FINANCIAL STATEMENTS[1]

1 The annual financial reports, the reports of the supervisory board and the reports of the statutory auditor for the financial years 2022, 2021 and 2020, and the interim declarations and half-yearly financial reports (including reports of the statutory auditor) can all be consulted on the website of the company (www.intervest.eu). They are also available from the registered office on request.

1 Consolidated income statement

in thousands €	Note	2022	2021
Rental income	4	71.474	65.056
Rental-related expenses	4	-19	-148
NET RENTAL INCOME		71.455	64.908
Recovery of property charges	4	1.249	696
Recovery of rental charges and taxes normally payable by tenants on leased properties	4	22.290	13.528
Costs payable by tenants and borne by the landlord for rental damage and refurbishment		-1.629	-361
Rental charges and taxes normally payable by tenants on leased properties	4	-22.290	-13.528
Other rental-related income and expenses	4	939	716
PROPERTY RESULT		72.014	65.959
Technical costs	5	-931	-1.144
Commercial costs	5	-432	-547
Charges and taxes on unlet properties	5	-1.086	-893
Property management costs	5	-4.926	-4.792
Other property charges	5	-1.191	-1.007
Property charges		**-8.566**	**-8.383**
OPERATING PROPERTY RESULT		63.448	57.576
General costs	6	-4.387	-3.836
Other operating income and costs	8	-475	-310
OPERATING RESULT BEFORE RESULT ON PORTFOLIO		58.586	53.430
Result on disposal of investment properties	9	478	198
Changes in fair value of investment properties	10	-26.106	66.020
Other result on portfolio	11	3.920	-11.205
OPERATING RESULT		36.878	108.443
Financial income		69	59
Net interest charges	12	-10.655	-7.094
Other financial charges		-291	-50
Changes in fair value of financial assets and liabilities	19	32.257	4.217
Financial result		**21.380**	**-2.868**
RESULT BEFORE TAXES		58.258	105.575
Taxes	13	-978	-834
NET RESULT		57.280	104.741

in thousands €	Note	2022	2021
NET RESULT		**57.280**	**104.741**
Attributable to:			
Shareholders Group		51.714	98.100
Third parties		5.566	6.641
NET RESULT - Group Share		**51.714**	**98.100**
To be excluded:			
- Result on disposals of investment properties		478	198
- Changes in fair value of investment properties		-26.106	66.020
- Other result on portfolio		3.920	-11.205
- Changes in fair value of financial assets and liabilities		32.257	4.217
- Minority interests with respect to the above		-4.302	-6.306
EPRA EARNINGS		**45.467**	**45.176**

RESULT PER SHARE - GROUP	Financial report	2022	2021
Number of shares at year-end	8.6	29.235.067	26.300.908
Number of shares entitled to dividend at year-end	8.6	29.235.067	26.300.908
Weighted average number of shares	8.6	26.664.878	25.983.006
Net result (€)		1,94	3,78
Diluted net result (€)		1,94	3,78
EPRA earnings (€)		1,71	1,74

2 Consolidated statement of comprehensive income

in thousands €	2022	2021
NET RESULT	**57.280**	**104.741**
Other components of comprehensive income (recyclable through income statement)	**5.486**	**970**
Revaluation of other tangible assets	5.486	970
COMPREHENSIVE INCOME	**62.766**	**105.711**
Attributable to:		
Shareholders of the parent company	55.448	98.884
Minority interests	7.318	6.827

3 Consolidated balance sheet[1]

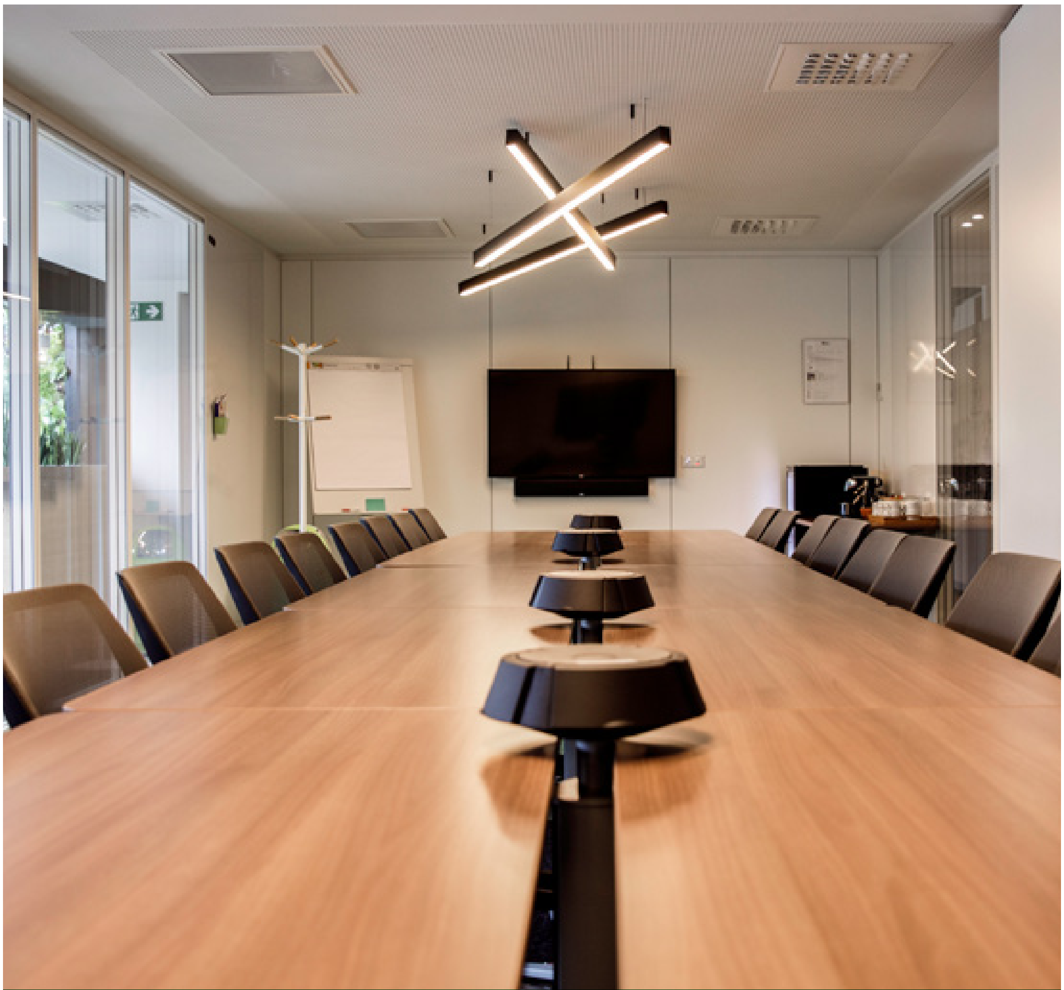
ASSETS in thousands €	Note	31.12.2022	31.12.2021
NON-CURRENT ASSETS		1.381.476	1.219.621
Non-current intangible assets		284	254
Investment properties	14	1.333.418	1.208.944
Other non-current tangible assets	14	15.124	5.888
Non-current financial assets	19	32.608	4.455
Trade receivables and other non-current assets		41	80
CURRENT ASSETS		47.304	17.336*
Assets held for sale	15	27.277	0
Current financial assets		0	97
Trade receivables	15	2.126	2.386*
Tax receivables and other current assets	15	4.937	4.940
Cash and cash equivalents		3.053	3.537
Deferred charges and accrued income	15	9.911	6.376
TOTAL ASSETS		1.428.780	1.236.957*

SHAREHOLDERS' EQUITY AND LIABILITIES in thousands €	Note	31.12.2022	31.12.2021
SHAREHOLDERS' EQUITY		721.410	636.535
Shareholders' equity attributable to shareholders of the parent company		**693.351**	**622.512**
Share capital	16	264.026	237.930
Share premiums	16	219.354	189.818
Reserves	16	158.257	96.664
Net result for the financial year		51.714	98.100
Minority interests	24	**28.059**	**14.023**
LIABILITIES		707.370	600.422*
Non-current liabilities		**564.849**	**468.409**
Non-current financial debts	18	525.116	429.058
Credit institutions		*422.734*	*421.058*
Other		*102.382*	*8.000*
Other non-current financial liabilities	19	15.162	11.423
Trade debts and other non-current debts		2.810	1.503
Deferred tax - liabilities	20	21.761	26.425
Current liabilities		**142.521**	**132.013***
Current financial debts	18	102.646	100.650
Credit institutions		*64.646*	*650*
Commercial paper		*38.000*	*100.000*
Other		*0*	*0*
Other current financial liabilities	19	35	1
Trade debts and other current debts	17	25.680	24.312
Other current liabilities	17	3.811	1.890
Deferred charges and accrued income	17	10.349	5.160*
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		1.428.780	1.236.957*

1 As of 2022, the pre-invoiced outstanding trade receivables on the asset side are offset by the revenue carried forward on the liability side. To increase comparability, the 2021 comparative figures were adjusted in the same way. Adjusted amounts are marked with *.

DEBT RATIO in %	Note	31.12.2022	31.12.2021
Debt ratio (max. 65%)	22	48,0%	45,0%

NET VALUE PER SHARE in €	31.12.2022	31.12.2021
Net value	23,72	23,67
EPRA NTA	23,50	24,83



Berchem 〉 Greenhouse Antwerp - meeting room

4 Statement of changes in consolidated equity

in thousands €
INITIAL STATE 1 JANUARY PREVIOUS FINANCIAL YEAR
Comprehensive income previous financial year
Transfers pursuant to result distribution of financial year 2 years ago:
▪ Transfer to the reserves for the balance of changes in investment value of real estate properties
▪ Transfer of changes in fair value of financial assets and liabilities to the reserve for the balance of changes in fair value of authorised hedging instruments not subject to hedge accounting
▪ Addition to results carried forward from previous financial years
▪ Allocation to other reserves
Issue of shares for optional dividend financial year 2 years ago
Dividends for financial year of 2 years ago
BALANCE SHEET AS AT 31 DECEMBER OF PREVIOUS FINANCIAL YEAR
Comprehensive income for financial year
Transfers pursuant to result distribution of previous financial year:
▪ Transfer to the reserves for the balance of changes in investment value of real estate properties
▪ Transfer of changes in fair value of financial assets and liabilities to the reserve for the balance of changes in fair value of authorised hedging instruments not subject to hedge accounting
▪ Addition to results carried forward from previous financial years
▪ Allocation to other reserves
Dividends for previous financial year
Issue of shares for optional dividend for previous financial year
Capital increase perimeter company Genk Green Logistics
Issue of shares for accelerated private placement
BALANCE SHEET AS AT 31 DECEMBER OF CURRENT FINANCIAL YEAR

	Share capital						
	Paid-up Capital	Capital increase costs	Share premiums	Total reserves	Net result for the financial year - Shareholders Group	Minority interests	TOTAL SHARE-HOLDERS' EQUITY
	232.373	**-1.735**	**181.682**	**91.467**	**43.431**	**7.196**	**554.414**
				784	98.100	6.827	105.711
				3.794	-3.794		0
				-2.311	2.311		0
				1.260	-1.260		0
				1.670	-1.670		0
	7.292		8.136				15.428
					-39.017		-39.017
	239.665	**-1.735**	**189.818**	**96.664**	**98.100**	**14.023**	**636.535**
				3.734	51.714	7.318	62.766
				48.510	-48.510		0
				4.217	-4.217		0
				198	-198		0
				4.935	-4.935		0
					-40.240	-277	-40.517
	2.519		4.585				7.104
		-5				6.995	6.990
	24.218	-636	24.950				48.532
	266.402	**-2.376**	**219.354**	**158.257**	**51.714**	**28.059**	**721.410**

Breakdown of the reserves

in thousands €
OPENING POSITION 1 JANUARY PREVIOUS FINANCIAL YEAR
Comprehensive income previous financial year
Transfers through result distribution two years ago:
▪ Transfer to the reserves for the balance of changes in investment value of real estate properties
▪ Transfer of changes in fair value of financial assets and liabilities to the reserve for the balance of changes in fair value of authorised hedging instruments not subject to hedge accounting
▪ Addition to results carried forward from previous financial years
▪ Allocation to other reserves
BALANCE SHEET AS AT 31 DECEMBER OF PREVIOUS FINANCIAL YEAR
Comprehensive income for financial year
Transfers pursuant to result distribution of previous financial year:
▪ Transfer to the reserves for the balance of changes in investment value of real estate properties
▪ Transfer of changes in fair value of financial assets and liabilities to the reserve for the balance of changes in fair value of authorised hedging instruments not subject to hedge accounting
▪ Addition to results carried forward from previous financial years
▪ Allocation to other reserves
BALANCE SHEET AS AT 31 DECEMBER OF FINANCIAL YEAR

	Legal reserves	Reserve for the balance of changes in fair value of real estate properties	Reserve for the balance of changes in fair value of authorised hedging instruments not subject to hedge accounting	Other reserves	Results carried forward from previous financial years	TOTAL RESERVES
	90	**46.871**	**-6.522**	**17.865**	**33.163**	**91.467**
				784		784
		3.794				3.794
			-2.311			-2.311
					1.260	1.260
				1.670		1.670
	90	**50.665**	**-8.833**	**20.319**	**34.423**	**96.664**
				3.734		3.734
		48.510				48.510
			4.217			4.217
					4.935	4.935
				198		198
	90	**99.176**	**-4.616**	**24.250**	**39.357**	**158.257**

5 Consolidated cash flow statement

in thousands €	Note	2022	2021
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR		3.537	2.682
1. Cash flow from operating activities		36.728	46.755
Operating result		36.878	108.443
Interests paid		-9.617	-7.923
Other non-operating elements		-1.200	-825
Adjustment of result for non-cash flow transactions		22.676	-52.549
▪ Depreciations on intangible and other tangible non-current assets		806	803
▪ Result on disposal of investment properties	9	-478	-198
▪ Changes in fair value of investment properties	10	26.106	-66.020
▪ Spread of rental discounts and rental benefits granted to tenants	11	-473	1.550
▪ Other result on portfolio	11	-3.285	11.316
Change in working capital		-12.009	-391
Movement of assets		-2.557	1.579
Movement of liabilities		-9.453	-1.970
2. Cash flow from investment activities		-155.471	-115.536
Investments and expansions in existing investment properties	14	-2.924	-7.286
Acquisition of investment properties	14	-34.849	-48.969
Acquisition of shares of real estate companies	14	-23.974	-14.237
Investments in project developments	14	-94.324	-41.709
Paid exit tax for merger of real estate companies		-3.373	-1.860
Proceeds from the sale of investment properties		8.561	0
Purchase of solar panels and EV installations		-4.110	-990
Acquisitions of intangible and other tangible non-current assets		-478	-485
3. Cash flow from financing activities		118.259	69.636
Repayment of loans		-90.038	-38.181
Drawdown of loans		191.872	131.169
Capital increase		48.531	0
Receipts from non-current liabilities as guarantee		1.306	237
Dividend paid		-33.412	-23.589
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR		3.053	3.537

Intervest has generated a cash flow of € 37 million from operating activities in 2022 compared to € 47 million in 2021.

The cash flow from investment activities amounts to € -155 million and includes mainly acquisitions and investments and expansions in the existing real estate portfolio and project developments.

The amount included in 2022 under the acquisition of shares of real estate companies of € 24 million relates to the acquisition of the shares of Zeebrugge Green Logistics (previously Lingang Overseas Zeebrugge Modern Industrial Park Development Company) in April 2022 (see also Note 14). Following the transformation of this company into GVBF (specialized real estate investment fund), an upfront exit tax was paid. The effective exit tax for Greenhouse Singel NV was also paid in 2022.

The cash flow from the group's financing activities amounts to € 118 million and consists in 2022 of an increase in the recognition of credits of € 102 million, the capital increase of € 49 million and the payment of dividends of € 33 million.

Index: 6 Notes

6 Notes on the consolidated annual accounts

Note 1. Scheme for annual accounts for regulated real estate companies

As a listed regulated real estate company under Belgian law, Intervest Offices & Warehouses nv has prepared its consolidated annual accounts in accordance with the "International Financial Reporting Standards" (IFRS) as accepted by the European Union. In the Royal Decree of 13 July 2014 on regulated real estate companies a scheme for both statutory annual accounts and consolidated annual accounts of the RREC is published in Annex C.

The scheme principally means that the result on the portfolio is presented separately in the income statement. This result on the portfolio includes all movements in the real estate portfolio and mainly consists of:

- realised profits or losses on the disposal of investment properties
- changes in fair value of investment properties as a result of the valuation by property experts, i.e. non-realised increases and/or decreases in value.

The result on portfolio will not be distributed to the shareholders, but transferred to, or from, the reserves.

Note 2. Principles for the financial reporting

Statement of conformity

Intervest is a public regulated real estate company having its registered office in Belgium. The consolidated annual accounts of the company as at 31 December 2022 include the company and its perimeter companies (the "Group"). The Intervest annual accounts have been prepared and released for publication by the supervisory board on 20 March 2023 and will be submitted for approval to the general meeting of shareholders on 26 April 2023.

The consolidated annual accounts have been prepared in compliance with the "International Financial Reporting Standards" (IFRS) as approved by the European Union and according to the Royal Decree of 13 July 2014. These standards comprise all new and revised standards and interpretations published by the International Accounting Standards Board ("IASB") and the International Financial Reporting Interpretations Committee ("IFRIC"), to the extent to which they are applicable to the Group's activities and effectively start for financial years as from 1 January 2022.

New or amended standards and interpretations effective for the financial year beginning on 1 January 2022

- Amendments to IFRS 16 - Leases: extending the exemption to assess whether a COVID-19-related lease concession is a lease adjustment (applicable for financial years as from 1 April 2021)
- Annual improvements to IFRS 2018-2020 cycle (applicable for financial years as from 1 January 2022)
- Amendments to IFRS 3 - Business combinations: references to the conceptual framework (applicable for annual periods beginning as at 1 January 2022)
- IAS 16 - Property, plant and equipment: Adjustments that prohibit a company from reducing the proceeds from the sale of items produced while the company is preparing the asset for its intended use from the cost of property, plant and equipment (applicable for financial years as from 1 January 2022)
- IAS 37 - Commissions, Contingent Liabilities and Contingent Assets: amendments relating to the costs to be taken into account when assessing whether a contract is onerous (applicable for financial years as from 1 January 2022)
- Adjustments to IFRS 17 - Insurance contracts relating to the first application of IFRS 17 or IFRS 9.

These new or amended standards have no significant impact on Intervest's results.

New or amended standards and interpretations, not yet applicable in 2022

Intervest has not yet applied the following new standards, amendments to standards or interpretations that are not yet in force in the current financial year but that may be applied sooner. Insofar as these new standards, amendments and interpretations are relevant to Intervest, an indication is given below of how their application can affect the consolidated annual accounts of 2022 and beyond. The standards summarised below have not yet been adopted within the EU.

- Amendments of IFRS 4 - Insurance contracts: expiration date of the deferred approach (the deadline for temporary exemption for adoption of IFRS 9 is now 1 January 2023)
- Amendments of IFRS 16 - Lease agreements: to clarify how a seller - tenant subsequently values sale and leaseback transactions (applicable for fiscal years as from 1 January 2024)
- FRS 17 - Insurance contracts: amendments to address concerns and implementation issues after IFRS 17 was published and adjustments relating to the initial application of IFRS 17 and IFRS 9 (applicable for financial years as from 1 January 2023)
- Amendments to IAS 1 - Presentation of the annual accounts and IFRS Practice Statement 2: classification of liabilities as current or non-current and

classification of debts with covenants (applicable for financial years as from 1 January 2024) and changes in the Notes on principles for financial reporting (applicable for financial years as from 1 January 2023)

- Amendments to IAS 8 - Principles for financial reporting, changes in estimation and errors: Definition of accounting estimates (applicable for financial years as from 1 January 2023)
- Amendments to IAS 12 – Income taxes: deferred taxes on lease agreements and divestiture obligations (applicable for financial years as from 1 January 2023)

It is expected that the above-mentioned standards and interpretations will not have a material impact on Intervest's consolidated annual accounts.

Presentation basis

The consolidated annual accounts are expressed in thousands of €, rounded off to the nearest thousand. The consolidated annual accounts are presented before profit distribution.

The accounting principles are applied consistently.

Consolidation principles

Perimeter companies

A perimeter company is an entity over which another entity has control (exclusively or jointly). Control is having power over the entity, having the rights to the changing income from involvement in the entity, and having the possibility to use power over the entity to influence the amount of income. A perimeter company's annual accounts are recognised in the consolidated annual accounts by means of the full consolidation method from the time that control arises until such time as it ceases. If necessary, the financial reporting principles of the perimeter companies are changed in order to achieve consistent principles within the Group. The reporting period of the perimeter company coincides with that of the parent company.

Eliminated transactions

All transactions between the Group companies, balances and unrealised profits and losses from transactions between Group companies will be eliminated when the consolidated annual accounts are prepared. The list of perimeter companies is included in Note 24.

Business combinations and goodwill

When the Group takes control of an integrated combination of activities and assets corresponding to the definition of business according to IFRS 3 – Business combinations, assets, liabilities and any contingent liabilities of the business acquired are recognised separately at fair value on the acquisition date. The goodwill represents the positive change between the sum of the acquisition value, the previous interest in the entity which had not been previously controlled (if applicable) and the recognised minority interest (if applicable), on the one hand, and the fair value of the acquired net assets on the other hand. If the difference is negative ("negative goodwill"), it is immediately recognised in the result after the values have been confirmed. All transaction costs are immediately charged and do not represent a part of the determination of the acquisition value.

In accordance with IFRS 3, the goodwill can be determined on a provisional basis at acquisition date and adjusted within the 12 following months.

After initial take-up, the goodwill is not amortised but subjected to an impairment test carried out at least every year for cash-generating units to which the goodwill was allocated. If the carrying amount of a cash-generating unit exceeds its value in use, the resulting impairment is recognised in the result and first allocated in reduction of the possible goodwill and then to the other assets of the unit, proportional to their carrying value. An impairment loss recognised on goodwill is not to be reversed during a subsequent year.

In the event of the disposal of or in the event that control for a partial disposal of a perimeter company is lost, the amount of goodwill that is allocated to this entity is included in the determination of the result of the disposal.

When the Group acquires an additional interest in a perimeter company, which had previously been controlled by the Group at some point, or when the Group sells a part of the interest in a perimeter company without loss of control, the goodwill, recognised at the time at which control is acquired, is not influenced. The transaction with minority interests has an influence on the Group's transferred results.

Foreign currencies

Foreign currency transactions are recognised at the exchange rate on the transaction date. Monetary assets and liabilities denominated in foreign currency are valued at the final rate in force on the balance-sheet date. Exchange rate differences deriving from foreign currency transactions and from the conversion of monetary assets and liabilities denominated in foreign currency are recognised in the income statement in the period when they occur. Non-monetary assets and liabilities denominated in foreign currencies are converted at the exchange rate valid at the transaction date.

Property result

Income is valued at the fair value of the compensation received or to which title has been obtained. Income will only be recognised if it is likely that the economic benefits will be reaped by the entity and can be determined with sufficient certainty.

Rental income, the received operational lease payments and the other income and costs are recognised in the income statement in the periods to which they refer.

Rental discounts and incentives are spread over the period running from the start of the lease agreement to the next opportunity to terminate an agreement.

The compensation paid by tenants for early termination of lease agreements is immediately taken into result for the period in which it is definitively obtained.

Property charges and general costs

The costs are valued at the fair value of the compensation that has been paid or is due and are recognised in the income statement for the periods to which they refer.

Result on disposals and changes in the fair value of investment properties

The result from the disposal of investment properties is equal to the difference between the selling price and the carrying amount (i.e. the fair value determined by the property expert at the end of the previous financial year) less the selling expenses.

The changes in fair value of investment properties are equal to the difference between the current carrying amount and the previous fair value (as estimated by the independent property expert). This type of comparison is made at least four times a year for the full investment property portfolio. Movements in fair value of the real estate properties are included in the income statement for the period in which they occur.

Financial result

The financial result consists of interest charges on loans and additional financing costs, less the income from investments.

Taxes on the result and property tax

The RREC status provides for a fiscally transparent status, as the RREC is only subject to taxes on specific components of the result such as rejected expenses and abnormal favourable advantages. No corporate income tax is paid on profits from leases and realised capital gains.

Taxes on the result for the financial year include taxes due and offsettable for the reporting period and previous reporting periods, as well as the exit tax due. The tax expense is recognised in the income statement unless it relates to items recognised directly in equity. In the latter case, the tax is also charged to equity.

The taxes originate mainly from Intervest's Dutch perimeter companies in the Netherlands and Belgium, which are subject to the regular corporate tax rate. More details on which perimeter companies are included here can be found in Note 13 - Taxes. The tax rates in force at the closing date are used to calculate tax on the fiscal profit for the year.

Withholding taxes on dividends are recognised in equity as part of the dividend until such time as payment is made.

The exit tax owed by companies that have been taken over by the real estate company is deducted from the revaluation surplus at the moment of the merger and is recognised as a liability.

Tax assets and liabilities are measured at the tax rate valid in the period to which they relate.

Deferred taxes

Deferred tax receivables and liabilities are recognised on the basis of the debt method ("liability method") for all provisional differences between the taxable basis and the carrying amount for financial reporting aims with respect to both assets and liabilities. Deferred tax receivables are only recognised if it is probable that there will be taxable profit against which the deferred tax claim can be offset. The deferred taxes reported by Intervest concern provisions for taxes on unrealised capital gains on the property investments owned by the perimeter companies in the Netherlands and Belgium and are recognised in the income statement under the heading "Other portfolio result".

Ordinary and diluted net result per share

The ordinary net result per share is calculated by dividing the net result as shown in the income statement by the weighted average of the number of outstanding ordinary shares (i.e. the total number of issued shares less own shares) during the financial year.

To calculate the diluted net result per share, the net result that is due to the ordinary shareholders and the weighted average of the number of outstanding shares is adapted for the effect of potential ordinary shares that may be diluted.

Investment properties (including mutation rights)

Definition

Investment properties comprise all buildings and lands that are leasable and generate rental income (wholly or in part), including the buildings where a limited part is kept for own use and held by right of use of real estate.

Project developments (as referred to in the definition of project developments) and sites held with the aim of starting project developments with a view to subsequently leasing them and increasing their value over time, but for which no concrete building plans or project developments have yet been started (land reserve), are also considered as investment property.

Initial take-up and valuation

Initial take-up in the balance sheet of an acquisition of development takes place at the acquisition value including transaction costs such as professional fees, legal services, registration charges and other property transfer taxes. The exit tax due from companies absorbed by the company is also included in the acquisition value.

Commission fees paid for acquisitions of buildings must be considered as additional costs for these acquisitions and added to the acquisition value.

If the acquisition takes place through the acquisition of shares of a real estate company, through the non-monetary contribution of a building against the issue of new shares or by merger through takeover of a real estate company, the deed costs, audit and consultancy costs, reinvestment fees and release costs of the financing of the absorbed companies and other costs of the merger are also capitalised.

The financing costs directly attributable to the acquisition or development of an investment property are capitalised at the same time. When specific funds have been borrowed for a given asset, the effective cost of financing that loan is capitalised during the period, less any investment income from the temporary investment of that loan.

Valuation after initial take-up

After initial take-up, investment properties available for lease are valued at fair value in accordance with IAS 40. The fair value is equal to the amount at which a building could be exchanged between well-informed parties, in agreement and acting in conditions of normal competition. From the seller's point of view, this must be understood as subject to deduction of registration fees. The fair value is thus obtained by deducting an appropriate portion of the registration fees from the investment value:

- The investment value is the price at which the site will probably be traded between buyers and sellers who are well informed in the absence of information asymmetries and who wish to perform such a transaction, without taking into account any special agreement between them. This value is the investment value when it matches the total price to be paid by the buyer, plus any registration fees or VAT if the purchase is subject to VAT.
- With regard to the amount of the registration fees, as at 8 February 2006, the Belgian Asset Managers Association (BEAMA) published a press release (see **www.beama.be** – publicaties – persberichten: "Eerste toepassing van de IFRS boekhoudregels" – "First application of IFRS accounting rules").
  A group of independent property experts, who carry out the periodic valuation of the buildings of RRECs, judged that for transactions relating to buildings in Belgium with a global value of less than € 2,5 million, registration fees of between 12,0% and 12,5% must be taken into account, depending on the region in which these properties are located. For transactions relating to buildings with an overall value of more than € 2,5 million and given the range of methods of transfer of ownership used in Belgium, these same experts - based on a representative sample of 220 transactions realised in the market between 2002 and 2005 and representing a total of € 6,0 billion - valued the weighted average of the fees at 2,5%.
  At that time it was also decided that this percentage would be reviewed per 0,5% increment. During the course of 2016, a panel of property experts[1] and the BE-REIT association[2] jointly decided to update this calculation in accordance with the methodology that was applied in 2006. The de facto global effect of

1 Consisting of Pieter Paepen (CBRE), Pierre van der Vaeren (CBRE), Christophe Ackermans (Cushman & Wakefield), Kris Peetermans (Cushman & Wakefield), Rod Scrivener (Jones Lang LaSalle), Jean-Paul Ducarme (PWC), Celine Janssens (Stadim), Philippe Janssens (Stadim), Luk van Meenen (Troostwijk-Roux Expertises) and Guibert de Crombrugghe (de Crombrugghe & Partners).

2 The BE-REIT Association is an association consolidating the 17 Belgian RRECs and was founded to further the interests of the RREC sector.

transactions executed by institutional parties and companies was calculated. The analysis comprises 305 larger or institutional transactions for more than € 2,5 million covering the period 2013, 2014, 2015 and Q1 2016. The volume of the analysed transactions comprises more than 70% (€ 8,2 billion) of the estimated total investment volume during that period. The panel of property experts decided that the threshold of 0,5% had not been exceeded. Consequently, the percentage of 2,5% will be maintained. The percentage will be reviewed every five years or, whenever there is a significant change in the tax context. The percentage will only be adjusted if the threshold of 0,5% is exceeded.

Specifically, this means that the fair value of the investment properties available for lease and located in Belgium is equal to the investment value divided by 1,025 (for buildings with a value of more than € 2,5 million) or the investment value divided by 1,12/1,125 (for buildings with a value of less than € 2,5 million).

The transfer rights for logistics real estate in the Netherlands amount to 8,0% as at 31 December 2021. As of 1 January 2023, the transfer tax rate for the acquisition of non-residential real estate rose from 8% to 10,4%. The 10,4% rate applies both to the acquisition of immovable assets, other than housing, and to taxed acquisitions of shares in real estate companies (real estate legal entities).
The external property expert does not yet include this increase in the valuation report as at 31 December 2022. The Group has opted to include this tax increase in the figures for 31 December 2022. Intervest takes into account an additional 1% for the other costs (such as notary fees). For the investment properties available for lease which are located in the Netherlands and held via the Dutch perimeter companies, this means that as from the 2022 financial year, the fair value of the investment properties is equal to the investment value divided by 1,114.

Project developments

Real estate that is built or developed for future use as an investment property is also included under the “Investment properties” heading. After initial take-up at acquisition value, the projects are valued at fair value.

In this context, all the following criteria must be met: there is a clear picture of the project costs to be incurred, all the necessary permits to execute the project development have been obtained and a substantial part of the project development has been pre-let (definitively signed rental contract). As long as these conditions are not met and therefore the fair value of the project development cannot be estimated reliably or the cost still approximates the fair value, the project development is held at investment cost at reporting date in accordance with IAS 40 §53 and §53A. As soon as the fair value of the development can be estimated reliably, the development is recognised at fair value.

The fair value takes into account the substantial development risks. This fair value valuation is based on the valuation by the independent property expert (according to the commonly used methods and assumptions) and takes into account the costs still to be incurred to fully finalise the project.

All charges associated with real estate development or construction are included in the cost price of the development project. In accordance with IAS 23, the financing costs directly attributable to the construction or acquisition of an investment property are simultaneously capitalised over the period before the investment property for rental is made ready for use.

The activities necessary to prepare the asset for its intended use include more than the physical construction of the asset. They also include the technical and administrative work before construction actually starts, such as activities related to obtaining permits to the extent that the state of the asset changes.

The capitalisation of financing costs is suspended during long periods of interruption of active development. Capitalization is not suspended during a period of extensive technical and administrative work. Neither is the capitalization suspended if a temporary delay is an essential part of the process to prepare an asset for its intended use or sale.

Holding of property and valuation process

Investment properties available for lease are valued by the independent property experts at investment value. For this, the investment properties are valued each quarter on the basis of the present value of market rents and/or effective rental income, where appropriate after deduction of associated costs in accordance with the International Valuation Standards 2001 published by the International Valuation Standards Committee. Valuations are produced by updating the annual net rent received from the tenants, less the associated costs. The updating takes place on the basis of the yield factor, which depends on the inherent risk of the relevant property.

Profits or losses arising from the variation in the fair value of an investment property are taken up in the income statement in section XVIII. "Changes in fair value of investment properties" in the period in which they arise and when profits are distributed in the following year are allocated to the reserve "b. Reserve for the balance of changes in fair value of real estate properties".

Disposal of an investment property

Upon disposal of an investment property the realised profits or losses on the disposal are recorded in the income statement of the reporting period under the item "Result on disposals of investment properties". The mutation rights are charged against the income statement after disposal. The commission fees paid to real estate agents for the sale of buildings and obligations made as a result of transactions are deducted from the obtained sales price in order to determine the realised profit or loss.

Upon profit appropriation, these realised profits or losses on the sale of investment properties as compared to the original purchase value of such investment properties are transferred to the heading "m. Other reserves". In this way, the realised profits or losses on the sale of investment properties are regarded as available reserves.

Assets held for sale

Assets held for sale refer to real estate properties whose carrying amount will be realised through divestment and not through continued use. The buildings held for sale are valued in accordance with IAS 40 at fair value.

Other non-current tangible assets

Definition

The non-current assets under the entity's control that do not meet the definition of investment property are classified as "Other non-current tangible assets".

Solar panels and charging points under IAS 16

The solar panels and charging points are valued based on the revaluation model in accordance with IAS 16 Non-current tangible assets. After initial recognition, an asset whose fair value can be reliably determined must be booked at the revalued value, i.e. the fair value at the moment of the revaluation less any subsequently accumulated depreciation and subsequently accumulated impairment losses. The fair value is determined based on the discounting method for future income.

The useful life of the solar panels is estimated at 25 years without taking into account any residual value. For the charging points, the useful life is estimated at 10 years.

Capital gains generated upon the start-up of a new site are entered in a separate component of the shareholders' equity. Losses are also recognised in this component, unless they have been realised or unless the fair value falls below the original cost less accumulated depreciation. In the latter cases they are included in the results.

Valuation

Other non-current tangible assets are initially recorded at cost and thereafter valued according to the cost model.

Additional costs are only capitalised if the future economic benefits related to the non-current tangible asset increase.

Depreciation and exceptional impairment losses

Other non-current tangible assets are depreciated using the linear depreciation method. Depreciation begins at the moment the asset is ready for use as foreseen by the management.

The following percentages apply on an annual basis:

- installations, machinery and equipment 20%
- furniture and vehicles 25%
- IT equipment 33%
- real estate for own use
  - land 0%
  - buildings 5%
- other non-current tangible assets 16%

If there are indications that an asset may have suffered impairment, its carrying amount is compared to the realisable value. If the carrying amount is greater than the realisable value, an exceptional impairment loss is recognised.

Lease agreements

Lease agreements with a duration of more than 12 months whereby Intervest acts as lessee are recognised in accordance with IFRS16 on the balance sheet at the start of the lease period as a right of use and lease obligation at the present value of the future lease payments. If the leased asset is an investment property, the rights of use are then valued at fair value, in accordance with the valuation rules described for Investment properties.

The minimum lease payments are recognised partly as financing costs and partly as repayment of the outstanding liability in a way that results in a constant periodic interest rate over the remaining balance of the liability. The financial charges are charged directly to the result. Contingent lease payments are processed as expenses in the periods in which they are made. For additional information, please refer to Note 20 - Other non-current and current financial liabilities.

Disposal and decommissioning

When non-current tangible assets are sold or retired, their carrying amount ceases to be recorded on the balance sheet and the profit or loss is taken up in the income statement.

Impairment losses

The carrying amount of the assets of the company is reviewed periodically to determine whether there is an indication of impairment. Special impairment losses are recognised in the income statement if the carrying amount of the asset exceeds the realisable value.

The realisable amount is the higher of the value in use and the fair value less the selling costs. The value in use is the present value of the expected future cash flows of the continued consumption of an asset and its disposal at the end of the period of use, on the basis of a discount rate that takes into account current market assessments for the time value of money and the risks inherent in the asset. The fair value less selling costs is the amount that can be obtained from the sale of an asset in a commercial, objective transaction between well-informed parties about which there is consensus, after deduction of the disposal costs.

Financial instruments

Financial assets

All financial assets are recorded or no longer recorded in the balance sheet on the transaction date when the purchase or sale of a financial asset on the grounds of a contract in which the terms and conditions require delivery of the asset within the time frame generally prescribed or agreed in the relevant market, and are initially measured at fair value, plus transaction costs, except for financial assets at fair value with value changes in the profit or loss account, which are initially measured at fair value, except for financial assets at fair value through profit or loss, which are initially measured at fair value.

Financial assets are classified into one of the categories provided for under IFRS 9 Financial Instruments, based on both the entity's business model for managing financial assets and the properties of the contractual cash flows of the financial asset, and are recorded at initial take-up. This classification determines the valuation of financial assets at future balance sheet dates: amortised cost or fair value.

Financial assets at fair value through profit and loss

Financial assets are classified at fair value with value changes through profit and loss if held for trading. Financial assets at fair value with value changes through profit or loss are measured at fair value, according to which all resulting income or expense is recorded in the profit and loss. A financial asset is included in this category if it was mainly purchased to sell it in the short term.

Derivatives also belong to the fair value category with value changes via the profit and loss.

Financial assets at amortised cost price

Financial assets at amortised cost price are non-derivative financial instruments held within a business model designed to hold financial assets for the purpose of receiving contractual cash flows (Held to collect) and the contractual terms and conditions of the financial asset give rise to cash flows on certain dates involving only repayments and interest payments on the principal outstanding amount (Solely Payments of Principal and Interest – SPPI).

This category includes:

- Cash and cash equivalents
- Long-term receivables
- Trade receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and other short-term highly liquid investments that are readily convertible to a known amount of cash and do not entail any material risk of change in value as these are held at renowned financial institutions. Cash and cash equivalents are measured at amortised cost price.

Trade receivables

Trade receivables are initially recorded at nominal value, and are subsequently measured at amortised cost using the effective interest rate method. In application of IFRS 9, credit losses are recognised prematurely in the annual accounts. Considering the relatively restricted monetary amount of outstanding due and payable trade receivables, combined with the associated low credit risk, Intervest regards the impact on the consolidated annual accounts as limited.

Financial liabilities

Financial liabilities are classified as financial liabilities at fair value via result or as financial liabilities at amortised cost.

Financial liabilities at fair value through profit and loss

Financial liabilities are classified at fair value through profit and loss if held for trading.

Financial liabilities at fair value through profit and loss are measured at fair value, with all resulting income or expense recorded in the profit and loss.

A financial liability is included in this category if it was mainly purchased to sell it in the short term. Derivatives also belong to the category at fair value via result, unless they were designated as a hedge and are effective.

For Intervest, this specifically concerns the Interest Rate Swaps for which hedge accounting is not applied to the extent that they have a negative fair value.

Financial liabilities measured at amortised cost price

Financial liabilities measured at amortised cost price, including liabilities, are initially measured at fair value, net of transaction costs. After initial take-up, they are measured at amortised cost. The Group's financial liabilities measured at amortised cost comprise non-current financial liabilities (bank debt, leasing debt and bond loans), other long-term liabilities, current financial liabilities, trade debts and dividends payable in other current liabilities.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the enterprise after deducting all of its liabilities. Equity instruments issued by the enterprise are classified according to the economic reality of the contractual arrangements and the definitions of an equity instrument.

Equity instruments issued by the company are recorded in the proceeds received (after deduction of direct issue costs).

Own shares

When own shares are purchased, the amount paid, including attributable direct costs, is accounted for as a deduction of shareholders' equity.

Derivatives

The Group uses derivatives to hedge its exposure to unfavourable interest rate risks arising from operational, financing and investment activities. The Group does not engage in speculative transactions nor does it issue or hold derivatives for trading purposes.

Derivatives are measured at fair value in accordance with IFRS 9. The derivatives currently held by Intervest do not qualify as hedging transactions. Consequently, the changes in fair value are immediately recorded in the profit and loss.

Trade debts

Trade debts are initially valued at fair value and are subsequently valued at amortised cost using the effective interest rate method.

Post-employment benefits

Contributions to "agreed contribution" type group insurance contracts are recorded as an expense for the reporting period during which employees rendered services entitling them to contributions. According to law, the employer must guarantee a minimum payment whereby the company has the obligation to pay additional contributions if the pension fund no longer has sufficient assets to pay the pensions of all employees for the services they have rendered. This liability arising from pension commitments is determined using the intrinsic value method.

Dividend distribution

Dividends comprise part of the reserves until such time that the general meeting of shareholders approves the dividends. The dividends are therefore recorded as a liability in the annual accounts for the period in which the dividend distribution is approved by the general meeting of shareholders.

Events after the balance sheet date

Events after the balance sheet date are events, both favourable and unfavourable, that take place between the balance sheet date and the date the financial statements are authorised for issue. Events providing information of the actual situation on the balance sheet date are incorporated in the result of the income statement.

Significant estimates and main sources of estimation uncertainty

The preparation of the consolidated financial statements in accordance with IFRS requires good management to make judgements, estimates and assumptions that apply to policies and regulations and the reporting of receivables and payables, income and expenses. The estimates and associated assumptions are based on historical events and various factors considered reasonable in the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revision and accounting estimate are recognised in the period in which the estimate is revised, both in cases where the estimate affects the audited financial year and when the estimate affects the future. With the exception of the estimates relating to the determination of the fair value of investment properties, solar panels and derivatives and ESG, as at 31 December 2022, there are no significant assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date that have a significant risk of a material adjustment to the carrying amount of assets and liabilities of the next financial year.

Fair value of the investment properties

The fair value of investment properties is determined by independent real estate experts in accordance with the RREC legislation. For the sensitivity of the fair value of investment properties to changes in significantly unobservable inputs, please refer to note 14 - Non-current Assets and the "Valuation of the portfolio by real estate experts" in the Property report.

ESG

Sustainability is becoming an increasingly important factor in the Belgian real estate market. Belgium has committed to be carbon-neutral by 2050, and legislation to reduce CO_2 emissions from buildings is already in place and it is likely that further legislation and regulations will be introduced in the coming years. In addition, tenants and investors in certain sectors are placing increasing importance on the sustainability aspects of the buildings they want to occupy or buy.
As the impact of ESG factors becomes increasingly clear, the question of how it will affect Intervest's future results and KPIs arises. However, we do not expect any significant impact in the very short term, except in terms of the capex budget that Intervest is currently incalculating to further future-proof, energy-efficient and sustainable buildings.

More explanation around the management of climate-related risks and ESG in general can be found in Risk Factors and Note 14 - Non-current assets.

Other key estimates and sources of estimation uncertainty

Fair value of solar panels

There is no best practice on the valuation method for the Other tangible assets as solar panels. Their fair value is calculated using a valuation model based on future cash flows (See note 14 Non-current assets). However, we do not expect a material adjustment on the carrying value of the solar panels in the next financial year.

Fair value of financial derivatives

The fair value of the financial derivatives of Intervest is valued on a quarterly basis by the issuing financial institute. A comprehensive description can be found in "Note 19. Financial instruments" in the Financial report.

Disputes

The company is currently involved in legal proceedings, and may be again in the future. In 2022 Intervest was involved in proceedings before the Court of Appeal in Antwerp, fiscal chamber, as well as in an appeal procedure before the regional director of the large corporations control centre regarding the billing of the exit tax assessment year 1999 special. However, in its judgement dated 25 April 2017, the Antwerp Court of Appeal declared Intervest's appeal unfounded. The judgement was served as at 10 November 2017. As at 29 January 2018 Intervest filed a cassation appeal against the above-mentioned judgement of the Antwerp Court of Appeal dated 25 April 2017. The Court of Cassation ruled in favour of Intervest as at 28 November 2019 and annulled the ruling of the Court of Appeal. The dispute has now been referred to the Ghent Court of Appeal, which as at 4 August 2022 ruled in favour of Intervest. The Belgian State will not appeal in cassation. The administrative settlement of this case is largely expected during 2023. (see "Note 26. Conditional rights and obligations" of the Financial statements).

Antwerp 〉Greenhouse Collection at the Singel

Note 3. Segmented information

Segmentation by business segment

The three business segments comprise the following activities.

- The category "offices" includes the properties that are let to companies for professional purposes as office space or as flex-work places.
- The category "logistics properties Belgium" includes those premises with a logistical function, storage facilities and high-tech buildings in Belgium.
- The category "logistics properties Netherlands" includes those premises with a logistical function, storage facilities and high-tech buildings in the Netherlands.

This segmentation is chosen by Intervest given that the nature of the activities, the customers, the tax approach and so on show similar economic characteristics within these segments. Financial KPIs such as rental income, occupancy, lettable area and similar are monitored at this level and serve to guide commercial decisions.

The category "corporate" includes all fixed costs not attributable to a segment which are borne at Group level.

Intervest does not consider it opportune to use a second segmentation basis as the primary segmentation namely Offices, Logistics Belgium and Logistics Netherlands comprises the most important aspects of the company.

For the description of the risk spread according to tenants by segment, please see the Property report.

Income statement 2022

BUSINESS SEGMENTATION	Offices	Logistics Belgium	Logistics Netherlands	Corporate	**TOTAL**
in thousands €	**2022**	**2022**	**2022**	**2022**	**2022**
Rental income	25.223	27.933	18.318	0	71.474
Rental-related expenses	18	-37	0	0	-19
Net rental income	*25.241*	*27.896*	*18.318*	*0*	*71.455*
Property management costs and income	-925	1.279	205	0	559
Property result	*24.316*	*29.175*	*18.523*	*0*	*72.014*
Property charges	-5.111	-2.291	-1.164	0	-8.566
General costs and other operating income and costs	-5	-277	-77	-4.503	-4.862
Operating result before result on portfolio	**19.200**	**26.607**	**17.282**	**-4.503**	**58.586**
Result on disposals of investment properties	0	478	0	0	478
Changes in fair value of investment properties	-8.828	14.274	-31.552	0	-26.106
Other result on portfolio	247	-993	4.666	0	3.920
Operating result of the segment	**10.619**	**40.366**	**-9.604**	**-4.503**	**36.878**
Financial result	0	0	0	21.380	21.380
Taxes	0	0	-756	-222	-978
NET RESULT	**10.619**	**40.366**	**-10.360**	**16.655**	**57.280**

Income statement 2021

BUSINESS SEGMENTATION	Offices	Logistics Belgium	Logistics Netherlands	Corporate	TOTAL
in thousands €	**2021**	**2021**	**2021**	**2021**	**2021**
Rental income	26.174	22.099	16.783	0	65.056
Rental-related expenses	-132	-16	0	0	-148
Net rental income	*26.042*	*22.083*	*16.783*	*0*	*64.908*
Property management costs and income	404	546	101	0	1.051
Property result	*26.446*	*22.630*	*16.8843*	*0*	*65.959*
Property charges	-4.972	-1.928	-1.483	0	-8.383
General costs and other operating income and costs		-215	-31	-3.900	-4.146
Operating result before result on portfolio	**21.474**	**20.487**	**15.369**	**-3.900**	**53.430**
Result on disposals of investment properties	0	198	0	0	198
Changes in fair value of investment properties	-11.170	36.351	40.839	0	66.020
Other result on portfolio	677	341	-12.223	0	-11.205
Operating result of the segment	**10.981**	**57.377**	**43.985**	**-3.900**	**108.443**
Financial result	0	0	0	-2.868	-2.868
Taxes	0	0	-676	-158	-834
NET RESULT	**10.981**	**57.377**	**43.309**	**-6.926**	**104.741**

The offices portfolio

The operating result before result on portfolio decreased for offices by € 2,3 million, this due to a decrease in rental income, mainly due to tenant PwC leaving Woluwe Garden at the end of 2021 and an increase in vacancy and reinstatement costs.

The operating result of the office segment fell slightly by € 0,4 million. In 2021, there was a decrease in the fair value of the office portfolio of around € 11,2 million. This year there was also a decrease in fair value but it was limited to € 8,8 million or around 2%. For further explanation around the change in fair value, please refer to Note 10 “Changes in fair value of investment properties”.

Logistics portfolio Belgium

The operating result before result on portfolio increased by € 6,1 million at the Belgian logistics portfolio. This thanks to rental income arising from the new cash-flow-generating acquisitions and the completion of project developments in 2021 and 2022. The operating result of the Belgian logistics segment fell by € 17 million. For further explanation around the change in fair value, please refer to Note 10 “Changes in fair value of investment properties”.

Logistics portfolio Netherlands

In the Netherlands, the operating result before result on portfolio has an increase of € 1,9 million. This mainly thanks to the rental income arising from the new cash-flow generating acquisitions made in 2021 and 2022. However, the operating result of the Dutch logistics segment fell by € 53,6 million. For further explanation around the evolution in fair value, please refer to Note 10 “Changes in fair value of investment properties”.

Key Figures 2022

BUSINESS SEGMENTATION in thousands €	Offices 2022	Logistics Belgium 2022	Logistics Netherlands 2022	TOTAL 2022
Fair value of investment properties	357.691	628.450	347.277	1.333.418
Fair value of real estate available for lease	330.686	565.502	337.611	1.233.799
Investments and expansions during the financial year (fair value)	935	1.414	575	2.924
Acquisition of investment properties	0	4.627	30.222	34.849
Investments in project developments	6.666	75.426	5.749	87.841
Acquisition of shares of real estate companies	0	60.566	0	60.566
Divestment/transfer of investment properties	-27.504	-8.095	0	-35.599
Investment value of real estate properties	366.633	643.558	386.496	1.396.687
Gross rental yield on real estate available for lease (%)	6,8%	5,8%	5,7%	6,0%
Average remaining contract duration (until first break) (in years)	2,9	5,3	6,5	4,9
Average remaining contract duration (until final expiry) (in years)	4,3	6,8	8,2	6,4
Total leasable space (m²)	208.295	697.737	352.772	1.258.804
Occupancy rate (%)	76%	96%	100%	90%

Key Figures 2021

BUSINESS SEGMENTATION in thousands €	Offices 2021	Logistics Belgium 2021	Logistics Netherlands 2021	TOTAL 2021
Fair value of investment properties	386.423	480.239	342.282	1.208.944
Fair value of real estate available for lease	339.620	422.400	336.800	1.098.820
Investments and expansions during the financial year (fair value)	2.422	3.896	1.414	7.732
Acquisition of investment properties	0	32.354	16.615	48.969
Investments in project developments	13.516	39.759	515	53.790
Acquisition of shares of real estate companies	0	14.474	0	14.474
Divestment/transfer of investment properties	0	0	0	0
Investment value of real estate properties	394.913	491.668	372.594	1.259.175
Gross rental yield on real estate available for lease (%)	8,2%	6,0%	5,2%	6,4%
Average remaining contract duration (until first break) (in years)	2,6	4,4	6,6	4,3
Average remaining contract duration (until final expiry) (in years)	3,8	5,6	8,0	5,5
Total leasable space (m²)	245.538	552.520	313.420	1.111.478
Occupancy rate (%)	87%	99%	100%	94%

Note 4. Property result

Rental income

in thousands €	2022	2021
Rent	70.453	67.067
Rental discounts	-1.771	-2.435
Rental benefits (“incentives”)	-428	-374
Compensation for early termination of lease agreements	3.220	798
TOTAL RENTAL INCOME	**71.474**	**65.056**

Rental income comprises rents, income from operational lease agreements and directly associated revenues, such as rent securities granted and compensation for early terminated lease agreements minus any rental discounts and rental benefits (incentives) granted. Rental discounts and incentives are spread over the period running from the start of the lease agreement to the next opportunity to terminate a lease agreement by the tenant.

Without taking into account the flex workers, Intervest rental income is spread across 212 different tenants, which limits the debtor’s risk and improves the stability of the income. The top ten tenants represent 27% (29% in 2021) of the annual rent, are often leading companies in their sector and often belong to international concerns. In 2022, there was no tenant whose annual rent on an individual basis represented 5% of the total annual rental income of Intervest (one tenant in 2021). For more information on the most important tenants, please see the Property report - Risk spread by tenants.

For financial year 2022, the rental income of Intervest amounts to € 71,5 million (€ 65,1 million). This rise of € 6,4 million, or 10%, compared to 2021 is mainly caused by a severance payment received from tenant Enterprise Services Belgium for € 2,9 million, following the early return of part of their rented area in Mechelen Business Tower. The severance payment includes the full rent for the further term of the contract, plus the common charges for one year. In addition to this received severance payment, rental income increases by € 3,5 million compared to last year. Here, the additional rental income from acquisitions and completed project developments in the logistics segment during 2021 and 2022 combined with the rental income from newly concluded leases, the loss of rental income from the tenants who left in 2021 such as Nike Europe Holding (in Herentals), Pharma Logistics (in Huizingen) and PwC (in Woluwe) will be more than offset.

More information on segmented rental income can be found in Note 3 - Segmented information.

At the conclusion of the leases in fiscal year 2022, for 53% of the renewed contract value (30 contracts) a rent reduction was granted (42% or 20 contracts in 2021). On average, on these discounted contracts 7% rent reduction was granted spread over the term of the contract (9% in 2021). The staggered effect of the rent discounts granted in 2022 is 1% on the total contractual annual rent at the end of 2021 (1% in 2021 on the contractual annual rent at the end of 2020).

Granting a rent-free period at the start of a lease is market-based and allows Intervest to recover service costs during the period used by the tenant to move in and make the space rental-ready. It is often stipulated that the tenant must repay all or part of the rent reductions if he would terminate the lease at the next break of the agreement.

Overview of future minimum rental income

The value of the future minimum rental income until the first expiry date of the non-cancellable lease agreements is subject to the following collection terms.

in thousands €	2022	2021
Receivables with a remaining duration of:		
No more than one year	74.166	63.751
Between one and five years	185.495	152.545
More than five years	113.657	92.600
TOTAL OF FUTURE MINIMUM RENTAL INCOME	**373.318**	**308.896**

The rise in the future minimum rental income of € 64 million, or 20%, compared to 31 December 2021 is largely the result of the lease of Zeebrugge (€ 18 million), the new leasings in Genk Green Logistics (€ 25 million) and the extension of ASML in the Netherlands (€ 11 million).

Rental-related expenses

in thousands €	2022	2021
Rent to pay on leased assets	-9	-8
Write-downs on trade receivables	-92	-141
Reversal of write-downs on trade receivables	82	1
TOTAL RENTAL-RELATED EXPENSES	**-19**	**-148**

The rental-related expenses consist mainly of write-downs and reversal of write-downs on trade receivables that are recorded in the result if the carrying amount exceeds the estimated realisation value. This section also comprises the costs of lease for land and buildings by the company in order to continue leasing to its tenants.

The losses on lease receivables (with recovery of, among other things, bank guarantees) for the period 2013-2022 represent only 0,1% of total turnover. A sharp deterioration in the general economic climate can result in an increase in losses on lease receivables. The real estate company limits this risk by means of rental guarantees and bank guarantees from the tenants and by concluding agreements with sound, reliable tenants. The possible bankruptcy of a major tenant can represent a significant loss for the company, as can an unexpected vacancy and even a re-rental of the vacant space at a price lower than the price stated in the contract which was not respected. Despite the current turbulent macroeconomic and geopolitical situation, the collection of lease receivables is in line with the normal payment pattern, which illustrates the quality of the tenant base.

Recovery of property charges

in thousands €	2022	2021
Obtained compensations on rental damage	518	32
Other	731	664
Management fees received from tenants	731	664
TOTAL RECOVERY OF PROPERTY CHARGES	**1.249**	**696**

The recovery of property charges mainly relates to the profit taking of the compensation received from tenants for rental damage when leaving the let spaces and the management fees that Intervest receives from its tenants for the management of let buildings and the re-billing of rental charges to the tenants, as shown in the following tables.

Recovery of rental charges and taxes

Recovery of rental charges and taxes normally payable by tenants on let properties

in thousands €	2022	2021
Recovery of rental charges borne by the owner	14.106	7.996
Recovery of advance levies and taxes on let properties	8.184	5.532
TOTAL RECOVERY OF RENTAL CHARGES AND TAXES NORMALLY PAYABLE BY TENANTS ON LET PROPERTIES	**22.290**	**13.528**

Rental charges and taxes normally payable by tenants on let properties

in thousands €	2022	2021
Rental charges borne by the owner	-14.106	-7.996
Advance levies and taxes on let properties	-8.184	-5.532
TOTAL RENTAL CHARGES AND TAXES NORMALLY PAYABLE BY TENANTS ON LET PROPERTIES	**-22.290**	**-13.528**
TOTAL BALANCE OF RECOVERED RENTAL CHARGES AND TAXES	**0**	**0**

Rental charges and taxes on let buildings and the recovery of these charges refer to costs for which, by law or custom, the tenant or lessee is liable.

These costs primarily comprise property taxes, electricity, water, cleaning, window cleaning, technical maintenance, garden maintenance, etc. The owner is personally responsible for the management of the buildings. An external manager was appointed for Mechelen Campus, which is well monitored by the RREC.

Depending on the contractual agreements with the tenants, the landlord may or may not charge the tenants for these services. The costs are settled every six months. During the financial year, advances are billed to the tenants.

Other rental-related income and expenses

in thousands €	2022	2021
Income from green energy (other than building fees)	1.166	454
Received coordination fees turn-key solutions	1	11
Expenses and income regarding exploitation Greenhouse Flex	-461	-437
One-off contribution received for rental-related expenses	0	0
Other	233	688
TOTAL OTHER RENTAL-RELATED INCOME AND EXPENSES	**939**	**716**

Revenues from green electricity increased by € 0,7 million, among other things due to new installations in Genk, Aartselaar, Herentals and Merchtem.

The costs and income relating to the operation of the Greenhouse hubs comprise all operational costs such as catering (except for own personnel costs) and the partial recovery of such costs. The income from the lease agreements with co-workers and users of serviced offices and the income from leasing the Greenhouse co-working meeting rooms are recognised under the heading rental income and amounts to € 0,8 million (€ 0,5 million for 2021).

Note 5. Property charges

Technical costs

in thousands €	2022	2021
Recurrent technical costs	**-965**	**-1.065**
Maintenance and repair	-670	-789
Insurance premiums	-295	-276
Non-recurrent technical costs	**34**	**-79**
Claims	34	-79
Claims (costs)	-288	-296
Claims (income)	322	217
TOTAL TECHNICAL COSTS	**-931**	**-1.144**

The technical costs include maintenance and repair costs and insurance premiums. Maintenance and repair costs that can be regarded as renovation of an existing building because they improve yield or rent are not recognised as costs but are capitalised.

Commercial costs

in thousands €	2022	2021
Brokers' fees	-203	-176
Publicity	-207	-83
Lawyers' fees and legal costs	-22	-288
TOTAL COMMERCIAL COSTS	**-432**	**-547**

Commercial costs include matters such as brokers' fees. The brokers' fees paid to brokers after a period of vacancy are capitalised because, after a period of vacancy, the property experts reduce the estimated fees from the estimated value of the real estate property. Brokers' fees paid after an immediate re-letting, without vacancy period, are not capitalised and are recognised in the result because the property experts do not take this fee into account at the moment of valuation.

Charges and taxes on unleased properties

in thousands €	2022	2021
Vacancy charges for the financial year	-932	-793
Property tax on vacant properties	-2.683	-2.687
Recovery of property tax on vacant properties	2.628	2.596
Vacancy tax Genk Green Logistics	-171	-2.954
Recovery vacancy tax Genk Green Logistics	171	2.954
Recovery of property tax on vacant properties for previous financial year	-99	-9
TOTAL CHARGES AND TAXES ON UNLEASED PROPERTIES	**-1.086**	**-893**

Costs and taxes of non-leased buildings increased by € 0,2 million or 22% during fiscal year 2022 compared to fiscal year 2021. However, relative to rental income, the level of vacancy costs remains stable, vacancy costs represent for fiscal year 2022 approximately 1,5% of the total rental income of the company just as was the case in 2021.

Intervest recovers a majority of the property tax calculated on vacant parts of buildings through objections submitted to the Flanders Tax Administration. A large share of the property tax relates to Genk Green Logistics. It is expected that Intervest can recover this property tax and the vacancy tax in full, as was also the case in previous years.

Property management costs

in thousands €	2022	2021
External property management fees	-21	-331
(Internal) property management costs	-4.905	-4.461
Employee benefits and fees paid to the management board members and self-employed staff	-3.156	-2.650
Property expert	-204	-183
Other costs attributable to the property	-1.545	-1.628
TOTAL PROPERTY MANAGEMENT COSTS	**-4.926**	**-4.792**

Property management costs are costs that are related to the management of buildings. These include personnel costs and indirect costs with respect to the directors and the staff (such as office costs, operating costs, etc.) who are responsible for managing the portfolio and the leases, and depreciations and impairments on tangible non-current assets used for this management, and other business expenses that can be allocated to the management of the real estate properties.

Property management costs increased by € 0,1 million during fiscal year 2022. This is on the one hand the result of the elimination of an external manager for the Dutch portfolio, accounting for a decrease in the external management fees by € 0,3 million. On the other hand, however, there was an increase in internal management fees as a result of an increase in staffing levels, including for the management of the Dutch properties to be absorbed internally.

Other property charges

in thousands €	2022	2021
Charges borne by the landlord	-414	-271
Property taxes contractually borne by the landlord	-695	-677
Other property charges	-82	-59
TOTAL OTHER PROPERTY CHARGES	**-1.191**	**-1.007**

The other property charges often relate to expenses chargeable to the Group on the basis of contractual or commercial agreements with tenants. These are largely restrictions on the payment of common charges or property withholding tax. Moreover, in the Netherlands, part of the property tax is always borne by the owner. For financial year 2022, these commercial interventions amount to approximately € 1,2 million on an annual basis, or 1,7% of the total rental income of the Group (€ 1 million, or 1,5%, in financial year 2021).

Note 6. General costs

in thousands €	2022	2021
Subscription tax	-607	-509
Auditor's fee	-184	-158
Remuneration for supervisory board members	-127	-123
Liquidity provider	-37	-37
Financial service	-35	-42
Employee benefits and fees paid to management board members and self-employed staff	-1.824	-1.925
Consultancy fees	-848	-153
Other costs	-725	-889
TOTAL GENERAL COSTS	**-4.387**	**-3.836**

General costs are all costs related to the management of the company and costs that cannot be allocated to property management. These operating costs include general administration costs, costs of personnel engaged in the management of the company as such, depreciations and impairments on tangible non-current assets used for this management and other operating costs.

General costs amount to € 4,3 million and increased by approximately €0,6 million compared to 2021, mainly due to higher advisory costs.

For additional details on the auditor's fee, please see Note 25.

An overview of the remuneration paid to the members of the supervisory board is provided in the report Corporate Governance Statement - Remuneration report. 50% of the remuneration to the members of the supervisory board is included under the general costs, the other 50% of their work is regarded as property management costs (included under other costs attributable to the property).

Note 7. Employee benefits

in thousands €	2022			2021		
	Charges for internal property manage-ment	Charges related to company management	TOTAL	Charges for internal property manage-ment	Charges related to company management	TOTAL
Remuneration of employees and self-employed personnel	**2.214**	**1.046**	**3.260**	**1.754**	**1.176**	**2.930**
Short-term employee benefits	2.120	1.012	3.132	1.671	1.133	2.804
Post-employment benefits	0	0	0	0	0	0
Other long-term employee benefits	94	34	128	83	43	126
Termination benefits	0	0	0	0	0	0
Remunerations for the management board	**942**	**778**	**1.720**	**895**	**746**	**1.641**
Management board chairman	**306**	**306**	**612**	**292**	**292**	**584**
Short-term rewards						
Fixed remuneration	*160*	*160*	*320*	*154*	*154*	*308*
Variable remuneration in the short-term	*51*	*51*	*102*	*66*	*66*	*132*
Long-term rewards						
Variable remuneration in the long-term	*71*	*71*	*142*	*44*	*44*	*88*
Pension obligations	*24*	*24*	*48*	*28*	*28*	*56*
Other members of the management board	**636**	**472**	**1.108**	**603**	**454**	**1.057**
Short-term rewards						
Fixed remuneration	*403*	*286*	*689*	*388*	*264*	*652*
Variable remuneration in the short-term	*103*	*78*	*181*	*111*	*118*	*229*
Long-term rewards						
Variable remuneration in the long-term	*98*	*75*	*173*	*74*	*48*	*122*
Pension obligations	*32*	*33*	*65*	*31*	*23*	*54*
TOTAL EMPLOYEE BENEFITS	**3.156**	**1.824**	**4.980**	**2.649**	**1.922**	**4.571**

The number of employees and self-employed personnel at year-end 2022, expressed in FTE, is 38 staff members for the internal management of the property (35 in 2021) and 13 staff members for the management of the company (13 in 2021). The number of members of the management board comprises four persons as at 31 December 2022 (four persons as at year-end 2021).

For personnel in permanent employment remuneration, supplementary benefits, termination benefits and severance payments, and post-employment benefits are regulated by the Act on the labour agreements of 4 July 1978, the annual holiday Act of 28 June 1971, the joint committee for the sector that the company falls under and the collective labour agreements that have been recognised in the income statement for the period to which they refer.

Pensions and remunerations after termination of employment include pensions, contributions for group insurance policies, life and disability insurance policies and hospitalisation insurance policies. Intervest has taken out a group insurance contract of the "agreed contribution" type at an external insurance company for its employees with a permanent contract. Due to the legislation that was amended at the end of December 2015 (the Act to ensure sustainability and the social nature of the additional pensions and to strengthen its supplementary nature in relation to the retirement pensions, which was approved on 18 December 2015), the employer must guarantee a minimum return and therefore this contract must be classed as a "defined benefit" plan. For premiums paid by the employer before

1 January 2016, this amounts to 3,25%. For premiums paid by the employer after 1 January 2016, this amounts to 1,75%. The company contributes to this fund, which is independent from the company. The contributions to the insurance policy are financed by the company. This group insurance contract complies with the Vandenbroucke Act on pensions. The contribution obligations are included in the income statement for the period to which they relate. For financial year 2022, these amount to € 241.000 (€ 236.000 in 2021). As at 31 December 2022, the insurance company has confirmed that the deficit to guarantee the minimum return is not of material nature. A provision for the small deficit was made in the accounts at the end of the year. For the small deficit calculated using the intrinsic value method, a provision was recorded in the accounts at year-end.

OBLIGATION ARISING FROM PENSION COMMITMENTS in thousands €		**2022**	**2021**
Sum of guaranteed minimum reserves (art.24 of the WAP)		716	624
Sum of the mathematical reserves	A	741	645
Sum of the maximum between the mathematical reserves and the minimum guarantee	B	758	659
Amount of underfunding	B-A	17	14

The remuneration of the management board is explained in the Corporate governance statement - Remuneration report.

Note 8. Other operating income and costs

in thousands €	**2022**	**2021**
Depreciation of solar panels	-358	-246
Insurance premiums	-119	-43
Other	2	-21
TOTAL OTHER OPERATING INCOME AND COSTS	**-475**	**-310**

The solar panels are included in the balance sheet under the other tangible non-current assets and valued on the basis of the revaluation model in accordance with IAS 16 Tangible non-current assets. Each quarter, these solar panels are revalued to fair value. The fair value is depreciated over the remaining term. Depreciation is recognised in other operating income and costs. The increase during fiscal year 2022 is due to new installations in Genk, Aartselaar, Herentals and Merchtem.

Note 9. Result on disposals of investment properties

in thousands €	**2022**	**2021**
Acquisition value accumulated with investments	7.738	0
Accumulated gains and extraordinary impairment losses	357	0
Carrying amount (fair value)	**8.095**	**0**
Sales price	8.575	0
Sales costs	-2	0
Income from disposal of investment properties	*8.573*	*0*
Provision of rental guarantees from disposal of investment properties	0	198
Net sales proceeds	**8.573**	**198**
TOTAL RESULT ON DISPOSAL OF INVESTMENT PROPERTIES	**478**	**198**

In 2022, Intervest sold the Huizingen site, realising a capital gain of € 0,5 million compared to the book value as at 31 December 2021. The difference between the sale price and the acquisition value (€ 0,8 million) will be allocated to the available reserves via the result appropriation of financial year 2022, given that this result was realised.

Note 10. Changes in the fair value of investment properties

in thousands €	2022	2021
Positive changes of investment properties	40.115	81.639
Negative changes of investment properties	-58.646	-15.619
Negative changes on investment properties due to transfer tax adjustment the Netherlands	-7.575	0
TOTAL CHANGES IN FAIR VALUE OF INVESTMENT PROPERTIES	**-26.106**	**66.020**

The changes in the fair value of the investment properties amount to € -26,1 million in 2022 (€ 66 million in 2021). Negative changes in the fair value are the result of:

- Decrease in fair value of the logistics portfolio in the Netherlands of € 32 million or 9%. The decrease is mainly a result of a general yield decompression encoded by the external advisor and the effect of the increase in transfer tax in the Netherlands as of 1 January 2023 from 8% to 10,4%[1], partially offset by increase in ERV and ASML's signed lease extension for Silverforum in Eindhoven.
- Increase in fair value of the logistics portfolio in Belgium of € 14 million or 3%. The increase is a result of the pre-leasing of the projects under construction in Herentals and Genk, the future development potential created in Herstal as a result of the additional adjacent site and some important long-term lease transactions among others in Puurs and Duffel. These increases in value in the portfolio are partially offset by some yield adjustments estimated by the external advisor in the current economic context, partially offset by ERV increases, a consequence of the current index level.
- Value decrease in the office portfolio of € 9 million or 2% mainly explained by the inclusion of vacancy periods by the real estate experts due to new or future vacancies.
    - The value decrease in the office portfolio available for lease amounts to € 5 million and is mainly a result of new vacancy due to the early departure of tenant Enterprise Services Belgium in Mechelen Business Tower whereby a severance payment for the remaining rental period was received and the delayed completion and commercialization of Greenhouse Collection due to the current economic climate. In addition, the value decrease is explained by the reassessment of the leasable area of archive space in the office portfolio. The increasing digitization at companies has reduced the need for archive space. To determine the effect of this, an in-depth analysis of the leasability on the available archive space was performed.
    - The value decrease on project developments in the office portfolio amounts to € 4 million, and is on the one hand a consequence of new, planned vacancy that is part of future projects to be started up, and on the other hand the delayed progress on current projects due to the current economic climate.

Note 11. Other result on portfolio

in thousands €	2022	2021
Deferred taxes	4.664	-12.437
Other	-744	1.232
Changes to the spread of rental discounts and benefits granted to tenants	*-473*	*1.550*
Changes in the fair value on property held for sale	*-239*	*0*
Other	*-32*	*-318*
TOTAL OTHER RESULT ON PORTFOLIO	**3.920**	**-11.205**

In 2022, the other result on portfolio amounts to € 3,9 million (€ -11,2 million in 2021) and comprises primarily the provision for deferred tax on non-realised gains on the investment properties belonging to the perimeter companies of Intervest in the Netherlands and Belgium. Due to the decrease in the fair value of investment properties in the Netherlands also the deferred taxes decrease.

1 See also Note 2 - Principles for the financial reporting - Investment properties (including movement rights)

Note 12. Net interest charges

in thousands €	2022	2021
Nominal interest charges on loans	**-9.554**	**-5.450**
Loans at financial institutions	-7.228	-4.473
With fixed interest rate	*-1.386*	*-1.180*
With variable interest rate	*-5.842*	*-3.293*
USPP and Green Bond	-1.886	-354
Interest charges on non-withdrawn credit facilities and commercial paper back-up lines	-439	-623
Costs of authorised hedging instruments	**-1.081**	**-1.395**
Authorised hedging instruments that are not subject to hedge accounting as defined in IFRS	-1.081	-1.395
Income from authorised hedging instruments	**454**	**13**
Authorised hedging instruments that are not subject to hedge accounting as defined in IFRS	454	13
Other interest charges	**-474**	**-262**
TOTAL NET INTEREST CHARGES	**-10.655**	**-7.094**

In 2022, the net interest charges amount to € -10,7 million compared to €-7,1 million in 2021. The increase in net interest expense by € 3,6 million is mainly due to a higher average drawdown of € 160 million and a significant increase in Euribor rates. The average interest rate in 2022 was 2% compared to 1,8% in 2021. The total average interest rate before impact of interest rate hedging instruments in 2022 was 1,9% (1,5% in 2021).

Net interest charges classified by credit line expiry date

in thousands €	2022	2021
Net interest charges on non-current financial debts	-9.539	-6.254
Net interest charges on current financial debts	-1.116	-840
TOTAL NET INTEREST CHARGES	**-10.655**	**-7.094**

The average interest rate on long-term financial debt for 2022 is 2,1% including bank margins (2,1% in 2021). The average interest rate of short-term financial liabilities for 2022 is 1,1% including bank margins (0,7% in 2021). The short-term increase is due, on the one hand, to the rise in the Euribor, as a result of which the rates for commercial paper have also increased and on the other hand the higher drawdown through the R/C JM Construct and Hino Invest, minority shareholders of Genk Green Logistics, to finance the further construction of the units during fiscal year 2022 at an at arm's length interest rate of 3%.

For fiscal year 2022, the effect on EPRA earnings and net income of a (hypothetical) increase of interest rates by 1% is approximately € -1,7 million (€ -1 million in 2021) or € 0,07 per share. In the case of a (hypothetical) 0,5% increase in interest rates, interest expenses increase by € 0,9 million (€ -0,3 million in 2021) or € 0,03 per share.

The (hypothetical) future cash outflow for 2023 of the interest charges from the loans withdrawn as at 31 December 2022 amounts to € 15,9 million (€ 8,5 million in 2021).

Classification of future cash-out flow of interest costs based on current contracts

in thousands €	2022					2021				
Hypothetical interest	Debts with a remaining duration of					Debts with a remaining duration of				
	< 1 year	> 1 year and < 5 year	> 5 year	TOTAL	Percentage share	< 1 year	> 1 year and < 5 year	> 5 year	TOTAL	Percentage share
Credit institutions and institutional parties: withdrawn credit facilities	16.093	33.717	610	50.420	92%	6.142	16.540	1.680	24.362	64%
Green Bond and USPP	3.035	11.272	6.069	20.376	37%	0	0	0	0	0%
Commercial paper	475	585	243	1.303	2%	317	585	390	1.292	3%
Non-withdrawn credit lines	434	526	0	960	2%	284	467	0	751	2%
IRSs/Floors	-4.138	-13.190	-660	-17.989	-33%	1.719	8.195	1.848	11.762	31%
TOTAL	**15.899**	**32.910**	**6.262**	**55.070**	**100%**	**8.462**	**25.787**	**3.918**	**38.167**	**100%**
Share percentage	**29%**	**60%**	**11%**	**100%**		**22%**	**68%**	**10%**	**100%**	

The table above provides an overview of the interest to be paid based on the current credit contracts. An unchanged take-up is assumed as at 31 December 2022 together with a Euribor rate of 2,132% (3-month Euribor as at 31 December 2022).

Note 13. Taxes

in thousands €	2022	2021
Tax at the rate of 25% (on result linked to the rejected expenses)	-100	-90
Regularisation of previous financial years	-16	-43
Tax related to Intervest statutory (public RREC)	**-116**	**-133**
Perimeter companies in Belgium	-106	-21
Perimeter companies in the Netherlands	-756	-680
CORPORATE TAX	**-978**	**-834**

With the RREC Act (formerly the Royal Decree of 7 December 2010 and the Royal Decree of 10 April 1995), the legislator gave a transparent tax status to RRECs. If a company converts its status into that of an RREC, or if an (ordinary) company merges with a RREC, it must pay a one-off tax (exit tax). After that, the RREC is only subject to taxes on very specific elements, such as “rejected expenses”. No corporate tax is therefore paid on the majority of the profit that comes from lettings and added value on disposals of investment properties.

Perimeter companies Genk Green Logistics (iGVV), Greenhouse Singel (GVBF), Puurs Green Logistics (GVBF) and Zeebrugge Green Logistics (GVBF) also enjoy transparent tax status. The other Belgian perimeter companies are subject to the normal system of Belgian corporate income tax, and the Dutch perimeter companies do not enjoy this tax status. For the calculation of the taxation on the taxable profit for the year, the tax rates in force on the balance sheet date are used.

Note 14. Non-current assets

Research and development, patents and licences

No own activities were developed by the company in the area of research and development.

Investment and revaluation table investment properties

in thousands €	2022				2021			
	Offices	Logistics BE	Logistics NL	Total	Offices	Logistics BE	Logistics NL	Total
BALANCE SHEET AS AT 1 JANUARY	**386.423**	**480.239**	**342.282**	**1.208.944**	**381.656**	**353.405**	**282.897**	**1.017.958**
▪ Acquisition of investment properties	0	4.627	30.222	34.849	0	32.355	16.615	48.970
▪ Acquisition of shares of real estate companies	0	60.566	0	60.566	0	14.474	0	14.474
▪ Investments in project developments	6.666	75.426	5.749	87.841	13.516	39.759	515	53.790
▪ Investments and expansions in existing investment properties	935	1.414	575	2.924	2.421	3.896	1.415	7.732
▪ Divestment of investment properties	0	-8.095	0	-8.095	0	0	0	0
▪ Transfer to property held for sale	-27.504	0	0	-27.504	0	0	0	0
▪ Changes in fair value of investment properties	-8.828	14.273	-31.551	-26.106	-11.170	36.350	40.840	66.020
BALANCE SHEET AS AT 31 DECEMBER	**357.691**	**628.450**	**347.277**	**1.333.418**	**386.423**	**480.239**	**342.282**	**1.208.944**
OTHER INFORMATION								
Investment value of real estate properties	366.633	643.558	386.496	1.396.687	394.913	491.668	372.594	1.259.175

For further explanation around the evolution of the fair value of investment properties, please refer to the Activity Report - Property portfolio as at December 31, 2022 and Note 10 - Changes in the fair value of investment properties.

Breakdown of investment properties per type

in thousands €	2022	2021
Real estate available for lease	1.233.799	1.098.820
Project developments	99.619	110.124
Project developments under construction	*72.209*	*81.569*
Land reserves	*27.410*	*28.555*
TOTAL INVESTMENT PROPERTIES	**1.333.418**	**1.208.944**

In addition to the developments under construction Den Bosch, Unit 1B at Herentals Green Logistics, Genk Green Logistics, Woluwe Garden and Zellik, also land reserves are held for future developments. As such, the company holds several land reserves, of which the approximately 133.000 remaining undeveloped m² on the former Ford site in Genk is the main one.

	(Potential) GLA in m²	Fair value 31/12/2022	Capex till 31/12/2022	Future capex
Project developments under construction	95.400	72.209	22.309	62.862
Land reserves	187.500	27.410	507	119.300
TOTAL PROJECTS	**282.900**	**99.619**	**22.816**	**182.162**

In total, this leaves the company with approximately 283.000 m² of development potential or under construction area. Based on current real estate market data, Intervest expects for the total of these projects, mainly in the logistics segments of the Netherlands and Belgium, a potential value of approximately € 315 million. Compared to the value of the total real estate investments as at 31 December 2022, this means a future potential increase in the value of the real estate portfolio over a period 2022 - 2025 of approximately € 218 million. This is offset by capex yet to be spent of € 182 million. More information about the project developments under construction and development potential can be found in the Activity Report - Project developments under construction and development potential.

As at 31 December 2022, Intervest has no assets for own use except for the space in Greenhouse Antwerp where the registered office of Intervest is located. In accordance with IAS 40.10, this space is recorded as an investment property.

As at 31 December 2022, there are no investment properties which are the subject of mortgage collateral related to withdrawn loans and credit facilities at financial institutions. For the description of the legal mortgage established in order to guarantee the outstanding tax debt on the logistics property located in Aarschot, Nieuwlandlaan, please refer to “Note 26. Conditional rights and obligations”.

Performance of the real estate available for lease

	2022	2021
Average contractual rent* increased by the estimated rental value of vacant property per m² (€)		
▪ Offices	152	131
▪ Logistics real estate in Belgium	49	46
▪ Logistics real estate in the Netherlands	54	56
Average gross yield (%)	**6,0%**	**6,4%**
▪ Offices	6,8%	8,2%
▪ Logistics real estate in Belgium	5,8%	6,0%
▪ Logistics real estate in the Netherlands	5,7%	5,2%
Average gross yield if fully let (%)	**6,7%**	**6,8%**
▪ Offices	8,9%	9,5%
▪ Logistics real estate in Belgium	6,0%	6,1%
▪ Logistics real estate in the Netherlands	5,7%	5,2%
Average net yield if fully let (%)	**5,9%**	**6,0%**
▪ Offices	7,1%	7,7%
▪ Logistics real estate in Belgium	5,5%	5,5%
▪ Logistics real estate in the Netherlands	5,3%	4,7%
Vacancy rate (%)	**10%**	**6%**

* The average contractual rent per building type or building complex is calculated and contains various types of areas.

For definitions of the various yields, contractual rents and estimated rental value, please refer to the Annexes.

Acquisition of shares in real estate companies

In April 2022, Intervest acquired 100% of the shares of the real estate company Zeebrugge Green Logistics NV (formerly Lingang Overseas Zeebrugge Modern Industrial Park Development Company NV). The real estate company owns a project development under construction at that time in the port of Zeebrugge. The acquisition does not classify under IFRS 3 as a business combination.

At the time of acquisition, € 24 million was paid for the shares. In the course of 2023, another final price settlement of up to € 3,6 million will occur, bringing the total price for the shares to a maximum of approximately € 28 million. This maximum outstanding debt is included in the balance sheet as at 31 December 2022.
The final price of the shares will be determined based on the equity in the company at the time of the acquisition (€ 7 million), plus the estimated fair value of the completed property (€ 78 million) less the book value in the balance sheet at the time of acquisition (€ 29 million), capex to be spent until completion (approximately € 25 million) and an exit tax payable of approximately €3 million.
At the time of acquisition, the acquired company included on the asset side a project development of 73.000 m² under construction, with a book value of approximately € 29,2 million, € 0,1 million cash and cash equivalents and trade receivables in the amount of € 0,1 million. In addition to equity of € 7 million, liabilities included € 22 million debts, of which € 7,7 million were trade debts and € 2 million were debts repaid to the previous owner at the time of acquisition and € 0,1 million of accrued expenses. These amounts are based on the closing balance sheet at the time of acquisition, prepared under BE GAAP.

The project development was delivered to BREEAM 'Excellent' standards in the fourth quarter of 2022. At year-end over 70% of the site was leased and the acquisition contributed € 0,7 million to the rental income of 2022. The estimated rental value when fully let is approximately € 4,5 million.

Valuation process for investment properties

The valuation of the property portfolio is done by independent real estate experts. Because of the liquidity of the market and the difficulty of obtaining transaction data that are comparable in an unquestionable way, the fair value valuation is done in whole or in part on (non-externally) observable information and the evaluation level of the fair value of the Intervest' properties in accordance with the IFRS 13 standard, equals level 3 and this for the entire portfolio. During 2022 there were no shifts in the level of the fair value hierarchy.

This external valuation is updated quarterly and incorporated into the accounts for the entire portfolio, only the land reserves are recorded in the balance sheet at their initial cost.

The fair value valued by the real estate experts is the estimated value excluding transfer costs for which the property can be sold on the market at the date of valuation. For Belgium, the rate applied by the real estate expert as at 31 December 2022 for these transfer costs amounts to 2,5%. For the Netherlands the percentage applied by the real estate expert as at 31 December 2022 in total (including other costs) amounts to 9% as described in the "Principles for financial reporting - Investment Properties" - see supra. The group has opted to include the transfer tax rate adjustment in the Netherlands effective 1 January 2023 from 8% to 10,4% already in the balance sheet as at 31 December 2022, given that at the time of the sale of the investment property the increased rate will apply. This increase in transfer tax creates a negative effect on the changes in the fair value of investment properties of € 7,6 million as at 31 December 2022.

Valuation process with the real estate expert

Independent real estate experts are employed on a country-by-country basis in order to ensure that the specificities of each geographic region and thus the diversified nature of the real estate portfolio is reflected correctly.

Typically, contracts are concluded for a renewable term of 3 years, for which a double rotation requirement applies according to the Law of May 12, 2014 under the RREC. Selection criteria include local market knowledge, reputation, independence and assurance of the highest professional standards. The fees of real estate experts are fixed for the term of their mandate and are not related to the value of the appraised properties.

The valuation method is determined by the external real estate experts. The method used by the external property experts for Intervest's property portfolio is the income capitalization method.
Further information on the valuation method can be found in the Activity Report - 1.3 Valuation of the portfolio by the real estate experts. In addition, the estimates thus obtained are compared with the initial yield and available points of comparison through recent market transactions for comparable properties.

The valuation cycle within a fiscal year consists of a site visit, followed by a detailed appraisal report prepared per individual property and also three desktop reviews, in which the data provided by Intervest regarding the rental situation are reflected, as well as the key assumptions regarding the significantly unobservable inputs are rationalized.

The independent real estate experts have full access to all quantitative and qualitative information relating to the real estate portfolio. Each quarter the external real estate expert receives an overview of the portfolio including leasable area, current rental income, duration of leases, current lease discounts, as well as service charges, anticipated capex per site, data around ownership, cadastral ID and a copy of all new leases. This information comes from the financial and management system of the company and is subject to the generally applicable control system of the company. At least twice a year, valuations and asset management plans are discussed in detail with the cio and or ceo.

The report of the external real estate experts is extensively controlled and reviewed from various perspectives, with a particular focus on real estate development projects. The real estate experts prepare an independent assessment of the future cash flow profile and reflect the risk through a combination of the cash flow projections (rental growth, vacancy, incentives, investments, etc.) and the required yields or discount rates. Important differences compared to the previous revaluation and the revaluation at the end of the previous year are analysed internally, explained and discussed at the audit and risk committee.

Non-observable parameters

The external real estate expert uses some non-observable parameters in determining the fair value. The unobservable inputs used by the external real estate expert in determining fair value as at 31 December 2022 include estimated rental value, required rate of return, occupancy rate, remaining term of lease contacts to next expiration date and final expiration date, year of construction, leasable area, etc.

The assumptions and valuation models used by the real estate experts mainly relate to market conditions, such as yields and discount rates. They are based on their professional assessment and observation of the market. The real estate experts take into account vacancy periods between six and eighteen months, according to location, property type and economic situation. For logistics properties, they take into account a cost percentage per property that remains borne by the owner. For logistics sites in Belgium this amounts to 2%, for the Netherlands it varies between 0% and 13% due to the nature of the leases (triple net versus properties where the property tax is also borne by the owner).

An overview of the applied non observable parameters used by the external real estate experts in the valuation of the property portfolio (properties available for lease and the project developments under construction) as at 31 December 2022:

Non-observable parameters (as at 31 December)	**Range** 2022	2021	**Weighted average** 2022	2021
Estimated rental value (in €/m²)*				
▪ Office portfolio	52 - 203 €/m²	52 - 203 €/m²	133 €/m²	133 €/m²
▪ Logistics real estate Belgium	37 - 79 €/m²	34 - 78 €/m²	46 €/m²	43 €/m²
▪ Logistics real estate the Netherlands	36 - 95 €/m²	36 - 96 €/m²	58 €/m²	55 €/m²
Capitalisation factor or required rate of return (in %)				
▪ Office portfolio	5,8% - 10,0%	6,5% - 10,5%	8,0%	8,0%
▪ Logistics real estate Belgium	4,4% - 6,9%	3,9% - 7,4%	5,3%	5,4%
▪ Logistics real estate the Netherlands	4,6% - 9,6%	3,5% - 9,1%	5,7%	4,8%

* For the estimated rental value, the table shows only the data related to the portfolio available for rent. The range for the estimated rental value in the office portfolio is wide due to the atypical use character of some office buildings (Furnishing lab and logistics space).

For definitions of estimated rental value and capitalization factor, see the Annexes.

Moreover, for the revaluation of project developments, the real estate expert also considers additional parameters such as future capex and, when necessary, a higher vacancy expectation that is market-based and takes into account the remaining construction period. More details on the projects under construction can be found in the Activity Report - 1.1.3 Projects and development potential.

The difference between the estimated rental value in the table above and the average contractual rent increased by the estimated rental value at vacancy included in the table relating to the performance of the property available for lease refers to the surplus or shortfall from the leases entered into. The estimated rental value is only the value determined by the external real estate expert in his appraisal reports. The contractual rent increased by the estimated rental value takes into account for the leased area the actual rental income agreed upon in the lease contract.

The capitalization factor is the required rate of return determined by the real estate expert in his appraisal report. The difference with the average gross and net rental yield at full lease, included in the table relating to the performance of properties available for lease is that the average gross and net yield at full letting takes into account the contractual arrangements for the leased spaces.

A summary of the other non-observable inputs such as year of construction, occupancy rate, lettable area and the remaining term of the leases can be found in the Activity report 1.2.1 Property portfolio as at 31 December 2022 and 1.2.6 Rental activity and occupancy rate to 1.2.9 Duration of lease agreements in portfolio.

Antwerp ⟩ Greenhouse Collection at the Singel

Sensitivity of the valuations

	Impact on the fair value at	
	Decrease	Increase
Estimated rental value (in € / m²)	negative	positive
Capitalisation factor or required yield	positief	negative
Remaining contract duration until the next break date	negative	positive
Remaining contract duration until final expiry date	negative	positive
Occupancy rate (EPRA)	negative	positive
Inflation or expected rental growth	negative	positive

In case of a hypothetical negative adjustment of the yield used by real estate experts in determining the fair value of the company's property portfolio (yield or capitalisation rate) by 1%-point (from 6,0% to 7,0% on average), the fair value of the property would decrease by €1 75 million or 14%. This would increase the company's debt ratio by 7%-points to around 55%.

In the opposite case of a hypothetical positive adjustment of this used rate of return by 1%-point (from 6,0% to 5,0% average), the fair value of the property would increase by € 244 million or 20%. This would reduce the company's debt ratio by 7%-points to around 41%.

In case of a hypothetical decrease in the company's contractual rents (assuming unchanged yields) by € 1 million (from € 74,6 million to € 73,6 million), the fair value of the property would decrease by € 16,5 million or 1%. This would increase the company's debt ratio by 1%-point to around 49%. In the opposite case of a hypothetical increase in the company's current rents (assuming unchanged yields) by € 1 million (from € 74,6 million to € 75,6 million), the fair value of the property would increase by € 16,5 million or 1%. This would reduce the company's debt ratio by 1%-point to around 47%.

There is a correlation between the evolutions of contractual rents and the yields used in the property estimate. However, this has been excluded from the above sensitivity analysis.

Sustainability and ESG in the valuations

ESG (Environmental, Social, Governance) criteria are increasingly used internationally to assess the impact of the environmental, social and ethical performance of companies, organisations and investments. Belgium has committed to be carbon neutral by 2050 and legislation is already in place to reduce CO_2 emissions from buildings. It is highly likely that more laws and regulations will be introduced in the coming years. Capital flows will increasingly be channelled towards sustainable economic activities in the future, which means ESG criteria will play an important role in investment decisions. Tenants and investors in certain sectors are placing increasing importance on the sustainability aspects of the buildings they want to buy or occupy.

The focus on climate change and targets towards net-zero will continue, accelerating the obsolescence of unsustainable properties. The RICS Sustainability Report (Q2 2021) showed that almost half of respondents believe that the rent and price premium for sustainable properties could increase by up to 10% compared to non-sustainable properties, due to high demand and low supply. As the impact of ESG factors becomes increasingly clear, the question of how to measure ESG impact on property valuations emerges.

After all, valuation necessarily involves comparison. As the impact of ESG is at an early stage, not much market data is yet available. However, it should be noted that the market is evolving as a result of both users' and investors' attention to a property's sustainability characteristics. Real estate experts therefore expect awareness of sustainability issues to increase across all sectors of the real estate market.

Managing these climate-related risks is an integral part of Intervest's risk management. More information can be found in the Risk factors section.

Other tangible non-current assets

in thousands €	2022	2021
Solar panels		
Belgium	11.194	4.197
The Netherlands	1.521	1.097
TOTAL SOLAR PANELS	**12.715**	**5.294**
Charging stations	1.877	60
Tangible non-current assets for own use	532	534
TOTAL OTHER TANGIBLE NON-CURRENT ASSETS	**15.124**	**5.888**

Evolution solar panels

in thousands €	2022	2021
BALANCE SHEET AS AT 1 JANUARY	**5.294**	**3.580**
▪ Investments in new installations	2.385	990
▪ Depreciations	-358	-246
▪ Revaluation to fair value of new installations	4.099	759
▪ Revaluation to fair value (of operational installations)	1.295	211
BALANCE SHEET AS AT 31 DECEMBER	**12.715**	**5.294**

Evolution charging stations

in thousands €	2022	2021
BALANCE SHEET AS AT 1 JANUARY	**60**	**0**
▪ Investments in new installations	1.725	60
▪ Depreciation (of operational installations)	0	0
▪ Revaluation to fair value (of operational installations)	92	0
BALANCE SHEET AS AT 31 DECEMBER	**1.877**	**60**

As for the charging stations, the useful life is estimated at 10 years. The table above does not include depreciation and only limited revaluation. This is a result of the timing of completion of the installations.

Sensitivity of valuations

	Impact on the fair value at	
	Decrease	Increase
Implicit sunshine duration	negative	positive
Green power certificates and subsidies	negative	positive
Banding factor	negative	positive
Energy price	negative	positive
Discount rate	positive	negative
Decrease in yield	negative	positive
Maintenance and capex	positive	negative

Valuation methodology of the solar panels

	Belgium Discounted cash flow	**The Netherlands** Discounted cash flow
Level (IFRS)	3	3
Implicit sunshine duration / generated capacity	The model assumes an implicit sunshine duration determined based on past available data for the different installations.	The model does not take into account an implied sunshine duration but takes the maximum power that the RVO (Rijksdienst voor Ondernemend Nederland) takes in determining the subsidy.
Green power certificates and subsidies	De green power certificates (GSC) in Flanders are granted by the VREG (Flemish Regulator of the electricity and gas market) for each project with a fixed price per certificate for a period of minimum 10 and maximum 20 years fixed. The level and price of GSC varies between € 93 - € 450 per MWh. GSC in Wallonia are awarded by the CWaPE (Commission walonne pour l'Energie) for each project with a guaranteed price per certificate for a 20-year fixed period. The level of the price of the certificates is € 68,5 per certificate.	The subsidy is granted by the RFO for each project for a period of 15 years. The contribution is reassessed annually based on then current energy prices. The subsidy is included in the calculation to that extent.
Banding factor	For the installations where a banding factor is applied, the most recent data is used and the banding factor is kept the same in the future.	Not applicable for solar panels in the Netherlands.
Energy price	The energy price is determined as the average price selected from the Belgian foreward electricity market (ICE Endex Power BE - see www.theice.com/marketdata/reports) for the future three years and the historical energy price of the past two years, unless otherwise stipulated in the injection contract. The energy price for local off-take is always set contractually with the tenant. These contractual arrangements are used for the valuation.	The energy price is determined as the average price selected from the Belgian foreward electricity market (ICE Endex Power BE - see www.theice.com/market-data/reports) for the future three years and the historical energy price of the past two years, unless otherwise specified in the injection contract.
Discount rate	The yield requirement is calculated as a weighted average cost of capital as a function of long-term interest rates, market risk premium and country-specific risk.	The yield requirement is calculated as a weighted average cost of capital as a function of long-term interest rates, market risk premium and country-specific risk.
Decrease in yield	The solar panels have an efficiency drop of 0,8% per year and are decommissioned after 25 years. This does not take into account any residual value of the installation, nor the cost of dismantling it.	The solar panels have an efficiency drop of 0,8% per year and are decommissioned after 25 years. This does not take into account any residual value of the installation, nor the cost of dismantling it.
Maintenance and capex	The various operational costs related to operation and maintenance costs throughout the lifetime of the installations are taken into account. An index of 1,5% is applied.	The various operational costs related to operation and maintenance costs throughout the lifetime of the installations are taken into account. An index of 1,5% is applied.

Solar panels and charging stations are valued using the revaluation model in accordance with IAS 16 Property, plant and equipment. After initial recognition, the asset whose fair value can be measured reliably shall be carried at the revalued value, being the fair value at the time of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Fair value is determined using the discounted future income and expense method.
The model is updated annually which includes rationalisation of key assumptions relating to significantly unobservable parameters. The data relating to expected future cash flows are verified on a regular basis with available solar panel statistics, while providing a consistent, comparable analysis of investors' financial return requirements.

Note 15. Current assets

Assets held for sale

in thousands €	2022	2021
Transfer investment properties to property held for sale	35.599	0
Changes in the fair value on investment properties held for sale	-239	0
Divestments	-8.083	0
TOTAL ASSETS HELD FOR SALE	**27.277**	**0**

During fiscal year 2022, the sale process of three office buildings and one logistics site was initiated. Consequently, the properties were transferred to assets held for sale. Meanwhile, the logistics site in Huizingen was also effectively divested.

The changes in the fair value on investment properties held for sale are recognised in the income statement under Other portfolio result.

Trade receivables

in thousands €	2022	2021
Trade receivables	1.292	952
Advance invoicing not yet due 2021		11.893
Invoices to issue	527	1.281
Doubtful debtors	549	539
Provision for doubtful debtors	-549	-539
Other trade receivables	307	153
TOTAL TRADE RECEIVABLES REPORTED 2021		**14.279**
Adjustment of non-due advance invoices in function of comparability*		-11.893*
TOTAL TRADE RECEIVABLES	**2.126**	**2.386**

* From 2022, the forward-invoiced outstanding trade receivables on the asset side of the balance sheet are offset by the retained revenue on the liability side of the balance sheet. To increase comparability, the 2021 comparative figures were adjusted in the same way.

For the determination of the provision for doubtful debts, an estimate of the expected losses on the outstanding trade receivables is made on a quarterly basis and write-downs are applied accordingly. In this way, the carrying amount of trade receivables approximates to their fair value.

Intervest maintains clear procedures for screening tenants when new lease agreements are concluded.
Deposits or bank guarantees are also always insisted upon when entering into lease contracts. As at 31 December 2022, the effective weighted average duration of the rental deposits and bank guarantees for offices was approximately 5 months (or about € 9 million). As at 31 December 2022, the effective weighted average duration of the rental deposits and bank guarantees for the logistics portfolio was also approximately 5 months (or about € 22,6 million).
The losses on lease receivables (with recovery) for the period 2013-2022 represent only 0,1% of total turnover. Despite the current economic situation, the collection of lease receivables is in line with the normal payment pattern, which illustrates the quality of the tenant base. 99% of the rents for 2022 were received. As at 31 December 2022, Intervest therefore expects no material credit losses.

Ageing analysis of trade receivables

in thousands €	2022	2021
Receivables < 30 days	832	428
Receivables 30-90 days	402	332
Receivables > 90 days	58	192
TOTAL TRADE RECEIVABLES	**1.292**	**952**

Intervest uses a standard payment term of 30 calendar days for its outgoing invoicing. The majority of outstanding trade receivables (64%) are therefore not due at year-end 2022.

The increase on short-term receivables is due to a large recharge, which came due at the end of December. This was paid in early January. For the monitoring of the debtor's risk that Intervest deploys, please see the description of the chapter "Risk factors" (Operating risks - risks associated with non-payment by tenants).

Tax receivables and other current assets

in thousands €	2022	2021
Taxes to be reclaimed	121	142
VAT to be reclaimed	*69*	*105*
Recoverable corporate tax in the Netherlands	*52*	*37*
Taxes (retained following the tax situation of the Group)	3.469	3.455
Recoverable corporate tax	*185*	*185*
Recoverable exit tax	*459*	*459*
Recoverable withholding tax on dividends paid and on liquidation bonuses	*2.825*	*2.811*
Other	1.347	1.343
TOTAL TAX RECEIVABLES AND OTHER CURRENT ASSETS	**4.937**	**4.940**

For the description of the Group's tax status, please see "Note 26. Conditional rights and obligations".

Deferred charges and accrued income

in thousands €	2022	2021
Incurred, non-expired property income	7.027	6.104
Recoverable property tax	*6.930*	*3.111*
Genk Green Logistics vacancy tax to be recovered	*0*	*2.953*
Recoverable "other"	*97*	*40*
Prepaid property charges	1.979	95
Deferred costs ongoing investment dossiers	*809*	*61*
Prepayments and purchase commitments in investment dossiers	*896*	*0*
Other property costs to be deferred	*274*	*34*
Other	905	177
TOTAL DEFERRED CHARGES AND ACCRUED INCOME	**9.911**	**6.376**

Intervest recovers a majority of the property tax calculated on vacant parts of buildings through objections submitted to the Flanders Tax Administration.

The prepaid property charges are mainly study costs and preparations for possible acquisitions or divestments.

Note 16. Shareholders' equity

Share capital

The paid-up capital as at 31 December 2022 amounts to € 266.402.236,24 and is divided into 29.235.067 fully paid-up shares with no statement of nominal value.

The heading capital on the balance sheet also includes € 2.376.239 in costs for the capital increase of November 2018 and the capital increase of perimeter company Genk Green Logistics in December 2020 and December 2022.

in thousands €	2022	2021
Paid-up capital	266.402	239.665
Capital increase costs	-2.376	-1.735
TOTAL CAPITAL	**264.026**	**237.930**

In financial year 2022 there was a capital increase as at 25 May 2022 in the form of an optional dividend for financial year 2021 with the issue of 276.426 new shares for an amount of € 7,1 million, more specifically, € 2,5 million in capital and € 4,6 million in share premium. The shares created provide an entitlement to dividend as from 1 January 2022.

As at 5 December 2022, Intervest realised a capital increase via accelerated private placement.
Hereby, 2.657.733 new shares were created, for an amount of € 24,2 million in capital and € 24,9 million in share premium. These new shares are entitled to dividend with effect from 1 January 2022.

The capital on the balance sheet as at 31 December 2022 amounts to € 264 million.

Herentals ⟩ Herentals Green Logistics

EVOLUTION OF THE PAID-UP CAPITAL		Capital movement	Total outstanding share capital after the transaction	Number created shares	Total number of shares
Date	**Transaction**	**in thousands €**		**in units**	
08.08.1996	Foundation	62	62	1.000	1.000
05.02.1999	Capital increase by non-cash contribution in kind (Atlas Park)	4.408	4.470	1.575	2.575
05.02.1999	Capital increase by incorporation of issue premium and reserves and capital reduction through the incorporation of losses carried forward	-3.106	1.364	0	2.575
05.02.1999	Share split	0	1.364	1.073.852	1.076.427
05.02.1999	Capital increase by contribution in cash	1.039	2.403	820.032	1.896.459
29.06.2001	Merger by absorption of the limited liability companies Catian, Innotech, Greenhill Campus and Mechelen Pand	16.249	18.653	2.479.704	4.376.163
21.12.2001	Merger by absorption of companies belonging to the VastNed Group	23.088	41.741	2.262.379	6.638.542
21.12.2001	Capital increase by non-cash contribution (De Arend, Sky Building and Gateway House)	37.209	78.950	1.353.710	7.992.252
31.01.2002	Contribution of 575.395 Siref shares	10.231	89.181	1.035.711	9.027.963
08.05.2002	Contribution of max. 1.396.110 Siref shares in the context of the bid	24.824	114.005	2.512.998	11.540.961
28.06.2002	Merger with Siref nv; exchange of 111.384 Siref shares	4.107	118.111	167.076	11.708.037
23.12.2002	Merger by absorption of the limited liability companies Apibi, Pakobi, PLC, MCC and Mechelen Campus	5.016	123.127	1.516.024	13.224.061
17.01.2005	Merger by absorption of the limited liability companies of Mechelen Campus 2, Mechelen Campus 4, Mechelen Campus 5 and Perion 2	3.592	126.719	658.601	13.882.662
18.10.2007	Merger by absorption of the limited liability companies Mechelen Campus 3 and Zuidinvest	6	126.725	18.240	13.900.902
01.04.2009	Merger by absorption of the limited liability company Edicorp	4	126.729	6.365	13.907.267
25.05.2012	Capital increase through optional dividend financial year 2011	2.666	129.395	292.591	14.199.858
23.05.2013	Capital increase through optional dividend financial year 2012	2.051	131.447	225.124	14.424.982
28.05.2014	Capital increase through optional dividend financial year 2013	3.211	134.657	352.360	14.777.342
22.12.2014	Capital increase through contribution in kind in the frame-work of and including a transaction equated with demerger or partial demerger (Article 677 of the Belgian Companies Code)	12.453	147.110	1.366.564	16.143.906
28.05.2015	Capital increase through optional dividend	870	147.980	95.444	16.239.350
25.05.2016	Capital increase through optional dividend	4.968	152.948	545.171	16.784.521
05.05.2017	Capital increase by contribution in kind of real estate located in Aarschot	1.969	154.917	216.114	17.000.635
05.05.2017	Capital increase by contribution in kind of real estate located in Oevel	2.906	157.823	318.925	17.319.560
22.05.2017	Capital increase through optional dividend	3.835	161.658	420.847	17.740.407
22.12.2017	Capital increase by contribution in kind of real estate located in Zellik	6.062	167.720	665.217	18.405.624
22.05.2018	Capital increase through optional dividend	4.427	172.147	485.819	18.891.443
30.11.2018	Capital increase with irreducible allocation rights	49.185	221.332	5.397.554	24.288.997
20.05.2019	Capital increase through optional dividend	3.353	224.685	368.006	24.657.003
26.05.2020	Capital increase through optional dividend	7.688	232.373	843.669	25.500.672
26.05.2021	Capital increase through optional dividend	7.292	239.665	800.236	26.300.908
25.05.2022	Capital increase through optional dividend	2.519	242.184	276.426	26.577.344
05.12.2022	Capital increase through private placement	24.218	266.402	2.657.733	29.235.067

Share premiums

EVOLUTION OF SHARE PREMIUMS in thousands €		Capital increase	Additional contribution in cash	Value contribu-tion	Share premiums
Date	**Transaction**				
05.02.1999	Capital increase by contribution in cash	1.039	0	20.501	19.462
21.12.2001	Settlement of the accounting losses as a result of the merger by acquisition of the companies belonging to the VastNed Group	0	0	0	-13.747
31.01.2002	Contribution of 575.395 Siref shares	10.231	1.10 4	27.422	16.087
08.05.2002	Contribution of max. 1.396.110 Siref shares in the context of the bid	24.824	2.678	66.533	39.031
25.05.2012	Capital increase through optional dividend	2.666	0	5.211	2.545
23.05.2013	Capital increase through optional dividend	2.051	0	3.863	1.812
28.05.2014	Capital increase through optional dividend	3.211	0	7.075	3.864
22.12.2014	Capital increase through contribution in kind in the framework of and including a transaction equated with demerger or partial demerger (Article 677 of the Belgian Companies Code)	12.453	0	26.183	13.730
28.05.2015	Capital increase through optional dividend	870	0	2.305	1.436
25.05.2016	Capital increase through optional dividend	4.968	0	11.569	6.601
05.05.2017	Capital increase by contribution in kind of real estate located in Aarschot	1.969	0	5.150	3.181
05.05.2017	Capital increase by contribution in kind of real estate located in Oevel	2.906	0	7.600	4.694
22.05.2017	Capital increase through optional dividend	3.835	0	9.074	5.238
22.12.2017	Capital increase by contribution in kind of real estate located in Zellik	6.062	0	13.770	7.708
22.05.2018	Capital increase through optional dividend	4.427	0	9.998	5.571
30.11.2018	Capital increase with irreducible allocation rights	49.185	0	99.855	50.670
20.05.2019	Capital increase through optional dividend	3.353	0	8.575	5.221
26.05.2020	Capital increase through optional dividend	7.688	0	16.266	8.578
26.05.2021	Capital increase through optional dividend	7.292	0	15.429	8.136
25.05.2022	Capital increase through optional dividend	2.519	0	7.104	4.585
05.12.2022	Capital increase through private placement	24.218	0	49.168	24.950
TOTAL SHARE PREMIUMS					**219.354**

The share premiums amount to € 219 million as at 31 December 2022.

Reserves

For the movement of the reserves during financial year 2022, please see the statement of changes in consolidated equity.

The reserves are composed as follows.

in thousands €	2022	2021
Legal reserves	90	90
Reserve for the balance of changes in fair value of real estate properties	99.176	50.665
Reserve for the balance of changes in fair value of authorised hedging instruments not subject to hedge accounting according to IFRS	-4.616	-8.833
Other reserves	24.250	20.319
Results carried forward from previous financial years	39.357	34.423
TOTAL RESERVES	**158.257**	**96.664**

Note 17. Current liabilities

Trade debts and other current debts

in thousands €	2022	2021
Exit tax	14	1.028
Other	25.666	23.284
Suppliers	*22.922*	*20.286*
Tenants	*682*	*652*
Taxes, remunerations and social charges	*2.062*	*2.346*
TOTAL TRADE DEBTS AND OTHER CURRENT DEBTS	**25.680**	**24.312**

The increase in suppliers debts is due to the many ongoing project developments. The works carried out in December 2022 were often only invoiced in January 2023, on the other hand, some costs are also only invoiced at the end of the project. For Genk Green Logistics, there is also still a provision for the property tax (€ 1,3 million) for 2022, for which the invoice has not yet been received.

Other current liabilities

in thousands €	2022	2021
Dividends payable across previous financial years	177	177
Short-term liabilities to related parties	0	1.713
Miscellaneous debts	3.634	0
TOTAL OTHER CURRENT LIABILITIES	**3.811**	**1.890**

Current liabilities to related parties in 2021 include the current account with JM Construct NV and Hino Invest NV, minority shareholders in perimeter company Genk Green Logistics NV. The debts, arising as financing of the further construction of the units under construction in Genk Green Logistics from both shareholders A (Intervest) and B (JM Construct and Hino Invest) have been converted into equity through a capital increase via contribution in kind in December 2022. The remaining balance of debt was repaid to the shareholders after withdrawal from external credit institutions.

Other liabilities amounting to € 3,6 million concern a provision for the final settlement in relation to the transfer of the shares of Zeebrugge Green Logistics in April 2022.

Deferred charges and accrued income

in thousands €	2022	2021
Property revenue received in advance	3.771	13.991
Rental income invoiced in advance	3.065	*11.755*
Pre-invoiced provisions	11	*1.415*
Pre-invoiced - other	46	*223*
Other deferred income	*649*	*598*
Incurred, unexpired interests and other charges	5.541	2.209
Interests USPP and Green Bond	*1.179*	*0*
Other interests and financial charges	*1.700*	*1.083*
Property costs to be allocated	*2.662*	*1.126*
Other	1.037	853
Other accrued charges	*1.037*	*853*
TOTAL ACCRUED CHARGES AND DEFERRED INCOME REPORTED FINANCIAL YEAR 2021		**17.053**
Reclass unexpired advance invoices 2021 for comparability purposes*	0	-11.893
TOTAL ACCRUED CHARGES AND DEFERRED INCOME	**10.349**	**5.160**

* From 2022, the pre-invoiced outstanding trade receivables on the asset side of the balance sheet are offset by the retained revenue on the liability side of the balance sheet. To increase comparability, the comparative figures for 2021 have been adjusted similarly. These outstanding advance invoices relate to invoices relating to the first quarter of 2023. Intervest uses a standard due date of 30 days after invoice date for all its outgoing invoices.

The incurred, unexpired interest and other costs amounts to € 5,5 million in 2022, the increase of € 3,3 million is partly due to the issuance of the Green Bond and USPP in the course of 2022 which are only settled annually or half-yearly as well as increased interest costs on bank loans.

Note 18. Non-current and current financial debts

For the description of the Financial structure of the company, please see the Report of the management board.

Classification by expiry date of withdrawn credit facilities

in thousands €	2022					2021				
	Debts with a remaining duration of					Debts with a remaining duration of				
	< 1 year	> 1 year and < 5 year	> 5 year	**Total**	Percentage share	< 1 year	> 1 year and < 5 year	> 5 year	**Total**	Percentage share
Credit institutions and institutional parties: withdrawn credit facilities	64.646	357.787	64.947	**487.380**	**78%**	650	296.119	124.939	**421.708**	**80%**
USPP and Green Bond	0	44.630	49.752	**94.382**	**15%**	0	0	0	**0**	**0%**
Commercial paper	38.000	0	8.000	**46.000**	**7%**	100.000	0	8.000	**108.000**	**20%**
TOTAL	**102.646**	**402.417**	**122.698**	**627.762**	**100%**	**100.650**	**296.119**	**132.939**	**529.708**	**100%**
Share percentage	**16%**	**64%**	**20%**	**100%**		**19%**	**56%**	**25%**	**100%**	

Guarantees regarding financing

In addition to the requirement to maintain the RREC articles of association and the fulfilment of financial ratios imposed by the RREC Act, the bank credit agreements of Intervest are subject to compliance with financial ratios which are primarily related to the company's consolidated financial debt or its financial interest charges, the prohibition on the mortgaging or pledging of real estate investments and the pari passu treatment of creditors. The financial ratios limit the amount that could still be borrowed by Intervest.

For the purpose of the financing of the company, no mortgage registrations are made and no mortgage authorisations are permitted as at 31 December 2022.

For most financings, credit institutions generally require an interest coverage ratio of more than 2 (see description of the Financial structure in the Report of the management board).

These ratios are respected as at 31 December 2022. If Intervest would no longer respect these ratios, the financial institutions could demand that the financing agreements of the company are cancelled, renegotiated, terminated or prematurely repaid.

Classification by expiry date of credit lines

in thousands €	2022					2021				
	Debts with a remaining duration of					Debts with a remaining duration of				
	< 1 year	> 1 year and < 5 year	> 5 year	Total	Percentage share	< 1 year	> 1 year and < 5 year	> 5 year	Total	Percentage share
Credit institutions and institutional parties: withdrawn credit facilities	64.646	357.787	64.947	**487.380**	**59%**	650	296.119	124.939	**421.708**	**65%**
USPP and Green Bond	0	44.630	49.752	**94.382**	**11%**	0	0	0	**0**	**0%**
Commercial paper: withdrawn	38.000	0	8.000	**46.000**	**6%**	100.000	0	8.000	**108.000**	**17%**
Non-withdrawn credit lines	50.979	134.218	15.000	**200.197**	**24%**	7.479	110.215	0	**117.694**	**18%**
TOTAL	**153.625**	**536.635**	**137.698**	**827.958**	**100%**	**108.129**	**406.334**	**132.939**	**647.402**	**100%**
Share percentage	**19%**	**65%**	**16%**	**100%**		**17%**	**63%**	**20%**	**100%**	

The table above includes an amount of € 200 million of non-withdrawn credit lines (€ 118 million as at 31 December 2021). As at 31 December 2022, the take-up through the commercial paper programme is below the level of the concluded back-up lines, as a result of which the entire take-up is covered. Consequently, Intervest has € 200 million of non-withdrawn credit lines available as at 31 December 2022 to finance its ongoing project developments, future acquisitions and the dividend payment in May 2023.

At the closing date, the non-withdrawn credit lines do not constitute actual debt, but are only potential debt under the form of an available credit line. The share percentage is calculated as the ratio of each component to the sum of the credit lines withdrawn and the credit lines not withdrawn.

Classification by variable or fixed interest character of credits withdrawn

in thousands €	2022		2021	
	Total	**Percentage share**	**Total**	**Percentage share**
Credit facilities with variable interest rate	172.762	27%	199.708	38%
Credit facilities covered by interest rate swaps and/or floors	280.000	45%	250.000	47%
Credit facilities with fixed interest rate	175.000	28%	80.000	15%
TOTAL	**627.762**	**100%**	**529.708**	**100%**

In the above table “Classification by variable or fixed character of credit withdrawn at financial institutions and of the commercial paper programme”, the share percentage is calculated as the ratio of each component to the sum of credits withdrawn.

Characteristics of the USPP and Green Bond

Mid-April 2022, a new funding market was addressed through a successful US private placement. Through a US insurer, € 50 million was placed for a 10-year term at a coupon of 2,83%.

In June 2022, Intervest then issued a first sustainable bond for an amount of € 45 million, this with a maturity of 5 years at 3,6%.

Characteristics of the commercial paper

Intervest issued a commercial paper in July 2018 for a maximum amount of € 70 million to further diversify its financing sources, which was expanded to a maximum amount of € 120 million in 2020. Of this, € 100 million is planned for short-term issues and € 20 million for long-term issues.

As at 31 December 2022, € 38 million had been issued for the short term and € 8 million for the long term with a maturity date in 2028 and 2031. The take-up as at 31 December 2022 is fully hedged by back-up lines (€ 60 million) from the guiding banks (Belfius Bank and KBC Bank) that serve as a guarantee for refinancing should the placement or renewal of the commercial paper prove impossible or only partially possible.

Note 19. Financial instruments

The main financial instruments of Intervest consist of financial and commercial receivables and debts, cash and cash equivalents, as well as interest rate swaps (IRS) and floor.

SUMMARY OF FINANCIAL INSTRUMENTS			**2022**		**2021**	
in thousands €	Categories	Level	Carrying amount	Fair value	Carrying amount	Fair value
FINANCIAL INSTRUMENTS ON ASSETS						
Non-current assets						
Financial non-current assets	C	2	32.608	32.608	4.455	4.455
Trade receivables and other non-current assets	A	2	41	41	80	80
Current assets						
Financial current assets	C	2	0	0	97	97
Trade receivables[1]	A	2	2.126	2.126	2.386*	2.386*
Cash and cash equivalents	B	2	3.053	3.053	3.537	3.537
FINANCIAL INSTRUMENTS ON LIABILITIES						
Non-current liabilities						
Non-current financial debts (interest-bearing)	A	2	525.116	504.942	429.058	429.871
Other non-current financial liabilities						
Permitted hedging instruments	*C*	*2*	*4.793*	*4.793*	*9.041*	*9.041*
Other non-current financial liabilities	*A*	*3*	*10.368*	*10.368*	*2.382*	*2.382*
Other non-current liabilities	A	2	2.810	2.810	1.503	1.503
Current liabilities						
Current financial debts	A	2	102.646	102.646	100.650	100.650
Other current financial liabilities	A	3	35	35	1	1
Trade debts and other current debts	A	2	25.680	25.680	24.312	24.312
Other current liabilities	A	2	3.811	3.811	1.890	1.890

1 From 2022, the pre-invoiced outstanding trade receivables on the asset side are offset by the deferred revenue on the liability side. To increase comparability, the 2021 comparative figures were adjusted similarly. Adjusted amounts are marked with *.

The categories correspond to the following financial instruments:

A. financial assets or liabilities (including receivables and loans) held to maturity and measured at amortised cost
B. investments held to maturity and measured at amortised cost
C. assets and liabilities held at fair value via the income statement, with the exception of financial instruments defined as hedging instruments.

Financial instruments are recorded at fair value. The fair value is determined based on one of the following levels of the fair value hierarchy:

- level 1: valuation is based on quoted market prices in active markets
- level 2: valuation is based on (externally) observable information, either directly or indirectly
- level 3: valuation is based either fully or partially on information that is not (externally) observable.

The financial instruments of Intervest correspond to level 2 of the fair value hierarchy. The valuation techniques regarding the fair value of level 2 financial instruments are as follows:

- for the items “Financial non-current assets”, “Other non-current financial liabilities” and “Other current financial liabilities”, which apply to the interest rate swaps and the floor, the fair value is determined by means of observable data, namely the forward interest rates that apply to active markets, which are generally supplied by financial institutions
- the fair value of the remaining level 2 financial assets and liabilities is practically the same as their carrying amount, either because they have a short-term maturity (such as trade receivables and debts) or because they carry a variable interest rate
- when the fair value of the interest-bearing financial liabilities is calculated, the financial liabilities with a fixed interest rate are taken into account, and the future cash flows (interest and capital redemption) are discounted with a market-based yield.

Intervest employs interest rate swaps and floors to hedge potential changes in the interest charges on a portion of the financial liabilities that have a variable interest rate (the short-term Euribor rate). The interest rate swaps and floors are classified as derivatives, as financial instruments at fair value via the result. Intervest does not apply hedge accounting. The fluctuations in the fair value of the financial instruments are included in the income statement on the line “Changes in the fair value of financial assets and liabilities” in the financial result.

Management of the financial risks

For the description of the main risk factors and the internal control and risk management systems, please refer to the Risk factors section. Intervest’s main financial risks are the risk associated with the financial debt ratio, the risk associated with the liquidity and cost of funding and the risk associated with non-compliance with financial covenants.

Fair value of financial derivatives

As at 31 December 2022, the company possesses the following financial derivatives. The floors in the table relate to the variable rate of the IRS.

		Starting date	End date	Interest rate	Contractual notional amount	Hedge accounting	Fair value	
in thousands €						Yes/No	2022	2021
1	IRS	18.06.2019	18.06.2025	0,6675%	15.000	No	0	-387
2	IRS	24.06.2019	22.06.2026	0,6425%	10.000	No	0	-292
3	IRS	13.05.2019	13.05.2026	0,2870%	10.000	No	0	-155
4	IRS	15.06.2020	15.01.2027	0,5850%	15.000	No	0	-428
5	IRS	15.06.2020	15.06.2026	0,5200%	10.000	No	0	-237
6	IRS	14.12.2020	14.12.2027	0,3800%	15.000	No	0	-318
7	IRS	01.04.2021	03.04.2028	0,6770%	10.000	No	0	-247
8	IRS	06.04.2021	03.04.2028	0,6120%	25.000	No	0	-488
9	IRS	18.08.2021	18.08.2028	0,2366%	20.000	No	0	-227
10	IRS	30.06.2021	30.06.2028	0,7200%	25.000	No	-2.273	-2.939
11	IRS	30.06.2021	30.06.2027	0,6900%	35.000	No	-2.520	-3.323
Recognised under Other non-current financial liabilities							**-4.793**	**-9.041**
1	Floor*	13.05.2019	13.05.2022	0,2870%	10.000	No	0	21
2	Floor*	14.12.2020	14.12.2022	0,3800%	15.000	No	0	76
Financial current assets							**0**	**97**
1	IRS	26.06.2019	26.06.2025	-0,1770%	15.000	No	0	25
2	IRS	10.07.2019	10.07.2024	-0,2975%	15.000	No	797	19
3	IRS	13.05.2019	13.05.2026	0,2870%	10.000	No	917	0
4	IRS	24.06.2019	22.06.2026	0,6425%	10.000	No	822	0
5	IRS	15.06.2020	15.01.2027	0,5850%	15.000	No	1.439	0
6	IRS	15.06.2020	15.06.2026	0,5200%	10.000	No	859	0
7	IRS	06.04.2021	03.04.2028	0,6120%	25.000	No	3.022	0
8	IRS	01.04.2021	03.04.2028	0,6770%	10.000	No	1.175	0
9	Floor*	30.06.2021	30.06.2028	-1,0500%	25.000	No	5.258	1.912
10	Floor*	30.06.2021	30.06.2027	-1,0000%	35.000	No	6.054	2.044
11	Floor*	18.08.2021	18.08.2024	0,0000%	20.000	No	7	217
12	IRS	18.08.2021	18.08.2028	0,2366%	20.000	No	2.935	0
13	Floor*	01.02.2021	01.02.2023	0,0000%	30.000	No	0	168
14	IRS	01.02.2021	01.02.2028	0,0030%	30.000	No	4.365	70
15	IRS	20.12.2021	18.06.2027	0,7975%	15.000	No	1.440	0
16	IRS	14.12.2022	14.12.2025	1,1800%	35.000	No	1.977	0
17	IRS	16.11.2022	16.11.2028	1,9080%	25.000	No	1.541	0
Non-current financial assets							**32.608**	**4.455**
TOTAL FAIR VALUE OF FINANCIAL DERIVATIVES							**27.815**	**-4.489**

	2022	2021
Accounting processing as at 31 December 2022		
▪ In shareholders' equity: Reserve for the balance of changes in fair value of authorised hedging instruments not subject to hedge accounting	-4.489	-8.751
▪ In the income statement: Changes in fair value of financial assets and liabilities	32.304	4.262
TOTAL FAIR VALUE OF FINANCIAL DERIVATIVES	**27.815**	**-4.489**

As at 31 December 2022, the interest rate swaps have a positive market value of € 28 million (contractual notional amount of € 280 million), which is determined by the issuing financial institution on a quarterly basis.

Changes in the fair value of financial assets and liabilities and other non-distributable items in the financial result

in thousands €	2022	2021
Changes in the fair value of financial assets and liabilities	32.304	4.262
Recoverable interest on concession fee (shift in time ifv IFRS 16)	-47	-45
TOTAL	**32.257**	**4.217**

The concession fee payable by Intervest to Ghent Seaport is passed on in full to the lessee. As the compensation to be paid is included in the figures according to IFRS 16 and the on-charging is done on the basis of the actual invoicing, there is consequently a shift in time, which ultimately does not represent any real cost or income and is therefore not included in the EPRA earnings.

Sensitivity in the fair value of financial derivatives

An increase in interest rates of 20 basis points would have an impact of € 2,2 million on the mark-to-market value of the financial hedging instruments in the income statement. A decrease in interest rates of 20 basis points would have a negative impact on the income statement of the same magnitude.

Note 20. Other non-current and current financial liabilities

The other non-current and current financial liabilities include other long-term financial liabilities in addition to the authorised hedging instruments explained earlier:

in thousands €	2022	2021
Total hedging instruments	**4.793**	**9.041**
To be paid lease hold fee Oevel	374	376
To be paid concession fee Gent	1.749	1.677
To be paid concession fee Zeebrugge	7.807	0
To be paid lease obligations cars	438	329
Total Other	**10.368**	**2.382**
TOTAL OTHER NON-CURRENT LIABILITIES	**15.162**	**11.423**
To be paid lease hold fee Oevel	1	1
To be paid concession fee Zeebrugge	34	0
TOTAL OTHER CURRENT LIABILITIES	**35**	**1**

For some investments, Intervest does not hold full ownership but only usufruct through a concession, long lease or the like. In accordance with IFRS 16, a financial liability is recognised for the fees payable. The financial liability on the balance sheet concerns the present value of the future lease payments. In determining the present value of these future payments, some judgements and estimates are made, in particular the duration of the liability (depending on the contractual renewal options of the concession or lease hold on the one hand, and the economic life of the building that the property valuer takes into account in the fair value assessment on the other hand) and determining the incremental interest rate as discount rate of the lease payments. The discount rate used in determining these liabilities is based on a combination of the interest rate curve plus a spread as a function of Intervest's credit risk, both in line with the remaining term of the underlying right of use. Here, the interest rate curve is based on observable market data, the spread is non-observable input and based on Intervest's recent transactions, adjusted for market and maturity trends.

If the incremental interest rate were to increase (decrease) by 50 basis points, this would give rise to a decrease (increase) in the financial liability including the liability for Ghent of € 0,8 million, with an impact on the debt ratio of 0,1%. However, the liability is determined at the start of the lease period, and only in the event of any contractual adjustments the discount rate should be reassessed.

In total, as at 31 December 2022, Intervest has € 10,4 million on its balance sheet as lease fees payable to third parties. As indicated above, the concession fee payable to Ghent Seaport is fully recovered from the lessee.

Note 21. Deferred tax - liabilities

in thousands €	2022	2021
Provision for deferred taxes with regard to Belgium	1.225	1.316
Provision for deferred taxes with regard to The Netherlands	20.536	25.109
TOTAL OF DEFERRED TAX - LIABILITIES	**21.761**	**26.425**

The deferred taxes contain a provision for deferred taxes on non-realised increases on the investment properties belonging to the perimeter companies of the Group in Belgium and the Netherlands. The decrease in deferred taxes relating to the Netherlands is a direct consequence of the revaluation of the property portfolio located in the Netherlands as a result of the current decompression of yields.

Note 22. Calculation of debt ratio

in thousands €	Note	2022	2021
Non-current financial debts	18	525.116	429.058
Other non-current financial liabilities (excl. financial derivatives)	20	10.368	2.382
Trade debts and other non-current debts		2.810	1.503
Current financial debts	18	102.646	100.650
Other current financial liabilities (excluding financial derivatives)	20	35	1
Trade debts and other current debts	17	25.680	24.312
Other current liabilities	17	3.811	1.890
Total liabilities for calculation of debt ratio		**670.466**	**559.796**
Total assets (excl. financial derivatives)		**1.396.173**	**1.244.298**
DEBT RATIO		**48,0%**	**45,0%**

For the further description of the evolution of the debt ratio, please see the explanation of the “Financial structure” in the Activities report - Financial report.

Note 23. Affiliated parties

The affiliated parties with whom the company trades are its shareholders and affiliated companies, as well as its perimeter companies (see Note 24) and its members of the supervisory board and the management board.

Relation with the affiliates

in thousands €	2022	2021
JM Construct nv		
Minority shareholder Genk Green Logistics		
Short-term liabilities (current account) to JM Construct	0	478
Interest charged to C/A JM Construct	50	11
Hino Invest nv		
Minority shareholder Genk Green Logistics		
Current liabilities (current account) to Hino Invest	0	1.234
Interest charged to C/A Hino Invest	177	23

in thousands €	2022	2021
Minority shareholders Genk Green Logistics (JM Construct and Hino Invest)		
Project fee related to the construction of new units at the Genk Green Logistics site (paid or foreseen as “invoice to receive”)	1.110	465

Members of the supervisory board and the management board

Remuneration for the members of the supervisory board and the management board is recognised in the items “Property management costs” and “General costs” (see Notes 5 and 6). More details of the composition of the remuneration of the members of the management board can be found in “Note 7. Employee benefits” and the Remuneration report in the Corporate Governance Charter.

in thousands €	2022	2021
Members of the supervisory board	254	245
Members of the management board	1.720	1.641
TOTAL	**1.974**	**1.886**

Note 24. List of the consolidated companies

The companies below are consolidated by the method of full consolidation.

Name company	Address	Enterprise number	Capital share (in %)	Value of the participation in the statutory annual accounts	Minority interests (in thousands €)	
				(in thousands €)	2022	2021
Aartselaar Business Center NV	Uitbreidingstraat 66 2600 Berchem België	BE 0466.516.748	100%	€ -429	0	0
Mechelen Business Center NV	Uitbreidingstraat 66 2600 Berchem België	BE 0467.009.765	100%	€ 3.625	0	0
Mechelen Research Park NV	Uitbreidingstraat 66 2600 Berchem België	BE 0465.087.680	100%	€ 6.256	0	0
Genk Green Logistics NV	Uitbreidingstraat 66 2600 Berchem België	BE 0701.944.557	50%	€ 28.059	28.059	14.023
Puurs Green Logistics NV	Uitbreidingstraat 66 2600 Berchem België	BE 0882.088.997	100%	€ 11.817	0	0
Greenhouse Singel NV (before Tervueren Invest)	Uitbreidingstraat 66 2600 Berchem België	BE 0476.212.986	100%	€ 0	0	0
Zeebrugge Green Logistics NV (before Lingang)	Uitbreidingstraat 66 2600 Berchem België	BE 0721.550.336	100%	€ 22.323	0	0
Intervest Nederland Coöperatief U.A.	Lichttoren 32 5611 BJ Eindhoven Nederland	NL857537349B01	100%	€ 141.889	0	0
Perimeter companies of Intervest Nederland Coöperatief U.A.*						
Intervest Tilburg 1 BV		NL857541122B01	100%			
Intervest Tilburg 2 BV		NL859485869B01	100%			
Intervest Raamsdonksveer 1 BV		NL857780001B01	100%			
Intervest Raamsdonksveer 2 BV		NL858924900B01	100%			
Intervest Raamsdonksveer 3 BV		NL859446013B01	100%			
Intervest Eindhoven 1 BV		NL858924894B01	100%			
Intervest Vuren 1 BV		NL856350412B01	100%			
Intervest Roosendaal 1 BV		NL859095277B01	100%			
Intervest Roosendaal 2 BV		NL859485778B01	100%			
Intervest Roosendaal 3 BV		NL859683059B01	100%			
Intervest Venlo 1 BV		NL859752458B01	100%			
Intervest Nijmegen 1 BV		NL859957743B01	100%			
Intervest Den Bosch 1 BV		NL860294869B01	100%			
Intervest Breda 1 BV		NL862636693B01	100%			
TOTAL MINORITY INTERESTS					**28.059**	**14.023**

* All Intervest companies in the Netherlands are established at Lichttoren 32, 5611 BJ in Eindhoven.

As a result of the expansion of Intervest's real estate portfolio in the Netherlands, Intervest Nederland Coöperatief U.A. was incorporated in 2017. The other Dutch private limited companies are perimeter companies of Intervest Nederland Coöperatief U.A. and hold the real estate.

As at 31 December 2022 Intervest has full control of the perimeter company Genk Green Logistics NV, as a consequence the company is fully consolidated. As at 31 December 2022 the minority interest relating to Genk Green Logistics amounts to € 28,0 million (€ 14 million as at 31 December 2021). The increase of € 14 million is due to the capital increase by contribution of shareholder claims in December 2022 (€ 7,0 million for the minority shareholder) and the 2022 result generation (€ 7,3 million for the minority shareholder) less the dividend payment for financial year 2021 in 2022 (€ -0,3 million for the minority shareholder).

The most important balance sheet and result data for Genk Green Logistics are:

in thousands €	2022	2021
Investment properties	105.057	56.673
Shareholders' equity	56.117	28.046
Non-current liabilities	40.265	15.896
Current liabilities	21.210	19.175
Rental income	3.028	613
Net result	11.132	13.282
EPRA result	2.528	670

Note 25. Fee for the statutory auditor and entities affiliated with the statutory auditor

in thousands € - excl. VAT	2022	2021
Statutory auditor's fee	135	113
Remuneration for exceptional activities or special assignments carried out within the company by the statutory auditor		
Other control assignments	65	18
Tax advice assignments	0	0
Other non-auditing assignments	101	11
Remuneration for exceptional activities or special assignments carried out within the company by persons with whom the statutory auditor is associated		
Other control assignments	39	66
Tax advice assignments	0	0
Other non-auditing assignments	0	12
TOTAL FEE FOR AUDITOR AND ENTITIES AFFILIATED WITH THE STATUTORY AUDITOR	**340**	**220**

Note 26. Conditional rights and obligations

Disputed tax assessments

With the RREC Act (formerly the Royal Decree of 7 December 2010 and the Royal Decree of 10 April 1995), the legislator gave a transparent tax status to RRECs. If a company converts its status into that of an RREC, or if an (ordinary) company merges with a RREC, it must pay a one-off tax (exit tax). After that, the RREC is only subject to taxes on very specific elements, such as “rejected expenses”. No corporate tax whatsoever is thus paid for the majority of the profit that is gained from leases and added value gained from the sale of immovable property.

According to the tax legislation, the taxable basis is to be calculated as the difference between the actual value of the company’s assets and the (fiscal) book value. The Minister of Finance has decided by circular (dated 23 December 2004) that the transfer costs related to the transaction need not be taken into account when determining the fair value, but specifies that the securitisation premium does remain subject to company tax. Tax assessments based on the securitisation premium would therefore indeed be owed. Intervest disputed this interpretation and has notices of objection that are pending, amounting to a total of about € 4 million.

At present, the tax still to be paid plus interest on arrears is approximately € 6,7 million in accordance with the assessments registered. That said, an exemption has not yet been granted concerning the specific provision (since the circular letter dated 23 December 2004) that stipulates that the value of the property when transfer costs are paid by the buyer must apply when calculating the exit tax, as opposed to the value of the property when transfer costs are paid by the seller. In the opinion of Intervest, the only real tax dispute centres around the standpoint that the securitisation premium must be taken into consideration when determining the exit tax (the total tax debt then comes to approx. € 4 million instead of approx. € 6,7 million). No provision was made for these disputed tax declarations.

As at 2 April 2010, in a lawsuit between another Belgian public RREC (at the time property investment fund) and the Belgian State concerning this issue, the Court of First Instance in Leuven ruled that there is no reason “why the actual value of the company’s assets on the date that it is recognised as a property investment fund by the Financial Markets and Services Authority (FSMA) could not be lower than the price of the shares that were offered to the public”.

These additional tax debts, amounting to approx. € 4 million, are being guaranteed by Siref’s two former promoters. As a result of Siref’s recognition as a property investment fund, and within the context of the approval of the prospectus of the Siref property investment fund with a view to obtaining a listing on the stock exchange, these promoters submitted a unilateral declaration dated 8 February 1999 to the FSMA in which they state that they will pay the exit tax that will be owed in the case of an amendment to the return. That said, in a letter dated 24 May 2012, one of these promoters disputes that Intervest can claim rights from this declaration.

In 2008, the tax authorities (Collection and Recovery Department) took out a legal mortgage on a single logistics property on the Dijkstraat in Aartselaar as a guarantee against the outstanding tax debt. After the sale of this logistics property in 2019, a legal mortgage was registered in exchange on one logistics property located on the Nieuwlandlaan in Aarschot.

In 2013, the tax authorities refused one of the notices of objection and Intervest submitted a petition to the Court of First Instance in Antwerp. The Court of First Instance rejected the petition of Intervest in a judgement as at 3 April 2015. The company appealed against such judgement, where, in its judgement dated 25 April 2017, the Court of Appeal declared the appeal of Intervest unfounded, however, and ratified the disputed judgement dated 3 April 2015.

As at 29 January 2018, Intervest filed a cassation appeal against the above-mentioned judgement of the Antwerp Court of Appeal dated 25 April 2017. As at 28 November 2019, the Court of Cassation annulled the ruling of the Court of Appeal and clearly stated that: “The actual value of the company’s assets is the actual value of the company’s assets, less the provisions and debts. The securitisation premium, being the additional price on top of the net assets of the company, which the investor is prepared to pay for the shares in the property investment fund due to its special characteristics, does not form part of these assets.”

The case has now been referred to the Ghent Court of Appeal, which delivered a judgment in favour of Intervest as at 28 June 2022. The judgment was served as at 4 August 2022, the Belgian State will not appeal in cassation. The administrative settlement of this case is largely expected in the course of 2023.

Off-balance sheet obligations

As at 31 December 2022, Intervest has the following obligations:

Via its 50% shareholding in Genk Green Logistics (GGL), Intervest indirectly has an obligation to achieve the result of guaranteeing minimum employment in the context of the GGL project. Compliance with this obligation to achieve a result is measured at two points in time, namely 31 December 2030 and 31 December 2036, increased by the number of calendar days of delay with regard to the delivery of the infrastructure works in zone A by De Vlaamse Waterweg, contractually determined as at 31 December 2021. In the event of non-compliance, a penalty of a maximum € 2 million can be imposed for Genk Green Logistics.
Intervest has also, together with JM Construct, jointly and severally guaranteed the payment by GGL of infrastructure construction costs amounting to € 4 million with respect to De Vlaamse Waterweg.

Furthermore, Intervest has an investment commitment of approximately € 1 million for the further completion of the Herentals Green Logistics project , unit 1B and approximately € 4,4 million for the project development in ‘s-Hertogenbosch.

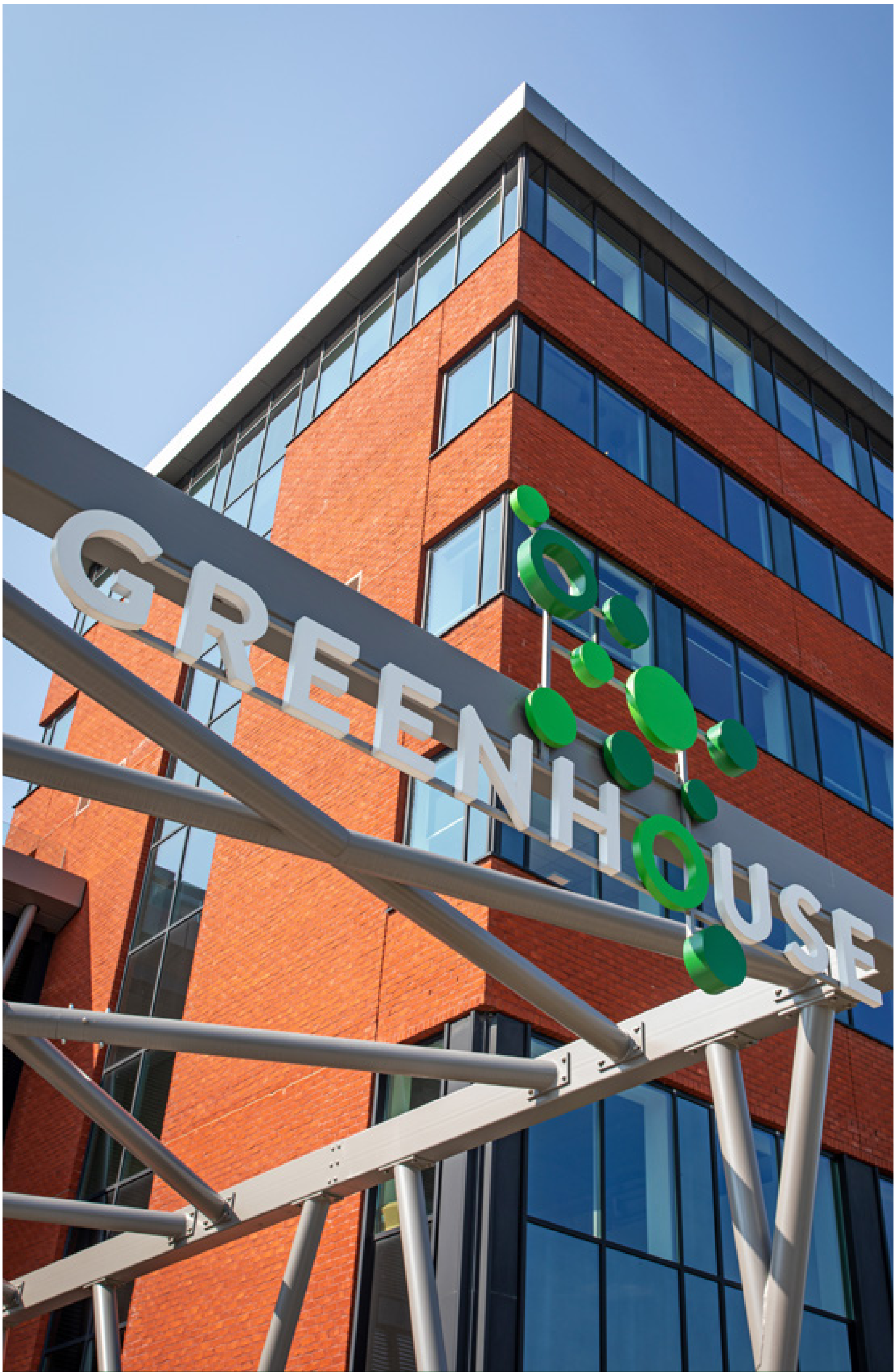
Conflicts of interest

No specific conflicts of interest arose during the course of 2022 that need to be disclosed in the Annual Report in accordance with the Companies and Associations Code and/or the RREC Legislation.

Note 27. Events after the balance sheet date

There are no significant facts to mention that occurred after the balance sheet closing as at 31 December 2022. Intervest concluded a sale-and-lease-back operation with Plasman Belgium NV on concession property for an investment value of € 14,25 million[1]. The 56.000 m² site, strategically located on Skaldenstraat in Ghent seaport, comprises a 22.200 m² production site on which Plasman carries out its operational activities. More info can be found in the Activity report - 1. Property report - 1.1 Transactions and developments in 2022 - 1.1.2. Acquisition after balance sheet date.

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



Diegem 〉 Greenhouse BXL

7 Statutory auditor's report[1]

Deloitte.

Statutory auditor's report to the shareholders' meeting of Intervest Offices & Warehouses NV/SA for the year ended 31 December 2022 - Consolidated financial statements

In the context of the statutory audit of the consolidated financial statements of Intervest Offices & Warehouses NV/SA ("the company") and its subsidiaries (jointly "the group"), we hereby submit our statutory audit report. This report includes our report on the consolidated financial statements and the other legal and regulatory requirements. These parts should be considered as integral to the report.

We were appointed in our capacity as statutory auditor by the shareholders' meeting of 27 April 2022, in accordance with the proposal of the board of directors ("bestuursorgaan" / "organe d'administration") issued upon recommendation of the audit committee. Our mandate will expire on the date of the shareholders' meeting deliberating on the financial statements for the year ending 31 December 2023. We have performed the statutory audit of the consolidated financial statements of Intervest Offices & Warehouses NV/SA, Public regulated real estate company under Belgian law for 22 consecutive periods.

Report on the consolidated financial statements

Unqualified opinion

We have audited the consolidated financial statements of the group, which comprise the consolidated balance sheet as at 31 December 2022, the consolidated income statement, the consolidated statement of comprehensive income, the statement of changes in consolidated equity and the consolidated cash flow statement for the year then ended, as well as the summary of significant accounting policies and other explanatory notes. The consolidated balance sheet shows total assets of 1 428 780 (000) EUR and the consolidated income statement shows a net result for the year then ended of 57 280 (000) EUR.

In our opinion, the consolidated financial statements give a true and fair view of the group's net equity and financial position as of 31 December 2022 and of its consolidated results and its consolidated cash flow for the year then ended, in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium.

Basis for the unqualified opinion

We conducted our audit in accordance with International Standards on Auditing (ISA), as applicable in Belgium. In addition, we have applied the International Standards on Auditing approved by the IAASB applicable to the current financial year, but not yet approved at national level. Our responsibilities under those standards are further described in the "Responsibilities of the statutory auditor for the audit of the consolidated financial statements" section of our report. We have complied with all ethical requirements relevant to the statutory audit of consolidated financial statements in Belgium, including those regarding independence.

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

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

1 The statutory auditor has agreed to the inclusion of its report in this Annual Report. The information has been presented correctly and, to Intervest's best knowledge and insofar as it was able to deduce from the information published by the statutory auditor, no facts have been omitted that could cause the information presented to be incorrect or misleading.

Key audit matters

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

Key audit matters	How our audit addressed the key audit matters
Valuation of investment properties	
• Investment properties (1 333 418 (000) EUR) represent 93% of the consolidated balance sheet total as at 31 December 2022. Changes in the fair values of the investment properties have a significant impact on the consolidated net result for the period and equity. • The portfolio includes completed investments and properties under construction. • Acquisitions and divestments of investment properties are individually significant transactions. • The Group uses professionally qualified external valuers to fair value the Group's portfolio at three-monthly intervals. The valuers are engaged by the Directors and performed their work in accordance with the Royal Institute of Chartered Surveyors ('RICS') Valuation – Professional Standards. The valuers used by the Group have considerable experience in the markets in which the Group operates. • The portfolio is valued by the investment method of valuation with development properties valued by the same methodology with a deduction for all costs necessary to complete the development together with a remaining allowance for risk. The key inputs into the valuation exercise are yields and current market rent, which are influenced by prevailing market forces, comparable transactions and the specific characteristics of each property in the portfolio. • Therefore, the audit risk appears in the assumptions and critical judgment linked to those key inputs. **Reference to disclosures** We refer to the consolidated financial statements, including notes to the consolidated financial statements: Note 2, Principles of financial reporting; Note 14, Non-current assets.	• We considered the internal control implemented by management and we carried out testing relating to the design and implementation of controls over investment properties. • We assessed the competence, independence and integrity of the external valuers. • We discussed and challenged the valuation process, performance of the portfolio and significant assumptions and critical judgement areas, including occupancy rates, yields and development milestones. • We benchmarked and challenged the key assumptions to external industry data and comparable property transactions, in particular the yield. • We performed audit procedures to assess the integrity and completeness of information provided to the independent valuers relating to rental income, key rent contract characteristics and occupancy. • We agreed the amounts per the valuation reports to the accounting records and from there we agreed the related balances through to the financial statements. • As part of our audit procedures performed on the acquisitions and divestments of investment properties we examined significant contracts and documentation on the accounting treatment applied to these transactions. • Furthermore, we assessed the appropriateness of the disclosures provided on the fair values of investment properties.

Responsibilities of the board of directors for the preparation of the consolidated financial statements

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

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

Responsibilities of the statutory auditor for the audit of the consolidated financial statements

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

During the performance of our audit, we comply with the legal, regulatory and normative framework as applicable to the audit of consolidated financial statements in Belgium. The scope of the audit does not comprise any assurance regarding the future viability of the company nor regarding the efficiency or effectiveness demonstrated by the board of directors in the way that the company's business has been conducted or will be conducted.

As part of an audit in accordance with ISA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from an error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board of directors;
- conclude on the appropriateness of the use of the going concern basis of accounting by the board of directors and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our statutory auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our statutory auditor's report. However, future events or conditions may cause the group to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the consolidated financial statements, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- obtain sufficient appropriate audit evidence regarding the financial information of the entities and business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

Other legal and regulatory requirements

Responsibilities of the board of directors

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

Responsibilities of the statutory auditor

As part of our mandate and in accordance with the Belgian standard complementary to the International Standards on Auditing (ISA) as applicable in Belgium, our responsibility is to verify, in all material respects, the director's report on the consolidated financial statements and other matters disclosed in the annual report on the consolidated financial statements, as well as to report on these matters.

Aspects regarding the directors' report on the consolidated financial statements and other information disclosed in the annual report on the consolidated financial statements

In our opinion, after performing the specific procedures on the directors' report on the consolidated financial statements, this report is consistent with the consolidated financial statements for that same year and has been established in accordance with the requirements of article 3:32 of the Code of companies and associations.

In the context of our statutory audit of the consolidated financial statements we are responsible to consider, in particular based on information that we became aware of during the audit, if the directors' report on the consolidated financial statements and other information disclosed in the annual report on the consolidated financial statements, i.e.: Risk factors, Corporate Governance Statement, Real Estate report – 1.1 Transactions and developments in 2022, Activity report – 2.1. Financial results 2022, and Activity report – 2.2 Financial structure are free of material misstatements, either by information that is incorrectly stated or otherwise misleading. In the context of the procedures performed, we are not aware of such a material misstatement.

Statements regarding independence

- Our audit firm and our network have not performed any prohibited services and our audit firm has remained independent from the group during the performance of our mandate.
- The fees for the additional non-audit services compatible with the statutory audit, as defined in article 3:65 of the Code of companies and associations, have been properly disclosed and disaggregated in the notes to the consolidated financial statements.

Other legal and regulatory requirements

Responsibilities of the board of directors

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

Responsibilities of the statutory auditor

As part of our mandate and in accordance with the Belgian standard complementary to the International Standards on Auditing (ISA) as applicable in Belgium, our responsibility is to verify, in all material respects, the director's report on the consolidated financial statements and other matters disclosed in the annual report on the consolidated financial statements, as well as to report on these matters.

Aspects regarding the directors' report on the consolidated financial statements and other information disclosed in the annual report on the consolidated financial statements

In our opinion, after performing the specific procedures on the directors' report on the consolidated financial statements, this report is consistent with the consolidated financial statements for that same year and has been established in accordance with the requirements of article 3:32 of the Code of companies and associations.

In the context of our statutory audit of the consolidated financial statements we are responsible to consider, in particular based on information that we became aware of during the audit, if the directors' report on the consolidated financial statements and other information disclosed in the annual report on the consolidated financial statements, i.e.: Risk factors, Corporate Governance Statement, Real Estate report – 1.1 Transactions and developments in 2022, Activity report – 2.1. Financial results 2022, and Activity report – 2.2 Financial structure are free of material misstatements, either by information that is incorrectly stated or otherwise misleading. In the context of the procedures performed, we are not aware of such a material misstatement.

Statements regarding independence

- Our audit firm and our network have not performed any prohibited services and our audit firm has remained independent from the group during the performance of our mandate.
- The fees for the additional non-audit services compatible with the statutory audit, as defined in article 3:65 of the Code of companies and associations, have been properly disclosed and disaggregated in the notes to the consolidated financial statements.

Single European Electronic Format (ESEF)

In accordance with the draft standard on the audit of the compliance of the financial statements with the Single European Electronic Format ("ESEF"), we are required to check the compliance of the ESEF format and of the tagging with the technical regulatory standards as defined by the European Delegated Regulation No. 2019/815 of 17 December 2018 (hereinafter "Delegated Regulation").

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

Our responsibility is to obtain sufficient and appropriate evidence to conclude that the format and the tagging of the digital consolidated financial statements comply, in all material respects, with the ESEF requirements as stipulated by the Delegated Regulation.

The procedures on the format and marking of information in the official Dutch-language version of the digital consolidated financial statements was not yet completed as of the date of this report.

Other statements

- This report is consistent with our additional report to the audit committee referred to in article 11 of Regulation (EU) No 537/2014.

Signed at Antwerp.

The statutory auditor

Deloitte Bedrijfsrevisoren/Réviseurs d'Entreprises BV/SRL
Represented by Kathleen De Brabander

8 Statutory annual accounts Intervest Offices & Warehouses NV

The statutory annual accounts of Intervest Offices & Warehouses nv are prepared according to the IFRS standards and in accordance with the RREC Royal Decree of 13 July 2014. The entire version of the statutory annual accounts of Intervest Offices & Warehouses nv, along with the Annual Report and the Report of the statutory auditor, will be deposited within the legal time frame at the National Bank of Belgium and can be obtained for free through the website of the company (www.intervest.eu) or on demand at the registered office.

The statutory auditor has issued an unqualified opinion on the statutory annual accounts of Intervest Offices & Warehouses NV.

8.1 Income statement

in thousands €	2022	2021
Rental income	49.344	47.126
Rental-related expenses	-19	-148
NET RENTAL INCOME	**49.325**	**46.978**
Recovery of property charges	1.183	658
Recovery of rental charges and taxes normally payable by tenants on leased properties	15.472	12.569
Costs payable by tenants and borne by the landlord for rental damage and refurbishment	-1.629	-353
Rental charges and taxes normally payable by tenants on leased properties	-15.472	-12.569
Other rental-related income and expenses	654	449
PROPERTY RESULT	**49.533**	**47.732**
Technical costs	-645	-875
Commercial costs	-319	-499
Charges and taxes on unleased properties	-1.048	-873
Property management costs	-2.862	-3.115
Other property charges	-762	-588
Property charges	**-5.636**	**-5.950**
OPERATING PROPERTY RESULT	**43.897**	**41.782**
General costs	-4.051	-3.626
Other operating income and costs	-334	-251
OPERATING RESULT BEFORE RESULT ON PORTFOLIO	**39.512**	**37.905**
Result on disposal of investment properties	478	198
Changes in fair value of investment properties	6.673	12.049
Other result on portfolio	-35	1.446
OPERATING RESULT	**46.628**	**51.598**

in thousands €	2022	2021
OPERATING RESULT	**46.628**	**51.598**
Financial income	8.683	6.776
Net interest charges	-11.058	-7.824
Other financial charges	-182	-180
Changes in fair value of financial assets and liabilities	32.257	4.217
Variations for share of profit or loss and other comprehensive income accounted for under the equity method	-24.498	43.646
Financial result	**5.202**	**46.635**
RESULT BEFORE TAXES	**51.830**	**98.223**
Taxes	-116	-133
NET RESULT	**51.714**	**98.100**
To be excluded:		
- Result on disposals of investment properties	478	198
- Changes in fair value of investment properties	6.673	12.049
- Other result on portfolio	-35	1.446
- Changes in fair value of financial assets and liabilities	32.257	4.217
- Non-distributable items in the variations for the share of profit or loss and other comprehensive income accounted for under the equity method	-24.498	43.646
EPRA EARNINGS	**44.762**	**44.840**

RESULT PER SHARE	2022	2021
Number of shares at year-end	29.235.067	26.300.908
Number of shares entitled to dividend	29.235.067	26.300.908
Weighted average number of shares	26.664.878	25.983.006
Net result (€)	1,94	3,78
Diluted net result (€)	1,94	3,78
EPRA earnings based on the weighted average number of shares (€)	1,68	1,73

8.2 Comprehensive income

in thousands €	2022	2021
NET RESULT	**51.714**	**98.100**
Other components of comprehensive income (recyclable through income statement)	**3.729**	**928**
Revaluation of solar panels	1.480	143
Revaluation FVA	2.249	785
COMPREHENSIVE INCOME	**55.443**	**99.028**

8.3 Balance sheet[1]

ASSETS in thousands €	Note	31.12.2022	31.12.2021
NON-CURRENT ASSETS		**1.212.882**	**1.114.824**
Non-current intangible assets		280	249
Investment properties	8.6	779.889	741.659
Other non-current tangible assets		8.169	3.970
Non-current financial assets	8.6	210.972	168.652
Investments accounted for using the equity method	8.6	213.541	200.219
Trade receivables and other non-current assets		31	75
CURRENT ASSETS		101.711	53.013*
Assets available for sale		27.277	0
Current financial assets		0	97
Trade receivables		2.220	2.392*
Tax receivables and other current assets		66.531	47.668
Cash and cash equivalents		1.368	1.618
Deferred charges and accrued income		4.315	1.238
TOTAL ASSETS		1.314.593	1.167.837*

SHAREHOLDERS' EQUITY AND LIABILITIES in thousands €	31.12.2022	31.12.2021
SHAREHOLDERS' EQUITY	**696.625**	**625.785**
Share capital	264.038	237.937
Share premiums	219.354	189.819
Reserves	161.519	99.929
Net result for the financial year	51.714	98.100
LIABILITIES	**617.968**	542.052*
Non-current liabilities	**497.965**	430.648
Non-current financial debts	484.850	413.162
Credit institutions	*382.468*	405.162
Other	*102.382*	8.000
Other non-current financial liabilities	11.940	16.232
Trade debts and other non-current debts	1.174	1.254
Current liabilities	120.003	111.404*
Current financial debts	101.599	100.650
Credit institutions	63.599	650
Commercial Paper	38.000	100.000
Other current financial liabilities	179	174
Trade debts and other current debts	6.118	5.630

1 As of 2022, prepaid outstanding trade receivables on the asset side are offset with the revenue carried forward on the liabilities side. To increase comparability, the comparative 2021 figures have been adjusted in the same manner. Adjusted amounts have been marked with *.

SHAREHOLDERS' EQUITY AND LIABILITIES in thousands €	31.12.2022	31.12.2021
Other current liabilities	3.811	177
Deferred charges and accrued income	8.296	4.773*
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	1.314.593	1.167.837*

DEBT RATIO in %	2022	2021
Debt ratio (max. 65%)	47,2%	45,1%

NET VALUE PER SHARE in €	31.12.2022	31.12.2021
Net value (fair value)	23,83	23,79
Net asset value EPRA	22,88	23,96
EPRA NTA (net tangible assets)	22,87	23,95

8.4 Appropriation of the result

(in accordance with the scheme recorded in Section 4 of Part 1 of Chapter I of Annex C of the RREC Royal Decree of 13 July 2014)

in thousands €	2022	2021
A. NET RESULT	**51.714**	**98.100**
B. ALLOCATION TO/TRANSFER FROM RESERVES	**-6.984**	**-57.860**
1. Allocation to/transfer from the reserves for the balance of changes in fair value of real estate properties (-/+):		
▪ Financial year	31.072	-42.141
▪ Previous financial years	836	198
▪ Realisation real estate properties	-478	-198
2. Allocation to the reserve for the balance of changes in fair value of allowed hedging instruments that are not subject to hedge accounting (-)	-32.257	-4.217
3. Allocation to/transfer from other reserves (-/+)	-836	-198
4. Allocation to/withdrawal from the reserves for the share in the profit or loss and in the other unrealised results of participations accounted for in line with the "equity" method (-/+)	-5.289	-6.704
5. Allocation to/transfer from results carried over from previous financial years (-/+)	-32	-4.600
C. REMUNERATION OF CAPITAL pursuant to article 13, §1, paragraph 1 of the RREC Royal Decree	**36.507**	**37.731**
D. REMUNERATION OF CAPITAL, other than C	**8.223**	**2.509**

8.5 Statement of changes in statutory shareholder equity

In thousands €
INITIAL STATE 1 JANUARY PREVIOUS FINANCIAL YEAR
Comprehensive income previous financial year
Transfers through result distribution financial year 2 years ago
▪ Transfer to the reserves for the balance of changes in investment value of real estate properties
▪ Transfer of changes in fair value of financial assets and liabilities to the reserve for the balance of changes in fair value of authorised hedging instruments not subject to hedge accounting
▪ Addition to results carried forward from previous financial years
▪ Allocation to other reserves and minority interests
▪ Allocation to / withdrawal from the reserves for the share in the profit or loss and in the other unrealised results of participations accounted for in line with the equity method
Issue of shares for optional dividend 2 years ago
Dividends 2 years ago
BALANCE SHEET AS AT 31 DECEMBER PREVIOUS FINANCIAL YEAR
Comprehensive income financial year
Transfers through result distribution previous financial year
▪ Transfer to the reserves for the balance of changes in investment value of real estate properties
▪ Transfer of changes in fair value of financial assets and liabilities to the reserve for the balance of changes in fair value of authorised hedging instruments not subject to hedge accounting
▪ Addition to results carried forward from previous financial years
▪ Allocation to other reserves and minority interests
▪ Allocation to / withdrawal from the reserves for the share in the profit or loss and in the other unrealised results of participations accounted for in line with the equity method
Issue of shares for optional dividend previous financial year
Issue of shares following accelerated private placement
Dividends previous financial year
BALANCE SHEET AS AT 31 DECEMBER FINANCIAL YEAR

	Share capital					
	Paid-up capital	Capital increase costs	Share premiums	Total reserves	Net result for the financial year	**TOTAL SHAREHOLDERS' EQUITY**
	232.373	**-1.727**	**181.682**	**94.588**	**43.431**	**550.346**
				928	98.100	99.028
				1.140	-1.140	0
				-2.311	2.311	0
				1.425	-1.425	0
				1.670	-1.670	0
				2.490	-2.490	0
	7.292		8.136			15.428
					-39.017	-39.017
	239.665	**-1.727**	**189.818**	**99.929**	**98.100**	**625.785**
				3.729	51.714	55.443
				42.141	-42.141	0
				4.217	-4.217	0
				4.600	-4.600	0
				198	-198	0
				6.704	-6.704	0
	2.519		4.585			7.104
	24.218	-636	24.950			48.532
					-40.240	-40.240
	266402	**-2.364**	**219.354**	**161.519**	**51.714**	**696.625**

Breakdown of the reserves

In thousands €
OPENING POSITION 1 JANUARY PREVIOUS FINANCIAL YEAR
Comprehensive income financial year
Transfers through result distribution financial year 2 years ago
▪ Transfer to the reserves for the balance of changes in investment value of real estate properties
▪ Transfer of changes in fair value of financial assets and liabilities to the reserve for the balance of changes in fair value of authorised hedging instruments not subject to hedge accounting
▪ Addition to results carried forward from previous financial years
▪ Allocation to other reserves and minority interests
▪ Allocation to / withdrawal from the reserves for the share in the profit or loss and in the other unrealised results of participations accounted for in line with the equity method
BALANCE SHEET AS AT 31 DECEMBER PREVIOUS FINANCIAL YEAR
Comprehensive income financial year
Transfers through result distribution previous financial year
▪ Transfer to the reserves for the balance of changes in investment value of real estate properties
▪ Transfer of changes in fair value of financial assets and liabilities to the reserve for the balance of changes in fair value of authorised hedging instruments not subject to hedge accounting
▪ Addition to results carried forward from previous financial years
▪ Allocation to other reserves and minority interests
▪ Allocation to / withdrawal from the reserves for the share in the profit or loss and in the other unrealised results of participations accounted for in line with the equity method
BALANCE SHEET AS AT 31 DECEMBER FINANCIAL YEAR

Legal reserves	Reserve for the balance of changes in the fair value of real estate	Reserve for the balance of changes in fair value of authorised hedging instruments not subject to hedge accounting	Reserve for the share in the profit or loss and in the other unrealised results of partici-pations accounted for in line with the equity method	Other reserves	Results carried forward from previous financial years	**TOTAL RESERVES**
90	**49.712**	**-6.522**	**0**	**17.492**	**33.816**	**94.588**
				928		928
	1.140					1.140
		-2.311				-2.311
					1.425	1.425
				1.670		1.670
			2.490			2.490
90	**50.852**	**-8.833**	**2.490**	**20.090**	**35.241**	**99.929**
			1.747	1.982		3.729
	42.141					42.141
		4.217				4.217
					4.600	4.600
				198		198
			6.704			6.704
90	**92.994**	**-4.616**	**10.941**	**22.268**	**39.842**	**161.519**

8.6 Annexes to the statutory annual accounts

Movements of the number of shares

	2022	2021
Number of shares at the beginning of the financial year	26.300.908	25.500.672
Number of shares issued as optional dividend	276.426	800.236
Number of shares issued in accelerated private placement (APP)	2.657.733	0
Number of shares at year-end	**29.235.067**	**26.300.908**
Adjustments for calculation of the weighted average of the number of shares	-2.570.189	-317.902
Weighted average number of shares	**26.664.878**	**25.983.006**

Investment properties

in thousands €	2022			2021		
	Offices	Logistics property	TOTAL	Offices	Logistics property	TOTAL
BALANCE SHEET AS AT 1 JANUARY	**332.573**	**409.086**	**741.659**	**329.538**	**327.526**	**657.064**
▪ Merger with Gencor NV as at 08 September 2021	0	0	0	12.335	0	12.335
▪ Merger with Greenhouse Singel NV as at 30 November 2022	46.977	0	46.977	0	0	0
▪ Acquisition of investment properties	0	4.627	4.627	0	32.355	32.355
▪ Investments in project developments	2.275	10.929	13.204	0	23.433	23.433
▪ Investments and expansions in existing investment properties	935	1.413	2.348	2.390	2.033	4.423
▪ Transfer to assets available for sale	-27.504	-8.095	-35.599	0	0	0
▪ Changes in fair value of investment properties	-4.229	10.902	6.673	-11.690	23.739	12.049
BALANCE SHEET AS AT 31 DECEMBER	**351.027**	**428.862**	**779.889**	**332.573**	**409.086**	**741.659**

The fair value of Intervest's investment properties increased by € 38 million in 2022 and amounts to € 780 million as at 31 December 2022 (€ 742 million at 31 December 2021).

The fair value of the logistics portfolio increased by approximately € 20 million in 2022. On the one hand due to investments in project developments for € 11 million and existing investment properties for € 1 million. On the other hand by the acquisition of a property in Herstal for € 5 million and the divestment of the logistics site in Huizingen with a fair value of € 8 million. The increase in the fair value of the existing logistics portfolio amounts to € 11 million in 2022.

The fair value of the office portfolio increased by € 18 million compared to year-end 2021. The increase is a result of the merger with Greenhouse Singel as at 30 November 2022, real estate company with an underlying property value of € 47 million, the transfer of three office buildings to assets available for sale in the amount of € -28 million, investments in project developments in the amount of € 2 million and sustainable investments to improve the existing portfolio in the amount of € 1 million. The increase is partially offset by the negative variations in the fair value of the existing office portfolio of € -4 million, mainly due to new planned vacancies that are part of projects to be started up and the early departure of tenant Enterprise Services Belgium in Mechelen Business Tower whereby a severance payment for the remaining rental period was received. In addition, the decrease in value is explained by a review of the rentable area of the archive space in the office portfolio. Indeed, due to increasing digitization among companies, the need for archive space has been reduced. To determine the effect of this, a thorough analysis of the rentability on the available archive space was carried out.

Intervest has no assets for its own use as at 31 December 2022, with the exception of the space in Greenhouse Antwerp where Intervest's registered office is located. In accordance with IAS 40.10, this space is recognized as an investment property.

For the further explanation of the Variations in the fair value of investment properties, please refer to Note 10 of the statutory annual accounts.

Investment properties can be further divided into:

in thousands €	2022	2021
Property available for lease	733.713	725.730
Project developments	46.176	15.929
TOTAL INVESTMENT PROPERTIES	**779.889**	**741.659**

As at 31 December 2022, there are no investment properties that are the subject of mortgage collateral provided within the framework of borrowings and credit facilities with financial institutions. For the description of the legal mortgage established to secure the outstanding tax debt on the logistics property located in Aarschot, Nieuwlandlaan, reference is made to Note 26. Conditional rights and obligations.

Financial non-current assets

The financial non-current assets include as at 31 December 2022 the positive fair value of financial derivatives in the amount of € 33 million and a the loan with perimeter company Intervest Nederland Coöperatief U.A. of € 178 million, mainly to finance the acquisitions of the real estate held in the Dutch perimeter companies.

	2022	2021
Fair value of financial derivatives	32.608	4.455
Receivables from affiliated companies	178.364	164.197
TOTAL FINANCIAL NON-CURRENT ASSETS	**210.972**	**168.652**

Investments accounted for using the equity method

	2022	2021
Participation Aartselaar Business Center	-429	-161
Participation Mechelen Research Park	6.256	5.990
Participation Mechelen Business Center	3.626	4.104
Participation Intervest Nederland Coöperatief U.A.	141.889	150.544
Participation Genk Green Logistics	28.059	14.023
Participation Greenhouse Singel nv (formerly Tervueren Invest)	0	13.954
Participation Puurs Green Logistics	11.817	11.765
Participation Zeebrugge Green Logistics	22.323	0
TOTAL INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD	**213.541**	**200.219**

The investments accounted for using the equity method include, as at 31 December 2022, the value of the participations in Intervest's perimeter companies amounting to € 214 million. The participations are accounted for in the separate financial statements using the equity method, all applying the look-through approach, except for the participation Genk Green Logistics where Intervest does not hold 100% of the shares.

Determination of the amount of mandatory dividend payment

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

in thousands €	2022	2021
Net result	51.714	98.100
Adjustment for non-cash flow transactions included in the net result		
▪ Write-downs	658	740
▪ Depreciations	92	141
▪ Reversal of depreciations	-82	-1
▪ Other non-monetary elements	404	-39.569
▪ Result on disposal of investment properties	-478	-198
▪ Changes in fair value of investment properties	-6.673	-12.049
Corrected result (A)	**45.635**	**47.164**
+ Profits and losses* realised on real estate properties during the financial year	836	198
- Gains on real estate realised properties during the financial year exempted from the mandatory payment, subject to their reinvestment within a period of 4 years	-836	-198
Net gains for realisation of real estate properties non-exempted from mandatory distribution (B)	**0**	**0**
Total (A + B)	**45.635**	**47.164**
Total (A + B) x 80%	**36.507**	**37.731**
Debt reduction (-)	**0**	**0**
DISTRIBUTION REQUIREMENT	**36.507**	**37.731**

* Gains and losses in respect of the purchase value increased by the capitalised investment costs.

Other non-monetary items include the variation in the share of profit or loss and other comprehensive income of equity accounted investments to which the look-through approach is not applied (€ -5,2 million), the variation in the fair value of properties held in 100% perimeter companies to which the look-through approach is applied (€ 37,7 million), the other portfolio result (€ 0 million), the non-cash elements rent discounts and rent benefits granted to tenants (€ 0,2 million) and the variations in the fair value of financial assets and liabilities (€ -32,3 million).

Intervest has a minimum distribution obligation of € 36,5 million for financial year 2022.

Calculation of the statutory earnings per share

	2022	2021
Net result (€ 000)	51.714	98.100
Weighted average number of shares	26.664.878	25.983.006
NET RESULT PER SHARE (€)	**1,94**	**3,78**
Diluted net result per share (€)	1,94	3,78
EPRA earnings (€ 000)	44.762	44.840
Weighted average number of shares	26.664.878	25.983.006
EPRA EARNINGS PER SHARE (€)	**1,68**	**1,73**

Proposed dividend per share

A gross dividend of € 1,53 will be proposed to shareholders for financial year 2022. This gross dividend offers shareholders a gross dividend yield of 8,0% based on the closing share price as at 31 December 2022 (€ 19,24).

	2022	2021
Consolidated EPRA earnings per share (€)	1,71	1,73
Proposed EPRA earnings per share (€)	1,68	1,73
Number of shares entitled to dividend	29.235.067	26.300.908
EPRA earnings per share (€) based on number of dividend entitled shares	1,53	1,70
Gross dividend per share (€)	**1,53**	**1,53**
Dividend payment expressed as a percentage of the statutory EPRA earnings (%)	100%	90%
Payment of the capital (€ 000)	**44.730**	**40.240**

After the close of the financial year, this dividend payment will be proposed by the supervisory board. It will be submitted for approval to the general meeting of shareholders as at 26 April 2023. In accordance with IAS 10, the dividend payment is not recognized as a liability and has no income tax effect.

Determination of the amount in accordance with Article 7:212 of the Belgian Companies and Associations Code

The amount referred to in Article 7:212 of the Companies and Associations Code (formerly Article 617 of the Companies Code), of the paid-up capital or, if this amount is higher, of the called-up capital, increased by all the reserves that may not be distributed according to the law or the Articles of Association, is stipulated in Chapter IV of Appendix C of the RREC-Royal Decree.

in thousands €	2022	2021
Non-distributable elements of shareholders' equity for distribution of profits		
Paid-up capital	266.402	239.665
Unavailable issue premiums, according to the articles of association	219.354	189.818
Reserve for the positive balance of changes in fair value of real estate	92.994	50.851
Reserve for the balance of changes in fair value of authorised hedging instruments not subject to hedge accounting	-4.616	-8.833
Other reserves not available for distribution	15.411	4.977
Legal reserves	90	90
Income distribution which, pursuant to Chapter I of annex C of the Royal Decree of 13 July 2014, is to be allocated to the non-distributable reserves		
Changes in fair value of investment properties	-31.430	42.142
Financial year	*-31.072*	*42.142*
Previous financial years	*-836*	*-198*
Realization of real estate	*478*	*198*
Changes in fair value of financial assets and liabilities (ineffective hedges)	32.257	4.217
Changes for the share of profit or loss and other comprehensive income of participations accounted for using the equity method and to which the look-through approach is not applied	5.289	6.704
TOTAL NON-DISTRIBUTABLE SHAREHOLDERS' EQUITY	**595.751**	**529.633**
Statutory shareholders' equity	**696.625**	**625.785**
Planned dividend distribution	44.730	40.240
Number of shares entitled to dividend	29.235.067	26.300.908
Gross dividend per share (€)	**1,53**	**1,53**
SHAREHOLDERS' EQUITY AFTER DIVIDEND DISTRIBUTION	**651.895**	**585.545**
REMAINING RESERVE AFTER DISTRIBUTION	**56.146**	**55.912**

The changes in the fair value of investment properties recognized in determining the amount in accordance with Article 7:212 of the Companies and Associations Code is € -31,4 million for 2022 (€ 42,1 million for 2021). This amount includes:

- With respect to the financial year: the changes in fair value of investment properties € 6,7 million (€ 12,0 million for 2021), The other portfolio result € 0 (€ 1,4 million for 2021) and the comprehensive income of participations accounted for using the equity method and to which the look-through approach is applied € -37,8 million (€ 28,7 million in 2021).
- With respect to prior financial years: the difference between the net sales proceeds of divested properties and the acquisition value cumulated with investments that is allocated to available reserves through the income statement (see also Note 9) € - 0,8 million (€ 0,2 million for 2021)
- Related to real estate realization, the result on the sale of investment properties € 0,5 million (€ 0,2 million for 2021).

In preparing its statutory financial statements, Intervest applies the look-through approach for the recognition of earnings, the determination of available and unavailable reserves and in determining the minimum dividend payable (80% limit).

The principle of the look-through approach is a consolidation approach in the statutory financial statements at the level of distribution obligation, income recognition and distribution limitation.

By default, the comprehensive income of participations accounted for using the equity method (both realized and unrealized income) is placed in its entirety in the unavailable reserve heading "Reserve for the share of profit or loss and other comprehensive income accounted for using the equity method ", and are consequently unavailable for distribution in the year in which the equity accounted investments realize the income.

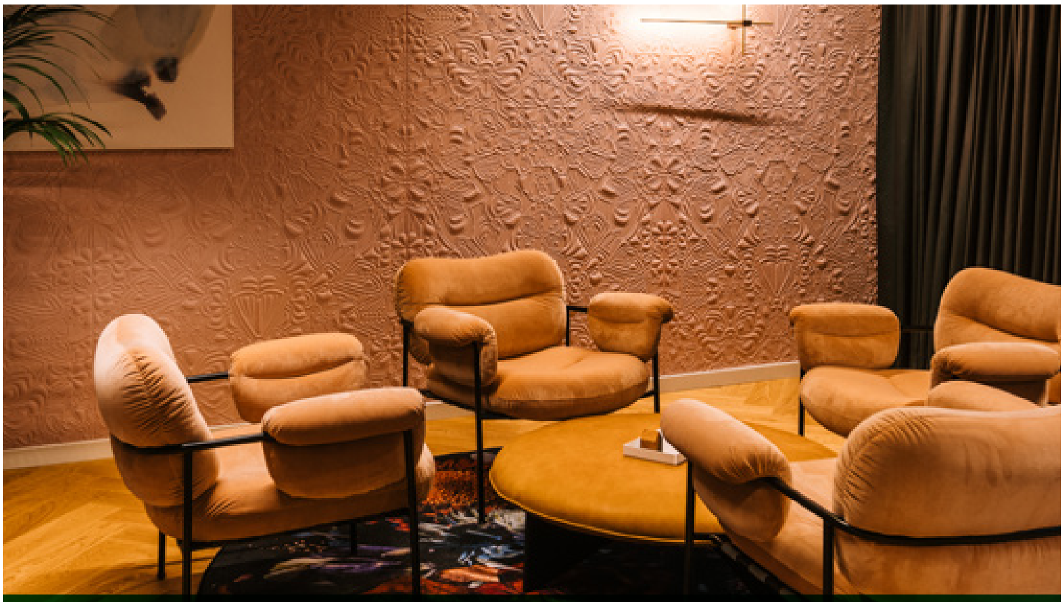
When accounting for particpations using the equity method with application of the look-through approach, the share in the results of the participations is not allocated in its entirety to the unavailable reserve items. The constituent elements of this result are considered. The share in the result of participations is allocated to the unavailable and available reserve headings as if it were the results of the parent company RREC itself.

Applying a look-through approach involves certain financial risks for the parent company RREC and could lead to situations where the participation has to help finance the dividends paid out by the parent company RREC (e.g. by flowing cash from the participation to the parent company RREC by (systematically) allowing loans from the participation to the parent company RREC) or where the RREC itself has to finance the dividend payments through loans.

The look-through approach is therefore approached with caution at Intervest and applied only to the perimeter companies whose shares are held 100% by Intervest. This applies to all Intervest's participations as at 31 December 2022, with the exception of IGVV Genk Green Logistics, of which Intervest is only a 50% shareholder. The look-through approach is not applied to this company and the results of the participation are treated as unavailable.

In 2022, by applying the look-through approach, € 7,9 million EPRA earnings realised in the perimeter companies has been recognised as available result (€ 8,2 million in 2021). Intervest has € 56 million of available reserves as at 31 December 2022 to absorb timing differences in dividend accruals and temporary cash traps.

For the 2022 fiscal year, € 1,53 per share will be distributed. The remaining reserve after distribution increases by € 0,2 million compared to the previous financial year, a consequence of the realized result on the sale of Huizingen compared to the initial purchase price increased by all investments, less the costs paid in the context of the private placement of new shares in the fourth quarter of 2022. As a result of this private placement, the number of shares entitled to dividends increases to 29.235.067.



Antwerp ⟩ Greenhouse Collection at the Singel