strategy for sustainable value development and the transition to a low-carbon economy. In this way, Intervest anchors sustainability in its financing activities.

**Health and well-being** of employees and employees of customers
There are four areas in which Intervest believes it can help its employees with health and well-being:

- in the physical space of the office, the working environment
- by encouraging and facilitating physical health habits
- by helping people find the right work-life balance and
- by equipping them with the skills and competences they need to be at their best.

**Business integrity and compliance**
Corporate governance is a tool for dealing in a balanced way with the diverse interests of different stakeholders. In this sense, it should focus primarily on mitigating and properly dealing with conflicts of interest inherent in working in a corporate structure. Clear conflict-of-interest arrangements and transparent communication with stakeholders are therefore essential to ensure that the company's resources are used in the best interests of its stakeholders. In this way, good governance creates value and sustainable growth.

> Sustainability is embedded in Intervest's DNA. The focus on ESG and innovation, both on the investment as well as on the financing side, is an integral part of our value creation strategy, as demonstrated by the ESG Charter and the Green Finance Framework.
>
> GUNTHER GIELEN, CEO INTERVEST OFFICES & WAREHOUSES

## #connect2025: objectives

**Value creation, sustainability, customer focus and #TeamIntervest are inextricably linked. A close connection that is also reflected in the concrete objectives laid down for the period 2023 - 2025.**

A driven and active letting policy, with attention to the expectations of (potential) tenants, has translated into strong KPIs, for both the existing portfolio and projects. From this solid basis, the strategic growth plan #connect2025 has been formulated, further building on the known pillars to create sustainable value as a partner to the customers with its own #TeamIntervest.

### VALUE CREATION

- Fair value of the real estate portfolio > € 1,8 billion
- EPRA earnings per share € 1,85
- Average rental period: > 6 years
- Extend duration of debts
- Active asset rotation > € 150 million
- Debt ratio < 48%
- Net debt / EBITDA < 10
- Innovation as a profit centre


### SUSTAINABILITY

- 100% of the real estate portfolio equipped with smart building systems
- 50% 'green buildings', where technically possible (cfr Green Finance Framework)
- 50% green financings based on the '*use of proceeds*' condition
- 4,7% $CO_2$ emission reduction average per year in line with SBTi (base year 2021)

### CUSTOMER FOCUS

- Improvement in customer loyalty by increasing the total number of years as tenant
- Monitoring customer satisfaction through periodic surveying

### #TEAMINTERVEST

- The pursuit of sustainable motivation among employees (turnover < 10%)
- Successful organic transition in line with updated strategic growth plan

# 2 Investment strategy

## Growth in logistics corridors in Belgium and the Netherlands facilitated by reinvesting freed-up cash flows through asset rotation results in a gradual strong reduction to a relatively small share of offices remaining in the portfolio

Belgium and its neighbouring countries are geographically optimally located as a **logistics hub in Europe** because of the major European main ports in the Rhine Delta and the proximity of a catchment area with a strong purchasing power within a radius of 500 km. As a result, the logistics real estate market is also strongly developed. The demand for logistics real estate will continue to grow strongly in the future due to the general growth of the European economy and, in particular, the growth of e-commerce.

In the logistics segment, Intervest's portfolio is evolving in line with the changing needs that have become all the more explicit to all parties involved, partly due to the corona crisis. Changing consumption patterns, the general importance of the distribution sector, e-commerce, local anchoring, etc. are creating a greater need for storage space and require flexibility in order to respond sustainably to a changing supply chain environment.

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 existing core areas.

The **growth** of Intervest in logistics will be realised via the acquisition of high-quality real estate, developments of land positions, preferably at multi-modal 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 concern for the climate.

In terms of new acquisitions or developments, Intervest will continue to focus in **Belgium** primarily on the **most important logistics axes** in Belgium: Antwerp - Brussels - Nivelles, Antwerp - Limburg - Liège and Antwerp - Ghent - Bruges. In the **Netherlands,** the portfolio is concretized on the axes Moerdijk - 's Hertogenbosch – Nijmegen (A59), Bergen-op-Zoom - Eindhoven - Venlo (A58/A67) and Rotterdam - Gorinchem - Nijmegen (A15).

Intervest 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 regarding surface area or location.

The focus in the following years will be on the logistics segment, which implies that the relative share in the office segment will gradually be strongly reduced in the coming years with a relatively limited share of offices remaining in the portfolio.

> Creating value in a sustainable and innovative customer-focused manner, with an eye for continuous quality improvement of the premises, that's the core of the #connect2025 strategy. Thereby, the focus on asset rotation is instrumental to the growth in the logistics segment.
>
> GUNTHER GIELEN, CEO INTERVEST OFFICES & WAREHOUSES

## Responding efficiently to changing evolutions in the market and evolving needs in terms of labour

In the highly competitive climate of the office market, Intervest distinguishes itself by focusing on the constantly **evolving needs** of customers. Companies are no longer simply looking for space. They are rather asking for a **total solution** where **service and additional functionalities** make the difference. This offer logically fits in with the changing way of working and technology and the associated 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's investment strategy is focused on expanding the logistics portfolio driven by asset rotation. This strategy implies maintaining a relatively small share of offices in the portfolio over time.

Herentals ⟩ Herentals Green Logistics

# Portfolio characteristics

Intervest has a **mixed real estate portfolio** of € 1.333 million, consisting of 47% logistics real estate in Belgium, 26% logistics real estate in the Netherlands and 27% office buildings in Belgium (as at 31 December 2022).

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
- impact on debt ratio
- monitoring of the available credit lines
- exchange ratio based on investment value in equity transactions

The free float of the Intervest share amounts to 85% as at 31 December 2022.

## 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.

Antwerp 〉 Greenhouse Collection at the Singel

# ENVIRONMENTAL-SOCIAL-GOVERNANCE (ESG)

## Successful #connect2022 strategy lays foundations for the creation of a detailed roadmap to outline the long-term ESG policy

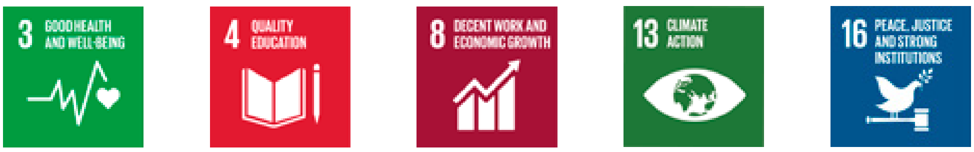
Intervest wants to pursue on both the portfolio and the financing side the highest standards of sustainability. After all, Intervest takes a very broad view on sustainability and is committed to developing a long-term relationship with all its stakeholders. In addition to the concrete, measurable objectives of the #connect2025 strategy regarding sustainable buildings, this broad view is also reflected in a transparent and honest policy which also pays attention to the health and well-being of customers and employees.

Intervest continuously assesses the extent to which its investment and management processes are in line with the following international normative **standards**:

- The 17 United Nations Sustainable Development Goals (SDGs)[1]
- The 10 United Nations Global Compact principles[2]
- The 7 Women's Empowerment Principles [3]
- The European Public Real Estate sustainable Best Practices Recommendations (EPRA sBPR)[4]
- The EU Taxonomy Regulation.[5]

Intervest has endorsed the 17 UN SDGs and translates these into its daily operations since 2018. In collaboration with Voka, #TeamIntervest has realized at least 10 SDGs annually in 2018, 2019, 2020 and 2021 and received the Voka Charter Sustainable Business for each of these years. In addition, because each SDG has been realized at least once over the 3-year period, Intervest has been awarded the internationally recognized UNITAR 'SDG Pioneer' certificate. In 2022, this cooperation was continued and in mid-2023 the examination board will determine whether or not the set objectives have been achieved. Also in cooperation with Voka, Intervest additionally committed in 2021 to make the business model more sustainable based on the SDGs. This project runs over two years.

Over the years, Intervest has selected five SDGs as key objectives for its sustainability strategy. These are the SDGs to which Intervest believes it can make the greatest positive contribution in the long term, while minimizing the negative impact.




In support of its endorsement of the 17 United Nations SDGs, Intervest also commits to comply with the ten principles of the United Nations Global Compact. The UN Global Compact is a framework for companies, which sets out ten principles in the areas of human rights, labour, environment and anti-corruption. It also explicitly refers to the seven principles for women's empowerment.

1 https://sdgs.un.org/goals
2 https://www.unglobalcompact.org/
3 https://www.unglobalcompact.org/take-action/action/womens-principles
4 https://www.epra.com/sustainability/sustainability-reporting/guidelines
5 https://ec.europa.eu/info/business-economy-euro/banking-and-finance/sustainable-finance/eu-taxonomy-sustainable-activities_en

In addition, the EPRA sustainability Best Practices Recommendations (EPRA sBPR), which apply specifically to the real estate sector, are used by Intervest since 2019 and for 2021 awarded by a sBPR Gold Award. They can be found in detail in the sustainability report at www.intervest.eu.

In order to meet the EU's 2030 climate and energy targets and achieve the objectives of the European Green Deal, it is vital that investments are directed towards sustainable projects and activities. In this context, Intervest has drawn up a roadmap with objectives related to the three spearheads of the ESG policy: future-proof buildings and energy efficiency, health and well-being, business integrity and compliance.

# Materiality index

While all ESG topics are important, Intervest believes that certain topics may be more important than others when making investment and/or management decisions regarding its assets or its own operations. For that reason, materiality assessments are regularly conducted for a wide range of sustainability topics based on input from a range of stakeholders, including shareholders, financiers, customers, suppliers and, of course, employees.

The outcome of this materiality assessment may, from time to time, prompt the company to update the topics included in the ESG charter, in combination with relevant performance indicators, in order to remain in line with the expectations of key stakeholders.

The materiality index for 2022 is shown below.

| Importance for external stakeholders Intervest | Moderate | Significant | Major |
|---|---|---|---|
| **Major** | | **Renewable energy solutions**<br>**Employee attraction and retention** | **Energy efficiency + Carbon footprint**<br>**Stakeholder relations** |
| **Significant** | **Water management** | **Employee development**<br>**Environmental awareness**<br>**Digitalisation**<br>**Climate change adaptation**<br>**Biodiversity**<br>**Community engagement** | **Business integrity + Ethics and transparency**<br>**Health, well-being and safety** |
| **Moderate** | **Pollution prevention**<br>**Waste management**<br>**Circular economy**<br>**Mobility** | **Diversity/inclusion**<br>**Data privacy** | |

Importance for internal stakeholders Intervest

**Future-proof buildings / Energy efficiency**
**Health, well-being & safety**
**Business integrity & compliance**

# Spearheads

The dialogue with stakeholders and the materiality index result in the following spearheads that have priority for Intervest in its sustainability policy.

- Future-proof buildings and energy efficiency
- Health & well-being of employees and clients
- Business integrity and compliance

# Future-proof buildings and energy-efficiency

Photovoltaic installations, gas-free heating, intelligent LED lighting, pleasant acoustics, high ventilation flows with heat recovery air groups, water-efficient sanitary appliances, thorough insulation of walls, roof and exterior joinery, the organization of a five-yearly condition measurement of the building ... these are just some of the many ways to provide sustainable buildings and reduce $CO_2$ emissions.

Energy efficiency is a logical point of attention in the professional management of real estate, both in the acquisition of new and old buildings, in the development of new projects and in the management of the existing portfolio.

Intervest foresees to include LCE (Life Cycle Energy) in its development programs, both in its redevelopment programs of the existing portfolio and in the development of new projects. For the entire portfolio, on a recurring basis, a sustainability evaluation per asset is planned.

## Green buildings certificates

The impact and sustainable performance of real estate have been translated into manageable indicators, which are included in international green building certification systems, such as BREEAM[1].

*2022: 32% of the real estate portfolio BREEAM "Very good" or higher*

Intervest considers a building with a score of "Very Good" or better as a sustainable building and has aimed to have at least 30% of its property portfolio[2] BREEAM-certified with a score of "Very Good" or higher by the end of 2022. As at 31 December 2022, the target has been achieved with 32% certified as at least BREEAM "Very Good". In this context, however, it is important that Intervest always puts the tenant and value creation at the centre, so that BREEAM assessments are not seen as a tick box exercise, but that solutions are only implemented if they actually create added value.

## Energy-efficiency

Given Intervest's commitment to be a positive force in the fight against climate change, the main focus is on the energy efficiency of properties available for lease, which is a key requirement in the roadmap towards a net zero carbon portfolio.

*2022: 100% electricity from sustainable sources*

1 BREEAM is an internationally recognised sustainability label for buildings, allowing the measurement and assessment of the sustainability of buildings: from energy through waste management to occupant health.
2 Excluding projects under construction.

Intervest has resolutely chosen to purchase renewable electricity for several years now. Consequently, 100% of the electricity purchased by Intervest comes from **renewable sources**, reducing the overall carbon emissions of these buildings.

Intervest not only commits to consuming electricity from renewable sources, but also actively contributes to the production of renewable electricity. Where possible, Intervest has the roofs of its logistics buildings equipped with a **photovoltaic installation**. This does not mean that Intervest always invests in the purchase of solar panels itself. In many cases there is a cooperation with a third party for the financing and operation of the solar panels. As at 31 December 2022, about 89% of the logistics property is equipped with solar panels, accounting for an installation of 34 MWp.

*2022: solar panels: 89% of the logistics portfolio*
*= 34 MWp installation*
*= energy needs of 8.800 households*
*= $CO_2$ absorption of 1.100 hectare forest*
*= 11.000 tonnes of $CO_2$ emission avoided*

Just as important as purchasing electricity from renewable sources and producing own green electricity is the conscious reduction of energy consumption. In order to purposely reduce energy consumption, it is first necessary to ensure that there is a complete and accurate picture of current consumption within the portfolio.

Based on accurate measurement data, improvement programmes can then be rolled out. As at the end of 2022, Intervest has a clear view of the consumption data of the energy it purchases itself, but significant efforts to reduce consumption in other buildings are more difficult to measure. Therefore, Intervest is installing **smart meters** not only to increase its perimeter for analysing and reporting on energy consumption, but also to allow its tenants to gain a better understanding of their energy consumption, thanks to immediate and remote reading of results.

Under the motto 'measuring is knowing', an energy monitoring system has been installed in 81% of the property portfolio as at 31 December 2022.

*2022: 81% equipped with smart meter*

One of the biggest challenges for ESG management is the volume, complexity and aggregation of ESG data, and ensuring data quality and security. **Digital** solutions can support data planning, monitoring and management.

Installation of photovoltaic panels

*Sustainability builds on digitalisation*

Intervest wants to optimise the working relationship between its employees and communication with its stakeholders, and therefore integrates new digital technologies to streamline its operational processes.

An example of this is the extensive digitalisation applied in the iconic office building Greenhouse Collection at the Singel in Antwerp.

## Sustainable mobility

The Belgian government has agreed to make electric company cars mandatory as from 2026. In 2021, the project started to analyse the parking spaces of each site in the portfolio in terms of possibilities for installing **charging infrastructure for electric cars** (PHEV en FEV)[1]. At the end of 2021 the tender is done. The target to have at least 200 charging points installed by the end of 2022 is met.

*2022: 206 charging points for electric cars*

## Green financings - Green Finance Framework

On the financing side, high standards in terms of sustainability are also pursued.
As at 31 December 2022, the loan portfolio is approximately € 829 million, of which € 135 million or 16% is green financings. These green financings are only made available, according to the *'use of proceeds'*-condition, to be used to finance sustainable investments in buildings and projects. In this context, two credits were concluded with Triodos Bank, specifically in 2019 for € 25 million and in 2021 for € 40 million. Both credits have a maturity of 7 years. In addition, Intervest set up its Green Finance Framework in 2022. At year-end 2022, € 70 million of sustainable bonds (Green bonds) and financings fall under this framework. The section below provides more details on Intervest's Green Finance Framework.

*As at 31 December 2022 Intervest has over € 135 million or 16% green financings according to the 'use of proceeds' condition*

### Green Finance Framework

In support of its strong commitment to ESG, Intervest has implemented its Green Finance Framework as at the end of May 2022. The framework is a natural and logical extension of all sustainability and environmental activities undertaken by the company.

The Green Finance Framework is a reference framework aimed at attracting green financing aimed at attracting green financing that according to the *'use of proceeds'* condition are linked to investments in sustainable real estate investments and project developments, thus contributing to Intervest's strategy for sustainable value development and the transition to a low-carbon economy. In this way Intervest anchors sustainability in its financing activities.

*€ 70 million in sustainable bond and financing reside under the Green Finance Framework in 2022*

Immediately following the launch of the Green Finance Framework, a first sustainable bond was successfully issued for a total amount of € 45 million (on 5 years at 3,6%) despite the current volatility in the capital markets. The additional green financing according to the '*use of proceeds*' condition of € 25 million, concluded with ING Belgium for 5 years, is also part of the Green Finance Framework.

1 PHEV = Plug-in Hybrid Vehicles
FEV = Full Electric Vehicles

Intervest's Green Finance Framework is aligned with the ICMA (International Capital Markets Association) Green Bond Principles and with the LMA (Loan Market Association) Green Loan Principles and also follows their recommendation regarding external review.

The framework is reviewed by ISS ESG. Annually, as from one year after allocation or after allocation of all green financing instruments, Intervest will have the allocation of proceeds from the green financing instruments validated by an external third party. These reports will be made available on the Intervest website.

The Intervest Green Finance Framework has four core components:

- Use of proceeds
- Process for project evaluation and selection
- Management of proceeds
- Reporting

**Use of proceeds**
Proceeds from the green financing instruments will be used in green buildings. For the eligible portfolio and eligibility criteria, please visit the website **www.intervest.eu/en/green-finance-framework**.

**Process for project evaluation and selection**
Intervest has established a transversal Green Finance Committee (GFC) in the first half of 2022. This team brings together the expertise of different business activities. The GFC is supported by the management board and reports to the supervisory board.

The GFC's responsibilities include:

- reviewing and updating the content of the framework
- evaluating and defining the eligible portfolio against the criteria set out in the framework, validating the purpose of the financing and environmental objectives
- supervise the allocation of proceeds from green financing instruments to eligible green projects and their evolution over time.

Intervest has developed an ESG policy to guide the elaboration of its vision in the sustainable management of its real estate. This policy covers topics implemented at Intervest such as in particular in risk management, the Corporate Governance Charter and the code of conduct, which limit all possible environmental and social risks potentially associated with the eligible green projects.

A well embedded code of conduct ensures that potential conflicts are identified, dilemmas can be openly discussed and misconduct can be reported.

Diegem ⟩ Greenhouse BXL

**Management of proceeds**
The net proceeds are used at the portfolio level and will be monitored by the GFC.

Intervest intends to allocate the proceeds of the green financing instruments, within the 12 months from issue date, to an eligible green project portfolio that meets the eligibility criteria.

**Reporting**
Intervest will prepare an allocation report and an impact report annually until the full allocation of green finance instruments is invested.

All information on Intervest's Green Finance Framework can be found at www.intervest.eu.

# Health and well-being of employees and customers


## Employees

Intervest believes that employees are best able to contribute to the success of the company if they feel happy, healthy and engaged. Many factors play a role in creating an optimal balance. As an employer, Intervest actively seeks to create a positive and productive workplace and provide employees with the tools to promote a healthy mental, physical and emotional lifestyle.

During the past year '**Intervest Wellnesst**' has been continued. A different theme is put forward each quarter. In the first quarter, attention was paid to sleep with topics such as mindfulness, the need for daylight and focus. In the second quarter, movement was addressed with info on sports, exercise at work and tips for strength exercises. The third quarter has been focussing on healthy eating: quick healthy lunches, importance of hydration and local super foods. Finally, the last quarter has been paying attention to mental well-being with tips on stress resistance, resilience and positivity.

A healthy **work environment** is also a **safe work environment**. Employees who are responsible for the management of the buildings and regularly visit them have followed a two-day VCA-VOL training course to gain more insight into the laws and regulations on prevention and safety at work, to better recognize unsafe situations on the shop floor and thus be able to prevent workplace accidents. This training was supplemented with a training course dedicated to the dangers of electrical installations, which has resulted in getting the BA4 certificate for the Intervest premises.
In the second half of 2022, a cooperation agreement with all contractors working for Intervest has been signed including agreements on safety on the sites.

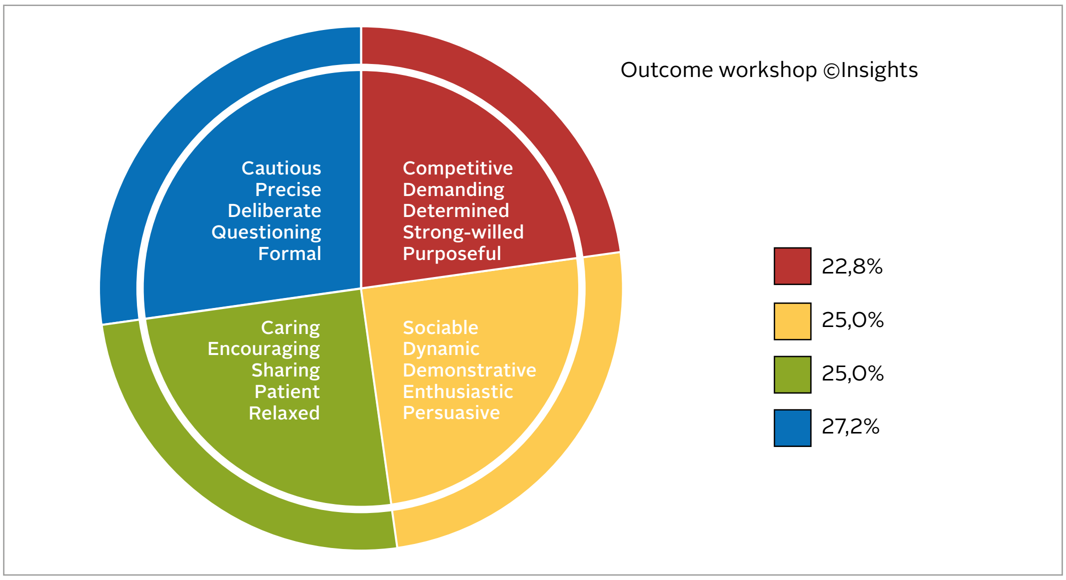
All hospitality assistants at the Greenhouse hubs have followed the training course 'Company First Aider'. This enables them to assist not only the Intervest employees but also the co-workers and customers of the serviced offices in case of emergency.

An almost daily communication via the **intranet** about sustainability, well-being, prevention, cooperation, rights as employee etc., keeps health and well-being at work under the attention and also underlines the importance of health and well-being of the employees for Intervest.

An active **party team** provides the icing on the cake with the necessary relaxing activities such as a winter barbecue and an *underground* dance party.

**Inclusion and diversity** is an important actual theme. In addition to the more obvious criteria such as age, gender, origin, etc., it is interesting in a business context to pay attention to the differences within the team in terms of thinking preferences and personalities. *Insights* is a way of mapping this out. Understanding themselves and each other better, will lead to better cooperation and greater commitment to the team and the organization. The result is a fairly balanced distribution of employees across the different 'colours' from the model as shown in the graph below.

The dissertation of a few students from the orientation Intercultural Relations Management of the Thomas More University College, in which employees were interviewed, has shown that Intervest organizes a lot so that everyone feels welcome and accepted. It also appears that employees are listened to and that both entrepreneurship and leadership are encouraged and supported. The students approached this from a broader perspective than just ethnic background and thus included elements like age, gender, disabilities and other thinking preferences.




## Customers

Sustainability in the broad sense of the word is also an important criterion in investment decisions. Facilities that promote the **well-being** of employees in the building are of decisive importance. How much daylight is possible? What relaxation areas are provided for employees? Such additional facilities for customers (showers, lockers, charging infrastructure for bicycles, etc.), natural daylight in the warehouse, a pleasant green and biodiverse outdoor environment, effective sun blinds, etc. fit in specifically with the health and well-being aspects of the sustainability policy, and also in the general positioning of the company to '**unburden**' customers and go *beyond real estate*.

In 2022, Intervest's *beyond-real-estate* mission translates primarily into self-initiated work on buildings in the portfolio in both segments. For example, the logistics units in Herentals, which previously housed Nike Europe Holding, will be converted into multi-tenant units and the necessary work will be carried out on the office site in Mechelen to realize a foodbar.

In 2020, following the launch of the #connect2022 strategy, preparations were made to start **measuring customer satisfaction** using the NPS (Net Promoter Score) methodology. Various elements of satisfaction were surveyed: ranging from satisfaction with the buildings in which clients are located to satisfaction with Intervest's services, as well as the clients' expectations. People make a difference, as the team in the Greenhouse hubs proves, which is reflected in the increasing positive results compared to the previous survey for Greenhouse. For Intervest in general, a number of improvement points have come forward and there is clear insight into what clients expect from a building owner who wants to go *beyond real estate* and wants to 'unburden' clients. Intervest will continue to work with these insights.

## Business integrity and compliance

Intervest aims to long-term sustainable value creation and therefore also has high standards of business integrity for its employees and business partners. Reporting on all IT, digital and cyber issues is also done to the supervisory board.

In 2022, the following activities have taken place.

The annual **code of conduct confirmation process i**n which all employees agree to the code of conduct as well as the procedure for reporting irregularities has been completed. Six new employees, also including a temporary employee, attended a compliance workshop.

In the context of the new EU directive regarding **whistle blowers**, the necessary training was followed and an impact analysis was carried out for Intervest.

In 2021, the **FAIR project** was started to map out the necessary actions in terms of compliance within Intervest. The open domains were further followed up in the first semester of 2022 (mainly inspections and permits, project developments). The implementation has also started for the activities in the Netherlands, whereby alignment with the Belgian operation in terms of inspections and permits is the objective.

In 2022, no reports of incidents related to GDPR have been received.

The ICT department has regularly highlighted security issues by providing information on phishing, virus mails and the like combined with upgrading the antivirus programme. As such, the entire #TeamIntervest through Intervest's new online learning environment, notably Intervest Academy, attended the cybersecurity training and consequently obtained a certificate.

There are monthly meetings regarding **risk & compliance** with the chairman of the audit and risk committee, the ceo, the cfo and the compliance officer. Compliance is also part of various project groups in the company.

## Roadmap

Building on the foundations already established for the successful #connect2022 strategy, the creation of a detailed roadmap has been started to set out the ESG strategy of Intervest in the long term. As such, in 2022 Intervest has continued to work on drawing up an ESG charter with specific objectives such as reducing $CO_2$ emissions. This charter aims to integrate sustainability into all company activities and to ensure continuous optimization of sustainable entrepreneurship within Intervest and with regard to external stakeholders.

> *Intervest will continue to aim for compliance with the 17 United Nations SDGs, Global Compact Principles, EPRA sustainability best practices and the EU taxonomy regulation.*

In the roadmap towards 2030, it is the intention to keep the focus on the three spearheads which have resulted out of the dialogue with the stakeholders and the materiality index.

# ESG-objectives

| 2022 | KPI Target 2022 | Status 31.12.2022 | Description |
|---|---|---|---|
| Green certified buildings: BREEAM at least 'Very Good' | 30% | 32%<br><br>TARGET ACHIEVED | The aim is to have 30% of the property portfolio BREEAM at least 'Very Good' certified. As at 31 December 2022, this KPI is achieved with 32% of buildings at least BREEAM 'Very Good' certified. |
| Solar energy in logistics real estate | 80% | 89%<br><br>TARGET ACHIEVED | Intervest aims to have 80% of its logistics properties equipped with photovoltaic installations where technically possible. As at 31 December 2022, this target has been exceeded, more specifically 89% of the properties in the logistics portfolio have been equipped, accounting for 34 MWp of installation or energy needs of around 8.800 households, the equivalent of the $CO_2$ uptake of around 1.100 hectares of forest and the avoidance of around 11.000 tonnes of $CO_2$ emissions. |
| Renewable energy sources | 100% | 100%<br><br>TARGET ACHIEVED | Intervest is committed to only purchasing electricity generated from sustainable sources. Intervest has had an electricity contract with Engie for several years that provides electricity from sustainable sources. |
| Energy monitoring systems | 80% | 81%<br><br>TARGET ACHIEVED | Under the motto 'measuring is knowing', the aim has been formulated to equip 80% of the property portfolio with smart meters. As at 31 December 2022, an energy monitoring system has been installed in 81% of the property portfolio. |
| Charging infrastructure | 200 charging points | 206 charging points<br><br>TARGET ACHIEVED | In the context of (future) electric mobility, the project was launched in 2021 to analyse the parking spaces of each site in the portfolio in terms of possibilities for installing charging infrastructure for electric cars (PHEV and FEV). The tender was done by the end of 2021. The target to have at least 200 charging points operational by the end of 2022, is achieved. As at 31 December 2022 206 charging points have been installed. |
| ESG commitment | Science Based Targets (SBTi) setting and notification | Ongoing | Disclosure of environmental data is an essential first step to address current and future environmental risks. Consequently, Intervest commits to environmental transparency by setting and registering SBTi targets and submitting the CDP (Climate Change) questionnaire. In 2022, the first submission for CDP has happened. |
| | First submission CDP questionnaire (Climate Change) | TARGET ACHIEVED | |

E **Future-proof buildings and energy efficiency**

S **Health and well-being employees and customers**

G **Business integrity and compliance**

| | | KPI Target | Objective |
|---|---|---|---|
| 2025 | E | 50% | ❭ Green buildings according to Green Finance Framework criteria |
| | | 100% | ❭ Building Management Systems according to the Intervest capacity |
| | | | ❭ Monitoring Life Cycle Carbon emission (LCE) for the most relevant projects |
| | | 50% | ❭ Green financing based on the *'use of proceeds'* condition |
| | S | | ❭ Ensure a healthy and safe working environment: no accidents leading to absenteeism |
| | G | | ❭ Whistle-blower policy when applicable by 2023 |
| 2030 | E | | ❭ Commitment to European Green Deal - objectives: |
| | | | Intervest activities: |
| | | Neutral | › $CO_2$ emission |
| | | 55 kWh/m²/y | › Energy intensity |
| | | | New developments (embedded carbon): |
| | | -42% | › $CO_2$ emission |
| | | | Existing real estate portfolio (operational carbon): |
| | | -42% | › $CO_2$ emission (base year 2021) |
| 2050 | E | | ❭ **Commitment to European Green Deal - objectives:** |
| | | | New developments (embedded carbon): |
| | | Net zero | › $CO_2$ emission |
| | | 55 kWh/m²/y | › Energy intensity |
| | | | Existing real estate portfolio (operational carbon): |
| | | Net zero | › $CO_2$ emission |
| | | 55 kWh/m²/y | › Energy intensity |

# ESG-report

ESG activities are reported in a separate report. This document reflects the sustainability policy, the broader sustainability objectives and property-specific EPRA performance measures and can be found on the website **www.intervest.eu.**

# ACTIVITY REPORT

# 1 Property report

**Active rental policy leads to increase future rental income, remaining maturity and an improvement in the quality of the portfolio. Investments as a foundation for future value creation.**

## KEY FIGURES

**€ 1,3 billion**
Fair value of the portfolio

47% Logistics BE
26% Logistics NL
27% Offices

**90%**
Occupancy rate

96% Logistics BE
100% Logistics NL
76% Offices

**4,9 years**
Average remaining duration of lease agreements (until first expiry date)

5,3 years Logistics BE
6,5 years Logistics NL
2,9 years Offices

**6,0%**
Gross rental yield

5,8% Logistics BE
5,7% Logistics NL
6,8% Offices

Berchem 〉Greenhouse Antwerp - serviced offices

| KEY FIGURES PER SEGMENT* | | | | 31.12.2022 | | | | 31.12.2021 |
|---|---|---|---|---|---|---|---|---|
| | Logistics BE | Logistics NL | Offices BE | TOTAL | Logistics BE | Logistics NL | Offices BE | TOTAL |
| Fair value of investment properties (in thousands €) | 628.450 | 347.277 | 357.691 | **1.333.418** | 480.239 | 342.282 | 386.423 | **1.208.944** |
| Fair value of investment properties (in %) | 47% | 26% | 27% | **100%** | 40% | 28% | 32% | **100%** |
| Fair value real estate available for lease (in thousands €) | 565.502 | 337.611 | 330.686 | **1.233.799** | 422.400 | 336.800 | 339.620 | **1.098.820** |
| Contractual leases (in thousands €) | 34.488 | 19.722 | 22.627 | **76.837** | 27.850 | 17.401 | 27.767 | **73.018** |
| Contractual leases increased by estimated rental value on vacancy (in thousands €) | 35.845 | 19.722 | 29.287 | **84.854** | 28.044 | 17.401 | 32.155 | **77.600** |
| Gross rental yield on real estate available for lease (in %) | 5,8% | 5,7% | 6,8% | **6,0%** | 6,0% | 5,2% | 8,2% | **6,4%** |
| Gross rental yield (including estimated rental value of vacant properties) on real estate available for lease (in %) | 6,0% | 5,7% | 8,9% | **6,7%** | 6,1% | 5,2% | 9,5% | **6,8%** |
| Average remaining duration of lease agreements (until first expiry date) (in years) | 5,3 | 6,5 | 2,9 | **4,9** | 4,4 | 6,6 | 2,6 | **4,3** |
| Average remaining duration of lease agreements (until end of agreement) (in years) | 6,8 | 8,2 | 4,3 | **6,4** | 5,6 | 8,0 | 3,8 | **5,5** |
| Occupancy rate (EPRA) (in %) | 96% | 100% | 76% | **90%** | 99% | 100% | 87% | **94%** |
| Number of leasable buildings | 25 | 19 | 32 | **76** | 24 | 18 | 37 | **79** |
| Gross leasable surface area (in thousands of m²) | 698 | 353 | 208 | **1.259** | 552 | 313 | 246 | **1.111** |

* All concepts and their calculations are included in a lexicon on the www.intervest.eu website, called "Terminology and alternative performance measures" and in this Annual Report.

# 1.1 Transactions and developments in 2022

## 1.1.1 Acquisitions in 2022

**Investments as the foundation for future, sustainable value creation with the in-house #TeamIntervest**

The acquisitions made by Intervest in 2022 concern acquisitions in the logistics segment. All transactions have been financed from Intervest's existing available credit lines with financial institutions. An accelerated private placement ("ABB") has also been carried out during December 2022 to strengthen equity. More information on this transaction and financings in general can be found in the Financial report - Financial structure.

### Herstal (BE): strengthening of local position with land of 10.666 m² with logistics buildings

Intervest has acquired in Herstal, industrial zone 'Hauts Sarts', a site of 10.666 m² with buildings, with a purely industrial/logistics destination for an investment value of around € 3,8 million. Intervest already owns a site of about 15 ha in this industrial zone with strongly growing customers, so this acquisition fits in the cluster strategy of the logistics segment. The site has an excellent accessibility due to its location near the connection of various highways. Herstal is a location next to Liège with limited availability and high demand for similar real estate objects, among other things due to the growing importance of the airport of Bierset.

### Breda (NL): completion of sustainable expansion for Nouwens Transport Breda

In 2021, Intervest expands further in the Southern Netherlands with a first logistics site in Breda via a sale-and-lease-back agreement for the head office of the North Brabant transport company Nouwens Transport Breda.

The sale-and-leaseback agreement also provides, adjacent to the existing warehouse, for an extension of 3.650 m² of new-build warehouse, creating a total of 6.000 m² of logistics space in addition to the office space. This new construction with an investment value of approximately € 4,7 million, was delivered as expected in the first quarter of 2022 and meets high quality standards.

The Netherlands - Breda ⟩ Nouwens Transport Breda

## Zeebrugge (BE): acquisition of a sustainable logistics project from a Chinese consortium of developers

Intervest acquires[1] 100% of the shares of Lingang Overseas Zeebrugge Modern Industrial Park Development Company NV and thus gets 15 ha of land in concession in the maritime area Port of Antwerp-Bruges in Zeebrugge. The port area, which has experienced strong growth in container traffic in recent years, is seen as a strategic asset in the real estate portfolio. The state-of-the-art logistics new-build project consists of approximately 110.000 m² total lettable area, of which approximately 73.000 m² warehouses, approximately 4.000 m² office space, an outdoor storage/truck parking area of approximately 32.000 m² and ample parking. The acquisition price of the finished property for the calculation of the share price is approximately € 78 million, which at that time still had a capex to be spent of € 25 million.

The sustainable site is delivered to BREEAM 'Excellent' standards, and features EV chargers, rainwater recovery and is heated gas-free. A PV installation will be operational over the entire roof in the course of 2023.
With the three pre-let units to Worldex, accounting for approximately 23.100 m², the lease to Easylog Solutions[2], accounting for approximately 48.400 m², and the recent lease to Aertssen Logistics in February 2023, accounting for approximately 29.000 m², 86% of the site has been let at market conditions.

## Waalwijk (NL): sustainable logistics building

Intervest acquires a sustainable logistics building located at Mechie Trommelenweg 8 in the Haven 8 business park in Waalwijk. It is an off-market acquisition of a fully leased building that was transferred to Intervest as at 30 June 2022 for € 23 million in total. The building, which was completed in 2019, comprises approximately 16.500 m² of business space, of which 650 m² are office space, and is located on a site of approximately 21.000 m². After delivery, it was leased, in line with market conditions, to the Base Logistics Group for several years to be used by Healthlink Europe. Both companies are subsidiaries of Staci Group.

1 See press release 25 April 2022: "Intervest sees opportunity in the port of Zeebrugge with the acquisition of a 73.000 m² logistics project from a Chinese consortium of developers".
2 See press release 11 October 2022: "Intervest welcomes Easylog Solutions at Zeebrugge Green Logistics, its first own tenant since the takeover in the port of Zeebrugge".

Zeebrugge ⟩ Zeebrugge Green Logistics

## 1.1.2 Acquisition after closing date 2022

### Ghent (BE): strategic site in Ghent seaport

At the beginning of 2023 Intervest has concluded a sale-and-lease-back operation with Plasman Belgium NV on concession property for an investment value of € 14,25 million[1]. The 56.000 m² site, strategically located at Skaldenstraat in the Ghent seaport, comprises a production site of 22.200 m² on which Plasman carries out its operational activities.

Intervest concluded a 10-year lease with Plasman, with two options to extend each 5 years at market conditions. A new concession agreement was negotiated with North Sea Port Flanders until 2053, with a unilateral option to extend until 2083.

This acquisition represents an important expansion of the already existing cluster with which Intervest further strengthens its position in the port of Ghent area.

## 1.1.3 Projects and development potential

Besides the real estate available for lease, Intervest also has projects and land reserves. 220.000 m² leasable space of projects were delivered in 2022. As at 31 December 2022 Intervest still has a total potential leasable area of approximately 283.000 m² of projects and land reserves.

### Delivered projects in 2022

During 2022, projects for a leasable area of about 220.000 m² have been delivered.
The following is an overview of these completed projects.

| | Segment | Type | GLA in m² | Delivered | BREEAM |
|---|---|---|---|---|---|
| Genk Green Logistics | Logistics BE | Development | 11.000 | Q2 2022 | Excellent |
| Genk Green Logistics | Logistics BE | Development | 11.000 | Q2 2022 | Excellent |
| Genk Green Logistics | Logistics BE | Development | 21.000 | Q2 2022 | Excellent |
| Genk Green Logistics | Logistics BE | Development | 9.000 | Q3 2022 | Excellent |
| Greenhouse Collection at the Singel - Antwerp | Offices BE | Redevelopment | 16.000 | Q4 2022 | Excellent |
| Herentals Green Logistics | Logistics BE | Development | 42.000* | Q1 2022 | Excellent |
| Zeebrugge Green Logistics | Logistics BE | Development | 110.000** | Q4 2022 | Excellent |
| **DELIVERED PROJECTS IN 2022** | | | **220.000** | | |

* The complete delivered site comprises 42.000 m², of which 22.000 m², linked to the lease to STG, have already been delivered in 2021.

** This site was acquired in 2022 and completed in Q4 2022. The total lettable area of this site is around 110.000 m², including 73.000 m² logistics, 4.000 m² office space, 32.000 m² trailer/container park and 85 outdoor car parks. 86% is let as of February 2023. See section 'Acquisitions in 2022' for more details.

1 See press release 11 January 2023: "Intervest acquires strategic site in Ghent seaport via sale-and-lease-back

## Projects and land reserves as at 31 December 2022

The potential leasable area of the projects and land reserves as at 31 December 2022 is around 283.000 m².

Based on current property market data, Intervest expects a potential value of approximately € 315 million for the total of its projects, mainly in the logistics segments of the Netherlands and Belgium. Compared to the value of the total property investments as at 31 December 2022, this means a future potential value increase of the property portfolio over a period 2023 - 2025 of approximately € 218 million. This is offset by capex yet to be spent of € 182 million. Based on current property market data, the yield on cost for this development potential is approximately 6,1%. The following is an overview of these projects and land reserves as at 31 December 2022.

| | Segment | Type | (Potential) GLA in m² | Expected delivery | BREEAM |
|---|---|---|---|---|---|
| Genk Green Logistics | Logistics BE | Development | 30.000 | H1 2023 | Excellent |
| Herentals Green Logistics - unit 1B | Logistics BE | Development | 10.000 | Q1 2023 | Excellent |
| Greenhouse Woluwe Garden | Offices BE | Redevelopment | 23.700 | 2024 | Outstanding |
| Zellik | Logistics BE | Redevelopment | 22.000 | 2024 | Outstanding |
| 's-Hertogenbosch Rietvelden | Logistics NL | Development | 9.700 | Q2 2023 | Excellent |
| **PROJECTS** | | | **95.400** | | |
| | | | | | |
| Genk Green Logistics | Logistics BE | Development | 133.000 | 2023-2025 | Excellent |
| Puurs | Logistics BE | Development | 44.500 | 2024 | |
| Venlo | Logistics NL | Development | 10.000 | | Outstanding |
| **LAND RESERVES** | | | **187.500** | | |
| | | | | | |
| **TOTAL PROJECTS & LAND RESERVES** | | | **282.900** | | |

More information regarding project developments is included in the Financial statements - Note 14. Non-current assets.

## Herentals Green Logistics (BE): sustainable cluster of approximately 52.000 m² logistics and offices completely (pre)leased

As at 30 March 2022, the delivery of Herentals Green Logistics has been announced[1]. This sustainable cluster of logistics spaces and offices was made possible by combining the existing logistics buildings in Herentals with the site acquired in May 2020 with office building and land position. This expansion of the real estate portfolio at the time created a site of 18 hectares in total that, under the supervision of #TeamIntervest, enabled a large-scale redevelopment according to BREEAM 'Excellent' standards. In addition to the existing sites, good for 50.912 m², Herentals Green Logistics now has an additional approximately 39.000 m² of warehouses and a cross-dock, approximately 3.000 m² of office space and also provides a parking tower on five levels with over 400 parking spaces.

In addition, the site includes another project under construction as at 31 December 2022. This project has been started during the third quarter of 2022 and is scheduled for completion in the first quarter of 2023. The project provides for an additional logistics unit of 8.000 m² with 1.500 m² of mezzanine and 500 m² of office space, on top of the already completed site of 42.000 m². This additional 10.000 m² project is fully leased to Fox International Group (Rather Outdoors) at the end of October 2022, making the entire site leased.

1 See press release 30 March 2022: "With the delivery of Herentals Green Logistics, Intervest is creating a future-proof business cluster of approximately 120.000 m² in the Kempen."

# Genk Green Logistics (BE): redevelopment zone B former Ford site continues

## Commercially successful year with around 50% of the available 250.000 m² already (pre)leased

The further development of the Genk Green Logistics redevelopment project is proceeding as planned. On zone B of the former Ford site, a logistics and semi-industrial complex of about 250.000 m² with BREEAM 'Excellent' certification is being built, consisting of 21 units. On the site, sustainability and multi-modality go hand in hand.

Two tenants, Eddie Stobart Logistics Europe and P&O Ferrymasters, moved into the completed units in the course of 2021. The rental income of these three units, together 35.000 m², is included in the EPRA earnings of the first semester 2022.

Three other leases were signed in the course of 2021.

- With tenant Neovia Logistics, for over 10.000 m² warehouse with 1.000 m² mezzanine facilities and 500 m² offices.
- With tenant Nippon Express Belgium, for over 21.000 m² warehouse including office space.
- With Eddie Stobart Logistics Europe for an additional unit of 20.000 m² in total.

These units were delivered in the second quarter of 2022, as a result of which they are also starting to generate rental income.

At the beginning of April 2022, a fifth major and first local player has been attracted in less than one year after the start of commercialisation. The lease agreement with Konings for yet to be built units of approximately 30.000 m² is concluded for 20 years, renewable twice by 9 years. The construction will be carried out by MG Real Estate, which, as a partner of Genk Green Logistics (a collaboration between Intervest and Group Machiels), is responsible for the realisation of the logistics and semi-industrial complex on the former Ford site in Genk. The delivery of these units is planned for the first half of 2023.

As a result of this new built-to-suit lease, the total number of leased m² on the site will increase to more than 100.000 m², which is approximately 50% of the total available surface area of 250.000 m². More information about this project can be found at **www.genkgreenlogistics.be**.

Genk 〉 Genk Green Logistics

# Greenhouse Collection at the Singel (BE): prestigious office project at top location

## Iconic building becomes even more iconic

The office renovation project Greenhouse Collection at the Singel is going according to plan. The prestigious building, at an excellent visible location along the Singel in Antwerp, was purchased[1] by Intervest in November 2020 in the initial phase of the redevelopment. After completion of the sustainable and future-oriented renovation project, this state-of-the-art office building is one of the top office buildings in Antwerp.

The building, with an office concept that integrates elements of Intervest's existing Greenhouse hubs and links them to an exclusive office experience, was delivered at the end of 2022. Now that the atmosphere can be experienced and tasted during a visit, the commercialization of the building is in full swing. In the fourth quarter of 2022, Intervest has welcomed its first tenants, Kangaroot, Realis and Kebony. Kangaroot and Realis each occupy respectively around 560 m², Kebony occupies approximately 370 m². In the course of 2023 additional new lease contracts have been concluded for the lease of two private spaces of approximately 1.540 m² together and a number of contracts for serviced offices, bringing the building's occupancy rate to 31% at the end of February 2023.

1 See press release 18 November 2020: "Intervest acquires prestigious office project on top location in Antwerp".

Antwerp 〉 Greenhouse Collection at the Singel

The Netherlands - 's-Hertogenbosch ⟩ My Jewellery - built-to-suit warehouse

## 's-Hertogenbosch (NL): high-end built-to-suit warehouse of around 10.000 m²

My Jewellery leases for a period of 10 years, in the business park De Rietvelden in 's-Hertogenbosch[1], a built-to-suit warehouse of approximately 10.000 m² that is being developed by Intervest.

My Jewellery was founded in 2011, has several boutiques spread across the Netherlands and Belgium and has become one of the fastest growing e-commerce companies in the Netherlands. The warehouse is being built by Van Schijndel Bouwgroep from Geffen and will be delivered with the sustainable certificate, BREEAM 'Excellent'. The necessary permits are already obtained, construction started in May 2022 and delivery will take place in the second quarter of 2023.

1 See press release 2 June 2022: "Intervest Offices & Warehouses builds high-end built-to-suit warehouse of approximately 10.000 m² for My Jewellery in 's-Hertogenbosch".

# 1.2 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.

## 1.2.1 Property portfolio as at 31 December 2022

### Increase in fair value of the logistics portfolio in Belgium with € 148 million or 31%

The fair value of investment properties amounts to € 1.333 million as at 31 December 2022 (€ 1.209 million as at 31 December 2021). This total value includes the real estate available for lease of approximately € 1.234 million and approximately € 99 million of project developments.

Four properties were transferred to real estate available for sale, mainly offices, during the second quarter of 2022. It concerns four non-strategic buildings, Antwerp Gateway, Inter Access Park in Dilbeek, Park Rozendal in Hoeilaart and a logistics site in Huizingen, for which Intervest initiated the sales process. In the course of the fourth quarter, the sale of Huizingen was completed for an amount of € 8,5 million, resulting in a sales result of € 0,5 million included in the 2022 income statement. Through asset rotation with a focus on logistics, Intervest keeps its portfolio sustainable and future-proof.

The portfolio is valued on a quarterly basis by independent real estate experts, allowing trends to be quickly identified and proactive measures to be taken.

The increase in the fair value of investment properties of € 124 million or 10% compared to 31 December 2021 can be explained as follows.

**In Belgium's logistics portfolio - fair value increase of € 148 million or 31%**

- Acquisition of the Zeebrugge project development for an amount of € 61 million via acquisition of shares of a real estate company whose fair value of the property at the time of acquisition, less the concession fee to be paid, was around € 53 million
- Acquisition of property available for lease in Herstal, adjacent to the existing site, for an amount of € 4 million
- Investments in project developments and land reserves for € 75 million, mainly investments in Genk Green Logistics, Zeebrugge and the further completion of Herentals Green Logistics
- Investments of € 1 million to improve the existing logistics portfolio in Belgium
- Divestment of a non-strategic site in Huizingen with a fair value of € 8 million as at 31 December 2021
- Increase in the fair value of the logistics portfolio of € 14 million or 3%. The increase is a result of the pre-leasing of the projects under construction in Herentals and Genk, the future development potential created in Herstal as a result of the additional adjacent site and some important long-term lease transactions, among others in Puurs and Duffel. These value increases in the portfolio are partially offset by some yield adjustments estimated by the external advisor in the current economic context, partially offset by ERV increases, a consequence of the current index level.

1 With the exception of the property management of Mechelen Campus, which is carried out by Quares Property and Facility Management.

**In the Netherlands' logistics portfolio - fair value increase of € 5 million or 1%**

- Acquisitions of real estate available for lease for € 30 million: building in Waalwijk and extension in Breda
- Investments in project developments and land reserves for € 6 million, mainly in the redevelopment of 's-Hertogenbosch
- Investments of € 1 million to improve the existing logistics portfolio in the Netherlands
- Decrease in the fair value of the logistics portfolio in the Netherlands of € 32 million or 9%. The decrease is mainly a result of a general yield decompression encoded by the external advisor and the effect of the increase in transfer tax in the Netherlands as of 1 January 2023 from 8% to 10,4%, partially offset by increase in ERV and the signed lease extension from ASML for Silver Forum in Eindhoven.

**In the office portfolio - decrease in fair value by € 29 million or 7%**

- Transfer of € 28 million from real estate available for lease to available for sale of the buildings Antwerp Gateway, Inter Access Park in Dilbeek and Park Rozendal in Hoeilaart for which the sales process has been initiated
- Investments in project developments in the office portfolio for € 7 million, for further completion in the redevelopment of Greenhouse Collection at the Singel and the Greenhouse Woluwe project
- Investments to improve the existing portfolio for € 1 million
- Value decrease in the office portfolio for € 9 million or 2% mainly explained by the inclusion of vacancy periods by the real estate experts due to new or future vacancies.
  - The decrease in value in the office portfolio available for lease, amounts to € 5 million and is mainly a consequence of new vacancy due to the early departure of tenant Enterprise Services Belgium in Mechelen Business Tower, whereby a severance payment for the remaining rental period was received, and the delayed completion and commercialisation of Greenhouse Collection due to the current economic climate. In addition, the decrease in value can be explained by reviewing the lettable area of archive space in the office portfolio. Indeed, increasing digitisation at companies has reduced the need for archive space. To determine the effect of this, an in-depth analysis of leasability on the available archive space has been carried out.
  - The decrease in value on project developments in the office portfolio amounts to € 4 million and is, on the one hand, a result of new, planned vacancy in the context of future projects to be started and, on the other hand, the delayed progress of current projects due to the current economic situation.

## Property available for lease

The leasable area of the property portfolio amounts to 1.258.804 m² as at 31 December 2022. This is an increase of 147.326 m² or 13% compared to the end of 2021 (1.111.478 m²)

| | Logistics BE | Logistics NL | Offices | **Total** |
|---|---|---|---|---|
| Leasable m² as at 31 December 2021 | **552.520** | **313.420** | **245.538** | **1.111.478** |
| Completion of acquired project developments under construction | 109.265 | 22.245 | 15.775 | **147.285** |
| Completion of own developments | 72.187 | 0 | 0 | **72.187** |
| Adjustments to the leasable m² of existing buildings | 421 | 0 | -8.943 | **-8.522** |
| Acquisition of real estate available for lease | 5.849 | 17.107 | 0 | **22.956** |
| Transfer to real estate available for sale | 0 | 0 | -20.394 | **-20.394** |
| Transfer to project developments | -24.957 | 0 | -23.681 | **-48.638** |
| Divestment | -17.548 | 0 | 0 | **-17.548** |
| **Leasable m² as at 31 December 2022** | **697.737** | **352.772** | **208.295** | **1.258.804** |

As at 31 December 2022 the real estate portfolio has a leasable area of 1.258.804 m², an increase of 13% compared to 31 December 2021

| Buildings | Construction/ renovation year and expansion | Year of last major investment by Intervest |
|---|---|---|
| LOGISTICS PROPERTIES AVAILABLE FOR LEASE IN BELGIUM | | |
| **Antwerp - Limburg - Liège** | | |
| Aarschot - Nieuwlandlaan 321 - 3200 Aarschot | 2005 | n/a |
| **Herentals Green Logistics 1 - Atealaan 34b-d/f - 2200 Herentals**** | | |
| > *Herentals Logistics 1 and 3 - Atealaan 34b/d/f - 2200 Herentals* | 2022 | n/a |
| > *Herentals Logistics 2 - Atealaan 34c - 2200 Herentals* | 2008 - 2012 | 2022 |
| **Liège** | | |
| > *Liège - Deuxième Avenue 31 - 4040 Liège* | 2007 | n/a |
| > *Liège - Première Avenue 32 - 4040 Liège* | 2000-2017 | n/a |
| Oevel 1 - Nijverheidsstraat 9 - 2260 Oevel | 2004 | n/a |
| Oevel 2 - Nijverheidsstraat 9a-11 - 2260 Oevel | 2007-2013 | n/a |
| Oevel 3 - Nijverheidsstraat 8 - 2260 Oevel | 1995 | n/a |
| Tessenderlo - Havenlaan 6 - 3980 Tessenderlo | 1970-1980 | 1990 |
| Wommelgem - Koralenhoeve 25 - 2160 Wommelgem | 1998-2018 | 2019 |
| **Genk Green Logistics Henry Fordlaan 8 + 4 - 3600 Genk** | | |
| > *Genk Green Logistics - building 1* | 2020-2022 | |
| > *Genk Green Logistics - building 2* | 2022 | 2020-2022 |
| **Antwerp - Ghent - Bruges** | | |
| Ghent - Eddastraat 21 - 9042 Ghent | 2018 | n/a |
| Zeebrugge - Koffieweg 50 - 8380 Zeebrugge | 2022 | n/a |
| **Antwerp - Brussels - Nivelles** | | |
| Boom - Industrieweg 18 - 2850 Boom | 2015 | n/a |
| Duffel - Stocletlaan 23 - 2570 Duffel | 1998 | n/a |
| Mechelen 1 - Oude Baan 12 - 2800 Mechelen | 2004 | 2019 |
| Mechelen 2 - Dellingstraat 57 - 2800 Mechelen | 1998-2010 | n/a |
| Puurs - Koning Leopoldlaan 5 - 2870 Puurs | 2001 | n/a |
| Schelle - Molenberglei 8 - 2627 Schelle | 1993-2016 | 2019 |
| Wilrijk 1 - Boomsesteenweg 801-803 - 2610 Wilrijk | 2013 | n/a |
| Wilrijk 2 - Geleegweg 1-7 - 2610 Wilrijk | 1989-2017 | n/a |
| Merchtem - Preenakker 20 - 1785 Merchtem | 1992-2020 | n/a |
| Zellik - Brusselsesteenweg 464 - 1731 Zellik | 1994 -2008 | |
| TOTAL LOGISTICS PROPERTY AVAILABLE FOR LEASE IN BELGIUM | | |
| | | |
| LOGISTICS PROPERTIES AVAILABLE FOR LEASE IN THE NETHERLANDS | | |
| **A58/A67 Bergen-Op-Zoom - Eindhoven - Venlo** | | |
| Breda - Steltbeemd 3 - 4824 AP Breda | 2019 | n/a |
| **Eindhoven - Flight Forum** | | |
| > *Eindhoven Gold Forum - Flight Forum 1500 - 5657 EA Eindhoven* | 2002 | 2020 |
| > *Eindhoven Silver Forum - Flight Forum 1800-1950 - 5657 EZ Eindhoven* | 2002 | n/a |
| Roosendaal 1 - Bosstraat 9-11 - 4704 RL Roosendaal | 2018 - 2020 | 2020 |
| Roosendaal 2 - Leemstraat 15 - 4705 RT Roosendaal | 1975-2012 | n/a |
| Roosendaal 3 - Blauwhekken 2 - 4751 XD Roosendaal | 2019 | n/a |
| Tilburg 1 - Kronosstraat 2 - 5048 CE Tilburg | 2004-2011 | n/a |
| Tilburg 2 - Belle van Zuylenstraat 10 - 5032 MA Tilburg | 1997- 2019 | n/a |

* 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.

** The office building located in Herentals is also part of the Herentals Green Logistics site.

| Leasable area (m²) | Fair value (€ 000) | Acquisition-value (€ 000) | Insured value (€ 000) | Contractual rent (€ 000) | Occupancy rate* (%) |
|---|---|---|---|---|---|
| **697.737** | **565.502** | **479.216** | **392.110** | **32.811** | **96%** |
| **379.396** | **321.102** | **268.286** | **213.585** | **18.953** | **100%** |
| 14.602 | | | | | 95% |
| | | | | | |
| 53.519 | | | | | 100% |
| 50.912 | | | | | 100% |
| | | | | | |
| 5.849 | | | | | 99% |
| 55.468 | | | | | 100% |
| 12.159 | | | | | 100% |
| 33.955 | | | | | 100% |
| 11.660 | | | | | 100% |
| 29.332 | | | | | 100% |
| 24.181 | | | | | 100% |
| | | | | | |
| 76.043 | | | | | 100% |
| 11.716 | | | | | 100% |
| **147.209** | **106.775** | **109.385** | **81.103** | **4.890** | **79%** |
| 37.944 | | | | | 100% |
| 109.265 | | | | | 71% |
| **171.132** | **137.625** | **101.545** | **97.422** | **8.968** | **100%** |
| 24.871 | | | | | 100% |
| 23.386 | | | | | 100% |
| 15.341 | | | | | 100% |
| 7.046 | | | | | 100% |
| 43.534 | | | | | 100% |
| 8.738 | | | | | 96% |
| 5.364 | | | | | 100% |
| 24.521 | | | | | 100% |
| 16.651 | | | | | 100% |
| 1.680 | | | | | 100% |
| **697.737** | **565.502** | **479.216** | **392.110** | **32.811** | **96%** |
| | | | | | |
| **352.772** | **337.611** | **286.672** | **228.607** | **19.176** | **100%** |
| **213.147** | **219.110** | **176.563** | **118.747** | **11.788** | **100%** |
| 25.666 | | | | | 100% |
| | | | | | |
| 20.691 | | | | | 100% |
| 28.695 | | | | | 100% |
| 28.199 | | | | | 100% |
| 38.162 | | | | | 100% |
| 18.029 | | | | | 100% |
| 13.309 | | | | | 100% |
| 28.493 | | | | | 100% |

| Buildings | Construction/ renovation year and expansion | Year of last major investment by Intervest |
|---|---|---|
| **Venlo** | | |
| > *Venlo 1 - Archimedesweg 12 - 5928 PP Venlo* | 2001 | n/a |
| > *Venlo 2 - Celsiusweg 25 - 5928 PR Venlo* | 2012 | n/a |
| > *Venlo 3 - Celsiusweg 35 - 5928 PR Venlo* | 2001 | n/a |
| **A59 Moerdijk - 's Hertogenbosch - Nijmegen** | | |
| Raamsdonksveer 1 - Zalmweg 37 - 4941 SH Raamsdonksveer | 2010 | n/a |
| Raamsdonksveer 2 - Zalmweg 41 - 4941 SH Raamsdonksveer | 2002 | n/a |
| Raamsdonksveer 3 - Steurweg 2 - 4941 VR Raamsdonksveer | 1980-2008 | n/a |
| **'s Hertogenbosch** | | |
| > *'s-Hertogenbosch 1 - Rietveldenweg 32, 34-36 - 5222 AR 's-Hertogenbosch* | 2018 | n/a |
| > *'s-Hertogenbosch 2 - Koenendelseweg 19-23 - 5222 BG 's-Hertogenbosch* | 2018 | n/a |
| Waalwijk - Mechie Trommelenweg 8 - 5145 ND Waalwijk | 2019 | n/a |
| **A15 Rotterdam - Gorinchem - Nijmegen** | | |
| Nijmegen - De Vlotkampweg 67-71 - 6545 AE Nijmegen | 1988-2002 | n/a |
| Vuren - Hooglandseweg 6 - 4214 KG Vuren | 2018 | n/a |
| TOTAL LOGISTICS PROPERTIES AVAILABLE FOR LEASE IN THE NETHERLANDS | | |
| | | |
| OFFICES AVAILABLE FOR LEASE IN BELGIUM | | |
| **Antwerp** | | |
| Aartselaar - Kontichsesteenweg 54 - 2630 Aartselaar | 2000 | 2016 |
| Antwerp - Collection at the Singel - Desguinlei 100 - 2018 Antwerp | 2020-2022 | n/a |
| Greenhouse Antwerp - Uitbreidingstraat 66 - 2600 Berchem | 2016 | n/a |
| De Arend - Prins Boudewijnlaan 45-49 - 2650 Edegem | 1997 | n/a |
| Herentals - Atealaan 34A - 2200 Herentals | 2008 | n/a |
| **Brussels and Leuven** | | |
| Greenhouse BXL - Berkenlaan 7, 8a en 8b - 1831 Diegem | 2018 | n/a |
| Exiten - Zuiderlaan 91 - 1731 Zellik | 2002 | n/a |
| Ubicenter - Philipssite 5 - 3001 Leuven | 2001 | n/a |
| **Mechelen** | | |
| Intercity Business Park - Generaal De Wittelaan 9-21 - 2800 Mechelen | 1993 - 1999 / 2016 | 2019 |
| Mechelen Business Tower - Blarenberglaan 2C - 2800 Mechelen | 2001 | 2014 |
| Mechelen Campus - Schaliënhoevedreef 20 A-J en T - 2800 Mechelen | 2000 - 2005 | 2012 - 2015 |
| TOTAL OFFICES AVAILABLE FOR LEASE | | |
| | | |
| **TOTAL PROPERTIES AVAILABLE FOR LEASE** | | |

* 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.

** The office building in Herentals is also part of the Herentals Green Logistics site

| Leasable area (m²) | Fair value (€ 000) | Acquisition-value (€ 000) | Insured value (€ 000) | Contractual rent (€ 000) | Occupancy rate* (%) |
|---|---|---|---|---|---|
| | | | | | |
| 1.446 | | | | | 100% |
| 3.989 | | | | | 100% |
| 6.468 | | | | | 100% |
| **106.446** | **94.294** | **89.778** | **87.252** | **5.679** | **100%** |
| 20.653 | | | | | 100% |
| 38.573 | | | | | 100% |
| 14.581 | | | | | 100% |
| | | | | | |
| 5.457 | | | | | 100% |
| 10.075 | | | | | 100% |
| 17.107 | | | | | 100% |
| **33.179** | **24.207** | **20.331** | **22.608** | **1.709** | **100%** |
| 19.159 | | | | | 100% |
| 14.020 | | | | | 100% |
| **352.772** | **337.611** | **286.672** | **228.607** | **19.176** | **100%** |
| | | | | | |
| **208.295** | **330.686** | **302.182** | **421.938** | **22.627** | **76%** |
| **40.410** | **84.832** | **78.151** | **83.953** | **2.678** | **43%** |
| 4.140 | | | | | 44% |
| 15.775 | | | | | 19% |
| 5.763 | | | | | 90% |
| 6.931 | | | | | 52% |
| 7.801 | | | | | 71% |
| **49.453** | **86.672** | **87.286** | **98.838** | **6.432** | **97%** |
| 18.798 | | | | | 97% |
| 3.628 | | | | | 80% |
| 27.027 | | | | | 99% |
| **118.432** | **159.182** | **136.745** | **239.147** | **13.517** | **80%** |
| 54.190 | | | | | 82% |
| 13.574 | | | | | 65% |
| 50.668 | | | | | 80% |
| **208.295** | **330.686** | **302.182** | **421.938** | **22.627** | **76%** |
| | | | | | |
| **1.258.804** | **1.233.799** | **1.068.070** | **1.042.655** | **74.614** | **90%** |

## Project developments - Future development potential

In addition to property available for lease, Intervest has future development potential, recognised on the balance sheet as project developments.

| Segment | Fair value (€ 000) | Contractual rent (€ 000) | Share of portfolio (%) | Acquisition-value* (€ 000) | Insured value (€ 000) |
|---|---|---|---|---|---|
| Land reserves logistics Belgium | 24.161 | n/a | 2% | 24.161 | n/a |
| Land reserves logistics Netherlands | 3.248 | n/a | 2% | 3.248 | n/a |
| Projects under construction - logistics Belgium | 38.788 | 1.677 | 3% | 29.376 | n/a |
| Projects under construction - logistics Netherlands | 6.417 | **546** | **0%** | 8.123 | n/a |
| Projects under construction - offices | 27.005 | **0** | **2%** | 64.090 | 72.286 |
| Project developments | 99.619 | 2.223 | 7% | 128.999 | n/a |

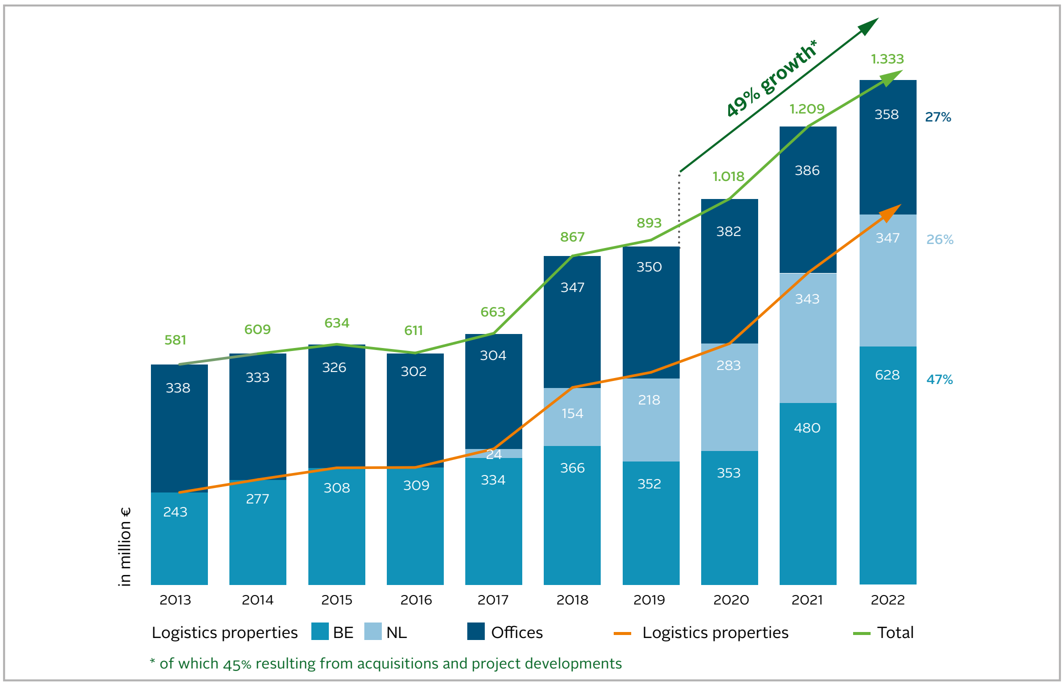
* Including capitalised investments.

These projects under construction and development potential are explained in the Property Report - 1.1.3 Projects under construction and development potential of this annual report.

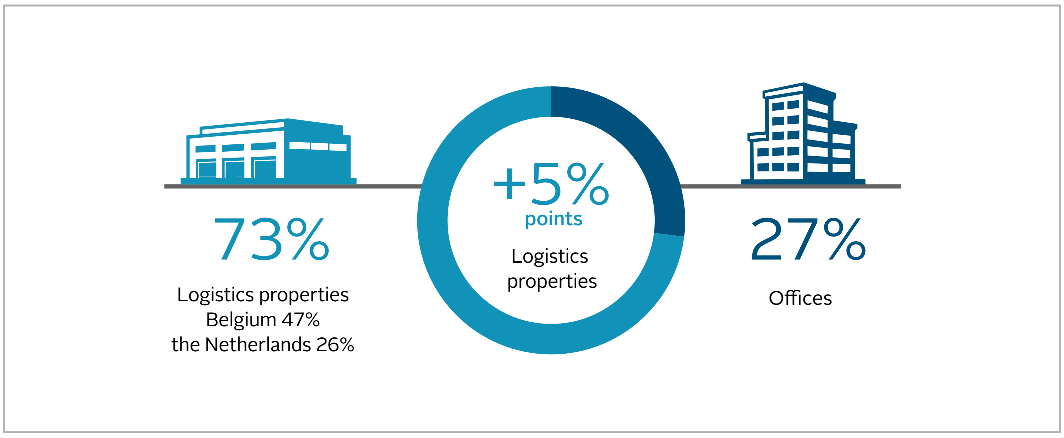
## 1.2.2 Evolution of the fair value of the property portfolio

As at 31 December 2022, the fair value of the real estate portfolio amounts to € 1.333 million, a € 124 million or 10% increase compared to 31 December 2021. The explanation of this increase is explained in the Property report - 1.2.1 Real estate portfolio as at 31 December 2022 of this annual report.

49% growth in portfolio since early 2020



## 1.2.3 Nature of the portfolio[1]




The #connect2022 growth strategy focusing on the expansion in logistics real estate and a reorientation of the office portfolio translates into the ratio between the three segments of the portfolio. Logistics share in the portfolio has increased 5%-points to 73% (68% at the end of 2021). Logistics real estate in Belgium amounts to 47% of the portfolio, the logistics portfolio in the Netherlands accounts for 26% of the portfolio. The office portfolio accounts for 27% (32% at the end of 2021).

Of the logistics portfolio, 36% is located in the Netherlands.

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


The Netherlands - Breda 〉 Nouwens Transport Breda

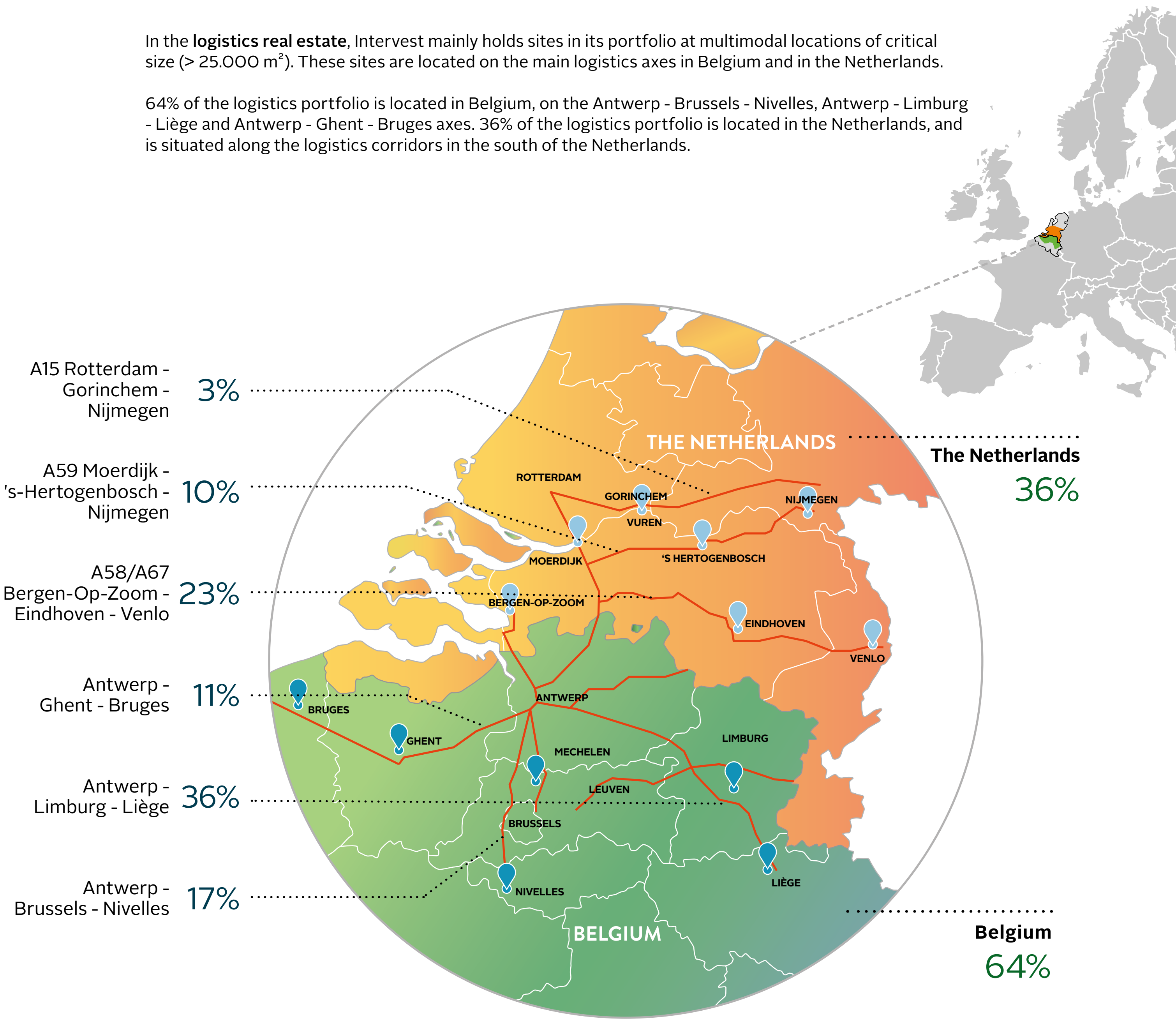
## 1.2.4 Geographical spread of the portfolio[1]

Intervest invests in office buildings in Belgium and logistics buildings in Belgium and the Netherlands, buildings of excellent quality, which are let to first-class tenants. The properties in which it invests are mainly modern buildings, located at strategic locations, often in clusters.

### Logistics real estate

In the **logistics real estate**, Intervest mainly holds sites in its portfolio at multimodal locations of critical size (> 25.000 m²). These sites are located on the main logistics axes in Belgium and in the Netherlands.

64% of the logistics portfolio is located in Belgium, on the Antwerp - Brussels - Nivelles, Antwerp - Limburg - Liège and Antwerp - Ghent - Bruges axes. 36% of the logistics portfolio is located in the Netherlands, and is situated along the logistics corridors in the south of the Netherlands.

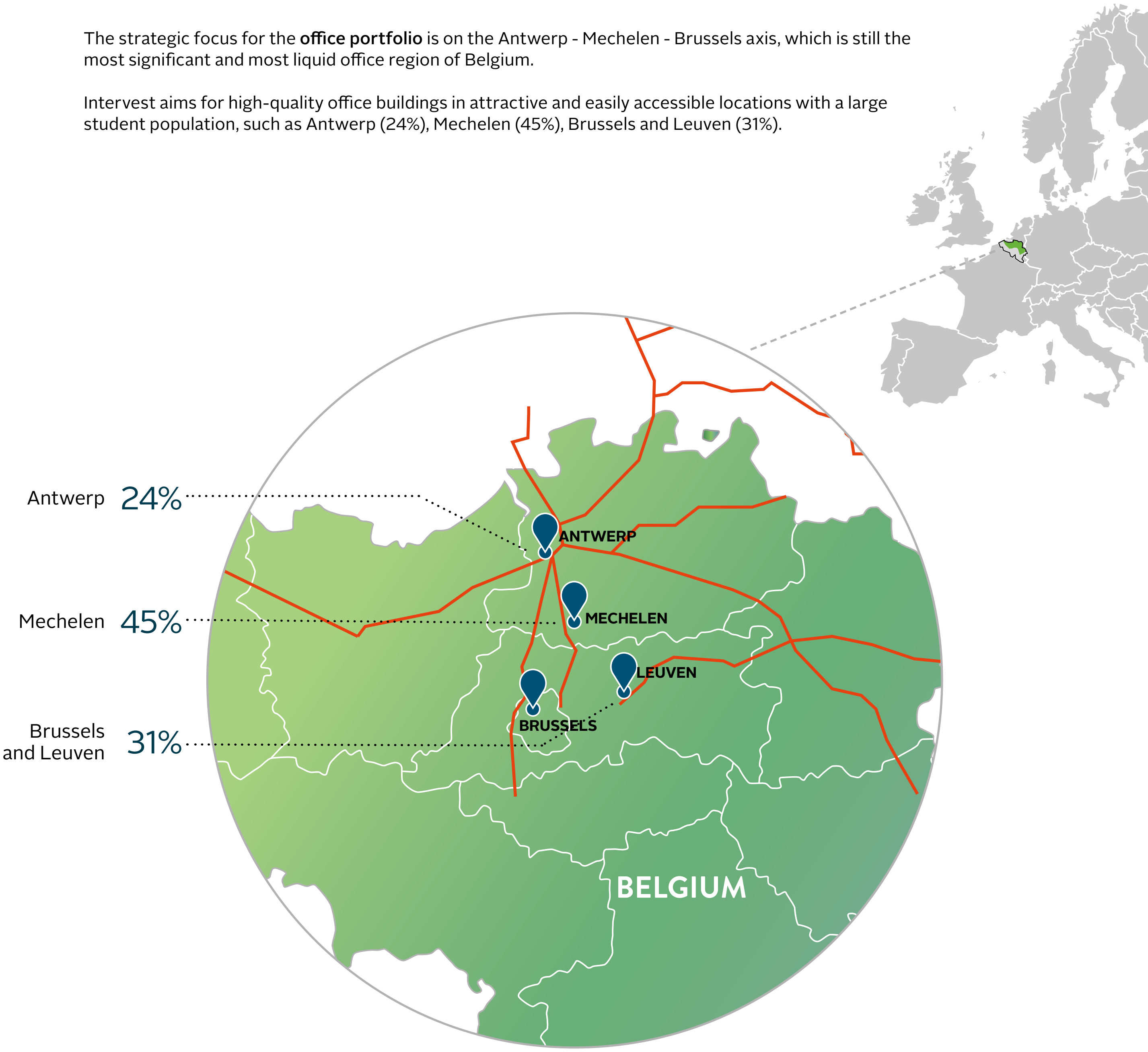



1 Percentages based on the fair value of the investment properties as at 31 December 2022.

## Offices

The strategic focus for the **office portfolio** is on the Antwerp - Mechelen - Brussels axis, which is still the most significant and most liquid office region of Belgium.

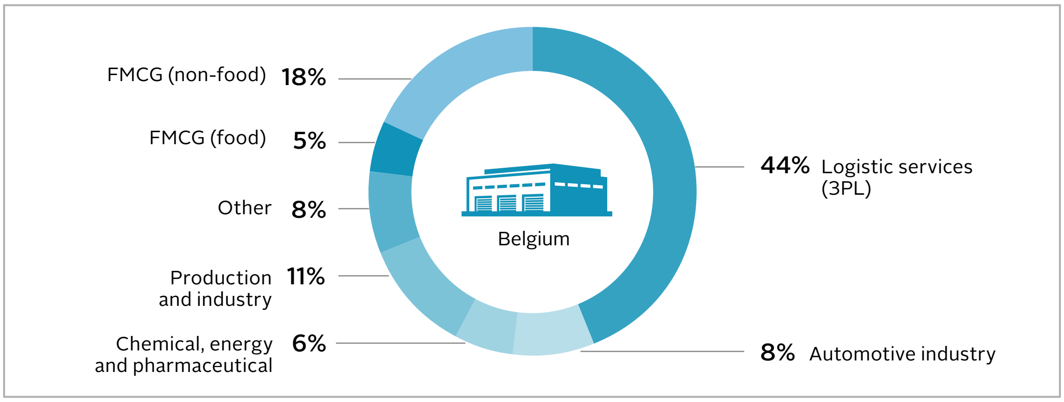
Intervest aims for high-quality office buildings in attractive and easily accessible locations with a large student population, such as Antwerp (24%), Mechelen (45%), Brussels and Leuven (31%).



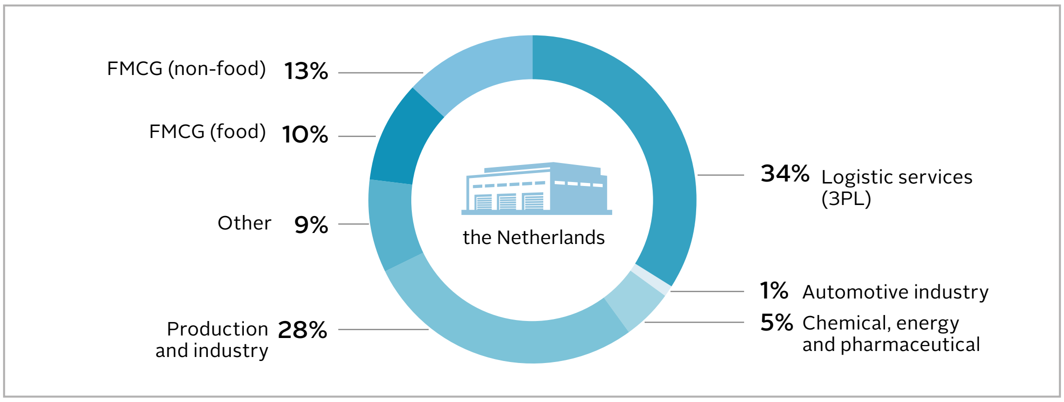
## 1.2.5 Sectoral spread of the portfolio[1]

Tenants are well spread across a wide range of economic sectors, which reduces the risk of significant vacancy in case of lower business cycles that could hit some sectors harder.

### Logistics real estate in Belgium




### Logistics real estate in the Netherlands




### Offices


1 Percentages on the basis of the contractual rents.

## 1.2.6 Leasing activities and occupancy rate

### 23% of contractual annual rent renewed. Increase in contractual annual rent of 12% compared to 2021.

Over the course of 2022, Intervest has recorded some nice leasing transactions. € 16,9 million or 23% of the contractual annual rent was renewed or extended, together accounting for around 286.000 m². The main contracts are detailed below. Several new contracts were also concluded in the Greenhouse segment for serviced offices or coworking subscriptions, together accounting for annual rents of € 0,2 million.

In the **logistics portfolio of Belgium**, in the course of October 2022, a long-term lease agreement has been concluded with Easylog Solutions in Zeebrugge Green Logistics, an importer of solar panels from China. The lease accounts for approximately 48.500 m² and has been concluded at market-conforming conditions for a period of 10 years. With the addition of this tenant, 71% of the available area of the completed project has now been let.

In Herstal, an extension and expansion has been signed with existing tenant Vincent Logistics, renewing approximately 35.600 m² and a corresponding annual rent of € 1,6 million for another six-year term.

A long-term lease has been signed with Konings for the Genk Green Logistics site. The lease has been concluded for 20 years, renewable twice for nine years, for two units under construction, together approximately 30.000 m².

A new lease has been signed with Eutraco in Puurs for an area of approximately 23.000 m². The lease has a fixed term of 10 years and will start after the departure of DPD Belgium.

At the sites in Herentals, Herentals Green Logistics, all available space has been leased as at 31 December 2022. An extension agreement has been signed with tenant Yusen Logistics, an existing tenant at the original site, to relocate to the parts completed at the new site in 2022. The new leases cover around 20.000 m². For the vacant part of Yusen on the old site, a contract has been signed with new tenant Sumitomo Warehouses (Europe). The lease of around 13.500 m² has been signed for a total period of nine years. A lease agreement was also signed with Fox International group (Rather Outdoors) at the end of October 2022 for the 8.000 m² logistics project under construction with 1.500 m² mezzanine facilities and 500 m² offices for a period of 10 years. Completion of this 10.000 m² project is scheduled for the first quarter of 2023.

At the Wilrijk logistics complex, Toyota Material Handling has vacated the 3.128 m² unit as of 30 June 2022. From 1 July, Contaynor bv (commercial name: Andy) has moved in and is taking its first steps into Antwerp. Intervest is pleased to co-facilitate Contaynor's growth ambitions with a nine-year lease agreement.

At the logistics site in Duffel, Reynaers Aluminium's contract for a 4.067 m² unit has expired as at 30 June 2022. Here, too, Intervest can welcome a new tenant. Sobe-Log, part of Sonepar, operates the logistics activities there since 1 July 2022.

Furthermore, the announced departure of Rogue Benelux in Schelle has also been met with the arrival of Ehale as at 1 August 2022. The building with a storage area of 6.586 m² is leased for nine years.

> In the logistics portfolio in Belgium, a total of approximately 194.500 m² has been renewed or extended during 2022 for a total contractual annual rent of € 8,6 million.

In **the logistics portfolio in the Netherlands**, the lease agreement has been signed with Nouwens Transport Breda during the first quarter 2022 for the expansion of 3.650 m² of newly built warehouse. This newly built warehouse, adjacent to the already existing warehouse was acquired by Intervest in the first quarter of 2022 after completion.

Furthermore, in the Netherlands, a lease agreement has been signed in the second quarter of 2022 with My Jewellery for the high-end built-to-suit warehouse of around 10.000 m² under construction in 's-Hertogenbosch.

In the last quarter of 2022, Intervest has concluded an extension of the existing lease with ASML, high-tech company, supplier of machines for the semiconductor industry which are used for producing chips. The property, known as Silver Forum on the site of Eindhoven Airport, has a surface area of 28.742 m². The existing lease started as at 1 January 2015 for a term of 9 years and runs until 31 December 2023. The current lease extension will start as at 1 January 2024 and is for 10 years, at market conditions.

> In the logistics portfolio in the Netherlands, a total of approximately 62.800 m² has been renewed or extended during 2022 for a total contractual annual rent of € 3,9 million.

In the **office portfolio** an extension of the lease contract with Galapagos is recorded. Galapagos is one of the tenants from the very first hour and has been present at Mechelen Campus and Mechelen Intercity Business Park since 1999. Also in Mechelen, an extension of the lease agreement is agreed with Borealis. The lease terms for these renewals are fully in line with Intervest's existing agreements.

Furthermore, in the office portfolio, a lease agreement is signed with Amoda, which moved into building C of the De Arend office complex in Edegem as at 1 April 2022. The lease is concluded for a fixed term of 9 years.

During the fourth quarter, the first leases were signed just before the inauguration of the prestigious Greenhouse Collection office project. Kangaroot and Realis each occupy approximately 560 m² respectively and sign a 6/9 contract. Kebony occupies approximately 360 m² and signs a standard 3/6/9 contract.

> In the office portfolio, a total of approximately 28.650 m² has been renewed or extended during 2022 for a total contractual annual rent of € 4,3 million.

The **occupancy rate** of the total portfolio available for rent amounts to 90% as at 31 December 2022 and hereby decreases 4%-points compared to year-end 2021 (94%). The occupancy rate in the **logistics portfolio in the Netherlands** remains 100%. For the **logistics portfolio in Belgium**, the occupancy rate at year-end amounts to 96% (99% as at 31 December 2021). In the office portfolio, the occupancy rate amounts to 76% (87% as at 31 December 2021).

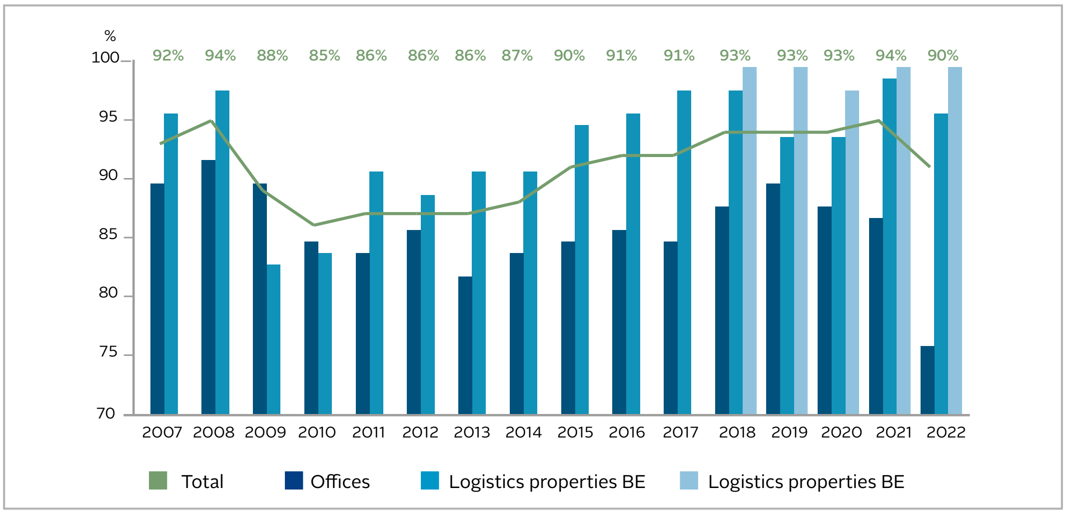
The decrease in the occupancy rate in the Belgian logistics portfolio and office portfolio is mainly due to the completion of some nice projects under construction during the fourth quarter of 2022, which are not yet fully let on the balance sheet date.

For the office portfolio, this concerns Greenhouse Collection, whose commercialisation is still in full swing as at 31 December 2022. Not surprising in itself, because now that the prestigious office building with a lettable area of some 15.800 m² and an estimated rental value of over € 3 million is fully finished, the look and feel of the building can only be fully appreciated during the site visit of potential tenants.
As reported above, the first leases have been recorded just after completion, so that at year-end the office building has an occupancy rate of 19%, thus weighing on the overall occupancy rate of the office portfolio. Indeed, the share of the building Greenhouse Collection at the Singel in the total office portfolio is 7%-points. In the course of 2023, additional new agreements are concluded, for the letting of two private spaces of approximately 1.540 m² together and some contracts for serviced offices, bringing the occupancy rate of the building at the end of February 2023 to 31%, thus bringing the occupancy rate of the office portfolio to 77%.

In the logistics portfolio in Belgium, Zeebrugge Green Logistics has been completed during the fourth quarter. As at 31 December 2022, the occupancy rate of this large-scale newly developed site with a lettable area of just under 110.000 m² amounts to 71%. Again, commercialisation of the available space is in full swing and the remaining logistics space is expected to be leased in the foreseeable future so that the occupancy rate in Belgium's logistics portfolio would increase again in the first quarter of 2023.

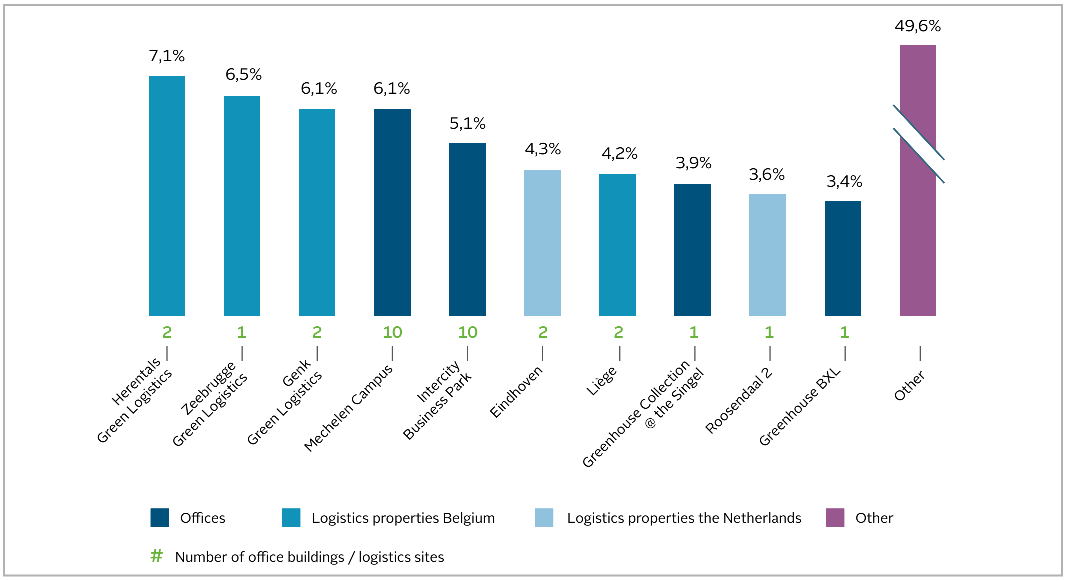
## Occupancy rate follows the economic cycle

The average occupancy rate of Intervest's property portfolio over the 15-year period from 2008 to 2022 is 90% with the maximum being 94% (as at 31 December 2021 and 2008) and the minimum being 85% (as at 31 December 2010). The occupancy rate of the logistics portfolio is above the average taken over the last 15 years. For Belgium it is 96% at year-end compared to an average of 93%, for the Netherlands the average since the start-up of the Dutch portfolio is 100%, which is also achieved this year. The occupancy rate in the office segment is below average, at 76% compared to 86% on average. As mentioned earlier, this is a temporary situation due to the completion of Greenhouse Collection at the Singel, which has an occupancy rate of only 19% as at 31 December, which is weighing heavily on the total occupancy rate of the office portfolio. At full leasing of Greenhouse Collection at the Singel as at 31 December 2022, the office portfolio occupancy rate would amount to 85%.




## 1.2.7 Risk spread of buildings

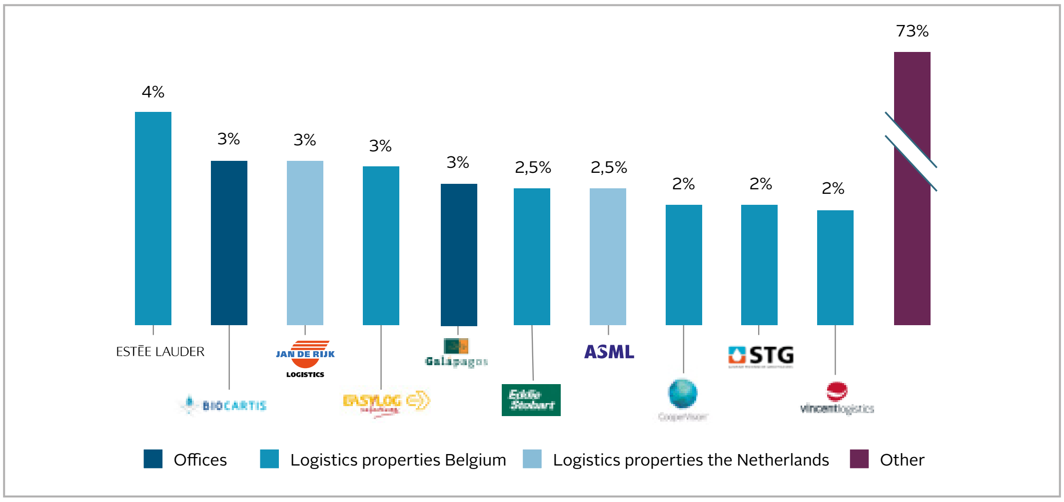
Intervest aims to achieve an optimal risk spread and seeks to limit the relative share of individual buildings and complexes in the total portfolio. Herentals Green Logistics, with a lettable logistics area of approximately 104.500 m² (i.e. excluding the office and parking building on the site), is the largest site in the portfolio as at 31 December 2022 expressed on a fair value basis. The Mechelen Campus office complex and also Intercity Business Park consist of several office buildings.



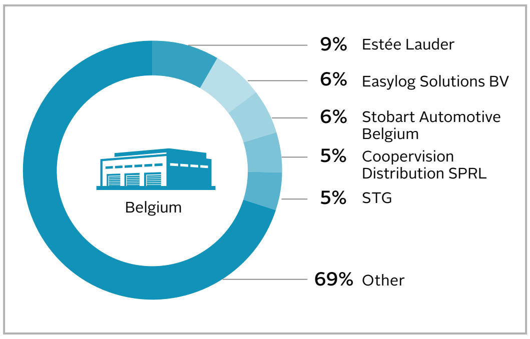
## 1.2.8 Risk spread by tenants

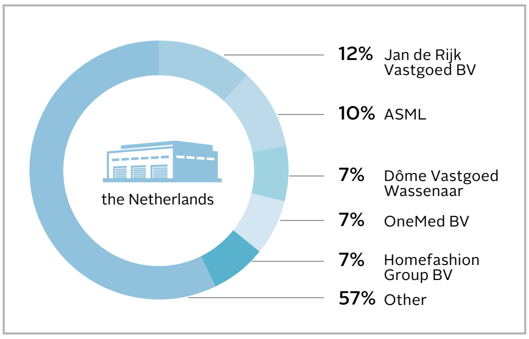
The **ten most important tenants** represent 27% of the rental income. These are always leading companies in their sector, often part of international groups. 8% of the most important tenants belong to the office segment, 13% to the logistics segment in Belgium and 6% to the logistics segment in the Netherlands. Intervest's rental income, without taking into account flex-workers, is spread over 212 different tenants which reduces the debtor risk and promotes stability of rental income.

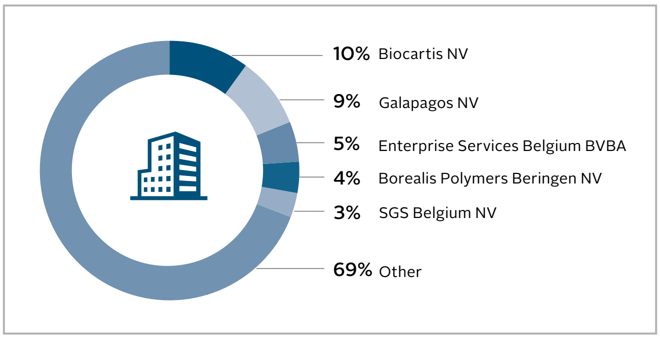
The average remaining duration of lease agreements until next break for the top ten tenants is 5,3 years on average.




In the pie charts below, the five main tenants by segment are shown.



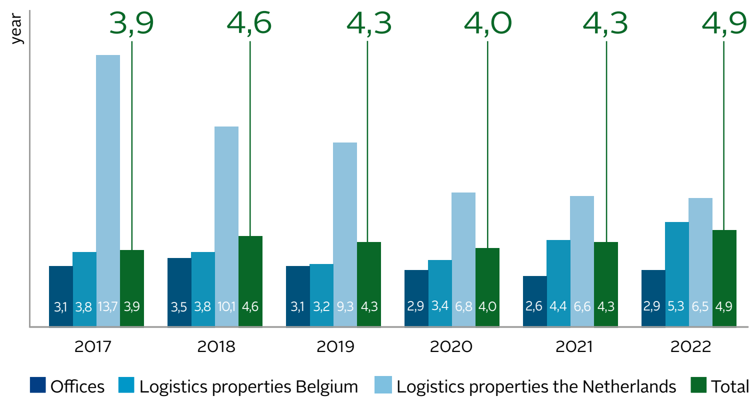




1 Percentages based on the contractual annual rents.

# 1.2.9 Duration of lease agreements in portfolio[1]

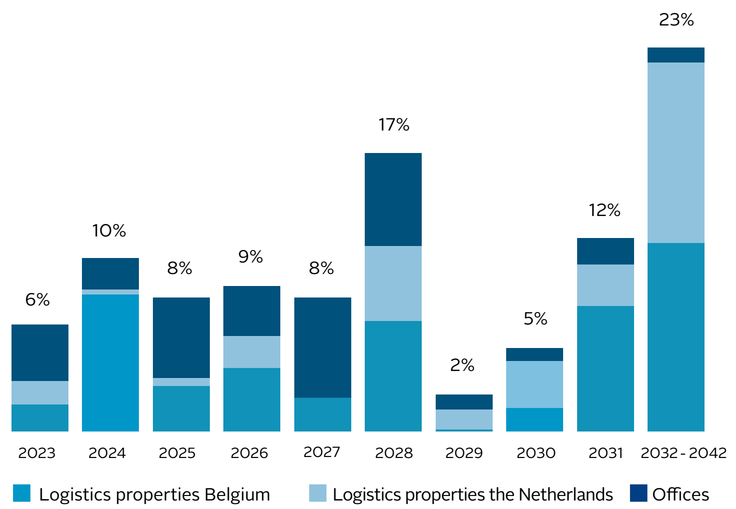
## Average remaining duration of the lease agreements of the entire portfolio until the next break date

Despite the difficult and uncertain macroeconomic situation, Intervest closes 2022 with an average remaining term to next maturity of 4,9 years for the entire property portfolio. The increase compared to year-end 2021 (4,3 years) was achieved through an active letting policy. Further explanations around the letting transactions can be consulted in the Activity Report- Leasing activities and occupancy rate.




## Final expiry date of the agreements in the entire portfolio[1]

The final expiry dates of the long-term lease agreements are well spread out over the coming years. Based on the annual rental income, 6% of the agreements have a final expiry date in 2023. 10% have a final expiry date in 2024.




1 The flexible contracts for co-working spaces and serviced offices are excluded from the calculations. They currently amount to less than 1% of the total contractual annual rent.

Of the contracts reaching final maturity in 2023, 3%, or an annual rent of € 2,5 million, relates to the office portfolio. This concerns some 35 smaller contracts, mainly in Mechelen. 2%, or an annual rent of € 1,2 million comes to expiry in the logistics portfolio of Belgium (6 contracts) and 1% or an annual rent of € 1,1 million in the logistics portfolio of the Netherlands (1 contract).

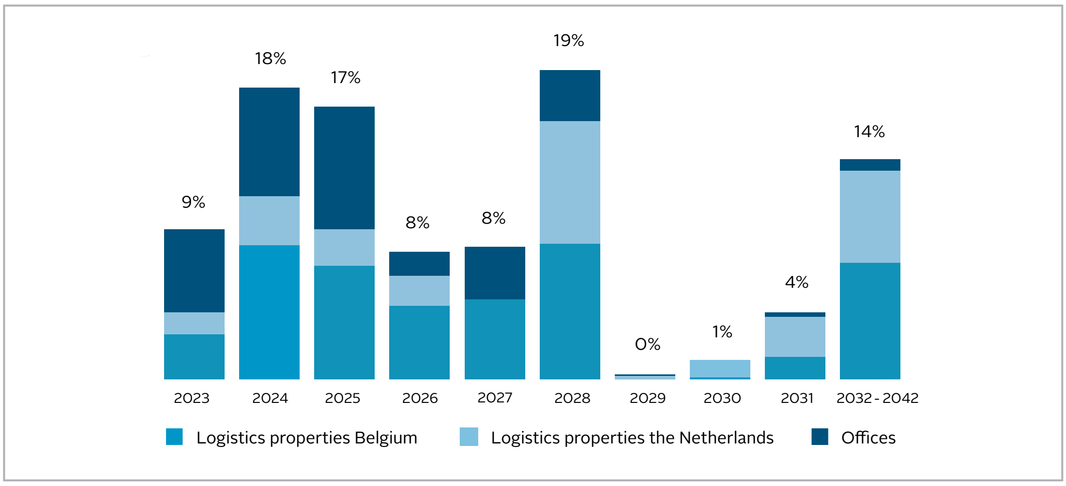
Intervest anticipates these future expiry dates in a timely manner and is currently investigating the various possibilities regarding extension or re-letting. Of the total number of lease agreements, 84% have a final expiry date after 2024.

## Next expiry dates of the contracts in the entire portfolio

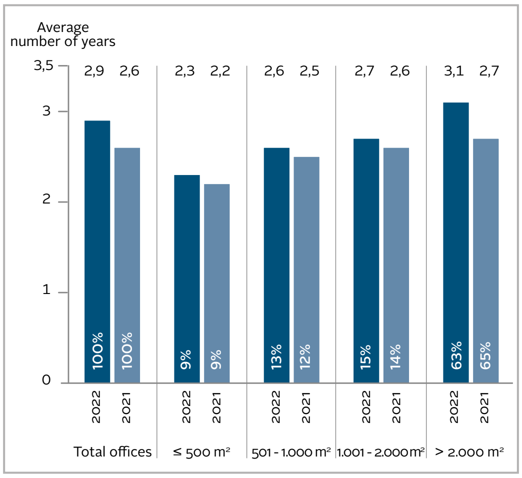
The graph below gives the next expiry dates of all lease agreements (this can be the final expiry date or an interim expiry date). Because Intervest has several long-term agreements, not all of the contracts can be terminated after three years, as is often the common practice.

The graph shows the hypothetical scenario as at 31 December 2022 in which every tenant terminates its lease contract on the next interim expiry date. This is a worst-case scenario. On average, the tenants who vacated in 2022 have only given notice after a lease period of 7,9 years (9,5 years for the tenants who vacated in 2021).

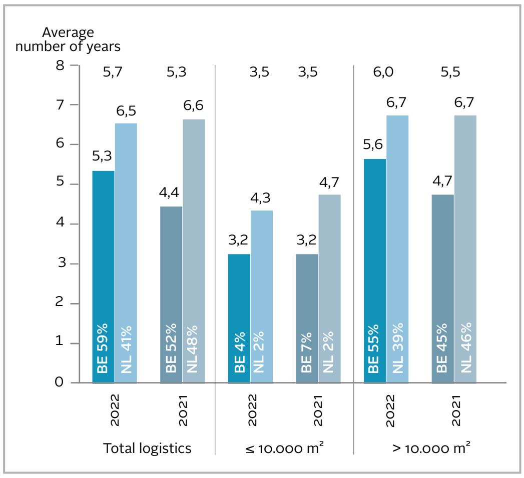
As at 31 December 2022 9% of the agreements have a next expiry date in 2023, on the basis of the annual rental income. 5% of these are lease contracts in the office portfolio, 3% in the Belgian logistics portfolio and 1% in de Dutch logistics portfolio.



## Average remaining contract duration until the next break date for offices




## Average remaining contract duration until the next break date for logistics real estate




For the **offices**, the average rental period until the next expiry date (WALB) is 2,9 years as at 31 December 2022 (2,6 years as at 31 December 2021).

For the larger tenants (those above 2.000 m²), who comprise 63% of the remaining rental income flow and who therefore have a great impact on Intervest's results, the next expiry date is after 3,1 years (2,7 years as at 31 December 2021).

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 portfolio located in Belgium**, the average remaining contract term to next maturity is 5,3 years as at 31 December 2022 (4,4 years as at 31 December 2021) as a result of an active leasing policy with new long-term leases in Genk Green Logistics, Puurs and Herentals Green Logistics.

The **logistics portfolio in the Netherlands**, where entering into long-term agreements is often common, has an average remaining contract duration until the next expiry date of 6,5 years (6,6 years as at 31 December 2021).

> As at 31 December 2022 the average remaining contract duration in the offices portfolio is 2,9 years compared to 2,6 years as at 31 December 2021.

> For the logistics portfolio in Belgium the average remaining contract duration is 5,3 years as at 31 December 2022 (4,4 years as at year-end 2021) and in the Netherlands 6,5 years (6,6 years as at year end 2021).

## Average retention of the portfolio in 2022[1]

In 2022 (including 31 December 2021), **across the portfolio**, 18% of the annual rental income (58 contracts or € 13,1 million) reached an expiry date. This could be an interim (2%) or a final expiry (16%). 6% of the annual rental income (23 contracts or € 4,7 million) have not been terminated, have been renewed or renewed with the existing tenant, 12% of the annual rental income (35 contracts or € 8,4 million) effectively reached a final expiry date. As at 31 December 2022, of this, 3% (8 contracts or annual rent of € 2,0 million) has since been re-leased.

In **the logistics segment in Belgium**, 7% (13 contracts or an annual rent of € 5,0 million came to an interim or final expiry date in 2022 (including 31 December 2021). Of these, 2% or an annual rent of € 1,6 million was not terminated, was extended or renewed with the existing tenant. 5% or an annual rent of € 3,4 million effectively has come to an end during 2022. Of this, 3% or an annual rent of € 1,7 million has been re-leased at year-end 2022. 2% or an annual rent of € 1,7 million has not been relet. This mainly concerns Zellik with a contractual annual rent of € 0,9 million, where the contract with Delhaize has been terminated by Intervest after the departure of tenant DPD Belgium so that a redevelopment process can be started for this site, and the non-strategic site in Huizingen with a contractual annual rent of € 0,7 million, which has been divested in the course of 2022. The tenants who have left in 2022 in the Belgian logistics segment remained tenants with Intervest for an average of 6 years. The need for flexibility and thus contracts with shorter terms is often important for larger logistics players.

In the **logistics segment in the Netherlands**, one parking space lease expired (0% of the contractual annual rent). This parking space was taken over by another tenant at the site.

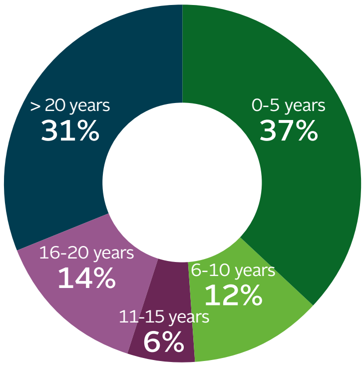
In the **office segment**, 11% (44 contracts or an annual rent of € 8,0 million came to interim or final maturity in 2022 (31 December 2021 included). Of these, 4% or an annual rent of € 3,0 million is not terminated, is extended or renewed with the existing tenant, 7% or an annual rent of € 5,0 million has effectively come to an end. This mainly concerns the departure of PwC in Woluwe Garden as at 31 December 2021 with an annual rent of € 3,3 million. A major redevelopment process has been initiated for Woluwe Garden. Meanwhile, of the remaining vacant office space, € 0,3 million has already been re-leased at year-end 2022. The tenants who left in the office segment in 2022 have stayed with Intervest as tenants for an average of 8,3 years.

Increasing tenant retention by extending lease terms remains the asset management challenge, as does further stabilising and possibly improving occupancy rates in the segments. Intervest continues to permanently anticipate and evolve with the changing market conditions. In combination with its solid real estate experience and through its extensive service provision, Intervest aims to fully meet the needs of its tenants and so become a reference for sustainable value creation in real estate.

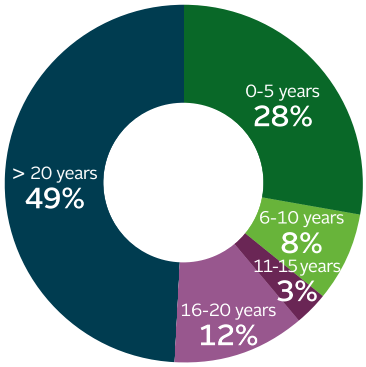
1 Calculations have been made on the basis of the annual rental income of the total real estate portfolio as at 31 December 2022.

## 1.2.10 Average age of buildings[1]

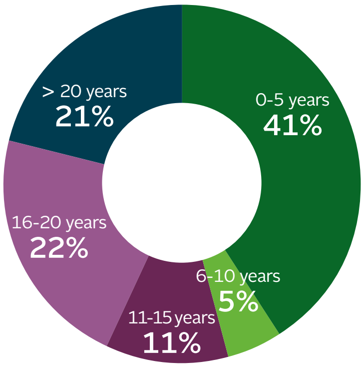
Intervest maintains a proactive policy on building maintenance and through constant monitoring of the investment plan, the quality of the portfolio is guaranteed. Besides regular investments in quality and sustainability, redevelopments and renovations of the properties are carried out to keep both office buildings and logistics properties of high quality and optimise the technical and economic life of the buildings. As such, in 2022, around € 3 million was spent on investments in the existing portfolio.



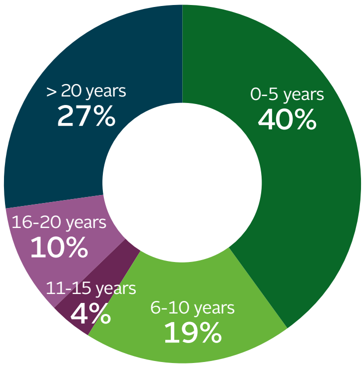
Average age of buildings



Average age of offices



Average age of logistics property NL

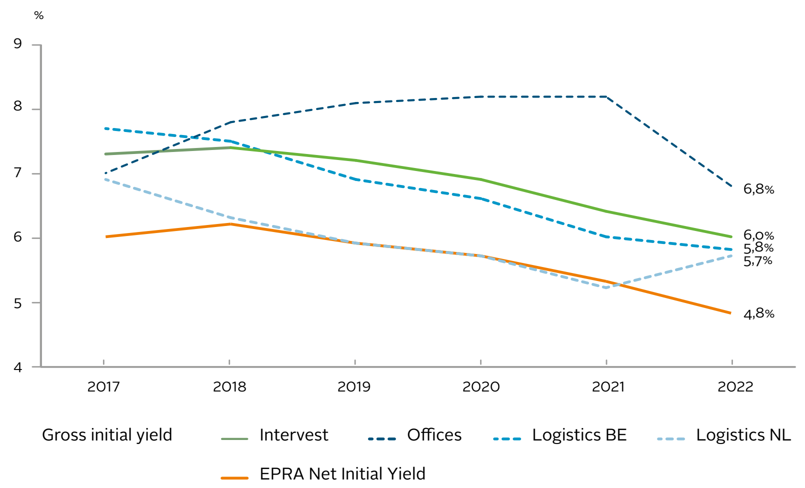


Average age of logistics property BE

1 Percentages are calculated based on the fair value of the properties available for lease as at 31 December 2021. The age is expressed relative to the year of construction, excluding minor renovations. On the other hand, the age is adjusted if a building has been completely renovated.

## 1.2.11 Evolution of yield on fair value

The gross yield on fair value in this chart is calculated on the company's contractual rent. The average gross yield for the properties available for lease is 6,0% as at 31 December 2022 (6,4% as at 31 December 2021). For the Belgian logistics segment in Belgium, the gross yield decreased from 6,0% as at 31 December 2021 to 5,8% as at 31 December 2022. For the logistics real estate in the Netherlands, the gross yield increases from 5,2% as at 31 December 2021 to 5,7% at year-end 2022 due to the decompression in yields, estimated by the real estate expert, which causes a depreciation in the fair value of the portfolio in the Netherlands. In the office portfolio, the gross yield decreases from 8,2% as at 31 December 2021 to 6,8% at year-end 2022 due to the completion of the prestigious office building Greenhouse Collection at the Singel which is considered the new prime for Antwerp.




## 1.2.12 Insured value of the real estate portfolio

Intervest's real estate portfolio is insured for a total reconstruction value of € 1 billion, excluding the land on which the buildings stand, against a fair value of the investment properties available for lease of € 1,2 billion as at 31 December 2022 (although land is included). The insured value amounts to € 392 million for the logistics portfolio in Belgium, € 229 million for the logistics property in the Netherlands and € 422 million for the office portfolio.

The insurances also include additional guarantees for the unusability of the immovable property such as loss of rent, conservation and clearance costs, tenant and user recourse and third party recourse. Forfeited rent will be reimbursed as long as the building is not rebuilt, provided this is done within a reasonable time, determined by the expert. Including these additional guarantees, the insured value is € 1,3 billion. This insured value is split into € 479 million for the logistics properties in Belgium, € 265 million for the logistics properties in the Netherlands and € 526 million for the office portfolio.

Intervest is insured against liability arising from its activities or its investments by means of civil liability insurance covering physical and material damage up to an amount of € 2,5 million per claim and purely material damage up to € 0,5 million. Furthermore, the members of the supervisory board and the management board are insured for directors' liability whereby damages are covered up to an amount of € 30 million.

## 1.3 Valuation of the portfolio by the property experts

As at 31 December 2022, the valuation of the property portfolio of Intervest is carried out by the following property experts:

- Cushman & Wakefield Belgium SA represented by Victoria Parret and Gregory Lamarche
- CBRE Valuation Services, represented by Kevin Van de Velde and Pieter-Jan Arts
- CBRE Valuation Advisory bv, represented by Hero Knol and Devin Ummels.

The **valuation method** mainly used by property experts for Intervest's portfolio is the Income Method or Income Capitalisation. Income Capitalisation is recommended for properties that generate income with a stable and predictable cash flow. The valuation is based on the ratio between the income produced by the property (market rent) and the return required by an investor (capitalisation rate).

The required rate of return or capitalisation rate depends on the expected return of other investment opportunities, taking into account the overall risks of the investment, as well as the risk-free rate of return, inflation and liquidity.

The capitalisation rate will reflect the market's perception of these risks. These risks relate to:

- the tenant(s) and their continued ability to pay the rent
- market risks in terms of the continuation of current rental values in the future
- risks associated with changes in the financing and investment markets, which could lead investors to accept lower or higher property market returns.

The market value is obtained by deducting transaction costs from the investment value after adjustments.

Rental values and investment returns have been determined based on (i) the market knowledge and experience of the property expert, and (ii) recent comparable market and off-market transactions, taking into account the characteristics of the property, such as location, accessibility, visibility, general state of repair and maintenance, size, number and type of tenants, average length of remaining leases, etc.

The investment value before adjustments is obtained by dividing the market rent by the appropriate capitalisation rate. Depending on the situation, a number of adjustments must be taken into account to deduce the investment value after corrections.

The most common corrections are:

- updating the difference between the current rent and the market rent until the next contractual break or the end of the lease; the adjustment will be negative if the property is let below the market price and positive if the property is let above the market price
- vacant spaces are seen as a loss of income as the property is valued based on the total rental value
- brokerage costs
- renovation costs
- rental discounts.

The market value (or cost-to-buyer value) is obtained by deducting transaction costs from the investment value after adjustments.

The fair value or real value is the estimated value excluding the estimated transfer costs payable when the property can be sold on the market at the date of valuation. The calculation of this value is done by the appraiser according to IFRS 13 / IAS 40. In the Dutch property expert's valuation report, fair value is equal to market value.

## IFRS 16 and IAS 16

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 valuation of the real estate portfolio is divided as follows among the property experts:

| Property expert | Country | Fair value (€ 000) | % | Investment value (€ 000) |
|---|---|---|---|---|
| Cushman & Wakefield Belgium | Belgium | 346.998 | 26% | 355.673 |
| CBRE Valuation Services | Belgium | 614.983 | 47% | 630.356 |
| CBRE Valuation Advisory | The Netherlands | 351.603 | 26% | 383.248 |
| **TOTAL Valuation reports** | | **1.313.584** | **99%** | **1.369.277** |
| **RECONCILIATION WITH INVESTMENT PROPERTIES:** | | | | |
| Adjustment i.f. increase transfer tax in the Netherlands | | -7.576 | | n/a |
| Land reserves | | 27.410 | | 27.410 |
| **Investment properties** | | **1.333.418** | **100%** | **1.396.687** |

The real estate valued by intervest's external property experts includes the investment properties available for lease and the project developments under construction and excludes the buildings available for sale and the solar panels and charging stations.

The land reserves are not yet revalued. As no clear picture can yet be drawn of the project costs to be incurred for these land reserves, no permits have been obtained or a substantial part has been pre-leased, the company is of the opinion that the initial acquisition value still represents the fair value. More information on the development potential can be found in the Activity Report - 1.1.3 Projects under construction and development potential. For further information on the valuation of the property and the adjustment for the increase on transfer tax in the Netherlands, please refer to the Financial statements - Note 14 Non-current assets.

## 1.3.1 Conclusion

For the real estate portfolio of Intervest, the property experts have determined a total investment value as at 31 December 2022, of € 1.369.277.000 and a fair value of € 1.313.584.000.

**Cushman & Wakefield Belgium**

Gregory Lamarche, MRICS
Partner
Valuation & Advisory

Victoria Parret
Senior Valuer
Valuation & Advisory

**CBRE Valuation Services**

Kevin Van de Velde, MRICS
RICS Registered Valuer
Director

Pieter-Jan Arts
Senior Valuation Surveyor

**CBRE Valuation Advisory**

Drs. H.W.B. Knol MSc RE MRICS
RICS Registered Valuer
Director

D.L.L. Ummels MSc RT
Associate Director

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

## 1.4.1 Logistics real estate

### Rental market

#### Belgium

Companies are paying more and more attention to the sustainability and cost optimization of their operations and logistics process. This can often lead to a search for a new location or custom development. In addition to real estate costs, transportation and labor costs are also included in this picture. If a business property allows savings in transportation, energy or maintenance costs, companies can bear and justify a higher rent level. Prime rents for logistics real estate are currently around € 70/m², which represents an increase of 13% compared to 2021. This increase is the result of scarcity in available warehouses and rising prices due to inflation. These levels are mainly reached around Brussels and the Antwerp-Brussels axis.

In 2022, the total take-up of logistics area amounts to 1.200.000 m², in line with 2021.

It also remains well above the average level of the past five years. Only in 2021 and 2022 the take-up amounts over 1 million m² per year. Net absorption (take-up without relocations) in 2022 is 800.000 m². Rental transactions for warehouses with floor space between 10.000 m² and 20.000 m² doubles compared to the average level of the past five years.

In general, the availability of ready-to-use logistics spaces remains at historically low levels at 1,51%, in line with 2021. In 2022, 700.000 m² have been completed, 90% of which is already pre-let. Vacancy levels are therefore not expected to rise in the short term.

#### The Netherlands

The Dutch rental market is still performing strongly in 2022. The market is largely classically driven by 3PLs and online retailers performing strongly through e-commerce, which is now a trend in consumer shopping behavior. Vacancy rates remain low compared to the previous year at around 2,3%.

The top logistics regions are Tilburg/Waalwijk, Rotterdam, Noord-Limburg/Venlo, Utrecht and Schiphol/Amsterdam. Emerging logistics regions are Almere -Lelystad, the A12 corridor, Arnhem - Nijmegen, Moerdijk and East Netherlands/ Twente. With the increasing lack of space, activity has also increased in South Limburg, Heerlen - Kerkrade. It seems that the logistics real estate market is already broadening in terms of location in the Netherlands, which is also a result of the scarcity of large land and available sites.

An additional cause of the broadening of this market is the increasing difficulty companies are experiencing in attracting enough quality personnel to work in these logistics centers. It is noted that this, along with the growing importance of ESG, is one of the biggest factors in a company's leasing decision.

It is expected that the prevailing trend in the rental market will continue in 2023 causing to increase absorption and scarcity in modern, state-of-the-art warehouses.

The prime rent in the Netherlands is around € 75 à € 85/m² at prime locations. At Schiphol Airport, prime rent can go up to € 90/m².

1 Sources: JLL Capital Markets 2022 Q3, CBRE Logistics Marketview 24012023, CBRE Brussels Office Marketview Q4 2022, CBRE Real Estate Market Outlook 2023 Nederland, https://nieuws.cbre.nl/laatste-kwartaal-2022-slechtste-beleggingskwartaal-voor-vastgoedmarkt-sinds-2014. Professional literature and interviews with property experts throughout the year.

## Investment market

### Belgium

Logistics real estate remains an attractive asset class for investors. Built-to-suit projects with long-term contracts remain by far the most popular with investors, however, due to the limited supply of core+ product, many investors are also looking at portfolio or value-add products, with or without redevelopment potential.

In 2022 investment volume of 2021 has been exceeded, mainly thanks to an active first half year 2022. The historically low yields of 3,50% in the first months of 2022 have been strongly influenced by interest rate increases and consequently rose to 4,35%, with a strong upward trend towards 5,35%.

### The Netherlands

The Dutch logistics real estate market remains expansive and initial yields (net initial yields - NIY) continue to fall to just below 3,0%. From Q2 onwards and towards the end of the year, high construction costs, political constraints and measures such as the increase in transfer tax from 8% to 10,4% and, of course, the impact of the war in Ukraine helped reduce the number of transactions.

Rising interest rates have put the value of investments on a downward trend across the market for the first time since 2013. Further compression is expected as the European Central Bank (ECB) indicates it will continue with interest rate hikes for the time being.

Currently, the uncertain economic market has limited interest from (foreign) investors. Despite this, rents are still rising and rental supply is falling.

Besides the drop in investment volume and property value, transaction volumes have also declined. This drop in transaction volumes is particularly noticeable in transactions above € 20 million, as such transactions tend to be provided with external financing, and thus increased interest rates have a greater impact on the decision whether or not to invest in a building. In the last quarter of 2022, the momentum for this type of traded properties is 49% lower compared to the past three years.

The Netherlands remains a popular country for e-commerce which increases the demand for smaller hubs near city centres. Consumers may like online shopping, but they have a negative attitude towards the 'big box warehouse landscape'of the Netherlands. The social discussion about fitting in with the landscape will not stop for the time being. As a result, more attention will be paid to the architectural design and integration into the landscape of the large distribution centers. More stringent municipal regulations are to be expected.

Workforce shortages are still issues within logistics companies. In addition, the government is going to tighten rules regarding business park issuances. Stricter requirements will be imposed on investors and users. The government is also setting stricter requirements on various ecological aspects such as the nitrogen problem in Natura 2000 areas and circularity.

International investors are therefore currently more cautious in the Dutch logistics property market, partly due to uncertainty in the (economic) market, rising interest rates and stricter requirements from municipalities.

Despite the above points, the Netherlands remains an interesting place for investors due to its positive business climate, its favourable location with excellent infrastructure, and expectations do look good towards the summer and autumn of 2023. For the coming years, 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.

### 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 gained enormous popularity in recent years due to the limited vacancy and continued appetite of prospective tenants in good locations.

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 laid out a large amount of stock. On the other hand the crisis has led to an accelerated growth of e-commerceplatforms,  which has resulted in a greater need for space for these players.

The government has become more aware of the strategic importance of the logistics sector. There will be a further increase in the demand for sustainable buildings at multimodal 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.

The recent interest rate hikes implemented by the ECB, will no doubt have its impact on warehouse space. But given the high occupancy inside distribution centres due to the stock built and the shortage of logistics zones in Belgium, the discrepancy between supply and demand for warehouse space will only increase.

## 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 an 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 work places having adequate daylight, clear lighting, pleasant acoustics, heating, ventilation and air quality.

Sufficient attention is paid to safety around the building, for example by way of additional lighting, good circulation and camera surveillance.

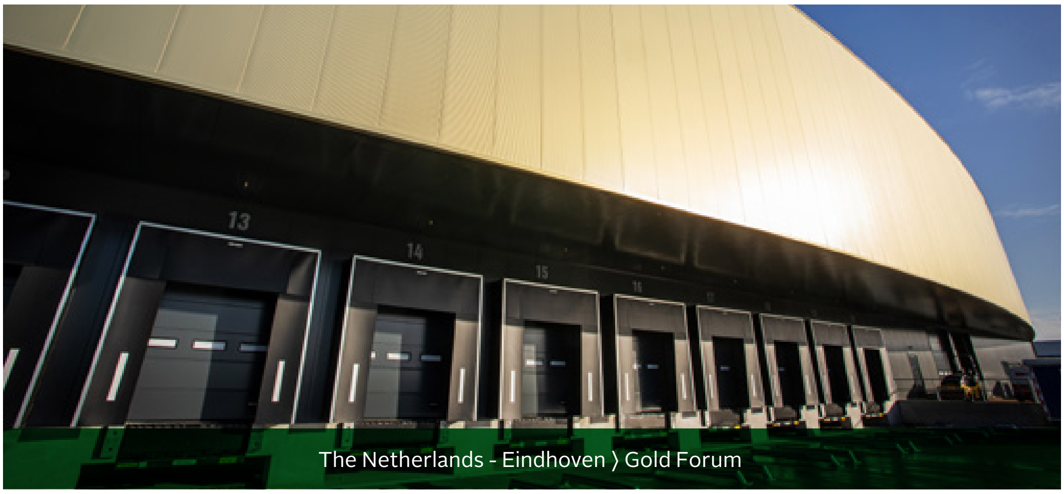
## Automation and digitisation

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-bearing capacity.

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 operational purposes.

## Urban distribution hubs

Online shopping has experienced huge growth during the past year due to the corona pandemic. This has led to a significant growth in urban distribution close to the consumer. Existing properties near the edge of cities, at a half-hour's drive from the delivery address, are being transformed into transshipment hubs. These hubs often focus on a specific target group and are operated by third parties such as DHL or PostNL.




The Netherlands - Eindhoven ⟩ Gold Forum

## 1.4.2 Offices

### Rental market

Annual office take-up in Belgium has been growing steadily since 2010, with the exception of 2020 and Brussels take-up in 2022. In 2021, Brussels take-up will be around 500.000 m², compared to around 300.000 m² in 2022. This is mainly due to the many lease transactions in Q4 2021 and the hesitant economy in Q4 2022. In Flanders, take-up is not declining significantly. Interestingly, since 2016, the distribution of take-up between Brussels and the regional office markets has changed from 60-40 to 33-67. Because of the shift from decentralisation to an office market with satellite offices, this trend is expected to continue. Most leasing transactions can be found in the segment smaller than 2.500 m² of floor space.

The office market in Flanders does perform on level thanks to a significant supply of new construction in the Flemish periphery around Brussels and a good performance of the Antwerp office market. Wallonia remains stuck at an average level because much of the government demand there has already been realised and there are few new projects available.

Meanwhile, the scarcity of new, sustainable developments is driving up rents.

The availability rate in Grade A buildings fluctuates around 1%, compared to a high vacancy rate of Grade C buildings in the Brussels periphery around 18%.

However, average rents in Brussels have not yet been affected by the financial crisis and continue to hover around € 200/m². Prime rents in the Leopold district rise to € 345/m² (+8%). Regional markets are performing at the same level as in Brussels. 50% of lease transactions take place in Grade A office buildings, further emphasising the focus on sustainability and the importance of attracting talent in modern office buildings. With rents hovering around € 165/m², the market expects the upward trend to continue.

As rents are automatically indexed in many leases, take-up will be higher in 2023, as it will be attractive to change given that currently rents have not yet increased proportionally with indexation.

### Investment market

The investment market performs very well in 2022, with Brussels experiencing its best year ever at € 4,65 billion, compared to € 2,01 billion in 2021 and € 2,99 billion in 2020. The exceptionally high figure in 2022 has everything to do with some exceptional transactions, namely the Conscience building, IT tower and Silver building.

The investment market for regional offices is also experiencing a very positive year, with € 1,26 billion in transactions, compared to € 0,55 billion and € 0,30 billion in 2021 and 2022 respectively.

This trend is in contract with what real estate experts observe in other EMEA countries and they explain it by the fact that in Brussels yields have always remained attractive for core and core-plus investments.

With rising interest rates, prime yields are expected to rise by 25bps to 5,25% and 6,75% in Flanders and Wallonia, respectively. The market is characterised by relatively high supply against a limited pool of investors, despite attractive prime yields relative to Brussels.

Overall, the impact of ESG and the government's new measures on asbestos and renovation obligations is expected to lead to an increase in the number of deals in 2023, mainly deals in grade C buildings.

### 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.

The belief in flexible working environments continues to grow, but more and more employees are coming to the corporate office more frequently, resulting in more traffic congestion and consequently reigniting the debate of the ideal property and accommodation strategy among companies.

Office spaces are being rearranged to promote collaboration. Whereas previously around 50% of office space was still dedicated to individual workplaces, this has now been changed to 33%, with the remaining office spaces oriented towards shared workplaces such as meeting rooms and facilities to enhance the sense of community.

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. The hybrid way of working also benefits the sustainability objectives.

Technology, mobility and well-being at work are determining the locations of the future.

Companies look for smaller, pleasant “green” offices in easily accessible locations that are highly equipped with appropriate accompanying services such as healthy food, inspiring look & feel, etc.

Coworking spaces are having a tumultuous decade for now. Many coworking providers have closed their doors in less-good locations to open hipper establishments in the better locations, so there has been no change in absolute areas, but an efficient improvement in quality.

This need for flexibility will ultimately lead to environments where work, residence, relaxation, shopping and living go together.


Antwerp ⟩ Greenhouse Collection at the Singel

# 2 Financial report

## Solid financial results and key figures

### KEY FIGURES

| | | |
|---|---|---|
| € **1,71**<br>EPRA earnings per share | **2,0**%<br>Average interest rate of the financings | € **1,53**<br>Proposed gross dividend per share |
| € **23,50**<br>EPRA NTA per share | **48,0**%<br>Debt ratio | € **562** million<br>Market capitalisation |
| **+5,6**%<br>Organic growth rental income | **4,0** years<br>Remaining duration of long-term credit lines | **8,0**%[1]<br>Gross dividend yield |

1 Based on the closing price of the share as at 31 December 2022, which amounts to € 19,24.

Ghent ⟩ North Sea Port Ghent - Plasman

# 2.1 Financial results 2022

## 2.1.1 Analysis of the results[1]

### Organic growth of rental income of 5,6% through active rental policy

| in thousands € | 2022 | 2021 | Difference | |
|---|---|---|---|---|
| Rental income | 71.474 | 65.056 | 6.418 | 10% |
| Rental-related expenses | -19 | -148 | 129 | -87% |
| Property management costs and income | 559 | 1.051 | -492 | -47% |
| **Property result** | **72.014** | **65.959** | 6.055 | 9% |
| Property charges | -8.566 | -8.383 | -183 | 2% |
| General costs and other operating income and costs | -4.862 | -4.146 | -716 | 17% |
| **Operating result before result on portfolio** | **58.586** | **53.430** | 5.156 | 10% |
| Result on disposal of investment properties | 478 | 198 | 280 | 142% |
| Changes in fair value of investment properties | -26.106 | 66.020 | -92.126 | -140% |
| Other result on portfolio | 3.920 | -11.205 | 15.125 | -135% |
| **Operating result** | **36.878** | **108.443** | -71.565 | -66% |
| Financial result (excl. changes in fair value of financial assets and liabilities) | -10.877 | -7.085 | -3.792 | 54% |
| Changes in fair value of financial assets and liabilities | 32.257 | 4.217 | 28.040 | 665% |
| Taxes | -978 | -834 | -144 | 17% |
| **NET RESULT** | **57.280** | **104.741** | -47.461 | -45% |
| **Attributable to:** | | | | |
| Shareholders Group | 51.714 | 98.100 | -46.386 | -47% |
| Third parties | 5.566 | 6.641 | -1.075 | -16% |
| | | | | |
| **NET RESULT - Group share** | **51.714** | **98.100** | -46.386 | -47% |
| **Note:** | | | | |
| EPRA earnings | 45.467 | 45.176 | 291 | 1% |
| Result on portfolio | -26.010 | 48.707 | -74.717 | -153% |
| Changes in fair value of financial assets and liabilities | 32.257 | 4.217 | 28.040 | 665% |

The **property result** amounts to € 72 million over 2022, an increase with € 6 million or 9% compared to last year, mainly due to an increase in rental income of 10% (€ 65 million). The organic rental income growth compared to 2021 amounts to 5,6% and is driven by indexation of leases, 3,3% and one-off severance payments received, 3,7% of which the one-off payment received from tenant Enterprise Service Belgium is the main one. Further explanation around the latter severance payment and rental income in general can be found in the Financial Statements, Note 4 - Property result.

The increase in **rental income** and **management-related costs and income** combined with an increase in **property and general costs** caused the operating result before result on portfolio to increase by € 5,2 million or 10% to € 58,6 million (€ 53,4 million). Consequently, the operating margin remains stable at 82%.

The **financial result (excluding changes in fair value of financial assets and liabilities)** for 2022 amounts to € -10,9 million (€ -7,1 million). The increase of € 3,8 million is mainly due to a higher capital take-up as a result of acquisitions and developments in the real estate portfolio and a slight increase in the average interest rate of financing from 1,8% to 2,0% in 2022.

1 Comparable figures for financial year 2021 are in brackets.

The positive **change in the fair value of financial assets and liabilities** includes the change in the market value of interest rate swaps in the amount of € 32,3 million (€ 4,2 million) due to the increase in long-term interest rates during 2022.

The **result on portfolio** at the end of 2022 amounts to € -26,0 million compared to € 48,7 million at the end of 2021.

The **changes in fair value of the investment properties** in 2022 amount to € -26,1 million (€ 66,0 million) excluding deferred taxes. The decrease of about 2% in the valuation of the investment properties is mainly driven by the yield decompression in the Netherlands portfolio and the effect of the transfer tax increase in the Netherlands as explained in the Activity report - 1.2 Composition of the portfolio.

The **other result on portfolio** in 2022 amounts to € 3,9 million (€ -11,2 million) and mainly includes deferred taxes on unrealized capital gains on the investment properties owned by Intervest's perimeter companies in the Netherlands and Belgium.

Intervest's **net result** for fiscal year 2022 amounts € 57,2 million (€ 104,7 million). The **net result – shareholders Group** for 2022 amounts to € 51,7 million (€ 98,1 million) and can be divided into:
- the **EPRA earnings** of € 45,4 million (€ 45,2 million) or an increase of € 0,2 million or 1%, mainly a combination of higher rental income resulting from the severance payment received from tenant Enterprise Services Belgium and a decrease in property costs, partially offset by higher general and financial expenses
- the **result on portfolio - shareholders Group** of € -26,0 million (€ 48,7 million)
- the **changes in the fair value of financial assets and liabilities** in the amount of € 32,3 million (€ 4,2 million).

The **EPRA earnings** amount to € 45,4 million for fiscal year 2022. Taking into account 26.664.878 weighted average number of shares, this means an EPRA earnings per share of € 1,71 which is a decrease of 2% or € 0,03 per share compared to fiscal year 2021 (€ 1,74).

| NUMBER OF SHARES | 31.12.2022 | 31.12.2021 |
|---|---|---|
| Number of shares at the end of the period | 29.235.067 | 26.300.908 |
| Number of shares entitled to dividend | 29.235.067 | 26.300.908 |
| Weighted average number of shares | 26.664.878 | 25.983.006 |
| **RESULT PER SHARE - Group share** | | |
| Net result per share (€) | 1,94 | 3,78 |
| EPRA earnings per share (€) | 1,71 | 1,74 |
| Statutory EPRA earnings per share based on number of shares entitled to dividend (€) | 1,53 | 1,74 |
| Pay-out ratio* | 100% | 88% |
| 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) (€) | 23,72 | 23,67 |
| Net asset value EPRA (€) | 23,51 | 24,88 |
| Share price on closing date (€) | 19,24 | 28,20 |
| Premium with respect to fair net value | -18,9% | 19% |

* Intervest Offices & Warehouses is a public regulated real estate company with a statutory distribution obligation of at least 80% of net income adjusted for non-cash flow elements, realised gains and losses on investment properties and debt reductions. The payout percentage is calculated relative to the statutory EPRA earnings per share based on the number of shares entitled to dividend.

** Subject to approval of the annual general meeting to be held in 2023.

As at 31 December 2022, the **net value (fair value)** of the share amounts to € 23,72 (€ 23,67 as at 31 December 2021). Since the stock exchange price of the Intervest share (INTO) as at 31 December 2022 amounts to € 19,24, the share is quoted at a discount of 18,9% to the net value (fair value) on the closing date.

| EPRA - KEY FIGURES | 31.12.2022 | 31.12.2021 |
|---|---|---|
| EPRA earnings (€ per share) (Group share) | 1,71 | 1,74 |
| EPRA NTA (Net Tangible Assets) (€ per share) | 23,50 | 24,83 |
| EPRA NRV (Net Reinstatement Value) (€ per share) | 25,64 | 26,76 |
| EPRA NDV (Net Disposal Value) (€ per share) | 24,41 | 23,64 |
| EPRA NIY (Net Initial Yield) (%) | 4,8% | 5,3% |
| EPRA Topped-up NIY (%) | 5,1% | 5,4% |
| EPRA Vacancy rate (%) | 9,9% | 6,2% |
| EPRA cost ratio (including direct vacancy costs) (%) | 18,0% | 17,9% |
| EPRA cost ratio (excluding direct vacancy costs) (%) | 16,5% | 16,5% |
| EPRA LTV (Loan-to-value) (%) | 47,9% | 43,9% |

The **EPRA NTA per share** as at 31 December 2022 amounts to € 23,50. This represents a decrease of € 1,33 compared to € 24,83 as at 31 December 2021, mainly due to the capital increase combined with the EPRA earnings generation, the decrease in value of the property portfolio and the dividend payment for the 2021 financial year.

## 2.1.2 Consolidated balance sheet

| in thousands € | 31.12.2022 | 31.12.2021 |
|---|---|---|
| ASSETS | | |
| Non-current assets | 1.381.476 | 1.219.621 |
| Current assets | 47.304 | 17.336 |
| **TOTAL ASSETS** | **1.428.780** | **1.236.957** |
| **SHAREHOLDERS' EQUITY AND LIABILITIES** | | |
| **Shareholders' equity** | **721.410** | **636.535** |
| Share capital | 264.026 | 237.930 |
| Share premiums | 219.354 | 189.818 |
| Reserves | 158.257 | 96.664 |
| Net result for the financial year | 51.714 | 98.100 |
| Minority interests | 28.059 | 14.023 |
| **Liabilities** | **707.370** | **600.422** |
| Non-current liabilities | 564.849 | 468.409 |
| Current liabilities | 142.521 | 132.013 |
| **TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES** | **1.428.780** | **1.236.957** |

## Assets[1]

**Non-current assets** amount to € 1.381 million as at 31 December 2022 (€ 1.219 million) and consist mainly of Intervest's investment properties. The fair value of the real estate portfolio as at 31 December 2022 amounts to € 1.333 million (€ 1.209 million). An increase of € 124 million due to € 95 million of acquisitions, € 88 million of investments in land reserves and project developments, € 3 million of investments in the existing portfolio and € 26 million of depreciation in the portfolio.

As at 31 December 2022 the investment properties, as explained in the Activity report - 1.2 Composition of the portfolio, consist of:
- € 1.234 million of real estate available for lease spread across Belgium and the Netherlands
- € 99 million project developments for which construction is ongoing such as Greenhouse Woluwe Garden, Genk Green Logistics, Zellik, unit 1B in Herentals Green Logistics and land reserves in Genk Green Logistics, Puurs and Venlo in the Netherlands.

In addition to investment properties, non-current assets include € 15 million of other non-current tangible assets, mainly solar panels and charging stations, and € 32,6 million of non-current financial assets.

> The fair value of the real estate portfolio amounts to € 1,3 billion as at 31 December 2022.

**Current assets** amount to € 47 million (€ 17 million) and consist mainly of € 27 million in assets held for sale, € 2 million in trade receivables, € 5 million in tax receivables and other current assets, € 3 million in cash and cash equivalents and € 10 million in accrued expenses.

The collection of rent and rent charge claims continues to follow a regular and consistent pattern. Trade receivables on the balance sheet as at 31 December 2022 amount to € 2 million, of which € 0,8 million are unexpired customer receivables. As of mid-February 2022, Intervest has already received 99% of the 2022 rents. The collection rate of pre-invoices for January 2023 (for monthly billing) and the first quarter of 2023 (for quarterly billing) is also in line with the normal payment pattern and already amounts to 94%.

## Liabilities[2]

In 2022 the shareholder's equity of the company increased by € 84 million or 13% and amounts as at 31 December 2022 to € 721 million (€ 637 million as at 31 December 2021), represented by 29.235.067 shares (26.300.908 shares as at 31 December 2021).

> Market capitalisation amounts to € 562 million as at 31 December 2022.

**Non-current liabilities** amount to € 565 million (€ 468 million) and include non-current financial debts of € 525 million (€ 429 million), other non-current financial liabilities of € 15 million (€ 11 million), a provision of € 22 million made for deferred taxes (€ 26 million) and trade debts and other non-current liabilities of € 3 million. Other non-current financial liabilities include € 4,8 million of negative market value of interest rate hedges, on the one hand, and € 10 million of liabilities related to ground lease and concession fees payable, on the other.

**Current liabilities** amount to € 142 million (€ 132 million) and consist mainly of € 102 million (€ 101 million) of current financial debts, of which € 65 million are credit institutions' loans and a commercial paper of € 38 million, € 26 million are trade debts and other current debts and liabilities and € 14 million are accrued expenses.

1 The figures in brackets are the comparative figures for financial year 2021.
2 The figures in brackets are the comparative figures for financial year 2021.

# 2.2 Financial structure

### Setting up ambitious Green Finance Framework

## 2.2.1 Financing policy

Intervest's financing policy is to finance the real estate portfolio as optimally as possible with an ideal mix of debt and equity and so that sufficient funds are available for the execution of ongoing projects.

The main objectives therein are:
- management and monitoring of the capital structure
- good diversification of the various sources of financing
- good spread of maturities
- a sustainable relationship with all financing partners
- active management of financial risks.

## 2.2.2 Developments in 2022

As part of its financing policy, Intervest will continue to build on its solid financial structure in 2022 with further diversification of its funding sources and strengthening of its banking relationships.

A new financing has been concluded with ABN AMRO in the first quarter for an amount of € 40 million, this with a term of 3 years and the possibility to extend for another 2 years.

In April 2022, a new financing market was addressed via a US private placement with a US insurer for € 50 million, with a maturity of 10 years at a coupon of 2,83%.

Just under two months later, a first sustainable bond has been issued at the end of May for a total amount of € 45 million on a 5-year term at a yield of 3,6%.

In addition, a € 25 million 5-year financing was concluded with an existing financier, ING Belgium. This financing also falls under the Green Finance Framework and further anchors sustainability in the financing activities. Two additional roll-over loans have also been concluded with Belfius Bank, each for € 15 million.

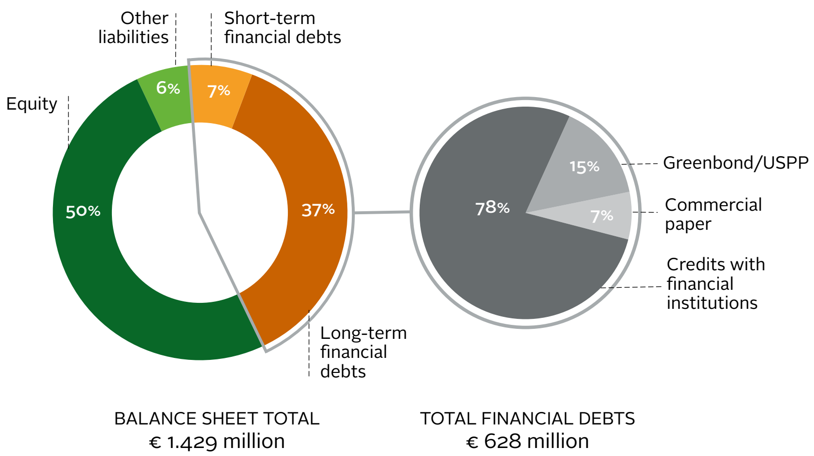
By year-end, perimeter company Genk Green Logistics also strengthened its credit position. The existing credits with KBC Bank and BNP Paribas Fortis have been increased to € 63,3 million instead of € 31,5 million.

Additional interest rate hedges were also concluded during 2022 and the notional amount has increased to € 280 million instead of € 250 million at the end of 2021.

Through the commercial paper programme, € 38 million was drawn down at year-end on short-term and € 8 million on long-term.

The **average interest rate** on financing in 2022 is 2,0% including bank margins (1,8% in 2021).

## 2.2.3 Overview as at 31 December 2022




Other key **features of the financial structure** as at 31 December 2022.

**Credit lines**

- 81% long-term credit lines (€ 674 million) with a weighted average remaining maturity of 4,0 years (4,1 years at year-end 2021) and 19% short-term credit lines (€ 155 million)
- 16% (135 million) green financings based on the '*use of proceeds*' condition
- staggered expiry dates of the credit lines between 2023 and 2032
- spread of credit lines across 11 European financial institutions, a Green Bond, a USPP and a commercial paper programme.

**Interest cover ratio**

- ratio of 5,4 for 2022: higher than the required minimum of 2 to 2,5 stipulated as a covenant in the company's financing agreements (7,5 for 2021).

**Hedge ratio**

- 72% of the credits withdrawn have a fixed interest rate or have been fixed by interest rate swaps and 28% has a variable interest rate
- 55% of the credits lines have a fixed interest rate or have been fixed by means of interest rate swaps, 45% has a variable interest rate
- market value of the financial derivatives: € 27,8 million positive.

**Covenants**

- no change in 2022 in the current contracted covenants
- the RREC complies with its covenants as at 31 December 2022.

| 48% | € 200 million | 2,0% | 4 years | 10,5 |
|---|---|---|---|---|
| Debt ratio | Non-withdrawn credit lines | Average interest rate | Average duration | Net debt / EBITDA |

## 2.2.4 Note on the financial structure

### Green financing

As at 31 December 2022, Intervest has € 135 million or 16% green finances which, according to the *'use of proceeds'* condition are linked to investments in sustainable real estate and project developments.
The green finances consist of:

- credits with Triodos Bank:
  - € 25 million closed in 2019 – maturity 7 years
  - € 40 million closed in 2023 – maturity 7 years
- Green finance framework:
  - € 45 million sustainable bond – maturity 5 years at 3,6%
  - € 25 Million with ING Belgium – maturity 5 years

### Short-term credit lines

As at 31 December 2022, 81% of the available credit lines of Intervest are long-term credit lines and 19% are short-term credit lines.

The short-term credit lines (€ 155 million) consist of:

- 39% (€ 60 million) commercial paper/back up line
- 55% (€ 85 million) credit maturing within the year and that will be refinanced
- 5% (€ 8 million) credits with unlimited duration
- 1% (€ 2 million) repayment credits

### 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 temporarily deviated from required by specific market conditions.

In 2022, Intervest continued the process of optimising the spread of the expiry dates of its credit lines by concluding additional financings with existing and new financiers of € 190 million with:

- ABN AMRO bank for € 40 million and a maturity of 3 years with a 2-year extension option
- through the Green Finance Framework, a first sustainable bond was issued for € 45 million over 5 years
- Green Loan with ING Belgium for € 25 million with a maturity of 5 years
- US private placement with an American insurance company for € 50 million with a maturity of 10 years
- 2 roll-over credits with Belfius of € 15 million, one maturing in 2027 and one maturing in 2028.

Perimeter company Genk Green Logistics also strengthened its credit position. At the end of 2021, the company had € 31,5 million of available credit lines, during 2022 this has been raised to € 63,3 million of available credit lines, all through BNP Paribas Fortis and KBC Bank.

The weighted average remaining maturity of the long-term credit lines remained quasi stable at 4,0 years at year-end 2022 (compared to 4,1 years at year-end 2021).

### Available credit lines

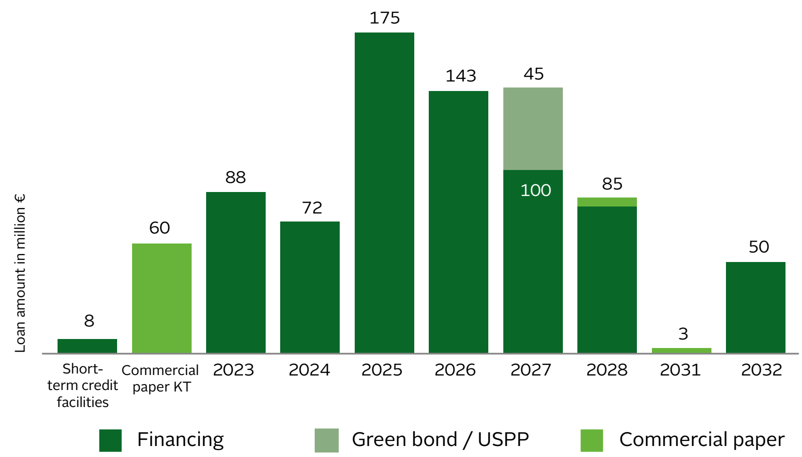
As at 31 December 2021, the company has € 200 million of non-withdrawn committed credit lines compared to € 78 million as at the end of 2021. These will be used in the course of 2023 to finance ongoing project developments, future acquisitions and dividend payments in May 2023.

Intervest maintains a strict treasury position so that the cash position at a financial institution is in principle quite limited and the cash balance can be used for the reduction of financial debts. The company's cash position amounts to € 3,0 million as at 31 December 2022.

## Maturity dates calendar credit lines[1]

The maturity dates calendar for the credit lines as at 31 December 2022 is shown in the chart.

The 'Commercial paper KT' bar shows the total back up line of the accompanying banks in the commercial paper program.




> The weighted average remaining duration of the long-term credit lines is 4,0 years.

## Hedging

Given the increase in interest rates on the financial markets, Intervest has tightened its hedging strategy. In the composition of the loan portfolio, Intervest aims for a strategy to bring the hedging ratio to 80%.

As at 31 December 2022 the company has:

- concluded interest rate swaps for a total notional amount of € 280 million
- agreements with financiers with a fixed interest rate for a total amount of € 72 million with an initial term of 7, 8 and 10 years
- a US private placement with a US insurer for € 50 million with a maturity of 10 years at a coupon of 2,83%
- issued a durable bond for a total amount of € 45 million at 5 years at 3,6%
- a long-term commercial paper for € 8 million maturing in 2028 and 2031.

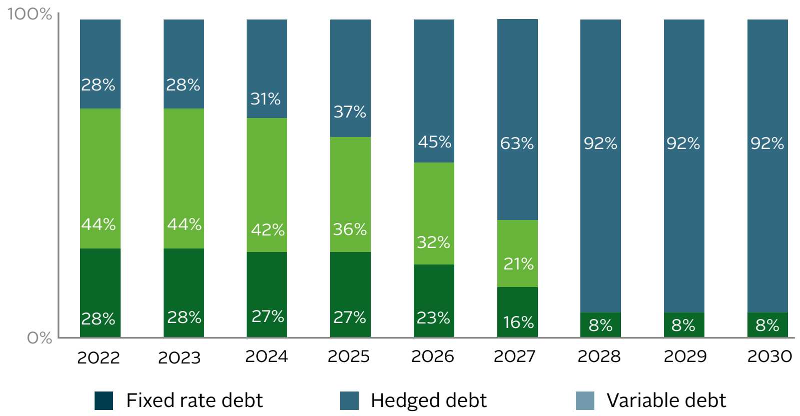
1 The credit included in the short-term loans column concerns a credit with no final maturity date. The credit is permanently withdrawable.

As at 31 December 2022, 72% of the credits withdrawn have a fixed interest rate or are fixed by interest rate swaps and 28% have a variable interest rate.

As at 31 December 2022, 55% of the credit lines of the company consist of financings with a fixed interest rate or are fixed by interest rate swaps; 45% have a variable interest rate. The percentage difference with the credit lines withdrawn results from the available credit lines.

As at 31 December 2022, the weighted average interest rate of the interest rate swaps is 0,7% (0,4% in 2021).

The expiry dates calendar of hedging instruments and financing with a fixed interest rate results in the following picture[1]:




## Duration of fixed interest rates

During financial year 2022, the amount of interest rate swaps was raised to € 280 million, coming from € 250 million in 2021. This increase came about through opening up the already existing contracts and will provide the company with additional protection against rising Euribor rates.

As at 31 December 2022, the weighted average remaining duration of the interest rate swaps is 4,5 years (4,9 years in 2021).

The interest rates on the credits of the company (interest rate swaps and credits with fixed interest rates) as at 31 December 2022 are fixed for a weighted average remaining duration of 5,0 years (5,0 years in 2021).

## Interest rate sensitivity

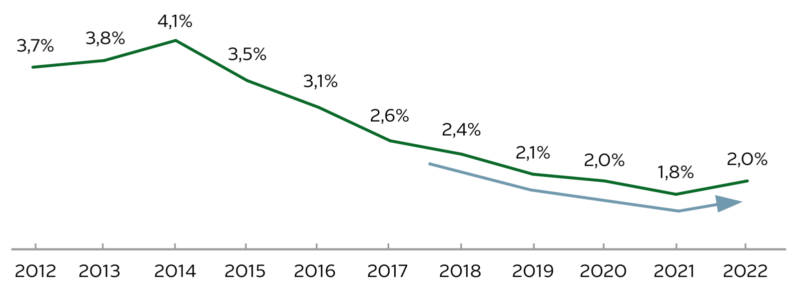
For financial year 2022, the effect on the EPRA earnings of a (hypothetical) increase in interest rate of 1% gives a negative result of approximately € 1,7 million (negative € 1,0 million in 2021).

1 The percentages in the chart are calculated relative to the total drawdown as at 31 December 2022.

## Average interest rate of the financing

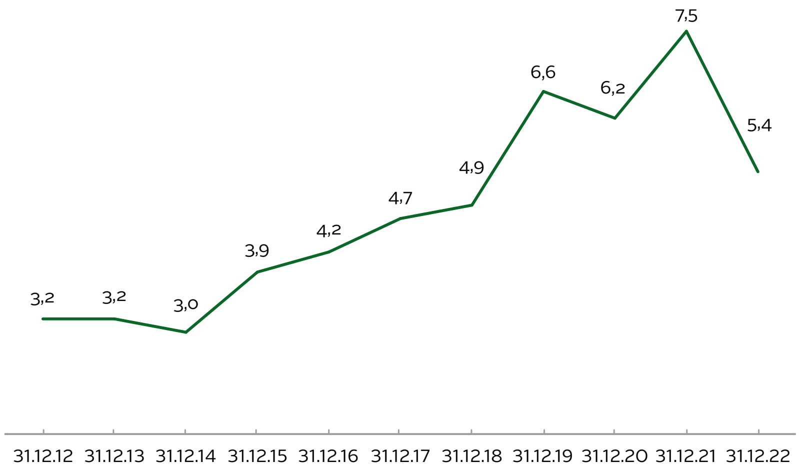
For financial year 20212, the average interest rate of the financing of Intervest is 2,0% including bank margins (1,8% in 2021). This increase is on the one hand due to the rise in Euribor rates and on the other hand due to the conclusion of the Greenbond for € 45 million and USPP for € 50 million at 3,6% and 2,83% respectively. These transactions (at fixed rates) cause an increase in the average interest rate against financial year 2021 but will just protect the company against a further increase in Euribor rates in the future.

- The average interest rate for the non-current financial debts amounts to 2,1% in 2022 (2,1% in 2021)
- The average interest rate for the current financial debts amounts to 1,1% in 2022 (0,7% in 2021).

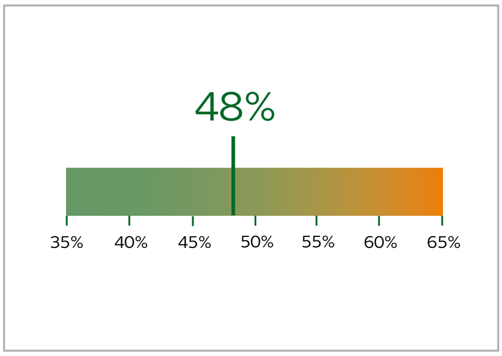



## Interest coverage ratio

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 is 5,4 for the 2022 financial year (7,5 for the 2021 financial year) which is higher than the required minimum 2 to 2,5 set as a covenant in the company's financing agreements.



## Debt ratio

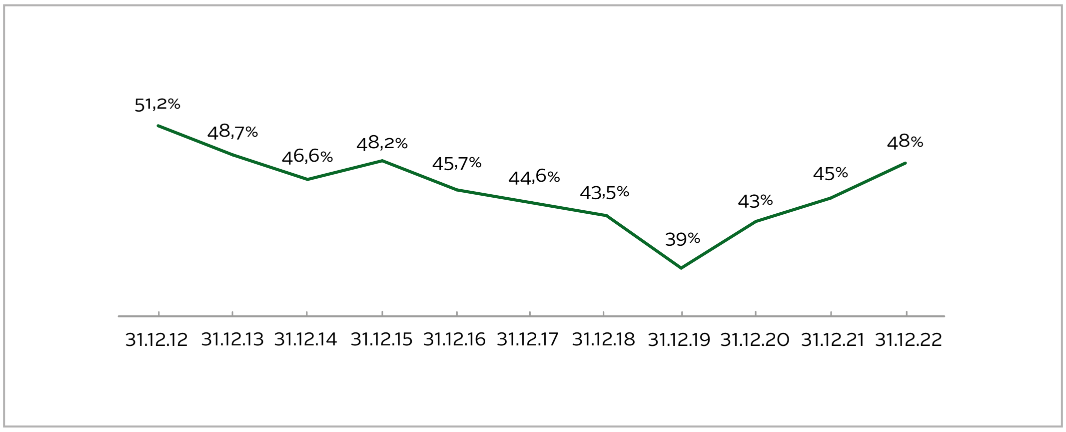



The debt ratio of the company amounts to 48% as at 31 December 2022 (45% as at 31 December 2021). The increase with 3%-points versus 31 December 2021 is mainly the result of acquisitions, investments in investment properties and project developments, the negative variation in the fair value of the portfolio and the payment of the dividend for financial year 2021, partly offset by the capital increase under the optional dividend and the successful capital increase via accelerated private placement on 5 December 2022.

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 approximately 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 48% as at 31 December 2021, Intervest still has an additional investment capacity of approximately € 675 million, without exceeding the maximum debt ratio of 65%. The capacity for further investments amounts to approximately € 415 million before exceeding the debt ratio of 60% and approximately € 55 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 € 365 million or 30% compared to the real estate available for lease of € 1.234 million as at 31 December 2022. 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 an average of 2,55%-points (from 6,0% on average to 8,6% 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 € 22,1 million, or 30%.

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 regard specific reference is made to the chapter Risk factors.

## Banking counter parties

The credit portfolio of Intervest is spread over eleven European financial institutions and a commercial paper programme.

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, Banque Internationale à Luxembourg and ABN Amro.
- banks that are counter parties to the interest rate swap hedges: ING België NV, KBC Bank NV and Belfius Bank NV.

## Increase of financial resources through capital increases

Intervest has increased its financial resources in 2022 through capital increases as follows.

Intervest shareholders opted to contribute 25,2% of their shares in exchange for new shares. Following this and the issue of 276.426 new shares, this resulted in a capital increase of € 7,1 million.

Through an accelerated private placement (accelerated bookbuilding), Intervest placed 2.657.733 new shares, equivalent to 10% of the outstanding capital prior to the capital increase, with international qualified and/or institutional investors at an issue price of € 18,50 per share by the end of 2022. This resulted in a strengthening of equity of € 49,2 million.


Diegem 〉 Greenhouse BXL

# 2.3 Profit allocation 2022

The supervisory board proposes to allocate the result of financial year 2022 of Intervest Offices & Warehouses NV as follows.

in thousands €

| | |
|---|---|
| **Net result for the 2022 financial year*** | **51.714** |
| **ALLOCATION/TRANSFER RESERVES** | |
| Allocation to/transfer from the reserves for the balance of the changes in the fair value** of real estate: | |
| ▪ Financial year | 18.714 |
| ▪ Previous financial years | -461 |
| ▪ Realisation real estate | -276 |
| Transfer from the reserve of estimated mutation rights and costs resulting from the hypothetical disposal of investment properties | 13.453 |
| Allocation to the reserve for the balance of changes in fair value of permitted hedging instruments that are not subject to hedge accounting | -32.257 |
| Allocation to the other reserve | -836 |
| 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 | -5.289 |
| Allocation to results carried forward from previous years | -32 |
| **Return of capital** | **44.730** |

* The current profit distribution is based on the statutory figures (see 8.4 Annexes to the statutory annual accounts in the Financial statements.

** Based on the changes in the investment value of the investment properties.

To the general meeting of shareholders as at 26 April 2023, it will be proposed 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 2022. This amounts to a net dividend of € 1,071 after deduction of 30% withholding tax.

Taking into account the 29.235.068 shares, which will share in the result of financial year 2022, this means a payable dividend of € 44.729.653.

The pay-out of the EPRA earnings is in accordance with the RREC Act. The dividend is payable as from 25 May 2023.

# 3 EPRA Best Practices[1]

EPRA is the European Public Real Estate Association which 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.

## 3.1 Once again gold for Annual Report 2021 and also gold for Sustainability Report 2021

Intervest's **Annual Report 2021** received an EPRA Gold Award at the annual conference of the European Real Estate Association once again. This is the eighth 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 2021, the third edition, now also received an EPRA sBPR Gold 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.

# 3.2 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* | | 31.12.2022 | 31.12.2021 |
|---|---|---|---|---|---|
| 1 | EPRA earnings | Result derived from the strategic operational activities.<br><br>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 € | 45.467 | 45.176 |
| | | | €/share | 1,71 | 1.74 |
| 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 € | 749.666 | 703.816 |
| | | | €/share | 25,64 | 26,76 |
| | | (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 € | 687.015 | 653.172 |
| | | | €/share | 23,50 | 24,83 |
| | | (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 € | 713.525 | 621.699 |
| | | | €/share | 24,41 | 23,64 |

| Table | EPRA indicators | EPRA Definitions* | 31.12.2022 | 31.12.2021 |
|---|---|---|---|---|
| 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.<br><br>Objective: an indicator for comparing real estate portfolios on the basis of yield. | 4,8% | 5,3% |
| | (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).<br><br>Objective: an indicator for comparing real estate portfolios on the basis of yield. | 5,1% | 5,4% |
| 4 | EPRA vacancy rate | Estimated rental value (ERV) of vacant space divided by ERV of the portfolio in its entirety.<br><br>Objective: to measure the vacancy of the investment properties portfolio based on estimated rental value (ERV). | 9,9% | 6,2% |
| 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.<br><br>Objective: to measure significant changes in the company's general and operational costs. | 18,0% | 17,9% |
| | 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.<br><br>Objective: to measure significant changes in the company's general and operational costs, without the effect of changes in vacancy costs. | 16,5% | 16,5% |
| 6 | EPRA Loan-to-Value (LTV) | Debt divided by the market value of the portfolio.<br><br>Objective: measures the ratio of debt to market value of the property portfolio | 47,9% | 43,9% |

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

# 3.3 Tables EPRA Key performance indicators

## 3.3.1 Table 1: EPRA earnings

| in thousands € | 31.12.2022 | 31.12.2021 |
|---|---|---|
| Net IFRS result (group share) | **51.714** | **98.100** |
| Adjustments to calculate EPRA earnings<br>To be excluded: | | |
| I. Changes in fair value of investment properties | +26.106 | -66.020 |
| II. Result on disposal of investment properties | -478 | -198 |
| VI. Changes in fair value of financial assets and liabilities | -32.257 | -4.217 |
| Minority interest in the changes in fair value of investment properties | 4.302 | 6.306 |
| Other result on portfolio | -3.920 | 11.205 |
| EPRA earnings (group share) | **45.467** | **45.176** |
| Weighted average number of shares | 26.664.878 | 25.983.006 |
| **EPRA earnings (€/per share) (group share)** | **1,71** | **1,74** |

The EPRA earnings over 2022 amount to € 45,5 million which is an increase of 1% compared to 2021. The EPRA earnings per share decrease by 2% and amount to €1,71 for 2022 compared to € 1,74 for 2021.

## 3.3.2 Table 2: EPRA NAV indicators

| in thousands € | | | 31.12.2022 | | |
|---|---|---|---|---|---|
| | EPRA NRV | EPRA NTA | EPRA NDV | EPRA NAV | EPRA NNNAV |
| **IFRS Shareholders' equity attributable to shareholders of the parent company** | 693.352 | 693.352 | 693.352 | 693.352 | 693.352 |
| **Diluted NAV at fair value** | **693.352** | **693.352** | **693.352** | **693.352** | **693.352** |
| To be excluded: | 6.039 | 6.337 | 0 | 6.039 | 0 |
| ▪ Deferred taxes in respect of the revaluation at fair value of investment properties | -21.775 | -21.761 | | -21.775 | |
| ▪ Fair value of financial instruments | 27.814 | 27.814 | | 27.914 | |
| ▪ Non-current intangible assets according to the IFRS balance | | 284 | | | |
| To be added: | 62.353 | 0 | 20.173 | 0 | 20.173 |
| ▪ Fair value of debts with fixed interest rate | | | 20.173 | | 20.173 |
| ▪ Transfer tax on real estate | 62.353 | | | | |
| **NAV** | 749.666 | 687.015 | 713.525 | **687.713** | 713.525 |
| **Diluted number of shares** | 29.235.067 | 29.235.067 | 29.235.067 | 29.235.067 | 29.235.067 |
| **NAV per share (in €)** | **25,64** | **23,50** | **24,41** | **23,51** | **24,41** |

| in thousands € | | | 31.12.2021 | | |
|---|---|---|---|---|---|
| | EPRA NRV | EPRA NTA | EPRA NDV | EPRA NAV | EPRA NNNAV |
| **IFRS Shareholders' equity attributable to shareholders of the parent company** | 622.512 | 622.512 | 622.512 | 622.512 | 622.512 |
| **Diluted NAV at fair value** | **622.512** | **622.512** | **622.512** | **622.512** | **622.512** |
| To be excluded: | -31.942 | -30.660 | 0 | -31.942 | 0 |
| ▪ Deferred taxes in respect of the revaluation at fair value of investment properties | -27.453 | -26.425 | | -27.453 | |
| ▪ Fair value of financial instruments | -4.489 | -4.489 | | -4.489 | |
| ▪ Non-current intangible assets according to the IFRS balance | | 254 | | | |
| To be added: | 49.362 | 0 | -813 | 0 | -813 |
| ▪ Fair value of debts with fixed interest rate | | | -813 | | -813 |
| ▪ Transfer tax on real estate | 49.362 | | | | |
| **NAV** | 703.816 | 653.172 | 621.699 | **654.454** | 621.699 |
| **Diluted number of shares** | 26.300.908 | 26.300.908 | 26.300.908 | 26.300.908 | 26.300.908 |
| **NAV per share (in €)** | **26,76** | **24,83** | **23,64** | **24,88** | **23,64** |

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 amounts to € 23,50 as at 31 December 2022. This means that there was a decrease of € 1,33 compared to € 24,83 as at 31 December 2021, mainly as a result of the capital increase combined with the EPRA earnings generation, the depreciation of the property portfolio and the dividend distribution for the financial year 2021.
The EPRA NRV per share as at 31 December 2022 amounts to € 25,74 compared to € 26,76 at year-end 2021.
The EPRA NDV per share amounts to € 24,41 at year-end 2022 compared to € 23,64 at year-end 2021.

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

| in thousands € | 31.12.2022 | 31.12.2021 |
|---|---|---|
| Investment properties and properties held for sale | 1.360.695 | 1.208.944 |
| To be excluded: | | |
| Project developments intended for lease | 99.619 | 110.124 |
| **Real estate available for lease** | **1.261.076** | **1.098.820** |
| To be added: | | |
| Estimated transaction rights and costs resulting from the hypothetical disposal of investment properties | 61.170 | 49.362 |
| **Investment value of properties available for lease - including property held by right of use (B)** | **1.322.246** | **1.148.182** |
| Annualised gross rental income | 72.614 | 69.801 |
| To be excluded: | | |
| Property charges* | -9.193 | -8.972 |
| **Annualised net rental income (A)** | **63.421** | **60.829** |
| Adjustments: | | |
| Rent expiration of rent free periods or other lease incentives | 3.996 | 849 |
| **Annualised "topped-up" net rental income (C)** | **67.417** | **61.678** |
| (in %) | | |
| **EPRA NET INITIAL YIELD (A/B)** | **4,8%** | **5,3%** |
| **EPRA ADJUSTED NET INITIAL YIELD (C/B)** | **5,1%** | **5,4%** |

* 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 2022 decrease compared to 31 December 2021 as a result of an increase of vacancy compared to 2021. However, most of this vacancy is on recently completed buildings such as Greenhouse Collection at the Singel and the Zeebrugge logistics site.

## 3.3.4 Tabel 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 %) |
|---|---|---|---|---|---|
| | | | | 31.12.2022 | 31.12.2021 |
| Offices | 208 | 6.660 | 27.734 | 24% | 13% |
| Logistics real estate Belgium | 698 | 1.357 | 32.426 | 4% | 1% |
| Logistics real estate the Netherlands | 353 | 0 | 20.501 | 0% | 0% |
| **TOTAL REAL ESTATE available for lease** | **1.259** | **8.017** | **80.661** | **10%** | **6%** |

The EPRA vacancy rate as at 31 December 2022 has increased compared to 31 December 2021.

In the logistics portfolio, the EPRA vacancy rate has decreased to 4% in Belgium compared to 1% as at 31 December 2021, mainly due to the Zeebrugge site completed in the fourth quarter. Here the vacancy rate is around 30% as at 31 December 2022.

In the logistics portfolio in the Netherlands the rental vacancy rate remains stable at 0%.

The EPRA rental vacancy rate for offices rose from 13% to 24% as at 31 December 2022. The increase is also largely (7,3%) due to a recently completed project development. Greenhouse Collection at the Singel, where the vacancy rate is around 80% as at December 31, 2022, opened its doors in the fourth quarter of 2022.

## 3.3.5 Table 5: EPRA cost ratios

| in thousands € | 31.12.2022 | 31.12.2021 |
|---|---|---|
| Administrative and operational expenditures (IFRS) | 12.888 | 11.625 |
| *Rental-related costs* | *19* | *148* |
| *Recovery of property charges* | *-1.249* | *-696* |
| *Costs payable by tenants and borne by the landlord for rental damage and refurbishment* | *1.629* | *361* |
| *Other rental-related income and expenses* | *-939* | *-717* |
| *Property charges* | *8.566* | *8.383* |
| *General costs* | *4.387* | *3.836* |
| *Other operating income and costs* | *475* | *310* |
| To be excluded: | | |
| Compensations for leasehold estate and long-lease rights | -9 | -8 |
| **EPRA costs (including vacancy costs) (A)** | **12.879** | **11.617** |
| Vacancy costs | -1.085 | -893 |
| **EPRA costs (excluding vacancy costs) (B)** | **11.794** | **10.724** |
| **Rental income less compensations for leasehold estate and long-lease rights (C)** | **71.465** | **65.048** |
| (in %) | | |
| **EPRA cost ratio (including vacancy costs) (A/C)** | **18,0%** | **17,9%** |
| **EPRA cost ratio (excluding vacancy costs) (B/C)** | **16,5%** | **16,5%** |

The EPRA cost ratio as at 31 December 2022 remains stable compared to 31 December 2021.

## 3.3.6 Table 6: EPRA LTV

| in thousands € | 31.12.2022 | | |
|---|---|---|---|
| | Reported | Minority interests | Share Group |
| **To be added:** | | | |
| ▪ Loans from credit institutions | 487.380 | 20.656 | 466.724 |
| ▪ Commercial Paper | 46.000 | 0 | 46.000 |
| ▪ Greenbond/USPP | 94.382 | 0 | 94.382 |
| ▪ Net debts/receivables | 35.600 | 8.021 | 27.579 |
| **To be excluded:** | | | |
| ▪ Cash and cash equivalents | -3.053 | -222 | -2.831 |
| **EPRA Net debt (a)** | 660.309 | 28.455 | 631.854 |
| **To be added:** | | | |
| ▪ Property available for lease (incl. solar pannels etc.) | 1.248.392 | 40.617 | 1.207.774 |
| ▪ Property available for sale | 27.277 | 0 | 27.277 |
| ▪ Project developments and land reserves | 99.619 | 14.598 | 85.021 |
| ▪ Intangible assets | 284 | 2 | 282 |
| **EPRA Total property value (b)** | 1.375.572 | 55.217 | 1.320.355 |
| **EPRA LTV (a/b)** | 48,0% | | 47,9% |

| in thousands € | 31.12.2021 | | |
|---|---|---|---|
| | Reported | Minority interests | Share Group |
| **To be added:** | | | |
| ▪ Loans from credit institutions | 421.708 | 7.948 | 413.760 |
| ▪ Commercial Paper | 108.000 | 0 | 108.000 |
| ▪ Net debts/receivables | 10.789 | 8.520 | 2.269 |
| **To be excluded:** | | | |
| ▪ Cash and cash equivalents | -3.537 | -395 | -3.142 |
| **EPRA Net debt (a)** | 536.960 | 16.073 | 520.887 |
| **To be added:** | | | |
| ▪ Property available for lease (incl. solar pannels etc.) | 1.104.174 | 15.029 | 1.089.145 |
| ▪ Project developments and land reserves | 110.124 | 13.715 | 96.409 |
| ▪ Intangible assets | 254 | 3 | 251 |
| ▪ Financial assets | 1.713 | 856 | 857 |
| **EPRA Total property value (b)** | 1.216.265 | 29.603 | 1.186.662 |
| **EPRA LTV (a/b)** | 44,1% | | 43,9% |

## 3.3.7 Table 7: EPRA net rental income on steady comparison basis

| in thousands € | 31.12.2022 | | | | 31.12.2021 | | |
|---|---|---|---|---|---|---|---|
| **Segment** | Unchanged composition of the portfolio over two years | Acquisitions & develop-ments | 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** | **25.015** | 209 | 0 | 25.223 | 22.448 | **2.567** | **11%** |
| Changes resulting from indexation | | | | | | 992 | 4% |
| Changes in the occupancy rate | | | | | | -1.478 | -7% |
| Changes due to renegotiation with current or new tenants | | | | | | -11 | 0% |
| Changes to compensation for damages received | | | | | | 2.635 | 12% |
| Changes Greenhouse | | | | | | 243 | 1% |
| Changes in staggered rent benefits due to negotiations and break dates | | | | | | 186 | 1% |
| **Logistics Belgium** | **20.492** | 7.373 | 67 | 27.933 | 19.705 | **788** | **4%** |
| Changes resulting from indexation | | | | | | 785 | 4% |
| Changes in the occupancy rate | | | | | | 11 | 0% |
| Changes through renegotiation with current or new tenants | | | | | | -53 | 0% |
| Changes to compensation for damages received | | | | | | -194 | -1% |
| Changes in staggered rent benefits due to negotiations and break dates | | | | | | 239 | 1% |
| **Logistics the Netherlands** | **16.999** | 1.319 | 0 | 18.318 | 16.529 | **470** | **3%** |
| Changes resulting from indexation | | | | | | 463 | 2% |
| Changes in the occupancy rate | | | | | | 17 | 0% |
| Changes through renegotiation with current or new tenants | | | | | | -10 | 0% |
| Changes to compensation for damages received | | | | | | 0 | 0% |
| Changes in staggered rent benefits due to negotiations and break dates | | | | | | 0 | 0% |
| **TOTAL RENTAL INCOME for unchanged composition** | **62.506** | 8.901 | 67 | 71.474 | **58.682** | **3.825** | **7%** |
| **Reconciliation with consolidated net rental income** | | | | | | | |
| Rental-related costs | | | | -19 | | | |
| **NET RENTAL INCOME** | | | | **71.455** | | | |

The above table shows the evolution in the EPRA rental income in an unchanged portfolio composition. This means that the additional rental income received as a result of the 2021 and 2022 acquisitions are not included in the comparison base.

There is an increase of 11% for offices, mainly due to the severance payment received for the early departure of tenant Enterprise Service Belgium in Mechelen Business Tower. This departure was followed by vacancy which also partially explains the change in occupancy rate. In the logistics segment, both in Belgium and the Netherlands, there is a slight increase of respectively 4% and 3%, in both segements this is largely the effect of the indexation of rents.

## 3.3.8 Table 8: EPRA investment expenditures on steady comparison basis

| in thousands € | 31.12.2022 | | | 31.12.2021 | | |
|---|---|---|---|---|---|---|
| | Offices | Logistics Belgium | Logistics the Netherlands | Offices | Logistics Belgium | Logistics the Netherlands |
| **Acquisitions** | **0** | **65.193** | **30.222** | **0** | **46.828** | **16.615** |
| *Acquisition of investment properties* | *0* | *4.627* | *30.222* | *0* | *32.354* | *16.615* |
| *Acquisition of shares in real estate companies* | *0* | *60.566* | *0* | *0* | *14.474* | *0* |
| **Investments in project developments** | **6.666** | **75.426** | **5.749** | **13.515** | **39.759** | **515** |
| *Of which capitalised interest* | *344* | *1.203* | *100* | *725* | *310* | *60* |
| **Divestment/transfer of investment properties** | **-27.504** | **-8.095** | **0** | **0** | **0** | **0** |
| *Desinvesting* | *0* | *-8.095* | *0* | *0* | *0* | *0* |
| *Transfer real estate available for sale* | *-27.504* | *0* | *0* | *0* | *0* | *0* |
| **Like-for-like portfolio*** | **935** | **1.414** | **575** | **2.422** | **3.896** | **1.415** |
| *Of which additional leas-able space* | *0* | *0* | *0* | *0* | *0* | *0* |
| **TOTAL** | **-19.903** | **133.938** | **36.546** | **15.937** | **90.483** | **18.545** |
| Adjustment non cash items | 27.100 | -26.798 | 0 | -860 | -9.930 | -114 |
| **TOTAL (CASH FLOW)** | **7.197** | **107.140** | **36.546** | **15.077** | **80.553** | **18.431** |

* The investment expenditures mentioned in the “like for like portfolio” concern investments and expansions in buildings owned by the company as at 1 January 2021 and still owned as at 31 December 2022.

In the logistics portfolio in Belgium, there were purchases in Zeebrugge, Tessenderlo and Herstal in 2022. There have also been investments in the further finishing of Zeebrugge Green Logistics, Herentals Green Logistics and Genk Green Logistics.

In the logistics portfolio in the Netherlands, there were purchases in Waalwijk and Breda in 2022. In 's-Hertogenbosch there has also been an investment in a project development.

Investments in the office segment are mainly situated in the further completion of the project Greenhouse Collection at the Singel in Antwerp.

In 2022, the Huizingen site was sold (logistics Belgium) and the Dilbeek, Gateway and Hoeilaat office sites have come under real estate intended for sale.

The large amount in the adjustment for non-cash items in the office portfolio relates to the transfer of the office buildings to "real estate held for sale". In the logistics segment of Belgium, the adjustment relates, on the one hand, to the provision for invoices to be received regarding the completion of the site in Genk Green Logistics, Herentals and Zeebrugge. On the other hand, in connection with the Zeebrugge share transaction, only the price effectively paid for the shares is included in the investment expenses of the cash flow statement, the final price settlement still to be paid in 2023 as well as other non-cash items such as the IFRS16 adjustment for the concession fee, are not included in the cash flow statement.

# 4 Outlook for 2023

*This outlook should not be interpreted as a commitment on the part of Intervest. Whether or not these projections will be achieved depends on factors beyond Intervest's control, such as developments in the real estate and financial markets and the evolution of the economy. Given the current context of the ongoing health crisis and economic uncertainty, the assumptions used can be very volatile. The assumptions and risk assessments seemed reasonable at the time they have been made, but since it is impossible to predict future events, they may or may not prove correct later. Thus the final results, financial situation, performance or achievements of Intervest, or even general market trends, may differ substantially from the projections.*

## 4.1 General

The outlook described below contains expectations for fiscal year 2023, with respect to Intervest's consolidated EPRA earnings and consolidated balance sheet.

The outlook and earnings forecast set forth below have been prepared by the supervisory board for the purpose of establishing expectations for fiscal year 2023, taking into account the operating trends identified to date, on a comparable basis to historical financial information.

The accounting basis used for the forecasts is in accordance with the accounting methods used by Intervest, within the framework of preparing its consolidated accounts at the end of 2021 and at the end of 2022 in accordance with IFRS as applied by the European Union and implemented by the GVV-Royal Decree.

The projections relating to the EPRA consolidated earnings are forecasts whose effective realization depends on the evolution of the economy, the financial and real estate markets and the effective realization of ongoing (dis)investment and development files. These forecasts have been made on the basis of the information available as at 31 December 2022 and also take into account facts after the balance sheet date, if any.

The projections relating to the EPRA consolidated earnings are forecasts whose effective realization depends on the evolution of the economy, financial markets and real estate markets. This forward-looking information, forecasts, opinions and estimates made by Intervest, regarding the currently expected future performance of Intervest and of the market in which Intervest operates, do not constitute a commitment. By their nature, forward-looking statements involve risks, uncertainties and assumptions, both general and specific, and there is a risk that the forward-looking statements will not be achieved.

## 4.2 Hypotheses

### 4.2.1 Hypotheses relating to factors that Intervest cannot directly influence

- **Inflation:** an average inflation level of 5,8% for Belgium and 6,4% for the Netherlands, based on economic consensus expectations at the end of 2022. Allowing for like-for-like rental income growth of 11% in 2023.
- **Interest rates:** a three-month average level of Euribor interest rates of 2,4%.
- **Financial hedging instruments:** given their volatility, variations in their market values were not taken into account. These variations are not relevant to the outlook related to the EPRA earnings.
- **Valuation real estate portfolio and solar panels:** no predictions are made regarding variations in the fair value of the real estate portfolio and solar panels. Indeed, this would be unreliable and subject to a multitude of external factors beyond the company's control. These variations are also not relevant to the outlook in connection with the EPRA earnings.
- **External events:** it is assumed that there are no material changes in the (geo)political and/or economic environment that could have a material impact on the Intervest.
- **Regulatory and fiscal framework:** it is assumed that no material changes occur in the tax laws or regulatory requirements that would affect the Intervest's results or its accounting methods.
- **Risks:** the outlook may be affected, among other things, by market, operational, financial and regulatory risks as described in the section on Risk Factors.

## 4.2.2 Hypotheses regarding factors that Intervest can influence directly

- **Net rental result:** the increase is mainly driven by internal growth. The net investment volume realised in 2022, will largely contribute to the rental result during the 2023 financial year. In terms of organic growth, indexation of leases is taken into account (see above). In 2023, 9% of the contracts will reach their next expiry date. Lease extensions and/or renewals after any vacancy period are taken into account. Furthermore, in the course of 2023, three pre-let projects will be completed that will gradually generate[1] rental income and rental income from acquisitions already realised in 2023 and a limited number of ongoing development projects whose realisation is highly probable, as well as the loss of rental income as a result of to-be-realised divestment of assets earmarked for sale, are included. Intervest assumes an average occupancy rate of 97% by the end of 2023.
- **Other operating income and costs**: these primarily include net costs (i.e., after any recharges) for rental charges and taxes and other rental-related income and expenses. Income and expenses for solar panels and operating costs for the Greenhouse-locations are also included in this category. They were estimated for 2023 based on the current portfolio, expected investments and the evolution of figures from previous fiscal years.
- **Real estate costs:** these mainly include net costs (i.e. after any recharges) for maintenance and repairs, insurance contracts and commissions. They were estimated for 2023 based on the current portfolio, the expected investments and the evolution of the figures of previous financial years.
- **General costs:** these costs evolve underlying in line with the growth of the portfolio, continuing to build the operating platform in a cost-efficient manner despite current inflation, in particular while maintaining the operating margin of around 83%. These costs include operating expenses, mainly salaries, office rent, fees to external advisors and costs related to the stock exchange listing and external communications.
- **Financial result:** an evolution of financial debts in function of the investment programme is assumed. Taking into account the evolution of short-term interest rates and a hedging ratio of 72% based on the situation as at 31 December 2022, an overall financing cost of 2,9% is assumed for 2022. It has been assumed that no loans will be repaid early, nor that any current IRS contracts will be terminated early. The company will seek to increase its hedging ratio. Total finance costs have then been reduced by capitalised interest included in the investment cost of the existing project developments at an interest rate equivalent to the estimated overall financing cost. The financial charges also include the recurring cost of concession fees payable of € 0,3 million that Intervest has to pay for the sites for which it does not hold bare ownership but usufruct. (See Note 19 - Other non-current and current financial liabilities in the Financial statements).
- **Taxes:** these include the annual corporate income tax payable mainly for the perimeter companies in the Netherlands.

1 An overview of projects under construction can be found in the Property report - Projects and development potential.

## 4.2.3 Prognosis of the consolidated results

| in thousands € | 2023 Budget | 2022 Actuals |
|---|---|---|
| **NET RENTAL RESULT** | **80.726** | **71.455** |
| Other operating income and costs | 1.445 | 559 |
| **PROPERTY RESULT** | **82.172** | **72.014** |
| Property charges | -10.052 | -8.566 |
| **OPERATING PROPERTY RESULT** | **72.120** | **63.448** |
| General costs and other operating income and costs | -4.896 | -4.862 |
| **OPERATING RESULT BEFORE RESULT ON PORTFOLIO** | **67.224** | **58.586** |
| Financial result (excl. variations in fair value of financial assets) | -19.646 | -10.877 |
| Taxes | -1.647 | -978 |
| Minority intrests | -1.482 | -1.264 |
| **EPRA RESULTAAT** | **44.449** | **45.467** |
| Gewogen gemiddeld aantal aandelen | 30.012.275 | 26.664.878 |
| **EPRA EARNINGS PER SHARE** | **1,48** | **1,71** |
| **DIVIDEND PER SHARE** | **1,53** | **1,53** |

Based on the current outlook and the assumptions above, Intervest expects an EPRA earnings per share of at least € 1,48 and an EPRA result of approximately € 44,4 million for 2023. This decrease is explained on the one hand by the ongoing development program following the shift from cash flow buying to cash flow generating and the further future proofing of the portfolio and this within the current economic context. Taking into account the current profit forecast and the long-term profit forecast, Intervest intends to distribute a gross dividend per share of € 1,53 for the financial year 2023 (payable in 2024). This outlook is based on current knowledge and situation and barring unforeseen circumstances such as a weakening macroeconomic outlook, market volatility and a sharply increased cost of capital.

## 4.2.4 Prognosis of the consolidated balance sheet

Factors that could be reasonably estimated were taken into account in preparing the projected balance sheet. The following assumptions have been observed:

- **Assets - real estate portfolio:** consideration has been given to the investments described in the Property report 1.1.3 Projects and development potential, a limited number of ongoing development files whose realization is highly probable and the divestment of assets held for sale.
- **Liabilities - shareholders' equity:** consideration has been given to strenghtening shareholders' equity, the dividend payment for 2022 in the form of an optional dividend with the assumption of 30% inclusion in shares and the EPRA profit evolution during the 2023 financial year.
- **Liabilities - Non-current and current fiancial liabilities:** evolution as a function of the expected investment volume and the portion expected to be financed through equity (through contributions in kind, retained earnings and the optional dividend). Here, a loan-to-value lower than 50% is expected as at 31 December 2023. As at 31 December 2022, Intervest has a buffer of more than € 200 million of unused long-term credit lines, which can be used to cover projects in progress and planned acquisitions and the maturities of long-term debt (€ 85 million ) until the end of 2023, taking into account the annual impact of the reserved profits and the optional dividend in 2023-24.

| **ASSETS** in thousands € | 31.12.2023 Budget | 31.12.2022 Actual |
|---|---|---|
| NON-CURRENT ASSETS | 1.495.349 | 1.381.476 |
| Investment properties | 1.448.065 | 1.333.418 |
| Other non-current assets | 47.284 | 48.057 |
| CURRENT ASSETS | 19.767 | 47.304 |
| Assets available for sale | 0 | 27.277 |
| Other current assets | 19.767 | 20.027 |
| TOTAL ASSETS | 1.515.116 | 1.428.780 |

| **SHAREHOLDERS' EQUITY AND LIABILITIES** in thousands € | 31.12.2023 Budget | 31.12.2022 Actual |
|---|---|---|
| SHAREHOLDERS' EQUITY | 784.590 | 721.410 |
| **Shareholders' equity attributable to shareholders of the parent company** | **755.049** | **693.351** |
| **Minority interests** | 29.541 | 28.059 |
| LIABILITIES | 730.526 | 707.370 |
| Non-current and current financial debts | 671.906 | 627.762 |
| Other liabilities eligible for debt ratio calculation | 21.716 | 42.704 |
| Other liabilities | 36.904 | 36.904 |
| TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES | 1.515.116 | 1.428.780 |
| | | |
| DEBT RATIO | 47% | 48% |

## 4.2.5 Sensitivity

If the required rate of return used by real estate experts in determining the fair value of the company's property portfolio (yield or capitalization rate) were to increase by 1%-point (from 6,0% to 7,0% on average), the fair value of the property would decrease by € 175 million or 12%. This would increase the company's projected debt ratio for 2023 by 6%-points to about 53%.

In the opposite case, if the required rate of return of this used return were to decrease by 1%-point, the fair value of the property would increase by € 244 million or 16%. This would reduce the company's expected debt ratio for 2023 by 7%-points to around 40%.

The effect of a hypothetical 1% increase/decrease in interest rates approximately € -0,9 (increase) or € 0,9 million (decrease) or € 0,02 per share on the 2023 budgeted EPRA result and net income.

## 4.2.6 Growth plan #connect2025 - Prognosis of the consolidated results and dividend expectations

The new strategic growth plan 2023-25 is a three-year plan in which Intervest aims for EPRA earnings per share of € 1,85 in 2025, a real estate portfolio of more than € 1,8 billion and a debt ratio in the mid-range of 45%-50%.

The results will be influenced by the speed with which Intervest succeeds in concretizing further asset rotation.

The growth strategy #connect2025 is fully in line with the successful approach of the past years: focus on logistics and focus on asset rotation with a view to improving the risk profile and overall quality of the real estate portfolio while keeping the full value chain in-house.

Strong drivers for growth are the focus on own (re)developments, with the intended result being higher returns and an improvement in the risk profile.

- Focus on creating clusters focused on strategic (maritime) axes, providing economies of scale and flexibility for customers
- Focus on well-considered asset rotation, also contributing to improving the risk profile and providing prospects for future cash flows to support growth in the logistics segment
- Focus on ESG and innovation for the benefit of all stakeholders

The strong driver for profit growth therefore remains the ongoing structural demand for logistics real estate to which Intervest can respond and help its clients grow further at the heart of the supply chain.

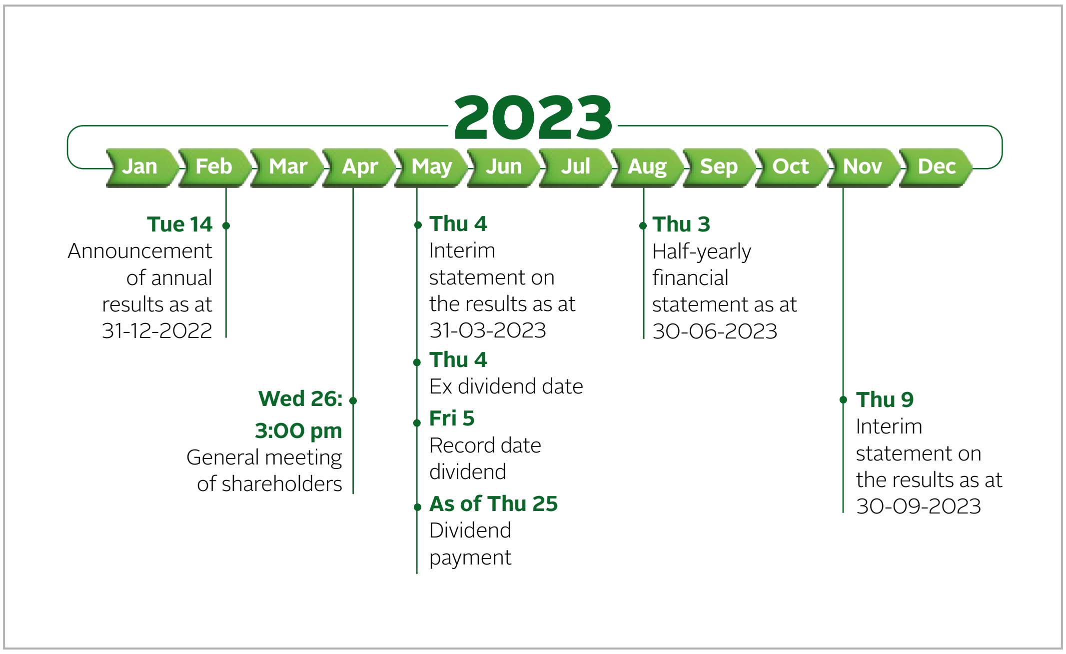
Intervest aims at further value creation within the existing portfolio such as deepening its customer focus and further building a high-quality portfolio supported by technology, energy and sustainability.

Intervest also expects an increasing scarcity of land leading to upward pressure on market rents.

This strategy is backed by a stringent capital discipline that takes into account:

- Financing of investments by at least 50% equity and no more than 50% debt capital
- Stable capital structure based on a net debt / EBITDA around 10x.
- Loan-to-value of maximum 50%.

# 4.3 Financial calendar 2023



# 5 Intervest on the stock exchange

## Intervest lists > 20 years on the Brussels stock exchange

**KEY FIGURES**

| | | |
|---|---|---|
| **€ 562 million** market capitalisation | **€ 19,24** share price at the end of 2022 | **85%** free float |

## 5.1 Stock exchange information

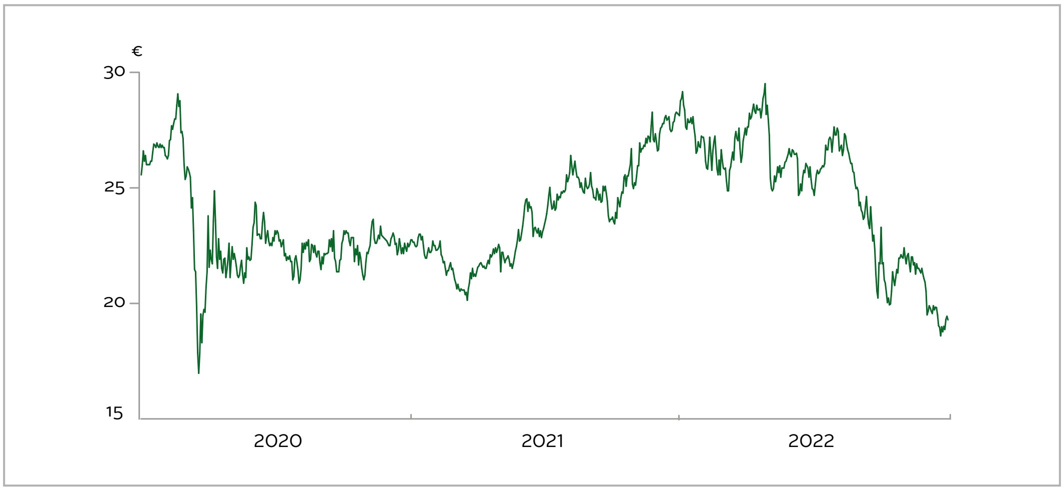
**INTO**
LISTED
EURONEXT
ISIN BE0003746600

Intervest Offices & Warehouses 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.


Brussels ⟩ Euronext - Bell ceremony

## 5.1.1 Evolution of the share price over three years




The share of Intervest has closed the financial year 2022 at a share price of € 19,24, compared to € 28,20 as at 31 December 2021.

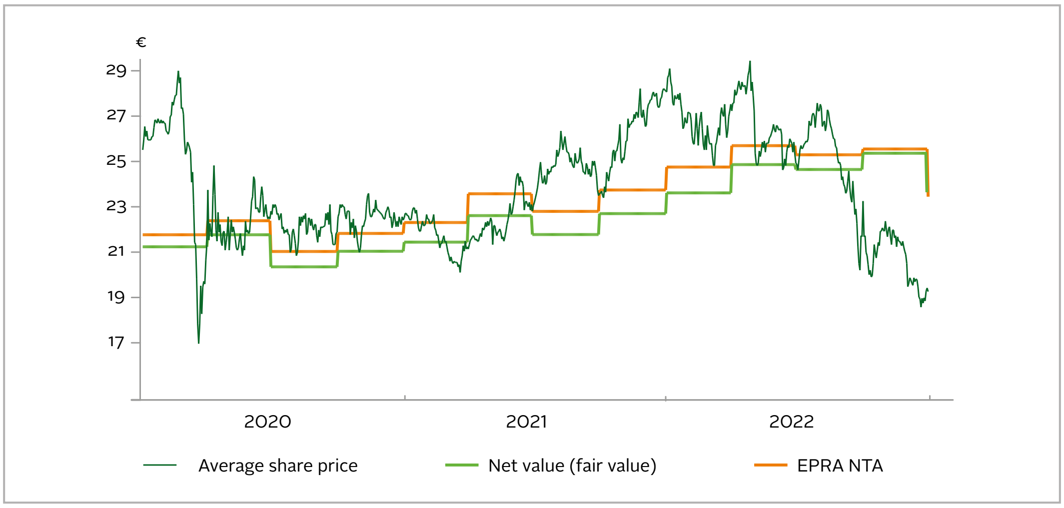
The average share price of financial year 2022 amounts to € 24,88 compared to € 23,92 in financial year 2021. The share's lowest closing price recorded in financial year 2022 is € 18,54 (20 December 2022) and its highest closing price € 29,6 (28 April 2022).

## 5.1.2 2022 stock exchange performance compared to BEL 20


The ex dividend date for the dividend covering financial year 2021 was as at 5 May 2022.

As at 31 December 2022, the market capitalisation of Intervest amounts to € 562 million.

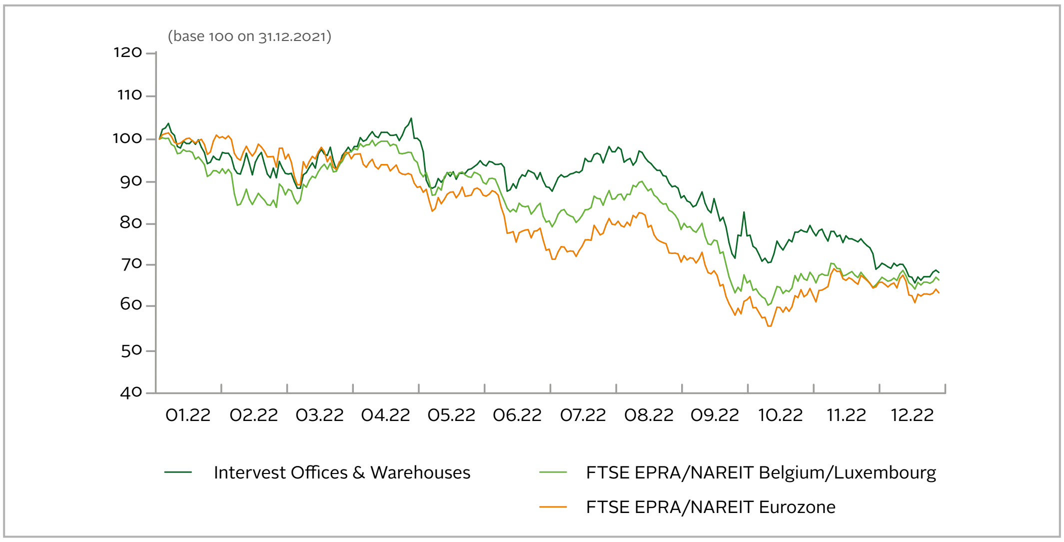
## 5.1.3 Premium of the share price with regard to net value and EPRA NTA over three years




During financial year 2022, the share of Intervest has recorded an average premium of 1% compared to the net value (fair value) and EPRA NTA.

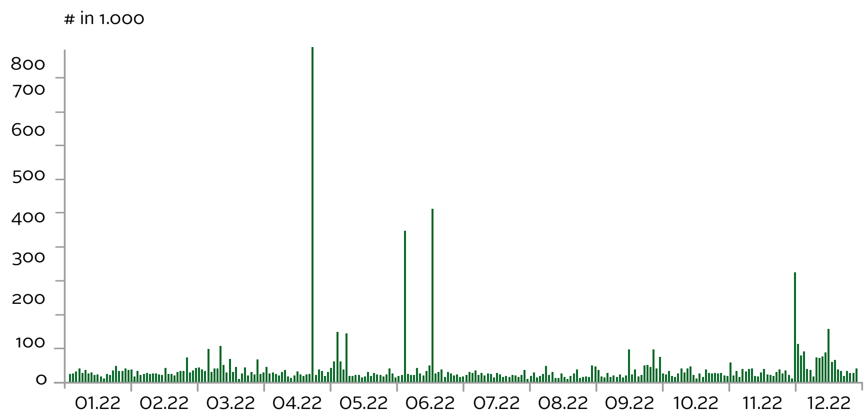
As at year-end 31 December 2022, the discount is 19% compared to the net value (fair value) of € 23,72 and 18% compared to EPRA NTA of € 23,50. The net value includes the dividend for financial year 2022.

## 5.1.4 Comparison of Intervest with EPRA/NAREIT indexes - Total return




Notwithstanding the turbulence in the stock market, Intervest's share price holds up well in 2022. Intervest's share price outperforms the FTSE EPRA/NAREIT Eurozone and the FTSE EPRA/NAREIT Belgium/Luxembourg as of the second half of 2022.

### 5.1.5 Traded volumes Intervest




The volumes traded in 2022 with an average of 31.658 shares per day are higher than in 2021 (average 29.637 shares per day). Based on the weighted average number of shares, the turnover rate of the Intervest share is 28%, at the same level as in 2021 (29%).

A liquidity agreement has been concluded with KBC Securities and Bank Degroof Petercam to promote the marketability of the shares. In practice, this is done by regularly submitting buy and sell orders within certain margins.

## 5.2 Dividend policy

The dividend policy is determined by Intervest's supervisory board and proposed to the general meeting of shareholders for approval after the end of each financial year.

The amount eligible for distribution is determined in accordance with Article 13 §1 of the RREC Royal Decree and Chapter III of Annex C of the RREC Royal Decree.

Intervest is a regulated property company with a statutory distribution obligation of at least 80% of the EPRA earnings, adjusted for non-cash elements. The gross dividend will always be at least 80% of this amount so that the RREC always meets its legal obligations.

Each year, Intervest's supervisory board has the option to decide that the dividend for the financial year be paid as an optional dividend. With an optional dividend, shareholders are given the option to contribute their debt claim arising from the profit distribution to the capital of Intervest against the issue of new shares. This is in addition to the option of receiving the dividend in cash or opting for a combination of the two previous options. The dividend claim linked to a certain number of existing shares entitles the holder to one new share, at an issue price per share, with or without a discount compared to the share price. The supervisory board of Intervest will consider each time whether it will distribute the dividend under the form of an optional dividend and, if it proceeds to do so, determine the modalities thereof.

Dividends paid by Intervest are by default subject to Belgian withholding tax of 30%. A partial/full exemption from withholding tax on dividends can be obtained by shareholders who meet specific conditions imposed by law.

For the determination of the amount of mandatory dividend distribution and the proposed dividend per share for the 2022 financial year, see section 8.6 Annexes to the statutory financial statements.

# 5.3 Dividend and shares

As at 31 December 2022 the share price of the Intervest share is € 19,24 through which it offers the shareholders a gross dividend return of 8,0%.

| NUMBER OF SHARES | 31.12.2022 | 31.12.2021 | 31.12.2020 |
|---|---|---|---|
| Number of shares at the end of the period | 29.235.067 | 26.300.908 | 25.500.672 |
| Number of shares entitled to dividend | 29.235.067 | 26.300.908 | 25.500.672 |
| Free float (%) | 85% | 85% | 80% |

| STOCK MARKET INFORMATION | 31.12.2022 | 31.12.2021 | 31.12.2020 |
|---|---|---|---|
| Highest closing share price (€) | 29,60 | 28,35 | 29,15 |
| Lowest closing share price (€) | 18,54 | 20,10 | 16,90 |
| Share price on closing date (€) | 19,24 | 28,20 | 22,55 |
| Premium to net value fair value (%) | -19% | 19% | 5% |
| Average share price (€) | 24,88 | 23,92 | 23,03 |
| Number of shares traded per year | 8.136.081 | 7.646.263 | 7.476.507 |
| Average number of shares traded per day | 31.658 | 29.637 | 29.091 |
| Share turnover rate (%) | 27,8% | 29,1% | 29,3% |

| DATA PER SHARE (€) | 31.12.2022 | 31.12.2021 | 31.12.2020 |
|---|---|---|---|
| Net value (fair value)* | 23,72 | 23,67 | 21,46 |
| EPRA NTA | 23,50 | 24,83 | 22,40 |
| Market capitalisation (million) | 562 | 742 | 575 |
| Pay-out ratio (%) | 90% | 88% | 95% |
| Gross dividend | 1,53 | 1,53 | 1,53 |
| Percentage withholding tax (%) | 30% | 30% | 30% |
| Net dividend | 1,0710 | 1,0710 | 1,0710 |
| Gross dividend yield (%) | 8,0% | 5,4% | 6,8% |
| Net dividend yield (%) | 5,6% | 3,8% | 4,7% |

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

## 5.4 Shareholders

As at 31 December 2022, the following shareholders' structure is known to the company.

| Name | Number of shares (stated) on date of notification | **Date of transparency notifications** | % shares based on denominator on date of notification[1] | % shares based on denominator as at 31.12.2022 [2] |
|---|---|---|---|---|
| Federale Participatie- en Investerings-maatschappij nv/Société Fédérale de Participations et d'Investissement S.A. FPIM/SFPI (including Belfius Group) | 2.439.890 | 20.08.2019 | 9,90% | 8,35% |
| Allianz | 1.563.603 | 04.04.2019 | 6,44% | 5,35% |
| Patronale Group NV | 1.251.112 | 12.03.2020 | 5,07% | 4,28% |
| Degroof Petercam Asset Management S.A. | 773.480 | 19.03.2019 | 3,18% | 2,64% |
| BlackRock - related companies | 493.742 | 30.06.2015 | 3,04% | 1,69% |
| Other shareholders under the statutory threshold | 22.713.240 | | | 77,69% |
| **TOTAL** | **29.235.067** | | | **100%** |

As at 31 December 2022 the free float of the Intervest share amounts to 85%, according to the definition of Euronext.

1 The percentage of shares based on the denominator on the date of the transparency notification. This denominator may have changed in the meantime.
2 Percentage of shares based on the transparency notification received through 31 December 2022, relative to the denominator at year-end 2022. The percentage is calculated assuming that the number of shares has not changed since the most recent transparency notification and taking into account the total number of outstanding shares of Intervest. Notified changes can be consulted at **www.intervest.eu/en/shareholders-structure.**

## Transparency notifications in 2022

Intervest has not received any transparency notifications in 2022.

The previous and future notifications as well as the shareholders' structure can also be consulted on the Intervest website under the following heading: Shareholders 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 financial instruments 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 thresholds 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 this notification in the context of transparency regulations was last amended as at 5 December 2022 as a result of the capital increase in the form of an optional dividend and the accompanying issue of 2.657.733 new shares.

Antwerp 〉 Greenhouse Collection at the Singel - Boardroom

# CORPORATE GOVERNANCE STATEMENT

# 1 General

**Governance structure: dual management**

Since 2020, Intervest has a new governance structure, in accordance with the new Companies and Associations Code ("CAC"): a dual management.

A **dual management** consists, on the one hand, of a supervisory board and, on the other, of an executive board, instead of the monistic system with a board of directors and a management committee.

The supervisory board is responsible 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.

**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.

These documents are regularly reviewed so that they are always in accordance with applicable corporate governance laws and guidelines. 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 consulted at www.intervest.eu.

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

**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 deviates 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 (possibly 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 deviates 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.

Berchem 〉 Greenhouse Antwerp - Boardroom lounge

# 2 Governing bodies

## Supervisory board

### Role

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

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 2022**

The supervisory board has met 14 times during the year 2022. The most important agenda items that the supervisory board has deliberated and decided on in 2022 are:

- approval of the quarterly, half-yearly and annual figures
- approval of the annual accounts and statutory reports
- approval of the 2022 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
- new forms of financing: the issuance of the Green Bond and USPP Notes
- the capital increase through accelerated private placement ("accelerated bookbuilding" or "ABB"), within the authorized capital
- analysis, evaluation and follow-up medium-term and long-term strategy in the context of the #connect2022 strategy
- Evaluation and update of the strategy to #connect2025 including sustainable value creation targets and core ESG performance indicators
- composition and evaluation of the management and supervisory boards.

**Composition of the supervisory board in 2022**

| | First appointment | Expiration date current mandate | Attendance supervisory board during financial year 2022 |
|---|---|---|---|
| **Ann Smolders** - Chairwoman, independent member | May 2021 | April 2024 | 14/14 |
| **Johan Buijs** - Member | October 2011 | April 2024 | 14/14 |
| **Marc Peeters** - Independent member | April 2022 * | April 2025 | 11/14 |
| **Dirk Vanderschrick** - Member | Co-opted 4 May 2022 ** | | 12/12 |
| **Marleen Willekens** - Independent member | April 2016 | April 2025 | 13/14 |
| | | | |
| **Jacqueline Heeren-de Rijk** - Independent member until 27 April 2022 *** | | | 2/2 |
| **Marco Miserez** - Member until 4 May 2022 **** | | | 2/2 |

* By decision of the supervisory board, Marc Peeters was co-opted as a member of the supervisory board as from 1 August 2021. The ratification of the aforementioned co-optation was submitted to the general meeting of shareholders as at 27 April 2022 and Marc Peeters is reappointed as an independent member of the supervisory board.

** By decision of the supervisory board, Dirk Vanderschrick has been co-opted as a member of the supervisory board since 4 May 2022. Ratification of the aforementioned co-option and reappointment will be submitted to the annual general meeting of shareholders on 26 April 2023. See press release dated 4 May 2022: "Dirk Vanderschrick, new member in the supervisory board of Intervest Offices & Warehouses".

*** The mandate of Jacqueline Heeren - de Rijk expired on the occasion of the annual general meeting of shareholders of 27 April 2022.

**** Marco Miserez resigned with effect from 4 May 2022.

At the end of 2022, the average term of the mandate of members of the supervisory board is four years.

## Functioning

The supervisory board meets whenever the interests of the company so require, at least four times a 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 after each meeting by the secretary of the company 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.

Among the members of the supervisory board there are no family relations extending to the second degree.

## 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.

All members of the supervisory board have appropriate expertise and experience in the area of ESG. All members pay attention to topics related to ESG, both in terms of the environmental and social as well as the governance aspect and this always within the framework of the strategy.

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.

### Evolution in the composition of the supervisory board during financial year 2022

The mandate of Jacqueline Heeren - de Rijk expired on the occasion of the annual general meeting of shareholders of 27 April 2022.

The same general meeting renewed the mandate of Marleen Willekens as an independent member of the supervisory board for a new term of three years expiring after the annual general meeting to be held in the year 2025.

The same general meeting also ratified the cooptation of Marc Peeters as an independent member of the supervisory board and reappointed Marc Peeters as an independent member of the supervisory board for a term of three years expiring after the annual general meeting to be held in the year 2025.

To replace Marco Miserez, who resigned effective as of 4 May 2022, the supervisory board co-opted Dirk Vanderschrick as a member of the supervisory board effective 4 May 2022. The ratification of the aforementioned co-option and the reappointment of Dirk Vanderschrick will be submitted to the annual general meeting of shareholders of 26 April 2023.

Hereafter is a brief description of the professional track record of each member of the supervisory board, together with an indication of their current mandates and their past mandates during the last five calendar years.

## ANN SMOLDERS

**Chairwoman, independent member of the supervisory board**

Ann Smolders, 1965, (Uitbreidingstraat 66, B-2600 Berchem) has been chairwoman and independent member of the supervisory board since 6 May 2021.

### Professional career

Ann Smolders obtained a law degree from KU Leuven and a master's degree in management from UCL-IAG. She recently completed this with the INSEAD certificate in Corporate Governance-International Director Program.

She started her career in 1989 at PwC in Belgium, where she became a member of the board of directors in 2000 and was appointed partner in 2005.

Ann Smolders has 30 years of experience in various financial subjects specialising in mergers & acquisitions and the valuation of companies.

During her career at PwC, she has held various managerial positions and gained extensive experience in the real estate sector in Belgium and in an international context. For 4 years, she was responsible for leading the PwC real estate team and for the further development of its activities.

Ann Smolders is a guest lecturer at KU Leuven.

### Current mandates

Chairwoman of the supervisory board, chairwoman of the appointment and remuneration committee, member of the audit and risk committee and member of the investment committee of Intervest (listed).

### Previous mandates during the last 5 years

Member of the board of directors of PwC (2000-2020) and member of the executive committee of ULI Belgium (2014-2020)

## JOHAN BUIJS

**Member of the supervisory board**

Johan Buijs, 1965, (Uitbreidingstraat 66, B-2600 Berchem) has been a non-independent member of the supervisory board of Intervest since 2011.

### Professional career

Johan Buijs 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, chairman of the remuneration committee and member ofthe audit and risk committee 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

N/A

## DIRK VANDERSCHRICK

**Member of the supervisory board**

Dirk Vanderschrick, 1965, (Uitbreidingstraat 66, B-2600 Berchem) has been a non-independent member of the supervisory board of Intervest since 4 May 2022.

### Professional career

Dirk Vanderschrick, graduated with a master's degree in commercial and financial sciences from Vlekho in 1987 and earned an MBA from KU Leuven in 1991.

Dirk Vanderschrick began his career as an auditor at Arthur Andersen, from where he moved to the banking industry as an account manager at Chase Manhattan Bank. He then served as treasurer and head of financial markets at Bacob & Artesia from 1988 to 1999. After this, he continued his career at Dexia Bank from 2001 to 2008 as head of financial markets and coo, member of the executive committee. He joined Dexia Insurance Belgium in 2009 as vice-ceo and cfo. At Belfius Bank, he served from 2012 to 2019 as head of treasury & financial markets and head of retail & commercial banking, member of the executive committee, respectively. From 2017 to 2022, he served at Belfius Insurance as ceo, chairman of the executive committee.

### Current mandates

Member of the supervisory board, member of the appointment and remuneration committee and member of the investment committee of Intervest (listed), member of the board of directors and member of the investment committee of Retail Estates (listed).

### Previous mandates during the last 5 years

Executive director Belfius Bank and Insurances (listed), member of the board of directors of Montea (listed).

## MARC PEETERS

**Independent member of the supervisory board**

Marc Peeters, 1966, (Uitbreidingstraat 66, B-2600 Berchem) has been an independent member of the supervisory board since 1 August 2021.

### Professional career

Marc Peeters graduated from the KU Leuven in 1989 with a civil engineering degree. After additional training at the Rheinisch-Westfälische Technische Hochschule Aachen and an officer training in the Belgian army, he started his career immediately in the construction sector.

Until his recent appointment as ceo and director of Group S, a social/HR group, and director of Kidslife, he worked for several companies within the BAM Belgium construction group where, in recent years, he was executive director responsible for Belux and the activities in Paris being also responsible for project development in Belgium as managing director.

### Current mandates

Independent member of the supervisory board of Intervest (listed), member of the board of directors of the Federale Verzekeringen.

### Previous mandates during the last 5 years

Chairman of the board of directors of Group S. Member of the board of directors of Group S. Director at BAM Belgium and its subsidiaries, director at Embuild (Confederatie Bouw) and director at ADEB-VBA.

## MARLEEN WILLEKENS

Independent member of the supervisory board

Marleen Willekens, 1965, (Uitbreidingstraat 66, B-2600 Berchem), has been an independent member of the supervisory board of Intervest since 2016.

### Professional career

Prof. Dr Marleen Willekens obtained a master. 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 obtained 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 chair of the audit and risk committee of Intervest (listed), 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).

## 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 appointment 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 Royal Decree 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 belongs to the chairman of the supervisory board, and, on the other hand, the executive responsibility for managing the company activities, which belongs to 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.

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.

Management board 2022, from left to right ⟩ Kevin De Greef, Joël Gorsele, Gunther Gielen, Vincent Macharis

## 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 files 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 Internal regulations of the management board, which can be consulted at **www.intervest.eu**.

To the extent necessary, it is specified that no member of the management board in the last five years:

- has been convicted in connection with fraud offences
- has been involved in any bankruptcy, receivership or liquidation in his capacity as a member of the administrative, management or supervisory bodies or a member of senior management
- has been the subject of official and public incrimination and/or sanctions pronounced by statutory or regulatory authorities, or has been declared by a court to be incompetent to act as a member of the administrative, management or supervisory bodies of an issuer or to act in the management or conduct of the affairs of an issuer.

There are no family relationships up to the second degree between the members of the management board.

## 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.
All members of the management board have appropriate ESG expertise and experience. All members pay attention to topics related to ESG, whether environmental, social or governance and always within the framework of the strategy.

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 2022, the management board is composed 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)
- Joël Gorsele, chief investment officer (mandate started as at 1 January 2021)
- Kevin De Greef, general counsel & secretary general (mandate started as at 31 August 2020)

At the end of 2022, the average term of office of the members of the management board is 2 years.

The following is a brief description of the professional track record of each member of the management board, together with an indication of their current mandates and their past mandates during the last five calendar years.

## GUNTHER GIELEN

Chief executive officer, chairman of the management board

Gunther Gielen, 1973, (Uitbreidingstraat 66, B-2600 Berchem) has been chief executive officer and chairman of the management board of Intervest since February 2020 and appointed for an indefinite term.

### Professional career

Gunther Gielen obtained a business engineering degree at the KU Leuven, followed by a Master of Finance at the University of Antwerp. From 1997 to 1999 he was an analyst of advanced financial products and derivatives at Bacob. From 1999 to 2002 he was an equity analyst at Artesia Banking Corporation. From 2002 to 2006 he was senior risk manager of equities and real estate at Dexia Bank and from 2006 to 2010 he was principal risk manager of ALM equities and real estate. From 2010 to 2013 he was head of the expertise centre risk management equities and real estate at Dexia conso (later Belfius conso). From 2013 to 2014 he was head of portfolio management at Belfius Insurance Invest NV. From May 2014 until January 2020, he has held the position of managing director of Belfius Insurance Invest NV.

### Current mandates

Chairman of the board of directors of Genk Green Logistics (IGGV) and director of various other subsidiaries of Intervest.

### Previous mandates during the last 5 years

Member of the board of directors of Intervest (listed), chairman of the management committee and member of the board of directors of Capline NV, member of the board of directors of Technical Property Fund 2 SPPICAV, member of the board of directors of Coquelets SA, member of the board of directors of Legros-Renier Les Amarantes Seigneurie de Loverval SA, member of the board of directors of LFB SA, managing director of Immo Malvoz SPRL, member of the board of directors of Immo Zeedrift NV, member of the board of directors of L'Economie Populaire SCRL, member of the board of directors of ImmoActivity SA, member of the board of directors of Interfinance CVBA, manager of Offico Immo BVBA, member of the board of directors of De Haan Vakantiehuizen NV and of SunParks De Haan NV and managing director of Immo Trèfles SPRL.

### Number of shares held at the end of 2022

12.571

## VINCENT MACHARIS

Chief financial officer, member of the management board

Vincent Macharis, 1972, (Uitbreidingstraat 66, B-2600 Berchem) has been a member of the management board and chief financial officer of Intervest since March 2021 and appointed for an indefinite term.

### Professional career

Vincent Macharis obtained a master's degree in economic sciences from Ghent University in 1995. During his career, he completed his training with a degree in general management from INSEAD Business School (Fontainebleau and Singapore) in 2017 and, in 2018, with the digital strategy programme of Vlerick Business School, Ghent. He has been active in various industries and companies in the field of finance and administration both in listed and non-listed companies, a.o. in real estate.

### Current mandates

N/A

### Previous mandates during the last 5 years

N/A

### Number of shares held at the end of 2022

N/A

## JOËL GORSELE

### Chief investment officer, member of the management board

Joël Gorsele, 1982, (Uitbreidingstraat 66, B-2600 Berchem) has been a member of the management board and chief investment officer of Intervest since January 2021 and appointed for an indefinite term.

### Professional career

Joël Gorsele obtained a master's degree in business economics from KU Leuven (Brussels Campus) and subsequently a master's degree in real estate management (MRE) from the Antwerp Management School. Prior to his appointment at Intervest, he worked as an investment manager at Redevco Fund management in the London office and held several Pan-European mandates there. During that time, he attended the real estate programme at Oxford University's Saïd Business School. He advanced from Redevco Belgium and previous to that he worked at Petercam (currently Degroof Petercam), Deloitte Real Estate and, prior to that, Deloitte audit. From 2008 to 2015, he was also a director at the Real Estate Society (RES VZW - MRE alumni), the last five years of which he was the treasurer.

### Current mandates

Director of various subsidiaries of Intervest.
Member of the board of directors of UPSI-BVS (professional association of the Belgian real estate sector) (mandate 2023-2026).

### Previous mandates during the last 5 years

N/A

### Number of shares held at the end of 2022

N/A

## KEVIN DE GREEF

### General counsel & secretary general, member of the management board

Kevin De Greef, 1977, (Uitbreidingstraat 66, B-2600 Berchem) has been a member of the management board and general counsel & secretary general of Intervest since August 2020 and appointed for an indefinite term.

### Professional career

Kevin De Greef obtained a master's degree in modern history at KU Leuven (2000), supplemented immediately at KU Leuven with a master's degree in business economics (ma-na-ma) (2001) and a master's degree in international relations and conflict management (ma-na-ma) (2002), a part of which, through the Erasmus exchange programme, was at the Institut d'Etudes Poltiques de Paris. As a working student, he subsequently obtained a master's degree in law from VU Brussels (2007). In 2012 he completed the postgraduate degree in real estate science at KU Leuven.
In 2003, Kevin started his career in the office of bailiff Vandenbosch in Halle. From 2007 he was active as a lawyer in the Real Estate department at DLA Piper (Brussels office) where he focused on the real estate sector with a particular attention for corporate real estate transactions, the provision of real estate in general, capital market transactions and all aspects related to the Belgian REITs (the former real estate investment funds and regulated real estate companies). Finally, in September 2017, Kevin joined Intervest as legal counsel.

### Current mandates

Director of various subsidiaries of Intervest.

### Previous mandates during the last 5 years

N/A

### Number of shares held at the end of 2022

N/A

## 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.

## Appointment procedure

The members of the management board are appointed by the supervisory board for an indefinite period, unless an explicit deviation to this is made by the supervisory board. The mandates of the members of the management board are revocable ad nutum.

The appointments process is led by the appointment and remuneration committee, which recommends suitable candidates to the supervisory board. The appointment and remuneration committee takes the initiative in drawing up the selection criteria and the competency profile.

The choice of members is determined on the basis of 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 Royal Decree.

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

# 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 chairman 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. Evidence of this collective and individual expertise must be shown in the annual report of the management entity.

The members of the audit and risk committee in 2022 are:

| | Attendance during financial year 2022 |
|---|---|
| Marleen Willekens - chair | 6/6 |
| Johan Buijs (as of 05.05.2022) | 4/4 |
| Jacqueline Heeren-de Rijk (till 27.04.2022) | 2/2 |
| Marco Miserez (till 04.05.2022) | 3/3 |
| Ann Smolders | 6/6 |

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 chairman 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 chairman 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 chairman 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:

- 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 six times in 2022. The main points addressed by the committee in 2022 are:

- 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.

# 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 chairman of the appointment and remuneration committee is either the chairman 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 any time 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 2022 are:

| | Attendance during financial year 2022 |
|---|---|
| Ann Smolders - chair | 8/8 |
| Johan Buijs (till 05.05.2022) | 5/5 |
| Dirk Vanderschrick (as af 05.05.2022) | 3/3 |
| Marleen Willekens | 8/8 |

## 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 chairman 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 chairman 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 eight times in 2022. The main points addressed by the committee in 2022 are:

- recommendations regarding selection,appointments and remuneration of the (new) members of the supervisory board
- advice and monitoring of the remuneration policy
- presentation of the individual remuneration of the members of the management board
- preparation of the 2023 and 2023-2025 objectives of management board members
- benchmark for remuneration of supervisory board and management board members

# 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 chairman of the investment committee is appointed by and from among the members of the investment committee.

Members of the investment committee are appointed and may be removed by the supervisory board at any time. The term of office of a member of the investment committee may not exceed the term of office as a member of the supervisory board.

The members of the investment committee in 2022 were:

| | Attendance during financial year 2022 |
|---|---|
| Johan Buijs - chairman | 6/6 |
| Jacqueline Heernen-de Rijk (till 27.04.2022) | 1/1 |
| Marco Miserez (till 04.05.2022) | 2/2 |
| Marc Peeters | 4/6 |
| Ann Smolders (as of 05.05.2022) | 4/5 |
| Dirk Vanderschrick (as of 04.05.2022) | 4/4 |

## 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 files.

The investment committee prepares the investment and divestment files 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 six times in the year 2022.

## 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 three 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 on www.intervest.eu. 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".

1 The remuneration policy is drawn up in accordance with the Companies and Associations Code (CAC), with the Law of 12 May 2014 on Regulated Real Estate Companies and with the recommendations of the Belgian Corporate Governance Code.

Berchem 〉 Greenhouse Antwerp - Boardroom

# 4 Remuneration report

## 4.1 Introduction

**Highlights in 2022:**

- EPRA earnings per share: € 1,71
- Occupancy rate:
  - of the total real estate portfolio: 90%
  - of the logistics portfolio BE: 96%
  - of the logistics portfolio NL: 100%
  - of the offices portfolio: 76%
- Fair value of the investment properties: € 1,3 billion
- Implementation Green Finance Framework and ESG charter

In this remuneration report for performance year 2022 after having received proposals from the appointment and remuneration committee and in accordance with Article 3:6 §3 of the Belgian CAC, the supervisory board of Intervest reports on the remuneration of and the application of the remuneration policy to the individual members of the supervisory board and of the management board. The actual performance of the members of the management board in relation to the set objectives is also shown. This report covers the period from 1 January 2022 until 31 December 2022.

This remuneration report forms a specific part of the Intervest Corporate governance statement and will be submitted for approval to the general meeting of shareholders that takes place as at 26 April 2023.

### Feedback shareholders and proxy advisors

At last year's general meeting of shareholders (27 April 2022), the remuneration report for financial year 2021 was approved by the following votes: 79,45% of votes cast 'in favour', 10,80% of votes cast 'against' and 9,75% 'abstentions'.

Intervest is committed to a transparent and continuous dialogue with its shareholders and proxy advisors on remuneration as well as other governance matters and has included feedback in the preparation of this 2022 remuneration report. More specifically, the following information has been incorporated:

- Mention in various sections of, on the one hand, the way in which the remuneration policy was applied in 2022 *(see section 4.2)* and, on the other hand, the related actual remuneration *(see sections 4.3 and 4.4)*
- Greater transparency on the performance criteria for variable remuneration for members of the management board:
  - For short-term variable remuneration the collective/financial and individual performance criteria are explained in *section 4.2*. The actual remunerations linked to the realisation of these performance criteria are shown in *section 4.4*. The concrete targets are considered company-sensitive information and, in line with Belgian market practice, are not shown.
  - For the long-term variable remuneration, the concrete collective performance criteria are explained in *section 4.2*. The actual remuneration linked to the realisation of these performance criteria are shown in *section 4.4*.
- For the members of the management board, the long-term performance criteria (such as relative TSR, EPRA EPS growth measured over a three-year period) establish a strong link between remuneration to the members of the management board, shareholder value creation and the company's performance *(see sections 4.2 and 4.4)*

## Looking ahead

**Supervisory board and specialised committees**

Also taking into account, on the one hand, the feedback from its shareholders, proxy advisors and independent advice from consultants specialising in the field of remuneration and, on the other hand, the evolving legal, compliance and regulatory framework, Intervest regularly evaluates the remuneration of the members of the supervisory board and of the specialised committees. In this context, at the end of 2022, the appointment and remuneration committee commissioned an external benchmark exercise of comparable listed Belgian companies on the remuneration of members of the supervisory board and specialised committees. The appointment and remuneration committee subsequently made recommendations to the supervisory board.

The proposed changes to the remuneration result from the benchmark analysis and are determined in line with the market. They further take into account the increasing number of tasks and greater technicality of the issues falling under the competence of the supervisory board and specialised committees for several years, as well as the chairman's role in preparing and coordinating the work of the supervisory board, the audit and risk committee, the appointment and remuneration committee and the investment committee.

The adjusted remuneration of members of the supervisory board and specialised committees, with effect as from 1 January 2023, will be submitted to the annual general meeting, scheduled for 26 April 2023, for approval.
The main changes for members of the supervisory board and specialised committees, in line with market practice observed through the benchmark, are:

- an increase in the fixed annual remuneration for the chairman of the supervisory board from € 40.000 to € 60.000;
- an addition of a fixed annual remuneration of € 5.000 for the chairman of the audit and risk committee, for the chairman of the appointment and remuneration committee and for the chairman of the investment committee;
- elimination of the limitation to a maximum number of attendance fees per year for each meeting of the supervisory board and for each meeting of each of the specialised committees;
- extension of payment of attendance fees granted per meeting of the supervisory board attended and per meeting of each of the specialised committees attended: also for virtual meetings.

The other components of the remuneration approved by the annual general meeting of 29 April 2020 remain unchanged.

**Management board**

For the members of the management board, short-term and long-term variable remuneration will also be reviewed during 2023, following feedback and engagement with proxy advisors and institutional investors on the one hand and taking into account market-based remuneration on the other. In the analysis of variable remuneration and its possible revision, strengthening the link between the remuneration of members of the management board on the one hand and the long-term interests of shareholders on the other will play an important role.

# 4.2 Application of the remuneration policy in 2022

The remuneration policy[1] of Intervest was approved by the supervisory board meeting that took place as at 11 February 2021 and was adopted and approved by the annual general meeting of shareholders as at 28 April 2021 with a majority of 68% of the votes present. This policy applies as from 1 January 2020.

> The Intervest remuneration policy can be consulted on the Intervest website.

## Members of the supervisory board

According to the policy conditions, the members of the supervisory board receive a fixed annual remuneration and attendance fees granted per attended meeting, while members of the committees receive only attendance fees per attended meeting. The number of attended meetings for which fees are paid per supervisory board member is limited per year and per committee. The remuneration of the supervisory board members was approved by the general meeting of shareholders as at 29 April 2020 and is made up as follows.

| | Supervisory board | | Committees | | |
|---|---|---|---|---|---|
| | Chairman | Member | Chairman or member | | |
| | | | Audit and risk committee | Appointment and remuneration committee | Investment committee |
| Fixed remuneration (in €) | 40.000 | 30.000 | N/A | N/A | N/A |
| Attendance fee (in €) | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 |
| Maximum attendance fees (in €) | 8.000 | 8.000 | 5.000 | 4.000 | 10.000 |

No employment contract whatsoever has been concluded 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 provisions. Specific remuneration may be awarded to the members of the supervisory board in the event of special assignments imposed by the board.

Since corona, virtual meetings are the new normal in many organisations. Similarly, in 2022, in addition to physical meetings, a number of meetings of the supervisory board and its committees also took place virtually. The virtually held meetings are also taken into account in determining the number of sitting fees payable.

## Members of the management board

In line with the remuneration policy, the total remuneration of the members of the management board is made up of the following elements.

| ELEMENT - Basic remuneration | |
|---|---|
| Functioning and performance criteria | Individual roles, responsibilities and skills are taken into account when determining the level of the remuneration. Such compensation shall, in accordance with the applicable cooperation agreements entered into, be indexed annually as at 1 January (i) in accordance with the normal consumer price index, the base index being that of the month preceding the entry into force of the respective agreement and the new index being that of the month preceding the month in which the indexation takes place and subject to a maximum of 3 per cent and (ii) increased by 1 per cent. |

| ELEMENT - Risk provisions and benefits of all kinds | |
|---|---|
| Functioning and performance criteria | Most members of the management board are eligible for the receipt of risk provisions and benefits of all kinds in accordance with the Intervest remuneration policy, which predominantly consist of a company car and company manager insurance. The company manager insurance can be divided between death, pension and disability. |

**ELEMENT - Short-term variable remuneration**

**Functioning**

One year variable

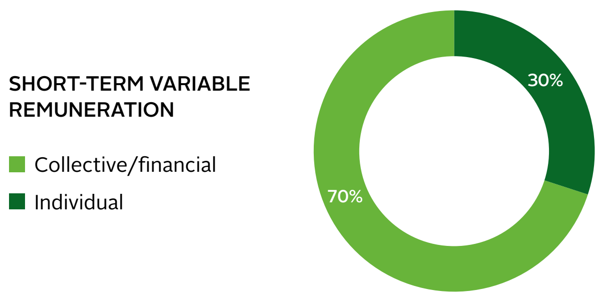
| | BONUS (IN €) | |
|---|---|---|
| | Threshold performance | Maximum performance |
| ceo | 0 | 175.000 |
| cfo | 0 | 95.000 |
| cio | 0 | 95.000 |
| sgc | 0 | 70.000 |

The performance criteria, thresholds and target values (maximum) of short-term variable remuneration are set annually in advance by the supervisory board, after advice from the appointment and remuneration committee.

**Performance criteria**

The short-term variable remuneration is linked to:

- **collective performance criteria** (70%) that are quantitative and company-specific: the operating result before result on portfolio, the EPRA EPS, the occupancy rate, outstanding trade receivables and budgeted rental income from rental transactions; the calculations of the operating result and the EPRA are adjusted with the income and costs related to acquisitions, divestments and one-off termination compensation received.
- **individual performance criteria** (30%) that are non-financially driven; for the ceo, these individual criteria relate to the corporate strategy, organisation, governance and corporate culture whereas, for the other members of the management board, they relate to specific objectives for the positions in question, linked to ESG topics, among others.



**ELEMENT - Long-term variable remuneration**

**Functioning**

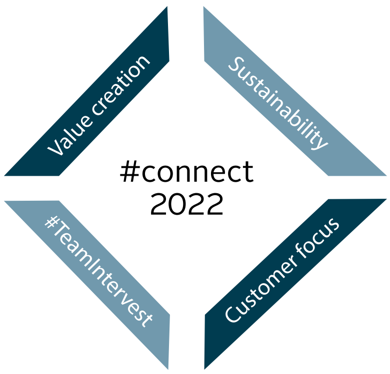
The performance criteria, thresholds and target values (maximum) of the long-term variable remuneration is granted every three years and determined by the supervisory board, following the advice of the appointment and remuneration committee. Members of the management board who were newly placed in the course of the reference period receive a pro rata remuneration.

| Period 2020 - 2022 | Remuneration with threshold performance | MAXIMUM LONG-TERM BONUS (IN €) | |
|---|---|---|---|
| | | **With full period in position** | **Pro rata depending on period new in position** |
| ceo | 0 | 525.000 | 525.000 |
| cfo | 0 | 285.000 | 190.000 |
| cio | 0 | 285.000 | 190.000 |
| sgc | 0 | 210.000 | 140.000 |

**Performance criteria**

The long-term variable remuneration is linked to collective and objective measurable performance criteria (both financial and non-financial):

- collective performance criteria linked to the growth strategy #connect2022[1] (50%) based on four closely linked pillars: value creation, sustainability, customer focus and #TeamIntervest




**VALUE CREATION**

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

**SUSTAINABILITY**

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

**#TEAMINTERVEST**

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

**CUSTOMER FOCUS**

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

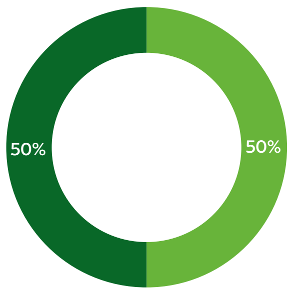
1 See press release dated 18 June 2020: "Intervest Offices & Warehouses presents strategy #connect2022".

| | |
|---|---|
| Performance criteria | ▪ collective performance criterion linked to the long-term shareholder value creation of Intervest (50%):<br>I. This performance criterion will be assigned according to the relative TSR (Total Share Return) performance. The relative TSR performance will be determined over a period of three years based on the ranking of performance of Intervest within the peer group. The TSR will be measured both at the beginning and at the end of the period on the basis of an average over the last 20 trading days.<br>II. The composition of the TSR peer group reflects the market in which Intervest is competitive with regard to investors in its share. On the one hand, the company profile is looked at (industry, geographical focus and size) and on the other hand the risk profile/behaviour of the share (volatility of the share price, dividend yield, correlation of the share with other shares). |

| TSR PEER GROUP INTERVEST |
|---|
| ▪ Alstria AG |
| ▪ NSI NV |
| ▪ Cofinimmo NV |
| ▪ Befimmo NV |
| ▪ WDP NV |
| ▪ Montea NV |

**LONG-TERM VARIABLE REMUNERATION LINKED TO**

- #connect2022 growth strategy
- Shareholder value creation




| ELEMENT - Severance payment | |
|---|---|
| Functioning | If the mandate of a member of the management board is terminated by the supervisory board of Intervest, the severance compensation amounts to the equivalent of 12 months' fixed compensation, unless other applicable legal mandatory provisions require that a higher number of months be applied or unless there is gross negligence or wilful misconduct in which case no severance compensation is due. |

| ELEMENT - Pension | |
|---|---|
| Functioning | 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. |

| ELEMENT - Contract | |
|---|---|
| Functioning | The members of the management board are appointed for an indefinite period. |

| ELEMENT - Recovery rights (clawback) | |
|---|---|
| Functioning | This clawback mechanism allows Intervest to reclaim a variable remuneration in whole or in part from the beneficiary up to one year after it has been paid out if, during that period, it appears 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 was dependent and that, moreover, if such incorrect information is due to fraud on the part of the beneficiary. |

| ELEMENT - Minimum threshold shares | |
|---|---|
| Functioning | Intervest deviates 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.<br>The context in this regard is explained in detail in the corporate governance statement in the annual report.<br>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. |

The Netherlands - Breda 〉 Nouwens Transport Breda

## 4.3 Remuneration of the members of the supervisory board - 2022

The total amount of remuneration for 2022 received by the members of the supervisory board is in line with Intervest's remuneration policy.

The table below shows the total individual remuneration of the supervisory board members for 2022.

| Name \| position | Fixed remuneration (in €) | Attendance fees (in €) | | | | Total remuneration (in €) |
|---|---|---|---|---|---|---|
| | | Supervisory board | Audit and risk committee | Appointment and remuneration committee | Investment committee | |
| Ann Smolders \| independent, chairwoman supervisory board | 40.000 | 8.000 | 5.000 | 4.000 | 4.000 | **61.000** |
| Johan Buijs \| non-independent | 30.000 | 8.000 | 4.000 | 4.000 | 6.000 | **52.000** |
| Jacqueline Heeren - de Rijk * \| independent | 0 | 2.000 | 2.000 | nvt | 1.000 | **5.000** |
| Marco Miserez ** \| non-independent | 10.000 | 2.000 | 3.000 | nvt | 2.000 | **17.000** |
| Marc Peeters \| independent | 30.000 | 8.000 | nvt | nvt | 4.000 | **42.000** |
| Dirk Vanderschrick *** \| non-independent | 20.000 | 8.000 | nvt | 3.000 | 4.000 | **35.000** |
| Marleen Willekens \| independent | 30.000 | 8.000 | 5.000 | 4.000 | nvt | **47.000** |
| TOTAL | 160.000 | 44.000 | 19.000 | 15.000 | 21.000 | 259.000 |

* Jacqueline Heeren - de Rijk's mandate expired on the occasion of the annual general meeting of shareholders of 27 April 2022.
** Marco Miserez resigned with effect as from 4 May 2022.
*** By resolution of the supervisory board, Dirk Vanderschrick was co-opted as a member of the supervisory board as from 4 May 2022. Ratification of the aforementioned co-option and reappointment will be submitted to the annual general meeting of shareholders to be held on 26 April 2023.

The remuneration of the members of the supervisory board with regard to financial year 2022 will be paid out after the general meeting of shareholders to be held in 2023. 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.

No specific remunerations were granted in 2022.

# 4.4 Remuneration of the members of the management board - 2022

## Total remuneration

The supervisory board, at the proposal of the appointment and remuneration committee, determined the remuneration for 2022 for the members of the management board, in accordance with the remuneration policy.

An overview of the total individual remuneration of the members of the management board is shown in the table below. For members of the management board who have newly arrived in position during the course of the reference period, a pro-rata long-term variable compensation is granted for 2 years instead of 3 years.

When reading the table below, please note that no long-term variable remuneration has vested in the year 2021 because the three-year reference period ends at the end of 2022. Consequently, in 2022 the vested long-term variable remuneration is shown for the entire three-year reference period 2020 to 2022. This also translates into the table below in the column 'Ratio of fixed and variable remuneration'.

| Name position | | Fixed remuneration (in €) | | Variable remuneration (in €) | | Pension provision (in €) | Other remuner-ations (in €) | Total remunera-tion (in €) | Ratio of fixed and variable remunera-tion |
|---|---|---|---|---|---|---|---|---|---|
| | | Basic remunera-tion | Risk provi-sions and benefits of all kinds | Short term | Long term | | | | |
| Gunther Gielen ceo | 2022 | 316.230 | 19.950 | 41.653 | 304.799 | 48.388 | nvt | **731.020** | 53% - 47% |
| | 2021 | 304.230 | 20.000 | 130.000 | nvt | 55.791 | nvt | 510.021 | 75% - 25% |
| Vincent Macharis * cfo | 2022 | 223.604 | 15.150 | 36.268 | 110.308 | 33.540 | nvt | **418.870** | 65% - 35% |
| | 2021 | 173.965 | 12.300 | 80.000 | nvt | 23.182 | nvt | 289.447 | 72% - 28% |
| Joël Gorsele * cio | 2022 | 223.604 | 15.150 | 37.551 | 110.308 | 32.250 | nvt | **418.863** | 65% - 35% |
| | 2021 | 215.000 | 15.200 | 80.000 | nvt | 30.920 | nvt | 341.120 | 77% - 23% |
| Kevin De Greef * sgc | 2022 | 235.760 | nvt | 25.814 | 81.280 | nvt | nvt | **342.854** | 69% - 31% |
| | 2021 | 226.697 | nvt | 60.000 | nvt | nvt | nvt | 286.697 | 79% - 21% |

* Vincent Macharis has been cfo since 10 March 2021. Joël Gorsele has been cio since January and Kevin de Greef since August 2020.

## Fixed remuneration - 2022

Basic remuneration
+
Risk provisions and benefits of all kinds

**FIXED REMUNERATION**

### Basic remuneration

The table below shows the basic remuneration for 2022 per member of the management board.

This basic remuneration was not revised in 2022, except for the indexation capped at 4% in accordance with the provisions of the respective cooperation agreements.

| Name \| position | Basic fees | | |
|---|---|---|---|
| | 2022 | 2021 | % Variation |
| Gunther Gielen \| ceo | 316.230 | 304.230 | 4% |
| Vincent Macharis \| cfo | 223.604 | 173.965 | nvt* |
| Joël Gorsele \| cio | 223.604 | 215.000 | 4% |
| Kevin De Greef \| sgc | 235.760 | 226.697 | 4% |

* Vincent Macharis has been cfo since 10 March 2021, consequently, the base fee in 2021 includes a pro-rata fee and is not comparable to the annualised base fee in 2022.

### Risk provisions and benefits of all kinds

The amount stated in the column 'Risk provisions and benefits of all kinds' in the total remuneration table for the members of the management board under point 4.4 - Total remuneration of this report, refers to the receipt of risk provisions and benefits of all kinds, which principally include a company car, a mobile phone and a business executive insurance. This insurance can be divided between death, pension and disability.

## Variable remuneration - 2022

Short term
+
Long term

**VARIABLE REMUNERATION**

## Short-term variable remuneration

The achievement of short-term performance targets is measured for the period beginning as at 1 January 2022 and ending as at 31 December 2022.

The realisation of the collective short-term performance criteria results in the following weighting:

| | % Weighting | % Actual remuneration |
|---|---|---|
| **Collective/financial performance criteria** | **70,0%** | **14,2%** |
| Operating profit before result on portfolio* | 12,5% | 5,2% |
| EPRA EPS* | 12,5% | 0,2% |
| Growth real estate portfolio | 10,0% | 0,9% |
| Occupancy rate office portfolio | 15,0% | 0,0% |
| Occupancy rate logistics portfolio | 5,0% | 2,9% |
| Outstanding trade receivables | 5,0% | 0,0% |
| Building Management Systeem in at least 2 sites | 5,0% | 5,0% |
| No workplace accidents leading to absenteeism | 5,0% | 0,0% |

* excluding income and costs related to acquisitions, divestments and one-off termination indemnities received

Specific targets are considered company-sensitive information and, in line with Belgian market practice, are not shown.

The individual performance criteria have a percentage weighting of 30% and are non-financially driven. For the ceo, these criteria relate to corporate strategy, organisation, governance and corporate culture. For the other members of the management board, specific objectives are assigned for their position in question, including objectivevs linked to ESG topics.

The realisation of the collective/financial and individual performance criteria results in the following total short-term variable remuneration per member of the management board paid out in 2023.

| Name \| position | | % Weighting | % Actual remuneration weighting | Actual compensation (in €) |
|---|---|---|---|---|
| Gunther Gielen \| ceo | Collective/financial performance criteria | 70% | 14,2% | 24.810 |
| | Individual performance criteria | 30% | 9,6% | 16.844 |
| | **TOTAL** | **100%** | **23,8%** | **41.654** |
| Vincent Macharis \| cfo | Collective/financial performance criteria | 70% | 14,2% | 13.468 |
| | Individual performance criteria | 30% | 24,0% | 22.800 |
| | **TOTAL** | **100%** | **38,2%** | **36.268** |
| Joël Gorsele \| cio | Collective/financial performance criteria | 70% | 14,2% | 13.468 |
| | Individual performance criteria | 30% | 25,3% | 24.083 |
| | **TOTAL** | **100%** | **39,5%** | **37.551** |
| Kevin De Greef \| sgc | Collective/financial performance criteria | 70% | 14,2% | 9.924 |
| | Individual performance criteria | 30% | 22,7% | 15.890 |
| | **TOTAL** | **100%** | **36,9%** | **25.814** |

## Long-term variable remuneration

The three-year reference period 2020 to 2022 for the long-term variable remuneration has expired. No payment was made for this in 2022, the payment will be made in 2023.

The realisation of the collective long-term performance criteria results in the following weighting and actual remuneration:

| | % Weighting | % Actual remuneration | Actual compensation (in €) | | | |
|---|---|---|---|---|---|---|
| | | | Gunther Gielen ceo | Vincent Macharis cfo | Joël Gorsele cio | Kevin De Greef sgc |
| **Collective performance criteria linked to growth strategy #connect2022** | **50,0%** | **25,1%** | **25,1%** | **25,1%** | **25,1%** | **25,1%** |
| Value creation | 20,0% | 8,1% | | | | |
| Ssustainability | 10,0% | 8,0% | | | | |
| Customer focus | 10,0% | 5,0% | | | | |
| #TeamIntervest | 10,0% | 4,0% | | | | |
| **Collective performance criterion linked to Intervest's shareholder value creation** | **50,0%** | **33,0%** | **33,0%** | **33,0%** | **33,0%** | **33,0%** |
| TSR (Total Share Return) | 50,0% | 33,0% | | | | |
| **TOTAL long-term variable remuneration** | **100,0%** | **58,1%** | **58,1%** | **58,1%** | **58,1%** | **58,1%** |

The collective performance criteria linked to the growth strategy #connect2022 include the following objectively measurable criteria (both financial and non-financial):

**VALUE CREATION**

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

**SUSTAINABILITY**

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

**#TEAMINTERVEST**

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

**CUSTOMER FOCUS**

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

The collective performance criterion linked to Intervest's long-term shareholder value creation is allocated according to the relative TSR (Total Share Return) performance:

The relative TSR performance is based on the ranking of Intervest's performance within the peer group, which is composed of six companies within the market in which Intervest competes in terms of share investors. The TSR is determined over a three-year period ending at the end of 2022.

At the end of 2022, Intervest has the third position in the ranking of TSR performance within the peer group.

## Severance payments

There was no departure of a member of the management board in 2022.

## Pension

The table below shows the pension costs for 2022 and 2021 per member of the management board.

| Name \| position | Pension costs | |
|---|---|---|
| | 2021 | 2022 |
| Gunther Gielen \| ceo | 48.388 | 55.791 |
| Vincent Macharis * \| cfo | 32.250 | 23.182 |
| Joël Gorsele \| cio | 33.540 | 30.920 |
| Kevin De Greef \| sgc | N/A | N/A |

* Vincent Macharis has been cfo since 10 March 2021.

## Use of recovery rights

In 2022, no use was made of the contractually provided clawback mechanism in the agreements with the members of the management board.

# 4.5 Deviations from the remuneration policy

In the implementation of the remuneration policy in 2022, no deviations were made from the procedures provided for therein, nor were deviations permitted as referred to in Article 7:89/1, §5 CAC.

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# 4.6 Annual variation in the remuneration and the performance of Intervest

The table below should take into account the allocation of the long-term variable remuneration in 2022 linked to the three-year reference period 2020 - 2022 for the members of the management board. This also translates into the percentage increase in 2022 versus 2021.

| | 2018 | 2019 | 2020 | 2021 | 2022 |
|---|---|---|---|---|---|
| **Total remuneration of the members of the supervisory board (in €)** | 125.000 | 125.000 | 222.500 | 255.678 | 259.000 |
| Change from previous reported year (in €) | | 0 | 97.500 | 33.178 | 3.322 |
| Change from previous reported year (in %) | | 0% | 78%[1] | 15% [2] | 1% |
| **Total remuneration for the ceo \| Gunther Gielen[3] (in €)** | N/A | N/A | 434.583 | 510.021 | 731.020 |
| Change from previous reported year (in €) | | | | 75.438 | 220.999 |
| Change from previous reported year (in %) | | | | 17%[3] | 43% |
| **Total remuneration for the cfo \| Vincent Macharis[4] (in €)** | N/A | N/A | N/A | 289.447 | 418.870 |
| Change from previous reported year (in €) | | | | | 129.423 |
| Change from previous reported year (in %) | | | | | 45% |
| **Total remuneration for the cio \| Joël Gorsele[5] (in €)** | N/A | N/A | N/A | 341.120 | 418.863 |
| Change from previous reported year (in €) | | | | | 77.743 |
| Change from previous reported year (in %) | | | | | 23% |
| **Total remuneration for the sgc \| Kevin De Greef [6] (in €)** | N/A | N/A | 120.000 | 286.697 | 342.854 |
| Change from previous reported year (in €) | | | | 166.697 | 56.157 |
| Change from previous reported year (in %) | | | | 139%[6] | 20% |
| | | | | | |
| **Average total compensation of employees based on full-time equivalents – change from previous reported year (in %)** | | 6% | 7% | 5% | 4% |
| | | | | | |
| **PERFORMANCE OF INTERVEST** | | | | | |
| **Fair value of investment properties** (in thousands €) | 866.504 | 892.813 | 1.017.958 | 1.208.944 | 1.333.418 |
| Change from previous reported year (in %) | | 3% | 14% | 19% | 10% |
| **EPRA earnings per share** (in €) | 1,63 | 1,68[7] | 1,60 | 1,74 | 1,71 |
| Change from previous reported year (in %) | | 3% | -5% | 9% | -2% |
| **Gross dividend per share** (in €) | 1,40 | 1,53 | 1,53 | 1,53 | 1,53 |
| Change from previous reported year (in %) | | 9% | 0% | 0% | 0% |

For the members of the supervisory board and the management board, the variation is calculated as from the start of their appointment. The ratio between the highest remuneration and the lowest remuneration of employees or members of the management board, expressed as full-time equivalent, is 1/13.

1 At the annual general meeting as at 29 April 2020, the adjustment of the remunerations for the supervisory board and committees was approved. This adjustment will include, firstly, an annual fixed payment, and, secondly, attendance fees for every physical meeting attended. The composition of the supervisory board has also changed during the course of 2020 compared to 2019.
2 The composition of the supervisory board changed in 2020 and 2021. Marco Miserez joined the supervisory board as at 30 July 2020 and Jean-Pierre Blumberg was chairman of the supervisory board until his death as at 4 October 2020. Two new members joined in 2021, Ann Smolders as at 28 April 2021 and Marc Peeters co-opted as at 1 August 2021. Ann Smolders was appointed chairwoman of the supervisory board as from 6 May 2021. The new members receive a pro rata fixed remuneration and attendance fees per attended meeting as from their accession to the supervisory board. More information on the composition of the supervisory board in 2022 can be found under 'Remuneration of the members of the supervisory board - 2022' in this report.
3 Gunther Gielen has been ceo since 1 February 2020.
4 Vincent Macharis has been cfo since 10 March 2021.
5 Joël Gorsele has been cio since 1 January 2021.
6 Kevin De Greef has been sgc since 31 August 2020.
7 Excluding severance payment received from tenant Medtronic in 2019.

# 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 (possibly 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 2022

This procedure did not need to be applied in 2022.

## 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. 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.

Diegem 〉 Greenhouse BXL

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 2022

There have been no such conflicts of interest in 2022.

## 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 and
- 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 2022

There have been no such conflicts of interest in 2022.

## 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 2022

There have been no such conflicts of interest in 2022.

## 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.eu**.

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.

# 6 Risk management and internal control

## 6.1 Framework

Intervest has established a system of risk management and internal control - adapted to its operation and to the environment in which it operates and evolves - based on the internationally accepted general control framework developed by COSO (Committee of Sponsoring Organizations of the Treadway Commission). The COSO control components thereby serve as the basis for Intervest, i.e. the control environment (behavior and culture), risk assessment, control activities to mitigate the risks and periodic evaluation of internal control.

## 6.2 Parties involved

In order to have an effective risk management system, Intervest employs an organizational structure with clear roles and responsibilities with regard to risk management, i.e. the three lines of defense model. Within this model, three different lines are used to manage risk:

### First line: line management

The business (line management) is primarily itself responsible for its own processes and internal control in these processes. Hereby the business itself is also responsible for the direction and control of the organization and the processes.

### Second line: risk and compliance

The second line is responsible for supporting, advising and coordinating the first line. The second line also monitors whether management takes responsibility and is held accountable.

- The independent compliance function is, on the basis of a mandate of indefinite duration, observed by the general counsel & secretary general, Kevin De Greef.
- The role of risk officer is observed by the cfo, Vincent Macharis, on the basis of a mandate of indefinite duration.

Both positions report to the audit and risk committee.

### Third line: internal audit

The third and final line is responsible for independently and objectively reviewing the implementation of risk management. The third line proposes potential improvements to the management in order to prevent overlaps or implement missing controls.

Intervest has entrusted the internal audit function to an external party i.e. BDO Risk & Assurance Services, represented by Wim Verbelen and Steven Cauwenberghs.

### Role of the audit and risk committee

The audit and risk committee supports the supervisory board in fulfilling its monitoring responsibilities for the purpose of control in the broadest sense, including the risks. The responsibilities, composition, powers and operation of this audit and risk committee are described in the internal regulation of the audit and risk committee, available in the Corporate Governance Charter on the website of Intervest: **www.intervest.eu**.

### Role of the statutory auditor

In risk management, there is also a role for the external auditor. According to its professional standards, the statutory auditor is required to perform a risk assessment prior to an audit of the financial statements. In this risk assessment the auditor pays attention to the risks that could affect the financial statements.

## 6.3 Internal controls

### Control environment

The design and management of the organization and especially behavior and culture are essential to properly manage risk. The most important internal controls in the control environment of Intervest are:

- "Tone at the top": the management board of Intervest confirms, among other things, in the annual report of the effective leadership that it is committed to pursue a policy of integrity by being a role model and the creation of an appropriate ethical culture;

- Established strategy, made operational in the investment policy;
- Code of conduct that describes the generally accepted behavior within Intervest (rules regarding compliance with laws, integrity, conflicts of interest, stock trading, secret information, etc.) applicable to all Intervest employees (internal / external);
- Corporate Governance Charter, which describes the major internal regulations of the governing bodies of Intervest;
- Internal regulations, in which the mission, vision, standards and values of Intervest are defined;
- Procedure "reporting irregularities" which ensures that violations can be reported safely and confidentially;
- Dealing code regarding the reporting duty of persons with managerial responsibilities concerning transactions in shares or debt instruments of Intervest;
- Conflicts of interest regulation in accordance with the legal requirements;
- Policy regarding gifts and invitations;
- Policy regarding the standards third parties must meet and are screened against ("Customer / Supplier Due Diligence");
- Remuneration policy and policy on bonus schemes, including elements of short-term and long-term results and of financial and non-financial criteria;
- Informing/training/annual updating of codes of conduct and other procedures in order to increase employee's awareness;
- Supervision by the supervisory board and external control by the auditor, whereby (some of the) parties involved have knowledge of the real estate market;
- Established risk management and embedded in the organization as part of business operations. The potential risks are periodically inventoried and assessed (see also further "Risk Assessment");
- Decision-making based on documentation and minutes;
- Accessibility of information across departments;
- Periodic evaluation (annually) of employees;
- Employees who deviate from ethical behavior are not tolerated and action is taken to prevent potential deviation in the future;
- Compliance workshops as part of the onboarding process.

## Risk assessment

The cfo, acting as risk officer, conducts on a semi-annual basis an analysis and evaluation of the risks throughout Intervest, its perimeter companies and the various departments.

The assessment and classification of the identified risks is done according to established criteria for probability of occurrence (probability that the risk actually occurs) and potential impact (magnitude of the possible consequences) if the risk occurs. In this way, each individual risk is assessed in a uniform and consistent manner.

The defined threshold indicates which risks fall below or above the risk appetite of Intervest. For all risks that fall above the threshold value, (additional) control activities must be implemented.

On an annual basis, with a brief update for the half-yearly report, the risk register is submitted for discussion and approval to the supervisory board, leading to the required publication in the half-yearly financial report and the annual report.

Risk monitoring is embedded in the risk management process of the company and the responsibility for monitoring lies with the different levels of the organization: #TeamIntervest, the management board and the supervisory board.

## Control activities

In the different departments of Intervest controls are implemented in response to the identified risks. The main internal control measures concern:

- Investments need to achieve a minimum defined return;
- Monitoring the composition of the property portfolio: adequate sectoral and regional distribution, risk spread of tenants, vacancy rate, etc;
- Lease agreements contain protective elements such as rental guarantees and/or bank guarantees from the tenants, clauses for automatic annual indexation of rents and often a mandatory indemnity payable by the tenant in the event of early termination of the contract;
- Sufficient credit capacity with financiers in order to cope with fluctuations in liquidity needs;
- Segregation of duties (i.e. application of four eyes principle) between initiating, decision making, execution, record-keeping and controlling;
- Decisions prepared by multiple disciplines (asset managers, technical managers, investment managers, legal counsel and finance staff);
- Use of an integrated specialized software for property management, operations, accounting and reporting (Yardi) with built-in system controls e.g. approval flows in the system for

invoice control;

- Process descriptions of the critical processes including decision making, accountability, monitoring and recording, also internal control design, with regard to following processes:
  - Acquisitions and dispositions
  - Leasing process
  - Rent invoicing
  - Real estate valuation
  - Close the books process
  - Derivatives
  - Treasury
  - Procurement (including tender procedure)
- Periodic review of the existence and operating effectiveness of internal controls in these processes, including periodic internal and external audits;
- Multi-year maintenance budget per building and maintenance budget per property for the coming year;
- Valuation policy: quarterly valuation of the asset portfolio by independent real estate experts, subject to a three-yearly rotation system.

## Evaluation of internal control

As mentioned above, the quality of internal control during the fiscal year is assessed by the statutory auditor, the audit and risk committee and internal audit.


Antwerp 〉 Greenhouse Collection at the Singel

# 7 Other parties involved

## Statutory auditor

The statutory auditor, appointed by the general meeting of shareholders, is Deloitte Bedrijfsrevisoren BV and is represented by Kathleen De Brabander, statutory auditor.

## Property experts

The real estate portfolio is evaluated every quarter by three independent experts, namely: Cushman & Wakefield Belgium, 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 BDO Risk & Assurance Services at the end of 2021 (represented by Wim Verbelen and Steven Cauwenberghs) 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 BDO Risk & Assurance Services and the one who can thus be considered as the person ultimately responsible for the internal audit. The mandate of BDO Risk & Assurance Services as external consultant has a duration of three years.

### 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 2021, the independent risk management function is 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 position 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 position" 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 2022, the independent compliance function was 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 €) | % |
|---|---|---|
| 29.235.067 | € 266.402.236,24 | 100% |

The share capital amounts to € 266.402.236,24 and is distributed over 29.235.067 fully paid-up shares each of which represents an equal part thereof. These are 29.235.067 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 short-term and long-term remuneration plan for the members of the management board, as described in the Remuneration report.

### 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.

In the context of the accelerated private placement (ABB) of 30 November 2022, Gunther Gielen and Vincent Macharis, members of the management board, entered into lock-up commitments. In doing so, they undertook not to transfer their shares in Intervest for a period of 90 days. The lock-up undertakings were subject to some customary exceptions.

### 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 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*

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.

*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 on 26 May 2020 amounted to € 7.687.867,05, excluding a share premium of € 8.578.071,27
- the capital increase by contribution in kind, (optional dividend) that was decided upon on 26 May 2021 amounted to € 7.292.087,27, excluding a share premium of € 8.136.462,81
- capital increase by contribution in kind (optional dividend) decided as at 2022 in the amount of € 2.518.910,07 excluding an issue premium of € 4.585.238,13
- a capital increase through accelerated private placement ('accelerated bookbuilding' or 'ABB') decided as at 5 December 2022 in the amount of € 24.218.381,80 excluding an issue premium of € 24.949.678,70.

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. *€ 93.166.917,85 if the capital increase to be realised is within the context of the distribution of an optional dividend, or*

iii. *€ 20.047.931,10 for all other forms of capital increase;*

taking into account a total maximum of (i), (ii) and (iii) together, of € 179.614.318,29.

## 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.

Diegem 〉 Greenhouse BXL

## 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.

Neither Intervest, nor its perimeter companies, owned any of its own shares as at 31 December 2022.

## 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. ,in which case the bank should be informed as soon as possible in case of substantial changes in the shareholder structure (specified in some contractsas changes between the 30% and 50%), and which gives the bank the right to judge that the credit agreement should be amended or be terminated.

Financing agreements with the usual 'change of control' clause are submitted to the next annual general meeting of shareholders for approval and, if necessary, ratification. The minutes of the annual general meeting of shareholders describe the relevant financing agreements. These minutes are available on Intervest's website www.intervest.eu.

The Netherlands - Eindhoven 〉 Gold Forum

# FINANCIAL STATEMENTS[1]



1 The annual financial reports, the reports of the supervisory board and the reports of the statutory auditor for the financial years 2022, 2021 and 2020, 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.eu). They are also available from the registered office on request.

# 1 Consolidated income statement

| in thousands € | Note | 2022 | 2021 |
|---|---|---|---|
| Rental income | 4 | 71.474 | 65.056 |
| Rental-related expenses | 4 | -19 | -148 |
| NET RENTAL INCOME | | 71.455 | 64.908 |
| Recovery of property charges | 4 | 1.249 | 696 |
| Recovery of rental charges and taxes normally payable by tenants on leased properties | 4 | 22.290 | 13.528 |
| Costs payable by tenants and borne by the landlord for rental damage and refurbishment | | -1.629 | -361 |
| Rental charges and taxes normally payable by tenants on leased properties | 4 | -22.290 | -13.528 |
| Other rental-related income and expenses | 4 | 939 | 716 |
| PROPERTY RESULT | | 72.014 | 65.959 |
| Technical costs | 5 | -931 | -1.144 |
| Commercial costs | 5 | -432 | -547 |
| Charges and taxes on unlet properties | 5 | -1.086 | -893 |
| Property management costs | 5 | -4.926 | -4.792 |
| Other property charges | 5 | -1.191 | -1.007 |
| **Property charges** | | **-8.566** | **-8.383** |
| OPERATING PROPERTY RESULT | | 63.448 | 57.576 |
| General costs | 6 | -4.387 | -3.836 |
| Other operating income and costs | 8 | -475 | -310 |
| OPERATING RESULT BEFORE RESULT ON PORTFOLIO | | 58.586 | 53.430 |
| Result on disposal of investment properties | 9 | 478 | 198 |
| Changes in fair value of investment properties | 10 | -26.106 | 66.020 |
| Other result on portfolio | 11 | 3.920 | -11.205 |
| OPERATING RESULT | | 36.878 | 108.443 |
| Financial income | | 69 | 59 |
| Net interest charges | 12 | -10.655 | -7.094 |
| Other financial charges | | -291 | -50 |
| Changes in fair value of financial assets and liabilities | 19 | 32.257 | 4.217 |
| **Financial result** | | **21.380** | **-2.868** |
| RESULT BEFORE TAXES | | 58.258 | 105.575 |
| Taxes | 13 | -978 | -834 |
| NET RESULT | | 57.280 | 104.741 |

| in thousands € | Note | 2022 | 2021 |
|---|---|---|---|
| **NET RESULT** | | **57.280** | **104.741** |
| **Attributable to:** | | | |
| Shareholders Group | | 51.714 | 98.100 |
| Third parties | | 5.566 | 6.641 |

| | | |
|---|---|---|
| **NET RESULT - Group Share** | **51.714** | **98.100** |
| **To be excluded:** | | |
| - Result on disposals of investment properties | 478 | 198 |
| - Changes in fair value of investment properties | -26.106 | 66.020 |
| - Other result on portfolio | 3.920 | -11.205 |
| - Changes in fair value of financial assets and liabilities | 32.257 | 4.217 |
| - Minority interests with respect to the above | -4.302 | -6.306 |
| **EPRA EARNINGS** | **45.467** | **45.176** |

| **RESULT PER SHARE - GROUP** | Financial report | 2022 | 2021 |
|---|---|---|---|
| Number of shares at year-end | 8.6 | 29.235.067 | 26.300.908 |
| Number of shares entitled to dividend at year-end | 8.6 | 29.235.067 | 26.300.908 |
| Weighted average number of shares | 8.6 | 26.664.878 | 25.983.006 |
| Net result (€) | | 1,94 | 3,78 |
| Diluted net result (€) | | 1,94 | 3,78 |
| EPRA earnings (€) | | 1,71 | 1,74 |

# 2 Consolidated statement of comprehensive income

| in thousands € | 2022 | 2021 |
|---|---|---|
| **NET RESULT** | **57.280** | **104.741** |
| **Other components of comprehensive income (recyclable through income statement)** | **5.486** | **970** |
| Revaluation of other tangible assets | 5.486 | 970 |
| **COMPREHENSIVE INCOME** | **62.766** | **105.711** |
| **Attributable to:** | | |
| Shareholders of the parent company | 55.448 | 98.884 |
| Minority interests | 7.318 | 6.827 |

# 3 Consolidated balance sheet[1]

| **ASSETS** in thousands € | Note | 31.12.2022 | 31.12.2021 |
|---|---|---|---|
| NON-CURRENT ASSETS | | 1.381.476 | 1.219.621 |
| Non-current intangible assets | | 284 | 254 |
| Investment properties | 14 | 1.333.418 | 1.208.944 |
| Other non-current tangible assets | 14 | 15.124 | 5.888 |
| Non-current financial assets | 19 | 32.608 | 4.455 |
| Trade receivables and other non-current assets | | 41 | 80 |
| CURRENT ASSETS | | 47.304 | 17.336* |
| Assets held for sale | 15 | 27.277 | 0 |
| Current financial assets | | 0 | 97 |
| Trade receivables | 15 | 2.126 | 2.386* |
| Tax receivables and other current assets | 15 | 4.937 | 4.940 |
| Cash and cash equivalents | | 3.053 | 3.537 |
| Deferred charges and accrued income | 15 | 9.911 | 6.376 |
| TOTAL ASSETS | | 1.428.780 | 1.236.957* |

| **SHAREHOLDERS' EQUITY AND LIABILITIES** in thousands € | Note | 31.12.2022 | 31.12.2021 |
|---|---|---|---|
| SHAREHOLDERS' EQUITY | | 721.410 | 636.535 |
| **Shareholders' equity attributable to shareholders of the parent company** | | **693.351** | **622.512** |
| Share capital | 16 | 264.026 | 237.930 |
| Share premiums | 16 | 219.354 | 189.818 |
| Reserves | 16 | 158.257 | 96.664 |
| Net result for the financial year | | 51.714 | 98.100 |
| **Minority interests** | 24 | **28.059** | **14.023** |
| LIABILITIES | | 707.370 | 600.422* |
| **Non-current liabilities** | | **564.849** | **468.409** |
| Non-current financial debts | 18 | 525.116 | 429.058 |
| *Credit institutions* | | *422.734* | *421.058* |
| *Other* | | *102.382* | *8.000* |
| Other non-current financial liabilities | 19 | 15.162 | 11.423 |
| Trade debts and other non-current debts | | 2.810 | 1.503 |
| Deferred tax - liabilities | 20 | 21.761 | 26.425 |
| **Current liabilities** | | **142.521** | **132.013*** |
| Current financial debts | 18 | 102.646 | 100.650 |
| *Credit institutions* | | *64.646* | *650* |
| *Commercial paper* | | *38.000* | *100.000* |
| *Other* | | *0* | *0* |
| Other current financial liabilities | 19 | 35 | 1 |
| Trade debts and other current debts | 17 | 25.680 | 24.312 |
| Other current liabilities | 17 | 3.811 | 1.890 |
| Deferred charges and accrued income | 17 | 10.349 | 5.160* |
| TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES | | 1.428.780 | 1.236.957* |

1 As of 2022, the pre-invoiced outstanding trade receivables on the asset side are offset by the revenue carried forward on the liability side. To increase comparability, the 2021 comparative figures were adjusted in the same way. Adjusted amounts are marked with *.

| **DEBT RATIO** in % | Note | 31.12.2022 | 31.12.2021 |
|---|---|---|---|
| Debt ratio (max. 65%) | 22 | 48,0% | 45,0% |

| **NET VALUE PER SHARE** in € | 31.12.2022 | 31.12.2021 |
|---|---|---|
| Net value | 23,72 | 23,67 |
| EPRA NTA | 23,50 | 24,83 |

Berchem 〉 Greenhouse Antwerp - meeting room

# 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 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 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 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 |
| Dividends for previous financial year |
| Issue of shares for optional dividend for previous financial year |
| Capital increase perimeter company Genk Green Logistics |
| Issue of shares for accelerated private placement |
| **BALANCE SHEET AS AT 31 DECEMBER OF CURRENT FINANCIAL YEAR** |

| Share capital | | | | | | |
|---|---|---|---|---|---|---|
| Paid-up Capital | Capital increase costs | Share premiums | Total reserves | Net result for the financial year - Shareholders Group | Minority interests | **TOTAL SHARE-HOLDERS' EQUITY** |
| **232.373** | **-1.735** | **181.682** | **91.467** | **43.431** | **7.196** | **554.414** |
| | | | 784 | 98.100 | 6.827 | 105.711 |
| | | | | | | |
| | | | 3.794 | -3.794 | | 0 |
| | | | -2.311 | 2.311 | | 0 |
| | | | 1.260 | -1.260 | | 0 |
| | | | 1.670 | -1.670 | | 0 |
| 7.292 | | 8.136 | | | | 15.428 |
| | | | | -39.017 | | -39.017 |
| **239.665** | **-1.735** | **189.818** | **96.664** | **98.100** | **14.023** | **636.535** |
| | | | 3.734 | 51.714 | 7.318 | 62.766 |
| | | | | | | |
| | | | 48.510 | -48.510 | | 0 |
| | | | 4.217 | -4.217 | | 0 |
| | | | 198 | -198 | | 0 |
| | | | 4.935 | -4.935 | | 0 |
| | | | | -40.240 | -277 | -40.517 |
| 2.519 | | 4.585 | | | | 7.104 |
| | -5 | | | | 6.995 | 6.990 |
| 24.218 | -636 | 24.950 | | | | 48.532 |
| **266.402** | **-2.376** | **219.354** | **158.257** | **51.714** | **28.059** | **721.410** |

## Breakdown of the reserves

| in thousands € |
| --- |
| **OPENING POSITION 1 JANUARY PREVIOUS FINANCIAL YEAR** |
| Comprehensive income 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 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 |
| **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 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 |
| **BALANCE SHEET AS AT 31 DECEMBER OF FINANCIAL YEAR** |

| 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 |
|---|---|---|---|---|---|
| **90** | **46.871** | **-6.522** | **17.865** | **33.163** | **91.467** |
| | | | 784 | | 784 |
| | | | | | |
| | 3.794 | | | | 3.794 |
| | | -2.311 | | | -2.311 |
| | | | | 1.260 | 1.260 |
| | | | 1.670 | | 1.670 |
| **90** | **50.665** | **-8.833** | **20.319** | **34.423** | **96.664** |
| | | | 3.734 | | 3.734 |
| | | | | | |
| | 48.510 | | | | 48.510 |
| | | 4.217 | | | 4.217 |
| | | | | 4.935 | 4.935 |
| | | | 198 | | 198 |
| **90** | **99.176** | **-4.616** | **24.250** | **39.357** | **158.257** |

# 5 Consolidated cash flow statement

| in thousands € | Note | 2022 | 2021 |
|---|---|---|---|
| CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR | | 3.537 | 2.682 |
| 1. Cash flow from operating activities | | 36.728 | 46.755 |
| Operating result | | 36.878 | 108.443 |
| Interests paid | | -9.617 | -7.923 |
| Other non-operating elements | | -1.200 | -825 |
| Adjustment of result for non-cash flow transactions | | 22.676 | -52.549 |
| ▪ Depreciations on intangible and other tangible non-current assets | | 806 | 803 |
| ▪ Result on disposal of investment properties | 9 | -478 | -198 |
| ▪ Changes in fair value of investment properties | 10 | 26.106 | -66.020 |
| ▪ Spread of rental discounts and rental benefits granted to tenants | 11 | -473 | 1.550 |
| ▪ Other result on portfolio | 11 | -3.285 | 11.316 |
| Change in working capital | | -12.009 | -391 |
| Movement of assets | | -2.557 | 1.579 |
| Movement of liabilities | | -9.453 | -1.970 |
| 2. Cash flow from investment activities | | -155.471 | -115.536 |
| Investments and expansions in existing investment properties | 14 | -2.924 | -7.286 |
| Acquisition of investment properties | 14 | -34.849 | -48.969 |
| Acquisition of shares of real estate companies | 14 | -23.974 | -14.237 |
| Investments in project developments | 14 | -94.324 | -41.709 |
| Paid exit tax for merger of real estate companies | | -3.373 | -1.860 |
| Proceeds from the sale of investment properties | | 8.561 | 0 |
| Purchase of solar panels and EV installations | | -4.110 | -990 |
| Acquisitions of intangible and other tangible non-current assets | | -478 | -485 |
| 3. Cash flow from financing activities | | 118.259 | 69.636 |
| Repayment of loans | | -90.038 | -38.181 |
| Drawdown of loans | | 191.872 | 131.169 |
| Capital increase | | 48.531 | 0 |
| Receipts from non-current liabilities as guarantee | | 1.306 | 237 |
| Dividend paid | | -33.412 | -23.589 |
| CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR | | 3.053 | 3.537 |

Intervest has generated a cash flow of € 37 million from operating activities in 2022 compared to € 47 million in 2021.

The cash flow from investment activities amounts to € -155 million and includes mainly acquisitions and investments and expansions in the existing real estate portfolio and project developments.

The amount included in 2022 under the acquisition of shares of real estate companies of € 24 million relates to the acquisition of the shares of Zeebrugge Green Logistics (previously Lingang Overseas Zeebrugge Modern Industrial Park Development Company) in April 2022 (see also Note 14). Following the transformation of this company into GVBF (specialized real estate investment fund), an upfront exit tax was paid. The effective exit tax for Greenhouse Singel NV was also paid in 2022.

The cash flow from the group's financing activities amounts to € 118 million and consists in 2022 of an increase in the recognition of credits of € 102 million, the capital increase of € 49 million and the payment of dividends of € 33 million.

# Index: 6 Notes

# 6 Notes on 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 published 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 distributed 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 2022 include the company and its perimeter companies (the "Group"). The Intervest annual accounts have been prepared and released for publication by the supervisory board on 20 March 2023 and will be submitted for approval to the general meeting of shareholders on 26 April 2023.

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 2022.

### New or amended standards and interpretations effective for the financial year beginning on 1 January 2022

- Amendments to IFRS 16 - Leases: extending the exemption to assess whether a COVID-19-related lease concession is a lease adjustment (applicable for financial years as from 1 April 2021)
- Annual improvements to IFRS 2018-2020 cycle (applicable for financial years as from 1 January 2022)
- Amendments to IFRS 3 - Business combinations: references to the conceptual framework (applicable for annual periods beginning as at 1 January 2022)
- IAS 16 - Property, plant and equipment: Adjustments that prohibit a company from reducing the proceeds from the sale of items produced while the company is preparing the asset for its intended use from the cost of property, plant and equipment (applicable for financial years as from 1 January 2022)
- IAS 37 - Commissions, Contingent Liabilities and Contingent Assets: amendments relating to the costs to be taken into account when assessing whether a contract is onerous (applicable for financial years as from 1 January 2022)
- Adjustments to IFRS 17 - Insurance contracts relating to the first application of IFRS 17 or IFRS 9.

These new or amended standards have no significant impact on Intervest's results.

### New or amended standards and interpretations, not yet applicable in 2022

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 2022 and beyond. The standards summarised below have not yet been adopted within the EU.

- Amendments of IFRS 4 - Insurance contracts: expiration date of the deferred approach (the deadline for temporary exemption for adoption of IFRS 9 is now 1 January 2023)
- Amendments of IFRS 16 - Lease agreements: to clarify how a seller - tenant subsequently values sale and leaseback transactions (applicable for fiscal years as from 1 January 2024)
- FRS 17 - Insurance contracts: amendments to address concerns and implementation issues after IFRS 17 was published and adjustments relating to the initial application of IFRS 17 and IFRS 9 (applicable for financial years as from 1 January 2023)
- Amendments to IAS 1 - Presentation of the annual accounts and IFRS Practice Statement 2: classification of liabilities as current or non-current and

classification of debts with covenants (applicable for financial years as from 1 January 2024) and changes in the Notes on principles for financial reporting (applicable for financial years as from 1 January 2023)

- Amendments to IAS 8 - Principles for financial reporting, changes in estimation and errors: Definition of accounting estimates (applicable for financial years as from 1 January 2023)
- Amendments to IAS 12 – Income taxes: deferred taxes on lease agreements and divestiture obligations (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 are changed in order to achieve 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 opportunity to terminate 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

The RREC status provides for a fiscally transparent status, as the RREC is only subject to taxes on specific components of the result such as rejected expenses and abnormal favourable advantages. No corporate income tax is paid on profits from leases and realised capital gains.

Taxes on the result for the financial year include taxes due and offsettable for the reporting period and previous reporting periods, as well as the exit tax due. The tax expense is recognised in the income statement unless it relates to items recognised directly in equity. In the latter case, the tax is also charged to equity.

The taxes originate mainly from Intervest's Dutch perimeter companies in the Netherlands and Belgium, which are subject to the regular corporate tax rate. More details on which perimeter companies are included here can be found in Note 13 - Taxes. The tax rates in force at the closing date are used to calculate tax on the fiscal profit for the year.

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 assets and liabilities are measured at the tax rate valid in the period to which they relate.

## 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 reported by Intervest concern provisions for taxes on unrealised capital gains on the property investments owned by the perimeter companies in the Netherlands and Belgium and are recognised in the income statement under the heading "Other portfolio result".

## 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.

## Investment properties (including mutation rights)

### 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 12,0% 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

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.

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 reviewed every five 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 1,12/1,125 (for buildings with a value of less than € 2,5 million).

The transfer rights for logistics real estate in the Netherlands amount to 8,0% as at 31 December 2021. As of 1 January 2023, the transfer tax rate for the acquisition of non-residential real estate rose from 8% to 10,4%. The 10,4% rate applies both to the acquisition of immovable assets, other than housing, and to taxed acquisitions of shares in real estate companies (real estate legal entities).
The external property expert does not yet include this increase in the valuation report as at 31 December 2022. The Group has opted to include this tax increase in the figures for 31 December 2022. 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 2022 financial year, the fair value of the investment properties is equal to the investment value divided by 1,114.

## 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.

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). As long as these conditions are not met and therefore the fair value of the project development cannot be estimated reliably or the cost still approximates the fair value, the project development is held at investment cost at reporting date in accordance with IAS 40 §53 and §53A. As soon as the fair value of the development can be estimated reliably, the development is recognised at fair value.

The fair value takes into account the substantial development risks. 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. Capitalization is not suspended during a period of extensive technical and administrative work. Neither is the capitalization suspended if a temporary delay is an essential part of the process to prepare an asset for its intended use or sale.

### Holding of property 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".

### 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 mutation rights 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 and charging points under IAS 16

The solar panels and charging points are valued based on 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 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. For the charging points, the useful life is estimated at 10 years.

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.

### Lease agreements

Lease agreements with a duration of more than 12 months whereby Intervest acts as lessee are recognised in accordance with IFRS16 on the balance sheet at the start of the lease period as a right of use and lease obligation at the present value of the future lease payments. If the leased asset is an investment property, the rights of use are then valued at fair value, in accordance with the valuation rules described for Investment properties.

The minimum lease payments are recognised partly as financing costs and partly as repayment of the outstanding liability in a way that results in a constant periodic interest rate over the remaining balance of the liability. The financial charges are charged directly to the result. Contingent lease payments are processed as expenses in the periods in which they are made. For additional information, please refer to Note 20 - Other non-current and current financial liabilities.

### 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.

The realisable amount is the higher of the value in use and the fair value less the selling costs. The value in use is the present value of the expected future cash flows of the continued consumption of an asset and its disposal at the end of the period of use, on the basis of a discount rate that takes into account current market assessments for the time value of money and the risks inherent in the asset. The fair value less selling costs is the amount that can be obtained from the sale of an asset in a commercial, objective transaction between well-informed parties about which there is consensus, after deduction of the disposal costs.

## Financial instruments

### Financial assets

All financial assets are recorded or no longer recorded in the balance sheet on the transaction date when the purchase or sale of a financial asset on the grounds of a contract in which the terms and conditions require delivery of the asset within the time frame generally prescribed or agreed in the relevant market, 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, except for financial assets at fair value through profit or loss, 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.

### 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 receivables
- 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.

## 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. This liability arising from pension commitments is determined using the intrinsic value method.

## 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 main sources of estimation uncertainty

The preparation of the consolidated financial statements in accordance with IFRS requires good management to make judgements, estimates and assumptions that apply to policies and regulations and the reporting of receivables and payables, income and expenses. The estimates and associated assumptions are based on historical events and various factors considered reasonable in the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revision and accounting estimate are recognised in the period in which the estimate is revised, both in cases where the estimate affects the audited financial year and when the estimate affects the future. With the exception of the estimates relating to the determination of the fair value of investment properties, solar panels and derivatives and ESG, as at 31 December 2022, there are no significant assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date that have a significant risk of a material adjustment to the carrying amount of assets and liabilities of the next financial year.

### Fair value of the investment properties

The fair value of investment properties is determined by independent real estate experts in accordance with the RREC legislation. For the sensitivity of the fair value of investment properties to changes in significantly unobservable inputs, please refer to note 14 - Non-current Assets and the “Valuation of the portfolio by real estate experts” in the Property report.

### ESG

Sustainability is becoming an increasingly important factor in the Belgian real estate market. Belgium has committed to be carbon-neutral by 2050, and legislation to reduce $CO_2$ emissions from buildings is already in place and it is likely that further legislation and regulations will be introduced in the coming years. In addition, tenants and investors in certain sectors are placing increasing importance on the sustainability aspects of the buildings they want to occupy or buy.
As the impact of ESG factors becomes increasingly clear, the question of how it will affect Intervest’s future results and KPIs arises. However, we do not expect any significant impact in the very short term, except in terms of the capex budget that Intervest is currently incalculating to further future-proof, energy-efficient and sustainable buildings.

More explanation around the management of climate-related risks and ESG in general can be found in Risk Factors and Note 14 - Non-current assets.

## Other key estimates and sources of estimation uncertainty

### Fair value of solar panels

There is no best practice on the valuation method for the Other tangible assets as solar panels. Their fair value is calculated using a valuation model based on future cash flows (See note 14 Non-current assets). However, we do not expect a material adjustment on the carrying value of the solar panels in the next financial year.

### Fair value of 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 2022 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, which as at 4 August 2022 ruled in favour of Intervest. The Belgian State will not appeal in cassation. The administrative settlement of this case is largely expected during 2023. (see "Note 26. Conditional rights and obligations" of the Financial statements).

Antwerp 〉 Greenhouse Collection at the Singel

# Note 3. Segmented information

## Segmentation by business segment

The three business segments comprise the following activities.

- The category “offices” includes the properties that are let to companies for professional purposes as office space or as flex-work places.
- The category “logistics properties Belgium” includes those premises with a logistical function, storage facilities and high-tech buildings in Belgium.
- The category “logistics properties Netherlands” includes those premises with a logistical function, storage facilities and high-tech buildings in the Netherlands.

This segmentation is chosen by Intervest given that the nature of the activities, the customers, the tax approach and so on show similar economic characteristics within these segments. Financial KPIs such as rental income, occupancy, lettable area and similar are monitored at this level and serve to guide commercial decisions.

The category “corporate” includes all fixed costs not attributable to a segment which are borne at Group level.

Intervest does not consider it opportune to use a second segmentation basis as the primary segmentation namely Offices, Logistics Belgium and Logistics Netherlands comprises the most important aspects of the company.

For the description of the risk spread according to tenants by segment, please see the Property report.

### Income statement 2022

| **BUSINESS SEGMENTATION** | Offices | Logistics Belgium | Logistics Netherlands | Corporate | **TOTAL** |
|---|---|---|---|---|---|
| in thousands € | **2022** | **2022** | **2022** | **2022** | **2022** |
| Rental income | 25.223 | 27.933 | 18.318 | 0 | 71.474 |
| Rental-related expenses | 18 | -37 | 0 | 0 | -19 |
| *Net rental income* | *25.241* | *27.896* | *18.318* | *0* | *71.455* |
| Property management costs and income | -925 | 1.279 | 205 | 0 | 559 |
| *Property result* | *24.316* | *29.175* | *18.523* | *0* | *72.014* |
| Property charges | -5.111 | -2.291 | -1.164 | 0 | -8.566 |
| General costs and other operating income and costs | -5 | -277 | -77 | -4.503 | -4.862 |
| **Operating result before result on portfolio** | **19.200** | **26.607** | **17.282** | **-4.503** | **58.586** |
| Result on disposals of investment properties | 0 | 478 | 0 | 0 | 478 |
| Changes in fair value of investment properties | -8.828 | 14.274 | -31.552 | 0 | -26.106 |
| Other result on portfolio | 247 | -993 | 4.666 | 0 | 3.920 |
| **Operating result of the segment** | **10.619** | **40.366** | **-9.604** | **-4.503** | **36.878** |
| Financial result | 0 | 0 | 0 | 21.380 | 21.380 |
| Taxes | 0 | 0 | -756 | -222 | -978 |
| **NET RESULT** | **10.619** | **40.366** | **-10.360** | **16.655** | **57.280** |

## Income statement 2021

| BUSINESS SEGMENTATION | Offices | Logistics Belgium | Logistics Netherlands | Corporate | TOTAL |
|---|---|---|---|---|---|
| in thousands € | 2021 | 2021 | 2021 | 2021 | 2021 |
| Rental income | 26.174 | 22.099 | 16.783 | 0 | 65.056 |
| Rental-related expenses | -132 | -16 | 0 | 0 | -148 |
| *Net rental income* | *26.042* | *22.083* | *16.783* | *0* | *64.908* |
| Property management costs and income | 404 | 546 | 101 | 0 | 1.051 |
| *Property result* | *26.446* | *22.630* | *16.8843* | *0* | *65.959* |
| Property charges | -4.972 | -1.928 | -1.483 | 0 | -8.383 |
| General costs and other operating income and costs | | -215 | -31 | -3.900 | -4.146 |
| **Operating result before result on portfolio** | **21.474** | **20.487** | **15.369** | **-3.900** | **53.430** |
| Result on disposals of investment properties | 0 | 198 | 0 | 0 | 198 |
| Changes in fair value of investment properties | -11.170 | 36.351 | 40.839 | 0 | 66.020 |
| Other result on portfolio | 677 | 341 | -12.223 | 0 | -11.205 |
| **Operating result of the segment** | **10.981** | **57.377** | **43.985** | **-3.900** | **108.443** |
| Financial result | 0 | 0 | 0 | -2.868 | -2.868 |
| Taxes | 0 | 0 | -676 | -158 | -834 |
| **NET RESULT** | **10.981** | **57.377** | **43.309** | **-6.926** | **104.741** |

**The offices portfolio**

The operating result before result on portfolio decreased for offices by € 2,3 million, this due to a decrease in rental income, mainly due to tenant PwC leaving Woluwe Garden at the end of 2021 and an increase in vacancy and reinstatement costs.

The operating result of the office segment fell slightly by € 0,4 million. In 2021, there was a decrease in the fair value of the office portfolio of around € 11,2 million. This year there was also a decrease in fair value but it was limited to € 8,8 million or around 2%. For further explanation around the change in fair value, please refer to Note 10 “Changes in fair value of investment properties”.

**Logistics portfolio Belgium**

The operating result before result on portfolio increased by € 6,1 million at the Belgian logistics portfolio. This thanks to rental income arising from the new cash-flow-generating acquisitions and the completion of project developments in 2021 and 2022. The operating result of the Belgian logistics segment fell by € 17 million. For further explanation around the change in fair value, please refer to Note 10 “Changes in fair value of investment properties”.

**Logistics portfolio Netherlands**

In the Netherlands, the operating result before result on portfolio has an increase of € 1,9 million. This mainly thanks to the rental income arising from the new cash-flow generating acquisitions made in 2021 and 2022. However, the operating result of the Dutch logistics segment fell by € 53,6 million. For further explanation around the evolution in fair value, please refer to Note 10 “Changes in fair value of investment properties”.

## Key Figures 2022

| BUSINESS SEGMENTATION<br>in thousands € | Offices<br>2022 | Logistics Belgium<br>2022 | Logistics Netherlands<br>2022 | TOTAL<br>2022 |
|---|---|---|---|---|
| Fair value of investment properties | 357.691 | 628.450 | 347.277 | 1.333.418 |
| Fair value of real estate available for lease | 330.686 | 565.502 | 337.611 | 1.233.799 |
| Investments and expansions during the financial year (fair value) | 935 | 1.414 | 575 | 2.924 |
| Acquisition of investment properties | 0 | 4.627 | 30.222 | 34.849 |
| Investments in project developments | 6.666 | 75.426 | 5.749 | 87.841 |
| Acquisition of shares of real estate companies | 0 | 60.566 | 0 | 60.566 |
| Divestment/transfer of investment properties | -27.504 | -8.095 | 0 | -35.599 |
| Investment value of real estate properties | 366.633 | 643.558 | 386.496 | 1.396.687 |
| Gross rental yield on real estate available for lease (%) | 6,8% | 5,8% | 5,7% | 6,0% |
| Average remaining contract duration (until first break) (in years) | 2,9 | 5,3 | 6,5 | 4,9 |
| Average remaining contract duration (until final expiry) (in years) | 4,3 | 6,8 | 8,2 | 6,4 |
| Total leasable space (m²) | 208.295 | 697.737 | 352.772 | 1.258.804 |
| Occupancy rate (%) | 76% | 96% | 100% | 90% |

## Key Figures 2021

| BUSINESS SEGMENTATION<br>in thousands € | Offices<br>2021 | Logistics Belgium<br>2021 | Logistics Netherlands<br>2021 | TOTAL<br>2021 |
|---|---|---|---|---|
| Fair value of investment properties | 386.423 | 480.239 | 342.282 | 1.208.944 |
| Fair value of real estate available for lease | 339.620 | 422.400 | 336.800 | 1.098.820 |
| Investments and expansions during the financial year (fair value) | 2.422 | 3.896 | 1.414 | 7.732 |
| Acquisition of investment properties | 0 | 32.354 | 16.615 | 48.969 |
| Investments in project developments | 13.516 | 39.759 | 515 | 53.790 |
| Acquisition of shares of real estate companies | 0 | 14.474 | 0 | 14.474 |
| Divestment/transfer of investment properties | 0 | 0 | 0 | 0 |
| Investment value of real estate properties | 394.913 | 491.668 | 372.594 | 1.259.175 |
| Gross rental yield on real estate available for lease (%) | 8,2% | 6,0% | 5,2% | 6,4% |
| Average remaining contract duration (until first break) (in years) | 2,6 | 4,4 | 6,6 | 4,3 |
| Average remaining contract duration (until final expiry) (in years) | 3,8 | 5,6 | 8,0 | 5,5 |
| Total leasable space (m²) | 245.538 | 552.520 | 313.420 | 1.111.478 |
| Occupancy rate (%) | 87% | 99% | 100% | 94% |

# Note 4. Property result

## Rental income

| in thousands € | 2022 | 2021 |
|---|---|---|
| Rent | 70.453 | 67.067 |
| Rental discounts | -1.771 | -2.435 |
| Rental benefits ("incentives") | -428 | -374 |
| Compensation for early termination of lease agreements | 3.220 | 798 |
| **TOTAL RENTAL INCOME** | **71.474** | **65.056** |

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 opportunity to terminate a lease agreement by the tenant.

Without taking into account the flex workers, Intervest rental income is spread across 212 different tenants, which limits the debtor's risk and improves the stability of the income. The top ten tenants represent 27% (29% in 2021) of the annual rent, are often leading companies in their sector and often belong to international concerns. In 2022, there was no tenant whose annual rent on an individual basis represented 5% of the total annual rental income of Intervest (one tenant in 2021). For more information on the most important tenants, please see the Property report - Risk spread by tenants.

For financial year 2022, the rental income of Intervest amounts to € 71,5 million (€ 65,1 million). This rise of € 6,4 million, or 10%, compared to 2021 is mainly caused by a severance payment received from tenant Enterprise Services Belgium for € 2,9 million, following the early return of part of their rented area in Mechelen Business Tower. The severance payment includes the full rent for the further term of the contract, plus the common charges for one year. In addition to this received severance payment, rental income increases by € 3,5 million compared to last year. Here, the additional rental income from acquisitions and completed project developments in the logistics segment during 2021 and 2022 combined with the rental income from newly concluded leases, the loss of rental income from the tenants who left in 2021 such as Nike Europe Holding (in Herentals), Pharma Logistics (in Huizingen) and PwC (in Woluwe) will be more than offset.

More information on segmented rental income can be found in Note 3 - Segmented information.

At the conclusion of the leases in fiscal year 2022, for 53% of the renewed contract value (30 contracts) a rent reduction was granted (42% or 20 contracts in 2021). On average, on these discounted contracts 7% rent reduction was granted spread over the term of the contract (9% in 2021). The staggered effect of the rent discounts granted in 2022 is 1% on the total contractual annual rent at the end of 2021 (1% in 2021 on the contractual annual rent at the end of 2020).

Granting a rent-free period at the start of a lease is market-based and allows Intervest to recover service costs during the period used by the tenant to move in and make the space rental-ready. It is often stipulated that the tenant must repay all or part of the rent reductions if he would terminate the lease at the next break of the agreement.

## 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 € | 2022 | 2021 |
|---|---|---|
| Receivables with a remaining duration of: | | |
| No more than one year | 74.166 | 63.751 |
| Between one and five years | 185.495 | 152.545 |
| More than five years | 113.657 | 92.600 |
| **TOTAL OF FUTURE MINIMUM RENTAL INCOME** | **373.318** | **308.896** |

The rise in the future minimum rental income of € 64 million, or 20%, compared to 31 December 2021 is largely the result of the lease of Zeebrugge (€ 18 million), the new leasings in Genk Green Logistics (€ 25 million) and the extension of ASML in the Netherlands (€ 11 million).

## Rental-related expenses

| in thousands € | 2022 | 2021 |
|---|---|---|
| Rent to pay on leased assets | -9 | -8 |
| Write-downs on trade receivables | -92 | -141 |
| Reversal of write-downs on trade receivables | 82 | 1 |
| **TOTAL RENTAL-RELATED EXPENSES** | **-19** | **-148** |

The rental-related expenses consist 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 of, among other things, bank guarantees) for the period 2013-2022 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 was not respected. Despite the current turbulent macroeconomic and geopolitical 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 € | 2022 | 2021 |
|---|---|---|
| Obtained compensations on rental damage | 518 | 32 |
| Other | 731 | 664 |
| Management fees received from tenants | 731 | 664 |
| **TOTAL RECOVERY OF PROPERTY CHARGES** | **1.249** | **696** |

The recovery of property charges mainly relates 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 € | 2022 | 2021 |
|---|---|---|
| Recovery of rental charges borne by the owner | 14.106 | 7.996 |
| Recovery of advance levies and taxes on let properties | 8.184 | 5.532 |
| **TOTAL RECOVERY OF RENTAL CHARGES AND TAXES NORMALLY PAYABLE BY TENANTS ON LET PROPERTIES** | **22.290** | **13.528** |

### Rental charges and taxes normally payable by tenants on let properties

| in thousands € | 2022 | 2021 |
|---|---|---|
| Rental charges borne by the owner | -14.106 | -7.996 |
| Advance levies and taxes on let properties | -8.184 | -5.532 |
| **TOTAL RENTAL CHARGES AND TAXES NORMALLY PAYABLE BY TENANTS ON LET PROPERTIES** | **-22.290** | **-13.528** |
| **TOTAL BALANCE OF RECOVERED RENTAL CHARGES AND TAXES** | **0** | **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. An external manager was appointed for Mechelen Campus, which is well monitored by the RREC.

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 € | 2022 | 2021 |
|---|---|---|
| Income from green energy (other than building fees) | 1.166 | 454 |
| Received coordination fees turn-key solutions | 1 | 11 |
| Expenses and income regarding exploitation Greenhouse Flex | -461 | -437 |
| One-off contribution received for rental-related expenses | 0 | 0 |
| Other | 233 | 688 |
| **TOTAL OTHER RENTAL-RELATED INCOME AND EXPENSES** | **939** | **716** |

Revenues from green electricity increased by € 0,7 million, among other things due to new installations in Genk, Aartselaar, Herentals and Merchtem.

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 amounts to € 0,8 million (€ 0,5 million for 2021).

# Note 5. Property charges

## Technical costs

| in thousands € | 2022 | 2021 |
|---|---|---|
| **Recurrent technical costs** | **-965** | **-1.065** |
| Maintenance and repair | -670 | -789 |
| Insurance premiums | -295 | -276 |
| **Non-recurrent technical costs** | **34** | **-79** |
| Claims | 34 | -79 |
| Claims (costs) | -288 | -296 |
| Claims (income) | 322 | 217 |
| **TOTAL TECHNICAL COSTS** | **-931** | **-1.144** |

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 € | 2022 | 2021 |
|---|---|---|
| Brokers' fees | -203 | -176 |
| Publicity | -207 | -83 |
| Lawyers' fees and legal costs | -22 | -288 |
| **TOTAL COMMERCIAL COSTS** | **-432** | **-547** |

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 valuation.

## Charges and taxes on unleased properties

| in thousands € | 2022 | 2021 |
|---|---|---|
| Vacancy charges for the financial year | -932 | -793 |
| Property tax on vacant properties | -2.683 | -2.687 |
| Recovery of property tax on vacant properties | 2.628 | 2.596 |
| Vacancy tax Genk Green Logistics | -171 | -2.954 |
| Recovery vacancy tax Genk Green Logistics | 171 | 2.954 |
| Recovery of property tax on vacant properties for previous financial year | -99 | -9 |
| **TOTAL CHARGES AND TAXES ON UNLEASED PROPERTIES** | **-1.086** | **-893** |

Costs and taxes of non-leased buildings increased by € 0,2 million or 22% during fiscal year 2022 compared to fiscal year 2021. However, relative to rental income, the level of vacancy costs remains stable, vacancy costs represent for fiscal year 2022 approximately 1,5% of the total rental income of the company just as was the case in 2021.

Intervest recovers a majority of the property tax calculated on vacant parts of buildings through objections submitted to the Flanders Tax Administration. A large share of the property tax relates to Genk Green Logistics. It is expected that Intervest can recover this property tax and the vacancy tax in full, as was also the case in previous years.

## Property management costs

| in thousands € | 2022 | 2021 |
|---|---|---|
| External property management fees | -21 | -331 |
| (Internal) property management costs | -4.905 | -4.461 |
| *Employee benefits and fees paid to the management board members and self-employed staff* | -3.156 | -2.650 |
| *Property expert* | -204 | -183 |
| *Other costs attributable to the property* | -1.545 | -1.628 |
| **TOTAL PROPERTY MANAGEMENT COSTS** | **-4.926** | **-4.792** |

Property management costs are costs that are related to the management of buildings. 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.

Property management costs increased by € 0,1 million during fiscal year 2022. This is on the one hand the result of the elimination of an external manager for the Dutch portfolio, accounting for a decrease in the external management fees by € 0,3 million. On the other hand, however, there was an increase in internal management fees as a result of an increase in staffing levels, including for the management of the Dutch properties to be absorbed internally.

## Other property charges

| in thousands € | 2022 | 2021 |
|---|---|---|
| Charges borne by the landlord | -414 | -271 |
| Property taxes contractually borne by the landlord | -695 | -677 |
| Other property charges | -82 | -59 |
| **TOTAL OTHER PROPERTY CHARGES** | **-1.191** | **-1.007** |

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 or property withholding tax. Moreover, in the Netherlands, part of the property tax is always borne by the owner. For financial year 2022, these commercial interventions amount to approximately € 1,2 million on an annual basis, or 1,7% of the total rental income of the Group (€ 1 million, or 1,5%, in financial year 2021).

# Note 6. General costs

| in thousands € | 2022 | 2021 |
|---|---|---|
| Subscription tax | -607 | -509 |
| Auditor's fee | -184 | -158 |
| Remuneration for supervisory board members | -127 | -123 |
| Liquidity provider | -37 | -37 |
| Financial service | -35 | -42 |
| Employee benefits and fees paid to management board members and self-employed staff | -1.824 | -1.925 |
| Consultancy fees | -848 | -153 |
| Other costs | -725 | -889 |
| **TOTAL GENERAL COSTS** | **-4.387** | **-3.836** |

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 tangible non-current assets used for this management and other operating costs.

General costs amount to € 4,3 million and increased by approximately €0,6 million compared to 2021, mainly due to higher advisory costs.

For additional details on the auditor's fee, please see Note 25.

An overview of the remuneration paid to the members of the supervisory board is provided in the report Corporate Governance Statement - 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 (included under other costs attributable to the property).

# Note 7. Employee benefits

| in thousands € | 2022 | | | 2021 | | |
|---|---|---|---|---|---|---|
| | Charges for internal property manage-ment | Charges related to company management | TOTAL | Charges for internal property manage-ment | Charges related to company management | TOTAL |
| **Remuneration of employees and self-employed personnel** | **2.214** | **1.046** | **3.260** | **1.754** | **1.176** | **2.930** |
| Short-term employee benefits | 2.120 | 1.012 | 3.132 | 1.671 | 1.133 | 2.804 |
| Post-employment benefits | 0 | 0 | 0 | 0 | 0 | 0 |
| Other long-term employee benefits | 94 | 34 | 128 | 83 | 43 | 126 |
| Termination benefits | 0 | 0 | 0 | 0 | 0 | 0 |
| **Remunerations for the management board** | **942** | **778** | **1.720** | **895** | **746** | **1.641** |
| **Management board chairman** | **306** | **306** | **612** | **292** | **292** | **584** |
| Short-term rewards | | | | | | |
| *Fixed remuneration* | *160* | *160* | *320* | *154* | *154* | *308* |
| *Variable remuneration in the short-term* | *51* | *51* | *102* | *66* | *66* | *132* |
| Long-term rewards | | | | | | |
| *Variable remuneration in the long-term* | *71* | *71* | *142* | *44* | *44* | *88* |
| *Pension obligations* | *24* | *24* | *48* | *28* | *28* | *56* |
| **Other members of the management board** | **636** | **472** | **1.108** | **603** | **454** | **1.057** |
| Short-term rewards | | | | | | |
| *Fixed remuneration* | *403* | *286* | *689* | *388* | *264* | *652* |
| *Variable remuneration in the short-term* | *103* | *78* | *181* | *111* | *118* | *229* |
| Long-term rewards | | | | | | |
| *Variable remuneration in the long-term* | *98* | *75* | *173* | *74* | *48* | *122* |
| *Pension obligations* | *32* | *33* | *65* | *31* | *23* | *54* |
| **TOTAL EMPLOYEE BENEFITS** | **3.156** | **1.824** | **4.980** | **2.649** | **1.922** | **4.571** |

The number of employees and self-employed personnel at year-end 2022, expressed in FTE, is 38 staff members for the internal management of the property (35 in 2021) and 13 staff members for the management of the company (13 in 2021). The number of members of the management board comprises four persons as at 31 December 2022 (four persons as at year-end 2021).

For personnel in permanent employment remuneration, supplementary benefits, termination benefits and severance payments, and post-employment benefits 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 on 18 December 2015), the employer must guarantee a minimum return and therefore this contract must be classed as a “defined benefit” plan. For premiums paid by the employer before

1 January 2016, this amounts to 3,25%. For premiums paid by the employer after 1 January 2016, this amounts to 1,75%. 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 relate. For financial year 2022, these amount to € 241.000 (€ 236.000 in 2021). As at 31 December 2022, 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. For the small deficit calculated using the intrinsic value method, a provision was recorded in the accounts at year-end.

| **OBLIGATION ARISING FROM PENSION COMMITMENTS**<br>in thousands € | | **2022** | **2021** |
|---|---|---|---|
| Sum of guaranteed minimum reserves (art.24 of the WAP) | | 716 | 624 |
| Sum of the mathematical reserves | A | 741 | 645 |
| Sum of the maximum between the mathematical reserves and the minimum guarantee | B | 758 | 659 |
| *Amount of underfunding* | B-A | 17 | 14 |

The remuneration of the management board is explained in the Corporate governance statement - Remuneration report.

# Note 8. Other operating income and costs

| in thousands € | **2022** | **2021** |
|---|---|---|
| Depreciation of solar panels | -358 | -246 |
| Insurance premiums | -119 | -43 |
| Other | 2 | -21 |
| **TOTAL OTHER OPERATING INCOME AND COSTS** | **-475** | **-310** |

The solar panels are included in the balance sheet under the other tangible non-current assets and valued on the basis of the revaluation model in accordance with IAS 16 Tangible non-current assets. Each quarter, these solar panels are revalued to fair value. The fair value is depreciated over the remaining term. Depreciation is recognised in other operating income and costs. The increase during fiscal year 2022 is due to new installations in Genk, Aartselaar, Herentals and Merchtem.

# Note 9. Result on disposals of investment properties

| in thousands € | **2022** | **2021** |
|---|---|---|
| Acquisition value accumulated with investments | 7.738 | 0 |
| Accumulated gains and extraordinary impairment losses | 357 | 0 |
| **Carrying amount (fair value)** | **8.095** | **0** |
| Sales price | 8.575 | 0 |
| Sales costs | -2 | 0 |
| *Income from disposal of investment properties* | *8.573* | *0* |
| Provision of rental guarantees from disposal of investment properties | 0 | 198 |
| **Net sales proceeds** | **8.573** | **198** |
| **TOTAL RESULT ON DISPOSAL OF INVESTMENT PROPERTIES** | **478** | **198** |

In 2022, Intervest sold the Huizingen site, realising a capital gain of € 0,5 million compared to the book value as at 31 December 2021. The difference between the sale price and the acquisition value (€ 0,8 million) will be allocated to the available reserves via the result appropriation of financial year 2022, given that this result was realised.

# Note 10. Changes in the fair value of investment properties

| in thousands € | 2022 | 2021 |
|---|---|---|
| Positive changes of investment properties | 40.115 | 81.639 |
| Negative changes of investment properties | -58.646 | -15.619 |
| Negative changes on investment properties due to transfer tax adjustment the Netherlands | -7.575 | 0 |
| **TOTAL CHANGES IN FAIR VALUE OF INVESTMENT PROPERTIES** | **-26.106** | **66.020** |

The changes in the fair value of the investment properties amount to € -26,1 million in 2022 (€ 66 million in 2021). Negative changes in the fair value are the result of:

- Decrease in fair value of the logistics portfolio in the Netherlands of € 32 million or 9%. The decrease is mainly a result of a general yield decompression encoded by the external advisor and the effect of the increase in transfer tax in the Netherlands as of 1 January 2023 from 8% to 10,4%[1], partially offset by increase in ERV and ASML's signed lease extension for Silverforum in Eindhoven.
- Increase in fair value of the logistics portfolio in Belgium of € 14 million or 3%. The increase is a result of the pre-leasing of the projects under construction in Herentals and Genk, the future development potential created in Herstal as a result of the additional adjacent site and some important long-term lease transactions among others in Puurs and Duffel. These increases in value in the portfolio are partially offset by some yield adjustments estimated by the external advisor in the current economic context, partially offset by ERV increases, a consequence of the current index level.
- Value decrease in the office portfolio of € 9 million or 2% mainly explained by the inclusion of vacancy periods by the real estate experts due to new or future vacancies.
  - The value decrease in the office portfolio available for lease amounts to € 5 million and is mainly a result of new vacancy due to the early departure of tenant Enterprise Services Belgium in Mechelen Business Tower whereby a severance payment for the remaining rental period was received and the delayed completion and commercialization of Greenhouse Collection due to the current economic climate. In addition, the value decrease is explained by the reassessment of the leasable area of archive space in the office portfolio. The increasing digitization at companies has reduced the need for archive space. To determine the effect of this, an in-depth analysis of the leasability on the available archive space was performed.
  - The value decrease on project developments in the office portfolio amounts to € 4 million, and is on the one hand a consequence of new, planned vacancy that is part of future projects to be started up, and on the other hand the delayed progress on current projects due to the current economic climate.

# Note 11. Other result on portfolio

| in thousands € | 2022 | 2021 |
|---|---|---|
| Deferred taxes | 4.664 | -12.437 |
| Other | -744 | 1.232 |
| *Changes to the spread of rental discounts and benefits granted to tenants* | *-473* | *1.550* |
| *Changes in the fair value on property held for sale* | *-239* | *0* |
| *Other* | *-32* | *-318* |
| **TOTAL OTHER RESULT ON PORTFOLIO** | **3.920** | **-11.205** |

In 2022, the other result on portfolio amounts to € 3,9 million (€ -11,2 million in 2021) and comprises primarily 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. Due to the decrease in the fair value of investment properties in the Netherlands also the deferred taxes decrease.

1 See also Note 2 - Principles for the financial reporting - Investment properties (including movement rights)

## Note 12. Net interest charges

| in thousands € | 2022 | 2021 |
|---|---|---|
| **Nominal interest charges on loans** | **-9.554** | **-5.450** |
| Loans at financial institutions | -7.228 | -4.473 |
| *With fixed interest rate* | *-1.386* | *-1.180* |
| *With variable interest rate* | *-5.842* | *-3.293* |
| USPP and Green Bond | -1.886 | -354 |
| Interest charges on non-withdrawn credit facilities and commercial paper back-up lines | -439 | -623 |
| **Costs of authorised hedging instruments** | **-1.081** | **-1.395** |
| Authorised hedging instruments that are not subject to hedge accounting as defined in IFRS | -1.081 | -1.395 |
| | | |
| **Income from authorised hedging instruments** | **454** | **13** |
| Authorised hedging instruments that are not subject to hedge accounting as defined in IFRS | 454 | 13 |
| | | |
| **Other interest charges** | **-474** | **-262** |
| **TOTAL NET INTEREST CHARGES** | **-10.655** | **-7.094** |

In 2022, the net interest charges amount to € -10,7 million compared to €-7,1 million in 2021. The increase in net interest expense by € 3,6 million is mainly due to a higher average drawdown of € 160 million and a significant increase in Euribor rates. The average interest rate in 2022 was 2% compared to 1,8% in 2021. The total average interest rate before impact of interest rate hedging instruments in 2022 was 1,9% (1,5% in 2021).

## Net interest charges classified by credit line expiry date

| in thousands € | 2022 | 2021 |
|---|---|---|
| Net interest charges on non-current financial debts | -9.539 | -6.254 |
| Net interest charges on current financial debts | -1.116 | -840 |
| **TOTAL NET INTEREST CHARGES** | **-10.655** | **-7.094** |

The average interest rate on long-term financial debt for 2022 is 2,1% including bank margins (2,1% in 2021). The average interest rate of short-term financial liabilities for 2022 is 1,1% including bank margins (0,7% in 2021). The short-term increase is due, on the one hand, to the rise in the Euribor, as a result of which the rates for commercial paper have also increased and on the other hand the higher drawdown through the R/C JM Construct and Hino Invest, minority shareholders of Genk Green Logistics, to finance the further construction of the units during fiscal year 2022 at an at arm's length interest rate of 3%.

For fiscal year 2022, the effect on EPRA earnings and net income of a (hypothetical) increase of interest rates by 1% is approximately € -1,7 million (€ -1 million in 2021) or € 0,07 per share. In the case of a (hypothetical) 0,5% increase in interest rates, interest expenses increase by € 0,9 million (€ -0,3 million in 2021) or € 0,03 per share.

The (hypothetical) future cash outflow for 2023 of the interest charges from the loans withdrawn as at 31 December 2022 amounts to € 15,9 million (€ 8,5 million in 2021).

## Classification of future cash-out flow of interest costs based on current contracts

| in thousands € | 2022 | | | | | 2021 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Hypothetical interest | Debts with a remaining duration of | | | | | Debts with a remaining duration of | | | | |
| | < 1 year | > 1 year and < 5 year | > 5 year | TOTAL | Percentage share | < 1 year | > 1 year and < 5 year | > 5 year | TOTAL | Percentage share |
| Credit institutions and institutional parties: withdrawn credit facilities | 16.093 | 33.717 | 610 | 50.420 | 92% | 6.142 | 16.540 | 1.680 | 24.362 | 64% |
| Green Bond and USPP | 3.035 | 11.272 | 6.069 | 20.376 | 37% | 0 | 0 | 0 | 0 | 0% |
| Commercial paper | 475 | 585 | 243 | 1.303 | 2% | 317 | 585 | 390 | 1.292 | 3% |
| Non-withdrawn credit lines | 434 | 526 | 0 | 960 | 2% | 284 | 467 | 0 | 751 | 2% |
| IRSs/Floors | -4.138 | -13.190 | -660 | -17.989 | -33% | 1.719 | 8.195 | 1.848 | 11.762 | 31% |
| **TOTAL** | **15.899** | **32.910** | **6.262** | **55.070** | **100%** | **8.462** | **25.787** | **3.918** | **38.167** | **100%** |
| **Share percentage** | **29%** | **60%** | **11%** | **100%** | | **22%** | **68%** | **10%** | **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 2022 together with a Euribor rate of 2,132% (3-month Euribor as at 31 December 2022).

## Note 13. Taxes

| in thousands € | 2022 | 2021 |
|---|---|---|
| Tax at the rate of 25% (on result linked to the rejected expenses) | -100 | -90 |
| Regularisation of previous financial years | -16 | -43 |
| **Tax related to Intervest statutory (public RREC)** | **-116** | **-133** |
| Perimeter companies in Belgium | -106 | -21 |
| Perimeter companies in the Netherlands | -756 | -680 |
| **CORPORATE TAX** | **-978** | **-834** |

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.

Perimeter companies Genk Green Logistics (iGVV), Greenhouse Singel (GVBF), Puurs Green Logistics (GVBF) and Zeebrugge Green Logistics (GVBF) also enjoy transparent tax status. The other Belgian perimeter companies are subject to the normal system of Belgian corporate income tax, and the Dutch perimeter companies do not enjoy this tax status. For the calculation of 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 € | 2022 | | | | 2021 | | | |
|---|---|---|---|---|---|---|---|---|
| | Offices | Logistics BE | Logistics NL | Total | Offices | Logistics BE | Logistics NL | Total |
| **BALANCE SHEET AS AT 1 JANUARY** | **386.423** | **480.239** | **342.282** | **1.208.944** | **381.656** | **353.405** | **282.897** | **1.017.958** |
| ▪ Acquisition of investment properties | 0 | 4.627 | 30.222 | 34.849 | 0 | 32.355 | 16.615 | 48.970 |
| ▪ Acquisition of shares of real estate companies | 0 | 60.566 | 0 | 60.566 | 0 | 14.474 | 0 | 14.474 |
| ▪ Investments in project developments | 6.666 | 75.426 | 5.749 | 87.841 | 13.516 | 39.759 | 515 | 53.790 |
| ▪ Investments and expansions in existing investment properties | 935 | 1.414 | 575 | 2.924 | 2.421 | 3.896 | 1.415 | 7.732 |
| ▪ Divestment of investment properties | 0 | -8.095 | 0 | -8.095 | 0 | 0 | 0 | 0 |
| ▪ Transfer to property held for sale | -27.504 | 0 | 0 | -27.504 | 0 | 0 | 0 | 0 |
| ▪ Changes in fair value of investment properties | -8.828 | 14.273 | -31.551 | -26.106 | -11.170 | 36.350 | 40.840 | 66.020 |
| **BALANCE SHEET AS AT 31 DECEMBER** | **357.691** | **628.450** | **347.277** | **1.333.418** | **386.423** | **480.239** | **342.282** | **1.208.944** |
| **OTHER INFORMATION** | | | | | | | | |
| Investment value of real estate properties | 366.633 | 643.558 | 386.496 | 1.396.687 | 394.913 | 491.668 | 372.594 | 1.259.175 |

For further explanation around the evolution of the fair value of investment properties, please refer to the Activity Report - Property portfolio as at December 31, 2022 and Note 10 - Changes in the fair value of investment properties.

## Breakdown of investment properties per type

| in thousands € | 2022 | 2021 |
|---|---|---|
| Real estate available for lease | 1.233.799 | 1.098.820 |
| Project developments | 99.619 | 110.124 |
| *Project developments under construction* | *72.209* | *81.569* |
| *Land reserves* | *27.410* | *28.555* |
| **TOTAL INVESTMENT PROPERTIES** | **1.333.418** | **1.208.944** |

In addition to the developments under construction Den Bosch, Unit 1B at Herentals Green Logistics, Genk Green Logistics, Woluwe Garden and Zellik, also land reserves are held for future developments. As such, the company holds several land reserves, of which the approximately 133.000 remaining undeveloped m² on the former Ford site in Genk is the main one.

| | (Potential) GLA in m² | Fair value 31/12/2022 | Capex till 31/12/2022 | Future capex |
|---|---|---|---|---|
| Project developments under construction | 95.400 | 72.209 | 22.309 | 62.862 |
| Land reserves | 187.500 | 27.410 | 507 | 119.300 |
| **TOTAL PROJECTS** | **282.900** | **99.619** | **22.816** | **182.162** |

In total, this leaves the company with approximately 283.000 m² of development potential or under construction area. Based on current real estate market data, Intervest expects for the total of these projects, mainly in the logistics segments of the Netherlands and Belgium, a potential value of approximately € 315 million. Compared to the value of the total real estate investments as at 31 December 2022, this means a future potential increase in the value of the real estate portfolio over a period 2022 - 2025 of approximately € 218 million. This is offset by capex yet to be spent of € 182 million. More information about the project developments under construction and development potential can be found in the Activity Report - Project developments under construction and development potential.

As at 31 December 2022, Intervest has 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 2022, there are no investment properties which are the subject of mortgage collateral related to withdrawn loans and credit facilities at financial institutions. For the description of the legal mortgage established in order to guarantee the outstanding tax debt on the logistics property located in Aarschot, Nieuwlandlaan, please refer to "Note 26. Conditional rights and obligations".

## Performance of the real estate available for lease

| | 2022 | 2021 |
|---|---|---|
| **Average contractual rent* increased by the estimated rental value of vacant property per m² (€)** | | |
| ▪ Offices | 152 | 131 |
| ▪ Logistics real estate in Belgium | 49 | 46 |
| ▪ Logistics real estate in the Netherlands | 54 | 56 |
| **Average gross yield (%)** | **6,0%** | **6,4%** |
| ▪ Offices | 6,8% | 8,2% |
| ▪ Logistics real estate in Belgium | 5,8% | 6,0% |
| ▪ Logistics real estate in the Netherlands | 5,7% | 5,2% |
| **Average gross yield if fully let (%)** | **6,7%** | **6,8%** |
| ▪ Offices | 8,9% | 9,5% |
| ▪ Logistics real estate in Belgium | 6,0% | 6,1% |
| ▪ Logistics real estate in the Netherlands | 5,7% | 5,2% |
| **Average net yield if fully let (%)** | **5,9%** | **6,0%** |
| ▪ Offices | 7,1% | 7,7% |
| ▪ Logistics real estate in Belgium | 5,5% | 5,5% |
| ▪ Logistics real estate in the Netherlands | 5,3% | 4,7% |
| **Vacancy rate (%)** | **10%** | **6%** |

* The average contractual rent per building type or building complex is calculated and contains various types of areas.

For definitions of the various yields, contractual rents and estimated rental value, please refer to the Annexes.

## Acquisition of shares in real estate companies

In April 2022, Intervest acquired 100% of the shares of the real estate company Zeebrugge Green Logistics NV (formerly Lingang Overseas Zeebrugge Modern Industrial Park Development Company NV). The real estate company owns a project development under construction at that time in the port of Zeebrugge. The acquisition does not classify under IFRS 3 as a business combination.

At the time of acquisition, € 24 million was paid for the shares. In the course of 2023, another final price settlement of up to € 3,6 million will occur, bringing the total price for the shares to a maximum of approximately € 28 million. This maximum outstanding debt is included in the balance sheet as at 31 December 2022.
The final price of the shares will be determined based on the equity in the company at the time of the acquisition (€ 7 million), plus the estimated fair value of the completed property (€ 78 million) less the book value in the balance sheet at the time of acquisition (€ 29 million), capex to be spent until completion (approximately € 25 million) and an exit tax payable of approximately €3 million.
At the time of acquisition, the acquired company included on the asset side a project development of 73.000 $m^2$ under construction, with a book value of approximately € 29,2 million, € 0,1 million cash and cash equivalents and trade receivables in the amount of € 0,1 million. In addition to equity of € 7 million, liabilities included € 22 million debts, of which € 7,7 million were trade debts and € 2 million were debts repaid to the previous owner at the time of acquisition and € 0,1 million of accrued expenses. These amounts are based on the closing balance sheet at the time of acquisition, prepared under BE GAAP.

The project development was delivered to BREEAM ‘Excellent’ standards in the fourth quarter of 2022. At year-end over 70% of the site was leased and the acquisition contributed € 0,7 million to the rental income of 2022. The estimated rental value when fully let is approximately € 4,5 million.

## Valuation process for investment properties

The valuation of the property portfolio is done by independent real estate experts. Because of the liquidity of the market and the difficulty of obtaining transaction data that are comparable in an unquestionable way, the fair value valuation is done in whole or in part on (non-externally) observable information and the evaluation level of the fair value of the Intervest’ properties in accordance with the IFRS 13 standard, equals level 3 and this for the entire portfolio. During 2022 there were no shifts in the level of the fair value hierarchy.

This external valuation is updated quarterly and incorporated into the accounts for the entire portfolio, only the land reserves are recorded in the balance sheet at their initial cost.

The fair value valued by the real estate experts is the estimated value excluding transfer costs for which the property can be sold on the market at the date of valuation. For Belgium, the rate applied by the real estate expert as at 31 December 2022 for these transfer costs amounts to 2,5%. For the Netherlands the percentage applied by the real estate expert as at 31 December 2022 in total (including other costs) amounts to 9% as described in the “Principles for financial reporting - Investment Properties” - see supra. The group has opted to include the transfer tax rate adjustment in the Netherlands effective 1 January 2023 from 8% to 10,4% already in the balance sheet as at 31 December 2022, given that at the time of the sale of the investment property the increased rate will apply. This increase in transfer tax creates a negative effect on the changes in the fair value of investment properties of € 7,6 million as at 31 December 2022.

### Valuation process with the real estate expert

Independent real estate experts are employed on a country-by-country basis in order to ensure that the specificities of each geographic region and thus the diversified nature of the real estate portfolio is reflected correctly.

Typically, contracts are concluded for a renewable term of 3 years, for which a double rotation requirement applies according to the Law of May 12, 2014 under the RREC. Selection criteria include local market knowledge, reputation, independence and assurance of the highest professional standards. The fees of real estate experts are fixed for the term of their mandate and are not related to the value of the appraised properties.

The valuation method is determined by the external real estate experts. The method used by the external property experts for Intervest’s property portfolio is the income capitalization method.
Further information on the valuation method can be found in the Activity Report - 1.3 Valuation of the portfolio by the real estate experts. In addition, the estimates thus obtained are compared with the initial yield and available points of comparison through recent market transactions for comparable properties.

The valuation cycle within a fiscal year consists of a site visit, followed by a detailed appraisal report prepared per individual property and also three desktop reviews, in which the data provided by Intervest regarding the rental situation are reflected, as well as the key assumptions regarding the significantly unobservable inputs are rationalized.

The independent real estate experts have full access to all quantitative and qualitative information relating to the real estate portfolio. Each quarter the external real estate expert receives an overview of the portfolio including leasable area, current rental income, duration of leases, current lease discounts, as well as service charges, anticipated capex per site, data around ownership, cadastral ID and a copy of all new leases. This information comes from the financial and management system of the company and is subject to the generally applicable control system of the company. At least twice a year, valuations and asset management plans are discussed in detail with the cio and or ceo.

The report of the external real estate experts is extensively controlled and reviewed from various perspectives, with a particular focus on real estate development projects. The real estate experts prepare an independent assessment of the future cash flow profile and reflect the risk through a combination of the cash flow projections (rental growth, vacancy, incentives, investments, etc.) and the required yields or discount rates. Important differences compared to the previous revaluation and the revaluation at the end of the previous year are analysed internally, explained and discussed at the audit and risk committee.

## Non-observable parameters

The external real estate expert uses some non-observable parameters in determining the fair value. The unobservable inputs used by the external real estate expert in determining fair value as at 31 December 2022 include estimated rental value, required rate of return, occupancy rate, remaining term of lease contacts to next expiration date and final expiration date, year of construction, leasable area, etc.

The assumptions and valuation models used by the real estate experts mainly relate to market conditions, such as yields and discount rates. They are based on their professional assessment and observation of the market. The real estate experts take into account vacancy periods between six and eighteen months, according to location, property type and economic situation. For logistics properties, they take into account a cost percentage per property that remains borne by the owner. For logistics sites in Belgium this amounts to 2%, for the Netherlands it varies between 0% and 13% due to the nature of the leases (triple net versus properties where the property tax is also borne by the owner).

An overview of the applied non observable parameters used by the external real estate experts in the valuation of the property portfolio (properties available for lease and the project developments under construction) as at 31 December 2022:

| **Non-observable parameters** (as at 31 December) | **Range** | | **Weighted average** | |
|---|---|---|---|---|
| | **2022** | **2021** | **2022** | **2021** |
| Estimated rental value (in €/m²)* | | | | |
| ▪ Office portfolio | 52 - 203 €/m² | 52 - 203 €/m² | 133 €/m² | 133 €/m² |
| ▪ Logistics real estate Belgium | 37 - 79 €/m² | 34 - 78 €/m² | 46 €/m² | 43 €/m² |
| ▪ Logistics real estate the Netherlands | 36 - 95 €/m² | 36 - 96 €/m² | 58 €/m² | 55 €/m² |
| Capitalisation factor or required rate of return (in %) | | | | |
| ▪ Office portfolio | 5,8% - 10,0% | 6,5% - 10,5% | 8,0% | 8,0% |
| ▪ Logistics real estate Belgium | 4,4% - 6,9% | 3,9% - 7,4% | 5,3% | 5,4% |
| ▪ Logistics real estate the Netherlands | 4,6% - 9,6% | 3,5% - 9,1% | 5,7% | 4,8% |

* For the estimated rental value, the table shows only the data related to the portfolio available for rent. The range for the estimated rental value in the office portfolio is wide due to the atypical use character of some office buildings (Furnishing lab and logistics space).

For definitions of estimated rental value and capitalization factor, see the Annexes.

Moreover, for the revaluation of project developments, the real estate expert also considers additional parameters such as future capex and, when necessary, a higher vacancy expectation that is market-based and takes into account the remaining construction period. More details on the projects under construction can be found in the Activity Report - 1.1.3 Projects and development potential.

The difference between the estimated rental value in the table above and the average contractual rent increased by the estimated rental value at vacancy included in the table relating to the performance of the property available for lease refers to the surplus or shortfall from the leases entered into. The estimated rental value is only the value determined by the external real estate expert in his appraisal reports. The contractual rent increased by the estimated rental value takes into account for the leased area the actual rental income agreed upon in the lease contract.

The capitalization factor is the required rate of return determined by the real estate expert in his appraisal report. The difference with the average gross and net rental yield at full lease, included in the table relating to the performance of properties available for lease is that the average gross and net yield at full letting takes into account the contractual arrangements for the leased spaces.

A summary of the other non-observable inputs such as year of construction, occupancy rate, lettable area and the remaining term of the leases can be found in the Activity report 1.2.1 Property portfolio as at 31 December 2022 and 1.2.6 Rental activity and occupancy rate to 1.2.9 Duration of lease agreements in portfolio.

Antwerp › Greenhouse Collection at the Singel

## Sensitivity of the valuations

| | Impact on the fair value at | |
| --- | --- | --- |
| | Decrease | Increase |
| Estimated rental value (in € / m²) | negative | positive |
| Capitalisation factor or required yield | positief | negative |
| Remaining contract duration until the next break date | negative | positive |
| Remaining contract duration until final expiry date | negative | positive |
| Occupancy rate (EPRA) | negative | positive |
| Inflation or expected rental growth | negative | positive |

In case of a hypothetical negative adjustment of the yield used by real estate experts in determining the fair value of the company's property portfolio (yield or capitalisation rate) by 1%-point (from 6,0% to 7,0% on average), the fair value of the property would decrease by €1 75 million or 14%. This would increase the company's debt ratio by 7%-points to around 55%.

In the opposite case of a hypothetical positive adjustment of this used rate of return by 1%-point (from 6,0% to 5,0% average), the fair value of the property would increase by € 244 million or 20%. This would reduce the company's debt ratio by 7%-points to around 41%.

In case of a hypothetical decrease in the company's contractual rents (assuming unchanged yields) by € 1 million (from € 74,6 million to € 73,6 million), the fair value of the property would decrease by € 16,5 million or 1%. This would increase the company's debt ratio by 1%-point to around 49%. In the opposite case of a hypothetical increase in the company's current rents (assuming unchanged yields) by € 1 million (from € 74,6 million to € 75,6 million), the fair value of the property would increase by € 16,5 million or 1%. This would reduce the company's debt ratio by 1%-point to around 47%.

There is a correlation between the evolutions of contractual rents and the yields used in the property estimate. However, this has been excluded from the above sensitivity analysis.

## Sustainability and ESG in the valuations

ESG (Environmental, Social, Governance) criteria are increasingly used internationally to assess the impact of the environmental, social and ethical performance of companies, organisations and investments. Belgium has committed to be carbon neutral by 2050 and legislation is already in place to reduce $CO_2$ emissions from buildings. It is highly likely that more laws and regulations will be introduced in the coming years. Capital flows will increasingly be channelled towards sustainable economic activities in the future, which means ESG criteria will play an important role in investment decisions. Tenants and investors in certain sectors are placing increasing importance on the sustainability aspects of the buildings they want to buy or occupy.

The focus on climate change and targets towards net-zero will continue, accelerating the obsolescence of unsustainable properties. The RICS Sustainability Report (Q2 2021) showed that almost half of respondents believe that the rent and price premium for sustainable properties could increase by up to 10% compared to non-sustainable properties, due to high demand and low supply. As the impact of ESG factors becomes increasingly clear, the question of how to measure ESG impact on property valuations emerges.

After all, valuation necessarily involves comparison. As the impact of ESG is at an early stage, not much market data is yet available. However, it should be noted that the market is evolving as a result of both users' and investors' attention to a property's sustainability characteristics. Real estate experts therefore expect awareness of sustainability issues to increase across all sectors of the real estate market.

Managing these climate-related risks is an integral part of Intervest's risk management. More information can be found in the Risk factors section.

## Other tangible non-current assets

| in thousands € | 2022 | 2021 |
|---|---|---|
| **Solar panels** | | |
| Belgium | 11.194 | 4.197 |
| The Netherlands | 1.521 | 1.097 |
| **TOTAL SOLAR PANELS** | **12.715** | **5.294** |
| Charging stations | 1.877 | 60 |
| Tangible non-current assets for own use | 532 | 534 |
| **TOTAL OTHER TANGIBLE NON-CURRENT ASSETS** | **15.124** | **5.888** |

## Evolution solar panels

| in thousands € | 2022 | 2021 |
|---|---|---|
| **BALANCE SHEET AS AT 1 JANUARY** | **5.294** | **3.580** |
| ▪ Investments in new installations | 2.385 | 990 |
| ▪ Depreciations | -358 | -246 |
| ▪ Revaluation to fair value of new installations | 4.099 | 759 |
| ▪ Revaluation to fair value (of operational installations) | 1.295 | 211 |
| **BALANCE SHEET AS AT 31 DECEMBER** | **12.715** | **5.294** |

## Evolution charging stations

| in thousands € | 2022 | 2021 |
|---|---|---|
| **BALANCE SHEET AS AT 1 JANUARY** | **60** | **0** |
| ▪ Investments in new installations | 1.725 | 60 |
| ▪ Depreciation (of operational installations) | 0 | 0 |
| ▪ Revaluation to fair value (of operational installations) | 92 | 0 |
| **BALANCE SHEET AS AT 31 DECEMBER** | **1.877** | **60** |

As for the charging stations, the useful life is estimated at 10 years. The table above does not include depreciation and only limited revaluation. This is a result of the timing of completion of the installations.

## Sensitivity of valuations

| | **Impact on the fair value at** | |
|---|---|---|
| | Decrease | **Increase** |
| Implicit sunshine duration | negative | positive |
| Green power certificates and subsidies | negative | positive |
| Banding factor | negative | positive |
| Energy price | negative | positive |
| Discount rate | positive | negative |
| Decrease in yield | negative | positive |
| Maintenance and capex | positive | negative |

## Valuation methodology of the solar panels

| | Belgium<br>Discounted cash flow | The Netherlands<br>Discounted cash flow |
|---|---|---|
| **Level (IFRS)** | 3 | 3 |
| **Implicit sunshine duration / generated capacity** | The model assumes an implicit sunshine duration determined based on past available data for the different installations. | The model does not take into account an implied sunshine duration but takes the maximum power that the RVO (Rijksdienst voor Ondernemend Nederland) takes in determining the subsidy. |
| **Green power certificates and subsidies** | De green power certificates (GSC) in Flanders are granted by the VREG (Flemish Regulator of the electricity and gas market) for each project with a fixed price per certificate for a period of minimum 10 and maximum 20 years fixed. The level and price of GSC varies between € 93 - € 450 per MWh. GSC in Wallonia are awarded by the CWaPE (Commission walonne pour l'Energie) for each project with a guaranteed price per certificate for a 20-year fixed period. The level of the price of the certificates is € 68,5 per certificate. | The subsidy is granted by the RFO for each project for a period of 15 years. The contribution is reassessed annually based on then current energy prices. The subsidy is included in the calculation to that extent. |
| **Banding factor** | For the installations where a banding factor is applied, the most recent data is used and the banding factor is kept the same in the future. | Not applicable for solar panels in the Netherlands. |
| **Energy price** | The energy price is determined as the average price selected from the Belgian foreward electricity market (ICE Endex Power BE - see www.theice.com/marketdata/reports) for the future three years and the historical energy price of the past two years, unless otherwise stipulated in the injection contract. The energy price for local off-take is always set contractually with the tenant. These contractual arrangements are used for the valuation. | The energy price is determined as the average price selected from the Belgian foreward electricity market (ICE Endex Power BE - see www.theice.com/market-data/reports) for the future three years and the historical energy price of the past two years, unless otherwise specified in the injection contract. |
| **Discount rate** | The yield requirement is calculated as a weighted average cost of capital as a function of long-term interest rates, market risk premium and country-specific risk. | The yield requirement is calculated as a weighted average cost of capital as a function of long-term interest rates, market risk premium and country-specific risk. |
| **Decrease in yield** | The solar panels have an efficiency drop of 0,8% per year and are decommissioned after 25 years. This does not take into account any residual value of the installation, nor the cost of dismantling it. | The solar panels have an efficiency drop of 0,8% per year and are decommissioned after 25 years. This does not take into account any residual value of the installation, nor the cost of dismantling it. |
| **Maintenance and capex** | The various operational costs related to operation and maintenance costs throughout the lifetime of the installations are taken into account. An index of 1,5% is applied. | The various operational costs related to operation and maintenance costs throughout the lifetime of the installations are taken into account. An index of 1,5% is applied. |

Solar panels and charging stations are valued using the revaluation model in accordance with IAS 16 Property, plant and equipment. After initial recognition, the asset whose fair value can be measured reliably shall be carried at the revalued value, being the fair value at the time of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Fair value is determined using the discounted future income and expense method.
The model is updated annually which includes rationalisation of key assumptions relating to significantly unobservable parameters. The data relating to expected future cash flows are verified on a regular basis with available solar panel statistics, while providing a consistent, comparable analysis of investors' financial return requirements.

# Note 15. Current assets

## Assets held for sale

| in thousands € | 2022 | 2021 |
|---|---|---|
| Transfer investment properties to property held for sale | 35.599 | 0 |
| Changes in the fair value on investment properties held for sale | -239 | 0 |
| Divestments | -8.083 | 0 |
| **TOTAL ASSETS HELD FOR SALE** | **27.277** | **0** |

During fiscal year 2022, the sale process of three office buildings and one logistics site was initiated. Consequently, the properties were transferred to assets held for sale. Meanwhile, the logistics site in Huizingen was also effectively divested.

The changes in the fair value on investment properties held for sale are recognised in the income statement under Other portfolio result.

## Trade receivables

| in thousands € | 2022 | 2021 |
|---|---|---|
| Trade receivables | 1.292 | 952 |
| Advance invoicing not yet due 2021 | | 11.893 |
| Invoices to issue | 527 | 1.281 |
| Doubtful debtors | 549 | 539 |
| Provision for doubtful debtors | -549 | -539 |
| Other trade receivables | 307 | 153 |
| **TOTAL TRADE RECEIVABLES REPORTED 2021** | | **14.279** |
| Adjustment of non-due advance invoices in function of comparability* | | -11.893* |
| **TOTAL TRADE RECEIVABLES** | **2.126** | **2.386** |

* From 2022, the forward-invoiced outstanding trade receivables on the asset side of the balance sheet are offset by the retained revenue on the liability side of the balance sheet. To increase comparability, the 2021 comparative figures were adjusted in the same way.

For the determination of the provision for doubtful debts, an estimate of the expected losses on the outstanding trade receivables is made on a quarterly basis and write-downs are applied accordingly. In this way, the carrying amount of trade receivables approximates to their fair value.

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 2022, the effective weighted average duration of the rental deposits and bank guarantees for offices was approximately 5 months (or about € 9 million). As at 31 December 2022, the effective weighted average duration of the rental deposits and bank guarantees for the logistics portfolio was also approximately 5 months (or about € 22,6 million). The losses on lease receivables (with recovery) for the period 2013-2022 represent only 0,1% of total turnover. 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. 99% of the rents for 2022 were received. As at 31 December 2022, Intervest therefore expects no material credit losses.

## Ageing analysis of trade receivables

| in thousands € | 2022 | 2021 |
|---|---|---|
| Receivables < 30 days | 832 | 428 |
| Receivables 30-90 days | 402 | 332 |
| Receivables > 90 days | 58 | 192 |
| **TOTAL TRADE RECEIVABLES** | **1.292** | **952** |

Intervest uses a standard payment term of 30 calendar days for its outgoing invoicing. The majority of outstanding trade receivables (64%) are therefore not due at year-end 2022.

The increase on short-term receivables is due to a large recharge, which came due at the end of December. This was paid in early January. For the monitoring of the debtor's risk that Intervest deploys, please see the description of the chapter "Risk factors" (Operating risks - risks associated with non-payment by tenants).

## Tax receivables and other current assets

| in thousands € | 2022 | 2021 |
|---|---|---|
| Taxes to be reclaimed | 121 | 142 |
| *VAT to be reclaimed* | *69* | *105* |
| *Recoverable corporate tax in the Netherlands* | *52* | *37* |
| Taxes (retained following the tax situation of the Group) | 3.469 | 3.455 |
| *Recoverable corporate tax* | *185* | *185* |
| *Recoverable exit tax* | *459* | *459* |
| *Recoverable withholding tax on dividends paid and on liquidation bonuses* | *2.825* | *2.811* |
| Other | 1.347 | 1.343 |
| **TOTAL TAX RECEIVABLES AND OTHER CURRENT ASSETS** | **4.937** | **4.940** |

For the description of the Group's tax status, please see "Note 26. Conditional rights and obligations".

## Deferred charges and accrued income

| in thousands € | 2022 | 2021 |
|---|---|---|
| Incurred, non-expired property income | 7.027 | 6.104 |
| *Recoverable property tax* | *6.930* | *3.111* |
| *Genk Green Logistics vacancy tax to be recovered* | *0* | *2.953* |
| *Recoverable "other"* | *97* | *40* |
| Prepaid property charges | 1.979 | 95 |
| *Deferred costs ongoing investment dossiers* | *809* | *61* |
| *Prepayments and purchase commitments in investment dossiers* | *896* | *0* |
| *Other property costs to be deferred* | *274* | *34* |
| Other | 905 | 177 |
| **TOTAL DEFERRED CHARGES AND ACCRUED INCOME** | **9.911** | **6.376** |

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.

# Note 16. Shareholders' equity

## Share capital

The paid-up capital as at 31 December 2022 amounts to € 266.402.236,24 and is divided into 29.235.067 fully paid-up shares with no statement of nominal value.

The heading capital on the balance sheet also includes € 2.376.239 in costs for the capital increase of November 2018 and the capital increase of perimeter company Genk Green Logistics in December 2020 and December 2022.

| in thousands € | 2022 | 2021 |
|---|---|---|
| Paid-up capital | 266.402 | 239.665 |
| Capital increase costs | -2.376 | -1.735 |
| **TOTAL CAPITAL** | **264.026** | **237.930** |

In financial year 2022 there was a capital increase as at 25 May 2022 in the form of an optional dividend for financial year 2021 with the issue of 276.426 new shares for an amount of € 7,1 million, more specifically, € 2,5 million in capital and € 4,6 million in share premium. The shares created provide an entitlement to dividend as from 1 January 2022.

As at 5 December 2022, Intervest realised a capital increase via accelerated private placement.
Hereby, 2.657.733 new shares were created, for an amount of € 24,2 million in capital and € 24,9 million in share premium. These new shares are entitled to dividend with effect from 1 January 2022.

The capital on the balance sheet as at 31 December 2022 amounts to € 264 million.

Herentals 〉 Herentals Green Logistics

| EVOLUTION OF THE PAID-UP CAPITAL | | Capital movement | Total outstanding share capital after the transaction | Number created shares | Total number of shares |
|---|---|---|---|---|---|
| **Date** | **Transaction** | **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 frame-work 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 |
| 26.05.2021 | Capital increase through optional dividend | 7.292 | 239.665 | 800.236 | 26.300.908 |
| 25.05.2022 | Capital increase through optional dividend | 2.519 | 242.184 | 276.426 | 26.577.344 |
| 05.12.2022 | Capital increase through private placement | 24.218 | 266.402 | 2.657.733 | 29.235.067 |

## Share premiums

**EVOLUTION OF SHARE PREMIUMS**
in thousands €

| Date | Transaction | Capital increase | Additional contribution in cash | Value contribu-tion | Share premiums |
|---|---|---|---|---|---|
| 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 | 1.10 4 | 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 |
| 26.05.2021 | Capital increase through optional dividend | 7.292 | 0 | 15.429 | 8.136 |
| 25.05.2022 | Capital increase through optional dividend | 2.519 | 0 | 7.104 | 4.585 |
| 05.12.2022 | Capital increase through private placement | 24.218 | 0 | 49.168 | 24.950 |
| **TOTAL SHARE PREMIUMS** | | | | | **219.354** |

The share premiums amount to € 219 million as at 31 December 2022.

## Reserves

For the movement of the reserves during financial year 2022, please see the statement of changes in consolidated equity.

The reserves are composed as follows.

| in thousands € | 2022 | 2021 |
|---|---|---|
| Legal reserves | 90 | 90 |
| Reserve for the balance of changes in fair value of real estate properties | 99.176 | 50.665 |
| Reserve for the balance of changes in fair value of authorised hedging instruments not subject to hedge accounting according to IFRS | -4.616 | -8.833 |
| Other reserves | 24.250 | 20.319 |
| Results carried forward from previous financial years | 39.357 | 34.423 |
| **TOTAL RESERVES** | **158.257** | **96.664** |

# Note 17. Current liabilities

## Trade debts and other current debts

| in thousands € | 2022 | 2021 |
|---|---|---|
| Exit tax | 14 | 1.028 |
| Other | 25.666 | 23.284 |
| *Suppliers* | *22.922* | *20.286* |
| *Tenants* | *682* | *652* |
| *Taxes, remunerations and social charges* | *2.062* | *2.346* |
| **TOTAL TRADE DEBTS AND OTHER CURRENT DEBTS** | **25.680** | **24.312** |

The increase in suppliers debts is due to the many ongoing project developments. The works carried out in December 2022 were often only invoiced in January 2023, on the other hand, some costs are also only invoiced at the end of the project. For Genk Green Logistics, there is also still a provision for the property tax (€ 1,3 million) for 2022, for which the invoice has not yet been received.

## Other current liabilities

| in thousands € | 2022 | 2021 |
|---|---|---|
| Dividends payable across previous financial years | 177 | 177 |
| Short-term liabilities to related parties | 0 | 1.713 |
| Miscellaneous debts | 3.634 | 0 |
| **TOTAL OTHER CURRENT LIABILITIES** | **3.811** | **1.890** |

Current liabilities to related parties in 2021 include the current account with JM Construct NV and Hino Invest NV, minority shareholders in perimeter company Genk Green Logistics NV. The debts, arising as financing of the further construction of the units under construction in Genk Green Logistics from both shareholders A (Intervest) and B (JM Construct and Hino Invest) have been converted into equity through a capital increase via contribution in kind in December 2022. The remaining balance of debt was repaid to the shareholders after withdrawal from external credit institutions.

Other liabilities amounting to € 3,6 million concern a provision for the final settlement in relation to the transfer of the shares of Zeebrugge Green Logistics in April 2022.

## Deferred charges and accrued income

| in thousands € | 2022 | 2021 |
|---|---|---|
| Property revenue received in advance | 3.771 | 13.991 |
| *Rental income invoiced in advance* | 3.065 | *11.755* |
| *Pre-invoiced provisions* | 11 | *1.415* |
| *Pre-invoiced - other* | 46 | *223* |
| *Other deferred income* | *649* | *598* |
| Incurred, unexpired interests and other charges | 5.541 | 2.209 |
| *Interests USPP and Green Bond* | *1.179* | *0* |
| *Other interests and financial charges* | *1.700* | *1.083* |
| *Property costs to be allocated* | *2.662* | *1.126* |
| Other | 1.037 | 853 |
| *Other accrued charges* | *1.037* | *853* |
| **TOTAL ACCRUED CHARGES AND DEFERRED INCOME REPORTED FINANCIAL YEAR 2021** | | **17.053** |
| Reclass unexpired advance invoices 2021 for comparability purposes* | 0 | -11.893 |
| **TOTAL ACCRUED CHARGES AND DEFERRED INCOME** | **10.349** | **5.160** |

* From 2022, the pre-invoiced outstanding trade receivables on the asset side of the balance sheet are offset by the retained revenue on the liability side of the balance sheet. To increase comparability, the comparative figures for 2021 have been adjusted similarly. These outstanding advance invoices relate to invoices relating to the first quarter of 2023. Intervest uses a standard due date of 30 days after invoice date for all its outgoing invoices.

The incurred, unexpired interest and other costs amounts to € 5,5 million in 2022, the increase of € 3,3 million is partly due to the issuance of the Green Bond and USPP in the course of 2022 which are only settled annually or half-yearly as well as increased interest costs on bank loans.

# Note 18. 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 withdrawn credit facilities

| in thousands € | 2022 | | | | | 2021 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Debts with a remaining duration of | | | | | Debts with a remaining duration of | | | | |
| | < 1 year | > 1 year and < 5 year | > 5 year | **Total** | Percentage share | < 1 year | > 1 year and < 5 year | > 5 year | **Total** | Percentage share |
| Credit institutions and institutional parties: withdrawn credit facilities | 64.646 | 357.787 | 64.947 | **487.380** | **78%** | 650 | 296.119 | 124.939 | **421.708** | **80%** |
| USPP and Green Bond | 0 | 44.630 | 49.752 | **94.382** | **15%** | 0 | 0 | 0 | **0** | **0%** |
| Commercial paper | 38.000 | 0 | 8.000 | **46.000** | **7%** | 100.000 | 0 | 8.000 | **108.000** | **20%** |
| **TOTAL** | **102.646** | **402.417** | **122.698** | **627.762** | **100%** | **100.650** | **296.119** | **132.939** | **529.708** | **100%** |
| **Share percentage** | **16%** | **64%** | **20%** | **100%** | | **19%** | **56%** | **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 real estate investments 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 are made and no mortgage authorisations are permitted as at 31 December 2022.

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 are respected as at 31 December 2022. If Intervest would no longer respect these ratios, the financial institutions could demand that the financing agreements of the company are cancelled, renegotiated, terminated or prematurely repaid.

## Classification by expiry date of credit lines

| in thousands € | 2022 | | | | | 2021 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Debts with a remaining duration of | | | | | Debts with a remaining duration of | | | | |
| | < 1 year | > 1 year and < 5 year | > 5 year | **Total** | **Percentage share** | < 1 year | > 1 year and < 5 year | > 5 year | **Total** | Percentage share |
| Credit institutions and institutional parties: withdrawn credit facilities | 64.646 | 357.787 | 64.947 | **487.380** | **59%** | 650 | 296.119 | 124.939 | **421.708** | **65%** |
| USPP and Green Bond | 0 | 44.630 | 49.752 | **94.382** | **11%** | 0 | 0 | 0 | **0** | **0%** |
| Commercial paper: withdrawn | 38.000 | 0 | 8.000 | **46.000** | **6%** | 100.000 | 0 | 8.000 | **108.000** | **17%** |
| Non-withdrawn credit lines | 50.979 | 134.218 | 15.000 | **200.197** | **24%** | 7.479 | 110.215 | 0 | **117.694** | **18%** |
| **TOTAL** | **153.625** | **536.635** | **137.698** | **827.958** | **100%** | **108.129** | **406.334** | **132.939** | **647.402** | **100%** |
| **Share percentage** | **19%** | **65%** | **16%** | **100%** | | **17%** | **63%** | **20%** | **100%** | |

The table above includes an amount of € 200 million of non-withdrawn credit lines (€ 118 million as at 31 December 2021). As at 31 December 2022, the take-up through the commercial paper programme is below the level of the concluded back-up lines, as a result of which the entire take-up is covered. Consequently, Intervest has € 200 million of non-withdrawn credit lines available as at 31 December 2022 to finance its ongoing project developments, future acquisitions and the dividend payment in May 2023.

At the closing date, the non-withdrawn credit lines do not constitute actual debt, but are only potential debt under the form of an available credit line. The share percentage is calculated as the ratio of each component to the sum of the credit lines withdrawn and the credit lines not withdrawn.

## Classification by variable or fixed interest character of credits withdrawn

| in thousands € | 2022 | | 2021 | |
|---|---|---|---|---|
| | **Total** | **Percentage share** | **Total** | **Percentage share** |
| Credit facilities with variable interest rate | 172.762 | 27% | 199.708 | 38% |
| Credit facilities covered by interest rate swaps and/or floors | 280.000 | 45% | 250.000 | 47% |
| Credit facilities with fixed interest rate | 175.000 | 28% | 80.000 | 15% |
| **TOTAL** | **627.762** | **100%** | **529.708** | **100%** |

In the above table “Classification by variable or fixed character of credit withdrawn at financial institutions and of the commercial paper programme”, the share percentage is calculated as the ratio of each component to the sum of credits withdrawn.

## Characteristics of the USPP and Green Bond

Mid-April 2022, a new funding market was addressed through a successful US private placement. Through a US insurer, € 50 million was placed for a 10-year term at a coupon of 2,83%.

In June 2022, Intervest then issued a first sustainable bond for an amount of € 45 million, this with a maturity of 5 years at 3,6%.

## 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 2022, € 38 million had been issued for the short term and € 8 million for the long term with a maturity date in 2028 and 2031. The take-up as at 31 December 2022 is fully hedged by back-up lines (€ 60 million) from the guiding banks (Belfius Bank and KBC Bank) that serve as a guarantee for refinancing should the placement or renewal of the commercial paper prove impossible or only partially possible.

# Note 19. 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 | | | 2022 | | 2021 | |
|---|---|---|---|---|---|---|
| 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 | 32.608 | 32.608 | 4.455 | 4.455 |
| Trade receivables and other non-current assets | A | 2 | 41 | 41 | 80 | 80 |
| **Current assets** | | | | | | |
| Financial current assets | C | 2 | 0 | 0 | 97 | 97 |
| Trade receivables[1] | A | 2 | 2.126 | 2.126 | 2.386* | 2.386* |
| Cash and cash equivalents | B | 2 | 3.053 | 3.053 | 3.537 | 3.537 |
| **FINANCIAL INSTRUMENTS ON LIABILITIES** | | | | | | |
| **Non-current liabilities** | | | | | | |
| Non-current financial debts (interest-bearing) | A | 2 | 525.116 | 504.942 | 429.058 | 429.871 |
| Other non-current financial liabilities | | | | | | |
| *Permitted hedging instruments* | *C* | *2* | *4.793* | *4.793* | *9.041* | *9.041* |
| *Other non-current financial liabilities* | *A* | *3* | *10.368* | *10.368* | *2.382* | *2.382* |
| Other non-current liabilities | A | 2 | 2.810 | 2.810 | 1.503 | 1.503 |
| **Current liabilities** | | | | | | |
| Current financial debts | A | 2 | 102.646 | 102.646 | 100.650 | 100.650 |
| Other current financial liabilities | A | 3 | 35 | 35 | 1 | 1 |
| Trade debts and other current debts | A | 2 | 25.680 | 25.680 | 24.312 | 24.312 |
| Other current liabilities | A | 2 | 3.811 | 3.811 | 1.890 | 1.890 |

1 From 2022, the pre-invoiced outstanding trade receivables on the asset side are offset by the deferred revenue on the liability side. To increase comparability, the 2021 comparative figures were adjusted similarly. Adjusted amounts are marked with *.

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 valuation techniques regarding the fair value of level 2 financial instruments are as follows:

- for the items "Financial non-current 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 the fair value of the financial instruments are included in the income statement on the line "Changes in the fair value of financial assets and liabilities" in the financial result.

## Management of the financial risks

For the description of the main risk factors and the internal control and risk management systems, please refer to the Risk factors section. Intervest's main financial risks are the risk associated with the financial debt ratio, the risk associated with the liquidity and cost of funding and the risk associated with non-compliance with financial covenants.

## Fair value of financial derivatives

As at 31 December 2022, the company possesses the following financial derivatives. The floors in the table relate to the variable rate of the IRS.

| | | Starting date | End date | Interest rate | Contractual notional amount | Hedge accounting | Fair value | |
|---|---|---|---|---|---|---|---|---|
| in thousands € | | | | | | Yes/No | 2022 | 2021 |
| 1 | IRS | 18.06.2019 | 18.06.2025 | 0,6675% | 15.000 | No | 0 | -387 |
| 2 | IRS | 24.06.2019 | 22.06.2026 | 0,6425% | 10.000 | No | 0 | -292 |
| 3 | IRS | 13.05.2019 | 13.05.2026 | 0,2870% | 10.000 | No | 0 | -155 |
| 4 | IRS | 15.06.2020 | 15.01.2027 | 0,5850% | 15.000 | No | 0 | -428 |
| 5 | IRS | 15.06.2020 | 15.06.2026 | 0,5200% | 10.000 | No | 0 | -237 |
| 6 | IRS | 14.12.2020 | 14.12.2027 | 0,3800% | 15.000 | No | 0 | -318 |
| 7 | IRS | 01.04.2021 | 03.04.2028 | 0,6770% | 10.000 | No | 0 | -247 |
| 8 | IRS | 06.04.2021 | 03.04.2028 | 0,6120% | 25.000 | No | 0 | -488 |
| 9 | IRS | 18.08.2021 | 18.08.2028 | 0,2366% | 20.000 | No | 0 | -227 |
| 10 | IRS | 30.06.2021 | 30.06.2028 | 0,7200% | 25.000 | No | -2.273 | -2.939 |
| 11 | IRS | 30.06.2021 | 30.06.2027 | 0,6900% | 35.000 | No | -2.520 | -3.323 |
| **Recognised under Other non-current financial liabilities** | | | | | | | **-4.793** | **-9.041** |
| 1 | Floor* | 13.05.2019 | 13.05.2022 | 0,2870% | 10.000 | No | 0 | 21 |
| 2 | Floor* | 14.12.2020 | 14.12.2022 | 0,3800% | 15.000 | No | 0 | 76 |
| **Financial current assets** | | | | | | | **0** | **97** |
| 1 | IRS | 26.06.2019 | 26.06.2025 | -0,1770% | 15.000 | No | 0 | 25 |
| 2 | IRS | 10.07.2019 | 10.07.2024 | -0,2975% | 15.000 | No | 797 | 19 |
| 3 | IRS | 13.05.2019 | 13.05.2026 | 0,2870% | 10.000 | No | 917 | 0 |
| 4 | IRS | 24.06.2019 | 22.06.2026 | 0,6425% | 10.000 | No | 822 | 0 |
| 5 | IRS | 15.06.2020 | 15.01.2027 | 0,5850% | 15.000 | No | 1.439 | 0 |
| 6 | IRS | 15.06.2020 | 15.06.2026 | 0,5200% | 10.000 | No | 859 | 0 |
| 7 | IRS | 06.04.2021 | 03.04.2028 | 0,6120% | 25.000 | No | 3.022 | 0 |
| 8 | IRS | 01.04.2021 | 03.04.2028 | 0,6770% | 10.000 | No | 1.175 | 0 |
| 9 | Floor* | 30.06.2021 | 30.06.2028 | -1,0500% | 25.000 | No | 5.258 | 1.912 |
| 10 | Floor* | 30.06.2021 | 30.06.2027 | -1,0000% | 35.000 | No | 6.054 | 2.044 |
| 11 | Floor* | 18.08.2021 | 18.08.2024 | 0,0000% | 20.000 | No | 7 | 217 |
| 12 | IRS | 18.08.2021 | 18.08.2028 | 0,2366% | 20.000 | No | 2.935 | 0 |
| 13 | Floor* | 01.02.2021 | 01.02.2023 | 0,0000% | 30.000 | No | 0 | 168 |
| 14 | IRS | 01.02.2021 | 01.02.2028 | 0,0030% | 30.000 | No | 4.365 | 70 |
| 15 | IRS | 20.12.2021 | 18.06.2027 | 0,7975% | 15.000 | No | 1.440 | 0 |
| 16 | IRS | 14.12.2022 | 14.12.2025 | 1,1800% | 35.000 | No | 1.977 | 0 |
| 17 | IRS | 16.11.2022 | 16.11.2028 | 1,9080% | 25.000 | No | 1.541 | 0 |
| **Non-current financial assets** | | | | | | | **32.608** | **4.455** |
| **TOTAL FAIR VALUE OF FINANCIAL DERIVATIVES** | | | | | | | **27.815** | **-4.489** |

| | 2022 | 2021 |
|---|---|---|
| Accounting processing as at 31 December 2022 | | |
| ▪ In shareholders' equity: Reserve for the balance of changes in fair value of authorised hedging instruments not subject to hedge accounting | -4.489 | -8.751 |
| ▪ In the income statement: Changes in fair value of financial assets and liabilities | 32.304 | 4.262 |
| **TOTAL FAIR VALUE OF FINANCIAL DERIVATIVES** | **27.815** | **-4.489** |

As at 31 December 2022, the interest rate swaps have a positive market value of € 28 million (contractual notional amount of € 280 million), which is determined by the issuing financial institution on a quarterly basis.

## Changes in the fair value of financial assets and liabilities and other non-distributable items in the financial result

| in thousands € | 2022 | 2021 |
|---|---|---|
| Changes in the fair value of financial assets and liabilities | 32.304 | 4.262 |
| Recoverable interest on concession fee (shift in time ifv IFRS 16) | -47 | -45 |
| **TOTAL** | **32.257** | **4.217** |

The concession fee payable by Intervest to Ghent Seaport is passed on in full to the lessee. As the compensation to be paid is included in the figures according to IFRS 16 and the on-charging is done on the basis of the actual invoicing, there is consequently a shift in time, which ultimately does not represent any real cost or income and is therefore not included in the EPRA earnings.

## Sensitivity in the fair value of financial derivatives

An increase in interest rates of 20 basis points would have an impact of € 2,2 million on the mark-to-market value of the financial hedging instruments in the income statement. A decrease in interest rates of 20 basis points would have a negative impact on the income statement of the same magnitude.

# Note 20. Other non-current and current financial liabilities

The other non-current and current financial liabilities include other long-term financial liabilities in addition to the authorised hedging instruments explained earlier:

| in thousands € | 2022 | 2021 |
|---|---|---|
| **Total hedging instruments** | **4.793** | **9.041** |
| To be paid lease hold fee Oevel | 374 | 376 |
| To be paid concession fee Gent | 1.749 | 1.677 |
| To be paid concession fee Zeebrugge | 7.807 | 0 |
| To be paid lease obligations cars | 438 | 329 |
| **Total Other** | **10.368** | **2.382** |
| **TOTAL OTHER NON-CURRENT LIABILITIES** | **15.162** | **11.423** |
| To be paid lease hold fee Oevel | 1 | 1 |
| To be paid concession fee Zeebrugge | 34 | 0 |
| **TOTAL OTHER CURRENT LIABILITIES** | **35** | **1** |

For some investments, Intervest does not hold full ownership but only usufruct through a concession, long lease or the like. In accordance with IFRS 16, a financial liability is recognised for the fees payable. The financial liability on the balance sheet concerns the present value of the future lease payments. In determining the present value of these future payments, some judgements and estimates are made, in particular the duration of the liability (depending on the contractual renewal options of the concession or lease hold on the one hand, and the economic life of the building that the property valuer takes into account in the fair value assessment on the other hand) and determining the incremental interest rate as discount rate of the lease payments. The discount rate used in determining these liabilities is based on a combination of the interest rate curve plus a spread as a function of Intervest's credit risk, both in line with the remaining term of the underlying right of use. Here, the interest rate curve is based on observable market data, the spread is non-observable input and based on Intervest's recent transactions, adjusted for market and maturity trends.

If the incremental interest rate were to increase (decrease) by 50 basis points, this would give rise to a decrease (increase) in the financial liability including the liability for Ghent of € 0,8 million, with an impact on the debt ratio of 0,1%. However, the liability is determined at the start of the lease period, and only in the event of any contractual adjustments the discount rate should be reassessed.

In total, as at 31 December 2022, Intervest has € 10,4 million on its balance sheet as lease fees payable to third parties. As indicated above, the concession fee payable to Ghent Seaport is fully recovered from the lessee.

## Note 21. Deferred tax - liabilities

| in thousands € | 2022 | 2021 |
|---|---|---|
| Provision for deferred taxes with regard to Belgium | 1.225 | 1.316 |
| Provision for deferred taxes with regard to The Netherlands | 20.536 | 25.109 |
| **TOTAL OF DEFERRED TAX - LIABILITIES** | **21.761** | **26.425** |

The deferred taxes contain a provision for deferred taxes on non-realised increases on the investment properties belonging to the perimeter companies of the Group in Belgium and the Netherlands. The decrease in deferred taxes relating to the Netherlands is a direct consequence of the revaluation of the property portfolio located in the Netherlands as a result of the current decompression of yields.

## Note 22. Calculation of debt ratio

| in thousands € | Note | 2022 | 2021 |
|---|---|---|---|
| Non-current financial debts | 18 | 525.116 | 429.058 |
| Other non-current financial liabilities (excl. financial derivatives) | 20 | 10.368 | 2.382 |
| Trade debts and other non-current debts | | 2.810 | 1.503 |
| Current financial debts | 18 | 102.646 | 100.650 |
| Other current financial liabilities (excluding financial derivatives) | 20 | 35 | 1 |
| Trade debts and other current debts | 17 | 25.680 | 24.312 |
| Other current liabilities | 17 | 3.811 | 1.890 |
| **Total liabilities for calculation of debt ratio** | | **670.466** | **559.796** |
| **Total assets (excl. financial derivatives)** | | **1.396.173** | **1.244.298** |
| **DEBT RATIO** | | **48,0%** | **45,0%** |

For the further description of the evolution of the debt ratio, please see the explanation of the “Financial structure” in the Activities report - Financial report.

# 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 € | 2022 | 2021 |
|---|---|---|
| **JM Construct nv** | | |
| *Minority shareholder Genk Green Logistics* | | |
| Short-term liabilities (current account) to JM Construct | 0 | 478 |
| Interest charged to C/A JM Construct | 50 | 11 |
| **Hino Invest nv** | | |
| *Minority shareholder Genk Green Logistics* | | |
| Current liabilities (current account) to Hino Invest | 0 | 1.234 |
| Interest charged to C/A Hino Invest | 177 | 23 |

| in thousands € | 2022 | 2021 |
|---|---|---|
| **Minority shareholders Genk Green Logistics (JM Construct and Hino Invest)** | | |
| Project fee related to the construction of new units at the Genk Green Logistics site (paid or foreseen as "invoice to receive") | 1.110 | 465 |

## 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" and the Remuneration report in the Corporate Governance Charter.

| in thousands € | 2022 | 2021 |
|---|---|---|
| Members of the supervisory board | 254 | 245 |
| Members of the management board | 1.720 | 1.641 |
| **TOTAL** | **1.974** | **1.886** |

# 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 (in thousands €) | Minority interests (in thousands €) 2022 | 2021 |
|---|---|---|---|---|---|---|
| Aartselaar Business Center NV | Uitbreidingstraat 66 2600 Berchem België | BE 0466.516.748 | 100% | € -429 | 0 | 0 |
| Mechelen Business Center NV | Uitbreidingstraat 66 2600 Berchem België | BE 0467.009.765 | 100% | € 3.625 | 0 | 0 |
| Mechelen Research Park NV | Uitbreidingstraat 66 2600 Berchem België | BE 0465.087.680 | 100% | € 6.256 | 0 | 0 |
| Genk Green Logistics NV | Uitbreidingstraat 66 2600 Berchem België | BE 0701.944.557 | 50% | € 28.059 | 28.059 | 14.023 |
| Puurs Green Logistics NV | Uitbreidingstraat 66 2600 Berchem België | BE 0882.088.997 | 100% | € 11.817 | 0 | 0 |
| Greenhouse Singel NV (before Tervueren Invest) | Uitbreidingstraat 66 2600 Berchem België | BE 0476.212.986 | 100% | € 0 | 0 | 0 |
| Zeebrugge Green Logistics NV (before Lingang) | Uitbreidingstraat 66 2600 Berchem België | BE 0721.550.336 | 100% | € 22.323 | 0 | 0 |
| Intervest Nederland Coöperatief U.A. | Lichttoren 32 5611 BJ Eindhoven Nederland | NL857537349B01 | 100% | € 141.889 | 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% | | | |
| Intervest Breda 1 BV | | NL862636693B01 | 100% | | | |
| **TOTAL MINORITY INTERESTS** | | | | | **28.059** | **14.023** |

* 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.

As at 31 December 2022 Intervest has full control of the perimeter company Genk Green Logistics NV, as a consequence the company is fully consolidated. As at 31 December 2022 the minority interest relating to Genk Green Logistics amounts to € 28,0 million (€ 14 million as at 31 December 2021). The increase of € 14 million is due to the capital increase by contribution of shareholder claims in December 2022 (€ 7,0 million for the minority shareholder) and the 2022 result generation (€ 7,3 million for the minority shareholder) less the dividend payment for financial year 2021 in 2022 (€ -0,3 million for the minority shareholder).

The most important balance sheet and result data for Genk Green Logistics are:

| in thousands € | 2022 | 2021 |
|---|---|---|
| Investment properties | 105.057 | 56.673 |
| Shareholders' equity | 56.117 | 28.046 |
| Non-current liabilities | 40.265 | 15.896 |
| Current liabilities | 21.210 | 19.175 |
| Rental income | 3.028 | 613 |
| Net result | 11.132 | 13.282 |
| EPRA result | 2.528 | 670 |

## Note 25. Fee for the statutory auditor and entities affiliated with the statutory auditor

| in thousands € - excl. VAT | 2022 | 2021 |
|---|---|---|
| Statutory auditor's fee | 135 | 113 |
| Remuneration for exceptional activities or special assignments carried out within the company by the statutory auditor | | |
| Other control assignments | 65 | 18 |
| Tax advice assignments | 0 | 0 |
| Other non-auditing assignments | 101 | 11 |
| Remuneration for exceptional activities or special assignments carried out within the company by persons with whom the statutory auditor is associated | | |
| Other control assignments | 39 | 66 |
| Tax advice assignments | 0 | 0 |
| Other non-auditing assignments | 0 | 12 |
| **TOTAL FEE FOR AUDITOR AND ENTITIES AFFILIATED WITH THE STATUTORY AUDITOR** | **340** | **220** |

# 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 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 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 a 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, which delivered a judgment in favour of Intervest as at 28 June 2022. The judgment was served as at 4 August 2022, the Belgian State will not appeal in cassation. The administrative settlement of this case is largely expected in the course of 2023.

## Off-balance sheet obligations

As at 31 December 2022, Intervest has the following 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 for Genk Green Logistics.
Intervest has also, together with JM Construct, jointly and severally guaranteed the payment by GGL of infrastructure construction costs amounting to € 4 million with respect to De Vlaamse Waterweg.

Furthermore, Intervest has an investment commitment of approximately € 1 million for the further completion of the Herentals Green Logistics project , unit 1B and approximately € 4,4 million for the project development in 's-Hertogenbosch.

## Conflicts of interest

No specific conflicts of interest arose during the course of 2022 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 facts to mention that occurred after the balance sheet closing as at 31 December 2022. Intervest concluded a sale-and-lease-back operation with Plasman Belgium NV on concession property for an investment value of € 14,25 million[1]. The 56.000 m² site, strategically located on Skaldenstraat in Ghent seaport, comprises a 22.200 m² production site on which Plasman carries out its operational activities. More info can be found in the Activity report - 1. Property report - 1.1 Transactions and developments in 2022 - 1.1.2. Acquisition after balance sheet date.

1 See press release 11 January: "Intervest acquires strategic site in Ghent seaport via sale-and-lease-back."


Diegem 〉 Greenhouse BXL

# 7 Statutory auditor's report[1]

Deloitte.

## Statutory auditor's report to the shareholders' meeting of Intervest Offices & Warehouses NV/SA for the year ended 31 December 2022 - 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 27 April 2022, 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 2023. We have performed the statutory audit of the consolidated financial statements of Intervest Offices & Warehouses NV/SA, Public regulated real estate company under Belgian law for 22 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 2022, 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 balance sheet shows total assets of 1 428 780 (000) EUR and the consolidated income statement shows a net result for the year then ended of 57 280 (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 2022 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.

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

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.

| Key audit matters | How our audit addressed the key audit matters |
|---|---|
| **Valuation of investment properties** | |
| • Investment properties (1 333 418 (000) EUR) represent 93% of the consolidated balance sheet total as at 31 December 2022. Changes in the fair values of the investment properties have a significant impact on the consolidated net result for the period and equity.<br>• The portfolio includes completed investments and properties under construction.<br>• Acquisitions and divestments of investment properties are individually significant transactions.<br>• 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.<br>• 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.<br>• Therefore, the audit risk appears in the assumptions and critical judgment linked to those key inputs.<br>**Reference to disclosures**<br>We refer to the consolidated financial statements, including notes to the consolidated financial statements: Note 2, Principles of financial reporting; Note 14, 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.<br>• We assessed the competence, independence and integrity of the external valuers.<br>• 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.<br>• We benchmarked and challenged the key assumptions to external industry data and comparable property transactions, in particular the yield.<br>• 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.<br>• 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.<br>• 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.<br>• Furthermore, we assessed the appropriateness of the disclosures provided on the fair values of investment properties. |

## Responsibilities of the board of directors for the preparation 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.

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 and other matters disclosed in the annual 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 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 other information disclosed in the annual report on the consolidated financial statements, i.e.: Risk factors, Corporate Governance Statement, Real Estate report – 1.1 Transactions and developments in 2022, Activity report – 2.1. Financial results 2022, and Activity report – 2.2 Financial structure 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 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 and other matters disclosed in the annual 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 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 other information disclosed in the annual report on the consolidated financial statements, i.e.: Risk factors, Corporate Governance Statement, Real Estate report – 1.1 Transactions and developments in 2022, Activity report – 2.1. Financial results 2022, and Activity report – 2.2 Financial structure 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.

### Single European Electronic Format (ESEF)

In accordance with the draft standard on the audit of the compliance of the financial statements with the Single European Electronic Format ("ESEF"), we are required to check the compliance of the ESEF format and of the tagging with the technical regulatory standards as defined by the European Delegated Regulation No. 2019/815 of 17 December 2018 (hereinafter "Delegated Regulation").

The board of directors is responsible for the preparation, in accordance with the ESEF requirements, of the consolidated financial statements in the form of an electronic file in ESEF format ("digital consolidated financial statements") included in the annual financial report.

Our responsibility is to obtain sufficient and appropriate evidence to conclude that the format and the tagging of the digital consolidated financial statements comply, in all material respects, with the ESEF requirements as stipulated by the Delegated Regulation.

The procedures on the format and marking of information in the official Dutch-language version of the digital consolidated financial statements was not yet completed as of the date of this report.

**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 Antwerp.

The statutory auditor

Deloitte Bedrijfsrevisoren/Réviseurs d'Entreprises BV/SRL
Represented by Kathleen De Brabander

# 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.eu) 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 € | 2022 | 2021 |
|---|---|---|
| Rental income | 49.344 | 47.126 |
| Rental-related expenses | -19 | -148 |
| **NET RENTAL INCOME** | **49.325** | **46.978** |
| Recovery of property charges | 1.183 | 658 |
| Recovery of rental charges and taxes normally payable by tenants on leased properties | 15.472 | 12.569 |
| Costs payable by tenants and borne by the landlord for rental damage and refurbishment | -1.629 | -353 |
| Rental charges and taxes normally payable by tenants on leased properties | -15.472 | -12.569 |
| Other rental-related income and expenses | 654 | 449 |
| **PROPERTY RESULT** | **49.533** | **47.732** |
| Technical costs | -645 | -875 |
| Commercial costs | -319 | -499 |
| Charges and taxes on unleased properties | -1.048 | -873 |
| Property management costs | -2.862 | -3.115 |
| Other property charges | -762 | -588 |
| **Property charges** | **-5.636** | **-5.950** |
| **OPERATING PROPERTY RESULT** | **43.897** | **41.782** |
| General costs | -4.051 | -3.626 |
| Other operating income and costs | -334 | -251 |
| **OPERATING RESULT BEFORE RESULT ON PORTFOLIO** | **39.512** | **37.905** |
| Result on disposal of investment properties | 478 | 198 |
| Changes in fair value of investment properties | 6.673 | 12.049 |
| Other result on portfolio | -35 | 1.446 |
| **OPERATING RESULT** | **46.628** | **51.598** |

| in thousands € | 2022 | 2021 |
|---|---|---|
| **OPERATING RESULT** | **46.628** | **51.598** |
| Financial income | 8.683 | 6.776 |
| Net interest charges | -11.058 | -7.824 |
| Other financial charges | -182 | -180 |
| Changes in fair value of financial assets and liabilities | 32.257 | 4.217 |
| Variations for share of profit or loss and other comprehensive income accounted for under the equity method | -24.498 | 43.646 |
| **Financial result** | **5.202** | **46.635** |
| **RESULT BEFORE TAXES** | **51.830** | **98.223** |
| Taxes | -116 | -133 |
| **NET RESULT** | **51.714** | **98.100** |
| **To be excluded:** | | |
| - Result on disposals of investment properties | 478 | 198 |
| - Changes in fair value of investment properties | 6.673 | 12.049 |
| - Other result on portfolio | -35 | 1.446 |
| - Changes in fair value of financial assets and liabilities | 32.257 | 4.217 |
| - Non-distributable items in the variations for the share of profit or loss and other comprehensive income accounted for under the equity method | -24.498 | 43.646 |
| **EPRA EARNINGS** | **44.762** | **44.840** |

| **RESULT PER SHARE** | 2022 | 2021 |
|---|---|---|
| Number of shares at year-end | 29.235.067 | 26.300.908 |
| Number of shares entitled to dividend | 29.235.067 | 26.300.908 |
| Weighted average number of shares | 26.664.878 | 25.983.006 |
| Net result (€) | 1,94 | 3,78 |
| Diluted net result (€) | 1,94 | 3,78 |
| EPRA earnings based on the weighted average number of shares (€) | 1,68 | 1,73 |

## 8.2 Comprehensive income

| in thousands € | 2022 | 2021 |
|---|---|---|
| **NET RESULT** | **51.714** | **98.100** |
| **Other components of comprehensive income (recyclable through income statement)** | **3.729** | **928** |
| Revaluation of solar panels | 1.480 | 143 |
| Revaluation FVA | 2.249 | 785 |
| **COMPREHENSIVE INCOME** | **55.443** | **99.028** |

# 8.3 Balance sheet[1]

| **ASSETS** in thousands € | Note | 31.12.2022 | 31.12.2021 |
|---|---|---|---|
| **NON-CURRENT ASSETS** | | **1.212.882** | **1.114.824** |
| Non-current intangible assets | | 280 | 249 |
| Investment properties | 8.6 | 779.889 | 741.659 |
| Other non-current tangible assets | | 8.169 | 3.970 |
| Non-current financial assets | 8.6 | 210.972 | 168.652 |
| Investments accounted for using the equity method | 8.6 | 213.541 | 200.219 |
| Trade receivables and other non-current assets | | 31 | 75 |
| **CURRENT ASSETS** | | 101.711 | 53.013* |
| Assets available for sale | | 27.277 | 0 |
| Current financial assets | | 0 | 97 |
| Trade receivables | | 2.220 | 2.392* |
| Tax receivables and other current assets | | 66.531 | 47.668 |
| Cash and cash equivalents | | 1.368 | 1.618 |
| Deferred charges and accrued income | | 4.315 | 1.238 |
| **TOTAL ASSETS** | | 1.314.593 | 1.167.837* |

| **SHAREHOLDERS' EQUITY AND LIABILITIES** in thousands € | 31.12.2022 | 31.12.2021 |
|---|---|---|
| **SHAREHOLDERS' EQUITY** | **696.625** | **625.785** |
| Share capital | 264.038 | 237.937 |
| Share premiums | 219.354 | 189.819 |
| Reserves | 161.519 | 99.929 |
| Net result for the financial year | 51.714 | 98.100 |
| **LIABILITIES** | **617.968** | 542.052* |
| **Non-current liabilities** | **497.965** | 430.648 |
| Non-current financial debts | 484.850 | 413.162 |
| *Credit institutions* | *382.468* | 405.162 |
| *Other* | *102.382* | 8.000 |
| Other non-current financial liabilities | 11.940 | 16.232 |
| Trade debts and other non-current debts | 1.174 | 1.254 |
| **Current liabilities** | 120.003 | 111.404* |
| Current financial debts | 101.599 | 100.650 |
| *Credit institutions* | 63.599 | 650 |
| *Commercial Paper* | 38.000 | 100.000 |
| Other current financial liabilities | 179 | 174 |
| Trade debts and other current debts | 6.118 | 5.630 |

1 As of 2022, prepaid outstanding trade receivables on the asset side are offset with the revenue carried forward on the liabilities side. To increase comparability, the comparative 2021 figures have been adjusted in the same manner. Adjusted amounts have been marked with *.

| **SHAREHOLDERS' EQUITY AND LIABILITIES** in thousands € | 31.12.2022 | 31.12.2021 |
|---|---|---|
| Other current liabilities | 3.811 | 177 |
| Deferred charges and accrued income | 8.296 | 4.773* |
| **TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES** | 1.314.593 | 1.167.837* |

| **DEBT RATIO** in % | 2022 | 2021 |
|---|---|---|
| Debt ratio (max. 65%) | 47,2% | 45,1% |

| **NET VALUE PER SHARE** in € | 31.12.2022 | 31.12.2021 |
|---|---|---|
| Net value (fair value) | 23,83 | 23,79 |
| Net asset value EPRA | 22,88 | 23,96 |
| EPRA NTA (net tangible assets) | 22,87 | 23,95 |

# 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 € | 2022 | 2021 |
|---|---|---|
| **A. NET RESULT** | **51.714** | **98.100** |
| **B. ALLOCATION TO/TRANSFER FROM RESERVES** | **-6.984** | **-57.860** |
| 1. Allocation to/transfer from the reserves for the balance of changes in fair value of real estate properties (-/+): | | |
| ▪ Financial year | 31.072 | -42.141 |
| ▪ Previous financial years | 836 | 198 |
| ▪ Realisation real estate properties | -478 | -198 |
| 2. Allocation to the reserve for the balance of changes in fair value of allowed hedging instruments that are not subject to hedge accounting (-) | -32.257 | -4.217 |
| 3. Allocation to/transfer from other reserves (-/+) | -836 | -198 |
| 4. 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 (-/+) | -5.289 | -6.704 |
| 5. Allocation to/transfer from results carried over from previous financial years (-/+) | -32 | -4.600 |
| **C. REMUNERATION OF CAPITAL pursuant to article 13, §1, paragraph 1 of the RREC Royal Decree** | **36.507** | **37.731** |
| **D. REMUNERATION OF CAPITAL, other than C** | **8.223** | **2.509** |

# 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 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 |
| ▪ 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 |
| Issue of shares for optional dividend 2 years ago |
| Dividends 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 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 |
| ▪ 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 |
| Issue of shares for optional dividend previous financial year |
| Issue of shares following accelerated private placement |
| Dividends previous financial year |
| **BALANCE SHEET AS AT 31 DECEMBER FINANCIAL YEAR** |

| | Share capital | | | | | |
|---|---|---|---|---|---|---|
| | Paid-up capital | Capital increase costs | Share premiums | Total reserves | Net result for the financial year | **TOTAL SHAREHOLDERS' EQUITY** |
| | **232.373** | **-1.727** | **181.682** | **94.588** | **43.431** | **550.346** |
| | | | | 928 | 98.100 | 99.028 |
| | | | | | | |
| | | | | 1.140 | -1.140 | 0 |
| | | | | -2.311 | 2.311 | 0 |
| | | | | 1.425 | -1.425 | 0 |
| | | | | 1.670 | -1.670 | 0 |
| | | | | 2.490 | -2.490 | 0 |
| | 7.292 | | 8.136 | | | 15.428 |
| | | | | | -39.017 | -39.017 |
| | **239.665** | **-1.727** | **189.818** | **99.929** | **98.100** | **625.785** |
| | | | | 3.729 | 51.714 | 55.443 |
| | | | | | | |
| | | | | 42.141 | -42.141 | 0 |
| | | | | 4.217 | -4.217 | 0 |
| | | | | 4.600 | -4.600 | 0 |
| | | | | 198 | -198 | 0 |
| | | | | 6.704 | -6.704 | 0 |
| | 2.519 | | 4.585 | | | 7.104 |
| | 24.218 | -636 | 24.950 | | | 48.532 |
| | | | | | -40.240 | -40.240 |
| | **266402** | **-2.364** | **219.354** | **161.519** | **51.714** | **696.625** |

## Breakdown of the reserves

| In thousands € |
| --- |
| **OPENING POSITION 1 JANUARY PREVIOUS FINANCIAL YEAR** |
| Comprehensive income 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 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 |
| ▪ 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 |
| **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 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 |
| ▪ 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 |
| **BALANCE SHEET AS AT 31 DECEMBER FINANCIAL YEAR** |

| 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 | Reserve for the share in the profit or loss and in the other unrealised results of partici-pations accounted for in line with the equity method | Other reserves | Results carried forward from previous financial years | **TOTAL RESERVES** |
|---|---|---|---|---|---|---|
| **90** | **49.712** | **-6.522** | **0** | **17.492** | **33.816** | **94.588** |
| | | | | 928 | | 928 |
| | | | | | | |
| | 1.140 | | | | | 1.140 |
| | | -2.311 | | | | -2.311 |
| | | | | | 1.425 | 1.425 |
| | | | | 1.670 | | 1.670 |
| | | | 2.490 | | | 2.490 |
| **90** | **50.852** | **-8.833** | **2.490** | **20.090** | **35.241** | **99.929** |
| | | | 1.747 | 1.982 | | 3.729 |
| | | | | | | |
| | 42.141 | | | | | 42.141 |
| | | 4.217 | | | | 4.217 |
| | | | | | 4.600 | 4.600 |
| | | | | 198 | | 198 |
| | | | 6.704 | | | 6.704 |
| **90** | **92.994** | **-4.616** | **10.941** | **22.268** | **39.842** | **161.519** |

# 8.6 Annexes to the statutory annual accounts

## Movements of the number of shares

| | 2022 | 2021 |
|---|---|---|
| Number of shares at the beginning of the financial year | 26.300.908 | 25.500.672 |
| Number of shares issued as optional dividend | 276.426 | 800.236 |
| Number of shares issued in accelerated private placement (APP) | 2.657.733 | 0 |
| **Number of shares at year-end** | **29.235.067** | **26.300.908** |
| Adjustments for calculation of the weighted average of the number of shares | -2.570.189 | -317.902 |
| **Weighted average number of shares** | **26.664.878** | **25.983.006** |

## Investment properties

| in thousands € | 2022 | | | 2021 | | |
|---|---|---|---|---|---|---|
| | Offices | Logistics property | TOTAL | Offices | Logistics property | TOTAL |
| **BALANCE SHEET AS AT 1 JANUARY** | **332.573** | **409.086** | **741.659** | **329.538** | **327.526** | **657.064** |
| ▪ Merger with Gencor NV as at 08 September 2021 | 0 | 0 | 0 | 12.335 | 0 | 12.335 |
| ▪ Merger with Greenhouse Singel NV as at 30 November 2022 | 46.977 | 0 | 46.977 | 0 | 0 | 0 |
| ▪ Acquisition of investment properties | 0 | 4.627 | 4.627 | 0 | 32.355 | 32.355 |
| ▪ Investments in project developments | 2.275 | 10.929 | 13.204 | 0 | 23.433 | 23.433 |
| ▪ Investments and expansions in existing investment properties | 935 | 1.413 | 2.348 | 2.390 | 2.033 | 4.423 |
| ▪ Transfer to assets available for sale | -27.504 | -8.095 | -35.599 | 0 | 0 | 0 |
| ▪ Changes in fair value of investment properties | -4.229 | 10.902 | 6.673 | -11.690 | 23.739 | 12.049 |
| **BALANCE SHEET AS AT 31 DECEMBER** | **351.027** | **428.862** | **779.889** | **332.573** | **409.086** | **741.659** |

The fair value of Intervest's investment properties increased by € 38 million in 2022 and amounts to € 780 million as at 31 December 2022 (€ 742 million at 31 December 2021).

The fair value of the logistics portfolio increased by approximately € 20 million in 2022. On the one hand due to investments in project developments for € 11 million and existing investment properties for € 1 million. On the other hand by the acquisition of a property in Herstal for € 5 million and the divestment of the logistics site in Huizingen with a fair value of € 8 million. The increase in the fair value of the existing logistics portfolio amounts to € 11 million in 2022.

The fair value of the office portfolio increased by € 18 million compared to year-end 2021. The increase is a result of the merger with Greenhouse Singel as at 30 November 2022, real estate company with an underlying property value of € 47 million, the transfer of three office buildings to assets available for sale in the amount of € -28 million, investments in project developments in the amount of € 2 million and sustainable investments to improve the existing portfolio in the amount of € 1 million. The increase is partially offset by the negative variations in the fair value of the existing office portfolio of € -4 million, mainly due to new planned vacancies that are part of projects to be started up and the early departure of tenant Enterprise Services Belgium in Mechelen Business Tower whereby a severance payment for the remaining rental period was received. In addition, the decrease in value is explained by a review of the rentable area of the archive space in the office portfolio. Indeed, due to increasing digitization among companies, the need for archive space has been reduced. To determine the effect of this, a thorough analysis of the rentability on the available archive space was carried out.

Intervest has no assets for its own use as at 31 December 2022, with the exception of the space in Greenhouse Antwerp where Intervest's registered office is located. In accordance with IAS 40.10, this space is recognized as an investment property.

For the further explanation of the Variations in the fair value of investment properties, please refer to Note 10 of the statutory annual accounts.

Investment properties can be further divided into:

| in thousands € | 2022 | 2021 |
|---|---|---|
| Property available for lease | 733.713 | 725.730 |
| Project developments | 46.176 | 15.929 |
| **TOTAL INVESTMENT PROPERTIES** | **779.889** | **741.659** |

As at 31 December 2022, there are no investment properties that are the subject of mortgage collateral provided within the framework of borrowings and credit facilities with financial institutions. For the description of the legal mortgage established to secure the outstanding tax debt on the logistics property located in Aarschot, Nieuwlandlaan, reference is made to Note 26. Conditional rights and obligations.

## Financial non-current assets

The financial non-current assets include as at 31 December 2022 the positive fair value of financial derivatives in the amount of € 33 million and a the loan with perimeter company Intervest Nederland Coöperatief U.A. of € 178 million, mainly to finance the acquisitions of the real estate held in the Dutch perimeter companies.

| | 2022 | 2021 |
|---|---|---|
| Fair value of financial derivatives | 32.608 | 4.455 |
| Receivables from affiliated companies | 178.364 | 164.197 |
| **TOTAL FINANCIAL NON-CURRENT ASSETS** | **210.972** | **168.652** |

## Investments accounted for using the equity method

| | 2022 | 2021 |
|---|---|---|
| Participation Aartselaar Business Center | -429 | -161 |
| Participation Mechelen Research Park | 6.256 | 5.990 |
| Participation Mechelen Business Center | 3.626 | 4.104 |
| Participation Intervest Nederland Coöperatief U.A. | 141.889 | 150.544 |
| Participation Genk Green Logistics | 28.059 | 14.023 |
| Participation Greenhouse Singel nv (formerly Tervueren Invest) | 0 | 13.954 |
| Participation Puurs Green Logistics | 11.817 | 11.765 |
| Participation Zeebrugge Green Logistics | 22.323 | 0 |
| **TOTAL INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD** | **213.541** | **200.219** |

The investments accounted for using the equity method include, as at 31 December 2022, the value of the participations in Intervest's perimeter companies amounting to € 214 million. The participations are accounted for in the separate financial statements using the equity method, all applying the look-through approach, except for the participation Genk Green Logistics where Intervest does not hold 100% of the shares.

## Determination of the amount of mandatory dividend payment

The amount eligible for payment is 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 € | 2022 | 2021 |
|---|---|---|
| Net result | 51.714 | 98.100 |
| Adjustment for non-cash flow transactions included in the net result | | |
| ▪ Write-downs | 658 | 740 |
| ▪ Depreciations | 92 | 141 |
| ▪ Reversal of depreciations | -82 | -1 |
| ▪ Other non-monetary elements | 404 | -39.569 |
| ▪ Result on disposal of investment properties | -478 | -198 |
| ▪ Changes in fair value of investment properties | -6.673 | -12.049 |
| **Corrected result (A)** | **45.635** | **47.164** |
| + Profits and losses* realised on real estate properties during the financial year | 836 | 198 |
| - 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 | -836 | -198 |
| **Net gains for realisation of real estate properties non-exempted from mandatory distribution (B)** | **0** | **0** |
| **Total (A + B)** | **45.635** | **47.164** |
| **Total (A + B) x 80%** | **36.507** | **37.731** |
| **Debt reduction (-)** | **0** | **0** |
| **DISTRIBUTION REQUIREMENT** | **36.507** | **37.731** |

* Gains and losses in respect of the purchase value increased by the capitalised investment costs.

Other non-monetary items include the variation in the share of profit or loss and other comprehensive income of equity accounted investments to which the look-through approach is not applied (€ -5,2 million), the variation in the fair value of properties held in 100% perimeter companies to which the look-through approach is applied (€ 37,7 million), the other portfolio result (€ 0 million), the non-cash elements rent discounts and rent benefits granted to tenants (€ 0,2 million) and the variations in the fair value of financial assets and liabilities (€ -32,3 million).

Intervest has a minimum distribution obligation of € 36,5 million for financial year 2022.

## Calculation of the statutory earnings per share

| | 2022 | 2021 |
|---|---|---|
| Net result (€ 000) | 51.714 | 98.100 |
| Weighted average number of shares | 26.664.878 | 25.983.006 |
| **NET RESULT PER SHARE (€)** | **1,94** | **3,78** |
| Diluted net result per share (€) | 1,94 | 3,78 |
| EPRA earnings (€ 000) | 44.762 | 44.840 |
| Weighted average number of shares | 26.664.878 | 25.983.006 |
| **EPRA EARNINGS PER SHARE (€)** | **1,68** | **1,73** |

## Proposed dividend per share

A gross dividend of € 1,53 will be proposed to shareholders for financial year 2022. This gross dividend offers shareholders a gross dividend yield of 8,0% based on the closing share price as at 31 December 2022 (€ 19,24).

| | 2022 | 2021 |
|---|---|---|
| Consolidated EPRA earnings per share (€) | 1,71 | 1,73 |
| Proposed EPRA earnings per share (€) | 1,68 | 1,73 |
| Number of shares entitled to dividend | 29.235.067 | 26.300.908 |
| EPRA earnings per share (€) based on number of dividend entitled shares | 1,53 | 1,70 |
| **Gross dividend per share (€)** | **1,53** | **1,53** |
| Dividend payment expressed as a percentage of the statutory EPRA earnings (%) | 100% | 90% |
| **Payment of the capital (€ 000)** | **44.730** | **40.240** |

After the close of the financial year, this dividend payment will be proposed by the supervisory board. It will be submitted for approval to the general meeting of shareholders as at 26 April 2023. In accordance with IAS 10, the dividend payment is not recognized as a liability and has no income tax effect.

## Determination of the amount in accordance with Article 7:212 of the Belgian Companies and Associations Code

The amount referred to in Article 7:212 of the Companies and Associations Code (formerly Article 617 of the Companies Code), of the paid-up capital or, if this amount is higher, of the called-up capital, increased by all the reserves that may not be distributed according to the law or the Articles of Association, is stipulated in Chapter IV of Appendix C of the RREC-Royal Decree.

| in thousands € | 2022 | 2021 |
|---|---|---|
| **Non-distributable elements of shareholders' equity for distribution of profits** | | |
| Paid-up capital | 266.402 | 239.665 |
| Unavailable issue premiums, according to the articles of association | 219.354 | 189.818 |
| Reserve for the positive balance of changes in fair value of real estate | 92.994 | 50.851 |
| Reserve for the balance of changes in fair value of authorised hedging instruments not subject to hedge accounting | -4.616 | -8.833 |
| Other reserves not available for distribution | 15.411 | 4.977 |
| Legal reserves | 90 | 90 |
| **Income 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 | -31.430 | 42.142 |
| *Financial year* | *-31.072* | *42.142* |
| *Previous financial years* | *-836* | *-198* |
| *Realization of real estate* | *478* | *198* |
| Changes in fair value of financial assets and liabilities (ineffective hedges) | 32.257 | 4.217 |
| Changes for the share of profit or loss and other comprehensive income of participations accounted for using the equity method and to which the look-through approach is not applied | 5.289 | 6.704 |
| **TOTAL NON-DISTRIBUTABLE SHAREHOLDERS' EQUITY** | **595.751** | **529.633** |
| **Statutory shareholders' equity** | **696.625** | **625.785** |
| Planned dividend distribution | 44.730 | 40.240 |
| Number of shares entitled to dividend | 29.235.067 | 26.300.908 |
| Gross dividend per share (€) | **1,53** | **1,53** |
| **SHAREHOLDERS' EQUITY AFTER DIVIDEND DISTRIBUTION** | **651.895** | **585.545** |
| **REMAINING RESERVE AFTER DISTRIBUTION** | **56.146** | **55.912** |

The changes in the fair value of investment properties recognized in determining the amount in accordance with Article 7:212 of the Companies and Associations Code is € -31,4 million for 2022 (€ 42,1 million for 2021). This amount includes:

- With respect to the financial year: the changes in fair value of investment properties € 6,7 million (€ 12,0 million for 2021), The other portfolio result € 0 (€ 1,4 million for 2021) and the comprehensive income of participations accounted for using the equity method and to which the look-through approach is applied € -37,8 million (€ 28,7 million in 2021).
- With respect to prior financial years: the difference between the net sales proceeds of divested properties and the acquisition value cumulated with investments that is allocated to available reserves through the income statement (see also Note 9) € - 0,8 million (€ 0,2 million for 2021)
- Related to real estate realization, the result on the sale of investment properties € 0,5 million (€ 0,2 million for 2021).

In preparing its statutory financial statements, Intervest applies the look-through approach for the recognition of earnings, the determination of available and unavailable reserves and in determining the minimum dividend payable (80% limit).

The principle of the look-through approach is a consolidation approach in the statutory financial statements at the level of distribution obligation, income recognition and distribution limitation.

By default, the comprehensive income of participations accounted for using the equity method (both realized and unrealized income) is placed in its entirety in the unavailable reserve heading “Reserve for the share of profit or loss and other comprehensive income accounted for using the equity method ”, and are consequently unavailable for distribution in the year in which the equity accounted investments realize the income.

When accounting for particpations using the equity method with application of 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 considered. The share in the result of participations is allocated to the unavailable and available reserve headings as if it were the results of the parent company RREC itself.

Applying a look-through approach involves certain financial risks for the parent company RREC and could lead to situations where the participation has to help finance the dividends paid out by the parent company RREC (e.g. by flowing cash from the participation to the parent company RREC by (systematically) allowing loans from the participation to the parent company RREC) or where the RREC itself has to finance the dividend payments through loans.

The look-through approach is therefore approached with caution at Intervest and applied only to the perimeter companies whose shares are held 100% by Intervest. This applies to all Intervest’s participations as at 31 December 2022, with the exception of IGVV Genk Green Logistics, of which Intervest is only a 50% shareholder. The look-through approach is not applied to this company and the results of the participation are treated as unavailable.

In 2022, by applying the look-through approach, € 7,9 million EPRA earnings realised in the perimeter companies has been recognised as available result (€ 8,2 million in 2021). Intervest has € 56 million of available reserves as at 31 December 2022 to absorb timing differences in dividend accruals and temporary cash traps.

For the 2022 fiscal year, € 1,53 per share will be distributed. The remaining reserve after distribution increases by € 0,2 million compared to the previous financial year, a consequence of the realized result on the sale of Huizingen compared to the initial purchase price increased by all investments, less the costs paid in the context of the private placement of new shares in the fourth quarter of 2022. As a result of this private placement, the number of shares entitled to dividends increases to 29.235.067.

Antwerp ⟩ Greenhouse Collection at the Singel

# RISK FACTORS

In 2022, as always, the supervisory board paid attention to the risk factors to which Intervest is subject.

The supervisory board confirms the validity of the risks which Intervest may face, their possible impact and the strategy used to mitigate the potential impact, as they are listed below.

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

In this chapter, the main specific and material risks faced by the company are described. These risks are divided into the categories of market risks, operational risks, financial risks and regulatory risks and are ranked within each category in order of materiality, based on their probability of occurrence and the expected magnitude of their negative impact on Intervest should they occur. Per risk, first the risk is named and then the remaining possible negative impact on Intervest if the risk were to materialize,

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.

Finally, readers are reminded that Intervest also faces general risks that are considered and monitored in the company's risk assessment and risk management. However, such general risks are not mentioned separately in this chapter.

# 1 Market risks

## Risks related to inflation

The current inflation may increase financing costs and capitalization rates as a result of rising interest rates and thus cause a decrease in the fair value of Intervest's real estate investments.

As at 31 December 2022, 99,7% of Intervest's leases contain an indexation clause under which rents are indexed according to the evolution of the Belgian health index and the Dutch consumer price index. In 86% of the contracts this is an unlimited index, in 3% of the contracts one or more contract years are skipped, 5% of the contracts have a fixed index and in 6% of the contracts there is a maximum index, which on average is around 4,5%. Indexation clauses take effect immediately. All leases have adjustment options at the break date.

Despite the automatic indexation of the rent, there is a risk that the rent under these leases will rise less rapidly than the market rent. However, there is also the possibility that market rents may rise less than inflation or even fall, in which case the indexation applied would not apply upon lease renewal or the conclusion of new leases. Based on the contractual annual rents, the leases due to expire next in 2023 cover 9% of the portfolio (logistics real estate and offices). If in the future Intervest is unable to include similar indexation or adjustment clauses in its leases, its exposure to this inflation risk will increase.

**Potential impact:**

- Less rapid increase in rent under lease agreements than in the market.
- Increase in financial cost due to increase in long-term interest rates in credit renewals. See risk factor "Risks associated with access to and cost of financing and use of hedging instruments."
- Decrease in the fair value of investment properties. See risk factor "Risks associated with negative variations in the fair value of properties.".

## Risks related to investement and rental markets

Evolutions in the investment markets may cause the fair value of Intervest's real estate investments to decline or require Intervest to make investments or divestments at a bad time in the business cycle, as a result of which real estate may be purchased at too high a price relative to fair value or sold at too low a price relative to fair value, respectively. More specifically, periods of pronounced boom give rise to higher market prices that may be subject to negative corrections at a later date, and periods of declining business cycles tend to give rise to a decline in the fair value of investment properties. Therefore, in periods of upturn, a more active investment policy is pursued, anticipating rising fair values of investment properties and a more active rental market. During boom periods, a more moderate investment policy will be pursued.

Evolutions in rental markets may contribute to this risk if they result in rental income from investment properties being too low relative to investment. In the logistics property market, increasing omnichannel strategy, supply chain revisions and sustainability considerations, among others, may trigger changes in the logistics approach and affect demand for the logistics property in Intervest's portfolio. In the office market, drivers such as the co-working model and the need for more flexible use of office space - facilitated by technological evolution and reinforced by the shift to a more hybrid way of working, accelerated by the COVID pandemic and made permanent for many organizations - have already led to major changes in office use and will eventually lead to environments where working, living, leisure, shopping and living are all combined. These evolutions could lead to reduced demand for the logistics property or offices in Intervest's portfolio, resulting in higher vacancy rates or lower rents and thus reduced rental income. As part of its #connect2025 strategy, Intervest has decided not to purchase any more new office space and to fully focus on its own developments and redevelopments in the logistics segment. Consequently, the risk exposure to the office segment will decrease and that to the logistics segment will increase.

Finally, the current economic cycle (which includes high market volatility, deteriorating macroeconomic prospects and higher interest rates) may affect the investment and leasing markets for both logistics properties and offices and contribute to the risks that Intervest may have to make investments or disinvestments at a bad time in the business cycle, that demand for the buildings in Intervest's portfolio may fall at adequate rents or that Intervest's tenants may become insolvent.

**Potential impact:**

- Impairment of operating result and cash flow due to investments and divestments at an unfavorable price, possibly combined with declining rental income due to reduced demand for the buildings in which investments were made. A 1% decrease in rental income would result in a € 0,7 million (or 1,6%) decrease in EPRA earnings as at 31 December 2022, a € 0,42 (or 1,8%) decrease in net share value (fair value) and a 0,4% increase in the debt ratio.
- A decrease in the fair value of investment properties. See risk factor "Risks associated with negative variations in the fair value of properties".

# 2 Operational risks

## Risks related to negative changes in the fair value of the buildings

The fair value of the real estate portfolio is subject to change and depends on various factors. Examples include the decrease in occupancy rates or rents (see risk factor "Risks associated with rental markets"), the increase in construction costs (see risk factor "Risks associated with development and redevelopment projects") the increase in operating costs and investments for maintenance (see risk factor "Risks associated with building obsolescence and maintenance"), tenant default (see risk factor "Risks associated with tenant default") and inflation and rising interest rates (see risk factor "Risks associated with inflation"). Such factors can result in a negative revaluation of the property portfolio. Intervest has a diversified portfolio with a maximum risk per building of less than 8% of fair value.

As at 31 December 2022, the fair value of the real estate portfolio was set at € 1.333.418.418, which, due to the current economic climate (including high market volatility, deteriorating macroeconomic prospects and higher interest rates), implies a negative revaluation in the amount of € 26,1 million (or 1,96%) compared to the fair value of the real estate portfolio as at 31 December 2021.

**Potential impact:**

- As at 31 December 2022, a 1% decrease in the fair value of investment properties would result in a € 0,42 (or 1,8%) decrease in net share value (fair value) and a 0,4% increase in the debt ratio.
- As at 31 December 2022, a decrease in the fair value of the property portfolio in the amount of € 366 million would result in the maximum consolidated debt ratio of 65% being exceeded. See risk factor "Risks associated with the financial debt ratio".

## Risks related to lower rents or occupancy rates

Intervest leases the buildings in its portfolio in order to achieve a stable cash flow, for which a continuous and high occupancy rate at appropriate rents is essential. There is a risk that Intervest will find it more difficult to let the buildings in its portfolio, resulting in a lower rent or occupancy rate and consequently reduced rental income.

Drivers behind this risk include evolutions in rental markets and the current economic climate. In the logistics property market, among other things, an increasing omnichannel strategy, supply chain revisions and sustainability considerations may trigger changes in the logistics approach and consequently influence the demand for the logistics property in Intervest's portfolio. In the office market, drivers such as the co-working model and the need for a more flexible use of office space - facilitated by technological evolution and reinforced by the shift to a more hybrid way of working, accelerated by the COVID pandemic and made permanent for many organizations - have already led to major changes in the use of offices and will eventually lead to environments where working, living, leisure, shopping and living go hand in hand. Finally, the current economic climate (which includes high market volatility, deteriorating macroeconomic prospects and higher interest rates) may affect the rental markets for both logistics properties and offices and give rise to a reduction in demand for such properties, higher vacancy rates or lower rents in the event of reletting and tenant insolvency. Other factors affecting this risk include the nature and location of the property, the extent to which it must compete with nearby properties, the intended target market and users, the quality of the property, the quality of the tenant and the lease agreement.

As at 31 December 2022, Intervest's portfolio consists of 47% logistics property in Belgium, 26% logistics property in the Netherlands and 27% offices in Belgium. The average term to first maturity of the leases in the logistics portfolio is 5,3 years in Belgium and 6,5 years in the Netherlands. The logistics real estate in portfolio has an occupancy rate of 96% in Belgium and 100% in the Netherlands. The leases coming to first maturity in 2023, based on contractual annual rents, cover 4,2% of the total portfolio and represent a total annual gross rental income of € 3,2 million. The average term to first maturity of leases in the office market is 2,9 years. The offices in the portfolio have an occupancy rate of 76% and the leases coming to first maturity in 2023, based on the contractual annual rents, cover 4,6% of the office portfolio and represent a total annual gross rental income of € 3,5 million. Given that high occupancy rate - in office portfolio and even more so in logistics portfolio - the risk of vacancy exceeds the potential to increase occupancy.

As part of its #connect2025 strategy, Intervest has decided to stop acquiring new office space and to focus fully on its own developments and redevelopments in the logistics segment. Consequently, the risk exposure to the office segment will decrease and the risk exposure to the logistics segment will increase.

**Potential impact:**

- Affecting operating income and cash flow due to lower rents, increasing vacancy rates and higher reletting costs. A 1% decrease in rental income would result in a 1,6% decrease in EPRA earnings per share as at 31 December 2022, a 1,8% decrease in net share value (fair value) and a 0,4% increase in debt ratio.
- Decrease in the fair value of investment properties. See risk factor "Risks associated with negative variations in the fair value of properties".

## Risks related to the aging and maintenance of buildings

As a landlord, Intervest is in principle responsible for major maintenance work and repairs to the buildings in its portfolio, while the tenants are responsible for regular maintenance (maintenance of windows and windows, technical maintenance, maintenance of greenery, etc.) and minor repairs.

The condition of the buildings is deteriorating because of wear and tear on various components due to ageing, while the buildings have to meet increasingly stringent (legal or social) requirements. The average age of the buildings in the portfolio is 17 years (37% between 0 and 5 years, 12% between 6 and 10 years, 6% between 11 and 15 years, 14% between 16 and 20 years and 31% older than 20 years).

As the age of the buildings in the portfolio increases and in order to continue to meet increasing (legal or social) requirements, maintenance and renovation works have to be carried out in order to continue to attract a sufficiently high quality tenant base and to continue to realize the pre-estimated rent. Those works may give rise to substantial costs and investments. In addition, those works are exposed to a possible increase in construction costs and to possible difficulties in the supply of raw materials or materials, for which Intervest is largely dependent on macroeconomic developments, such as the volatility of raw material prices (which is influenced by the volatility of energy prices) and basic materials and supply chain disruptions. Finally, those works may result in temporary and/or partial unrentability of buildings.

Historically, an average maintenance budget of about 2% of rental income was provided for maintenance of the existing portfolio. In 2022, total investments in the existing portfolio amounted to € 3 million (or 2,4% of the fair value of properties available for lease or 4,1% of rental income). An additional € 2,3 million was spent on maintenance and reinstatement works in 2022.

For the existing portfolio, the company anticipates a maintenance budget of € 1,3 million (0.1% of the fair value of the property available for lease or 1,8% of rental income) for 2023 and an additional € 0,8 million (0,1% of the fair value of the property available for lease or 1,1% of rental income) for reinstatements. The company has factored in a capex budget of € 15 million for 2023 for larger value-enhancing renovations and innovative or sustainable investments. In addition - based on a consideration of the required capex and incoming rent versus the potential sale price - obsolete buildings will be disposed of.

**Potential impact:**

- Impairment of operating income and cash flow due to temporary and/or partial vacancy. A 1% decrease in rental income would result in a 1,6% decrease in EPRA earnings per share as at 31 December 2022, a 1,8% decrease in net share value (fair value) and a 0,4% increase in debt ratio.
- Decrease in the fair value of investment properties. See risk factor "Risks associated with negative variations in the fair value of properties".

## Risks related to (re)development projects

(Re)development projects constitute 5,4% of Intervest's portfolio as at 31 December 2022. This includes (i) the following licensed (re)development projects: Genk Green Logistics - unit 18/19 (expected completion H1 2023), Herentals Green Logistics - unit 1B (expected completion Q1 2023), Greenhouse Woluwe Garden (expected completion 2024), Zellik (expected completion 2024), 's-Hertogenbosch Rietvelden (expected completion Q2 2023), as well as (ii) the following land reserves for which no concrete work has yet started: Genk Green Logistics (expected completion 2023-2025), Puurs (expected completion 2024) and Venlo.

Specific risks are associated with (re)development projects. On the one hand, the (re)development projects are influenced by the choice of the right use format, finding the right external service providers (architects, engineering firms, contractors, other consultants) and partners and obtaining, maintaining or renewing the necessary permits as well as increasing regulations and customer preferences and societal attitudes regarding environmental qualifications (ESG). On the other hand, the (re)development projects are exposed to a possible increase in construction costs and to possible difficulties in the supply of raw materials or materials, for which Intervest is largely dependent on macroeconomic developments, such as the volatility of raw material prices (which is influenced by the volatility of energy prices) and basic materials and supply chain disruptions. These and other factors, among others, can lead to delays, poor execution and failure to achieve the targeted quality or sustainability levels and budget overruns, and thus delayed rental income and potentially increased (financial) costs. Intervest normally launches development projects - barring exceptions (in 2022 only Greenhouse Collection and Zeebrugge Green Logistics acquired after the start of development by the seller) - only if the necessary permits are in place and they are largely pre-let and fully financed. Intervest bears the construction risk for all projects in its portfolio as at 31 December 2022.

**Potential impact:**

- Risk that necessary permits are not obtained or are challenged and later obtained.
- Development delays, rising construction costs, organizational problems in the supply of materials or failure to achieve the targeted quality and sustainability levels, resulting in reduced rental income or delay or loss of rental income.
- Failure to achieve targeted returns on (re)development projects.

## Risks related to tenant defaults

Intervest cannot exclude the possibility of tenants defaulting on rent payments. Contractual provisions in leases always provide for deposits or bank guarantees, and for an average of five months, and for the prepayment of rent on a monthly or quarterly basis (with a (three) monthly provision for rental charges and taxes that may be contractually passed on to tenants). Full or partial default by tenants in excess of such guarantees could affect rental income, cash flow and occupancy rates.

**Potential impact:**

- As at 31 December 2022, outstanding trade receivables amounted to € 2,1 million and bad debts amounted to € 0,5 million. A € 1 million increase in bad debts would reduce EPRA earnings by 2,2%.
- Operating result and cash flow affected by loss of rental income and write-off of uncollected trade receivables, as well as increase in uncharged service costs due to vacancy and court costs. A 1% decrease in rental income would result in a 1,6% decrease in EPRA earnings per share as at 31 December 2022, a 1,8% decrease in net share value (fair value) and a 0,4% increase in debt ratio.
- Decrease in the fair value of investment properties. See risk factor “Risks associated with negative variations in the fair value of properties”.

# 3 Financial risks

## Risks related to the financial debt ratio

Intervest seeks to maintain a debt ratio between approximately 45% and 50%, unless a clear overheating of the logistics real estate market would significantly increase the fair value of the real estate portfolio, in which case the target debt ratio will be prudently adjusted downward to 40 to 45%. Intervest has a consolidated debt ratio of 48% as at 31 December 2022. A relative increase in debt to equity can result in higher returns but can also carry risks. As at 31 December 2022, Intervest has investment capacity of € 675 million before reaching the maximum consolidated debt ratio of 65% for RRECs. The room for further investments is approximately € 415 million before exceeding the maximum debt ratio of 60% which is included in most bank covenants in Intervest’s financing agreements.

The fair value of the real estate portfolio also affects the debt ratio. As at 31 December 2022, a decrease in the fair value of the real estate portfolio in the amount of € 365 million would result in exceeding the maximum consolidated debt ratio of 65% and a decrease in the fair value of the real estate portfolio in the amount of € 279 million would result in exceeding a debt ratio of 60%.

**Potential impact:**

- Stricter supervision by the relevant regulator and, ultimately, the loss of RREC status (see risk factor “Risks associated with the loss of public RREC and IRREC status”). In addition, RRECs may not pay dividends if their consolidated debt ratio has increased to more than 65% or would increase above that limit as a result of the distribution.
- Termination or renegotiation of financing agreements or mandatory early repayment of outstanding amounts due to breach of the covenants in Intervest’s financing agreements, which relate, among other things, to the consolidated financial debt level (maximum debt ratio of 60%) (see risk factor “Risks associated with non-compliance with financial covenants”).

- Inability to meet interest and debt repayment obligations and other payment obligations, resulting in the possible forced sale of investment properties on less favorable terms in order to continue to meet payment obligations, with a negative impact on results and net worth.
- More difficult access to additional debt financing or additional debt financing at a higher cost. A 100 basis point increase in Euribor rates would result in a € 1,7 million (4%) decrease in EPRA earnings as at 31 December 2022.

## Risks related to non-compliance with financial covenants

Intervest has credit lines amounting to € 829 million as at 31 December 2022. Further clarification on these credits and repayment terms can be found in the chapter “Financial structure - Note on the financial structure” in the Activity Report. The credit agreements contain covenants relating to compliance with financial ratios, these mainly concern the consolidated financial debt level (maximum debt ratio of 60%) or the financial interest burden (interest cover ratio minimum 2 to 2,5), the prohibition of mortgaging or pledging real estate investments and the pari passu treatment of creditors.

**Potential impact:**

- Cancellation, renegotiation, termination or early call of financing agreements by the financial institutions in the event of non-compliance with the covenants and, in particular, non-compliance with the imposed financial ratios.
- Need, if a financing agreement is compromised, to potentially enter into other financing on less favorable terms or sell investment properties in order to continue to meet payment obligations, with a negative impact on results..

## Risks related to access and cost of funding and use of hedging instruments

Intervest relies heavily on its ability to raise financial resources, in the form of equity or debt (including through bonds), to finance its operations and to meet its daily payment obligations. In total, as at 31 December 2022, Intervest has € 829 million of credit lines, of which € 85 million mature within one year, and € 200 million of undrawn credit lines.

Several factors may make it more difficult for Intervest to access financing. Examples include disruptions or volatility in international markets, reduced lending capacity of banks, reduced creditworthiness of Intervest, negative investor perception of real estate companies and failure to meet increasing investor expectations regarding certain environmental (ESG) qualifications and transparent reporting on them.

As at 31 December 2022, the nominal amount of outstanding financing debt was € 629 million. Of the credit lines drawn as at 31 December 2022, 72% have fixed interest rates or are fixed by interest rate swaps and 28% have variable interest rates. Intervest’s profitability and its ability to make future investments therefore depends to a large extent on interest rate developments. An increase in interest rates makes the cost of capital more expensive for Intervest.

In the composition of the loan portfolio, Intervest pursues a strategy to bring the hedging ratio to 80%. As at 31 December 2022, the weighted average remaining maturity of the interest rate swaps is 4,5 years.

The fair value of hedging instruments is determined by interest rates on the financial markets. Changes in these interest rates explain the fluctuation in the value of financial hedging instruments between 1 January 2022 and 31 December 2022, as a result of which income of € 32,3 million was recognized in the income statement. When interest rates fall sharply, derivatives used to hedge interest rate risk receive a negative value. In the event of a sharp rise in interest rates, it is uncertain whether Intervest will be able to conclude sufficient financial hedging instruments or whether they will be able to be concluded on acceptable terms. Fluctuations in the fair value of the authorized hedging instruments have no impact on cash flow as these financial derivatives are held until maturity of these contracts. Only early settlement would incur additional costs.

**Potential impact:**

- Financing at higher costs, resulting in impairment of EPRA earnings and cash flow and a higher debt ratio. A 100 basis point increase in Euribor rates would result in a € 1,7 million (-4%) decrease in EPRA earnings as at 31 December 2022.
- Liquidity problems and inability to finance acquisitions or developments or to meet interest and repayment obligations of debt and other payment obligations.
- The forced sale of investment properties on less favorable terms to continue meeting payment obligations, with a negative impact on results and net worth.
- Volatility and uncertainty in the capital markets can lead to sharp fluctuations in the share price.
- An increase in interest rates of 20 basis points (i.e. the sensitivity used by Intervest's banks for materiality purposes) would have an impact of € 2,2 million on the mark-to-market value of financial hedging instruments in the income statement. A decrease in interest rates of 20 basis points would have a negative impact on the income statement of the same magnitude.

# 4 Regulatory risks

## Risks related to the loss of public RREC and IRREC status

Intervest is public RREC and Genk Green Logistics NV is an IRREC under Belgian law. To maintain their status as public RREC and IRREC respectively, they must meet various requirements under the RREC Law and the RREC RD. Examples of these legal requirements are that their debt ratio should not exceed 65% and that they should not invest more than 20% of their assets in assets constituting a single real estate entity. Further explanation of the applicable legal requirements and tax regimes can be found in the "Legal Framework and Tax Regimes" section of the General information.

**Potential impact:**

- Loss of the status of public RREC or IRREC would result in a loss of the advantageous transparent tax regime enjoyed by the entity in question making the general corporate tax rate applicable. Among other things, this would result in the results (rental income and capital gains from sales less operating expenses and financial charges) of the entity in question, which are currently exempt from corporate income tax, becoming subject to it.
- Loss of public RREC or IRREC status is generally considered in the credit agreements of the entity in question as an event causing credits to become payable early. As at 31 December 2022, Intervest has a total of € 721 million and Genk Green Logistics NV a total of € 63 million in outstanding credits that would become payable in such an event.

# 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 this Annual Report, Intervest Offices & Warehouses is abbreviated to "Intervest" to refer to the company.

## Registered office - e-mail address - website

The registered office of the company is located Uitbreidingstraat 66, 2600 Antwerp-Berchem. Reachable by phone on +32 (0)3 287 67 67.

Its email address is intervest@intervest.eu. The company's website is www.intervest.eu. The information on the website does not form part of this registration document unless that information is incorporated by reference in this registration document.

## Company number (Antwerp RLP, department Antwerp)

The company is registered at the Crossroads Bank for Enterprises under company number 0458.623.918. Its legal entity identifier (LEI) is 549300MEVEE709A1SM83.

## 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 "AICB 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

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".

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.

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 5 December 2022, drawn up in a deed executed by notary Eric De Bie and deposited at the Registry of the enterprise court of Antwerp, whereby the realisation of the capital increase under the authorised capital was established.

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 memorandum and articles of association are available for inspection at the Registry of the Antwerp Enterprise Court, Antwerp division.
- The annual accounts and associated reports of the governing body and the statutory auditor are filed with the balance sheet centre of the National Bank of Belgium where they are available for inspection.
- 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.
- The articles of association, the corporate governance charter, annual reports, press releases, financial announcements as well as notices of general meetings and other publicly accessible company documents are available on the website **www.intervest.eu**.

The aforementioned documents are also 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 may or may have not have been admitted for trading on a regulated market and/or that are subject or not 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.

Herentals 〉 Herentals Green Logistics

# 2 Extract from the articles of association[1]

## 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.

1 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.eu.

# 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 27 April 2022, Deloitte Bedrijfsrevisoren, CVBA, whose registered office is at Gateway Building, Brussels National Airport 1 J, B-1930 Zaventem, with company number 0429.053.863, represented by Ms Kathleen De Brabander, Company Auditor, reappointed as Intervest's statutory auditor for the financial years 2022 and 2023. The mandate of the statutory auditor will end immediately after the annual meeting to be held in 2024.

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 € 83.380 (excl. VAT) as from the financial year commencing as at 1 January 2022 for the survey of the statutory and consolidated annual accounts.

Deloitte Bedrijfsrevisoren is also appointed statutory auditor for all the Belgian perimeter companies, more information regarding the total fee can be found under Note 24.

# 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 € 35.000 a year.

# 5 Property experts

As at 31 December 2022, 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 Victoria Parret. They evaluate the office portfolio. The remuneration for financial year 2021 amounted to € 67.408 (excluding VAT).
- CBRE Valuation Services bvba, Boulevard de Waterloo, 1000 Brussels, represented by Kevin Van de Velde en Pieter-Jan Arts. They evaluate the logistics properties, including the office building in Herentals adjacent to the logistics site in Herentals. The remuneration for financial year 2022 amounted to € 83.860 (excluding VAT)
- CBRE Valuation Advisory, Anthony Fokkerweg 15, P.O. Box 7971, 1006 AD Amsterdam, represented by Hero Knol and Devin Ummels. They evaluate the properties in the Netherlands. The remuneration for financial year 2022 amounted to € 48.750 (excluding VAT).

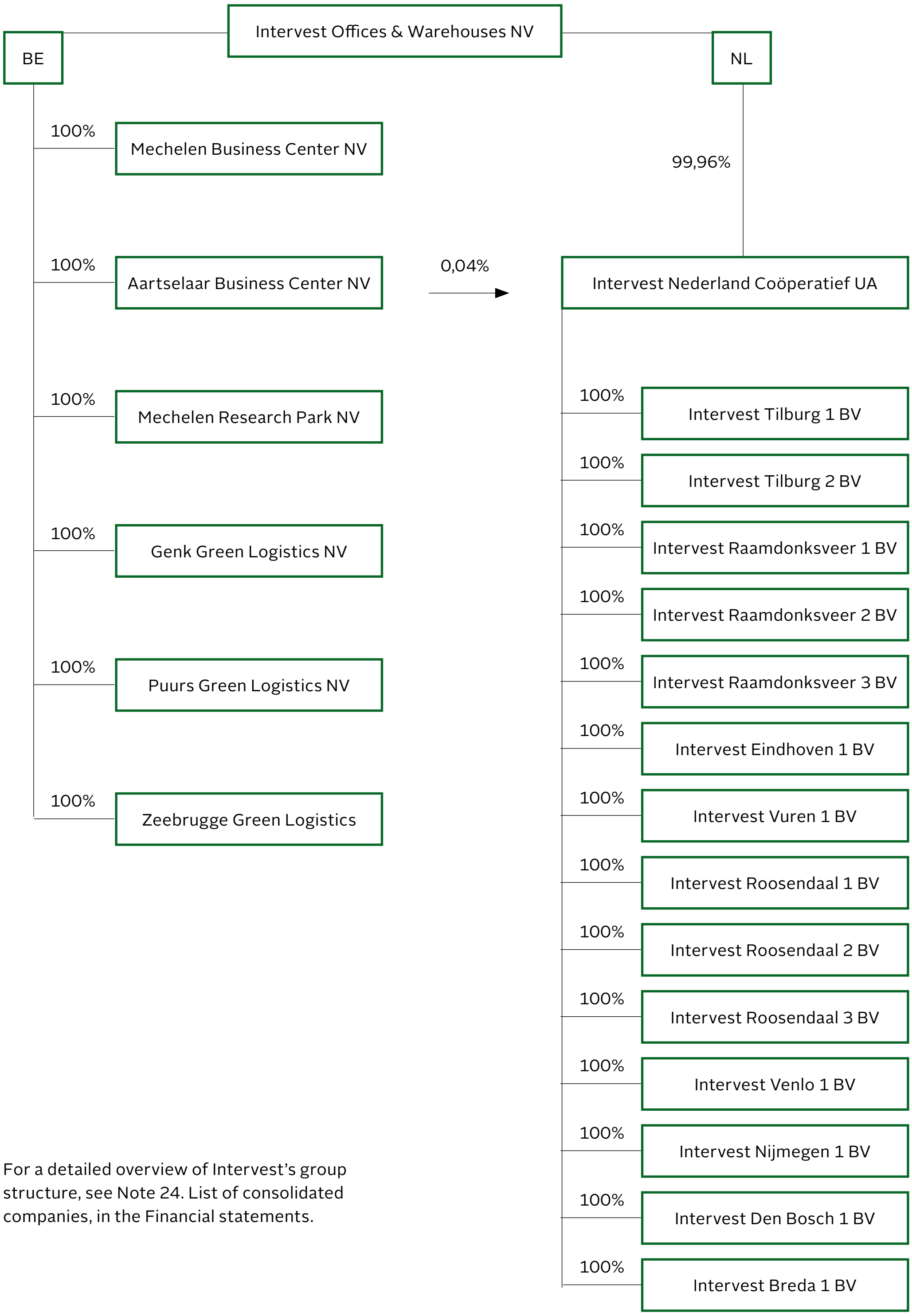
In accordance with the RREC Act, they value the portfolio four times a year. The fee of the property experts is independent of the value of the property and calculated on the basis of an annual fixed amount per building. The above fees relate purely to the quarterly valuations, not to any additional assignments in case of aquisitions or the like.

# 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. Furthermore, the management of the Dutch investment properties is steered by the Intervest office in Eindhoven, under the supervision of the cio of Intervest.

# 7 Group structure

As at 31 December 2022, the group structure is as follows[1]:




For a detailed overview of Intervest's group structure, see Note 24. List of consolidated companies, in the Financial statements.

1 As at 30 November 2022, Greenhouse Singel NV (as acquired company) merged into Intervest Offices & Warehouses NV (as acquiring company) and is no longer included in the group structure as at year-end 2022).

# 8 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 statements.

## 8.1 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 public 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 public 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 public RREC is supervised by the Financial Services and Markets Authority (FSMA) and is subject to specific regulations, the most notable provisions of which are as follows:

- listed company in the form of a public limited company with a minimum capital of €1.200.000 and a minimum of 30% of voting securities held by the public
- activities consisting exclusively 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 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, §1, b) of the RREC Act, to possess real estate as mentioned in article 2, 5°, vi to xi 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 consolidated debt ratio limited to 65% of total assets; if the consolidated 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 fair value without the possibility of depreciation
- a quarterly estimate of the real estate assets by independent real estate experts, who are subjected to a three-year rotation system
- a spread of the risks with an investment of maximum 20% of the assets in real estate that forms one single property entity, with certain exceptions
- prohibition to act as a construction promoter and therefore, except for occasional operations, to construct buildings in order to sell them before or within five years of their construction 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 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 directors or members of the supervisory board must be independent within the meaning of Article 7:87 of the Companies and Associations Code
- 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 perimeter companies: 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.

## 8.2 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 institutional RREC is supervised by the Financial Services and Markets Authority (FSMA) and is subject to a specific regulation, the most prominent of which are the following stipulations:

- unlisted company in the form of a public limited company of which more than 25% of the capital is directly or undirectly controlled 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.

The institutional RREC has the same tax system as the public RREC.

## 8.3 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.

Berchem 〉 Greenhouse Antwerp - Boardroom lounge

# 9 Historical financial information incorporated by reference

| Information incorporated by reference | Document[1] | |
|---|---|---|
| **Important activities** | Annual Report 2021 | p. 9 'Intervest at a glance - Who's Intervest?'<br>p. 36 'Activities report - Property report - Transactions and developments in 2021'<br>p. 42 'Activities report - Property report - Composition of the portfolio' |
| | Annual Report 2020 | p. 21 'Intervest in brief - Company and real estate portfolio '<br>p.76 'Report of the management board - Important developments in 2020'<br>p. 122 'Property report' |
| **Most important markets** | Annual Report 2021 | p. 9 'Intervest at a glance - Who's Intervest?'<br>p. 49 'Activities report - Property report - Composition of the portfolio - Nature of the portfolio'<br>p. 50 'Activities report - Property report - Composition of the portfolio - Geographical spread of the portfolio'<br>p. 52 'Activities report - Property report - Composition of the portfolio - Sectoral spread of the portfolio'<br>p. 61 'Activities report - Property report - Overview of the portfolio'<br>p. 65 'Activities report - Property report - The market for logistics real estate and offices'<br>p. 164 'Financial statements - Notes on the consolidated annual accounts - Note 3. Segmented information' |
| | Annual Report 2020 | p. 21 'Intervest in brief - Company and real estate portfolio'<br>p. 71 'Report of the management board - The market for logistics real estate and offices'<br>p. 129 'Property report - Nature of the portfolio'<br>p. 130 'Property report - Geographical spread of the portfolio'<br>p. 131 'Property report - Sectoral spreadof the portfolio'<br>p. 139 'Property report - Overview of the portfolio'<br>p. 193 'Financial report - Note to the consolidated annual accounts - Note 3. Segmented information' |
| **Investments** | Annual Report 2021 | p. 36 'Activities report - Property report - Transactions and developments in 2021 - Acquisitions in 2021' |
| | Annual Report 2020 | p.77 'Report of the management board - Important developments in 2020 - Investments in 2020' |
| **Financial status** | Annual Report 2021 | p. 34 'Activities report - Property report'<br>p. 70 'Activities report - Financial report'<br>p. 85 'Activities report - EPRA Best Practices'<br>p. 143 'Financial statements'<br>p. 249 'Terminology and alternative performance measures' |
| | Annual Report 2020 | p. 70 'Report of the management board'<br>p. 122 'Property report'<br>p. 172 'Financial report'<br>p. 262 'Terminology and alternative performance measures' |

1 Reference is always made to the online versions of the documents, as available on **www.intervest.eu**.

| Information incorporated by reference | Document[1] | |
|---|---|---|
| **Information on the personnel** | Annual Report 2021 | p. 171 'Financial statements - Notes on the consolidated annual accounts - Note 7. Employee benefits' |
| | Annual Report 2020 | p. 201 'Financial report - Note to the consolidated annual accounts - Note 7. Employee benefits' |
| **Transactions with affiliated parties** | Annual Report 2021 | p. 196 'Financial statements - Notes on the consolidated annual accounts - Note 23. Affiliated parties' |
| | Annual Report 2020 | p. 224 'Financial report - Note to the consolidated annual accounts - Note 23. Affiliated parties' |
| **Historical financial information** | Annual Report 2021 | p. 144 'Financial statements - Consolidated income statement'<br>p. 146 'Financial statements - Consolidated balance sheet'<br>p. 148 'Financial statements - Statement of changes in consolidated equity'<br>p. 152 'Financial statements - Consolidated cash flow statement'<br>p. 154 'Financial statements - Notes on the consolidated annual accounts' |
| | Annual Report 2020 | p. 174 'Financial report - Consolidated income statement'<br>p. 176 'Financial report - Consolidated balance sheet'<br>p. 178 'Financial report - Statement of changes in consolidated equity'<br>p. 182 'Financial report - Consolidated cash flow statement'<br>p. 184 'Financial report - Note to the consolidated annual accounts' |
| **Statutory auditor's report** | Annual Report 2021 | p. 201 'Financial statements - Statutory auditor's report' |
| | Annual Report 2020 | p. 229 'Financial report - Statutory auditor's report' |
| **Dividend** | Annual Report 2021 | p. 103 'Activities report - Intervest on the stock exchange - Dividend and shares' |
| | Annual Report 2020 | p. 118 'Report on the share - Dividend and shares' |

# 10 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
- Corporate governance statement
- Activities report - Property report
- Activities report - Financial report
- Activities report - Outlook for 2023
- Financial statements.

1 Reference is always made to the online versions of the documents, as available on **www.intervest.eu**.

# 11 Persons responsible for the content of the annual report

The supervisory board of Intervest, composed as set out in the "Governing Bodies" section of the Corporate Governance Statement, is responsible for the information contained in this registration document.

Pursuant to article 12 §2 of the Royal Decree of 14 November 2007, Intervest declares that after taking all reasonable measures and according to its knowledge:

- 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 and the companies included in the consolidation
- 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 with which Intervest 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
- 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;
- there have been no significant changes in the Group's financial position and financial performance after 31 December 2022, except as disclosed under Section 6 Financial statements - Notes to the Consolidated financial statements - Note 26 Events after the balance sheet date.

# 12 Information from third parties

This registration document contains information provided by the auditor and the real estate experts. The auditor's report is included in the chapter "Statutory Auditor's Report" in the Financial statements, and the real estate experts' conclusions are incorporated in the chapter "Valuation of the portfolio by the real estate experts" in the Real estate report.

The auditor's details are included in the chapter "Auditor" in the General information, and the real estate experts' details are included in the chapter "Real estate experts" in the General information. The statutory auditor and the real estate experts have confirmed that they have no material interests in Intervest, other than those arising from their respective mandates.

Intervest declares that the information sourced from third parties has been accurately reflected in this registration document and that, to the best of its knowledge and belief, no facts have been omitted from the information published by the statutory auditor and real estate experts which would render the information displayed inaccurate or misleading. The auditor and real estate experts have consented to the content, form and context in which the information provided by them is included in this registration document.

# 13 Universal registration document

This registration document has been approved as a universal registration document by the FSMA, as competent authority pursuant to Article 20 of Regulation (EU) 2017/1129, and may be used for the purpose of an offer of securities to the public or the admission of securities to trading on a regulated market, provided that it is supplemented, as appropriate, by amendments pursuant to Article 10 of Regulation (EU) 2017/1129 and a securities note and summary approved by the FSMA pursuant to Regulation (EU) 2017/1129.

FSMA will approve this registration document only if the standards of completeness, comprehensibility and consistency set out in Regulation (EU) 2017/1129 are met. This approval should not be construed as an endorsement by Intervest.


# 1 EPRA Key Performance Indicators

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.

## 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. 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 company's consolidated annual accounts.

**Purpose -** 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. 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** in thousands € | | 31.12.2022 | 31.12.2021 |
|---|---|---|---|
| Net result | | 57.280 | 104.741 |
| Minority interests | | -5.566 | -6.641 |
| Net result (share Group) | | 51.714 | 98.100 |
| Eliminated from the net result (Group share) (+/-): | | | |
| ▪ Result on disposals of investment properties | | -478 | -198 |
| ▪ Changes in fair value of investment properties | | 26.106 | -66.020 |
| ▪ Other result on portfolio | | -3.920 | 11.205 |
| ▪ Changes in fair value of financial assets and liabilities | | -32.257 | -4.217 |
| ▪ Minority interests regarding the above | | 4.302 | 6.306 |
| **EPRA earnings** | A | **45.467** | **45.176** |
| Weighted average number of shares | B | 26.664.878 | 25.983.006 |
| **EPRA earnings per share (in €)** | =A/B | **1,71** | **1,74** |

## EPRA Net Asset Value (NAV) indicators

**Definition** - Net Asset Value (NAV) adjusted in accordance with the new Best Practice Recommendations (BPR) Guidelines published by EPRA in October 2019 for application as from 2020.

**Purpose -** 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:

- EPRA Net Reinstatement Value (NRV) provides 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.
- EPRA Net Tangible Assets (NTA) assumes that the company buys and sells assets, thereby crystallising certain levels of unavoidable deferred tax.
- 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.

| in thousands € | | 31.12.2022 | |
|---|---|---|---|
| | **EPRA NRV** | **EPRA NTA** | **EPRA NDV** |
| **IFRS Equity attributable to shareholders of the parent company** | 693.352 | 693.352 | 693.352 |
| **Diluted NAV at fair value** | **693.352** | **693.352** | **693.352** |
| To be excluded: | 6.039 | 6.337 | 0 |
| ▪ Deferred tax in relation to the revaluation at fair value of investment properties | -21.775 | -21.761 | |
| ▪ Fair value of financial instruments | 27.814 | 27.814 | |
| ▪ Intangibles assets as per the IFRS balance sheet | | 284 | |
| To be added: | 62.353 | 0 | 20.173 |
| ▪ Fair value of debt with fixed interest rate | | | 20.173 |
| ▪ Real estate transfer tax | 62.353 | | |
| NAV | 749.666 | 687.015 | 713.525 |
| **Diluted number of shares** | 29.235.067 | 29.235.067 | 29.235.067 |
| NAV per share (in €) | 25,64 | 23,50 | 24,41 |

| in thousands € | | 31.12.2021 | |
|---|---|---|---|
| | **EPRA NRV** | **EPRA NTA** | **EPRA NDV** |
| **IFRS Equity attributable to shareholders of the parent company** | 622.512 | 622.512 | 622.512 |
| **Diluted NAV at fair value** | **622.512** | **622.512** | **622.512** |
| To be excluded: | -31.942 | -30.660 | 0 |
| ▪ Deferred tax in relation to the revaluation at fair value of investment properties | -27.453 | -26.425 | |
| ▪ Fair value of financial instruments | -4.489 | -4.489 | |
| ▪ Intangibles assets as per the IFRS balance sheet | | 254 | |
| To be added: | 49.362 | 0 | -813 |
| ▪ Fair value of debt with fixed interest rate | | | -813 |
| ▪ Real estate transfer tax | 49.362 | | |
| NAV | 703.816 | 653.172 | 621.699 |
| **Diluted number of shares** | 26.300.908 | 26.300.908 | 26.300.908 |
| NAV per share (in €) | 26,76 | 24,83 | 23,64 |

## EPRA Net Initial Yield (NIY) and EPRA adjusted NIY

**Definition -** The EPRA NIY is the 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.
 - The EPRA adjusted NIY 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).

**Purpose -** An indicator for comparing real estate portfolios on the basis of yield.

| **Reconciliation** in thousands € | | 31.12.2022 | 31.12.2021 |
|---|---|---|---|
| Investment properties and properties held for sale | | 1.360.695 | 1.208.944 |
| To be excluded: | | | |
| Project developments intended for lease | | 99.619 | 110.124 |
| **Real estate available for lease** | | **1.261.076** | **1.098.820** |
| To be added: | | | |
| Estimated transaction rights and costs resulting from the hypothetical disposal of investment properties | | 61.170 | 49.362 |
| **Investment value of properties available for lease - including property held by right of use** | B | **1.322.246** | **1.148.182** |
| Annualised gross rental income | | 72.614 | 69.801 |
| To be excluded: | | | |
| Property charges[1] | | -9.193 | -8.972 |
| **Annualised net rental income** | A | **63.421** | **60.829** |
| Adjustments: | | | |
| Rent expiration of rent free periods or other lease incentives | | 3.996 | 849 |
| **Annualised "topped-up" net rental income** | C | **67.417** | **61.678** |
| **EPRA Net Initial Yield** | =A/B | 4,8% | 5,3% |
| **EPRA Adjusted Net Initial Yield** | =C/B | 5,1% | 5,4% |

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.

## EPRA vacancy rate

**Definition -** The EPRA vacancy rate is the estimated rental value (ERV) of vacant space divided by ERV of the portfolio in its entirety.

**Purpose -** The EPRA vacancy rate measures the vacancy of the investment properties portfolio based on estimated rental value (ERV).

| | | | | 31.12.2022 | 31.12.2021 |
|---|---|---|---|---|---|
| **Segment** | Leasable space (in thousand m²) | Estimated rental value (ERV) on vacancy (in thousand €) | Estimated rental value (ERV) (in thousand €) | EPRA vacancy rate (in %) | EPRA vacancy rate (in %) |
| Offices | 208 | 6.660 | 27.734 | 24% | 13% |
| Logistics real estate Belgium | 698 | 1.357 | 32.426 | 4% | 1% |
| Logistics real estate the Netherlands | 353 | 0 | 20.501 | 0% | 0% |
| **TOTAL REAL ESTATE available for lease** | **1.259** | **8.017** | **80.661** | **10%** | **6%** |

## EPRA cost ratios

**Definition -** The EPRA cost ratios are the administrative and operational expenditures (IFRS) (including and excluding direct vacancy costs) divided by gross rental income less compensations for leasehold estate and long-lease rights.

**Purpose -** The EPRA cost ratios measure significant changes in the company's general and operational costs.

| **Reconciliation** in thousands € | | 31.12.2022 | 31.12.2021 |
|---|---|---|---|
| Administrative and operational expenditures (IFRS) | | 12.888 | 11.625 |
| *Rental-related costs* | | 19 | 148 |
| *Recovery of property charges* | | -1.249 | -696 |
| *Recovery of rental charges* | | 0 | 0 |
| *Costs payable by tenants and borne by the landlord for rental damage and refurbishment* | | 1.629 | 361 |
| *Other rental-related income and expenses* | | -939 | -716 |
| *Property charges* | | 8.566 | 8.383 |
| *General costs* | | 4.387 | 3.836 |
| *Other operating income and costs* | | 475 | 310 |
| To be excluded: | | | |
| Compensations for leasehold estate and long-lease rights | | -9 | -8 |
| **EPRA costs (including vacancy costs)** | A | **12.879** | **11.617** |
| Vacancy costs | | -1.085 | -893 |
| **EPRA costs (excluding vacancy costs)** | B | **11.794** | **10.724** |
| **Rental income less compensations for leasehold estate and long-lease rights** | C | **71.465** | **65.048** |
| EPRA cost ratio (including vacancy costs) (in %) | =A/C | 18,0% | 17,9% |
| EPRA cost ratio (excluding vacancy costs) (in %) | =B/C | 16,5% | 16,5% |

## EPRA Loan-to-value (LTV)

**Definition** - The nominal financial debts, plus, where appropriate, the net debts/claims minus the cash and cash equivalents, constitutes the net debt (a). This is offset against the fair value of the property portfolio (including property held for sale) and intangible assets which together constitute the total property value (b).

The EPRA LTV provides some changes to IFRS reporting, the main concepts introduced are as follows:

- in case of doubt, any capital that is not equity is considered as debt (regardless of its IFRS classification)
- assets are recorded at fair value
- net debt is recorded at face value
- no adjustment related to IFRS16 is proposed, as these balances generally appear on both sides of the calculation
- the EPRA LTV is calculated on a proportional consolidation basis, i.e. the EPRA LTV includes the Group's share of net debt and net assets of joint ventures or material associates.

**Purpose** - The EPRA Loan-to-Value measures the ratio of debt to market value of the property portfolio. (a/b).

| in thousands € | | 31.12.2022 | |
|---|---|---|---|
| | Reported | Minority interests | Share Group |
| **To be added:** | | | |
| ▪ Loans from credit institutions | 487.380 | 20.656 | 466.724 |
| ▪ Commercial Paper | 46.000 | 0 | 46.000 |
| ▪ Greenbond/USPP | 94.382 | 0 | 94.382 |
| ▪ Net debts/receivables | 35.600 | 8.021 | 27.579 |
| **To be excluded:** | | | |
| ▪ Cash and cash equivalents | -3.053 | -222 | -2.831 |
| **EPRA Net debt (a)** | 660.309 | 28.455 | 631.854 |
| **To be added:** | | | |
| ▪ Property available for lease (including solar panels) | 1.248.392 | 40.617 | 1.207.774 |
| ▪ Property available for sale | 27.277 | 0 | 27.277 |
| ▪ Project developments and land reserves | 99.619 | 14.598 | 85.021 |
| ▪ Intangible assets | 284 | 2 | 282 |
| **EPRA Total property value (b)** | 1.375.572 | 55.217 | 1.320.355 |
| **EPRA LTV (a/b)** | **48,0%** | | **47,9%** |

| in thousands € | | 31.12.2021 | |
|---|---|---|---|
| | Reported | Minority interests | Share Group |
| **To be added:** | | | |
| ▪ Loans from credit institutions | 421.708 | 7.948 | 413.760 |
| ▪ Commercial Paper | 108.000 | 0 | 108.000 |
| ▪ Net debts/receivables | 10.789 | 8.520 | 2.269 |
| **To be excluded:** | | | |
| ▪ Cash and cash equivalents | -3.537 | -395 | -3.142 |
| **EPRA Net debt (a)** | 536.960 | 16.073 | 520.887 |
| **To be added:** | | | |
| ▪ Property available for lease (including solar panels etc) | 1.104.174 | 15.029 | 1.089.145 |
| ▪ Project developments and land reserves | 110.124 | 13.715 | 96.409 |
| ▪ Intangible assets | 254 | 3 | 251 |
| ▪ Financial assets | 1.713 | 856 | 857 |
| **EPRA Total property value (b)** | 1.216.265 | 29.603 | 1.186.662 |
| **EPRA LTV (a/b)** | **44,1%** | | **43,9%** |

# 2 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 alternative measures are indicated with ✪ and include a definition, objective and reconciliation as required by the ESMA guidelines. The EPRA indicators that are considered as APM are included in the chapter “EPRA Key Performance Indicators”.

## 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 and the capitalized intercalary interest, divided by the 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.

**Purpose -** 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 € | | 31.12.2022 | 31.12.2021 |
|---|---|---|---|
| Net interest charges (on annual basis) | A | 10.655 | 7.095 |
| Capitalized intercalary interests | B | 1.647 | 1.095 |
| Average debt for the period | C | 620.034 | 459.768 |
| **Average interest rate of the financing (based on 360/365) (%)** | = (A+B)/C | **2,0%** | **1,8%** |

## Net debt / EBITDA

**Definition** - The Net debt-EBITDA ratio is calculated by dividing long-term and short-term financial liabilities (less cash) by the operating result (before portfolio result) adjusted by depreciation.

**Purpose** - Net debt / EBITDA indicates how many years it will take the company to repay its financial debt, assuming financial debt and EBITDA remain constant.

| **Reconciliation** in thousands € | | 31.12.2022 | 31.12.2021 |
|---|---|---|---|
| Financial debts | | 628.826 | 530.210 |
| Cash and cash equivalents | | -3.053 | 3.537 |
| Net debt (IFRS) | A | 625.773 | 526.673 |
| Operating result before result on portfolio | | 58.586 | 53.430 |
| Depreciations | | 773 | 681 |
| **EBITDA (IFRS)** | **B** | **59.359** | **54.111** |
| **Net debt/ EBITDA** | **= A/B** | **10,5** | **9,7** |

## 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** | | 31.12.2022 | 31.12.2021 |
|---|---|---|---|
| Net result (Group share) (in thousands €) | A | 51.714 | 98.100 |
| Weighted average number of shares | B | 26.664.878 | 25.983.006 |
| **Net result per share (Group share) (in €)** | **=A/B** | **1,94** | **3,78** |

## 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.

**Purpose -** 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 € | | 31.12.2022 | 31.12.2021 |
|---|---|---|---|
| Operating profit before result on portfolio | A | 58.586 | 53.430 |
| Rental income | B | 71.474 | 65.056 |
| **Operating margin (%)** | **=A/B** | **82%** | **82%** |

## Result on portfolio and result on portfolio (Group share)✪

**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.

**Purpose -** 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 € | 31.12.2022 | 31.12.2021 |
|---|---|---|
| Result on disposals of investment properties | 478 | 198 |
| Changes in fair value of investment properties | -26.106 | 66.020 |
| Other result on portfolio | 3.920 | -11.205 |
| **Result on portfolio** | **-21.708** | **55.013** |
| Minority interests | -4.302 | -6.306 |
| **Result on portfolio (Group share)** | **-26.010** | **48.707** |

# 3 Terminology

## 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.

## Capitalization factor

The capitalisation factor is the required rate of return determined by the property expert in the valuation report of an investment property.

## 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.

## 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 1,09.

## 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.

## Gross yield (at full letting)

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.

## 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 cover 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 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 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

## Occupation 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.

## Organic Growth

The organic growth concerns the rental income growth of the existing portfolio, including the completed and leased projects, excluding acquisitions.

## 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.

## 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.

# Notes

# Notes

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**Comments or remarks? Questions?** InvestorRelations@intervest.eu

**Design and realisation: Intervest**

This annual financial report is a universal registration document within the meaning of Article 9 of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market and repealing Directive 2003/71/EC.

The official version of this annual financial report has been prepared in ESEF format and is as such available on the company's website: www.intervest.eu.

Intervest Offices & Warehouses has drawn up its annual report in Dutch. Intervest Offices & Warehouses has also produced a translation of this annual report in French and English. Intervest Offices & Warehouses, represented by its supervisory board, is responsible for the translation and conformity of the Dutch, French and English language versions. However, in case of contradictions between the language versions, the Dutch version shall always prevail.

The Dutch-language version of this annual report and its French and English translations are available on the company's website, www.intervest.eu.

Ce rapport annuel est également disponible en français.
Dit jaarverslag is ook beschikbaar in het Nederlands.

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