

CONSOLIDATED ACCOUNTS & CONDENSED STATUTORY *accounts*



Four Seasons Resort Marbella

CONSOLIDATED ACCOUNTS AND CONDENSED STATUTORY ACCOUNTS

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I. Consolidated financial statements

A. Consolidated statement of profit and loss and other comprehensive income (in thousands EUR)

	NOTES	31/12/2021	31/12/2020
OPERATING INCOME		392 815	375 390
Revenues	2	379 509	364 479
Other operating income	3	13 306	10 911
OPERATING EXPENSES		-338 312	-333 526
Cost of sales	4	-311 066	-300 766
Cost of commercialisation	5	- 439	-1 702
Administration costs	6	-26 807	-31 057
SALE OF SUBSIDIARIES		25	133
Gain (loss) on sales of subsidiaries	7	25	133
JOINT VENTURES AND ASSOCIATES		44 531	7 994
Share of result of joint ventures and associates, net of tax	8	44 531	7 994
OPERATING PROFIT AND SHARE RESULT OF ASSOCIATES AND JOINT VENTURES, NET OF TAX		99 058	49 991
Interest income		4 983	5 773
Interest expense		-6 605	-11 859
Other financial income		81	1 440
Other financial expenses		-3 552	-2 649
NET FINANCIAL COSTS	9	-5 094	-7 295
PROFIT BEFORE TAXES		93 964	42 696
Income taxes	10	-1 619	-8 650
PROFIT OF THE PERIOD		92 345	34 047
Share of non-controlling interests		195	775
SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY		92 150	33 272
PROFIT FOR THE PERIOD		92 345	34 047
Other comprehensive income - items that are or may be reclassified subsequently to profit or loss		- 820	2 282
Currency translation		- 904	2 282
Effective portion of changes in fair value		84	
Other comprehensive income - items that are or may be not reclassified subsequently to profit or loss	27	57	201
Actuarial gains and losses (-) on defined benefit pension plans	27	57	201
Other comprehensive income - items that has been reclassified to profit or loss			
TOTAL OTHER COMPREHENSIVE INCOME		- 763	2 483
COMPREHENSIVE INCOME OF THE PERIOD		91 582	36 530
Share of non-controlling interests		112	964
SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY		91 470	35 566
EARNINGS PER SHARE (€) (BASIC)	11	9,25	3,58
COMPREHENSIVE INCOME PER SHARE (€) (BASIC)	11	9,18	3,82
EARNINGS PER SHARE (€) (DILUTED)	11	9,25	3,58
COMPREHENSIVE INCOME PER SHARE (€) (DILUTED)	11	9,18	3,82

B. Consolidated statement of financial position (in thousands EUR)

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

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

C. Consolidated statement of cash flows (in thousands EUR)

	NOTES	31/12/2021	31/12/2020 (represented*)
Operating income		392 815	375 390
Operating expenses		-338 312	-333 526
Amortisation, depreciation and impairment of assets	11	4 584	3 684
Change in provisions		214	-1 198
CASH FLOW FROM OPERATIONS BEFORE CHANGES IN WORKING CAPITAL		59 301	44 350
Change in working capital	33	-60 379	-80 846
CASH FLOW FROM OPERATIONS BEFORE PAID INTERESTS AND PAID TAXES		-1 078	-36 496
Paid interests	9	-15 456	-18 936
Interest received		4 983	5 773
Other financing cash flows		-3 471	- 552
Paid taxes	10	-6 251	-6 011
CASH FROM OPERATING ACTIVITIES		-21 273	-56 222
Acquisitions of intangible, tangible and other non-current assets		-8 845	- 878
Sale of intangible, tangible and other non-current assets		4 207	9 792
Repayment of capital and advances by joint ventures	17	86 557	17 113
Acquisitions, capital injections and loans to joint ventures and associates	17	-45 612	-70 095
Dividends received from joint ventures and associates	17	8 034	10 533
Disposal of subsidiaries	17		
CASH FROM INVESTING ACTIVITIES		44 341	-33 535
Proceeds from new loans	25	258 113	151 931
Repayment of financial debts	25	-143 372	-100 881
Sale of treasury shares		16 417	57 600
Gross dividends paid		-28 907	-26 981
CASH FROM FINANCING ACTIVITIES		102 251	81 669
NET INCREASE OR DECREASE (-) IN CASH AND CASH EQUIVALENTS		125 319	-8 088
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF PERIOD		148 059	156 146
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD		273 377	148 059

(*) Cash flows relating to equity accounted investees and disposal of subsidiaries have been represented from cash flow from operating activities to cash flow from investing activities to align the presentation to the nature of the underlying cash flows as defined by IFRS

D. Consolidated statement of changes in equity (in thousands EUR)

	CAPITAL	RETAINED EARNINGS	ACQUISITION RESERVE	CURRENCY TRANSLATION	RESERVE FOR DEFINED BENEFIT PLANS	HEDGING RESERVES	EQUITY TO BE ALLOCATED TO OWNERS OF THE COMPANY	NON CONTROLLING INTERESTS	TOTAL EQUITY
2021									
Balance as at 01-01-2021	97 256	280 997	111 705	2 147	377	- 560	491 922	2 568	494 490
Before treasury shares	97 256	280 997	124 869	2 147	377	- 560	505 086	2 568	507 654
Treasury shares	-	-	-13 164	-	-	-	-13 164	-	-13 164
Profit of the period	-	92 150	-	-	-	-	92 150	195	92 345
Other comprehensive income	-	-	-	- 821	57	84	- 680	- 83	- 763
Dividends and other beneficiaries paid	-	-27 942	-	-	-	-	-27 942	-2 156	-30 098
Cash flow hedging	-	-	-	-	-	253	253	-	253
Scope changes	-	- 167	-	-	-	-	- 167	10 828	10 661
Transactions on treasury shares	-	4 545	11 871	-	-	-	16 416	-	16 416
Other changes	-	- 474	89	-	-	-	- 385	-	- 385
Changes in the year	-	68 112	11 960	- 821	57	337	79 645	8 784	88 429
Balance as at 31-12-2021	97 256	349 109	123 665	1 326	434	- 223	571 567	11 352	582 919
Before treasury shares	97 256	349 109	124 869	1 326	434	- 223	572 771	11 352	584 123
Treasury shares	-	-	-12 204	-	-	-	-12 204	-	-12 204
2020									
Balance as at 01-01-2020	97 256	258 344	70 321	55	175	-	426 151	2 011	428 162
Before treasury shares	97 256	258 344	124 869	55	175	-	480 699	2 011	482 710
Treasury shares	-	-	-54 548	-	-	-	-54 548	-	-54 548
Comprehensive income for the year	-	33 272	-	-	-	-	33 272	775	34 047
Other comprehensive income	-	-	-	2 092	202	-	2 294	189	2 483
Dividends and other beneficiaries paid	-	-26 551	-	-	-	-	-26 551	- 430	-26 981
Cash flow hedging	-	-	-	-	-	- 560	- 560	-	- 560
Scope changes	-	- 23	-	-	-	-	- 23	23	-
Transactions on treasury shares	-	16 216	41 384	-	-	-	57 600	-	57 600
Other changes	-	- 261	-	-	-	-	- 261	-	- 261
Changes in the year	-	22 653	41 384	2 092	202	- 560	65 771	557	66 328
Balance as at 31-12-2020	97 256	280 997	111 705	2 147	377	- 560	491 922	2 568	494 490
Before treasury shares	97 256	280 997	124 869	2 147	377	- 560	505 086	2 568	507 654
Treasury shares	-	-	-13 164	-	-	-	-13 164	-	-13 164

A gross dividend of EUR 3.05 per share (excluding treasury shares) was proposed by the Board of Directors on March 10, 2022. It will be submitted to the shareholders for approval at the general meeting. The appropriation of income has not been recognized in the financial statements as of December 31, 2021.

The share capital of Immoel SA is represented by 9.997.356 ordinary shares, including 26.965 treasury shares.

As at December 31, 2021, 265 562 treasury shares have been sold during the current year for an amount of EUR 16 416 thousand which includes a realized net gain of EUR 4 545 thousand.

In accordance with IAS 32, these own shares are presented in deduction of the equity. These own shares have neither voting rights nor dividend rights.

On December 31, 2021 the treasury shares, resulting from the merger with ALLFIN, remain valued at the share price on June 29, 2016, which was the date of the merger.

As per Immoel's 2020 result allocation, EUR 27 609 thousand have been paid out as dividends and EUR 333 thousand were allocated to a charity fund.

The currency translation adjustments are related to Polish entities for which the functional currency is in zloty.

E. Accounting principles and methods

1) General information

Immobel ("the Company") is a company domiciled in Belgium whose shares are publicly traded (Euronext – IMMO). The consolidated financial statements of the Group comprise the Company, its subsidiaries, and the Group's interest in associates and joint arrangements (referred to as "The Group"). The Group is active in the property development business, with activities in Belgium, France, Luxemburg, Germany, Poland and Spain

2) Statement of compliance with IFRS

The consolidated financial statements have been prepared in accordance with IFRS (International Financial Reporting Standards) as adopted in the European Union. The consolidated financial statements were authorized for issue by the Company's board of directors on March 10, 2022.

The consolidated statements of the Group as disclosed in this annual report take into account new standards applicable as from January 1, 2021. Following standards and amendments were applied to the Group's financial statements for the year 2021. These standards were either not applicable or did not have a material impact to the Group's financial statements.

STANDARDS AND INTERPRETATIONS APPLICABLE FOR THE ANNUAL PERIOD BEGINNING ON 1 JANUARY 2021

Following new standards or amendments to IFRS are effective as from January 1, 2021 but are either not material or do not have a material impact on the 2021 Group's financial statements .

- Interest Rate Benchmark Reform – Phase 2 – Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16
- Covid-19-Related Rent Concessions beyond 30 June 2021 Amendment to IFRS 16

STANDARDS AND INTERPRETATIONS PUBLISHED, BUT NOT YET APPLICABLE FOR THE ANNUAL PERIOD BEGINNING ON 1 JANUARY 2021

The Group has not anticipated the following standards and interpretations which are not yet applicable on 31 December 2021:

- Amendments to IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates,
- IFRS 17 Insurance Contracts; including Amendments to IFRS 17 - endorsed; effective date 1 January 2023
- Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current (applicable for annual periods beginning on or after 1 January 2023, but not yet endorsed in the EU)
- Amendments to IAS 16 Property, Plant and Equipment: Proceeds before Intended Use (applicable for annual periods beginning on or after 1 January 2022, but not yet endorsed in the EU)
- Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets: Onerous Contracts - Cost of Fulfilling a Contract (applicable for annual periods beginning on or after 1 January 2022)
- Amendments to IFRS 3 Business Combinations: Reference to the Conceptual Framework (applicable for annual periods beginning on or after 1 January 2022)
- Annual Improvements to IFRS Standards 2018–2020 (applicable for annual periods beginning on or after 1 January 2022)
- Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction
- Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting policies

The process for determining the potential impact of these standards and interpretations on the Group's consolidated financial statements is ongoing. The group does not expect any significant changes resulting from the application of these standards.

3) Preparation and presentation of the financial statements

The consolidated financial statements are presented in thousands of EUR.

They are prepared on the historical cost basis, except for some financial instruments which are measured at fair value, as explained in the accounting policies below.

GOING CONCERN

In this context of crisis, the Group has paid particular attention to adequately reflect the current and expected impact of the COVID-19 situation on the financial position, performance and cash-flows of the company, applying the IFRS accounting principles in a consistent manner.

- General business performance

COVID-19 is currently still having an impact on the activity of the company and the sector as a whole mainly with respect to progress in permitting as well as for office related commercial activities.

- Impairment losses on non-financial assets

With the exception of the goodwill arisen from the acquisition of Nafilyan & Partners for which an annual impairment test is performed, the Group is required to conduct in accordance with the provisions of IAS 36, impairment tests where there is an indication of impairment of an asset.

Immobel Group identified neither evidence nor triggering events that would require asset impairment decisions and refers to the impairment test carried out as per note 13 of the Group's last annual consolidated Financial Statements as at and for the year ended December 31, 2021 and concluded that no impairment charge needs to be recognised in the current year against goodwill.— **see note 13.**

- Valuation of financial assets and expected credit losses

The COVID-19 crisis gives rise to a potentially increased credit risk and may therefore affect the amount of impairment losses to be recognized in respect of expected credit losses. The Group has therefore monitored payment receipts and counterparty risk more closely, noting no significant deterioration. The impact of the "expected credit losses" (ECL) remains immaterial, especially since a physical asset can be considered, in most cases, as a collateral (guarantee) in the assessment.

- Valuation of inventories

With regard to the inventories (projects to be developed), the assumptions used to assess the recoverability of the project under development have been consistently reviewed and updated based on the most recent market data, without significant impact. No write-downs have been identified as per December 31, 2021.

- Financial risks (financing, liquidity, compliance with financial ratio)

Financial risks have been monitored carefully.

As a buffer against these market conditions the company has a cash position of EUR 273 million at the end of December 2021, available corporate lines of EUR 15 million and EUR 691 million of confirmed project finance lines of which EUR 384 million were used.

Liquidity risk and trends in interest rate and exchange rate markets, have been reviewed and the related information has been updated based on data available at December 31, 2021 – see note 25.

- Deferred tax assets

Immobel's deferred tax asset positions were reviewed in order to ensure their recoverability through future taxable income. The Group also monitored changes to legislation, revisions to tax rates and other tax measures taken in response to the crisis.

The company did not identify significant impact of the COVID-19 crisis on the estimated future taxable profit.

- Provisions

The Group reviewed whether any current obligations were likely to give rise to the recognition of provisions, noting no specific risk.

- Performance indicators and presentation of COVID-19 impacts in the income statement

The financial impacts of the crisis were rather limited.

The Group has neither adjusted its performance indicators, nor included new indicators to describe the impacts of COVID-19.

- Application of support measures

In Belgium, as well as in other countries, the Group utilized government temporary unemployment schemes and deferred the disbursement of some tax debts, all being paid as per December 31, 2021.

- Subsequent events

Given the uncertainties related to the health crisis and the constantly changing environment, the Group paid particular attention to events that occurred during the period from December 31, 2021 until the approval of the financial statements by the Board of Directors – see note 32.

- Going concern

Actuals related to 2021 and forecast for 2022 show that the management assessment related to the going concern of the company remains appropriate.

4) Consolidation rules

The consolidated financial statements include the financial statements of the Company and its subsidiaries, as well as interests in joint ventures and in associated companies accounted for using the equity method.

All intragroup balances, transactions, revenue and expenses are eliminated, except for the companies accounted for using the equity method; for which only the unrealised profits on transactions with equity-accounted investees are eliminated (to the extent of the investor's interest in the investee).

SUBSIDIARIES

Subsidiaries are companies controlled by the Group.

Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

The financial statements of subsidiaries are included in the consolidated financial statements from the date when control begins until the date when control ends.

NON CONTROLLING INTEREST

Non-controlling interests are measured at their proportionate share of the acquirees identifiable net assets at the date of acquisition.

INTERESTS IN JOINT VENTURES

A joint venture is a contractual agreement whereby the Group and one or several parties agree to undertake an economic activity under joint control. The joint venture agreement generally results in the creation of one or more distinct jointly controlled entities.

When the share of the Group in the losses exceeds its interest in an equity accounted investee, the carrying amount of that interest is reduced to zero, and the recognition of future losses is discontinued, except to the extent that the Group has an obligation or has made payments on behalf of the investee. In such case the negative investment in equity accounted investees is deducted from other components of the investor's interest in the equity accounted investee (borrowings to equity accounted investees). If the negative investment in equity accounted investees exceeds the investor's interest, a liability is recognized for the net amount. The group makes this assessment on a project basis.

INTERESTS IN ASSOCIATES

Associates are entities over which the Group has significant influence through its participation in their financial and operating policy decisions. They are neither subsidiaries, nor joint ventures of the Group.

Significant influence is presumed if the Group, directly or indirectly, holds 20 % or more but less than 50 % of the voting rights.

Interests in associates are accounted for in the consolidated financial statements using the equity method, from the date when significant influence begins until the date when it ends. The book value of interests is decreased, if applicable, so as to record any impairment of individual interests.

DIFFERENT REPORTING DATES

The financial statements of subsidiaries, joint ventures and associates with reporting dates other than 31 December (reporting date of the Company) are adjusted so as to take into account the effect of significant transactions and events that occurred between the reporting date of the subsidiary, joint venture or associate and 31 December. The difference between 31 December and the reporting date of the subsidiary, joint venture or associate never exceeds 3 months.

BUSINESS COMBINATIONS AND GOODWILL

Immobel analyses any acquisition of subsidiaries based on IFRS 3 and integrates the criteria suggested by IFRS 3 §B5 to B12 to identify any business combination and to define a business.

Immobel accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group. In determining whether a particular set of activities and assets is a business, the Group assesses whether the acquired set has the ability to produce outputs.

Immobel has an option to apply a “concentration test” that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in profit and loss immediately. Transaction costs are expenses as incurred, except if related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

5) Foreign currencies

TRANSLATION OF FINANCIAL STATEMENTS OF FOREIGN ENTITIES

The balance sheets of foreign companies are translated in EUR at the official year-end exchange rate and income statements are translated at the average exchange rate for the financial year.

Translation differences resulting therefrom are included under shareholders' equity under “translation differences”. Upon disposal of an entity, translation differences are recognised in profit and loss.

TRANSACTIONS OF FOREIGN CURRENCIES

Transactions are first recorded at the exchange rate prevailing on the transaction date. At each end of the financial year, monetary assets and liabilities are converted at the exchange rates on the balance sheet date. Gains or losses resulting from this conversion are recorded as financial result.

6) Intangible assets

Intangible assets are recorded in the balance sheet if it is likely that the expected future economic benefits which may be allocated to assets will flow to the entity and if the cost of the assets can be measured reliably.

Intangible assets are measured at cost less accumulated amortisation and any impairment losses.

Intangible assets are amortised using the straight-line method on the basis of the best estimate of their useful lives of 3 to 5 years. The amortisation period and method are reviewed at each reporting date.

7) Goodwill

Goodwill is initially recognised and measured as set out above.

Goodwill is not amortised but is reviewed for impairment at least annually.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or Groups of cash-generating units) expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

On disposal of a cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

8) Property, plant and equipment

Tangible assets are measured at cost less accumulated depreciation and any impairment losses. Fixed assets are depreciated prorata temporis on a straight-line basis over their useful lives. Useful lives have been determined as follows:

- buildings: 20 to 50 years,
- furniture and equipment: 3 to 10 years,
- installations, complexes, machinery and specific equipment's: 5 to 20 years.

Land has an unlimited useful life and therefore it is not depreciated.

Subsequent expenses related to tangible assets are only capitalised if it is likely that future economic benefits associated with the item will flow to the entity and if the cost of the item can be measured reliably.

Buildings under construction for manufacturing, leasing or administrative purposes are recorded at cost less any impairment loss. Depreciation of these assets begins when the assets are ready to be used.

9) Investment property

Investment property is measured in accordance with the cost model of IAS 40 - Investment property. They represent real property (land and/or buildings under construction or available) held by the Group so as to earn rent and/or create value for property rather than use or sell them. They mainly relate to buildings acquired to be redeveloped and which are leased out until the beginning of development.

Investment property is amortized over a period until the beginning of development, at which time they are transferred to inventories, and taking into account a residual value estimated at that date.

10) Leases

AS A LESSEE

The Group assesses whether a contract is or contains a lease, at inception of the contract. With respect to all lease arrangements in which the Group is the lessee, a lease liability (i.e. a liability to make lease payments) will be recognized, as well as a right-of-use asset (i.e. an asset representing the right to use the underlying asset over the lease term), except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (such as tablets and personal computers, small items of office furniture and telephones). For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The Group's leased assets relate mainly to buildings and transportation equipment. The right-of-use assets are presented separately in the consolidated statement of financial position, and the lease liabilities are presented as part of financial debt.

The right-of-use asset is initially measured at the amount of the lease liability plus any initial direct costs incurred by the lessee. Adjustments may also be required for lease incentives, payments at or prior to commencement and restoration obligations or similar.

After lease commencement, the right-of-use asset is measured using a cost model.

Under the cost model a right-of-use asset is measured at cost less accumulated depreciation and accumulated impairment. Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The Group applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described under section 17 hereunder.

The lease liability is initially measured at the present value of the lease payments payable over the lease term, discounted at the rate implicit in the lease if that can be readily determined. If that rate cannot be readily determined, the Group uses its incremental borrowing rate.

The lease liability is subsequently remeasured to reflect changes in:

- the lease term (using a revised discount rate);

- the assessment of a purchase option (using a revised discount rate);
- the amounts expected to be payable under residual value guarantees (using an unchanged discount rate); or
- future lease payments resulting from a change in an index or a rate used to determine those payments (using an unchanged discount rate).

The remeasurements are treated as adjustments to the right-of-use asset.

AS A LESSOR

The Group enters into lease agreements as a lessor with respect to its investment properties. These mainly relate to buildings acquired to be redeveloped and which are rented until the beginning of development. These contracts are classified as operating leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

11) Financial instruments

Financial assets and financial liabilities are recognised in the Group's balance sheet when the Group becomes a party to the contractual provisions of the instrument.

CLASSIFICATION AND MEASUREMENT OF FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

The financial assets include the investments in equity instruments designated at fair value through profit or loss, loans to related parties, receivables including trade receivables and other receivables, derivative financial instruments, financial assets at fair value through profit or loss, cash and cash equivalents.

The acquisitions and sales of financial assets are recognised at the transaction date.

FINANCIAL ASSETS – DEBT INSTRUMENTS

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Debt instruments that meet the following conditions are subsequently measured at amortised cost:

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments include

- Receivables that are measured at amortised cost (advances to joint ventures and associates, other non-current financial assets);
- Trade receivables measured at amortised cost;
- Cash and cash equivalents. Cash includes cash at bank and current financial accounts with non-consolidated companies. Cash equivalents consist of risk-free investments with maturities of up to three months or which can be converted into cash almost immediately. These items are recorded in the statement of financial position at their nominal value. Bank overdrafts are included in current financial liabilities.

FINANCIAL ASSETS – INVESTMENTS IN EQUITY INSTRUMENTS

On initial recognition, all equity investments are measured at fair value through profit and loss unless the entity makes an irrevocable election to measure the instrument at fair value on other comprehensive income (only possible if not held for trading). Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in the income statement.

AMORTISED COST AND EFFECTIVE INTEREST METHOD

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial instruments other than purchased or originated credit-impaired financial assets, the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. On the other hand, the gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGING TRANSACTIONS

The Group has elected to adopt the hedge accounting requirements of IFRS 9 Financial Instruments where the hedging instrument and the hedged item match based on an assessment of the effectiveness of the hedge.

The effective portion of changes in the fair value of derivatives and other qualifying hedging instruments that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading of cash flow hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss.

When a derivative instrument or a non-derivative financial liability is designated as the hedging instrument in a hedge of a net investment in a foreign operation, the effective portion of changes in the fair value of a derivative or foreign exchange gains and losses for a non-derivative is recognised in OCI and presented in the translation reserve within equity. Any ineffective portion of the changes in the fair value of the derivative or foreign exchange gains and losses on the nonderivative is recognised immediately in profit or loss. The amount recognised in OCI is fully or partially reclassified to profit or loss as a reclassification adjustment on disposal or partial disposal of the foreign operation, respectively.

IMPAIRMENT OF FINANCIAL ASSETS

In relation to the impairment of financial assets and contract assets, an expected credit loss model is applied. The expected credit loss model requires the Group to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition of the financial assets. Specifically, the following assets are included in the scope for impairment assessment for the Group: 1) trade receivables; 2) current and non-current receivables and loans to related parties; 3) contract assets; 4) cash and cash equivalents.

IFRS 9 requires the Group to measure the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. On the other hand, if the credit risk on a financial instrument has not increased significantly since initial recognition, the Group is required to measure the loss allowance for that financial instrument at an amount equal to 12 month expected credit losses. For long term receivables, IFRS 9 provides a choice to measure expected credit losses applying lifetime or 12 month expected credit losses model. The Group selected the lifetime expected credit loss model.

The expected credit loss is assessed for each financial asset on an individual basis and is generally immaterial in view of the fact that a physical asset can be considered as a collateral (guarantee) in the assessment of the expected credit loss : trade receivables generally relate to the sales of residential units under construction and advances to associates and joint ventures relate to financing projects under development.

DERECOGNITION OF FINANCIAL ASSETS

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

FINANCIAL LIABILITIES

All financial liabilities of the Group are subsequently measured at amortised cost using the effective interest method.

Interest-bearing bank loans and overdrafts are recorded at the amount of cash obtained, after deduction of any transaction costs. After initial recognition, they are measured at amortized cost. Any difference between the consideration received and the redemption value is recognized in income over the period of the loan using the effective interest rate.

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

SHAREHOLDER'S EQUITY

Issue costs that may be directly allocated to an equity transaction are recorded as a deduction from equity. As a consequence, capital increases are recorded at the proceeds received, net of issue costs. Similarly, equity transactions on own participation are recognised directly under shareholders' equity.

When shares recognised as equity are repurchased, the amount of the consideration paid, which includes directly attributable costs, is recognised as a deduction from equity. Repurchased shares are classified as treasury shares and are presented in the treasury share reserve. When treasury shares are sold or reissued subsequently, the amount received is recognised as an increase in equity and the resulting surplus or deficit on the transaction is presented within share premium.

CASH FLOWS

Cash flows are inflows and outflows of cash and cash equivalents.

Operating activities are the principal revenue-producing activities of the entity and other activities that are not investing or financing activities. Acquisitions and sales of projects through the purchase or sale of assets are considered as operating activities and are presented as part of the cash flows from operating activities, whether the project is classified in inventory or in investment property if it is leased prior to its development.

Investing activities are the acquisition and disposal of project companies, long-term assets and other investments not included in cash equivalents.

Financing activities are activities that result in changes in the size and composition of the contributed equity and borrowings of the entity.

Cash flows relating to equity accounted investees and disposal of subsidiaries have been represented from cash flow from operating activities to cash flow from investing activities to align the presentation to the nature of the underlying cash flows as defined by IFRS.

12) Inventories

Inventories are measured at cost of the specific asset or net realisable value, whichever is lower. Net realizable value is the estimated selling price in the ordinary course of business, less estimated completion costs and costs to sell.

The acquisition cost of purchased goods includes acquisition cost and expenses directly attributable to the purchases. For finished goods and work in progress, the cost price takes into account direct expenses and a portion of production overhead without including administrative and financial expenses.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated cost necessary to make the sale. The impairment in value or loss on inventories to bring them to their net realisable value is recognised as an expense in the year when the impairment in value or loss occurs.

The interests incurred during construction are capitalised. The costs of borrowings are activated depending on the nature of the funding. The cost of funding defined as "project financing" are fully allocated to projects funded. The costs of "Corporate" and "Bonds" financing are partially allocated based on an allocation key taking into account the projects under development and the amounts invested. The activation of the borrowing costs stops as soon as the project is ready for its intended sale.

13) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, when it is probable that an outflow of resources will be necessary to settle the obligation and when a reliable estimate of the amount of the obligation can be made.

The amount recognised as a provision is the best estimate of the expenditure required to settle the present obligation if necessary.

WARRANTIES

A provision for warranties is made when underlying products or services are sold. The measurement of the provision is based on historical data and by weighing all possible outcomes to which probabilities are associated (expected value method).

CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Contingent liabilities, which occurrence is not probably, are not recognized as a provision and are mentioned in the notes to the financial statements, provided that the risk is not remote.

Contingent assets are not recognized in the financial statements.

14) Employee benefits

POST-EMPLOYMENT BENEFITS

The Group operates a defined-benefit pension plan and a defined-contribution pension plan.

- « Defined-contribution » pension plan

Contributions to these pension plans are recognized as an expense in the income statement when incurred.

- « Defined-benefit » pension plan

For such a plan, the cost of corresponding commitments is determined using the Projected Unit Credit Method, with present values being calculated at year end.

The amount recognised in the balance sheet represents the present value of commitments in terms of the defined benefit pension plans, less the fair value of plan assets and costs of rendered services not yet recognised. Any asset resulting from this calculation is limited to the present value of possible refunds to the Group and the decreases in future contributions to the plan.

Actuarial gains and losses are directly recorded in the other elements of comprehensive income and are presented in the statement of comprehensive income.

BONUSES

Bonuses granted to company employees and senior executives are based on targets relating to key financial indicators. The estimated amount of bonuses is recognized as an expense in the year to which they relate.

15) Grants related to assets or investment subsidies

Received government grants related to assets or investment subsidies are recognised in the balance sheet (presented under other long-term liabilities) as deferred income. They are recognised as income in equal amounts over the expected useful life of the related asset.

16) Operating revenue

Group revenue comes mainly from Real Estate Development activities (including Project Management services) and also from lease agreements.

Under IFRS 15, revenue must be recognised when the customer gains control of the goods or services sold, for a sum which reflects what the entity expects to receive for the goods or services.

The main categories of sale contracts used by the Group comprise:

SALES OF OFFICE BUILDINGS

In accordance with IFRS 15, Immobil assesses on a case-by-case basis:

- Whether the agreement, the contract or the transaction falls within the scope of IFRS 15, including by taking into account the probability of the entity recovering the consideration to which it is entitled;
- Whether, under a contract, the sale of the land, the development and the commercialisation represent distinct performance obligations;
- Whether, for each obligation, the revenue is subject to a gradual transfer of control, particularly for projects which satisfy the third criterion defined by IFRS 15.36 ("Performance creating a specific asset and giving rise to an enforceable right to payment for performance completed to date"), and must be recognised over time.

SALES OF RESIDENTIAL PROJECTS

For "Residential" projects, the analysis has distinguished the revenue from contracts for which the contractual provisions and the legal context (Breyne Act in Belgium or equivalent in Luxembourg, France and Germany) establish a gradual transfer of the control of the asset to the purchaser as the construction progresses from the other revenue linked to the completion of an obligation.

Projects involving residential units - Breyne Act contracts (Belgium, Luxembourg, France and Germany)

The legal framework in Belgium and Luxembourg gradually transfers the ownership of a residential unit to the purchaser during the construction period. In such a situation, the performance obligation is fulfilled over time since control over the asset is transferred as the construction progresses.

A single margin (with no distinction between "land" and "development") is recognised over time for each sale as the asset under development is transferred.

Projects involving residential units - other provisions (Poland)

The regulatory framework in Poland requires to recognise the revenue upon completion of the performance obligation (upon the signing of the final deed, once the unit being sold is delivered).

Other sales of residential projects

Other types of sale may occur (block sale of a project, hotel, commercial space, etc.). Such transactions are therefore subject to an analysis on a case-by-case basis using an approach similar to that described for the "Office" schemes.

LANDBANKING

For this segment, the sales revenue is recorded when the asset is transferred.

The revenue from the sale of a project is recognized in gross (sales price and cost of sales) regardless of the structure of the transaction (share deal / asset deal). Disposals of controlled companies dedicated to a project are therefore considered part of the normal business of the Group and are therefore recognized in sales and cost of sales (IFRS 15). In other circumstances, IFRS 10 will be applied.

The method of legal ownership has no impact on the recognition of the margin but on its presentation, which will differ depending on whether it is:

- Direct property, subsidiary: the results are recorded in sales and cost of sales irrespective of the legal structure of ownership of the asset;
- Joint ventures: in accordance with IFRS 11, when a partnership gives rise to joint control over net assets, ImmoBel recognizes an investment for its interest in the joint venture and recognizes it using the equity method (IAS 28). The result of the sales is therefore presented under the heading "Share in the profit or loss of joint ventures and associates"
- Joint activities: in accordance with IFRS 11, in the case of a partnership under which the parties exercising joint control have asset rights, and liability obligations, ImmoBel recognizes assets, liabilities and results for its jointly held share.

When the Group loses control of a subsidiary that does not contain a business as defined by IFRS 3 and retains an investment (partial sale of a company dedicated to a project), the transaction is treated as a transaction between an investor and its associate or joint venture and the gain or loss is recognised only to the extent of unrelated investors' interest in the associate or joint venture.

With respect to operating leases, rent is recognised under income on a straight-line basis over the term of the lease, even if payments are not made on this basis. Lease incentives granted by the Group in negotiating or renewing an operating lease are recognised as a reduction of the lease income on a straight-line basis over the term of the lease. Rent income are presented as other operating income in the consolidated statement of comprehensive income.

17) Impairment on non-financial assets

The carrying amount of non-current assets (other than financial assets in the scope of IFRS 9, deferred taxes and non-current assets held for sale) is reviewed at the end of each reporting period in order to determine if an indication exists that an asset has impaired. If such indication exists, the recoverable amount is then determined. Regarding intangible assets with indefinite useful lives and goodwill, the recoverable amount is estimated at the end of each reporting period. An impairment loss is recognized if the carrying amount of the asset or the cash-generating unit exceeds its recoverable amount. Impairment losses are presented in the income statement.

When the recoverable amount cannot be individually determined for an asset, including goodwill, it is measured at the level of the cash generating unit to which the asset belongs.

The recoverable amount of an asset or cash-generating unit is its fair value less selling costs or its use value, whichever is higher. The latter is the present value of expected future cash flows from the asset or the respective cash generating unit. In order to determine the value in use, the future cash flows are discounted using a pre-tax discount rate which reflects both the current market rate and the specific risks of the asset.

A reversal of impairment loss is recognised under income if the recoverable amount exceeds the net book value. However, the reversal may not lead to a higher book value than the value that would have been determined if no impairment loss had been initially recorded on this asset (cash-generating unit). No reversal of impairment loss is recognized on goodwill.

18) Taxes

Income tax for the year includes current and deferred tax. Current and deferred income taxes are recognised in profit and loss unless they relate to items recognised directly under shareholders' equity or other comprehensive income, in which case they are also recognised under shareholders' equity or other comprehensive income.

Current tax is the amount of income taxes payable (or recoverable) on the profit (or loss) in a financial year and the adjustments to tax charges of previous years.

Deferred tax is recognised using the liability method of tax allocation, based on timing differences between the book value of assets and liabilities in the consolidated accounts and their tax basis.

Deferred tax liabilities are recognised for all taxable timing differences.

Deferred tax assets are only recognised for deductible timing differences if it is likely that in the future they may be used against taxable income. This criterion is re-evaluated at each reporting date.

19) Discontinued operations and non-current assets held for sale

A discontinued operation is a component of an entity that either has been disposed of or is classified as held for sale. Such component represents a separate major line of business or geographical area of operations that can be clearly distinguished, operationally and for financial reporting purposes. The net result of discontinued operations (including possible results on disposal and taxes) is presented separately from the continued operations in the income statement.

Non-current assets, or disposal groups comprising assets and liabilities, are classified as held-for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less costs to sell. Any impairment loss on a disposal group is allocated first to goodwill, and then to the remaining assets and liabilities on a pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets, employee benefit assets, investment property or biological assets, which continue to be measured in accordance with the Group's other accounting policies. Impairment losses on initial classification as held-for-sale or held-for distribution and subsequent gains and losses on remeasurement are recognised in profit or loss.

Once classified as held-for-sale, intangible assets and property, plant and equipment are no longer amortised or depreciated, and any equity-accounted investee is no longer equity accounted.

20) Main judgements and main sources of uncertainties related to the estimations

The deferred tax assets are only recorded as far that they may be in the future used against taxable income. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

The tangible and intangible assets with a fixed useful live are straight line depreciated based on the estimation of the live time of these fixed assets.

Investment properties are amortized using the straight-line method based on an estimate of the duration up to the beginning of the development of the project, date when they are transferred to inventories, and taking into account a residual value estimated at that date.

The goodwill is not amortised but is reviewed for impairment at least annually, or more frequently when there is an indication that one or more cash-generating unit(s) to which the goodwill has been allocated may be impaired.

As part of the impairment tests, the recoverable value of an asset (or cash-generating unit) is estimated based on the present value of the expected cash flows generated by this asset (or cash-generating unit).

For the provisions, the book value fits with the best estimation of the expense necessary to pay off the present obligation (legal or implicit) at closing date.

The projects in inventory and works in progress are subject to feasibility studies used in determining the net realisable value and any required write down, and if applicable for the release of margin and the computation of the rate of completion. At each closing date, the expenses to be incurred are estimated.

The assessment of the recoverable amount of a project involves assumptions about future events that are inherently subject to change. These assumptions include the expected selling price (depending on the nature of the project, its

location, etc...), the estimated total cost per project, the economic market conditions. These assumptions are monitored during the project by the project manager through the update of the feasibility and on a quarterly basis by the management.

The valuation of the revenues from the sale of real estate development involves significant judgments, mainly related to the determination of the existence of an effective contract in accordance with IFRS 15, the assessment of when Immobil meets the performance obligation (at a specific point in time or over time (based on the percentage of completion)), the evaluation of the costs to be incurred and, in case the revenue is recognized at percentage of completion, the determination of the completion rate, taking into account the costs already incurred and the total estimated cost price.

Income from the sale of a project is recognized in gross (sales price and cost of sales) regardless of the structure of the transaction (asset deal / share deal). Disposals of controlled companies dedicated to a project are therefore considered part of the Group's normal business and are therefore recognized as revenue and cost of sales. The Group has decided this presentation taking into account the specificities of its sector and activity.

End December 2019, Immobil was notified with 2 decisions of the Belgian Council of State in a legacy file relating to the purchase of land plots in 2007 from the Université Libre de Bruxelles. A joint venture between Immobil and its partner, Thomas & Piron, obtained in 2014 all necessary building permits for the development of a residential project on the relevant land plot. The decision of the Council of State of end 2019, however, lead to an annulment of the building permits obtained back in 2014 due to the absence of a prior allotment permit at the time of purchase of the land from Université Libre de Bruxelles in 2007. The purchasers of the relevant apartment units were duly informed on the pending legal procedure before the Council of State at the time of purchase of their unit and their purchase deed provide for the right to apply for an annulment of the sale of their unit under certain circumstances, including in case regularisation of the relevant building permits is not realized within the contractual delay. The aforementioned situation is eligible for regularisation and, at the date hereof, Immobil and its partner Thomas & Piron are in the process of regularization and expect that the financial impact of such right to rescind will not materially impact the financial position of the joint venture partners.

To the Directors' knowledge, there should not be any circumstances likely to have any significant influence on the development of the Company.

With respect to Covid-19 on the economic circumstances and on the financial performance of the company, the Board of Directors assesses on a continuous basis the going concern assumption of the company based on the FY 2022 budget.

21) Joint operations

Immobil considers that the activities carried out under joint control through temporary vehicles, which do not have a legal personality, meet the definition proposed by the standard IFRS 11 of joint operation, which is a joint agreement by which parties that exercise joint control have rights over the assets, and obligations for the liabilities.

As a consequence, the assets, liabilities, income and expense of the temporary vehicles are included in the financial statements of the Group under each relevant heading of the balance sheet and of the income statement in proportion to the share held by the Group in the temporary vehicle.

22) Segment reporting

A segment is a distinguishable component of the Group, which generates revenues and costs.

The operating results are regularly reviewed by the Management Committee in order to monitor the performance of the various segments in terms of strategic goals, plans and budgets. In this context, the management has opted to follow up the operating results by country.

F. Notes to the consolidated financial statements (in thousands EUR)

1) Operating segment - financial information by business segment

The segment reporting is presented based on the operational segments used by the Board and Management to monitor the financial performance of the Group, being the geographical segments (by country). The choice made by Management to focus on geographical segment rather than on other possible operating segments is motivated by the new investments or projects in several new countries, which made this criterion more relevant for the follow up of business and better reflecting the organization of the Group.

The core business of the Group, real estate development, is carried out in Belgium, Luxembourg, France, Germany, Poland and Spain.

The breakdown of sales by country depends on the country where the activity is executed.

The results and asset and liability items of the segments include items that can be attributed to a sector, either directly, or allocated through an allocation formula.

In accordance with IFRS, the Company applied since January 1, 2014, IFRS 11, which strongly amends the reading of the financial statements of the Company but does not change the net income and shareholders' equity.

The Board of Directors believes that the financial data in application of the proportional consolidated method (before IFRS 11) give a better picture of the activities and financial statements.

The "Internal" financial statements are those used by the Board and Management to monitor the financial performance of the Group and are presented below.

SUMMARY OF THE CONSOLIDATED COMPREHENSIVE INCOME (INTERNAL VIEW)

INCOME STATEMENT	EUR ('000)	31/12/2021	31/12/2020
OPERATING INCOME		549 046	431 153
Revenues		526 799	413 751
Other operating income		22 247	17 402
OPERATING EXPENSES		-430 390	-378 746
Cost of sales		-396 929	-341 373
Cost of commercialisation		- 439	-2 410
Administration costs		-33 022	-34 964
SALE OF SUBSIDIARIES		25	133
Gain (loss) on sales of subsidiaries		25	133
JOINT VENTURES AND ASSOCIATES		63	90
Share in the net result of joint ventures and associates		63	90
OPERATING RESULT		118 743	52 630
Interest income		3 835	4 810
Interest expense		-13 299	-12 587
Other financial income / expenses		- 43	- 973
FINANCIAL RESULT		-9 506	-8 750
RESULT FROM CONTINUING OPERATIONS BEFORE TAXES		109 236	43 880
Income taxes		-17 596	-10 587
RESULT FROM CONTINUING OPERATIONS		91 641	33 293
RESULT OF THE PERIOD		91 641	33 293
Share of non-controlling interests		- 509	21
SHARE OF IMMOBEL		92 150	33 272

	EUR ('000)	REVENUES 31/12/2021	OPERATING RESULT 31/12/2021	REVENUES 31/12/2020	OPERATING RESULT 31/12/2020
Belgium		273 307	90 851	240 913	43 456
Luxembourg		119 491	22 616	44 773	11 106
France		87 530	938	64 057	-8 686
Germany		44 637	4 724	35 010	5 375
Poland		1 834	- 386	28 999	1 379
Spain					
TOTAL CONSOLIDATED		526 799	118 743	413 751	52 630

SUMMARY OF THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION (INTERNAL VIEW)

STATEMENT OF FINANCIAL POSITION	EUR ('000)	31/12/2021	31/12/2020
NON-CURRENT ASSETS		428 873	420 271
Intangible and tangible assets		3 102	2 021
Goodwill		43 789	43 789
Right-of-use assets		3 772	4 390
Investment property		274 666	294 494
Investments and advances to associates		63 555	46 945
Deferred tax assets		25 656	19 813
Other non-current assets		14 334	8 819
CURRENT ASSETS		1 638 611	1 356 329
Inventories		1 017 975	997 161
Trade receivables		44 632	39 327
Tax receivables and other current assets		207 090	145 363
Cash and cash equivalents		368 914	174 478
TOTAL ASSETS		2 067 484	1 776 600
TOTAL EQUITY		582 798	492 907
NON-CURRENT LIABILITIES		687 120	731 077
Financial debts		651 775	685 169
Deferred tax liabilities		34 190	44 745
Other non-current liabilities		1 155	1 163
CURRENT LIABILITIES		797 565	552 616
Financial debts		453 077	291 112
Trade payables		98 943	83 177
Tax payables and other current liabilities		245 545	178 327
TOTAL EQUITY AND LIABILITIES		2 067 484	1 776 600

As at 31 December 2021

FINANCIAL POSITION ITEMS	EUR ('000)	NON-CURRENT SEGMENT ASSETS	CURRENT SEGMENT ASSETS	UNALLOCATED ITEMS ¹	CONSOLIDATED
Belgium		207 677	1029 503		1237 180
Luxembourg		27 345	191 206		218 551
France		91 302	38 370		129 673
Germany		1	21 715		21 716
Poland		- 11	26 234		26 223
Spain		5	23 752		23 757
Unallocated items ¹				410 384	410 384
TOTAL ASSETS		326 319	1 330 781	410 384	2 067 484

FINANCIAL POSITION ITEMS	EUR ('000)	SEGMENT LIABILITIES	UNALLOCATED ITEMS ¹	CONSOLIDATED
Belgium		1087 218		1087 218
Luxembourg		130 033		130 033
France		123 693		123 693
Germany		18 476		18 476
Poland		46 773		46 773
Spain		23 408		23 408
Unallocated items ¹			55 085	55 085
TOTAL LIABILITIES		1 429 600	55 085	1 484 685

As at 31 December 2020

FINANCIAL POSITION ITEMS	EUR ('000)	NON-CURRENT SEGMENT ASSETS	CURRENT SEGMENT ASSETS	UNALLOCATED ITEMS ¹	CONSOLIDATED
Belgium		209 336	878 317		1 087 653
Luxembourg		43 866	244 031		287 897
France		91 536	22 737		114 273
Germany		1	42 286		42 287
Poland		10	10 888		10 898
Spain		51	26 856		26 907
Unallocated items ¹				206 685	206 685
TOTAL ASSETS		344 800	1 225 115	206 685	1 776 600

FINANCIAL POSITION ITEMS	EUR ('000)	SEGMENT LIABILITIES	UNALLOCATED ITEMS ¹	CONSOLIDATED
Belgium		845 990		845 990
Luxembourg		184 339		184 339
France		96 596		96 596
Germany		39 789		39 789
Poland		32 694		32 694
Spain		24 778		24 778
Unallocated items ¹			59 507	59 507
TOTAL LIABILITIES		1 224 186	59 507	1 283 693

(1) Unallocated items: Assets: Deferred tax assets - Other non-current financial assets - Other non-current assets - Tax receivables - Other current financial assets - Cash and equivalents - Liabilities: Employee benefit obligations - Provisions - Deferred tax liabilities - Tax liabilities - Derivative financial instruments.

For the analysis of projects in progress by operational segment, inventories should be taken into consideration, as well as investment property, since the latter contains leased out property acquired with a view to be redeveloped.

INVENTORIES AND INVESTMENT PROPERTY	EUR ('000)	31/12/2021	31/12/2020
Belgium		732 672	761 788
Luxembourg		171 429	245 067
France		223 811	139 603
Germany		59 033	61 875
Poland		70 435	49 367
Spain		35 261	33 955
TOTAL INVENTORIES AND INVESTMENT PROPERTY		1 292 641	1 291 655

RECONCILIATION TABLE

EUR ('000)	31/12/2021		Published Information
	Operating Segment	Adjustments	
Revenues	526 799	-147 291	379 509
Operating result	118 743	-19 685	99 058
Total balance sheet	2 067 484	-382 335	1 685 149

For segment information, joint ventures are consolidated using the proportional method. The adjustments result from the application of IFRS 11, resulting in the consolidation of joint ventures using the equity method.

2) Revenues

The Group generates its revenues through commercial contracts for the transfer of goods and services in the following main revenue categories:

Cross-analysis by type of project and by geographical zone - EUR ('000)	Offices	Residential	Landbanking	31/12/2021
Belgium	74 219	55 314	31 809	161 342
Luxembourg	6 376	96 498		102 874
France	1 951	66 555		68 506
Germany		44 726		44 726
Poland	541	1 520		2 061
Total	83 087	264 613	31 809	379 509

Cross-analysis by type of project and by geographical zone - EUR ('000)	Offices	Residential	Landbanking	31/12/2020
Belgium	100 243	97 330	19 668	217 241
Luxembourg	1 415	25 491		26 906
France	625	55 431		56 056
Germany		35 010		35 010
Poland	562	28 704		29 266
Total	102 846	241 965	19 668	364 479

The diversification of the Group's "customers" portfolio guarantees its independence in the market.

For Belgium, the projects Commerce 46 and O'Sea but also at international level, Eden Tower Frankfurt in Germany Laangfur in Luxembourg and other residential projects in France have mainly contributed to the turnover.

Revenue on commercial contracts is recognized when the customer obtains control of the goods or services sold for an amount that reflects what the entity expects to receive for those goods and services.

Residential units are invoiced over time, based on predefined milestones.

Payment terms for office sales are negotiated and stipulated in the individual contracts.

Landbanking sales are due at the moment of the notarial deed.

The contractual analysis of the Group's sales contracts led to the application of the following recognition principles:

SALES OF OFFICE BUILDINGS

The revenue from office sale contracts is recognized after analysis on a case-by-case basis of the performance obligations stipulated in the contract (land, buildings, commercialisation). The revenue allocated to each performance obligation is recognized:

- either upon progress of completion when the goods or services are the subject to a gradual transfer of control;
- or at the transfer of control of goods or services rendered.

RESIDENTIAL PROJECT SALES

For "Residential" projects, revenue is recognized according to the contractual and legal provisions in force in each country to govern the transfer of control of projects sold in the future state of completion.

- Belgium / Luxembourg / France / Germany: (Breyne Act or equivalent) with gradual transfer of ownership over time, except if a specific transaction with transfer of ownership needs to be considered in point in time.
- Poland: when the performance obligation is fulfilled with transfer of ownership (at the signing of the final act, once the sold unit has been delivered).

LANDBANKING

The sales revenue is generally recorded when the asset is transferred.

The breakdown of sales according to these different recognition principles is as follows:

EUR ('000)	Timing of revenue recognition		
	Point in time	Over time	31/12/2021
OFFICES	1 931	81 156	83 087
RESIDENTIAL	92 260	172 352	264 612
Residential unit per project - Breyne Act or equivalent		172 352	172 352
Residential unit per project - Other	92 260		92 260
LANDBANKING	31 810		31 810
TOTAL REVENUE	126 001	253 508	379 509

EUR ('000)	Timing of revenue recognition		
	Point in time	Over time	31/12/2020
OFFICES	102 846		102 846
RESIDENTIAL	28 704	213 261	241 965
Residential unit per project - Breyne Act or equivalent		213 261	213 261
Residential unit per project - Other	28 704		28 704
LANDBANKING	19 668		19 668
TOTAL REVENUE	151 218	213 261	364 479

With regards to the offices, Management assessed the sales contract of the Commerce 46 project, and came to the conclusion that the contract was in scope of IFRS 15 and therefore should be recognized over time.

The revenues related to the residences and recognised in "Point in time" are composed of the sales in Poland and the sales of the projects Laangfur and Beggen in Luxemburg.

Revenues relating to performance obligations unrealized or partially realized at 31 December 2021 amounted to EUR 107 million.

It mainly concerns the sales of residential units of which construction is in progress (for the totality of their value or the unrecognized part based on progress of completion) as well as the sales of offices of which the contract analysis deemed to assume that the recognition criteria were not met under IFRS 15.

	EUR ('000)	31/12/2021	31/12/2020
OFFICES			
Construction, commercialisation and other contractual arrangements		39 714	10 618
RESIDENTIAL			
Construction of sold units		67 641	46 942
LANDBANKING			
TOTAL		107 355	57 560

The Group's management estimates that 81 % of the price allocated to these outstanding performance obligations as at December 31, 2021 will be recognized as revenue in fiscal year 2022.

3) Other operating income

Break down as follows:

	EUR ('000)	31/12/2021	31/12/2020
Rental income on projects awaiting future development		8 876	5 031
Other income (recoveries of taxes and withholdings, miscellaneous re-invoicing...)		4 430	5 879
TOTAL OTHER OPERATING INCOME		13 306	10 911

The increase in rental income is due to acquisition of investment property at the end of 2020.

4) Cost of sales

Cost of sales is allocated as follows per geographical area:

	EUR ('000)	31/12/2021	31/12/2020
Belgium		-120 483	-171 341
Luxembourg		-88 263	-19 569
France		-60 276	-53 899
Germany		-39 839	-28 873
Poland		-2 205	-27 084
Spain			
TOTAL COST OF SALES		-311 066	-300 766

And are related to the turnover and the projects mentioned in note 2.

5) Cost of commercialisation

This caption includes the fees paid to third parties in relation with the turnover, which are not capitalized under "Inventories" heading.

Cost of commercialization is allocated as follows per geographical area:

	EUR ('000)	31/12/2021	31/12/2020
Belgium		- 430	- 599
France		- 9	-1 104
TOTAL COST OF COMMERCIALISATION		- 439	-1 702

6) Administration costs

Break down as follows:

	EUR ('000)	31/12/2021	31/12/2020 (*)
Personnel expenses		-7 768	-15 291
Amortisation, depreciation and impairment of assets		-4 584	-3 684
Other operating expenses		-14 455	-12 082
TOTAL ADMINISTRATION COSTS		-26 807	-31 057

(*) 2020 has been re-presented to better reflect the project monitoring costs capitalised under "inventories".

PERSONNEL EXPENSES

Break down as follows:

	EUR ('000)	31/12/2021	31/12/2020 (*)
Salaries and fees of personnel and members of the Executive Committee		-28 488	-25 734
Project monitoring costs capitalized under "inventories"		24 629	13 388
Salaries of the non-executive Directors			- 217
Social security charges		-3 542	-2 770
Pension costs		- 86	- 172
Other		- 281	214
TOTAL PERSONNEL EXPENSES		-7 768	-15 291

(*) 2020 has been re-presented to better reflect the project monitoring costs capitalised under "inventories".

The capitalization of costs under "inventories" has increased in 2021 following an improvement in the allocation mechanism of overhead costs in 2020 as well as an increase in activities in the French residential business.

AMORTISATION, DEPRECIATION AND IMPAIRMENT OF ASSETS

Break down as follows:

	EUR ('000)	31/12/2021	31/12/2020
Amortisation of intangible and tangible assets, and of investment property		-4 693	-3 531
Write down on trade receivables		109	- 153
TOTAL AMORTISATION, DEPRECIATION AND IMPAIRMENT OF ASSETS		-4 584	-3 684

The increase in depreciation is due to acquisition of investment property at the end of 2020.

OTHER OPERATING EXPENSES

Break down as follows:

	EUR ('000)	31/12/2021	31/12/2020 (*)
Services and other goods		-10 269	-11 468
Other operating expenses		-4 036	-1 813
Provisions		- 150	1 198
TOTAL OTHER OPERATING EXPENSES		-14 455	-12 082

(*) 2020 has been re-presented to better reflect the project monitoring costs capitalised under "inventories".

Main components of services and other goods:

	EUR ('000)	31/12/2021	31/12/2020 (*)
Service charges of the registered offices		-3 185	-1 599
Third party payment, including in particular the fees paid to third parties and related to the turnover		-5 193	-1 389
Other services and other goods, including company supplies, advertising, maintenance and repair expense of properties available for sale awaiting for development		-1 891	-8 480
TOTAL SERVICES AND OTHER GOODS		-10 269	-11 468

(*) 2020 has been re-presented to better reflect the project monitoring costs capitalised under "inventories".

Amount of fees allocated during the year to KPMG S.A./N.V and its network:

	EUR ('000)	31/12/2021	31/12/2020
Audit fees at consolidation level		- 451	- 429
Fees for extraordinary services and special missions accomplished within the Group:		- 82	- 180
- Missions of legal advice		- 10	- 12
- Tax advice and other missions		- 37	- 138
- Other missions outside the audit mission		- 25	- 30

The missions outside the audit mission were approved by the Audit & Risk Committee.

Main components of variations in provisions:

	EUR ('000)	31/12/2021	31/12/2020
Provisions related to the sales		17	- 430
Other provisions		197	1 629
TOTAL VARIATIONS IN PROVISIONS		214	1
Increase		- 510	-1 322
Use and reversal		724	2 520

7) Gain on sale of affiliates

Break down as follows:

	EUR ('000)	31/12/2021	31/12/2020
Sale price of subsidiaries		25	9 792
Book value of sold or liquidated investments			-9 659
GAIN ON SALES OF SUBSIDIARIES		25	133

8) Share in the result of joint ventures and associates, net of tax

The share in the net result of joint ventures and associates breaks down as follows:

	EUR ('000)	31/12/2021	31/12/2020
Operating result		64 561	13 343
Financial result		-4 441	-2 195
Income taxes		-15 589	-3 154
RESULT OF THE PERIOD		44 531	7 994

The increase of the net result is mainly due to the sale of Mobius II and the result generated by M1.

Further information related to joint ventures and associates are described in note 17.

9) Net financial costs

The financial result breaks down as follows:

	EUR ('000)	31/12/2021	31/12/2020
Cost of gross financial debt at amortised cost		-15 612	-15 543
Activated interests on projects in development		9 364	3 684
Fair value changes		- 358	291
Interest income		4 983	5 773
Other financial income and expenses		-3 471	-1 500
FINANCIAL RESULT		-5 094	-7 295
Cost of gross financial debt at amortised costs		-15 612	-15 543
Amortization of loan expenses		356	292
Change in interest paid / unpaid		513	-3 684
PAID INTERESTS (STATEMENT OF CASH FLOW)		-15 456	-18 936

10) Income taxes

Income taxes are as follows:

	EUR ('000)	31/12/2021	31/12/2020
Current income taxes for the current year		-15 416	-10 756
Current income taxes for the previous financial years		505	- 265
Deferred taxes on temporary differences		13 292	2 371
TOTAL OF TAX EXPENSES RECOGNIZED IN THE STATEMENT OF COMPREHENSIVE INCOME		-1 619	-8 650
Current taxes		-15 236	-11 021
Change in tax receivables / tax payables		8 985	5 009
PAID INCOME TAXES (STATEMENT OF CASH FLOW)		-6 251	-6 011

Infinity living is the main contributor to the current income taxes and by extend to the deferred taxes.

The reconciliation of the actual tax charge with the theoretical tax charge is summarised as follows:

	EUR ('000)	31/12/2021	31/12/2020
Result from continuing operations before taxes		93 964	42 696
Result from joint ventures and associates		-44 531	-7 994
RESULT BEFORE TAXES AND SHARE IN THE RESULT OF JOINT VENTURES AND ASSOCIATES		49 433	34 702
THEORETICAL INCOME TAXE CHARGE AT :		25,00%	25,00%
		-12 358	-8 675
Tax impact			
- non-taxable income		7 835	1 047
- non-deductible expenses		- 959	- 703
- use of tax losses and notional interests deduction carried forward on which no DTA was recognised in previous years		5 802	685
- tax losses of current year on which no DTA is recognised		-2 853	-1 511
- tax losses of prior years on which a DTA is recognised		1 194	925
- (un)recognized tax latencies		1 018	251
- different tax rates		612	822
- Income taxes for the previous financial years		-1 910	-1 491
TAX CHARGE		-1 619	-8 650
EFFECTIVE TAX RATE OF THE YEAR		3,28%	24,93%

The change in effective tax rate is mainly due to the tax impact on the non-taxable income and use of tax losses in Immoel S.A., Immoel Holding Luxembourg and Immoel France.

11) Earnings per share

The basic result per share is obtained by dividing the result of the year (net result and comprehensive income) by the average number of shares.

Basic earnings per share are determined using the following information:

		31/12/2021	31/12/2020
Net result of the period	EUR ('000)	92 150	33 272
Comprehensive income of the period	EUR ('000)	91 470	35 566
Weighted average share outstanding			
Ordinary shares as at 1 January		9 997 356	9 997 356
Treasury shares as at 1 January		- 292 527	-1 212 179
Treasury shares disposed		265 562	919 652
Outstanding ordinary shares as at 31 DECEMBER		9 970 391	9 704 829
Weighted average ordinary shares outstanding		9 965 823	9 303 809
Net result per share		9.247	3.576
Comprehensive income per share		9.178	3.823

To take into account the potential dilutive impact of performance shares, diluted earnings per share are calculated. The calculation of the diluted earnings per share is based on the following data:

		31/12/2021	31/12/2020
Net result of the period	EUR ('000)	92 150	33 272
Comprehensive income of the period	EUR ('000)	91 470	35 566
Weighted average share outstanding		9 965 823	9 303 809
Dilutive element: performance shares		3 383	1 606
Weighted average ordinary shares outstanding		9 965 823	9 305 415
Diluted net result per share		9.247	3.576
Diluted comprehensive income per share		9.178	3.822

12) Intangible assets

Intangible assets evolve as follows:

	EUR ('000)	31/12/2021	31/12/2020
ACQUISITION COST AT THE END OF THE PREVIOUS PERIOD		1 626	1 563
Entry in consolidation scope			
Acquisitions		6	201
Disposals		-299	- 138
ACQUISITION COST AT THE END OF THE YEAR		1 333	1 626
AMORTISATION AND IMPAIRMENT AT THE END OF THE PREVIOUS PERIOD		-1 044	-1 020
Entry in consolidation scope			
Amortisation		-216	- 162
Depreciation cancelled on disposals		173	138
AMORTISATION AND IMPAIRMENT AT THE END OF THE YEAR		-1 087	-1 044
NET CARRYING AMOUNT AS AT 31 DECEMBER		246	582

13) Goodwill

The goodwill arises from the acquisition in 2019 of Nafilyan & Partners, an unlisted company based in France that specializes in real estate development.

The acquisition provides to Immobel 100% of the voting shares and the control over Nafilyan & Partners. The acquisition qualifies as a business combination as defined in IFRS 3. The Group has acquired Nafilyan & Partners to enlarge its coverage on the French market by sharing the know-how, expertise and potential synergies with Immobel France. At present, Nafilyan & Partners has been fully integrated into Immobel France's operations.

The reconciliation of the carrying amount of the goodwill at beginning and end of the reporting period is as follows:

	EUR ('000)	31/12/2021	31/12/2020
ACQUISITION COST AT THE END OF THE PREVIOUS PERIOD		43 789	43 789
Acquisition of Immobel France			
ACQUISITION COST AT THE PERIOD END		43 789	43 789
IMPAIRMENT AT THE END OF THE PREVIOUS PERIOD			
Impairment of the period			
IMPAIRMENT AT THE PERIOD END			
NET CARRYING AMOUNT AS AT 31 DECEMBER		43 789	43 789

The carrying amount of the goodwill has been allocated to cash-generating units as follows:

	EUR ('000)	31/12/2021	31/12/2020
France		43 789	43 789
NET CARRYING AMOUNT AS AT 31 DECEMBER		43 789	43 789

Immobel Group tests goodwill annually for impairment, or more frequently if there are indications that goodwill might be impaired.

The recoverable amount of the French segment as a cash-generating unit (including currently known projects and assumed future projects) is determined based on a value in use calculation which uses cash flow projections, based on a "Dividend Discount Model" covering a five-year period, in order to evaluate the equity

This valuation allows to estimate the future dividend payments, discounted back to their present value.

This Net Present Value is hence considering:

- a cash flow forecast from 2022 to 2027, allowing to estimate future dividend;
- with a fixed growth rate of dividend until perpetuity at 2% ("Long term growth rate");
- with an actualisation rate¹, here below as "cost of equity", made of a risk free rate (at 0.64 per cent², compared to 1.14 per cent in 2020), a market premium (between 4 and 6 per cent) and an industry beta levered (between 1.14 and 1.31)

Nine simulations have supported the impairment analysis, based on different combinations, as per below:

At 31 December 2021

LT growth rate	2.00%
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with a risk free rate	0.64%
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Unlevered	Beta levered	Cost of Equity		
		Market Premium		
		4.00%	5.00%	6.00%
0.65	1.14	5.2%	6.3%	7.5%
0.70	1.23	5.5%	6.8%	8.0%
0.75	1.31	5.9%	7.2%	8.5%

At 31 December 2020

LT growth rate	2.00%
----------------	-------

with a risk free rate	1.14%
-----------------------	-------

Unlevered	Beta levered	Cost of Equity		
		Market Premium		
		4.00%	5.00%	6.00%
0.65	1.14	5.7%	6.8%	8.0%
0.70	1.23	6.0%	7.3%	8.5%
0.75	1.31	6.4%	7.7%	9.0%

As a result of this analysis, the fair value exceeds the carrying value, regardless the level of cost of equity considered. Therefore, the management has decided not to recognize any impairment charge in the current year against goodwill.

¹ As per following formula: (Risk free rate) + [(market premium) * (industry beta levered)]

² based on OLO 30 years, average of year 2021 from NBB (National Bank of Belgium).

14) Property, plant and equipment

Property, plant and equipment evolve as follows:

	EUR ('000)	31/12/2021	31/12/2020
ACQUISITION COST AT THE END OF THE PREVIOUS PERIOD		4 142	4 181
Entry in consolidation scope			
Acquisitions		1 666	677
Disposals		- 115	- 716
ACQUISITION COST AT THE END OF THE YEAR		5 693	4 142
DEPRECIATIONS AND IMPAIRMENT AT THE END OF THE PREVIOUS PERIOD		-2 754	-3 198
Entry in consolidation scope			
Depreciations		- 329	- 269
Depreciation cancelled on disposals		183	713
DEPRECIATIONS AND IMPAIRMENT AT THE END OF THE YEAR		-2 900	-2 754
NET CARRYING AMOUNT AS AT 31 DECEMBER		2 793	1 388

Property, plant and equipment consist primarily of installation costs of the various registered offices.

15) Right-of-use assets

The right-of-use assets evolve as follows:

	EUR ('000)	31/12/2021	31/12/2020
ACQUISITION COST AT THE END OF THE PREVIOUS PERIOD		7 297	7 976
Entry in consolidation scope			
Acquisitions		770	
Disposals		-1 359	- 679
ACQUISITION COST AT THE END OF THE YEAR		6 708	7 297
DEPRECIATIONS AND IMPAIRMENT AT THE END OF THE PREVIOUS PERIOD		-2 907	-1 535
Entry in consolidation scope			
Depreciations		-1 388	-1 372
Depreciation cancelled on disposals		1 359	
DEPRECIATIONS AND IMPAIRMENT AT THE END OF THE YEAR		-2 936	-2 907
NET CARRYING AMOUNT AS AT 31 DECEMBER		3 772	4 390

16) Investment property

This heading includes leased out property acquired with a view to be redeveloped. Investment property evolve as follows:

	EUR ('000)	31/12/2021	31/12/2020
ACQUISITION COST AT THE END OF THE PREVIOUS YEAR		199 415	87 838
Entry in consolidation scope			127 088
Disposal/exit from the consolidation scope		-20 649	-6 040
Net carrying value of investment property transferred from/to inventories		- 25	-9 471
ACQUISITION COST AT THE END OF THE PERIOD		178 741	199 415
DEPRECIATIONS AND IMPAIRMENT AT THE END OF THE PREVIOUS YEAR		-2 266	-6 715
Depreciations		-2 747	-1 591
Depreciations and impairment cancelled following disposal/exit from the consolidation scope		271	6 040
DEPRECIATIONS AND IMPAIRMENT AT THE END OF THE PERIOD		-4 742	-2 266
NET CARRYING AMOUNT AS AT 31 DECEMBER		173 999	197 149

Among the different investment properties, the projects Total, Rueil Colmar and Thomas are the main components.

The decrease of the net carrying value is mainly due the sale of Scorpio to the ImmoBelux Office Development Fund SCSP which is accounted for under the equity method.

The fair value of the investment property at 31 December 2021 amounts to EUR 174 million, compared to EUR 197.4 million at 31 December 2020. This amount is determined on the basis of a valuation of level 3 which does not integrate observable market data and is based on internal analyses (feasibility study sensitive to the expected rent after redevelopment, to the estimated rate of return and to the construction costs to incur).

17) Investments in joint ventures and associates

The contributions of joint ventures and associates in the statement of financial position and the statement of comprehensive income is as follows:

	EUR ('000)	31/12/2021	31/12/2020
Investments in joint ventures		148 220	98 663
Investments in associates		8 312	7 532
TOTAL INVESTMENTS INCLUDED IN THE STATEMENT OF FINANCIAL POSITION		156 532	106 195
	EUR ('000)	31/12/2021	31/12/2020
Share in the net result of joint ventures		47 109	7 986
Share in the net result of associates		-2 577	8
SHARE OF JOINT VENTURES AND ASSOCIATES IN THE CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME		44 531	7 994

The book value of investments in joint ventures and associates evolve as follows:

	EUR ('000)	31/12/2021	31/12/2020
VALEUR AU 1ER JANVIER		106 195	55 899
Part dans le résultat		44 531	7 994
Acquisitions et injections de capital		14 096	44 214
Variations de périmètre		1 831	9 660
Dividendes perçus de coentreprises et entreprises associées		-8 034	-10 533
Cession ou liquidation de coentreprises et entreprises associées		4	
Remboursement de capital		-2 079	-1 039
Ecart de conversion			
Autres mouvements		- 12	
MUTATIONS DE LA PERIODE		50 337	50 296
VALEUR AU 31 DECEMBRE		156 532	106 195

The table below shows the contribution of joint ventures and associates in the statement of financial position and the statement of comprehensive income.

NAME	% INTEREST		BOOK VALUE OF THE INVESTMENTS - EUR (‘000)		SHARE IN THE COMPREHENSIVE INCOME - EUR (‘000)	
	31/12/2021	31/12/2020	31/12/2021	31/12/2020	31/12/2021	31/12/2020
Bella Vita	50%	50%	48	54	- 6	- 16
BONDY CANAL	40%	0%	- 37			
Boralina Investments, S.L.	50%	50%	-2 890	-2 884	- 21	
Brouckère Tower Invest	50%	50%	31 307	29 059	598	386
CBD International	50%	50%	122	-1 431	- 150	508
Château de Beggen	50%	50%	16	17	- 1	
Cityzen Holding	50%	50%	- 21	- 19	- 2	- 7
Cityzen Hotel	50%	50%	711	564	147	55
Cityzen Office	50%	50%	1 411	1 546	- 135	164
Cityzen Residence	50%	50%	694	561	133	78
CP Development Sp. z o.o.	50%	50%	- 256	- 59	- 196	23
CSM Development	50%	50%	- 12	24	- 36	- 5
CSM Properties	50%	50%	3 852	3 900	- 48	291
Debrouckère Development	50%	50%	497	548	- 52	- 68
Debrouckère Land (ex-Mobius I)	50%	50%	90	102	- 12	67
Debrouckère Leisure	50%	50%	2 283	2 310	- 27	- 15
Debrouckère Office	50%	50%	3 740	3 770	- 30	20
Gateway	50%	50%	319	322	- 3	- 3
Goodways SA	50%	50%	3 234	3 237	- 3	- 63
Ilôt Ecluse	50%	50%	163	165	- 2	- 3
Immo Marial SàRL	50%	0%		8	- 66	2
Immo PA 33 1	50%	50%	1 314	1 272	43	- 35
Immo PA 44 1	50%	50%	682	683	- 1	- 13
Immo PA 44 2	50%	50%	2 423	2 385	39	416
Key West Development	50%	50%	387	471	- 84	- 52
Les Deux Princes Develop.	50%	50%	-2 439	-1 755	16	1 075
Livingstone Retail S.à.r.l.	33%	33%				
M1	33%	33%	7 270	5 603	4 992	2 993
M7	33%	33%	42	132	1	46
Mobius II	50%	50%	47 376	8 121	39 255	- 50
NP_AUBER	50%	50%	- 136	- 89	- 47	- 100
NP_AUBER_VH	50%	50%	140	681	159	207
NP_AUBERVIL	50%	50%	324	- 17	340	- 2
NP_BESSANC2	50%	50%	497	149	348	219
NP_BESSANCOU	50%	50%	102	185	- 169	202
NP_CHARENT1	50%	50%	33	34	- 1	- 24
NP_CRETEIL	50%	50%	- 1	- 1		- 1
NP_EPINAY	50%	50%	121	- 49	170	44
NP_VAIRES	50%	50%	245	1 417	130	416
ODD Construct	50%	50%	1 164	682	482	665
PA_VILLA	51%	51%	- 40	- 40		7
Plateau d'Erpent	50%	50%	1 823	838	986	668
RAC3	40%	40%	3 403	3 264	139	135
RAC4	40%	40%	1 321	1 331	- 11	438
RAC4 Developpt	40%	40%	1 567	1 587	- 20	- 2
RAC5	40%	40%	5 651	5 451	200	192
RAC6	40%	40%	2 182	2 168	15	206
Surf Club Hospitality Group SL	50%	0%	123	- 61	- 15	23
Surf Club Marbella Beach, S.L.	50%	50%	21 772	19 855	132	- 775
TRELAMET	40%	0%	48		7	
Unipark	50%	50%	4 066	4 063	3	30
Universalis Park 2	50%	50%	-1 122	-1 627	505	- 156
Universalis Park 3	50%	50%	-2 487	-2 249	- 238	- 192
Universalis Park 3AB	50%	50%	1 974	1 967	7	- 4
Universalis Park 3C	50%	50%	417	418	- 1	- 4
TOTAL JOINT VENTURES			145 513	98 663	47 471	7 986
277 SH	10%	0%	4 445			
Beiestack SA	22%	0%	1 498		- 73	
Belux Office Development Feeder CV	30%	0%	57		- 83	
DHR Clos du Château	33%	33%	26	106	63	90
Immobel Belux Office Development Fund S	22%		1 152		- 206	
MONTLHERY 2 BIS	20%	0%				
RICHELIEU	10%		1 001			
ULB Holding	60%	60%	-11 173	-5 363	- 210	- 210
Urban Living Belgium	30%	30%	14 013	12 789	-2 431	128
TOTAL ASSOCIATES			11 019	7 532	-2 940	8
TOTAL JOINT VENTURES AND ASSOCIATES			156 532	106 195	44 531	7 994

The tables below present condensed financial information of joint ventures and associates of the Group by entity. The amounts reported are the amounts determined in accordance with IFRS, before elimination of intercompany.

	FIGURES AT 100%					TOTAL EQUITY ALLOCATED TO THE GROUP	SHAREHOLDER LOANS BY THE GROUP
	TURNOVER	COMPREHENSIVE INCOME	TOTAL ASSETS	TOTAL LIABILITIES	TOTAL EQUITY		
AS AT 31 DECEMBER 2021							
Bella Vita	0	- 11	210	114	96	48	0
BONDY CANAL	0	0	8 151	8 141	10	- 37	3 582
Boralina Investments, S.L.	0	- 42	45 669	6 114	39 555	-2 890	0
Brouckère Tower Invest	0	1 197	211 434	148 820	62 614	31 307	0
CBD International	26	- 300	50 771	54 354	-3 584	122	22 056
Château de Beggen	0	- 2	36	3	33	16	0
Cityzen Holding	0	- 4	20 727	16 559	4 168	- 21	8 278
Cityzen Hotel	0	293	21 042	19 621	1 422	711	0
Cityzen Office	0	- 269	56 536	53 714	2 822	1 411	0
Cityzen Residence	0	266	20 998	19 610	1 387	694	0
CP Development Sp. z o.o.	89	- 393	76 308	76 820	- 512	- 256	0
CSM Development	0	- 72	4 024	4 048	- 24	- 12	0
CSM Properties	0	- 97	102 748	95 045	7 703	3 852	145
Debrouckère Development	251	- 103	5 411	4 418	993	497	1 332
Debrouckère Land (ex-Mobius I)	0	- 24	23 475	23 295	180	90	0
Debrouckère Leisure	0	- 54	6 501	1 935	4 566	2 283	573
Debrouckère Office	0	- 60	15 200	7 720	7 480	3 740	0
Gateway	0	- 5	640	2	639	319	0
Goodways SA	0	- 5	22 258	18 480	3 778	3 234	3 088
Ilot Ecluse	0	- 4	374	48	326	163	0
Immo PA 33 1	0	86	3 131	502	2 629	1 314	0
Immo PA 44 1	98	- 2	2 760	1 397	1 363	682	0
Immo PA 44 2	295	78	9 371	4 524	4 847	2 423	0
Immobel Marial SàRL	0	- 133	3 575	3 691	- 116		0
Key West Development	0	- 167	12 704	11 929	774	387	5 731
Les Deux Princes Develop.	1 010	32	-3 469	1 409	-4 878	-2 439	0
M1	50 278	14 977	45 838	24 028	21 809	7 270	0
M7	0	2	615	488	127	42	0
Mobius II	179 000	78 510	134 180	39 427	94 753	47 376	10 994
NP_AUBER	0	- 93	1 156	1 427	- 271	- 136	251
NP_AUBER_VH	3 841	318	3 457	3 178	279	140	158
NP_AUBERVIL	17 459	679	9 457	8 811	646	324	2 945
NP_BESSANC2	13 006	694	9 235	8 243	992	497	1 329
NP_BESSANCOU	- 63	- 337	176	- 28	204	102	60
NP_CHARENT1	3 912	- 2	4 944	4 879	65	33	475
NP_CRETEIL	0	0	648	650	- 2	- 1	405
NP_EPINAY	8 105	340	6 517	6 275	242	121	1 176
NP_VAIRES	1 040	259	3 131	2 641	489	245	0
ODD Construct	5 753	964	5 643	3 315	2 328	1 164	571
PA_VILLA	0	0	4 679	4 758	- 79	- 40	47
Plateau d'Erpent	22 708	1 971	16 189	12 543	3 646	1 823	7
RAC3	0	348	8 531	24	8 507	3 403	0
RAC4	0	- 27	31 658	28 357	3 301	1 321	0
RAC4 Developpt	0	- 51	4 731	814	3 917	1 567	0
RAC5	0	500	14 724	596	14 128	5 651	0
RAC6	0	37	19 226	13 770	5 456	2 182	0
Surf Club Hospitality Group SL	0	- 30	8 155	7 908	247	123	0
Surf Club Marbella Beach, S.L.	0	263	82 710	39 166	43 544	21 772	0
TRELAMET	0	17	133	14	119	48	0
Unipark	9	6	10 578	2 446	8 132	4 066	0
Universalis Park 2	0	1 009	24 319	26 563	-2 245	-1 122	6 919
Universalis Park 3	0	- 475	33 618	38 592	-4 974	-2 487	10 731
Universalis Park 3AB	1	15	4 140	192	3 948	1 974	0
Universalis Park 3C	0	- 1	1 007	173	834	417	0
TOTAL JOINT VENTURES	306 818	100 096	1209 980	861 566	348 414	145 513	80 853
277 SH	0	0	111 320	66 873	44 447	4 445	60
Beiestack SA	0	- 321	21 814	15 235	6 579	1 498	0
Belux Office Development Feeder CV	0	- 274	20 903	203	20 700	57	0
DHR Clos du Château	899	189	532	452	79	26	0
Immobel Belux Office Development Fund SCSP	0	- 912	27 135	1 056	26 079	1 152	0
MONTHLERY 2 BIS	0	0	91	90	0	0	0
RICHELIEU	0	0	62 420	52 410	10 010	1 001	1 430
ULB Holding	0	- 349	18 252	19 034	- 782	-11 173	0
Urban Living Belgium	27 683	-8 187	173 705	168 697	5 007	14 013	21 087
TOTAL ASSOCIATES	28 583	-9 854	436 172	324 053	112 120	11 019	22 577
TOTAL JOINT VENTURES AND ASSOCIATES	335 400	90 242	1646 152	1185 619	460 533	156 532	103 430

AS AT 31 DECEMBER 2020	FIGURES AT 100%					TOTAL EQUITY ALLOCATED TO THE GROUP	SHAREHOLDER LOANS BY THE GROUP
	TURNOVER	COMPREHENSIVE INCOME	TOTAL ASSETS	TOTAL LIABILITIES	TOTAL EQUITY		
Bella Vita	0	- 33	375	268	108	54	0
Boralina Investments, S.L.	0	- 1	41 705	6 108	35 597	-2 884	0
Brouckère Tower Invest	0	772	154 834	96 717	58 117	29 059	0
CBD International	7	1 016	41 853	45 137	-3 284	-1 431	18 720
Château de Beggen	0	0	239	204	35	17	0
Cityzen Holding	0	- 14	20 454	16 282	4 172	- 19	8 138
Cityzen Hotel	0	109	19 287	18 158	1 129	564	15 234
Cityzen Office	0	328	82 970	79 878	3 091	1 546	0
Cityzen Residence	0	155	19 354	18 232	1 121	561	15 217
CP Development Sp. z o.o.	0	46	46 863	46 982	- 119	- 59	0
CSM Development	0	- 11	2 833	2 785	48	24	1 646
CSM Properties	0	583	104 041	96 241	7 800	3 900	44
Debrouckère Development	1 906	- 135	4 176	3 080	1 096	548	1 338
Debrouckère Land (ex-Mobius I)	43 004	11 550	25 734	25 530	203	102	0
Debrouckère Leisure	0	- 30	5 458	838	4 620	2 310	29
Debrouckère Office	0	40	16 237	8 697	7 540	3 770	0
Gateway	0	- 6	647	3	644	322	0
Goodways SA	0	- 126	21 711	17 928	3 783	3 237	2 858
Ilôt Ecluse	0	- 6	375	45	330	165	40
Immo PA 33 1	537	- 69	3 496	953	2 543	1 272	0
Immo PA 44 1	1 360	- 26	2 741	1 375	1 366	683	0
Immo PA 44 2	4 081	832	9 543	4 774	4 769	2 385	0
Immobel Marial SàRL	0	4	2 181	2 165	16	8	958
Key West Development	0	- 104	10 729	9 787	941	471	4 733
Les Deux Princes Develop.	14 545	2 150	3 419	6 929	-3 510	-1 755	0
Livingstone Retail S.à.r.l.	0	0	12	0	12	4	0
M1	54 660	8 979	52 610	35 788	16 822	5 603	-2 500
M7	0	137	1 006	611	395	132	0
Mobius II	0	- 100	56 356	40 113	16 242	8 121	7 913
NP_AUBER	0	- 199	1 147	1 325	- 178	- 89	251
NP_AUBER_VH	4 940	413	5 044	3 685	1 359	681	158
NP_AUBERVIL	0	- 5	1 984	2 017	- 33	- 17	922
NP_BESSANC2	6 540	438	6 477	6 179	298	149	1 322
NP_BESSANCOU	66	403	509	140	370	185	145
NP_CHARENT1	2 947	- 48	7 591	7 524	67	34	475
NP_CRETEIL	0	- 1	708	710	- 2	- 1	380
NP_EPINAY	3 838	89	3 808	3 906	- 98	- 49	1 177
NP_VAIRES	6 770	830	11 472	8 644	2 828	1 417	1 851
ODD Construct	7 710	1 330	3 747	2 383	1 364	682	562
PA_VILLA	0	13	4 030	4 110	- 79	- 40	47
Plateau d'Erpent	9 125	1 335	20 395	18 720	1 675	838	1 679
RAC3	11	338	8 173	14	8 159	3 264	0
RAC4	0	1 094	31 619	28 290	3 329	1 331	0
RAC4 Developt	0	- 4	4 640	672	3 968	1 587	160
RAC5	0	481	14 056	428	13 628	5 451	0
RAC6	0	515	13 495	8 075	5 420	2 168	0
Surf Club Marbella Beach, S.L.	0	-1 549	81 303	41 593	39 710	19 855	3 000
Surf Club Spain Invest Property SL	0	46	7 809	7 932	- 123	- 61	0
Unipark	1	61	10 517	2 391	8 126	4 063	0
Universalis Park 2	0	- 313	22 514	25 768	-3 254	-1 627	6 532
Universalis Park 3	0	- 383	32 783	37 281	-4 499	-2 249	8 588
Universalis Park 3AB	0	- 8	4 365	432	3 933	1 967	0
Universalis Park 3C	0	- 7	1 009	174	835	418	0
TOTAL JOINT VENTURES	162 047	30 910	1050 433	798 001	252 431	98 667	101 617
DHR Clos du Château	1 625	270	1 491	1 172	319	106	376
ULB Holding	0	- 351	18 245	18 678	- 432	-5 363	5 593
Urban Living Belgium	16 477	989	192 165	172 452	19 713	12 789	21 022
TOTAL ASSOCIATES	18 101	908	211 901	192 302	19 599	7 532	26 991
TOTAL JOINT VENTURES AND ASSOCIATES	180 148	31 818	1262 334	990 303	272 031	106 199	128 608

The tables below present condensed financial information of all joint ventures and associates of the Group as well as a breakdown of the inventories, investment properties and the financial debts. Figures are presented at 100%.

As at 31 December 2021

Main components of assets and liabilities:			Main projects and financial debts	INVENTORIES AND INVESTMENT PROPERTY	FINANCIAL DEBTS
Investment property	212 506		Cityzen Office	56 600	40 120
Other fixed assets	128 129		CSM Properties	100 870	94 750
Inventories	830 299		RAC4	22 399	28 000
Cash and cash equivalents	200 467		Universalis Park 2	22 786	12 700
Receivables and other assets	274 751		Universalis Park 3	33 444	15 930
Non-current financial debts		347 494	Urban Living Belgium	130 164	73 242
Current Financial debts		224 764	Debrouckère Land (ex-Mobius I)	22 180	21 150
Deferred tax liabilities		17 338	CP Development Sp. z o.o.	69 700	25 956
Shareholder's loans		254 853	Brouckère Tower Invest	197 695	123 120
Other Liabilities		341 169	Beiestack SA	20 988	12 268
TOTAL	1 646 152	1 185 619	Surf Club Marbella Beach, S.L.	62 784	
			Others	303 196	137 290
			TOTAL	1 042 805	572 258

As at 31 December 2020

Main components of assets and liabilities:			Main projects and financial debts	INVENTORIES AND INVESTMENT PROPERTY	FINANCIAL DEBTS
Investment property	195 255		Cityzen Office	54 675	68 000
Other fixed assets	76 985		CSM Properties	102 372	96 150
Inventories	674 872		Mobius II	55 931	22 470
Cash and cash equivalents	67 246		RAC4	22 777	28 000
Receivables and other assets	247 976		Universalis Park 2	22 183	12 700
Non-current financial debts		205 315	Universalis Park 3	32 598	18 930
Current Financial debts		279 950	Urban Living Belgium	151 376	76 982
Deferred tax liabilities		16 459	Debrouckère Land (ex-Mobius I)	21 318	21 150
Shareholder's loans		151 017	CP Development Sp. z o.o.	44 717	15 968
Other Liabilities		337 562	Brouckère Tower Invest	148 601	92 977
TOTAL	1 262 334	990 303	Surf Club Marbella Beach, S.L.	61 752	
			Others	151 825	31 937
			TOTAL	870 127	485 265

In case of financial debts towards credit institutions, the shareholder loans reimbursements (reimbursement of cash to the mother company) are subordinated to the reimbursements towards credit institutions.

	EUR ('000)	31/12/2021	31/12/2020
Amount of debts guaranteed by securities		265 072	285 484
Book value of Group's assets pledged for debt securities		352 449	265 939

For the main debts towards credit institutions mentioned above, the company Immoel SA has engaged itself to provide the necessary financial means in order to bring the different projects to a good end ("cash deficiency" and "cost overrun" engagements). There are no significant restrictions which limit the Group's ability to access the assets of joint ventures and associates, nor specific risks or commitments other than those relating to bank loans.

18) Other non-current financial assets

Other non-current financial assets relate to investments in shares or bonds, and are allocated as follows per geographical area:

	EUR ('000)	31/12/2021	31/12/2020
Belgium		660	175
France		355	
TOTAL OTHER NON-CURRENT FINANCIAL ASSETS		1 015	175

19) Deferred tax

Deferred tax assets or liabilities are recorded in the balance sheet on deductible or taxable temporary differences, tax losses and tax credits carried forward. Changes in the deferred taxes in the balance sheet having occurred over the financial year are recorded in the statement of income unless they refer to items directly recognised under other comprehensive income.

Deferred taxes on the balance sheet refer to the following temporary differences:

EUR ('000)	DEFERRED TAX ASSETS		DEFERRED TAX LIABILITIES	
	31/12/2021	31/12/2020	31/12/2021	31/12/2020
Tax losses	35 086	18 202		
Revenue recognition	2 891	2 115	43 165	41 380
Financial debts				
Fair value of financial instruments		40	2	4
Other items	60	21	- 70	- 74
Netting (net tax position per entity)	-16 745	-4 009	-16 745	-4 009
TOTAL	21 292	16 369	26 352	37 301

VALUE AS AT 1 JANUARY	EUR ('000)	16 369	37 301
Scope changes			2
Deferred tax recognised in the consolidated statement of comprehensive income		4 923	-10 951
VALUE AS AT 31 DECEMBER		21 292	26 352

Immobel France and 'T Park development are the main contributors to the change on Deferred tax assets

TEMPORARY DIFFERENCES OR TAX LOSSES FOR WHICH NO DEFERRED TAX ASSETS ARE RECOGNISED IN THE BALANCE SHEET, FROM WHICH:	EUR ('000)
	24 501
Expiring at the end of 2022	601
Expiring at the end of 2023	103
Expiring at the end of 2024	396
Expiring at the end of 2025	1 768
Expiring at the end of 2026	470
Not time-limited	21 163

20) Other non-current assets

Other non-current assets relate exclusively to cash guarantees and deposits, and are allocated as follows per geographical area:

EUR ('000)	31/12/2021	31/12/2020
Belgium	243	556
Luxembourg	200	
France	265	839
Germany	173	148
Poland	270	146
TOTAL OTHER NON-CURRENT ASSETS	1 151	1 689

21) Inventories

Inventories consist of buildings and land acquired for development and resale. Allocation of inventories by geographical area is as follows:

	EUR ('000)	31/12/2021	31/12/2020
Belgium		292 874	311 038
Luxembourg		143 801	196 192
France		167 192	92 290
Germany		59 033	61 875
Poland		34 735	21 396
Spain		988	331
TOTAL INVENTORIES		698 623	683 121

The increase in France is due to the acquisition of Tati in Paris and the decrease in Luxembourg is due to the sale down of Laangfur.

Other major projects in inventories are a.o. O'Sea and Lebeau Sablon in Belgium, Polvermillen in Luxembourg, Saint-Antoine in France, Eden in Germany and Granaria Gdansk in Poland.

The weighted average **interest rate** on borrowing costs capitalized on Project Financing Credits and on Bonds was 2,3 % in 2021 and 1,9 % in 2020.

The inventories break down as follows:

	EUR ('000)	31/12/2021	31/12/2020
INVENTORIES AS AT 1 JANUARY		683 121	694 580
Net book value of investment property transferred from/to inventories		25	9 471
Purchases of the year		72 716	10 976
Developments		246 743	271 981
Disposals of the year		-311 066	-300 766
Borrowing costs		9 364	3 684
Scope changes		-1 588	-6 805
Write-off		- 692	
CHANGES FOR THE PERIOD		15 502	-11 459
INVENTORIES AS AT 31 DECEMBER		698 623	683 121

Break down of the movements by geographical area :	EUR ('000)	Purchases/Developments	Disposals	Borrowing costs	Scope changes	Transfer of the net book value	Net
Belgium		97 366	-120 483	5 873	-1 587	25	-18 806
Luxembourg		33 854	-88 263	3 318	- 693		-51 784
France		135 215	-60 276				74 939
Germany		37 455	-39 839	- 457			-2 841
Poland		14 912	-2 205	630			13 337
Spain		657					657
Total		319 459	-311 066	9 364	-2 280	25	15 502

The value of the stock to be recovered in:	EUR ('000)
12 months	173 046
> 12 months	525 577
Breakdown of the stock by type:	
Without permit	488 527
In development	210 096

The book value of Group's assets pledged for debt securities related to investment property and inventory as a whole is EUR 721 thousand compared to EUR 759 thousand at the end of 2020, representing a decrease of EUR 38 thousand.

22) Trade receivables

Trade receivables refer to the following operational segments:

	EUR ('000)	31/12/2021	31/12/2020
Belgium		13 405	7 206
Luxembourg		2 204	2 404
France		2 152	13 116
Germany		15 590	8 050
Poland		4 554	240
Spain		211	2 152
TOTAL TRADE RECEIVABLES		38 116	33 168

The analysis of the delay of payment arises as follows:	EUR ('000)	31/12/2021	31/12/2020
Due < 3 months		11 622	9 388
Due > 3 months < 6 months		829	845
Due > 6 months < 12 months		2 021	2 389
Due > 1 year		1 482	1 248

CREDIT RISK

The borrowings to equity accounted investees consist of shareholder loans to our equity accounted investees that own an asset under or to be development. As all project are expected to realize a profit on completion, we do not anticipate any recoverability issues for the outstanding borrowings to equity accounted investees.

Therefore, the credit risk is related to the possible failure of the customers in respecting their commitments towards the Group and is considered immaterial, especially since in most cases the asset sold serves as collateral (guarantee).

At 31 December 2021, there was no concentration of credit risk with a sole third party. The maximum risk amounts to the book value of the receivables. However, within the meaning of IFRS 9, there is no expected credit loss that can be deemed significant at that date.

The impairments recorded on trade receivables evolve as follows:

	EUR ('000)	31/12/2021	31/12/2020
BALANCE AT 1 JANUARY		542	473
Additions		85	69
Discounts			
MOVEMENTS OF THE PERIOD		85	69
BALANCE AT 31 DECEMBER		627	542

23) Contract assets

Contract assets, arising from the application of IFRS 15, refer to the following operational segments:

	EUR ('000)	31/12/2021	31/12/2020
Belgium		78 552	9 315
Luxembourg		1 403	7 610
France		25 367	21 108
Germany		12 631	19 218
TOTAL CONTRACT ASSETS		117 953	57 251

The increase of contract assets in Belgium is mainly related to the construction of the sold project Commerce in Belgium. Upon initial recognition, the Group measures contract assets at their transaction price as defined by IFRS 15. Contract assets include the amounts to which the entity is entitled in exchange for goods or services that it already has provided to a customer but for which the payment is not yet due or is subject to the fulfilment of a specific condition provided for in the contract.

When an amount becomes due, it is transferred to the receivable account.

A trade receivable is recognized as soon as the entity has an unconditional right to collect a payment. This unconditional right exists from the moment in time which makes the payment due.

It is expected that the entire amount reflected as at December 31, 2021 will become due and be cashed in fiscal year 2022.

In the same way as trade receivables and other receivables, contract assets are subject to an impairment test in accordance with the provisions of IFRS 9 on expected credit losses. This test does not show any significant potential impact since these contract assets (and their related receivables) are generally covered by the underlying assets represented by the building to be transferred.

24) Other current assets

The components of this item are:

	EUR ('000)	31/12/2021	31/12/2020
Other receivables		27 815	30 435
of which : advances and guarantees paid			
taxes (other than income taxes) and VAT receivable		20 247	17 589
receivable upon sale (escrow account)		1 703	3 075
other		5 865	9 771
Deferred charges and accrued income		8 425	6 834
of which: on projects in development		190	190
other		8 235	6 644
TOTAL OTHER CURRENT ASSETS		36 240	37 269

25) Information related to the net financial debt

The Group's net financial debt is the balance between the cash and cash equivalents and the financial debts (current and non-current). It amounts to EUR -593 313 thousand as at 31 December 2021 compared to EUR -603 890 thousand as at 31 December 2020.

	EUR ('000)	31/12/2021	31/12/2020
Cash and cash equivalents		273 377	148 059
Non current financial debts		507 596	571 139
Current financial debts		359 094	180 810
NET FINANCIAL DEBT		-593 313	-603 890

The Group's gearing ratio³ is 52,9% as at 31 December 2021, compared to 57,4% as at 31 December 2020.

The current financial debts increased mainly due to 100 Million bond expiring in May 2022.

There is no significant change in net financial debt with the exception of the presentation of the bond drawdown for a nominal amount of EUR 100 million maturing on May 31, 2022.

CASH AND CASH EQUIVALENTS

Cash deposits and cash at bank and in hand amount to EUR 273 377 thousand compared to EUR 148 059 thousand at the end of 2020, representing an increase of EUR 125 318 thousand. The breakdown of cash and cash equivalents is as follows:

	EUR ('000)	31/12/2021	31/12/2020
Term deposits with an initial duration of maximum 3 months			
Cash at bank and in hand		273 377	148 059
AVAILABLE CASH AND CASH EQUIVALENTS		273 377	148 059

The explanation of the change in available cash is given in the consolidated cash flow statement. Cash and cash equivalents are fully available, either for distribution to the shareholders or to finance projects owned by the different companies.

FINANCIAL DEBTS

Financial debts increase with EUR 114 741 thousand, from EUR 751 949 thousand at 31 December 2020 to EUR 866 690 thousand at 31 December 2021. The components of financial debts are as follows:

	EUR ('000)	31/12/2021	31/12/2020
Bond issues:			
Bond issue maturity 31-05-2022 at 3.00% - nominal amount 100 MEUR			99 709
Bond issue maturity 17-10-2023 at 3.00% - nominal amount 50 MEUR		49 903	50 000
Bond issue maturity 17-10-2025 at 3.50% - nominal amount 50 MEUR		50 000	50 000
Bond issue maturity 14-04-2027 at 3.00% - nominal amount 75 MEUR		75 000	75 000
Bond issue maturity 12-05-2028 at 3.00% - nominal amount 125 MEUR		125 000	
Lease contracts		2 130	2 872
Credit institutions		205 563	293 558
NON CURRENT FINANCIAL DEBTS		507 596	571 139
Bond issues:			
Bond issue maturity 31-05-2022 at 3.00% - nominal amount 100 MEUR		100 000	
Credit institutions		257 463	175 131
Lease contracts		1 630	1 614
Bonds - not yet due interest			4 065
CURRENT FINANCIAL DEBTS		359 094	180 810
TOTAL FINANCIAL DEBTS		866 690	751 949
Financial debts at fixed rates		399 903	274 709
Financial debts at variable rates		466 787	473 175
Bonds - not yet due interest		4 206	4 065
Amount of debts guaranteed by securities		438 301	468 690
Book value of Group's assets pledged for debt securities		446 766	816 694

In 2021, a new bond has been issued within the Green Finance Framework and developed by the company. The bond does not have any additional or specific covenants compared to earlier issued bonds by the company. There are no embedded derivatives, similar to the earlier issued bonds by the company. Same as for other issued bonds by the company.

³ Gearing ratio is calculated by dividing net debt by the sum of net debt and equity group share with goodwill subtracted from equity group share

Financial debts evolve as follows:

	EUR ('000)	31/12/2021	31/12/2020
FINANCIAL DEBTS AS AT 1 JANUARY		751 949	707 071
Repaid liabilities related to lease contracts		-2 130	-2 872
Contracted debts		249 033	303 861
Repaid debts		-128 872	-252 905
Movements bonds - not yet due interest		-12 565	-7 406
Not yet due interest on other loans		9 080	4 005
Amortization of deferred debt issue expenses		195	195
CHANGES FOR THE PERIOD		114 741	44 878
FINANCIAL DEBTS AS AT 31 DECEMBER		866 690	751 949

All the financial debts are denominated in EUR.

Except for the bonds, the financing of the Group and the financing of the Group's projects are provided based on a short-term rate, the 1 to 12 month EURIBOR, increased by margin.

As of December 31, 2021, IMMOBEL is entitled to use undrawn corporate credit lines of EUR 15 million and EUR 691 million of confirmed project finance lines of which EUR 384 million were used.

These credit lines (Project Financing Credits) are specific for the development of certain projects.

At December 31, 2021, the book value of Group's assets pledged to secure the corporate credit and the project financing credits amounts to EUR 446 million.

The table below summarizes the maturity of the financial liabilities of the Group:

DUE IN THE PERIOD	UP TO 1 YEAR	1 TO 2 YEARS	2 TO 3 YEARS	3 TO 4 YEARS	4 TO 5 YEARS	AFTER 5 YEARS	Total
Bonds	100 000	50 000		50 000		200 000	400 000
Project Financing Credits	205 963	56 900	70 185	35 283	15 695		384 026
Corporate Credit lines	1 500	2 000	2 500	23 000			29 000
Commercial paper	50 000						50 000
Lease contracts	1 630	1 605	525				3 761
Interests not yet due and amortized costs		93	- 190				- 97
TOTAL AMOUNT OF DEBTS	359 094	110 598	73 020	108 283	15 695	200 000	866 690

INTEREST RATE RISK

To hedge its variable interest rate exposure, the company uses various type of financial instruments.

- In April 2020, the company entered into an agreement to cap the interest rate at 0,5% for about 75% of the exposure on the variable part of the debt (based on the internal view, i.e. before application of IFRS 11) up to July 1st, 2023.
- In May 2021, the company entered into another agreement to cap the interest rate at 1,5% on a part of the financial debt related to a notional amount of EUR 225 million for the period from July 3rd, 2023 up to July 1st, 2024.
- In December 2020, Immoebel has entered in a contract to hedge a variable interest loan for a notional amount of 30 million EUR. The Company has used interest rate swap agreements to convert its exposure from floating rate to fixed interest rate a portion of its interest rate exposure from floating rates to fixed rates to reduce the risk of an increase of the EURIBOR interest rate. The notional amount amounts to EUR 30 million. The interest swap replaces the Euribor rate with a fixed interest rate per year on the outstanding amount. The derivative is formally designated and qualifies as a cash flow hedge and is recorded at fair value in the consolidated balance sheets in other assets and/or other liabilities. The interest rate swap and debt have the same terms.

	EUR ('000)	31/12/2021	31/12/2020
DERIVATIVES NOT DESIGNATED AS HEDGING INSTRUMENTS			
Interest rate swaps			
DERIVATIVES DESIGNATED AS HEDGING INSTRUMENTS			
Interest rate swaps - cash flow hedges		160	560
TOTAL		160	560
CHANGE IN FAIR VALUE OF THE DERIVATIVE FINANCIAL INSTRUMENTS			
SITUATION AT 1 JANUARY		560	291
Changes during the period in the consolidated result		- 316	- 291
Changes during the period in other comprehensive income		- 84	560
SITUATION AT 31 DECEMBER		160	560

The increase in interest rate would result in an annual increase of the interest charge on debt of EUR 1 464 thousand per 1%-increase for about 25% of the variable part of the debt and maximum EUR 2 196 thousand in total for about 75% of the variable part of the debt to the extent the applicable EURIBOR-rate stands at 0%. Given that current applicable EURIBOR-rates are below 0% the impact of such increase would be even lower than these respective amounts.

INFORMATION ON FAIR VALUE OF FINANCIAL INSTRUMENTS

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

The fair value of financial instruments is determined as follows:

- If their maturity is short-term (e.g.: trade receivables and payables), the fair value is assumed to be similar at amortized cost,
- For fixed rate debts, based on discounted future cash flows estimated based on market rates at closing,
- For variable rate debts, the fair value is assumed to be similar at amortized cost,
- For derivative financial instruments, the fair value is determined on the basis of discounted future cash flows estimated based on curves of forward interest rates. This value is mentioned by the counterparty financial institution.
- For quoted bonds, on the basis of the quotation at the closing (level 1).

The fair value measurement of financial assets and financial liabilities can be characterized in one of the following ways:

- Level 1: the fair values of financial assets and liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices in active markets for identical assets and liabilities,
- Level 2: the fair values of other financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes for similar instruments. This mainly relates to derivative financial instruments,
- Level 3: the fair values of the remaining financial assets and financial liabilities are derived from valuation techniques which include inputs which are not based on observable market data.

EUR ('000)	Level of the fair value	Amounts recognized in accordance with IFRS 9				
		Carrying amount 31/12/2021	Amortized cost	Fair value trough profit or loss	Fair value 31/12/2021	Cash flow hedging 31/12/2021
ASSETS						
Cash and cash equivalents		274 865	274 865			
Other non-current financial assets	Level 1	1 015		1 015	1 015	
Other non-current assets	Level 2	1 151	1 151		1 151	
Trade receivables	Level 2	37 978	37 978		37 978	
Contract assets	Level 2	120 682	120 682		120 682	
Other operating receivables	Level 2	154 147	154 147		154 147	
Other current financial assets	Level 1	49	49		49	
TOTAL		589 888	588 873	1 015	315 023	
LIABILITIES						
Interest-bearing debt	Level 1 & 2	868 652	868 652		868 652	
Trade payables	Level 2	77 158	77 158		77 158	
Contract liabilities	Level 2	28 739	28 739		28 739	
Other operating payables	Level 2	99 554	99 554		99 554	
Derivative financial instruments	Level 2	160		160		160
TOTAL		1074 262	1074 102	160	1074 102	160

INVESTMENT GRADE

The bank accounts are held by banks with at least 'investment grade' rating (Baa3/BBB- or better).

LIQUIDITY RISK

The Company starts only new projects in case of appropriate financing by corporate, specific financing or pre-sale. Therefore, the cash risk related to the progress of a project is very limited.

FINANCIAL COMMITMENTS

The Group is subject, for bonds and credit lines mentioned hereabove, to a number of financial commitments.

These commitments are taking into account the equity, the net financial debt and its relation with the equity and the inventories. At 31 December 2021, as for the previous years, the Group was in conformity with all these financial commitments.

RISK OF FLUCTUATION IN FOREIGN CURRENCIES

The Group has a limited hedge on the foreign exchange rates risks on its development activities. The functional currency of projects currently developed in Poland is translated from PLN to EUR (except for Central Point managed in EUR), with an impact on the other comprehensive income.

26) Equity

	2021	2020
Number of shares at 31 December	9 997 356	9 997 356
Number of shares fully paid at 31 December	9 997 356	9 997 356
Treasury shares at 31 December	26 965	392 527
Nominal value per share	9,740	9,740
Number of shares at 1 January	9 997 356	9 997 356
Number of treasury shares at 1 January	- 292 527	-1 212 179
Treasury shares granted to a member of the executive committee		
Treasury shares sold	265 562	819 652
Number of shares (excluding treasury shares) at 31 December	9 970 391	9 604 829

RISK MANAGEMENT RELATED TO THE CAPITAL

Immobel is optimising the structure of its permanent capital through a balance between capital and long-term debts.

The target is to maximise the value for the shareholders while maintaining the required flexibility to achieve the development projects. Other elements, like the expected return on each project and the respect of a number of balance sheet ratios, influence the decision taking.

27) Pensions and similar obligations

The pensions and similar obligations cover the obligations of the Company as far as the Group insurance is concerned. The amount recognised in the balance sheet represents the present value of obligations in terms of defined benefit pension plans less the fair value of plan assets.

	EUR ('000)	31/12/2021	31/12/2020
STATEMENT OF FINANCIAL POSITION			
Provisions		398	
Present value of the defined benefit obligations		1 996	1 963
Fair value of plan assets at the end of the period		-1 398	-1 360
NET LIABILITY ARISING FROM DEFINED BENEFIT OBLIGATION		996	603
STATEMENT OF COMPREHENSIVE INCOME			
Current service cost		0	- 53
Past service cost or settlement			
Interest cost on the defined benefit obligation		0	- 8
Interest income on plan assets		0	5
Administration costs		0	- 4
DEFINED BENEFIT COSTS RECOGNIZED IN PROFIT OR LOSS		- 171	- 238
Actuarial (gains) / losses on defined benefit obligation arising from			
- changes in financial assumptions			
- return on plan assets (excluding interest income)		- 73	32
- experience adjustments		131	170
REMEASUREMENTS OF NET DEFINED BENEFIT LIABILITY RECOGNISED IN OTHER COMPREHENSIVE INCOME		58	202
DEFINED BENEFIT COSTS		- 113	- 36
	EUR ('000)	31/12/2021	31/12/2020
PRESENT VALUE OF THE OBLIGATIONS AS AT 1 JANUARY			
Current service cost		1 963	1 674
Interest cost		164	53
Contributions from plan participants		6	8
Actuarial (gains) losses		12	10
Benefits paid		- 131	- 170
Past service cost, settlement or business combination		- 18	- 8
			395
PRESENT VALUE OF THE OBLIGATIONS AS AT 31 DECEMBER		1 996	1 963
	EUR ('000)	31/12/2021	31/12/2020
FAIR VALUE OF THE PLAN ASSETS AS AT 1 JANUARY			
Interest income		1 360	1 042
Contributions from employer		4	5
Contributions from plan participants		118	66
Benefits paid		12	10
Return on plan assets (excluding interest income)		- 18	- 8
Administrative costs		- 73	32
Settlement or business combination		- 5	- 4
			217
FAIR VALUE OF THE PLAN ASSETS AS AT 31 DECEMBER		1 398	1 360
CONTRIBUTION OF THE EMPLOYER EXPECTED FOR 2020 / 2021		95	103
ACTUARIAL ASSUMPTIONS USED TO DETERMINE OBLIGATIONS			
Discount rate		0.83%	0.30%
Future salary increases		3.08%	3.10%
Inflation rate		1.71%	1.71%
Mortality table		MR-3/FR-3 (BE) INSEE H/F 14-16 (FR)	MR-3/FR-3 (BE) INSEE H/F 14-16 (FR)
SENSITIVITY ANALYSIS OF THE DBO 31/12/2021			
Discount rate	0.33%	0.83%	1.33%
Amount of the DBO	2 126	1 996	1 878

The Belgian defined benefit pension plan and defined contribution pension plans with guaranteed return are funded through Group insurance contracts. The plans are funded through employer and employee contributions. The underlying assets of the insurance contracts are primarily invested in bonds. The defined benefit plan is closed for new employees. The plan participants are entitled to a lump sum on retirement. Active members also receive a benefit on death-in-service.

The French retirement indemnity plan offers a lump sum on retirement as defined by the collective labor agreement of the real estate industry. The plan is unfunded and open to new employees.

28) Provisions

The components of provisions are as follows:

	EUR ('000)	31/12/2021	31/12/2020
Provisions related to the sales		1 201	1 217
Other provisions		1 127	897
TOTAL PROVISIONS		2 328	2 114

	EUR ('000)	Related to sales	Other	31/12/2021
PROVISIONS AS AT 1 JANUARY		1 217	897	2 114
Scope changes		1	- 73	- 72
Increase		97	913	1 010
Use/Reversal		- 114	- 610	- 724
CHANGES FOR THE YEAR		- 16	230	214
PROVISIONS AS AT 31 DECEMBER		1 201	1 127	2 328

Allocation by operational segment is as follows:

	EUR ('000)	31/12/2021	31/12/2020
Belgium		139	134
Luxembourg		500	500
France		1 689	1 480
TOTAL PROVISIONS		2 328	2 114

The provisions are made up based on the risks related to the litigations, in particular when the recognition conditions of those liabilities are met.

These provisions made correspond to the best estimate of outgoing resources considered as likely by the Board of Directors. The Group has no indication on the final amount of disbursement or the timing of the disbursement, it depends on court decisions.

No provision has been recorded for the other litigations that mainly concern:

- problems of decennial guarantee for which the Group has recourse on the contractor who is generally covered by an insurance of "decennial liability coverage" for this purpose,
- pure administrative recourses concerning planning and environmental permits introduced by third parties at the Council of State without any financial consequence for the Group.

29) Trade payables

This account is allocated by operational segment as follows:

	EUR ('000)	31/12/2021	31/12/2020
Belgium		41 548	29 181
Luxembourg		10 920	6 449
France		7 006	9 764
Germany		7 980	4 295
Poland		12 065	7 190
Spain		4 027	4 048
TOTAL TRADE PAYABLES		83 546	60 927

The trade payables are mainly related to the projects O'Sea in Belgium, Eden in Germany and Granaria in Poland.

30) Contract liabilities

The contract liabilities, arising from the application of IFRS 15, relate to following operational segment:

	EUR ('000)	31/12/2021	31/12/2020
Belgium		10 427	2 362
France		11 542	1 534
TOTAL CONTRACT LIABILITIES		21 969	3 896

The increase in contract liabilities is mainly due to the projects O'sea in Belgium and St Germain 2 in France.

Contract liabilities include amounts received by the entity as compensation for goods or services that have not yet been provided to the customer. The contract liabilities are settled by the recognition of the turnover.

Current contract liabilities include income still to be recognized of EUR 21 969 thousand at 31 December 2021. 100% of the contract liabilities per 31 December 2020 were recognized as revenue in 2021.

All amounts reflected in contract liabilities are related to residential activities for which revenue is recognized as a percentage of progress, thus creating discrepancies between payments and the realization of benefits.

31) Other current liabilities

The components of this account are:

	EUR ('000)	31/12/2021	31/12/2020
Payroll related liabilities		4 244	3 578
Taxes (other than income taxes) and VAT payable		12 186	16 240
Advances on sales		3 301	2 181
Advances from joint ventures and associates		38 824	28 544
Accrued charges and deferred income		8 568	3 305
Acquisition price payable			2 038
Other		19 296	16 302
TOTAL OTHER CURRENT LIABILITIES		86 419	72 188

Other current liabilities mainly consist of taxes (other than income taxes), the non-eliminated balance of advances received from joint ventures and associates, as well as accrued charges and deferred income.

32) Main contingent assets and liabilities

	EUR ('000)	31/12/2021	31/12/2020
Guarantees from third parties on behalf of the Group with respect to:			
- inventories		281 015	198 192
- other assets			
TOTAL GUARANTEES FROM THIRD PARTIES ON BEHALF OF THE GROUP		281 015	198 192
These guarantees consist of:			
- guarantees "Real estate trader" (acquisitions with registration fee at reduced rate)		33 012	15 518
- guarantees "Law Breyne" (guarantees given in connection with the sale of houses or apartments under construction)		63 207	162 683
- guarantees "Good end of execution" (guarantees given in connection with the execution of works) and "other" (successful completion of payment, rental,...)		184 796	19 991
TOTAL GUARANTEES FROM THIRD PARTIES ON BEHALF OF THE GROUP		281 015	198 192
Mortgage power - Amount of inscription		58 852	810 140
Book value of Group's assets pledged for debt securities related to investment property and inventory as a whole		408 052	758 676
BOOK VALUE OF PLEDGED GROUP'S ASSETS		408 052	758 676
Amount of debts guaranteed by above securities			
- Non current debts		205 563	289 028
- Current debts		232 739	179 662
TOTAL AMOUNT OF DEBTS GUARANTEED		438 301	468 690

At 31 December 2021, Immobel acknowledges a commitment for contingent liabilities for an amount of 48 217 K EUR for a number of projects in Brussels and Luxembourg.

33) Change in working capital

The change in working capital by nature is established as follows:

	EUR ('000)	31/12/2021	31/12/2020
Inventories		-15 012	-122 815
Other current assets		-80 581	35 796
Other current liabilities		35 214	-7 363
CHANGE IN WORKING CAPITAL		-60 379	-94 382

The change on inventories is mainly driven by the sale of Laangfur and Beggen in Luxembourg as well as the acquisition of Hemacle in France. The contract assets related to the project Commerce 46 and the contract liabilities related to the project O'sea are the other main components of the changes in working capital.

The decrease of the net carrying value of the investment property related to the sale of Scorpio to the ImmoBelux Office Development Fund SCSP is not reflected in the working capital as it is accounted for under the equity method.

34) Information on related parties

RELATIONSHIPS WITH SHAREHOLDERS – MAIN SHAREHOLDERS

	31/12/2021	31/12/2020
A3 Capital NV & A3 Management BVBA	58.99%	58.94%
IMMOBEL (Treasury shares)	0.26%	2.90%
Number of representative capital shares	9 997 356	9 997 356

RELATIONSHIPS WITH SENIOR EXECUTIVES

These are the remuneration of members of the Executive Committee and of the Board of Directors.

	Executive Chairman/ CEO	Executive Committee
Basic remuneration	640	1 700
Variable remuneration STI	301	718
Variable remuneration LTI	64	3 083
Individual pension commitment	None	None
Other	1 300	311

RELATIONSHIPS WITH JOINT VENTURES AND ASSOCIATES

The relationships with joint ventures and associates consist mainly of loans or advances, whose amounts are recorded in the balance sheet in the following accounts:

	EUR ('000)	31/12/2021	31/12/2020
Investments in joint ventures and associates - shareholder's loans		101 670	76 644
Other current assets		13 163	20 399
Other current liabilities		38 824	28 544
Interest income		4 247	4 630
Interest expense		1 260	1 287

Those relationships are conducted in accordance with formal terms and conditions agreed with the Group and its partner. The interest rate applicable to these loans and advances is EURIBOR + margin, defined based on internal transfer pricing principles.

See note 17 for further information on joint ventures and associates.

35) Events subsequent to reporting date

There were no events after the balance sheet date that had a significant impact on the Company's accounts.

36) Companies owned by the Immoel Group

Companies forming part of the Group as at 31 December 2021:

SUBSIDIARIES – FULLY CONSOLIDATED

NAME	COMPANY NUMBER	HEAD OFFICE	GROUP INTEREST (%) (Economic interest)
BEYAERT NV	837 807 014	Brussels	100
BOITEUX RESIDENTIAL NV	837797314	Brussels	100
BRUSSELS EAST REAL ESTATE SA	478120522	Brussels	100
BULL'S EYE PROPERTY LUX SA	B 138 135	Luxemburg	100
CANAL DEVELOPEMENT SARL	B 250 642	Luxemburg	100
CHAMBON NV	837 807 509	Brussels	100
CLUSTER CHAMBON NV	843 656 906	Brussels	100
COMPAGNIE IMMOBILIÈRE DE WALLONIE (CIW) SA	401 541 990	Brussels	100
COMPAGNIE IMMOBILIÈRE LUXEMBOURGEOISE SA	B 29 696	Luxemburg	100
EDEN TOWER FRANKFURT GMBH	B235375	Frankfurt	100
EMPEREUR FROISSART NV	871 449 879	Brussels	100
ENTREPRISE ET GESTION IMMOBILIÈRES (EGIMO) SA	403 360 741	Brussels	100
ESPACE NIVELLES SA	472 279 241	Brussels	100
FLINT CONSTRUCT NV	506 899 135	Brussels	65
FLINT LAND NV	506 823 614	Brussels	65
FONCIÈRE JENNIFER SA	464 582 884	Brussels	100
FONCIÈRE MONTOYER SA	826 862 642	Brussels	100
FROUNERBOND DEVELOPPEMENT S.À R.L.	B251782	Luxemburg	100
GARDEN POINT SP. Z.O.O.	0000 38 84 76	Warsaw	100
GASPERICH DEVELOPPEMENT SARL	B263526	Luxembourg	100
GRANARIA DEVELOPMENT GDANSK BIS SP. Z.O.O.	0000 48 02 78	Warsaw	90
GRANARIA DEVELOPMENT GDANSK SP. Z.O.O.	0000 51 06 69	Warsaw	90
HERMES BROWN II NV	890 572 539	Brussels	100
HOTEL GRANARIA DEVELOPMENT SP. Z.O.O.	0000 51 06 64	Warsaw	90
ILOT SAINT ROCH SA	675 860 861	Brussels	100
IMMO DEVAUX I NV	694 904 337	Brussels	100
IMMO DEVAUX II NV	694 897 013	Brussels	100
IMMOBEL FRANCE GESTION SARL	809 724 974	Paris	100
IMMOBEL FRANCE SAS	800 676 850	Paris	100
IMMOBEL FRANCE TERTIAIRE SAS	833 654 221	Paris	100
IMMOBEL GERMANY GMBH	5050 817 557	Köln	100
IMMOBEL GERMANY SARL	B231 412	Luxemburg	100
IMMOBEL GP SARL	B 247 503	Luxemburg	100
IMMOBEL GUTENBERG BERLIN 1 GMBH	HRB 106676	Köln	100
IMMOBEL GUTENBERG BERLIN 2 GMBH	HRB 106697	Köln	100
IMMOBEL GUTENBERG BERLIN 3 GMBH	HRB 106882	Köln	100
IMMOBEL GUTENBERG BERLIN 4 GMBH	HRB 106679	Köln	100
IMMOBEL GUTENBERG BERLIN INVESTMENT GMBH	HRB 105188	Köln	100
IMMOBEL HOLDCO SPAIN S.L.	B 881 229 62	Madrid	100
IMMOBEL HOLDING LUXEMBOURG SARL	B 138 090	Luxemburg	100

IMMOBEL LUX SA	B 130 313	Luxembourg	100
IMMOBEL PM SPAIN S.L.	B 882 567 06	Madrid	100
IMMOBEL POLAND SP. Z.O.O.	0000 37 22 17	Warsaw	100
IMMOBEL PROJECT MANAGEMENT SA	475 729 174	Brussels	100
IMMOBEL R.E.M. FUND SARL	B 228 335	Luxembourg	100
IMMOBEL REAL ESTATE FUND SC	B 228 393	Luxembourg	100
IMMOBEL URBAN LIVING	695 672 419	Brussels	100
IMMO-PUYHOEK SA	847 201 958	Brussels	100
IMZ NV	444 236 838	Brussels	100
INDUSTRIE 52 BV	759 472 584	Brussels	76.84
INFINITO HOLDING S.R.L.	765 474 411	Brussels	76.84
INFINITO S.A.	403 062 219	Brussels	76.84
INFINITY LIVING SA	B 211 415	Luxembourg	100
LAKE FRONT SA	562 818 447	Brussels	100
LEBEAU DEVELOPMENT	711 809 556	Brussels	100
LEBEAU SABLON SA	551 947 123	Brussels	100
LES JARDINS DU NORD SA	444 857 737	Brussels	96.2
LOTINVEST DEVELOPMENT SA	417 100 196	Brussels	100
MICHAEL OSTLUND PROPERTY SA	436 089 927	Brussels	100
MILAWAY INVESTMENTS SP. ZO.O.	0000 63 51 51	Warsaw	100
MÖBIUS CONSTRUCT SA	681 630 183	Brussels	100
MONTAGNE RESIDENTIAL SA	837 806 420	Brussels	100
NENNIG DEVELOPPEMENT SARL	B 250.824	Luxembourg	100
NP SHOWROOM SNC	837 908 086	Paris	100
OFFICE FUND CARRY SRL	759 610 562	Brussels	100
OFFICE FUND GP SRL	759 610 463	Brussels	100
OKRAGLAK DEVELOPMENT SP. Z.O.O.	0000 26 74 81	Warsaw	100
POLVERMILLEN SARL	B 207 813	Luxembourg	100
PORCELYNEGOED NV	429 538 269	Brussels	100
PRINCE ROYAL CONSTRUCT SA	633 872 927	Brussels	100
QUOMAGO SA	425 480 206	Brussels	100
SAS PARIS LANNELONGUE	851 891 721	Paris	100
SAS RUEIL COLMAR	852 152 412	Paris	100
SAS SAINT ANTOINE COUR BERARD	851 891 721	Paris	100
SCCV BUTTES CHAUMONT	882 258 510	Paris	100
SCCV IMMO BOUGIVAL 1	883460420	Paris	100
SCCV IMMO MONTEVRAIN 1	884552308	Paris	100
SCCV IMMO TREMBLAY 1	883461238	Paris	100
SCCV NP ASNIERES SUR SEINE 1	813 388 188	Paris	100
SCCV NP AUBERGENVILLE 1	837 935 857	Paris	100
SCCV NP AULNAY SOUS BOIS 1	811 446 699	Paris	100
SCCV NP BEZONS 1	820 345 718	Paris	100
SCCV NP BEZONS 2	829 707 348	Paris	100
SCCV NP BOIS D'ARCY 1	829 739 515	Paris	100
SCCV NP BONDOUFLE 1	815 057 435	Paris	100

SCCV NP BUSSY SAINT GEORGES 1	812 264 448	Paris	100
SCCV NP CHATENAY-MALABRY 1	837 914 126	Paris	100
SCCV NP CHELLES 1	824 117 196	Paris	100
SCCV NP CHILLY-MAZARIN 1	838 112 332	Paris	100
SCCV NP CROISSY SUR SEINE 1	817 842 487	Paris	100
SCCV NP CROISSY SUR SEINE 2	822 760 732	Paris	100
SCCV NP CROISSY SUR SEINE 3	822 760 625	Paris	100
SCCV NP CROISSY SUR SEINE 4	832 311 047	Paris	46
SCCV NP DOURDAN 1	820 366 227	Paris	100
SCCV NP DRANCY 1	829 982 180	Paris	100
SCCV NP EAUBONNE 1	850 406 562	Paris	100
SCCV NP FONTENAY AUX ROSES 1	838 330 397	Paris	100
SCCV NP FRANCONVILLE 1	828 852 038	Paris	90
SCCV NP GARGENVILLE 1	837 914 456	Paris	100
SCCV NP ISSY LES MOULINEAUX 1	820 102 770	Paris	85
SCCV NP LA GARENNE-COLOMBES 1	842 234 064	Paris	100
SCCV NP LE PLESSIS TREVISE 1	829 675 545	Paris	100
SCCV NP LE VESINET 1	848 225 884	Paris	51
SCCV NP LIVRY-GARGAN 1	844 512 632	Paris	100
SCCV NP LONGPONT-SUR-ORGE 1	820 373 462	Paris	100
SCCV NP LOUVECIENNES 1	827 572 173	Paris	100
SCCV NP MEUDON 1	829 707 421	Paris	100
SCCV NP MOISSY-CRAMAYEL 1	838 348 738	Paris	100
SCCV NP MONTESSON 1	851 834 119	Paris	51
SCCV NP MONTLHERY 1	823 496 559	Paris	100
SCCV NP MONTLHERY 2	837 935 881	Paris	100
SCCV NP MONTMAGNY 1	838 080 091	Paris	100
SCCV NP NEUILLY SUR MARNE 1	819 611 013	Paris	100
SCCV NP PARIS 1	829 707 157	Paris	100
SCCV NP PARIS 2	842 239 816	Paris	100
SCCV NP RAMBOUILLET 1	833 416 365	Paris	100
SCCV NP ROMAINVILLE 1	829 706 589	Paris	100
SCCV NP SAINT ARNOULT EN YVELINES 1	828 405 837	Paris	100
SCCV NP SAINT GERMAIN EN LAYE 1	829 739 739	Paris	100
SCCV NP SAINT GERMAIN EN LAYE 2	844 464 768	Paris	100
SCCV NP VAUJOURS 1	829 678 960	Paris	100
SCCV NP VILLE D'AVRAY 1	829 743 087	Paris	100
SCCV NP VILLEJUIF 1	829 674 134	Paris	100
SCCV NP VILLEMOMBLE 1	847 809 068	Paris	100
SCCV NP VILLEPINTE 1	810 518 530	Paris	100
SCCV NP VILLIERS SUR MARNE 1	820 147 072	Paris	100
SCCV SCI COMBS LES NOTES FLORALES	820 955 888	Paris	60
SCI LE COEUR DES REMPARTS DE SAINT-ARNOULT-EN-YVELINES	831 266 820	Paris	100
SNC HEMACLE	904 024 999	Paris	100
SNC IMMO MDB	882328339	Paris	100

SSCV IMMO OTHIS 1	899269773	Paris	100
SSCV IMMO SAVIGNY SUR ORGE 1	809 724 974	Paris	100
T ZOUT CONSTRUCT SA	656 754 831	Brussels	100
THOMAS SA	B 33 819	Luxemburg	100
VAARTKOM SA	656 758 393	Brussels	100
VAL D'OR CONSTRUCT SA	656 752 257	Brussels	100
VELDIMMO SA	430 622 986	Brussels	100
VESALIUS CONSTRUCT NV	543 851 185	Brussels	100
ZIELNA DEVELOPMENT SP. Z.O.O.	0000 52 76 58	Warsaw	100

JOINT VENTURES – ACCOUNTED FOR UNDER THE EQUITY METHOD

NAME	COMPANY NUMBER	HEAD OFFICE	GROUP INTEREST (%) (Economic interest)
BELLA VITA SA	890 019 738	Brussels	50
BORALINA INVESTMENTS SL	B 884 669 33	Madrid	50
BROUCKERE TOWER INVEST NV	874 491 622	Brussels	50
CBD INTERNATIONAL SP. Z.O.O.	0000 22 82 37	Warsaw	50
CHÂTEAU DE BEGGEN SA	B 133 856	Luxemburg	50
CITYZEN HOLDING SA	721 884 985	Brussels	50
CITYZEN HOTEL SA	721 520 444	Brussels	50
CITYZEN OFFICE SA	721 520 840	Brussels	50
CITYZEN RESIDENCE SA	721 520 642	Brussels	50
CP DEVELOPMENT SP. Z O.O.	0000 63 51 51	Warsaw	50
CSM DEVELOPMENT NV	692 645 524	Brussels	50
CSM PROPERTIES NV	692 645 425	Brussels	50
DEBROUCKERE DEVELOPMENT SA	700 731 661	Brussels	50
DEBROUCKERE LAND NV	662 473 277	Brussels	50
DEBROUCKERE LEISURE NV	750 734 567	Brussels	50
DEBROUCKERE OFFICE NV	750 735 557	Brussels	50
GATEWAY SA	501 968 664	Brussels	50
GOODWAYS SA	405 773 467	Brussels	50
ILOT ECLUSE SA	441 544 592	Gilly	50
IMMO PA 33 1 SA	845 710 336	Brussels	50
IMMO PA 44 1 SA	845 708 257	Brussels	50
IMMO PA 44 2 SA	845 709 049	Brussels	50
KEY WEST DEVELOPMENT SA	738 738 439	Brussels	50
LES 2 PRINCES DEVELOPMENT SA	849 400 294	Brussels	50
LIVINGSTONE RETAIL SARL	B 250 233	Luxemburg	33.33
M1 SA	B 197 932	Strassen	33.33
M7 SA	B 197 934	Strassen	33.33
MÖBIUS II SA	662 474 069	Brussels	50
ODD CONSTRUCT SA	682 966 706	Knokke-Heist	50
PLATEAU D'ERPENT	696 967 368	Namur	50
RAC 3 SA	819 588 830	Antwerp	40
RAC 4 DEVELOPMENT SA	673 640 551	Brussels	40

RAC 4 SA	819 593 481	Brussels	40
RAC5 SA	665 775 534	Antwerp	40
RAC6 SA	738 392 110	Brussels	40
SAS BONDY CANAL	904 820 461	Paris	40
SAS TRELAMET	652 013 772	Paris	40
SCCV NP AUBER RE	813 595 956	Paris	50.1
SCCV NP AUBER VICTOR HUGO	833 883 762	Paris	50.12
SCCV NP AUBERVILLIERS 1	824 416 002	Paris	50.1
SCCV NP BESSANCOURT 1	808 351 969	Paris	50.1
SCCV NP BESSANCOURT 2	843 586 397	Paris	50.1
SCCV NP CHARENTON LE PONT 1	833 414 675	Paris	50.98
SCCV NP CRETEIL 1	824 393 300	Paris	50.1
SCCV NP EPINAY SUR ORGE 1	838 577 419	Paris	50.1
SCCV NP VAIRES SUR MARNE 1	813 440 864	Paris	50.1
SCCV PA VILLA COLOMBA	838 112 449	Paris	51
SCHOETTERMARIAL SARL	B 245 380	Luxembourg	50
SURF CLUB HOSPITALITY GROUP SL	B 935 517 86	Madrid	50
SURF CLUB MARBELLA BEACH SL	B 875 448 21	Madrid	50
UNIPARK SA	686 566 889	Brussels	50
UNIVERSALIS PARK 2 SA	665 921 529	Brussels	50
UNIVERSALIS PARK 3 SA	665 921 133	Brussels	50
UNIVERSALIS PARK 3AB SA	665 922 420	Brussels	50
UNIVERSALIS PARK 3C SA	665 921 430	Brussels	50

ASSOCIATES – ACCOUNTED FOR UNDER THE EQUITY METHOD

NAME	COMPANY NUMBER	HEAD OFFICE	GROUP INTEREST (%) (Economic interest)
BEIESTACK HOLDING SARL	B 247.602	Luxembourg	22.77
BEIESTACK S.A.	B 183 641	Luxembourg	22.77
BELUX OFFICE DEVELOPMENT FEEDER CV	759 908 985	Brussels	30.46
DHR CLOS DU CHÂTEAU SA	895 524 784	Brussels	33.33
IMMOBEL BELUX OFFICE DEVELOPMENT FUND SCSP	B249896	Luxembourg	22.61
SCCV 73 RICHELIEU	894 876 655	Paris	10
SCCV MONTLHERY ROUTE D'ORLEANS	904 647 823	Paris	20
SSCV 277 SH	901 400 531	Paris	10
URBAN LIVING BELGIUM HOLDING NV	831 672 258	Antwerp	60
URBAN LIVING BELGIUM NV	831 672 258	Antwerp	30

Except the mentioned elements on note 17, there are no significant restrictions that limit the Group's ability to access assets and settle the liabilities of subsidiaries.

In case of financial debts towards credit institutions, the shareholder's loans reimbursements (reimbursement of cash to the mother company) are subordinated to the reimbursements towards credit institutions.

G. Statement from the responsible persons

The undersigned persons state that, to the best of their knowledge:

- the Consolidated Financial Statements of Immobel SA and its subsidiaries as of 31st December 2021 have been prepared in accordance with the International Financial Reporting Standards ("IFRS"), and give a true and fair view of the assets and liabilities, financial position and results of the whole of the companies of the Immobel Group as well as the subsidiaries included in the consolidation;
- the Director's Report on the financial year ended at 31st December 2021 gives a fair overview of the development, the results and of the position of the Immobel Group as well as the subsidiaries included in the consolidation, as well as a description of the principal risks and uncertainties faced by the Immobel Group.

On behalf of the Board of Directors:

Marnix Galle⁴

Chairman of the Board of Directors

⁴ Vaste vertegenwoordiger van de vennootschap A³ Management bvba

H. Auditor's report

STATUTORY AUDITOR'S REPORT TO THE GENERAL MEETING OF IMMOBEL SA ON THE CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED 31 DECEMBER 2021

In the context of the statutory audit of the consolidated financial statements of ImmoBel SA ("the Company") and its subsidiaries (jointly "the Group"), we provide you with our statutory auditor's report. This includes our report on the consolidated financial statements for the year ended 31 December 2021 as well as other legal and regulatory requirements. Our report is one and indivisible.

We were appointed as statutory auditor by the general meeting of 15 April 2021, in accordance with the proposal of the board of directors issued on the recommendation of the audit committee. Our mandate will expire on the date of the general meeting deliberating on the annual accounts for the year ended 31 December 2023. This is the first year that we have performed the statutory audit of the consolidated financial statements of the Group.

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

UNQUALIFIED OPINION

We have audited the consolidated financial statements of the Group as of and for the year ended 31 December 2021 prepared in accordance with International Financial Reporting Standards as adopted by the European Union, and with the legal and regulatory requirements applicable in Belgium. These consolidated financial statements comprise the consolidated statement of financial position as at 31 December 2021 the consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended and notes, comprising a summary of significant accounting policies and other explanatory information. The total of the consolidated statement of financial position amounts to 1.685.149 KEUR and the consolidated statement of profit or loss shows a profit for the year of 92.345 KEUR.

In our opinion, the consolidated financial statements give a true and fair view of the Group's equity and financial position as at 31 December 2021 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union, and with the legal and regulatory requirements applicable in Belgium.

BASIS FOR OUR UNQUALIFIED OPINION

We conducted our audit in accordance with International Standards on Auditing ("ISAs") as adopted in Belgium. In addition, we have applied the ISAs as issued by the IAASB and applicable for the current accounting year while these have not been adopted in Belgium yet. Our responsibilities under those standards are further described in the "Statutory auditors' responsibility for the audit of the consolidated financial statements" section of our report. We have complied with the ethical requirements that are relevant to our audit of the consolidated financial statements in Belgium, including the independence requirements.

We have obtained from the board of directors and the Company's officials the explanations and information necessary for performing our audit.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Project development revenue (including revenue recognised by joint ventures and associates accounted for under the equity method)

We refer to accounting policies E. 16) 'Operating revenue' and E.20) 'Main judgements and main sources of uncertainties related to estimations' and notes F.1) 'Operating segment' and F.2) 'Revenue' of the consolidated financial statements.

Description

As disclosed in note F.1), revenue ('project development revenue') amounts to 526.799 KEUR in 2021, of which 147.290 KEUR attributable to joint ventures and associates accounted for under the equity method (revenue which is not included in the consolidated statement of profit or loss).

The Group contracts in a variety of ways. Each project has a different risk and revenue profile based on its individual contractual and delivery characteristics. We determined the recognition and measurement of revenue from the sale of project developments, for which revenue is recognized over time, as a key audit matter due to its size to the consolidated statement of profit or loss, complexity of contract terms, judgement involved to recognize revenue in accordance with the relevant accounting standards (mainly related to revenue from office sale contracts) and the high degree of management judgement involved in determining the percentage of completion of the projects.

Our audit procedures

For a selection of projects that we considered at higher risk of misstatement, due to either size and/or complexity, we performed the following audit procedures:

- We obtained an understanding of the project management and related revenue recognition process and tested the design and implementation of relevant controls.
- We assessed the Group's determination of transfer of control by analyzing the contractual terms of sale against the criteria in the relevant accounting standards.
- We discussed the most recent project feasibility analyses including stage of completion with the relevant project manager and/or project controller. We assessed the reasonableness of the key estimates and judgements made by management and challenged them based on comparison with the prior period feasibility study for those projects and comparable transactions.
- We assessed the reliability of key inputs to the project feasibility analyses and on a sample basis we assessed the accuracy of these inputs by comparing them to the underlying supporting documents.
- We recalculated the margin recognized over the period considering the actual recognized cost incurred and the project's expected profit margin.
- We considered the adequacy of the disclosures in the consolidated financial statements relating to revenue.

Recoverability of project development inventories (including inventories held by joint ventures and associates accounted for under the equity method)

We refer to accounting policies E. 12) 'Inventories', E.20) 'Main judgements and main sources of uncertainties related to estimations' and notes F.1) 'Operating segment', F.21) 'Inventories' and F.17) 'Investments in joint ventures and associates' of the consolidated financial statements.

Description

As disclosed in note F.1), inventories ('project development inventories') amount to 1.017.975 KEUR as at 31 December 2021, of which 319.352 KEUR attributable to project development inventories held by joint ventures and associates accounted for under the equity method (which is not included in the consolidated statement of financial position). Inventories are measured at the lower of cost and net realizable value at the balance sheet date. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. A write-down is necessary when the net realizable value at balance sheet date is lower than the carrying value. The determination of the net realizable value used to assess the recoverability of project development inventories involves management judgment as this assessment includes assumptions about future events which inherently are subject to the risk of change and uncertainty.

Due to the high degree of management judgement required, we determined the assessment of the net realizable value of project development inventories, and specifically those projects for which the permitting, construction or commercialization process has been significantly delayed, as a key audit matter.

Our audit procedures

For a selection of projects that we considered at higher risk of misstatement, due to either size to the consolidated statement of financial positions and/or complexity, we performed the following audit procedures:

- We obtained an understanding of the project management process and tested the design and implementation of internal controls.

- We enquired with management and the relevant project managers and/or controllers to obtain an understanding of the progress of development, the risks associated to the project (such as permitting, construction and commercialization) and the projected performance and assessed management's basis of estimates of the net realizable value.
- We inspected updated project feasibility analyses and assessed the assumptions used in forecasting the selling price and costs to complete by comparison to similar transactions;
- For those selected projects where sales have been recognized, we analysed the realized margins for impairment indicators in the respective remaining property development inventory balance.
- We assessed the reliability of key inputs to the project feasibility analyses and on a sample basis we assessed the accuracy of these inputs by comparing them to the underlying supporting documents.
- We tested the reasonableness of the capitalized interest cost and project management fees allocated to the development projects.
- We assessed whether the carrying value was the lower of the estimated net realizable value and cost.
- We considered the adequacy of the disclosures in the consolidated financial statements relating to project development inventories.

OTHER MATTER

The consolidated financial statements of the Group for the year ended 31 December 2020, were audited by another auditor who expressed an unqualified opinion on 22 March 2021 on those consolidated financial statements.

BOARD OF DIRECTORS' RESPONSIBILITIES FOR THE PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

The board of directors is responsible for the preparation of these consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union, and with the legal and regulatory requirements applicable in Belgium, and for such internal control as board of directors determines, is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the board of directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the board of directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

STATUTORY AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance as to whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of the users taken on the basis of these consolidated financial statements.

When performing our audit we comply with the legal, regulatory and professional requirements applicable to audits of the consolidated financial statements in Belgium. The scope of the statutory audit of the consolidated financial statements does not extend to providing assurance on the future viability of the Group nor on the efficiency or effectivity of how the board of directors has conducted or will conduct the business of the Group. Our responsibilities regarding the going concern basis of accounting applied by the board of directors are described below.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also perform the following procedures:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by board of directors;
- Conclude on the appropriateness of board of directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the audit committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

For the matters communicated with the audit committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

OTHER LEGAL AND REGULATORY REQUIREMENTS

RESPONSIBILITIES OF THE BOARD OF DIRECTORS

The board of directors is responsible for the preparation and the content of the board of directors' annual report on the consolidated financial statements and the other information included in the annual report.

STATUTORY AUDITOR'S RESPONSIBILITIES

In the context of our engagement and in accordance with the Belgian standard which is complementary to the International Standards on Auditing as applicable in Belgium, our responsibility is to verify, in all material respects, the board of directors' annual report on the consolidated financial statements and the other information included in the annual report, and to report on these matters.

ASPECTS CONCERNING THE BOARD OF DIRECTORS' ANNUAL REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS AND OTHER INFORMATION INCLUDED IN THE ANNUAL REPORT

Based on specific work performed on the board of directors' annual report on the consolidated financial statements, we are of the opinion that this report is consistent with the consolidated financial statements for the same period and has been prepared in accordance with article 3:32 of the Companies' and Associations' Code.

In the context of our audit of the consolidated financial statements, we are also responsible for considering, in particular based on the knowledge gained throughout the audit, whether the board of directors' annual report on the consolidated financial statements and other information included in the annual report:

- Message from the executive chair
- 2021 key figures
- Shareholder information

— Activities

contain material misstatements, or information that is incorrectly stated or misleading. In the context of the procedures carried out, we did not identify any material misstatements that we have to report to you.

INFORMATION ABOUT THE INDEPENDENCE

- Our audit firm and our network have not performed any engagement which is incompatible with the statutory audit of the consolidated accounts and our audit firm remained independent of the Group during the term of our mandate.
- The fees for the additional engagements which are compatible with the statutory audit referred to in article 3:65 of the Companies' and Associations' Code were correctly stated and disclosed in the notes to the consolidated financial statements.

EUROPEAN SINGLE ELECTRONIC FORMAT (ESEF)

In accordance with the draft standard on the audit of compliance of the Financial Statements with the European Single Electronic Format (hereafter "ESEF"), we have audited as well whether the ESEF-format is in accordance with the regulatory technical standards as laid down in the EU Delegated Regulation nr. 2019/815 of 17 December 2018 (hereafter "Delegated Regulation").

The board of directors is responsible for the preparation, in accordance with the ESEF requirements, of the consolidated financial statements in the form of an electronic file in ESEF format (hereafter "digital consolidated financial statements") included in the annual financial report.

It is our responsibility to obtain sufficient and appropriate information to conclude whether the format and the tagging of the digital consolidated financial statements comply, in all material respects, with the ESEF requirements under the Delegated Regulation.

At the date of this report, we have not yet received the annual financial report and the digital consolidated financial statements prepared by the board of directors. We have reminded the board of directors of their legal responsibility to provide the documents to the statutory auditor and the shareholders within the deadlines stipulated in the Belgian Companies' and Associations' Code. As a result, we were unable to conclude whether the format and the tagging of the digital consolidated financial statements comply, in all material respects, with the ESEF requirements under the Delegated Regulation.

OTHER ASPECT

- This report is consistent with our additional report to the audit committee on the basis of Article 11 of Regulation (EU) No 537/2014.

Zaventem, 18 March 2022

KPMG Bedrijfsrevisoren - Réviseurs d'Entreprises
Statutory Auditor
represented by

Filip De Bock
Bedrijfsrevisor / Réviseur d'Entreprises

II. Statutory condensed financial statements

The financial statements of the parent company, Immobel SA, are presented below in a condensed form.

In accordance with Belgian company law, the Directors' Report and Financial Statements of the parent company, Immobel SA, together with the Statutory Auditor's Report, have been filed at the National Bank of Belgium.

They are available on request from:

Immobel SA

Rue de la Régence 58

BE-1000 Brussels

Belgium

www.immobelgroup.com

The statutory auditor issued an unqualified report on the financial statements of Immobel SA.

A. Statement of financial position (in thousands EUR)

ASSETS	31/12/2021	31/12/2020
FIXED ASSETS	462 911	346 615
Start-Up costs	194	113
Intangible fixed assets	164	285
Tangible fixed assets	2 403	846
Financial fixed assets	460 150	345 371
CURRENT ASSETS	582 548	592 886
Amounts receivable after one year		327
Stocks and contracts in progress	43 851	47 887
Amounts receivable within one year	368 590	491 618
Treasury shares	1 205	13 076
Cash equivalents	162 940	34 476
Deferred charges and accrued income	5 962	5 502
TOTAL ASSETS	1 045 459	939 501

LIABILITIES	31/12/2021	31/12/2020
SHAREHOLDERS' EQUITY	317 010	322 491
Capital	97 357	97 357
Reserves	107 076	107 076
Accumulated profits	112 577	118 058
PROVISIONS AND DEFERRED TAXES	296	478
Provisions for liabilities and charges	296	478
DEBTS	728 152	616 532
Amounts payable after one year	374 947	380 006
Amounts payable within one year	348 740	231 710
Accrued charges and deferred income	4 465	4 816
TOTAL LIABILITIES	1 045 459	939 501

B. Statement of comprehensive income (in thousands EUR)

	31/12/2021	31/12/2020
Operating income	27 283	20 162
Operating charges	-21 177	-15 993
OPERATING RESULT	6 106	4 169
Financial income	35 660	87 727
Financial charges	-15 532	-15 528
FINANCIAL RESULT	20 128	72 199
PROFIT OF THE FINANCIAL YEAR BEFORE TAXES	26 234	76 368
Taxes	- 375	- 220
PROFIT OF THE FINANCIAL YEAR	25 859	76 148
PROFIT OF THE FINANCIAL YEAR TO BE APPROPRIATED	25 859	76 148

C. Appropriation account (in thousands EUR)

	31/12/2021	31/12/2020
PROFIT TO BE APPROPRIATED	143 917	146 000
Profit for the financial year available for appropriation	25 859	76 148
Profit carried forward	118 058	69 852
APPROPRIATION TO EQUITY		
To other reserves		
RESULT TO BE CARRIED FORWARD	112 577	118 058
Profit to be carried forward	112 577	118 058
PROFIT AVAILABLE FOR DISTRIBUTION	118 058	69 852
Dividends	30 409	27 609
Other beneficiaries	931	333

D. Summary of accounting policies

Tangible assets are recorded as assets net of accumulated depreciation, at either their cost price or contribution value (value at which they were brought into the business), including ancillary costs and non-deductible VAT. Depreciation is calculated by the straight-line method. The main depreciation rates are the following:

- | | |
|----------------------------------|------|
| • Buildings | 3 % |
| • Buildings improvements | 5 % |
| • Office furniture and equipment | 10 % |
| • Computer equipment | 33 % |
| • Vehicles | 20 % |

Financial Fixed Assets are entered either at their purchase price, after taking into account any amounts still not paid up and any write-offs made. They are written down if they suffer a capital loss or a justifiable long-term loss in value.

Amounts Receivable within one year and **those receivable after one year** are recorded at their nominal value. Write-downs are applied in case of permanent impairment or if the repayment value at the closing date is less than the book value.

Stocks are recorded at their purchase price or contribution value, including, in addition to the purchase price, the ancillary costs, duties and taxes relating to them. The infrastructure costs are recorded at their cost price. Realisation of stocks is recorded at the weighted average price. Work in progress is valued at cost price. **Profits** are, in principle, recorded on the basis of the percentage of completion of the work. Write-downs are applied as appropriate, according to the selling price or the market value.

The **sales** and the **purchases** of properties are recorded at the signature of the notarial act in so far as the eventual conditions precedents are lifted and a clause of deferred property transfer is foreseen in the compromise under private signature

Short term investments are recorded as assets at their purchase price (ancillary costs excluded) or contribution value. Their values are adjusted, provided that the depreciation is lasting.

Cash at bank and in hand are recorded at their nominal value. Values are adjusted if the estimated value at the end of the financial year is lower than the book value.

At the close of each financial year, the Board of Directors, acting with prudence, sincerity and in good faith, examines the **provisions** to be set aside to cover the major repairs or major maintenance and the risks arising from completion of orders placed or received, advances made, technical guarantees after sale or delivery and current litigations.

Amounts Payable are recorded at their nominal value.