



# I. INTERMEDIATE REPORT

AS AT 30 JUNE 2022

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## II. Interim management report

### A. Highlights

## IMMOBEL HALF-YEAR RESULTS 2022

## RESILIENT BUSINESS MODEL IN CHALLENGING MARKETS

AMIDST UNFAVORABLE GEOPOLITICAL CONDITIONS AND MACRO-ECONOMIC HEADWINDS, IMMOBEL MAINTAINED A ROBUST POSITION WITHIN THE REAL ESTATE SECTOR OVER THE FIRST HALF OF 2022.

- Immobel's Net profit Group share amounted to EUR 9.1 million over the first half of 2022. The decrease compared to the first half of 2021 comes as no surprise, also given the fact that 2021 was Immobel's second-best year ever. The anticipated decline was mainly due to residential permitting delays in the past years. Delays in the launch of certain new projects, due to current macro-economic conditions, also influenced the figure.
- Immobel saw a slowdown in residential demand, due to rising interest rates and overall macroeconomic headwinds, including high inflation. Overall, Immobel was able to protect its margins and the decrease in revenues and earnings is only slightly below the expected range. Real estate investments declined in all segments with reduced liquidity in capital markets during the second quarter of 2022. However, Immobel's key office projects are in European cities that are characterised by a low supply of Grade A sustainable offices, with increasing rents. Similarly, the high-quality residential products sit mostly within the higher market segment. Such positioning will continue to be a key driver of the business as Immobel's portfolio remains attractive to investors and end users.
- To date, Immobel has obtained final permits for EUR 292 million.
- Immobel consolidated its position by acquiring a project in Brussels (BE) and Berlin (DE). In addition, a binding agreement was reached to redevelop the Proximus headquarters in Brussels (BE). The GDV<sup>1</sup> of the portfolio rose to EUR 6.2 billion at 30 June 2022.
- Immobel Capital Partners, which was launched in January, completed its first transaction by acquiring an office park in Leeds (UK). The focus of Immobel Capital Partners is to create a 'green' pan European investment strategy in both the office and residential sectors. The Immobel Capital Partners team took shape in H1 2022, it established a diverse senior team, recognized in the European real estate sector and with an outstanding track record.
- At this stage, Immobel does not foresee to deviate from its dividend policy.

<sup>1</sup> Sales value or gross development value: the expected total future turnover of the respective projects

## Financials | Lower revenues and earnings, within anticipated range

The table below provides the key consolidated figures for H1 2022 (in EUR million):

Results	30/06/22	30/06/21	Difference
Revenues and other operating income	130.8	183.8	-28.8%
EBITDA <sup>2</sup>	16.6	36.7	-54.7%
Net profit Group share	9.1	29.9	-69.4%
Net profit group share per share (EUR/share)	0.9	3	-69.5%

Balance sheet	30/06/22	31/12/21	Difference
Inventory <sup>3</sup>	1,315.2	1,261.9	4.2%
Equity Group share	551.2	571.6	-3.6%
Net debt <sup>4</sup>	646.5	593.3	9.0%
Portfolio GDV (in EUR billion) <sup>5</sup>	6.2	5.5	12.7%

Revenues and Net profit group share for the half year to 30 June 2022 were EUR 130.8 million and EUR 9.1 million, a decrease of respectively 28.8% and 69.4%.

The decrease compared to the same period last year comes as no surprise, also given the fact that 2021 was Immobel's second-best year ever. The anticipated decline in revenues and earnings was due to residential permitting delays over the past few years, and the costs associated with the launch of Immobel Capital Partners as well as an operational loss for its French subsidiary. This was further impacted by the current macro-economic headwinds, characterised by high construction inflation, rising interest rates and issues with the construction material supply chain. This delayed the launch of several new projects and resulted in a softening in residential sales. Overall Immobel was able to protect its margins. While the economic uncertainty will probably continue for the foreseeable future, Immobel's office activity could contribute to an improvement of the net profit

The net debt position, GDV of the portfolio and inventory all grew proportionally following acquisitions during H1 2022.

Our strong balance sheet (debt ratio<sup>6</sup> at 56.0%) and solid cash position of EUR 263.6 million will enable us to weather the current market conditions. In June, Immobel strengthened its balance sheet with the issuance of a EUR 125 million green bond. *"The issuance of this bond will allow us to continue developing our projects with high sustainability requirements. The success of this transaction is a clear sign of continued investor interest in environmental concerns and shows the investor confidence in our company,"* explains Karel Breda, Chief Financial Officer.

<sup>2</sup> EBITDA (Earnings Before Interest, Depreciation and Amortization) refers to the operating result (including share of result of associates and joint ventures, net of tax) before amortization, depreciation, and impairment of assets (as included in Administration Costs).

<sup>3</sup> Inventory refers to Investment property, investments in joint ventures and associates, advances to joint ventures and associates, Inventories and Contract assets.

<sup>4</sup> Net debt refers to the outstanding non-current and current financial debt offset by the cash and cash equivalents.

<sup>5</sup> Sales value or gross development value: total expected future turnover (Group share) of a project or all projects in the current portfolio (including projects subject to conditions precedent for which the management judges there is a high likelihood of closing).

<sup>6</sup> Leverage refers to net debt / (net debt + equity – goodwill).

## Business update | Well positioned in residential and office markets

Despite the macro-economic backdrop, Immobel is well positioned in its residential and office markets.

The challenging environment was marked by declining market transactions with reduced liquidity in capital markets in the second quarter of 2022. Immobel's key projects are in European cities that are characterised by a low supply of Grade A sustainable office space with increasing rents. This remains a key driver of our business as these products remain attractive to investors and end users.

Our high-quality residential products sit mostly within the higher market segment that remains attractive in most key cities despite some softening in the wider sector.

In the first half of 2022 Immobel sold The Woods<sup>7</sup> (10,000 m<sup>2</sup>) to a Belgian Family Office. The Woods is a modern redevelopment located in Hoeilaart (Flemish Brabant, BE).

Immobel also launched the commercialization of O'SEA phase 3 (Ostend, BE), Slachthuis (Antwerp, BE), Lalys (Astene, BE), Fort d'Aubervillier (FR) and Liewen (Mamer, LUX) during the first half of 2022. These residential developments strengthened Immobel's status as a leader in its core markets. Immobel develops high-quality buildings designed by internationally known architects to ensure that developed areas become a vibrant environment.

O'Sea is a sustainable residential complex (229 apartments) located in the Belgian sea-town of Ostend, near the seafront. Creating a new perfectly integrated urban district, the complex will offer a wide variety of made to measure living spaces from houses, apartments, serviced residences, to studios.

Slachthuis is a mixed-use residential neighborhood (240,000 m<sup>2</sup>) with space for leisure, creativity, innovation, local business, culture, and education. It is situated in a strategic district of the city of Antwerp in Belgium. The new sustainable, high-tech campus for AP University of Applied Sciences and Arts is the first of many projects that will be turning the entire area into a bustling, green city district.

Lalys will be a new, cozy village district in rural Astene in Belgium. The location is exceptional, mobility-friendly and will become a pleasant place to live. The project is geared towards young families, with all 161 homes having three bedrooms.

Fort d'Aubervillier in France, near the outskirts of Paris, will provide 413 contemporary and bright residential units which will be centered around several parks, shared gardens, school groups, sports halls, services, and spaces dedicated to culture.

Liewen is an intergenerational neighborhood in a calm and green location. On the edge of the town of Mamer in Luxembourg, the new Liewen neighborhood, spanning three hectares, is a human- and nature-centered project which offers high-quality individual and common spaces and comprises 79 new high-quality homes optimally integrated into the existing green environment.

## Permitting | Building the pipeline for the future

Immobel submitted a building permit for the Lebeau project in the Brussels Sablon district in the city centre. The project aims to transform the existing vacant logistics and office complex into a 35,000 m<sup>2</sup> dynamic mixed-use building providing 24/7 uses, and where working, living and leisure all exist hand in hand. The new project design takes into account the feedback from the district with regard to renovation, heritage, building density and sustainability. Neighborhood information and co-creation will also play a significant role in the new approach for the project.

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<sup>7</sup> Through the sale of 2 SPV's holding title to the project.

Immobel also submitted the building permit to transform the PROXIMUS-TOWERS office building into a 120,000 m<sup>2</sup> future-oriented, and inclusive destination where people will live, work, study, relax, shop and play sports. The plans are in line with the new vision of the Brussels Region to transform the North Territory, including the North Quarter, into an accessible, safe, and connecting neighborhood for all its residents and users.

Following the suspension of the building permit for the redevelopment of the Brouck'R project by the Conseil d'Etat/Raad Van State, Immobel and BPI in consultation with Urban.BRUSSELS and the Secretary of State, decided to adapt the design of the project.

Permitting remains a challenge and certain projects, both in Belgium and in France, are subject to delays. To date, Immobel has obtained final permits for EUR 292 million over H1 2022.

## **Acquisitions and investments | Focusing on margins and operational efficiency**

Immobel's balance sheet is resilient, with EUR 263.6 million in cash available and a stable debt ratio of 56.0%.

To date, Immobel has closed deals in Brussels (BE) and Berlin (DE), bringing the total GDV of the portfolio to EUR 6.2 billion.

With the acquisition of the Commodore project in Evere (Brussels, BE), Immobel responds to the structural shortage of quality affordable housing in the city. Immobel is redeveloping a former peripheral office area into a pleasant and sustainable residential neighborhood with a pedestrian zone and cycle tracks in lush surroundings, creating three residential buildings with 115 apartments for about 300 families. Residents will benefit from a park with an orchard and a shared urban vegetable garden to promote biodiversity on-site. The buildings will be equipped with a rainwater recovery system, solar panels, green roofs, and a parking space for 229 bicycles to encourage soft mobility.

In Berlin Immobel finalized the acquisition of the Gutenbergstrasse project which consists of two high-rise apartment buildings with condominiums (in total about 220 apartments). An office building (5,855 m<sup>2</sup>) as well as a daycare centre and approx. 800 m<sup>2</sup> of commercial space will also be developed.

Over the first half of 2022, Immobel has taken a more prudent approach to new acquisitions. *"In these very uncertain economic as well as geopolitical times, we will focus on the consolidation of our markets and on operational efficiency. Nevertheless, we are well positioned to create shareholder value, benefiting from our strong balance sheet and unique knowledge of our markets."* Comments Marnix Galle, Executive Chair of Immobel Group.

Immobel has significantly strengthened its Real Estate Investment Management activity since Immobel Capital Partners was founded in January 2022. Duncan Owen has reinforced the team with the addition of Monica O'Neill (Head of Capital and Investor Relations), Maureen Mahr von Staszewski (Head of Pan European Office) and since the half year, Melinda Knatchbull (Chief Financial and Operating Officer) and Andrew MacDonald (Head of Finance and Joint Ventures). All four have extensive experience in the fund management industry. In early March Immobel Capital Partners announced its first acquisition, an office park in Leeds (UK), which aligns with its plan to create a 'Green' pan-European investment strategy in the office and residential sectors.

## A responsible approach

Over the first half of 2022, Immobel continued its efforts in the framework of its ESG strategy which resulted in various concrete actions.

With the goal to reduce the environmental footprint and to actively contribute to the vitality of the region, the Multi building, Immobel Brussels' headquarters developed together with Whitewood, is now set for a circular future thanks to Madaster's digital materials passport<sup>8</sup>. Multi is the first renovation project in Belgium to receive a digital passport for materials in Madaster. Multi is also the first CO<sub>2</sub>-neutral office building to be commissioned in Brussels. Immobel's enhanced sustainability approach is being translated into action through various projects with the Proximus towers being one of the most recent examples.

In terms of social engagement, the devastating consequences of the war in Ukraine brought Immobel to join the global donation movement. Immobel has identified KBF ("King Baudouin Foundation") as a trusted partner to coordinate the allocation fund to support Ukraine through those four channels<sup>9</sup>.

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<sup>8</sup> For more information : <https://www.immobelgroup.com/en/news/the-materials-passport-used-for-the-first-time-in-a-major-renovation-project>.

<sup>9</sup> For more information : <https://www.immobelgroup.com/en/news/immobel-joins-the-ukraine-donation-movement>.

## B. Project overview

Overview of the main projects in the ImmoBel Group portfolio as at 30 June 2022  
(in order of the project's surface area).

## C. Belgium

Project	Surface (m <sup>2</sup> )	Location	Use	Construction	Completion	Share ImmoBel
Slachthuisite	240,000	Antwerp	Residential	Q2 2022	2030+	30%
SNCB / NMBS	137,000	Brussels	Mixed	Q1 2023	2030+	40%
Proximus	118,000	Brussels	Mixed	Q3 2024	Q1 2027	100%
Cours Saint-Michel	85,000	Brussels	Mixed	Q3 2023	Q3 2026	50%
Oxy	70,000	Brussels	Mixed	Q1 2023	Q2 2025	50%
Key West	61,000	Brussels	Mixed	Q2 2023	Q2 2029	50%
Panorama	60,000	Brussels	Mixed	Q3 2020	Q2 2027	40%
Universalis Park 3	58,000	Brussels	Mixed	Q4 2025	2030+	50%
Ciney	47,000	Ciney	Residential	Q4 2023	2030+	100%
Multi	46,000	Brussels	Offices	Q1 2019	Q1 2022	50%
Theodore	45,000	Brussels	Mixed	Q1 2022	Q3 2024	50%
Lebeau	38,000	Brussels	Mixed	Q1 2024	Q3 2026	100%
Brouck'R	37,000	Brussels	Mixed	Q2 2024	Q3 2026	50%
Isala	34,000	Brussels	Offices	Q3 2023	Q3 2025	76%
Îlot Saint-Roch	32,000	Nivelles	Residential	Q1 2022	Q4 2025	100%
Lalys	31,000	Astene	Residential	Q3 2020	Q1 2025	100%
Eghezée	30,000	Eghezée	Residential	Q1 2023	Q4 2028	100%
't Park	29,000	Tielt	Residential	Q4 2022	Q1 2028	100%
Oostakker	27,000	Oostakker	Residential	Q2 2023	Q2 2027	50%
O'Sea (phase 3)	24,000	Ostend	Residential	Q2 2022	Q1 2025	100%
O'Sea (phase 2)	24,000	Ostend	Mixed	Q3 2019	Q4 2022	100%
Cala	20,000	Liège	Offices	Q3 2018	Q4 2020	30%
Plateau d'Erpent	19,000	Erpent	Residential	Q2 2018	Q4 2022	50%
Beveren	15,000	Beveren	Residential	Q1 2023	Q1 2025	50%
Commerce 46	14,000	Brussels	Offices	Q2 2020	Q4 2022	100%
Domaine du Fort	13,000	Barchon	Residential	Q3 2020	Q4 2025	100%
Sabam	9,000	Brussels	Offices	Q3 2023	Q3 2025	20%
Les Cinq Sapins	9,000	Wavre	Residential	Q1 2019	Q1 2024	100%
Crown	6,000	Knokke	Residential	Q2 2020	Q4 2022	50%

## D. France

Project	Surface m <sup>2</sup>	Location	Use	Construction	Completion	Share Immobil
Rueil-Malmaison	27,000	Rueil-Malmaison	Mixed	Q4 2023	Q2 2026	100%
AUBERVILLIERS ZAC DU FORT îlot A	18,000	Aubervilliers	Residential	Q4 2021	Q4 2024	50%
SAVIGNY – SUR – ORGE -17/27 rue Chateaubriand	14,000	Savigny-sur-orge	Residential	Q4 2021	Q4 2023	100%
AUBERVILLIERS ZAC DU FORT îlot B	9,000	Aubervilliers	Residential	Q4 2021	Q2 2024	50%
Paris 14 / Montrouge	9,000	Paris	Offices	Q3 2025	Q2 2027	100%
BUSSY ST GEORGES GOLF	7,000	Bussy saint georges	Residential	Q2 2022	Q2 2024	100%
BESSANCOURT ZAC DES MEUNIERS - TRANCHE 2	7,000	Bessancourt	Residential	Q1 2020	Q4 2022	50%
Tati	7,000	Paris	Mixed	Q1 2023	Q3 2024	100%
OSNY - 1 Rue de Cergy	6,000	Osny	Residential	Q3 2022	Q3 2024	60%
LONGPONT-SUR-ORGE / Hauts Buarts	6,000	Longpont sur orge	Residential	Q3 2016	Q4 2018	100%
AVON - 29 bis avenue du Général De Gaulle	5,000	Avon	Residential	Q3 2022	Q3 2024	100%
BONDY CANAL	5,000	Bondy	Residential	Q4 2024	Q4 2026	40%
CRETEIL T2	5,000	Créteil	Residential	à définir	à définir	50%
MONTEVRAIN - 144 av T de Champagne	5,000	Montevrain	Residential	Q3 2021	Q3 2023	100%
PARIS 19 - Buttes Chaumont	5,000	Paris	Residential	Q2 2023	Q2 2025	100%
Saint-Antoine	5,000	Paris	Mixed	Q3 2022	Q2 2024	100%
Buttes Chaumont / Crimée	5,000	Paris	Mixed	Q4 2023	Q4 2025	50%
Richelieu	5,000	Paris	Offices	n/a	n/a	10%
Nanterre - 48 Boulevard de Pesaro	4,000	Nanterre	Residential	Q3 2024	Q3 2026	100%
Issy les Moulineaux	4,000	Issy les moulineaux	Residential	Q3 2024	Q3 2026	100%
OTHIS - La Jalaise	4,000	Othis	Residential	Q3 2022	Q3 2024	100%
VAUJOURS 2 - 191/195 rue de Meaux	4,000	Vaujours	Residential	Q4 2022	Q4 2024	100%
Pantin	3,000	Paris	Office	Q1 2023	Q4 2024	100%
CRETEIL - ZAC de l'Echat - Phase 1	3,000	Créteil	Residential	Q3 2024	Q3 2026	50%
HOUILLES - Angle JJ Rousseau - Tivoli	3,000	Houilles	Residential	à définir	à définir	50%
ST GERMAIN EN LAYE - 32 rue Saint Léger	3,000	ST Germain	Residential	Q1 2021	Q2 2023	100%
St Honoré	3,000	Pars	Mixed	Q1 2023	Q2 2024	10%
MONTLHERY 2 - Ch des Poutils / Route D'Orléans	2,000	Montlhery	Residential	Q1 2023	Q1 2025	20%



## E. Luxembourg

Project	Surface m <sup>2</sup>	Location	Use	Construction	Completion	Share ImmoBel
Polvermillen	27,000	Luxembourg	Mixed	Q4 2022	Q2 2026	100%
Kiem	23,000	Luxembourg	Mixed	Q2 2024	Q1 2027	70%
Schoettermarial	22,000	Luxembourg	Mixed	Q1 2027	Q2 2029	50%
Liewen	14,000	Mamer	Residential	Q4 2022	Q4 2024	100%
Livingstone - Lot1	13,000	Luxembourg	Mixed	Q3 2020	Q2 2023	33%
Cat Club (Rue de Hollerich)	12,000	Luxembourg	Mixed	Q3 2024	Q3 2027	100%
Total (Gasperich)	10,000	Luxembourg	Mixed	Q1 2025	Q2 2027	100%
River Place	8,000	Luxembourg	Mixed	Q4 2023	Q4 2025	100%
Godbrange	7,000	Godbrange	Residential	Q4 2024	Q4 2026	100%
Canal 44	6,000	Esch-sur-Alzette	Mixed	Q2 2021	Q1 2025	100%
Thomas	6,000	Strassen	Offices	Q3 2027	Q1 2029	100%
Nova	4,000	Luxembourg	Offices	Q1 2021	Q2 2023	100%
Scorpio	4,000	Luxembourg	Offices	Q2 2025	Q2 2027	20%

## F. Poland

Project	Surface m <sup>2</sup>	Location	Use	Construction	Completion	Share ImmoBel
Granary Island	76,000	Gdansk	Mixed	Phase 1: Q1 2017 Phase 2: Q4 2020	Phase 1: Q4 2019 Phase 2: Q2 2024	90%
Central Point	28,000	Warsaw	Offices	Q2 2018	Q3 2021	50%

## G. Germany

Project	Surface m <sup>2</sup>	Location	Use	Construction	Completion	Share ImmoBel
Eden	20,000	Frankfurt	Residential	Q3 2019	Q4 2022	90%

## H. Spain

Project	Surface m <sup>2</sup>	Location	Use	Construction	Completion	Share ImmoBel
Four Seasons Marbella Resort	73,000	Marbella	Leisure	Q3 2023	Q3 2028	50%

### III. Interim condensed consolidated financial statements

#### A. Condensed consolidated statement of profit and loss and other comprehensive income (in thousand EUR)

	NOTES	30/06/2022	30/06/2021
<b>OPERATING INCOME</b>		<b>130 795</b>	<b>183 769</b>
Revenues	7	124 614	178 447
Rental income	8	3 417	3 653
Other operating income	9	2 763	1 669
<b>OPERATING EXPENSES</b>		<b>-117 745</b>	<b>-153 080</b>
Cost of sales	10	-103 637	-141 723
Cost of commercialisation	11	- 184	- 237
Administration costs	12	-13 924	-11 121
<b>OPERATING PROFIT</b>		<b>13 050</b>	<b>30 689</b>
<b>SALE OF SUBSIDIARIES</b>			<b>2</b>
Gain (loss) on sales of subsidiaries			2
<b>JOINT VENTURES AND ASSOCIATES</b>		<b>1 212</b>	<b>3 271</b>
Share of result of joint ventures and associates, net of tax	13	1 212	3 271
<b>OPERATING PROFIT AND SHARE OF RESULT OF ASSOCIATES AND JOINT VENTURES, NET OF TAX</b>		<b>14 262</b>	<b>33 963</b>
Interest income		2 187	2 313
Interest expense		-3 644	-2 590
Other financial income		116	666
Other financial expenses		-2 729	-3 184
<b>NET FINANCIAL COSTS</b>	14	<b>-4 070</b>	<b>-2 796</b>
<b>PROFIT FROM OPERATIONS BEFORE TAXES</b>		<b>10 192</b>	<b>31 167</b>
Income taxes	15	-1 293	- 693
<b>PROFIT OF THE PERIOD</b>		<b>8 899</b>	<b>30 474</b>
Share of non-controlling interests		- 240	561
<b>SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>		<b>9 139</b>	<b>29 912</b>
<b>PROFIT FOR THE PERIOD</b>		<b>8 899</b>	<b>30 474</b>
Other comprehensive income - items that are or may be reclassified subsequently to profit or loss		<b>1 690</b>	<b>- 183</b>
Currency translation		- 204	- 183
Cash flow hedging		1 894	
<b>TOTAL OTHER COMPREHENSIVE INCOME</b>		<b>1 690</b>	<b>- 183</b>
<b>COMPREHENSIVE INCOME OF THE PERIOD</b>		<b>10 589</b>	<b>30 291</b>
Share of non-controlling interests		102	561
<b>SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>		<b>10 487</b>	<b>29 729</b>
<b>EARNINGS PER SHARE (€) (BASIC/DILUTED)</b>		<b>0,92</b>	<b>3,00</b>

## B. Condensed consolidated statement of the financial position (in thousand EUR)

ASSETS	NOTES	30/06/2022	31/12/2021
<b>NON-CURRENT ASSETS</b>		<b>499 821</b>	<b>506 259</b>
Intangible assets		204	246
Goodwill	17	43 789	43 789
Property, plant and equipment		5 176	2 793
Right-of-use assets	18	10 037	3 772
Investment property	19	172 553	173 999
Investments in joint ventures and associates	20	137 296	156 532
Other investments		0	1 015
Advances to joint ventures and associates		106 111	101 670
Deferred tax assets	21	23 649	21 292
Cash guarantees and deposits		1 006	1 151
<b>CURRENT ASSETS</b>		<b>1 258 337</b>	<b>1 178 890</b>
Inventories	22	743 268	698 623
Trade receivables	23	37 224	38 116
Contract assets	24	140 071	117 953
Income Tax receivables		1 297	1 369
Prepayments and other receivables	25	54 996	36 240
Advances to joint ventures and associates		15 910	13 163
Other current financial assets		1 992	49
Cash and cash equivalents	26	263 580	273 377
<b>TOTAL ASSETS</b>		<b>1 758 158</b>	<b>1 685 149</b>

EQUITY AND LIABILITIES	NOTES	30/06/2022	31/12/2021
<b>TOTAL EQUITY</b>		<b>563 137</b>	<b>582 919</b>
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY		551 154	571 567
Share capital		97 257	97 257
Retained earnings		452 720	472 629
Reserves		1 178	1 681
NON-CONTROLLING INTERESTS		11 982	11 352
<b>NON-CURRENT LIABILITIES</b>		<b>759 325</b>	<b>535 104</b>
Employee benefit obligations		1 003	996
Deferred tax liabilities	21	27 926	26 352
Financial debts	26	730 397	507 596
Derivative financial instruments	26	0	160
<b>CURRENT LIABILITIES</b>		<b>435 696</b>	<b>567 126</b>
Provisions		2 905	2 328
Financial debts	26	179 729	359 094
Trade payables	27	129 413	83 546
Contract liabilities	28	13 823	21 969
Income Tax liabilities		13 435	13 770
Social debts, VAT and other tax payables		17 780	16 430
Accrued charges and other amount payable		35 111	31 165
Advances from joint venture and associates		43 500	38 824
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1 758 158</b>	<b>1 685 149</b>

## C. Condensed consolidated statement of cash flow (in thousand EUR)

	NOTES	30/06/2022	30/06/2021 (represented *)
Operating income		130 795	183 769
Operating expenses		-117 745	-153 080
Amortisation, depreciation and impairment of assets	12	2 371	2 726
Change in provisions		567	- 527
<b>CASH FLOW FROM OPERATIONS BEFORE CHANGES IN WORKING CAPITAL</b>		<b>15 988</b>	<b>32 888</b>
Change in working capital	29	-29 858	-15 074
<b>CASH FLOW FROM OPERATIONS BEFORE PAID TAXES</b>		<b>-13 870</b>	<b>17 814</b>
Paid taxes		-2 332	-1 218
<b>CASH FROM OPERATING ACTIVITIES</b>		<b>-16 202</b>	<b>16 596</b>
Acquisitions of intangible, tangible and other investments		-3 034	-3 626
Sale of intangible, tangible and other investments		27	- 47
Repayment of capital and advances by joint ventures		105 685	13 850
Acquisitions, capital injections and loans to joint ventures and associates	20	-144 596	-32 696
Dividends received from joint ventures and associates	20	45 501	3 896
Interests received		2 187	2 313
Disposal of subsidiaries			2
<b>CASH FROM INVESTING ACTIVITIES</b>		<b>5 770</b>	<b>-16 308</b>
Proceeds from financial debts	26	234 217	78 374
Repayment of financial debts	26	-195 180	-57 765
Paid interests		-8 061	-8 490
Other financing cash flows			-2 518
Sale of treasury shares		68	16 416
Gross dividends paid		-30 409	-28 417
<b>CASH FROM FINANCING ACTIVITIES</b>		<b>635</b>	<b>-2 400</b>
<b>NET INCREASE OR DECREASE (-) IN CASH AND CASH EQUIVALENTS</b>		<b>-9 797</b>	<b>-2 112</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF PERIOD</b>		<b>273 377</b>	<b>148 059</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF PERIOD</b>		<b>263 580</b>	<b>145 947</b>

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

## D. Condensed consolidated statement of changes in equity (in thousand EUR)

	CAPITAL	RETAINED EARNINGS	ACQUISITION RESERVE	TREASURY SHARES RESERVE	CURRENCY TRANSLATION RESERVE	ACCUMULATED ACTUARIAL GAINS AND LOSSES	HEDGING RESERVES	EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY	NON CONTROLLING INTERESTS	TOTAL EQUITY
<b>2022</b>										
Balance as at 01-01-2022	97 256	349 109	124 869	-1 204	1 326	434	- 223	571 567	11 352	582 919
Result for the period		9 139						9 139	- 240	8 899
Other comprehensive income		- 204			- 299		1 851	1 348	342	1 690
<b>Comprehensive income for the period</b>		<b>8 935</b>			<b>- 299</b>		<b>1 851</b>	<b>10 487</b>	<b>102</b>	<b>10 589</b>
Transactions on treasury shares		- 73		68				- 5		- 5
Dividends and other beneficiaries paid		-30 409						-30 409		-30 409
Scope changes		- 457						- 457	528	71
Other changes		- 27		- 1				- 28		- 28
<b>Transactions with owners of the company</b>		<b>-30 966</b>		<b>67</b>				<b>-30 899</b>	<b>528</b>	<b>-30 371</b>
Changes in the period		-22 031		67	- 299		1 851	-20 412	630	-19 782
Balance as at 30-06-2022	97 256	327 078	124 869	-1 137	1 027	434	1 628	551 155	11 982	563 137
<b>2021</b>										
Balance as at 01-01-2021	97 256	280 997	124 869	-13 164	2 147	377	- 560	491 922	2 568	494 490
Result for the period		29 912						29 912	561	30 474
Other comprehensive income					- 183		63	- 120		- 120
<b>Comprehensive income for the period</b>		<b>29 912</b>			<b>- 183</b>		<b>63</b>	<b>29 792</b>	<b>561</b>	<b>30 354</b>
Transactions on treasury shares		4 545		11 871				16 416		16 416
Dividends and other beneficiaries paid		-27 942						-27 942	- 477	-28 419
Scope changes									- 92	- 92
Other changes		- 113		89			46	22		22
<b>Transactions with owners of the company</b>		<b>-23 510</b>		<b>11 960</b>			<b>46</b>	<b>-11 504</b>	<b>- 569</b>	<b>-12 073</b>
Changes in the period		6 402		11 960	- 183		109	18 288	- 8	18 281
Balance as at 30-06-2021	97 256	287 399	124 869	-1 204	1 964	377	- 451	510 210	2 560	512 771

As approved by the General Meeting of 21 April 2022 a gross dividend of EUR 30 409 thousand (or EUR 3.05 per share excluding treasury shares) has been paid out to the shareholders. The share capital of Immoel SA is represented by 9 997 356 ordinary shares, including 25 434 treasury shares.

As at 30 June, 2022, 1 531 treasury shares have been sold during the current year, resulting in a decrease of EUR 68 thousand in the reserve for treasury shares.

In accordance with IAS 32, the reserve for own shares is presented by deducting the equity. These own shares have neither voting rights nor dividend rights. On 30 June 2022 the treasury shares, resulting from the merger with ALLFIN, were still valued at the share price on 29 June 2016, which was the date of the merger.

The currency translation adjustments are related to Polish and British entities for which the operating currencies are respectively in zloty and in pound sterling.

The changes in scope are mainly the result of the impact of a variation in the ownership percentage on several entities, without a change in control.

## E. Notes to the interim condensed consolidated financial statements

### Note 1. Basis of preparation

Immoel ("the Company") is incorporated in Belgium and its shares are publicly traded (Euronext – IMMO). The interim condensed consolidated financial statements of the Group comprise the Company, its subsidiaries, and the Group's interest in associates and joint arrangements (referred to as "The Group"). The Group is active in the real estate development business, with activities in Belgium, France, Luxemburg, Germany, Poland, Spain and the United Kingdom.

The interim condensed consolidated financial statements as at and for the six months ending 30 June 2022 have been prepared in accordance with accounting standard IAS 34, Interim Financial Reporting, as adopted in the European Union. They should be read in conjunction with the Group's latest annual consolidated financial statements as at and for the year ending 31 December 2021 ('latest annual financial statements'). They do not include all the information required for a complete set of financial statements prepared in accordance with IFRS Standards. However, selected explanatory notes are included to explain events and transactions that are important for understanding the changes in the Group's financial position and performance since the last annual financial statements.

These interim financial statements were authorised for issue by the Company's Board of Directors on 8 September 2022.

## **Note 2. Accounting principles and methods**

Except as described below, the accounting policies applied in these interim financial statements are the same as those applied in the Group's consolidated financial statements as at and for the year ending 31 December 2021.

### **Standards and interpretations applicable for the year beginning on or after 1 January 2022**

The following new standards or amendments to the IFRS are effective as from 1 January 2022 but are either immaterial or do not have a material impact on the Group's financial statements for the first half of 2022.

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

### **Standards and interpretations issued but not yet applicable for the year beginning on or after 1 January 2022**

A number of new standards, amendments to standards and interpretations are not yet effective for annual periods ending 31 December 2022, and have not been applied in preparing these condensed interim consolidated financial statements:

- Amendments to IAS 8 Definition of Accounting Estimates (applicable for the year beginning on or after 1 January 2023, endorsed in the EU)
- IFRS 17 Insurance Contracts (applicable for the year beginning on or after 1 January 2023, endorsed in the EU)
- Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current (applicable for years beginning on or after 1 January 2023, but not yet endorsed in the EU)
- Disclosure Initiative: Accounting Policies – Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgements (applicable for the year beginning on or after 1 January 2023, endorsed in the EU)
- Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction – Amendments to IAS 12 Income Tax (applicable for the year beginning on or after 1 January 2023, but not yet endorsed in the EU)

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

## Impact of the war in Ukraine on the situation as at 30 June 2022

In February 2022, a number of countries (including the US, the UK and the EU) imposed sanctions against certain entities and individuals in Russia as a result of the official recognition of the Donetsk People's Republic and Lugansk People's Republic by the Russian Federation. Announcements of potential additional sanctions have been made following military operations initiated by Russia against the Ukraine on 24 February 2022. The situation, together with growing turmoil from fluctuations in commodity prices and interest rates, and the potential to impact global economies adversely, has driven a sharp increase in volatility across markets. Although there has been a moderate impact on the Group's performance, no significant impact on its ability to continue as a going concern or its operations is expected. The Board of Directors continues to monitor the evolving situation and its impact on the financial position of the Group.

### General business performance

Alongside the war in Ukraine, the inflation and the increase in the price of raw materials are currently having a moderate impact on the activity of the company and the sector as a whole.

### Goodwill impairment testing

In accordance with the provisions of IAS 36, the Group did not identify evidence or triggering events that would require goodwill impairment testing. Note that the goodwill that has arisen from the acquisition of Nafilyan & Partners is expected to be assessed for impairment by end of the year.

### Net realisable value of inventories

With regard to the inventories (projects to be developed), the assumptions used to assess the net realisable value of the projects under development have been consistently reviewed and updated based on the most recent market data (with respect to residential projects: expected sales prices and construction costs and with respect to the office project: expected exit yields, expected rental levels and construction costs). No write-downs have been identified as at 30 June 2022 as the respective net realisable value is higher than the cost assessed for each of the projects.

### Financial risks (financing, liquidity, compliance with financial covenants)

As at the end of June 2022, the company had an adequate level of liquidity available with a cash position of EUR 263 million, EUR 30 million of available corporate credit lines, EUR 27 million of non-issued Commercial Papers and EUR 134 million of undrawn project finance lines. Furthermore, the company continues to experience a supportive market environment for issuing new corporate and project financing facilities to finance new or existing projects.

Trends in interest rate and exchange rate markets have been reviewed and the associated information has been updated based on data available on 30 June 2022 – see note 26.

### Deferred tax assets

Immobel's deferred tax asset positions were reviewed in order to make sure they can be recovered through future taxable income. The Group also monitored changes to legislation, revisions to tax rates and other tax measures taken.

### Note 3. Main accounting judgements and estimates

The main accounting judgements and estimates as at 30 June 2022 are identical to those given on pages 172 and 173 (Consolidated Accounts) of the Annual Report 2021. They mainly concern goodwill, investment properties, deferred tax assets and inventories. Each of these items is addressed in this report under notes 17, 19, 21 and 22 respectively.

### Note 4. Main risks and uncertainties

The Immobel Group faces the risks and uncertainties inherent in the property development sector as well as those associated with the general economic and financial climate.

The Board of Directors believes that the main risks and uncertainties included on page 102 and following (Management Report) of the Annual Report 2021 and pages 172-173 are still relevant for the remaining months of 2022.

### Note 5. Scope of consolidation

The number of entities included in the scope of consolidation evolves as follows:	30/06/2022	31/12/2021
Subsidiaries - Integral consolidation	153	138
Joint Ventures - Equity method	59	55
Associates - Equity method	10	9
<b>TOTAL</b>	<b>222</b>	<b>202</b>

The following changes have been noted during the first half of 2022:

Entries within the scope of consolidation:

- Arlon 75, 20,13% owned
- Cosimo, 100% owned
- Brussels Holding, 100% owned
- North Living, 100% owned
- North Offices, 100% owned
- North Public, 100% owned
- North Retail, 100% owned
- North Student Housing, 100% owned
- Oxy Living, 50% owned
- Immobel Germany 1 GMBH, 100% owned
- Immobel Germany 2 GMBH, 100% owned
- Immobel Capital Partners Ltd, 90% owned
- Immobel GP (Scotland) Ltd, 90% owned
- Immobel Carry LP (UK), 90% owned
- Immobel GP LLP Ltd, 90.1% owned
- Immobel Green Office Impact I LP (UK), 100% owned
- Avon, 100% owned



- Issy-Les-Moulineaux 2, 100% owned
- Houilles Jean-Jacques Rousseau, 50% owned
- Immobel BidCo Ltd (Jersey), 100% owned
- Munroe K Luxembourg SA, 50% owned

Changes in ownership:

- Belux Office Development Feeder CV, previously 30.46% owned and now 26.93% owned
- Immobel Belux Office Development Fund SCSP, previously 22.61% owned and now 19.99% owned
- Infinito Holding, previously 76.84% owned and now 76.04% owned
- Infinito, previously 76.84% owned and now 76.04% owned
- Industrie 52, previously 76.84% owned and now 76.04% owned
- Beiestack, previously 22.77% owned and now 20.13% owned

Exit from the scope of consolidation:

- Garden Point, previously 100% owned
- Porceleynegoed, previously 100% owned
- IMZ, previously 100% owned

## **Note 6. Operating segment – Financial information by geographical segment**

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

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

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

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

In accordance with the IFRS, the Company has been applying IFRS 11 since 1 January 2014, which substantially amends the reading of the Company's financial statements, but does not change the net income and shareholders' equity. However, the Board of Directors believes that the financial data in application of the proportional consolidated method (before IFRS 11) gives a better picture of the activities and financial statements. Therefore, the information reported to the Board of Directors and presented below includes the Group's interest in associates and joint ventures based on the proportionate consolidation method.

INCOME STATEMENT	EUR ('000)	30/06/2022	30/06/2021
<b>OPERATING INCOME</b>		<b>154 262</b>	<b>216 064</b>
Revenues		142 644	207 076
Rental income		6 266	6 490
Other operating income		5 352	2 498
<b>OPERATING EXPENSES</b>		<b>-137 702</b>	<b>-178 676</b>
Cost of sales		-120 827	-165 829
Cost of commercialisation		- 184	- 378
Administration costs		-16 691	-12 469
<b>OPERATING PROFIT</b>		<b>16 560</b>	<b>37 388</b>
<b>SALE OF SUBSIDIARIES</b>			<b>2</b>
Gain (loss) on sales of subsidiaries			2
<b>JOINT VENTURES AND ASSOCIATES</b>		<b>- 2</b>	<b>29</b>
Share of result of joint ventures and associates, net of tax		- 2	29
<b>OPERATING PROFIT AND SHARE OF RESULT OF ASSOCIATES AND JOINT VENTURES, NET OF TAX</b>		<b>16 558</b>	<b>37 419</b>
Interest income		1 568	1 900
Interest expense		-4 833	-4 888
Other financial income / expenses		-2 609	-1 707
<b>NET FINANCIAL COSTS</b>		<b>-5 874</b>	<b>-4 695</b>
<b>PROFIT FROM OPERATIONS BEFORE TAXES</b>		<b>10 684</b>	<b>32 724</b>
Income taxes		-1 777	-2 987
<b>PROFIT OF THE PERIOD</b>		<b>8 907</b>	<b>29 737</b>
Share of non-controlling interests		- 232	- 175
<b>SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>		<b>9 139</b>	<b>29 912</b>

	EUR ('000)	REVENUES		OPERATING RESULT	
		30/06/2022	30/06/2021	30/06/2022	30/06/2021
Belgium		78 781	121 833	21 263	32 204
Luxembourg		16 661	14 559	2 062	4 179
France		32 344	42 688	-2 214	-2 950
Germany		14 350	27 303	- 943	4 141
Poland		508	693	- 761	- 25
Spain				- 62	- 129
United Kingdom				-2 787	
<b>TOTAL CONSOLIDATED</b>		<b>142 644</b>	<b>207 076</b>	<b>16 558</b>	<b>37 419</b>

STATEMENT OF FINANCIAL POSITION	EUR ('000)	30/06/2022	31/12/2021 (represented*)
<b>NON-CURRENT ASSETS</b>		<b>459 817</b>	<b>428 873</b>
Intangible and tangible assets		5 380	3 102
Goodwill		43 789	43 789
Right-of-use assets		10 037	3 772
Investment property		295 296	274 666
Investments and advances to joint ventures and associates		65 085	63 555
Deferred tax assets		28 616	25 656
Other non-current assets		11 614	14 334
<b>CURRENT ASSETS</b>		<b>1 674 316</b>	<b>1 617 739</b>
Inventories		1 056 661	997 103
Trade receivables		41 088	44 632
Contract assets		162 247	138 985
Tax receivables and other current assets		103 418	58 445
Advances to joint ventures and associates		12 290	9 660
Cash and cash equivalents		298 612	368 914
<b>TOTAL ASSETS</b>		<b>2 134 133</b>	<b>2 046 612</b>
<b>TOTAL EQUITY</b>		<b>563 024</b>	<b>582 798</b>
<b>NON-CURRENT LIABILITIES</b>		<b>895 314</b>	<b>681 902</b>
Financial debts		863 531	651 775
Deferred tax liabilities		30 780	28 972
Other non-current liabilities		1 003	1 155
<b>CURRENT LIABILITIES</b>		<b>675 795</b>	<b>781 911</b>
Financial debts		290 573	453 077
Trade payables		151 877	98 943
Contract liabilities		26 990	32 876
Tax payables and other current liabilities		182 520	175 243
Advances from joint venture and associates		23 835	21 772
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>2 134 133</b>	<b>2 046 612</b>

(\*) Some reclassifications without any impact on equity have been made in the presentation of the balance sheet as at 31 December 2021. It concerns the following captions: inventories (- EUR 20 872 thousand), deferred tax liabilities (- EUR 5 218 thousand) and tax payables and other current liabilities (- EUR 15 654 thousand).

As at 30 June 2022:

FINANCIAL POSITION ITEMS	EUR ('000)	NON-CURRENT SEGMENT ASSETS	CURRENT SEGMENT ASSETS	UNALLOCATED ITEMS <sup>1</sup>	CONSOLIDATED
Belgium		212 203	998 064		1 210 267
Luxembourg		30 138	226 106		256 244
France		90 580	148 158		238 738
Germany			7 845		7 845
Poland		40	38 138		38 178
Spain		533	19 553		20 086
United Kingdom		23 792	61		23 853
Unallocated items <sup>1</sup>				338 922	338 922
<b>TOTAL ASSETS</b>		<b>357 286</b>	<b>1 437 925</b>	<b>338 922</b>	<b>2 134 133</b>

FINANCIAL POSITION ITEMS	EUR ('000)	SEGMENT LIABILITIES	UNALLOCATED ITEMS <sup>1</sup>	CONSOLIDATED
Belgium		1 127 099		1 127 099
Luxembourg		134 734		134 734
France		171 550		171 550
Germany		12 949		12 949
Poland		64 298		64 298
Spain		6 777		6 777
United Kingdom		2 753		2 753
Unallocated items <sup>1</sup>			50 949	50 949
<b>TOTAL LIABILITIES</b>		<b>1 520 160</b>	<b>50 949</b>	<b>1 571 109</b>

As at 31 December 2021 (represented\*):

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

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

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

To have a view on the size of the portfolio of projects in development by geographical segment, both inventories and investment properties should be taken into consideration, since the latter contain leased out property acquired with a view to being redeveloped.

INVENTORIES AND INVESTMENT PROPERTY	EUR ('000)	30/06/2022	31/12/2021 (represented*)
Belgium		757 585	732 672
Luxembourg		176 492	171 429
France		239 674	223 811
Germany		57 342	59 033
Poland		81 578	70 435
Spain		16 047	14 389
United Kingdom		23 239	
<b>TOTAL INVENTORIES AND INVESTMENT PROPERTY</b>		<b>1 351 957</b>	<b>1 271 769</b>

  

INVENTORIES AND INVESTMENT PROPERTY	EUR ('000)	30/06/2022	31/12/2021 (represented*)
Offices		668 930	632 508
Residential		610 043	572 563
Landbanking		72 984	66 698
<b>TOTAL INVENTORIES AND INVESTMENT PROPERTY</b>		<b>1 351 957</b>	<b>1 271 769</b>

The main movements in inventories and investment property are driven by the acquisition of new projects (mainly Héros in Brussels), the exit of an office project (The Woods in Brussels) and the ongoing development of all projects in the portfolio (with main movements coming from Granaria in Poland, Eden in Germany and Rueil Malmaison in France).

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

EUR ('000)	30/06/2022		
	Operating Segment	Adjustments	Published Information
Revenues	142 644	-18 030	124 614
Operating result	16 558	-2 296	14 262
Total balance sheet	2 134 133	-375 975	1 758 158

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

## Note 7. Revenues

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

Cross-analysis by type of project and by geographical zone - EUR (000)	Offices	Residential	Landbanking	30/06/2022
Belgium	40 106	29 578	2 393	72 077
Luxembourg	1 004	11 840		12 844
France	10	24 921		24 931
Germany		14 350		14 350
Poland		412		412
<b>Total</b>	<b>41 120</b>	<b>81 101</b>	<b>2 393</b>	<b>124 614</b>

Cross-analysis by type of project and by geographical zone - EUR (000)	Offices	Residential	Landbanking	30/06/2021
Belgium	63 514	34 673	9 794	107 981
Luxembourg	2 696	2 809		5 506
France	767	36 063		36 830
Germany		27 303		27 303
Poland	135	693		827
<b>Total</b>	<b>67 112</b>	<b>101 541</b>	<b>9 794</b>	<b>178 447</b>

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

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

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

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

Landbanking sales are due at the time the notarial deed is issued.

The contractual analysis of the Group's sales contracts resulted in the application of the following recognition principles:

### Sales of office buildings

Revenues from office sale contracts are recognised after analysis on a case-by-case basis of the performance obligations stipulated in the contract. The revenue allocated to each performance obligation is recognised:

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

### Residential project sales

For "Residential" projects, revenues are recognised according to the contractual and legal provisions in force in each country for governing the transfer of control of the projects sold in the future state of completion.

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

## Landbanking

Revenues are recorded when the asset is transferred.

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

	Point in time	Over time	30/06/2022
<b>OFFICES</b>	18 584	22 536	41 120
<b>RESIDENTIAL</b>	412	80 689	81 101
Residential unit per project - Breyné Act or equivalent		80 689	80 689
Residential unit per project - Other	412		412
Other project			
<b>LANDBANKING</b>	2 393		2 393
<b>TOTAL REVENUE</b>	21 389	103 225	124 614

	EUR ('000)	Timing of revenue recognition		
		Point in time	Over time	30/06/2021
<b>OFFICES</b>	2 482	64 630		67 112
<b>RESIDENTIAL</b>	693	100 848		101 541
Residential unit per project - Breyné Act or equivalent		100 848		100 848
Residential unit per project - Other	693			693
Other project				
<b>LANDBANKING</b>	9 794			9 794
<b>TOTAL REVENUE</b>	12 969	165 478		178 447

With respect to offices, Commerce 46 is recognised over time as the Board of Directors believes the “alternative use” criterion for this sale has been met, while the sale of The Woods has been recognised at a certain point in time as the project had already been provisionally accepted at the time of the sale.

## Note 8. Rental income

Break down is allocated as follows by geographical segment:

	EUR ('000)	30/06/2022	30/06/2021
Belgium		2 592	2 356
Luxembourg		825	1 297
<b>TOTAL RENTAL INCOME</b>		3 417	3 653

The main contributors are the projects Infinito in Belgium and Thomas in Luxembourg.

## Note 9. Other operating income

Break-down as follows:

	EUR ('000)	30/06/2022	30/06/2021
Other income (recoveries of taxes and withholdings, miscellaneous re-invoicing...)		2 763	540
<b>TOTAL OTHER OPERATING INCOME</b>		2 763	540

The increase observed compared to the previous financial year is mainly driven by recharging fit-out works related to new offices as well as external advisory fees related to ImmoBel Belux Office Development Fund.

## Note 10. Cost of sales

Cost of sales is allocated as follows by geographical segment:

	EUR ('000)	30/06/2022	30/06/2021
Belgium		-53 792	-77 978
Luxembourg		-12 155	-4 778
France		-21 974	-35 501
Germany		-15 162	-5 234
Poland		- 554	-20 140
Spain			- 27
<b>TOTAL COST OF SALES</b>		-103 637	-141 723

Cost of sales is driven by the same drivers as revenues (see note 7).

## Note 11. Cost of commercialization

Cost of commercialization is allocated as follows by geographical segment:

	EUR ('000)	30/06/2022	30/06/2021
Belgium		- 184	- 268
France			31
<b>TOTAL COST OF COMMERCIALISATION</b>		<b>- 184</b>	<b>- 237</b>

## Note 12. Administration costs

Break-down as follows:

	EUR ('000)	30/06/2022	30/06/2021
Personnel expenses		-4 546	-4 380
Amortisation, depreciation and impairment of assets		-2 371	-2 726
Other operating expenses		-7 007	-4 014
<b>TOTAL ADMINISTRATION COSTS</b>		<b>-13 924</b>	<b>-11 121</b>

Personnel expenses:

	EUR ('000)	30/06/2022	30/06/2021
Salaries and fees of personnel and members of the Executive Committee		-7 069	-6 327
Project monitoring costs capitalized under "inventories"		5 756	4 526
Salaries of the non-executive Directors		- 537	- 595
Social security charges		-1 703	-1 806
Pension costs		- 30	- 69
Other		- 963	- 109
<b>TOTAL PERSONNEL EXPENSES</b>		<b>-4 546</b>	<b>-4 380</b>

Amortisation, depreciation and impairment of assets:

	EUR ('000)	30/06/2022	30/06/2021
Amortisation of intangible and tangible assets, and of investment property		-2 223	-2 726
Write down on trade receivables		- 148	
<b>TOTAL AMORTISATION, DEPRECIATION AND IMPAIRMENT OF ASSETS</b>		<b>-2 371</b>	<b>-2 726</b>

Other operating expenses:

	EUR ('000)	30/06/2022	30/06/2021
Services and other goods		-6 237	-4 509
Other operating expenses		- 203	- 315
Provisions		- 567	809
<b>TOTAL OTHER OPERATING EXPENSES</b>		<b>-7 007</b>	<b>-4 014</b>

Main components of services and other goods:

	EUR ('000)	30/06/2022	30/06/2021
Service charges of the registered offices <sup>1</sup>		- 796	- 250
Third party payment, including in particular the fees paid to third parties and related to the turnover		-4 577	-2 555
Other services and other goods, including company supplies, advertising, maintenance and repair expense of properties available for sale awaiting for development		- 864	-1 704
<b>TOTAL SERVICES AND OTHER GOODS</b>		<b>-6 237</b>	<b>-4 509</b>

In general, Administration Costs have increased as a result of Immoel Capital Partners' activities being launched in London.

## Note 13. Share in the result of joint ventures and associates, net of tax

The share in the net result of joint ventures and associates' breakdown is as follows:

	EUR ('000)	30/06/2022	30/06/2021
Operating result		3 500	6 658
Financial result		-1 804	-1 953
Income taxes		- 484	-1 434
<b>RESULT OF THE PERIOD</b>		<b>1 212</b>	<b>3 271</b>

The decrease in the share of the result of joint ventures and associates is mainly driven by the lower result from project Livingstone in Luxembourg.

Further information relating to joint ventures and associates is provided in note 20.

## Note 14. Net financial costs

The financial result breaks down as follows:

	EUR ('000)	30/06/2022	30/06/2021
Interest expense under the effective interest method		-8 061	-8 490
Capitalised interests on projects in development		4 513	5 899
Interest income		2 187	2 313
Other financial income and expenses		-2 709	-2 518
<b>FINANCIAL RESULT</b>		<b>-4 070</b>	<b>-2 796</b>

The decrease in the financial result is mainly due to lower capitalisation of interest as a result of the revenue recognition of The Woods and Commerce 46.

## Note 15. Income tax

Income tax is as follows:

	EUR ('000)	30/06/2022	30/06/2021
Current income taxes for the current year		-2 405	-3 370
Current income taxes for the previous financial years		336	904
Deferred taxes on temporary differences		776	1 773
<b>TOTAL OF TAX EXPENSES RECOGNIZED IN THE STATEMENT OF COMPREHENSIVE INCOME</b>		<b>-1 293</b>	<b>- 693</b>
Current taxes		-2 069	-2 466
Change in tax receivables / tax payables		- 263	1 248
<b>PAID INCOME TAXES ( STATEMENT OF CASH FLOW)</b>		<b>-2 332</b>	<b>-1 218</b>

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

## Note 16. Earnings per share

The basic result per share is obtained by dividing the year's result (net result and comprehensive income) by the average number of shares. Computing the average number of shares is defined by IAS 33.

Basic earnings per share are determined using the following information:

	30/06/2022	30/06/2021
<b>Net result of the period attributable to owners of the company</b>	<b>9 139</b>	<b>29 912</b>
<b>Comprehensive income of the period</b>	<b>10 487</b>	<b>29 729</b>
Weighted average share outstanding		
Ordinary shares as at 1 January	9 997 356	9 997 356
Treasury shares as at 1 January	- 26 965	- 292 527
Treasury shares granted to a member of the executive committee		
Treasury shares disposed	1 531	265 562
<b>Ordinary shares as at 30 June</b>	<b>9 971 922</b>	<b>9 970 391</b>
<b>Weighted average ordinary shares outstanding</b>	<b>9 970 986</b>	<b>9 961 154</b>
<b>Net result per share</b>	<b>0,917</b>	<b>3,003</b>



## Note 17. Goodwill

Goodwill has arisen from the acquisition in 2019 of Nafilyan & Partners, an unlisted company based in France that specialises in real estate development.

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

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

	EUR ('000)	30/06/2022	31/12/2021
<b>ACQUISITION COST AT THE END OF THE PREVIOUS PERIOD</b>			
Acquisition of Immobel France		43 789	43 789
<b>ACQUISITION COST AT THE PERIOD END</b>		43 789	43 789
<b>IMPAIRMENT AT THE END OF THE PREVIOUS PERIOD</b>			
Impairment of the period			
<b>IMPAIRMENT AT THE PERIOD END</b>			
<b>NET CARRYING AMOUNT AS AT 30 JUNE 2022 / 31 DECEMBER 2021</b>		43 789	43 789

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

	EUR ('000)	30/06/2022	31/12/2021
France		43 789	43 789
<b>NET CARRYING AMOUNT AS AT 30 JUNE 2022 / 31 DECEMBER 2021</b>		43 789	43 789

Immobel Group tests goodwill annually for impairment, or more frequently if there are indications that goodwill might be impaired. Immobel Group identified neither evidence nor triggering events that would require asset impairment decisions and refers to the impairment test carried out as per note 13 of the Group's last annual consolidated Financial Statements as at and for the year ending 31 December 2021 and concluded that no impairment charge needs to be recognised in the current year against goodwill.

## Note 18. Right-of-use assets

Following the implementation of IFRS 16 as of 1 January 2019, the right-of-use assets evolve as follows:

	EUR ('000)	30/06/2022	31/12/2021
<b>ACQUISITION COST AT THE END OF THE PREVIOUS PERIOD</b>		6 708	7 297
Entry in consolidation scope			
Acquisitions		6 085	770
Disposals		-2 158	-1 359
<b>ACQUISITION COST AT THE END OF THE YEAR</b>		10 635	6 708
<b>DEPRECIATIONS AND IMPAIRMENT AT THE END OF THE PREVIOUS PERIOD</b>		-2 936	-2 907
Entry in consolidation scope			
Depreciations		- 599	-1 388
Depreciation cancelled on disposals		2 937	1 359
<b>DEPRECIATIONS AND IMPAIRMENT AT THE END OF THE YEAR</b>		- 598	-2 936
<b>NET CARRYING AMOUNT AS AT 31 DECEMBER</b>		10 037	3 772

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

On 30 May 2022, Immobel headquarters moved to the Multitower building located in the city centre of Brussels .

Also under consideration are the new offices in the United Kingdom and Spain.

## Note 19. Investment property

This heading includes leased-out property acquired with a view to redevelopment and generates rental income in anticipation of their future development. The investment property evolves as follows:

	EUR ('000)	30/06/2022	31/12/2021
<b>ACQUISITION COST AT THE END OF THE PREVIOUS YEAR</b>		<b>178 741</b>	<b>199 415</b>
Exit from the consolidation scope		89	
Disposal/exit from the consolidation scope			-20 649
Net carrying value of investment property transferred from/to inventories			- 25
<b>ACQUISITION COST AT THE END OF THE PERIOD</b>		<b>178 830</b>	<b>178 741</b>
<b>DEPRECIATIONS AND IMPAIRMENT AT THE END OF THE PREVIOUS YEAR</b>		<b>-4 742</b>	<b>-2 266</b>
Depreciations		-1 406	-2 747
Depreciations and impairment cancelled following disposal/exit from the consolidation scope		- 129	271
<b>DEPRECIATIONS AND IMPAIRMENT AT THE END OF THE PERIOD</b>		<b>-6 277</b>	<b>-4 742</b>
<b>NET CARRYING AMOUNT AS AT 30 JUNE</b>		<b>172 553</b>	<b>173 999</b>

The carrying amount of the investment property as at 30 June 2022 amounts to EUR 172.6 million.

The key projects included in investment property are Total, Rueil Malmaison and Thomas.

## Note 20. Investments in joint ventures and associates

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

	EUR ('000)	30/06/2022	31/12/2021
Investments in joint ventures		127 480	145 513
Investments in associates		9 816	11 019
<b>TOTAL INVESTMENTS INCLUDED IN THE STATEMENT OF FINANCIAL POSITION</b>		<b>137 296</b>	<b>156 532</b>
	EUR ('000)	30/06/2022	31/12/2021
Share in the net result of joint ventures		2 069	47 471
Share in the net result of associates		- 857	-2 941
<b>SHARE OF JOINT VENTURES AND ASSOCIATES IN THE CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME</b>		<b>1 212</b>	<b>44 531</b>

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

	EUR ('000)	30/06/2022	31/12/2021
<b>VALUE AS AT 1 JANUARY</b>		<b>156 532</b>	<b>106 195</b>
Share in result		1 212	44 531
Acquisitions and capital injections		23 458	14 096
Scope changes		2 160	1 831
Dividends received from joint ventures and associates		-45 501	-8 034
Disposals or liquidation of joint ventures and associates			4
Repayment of capital		- 252	-2 079
Currency translation			
Other changes		- 313	- 12
<b>CHANGES FOR THE PERIOD</b>		<b>-19 236</b>	<b>50 337</b>
<b>VALUE AS AT 30 JUNE 2022 / 31 DECEMBER 2021</b>		<b>137 296</b>	<b>156 532</b>

The book value of investments in joint ventures and associates has mainly decreased as a result of the distribution of a dividend by Möbius II following the result recognised as a result of the sale of the Möbius II office building in 2021.

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

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

The weighted average interest rate on loans to/from joint ventures and associates is 3.58% as at 30 June 2022 and 3.08% as at 30 June 2021. The repayment schedule for loans is defined at the end date of the projects.

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

NAME	% INTEREST		BOOK VALUE OF THE INVESTMENTS - EUR (000)		SHARE IN THE COMPREHENSIVE INCOME - EUR (000)	
	30/06/2022	31/12/2021	30/06/2022	31/12/2021	30/06/2022	31/12/2021
Bella Vita	50%	50%	48	48		- 6
BONDY CANAL	40%	40%		- 37		
Boralina Investments, S.L.	50%	50%	103	-2 890	- 6	- 21
Brouckère Tower Invest	50%	50%	32 047	31 307	740	598
CBD International	50%	50%	94	122	- 66	- 150
Château de Beggen	50%	50%	13	16	- 4	- 1
Cityzen Holding	50%	50%	- 23	- 21	- 1	- 2
Cityzen Hotel	50%	50%	665	711	- 46	147
Cityzen Office	50%	50%	1 248	1 411	- 163	- 135
Cityzen Residence	50%	50%	644	694	- 50	133
CP Development Sp. z o.o.	50%	50%	-1 555	- 256	- 421	- 196
CSM Development	50%	50%	- 12	- 12		- 36
CSM Properties	50%	50%	3 865	3 852	13	- 48
Debrouckère Development	50%	50%	477	497	- 20	- 52
Debrouckère Land (ex-Mobius I)	50%	50%	90	90		- 12
Debrouckère Leisure	50%	50%	2 268	2 283	- 15	- 27
Debrouckère Office	50%	50%	3 740	3 740		- 30
Gateway	50%	50%	318	319	- 1	- 3
Goodways SA	50%	50%	3 234	3 234		- 3
HOUILLES JJ ROUSSEAU	50%	0%	1			
Ilot Ecluse	50%	50%	162	163		- 2
Immo Marial SàRL	50%	50%	- 50		- 50	- 66
Immo PA 33 1	50%	50%	1 331	1 314	17	43
Immo PA 44 1	50%	50%	691	682	10	- 1
Immo PA 44 2	50%	50%	2 449	2 423	25	39
Key West Development	50%	50%	342	387	- 45	- 84
Les Deux Princes Develop.	50%	50%	-2 404	-2 439	35	16
M1	33%	33%	1 666	7 270	1 058	4 992
M7	33%	33%	- 8	42		1
Mobius II	50%	50%	9 026	47 376	24	39 255
Munroe K Luxembourg SA	50%		23 239			
NP BONDY	40%	50%	-3 059			
NP_AUBER	50%	50%	- 108	- 136	27	- 47
NP_AUBER_VH	50%	50%	- 204	140	- 40	159
NP_AUBERVIL	50%	50%	1 014	324	691	340
NP_BESSANC2	50%	50%	583	497	86	348
NP_BESSANCOU	50%	50%	112	102	9	- 169
NP_CHARENT1	50%	50%	- 203	33	- 237	- 1
NP_CRETEIL	50%	33%	- 1	- 1		
NP_EPINAY	50%	33%	21	121	10	170
NP_VAIRES	50%	50%	199	245	- 46	130
ODD Construct	50%	50%	1 317	1 164	153	482
Oxy Living	50%	50%	1			
PA_VILLA	51%	50%	114	- 40	154	
Plateau d'Erpent	50%	50%	2 120	1 823	296	986
RAC3	40%	50%	3 427	3 403	25	139
RAC4	40%	50%	1 328	1 321	7	- 11
RAC4 Develop	40%	40%	1 558	1 567	- 8	- 20
RAC5	40%	40%	5 709	5 651	58	200
RAC6	40%	40%	2 195	2 182	13	15
Surf Club Hospitality Group SL	50%	50%	3 996	123	- 5	- 15
Surf Club Marbella Beach, S.L.	50%	50%	17 858	21 772	- 37	132
TRELAMET	40%	40%	3 104	48	34	7
Unipark	50%	50%	4 090	4 066	24	3
Universalis Park 2	50%	50%	-1 181	-1 122	- 58	505
Universalis Park 3	50%	50%	-2 612	-2 487	- 125	- 238
Universalis Park 3AB	50%	50%	1 978	1 974	4	7
Universalis Park 3C	50%	50%	417	417		- 1
<b>TOTAL JOINT VENTURES</b>			<b>127 480</b>	<b>145 513</b>	<b>2 069</b>	<b>47 471</b>
277 SH	10%	10%	4 350	4 445	- 95	
Arlon 75	20%	0%	80			
Beiestack SA	20%	22%	1 324	1 498		- 73
Belux Office Development Feeder CV	26%	22%	45	57	- 6	- 83
DHR Clos du Château	33%	33%	24	26	- 2	63
Immobel Belux Office Development Fund SC	19%	22%	681	1 152	- 223	- 206
MONTHERY 2 BIS	20%	20%	- 15		- 15	
RICHELIEU	10%	10%	1 001	1 001		
ULB Holding	60%	60%	-5 676	-11 173	- 104	- 210
Urban Living Belgium	30%	30%	8 001	14 013	- 411	-2 431
<b>TOTAL ASSOCIATES</b>			<b>9 816</b>	<b>11 019</b>	<b>- 857</b>	<b>-2 941</b>
<b>TOTAL JOINT VENTURES AND ASSOCIATES</b>			<b>137 296</b>	<b>156 532</b>	<b>1 212</b>	<b>44 531</b>

## Note 21. Deferred Taxes

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

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

	EUR ('000)	DEFERRED TAX ASSETS		DEFERRED TAX LIABILITIES	
		30/06/2022	31/12/2021	30/06/2022	31/12/2021
Tax losses		25 232	35 086		
Revenue recognition		2 375	2 891	32 086	43 165
Financial debts					
Fair value of financial instruments				- 62	2
Other items		71	60	- 69	- 70
Netting (net tax position per entity)		-4 029	-16 745	-4 029	-16 745
<b>TOTAL</b>		<b>23 649</b>	<b>21 292</b>	<b>27 926</b>	<b>26 352</b>
<b>VALUE AS AT 1 JANUARY</b>			<b>21 292</b>		<b>26 352</b>
Scope changes			7		
Deferred tax recognised in the consolidated statement of comprehensive income		2 350		1 574	
<b>VALUE AS AT 30 JUNE</b>		<b>23 649</b>		<b>27 926</b>	

Immobel France is the main contributor to the change in deferred tax assets.

## Note 22. Inventories

Inventories consist of buildings and land acquired for development and resale.

Cross-analysis by type of project and by geographical zone - EUR (000)	Offices	Residential	Landbanking	30/06/2022
Belgium	26 846	205 310	72 984	305 140
Luxembourg	772	148 918		149 690
France	151 941	33 783		185 724
Germany		57 342		57 342
Poland		43 920		43 920
Spain		1 452		1 452
United Kingdom				
<b>Total</b>	<b>179 559</b>	<b>489 273</b>	<b>72 984</b>	<b>743 268</b>

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

	EUR ('000)	30/06/2022	31/12/2021
<b>INVENTORIES AS AT 1 JANUARY</b>		<b>698 623</b>	<b>683 121</b>
Net book value of investment property transferred from/to inventories			25
Purchases of the year		995	72 716
Developments		143 363	246 743
Disposals of the year		-103 637	-311 066
Borrowing costs		4 513	9 364
Scope changes		- 139	-1 588
Write-off		- 471	- 692
<b>CHANGES FOR THE PERIOD</b>		<b>44 644</b>	<b>15 502</b>
<b>INVENTORIES AS AT 30 JUNE 2022 / 31 DECEMBER 2021</b>		<b>743 268</b>	<b>698 623</b>

Inventories increased driven mainly by the acquisition of an additional building for the Rueil Malmaison project in France, the development of the Granaria project in Poland, the acquisition of Héros in Belgium and the capitalisation of PM fees and borrowing costs in all countries, partially offset by selling down The Woods project in Belgium.

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

The weighted average interest rate on borrowing costs capitalised on Project Financing Credits and on Bonds was 2.7% as at 30 June 2022 and 2.2% as at 30 June 2021.

Break down of the movements by geographical area :	EUR ('000)	Purchases/Developments	Disposals	Borrowing costs	Scope changes	Write-off	Net
Belgium		61 527	-53 791	5 178	- 177	- 471	12 266
Luxembourg		18 066	-12 155	- 22			5 889
France		40 838	-21 974	- 370	38		18 532
Germany		13 840	-15 162	- 370			-1 692
Poland		9 642	- 555	97			9 184
Spain		465					465
United Kingdom							
<b>Total</b>		<b>144 378</b>	<b>-103 637</b>	<b>4 513</b>	<b>- 139</b>	<b>- 471</b>	<b>44 644</b>

The value of the stock to be recovered in:

	EUR ('000)
12 months	163 820
> 12 months	579 447
Breakdown of the stock by type:	
Without permit	440 879
Permit obtained but not yet in development	
In development	302 389

The book value of the Group's assets pledged for debt securities related to investment property and inventory as a whole was EUR 721 million compared to EUR 759 million at the end of 2021, representing a decrease of EUR 38 million.

As at 30 June 2022, ImmoBel acknowledged a commitment to acquire new projects for an amount of EUR 236 million for a number of projects in Belgium, Luxembourg and Germany.

## Note 23. Trade receivables

Trade receivables refer to the following geographical segments:

	EUR ('000)	30/06/2022	31/12/2021
Belgium		13 809	13 405
Luxembourg		1 202	4 554
France		16 679	15 590
Germany		2 908	2 204
Poland		474	211
Spain		2 152	2 152
<b>TOTAL TRADE RECEIVABLES</b>		<b>37 224</b>	<b>38 116</b>
The analysis of the delay of payment arises as follows:	EUR ('000)	30/06/2022	31/12/2021
Due < 3 months		777	11 622
Due > 3 months < 6 months		2 394	829
Due > 6 months < 12 months		723	2 021
Due > 1 year		1 972	1 482

## CREDIT RISK

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

Impairments recorded on trade receivables evolve as follows:

	EUR ('000)	30/06/2022	31/12/2021
<b>BALANCE AT 1 JANUARY</b>		<b>627</b>	<b>542</b>
Additions		15	85
<b>MOVEMENTS OF THE PERIOD</b>		<b>15</b>	<b>85</b>
<b>BALANCE AT 30 JUNE 2022 / 31 DECEMBER 2021</b>		<b>642</b>	<b>627</b>

## Note 24. Contract assets

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

	EUR ('000)	30/06/2022	31/12/2021
Belgium		99 753	78 552
Luxembourg		5 149	1 403
France		23 027	25 367
Germany		12 142	12 631
<b>TOTAL CONTRACT ASSETS</b>		<b>140 071</b>	<b>117 953</b>

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

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

As at 30 June 2022, consideration of project Commerce 46 during the progress of completion is the main contributory factor to the change in contract assets as well as the Bussy St Georges and Savigny sur Orge in France projects and the Canal project in Luxembourg.

## Note 25. Prepayments and other receivables

	EUR ('000)	30/06/2022	31/12/2021
Other receivables		46 916	27 815
of which : advances and guarantees paid			
taxes (other than income taxes) and VAT receivable		31 400	20 247
prepayments and dividends receivable		2 168	1 703
other		13 348	5 865
Deferred charges and accrued income		8 080	8 425
of which: on projects in development		190	190
other		7 890	8 235
<b>TOTAL OTHER CURRENT ASSETS</b>		<b>54 996</b>	<b>36 240</b>

The increase in other receivables mainly relates to the prepayments in ImmoBel and in Gasperich.

## Note 26. Information relating to net financial debt

The Group's net financial debt is the balance between cash and cash equivalents and financial debts (current and non-current). It amounts to EUR -646 546 thousand as at 30 June 2022 compared to EUR -593 313 thousand as at 31 December 2021.

	EUR ('000)	30/06/2022	31/12/2021
Cash and cash equivalents		263 580	273 377
Non current financial debts		730 397	507 596
Current financial debts		179 729	359 094
<b>NET FINANCIAL DEBT</b>		<b>-646 546</b>	<b>-593 313</b>

The Group's gearing ratio<sup>10</sup> is 56.0% as at 30 June 2022, compared to 52.9% as at 31 December 2021. The increase in non-current financial debts and the decrease in current financial debts are mainly driven by the reimbursement of a 5-year EUR 100 million bond and the issuance of a new 4-year EUR 125 million bond in the first half of 2022.

### Cash and cash equivalents

Cash deposits and cash at bank and in hand amount to EUR 263 580 thousand compared to EUR 273 377 thousand at the end of 2021, representing a decrease of EUR 9 797 thousand.

The breakdown of cash and cash equivalents is as follows:

	EUR ('000)	30/06/2022	31/12/2021
Term deposits with an initial duration of maximum 3 months			
Cash at bank and in hand		263 580	273 377
<b>AVAILABLE CASH AND CASH EQUIVALENTS</b>		<b>263 580</b>	<b>273 377</b>

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

### Financial debts

Financial debts increased by EUR 43 436 thousand, from EUR 866 690 thousand as at 31 December 2021 to EUR 910 125 thousand as at 30 June 2022. The components of financial debts are as follows:

<sup>10</sup> Gearing ratio is calculated by dividing net financial debt by the sum of net financial debt and equity group share with goodwill subtracted from the equity group share

Financial debts evolve as follows:

	EUR ('000)	30/06/2022	31/12/2021
Bond issues:			
Bond issue maturity 31-05-2022 at 3.00% - nominal amount 100 MEUR			
Bond issue maturity 17-10-2023 at 3.00% - nominal amount 50 MEUR		50 000	49 903
Bond issue maturity 17-10-2025 at 3.50% - nominal amount 50 MEUR		50 000	50 000
Bond issue maturity 14-04-2027 at 3.00% - nominal amount 75 MEUR		75 000	75 000
Bond issue maturity 12-05-2028 at 3.00% - nominal amount 125 MEUR		125 000	125 000
Bond issue maturity 29-06-2026 at 4,75% - nominal amount 125 MEUR		125 000	
Lease contracts		8 128	2 130
Credit institutions		297 269	205 563
<b>NON CURRENT FINANCIAL DEBTS</b>		<b>730 397</b>	<b>507 596</b>
Bond issues:			
Bond issue maturity 31-05-2022 at 3.00% - nominal amount 100 MEUR			100 000
Credit institutions		172 297	257 463
Lease contracts		1 975	1 630
Bonds - not yet due interest		5 457	
<b>CURRENT FINANCIAL DEBTS</b>		<b>179 729</b>	<b>359 094</b>
<b>TOTAL FINANCIAL DEBTS</b>		<b>910 125</b>	<b>866 690</b>
Financial debts at fixed rates		425 000	399 903
Financial debts at variable rates		479 668	466 787
Not yet due interest		5 457	4 206
Amount of debts guaranteed by securities		449 566	438 301
Book value of Group's assets pledged for debt securities		669 606	446 766

In 2022, a new bond has been issued maturing in 2026. The bond does not have any additional or specific covenants compared to earlier bonds issued by the company. There are no embedded derivatives, similar to the bonds issued earlier by the company. This is the same as for other issued bonds by the company.

	EUR ('000)	30/06/2022	31/12/2021
<b>FINANCIAL DEBTS AS AT 1 JANUARY</b>		<b>866 690</b>	<b>751 949</b>
Liabilities related to lease contracts		6 343	-2 130
Contracted debts		234 217	249 033
Repaid debts		-195 180	-128 872
Change in the fair value recognized in the statement of comprehensive income			
Scope changes		-7 400	
Movements bonds - not yet due interest		4 250	12 565
Not yet due interest on other loans		1 207	9 080
Amortization of deferred debt issue expenses			195
<b>CHANGES FOR THE PERIOD</b>		<b>43 437</b>	<b>139 871</b>
<b>FINANCIAL DEBTS AS AT 30 JUNE / 31 DECEMBER 2021</b>		<b>910 126</b>	<b>891 820</b>

All financial debts are denominated in EUR.

Except for the bonds, financing for the Group and financing for the Group's projects are provided based on a short-term rate, the 1 to 12-month Euribor, plus a commercial margin.

As at the end of June 2022, the company had available liquidity consisting of a cash position of EUR 263 million, EUR 30 million of available corporate credit lines, EUR 27 million of non-issued Commercial Papers and EUR 134 million of undrawn project finance lines.

As at 30 June 2022, the book value of the Group's assets pledged to secure corporate credit and the project financing credits amounted to EUR 669 million.



The table below is a summary of the Group's financial debts as they mature:

DUE IN THE PERIOD - EUR ('000)	UP TO 1 YEAR	1 TO 2 YEARS	2 TO 3 YEARS	3 TO 4 YEARS	4 TO 5 YEARS	AFTER 5 YEARS	Total
Bonds		50 000		175 000	75 000	125 000	425 000
Project Financing Credits	148 997	175 320	78 753		15 695		418 766
Corporate Credit lines	2 000	2 500	23 000				27 500
Commercial paper	21 300	2 000					23 300
Lease contracts	1 975	8 128					10 103
Interests not yet due and amortized costs	5 457						5 457
<b>TOTAL AMOUNT OF DEBTS</b>	<b>174 278</b>	<b>237 948</b>	<b>101 753</b>	<b>175 000</b>	<b>90 695</b>	<b>125 000</b>	<b>910 126</b>

## INTEREST RISK

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

- In April 2020, the company entered into an agreement to cap the interest rate at 0.5% for about 75% of the exposure on the variable part of the debt (based on the internal view, i.e. before application of IFRS 11) up to 1 July 2023.
- In May 2021, the company entered into another agreement to cap the interest rate at 1.5% on part of the financial debt related to a notional amount of EUR 225 million for the period from 3 July 2023 to 1 July 2024.
- In December 2020, ImmoBel entered into a contract to hedge a variable interest loan. The Company uses interest-rate swap agreements to convert a portion of its interest-rate exposure from floating rates to fixed rates to reduce the risk of an increase in the EURIBOR interest rate. The notional amount is EUR 30 million. The interest swap replaces the Euribor rate with a fixed interest rate each year on the outstanding amount. The derivative is formally designated and qualifies as a cash-flow hedge and is recorded at fair value on the consolidated balance sheets in other assets and/or other liabilities. The interest-rate swap and debt have the same terms.

	EUR ('000)	30/06/2022	31/12/2021
<b>DERIVATIVES NOT DESIGNATED AS HEDGING INSTRUMENTS</b>			
Interest rate swaps			
<b>DERIVATIVES DESIGNATED AS HEDGING INSTRUMENTS</b>			
Interest rate swaps - cash flow hedges [Asset / Liability (-)]		1 943	- 160
<b>TOTAL</b>		<b>1 943</b>	<b>- 160</b>
<b>CHANGE IN FAIR VALUE OF THE DERIVATIVE FINANCIAL INSTRUMENTS</b>			
<b>ASSET</b>			
<b>SITUATION AT 1 JANUARY</b>			
Changes during the period in the consolidated result			
Changes during the period in other comprehensive income		1 943	
<b>SITUATION AT 30 JUNE / 31 DECEMBER 2021</b>		<b>1 943</b>	
<b>LIABILITY</b>			
<b>SITUATION AT 1 JANUARY</b>		<b>160</b>	<b>560</b>
Changes during the period in the consolidated result			- 316
Changes during the period in other comprehensive income		- 160	- 84
<b>SITUATION AT 30 JUNE / 31 DECEMBER 2021</b>			<b>160</b>

The increase in the interest rate would result in an annual increase in the interest charge on debt of EUR 1 748 thousand per 1% increase for about 25% of the variable part of the debt and a maximum of EUR 2 622 thousand in total for about 75% of the variable part of the debt to the extent the applicable EURIBOR rate stands at 0%.

## Information on the fair value of financial instruments

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

The fair value of financial instruments is determined as follows:

- If their maturity is short-term (e.g.: trade receivables and payables), the fair value is assumed to be close to the amortised cost,
- For fixed-rate debts, based on discounted future cash flow, estimated based on market rates at closing,

- For variable-rate debts, the fair value is assumed to be close to the amortised cost,
- For derivative financial instruments, the fair value is determined on the basis of discounted future cash flows estimated based on curves of forward interest rates. This value is referred to by the counterparty financial institution,
- For quoted bonds, on the basis of the quotation at closing.

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

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

EUR ('000)	Amounts recognized in accordance with IFRS 9					
	Level of the fair value	Carrying amount 30/06/2022	Amortized cost	Fair value through profit or loss	Fair value 30/06/2022	Cash flow hedging 30/06/2022
<b>ASSETS</b>						
Cash and cash equivalents		263 580	263 580		263 580	
Other non-current assets	Level 2	1 006	1 006		1 006	
Trade receivables	Level 2	37 224	37 224		37 224	
Other operating receivables	Level 2	178 315	178 315		178 315	
Other current financial assets	Level 1	1 992	1 992		49	1 943
<b>TOTAL</b>		<b>482 117</b>	<b>482 117</b>		<b>480 174</b>	<b>1 943</b>
<b>LIABILITIES</b>						
Interest-bearing debt	Level 1	900 023	900 023		900 023	
Interest-bearing debt	Level 2	10 103	10 103		10 103	
Trade payables	Level 2	129 413	129 413		129 413	
Other operating payables	Level 2	109 825	109 825		109 825	
Derivative financial instruments	Level 2					
<b>TOTAL</b>		<b>1 149 364</b>	<b>1 149 364</b>		<b>1 149 364</b>	

The company did not make any changes to its financial risk management policy in the first half of 2022.

## INVESTMENT GRADE

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

## LIQUIDITY RISK

The Company starts new projects only in the event it has appropriate corporate financing, specific project financing or pre-sales. Therefore, the cash risk associated with the progress of a project is very limited.

The changes in foreign exchange rates are not considered to be a significant estimate.

## FINANCIAL COMMITMENTS

The Group is subject, for the bonds and credit lines mentioned above, to a number of covenants.

These covenants take into account the equity, the net financial debt and its relation to the equity and the inventories. As at 30 June 2022, as for the previous years, the Group was complying with all these financial covenants.

## RISK OF FLUCTUATION IN FOREIGN CURRENCIES

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

### Note 27. Trade payables

This account is allocated by geographical segment as follows:

	EUR ('000)	30/06/2022	31/12/2021
Belgium		55 350	41 548
Luxembourg		22 434	10 920
France		10 229	7 006
Germany		9 322	7 980
Poland		28 017	12 065
Spain		4 061	4 027
<b>TOTAL TRADE PAYABLES</b>		<b>129 413</b>	<b>83 546</b>

The trade payables are mainly related to the projects O'Sea and Commerce 46 in Belgium, Eden in Germany, Canal in Luxembourg and Granaria in Poland.

### Note 28. Contract liabilities

Contract liabilities arising from the application of IFRS 15 relate to the following geographical segments:

	EUR ('000)	30/06/2022	31/12/2021
Belgium		3 455	10 427
Luxembourg			
France		10 368	11 542
Poland			
Spain			
<b>TOTAL CONTRACT LIABILITIES</b>		<b>13 823</b>	<b>21 969</b>

The increase in contract liabilities is mainly due to the O'Sea projects in Belgium and La Garenne in France.

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

All amounts reflected in contract liabilities relate to residential activities for which revenue is recognised over time, thus creating discrepancies between payments and the realisation of benefits.

### Note 29. Change in working capital

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

	EUR ('000)	30/06/2022	30/06/2021
Inventories, including the acquisition and sales of subsidiaries holding a dedicated project		-54 761	17 317
Amounts receivable within one year		-49 469	-64 002
Deferred charges and accrued income		10 172	-15 012
Disposal of financial fixed assets		2 721	0
Trade debts		49 957	43 063
Amounts payable regarding taxes and social security		1 350	-3 291
Dividends payable		0	- 848
Accrued charges and deferred income		5 690	- 524
Other		4 484	8 223
<b>CHANGE IN WORKING CAPITAL</b>		<b>-29 856</b>	<b>-15 074</b>

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

### **Note 30. Seasonal nature of the results**

Due to the intrinsic nature of its activity, real estate development, the results of the first half of 2022 cannot be extrapolated over the whole year. These results depend on the final transactions before 31 December 2022.

### **Note 31. Going concern**

Actuals relating to the first half of 2022 and forecast for 2022 show that the management assessment relating to the company's going concern remains appropriate and confirms the Group's good prospects.

### **Note 32. Major events that took place after the end of the interim reporting date**

No significant event that may change the financial statements occurred from the reporting date on 30 June 2022 up to 8 September 2022 when the financial statements were approved by the Board of Directors.

### **Note 33. Related parties**

The related party transactions described in Note 29 of the Notes to the Consolidated Financial Statements as at 31 December 2021 did not change significantly at the end of June 2022.

## **IV. Managers' statement**

A<sup>3</sup> Management bv, represented by Mr. Marnix Galle in his capacity as Executive Chairman of the Board of Directors and KB Financial Services bv, represented by Mr. Karel Breda in his capacity as Chief Financial Officer state that, to the best of their knowledge:

- the interim report provides a true representation of the major events and, where appropriate, of the main transactions between the parties involved that took place during the first 6 months of the financial year and of their impact on the set of summarised accounts, as well as a description of the main risks and uncertainties for the remaining months of the financial year.
- the set of summarised financial statements, which have been drawn up in accordance with applicable accounting regulations, and which have been the subject of a review by the auditor, give a true representation of the financial situation and profits and losses of the Immobel Group and of its subsidiaries.

## **V. Auditor's report**