IMMOBEL GROUP
Annual Accounts
2022

IMMOBEL
SINCE 1863

CONSOLIDATED ACCOUNTS AND CONDENSED STATUTORY ACCOUNTS

I. Consolidated financial statements

A. Consolidated statement of profit and loss and other comprehensive income (in thousand EUR) for the years ending

	NOTES	31/12/2022	31/12/2021
OPERATING INCOME		**243,875**	**392,815**
Revenues	2	227,228	379,509
Rental income	3	9,078	9,368
Other operating income	4	7,569	3,938
OPERATING EXPENSES		**-293,573**	**-338,312**
Cost of sales	5	-208,866	-311,066
Cost of commercialisation		-204	-439
Administration costs	6	-84,503	-26,807
Administration costs - Others	6	-40,714	-26,807
Administration costs - Goodwill impairment	6	-43,789	
OPERATING PROFIT		**-49,698**	**54,502**
SALE OF SUBSIDIARIES			**25**
Gain (loss) on sales of subsidiaries			25
JOINT VENTURES AND ASSOCIATES		**67,181**	**44,531**
Share of result of joint ventures and associates, net of tax	7	67,181	44,531
OPERATING PROFIT AND SHARE OF RESULT OF ASSOCIATES AND JOINT VENTURES, NET OF TAX		**17,483**	**99,058**
Interest income		4,398	4,983
Interest expense		-4,272	-6,605
Other financial income		103	81
Other financial expenses		-4,584	-3,552
NET FINANCIAL COSTS	8	**-4,355**	**-5,094**
PROFIT BEFORE TAXES		**13,128**	**93,964**
Income taxes	9	-2,755	-1,619
PROFIT OF THE PERIOD		**10,373**	**92,345**
Share of non-controlling interests		-350	195
SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY		**10,723**	**92,150**

PROFIT FOR THE PERIOD		**10,373**	**92,345**
Other comprehensive income - items that are or may be reclassified subsequently to profit or loss		**5,524**	**-820**
Currency translation		1,779	-904
Cash flow hedging		3,745	84
Other comprehensive income - items that will not be reclassified subsequently to profit or loss		111	57
Actuarial gains and losses (-) on defined benefit pension plans	24	111	57
TOTAL OTHER COMPREHENSIVE INCOME		**5,635**	**-763**
COMPREHENSIVE INCOME OF THE PERIOD		**16,008**	**91,582**
Share of non-controlling interests		544	112
SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY		**15,464**	**91,470**

EARNINGS PER SHARE (€) (BASIC/DILUTED)	10	1.08	9.25

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

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (IN THOUSANDS €)

ASSETS	NOTES	31/12/2022	31/12/2021
NON-CURRENT ASSETS		**362,294**	**506,259**
Intangible assets	11	1,357	246
Goodwill	12		43,789
Property, plant and equipment	13	4,122	2,793
Right-of-use assets	14	9,937	3,772
Investment property	15	67,686	173,999
Investments in joint ventures and associates	16	144,891	156,532
Other investments			1,015
Advances to joint ventures and associates	16	111,527	101,670
Deferred tax assets	17	21,733	21,292
Cash guarantees and deposits		1,041	1,151
CURRENT ASSETS		**1,385,733**	**1,178,890**
Inventories	18	985,726	698,623
Trade receivables	19	17,591	38,116
Contract assets	20	42,148	117,953
Income Tax receivables		988	1,369
Prepayments and other receivables	21	56,217	36,240
Advances to joint ventures and associates	16	3,450	13,163
Other current financial assets		3,687	49
Cash and cash equivalents	22	275,926	273,377
TOTAL ASSETS		**1,748,027**	**1,685,149**

EQUITY AND LIABILITIES	NOTES	31/12/2022	31/12/2021
TOTAL EQUITY	23	**573,140**	**582,919**
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY		556,552	571,567
Share capital		97,257	97,257
Retained earnings		456,249	472,629
Reserves		3,046	1,681
NON-CONTROLLING INTERESTS		16,588	11,352
NON-CURRENT LIABILITIES		**744,480**	**535,104**
Employee benefit obligations	24	567	996
Deferred tax liabilities	17	21,136	26,352
Financial debts	22	722,777	507,596
Derivative financial instruments	22		160
CURRENT LIABILITIES		**430,408**	**567,126**
Provisions	25	3,829	2,328
Financial debts	22	179,723	359,094
Trade payables	26	98,384	83,546
Contract liabilities	27	51,485	21,969
Income Tax liabilities		13,057	13,770
Social debts, VAT and other tax payables		20,021	16,430
Accrued charges and other amount payable		34,339	31,165
Advances from joint venture and associates	16	29,570	38,824
TOTAL EQUITY AND LIABILITIES		**1,748,027**	**1,685,149**

C. Consolidated statement of cash flows (in thousands EUR) for the years ending

	NOTES	31/12/2022	31/12/2021 (represented *)
Operating income		243,875	392,815
Operating expenses		-293,573	-338,312
Amortisation, depreciation and impairment of assets	6	50,078	4,584
Change in provisions		1,082	214
CASH FLOW FROM OPERATIONS BEFORE CHANGES IN WORKING CAPITAL		**1,462**	**59,301**
Change in working capital	30	-73,183	-60,379
CASH FLOW FROM OPERATIONS BEFORE PAID TAXES		**-71,721**	**-1,078**
Paid taxes	9	-8,327	-6,251
CASH FROM OPERATING ACTIVITIES		**-80,048**	**-7,329**
Acquisitions of intangible, tangible and other investments		-4,762	-8,845
Sale of intangible, tangible and other investments		54	4,207
Repayment of capital and advances by joint ventures	16	83,680	86,557
Acquisitions, capital injections and loans to joint ventures and associates	16	-40,233	-45,612
Dividends received from joint ventures and associates	16	43,587	8,034
Interests received	8	4,398	4,983
CASH FROM INVESTING ACTIVITIES		**86,724**	**49,324**
Proceeds from financial debts	22	405,473	258,113
Repayment of financial debts	22	-369,663	-143,372
Change of ownership interests without change of control		4,365	
Paid interests	8	-19,728	-15,456
Other financing cash flows		1,513	-3,471
Proceeds from sale of treasury shares		117	16,417
Gross dividends paid		-30,409	-28,907
CASH FROM FINANCING ACTIVITIES		**-8,332**	**83,324**
NET INCREASE OR DECREASE (-) IN CASH AND CASH EQUIVALENTS		**-1,656**	**125,319**
CHANGE OF SCOPE OR CONSOLIDATION METHOD		**4,205**	
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF PERIOD		**273,377**	**148,059**
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD		**275,926**	**273,377**

(*) Interest received has been transferred from the section “Cash from Operating activities” to “Cash from investment activities”. Paid interest and other financing cash flow has been transferred from the section “Cash from Operating activities” to “Cash from financing activities”.

D. Consolidated statement of changes in equity (in thousands EUR) for the years ending

	CAPITAL	RETAINED EARNINGS	ACQUISITION RESERVE	TREASURY SHARES RESERVE	CURRENCY TRANSLATION RESERVE	ACCUMULATED ACTUARIAL GAINS AND LOSSES	HEDGING RESERVES	EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY	NON CONTROL-LING INTERESTS	TOTAL EQUITY
2022										
Balance as at 01-01-2022	97 256	349 109	124 869	-1 204	1 326	434	- 223	**571 567**	11 352	**582 919**
Result for the period		10 723						10 723	- 350	10 373
Other comprehensive income		- 123			1 378	111	3 375	4 741	894	5 635
Comprehensive income for the period		**10 600**			**1 378**	**111**	**3 375**	**15 464**	**544**	**16 008**
Transactions on treasury shares		- 73		68				- 5		- 5
Dividends and other beneficiaries paid		-30 409						-30 409		-30 409
Acquisition / disposal of no controlling interests, without a change in control		- 307						- 307	310	3
Change of ownership interests without change of control									4 365	4 365
Other changes		243		- 1				**242**	**17**	**259**
Transactions with owners of the company		**-30 546**		**67**				**-30 479**	**4 692**	**-25 787**
Changes in the period		-19 946		67	1 378	111	3 375	-15 015	5 236	-9 779
Balance as at 31-12-2022	97 256	329 163	124 869	-1 137	2 704	545	3 152	556 552	16 588	573 140

	CAPITAL	RETAINED EARNINGS	ACQUISITION RESERVE	TREASURY SHARES RESERVE	CURRENCY TRANSLATION RESERVE	ACCUMULATED ACTUARIAL GAINS AND LOSSES	HEDGING RESERVES	EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY	NON CONTROL-LING INTERESTS	TOTAL EQUITY
2021										
Balance as at 01-01-2021	97 256	280 997	124 869	-13 164	2 147	377	- 560	**491 922**	2 568	**494 490**
Result for the period		92 150						92 150	195	92 345
Other comprehensive income					- 821	57	84	- 680	- 83	- 763
Comprehensive income for the period		**92 150**			**- 821**	**57**	**84**	**91 470**	**112**	**91 582**
Transactions on treasury shares		4 545		11 871				16 416		16 416
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
Other changes		- 474		89				- 385		- 385
Transactions with owners of the company		**-24 038**		**11 960**			**253**	**-11 825**	**8 672**	**-3 153**
Changes in the period		68 112		11 960	- 821	57	337	**79 645**	**8 784**	**88 429**
Balance as at 31-12-2021	97 256	349 109	124 869	-1 204	1 326	434	- 223	**571 567**	11 352	**582 919**

A gross dividend of EUR 3.05 per share (excluding treasury shares) was proposed by the Board of Directors on 9 March 2023. 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 31 December 2022.

The share capital of Immobel SA is represented by 9.997.356 ordinary shares, including 25 434 treasury shares.

As at 31 December 2022, 1 531 treasury shares have been sold during the current year, resulting in a decrease of EUR 68 thousand in the reserve for treasury shares.

In accordance with IAS 32, these treasury shares are deducted from equity. These treasury shares have neither voting rights nor dividend rights.

On 31 December 2022 the treasury shares, resulting from the merger with ALLFIN, remain valued at the share price on 29 June 2016, which was the date of the merger.

The acquisition reserve was generated by the merger between ALLFIN and IMMOBEL on 29 June 2016 and remains unchanged since then.

As per Immobel's 2021 result allocation, EUR 30 409 thousand have been paid out as dividends.

The currency translation adjustments are related to Polish entities for which the functional currency is PLN and to British entities for which the functional currency is GBP.

E. Accounting principles and methods

1) General information

Immobel ("the Company") is incorporated in Belgium and its shares are publicly traded (Euronext – IMMO). The 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 real estate development business, with activities in Belgium, France, Luxemburg, Germany, Poland, Spain and the United Kingdom.

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 9 March 2023.

3) New or Revised standards or interpretations

The consolidated statements of the Group as disclosed in this annual report take into account new standards applicable as from 1 January 2022. Following standards and amendments were applied to the Group's financial statements for the first time in 2022. 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 2022

Following new standards or amendments to IFRS are effective as from 1 January 2022 but are either not material or do not have a material impact on the 2022 Group's financial statements .

- Annual Improvements to IFRS Standards 2018–2020 – Amendment to IFRS 1 Initial Adoption of International Financial Reporting Standards, IFRS 9 Financial Instruments, IAS 41 Agriculture
- Reference to the Conceptual Framework – Amendments to IFRS3 Business Combinations
- Property, Plant and Equipment – Proceeds before Intended Use: Amendments to IAS 16 Property, Plant and Equipment
- Onerous Contracts – Cost of Fulfilling a Contract: Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets

STANDARDS AND INTERPRETATIONS PUBLISHED, BUT NOT YET APPLICABLE FOR THE ANNUAL PERIOD BEGINNING ON 1 JANUARY 2022

The Group has not anticipated and is not planning on early adopting the following standards and interpretations which are not yet applicable on 31 December 2022:

- Amendments to IAS 8 Definition of Accounting Estimates (applicable for the year beginning on or after 1 January 2023, endorsed in the EU)
- Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback (applicable retrospectively for annual periods beginning on or after 1 January 2024 with early application permitted. These amendments have not yet been endorsed by the EU)
- IFRS 17 Insurance Contracts (applicable for the year beginning on or after 1 January 2023, endorsed in the EU)
- Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current (applicable for years beginning on or after 1 January 2024, but not yet endorsed in the EU)
- Disclosure Initiative: Accounting Policies –Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgements (applicable for the year beginning on or after 1 January 2023, endorsed in the EU)
- Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction –Amendments to IAS 12 Income Tax (applicable for the year beginning on or after 1 January 2023, endorsed in the EU)

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.

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 associates 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 the unrealised profits and unrealised losses on transactions are eliminated to the extent of the investor's interest in the investee and only to the extent that there is no evidence of impairment .

SUBSIDIARIES

Subsidiaries are companies controlled by the Group.

Control is achieved when the Group:

- 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 Group 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 initially at their proportionate share of the acquirees identifiable net assets at the date of acquisition.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

INTERESTS IN EQUITY-ACCOUNTED INVESTEES

The Group's interests in equity-accounted investees comprise interests in joint ventures and in associates.

A joint venture is a contractual agreement whereby the Group and one or several parties agree to undertake an economic activity under joint control and whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

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.

The Group's interest in a joint venture is accounted for using the equity method from the date when joint control begins until the date when it ends.

Under the equity method, the investment in a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the joint venture since the acquisition date. Goodwill relating to the joint venture is included in the carrying amount of the investment and is not tested for impairment separately.

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). The interest in an equity-accounted investee includes, for this purpose, the carrying amount of the investment under the equity method and other long-term interests that in substance form part of the entity's net investment in the joint venture. 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.

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 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 set of assets and activities acquired includes, at a minimum, an input and substantive process and 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 expensed 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) 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.

5.1. Foreign currencies

TRANSLATION OF FINANCIAL STATEMENTS OF FOREIGN OPERATIONS

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated into euro at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into euro at the exchange rates at the dates of the transactions.

Translation differences resulting therefrom are recognised in OCI and accumulated in shareholders’ equity under “translation differences”, except to the extent that the translation difference is allocated to NCI.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to NCI. When the Group disposes of only part of an associate or joint venture while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

TRANSACTIONS IN FOREIGN CURRENCIES

Transactions are translated into the respective functional currencies of the Group Companies at the exchange rate prevailing on the transaction date. At reporting date, 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.

5.2. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is necessary to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed in the period in which they are incurred and reported in finance costs.

5.3. 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.

5.4. 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 on 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.

5.5. Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and any impairment losses. Property, plant and equipment 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: 5 to 20 years.

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

Subsequent expenses related to property, plant and equipment 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.

5.6. Investment property

Investment property related to projects (land and or (part of) buildings) in Belgium and Luxembourg is property held to earn rental income or for capital appreciation, or both, rather than for use in the production or supply of goods or services or for administrative purposes; or sale in the ordinary course of business. They mainly relate to buildings acquired to be redeveloped and which are leased out until the beginning of development.

Investment property is measured at cost, less accumulated depreciation and any accumulated impairment losses.

Investment property is amortized over the period between acquisition date and the date on which the redevelopment commences. Investment property is amortized to its residual value. At the date on which the redevelopment commences, the investment property is transferred to inventories at its carrying amount at that time.

5.7. Leases

AS A LESSEE

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.

Some lease contracts contain both lease and non-lease components. These non-lease components are usually associated with facilities management services at offices and servicing and repair contracts in respect of motor vehicles. The Group has elected to not separate its leases for offices into lease and non-lease components and instead accounts for these contracts as a single lease component. For its other leases, the lease components are split into their lease and non-lease components based on their relative stand-alone prices.

After lease commencement, the right-of-use asset is measured using the 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. 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 out 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.

5.8. 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 at fair value through profit or loss, loans to related parties, receivables including trade receivables and other receivables, derivative financial instruments, cash and cash equivalents.

Trade receivables and debt securities are initially recognized when they are originated. The purchase or sale of a non-derivative financial asset in a regular-way transaction is recognized at trade 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

- Advances to joint ventures and associates that are measured at amortised cost
- Trade and other receivables measured at amortised cost;
- Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments maturing within 90 days from the date of acquisition that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are included in liabilities. Those are measured at amortised cost.

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 through 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 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.

When the hedged forecast transaction subsequently results in the recognition of a non-financial item such as inventory, the amount accumulated in the hedging reserve and the cost of hedging reserve is included directly in the initial cost of the non-financial item when it is recognised.

For all other hedged forecast transactions, the amount accumulated in the hedging reserve and the cost of hedging reeve is reclassified to profit or loss in the same period or periods during which the hedged expected future cash flows affect profit or loss.

The gain or loss relating to the ineffective portion is recognised immediately in profit or loss.

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 other 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.

The Group makes use of a simplified approach in accounting for trade and other receivables as well as contract assets and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. In calculating, the Group uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

The expected credit loss is assessed for each financial asset and contract 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 and contract assets arises in in situations where revenue is recognised in advance of the next progress billing.

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 a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (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 and net of tax.

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 in retaining earnings.

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.

Investing activities are the acquisition and disposal of 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. The capitalization of borrowing costs has no impact on the statement of cash flows.

5.9. Inventories

Inventories are measured at cost 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 (write-down or reversals) on inventories to bring them to their net realisable value is recognised in profit or loss in 'cost of sales' in the year when the impairment in value occurs.

The interests incurred during construction are capitalised. The costs of borrowings are capitalised 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.

5.10. 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.

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.

5.11. 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 as the related service is provided..

- « 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 reporting date.

The amount recognised in the balance sheet represents the present value of the estimated amount of future benefits that employees have earned in return for their service in the current and prior periods, less the fair value of plan assets. Any asset resulting from this calculation is limited to the present value of possible refunds to the Group or reductions in future contributions to the plan.

Actuarial gains and losses are directly recorded in the other elements of comprehensive income and accumulated in a separate reserve within equity. These accumulated actuarial gains and losses are subsequently never reclassified to profit or loss.

BONUSES

Bonuses granted to 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.

5.12. Grants related to assets or investment subsidies

Received government grants related to assets or investment subsidies are recognised in the balance sheet as deferred income. They are recognised as income in equal amounts over the expected useful life of the related asset.

5.13. Operating income

Group revenue comes mainly from Real Estate Development activities.

Under IFRS 15, revenue is recognised when the customer obtains control of the goods or services sold, for an amount which reflects what the entity expects to receive for the goods or services.

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

SALES OF OFFICE BUILDINGS

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

- Whether the agreement, the contract or the transaction meets the definition of a contract with a customer, considering the probability of the Group 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 may satisfy the third criterion defined by IFRS 15.35 ("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.

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

SALES OF RESIDENTIAL PROJECTS

For "Residential" projects, the analysis has distinguished 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 control of the asset to the purchaser as the construction progresses from other revenue linked to contracts with customers for which control is transferred at a point in time.

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

Legally foreseen by the legal framework in Belgium and Luxembourg, the ownership of a residential unit is gradually transferred to the purchaser during the construction period as such as the revenue is recognized over time for residential properties when the entity's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date.

Revenue (with no distinction between "land" and "development") is recognised over time for each residential project based on progress of works measured by incurred and budgeted costs.

In Poland revenue is recognised upon the signing of the final deed, i.e. once the unit being sold is delivered, because there is no enforceable right to payment for performance completed to date according to the regulatory framework.

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 at the moment of the notarial deed.

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 subsidiaries dedicated to a project and that do not contain a business are considered part of the normal business of the Group and are therefore recognized in sales and cost of sales (IFRS 15). Upon disposal of such a subsidiary the same accounting policies with regard to the timing of revenue recognition as described above are 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 of property within a joint venture is therefore presented under the heading “Share in the profit or loss of joint ventures and associates”

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 in operating result only to the extent of unrelated investors’ interest in the associate or joint venture. If a downstream transaction results in a loss, then no portion of the loss is eliminated to the extent that it provides evidence of a reduction in the net realizable value or of impairment of the asset to be sold or contributed.

With respect to operating leases, rent is recognised 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.

5.14. Impairment of 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 determined. Regarding intangible assets with indefinite useful lives and goodwill, an impairment test needs to be performed on an annual basis and whenever an impairment indicator has been identified. . 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 operating expenses.

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 costs of disposal or its value in use, 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 operating revenue 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.

5.15. 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) of the current year and comprises any adjustments to tax charges of previous years.

Deferred tax is recognised using the liability method,recognizing deferred taxes in respect of temporary 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 temporary differences.

Deferred tax assets are recognised on unused tax losses and on deductible temporary differences if it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are re-evaluated at each reporting date.

5.16. 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 of disposal. 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 which continue to be measured in accordance with the Group's

other accounting policies. Impairment losses on initial classification as held-for-sale and subsequent gains and losses on remeasurement are recognised in profit or loss.

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

5.17. Main judgements and main sources of uncertainties related to the estimations

In preparing these consolidated financial statements, management has made judgements and estimates that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

The deferred tax assets are recognised upon availability of future taxable profit against which deductible temporary differences and tax losses carried forward can be utilised. When a project company with tax losses carried forward contains a project with future taxable profits a deferred tax asset is recognised. 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. Immobel's deferred tax asset positions were reviewed in order to make sure they can be recovered through future taxable income. The Group also monitored changes to legislation, revisions to tax rates and other tax measures taken – **see note 17.**

The projects in inventory 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. With regard to the inventories (projects to be developed), the assumptions used to assess the net realisable value of the projects under development are reviewed on quarterly basis by the project manager and updated based on the most recent market data (with respect to residential projects: expected sales prices and construction costs and with respect to the office project: expected exit yields, expected rental levels and construction costs). Obviously, the current macroeconomic environment with higher construction costs inflation and interest rates has been taken into account. No write-downs have been identified as at 31 December 2022 as the respective net realisable value is higher than the carrying amount for each of the projects – **see note 18.**

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.

Investment properties are tested for impairment in function of the forecasted net residual value of the project once this asset will be developed, based on equal assumptions as net residual value of inventory. Taken into account the recent acquisitions, management does not assess a material risk on impairment – **see note 15.**

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 at the time of the disposal. The presentation is taking into account the specificities of the Group's sector and activity.

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

5.18. 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 Board of Directors has opted to follow up the operating results by country.

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

1) Operating segment - financial information by geographical segment

The segment reporting is presented based on the operational segments used by the Board of Directors to monitor the financial performance of the Group, being the geographical segments (by country). The choice made by the Board of Directors to focus on geographical segment rather than on other possible operating segments is motivated by local market characteristics (customers, product, regulation, culture, local network, political environment, etc.) as being the key business drivers.

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

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

The Group has been applying IFRS 11 since 1 January 2014, which substantially amended the reading of the Group's financial statements, but does not affect the net income and shareholders' equity. However, the Board of Directors believes that the financial information based on the proportionate consolidation of the Group's joint ventures (before IFRS 11) gives a better picture of the activities and financial statements. Therefore, the information reported to the Board of Directors and presented below includes the Group's interest in joint ventures based on the proportionate consolidation method. Using this consolidation method, intercompany transactions are eliminated at percentage of financial rights detention. Consolidation under equity method is applied for associates.

OVERVIEW OF THE CONSOLIDATED INCOME STATEMENT (INTERNAL VIEW)

INCOME STATEMENT	EUR ('000)	31/12/2022	31/12/2021
OPERATING INCOME		**409,515**	**549,046**
Revenues		377,377	526,799
Rental income		17,894	14,160
Other operating income		14,244	8,087
OPERATING EXPENSES		**-386,615**	**-430,390**
Cost of sales		-294,770	-396,929
Cost of commercialisation		-215	-439
Administration costs		-91,630	-33,022
OPERATING PROFIT		**22,900**	**118,656**
SALE OF SUBSIDIARIES			**25**
Gain (loss) on sales of subsidiaries			25
JOINT VENTURES AND ASSOCIATES		**105**	**63**
Share of result of joint ventures and associates, net of tax		105	63
OPERATING PROFIT AND SHARE OF RESULT OF ASSOCIATES AND JOINT VENTURES, NET OF TAX		**23,005**	**118,744**
Interest income		3,330	3,835
Interest expense		-8,020	-13,299
Other financial income / expenses		-4,834	-43
NET FINANCIAL COSTS		**-9,524**	**-9,507**
PROFIT FROM OPERATIONS BEFORE TAXES		**13,481**	**109,237**
Income taxes		-3,710	-17,596
PROFIT OF THE PERIOD		**9,771**	**91,641**
Share of non-controlling interests		-952	-509
SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY		**10,723**	**92,150**

REVENUES AND OPERATING RESULT ARE ALLOCATED AS FOLLOWS PER GEOGRAPHICAL SEGMENT

EUR ('000)	REVENUES	OPERATING RESULT	REVENUES	OPERATING RESULT
	31/12/2022	31/12/2022	31/12/2021	31/12/2021
Belgium	279,129	88,599	273,307	90,851
Luxembourg	30,019	1,573	119,491	22,616
France	45,432	-49,014	87,530	938
Germany	20,993	-12,155	44,637	4,724
Poland	1,224	-598	1,834	-385
Spain	580	163		
United Kingdom		-5,563		
TOTAL CONSOLIDATED	**377,377**	**23,005**	**526,798**	**118,744**

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

STATEMENT OF FINANCIAL POSITION EUR ('000)	31/12/2022	31/12/2021 (represented*)
NON-CURRENT ASSETS	**258,956**	**428,873**
Intangible assets and property, plant and equipment	5,479	3,102
Goodwill		43,789
Right-of-use assets	9,937	3,772
Investment property	133,520	274,666
Investments and advances to joint ventures and associates	70,728	63,555
Deferred tax assets	27,008	25,656
Other non-current assets	12,284	14,334
CURRENT ASSETS	**1,840,242**	**1,617,739**
Inventories	1,360,703	997,103
Trade receivables	24,309	44,632
Contract assets	45,128	138,985
Tax receivables and other current assets	88,252	58,445
Advances to joint ventures and associates	6,588	9,660
Cash and cash equivalents	315,262	368,914
TOTAL ASSETS	**2,099,198**	**2,046,612**

EUR ('000)	31/12/2022	31/12/2021 (represented*)
TOTAL EQUITY	**572,644**	**582,798**
NON-CURRENT LIABILITIES	**847,078**	**681,903**
Financial debts	824,153	651,775
Deferred tax liabilities	22,358	28,972
Other non-current liabilities	567	1,155
CURRENT LIABILITIES	**679,476**	**781,911**
Financial debts	318,445	453,077
Trade payables	113,780	98,943
Contract liabilities	61,470	32,876
Tax payables and other current liabilities	168,699	175,243
Advances from joint venture and associates	17,083	21,772
TOTAL EQUITY AND LIABILITIES	**2,099,198**	**2,046,612**

(*) Some adjustments were made in the presentation of the balance sheet as at 31 December 2021 that have no impact on equity. They concern the following headings: inventories (- EUR 20,872 thousand), deferred tax liabilities (- EUR 5,218 thousand) and taxes payable and other current liabilities (- EUR 15,654 thousand).

AS AT 31 DECEMBER 2022

FINANCIAL POSITION ITEMS	EUR ('000)	NON-CURRENT SEGMENT ASSETS	CURRENT SEGMENT ASSETS	UNALLOCATED ITEMS [1]	CONSOLIDATED
Belgium		13,481	994,168		1,007,649
Luxembourg		28,017	201,771		229,788
France		44,982	237,635		282,617
Germany		2	44,369		44,371
Poland		29	82,317		82,346
Spain		383	27,163		27,546
United Kingdom		62,065	3,550		65,615
Unallocated items[1]				359,265	359,265
TOTAL ASSETS		**148,959**	**1,590,974**	**359,265**	**2,099,198**

FINANCIAL POSITION ITEMS	EUR ('000)	SEGMENT LIABILITIES	UNALLOCATED ITEMS [1]	CONSOLIDATED
Belgium		973,358		973,358
Luxembourg		128,411		128,411
France		198,079		198,079
Germany		59,144		59,144
Poland		66,454		66,454
Spain		5,949		5,949
United Kingdom		52,227		52,227
Unallocated items[1]			42,932	42,932
TOTAL LIABILITIES		**1,483,622**	**42,932**	**1,526,554**

AS AT 31 DECEMBER 2021

FINANCIAL POSITION ITEMS	EUR ('000)	NON-CURRENT SEGMENT ASSETS	CURRENT SEGMENT ASSETS	UNALLOCATED ITEMS [1]	CONSOLIDATED
Belgium		207,677	1,029,503		1,237,180
Luxembourg		27,345	191,206		218,551
France		91,302	38,370		129,672
Germany		1	21,715		21,716
Poland		-11	26,234		26,223
Spain		5	2,880		2,885
United Kingdom					
Unallocated items[1]				410,385	410,385
TOTAL ASSETS		**326,319**	**1,309,908**	**410,385**	**2,046,612**

FINANCIAL POSITION ITEMS	EUR ('000)	SEGMENT LIABILITIES	UNALLOCATED ITEMS [1]	CONSOLIDATED
Belgium		1,087,218		1,087,218
Luxembourg		130,033		130,033
France		123,693		123,693
Germany		18,476		18,476
Poland		46,773		46,773
Spain		7,754		7,754
Unallocated items[1]			49,866	49,866
TOTAL LIABILITIES		**1,413,947**	**49,866**	**1,463,813**

(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)	Offices	Residential	Landbanking	31/12/2022
Belgium	352,681	306,298	80,192	739,171
Luxembourg	27,625	151,098		178,723
France	220,397	59,922		280,319
Germany		112,465		112,465
Poland	38,739	65,463		104,202
Spain		18,254		18,254
United Kingdom	61,089			61,089
TOTAL INVENTORIES AND INVESTMENT PROPERTY	**700,531**	**713,500**	**80,192**	**1,494,223**

INVENTORIES AND INVESTMENT PROPERTY EUR ('000)	Offices	Residential	Landbanking	31/12/2021 (represented*)
Belgium	359,350	285,751	66,698	711,799
Luxembourg	28,261	143,168		171,429
France	210,556	34,127		244,683
Germany		59,033		59,033
Poland	34,341	36,095		70,436
Spain		14,389		14,389
United Kingdom				
TOTAL INVENTORIES AND INVESTMENT PROPERTY	**632,508**	**572,563**	**66,698**	**1,271,769**

The main movements in inventories and investment property are driven by the acquisition of new projects (mainly Héros in Belgium, Issy-les-Moulineaux in France, Gutenbergstrasse in Germany en Leeds in United Kingdom), the exit of office projects (Cours Saint-Michel and The Woods in Belgium) and the ongoing development of all projects in the portfolio (with main movements coming from Granaria in Poland, Canal in Luxembourg, Eden in Germany and Rueil Malmaison in France).

(*) As previously mentioned, some presentation adjustments without any impact on equity have been made in the presentation of the balance sheet as at 31 December 2021, which includes a reclassification impacting the inventories (-EUR 20 872 thousand), and more specifically the inventories for residential projects in Spain.

RECONCILIATION TABLE

EUR ('000)	31/12/2022		
	Operating Segment	Adjustments	Published Information
Revenues	**377,377**	-150,149	**227,228**
Operating result	**23,005**	-5,522	**17,483**
Total balance sheet	**2,099,198**	-351,171	**1,748,027**

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 and associates 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	31/12/2022
Belgium	57,409	64,256	7,758	129,423
Luxembourg	1,616	21,692		23,308
France	35	52,087		52,122
Germany		20,993		20,993
Poland	334	483		817
Spain		565		565
Total	**59,394**	**160,076**	**7,758**	**227,228**

Cross-analysis by type of project and by geographical zone - EUR (000)	Offices	Residential	Landbanking	31/12/2021
Belgium	74,219	65,830	21,293	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**	**275,129**	**21,293**	**379,509**

Revenues for Belgium are mainly driven by Commerce 46 and The Woods for Offices and O'Sea, Lalys and St Roch for Residential, for Luxembourg by Canal, for France by Savigny-sur-Orge and Bussy St Georges and for Germany by Eden Tower Frankfurt. Revenues from residential projects are lower mainly due to fewer projects in sales as a result of the lower permitting activity over recent years.

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

EUR ('000)	Timing of revenue recognition		
	Point in time	Over time	31/12/2022
OFFICES	**20,901**	**38,493**	**59,394**
RESIDENTIAL	**483**	**159,593**	**160,076**
Residential unit per project - Breyne Act or equivalent		159,593	159,593
Residential unit per project - Other	483		483
Other project			
LANDBANKING	**7,758**		**7,758**
TOTAL REVENUE	**29,142**	**198,086**	**227,228**

EUR ('000)	Timing of revenue recognition		
	Point in time	Over time	31/12/2021
OFFICES	**1,931**	**81,156**	**83,087**
RESIDENTIAL	**92,260**	**182,869**	**275,129**
Residential unit per project - Breyne Act or equivalent		182,869	182,869
Residential unit per project - Other	92,260		92,260
Other project			
LANDBANKING	**21,293**		**21,293**
TOTAL REVENUE	**115,484**	**264,025**	**379,509**

With respect to offices, as the share purchase agreement includes clauses that the property cannot be sold to another party and that the payment is due upon delivery, Commerce 46 is recognised over time as the Board of Directors believes both the "alternative use" and the "right to payment" criteria for this sale have been met. The sale of The Woods has been recognised at the time of the sale.

The transaction price relating to performance obligations unrealized or partially realized at 31 December 2022 amounted to EUR 89 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)	31/12/2022	31/12/2021
OFFICES		
Construction, commercialisation and other contractual arrangements	2,661	39,714
RESIDENTIAL		
Construction of sold units	86,254	67,641
LANDBANKING		
TOTAL	**88,915**	**107,355**

The Group's management estimates that 81 % of the price allocated to these outstanding performance obligations as at 31 December 2022 will be recognized as revenue in fiscal year 2023.

3) Rental income

Breakdown of the rental of investment properties is allocated as follows by geographical segment:

EUR ('000)	31/12/2022	31/12/2021
Belgium	4,562	5,205
France	2,837	2,546
Luxembourg	1,679	1,617
TOTAL RENTAL INCOME	**9,078**	**9,368**

The main contributors are the projects Isala in Belgium, Rueil Malmaison in France and Thomas in Luxembourg.

The lease periods depend on the relevant investment property agreements and have a term for the current contracts of two and a half years.

4) Other operating income

Break down as follows:

EUR ('000)	31/12/2022	31/12/2021
Other income	7,569	3,938
TOTAL OTHER OPERATING INCOME	**7,569**	**3,938**

The increase compared to the previous financial year is mainly driven by recharging fit-out works related to new offices and other recoveries of taxes and withholdings, miscellaneous reinvoicing…

5) Cost of sales

Cost of sales is allocated as follows per geographical segment:

EUR ('000)	31/12/2022	31/12/2021
Belgium	-103,813	-120,483
Luxembourg	-22,341	-88,263
France	-49,986	-60,276
Germany	-32,174	-39,839
Poland	-226	-2,205
Spain	-175	
United Kingdom	-151	
TOTAL COST OF SALES	**-208,866**	**-311,066**

Cost of sales for Belgium are mainly driven by Commerce 46 and The Woods for Offices and O'Sea, Lalys and St Roch for Residential, for Luxembourg by Canal, for France by Savigny-sur-Orge, Osny and Bussy St Georges and for Germany by Eden Tower Frankfurt. In Germany, the Eden Tower (Frankfurt) project – which is currently being completed – has recorded significantly higher construction costs than expected, leading to a negative impact on the net profit. Cost of sales from residential projects are lower mainly due to fewer projects in sales as a result of the lower permitting activity over recent years.

6) Administration costs

Break down as follows:

EUR ('000)	31/12/2022	31/12/2021
Personnel expenses	-16,939	-7,768
Amortisation, depreciation and impairment of assets	-50,078	-4,584
Other operating expenses	-17,486	-14,455
TOTAL ADMINISTRATION COSTS	**-84,503**	**-26,807**

In general, Administration costs have increased as a result of Immobel Capital Partners' activities being launched in London and the impairment of the goodwill in Immobel France.

PERSONNEL EXPENSES

Break down as follows:

EUR ('000)	31/12/2022	31/12/2021
Salaries and fees of personnel and members of the Exectuive Committee	-37,063	-28,488
Project monitoring costs capitalized under "inventories"	24,572	24,629
Social security charges	-3,368	-3,542
Pension costs	-80	-86
Other	-1,000	-281
TOTAL PERSONNEL EXPENSES	**-16,939**	**-7,768**

AMORTISATION, DEPRECIATION AND IMPAIRMENT OF ASSETS

Break down as follows:

EUR ('000)	31/12/2022	31/12/2021
Goodwill impairment	-43,789	
Amortisation of intangible and tangible assets, and of investment property	-6,161	-4,693
Write down on trade receivables	-128	109
TOTAL AMORTISATION, DEPRECIATION AND IMPAIRMENT OF ASSETS	**-50,078**	**-4,584**

The increase in the Depreciation and Impairment on Assets is primarily due to the amortization of goodwill related to the acquisition of Nafilyan & Partners in 2019. This is in response to the management's decision to focus more on the development of large mixed-use projects and offices in France than on small residential projects. – cfr. note 12

OTHER OPERATING EXPENSES

Break down as follows:

EUR ('000)	31/12/2022	31/12/2021
Services and other goods	-12,716	-10,269
Other operating expenses	-3,767	-4,036
Provisions	-1,003	-150
TOTAL OTHER OPERATING EXPENSES	**-17,486**	**-14,455**

Main components of services and other goods:

EUR ('000)	31/12/2022	31/12/2021
Service charges of the registered offices	-2,812	-3,185
Third party payment, including in particular the fees paid to third parties	-2,169	-1,884
Other services and other goods, including company supplies, advertising, maintenance and repair expense of properties available for sale awaiting for development	-7,735	-5,200
TOTAL SERVICES AND OTHER GOODS	**-12,716**	**-10,269**

Amount of fees allocated during the year to KPMG Company auditors B.V./S.R.L. and its network:

EUR ('000)	31/12/2022	31/12/2021
Audit fees at consolidation level (Belgium)	**-313**	**-265**
Audit fees for the Statutory Auditor for extraordinary presentations or special assignments within the Group (Belgium)	**-118**	**-82**
- Other audit assignments	-92	-57
- Tax advice		
- Other assignments outside the ordinary auditor's remit	-26	-25
Audit fees at consolidation level (Abroad)	**-227**	**-186**
Audit fees for the Statutory Auditor for extraordinary presentations or special assignments within the Group (Abroad)		
- Other audit assignments		
- Tax advice		
- Other assignments outside the ordinary auditor's remit		
Total	**-658**	**-533**

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

Main components of variations in provisions:

EUR ('000)	31/12/2022	31/12/2021
Provisions related to the sales	270	17
Other provisions	733	197
TOTAL VARIATIONS IN PROVISIONS	**1,003**	**214**
Increase	1,834	724
Use and reversal	-831	-510

7) 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)	31/12/2022	31/12/2021
Operating result	73,549	64,561
Financial result	-5,168	-4,441
Income taxes	-1,200	-15,589
RESULT OF THE PERIOD	**67,181**	**44,531**

The result of joint ventures and associates is mainly driven by the sale of Cours Saint-Michel.

Further information relating to joint ventures and associates is provided in note 16.

8) Net financial costs

The financial result breaks down as follows:

EUR ('000)	31/12/2022	31/12/2021
Interest expense under the effective interest method	-19,728	-15,612
Capitalised interests on projects in development	15,553	9,364
Fair value changes	-89	-358
Interest income	4,398	4,983
Other financial income and expenses	-4,489	-3,471
FINANCIAL RESULT	**-4,355**	**-5,094**

The decrease in the financial result is mainly due to a higher capitalisation of interest, mainly because of lower number of project in commercialisation, offsetting higher costs of interest, mainly because of higher debt levels .

9) Income taxes

Income taxes are as follows:

EUR ('000)	31/12/2022	31/12/2021
Current income taxes for the current year	-5,299	-15,416
Current income taxes for the previous financial years	-1,161	505
Deferred taxes on temporary differences	3,705	13,292
TOTAL OF TAX EXPENSES RECOGNIZED IN THE STATEMENT OF COMPREHENSIVE INCOME	**-2,755**	**-1,619**
Current taxes	-6,460	-15,236
Change in tax receivables / tax payables	-1,867	8,985
PAID INCOME TAXES (STATEMENT OF CASH FLOW)	**-8,327**	**-6,251**

Recognised tax expenses are higher, mainly driven by the lower recognition of deferred tax assets partially offset by a lower net result for the period.

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

EUR ('000)	31/12/2022	31/12/2021
Result from continuing operations before taxes	13,128	93,964
Result from joint ventures and associates	-67,181	-44,531
RESULT BEFORE TAXES AND SHARE IN THE RESULT OF JOINT VENTURES AND ASSOCIATES	-54,053	49,433
THEORETICAL INCOME TAXE CHARGE AT :	25.00%	25.00%
	13,513	-12,358
Tax impact		
- non-taxable income	5,022	7,835
- non-deductible expenses	-13,618	-959
- use of tax losses and notional interests deduction carried forward on which no DTA was recognised in previous years	802	5,802
- tax losses of current year on which no DTA is recognised	-3,622	-2,853
- tax losses of prior years on which a DTA is recognised	990	1,194
- (un)recognized tax latencies	-2,201	1,018
- different tax rates	-1,320	612
- Income taxes for the previous financial years	-2,321	-1,910
TAX CHARGE	-2 755	-1 619
EFFECTIVE TAX RATE OF THE YEAR	-5.10%	3.28%

The change in effective tax rate is mainly due to the non-tax deductible impairment loss on goodwill in Immobel France Immobel.

10) Earnings per share

The basic result per share is obtained by dividing the result of the year by the average number of shares.

Basic earnings per share are determined using the following information:

		31/12/2022	31/12/2021
Net result of the period attributable to owners of the company	EUR ('000)	**10,723**	**92,150**
Comprehensive income of the period	EUR ('000)	**15,464**	**91,470**
Weighted average share outstanding			
Ordinary shares as at 1 January		9,997,356	9,997,356
Treasury shares as at 1 January		-26,965	-292,527
Treasury shares disposed		1,531	265,562
Ordinary shares outstanding as at 31 December		**9,971,922**	**9,970,391**
Weighted average share outstanding (basic)		**9,970,986**	**9,965,823**
Net result per share		**1.075**	**9.247**

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

		31/12/2022	31/12/2021
Net result of the period	EUR ('000)	10,723	92,150
Comprehensive income of the period	EUR ('000)	15,464	91,470
Weighted average share outstanding (basic)		9,970,986	9,965,823
Diluive element: performance shares		1,531	3,383
Weighted average ordinary shares outstanding (diluted)		9,972,517	9,969,206
Diluted net result per share		1.075	9.247
Dilued comprehensive income per share		1.551	9.178

11) Intangible assets

Intangible assets evolve as follows:

	EUR ('000)	31/12/2022	31/12/2021
ACQUISITION COST AT THE END OF THE PREVIOUS PERIOD		1,333	1,626
Entry in consolidation scope			
Acquisitions		1,271	6
Disposals		195	-299
ACQUISITION COST AT THE END OF THE YEAR		2,799	1,333
AMORTISATION AND IMPAIRMENT AT THE END OF THE PREVIOUS PERIOD		-1,087	-1,044
Entry in consolidation scope			
Amortisation		-153	-216
Depreciation cancelled on disposals		-202	173
AMORTISATION AND IMPAIRMENT AT THE END OF THE YEAR		-1,442	-1,087
NET CARRYING AMOUNT AS AT 31 DECEMBER		1,357	246

12) Goodwill

The goodwill recognised since 2019 resulted from the acquisition in 2019 of Nafilyan & Partners, a French-based unlisted company specialising in property development. Through the acquisition, Immobel acquired 100% of the voting shares and control of Nafilyan & Partners. The acquisition qualified as a business combination as defined by IFRS 3. The Group acquired Nafilyan & Partners to increase its residential coverage in the French market and share the know-how, expertise and potential synergies with Immobel France.

As a result of the recent change in strategy to phase out the development of small residential projects on the outskirts of Paris and focus on mixed-use projects in the centre of the French capital, management's estimates of recoverable amount were revised downwards, resulting in the carrying amount of the cash-generating unit exceeding its recoverable amount, defined as the higher of fair value less costs to sell and value in use, where value in use is the present value of future cash flows. Consequently, management impaired the total amount of goodwill related to the acquisition of Nafilyan and Partners (EUR 43.8 million).

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

	EUR ('000)	31/12/2022	31/12/2021
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		-43,789	
IMPAIRMENT AT THE PERIOD END		**-43,789**	
NET CARRYING AMOUNT AS AT 31 DECEMBER 2022 / 31 DECEMBER 2021			**43,789**

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

	EUR ('000)	31/12/2022	31/12/2021
France			43,789
NET CARRYING AMOUNT AS AT 31 DECEMBER 2022 / 31 DECEMBER 2021			**43,789**

13) Property, plant and equipment

Property, plant and equipment evolve as follows:

EUR ('000)	31/12/2022	31/12/2021
ACQUISITION COST AT THE END OF THE PREVIOUS PERIOD	5,693	4,142
Entry in consolidation scope		
Acquisitions	3,045	1,666
Disposals	-1,369	-115
ACQUISITION COST AT THE END OF THE YEAR	7,369	5,693
DEPRECIATIONS AND IMPAIRMENT AT THE END OF THE PREVIOUS PERIOD	-2,900	-2,754
Depreciations	-450	-329
Depreciation cancelled on disposals	103	183
DEPRECIATIONS AND IMPAIRMENT AT THE END OF THE YEAR	-3,247	-2,900
NET CARRYING AMOUNT AS AT 31 DECEMBER	4,122	2,793

Property, plant and equipment consist primarily of fitting-out costs of the various registered offices. The increase compared to previous year mainly reflects the fit-out works of Immobel headquarters in Brussels.

14) Right-of-use assets

The right-of-use assets evolve as follows:

EUR ('000)	31/12/2022	31/12/2021
ACQUISITION COST AT THE END OF THE PREVIOUS PERIOD	6,708	7,297
Entry in consolidation scope		
Acquisitions	10,115	770
Disposals	-4,270	-1,359
ACQUISITION COST AT THE END OF THE YEAR	12,553	6,708
DEPRECIATIONS AND IMPAIRMENT AT THE END OF THE PREVIOUS PERIOD	-2,936	-2,907
Entry in consolidation scope		
Depreciations	-2,747	-1,388
Depreciation cancelled on disposals	3,067	1,359
DEPRECIATIONS AND IMPAIRMENT AT THE END OF THE YEAR	-2,616	-2,936
NET CARRYING AMOUNT AS AT 31 DECEMBER	9,937	3,772

Three new offices have been included as right-of-use assets.

In May 2022, Immobel headquarters moved to the Multitower building located in the city centre of Brussels .

Also under consideration are the new offices in the United Kingdom and Spain and the renewal of the office in Luxembourg.

15) Investment property

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

EUR ('000)	31/12/2022	31/12/2021
ACQUISITION COST AT THE END OF THE PREVIOUS YEAR	178,741	199,415
Entry in consolidation scope		
Disposal/exit from the consolidation scope	-2,952	-20,649
Net carrying value of investment property transferred from/to inventories	-103,462	-25
ACQUISITION COST AT THE END OF THE PERIOD	72,327	178,741
DEPRECIATIONS AND IMPAIRMENT AT THE END OF THE PREVIOUS YEAR	-4,742	-2,266
Depreciations	-2,810	-2,747
Depreciations and impairment cancelled following disposal/exit from the consolidation scope	2,911	271
DEPRECIATIONS AND IMPAIRMENT AT THE END OF THE PERIOD	-4,641	-4,742
NET CARRYING AMOUNT AS AT 31 DECEMBER	67,686	173,999

The key projects included in investment property are Rueil Malmaison and Thomas. The net carrying value of Isala has been transferred to inventories as the leasing contract came to an end and the project is ready for development.

The useful lifetime of the Investment properties is based on the contract lease duration. The average useful life is 2.5 years. Investment property comprises a number of commercial properties that are leased to third parties. At the end of rental period, the development phase of the project starts. Given the recent acquisitions of investment property at market price and the fact there are no indications of significant changes in fair value (both upward and downward), the depreciation of the investment property is in line with the remaining lease terms.

16) 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)	31/12/2022	31/12/2021
Investments in joint ventures	135,495	148,352
Investments in associates	9,396	8,179
TOTAL INVESTMENTS INCLUDED IN THE STATEMENT OF FINANCIAL POSITION	**144,891**	**156,532**

EUR ('000)	31/12/2022	31/12/2021
Advances from joint ventures - current liabilities	-29,570	-38,824
TOTAL ADVANCES FROM JOINT VENTURES	**-29,570**	**-38,824**
Advances to joint ventures - non-current assets	110,097	100,180
Advances to joint ventures - current assets	1,430	1,490
TOTAL ADVANCES TO JOINT VENTURES	**111,527**	**101,670**
Advances to associates - non-current assets	3,450	12,964
Advances to associates - current assets	0	200
TOTAL ADVANCES TO ASSOCIATES	**3,450**	**13,163**

EUR ('000)	31/12/2022	31/12/2021
Share in the net result of joint ventures	67,657	44,831
Share in the net result of associates	-476	-446
SHARE OF JOINT VENTURES AND ASSOCIATES IN THE CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	**67,181**	**44,384**

In accordance with the agreement under which the joint ventures and associates are established, the Group and the other investors have agreed to make additional contributions in proportion to their interests to make up any losses, if required, up to a maximum amount of EUR 32 538 thousand. Therefore, no commitments have been recognised in these consolidated financial statements neither in associates nor for joint ventures in which the Group has joint control.

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

EUR ('000)	31/12/2022	31/12/2021
VALUE AS AT 1 JANUARY	**156,532**	**106,195**
Share in result	67,181	44,531
Acquisitions and capital injections	40,233	14,096
Scope changes	15,456	1,831
Dividends received from joint ventures and associates	-43,587	-8,034
Disposals or liquidation of joint ventures and associates	-83,680	4
Repayment of capital	-8,827	-2,079
Other changes	1,583	-12
CHANGES FOR THE PERIOD	**-11,641**	**50,337**
VALUE AS AT 31 DECEMBER 2022 / 31 DECEMBER 2021	**144,891**	**156,532**

THE BOOK VALUE OF ADVANCE FROM AND TO JOINT VENTURES AND ASSOCIATES EVOLVE AS FOLLOWS

	ASSETS - EUR ('000)		LIABILITIES - EUR ('000)	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
VALUE AS AT 1 JANUARY	**114,833**	**130,882**	**-38,824**	**-55,634**
Acquisitions and capital injections	79,217	17,683	-99,848	-840
Scope changes	-12,800	-28,061	90,174	3,933
Repayment of capital	-67,291	5,062	17,005	12,839
Currency translation			2,202	
Other changes	1,018	-10,733	-279	878
CHANGES FOR THE PERIOD	**144**	**-16,049**	**9,254**	**16,810**
VALUE AS AT 31 DECEMBER 2022 / 31 DECEMBER 2021	**114,977**	**114,833**	**-29,570**	**-38,824**

The change in book value of investments and advances in joint ventures and associates reflects the ongoing development of existing projects and the acquisition of an office park in Leeds partially offset by the distribution of a dividend by Möbius II and the sale of Cours Saint-Michel.

Among the newly incorporated companies, Houilles Jean Jacques Rousseau, Oxy living and Munroe K Luxembourg are regarded as joint ventures and Arlon 75 as an associate. The shares held in Belux Office Development Feeder CV, previously 30.46% owned and now 26.93% owned have also impacted the percentage of financial rights of the related entities.

As there have been no indicators of impairment, no impairment testing has been carried out for the equity accounted investees.

The weighted average interest rate on loans to/from joint ventures and associates is 3.6% as at 31 December 2022. The repayment schedule for loans is defined at the end date of the projects.

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

	% INTEREST		BOOK VALUE OF THE INVESTMENTS - EUR (000)		SHARE IN THE COMPREHENSIVE INCOME - EUR (000)	
NAME	**31/12/2022**	**31/12/2021**	**31/12/2022**	**31/12/2021**	**31/12/2022**	**31/12/2021**
Bella Vita	50%	50%	76	48	28	-6
BONDY CANAL	40%	40%	-37	-37	0	
Boralina Investments, S.L.	50%	50%	86	-2,890	-24	-21
Brouckère Tower Invest	50%	50%	35,981	31,307	3,424	598
CBD International	50%	50%	2,310	122	-243	-150
Château de Beggen	50%	50%	13	16	-3	-1
Cityzen Holding	50%	50%	1,699	-21	-9	-2
Cityzen Hotel	50%	50%	3,017	711	-179	147
Cityzen Office	50%	50%	8,180	1,411	-625	-135
Cityzen Residence	50%	50%	2,756	694	-192	133
CP Development Sp. z o.o.	50%	50%	-1,424	-256	-577	-196
CSM Development	50%	50%	0	-12	-1,603	-36
CSM Properties	50%	50%	0	3,852	62,023	-48
Debrouckère Development	50%	50%	452	497	-45	-52
Debrouckère Land (ex-Mobius I)	50%	50%	83	90	-7	-12
Debrouckère Leisure	50%	50%	2,253	2,283	-30	-27
Debrouckère Office	50%	50%	3,736	3,740	-4	-30
Gateway	50%	50%		319	-3	-3
Goodways SA	50%	50%	3,168	3,234	-67	-3
HOUILLES JJ ROUSSEAU	50%	0%	0		0	
Ilot Ecluse	50%	50%	150	163	-13	-2
Immo Marial SàRL	50%	50%	0		-121	-66
Immo PA 33 1	50%	50%	1,350	1,314	36	43
Immo PA 44 1	50%	50%	504	682	-177	-1
Immo PA 44 2	50%	50%	1,430	2,423	-993	39
Key West Development	50%	50%	292	387	-95	-84
Les Deux Princes Develop.	50%	50%	170	-2,439	3,109	16
M1	33%	33%	2,034	7,270	1,426	4,992
M7	33%	33%	-12	42	-4	1
Mobius II	50%	33%	686	47,376	19	39,255
Munroe K Luxembourg SA	50%	50%	8,085		-311	
NP_AUBER	50%	50%		-136	-10	-47
NP_AUBER_VH	50%	50%		140	-34	159
NP_AUBERVIL	50%	50%	1,022	324	698	340
NP_BESSANC2	50%	50%		497	86	348
NP_BESSANCOU	50%	50%		102	-56	-169
NP_CHARENT1	50%	50%	0	33	-263	-1
NP_CRETEIL	50%	33%	-1	-1	-3	0
NP_EPINAY	33%	33%		121	-34	170
NP_VAIRES	33%	33%		245	-131	130
ODD Construct	50%	50%	1,292	1,164	128	482
Oxy Living	50%	50%	1,047		-3	
PA_VILLA	51%	50%	107	-40	147	0
Plateau d'Erpent	50%	50%	2,290	1,823	467	986
RAC3	40%	50%	3,536	3,403	133	139
RAC4	40%	40%	1,317	1,321	-3	-11
RAC4 Developt	40%	40%	1,544	1,567	-23	-20
RAC5	40%	40%	5,858	5,651	207	200
RAC6	40%	40%	4,223	2,182	2,040	15
Surf Club Hospitality Group SL	50%	40%	5,485	123	-15	-15
Surf Club Marbella Beach, S.L.	50%	50%	21,312	21,772	-83	132
TRELAMET	40%	40%	94	48	46	7
ULB Holding	60%	60%	-5,782	-11,173	-210	-210
Unipark	50%	50%	4,108	4,066	42	3
Universalis Park 2	50%	50%	0	-1,122	-133	505
Universalis Park 3	50%	50%	0	-2,487	-280	-238
Universalis Park 3AB	50%	50%	1,988	1,974	14	7
Universalis Park 3C	50%	50%	418	417	1	-1
Urban Living Belgium	30%	30%	8,600	14,013	189	-2,431
TOTAL JOINT VENTURES			**135,495**	**148,352**	**67,657**	**44,831**
277 SH	10%	0%	4,423	4,445	-22	
Arlon 75	20%	0%	1,364		-5	
Beiestack SA	20%	22%	1,308	1,498	-16	-73
Belux Office Development Feeder CV	26%	30%	64	57	-6	-83
DHR Clos du Château	33%	33%	23	26	-3	-83
Immobel Belux Office Development Fund SC	19%	22%	1,213	1,152	-399	-206
MONTLHERY 2 BIS	20%	20%	0	0	-25	
RICHELIEU	10%	10%	1,001	1,001		
TOTAL ASSOCIATES			**9,396**	**8,179**	**-476**	**-446**
TOTAL JOINT VENTURES AND ASSOCIATES			**144,891**	**156,532**	**67,181**	**44,384**

The table below shows the advances from and to the joint ventures and associates in the statement of financial position.

NAME	ADVANCES FROM JOINT VENTURES AND ASSOCIATES - EUR (000) CURRENT LIABILITIES		ADVANCES TO JOINT VENTURES AND ASSOCIATES - EUR (000) NON-CURRENT ASSETS		ADVANCES TO JOINT VENTURES AND ASSOCIATES - EUR (000) CURRENT ASSETS	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Bella Vita						
BONDY CANAL				3,582		
Boralina Investments, S.L.						
Brouckère Tower Invest		3,000				
CBD International			24,388	20,296		
Château de Beggen						
Cityzen Holding		0	522	8,278		
Cityzen Hotel		500	2,612			1,985
Cityzen Office	1,575	1,375	3,543			900
Cityzen Residence		400	2,633			1,968
CP Development Sp. z o.o.						
CSM Development	50		57		844	1,721
CSM Properties				145		
Debrouckère Development			2,957	1,332	63	297
Debrouckère Land (ex-Mobius I)	494	-602	349		486	
Debrouckère Leisure		325	2,260	573		
Debrouckère Office	-2,881	-2,838	138		180	
Gateway						
Goodways SA	125	30	3,256	3,088	30	
HOUILLES JJ ROUSSEAU						
Ilot Ecluse						46
Immo Marial SàRL					2,514	
Immo PA 33 1	-1,601	-1,534				
Immo PA 44 1	-419	-400			-50	
Immo PA 44 2	-1,185	-1,132			-150	
Key West Development		75	6,644	5,731		
Les Deux Princes Develop.	-1,001	-1,636			-300	
M1	-6,061	-6,522				
M7						
Mobius II		-11,008		10,994		
Munroe K Luxembourg SA			14,752		226	
NP_AUBER			251	251		
NP_AUBER_VH			158	158		
NP_AUBERVIL			2,945	2,945		
NP_BESSANC2			1,329	1,329		
NP_BESSANCOU			60	60		
NP_CHARENT1			475	475		
NP_CRETEIL			405	405		
NP_EPINAY			1,176	1,176		
NP_VAIRES		0				
ODD Construct			584	571		
Oxy Living						
PA_VILLA			31	47		
Plateau d'Erpent			47	7	1,701	1,701
RAC3	-2,990	-2,477				
RAC4	-2,165	-2,172	200			
RAC4 Developt	320		57		507	267
RAC5	-6,107	-5,817				
RAC6	-1,337	-2,087	1,320		-3,983	
Surf Club Hospitality Group SL						
Surf Club Marbella Beach, S.L.						3,000
TRELAMET						
Unipark		-4,082			206	16
ULB Holding	-4,141				0	99
Universalis Park 2			5,869	6,919		
Universalis Park 3			9,305	10,731		
Universalis Park 3AB	-1,901	-1,880			0	1
Universalis Park 3C	-346	-342				
Urban Living Belgium	0		21,773	21,087	1,178	963
TOTAL JOINT VENTURES	**-29,570**	**-38,824**	**110,097**	**100,180**	**3,450**	**12,964**
277 SH				60		
Arlon 75						
Beiestack SA						
Belux Office Development Feeder CV						
DHR Clos du Château						
Immobel Belux Office Development Fund SC					0	200
MONTLHERY 2 BIS						
RICHELIEU			1,430	1,430		
TOTAL ASSOCIATES			**1,430**	**1,490**	**0**	**200**
TOTAL JOINT VENTURES AND ASSOCIATES	**-29,570**	**-38,824**	**111,527**	**101,670**	**3,450**	**13,163**

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 intragroup transactions.

	FIGURES AT 100%					TOTAL EQUITY ALLOCATED TO THE GROUP	SHAREHOLDER LOANS BY THE GROUP
AS AT 31 DECEMBER 2022	TURNOVER	COMPREHENSIVE INCOME	TOTAL ASSETS	TOTAL LIABILITIES	TOTAL EQUITY		
Bella Vita	0	56	155	2	152	76	0
BONDY CANAL	0	- 1	8 058	8 048	9	- 37	0
Boralina Investments, S.L.	0	- 48	55 585	78	55 507	86	0
Brouckère Tower Invest	659	6 848	231 577	159 615	71 962	35 981	0
CBD International	0	- 486	60 999	65 404	-4 405	2 310	24 388
Château de Beggen	0	- 6	42	15	27	13	0
Cityzen Holding	0	- 18	35 022	1 048	33 975	1 699	522
Cityzen Hotel	0	- 358	23 532	17 499	6 033	3 017	2 612
Cityzen Office	0	-1 251	65 036	48 676	16 360	8 180	3 543
Cityzen Residence	0	- 383	22 762	17 250	5 512	2 756	2 633
CP Development Sp. z o.o.	1 482	-1 154	84 158	87 006	-2 847	-1 424	0
CSM Development	0	-3 205	1 168	4 397	-3 229	0	901
CSM Properties	0	-6 040	0	0	0	0	0
Debrouckère Development	0	- 89	10 246	9 342	904	452	3 020
Debrouckère Land (ex-Mobius I)	0	- 14	23 994	23 829	165	83	835
Debrouckère Leisure	0	- 59	9 240	4 733	4 507	2 253	2 260
Debrouckère Office	0	- 9	15 306	7 835	7 471	3 736	318
Garden Point	0	0	0	0	0	0	0
Gateway	0	- 7	0	0	0	0	0
Goodways SA	0	- 133	22 683	19 039	3 644	3 168	3 286
HOUILLES JJ ROUSSEAU	0	0	1	0	1	0	0
Ilot Ecluse	0	- 26	302	2	300	150	0
Immo PA 33 1	0	71	3 216	516	2 700	1 350	0
Immo PA 44 1	1 348	- 354	1 060	52	1 009		- 50
Immo PA 44 2	4 043	-1 986	3 027	166	2 861	1 430	- 150
Immobel Marial SàRL	0	- 241	5 052	5 410	- 358	0	2 514
Key West Development	0	- 191	14 022	13 439	584	292	6 644
Les Deux Princes Develop.	- 824	6 218	4 557	4 216	341	170	- 300
M1	19 267	4 278	23 690	17 589	6 101	2 034	0
M7	0	- 12	194	230	- 35	- 12	0
Mobius II	0	39	-36 261	-37 632	1 372	686	0
Munroe K Luxembourg SA	0	- 622	126 857	110 688	16 169	8 085	14 978
NP_AUBER	0	- 138	425	708	- 282	0	251
NP_AUBER_VH	0	- 35	733	739	- 6	0	158
NP_AUBERVIL	21 499	1 393	15 394	13 355	2 039	1 022	2 945
NP_BESSANC2	3 461	351	2 661	2 387	274	0	1 329
NP_BESSANCOU	0	99	603	211	392	0	60
NP_CHARENT1	929	- 516	1 764	2 215	- 451	0	475
NP_CRETEIL	0	- 6	- 2	0	- 2	- 1	405
NP_EPINAY	-6 518	- 116	1 857	1 802	54	0	1 176
NP_VAIRES	0	- 134	1 535	1 560	- 25	0	0
ODD Construct	6 400	257	5 246	2 661	2 585	1 292	584
Oxy Living	0	- 6	2 439	344	2 095	1 047	0
PA_VILLA	0	288	820	610	209	107	31
Plateau d'Erpent	853	933	10 890	6 310	4 580	2 290	1 748
RAC3	1	333	8 851	11	8 840	3 536	0
RAC4	0	- 8	31 588	28 295	3 294	1 317	200
RAC4 Developt	0	- 57	6 142	2 282	3 859	1 544	564
RAC5	0	516	15 275	631	14 644	5 858	0
RAC6	33 386	5 100	12 228	1 672	10 556	4 223	-2 663
Surf Club Hospitality Group SL	0	- 31	11 014	44	10 970	5 485	0
Surf Club Marbella Beach, S.L.	0	- 166	46 428	3 803	42 624	21 312	0
TRELAMET	0	115	289	55	234	94	0
ULB Holding	0	- 350	18 260	19 391	-1 132	-5 782	0
Unipark	0	84	10 309	2 093	8 216	4 108	206
Universalis Park 2	0	- 266	24 954	27 464	-2 510	0	5 869
Universalis Park 3	0	- 559	35 178	40 712	-5 534	0	9 305
Universalis Park 3AB	0	27	4 176	201	3 975	1 988	0
Universalis Park 3C	0	2	1 009	173	836	418	0
Urban Living Belgium	30 885	602	202 633	197 023	5 609	8 600	22 951
TOTAL JOINT VENTURES	**116 870**	**8 531**	**1287 980**	**945 246**	**342 734**	**135 495**	**113 547**
277 SH	0	- 217	113 600	69 369	44 230	4 423	0
Arlon 75	0	- 26	32 782	26 008	6 774	1 364	0
Beiestack SA	0	- 82	21 157	14 660	6 497	1 308	0
Belux Office Development Feeder CV	0	- 21	31 416	2	31 414	64	0
DHR Clos du Château	0	- 10	85	16	69	23	0
Immobel Belux Office Development Fund SCSP	0	-1 993	36 291	786	35 505	1 213	0
MONTLHERY 2 BIS	0	- 123	1 055	1 179	- 123	0	0
RICHELIEU	0	0	64 724	54 714	10 010	1 001	1 430
TOTAL ASSOCIATES	**0**	**-2 472**	**301 110**	**166 734**	**134 376**	**9 396**	**1 430**
TOTAL JOINT VENTURES AND ASSOCIATES	**116 870**	**6 059**	**1589 090**	**1111 980**	**477 110**	**144 891**	**114 977**

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 2022

Main components of assets and liabilities:		
Investment property	143 336	
Other fixed assets	183 059	
Inventories	952 986	
Cash and cash equivalents	98 127	
Receivables and other assets	211 582	
Non-current financial debts		343 130
Current Financial debts		277 443
Deferred tax liabilities		5 071
Shareholder's loans		157 052
Other Liabilities		329 284
TOTAL	1 589 090	1 111 980

Main projects and financial debts	INVENTORIES AND INVESTMENT PROPERTY	FINANCIAL DEBTS
Cityzen Hotel	20 732	13 940
Cityzen Office	59 863	40 120
Cityzen Residence	20 415	13 940
RAC4	23 287	28 000
Universalis Park 2	23 412	12 700
Universalis Park 3	34 358	15 930
Urban Living Belgium	144 734	74 352
Debrouckère Land (ex-Mobius I)	23 973	21 150
CP Development Sp. z o.o.	77 964	25 975
Brouckère Tower Invest	205 395	142 336
Beiestack SA	20 196	
Others	441 991	232 130
TOTAL	1 096 322	620 573

AS AT 31 DECEMBER 2021

Main components of assets and liabilities:		
Investment property	212 506	
Other fixed assets	128 129	
Inventories	830 299	
Cash and cash equivalents	200 467	
Receivables and other assets	274 751	
Non-current financial debts		347 494
Current Financial debts		224 764
Deferred tax liabilities		17 338
Shareholder's loans		254 853
Other Liabilities		341 169
TOTAL	1 646 152	1 185 619

Main projects and financial debts	INVENTORIES AND INVESTMENT PROPERTY	FINANCIAL DEBTS
Cityzen Office	56 600	40 120
CSM Properties	100 870	94 750
RAC4	22 399	28 000
Universalis Park 2	22 786	12 700
Universalis Park 3	33 444	15 930
Urban Living Belgium	130 164	73 242
Debrouckère Land (ex-Mobius I)	22 180	21 150
CP Development Sp. z o.o.	69 700	25 956
Brouckère Tower Invest	197 695	123 120
Beiestack SA	20 988	12 268
Surf Club Marbella Beach, S.L.	62 784	
Others	303 196	137 290
TOTAL	1 042 805	572 258

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)	31/12/2022	31/12/2021
Amount of debts guaranteed by securities	175,951	265,072
Book value of Group's assets pledged for debt securities	299,004	352,449

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

17) 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 deferred tax assets and liabilities are recognised in the statement of profit and loss unless they relate to items directly recognised in other comprehensive income.
Immobel has reviewed the recoverability of the deferred tax assets on:

- The availability of sufficient taxable temporary differences
- The probability that the entity will have sufficient taxable profits in the future, in the same period as the reversal of the deductible temporary difference or in the periods into which a tax loss can be carried back or forward
- The availability of tax planning opportunities that allow the recovery of deferred tax assets Deferred tax assets and liabilities relate to the following temporary differences:

EUR ('000)	DEFERRED TAX ASSETS		DEFERRED TAX LIABILITIES	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Tax losses	34,501	35,086		
Timing difference on projects valuation	2,151	2,891	36,164	43,165
Financial debts				
Fair value of financial instruments			-61	2
Other items	55	60	7	-70
Netting (net tax position per entity)	-14,974	-16,745	-14,974	-16,745
TOTAL	**21,733**	**21,292**	**21,136**	**26,352**

	Deferred tax assets	Deferred tax liabilities
VALUE AS AT 1 JANUARY	**21,292**	**26,352**
Scope changes	7	-1,078
Deferred tax recognised in the consolidated statement of comprehensive income	434	-4,138
VALUE AS AT 31 DECEMBER	**21,733**	**21,136**

Immobel France remains the main contributor to the deferred tax assets with a number of projects still in development that will still generate sufficient profit to recover the tax losses. In view of the decision taken by management to focus on large mixed use and office projects, management challenged the existing deferred tax assets and assessed that it is still recoverable.
Immobel and Infinito contribute for the most part to the deferred tax liabilities.

In Poland, tax losses may be carried forward for only 5 consecutive tax years, subject to the restriction that not more than 50% of the amount of the tax loss from a given past year can be utilized in any single subsequent tax year.

TEMPORARY DIFFERENCES OR TAX LOSSES FOR WHICH NO DEFERRED TAX ASSETS ARE RECOGNISED IN THE BALANCE SHEET, FROM WHICH:	EUR ('000)
	7,362
Expiring at the end of 2022	565
Expiring at the end of 2023	220
Expiring at the end of 2024	1,681
Expiring at the end of 2025	1,007
Expiring at the end of 2026	3,889

18) Inventories

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

EUR ('000)	31/12/2022	31/12/2021
Belgium	436,740	292,874
Luxembourg	152,357	143,801
France	218,021	167,192
Germany	112,465	59,033
Poland	64,229	34,735
Spain	1,914	988
TOTAL INVENTORIES	**985,726**	**698,623**

Cross-analysis by type of project and by geographical zone - EUR (000)	Offices	Residential	Landbanking	31/12/2022
Belgium	144,431	212,117	80,192	436,740
Luxembourg	1,335	151,022		152,357
France	159,962	58,059		218,021
Germany		112,465		112,465
Poland		64,229		64,229
Spain		1,914		1,914
Total	**305,728**	**599,806**	**80,192**	**985,726**

Cross-analysis by type of project and by geographical zone - EUR (000)	Offices	Residential	Landbanking	31/12/2021
Belgium	29,187	196,989	66,698	292,874
Luxembourg	581	143,220		143,801
France	136,134	31,058		167,192
Germany		59,033		59,033
Poland		34,735		34,735
Spain		988		988
Total	**165,902**	**466,023**	**66,698**	**698,623**

Inventories increased driven mainly by the development of the Granaria project in Poland, the acquisition of Héros in Belgium and Gutenbergstrasse in Germany and the capitalisation of project management fees and borrowing costs in all countries, partially offset by the sale of The Woods project in Belgium. The net carrying value of Isala has been transferred from Investment properties.

The main projects in inventories include Isala, O'Sea and Lebeau Sablon in Belgium, Polvermillen and Cat Club in Luxembourg, Saint-Antoine, Tati in France, Eden and Gutenbergstrasse in Germany and Granaria Gdansk in Poland.

The weighted average interest rate on borrowing costs capitalized on Project Financing Credits and on Bonds was 3.6% in 2022 and 2.3 % in 2021.

The inventories break down as follows:

EUR ('000)	31/12/2022	31/12/2021
INVENTORIES AS AT 1 JANUARY	**698,623**	**683,121**
Net book value of investment property transferred from/to inventories	103,462	25
Purchases of the year	37,857	72,716
Developments	340,856	246,743
Disposals of the year	-208,866	-311,066
Borrowing costs	15,553	9,364
Scope changes	-1,759	-1,588
Write-off		-692
CHANGES FOR THE PERIOD	**287,103**	**15,502**
INVENTORIES AS AT 31 DECEMBER 2022 / 31 DECEMBER 2021	**985,726**	**698,623**

Management has considered an increase in construction costs (partially) compensated by higher sales prices (pass-through of cost increase) in its net realisable value assessment and estimates that current book value of inventory can be recoverable by future sales.

Break down of the movements by geographical area :	EUR ('000)	Purchases/ Developments	Disposals	Borrowing costs	Scope changes	Net book value of investment property transferred from/to inventories	Net
Belgium		186,430	-160,678	14,652		103,462	143,866
Luxembourg		26,631	-19,204	1,129			8,556
France		69,562	-16,974		-1,759		50,829
Germany		61,372	-7,417	-523			53,432
Poland		33,792	-4,593	295			29,494
Spain		926					926
United Kingdom							
Total		**378,713**	**-208,866**	**15,553**	**-1,759**	**103,462**	**287,103**

EUR ('000)	31/12/2022	31/12/2021
Within 12 months	175,902	173,046
Beyond 12 months	809,824	525,577
Breakdwon of the stock by type:		
Without permit	617,759	488,527
Permit obtained but not yet in development		
In development	367,967	210,096

The book value of the Group's assets pledged for debt securities related to investment property and inventory as a whole was EUR 893 million compared to EUR 759 million at the end of 2021, representing an increase of EUR 134 million.

19) Trade receivables

Trade receivables refer to the following operational segments:

EUR ('000)	31/12/2022	31/12/2021
Belgium	7,737	13,405
Luxembourg	1,050	4,554
France	5,133	15,590
Germany	3,072	2,204
Poland	179	211
Spain	420	2,152
United Kingdom		
TOTAL TRADE RECEIVABLES	**17,591**	**38,116**

The analysis of the delay of payment arises as follows: EUR ('000)	31/12/2022	31/12/2021
Due < 3 months	1,609	11,622
Due > 3 months < 6 months	710	829
Due > 6 months < 12 months	333	2,021
Due > 1 year	1,230	1,482

The decrease in trade receivables reflects the lower operating activities in 2022.

CREDIT RISK

Trade receivables mainly relate to receivables either for equity accounted investees or for customers. The credit risk for both types of receivables is considered as immaterial. Receivables towards equity accounted investees are typically backed by an asset under development. Receivables for customers are typically backed by the asset sold which serves as collateral.

Impairments recorded on trade receivables evolve as follows:

EUR ('000)	31/12/2022	31/12/2021
BALANCE AT 1 JANUARY	**627**	**542**
Additions	81	85
Discounts		
MOVEMENTS OF THE PERIOD	**81**	**85**
BALANCE AT 31 DECEMBER 2022 / 31 DECEMBER 2021	**708**	**627**

20) Contract assets

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

EUR ('000)	31/12/2022	31/12/2021
Belgium	5,493	78,552
Luxembourg	1,867	1,403
France	25,755	25,367
Germany	9,033	12,631
TOTAL CONTRACT ASSETS	**42,148**	**117,953**

EUR ('000)	31/12/2022	31/12/2021
BALANCE AT 1 JANUARY	**117,953**	**57,251**
Additions	4,952	60,702
Discounts	-80,757	
MOVEMENTS OF THE PERIOD	**-75,805**	**60,702**
BALANCE AT 31 DECEMBER 2022 / 31 DECEMBER 2021	**42,148**	**117,953**

Contract assets include the amounts to which the entity is entitled in exchange for goods or services that it already has provided for a customer, but for which payment is not yet due or is subject to fulfilment of a specific condition provided for in the contract. When an amount becomes due, it is transferred to the receivables account. A trade receivable is recognised as soon as the entity has an unconditional right to collect a payment. This unconditional right exists from the moment in time when the payment becomes due.

Trade receivables, other receivables and contract assets are similarly 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.

As at 31 December 2022, consideration of the office project “Commerce 46” during the progress of completion is the main contributory factor to the change in contract assets as well as the residential projects “La Garenne” in France and “Eden” in Germany.

21) Prepayments and other receivables

The components of this item are:

EUR ('000)	31/12/2022	31/12/2021
Other receivables	**51,304**	**27,815**
of which : advances and guarantees paid		
taxes (other than income taxes) and VAT receivable	33,567	20,247
prepayments and dividends receivable	17,737	7,568
Deferred charges and accrued income on projects in development	**4,913**	**8,425**
deferred charges	4,550	7,686
accrued income	363	739
TOTAL OTHER CURRENT ASSETS	**56,217**	**36,240**

Those receivables are mainly related to VAT receivables on projects in Savigny sur Orge in France and to a prepayment for the acquisition of a project in Gasperich in Luxembourg.

22) 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 -625 274 thousand as at 31 December 2022 compared to EUR -593 313 thousand as at 31 December 2021.

EUR ('000)	31/12/2022	31/12/2021
Cash and cash equivalents	275,926	273,377
Non current financial debts	722,777	507,596
Current financial debts	179,723	359,094
NET FINANCIAL DEBT	**-626,574**	**-593,313**

The Group’s debt ratio[1] is 52,9% (58,9% in internal view) as at 31 December 2022, compared to 52,9% (58,2% in internal view) as at 31 December 2021. The capital management policy is to remain under a ratio of 65% in internal view.

The increase in non-current financial debts and the decrease in current financial debts are mainly driven by the reimbursement of a 5-year EUR 100 million bond and the issuance of a new 4-year EUR 125 million bond in the first half of 2022.

CASH AND CASH EQUIVALENTS

Cash deposits and cash at bank and in hand amount to EUR 275 926 thousand compared to EUR 273 377 thousand at the end of 2021, representing an increase of EUR 2 549 thousand. The breakdown of cash and cash equivalents is as follows:

EUR ('000)	31/12/2022	31/12/2021
Term deposits with an initial duration of maximum 3 months	137,804	
Cash at bank and in hand	138,122	273,364
Cash pledged		13
AVAILABLE CASH AND CASH EQUIVALENTS	**275,926**	**273,377**

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.

All bank accounts are held by investment grade banks (minimum Baa3/BBB- rating).

FINANCIAL DEBTS

Financial debts increase with EUR 35 810 thousand, from EUR 866 690 thousand at 31 December 2021 to EUR 902 500 thousand at 31 December 2022. The components of financial debts are as follows:

[1] Debt ratio is calculated by dividing net financial debt by the sum of net financial debt and equity group share with goodwill subtracted from the equity group share

EUR ('000)	31/12/2022	31/12/2021
Bond issues:		
Bond issue maturity 17-10-2023 at 3.00% - nominal amount 50 MEUR		49,903
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	125,000
Bond issue maturity 29-06-2026 at 4,75% - nominal amount 125 MEUR	125,000	
Lease contracts	8,536	2,130
Credit institutions	339,241	205,563
NON CURRENT FINANCIAL DEBTS	**722,777**	**507,596**
Bond issues:		
Bond issue maturity 31-05-2022 at 3.00% - nominal amount 100 MEUR		100,000
Bond issue maturity 17-10-2023 at 3.00% - nominal amount 50 MEUR	50,000	
Credit institutions	119,843	253,257
Lease contracts	2,316	1,630
Bonds - not yet due interest	7,564	4,206
CURRENT FINANCIAL DEBTS	**179,723**	**359,094**
TOTAL FINANCIAL DEBTS	**902,500**	**866,690**
Financial debts at fixed rates	425,000	399,903
Financial debts at variable rates	469,936	462,581
Not yet due interest	7,564	4,206
Amount of debts guaranteed by securities	409,558	438,301
Book value of Group's assets pledged for debt securities	893,009	759,011

In 2022, a new bond has been issued maturing in 2026. The bond does not have any additional or specific covenants compared to earlier bonds issued by the company. There are no embedded derivates, nor with the bonds issued earlier by the company.

Financial debts evolve as follows:

EUR ('000)	31/12/2022	31/12/2021
FINANCIAL DEBTS AS AT 1 JANUARY	**866,690**	**751,949**
Liabilities related to lease contracts	-8,536	-2,130
Contracted debts	397,909	249,033
Repaid debts	-353,659	-128,872
Change in the fair value recognized in the statement of comprehensive income		
Scope changes		
Movements bonds - - not yet due interest	-7,468	-12,565
Not yet due interest on other loans	7,564	9,080
Amortization of deferred debt issue expenses		195
CHANGES FOR THE PERIOD	**35,810**	**114,741**
FINANCIAL DEBTS AS AT 31 DECEMBER 2022 / 31 DECEMBER 2021	**902,500**	**866,690**

All the financial debts are denominated in EUR.

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

At 31 December 2022, IMMOBEL is entitled to use EUR 672 million of confirmed project finance lines of which EUR 411 million were used. These credit lines (Project Financing Credits) are specific for the development of certain projects.

At 31 December 2022, the book value of Group's assets pledged to secure the corporate credit and the project financing credits amounts to EUR 893 million.

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

DUE IN THE PERIOD - EUR (000)	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	50,000		50,000	125,000	75,000	125,000	425,000
Project Financing Credits	95,398	101,163	196,882	15,695			409,138
Corporate Credit lines	2,000	2,500	23,000				27,500
Commercial paper	22,445						22,445
Lease contracts	3,236	1,774	1,626	1,058	778	2,382	10,853
Interests not yet due and amortized costs	7,564						7,564
TOTAL AMOUNT OF DEBTS	**180,643**	**105,437**	**271,508**	**141,753**	**75,778**	**127,382**	**902,500**

The table below summarises the maturity of interests on the financial liabilities of the Group:

DUE IN THE PERIOD - EUR (000)	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	14,879	13,688	13,318	8,896	4,379	1,346	56,506
Project Financing Credits	15,972	9,906	4,697	354			30,929
Corporate Credit lines	138	138	11				287
Commercial paper	219						219
Lease contracts	64	59	54	22	14	43	256
TOTAL AMOUNT OF DEBTS	**31,272**	**23,791**	**18,080**	**9,272**	**4,393**	**1,389**	**88,197**

INTEREST RATE RISK

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

- In April 2020, the Group entered into an agreement to cap the interest rate at 0,5% on a part of the financial debt related to a notional amount of about EUR 450 million up to 1 July 2023.
- In May 2021, the Group 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 1 July 2024.
- The Group and/or its subsidiaries entered into interest rate swaps converting its exposure from floating to fixed interest rate as per the table below. These interest rate swaps replace EURIBOR floating rates with fixed interest rates on the outstanding amount. Each of these derivatives are qualified as cash flow hedges and recorded at fair value in the consolidated balance sheet in other assets and/or other liabilities.

Interest rate swaps - EUR (000) Company	OUTSTANDING AMOUNT	FIXED INTEREST RATE	START DATE	END DATE
Immobel S.A.	27,500	0,05%	01/01/2020	31/01/2025
Infinito S.A.	19,550	0,09%	02/07/2021	30/04/2024
Infinito S.A.	5,000	0,09%	02/07/2021	30/04/2024
Infinito Holding S.R.L.	19,550	0,09%	02/07/2021	30/04/2024
Infinito Holding S.R.L.	5,000	0,09%	02/07/2021	30/04/2024

An increase of 1% interest rate would result in an annual increase of the interest charge on debt of EUR 1 857 thousand.

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 close to the carrying amount,
- 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 close to the carrying amount,
- 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	Carrying amount 31/12/2022	Amortized cost	Fair value trough profit or loss	Fair value 31/12/2022	Cash flow hedging 31/12/2022
		Amounts recognized in accordance with IFRS 9				
ASSETS						
Cash and cash equivalents		275,926	275,926		275,926	
Other non-current assets	Level 2	1,041	1,041		1,041	
Trade receivables	Level 2	17,591	17,591		17,591	
Other operating receivables	Level 2	57,205	57,205		57,205	
Other current financial assets	Level 1	3,450	3,450		3,450	3,745
Advances to joint ventures and associates	Level 2	114,977	114,977		114,977	
TOTAL		**470,190**	**470,190**		**470,190**	**3,745**
LIABILITIES						
Interest-bearing debt	Level 1	425,000	425,000		405,127	
Interest-bearing debt	Level 2	477,500	477,500		477,500	
Trade payables	Level 2	98,384	98,384		98,384	
Other operating payables	Level 2	67,417	67,417		67,417	
Advances from joint ventures and associates	Level 2	29,570	29,570		29,570	
TOTAL		**1,097,871**	**1,097,871**		**1,077,998**	

EUR ('000)	Level of the fair value	Carrying amount 31/12/2021	Amortized cost	Fair value trough profit or loss	Fair value 31/12/2021	Cash flow hedging 31/12/2021
		Amounts recognized in accordance with IFRS 9 (represented)				
ASSETS						
Cash and cash equivalents		273,377	273,377		273,377	
Other non-current financial assets	Level 2	1,015		1,015	1,015	
Other non-current assets	Level 2	1,151	1,151		1,151	
Trade receivables	Level 2	38,116	38,116		38,116	
Other operating receivables	Level 2	37,609	37,609		37,609	
Other current financial assets	Level 1	49	49		49	
Advances to joint ventures and associates	Level 2	114,833	114,833		114,833	
TOTAL		**466,150**	**465,135**	**1,015**	**466,150**	
LIABILITIES						
Interest-bearing debt	Level 1	399,903	399,903		410,892	
Interest-bearing debt	Level 2	466,787	466,787		466,787	
Trade payables	Level 2	83,546	83,546		83,546	
Other operating payables	Level 2	61,365	61,365		61,365	
Derivative financial instruments	Level 2	160		160		160
TOTAL		**1,011,761**	**1,011,601**	**160**	**1,022,590**	**160**

The Group did not make any changes to its financial risk management policy in 2022.

LIQUIDITY RISK

Immobel uses largely centralised structures for pooling cash and cash equivalents at Group level. The central liquidity position is calculated monthly using a bottom-up method over a rolling twelve-month period. The liquidity planning is supplemented by monthly stress tests.

FINANCIAL COMMITMENTS

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

These covenants are taking into account the equity, the net financial debt and its relation with the equity and the

inventories. At 31 December 2022, as for the previous years, the Group was in conformity with all these financial commitments and no effect of a covenant breach on classification has to be considered. Immobel has sufficient headroom before being in breach.

RISK OF FLUCTUATION IN FOREIGN CURRENCIES

The Group has limited exposure to foreign exchange rate risks on its activities. The functional currency of projects currently being developed in Poland and of the activities in the UK are converted respectively from PLN to EUR (except for the Central Point managed in EUR) and from GBP to EUR, with an impact on other comprehensive income.

23) Equity

	2022	2021
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	25,434	26,965
Nominal value per share	10	10
Number of shares at 1 January	9,997,356	9,997,356
Number of treasury shares at 1 January	-26,965	-292,527
Treasury shares granted to a member of the executive committee		
Treasury shares sold	1,531	265,562
Number of shares (excluding treasury shares) at 31 December	9,971,922	9,970,391

RISK MANAGEMENT RELATED TO THE CAPITAL

The capital structure of the Group consists of current and non-current liabilities less the cash and cash equivalents reported in the balance sheet and in equity. Immobel manages its capital with the aim of ensuring that all Group companies continue to operate on a going concern basis while keeping the cost of capital as low as possible. The capital structure is reviewed on a regular basis taking into account the underlying financial and operational risks of the company.

24) Pensions and similar obligations

The pensions and similar obligations cover the obligations of the Group 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)	31/12/2022	31/12/2021
STATEMENT OF FINANCIAL POSITION		
Provisions		398
Present value of the defined benefit obligations	1,662	1,996
Fair value of plan assets at the end of the period	-1,095	-1,398
NET LIABILITY ARISING FROM DEFINED BENEFIT OBLIGATION	567	996
STATEMENT OF COMPREHENSIVE INCOME		
Current service cost	-159	-164
Past service cost or settlement		
Interest cost on the defined benefit obligation	-16	-6
Interest income on plan assets	11	4
Administration costs	-3	-5
DEFINED BENEFIT COSTS RECOGNIZED IN PROFIT OR LOSS	-167	-171
Acturial (gains) / losses on defined benefit obligation arising from		
- changes in financial assumptions	582	131
- return on plan assets (excluding interest income)	-351	-73
- experience adjustments	-121	
REMEASUREMENTS OF NET DEFINED BENEFIT LIABILITY RECOGNISED IN OTHER COMPREHENSIVE INCOME	110	58
DEFINED BENEFIT COSTS	-57	-113

EUR ('000)	31/12/2022	31/12/2021
PRESENT VALUE OF THE OBLIGATIONS AS AT 1 JANUARY	1,996	1,963
Current service cost	159	164
Interest cost	16	6
Contributions from plan participants	4	12
Actuarial (gains) losses	-461	-131
Benefits paid	-52	-18
Past service cost, settlement or business combination		
PRESENT VALUE OF THE OBLIGATIONS AS AT 31 DECEMBER	1,662	1,996

EUR ('000)	31/12/2022	31/12/2021
FAIR VALUE OF THE PLAN ASSETS AS AT 1 JANUARY	1,398	1,360
Interest income	11	4
Contributions from employer	88	118
Contributions from plan participants	4	12
Benefits paid	-52	-18
Return on plan assets (excluding interest income)	-351	-73
Administrative costs	-3	-5
Settlement or business combination		
FAIR VALUE OF THE PLAN ASSETS AS AT 31 DECEMBER	1,095	1,398
CONTRIBUTION OF THE EMPLOYER EXPECTED FOR 2022 / 2021	67	95
ACTURIAL ASSUMPTIONS USED TO DETERMINE OBLIGATIONS		
Discount rate	3.75%	0.83%
Future salary increases	3.56%	3.08%
Inflation rate	2.20%	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	3.25%	3.75%
Amount of the DBO	1 766	1 662

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 labour agreement of the real estate industry. The plan is unfunded and open to new employees.

25) Provisions

The components of provisions are as follows:

EUR ('000)	31/12/2022	31/12/2021
Provisions related to the sales	1,823	1,201
Other provisions	2,006	1,127
TOTAL PROVISIONS	3,829	2,328

EUR ('000)	Related to sales	Other	31/12/2022
PROVISIONS AS AT 1 JANUARY	1,201	1,127	2,328
Scope changes	351	147	498
Increase	340	1,583	1,923
Use/Reversal	-69	-851	-920
CHANGES FOR THE YEAR	622	879	1,501
PROVISIONS AS AT 31 DECEMBER	1,823	2,006	3,829

Allocation by operational segment is as follows:

EUR ('000)	31/12/2022	31/12/2021
Belgium	105	139
Luxembourg	500	500
France	3,224	1,689
TOTAL PROVISIONS	3,829	2,328

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.

Risks related to sales and litigation in progress are the subject of provisions when the conditions for recognition of these liabilities are met. The provisions related to sales are generally related to guarantees of rents, good execution of work,...

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.

26) Trade payables

This account is allocated by operational segment as follows:

EUR ('000)	31/12/2022	31/12/2021
Belgium	41,955	41,548
Luxembourg	3,889	10,920
France	27,534	7,006
Germany	16,044	7,980
Poland	2,202	12,065
Spain	4,175	4,027
United Kingdom	2,585	
TOTAL TRADE PAYABLES	98,384	83,546

The trade payables are mainly related to the projects O’Sea in Belgium, Issy-les -Moulineaux in France, Eden in Germany, Canal in Luxembourg and Granaria in Poland.

27) Contract liabilities

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

EUR ('000)	31/12/2022	31/12/2021
Belgium	10,254	10,427
Luxembourg	7,778	
France	4,987	11,542
Poland	28,466	
TOTAL CONTRACT LIABILITIES	51,485	21,969

The contract liabilities primarily relate to the advance consideration received from customers for construction for which revenue is recognised over time. The amount of EUR 21 969 thousand included in contract liabilities at 31 December 2021 has been recognised as revenue in 2022.

The increase in contract liabilities is mainly due to the project Granaria in Poland.

Contract liabilities include amounts received by the entity as compensation for goods or services that have not yet been provided for the customer. Contract liabilities are settled by "future" recognition of the revenue when the IFRS 15 criteria for revenue recognition have been met.

All amounts reflected in contract liabilities relate to residential activities for which revenue is recognised over time.

Because payment terms are based on predefined milestones and revenue recognition is based on progress of works measured by incurred and budgeted costs minor discrepancies might occur between both, resulting either in contract assets or contract liabilities.

28) Social debts, VAT, accrued charges and other amount payable

The components of this account are:

EUR ('000)	31/12/2022	31/12/2021
Payroll related liabilities	3,015	4,244
Taxes (other than income taxes) and VAT payable	17,005	12,186
Accrued charges	13,026	8,568
Dividends payable	163	3,339
Other	2,732	3,303
Other liability with business partners	18,419	15,955
TOTAL OTHER CURRENT LIABILITIES	**54,360**	**47,595**

Other current liabilities mainly consist of taxes (other than income taxes) as well as accrued charges and deferred income in Belgium and France.

29) Main contingent assets and liabilities

EUR ('000)	31/12/2022	31/12/2021
Guarantees from third parties on behalf of the Group with respect to:		
- inventories	480,376	281,015
- other assets		
TOTAL GUARANTEES FROM THIRD PARTIES ON BEHALF OF THE GROUP	480,376	281,015
These guarantees consist of:		
- guarantees "Real estate trader" (acquisitions with registration fee at reduced rate)	26,493	33,012
- guarantees "Law Breyne" (guarantees given in connection with the sale of houses or apartments under construction)	300	63,207
- guarantees "Good end of execution" (guarantees given in connection with the execution of works) and "other" (successful completion of payment, rental,...)	453,583	184,796
TOTAL GUARANTEES FROM THIRD PARTIES ON BEHALF OF THE GROUP	480,376	281,015
Mortgage power - Amount of inscription	83,899	58,852
MORTGAGE POWER - AMOUNT OF INSCRIPTION	83,899	58,852
Book value of Group's assets pledged for debt securities related to investment property and inventory as a whole	893,009	759,011
BOOK VALUE OF PLEDGED GROUP'S ASSETS	893,009	759,011
Amount of debts guaranteed by above securities		
- Non current debts	299,465	205,563
- Current debts	110,093	232,739
TOTAL AMOUNT OF DEBTS GUARANTEED	409,558	438,301

30) Change in working capital

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

EUR ('000)	31/12/2022	31/12/2021
Inventories, including the acquisition and sales of subsidiaries holding a dedicated project	-183,641	-15,012
Amounts receivable within one year	96,330	-63,254
Deferred charges and accrued income	-19,977	-17,327
Trade debts	44,353	15,527
Amounts payable regarding taxes and social security	3,591	-3,324
Accrued charges and deferred income	-9,254	22,465
Other payable with business partners	-4,585	546
CHANGE IN WORKING CAPITAL	**-73,183**	**-60,379**

Changes in drivers for working capital are addressed in the respective notes earlier in this report.

The net book value of Isala, having been transferred from investment properties to inventories for an amount of EUR 103 462 thousand, is not included in the change in working capital.

31) Commitments

At 31 December 2022, Immobel acknowledges a capital commitment for an amount of EUR 179 785 thousand for projects in Brussels and Luxembourg.

32) Information on related parties

RELATIONSHIPS WITH SHAREHOLDERS – MAIN SHAREHOLDERS

	31/12/2022	31/12/2021
A3 Capital NV & A3 Management BVBA	58.99%	58.99%
IMMOBEL (Treasury shares)	0.25%	0.26%
Number of representative capital shares	**9,997,356**	9,997,356

RELATIONSHIPS WITH SENIOR (NON) EXECUTIVES

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

At 31 December 2022 — EUR ('000)	Executive Chairman/ CEO	Executive Committee	Non Executive Committee
Basic remuneration	1,200	2,529	256
Variable remuneration STI	120	1,297	None
Variable remuneration LTI	None	1,500	None
Individual pension commitment	None	None	None
Other	None	None	None

At 31 December 2021 — EUR ('000)	Executive Chairman/ CEO	Executive Committee	Non Executive Committee
Basic remuneration	640	1,700	250
Variable remuneration STI	364	2,479	None
Variable remuneration LTI	28	109	None
Individual pension commitment	None	None	None
Other	1,000	None	None

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)	31/12/2022	31/12/2021
Invetments in joint ventures and associates - shareholder's loans	111,527	101,670
Advances to joint ventures and associates	3,450	13,163
Advances from joint ventures and associates	-29,570	-38,824
Financial lease	-1,299	
Operating income	4,474	9,282
Operating expense	-4,941	-5,162
interest income	3,679	4,247
interest expense	-1,008	-1,260

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 16 for further information on joint ventures and associates.

33) Events subsequent to reporting date

Given the challenges related to the current economic context, the company has decided to close its dedicated platform in London (Immobel Capital Partners) early 2023 and further pursue this activity from Brussels.

In France the company is limiting its exposure to small residential projects located in the outskirts of Paris and its suburban areas in order to focus on (high-margin) mixed developments located in the centre of Paris.

34) Companies owned by the Immobel Group

Companies forming part of the Group as at 31 December 2022:

SUBSIDIARIES – FULLY CONSOLIDATED

NAME	COMPANY NUME	HEAD OFF	GROUP INTEREST (%) (Economic intere
AIC IMMO OSNY	915 079 438	Paris	60
BEYAERT NV	837807014	Brussels	100
BOITEUX RESIDENTIAL NV	837797314	Brussels	100
BRUSSELS EAST REAL ESTATE SA	478 120 522	Brussels	100
BRUSSELS HOLDING BV	0783276582	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
COLONEL STONE	0749467827	Brussels	100
COMPAGNIE IMMOBILIÈRE DE WALLONIE (CIW) SA	401 541 990	Brussels	100
COMPAGNIE IMMOBILIÈRE LUXEMBOURGEOISE SA	B 29 696	Luxemburg	100
COSIMO S.A.	426 370 527	Brussels	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	Luxembourg	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
HOLLERICH DEVELOPPEMENT S.ÀR.L.L	B269856	Luxemburg	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 BIDCO LTD	140 582	Jersey	100
IMMOBEL CAPITAL PARTNERS LTD	13 833 428	London	90
IMMOBEL FRANCE GESTION SARL	809 724 974	Paris	100
IMMOBEL FRANCE TERTIAIRE SAS	833 654 221	Paris	100
IMMOBEL GERMANY 1 GMBH	HRB 110201	Köln	100
IMMOBEL GERMANY 2 GMBH	HRB 110165	Köln	100
IMMOBEL GERMANY GMBH	5050 817 557	Köln	100
IMMOBEL GERMANY SARL	B231 412	Luxemburg	100
IMMOBEL GP (SCOTLAND) LTD	SC720941	Edinburgh	90
IMMOBEL GP LLP LTD	OC440559	London	90,1

IMMOBEL GP SARL	B 247 503	Luxemburg	100
IMMOBEL GREEN OFFICE IMPACT I LP	LP022346	London	100
IMMOBEL GUTENBERG BERLIN 1 GMBH	HRB 106676	Koln	100
IMMOBEL GUTENBERG BERLIN 2 GMBH	HRB 106697	Koln	100
IMMOBEL GUTENBERG BERLIN 3 GMBH	HRB 106882	Koln	100
IMMOBEL GUTENBERG BERLIN 4 GMBH	HRB 106679	Koln	100
IMMOBEL GUTENBERG BERLIN INVESTMENT GMBH	HRB 90319	Koln	100
IMMOBEL HOLDCO SPAIN S.L.	B 881 229 62	Madrid	100
IMMOBEL HOLDING LUXEMBOURG SARL	B 138 090	Luxemburg	100
IMMOBEL LUX SA	B 130 313	Luxemburg	100
IMMOBEL PM SPAIN S.L.	B 882 567 06	Madrid	100
IMMOBEL POLAND SP. Z.O.O.	0000 37 22 17	Warsaw	100
IMMOBEL PROJECT MANAGEMENT SA	475 729 174	Brussels	100
IMMOBEL R.E.M. FUND SARL	B 228 335	Luxemburg	100
IMMOBEL REAL ESTATE FUND SC	B 228 393	Luxemburg	100
IMMOBEL URBAN LIVING	695 672 419	Brussels	100
IMMO-PUYHOEK SA	847 201 958	Brussels	100
IMZ NV	444 236 838	Brussels	100
INDUSTRIE 52 BV	759 472 584	Brussels	76,05
INFINITO HOLDING S.R.L.	765 474 411	Brussels	76,05
INFINITO S.A.	403 062 219	Brussels	76,05
INFINITY LIVING SA	B 211 415	Luxemburg	100
LAKE FRONT SA	562 818 447	Brussels	100
LEBEAU DEVELOPMENT	711 809 556	Brussels	100
LEBEAU SABLON SA	551 947 123	Brussels	100
LES JARDINS DU NORD SA	444 857 737	Brussels	96,2
LOTINVEST DEVELOPMENT SA	417 100 196	Brussels	100
MICHAEL OSTLUND PROPERTY SA	436 089 927	Brussels	100
MILAWEY INVESTMENTS SP. ZO.O.	0000 63 51 51	Warsaw	100
MÖBIUS CONSTRUCT SA	681 630 183	Brussels	100
MONTAGNE RESIDENTIAL SA	837 806 420	Brussels	100
NENNIG DEVELOPPEMENT SARL	B 250.824	Luxemburg	100
NORTH LIVING BV	786 740 670	Brussels	100
NORTH OFFICES BV	786 726 616	Brussels	100
NORTH PUBLIC BV	786 727 705	Brussels	100
NORTH RETAIL BV	786 740 472	Brussels	100
NORTH STUDENT HOUSING BV	786 726 814	Brussels	100
NP SHOWROOM SNC	837 908 086	Paris	100
OFFICE FUND CARRY SRL	759 610 562	Brussels	100
OFFICE FUND GP SRL	759 610 463	Brussels	100
OKRAGLAK DEVELOPMENT SP. Z.O.O.	0000 26 74 81	Warsaw	100
POLVERMILLEN SARL	B 207 813	Luxemburg	100
PORCELYNEGOED NV	429 538 269	Brussels	100
PRINCE ROYAL CONSTRUCT SA	633 872 927	Brussels	100
QUOMAGO SA	425 480 206	Brussels	100
SAS PARIS LANNELONGUE	851 891 721	Paris	100
SAS RUEIL COLMAR	852 152 412	Paris	100
SAS SAINT ANTOINE COUR BERARD	851 891 721	Paris	100
SCCV BUTTES CHAUMONT	882 258 510	Paris	100

SCCV IMMO AVON 1	911 119 386	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	100
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 ILM 2	913 859 013	Paris	100
SNC IMMO MDB	882328339	Paris	100
SQUARE DES HÉROS S.A.	843 656 906	Brussels	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)
IMMOBEL CARRY LP (UK)	SL035501	London	90
IMMOBEL FRANCE SAS	800 676 850	Paris	100
SCCV NP AUBER RE	813 595 956	Paris	100
SCCV NP AUBER VICTOR HUGO	833 883 762	Paris	100
SCCV NP BESSANCOURT 1	808 351 969	Paris	100
SCCV NP BESSANCOURT 2	843 586 397	Paris	100
SCCV NP EPINAY SUR ORGE 1	838 577 419	Paris	100
SCCV NP VAIRES SUR MARNE 1	813 440 864	Paris	100
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
M1 SA	B 197 932	Strassen	33,33
M7 SA	B 197 934	Strassen	33,33
MÖBIUS II SA	662 474 069	Brussels	50
MUNROE K LUXEMBOURG SA	B117323	Luxembourg	50
ODD CONSTRUCT SA	682 966 706	Knokke-Heist	50
OXY LIVING SA	786 923 287	Brussels	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 HOUILLES JJ ROUSSEAU	913 859 013	Paris	50
SCCV NP AUBERVILLIERS 1	824 416 002	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 PA VILLA COLOMBA	838 112 449	Paris	51
SCHOETTERMARIAL SARL	B 245 380	Luxemburg	50
SURF CLUB HOSPITALITY GROUP SL	B 935 517 86	Madrid	50
SURF CLUB MARBELLA BEACH SL	B 875 448 21	Madrid	50
UNIPARK SA	686 566 889	Brussels	50
UNIVERSALIS PARK 2 SA	665 921 529	Brussels	50
UNIVERSALIS PARK 3 SA	665 921 133	Brussels	50
UNIVERSALIS PARK 3AB SA	665 922 420	Brussels	50
UNIVERSALIS PARK 3C SA	665 921 430	Brussels	50
URBAN LIVING BELGIUM HOLDING NV	831 672 258	Antwerp	60
URBAN LIVING BELGIUM NV	831 672 258	Antwerp	30

ASSOCIATES – ACCOUNTED FOR UNDER THE EQUITY METHOD

NAME	COMPANY NUMBER	HEAD OFFICE	GROUP INTEREST (%) (Economic interest)
ARLON 75 BV	780 650 258	Brussels	20,13
BEIESTACK S.A.	B 183 641	Luxemburg	20,13
BELUX OFFICE DEVELOPMENT FEEDER CV	759 908 985	Brussels	26,93
DHR CLOS DU CHÂTEAU SA	895 524 784	Brussels	33,33
IMMOBEL BELUX OFFICE DEVELOPMENT FUND SCSP	B249896	Luxembourg	20
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

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 31 December 2022 gives a fair overview of the development, the results and of the position of the Immobel Group as well as the subsidiaries included in the consolidation, as well as a description of the principal risks and uncertainties faced by the Immobel Group.

On behalf of the Board of Directors:

Marnix Galle[2]
Chairman of the Board of Directors

[2] Vaste vertegenwoordiger van de vennootschap A³ Management bvba

H. Auditor’s report

Statutory auditor’s report to the general meeting of Immobel NV on the consolidated financial statements as of and for the year ended December 31, 2022

FREE TRANSLATION OF UNQUALIFIED STATUTORY AUDITOR’S REPORT ORIGINALLY PREPARED IN DUTCH

In the context of the statutory audit of the consolidated financial statements of Immobel NV (“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 December 31, 2022, 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 April 15, 2021, in accordance with the proposal of the supervisory board 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 December 31, 2023. We have performed the statutory audit of the consolidated financial statements of the Group for two consecutive financial years.

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 December 31, 2022, prepared in accordance with IFRS Standards as issued by the International Accounting Standards Board and 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 December 31, 2022, the consolidated statements of profit and 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 1.748.027 KEUR and the consolidated statement of profit and loss shows a profit for the year of 10.373 KEUR.

In our opinion, the consolidated financial statements give a true and fair view of the Group’s equity and financial position as at December 31, 2022 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Standards as issued by the International Accounting Standards Board and 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.5.13) ‘Operating income’ and E.5.17) ‘Main judgements and main sources of uncertainties related to estimations’ and notes F.1) ‘Operating segment – financial information by geographical segment’ and F.2) ‘Revenue’ of the consolidated financial statements.

Description

As disclosed in note F.1), revenue (‘project development revenue’) amounts to 377.377 KEUR in 2022, of which 150.149 KEUR attributable to joint ventures and associates accounted for under the equity method (revenue which is not included in the consolidated statement of profit and 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 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. 5.9) ‘Inventories’ and E.5.17) ‘Main judgements and main sources of uncertainties related to estimations’ and notes F.1) ‘Operating segment – financial information by geographical segment’, F.18) ‘Inventories’ and F.16) ‘Investments in joint ventures and associates’ of the consolidated financial statements.

Description

As disclosed in note F.1), inventories (‘project development inventories’) amount to 1.360.703 KEUR as at 31 December 2022, of which 374.977 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.

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 IFRS Standards as issued by the International Accounting Standards Board and 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
- Key figures 2022
- Shareholder information
- Activity report

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, March 17, 2023

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 thousand EUR)

ASSETS	31/12/2022	31/12/2021
FIXED ASSETS	824,784	462,911
Start-Up costs	136	194
Intangible fixed assets	1,152	164
Tangible fixed assets	3,736	2,403
Financial fixed assets	819,760	460,150
CURRENT ASSETS	256,995	582,548
Amounts receivable after one year		
Stocks and contracts in progress	42,285	43,851
Amounts receivable within one year	35,690	368,590
Treasury shares	1,137	1,205
Cash equivalents	175,411	162,940
Deferred charges and accrued income	2,472	5,962
TOTAL ASSETS	1,081,779	1,045,459

LIABILITIES	31/12/2022	31/12/2021
SHAREHOLDERS' EQUITY	331,941	317,010
Capital	97,357	97,357
Reserves	107,076	107,076
Accumulated profits	127,508	112,577
PROVISIONS AND DEFERRED TAXES	514	296
Provisions for liabilities and charges	514	296
DEBTS	749,324	728,152
Amounts payable after one year	479,427	374,947
Amounts payable within one year	261,034	348,740
Accrued charges and deferred income	8,863	4,465
TOTAL LIABILITIES	1,081,779	1,045,459

B. Statement of comprehensive income (in thousand EUR)

	31/12/2022	31/12/2021
Operating income	28,495	27,283
Operating charges	-33,183	-21,177
OPERATING RESULT	-4,688	6,106
Financial income	118,251	35,660
Financial charges	-67,555	-15,532
FINANCIAL RESULT	50,696	20,128
PROFIT OF THE FINANCIAL YEAR BEFORE TAXES	46,008	26,234
Taxes	-664	-375
PROFIT OF THE FINANCIAL YEAR	45,344	25,859
PROFIT OF THE FINANCIAL YEAR TO BE APPROPRIATED	45,344	25,859

C. Appropriation account (in thousand EUR)

	31/12/2022	31/12/2021
PROFIT TO BE APPROPRIATED	157,922	143,917
Profit for the financial year available for appropriation	45,344	25,859
Profit carried forward	112,577	118,058
APPROPRIATION TO EQUITY		
To other reserves		
RESULT TO BE CARRIED FORWARD	127,508	112,577
Profit to be carried forward	127,508	112,577
PROFIT AVAILABLE FOR DISTRIBUTION	30,414	31,340
Dividends	30,414	30,409
Other beneficiaries		931

D. Summary of accounting policies

Property, plant and equipment 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.